

Corporate Presentation

12 January 2022

ASX Markets Announcement Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

Future Minerals Summit Presentation

Please find attached for release to the market, Xanadu Mining Ltd's presentation to the *Future Minerals Summit Conference* today.

-ENDS-

For further information, please contact:

Andrew Stewart
Chief Executive Officer
M: +61 409 819 922
E: Andrew.stewart@xanadumines.com
W: www.xanadumines.com

Spencer Cole
Chief Financial Officer
M: +61 434 047 987
E: spencer.cole@xanadumines.com

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 control an emerging Tier 1 copper-gold deposit in our flagship Kharmagtai project. For information on Xanadu visit: www.xanadumines.com

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

AUSTRALIA

c/o Company Matters Pty Limited
Level 12, 680 George Street
Sydney NSW 2000
T: +612 8280 7497

MONGOLIA

Suite 23, Building 9B
Olympic St, Sukhbaatar District
Ulaanbaatar, Mongolia
T: +967 7012 0211

Xanadu Mines Ltd ACN 114 249 026

www.xanadumines.com

UNDER THE PATRONAGE OF THE CUSTODIAN OF THE TWO HOLY MOSQUES KING SALMAN BIN ABDULAZIZ AL SAUD



11-13 January 2022, Riyadh, Saudi Arabia
King Abdulaziz International Conference Center

SPEAKER PRESENTATION

Founding Partner



وزارة الصناعة
والثروة المعدنية
Ministry of Industry and Mineral Resources



Endorsed By



وزارة الاستثمار
Ministry of Investment



www.FutureMineralsSummit.com





XANADU MINES

Discovering & developing globally significant copper deposits in Mongolia

ASX: XAM | TSX: XAM



Disclaimer

Nature of this document: The purpose of this presentation is to provide general information about Xanadu Mines Ltd (the 'Company'). Unless otherwise stated herein, the information in this presentation is based on the Company's own information and estimates. In attending this presentation or viewing this document you agree to be bound by the following terms and conditions.

Not an offer: This presentation is for information purposes only and does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities in the Company in any jurisdiction. This presentation and its contents must not be distributed, transmitted or viewed by any person in any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction. This presentation is not considered a recommendation by the Company or any of its affiliates, directors or officers that any recipient invest in the Company nor does it constitute investment, accounting, financial, legal or tax advice.

Not financial product advice: This presentation does not take into account the individual investment objectives, financial situation and particular needs of each of the Company's Shareholders. You may wish to seek independent financial and taxation advice before making any decision in respect of this presentation. Neither the Company nor any of its related bodies corporate is licensed to provide financial product advice in respect of the Company's securities or any other financial products.

Forward-looking statements: Certain statements in the presentation are or may be "forward-looking statements" and represent the Company's intentions, projections, expectations or beliefs concerning, among other things, future operating and exploration results or the Company's future performance. These forward-looking statements speak, and the presentation generally speaks, only at the date hereof. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties, and are necessarily based on assumptions, which may cause the Company's actual performance and results in future periods to differ materially from any express or implied estimates or projections. It is recognised that it is common practice for a company to comment on and discuss its exploration in terms of target size and type. All statements contained in this presentation by the Company which refer to the potential quantity and grade of the target is accompanied by a detailed explanation of the basis for the statement. The potential quantity and grade for the target is conceptual in nature and, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

XANADU MINES

Disclaimer: No representation or warranty, express or implied, is made by the Company that the material contained in this presentation will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of the Company, its directors, officers, employees, advisers and agents expressly disclaims any responsibility for the accuracy, fairness, sufficiency or completeness of the material contained in this presentation, or any opinions or beliefs contained in this document, and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. The Company is under no obligation to update or keep current the information contained in this presentation or to correct any inaccuracy or omission which may become apparent, or to furnish any person with any further information, unless required to do so by law. Any opinions expressed in the presentation are subject to change without notice. Recipients of this presentation should make their own, independent investigation and assessment of the Company its business, assets and liabilities, prospects and profits and losses, as well as the matters covered in this presentation. Independent expert advice should be sought before any decision based on an assessment of the Company is made.

Unverified information: This presentation may contain information (including information derived from publicly available sources) that has not been independently verified by the Company.

Drilling Results and JORC: The information in this report relates to the exploration results previously reported in ASX Announcements which are available on the Xanadu website at <https://www.xanadumines.com/site/investor-centre/asx-announcements>. Xanadu is not aware of any new information or data that materially affects the information included in the ASX Announcements referenced in the attached slides, and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Currency: All currencies in this presentation are in Australian dollars unless otherwise stated.

Competent Persons: Please refer to the Appendix of this presentation for Competent Person's Statement.

Investment Highlights

Progressing **gold-rich porphyry copper projects** in Mongolia

DISCOVERY

Kharmagtai – one of the largest undeveloped Cu-Au deposits held by a globally listed junior miner; 2021 JORC MRE of 1.1Bt containing **3Mt Cu & 8Moz Au**¹.

Red Mountain – earlier stage exploration project targeting porphyry copper & high grade vein style discoveries.

GROWTH

Higher-grade & new discoveries focus. **>20 high priority targets** to test over next 12 mths & Kharmagtai open with **grades increasing at depth**

Successfully delivered medium term target at Kharmagtai; growing total MRE to >1.0Bt, incl. >100Mt higher-grade core.

MRE only ~30% of 8km long Kharmagtai Intrusive Complex.

DEFINITION

Scoping study underway with upgraded MRE; exploring **optimisation opportunities** to leverage:

1. **Higher-grade core** for rapid payback
2. Low capital intensity with **existing power, water & rail** infrastructure
3. Highly marketable, **clean concentrate** (no arsenic)

Highly experienced Directors & Management

Track record of discovering & developing **multiple large scale, low cost** gold-rich porphyry copper mines

XANADU MINES

BOARD



**GANBAYAR
LKHAGVASUREN**

COUNTRY MANAGER & EXECUTIVE DIRECTOR



**ANDREW
STEWART**

CEO & EXECUTIVE DIRECTOR



**COLIN
MOORHEAD**

NON-EXECUTIVE CHAIRMAN



**MICHELE
MUSCILLO**

NON-EXECUTIVE DIRECTOR



**TONY
PEARSON**

NON-EXECUTIVE DIRECTOR



**MUNKHSAIKHAN
DAMBIINYAM**

CHIEF OPERATING OFFICER



**MAT
BROWN**

CHIEF GEOLOGIST



**SPENCER
COLE**

CHIEF FINANCIAL OFFICER

MONGOLIA EXPERTISE

DEEP EXPLORATION SKILLS

COMMERCIAL CAPABILITY

World class advisory team

On pathway to development, Xanadu has engaged industry leading experts

XANADU MINES

GEOLOGY EXPERTISE



Barry Dewett (Geophysics)

Former Chief Geophysicist of HPX and Ivanhoe Mines. Retired as Global Practice Leader in geophysics at BHP Billiton Minerals Exploration with 31 years experience.



Geotek (Artificial Intelligence core scanning)

Specialist partner in high resolution, non-destructive analysis of geological cores, developing AI systems in partnership with Xanadu.

EXPLORATION KNOWLEDGE



Rob Spiers (Resource Geology)

Independent geologist with over 30 years experience across multiple commodities and jurisdictions. Competent person under JORC and NI43-101.



Paul Dunham (Development Geologist)

Economic geologist with extensive porphyry copper-gold experience and 40 years in exploration, resource drill-outs, estimation and development studies.

MINING CAPABILITY



Geoff Dunston (Block Cave Design)

International leader in all phases of large scale underground mining, with over 30 years experience across Americas, Africa and Asia.



Gerald Whittle (Surface Mine Optimisation)

Thought Leader and CEO of Whittle Consulting – the leading global practitioners of Integrated Strategic Planning, a holistic approach to life of mine, processing and production planning.

MARKET ENGAGEMENT



Anna Kassianos (Investor Relations and Corporate Advisory)

Resource industry advisor with 20 years in funds management, equities research & investment, corporate development and strategy.

STUDY DEVELOPMENT



Jonathon Lew (Major Studies)

Accomplished Study Manager with 40 years experience in studies, evaluation, and exploration, including 30 years at CRA /Rio Tinto.

METALLURGY EXPERTISE



Andrew Goulsbra (Metallurgy)

Metallurgist with 30 years experience at Ivanhoe Australia and Newcrest Mining, with speciality skills in extractive metallurgy of gold, copper, molybdenum, rhenium and mineral sands.

Building an effective capital foundation

XANADU MINES

A\$0.027

Share Price
as at 9/1/2022

A\$34.1M

Market Cap at
A\$0.027/share

A\$27.1M

Enterprise Value

A\$7.0M

Cash Balance
as at 30/9/2021

1,263M

Share on issue as at
9/1/2022

55% TOP 20
SHAREHOLDERS

INSTITUTIONAL
SHAREHOLDERS

ACA **18%** SSI **8%** Others **15%**

BOARD AND
MANAGEMENT

7% (on a fully diluted basis, includes 37m shares
& 47m performance options)

Mongolia – focused on the prolific South Gobi region

Two highly prospective districts in a pro-mining jurisdiction³

- ▶ **Excellent infrastructure** – facilitates low-capex intensity development
- ▶ **Pro-mining jurisdiction** – in 2020, mining accounted for 23% of Mongolia's GDP & 70% of export revenues¹
- ▶ **Significant mining region** – tops Investment Monitor's 2021 Mining Vulnerability Index¹, followed by Australia & Zambia
- ▶ **Stable democratic system** – 30 year history of democratic elections
- ▶ **Favourable ESG⁴ position** – social license to operate enables rapid timeframe to production

KHARMAGTAI Cu-Au DISTRICT (70km²)

Ownership 76.5%⁵

Emerging **Global Scale** mining district

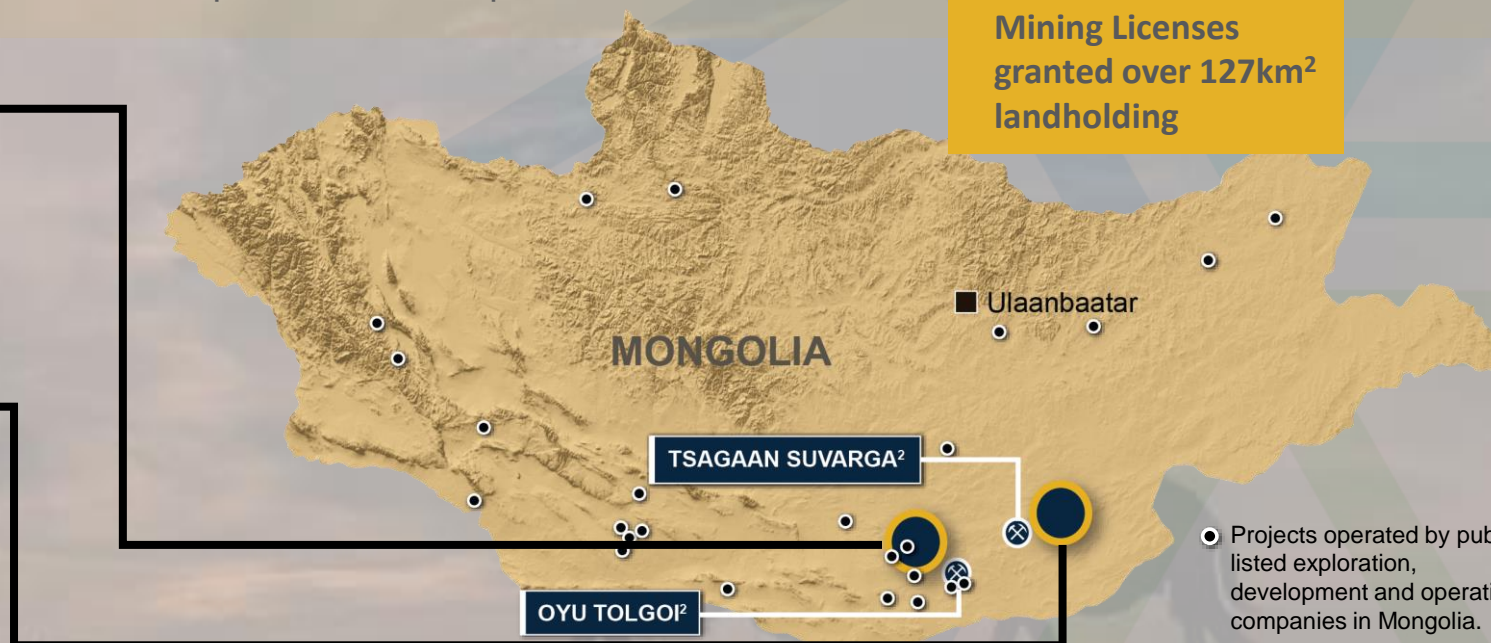
Significant & growing **MRE 1.1Bt** containing
3Mt Cu & 8Moz Au⁶

RED MOUNTAIN Cu-Au DISTRICT (57km²)

Ownership 100%⁵

Exploration focused on significant **Cu-Au-Ag**
porphyry district

Mining Licenses
granted over 127km²
landholding



○ Projects operated by publicly listed exploration, development and operating companies in Mongolia.

