

MAIDEN DRILLING COMMENCES AT BLUEBUSH REE PROJECT

HIGHLIGHTS

- **Maiden auger drill program commences at the recently acquired Bluebush Rare Earth Element (“REE”) Project** located in Central Brazil, utilising Alvo’s in-house truck mounted auger rig.
- **Auger drilling will be focused on testing the depth and lateral extensions of existing mineralisation as well as extensive sampling of the saprolite to confirm ionic clay mineralisation.**
- Early-stage exploration work completed by the vendors has confirmed high-grade REEs at shallow levels with values **up to 4,500ppm TREO in alluvials and 2,350ppm TREO in saprolite (clay).**
 - **Saprolite results recorded a very high magnet rare earth split averaging 35% (MREO/TREO)**
 - **Historical auger drilling focused on surface alluvials with an average hole of 3.6m**
 - **Alvo truck mounted auger drill rig has capacity up to 30m depth**
- Drilling will commence at the Fazendinha, Ferradura and Boa Vista prospects, where previous drilling intercepted REE mineralisation from surface to end of hole (EOH), including:
 - **5m @ 1,139ppm TREO (36% MREO)** auger ERRO072AGR from 1m to EOH (Fazendinha)
 - **13m @ 928ppm TREO (33% MREO)** auger ERRO017AGR from 0m to EOH (Ferradura)
 - **6m @ 1,188ppm TREO (37% MREO)** auger ERRO273AGR from 1m* (Boa Vista 01)
- Alvo will use its auger drilling expertise that has seen 666 auger holes for 6,044m completed at the Palma VMS Project since mid-January 2023. Previous owners drilled a total of 258 auger holes for approximately 930m.

Alvo Minerals Limited (ASX: ALV) (“Alvo” or the “Company”) is pleased to announce the commencement of the maiden drill program at the recently acquired Bluebush REE Project (“**Bluebush**”), located on the northern half of the Serra Dourada granite, host of the Serra Verde Ionic Clay REE deposit (“**Serra Verde**”) (see Figure 1). Serra Verde boasts a Mineral Resource¹ of 911Mt @ 1,200ppm Total Rare Earth Oxide (“**TREO**”) and a Mineral reserve of 350Mt @ 1,500ppm TREO, and is believed to be the only Ionic Clay project in construction outside of China.

Rob Smakman, Alvo’s Managing Director commented on the Bluebush Project:

“When we listed on the ASX in October 2021 we commenced our maiden diamond-drill program at the Palma VMS Project within three days, now we are commencing our maiden auger drill program at the Bluebush REE Project within a week of the acquisition. We haven’t slowed down since IPO and aren’t planning on it.

“The auger drill program is the first phase of due diligence as we test the depth profile of the REE mineralisation hosted in the saprolite (clay) and send samples to the laboratory to confirm Bluebush is a true ionic clay deposit. We are confident in the likelihood of the results as Serra Verde to the south is on the same granite formation and exhibits similar characteristics of REE mineralisation identified by the previous owners of Bluebush.”



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PROJECT

Bluebush REE Project
Palma VMS Cu/Zn Project

Shares on Issue 72,830,314
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*Figure 1 Alvo's auger rig drilling at Bluebush REE Project.
Note the piles of samples representing saprolite intercepted in the hole (each pile represents a metre of advance).*

The maiden drill program will initially commence at northern prospects Fazendinha and Ferradura (see Figure 2), that intercepted rare earth mineralisation from surface to end of hole (EOH), including²:

- **5m @ 1,139ppm TREO (36% MREO) auger ERRO072AGR from 1m to EOH (Fazendinha)**
- **13m @ 928ppm TREO (33% MREO) auger ERRO017AGR from 0m to EOH (Ferradura)**
- **6m @ 1,188ppm TREO (37% MREO) auger ERRO273AGR from 1m* (Boa Vista 01)**

The owners of Bluebush drilled a total of 258 auger holes for approximately 930m (average 3.6m depth) (see Figure 3). The auger drilling would often stop once the saprolite clay horizon was intercepted as the primary targets were the alluvials (and partly due to restrictions of the handheld equipment) and as such, the routine sampling of these horizons often ended in mineralisation.

Alvo will utilise its in-house auger drilling expertise that has seen it drill 666 auger holes for 6,044m since mid-January 2023 completed at the Palma VMS Project to rapidly progress the Bluebush REE Project.

