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Manica Gold Concession Update

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Xtract Resources Plc
(“Xtract” or the “Company”)
Manica Gold Concession Update

The Board of Xtract Resources Plc (“Xtract” or the “Company”) is pleased to provide an update on its Manica Alluvial operations and its Hard Rock Collaboration Agreement with Omnia Mining Ltd (“Omnia”) for the exploitation of hard rock deposits at the Manica concession.

Highlights

- Substantial improvement in alluvial mining contractor gold production for quarter to date and ahead of Q1 2018
- Xtract reviewing further contractor proposals for the western half of the concession
- Omnia hard rock collaboration agreement trenching uncovers concealed extensions to hard rock exposure
- Exposures have been channel sampled and rock chips sent away for assaying sampling
- The parties are investigating the cost of upgrading the current plant to feed all types of oxidation from oxides to sulphides

Colin Bird, Executive Chairman said: “The continued overall improvement in alluvial gold production from the prior quarter shows pleasing progress and we hope to build on this and look forward to reporting our Q2 production in mid-July. We are seriously considering dividing the concession into North-South halves as oppose to East-West since the river beds and terraces require different processing plant configuration. We are currently in the process of identifying more hard rock mining positions irrespective of whether the crop is oxide transition or sulphide and concurrently evaluating the cost and time of operating the plant to treat all gold mineralisation types. The co-ownership of an all-purpose plant will position the Collaboration Agreement very strongly in the Manica area.”

Manica Alluvial production

As previously reported, we continue to address key areas of performance in respect of alluvial production based on the experience built up over the last eight months, since the mining contractors commenced alluvial production in October 2017, reflecting the random nature of alluvial gold distribution. The Manica alluvials are typical in that the presence of gold is often random, supporting our assessment that volume is the key to a successful alluvial operation. The Company expects to report its production for Q2 (being the three months ending 30 June 2018) in mid-July. Cumulative production to date is running ahead of Q1 (being the three months ended 31 March 2018), and significantly better than prior quarters with more than two weeks of potential production remaining.

Further details are available from the Company's website which details the company's project portfolio as well as a copy of this announcement: www.xtractresources.com

This announcement contains inside information for the purposes of Article 7 of EU Regulation No. 596/2014 on market abuse. The person who arranged for the release of this announcement on behalf of the Company was Joel Silberstein, Director.

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