

21 February 2023

PROGRESS ON SCOPING STUDY FOR LA DEMAJAGUA MINE, CUBA

Antilles Gold Limited (“Antilles Gold” or the “Company”) (ASX Code: AAU, FSE Code: PTJ, OTCQB: ANTMF) advises that publication of the revised Scoping Study for the La Demajagua mine in Cuba will be delayed for another 3 to 4 weeks due to the time it has taken to receive additional antimony assays from the 29,000m of drill cores undertaken in 2022 so that they can be incorporated in the JORC Resources and mine planning for the project.

The majority of assay results are now with mining consultants for inclusion in the final geological model for the planned open-pit mine, and as soon as the updated JORC Resources and pit optimisations have been received the Scoping Study can be promptly finalised.

Following completion of the Scoping Study, four outstanding matters need to be addressed in order to finalise the Definitive Feasibility Study (“DFS”) for the La Demajagua open pit mine;

- Finalisation of pump tests which are currently being carried out to estimate costs of mine dewatering.
- Formalisation of concentrate off-take agreements.
- Establishment of Reserves and final mine planning.
- In-principle project financing arrangements.

With the revised Scoping Study in hand, negotiations will be able to be progressed on financing arrangements.

Mr Brian Johnson, Executive Chairman of Antilles Gold said that while delays to the Scoping Study and DFS were disappointing, the inclusion of the high value antimony concentrate in the project is expected to result in substantially increased income for the open pit mine, and for the following underground operations.

Mr Johnson also wishes to advise shareholders that at a recent meeting with the Cuban Minister for Energy and Mines, the Minister indicated he will support a request to increase Antilles Gold’s shareholding in the joint venture company, Minera La Victoria SA (“MLV”), from 49% to 50% to better reflect the partnership arrangement with the Government’s mining company, GeoMinera, and also that MLV will be offered the opportunity to develop multiple gold projects in the future.

END.

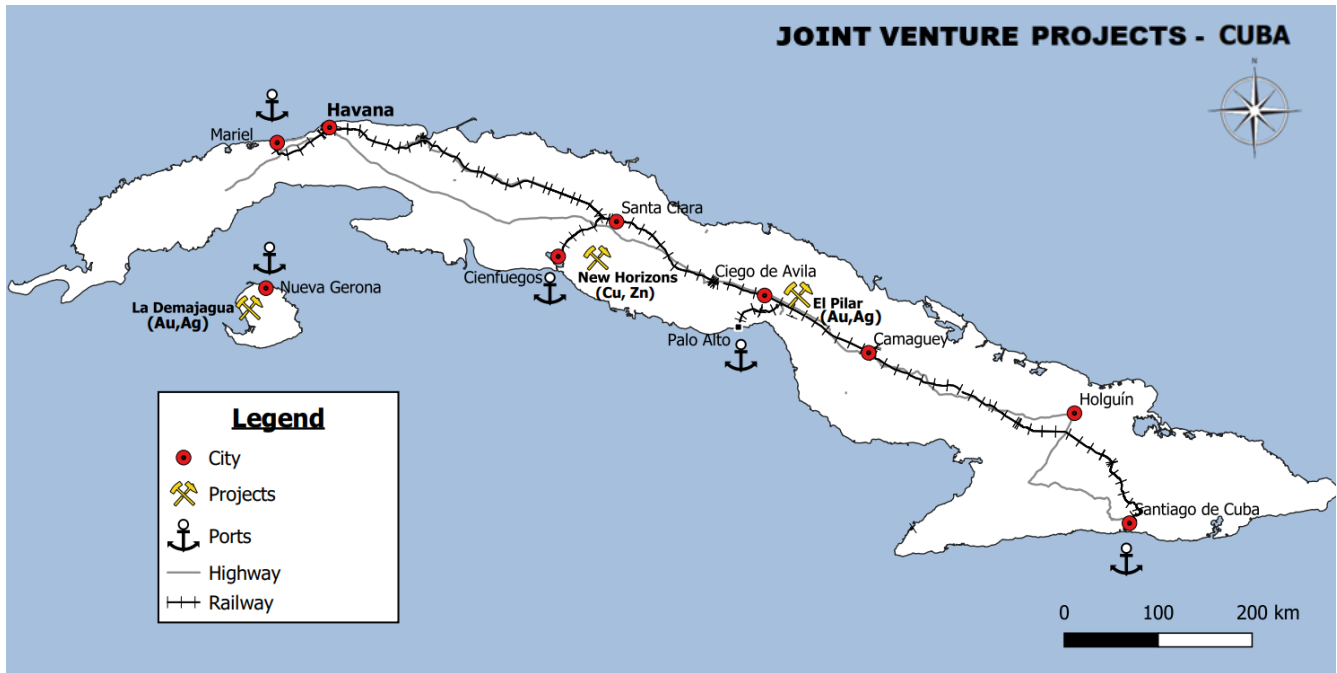
This announcement has been authorised by the Chairman of Antilles Gold Limited.
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If you have any questions on this announcement or any past Antilles Gold announcements, check out our Interactive Investor Hub. Like, comment, or ask a question on important announcements. You can find this here: <https://aau.freshamplify.com>

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.



- 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 concentrates containing gold, silver, and antimony for approximately 9 years, that could be followed by underground operations for 10 years.
- The current pipeline of additional projects with near-term development potential includes the El Pilar gold-copper oxide deposit which caps a large copper-gold porphyry system in central Cuba. The oxide deposit will be explored initially by Antilles Gold prior to its transfer to the existing joint venture with GeoMinera for additional exploration and studies, and potential development to produce gold and copper 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.
- 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. Also, Antilles Gold nominates all senior management.
- The joint venture agreement also includes the requirement for all funds to be held in a foreign Bank account with the only transfers to Cuba being for local expenses, which will obviate country credit risk for foreign lenders and suppliers.
- 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 51:49 arrangement is expected to be adjusted to 50:50 in the near future to better reflect the partnership.



Exploration Director, Dr Christian Grainger Examining Drill Core – El Pilar