

31 October 2024

Guardian Metal Resources plc

('Guardian Metal' or the 'Company')

Letter of Intent re Option to Acquire Strategic Nevada Tungsten Mine and Mill Project

Guardian Metal Resources plc (LON:GMETDTCQX:GMTLF), a strategic development and mineral exploration company focused in Nevada, USA, is pleased to announce that it has entered into a binding letter of intent ('LOI' or the "Agreement") with Hinkinite Resources LLC ('Hinkinite' or the "Optionor") to acquire an option ("Option") for the acquisition of the Tempiute Tungsten Mine & Mill ("Tempiute" or the "Project"). Tempiute, also formerly known as the Emerson Tungsten or Black Dog Mine, is located in south-central Nevada less than 240 km north of Las Vegas. The acquisition of the Option is subject to the satisfactory completion of due diligence by Guardian on the Project within 90 days of the signing of the LOI.

Hinkinite is a privately owned and operated Utah-based company focused on the prospecting and development of precious, base-metal and industrial material deposits as well as on revitalising historic mining operations located throughout the western United States. These holdings are diversified into a variety of different commodities including tungsten, gold, silver, limestone, gypsum, talc, silica, tar sands, and construction aggregates.

Oliver Friesen, CEO of Guardian Metal, commented:

"In the three years since the Company acquired the Pilot Mountain project, the Guardian team has spent countless hours building its knowledge in the tungsten sector, and forging key relationships across both the U.S. and globally. Through this, we have come to the conclusion that the macro setup for this key defence metal warrants our investment decision to gain more exposure to this critical commodity."

"Tempiute, being a significant tungsten producer as recently as the late 1980s, along with the extensive in-place infrastructure and its location almost entirely within patented, wholly owned claims, makes it an extremely attractive Project. While on my recent site visit I was able to tour Tempiute with the Optionor and was very impressed by what the Project offers."

"If due diligence is satisfactory and we proceed with the Option, Tempiute, which is located only 290 km by road from our flagship Pilot Mountain project, would add a further significant tungsten project to the Guardian Metal portfolio. We look forward to providing the market with further updates as the due diligence work concludes."

About Tempiute:

- Tempiute is located in south-central Nevada, 237 km north of Las Vegas and only 290 km by road from Pilot Mountain.
- Formerly the Emerson Mine, the Project has been explored and mined for tungsten, silver and zinc intermittently over the last century, most recently being in operation by United Carbide from 1977 to 1987, ceasing operations due to a crash in tungsten prices following market flooding by Chinese producers.
- The majority of the known mineralisation at the Project is located within 10 patented claims which provide exclusive ownership of the land, minerals, and all resources. The Project also comprises six unpatented Bureau of Land Management ("BLM") millsite claims, four BLM lode claims and two BLM placer claims.
- The two placer claims cover the historic tailings located less than 1.5km from the Project. The tailings measure approximately 300m x 300m and are believed to be circa 10-15m thick. Considering the metals that were extracted during the previous production period, it is believed that multiple recoverable metals may still exist within the tailings which could allow for near term reprocessing if sampling results prove promising.
- Six high-grade stockpiles exist within the Project which were not processed in the 1980s due to the lack of technology available to efficiently process sulphide rich material. Today, the technology is well advanced to efficiently process this type of material.

- Multiple historical resource estimates have been reported on the Project. Currently the documentation pertaining to these estimates has not been located by the Company, however, an internal report by a previous owner outlined a combined Measured, Indicated and Inferred estimate of 8,000,000 tons grading 0.43% WO₃. Further work will be required to confirm these estimates but the bonus payment outlined in the Agreement is based on the above estimate.
- The Company's CEO visited the Project with the Optionor during a recent site visit to Nevada and took a total of 17 due diligence samples from various high-grade stockpiles and exposed surface showings as well as from the tailings. These samples are now with ALS Laboratory in Reno, Nevada, for rush analysis.

