

Alicanto hits sulphide skarn mineralisation at second target within Greater Falun project, Sweden

Visible chalcopyrite copper in first hole at Heden follows intersection of visible chalcopyrite copper in two holes at the Green Mile target

Key Points

- **First hole at the Heden East target within the Greater Falun copper-gold project has intersected 2.85m of massive pyroxene pro-grade skarn with blebs of chalcopyrite and pyrite (including 1.02m of 5-10% sulphides) from 69.65m downhole**
- **The result is considered extremely significant because it reveals the presence of high-grade copper and provides more Proof of Concept regarding Alicanto's exploration strategy at Greater Falun**
- **The Heden intersection follows the intersection of visible chalcopyrite copper in two holes at the Green Mile target within Greater Falun (see ASX release dated 26/10/2020)¹**
- **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>).**
- **Drill rig is now moving 400m to the west, which is closer to the observed (at surface) location of the copper-gold skarn and the coinciding residual gravity and magnetic anomalies recently detected**
- **30% of the current drilling program at Greater Falun has been completed**
- **Recent mapping at Heden has revealed undrilled garnet-pyroxene-chalcopyrite alteration, coincident with a regionally extensive limestone mineralised horizon over at least 3km of strike**

Alicanto Minerals (ASX: AQI) is pleased to advise that it has hit chalcopyrite copper at the second target it has drilled within its Greater Falun copper-gold project in Sweden. The drilling has intersected 2.85m of massive pyroxene pro-grade skarn with blebs of chalcopyrite and pyrrhotite (including 1.02m of 5-10% sulphides) from 69.65m downhole. Assay results from HED20-01 are expected to be released during the quarter/early 2021.

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 a thousand 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

CONTACT DETAILS

T: +61 8 6279 9425
E: info@alicantominerals.com.au
W: www.alicantominerals.com.au

ACN: 149 126 858

Principal and Registered Office
Ground Floor, 24 Outram Street
West Perth WA 6005

Alicanto Managing Director Peter George said:

“This is an outstanding result and means we have hit visible chalcopyrite copper at the first two targets we have drilled at Greater Falun in this current campaign.

“These visuals justify the direction we have taken in concentrating on the copper-gold skarn hosted within limestone. This theory has been developed this year after visiting over 2,000 outcrops and historical workings at surface within the Greater Falun area.

“The pieces of the puzzle are coming together well and we now have the best possible indicators to allow us to close in on the proximal part of the copper-gold skarn at Heden.

“The Heden target is a classic example of boots on the ground geology, coupled with the ability to identify an active mineral system, and highlights the immense potential at Greater Falun.

“The drill rig will continue to drill further west along strike towards where we have observed garnet dominated copper-gold skarn in surface workings”.

Technical Detail

The drilling campaign at Heden has been designed to explore a more than three kilometre long trend of limestone strata (up to 200m wide sequence) with zoned garnet-pyroxene skarn alteration and associated chalcopyrite. Historical rock chip results of up to 3.1% Cu taken from historical workings at Heden East (see ASX release dated 15/06/2020)¹ in pyroxene dominated skarn and 1.4% Cu (see ASX release dated 15/06/2020)¹ from Heden Central within massive garnet skarn is interpreted to represent a larger skarn alteration zonation within a continuous limestone sequence.

