Viridis Secures Pivotal Southern Complex Expansion

ASX Release: 6 March 2024

Highlights

- **Viridis Mining and Minerals Ltd ("Viridis" or "the Company") has signed a binding agreement to secure a further 998 Hectares (9.98km^2) of Licenses which extend and adjoin the Cupim South Prospect ("New Areas"). This expansion provides Viridis a dominant land footprint with the potential to expand the major discoveries made at Cupim South[1,6]:**
  - CS-DDH-001: **14.0m @ 6,177ppm TREO** [40% MREO] within broader section of **24.0m @ 4,573ppm TREO** from 0m.
  - CS-DDH-003: **46.0m @ 3,285ppm TREO** [27% MREO] within broader section of **65.0m @ 2,799ppm TREO** from 0m.
  - CS-DDH-005: **27.0m @ 2,903ppm TREO** [27% MREO] within broader section of **62.5m @ 2,218ppm TREO** from 0m.
  - CS-AG-029: 8.0m @ **3,584ppm TREO** (**ending in mineralisation**) from 3m, ending in **3,552ppm TREO.**
  - CS-AG-036: 4.5m @ **6,067ppm TREO** (**ending in mineralisation**) from 5m, ending in **6,034ppm TREO**.

- **The New Areas consist of 3 Mining Licenses and 1 Mining Request in which Viridis will hold the mining rights across all licenses. This new expansion connects the Cupim South and Centro Sul Prospects into a continual land-position of 15.75km^2 in the central and southern part of the alkaline complex, which forms a corridor capable of now being both a large scale and high-grade resource.**

- **The New Areas also adjoin the Cupim Vermelho Norte Deposit (~7.5km^2 containing 104Mt @ 2,485ppm TREO)[2] where historic auger drilling by JOGMEC has intercepted 16m @ 3,100ppm TREO[3] approximately 180m away from the new mining licenses.**

- **Viridis total land position in Poços de Caldas now sits at a dominant 239km^2, including significant exposure to the South of the Alkaline Complex alongside the North and West. These New Areas will provide a potential runway to make new Ionic Adsorption Clay Rare Earth Element ("IAC REE") discoveries at the Cupim South granted Mining Licenses, which can be fast-tracked towards production.**

Chief Executive Officer Rafael Moreno commented:

"This strategic expansion is critical to ensure Cupim South has a significant land size to complement its exceptional grades. Our first batch of assays from diamond drilling at Cupim South, provided a weighted average grade, in saprolite, of 3,460ppm, ranging from 15 to 45 metres thick and over 1.25km strike[1], which indicates the presence of world class ore body in this area.

This expansion marks the final puzzle piece in our plan to consolidate a corridor of landholdings between two major resources and bridge Centro Sul to Cupim South. This has increased the footprint of Cupim South from 1.71km^2 to a significant combined corridor of 15.75km^2, comprising granted mining licenses, which sets up the potential for Cupim South to be an incredible asset for Viridis concerning both grade and scale. We were able to negotiate and secure this vital ground on favourable terms through our strategic partnership with the Vendors of the Colossus Project and our Brazilian Executive team's rigorous work.

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Upon settlement of the acquisition, Viridis will have a dominant land position of 239km² in Poços De Caldas, which provides a runway for continual exploration. At the same time, we focus on developing our high priority targets. Furthermore, with this acquisition, Viridis will have 5 Mining Licenses to fast-track towards production with minimal bureaucratic and legislative hurdles."

