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AIM: AAU

2021 JV PRODUCTION GUIDANCE

Ariana Resources plc (“Ariana” or “the Company”), the AIM-listed exploration and development company operating in Europe, is pleased to announce the production guidance for 2021 for its joint venture Kiziltepe Mine (“Kiziltepe” or “the Project”). Kiziltepe is 23.5% owned by Ariana through its shareholding in Zenit Madencilik San. ve Tic. A.S.

Highlights:

- Gold production guidance for 2021 from Kiziltepe is expected to be c. 19,000 ounces of gold*, c. 90% above feasibility plan for this approximate stage of mine life.
- Average monthly production is expected at approximately 27,000 tonnes of ore, peaking during Q2 2021; a stockpile of over 240,000 tonnes, representing well over a year of current production capacity, has already been built up on site.
- Ore throughput to the mill during 2021 is expected to be c. 325,000 tonnes, once operating capacity is increased as planned, which represents a 115% increase over the feasibility plan.
- Average grade of gold to be mined during the year is expected to be c. 2.1 g/t Au and gold recovery is expected to exceed 90%.
- Open-pit mining will continue largely at the Arzu North pit during 2021, with some mining being undertaken concurrently at the Derya pit.
- Plant expansion to an operating capacity of up to 500,000 tonnes of ore per annum is well underway and scheduled for completion in early Q3 2021; new mill has recently been installed (Figures 1, 2 & 3).
- Expansion plan being funded through a capital loan of US\$6.6 million (inclusive of interest) to Zenit through Turkiye Garanti Bankasi A.S., of which 25% has already been repaid, with nine equal quarterly payments remaining.

Dr. Kerim Sener, Managing Director, commented:

“This year’s production guidance from the joint venture follows on from the completion of our arrangements with Ozaltin Holding A.S. and Proccea Construction Co. With the enhanced JV now formally underway, we are pleased to report on JV plans to increase the operational capacity at Kiziltepe. This will see a marked positive impact on production output and will continue to ensure the lowest possible unit costs. During Q1 2021, mining has largely focused on the Arzu North open-pit, within which significant additional gold mineralisation has been

encountered outside of the original mine reserve. This bodes well for JV production plans and may have a positive impact on the mining schedule, which is nominally targeting circa 19,000 oz gold in 2021.

“By early 2020, the entire JV capital development loan of US\$33 million was repaid to Turkiye Finans Katilim Bankasi A.S. The JV is currently paying down its remaining working capital loan from the same bank and this is about 70% complete, with US\$3.1 million requiring repayment from April to October 2021. A new loan facility of US\$6.6 million (inclusive of interest) with Turkiye Garanti Bankasi A.S., providing the capital required for the plant expansion, is already one quarter repaid.

“The continued positive economic environment for gold and silver underpins the performance of the Kiziltepe mine, with both commodities continuing to trade at near 5-year highs. With the growing concerns over unsustainable levels of debt within major economies, gold and silver are expected to continue to hold their time-honoured position in the minds of investors. While the price of oil has risen somewhat since late last year, the Turkish Lira has continued its decline in value relative to the US dollar which will again be reflected in lower dollar-based unit costs.

“Meanwhile, precautions are continuing to be undertaken at the mine site against COVID-19. While issues associated with the pandemic have not impacted gold production directly, some supply issues have been encountered, specifically in the context of the plant expansion programme. Despite this, the plant expansion is still expected to be concluded by early Q3 2021 and factored into the JV production guidance accordingly.

“With the wider JV now in place, we intend to advance our collective interests in Turkey, continue with exploration and development on behalf of the JV, progress with Ariana’s earn-in and the exploration programmes planned in Cyprus, as well as pursuing separate opportunities elsewhere in Eastern Europe. As such, 2021 is set to be an exciting year for the Company and we look forward to updating the market on these activities in due course.”

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

* Silver production guidance is not provided, as silver is treated as a by-product credit. All figures are stated gross to the Project unless otherwise stated.



