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Contango Holdings Plc

('Contango' or the 'Company')

Lubu Project & Strategy Update

Contango Holdings Plc, the London listed natural resource development company, is pleased to announce an update regarding the Company's Lubu Coalfield Project in Zimbabwe ('Lubu') in addition to further information regarding Contango's growth strategy.

Commissioning of Lubu Coalfield Project in Zimbabwe on track for Q4 2020

- Formal negotiations regarding the previously announced LOIs for 32,000 tonnes per month coal off-take agreements from Lubu are progressing well and are expected to be concluded in the current quarter
- Progress continues to be made for additional off-take agreements with interested parties - further announcements are expected in Q3 2020
- Commissioning of Lubu and appointment of contract miners in Q4 2020 remains on schedule and pursuant to finalisation of coal off-take agreements

Pursuing growth strategy to acquire additional de-risked assets with clear paths to cash flow

- Contango has benefited from both its regional expertise in Zimbabwe and the profile of its UK listing, such that a number of opportunities have emerged that appear complementary to the Company's growth strategy
- The Company's growth strategy remains focussed on targeting assets with near term cash flow, low capital commitments and short payback periods
- In particular Contango has identified a number of gold opportunities which could be monetised in the near-term through a toll treatment model in conjunction with exploration/development upside

- This would enable a staged development and expansion, along with potential asset level or off-take funding, which would minimise any dilution and offer significant value to shareholders, particularly given the current gold price environment
- Should the Company elect to proceed with any of these opportunities a further announcement will be made as appropriate

Carl Esprey, Executive Director of Contango Holdings, said: *"We have made very pleasing progress with Lubu over the last few months - progress which is all the more notable due to the exceptional operating environment that we have found ourselves in due to the COVID-19 pandemic. I am confident that as southern Africa increasingly returns to normality over the coming weeks and months, the LOIs that we have secured thus far will translate into formal lucrative coal off-take agreements. These are expected to be joined with other agreements in due course."*

"Our progress with Lubu has laid the foundations for what we believe will be a very profitable cash generative operation. As such our attention is now turning to our wider complementary growth strategy, which includes the acquisition of businesses or assets with clear paths to cash flow and which have already been de-risked through previous exploration.

"The board is currently evaluating a number of gold opportunities which are in line with these key investment principles and which we believe have the potential to provide material value to our shareholders in the near term. Due to our status as an emerging natural resources investment vehicle, we are ideally positioned to apply agile and flexible development models to our interests allowing us to achieve cash flow in a very modest timeframe - a unique advantage which distinguishes us from the larger and more established developers in the region. With this key differentiator, Contango is well-positioned to capitalise on opportunities which may not be of sufficient scale or quantum for larger mining companies, but which could provide a short route to cash flow for Contango together with exploration/development upside in the mid-term.

"I look forward to providing further updates to shareholders with respect to both the commissioning of Lubu and also the growth of our business via accretive transactions as we establish Contango as a diversified mining company with multiple commodities and revenue streams."

****ENDS****

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

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