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Alba Mineral Resources PLC
06 November 2024

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6 November 2024

Alba Mineral Resources plc

("Alba" or "the Company")

Share Placing and Retail Offer;
Option over Swedish Rare Earth Project

Alba Mineral Resources plc (AIM: ALBA) is pleased to announce that it has raised £300,000 (before expenses) in a share placing involving the issue of 1,000,000,000 new ordinary shares at a price of 0.03 pence per ordinary share (the "**Issue Price**") (the "**Placing**"), conditional on the admission of such new ordinary shares to trading on AIM. CMC Markets UK Plc, trading as CMC CapX, acted as the Company's sole placing agent in respect of the Placing.

The Company also provides details in this announcement of a proposed retail offer via CMC CapX (the "**Retail Offer**").

The Company is also delighted to announce that it has acquired an option to earn into the Finnsbo Rare Earth Project in Sweden.

Highlights

- Share placing to raise £300,000 (before expenses) at 0.03p per share.
- Alba also announces a retail offer to raise up a further £100,000 (which may be increased subject to demand) at 0.03p per share, to provide existing retail shareholders in the Company with an opportunity to participate in the fundraising.
- Option acquired by Alba to earn into the Finnsbo Rare Earth Project in east Sweden.

Share Placing

The proceeds from the Placing announced today to raise £300,000 (before expenses), together with any additional funds raised from the Retail Offer (further described below), are intended to be used to continue the Company's value-enhancing activities across the Company's portfolio, including:

1. Clogau Gold Mine, Wales
    - Continuing the blasting and bulk sampling programme at the Llechfraith Target, our primary gold development target at the Clogau Gold Mine.
    - Upgrade works in respect of our processing plant to be able to process the gold content from the circa 300 tonnes of ore expected to be extracted from the current blasting programme.

- The production and marketing of pure gold coins and other products from the gold extracted from the above exercise.

2. Option over Finnsbo Rare Earth project in Sweden

    - Paying option fee, carrying out site visit and confirmatory due diligence and, subject to exercise of the option, conducting an initial field work programme.

3. Other project opportunities

    - The Company is also in negotiations to acquire an option to earn into a portfolio of gold licences in East Africa which, if signed, will require the payment of an option fee (expected to be circa US$20k), the carrying out of a site visit and confirmatory due diligence. There is no certainty that these negotiations will result in the signing of an option agreement or, if it does, that Alba will subsequently exercise the option and commit to an expenditure programme on the projects.

4. General working capital purposes.

Finnsbo Rare Earth Project, Sweden

The Finnsbo Project is set in the historic magnetite mining district of eastern Bergslagen, in eastern Sweden in the province of Uppland, north of Stockholm (see Figure 1). The Project lies 15km north of the famous 540 yr old Dannemora magnetite mine.

Finnsbo lies within the southern fringes of a major structural zone, the regionally extensive high strain ductile Forsmark Deformation Zone (FDZ) (see Figure 2). This ore province has produced some of Europe's most significant volcanogenic massive sulphide (or VMS) ore deposits such as the currently operating zinc mines Garpenberg and Zinkgruvan.

Most workings on the Finnsbo licence area are Victorian-aged artisanal pits for magnetite and copper. The most significant working is Bredasen where there is a cluster of 30-40m deep vertical shafts.

Sampling by the present owners of historic blast material on surface at two separate blast sites, called Pop 1 and Pop 2, has returned very interesting rare earths assays at Pop 2 of up to 3.5% Total Rare Earth Oxides (TREO) (with overall grades ranging from 0.5% to 3.5% TREO), with 37-38% of the TREO in each case being made up of high-value NdPrDy (neodymium-praseodymium-dysprosium) oxides, as well as gold and copper grades of up to 27g/t (with overall grades ranging from 7 to 27g/t) and 2.9% (with overall grades ranging from 0.9% to 2.9%) respectively.

