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Arc Minerals Limited
07 November 2024

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Arc Minerals Ltd

('Arc' or the 'Company')

Zambia Exploration Update

Arc Minerals (LSE: ARCM), an exploration company forging partnerships to discover and develop Tier 1 copper deposits, is pleased to provide an update on exploration activities at its Joint Venture with a subsidiary of Anglo American in Zambia.

Highlights

- **Copper mineralisation observed at all targets drilled**
- **Priority target confirmed**
- **Alteration consistent with known deposits in the Domes Region with copper mineralisation observed**
- **Three new targets identified and drilled**
- **Drilling at fourth target underway**

Nick von Schirnding, Executive Chairman of Arc Minerals, commented:

"I am very encouraged by the progress made during the drilling campaign by our JV partner, Anglo American, notably the identification of a new priority target and the fact that drilling is set to continue into the wet season.

One new target in particular, close to Muswema, has moved to the top-ranked priority and exhibits alteration mineralogy comparable to known deposits within the Domes Region, with visible copper mineralisation observed in the core.

I look forward to reporting back on assay results from the core sent to the laboratory as they become available."

Drilling

Drilling commenced this year at the first new target approximately 1km east of the oxide occurrence at Cheyeza. The first hole targeted a Cu-Ni anomaly generated by the latest soil sampling programme. Anomalous copper mineralisation over a downhole thickness of around 45m was observed in the saprolite zone. Pending results from the laboratory, this hole demonstrates the potential to significantly expand the known oxide mineralisation at Cheyeza.

Two holes were drilled at the new target Nkwazhi that is located between Cheyeza and Muswema, testing a thickened Lower Roan unit in this part of the basin. The first hole intersected copper mineralisation of over 20m at the base of the Upper Roan along with anomalous nickel in a marker talc-schist unit in the Lower Roan, below which currently no further mineralisation has been observed. The second hole drilled 400m away did not intersect mineralisation.

The third target tested is located approximately 4km to the south-east of Muswema where a second order soil geochemical anomaly is present.

Initial observations from this first hole are encouraging with lithologies and alteration styles akin to known

deposits within the Domes Region of the Copperbelt being intersected. Copper mineralisation is also observed in parts of the drill core with multiple generations of chalcopyrite observed. This target is being prioritized for follow-up drilling.

Soil Sampling

During the campaign, an extensive soil sampling programme was completed along traverses and focussed on the basin margin and in particular the Lower Roan. Over 12,000 samples were collected and analysed with the principal aim being to better understand the architecture of the Roan stratigraphy, source rocks and vectors to potential reductants.

The information garnered from this soil sampling program, integrated with historical data has resulted in a more robust surface geological map for the basin and has supported the current drill targeting.

The Directors of Arc are solely and entirely responsible for the content of this announcement. Neither Anglo American nor any other person, accepts responsibility for the adequacy or accuracy of this news release.

Investor Call

An investor call will be held via Zoom at 12:00 UTC on Thursday, 7 November 2024 which will be presented by Nick von Schirnding (Executive Chairman) and Vassilios Carellas (Chief Operating Officer) to provide an update on the Company's upcoming drilling programmes in Botswana and Zambia. Investors can join the investor call by using the following link:

https://us05web.zoom.us/j/85294720966?pwd=6ebPDm13jUNcyQJdHFaL4pCsBF8zE4.1

Qualified Persons

Mr Vassilios Carellas (BSc (Hons), MAusIMM) is the Chief Operating Officer for Arc Minerals and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined under the JORC Code (2012). Mr Carellas consents to the inclusion in this announcement of the technical matters based on his information in the form and context in which it appears.

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For more information, visit www.arcminerals.com.

Forward-looking Statements

This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in

obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

Background on the Anglo American Joint Venture

Arc Minerals has entered into a Joint Venture Agreement with Anglo American on its Zambian Copper Project (ZPC) comprising a number of licenses covering circa 870km^2 ha in the North Western Province, in the Domes region of the Zambian Copperbelt near world-class mines such as First Quantum Minerals' Sentinel and Kansanshi copper mines and Barrick's Lumwana mine.

