

Chairman's Address & Presentation Slides – 2024 AGM

23 May 2024

ASX Markets Announcement Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 200

BY ELECTRONIC LODGEMENT

Chairman's Address and Presentation Slides 2024 Annual General Meeting

Please find attached for release to the market, the *Chairman's Address and Presentation Slides* to be presented to Xanadu Mines Ltd's (ASX:XAM) Annual General Meeting commencing at 11:00am AEST today.

-ENDS-

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About Xanadu Mines Ltd:

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project. Xanadu is the Operator of a 50-50 JV with Zijin Mining Group in Khuiten Metals Pte Ltd, which controls 76.5% of the Kharmagtai project. For information on Xanadu visit: www.xanadumines.com.

This Announcement was authorised for release by Xanadu's Board of Directors.

CHAIRMAN'S ADDRESS

Slide 5 – A Successful Year in 2023

I am pleased to report that 2023 was another successful year for Xanadu Mines. 2023 year marked a significant period of growth and achievement for the Company, driven by a strategic partnership with Zijin Mining Group Co (Zijin), successful exploration efforts, and the advancement of our flagship Kharmagtai Copper-Gold Project through key stages of a Pre-Feasibility Study (PFS). Importantly, we achieved this safely, marking another year with zero lost time incidents.

In the March Quarter of 2023, we solidified our landmark strategic investment deal with our partner Zijin, a move that has been transformational for the advancement of the Kharmagtai Copper-Gold Project. This partnership created a 50-50 joint venture in Khuiten Metals, the holding company that controls the Kharmagtai Project, and provided US\$35M funding within the JV to drive the project through pre-feasibility to a Financial Investment Decision (FID). In parallel Zijin invested directly in the Xanadu listed company at a 30% premium to market to become Xanadu's largest shareholder at 19.4%.

Following this major investment milestone, we accelerated our PFS program and exploration activities at Kharmagtai. Notably, our PFS infill drilling program delivered approximately 48,000m of diamond drilling, and yielded highly encouraging results. This included material vertical extensions of the high-grade zone within the Stockwork Hill pit shell and the discovery of a new high-grade core beneath the White Hill pit shell. This exceptional PFS infill drill program allowed the Company to accomplish another important project milestone with the successful delivery of an updated Mineral Resource Estimate totalling 1.3Bt including 3.4Mt of copper, 8.5Moz of gold. This represents an increase of approximately 15% contained copper and 9% contained gold metal and achieved our goal of increasing the resource classification to >90% Indicated within the defined pit limits.

Deep discovery drilling continued to test for significant mineralisation below the existing Resource using Xanadu's Exploration Model, based on geologic analogues such as Hugo Dummett and Cadia East. We believe that Kharmagtai has the potential to achieve a deep discovery, which was reinforced with drill hole KHDDH649 returning a broad intercept of low-grade mineralisation totalling 1,080m @ 0.21% CuEq from 491m below the White Hill deposit.

Sustainability continues to be at the forefront of our decision making, and we released our third annual Sustainability Report, further improving our disclosures and demonstrating our long-term commitment to Mongolia. We believe that Kharmagtai will play an integral role in the world's solution to the looming copper supply gap amid efforts to electrify the global economy. During 2023, we upgraded our Kharmagtai operation with a new core processing facility, new modern accommodation, a greenhouse to provide healthy food and a grid connection to reduce our reliance on diesel generators. This was important to provide a warm, safe and healthy environment for our people and has already resulted in fewer colds and illnesses in the team. During this very cold winter we also provided stockfeed and nutrients to the surrounding community, further supporting our important local stakeholders.

Looking ahead to 2024, we remain focused on our three-horizon strategy to unlock value for our shareholders and all stakeholders, including 1) delivery of a high value PFS for Kharmagtai, 2) exploration & discovery, and 3) growing and improving our portfolio.

Our focus continues on advancing Kharmagtai towards production, with recent metallurgical test results highlighting the uplift potential in this project. Drilling in the first quarter at Kharmagtai and the new drill program at Red Mountain continue to target new discovery potential, and Our recent entry into the Sant Tolgoi project underscores dedication to growth and diversification in our portfolio.

On behalf of the board, I would like to personally thank our stakeholders for their continued support and our employees for their efforts over the last year. We look forward to an exciting 2024 as we progress the Kharmagtai Project through the final PFS stages.

Slide 6 - Disclaimer Slide

These disclaimers are important. They are published along with these slides, and I will leave them to you to read in your own time.

Slide 7 – Successfully Exploring for World Class Deposits in Mongolia

As our shareholders know, Xanadu has a long history of exploration for world class deposits in Mongolia. The Kharmagtai copper-gold porphyry project, with PFS underway, highlights our proven track record of discovery as well as our ability to develop and to attract global mining majors to partner with us.

As I mentioned in opening statements, our three-horizon strategy focuses on the Kharmagtai PFS, Discovery Exploration and Portfolio Growth & Improvement. In addition to Kharmagtai work, we have active exploration at Red Mountain and are evaluating other potential projects across the central Asian orogenic belts.

Slide 8 – Why Mongolia

I have said this before, but I never miss a chance to highlight Mongolia's competitive advantages. This is one of the last places in the world with underexplored deposits of this scale. It is on the doorstep of the largest global copper consumer, and infrastructure is already in place for power, roads, rail and water. Mongolia has a mining culture with highly educated mining professionals, and it is stable and democratic. And Xanadu has been in the country since the early 2000's, with deep knowledge of the geography and a demonstrated ability to operate there.

Slide 9 – Corporate Overview

This slide also outlines our capital structure as at 1 May 2024, highlighting a market capitalisation over A\$120M that recognises the value we are building through the PFS at Kharmagtai.

While I have introduced the Board, I would like to give credit to Xanadu's highly capable Management Team, with experience across Mongolia, Discovery Exploration, and Project Management. We have an unusual breadth and depth on this team, which reflects the quality of our projects and has enabled us to take Kharmagtai forward in parallel with serious discovery exploration and portfolio growth.

Slide 10 – Sustainability is Core to Our Business

Xanadu has proudly published 4 annual Sustainability Reports, being a very early mover in the exploration space. The most recent was published this week, and I encourage you to go to our website to understand our ESG disclosures and the good work we are doing on the ground.

As part of our ESG efforts, we continue to develop our safety systems and culture, with zero lost time incidents again in 2023 and in 2024 to date, and a reduction in colds and illness due to improved working conditions.

Slide 11 – Latest News

Xanadu concluded a very successful March 2024 quarter. At Kharmagtai we published metallurgical results that validate our PEA and highlight project upside, and we re-commenced water exploration to confirm availability to meet project needs. Our exploration team has commenced a new drill program at Red Mountain, and we signed an agreement to earn-in to majority interest in the Sant Tolgoi copper-nickel project. And looking forward, we have appointed Bacchus Capital as our strategic funding adviser to help us navigate the path forward at Kharmagtai following PFS completion.

Slide 12 – Kharmagtai

The first horizon of our strategy is delivery of the Kharmagtai PFS. This will be Mongolia's next major copper mine and remains on track for delivery in Q3 of this year.

Slide 13 – Kharmagtai Mineralised Complex

Kharmagtai was already a world class resource, and our team delivered a material upgrade to this in December 2023. This increased in scale and quality of resource to 1.3 billion tonnes, containing 3.4 million tonnes of copper and 8.4 million ounces of gold. Importantly it increased the higher-grade zones by 25% to 125 million tonnes and upgraded material classification to indicated within >90% of the pit shells.

As I tell potential new investors, large porphyry deposits like Kharmagtai are not defined by their average grade; they are defined by the higher-grade zones which pay back the capital quickly, turning them into long-term, generational cash generating assets.

Slide 14 – Strong Resource Upside

Another characteristic of large porphyry deposits is that they continue to grow. Kharmagtai remains open both laterally and at depth, with significant potential to link the deposits as we go deeper. In early 2024 we had one deep drill hole which returned a >1,000m intercept of continuous mineralisation, which tells our exploration team that the system is live and well at depth and there is more to discover.

Slide 15 – Well Funded by Zijin Strategic Partnership

We have now spent a year working with Zijin on the Kharmagtai project, and they have been a very good partner for us. Our skills complement each other well, and we remain confident that the quality of project we have brought to the table, combined with Zijin's construction & operating skills and balance sheet, will bring Kharmagtai into operations as a well-recognised and high-quality copper-gold mine.

Zijin has continued their growth journey towards a goal to become a world top 3 copper and gold producer in 2023, and Kharmagtai will be a strong addition to their growth trajectory.

Slide 16 – Clearly Defined Timeline

The Kharmagtai project is following a conventional path, with PFS nearing completion in Q3 of this year followed by Feasibility Study Engineering & Design and then construction.

The permitting timeline is equally clear, starting with resource and study reports by Mongolian registered engineers, aligned to international study findings. This is followed by a DEIA which is underway now, and then investment agreement discussions with the government at cabinet level. After investment agreement, permitting is a very structured process that can be worked through ahead of construction.

The important date on this chart is first production as early as Q4 of 2027. There are very few copper projects of this scale and stage of development which can be in production before the mid-2030s, which is testament to the advantages of Mongolia and supportive ESG environment I spoke of earlier.

Slide 17 – Conventional, Large Scale, Open Pit Copper Mine

The 2022 Scoping Study defined a compelling project at 20% IRR, US\$630M NPV and 4 year payback. This worked economically on scale, gold byproduct credits and a low strip ratio.

