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

Underground Drilling at Clogau-St David's Gold Mine
Identifies Potential 550-Metre Extension to Main Lode

Alba Mineral Resources plc (AIM: ALBA) is pleased to announce that the first phase of the Company's underground drilling programme at the Clogau-St David's Gold Mine ("Clogau" or the "Mine"), which was completed in October 2020, has intersected what Alba believes to be the westerly extension to the Clogau Main Lode, representing a potential 550-metre extension to the Main Lode. The Main Lode is the source of most of the historic gold production at the Mine.

Key Points

- The first phase of an underground drilling programme was successfully completed on 30 October 2020, with seven drillholes completed for a total of 559.5 metres.
- All seven drillholes intersected quartz veining, the known geological setting of all historic gold production at the Clogau-St David's Gold Mine, validating Alba's geological model.
- Drillhole L002 returning significant gold assays of 1.16 metres at 0.653 grammes/tonne ("g/t"), including 0.25 metres at 1.79 g/t.
- Drillholes L002 and L003 have intersected what Alba believes to be the westerly extension of the Clogau Main Lode, representing a 550-metre extension to the Main Lode, the source of most historic production at the Clogau-St David's Gold Mine.
- Infill surface and underground drilling is now planned to confirm the continuity of the Main Lode extension.

Alba's Executive Chairman, George Frangeskides, commented:

"The intersection of quartz veins along strike from the Main Lode is a potentially significant discovery. The Main Lode has provided most of the gold production at the Clogau-St David's Gold Mine historically, so finding a continuation of the Main Lode which has never previously been exploited would constitute the most significant discovery at the Mine in many decades."

"What is more, intersecting representative gold grades at Clogau solely from drilling is always going to be a challenge given the nature of the deposit, which is why our methodology has always involved drilling and bulk sampling working hand-in-hand. So, for our drill team to hit a really solid gold intercept in our very first underground drilling campaign of just seven holes is a very positive outcome indeed."

"We intend to undertake infill drilling from surface early in the new year, followed by phase 2 of our underground drilling programme in Q2 of 2021, both being aimed at confirming the continuity of this Main Lode extension. Subject to that confirmation, this will become a primary zone for underground development and extraction."

Details

The first phase of the underground drilling programme at the Clogau-St David's Gold Mine consisted of seven drillholes drilled with a Kempe U3-9 BQ pneumatic underground drill rig in the period from 1 September to 30 October 2020.

The objective of the drilling was, firstly, to locate any parallel structures to the historically mined quartz veins (or lodes), and, secondly, to probe for deeper extensions to known mined veins. The information to be obtained from the drilling was also expected to contribute greatly to an understanding of the general geology of the Mine.

The aim of drilling at a gold deposit such as Clogau is to confirm favourable geological structures rather than to drill for grade, as the narrow-veined, nuggety-effect setting of the deposit is such that drilling alone cannot achieve a representative idea of the gold grade. As such, for

this first phase of underground drilling not only to confirm significant quartz vein intercepts, but also to return material gold values, is regarded by the Company as a great success.