Big step forward for Mongolia's mining industry

Restoring investment confidence; recent resolution of Oyu Tolgoi dispute¹

XANADU MINES

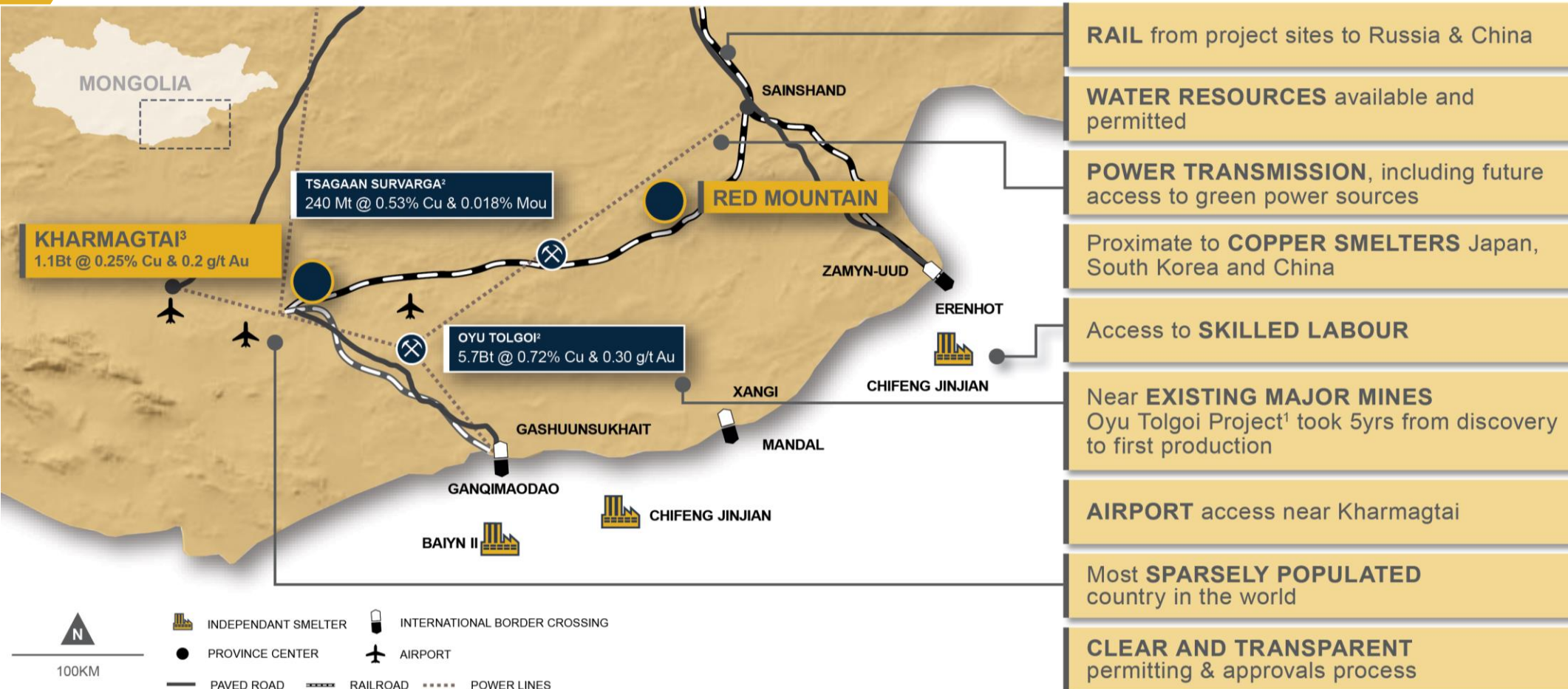
- ▶ **Attractive investment destination** – Department of Foreign Trade initiatives focused on improving investor perception & securing future foreign investment growth²
- ▶ **Independent mining sector policy think tank for Mongolia** – Australia, Canada & other developed mining jurisdictions contributing³
- ▶ **Mining code transition** – reviews underway, with outcome expected to be competitive with other successful mining jurisdictions
- ▶ **Government equity stakes not the norm** – multiple publicly listed companies own Mongolian producing mines, outright⁴



Strong infrastructure & favourable ESG environment⁴

Enables competitive capital intensity & short timeframe to production

XANADU MINES



Kharmagtai – a growth story

Our flagship project, in a world class copper district

1.1Bt MRE, containing 3Mt Cu & 8Moz Au^{1,2}

Includes higher grade zone 100Mt @ 0.8% CuEq¹

2021 MRE Resource includes 214km drilling

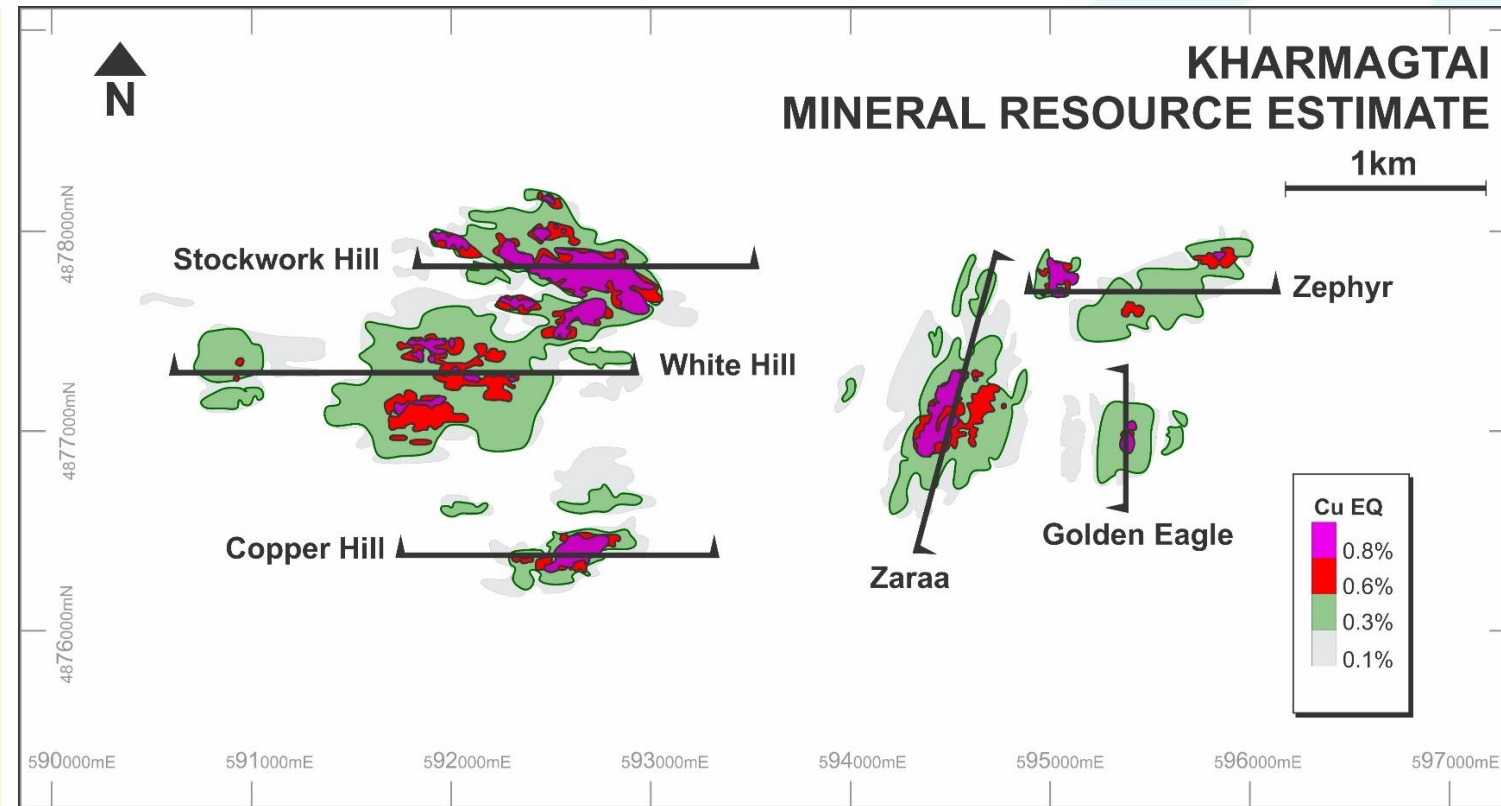
Scoping study underway targeting completion in 2022.
Gating to PFS contingent on scoping study economics.

Granted mining licence with 30 yrs tenure & option to
extend another 40 yrs

Mineralisation outcrops at surface; minimal strip required

Significant upside potential

- ▶ Limited drilling below 400m is untapped opportunity
- ▶ Potential to link these porphyry deposits at depth
- ▶ Strike recently extended 5km for recent Zaraa & Golden Eagle discoveries

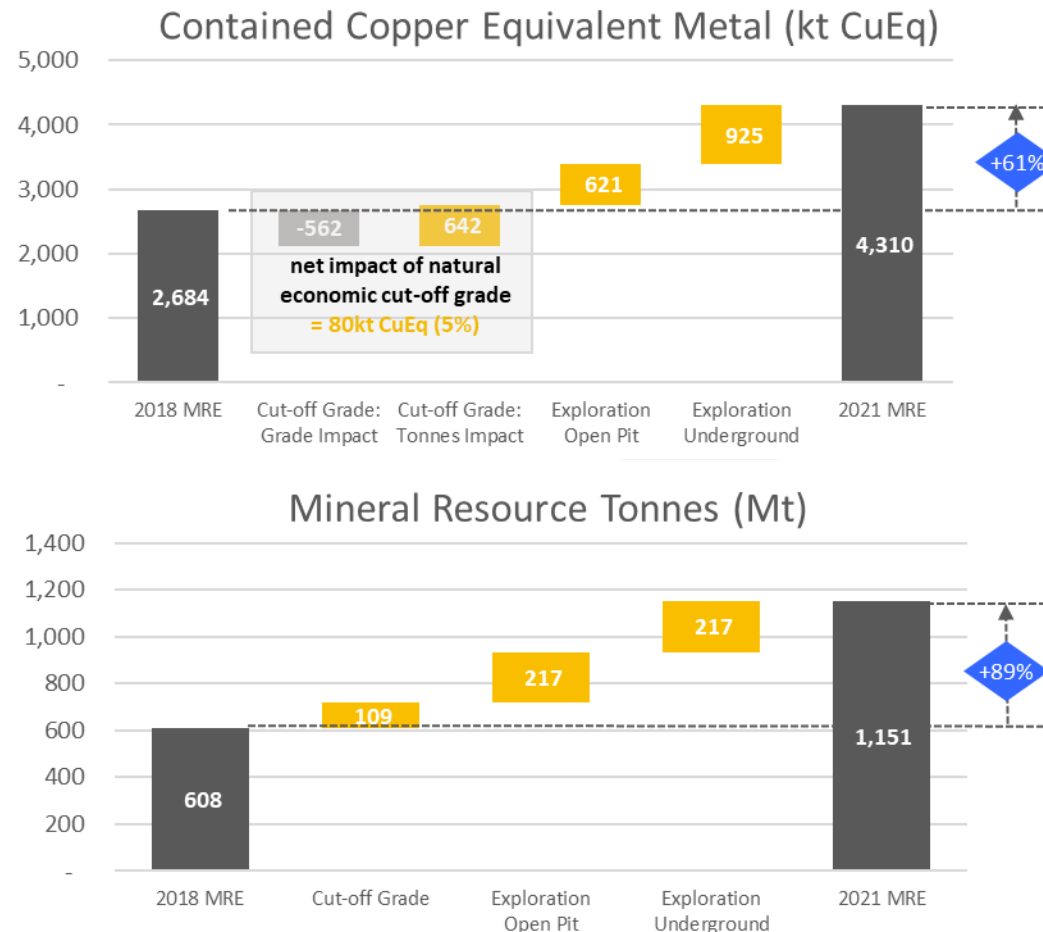


2021 MRE vs 2018 MRE – key drivers (summary)

Waterfall charts for MRE^{1,2} upgrade

More robust geological model:

- ✓ 2021 MRE modelling tightly constrained to high grade
- ✓ Exploration focused on grade over tonnes
- ✓ Higher grade core (0.8% CuEq) nearly **DOUBLED** from 54Mt to 100Mt



XANADU MINES

Increase in contained CuEq metal driven by **NEW exploration**:

- ✓ underground MRE (+57%)
- ✓ open pit MRE (+38%)

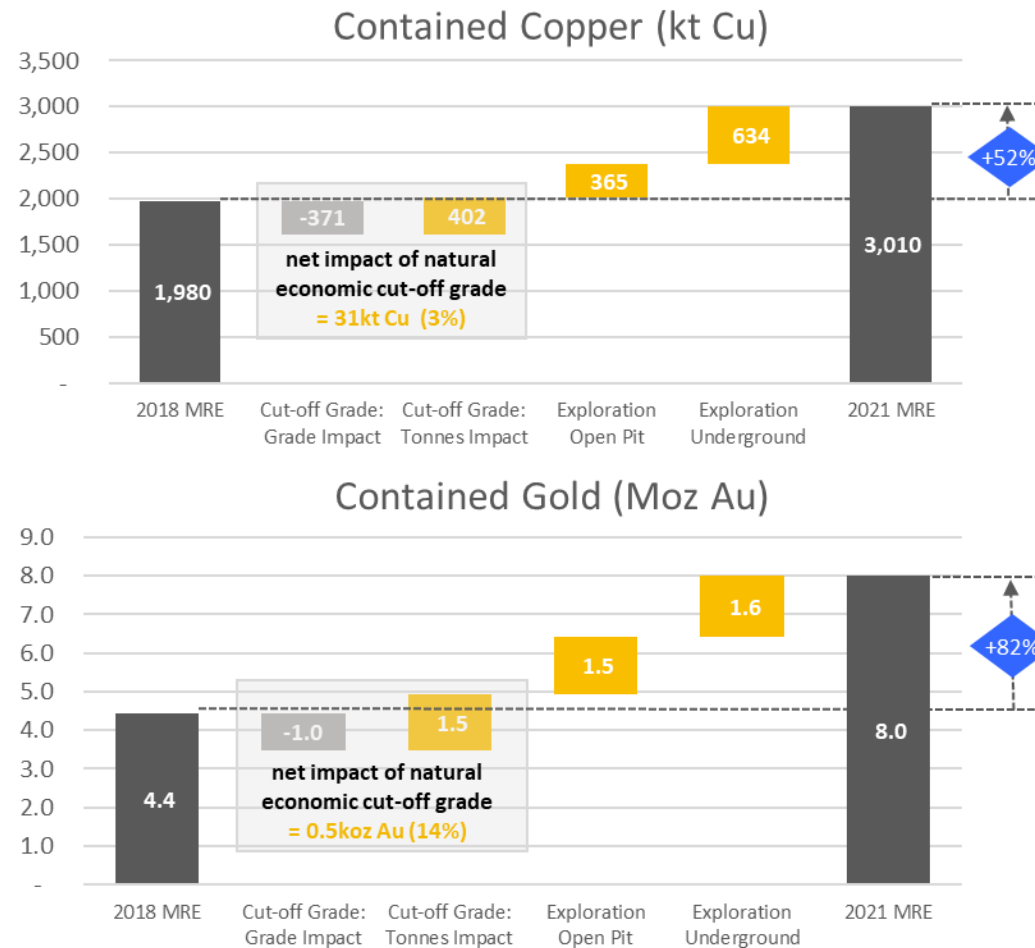
80% of the increase in Resource ore tonnes driven by **NEW exploration**

