Operations and Growth Update

Highlights

- Hillgrove, NSW
  - Plant refurbishment works progressing on budget and schedule
  - Underground development team onsite and rehabilitation activities underway
  - Workforce continues to build across multiple functions in readiness to bring Hillgrove back into production in mid-2026
- Eyre, WA
  - Metallurgical aircore drilling completed to collect Rare Earth Element (REE) samples
  - REE metallurgy testwork has commenced to assess processing and recovery potential
- Mt Isa
  - Due Diligence activities progressing for the proposed acquisition of the Blockade Copper Mine
  - 4,111m of reverse circulation (RC) drilling completed across multiple prospects, with assay results pending

Larvotto Resources Limited (**ASX: LRV**, '**Larvotto**' or 'the **Company**') is pleased to provide an update on its portfolio of critical minerals and precious metals projects across Australia.

Managing Director, Ron Heeks, commented:

After building a strong foundation at our Hillgrove Project in 2025, which included the delivery of the DFS, completion of financing and a positive FID, site activities are advancing to bring the project back into production in mid-2026. Our focus is firmly on execution, upgrading the plant, advancing underground development and preparations progressing toward commissioning ahead of first production.

With Hillgrove on the verge of production at a time of unprecedented global demand for critical minerals, we are working on being the next Australian producer of antimony. The recent prioritisation of antimony under the Australian Government's $1.2 billion Critical Mineral Strategy highlights the importance of antimony and supports Larvotto's emergence as a leading new critical minerals producer. Combined with record gold and tungsten prices, Larvotto is looking forward to being in production at Hillgrove in the near term.

Alongside Hillgrove, and with copper at all time price highs, our critical minerals portfolio is enhanced with the Blockade Copper Mine opportunity at Mt Isa, providing an exciting second growth pathway in copper. This is supported by multi-metal exploration potential at our Eyre Project in Western Australia, which includes Rare Earth mineralisation that is currently under metallurgical testing.

With multiple projects, including the flagship Hillgrove Project, Larvotto has built an exciting portfolio to create shareholder value with a focus on production.

It goes without saying that the incredible effort of the entire Larvotto team is responsible for moving the company into production so rapidly while also advancing the Company's other projects towards future mines.

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Hillgrove Project, NSW

Plant Refurbishment

Processing Plant refurbishment activities at Hillgrove Antimony-Gold Project continue to progress as planned. The focus has been on identifying equipment and services throughout the existing Metals Processing Facility (MPF) that are needed for successful startup and sustainable operation. Equipment from the processing plant, including tanks, pumps and hydraulic drives have been removed, disassembled, and dispatched for refurbishment to various service providers within the Armidale region and beyond. Similarly, existing services such as power, water and communications have been inspected, with those assessed as redundant or as having reached their service life, being removed and replaced with new services.

Activities remain focused on achieving near term production, with plant refurbishment on schedule and on budget and commissioning expected in mid-2026.

Figure 1 Removal of services from the Flotation Area

Figure 2 Removal of equipment from the Grinding Area

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Underground Mining Start up

Underground mining activities at Hillgrove have commenced with the contractor PYBAR completing key works including re-establishment of mine water, ventilation and workshop fit outs in late December 2025. Current activities include:

- Full mobilisation of all staff and equipment completed with 37 contractors engaged over both day and night shifts
- Approximately 2,530m^2 of underground drives have been rehabilitated in preparation for ore production blasting in late Q1 2026
- Trucking of waste material from underground has commenced with approximately 1,800 tonnes moved to stockpiles and the surface
- Explosives have been delivered to the underground magazines with ore development blasting expected to commence in early February 2026.

Figure 3 UG Electrical Upgrades for more powerful Jumbo mining machines

Figure 4 UG Workshop Rehabilitation

Workforce

Larvotto is progressing into a significant personnel growth phase, particularly at Hillgrove, with full-time staffing forecast to increase from 53 to 162 by the end of June, consistent with the approved Workforce Plan. Recruitment activities are advancing well, with sourcing strategies in place and communicated across the site.

