

## Megado to Acquire Major European Copper Project

### HIGHLIGHTS

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- Agreement executed to acquire an 80% interest in a major European Copper Project
  - Project consists of 12 permits (under application) covering an area of 956km<sup>2</sup> of historically copper producing strata along approximately 200km of strike E-W
  - Assay results from rock fragments taken from former operating mine include 9.66% Cu and 141g/t Ag (Refer table 2 below)
  - Copper is a strategic critical mineral under the EU's 2024 Critical Raw Materials Act
  - Megado to issue 175m ordinary shares for 80% of Iberian Copper Pty Ltd which in turn owns 100% of the Project
  - An additional two tranches of 175m performance rights to be allotted with Mineral Resource Estimate based milestones
  - Issue of securities in connection with the transaction are subject to shareholder approval
  - Non-renounceable rights issue on a one for two ordinary share basis at 1.2c per ordinary share to be completed
  - Non-brokered 38m share placement to be completed at 1.2c per share with a further 12m shares to be issued, subject to shareholder approval
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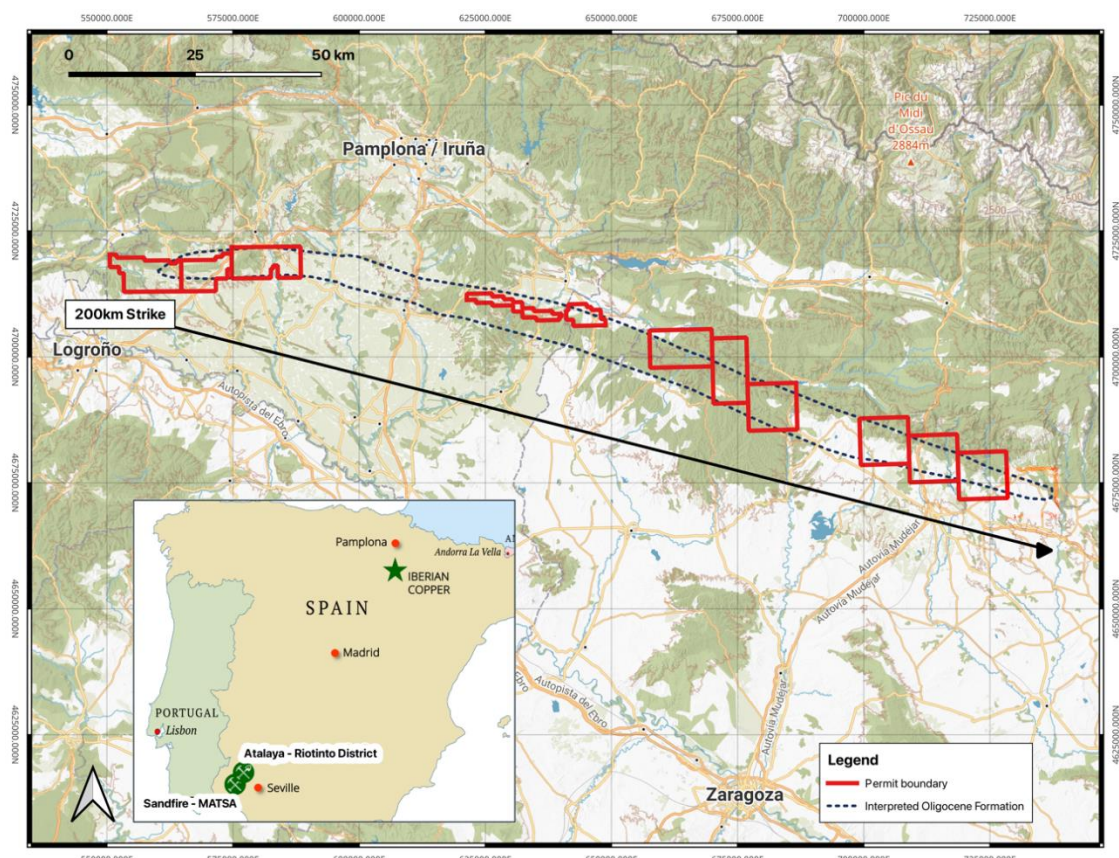
**Megado Minerals Limited** (ASX: **MEG**) (**Megado** or the **Company**) is pleased to advise it has entered into an agreement to acquire an 80% interest in Iberian Copper Pty Ltd (**ICPL**) (the **Acquisition**) which in turn owns a 100% interest in Iberian Copper SL that owns the Iberian Copper Project (the **Project**). The issue of securities in connection with the Acquisition is subject to shareholder approval.

The Company is also pleased to initiate a non-renounceable pro rata rights issue on a one for two fully paid ordinary share (**Share**) basis at 1.2c per Share (**Entitlement Offer** or **Rights Issue**). In addition to the Entitlement Offer, the Company has secured commitments for a placement of 50m Shares at 1.2c per Share, in two tranches (**Placement**). With the first tranche of 38m Shares to be issued utilising the Company's available placement capacity under Listing Rule 7.1 and a further 12m Shares to be issued, subject to shareholder approval.

