

## September 2019 Quarterly Activities Report

Alicanto Minerals Ltd (“Alicanto” or “the Company”) (ASX: AQI) is pleased to provide its quarterly activities report for the quarter ending 30 September 2019.

### Highlights:

- **Acquisition of Oxberg and Naverberg high-grade VMS projects, Sweden. Projects among world-class producing mines:**
  - Garpenberg** (Boliden) - 33.4Mt (production from 1957 to 2018) @ 5.0% Zn, 2.1% Pb, 136g/t Ag, 0.4 g/t Au.
  - Zinkgruvan** (Lundin Mining) - 46.9Mt @ 9.0% Zn, 2.0% Cu, 3.6% Pb, 78.7g/t Ag Falun (Zetterqvist) (closed) - produced 500kt Zn @ 5% Zn, 400kt Cu @ 4% Cu, 160kt Pb @ 2% Pb, 380t Ag @ 35g/t Ag and 5t of Au @ 4g/t Au, ceased production in 1992.
- **Maiden drilling program commences at Oxberg and Naverberg VMS Projects, Sweden;**
  - **1,000m+ diamond drill programme testing extensions to the historic high-grade Skyttgruvan zinc mine, Lustebo and Oxberg targets.**
  - **First results expected Q4 CY2019.**
- **+30km mineralised trend confirmed at Oxberg and Naverberg with high-grade copper, zinc, gold & silver rock chips results received;**
- **Earn-In Agreement continuing with Nord Gold SE (Nord) over the Arakaka Gold Project, Guyana.**
- **Nord may earn up to a 100% interest in the Arakaka Project by spending US\$3M on exploration within one year, and paying an additional US\$5,000,000 to Alicanto.**
- **Alicanto will remain project manager for the program to oversee Nords exploration expenditure.**
- **Alicanto commences 12,000m diamond drilling programme at Arakaka Gold Project, Guyana, funded under Nord Gold SE Earn-In Agreement;**
  - **Infill drilling programme will close the drill spacing to 80m x 80m**
  - **First results expected Q4 CY2019.**
- **Placement to raise \$910,000 completed. Funds to advance Alicanto’s drilling and exploration on Swedish projects.**

#### CAPITAL STRUCTURE

Shares on Issue	190.02m
Share Price	A\$ 0.059
Market Cap	\$11.2m
ASX Code	AQI

#### BOARD & MANAGEMENT

Didier Murcia Non-Exec Chairman
Peter George Chief Executive Officer
Travis Schwertfeger Non-Exec Director
Hamish Halliday Non-Exec Director
Jamie Byrde CFO & Co. Secretary

HIGHLY PROSPECTIVE WALK UP DRILL TARGETS FOR HIGH-GRADE VMS SYSTEMS NAVERBERG AND OXBERG PROJECTS, SWEDEN

SIGNIFICANT LANDHOLDING PROSPECTIVE FOR GOLD IN GUYANA

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## Oxberg and Naverberg Projects, Sweden

In May 2019, Alicanto announced its acquisition of the Oxberg and Naverberg Projects, located within the prolific Bergslagen Mining District of southern Sweden. Bergslagen hosts the world-class Garpenberg (operated by Boliden 168.5Mt @ 3.4% Zn, 1.6% Pb, 0.3 g/t Au and 98g/t Ag) and Zinkgruvan (operated by Lundin, 46.9Mt @ 9.0% Zn, 2.0% Cu, 3.6% Pb, 78.7g/t Ag)<sup>2</sup> deposits – see Figure 1 below.

