RNS Number : 3438T
Alba Mineral Resources PLC
14 November 2019

Click on or paste the following link into your website browser to view the associated PDF document (including maps and images):
http://www.rns-pdf.londonstockexchange.com/rns/3438T_1-2019-11-13.pdf

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

Commencement of Maiden Drilling Programme at Clogau Gold Mine

Alba Mineral Resources plc (AIM: ALBA), the diversified mineral exploration and development company, is pleased to announce that the Company's drilling contractors have mobilised to site at the Clogau Gold Mine in north Wales. What is believed to be the first ever exploration diamond drilling programme at the historic Clogau Gold Mine will therefore commence imminently.

Highlights

- Alba is about to commence the first ever exploration diamond drilling campaign at the Clogau-St David's Gold Mine, to the best of the Company's knowledge.
- Historic mining at Clogau-St David's was limited to the mining of visible gold.
- Alba is employing modern exploration techniques at Clogau, designed to maximise the prospects for unearthing new zones of economic gold mineralisation and extensions to existing mine workings.
- This first drilling campaign will focus on one of the high priority gold targets, being the Llechfraith Mine area where mining last occurred in the 1980s and where three potential gold shoots and areas of visible gold were reported.
- Given the anticline fold structure present at Llechfraith, the Clogau shale within this area is potentially up to 200m thick and is considered a high priority target area for future mining activities.
- The primary drilling objective is to test for structure at Llechfraith, in order to confirm the geological model and provide support for follow-up infill drilling and future mining activities targeting these gold-bearing structures.

George Frangeskides, Executive Chairman, commented:

"I am very pleased to announce the start of a diamond drilling programme at the Clogau Gold Mine, which to the best of our knowledge is the first such programme in the long and illustrious history of the Mine."

"During the previous periods of operation, the Clogau Mine owners limited their efforts to chasing and mining out visible gold-bearing quartz veins within the host Clogau shales. By contrast, Alba's approach is multi-faceted, and the Llechfraith Mine area is a prime example of this. It was last mined in the 1980s, and visible gold has been reported in two out of three ore shoots within the Mine area. This, when added to the results of our soil sampling programme which confirmed a strong gold anomaly above the Llechfraith workings, marks out Llechfraith as a strong prospect for the discovery of unexploited gold zones."

"While this is a fairly short drilling programme, primarily designed to test the structural model, if that model is confirmed it will provide us with the necessary support to then move onto infill drilling and bulk sampling and processing at Llechfraith."

"The strong recovery in the gold price, which recently hit a five-year high of more than US$1500 per ounce, allied to the premium prices which Welsh gold fetches on the open market, underpins our belief in the Clogau Gold Mine as a key prospect for significant future revenue generation."

Drilling Programme

The maiden drilling programme at the Clogau Gold Mine will target extensions to the Llechfraith Mine area. The Llechfraith Mine area is reported to have first been opened in 1862, ceasing production in 1865. Most recently, limited mining was undertaken between 1983 and 1987 with visible gold being reported adjacent to westerly-dipping greenstone intrusives along the lowest No. 4 Level, which is approximately 30 metres below the main Llechfraith Adit entrance.

Note that the Llechfraith Mine area is separate from the Clogau-St David's Mine area which is accessed via the Llechfraith and Tyn Y Cornel adits, albeit that both Mine areas are connected via the Llechfraith Level (or adit). See Figure 1 in the PDF version of this announcement. The Llechfraith Level (or adit) is now open following the recent rehabilitation works carried out earlier this year by Alba.

A total of three gold shoots were recorded in the 1980s, as shown in the long section through the Llechfraith Mine area in Figure 2 of the PDF version of this announcement. The No. 1 Shoot, which was mined between 1984 and 1987, is reported to have been traceable from surface to 40 metres down-dip to the No. 4 Level, being the deepest level of the Llechfraith Mine. Visible gold, by its nature being high-grade, was reported within the No. 4 Level. Mineralisation controls in this area are not certain but No. 1 Shoot is reported to plunge to the south-east at a dip of 65 to 70° with a pitch to the south-west. No.1 Shoot is thought to relate to a split in the lode with gold mineralisation reported to lie within the hinge of the split.

The recent infill soil sampling programme completed by Alba included a line of samples traversing the Llechfraith mine area with the soil line orientated along the axis of the dominant anticline fold within the area (see Figure 3 in the PDF version of this announcement). A strong anomaly can be observed above the Llechfraith workings, as shown by the series of purple dots running parallel to the anticline axis on Figure 3 (as aforesaid). Twelve samples above 0.005 g/t Au averaged 0.023 g/t Au, with the highest grade being 0.13 g/t Au (see Figure 3, as aforesaid). It should be borne in mind that as these are gold-in-soil grades, by

their very nature these grades are not expected to be high-grade. The significance of the presence of low-grade gold anomalism in the soils is that it is a marker for possible significant gold deposition in the hard rock structures situated immediately beneath the soils.

