

9 November 2020

Dear Shareholder

BGL is intent on returning to the Atlantic salvage target as early as possible in 2021 and to that end is currently seeking new investment of circa £5m. A number of constructive discussions are ongoing, the view shared by new investors being that the bulk of the project work has been done and whilst still speculative, there is some enhancement of the risk-reward ratio.

The likely scenario will be that the investor's lend the sum above to an SPV which subcontracts the project work to BGL alone. In the event of success, the former will be paid both capital and preference return first, after which BGL will recover all prior salvage costs, including those incurred by ASV. Thereafter, all recovery is for BGL's account save for a premium equal to the investor's capital on the successful recovery of each additional £100m of cargo value. These arrangements are still subject to negotiation but continue to be the basis of the discussions.

Concurrently BGL continues to work closely with the client who in late 2019 contracted in with Belgravia Gold Ltd, a major shareholder of BGL, to carry out a salvage project in the Pacific. In this case, Belgravia Gold subcontracted the project to BGL which will earn a 12.5% of total salvage costs as a project management fee and a 12% share of the gross value of any successful recovery. Originally, it was entirely possible that if successful, this latter recovery share would finance a self- financed BGL return to the Atlantic but following the many issues of lockdown in 2020, this scenario is now unlikely, hence the separate discussions with new investors above. That said, and subject to local conditions, it is planned that both salvage programmes take place in early 2021.

Yours faithfully,



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