The license areas are located approximately 900 km from Lusaka, in Mwinilunga, North Western Province, and is well within the trending arm of the major geological structure known as the Lufilian Arc (Copperbelt), on the western flank of the Kabompo Dome.

The Copperbelt is home to all the major copper mines in Zambia and these licenses represent one of the last dome-related areas in Zambia yet to be explored in any detail.

Under the agreement, Anglo American can an earn-in on the ZCP by making a number of project expenditures and assume operator ship of the project. The details of the agreement are set out below:

- Phase 1 - Anglo will pay14.5M in staged cash payments to Unico Minerals Ltd (67% owned by Arc) and invest up to 24m in exploration expenditures (total 38.5M) within three years and 180 days of the signing of the Agreement (RNS 20.04.23) to secure a 51% interest in ZCP.
- Phase 2 - Anglo may elect to increase its interest in the ZCP to 60% by investing a further20M (total 58.5M) within two years of the completion of Phase 1.
- Phase 3 - Anglo may elect to increase its interest in the ZCP to 70% by investing a further30M (total 88.5M) within two years of the completion of Phase 2.

ENDS

Appendix A - Glossary of Technical Terms

"anomaly or anomalous"	something in mineral exploration that geologists interpret as deviating from what is standard, normal, or expected.
"assay"	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. For copper, usually reported as percentage which is equivalent to percentage of the mineral (i.e. copper) per tonne of rock.
"azimuth"	the "compass direction" refers to a geographic bearing or azimuth as measured by a magnetic compass, in true or magnetic north.
"bornite"	Bornite, also known as peacock ore, is a copper sulphide mineral with the formula Cu_5FeS_4.
"breccia"	Breccia is a rock classification, comprises millimetre to metre-scale rock fragments cemented together in a matrix, there are many sub-classifications of breccias.
"chalcocite"	Chalcocite is a copper sulphide mineral with the formula Cu_2S and is an important copper ore mineral. It is opaque and dark-grey to black with a metallic lustre.
"chalcopyrite"	Chalcopyrite is a copper sulphide mineral with formula $CuFeS_2$. It has a brassy to golden yellow colour.
"chargeability"	Chargeability is a physical property related to conductivity. Chargeability is used to characterise the formation and strength of the induced polarisation within a rock, under the influence of an electric field, suggesting sulphide mineralisation at depth.
"covellite"	Covellite is a copper sulphide mineral with the formula CuS. This indigo blue mineral is ubiquitous in some copper ores.
"diamond drilling"	A drilling method in which penetration is achieved through abrasive cutting by rotation of a diamond encrusted drill bit. This drilling

	cutting by rotation of a diamond studded drill bit. This drilling method enables collection of tubes of intact rock (core) and when successful gives the best possible quality samples for description, sampling and analysis of an ore body or mineralised structure.
"dip"	A line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralisation. The dip has a measurable direction and inclination from horizontal.
"geochemical"	Refers to geological information using measurements derived from chemical analysis
"geophysical"	Refers to geological information using unit measurements derived from the use of magnetic and electrical readings
"geophysical techniques"	include the exploration of an area by exploiting differences in physical properties of different rock types. Geophysical methods include seismic, magnetic, gravity, induced polarisation and other techniques; geophysical surveys can be undertaken from the ground or from the air
"gossan"	is an iron-bearing weathered product that usually overlies a sulphide deposit
"grab sample"	are samples of rock material collected from a small area, often just a few pieces or even a single piece of rock "grabbed" from a face, dump or outcrop or roughly 2-5kg. These are common types of rock samples collected when conducting mineral exploration. The sample usually consists of material that is taken to be representative of a specific type of rock or mineralisation.
"grade"	The proportion of a mineral within a rock or other material. For copper mineralisation this is usually reported as % of copper per tonne of rock.
"g/t"	grams per tonne; equivalent to parts per million ('ppm')
"hematite"	Hematite is the mineral form of iron(III) oxide (Fe_2O_3), one of several iron oxides. Magnetite alteration is also typically associate with porphyry copper systems, at or close to the central core.
"Indicated Resource"	An "Indicated Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.
"Inferred Resource"	An "Inferred Mineral Resource" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
"Induced Polarisation Geophysics"	Induced polarisation (IP) is a geophysical survey used to identify the electrical chargeability of subsurface materials, such as sulphides. The survey involves an electric current that is transmitted into the subsurface through two electrodes, and voltage is monitored through two other electrodes.
"intercept"	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralised zone. The intercept is described by the entire thickness and the average grade of mineralisation.
"JORC Code"	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves.
"K"	The element potassium, abundance on surface can be inferred from radiometric surveys
"Magnetics"	Rocks are made up of different minerals and the magnetic properties of a rock depends on the amount and type of iron rich minerals it contains. Earth's magnetic field interacts with these iron rich minerals to generate variations in the magnetic field. Measuring and mapping these variations allows remotely mapping of the distribution and patterns of magnetic rocks and, as a result, map the subsurface geology
"magnetite"	Magnetite is main iron ore mineral, with chemical formula Fe_3O_4. Magnetite is ferromagnetic and it is attracted to a magnet and

