

Arc Minerals Ltd / Epic: ARCM / Market: AIM / Sector: Mining & Exploration

5 June 2019

**Arc Minerals Ltd
('Arc' or the 'Company')**

Zambia - Exploration & Drilling Update

Arc Minerals is pleased to announce that it has mobilised drill rigs following exciting results from the first infill soil geochemistry programme at one of its exploration targets in Zambia.

Highlights:

- **Comprehensive geochemical and geophysical studies have identified 12 significant regional targets**
- **Completion of infill geochemistry at Cheyeza has identified the new Cheyeza Central target situated between the between large, high-priority Cheyeza East and Cheyeza West targets**
- **Up to 2,792 ppm copper identified at Cheyeza East**
- **Drill pads and access completed at Cheyeza West and East with two rigs to begin drilling shortly**
- **Further infill geochemistry work is underway at four additional regions with further results expected soon**

The completion of the airborne geophysical survey and broad spaced soil geochemical programme last year resulted in the identification of 12 anomalous target areas within the Zamsort-Zaco license areas.

Over the past two months, further infill soil sampling over the 10km x 8km Cheyeza region has been completed, with over 6,000 samples analysed, adding a further target anomaly (Cheyeza Central).

Of particular interest is a 3km by 0.8km area at Cheyeza East where up to 2,792 ppm copper in the soils has been identified. The first rig will be targeting this significant geochemical anomaly at Cheyeza East.

Nick von Schirnding, Executive Chairman of Arc Minerals commented:

"I am very encouraged by the results of our extensive work over the property that we have completed over the past few months. It confirms that we have a wide range of exciting and high priority targets, any of which could be company makers on their own, indeed ongoing exploration by majors in this region of Zambia supports the potential for major new tier 1 discoveries. My confidence going forward also is strengthened by the excellent work by two respected external geological consultancies, African Mining Consultants and Momentum Group.

I look forward to a period of active newsflow as we start our drilling programme, initially at Cheyeza East and West."

An investor conference call will be held today at 12pm UK time GMT (details below)

Please see the following links for updated maps following the recent geochemical and geophysical studies:

Figure 1 Target location map and +50ppm copper in soils XRF anomaly

<http://www.arcminerals.com/zamsort50ppm>

Figure 2 Contoured regional geochemistry copper in soils XRF results

<http://www.arcminerals.com/zamsortregionalexrf>

Figure 3 Cheyeza region copper in soils XRF results

<http://www.arcminerals.com/cheyezainfillxrf>

Further Work

The infill soil geochemical programme is continuing and at present the exploration team are collecting and analysing soil samples over the Lumbeta target area and thereafter will continue to cover the remaining target areas identified from last years exploratory programmes.

Background Information

During 2018, the Company conducted a comprehensive high-resolution airborne geophysical survey over its Zamsort and Zaco projects. The licenses cover in excess of 850 km² and host a large number of targets in addition to the Kalaba Copper-Cobalt prospect ("Kalaba").

The airborne geophysical survey comprising magnetic and a radiometric analysis was completed by Xcalibur Airborne Geophysics (Pty) Ltd ("Xcalibur"). The survey covered the entire license areas and comprised 5,218 line-kilometres. The survey was conducted using a 200m line spacing and flying along NW-SE flight lines.

The Company has also recently completed a comprehensive soil sampling programme and collected 35,000 samples

over the license areas using an Olympus Vanta XRF analyser. Results are now being fully interpreted including, if appropriate, ratioing selective elements to assist in mineralisation vectoring.

Qualified Persons

The information in this press release is based on information provided by Zamsort Limited on behalf of Arc Minerals. 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.

About AMC & Momentum Group

With over 24 years' experience in exploration, mining and the environment, the AMC Group is one of the mining industry's most experienced African-based consulting firms and were successfully involved with the discovery of the Kamoia Copper Project

Momentum Group is a team of business development advisors with expertise in the natural resource sector. The team have worked in over 60 countries and been involved in the exploration or development of all major commodities.