We have released targeted job advertisements and expressions of interest for upcoming roles, generating strong interest and establishing a robust candidate pipeline, while maintaining its commitment to building a predominantly residential workforce. Ongoing assessment of applicants against current and forecasted vacancies is supporting the identification of roles with sufficient coverage and those requiring additional sourcing focus.

Next steps include finalising recruitment sequencing for January–June 2026, refining sourcing strategies for any hard-to-fill positions, and monitoring risks such as accommodation constraints and specialist skill availability. Integration with operational planning remains essential to ensure workforce readiness aligns with site ramp-up.

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Commercial and Administration

Commercial and supply chain activities are progressing in line with the development and commissioning schedule, with core systems and contracts now in place to support increasing site activity.

Completed

- Enterprise planning systems implemented across procurement, inventory, maintenance and finance
- Warehouse Management System (WMS) and Computerised Maintenance Management System (CMMS) development underway to strengthen stores and maintenance functions
- Site stores established; consumables stocked and critical spares in procurement
- Key supply, service and logistics contracts advancing

Ahead

- System optimisation and inventory build to support commissioning and early operations.
- Finalisation and mobilisation of remaining contracts as activity increases.

Figure 5 - Hillgrove Administration & Stores Team

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Community

Positive and active engagement with the Hillgrove Community and local stakeholders remains a primary focus for Larvotto as development progresses and operations expand.

The Hillgrove Hub in Armidale remains a hub of activity, with community members, businesses, and job seekers visiting to discuss Hillgrove and the opportunities it offers.

The Hillgrove Hub, our regular Hillgrove Community Drop-in sessions for information sharing with residents, and our Community Reference Group meetings for cooperative development of the project, are proactive initiatives that have been recognised by the Association of Mining and Exploration Companies (AMEC), with Larvotto proudly nominated as a finalist for the 2025 Community Contribution Award.

Figure 6 – Presenting Hillgrove Community with a Defibrillator

As part of the Company's commitment to delivering long-term social and environmental benefits, Larvotto has commenced a grazing program utilising approximately 40 hectares of pastoral land at Echidna Gully Village. Just before Christmas, six Red Devon cattle from O'Connor Catholic College were delivered to the site. The Company is pleased to welcome these cattle as the newest residents of Echidna Gully Village, where they are thriving in the abundant pasture.

This initiative provides mutual benefits, supporting agricultural education opportunities for students while contributing to on-site fire-risk management through controlled grazing. Larvotto continues to work closely with O'Connor Catholic College, with discussions underway to expand the farming education program over time.

In parallel, the Company is evaluating broader land-use opportunities across Echidna Gully Village and Old Hillgrove Station aimed at strengthening community partnerships and enhancing environmental outcomes. Concepts under consideration include:

- Establishment of a community farm producing seasonal fruit and vegetables
- Development of a native plant nursery and revegetation program

Figure 7 - Echidna Gully Village's newest residents, including Big Bessie, far right with Josh - Farm Manager of O'Connor Catholic College

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- Cultivation of First Nations bush tucker and medicinal plants in collaboration with Traditional Owners
- Aquaculture initiatives to support local training and food production

Larvotto will continue progressing these opportunities with stakeholders to ensure the initiatives deliver sustainable educational, cultural, environmental and economic benefits.

The company is proud to announce the commissioning of a significant cultural mural at the Hillgrove Hub, created by respected Anaiwan artists David Widders and Narmi Collins Widders. This collaboration reflects Larvotto's commitment to working in genuine partnership with the Traditional Custodians of the New England region and ensuring that Anaiwan culture is visibly and respectfully represented across the Hillgrove Project.

