

Falun Copper-Gold Project, Sweden

Strong start to new drilling program at Falun copper-gold project in Sweden

Initial holes confirm geological prospectivity; previously untested off-hole electromagnetic conductor now being drilled at Skyttgruvan target, where high grade mineralisation was previously identified

Key Points

- The drill strategy is focussed on following up on a number of prospective “Falun-style” drill targets identified by the Company over recent months
- A high priority off-hole electromagnetic conductor has been identified in a strongly altered intercept at Galberget, representing a potential down plunge extension of the Falun deposit to the south east
- At Krondiket, strong proximal alteration has been intercepted with potential for a new upflow zone immediately to the west of the historic Falun deposit
- Drilling has now commenced to follow up the significant off-hole electromagnetic conductor identified at the Skyttgruvan prospect
- Multiple “Falun-style” targets remain to be tested during the current drill program

Alicanto Minerals Ltd (Alicanto or the Company) (ASX: AQI) is pleased to announce that it has made a strong start to the new drilling program focused on testing high-priority targets at Falun.

Alicanto Managing Director Rob Sennitt said: *“The drill program to-date is highly encouraging. The success of the initial drill holes demonstrates not only the strong understanding of the regional geology and exploration model but also the ability of the team to identify highly prospective drill targets.”*

“The drill rig has now moved to drill the off-hole conductor at the Skyttgruvan target which is a key target of this drill campaign. Assays from the initial drillhole at Skyttgruvan included native silver (assays up to 744g/t Ag), copper mineralisation (assays up to 1.9% Cu), anomalous gold values (assays up to 0.65g/t Au) within broader zones of zinc (assays up to 32.4% Zn).”

“We look forward to the ongoing results as we continue to progress the current drill program with numerous highly prospective targets remaining to be drilled”.

Initial drilling at the Falun Project

Recent exploration by Alicanto’s in-country geological team supports the concept that the historical Falun mine is only a small part of a major mineralised belt stretching over at least 10km within Alicanto’s Falun permits. Very limited exploration has ever been conducted along strike from what was a world class historical copper-gold mine at Falun.

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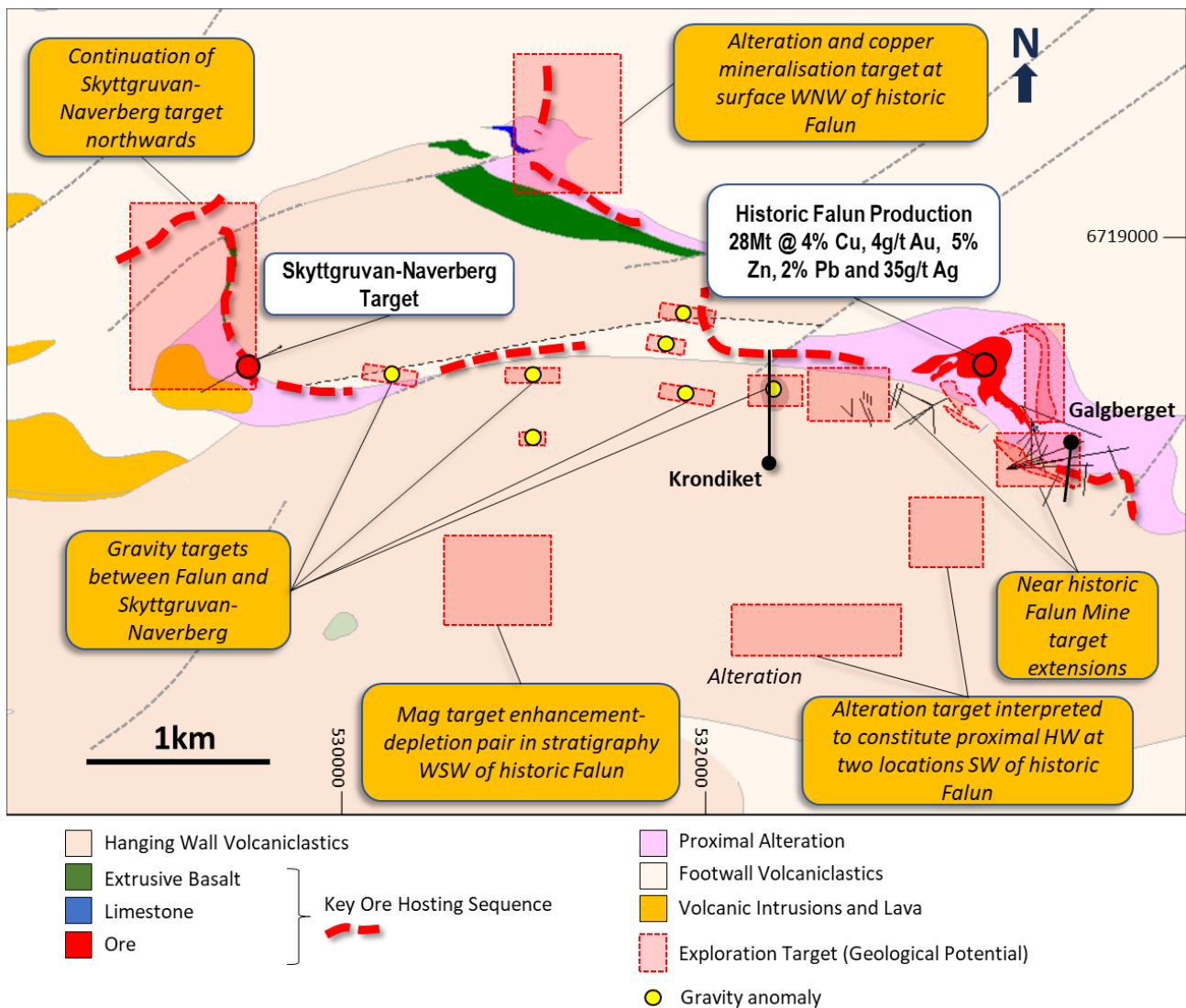
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ASX: AQI

