

20 April 2018

Paternoster Resources plc

("Paternoster" or the "Company")

Investment in a portfolio arranged by RiverFort Global Capital

Introduction

In January 2018, the Board of Paternoster Resources plc announced that it had entered into a partnership with RiverFort Global Capital Ltd, the specialist provider of capital to junior companies ("RiverFort"), whereby Paternoster would invest in transactions arranged by RiverFort alongside other co-investors.

The Board of Paternoster Resources plc is therefore pleased to announce today that, as a first step in the development of this partnership, it has agreed to invest around £250,000 in a portfolio of income-yielding investments arranged by RiverFort.

This portfolio comprises investments in the form of both senior and convertible debt in the following companies: Jubilee Metals Group plc, Amur Minerals plc, Lions Bay Capital Inc and Artemis Resources Limited. This portfolio represents, on average, around 2.8% of the total investment amounts originally arranged by RiverFort and therefore demonstrates the scope for Paternoster to scale-up the size of its investments as it develops its partnership with RiverFort.

Nicholas Lee, Chairman commented:

"We are pleased that we are making good progress on developing the Company's strategy with RiverFort. We have now agreed to invest in a portfolio of attractive investments and will have access to a significant pipeline going forward. This will enable us to quickly grow our portfolio with investments that can generate both an attractive cash return whilst providing downside protection."

Details of the investment portfolio

Company	Paternoster amount	Original size	% of original	Description
	US\$	US\$		
Jubilee Metals Group plc	100,000	3,000,000	3.3%	Senior secured loan
Amur Minerals plc	50,000	4,000,000	1.3%	Convertible loan with warrants
Lions Bay Capital Inc	100,000	781,250	12.8%	Loan secured on a portfolio of investments, with warrants
Artemis Resources Limited	100,000	4,500,000	2.2%	Convertible loan with warrants
Total	350,000	12,281,250	2.8%	

Amur Minerals plc is listed on AIM and is focused on nickel copper sulphide mineral exploration in the far east of Russia. It holds a 100% interest in the Kun-Manie sulphide nickel, copper project located in Amur Oblast. The Kun-Manie represents one of the largest potential sulphide nickel operations in the world which could place it among the top ten nickel producing companies on an annual basis. The purpose of the funding announced on 13 February 2018 was to progress the development of the company's Kun-Manie project. The initial tranche of the facility amounted to US\$4 million and is repayable in 12 monthly instalments in cash or through the issue of new shares in the company. The interest rate on the facility is 8%. For the year ended 31 December 2016, the company generated no turnover and made a loss of US\$5.8 million.

Lions Bay Capital Inc is listed on the TSX and invests in growth focused resource assets. It has a portfolio of listed companies and seed investments involved in the energy, mineral recovery technology, nickel/cobalt and gold sectors. The purpose of the funding announced on 15 March 2018 was to support the restructuring of Montan Mining Corp and to support other investments that may be made by the company. The initial tranche of the secured facility amounted to CAD\$1 million and is repayable over a 12-month period in cash. The interest rate on the facility is 12% with fees payable of 5%. For the year ended 31 May 2017, the company generated no turnover and made a loss of CAD\$0.13 million.

Jubilee Metals Group plc is listed on AIM and is a mining, exploration and development company with a focus on platinum group elements and nickel. It has the rights to process two surface platinum-bearing tailings to recover platinum group elements and chromite and it also has the mining rights for a primary platinum project in the eastern Bushveld. The purpose of the funding announced on 22 March 2016 was to execute and commission the company's two surface platinum processing projects. The initial tranche of the facility amounted to US\$3 million. For the year ended 30 June 2017, the company generated turnover of £9.8 million and made a loss of £4.5 million.

Artemis Resources Limited is listed on the ASX and is an exploration company focused on developing the next stage of the Pilbara, an area in the north of Western Australia with vast mineral deposits. The company is specifically focused on deposits of gold, cobalt and copper. It also has a fully permitted processing plant. The purpose of the funding announced on 11 December 2017 was to assist with the funding of the refurbishment of the Radio Hill processing plant in the Pilbara. The facility amounted to US\$4.5 million and is repayable over an 18-month period in cash or through the issue of new shares in the company. There are fees payable on the facility of 9%. For the year ended 30 June 2017, the company generated turnover of AUS\$0.69 million and made a loss of AUS\$2.2 million.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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