Significant Project Change: Dry Tailings Storage Selected, Government Permitting Progresses

Highlights

- Hillgrove Antimony-Gold Project plan modified to incorporate dry stacking of process tailings
- NSW Department of Planning, Housing and Infrastructure accepted Larvotto's Pre-Lodgement Application for modification of the existing consent to include Dry Stack tailings and expansion of processing throughput to 500 ktpa
- Dry Stack selected as optimal tailings storage method, with important environmental benefits, including:
  - Increased water recovery
  - Reduced clearing required per tonne of tails placed
  - Greater structural stability with tailings placed in a Dry Tailings Landform, rather than a conventional dam facility
  - Enables progressive rehabilitation alongside operations, rather than at closure
  - Provides 'best practice' methodology for full closure of historic tailings storage facility
- Supports faster development to help address the critical global antimony supply deficit

Larvotto Resources Limited (**ASX: LRV**, Germany**: K6X**, '**Larvotto**' or 'the **Company**') is pleased to announce a change to the Hillgrove Antimony-Gold Project plan, enabling the implementation of dry stacking of process tailings generated from processing of the high-grade gold and antimony ore from Hillgrove. This will replace the requirement for a larger conventional (wet slurry) tailings facility originally planned for the project. The NSW government has accepted that the dry stacking of tailings within the existing tailings storage area is a modification to the current project consent (permit) and not a new application as would have been required for a new wet tailings storage facility planned to be located five kilometres from the process plant at Clarks Gully. The final rehabilitated landform created is not classified as a dam due to its integrity. Environmental studies are well advanced to complete the technical assessments required for the permit to be approved.

Managing Director, Ron Heeks, commented:

"This is a great outcome for the project, streamlining the approval process while delivering numerous important environmental benefits, ultimately enabling Larvotto to bring the Hillgrove Antimony-Gold Project into production and become a globally significant antimony producer.

After thoroughly evaluating all storage options, risks and environmental considerations, the use of dry stack tailings emerged as the preferred solution. Given Hillgrove's location, the scale of the project and the current infrastructure, the dry stack option was the optimal choice. Importantly, it is significantly more protective of the environment and enables resolution of legacy tailings issues, with no substantial change in project economics.

The unique nature of the Hillgrove Project has again required a different, albeit well used solution, to drive the project forward for the benefit of all stakeholders. Dry stacking is becoming more of an industry norm, particularly overseas with an increasing number of companies selecting it as the preferred tailing storage method. With exceptional project economics at current gold and antimony

spot prices, Hillgrove is well-positioned to rapidly supply a significant and ongoing world shortage in antimony."

Change to project plan

Following a comprehensive review by industry experts and extensive consultation, the decision was made to transition away from conventional wet slurry tailings storage to dry stacking. The process of dry stacking of the tailings has multiple benefits for the Hillgrove Project and the site, including:

- Significant de-risking of engineering issues associated with conventional wet storage facilities
- Eliminating the need for the proposed Clarks Gully Tailings Storage Facility (TSF) from the permitting process
- Improved ability to rehabilitate tailing landforms alongside operations rather than only upon completion of mining and processing
- Provide 'best practice' methodology for rehabilitation of legacy tailings areas not properly closed
- Streamlines the permitting process.
- No overall impact on project startup costs

The dry stack process

Dry stacking of tailings involves drying the process tailings in filter presses to reduce moisture content to less than 9%, after which the tailings are placed within a HDPE (plastic) lined containment facility. The tailings are compacted, rapidly forming a solid mass. Once the stack reaches its design height, it is covered with topsoil and rapidly revegetated. Compared to conventional wet facilities, the tails mass sheds minimal process water, and the containment bund wall and final design surface is at a low angle designed to blend in naturally with the local topography. Notably, the Dry Tailings Landform is not classified as a dam, unlike conventional facilities.

The use of dry stack tails requires the addition of several high-volume filter presses to the process plant but does not require the piping and pumps needed for the proposed Clarks Gully tails dam option that was five kilometres from the process plant.

Given the topography of the site and the size of the project, dry stacking is the optimal tailings management solution. Its adoption is becoming more common within the industry and will increase in the future as it solves many of the traditional problems associated with mining outside of remote locations. The cost of building and operating the dry stack facility is very similar to that of the proposed wet tails dam.

The permitting process

The implementation of dry stack tailings removes the requirement for a new environmental permit by utilising the current process plant tailings footprint. Dry Tailings Landform can be developed with modification of the existing permit, rather than a new consent. This saves considerable time as the majority of long lead-time environmental and engineering studies are well advanced.

Following extensive discussions and reviews, the modification to the current mining permit was formally submitted (Pre-Lodgement Application) to the NSW government Department of Planning

Housing and Infrastructure and has been accepted to be assessed as a Modification to the existing consent.

Definitive Feasibility Study

The use of dry stack tailings is being integrated into the Definitive Feasibility Study, which remains on schedule and is expected to be finalised Q1 this year.

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 and an exciting gold exploration project at Ohakuri in New Zealand's North Island. 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.

For further information, please contact:

Ron Heeks
Managing Director
+61 (8) 6373 0112
info@larvottoresources.com

Ben Creagh
Media and investor enquiries
+61 (0) 417 464 233
benc@nwrcommunications.com.au

DIRECTORS

Mr Mark Tomlinson	**Mr Ron Heeks**	**Ms Rachelle Domansky**
Non-Executive Chair	*Managing Director*	*Non-Executive Director*

PROJECTS

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