

7 June 2022

ANTILLES GOLD EXPANDS ACTIVITIES IN CUBA TO INCLUDE COPPER AND ZINC EXPLORATION & PRODUCTION OPPORTUNITIES

Antilles Gold Limited (ASX Code: AAU, OTCQB Code: ANTMF) (“Antilles Gold” or the “Company”) is pleased to advise that following a review of the projects in Cuba in which the Company has the opportunity to participate, the Board of Antilles Gold has adopted the following strategy to achieve its medium-term objective of establishing a substantial mining group in partnership with the Government’s mining company, GeoMinera SA.

STRATEGIC GOALS

To broaden the Company’s activities in Cuba to include potential production of copper and zinc concentrates, within a joint venture with GeoMinera, in anticipation of a substantial growth in demand for these essential battery metals; and

To utilise part of the profits from the first two, near-term, gold mining projects to fund the exploration of a very large copper-gold porphyry system, and an entire VMS style polymetallic belt which has a history of copper and zinc concentrate production.

DEVELOPMENT PATHWAY

- For the existing joint venture to maintain the momentum of the development of the La Demajagua open pit gold-silver mine on the Isle of Youth in south west Cuba, to produce approximately 100,000oz Au equivalent annually in a sulphide concentrate for 6 years after commissioning in Q2 2024. The open pit operation is expected to be followed by underground mining for +10 years.
- Under the terms of the Company’s Exploration Agreement with GeoMinera, to commence 14,000m of drilling in July 2022, followed by scoping studies of the previously explored El Pilar copper-gold porphyry system in central Cuba, and the overlying gold-copper oxide deposit, after which the relevant concession will be transferred to a mining joint venture for subsequent development.
- To develop a low cost, open pit mine to produce gold and copper concentrates at the El Pilar oxide deposit, for around 5 years from its expected commissioning in 2025. The Exploration Target Range for the deposit is currently being estimated based on assays from over 80 RC drill holes into the oxide zone undertaken by a Canadian mining company in the 1990’s which indicated the gold will be free-milling. This aspect, and the leaching efficiency of the copper ore underlying the gold-rich cap will be confirmed by metallurgical test work after a near-term cored drilling program.

- To undertake a 15,000m diamond drilling program on the 40km long New Horizons VMS style polymetallic mineral belt in central Cuba once the targets are better defined by an airborne geophysical survey in early 2023.
- Based on historic geological and mining data, it is anticipated that several pits will be developed within the New Horizons concession to provide ore to a centralised processing plant producing both copper and zinc concentrates with gold and silver credits, with commissioning possible in 2026. Confidence that a project will be realised at New Horizons is based on copper and zinc grades, and evident remaining ore at four shallow mines operated by Russian mining companies until they withdrew from Cuba, and an additional 16 identified mineral exposures within the belt.

The joint venture partners' objective is to progressively expand operations to include at least three producing medium sized mines by the end of 2026 which should collectively generate substantial profits, some of which can be directed to the exploration of more significant prospects such as the major El Pilar porphyry system.

As a consequence of the opportunity to reinvest early cash flow from the proposed La Demajagua sulphide gold-silver mine, and the El Pilar oxide gold-copper mine, the projects that follow should require minimal capital contributions from Antilles Gold after its initial equity of US\$13 million for its 49% share of the La Demajagua open pit mine. Over half of this amount has been subscribed to date. The Company will also spend approximately US\$5.0 million over the next two years on the proposed preliminary exploration and scoping studies of the two Concessions currently included in the Exploration Agreement.

The Company expects to benefit from the resolution of over US\$30 million of Claims against the Dominican Republic Government resulting from breach of contract by the Government on a previous project. The Claims are currently being arbitrated by a unit of the World Bank in Washington DC with proceedings to be completed in June 2023. Funds received from the arbitration will be applied to progressing activities in Cuba.

Mr Brian Johnson, Executive Chairman of Antilles Gold, commented that he was highly confident the joint venture's objectives would be realised, and lead to increasing dividend flow and growth in the value of the Company's investment in Cuba.

As a "first mover in a new frontier", the Company is well placed in its relationship with GeoMinera to fast track permitting and project development in a stable environment for foreign investment, whereas the increasingly populist Governments in Latin America are causing difficulties for the mining sector in those countries.

The Company has an experienced management team in place to achieve its objectives, including its recently appointed Exploration Director, Dr Christian Grainger. Dr Grainger has spent 25 years exploring successfully in Latin American countries, with the last 12 years spent in Colombia where his discoveries were the basis for two junior Canadian companies, achieving market values of US\$1.2 billion and US\$800 million. Dr Grainger identified the El Pilar porphyry system in central Cuba late last year, after it had been overlooked previously by several explorers.