Zoom-In of New Areas and Exploration Highlights

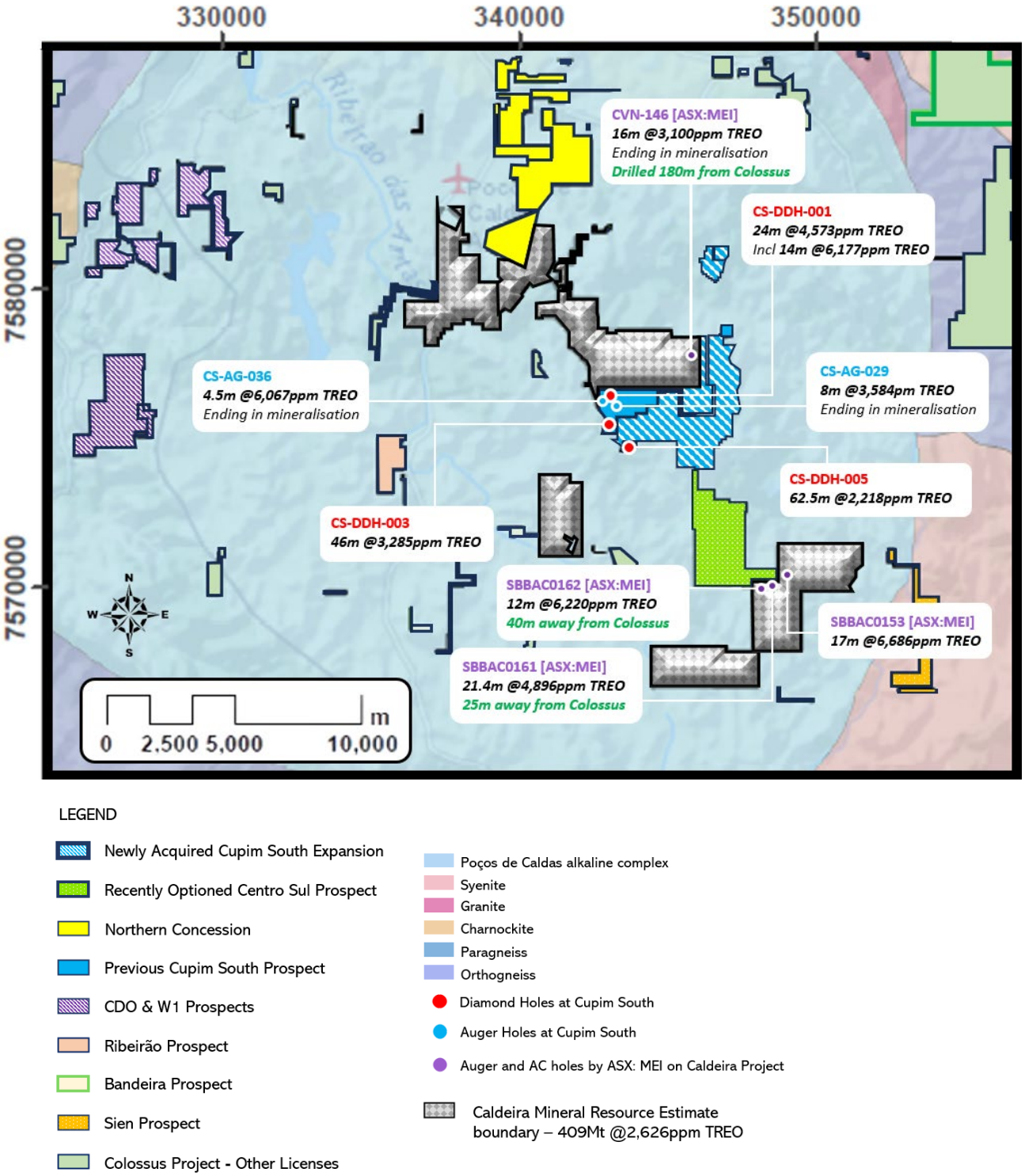

Figure 1: *Zoomed map of Cupim South Prospect and new areas acquired, with exploration highlights at Cupim South from first batch of assays received and neighbouring intercepts to Cupim – Centro Corridor [1,2,3,4,6].*

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Strategic Expansion of Cupim South

Viridis Mining and Minerals Limited is pleased to report it has secured a critical expansion to its Cupim South Prospect, demonstrating remarkable grades from its diamond assays[1,6].

Through leveraging our strong local relationships and the rigorous work of the Brazilian Executive Team, Viridis was able to secure this highly prospective critical ground **which expands the Cupim South prospect from 1.71km^2 to a continual land holding that bridges the Centro Sul Prospect with Cupim South to form a 15.75km^2 corridor that sits between two major JORC-Compliant IAC resources**. This corridor combining Cupim South and Centro Sul includes one mining license, one mining license application and one right to request mining.