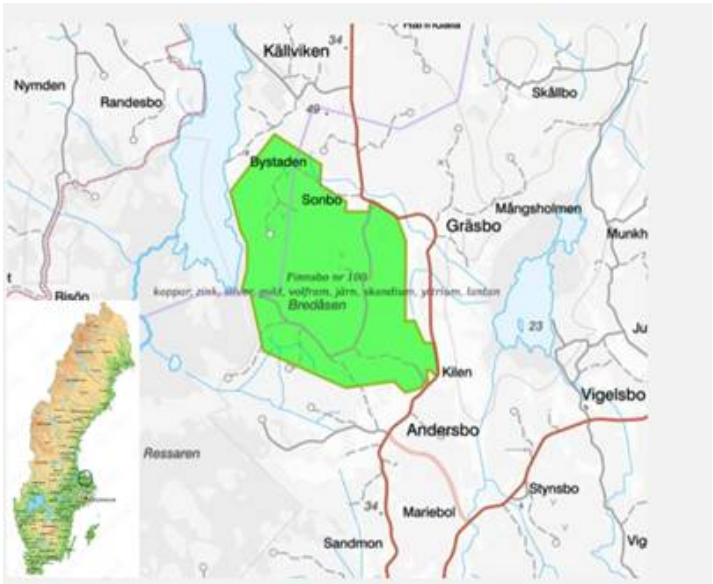


Figure 1: Location map. Finnsbo Project shown in green. Insert map shows the Project's location in eastern Sweden (circled).

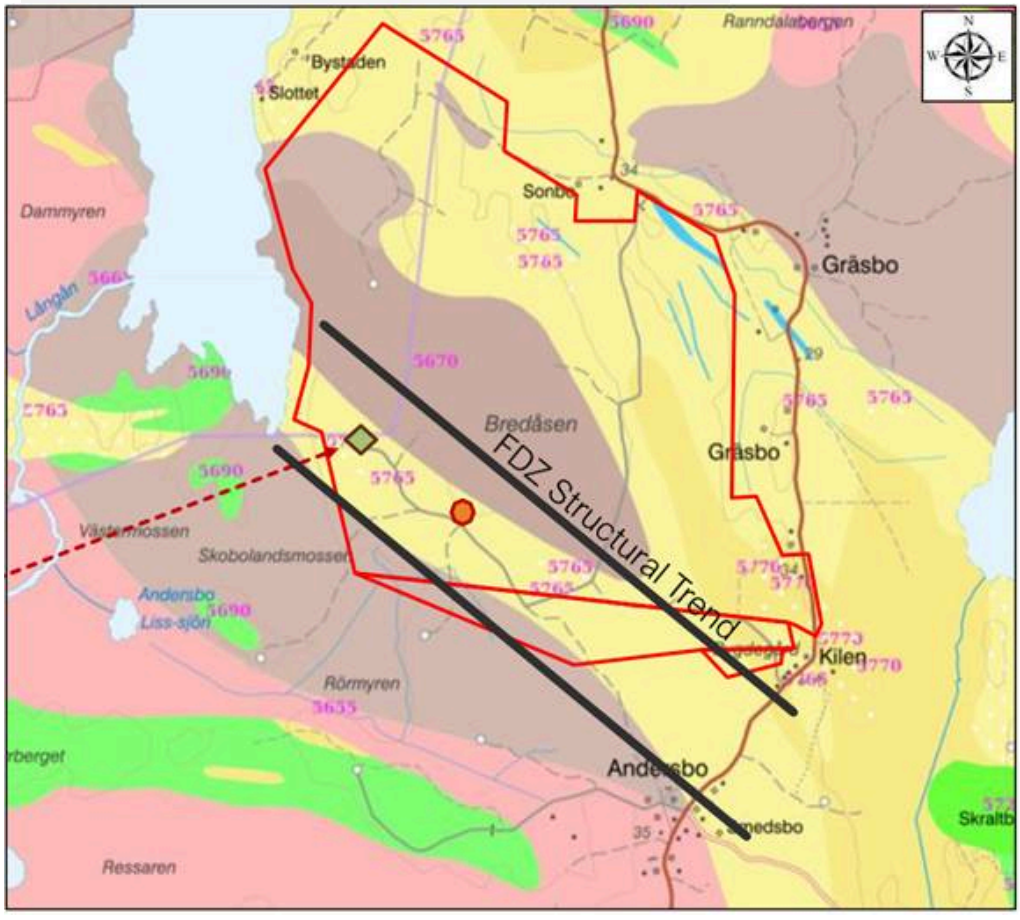


Figure 2: Swedish Geological Survey map of historic workings and showing major FDZ structural trend running through the Finnsbo licence (outlined in red).

