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21 March 2014

AIM:AMA



Amara Mining plc
("Amara" or "the Company")

PROPOSED PLACING TO RAISE £18.2 MILLION (US\$30.0 MILLION) AND PROPOSED OPEN OFFER OF UP TO £4.2 MILLION (US\$6.9 MILLION)

Amara, the AIM listed West African focused gold mining company, is pleased to announce a proposed placing and subscription ("the Placing") of 107,058,823 shares ("the Placing Shares") to raise £18.2 million (approximately US\$30.0 million) before expenses and a proposed open offer (the "Open Offer") of 24,468,439 shares ("the Open Offer Shares") to raise up to £4.2 million (approximately US\$6.9 million) at a price of 17.0 pence per share (the "Issue Price") for total proceeds of up to £22.3 million (approximately US\$36.9 million). The completion of the Placing is conditional upon inter alia the approval of shareholders in a general meeting of the Company (the "General Meeting") and admission of the Placing Shares to trading on AIM. The Placing is not conditional upon the Open Offer.

Highlights

- Amara is fully funded to the point of delivering a Pre-Feasibility Study ("PFS") for its Yaoure Gold Project ("Yaoure") in Côte d'Ivoire in Q1 2015
- £18.2 million (approximately US\$30.0 million) to be raised by way of a Placing of 107,058,823 new ordinary shares ("Shares") with certain existing and new investors at a price of 17.0 pence per share
- Up to an additional £4.2 million (approximately US\$6.9 million) to be raised by way of an Open Offer, enabling existing shareholders not participating in the Placing to participate in the fundraising on the same terms
- The Issue Price of 17.0 pence per share represents a discount of 1.4 per cent. to the close price of 17.25 pence per share on 20 March 2014
- Funds from the Placing to be used for:
 - the further exploration of Yaoure to upgrade the existing Inferred Mineral Resources to the Measured and Indicated categories, expand the current in-pit Mineral Resources, and to deliver a PFS;
 - the further optimisation of the Company's Baomahun Gold Project ("Baomahun"); and
 - general working capital purposes.
- Additional funds raised from the Open Offer to be applied to support a Bankable Feasibility Study ("BFS"), as well as to further optimise Baomahun and for general working capital purposes

Unless otherwise defined, capitalised terms in this announcement shall have the meaning ascribed to them in the definitions section at Appendix I of this announcement.

John McGloin, Executive Chairman of Amara, commented:

“With the financing of the Yaoure Gold Project through to the Pre-Feasibility Study completed, I am delighted with the support we’ve received from our existing shareholders and new shareholders to continue unlocking the value of our growth pipeline. It demonstrates that Yaoure is truly a tier one asset, and with its production profile of 325,000 ounces/annum over a 12 year life, it has the potential to be one of the top 10 gold mines in Africa. There is significant exploration upside potential at Yaoure and the Placing and Open Offer will ensure we are fully capitalised to add further ounces to the project’s 6.3 million ounce resource base and to increase the level of confidence in the resource by upgrading it to the Indicated category and a portion to Measured. We will also continue the optimisation of Baomahun, maintaining a second strong growth opportunity for Amara.

“The strong support, which the fundraising received, is testimony to the quality of Amara’s portfolio and we felt it was particularly important to give our significant retail investor base the opportunity to participate in Amara’s growth, as well as our institutional investors, in recognition for their loyalty over the past challenging year. I look forward to delivering drilling results for Yaoure throughout the next two quarters, followed by two Mineral Resources updates for the project in Q3 and Q4 2014.”

Background to and Reasons for the Placing and the Open Offer

The net proceeds of the Placing will be used primarily to continue to advance Yaoure to the delivery of PFS. The Company delivered a Preliminary Economic Assessment on 12 March 2014, which confirmed the project’s compelling economics and indicated that Yaoure should be taken to the next level of engineering study and economic assessment. At a gold price of US\$1,250 and a discount rate of 8%, Yaoure delivers a post-tax Internal Rate of Return (IRR) of 32% and a post-tax Net Present Value (NPV) of US\$688 million. Its average projected production rate is 325,000 ounces/annum over a 12 year life, with a total cash cost of US\$655 per ounce (including royalties) and all-in sustaining costs of US\$691 per ounce. The net proceeds of the Placing and Open Offer will allow the Company to conduct an in-fill drilling programme at Yaoure in 2014, deliver a PFS in Q1 2015, and then subsequently upgrade a portion of the Indicated resource to the Measured category in 2015, supporting a BFS.

Following completion of the Placing, the 2014 Yaoure drilling campaign is expected to be undertaken in two phases:

- To target the ‘information gaps’ within the Mineral Resource area to increase the size of the Inferred resource
- To upgrade the Inferred resources to the Indicated category to increase the level of confidence in the resource

In addition, geotechnical, hydro-geological and further metallurgical test work will be undertaken alongside further engineering studies and work on the Environmental and Social Impact Assessment to deliver the PFS.

As well as increasing the size of the Mineral Resource, the first phase of drilling has the potential to reduce the overall strip ratio of the deposit (currently 5.2:1) by converting waste to ore in the mine plan. There are two main areas with these voids, which are along a north-south line with planned collar positions located on the CMA North-Central pits and to the west of the deposit under the Yaoure pit. Amara expects to release a Mineral Resource update following the completion of this phase in Q3 2014.

The second phase of drilling will focus on upgrading the Inferred resources within the US\$950/oz proposed open-pit to the Indicated category by reducing the drill spacing from 100m x 100m to 50m x 50m. Amara expects to release a second Mineral Resource update following the completion of this phase in Q4 2014. This work will enable Amara to deliver a PFS for the project.

In 2015, the Yaoure drilling campaign will focus on further upgrading a portion of the Indicated resources at Yaoure to the Measured category. This will entail reducing the drilling spacing to 25-35m x 25-35m and will further support a BFS for the project in H2 2015.

Secondly, the net proceeds of the Placing will be used to further optimise Baomahun, allowing Amara to continue to unlock the value of the project for all stakeholders. Following a geological review, Amara is planning to conduct a small-scale, highly targeted drilling campaign, which has the potential to demonstrate greater continuity of the high grade mineralisation of the deposit, increasing in-pit resources and de-risking the project. This drilling will also help Amara to gain a more thorough understanding of Baomahun's underground opportunity, which has the potential to double the life of mine to 20 years with average production of 90,000 ounces/annum. Further work will also be undertaken to review the proposed capital expenditure on the project to explore opportunities for a more cost efficient approach.

The balance of the net proceeds of the Placing will be used for general working capital purposes.

Trading Update

As stated in the 2013 Production Update announced on 20 January 2014, Amara produced 42,348 ounces in 2013. The Company exceeded its revised guidance, despite the lower grades encountered as Kalsaka reached the end of its life and the delays experienced in commencing production from Sega due to permitting. As the higher grade material from Sega became available, production increased by 86% in Q4 2013 to 14,926 ounces compared to Q3 2013 (8,008 ounces). Amara maintains its production guidance for 2014 from Kalsaka/Sega of 60,000-70,000 ounces at a total cash cost (including royalties) of US\$900-1,000 per ounce. The Company expects to generate robust cash flow in Burkina Faso in 2014, however this is not expected to provide sufficient funds for the optimal 2014 exploration programme at Yaoure. As a result of the Placing, Amara will be fully funded to conduct this drilling programme at Yaoure and deliver a PFS in Q1 2015.

Mining is anticipated to continue at Kalsaka/Sega until mid Q3-2014, with the stockpiled material continuing to be crushed and stacked until mid-Q4 2014. Due to the leach time of a heap leach operation, production is expected to continue until Q1 2015 and then will start to reduce significantly. However, Amara will continue to irrigate the leach pads beyond Q1 2015 in order to leach all of the remaining economically recoverable gold. The Company is examining a number of opportunities to realise the value of the Kalsaka/Sega plant and the operational experience of the team once material production concludes in Q1 2015.

