

BLUEBUSH REE DRILLING ADVANCING

HIGHLIGHTS

- **Maiden auger drill program advancing at Bluebush with 58 holes completed for 472m (averaging 8.1m depth to date).**
 - Phase 1 drilling is targeting road network with clearing advancing ahead of the auger rig.
- **Auger drilling was initiated across the Boa Vista prospect with the rig now operating at the Ferradura and Fazendinha prospects.**
- **Phase 1 Auger Drill Program is targeting an area of ~30km² of the highly prospective Serra Dourada granite which hosts the Serra Verde Ionic Clay project 40km south.**
 - Serra Verde is the only Ionic Clay project in construction outside of China.
- **First assays due within 2 weeks**, with a second, larger batch currently at the lab with results expected in August.
- **Once initial assays are received samples will be selected and submitted for ionic-clay testing with preliminary metallurgical results expected in Q3.**
- **Previous handheld auger drilling intercepted REE mineralisation in clays from surface to end of hole (EOH), including:**
 - **1m @ 1,355ppm TREO (29% MREO)** auger ERRO031AGR from 1m to EOH (Ferradura)
 - **5m @ 1,139ppm TREO (36% MREO)** auger ERRO072AGR from 1m to EOH (Fazendinha)
 - **13m @ 928ppm TREO (33% MREO)** auger ERRO017AGR from 0m to EOH (Ferradura)
 - **6m @ 1,188ppm TREO (37% MREO)** auger ERRO273AGR from 1m (Boa Vista 01)

Alvo Minerals Limited (ASX: ALV) (“Alvo” or the “Company”) is pleased to update shareholders on the ongoing exploration at the recently acquired Bluebush REE Project (“**Bluebush**” or the “**Project**”), located on the northern half of the Serra Dourada granite, host of the Serra Verde Ionic Clay REE deposit (“**Serra Verde**”) (see Figures 1 & 2).

Rob Smakman, Alvo’s Managing Director commented on the Bluebush Project:

“With the commencement of activities at Bluebush immediately after the signing of the deal, we continue to demonstrate our commitment to the project and efficiency of operations in Brazil. Our focus during the due diligence period is covering the project with first pass auger drilling to investigate the depth and extensions of the mineralisation and its ionic clay potential. We are well on track to make a sound decision based on results with first assays expected in the next few weeks.”

The maiden auger drill program¹ has focused initially on the Boa Vista prospect where access on multiple roads facilitated faster entry for the auger rig (see Figure 1). Road improvement to allow for ongoing drilling across the wider Project area is ongoing with over 30km² of the Serra Dourada granite to be assessed.

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PROJECT

Bluebush REE Project
Palma VMS Cu/Zn Project

Shares on Issue 83,754,861
ASX Code ALV

First laboratory assays from the SGS lab in Brazil are expected within the next 2 weeks, with a second and larger sample lot expected in early-mid August 2023. Ongoing sampling will be submitted to the lab on a batch basis with results released to the market in a timely manner.

Once initial assays are received and interpreted, samples will be selected and submitted for ionic-clay testing with preliminary results expected in September.

Auger drilling is targeting multiple prospects across Bluebush, designed to test and expand on positive results reported by the Project vendor². These results (which are from handheld auger drilling from the clay horizon only as outlined in the ASX announcement dated 7 June 2023) were from drilling which targeted the alluvials. Significant results² included:

- **1m @ 1,355ppm TREO (29% MREO)** auger ERRO031AGR from **1m to EOH** (Ferradura)
- **5m @ 1,139ppm TREO (36% MREO)** auger ERRO072AGR from **1m to EOH** (Fazendinha)
- **13m @ 928ppm TREO (33% MREO)** auger ERRO017AGR from **0m to EOH** (Ferradura)
- **6m @ 871ppm TREO (31% MREO)** auger ERRO142AGR from **0m to EOH** (Ferradura)
- **6m @ 1,188ppm TREO (37% MREO)** auger ERRO273AGR from **1m** (Boa Vista 01)
- **6m @ 796ppm TREO (34% MREO)** auger ERRO279AGR from **0m** (Boa Vista 1)

