

27 February 2017

Alecto Minerals plc
("Alecto" or the "Company")

Mining Contractor Appointment and Mobilisation of Earth Moving Equipment at Mowana

Alecto Minerals plc (AIM: ALO), the African-focused gold and copper exploration and development company, is pleased to announce that a mining contractor has been appointed to commence mining operations at the Mowana Copper Project in Botswana ("Mowana" or the "Project"). The Company is also pleased to provide an update regarding the rapid progress being made to recommence production at Mowana in the near term.

These latest developments demonstrate the Company's commitment to applying a new approach at Mowana, which will enable it to rapidly leverage the existing Measured and Indicated JORC code compliant mineral resource inventory of 683,000 tonnes copper ("Cu") and the Inferred resource of 945,000 tonnes Cu.

Highlights:

- Giant Transport Holdings Limited ("Giant") has been contracted to undertake mining operations at Mowana, for an initial period of six months, with the mining contractor's site having now been established
- To date, two bulldozers, two excavators and five articulated 40-tonne dump trucks ("ADT") have been mobilised to site to augment the Company's own excavator, dozer and front end loader, with further equipment in transit
- Pit clean-up operations and reverse circulation ("RC") grade control drilling can now commence testing the near-term production targets
- Contract for supply of fuel and lubricants signed with first delivery anticipated in the next 2-3 weeks
- Strong recruitment drive underway with an unprecedented response to local recruitment advertisements – an excellent local pool of potential candidates exists and to date [over] 150 positions have been filled
- Higher than usual rainfalls in Botswana over the past few [months] has necessitated the commencement of a de-watering programme and this is progressing well
 - No impact on the immediate mine plan as the near-term production areas are outside of the flooded areas and therefore continue to be accessible

Mark Jones, CEO of Alecto, commented:

“The arrival of our mining contractor and the earth moving equipment on site marks the beginning of a very exciting three-month period, which will be characterised by production, sales and renewed activity at Mowana.

“We benefit from partnerships with commercial mining entities such as PenMin and, utilising their strong understanding of the Project, we have established a new approach at Mowana, which will culminate in the existing plant being upgraded and the management of the Project refined to deliver greater production at a lower cost than has historically been achieved, such that production activity is profitable even at depressed commodity prices. Whilst the water in the pit is not ideal, it does not actually impact our near-term production plans and with funding and metal offtake already secured, we are well placed to progress a rapid start-up.

“With grade control drilling due to commence next week, recruitment of key personnel continuing and process plant start-up planned shortly, this Project is becoming a tangible reality and I look forward to reporting on our transformation into a copper producer in the near future.”

Photos of the Earth Moving Equipment on Site:





****ENDS****

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

Alecto Minerals plc

Mark Jones

Tel: +44 (0)20 7499 5881

Strand Hanson Limited

Andrew Emmott
Matthew Chandler
James Dance

Tel: +44 (0)20 7409 3494

Beaufort Securities Limited

Jon Belliss

Tel: +44 (0)20 7382 8300

St Brides Partners Limited

Elisabeth Cowell
Charlotte Page

Tel: +44 (0)20 7236 1177

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.

Notes to editors:

Alecto Minerals plc is an African focused, gold and copper exploration and development company quoted on AIM with gold exploration projects in Mali, Botswana, 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 760,000oz 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 Botswana, the Company is, subject to, *inter alia*, shareholder approval in due course, looking to acquire a 60% interest in the Mowana Copper Mine, a formerly producing copper mine and plant, which can be brought back into production at a relatively low cost. The mine has a mineral resource inventory of 683,000 tonnes copper ("Cu") in the Measured and Indicated categories (JORC-code compliant) with an additional 945,000 tonnes Cu in the Inferred category. Alecto and its partners have re-modelled the Mowana mine to ensure profitable operations even at depressed commodity prices, leading to an internal estimate for the project's NPV of US\$245 million at a copper price of US\$2.50 per lb. Alecto has also agreed a 10-year management contract for Mowana with its partners and will receive management fees equal to 1.5% of revenue.

In Mali, the Company has secured a number of joint-venture agreements, in-line with its strategy to retain exposure to the value in its African gold exploration portfolio for little or no cost; the Kossanto East project, which 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, is under a joint venture agreement with Ashanti Gold Corp; the Kossanto West Project is under a joint venture with Randgold Resources Limited; and the 250 sq. km. Karan gold project in southern Mali 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.