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Nativo Resources Plc
06 March 2025

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

6 March 2025

Nativo Resources Plc

("Nativo" or the "Company")

Option Agreement for Tailings Project, Peru

Nativo Resources plc (LON:NTVO), which has interests in gold mines in Peru, is pleased to announce the signing of an option agreement (the "Agreement"), via the Company's 50%-owned Peruvian joint venture Boku Resources SAC ("Boku"), pursuant to which Boku will evaluate the opportunity to recover and sell gold and silver from the Toma La Mano tailings dump and redeposit the tailings in line with legislation.

Toma La Mano is in the Ancash region of central Peru, 42 km north of the city of Huaraz, and is 100% owned by a private Peruvian company, Corporación Minera Toma la Mano S.A. (the "Owners"). The Owners operate a polymetallic tolling plant on the site, extracting lead, zinc, copper, and silver from third party ore.

The tailings deposit, which is the subject of this Agreement, is the accumulation of tailings from a former polymetallic mine operated by the Owners and the output from the tolling plant. In Peru, the socio-environmental risks associated with historical mine tailings include water and soil contamination and air pollution leading to potential health issues for communities living near mining sites due to exposure to toxic elements, and disruption of local ecosystems. The re-mining of old tailings enables remediation of the sites, decreasing these long-term environmental and social impacts. Since the tailings have been previously processed, re-processing uses less energy, has lower greenhouse gas emissions, and creates the likelihood of little or no further land degradation.

Based on historical records, the Toma La Mano tailings deposit contains approximately 1.8Mt of polymetallic material. From processing records, the grades of the material put into tailings have been reported at between 0.1 and 1.7 g/t gold and between 10 and 37 g/t silver. Historical recoveries and therefore residual grades are not known precisely.

The Agreement allows Boku, for a period of up to three years, to analyse the deposit and undertake a resource estimate and feasibility study, which will include detailed metallurgical analysis to report on recovery rates and process optimisation. During the three-year period, Boku shall have the option to make a Final Investment Decision ("FID") and establish a processing plant to clean the tailings and recover and sell the precious metals in return for a rental fee of US$3 per tonne of tailings processed and an initial royalty fee of 6.5% on revenues, which will increase to 7% once Boku recovers 30% of its expenditure. Boku will not have any ownership interest in the asset.

Stephen Birrell, Chief Executive Officer of Nativo, commented:

"This Agreement is for the first of a series of seven similar tailings cleaning projects identified by Boku and Nativo in the region.

The opportunity is straightforward, as tailings dumps like Toma La Mano present an environmental liability for their owners and need to be dealt with. Boku's strategy is to process the tailings dumps with modern technology, via a centralised processing plant, extract the gold and silver for a royalty fee, remediate the land, and redeposit the tailings in line with modern legislation.

We view this as a low-cost, low-risk strategy, with quick and cheap resource definition and limited capex and opex. If perfected, the model is highly scalable with deposits known throughout Peru requiring a cleaning solution. With highly favourable gold prices, these projects represent a win-win for all stakeholders, and we look forward to working with the Owners to conduct the feasibility study. We are targeting FID by Q1 2026."

For further information please contact:

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About Nativo Resources plc

Nativo has interests in gold mining and exploration projects in Peru. Through a 50:50 joint venture established in July 2024 with an experienced local partner, Nativo secured an opportunity to scale operations at the Tesoro Gold Concession, owning 50% of the production and resources. Production and sales of ore to a local gold ore processing plant began in late December 2024.

In December 2024, Nativo also agreed to acquire directly a 100% interest in the Morrocota Gold Mine, proximal to the Tesoro Gold Concession. Production from Morrocota is anticipated to commence by the end of Q2 2025. Longer-term, the Company plans to establish its own gold ore processing plant to retain a higher margin from production at its mines.

In addition to primary gold mining projects, the Company also holds the Ana Lucia Polymetallic concession, and is investigating low capex strategies to appraise and exploit tailings deposits to recover gold.

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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