The project was designed around truck & shovel open pit mining and a conventional copper concentrator, ramping up in stages to produce high quality copper concentrate. Power was a mixture of renewable and grid, with conventional wet tailings and water recycling, and make-up water from deep industrial artesian basins nearby.

Slide 18 – Staged Ramp-Up

The PFS is using a similar conceptual design, ramping up the mine in two stages, with Stage 1 targeting grade, recovery and capital payback while Stage 2 expands throughput to maintain production over the life of the mine.

The mine has been optimised in both stages using Whittle proprietary Prober software and the new Mineral Resource and geo-metallurgical modelling to most effectively schedule the mine to match process throughput.

Stage 2 will leverage hybrid truck haulage, trolley assist, in-pit crush and convey and other technologies to drive down operating cost through the life of mine.

Slide 19 – Process Engineering & Design – Conventional Circuit

The process plant is similarly designed in two stages, with stage 1 starting with 2, 20MW SAG and Ball comminution circuits, followed by gravity gold recovery and sulphide flotation. This targets recovery while higher grade material is

fed into the plant. Stage 2 adds a 3rd, 20MW comminution circuit, expands the rougher flotation, coarsens the grind, and doubles the throughput as the head grade decreases to the resource average.

Slide 20 – Positive Metallurgy Results

Recent announcements have demonstrated metallurgy results that are in line with or better than the 2022 Scoping Study and grind size selection aligned to our two-stage ramp up strategy.

Importantly, as I have mentioned in the past, the top 20 metres of our outcropping deposits are oxidised and cannot be processed through a conventional flotation circuit. To be conservative, in the Scoping Study we treated this as waste but flagged it as future upside for the PFS. Since then we have worked closely with MPS in Australia and Zijin Research Labs to develop a sequential leach process that leaches the copper in oxidised ore with acid, neutralises with glycine, then leaches the gold with cyanide. This gives us a heap leach option that turns what was waste stripping cost in the Scoping Study into early cash generation in the PFS.

Slide 21 – South Gobi Infrastructure Enhances Kharmagtai

During a previous life, when I was looking at new projects for Newcrest Mining, we used a rule of thumb that 1/3 of new project capex was for the plant, 1/3 for the mine, and 1/3 for infrastructure. That infrastructure assumption included building tailings dams up in the mountains of Papua New Guinea, Indonesia and Ecuador, building power plants and bringing that power in, negotiating with whole villages, and building roads and rail through the jungle.

I contrast that with the South Gobi, where it has flat topography, no vegetation, sparse population, and importantly significant infrastructure already built by the government to support the mining industry. The rail line between Tsogtsetsii and Sainshand was built during COVID and designed to move coal and copper concentrate into China by new southern links. New roads were built, and significant electrical lines come up from Inner Mongolia, China to power industry in the Gobi. The Kharmagtai project will leverage all of this to reduce its start-up costs and complexity.

Slide 22 – Exploration is our Competitive Advantage

Xanadu's DNA is in exploration. We established the Maiden Mineral Resource at Kharmagtai in 2014 and have upgraded to 5 times the size since then. We retain a high quality exploration portfolio, including Kharmagtai, Red Mountain, Sant Tolgoi and an ongoing search for new projects.

Slide 23 – Central Asian Orogenic Belts

Starting with new project generation, the exploration team has a license to target projects across the central Asian orogenic belts, as shown in the map on the screen. The primary target areas are Mongolia and secondarily Kazakhstan, with a focus on copper, gold and other future facing minerals, using modern exploration techniques to make significant new discoveries.

These will have a minimum exploration target size of more than 10 years at equivalent to 100koz of gold or 20kt of copper per annum. We will acquire, quickly test, and either exit or progress projects depending on this measure. As the fairy tales say, you have to kiss a lot of frogs to find a handsome prince, and this is the job of our project generation team.

Slide 24 – Red Mountain Exploration

Red Mountain is a different type of deposit than Kharmagtai, with shallower, higher-grade mineralisation and a closer analogue to North Parkes. It has potential for a smaller scale, higher grade mining operation that we are aiming to test.

In 2023 we developed a detailed exploration program that leveraged past drilling success and with our minimum exploration target size in mind. In early 2024 we have commenced an initial 5,000 metres of diamond drilling per this program, and I look forward to sharing those exploration results with you in due course.

Slide 25 – Sant Tolgoi Added to Portfolio

In early 2024, our team completed its first acquisition under our Horizon 3 strategy to grow and improve the portfolio, by signing a binding term sheet and earn-in agreement at Sant Tolgoi. This is a magmatic copper-nickel sulphide system in north-west Mongolia, with multiple targets over several kilometres of strike. We will commence detailed mapping, geochemistry and geophysics soon, now that Spring has arrived in that part of the world, and we are excited to see what this initial work will tell us.

Slide 26 – 2024 Objectives

2024 is going to be an important and transformational year for Xanadu.

We will deliver the Kharmagtai PFS and Maiden Ore Reserve in Q3, and as operatorship transitions to Zijin in September, we will be working hard to deliver the best value for our shareholders. This may come in the form of funding our continued participation into Feasibility or considering if this is the right point to exit the project to deliver a material liquidity event for our shareholders.

Our exploration team will update the Kharmagtai MRE for the latest drill holes, and importantly we will progress our exploration programs at Red Mountain and Sant Tolgoi and continue looking for new projects to grow our portfolio.

Slide 27 – Final Comments

I would like to thank you for being Xanadu shareholders during this exciting time for the company.



XANADU MINES

Proven Explorer with Focus on Mongolia
Excellent Exposure to Near Term Copper

Annual General meeting

23 May 2024

ASX:XAM | TSX:XAM

Opening of Meeting

- Quorum of 3 shareholders present
- I formally declare open, this Annual General Meeting of the shareholders of Xanadu Mines Ltd

Director Introductions



Executive Chairman &
Managing Director
Colin Moorhead



Executive Director &
Country Manager
Ganbayar Lkhagvasuren




Non-Executive Director
Michele Muscillo



Non-Executive Director
Tony Pearson



Non-Executive Director
Shaoyang Shen

An aerial photograph of a mining site. The top half shows a large, deep pit with a red and white cylindrical structure at the bottom. Several white vehicles are parked nearby. The bottom half shows a cluster of white, dome-shaped structures, possibly storage tanks or processing units, arranged in a grid pattern. The ground is dark brown and appears to be a mix of dirt and gravel.

XANADU MINES

Update from the Chairman & Managing Director

ASX:XAM | TSX:XAM

A Successful Year in 2023

Building shareholder value

● Kharmagtai

- Strong safety performance with **zero LTI**
- Zijin investment in Kharmagtai US\$35M to fund PFS
- PFS Infill Drill Program upgraded Resource to 1.3Bt with 3.4Mt Cu and 8.4Moz Au and increased higher-grade zones by 25% to 125Mt
- Metallurgical test work and trade-off studies commenced
- Upgraded site with new core process facility, accommodation, grid power

● Exploration

- Deep exploration confirmed mineralisation below existing resource
- Shallow exploration expanded White Hill & identified new, higher-grade core

● Corporate

- Established new 3-horizon strategy: Kharmagtai, Discovery, Portfolio Growth
- Continued commitment to sustainability and supporting our stakeholders



Cautionary Statements

The Study has been undertaken to assess viability of developing the Kharmagtai Copper-Gold Project (Kharmagtai) by constructing an open cut mine and processing facility to produce copper concentrate for export. It is a preliminary technical and economic Study of the potential viability of Kharmagtai. It is based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further exploration and evaluation work and appropriate studies are required before Xanadu will be in a position to estimate any ore reserves or to provide any assurance of an economic development case. The Study is based on the material assumptions in this document. These include assumptions about the availability of funding. While Xanadu considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved. To achieve the range of outcomes indicated in the Study, funding of in the order of US\$700 million will likely be required. Investors should note that there is no certainty that Xanadu will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Xanadu's existing shares. It is also possible that Xanadu could pursue other 'value realisation' strategies such as a sale, partial sale or joint venture of the project. If it does, this could materially reduce Xanadu proportionate ownership of the project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Study. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The Study is based on the December 2021 Mineral Resource Estimate, is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Study will be realised. The Study has been completed to a level of accuracy of +/-35% in line with industry standard accuracy for this stage of development. The Company has reasonable grounds for disclosing a Production Target, given that in the first seven years of production, 100% of the mill feed is scheduled from the Indicated Resource category, which exceeds the economic payback period for the project by 3 years. Approximately 55% of the Life of Mine Production Target is in the Indicated Mineral Resource category, and 45% is in the Inferred Mineral Resource category. There is a lower level of geological confidence associated with Inferred Mineral Resources, and while the Company considers all the material assumptions in this Study to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated will be achieved. The Mineral Resources underpinning the production target in the Study have been prepared by a Competent Person in accordance with the requirements of Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The Competent Person's Statement is found in the Geology and Resources section of this Study. For full details of the Mineral Resource Estimate, please refer to Xanadu ASX/TSX Announcement dated 25 February 2022. Xanadu confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning the estimates in that Announcement continue to apply and have not materially changed. Note that unless otherwise stated, all currency in this Study is US dollars.