2021 MRE vs 2018 MRE – key drivers (detailed)

Waterfall charts for MRE^{1,2} upgrade

Scoping Study in 2022 (based on 2021 MRE) expected to demonstrate improved economics, with:

- ✓ **Higher grade zones** expanded from 54Mt to 100Mt
- ✓ Open pits deepened for **more contiguous mineralisation & grade escalating at depth**
- ✓ Significant **uplift in gold** by-product credits



XANADU MINES

Contained Copper increase includes **UPGRADES** to both open pit & underground:

- ✓ underground MRE (62%)
- ✓ open pit MRE (35%)

Significant increase in Contained Gold includes **UPGRADES** to open pit & underground as well:

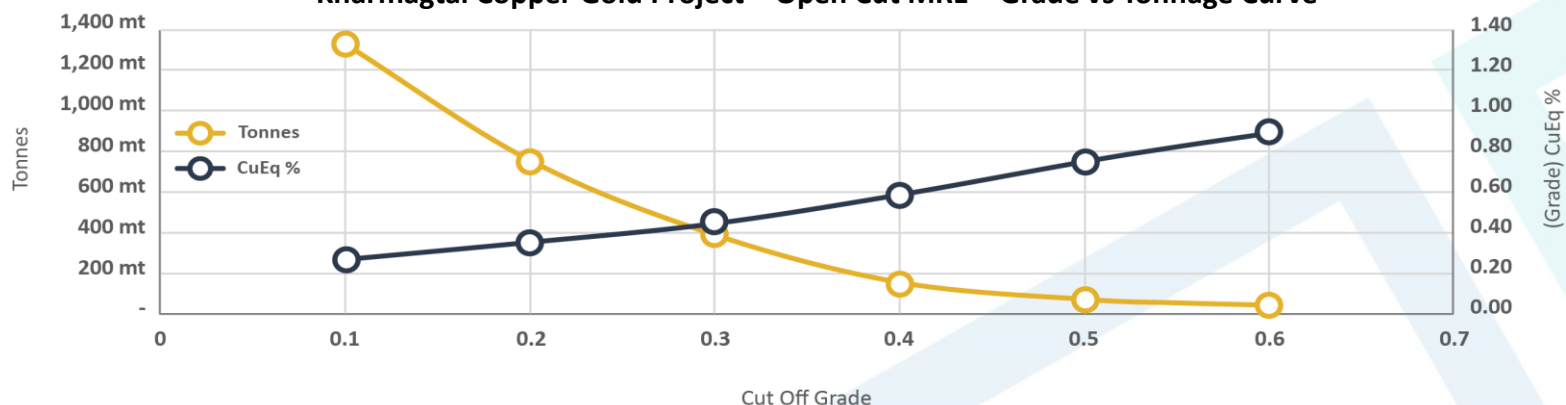
- ✓ underground MRE (44%)
- ✓ open pit MRE (42%)

Multi-generational asset for rapidly depleting copper mkt¹

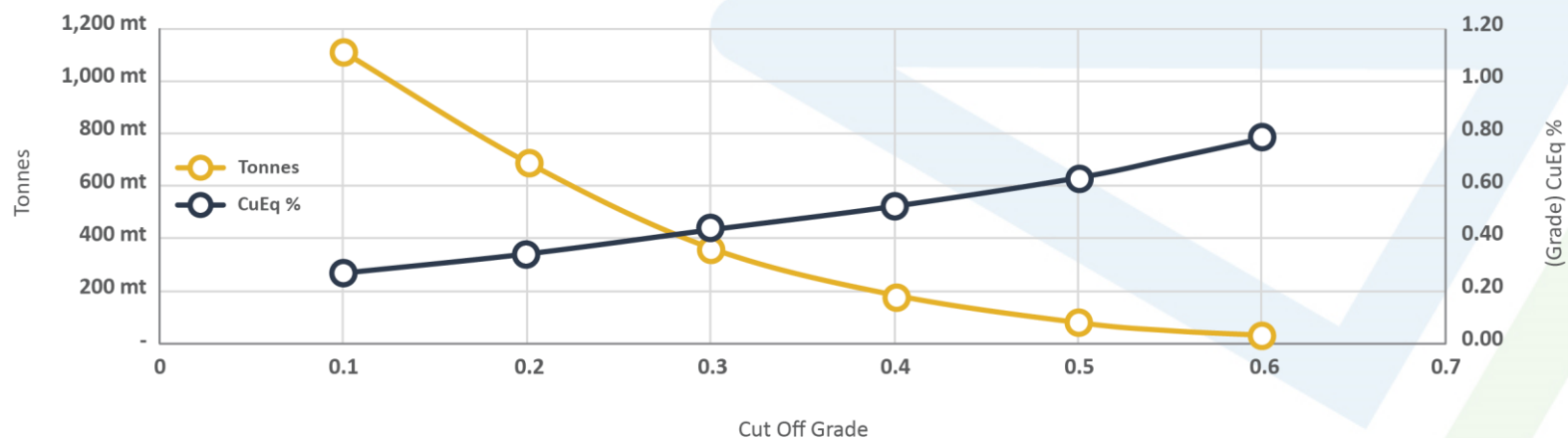
Robust project at multiple cut-off grades²

XANADU MINES

Kharmagtai Copper Gold Project – Open Cut MRE – Grade vs Tonnage Curve



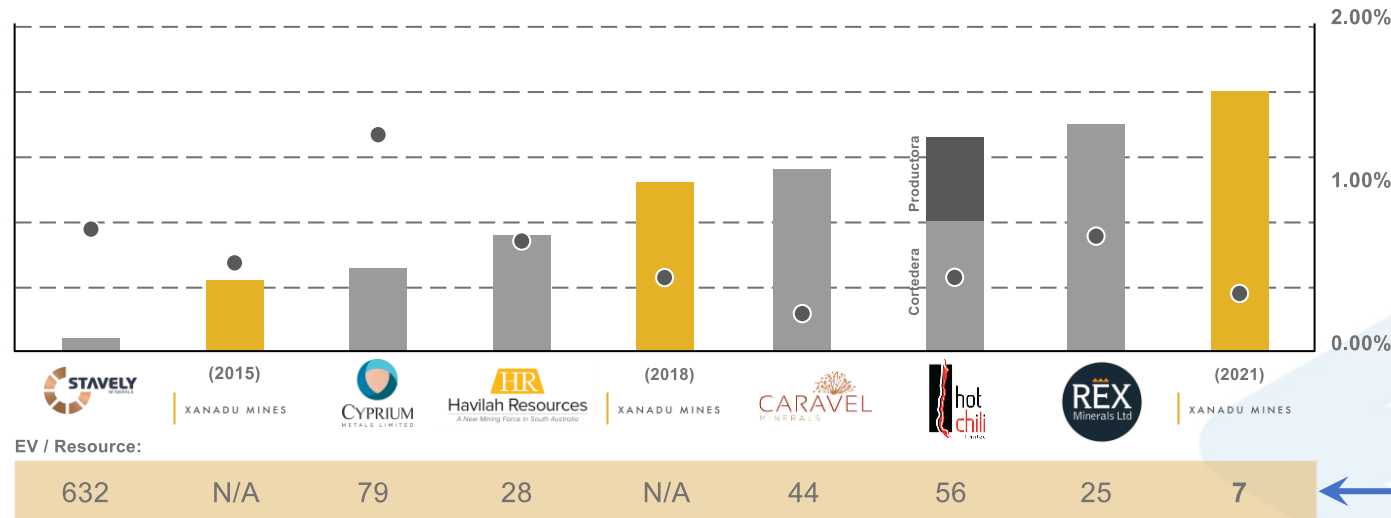
Kharmagtai Copper Gold project – Underground MRE – Grade vs Tonnage Curve



Kharmagtai MRE continues to grow

Largest copper district controlled by an ASX junior

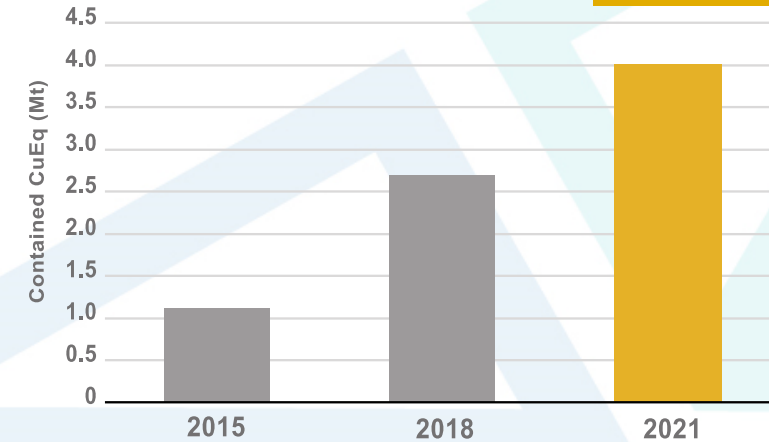
Contained CuEq (LHS) vs CuEq grade (RHS)



EV / Resource:

632 N/A 79 28 N/A 44 56 25 7

Source: S&P Market Intelligence, Company Disclosure, EV in AUD as at 7/1, CuEq calculations in Appendix 2 – Kharmagtai Resource Benchmarks



XANADU MINES

2021 MRE contains 61,500m drilled since 2018 MRE²

Trading at 4x discount relative to nearest ASX peer

MRE: 1.1Bt containing 4.3Mt CuEq¹

Higher grade core of 100Mt @ 0.8% CuEq¹

Grown at ~100Mlb per month since 2018 MRE

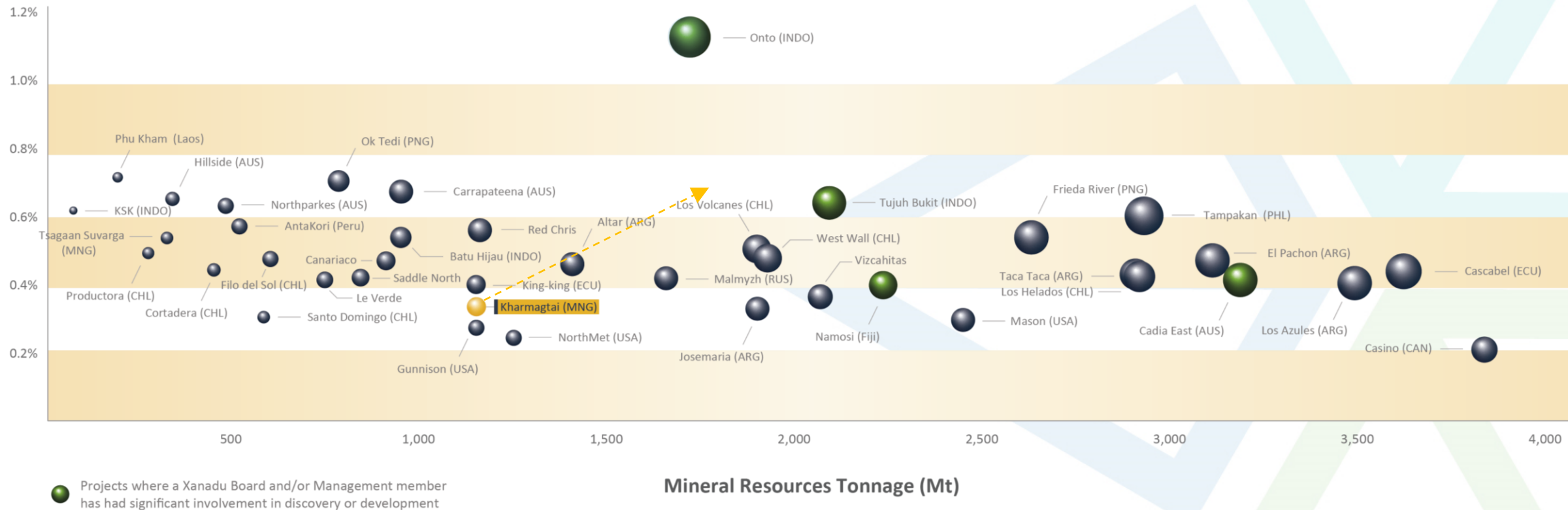
Low discovery cost <\$0.01/lb CuEq

Joining an elite club of global copper projects

Kharmagtai targeting a significant position among global peers

XANADU MINES

Bubble Size = Contained Metal¹ (Mt CuEq)



Broad high-grade intercepts continue to be delivered

2021 drilling success underpinned by growing gold-rich bornite core

XANADU MINES

ASX Announcement Date	Deposit ¹	Hole ID ²	From (m)	Interval (m)	Cu (%)	Au (g/t)	CuEq (%) ³	CuEq (%m) ⁴
3/02/2014	SWH	KHDDH240	3	245	0.75	2.48	2.02	494
3/02/2014	SWH	KHDDH259	3	203	0.45	2.45	1.70	346
3/02/2014	SWH	KHDDH281	28	210	0.63	1.61	1.45	305
3/02/2014	SWH	KHDDH275	358	298	0.45	0.58	0.75	222
23/07/2014	SWH	KHDDH343	358	205	0.73	0.55	1.01	207
28/07/2014	SWH	KHDDH343	358	242	0.55	0.75	0.93	226
22/06/2015	SWH	KHDDH371	242	244	0.81	0.32	0.97	238
29/03/2017	SWH	KHDDH394	16	646	0.51	0.87	0.95	617
29/03/2017	SWH	KHDDH394A	351	385	0.52	0.6	0.83	318
29/03/2017	SWH	KHDDH394A	351	225	0.61	0.73	0.98	221
5/09/2017	CH	KHDDH416	0	180	0.95	1.84	1.89	340
11/09/2017	SWH	KHDDH415	0	264	0.56	1.46	1.31	345
11/09/2017	SWH	KHDDH415	0	148	0.81	2.41	2.04	302
18/09/2017	SWH	KHDDH419	466	234	0.57	1.04	1.10	258
5/10/2017	CH	KHDDH421	0	412	0.54	0.79	0.94	389
5/10/2017	CH	KHDDH421	14	134	1.01	1.84	1.95	261
5/10/2017	CH	KHDDH421	14	134	1.01	1.84	1.95	261
5/10/2017	CH	KHDDH421	30	118	1.07	2.05	2.12	250
30/10/2017	SWH	KHDDH419	466	294	0.47	0.85	0.90	266