Figure 1 below identifies the key targets which are the focus of the current drill program with the two recent drillholes at **Krondiket** and **Galgeberget** marked in black.

Figure 1: Map of high priority targets subject to the current drill program within the vicinity of the historic Falun mine



Drilling at the **Krondiket** target was designed to test a prospective gravity anomaly as well as to investigate the ore horizon associated with the historic copper showings in the footwall and nearby outcropping sulphide stringers west of Falun.

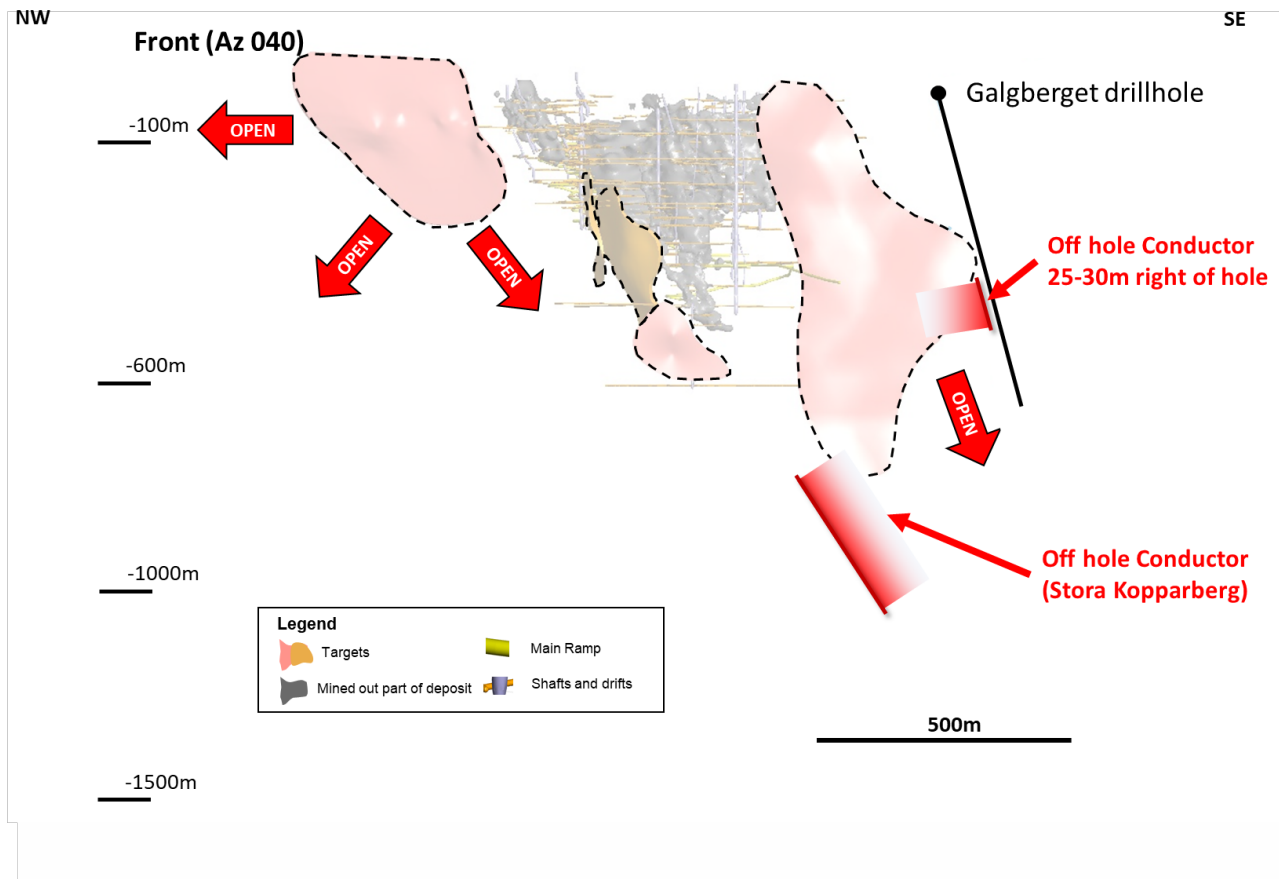
Drilling commenced in the hanging wall and intercepted the targeted limestone ore horizon with proximal green diopside and garnetite alteration, before drilling into highly altered footwall volcanic rocks with zones of proximal style garnet-gahnite-sphalerite-chalcopyrite alteration.

