AMGO XLON Amigo Resources PLC

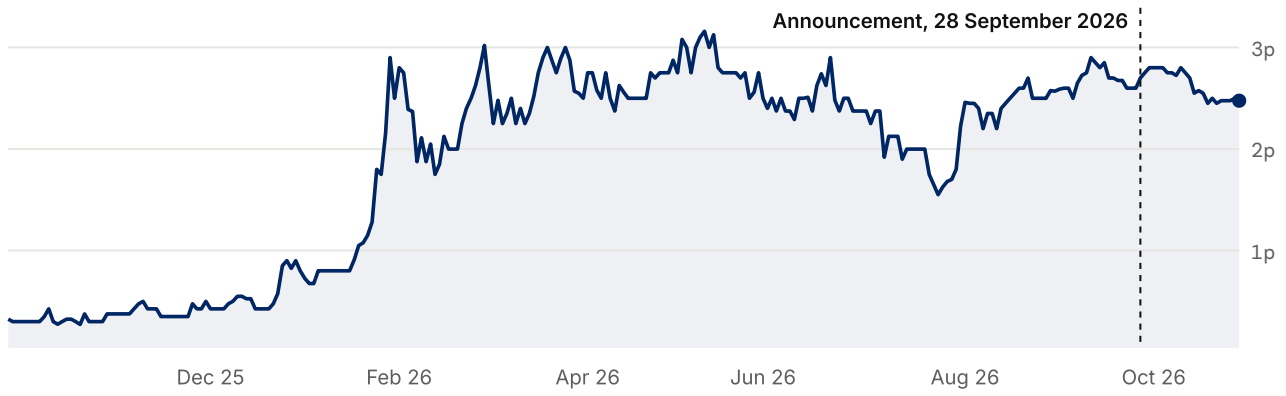
SPA executed for Kamiesberg Mineral Sands Project · RNS 4539W · 28 September 2026

Amigo signs US$33m deal for South African Kamiesberg mineral sands project

Share price	2.48p
Market cap	£33.3m
52-week range	0.27p - 4p
Shares in issue	1339.8m
12-month change	+661.5%

Ticker Data API, as at 29 Oct 2026, 13:55

SHARE PRICE, 12 MONTHS



SUMMARY

Amigo Resources today announced a signed share purchase agreement to buy the Kamiesberg mineral sands project in South Africa for USD 33 million, on a cash-free, debt-free basis. The project carries a 2.71 billion tonne JORC Resource (an industry-standard resource estimate), and Amigo plans a first processing module costing about US$15 million. The deal counts as a reverse takeover, a transaction large enough to require a prospectus, shareholder approval and re-admission of the shares. It also needs South African change-of-control consent. Funding is not yet committed: Amigo intends to raise it inside a subsidiary in which it expects to own 51%, subject to adjustment. Its last reported cash was $1.10m. The deal turns a former lending shell into a company with a defined, permitted asset, but the value to shareholders depends on financing terms not yet disclosed.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Purchase price	USD 33 million		
Module 1 estimated capital expenditure	approximately US$15 million		
JORC Resource (of which Measured)	2.71 billion tonnes (0.48 billion tonnes)		
Amigo's intended stake in project subsidiary at completion	51%		Subject to Ownership Adjustments
Amigo cash	$1.10m	H1 FY26 interim results	prior $700k
Target loss for the year	R4,238,262	FY25 (unaudited)	
Target cash and cash equivalents	R853,644	FY25 (unaudited)	from R2,948,249 in FY24
Expected sulphate ilmenite / monazite concentrate output	approximately 505 Ktpa / approximately 6 Ktpa	Once fully ramped up	
Voting shares in issue	1,339,798,836		
Market capitalisation	£32m		

Sources: SPA RNS, 28 Sep 2026; SPA RNS, 28 Sep 2026 (GeoActiv Competent Person's Report); Interim Financial Results, 18 Jun 2026; SPA RNS, 28 Sep 2026, Zirco SA summary financials; Admission of Shares RNS, 14 Sep 2026; Company data, Ticker research database

