Omico Mining Corp Ltd

Q3 2023 – Quarterly Report

Omico Mining Corp ("Omico"), the Namibian copper exploration and development company, is pleased to present its quarterly report for the period ending 30th September 2023.

The Company is advancing the Omitiomire Copper Project Bankable Feasibility Study (BFS) with completion expected in Q4 2023. As previously evidenced by internal economic and technical studies, there is significant potential for the project to be a viable long-life and low capital-intensive copper cathode producer in central Namibia.

Highlights of the period include:

- New metallurgical test work shows potential for significantly improved economics, thanks to:
  - lower acid consumption,
  - lower capex
  - improved copper recoveries, and
  - reduced leach times;
- Submission of the Environmental Scoping Study to the relevant regulatory authorities;
- Pit optimisation and final design work complete, as is the fleet size selection;
- Process Design Criteria, flow sheet and mass balance complete; and
- Major equipment items priced and capex and opex costs being developed.

Environmental Permitting Process

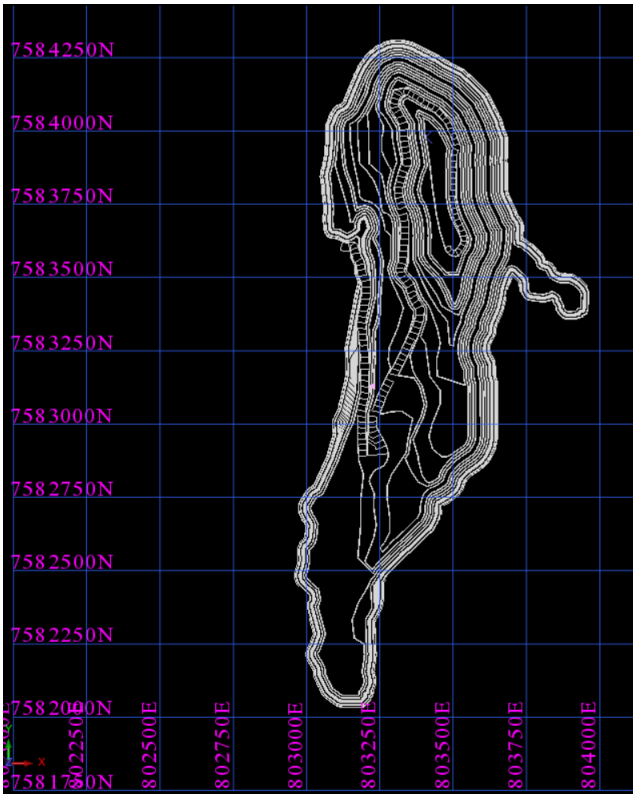
The final Environmental Scoping Study was submitted to the Namibian regulatory authorities in July 2023 after incorporation of comments from the Interested and Affected Parties.

The update to the biodiversity study has been completed as have the traffic impact study and road conditions study with the heritage, blasting and noise studies underway. The Company's environmental consultants are currently preparing the Environmental and Social Impact Assessment (ESIA) and the Environmental and Social Management Plan (ESMP) which form the basis for the issuance of the Environmental Clearance Certificate to start construction and mining.

Mining Study

Truck size has been optimised and standardised to 100t size class. This has allowed a reduction in the ramp width and a slight reduction in the strip ratio.

Pit optimisation is complete, as is the final pit design. Pit stages are currently being designed, and scheduling will be complete in early October. Final cost modelling and equipment scheduling is ongoing with the final design schedule.



Final Pit Design

Metallurgical

A detailed study into the leaching characteristics internally within the Phase 2 columns showed that the vast majority of the acid in the sulphide (chalcocite) columns was consumed in the first metre, with little acid reaching subsequent metres. However, despite there being little acid in solution in metres 2-4, the dissolution of the copper (Cu) continued.

Of the six sequential columns, the average acid concentration of the feed for the first metre was 8g/l with an average Cu recovery of 84% and a Total Acid Consumption (TAC) of 90kg/t. In the subsequent three metres the average acid concentration was only 0.4g/l, the average recovery was 70% with a TAC of 17kg/l. The lower three metres in the heap had essentially little or no acid in the irrigation solution.

	Cu recovery %	TAC (Kg/t)	Average Irrigation Acid Concentration (g/l)
Average 1st m	**84**	**90**	**7.9**
Average 2nd m	70	19	0.9
Average 3rd m	70	17	0.3
Average 4th m	70	16	0.2
Average 2nd - 4th m	**70**	**17**	**0.4**

1m Sequential Column Results for Cu Recovery, Total Acid Consumption and Irrigation Acid Concentration from Phase 2 Column Results

In modelling the reaction in the lower three metres of the columns it appears that the high-grade Cu in the solution is the driving factor for the for the additional Cu dissolution in a chloride medium.