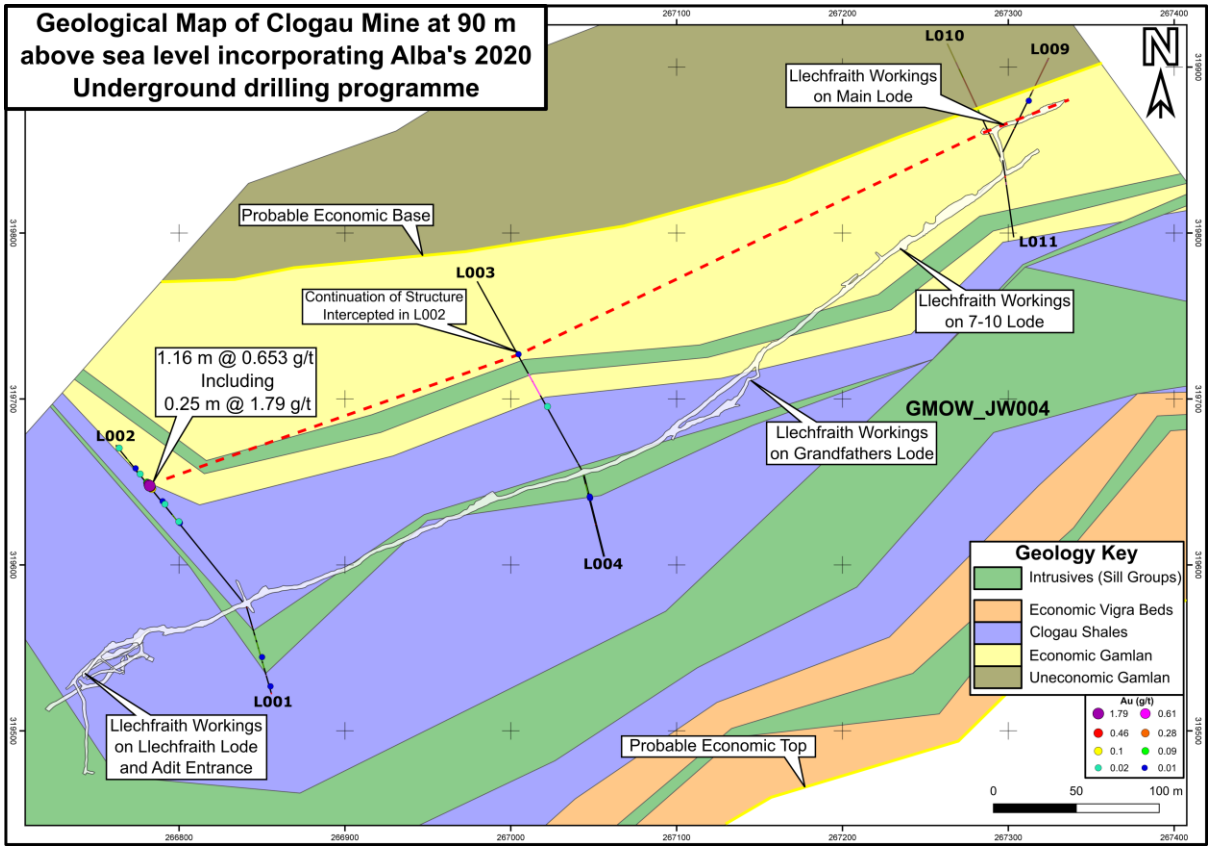

Figure 1: Location of underground drillholes (L001 to L004 and L009 to L011), set against known geology and indicating a 550-metre extension of the Main Lode (red dotted line). Area marked "Llechfraith Workings on Main Lode" represents the most westerly portion of the Main Lode.

Drillholes L001, L002, L003 and L004 were drilled north and south from the Llechfraith Level (see Figure 1). Drillholes L002 and L003 were drilled for 121.5m and 129.6m respectively, with L002 returning significant gold assays of 1.16m at 0.653 g/t including 0.25m at 1.79 g/t (see Figure 1 and the drill core at Figure 2). See Table 1 for all significant gold values returned.

Table 1: Gold values returned in selected significant assays from Sep-Oct 2020 Underground Drilling Programme

Hole No.	Final Depth (m)	Target	Intersected	Significant Assays
L001	58.5	Unspecified	-	49.75 - 50.05 m (0.30 m) @ 0.01 g/t
L002	121.5	Main Lode	90.57-91.73 m	91.41 - 91.73 m (0.32 m) @ 0.09 g/t
				91.17 - 91.41 m (0.24 m) @ 0.28 g/t
				90.82 - 91.17 (0.35 m) @ 0.61 g/t
				90.57 - 90.82 m (0.25 m) @ 1.79 g/t
				90.27 - 90.37 m (0.1 m) @ 0.46 g/t
				88.81 - 88.95 m (0.14 m) @ 0.1 g/t
L003	129.6	Main Lode	78.70-79.65 m	43.31 - 43.57 m (0.26 m) @ 0.02 g/t

				79.03 - 79.39 (0.36 m) @ 0.01 g/t
				79.39 - 79.65 (0.26 m) @ 0.01 g/t
L004	50.4	Unspecified	-	13.09 - 13.38 m (0.29 m) @ 0.01 g/t
L009	66.5	Main Lode	16.36-16.98 m	36.10 - 36.33 m (0.23 m) @ 0.01 g/t

Drillholes L002 and L003 both intersected what is believed to be the westerly extension of the Clogau Main Lode – see red dotted line in Figure 1. This conclusion has been reached due to the position, strike and morphology of the veins. The Main Lode is the source of most historic gold production at Clogau-St David's and comprises a network of anastomosing veins over a width of up to two metres. The geological observations of the mined Main Lode and the morphology of the vein quartz in the borehole intercept suggest a correlation between the two bodies. Further drill intercepts will either prove this relationship or indicate that another, separate vein system has been intersected. In either case, the Company believes this to be a potentially very significant new discovery.

