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Alba Mineral Resources PLC
17 August 2023

Alba Mineral Resources plc

("Alba" or the "Company")

HALF-YEARLY REPORT

The Board of Directors of Alba Mineral Resources plc (the "Company" or "Alba") is pleased to report the Company's interim results for the six months ended 31 May 2023. They incorporate the results of its subsidiary companies Aurum Mineral Resources Limited ("AMR"), Mauritania Ventures Limited ("MVL"), Dragonfire Mining Limited ("DML"), the Gold Mines of Wales group of companies ("GMOW") and GMOW (Gwynfynydd) Limited (together, the "Subsidiary Companies", collectively with Alba, the "Group").

For the period to 9 March 2023 the interim results also consolidate the GreenRoc Mining Plc group of companies ("GreenRoc") comprising Greenroc Mining Plc, Obsidian Mining Limited ("OML"), White Eagle Resources Limited ("WERL") and White Fox Resources Limited ("WFRL") (together, "GreenRoc"). After this date the investment is treated as an associate.

CHAIRMAN'S STATEMENT

I am pleased to present shareholders with a review of our activities in the six months to 31 May 2023.

1. REVIEW OF ACTIVITIES

1.1 WELSH GOLD PROJECTS

(Clogau-St David's, Gwynfynydd and Dolgellau Gold Exploration Project) (100%)

During the reporting period, a lot of our work was focused on securing the ecological permits required for us to be able to dewater and then explore the Lower Llechfraith Workings at the Clogau-St David's Gold Mine in north Wales ("Clogau" or the "Mine"), this being our highest priority gold target within the Mine system.

The Lower Llechfraith workings have all the key geological characteristics for the occurrence of high-grade gold mineralisation, including greenstone sills, Clogau Shales and structural complexity in the lode itself. This area was a key focus for the last large-scale development efforts at Clogau, prior to Alba's time. Historical plans from that period record sightings of visible gold within these lower workings. Alba's 2020-21 surface drilling programme proved the downward continuation of the Llechfraith lode structure up to around 122 metres below where it was last explored on Level 4. As such, the target structure below this level has been untouched by historical exploration and development.

Access to the Lower Llechfraith workings has not been possible for some decades due to flooding, hence the requirement for a dewatering programme to be undertaken, during which water would be pumped out of the flooded workings and then treated in the Clogau mine yard using a settlement tank to remove excess suspended solids.

The inability to progress work on this principal target has of course been a source of some considerable frustration. However, in July 2023 we were delighted to report the award to us of those key ecological

permits. Having already done much of the preparatory and planning work in advance in terms of lining up contractors, equipment and materials, we were able to start the dewatering exercise within a matter of days following permit grant. And once the workings had been dewatered to a sufficient extent, our contractors were able to start work on the essential safety and access works which would enable us to make our way safely into the lower workings.

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.

Dewatering was initially successfully undertaken down to ca. 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 the regulator, Natural Resources Wales ("NRW"), an extension to the higher rate (100m3/day) abstraction rate. While, as at the time of writing, NRW has indicated that it is not minded to grant a temporary variation, the Company continues to make formal representations in that regard. The Company is at the same time in the process of applying for formal variations to both the discharge and abstraction permits to increase the applicable thresholds under both permits.

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. The second phase of dewatering (down to around 30m vertical extent), subject to the permitted development rights notification regime, would allow the sinking of winzes below Level 4 for the purposes of the planned bulk sampling of the exposed development, in order to determine the gold content and test the Company's existing geological model. Depending on the outcome of that work, the subsequent phase of work is expected to involve putting in new development, commencing with the sinking of a new shaft or the extension of the existing Llechfraith Shaft.

Since the implementation of mitigation measures within the settlement tank being used to remove excess solids, 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 prescribed discharge permits criteria.

Generally, the fact that the permitting process over the course of the past two years has included a lengthy Habitat Regulations Assessment ("HRA") undertaken by the regulator NRW, for which process we generated and contributed a huge volume of ecological survey data and analysis and devised wide-ranging mitigation and safety measures for the protection of the environment, should provide a framework for a more streamlined and efficient process for future permitting applications.

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, our plans to undertake an aerial, UAV (unmanned aerial vehicle) geophysical survey over some of our key regional gold targets have been delayed somewhat by a backlog of applications at the regulator, the Civil Aviation Authority (CAA). However, we are advised that the CAA has now 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.

