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Alba Mineral Resources plc
("Alba" or the "Company")

Update on Thule Black Sands Drilling
and Greenland Spin-Out IPO

Alba Mineral Resources plc (AIM: ALBA) is pleased to announce that the Phase 2 Drilling Programme has commenced at the Company's wholly owned Thule Black Sands Ilmenite Project in northern Greenland.

The Company is also pleased to provide an update on the transaction to spin out the Company's Greenland assets into a stand-alone AIM-quoted vehicle.

Key Points

- Drilling operations have commenced at the Thule Black Sands Ilmenite Project in northern Greenland
- Alba seeking to drill 125 holes for up to 1,000 m with the aim of substantially increasing the existing JORC Mineral Resource
- DEM and bathymetry surveys will also be undertaken
- Greenland IPO Spin-Out Transaction progressing

Thule Black Sands Drilling Programme

Alba's wholly owned subsidiary White Eagle Resources Limited ("White Eagle"), the owner and operator of the Thule Black Sands Ilmenite Project ("TBS" or the "Project"), has commenced drilling activities at site. The objective of the drilling will be to significantly increase the existing JORC-compliant Mineral Resource Estimate for the Project.

The drilling programme will focus on the higher-grade southern area as delineated by the 2018 drilling campaign. Around 125 holes are planned to be drilled by sonic rig at an average depth of 8m which equates to 1,000m of drilling. The holes will be spaced on a grid of 200m x 250m with fences placed midway (infilling) between the 2018 fences. There will be some in-fill drilling within the 2018 fences to allow for Resource estimation to greater depths.

The 2018 Mineral Resource estimate only averaged 1 metre in depth as the drilling was constrained by the permafrost layer being encountered around that depth. To enable depth penetration through the permafrost, the Company has chosen to use a sonic drill in the current campaign. Initial reports are that the drill rig is performing as expected.

Subject to successful completion of the upcoming drill programme and a significant increase in the Mineral Resource, White Eagle intends to progress to conceptual or scoping level studies to assess the economic exploitation of the Project. This study work will incorporate the metallurgical test work currently in progress at IHC Robbins' Brisbane test facility, thereby allowing for a relatively fast-track assessment.

In addition to the drilling, the Company will be carrying out a Digital Elevation Model (DEM) survey over the licence area which will greatly assist in future mine development activities, as well as a bathymetry survey which will be used to input into future near-shore shallow-depth ilmenite resource estimations and infrastructure requirements. These surveys will be carried out by ASIAQ Greenland Survey, which is 100% owned by the Greenland state and which has significant experience in carrying out such surveys and research projects in Greenland.

As announced on 7 June 2021, Alba has published an independent JORC Exploration Target ("ET") for TBS. This has resulted in an exploration target for the combined North, Central and South areas of 70-300 million tonnes of material with a range of percentage of total heavy minerals (THM%) of 35-50%, a range of ilmenite grade (as a percentage of THM) of 12-22% and a range of in-situ ilmenite grade of 6-11%.

In accordance with the JORC Code (2012), the potential quantity and grade of this Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

This Exploration Target will be partially tested in the current drilling programme.

Greenland Spin-Out IPO

As reported on 20 May 2021, the Company intends to divest its assets in Greenland, namely the Amitsoq, TBS, Melville Bay and Inglefield Projects (the "Greenland Projects"), into a separate vehicle ("New Listco") which will, subject to regulatory approval, seek to be admitted to trading on AIM (the "Spin-Out Transaction"). New Listco will acquire the Greenland Projects from Alba for shares, and simultaneously with the listing New Listco will undertake an Initial Public Offering ("IPO") fundraising to secure the necessary working capital to fast-track the development of the Greenland Projects.

The Alba Board believes that moving the Greenland Projects into a new listed vehicle will allow the market to set a stand-alone and, Alba believes, materially

greater value for those assets than will be possible within Alba's currently diversified portfolio. As part of the Spin-Out Transaction, Alba will receive New Listco shares valued on IPO at approximately £6 million, resulting in Alba becoming the majority shareholder of New Listco.

More information will be provided about the Spin-Out Transaction as it progresses.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events.

Without prejudice to the generality of the foregoing, uncertainties also exist in connection with the ongoing Coronavirus (COVID-19) pandemic which may result in further lockdown measures and restrictions being imposed by Governments and other competent regulatory bodies and agencies from time to time in response to the pandemic, which measures and restrictions may prevent or inhibit the Company from executing its work activities according to the timelines set out in this announcement or indeed from executing its work activities at all. The Coronavirus (COVID-19) pandemic may also affect the Company's ability to execute its work activities due to personnel and contractors testing positive for COVID-19 or otherwise being required to self-isolate from time to time.

Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

Competent Person Declaration

The information in this release that relates to Exploration Results has been reviewed by Mr Mark Austin. Mr Austin is a member of SACNASP (Reg. No. 400235/06), Fellow of The Geological Society and Fellow of the Geological Society of South Africa. He has a B.Sc. Honours in Geology with 38 years' experience.

Mark Austin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration targets, Exploration Results, Mineral Resources

and Ore Reserves', also known as the JORC Code. The JORC code is a national reporting organisation that is aligned with CRIRSCO. Mr Austin consents to the inclusion in the announcement of the matters based on his information in the form and context in which they appear.

Glossary

CRIRSCO: *Committee for Mineral Reserves International Reporting Standards.*

Exploration Target: *In respect of the reporting of an Exploration Target, the JORC Code (2012) requires the inclusion of a statement that "the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource". Exploration targets are not reported in table form nor as a Mineral Resource statement, but rather written as a range of potential upper and lower limits for tonnes, contained commodity and grades.*

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Alba's Project and Investment Portfolio

Project (commodity)	Location	Ownership
Mining Projects		
Amitsoq (graphite)	Greenland	90%
Clogau (gold)	Wales	90%
Gwynfynydd (gold)	Wales	100%
Inglefield (copper, cobalt, gold)	Greenland	100%
Limerick (zinc-lead)	Ireland	100%
Melville Bay (iron ore)	Greenland	51%
TBS (ilmenite)	Greenland	100%
Oil & Gas Investments		
Horse Hill (oil)	England	11.765%

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