

22 January 2020

**Contango Holdings Plc
("Contango" or the "Company")**

**Conditional Oversubscribed Placing to raise £1.4 million
Acquisition Update**

Contango Holdings Plc ("Contango" or the "Company"), a company formed to acquire a controlling interest in a company or business in the natural resources sector, is pleased to announce that it has raised £1.4 million (before expenses) through a conditional placing (the "Placing") of 28,000,000 New Ordinary Shares ("Placing Shares") of £0.01 each to new and existing investors at 5 pence per Placing Share.

Following the completion of the conditional Placing the Company now anticipates being in a position to shortly issue a final Prospectus subject to FCA approval setting out details of its previously announced purchase of the Lubu Coalfield ("Lubu" or the "Lubu Project") from Consolidated Growth Holdings ("CGH") (the "Transaction"). This will include a notice of General Meeting seeking shareholder approval of both the Placing and the Transaction. Upon the subsequent approval of both at the General Meeting, expected to be held in February 2020, the Placing will become unconditional and Contango will be readmitted to trading.

A further announcement setting out additional details of the Transaction and expected timetable to readmission to trading on the London Stock Exchange will be issued in the near term, along with the full Prospectus.

Overview of Lubu Project

Lubu is expected to be a near-term metallurgical coal producer. Approximately \$20M has been spent by previous owners at Lubu, including 12,000m of drilling, which has identified a NI 43-101 compliant resource of 1.3Bn tonnes. In 2019, CGH and Contango completed an extensive work programme including additional drill holes and assays to better understand the range of coal products from a small proportion of Block B2 at or near surface. Upon closing of the acquisition, Contango will focus on developing a targeted area of the B2 Block which is amenable to mining from surface down to a maximum depth of 47m that contains seams of metallurgical coal product. Also, The Company will look to finalise an agreement with contract miners and enter into an offtake agreement to sell metallurgical coal in the Southern Africa region. On that basis and following recent work programme in 2019 it is the Board's belief that upon the successful close of the £1.4 million capital raise, Contango should have sufficient funds to bring Block B2 at Lubu into production before the end of 2020.

Additional details on the Lubu Project can be found at the recently updated Contango website (<https://contango-holdings-plc.co.uk/>).

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For further information, please visit www.contango-holdings-plc.co.uk or contact:

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