



Friday 12th November 2021

Please Note: This letter is only an opinion, and not financial advice.

DO NOT ACCEPT THE GANFENG TAKEOVER OFFER FOR BACANORA

Think BIG has more than 500 shareholders. We work with **ShareSoc**, fighting for the rights of private investors. Together, we believe it's in your best interests to **DO NOTHING AT THIS STAGE and NOT accept** the meagre offer put forward by Ganfeng.

Think BIG's campaign has featured in The Telegraph, the Daily Mail and specialist Mining Journals. We are opposed to this takeover attempt because we believe it **grossly undervalues the company. Do nothing**, and we believe we can get a better price for our shares.

Even if you do not accept the offer, you will still be entitled to receive the Zinnwald distribution should the offer succeed.

The Story so far....

As Bacanora Shareholders we bought into Bacanora and the Sonora project, because:

- It is a 250 year lithium resource among the world's biggest and best
- It is a company focused on production, not just exploration
- Ganfeng was presented as a mutual partner – not an opportunistic purchaser
- We believe there was the potential for dividends following production
- We did not expect the board to sell the company out from under us, especially as construction has already commenced and **WAS** fully funded to production, according to the CEO. <https://youtu.be/9QbwF23vluQ?t=1548>

Instead, the board offered shares in a discounted placing to 'raise funds to finance the project to production.' CEO Peter Secker stated at The Proactive Mining Conference in 2019 that **Ganfeng would not seek to take over Bacanora Lithium**. He stated that "History says they're not going to take us over..." "...So, could they go to 50%? They potentially could. That's a strategy. Do they want to take us over? They don't". <https://youtu.be/HVUnknIPxPM?t=1341> But within months of diluting us, the Board stated they would

'likely recommend' a 'possible offer' from Ganfeng. And now, they are recommending exactly that - a Ganfeng takeover offer that leaves many investors nursing significant losses.

We believe you should **say NO!** - **Do Nothing and DO NOT ACCEPT this offer**

We are being **offered a derisory price of 67.5p cash+ 0.23578 Zinnwald shares. Zinnwald has already fallen by 16.98% since the offer (From 15th September 2021 to Monday 25th October 2021). How much further will it fall?**

We believe we know how much this would have been worth in production. We believe the Bacanora Board should have firmly rejected any initial offer and demanded a better one, just as the boards of Morrison's and many others have successfully done. But the Board failed to champion our rights as shareholders - **INCLUDING YOURS!**

Bacanora is holding over £100 Million in cash. Think BIG urge you to stand firm and join the legions of investors refusing to accept this offer. We note that the board has recommended the current offer, but we believe Ganfeng should allow this cash to be distributed as a special dividend in addition to the current offer, and the board should propose this additional consideration to Ganfeng to increase this offer.

The best option is to reject this offer until it is significantly improved.

Think BIG's investors have crowdfunded the cost of writing to you on the 25th October 2021 and almost **10,000 other individual shareholders**, ALL the major institutional holders; the CEO himself and many people in the UK government. We have generated Parliamentary questions twice, with ShareSoc's assistance, through Lord Lee of Trafford. Given our views of what Bacanora is truly worth, it is now up to us as shareholders to take a stand.

Since the Letter of Intent supporting the offer, M&G have now accepted the offer. Considering the funds raised from their placings paid for a lot of the drilling and feasibility studies, we have asked them why they have accepted, instead of asking for an increase. We are yet to receive a response to our communications.

We believe **there are enough private retail shareholders to make a difference. You are one of them. Think BIG represents shareholders holding over 8% of the shares in issuance. If you refuse to accept this offer - we believe you can make a difference.**

Ganfeng requires over 50% for control, 75% to de-list, and 90% to forcibly buy us all out. Only 60% of the total shareholders voted for the Zinnwald distribution. **Preventing Ganfeng from reaching the 75% threshold is achievable.** We believe Ganfeng wants 100% control, and believe it is highly likely that if they de-list the company, they will make a subsequent offer to the minority shareholders to attain 100% control.

We believe **Ganfeng does not want any shareholders with rights involved.** We believe it needs to delist, shut UK operations, and escape UK and EU regulation. Preventing Ganfeng from reaching 75% changes all that. Collectively, we believe private investors have a strong negotiating position to force an improvement in the offer.

DO NOT ACCEPT this terrible offer and help us to force Ganfeng into making us a better one. It's time to stand up for ourselves, and our investments.

WE BELIEVE THE CURRENT OFFER IS NOT THE BEST OFFER

Regards,

Dee Patel – Co-Founder Think BIG

P.S. Please note that ShareSoc is supporting the Think BIG campaign

If you would like to join fellow investors in Bacanora in Think BIG please visit or join one of the following:

Website: <https://savebacanora.wordpress.com/> - Full Presentation Here

ShareSoc Website: <https://www.sharesoc.org/>

Telegram Chat group: <https://t.me/bacanoralithium>

Email: saveBCN@protonmail.com

[WhatsApp group available on request](#)