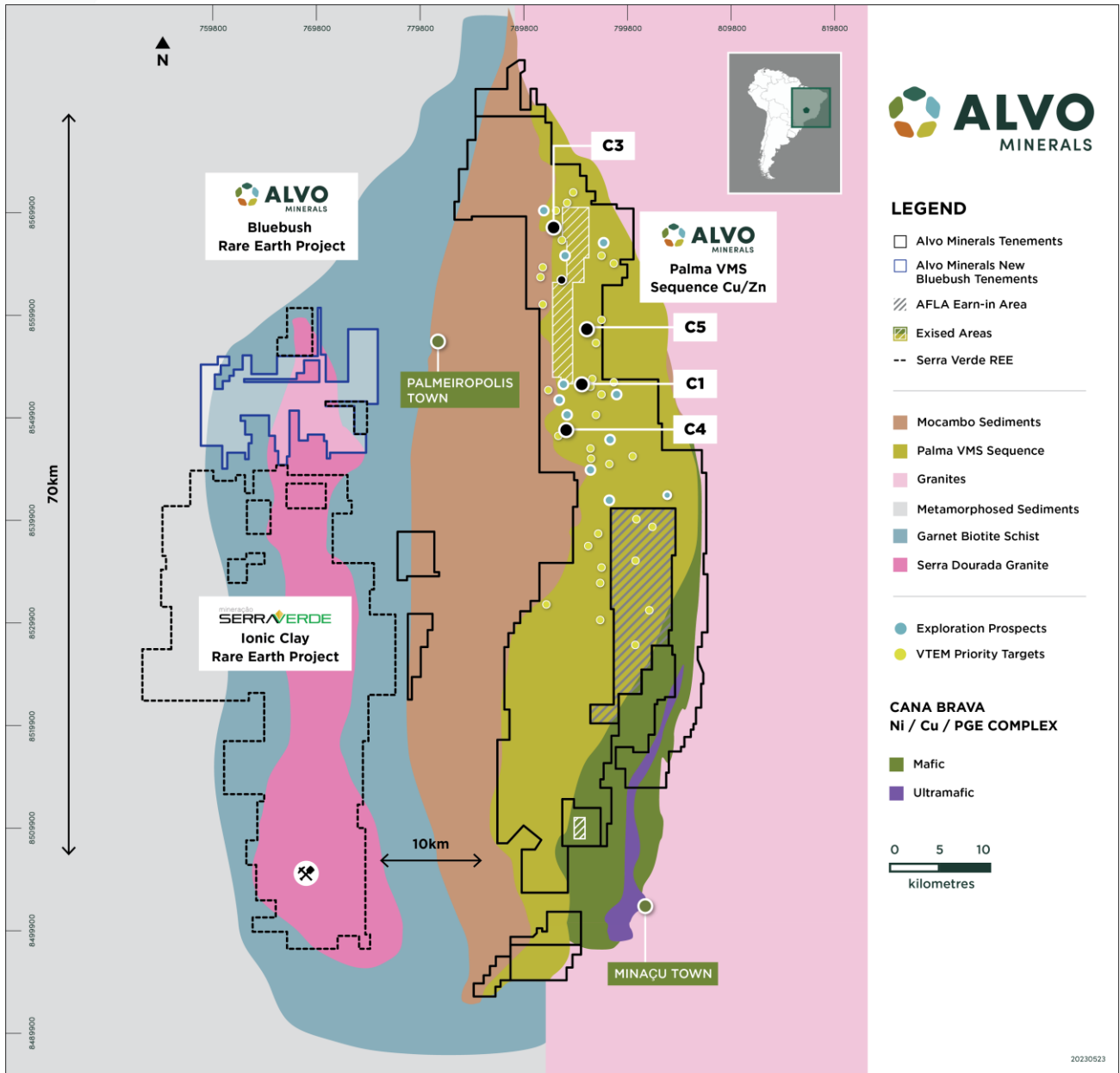


Figure 2: Regional geology and tenement holdings for Alvo's Palma project area and Bluebush REE Project area.

