

12 January 2024

Alma to Acquire Two Strategically Located EPM's for the Briggs Copper JV Project in Queensland

Summary:

- Alma Metals has agreed binding terms with Tropex Metals Pty Ltd to acquire two Exploration Permit for Minerals (EPM's) that are strategically located next to the Briggs, Mannersley and Fig Tree Hill joint venture in central Queensland (Figure 1).
- Upon transfer of the Tropex EPM's to Alma's Australian subsidiary, Alma will issue AUD \$50,000 worth of Alma ordinary shares to Tropex based on a 10-day VWAP calculated on the day binding transaction documents are executed. These shares will be escrowed for 6-months.
- The vendor will also be entitled to receive a 1% Net Smelter Royalty on mineral production from the two EPM's, capped to a maximum total of AUD \$7.5M.
- The two EPM's will become part of the Briggs, Mannersley and Fig Tree Hill JV, with the cost of acquisition to form part of Alma's earn-in expenditure.

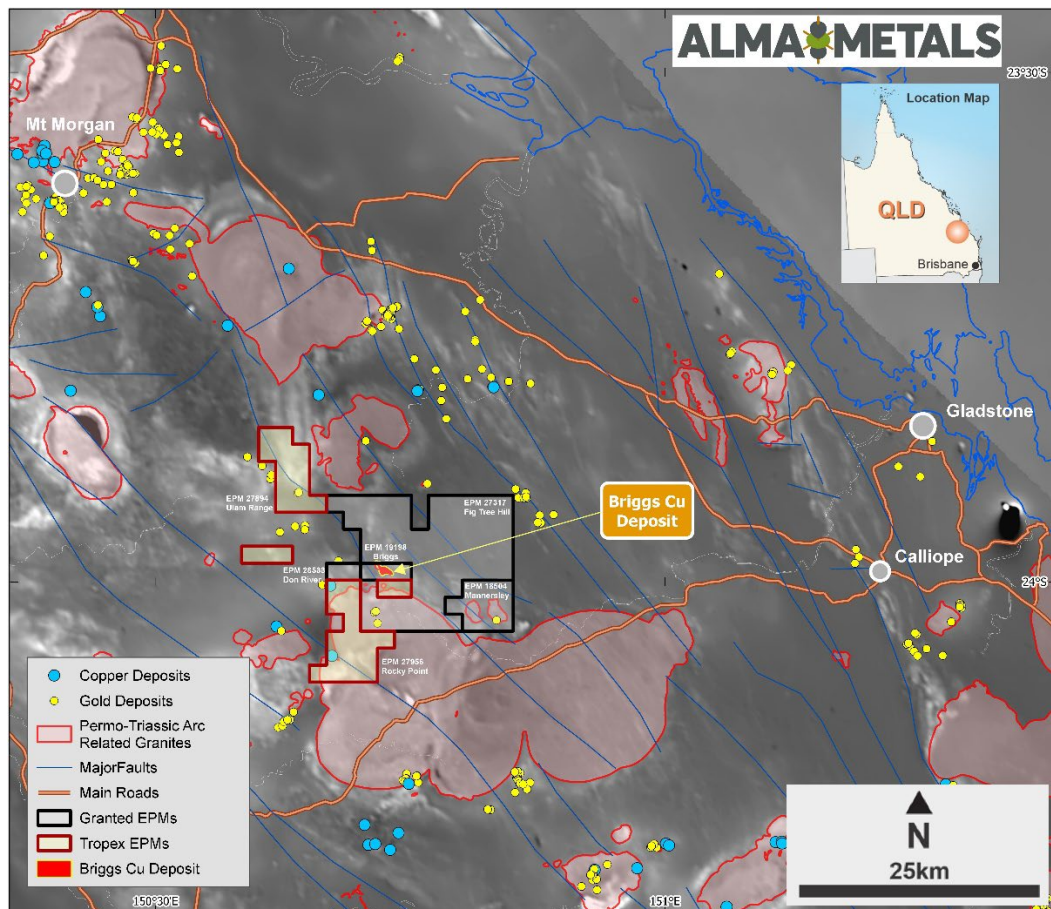


Figure 1 Location of the two EPM's to be acquired and the existing Briggs, Mannersley and Fig Tree Hill EPM's overlain on total magnetic intensity map of the region.

Alma Metals Limited (ASX: ALM, “the Company” or “Alma”) has executed a binding Term Sheet to acquire two EPM’s from Tropex Metals Pty Ltd that are located immediately adjacent to the Briggs Copper Project in Queensland (Figures 1 and 2). Exploration at Briggs is being funded by Alma under an Earn-In Joint Venture agreement where Alma currently has a 30% JV interest and can earn up to a 70% interest from owner Canterbury Resources Limited (ASX: CBY) via a staged earn-in.