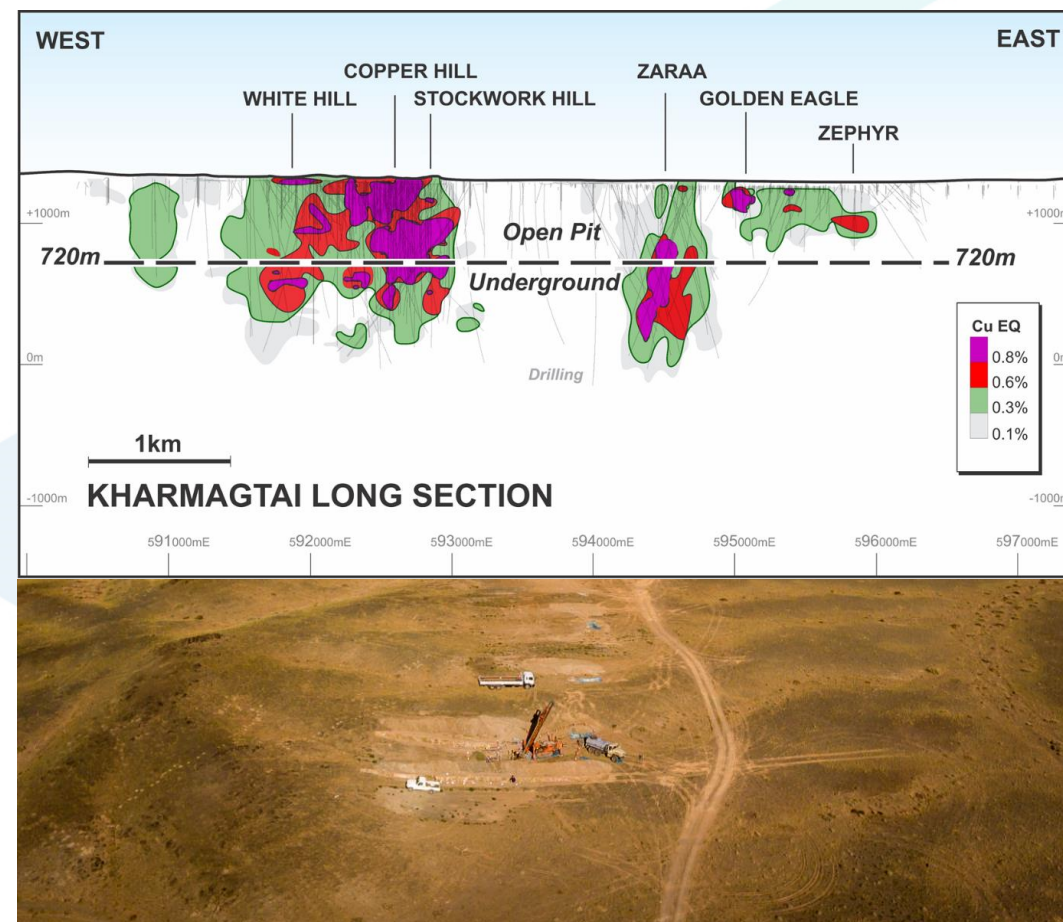
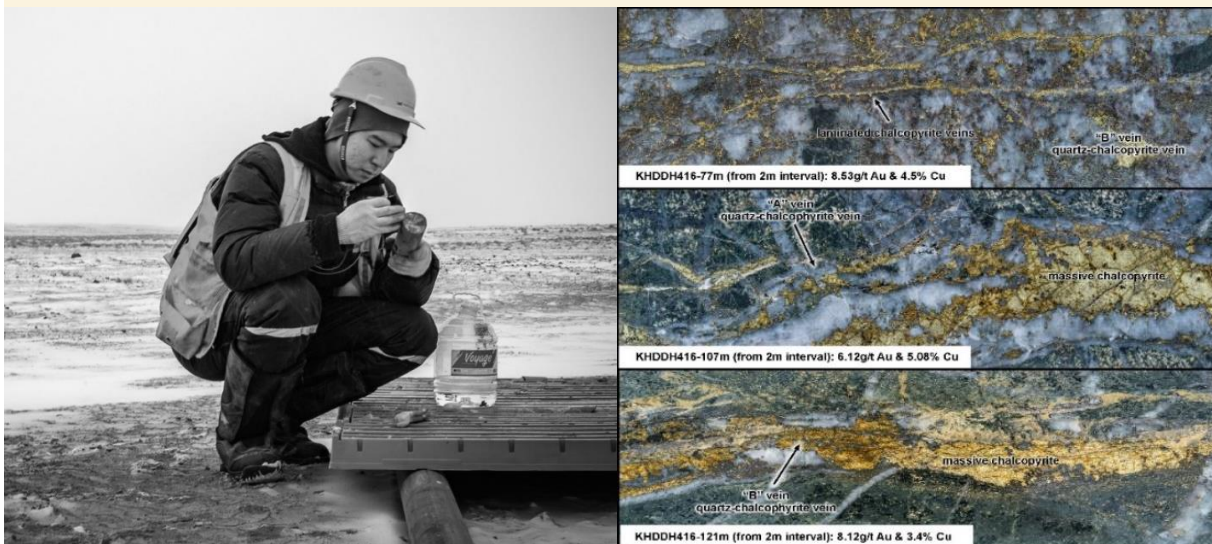
ASX Announcement Date	Deposit ¹	Hole ID ²	From (m)	Interval (m)	Cu (%)	Au (g/t)	CuEq (%) ³	CuEq (%m) ⁴
30/10/2017	SWH	KHDDH419	496	222	0.59	1.09	1.15	255
26/02/2018	SWH	KHDDH448	574	230	0.5	0.91	0.97	222
26/02/2018	SWH	KHDDH448	582	164	0.64	1.21	1.26	206
26/02/2019	SWH	KHDDH448	625	118	0.76	1.63	1.59	188
28/02/2019	SWH	KHDDH488	550	126	0.88	1.39	1.59	200
28/02/2019	SWH	KHDDH488	572	102	1	1.67	1.85	189
15/02/2021	SWH	KHDDH559B	612	226	0.68	1.43	1.41	319
15/02/2021	SWH	KHDDH559B	615	175	0.84	1.83	1.78	311
15/02/2021	SWH	KHDDH559B	649	134	0.89	2.04	1.93	259
15/02/2021	SWH	KHDDH559B	651	61	1.43	3.76	3.35	205
24/03/2021	SWH	KHDDH563	649	181	0.68	1.78	1.59	288
24/03/2021	SWH	KHDDH563	651	169	0.72	1.91	1.70	287
24/03/2021	SWH	KHDDH563	680	106	0.99	2.89	2.47	262
24/03/2021	SWH	KHDDH563	686	92	1.06	3.23	2.71	249
16/08/2021	SWH	KHDDH573	474	240	0.72	1.24	1.35	325
16/08/2021	SWH	KHDDH573	522	184	0.87	1.54	1.66	305
16/08/2021	SWH	KHDDH573	534	130	0.94	1.58	1.75	227
1/12/2021	SWH	KHDDH585	250	309	0.65	0.3	0.8	248
1/12/2021	SWH	KHDDH585	284	225	0.84	0.38	1.04	233
1/12/2021	SWH	KHDDH585	322	124	1.28	0.52	1.55	192

Significant potential for further high-grade

Strong growth upside beneath current bornite zones

XANADU MINES

- Mineralised intrusive indicates still in shallow levels of system
- Deposits open in all directions, with significant upside at depth¹
- Bornite zones starting to be uncovered
- Stockwork Hill – significant expansion upside along edges with high grade blocks still open
- Zephyr – along strike potential with highest-grade blocks positioned at either end still open



Globally significant porphyry district - untapped exploration potential

New systems continue to be unlocked through discovery drilling

XANADU MINES

EXPLORATION SCORECARD

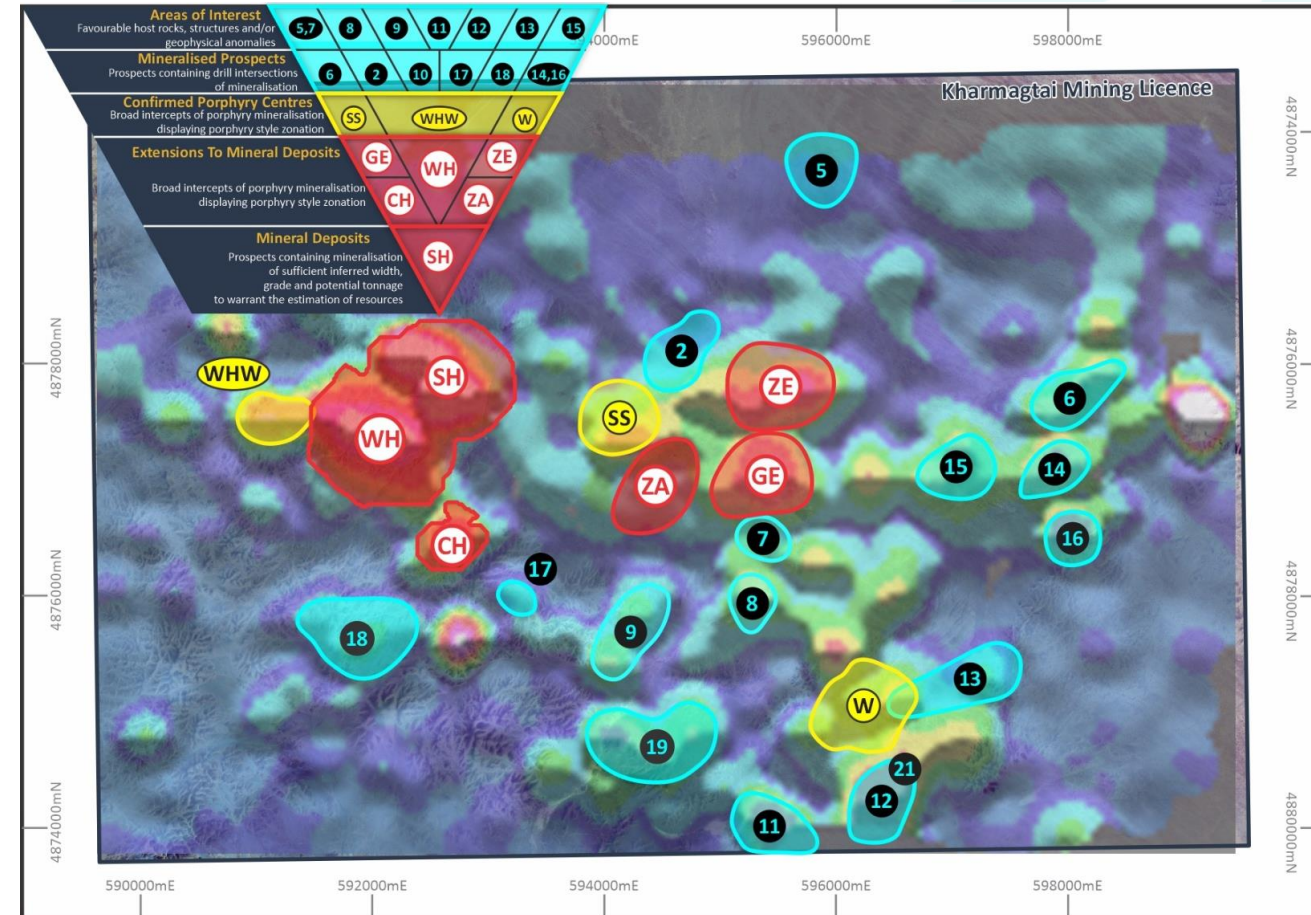
- 5 subsurface discoveries out of 10 prospects drilled
- <\$0.01/lb CuEq discovery cost vs ~\$0.07/lb industry avg ¹

DISTRICT CONTINUES TO OPEN UP

- Multiple copper-gold porphyry intrusions
- Mineralised structures linked to faulting
- Increasing grade at depth

PORPHYRY DEPOSITS ARE MADE NOT FOUND

- Continued exploration for new systems & new high grade
- Link existing systems at depth
- Highly prospective for new discovery
- Several priority targets drilled in 2021
- >20 targets to be drilled over next 12 months