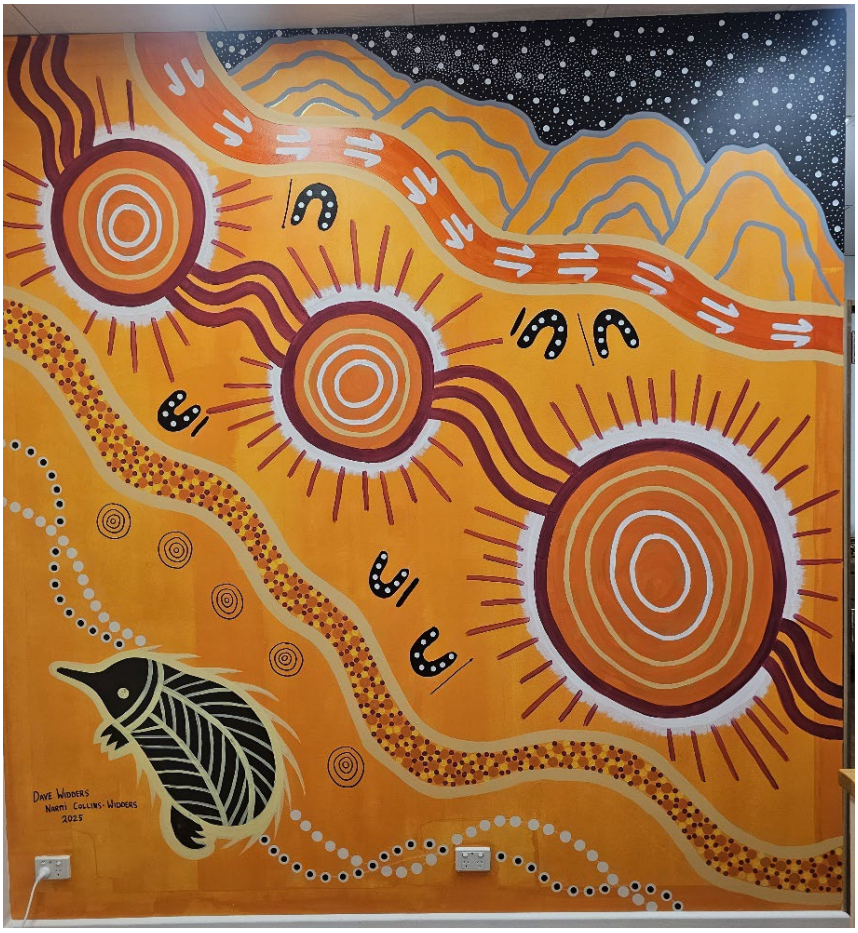

Figure 8 - Anaiwan cultural mural at Hillgrove Hub, celebrating the connection between Armidale, Echidna Gully and the Hillgrove Mine

The mural tells a powerful story of connection between Armidale, Echidna Gully, and the Hillgrove Mine, symbolised through three central circles watched over by Anaiwan Ancestors. The artwork honours the five dialect groups of the Anaiwan Nation and features the Iwata (Echidna), the Anaiwan totem, set among the granite mountains and star-filled skies of Country. Kangaroo tracks represent the shared commitment to moving forward together, reflecting the future focused relationship between Larvotto and the Anaiwan community.

Larvotto acknowledges the exceptional talent and cultural leadership of David and Narmi, whose work strengthens relationships and deepens understanding across the organisation. The mural stands as a lasting symbol of respect, collaboration, and appreciation —reinforcing Larvotto's dedication to building a strong, enduring partnership with the Anaiwan People.

The mural will also feature on Hillgrove high-vis work shirts.

Larvotto is committed to continued engagement with the Anaiwan, Dunghutti, and Gumbaynggir Peoples to respect culture and ensure all communities benefit from HGM's operation.

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Permitting Update

Larvotto continues to work closely with NSW regulatory agencies to progress and secure the approvals required to meet operational targets. A key milestone has been achieved with the commencement of the four-week Public Exhibition Period for Modification 5 – Extension of Mine Life, scheduled to begin on 16 January 2026.

The Company acknowledges the strong and ongoing support of both the Federal and NSW Government departments through the approvals process[1].

Exploration Update

Eyre

Recently an aircore drilling program was conducted at Eyre to follow up promising results identified in first-pass drilling[2] in 2023. Samples were collected for additional metallurgical testwork, with a focus on assessing Rare Earth Element (REE) mineralisation. The program was designed to provide sufficient material to support a second round of metallurgical evaluation, following up the exciting results from the maiden drilling[3], and to better understand processing characteristics.

Following completion of drilling, samples were prepared and dispatched for laboratory analysis, with REE metallurgical testwork now underway. Results are expected soon and will enable assessment of the mineralogical characteristics, recovery potential and processing pathways, providing critical information for future exploration and development planning at Eyre.

