

Alba Mineral Resources plc

(“Alba” or “the Company”)

Proposed £230,718 subscription

Alba Mineral Resources plc (AIM:ALBA), the UK based exploration company, is pleased to announce that it has conditionally raised £230,718 (before expenses) through the subscription of 92,287,300 new Ordinary Shares at a price of 0.25 pence per Ordinary Share. The Company has also agreed to grant the Subscriber Warrants to subscribe for further Ordinary Shares on the basis of one Ordinary Share for every two new Ordinary Shares subscribed.

Background to and reasons for the Subscription

Alba’s ability to finance exploration activities is dependent on it being able to continue to raise funds and the Company continues to manage cash tightly. The Company has continued to look to raise additional funds to enable it to advance the development of its projects and consider other investment opportunities.

The Company is therefore pleased to announce that it has conditionally raised £230,718 (before expenses) through the subscription of 92,287,300 new Ordinary Shares with an investor with a background in the natural resources sector. These funds will be used to provide working capital, develop the Group’s asset portfolio and investigate further opportunities.

Furthermore, in order to ensure that the Company is in a position to take advantage of other project opportunities that may arise in the sector, the Board believes it is important to put in place now the requisite authorities to allow it to allot shares so as to be able to react quickly to any such opportunities, if and when they arise.

Use of proceeds

The net cash proceeds of the Subscription are expected to amount to approximately £215,000 and will be used for working capital, the development and enhancement of the Group’s project portfolio and to investigate other opportunities.

Information on the Subscription

The Company is proposing to raise £230,718 (before expenses) by way of a subscription of 92,287,300 new ordinary shares at a Subscription Price of 0.25 pence per Ordinary Share. The Subscription Shares will represent approximately 29.99 per cent. of the Enlarged Share Capital. The Subscription Price represents a discount of approximately 17 per cent. to the closing bid market price of 0.3 pence per Ordinary Share on 3 March 2014 (being the last Business Day before the announcement of the Subscription).

Board

Subject to Admission, due to other commitments, Sandy Archibald and Nigel Duxbury will resign as directors and George Frangeskides will be appointed as a new director of the Company. Nigel Duxbury will continue as Company Secretary and Chief Financial Officer in the short term and both Nigel Duxbury and Sandy Archibald will provide consultancy services as required to ensure a smooth transition. Michael Nott's role will change so that he steps down as Chairman and becomes CEO.

Accordingly, the Board immediately following completion will comprise of:

George Frangeskides, (*Executive Chairman*), aged 43 years. George is based in the United Kingdom and has a broad range of experience gained from over 20 years in the legal and corporate advisory sectors in Australia and the United Kingdom. He is a director and founder of Berwick Capital, a corporate advisory firm based in the United Kingdom, which specialises in natural resources and which advises on projects and transactions in the mining and oil and gas sectors. Prior to establishing Berwick Capital, George practised as a lawyer focusing on corporate finance, commercial and capital market transactions. George is a non-executive director of Artemis Resources Limited (ASX: ARV) and Shoshoni Gold Limited (CVE: SHJ).

Michael Nott, (*Chief Executive Officer*), aged 65 years. Mike has over 40 years of experience in mineral exploration and mining. He began his career as an exploration and mining geologist, moving into the management of aggregate quarrying operations and then to senior roles in the aggregate and industrial mineral sector. Mike is currently CEO of Magyar Mining Ltd and a director of AIM-listed Red Rock Resource plc. Previous positions have included periods with ARC Southern Ltd, Hills Aggregates Ltd, as director and General Manager and Roan Consolidated Mines Ltd, as Exploration and Senior Mining Geologist.

The new Board is aware that it would be desirable to have at least one non-executive director and it intends to identify and appoint a suitable person to this role in due course and will consider appointing further directors with the complementary skills and experience to develop the Group's portfolio of assets as the need arises.

Warrant Issue

The Company has constituted the New Warrants Instrument to create and issue, on and subject to Admission, New Warrants to subscribe for 15,000,000 Ordinary Shares (equivalent to 4.9 per cent. of the Enlarged Share Capital) to existing Directors, 5,000,000 Ordinary Shares or (equivalent to 1.6 per cent. of the Enlarged Share Capital) to George Frangeskides (the Proposed Director) and 46,143,650 Ordinary Shares (equivalent to 15 per cent. of the Enlarged Share Capital) to the Subscriber. The New Warrants are exercisable at a price of 0.3 pence per share at any time between (i) the date falling 12 months after completion of the Subscription and (ii) the date falling 7 years after Admission.