Essentially cupric (CuO / Cu^{+2}) is reduced to cuprous (Cu_2O / Cu^{+1}) in the heap by liberating an extra Cu. The Cu is recovered in the Solvent Extraction (SX) and acid and oxygen are needed to re-oxidise the

cuprous to cupric and the process repeats. In a normal copper heap leach system, the dissolution of the Cu is driven more by iron in a ferric to ferrous reaction.

However, in order to have sufficient cupric available it is necessary to irrigate the heaps with a high Cu grade solution of 10g/t Cu. Conversely the acid required in irrigation is very low – approximately 0.5g/l as opposed to 7-10g/l in a normal heap leach system. The significantly lower grade acid concentration also limits the gangue acid consumption and dissolution of impurities.

This process is chemically understood. Essentially it follows the standard heap leaching of copper using the common chloride leach process, but with low grade acid and a high Cu grade solution.

A Phase 3 test work programme commenced in May 2023 to test this lower acid concentration leaching environment with the loading of 3 mini-columns with average grade (0.6% Cu) material and curing with NaCl solution and high-grade Cu (20g/l), low grade acid solution (1g/l). After curing for 30 days irrigation started with 10g/l Cu and 0.5g/l acid content solution.

Dissolution of the copper is faster than in previous Phase 2 test work owing to the new high Cu, low acid environment. The first column achieved 81% Cu recovery after 48 days (18 days under irrigation), and the second column achieved 85% Cu recovery after 76 day (42 days under irrigation). Irrigation of the third column continued as at the end of the period.

	Oxide	**Sulphide**
Recovery of TCu	86%	77%
Leach Cycle	174 days	300 days
Height	4m	6m
Acid Concumption	49kg/t	44kg/t

Current BFS Leach Parameters

The current processing criteria for the sulphide mineralisation (95% of the total mineralisation) is 77% recovery with 44kg/t acid consumption. These criteria were derived from the Phase 2 test work completed in April 2023. Initial results from Phase 3 test work indicate that acid consumption may reduce to 10-15kg/t, with copper recovery exceeding 80%. The leach time may also significantly decrease.

The substantially reduced acid consumption, along with potentially higher copper recoveries and reduced leach time, would significantly improve the economics of the project. The acid cost will be reduced, the size of the acid plant can be significantly smaller, or sufficient acid may be available locally, faster leach times will allow for smaller leach pads, and higher recoveries and lower costs will lower the cut-off.

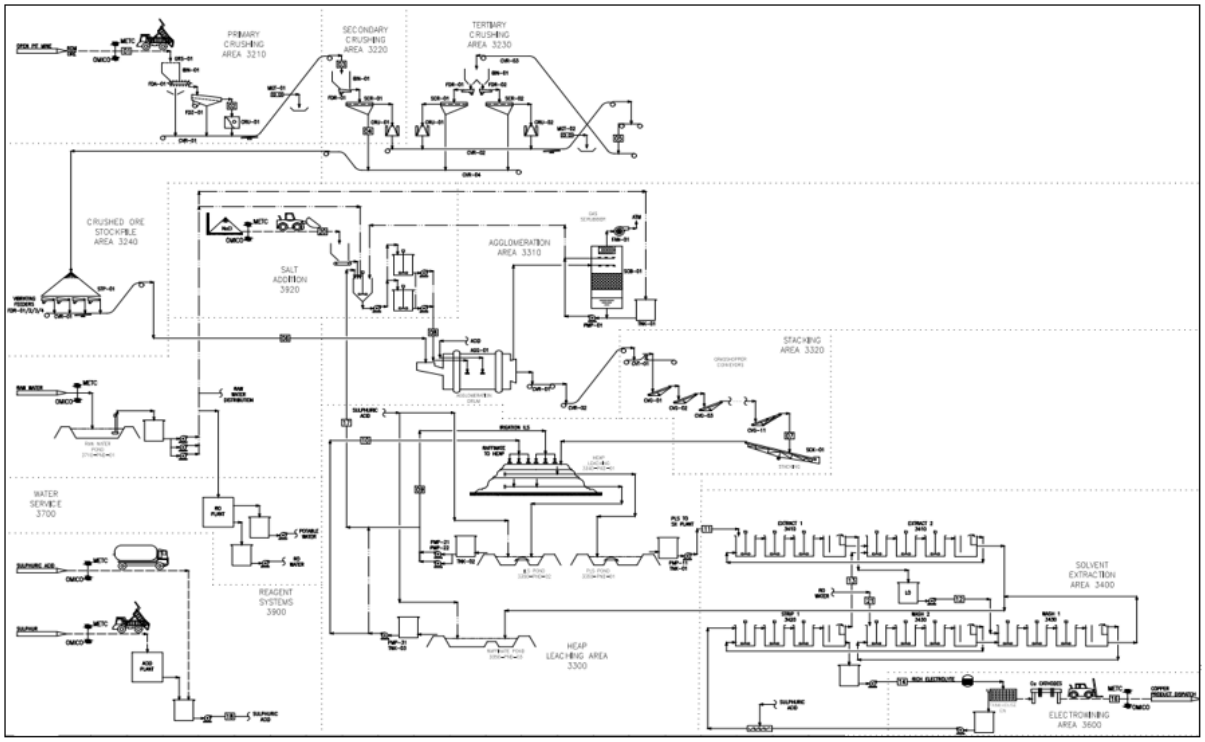
Further large scale colunm testwork is needed to demonstrate that the system works at scale and to define the overall Cu recovery, acid consumption, and leach time. This testwork will also draw on the results of of the Phase 2 testwork, to optimise the crush size, irrigation rates, heap heights, etc.

