ASX Announcement
18 September 2023

3D Modelling Confirms Copper Potential at Depth

Garnet Skarn Deposit, Idaho

AVM has been working diligently on the Garnet Skarn Deposit and has taken a renewed look at all available exploration data. The Company has employed various data analysis technologies to review the historical and recent exploration results from multiple perspectives. The review aimed to ensure that all information was compiled to build a 3D subsurface geological model and upgrade the Company's JORC exploration targets. The data developed and collected is vital to our analysis and ultimate determination of exploration targets.

HIGHLIGHTS

- **AVM created a 3D subsurface geological model across the entire project area using historical Anaconda Mining Company data and current data analysis technology.**
- **3D modelling confirmed new potential subsurface copper zones at the Garnet Skarn Deposit.**
- **AVM is updating JORC exploration targets from 2022 to reflect the potential copper deposits at the Garnet Skarn Deposit more accurately based on the Anaconda data and 3D modelling.**

Advance Metals (ASX: AVM) is pleased to announce that the Company has completed a technical review of the Garnet Skarn Deposit in western Idaho with positive results. For this review, the Company digitised all historical information collected by the Anaconda Mining Company and developed a 3D model of the area's geology.

The Anaconda Mining Company was the largest mining company in the world for much of the 20th century, and the information they collected remains the gold standard in historical mining information. Over the years, companies have used Anaconda data to develop a number of important globally recognised deposits around the world.

Commenting on the exploration program, Advance Chief Executive Officer Frank Bennett said:

"The 3D modeling completed here in the States is an important step for the Garnet Skarn Deposit. The information collected by Anaconda over a 60-year period, along with the current data provided by Advance Metals' 3D modeling, provides insights into the high potential of this location. The results are quite remarkable, showing the deposit in a completely different light. We are excited about the upgrade to the exploration targets coming out later this month."

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3D Model Overview

AVM's exploration of the Garnet Skarn property has provided several lenses through which to view the project's exploration potential. A 3D model was constructed to view subsurface contacts and relationships of mineralised geological units such as the Martin Bridge Limestone (TRm) by combining data from the Anaconda Mining Company and current data collected by AVM.

Historical information from the Anaconda Mining Company has provided insight into subsurface relationships on privately owned lands within the district (Figure 1). For example, historical drilling information from the adjacent Peacock Mine allowed AVM personnel to train the subsurface model on otherwise inaccessible geological features. The hydrothermal relationship of the Peacock Mine with AVM-identified exploration targets increases the importance of understanding fluid and mineral controls at depth.

Figure 1. Anaconda Mining Company Area of Study

In addition to historical drilling records, the model was integrated with AVM-collected rock, soil, and channel samples. This information has helped AVM identify geological contacts and mineralisation zones at depth (Figure 2). The information the Anaconda Mining Company provided has helped the Company assess the correlation between copper-bearing units and the surrounding host rock units at depth. Further analysis of the inferred data may reveal additional mineralisation zones or potential resource targets to guide future exploration of the Garnet Skarn project.