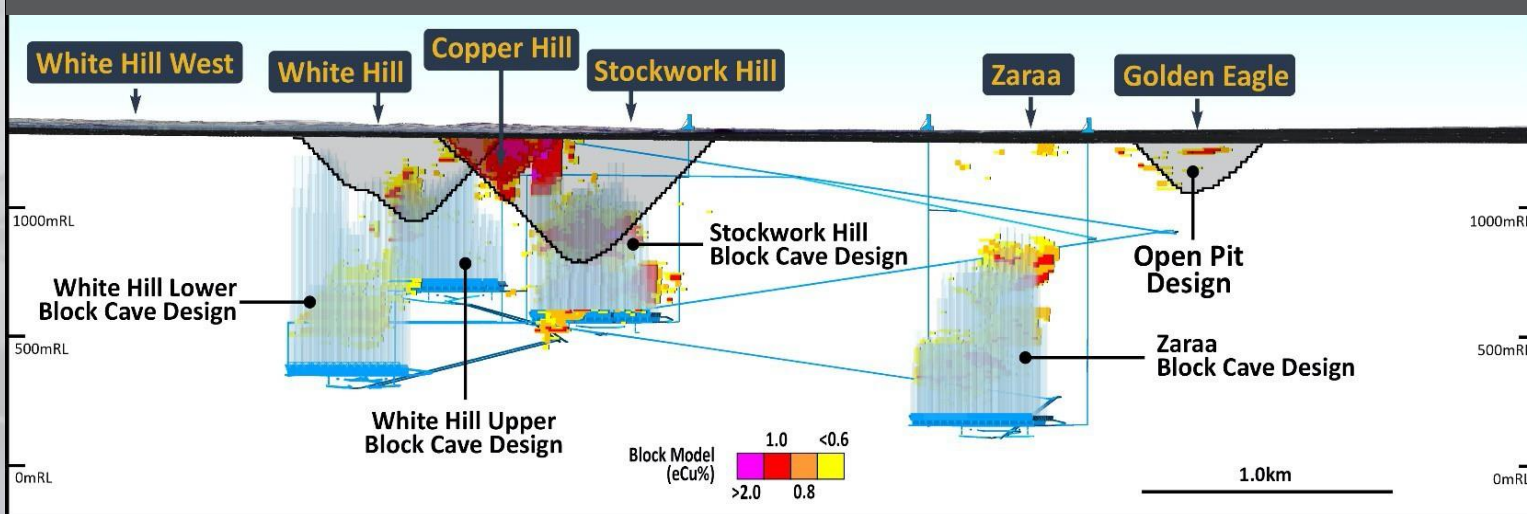


Studying a contemporary design & conventional approach

Led by our expert advisory panel

XANADU MINES

KHARMAGTAI POTENTIAL MINE DESIGN



MINING

- Conventional bulk mining
- Higher-grade material (in 2021 MRE) expected to be primarily mined as open pit, pending completion of Scoping Study
- Commencing with open pit, followed by super pit or underground caving¹
- Staged to accelerate cash flow

PROCESSING

- Conventional crushing, milling & flotation
- Staged expansion to match grade profile
- Conceptual designs completed

INFRASTRUCTURE

- Flat & stable topography reduces cost
- Existing regional power infrastructure in place
- Industrial, non-potable water resource
- Conventional tailings & mine waste management for desert climates

MARKETING

- Nearby rail facilitates shipping to port
- Close to regional smelters in Japan, South Korea & China
- Significant gold credits due to high Au-Cu ratio
- 1st quartile AISC potential on both gold & copper basis

METALLURGY

- Significant metallurgical test work completed
- Strong Cu & Au recoveries
- Saleable Cu concentrate with no deleterious elements
- Investigating further metallurgical refinement opportunities

Following a proven porphyry development path

Possibly a similar approach as other global Tier 1 operations

XANADU MINES

DEVELOPMENT STEP:

01 HIGH GRADE OPEN PIT
GENERATES EARLY CASH

02 SECONDARY CUTBACKS / CAVING
BRINGS FORWARD GRADE

03 SUPER PIT OR BLOCK CAVE
GENERATES CASH 30+ YEARS

KHARMAGTAI

Stockwork Hill, Copper Hill, White Hill

Stockwork Hill

White Hill, Zaraa

OYU TOLGOI

Oyut Deposit

Hugo South

Hugo North, Heruga

CADIA VALLEY

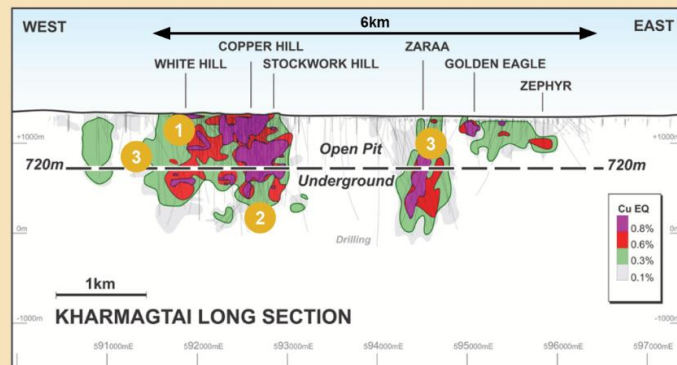
Cadia Pit

Ridgeway

Cadia East

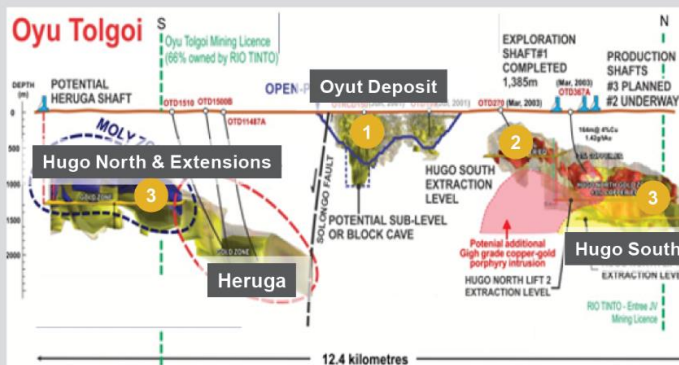
KHARMAGTAI (XANADU)

1.1Bt @ 0.37% CuEq (incl 100Mt @ 0.8 CuEq)¹



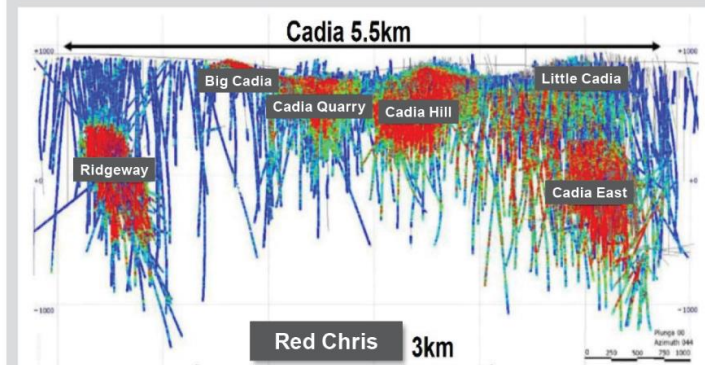
OYU TOLGOI (RIO TINTO)

4.5Bt @ 0.96% CuEq (incl 254Mt @ 1.2% Cu)



CADIA VALLEY (NEWCREST)

3.2Bt @ 0.5% CuEq (incl 151Mt @ 0.65% CuEq)

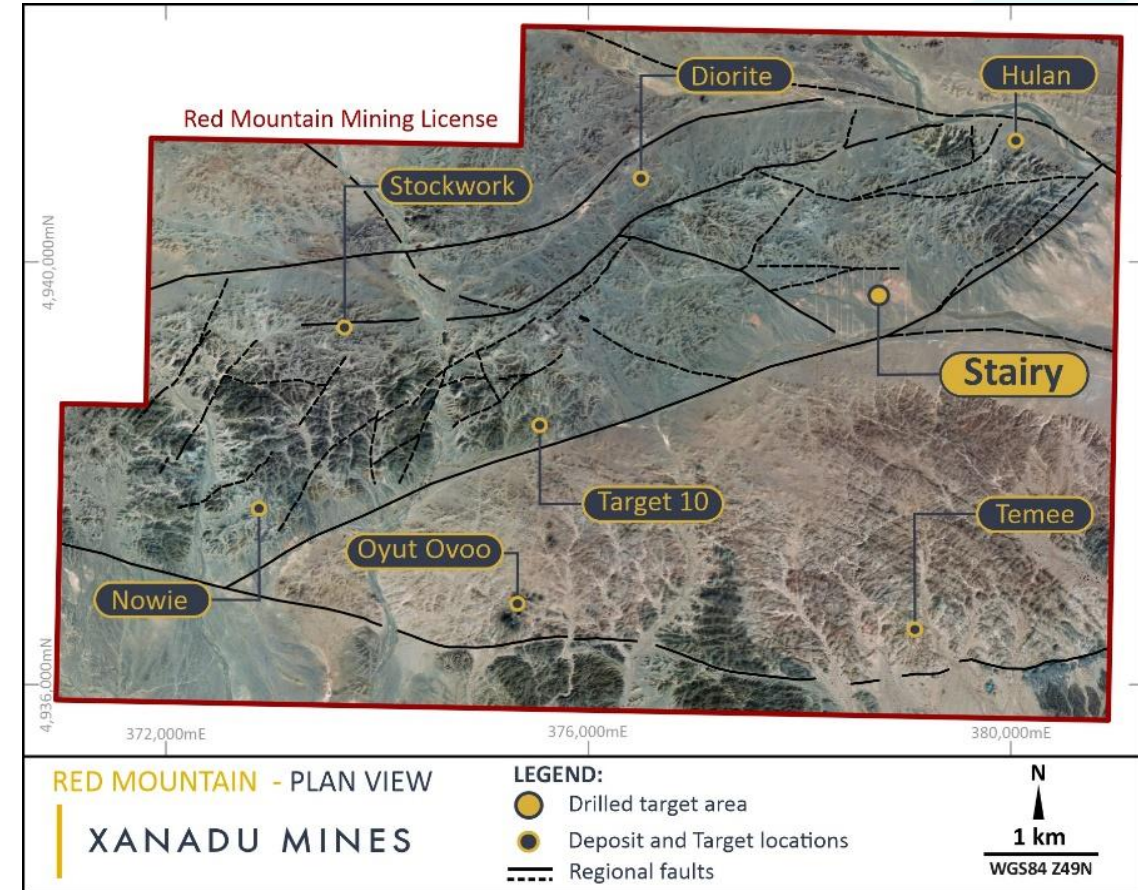


Red Mountain – a discovery project

Early stage & highly prospective

- ▶ Advanced exploration with multiple known targets:¹
 - Outcropping sulphides at surface, up to 184m width
 - 4 mineralised Cu-Au systems
 - 2 epithermal Au-Ag systems
 - High-grade diamond drill assays, up to 16% Cu
- ▶ Located 265km east of Kharmagtai
- ▶ Already has a 30-year, extendable mining license
- ▶ Recent consolidation to 100% ownership
- ▶ Updated exploration strategy to kick-off in 2022

XANADU MINES

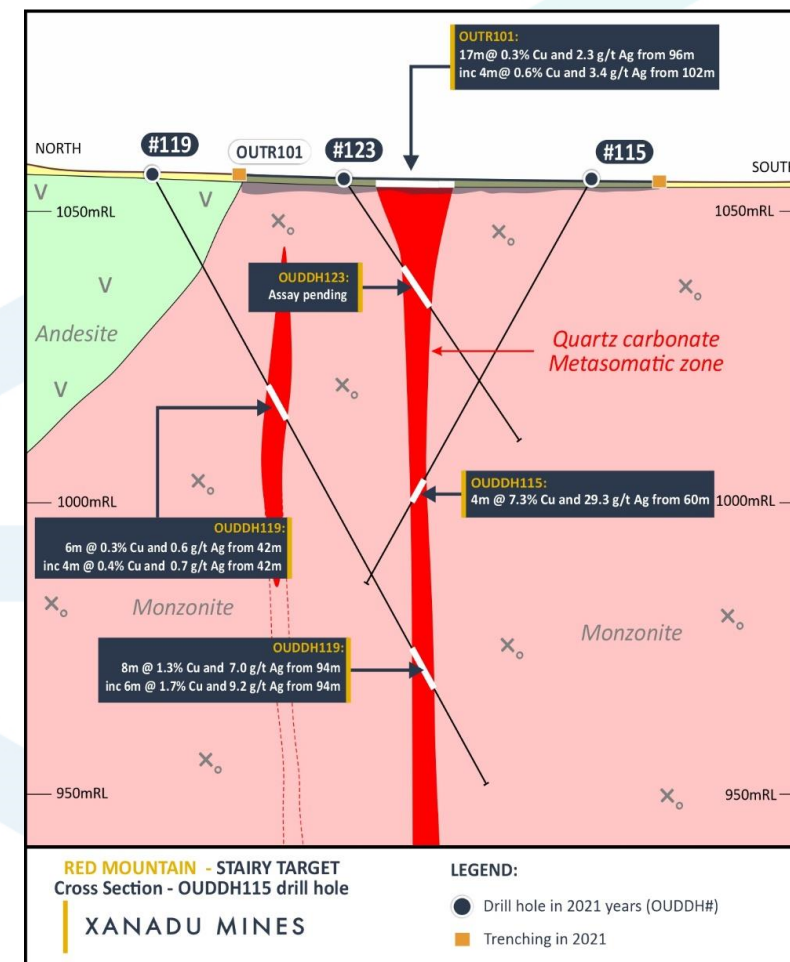
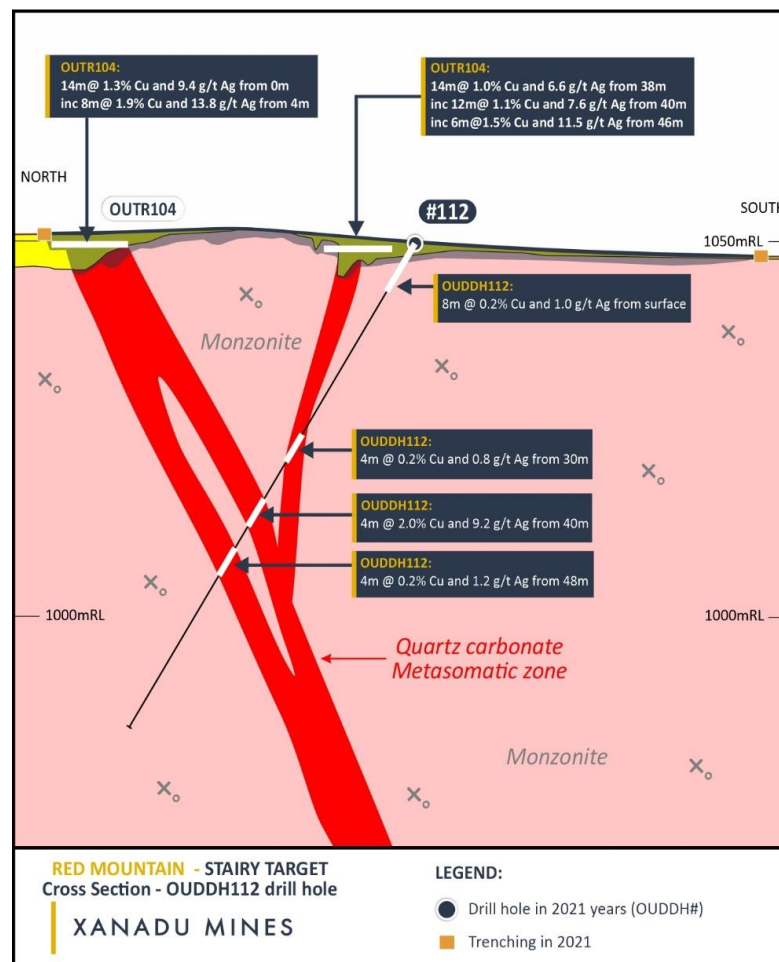


