ASX ANNOUNCEMENT

27th May 2024

Exceptional Molybdenum Grades to Drive Parag Copper Economics

Highlights:

- **Parag drilling to date demonstrates exceptional molybdenum grades at a time of declining supply from several major producers.**
- **Molybdenum prices have climbed to US$21.89/lb (US$48,259/t).[1]**
- **90% of Molybdenum is produced as a by-product of copper and contributes to the industry dominance of Chilean, Peruvian and American copper miners.[2]**
- **Parag is now positioned to benefit substantially from exceptional grades of Molybdenum which are expected to make a significant contribution to project economics.**

Review of Parag Molybdenum Grades

EV Resources Limited (ASX: EVR or "EVR") has concluded a review of molybdenum grades assayed to date at its flagship high-grade Parag copper-molybdenum project in Huaura province, Peru. The exceptional grades recorded, including expansive intersections of mineralization from surface, have led to a reevaluation of the exploration, and the commissioning of analysis of molybdenum as a by-product.

Historic drilling over 76 holes (18,170 metres), and EVR's recent 7 hole (1980 metre) drilling campaign has confirmed that the grades of molybdenum from close to surface at Parag are exceptional and are comparable to the highest grade pure molybdenum mines in the world. The Henderson and Climax mines, located in Colorado, USA are operated by Freeport McMoran, a major copper producer focused on copper in the Americas[2].

Hugh Callaghan, Managing Director of EVR commented that "We acquired *Parag based on the project's historic drilling and extraordinary molybdenum by-product grades. With each hole drilled, and as prices rise, we are more excited about the project. We are also acutely aware that the future of the copper industry depends on by-product contributions to supplement the steady decline in grades of copper. Parag is well positioned with its copper-molybdenum potential to accelerate towards a maiden resource and feasibility studies.*"

1. London Metals Exchange price quoted 24th May 2024
2. CPM Group

EVR recently released the results of 4 holes from its recent 7 hole programme at Parag, all of which have assayed high molybdenum, results which are also consistent with the historical drilling at the project.

Around 90% of the world's molybdenum is produced as a by-product of copper production and grades generally range in the 0.01-0,025% Mo level[3]. In this context, Parag is exceptional, with holes to date demonstrating grades of at least 0.10% Mo, and up to 0.62%. This reflects the unusual nature of a belt of intrusive structures in which Parag lies, and which has attracted several major mining groups whose land positions surround Parag.

Molybdenum Grades at Parag from Q1 2024 Drilling Campaign

- Hole APG- 001. 476m (metres) at 0.31% Cu and 0.14% Mo from 3.2m. This includes intersections of
    - 348m grading 0.40% Cu and 0.20% Mo from 3.2m to 351.2m, including an intersection of
        - 44m at 0.64% Cu and 0.31% Mo, from 3.2m to 47.2m.
        - 24m at 0.81% Cu and 0.43% Mo, from 7.2m to 31.2m.
        - 86m at 0.30% Cu and 0.40% Mo, from 55.2m to 141.2m.
        - 50m at 0.40% Cu and 0.24% Mo, from 209.2m to 259.2m.

- Hole APG-002. 258.8m at 0.40% Cu and 0.14% Mo from 1m. This includes intersections of
        - 130m at 0.60% Cu and 0.30% Mo, from 1m to 131m
        - 80m at 0.80% Cu and 0.30% Mo, from 1m to 81m.
        - 58m at 0.90% Cu and 0.30% Mo, from 23m to 81m.

- Hole APG- 003. 211.5m (metres) at 0.40% Cu and 0.20% Mo from 3m. This includes an intersection of
    - 160m grading 0.50% Cu and 0.20% Mo from 3m to 163m, including intersections of
        - 104m at 0.60% Cu and 0.40% Mo, from 3m to 107m.
        - 32m at 1.20% Cu and 0.40% Mo, from 3m to 35m.
        - 16m at 0.70% Cu and 0.30% Mo, from 43m to 59m.
        - 18m at 1.70% Cu and 0.40% Mo, from 11m to 29m.

- Hole APG-006. 218m at 0.30% Cu and 0.10% Mo from surface. This includes intersections of
        - 186m at 0.30% Cu and 0.20% Mo, from surface to 186m
        - 122m at 0.40% Cu and 0.20% Mo, from surface to 122m
        - 56m at 0.50% Cu and 0.20% Mo, from surface to 56m.

