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Fulcrum Metals plc / EPIC: FMET / Market: AIM / Sector: Mining

9 April 2025

Fulcrum Metals plc

("Fulcrum" or the "Company" or the "Group")

Letter of intent for sale of Tully Gold property

Fulcrum Metals plc (LON: FMET), a technology led company focused on the recovery of precious metals from mine tailings in Canada, is pleased to announce that it has signed a binding letter of intent (the "**LOI**") with TSX Venture Exchange listed Loyalist Exploration Limited ("**Loyalist**") for the sale of the Company's 100% interest in the Tully Gold Project ("**Tully**" or the "**Project**") in Timmins, Ontario.

Loyalist Exploration Limited is a recently restructured mineral exploration company led by an experienced management and directors focused on acquiring, exploring, and developing quality mineral properties in Canada. Loyalist recently announced a strengthening of its portfolio through the addition of the Loveland nickel/copper/gold property and the Gold Rush gold/silver property, both located in the Timmins, Ontario mining district.

LOI highlights

- Cash payment of CA\$500,000 payable to Fulcrum on completion
- 89,255,000 common shares in Loyalist to be issued to Fulcrum representing a shareholding of 19.9% in the issued share capital of Loyalist upon completion (subject to adjustment) with an implied value of CA\$892,550 based on a price of CA\$0.01 per share
- A 2% net smelter royalty ("**NSR**") to be granted to Fulcrum over the Project with a CA\$1,000,000 buy back for 1%
- Potential future milestone payments to Fulcrum of CA\$100,000 in cash and 30,000,000 shares in Loyalist at a price of CA\$0.01 per share or cash in lieu
- Exposure to multiple highly prospective projects in the Timmins mining district

Ryan Mee, Chief Executive Officer of Fulcrum, commented:

"I am very pleased to announce the signing of the LOI with Loyalist over the highly prospective Tully Gold Project in Timmins, Ontario. This transaction aligns perfectly with our broader strategy to divest exploration assets and focus on the development of our gold tailings projects in Kirkland Lake and the potential commercial opportunities open to us.

"We believe that Tully is a high quality asset that is located in one of the world's most prolific gold districts, and the terms retain significant exposure for Fulcrum in the potential upside through the shareholding and the milestone and royalty structure.

I look forward to working alongside Loyalist to closing this transaction."

Errol Farr, Loyalist's President & Chief Executive Officer, commented:

"We are very excited to announce the proposed acquisition of the Tully property, which hosts a significant historical gold resource, numerous high grade drill intersection and is open and along strike. The acquisition of Tully along with the Gold Rush Gold property and the Loveland Nickel/Copper/Gold property, all within the prolific Timmins mining camp, builds on the company's strategy of becoming a serious mineral exploration and development company."

Key terms of LOI

The binding LOI sets out the intention of both parties to enter into a definitive agreement (the "**Definitive Agreement**") and formal purchase and sale agreement by 30th June 2025. There can be no guarantee that a definitive agreement will be entered into nor that the terms will be the same as set out in the LOI and this announcement. The LOI is also subject to, *inter alia*, the satisfactory completion of due diligence by both parties.

Completion of the purchase agreement will result in the acquisition of a 100% ownership of the Tully gold project by Loyalist. Pursuant to the terms of the LOI, Loyalist will:

- a) pay to Fulcrum aggregate cash consideration of CA\$500,000 upon closing of the Purchase;
- b) issue approximately 89,255,000 shares in Loyalist to Fulcrum (with an implied value of CA\$892,550 based on a price of CA\$0.01 per share) that will result in Fulcrum having ownership of 19.9% of the total issued and outstanding common shares in Loyalist after giving effect to the Definitive Agreement, completion by Loyalist of the acquisition of the option to acquire the Gold Rush Property and the acquisition by Loyalist of the Loveland property (both as previously announced by Loyalist) and the completion by Loyalist of a total cumulative financing of a minimum of CA\$1.3 million or more; and
- c) grant to Fulcrum a 2.0% NSR on the Project's mining claims with an option for Loyalist to re-purchase 50% of the NSR (i.e. 1.0% of the 2.0% NSR) at any time at a price of CA\$1,000,000 (subject to CPI adjustment).

Additional Future Consideration

As additional consideration, Loyalist will: (1) pay to Fulcrum an aggregate of CA\$100,000 in cash; and (ii) issue to Fulcrum an aggregate of thirty million (30,000,000) shares in Loyalist or cash in lieu thereof, in whole or in part, at the sole discretion of Loyalist, at a price of CA\$0.01 per Loyalist share, in instalments upon the achievement of milestones on any part of the Property, as follows:

- a) CA\$100,000 upon the completion of a drilling intercept of at least 6 g/t of gold over 8 metres or equivalent on the Property payable and issuable within sixty (60) days of the

announcement of this milestone;

- b) 15,000,000 shares in Loyalist upon filing of a technical report on the Property where a gold resource is re-evaluated (or restated) to a NI 43-101 standard and the total gold resource exceeds 200,000 ounces, payable and issuable within sixty (60) days of the technical report being filed under the Purchaser's profile on SEDAR+; and
- c) 15,000,000 shares in Loyalist at the time of announcement of a decision to mine on the Property, payable within sixty (60) days of such announcement.

