

6 December 2022

ANTILLES GOLD TO RAISE \$2.0 MILLION OF NEW CAPITAL FOR ITS ACTIVITIES IN CUBA

Antilles Gold Limited ("Antilles Gold" or the "Company") (ASX Code: AAU, FSE Code: PTJ, OTCQB: ANTMF) advises that the Company intends to issue 64.0 million fully paid New Shares at \$0.033 each to raise approximately \$2.0 million after costs.

The proposed issue will be effected in the following manner:

- i) 61,000,000 New Shares will be issued at \$0.033 each on or about 20 December 2022 under Listing Rules 7.1 and 7.1A to raise \$1,900,000 after costs of approximately \$113,000.
- ii) 3,000,000 New Shares will be issued at \$0.033 each to the Company's Chairman, Mr Brian Johnson, to raise \$99,000 subject to approval by shareholders at a Meeting to be held on or around 24 January 2023.

The securities set out in Item i) above will be placed to Sophisticated Investors nominated by Stockbrokers, or directly by the Company.

The funds raised will be expended on a drilling program of the highly prospective El Pilar copper-gold porphyry deposit, and its overlying gold-copper oxide cap in central Cuba.

The first stage of the drilling program will involve 7000m of shallow (100m) holes on the copper-gold oxide cap at El Pilar and around 5 holes, 700m into the highly prospective underlying copper porphyry deposit.

The program will commence late January or early February 2023 and a more substantial follow-up program on the porphyry deposit will follow.

To ensure funding of the Company's intended activities through to June 2023, Antilles Gold's Chairman has advised that his trustee company, Moonstar Investments Pty Ltd, is prepared to provide a Convertible Note to the Company with a face value of \$1.0 million, with expiry on 31 December 2023, and an interest rate of 8% pa. All or part of the Note may be converted to AAU shares at \$0.05 each up to 31 March 2023, at \$0.07 each between 1 April and 30 June 2023, and thereafter at a 15% discount to the 15 day VWAP.

Details of the Note are to be finalised with the Board of Antilles Gold, and the issue will be subject to shareholder approval.

To minimise near term dilution for shareholders, the Company is in negotiations to establish a facility that would fund the exploration program in Cuba in 2023 and 2024.

The Company is confident that both the facility and Convertible Note will be able to be repaid from proceeds of approximately US\$30 million of contractual claims against the Dominican Republic Government from a previous project.

The Tribunal involved in the arbitration under the rules of the World Bank's International Centre for Settlement of Investment Disputes ("ICSID") in Washington DC will complete the evaluation of the claims at a hearing in the first week of June 2023, with proceeds from their rulings expected by the end of 2023.

END

This announcement has been authorised by the Chairman of Antilles Gold Limited.
For further information, please contact:

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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 which, based on geological modelling and metallurgical test work, is planned to produce approximately 65,000 tpa of concentrate, containing gold, silver, and antimony for 7 years.
- The current pipeline of additional projects with near-term development potential includes the El Pilar gold-copper oxide deposit overlying a large copper-gold porphyry system, and the reopening of four previously producing copper-zinc mines. These properties in central Cuba will be explored initially by Antilles Gold 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 major targets, including the El Pilar copper-gold porphyry system, and the 40km long New Horizons VMS style polymetallic mineral belt. Both of these Concessions are held in an Exploration Agreement with GeoMinera.