1.2 GREENROC MINING PLC

From September 2021, when Alba completed the spin-out and IPO of our Greenland assets into GreenRoc Mining Plc ("GreenRoc"), until March 2023, Alba held a 54% majority interest in GreenRoc. As such, Alba's consolidated financial statements include GreenRoc and its subsidiaries to that date.

More recently, fundraisings completed by GreenRoc in order to push forward the development of the high-grade Amitsoq project in southern Greenland have resulted in the dilution of Alba's stake in GreenRoc to 44.67% as at the reporting date and to 42.97% in the most recent placing which was announced on 1 August 2023. Nonetheless, we remain by some distance GreenRoc's largest shareholder and remain heavily involved in the strategic direction and development of the company.

In fact, we did participate in GreenRoc's most recent fundraising, contributing £115,000 to GreenRoc's total raise of £470,000. We have always made it clear that we would look to support GreenRoc's fundraising efforts as and when it is feasible to do that. In my view, the GreenRoc management team has consistently delivered excellent results and made great strides at what is turning into a world-class graphite project at Amitsoq. With an independent Preliminary Economic Assessment (PEA) due to be delivered soon and graphite samples being prepared for a potential international off-take customer, Amitsoq is well set to continue its upward trajectory towards development and production.

Highlights of the progress made at Amitsoq during the reporting period include the declaration of a substantial, near three times Resource upgrade in January 2023. It can often be the case that in seeking to add tonnes to a Resource by further rounds of drilling, that can come at the expense of the overall grade. At Amitsoq, however, not only have we been able to grow the Resource substantially, from 8.28Mt to 23.05Mt, but we have also managed to increase the overall Resource grade from 19.75% to 20.41% C(g), giving a total graphite content of 4.71 Mt. This has cemented Amitsoq's position as one of the very highest-grade graphite deposits in the world.

Meanwhile, on the processing side of things, a 700kg bulk sample of graphite ore from Amitsoq is nearing the final stages of separation at process engineering contractors UVR-FIA.

The excellent progress delivered at Amitsoq has not only been on these technical aspects. In February 2023, the European Raw Materials Alliance and EIT Raw Materials, bodies created by the European Union for the purpose of ensuring security of supply of critical raw materials for Europe, declared their official support for GreenRoc and Amitsoq, calling the latter a deposit of "global importance". And in March 2023, GreenRoc signed a Memorandum of Understanding ("MoU") with Leonhard Nilsen & Sønner A/S ("LNS"), a significant construction and mining group headquartered in Norway, in relation to the development of Amitsoq Graphite.

The MoU provides a framework for LNS and GreenRoc to explore the commercial opportunities relating to Amitsoq, and the potential appointment of LNS as the civil, mining and/or logistics contractor for Amitsoq during the construction and operational phases. LNS has decades of experience as a contractor and mine operator in the Arctic region and other parts of the world, not only in Norway, where it is the operating contractor for a number of mining companies, but also in Greenland itself, most recently at the producing Aappaluttoq Ruby Mine on the east coast.

GreenRoc is also currently working on the provision of graphite concentrate and spheronised graphite samples from Amitsoq to a potential international offtake partner in order for that party to conduct its own testwork.

Steady progress is also being made in relation to the Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) work, with both studies remaining on track for delivery in 2024. And an independent Preliminary Economic Assessment (PEA), which is being conducted by SLR Consulting and which is expected to help advance discussions with potential project and strategic partners in the latter part of this year and into 2024, is advancing as planned with expected delivery this autumn.

1.3 OTHER PROJECTS AND INVESTMENTS

During the period, we surrendered the licence for our Limerick Base Metals Project. The targets we had identified for exploration drilling could not be progressed as planned due to landowner access issues, and alternative drill collar locations proved not to be economically viable. As such, we were obliged to surrender the licence.

In March 2023, the majority licence holder of the Horse Hill Oil Field in Surry, England, UKOG Plc, announced the terms of a proposed farmout arrangement to a third-party group which would fund a seismic survey at Horse Hill. The farmout is subject to approval by the shareholders of the operator of the field, Horse Hill Developments Limited, including Alba. As at the date of this report, the shareholders have not approved the farmout.