Given the anticline fold structure present at Llechfraith, the Clogau shale within this area is potentially up to 200m thick and is considered a high priority target area for future mining activities. This, together with the fact that access to this target is good, is why this target has been selected for the maiden drilling campaign at Clogau.

At present, 3-4 diamond drill holes are planned, targeting extensions to the reported Llechfraith ore shoots, for ~200-300 metres of drilling. All holes will be drilled from within the Company's freehold land situated close to the Company's mine sheds and the Llechfraith Adit entrance.

The primary objective of the drilling will be to collect important geological and structural data to improve the understanding of this particular target area. Given the nature of the geological setting at Clogau, where gold has previously been found within narrow quartz veins at the contact with greenstones, combined with the modest amount of drilling that is planned to test the structure at Llechfraith, it is not expected that the drilling will necessarily intersect gold mineralisation. The primary objective of this short drilling campaign will be to ascertain whether the known gold-bearing setting, as described above, is present within the Llechfraith Mine area, as this will increase confidence in the Llechfraith Mine as a potential economic source of future gold production.

As the Llechfraith Mine is flooded from the No. 2 Level down, should the Company decide to include the Llechfraith Mine area as part of the overall mine plan at Clogau, the Llechfraith Mine will be dewatered prior to the commencement of mining operations.

The Company's drilling contractors have now mobilised their diamond drill rig and personnel to site. Drilling will take approximately two weeks to complete. Figure 4 in the PDF version of this announcement shows the potential site and orientation of the drill holes in relation to the underground workings at Llechfraith (shown in red) and the target zone (shown in blue). The precise siting and orientation of the drill holes will be subject to possible further revisions during the programme.

The information contained within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014

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 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.

Competent Person Declaration

The information in this release that relates to Exploration Results has been reviewed by Mr Howard Baker, Technical Director of Alba Mineral Resources Plc. Mr Baker is a Chartered Professional Fellow of the Australasian Institute of Mining and Metallurgy (Membership Number 224239) and a Competent Person as defined by the rules of International Reporting Codes that are aligned with CRIRSCO.

Howard Baker 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. Howard Baker consents to the inclusion in the announcement of the matters based on his information in the form and context in which they appear.

Glossary

Anticline: A fold, closing in any direction, in which the older rocks occupy the core.

Clogau Shale: A dark-grey or black-banded carbonaceous mudstone and silty mudstone.

Geochemical: Relates to the chemical composition of the Earth and its rocks and minerals.

Geophysics: The application of the methods and techniques of physics to the study of the earth and the processes affecting it.

Intrusives: An igneous rock formed from magma forced into older rocks at depth within the Earth's crust, which then typically slowly solidifies below the Earth's surface.

Lithological Units: The lithology of a rock unit is a description of its physical characteristics visible at outcrop, in hand or core samples or with low magnification microscopy, such as colour, texture, grain size, and mineral composition.

Lithological Contacts: The contact between two lithologies of differing characteristics.

Mineralisation: Economically important metals that can occur at a variety of scales from small disseminations through to large zones or ore bodies.

Pathfinder Elements: In geochemical exploration, an element that occurs in close association with an element or commodity being sought, but one can be

more easily identified because it forms a broader halo or can be detected more readily by analytical methods.

Quartz Veins: A distinct sheet-like body dominantly composed of quartz hosted within a rock formation.

Pitch: The orientation of a line, measured as an angle from the horizontal, in a specified non-vertical plane.

Plunge: The angle between a linear and a vertical plane.

Strike Length: The direction and length of a geological feature (for example, a vein or rock formation) measured on a horizontal surface.

Structural Architecture: The three-dimensional distribution of bodies of rock, as controlled by geological structures.

Weathering Profile: A vertical assemblage of weathering zones (subsurface zones of alteration differing physically, chemically or mineralogically from adjacent zones) from the surface soil to the unaltered bedrock.

For further information, please contact:

Alba Mineral Resources plc +44 20 3907 4297
George Frangeskides, Executive Chairman

Cairn Financial Advisers LLP (Nomad) +44 20 7213 0880
James Caithie / Liam Murray

First Equity Limited (Broker) +44 20 7374 2212
Jason Robertson

Yellow Jersey PR (Financial PR/ IR) +44 20 3004 9512
Sarah Hollins/Harriet Jackson/Henry Wilkinson
alba@yellowjerseypr.com

Alba's Project and Investment Portfolio

Project (commodity)	Location	Ownership
Mining Projects		
Amitsoq (graphite)	Greenland	90%
Clogau (gold)	Wales	90%
Inglefield (copper, cobalt, gold)	Greenland	100%
Limerick (zinc-lead)	Ireland	100%

Melville Bay (iron ore)	Greenland	51%
TBS (ilmenite)	Greenland	100%
Oil & Gas Investments		
Brockham (oil)	England	5%
Horse Hill (oil)	England	11.765%

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

DRLLLFFTLFLVLIA