Centro Sul directly shares a border and adjoins the Soberbo deposit (92Mt @ 2,948ppm TREO[2]), where holes such as **21.4m @ 4,896ppm TREO (SBBAC161) and 12m @ 6,220ppm TREO (SBBAC162) were reported less than 50m away from the Centro Sul Prospect[4]**. Land access has now been granted at **Centro Sul Prospect, and exploration has commenced with three diamond holes completed to date and sent to labs for assays.**

The results demonstrate that this central region of the Alkaline Complex holds tremendous potential for high-grade IAC REEs and allows Viridis to continue making world-class discoveries within the complex's central and southern regions. **The Cupim South Prospect has already delivered exceptional grades to date, and with this new agreement, it now holds the ability to provide exceptional scale.** Viridis intends to commence exploration immediately within these new licenses.

Mining Licenses 806.604/1973, 806.605/1973, and 830.340/1979 (located on the Cupim South Expansion) are currently encumbered as the existing owners have failed to pay fines linked to non-submission of previous Annual Mining Reports ("RAL"). Viridis intends to rectify this by immediately completing a simple remediation process so that the Company can commence ground exploration work on these licenses.

As for Mining License Application 830.464/1982, Viridis will proceed with drilling and the regular environmental licensing process. This will take this Mining Application License towards a granted mining license while the remaining acquired licenses are being prepared for exploration.

