



Coringa Public Hearing and update on Commissioning of the Palito Ore Sorter

Serabi Gold plc (AIM:SRB, TSX:SBI), the Brazilian focused gold exploration and mining company is pleased to announce that the much-awaited Public Hearing for its Coringa Project, successfully took place on 6 February 2020. In addition, the Company is also pleased to report that commissioning of the newly installed ore sorter at the Palito Complex is now well underway.

Coringa Project Public Hearing

The Company is pleased to advise that the Public Hearing for its Coringa Gold Project took place, as planned, in Novo Progresso, Para on Thursday, 6 February 2020. The meeting had been convened by SEMAS, the state environmental authority for Para and was also attended by representatives from the ANM (the Brazilian national mining authority), SEASTER (State Secretary for Social Assistance, Employment and Income) and SEDEME (State Secretary for Economic Development of Mining and Energy). The meeting was attended by approximately 600 people and lasted for approximately five hours and passed-off as expected. The Company believes that the various government bodies, having visited Serabi's current operations immediately prior to the Public Hearing, formed a positive view of the Company and its proposals for progressing the Coringa Project.

The next steps will be for SEMAS to present a recommendation to the State Environmental Council of Para ("COEMA"), which is the legislative body that will give final approval for the award of the Licença Previa. The Company expects that the decision of COEMA will be made within the next two months.

Ore sorter commissioning

Commissioning of the Palito Complex ore sorter is now well underway. Full-scale trials on the Palito ore have been ongoing since 8 January and representatives from Comex, the manufacturer, have been present on site. The focus has been on passing low grade Palito development ore through the ore sorter, which by its nature is the plant feed that contains most waste rock and is therefore consuming vital plant capacity that could be otherwise used to treat other higher-grade stope ore. Trials will continue over the next six weeks, including test work on ore from the Sao Chico deposit, which has, to date, not been subject to such intensive testing as the Palito ore.

A video update of the ore sorter in operation can be viewed using the following link:

<https://www.brrmedia.co.uk/broadcasts-embed/5e3a8fe1397af40afa52b27e/event/?previewEventId=5e3a8fe1397af40afa52b27e&popup=true>

Mike Hodgson, CEO of Serabi, commented:

"After the public concerns and consequent delays that the Brumadinho tailings dam failure brought to many mining companies last year, we are delighted that the Coringa Public Hearing was held on Thursday of last week in Novo Progresso, Para State. The meeting followed a successful site visit to Serabi's current operation by the relevant authorities. The public hearing had originally been scheduled for the first quarter of 2019, but the events at Brumadinho prompted us to review the original plans for dealing with the mine tailings from the Coringa operation, and we concluded that both permitting and funding risks would be greatly diminished if we adopted the technology of using a filtration plant to treat the tailings and then dry stacking the residual material. We incorporated this change into the Preliminary Economic Assessment that was published in October 2019, together with the updated Environmental Impact Assessment that was submitted to the state environmental authority SEMAS in September 2019. By switching to this approach, we eliminated the need for a conventional tailings dam altogether.

"I am pleased to report that the five hour long Public Hearing was positive, and the Company feels optimistic, with the comments and concerns of various stakeholders having now been heard, that the various government bodies



PRESS RELEASE 10 FEBRAURY 2020

SERABI GOLD plc ("Serabi" or "the Company")



who will be responsible for granting the Licença Previa (Preliminary License) left the meeting with a positive view of our plans for Coringa.

"Moving to operational issues, I was at site at Palito last week and delighted to see our newly installed ore sorter in action. At Palito we are mining high grade, but narrow orebodies, and despite mining these as selectively as possible, there is still a significant volume of waste rock dilution in the plant feed. As we are a plant-constrained operation, this creates issues in being able to expand gold production. Working on the principle that "tonnes cost and grade pays", our focus has been to eliminate the waste from the ore feed before it reaches the milling circuit and the waste that we still cannot practically eliminate through good mining practices can now be significantly reduced through ore sorting. The Palito development ore offers the greatest opportunity and return. Until now, this development ore has been entering the processing plant as Run of Mine (ROM), consuming vital and critical plant capacity. Passing this material through the ore sorter first, screens the waste out of this low-grade material and scavenges the ore. This results in an increase of the feed grade of the ore entering the milling circuit and the rest of the gold recovery plant, whilst also liberating much needed plant capacity, which can be taken up with additional ore feed. By doing this we believe we can increase the output of the processing plant from the 40,000 ounces that we achieved in 2019 to an annualised rate of over 50,000 ounces.

The following table summarises the results of the work that we have completed over the past week. The ore sorter received a total of 1,266 tonnes of ore with an average grade of 1.20 g/t, which was separated into 190 tonnes of ore with an average grade of over 5g/t, with 1,076 tonnes going to waste :

Ore Sorter – Palito	Tonnes	Mass %	Grade Au g/t
Feed	1,266	n.a.	1.20
Product	190	15%	5.17
Waste	1,076	85%	0.50

Serabi Roadshows

Serabi Gold will be attending and presenting at the forthcoming Prospectors & Developers Association of Canada Convention in Toronto, which is being held between 1 March and 4 March 2020. The Company's management will be available at booth IE2533.

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

The person who arranged for the release of this announcement on behalf of the Company was Clive Line, Director.

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