

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

**Alba Signs Conditional Agreement to Increase Stake
in Clogau Gold Project to 90%**

Alba Mineral Resources plc (AIM: ALBA), the diversified mineral exploration and development company, is pleased to announce that it has conditionally agreed to acquire a further 41 per cent interest in Gold Mines of Wales Limited ("GMOW"). Subject to Completion, Alba will thereby move to 90 per cent ownership of the Clogau Gold Project situated within the Dolgellau Gold Belt in Wales, United Kingdom (the "Project"). As previously announced, the Project comprises the Clogau Gold Mine and includes a large number of highly prospective gold targets and former gold workings within a total option area of 106.94 km².

HIGHLIGHTS

- Alba to acquire 41% of the Clogau Gold Project, taking its total ownership of the Project to 90%.
- The remaining 10% of the Project will be free carried to commercial production, but will be subject to a put and call option effective from the grant of planning permission enabling Alba to move to 100% ownership in the future if so desired.
- As part of the transaction, the vendor has agreed to assign to Alba in full the approximately £1 million in loans owed to it by GMOW.
- The consideration payable for the acquisition is 185,714,285 Alba consideration shares (valuing the total consideration at approximately £650,000 based on a 30 trading day VWAP of Alba shares of £0.0035 up to and including 12 July 2018), plus a one for three Alba share warrant (ie 61,904,761 share warrants at an exercise price of £0.0042 and an expiry date of 27 March 2021). The Alba consideration shares will be subject to a seven month lock up/orderly marketing agreement.
- Alba has agreed to grant a 4 per cent net smelter return royalty to the vendor, subject to a buy-back right in respect of any proposed future sale of the royalty.
- Alba's objective remains to bring the Clogau Gold Mine back into production and also to make a push into the regional exploration of the wider Project area.

George Frangeskides, Alba's Executive Chairman, commented:

"For the first time in many years, the Clogau Gold Project is moving to the majority ownership of one company. This will allow us more readily to progress the plan for re-opening the Clogau Mine, as well as making a push into regional exploration of the extensive and under-explored Dolgellau Gold Belt."

"We will not be depleting the Company's cash reserves with this proposed acquisition, and the shares that will be issued on Completion will be subject to lock up and orderly marketing restrictions for a seven-month period."

Acquisition Terms

Alba has conditionally agreed to issue 185,714,285 Alba fully paid ordinary shares ("Consideration Shares") to Victorian Gold Limited ("VGL") for a 41 per cent shareholding in Gold Mines of Wales Limited, which is the ultimate parent company of GMOW (Operations) Limited, the owner of the Project. The consideration is valued at £650,000 (based on a 30 trading day VWAP of Alba shares of £0.0035 up to and including 12 July 2018). All Consideration Shares issued to the vendor shall be subject to lock-up and/or orderly marketing restrictions for a period of seven months, as follows:

- For a 30 day period following Completion, no Consideration Shares may be sold or transferred without the prior written approval of Alba.
- For a further 6 month period thereafter:
 - o 50% of the Consideration Shares shall remain under a formal lock up agreement, such that they may not be disposed of without the prior written approval of Alba; and
 - o 50% of the Consideration Shares shall be subject to orderly marketing restrictions, such that they may not be sold without first seeking the prior written approval of Alba (or Alba's broker acting as Alba's agent) and complying with such requirements as Alba or Alba's broker shall reasonably require in order to ensure the maintenance of an orderly market in Alba's shares.

The consideration shall include a one for three Alba share warrant, that is 61,904,761 share warrants at an exercise price of £0.0042 and an expiry date of 27 March 2021.

The remaining 10% of the Project will be free carried to commercial production, but will be subject to a put and call option agreement effective from the grant of planning permission ("Put and Call Option") enabling Alba to move to 100% ownership in the future if so desired. The option may be exercised by either party following the grant of planning permission to recommence mining operations at the Project, or earlier if so agreed by the parties, for an agreed price or, failing agreement, a price determined by independent valuation.

As part of the consideration for the acquisition, the existing loans of approximately £1 million made by VGL to GMOW will be assigned to Alba or its wholly-owned subsidiary on Completion, thereby effectively extinguishing those loans in full. Alba has agreed to grant to VGL a 4 per cent net smelter return ("NSR") royalty over the Project ("Royalty"), subject to a pre-emptive right for Alba to acquire the Royalty on the same or equivalent terms as may be offered to the royalty holder by a bona fide arm's length third party.

Completion of the acquisition is subject to certain conditions precedent, notably the execution by the parties thereto of definitive agreements in respect of the Royalty and Put and Call Option described above.

Exploration Update

As announced in our mining update (see RNS on 2 May 2018), Alba has been collating all historical data for the project and has compiled a regional geological model that has been used to generate regional exploration targets from across the licence. The regional targets have been identified through a comparison of the known geological framework of the existing Clogau-St David's Gold Mine. Numerous targets have been identified with Alba initially planning to focus efforts on the two targets in closest proximity to the existing mine.

