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Arc Minerals Limited
07 April 2025

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (MAR) as in force in the United Kingdom pursuant to the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information will be in the public domain.

Arc Minerals Ltd

('Arc' or the 'Company')

Acquisition of Chingola Project

Arc Minerals (LSE: ARCM), an exploration company focused on developing Tier 1 copper deposits, is pleased to announce the acquisition of the Chingola Project in the Zambian Copperbelt, subject to the satisfaction of certain conditions.

Highlights

- **Conditional acquisition of a sought-after Tier 1 Exploration Licence in the Eastern Zambian Copperbelt**
- **311km^2 licence area along trend of operating mines owned by Vedanta and Moxico**
- **Fully funded soil sampling programme to commence imminently**
- **Successfully expanding Arc's existing high-quality portfolio in Zambia and Botswana**

Acquisition of Chingola Project

Arc Minerals has entered into a binding agreement to acquire the Chingola Project (Licence 38113-HQ-LEL) in the Zambian Copperbelt. Under the terms of the agreement, Arc's 100% owned Zambian subsidiary, Foreland Minerals Limited, will purchase the entire interest in the licence from Brxton Construction Limited. The agreement is subject to certain customary conditions such as the completion of satisfactory due diligence and the receipt of necessary consents and approvals for the transfer. The consideration for the acquisition comprises an initial cash payment of USD 50,000 and further staged payments, subject to specific exploration milestones and regulatory approvals, as follows:

(i) 25,000 in ordinary shares of Arc Minerals Ltd based on the preceding 20-day volume weighted average price ("Acquisition Shares"), due upon full satisfaction or waiver by Arc of all conditions precedent ("Completion") ("Completion Payment");

(ii) 100,000 in cash and 150,000 in Acquisition Shares on the earlier of the commencement of a drilling programme or 24 months after Completion ("First Instalment");

(iii) 50,000 in cash and 50,000 in Acquisition Shares falling due within 10 business days of establishing an economic JORC-compliant 500kt+ Cu resource ("Second Instalment");

(iv) 50,000 in cash and 50,000 in Acquisition Shares falling due within 10 business days of completing and announcing a successful definitive feasibility study; and

(v) A 2% net smelter royalty, capped at 5M, with a right of first refusal in favour of Arc pursuant to a royalty agreement to be entered into on or before Completion.

A further announcement will be made when the conditions are satisfied, or waived and the acquisition completes.

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

"The acquisition of the Chingola Project is another important step in Arc's strategy to expand its presence in the Zambian Copperbelt. We have pursued this asset for the past c.18 months in a highly competitive environment; being located in the north-eastern part of the copper belt is very attractive, with historically higher grades than

in the north-west. We will start a comprehensive soil sampling programme imminently, which is fully funded, and we look forward to reporting back to shareholders on our initial findings. Separately, we are in the process of finalising the upcoming drill programme at the Anglo JV and preparations are underway at site."

About the Chingola Project License

The 38113-HQ-LEL exploration license was granted on 24 August 2024 and is initially valid for four years and can be renewed twice for periods of up to three years each, with a maximum tenure of 10 years.

The license area (311km^2) principally surrounds the Katembula and Chisangwa Domes in the Eastern Zambian Copperbelt, which are basement complex rocks outcropping in the Western and Eastern Parts of the license area respectively, rimmed by Roan Group Formations (Figure 1.). The Chingola Project is located in close proximity to existing and well-known operating mines including Nchanga (Vedanta) and Mimbula (Moxico) (Figure 2.).

Regional-scale structures interpreted to be growth faults trend through the license along with the occurrence of a synclinal feature, which could be significant given that many Copperbelt mines such as Nkana and Mufulira are associated with synclines indicating the potential of a Tier 1 project.