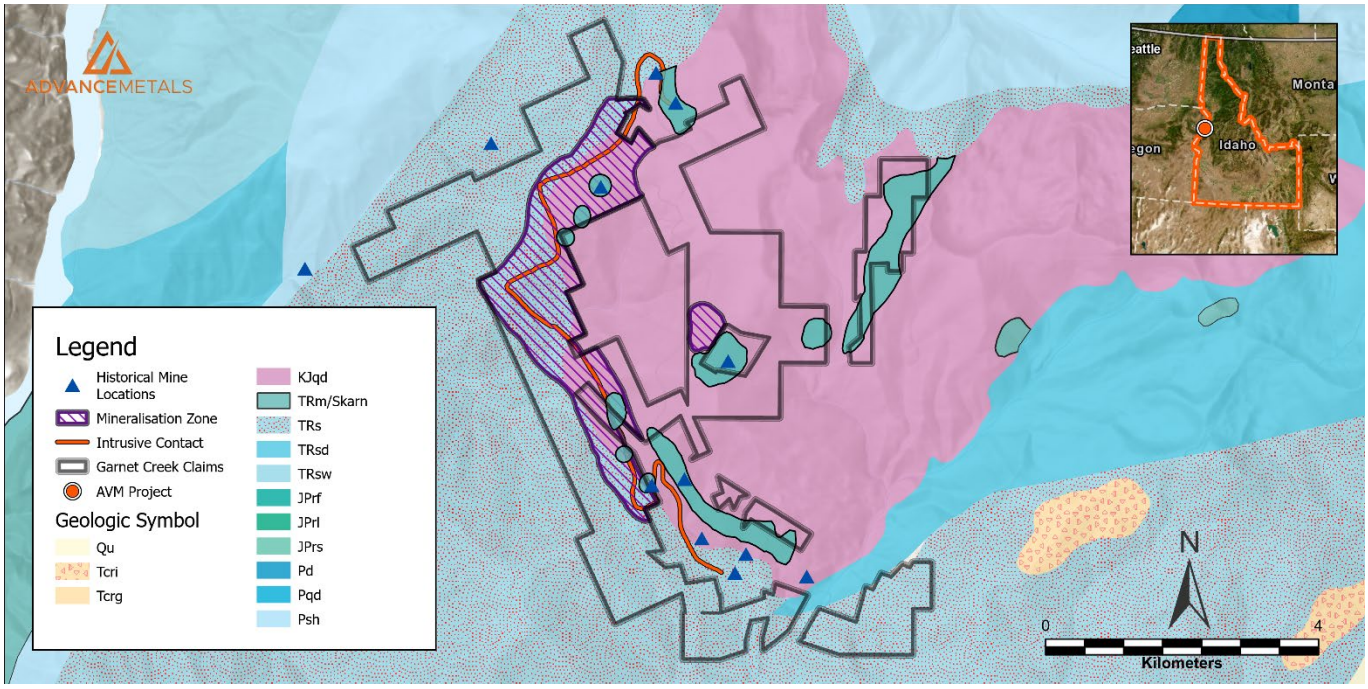

Figure 2: Mineralisation Zone and Geological Map

3D subsurface geological modelling was inferred using modern exploration methods in conjunction with historical information. AVM personnel used Satellite Spectral Imagery Analysis, Aeromagnetic Surveys, Radiometric Surveys, and Soil Geochemical Analysis to identify geophysical and geochemical anomalies across the Garnet Skarn property.

These anomalies were plotted in the 3D model and cross-referenced with structural elements such as field-confirmed faulting, contact bedding, and other structural features. AVM personnel built the subsurface model using field-collected mapping data and cross-referenced it with historical data. Several cross-sections were selected to demonstrate the subsurface geology exhibited in the 3D model (Figures 4-7).

3D Modeling Results

The 3D model and the updated mineralisation zone have been used to develop exploration targets under the JORC Code. The results from the 3D model can be seen in cross-sections A'-A and B-B' with the potential mineralisation shown in Yellow (Figure 3). The new geological interpretation shows the potential for a Skarn deposit at depth.

The results used the exploration mineralisation zone with geochemical rock samples, soil samples, mapping, and geological interpretation in conjunction with historical data collected from the Anaconda Mining Company. The model was then reviewed thoroughly by internal and external geologists to ensure the results matched the known exploration information.

The exploration model shows that the Skarn Rafts can continue at depth as shown in historical drilling and operational notes from producing mines adjacent to the Garnet Skarn Deposit. The geochemical results from recent Company exploration provided further insight, once modelled in 3D, into the possible mineralisation zonation at the Garnet Skarn deposit.

The results from the 3D modelling indicate that the Garnet Skarn Deposit is a typical Skarn deposit seen in North America similar in structure to adjacent currently producing mines across the region. Further exploration is needed to confirm this proposed interpretation. A drilling program is currently being permitted for the Garnet Skarn Deposit property to confirm and further develop the Company's understanding of subsurface geologic and mineralisation extent.

