

28 June 2018

Arc Minerals Ltd
("Arc Minerals" or the "Company")

Arc Minerals Reports 3 Million Ounce Gold Mineral Resource at the Akyanga Deposit

Arc Minerals ("Arc" or "the Company") is pleased to report an update of the Mineral Resource Estimate for the Akyanga deposit, part of its Casa project, located in the eastern part of the Democratic Republic of Congo ("DRC"). The statement of Mineral Resources (Table 1) was prepared by Denny Jones Pty Ltd ("Denny Jones"), a specialised Australian based Resource Consultancy and is reported in accordance with the requirements of the 2012 JORC Code.

Highlights - Akyanga Mineral Resource (100%)

- **3 million ounces of gold averaging 2.16 grams per tonne**
- **Near-term exploration target of a further 200,000 to 600,000 ounces of gold in the Akyanga East Area**
- **Further exploration targets along the 55km gold belt within its 133km² mining license**
- **Commencement of a Scoping Study**

Nick von Schirnding, ARC's Executive Chairman, commented:

"The increase in Akyanga's JORC mineral resource from 1.6m ozs to 3m ozs is a game-changer for us and has exceeded our most optimistic expectations. The increased ounces and grade has the potential to significantly enhance the economics of developing the mine. We shall now commence with a scoping study, targeting a 150koz-200koz per annum low cost gold operation, to be completed by year end.

Our ability to upgrade this significant, near-surface gold deposit in such a short timeframe clearly demonstrates the largely untapped potential of both the Akyanga project and the 55km long gold belt within our 133km² mining license area.

We look forward to updating shareholders on further developments at Casa as well as at our Zamsort copper/cobalt project where drilling is about to commence and completion work on the plant is underway."

Mineral Resource Estimate

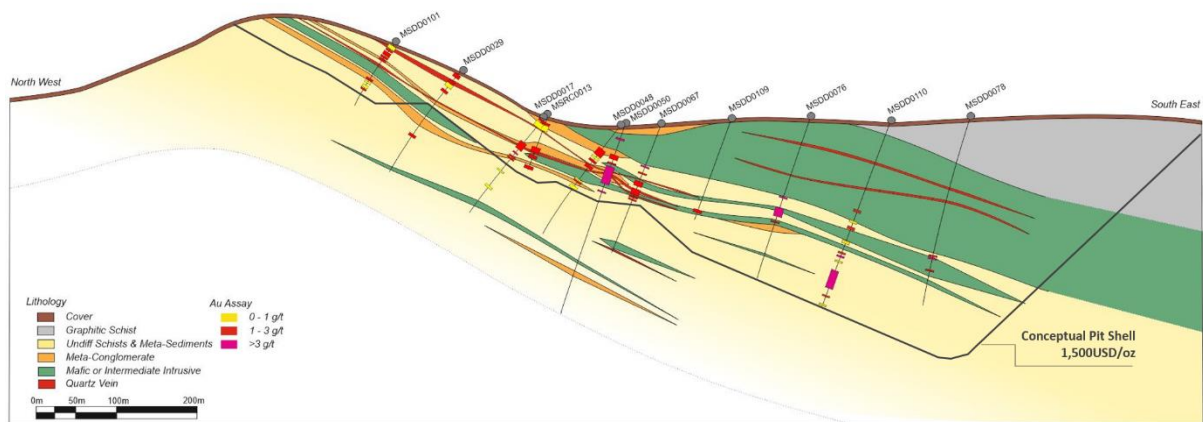
The Akyanga deposit is located near the town of Misisi located 250km south of Bukavu, the provincial capital of the South Kivu Province in the Democratic Republic of the Congo. The Akyanga deposit currently has an Inferred Mineral Resource of 44.4 million tonnes at 2.16 grams per tonne containing 3 million ounces. The statement of Mineral Resources (Table 1) completed by Denny Jones Pty Ltd ("Denny Jones"), a leading Australian based Resource Consultancy is reported in accordance with the requirements of the 2012 JORC Code.

Table 1. Akyanga Mineral Resource estimate - cut-off grade of 0.5 g/t Au – June 2018 (100% Basis)

Category	Tonnes (millions)	Gold grade (g/t)	Contained ⁽³⁾ Gold (million oz)
Inferred Resource ⁽²⁾	44.3	2.16	3.0

1. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral Resources in this report were reported using the guidelines of JORC (2012).
2. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
3. Contained metal and tonnes figures in totals may differ due to rounding.

Figure 1. Geological cross-section



In addition to the Mineral Resource, an Exploration Target over the Akyanga East project has been defined as summarised below in Table 2 below.

Table 2. Akyanga East Exploration Target – June 2018⁽¹⁾ (100% Basis)

Category	Tonnes (millions)	Gold Grade (g/t)	Contained Gold (million oz)
Upper Range	7.1	2.43	0.6
Lower Range	3.1	1.94	0.2

1. The quantity and grade of the reported Exploration Target are uncertain in nature and there has been insufficient exploration to define an Inferred Resource. It is uncertain if further exploration will result in the estimation of Mineral Resources.
2. A cut-off grade of 0.5 g/t has been used to define the Exploration Target.

The Akyanga structure remains open in several directions and all geological indicators suggest the Misi corridor and multiple surrounding targets have the potential to continue to deliver further substantial growth in the Company’s mineral inventory.

Quality Control/Quality Assurance

The estimate is underpinned by data from 105 diamond drill holes and 6 RC drill holes totalling over 22,000m of drilling. All sample data was composited to the dominant sample length of 1 m prior to analysis and estimation. The sample database and the topographic survey were reviewed and validated by Arc Minerals and African Mining Consultants (“AMC”) prior to being supplied to Denny Jones.

