

SURFACE DRILLING UNDERWAY AT NOVALES TO TEST DISTRICT-SCALE CONTINUITY OF ZINC MINERALISATION; GUAJARAZ DRILLING COMPLETED; EMILIA ASSAYS IMMINENT

Major surface diamond drilling programme commences in Cantabria to link the >12 km mineralised corridor across San José, Margarita, Emilia, and Udías, driving towards a unified Q1 2027 Mineral Resource Estimate upgrade

Highlights

- **Surface Drilling Underway at Novales:** Surface diamond drilling has commenced at the Company's flagship Novales Project in Cantabria, northern Spain, following the mobilisation of a drill rig from Guajaráz.
- **Testing District-Scale System Connectivity:** The initial 20-hole surface campaign—fully permitted—is designed to demonstrate structural and mineralised continuity between historical mining centres along the >12 km Novales zinc (Zn) trend, linking the central San José workings with the expanding Emilia, Margarita, and Udías sectors.
- **First Surface Hole In Progress at San José & Emilia Pads Advancing:** Initial inclined hole commenced on 20 October 2026 at the San José mine site to test a gap in a NW-oriented fence line of historical drillholes and a major, district-scale NE-oriented fault structure (representing a possible feeder zone). Preparation of subsequent surface drill pads in the immediate vicinity of the Emilia mine is progressing in parallel.
- **Emilia Underground Drilling:** Laboratory assay results pending.
- **Underground Drilling Continuing at Emilia:** Underground diamond drilling continues on Level -2 at Emilia—where recent work confirmed the mineralised system extends over 100 m in width within a jog of the NE-oriented fault trend (refer ASX announcement 24 September 2026).
- **Guajaráz Maiden Drilling Programme Completed:** The five-hole diamond drilling programme at the Guajaráz Zn-Pb-Ag Project in Toledo Province has concluded for 1,061.80 m of effective drill core (1,318.20 m total drilled including a redrilled hole), with all core transported to the Novales facility for geological and geotechnical logging, photography, and sampling.
- **Evaluation of New Spanish Growth Opportunities:** To complement its district-scale Cantabrian footprint, Altoro has commenced an initial technical assessment of newly gazetted mineral permits in northern Spain.



Altoro Metals Limited (ASX: **ARO**) ("**Altoro**" or the "**Company**") is pleased to provide an operational update across its Spanish zinc and polymetallic portfolio, highlighted by the commencement of its major surface diamond drilling programme at the flagship Novales Zn Project in Cantabria, the completion of maiden drilling at the Guajaraz Zn Project in Toledo, and the receipt of initial laboratory assays from underground drilling at Emilia.

Novales Project Surface Drilling Programme

Work programmes are advancing rapidly across multiple fronts as the Company executes its strategic objective of unifying the historical central workings of San José, Udías, Emilia, and Margarita into a single, integrated "Novales Project" and delivering an upgraded JORC Mineral Resource Estimate ("MRE") by Q1 2027.

Following the conclusion of drilling operations at Guajaraz, surface diamond drilling commenced at Novales on Tuesday, 20 October 2026.

As outlined in recent updates (refer ASX announcements 11 August 2026 and 24 September 2026), establishing the geological and mineralised continuity between the historical mining centres along the >12 km San José-Udías Zn trend is a key objective for demonstrating the district-scale potential of the Novales Project.

While the Company's existing JORC MRE of 3.38 Mt @ 7.61% Zn and 0.88% Pb (8.49% Zn+Pb) (refer ASX announcement 9 December 2024) is currently confined to the San José and north-eastern Udías sectors, recent systematic underground channel sampling at Emilia (located approximately 2.3 km northeast of San José) returned exceptional grades of up to 2.65 m @ 21.10% Zn and composite intervals of 4.50 m @ 13.71% Zn (refer ASX announcement 11 August 2026), while underground drilling confirmed that the tightly structurally controlled Emilia mineral system extends over 100 m in width within a jog of the NE-oriented fault trend (refer ASX announcement 24 September 2026).