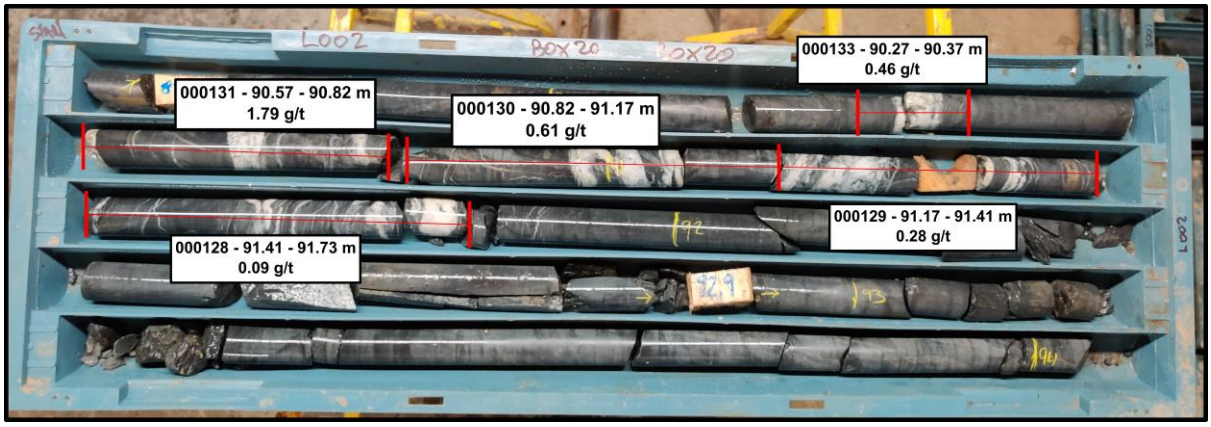

Figure 2: section of drill core from hole L002, averaging 0.653 g/t over 1.16 metres, including 0.25 metres at 1.79 g/t.

Drillholes L009 and L010 were drilled to the north, in order to evaluate any Main Lode extensions at depth. Both drillholes intersected what are believed to be lode extensions, albeit at low gold grades (<0.01 g/t). Drillhole L011 was drilled to the south and was aimed at the depth extension of the 7-10 Lode. The 7-10 Lode is a parallel vein structure to the Main Lode, lying some 30-40m to the south of the Main Lode. Drillhole L011 intersected the 7-10 Lode as projected, at a depth of 5.9 metres below the stoped-out reef, albeit that low gold grades were returned here (<0.01 g/t).

Infill Drilling Programme

Subject to regulatory approvals, the next phase of drilling will consist of an 8-10 hole programme for around 2,000 metres which will be undertaken from surface in Q1 2021. This phase of drilling will target the Main Lode extension indicated by the underground drilling (see drillholes JW006-009 in Figure 3) and will also seek to intersect the projected depth extensions of certain historically worked lodes, namely Grandfathers Lode and the 7-10 Lode (drillholes JW001-005 in Figure 3), thereby testing the continuation of mineralisation at depth and identifying currently undeveloped resource potential.

Figure 4 shows, by way of illustration, a section view of the indicative trajectory of planned surface drillhole JW002, which will seek to intersect mineralisation in both the Main Lode and the 7-10/Grandfathers Lode extensions.

Note that this surface drilling programme is separate to the surface drilling which is currently in progress, focused on the Llechfraith mine area, close to the Llechfraith Adit entrance.

Once this further phase of surface drilling targeting the Main Lode extension has been completed, infill drilling will be undertaken from underground, commencing in Q2 2021.