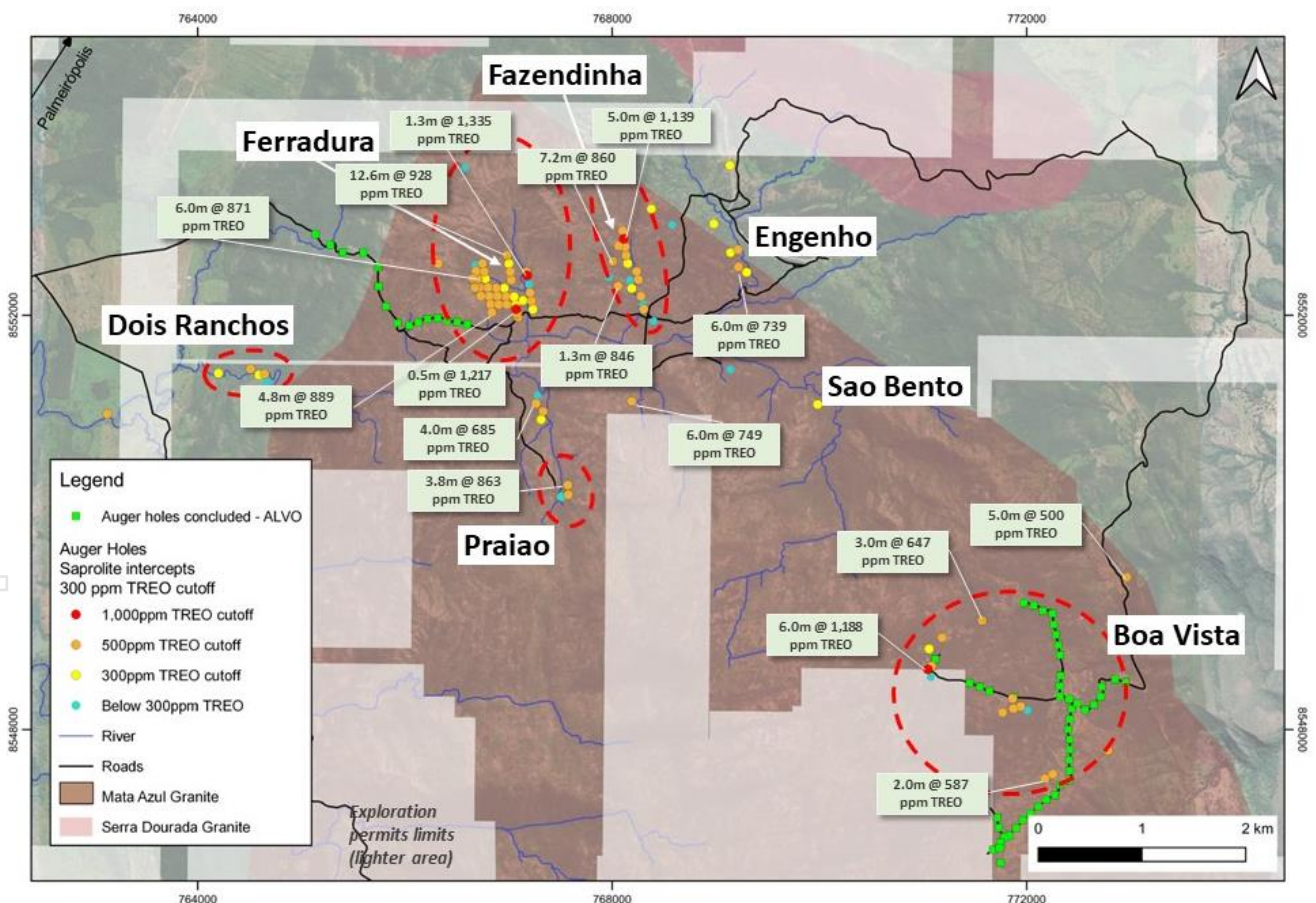


Figure 1: Bluebush auger results completed by vendor with highlights of shallow saprolite (clay) drilling. Drilling completed by Alvo is included as green squares.

