

14 September 2018

For Immediate Release

Anglo African Agriculture plc

("AAA" or the "Company")

Funding secured to finance loan for strategic Kenyan logistics port

Further to the announcement made by the Company on 5 September 2018, the Board of AAA is pleased to announce that it has secured funding to finance a loan for the strategic logistics port in Kenya by raising a total of £1,055,000 (the "**Fundraising Amount**").

The Fundraising Amount was raised by way of a £805,000 subscription for 161,000,000 new ordinary shares of 0.1p (the "**Subscription**") at 0.50p per Subscription Share (the "**Subscription Price**") and issue of £250,000 of convertible loan notes for 50,000,000 loan notes of 0.50p (the "**Loan Notes**") with a conversion price of 0.75p (the "**Conversion Price**") (all together, the "**Fundraising**").

The Subscription Price was at the last closing price of 0.50p per ordinary share as at 13 September 2018. Further, the Conversion Price represents a premium of 50.0 per cent. to this same closing price.

Investor Support

The majority of the Subscription and all Loan Notes have been subscribed by a high-net worth investor, Mike Joseph, who the Board regards as a long term supportive shareholder and are delighted to have him join the share register.

Following the allotment of Subscription Shares, Mike Joseph will have an interest in 100,000,000 ordinary shares in the Company, or 25.8 per cent. of voting rights as enlarged by the Subscription Shares.

Use of Proceeds

US\$1,000,000 of the Subscription has been allocated to be used to provide a 24 month loan to help fund the growth of the privately-owned, Kenyan-based port and marine logistics group, Comarco Group ("**Comarco**"). The remaining proceeds of the Subscription shall be utilised for the Company's working capital and transaction costs.

As announced on 30 August 2018, to support this growth, the Company will provide assistance with Comarco's restructuring and examine further ways to work or invest together.

Convertible Loan Notes

The Loan Notes holder will be paid an annual interest rate of 12 per cent. in cash, semi-annually, with a term of 24 months. The Loan Notes will not be admitted to trading on any exchange.

New ordinary shares issued as a result of conversion of all Loan Notes would represent 33,333,333 ordinary shares, or 7.9 per cent. of the issued share capital of the Company, as enlarged by the Fundraising.

However, under the terms of the Loan Note Instrument, the maximum number of Loan Notes that can be converted into ordinary shares at any one time will be restricted such that Mike Joseph's total voting rights cannot exceed 29.9 per cent. of the shares in issue of the Company.

Warrants

Warrants will be attached to the Subscription Shares on a 1-for-1 basis, with an exercise price of 1.0p per ordinary share and expire 12 months from allotment of the Subscription Shares (the "**Subscription Warrants**").

Further, warrants will be attached to any new ordinary shares that are issued as a result of conversion of any Loan Notes, on a 1-for-1 basis on the same terms as the Subscription Warrants ("**Loan Note Warrants**").

A maximum of 194,333,333 new ordinary shares could potentially be issued in the event that all Subscription Warrants and Loan Note warrants are exercised.

Admission

It is estimated that the Subscription Shares and Loan Notes will be allotted to subscribers by 19 September 2018.

Admission of the Subscription Shares and any Conversion Shares to trading on the Main Market of the London Stock Exchange will be subject to the publication of a prospectus. As such, Subscription Shares cannot be traded until that time.

Work has commenced on production of the prospectus in respect of the Subscription Shares, the potential new ordinary shares issued as a result of conversion of any Loan Notes and potential exercise of the Subscription Warrants and Loan Note Warrants. It is hoped that this will be approved by the UK Listing Authority and published as soon as practicable.

General Meeting

The Company has sufficient existing headroom to issue the Subscription Shares and new ordinary shares issued resulting from conversion of all Loan Notes.

However, a General Meeting will be convened by the Company in due course, order to provide sufficient headroom for exercise of Subscription Warrants and Conversion Warrants.

Shares in Issue

The figure of 387,983,954 shares in issue should be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their

interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

David Lenigas, Non-Executive Chairman, commented:

"We have been delighted with the interest received since we announced this strategic initiative and also delighted to have a major new investor on the shareholder register who has an excellent track record.

This is the start of a transformation for AAA and I believe now that the loan is funded, we can work together with Comarco in the best interests of all our respective shareholders. The Directors are confident this will present positive future opportunities and markets to the Company."

For further information please contact:

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