



3 June 2015

EXCALIBUR TO ACQUIRE EARLY STAGE MANGANESE PRODUCER

Highlights

- Existing small production of Manganese in Zambia
- Lease in proximity of processing plant
- Excalibur to fund extra equipment to increase production
- MOU signed with Maybach Mining Services in Zambia
- Acquisition is subject to due diligence and shareholder approval
- Proposed purchase in joint venture with Pinto Minerals Ltd

The board of Excalibur is pleased to announce agreement between Maybach Mining Services, Pinto Minerals Ltd and Excalibur Mining to conduct due diligence on a Manganese deposit in early stage production in Zambia.

Excalibur and Pinto agree to buy and Maybach shareholders agree to sell 75% of their shares (Excalibur to hold 50% and Pinto to hold 25%) in the capital of Maybach (Maybach Shares), free from all encumbrances on the basis outlined below.

- (a) The issue by Excalibur of 10,000,000 fully paid ordinary shares in the capital of Excalibur (Consideration Shares);
- (b) The provision of convertible note funds to Maybach of USD 250,000 by 31 August 2015; to fund expansion of production.
- (c) The provision of further convertible note funds to Maybach of USD 350,000 by 28 February 2016; to further expand production.
- (d) Two milestone payments
 - i. Payment to Maybach vendor shareholders of USD300,000 upon Maybach achieving an EBITDA of USD 1 million over a 12 month period.
 - ii. Payment to Maybach vendor shareholders of a further USD 500,000 and the issue of a further 5,000,000 fully paid ordinary shares in the capital of Excalibur upon Maybach achieving an EBITDA of USD 5 million over a 12 month period.

Completion of the Acquisition is conditional upon the satisfaction (or waiver by Excalibur and Pinto) of the following conditions precedent:

- (a) Completion of due diligence by Excalibur and Pinto on Maybach's business and operations, and Excalibur and Pinto being satisfied with the outcome of those investigations at their sole discretion;
- (b) Each of the parties obtaining all consents, approvals, waivers or other authorisations required by their constituent documents, and applicable law or regulation (including the rules of any relevant recognised stock exchange on which securities in a party are listed), any regulatory authority or body, shareholder or third party, as is necessary or desirable to implement the transactions contemplated by this MOU, either unconditionally or on conditions or on terms satisfactory to Excalibur and Pinto (in their absolute discretion), and have not been withdrawn or revoked;
- (c) Entry into a formal share sale agreement (SSA) to more fully document the terms of the Acquisition (to be prepared by Excalibur's solicitors) on terms acceptable to Excalibur, Pinto and Maybach, which shall be consistent with the terms of this MOU ; and
- (d) No material adverse chance to the business, financial or trading position, assets or liability, profitability or prospects of Maybach, its business and assets.
- (e) Excalibur obtaining shareholder approval to issue the shares for the acquisition.

The parties must use all reasonable endeavours and provide all reasonable assistance to the other parties to ensure that the conditions are satisfied as expeditiously as possible and in any event on or before 5.00pm (WST) on 31 August 2015 (the Cut Off Date). The conditions are for the benefit of Excalibur and Pinto alone and may only be waived by Excalibur and Pinto in writing.

For further details please contact:

Alex Bajada
Executive Chairman

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