Forward Looking Statements

Certain statements contained in this Study, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Study or to reflect the occurrence of unanticipated events, other than required by the Corporations Act 2001 (Cth) and the Listing Rules of the Australian Securities Exchange (ASX) and Toronto Stock Exchange (TSX). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements. All 'forward-looking statements' made in this Study are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not a guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein. Xanadu has concluded that it has a reasonable basis for providing these forward-looking statements and the forecast financial information included in this Study. To achieve the range of outcomes indicated in the 2022 Kharmagtai Scoping Study, funding of in the order of an approximately US\$700 million will likely be required by the Company. Based on current market conditions and the results of studies undertaken, there are reasonable grounds to believe the Project can be financed via a combination of equity and debt, as has been done for numerous comparable projects in Mongolia and other jurisdictions in Asia in recent years. Debt may be secured from several sources including Australian banks, international banks, the high yield bond market, resource credit funds, and in conjunction with product sales of offtake agreements. It is also possible the Company may pursue alternative funding options, including undertaking a corporate transaction, seeking a joint venture partner or partial asset sale. There is, however, no certainty that Xanadu will be able to source funding as and when required. Whilst no formal funding discussions have concluded, the Company has engaged with several potential financiers of Kharmagtai and these financial institutions and corporations have expressed an interest in being involved in funding of the Project. This ASX Study has been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including sufficient progression of all JORC modifying factors, on which the production target and forecast financial information are based have been included in this ASX Study.

Xanadu Overview

Successfully Exploring for World Class Deposits in Mongolia

XANADU MINES

Listed exploration company **with a proven track record of discovery**

Kharmagtai gold rich porphyry copper project in PFS stage, **funded by JV with Zijin Mining Group**

Growing portfolio of precious and base metal exploration projects in Mongolia

Mandate to evaluate quality projects across the broader Central Asian Orogenic Belts



Why Mongolia?

An emerging mining jurisdiction supported by an extensive, existing infrastructure network

Prospectivity

The right rocks with some globally significant discoveries, yet remains largely underexplored

Develop-ability

Sparse population and wide-open spaces with excellent infrastructure (especially in South Gobi)

Mining Culture

Stable democracy with high education and training standards with mining representing 25% of GDP and 90% of exports

Location

On China's doorstep (#1 global copper consumer) with excellent infrastructure existing and planned

Local Know-How

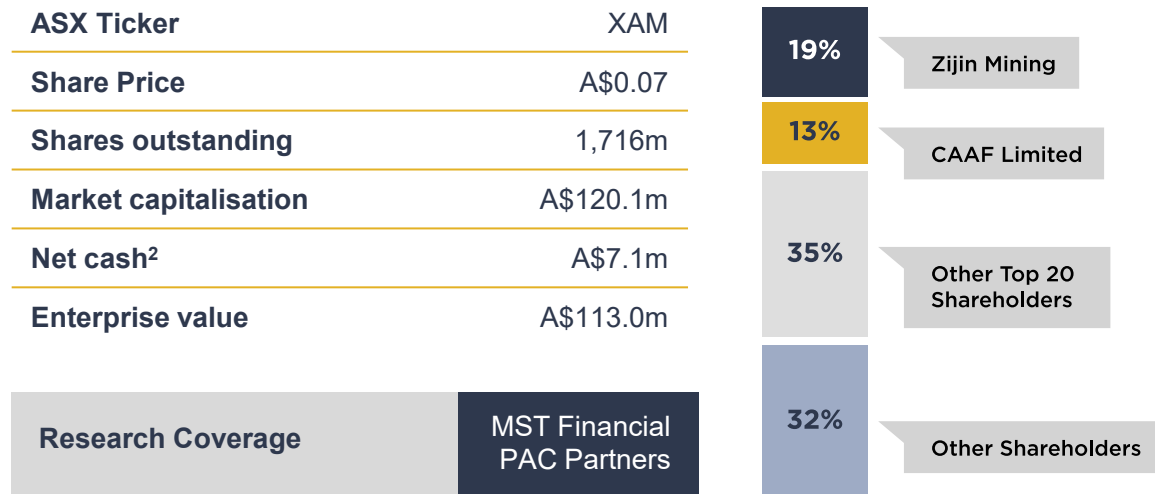
Xanadu has deep knowledge and experience with of the geology and demonstrated ability to operate to high ESG standards in Mongolia



Corporate Overview

Well-funded Company and Project JV, led by an experienced Board and Management team

Capitalisation and Substantial Shareholders¹



Xanadu's Board and Management have extensive experience operating in Mongolia and developing Projects into production



Colin Moorhead
Executive Chairman
& Managing Director



Munkhsaikhan (Mugii) Dambiinyam
Chief Operating Officer



Ganbayar Lkhagvasuren
Country Manager
& Executive Director



Andrew Stewart
Vice President Exploration



Michele Muscillo
Non-executive Director



Mat Brown
Chief Geologist



Tony Pearson
Non-executive Director



Spencer Cole
Chief Development Officer
Chief Financial Officer



Shaoyang Shen
Non-executive Director
(Nominated by Zijin)



Guodong Yu
Deputy General Manager,
Kharmagtai Project
(On secondment from Zijin)

Share Price Performance³



Sustainability – Five Pillars to Community Support

A valued partner to the local community



Supporting **local sustainable living**



Protecting **environment**



Supporting **education**



Supporting **public health**



Protecting **cultural heritage**



Latest News

Exciting March 2024 Quarter

● Kharmagtai

- Met-test work results showed strong sulphide and oxide recoveries
- Commenced water supply drilling at primary source basin ~7km north

● Exploration

- Commenced drilling defined targets at the Red Mountain Copper-Gold Project
- Acquired a majority interest in the Sant Tolgoi copper-nickel project

● Corporate

- EGM held to approve Zijin's participation in November 2023 capital raise
- Subsequently appointed Bacchus Capital as Strategic and Funding Adviser



Hydrological Drilling at Kharmagtai

Kharmagtai

One of the largest undeveloped copper-gold deposits in the world



Mongolia's next major copper mine

PFS on track and funded via JV with Zijin Mining Group

Low ESG complexity: clear pathway to permitting and approvals

Significant exploration and technology upside

Kharmagtai Mineralised Complex

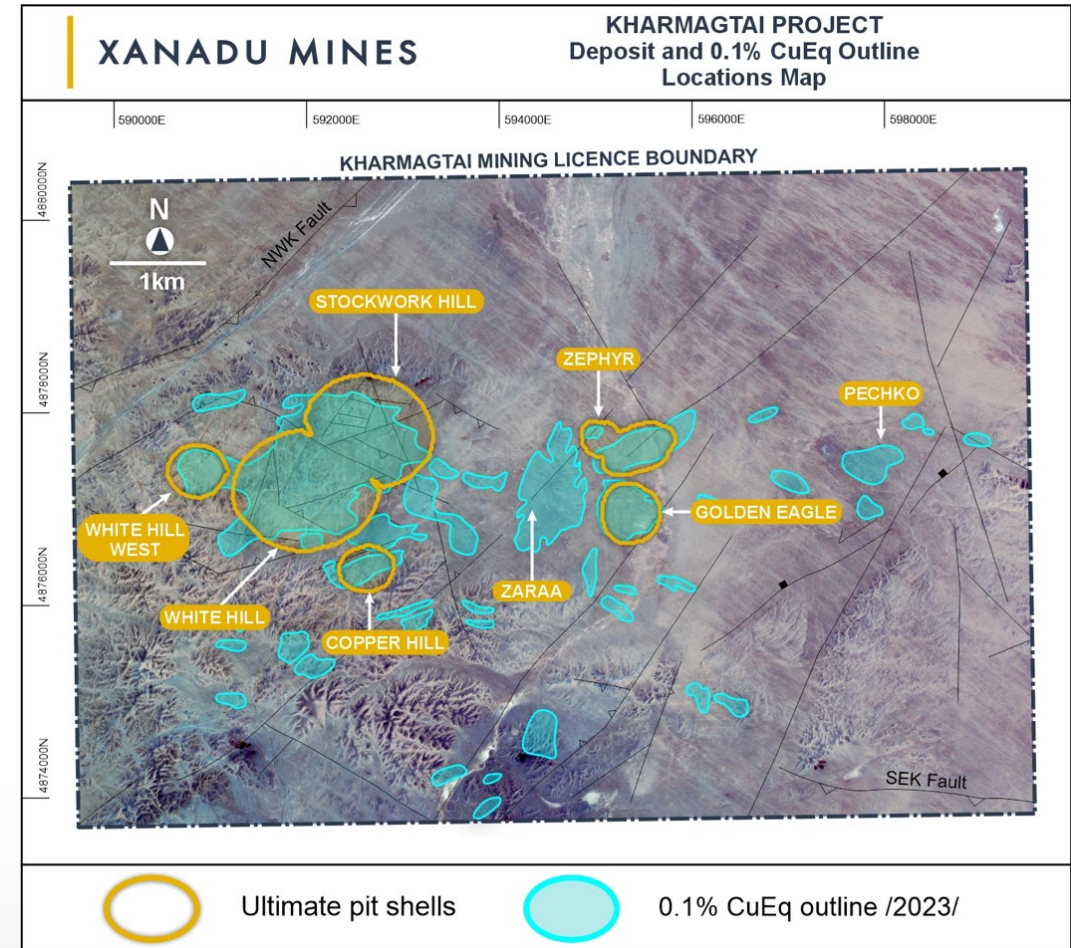


One of the largest undeveloped copper-gold deposits globally

- Granted mining licence with 30-year tenure with an option to extend another 40 years
- Large resource of 1.3Bt @ 0.3% Cu & 0.2g/t Au (approx 3.4Mt / 7,500Mlb Cu and 8.4Moz Au)¹
 - 125Mt higher-grade zones @ >0.75% CuEq
 - 63% Indicated Classification (including >90% within PEA defined pit-shells)
- Mineralisation outcrops at surface; minimal strip required