Figure 1: Processing plant expansion programme fully underway at Kiziltepe, with new semi-autogenous grind (SAG) mill about to be lifted by the crane into position, within the new mill building. In the foreground, additional pre-leach tanks are being constructed.



Figure 2: Installation of the new SAG mill at Kiziltepe, located in its final position, within the new mill building.

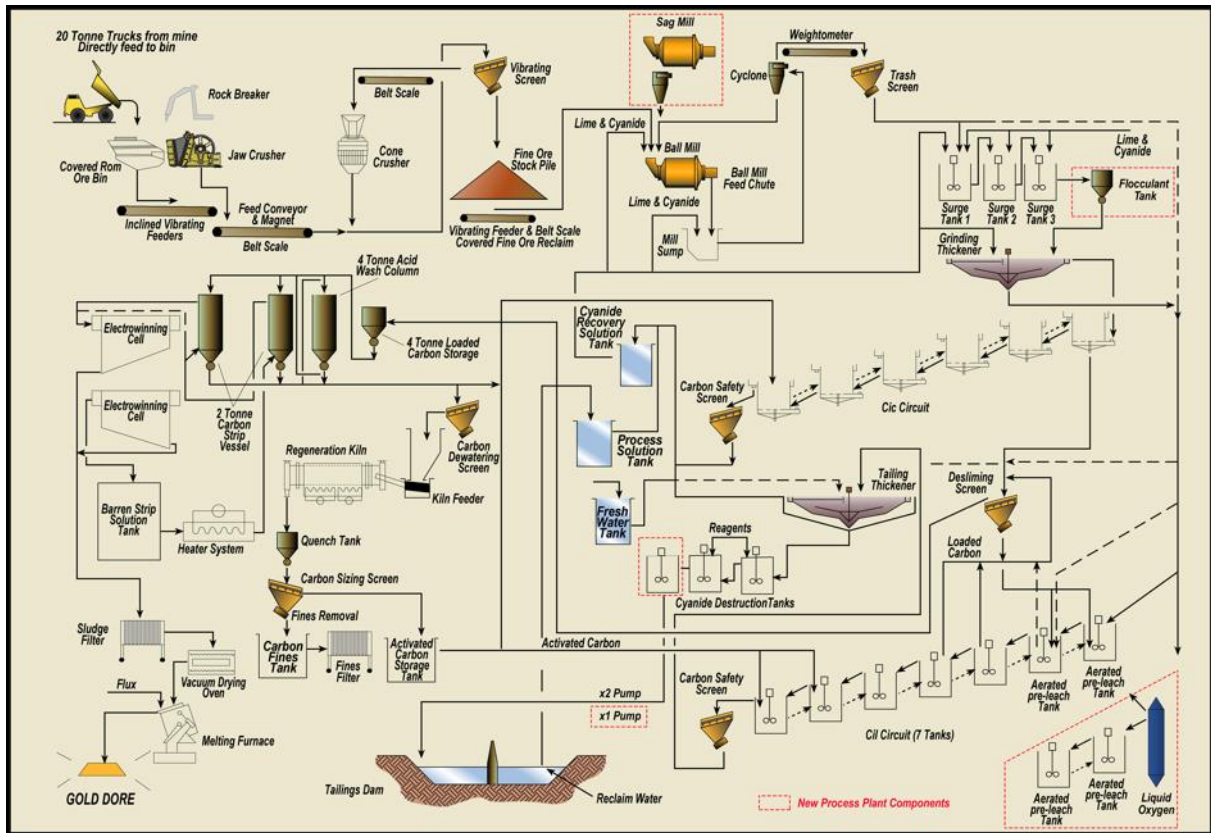


Figure 3: Summary schematic of the Kiziltepe processing plant, showing the areas which have seen additions or substantial modifications (outlined in red). A notable modification involves the partial bypass of the crushing units, specifically the cone crushers, to allow the SAG mill to operate ahead of input into the existing ball-mill. An additional liquid oxygen tank is being installed in tandem with the two additional pre-leach tanks.

