



[Xtract Resources plc](#) - XTR

Enhanced terms Manica Western Alluvial Concession

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Xtract Resources Plc ("Xtract" or the "Company")

Xtract announces significantly enhanced terms for the western portion of the Manica alluvial concession

The Board of Xtract Resources Plc ("**Xtract**" or the "**Company**") is pleased to announce that the Company's wholly-owned Mozambican subsidiary, Explorator Limitada ("**Explorator**") has negotiated significantly enhanced terms for the western portion of the alluvial concession under the existing Mining Contractor agreement dated 19 June 2017 ("**June Mining Contractor Agreement**" or "**June Agreement**") with Omnia Mining Ltd and Moz Gold Group Limitada ("**Contract Miners**") for the exploitation of alluvial gold deposits at its Manica mining concession in Mozambique.

Highlights

- Addendum to the June Mining Contract Agreement agreed between the Company and the Contract Miners
- Western mining area to be divided into two blocks ("M" blocks and "O" blocks)
- Moz Gold Group Limitada ("**Moz**") appointed on an exclusive basis to conduct alluvial mining and process on the M blocks
- Omnia Mining Limited ("**Omnia**") has agreed to enter into a new agreement for the O blocks

Colin Bird, Executive Chairman said:

"The size of the project is such that the division of the western half of the alluvial project was agreed to in the best interest of all parties, especially on the basis that Omnia has a significant alluvial plant some 3km west of the Manica Concession that has large capacity and is currently under-utilised. The amended June Agreement is expected to enable a significant increase in production from the two plants which will have the effect in increasing revenue whilst reducing operating risk."

Addendum to the June Mining Contractor Agreement

Pursuant to the Addendum to the June Mining Contractor Agreement, Explorator has appointed Moz Group Limitada on an exclusive basis to conduct alluvial mining on the Permitted Area (the "M" Blocks) and to process the mined ore for the recovery of Gold.

Omnia Mining Limited will cancel all their rights and benefits under the June Mining and Processing Agreement and will enter into a new agreement with the Company for all the "O" blocks on the Permitted Area.

Omnia Mining Limited has agreed to sign a new agreement with the Company within 60 days and will be free of any claims and responsibilities pursuant to the June Mining and Processing Agreement.

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.

Enquiries:

Xtract Resources Plc Colin Bird, Executive Chairman +44 (0)20 3416 6471

Beaumont Cornish Michael Cornish +44 (0)207628 3369
Roland Cornish
Felicity Geidt
Email: corpfin@b-cornish.co.uk

Beaufort Securities Jon Belliss +44 (0)207 382 8300

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