

5 November 2019



THIS ANNOUNCEMENT, INCLUDING THE APPENDICES AND THE INFORMATION CONTAINED HEREIN, IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH IT WOULD BE UNLAWFUL TO DO SO.

This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

Altus Strategies Plc
(“Altus” or the “Company”)

Proposed Strategic Investment from La Mancha
& Non-Brokered Private Placement

Altus Strategies Plc (AIM: ALS & TSX-V: ALTS), the Africa focused project and royalty generator, announces the execution of a non-binding Letter of Intent (“**LOI**”) with La Mancha Holdings S.à.r.l, a Luxembourg-incorporated private gold investment company (“**La Mancha**”). The LOI proposes a strategic investment by La Mancha at an approximate 20% premium to the closing market price on 2 November 2019 and an approximate 30% premium to the 30 day Volume Weighted Average Price (“**VWAP**”) of the Company’s ordinary Shares (“**Shares**”) traded on the TSX-V. Under the terms of the LOI, it is proposed that La Mancha would subscribe for 124,229,389 Shares at a price of C\$ 0.09 (approximately £ 0.053) per Share, for aggregate gross proceeds of C\$ 11,180,645 (approximately £ 6,562,000 / US\$ 8,500,000) (the “**La Mancha Investment**”).

In addition to the proposed La Mancha Investment, Altus announces a proposed non-brokered private placement (“**Placement**”) of up to 58,500,000 Shares at a price of C\$ 0.09 per Share, to raise aggregate gross proceeds of up to C\$ 5,265,000 (approximately £ 3,088,000 / US\$ 4,000,000) including participation by Altus Directors. The Placement will be launched simultaneously with the entry into binding transaction documentation relating to the La Mancha Investment but will not be conditional on the La Mancha Investment, and is expected to complete shortly after launch. The La Mancha Investment is expected to be completed during January 2020, subject to receipt of all relevant shareholder and regulatory approvals.

Highlights:

- Potential C\$ 11.2 million (£ 6.5 million / US\$ 8.5 million) strategic investment from La Mancha
- La Mancha Investment at a 20% premium to the closing market price on 2 November 2019 and 30% premium to the Company’s 30 day VWAP on the TSX-V
- La Mancha is a private gold mining and investment company with a focus on Africa
- La Mancha would own 34.5% of Altus on the basis of the Placement being fully subscribed

- Numerous strong synergies for Altus from a long term strategic relationship with La Mancha
- Separate C\$ 5.2 million (£ 3.1 million / US\$ 4.0 million) Placement proposed
- Directors to participate in the Placement, subscribing for approximately C\$ 640,000 / £ 375,000 in aggregate (“**Directors Subscription**”)
- Proceeds from La Mancha Investment and Placement to accelerate project and royalty generation activities
- La Mancha Investment and Placement remain subject to AIM, TSX-V and other regulatory approvals including the grant by the UK Panel on Takeovers and Mergers (the “**Panel**”) of a “whitewash” waiver
- La Mancha Investment will be subject to the approval of Altus Independent Shareholders

Steven Poulton, Chief executive of Altus, commented:

“We are delighted to have received La Mancha’s proposal for a strategic long-term investment in Altus. La Mancha is a pre-eminent Africa-focused mining investment group with an outstanding track record in deal selection and value creation. This transaction will prove transformative for Altus, providing the capital and expertise to fast track our project and royalty generation activities, as well as unlocking new external growth opportunities. The deal, which includes a two year equity lock up, also represents a strong endorsement of the Altus team, portfolio and business model. Independent to the La Mancha Investment, Altus intends to undertake a non-brokered private placement with existing and new investors, at the same price as the proposed investment by La Mancha. We look forward to updating shareholders on our progress with these transactions.”

Karim Nasr, Chief Executive of La Mancha, commented:

“Our proposed investment in Altus represents the first external investment of La Mancha in the mining exploration space. Throughout our extensive diligence, we were impressed by the quality of management, by the disciplined investment process and by the quality of the company’s existing projects. Our transformational investment will enable the company to build on those strong foundations to develop Altus into a pre-eminent exploration and royalties company in Africa.”

La Mancha Investment Terms

La Mancha Investment

Under the proposed La Mancha Investment, La Mancha will subscribe for 124,229,389 Shares at a price of C\$ 0.09 per Share for aggregate gross proceeds of C\$ 11,180,645 (approximately £ 6,562,000 / US\$ 8,500,000). The Company will use the net proceeds of the La Mancha Investment to fund project generation activities across its portfolio of projects, for generating and acquiring new project acquisitions and for working capital purposes. The Company will not pay any finder’s fees in connection with the La Mancha Investment.

Altus has been advised by La Mancha that it does not currently own or have control or direction over any Shares or other securities of Altus. On completion of the La Mancha Investment, La Mancha would own 124,229,389 Shares in aggregate representing 34.5% of the then enlarged issued share capital of the Company if the Placement is fully subscribed and 40.2% if the Placement does not exceed the Director’s Subscription.

