

Alba Mineral Resources Plc / EPIC: ALBA / Market: AIM / Sector: Mining

16 August 2023

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

Clogau Operational Update

Alba Mineral Resources Plc (AIM: ALBA) provides the following update regarding the dewatering and associated safety and access works at its primary target within the Clogau-St David's Gold Mine in north Wales ("Clogau" or the "Mine"), the Lower Llechfraith workings.

Key points

- As announced on 4 July 2023, ecological permits have been granted at Clogau comprising a European Protected Species Licence ("EPSL"), water discharge permit, and water abstraction (or transfer) licence, in relation to the dewatering and associated exploration of the Lower Llechfraith workings.
- Dewatering was initially successfully undertaken down to c. six metres depth, however unseasonal and exceptionally heavy rainfall during the dewatering period, some three times higher than the average for the time of year, has resulted in the workings reflooding, following which the Company has requested from NRW an extension to the higher rate (100m³/day) abstraction rate, which the Company is awaiting approvals to undertake.
- The Company is also in the process of applying for formal variations to both the discharge and abstraction permits to increase the applicable thresholds under both permits.
- Given the initial success of the dewatering exercise, upon obtaining the revised approvals the Company expects to proceed to a successful completion of the dewatering process.
- Encouragingly, all safety works at Level 2 and Level 3 have now been completed, which will allow safe access down to Level 4 once dewatering has been completed. Alba's contractors are in the process of completing a cabin structure on the Llechfraith Adit level which will provide the final bat exclusion and noise mitigation measure in advance of blasting and other exploration activities at Level 4, post dewatering.
- In relation to the waste tip at Clogau, the Company is close to submitting the pre-application enquiries to the local planning authority as a precursor to the submission of a full planning application for the exploitation of the tip.
- Across the wider Dolgellau Exploration Project, regarding the planned aerial, UAV (unmanned aerial vehicle) geophysical survey over some key regional gold targets, we are advised that the Civil Aviation Authority (CAA) has issued the CAA Operational Authorisation which sets out the agreed safety case for operating the UAV in the target area, and that the final step is to have the area approved and notified. As such, the Company remains on track to commence the survey in September 2023.

Further Details Regarding Operations within Lower Llechfraith Workings

Alba's principal exploration target within the Mine is the Lower Llechfraith workings, which have been flooded for the past 2-3 decades. In July 2023, Alba was granted an abstraction permit and a discharge licence by Natural Resources Wales ("NRW") to enable it to dewater the flooded workings within the Lower Llechfraith to enable Alba to commence exploration activities there.

However, the exceptional and unseasonably heavy rains throughout July and early August 2023 have meant that the permissions granted by NRW, to abstract/transfer 100m³ per day for 16 consecutive days to dewater the workings, followed by 30m³ per day (until 2030) to keep the workings dewatered, have to date proven insufficient to complete the dewatering exercise. While around 6m in vertical extent of the flooded workings were dewatered initially during the higher rate (100m³/d pumping period), in recent days, at a pumping rate of 30m³/d and with ongoing intermittent heavy rains, the workings have now partially reflooded close to their original starting level (see Figure 1).

As a result, the Company is seeking a temporary variation to recommence pumping at the higher volume 100m³/day rate. In the meantime, the Company is also applying for formal permit variations to allow for long-term abstraction and discharge at higher rates. While NRW has indicated that it is not minded to grant a temporary variation, the Company continues to make formal representations in that regard.

It is noted that:

- The dewatering period has coincided with a period of exceptional rainfall, some three times higher than the average for the time of year and in the top 1st percentile of annual records for the period. From the Rhyd Y Main rain gauge, 296mm rainfall occurred in the month of dewatering whereas during the equivalent period in the previous year the total rainfall was 79.8mm (data from NRW). Based on the Centre for Ecology & Hydrology's Flood Estimation Handbook (FEH), centred on the site, Clogau was impacted by two 48-hour rainfall events within the two-week dewatering period, each storm bringing rainfall comparable to the largest 48-hour storm, typically involving about 70mm of rain, that one would only expect to see once a year, and of course not in the middle of summer.
- NRW did previously grant the Company an informal extension to the same abstraction permit during the course of the initial higher-rate abstraction, which allowed the Company to reset the clock for another 16 days at 100m³/day because of an unexpectedly elevated zinc reading which was caused by a galvanised frame within the settlement tank, which issue has since been rectified.
- A recommencement of the higher rate pumping regime would continue to be subject to the Company's existing approved water quality testing and settlement removal process, which is therefore considered preferable to the excess rainwater discharging from the Drainage Adit directly into the river, as would be the case if the workings were to fully reflood.
- All water monitored to date is within the discharge permits criteria, without active treatment. The Company has, however, invested in a settlement treatment tank onsite which is consistently discharging <4mg/L suspended solids. The good water quality is not surprising, given that this is a short duration, through-flowing system. Since the implementation of mitigation measures within the settlement tank, daily analysis of the tank discharge consistently shows that dissolved Cu is <1µg/L, dissolved Fe <10µg/L, dissolved Zn <5µg/L, total As <5µg/L and total Al <50µg/L, all being well within the discharge permits criteria.
- To put the relative volumes of water in their context, a discharge to the river (the Afon Cwm Llechen) of 100m³/day represents about 0.03% of the total river flow during a low flow period, and an even lower percentage during the higher flow periods experienced of late, which are more typically experienced in the autumn and winter months.
- While it may be possible to complete the dewatering exercise at the base pumping rate, of 30m³/day under the existing abstraction permit, this would be expected to take a considerable length of time and