### Iberian Copper Project Overview

The Project is located in Northern Spain in the provinces of Navarra and Aragón (refer Figure 1 below). The Project includes 12 permits (under application) covering an area of 956km<sup>2</sup> (refer Table 1 below).

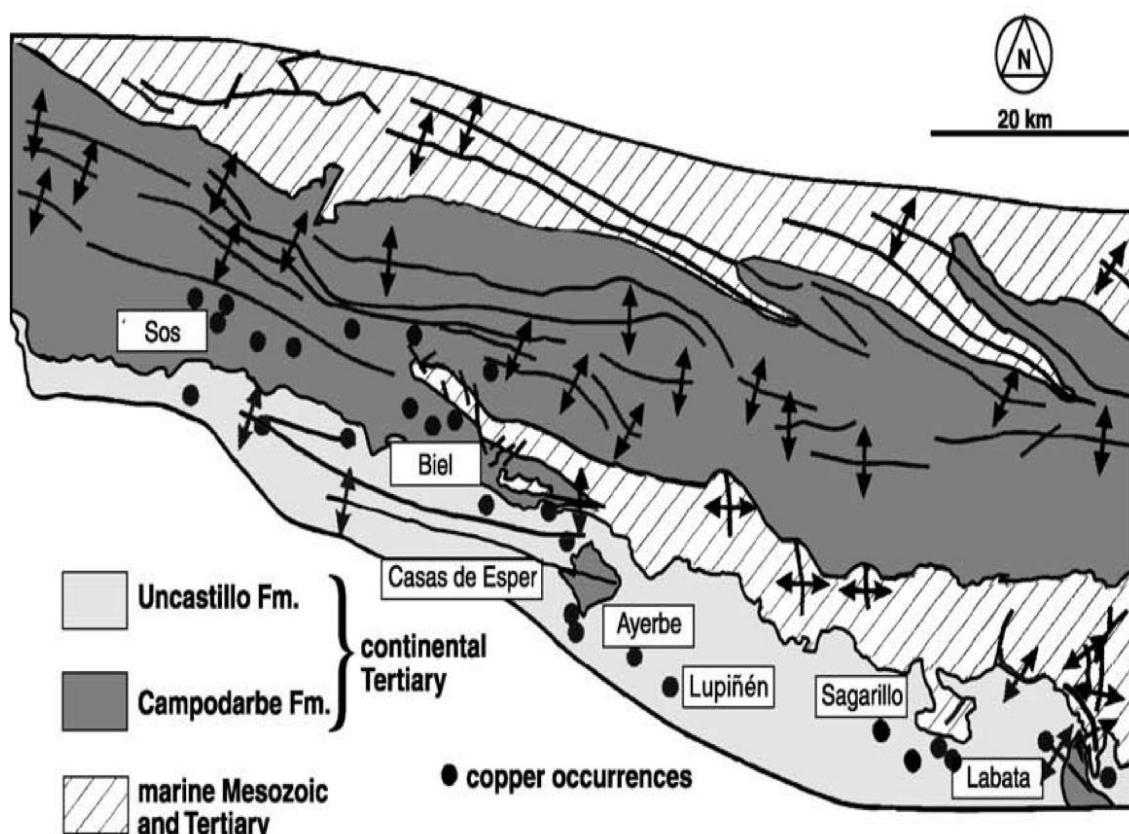
The Project is targeting the North Spanish Oligocene region that saw copper oxide mining activity through to the 1970s. The permits contain at least 12 historic copper mines with over 50 copper occurrences established in an exploration program completed in the 1970s by the Spanish Government and Asturiana de Zinc (now Glencore) (refer Figure 2 below). The copper occurrences recorded were copper oxides in sandstones and conglomerates. The Project is likely to include multiple targets with the possibility of more than one discrete project. A works program is being developed to establish multiple high priority targets for drilling activities.



**Figure 1 – Map showing location of permits and Oligocene Formation**

**Table 1 – Table showing permit details**

| Permit Name  | Region  | Permit Type   | Km <sup>2</sup> | Interest |
|--------------|---------|---------------|-----------------|----------|
| ESLAVA       | Navarra | Investigation | 84.3            | 100%     |
| ETAYO        | Navarra | Investigation | 59.1            | 100%     |
| SOLANA       | Navarra | Investigation | 86.7            | 100%     |
| CÁSEDA       | Navarra | Investigation | 34.5            | 100%     |
| ARÁS         | Aragón  | Investigation | 27.3            | 100%     |
| QUITERIA     | Aragón  | Exploration   | 97.2            | 100%     |
| BIEL         | Aragón  | Exploration   | 94.5            | 100%     |
| MURILLO      | Aragón  | Exploration   | 94.5            | 100%     |
| LA SOTONERA  | Aragón  | Exploration   | 94.5            | 100%     |
| SABAYÉS      | Aragón  | Exploration   | 94.5            | 100%     |
| CASTILSABÁS  | Aragón  | Exploration   | 94.5            | 100%     |
| LABATA       | Aragón  | Exploration   | 94.5            | 100%     |
| <b>Total</b> |         |               | <b>956.1</b>    |          |



**Figure 2 – Map showing select results from 1970s exploration activities**

Subías et al, 2003 - A model for the diagenetic formation of sandstone-hosted copper deposits in Tertiary sedimentary rocks, Aragón (NE Spain): S/C ratios and sulphur isotope systematics.