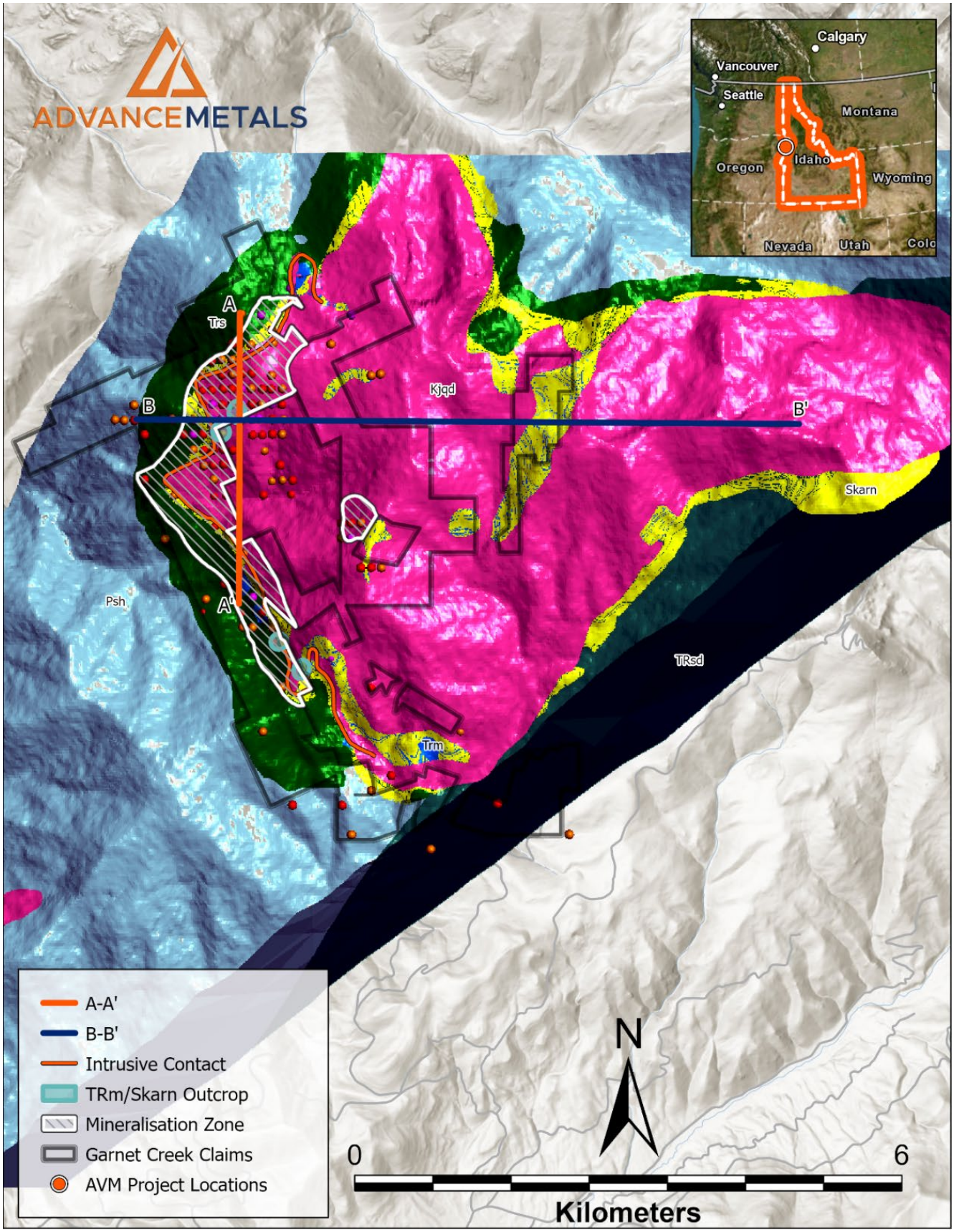

Figure 3: 3D Model Full Section

A’ A

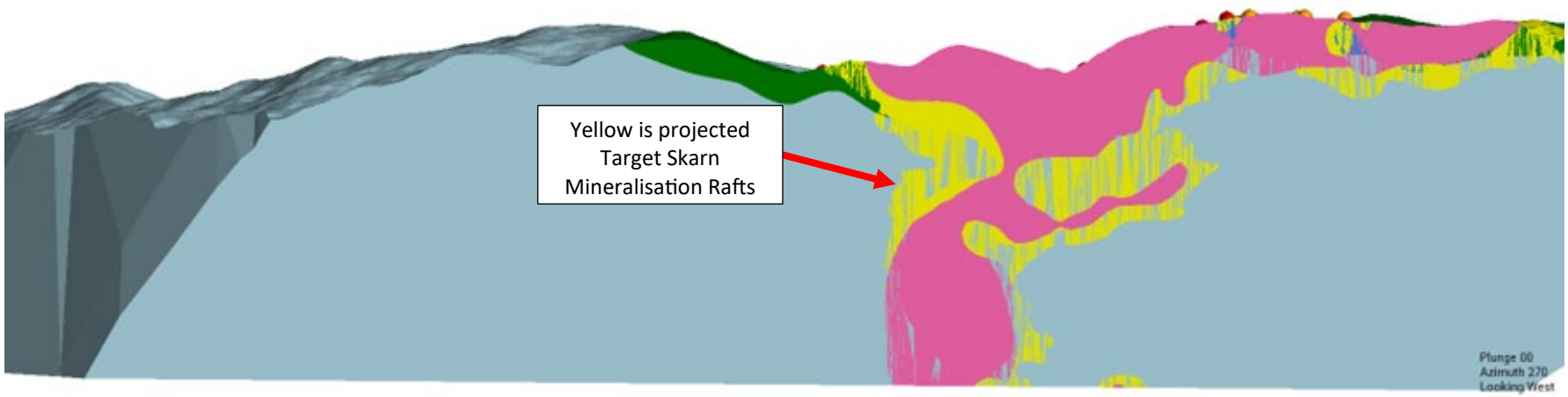

Figure 4. Cross Section A’-A

A’ A

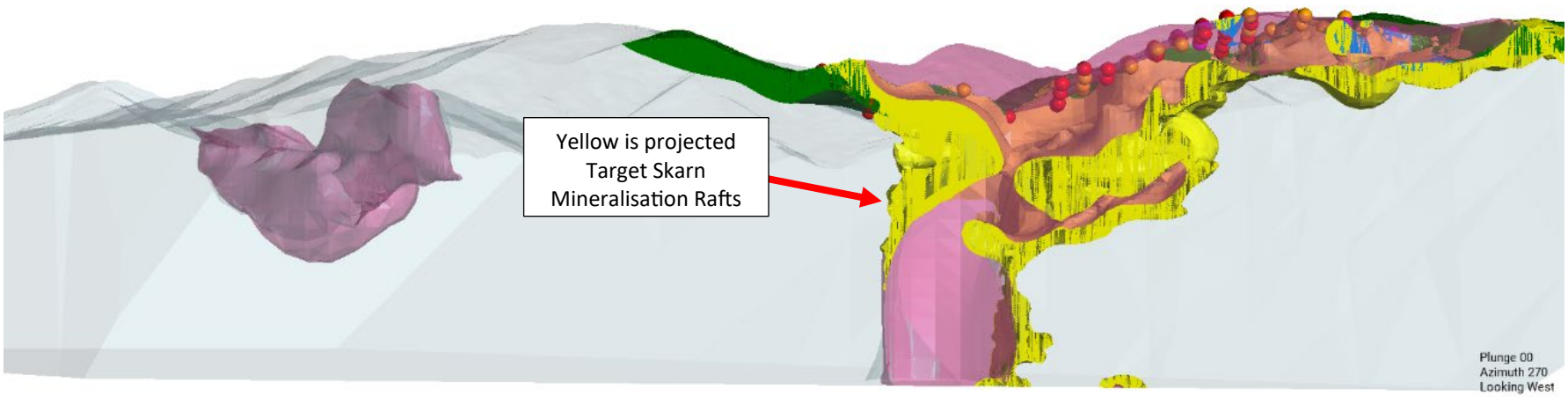

Figure 5. Cross Section A’-A

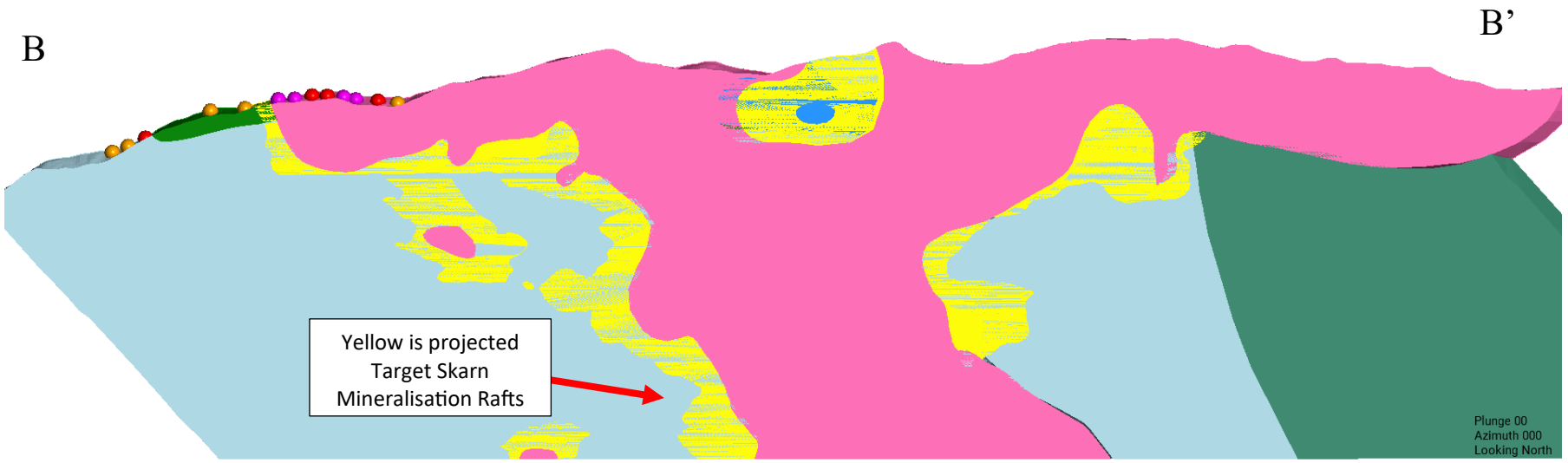