	Magnetite is ferromagnetic, and it is attracted to a magnet and can be magnetized to become a permanent magnet itself.
"massive"	In a geological sense, refers to a zone of mineralisation that is dominated by sulphide minerals. The sulphide-mineral-rich material can occur in centimetre-scale, metre-scale or in tens of metres wide veins, lenses or sheet-like bodies containing sphalerite, galena, and / or chalcopyrite etc.
"Measured Resource"	A "Measured Mineral Resource" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.
"Mineral Resource"	A "Mineral Resource" is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilised organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.
"mineralisation"	In geology, mineralisation is the deposition of economically important metals (copper, gold, lead, zin etc) that in some cases can be in sufficient quantity to form mineral ore bodies.
"open pit mining"	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
"outcrop"	A section of a rock formation or mineral vein that appears at the surface of the earth. Geologists take direct observations and samples from outcrops, used in geologic analysis and creating geologic maps. In situ (in place) measurements are critical for proper analysis of the geology and mineralisation of the area under investigation.
"polymict"	A geology term, often applied to breccias or conglomerates, which identifies the composition as consisting of fragments of several different rock types.
"Preliminary Economic Assessment"	NI 43-101 defines a PEA as "a study, other than a pre-feasibility study or feasibility study, which includes an economic analysis of the potential viability of mineral resources".
"Pyrrhotite"	Pyrrhotite is an iron sulphide mineral with the formula Fe(1-x)S (x = 0 to 0.2). It is a nonstoichiometric variant of FeS, the mineral known as troilite. Pyrrhotite is also called magnetic pyrite
"Radiometrics"	The radiometric, or gamma-ray spectrometric method is a geophysical process used to estimate concentrations of the radioelements potassium, uranium and thorium by measuring the gamma-rays which the radioactive isotopes of these elements emit during radioactive decay
"sediments"	Sedimentary rocks formed by the accumulation of sediments. There are three types, Clastic, Chemical and Organic sedimentary rocks.
"sphalerite"	Sphalerite is a zinc sulphide in crystalline form but almost always contains variable iron, with formula (Zn,Fe)S. It can have a yellowish to honey brown or black colour.
"supergene"	Supergene ore processes occur near surface, and form deposits of secondary minerals, such as malachite, azurite, chalcocite, covellite, digenite, etc.
"surface rock chip samples"	Rock chip samples approximately 2kg in size that are typically collected from surface outcrops exposed along rivers and mountain ridgelines.
"syncline"	a trough of stratified rock in which the beds dip toward each other from either side.
"Th"	The element thorium, abundance on surface can be inferred from radiometric surveys
"U"	The element uranium, abundance on surface can be inferred from radiometric surveys
"veins"	A vein is a sheet-like or anastomosing fracture that has been infilled with mineral ore (chalcopyrite, covellite etc) or mineral

	gangue (quartz, calcite etc) material, within a rock. Veins form when minerals carried by an aqueous solution within the rock mass are deposited through precipitation and infill or coat the fracture faces.
"volcanics"	Volcanic rock such as andesite or basalt that is formed from magma erupted from a volcano, or hot clastic material that erupts from a volcano and is deposited as volcaniclastic or pyroclastics.
"XRF"	Instrument to determine the chemistry of a sample by measuring the fluorescent (or secondary) X-ray emitted from a sample when it is excited by a primary X-ray source

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