Amara expects to release its 2013 Full Year Results within 30 days of this announcement. As previously announced, at 31 December 2013 Amara had cash and liquid assets of US\$20 million and debt of US\$13 million with Amara's long-term partner, Samsung C&T Corporation. The unaudited balance sheet as at 31 December 2013 includes a further US\$32 million of current assets and US\$36 million of trade and other payables. The net proceeds of the Placing and the Open Offer will strengthen Amara's financial position significantly.

Following the reduction of the gold price in 2013, an impairment review was carried out on the Kalsaka/Sega project, which for accounting reasons is defined as being fully depleted in Q4 2014. This review is expected to result in the recognition of a non-cash impairment charge of between US\$12-18 million on the project's current carrying value of US\$45 million. In addition to a further US\$15-18

million impairment expenses against other non-core assets. Excluding these impairment charges, the unaudited income statement is expected to show a total comprehensive loss for the year attributable to equity shareholders of US\$15-18 million.

The Placing

The Company has entered into a placing agreement (the "Placing Agreement") with GMP Securities Europe LLP ("GMP") and Peel Hunt LLP ("Peel Hunt") and, together with GMP (the "Joint Bookrunners") on customary terms and conditions pursuant to which the Joint Bookrunners will use their reasonable endeavours to procure placees. 107,058,823 Placing Shares have been placed with placees and subscribers at the Issue Price to raise gross proceeds of £18.2 million (approximately US\$30.0 million).

The Issue Price of 17.0 pence per share represents a discount of 1.4 per cent. to the close price of 17.25 pence per share on 20 March 2014.

The Placing is conditional inter alia, on the approval of shareholders at a general meeting of the Company to be held on or around 11 April 2014 (the "General Meeting"), the subscriptions and upon admission of the Placing Shares to trading on the AIM market of the London Stock Exchange ("AIM"). The Placing is not conditional in any way upon the result of the Open Offer and the Placing is not underwritten.

A circular convening the General Meeting and setting out further details of the Placing and Open Offer (the "Circular") is expected to be sent to shareholders shortly.

Subject to the approval of shareholders at the General Meeting and the Placing Agreement not having been terminated in accordance with its terms, it is expected that the Placing Shares will be admitted to trading on AIM ("Admission") on or around 17 April 2014 (the "Closing Date").

The Placing Shares issued pursuant to the Placing will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of the Company, including the right to receive all dividends and other distributions declared after the date of their issue.

By committing to participate in the Placing, shareholders have agreed not to participate in the Open Offer and have agreed to vote in favour of the resolutions to approve the Placing and Open Offer.

Your attention is drawn to the detailed terms and conditions of the Placing described in the Appendix to this announcement (which forms part of this announcement).

The Open Offer

The Board is grateful for the continued support received from Shareholders and has therefore decided to offer all Shareholders the opportunity to participate in a further issue of new equity in the Company by making an Open Offer to all Shareholders.

Amara proposes to make the Open Offer for an aggregate of up to 24,468,439 Open Offer Shares at the Issue Price to raise up to £4.2 million (approximately US\$6.9 million before expenses). Only qualifying shareholders on the register as at the Record Date of 20 March 2014 ("the Record Date") ("Qualifying Shareholders") may participate in the Open Offer.

Subject to the fulfilment of the terms and conditions referred to in the Circular and, where relevant, set out in the accompanying Application Form, Qualifying Shareholders will be given the opportunity

to apply for Open Offer Shares at a price of 17.0 pence per Open Offer Share, free of expenses, payable in full, in cash on application, on the basis of:

1 Open Offer Share for every 9 Existing Ordinary Shares

registered in the name of each Qualifying Shareholder at the Record Date and so on in proportion for any other number of Existing Ordinary Shares then held. The Open Offer will not be underwritten.

The total consideration under the Open Offer will be less than €5.0 million (or equivalent amount) in aggregate so as to fall within an exemption from the requirement to publish a prospectus. Provided that the Circular is published on or before, 25 March 2014, the Company will use the European Central Bank Euro foreign exchange reference rate as at 20 March of €1/£0.83455. In the event that the Circular is published after this date, the total number of shares to be issued pursuant to the Open Offer and the basis of entitlements may be revised so as to benefit from this exemption.

Qualifying Shareholders may apply for more or less Open Offer Shares than they are entitled to under the Open Offer and applications in excess of the Open Offer Entitlements will be dealt with under an excess application facility (“the Excess Application Facility”). Once subscriptions under the Open Offer Entitlements have been satisfied, the Company shall, **in its absolute discretion, determine whether to meet any excess applications in full or in part, and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full or in part or at all.** To the extent that additional Open Offer Shares are not subscribed by existing Shareholders, Open Offer Entitlements will lapse. Further details of the Open Offer and the Excess Application Facility will be set out in the Circular. A further announcement will be made on publication of the Circular.

By committing to participate in the Placing, Qualifying Shareholders have agreed not to participate in the Open Offer and have agreed to vote in favour of the resolutions to approve the Placing and Open Offer.

Application will be made for the Open Offer Shares to be admitted to trading on AIM. The Open Offer Shares will not be issued prior to Admission of the Placing Shares. It is expected that Admission of the Open Offer Shares will become effective and that dealings will commence in the Open Offer Shares on or around 8.00 a.m. on or around 17 April 2014.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, will be set out in the Circular and where applicable the accompanying Application Form, which shareholders should read in full.

The Open Offer is conditional, amongst other things, upon shareholder approval and Admission of the Open Offer Shares becoming effective, if such conditions are not satisfied, or, if applicable, waived, the Open Offer will not proceed and any Open Offer Entitlements admitted to CREST will thereafter be disabled. Completion of the Open Offer is conditional upon the completion of the Placing.

Use of proceeds

The Placing is expected to raise gross proceeds of approximately £18.2 million (US\$30.0 million) (before expenses).

The net proceeds anticipated from the Placing will be sufficient to meet the Group’s immediate needs and to enable Amara to continue to progress its Yaoure and Baomahun projects. Any additional funds from the net proceeds of the Open Offer will be used to further advance Yaoure towards a BFS.

The expected application of funds raised in the Placing, after expenses, is summarised as follows:

	US\$m
Yaoure	
First phase of in-fill drilling: fill 'information gaps'	1.3
Second phase of in-fill drilling: upgrade Inferred resource to Indicated	8.4
PFS	2.5
Upgrade of a portion of the mineral resource to Measured category	4.8
Footprint costs to December 2015	3.6
Total Yaoure	20.6
Baomahun	
Ongoing optimisation	1.0
Footprint costs to December 2015	2.6
Total Baomahun	3.6
Working capital / G&A expenses to Dec 2015	4.3
TOTAL	28.5

Following the two phases of in-fill drilling at Yaoure, Amara expects to deliver drilling result updates throughout Q2 and Q3 2014 and two Mineral Resource updates; the first in Q3 2014 and the second in Q4 2014. The Company anticipates the delivery of a PFS for the project in Q1 2015.

The footprint costs listed above for both projects include the fees to the governments of Côte d'Ivoire (for Yaoure) and Sierra Leone (for Baomahun) to maintain the licence areas, salaries for local employees (expatriate salaries are not included in footprint costs as they are included in G&A expenses), funds used for corporate social responsibility purposes such as community initiatives, and 'standstill' costs, including the cost of running the Amara offices, vehicles and other buildings in each host country.