Stairy shaping up as attractive exploration project

Outcropping silver-rich bornite veins

- Recent diamond drilling **expanded** mineralised zones in historic trenches
- Potential large-scale **porphyry system** at depth
- Identified sub-vertical structures up to 24m wide, **extending >1km**
- Follow-up targeting program being developed

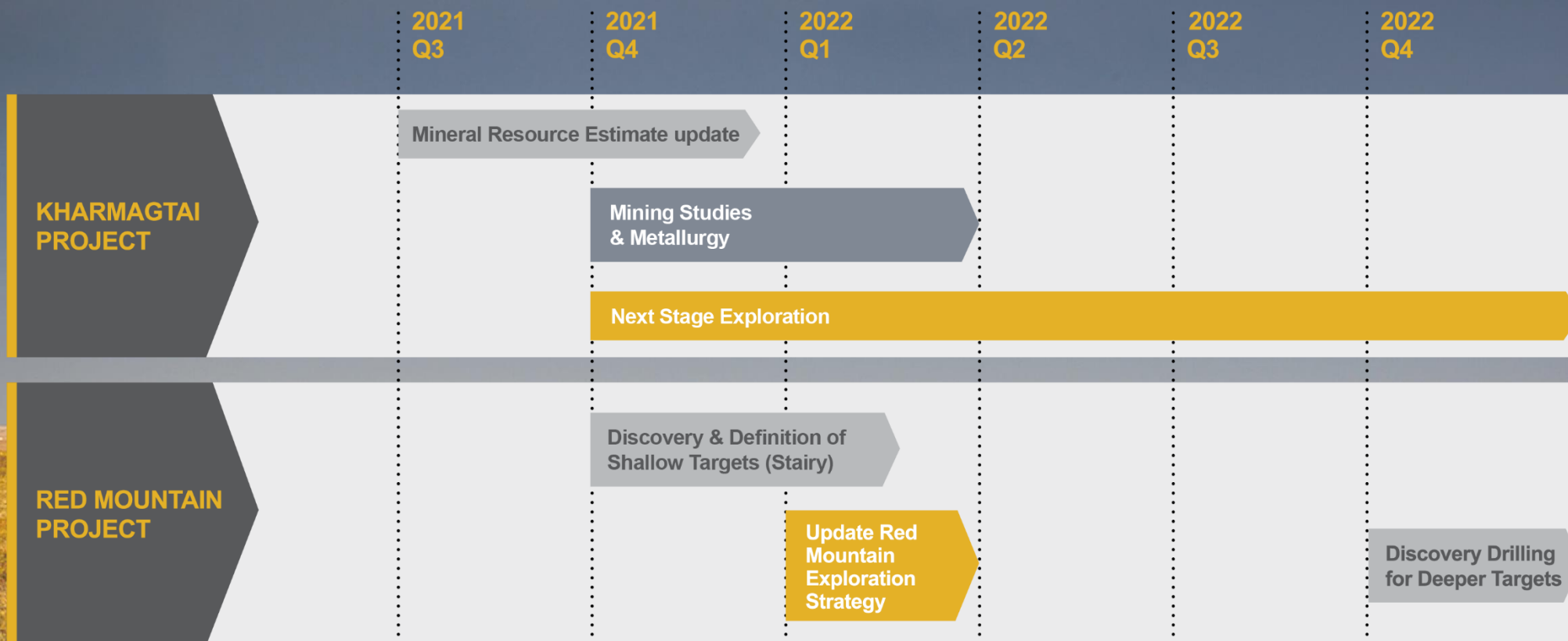
XANADU MINES



Derisking projects through equally important exploration & studies

Aiming for a partner to progress Kharmagtai to next stage

XANADU MINES



Why invest in Xanadu?

XANADU MINES

The Right Projects

MAJOR COPPER RESOURCE ¹

Kharmagtai MRE: 1.1Bt containing 3Mt Cu & 8Moz Au, including 100Mt @ >0.8% CuEq.

GROWTH POTENTIAL

Kharmagtai open in all directions & growing both grade & tonnes. Red Mountain highly prospective with multiple targets.

LOW TECHNICAL RISK

Kharmagtai amenable to conventional bulk mining & ore processing, yielding a clean Au rich Cu concentrate.

FAVOURABLE JURISDICTION

Mongolia is a stable democracy; mining driven economy; low ESG risk, great people; established infrastructure

The Right Company

AMBITIOUS EXPLORATION

>20 exploration targets at Kharmagtai have been ranked for drill testing over next 12 months; new discoveries at Red Mountain.

EXCELLENT LEADERSHIP

Highly credentialed Management & Board with solid track record of discovery & development; world class Advisory Team

FUNDED TO EXECUTE STRATEGY

\$7m cash in bank; open to partnership with a mining major to accelerate Kharmagtai project

ESG FOCUS

Operations conducted to high ESG standards; Kharmagtai has potential to be long life, low cost & high tech modern Cu mine

XANADU MINES

APPENDIX



Competent Person's Statement

XANADU MINES

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

Indicated & Inferred Resource – 2021 vs 2018

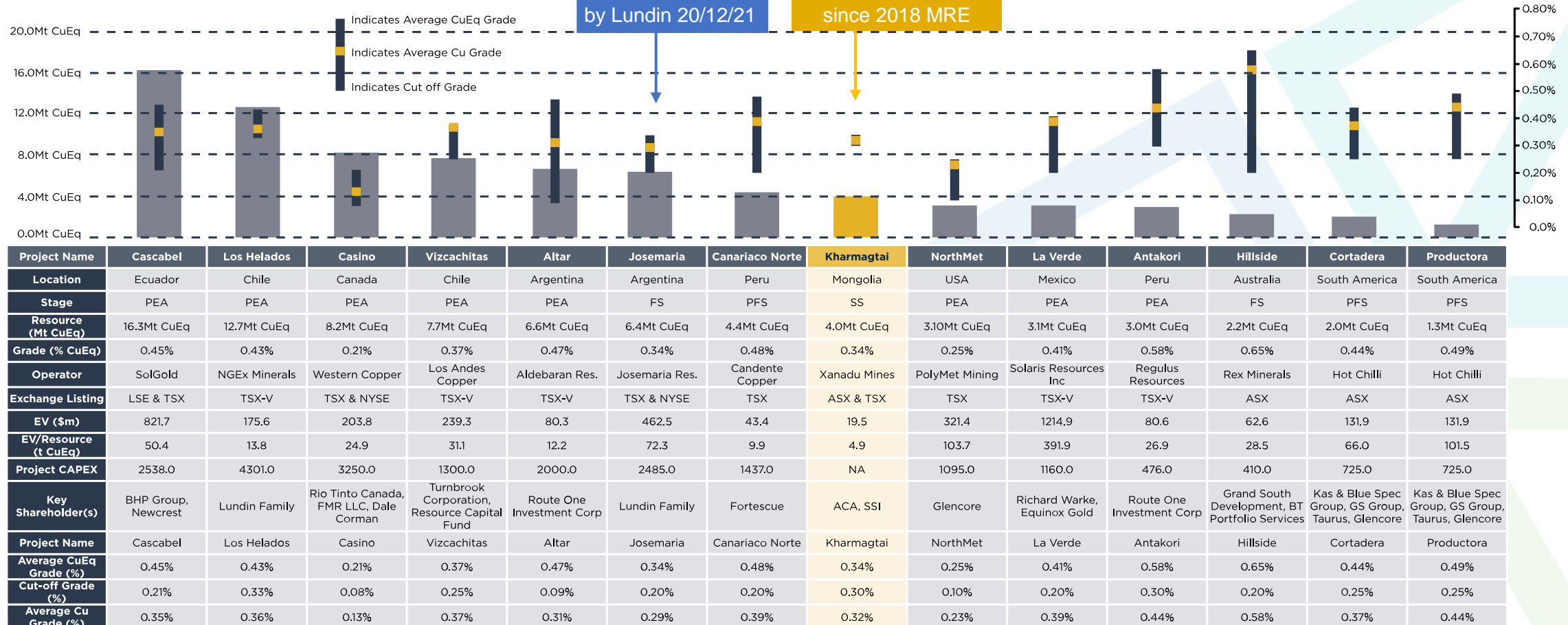
XANADU MINES

Resource	Cutoff (% CuEq)	Classification	Tonnes (Mt)	Grades ¹			Contained Metal			
				CuEq (%)	Cu (%)	Au (g/t)	CuEq (Mlbs)	CuEq (kt)	Cu (kt)	Au (koz)
2021 ¹	0.2(OC) 0.3(UG)	Indicated	487	0.4	0.3	0.2	4,375	1,980	1,330	3,900
		Inferred	664	0.3	0.2	0.2	5,140	2,330	1,680	4,100
2018 ²	0.3(OC) 0.5(UG)	Indicated	131	0.5	0.4	0.4	1,570	710	480	1,500
		Inferred	477	0.4	0.3	0.2	4,350	1,970	1,500	2,930

Moving up the global ranks

Ranks among the largest undeveloped Cu mineral resources in the world
(not controlled by a major mining company)

XANADU MINES



Source: S&P Market Intelligence, Company Disclosure, EV in USD as at 7/1, CuEq calculations in Appendix 2 – Kharmagtai Resource Benchmarks

