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## **Maghreb Minerals plc**

### Preference Share Conversion

Maghreb Minerals plc ("Maghreb" or the "Company") announces that the Company has received notification, from Firebird Global Master Fund II Ltd ("Firebird"), of Firebird's intention to convert the 22,222,222 preference shares issued to Firebird pursuant to the authority granted by shareholders at the extraordinary general meeting of the Company held on 12 November 2009 ("EGM") into ordinary shares in the Company ("Ordinary Shares") in accordance with the terms of the loan note issued to Firebird on 11 March 2009 (as amended).

The conversion of the preference shares into Ordinary Shares will result in the issue of 22,222,222 Ordinary Shares. Application will be made for the Ordinary Shares to be admitted to trading on AIM and it is expected that admission will take place on Friday 9 April 2010. Following the admission of the new Ordinary Shares to AIM there will be 133,256,203 Ordinary Shares in issue.

Following the conversion Firebird, together with Firebird Global Master Fund Limited (the "Firebird Group") will hold 57,458,380 Ordinary Shares representing 43.1 per cent of the issued share capital of the Company.

### Concert Party

Under the City Code on Takeovers and Mergers (the "City Code") a concert party arises when persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate control of that company (under the City Code, control means a holding, or aggregate holdings, of shares carrying 30 per cent or more of the voting rights of a company, irrespective of whether the holding or holdings gives de facto control). The circular issued on 16

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October 2009 and available on the Company's website (the "Circular") sets out full details on the concert party and the waiver granted to the concert party in relation to Rule 9 of the City Code.

The Firebird Group comprises two funds, which together with Company Directors James Passin and Albert Gourley make up the concert party ("Concert Party").

Following the conversion by Firebird of its preference shares into Ordinary Shares, the Concert Party holds 64,125,046 Ordinary Shares representing 48.12 per cent of the issued share capital of the Company. The conversion by Firebird and the related increase in shareholding by the Concert Party was approved by shareholders (following the grant of a waiver of Rule 9 of the City Code by the Panel on Takeovers and Mergers) at the EGM.

The Concert Party members do not currently intend to dispose of either their individual or joint beneficial share ownership in the Company during the foreseeable future. The Concert Party members intend to utilise their relationships, expertise and other portfolio holdings in similar companies in the frontier and emerging markets, including the mining and energy sectors, to benefit the Company.

As described in the Circular the £300,000 subscription made by the Concert Party in November was conditional upon the approval of the resolution approving the conversion by Firebird of its loan notes into preference shares or Ordinary Shares. At that time those transactions were considered to be a Related Party Transaction as defined in the AIM Rules for Companies. At the time of the publication of the Circular the independent directors considered that, having consulted with Westhouse Securities Limited, the Company's Nominated Adviser, that the terms of the transactions were fair and reasonable insofar as the independent shareholders are concerned.

**ENQUIRIES:**

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