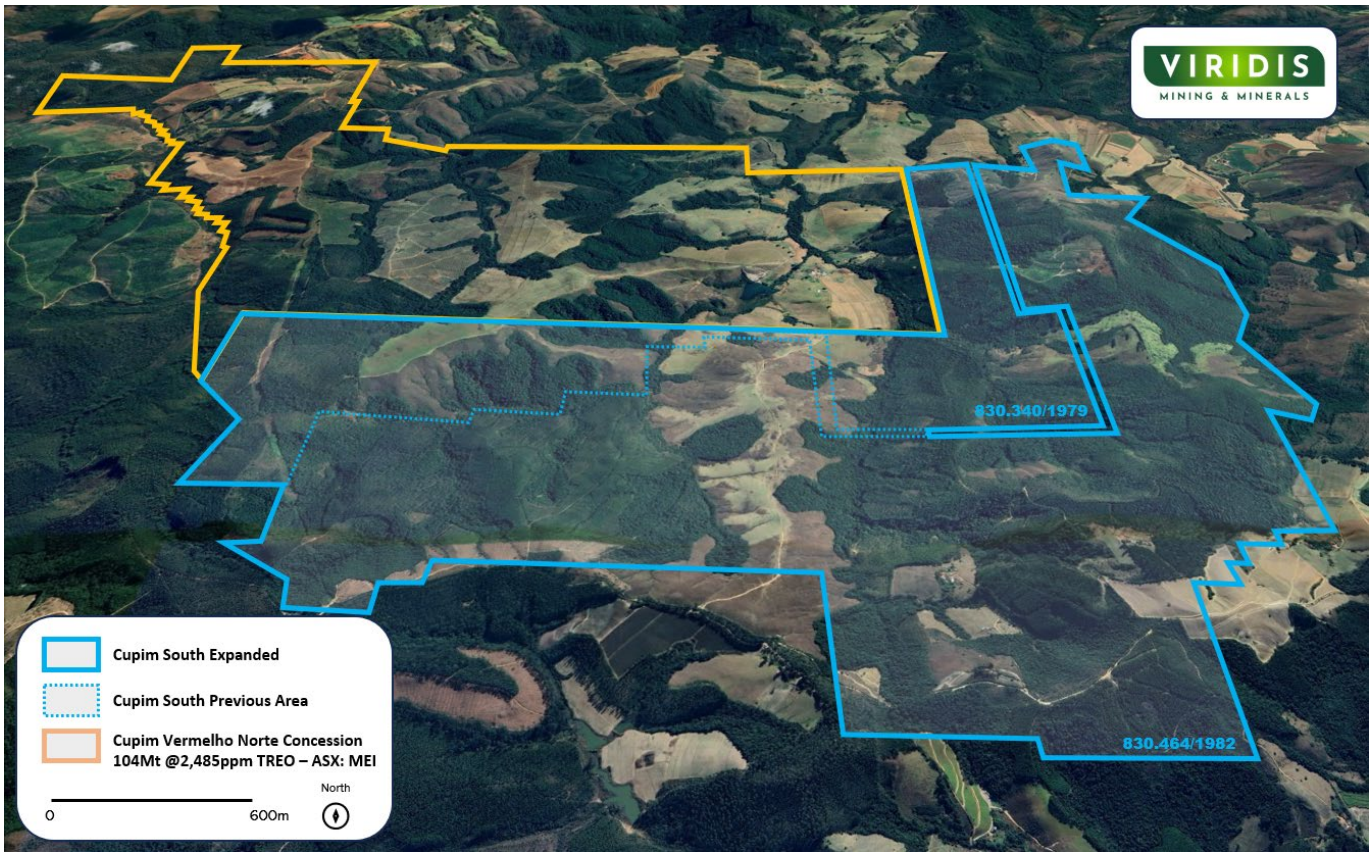

Figure 2: *Satellite view of new consolidated Cupim South Prospect with previous Cupim South area in dotted line. The new consolidated Cupim South Prospect also continues to Centro Sul Prospect into the South[2].*

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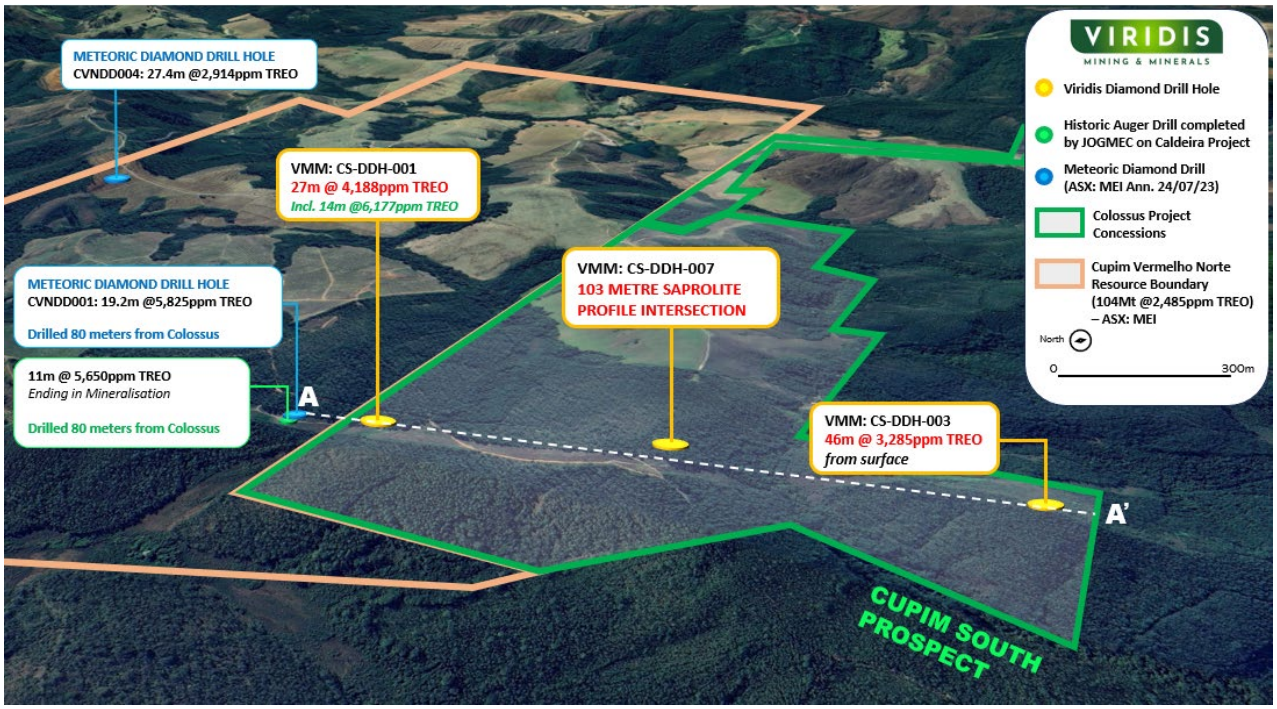

Figure 3: *Satellite view of previous Cupim South Prospect* ***(Prior to Expansion and New Areas)*** *with highlighted diamond holes and cross section AA*[1,2,5].

