

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

Placing

Total Voting Rights

Placing

The Board of Xtract Resources Plc ("Xtract" or the "Company") announces that the Company's Broker, Novum Securities, has today conditionally raised £650,000 (before expenses) following the placement of 54,666,666 new Ordinary Shares of 0.02p each ("Ordinary Shares") at 1.20p ("Placing Price") per new Ordinary Share (the "Placing"). The new Ordinary Shares represent 11.84% of the current issued ordinary share capital of the Company. The Placing Price is at a discount of approximately 6% compared to the 5-day volume weighted average price of 1.27p for the period ended 28 September 2020. In completing the Placing, the Board has utilised the share authorities approved by shareholders at the last Annual General Meeting.

The net proceeds from the Placing will be utilised by the Company to fund the further development of its exploration and development projects in Australia and in Zambia and provide additional working capital.

Colin Bird, Executive Chairman said: "This placing will assist the Company to advance its various projects in Zambia and Australia. The Manica cash flow is expected to increase in the fourth quarter as the free milling gold initiatives begin to contribute to cash flow. Additionally, during the fourth quarter the Company will commence definition drilling in Eureka and pit extension drilling in Kalengwa. The Company is considering other means of combating the effect of the COVID-19 border restrictions in Mozambique and South Africa and will keep the market informed."

Warrants

In conjunction with the placing, the Company will issue the placees a total of 27,083,333 warrants, being half a warrant for every share. The warrants are exercisable in whole or in part at 1.85p per new Ordinary Share to be exercised within 2 years of being issued.

In conjunction with the Placing, the Company will issue the Broker 3,250,000 warrants, exercisable in whole or in part at 1.20p per new Ordinary Share within 2 years of being issued.

A total 1,250,000 new Ordinary Shares will be issued at the placing price of 1.20p in lieu of fees ("Fee Shares").

Further AIM and other Disclosures

Sanderson Capital Partners ("Sanderson") has subscribed £250,000 pursuant to the Placing. On 4 September 2019, the Company published a TR-1 provided by Sanderson in which Sanderson disclosed an interest in Xtract of 14.199%. While the Company understands that Sanderson subsequently reduced its holding in Xtract to below 10%, the Company has for the purposes of the proposed subscription pursuant to the Placing, treated Sanderson as a related party for the purposes of AIM Rule 13 as a substantial shareholder within the prior 12 month period. The Directors of Xtract consider, having consulted with the Company's Nominated Adviser, that Sanderson's participation in the Placing is fair and reasonable insofar as Xtract's shareholders are concerned. The Directors have noted in particular that Sanderson have participated in the Placing by the Company's Broker on the same terms and conditions as the other places.

The Company has also agreed to settle a corporate creditor through the issuance 1,250,000 new ordinary shares at an issue price of 1.20p per ordinary share (equivalent to fees of £15,000) ("Settlement Shares").

Admission to AIM

Application will be made for admission of the Placing Shares, the Fee Shares and the Settlement Shares ("New Shares"), in aggregate amounting to 56,666,666 new Ordinary Shares, to trading on AIM ("Admission") on or around 28 October 2020. The New Shares will rank pari passu in all respects with the Company's existing issued ordinary shares.

Total Voting Rights

On Admission of the New Shares, the Company will have 513,969,954 Ordinary Shares in issue with voting rights. Xtract does not currently hold any shares in treasury. Accordingly, this figure of 513,969,954 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

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 Colin Bird, Director.

Enquiries:

Xtract Resources Plc	Colin Bird,	+44 (0)20 3416 6471
	Executive Chairman	www.xtractresources.com
Beaumont Cornish Limited	Roland Cornish	+44 (0)207628 3396

Nominated Adviser and Joint Broker Michael Cornish www.beaumontcornish.co.uk

Felicity Geidt

Novum Securities Limited Colin Rowbury +44 (0)207 399 9427

Joint Broker www.novumsecurities.com

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END