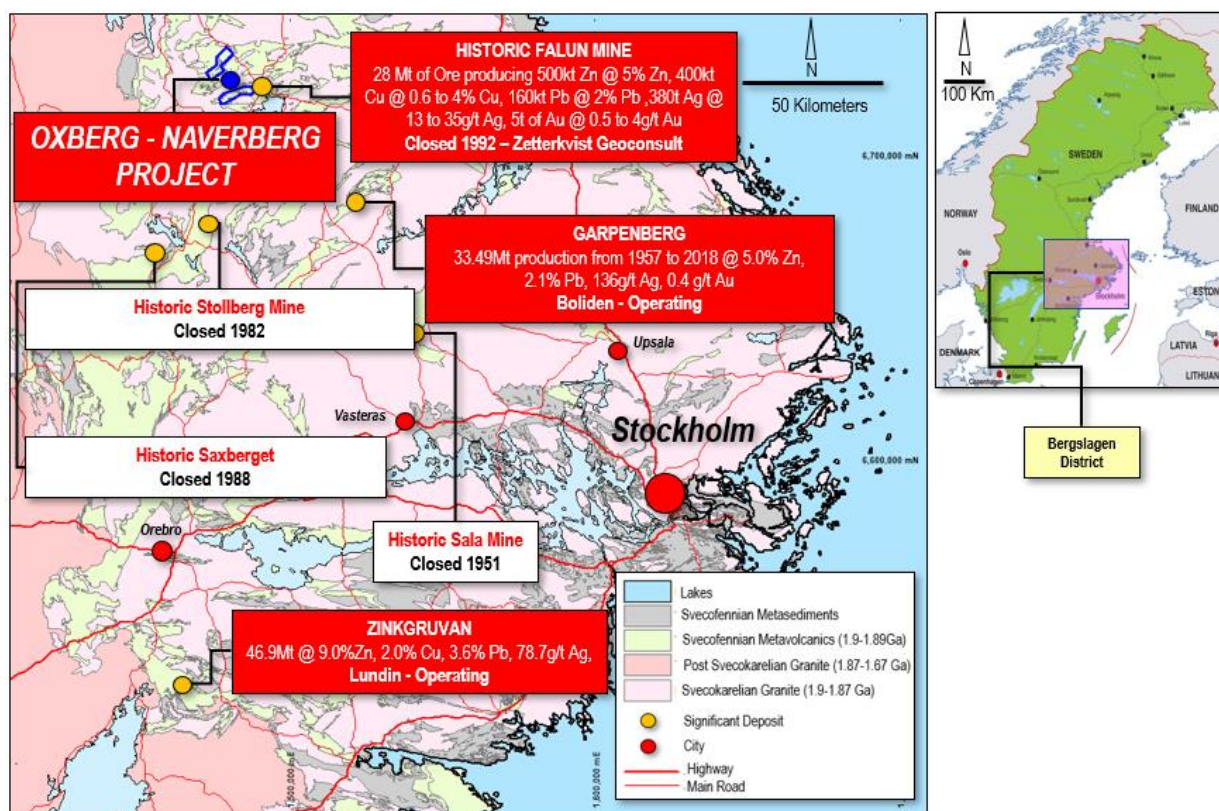


Figure 1 | Oxberg-Naverberg Project Locations and key regional deposits, southern Sweden.

### *Naverberg Project*

The Naverberg project is immediately along strike from the Falun Mine, closed in 1992, which produced 28Mt of ore including 500kt of Zn @ 5.0% Zn, 400kt of Cu @ 0.6 to 4.0% Cu, 160kt Pb @ 2.0% Pb, 380t of Ag @ 13 to 35g/t Ag and 5t of Au @ 0.5 to 4.0g/t Au.

The Naverberg project has a 30km+ mapped prospective VMS mineralised trend along strike to the historic high-grade Zn-Pb-Ag-Cu-Au Falun mine.

During the quarter, Alicanto received rock chip results (ASX 28/08/2019) from Naverberg which indicated multiple targets along the prospective trend, with results including:

- 11.0%, 7.22%, 6.09% Zinc
- 4.43%, 3.67%, 2.89% Copper
- 4.03% Lead, and
- 56.0g/t Silver.

In addition to multiple undrilled mineral occurrences with historical surface grab samples of up to 26.1% Zn and 2.4% Cu, the Skyttgruvan Mine, closed in 1908, represents an immediate high-grade, walk up drill target with no drilling conducted to test the down plunge potential of the deposit.