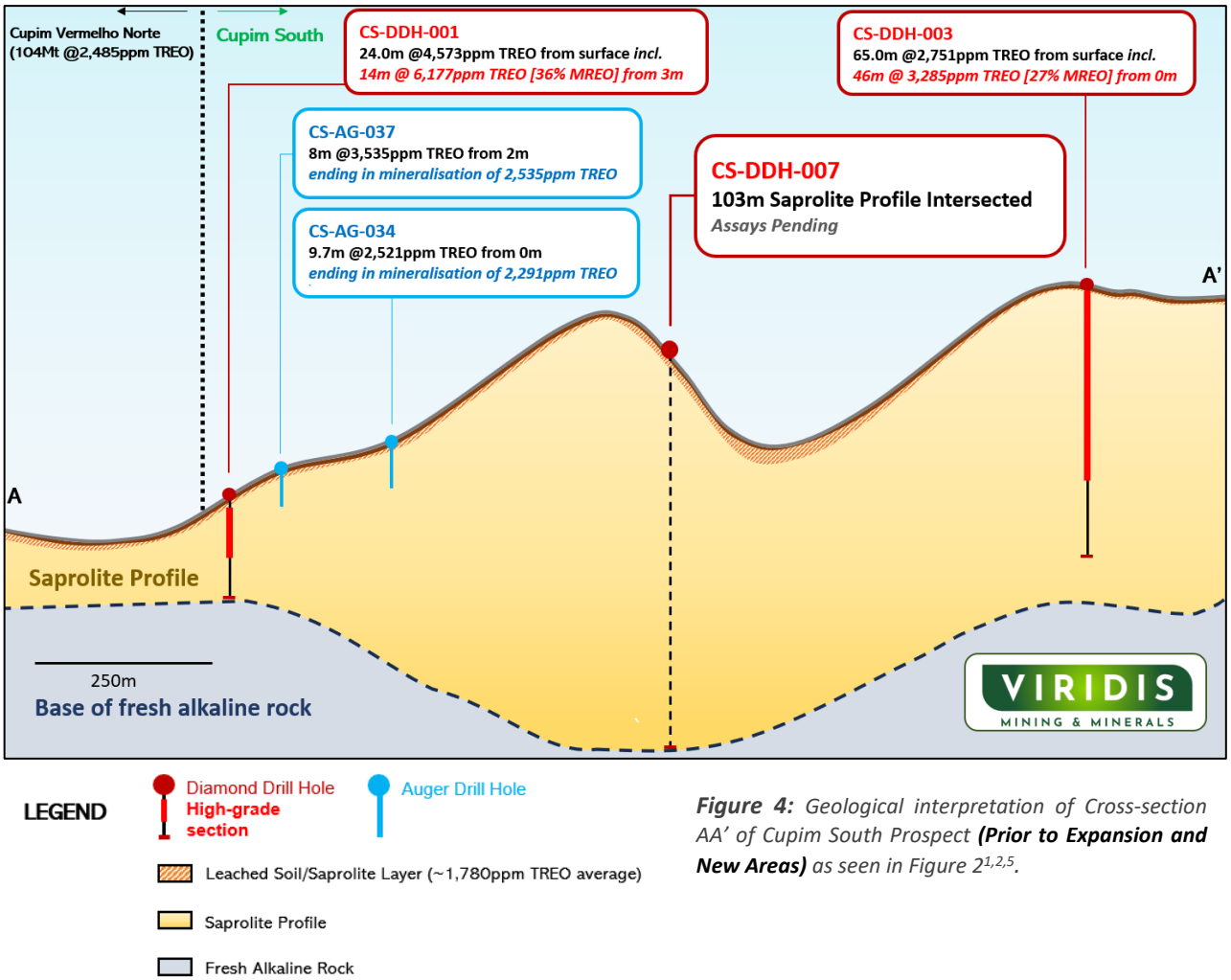

Figure 4: *Geological interpretation of Cross-section AA' of Cupim South Prospect* ***(Prior to Expansion and New Areas)*** *as seen in Figure 2*[1,2,5].

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Binding Acquisition Agreement Terms

The key terms of the binding agreement to acquire the New Areas ("Binding Agreement") are as follows.

(a) **Cash consideration**:

The Company will pay Mineração São Domingos Minerdom Ltda (**Vendors**) the following cash payment:

- **Exclusivity Payment:** Upon execution of the Binding Option Agreement, the Company will pay the Vendors a non-refundable cash payment of Brazilian Real BRL$164,833 [AU ~$51,857] ("Exclusivity Fee") for six months of exclusivity and confidentiality.

- **Acquisition Payment:** Within the six-month exclusivity period, if the Company deem the landholdings that make up the "New Areas" commercially suitable for extraction of Rare Earths, the Company will pay the Vendors a non-refundable cash payment of Brazilian Real BRL$873,743 [AU ~$269,581] ("Acquisition Fee").

The Binding Option Agreement is unconditional and contains terms and conditions, including representations and warranties, considered standard for an agreement of this nature.

Given the modest purchase price, the Company will finance the acquisition from existing funds and does not intend to undertake an associated capital raising.

The Company anticipates settlement will occur upon completion of the Acquisition Payment. It is currently intended the Acquisition Payment will only occur once all licenses are in good standing.

Approved for release by the Board.

Contacts

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About Viridis Mining and Minerals

Viridis Mining and Minerals Limited is a resource exploration and development company with assets in Brazil, Canada and Australia. The Company's Projects comprise:

- The Colossus Project, which the Company considers to be prospective for Rare Earth Elements;
- The South Kitikmeot Project, which the Company considers to be prospective for gold;
- The Boddington West Project, which the Company considers to be prospective for gold;
- The Bindoon Project, which the Company considers to be prospective for nickel, copper and platinum group elements; and
- The Poochera and Smoky Projects, which the Company considers to be prospective for kaolin-halloysite; and
- The Ytterby and Star Lake Projects, which the Company considers prospective for Rare Earth Elements.

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Competent Person Statement

Dr. José Marques Braga Júnior, the in-country Executive Director of Viridis' Brazilian subsidiary (Viridis Mining and Minerals Brazil Ltda), compiled and evaluated the technical information in this release and is a member of the Australian Institute of Geoscientists (AIG) (MAusIMM, 2023, 336416), accepted to report in accordance with ASX listing rules. Dr Braga has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting of Regulation, Exploration Results, Mineral Resources, and Ore Reserves. Dr Braga consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to in this release and that all material assumptions and technical information referenced in the market announcement continue to apply and have not materially changed.

All announcements referred to throughout can be found on the Company's website – viridismining.com.au.

Forward-Looking Statements

This announcement contains 'forward-looking information' based on the Company's expectations, estimates and projections as of the date the statements were made. This forward-looking information includes, among other things, statements concerning the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions and that the Company's results or performance may differ materially. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, level of activity, performance or achievements to materially differ from those expressed or implied by such forward-looking information.

Cautionary Note

The information in this announcement with respect to diamond and auger holes is based solely on a visual inspection of the drill core samples from the hole. The assay and analysis of the core samples are pending. With respect to the disclosure of visual intersections of clay, the Company cautions that visual intersections of clay should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to confirm the full thickness and grade of visual intersections of clay reported in the preliminary geological logging. The Company will update the market when laboratory analytical results become available.

Appendix A: Schedule of Mining Rights

ANM Process No	Surface (Ha)	ANM Phase	Holder	Substance
806604/1973	23.90	MINING CONCESSION	Mining Sao Domingos Minerdom Ltd.	Bauxite/Leucite
806605/1973	29.62	MINING CONCESSION	Mining Sao Domingos Minerdom Ltd.	Bauxite/Clay
830340/1979	161.86	MINING CONCESSION	Mining Sao Domingos Minerdom Ltd.	Leucite
830464/1982	783.00	MINING REQUIREMENT	Mining Sao Domingos Minerdom Ltd.	Aluminum Ore/Potassic Rock
TOTAL AREA	**998.38**			

References

1. *VMM ASX announcement dated 20 November 2023 'Major Ionic Clay Rare Earth Discoveries at Colossus'*
2. *Meteoric Resources NL (ASX: MEI) announcement dated 1 May 2023 'Caldeira REE Project Maiden Mineral Resource'*
3. *Meteoric Resources NL (ASX: MEI) announcement dated 16 December 2022 'Acquisition of Potential World Class Ionic Clay REE Project'*
4. *Meteoric Resources NL (ASX: MEI) announcement dated 31 August 2023 'Remarkable REE Drill Results Outside Caldeira Resource'*
5. *VMM ASX announcement dated 19 January 2024, 'Colossus Exploration and Development Update'*
6. *VMM ASX announcement dated 03 January 2024, 'World-Class Rare Earth Discoveries continue at Colossus'*

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