## Exploration Results

Modest rock fragment sampling was completed in July 2024 designed to test relevant element and oxide grades from the former St Emilia operating mine (refer figure 3). Two samples were taken with one weighing 2.1kgs and the other weighing 377g. The samples were sent to SGS Labs in Huelva, Spain for crushing, pulverizing and splitting before being sent to SGS Labs in Lakefield, Canada for geochemical assessment. Select results are shown in Table 2 below. A full summary of results is shown in Appendix 1.

**Table 2 – Select results from rock chip sampling from St Emilia historic mine**

| Select Assay Results from two rock chip samples |      |                     |                     |
|---|------|---------------------|---------------------|
| Element   | Unit | Emilia Escombrera 2 | Emilia Escombrera 3 |
| Cu  | %    | 9.66                | 1.51                |
| Ag  | g/t  | 141                 | 12                  |



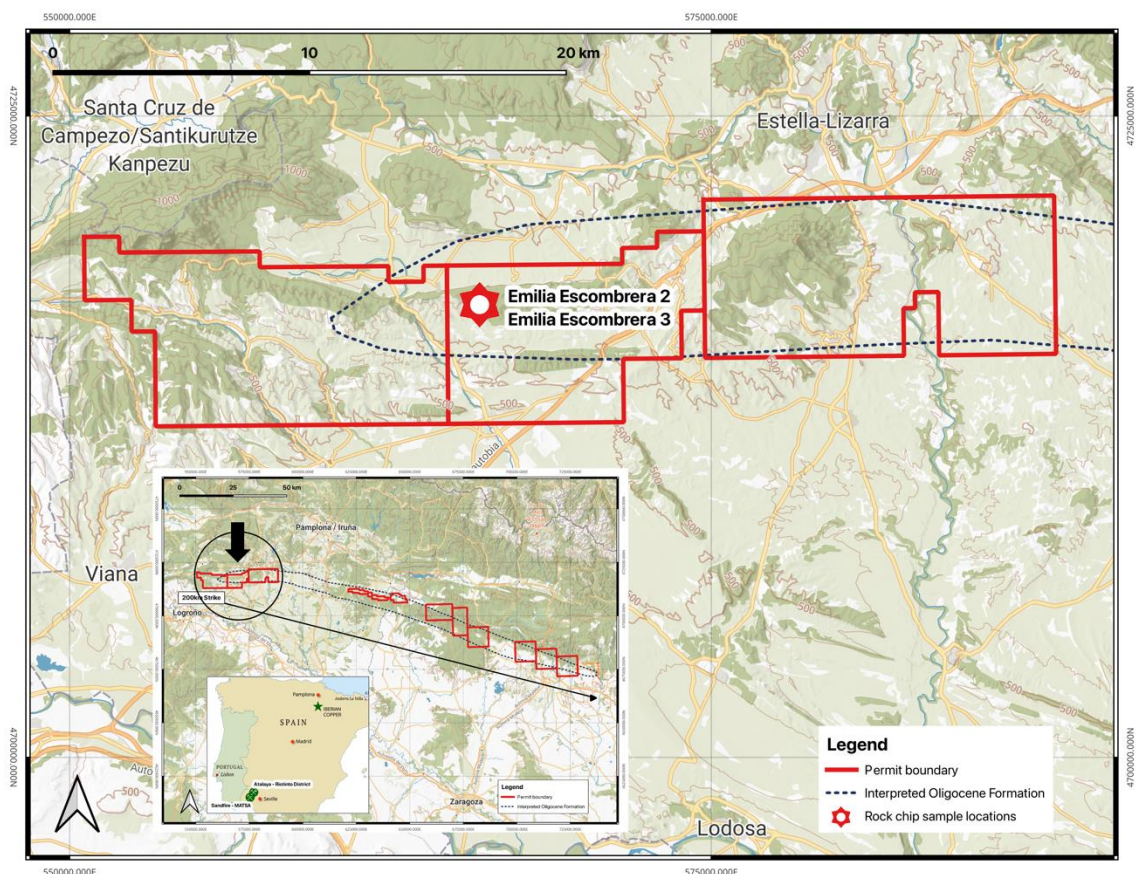


Figure 3 – Map showing location of samples



Figure 4 – Photo of samples

## EU Initiatives to Support Critical Minerals' Projects

On 23 May 2024, the European Critical Raw Materials Act (the **Act**) came into force. The legislation is designed to enhance the EU's capabilities in sourcing, processing and recycling critical raw materials. The EU has identified 34 critical minerals. It has also identified a subset of 17 critical minerals referred to as "strategic" raw materials. This list includes copper.