The initial 20-hole surface campaign—fully permitted—will target the highly prospective corridor between the central Novales workings, Margarita, and Emilia. This surface drilling programme is designed to:

- Test the continuity of Zn mineralisation between known historical mine centres;
- Establish the geometry, thickness, and depth continuity of the mineralised zones;
- Test prospective areas outside the Company's existing MRE; and
- Generate new geological and assay data to support resource modellers Asturmine in unifying San José, Udías, Emilia, and Margarita into the upcoming Q1 2027 MRE upgrade.

The first hole of the surface campaign is designed to close a gap in a northwest-oriented fence line of historical drillholes in the immediate area, some of which intersected moderate Zn mineralisation; and test at depth a major, district-scale, northeast-oriented fault structure observable within the San José mine portal that appears to have Zn mineralisation associated with it at ground level and could represent a first-order feeder zone.

In parallel with drilling at San José, company geologists are supervising the preparation of subsequent surface drill pads, landowner access agreements, and water delivery logistics in the immediate vicinity of the Emilia mine.

Emilia Underground Drilling & Pending Assays

Laboratory assay results for the first nine underground diamond drillholes from the Emilia mine are pending.

Underground diamond drilling on Level -2 at the Emilia mine continues in parallel using the Company's underground diamond drill rig to test the upper levels of the western side of the Emilia mine.

Processing of drill core from the recent underground holes—including geotechnical logging, bulk density measurements, core photography, geological logging, and sampling of relevant intervals with the inclusion of Certified Reference Materials (CRMs)—is ongoing, with drillhole data being integrated into the project database and Leapfrog software. In parallel, the Company is finalising its agreement and ongoing collaboration with resource modellers Asturmine regarding the MRE update and the optimisation of Emilia drill targeting, while the Mine Restart Steering Committee continues to advance engineering and hydrogeological workstreams ahead of the submission of the Mine & Plant Project and Restoration Plan.

Guajaraz Drilling Programme Completed

Altoro confirms that its maiden exploratory diamond drilling programme at the 100%-owned Guajaraz Zn-Pb-Ag Project in Toledo Province, central Spain, concluded on 15 October 2026 with the completion of drillhole G-05.

Carried out between 14 July and 15 October 2026 using two drill rigs (a Rolatec RL-1000 and a Boart Longyear LM-90), the campaign completed five exploratory drillholes—designated G-01bis, G-02, G-03, G-04, and G-05—for an effective investigation total of 1,061.80 m.

Including the 256.40 m from initial hole G-01, which was stopped due to a lost drill string and subsequently redrilled as G-01bis (to 334.90 m) at no additional cost to the Company, the total meterage drilled during the campaign was 1,318.20 m. All holes were initiated in PQ diameter before transitioning to HQ diameter to final depth.

All 1,061.80 m of effective drill core from the Guajaraz programme has been shipped to the Company's facilities in Novales, Cantabria for logging prior to sending for assay.

Regional Growth Strategy - Assessment of New Spanish Growth Opportunities

Alongside the advancement of its Cantabrian and Toledo projects, Altoro continues to evaluate high-potential zinc and polymetallic opportunities in Spain that complement its portfolio. The Company's technical team has commenced an initial assessment of a batch of mineral permits recently gazetted for tender by regional authorities in northern Spain. The tender information has so far been gazetted in official regional bulletins and is scheduled to be republished with further details in the Spanish State Bulletin, before a 60-day window will open for the lodgement of competitive tender applications. As applications require detailed submissions demonstrating financial and technical capability alongside a comprehensive exploration plan, this evaluation work is ongoing.

