

11 July 2025

UPDATE ON FUNDING FOR NUEVA SABANA COPPER-GOLD MINE, CUBA

LETTER OF INTENT FOR US\$26M EPC CONTRACT, & US\$16M PROJECT FINANCING AND PROPOSED \$4.1M SHARE ISSUE TO STRATEGIC INVESTOR

Antilles Gold Limited ("Antilles Gold" or the "Company") (ASX: AAU) is pleased to advise that a non-binding Letter of Intent ("LoI") has been signed between major Chinese mining and engineering group, Shandong Xinhai Mining Technology Equipment Inc ("Xinhai") (www.xinhaimining.com), and 50% owned Cuban mining company, Minera La Victoria SA ("MLV"), for Xinhai to be engaged to undertake a ~US\$26M engineering, procurement, and construction ("EPC") contract for MLV's Nueva Sabana copper-gold mine.

It is also intended that Xinhai will provide or arrange ~US\$16M of project financing for the project development.

The LoI includes the commitment of the parties to use best endeavours to negotiate a binding Memorandum of Understanding ("MoU") by 15 August 2025 to reflect the intentions, objectives, and obligations set out in the LoI.

Antilles Gold is also a signatory to the LoI wherein it has committed, subject to the MoU being signed, to placing 590M AAU shares to Xinhai, or its nominee, at \$0.007 per share to raise \$4,130,000, and in this event Xinhai will be invited to nominate a director to the Company's Board.

Xinhai is a privately owned global process engineering and contracting company that specialises in providing engineering design, procurement and construction services to the mining industry. It has completed more than 500 EPC contracts globally, many including mine construction and mine operation management services.

The LoI includes:

- The agreed scope and costings for the EPC contract covering the construction of a 500,000tpa concentrator, architectural and industrial buildings, electrical switchyard and reticulation, and the supply of construction and mobile equipment, and first fill spares and consumables
- Xinhai committing to provide or arrange financing for the project to be drawn down by amounts equal to ~60% of the monthly progress payments under the

EPC contract, and be repaid by MLV in 5 equal quarterly instalments commencing 3 quarters after the mine is commissioned

- **MLV committing to undertake construction of access and haul roads, earthworks, waste dump, tailings storage facility, and water management, and to provide site safety and security, project administration, and associated construction management, and to meet Government charges during the construction phase**
- **MLV confirming that Xinhai will be permitted to bring senior construction managers, supervisors, technicians, and an agreed number of skilled tradesmen to Cuba from China to carry out its obligations under the EPC contract**
- **MLV and Xinhai committing to use their best endeavours to negotiate an operating agreement for the concentrator, including maintenance and supply of spares and consumables, for a minimum of 2 years, and to the inclusion of Xinhai employees for plant maintenance, laboratory functions, and procurement, within the management team for the operating phase of the project**
- **MLV granting Xinhai the first right of refusal to negotiate the EPC contract (~US\$70M) for its proposed La Demajagua mine which is planned to be developed between early 2027 and the end of 2028**
- **MLV undertaking to consider Xinhai's proposal to prepare the La Demajagua DFS for the production of gold-arsenopyrite concentrate and antimony cathodes, including in-fill drilling, metallurgical test work, preliminary design, and EPC budgeting**
- **MLV granting Xinhai the first right of refusal to participate directly in the La Demajagua project if such opportunity is offered by MLV to third parties after approval by the relevant authorities**
- **MLV agreeing for Antilles Gold, at its option, to purchase any antimony concentrate or cathode produced by the La Demajagua project, at the prevailing Chinese price for the same product**

While the MoU is being documented, Xinhai will complete its DD on the Nueva Sabana project, and hold meetings in Cuba in mid-July 2025 with MLV, relevant authorities, and major local suppliers / subcontractors, and conduct a site visit.

Xinhai and MLV will also establish the final scope, cost, construction timetable, and terms of the EPC contract for inclusion in the MoU.

The Company will provide an update to the market on the signing of the MoU.

The Chairman of Antilles Gold, Mr Brian Johnson, commented "that based on discussions and correspondence with Xinhai, he was confident the binding MoU will be formalised as intended and the Company can look forward to a long term and rewarding relationship with Xinhai.

The MoU will represent a significant breakthrough on Nueva Sabana financing and with the project being de-risked by a fixed price EPC contract for 80% of construction activities, and with signed concentrate off-take agreements in place as advised to ASX on 2 June 2025 it will be much easier to arrange the US\$20M balance of funding required for the project.

