



Fox Marble plc

First day dealings on AIM

Fox Marble plc (AIM: FOX) ("Fox Marble" or the "Company"), is pleased to announce that Admission and trading of its Ordinary Shares commences today on the AIM market of the London Stock Exchange ("AIM").

The Company successfully raised £9.65 million (£8.3million net of expenses) through a placing of 32.95 million new ordinary shares at 20p and the issue of convertible loan notes of up to £3.06 million. At the Placing Price of 20 pence per Ordinary Share the market capitalisation of the Company is £21.4 million.

Fox Davies is nominated adviser and broker to the Company and Merchant Securities Joint Broker to the Company.

Fox Marble's TIDM Code is FOX and its ISIN number is GB00B7LGG306.

Commenting on the commencement of trading, Chief Executive Officer, Christopher Gilbert, said:

"The start of share dealings on AIM is a major step in the development of Fox Marble. I would like to welcome all our new shareholders and look forward to keeping our investors informed as Fox Marble makes rapid progress towards production and processing of the highest quality marble."

Key Business Highlights

- Fox Marble is a UK holding company of a group which has been granted mining licences in respect of five marble quarries, covering a total area of approximately 239,000m², in Kosovo: Peja; Rahovec (comprising three quarries in Antena, Cervenilla and Verezat) and Suhogerll.
- The Company intends to commence quarrying operations initially at two of the Group's quarries, build a processing plant and develop a sales network for the marble. Management intends to open two subsequent quarries in the first half of 2014, with equipment funded from operating cash flows.
- The Group intends to sell a limited amount of unprocessed marble blocks to generate early cashflows while the processing plant is under construction, a process which is expected to take a period of approximately 10 months. Once completed, the Group will focus primarily on selling polished marble slabs on an ex-factory gate basis to the wholesale market for ultimate use in the construction and decorative industries across the world.
- Marble is substantially more valuable once processed and it attracts a broader market for sales. Once completed the plant will begin to process and polish marble blocks extracted from the quarries into slabs. The Board expect to recover 70% cent of the total volume of blocks after allowing for wastage due to quality control measures. Each block is expected to generate between 47 and 70 slabs of between 4.5 and 5.5 m² in area and 20-30mm in thickness.
- The funds raised, net of costs, will be used as follows:

Purchase quarrying equipment	£1.2m
Commission a processing plant	£4.1m
First years operating and production costs	£2.2m
Working capital	<u>£0.8m</u>
Total	<u>£8.3m</u>

Key Strengths

The Directors believe that the Group's key strengths include the following:

- Large high quality marble resources – as set out in the Competent Person's Report prepared by Golder Associates (UK) Limited, the Group has indicated marble resources of 91.4 million m³ and inferred marble resources of 235 million m³.
- Existing mining licences – the Group has been granted mining licences by the Independent Commission for Mines and Minerals (ICMM) in respect of the five quarries to which it has rights, which should enable marble production to commence in the near term following Admission.
- Low cost operations – Kosovo is a relatively low-cost environment which, combined with the semi-automated process associated with marble processing, means that operating costs can be kept relatively low.
- Opportunity to construct a processing plant – the Group has identified a site for its processing plant adjacent to the Rahovec quarries and has completed design and specification of the plant. It will be necessary to obtain a building permit to construct the processing plant but the Directors do not anticipate that this should be difficult to obtain.
- Experienced management team – the Company has an experienced board and management team with the requisite experience of working and operating in Kosovo and with extensive quarrying and marble experience.
- Strong local management – the Group has strong local Kosovan management who the Directors believe will enable the Group to commence production as soon as possible.
- Infrastructure – the quarries are located near main road routes in Kosovo and all but one of the quarries have access to water and electricity in place.
- Lack of other marble quarries in Kosovo – the Board believes that the Group's quarries will be the only operating commercial marble mines in the country.

Board and Management

Fox Marble's Board at Admission is as follows:

Andrew Allner, aged 58, Non-Executive Chairman

Andrew Allner is currently the Non-Executive Chairman of Marshalls Plc and a Non-Executive Director of CSR Plc, Northgate Plc, AZ Electronic Materials SA and The Go-Ahead Group Plc. Previously, Andrew was a Non-Executive Director of Moss Bros plc, group finance director of RHM Plc, and chief executive officer of Enodis Plc. Andrew is a Fellow of the Institute of Chartered Accountants for England and Wales.

Christopher Gilbert, aged 60, Chief Executive

Chris Gilbert has successfully built and sold companies across a number of sectors but primarily within the media and technology industries in the UK and the USA. In 2005, Chris returned to the music industry backed by Cargill, a private equity provider, to develop Crosstown Songs, a buy and build music publishing venture,

which became a major independent music publishing company with offices in London, Los Angeles, Nashville and Stockholm. Crosstown Songs was sold to Kohlberg Kravis Roberts and Bertelsmann in 2009.

Etrur Albani, aged 40, Managing Director

Etrur Albani is a dual citizen of the UK and Kosovo. He was previously a Director of Rex Marble Limited, a London based company that processes and refines marble, granite and other stone from slabs to the final product. Previously, Etrur was the managing director of PTK, the national Kosovan telecoms company and largest company in Kosovo. Etrur has a Ph.D. from London South Bank University and is a Bachelor of Electronic Engineering from North London University. He has also attended the Oxford Strategic Leadership Programme at the Saïd Business School.

Fiona Hadfield, aged 32, Finance Director

Fiona Hadfield is a chartered accountant. She previously worked with Deloitte LLP and qualified as a chartered accountant in 2005. In 2009, Fiona joined Crosstown Songs as chief financial officer, overseeing the financial aspects of the company's sale to Kohlberg Kravis Roberts and Bertelsmann. Fiona is a graduate of Oxford University.

Sir Colin Terry KBE CB DL, aged 69, Non-Executive Director

Sir Colin Terry spent 37 years in the Royal Air Force, where he reached the rank of Air Marshal. Sir Colin is currently the Non-executive Chairman of Meggitt Plc, a position he has held since 2004. He is qualified as a chartered engineer and is a fellow of both Imperial College and The Royal Academy of Engineering.

Roy Harrison OBE, aged 65, Non-Executive Director

Roy Harrison was the former Chief Executive of Tarmac Plc, a leading aggregates company, and completed the sale of Tarmac plc to the Anglo American Mining Group in 2000. He is currently the Chairman of Renew Holdings Plc and also acts as a consultant to Arriven, a private partnership, advising and investing in the UK building materials sector. Previously, he was a senior independent director of the BSS Group Plc.

Fox Marble has a highly experienced and committed management team both in Kosovo and in the UK covering all aspects of the business, including management, operations, sales, business development and finance.

Ends

For more information on Fox Marble, please visit www.foxmarble.net, or contact:

Fox Marble Holdings plc

Christopher Gilbert, Chief Executive Officer
Fiona Hadfield, Chief Financial Officer

Tel: +44 (0) 20 7380 0999

Fox Davies Capital Limited (Nomad and Joint Broker)

Susan Walker/Jonathan Evans
Daniel Fox-Davies

Tel: +44 (0) 20 3463 5000

Merchant Securities (Joint Broker)

Chris Theis

Tel: +44 (0) 20 7375 9036

Buchanan Communications

Tim Anderson / Fiona Henson / Sophie Cowles

Tel: +44 (0) 20 7466 5000

www.buchanan.uk.com