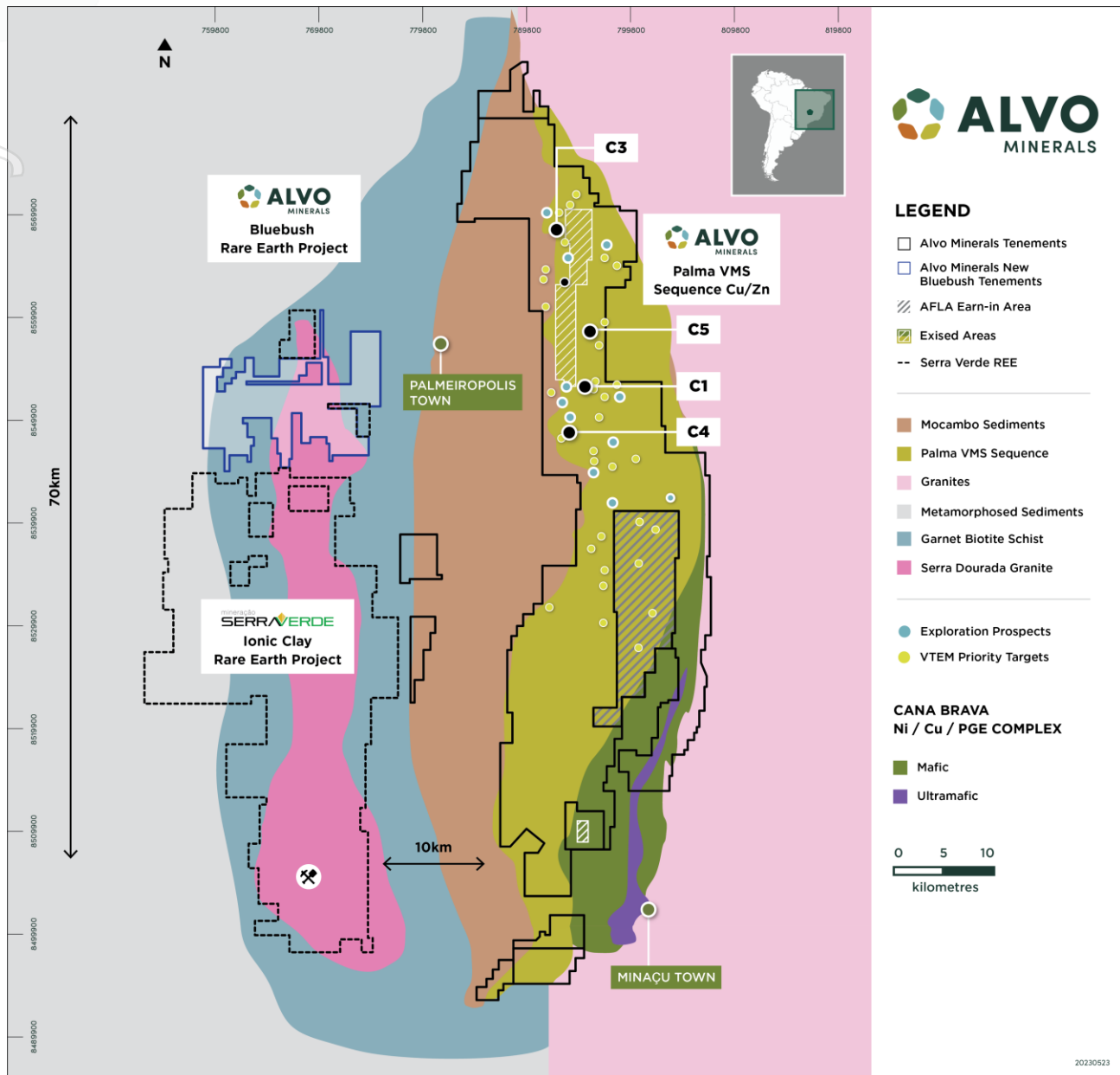


Figure 2: Regional geology and tenement holdings for Alvo's Bluebush REE and Palma project areas.

