

30 September 2016

**Alecto Minerals plc ('Alecto' or the 'Company')**

**Placing to Raise £600,000 gross**

Alecto Minerals plc (AIM: ALO), the Africa-focused gold and base metal exploration and development company, is pleased to announce that it has raised £600,000 (before expenses) by way of a placing of 800,000,000 new ordinary shares of 0.01 pence each in the capital of the Company (the 'Placing Shares') at a price of 0.075 pence per Placing Share (the 'Placing Price'), with new and existing shareholders (the 'Placing'). The Placing was conducted by Beaufort Securities Limited ('Beaufort Securities').

The net proceeds of the Placing will provide the Company with additional working capital to fund its pre-development activities on the ground in Zambia. The Company continues to make progress towards its goal of bringing the 400,000 tonnes per annum open-pit Matala Gold Project in south-central Zambia ('Matala' or the 'Project'), into low-cost production in the near to mid-term.

The Placing Shares will represent, in aggregate, approximately 15.17 per cent. of the Company's enlarged issued share capital.

Warrants to subscribe for 40,000,000 new Ordinary Shares at the Placing Price, exercisable within 5 years from the date of Admission, have been issued to Beaufort Securities in connection with the Placing.

**Alecto's CEO, Mark Jones, commented:**

*"We are making steady progress towards the conclusion of a funding package for the Matala gold mine. We have every confidence that we will complete this financing and bring Matala into production in 2017, however, we are obliged to progress at the speed dictated by our counter parties and other external factors. The current fundraising will strengthen Alecto's position and enable us to complete essential pre-development activities on the ground in Zambia on a timeline within our control.*

*"We will be providing a full operational update in the Chairman's statement within the interim accounts so that our stakeholders can see the progress made on the ground, not only in Zambia, but across our portfolio."*

**Application for trading on AIM and Total Voting Rights**

Application has been made to the London Stock Exchange plc for the Placing Shares to be admitted to trading on AIM ('Admission'). Admission is expected to become effective and dealings in the Placing Shares commence at 8.00 a.m. on 14 October 2016. On Admission, the Company will have in issue 5,272,314,850 ordinary shares.

The Placing Shares will be fully paid and will rank *pari passu* in all respects with the Company's existing ordinary shares.

The Company does not currently hold any ordinary shares in treasury. Accordingly, the above 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 in their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

**\*\*ENDS\*\***

For further information please visit [www.alectominerals.com](http://www.alectominerals.com), follow us on Twitter [@AlectoMinerals](https://twitter.com/AlectoMinerals), or contact:

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*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR").*

**Notes to editors:**

Alecto Minerals plc is an African focused, gold and base metal exploration and development company quoted on AIM with gold exploration projects in Mali, Burkina Faso and Mauritania and, a development project with near-term gold production in Zambia.

In Zambia, the historical Matala and Dunrobin gold mines have, in aggregate, a 760,000 oz Au JORC Code compliant resource estimate in the Measured, Indicated and Inferred categories at an average grade of 2.3g/t Au. The Company is focused on bringing Matala into low-cost production in the near to mid-term.

In Mali, the Kossanto East project has an inferred JORC Code compliant resource estimate of 6.72Mt grading at 1.14g/t Au for an aggregate of 247,000 oz Au with a cut-off grade of 0.5g/t Au. This is under a co-operation agreement with ASX listed Desert Gold Inc. to evaluate the potential to jointly develop each company's neighbouring projects into production. The Kossanto West Project is under a joint venture with Randgold Resources Limited. In addition, the Company owns the 250 sq. km. Karan gold project in southern Mali which is under joint venture with Cora Gold Limited.

Alecto also owns the Kerboulé Project, located in the highly prospective Birrimian-age Djibo gold belt in northern Burkina Faso, as well as the wholly owned Wad Amour IOCG Project in Mauritania which is at an exploration stage.

Accordingly, the Company has a strong, diversified project portfolio with exciting exploration upside potential.