[3] CPM Group

Table 1: Key Intercepts from previous drilling campaigns

Hole	Length	Cu%	Mo(%)
VIE-01	416.5m from surface	0.47	0.19
VIE-02	177.2m from surface	0.15	0.04
VIE-03	89.4m from 6.5m	0.39	0.62
VIE-04	95.6m from surface	1.00	0.19
VIE-09	60m from 3m	0.27	0.09
VIE-10	144m from 6m 156m from 276m	0.21 0.23	0.01 0.04
VIE-14	34m from surface	0.19	0.02
VIE-18	72m from surface	0.26	0.36
VIE-20	118m from 115m	0.68	0.13
VIE-21	44.5m from 3.1m	0.28	0.05

Table 2: Molybdenum Ore Grade Comparisons

Mine	Owner	Molybdenum ore grade		Stage
		%	PPM	
Parag, Peru	**EV Resources**	**0.0200* – 0.6900***	**200* – 6900***	**Exploration**
Climax & Henderson, USA†	Freeport	0.1500 – 0.1800	1500 – 1800	Production
Shappigou, China	Zijin	Avg. 0.1430 (max 0.3000)	1430 – 3000	Resource
Malmbjerg, Greenland	Greenland Resources	0.1100 – 0.1400	1100 – 1400	Resource
Thompson Creek, Canada	Centerra Gold	0.0300 to 0.0700	300 – 700	Suspended
Bingham Canyon, USA	Rio Tinto	0.0170 – 0.0590	170 – 590	Production
7 Mines in the USA	Freeport	0.0200	200	Production
Los Pelambres, Chile	Antofagasta	0.0200	170	Production
Centinela, Chile	Antofagasta	0.0100	130	Production
Cerro Verde, Peru	Freeport	0.0100	100	Production
Gibraltar, Canada	Taseko Mines	0.0100	80	Production
Spence, Chile	BHP	0.0100	50	Production
Antamina, Peru	BHP, Teck	0.0020	20	Production

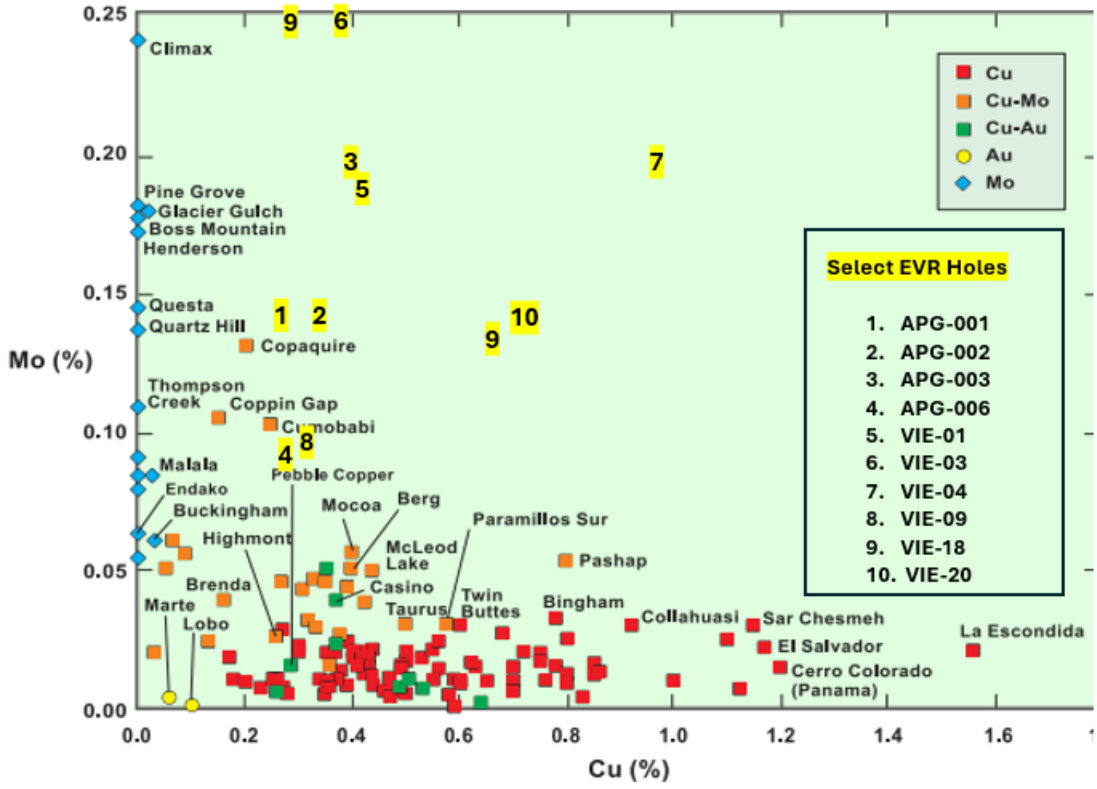
**** No Resource Statement. Based on drill hole intersections***