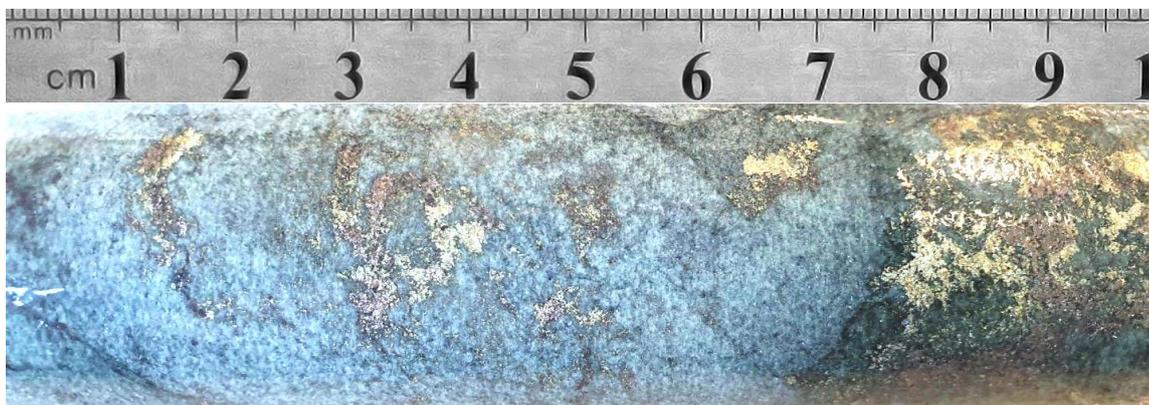


Figure 1: Photo of 36mm diameter Diamond Drill Core - Mineralisation style encountered in drill hole HED20-01 at Heden East. Pyroxene dominated copper-gold skarn hosted within limestone with (5-10% Sulphides) including visual chalcopyrite and pyrrhotite, at 71.5 metres downhole.

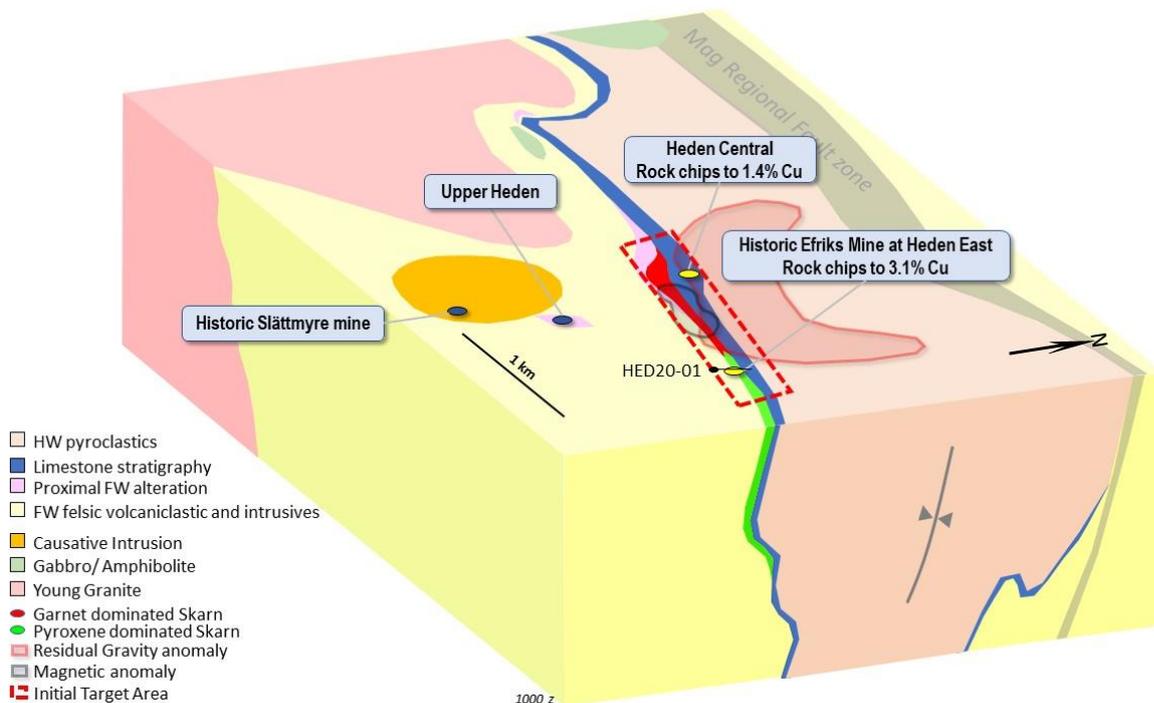


Figure 2: Heden Target. Refer to ASX release 16 June 2020¹ for table of rock chips and grab sample results, as well as Appendix A