### *Oxberg Project*

The Oxberg project lies within the same geological setting as Naverberg but 15km to the north-west. The tenements are logistically well serviced by the town of Falun and existing infrastructure.

Oxberg features large-scale hydrothermal alteration, similar to that found at significant deposits in the region, and multiple untested mineral occurrences. Recent rock chips returned results of 4.4% and 3.7%



Copper, while historical rock chips from undrilled targets returned 9.4% Zinc, 11.9% Copper and 3.7% Lead (ASX 28/08/2019).

### Drilling Programme

In September, Alicanto announced it commenced a 1,000m+ maiden diamond drilling programme targeting Copper, Zinc and Gold Mineralisation on an initial three targets. This maiden drill programme will test initially for extensions of the historic high-grade Skyttgruvan zinc mine (38% Zinc) at the Naverberg Project, and the Lustebo and Oxberg targets at the Oxberg Project.

## Arakaka Gold Project

### **Exploration under Nordgold Agreement**

In June, Alicanto announced Nord Gold SE (“Nordgold”) had entered into an Earn-in Agreement whereby Alicanto granted Nordgold the exclusive right to acquire a 100% interest in the Arakaka Gold Project, Guyana.

Following this, in August, Alicanto announced the commencement of a large diamond drilling programme fully funded under the Earn-In Agreement with Nordgold. The 12,000m diamond drilling programme is focused on the under explored and highly prospective Arakaka Main Trend, and will initially target four stacked, sub-parallel, low dipping mineralised gold zones across 3200m strike.

Previous significant intercepts from earlier reconnaissance drilling at the target include:

- 13.5m @ 7.36 g/t gold from 87m – PHD0801
- 1.9m @ 30.66 g/t gold from 86m – PHD0802
- 10.8m @ 1.66 g/t gold from 17m – PHD0805
- 10m @ 3.10 g/t gold from surface – ARD04
- 48m @ 1.84 g/t gold from surface – ARD05
- 20.5m @ 1.43 g/t gold from 65m – ROD0803.

The Arakaka Main trend is host multiple saprolite pits on hill slopes adjacent to extensive alluvial workings in the Arakaka valley which have produced >1moz of gold over more than 100 years of operation. The Purple Heart and Rodriguez pits are two of the more extensive shallow artisanal workings on the main Arakaka Trend.

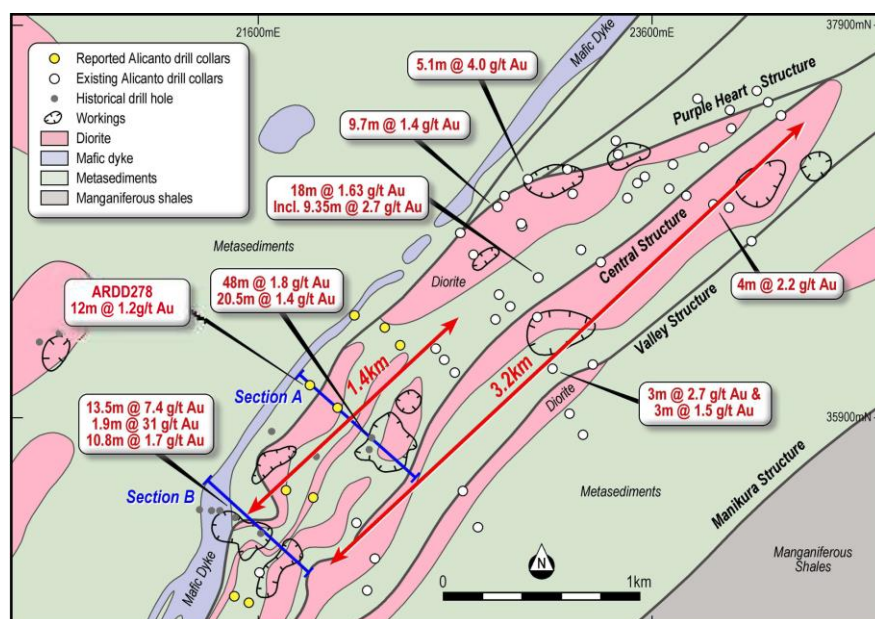


Figure 2: Location of the Purple Heart Prospect within the Arakaka Main Trend and the two section lines drilled spaced 750m apart.

