

17 October 2018

Acacia Mining plc

LSE:ACA

("Acacia" or the "Company")

**Further Update on the Situation in Tanzania
Employee and Former Employee of Tanzanian Businesses Charged
Three Tanzanian Companies Charged**

Further to the earlier announcement this morning, the Company advises that a current and a former employee of its Tanzanian businesses, together with three of the Group's Tanzanian companies, have been charged today by the Tanzanian Prevention and Combating of Corruption Bureau (PCCB) with a number of different offences including breaches of the Tanzanian Anti-Money Laundering Act. Each of the Group companies and both the current employee and the former employee have pleaded not guilty to all charges. The Company notes with concern that under Tanzanian law offences under the Anti-Money Laundering Act are not bailable, and accordingly the accused have not been released on bail.

The Company is in the process of analysing the charges now brought by the PCCB, and will be able to comment further once more details are known. In the meantime, the Company notes that a total of 39 charges have been brought, either against the current and the former employee and/or against one or more of the Company's operating subsidiaries in Tanzania, Pangea Minerals Limited ("PML"), Bulyanhulu Gold Mine Limited ("BGML") and North Mara Gold Mine Limited ("NMGML"). A Canadian company, Explorations Minières du Nord Ltd, has also been charged. The majority of the 39 charges and allegations now brought by the PCCB appear to relate to the historical structuring and financing of PML, BGML and NMGML dating back as far as 2008, prior to the creation of the Acacia Group at the time of its initial public offering in 2010. The charges are wide ranging and include: tax evasion, conspiracy, a charge under organised crime legislation, forgery, money laundering and corruption.

As advised previously, the PCCB are reported in Tanzanian media to have stated that they have arrested two people as part of their "ongoing investigation into natural resources exploitation" and as part of the "war that the government is waging in the Minerals sector", and alleged that the two people arrested had "occasioned the Government losses".

As the Company reported on 11th October 2018, in connection with charges brought against another Group employee in Tanzania, the Company's 19 month disputes with the GoT remains unresolved. While the Company remains of the view that a sustainable negotiated resolution of its disputes with the GoT is the preferred outcome, the interests of stakeholders have been protected in the meantime through the international arbitrations commenced in respect of the Bulyanhulu and Buzwagi businesses, with a number of procedural steps completed and in which the GoT has been fully participating. The great majority of matters the subject now of criminal proceedings by the Government relate to matters already being considered in the arbitrations. The Company is also continuing to engage with Barrick Gold Corporation ("Barrick") to seek to understand the future conduct and a timetable for the completion of Barrick's direct discussions with the GoT, in which the Company is not directly involved. In particular, the Company is seeking to engage with Barrick to

understand how the recent significant escalations of Government actions against BGML, NMGML and PML and employees will be taken into account in their direct discussions.

In light of recent developments in Tanzania, the Company is now considering its position including in particular with respect to the Government actions and the charges now being brought.

The Company will provide further updates in due course.

ENQUIRIES

For further information, please visit our website: www.acaciaminging.com or contact:

Acacia Mining plc +44 (0) 20 7129 7150

Sally Marshak, Head of Investor Relations and Communications

Camarco +44 (0) 20 3757 4980

Gordon Poole / Nick Hennis

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