



OPERATIONS UPDATE

GRANITE QUARRY

Elsana Quarry – South Africa

- After due consideration, pursuant to receiving an unsolicited offer, El Nino Mining (100% subsidiary of Batla Minerals SA) has concluded a transaction to dispose of its interest (25% equity interest plus loans) in the Elsana Quarry for an amount of R25 million (± €1.4mil).
- The transaction was finalised in November with all suspensive conditions now being met and El Nino has received full payment of the sales price.

DIAMOND PROJECTS (LESOTHO)

Letšeng Mine – Lesotho

- As disclosed in the annual report of March 2022 the operations at Alluvial Ventures (AV) would come to an end by June 2022.
- It can now be reported that by the middle of September 2022 AV had cleared all its equipment off site at Letseng, rehabilitated the site as required by Letseng and sold all the remaining assets that could not be deployed to other projects.
- All of the AV staff have been retrenched and the winding down of the AV operations has been successful.
- The remaining assets of AV are those currently on site at the Reskol mine.

Kolo Mine – Lesotho (Reskol Diamond Mining)

- As disclosed in the annual report of March 2022, this project remains on care and maintenance with the renewal of the mining right, which expired in July 2021, still outstanding.
- In 2021 Reskol launched a legal process to force a judicial review of the renewal process and enact arbitration proceeding against the Minister in terms of those agreements. Reskol has been unsuccessful in obtaining a judgement in its favour and has launched a further appeal on the initial judgement received in September 2022.
- This project remains subject to legal action as described above.

SALE OF LESOTHO COMPANIES

- Taking into account the current status of the Reskol mine and the recent closure of the AV operations at Letseng the group has considered and agreed the disposal of all these companies after receiving a duly considered offer from one of the minority shareholders in the Kolo project.
- The transaction is conditional on the purchaser meeting certain obligations before 30 November 2022 and 31 December 2022, which the company considers achievable.

ANNUAL GENERAL MEETING

- Batla Minerals SA held its AGM on 20 September 2022 with all resolutions being passed.

SPECIAL GENERAL MEETING

- Batla Minerals will hold a special general meeting on the 5th of December 2022.
- Shareholders have received invitations with meeting details. Details have also been posted on the company's website.
- One of the agenda points at the meeting is to approve a distribution of the share premium in an amount of €1.88 per share (aggregate of just over €10mil).
- The board is considering the strategic options available to the company following the distribution, with careful consideration of the groups remaining cash resources.



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