2. CORPORATE

Post-period end, on 7 July 2023, Alba announced a share placing raising £750,000. A broker option was included as part of the placing, allowing shareholders and others to apply through their brokers for an allocation in the placing, and on 24 July 2023 it was announced that an additional £15,150 had been raised via the broker option.

On 9 March 2023, following the dilution of its shareholding in GreenRoc due to a share placing by the latter, the Group ceased to consolidate the GreenRoc companies and instead accounted for its holding in GreenRoc as an "Investment in Associate".

Under applicable accounting standards, the dilution and resulting change in GreenRoc's status from subsidiary to associate is a deemed disposal of GreenRoc by Alba which results in an accounting gain. Previously, any fair value uplift arising from the initial IPO transaction was eliminated through the consolidation whereas going forward that uplift is no longer eliminated. This accounting gain does not have any tax implications for the Group.

On 1 August 2023 GreenRoc announced a further placing, raising gross proceeds of £470,000 at 3.8p per share. Alba participated in the placing, subscribing for 3,026,316 Placing Shares for a total subscription of £115,000. Following the placing, Alba has a shareholding of 42.97% in GreenRoc.

3. RESULTS

The Group made a profit of £2,102,000 after tax (2022: loss of £815,000), including an accounting profit in relation to the de-consolidation of GreenRoc of £2,672,000 (2022: nil).

This transaction is presented unaudited so the accounting treatment may be revised in the full year accounts, subject to technical review by the Company's auditors.

Operating losses were £459,000 compared with £814,000 in the comparative period. The reduction in costs is principally due to ceasing to consolidate GreenRoc Mining plc from 9 March 2023. The underlying operating losses of Alba and its remaining subsidiaries are at a similar level year-on-year.

During the period, £202,000 was spent on exploration activities across the Group. Cash at the period end was £58,000, reduced in part by removing GreenRoc's cash asset from the consolidated balance sheet. As noted above, Alba has raised funding of £750,000 since the reporting date.

Intangible assets decreased by £3.8m from the comparative interim period last year, reflecting the exclusion of GreenRoc's Greenland project assets from the balance sheet now that it is no longer consolidated. Instead, a new line item is shown in the balance sheet, namely the "Investment in Associate" of £5.4m, representing the Group's investment in GreenRoc at cost less a proportionate share of losses.

4. OUTLOOK

Alba remains in a strong position to generate real and sustained growth across its existing portfolio of assets and investments. We also continue to assess opportunities to expand our portfolio's value by the acquisition of additional complementary assets.

On behalf of the entire Board, I would like to take this opportunity to thank our shareholders for all their support.

George Frangeskides
16 August 2023
Executive Chairman

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 Company'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.

For further information, please visit www.albamineralresources.com or contact:

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Alba's Projects and Investments

Mining Projects Operated by Alba	***Location***	***Ownership***
Clogau (gold)	Wales	100%
Dolgellau Gold Exploration (gold)	Wales	100%
Gwynfynydd (gold)	Wales	100%
Investments Held by Alba	***Location***	***Ownership***
GreenRoc Mining Plc (mining)	Greenland	42.97%
Horse Hill (oil)	England	11.765%

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 31 MAY 2023

	Unaudited 6 months ended 31 May 2023 £'000	Unaudited 6 months ended 31 May 2022 £'000	Audited Year ended 30 Nov 2022 £'000
Administrative expenses	(459)	(814)	(1,623)
Impairment expense	-	-	(984)
Operating (loss)/profit	(459)	(814)	(2,607)
Revaluation of financial liability	-	-	2
Gain on deemed disposal (dilution)	2,672		
Share of loss of associate	(110)	-	-
Finance costs	(1)	(1)	-
Profit/(loss) before tax	2,102	(815)	(2,605)
Taxation	-	-	-
Profit/(loss) for the year	**2,102**	**(815)**	**(2,605)**
Attributable to:			
Equity holders of the parent	2,182	(592)	(2,039)
Non-controlling interests	(80)	(223)	(566)
	2,102	(815)	(2,605)
Profit/(loss) per ordinary share			
Basic	0.030 pence	(0.009) pence	(0.031) pence
Diluted	0.028 pence	(0.009) pence	(0.031) pence