“Not a uniform mass of low-grade mineralisation – KHJV will exploit variability to drive value”

Kharmagtai Copper-Gold Project Plan View

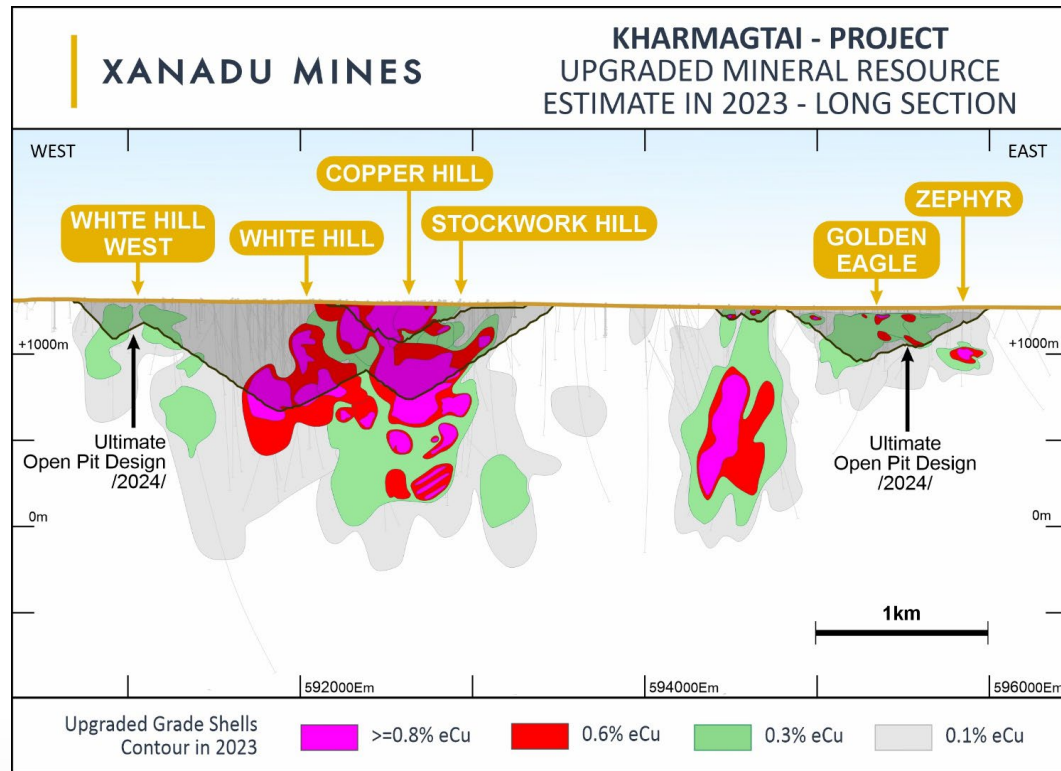


Strong Resource Upside

Kharmagtai drilling has shown increasing grade at depth



Kharmagtai Copper-Gold Project Long Section



Potential Upgrades

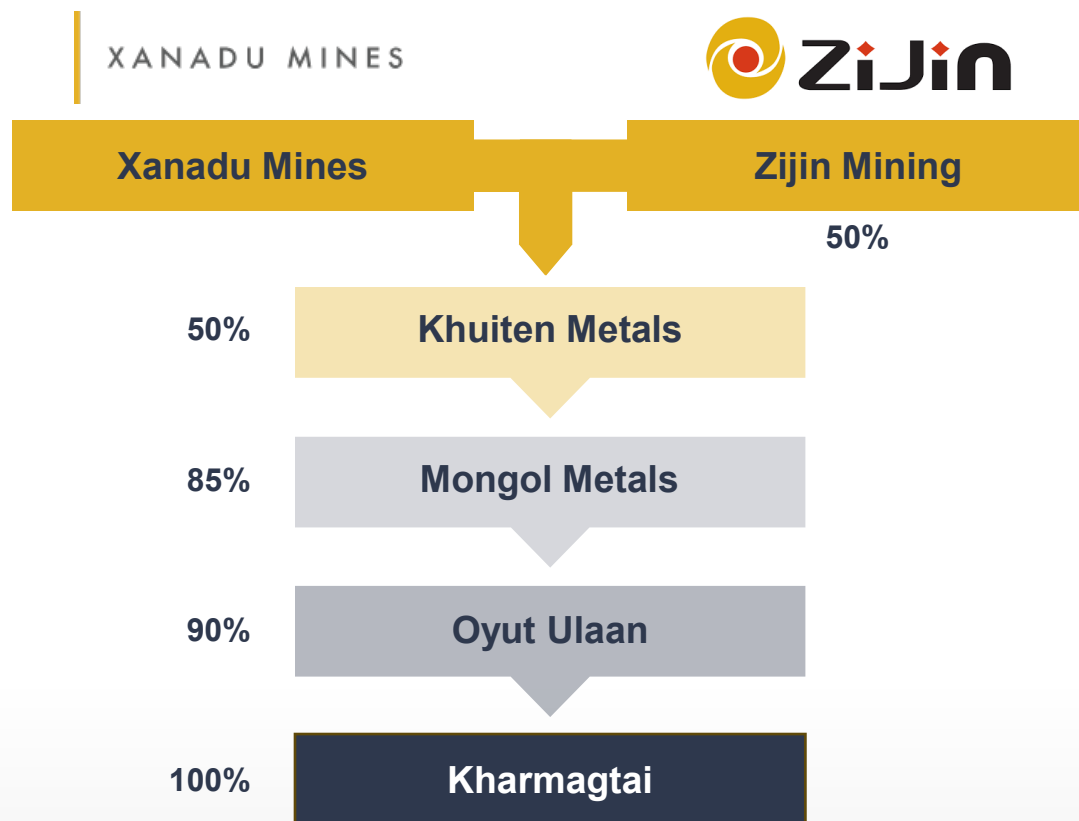
- The majority of tonnes included in the PEA Mineral Resource Estimate came from the larger Stockwork Hill and White Hill pits. Copper Hill, Golden Eagle and Zephyr represent smaller, higher-grade pits that are an opportunity for Xanadu to exploit grade variability
- Kharmagtai remains open with grades increasing at depth (such as White Hill). This represents an untapped opportunity for the Project as very limited drilling has been done below 400m. Deep drill results include:
- KHDDH648: 1,080m at 0.21% CuEq from 491m
- Additional drilling and linking the mineralisation at depth represent the clearest growth potential opportunity at Kharmagtai

Strong results from recent drilling will be included in the PFS

Well-Funded by Zijin Strategic Partnership

Xanadu is pleased to have Zijin Mining, a major global mining company, as its strategic partner

Ownership Structure



Strategic Partnership

Zijin Mining strategic partnership with Xanadu has come through three phases of investment:

- 1 April 2022: Placement to raise ~A\$5.6 million and providing Zijin with a 9.9% shareholding in Xanadu
- 2 March 2023: Placement to raise ~A\$7.2 million and providing Zijin with a 19.4% shareholding in Xanadu
- 3 March 2023: Creation of a 50/50 JV, Khuiten Metals, that holds a 76.5% effective interest in Kharmagtai. Zijin has invested US\$35.0 million in the JV to fund the Kharmagtai PFS and exploration until September 2024

Zijin Mining is the sixth largest metals mining company in the world, operating in 16 countries. The Company produced 877kt copper and 1.8Moz gold in 2022

Clearly Defined Timeline

Aiming for first production in 2027

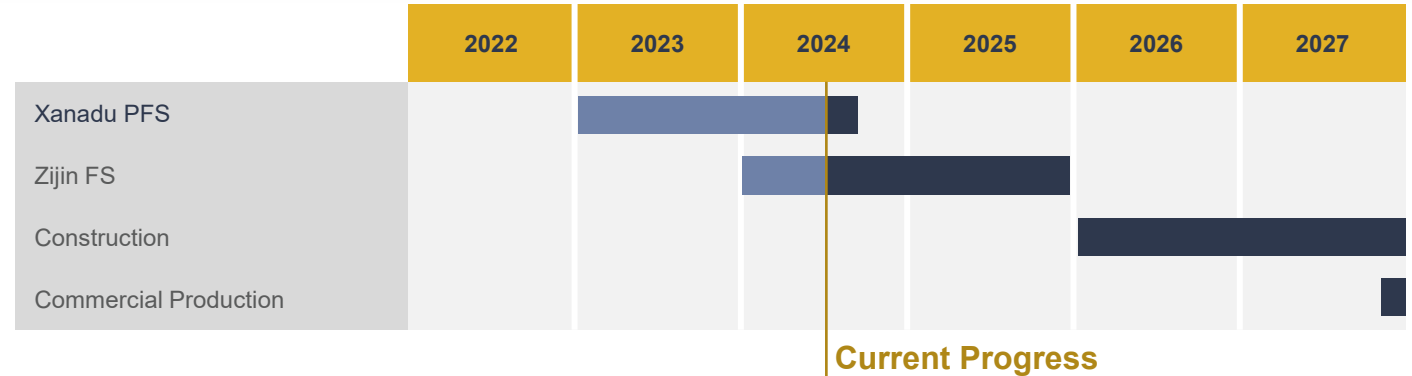
Pre-Feasibility Study Timeline

PFS on target for completion in Q3 CY2024; single go-forward case underpinned by a Maiden Ore Reserve. Alignment with Zijin’s Feasibility Study is a focus for Xanadu to enable final construction decision