The previous owners of Bluebush drilled a total of 258 auger holes for approximately 930m (average 3.6m depth). The auger drilling would often stop once the saprolite clay horizon was intercepted as the primary target were the alluvials (and partly due to restrictions of the handheld equipment) and as such, the routine sampling of these horizons often ended in mineralisation.

Other work underway at Bluebush includes a review of the official Mata Azul company documents and tenements at the relevant governmental agencies. The Brazilian Mines Department staff are currently on strike, however Alvo should be able to review the relevant documents which are largely online.

Field reconnaissance over the most prospective areas for thick and mineralised saprolite horizons is also planned but requires access from local landowners for exploration activities. Areas where licenses are required for clearing/access will be defined and relevant licenses will be applied for. Alvo does not anticipate landowner access or access licensing will slow exploration.

The auger holes are systematically sampled and transported to Alvo's field lab where they are dried overnight, sieved, and analysed using the in house SciApps X-555 portable XRF analyzer. This analyzer has a higher voltage, providing higher sensitivity for strategic metals, including the REEs. Once sufficient analyses have been completed and laboratory results received, results will be compared to the XRF results and if they show reasonable accuracy, the XRF could be used for qualitative results in real time. This will also assist in the exploration of the Bluebush Project.

¹ ASX Announcement 15 June 2023 – Maiden Drilling Commences at Bluebush REE Project

² ASX Announcement 7 June 2023 – Agreement to Acquire Potential Tier 1 Ionic Clay Bluebush Rare Earth Project

This announcement has been approved for release by the Board of Alvo Minerals Limited.

ENQUIRIES

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Forward Looking Statements

Statements regarding plans with respect to Alvo's Palma Project and its exploration program are forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside Alvo's control and actual values, results or events may be materially different to those expressed or implied herein. Alvo does not undertake any obligation, except where expressly required to do so by law, to update or revise any information or any forward-looking statement to reflect any changes in events, conditions, or circumstances on which any such forward-looking statement is based.

Competent Person's Statement

The information contained in this announcement that relates to recent exploration results is based upon information compiled by Mr Rob Smakman of Alvo Minerals Limited, a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Smakman is a full-time employee of Alvo and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (or JORC 2012). Mr Smakman consents to the inclusion in this announcement of the matters based upon the information in the form and context in which it appears.

Cautionary Statement

The exploration results reported in this announcement have been reported by the previous owner. The Exploration Results have not been reported in accordance with JORC Code 2012. A Competent Person has not done sufficient work to disclose the exploration results in accordance with the JORC Code 2012. It is possible that following further evaluation and/or exploration work that the confidence in the prior exploration results may be reduced when reported under the JORC Code 2012. Nothing has come to the attention of Alvo that causes it to question the accuracy or reliability of the former owner's exploration. The Company however has not independently validated the former owner's exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.

ABOUT ALVO

Alvo Minerals (ASX: ALV) is a base and precious metals exploration company, hunting high-grade copper and zinc at its flagship Palma Project, located in Central Brazil. The Palma Project has a JORC 2012 Inferred Mineral Resource Estimate - 4.6Mt @ 1.0% Cu, 3.9% Zn, 0.4% Pb & 20g/t Ag.

Alvo has recently optioned the Bluebush REE Project a highly prospective ionic-clay REE project adjacent to its existing exploration base and along strike from the Serra Verde Ionic Clay REE project, the only Ionic Clay REE project currently in construction outside of China.

Alvo's strategic intent is to aggressively explore and deliver growth through discovery, leveraging managements' extensive track record in Brazil. There are three phases to the exploration strategy – *Discover, Expand and Upgrade*.

Alvo is committed to fostering best in class stakeholder relations and supporting the local communities in which it operates.