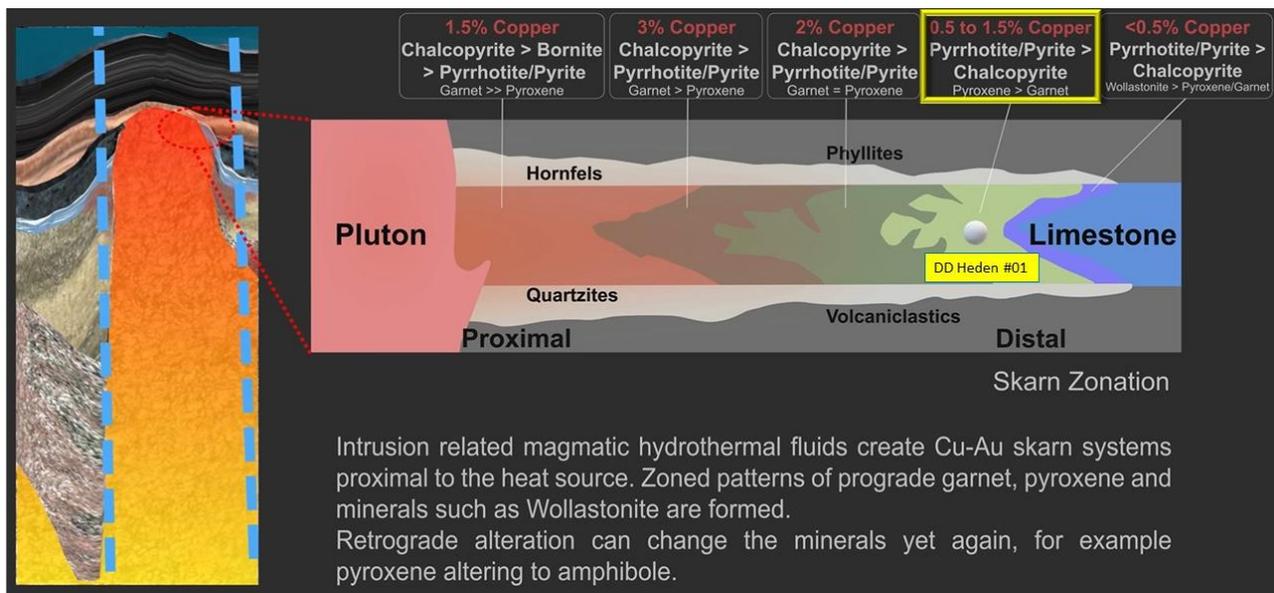


Figure 3: Snapshot from the recently released animation “Greater Falun Project – Two Billion Years in the Making” (<https://bit.ly/3n6dbP2>) schematic general model of Copper Skarn Zonation (modified from Atkinson and Einaudi, 1978) with indication of location of DD Heden#01 drill hole intersection

At Heden East, historically copper has been mined near surface at the historic Efriksgårds mine. The alteration is dominated by pyroxene with minor garnet and retrograde amphibole-biotite with disseminated to strongly impregnated chalcopyrite-pyrrhotite mineralisation.

At Heden Central, limestone was mined in several small quarries where garnet skarn with impregnation of chalcopyrite can be seen in the waste dumps. Limestone has been mapped across a 200m section at surface. If this represents true thickness or structural repetition is presently unknown.

Several large, massive garnet-pyroxene boulders have been found in between Heden Central and East, thought to represent locally transported boulders from the same stratigraphy.

To the north the limestone is overlain by a thick package of quartz-feldspar crystal-rich rhyolite interpreted to possibly represent the equivalent pyroclastic sequence to what that can be found in the hanging wall to Falun deposit.

To the south biotite-amphibolite altered footwall volcanoclastic rocks have been mapped, as well as a potentially causative k-feldspar and epidote altered intrusion with endoskarn of magnetite and iron-pyroxene. Northeast of the intrusion a small showing, Upper Heden, has semi-massive magnetite-pyrrhotite with traces of chalcopyrite.

Gravity data provided by SGU (Swedish Geological Survey) has been reprocessed by SGC (Southern Geophysical Consultants) and show a residual gravity anomaly coinciding with mapped garnet-skarn alteration at Heden East to Central.

Airborne Magnetic data shows anomalies coinciding with interpreted strike of the target limestone sequence.