Source: CPM Group. See Report at https://evresources.com.au/molybdenum

Molybdenum Industry – Typical Grades

Independent research shown in Table 2 above, demonstrates that thus far, Parag has demonstrated Molybdenum grades that are extraordinarily high by industry standards – but as a by-product of copper production. Typical grades of copper and molybdenum in porphyries are represented with selected and recent Parag drill holes (entire hole assays) shown as a frame of reference in Figure 1 below.

Figure 1 Parag Copper and Molybdenum grades mapped against the industry. Adapted From W.D.Sinclair. Porphyry Deposits. Geological Survey of Canada



This makes Parag a compelling proposition.

By-Product Credits are a Key Driver of Copper Project Economics

Around 70% of the world's copper comes from porphyry projects[4].

Most commentators are agreed that copper grades worldwide are declining rapidly, and so too are molybdenum grades as major copper mines have mined the higher grade parts of their orebodies.

The importance of by-product credits becomes ever more critical to the economics of new copper projects, and yet Molybdenum production from major Western Sources has also been falling for some years.

[4] WD Sinclair. Porphyry Deposits. Geological Survey of Canada

Table 3. Declining Production from Major Molybdenum Mines

Selected Western Mo Producers	2019	2020	2021	2022	2023	2023	2023 Production
	YoY %	YoY %	YoY %	YoY %	YoY %	mlbs	Comments
Freeport McMoRan (USA, Peru)	-5.3	-15.5	+11.8	0	-3.5	82.0	14% below 2017 level
Grupo Mexico (Mexico, Peru)	+22.3	+12.5	0	-13.3	+2.4	59.2	= 2019 level
Codelco (Chile)	-7	+24.5	-24.6	-2.6	-15.9	38.0	44% below 2014 level
Other Chilean Mines	n/a	-2.8	-1.8	+16.5	-3.8	25.6	= 2019 level
Antofagasta (Chile)	-14.7	+8.6	-16.9	-7.8	+13.6	24.3	19% below 2018 level
Rio Tinto (Bingham Canyon, USA)	+93	+82.2	-62.7	-56.5	-45.2	4.0	64% below 2017 level
Sierra Gorda (Chile)	-25.2	-18	-9.7	-52.5	-8.3	6.6	82% below 2017 level
Antamina (Peru)	+7.8	+1.3	-38	+36.7	-46.3	3.6	65% below 2016 level
Teck (Highland Valley, Canada)	-24.1	-50	-66.7	-9.1	-40.0	0.6	93% below 2017 level

Codelco: 53% less than in 2005

Source: Company reports, CPM Group

- Economic copper porphyries all need higher grade mineralization close to surface to rapidly repay the capital and infrastructure cost and Parag demonstrably has that from the shallow drilling to date.

- **This is why we invested in Parag – the high grade breccia zone is the critical difference that can make a porphyry system economic.**

- **Importantly for a junior, this zone offers high grade shallow mineralization for a standalone mine of a scale suitable for a junior – and gives us time to search for a strategic partner for the longer term porphyry project.**