While the target mineralisation was not present, Alicanto believes the strength of the alteration could indicate the presence of a new up-flow system rather than a continuation of the known Falun Deposit, which will continue to be tested during this drill program.

Drilling at the **Galgeberget** target was designed to test the southern extension of the Falun deposit. Drilling did not intercept target mineralisation but intercepted strong footwall alteration and identified a second off-hole electromagnetic conductor in the area at around the 500 metre level which has the potential to represent an extension of the known ore deposit.

Additional drilling to follow up this new off-hole conductor is planned during this drill campaign.

Figure 2: Long section of Falun and current drilling.



The drill rig has now moved to drill test the significant off hole electromagnetic conductor at Skyttgruvan which was identified and refined during drilling in November 2022 and early 2023. This has been one of the key targets for the Company since its discovery.

The initial drilling at Skyttgruvan (GRO22-19) intersected multiple zones of mineralisation in the immediate stratigraphic footwall contact to the regional Falun limestone unit. Encouragingly, the intersected sequence mimics the stratigraphic location and asymmetric alteration in the host limestone of the Falun Mine.

Assays from the GRO22-19 drillhole at Skyttgruvan included native silver (assays up to 744g/t Ag), copper mineralisation (assays up to 1.9% Cu), anomalous gold values (assays up to 0.65g/t Au) within broader zones of zinc (assays up to 32.4% Zn) (refer to ASX release dated 19 December 2022).

For further information regarding Alicanto Minerals Ltd please visit the ASX platform (ASX:AQI) or the Company's website <https://www.alicantominerals.com.au/>

Authorised by the Board of Directors.

Media

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About Alicanto Minerals

Alicanto Minerals Ltd (ASX: AQI) is pursuing aggressive exploration campaigns in Sweden's highly-regarded mining region of Bergslagen. These include exploring its tenements around the world class Falun copper-gold and polymetallic skarn project as well as seeking to identify high-grade silver extensions at the historic Sala silver-zinc-lead deposit and to build upon its maiden Inferred Resource of 9.7Mt @ 4.5% ZnEq containing 311,000t of zinc, 15Mozs of silver and 44,000t of lead (reported at the 2.5% ZnEq cut-off) (refer ASX release dated 13 July 2022).

Alicanto controls over 60km of the target limestone horizon at the Falun project within a total landholding of 312km².

Alicanto is highly leveraged to exploration success and puts a strong emphasis on ensuring that drilling is ongoing. This approach underpins its strategy of creating shareholder value by discovering, growing and developing precious and base metal resources in the tier-one location of Sweden.

The strategy is driven by a Board and Management team comprising a broad range of expertise, including extensive technical, operational, financial and commercial skills as well as experience in mining exploration, strategy, venture capital, acquisitions and corporate finance.

Metal Equivalent Calculations - Sala

Zn% (Eq) are based on recoveries at analogous mineralisation systems in Sweden to calculate the Zn equivalent grades a recovery of 93.8% Zn, 82% Ag and 89.9% Pb was applied.

The following price assumptions were used to calculate the Zn% (Eq):

- Zinc Price of USD \$2,976.24 per tonne
- Silver Price of USD \$22.62 per ounce
- Lead Price of USD \$2,259.07 per tonne

Equivalents were calculated using the following formula: $ZnEq = Zn\% + Zn\% \times [(727,345.29 \times 0.82 \times Ag\%) + (2,259.07 \times 0.899 \times Pb\%)] / (2,976.24 \times 0.9380 \times Zn\%)$

It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Compliance Statements

The information in this announcement that relates to Exploration Results has been previously released as noted in the text. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

References to previous ASX announcements should be read in conjunction with this release.

Forward Looking Statements

This announcement may contain certain forward-looking statements and projections, including statements regarding Alicanto's plans, forecasts, and projections with respect to its mineral properties and programmes. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors many of which are beyond the control of the Company. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved.

For example, there can be no assurance that Alicanto will be able to confirm the presence of Mineral Resources or Ore Reserves, that Alicanto's plans for development of its mineral properties will proceed, that any mineralisation will prove to be economic, or that a mine will be successfully developed on any of Alicanto's mineral properties. The performance of Alicanto may be influenced by a number of factors which are outside the control of the Company, its directors, staff, or contractors.

The Company does not make any representations and provides no warranties concerning the accuracy of the projections, and disclaims any obligation to update or revise any forward looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws.