



Miraflores Environmental Licence Granted

- **LCL receives critical Environmental Licence for the Miraflores gold deposit, part of the Company's 2.6Moz Quinchia Gold Project in Colombia.**
- **Environmental permitting speaks to strong political and social support for development of the project, and greatly enhances the value of the project.**
- **LCL notes improving sentiment and investment in the Colombian mining industry.**

LCL Resources Ltd (**ASX: LCL**) (**LCL or the Company**) is very pleased to advise that CARDER, the Environmental Authority of the Colombian state of Risaralda, has approved LCL's Miraflores Environmental Impact Assessment (EIA) and has issued an Environmental Licence for the Miraflores deposit. The Miraflores Resource, a sub-set of the 2.6Moz Quinchia Gold Project Resource¹, is a gold Resource of 0.87Moz, which includes the Miraflores Reserve of 0.45Moz².

EIA approval is a very positive and significant development as the EIA acceptance, and therefore the awarding of the Miraflores Environmental Licence, is the final substantial approval requirement, allowing for progression to development of the Miraflores deposit.

The EIA assessment and Environmental Licence cover a broad range of considerations (Table 1). The issued licence does not impose additional conditions above those submitted in the Company's design and plan, which is a testament to the Company's consultative approach and ESG focus.

ITEM	STATUS	ITEM	STATUS
Area of influence	Approved	River management	Approved
Exploitation method	Approved	Solid waste management	Approved
Plans and programs	Approved	Tailings management	Approved
Surface & ground water concession	Approved	Air emissions management	Approved
Wastewater discharge management	Approved	Forest use permit	Outstanding

Table 1: Elements of the EIA and Environmental Licence.

A 'Forest Use Permit' is outstanding, but the Company does not consider it relevant until LCL is closer to making a development decision on the Quinchia Gold Project. The Forest Use Permit relates to removal of individual trees, if required, on privately held land. For 47% of the specific trees in question, the landowner is LCL. The Company has successfully commenced the process of securing consent from the remaining 10 private landowners. There are no protected areas, nature reserves or parks within the Environmental Licence approved area of influence and none of the

¹ Contains a mix of Inferred, Indicated and Measured Resources. Using Tesorito MRE of 1.3Moz @ 0.81 g/t Au. The Miraflores Reserve is included in the Miraflores Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve) and 25 February 2020 (Dosquebradas Resource) and 22 March 2022 (Tesorito Resource). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.

² The Miraflores Reserve is included in the Miraflores Resource which also includes an Inferred Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve and DFS). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.

identified trees fall within the Miraflores mine footprint and relate more to infrastructure footprint and the expansion of access roads.

The 2017 Miraflores Feasibility Study², upon which the Environmental Licence has been awarded, describes an underground operation using the retreat longhole open stope method with partial backfill feeding a 0.47Mtpa processing facility. Plant design does not consider either LCL's at-surface Tesorito porphyry gold deposit, which comprises the bulk of the 2.6Moz Quinchia Resource and occurs less than 1km east of Miraflores, or the Dosquebradas deposit Resource located ~2km northwest of Miraflores.

The 2017 financial base case, based on a gold price of US\$1,300/oz, generated an NPV₈ of US\$72.3M, IRR of 25% and payback of 3.6 years.

In early 2023, Ausenco completed a high-level investigation of economic production options for the Quinchia Gold Project³. LCL was encouraged by the study outcomes with several production scenarios warranting further investigation, including a scenario commencing with production at Miraflores.

LCL continues to monitor the landscape in Colombia in terms of support to develop the Quinchia Gold Project and is highly encouraged by this decision to grant an Environmental Licence for Miraflores. This speaks to strong local political and social support for development of the project, and greatly enhances project value.

We note growing interest for investment in the region, with B2 Gold's recent acquisition of AngloGold Ashanti's 50% ownership of the Gramalote gold project located 260km NE of the Quinchia Project for \$US20M upfront payment plus a further US\$40M triggered by the achievement of various milestones⁴.

In terms of political support for gold mining developments in Colombia, the Company notes an announcement by Aris Mining Corporation in July that authorities have approved their Environmental Management Plan which permits the development of its underground Marmato Lower Mine⁵, 45km NE of the Company's Quinchia Project.

In November 2022, LCL won the Colombian Gold Symposium ESG Award⁶. The award assesses the calibre of social engagement in terms of both procedures and real-world success. The award was in acknowledgement of the Miraflores Somos Todos (We are all Miraflores) program created by LCL and co-led with the community to deliver alternative income, entrepreneurial and assistance programs, in the local area.

³ See ASX announcement 23 January 2023.

⁴ Source: 18 Sept 2023 "B2Gold to consolidate Gramalote project by acquiring AngloGold Ashanti's 50% stake" www.b2gold.com/news. Resource acquired reported as 2.85Moz (NI43-101) with 74% as Indicated. LCL has not independently verified the information.

⁵ Source: Announcement dated 27 July 2023 sourced from Aris website <https://www.aris-mining.com/overview/default.aspx>. Not independently verified.

⁶ See ASX announcement 11 November 2022. The annual award is open to all explorers and miners within Colombia.



Photo: The LCL Colombian senior team and MD Jason Stirbinskis at the ESG award ceremony, November 2022.

LCL Managing Director, Jason Stirbinskis added “This is a major milestone for Miraflores that also de-risks the greater Quinchia Gold Project of which it is a part. We can build upon the Miraflores approvals in the future and apply the same standards and rigor to submissions for the Quinchia Gold Project development.

We see the awarding of the Environmental Licence as further evidence of an improving working relationship between the mining industry and government and look forward to continued government support for new mine development in Colombia. Currently, the Company remains focussed on its PNG portfolio of compelling early stage nickel, gold and copper/gold targets.”

Mineral Resources and Reserves Statement

QUINCHIA GOLD PROJECT - MINERAL RESOURCE ESTIMATE (MRE)					
Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
Dosquebradas	Inferred	0.5g/t Au	20.2	0.71	459
Miraflores - U.Ground	Measured + Indicated	1.2g/t Au	9.3	2.82	840
Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
QUINCHIA RESOURCE			80.0	1.02	2,634
Note: Miraflores Resource includes Miraflores Reserve					
MIRAFLORES RESERVE					
CATEGORY	TONNES (Mt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Proved	1.70	2.75	2.20	150	120
Probable	2.62	3.64	3.13	307	264
Total	4.32	3.29	2.77	457	385

The information in this section is drawn from the following ASX releases:

Deposit	Release Date
Miraflores Mineral Resource Estimate and explanatory notes	14 March 2017
Miraflores Ore Reserve Estimate and explanatory notes	17 November 2017
Dosquebradas Mineral Resource Estimate and explanatory notes	25 February 2020
Tesorito Resource Mineral Resource Estimate and explanatory notes	22 March 2022

For the purpose of ASX Listing Rule 15.5, the Board has authorised this announcement to be released.

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