Commercial Terms:

- Within three (3) business days of execution of the Agreement, GuardianMetal will pay to the Optionor a deposit of US 5,000 (the "**Deposit**").
- For a period of ninety (90) calendar days following the date of the Agreement, Guardian Metal may conduct due diligence investigations in respect of the Project (the "**Due Diligence Review**"). If, at any time, Guardian Metal determines that it is not satisfied, in its sole discretion, with the results of such investigations, it may elect to terminate the Agreement.
- Assuming the Company is satisfied with the findings of the Due Diligence Review, Guardian Metal may proceed with the execution of the definitive agreement (the "**Definitive**" or "**Definitive Agreement**") to acquire the Option. At this point a cash payment of US 50,000 will be made to the Optionor along with the issue to the Optionor of 150,000 Guardian Shares.
- Following execution of the Definitive Agreement and until such time as the Option is exercised or the Definitive Agreement is terminated, Guardian Metal will pay the Optionor a cash payment of US 25,000 at the end of each six month period following the date of the Definitive Agreement.
- In order to exercise the Option, Guardian Metal will be required, (i) within three (3) years of the date of the Definitive Agreement, to establish on the Property a "mineral resource" of tungsten trioxide (WO₃) with a minimum cut off grade of 0.4%, prepared in accordance with either the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended, or the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "**Maiden Resource**"), and (ii) within five (5) business days of the announcement of the Maiden Resource to pay the Optionor a bonus of US 100,000 for each 3,100 tons WO₃ of such Maiden Resource (the "**Bonus Payment**"), equal to US 1,000,000 for a 31,000 ton WO₃ Maiden Resource, up to a maximum Bonus Payment of US 2,000,000. Guardian Metal may, in its sole discretion, satisfy up to 50% of the Bonus Payment by issuing to the Optionor Guardian Shares at a deemed price per share equal to the volume weighted average trading price of the Guardian Shares on the London Stock Exchange for the last ten (10) trading days ("**10-day VWAP**") calculated as of the date of the announcement of the Maiden Resource, converted from pounds sterling to United States dollars using the Bank of England daily spot exchange rate as of the date of the announcement. In the event that Guardian Metal does not establish a Maiden Resource and make the Bonus Payment within three (3) years of the date of the Definitive Agreement, the Definitive Agreement will terminate and Optionor will retain a 100% interest in the Property.
- Upon Guardian Metal having established a Maiden Resource and payment of the Bonus Payment, Guardian Metal will be deemed to have acquired a 100% interest in the Project.
- Upon exercise of the Option, Guardian Metal will grant the Optionor a production royalty equal to 1.5% of the net smelter returns from all mineral production from the Project (the "**NSR Royalty**"). Guardian Metal may, at any time after the grant of the NSR Royalty, repurchase 50% of the NSR Royalty for a one time payment of US 1,000,000 by Guardian Metal to Optionor, payable at the option of Guardian Metal in cash or in Guardian Shares at a deemed price per share equal to the 10-Day VWAP converted from pounds sterling to United States dollars using the Bank of England daily spot exchange rate calculated as of the date that Guardian Metal provides notice to the Optionor of its election to repurchase. The balance of the NSR Royalty after repurchase will be 0.75% of the net smelter returns from all mineral production on the Project.
- Whilst there is no guarantee of completion, the Company and the Optionor will work together to complete all required due diligence items within the 90 day period which will allow Guardian Metal to make a decision regarding signing of the Definitive Agreement.

