

FINANCIAL CLOSE AND FIRST FUNDING DRAWDOWN FOR GORNO

HIGHLIGHTS

- The Gorno Project (**Gorno**) has been transferred to Vedra Metals SRL (**Vedra**), a special purpose joint-venture company owned by Altamin (via its wholly owned subsidiary, Energia Minerals (Italia) SRL (**EMI**)) and Appian Italy B.V (**Appian**), following completion under the binding subscription and joint venture agreement (**Joint Venture Agreement**).
- Appian has paid ~A\$3.8 million¹ (US\$2.6 million) to earn an initial interest of approximately 9.96% in Vedra, with all conditions precedent to the remaining first tranche funding having been satisfied or waived.
- Vedra to draw a further ~A\$10.9 million¹ (US\$7.4 million) of first tranche funding under the Joint Venture Agreement, following which Appian's interest in Vedra will increase up to approximately 29.9%
- It is intended that this funding is applied to a ~19,000m drilling campaign, completion of a Definitive Feasibility Study (**DFS**) and completion of Gorno permitting.

Altamin Limited (**Altamin** or **the Company**) (**ASX:AZI**) is pleased to announce that completion has occurred under the Joint Venture Agreement.

The assets comprising the Gorno Project have been transferred to Vedra and Appian has paid an initial ~A\$3.8 million¹ (US\$2.6 million) to earn an initial interest of approximately 9.96% in Vedra. All applicable conditions precedent relating to the remaining first tranche funding have been satisfied or waived, such that the remaining ~A\$10.9 million¹ (US\$7.4 million) committed may be drawn by Vedra when required. Appian will earn up to an approximately 29.9% interest in Vedra as the remaining first tranche funding is drawn.

It is intended that this first tranche of funding will be used solely on Gorno to significantly expand the drilling at Gorno through a campaign for ~19,000m, complete all permitting, conduct a DFS and build the in-country team in preparation for a final investment decision (**FID**). The drilling programme will comprise of both infill and step-out drilling, as well as commence initial exploration of the further geological potential at Gorno.

In the event Vedra's equity funding requirements prior to FID exceed the US\$10 million of committed first tranche funding, each of EMI and Appian have the right under the Joint Venture Agreement to fund any additional amounts pro-rata to their interest in Vedra at the same valuation.

Following a FID, Appian has the right to acquire up to a further 37.5% in Vedra by funding all cash requirements of Vedra between the FID and the project completion date (the Development Phase), up to a further ~A\$80.9 million¹ (US\$55 million). Each of EMI and Appian have the right to fund any additional amounts pro-rata to their interest in Vedra to the extent that Vedra's Development Phase equity funding requirements exceed US\$55million. Assuming Appian exercises its rights in the Development Phase, Gorno will benefit by leveraging off Appian's successful team, track record and systems to assist with project management, construction and commissioning.

Mr Geraint Harris, Managing Director of Altamin said:

I am delighted to close this funding with Appian for such an exciting growth and development strategy, with drilling and permitting activities having already started at Gorno. This funding demonstrates that Appian shares our conviction that Gorno is a potentially world class deposit with every chance of becoming a new mine. Our partnership with Appian brings their focus to a new and prospective area of Western Europe and enhances our teams project development skills with Appian's project construction and operational skill-set, whilst significantly reducing equity dilution and finance risk for our shareholders. We also look forward to the drilling news flow re-starting in the new year.

¹ At the approximate exchange rate of A\$1.00 = US\$0.68 as at 14 December 2022.



Mr Michael W. Scherb, Founder and CEO of Appian said:

Appian is pleased to close its initial investment in the Gorno project through the Vedra Metals joint venture and embark on the journey of developing Gorno and delivering the full potential of the project for the benefit of all stakeholders. Gorno is a high-quality asset with a highly prospective resource and strong local support and Appian looks forward to working with the Altamin and Vedra team to progress the development of the asset and bring Gorno into production.

Whilst the Regione Lombardia has granted permission for the transfer the Gorno exploration licence to Vedra and the transfer has been notarised and lodged, the issue of a final decree by the Regione Lombardia stating that Vedra holds legal title to the mining tenement comprising the Gorno Project within 120 days after the date of completion remains a condition subsequent under the Joint Venture Agreement. If this condition subsequent is not satisfied or waived within the relevant time, Appian may terminate the Joint Venture Agreement, in which case the parties must promptly take all actions necessary to unwind the actions taken at completion.

The initial board of Vedra consists of two nominees of each of EMI and Appian, comprising Mr Geraint Harris, Mr Stephen Hills, Mr Andrew Wray and Mr Paul Schaffer. Mr Wray has been appointed as the initial Chairman of the board of Vedra. Vedra's by-laws have been amended to reflect, to the maximum extent permitted by Italian law, the provisions and principles set out in the Joint Venture Agreement.

Details of the material terms of the Joint Venture Agreement are summarised in Altamin's ASX announcement of 19 October 2022.

Given the joint venture over the Gorno Project, Altamin and Vedra have entered into revised arrangements with Orme Minerals Services Limited (**Orme**), a company controlled by Mr Harris under which his services have been engaged, so that consulting fees of GBP10,500 and GBP2,000 per month are payable by Vedra and Altamin respectively for a 24-month term commencing from the date of completion under the Joint Venture Agreement (subject to either party giving six-month notice). Mr Harris will continue to be entitled to a Director's fee payable by Altamin. The material terms of the consulting agreements with Altamin and Vedra are materially unchanged, as is the total quantum of consulting fees payable to Orme.

This announcement is authorised by the Altamin board.

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About Appian

Appian Capital Advisory LLP is a European headquartered investment advisor to long-term value-focused private equity funds that invest solely in mining and mining-related companies.

Appian is a leading investment advisor in the metals and mining industry, with global experience across South America, North America, Europe, Australia and Africa and a successful track record of supporting companies to achieve their development targets, with a global operating portfolio overseeing nearly 5,000 employees. Appian has a global team of 58 experienced professionals with presences in London, Toronto, Vancouver, Lima, Belo Horizonte, Montreal and Perth. The Appian team has a long history of successfully bringing mines through development and into production, having completed 7 mine builds in the last 4 years.

For more information please visit www.appiancapitaladvisory.com, or find us on LinkedIn, Instagram and Twitter.

Forward looking statements

This announcement may include forward-looking statements about Altamin, Appian and Vedra / the Gorno Project. Forward-looking statements are statements that are not historical facts and include statements regarding the schedule and completion of various steps in the Joint Venture. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These risks and certain other factors include: Altamin and Appian's expectations regarding the Joint Venture, regulatory requirements applicable to the Joint Venture, whether each party exercises their respective rights to meet additional funding requirements and other factors that may be beyond the control of Altamin and Appian. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including the risks factors listed above, other risks inherent in the mining industry and other risks described in public documents. Although Altamin and Appian have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward- looking statements. Neither Altamin nor Appian undertake to update any forward-looking statements, except as required by applicable securities laws.