Related party transaction

RDV Corporation ("RDV") currently has a shareholding of 49,834,293 Shares representing 22.6% of the Company's existing issued share capital. Accordingly, RDV is therefore considered a related party of the Company and RDV's subscription for 10,600,000 Placing Shares under the Placing is considered a related party transaction under the AIM Rules. Accordingly, the Independent Directors consider, having consulted with Peel Hunt, the Company's nominated adviser, that the terms of RDV's participation in the Placing are fair and reasonable insofar as Shareholders are concerned.

END

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About Amara Mining plc

Amara is a gold developer-producer with assets in West Africa. The Company generates cash flow through its Kalsaka/Sega gold mine in Burkina Faso. Amara is focused on unlocking the value in its development projects. At Yaoure in Côte d'Ivoire, this will be done by increasing the confidence in the existing Mineral Resource and economics at the project as the Company progresses it through to Pre-Feasibility Study and Bankable Feasibility Study. At Baomahun, this will be done by gaining an improved understanding of the exploration upside potential and underground opportunity. With its experience of bringing new mines into production and a project pipeline spanning four countries, Amara aims to further increase its production profile with highly prospective opportunities across all assets.

This report includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation.

All statements other than statements of historical fact included in this report, including, without limitation, the positioning of the Company for future success, statements regarding exploration, drilling results, resource calculations and potential future production at Yaoure, and future capital plans and objectives of Amara, are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Amara's expectations include, among others, the risks related to international operations, the actual results of current exploration and drilling activities, changes in project parameters as plans continue to be refined, the timing of the PFS and FS, as well as future price of gold. Although Amara has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Amara does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

Non IFRS Measures – Cash cost per ounce is a financial measure used by many investors to compare mining companies on the basis of operating results and asset value. It is not a measure of financial performance, nor does it have a standardized meaning prescribed by IFRS, and it may not be comparable to similar measures presented by other companies. Investors are cautioned that cash cost per ounce should not be construed as an alternative to other financial measures determined in accordance with IFRS as an indicator of Amara's performance. This measure has been described and presented in this document in order to provide shareholders and potential investors with additional information regarding the Company's operational performance.

Notes:

Appendix II to this Announcement (which forms part of this Announcement) sets out certain terms and conditions applicable to the Placing.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by any of the Joint Bookrunners or by any of their respective affiliates or agents or brokers, as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

GMP is acting for Amara and for no-one else in connection with the Placing, and will not be responsible to anyone other than Amara for providing the protections afforded to customers of GMP nor for providing advice to any other person in relation to the Placing or any other matter referred to herein. GMP is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA").

Peel Hunt is acting for Amara and for no-one else in connection with the Placing, and will not be responsible to anyone other than Amara for providing the protections afforded to customers of Peel Hunt nor for providing advice to any other person in relation to the Placing or any other matter referred to herein. Peel Hunt is authorised and regulated in the United Kingdom by the FCA.

GMP and Peel Hunt are being retained by the Company in connection with the Open Offer and shall not be responsible to any other party for providing advice or taking any other action in relation to the Open Offer.

Persons receiving this announcement should note that neither GMP nor Peel Hunt will be responsible to anyone other than the Company for providing the protections afforded to clients of GMP or Peel Hunt or for advising any other person on the arrangements described in this announcement. Neither GMP nor Peel Hunt have authorised the contents of, or any part of, this announcement and no liability whatsoever is accepted by either of them nor do they make any representation or warranty, express or implied, for the accuracy of any information or opinion contained in this announcement or for the omission of any information. Each of Peel Hunt and GMP disclaim all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this announcement.

The distribution of this Announcement and the Placing in certain jurisdictions may be restricted by law. No action has been taken by Amara, GMP or Peel Hunt that would permit the Placing or possession or distribution of this Announcement or any other offering or publicity material relating to the Placing in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement becomes available are required by Amara, GMP and Peel Hunt to inform themselves about, and to observe, such restrictions.

The price of the Shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the Shares.

This Announcement does not contain an offer or constitute any part of an offer to the public within the meaning of Sections 85 and 102B of the Financial Services and Markets Act 2000, amended ("FSMA") or otherwise. This Announcement is not an "approved prospectus" within the meaning of Section 85(7) of FSMA and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Rules or delivered to any other authority which could be a competent authority for the purpose of the Prospectus Directive. Its contents have not been examined or approved by the London Stock Exchange plc, nor has it been approved by an "authorised person" for the purposes of Section 21 of FSMA.

The Placing pursuant to this Announcement is only being, and may only be, made to and is directed at:

- (a) persons in the United Kingdom who are both (i) a “Qualified Investor” within the meaning of Section 86(7) of FSMA acting as principal or in circumstances where Section 86(2) FSMA applies and (ii) within the categories of persons referred to in Article 19(5) (Investment professionals) or Article 49(2)(a) to (d) (High net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, or persons in the United Kingdom to whom the Placing may otherwise be made or to whom the Placing may otherwise be directed in the United Kingdom without an approved prospectus having been made available to the public in the United Kingdom before the Placing is made, and without making an unlawful financial promotion;
- (b) persons inside the United States who are (“qualified institutional buyers” (“QIBs”, as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”))
- (c) persons subject to the laws of a member state of the European Economic Area (other than, for the avoidance of doubt, the UK), who are (i) “qualified investors” (as defined in Article 2(1)(e) of the Prospectus Directive 2003/71 EC) acting as a principal for their own account to whom an invitation or Placing to subscribe for Shares in the manner contemplated by this announcement and any communication or correspondence in connection therewith is permitted by the laws of that member state or (ii) if they are not in any such member state but are acting for the account of such person then (i) applies in respect of each such purchaser;
- (d) persons in or otherwise subject to the laws of Switzerland to whom the Placing or an invitation to subscribe for the Shares in the manner contemplated by this announcement and any communication or correspondence therewith is permitted by the laws of Switzerland and will not result in an ‘public offer’ under Swiss law; and
- (e) persons outside the United States, the United Kingdom, Switzerland or other member states of the European Economic Area to whom the Placing or an invitation to subscribe for the Shares in the manner contemplated by this announcement and any communication or correspondence therewith is permitted by the laws of the jurisdiction in which it is situated or from where the Purchaser submitted its bid to subscribe for Shares and it is a person to whom the Shares can lawfully be offered and issued under all applicable laws, without the need for any approval, registration, filing or lodgement of any kind, including a prospectus or other disclosure document;

all such persons together being referred to as “**Relevant Persons**”.

The securities being offered in the Placing pursuant to this Announcement are only available to, and any invitation, offering or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Announcement or any of its contents.

The Shares under the Placing may not (unless an exemption from the requirement to file a prospectus, registration, statement or equivalent document under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the **United States, Canada, Australia, Hong Kong or Singapore** or any other jurisdiction.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and may not be offered, sold or delivered within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Joint Bookrunners have agreed that,

except as permitted by the Placing Agreement and as expressly permitted by applicable laws of the United States, they will not offer or sell the Shares within the United States. The Placing Agreement permits the Joint Bookrunners, through certain of their U.S. broker-dealer affiliates, to offer the Shares in the United States to “qualified institutional buyers” as defined in Rule 144A under the U.S. Securities Act that will purchase Shares from the Company pursuant to Rule 506 of Regulation D under the U.S. Securities Act. This Announcement does not constitute an offering to sell, or a solicitation of an offering to buy, any Shares in the United States. Moreover, the Placing Agreement provides that the Joint Bookrunners will offer and sell the Shares outside the United States only in accordance with Regulation S under the U.S. Securities Act. Until 40 days after the commencement of the Placing, an offer or sale of the Shares within the United States by a dealer (whether or not participating in the Placing) may violate the registration requirements of the U.S. Securities Act unless such Placing or sale is made pursuant to an exemption from registration under the U.S. Securities Act.