In addition, ground EM is ongoing over the area to help in targeting stronger conductive zones.

Maiden drilling is ongoing to investigate the known mineralisations as well as the area in-between, and eventual conductors found.

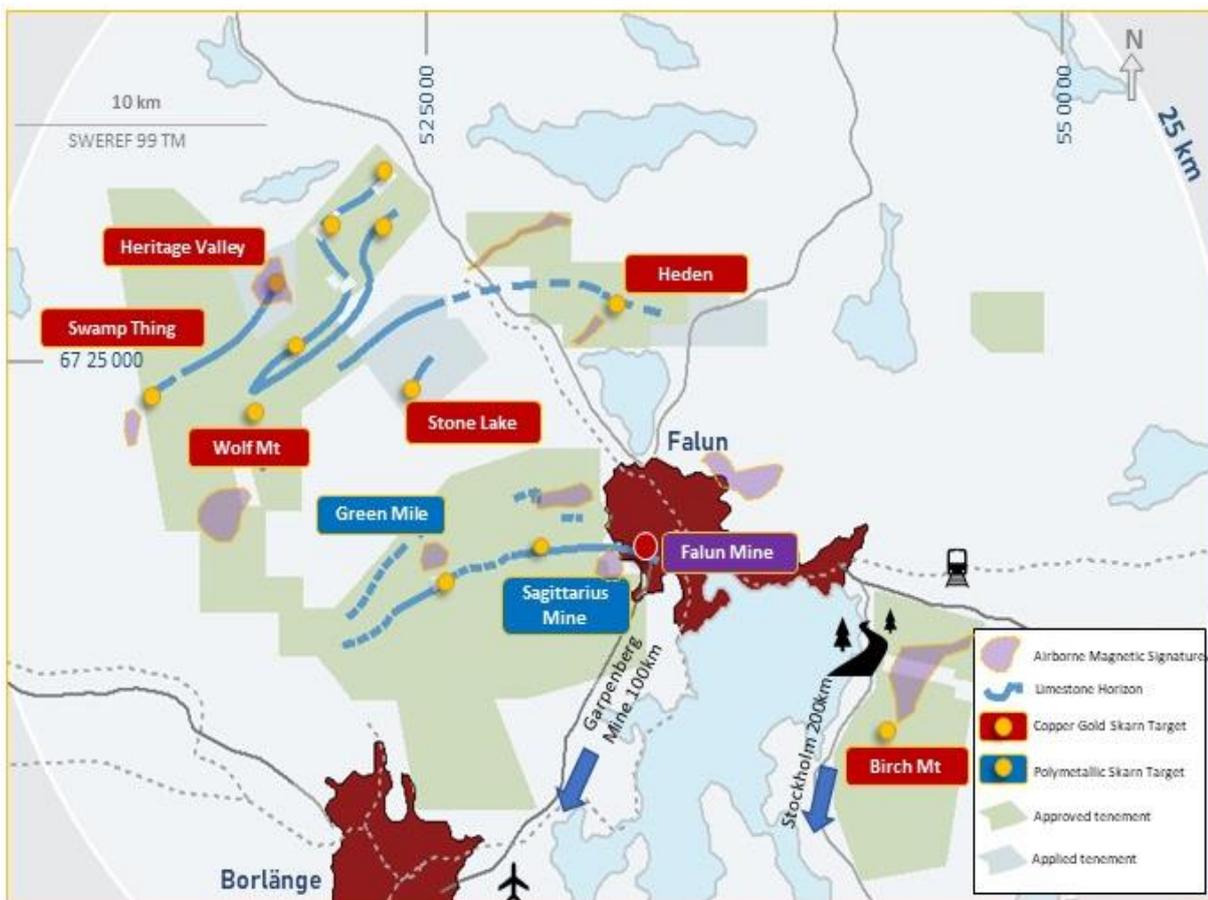


Figure 3: Location of targets and Magnetic Signatures¹ within the Greater Falun Project area (1 refer ASX release 15th September 2020)

Exploration plan

Alicanto is currently undertaking field work and a 4,000m drilling program starting at the Green Mile Target within the Greater Falun Project and along strike from the historical Falun mine (produced 28 Mt at 4.0% Cu, 4.0 g/t Au, 35 g/t Ag, 5.0% Zn and 2.0% Pb)². Drilling is planned to be completed by the end of 2020.