The closing of the La Mancha Investment will be subject to, *inter alia*, the completion of due diligence by La Mancha to its satisfaction, the parties entering into binding transaction documentation, the receipt of all required regulatory approvals (including the approval of a waiver of obligations under Rule 9 (the “Whitewash”) of the City Code on Takeovers and Mergers and TSX-V approval) and the approval of Altus Independent Shareholders at an Extraordinary General Meeting (“EGM”).

La Mancha - Lock-in Agreement

On completion of the La Mancha Investment, La Mancha would enter into a Lock-In agreement, whereby La Mancha would agree not to dispose of any of its Shares for 24 months from the completion of the definitive agreements regarding the La Mancha Investment. Following the expiry of the Lock-In period, La Mancha would procure that any sale of Shares it undertakes will be done so in an orderly manner.

La Mancha - Right to Nominate Non-Executive Directors

On completion of the La Mancha Investment, so long as La Mancha holds a 25% or greater interest in the issued Shares of the Company and subject to all regulatory and corporate approvals, La Mancha would have the right to nominate up to two non-executive directors to the board of Altus. So long as La Mancha holds more than a 15% interest in the Shares of the Company, it would have the right to nominate one non-executive director to the board of Altus.

La Mancha - Project First Offer Rights

On completion of the La Mancha Investment, Altus proposes to grant La Mancha certain pre-emptive rights in respect of the divestment of its projects. Prior to seeking a buyer or joint venture partner for a project, Altus would grant La Mancha a time period to exercise certain rights of first offer in respect of the project. In the event of Altus receiving a bona fide offer from a third party to buy or undertake a joint venture on a project, Altus would grant La Mancha a time period to exercise certain rights of first refusal.

La Mancha - Anti-Dilution Rights

On completion of the La Mancha Investment, so long as La Mancha holds a 15% interest in the issued Shares of the Company and subject to all regulatory and corporate approvals, La Mancha will be entitled to subscribe for additional Shares, pro rata to its holding in the Issuer, on the issuance of new Shares by Altus.

La Mancha - Relationship Agreement

On completion of the La Mancha Investment and in accordance with good corporate governance, La Mancha will enter into a relationship agreement with Altus and SP Angel Corporate Finance LLP, being the Company’s Nominated advisor on AIM.

La Mancha - Bridge Loan Facility

If the Placement does not occur, La Mancha has indicated in the non-binding LOI that it would make available to the Company a US\$ 0.75 million bridge loan (“**Bridge Loan**”). The Bridge Loan, if entered into and drawn down, would carry no interest (save in the case of default) and only be repayable in cash if Altus’ shareholders failed to approve the La Mancha Investment. In all other circumstances the Bridge

Loan, whether drawn down in full or in part, will convert to Shares at C\$ 0.09 per Share and the amount of the La Mancha Investment would be reduced by the amount drawn down.

About La Mancha

La Mancha is a privately held international gold company with investments in Endeavour Mining, Evolution Mining and Golden Star Resources, which have operations in Mali, Burkina Faso, Côte d'Ivoire, Ghana and Australia, respectively. La Mancha was taken private in 2012 by the Sawiris family. Under the Sawiris family ownership, since 2012, La Mancha has expanded its exposure to mining operations in Africa and Australia, and is invested in three mining companies with total production exceeding 1.8 million gold equivalent ounces per annum. For more information, please visit www.lamancha.com.

Independent Non-Brokered Private Placement

Separate to and not conditional on the La Mancha Investment, the Company plans to complete the Placement, involving the issuance to selected institutional or accredited investors of up to 58,500,000 Shares at a price of C\$ 0.09 (£0.053) per Share for aggregate gross proceeds of approximately C\$ 5,265,000 (approximately £ 3,088,000 / US\$ 4,000,000).

The Directors of the Company intend to participate in the Placement, subscribing for approximately 7,118,411 Shares for aggregate gross proceeds C\$640,657 (approximately £375,995 / US\$ 487,055). The Company will use the net proceeds of the Placement to fund project generation activities across its portfolio of projects, for generating and acquiring new project acquisitions, accrued expenses and for working capital purposes. The Company currently does not expect to pay any finder's fees in connection with the Placement.

The closing of the Placement is subject to TSX-V and other regulatory approvals. The Shares to be offered under the Placement have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons without an applicable exemption from registration requirements being available.

Share Consolidation

On completion of the La Mancha Investment and Placement, Altus intends to consolidate its then issued and outstanding Shares on a 5:1 ratio ("**Share Consolidation**"). The Share Consolidation proposal will be submitted for approval by the Company's shareholders at the proposed EGM.

Altus presently has 177,899,659 Shares on issue. On completion of the proposed La Mancha Investment and the proposed Placement in full and giving effect to the proposed Share Consolidation, if approved by the Company's Shareholders, this number will become approximately 72,117,987 Shares.