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2023

	Unaudited 6 months ended 31 May 2023 £'000	Unaudited 6 months ended 31 May 2022 £'000	Audited Year ended 30 Nov 2022 £'000
Non-current assets			
Property, plant and equipment	144	153	150
Intangible fixed assets	3,214	7,030	8,450
Investment in associate	5,386	-	-
Investments - Horse Hill	2,600	3,385	
Developments			2,600
Total non-current assets	11,344	10,568	11,200
Current assets			
Trade and other receivables	117	211	129
Cash and cash equivalents	58	2,024	456
Total current assets	175	2,235	585

Current liabilities			
Trade and other payables	(257)	(383)	(464)
Financial liabilities	-	(221)	-
Total current liabilities	(257)	(604)	(464)
Net current assets / (liabilities)	(82)	1,631	121
Net assets	**11,262**	**12,199**	**11,321**
Capital and reserves			
Called up share capital	5,076	5,005	5,076
Share premium account	10,461	9,877	10,461
Warrant reserve	782	1,444	1,187
Dilution of ownership reserve	-	991	991
Other reserve	-	115	136
Retained losses	(5,226)	(7,958)	(8,929)
Foreign currency reserve	169	169	168
Equity attributable to equity holders of the parent	11,262	9,643	9,090
Non-controlling interests	-	2,556	2,231
Total equity	**11,262**	**12,199**	**11,321**

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 MAY 2023

	Unaudited 6 months ended 31 May 2023	**Unaudited 6 months ended 31 May 2022**	**Audited Year ended 30 Nov 2022**
Cash flows from operating activities			
Operating loss	(459)	(814)	(2,607)
Share based payment charge	21	52	228
Depreciation	6	3	7
Foreign exchange revaluation adjustment	-	1	-
Profit on sales to associate	3		
Increase / (decrease) in creditors	(207)	(288)	(208)
(Increase)/ decrease in debtors	12	(33)	49
Deemed disposal of subsidiary - working capital impact	205		
Net cash used in operating activities	(419)	(984)	(1,547)
Cash flows from investing activities			
Payments for deferred exploration expenditure	(202)	(919)	(2,417)
Payments for tangible fixed assets	-	(20)	(20)
Deemed disposal of subsidiary - cash impact	(98)	-	-
Net cash used in investing activities	(300)	(939)	(2,437)
Cash flows from financing activities			
Proceeds from issue of shares and warrants	-	-	522
Cost of issue	-	-	(30)
Group net proceeds from subsidiary issue shares	322	-	-
Finance expense	(1)	(1)	-
Net cash generated from financing activities	321	(1)	492
Net increase in cash and cash equivalents	(398)	(1,924)	(3,492)
Cash and cash equivalents at beginning of period	456	3,948	3,948
Cash and cash equivalents at end of period	**58**	**2,024**	**456**

NOTES TO THE HALF-YEARLY FINANCIAL INFORMATION

1. Basis of preparation

The Group consolidates the financial statements of the Company and its subsidiary undertakings.

The financial information has been prepared under the historical cost convention in accordance with UK-adopted International Financial Reporting Standards ("IFRS"), International Accountant Standards ("IAS") and IFRS Interpretations Committee ("IFRIC") interpretations. The financial information set out in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The same accounting policies, presentation and methods of computation are followed in this interim condensed consolidated report as were applied in the Group's annual financial statements for the year ended 30 November 2022. The auditor's report on those financial statements was unqualified and did not contain any statements under section 498(2) or section 498(3) of the Companies Act 2006.

2. Taxation

No charge for corporation tax for the period has been made due to the expected tax losses available.

3. Earnings per share

Earnings per share is calculated by dividing the profit attributable to ordinary shareholders of £2,182,000 (May 2022: loss of £592,000; November 2022: loss of £2,039,000) by the weighted average number of shares of 7,121,568,996 in issue during the period (May 2022: 6,404,645,919; November 2022: 6,476,717,573).

Diluted earnings per share is calculated by dividing the profit attributable to ordinary shareholders of £2,182,000 by the weighted average number of shares and warrants in issue during the period, being 7,831,499,826.

In prior periods the diluted profit per share calculation was identical to that used for basic loss per share as the exercise of warrants would have had the effect of reducing the loss per ordinary share and therefore was not dilutive.

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