Cash generated by Fulcrum on the sale of Tully would be used for Fulcrum to support the Group's ongoing capital needs with a particular focus on the Group's tailings projects in the Kirkland Lake region of Ontario.

Tully Project overview

Tully is located 25 kilometres northeast of Timmins and includes an historic Indicated and Inferred Mineral Resource consistent with NI 43-101 reporting requirements and estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum definitions. The Project is located within the world-class Timmins-Porcupine Gold Camp and is 2 kilometres southwest of the Bradshaw Gold Project of Gowest Gold Ltd., where work is underway to restart mine operations.

The Tully Property covers 458 hectares in area, northeast of Timmins, Ontario within an established mine camp with excellent infrastructure. The Timmins-Porcupine Gold Camp, including the major Dome and Hollinger mines, is one of the most productive gold fields in the world primarily from high grade multiple vein systems, with more than 70 Moz of gold produced to date.

Prospective structures splay off the Porcupine-Destor Fault through the Tully area. Mineralisation at Tully occurs within a 30m wide mafic volcanic unit with an approximate west-southwest strike and steep northerly dip. The hanging wall consists of sedimentary rocks and the footwall consists of ultramafic rocks. As currently understood, the deposit comprises an array of shallowly inclined quartz-carbonate veins or lenses stacked 'ladder-style' within the mafic host unit and constrained by its hanging wall and footwall contacts. The higher-grade core of the deposit extends over 600m along strike and 400m down dip, and plunges moderately toward the east-northeast. The mineralised veins/lenses host gold primarily within irregular pyrite clusters and also commonly as free visible gold, with assays running as high as 2,555.5 g/t Au. Lower order gold values also occur within the host tuff unit outside of the vein systems included in the resource estimate, sometimes over considerable widths.

The Tully property occurs within a swampy area and is covered by blanket of glacial drift, averaging 30m thickness which hid the deposit from early explorers; thus, the geology is entirely derived from drillhole and geophysical data. Exploration by a number of companies over several decades has resulted in the drilling of many holes - the resource estimate utilised data from an extensive database of 356 holes totalling 91,623 m, with 718 vein intercepts being interpreted and incorporated into the lens wireframes.

The 2013 resource estimate of 107,000 ounces Au by Francis Minerals Ltd combined in the Indicated and Inferred categories (uncapped 144,000 ounces Au) range in grade from 5.17g/t to 6.56g/t Au which is considered as potentially economic grade for underground mining. While test work is required to establish the optimum gold recovery process route from ore the occurrence of a significant amount of coarse gold suggests that some of the mineral could be amenable to simple gravity separation.

Fulcrum acquired the Project in August 2023, details of which were set out in the announcement released by the Company on 7 August 2023.

During the year ended 31 December 2023, the Group expended approximately £36,000 on the Project. The carrying value of the Project as at 30 June 2024 was £545,819 (as set out in the unaudited interim results released by Fulcrum on 23 September 2024).

Technical Glossary

Au	Gold
g/t	grams per metric tonne
NI 43-101 compliant	National Instrument 43-101 Standards of Disclosure for Mineral Projects is a securities regulatory instrument that governs how companies can disclose mining-related information in Canada.

Qualified Person Statement

The technical information in this announcement has been reviewed by Edward (Ed) Slowey, BSc, PGeo, technical advisor to Fulcrum Metals Plc. Mr Slowey is a graduate geologist with more than 40 years' relevant experience in mineral exploration and mining and a founder member of the Institute of Geologists of Ireland. Mr Slowey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which has been undertaken to qualify as a "Qualified Person" in accordance with the AIM Rules Guidance Note for Mining and Oil & Gas Companies. Mr Slowey consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

For further information please visit <https://fulcrummetals.com/> or contact:

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Notes to Editors

About Fulcrum Metals PLC

Fulcrum Metals PLC (AIM: FMET) is an AIM listed technology led natural resources company focused on recovery of precious metals from mine tailings (previously milled and processed ore) in Canada using environmentally friendly leaching technology developed by Extrakt Process Solutions LLC and its associates (together "Extrakt"). The Company's initial projects are at the former Teck-Hughes and Sylvanite mines, located at the Kirkland Lake region in Ontario. In addition, the Company has interests in a portfolio of highly prospective mineral exploration and development projects in both Ontario and Saskatchewan Canada.

Fulcrum is in advanced discussions with Extrakt to acquire exclusive licenced use of their proven leaching technology on gold mine waste sites over the mining districts of Timmins and Kirkland Lake. These are two of Canada's biggest gold camps with a history of over 110Moz Au produced over the past 100 years and more than 70 documented legacy mine waste sites. This presents Fulcrum with opportunity to develop into a significant environmentally friendly gold producing entity in the near term.

About Loyalist Exploration Limited

Loyalist Exploration Limited is a mineral exploration company concentrating on acquiring, exploring, and developing quality mineral properties in Canada. The Company is focused on the Loveland nickel/copper/gold property and the recently announced Gold Rush gold/silver property, both located in the Timmins, Ontario mining district.

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