Persons (including individuals, funds or otherwise) by whom or on whose behalf a commitment to acquire Shares under the Placing is given (the “**Purchasers**”) will be deemed to have read and understood this Announcement, including the Appendices, in its entirety and to be participating in such Placing, unless otherwise agreed or required by the Joint Bookrunners, on the terms and conditions, and to be providing the representations, warranties, acknowledgements, and undertakings contained in Appendix II and in particular will be deemed to represent, warrant and acknowledge that it is: (i) a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Shares that are allocated to it under the Placing for the purposes of its business; and (ii) **outside the United States and is subscribing for the Shares under the Placing in an “offshore transaction” (within the meaning of Regulation S under the Securities Act).**

This Announcement, including the Appendices, is not for distribution directly or indirectly in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia) or any jurisdiction into which the same would be unlawful. No public offering of securities of Amara will be made in connection with the Placing in the United Kingdom, the United States, the EEA, Switzerland or elsewhere.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of the Appendices or this Announcement should seek appropriate advice before taking any action.

The Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM. Neither the content of Amara’s website nor any website accessible by hyperlinks on Amara’s website is incorporated in, or forms part of, this Announcement.

APPENDIX I

DEFINITIONS

The following definitions apply throughout this announcement, unless the context requires otherwise:

"2006 Act"	the UK Companies Act 2006
"Admission"	the admission to trading on AIM of the Placing Shares and the Open Offer Shares, which is expected to take place on 17 April 2014
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules for Companies"	the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange
"AIM Rules for Nominated Advisers"	the rules for nominated advisers to AIM companies, as published and amended from time to time by the London Stock Exchange
"Applicant"	a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form under the Open Offer
"Application Form"	the application form which will accompany the Circular on which Qualifying non-CREST Shareholders may apply for Open Offer Shares under the Open Offer
"Articles"	the existing articles of association of the Company as at the date of this announcement
"Board" or "Directors"	the directors of the Company from time to time
"Business Day"	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, UK
"Capita"	Capita Asset Services, a trading name of Capita Registrars Ltd
"Capital Raising"	the Placing and the Open Offer, taken together
"Circular"	the circular covering the General Meeting and setting out further details of the Placing and Open Offer
"CCSS"	the CREST courier and sorting service, established by Euroclear UK & Ireland to facilitate, inter alia, the deposit and withdrawal of certificated securities
"Company" or "Amara"	Amara Mining plc
"CREST"	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland in accordance with the CREST Regulations
"CREST member"	a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)
"CREST participant"	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
"CREST payment"	shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland
"CREST Regulations"	the Uncertificated Securities Regulations 2001, as amended
"CREST Sponsor"	a CREST participant admitted to CREST as a CREST sponsor

"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
"Enlarged Share Capital"	the issued ordinary share capital of the Company immediately following Admission
"Euroclear UK & Ireland"	Euroclear UK & Ireland Limited, the operator of CREST
"Excess Application Facility"	the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlements
"Excess CREST Open Offer Entitlements"	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of the Circular
"Excess Open Offer Entitlement"	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of the Circular
"Excess Shares"	New Ordinary Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility
"Existing Ordinary Shares"	the existing Ordinary Shares
"Form of Proxy"	the form of proxy which will accompany the Circular
"FCA"	the Financial Conduct Authority of the United Kingdom
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"General Meeting"	the general meeting of Shareholders to be held at a venue to be confirmed within the Circular at 11.00 a.m. GMT on 11 April 2014
"GMP"	GMP Securities Europe LLP
"Group"	the Company, together with its subsidiary undertakings
"Independent Directors"	John McGloin, Pete Gardner, Peter Spivey, Peter Cowley, Geoff Stanley, Hendrik Faul and Peter Hain
"ISIN"	International Securities Identification Number
"Issue Price"	17.0 pence per New Ordinary Share
"London Stock Exchange"	London Stock Exchange plc
"Member Account ID"	the identification code or number attached to any member account in CREST
"Money Laundering Regulations"	the Money Laundering Regulations 2007 (as amended)
"New Ordinary Shares"	up to 131,527,262 new Ordinary Shares to be issued pursuant to the Capital Raising
"Official List"	the daily official list maintained by the Financial Conduct Authority

"Open Offer"	the invitation to Qualifying Shareholders, conditional on passing of Resolutions 1 and 2 which will be set out in the Notice of General Meeting in the Circular, to apply to subscribe for New Ordinary Shares at the Issue Price on the terms and subject to the conditions which will be set out in the Circular and, where relevant, in the Application Form
"Open Offer Entitlement"	the <i>pro rata</i> basic entitlement for Qualifying Shareholders to apply to subscribe for 1 Open Offer Shares for every 9 existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer
"Open Offer Shares"	the 24,468,439 New Ordinary Shares for which Qualifying Shareholders are being invited to apply under the terms of the Open Offer
"Ordinary Shares"	the ordinary shares of £0.01 each in the capital of the Company
"Overseas Shareholder"	a Shareholder who is resident, or who is a citizen of, or who has a registered address in a jurisdiction outside the United Kingdom
"Participant ID"	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
"Peel Hunt"	Peel Hunt LLP
"Placees"	the persons who conditionally agree to subscribe for New Ordinary Shares in the Placing
"Placing"	the placing of the Placing Shares at the Issue Price by Peel Hunt and GMP and pursuant to the Subscriptions
"Placing and Open Offer Agreement"	the conditional agreement dated 20 March 2014 between the Company, Peel Hunt and GMP relating to the Placing and the Open Offer
"Placing Shares"	the 107,058,823 New Ordinary Shares which have conditionally been placed firm with institutional and other investors by Peel Hunt and GMP and are to be issued by the Company pursuant to the Placing and Subscriptions
"Prospectus Rules"	the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market
"Qualifying CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date were held in uncertificated form
"Qualifying non-CREST Shareholders"	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date were held in certificated form
"Qualifying Shareholders"	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholders who are resident in, or who are citizens of, or who have a registered address in a Restricted Jurisdiction)
"Record Date"	5.00 p.m. in London on 20 March 2014 in respect of the entitlements of Qualifying Shareholders under the Open Offer
"Receiving Agents"	Capita Asset Services, Corporate Actions, The Registry, 34

	Beckenham Road, Kent, BR3 4TU, UK
"Registrars"	Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent, BR3 4TU, UK
"Resolutions"	the resolutions to be proposed at the General Meeting, the full text of which will be set out in the Notice of General Meeting at the end of the Circular
"Restricted Jurisdiction"	each and any of the United States of America, Australia, Canada, Japan, New Zealand, Russia and the Republic of South Africa and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations
"SEC"	the US Securities Exchange Commission
"Shareholder"	a holder of Ordinary Shares
"sterling", "pounds sterling", "£", "pence" or "p"	the lawful currency of the United Kingdom
"stock account"	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited
"Subscriptions"	the subscriptions for Placing Shares by certain investors pursuant to subscription letters with the Company
"UK Listing Authority"	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
"US\$" or "US dollar"	the lawful currency of the United States of America
"US Securities Act"	the United States Securities Act of 1933 (as amended)

APPENDIX II

TERMS AND CONDITIONS - IMPORTANT INFORMATION REGARDING THE PLACING

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX II AND THE INFORMATION IN IT IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, JAPAN OR THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

EACH PURCHASER SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN SHARES IN THE COMPANY.