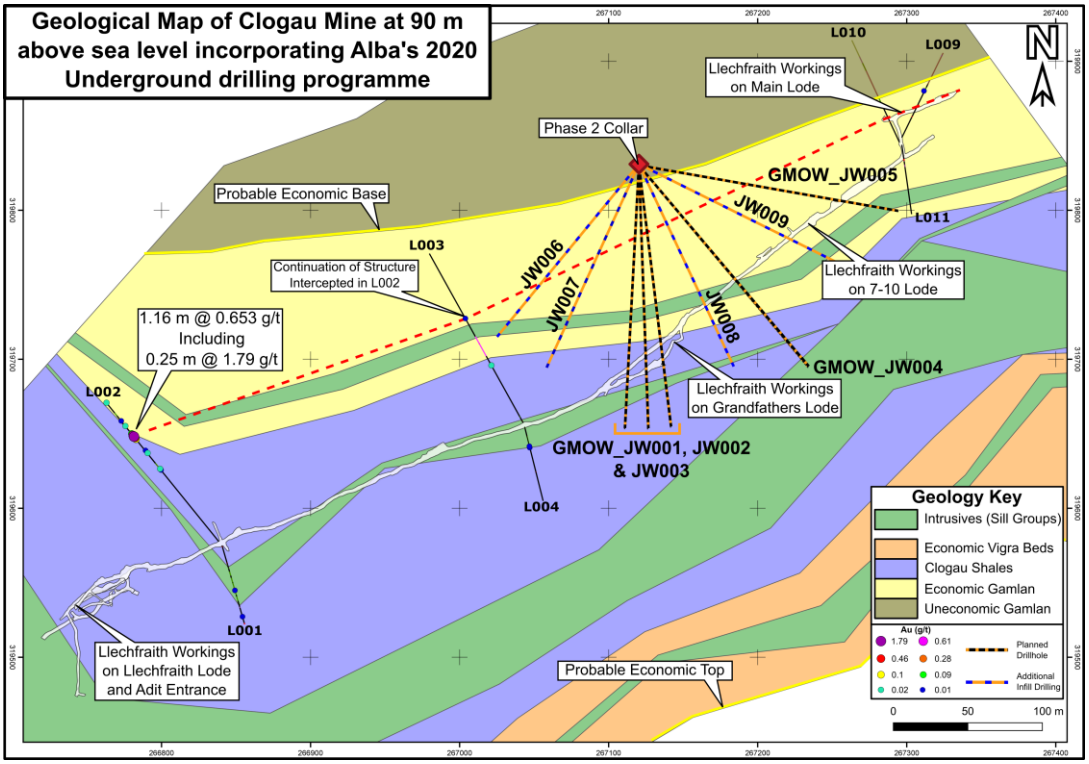

Figure 3: Completed underground drillholes L001-L004 and L009-L011 with proposed Phase 2 surface drillholes at JW001 to JW009

