

MAGHREB MINERALS PLC

Placing raising £894,000

Maghreb Minerals Plc (“Maghreb” or “the Company”), the AIM-quoted exploration company developing both base and precious metal deposits in North Africa, is pleased to announce that it has successfully raised £894,000 (before expenses) from institutional investors.

Under the terms of the placing, the Company has issued 11,175,000 new ordinary shares at 8p per share (the “Placing Shares”) and 11,175,000 unlisted warrants to subscribe for ordinary shares at an exercise price of 12p per share.

The net proceeds of the Placing will be used to accelerate the exploration programme at the Company’s existing properties, to make additional permit applications in Algeria and Tunisia for lead, zinc and associated industrial minerals, gold, and copper and to provide additional working capital.

Since admission to AIM on 23 December 2004, the Company has undertaken an active drilling programme on its lead-zinc projects at Fej Lahdoum and Djebba in Tunisia. The Company has also acquired an 85 per cent interest in the Tan Chaffao copper – gold project in Algeria and commenced an exploration programme.

The drilling programmes have verified and extended the known lead-zinc resources at Djebba and Fej Lahdoum and confirmed the presence of mineralisation at Tan Chaffao.

The Company plans to continue drilling, based on data modelling, at Fej Lahdoum and Djebba and to drill test the identified gravity anomalies at Djebba. The near term target is to establish a minimum combined lead and zinc resource of 10 Mt. In addition the Company is evaluating the development of mining industrial minerals, barite and fluorite in Tunisia, in association with lead and zinc.

In Algeria, the Company plans to make additional permit applications to extend its gold-copper-lead-zinc exploration project portfolio and to continue exploration on the Tan Chaffao gold-copper project.

Details of the Placing

The Company has raised £894,000 (before expenses) through an institutional placing of 11,175,000 new Ordinary Shares at 8p per share and 11,175,000 unlisted warrants to subscribe for ordinary shares at an exercise price of 12p per share.

The Placing Shares are not being offered generally to shareholders, whether on a pre-emptive basis or otherwise. The Directors believe that the additional cost and delay which a rights issue or an open offer would entail would not be in the best interests of the Company.

The Placing Shares will represent 22.0 per cent. of the issued share capital of the Company as enlarged by the Placing.

Application will be made for the Placing Shares to be admitted to trading on AIM. It is expected that admission will occur at 8.00 a.m. on 3 August 2006.

The Placing Shares will rank *pari passu* in all respects with the existing Ordinary Shares which are currently traded on AIM. Following admission of these shares there will be a total of 50,734,002 Ordinary Shares in issue.

Warrants

One warrant is being issued for every Placing Share subscribed for. Warrants to subscribe for an aggregate of 11,175,000 Ordinary Shares will be issued to participants in the Placing. The warrants will entitle holders to subscribe in cash at an exercise price of 12p per share each on the terms and conditions of the warrant instrument. The warrants may be exercised at any time up to and including the second anniversary of admission of the Placing Shares to AIM. No application has been made for the warrants to be traded on AIM or any other recognised investment exchange.

Gordon Riddler, Chairman, commented:

“The response to our fundraising was excellent, with significant support received from both existing and new institutional investors. The funds raised will increase our cash reserves and allow us to build on the significant progress to date and continue to develop new opportunities. We have identified a number of lead and zinc zones in Tunisia and Algeria and are steadily moving towards our target of a 10 Mt base metal resource in Tunisia.”

ENQUIRIES:

Maghreb Minerals Plc

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About Maghreb Minerals Plc

Maghreb Minerals Plc is an AIM listed exploration company developing both base and precious metal deposits in Tunisia and Algeria where it holds the rights to several licence areas. The Company is targeting base metals, mainly lead and zinc, but has also identified areas containing barite and fluorite in Tunisia and gold and copper in Algeria.