The Eyre Project hosts multiple prospective targets across a large landholding, and the current metallurgical program represents an important step in evaluating the technical potential of the REE mineralisation alongside the project's broader multi-commodity upside.

Figure 9 - Aircore drilling at Merrivale South REE prospect

[1] See ASX: LRV Announcement dated 12 January 2026 – Australia's $1.2 billion Critical Minerals Strategic Reserve
[2] ASX; LRV Announcement dated 18 April 2023 – Bonanza Rare Earth Drill Results – Merivale South
[3] ASX; LRV Announcement dated 3 July 2023 – Metallurgical Testwork Highlights REO Potential at Eyre

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Mt Isa

The Mt Isa Copper Project spans ~900 km^2 of highly prospective ground in the world-famous Mt Isa Inlier, one of Australia's most productive metallogenic belts. The southern extent of the project is only 40km from Mt Isa processing facilities.

The main focus of Larvotto's work during 2025 concentrated on the south-central portion of the Project around the historic areas of Blue Star, Gospel, IXL, Ballara, and the Mt Stewart Prospect further to the north-west.

The 2025 program consisted of reverse circulation drilling (RC), soil sampling and rock-chip sampling. In total, 24 RC drill holes at five prospects, totalling 4,111m were completed, and 28 rock-chips and 1,412 soil samples were taken.

Visual results from the RC drill chips indicated multiple zones of copper mineralisation, with laboratory assays pending.

The Gospel prospect is centred on a cluster of historic copper workings, located near the northwestern end of the Gospel-Iron Duke structural trend. Drilling was designed to follow up and enable a better assessment of prospectivity. Four holes were completed.

Drilling at the newly-defined Mt Stewart prospect, ~14km northwest of the Blockade targeted copper mineralisation. The drilling was designed based on surface mapping of mineralised structures, rock-chip and soil geochemical sampling. Six drill holes for a total of 1,233m were drilled.

Further north, at the Ballara Saddle prospect, drilling was completed following up on an IP/resistivity anomaly and associated small-scaled surface workings, with two holes completed for 476m.

All prospects focused on during the 2025 exploration works are located within a 15km radius of the Blockade Mine, with the rationale of creating a 'hub and spoke' style scenario.

Blockade Mine

The Blockade Mine is located approximately 41 km east–northeast of Mount Isa within the granted Mining Lease ML 90027. The Project forms part of Larvotto's broader Mt Isa Project area and is strategically positioned to support a future hub and spoke development model.

Blockade has a long history of small-scale production dating back to the early 1900s, initially supplying high silica material (>70%) for use as flux at the Mount Isa Smelter, followed by high-grade copper ore extraction.

Due diligence drilling at Blockade[4] was undertaken in December. All holes were drilled within, or immediately adjacent to, the Blockade pit and targeted lode zones historically mined via shaft, adit and stoping from a shallow decline. Figure 10 illustrates the completed holes.

The current drilling results, when received, will be assessed alongside historic drilling data to evaluate the potential for preliminary resource modelling. This work forms a key component of the Company's due diligence process and will inform the decision on whether to proceed with the acquisition of Blockade. Subject to positive results, the Company plans to progress to resource definition and step-out drilling.

Subject to successful completion of due diligence, the Company retains the right to acquire and mine the Project.

[4] ASX; LRV Announcement dated 1 December 2025 – Blockade Mine Purchase Option – Mt Isa