Copper equivalent benchmarking

XANADU MINES

Global Project	Resource Date	Resource Mt				Au g/t			Cu %			Au Moz			Cu Mt			CuEq	
		Meas	Ind	Inf	Total	Meas	Ind	Inf	Meas	Ind	Inf	Meas	Ind	Inf	Meas	Ind	Inf	%	Mt
Altar	22/03/21	638	580	190	1,409	0.11	0.07	0.07	0.43%	0.41%	0.42%	2.2	1.4	0.4	2.8	2.4	0.8	0.47%	6.6
Mason	1/01/21	1,417	801	237	2,455	0.03	0.03	0.03	0.29%	0.30%	0.24%	1.4	0.6	0.3	4.1	2.4	0.6	0.30%	7.4
AntaKori	31/01/19	0	250	267	517	0.00	0.29	0.26	0.00%	0.48%	0.41%	0.0	2.3	2.2	0.0	1.2	1.1	0.58%	3.0
Batu Hijau	31/12/15	340	540	69	949	0.43	0.25	0.09	0.48%	0.35%	0.30%	4.7	4.3	0.2	1.6	1.9	0.2	0.55%	5.2
Cadia East	19/08/21	0	2,700	500	3,200	0.00	0.36	0.24	0.00%	0.26%	0.17%	0.0	31.1	3.8	0.0	7.0	0.9	0.42%	13.5
Canariaco	1/11/10	338	414	158	910	0.08	0.06	0.06	0.48%	0.43%	0.41%	0.9	0.8	0.3	1.6	1.8	0.6	0.48%	4.4
Carrapateena	30/06/21	130	490	330	950	0.42	0.26	0.16	0.96%	0.62%	0.32%	1.7	4.1	1.7	1.2	3.0	1.1	0.69%	6.5
Cascabel	19/10/21	1,192	1,703	741	3,636	0.39	0.14	0.13	0.48%	0.27%	0.25%	14.9	7.8	3.2	5.7	4.7	1.8	0.45%	16.3
Casino	3/07/20	183	2,208	1,461	3,852	0.41	0.17	0.14	0.25%	0.14%	0.10%	2.4	12.0	6.5	0.5	3.0	1.4	0.21%	8.2
Cortadera	19/02/16	0	183	267	450	0.00	0.15	0.12	0.00%	0.40%	0.35%	0.0	0.9	1.0	0.0	0.7	0.9	0.44%	2.0
El Pachon	31/12/20	534	1,055	1,536	3,125	0.00	0.00	0.00	0.67%	0.49%	0.41%	0.0	0.0	0.0	3.6	5.2	6.3	0.48%	15.0
Filo del Sol	8/06/18	0	425	175	600	0.00	0.32	0.33	0.00%	0.33%	0.27%	0.0	4.4	1.8	0.0	1.4	0.5	0.48%	2.9
Frieda River	10/12/18	620	1,240	780	2,640	0.30	0.22	0.18	0.53%	0.44%	0.35%	6.0	8.7	4.5	3.3	5.5	2.7	0.55%	14.5
Gunnison	7/07/15	201	711	241	1,152	0.00	0.00	0.00	0.36%	0.27%	0.22%	0.0	0.0	0.0	0.7	1.9	0.5	0.28%	3.2
Hillside	May 2015	72	151	114	337	0.16	0.13	0.10	0.55%	0.59%	0.60%	0.4	0.6	0.4	0.4	0.9	0.7	0.65%	2.2
Josemaria	10/07/20	223	977	704	1,904	0.32	0.17	0.10	0.43%	0.26%	0.19%	2.2	5.2	2.3	1.0	2.5	1.3	0.34%	6.4
Kharmagtai	8/12/21	0	487	664	1,151	0.00	0.20	0.20	0.00%	0.30%	0.20%	0.0	3.1	4.2	0.0	1.5	1.3	0.34%	4.0
King-king	28/02/15	120	842	189	1,151	0.46	0.32	0.27	0.32%	0.25%	0.22%	1.8	8.5	1.6	0.4	2.1	0.4	0.41%	4.7
KSK	14/06/19	21	34	15	70	0.00	0.00	0.00	0.70%	0.60%	0.60%	0.0	0.0	0.0	0.1	0.2	0.1	0.63%	0.4
Le Verde	30/09/12	58	350	338	746	0.29	0.02	0.02	0.45%	0.40%	0.37%	0.5	0.3	0.2	0.3	1.4	1.2	0.41%	3.1
Los Helados	26/04/19	0	2,099	827	2,926	0.00	0.15	0.10	0.00%	0.38%	0.32%	0.0	10.1	2.6	0.0	8.0	2.6	0.43%	12.7
Los Volcanes	31/12/20	0	0	1,904	1,904	0.00	0.00	0.03	0.00%	0.00%	0.50%	0.0	0.0	1.8	0.0	0.0	9.5	0.51%	9.8
Malmlyzh	1/05/15	0	0	1,661	1,661	0.00	0.00	0.17	0.00%	0.00%	0.34%	0.0	0.0	9.0	0.0	0.0	5.6	0.43%	7.1
Namosi	31/12/20	0	1,787	454	2,241	0.00	0.11	0.08	0.00%	0.35%	0.37%	0.0	6.3	1.2	0.0	6.3	1.7	0.41%	9.1
NorthMet	July 2019	352	444	458	1,253	0.03	0.03	0.03	0.24%	0.23%	0.24%	0.4	0.4	0.5	0.8	1.0	1.1	0.25%	3.1
Northparkes	31/12/18	219	205	58	482	0.23	0.16	0.19	0.56%	0.53%	0.57%	1.6	1.1	0.3	1.2	1.1	0.3	0.65%	3.1
Ok Tedi	31/12/17	365	372	44	781	0.53	0.50	0.71	0.47%	0.43%	0.51%	6.2	6.0	1.0	1.7	1.6	0.2	0.72%	5.6
Onto	31/12/14	0	760	960	1,720	0.00	0.56	0.44	0.00%	0.93%	0.87%	0.0	13.6	13.5	0.0	7.1	8.4	1.15%	19.8
Phu Kham	31/12/14	70	93	29	192	0.28	0.23	0.19	0.69%	0.59%	0.55%	0.6	0.7	0.2	0.5	0.5	0.2	0.74%	1.4
Productora	19/02/16	0	208	67	275	0.00	0.10	0.08	0.00%	0.46%	0.38%	0.0	0.7	0.2	0.0	1.0	0.3	0.49%	1.3
Red Chris	30/06/21	11	960	190	1,161	0.17	0.41	0.31	0.24%	0.38%	0.30%	0.1	12.6	1.9	0.0	3.6	0.6	0.57%	6.6
Saddle North	6/07/20	0	298	543	841	0.00	0.36	0.31	0.00%	0.28%	0.25%	0.0	3.4	5.4	0.0	0.8	1.4	0.43%	3.6
Santo Domingo	13/02/20	66	471	48	584	0.08	0.03	0.03	0.61%	0.26%	0.19%	0.2	0.5	0.0	0.4	1.2	0.1	0.31%	1.8
Taca Taca	30/11/20	422	1,782	717	2,920	0.14	0.07	0.05	0.60%	0.39%	0.31%	1.9	4.0	1.1	2.5	6.9	2.2	0.44%	12.8
Tampakan	31/12/14	980	1,290	670	2,940	0.28	0.16	0.10	0.69%	0.45%	0.40%	8.8	6.6	2.1	6.8	5.8	2.7	0.61%	18.0
Tsagaan Svarga	2015	322	0	0	322	0.00	0.00	0.00	0.55%	0.00%	0.00%	0.0	0.0	0.0	1.8	0.0	0.0	0.55%	1.8
Tuihu Bukit	31/12/20	27	87	1,984	2,098	0.71	0.34	0.45	0.00%	0.00%	0.45%	0.6	0.9	28.3	0.0	0.0	8.9	0.65%	13.7
Vizcachitas	10/05/19	254	1,030	789	2,073	0.00	0.00	0.00	0.44%	0.39%	0.34%	0.0	0.0	0.0	1.1	4.0	2.7	0.37%	7.7
West Wall	31/12/20	0	861	1,072	1,933	0.00	0.05	0.05	0.00%	0.51%	0.42%	0.0	1.4	1.7	0.0	4.4	4.5	0.49%	9.4
ASX Company	Resource Date	Resource Mt				Au g/t			Cu %			Au Moz			Cu Mt			Total	
		Meas	Ind	Inf	Total	Meas	Ind	Inf	Meas	Ind	Inf	Meas	Ind	Inf	Meas	Ind	Total		
Hot Chili (HCH)	12/10/2020	0	391	334	725	0.00	0.12	0.11	0.00%	0.43%	0.36%	0.0	1.5	1.2	0.0	1.7	1.2	0.46%	3.3
Rex (RXM)	26/05/2015	72	186	244	502	0.18	0.21	0.26	0.55%	0.59%	0.60%	0.4	1.2	2.0	0.4	1.1	1.5	0.70%	3.5
Xanadu (XAM)	31/08/2018	0	487	664	1,151	0.00	0.20	0.20	0.00%	0.30%	0.20%	0.0	3.1	4.2	0.0	1.5	1.3	0.34%	4.0
Havilah (HAV)	5/06/2020	102	37	120	259	0.46	0.41	0.32	0.53%	0.44%	0.49%	1.5	0.5	1.2	0.5	0.2	0.6	0.70%	1.8
Caravel (CVV)	23/11/2021	105	574	501	1,181	0.00	0.00	0.27%	0.24%	0.23%	0.0	0.0	0.0	0.3	1.4	1.2	0.24%	2.8	
Cyprium (CYM)	17/11/2021	27	55	15	96	0.00	0.00	0.00	1.60%	1.11%	1.48%	0.0	0.0	0.0	0.4	0.6	0.2	1.30%	1.3
Stavely (SVY)	8/09/2015	0	0	29	29	0.00	0.00	0.50	0.00%	2.20%	0.46%	0.0	0.0	0.5	0.0	0.0	0.1	0.72%	0.2

Mineral Resource used in benchmarking include Inferred, Indicated, and Measured classifications. Resource tonnes and grades are as reported by each company.

Copper equivalent grades were calculated by Xanadu Mines using the formula:
CuEq = Cu + Au * 0.60049 * 0.86667

Where :

- Cu = copper grade (%)
- Au = gold grade (grams per tonne (g/t))
- 0.60049 = conversion factor (Au to Cu); and
- 0.86667 = relative recovery of Au to Cu (86.67%)

These equivalent formulas were based on the following parameters (prices in USD):

- Cu price = 3.4 \$/lb
- Au price = 1,400 \$/oz
- Cu recovery = 90%
- Au recovery = 78%; and
- Relative recovery of Au to Cu = 78%/90% = 86.67%

Metals prices, Au-Cu conversion factor, and Au-Cu relative recovery factors are as defined in the 2021 Xanadu Mineral Resource Upgrade¹

Focused on ESG & social licence to operate

Sustainability Report available on Xanadu website ¹

XANADU MINES



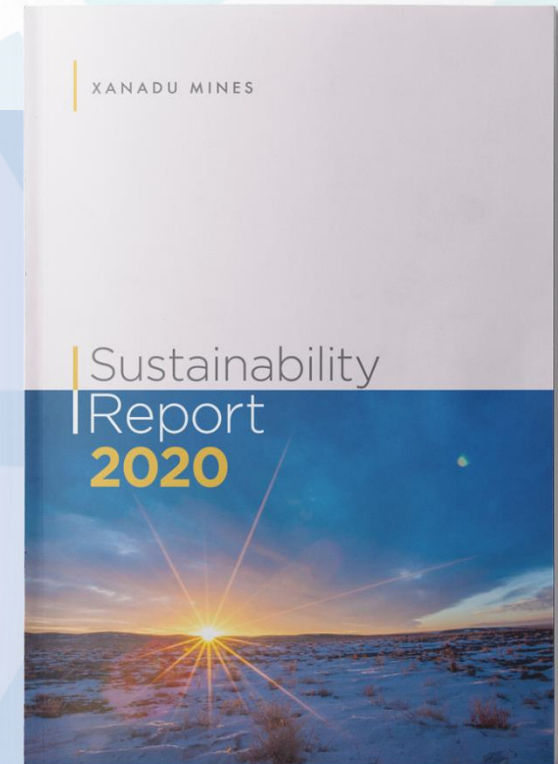
SOCIAL & COMMUNITY

- 100% Mongolian in country team, including Xanadu's Chief Operating Officer & Country Manager
- University sponsorships & internships for Mongolian students
- Equipment & supply donations to hospitals, schools & families
- Free medical check-ups for local community
- Successfully navigating COVID-19 largely uninterrupted, whilst ensuring safety of our workforce, including vaccines provided to all in country employees



ENVIRONMENT

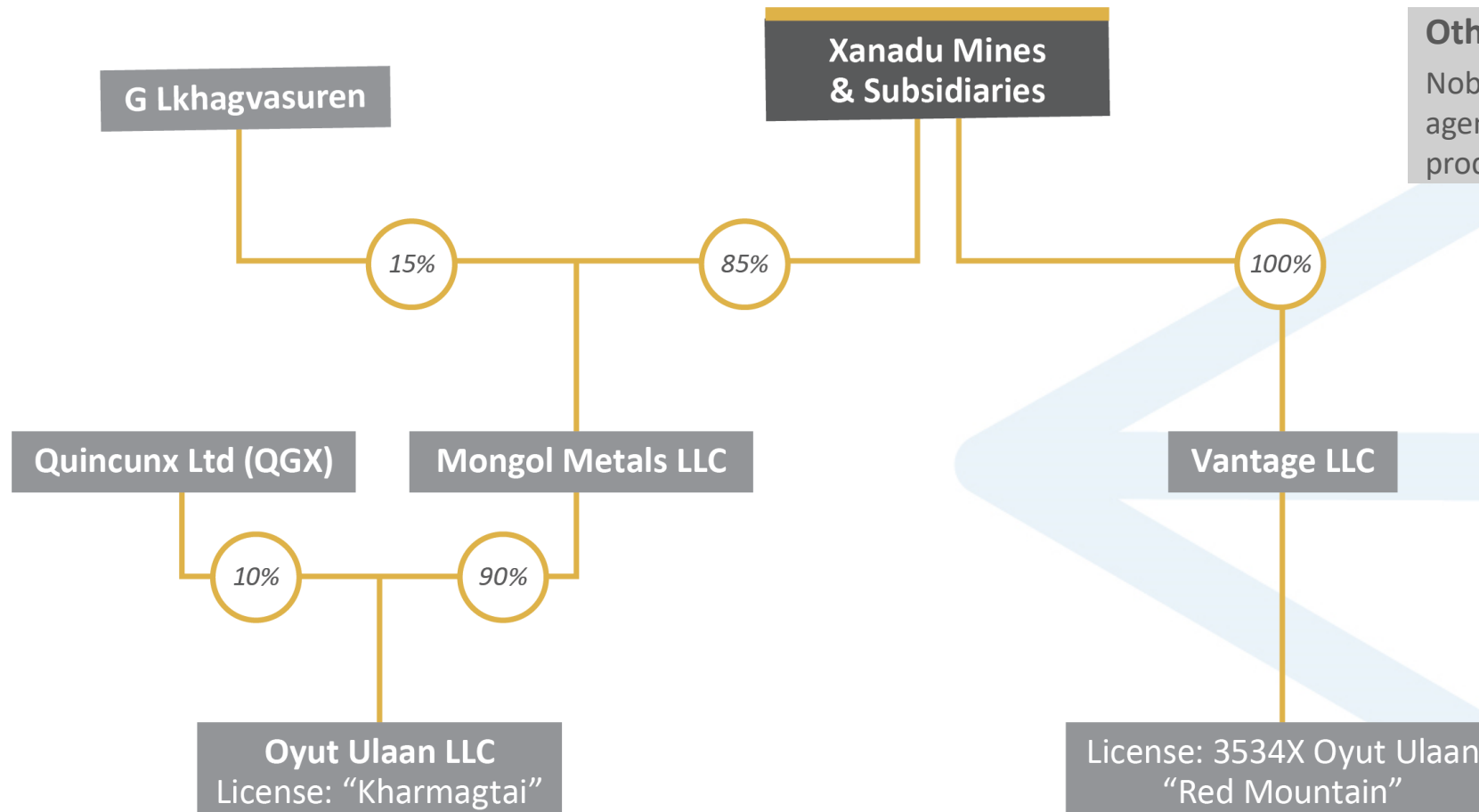
- Operations utilise non-potable water
- Potable water well monitoring & maintenance for community
- Camp upgraded to optimise energy consumption & sewerage handling
- Studies aim for modern, low energy intensity mine, including:
 - Mobile fleet electrification
 - Maximising beneficiation early in production cycle to minimise material movements
 - Conveyor haulage for material movements to surface
 - Green power – using grid power contracts that incorporates Mongolian renewables
 - Rail Haulage for concentrate