Investor Conference Call

The Company will host a shareholder conference call at 12:30pm GMT today to discuss these results as well as the planned drilling programme. The call will be hosted by Arc's Executive Chairman, Nick von Schirnding with input from Arc's technical team.

The following numbers are available to participate in this conference call:

UK (Local): +44 20 3655 9680
Sweden (Local): +46 85 05 32 900
Kenya (Local): +254 20 225 0309
Singapore (Local): +65 3158 2196
USA (Local): +1 (312) 380 0428
France (Local): +33 1 70 95 91 00

Please enter participant pin number 1053446# when prompted to do so.

Note that until the Q&A session has begun that all lines will initially be muted with the exception of Company management.

****ENDS****

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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.

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:

- 100% interest in CASA Mining Limited, a private company that has a 71.25% interest in the 3-million-ounce inferred Resource Akyanga gold deposit in the DRC.
- A 66% 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.
- 100% ownership of the Kremnica Mining Licence Area in Slovakia which host the 1.3Moz AuEq Au PFS stage Šturec Gold Project.

For more information visit www.arcminerals.com

Glossary of Technical Terms

"anomaly or anomalous"	something in mineral exploration that geologists interpret as deviating from what is standard, normal, or expected.
"bornite"	Bornite, also known as peacock ore, is a copper sulphide mineral with the formula Cu_5FeS_4 .
"chalcocite"	Chalcocite is a copper sulphide mineral with the formula Cu_2S and is an important copper ore mineral. It is opaque and dark-gray to black with a metallic luster.
"chalcopyrite"	Chalcopyrite is a copper sulphide mineral with formula $CuFeS_2$. It has a brassy to golden yellow colour.
"channel sample"	Samples collected across a mineralised rock exposure. The channel is typically orientated such that samples are collected perpendicular to the mineralised structure, if possible.
"covellite"	Covellite is a copper sulphide mineral with the formula CuS . This indigo blue mineral is ubiquitous in some copper ores.
"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 collection of tubes of intact rock (core) and when successful gives the best possible quality samples for description, sampling and analysis of an ore body or mineralised structure.
"dip"	A line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralisation. The dip has a measurable direction and inclination from horizontal.
"grade"	The proportion of a mineral within a rock or other material. For copper mineralisation this is usually reported as % of copper per tonne of rock (g/t).
"g/t"	grams per tonne; equivalent to parts per million ('ppm')
"Inferred Resource"	An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and

	reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
"intercept"	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralised zone. The intercept is described by the entire thickness and the average grade of mineralisation.
"Mineral Resource"	A "Mineral Resource" is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilised organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.
"mineralisation"	In geology, mineralisation is the deposition of economically important metals (copper, gold, lead, zin etc) that in some cases can be in sufficient quantity to form mineral ore bodies.
"open pit mining"	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
"outcrop"	A section of a rock formation or mineral vein that appears at the surface of the earth. Geologists take direct observations and samples from outcrops, used in geologic analysis and creating geologic maps. In situ (in place) measurements are critical for proper analysis of the geology and mineralisation of the area under investigation.
"Preliminary Economic Assessment"	NI 43-101 defines a PEA as "a study, other than a pre-feasibility study or feasibility study, which includes an economic analysis of the potential viability of mineral resources".
"sediments"	Sedimentary rocks formed by the accumulation of sediments. There are three types, Clastic, Chemical and Organic sedimentary rocks.
"surface rock chip samples"	Rock chip samples approximately 2kg in size that are typically collected from surface outcrops exposed along rivers and mountain ridgelines.
"veins"	A vein is a sheet-like or anastomosing fracture that has been infilled with mineral ore (chalcopyrite, covellite etc) or mineral gangue (quartz, calcite etc) material, within a rock. Veins form when minerals carried by an aqueous solution within the rock mass are deposited through precipitation and infill or coat the fracture faces.

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