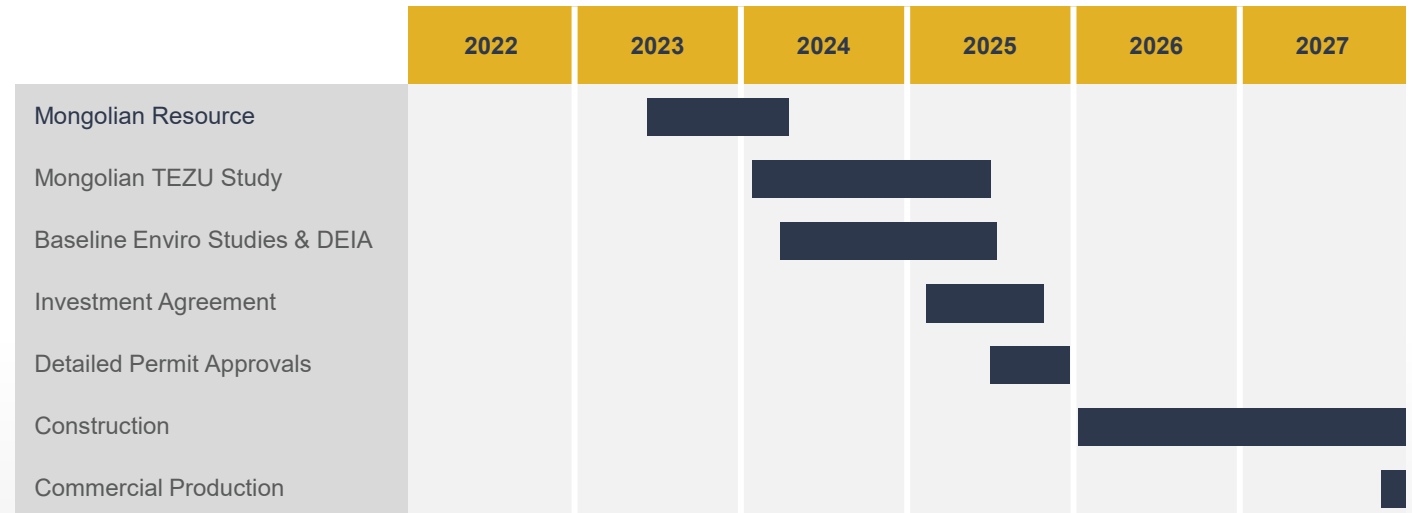
PFS will enable FID on Kharmagtai, subject to Mongolian Feasibility Study (TEZU) approvals. TEZU, based on PFS and limited forward works, will enable regulatory approvals and permitting

Xanadu is targeting first production by end of CY2027 (subject to financing and approvals)

Studies: Timeline to Commercial Production



Permitting: Timeline to Commercial Production



Conventional, Large Scale, Open Pit Copper Mine

Kharmagtai will utilise proven mining designs and practices

2022 Preliminary Economic Analysis

Mining	<p>Kharmagtai will be a conventional truck and shovel hard rock open pit mine with multiple pits</p> <p>✔ Enabled by a low 1.1:1 stripping ratio</p>
Processing	<p>Conventional copper concentrator producing a high quality, gold rich copper concentrate</p> <p>✔ Staged ramp-up to 30Mtpa producing 50ktpa copper and 110kozpa gold</p>
Infrastructure	<p>Grid and renewable power (solar/wind)</p> <p>Conventional wet tailings storage facility</p> <p>Nearby artesian basins providing ground water</p>
Economics	<p>Strong project economics; low cost and long life</p> <p>✔ 20% IRR and US\$630m NPV₈</p> <p>✔ 4-year payback</p>

Preliminary Site General Arrangement



Staged Ramp-Up



Multiple independent mining fronts and grade focused stockpiling strategy

Ramp-Up Optimisation

Xanadu is optimising the Kharماغтай mine plan based on the 2023 Mineral Resource Estimate and detailed geo-met models

Work is underway to review the mine engineering and design, as well as the optimization of the pit shells, staging and scheduling to maximise higher grade ore extraction

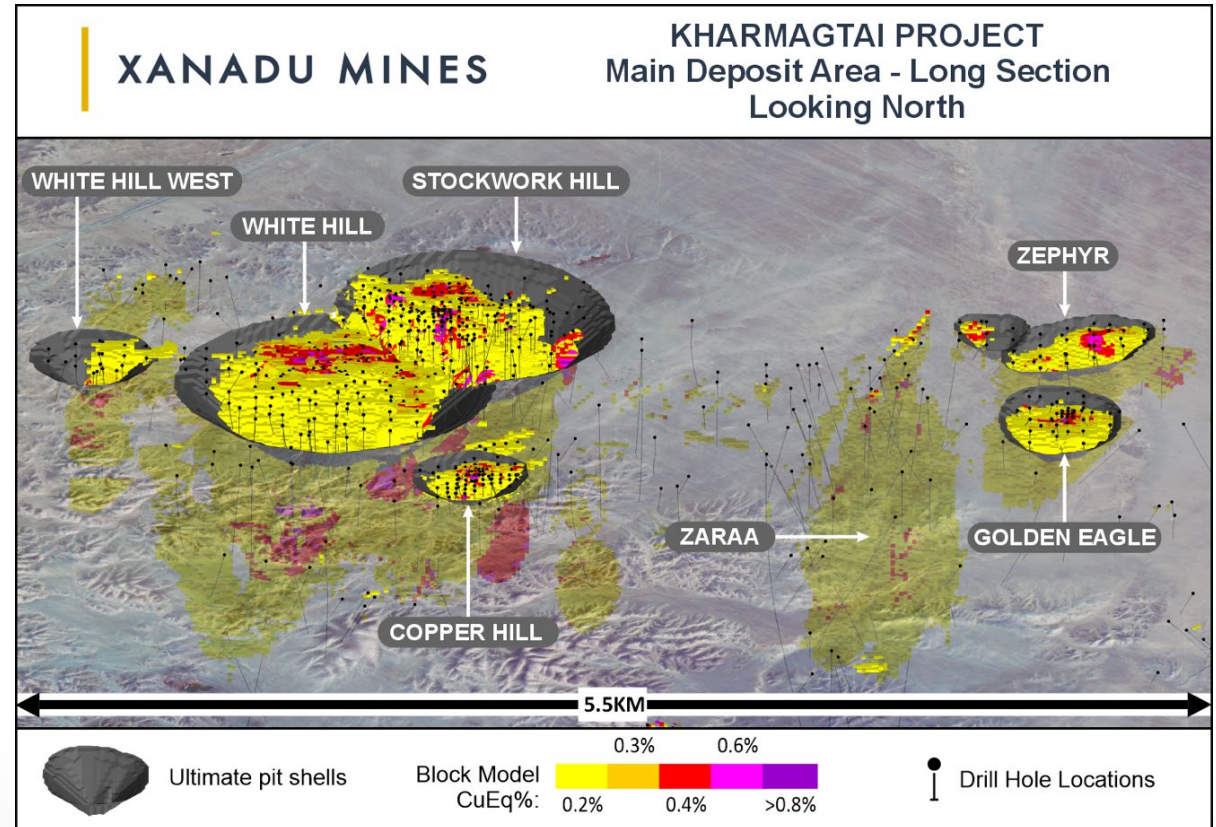
Stage 1 Targeting Grade, Early

Pit sequence and stockpiling strategy to optimise Stage 1 ore processing feed grades
Potential for oxide pre-strip to heap leach (subject to test-work)

Stage 2 Expansion

Scaled up mining rate to match elevated process throughput
Larger, Company-owned equipment fleet; aiming to use hybrid EV haulage, with trolley assist being probable

