

Omico Mining Corp Ltd

Q1 2024 – Quarterly Report

Omico Mining Corp (“Omico”), the Namibian copper exploration and development company, is pleased to present its quarterly report for the period ending 31st March 2024.

The Company is advancing the Omitiomire Copper Project Bankable Feasibility Study (BFS) with completion now expected in H2 2024. As previously evidenced by internal economic and technical studies, there is significant potential for the project to be a viable long-life and low capital-intensive copper cathode producer in central Namibia.

As reported previously, given the significant positive upside expected from the Phase 4 metallurgical test work and the impact on the process engineering and mining studies and costings, the BFS has been delayed until Phase 4 test work can be fully incorporated and the mining and process engineering re-designed.

The majority of the design and engineering work already carried out will remain relevant to the BFS, as will the infrastructure, environmental, hydrogeological and geotechnical studies. The main workflows that will need to be revised are the mine optimisation, design and scheduling and re-costing of the plant and infrastructure.

Highlights of the period include:

- Commenced Phase 4 column metallurgical test work programme based on using low-acid high-copper irrigation solution.
- Completed the Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) and submitted them to the Interested and Affected Parties for comment prior to the application for the Environmental Clearance Certificate.

Due to the expected impact of the Phase 4 test work on the project economics and design the decision has been taken to pause the remaining BFS workstreams while the Phase 4 metallurgical test work is being completed. However, 80% of the design and 75% of the engineering is complete and this will not be impacted by the design changes based on the Phase 4 test work.

Metallurgical Test Work – Phase 4

The Phase 4 metallurgical test work programme is based on the principle identified from the Phase 2 test work, and verified in Phase 3, that a high-Cu, low-acid irrigation solution can improve the acid consumption and leach kinetics. This is based on cupric oxide ($\text{CuO} / \text{Cu}^{+2}$) being transformed to cuprous oxide ($\text{Cu}_2\text{O} / \text{Cu}^{+1}$) in the heap. The cupric ion being less stable than the cuprous ion. The Cu is recovered in the SX and acid and oxygen are needed to re-oxidise the cuprous to cupric and the process repeats.

This process is chemically well understood, but has not been used in a commercial setting. The phase 3 test work was designed as a ‘proof of concept’ to demonstrate the potential of this method.

The initial Phase 4 test work was started in December 2023 with two full height leach columns, and initial results have confirmed the assumptions from the Phase 3 test work indicating that 10-15kg/t acid consumption and 120 day leach cycle is achievable using low-acid high-Cu irrigation solution.

The outcome of the test work has an impact on a number of aspects of the project including:

- The lower operating costs will reduce the cut-off grade, leading to higher throughput through the crusher and staking circuits and requiring an update to the design of the crushing and agglomeration circuit;
- The design of the solvent extraction circuit will change to manage high Cu levels in the solutions;
- The lower acid consumption will reduce the size of the acid plant, along with the sulphur handing circuits;
- Operating and capital costs will be reduced;
- Mine design and scheduling will change due to lower cut-off grade with possible extension in the life of mine.

In March 2024, based on the results obtained from the two early columns and additional test work undertaken during the quarter, an additional 9 columns, of 2m to 6m in height, have commenced irrigation to optimise the leaching process.

Environmental Permitting Process

All specialist studies required for the environmental permitting process to construct and operate the mine have been completed. The Environmental and Social Impact Assessment (ESIA) and Environmental and Social Management Plan (ESMP) have been completed and submitted to all Interested and Affected Parties for comment.

Once all comments have been collated the ESIA and ESMP will be submitted to the regulatory authorities in early Q2 2024 with the application for the Environmental Clearance Certificate for construction and operation of the mining operation.

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About Omico

Omico is a joint venture between Greenstone Resources LP, a private equity fund specialising in the mining and metals sector and International Base Metals Limited, an Australian natural resources public company. The joint venture is managed by Greenstone Resources LP.

Omico through its Namibian subsidiary, Craton Mining and Exploration (Pty) Ltd, holds Mining Licence ML197 and Exclusive Prospecting Licence EPL8550, together a 30,000Ha licence area which makes up the Omitiomire Copper Project. The mining licence is valid until March 2036.

The Omitiomire Project has the potential to be a long life, low capital-intensive project, with an unconstrained CIM Measured and Indicated resource of 81.2 million tonnes at 0.60% Total Copper for 490,000t contained copper (0.29% Cu cut-off grade).

The development base case anticipates the production of 25,000 to 30,000 tonnes per annum of LME Grade A copper cathode for at least 10 years, targeting only open-pit mineralisation.

Using solvent-extraction and electro-winning (SX/EW) technology, combined with optimised hybrid solar PV and grid power, the project will produce copper cathode, a low emission and environmentally friendly copper product, not requiring any further smelting or tailings storage facilities.

The Omitiomire Copper Project area is located 120km East from Windhoek in central Namibia and is outside of any national parks, heritage-listed areas, groundwater-controlled area or Namibian areas of significance. The Environmental and Social Impact Assessment methodology applied to the permitting process follows Namibian law, international and national best practice and has been developed using International Finance Corporation (IFC) standards and models.