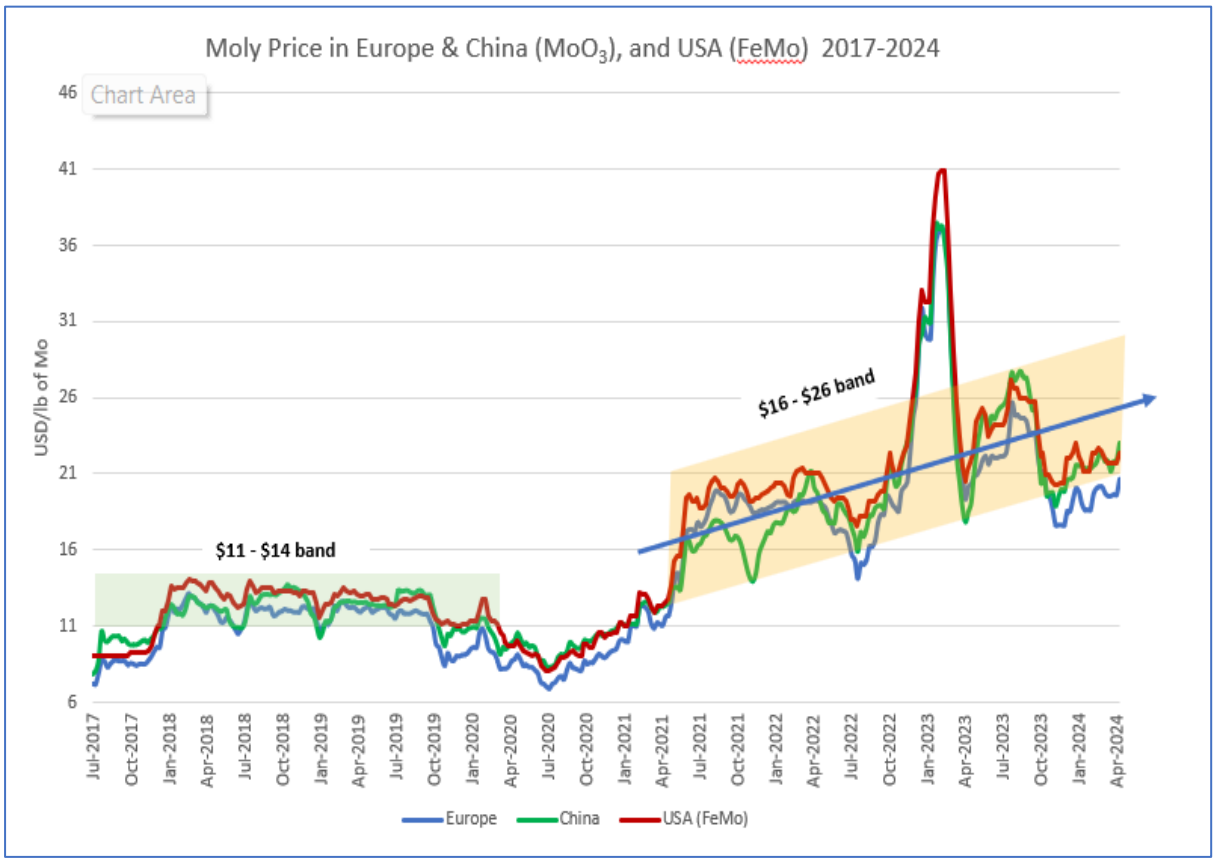
This has profound implications for the economics of the copper industry and explains why EVR has deep conviction over the Parag project.

Molybdenum Pricing and Outlook

Molybdenum prices have risen in 2024, to US$21.89/lb (US$48,259/tonne) at 24th May 2024 against a backdrop of depleting grades and supply in the industry, and steady demand growth.

This upward trend has been evident since 2017.