Next Steps

Altoro is advancing an active work programme across its Spanish portfolio, with near-term operational priorities including:

- Reporting on (first nine) Emilia underground holes pending receipt and processing of assays;
- Continuation of the surface diamond drilling programme in Cantabria, including the preparation of drill pads in the immediate vicinity of the Emilia mine;
- Continuation of underground diamond drilling at Emilia Level -2;
- Completion of geological and geotechnical logging and core sampling from the 1,061.80 m Guajazaraz drilling programme for dispatch to ALS Laboratories;
- Ongoing collaboration with Asturmine on 3D geological modelling and drill targeting optimisation to support the unified Novales Project MRE upgrade in Q1 2027; and
- Advancing Mine Restart Steering Committee workstreams and finalising the Mine & Plant Project and Restoration Plan for targeted end-of-year submission to the Cantabrian mining authorities.

This announcement has been authorised for release by the Board of Altoro Metals Limited.

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About the Novales Project

The Novales Project is located in the Basque-Cantabrian Basin in northern Spain, approximately 30 km southwest of the regional capital, Santander. The project is centred around former producing historical underground workings and features a significant >12 km mineralised trend, alongside a sub-parallel 3 km trend, delineated from contemporary and historical data.

The region is a world-class brownfield zinc district renowned for hosting multiple Mississippi Valley Type (MVT) deposits. The Novales Project is located just 9 km from the world-class Reocín Mine—the largest known strata-bound carbonate-hosted Zn-Pb deposit in Spain—and is within trucking distance (~180 km) of the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (100% owned by Glencore).

Mineral Resource Estimate

JORC Mineral Resource Estimate for San José mine and north-eastern Udías by deposit and classification reported above at 2% Zn+Pb cut-off (ASX announcement 9 December 2024)

Deposit	Mineral Resource Classification	Tonnage (t)	Zinc (%)	Grade		Contained Metal		
				Lead (%)	Zinc + Lead (%)	Zinc (t)	Lead (t)	Zinc + Lead (t)
San Jose	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	<i>Measured & Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	615,304	8.15	1.03	9.18	50,121	6,356	56,477
	<i>Sub-total</i>	<i>1,737,439</i>	<i>8.63</i>	<i>1.42</i>	<i>10.05</i>	<i>149,966</i>	<i>24,618</i>	<i>174,584</i>
San Jose (NE)	Inferred	931,608	5.72	0.20	5.92	53,306	1,860	55,165
Udías* (NE)	Inferred	709,533	7.60	0.47	8.07	53,915	3,316	57,232
Total	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	<i>Measured & Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	2,256,445	6.97	0.51	7.48	157,342	11,532	168,874
Total		3,378,580	7.61	0.88	8.49	257,187	29,794	286,981

Competent Person Statement

The information in this announcement that relates to technical information and exploration results for the Novales Project and the Guajaraz Project is based on, and fairly represents, information and supporting documentation compiled and reviewed by Dr Mike Mlynarczyk, Principal of Redstone Exploration Services, a geological consultancy acting as an external consultant to Altoro Metals Limited. Dr Mlynarczyk is a Professional Geologist (PGeo) of the Institute of Geologists of Ireland and European Geologist (EurGeol) of the European Federation of Geologists, as well as a Fellow of the Society of Economic Geologists (SEG). Dr Mlynarczyk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Mlynarczyk consents to the inclusion in the announcement of the matters based upon his information in the form and context in which it appears.

Where reference is made to previous releases of exploration results and mineral resource estimates in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

The information in this document that relates to previous exploration results was prepared pre-2012 JORC Code. It is the opinion of the Company that the exploration data is reliable. Although some of the data is incomplete, nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historic exploration.

Forward-Looking Statements

This announcement may contain forward-looking statements, including statements regarding planned exploration activities, drilling, timing of drilling and receipt of assay results, future exploration programmes and the Company's exploration strategy. Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company. Actual results may differ materially from those expressed or implied by such statements. Past performance is not necessarily a guide to future performance. The Company makes no representation or warranty as to the likelihood of achievement or reasonableness of any forward-looking statements. The occurrence of events in the future is subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ materially from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements, except as required by applicable law or the ASX Listing Rules.