MEMBERS OF THE PUBLIC ARE NOT ENTITLED TO TAKE PART IN THE PLACING AND THIS ANNOUNCEMENT IS COMMUNICATED TO THEM FOR THE PURPOSES OF INFORMATION ONLY. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS HEREIN MUST NOT BE RELIED ON, ACTED ON OR RESPONDED TO BY PERSONS WHO ARE NOT RELEVANT PERSONS. IF YOU ARE IN ANY DOUBT AS TO WHETHER YOU ARE A RELEVANT PERSON YOU SHOULD CONSULT A PROFESSIONAL ADVISER FOR ADVICE.

1. Placing

- 1.1 Amara Mining plc (company number: 4822520) (the “**Company**”), intends to issue up to 107,058,823 new ordinary shares of £0.01 each at an issue price of 17.0 pence (“**Issue Price**”) per ordinary share (“**Shares**”) to existing and new investors (the “**Placing**”), subject to shareholder approval. In addition, following the announcement of the Placing, the Company intends to issue up to 24,468,439 new ordinary shares of £0.01 each at the Issue Price to certain qualifying shareholders pursuant to an open offer (the “**Open Offer**”).
- 1.2 The Company has appointed GMP Securities Europe LLP (“**GMP**”) and Peel Hunt LLP (“**Peel Hunt**”) as joint placing agents and brokers in respect of the Placing (together, the “**Joint Bookrunners**”, and each, a “**Joint Bookrunner**”).
- 1.3 The terms and conditions set out in this Appendix apply to persons making an offer to subscribe for Shares under the Placing.

2. Allocation and conditions to Placing

- 2.1 Shares under the Placing will be issued on the Closing Date (as defined below).
- 2.2 The allocation of Shares to prospective purchasers, including the subscription amount payable, will be agreed between the Joint Bookrunners and the Company.
- 2.3 Acceptances of the Placing and allocations of Shares (including the subscription amount payable) will be as:
 - 2.3.1 confirmed (orally or in writing) with prospective purchasers who are in the United Kingdom (or as the Joint Bookrunners and Company may agree, in any other jurisdiction) by the respective Joint Bookrunner (or their broker dealers or their agents as agent of the Company). That confirmation constitutes an irrevocable legally binding commitment of that person (who will at that point become a purchaser (“**Purchaser**”)) to subscribe for the number of Shares allocated to it on the terms and conditions set out in this Appendix (a copy of this Appendix having been provided to the Purchaser prior to or at the same time as such confirmation) and in accordance with the Company’s articles of association; or

- 2.3.2 (unless paragraph 2.3.1 applies) by the completion and return of such letter of confirmation and registration or other forms as the Joint Bookrunners or their agents may in their absolute discretion require and in that event the terms and conditions set out in such letter of confirmation and registration or other form shall apply to the exclusion of this Appendix.
- 2.4 For the avoidance of doubt, acceptance of the Placing constitutes a Purchaser's irrevocable legally binding agreement, subject to the Placing Agreement (as defined below) not having been terminated, to pay the aggregate settlement amount of the Shares regardless of the total number of Shares (if any) subscribed for by any other investor(s).
- 2.5 In making an investment decision, Purchasers must rely on their own examination of the Company and its prospects and the terms of the Placing, including the merits and risks involved in investing in the Shares.
- 2.6 Settlement will occur on a date to be advised but expected to be on or around 17 April 2014 ("**Closing Date**").
- 2.7 Purchasers participating in the Placing who are also Qualifying Shareholders for the purposes of the Open Offer irrevocably undertake to the Company and the Joint Bookrunners that they will not take up their rights (if any) in the Open Offer. To the extent the Purchaser is interested in any of the existing ordinary shares in the capital of the Company but such existing shares are not registered in the Purchaser's name, the Purchaser irrevocably undertakes that it will procure that the registered holders will not take up their rights (if any) in the Open Offer.
- 2.8 If the Purchaser owns existing ordinary shares in the capital of the Company, it hereby irrevocably undertakes to vote them in favour of the Resolutions. To the extent the Purchaser is interested in any of the existing ordinary shares in the capital of the Company but such existing shares are not registered in the Purchaser's name, the Purchaser irrevocably undertakes that it will procure that the registered holders take all such action as shall be necessary to vote those shares in favour of the Resolutions.

3. Shares and Quotation

- 3.1 The Shares will be issued fully paid and will rank equally, from the date of issue, in all respects with the Company's existing issued ordinary shares, including the right to receive all dividends and other distributions declared, made or paid in respect of such ordinary shares after the date of issue of the Shares.
- 3.2 Application will be made to the London Stock Exchange plc for admission to trading of the Shares on AIM ("**Admission**"). It is anticipated that Admission will become effective on or around 17 April 2014 and that dealings in the Shares will commence at that time.

4. Placing Agreement

On 21 March 2014, the Company and each of the Joint Bookrunners entered into a placing agreement in connection with the Placing (the "**Placing Agreement**"). Pursuant to the Placing Agreement, each of the Joint Bookrunners has agreed to use their respective reasonable endeavours to place the Shares with prospective purchasers.

The Joint Bookrunners' obligations under the Placing Agreement in respect of the Shares are conditional, *inter alia*, on:

- (a) shareholder approval of the resolutions necessary to issue the Shares pursuant to the Placing (“**Resolutions**”);
- (b) none of the warranties contained in the Placing Agreement being untrue, inaccurate or misleading as at the date of the Placing Agreement and the date of Admission as though they had been given and made on such dates (by reference to the facts and circumstances existing at such dates);
- (c) the subscriptions;
- (d) the Company allotting, subject only to Admission, the Shares in accordance with the Placing Agreement;
- (e) Admission taking place not later than 8.00 a.m. on 17 April 2014 or such later date as the Company and the Joint Bookrunners may otherwise agree but not being later than 8.00 a.m. on 17 May 2014; and
- (f) in the reasonable opinion of the Joint Bookrunners there having been since the date of the Placing Agreement no material adverse change or development in the financial or trading position or results of the Company (or of its subsidiaries taken as a whole).

If: (i) any of the conditions contained in the Placing Agreement in relation to the Shares are not fulfilled or waived by the Joint Bookrunners by the respective time or date where specified (or such later time or date as the Company and the Joint Bookrunners may agree); (ii) any of such conditions becomes incapable of being fulfilled; or (iii) the Placing Agreement is terminated in the circumstances specified below, the Placing in relation to the Shares will lapse and the Purchaser’s rights and obligations hereunder in relation to the Shares shall cease and terminate at such time and each Purchaser agrees that no claim can be made by the Purchaser in respect thereof.

The Joint Bookrunners may, at their absolute discretion and upon such terms as they think fit, waive, or extend the period for, compliance by the Company with the whole or any part of any of the Company’s obligations in relation to the conditions in the Placing Agreement save that the conditions relating to the allotment and issue of the Shares (subject only to Admission) and shareholder approval may not be waived. Any such extension or waiver will not affect Purchasers’ rights and obligations under the terms and conditions set out in this Appendix.

Neither of the Joint Bookrunners nor the Company shall have any liability to any Purchaser (or to any other person whether acting on behalf of a Purchaser or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Purchaser agrees that any such decision is within the absolute discretion of the Joint Bookrunners.

Each of the Joint Bookrunners is entitled, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company in certain circumstances, including, *inter alia*, a breach of the warranties given to the Joint Bookrunners in the Placing Agreement, the failure of the Company to comply with obligations under the Placing Agreement or the occurrence of a material adverse change which, in the reasonable opinion of a Joint Bookrunner, is likely to prejudice the success of the Placing. Following Admission, the Placing Agreement is not capable of rescission or termination.

The rights and obligations of the Purchasers shall terminate only in the circumstances described in these terms and conditions and will not be subject to termination by the Purchaser or any prospective Purchaser at any time or in any circumstances. By participating in the Placing, Purchasers agree that the exercise by a Joint Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of that Joint Bookrunner, and that it need not make any reference to Purchasers and that it shall have no liability to Purchasers whatsoever in connection with any such exercise.