Figure 6. Cross Section B-B'

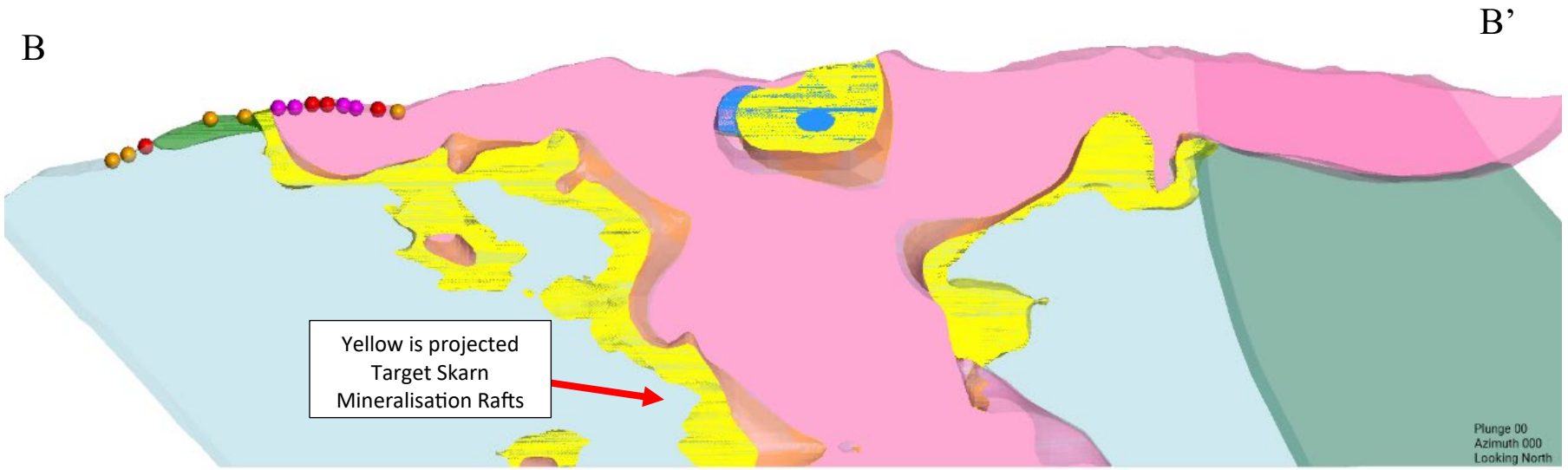

Figure 7. Cross Section B-B'

Next Steps

The Company will release an upgraded JORC exploration target developed for the Garnet Skarn Deposit in the coming weeks. These targets have been developed using several new technologies and interpreting all the current and historical data. The process helped the Company identify new areas for further exploration and targeting.

This market announcement has been authorised for release to the market by the Board of Advance Metals Limited.