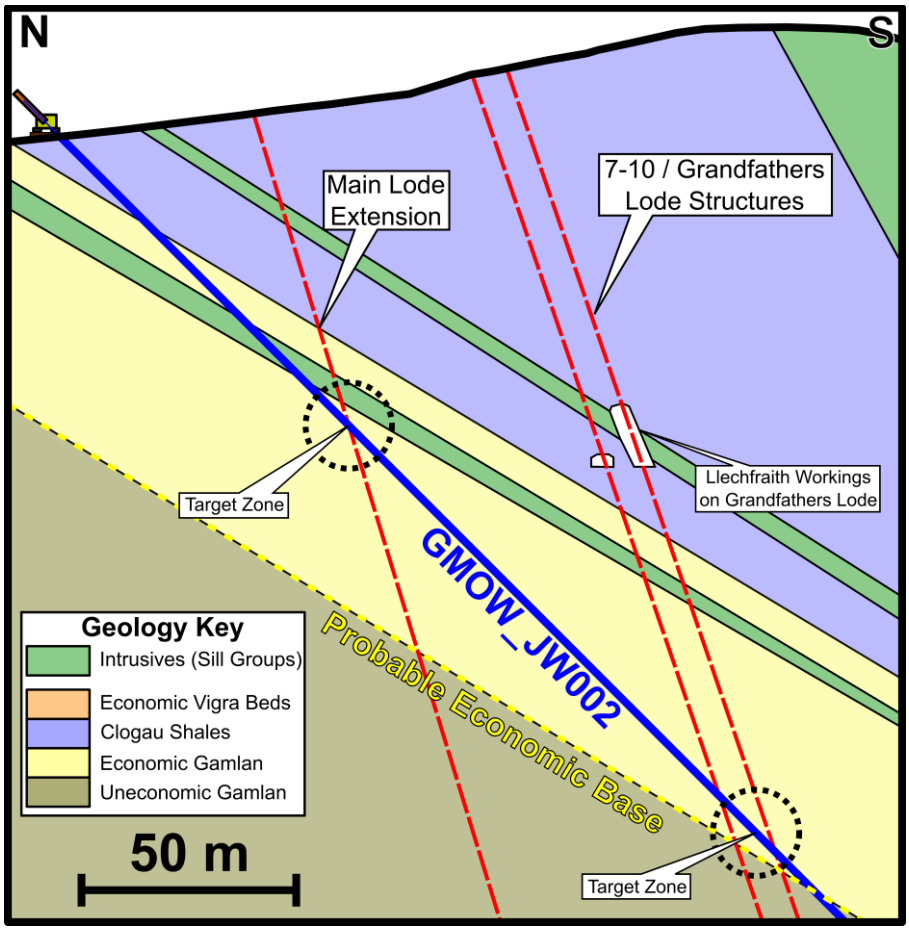

Figure 4: Trajectory of planned surface drillhole JW002, seeking to intersect both Main Lode and 7-10/Grandfathers Lode extensions

All activities and timelines in this announcement are subject to the timely receipt of regulatory and other third-party consents and to the timely availability of contractors, plant and equipment.

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

Glossary

7-10 Lode: The 7-10 Lode is a parallel vein structure to the Main Lode, lying some 30-40m to the south of the Main Lode. The whole of the Llechfraith Level is developed on the 7-10 Lode.

Anastomosing: Anastomosis refers to a network of irregularly branching and reconnecting veins of ore.

Borehole: A hole drilled into bedrock using a diamond-coated bit to return core samples.

Grandfathers: Grandfathers or Grandfathers Lode is a pay-shoot within the 7-10 Lode.

Jack Williams: The Jack Williams Stope is the most westerly mined portion of the Main Lode.

Igneous Sill: A bedding-parallel, sheet-like unit of hard igneous rock.

Infill Drilling: A series of boreholes designed to spatially constrain and sample a target structure.

Intercept: A section of core in which a target lithology, structure or significant assay result has been identified.

Main Lode: The main quartz vein structure along which the majority of historic mining took place at Clogau-St David's. The Main Lode was mined from the Jack Williams Stope for approximately 300m eastwards to the Bryntirion Fault, on the other side of which it was mined over a strike of at least 150m at the St David's Mine.

Mineralisation: Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Narrow-veined: Structures hosting gold mineralisation are typically narrow, and can range in thickness from cm to m scale, with typical mining widths between 1-2 m.

Nuggety-effect: The nugget effect is a geostatistical term used to describe the variability seen between samples that are closely spaced.

Pay-shoot: An area within a quartz vein where gold has been concentrated into a high-grade zone.

Quartz vein: A sheet-like body consisting predominantly of the mineral quartz, which is known to host gold mineralisation in the Dolgellau Gold Belt.

Reef: Another term for a quartz vein or lode.

Stope: A mined-out area along a lode structure from which ore has been extracted.

Stoped-out: Mined-out in a stope.

Stratigraphy: A succession of geological units.

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.

Without prejudice to the generality of the foregoing, uncertainties also exist in connection with the ongoing Coronavirus (COVID-19) pandemic which may result in further lockdown measures and restrictions being imposed by Governments and other competent regulatory bodies and agencies from time to time in response to the pandemic, which measures and restrictions may prevent or inhibit the Company from executing its work activities according to the timelines set out in this announcement or indeed from executing its work activities at all. The Coronavirus (COVID-19) pandemic may also affect the Company's ability to execute its work activities due to personnel and contractors testing positive for COVID-19 or otherwise being required to self-isolate from time to time.

Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

Competent Person Declaration

The information in this release that relates to Exploration Results has been reviewed by Mr Mark Austin. Mr Austin is a member of SACNASP (Reg. No. 400235/06), Fellow of The Geological Society and Fellow of the Geological Society of South Africa. He has a B.Sc. Honours in Geology with 38 years' experience.

Mark Austin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration targets, Exploration Results, Mineral Resources and Ore Reserves', also known as the JORC Code. The JORC code is a national reporting organisation that is aligned with CRIRSCO. Mr Austin consents to the inclusion in the announcement of the matters based on his information in the form and context in which they appear.

For further information, please contact:

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Alba's Project and Investment Portfolio

Project (commodity)	**Location**	**Ownership**
Mining Projects		
Amitsoq (graphite)	Greenland	90%
Clogau (gold)	Wales	90%
Gwynfynydd (gold)	Wales	100%
Inglefield (copper, cobalt, gold)	Greenland	100%
Limerick (zinc-lead)	Ireland	100%
Melville Bay (iron ore)	Greenland	51%
TBS (ilmenite)	Greenland	100%
Oil & Gas Investments		
Brockham (oil)	England	5%
Horse Hill (oil)	England	11.765%