Figure 1 shows the 17 targets identified to date with the initial focus being on targets J and G that lie to the east and west of the existing mine (H).

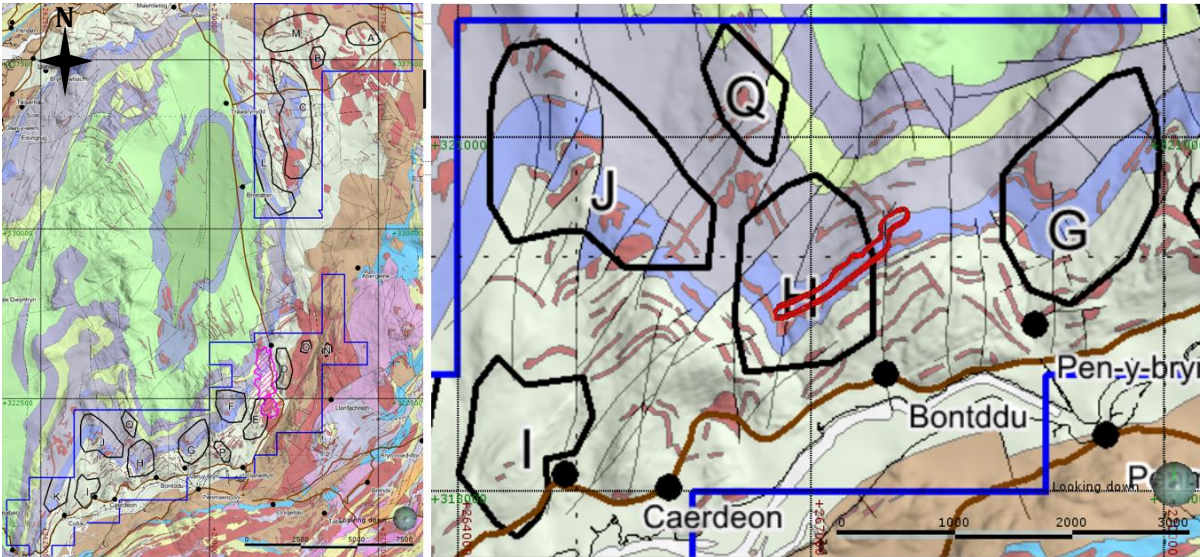


Figure 1: Regional exploration targets identified with target H showing the location of the Clogau-St David's mine area (red) and the initial targets for exploration, J and G

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

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Qualified Person's Statement:

Michael Nott, a Director of Alba, has over 45 years relevant experience in the geological, mining, minerals, waste disposal, industrial minerals, oil, drilling, mineral planning and quarrying industries has approved the information in this announcement.

He holds a BSc. degree in Geology from Queen Mary, University of London, a MSc. Degree in Mineral Production Management from the Royal School of Mines, Imperial College, University of London, The Diploma of Imperial College in Mineral Production Management and is a Chartered Engineer.

He is a Fellow of the Institute of Materials, Minerals and Mining, a Fellow of the Minerals Engineering Society, a Fellow of the Institute of Quarrying and an Associate of the Royal School of Mines Association.

Alba's Project Portfolio

Oil & Gas

Horse Hill (Oil & Gas, UK): Alba holds a 18.1 per cent interest in Horse Hill Developments Limited, the company which has a 65 per cent participating interest and operatorship of the Horse Hill oil and gas project (licences PEDL 137 and PEDL 246) in the UK Weald Basin.

Brockham (Oil & Gas, UK): Alba has a direct 5 per cent interest in Production Licence 235, which comprises the previously producing onshore Brockham Oil Field.

Mining

Amitsoq (Graphite, Greenland): Alba owns a 90 per cent interest in the Amitsoq Graphite Project in Southern Greenland and has an option over the remaining 10 per cent.

Black Sands (Ilmenite, Greenland): Alba owns 100 per cent of mineral exploration licences 2017/29 and 2017/39 in the Thule region, north-west Greenland.

Melville Bay (Iron Ore, Greenland): Alba is entitled to a 51 per cent interest in mineral exploration licence 2017/41 in Melville Bay, north-west Greenland. The licence area benefits from an existing inferred JORC resource of 67 Mt @ 31.4% Fe.

Inglefield Land (Copper, Cobalt, Gold): Alba owns 100 per cent of mineral exploration licence 2017/40 in north-west Greenland.

Limerick (Base Metals, Ireland): Alba has 100 per cent of the Limerick base metal project in the Republic of Ireland.

El Mreiti (Uranium, Mauritania): Alba has applied for the reissue of a uranium permit in northern Mauritania, centred on known uranium-bearing showings.

Web: www.albamineralresources.com