Clear ownership structure

Commercial strategy to consolidate & simplify ownership

XANADU MINES

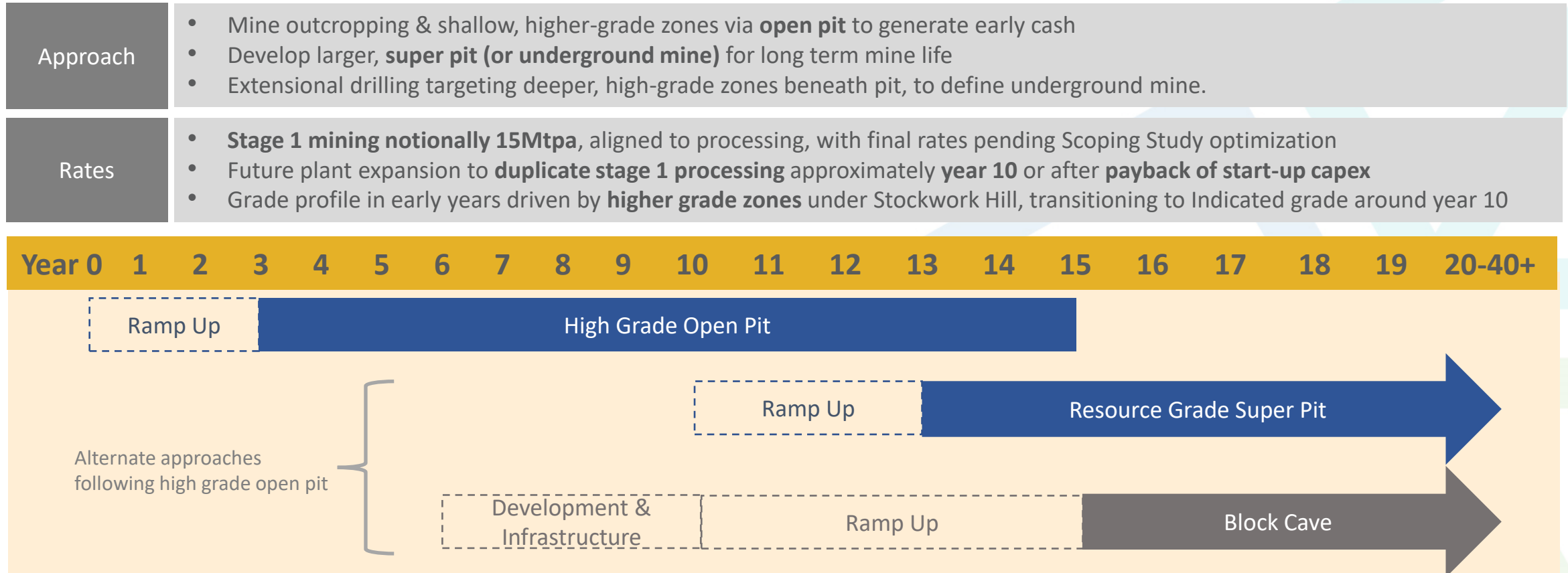


Other: Marketing Agency Agreement

Noble Resources right to be marketing agent for 30% of annual copper concentrate produced over 20 years

Example – how Kharmagtai could be mined

Staged, low risk, conventional bulk mining




Red Mountain has multiple known targets

Many already have high-grade drill intercepts; Stairy⁵ is priority

XANADU MINES

APPENDIX 6 – RED MOUNTAIN EXPLORATION

STOCKWORK TARGET




- Quartz-chalcopyrite-bornite stockwork
- Historical drilling:³
18m @ 0.87% Cu & 0.40 g/t Au (from 64 m)
22m @ 0.59% Cu & 0.14 Au (from 156 m)

DIORITE HILL TARGET




- Quartz-chalcopyrite-bornite stockwork
- Historical drilling:³
OUDDH087 intercepted 184.0m @ 1.06% CuEq from surface

BRECCIA PIPE TARGET



- Tourmaline Breccia Pipe
- Previous drilling includes:²
OUDDH088: 66m @ 1.8% Cu (from 20.4m Inc. 2m @ 10.25% Cu (from 28m)

TEMEE TARGET



- Anomalous geochemistry

PRIORITY: STAIRY TARGET

- Bornite and chalcopyrite sulphide with quartz carbonate fill
- Previous drilling includes:⁴
OUDDH110 intercepted 16m @ 4.09% Cu from 54m including 4m @ 15.89% Cu from 55m

Mongolia is a place where miners do business

XANADU MINES

Emerging mining region

- >40,000 Mongolian mining employees, (including ~ 97% of Oyu Tolgoi's ~15,000 staff)
- 70% of the land is under-explored
- 27 projects operated by listed mining & exploration companies in country
- Low Population Density: 3M people in the world's 18th largest country

Competitive regulatory regime

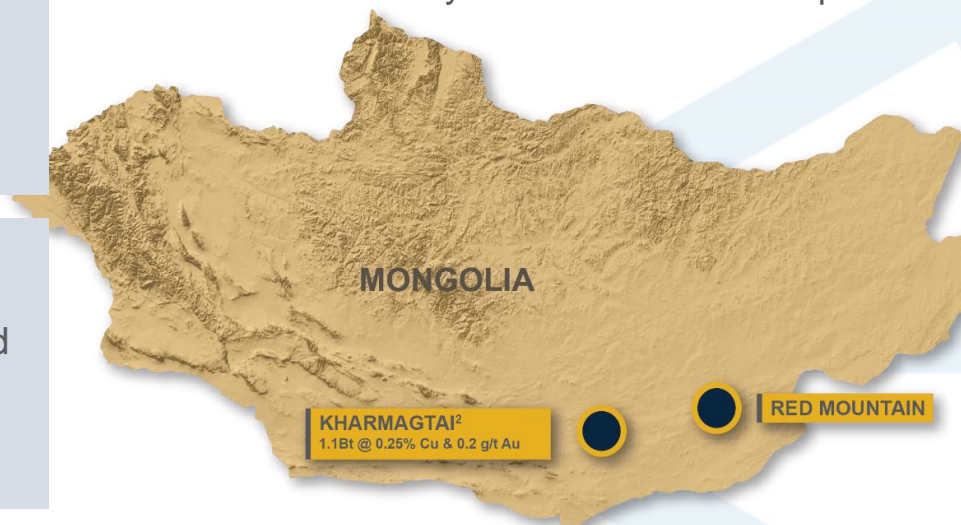
- 25% corporate income tax
- Investment stability agreements negotiated for new mine developments
- Australia-Mongolia Foreign Investment Promotion & Protection Agreement (FIPA)

Stable, Well Educated Democracy

- 30-year history of democratic elections
- Well educated, young population with 98% literacy rate

Mongolia's Mining Economy¹

Foreign direct investment in Mongolia's extractive industries – which are based on extensive deposits of copper & other minerals has transformed Mongolia's landlocked economy from its traditional dependence on herding & agriculture.



GDP growth 5.1% in 2019

Mining accounts for 88% of Export earnings

Copper a primary export commodity for Mongolia

Mining accounts for 27% of GDP

Exports >50% of GDP

On the doorstep of the world's biggest consumer

>60% of Mongolia's external trade comes from China

China accounts for ~53% refined copper consumption globally in 2020

China consumption of refined copper up 17% yoy to 3.2Mt in Q1 2021

Clear permitting steps for development

XANADU MINES

STEP	PERMITS AND DOCUMENT FILING	GOVERNING AUTHORITIES	KHARMAGTAI	RED MOUNTAIN	GOVERNING LEGISLATION
1	Agreement to compensate state exploration expenditure (if any)	Minerals Authority	Complete & paid back	Not in place	Minerals Law 60.1 clause requires this agreement needs to be in place at least 60 days prior to a mining operations
2	Feasibility study update	Minerals Authority	next update due 2024	next update due 2024	Mineral law 48.6.1 clause - update required every 5 years
3	Comprehensive environmental impact assessment	Ministry of Environment, Minerals Authority	2024	2024	Minerals law 39.1.5, Environmental law Section 8 - update required every 5 years
4	Resource update with mining license granted	Minerals Authority	pre-mining	pre-mining	Minerals law 48.6.3 clause
5	Land usage agreement & land usage licenses	Local Governors /aimag, soum/	pre-mining	pre-mining	Following a decision by respective local governors
6	Water usage agreement & water usage license	Ministry of Environment & Agencies	pre-mining	pre-mining	Minerals law 27.1.11, 35.3.7. Based on water usage feasibility
7	Cooperation agreement with local governors	Local Governors	pre-mining	pre-mining	Minerals law 42.1, Government resolution 179 from 2016. Assess prior performance as basis.
8	Mine and plant commissioning permit	Ministry of Mining & Heavy Industry	pre-mining	pre-mining	Minerals law 35.4
9	Engineering drawings of concentration plants & auxilliary plants, buildings and tailings	Ministry of Mining & Heavy Industry	pre-mining	pre-mining	Minerals law 39.1.4.3, Environmental law 21.3, Construction law 4.1.30.
10	Emergency operations plan	Special emergency authority	14 days before mining	14 days before mining	Emergency law 8.1 clause

Mongolian mines operating without government equity stake

Private & publicly listed companies

XANADU MINES

Mine or Project ^{1, 2}	Commodity	Public Company / Owner
Altan Tsagaan Ovoo	Gold	Steppe Gold
Boroo	Gold	Boroo
Ulaanbulag	Gold	Boroo
Bayan Airag	Gold	Kerry Group
Bayan Khundii	Gold	Erdene Resources
Tumertei Ovoo	Zinc	China NFC and Metalimpex Co
Ukhaa Khudag	Coal	Mongolia Mining Corp
Baruun Naran	Coal	Mongolia Mining Corp
Ovoot	Coal	Aspire Mining
Nuurstei	Coal	Aspire Mining
Baruun Noyon Uul	Coal	Terracom
Ovoote Tolgoi	Coal	SouthGobi Resources
Ulan Ovoo	Coal	Silver Elephant Mining
Nariin Sukhait	Coal	Mongolyn Alt (MAK) Corp

Why Copper?

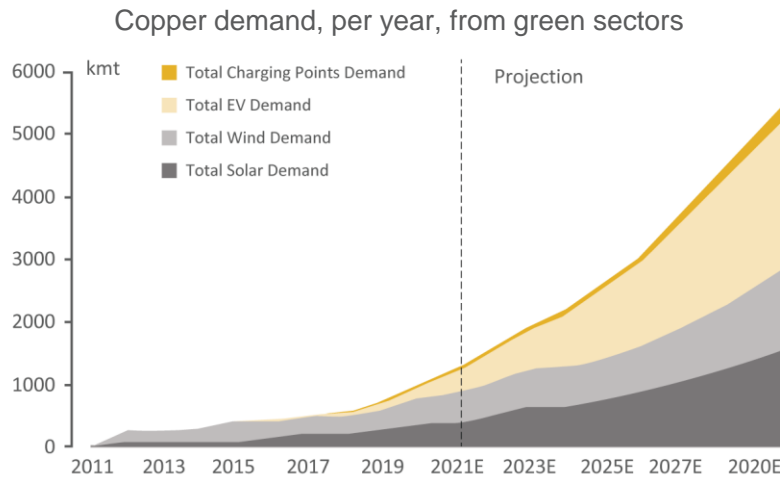
XANADU MINES

- **PRODUCTION DYNAMICS**
– declining supply & fewer discoveries
- **ECONOMIC GROWTH**
– growing demand from industrialising & urbanising economies
- **GREEN DEMAND MEGATRENDS**
– a key enabler for global electrification



A global copper supply deficit is looming

Exponentially growing demand from green electrification & reserve depletion leading to looming copper shortage

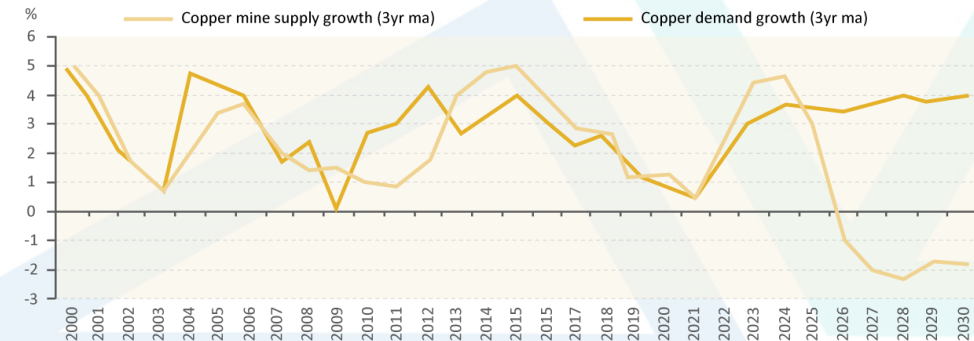


Reserve Changes per year (mm t)

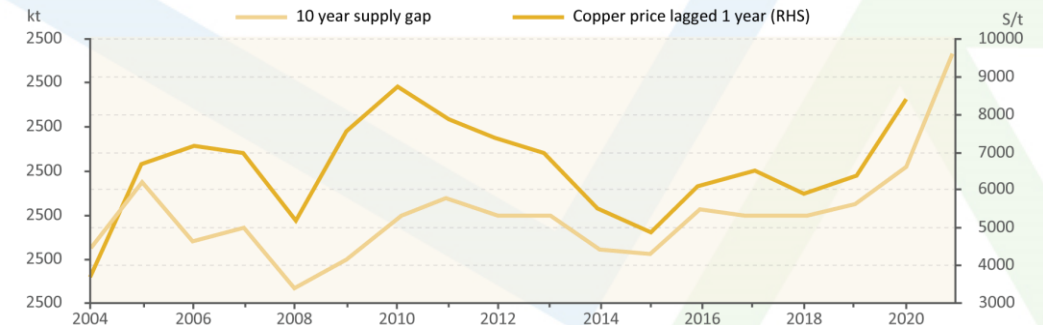
	2006 - 2014	2014 - 2020	Change
New Mine Additions	5.5	5	-9%
Brownfield Reserve Additions	21	8	-62%
Production	-12	-13	8%
Net Reserve Additions	15	0	-100%

Current prices are not high enough to incentivise further Greenfields exploration Deficits would generate a depletion of market inventories by early 2023/2024 & push prices higher

Copper mine supply growth vs copper demand growth



Long term supply gap & copper price



Electrification & technology megatrends are driving increased copper demand

XANADU MINES



ELECTRIC VEHICLES (EV)

- Government regulation drives net-zero emissions
- EVs require 2.6x the copper used for internal combustion



POWER GENERATION

- Renewable energy growing 30-40% annually
- Requires up to 60% more copper than traditional power generation



CONSTRUCTION

- Cities moving to smart, green infrastructure
- Increased IT systems & energy efficient design
- Requires high copper intensity heating and cooling systems



THANK YOU

Andrew Stewart
Chief Executive Officer
M: + 61 409 819 922
E: andrew.stewart@xanadumines.com

Keep up to date with us



ASX: XAM | TSX: XAM

#FMS #FMS2022 #FutureMineralsSummit