



Asa Resource Group plc

("Asa Resource", "the Group" or "the Company")

Update alleged lawsuit – Zindico Consortium

Asa Resource announces that, further to its announcement on 5 January 2017, Freda Rebecca Gold Mine, in which the Company has an 85% interest, has been served with a claim in the High Court of Zimbabwe. The claim has been issued by Zindico Consortium ("Zindico").

Zindico's claim appears to be based on a two year old draft, unsigned agreement which, if signed, would have been conditional upon the approval of the Directors of Mwana Africa plc (the previous name of Asa Resource).

The draft agreement was apparently negotiated by Mr Kalaa Mpinga, the then chief executive of Mwana Africa plc, who appears never to have submitted it for approval to the Board of Directors of Mwana Africa plc, and it has not been approved by the Board of Directors.

The alleged claim seeks implementation of the draft, unsigned, agreement in relation to implementation of Zimbabwean Indigenisation laws.

Asa Resource is currently seeking legal advice on this matter in Zimbabwe and will update the market further in due course.

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