

23 October 2018

Acacia Mining plc

LSE:ACA

("Acacia" or the "Company")

Senior Manager of Acacia's Tanzanian Businesses Charged

The Company advises that a senior manager of its Tanzanian businesses, a Tanzanian national, has been arrested and charged today by the Tanzanian Prevention and Combating of Corruption Bureau (PCCB). The senior manager has pleaded not guilty to all charges.

The Company believes that the senior manager has been charged as an additional accused to some (but not all) of the 39 criminal charges brought by the PCCB on 17 October against a current employee and a former employee of Acacia group companies, as well as Pangea Minerals Limited ("PML"), Bulyanhulu Gold Mine Limited ("BGML") and North Mara Gold Mine Limited ("NMGML"). We understand that he has been charged with various counts of tax evasion, forgery and money laundering, but have not yet seen a copy of the charge sheet. The Company notes again with concern that offences under the Tanzanian Anti-Money Laundering Act are not bailable and, accordingly, the senior manager charged today has not been released on bail.

Acacia is deeply concerned about the increasing risks to the safety and security of its people given the criminal charges being brought by the Government of Tanzania ("GoT"). The Company believes that these recent actions represent a significant escalation of governmental pressure, as the Company's 19 month dispute with the GoT remains unresolved and as the discussions between Barrick Gold Corporation ("Barrick") and the GoT have not yet been concluded. As previously advised, Barrick has not yet provided to the Company a proposal for a comprehensive resolution of the disputes that Barrick has been able to agree in principle with the GoT, despite their direct discussions since announcements were made in October 2017.

As the Company has previously announced, senior officials from the PCCB have recently been reported in Tanzanian media to have stated that the current arrests and charges form part of their "ongoing investigation into natural resources exploitation" and as part of the "war that the government is waging in the Minerals sector". Acacia is committed to running its business to the highest ethical standards and is taking these matters extremely seriously.

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 contractual arbitrations commenced in respect of the Bulyanhulu and Buzwagi businesses in July 2017 immediately prior to the GoT's introduction of new legislation seeking to prohibit international arbitration of such disputes. Acacia notes that all of the matters that are the subject of criminal proceedings by the GoT relate to matters now being considered in the contractual arbitrations, with the majority relating to the historical structuring and financing of PML, BGML and NMGML dating back as far as 2008, prior to the IPO of the Acacia Group. These contractual arbitrations have continued through 2018, with the GoT participating, including by serving its Defence immediately after the filing of the criminal charges over the past two weeks.

The Company is continuing to reach out to the GoT to seek the opportunity for direct dialogue regarding the ongoing disputes between the GoT, the Company and the broader Acacia Group.

The Company has also advised Barrick of these latest charges, including the allegations being made by the GoT regarding the historical structuring and financing of PML, BGML and NMGML, and is seeking to understand Barrick's proposals for the next steps in its direct discussions with the GoT, in which the Company is not directly involved.

The Company will provide further updates in due course.

ENQUIRIES

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All forward-looking statements involve a number of risks, uncertainties and other factors, many of which are beyond the control of Acacia, which could cause actual results and developments to differ materially from those expressed in, or implied by, the forward-looking statements contained herein. Factors that could cause or contribute to differences between the actual results, performance and achievements of Acacia include, but are not limited to, changes or developments in political, economic or business conditions or national or local legislation or regulation in countries in which Acacia conducts - or may in the future conduct - business, industry trends, competition, fluctuations in the spot and forward price of gold or certain other commodity prices (such as copper and diesel), currency fluctuations (including the US dollar, South African rand, Kenyan shilling and Tanzanian shilling exchange rates), Acacia's ability to successfully integrate acquisitions, Acacia's ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, and to process its mineral reserves successfully and in a timely manner, Acacia's ability to complete land acquisitions required to support its mining activities, operational or technical difficulties which may occur in the context of mining activities, delays and technical challenges associated with the completion of projects, risk of trespass, theft and vandalism, changes in Acacia's business strategy and ongoing implementation of operational reviews, as well as risks and hazards associated with the business of mineral exploration, development, mining and production and risks and factors affecting the gold mining industry in general.

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