

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN OR INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE

3 Conditions satisfied and Offer becomes unconditional

On 22 October 2021, the timetable for the Offer was suspended pursuant to Rule 31.4 of the Code, as a result of the Mexican Antitrust Clearance Condition to the Offer not having been satisfied or waived prior to the second day prior to Day 39 of the Offer.

Ganfeng hereby announces that the Mexican Antitrust Clearance Condition has today been satisfied.

As noted above, at 1.00 p.m. on 16 December 2021, Ganfeng may count 283,865,210 Bacanora Shares (representing approximately 73.9 per cent. of Bacanora's issued ordinary share capital) towards satisfaction of the Acceptance Condition to its Offer and, accordingly, the Acceptance Condition has been satisfied.

Furthermore, Ganfeng confirms that all remaining Conditions to the Offer have been satisfied or, where applicable, waived. Accordingly, Ganfeng is pleased to announce that the Offer has become unconditional.

4 Cancellation of admission to trading of Bacanora Shares on AIM and re-registration as a private limited company

Bacanora Shareholders are reminded that, as stated in the Offer Document, now that the Offer has become unconditional, if Ganfeng receives acceptances under the Offer in respect of, and/or otherwise acquires 75 per cent. or more of the voting rights carried by the Bacanora Shares (including the Bacanora Shares it already owns), Ganfeng intends to procure that Bacanora makes applications to cancel the admission of the Bacanora Shares to trading on AIM and to re-register Bacanora as a private limited company under the relevant provisions of the Companies Act. Ganfeng will procure that Bacanora makes a regulatory announcement when the necessary 75 per cent. threshold has been reached confirming the anticipated date of cancellation.

5 Zinnwald Distribution

In order to provide additional value to Bacanora Shareholders, Ganfeng agreed, as part of the Offer, that Bacanora could propose a distribution *in specie* of Zinnwald Lithium Plc ("ZLP") shares to Bacanora Shareholders (the "Zinnwald Distribution") if 75% of the Offer is accepted (the "Zinnwald Distribution Condition"). The Zinnwald Distribution is subject to various conditions, the last of which is the Offer becoming or being declared unconditional before the Long Stop Date. As this condition has now been satisfied, Bacanora intends to hold a board

- if you hold your Bacanora Shares, or any of them, in certificated form (that is, not in CREST), you should complete and return a Form of Acceptance in relation to such certificated Bacanora Shares as soon as possible; and
- if you hold your Bacanora Shares, or any of them, in uncertificated form (that is, in CREST), you should ensure that an Electronic Acceptance is made by you or on your behalf, and that settlement occurs, in relation to such uncertificated Bacanora Shares as soon as possible.

Full details on how to accept the Offer are set out in the Offer Document and (if applicable) the Form of Acceptance. The Offer Document is available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Ganfeng's website at www.ganfenglithium.com and on Bacanora's website at www.bacanoralithium.com/investor-relations/ganfeng/.

Any Bacanora Shareholder requiring assistance, including if further copies of the Offer Document and/or the Form of Acceptance are required, should telephone the Receiving Agent, Link Group, on 0371 664 0321 (from within the UK) or on +44 (0)371 664 0321 (from outside the UK) between 9.00 a.m. and 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

7 General

The above acceptances include those received in respect of 3,540,542 Bacanora Shares (representing approximately 0.9 per cent. of the issued ordinary share capital of Bacanora) beneficially held by certain Bacanora Directors who had given irrevocable undertakings to accept the Offer and 52,528,941 Bacanora Shares (representing approximately 13.67 per cent. of the issued ordinary share capital of Bacanora) beneficially held by M&G Recovery Fund who had given a letter of intent to accept the Offer. Ganfeng confirms that there are no outstanding irrevocable undertakings or letters of intent to accept the Offer.

As at close of business on 16 December 2021 (being the latest practicable time and date prior to the date of this announcement), and save as disclosed above and in the Offer Document, neither Ganfeng nor, so far as Ganfeng is aware, any person acting in concert with Ganfeng:

- has any interest in, or right to subscribe in respect of, or any short position in relation to relevant securities of Bacanora, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of relevant securities of Bacanora; or
- has any outstanding irrevocable commitment or letter of intent with respect to relevant securities of Bacanora or borrowed or lent any relevant securities of Bacanora (including any financial collateral arrangements), save for any borrowed shares which have been either on-lent or sold.

The references to the issued ordinary share capital of Bacanora in this announcement are based on a figure of 384,144,901 Bacanora Shares in issue as at close of business on 16 December 2021 (being the latest practicable time and date prior to the date of this announcement).

This announcement should be read in conjunction with the full text of the Offer Document. Capitalised Document.

Enquiries

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Peel Hunt, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Bacanora and for no-one else in connection with the matters referred to in this announcement and will not be responsible to any person other than Bacanora for providing the protections afforded to clients of Peel Hunt, nor for providing advice in relation to the matters referred to herein. Neither Peel Hunt nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Peel Hunt in connection with the matters referred to in this announcement, or otherwise.

This announcement has been prepared pursuant to and for the purpose of complying with the laws of England and Wales, the AIM Rules, the Code and the Rules of the London Stock Exchange and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and/or regulations of jurisdictions outside of England and Wales.

The Offer has not been and will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and the Offer is not capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported acceptance of the Offer.

In accordance with normal UK practice, Ganfeng or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Bacanora Shares, other than pursuant to the Offer until the date on which the Offer becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

The Offer relates to securities in a non-US company which is registered in England and Wales which is admitted to trading on the AIM market of the London Stock Exchange, and is subject to the disclosure requirements, rules and practices applicable to such companies, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of England and Wales. The Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Securities Exchange Act of 1934, as amended, subject to the exemptions provided by Rule 14d-1 thereunder, and otherwise in accordance with the requirements of the Code. Accordingly, the Offer is subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures. US Bacanora Shareholders should note that Bacanora is not listed on a US securities exchange, subject to the periodic reporting requirements of the US Securities Exchange Act of 1934, as amended, or required to, and does not, file any reports with the US Securities and Exchange Commission thereunder.

It may be difficult for US Bacanora Shareholders to enforce certain rights and claims arising in connection with the Offer under US federal securities laws since Bacanora is located outside the United States and its officers and directors reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment. You should be aware that Ganfeng may purchase securities otherwise than under the Offer, such as in open market or privately negotiated purchases.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror

of the websites referred to in this announcement are not incorporated into, and do not form part of, this announcement.

Requesting hard copy documents

Pursuant to Rule 30.3 of the Code, a person so entitled may request a copy of this announcement and any information incorporated into it by reference to another source in hard copy form. A person may also request that all future documents, announcements and information to be sent to that person in relation to the Offer should be in hard copy form. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so r between 9.00 a.m. to 5:30 p.m. Monday to Friday (except UK public holidays) on +44 (0) 371 664 0321 or by submitting a request in writing to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Information relating to Bacanora Shareholders

Please be aware that addresses, electronic addresses and certain other information provided by Bacanora Shareholders and other relevant persons for the receipt of communications from Bacanora may be provided to Ganfeng during the Offer Period as required under Section 4 of Appendix 4 of the Code.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments.

Time

All references to times shown in this announcement are to the local time in London, United Kingdom, unless otherwise stated.