The principal terms of the option agreement signed with the owners of the Finnsbo Project ("**Finnsbo**") are as follows:

- Option fee: £10k (payable 50% in cash, 50% in Alba shares).
- Exclusivity period: 45 days for Alba to carry out confirmatory due diligence.
- If Alba exercises the option, on Completion of the formal transaction documents Alba will pay the owners £15k (50% in cash, 50% in Alba shares).
- Alba will then have that right to earn into the Finnsbo Project in stages, as follows:
    - At Stage 1 (12-month period): by spending £100k on exploration for a 25% interest in the Project;

- At Stage 2 (a further 24-month period): by paying the owners £50k in cash or Alba shares and spending a further £200k for a further 26% interest in the Project (for a total 51% interest); and
- At Stage 3 (a further 36-month period), by spending £350k for a further 29% interest (for a total 80% interest).

- Thereafter, Alba has the option to buy the remaining 20% interest for £500k.
- Once Alba stops sole funding, the parties will joint fund or dilute in accordance with a customary dilution formula. If a party's interest reduces below 10pc, its interest will convert to a 1% Net Smelter Return royalty.
- Alba is also being granted a 12-month option over two other Swedish projects owned by the same owners as Finnsbo, on the same terms as those applying to Finnsbo.

The owners of the Finnsbo Project have a well-established technical team based in Sweden which is available to continue to support field exploration activities. An initial site visit by the Alba team is planned for the coming days. Further updates will be released as appropriate during the due diligence period.

George Frangeskides, Alba's Executive Chairman, commented: *"We are delighted to have secured this option over a very interesting rare earth prospect in Sweden. We have long flagged that we are open to other value-enhancing project acquisitions and investments. The reasonable earn-in terms, and the fact that the owners of the project have a well-established technical team based in Sweden which can continue to support work activities on the ground, make this an attractive proposition which complements, and is not expected to detract from, the Company's continued focus on the roll-out of blasting and development operations at the Clogau Gold Mine in Wales."*

Retail Offer

In addition to the Placing, it is proposed that there will be a separate conditional retail offer to existing shareholders via CMC CapX to raise up to approximately £100,000 (before expenses) at the Issue Price (the "**Retail Offer**", and together with the Placing, the "**Fundraise**"), to provide existing retail shareholders in the Company with an opportunity to participate in the Fundraise. A separate announcement will be made shortly by the Company regarding the Retail Offer and its terms. The total amount which can be raised through the retail offer may be increased above the amount stated above, subject to demand.

Those investors who subscribe for new Ordinary Shares pursuant to the Retail Offer (the "**Retail Shares**") will do so pursuant to the terms and conditions of the Retail Offer contained in that announcement.

Admission to AIM

Application will be made for the new ordinary shares to be admitted to trading on AIM ("**Admission**"). It is expected that Admission of the new ordinary shares will become effective at 8.00 a.m. on or around 12 November 2024. The new ordinary shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after Admission and will otherwise rank on Admission *pari passu* in all respects with the existing ordinary shares.

Total Voting Rights

Following Admission, the total number of ordinary shares in issue will be 10,736,939,266. The Company does not hold any ordinary shares in treasury. Therefore, the total number of ordinary shares with voting rights will be 10,736,939,266. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

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.

****ENDS****

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

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Alba's Projects & Investments		
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 Strategic MaterialsPlc (graphite - anode)	Greenland	34.34%
Horse Hill (oil)	England	11.765%

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