Media

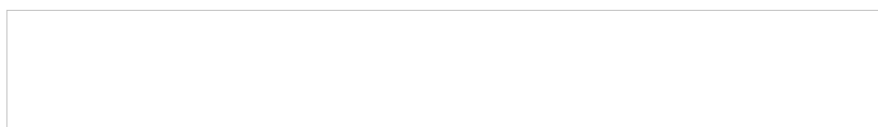


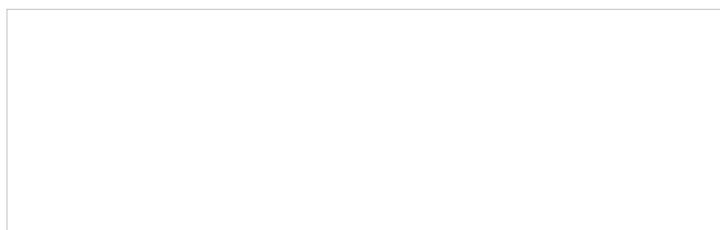


Figure 1: Nevada location map showing position of the Company's 100% owned Pilot Mountain Project and Tempiute.

A building in the desert Description automatically generated



Figure 2: View over the Project's Millsite claims showing the location of the mill (centre), maintenance shack (left), and office/bathhouse, 3000KW substation and water tank (right).



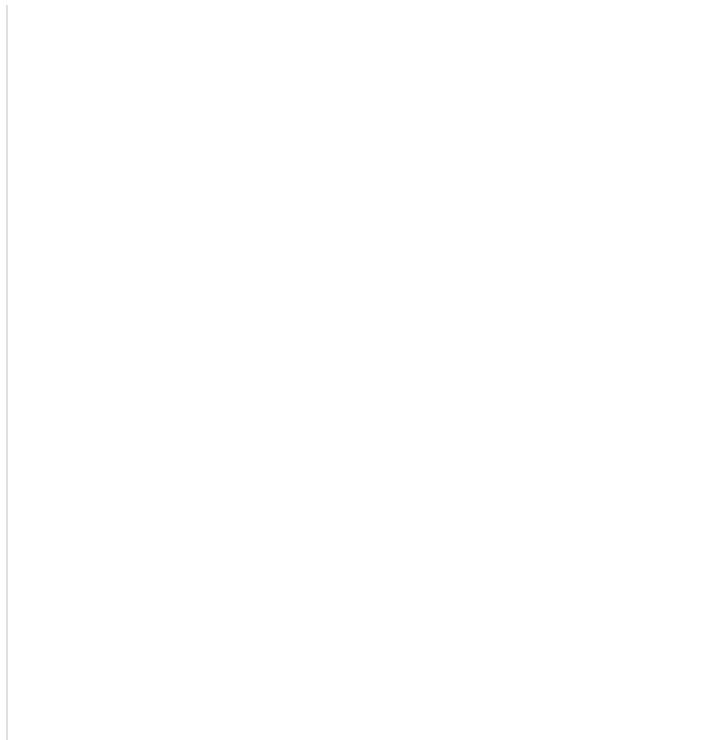


Figure 3: One of the Project's (six) high-grade sulphide rich stockpiles.

References

- 1: Golden Predator Mines Inc. Internal Document dated 22 May 2008.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018).

COMPETENT PERSON STATEMENT

The technical information contained in this disclosure has been read and approved by Mr Nick O'Reilly (MSc, DIC, MIMMM QMR, MAusIMM, FGS), who is a qualified geologist and acts as the Competent Person under the AIM Rules - Note for Mining and Oil & Gas Companies. Mr O'Reilly is a Principal consultant working for Mining Analyst Consulting Ltd which has been retained by Guardian Metal Resources plc to provide technical support.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events.

Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

For further information visit www.Guardianmetalresources.com or contact the following:

Guardian Metal Resources plc Oliver Friesen (CEO)	Tel: +44 (0) 20 7583 8304
Cairn Financial Advisers LLP Nominated Adviser	Tel: +44 20 7213 0880

Sandy Jamieson/Jo Turner/Louise O'Driscoll	
Shard Capital Partners LLP Lead Broker Damon Heath/Erik Woolgar	Tel: +44 (0) 20 7186 9000

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

LOIUROORSWUROUA