Summary of Project

The Kiziltepe gold-silver mine is expected to deliver an average of approximately 20,000 oz gold equivalent per annum over eight years of initial mine life, for a total of up to 160,000 oz gold equivalent based on current resources. The operating company, Zenit Madencilik San. ve Tic. A.S., is a JV between Ariana (23.5%), Proccea (23.5%) and Ozaltin (53%). Management control of the JV lies with Proccea. Commercial production was initiated at Kiziltepe during July 2017 and has continued without interruption to the present, with production consistently being delivered above plan.

The latest resource estimate for Kiziltepe was based on recent drilling and geological interpretation in April 2020. Detailed technical and economic assessments are underway on several satellite vein systems which are not currently in the mining plan, in anticipation of these being developed in future years. The Kiziltepe operation is currently targeting a minimum ten-year mine life (to 2026), which will require the addition of a further 40,000 oz gold equivalent in reserves outside of the four main pits (Arzu South, Arzu North, Banu and Derya) that are currently scheduled to be mined. The joint venture is confident that this can be achieved assuming the conversion of existing resources to reserves.

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Editors' Note:

About Ariana Resources:

Ariana is an AIM-listed mineral exploration and development company with an exceptional track-record of creating value for its shareholders through its interests in active mining projects and investments in exploration companies. Its current interests include gold production in Turkey and copper-gold exploration and development projects in Cyprus.

The Company holds 23.5% interest in Zenit Madencilik San. ve Tic. A.S. a joint venture with Ozaltin Holding A.S. and Proccea Construction Co. in Turkey which contains a depleted total of c. 2.1 million ounces of gold and other metals (as at July 2020). The joint venture comprises the Kiziltepe Mine and the Tavsan and Salinbas projects.

The **Kiziltepe Gold-Silver Mine** is located in western Turkey and contains a depleted JORC Measured, Indicated and Inferred Resource of 227,000 ounces gold and 0.7 million ounces silver (as at April 2020). The mine has been in profitable production since 2017 and is expected to produce at a rate of c.20,000 ounces of gold per annum to at least the mid-2020s. A Net Smelter Return ("NSR") royalty of 2.5% on production is being paid to Franco-Nevada Corporation.

The **Tavsan Gold Project** is located in western Turkey and contains a JORC Measured, Indicated and Inferred Resource of 253,000 ounces gold and 3.7 million ounces silver (as at June 2020). The project is being progressed through permitting and an Environmental Impact Assessment, with the intention of developing the site to become the second joint venture gold mining operation. A NSR royalty of up to 2% on future production is payable to Sandstorm Gold.

The **Salinbas Gold Project** is located in north-eastern Turkey and contains a JORC Measured, Indicated and Inferred Resource of 1.5 million ounces of gold (as at July 2020). It is located within the multi-million ounce Artvin Goldfield, which contains the "Hot Gold Corridor" comprising several significant gold-copper projects including the 4 million ounce Hot Maden project, which lies 16km to the south of Salinbas. A NSR royalty of up to 2% on future production is payable to Eldorado Gold Corporation.

Ariana is also earning-in to 50% of UK-registered **Venus Minerals Ltd** ("Venus") and has to date earned into an entitlement to 16%. Venus is focused on the exploration and development of copper-gold assets in Cyprus which contain a combined JORC Inferred Resource of 9.5Mt @ 0.65% copper (excluding additional gold, silver and zinc).

Panmure Gordon (UK) Limited is broker to the Company and Beaumont Cornish Limited is the Company's Nominated Adviser and Broker.

For further information on Ariana you are invited to visit the Company's website at www.arianaresources.com.

Glossary of Technical Terms:

“Au” chemical symbol for gold;

“g/t” grams per tonne;

“JORC” the Joint Ore Reserves Committee;

“oz” Troy ounces;

Ends.