

23 October 2015

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



Completion of acquisition of Horse Hill interest

Following its announcements of 25 September 2015 and 16 October 2015 and completion of its placing to raise £385,000, Alba is now pleased to announce that it has completed the acquisition from Angus Energy Limited ("Angus") of:

- 5 per cent of the issued share capital of Horse Hill Developments Ltd ("HHDL"), being 50 fully paid ordinary shares in HHDL (the "Sale Shares"). Alba has accordingly increased its interest in HHDL from 10% to 15%; and
- an option to farm into 5 per cent of Production Licence 235 ("PEDL 235"), which comprises the producing onshore Brockham Oil Field ("Brockham") (the "Brockham Option"). The Brockham Option shall be on a "two for one promote" basis, such that if Alba elects to exercise the Brockham Option, it must fund 10 per cent of the cost of the next well (from spudding to first oil) in order to earn its 5 per cent interest.

Accordingly, the Company has settled the consideration payable by Alba for the Sale Shares and the Brockham Option as follows:

- by the issue of 137,729,178 new ordinary shares in Alba;
- by the payment of £225,000 in cash, being the balance of the cash consideration of £365,000 less the deposits previously paid; and
- by the issue of 45,909,726 warrants to subscribe for new ordinary shares in Alba at a price of 0.5p per share. These warrants are exercisable on or before the date falling 18 months from Completion.

8,263,751 new ordinary shares in Alba and 2,754,584 warrants to subscribe for new ordinary shares on the same terms as above have also been issued to settle advisory fees in relation to the transaction.

Admission to AIM

Application will be made for the 145,992,929 new ordinary shares to be admitted to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on 29 October 2015. Such 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 1,091,539,931. The Company does not hold any ordinary shares in treasury. Therefore, the total number of ordinary shares with voting rights will be 1,091,539,931. 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.

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About Alba

Alba holds interests in the following projects:

- UK onshore oil & gas
 - A 15 per cent interest in Horse Hill Developments Limited, the owner of a 65 per cent participating interest and operatorship of the Horse Hill oil and gas project (Licence PEDL 137 and PEDL 246) ("Horse Hill"), located on the northern side of the Weald Basin near Gatwick Airport. Independent reports prepared by Nutech and Schlumberger have assessed the petrophysics of the Horse Hill-1 well ("HH-1") (refer to our announcement on 26 August 2016 for details) and the report findings will be integrated into the planned flow test of HH-1 expected later this year, subject to approval by the Environmental Agency.
 - An option to farm into 5 per cent of Production Licence 235, which comprises the producing onshore Brockham Oil Field.
- Amitsoq (graphite) – an option to earn up to a 70 per cent interest in a graphite project in Southern Greenland. The licence area comprises the historic Amitsoq graphite mine and is prospective not only for graphite but also for copper, gold, nickel and platinum group elements. During the option period, Alba intends to undertake further historical data acquisition and to carry out field work (ground truthing, mapping and sampling). A remote sensing study is expected to be commissioned to complete this first phase of work (refer to our announcement dated 6 October 2015 for further details).
- Mauritania (uranium) – a joint venture with FOSSE Investments Limited comprising early phase exploration targets.

- Ireland (base metals) – 10 km away from and part of the same target unit as the Glencore Pallas Green property.

Alba continues actively to review and discuss other project opportunities which have value-enhancing potential for the Company whether by acquisition, farm in or joint venture in a range of jurisdictions around the world.