5. Relationship of the Joint Bookrunners

- 5.1 The obligations of each Joint Bookrunner in connection with the Placing (including any payment obligation) are several, and not joint nor joint and several. A right of a Joint Bookrunner in connection with the Placing (including any rights under the Placing Agreement) is held by that Joint Bookrunner severally and each Joint Bookrunner may exercise its rights, powers and benefits in connection with the Placing separately and individually.
- 5.2 A Joint Bookrunner will not be responsible for the performance obligations of the other Joint Bookrunner and will not be liable for any claims, damages or liabilities arising out of the actions taken, omissions of or advice given by the other Joint Bookrunner. Any breach, non-performance or default by a Joint Bookrunner will not constitute a breach, non-performance or default of the other.
- 5.3 Nothing contained or implied hereby or by acceptance of the Placing constitutes a Joint Bookrunner acting as the partner, agent or representative of the other Joint Bookrunner for any purpose or creates any partnership, agency or trust between the Joint Bookrunners, and no Joint Bookrunner has any authority to bind another Joint Bookrunner in any way.
- 5.4 Neither of the Joint Bookrunners will be liable for any loss, damage or claim arising out of the actions taken or advice given by the other Joint Bookrunner. In addition, the rights of a Joint Bookrunner and the Beneficiaries (as defined below) in respect of that Joint Bookrunner under the representations, warranties, acknowledgements and undertakings set out below will in no way be affected by the actions taken or alleged to have been taken or advice given or alleged to have been given by the other Joint Bookrunner or its Beneficiaries.

6. Offer personal

The offering of Shares and the agreement arising from acceptance of the Placing is personal to each Purchaser and does not constitute an offering to any other person or to the public. A Purchaser may not assign, transfer, or in any other manner, deal with its rights or obligations under the agreement arising from the acceptance of the Placing, without the prior written agreement of the Joint Bookrunners in accordance with all relevant legal requirements.

7. No Prospectus

No offer document or prospectus has been or will be delivered to the Financial Conduct Authority (“FCA”) in relation to the Placing, and a Purchaser’s commitments will be made solely on the basis of the information contained in the announcement released by the Company today which this Appendix forms part of (the “**Announcement**”).

Each Purchaser, by making an offer to subscribe for Shares, agrees that the content of this Announcement (including this Appendix) is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or the Joint Bookrunners or any

other person and none of the Company or the Joint Bookrunners nor any other person will be liable for any Purchaser's decision to participate in the Placing based on any other information, representation, warranty or statement which Purchasers may have obtained or received. Each Purchaser acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

8. Registration and Settlement

Settlement of transactions in the Shares will, unless otherwise agreed, take place on a delivery versus payment basis within the CREST system administered by Euroclear UK and Ireland Limited ("**CREST**").

The Company will procure the delivery of the Shares to CREST accounts operated by the respective Joint Bookrunner for the Company and the Joint Bookrunners will enter their respective delivery (DEL) instructions into the CREST system. The input to CREST by each Purchaser of a matching or acceptance instruction will then allow delivery of the relevant Shares to that Purchaser against payment.

Each Purchaser allocated Shares in the Placing may be sent a conditional trade confirmation stating the number of Shares and the subscription amount payable to be allocated to it and will be required to provide the Joint Bookrunners with funds sufficient to purchase such securities prior to the Closing Date.

Each Purchaser is deemed to agree that, if it does not comply with these obligations, the Company may sell any or all of the Shares allocated to that Purchaser on such Purchaser's behalf and retain from the proceeds, for the Company's account and benefit, an amount equal to the aggregate amount owed by the Purchaser plus any interest due. The relevant Purchaser will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Shares on such Purchaser's behalf.

Subject to the passing of the Resolutions, it is expected that settlement will take place on or about 17 April 2014 in CREST on a T+3 basis in accordance with the instructions set out in the conditional trade confirmation. Settlement will be either through GMP against CREST ID 116 or through Peel Hunt against CREST ID 871.

The Company reserves the right to require settlement for and delivery of the Shares (or a portion thereof) to any Purchaser in any form it requires if, in the Joint Bookrunners' or the Company's opinion, delivery or settlement is not possible or practicable within CREST or would not be consistent with the regulatory requirements of the Purchaser's jurisdiction.

Each Purchaser agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the applicable registration and settlement procedures, including if applicable, CREST rules and regulations and settlement instructions that it has in place with the respective Joint Bookrunner.

If Shares are to be delivered to a custodian or settlement agent, Purchasers should ensure that the conditional trade confirmation is copied and delivered immediately to the relevant person within that organisation. Each Purchaser shall ensure that, insofar as Shares are registered in a Purchaser's name or that of its nominee or in the name of any person for whom a Purchaser is contracting as agent or nominee, such person shall not be a person who is or may be liable to any UK stamp duty or stamp duty reserve tax or securities transfer tax.

Interest is chargeable daily on payments to the extent that value is received after the due date at the rate per annum of 4 percentage points above the Barclays Bank plc base rate.

Trade date:	11 April 2014
Settlement date:	17 April 2014 (Electronic)
ISIN code for the Shares:	GB00B04M1L91

9. Representations and Warranties

Each Purchaser (and each person acting on its behalf) represents, warrants, acknowledges and undertakes for the benefit of the Company, each of the Joint Bookrunners and the respective officers, employees and advisers of the Company and of each of the Joint Bookrunners, and any person acting on behalf of any of them (together the “**Beneficiaries**”) as follows:

- (a) if it is a Purchaser in the United Kingdom it:
 - (i) is a “qualified investor” for the purposes of section 86(7) of FSMA who is purchasing the Shares as principal for its own account and not for others, except in circumstances, to section 86(2) of FSMA applies; and
 - (ii) is also a person falling within one or more of the categories of persons referred to in article 19 (investment professionals) or 49 (high net worth companies, etc) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to whom the Placing may otherwise be made or to whom the Shares may otherwise be directed without an approved prospectus having been made available to the public in the UK before the Shares are offered and without making an unlawful financial promotion; and
 - (iii) understands, recognises and acknowledges that no prospectus has been or will be approved in connection with the Placing by the FCA in the United Kingdom under section 87A of FSMA; or
 - (iv) if it is not in the United Kingdom but is acting for the account of a purchaser in the United Kingdom, that each of subparagraphs (i), (ii) and (iii) applies in respect of each such purchaser;
- (b) if it is a Purchaser in or otherwise subject to the laws of a member state of the European Economic Area (other than, for the avoidance of doubt, the UK), (i) it is a “qualified investor” (as defined in Article 2(1)(e) of the Prospectus Directive 2003/71 EC, as amended by the Prospective Directive 2010/73/EU) acting as a principal for its own account to whom an invitation or Placing to subscribe for Shares in the manner contemplated by this agreement and any communication or correspondence in connection therewith is permitted by the laws of that member state or (ii) if it is not in any such member state but are acting for the account of such person then (i) applies in respect of each such purchaser;
- (c) if it is a Purchaser in or otherwise subject to the laws of Switzerland it is a person to whom the Placing or an invitation to subscribe for the Shares in the manner contemplated by this Appendix and any communication or correspondence therewith is permitted by the laws of Switzerland and will not result in an ‘public offer’ under Swiss law;