Timetable and Special Meeting

The Placement is expected to be launched during November 2019 on entering into binding transaction documentation in respect of the La Mancha Investment and complete shortly thereafter, subject to receipt of TSX-V and other regulatory approvals.

The La Mancha Investment and the proposed Share Consolidation are subject to certain conditions,

including, *inter alia*, the approval of the Company's shareholders and approval of the Panel. An information circular will be prepared and distributed to Altus shareholders in advance of the proposed EGM.

Conditionality

Whilst the principal terms of the La Mancha Investment have been agreed, the La Mancha Investment remains subject to due diligence, completion of the investment documentation, shareholder and regulatory approval. Altus and La Mancha intend to proceed as quickly as possible with the Proposed Investment. However, there can be no certainty that it will be completed.

Irrevocable Undertakings

The directors of Altus ("**Board**") currently hold 64,342,998 Shares, representing a 36.17% interest in the issued Shares prior to the Placement. Each of the Directors intends to enter irrevocable undertakings with La Mancha, to vote in favour of all shareholder resolutions at the EGM which pertain to the La Mancha Investment.

City Code on Takeovers and Mergers ("City Code**")**

Following completion of the La Mancha Investment, La Mancha would be expected to hold Shares representing 34.5% of the then enlarged issued Shares if the Placement is fully subscribed and 40.2% if the Placement does not exceed the Director's Subscription. Therefore, the La Mancha Investment would be conditional upon the Panel granting a waiver from the obligation that would otherwise arise upon La Mancha to make a mandatory offer for the entire issued share capital of Altus under Rule 9 of the City Code. Any such waiver will be subject to the approval of independent shareholders of Altus at the EGM.

No offer or solicitation

This Announcement is for information purposes only and does not constitute an invitation to any person to purchase or subscribe for Shares or any other securities or engage in any form of investment activity. This Announcement is restricted and is not for release, publication or distribution, directly or indirectly, in whole or in part, in, into or within the United States of America its territories and possessions, any state of the united states or the District of Columbia (collectively, the "United States"), Australia, Japan or New Zealand or any other jurisdiction where to do so might constitute a violation of the relevant laws or regulations of such jurisdiction. This Announcement is also being released in Canada as part of Altus' continuous disclosure record.

This Announcement is directed only at persons in member states of the European Economic Area ("**EEA**") who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended from time to time (the "**Prospectus Regulation**"), ("**Qualified Investors**"). In addition, in the United Kingdom, this Announcement and any offer if made subsequently is directed only at Qualified Investors, who are also (i) persons who have professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (ii) high net worth entities falling within Article 49(2) of the Order or (iii) other persons to whom it may lawfully be communicated (all such persons together being referred to as "**relevant persons**"). This Announcement must not be acted on or relied on (i) in any member state of the European Economic Area, by any person who is not a Qualified Investor (ii) in the UK, by any person who is not a relevant person.

This Announcement does not constitute an offer to sell or a solicitation of an offer to buy any Shares or other securities to, or for the account or benefit of, persons in the United States or "U.S. persons" ("U.S. Persons"), as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"). The Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons unless an exemption from such registration is available.

Any Shares distributed into Canada under the Placement will be subject to a hold period of four months and one day from the completion of the Placement.

For further information you are invited to visit the Company's website www.altus-strategies.com or contact:

Altus Strategies Plc

Steven Poulton, Chief Executive

Tel: +44 (0) 1235 511 767

E: info@altus-strategies.com

SP Angel (Nominated Adviser)

Richard Morrison / Soltan Tagiev

Tel: +44 (0) 20 3470 0470

SP Angel (Broker)

Abigail Wayne / Richard Parlons

Tel: +44 (0) 20 3470 0471

Blytheweigh (Financial PR)

Tim Blythe / Camilla Horsfall

Tel: +44 (0) 20 7138 3204

About Altus Strategies Plc

Altus is a London (AIM: ALS) and Toronto (TSX-V: ALTS) listed project and royalty generator in the mining sector with a focus on Africa. Our team creates value by making mineral discoveries across multiple licences. We enter joint ventures with respected groups and our partners earn interest in these discoveries by advancing them toward production. Project milestone payments we receive are reinvested to extend our portfolio, accelerating our growth. The portfolio model reduces risk as our interests are diversified by commodity and by country. The royalties generated from our portfolio of projects are designed to yield sustainable long-term income. We engage constructively with all our stakeholders, working diligently to minimise our environmental impact and to promote positive economic and social outcomes in the communities where we operate.

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this Announcement contain forward-looking information. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete

exploration programmes on schedule and the success of exploration programmes. Readers are cautioned not to place undue reliance on the forward-looking information, which speak only as of the date of this Announcement. Altus assumes no obligation to update any forward-looking information.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

****END****