

30 January 2024

Update on Cerro Bayo Acquisition

Mitre Mining Corporation Limited (ASX:MMC) (**Mitre** or the **Company**) is pleased to provide an update on its proposed acquisition of the Cerro Bayo Silver-Gold Project in Chile (**Project**) announced on 1 December 2023 (**Transaction**).

The Company held a general meeting yesterday, 29 January 2024, at which shareholders overwhelmingly approved all resolutions required to give effect to the Transaction (**Meeting**).

Shareholders of the vendor, Equus Mining Limited (ASX:EQE), also approved the Transaction at a general meeting held earlier today.

The remaining conditions precedent under the Transaction are expected to be satisfied shortly, with completion expected to occur thereafter.

In conjunction with the Transaction, the Company announced an \$8.3 million (before costs) capital raising through the issue of 41,500,000 fully paid ordinary shares (**Shares**) at an issue price of \$0.20 per Share (**Placement**). Tranche 1 of the Placement completed on 8 December 2023, raising approximately \$2.3 million (before costs). Shareholder approval for Tranche 2 of the Placement was obtained at the Meeting and the Shares for the Tranche 2 Placement are expected to be issued just prior to completion of the Transaction, raising approximately \$6 million (before costs).

Cerro Bayo Silver-Gold Project Overview

The Cerro Bayo Silver-Gold Project is located in the Asyen region in Southern Chile and was in production for over 15 years, producing more than 45Moz Ag and 650koz Au.¹ The Project has been on care and maintenance since October 2022.

The Transaction will transform Mitre into a significant silver-gold exploration company with Cerro Bayo's existing JORC 2012 Inferred Mineral Resource Estimate standing at 3.82Mt at a grade of 206g/t AgEq for 24.7Moz of contained AgEq with significant scope for short term Resource growth potential.

The Project has substantial scope for rapid growth, with extensive known high-grade mineralisation outside the Resource across the +300km² mining claim package, which incorporates Cerro Bayo, and regional districts Cerro Diablo and Los Domos.

Cerro Bayo also includes infrastructure valued over A\$150m to support a future restart of operations, including a 500ktpa operational mill, extensive underground mines, power network, offices and workshops.

The Project lies on the Western margins of the Deseado Massif which is considered one of the premier epithermal gold-silver mining provinces globally, hosting world class deposits such as Cerro Negro (Newmont). The mine is located ~5km west of the town of Chile Chico and ~200km from the main deep-water port of Puerto Chacabuco, both accessed by all-weather roads.

This announcement has been approved for release by the Board of Directors.

¹ Couer/Mandalay production reconciliations from 2002-2017 total ~7.3Mt @ 201g/t Ag, 2.9g/t Au for 47Moz Ag and 678koz Au (~100Moz AgEq @ 83:1 ratio).

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Patrick Gowans Non-Executive Chairman
Carl Travaglini Non-Executive Director

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Forward Looking Statements

Various statements in this announcement constitute statements relating to intentions, future acts and events. Such statements are generally classified as “forward looking statements” and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. Although the forward-looking statements contained in this release reflect management’s current beliefs based upon information currently available to it and based upon what management believes to be reasonable assumptions, such forward looking statements are estimates for discussion purposes only and should not be relied upon. Mitre’s performance may be influenced by a number of factors which are outside the control of the Company, its directors, staff or contractors. The Company does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements based on new information, future events or otherwise, except to the extent required by applicable laws.

Compliance Statements

The information in this announcement that relates to Mineral Resources at the Cerro Bayo Project has been extracted from Mitre’s ASX release dated 1 December 2023 and titled ‘Mitre to acquire large silver-gold project with significant resource and processing plant in Chile’.

Metal equivalents have been calculated at a silver price of US\$23/oz and gold price of US\$1,900/oz. Individual grades for the metals are set out at Appendix A of this announcement. Silver equivalent was calculated based on the formula $AgEq(\%) = Ag(g/t) + (83 \times Au(g/t))$. No metallurgical recovery factors have been applied to the in-situ resource. It is the Company’s view that all elements in the silver equivalent calculation have a reasonable potential to be recovered and sold.

Mitre confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and, in the case of estimates of 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 Persons’ findings are presented have not been materially modified from the original market announcements.

APPENDIX A – Laguna Verde Project Mineral Resources

Inferred Mineral Resource Estimate as at 31 March 2020

	Tonnes (kt)	Au (g/t)	Ag (g/t)	AgEq (g/t)	Au (koz)	Ag (koz)	AgEq (koz)
Open Pit	2,915	1.6	38	171	148	3,602	15,886
Underground	901	2.7	77	301	79	2,242	8,799
Total - Inferred	3,816	1.9	48	206	227	5,844	24,685

1. Mineral Resources are classified and reported in accordance with the 2012 JORC Code.
2. Open pit resources are reported to a cutoff grade of 65g/t AgEq.
3. Pit optimisation shells were used to constrain the resource using a gold price of US\$1,850/oz and Silver price of US\$24/oz
4. Underground Mineral Resources are reported at a cut-off of 165g/g AgEq beneath the open pit.
5. Silver equivalents are calculated using the equation $AgEq = 83 \times Au$ based on a gold price of US\$1,900/oz and Silver price of US\$23/oz.
6. Bulk Density of 2.64g/cm³ has been applied to veins and 2.57g/cm³ has been applied to stockwork and waste domains.
7. No internal selectivity or dilution has been applied and the stockwork domains have been modelled using an SMU of 2.5m x 5m x 2.5m (X,Y,Z) with dilution incorporated into the SMU.
8. Numbers may not add due to rounding.