Under the Act, the EU is targeting at least 10% of its annual consumption for internal EU extraction and at least 40% of its annual consumption for internal EU processing. Selected strategic projects that include strategic raw materials are legislated to benefit from support for access to finance and shorter permitting timeframes (a maximum of 27 months for extraction projects).

In addition to the above, the Spanish Government has grant schemes for critical minerals' projects and the European Investment Bank has project finance support initiatives.

## Acquisition Terms

Subject to the receipt of shareholder approval for the issue of the consideration securities in connection with the Acquisition, Megado intends to complete a share swap with the current shareholders of ICPL (**Vendors**) to acquire 80% of the fully paid ordinary shares in ICPL. As consideration for the Acquisition, Megado will pay the following consideration to the Vendors (collectively, the **Consideration Securities**):

1. 175m Shares in Megado;
2. 175m Class A Performance Rights; and
3. 175m Class B Performance Rights.

The Performance Rights will be converted into Shares on a one for one basis subject to the achieving Project related milestones. The milestones for the Performance Rights are:

1. Class A Performance Rights

The Iberian Copper Project recording a total JORC Code compliant Mineral Resource Estimate of at least:

- a. 10m tonnes of 1% Cu equivalent; or
- b. 5m tonnes of 1.5% Cu equivalent; or
- c. 3m tonnes of 3% Cu equivalent.

2. Class B Performance Rights

The Iberian Copper Project having a total JORC Code compliant Mineral Resource Estimate with at least 200,000 tonnes of contained copper equivalent.

The Performance Rights expire if the milestones are not achieved within five years from the date of completion of the Acquisition (**Sunset Date**).

Following completion of the Acquisition, the Vendors will retain a 20% free carry in ICPL until the Company's Board makes a final investment decision to commence construction of a mine, following which, standard dilution terms will apply. If the Vendors' do not provide funding pro rata to their interest in ICPL and their interest in ICPL is diluted to 10% or less then the Company will have the option to acquire their interest in exchange for granting a 2.0% net smelter return royalty over the Iberian Copper Project.

In addition to the above consideration, Megado has agreed to pay \$100,000 to the Vendors to cover some of their expenses incurred to date in progressing the Project.

The Company notes that Directors Anthony Hall and Aaron Bertolatti are non-controlling shareholders of ICPL, with Mr Hall holding approximately 7.7% and Mr Bertolatti holding approximately 4.8% of the shares on issue in ICPL. Both Mr Hall and Mr Bertolatti will, subject to shareholder approval, receive Consideration Securities in proportion to their holdings in ICPL.

## Corporate Initiatives to Support Acquisition

### Non-renounceable Rights Issue

A non-renounceable rights issue will be undertaken on a one Share for every two Share basis at a Share price of 1.2c to raise up to A\$1,526,733 (before costs) (**Entitlement Offer**). A total of 127,227,779 shares may be issued. Shareholders who are eligible with registered addresses inside Australia, New Zealand, Canada and Spain as at 5.00pm AWST on 11 November 2024 will be entitled to participate in the Entitlement Offer.

The share price of 1.2c is a 29.4% discount to the last traded share price and a 25.3% discount to the 20 day VWAP.

The key dates are set out below:

| Date             | Action   |
|------------------|--|
| 5 November 2024  | Announcement of non-renounceable rights issue          |
| 5 November 2024  | Lodgement of Prospectus with ASIC and ASX              |
| 8 November 2024  | Shares quoted on an "Ex" basis                         |
| 11 November 2024 | Record date to determine entitlements                  |
| 12 November 2024 | Issue of Placement Shares                              |
| 14 November 2024 | Relevant documents dispatched to eligible shareholders |
| 22 November 2024 | Last day to extend the Entitlement Offer               |
| 27 November 2024 | Closing date for acceptance of offer and payment       |
| 4 December 2024  | Announcement of results                                |
| 4 December 2024  | Issue of new Shares pursuant to the Entitlement Offer  |
| 9 December 2024  | Holding statements dispatched to shareholders          |

The dates are indicative only and may change.

A shortfall may arise if the aggregate of the total valid applications received for Shares under the Entitlement Offer is less than the total number of Shares offered under the Entitlement Offer (**Shortfall Shares**). The Board has appointed Oracle Capital Pty Ltd and Corporate Advisory Pty Ltd to help place the Shortfall Shares on a best endeavours basis. Neither will receive any fees from the Company for performing this function. The Company will have a period of three months from the closing date to place the Shortfall Shares.

### Non-brokered Placement

The Company has binding commitments to complete a non-brokered 50m share placement (**Placement**) on the following terms:

- a total of 50m Shares (**Placement Shares**) to be issued at 1.2c per Share representing a 29.4% discount to the Company's last traded price on 31 October 2024;
- 38m Placement Shares to be issued under Company's 15% capacity under ASX Listing Rule 7.1;

- 12m Placement Shares to be issued to the Directors or their nominees subject to shareholder approval; and
- Expected issue of placement shares on 12 November 2024.