PEA Pits Overlaid to 2023 Resource



Process Engineering and Design - Conventional Circuit

Future proofing, designing for growth up to 40Mtpa

Comminution - Two Stages

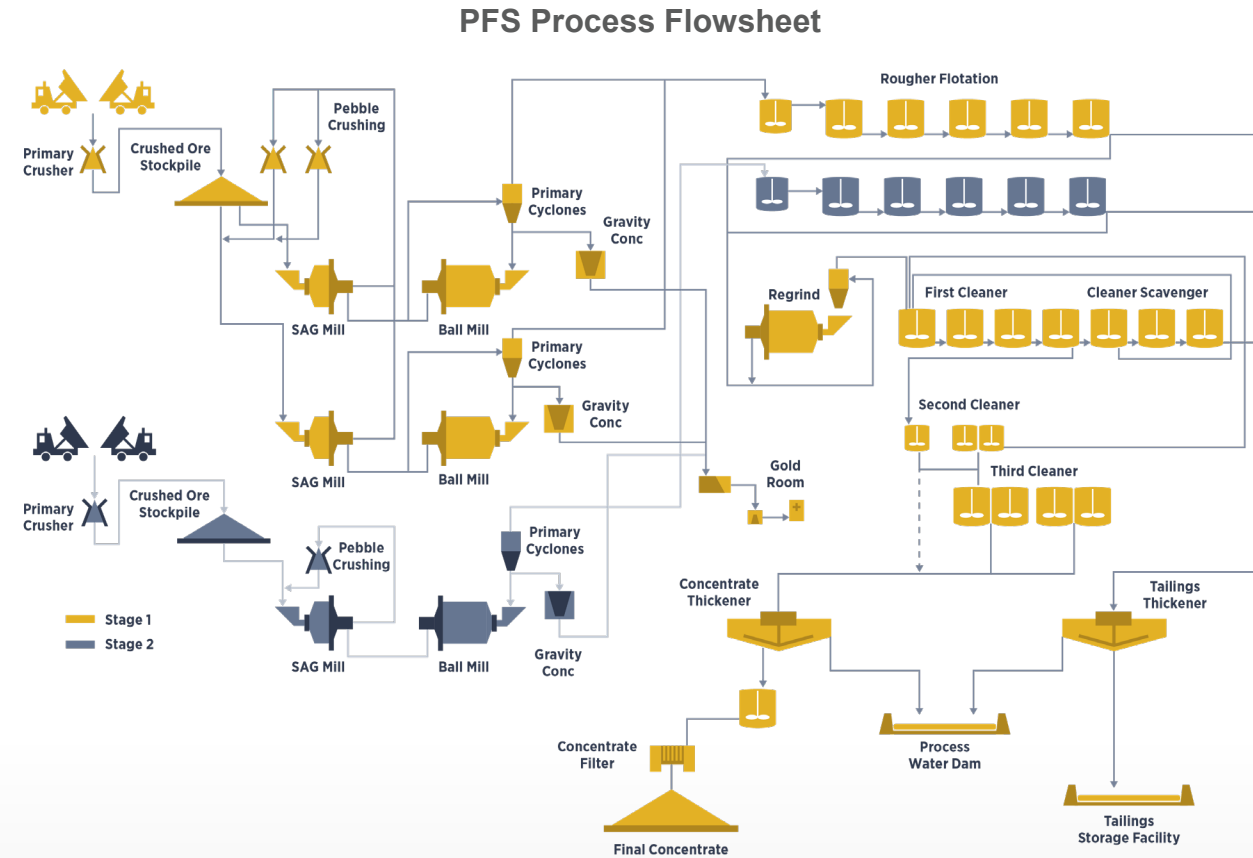
- Stage 1: 20-26 mtpa using 2x 20MW SABC (PEA 15Mtpa)
- Stage 2: 30-40 mtpa using 1x or 2x 20MW SABC and coarser grind (PEA 30Mtpa)
- Ultimate constraint will be access to water. Water supply studies are currently underway at Kharmagtai
- Coarse particle flotation could de-bottleneck Stage 2

Sulphide Flotation – Optimising for Value

- Includes gravity circuit, single stage rougher, regrind and three stages of cleaning

Oxide Leaching – Capturing Upside

- Targets acid copper leach followed by glycine neutralization and cyanide gold/silver leach



Positive Metallurgy Results

Positive results from the base case and uplift test-work

Flotation Test-work

- Rougher flotation recovery up to 98% copper and 95% gold
- In line with or better than Scoping Study assumptions
- Next stage regrind & cleaner flotation underway

Grind Size

- 150 μm for Stage 1 and 212 μm for Stage 2 expansion
- Coarse particle flotation results highlight potential to further optimize Stage 2 grind size

Oxide Leach

- Column leaching tests at MPS had recoveries of up to 93% copper and 46% gold over 8 weeks
- 2022 PEA treated oxide as waste pre-strip
- 52Mt oxide material in Resource, primarily top 20m near surface

Oxide Column Leach at Zijin Research Labs

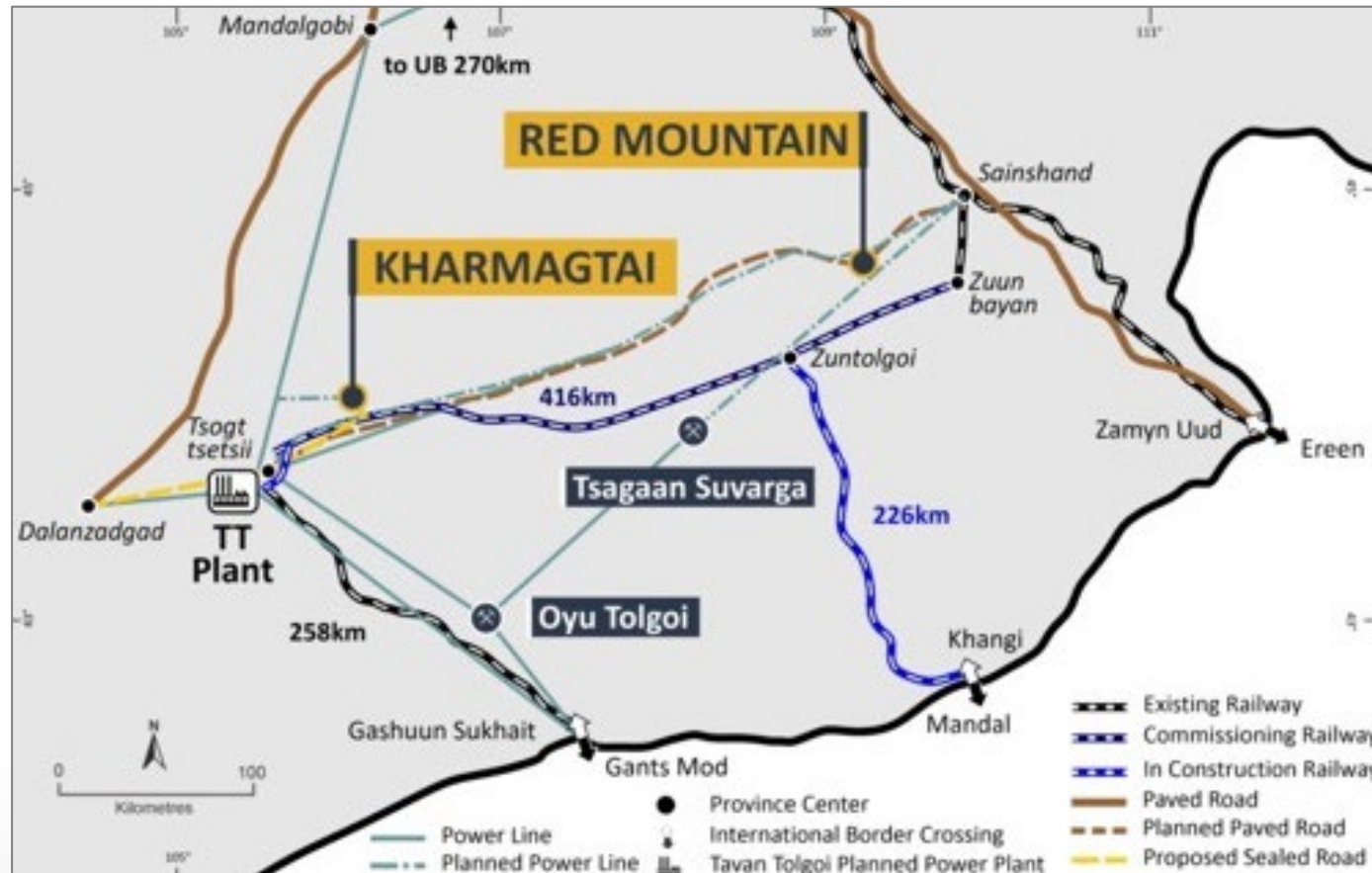


South Gobi Infrastructure Enhances Kharmagtai

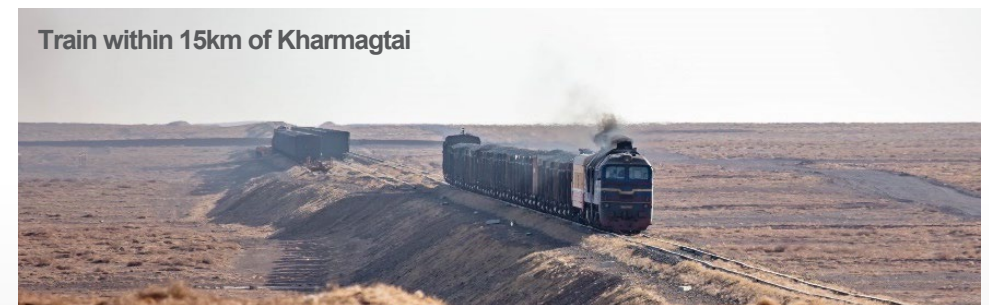


The Mongolian Government is investing heavily in the mining sector

South Gobi Regional Infrastructure



- New rail lines across South Gobi link Kharmagtai to the major north-south rail corridor
 - New southern rail lines add more links to China
 - New sealed road follows rail line
- Mongolia seeking funding for new power plant at Tavan Tolgoi (TT Plant)



Exploration is our Competitive Advantage

Uniquely positioned with deep exploration skills and Mongolian know how

XANADU'S PORTFOLIO

Kharmagtai (JV)

Growth via lateral and depth extensions

Red Mountain (100%)