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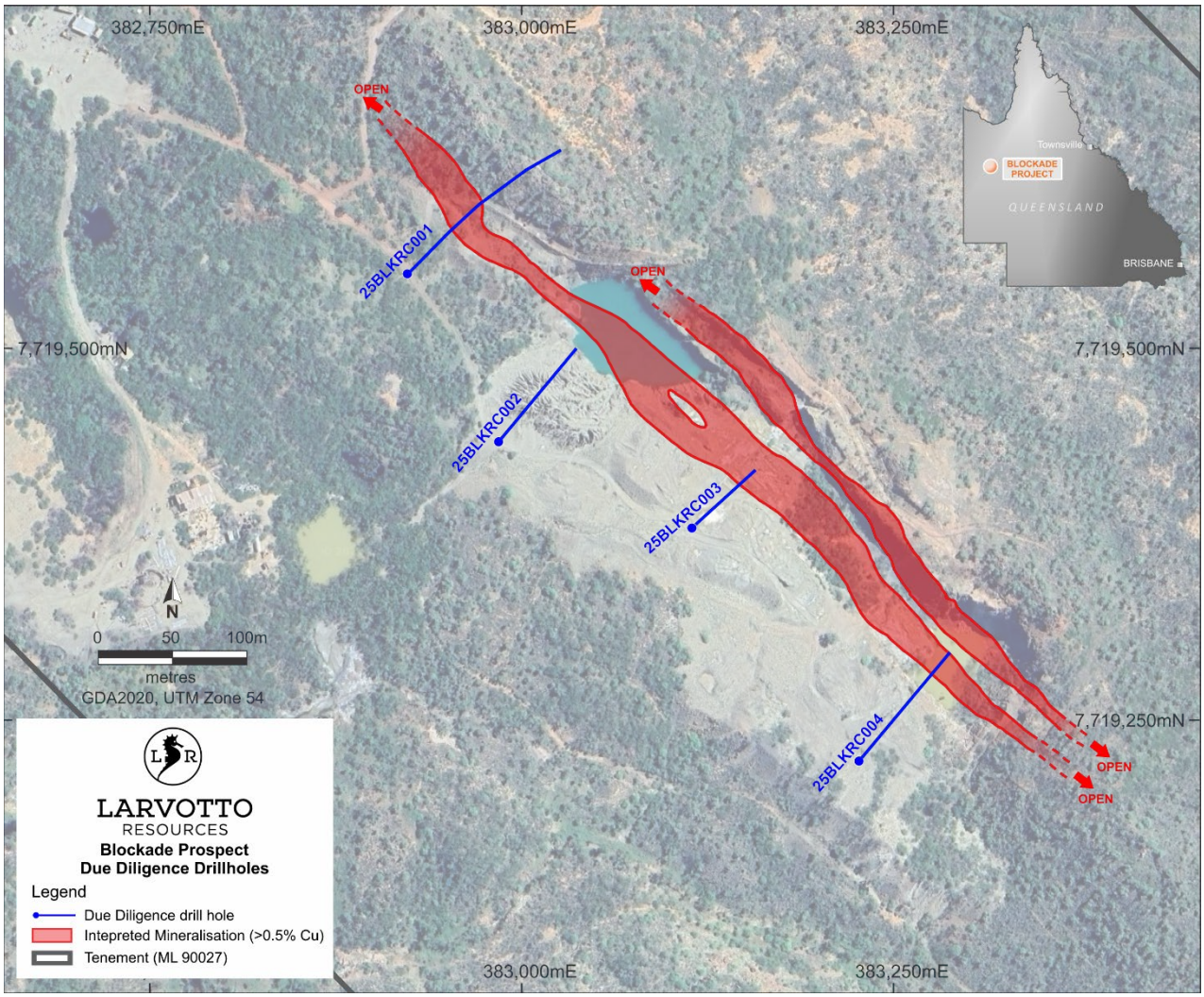

Figure 1112 - Blockade due diligence drill hole location map

Figure10 11 - View of Blockade and the old historical portal

Watch our latest Corporate Video from Mt Isa: Larvotto Resources (ASX: LRV) Mt Isa Project

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About Larvotto

Larvotto Resources Limited (ASX:LRV) is actively advancing its portfolio of in-demand minerals projects including the Hillgrove Gold-Antimony Project in NSW, the large Mt Isa copper, gold, and cobalt project adjacent to Mt Isa townsite in Queensland, the Eyre multi-metals and lithium project located 30km east of Norseman in Western Australia. Larvotto's board has a mix of experienced explorers, corporate financiers, ESG specialist and corporate culture to progress its projects.

Visit www.larvottoresources.com for further information.

Forward Looking Statements

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Larvotto does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward looking information due to the inherent uncertainty thereof.

This announcement has been authorised for release by the Board of Directors.

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PROJECTS

Hillgrove Au, Sb	Mt Isa Au, Cu, Co	Eyre Ni, Au, PGE, Li
Hillgrove, NSW	*Mt Isa, QLD*	*Norseman, WA*