The purpose of the Placement is to progress exploration activities on the Iberian Copper Project. The only costs of the Placement relate to ASX listing fees for the new 50m Shares. The participants in the Placement will not be eligible to participate in the Entitlement Offer.

#### Director, Management and Consultant Options

It is proposed to issue the following options to Directors (**Director Options**). The options will be unlisted with and will have an exercise price of 3.5c and an expiry date of five years from the issue date.

|                    |            |
|--------------------|------------|
| - Anthony Hall     | 10,000,000 |
| - Aaron Bertolatti | 6,000,000  |
| - Bradley Drabsch  | 2,000,000  |

The issue of the Director Options will be subject to shareholder approval.

In addition, the Company will also seek shareholder approval to issue 20,000,000 unquoted options (on the same terms as the Director Options) to in-country management and non-related consultants of the Company (**Management and Consultant Options**).

Further details in respect of the Director Options and the Management and Consultant Options will be provided in the relevant Notice of Meeting.

#### Pro forma capital structure

The Company's pro forma capital structure based on the effect of the Acquisition, Placement, Rights Issue, Director Options and Management and Consultant Options is as follows:

|   | Ordinary Shares    | Options           | Performance Rights |
|---|--------------------|-------------------|--------------------|
| Existing on Issue                           | 254,455,558        | 31,000,000        | -                  |
| Acquisition                                 | 175,000,000        | -                 | 350,000,000        |
| Non-renounceable Rights Issue               | 127,227,779        | -                 | -                  |
| Non-brokered Placement                      | 50,000,000         | -                 | -                  |
| Director, Management and Consultant Options | -                  | 38,000,000        | -                  |
| <b>Total</b>                                | <b>606,683,337</b> | <b>69,000,000</b> | <b>350,000,000</b> |

#### Chairman Change

Effective 5 November 2024, Anthony Hall is to replace Bradley Drabsch as Chairman of the Company. Mr Hall's remuneration will not change. Mr Drabsch will remain on the Board as a non-executive director remunerated at A\$2,500 per month.

#### **Extraordinary General Meeting to Approve Transaction**

The Directors of Megado expect to convene an Extraordinary General Meeting of the members of the Company in mid-December 2024 or early January 2025. At this meeting, it is expected that the members will vote on the issues of securities in connection with the Acquisition, as well as the second tranche of the Placement, as described above.

**-ENDS-**



**Authorised for release by: The Board of Megado Minerals Limited.**

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**Competent Person Statement**

The information in this release that relates to Exploration Results is based on information compiled by Mr Fernando Palero. Mr Palero is the chief geologist of Iberian Copper Pty Ltd. Mr Palero is a licensed professional geologist in Spain and is a registered member of the European Federation of Geologists, an accredited organisation to which the Competent Person (CP) under JORC Code Reporting Standards must belong in order to report Exploration Results, Minerals Resources or Ore Reserves through the ASX. Mr Palero 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 to qualify as a CP as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). Mr Palero consents to the inclusion of this information in the form and context in which they occur.

**Forward Looking Statements**

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.



## About Megado Minerals

Megado Minerals Ltd (ASX: MEG) is an ASX-listed mining exploration company. The Company's assets include the Iberian Copper Project (subject to completion of the Acquisition), North Fork Rare Earth Project in Idaho, USA and the Cyclone Lithium Project in the James Bay region in Quebec, Canada.

### Iberian Copper Project

The Project is located in the Northern Spain in the provinces of Navarra and Aragón. The Project includes 12 permits in application covering an area of 956km<sup>2</sup>.

The Project is targeting the North Spanish Oligocene region that saw copper oxide mining activity through to the 1970s. The permits cover at least 12 historic copper mines with over 50 copper occurrences established in an exploration program completed in the 1970s. The copper occurrences recorded were copper oxides in sandstones and conglomerates. The deposit is considered to be an example of "copper in red-beds".

The Project is likely to include multiple targets with the possibility of more than one discrete project. A works program is being developed to establish multiple high priority targets for drilling activities.

### Canadian Lithium and Gold Projects

The Company continues to retain a 100% interest in two highly prospective Canadian lithium / gold projects known as the Cyclone Lithium and Gold Project and the K Lithium Project. Both projects are located in the James Bay District, Quebec, Canada.

The Cyclone Lithium and Gold Project covers an area of 130km<sup>2</sup>. It is prospective for lithium, nickel and gold. The Project abuts the Aquilon Gold Project in the North West owned by TSX-V listed Sirios Resources (TSX-V:SOI). This project is currently the subject of an option agreement with Sumitomo Metal Mining Canada Ltd where it can spend up CAD14.8m to earn an 80% interest in the project. According to Sirios the project has more than 32 gold showings defined by gold grades that are among the highest ever intercepted in Quebec, including:

- 834.4 grams of gold per tonne (g/t Au) over 1.7 m (Moman showing), including 3,527.4 g/t Au over 0.4 m;
- 116.5 g/t Au over 2.3 m (Moman showing);
- 425.3 g/t Au over 0.6 m (Moman showing);
- 133.7 g/t Au over 0.8 m (Fleur-de-Lys showing);
- 26.7 g/t Au over 0.4 m (Muscovite showing)

(Refer: SOI's TSX-V Announcement dated 19 December 2022, which is reported in accordance with National Instrument 43-101 and <https://sirios.com/en/our-projects/aquilon/>)

The K Lithium Project covers an area of 16km<sup>2</sup> and is considered prospective for lithium, caesium, tantalum and rubidium.

