

XANADU MINES

Bacchus Capital Engaged as Strategic & Project Funding Adviser

18 April 2024

Xanadu Mines Ltd (ASX: XAM, TSX: XAM) (Xanadu, XAM or the Company) is pleased to announce that it has engaged Bacchus Capital Advisers Limited (**Bacchus**) as its strategic & project funding adviser in relation to the Kharmagtai Copper-Gold Project in the South Gobi region of Mongolia.

Highlights

- Xanadu is executing a Pre-Feasibility Study (**PFS**) at its Kharmagtai copper-gold project, a 50-50 joint venture with Zijin Mining Group Co Ltd (**Zijin**). The PFS will be completed in Q3 CY2024 resulting in a gating decision to Feasibility Study (**FS**) and Financial Investment Decision (**FID**).
- Upon completion of the PFS in Q3 CY2024, Xanadu has defined several paths available to carry the project and company forward:
 - Fund its 50% share of FS and Construction costs through project financing which may include debt, equity, royalties and streaming components.
 - Execute a put option with Zijin to sell half of its share for US\$25M with a loan carry from Zijin to commercial production at 6-month SOFR + 5%, to be repaid from 90% of Xanadu's share of project cash flow.
 - Execute a put option with Zijin to sell Xanadu's entire stake for US\$50M.
 - Alternatives to be defined.
- Bacchus is a well-respected adviser to the mining industry in the areas of project financing, transaction structuring and mergers & acquisitions.
- Jefferies remains Xanadu's M&A Adviser.

Xanadu's Executive Chairman & Managing Director, Colin Moorhead said

"We are pleased to have Bacchus onboard as our strategic & project funding adviser. Bacchus has significant experience helping companies of similar scale and complexity navigate through opportunities and partnerships like ours.

"We believe that with Bacchus onboard, together with Jefferies our M&A adviser, we have the right team to create the most value for our shareholders from our world class Kharmagtai copper-gold project."

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project. Xanadu is the Operator of a 50-50 JV with Zijin Mining Group in Khuiten Metals Pte Ltd, which controls 76.5% of the Kharmagtai project.

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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This Announcement was authorised for release by Xanadu's Executive Chair & Managing Director.

Forward Looking Statements

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (**ASX**) and Toronto Stock Exchange (**TSX**). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All 'forward-looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not a guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein.

For further information please visit the Xanadu Mines' Website at www.xanadumines.com.