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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THE INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN FOR THE PURPOSES OF MAR.

7 October 2021

RECOMMENDED CASH OFFER

FOR

BACANORA LITHIUM PLC

BY

GANFENG INTERNATIONAL TRADING (SHANGHAI) LIMITED

Acceptance level update

1 Level of acceptances and interests in relevant securities

On 15 September 2021, Ganfeng International Trading (Shanghai) Limited ("**Ganfeng**") announced that the offer document relating to its recommended cash offer ("**Offer**") for the entire issued and to be issued ordinary share capital of Bacanora Lithium plc ("**Bacanora**") not already owned by Ganfeng (the "**Offer Document**") had been posted to Bacanora Shareholders.

In accordance with Rule 17 of the Code, Ganfeng is today providing an update on the level of acceptances received under the Offer. As at 4.00 p.m. on 6 October 2021, Ganfeng had received valid acceptances of the Offer in respect of a total of 983,337 Bacanora Shares representing approximately 0.3 per cent. of Bacanora's issued ordinary share capital, which Ganfeng may count towards the satisfaction of the Acceptance Condition. So far as Ganfeng is aware, none of these acceptances has been received from persons acting in concert with Ganfeng.

In addition, Ganfeng holds 110,933,697 Bacanora Shares, representing approximately 28.9 per cent. of Bacanora's issued ordinary share capital.

Accordingly, as at 4.00 p.m. on 6 October 2021, Ganfeng holds, or has received valid acceptances in respect of, a total of 111,917,034 Bacanora Shares (representing 29.1 per cent. in aggregate of Bacanora's issued ordinary share capital), which Ganfeng may count towards the satisfaction of the Acceptance Condition.

Bacanora Shareholders are reminded that, as a summary and subject to the fuller description in the Offer Document, the Acceptance Condition shall be satisfied should Ganfeng receive valid

acceptances and/or agree to acquire Bacanora Shares which, when aggregated with the Bacanora Shares held by Ganfeng, carry more than 50 per cent. of the voting rights then exercisable at a general meeting of Bacanora.

The above acceptances include those received in respect of 396,250 Bacanora Shares (representing approximately 0.1 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.[1]

As at close of business on 6 October 2021 (being the latest practicable time and date prior to the date of this announcement), Ganfeng has outstanding:

irrevocable undertakings given by Mark Hohnen, James Strauss and Eileen Carr in respect of 3,012,547, 42,857 and 88,888 Bacanora Shares respectively beneficially held by them (representing, in aggregate, approximately 0.82 per cent. of the issued ordinary share capital of Bacanora)[1]. Each of Mark Hohnen, James Strauss and Eileen Carr have irrevocably instructed their brokers to instruct their respective nominee holders to submit acceptances in respect of their Bacanora Shares. Further to these instructions, the directors and Bacanora now understand that, in line with the nominees' current practices, such acceptances will only be submitted by the nominees to the receiving agent towards the end of the Offer Period, as part of their overall submission of acceptances received from their other beneficial shareholders. The directors' intention remains to accept the offer; and

a letter of intent from M&G Recovery Fund in respect of 52,528,941 Bacanora Shares (representing approximately 13.67 per cent. of the issued ordinary share capital of Bacanora).

As at close of business on 6 October 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 6 October 2021 (being the latest practicable time and date prior to the date of this announcement).

2 Action to be taken

Bacanora Shareholders who have not yet accepted the Offer are urged to do so as soon as possible and, in any event, so as to be received by Link Group by **no later than 1.00pm on Day 60 (currently anticipated to be 14 November 2021)** in accordance with the following procedures:

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 am and 5.30 pm, 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.

3 General

This announcement should be read in conjunction with the full text of the Offer Document. Capitalised terms used but not defined in this announcement shall have the meanings given to them in the Offer Document.

[1] These irrevocable undertakings will cease to be binding if: (i) any competing offer for the issued and to be issued Bacanora Shares is made which is declared unconditional (if implemented by way of a takeover offer) or otherwise becomes effective (if implemented by way of a scheme of arrangement); or (ii) the Offer lapses or is withdrawn.

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.

Teneo is acting for Ganfeng and no-one else in connection with the Offer and will not be responsible to anyone other than Ganfeng for providing the protections offered to clients of Teneo or for providing advice in relation to the Offer, the contents of this announcement or any matters referred to in this announcement. Teneo is authorised and regulated in the United Kingdom by the Institute of Chartered Accountants in England & Wales for a range of investment business activities. Teneo is registered in England and Wales with Company Number 13192958 and its registered office is 6 More London Place, London SE1 2DA. Teneo can be contacted at 60 St Martin's Lane, London, WC2N 4JS.

Teacher Stern LLP is retained as UK legal adviser to Ganfeng.

Gowling WLG (UK) LLP is retained as legal adviser to Bacanora.

Addleshaw Goddard LLP is retained as UK legal adviser to Teneo.

Important information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, any offer or invitation to sell or purchase any securities, or the solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Offer or otherwise nor shall there be any sale, issuance or transfer of securities of Bacanora in any jurisdiction in contravention of applicable law.

The Offer is being effected solely through the Offer Document which contains the full terms and conditions of the Offer. Any vote, decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Offer Document. Each Bacanora Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences of the Offer applicable to them.

Overseas jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and/or regulation and therefore any persons who are subject to the laws and regulations of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to accept the Offer may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

The availability of the Offer to persons who are not resident in the United Kingdom may be restricted by the laws and/or regulations of the relevant jurisdictions in which they are located. The Offer has not been and will not be made available, directly or indirectly, in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction. Any persons who are subject to the laws and regulations of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. Further details in relation to Overseas Shareholders are contained in the Offer Document.

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

Rounding

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

Time

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