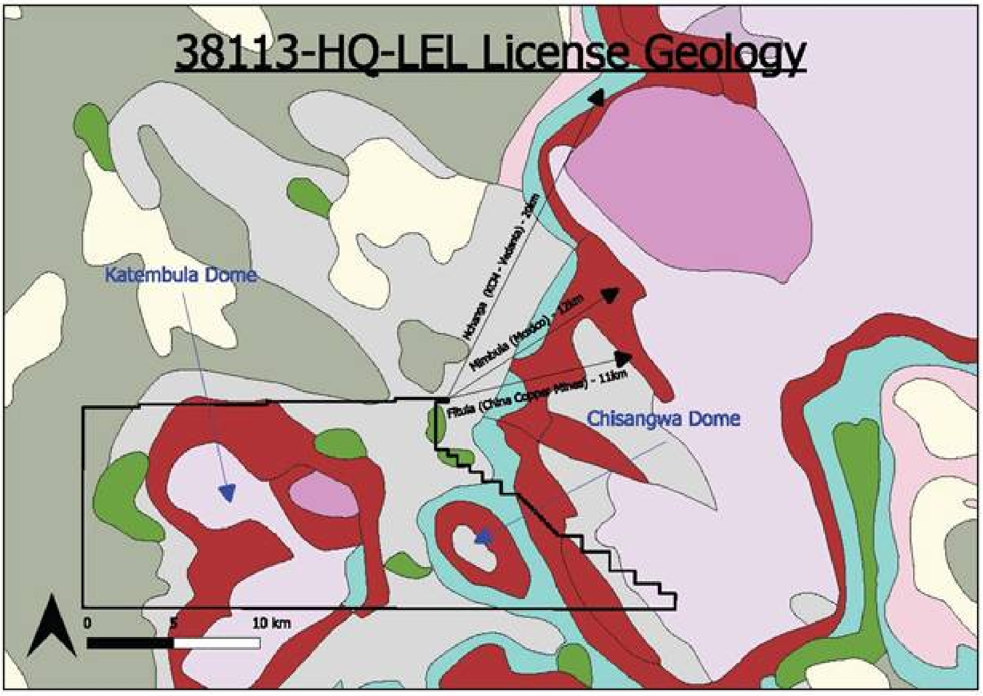

Figure 1. Geologocal Map showing the principal lithologies of the Chingola Project along with the 311km^2 exploration license and distance to known copper mines.

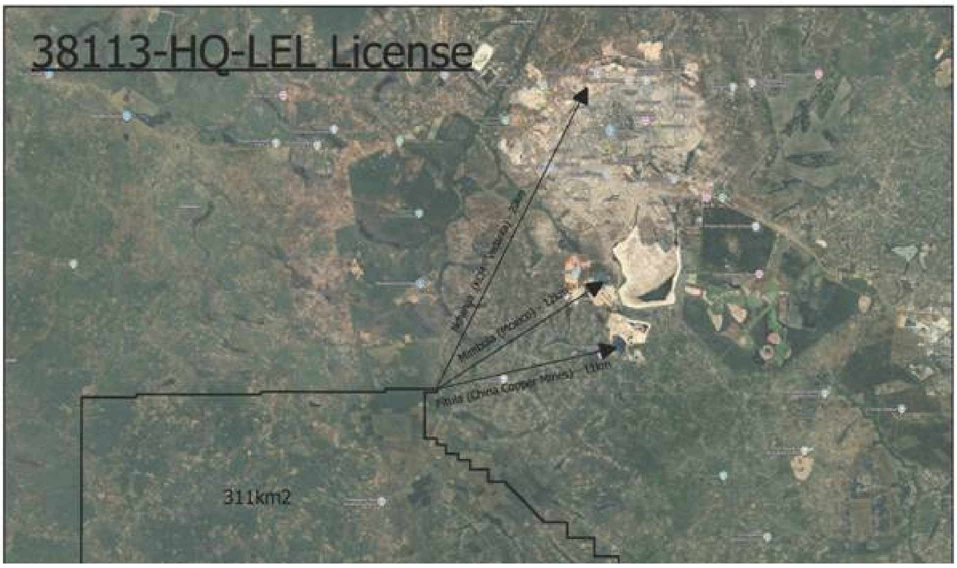

Figure 2. The Chigola Project 38113-HQ-LEL 311km2 exploration license in relation to existing copper mines

Additional Information

There are no profits attaching to the licence and it has a negligible book value due to it being an exploration asset (Brxton Construction Limited accounts for the year ended 31 December 2024, unauditted).

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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 Joint Venture with a subsidiary of Anglo American

Arc Minerals has entered into a Joint Venture Agreement with a subsidiary of 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 pay 14.5M 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****

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