

For immediate release

6 April 2023

**Xtract Resources Plc**  
("Xtract" or the "Company")  
**Fourth Quarter 2022 Production Update**

The Board of Xtract Resources Plc ("Xtract" or the "Company") announces the preliminary unaudited results for all alluvial and other hard rock mining contractors for the Manica Concession as well as production at Fair Bride, for the three-month period ended 31 December 2022 (the "Period").

**Highlights**

- Total mining contractor gold production excluding Fair-Bride of 49.83Kg for the Period, equivalent to approximately 1,602 ounces
- Total of 8.37Kg (equivalent to approximately 269 ounces) attributable to Explorator
- Value of Explorator share of gold produced US\$462,292
- Explorator share of gold sales in period of 433 ounces
- Combined attributable revenue to Explorator from gold sales and other income for the Period amounted to US\$740,280
- Mining contractor gold production from the Fair Bride deposit of 79.15Kg for the quarter, equivalent to approximately 2,546 ounces (Increase of 43.84Kg from the prior quarter)
- Preliminary mining contractor gold production from Fair Bride deposit of 123.68kg for Q1 2023, equivalent to 3,976 ounces)

**Colin Bird, Executive Chairman said** "Alluvial production is now almost coming to an end which is coinciding with the ramp-up of production from the Fair Bride operation. Our income from Fair Bride will be well in excess of alluvial income, and we look forward to the ramp-up proceeding to plan. We are currently identifying fringe resources of oxides and embarking on district exploration both for oxides and sulphides. We have commenced a study to extend the plant to treat all sulphides which will give us the flexibility to treat all materials and exploit the Fair Bride deposit to maximum effect. Now that the Fair Bride operation has settled and the capital investment has been completed, we plan from the 2<sup>nd</sup> Quarter (i.e., the three months ending 30 June 2023) to report quarterly on Fair Bride's operation and financial results."

**Production summary**

Preliminary unaudited results for both the alluvial and hard rock mining contractors for the Manica Concession for the three-month periods ended 31 December 2022, September 2022, 30 June 2022 and 31 March 2022, are set out in the table below.

The Company is also pleased to report on significant progress at the recently completed plant in Manica, Mozambique. On 21 July 2022, the Company announced that Mutapa Mining and Processing, LDA ("MMP") poured the first gold from ore that they mined at the Fair Bride concession. A total of 79.15Kg was produced during the fourth quarter of 2023. The Company remains confident for a positive 2023 as the Fair Bride operation matures and stabilises.

In addition to the information included in the table below, the notes provide a further breakdown of costs between operational costs, production tax and land resettlement costs. The table includes the unaudited financial results from the alluvial as well as the hard rock operations (other than Fair Bride hard rock operation in which Xtract has a 23 per cent. net profit share and which will from Q2 2023 be reported on a

quarterly basis).

	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
<b>Production (ex-Fair Bride)</b>				
Total contractor gold production - alluvial (equivalent ounces) (Note 1)	769	1,074	1,344	1,370
Total contractor gold production- hard rock (equivalent ounces) (Note 2)	833	1,060	397	805
Total contractor gold production (equivalent ounces)	1,602	2,134	1,741	2,176
Total Explorator share of gold produced (equivalent ounces)(Note 3)	269	382	344	425
<b>Production - Fair Bride</b>				
Total gold production - Fair Bride (equivalent ounces)	2,546	1,136	-	-
<b>Sales and income (ex- Fair Bride)</b>				
Value of Explorator share of gold produced (value in US\$)(Note 5)	U\$462,292	U\$651,641	U\$639,271	U\$794,797
Explorator share of gold sold (equivalent ounces) (Note 4)	433	343	465	384
Explorator attributable revenue from gold sales	US\$740,280	US\$534,899	US\$642,115	US\$617,422
Other Income	-	-	-	US\$37,866
<b>Direct Operational Production Costs (ex-Fair Bride)</b>				
Explorator total direct operational production costs (Note 1)	US\$189,986	US\$161,789	US\$179,969	US\$172,460
<b>Total Costs (ex-Fair Bride)</b>				
Explorator total direct production costs (Note 2)	US\$235,917	US\$285,426	US\$321,401	US\$251,045
Cost per ounce of gold produced	US\$876	US\$747	US\$934	US\$590

**Notes:**

**Note 1:**

Total contractor gold production-alluvial (equivalent ounces)	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
3990C * 7569L **	177 593	512 562	852 491	986 385

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

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

**Note 2:**

Total contractor gold production-hard rock (equivalent ounces)	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
Guy Fawkes Boa Esperanza	219 614	600 460	228 169	213 592

**Note 3:**

Total Explorator share of gold produced (equivalent ounces)	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
3990C	113	97	171	195
7569L	33	107	93	73
Guy Fawkes	33	109	55	51
Boa Esperanza	90	69	24	107

**Note 4:**

Explorator share of gold sold (equivalent ounces)	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
3990C	169	136	157	190
7569L	137	196	190	36
Guy Fawkes	127	11	77	37
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:

	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
Production Tax Land resettlement costs	US\$44,674 US\$1,267	US\$123 019 US\$ 619	US\$98 386 US\$43 046	US\$74 807 -

**Note 8:**

Explorator total direct operational production costs	4th Quarter ended 31 December 2022	3rd Quarter ended 30 September 2022	2nd Quarter ended 30 June 2022	1st Quarter ended 31 March 2022
Alluvial deposits	US\$117,513	US\$104 013	US\$119 480	US\$107 475
Hard rock deposits	US\$72,673	US\$57 776	US\$60 489	US\$64 985

**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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