THE ANNOUNCEMENT

- Amigo's subsidiary Rare Earths Development Pte Ltd has signed a share purchase agreement to acquire 100% of the Kamiesberg Project, through Zirco SA and Cyndara, for USD 33 million on a working capital adjusted, cash-free and debt-free basis.
- The purchase price and development funding are to come from internal funds and from debt and/or equity raised directly in the subsidiary. Amigo says it is in 'numerous discussions, all at varying stages' with funders, and intends to own 51% of the subsidiary at completion, subject to adjustments for South African black economic empowerment (B-BBEE) obligations and the equity raising.
- The deal is a reverse takeover under the UK Listing Rules. It needs a combined prospectus and circular, shareholder approval, FCA and London Stock Exchange re-admission, and consent under section 11 of South Africa's MPRDA. Completion is targeted on or before 31 January 2027, with a long-stop date of 31 March 2027.
- Kamiesberg has a 2.71 billion tonne JORC Resource, including 0.48 billion tonnes Measured, and a mining right, water use licence and environmental authorisation for the Roode Heuvel and Leeuvlei properties. The resource dates from March 2020, and the Competent Person confirmed on 24 July 2026 that it remains valid.
- Development is planned in up to five modules of about 3.3 Mtpa each, reaching about 16 Mtpa. Module 1 is estimated at about US$15 million and is targeted for commissioning within six months of completion. Its cash flows are intended to fund later modules, but no decision has been taken to proceed beyond Module 1.
- At full ramp-up, output is expected to be mainly sulphate ilmenite, a titanium pigment feedstock, at about 505 Ktpa, plus about 6 Ktpa of monazite concentrate containing magnet rare earths. The target made a loss and holds little cash.

AGAINST GUIDANCE

There was no prior financial guidance against which to compare the deal. Amigo's last annual report warned that its longer-term viability was uncertain without new funds or a reverse takeover. This announcement delivers the reverse takeover proposal, but not yet the funding.

BULL CASE

- The asset is large and already permitted. A 2.71 billion tonne JORC Resource comes with a mining right, water use licence and environmental authorisation in place for the core Roode Heuvel and Leeuvlei properties.
- The modular plan starts with a first module of about US$15 million rather than a single large build. That lowers the upfront capital needed, and early cash flows could fund later expansion if Module 1 performs.
- Raising money in the project subsidiary could avoid a large issue of new shares by the listed company. A strategic or offtake-linked partner attracted by the monazite's magnet rare earth content could improve terms.
- Tanzanian gold processing has begun, with 10kg produced in August 2026. Continued delivery would support management's credibility on execution.

BEAR CASE

- The deal is unfunded. Against a USD 33 million price plus about US$15 million for Module 1 and further site and working-capital costs, Amigo last reported $1.10m of cash, and its largest recent raise was £3.07m.
- Raising money in the subsidiary moves dilution rather than removing it. The 51% stake is subject to B-BBEE and equity-raising adjustments, so Amigo's economic share of the project could fall materially, by an amount not yet known.
- The deal is highly conditional. Section 11 consent, shareholder approval and re-admission are all required by the 31 March 2027 long-stop, and the reverse takeover process creates uncertainty over trading in the shares.
- Execution risk is high. The processing flowsheet is unproven at commercial scale and further permits are needed. Output is overwhelmingly lower-value ilmenite, and the monazite contains thorium and uranium that require regulated handling. The company itself says there is no guarantee Module 1 will fund later phases.

WHAT TO WATCH

- The combined prospectus and circular, for the exact cash payable after the R390m seller loan is settled, the audited target accounts, project economics and the Competent Person's Report.
- A binding funding package, and the resulting economic stake Amigo keeps after B-BBEE adjustments and third-party equity.
- Timing of South African section 11 consent against the 31 January 2027 target and 31 March 2027 long-stop, and whether the shares remain tradeable through the reverse takeover.
- Any placing by the listed company priced below the 2.2p June subscription, which would signal that funding is coming on unfavourable terms.

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