require a cessation of the exceptional rainfall events which have been seen in recent weeks. However, an initial dewatering of the workings to at least around 15 metres in vertical extent would allow the Company to commence the planned safety, clean-up and exploration works (surveying, mapping and sampling) on Level 4, with the second phase of dewatering (down to around 30m vertical extent) then allowing for the sinking of winzes below Level 4 for the purposes of the planned bulk sampling.

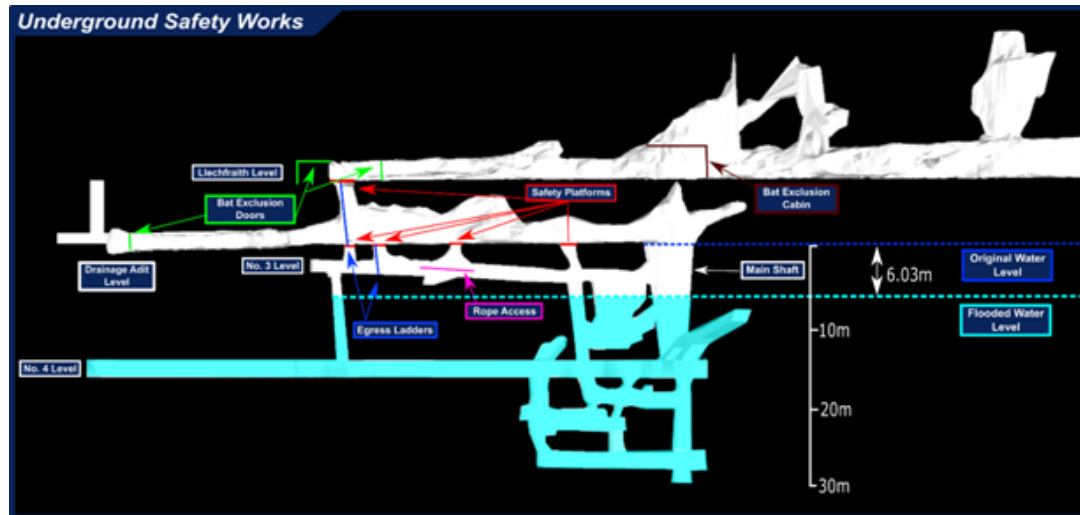


Figure 1: Lower Llechfraith workings, annotated to show completed safety, access and bat exclusion measures. Approximate depth of flooded workings shown on right-hand side (Level 4 at around 15m and total depth down to around 30m, with the total vertical extent dewatered, prior to reflooding, at around 6m)

All safety and access works at Level 2 and Level 3 have now been completed, which will allow safe access down to Level 4 once the dewatering exercise has been completed.

Alba's contractors are in the process of completing a cabin structure on the Llechfraith Adit level which will provide the final bat exclusion and noise mitigation measure in advance of blasting and other exploration activities at Level 4, post dewatering (see Figure 2).



Figure 2: Cabin under construction at Llechfraith Adit Level

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.

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

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Alba's Projects & Investments		
<i>Projects Operated by Alba</i>	<i>Location</i>	<i>Ownership</i>
Clogau (gold)	Wales	100%
Dolgellau Gold Exploration (gold)	Wales	100%
Gwynfynydd (gold)	Wales	100%
<i>Investments Held by Alba</i>	<i>Location</i>	<i>Ownership</i>
GreenRoc Mining Plc (mining)	Greenland	42.97%
Horse Hill (oil)	England	11.765%

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