Block modelling was carried out by Denny Jones using cell dimensions of 25mE by 25mN by 25 mRL was coded to reflect the surface topography and mineralised zones.

Density values were estimated into blocks and had an average density of 2.63t/m³. The Resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the robustness of grade interpolation.

Scoping Feasibility Study

In 2014, a scoping feasibility study for the Akyanga deposit on the previous SRK resource of 1.2Moz, resulting in an ungeared NPV (8%) and IRR of \$171m and 35% respectively at a \$1,300/oz gold price. The company will now commence a Scoping Study with the aim to build a 150koz – 200koz per annum gold producer.

Qualified Persons

The information in this announcement that relates to the Resource Estimation was prepared by Ivor Jones (BSc. Hons, MSc, FAussIMM, CP(geo)) Mr Jones has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined under the JORC Code (2012). Denny Jones consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The exploration database and information in this announcement that relates to the Exploration Targets, Exploration Results and Mineral Resources or Ore Reserves is based on information prepared and reviewed by Mr Thomas Rogers (BSc. Hons, MSAIMM, MEIZ) of African Mining Consultants (“AMC”). Mr Rogers has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined under the JORC Code (2012). AMC consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this press release is based on information provided by Arc Minerals Limited, Denny Jones and AMC and compiled on behalf of Arc Minerals by Mr Vassilios Carellas. The Mineral Resource has been independently prepared by Denny Jones. Mr Vassilios Carellas (BSc (Hons), MAusIMM) is the Chief Operating Officer for Arc Minerals and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined under the JORC Code (2012). Mr Carellas consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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Notes to the Editors

Arc Minerals is an AIM listed exploration and mine development company focused on a diversified portfolio of mining projects with interests in Slovakia, Eritrea, the Democratic Republic of the Congo and Zambia.

ARC Minerals current holdings include:

- 99% interest in CASA Mining Limited, a private company that has a 71.25% interest in the 3 million-ounce inferred Mineral Resource at the Akyanga gold deposit in the DRC.
- A 61% equity interest in Zamsort Limited ("Zamsort"), a private company focused on a prospective copper and cobalt licence in the Zambia Copperbelt, together with a convertible loan to Zamsort which converts into approximately a five percent additional equity interest in Zamsort, with interest on the convertible note being rolled forward to the end of 2018;
- 100% ownership of the Kremnica Mining Licence Area in Slovakia which host the 1.3Moz AuEq pre-feasibility stage Šturec Gold Project;

For more information visit www.arcminerals.com

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

Forward-looking Statements

This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

About CASA Mining

CASA Mining Limited ("Casa") is a private Mauritian registered company that is the 71.25 percent owner and operator of the Misisi Gold Project located in South Kivu, eastern DRC, approximately

350km south of Bukavu and 180km north of Kalemie.

The CASA licence area consists of three contiguous mining licenses (133km²), issued in March 2015 and valid for 30 years. These licenses encompass a 55km strike length of the Tanganyika graben within the Rusizian belt (“*Misisi Corridor*”), including the Akyanga Deposit along with the Lubitchako, Tulongwe, Kilombwe and Mutshobwe prospects.

The licences have benefited from considerable capital expenditure to date, including regional geophysical surveys completed in 2011, 19,522m of diamond drilling, 2,720m of reverse circulation drilling and excavated 6,274-line metres of trenches. [UPDATE FOR RECENT DRILLING PROGRAMME]

At CASA’s most advanced project, the Akyanga Deposit, Denny Jones in June 2018 reported an inferred Mineral Resource, within a US\$1,500/oz gold selling price optimised pit shell, which defined a 3Moz JORC inferred resource @ 2.16 g/t Au (using a 0.5 g/t Au cut-off)

Technical Glossary

Assay	the laboratory test conducted to determine the proportion of a mineral within a rock or other material.
Au	the chemical symbol for gold
Diamond Drilling	a drilling method in which penetration is achieved through abrasive cutting by rotation of a diamond encrusted drill bit. This drilling method enables the collection of tubes of intact rock (core)
Dip	a line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralization. The dip has a measurable direction and inclination from the horizontal
Fire Assay	fire assaying is the quantitative determination in which a metal or metals are separated from impurities by fusion processes and weighed in order to determine the amount present in the original sample
Grade	the proportion of a mineral within a rock or other material which for gold is usually measured in g/t
g/t	grammes per tonne, the quantity of the element expressed as the number of grammes contained in one tonne of the host rock
JORC Resource	Resource estimated according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, as published by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
Indicated Mineral Resource	That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of

	confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
Inferred Mineral Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill-holes which may be limited or of uncertain quality and reliability
M	metre, a unit of length as per the International System of Units
Moz	one million troy ounces the process or processes by which a mineral is introduced into a rock, resulting in a valuable or potentially valuable deposit. It is a general term, incorporating various types; e.g., fissure filling, impregnation, and replacement
Mineralisation	the process or processes by which a mineral is introduced into a rock, resulting in a valuable or potentially valuable deposit. It is a general term, incorporating various types; e.g., fissure filling, impregnation, and replacement
Oz(s) ounce (Troy ounce)	1 ounce is equal to 31.1034807 grammes
Pre-feasibility Study	a preliminary study undertaken to determine if it would be worthwhile to proceed to the feasibility study stage
QA/QC	Quality Control and Quality Assurance, a set of defined procedures in all aspects of the mineral deposit evaluation to ensure the best possible confidence in resultant mineral Resource and Reserve estimates are achieved; the quality of an estimate is dependent on the quality of the data used