### North Fork Rare Earth Project

The North Fork Rare Earth Project was acquired in June 2022 and is located 40 km north-west of Salmon in the Salmon-Challis National Forest, Lemhi County, Idaho. The project includes 526 unpatented mining lode claims covering approximately 45 km<sup>2</sup>.

## Appendix 1 – COMPLETE SUMMARY OF ROCK FRAGMENT SAMPLE RESULTS

| Sample ID | Easting<br>(ETRS 89) | Northing<br>(ETRS 89) | Cu<br>% | Ag<br>g/t | Al<br>% | Pb<br>ppm | Zn<br>ppm | V<br>ppm |
|-----------|----------------------|-----------------------|---------|-----------|---------|-----------|-----------|----------|
| Emilia E2 | 565289.1             | 4717549.9             | 9.66    | 141       | 4.11    | 420       | 1,569     | 57       |
| Emilia E3 | 565284.3             | 4717569.1             | 1.51    | 12        | 5.62    | 113       | 35        | 49       |

## Appendix 2 - JORC Code, 2012 Edition – Table 1 report

### Section 1 Sampling Techniques and Data

| Criteria                   | JORC Code explanation   | Commentary  |
|----------------------------|---|---|
| <b>Sampling techniques</b> | <ul style="list-style-type: none"> <li>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 down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>   | <ul style="list-style-type: none"> <li>Random fragments in the old waste dumps and rest of ROM pile at historic Mina Emilia.</li> </ul> |
|                            | <ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>   | <ul style="list-style-type: none"> <li>Grab samples only.</li> </ul>  |
|                            | <ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report. 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.</li> </ul> | <ul style="list-style-type: none"> <li>Samples collected from historical mine dumps.</li> </ul>   |
| <b>Drilling techniques</b> | <ul style="list-style-type: none"> <li>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 other type, whether core is oriented and if so, by what method, etc.).</li> </ul>   | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>  |

|   |   |  |
|---|---|--|
| <b>Drill sample recovery</b>                          | <ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>   | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples</li> </ul>  | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>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.</li> </ul>                                  | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
| <b>Logging</b>  | <ul style="list-style-type: none"> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</li> </ul>  | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>   | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
| <b>Sub-sampling techniques and sample preparation</b> | <ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>   | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> </ul>  | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>  | <ul style="list-style-type: none"> <li>Not done.</li> <li>Samples will be quarter core taken at 0.5 metre intervals downhole. All samples will send to an external certificate laboratory for preparation and assaying.</li> </ul> |
|   | <ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>   | <ul style="list-style-type: none"> <li>No sub-sampling undertaken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> </ul>                          | <ul style="list-style-type: none"> <li>Grab sampling of historic dumps is by its nature is biased to some degree as the samples are not randomly acquired.</li> </ul>  |



|   |   |   |
|---|---|---|
|   | <ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>   | <ul style="list-style-type: none"> <li>Samples are appropriate for the mineralisation type.</li> </ul>  |
| <b>Quality of assay data and laboratory tests</b> | <ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>  | <ul style="list-style-type: none"> <li>Not done.</li> <li>Assaying will be conducted using adequate techniques, which will have modern industry standards.</li> <li>These are considered to be total mineral measurements.</li> </ul> |
|   | <ul style="list-style-type: none"> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>No geophysical measurements taken</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>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.</li> </ul>                  | <ul style="list-style-type: none"> <li>No QAQC samples included in the samples referred to in this announcement.</li> </ul>   |
| <b>Verification of sampling and assaying</b>      | <ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>   | <ul style="list-style-type: none"> <li>Not applicable to the samples referred to in this announcement</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>   | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>  | <ul style="list-style-type: none"> <li>Not done.</li> <li>Data received by Iberian Copper will receive all assay data directly from the laboratories in electronic format (xls or csv) transferred to a master database.</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>   | <ul style="list-style-type: none"> <li>Nil undertaken</li> </ul>  |
| <b>Location of data points</b>                    | <ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>   | <ul style="list-style-type: none"> <li>Sample site locations collected by handheld GPS</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>  | <ul style="list-style-type: none"> <li>Official grid system used at Spain is European Terrestrial Reference System 1989 (ETRS89).</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>  | <ul style="list-style-type: none"> <li>Not applicable to this announcement</li> </ul>   |
| <b>Data spacing and distribution</b>              | <ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>  | <ul style="list-style-type: none"> <li>Not applicable to this announcement</li> </ul>   |
|   | <ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to</li> </ul>  | <ul style="list-style-type: none"> <li>Not applicable to this announcement</li> </ul>   |

