

## ASX ANNOUNCEMENT

26<sup>th</sup> May 2022

# EV Resources to acquire Christina Tin-Tungsten Project in Morocco

### HIGHLIGHTS

- EV Resources has agreed terms for an exclusive three month option to acquire the Christina Tin-Tungsten Project, located in central Morocco.
- Large permit area of 48km<sup>2</sup> prospective for tin and tungsten, a proportion of which has been converted to an Exploitation (Mining) licence.
- Project contains historical mine workings and outcropping tin-tungsten (cassiterite-wolframite) mineralisation in quartz veins and lenses.
- Access to the area is via sealed and unsealed roads with year round exploration possible.
- Acquisition price of US\$500,000 to be paid in staged payments.

Battery materials explorer, EV Resources Limited (ASX:EVR) (“**EVR**” or the “**Company**”) is pleased to announce it has reached terms with the owners of Skiait Mining Company SA (“**Skiait**”) for an exclusive option to acquire a 100% interest in that company, the 100% owner of Sokhret Allal Tin-Tungsten ‘Christina’ Project (“**Christina Project**”).

The Christina Project is situated in the southern portion of the large scale Zaér Intrusion, a major polyphase, zoned pluton that dominates Central Morocco.

There has been sporadic prospecting and small-scale mining for tungsten-tin over the entire project area since the 1930s. No plant was ever built with most of the ore handpicked. Without the assistance of a processing plant to separate the tin (cassiterite) and tungsten (wolframite) ores, the project has not proceeded to full-scale development. Only a small portion of the Project area has received any detailed appraisal, with one of three sub-parallel mineralised structures mapped to 800 metres strike extent during work undertaken in the 1980s.

The Christina Project is comprised of three permits and covers an area of 48km<sup>2</sup>, a proportion of which has been converted to an Exploitation or Mining Licence. No further permits are required to commence drilling.

#### Commenting on the acquisition, Executive Director, Adrian Paul, said:

*“The Christina Project offers the potential to enter an area with excellent access, good mining regulation and known mineralisation in place.*”

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*“The Project has all the hallmarks of a quality project, with several high-quality targets ready for assessment.*

*“We look forward to completing the transaction and commencing fieldwork on this attractive acquisition.”*



**Figure 1: Christina Project Location**

### **Mining in the Region**

Despite Morocco’s long mining heritage, the mining industry is largely underdeveloped. The main mine owners are the highly successful state-owned companies, Menagem and Onhym, along with a few artisanal miners that sell DSO grade ore to a few blenders and custom plant operators. Whilst mining and minerals are a part of Moroccan culture, there are few conventional miners, and most mining is artisanal in nature

Morocco has very good infrastructure including bituminised roads and high voltage power lines. Although the region can often appear dry, water is abundant, and most wells are found at shallow depths of less than 12 metres.

Initial exploration licences are issued for a period of 4-years, followed by a 3-year expansion licence, and then a 10-year mining licence (renewable upon demonstrated activity).

### **Historical Exploration and Mining at the Christina Project**

Geological prospecting in the Zaér region has been conducted since the 1950s, resulting in the discovery of tin-tungsten associated minerals hosted by the granite and the metamorphosed rocks surrounding it.

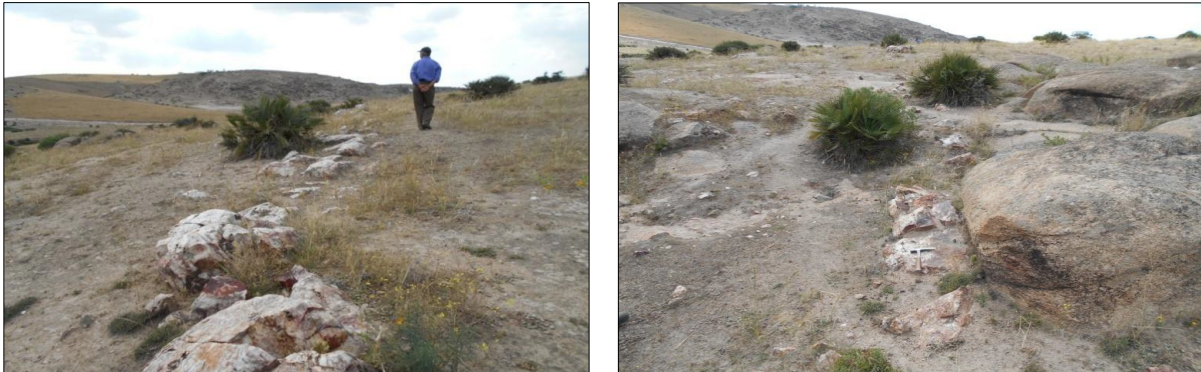
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The Sokhret Allal vein complex was the subject of research in the 1960s, which led to the identification of a tin-tungsten-rich area of granite on which reconnaissance mining work was conducted in January 1980. Veins 1 and 3 have been tested by underground mining with the deepest sub-level at 80 metres from surface on Vein 1.