Targeting smaller but higher-grade copper and gold

Sant Tolgoi (Earning up to 80%)

Early-stage magmatic copper-nickel systems

Business Development

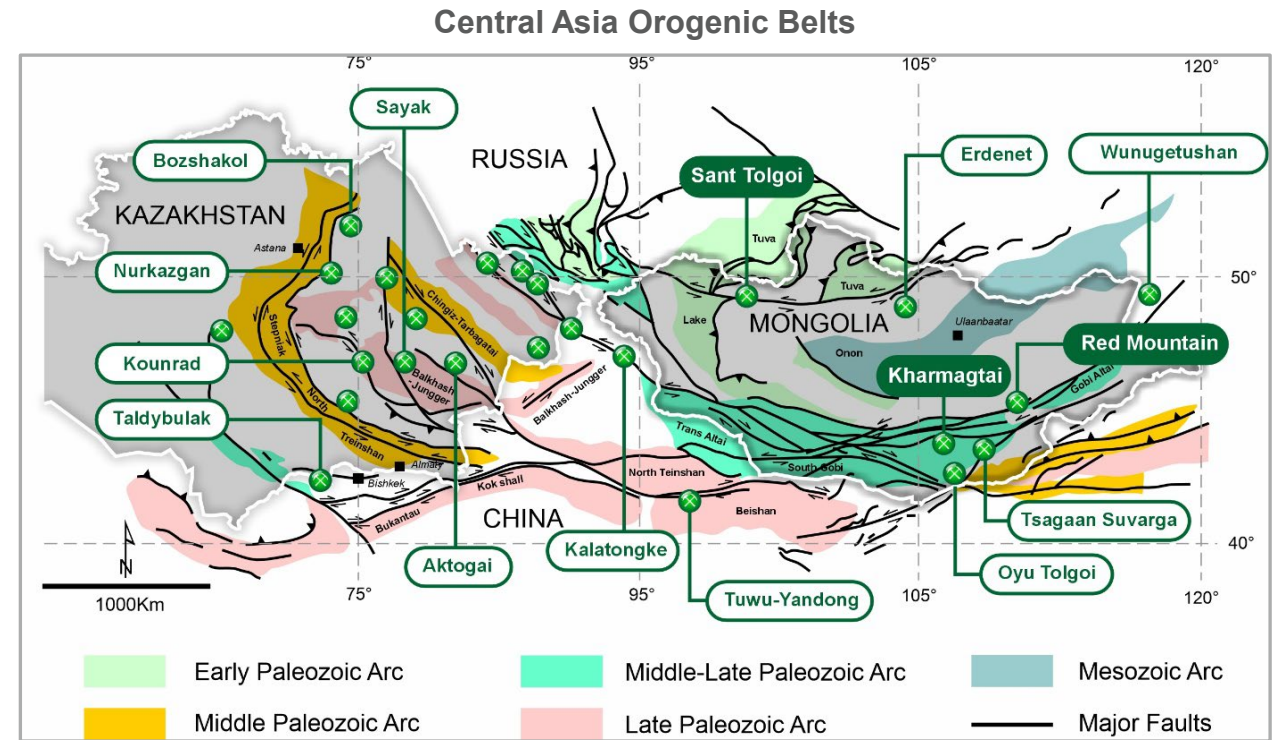
Proactive search for quality projects

Central Asian Orogenic Belts

Under-explored copper and gold jurisdiction in Mongolia

Exploration Strategy

- Leverage experience and competitive advantage in Mongolia
- Focus on copper, gold and other future facing minerals
- Build a portfolio of high-quality projects through acquisition, exploration and development
- Use modern exploration techniques and deep exploration experience to make significant new discoveries



Minimum Exploration Target Size: >10 years at +100koz gold and/or 20kt CuEq per annum

Red Mountain Exploration

5,000m drill program will test multiple porphyry related gold and copper targets

Target 33 – Targeting shallow high-grade gold mineralisation

Previous drill results of **40m @ 1.06g/t Au**
incl. **10m @ 3.7g/t Au** from 50m*¹

Target 10 – Targeting High Grade Cu mineralisation

Previous drill results of **6.2m @ 4.24% Cu**
incl. **0.9m @ 22.1% Cu** from 129m*²

Bavuu – Targeting large-scale porphyry Cu-Au target

Previous drill results of **200m @ 0.32% CuEq**
incl. **14m @ 0.6% CuEq** from surface

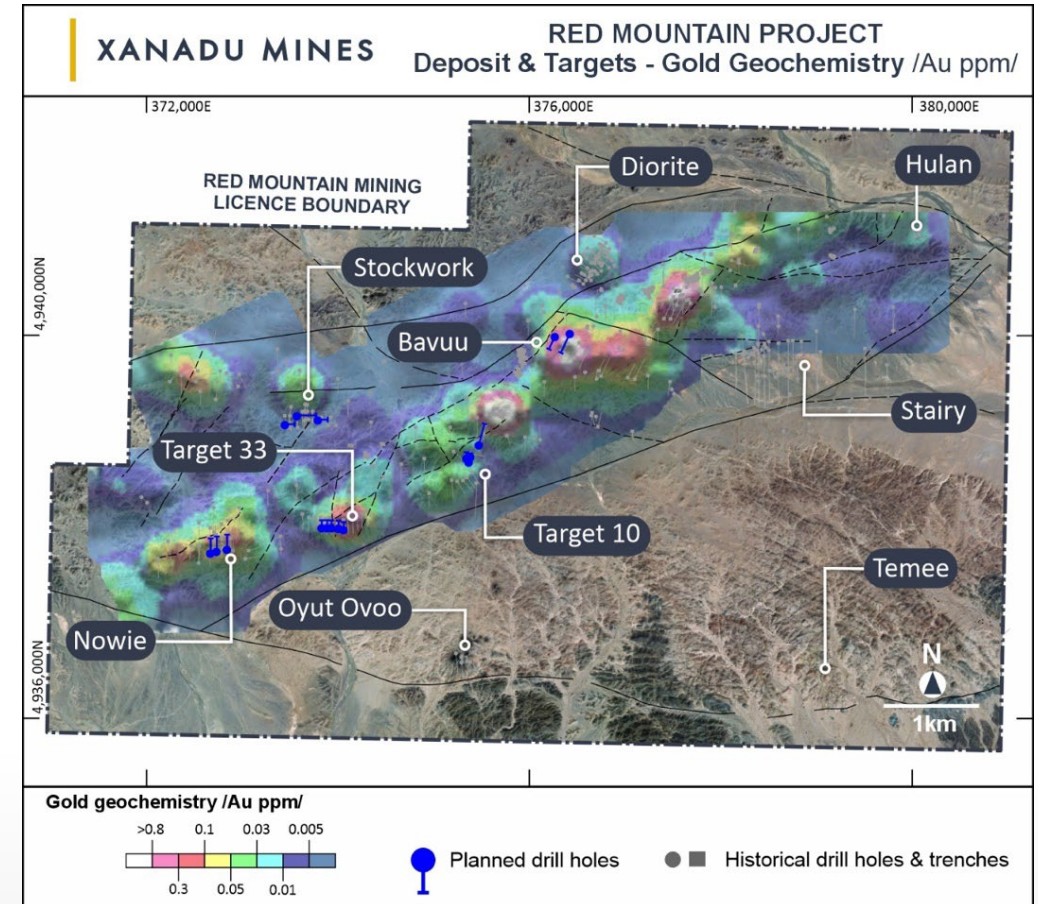
Stockwork – Outcropping porphyry Cu-Au target

Historical drill results of **64m @ 0.59% CuEq**,
incl. **18m @ 1.08% CuEq** from 64m

Nowie - Targeting shallow high-grade porphyry target

Historical trenching - OUXT008 **95m @ 0.68% Cu**
and **0.48g/t Au** (0.93% CuEq)

