

12 May 2017

**Alecto Minerals plc (“Alecto” or the “Company”)**

**Full Time Production at Mowana Copper Mine, Mine Plan, and Publication of CPR**

Alecto Minerals plc (AIM: ALO), the African-focused gold and copper exploration and development company, is pleased to announce that production is now ongoing on a full-time basis at the Mowana Copper Mine in Botswana (“Mowana” or the “Project”) following completion of the first blast on 29 April 2017 and a successful trial period, which saw the Company produce saleable concentrate up to 28% copper (“Cu”). To date, over 1,900 tonnes of copper concentrate has been produced, which is being sold to Alecto’s offtake partner Fujax Minerals and Energy Limited (“Fujax”). To view a video of the operation, please use the following link: <http://www.alectominerals.com/investors/media.html>.

The Company continues to advance the acquisition of the Project by way of a reverse takeover and is pleased to report that the Competent Persons Report (“CPR”) on Alecto’s African assets and the producing Mowana mine has now been completed by Wardell Armstrong International, representing an important milestone towards the publication of the admission document required to enable Alecto to recommence trading on AIM.

The CPR reports a current resource of circa 172Mt at 0.84% Cu, of which 26Mt sits within two existing pre-stripped 350 metre-deep pits. These pits represent the main areas of current operation. Allowing for an element of overlap in the original modelling on which the CPR is based, the Company estimates the resource at 162Mt at 0.84% Cu (equating to 481kt Cu in the Measured and Indicated categories and a732 kt Cu in the Inferred). The Company intends to ramp up to an annualised rate of 12,000 tonnes Cu in Q3 2017. Production costs are expected to average US\$1.5/ lb over the mine life based on an average metallurgical recovery of 91%. The CPR reports an NPV of US\$87.5 million for the initial 12,000 tonnes Cu production scenario based on an average copper price of US\$2.8/ lb at a discount rate of 10%.

In tandem with its current mining activities, the Company intends to undertake additional test work over the coming months to finalise its decision on the installation of a Dense Media Separation (“DMS”) unit at the Project. If pursued, this technology is anticipated to facilitate a <100% increase in throughput to 2.6Mtpa for ~23,000 tonnes Cu by Q3 2018, which will dramatically enhance the mine economics and increase the Project’s NPV to US\$245 million. As announced in December, the Company has conditional funding for a DMS with Fujax and NHI of US\$20m. Additional upside potentially exists by developing an underground operation in the future, subject to studies, to access the rest of the resource, which is located down dip and along strike from the open pits currently being mined. An underground operation has the potential to increase the life of mine to 20 years.

The full CPR is available to view via the Company’s website at: <http://www.alectominerals.com/investors/documents.html>

The Company's current expectations are that an admission document will be published in early June 2017, which would mean a target date for the general meeting and completion before the end of June 2017.

**Mark Jones, CEO of Alecto, commented,** *“Mowana is now a full-time copper production operation and we look forward to gaining ownership of the Project subject to shareholder approval at which point, we believe, our company will benefit from a significant value re-rating. Once effected, we will have taken control of a significant asset which has been subject to more than US\$150 million of investment in the past for an acquisition price of approximately US\$10 million.*

*“We are delighted that the CPR demonstrates the compelling economics of our project even without the installation of a DMS, now that the asset is unencumbered by debt. Even better is that it starts to show the tremendous potential upside available using modern techniques identified by our experienced industry partners. As shareholders can see from our video, there is a hive of activity on site, and having already delivered on our stated operation objective, we look forward to providing further updates in the coming weeks.”*

#### **Competent Persons Statement**

The information in this announcement that relates to the CPR is based on information compiled by Dr Phil Newall, Managing Director of Wardell Armstrong International, who is a Fellow of the Institute of Materials, Minerals and Mining and Chartered Engineer.

Dr. Newall 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 in the Note for Mining and Oil & Gas Companies which form part of the AIM Rules for Companies. Dr. Newall has reviewed this announcement and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

**\*\*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.*

**Notes to editors:**

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

In Botswana, the Company is, subject , *inter alia*, to funding and shareholder approval, looking to acquire a 60% interest in the Mowana Copper Mine, a producing copper mine and plant. 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 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 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.