Related Party Transactions

The issue of the Director Warrants to Michael Nott, Sandy Archibald and Nigel Duxbury constitute related party transactions for the purposes of AIM Rule 13 (the “Related Party Transactions”). There are no independent directors for the purposes of providing the fair and reasonable statement required under AIM Rule 13 in respect of the Related Party Transactions. Northland Capital Partners Limited, the Company's Nominated Adviser, considers that the terms of the Related Party Transactions are fair and reasonable insofar as the Company's shareholders are concerned.

Conditionality and Admission to AIM

The Subscription is conditional, *inter alia*, on the Company obtaining approval from Shareholders to grant the Directors the authority to allot the Subscription Shares and to disapply pre-emption rights and on Admission.

Application will be made for the Subscription Shares to be admitted to trading on AIM. It is expected that Admission will become effective at 8.00 a.m. on 28 March 2014. The Subscription 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. The Subscription Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so.

Notice of General Meeting

A circular convening a General Meeting to be held at 9.00 a.m. on 27 March 2014 is today being sent to Shareholders. The Directors believe that the Subscription is in the best interests of the Company and Shareholders as a whole. The Directors also believe that the issue of the Director Warrants (with each Director taking no part in any decision concerning the issue of such warrants to himself) is in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do (or procure be done) in respect of their own beneficial holdings totalling 31,670,948 Ordinary Shares, representing approximately 15 per cent. of the Existing Ordinary Shares.

Irrevocable undertakings to vote in favour of the Resolutions have been received from the Directors in respect of 31,670,948 Ordinary Shares held by them representing, at the date of this document, approximately 15 per cent. of the Existing Ordinary Shares.

Irrevocable undertakings to vote in favour of the Resolutions have also been received from certain other shareholders in respect of 101,124,991 Ordinary Shares in aggregate held by them representing, at the date of this document, approximately 47 per cent. of the Existing Ordinary Shares.

A copy of the circular will be available at the Company's website at www.albamineralresources.com. Terms defined in the Circular shall be deemed to have the same meaning herein unless otherwise specifically defined.

Total Voting Rights

Following Admission, the total number of Ordinary Shares in issue will be 307,624,352. The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares with voting rights will be 307,624,352. 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.

Michael Nott, Chairman, commented: "We are extremely pleased that, subject to Admission, we have been able to secure additional funding and welcome George to the Board. We are now in a position to further develop and grow the Company. We would also like to take this opportunity to offer our thanks to Sandy and Nigel for their contributions and counsel over the years and wish them every success in the future."

Enquiries:

Alba Mineral Resources Plc Michael Nott	020 7367 4037
Northland Capital Partners Limited (<i>Nominated Adviser</i>) Luke Cairns/Matthew Johnson	020 7382 1100

Additional information to be disclosed pursuant to Schedule 2(g) and Rule 17 of the AIM Rules:

Mr George Frangskides

Mr. Frangskides, aged 43 is or has been a director of the following companies in the past 5 years:

Current Directorships	Previous Directorships
Aetos Consulting Limited	World Mining Foundation
ANCO Holdings Limited	Metal Bank Limited
Arminco Pte Limited	
Artemis Resources Limited	
Berwick Capital Limited	
Berwick Capital Investments Limited	
Borders Capital Limited	

Cicero Exchange Limited
Metals of UK Limited
Shoshoni Gold Limited

Other than the information contained within this announcement, there is no further information required to be disclosed under Rule 17 and Schedule Two paragraph (g) of the AIM Rules.

Notes to Editors:

Alba holds interests in Mauritania (uranium: JV with FOSSE Investments Limited) and Ireland (base-metals: JV with Teck Ireland Ltd). The projects are at different stages of development and range from early exploration targets to more advanced drill-ready projects. The Ireland property has been drilled and the results announced.

Alba continues to review and discuss other opportunities for development of the Company including structured JVs, projects in other countries that have been brought to us through contacts and other possible reverse opportunities that may have value enhancing potential.