Red Mountain Targets

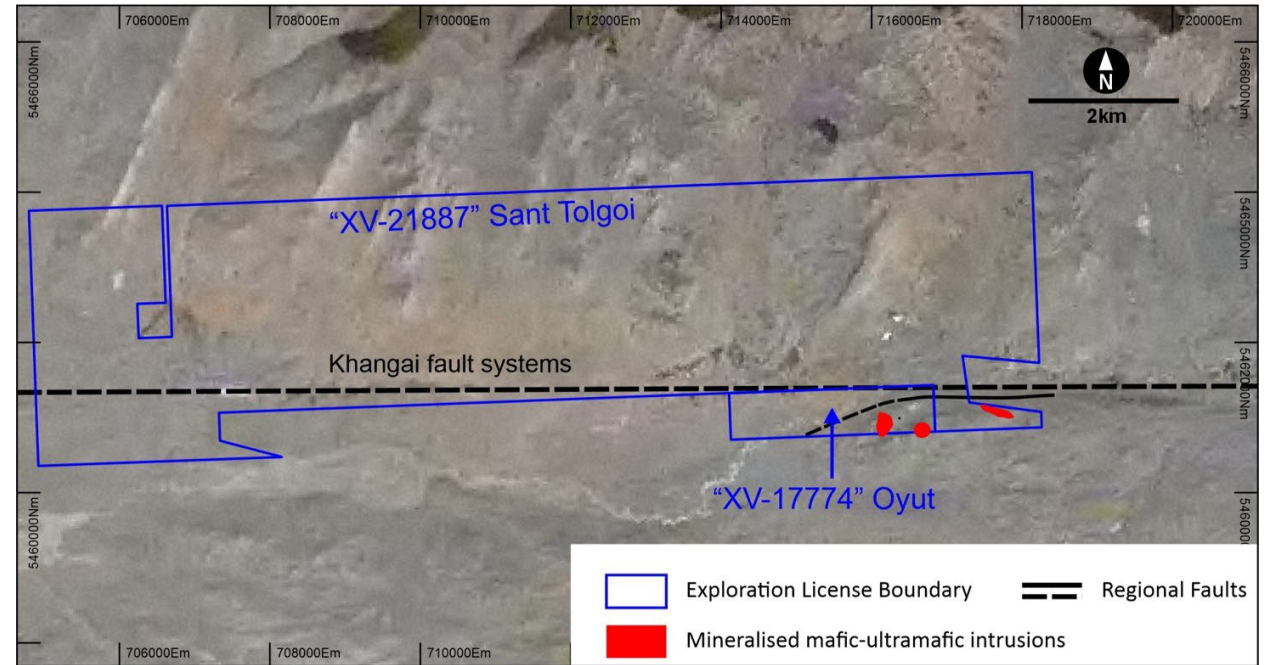


Sant Tolgoi Added to Portfolio

New Magmatic Copper-Nickel project in Western Mongolia

- Binding term sheet signed, granting right to earn up to 80% interest in two exploration licenses, which comprise the Sant Tolgoi project
 - XV-17774 (Oyut)
 - XV-21887 (Sant Tolgoi)
- Located in the Zavkhan Province of Western Mongolia
- Highly prospective for discovery of new magmatic intrusion-related Copper-Nickel sulphide systems
- Hosts multiple shallow copper-nickel targets over several kilometres of strike
- Detailed mapping, geochemistry and geophysics is planned to start in May 2024

Sant Tolgoi License Map



2024 Objectives



Delivering on Kharmagtai and positioning for the future

● Kharmagtai

- Work with Zijin Engineering to align & complete PFS by September 2024
- Release Maiden Ore Reserve
- Unlock metallurgical upside opportunities, including oxide leaching and coarse particle flotation
- Progress delivery of Mongolian Resource, Feasibility (TEZU) & Detailed Environmental Impact Statement (DEIA) reports
- Evaluation project funding optionality, working with strategic and funding advisor Bacchus Capital

● Exploration

- Update the Kharmagtai MRE for material drill holes completed since the December 2023 update
- Complete the current drilling program (5,000m) at the Red Mountain Copper-Gold Project
- Conduct an initial field evaluation at Sant Tolgoi and identify high priority drilling targets

Kharmagtai Core Processing Facility



Final Comments

Exciting year ahead in 2024

ASX:**XAM** | TSX:**XAM**



Meeting Formalities

- Notice of Meeting distributed on 22 April 2024
- Taken as Read

Receipt and Consideration of Reports

- Financial Report for the year ended 31 December 2023
- Siobhan Hughes from Ernst & Young is available to answer questions related to the 2023 year-end audit

Resolutions



ASX:XAM | TSX:XAM

Resolution 1

Re-election of Director – Tony Pearson

“That Mr. Tony Pearson, who retires in accordance with Rule 39.1(c) of the Company’s Constitution and being eligible for election, be re-elected as a Director of the Company.”

Resolution 1 Proxy Votes

Re-election of Director – Tony Pearson

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
651,407,651	76,706,087	499,150	835,471

Resolution 2

Remuneration Report

“That the Company’s Remuneration Report for the financial year ended 31 December 2023 as set out in the Directors’ Report, is adopted.”

Resolution 2

Remuneration Report

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
662,936,019	40,131,625	499,150	2,913,366

Resolution 3

Grant of Options to Colin Moorhead

“That, in accordance with the provisions of Listing Rule 10.14 and for all other purposes, the Company be authorised to issue 5,000,000 options to subscribe for Shares with a zero exercise price to Colin Moorhead, being a Director of the Company, or his nominee and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice.”

Resolution 3

Grant of Options to Colin Moorhead

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
683,784,458	14,296,126	499,150	2,896,026

Resolution 4

Grant of Options to Ganbayar Lkhagvasuren

“That, in accordance with the provisions of Listing Rule 10.14 and for all other purposes, the Company be authorised to issue 4,000,000 options to subscribe for Shares with a zero exercise price to Mr Ganbayar Lkhagvasuren, being a Director of the Company, or his nominee and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice.”

Resolution 4

Grant of Options to Ganbayar Lkhagvasuren

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
683,769,358	14,311,226	499,150	19,454,355

Resolution 5

Grant of Options to Michele Muscillo

“That, in accordance with the provisions of Listing Rule 10.14 and for all other purposes, the Company be authorised to issue 3,000,000 options to subscribe for Shares with a zero exercise price to Mr Michele Muscillo, being a Director of the Company, or his nominee and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice.”

Resolution 5

Grant of Options to Michele Muscillo

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
608,955,150	93,979,834	649,150	2,896,026

Resolution 6

Grant of Options to Tony Pearson

“That, in accordance with the provisions of Listing Rule 10.14 and for all other purposes, the Company be authorised to issue 3,000,000 options to subscribe for Shares with a zero exercise price to Mr Tony Pearson, being a Director of the Company, or his nominee and otherwise on terms set out in the Explanatory Memorandum accompanying this Notice.”

Resolution 6

Grant of Options to Tony Pearson

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
603,965,850	94,114,734	499,150	2,896,026

Resolution 7

SPECIAL RESOLUTION – Proportional Takeover Provisions

“That the proportional takeover provisions in Article 76 of the Company’s Constitution be renewed and re-instated with effect from the close of this Annual General Meeting for a period of three years commencing on the day this resolution is passed.”

Resolution 7

SPECIAL RESOLUTION – Proportional Takeover Provisions

Proxy Votes received prior to the meeting

For	Against	Open	Abstain
533,332,005	36,837,460	129,150	1,760,000

General Questions

ASX:XAM | TSX:XAM



Meeting Close



XANADU MINES



Keep up to date with us



ASX:XAM | TSX:XAM

Contact Us

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Competent Person's Statement



The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code 2012') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this announcement has been presented in accordance with the JORC Code 2012.

Mineral Resources: The information in this announcement that relates to Mineral Resources is based on information compiled by Mr. Robert Spiers who is responsible for the Mineral Resource estimate. Mr Spiers is a full-time Principal Geologist employed by Spiers Geological Consultants (SGC) and is a Member of the Australian Institute of Geoscientists with sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the "Qualified Person" as defined in the CIM Guidelines and National Instrument 43-101. Mr Spiers consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Exploration Results: The information in this announcement that relates to Exploration Results is based on information compiled by Dr Andrew Stewart who is responsible for the exploration data, comments on exploration target sizes, QA/QC and geological interpretation and information. Dr Stewart, who is an employee of Xanadu and is a Member of the Australasian Institute of Geoscientists, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the "Competent Person" as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves" and the National Instrument 43-101. Dr Stewart consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Metallurgy: The information in this Announcement that relates to metallurgy and metallurgical testwork has been reviewed by Graham Brock, BSc (Eng), ARSM. Mr Brock is not an employee of the Company but is employed as a contract consultant. Mr Brock is a Fellow of the Australasian Institute of Mining and Metallurgy; he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves and the National Instrument 43-101. Mr Brock consents to the inclusion in this report of the contained technical information in the form and context as it appears.

Designated Foreign Issuer (TSX)



Xanadu Mines Ltd is listed on the Australian Securities Exchange and Toronto Stock Exchange. It is a “designated foreign issuer” as defined in National Instrument 71-102–Continuous Disclosure and Other Exemptions Relating to Foreign Issuers and is subject to the regulatory requirements of the Australian Securities & Investments Commission and the Australian Securities Exchange.

Copper Equivalence

Calculation consistent with 2023 MRE

The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage with a metallurgical recovery factor applied.

Copper equivalent (CuEq) grade values were calculated using the formula:

$$\text{CuEq} = \text{Cu} + \text{Au} * 0.60049 * 0.86667$$

Where:

- Cu = copper grade (%);
- Au = gold grade (g/t);
- 0.60049 = conversion factor (gold to copper);
- 0.86667 = relative recovery of gold to copper (78% / 90% = 86.67%);
- Copper price = US\$3.40/lb
- Gold price = US\$1,400/oz

Upgraded Mineral Resource Estimate

One of the largest undeveloped copper deposits in the world

- Classification – 63% Indicated including >90% within PEA pit shell volumes
- Includes 125Mt @ 0.75% CuEq in higher-grade zones
- Remains open along strike and at depth
- Strong results from recent drilling at White Hill and Golden Eagle yet to be included in MRE, will be updated as part of the PFS report
- Updated December 2023 based on PFS Infill Drill Program

Resource	Cutoff (% CuEq)	Classification	Tonnes (Mt)	Grades			Contained Metal			
				CuEq (%)	Cu (%)	Au (g/t)	CuEq (Mlbs)	CuEq (kt)	Cu (kt)	Au (koz)
2023	0.20 (OC)	Indicated	790	0.38	0.27	0.22	6,700	3,000	2,100	5,600
	0.30 (UG)	Inferred	460	0.37	0.27	0.19	3,800	1,700	1,300	2,800