Positive negotiations are continuing with several financiers in order to complete the financing package."

LISTING RULE CONFIRMATION

The Company confirms that all material assumptions underpinning the production target and the forecast financial information derived from the production target in the revised MRE for Nueva Sabana advised to ASX on 2 October 2024 continue to apply and have not materially changed.

The Company also confirms that it is not aware of any new information or data that materially affects the information included in previous market announcements and all material assumptions and technical parameters underpinning the mineral resources in the 13 January 2025 market announcement continue to apply and have not materially changed.

END

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

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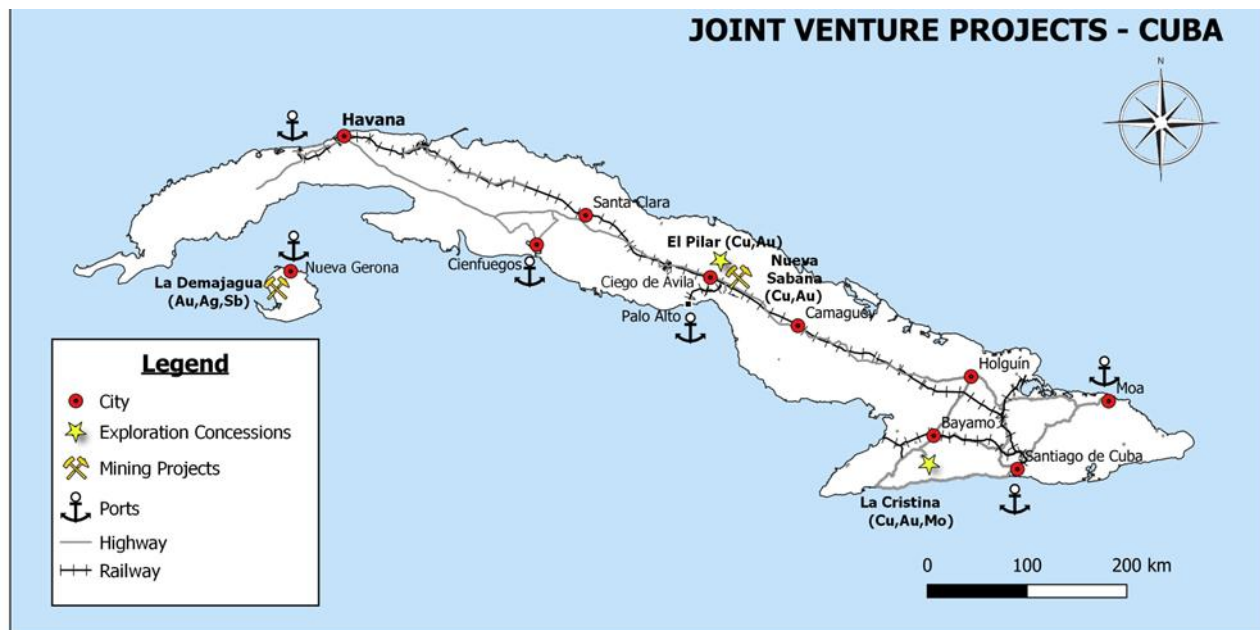
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ABOUT ANTILLES GOLD LIMITED:

Antilles Gold is participating in the development of two previously explored mineral deposits in Cuba to produce gold, silver, antimony and copper concentrates, and the exploration of potentially large porphyry copper deposits through its 50:50 joint venture with the Cuban Government's mining company, GeoMinera SA.

- The first project to be developed by the joint venture company, Minera La Victoria SA ("MLV"), is the relatively small first stage of the Nueva Sabana gold-copper mine in central Cuba which is construction-ready, with MLV in the final stage of arranging project financing.



- The second project is expected to be the development of the La Demajagua open pit mine on the Isle of Youth in south-west Cuba to produce a gold-arsenopyrite concentrate, and antimony concentrate, or cathode.
- The joint venture intends to invest part of the free cash flow generated by the Nueva Sabana mine to fund exploration of major copper targets, including the El Pilar copper-gold porphyry system which underlies the Nueva Sabana mine, and highly prospective targets within the Sierra Maestra copper belt in south east Cuba.
- Antilles Gold is comfortable operating under the Foreign Investment Law, and the realistic Mining and Environmental regulations in Cuba.
- The Government is supportive of the joint venture's objectives, and has approved the concept of all funds being held in a foreign Bank account with the only transfers to Cuba being for local expenses, which will obviate any Country credit risk for stakeholders.