

18 October 2022

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## **ANTILLES GOLD ADVISES PROGRESS ON NEGOTIATIONS FOR CONCENTRATE OFF-TAKE FROM LA DEMAJAGUA MINE, CUBA**

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**Antilles Gold Limited (“Antilles Gold” or the “Company”) (ASX: AAU, FSE: PTJ, OTCQB: ANTMF) advises that the international trading company the Company has been dealing with on off-take of concentrate from the proposed La Demajagua open pit mine in Cuba has indicated the following:**

- payables for the value of contained gold in concentrates should be in the order of 75%
- this is higher than incorporated in the Scoping Study financial results reported to ASX on 24 February 2022
- payables for contained silver in the concentrate could be lower as not many smelters recover this metal, and pricing has not yet been established
- as a consequence, the Company intends to continue previous metallurgical testwork that indicated a second concentrate could be produced from the La Demajagua ore hosting the majority of its silver content, and be marketed to specialist refiners
- importantly, this concentrate would also contain high levels of Sb (antimony) which associates with silver metals, whereas gold associates with pyrite and arsenopyrite
- initial testwork indicated grades of the second concentrate would be approximately 33% Sb, 28g/t Au, 1540g/t Ag, and 8.8% As (arsenic)
- antimony is a high value critical metal used in the manufacture of semi-conductors, and in alloys for batteries
- the Company has been advised that with minor changes to the planned flotation circuit, antimony content may be increased
- the primary concentrate is expected to have a grade of approximately 38.5g/t Au, 114g/t Ag, 6.6% Sb, and 29% As, and testing of samples by the trading company has indicated acceptable levels of metal recovery by smelters

An updated Scoping Study for the proposed La Demajagua mine is expected to be completed in November 2022, incorporating the above information, pricing of the high Sb concentrate, recently increased JORC Resources, current concentrate shipping costs to destinations nominated by the trading company, and updated capital costs for mining equipment, concentrator, and the power station, where costs are coming down with the strengthening of the USD against the Chinese currency.

If the revised Scoping Study demonstrates that producing two concentrate products is the optimum commercial outcome for the La Demajagua project, finalisation of off-take agreements and the DFS will be delayed until February/March 2023 to permit additional confirmatory metallurgical testwork.

Mr Brian Johnson, Executive Chairman of Antilles Gold Limited, commented that it was encouraging that the gold-rich arsenopyrite concentrate would be saleable at a reasonable level of payables.

He also considers it worth delaying the proposed off-take agreement and DFS for the proposed La Demajagua mine for two to three months so that further metallurgical testwork can be undertaken, aimed at producing a concentrate with a high antimony content and containing the majority of silver from the ore.

Optimisation of potential project income, and product saleability are obviously primary objectives of the Company, and the prospect of increasing revenue through the antimony content is of special interest.

END

This announcement has been authorised by the Chairman of Antilles Gold Limited.  
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## ABOUT ANTILLES GOLD LIMITED:

- Antilles Gold's strategy is to participate in the successive development of previously explored gold, silver, copper, and zinc deposits in mineral rich Cuba.
- The Company is at the forefront of the emerging mining sector in Cuba, and expects to be involved in the development of a number of projects through its 49:51 mining joint venture with the Cuban Government's mining company, GeoMinera SA.
- Importantly, GeoMinera's 51% shareholding in the joint venture company reflects ownership, and does not provide control of decisions at Board or Shareholder Meetings, where the two shareholders have equal votes.
- The joint venture agreement includes the requirement for all funds to be held in a foreign Bank account with the only transfers to Cuba being for local expenses, and for Antilles Gold to nominate all senior management.
- Antilles Gold is comfortable operating under the applicable law on Foreign Investment in Cuba which protects minority shareholdings, and the realistic Mining and Environmental regulations, and has been granted a generous fiscal regime by the Government which is supportive of its objectives.
- The near-term project of the joint venture company, Minera La Victoria SA, is the proposed development of the La Demajagua gold-silver open pit mine on the Isle of Youth in south west Cuba to produce approximately 100,000 oz Au equivalent per year for 7 to 8 years (refer Scoping Study advised to ASX on 24 February 2022).
- The current pipeline of additional projects with near-term development potential include the El Pilar gold-copper oxide deposit overlying a very large copper-gold porphyry system, and the reopening of up to four previously producing copper-zinc mines within the 40km long New Horizons VMS style polymetallic mineral belt. These concessions in central Cuba will be explored initially at Antilles Gold's cost prior to their transfer to a joint venture with GeoMinera for additional exploration and studies, and potential development to produce gold, silver, copper, and zinc concentrates.
- The joint venture partners intend to invest part of the expected profits from the La Demajagua mine to fund future mine developments, and an extensive exploration program of the major targets, which would minimise additional equity contributions by Antilles Gold, while establishing a substantial mining group in Cuba.