

Alicanto receives firm commitments for \$6M Placement to fund next drilling program at Greater Falun copper-gold project

In light of the multiple highly prospective targets being developed and strong results from the current drilling program, Alicanto is now planning an immediate follow-up campaign of 20,000m

Key Points

- Alicanto has received firm commitments totalling \$6M via Share Placement at \$0.13 a share
- Proceeds will be used to fund a 20,000m drilling program at the Greater Falun copper-gold project in Sweden; this new program is scheduled to start in early 2021
- Decision to proceed quickly with aggressive new drilling campaign follows strong results from initial holes in current program
- These results include the intersection of visual sulphides including chalcopyrite at the Green Mile (see ASX release dated October 26, 2020) and Heden targets (see ASX release dated November 10, 2020)¹
- The current 4,000m drilling program is 40% complete and set to be finished by the end of December 2020
- A second diamond drill rig has started drilling at the Heden target to continue testing the residual gravity and magnetic anomalies recently detected and the undrilled strong garnet-pyroxene-chalcopyrite alteration coincident with a regionally extensive limestone mineralised horizon over at least 3km of strike
- Alicanto's land holding at Greater Falun has doubled in 12 months to more than 300km² and it is now believed to contain at least 12 copper-gold and/or polymetallic skarn systems
- Alicanto believes that Greater Falun is a district-scale opportunity in a Tier 1 location, with historical high-grade and large-tonnage production (Falun mine produced 28 Mt @ 4% Cu, 4 g/t Au, 5% Zn, 35 g/t Ag & 2% Pb)² (view this animation for an extensive explanation of the geology and the opportunity - <https://bit.ly/3n6dbP2>)²
- Alicanto is actively looking for further base and precious metal projects to add to the Greater Falun Project and our current Scandinavian portfolio.

Alicanto Minerals Limited (ASX: AQI) is pleased to announce that it has received firm commitments from institutional and sophisticated investors totalling \$6 million via a Share Placement at \$0.13 per share.

Strong demand for the Placement was received from existing shareholders as well as a number of new institutions.

The proceeds will be used to fund an extensive 20,000m follow-up drilling program at Alicanto's Greater Falun copper-gold project in Sweden and working capital. This program is set to start early next year, immediately following completion of the current program.

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Greater Falun is located in the Bergslagen region, which hosts world-class base and precious metals projects such as the Garpenberg mine operated by Boliden and the Zinkgruvan mine operated by Lundin.

Bergslagen is widely viewed as a Tier-1 jurisdiction based on its large mineralised systems and pro-mining regime. The now-closed Falun mine in Bergslagen, has a long-established mining history dating back over the best part of 1000 years, producing 28 million tonnes of high-grade copper-gold-rich polymetallic ore with high-grade by-products of silver, zinc and lead in modern times.²

Alicanto Managing Director Peter George said: “The strong demand for the placement reflects the growing recognition of the huge potential of Greater Falun, the strength of the initial drilling results and its location in a tier-1 jurisdiction.

“Given what we have seen in the drilling, as well as the highly promising targets not yet tested, we want to keep building on the great work undertaken so far. The proceeds of this raising will allow us to prepare that program and begin drilling early in the new year.”

Placement

Alicanto has received commitments from sophisticated and professional investors to raise approximately \$6.0 million (before costs) through the issue of up to 46,153,847 fully paid ordinary shares in the Company (Placement Shares) at an issue price of \$0.13 per Share (Issue Price).

The Issue Price represents a modest discount of 10.3% discount to the last close price on Tuesday, 17 November 2020 of \$0.145.

41,000,000 of the Placement Shares issued under Alicanto’s ASX Listing Rule 7.1 placement capacity and 5,153,847 of the Placement Shares were issued under ASX Listing Rule 7.1A placement capacity.

Canaccord Genuity (Australia) Limited acted as Lead Manager and PAC Partners Securities Pty Ltd acted as Co-Manager to the Placement.

Settlement of the Placement is expected to occur on 27 November 2020.

The Placement Shares will rank equally with the Company's existing shares on issue.

An Appendix 3B for the proposed issue of the Placement Shares will follow this announcement.

By authority of the board of directors.

About Alicanto Minerals

Alicanto Minerals Limited (ASX: AQL) is an emerging mineral exploration company focused on creating shareholder wealth through exploration and discovery in world class mining districts of Scandinavia. The Company has a highly prospective portfolio in Sweden, including the Greater Falun Project with high grade Cu-Au-Zn-Pb-Ag targets in the highly endowed Bergslagen Mining District, Sweden.

In addition to the exploration projects in Sweden the Company holds a portfolio of gold projects in Guyana, South America, including the Arakaka Project and the Ianna Gold Project.

¹ For full details of these Exploration results, refer to the said Announcement or Release on the said date. Alicanto is not aware of any new information or data that materially affects the information included in the said announcement.

² Falun Mine statistics obtained from Doctoral Thesis by Tobias Christoph Kampmann, March 2017 “Age, origin and tectonothermal modification of the Falun pyritic Zn-Pb-Cu-(Au-Ag) sulphide deposit, Bergslagen, Sweden”.