

1 July 2015

**Hunter Resources plc
("Hunter" or the "Company")
(AIM: HUN)**

Exercise of the Company's option over Pampamali

The board of directors of Hunter (the "Board") is pleased to announce that, in accordance with the revised and improved terms of the Joint Venture Agreement (as announced on 8 April 2015, and defined in the Company's announcement of 9 June 2014) with the current owners of the Pampamali Project, the Company yesterday exercised its option to acquire a 51% interest in the Pampamali Project (the "Option").

On 4 July 2014, the Company's share capital was admitted to trading on AIM, subject to certain conditions pursuant to Rule 9 of the AIM Rules for Companies (the "AIM Rule 9 Conditions"). Details of the AIM Rule 9 Conditions were announced by the Company on 3 July 2014. Following the exercise of the Option the first two AIM Rule 9 Conditions (as set out in the announcement of 3 July 2014) have been satisfied and the 12 month period relating to the third AIM Rule 9 Condition has commenced.

Simon Hunt, Executive Chairman of Hunter, said: "We are delighted to have now exercised this option to gain a controlling interest in the Pampamali Project and thereby satisfying the first two AIM Conditions. Coupled with the new Prospero Project we announced on 19 June 2015 which approximately doubles the size of the Company's concessions, this gives us a strong foothold in the region and the opportunity of potentially sharing future facilities and infrastructure. The current intention is, therefore, to satisfy the third AIM Condition."

For further information, please contact:

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Notes to editors

Description of the Pampamali Project

The Pampamali Project, Hunter's first project, is a high-grade gold, silver and base metal project in Peru.

Pampamali consists of 36 veins identified from surface outcrops. The high-grade veins have mapped outcrops of between 100 and 2,000 metres in length, with widths ranging from 0.20 to over 3.00 metres. The Pampamali Project has 8 exploration concessions covering a total area of 3,500 hectares and is located in central Peru in the Department of Huancavelica, approximately 550 km by road from the city of Lima.

Description of the Prospero Project

The Prospero Project consists of 5,000 hectares to the north west of the Pampamali Project. The Prospero Project is close to, and along strike from the Pampamali Project, and could potentially share future facilities and infrastructure. These tenements will be owned 100% by Hunter's wholly owned subsidiary, Gold Hunter SAC. The application is now progressing through the normal Peruvian mining tenement application process.

The ground under application is directly along strike of the Pampamali Project from which the trend of mineralisation continues into this new area. Preliminary mapping of the Prospero Project by the Company's technical team has identified prospective geological structures and quartz veining with associated hydrothermal activity and breccias.

Veins can be seen on many of the hillsides and Spanish workings (which at the Pampamali Project have returned strongly anomalous gold samples), are evident in several locations. Breccia fragments and strong iron oxide staining can be found in most of the streambeds indicative of the presence of mineralisation.