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Nativo Resources Plc
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21 October 2024

Nativo Resources Plc

("Nativo" or the "Company")

Operational Update: Tesoro Gold Mine

Initial vein material recovered from Bonanza shaft yields high grade assay results up to 27g/t

Nativo Resources plc (LON:NTVO), which has interests in precious metals mining and production in Peru, provides the following update on the Tesoro Gold Concession ("Tesoro"), in southern Peru, which is held by the Company's 50%-owned Peruvian joint venture, Boku Resources SAC ("Boku").

Boku continues with the mine development plan in preparation for production and has now increased operations at the Bonanza mine's first shaft ("Bonanza") to three shifts per day, which has seen progress accelerate. The principal shaft now extends to over 22m in depth, following closely the orientation of the Bonanza vein. The northwest and southeast sub level galleries, at 10m depth, have been developed and currently extend horizontally to over 14m to the NW and 20m to the SE, following the strike of the vein system respectively.

In keeping with the heterogeneous development of the mineralised vein, which pinches and swells both horizontally and vertically as is common for mesothermal quartz vein gold deposits, the mine development plan has been optimised for preparation of future multiple blocks, with each block averaging 20m long by 20m in height. The Company expects the optimised plan will both accelerate, and ultimately increase production. The revision means each block is estimated to contain 172t of vein material, with the first block in preparation expected to average grades of between 6g/t to 12g/t Au with some areas of the block reaching 27g/t.

Boku now believes that the gold oxidation zones could extend to up to 200m in depth, with a neighbouring ASM operation extending to over 150m vertically, meaning there could be potential for six to eight vertical blocks per horizontal gallery at Bonanza. However, any such development of the mine to this depth would require upgrading and mechanisation of mine infrastructure to facilitate clean air circulation and the movement of people and rock material.

Vein material brought to surface as part of mine preparations undertaken in September and October, measured over 22t after sorting. This material is derived from the preparation of the shaft and galleries and does not represent what will be achieved during the "production phase". The recovered material has been analysed at a local metallurgical laboratory (Minares SAC), with the results yielding an average grade of between 6g/t and 12g/t Au and maximum results returning over 27g/t for the bulk samples.

The vein material recovered so far will be stockpiled at the central camp until we finalise terms with a local producer, most likely once we establish steady production in December.

Initial revenue will be reinvested to accelerate mine development and optimise gold production.

Looking ahead, Boku plans to increase again the number of shifts working at Bonanza from three to six, accelerating mine development and scaling production volumes, potentially achieving between 8t and 12t of vein material per day. The current development plan includes deepening the principal shaft and opening a second, then third shaft at Bonanza, followed by opening a second mine at La Dorada. The development at La Dorada will be similar to Bonanza.

Across Tesoro, Boku has identified three further vein corridors for ASM mining operations. The veins have existing ASM shafts, which have been sampled and analysed, returning results with high-grade gold concentrations, similar to Bonanza and La Dorada. These vein corridors are mapped to extend for up to 1km each and can be exploited with multiple shafts, i.e., similar to the mining plan for Bonanza and La Dorada.

The overall development plan for the concession forecasts achieving an aggregated daily production rate, across all operations, of between 38.5t and 64t per day of vein material by December 2025.

As announced on 13 September 2024, the Company plans to scale gold production, establish a gold ore processing plant for its own and third party vein material, and, in the medium-term, to expand its operations to the exploitation of gold rich tailings deposits.

Stephen Birrell, Chief Executive Officer of Nativo, commented:

"Tesoro continues to be an extremely exciting project for Nativo. I am pleased to report on high-grade assay results of initial vein material recovered from Bonanza, with findings demonstrating impressive grades of up to 27g/t.

We look forward to working with Boku to accelerate mine development operations and increase production capacity, which will be supported by the reinvestment of expected revenues from gold sales."

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About Nativo Resources plc

Following the partial divestment of its assets in Argentina, Nativo entered into a 50:50 joint venture in Peru in July 2024 with an experienced local partner for precious metals (gold/silver) mining and processing of gold ore (own and third party production) and the cleaning of known tailings deposits containing Measured and Indicated resources of gold and silver. Through the JV, known as Boku Resources, Nativo has secured an opportunity to scale operations in Peru, owning 50% of the production and resources.

Initially, Boku is establishing formalised artisanal and small mining operations on its 100% held Tesoro Gold concession, southern Peru, targeting early cash flow generation by Q4 2024. The Company plans to establish its own gold ore processing plant and, longer-term, to pursue its low capex strategies to appraise and exploit tailings deposits to recover gold, and develop the Ana Lucia Polymetallic concession.

Qualified Persons Statement

The scientific and technical information contained within this announcement has been reviewed and approved by Dr Alberto Rios Carranza, a geologist with over 27 years' experience, who holds a doctorate cum laude awarded by the Polytechnical University of Madrid, Spain and who has

published or co-authored over 17 scientific papers on the mineralisation across Peru. Alberto is a member of the Geological Society of Peru, the Colombian Society of Geology and the Institute of Mining Engineers of Peru. He is a Qualified Person as defined by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

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Glossary

Au	gold
ASM	Artisanal and small mining
g/t	grams per tonne
Km	kilometers
m	meters
t	tonnes

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