

World Copper Announces Sale of Royalty on Zonia Project

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Vancouver, June 13, 2022 - [World Copper Ltd.](#) (TSXV: WCU) (OTCQX: WCUFF) (FSE: 7LY0) ("World Copper" or the "Company") announces that it has entered into a binding letter agreement made as of June 10, 2022 (the "Letter Agreement") with [Electric Royalties Ltd.](#) (TSXV: ELEC) (OTCQB: ELECF) ("Electric Royalties") for the sale and grant to Electric Royalties of a gross revenue royalty ("GRR") and royalty option package on the Company's wholly owned Zonia Copper Oxide project ("Zonia" or the "Zonia Project"), located in the Walnut Grove Mining District, Yavapai County, Arizona, United States (the "Transaction").

Highlights

The key terms of the Transaction are:

- Electric Royalties will be granted a 0.5% GRR on the Zonia Project for a total of CAD \$1.55 million in cash and 2,000,000 common shares of Electric Royalties.
- Electric Royalties will also be granted:
 - an option to acquire a further 0.5% GRR on the Zonia Project for an additional cash payment of CAD \$3.0 million; and
 - an option to acquire a 1% GRR on the Zonia Norte deposit northeast to the existing Zonia Project resource, for a cash payment of CAD \$3.0 million.

Nolan Peterson, CEO and President of World Copper Ltd, commented, "World Copper is excited to have Electric Royalties' management team as one of our first partners in developing the Zonia Project. Electric Royalties seeks to invest in undervalued assets with clear development potential and this led them to the Zonia Project. With significant work already carried out on Zonia, robust economics, and an achievable timeline to production, Zonia is a compelling near-term project. Since acquiring Zonia, World Copper has been working diligently in restarting the development activities of the project and as work continues to ramp-up I look forward to updating shareholders on our progress."

Zonia Project Development

Following an internal technical review of the exploration and development potential of the Zonia Project (see news release dated May 2, 2022), World Copper has assessed Zonia's potential to host significantly more copper mineralization than outlined in the current resource estimate (76.8 Mt of 0.33% Cu Measured & Indicated, 27.2 Mt at 0.28% Cu Inferred). The Company is currently working on exploration drill targets along the margins of the Zonia deposit as well as a separate, significant copper-molybdenum-manganese in rock geochemical anomaly located approximately two kilometres north-northeast of the established resource ("Zonia Norte").

In addition to the exploration targets identified, World Copper intends to update the Zonia 2018 preliminary economic assessment, dated April 17, 2018 (with an effective date of March 22, 2018), prepared by Global Resource Engineering Ltd. for [Cardero Resource Corp.](#) (the "PEA"), a copy of the technical report prepared in accordance with NI 43-101 with respect to the PEA is available on the [Cardero Resource Corp.](#) SEDAR profile at www.sedar.com.

World Copper plans to update the PEA: (i) to reflect current market conditions; (ii) to include the full extent of

the available resource; (iii) to examine different sizes and concepts as part of a strategic review of the million ton asset; and (iv) to incorporate additional drill and geological data, as warranted. The PEA used \$3.00/lb copper for a base case scenario producing 92.6 million tons of leachable material over an 8.6-year mine life. At a copper price of \$3.00/lb, the Zonia Project shows an after-tax NPV@6% of \$225 million, an NPV@8% of \$192 million, an NPV@10% of \$163 million, and an IRR of 29.0%; the payback period is 2.89 years. The PEA concluded the Zonia Project is most sensitive to copper price which is an important consideration for improving the economics. The updated PEA will be part of a broad strategic review of the Zonia Project, and assuming a successful PEA update the Company would aim to complete a Pre-Feasibility or Feasibility level study in 2023.

The PEA is considered preliminary in nature, contains numerous assumptions and includes Inferred Mineral Resources that are considered too speculative, geologically, to have the economic considerations applied that would enable them to be classified as Mineral Reserves. There is no certainty that the results of the PEA (or any update thereto) will be realized. No Mineral Reserves have been estimated for Zonia. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Inferred Mineral Resources are that part of the Mineral Resource for which quantity and grade, or quality are estimated based on limited geologic evidence and sampling, which is sufficient to imply but not verify grade or quality continuity. Inferred Mineral Resources may not be converted to Mineral Reserves. It is reasonably expected, though not guaranteed, that most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. Mineral Resources are captured within an optimized pit shell and meet the test of reasonable prospects for economic extraction. All dollar amounts in the preceding paragraphs regarding the PEA are reported in US dollars unless otherwise noted.

Summary of the Transaction

Pursuant to the terms of the Letter Agreement, Electric Royalties will acquire a 0.5% GRR (the "Zonia Royalty") on the Zonia Project in consideration for paying to World Copper CAD \$1.55 million in cash and issuing 2,000,000 Electric Royalties' common shares (the "Consideration Shares"). Additionally, for a period of 15 months following the closing of the Transaction, World Copper will grant Electric Royalties the option to increase the amount of the Zonia Royalty by 0.5% (for an aggregate total of 1.0% GRR on the Zonia Project) by paying to World Copper an additional CAD \$3.0 million in cash. A \$50,000 structuring fee for the Transaction is payable by World Copper to Electric Royalties upon the closing of the Transaction.