Alicanto's geological work, including re-logging of historical diamond core holes in the context of revised stratigraphy for the region and drilling of reconnaissance holes on 800m spaced section lines, highlighted further mineralisation potential on parallel zones of anomalous Au geochemistry where undrilled anomalies inclusive of peak soil results previously announced on 26 August 2015 of up to 8.1g/t, 6.45g/t, and 3.55g/t Au are associated with favourable geological settings defined in limited historical drilling and surface mapping.

All zones of gold anomalism are focused on shear zones located in and around diorite intrusions of various composition. Mineralisation ranges from bonanza style gold intercepts of visible gold in quartz veins to broad zones of disseminated mineralisation associated with arsenian-pyrite and pyrrhotite. Encouragingly both types of mineralisation are found within the same geological setting and so exhibit significant potential for bulk tonnage targets. Reconnaissance drilling demonstrated the Purple Heart and Central structures to be a strongly mineralised for more than 3.2km of extent within the 12km long Arakaka Main Trend and consisting of stacked mineralised structural horizons.

Alicanto's 12,000m diamond drilling programme, funded through the Nordgold Earn-In Agreement, will close the drill spacing to 80m x 80m and is expected to take up to 12 months to complete. First results from the programme are expected in Q4 CY19.

## **CORPORATE**

### **Placement Completed**

In September, Alicanto announced it had received firm commitments to raise \$910,000 through the issue of 17,500,004 ordinary shares at an offer price of \$0.052 (the "Placement"). The Placement was undertaken pursuant to ASX Listing Rule 7.1 and 7.1A through the issue of 17,250,000 under 7.1A and 250,004 under 7.1 placement capacity.

The Placement settled on 5 September 2019 with Placement Shares allotted on 6 September and an Appendix 3B issued.

### **Results of General Meeting**

At a General Meeting of Alicanto shareholders on 31 July 2019, all resolutions put to the meeting passed on a show of hands.

Resolutions were as follows:

- Approval of Acquisition and Issue of Listing Rule 10.1 Consideration Shares; and
- Approval to issue Unrelated Vendor Consideration Shares to Unrelated Vendors.

**Ends**

For detailed information on all aspects of the company and its project please visit:

[www.alicantominerals.com.au](http://www.alicantominerals.com.au) or contact:

Peter George – Chief Executive Officer

### **About Alicanto Minerals**

Alicanto Minerals Limited (ASX: AQI) is an emerging mineral exploration company focused on the exploration and development of the Arakaka and Ianna gold projects in the prospective geological province of Guyana's Northwest Mining District.

In addition to the exploration of its current Guyanese projects, the Company is continually evaluating additional projects in Guyana and elsewhere for potential joint venture or acquisition and has recently entered into an agreement to acquire the Oxberg-Naverberg Zn-Pb-Ag project in the highly endowed Bergslagen Mining District, Sweden.

## **Competent Person's Statement**

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Marcus Harden, who is a Member of The Australian Institute of Geoscientists. Mr Harden is the Chief Geologist for the Company. Mr Harden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

## **No New Information or Data**

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

## **Forward Looking Statements**

*Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors constitute, among others, continued funding, general business, economic, competitive, political and social uncertainties; the actual results of exploration activities; changes in project parameters as exploration strategies continue to be refined; renewal of mineral concessions; accidents, labour disputes, contract and agreement disputes, and other sovereign risks related to changes in government policy; changes in policy in application of mining code; political instability; as well as those factors discussed in the section entitled "Risk Factors" in the Company's rights issue prospectus. The Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, however there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.*