The Company's initial objective is to participate with GeoMinera in the progressive development of a series of mid-sized mines to establish a profitable multi-mineral mining company. If grades of the very large El Pilar porphyry deposit that were encountered at the surface continue at depth, as is expected, a significant uplift in the value of the Company should occur. Assays from initial drill holes are expected to be received from September 2022, and will be the first milestone in this process.

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The programmed targets for activities in Cuba through to mid 2024 include;

LA DEMAJAGUA OPEN PIT GOLD-SILVER MINE

Updated JORC Resources for Open Pit Mine	July 2022
Finalisation of JORC Resources and Mine Plan	September 2022
Finalisation of Metallurgical Test Work	September 2022
Finalisation of Concentrate Off-take Agreement	October 2022
Finalisation of Definitive Feasibility Study	November 2022
Commencement of Mine Infrastructure Construction	January 2023
Finalisation of Project Financing	March 2023
Commencement of Mine Construction	July 2023
Commissioning of Mine	June 2024

EL PILAR COPPER-GOLD PORPHYRY SYSTEM & GOLD-COPPER OXIDE DEPOSIT

Exploration Target Range established for gold and copper at El Pilar oxide deposit	June 2022
Commencement of 14,000m drilling program	July 2022
Initial drill results for El Pilar gold-copper oxide deposit	September 2022
JORC Resources for El Pilar gold-copper oxide deposit	December 2022
Scoping Study for El Pilar gold-copper oxide deposit	March 2023
Transfer of El Pilar gold-copper deposit to mining joint venture with GeoMinera	December 2023
Commencement of construction of El Pilar gold-copper oxide mine	March 2024

Progressive drill results for El Pilar copper-gold porphyry deposit	September 2022 to February 2023
Initial JORC Resources for El Pilar copper-gold porphyry deposit	June 2023
Initial Scoping Study for El Pilar copper-gold porphyry deposit	September 2023

NEW HORIZONS POLYMETALLIC BELT

Airborne Geophysical Survey	January 2023
Commencement of 15,000m drilling program	March 2023
Progressive drilling results	June 2023 – October 2023
Initial JORC Resources	December 2023
Initial Scoping Study for production of copper and zinc concentrates	February 2024
Transfer of New Horizons Concession to mining joint venture with GeoMinera	June 2024

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WHY ANTILLES GOLD IS COMFORTABLE INVESTING IN CUBA

- GeoMinera as Partner is Influential and able to Fast-Track Projects
- Low Entry Costs to Previously Explored Deposits
- Protective Laws for Foreign Investment and Minority Shareholding
- Foreign Bank Account holds all Funds – Loans & Sales Proceeds
- Funds only remitted to Cuba for Local Expenses
- Dividends to Shareholders paid ex Foreign Bank Account
- Equal Board Representation on Joint Venture Companies
- Antilles Gold Nominates Senior Management
- Attractive Fiscal Regime
- Waiving of 15% Tax for 8 years
- Low Operating Costs
- Realistic Mining & Environmental Regulations
- Dispute Resolution at International Court of Arbitration, Paris



Capitol Building, Havana

END

ABOUT ANTILLES GOLD LIMITED:

- Antilles Gold's strategy is to participate in the successive development of previously explored gold, copper, and zinc deposits in mineral rich Cuba
- The Company is at the forefront of the emerging gold mining sector in Cuba and expects to be involved in the development of a number of projects through 49:51 mining joint ventures with the Cuban Government's mining company, GeoMinera SA.
- Antilles Gold is comfortable operating under the applicable law on Foreign Investment, and Mining and Environmental regulations in Cuba, and has been granted a generous fiscal regime by the Government which is supportive of its objectives.
- The near-term project of the joint venture company, Minera La Victoria SA, is the proposed development of the La Demajagua gold/silver open pit mine on the Isle of Youth in southwest Cuba to produce approximately 100,000 oz Au equivalent per year in concentrate for sale to an international trading company, or foreign smelters for 6 years.
- Underground operations are planned to follow at La Demajagua for +10 years.
- The current pipeline of additional projects with development potential include a gold-copper oxide deposit overlying a very large copper-gold porphyry system, and an entire 40km long VMS style polymetallic mineral belt with a history of producing copper and zinc concentrates with gold credits. These properties in central Cuba will be explored initially at Antilles Gold's cost prior to their transfer to a joint venture with GeoMinera for additional exploration and studies, and probable development to produce copper and zinc concentrates which are in increasing demand as essential battery metals.
- The objective of the joint venture partner's is to invest part of the profits expected to be generated by mines at La Demajagua, and the El Pilar oxide deposit to fund projects that follow, in order to achieve organic growth with minimal additional equity contributions by the partners, and with the aim of ultimately establishing a substantial mining group in Cuba.

This announcement has been authorised by the Board of Antilles Gold Limited.

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