For more information, please contact:

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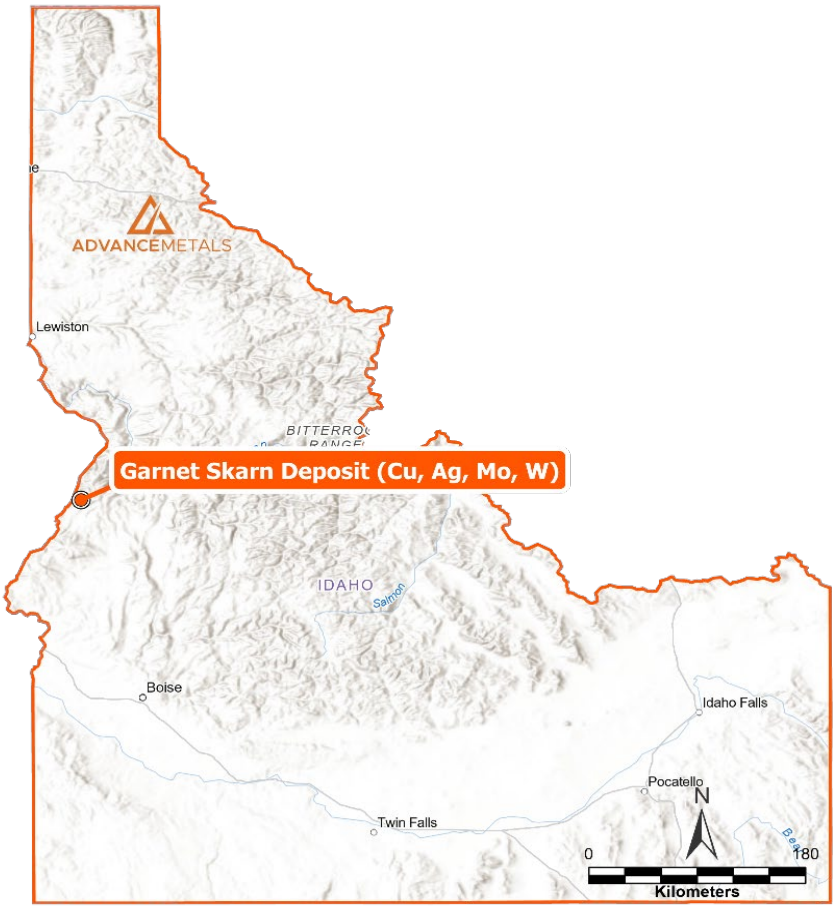
Background

The 100% owned Garnet Skarn Project property is located on the southeast margin of the Seven Devils Mountains in Adams County, west-central Idaho, USA.

The property is within the Seven Devils Mining District and is approximately 68 km (42 mi) northwest of the town of Council, within the Payette National Forest. The property totals 1,022.6 hectares (2,527 acres). The property consists of 147 lode claims.

The Company recently undertook an in-depth technical review of historical documentation to digitise relevant information and develop GIS exploration models utilising historical drilling records. The process involved utilising GIS modelling software, AI programs, satellite remote sensing, and geological and geophysical analysis of the project area.

Analysis of the results has found strong exploration potential at the Garnet Skarn Project.



About Advance Metals Limited

Advance Metals Limited (ASX: AVM is a copper-focused exploration company with a world-class portfolio of copper growth projects in mining-friendly jurisdictions of the United States. We seek to maximise shareholder value through the acquisition, discovery, and advancement of high-quality metals projects in North America. The Company utilises the expertise of our North American exploration team to identify underexplored and undervalued high-grade copper projects with significant geological potential.

The Company has 100% ownership of the Garnet Skarn Deposit, the Augustus Polymetallic Project, and the Anderson Creek Gold Project. More details are available on AVM's website, www.advancemetals.com.au.

AVM Project Locations

Previously Released Information

These ASX announcements refer to information extracted from reports available for viewing on AVM's website, www.advancemetals.com.au, and announced on:

- 06.09.2021 "Historic Gold Assays - Anderson Creek Gold Project"
- 16.01.2019 "Elko Coking Coal Project JORC Resource Increased to 303Mt"

AVM confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of exploration targets, that all material assumptions and technical parameters underpinning the exploration targets in the relevant market announcements continue to apply and have not materially changed. AVM confirms that the form and context in which the Competent Person's findings were presented have not been materially modified from the original market announcements.

Forward-Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of the Company, are or may be forward-looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements.