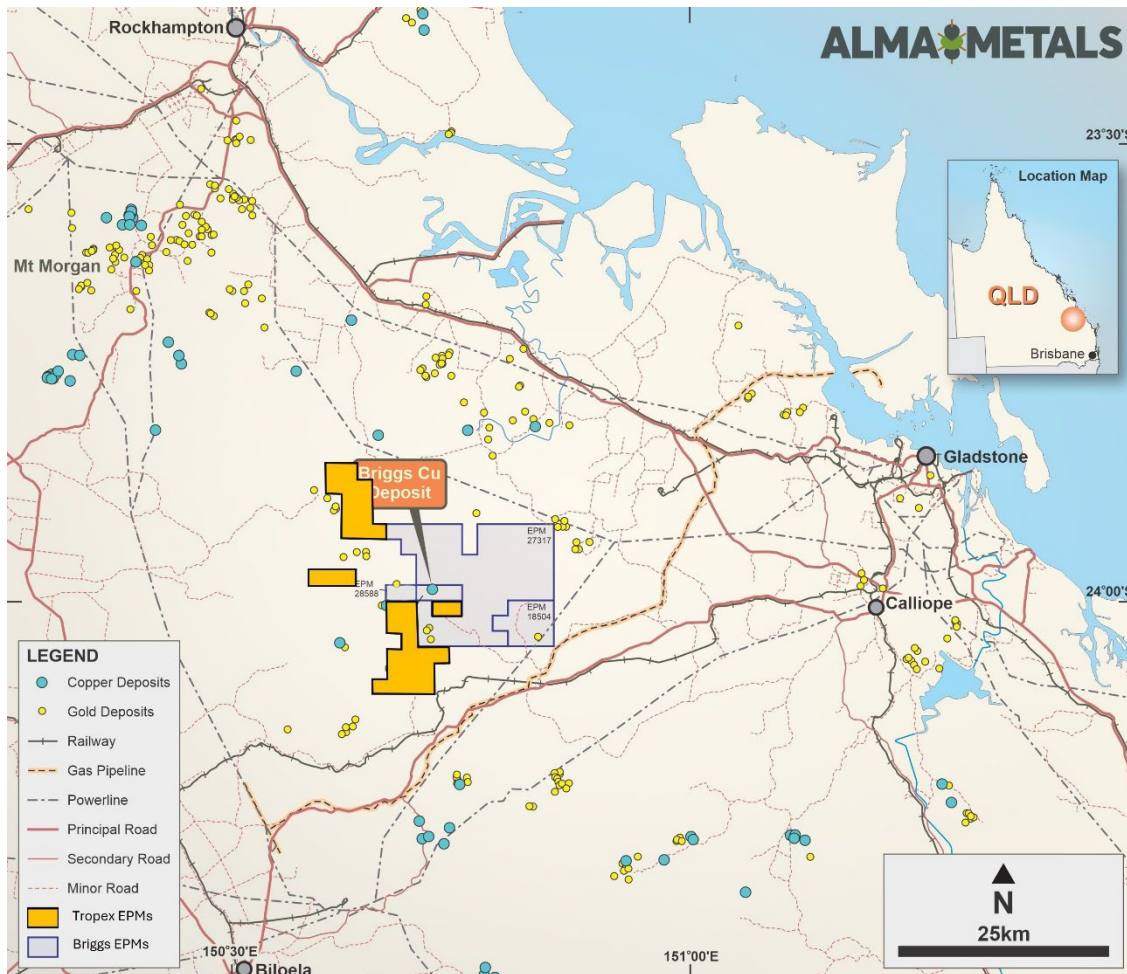


Figure 2. Regional plan with EPM locations, and proximity of the project to key infrastructure elements around Gladstone.

The Project includes the Briggs Copper deposit, where an Inferred Mineral Resource of 415Mt at 0.25% Cu and 31ppm Mo has been defined at a 0.20% Cu cut-off grade (ALM release 6 July 2023). A recently completed drill program tested the Exploration Target¹ of 480-880Mt @ 0.20% to 0.30% Cu and 25 to 40ppm Mo which surrounds the Inferred Resource (ALM release 18 July 2023) and tested a zone of potentially elevated copper grades around the margin of the central porphyry (see ASX release dated 21 November 2023).

- NOTE:** The potential tonnage and grade ranges of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in an increase in the Mineral Resource Estimate. The Exploration Target for Briggs excludes the current Inferred Resource estimate (415Mt at 0.25% Cu, 31ppm Mo).

Terms of the Acquisition

Alma Metals Limited has executed a Binding Term Sheet with Tropex Metals Pty Limited (Tropex) under which Alma Metals Australia Pty Limited (a 100% owned subsidiary of Alma) will acquire EPM27894 Ulam Range and EPM 27956 (Rocky Point), together the Tropex EPMs, on the following terms:

- Upon execution of formal transaction documents, Tropex will transfer 100% ownership of the Tropex EPM's to Alma Metals Australia Pty Limited.
- Upon completion of the transfer of ownership of the Tropex EPM's, Alma will issue Tropex with the number of Alma Ordinary Shares with a value equivalent to AUD \$50,000 based on the 10-day VWAP calculated on the day the Transaction Documents are executed (Alma Shares).
- Tropex has agreed to a 6-month escrow period during which time it will not sell or pledge the Alma Shares.
- Tropex will be entitled to receive a 1% Net Smelter Royalty on any mineral production from the Tropex EPM's (or their successors), capped to a maximum total of AUD \$7.5 million. The Royalty shall be calculated using the same terms as used for calculation of royalties payable to the State of Queensland under the Minerals Resources Act 1989 at the time the transaction documents are executed.

The Tropex EPM's will become part of the Briggs, Mannersley and Fig Tree Hill joint venture between Alma and Canterbury Resources. The cost of acquisition (excluding the royalty) will form part of Alma's earn-in expenditure.

This announcement is authorised for release by Managing Director, Frazer Tabearth.

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COMPETENT PERSONS STATEMENT

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') 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 edition) and references to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code (2012 edition).

The information in this report that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Dr Frazer Tabearth (Managing Director of Alma Metals Limited). Dr Tabearth is a member of the Australian Institute of Geoscientists.

Dr Tabearth has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Tabearth consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

There is information in this announcement extracted from:

- (i) the Mineral Resource Estimate for the Briggs Central Copper Deposit, which was previously announced on 6 July 2023, and*
- (ii) Exploration Target which was previously announced on 18 July 2023.*

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Exploration Targets and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

FORWARD LOOKING STATEMENTS:

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Alma Metals does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.