Two drill rigs are currently drilling at the Heden target.

By authority of the board of directors - For further information please visit www.alicantominerals.com.au

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 containing highgrade Cu-Au-Zn-Pb-Ag 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. By authority of the board of directors - for further information please visit www.alicantominerals.com.au.

Media

For further information, contact: Paul Armstrong - Read Corporate +61 8 9388 1474

Competent Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Erik Lundstam, who is a Member of The Australian Institute of Geoscientists. Mr Lundstam is the Chief Geologist for the Company. Mr Lundstam 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 Lundstam consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

End Notes

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".

APPENDIX A

Drill hole locations for 2020 Heden Drilling. Surveys by GPS system, all coordinates SWEREF 99TM.

Hole	E	N	Depth	Az	Dip
HED20-01	533281	6726941	100.15m	012	50

APPENDIX B

Visually estimated sulphide abundances for Green Mile.

Hole	From m	To m	Interval m	Description	Visually estimated sulphides
HED20-01	6.00	39.30	33.30	Mica-Cordierite altered felsic volcanics	0%
	39.30	40.30	1.00	Partly skarn altered felsic volcanites with Pyrrhotite filled veins	5-10%
	40.30	49.35	9.05	Quartz-feldspar porphyritic dike	0%
	49.35	67.00	17.65	Mica-Silica altered felsic volcanics	0%
	67.00	67.75	0.75	Green Pyroxene skarn	0%
	67.75	69.65	1.90	Mica-Silica altered felsic volcanics	0%
	69.65	71.44	1.79	Green Pyroxene skarn	0%
	71.44	72.46	1.02	Green Pyroxene skarn with patches of equal amount of Pyrrhotite and Chalcopyrite	5-10%
	72.46	100.15	27.69	Mica-Silica-Cordierite altered felsic volcanics	0%

APPENDIX B

Great Falun Project - 2012 JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> No sampling results are included in this report.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> For this release, a total of 100.15m of diamond drilling has been completed in one hole. Holes were drilled, BQ rod size, retrieving a 36,4 mm in diameter core. Contractor was Rockma Exploration Drilling AB.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>No major core loss has been reported or identified within sections of importance.</p>
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> AQI drilling included in this report has been logged for lithology, alteration and mineralisation using AQI's standard logging codes and format which is suitable for initial interpretation. It has not been geotechnically logged. All core was logged, and the logging is both qualitative and quantitative in nature. All core from recent drilling has been photographed All drill holes were logged in full, summary logs are included in the body of this release. The available information is not considered adequate for Mineral Resource Estimation.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No new assay results are incorporated in this release.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	No new assay results are incorporated in this release.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	No new assay results are incorporated in this release.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Locations subject to this release were located with handheld GPS with accuracy <10m's by suitably qualified Alicanto geologists.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	No new sampling is incorporated in this release.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	No new sampling is incorporated in this release.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	No new sampling is incorporated in this release.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> The diamond drilling was conducted by subcontractor Rockma Exploration Drilling AB. The drill rig was visited on a daily basis by AQI geologists.

Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> All claims are owned 100% by Zaffer (Australia) Pty Ltd or Zaffer Sweden AB – both 100% subsidiaries of Alicanto Minerals Ltd. In addition, this press release references additional claims which have not been granted yet, application lies at Swedish Inspector of Mines, these include Vallarvsbergsgruvan No.1 (Heritage Valley), Heden no 2 and Stensjogruvan no 1 (Stone Lake) claims. All the granted Exploration Licenses are in good standing and no known impediments exist on the tenements being actively explored. Standard governmental conditions apply to all the licenses.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Oxberg area has been subjected to exploration activities previously. The Floberget mine was in production in the late 17th century and was investigated by Boliden in campaigns from the 1930s to 1973. The Floholm Zn-Pb-Ag deposit was thus discovered in 1933, and Ärtsjön in 1965. The Oxberg Cu-Au-Zn mineralisation's as well as the above three, are all covered by mining leases, albeit unmined in recent times. Altogether 35 diamond drill holes have been officially reported from the Boliden's drilling, but there has probably been more drilling at the deposits than that. The most detailed mapping over the area was done by LKAB-BP in the 1980's. Initially the area was surveyed with airborne Mag and Slingram as part of a regional campaign. Follow up ground surveys (Mag, Slingram, VLF) was made over selected targets. LKAB-BP drilled 13 diamond drill holes at various targets in the area, among it the Byngsbodarna/ Lustebo mineralisation. They also conducted extensive till sampling in the region, with spade and tractor deep till sampling. In 2001-2005 Boliden-Inmet flew the area with Fugro TEM and Mag, with follow up ground PEM by Crown geophysics and Boliden inhouse EM3 to further define selected targets. A total of 12 diamond drill holes were drilled, including Ox-46 with the herein reported Zn-mineralisation. Northern Lion Gold was active in the area between 2006-2012. They flew airborne VTEM by Geotech. NLG used an enzyme leach program to further select targets and drilled 8 diamond drill holes, including a short hole in the vicinities of Target 46. Boliden maintained claims in the area until 2017, where additional drilling is not official as of today. The Näverberg area has been subjected to exploration activities in the past. Start of mining at Falun is unknown. The oldest written document is from 1288, and mining has been ongoing to 1992. The records of the last operator, the company Stora, is not public although mine plans can be found at Bergmästaren (Inspector of Mines). Skyttgruvan was in operation between 1890 to 1908, although 8 underground diamond drill holes are reported from the 1940's. Surface drilling around Skyttgruvan seems to have been conducted by Stora in three campaigns in the 60's, 70's and late 80's with a total of 10 diamond drill holes Boliden discovered the Grönbo Zn-Cu-Pb mineralisation in 1933 with boulder hunting and drilled it between 1952 to 1974 with 42 diamond drill holes. Grönbo is today covered by a mining lease. LKAB conducted exploration in Falun area in the 1980's. The work mainly consisted of geophysics, geochemistry and mapping. The work did not result in any diamond drilling. The Falun volcanic belt was covered by airborne Slingram and Magnetics by LKAB in 1982 in a regional program. In 1990 SGAB (Swedish Geological AB) made 5 traverses N to S in the area between Skyttgruvan and Grönbo, sampling deep-till and rock chip with a tractor-mounted percussion drill Rigg. Viking Gold & Prospecting held a claim in 1998-1999 but no data has been disclosed. Boliden-Inmet flew the area in 2000 with Fugro TEM and Mag and drilled one diamond drill hole east of Skyttgruvan. Northern Lion Gold collected dump samples in 2006 and flew Geotech's VTEM and Mag over the area in 2008. Tumi Resources flew the northern part of Falun volcanic belt with Helicopter SkyTEM and Mag in 2007. Eastern Highlands held claims in part of the area in 2007-2010, and flew three campaigns with Helicopter SkyTEM.
<i>Geology</i>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The areas occupy the northern parts of Bergslagen volcanic belt, a productive iron, base and precious metal mining district dominated by felsic metavolcanics and metasediments. The mineralisation style is Stratabound Zn-Pb-Ag-Cu-Au Massive Sulphide hosted by crystalline limestone and skarn in extensive successions of metamorphosed and hydrothermally altered felsic volcanic rocks. Individual deposits are often later tectonically affected and enriched. Garpenberg ore system hosts at least nine polymetallic ore bodies along 7 km strike length and are currently explored down to 1.5 km depth, with a combined tonnage well above 100 Mt.