*Photo 1: Mineralised quartz veins at Christina*

Quartz veins are arranged in lenticular bodies where wolframite mineralisation concentrates in the widest parts of the structures and lessens in terminal portions. This general appearance of the veins is due to the alternation of shear fractures that reflect a step arrangement. Greisen alteration also occurs locally at the edges of the mineralised zones which is accompanied by cassiterite mineralisation. The extent of structures cannot be precisely quantified due to the presence of stony cover. Some veins have been identified over more than 1.5 kilometres of strike (Veins 1 and 3). The veins comprise quartz with wolframite aggregates that are usually visible to the eye.

Previous work at the site includes:

- Geological surveying of old shafts
- Geological mapping at a scale of 1:2000
- Trenching and sampling at the surface of the mineralised structures
- 7km of serviceable unpaved roads
- Ore was handpicked and sorted, and grading 10% tin and 40% tungsten (Note - these grades will not be reflective of in situ grade due to selective sampling).

**Access**

Access to the area is via the national road (R401) connecting Oued Zem and Ouled Ftata for about 44km, then the provincial road (P3500) for about 4km. The last 5km is an unsealed road and is navigable with a 4x2 drive vehicle.

The details of the tenements are shown below in Table 1.

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**Table 1: Christina permit details**

Permit Number	Co-ordinates			
	B1	B2	B3	B4
<b>Permit No.</b> 2137940	X: 371,484.0 Y: 292,988.3	X: 375,484.0 Y: 292,988.3	X: 375,484.0 Y: 288,988.3	X: 371,484.0 Y: 288,988.3
<b>Permit No.</b> 2137970	X: 369,434.0 Y: 290,938.3	X: 373,434.0 Y: 290,938.3	X: 373,434.0 Y: 286,938.3	X: 369,434.0 Y: 286,938.3
<b>Permit No.</b> 1137830	X: 373,434.0 Y: 290,238.3	X: 377,434.0 Y: 290,238.3	X: 377,434.0 Y: 286,238.3	X: 373,434.0 Y: 286,238.3

**Transaction Terms**

EVR has reached an agreement with Mt Mohamed Ait Hmam and Mr Salomon Sidney Schinazi, the owners of Skiait Mining Company SA (“**Seller**”) to acquire 100% of the company which in turn owns 100% of the Christina Project. EVR has an exclusive option to explore and acquire the Project (“**Option**”) for a period of three months in consideration for the payment of US\$10,000 (“**Option Period**”), over which time it will carry out due diligence.

During the Option Period, EVR will have the exclusive right to (i) carry out exploration activities over the Permits, and (ii) carry out due diligence on the Sellers, the Permits, and Skiait that will include, but is not limited to, the review of legal title, surveys, drill results, and reports.

Upon satisfaction of due diligence, EVR will acquire 100% of the project for US\$500,000, payable as follows:

1. Upon exercise of the Option, a cash payment of US\$300,000 to acquire a sixty percent (60%) ownership in Skiait.
2. Upon the 6-month anniversary of the exercise of the Option, EVR will, at its sole and exclusive option, pay US\$200,000 in exchange for a further forty percent (40%) shareholding in Skiait (for a total 100% holding in Skiait).

If the payment to acquire the further 40% shareholding is not made within six months after exercising the Option, the Purchaser shall continue to hold and own a sixty percent (60%) shareholding in Skiait.

Completion is conditional upon the following conditions precedent (“**Conditions Precedent**”):

1. EVR has carried out due diligence to its satisfaction of the Seller, Skiait, the Permits (confirming their perimeters, validity and good standing which includes the production by the Sellers of a 'certificate of conformity' and a mining registry map showing the Permit boundaries) and the Project;
2. EVR has exercised the Option;
3. the Parties obtaining all required regulatory and shareholder, including any requirements of the ASX Listing Rules and the Australian Corporations Act;
4. the Parties signing definitive agreements and documentation to achieve the objectives of the acquisition, including the Sales Agreement (“**Transaction Documents**”); and
5. the Parties obtaining any third-party consents necessary to give effect to the terms of the Term Sheet and the transfer of Skiait, and the Project, to EVR.

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*This ASX announcement was authorised for release by the Board of EV Resources Limited.*

**Competent Person's Statement**

The information in this announcement that relates to the Christina Project, is based on information compiled by Mr Erik Norum who is a Member of the Australian Institute of Geoscientists. Mr Norum is contracted to EVR. Mr Norum has sufficient experience which is 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Norum consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

**Forward Looking Statement**

Forward Looking Statements regarding EVR's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that EVR's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that EVR will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of EVR's mineral properties. The performance of EVR may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

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