The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high they might be, make no claim for absolute certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk, or conclusions contained in this report will therefore carry an element of risk.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Jim Guilinger. Mr. Guilinger is a Member of a Recognised Overseas Professional Organisation included in a list promulgated by the ASX (SME Registered Member of the Society of Mining, Metallurgy and Exploration Inc).

Mr. Guilinger is Principal of independent consultants World Industrial Minerals LLC. Mr. Guilinger has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Guilinger consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
		Soil samples were collected from 18" below the surface or from the soil 'C' horizon where appropriate, using a pick axe, shovel, or similar tool. Samples were placed in closeable cloth bags, each with unique barcoded sample IDs. The soil samples are summarised in Appendix D of the "JORC 2022 Technical Report", November 2022.
	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.	Rock samples were collected at the surface using a steel rock hammer. Samples were placed in plastic bags with unique barcoded tags and sealed with zip ties. The rock samples are summarised in Appendix E of the "JORC 2022 Technical Report", November 2022.
Sampling techniques	Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report.	The aeromagnetic and radiometric survey was flown by Precision GeoSurveys Inc. GEOPHYSICAL SURVEY SPECIFICATIONS **Survey Technology:** Magnetic Gradient and Radiometric Survey **Survey Dates:** May 17 and May 18, 2022 **Survey Base·:** Ontario, Oregon **Aircraft Type·:** Airbus AS350 helicopter Registration: C-GSVY Total Line kilometres: 205 kilometres Mean Survey Height: 55.8 metres

Survey Line Spacing: 100 metres

Survey Line Direction 140°/320"

Tie Line Spacing: 1000 metres

Tile Line Direction: 050°/230°

AIRBORNE SURVEY SYSTEM

Magnetometre Sensors: 3 x Geometrics G--822A Cesium

Configuration: Triple gradient boom with 3-axis compensation

Sample Rate·: 20Hz

Sensitivity: 0.0005 nT Hz rms

Gamma Ray Spectrometre: Pico EnirotecAGRS-5

Downward-Looking Crystals: 16.8 litres of Nal(TI)

Upward-Looking Crystal: 4.2 litres of Nal(TI)

Sample Rate: 1Hz (Resampled b 20 Hz)

In cases where 'industry standard' work has been done, this would be relatively simple (e.g.' reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.

A geologist collected rock samples. Rock samples were collected at the surface using a steel rock hammer from the outcrop. Rock chip samples were geolocated and tagged using a GPS unit before being photographed and described in field notes. Samples were placed in plastic bags with unique identifiers aligned with field note tags and sealed for transport to the lab.

The grab samples are not representative of the deposit as a whole. Future sampling will address this issue.

Drilling techniques	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or another type, whether the core is oriented and if so, by what method, etc.).	Not applicable.
	Method of recording and assessing core and chip sample recoveries and results assessed.	Not applicable.
Drill sample recovery	Measures are taken to maximise sample recovery and ensure the representative nature of the samples.	Not applicable.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable.
	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	Not applicable.
Logging	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Rock samples were qualitatively and geologically described. Rock samples were photographed before being placed in a secure bag with a unique identifier linked to sample field notes.
	The total length and percentage of the relevant intersections logged.	Not applicable.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn, and whether quarter, half, or all core taken.	Not applicable.
	If non-core, whether riffled, tube sampled, rotary split, etc., and whether sampled wet or dry.	Grab samples were dry upon collection.
	For all sample types, the nature, quality, and appropriateness of the sample preparation technique.	Not applicable.
	Quality control procedures adopted for all sub-sampling stages to maximise the representivity of samples.	Not applicable.

	Measures are taken to ensure that the sampling is representative of the in-situ material collected, including, for instance, results for field duplicate/second-half sampling.	Grab sampling was selective and based on geological observations.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable.
	The nature, quality, and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Soil samples were analysed by ALS labs. Rock assays were performed by Paragon Labs. The assay data has been found to be within the tolerance of the assay methods used by the geochemical assay labs.
Quality of assay data and laboratory tests	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable.
	Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.	Not applicable.
	The verification of significant intersections by either independent or alternative company personnel.	Samples have not been verified by independent personnel.
	The use of twinned holes.	Not applicable.
Verification of sampling and assaying	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Data entry was performed by AVM personnel and checked by AVM geologists. Field data were all recorded in field notebooks and entered into a digital database. Rock samples and outcrops were photographed before lab analysis.
	Discuss any adjustment to assay data.	Not applicable.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used	Sample location is based on GPS coordinates +/- 10 m.

