

**RNS Number : 2524B  
Xtract Resources plc  
30 September 2022**

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

### **Production Update**

The Board of Xtract Resources Plc ("Xtract" or the "Company") announces the preliminary unaudited results for all alluvial and hard rock mining contractors for the Manica Concession, for the three-month period ended 30 June 2022 (the "Period").

#### **Highlights**

- Total mining contractor gold production of 54.15Kg for the quarter, equivalent to approximately 1,344 ounces
- Total of 10.69Kg (equivalent to approximately 344 ounces) attributable to Explorator
- Value of Explorator share of gold produced US\$639,271
- Gold sales in period of 465 ounces
- Combined attributable revenue to Explorator from gold sales and other income for the Period amounted to US\$642,115

**Colin Bird, Executive Chairman said:** "The results for the June quarter are fairly consistent with previous quarters with Guy Fawkes slowly opening up areas for production. Fair Bride is now in production and teething problems of the plant and the mine are being reduced and eliminated. We anticipate gold production will increase significantly in the final quarter of this year".

#### **Production summary**

Preliminary unaudited results for both the alluvial and hard rock mining contractors for the Manica Concession for the three-month periods ended 30 June 2022, 31 March 2022, 31 December 2021 and September 2021 and are set out in the table below. In addition to the information included in the table, the notes below provide a further breakdown of costs between operational costs, production tax and land resettlement costs. The table includes results from the alluvial as well as the hard rock operations (other than Fair Bride hard rock operation).

	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 31 December 2021	3rd Quarter ended 30 September 2021
<b>Production and Sales:</b>				
Total contractor gold production -alluvial (equivalent ounces) (Note 1)	1,344	1,370	2,306	1,416
Total contractor gold production- hard rock (equivalent ounces) (Note 2)	397	805	505	170
Total contractor gold production (equivalent ounces)	1,741	2,176	2,811	1,586
Total Explorator share of gold produced (equivalent ounces)(Note 3)	344	425	767	437
Value of Explorator share of gold produced (value in US\$)(Note 5)	US\$639,271	US\$794,797	US\$1,383,125	US\$784,998
Explorator share of gold sold (equivalent ounces) (Note 4)	465	384	360	152
Explorator attributable revenue from gold sales	US\$642,115	US\$617,422	US\$589,914	US\$220,737
Other Income	-	US\$37,866	US\$24,343	US\$153,044
<b>Direct Operational Production Costs:</b>				
Explorator total direct operational production costs (Note 1)	US\$179,969	US\$172,460	US\$180,791	US\$142,786
<b>Total Costs:</b>				
Explorator total direct production costs (Note 2)	US\$321,401	US\$251,045	US\$258,523	US\$210,344
Cost per ounce of gold produced	US\$934	US\$590	US\$338	US\$474

Note 1:

Total contractor gold production-alluvial (equivalent ounces)	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 31 December 2021	3rd Quarter ended 30 September 2021
3990C *	852	986	1 359	651
7569L **	491	385	947	765

\*Licence 3990C Mining Concession (Alluvial & hard rock), Manica Province.

\*\*Licence 7569L Mining Concession (Alluvial), Manica Province.

Note 2:

Total contractor gold production-hard rock I (equivalent ounces)	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 30 December 2021	3rd Quarter ended 30 September 2021
			31	30
Guy Fawkes	228	213	164	174
Boa Esperanza	169	592	341	16

Note 3:

Total Explorator share of gold produced (equivalent ounces)	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 30 December 2021	3rd Quarter ended 30 September 2021
			31	30
3990C	171	195	378	186
7569L	93	73	269	207
Guy Fawkes	55	51	43	45
Boa Esperanza	24	107	69	-

Note 4:

Explorator share of gold sold (equivalent ounces)	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 30 December 2021	3rd Quarter ended 30 September 2021
			31	30
3990C	157	190	261	125
7569L	190	36	66	-
Guy Fawkes	77	37	34	27
Boa Esperanza	41	122	-	-

Note 5: Calculation based on the number of ounces produced during each month of the quarter multiplied by the closing month end spot rate.

Note 6: Direct operational production costs include and not limited to Explorator salaries, rent, vehicles expenses and utilities for both alluvial and hard rock operations

Note 7: Total costs comprises direct operational production costs plus total Production Tax and Land Resettlement Costs as detailed below:

	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 31 December 2021	3rd Quarter ended 30 September 2021
Production Tax	US\$98 386	US\$74,807	US\$77,732	US\$33,743
Land resettlement costs	US\$43 046 -	-	-	US\$33,815

Note 8:

Explorator total direct operational production costs	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022	4th Quarter ended 31 December 2021	3rd Quarter ended 30 September 2021
Alluvial deposits	US\$119 480	US\$107 475	US\$139 533	US\$109 914
Hard rock deposits	US\$60 489	US\$64 985	US\$41 258	US\$32 872

Note 9: Alluvial deposits are the natural concentration of heavy minerals caused by the effect of gravity on moving particles. Various natural actions known as weathering can and did dislodge gold from its hard rock containment. Once the gold is liberated it migrates by gravity and water flow into larger or subsidiary streams. The net effect of this migration into streams is concentration of the gold into gold ore bodies. Presence of gold in alluvial deposits is unpredictable and therefore operational results will vary month-to-month.

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](http://www.xtractresources.com)

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. The person who arranged for the release of this announcement on behalf of the Company was Joel Silberstein, Director.

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