Figure 2: Molybdenum pricing since July 2017

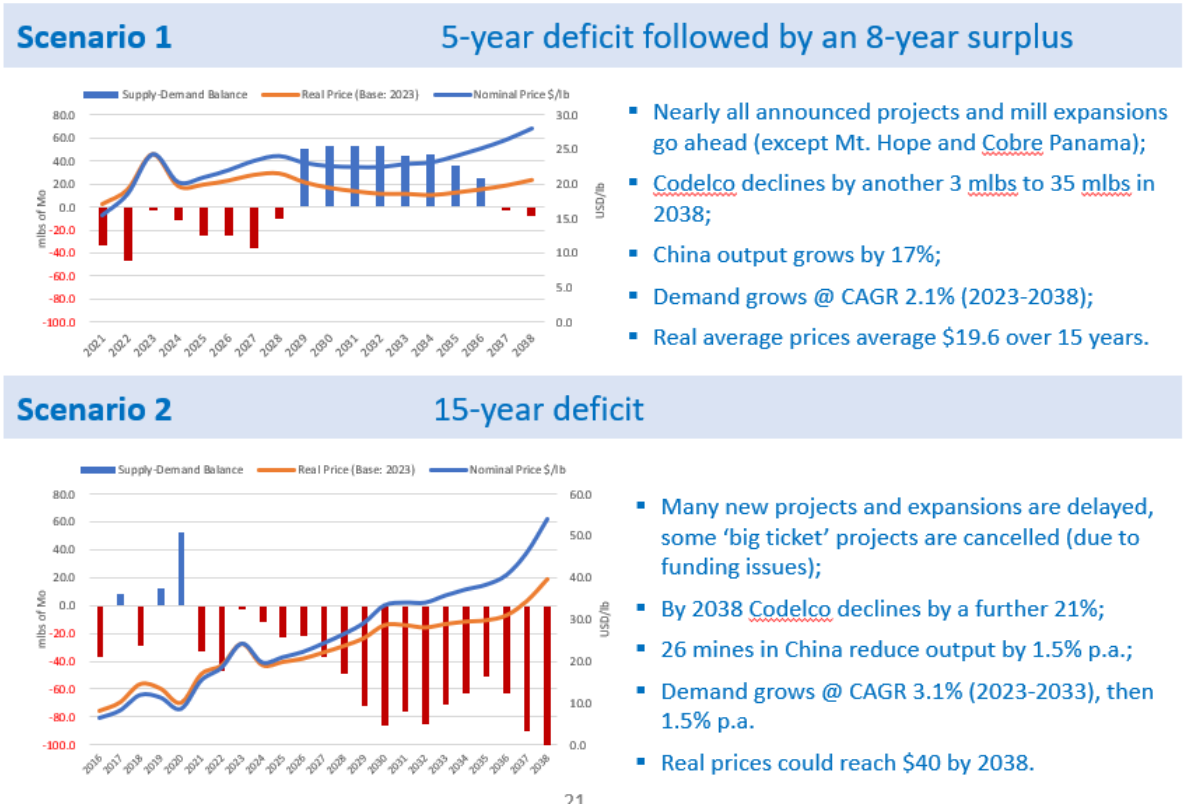


Source: CPM Group

Major copper projects (and by inference new molybdenum supply) take longer and longer to reach production, and most pure molybdenum projects outside of China have unpromising economics at any prices close to the present.

As a result, the outlook for Molybdenum is encouraging and supports our conviction that Parag is a remarkable project in which the shallow zone of molybdenum enriched copper breccias offers an appealing target for fast track mining while the longer term potential of the porphyry system is explored.

Figure 3: Molybdenum supply outlook



Source: CPM Group

For further information and a comprehensive briefing on molybdenum, refer to EVR's website at https://evresources.com.au/molybdenum.

EVR Future Planning Around Molybdenum

The exciting and inextricable economics of copper and molybdenum so close to surface at Parag position this as a project with excellent prospects as copper and molybdenum prices rise against a backdrop of depleting grades, ageing mines, and long lead times for new supply.

EVR will continue to focus closely on molybdenum as a by-product in its drilling campaign, and has started to talk to molybdenum roasters, which buy molybdenum sulphide concentrates. Unsurprisingly, there are good levels of interest in new sources of molybdenum among industrial end users.

The extraordinary grades of the 6 drilled breccias at Parag (with 4 undrilled structures planned for the 2025-6 drilling programme) suggest that fast tracking exploration to a resource estimate on this zone while exploring for the longer term porphyry, is an important strategic priority for EVR.

ENDS

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This ASX announcement was authorised for release by the Board of EV Resources Limited (EVR).

Compliance Statement

This announcement contains information on the Parag Copper Project extracted from ASX market announcements dated 4th May 2023, 25th March 2024, 22nd April 2024, 29th April 2024, and 20th May 2024 and reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Forward Looking Statement

Forward-Looking Statements regarding EVR´s plans concerning mineral properties and programs are forward-looking. There can be no assurance that EVR’s plans to develop its mineral properties will proceed as expected. There can also be no assurance that EVR can confirm the presence of additional mineral resources, that any mineralization will prove economical, or that a mine will successfully be developed on any of EVR’s mineral properties. The performance of EVR may be influenced by several factors outside the control of the Company and its Directors, staff, and contractors. These statements include, but are not limited to, statements regarding future production, resources or reserves, and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the company's control, which could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in

exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.