Electric Royalties will also be granted the option, for a period of 24 months from the date that the Company (i) obtains a technical report in respect of Zonia Norte prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and which contains an estimate of inferred mineral resources; and (ii) delivers a copy of such report to Electric Royalties, to acquire a 1.0% GRR on Zonia Norte (the "Zonia Norte Royalty"), exercisable by Electric Royalty paying an additional CAD \$3.0 million in cash to World Copper.

Completion of the Transaction will be subject to the completion of various conditions precedent standard for a transaction of this nature, including, but not limited to the completion of satisfactory due diligence by Electric Royalties on World Copper and the Zonia Project, the parties obtaining all necessary waivers, notices, amendments or agreements from third parties, and the parties obtaining all relevant corporate, governmental and regulatory approvals, including the acceptance for filing of the Transaction by the TSX Venture Exchange. Upon issuance, the Consideration Shares will be subject to a hold period of six months.

Qualified Person

John Drobe, P.Geol., a qualified person as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for this news release and has approved the disclosure herein. Mr. Drobe is not independent of the Company as he is the Chief Geologist of the Company.

ABOUT WORLD COPPER LTD.

[World Copper Ltd.](#), headquartered in Vancouver, BC, is a Canadian resource company focused on the exploration and development of its copper porphyry projects: Escalones and Cristal in Chile, and Zonia in Arizona. Two of these projects have estimated resources with significant soluble copper mineralization, and each has additional copper porphyry targets with exciting potential to expand the resource base.

The World Copper team has a unique skill in navigating the mining sector within Chile, with some members having worked in the country for more than 40 years and with discovery success.

On Behalf of the Board of Directors of

[World Copper Ltd.](#)

"Nolan Peterson"

Nolan Peterson
Chief Executive Officer

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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, the completion of the Transaction, the exercise by Electric Royalties of the options to increase the amount of the Zonia Royalty by 0.5% and/or to acquire the Zonia Norte Royalty, the expected completion of an update to the PEA, the completion of future exploration of the Zonia Project, anticipated exploration program results from exploration activities, the discovery and delineation of mineral deposits/resources/reserves and the anticipated business plans and timing of future activities of the Company are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential",

"scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that the Transaction will be completed, that market fundamentals will result in sustained copper demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Company's projects in a timely manner, including the Zonia Project and Zonia Norte, the availability of financing on suitable terms for the development, construction and continued operation of the Company's projects and its ability to comply with environmental, health and safety laws.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, among others, requirements for additional capital, operating and technical difficulties in connection with mineral exploration and development activities, actual results of exploration activities, including on the Zonia Project, the estimation or realization of mineral reserves and mineral resources, the timing and amount of estimated future production, the costs of production, capital expenditures, the costs and timing of the development of new deposits, requirements for additional capital, future prices of copper, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, lack of investor interest in future financings, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals (including of the TSX Venture Exchange), permits or financing or in the completion of development or construction activities, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, financial condition and results of operations, changes in laws, regulations and policies affecting mining operations, title disputes, the inability of the Company to obtain any necessary permits, consents, approvals or authorizations, the timing and possible outcome of any pending litigation, environmental issues and liabilities, and risks related to joint venture operations, and other risks and uncertainties disclosed in the company's continuous disclosure documents. All of the Company's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not undertake any obligation to update any of the forward-looking statements in this news release or incorporated by reference herein, except as otherwise required by law.

Cautionary Note to United States Investors

World Copper prepares its disclosure in accordance with the requirements of securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Terms relating to mineral resources in this news release are defined in accordance with NI 43-101 under the guidelines set out in CIM Definition Standards on Mineral Resources and Mineral Reserves, adopted by the Canadian Institute of Mining, Metallurgy and Petroleum Council on May 19, 2014, as amended ("CIM Standards"). The U.S. Securities and Exchange Commission (the "SEC") has adopted amendments effective February 25, 2019 (the "SEC Modernization Rules") to its disclosure rules to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the U.S. Securities Exchange Act of 1934.

As a result of the adoption of the SEC Modernization Rules, the SEC will now recognize estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources", which are defined in substantially similar terms to the corresponding CIM Standards. In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be substantially similar to the corresponding CIM Standards.

U.S. investors are cautioned that while the foregoing terms are "substantially similar" to corresponding definitions under the CIM Standards, there are differences in the definitions under the SEC Modernization Rules and the CIM Standards. Accordingly, there is no assurance any mineral resources that World Copper may report as "measured mineral resources", "indicated mineral resources" and "inferred mineral resources" under NI 43-101 would be the same had World Copper prepared the resource estimates under the standards adopted under the SEC Modernization Rules.

In accordance with Canadian securities laws, estimates of "inferred mineral resources" cannot form the basis

of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

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