	in Mineral Resource estimation.	
	Specification of the grid system used.	Data within this Report is published in WGS84 UTM zone 11N coordinates. Data was collected using handheld Garmin GPS units or smartphone-based GIS apps with an approximate 2m horizontal and 5m vertical accuracy.
	Quality and adequacy of topographic control.	Topography control is +/- 10 ft (3 m).
	Data spacing for reporting of Exploration Results.	The survey line spacing of the geophysics was 100m, with data recorded at 20Hz to provide stations every 20m. The data density is considered appropriate for the purpose of the survey. Gridded soil samples were spaced approximately 100x150m
Data spacing and distribution	Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not applicable.
	Whether sample compositing has been applied.	Not applicable.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Not applicable.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Geophysical line paths are approximately perpendicular to the regional strike direction of geological formations and are sufficient to locate discrete anomalies.
Sample security	The measures are taken to ensure sample security.	Chains of custody were maintained at all times. Samples were held under lock or protective custodian by Ethos Geological, federal courier, or at a secured facility maintained by the sample geochemical assay laboratory. All rock samples were in the direct control of company

		geologists until dispatched to Paragon Labs. Samples were kept in numbered bags and transferred to a double-walled system to ensure integrity during transit to the lab.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No external audits or reviews have been conducted to date. However, sampling techniques are consistent with industry standards.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location, and ownership, including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national parks, and environmental settings.	Advance Metals controls 147 Federal Lode Claims covering an area of 2859.1 acres. Annual claim maintenance fees are payable to the BLM by September 1 of each year. AVM paid initial staking fees in June 2022. The claims are 100% owned by Texas and Oklahoma Coal Company (USA) Inc. (a 100% owned AVM subsidiary).
	The security of the tenure held at the time of reporting and any known impediments to obtaining a licence to operate in the area.	No impediments to holding the claims exist. To maintain the claims, an annual holding fee of $165/claim is payable to the BLM.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The area was previously explored for Copper by Anaconda Mining Company and the USBM, who compiled extensive geological studies of the project and adjacent areas. These reports contain summaries of the historic mining and production that occurred prior to WWII.
Geology	Deposit type, geological setting, and style of mineralisation.	The Garnet Creek Project exposes the accreted island arc geology of the Wallowa terrane and contains a complex series of volcanic, sedimentary, and intrusive stratigraphy. The stratigraphy includes altered andesite, rhyolite, and clastics of the Seven Devils Group;

		Martin Bridge Formation limestones; younger Jura-Cretaceous quartz diorite of the Deep Creek Pluton; and local and regional metamorphism. Skarn at Garnet Creek is referred to as "tactite". Tactite forms when hydrothermal fluids from an alkaline intrusion react with carbonate material from a limestone or dolomite horizon, a product of metasomatism. The resulting contact rocks can host concentrated magnetite, Cu, Pb-Zn, Sn, W, Mo, Au, Ag, U, REE, and Sn (Einaudi et al., 1981). The fluid transfer can produce exoskarns (altered country rock) and endoskarns (altered intrusion rock). Common minerals in the inner zone of skarns include garnet, diopside and hedenbergite. Wollastonite concentrates further from the contacts, and zones may be overlapped by retrograde chlorite, epidote, and clays (McQueen, 2005).
Drill hole Information	A summary of all information material to the understanding of the exploration results, including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole downhole length and interception depth Hole length.	Not applicable.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not applicable.

	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	No high-grade cutting.
Data aggregation methods	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No aggregation used
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents are used.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is unknown and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Not applicable.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to, a plan view of drill hole collar locations and appropriate sectional views.	See the Figures within this press release above.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.	Total copper values range from 0.00066 to 21.24% in selected rock samples as reported by Paragon Labs.

Other substantive exploration data	Other exploration data, if meaningful and material, should be reported, including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The Company (AVM) has compiled assay results and geochemical sampling data from Anaconda Mining Company, USBM, USGS, and IGS documents as the basis for additional exploration, geochemical sampling, and mapping. AVM has not verified the location or accuracy of any of these data.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further mapping, grid sampling, and ground radiometric studies are planned to delineate potential drill targets. There is not enough data for geological interpretations and drill planning at this time.

Note that JORC Sections 3 and 4 are not relevant at this early state of exploration.