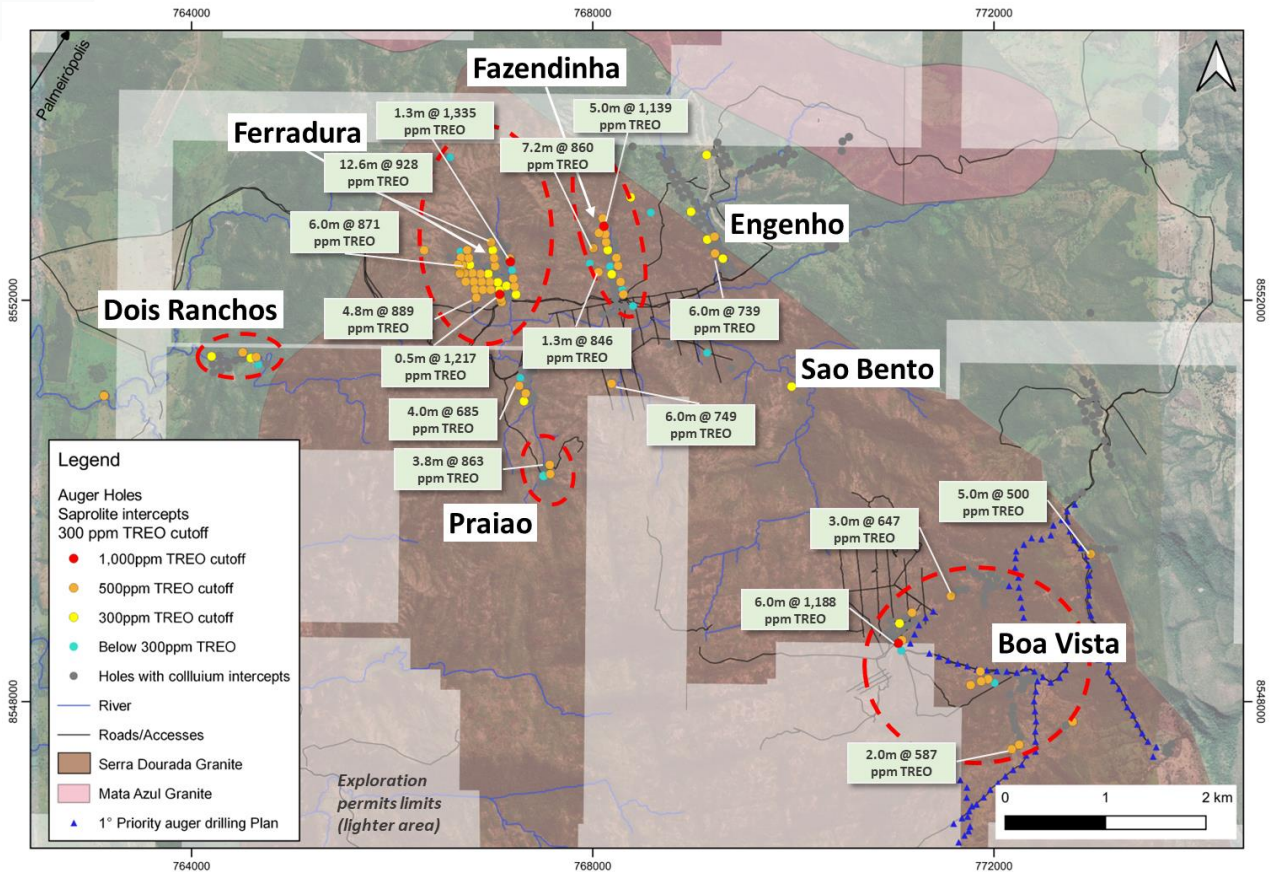


Figure 3: Bluebush auger results completed by vendor with highlights of shallow saprolite (clay) drilling.

¹ Refer to Serra Verde presentation: <https://www.cetem.gov.br/antigo/images/palestras/2015/iisbtr/05-denilson-fonseca.pdf>

² Refer to ASX Announcement 7 June 2023 - Agreement to Acquire Potential Tier 1 Ionic Clay Bluebush Rare Earth Project

This announcement has been approved for release by the Board of Alvo Minerals Limited.

ENQUIRIES

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Forward Looking Statements

Statements regarding plans with respect to Alvo's Palma Project and its exploration program are forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside Alvo's control and actual values, results or events may be materially different to those expressed or implied herein. Alvo does not undertake any obligation, except where expressly required to do so by law, to update or revise any information or any forward-looking statement to reflect any changes in events, conditions, or circumstances on which any such forward-looking statement is based.

Competent Person's Statement

The information contained in this announcement that relates to recent exploration results is based upon information compiled by Mr Rob Smakman of Alvo Minerals Limited, a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Smakman is a full-time employee of Alvo and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (or JORC 2012). Mr Smakman consents to the inclusion in this announcement of the matters based upon the information in the form and context in which it appears.

In relation to the MRE and other exploration results or estimates cross-referenced herein, these are extracted from the Independent Geologists' Report prepared by Target Latin America and others (the "IGR"), which is included in full in Alvo's prospectus dated 30 July 2021 (the "Prospectus") and which was announced to ASX within the Prospectus on 18 October 2021. Alvo confirms that it is not aware of any new information or data that materially affects the information included in the IGR and that all the material assumptions and technical parameters underpinning the Inferred Mineral Resource Estimate continue to apply and have not materially changed.

ABOUT ALVO

Alvo Minerals (ASX: ALV) is a base and precious metals exploration company, hunting high-grade copper and zinc at its flagship Palma Project, located in Central Brazil. The Palma Project has a JORC 2012 Inferred Mineral Resource Estimate - 4.6Mt @ 1.0% Cu, 3.9% Zn, 0.4% Pb & 20g/t Ag.

Alvo has recently signed an option to acquire the Bluebush REE Project a highly prospective ionic-clay REE project adjacent to its existing exploration base and along strike from the Serra Verde Ionic Clay REE Project, the only Ionic Clay REE project currently in construction outside of China.

Alvo's strategic intent is to aggressively explore and deliver growth through discovery, leveraging managements' extensive track record in Brazil. There are three phases to the exploration strategy – *Discover, Expand and Upgrade*.

Alvo is committed to fostering best in class stakeholder relations and supporting the local communities in which it operates.