- (e) if it is in a jurisdiction outside the United States, the United Kingdom, Switzerland or other member states of the European Economic Area, it is a person to whom the Placing or an invitation to subscribe for the Shares in the manner contemplated by this Appendix and any communication or correspondence therewith is permitted by the laws of the jurisdiction in which it is situated or from where the Purchaser submitted its bid to subscribe for Shares and it is a person to whom the Shares can lawfully be offered and issued under all applicable laws, without the need for any approval, registration, filing or lodgement of any kind, including a prospectus or other disclosure document;
- (f) if it is not in the United States, nor a U.S. Person, (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")) nor acting for the account or benefit of a person in the United States or a U.S. Person, and it is acquiring the Shares in an offshore transaction in accordance with Regulation S under the U.S. Securities Act
- (g) if it is in the United States or a U.S. Person, it meets the requirements of qualified institutional buyers, as defined in Rule 144A under the U.S. Securities Act;
- (h) it understands that the Placing and sale to it of the Shares has not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States; Therefore, it agrees that it will not offer, sell or pledge any Shares in the United States unless and until the Shares are registered under the U.S. Securities Act (which it acknowledges the Company has no obligation to do) or unless the Shares are offered, sold or pledged in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the laws of any state of the United States;
- (i) the Purchaser acknowledges that it has not acquired the Shares as a result of any general solicitation or general advertising (as these terms are used in Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio, Internet or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (j) the Purchaser understands that if it is in the United States or a U.S. person and it decides to offer, sell or otherwise transfer any of the Shares, such securities may be offered, sold or otherwise transferred only (i) to the Company, (ii) pursuant to an effective registration statement that covers resales of the securities, (iii) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act, or (iv) within the United States in a transaction that does not require registration under the Securities Act (including, without limitation, pursuant to Rule 144 or Rule 144A) and in any case in accordance with any applicable securities laws of any state of the United States, and, with respect to clauses (iii) and (iv), the Purchaser has, prior to such offer, sale or transfer, furnished to the Company an opinion of counsel or other evidence of exemption, in either case reasonably satisfactory to the Company;
- (k) if the Purchaser is in the United States or a U.S. person and holds the Shares in certificated form, the Purchaser understands and acknowledges that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, certificates representing, documents or notation constituting the Shares and all certificates or documents issued in exchange therefor or in substitution thereof, shall bear a legend substantially in the following form:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). THESE SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT THAT COVERS REALES OF SECURITIES, (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT (INCLUDING WITHOUT LIMITATION RULE 144 OR 144A THEREUNDER) OR ANY APPLICABLE STATE SECURITIES LAWS, AND, WITH RESPECT TO CLAUSES (C) AND (D), THE HOLDER HAS, PRIOR TO SUCH OFFER, SALE OR TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY.”

If Shares are being sold under Rule 904 of Regulation S under the U.S. Securities Act, and provided that the Company is a “foreign issuer” within the meaning of Regulation S at the time of sale, the legend may be removed by providing a declaration to Capita Registrars, the Company’s registrar and transfer agent (including any successor transfer agent, the “**Transfer Agent**”), as the Company may prescribe from time to time and, if required by Transfer Agent, subject to applicable law, the Company will use its reasonable endeavours to obtain an opinion or memorandum of U.S. counsel (as required by the Transfer Agent), addressed to the Transfer Agent permitting removal of resale restrictions for resales of Subscribed Shares by investors in the United States through the facilities of the London Stock Exchange in reliance upon Rule 904 of Regulation S under the Securities Act;

- (l) the Purchaser consents to the Company making a notation on its records or giving instructions to any registrar and transfer agent of the Shares in order to implement the restrictions on transfer set forth and described above;
- (m) if required by applicable securities laws or as otherwise reasonably requested by the Company, the Purchaser will execute, deliver and file and otherwise assist the Company in filing reports, questionnaires, undertakings and other documents with respect to the issue of the Shares;
- (n) the Purchaser has such knowledge and experience in financial, business and tax matters as to be capable of evaluating the merits and risks of its investment in the Shares and it is able to bear the economic risks and complete loss of such investment in the Shares;
- (o) the Purchaser has not received or requested nor does it have any need to receive any offering memorandum or any other document describing the business and affairs of the Company in order to assist it in making an investment decision to subscribe for the Shares;
- (p) the Purchaser understands and agrees that there may be material tax consequences to the Purchaser of an acquisition or disposition of any of the Shares. Neither the Company nor any of the Joint Bookrunners gives any opinion or makes any representation with respect to the tax consequences to the Purchaser under United States, state, local or foreign tax law of the undersigned’s acquisition or disposition of such securities. In particular, no determination has been made whether the Company will be a “passive foreign investment company” (“PFIC”) within the meaning of Section 1291 of the United States Internal Revenue Code;

- (q) it is purchasing the Shares for its account or for the account of one or more persons for investment purposes only and not with the purpose of, or with a view to, the resale, transfer or distribution or granting, issuing or transferring of interests in, or options over, the Shares and, in particular, neither the Purchaser nor any other person for whose account it is purchasing the Shares has any intention to distribute either directly or indirectly any of the Shares in the United States;
- (r) it has such knowledge and experience in financial and business matters and expertise in assessing credit and all other relevant risks that it is capable of evaluating independently, and has evaluated independently and conducted an in-depth detailed analysis on, the merits and risks of a purchase of the Shares for itself and each other person, if any, for whose account it is acquiring any Shares, and it has determined that the Shares are a suitable investment for itself and each other person, if any, for whose account it is acquiring any Shares, both in the nature and the number of the Shares being acquired;
- (s) if applicable, it is, or any beneficial purchaser for whom it is contracting is, acquiring the Shares pursuant to and in compliance with an exemption from the prospectus requirements of securities laws of the jurisdiction of residence and will provide the Company and the Joint Bookrunners, on request, whether before or after the Closing Date, with evidence of such compliance;
- (t) it has had access to all information that it believes is necessary or appropriate in connection with, and for an adequate time prior to, its purchase of the Shares. It acknowledges and agrees that it will not hold the Joint Bookrunners responsible for any misstatements in, or omissions from, any publicly available information concerning the Company;
- (u) it has made and relied entirely upon its own assessment of the Company, and has conducted its own independent investigation with respect to the Shares and the Company;
- (v) it shall obtain its own advice regarding the tax consequences in any jurisdiction of purchasing, owning or disposing of any Shares;
- (w) it has not relied on any investigation that any Beneficiary may have conducted with respect to the Shares or the Company. No Beneficiary has made any representation to it, express or implied, with respect to the Shares or the Company;
- (x) it acknowledges that the Placing does not constitute a securities recommendation or advice in relation to any securities, and that no securities recommendation or advice has been made or given to you by any Beneficiary in relation to the Placing;
- (y) it acknowledges that an investment in the Shares involves a degree of risk;
- (z) except to the extent that liability cannot by law be excluded, it acknowledges that none of the Beneficiaries accept any responsibility in relation to the Placing or for the accuracy or completeness of any information given to it in connection with the Placing;
- (aa) it acknowledges and agrees that it will accept the decisions and actions of the Joint Bookrunners in respect of the Placing and the acceptance of any Placing of Shares does not oblige the Joint Bookrunners to consult with it as to any matter or qualify the exercise or non-exercise of rights arising under or in relation to the Placing;