|  |  |  |
|--|--|--|
|  | <i>establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>   |  |
|  | <ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>   | <ul style="list-style-type: none"> <li>No compositing undertaken</li> </ul>  |
| <b>Orientation of data in relation to geological structure</b> | <ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>   | <ul style="list-style-type: none"> <li>Grab sampling of historical mine dumps does not take into account geological orientations.</li> </ul> |
|  | <ul style="list-style-type: none"> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>   |
| <b>Sample security</b>   | <ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>  | <ul style="list-style-type: none"> <li>Chain of custody will be managed by Iberian Copper Using industry standard practices</li> </ul>       |
| <b>Audits or reviews</b>                                       | <ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>  | <ul style="list-style-type: none"> <li>No audits undertaken</li> </ul>   |

## Section Reporting of Exploration Results

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

| Criteria                                       | JORC Code explanation  | Commentary  |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
|--|--|---|-------------|------|------------|------|-------------|------|-------------|------|-----------|------|---------------|------|-----------|------|--------------|------|------------------|------|--------------|------|------------------|------|-------------|------|
| <b>Mineral tenement and land tenure status</b> | <ul style="list-style-type: none"><li>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 park and environmental settings.</li></ul> | <ul style="list-style-type: none"><li>It will be necessary to submit a petition for an Exploration or Investigation Permit for resources of Section C) following the Mining Act 22/1973 and the Royal Decree 2857/1978 that develops it and the Royal Decree 975/2009 about environmental restoration.</li><li>Next table shows the Exploration Permits (P.E.) and the Investigation Permits (P.I.) with their reference number.</li></ul> <table><tr><td>P.I. ESLAVA</td><td>3603</td></tr><tr><td>P.I. ETAYO</td><td>3604</td></tr><tr><td>P.I. SOLANA</td><td>3605</td></tr><tr><td>P.I. CÁSEDA</td><td>3606</td></tr><tr><td>P.I. ARÁS</td><td>3566</td></tr><tr><td>P.E. QUITERIA</td><td>3567</td></tr><tr><td>P.E. BIEL</td><td>3568</td></tr><tr><td>P.E. MURILLO</td><td>2649</td></tr><tr><td>P.E. LA SOTONERA</td><td>2650</td></tr><tr><td>P.E. SABAYÉS</td><td>2651</td></tr><tr><td>P.E. CASTILSABÁS</td><td>2652</td></tr><tr><td>P.E. LABATA</td><td>2653</td></tr></table> | P.I. ESLAVA | 3603 | P.I. ETAYO | 3604 | P.I. SOLANA | 3605 | P.I. CÁSEDA | 3606 | P.I. ARÁS | 3566 | P.E. QUITERIA | 3567 | P.E. BIEL | 3568 | P.E. MURILLO | 2649 | P.E. LA SOTONERA | 2650 | P.E. SABAYÉS | 2651 | P.E. CASTILSABÁS | 2652 | P.E. LABATA | 2653 |
| P.I. ESLAVA                                    | 3603   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.I. ETAYO                                     | 3604   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.I. SOLANA                                    | 3605   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.I. CÁSEDA                                    | 3606   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.I. ARÁS                                      | 3566   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. QUITERIA                                  | 3567   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. BIEL                                      | 3568   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. MURILLO                                   | 2649   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. LA SOTONERA                               | 2650   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. SABAYÉS                                   | 2651   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. CASTILSABÁS                               | 2652   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |
| P.E. LABATA                                    | 2653   |   |             |      |            |      |             |      |             |      |           |      |               |      |           |      |              |      |                  |      |              |      |                  |      |             |      |