The results of the Phase 3 mini-columns are not of sufficient confidence or certainty to be incorporated in the current BFS – they are effectively a proof of concept and there needs to be additional optimisation column test work. This additional test work is planned to be conducted in 2024 allowing the current BFS to be updated.

Processing

The process design criteria, flow sheets and water balance have been agreed between the company's metallurgical consultants and processing engineers and engineering work on the Bankable Feasibility Study is over 80% complete.

Process flowsheets have been developed by the company's process engineers and a total of 91 major equipment packages identified have been put out to the market for pricing. Prices for all major items have been received.



Process Flowsheet

The site layout is being finalised with input from all the relevant consultants. Geotechnical site investigation – pitting and shallow drilling – has been completed on major infrastructure areas such as the waste dumps, leach pads, crusher and agglomeration, solvent extraction, and electro-winning cell house.

Site Water Study

The catchment area and surface water modelling has been completed, with the consultant mining engineers now incorporating the data into waste dump design and surface design.

The route for the river diversion has been fixed and cost modelling of the required civils is being undertaken to schedule the construction and cost the cut and fill earthworks and diversion embankment construction.

A hydrogeological model has been developed for the site and is being incorporated with the staged pit designs for drawdown and in-put water modelling.

Water Supply Development

Water saving initiatives during the engineering design of the project have reduced the maximum water requirement from approximately 350m^3/h to 255m^3/h.

Access agreements have now been sighed with six farms for water exploration in the aquifer area. Test pumping has taken place on three farms, with drilling and test pumping scheduled for the remaining three farms. A hyrdo-census of the whole aquifer is underway.

All the data collected will be used for the development of the hydrogeological model of the aquifer to demonstrate to the Department of Water Affairs the sustainability of the aquifer for the mine water supply.

Bankable Feasibility Study Update

Mining and processing opex and capex being developed using bottom-up cost modelling and incorporated into the BFS financial model.

Tenders for supply of solar power have been received and adjudicated. Costings have been finalised for grid power connection and pumping of water from the aquifer to mine site.

Exploration on EPL8550

Following up on the IP anomalies, 13 RC holes were drilled for a total of 2,138m. Whilst confirmation chemical assay results are awaited the XRF results from site indicated limited Cu mineralisation and the source of the IP anomalies has not been defined.

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About Omico

Omico is a joint venture between Greenstone Resources LP, a private equity fund specialising in the mining and metals sector and International Base Metals Limited, an Australian natural resources public company. The joint venture is managed by Greenstone Resources LP.

Omico through its Namibian subsidiary, Craton Mining and Exploration (Pty) Ltd, holds Mining Licence ML197 and Exclusive Prospecting Licence EPL8550, together a 30,000Ha licence area which makes up the Omitiomire Copper Project. The mining licence is valid until March 2036.

The Omitiomire Project has the potential to be a long life, low capital-intensive project, with an unconstrained CIM Measured and Indicated resource of 95.8 million tonnes at 0.59% Total Copper for 563,300t contained copper (0.25% Cu cut-off grade).

The development base case anticipates the production of 25,000 tonnes per annum of LME Grade A copper cathode for at least 10 years, targeting only open-pit mineralisation. The project capital expenditure is estimated to be circa. USD250 million, supporting a competitive capital intensity of <$9,000/t.

The Company has recently completed a Technical Report using inputs from mainly Namibian-based mining and engineering consultants to de-risk the project. Using solvent-extraction and electro-winning (SX/EW) technology, combined with optimised hybrid solar PV and grid power, the project will produce copper cathode, a low emission and environmentally friendly copper product, not requiring any further smelting or tailings storage facilities.

The Omitiomire Copper Project area is located 120km East from Windhoek in central Namibia and is outside of any national parks, heritage-listed areas, groundwater-controlled area or Namibian areas of significance. The Environmental and Social Impact Assessment methodology applied to the permitting process follows Namibian law, international and national best practice and has been developed using International Finance Corporation (IFC) standards and models.