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Specific drilling details are incorporated in Appendix A and B above.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No specific drill assay results are incorporated in this release.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> All drilling intercepts herein refers to downhole length, true width not known No deleterious elements were detected in the visual inspection and all relevant materials identified in the visual samples have been fairly reported.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> The trend of mineralisation at the targets/prospects described is not known at present and so the true width of reported mineralisation is not known. Appropriate maps and sections (to scale) are included in the body of this release.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Appropriate exploration plans, and sections are included in the body of this release.
Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating 	<ul style="list-style-type: none"> The Oxberg area has been subjected to exploration activities previously. The Floberget mine was in production in the late 17th century and was investigated by Boliden in campaigns from the 1930s to 1973. The Floholm Zn-Pb-Ag deposit was thus discovered in 1933, and Ärtsjön in 1965. The Oxberg Cu-Au-Zn mineralisation's as well as the above three, are all covered by mining leases, albeit unmined in recent times. Altogether 35 diamond drill holes has been officially reported from the Boliden's drilling, but there has probably been more drilling at the deposits than that. The most detailed mapping over the area was done by LKAB-BP in the 1980's. Initially the area was surveyed with airborne Mag and Slingram as part of a regional

substances.

campaign. Follow up ground surveys (Mag, Slingram, VLF) was made over selected targets. LKAB-BP drilled 13 diamond drill holes at various targets in the area, among it the Byngsbodarna/ Lustebo mineralisation. They also conducted extensive till sampling in the region, with spade and tractor deep till sampling. In 2001-2005 Boliden-Inmet flew the area with Fugro TEM and Mag, with follow up ground PEM by Crown geophysics and Boliden inhouse EM3 to further define selected targets. A total of 12 diamond drill holes were drilled, including Ox-46 with the herein reported Zn-mineralisation. Northern Lion Gold was active in the area between 2006-2012. They flew airborne VTEM by Geotech. NLG used an enzyme leach program to further select targets and drilled 8 diamond drill holes, including a short hole in the vicinities of Target 46. Boliden maintained claims in the area until 2017, where additional drilling is not official as of today.

- The Näverberg area has been subjected to exploration activities in the past. Start of mining at Falun is unknown. The oldest written document is from 1288, and mining has been ongoing to 1992. The records of the last operator, the company Stora, is not public although mine plans can be found at Bergmästaren (Inspector of Mines). Skyttgruvan was in operation between 1890 to 1908, although 8 underground diamond drill holes are reported from the 1940's. Surface drilling around Skyttgruvan seems to have been conducted by Stora in three campaigns in the 60's, 70's and late 80's with a total of 10 diamond drill holes. Boliden discovered the Grönbo Zn-Cu-Pb mineralisation in 1933 with boulder hunting and drilled it between 1952 to 1974 with 42 diamond drill holes. Grönbo is today covered by a mining lease. LKAB conducted exploration in Falun area in the 1980's. The work mainly consisted of geophysics, geochemistry and mapping. The work did not result in any diamond drilling. The Falun volcanic belt was covered by airborne Slingram and Magnetics by LKAB in 1982 in a regional program. In 1990 SGAB (Swedish Geological AB) made 5 traverses N to S in the area between Skyttgruvan and Grönbo, sampling deep-till and rock chip with a tractor-mounted percussion drill rig. Viking Gold & Prospecting held a claim in 1998-1999 but no data has been disclosed. Boliden-Inmet flew the area in 2000 with Fugro TEM and Mag and drilled one diamond drill holes east of Skyttgruvan. Northern Lion Gold collected dump samples in 2006 and flew Geotech's VTEM and Mag over the area in 2008. Tumi Resources flew the northern part of Falun volcanic belt with Helicopter SkyTEM and Mag in 2007. Eastern Highlands held claims in part of the area in 2007-2010, flew three campaigns with Helicopter SkyTEM.
- In 2010 a ground gravity survey was undertaken by Golden Rim Resources in JV with Drake Resources at Falun deposit. Subcontractor SMOY used a Scintrex CG3 gravity meter, recording stations at 100m interval and 200m between profiles. The JV also drilled a number of diamond drillholes east of Falun pit.
- The Rullput area, located 4.3km SSW of Wolf Mt, was investigated by SGAB (Sveriges Geologiska AB) with diamond drilling in 1983 (prap 83558 Rapport över dikesgrävning inom sheelitobjektet Rullputt).
- Appropriate reconnaissance exploration plans are included in the body of this release.

Further work

- *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*
- *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*

- Further geophysical campaigns are being planned. Appropriate drilling target plans are included in the body of this release.