| Criteria                                 | JORC Code explanation  | Commentary  |
|--|--|---|
|  |  | <ul style="list-style-type: none"> <li>P.I.s Eslava and Arás intercept small areas of Red Natura 2000 protected areas. P.E. intercepts several Red Natura 2000 areas and protected zones, by the imperative of the mandatory rectangular form for this type of permits.</li> <li>There are no JVs, partnerships, royalties or other relating to the Investigation Permit.</li> </ul>  |
|  | <ul style="list-style-type: none"> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul> | <ul style="list-style-type: none"> <li>No other parties have requested a permit for the area of the tenement at the time the permit petition was submitted.</li> <li>In the case of other interested people requesting a permit for the tenement area, the Mining Act 22/1973 gives preference in the order of petitions received.</li> <li>There are no known impediments to obtaining the Investigation Permit and ultimately operating a mine in the area.</li> </ul>  |
| <b>Exploration done by other parties</b> | <ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>  | <ul style="list-style-type: none"> <li>Historic small mines in 19<sup>th</sup> Century in Eastern and Western extremes of the formation (Eslava - Etayo and Labata permits).</li> <li>Some punctual studies in the 19<sup>th</sup> and early 20<sup>th</sup> Century.</li> <li>Systematic exploration at big scale by the IGME between 1960 and 1986 inside the "Plan Nacional de Investigaciones Mineras" (1960) and the "Proyecto Ebro" (1970). River geochemistry, outcrop sampling, geophysics in some points.</li> <li>Biel mine operative between 1957 until mid-1960's by Explotaciones Mineras Aragonesas S.A.</li> <li>Asturiana de Zinc (today Glencore) did some studies in Biel area in the 1970. After that, some companies claimed the area for exploration with no development activities.</li> <li>Some scientific studies of Oligocene conducted by Zaragoza University.</li> </ul>  |
| <b>Geology</b>                           | <ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>  | <ul style="list-style-type: none"> <li>The exploration area is located in the South Pyrenees Zone, in the South Pyrenees frontal thrust, whose most characteristic feature is the formation of anticlines in an E-W to NE-SW direction synchronous with the sedimentation of materials of middle Eocene - Oligocene age. They have a clear vergence towards the south, with the southern flanks verticalized or even inverted, while the northern ones appear to be lying with a gentle dip towards the north.</li> <li>The Tertiary sedimentary sequence is very thick due to the strong basin subsidence. Within this sedimentological evolution, the Oligocene represents the beginning of continental sedimentation, which evolves from fluvial to lacustrine environments.</li> <li>The basal part of the Oligocene is essentially detrital, being formed by layers of arkosic sandstones, more or less thick, alternating with layers of shale of decimetric to metric thicknesses. The age of this sandy unit has been assigned various names based on different geological time scales, and it is considered to be Rupelian in age according to the geological timetable of the International Chronostratigraphic Table of 2020.</li> </ul> |

| Criteria                        | JORC Code explanation   | Commentary   |
|---------------------------------|---|--|
|                                 |   | <ul style="list-style-type: none"> <li>From a metallogenic point of view, this detrital basal unit is of great importance, as it is where the manifestations of copper ore are found. It runs between Los Arcos (Navarra) and Santa Eulalia and Labata in Huesca, with copper traces along its outcrops that have been exploited since ancient times. The best-known mines being those in the area of Los Arcos (Navarra) and those of Biel (Zaragoza).</li> <li>The original mineralisation is essentially made up of sulphides, with chalcocite being the most abundant. Weathering produces secondary minerals, with malachite being the most frequent. In 1989, Subías identified two paragenetic sets of copper minerals in the Biel deposit: <ul style="list-style-type: none"> <li>Bornite+chalcopryite+neodigenite+chalcocite+covellite+malachite+tenorite.</li> <li>Native copper+cuprite+malachite+azurite+tenorite.</li> </ul> </li> <li>The general appearance of all mineralisation is similar: the sulphides are found scattered throughout the rock matrix or forming small accumulations, which tend to concentrate at the base of paleochannels or following certain beds in the sandstones. In other cases, as in Los Arcos, the mineralisations are concentrated around the carbonaceous matter of the remains of wood incorporated into the sandy sediment.</li> </ul> |
| <b>Drill hole information</b>   | <ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level—elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>No drilling was undertaken.</li> </ul>  |
| <b>Data aggregation methods</b> | <ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high</li> </ul>  | <ul style="list-style-type: none"> <li>Not applicable as given the early nature of the exploration there is insufficient data to apply relevant weighting</li> </ul>   |



| Criteria  | JORC Code explanation  | Commentary  |
|---|--|---|
|   | <p>grades) and cut off grades are usually Material and should be stated.</p> <ul style="list-style-type: none"> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul> | <p>averaging techniques, maximum and/or minimum grade truncations.</p> <ul style="list-style-type: none"> <li>Not applicable as no aggregate intercepts have been reported.</li> <li>Not applicable as no metal equivalent values were reported.</li> </ul> |
| <b>Relationship between mineralisation widths and intercept lengths</b> | <ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>  | <ul style="list-style-type: none"> <li>No drilling was undertaken.</li> </ul>   |
| <b>Diagrams</b>   | <ul style="list-style-type: none"> <li>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.</li> </ul>   | <ul style="list-style-type: none"> <li>Maps and tables included in the body of the announcement and the appendices</li> </ul>   |
| <b>Balanced reporting</b>   | <ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>  | <ul style="list-style-type: none"> <li>All sample results provided in appendix 1 (noting only two samples were taken)</li> </ul>  |
| <b>Other substantive exploration data</b>                               | <ul style="list-style-type: none"> <li>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</li> </ul>  | <ul style="list-style-type: none"> <li>All material aspects included in the body of the announcement.</li> </ul>  |

| Criteria            | JORC Code explanation   | Commentary  |
|---------------------|---|---|
|                     | characteristics; potential deleterious or contaminating substances.   |   |
| <b>Further work</b> | <ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul> | <ul style="list-style-type: none"> <li>Future work (approx. next 12 months):               <ul style="list-style-type: none"> <li>Surface Geochemical campaign</li> <li>Airborne and ground based geophysical campaign</li> <li>First pass drilling.</li> </ul> </li> </ul> |