- (bb) it has been independently advised as to any resale restrictions under applicable securities laws in its own jurisdiction;
- (cc) it acknowledges and agrees that if a Joint Bookrunner takes title to the Shares it does so only as agent for Purchaser for the purposes of effecting settlement and it agrees to release such Joint Bookrunner from any liability incurred by it in acting in such capacity (whether arising out of any act or omission by the Company in relation to the Placing or to the Shares or otherwise);
- (dd) if it is acquiring any Shares for an account of one or more persons, it has full power to make the acknowledgements, representations, warranties and agreements hereunder on behalf of each such person and it will take reasonable steps to ensure that each such person will comply with its obligations hereunder;
- (ee) it acknowledges that the Beneficiaries will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements in conducting and undertaking the Placing;
- (ff) it has read this Announcement, including this Appendix, in its entirety;
- (gg) the exercise by the Joint Bookrunners of any right of termination or any right of waiver exercisable by them contained in the Placing Agreement, without limitation, the right to terminate the Placing Agreement, is within their absolute discretion and no Joint Bookrunner will have any liability to any Purchaser whatsoever in connection with any decision to exercise or not exercise any such rights;
- (hh) if (i) any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived), or (ii) the Placing Agreement is terminated or does not otherwise become unconditional in all respects prior to the admission of the Shares, the Placing will lapse and its rights shall cease and determine at such time and no claim shall be made by any Purchaser in respect thereof;
- (ii) no offer document or prospectus has been, or will be, prepared in connection with the Placing and it represents and warrants that it has not received a prospectus or other offer document in connection therewith;
- (jj) the Shares are (and the Shares issued pursuant to the Placing will be) admitted to trading on AIM, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of AIM and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other AIM quoted company, without undue difficulty;
- (kk) none of the Joint Bookrunners or the Company nor any of their affiliates nor any person acting on behalf of any of them has provided, and will not provide it, with any material regarding the Shares or the Company or any other person other than this Announcement; nor has it requested any of the Joint Bookrunners or the Company nor any of their affiliates or any person acting on behalf of any of them to provide it with any such information;
- (ll) the content of this Announcement is exclusively the responsibility of the Company and none of the Joint Bookrunners nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously published by or on behalf of the

Company (except for any information or statements relating solely to the Joint Bookrunners and furnished by the Joint Bookrunners specifically for use in such documents) and will not be liable for any Purchaser's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Purchaser further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Purchaser has relied in committing itself to subscribe for the Shares is contained in this Announcement and any information previously published by the Company, such information being all that it deems necessary to make an investment decision in respect of the Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by either of the Joint Bookrunners or the Company and none of the Joint Bookrunners or the Company will be liable for any Purchaser's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Purchaser further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing;

- (mm) neither it, nor the person specified by it for registration as a holder of Shares is, or is acting as nominee or agent for, and that the Shares will not be allotted to, a person who is or may be liable to stamp duty or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services);
- (nn) if in the United Kingdom, it has complied with its obligations in connection with the Criminal Justice Act 1993, money laundering and terrorist financing under the Anti Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002, the Terrorism Act 2003, the Terrorism Act 2006, the Money Laundering Regulations 2007 and Part VIII of the Financial Services and Markets Act 2000 (the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations. If within a reasonable time after a request for verification of identity the Joint Bookrunners have not received such satisfactory evidence, the Joint Bookrunners may, in their absolute discretion, reject an application for Shares in which event all funds delivered by such Purchaser to the Joint Bookrunners (if any) will be returned without interest to the account of the drawee bank from which they were originally debited;
- (oo) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving, the United Kingdom;
- (pp) it will (or will procure that its nominee will), if applicable, make notification to the Company of the interest in the Company's ordinary shares in accordance with Chapter 5 of the Disclosure and Transparency Rules;
- (qq) it and any person acting on its behalf is entitled to subscribe for and purchase the Shares under the laws of all relevant jurisdictions which would apply to it, and that it and any person acting on its behalf is in compliance with applicable laws in the jurisdiction of its residence, the residence of the Company, or otherwise;
- (rr) it (and any person acting on its behalf) will make or procure payment for the Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Shares may be placed with other subscribers or sold as the Joint Bookrunners may in their absolute discretion determine and without liability to such Purchaser;

- (ss) the person whom it specifies for registration as holder of the Shares will be (i) itself or (ii) its nominee, as the case may be, and none of the Joint Bookrunners nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Purchaser and any person acting on behalf of such Purchaser agrees to participate in the Placing and it agrees to indemnify the Company and the Joint Bookrunners in respect of the same on the basis that the Shares will be allotted to the account of the Joint Bookrunners who will hold them as nominee on behalf of such Purchaser until settlement in accordance with its standing settlement instructions;
- (tt) the Company and the Joint Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to each of the Joint Bookrunners on their own behalf and on behalf of the Company and are irrevocable;
- (uu) it will indemnify and hold the Company and the Joint Bookrunners and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Announcement and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
- (vv) its commitment to subscribe for Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms of the Placing and the Purchaser will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the Placing. The foregoing representations, warranties and confirmations are given for the benefit of the Company and the Joint Bookrunners. The agreement to settle a Purchaser's subscription (and/or the subscription of a person for whom such Purchaser is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to the subscription by it and/or such person direct from the Company for the Shares in question. Such agreement assumes, and is based on the warranty above from each Purchaser, that neither it, nor the person specified by it for registration as holder, of Shares is, or is acting as nominee or agent for, and that the Shares will not be allotted to, a person who is or may be liable to stamp duty or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services). If there are any such arrangements, or the settlement relates to any other dealing in the Shares, stamp duty or stamp duty reserve tax may be payable. In that event the Purchaser agrees that it shall be responsible for such stamp duty or stamp duty reserve tax, and neither the Company nor the Joint Bookrunners shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Purchaser should seek its own advice and notify the Joint Bookrunners accordingly;
- (ww) no action has been or will be taken by any of the Company, the Joint Bookrunners or any person acting on behalf of the Company or the Joint Bookrunners that would, or is intended to, permit a public offering of the Shares in any country or jurisdiction where any such action for that purpose is required;
- (xx) it will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the subscription by them of any Shares or the agreement by them to subscribe for any Shares;

- (yy) the Joint Bookrunners or any of their affiliates may, at their absolute discretion, agree to become a purchaser in respect of some or all of the Shares;
- (zz) when a Purchaser or person acting on behalf of the Purchaser is dealing with the Joint Bookrunners, any money held in an account with any of the Joint Bookrunners on behalf of the Purchaser and/or any person acting on behalf of the Purchaser will not be treated as client money within the meaning of the rules and regulations of the FCA made under FSMA;
- (aaa) it acknowledges that the money will not be subject to the protections conferred by the client money rules and as a consequence, this money will not be segregated from the relevant Joint Bookrunners' money in accordance with the client money rules and will be used by the relevant Joint Bookrunner in the course of its own business; and the Purchaser will rank only as a general creditor of the Joint Bookrunner;
- (bbb) it acknowledges that all times and dates in this Announcement may be subject to amendment and the Joint Bookrunners shall notify the Purchasers and any person acting on behalf of the Purchasers of any changes;
- (ccc) that past performance is no guide to future performance and persons needing advice should consult an independent financial adviser;
- (ddd) all obligations entered into by the Purchaser pursuant hereto with the Joint Bookrunners are entered into with them as agent for the Company and are therefore enforceable directly by the Company;
- (eee) if a company, it is a valid and subsisting company and has all the necessary corporate capacity and authority to execute its obligations in connection with the Placing participation;
- (fff) it irrevocably appoints any director of either of the Joint Bookrunners as its agent for the purposes of executing and delivering to the Company's and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Shares offered to it; and
- (ggg) time shall be of the essence as regards obligations pursuant to this Appendix.

10. Entire Agreement

The terms set out in this Appendix and the allocation of Shares (including the subscription amount payable) as confirmed to a Purchaser, constitute the entire agreement to the terms of the Placing and a Purchaser's participation in the Placing to the exclusion of prior representations, understandings and agreements between them. Any variation of such terms must be in writing.

11. Governing Law and Jurisdiction

The agreement arising out of acceptance of the Placing and any dispute or claim arising out of or in connection with the Placing or formation thereof (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England. Each Purchaser irrevocably agrees to submit to the exclusive jurisdiction of the courts of England to settle any claim or dispute that arises out of or in connection with the agreement arising out of acceptance of the Placing or its subject matter or formation (including non-contractual disputes or claims).