Eloro Provides Update on Iska Iska Silver-Tin Polymetallic Project, Potosi Department, Southwestern Bolivia

30.07.2024 | GlobeNewswire

- Updated modelling of the potential starter pit area at Santa Barbara zone highlights the importance of completing additional drilling to better define the grade and extent of the mineral resource in this area. Areas with higher-grade resource typically have much better drilling density but holes outside the core potential pit area are too widely spaced to give an accurate estimate of grade.
- Substantive progress has been made on the preliminary economic evaluation ("PEA") which is focussing on the Ag-Zn-Pb-Sn mineralization. The preliminary optioneering study has shown that a 12 million tpa mining operation appears the most attractive option based upon XRT "Ore" Sorting and/or Dense Media Separation which effectively doubles the grade feeding the milling and flotation circuit and which is also likely to enhance downstream metal recoveries.
- Reduced pre-concentrated tonnage results in reduction of all downstream capital and operating costs associated with milling, froth flotation and wet tailings storage facility ("TSF"). The inclusion of this pre-concentration stage in the flowsheet, has allowed Eloro to find optimum pre-concentration scenarios to suit the grades required for downstream processing.
- Further studies have helped define local costs for the PEA study.
- The high chargeability anomaly in the southeast that extended the mineralized structural corridor at Iska Iska 600m further to the southeast for an overall strike length of at least 2km is a high priority target with excellent potential to outline a second starter pit area. This anomaly is stronger than the anomaly over the high grade resource in the potential starter pit area of Santa Barbara.

TORONTO, July 30, 2024 -- Eloro Resources Ltd. (TSX: ELO; OTCQX: ELRRF; FSE: P2QM) ("Eloro: or the "Company") is pleased to provide an update on Eloro's Iska Iska silver-tin polymetallic project in Potosi Department, southern Bolivia.

Tom Larsen, CEO of Eloro commented: "Updated modelling of the potential starter pit area at Santa Barbara zone highlights the importance of completing additional drilling to better define the grade and extent of the mineral resource in this area. Areas with higher-grade resource typically have much better drilling density whereas holes outside the core area are too widely spaced to give an accurate estimate of grade. Previous channel sampling along the Santa Barbara adit which returned 165 g Ag/t, 3.46% Pb and 0.46% Sn over a 166m strike length including an exceptional section with 1,024 g Ag/t, 25% Pb and 1.16% Sn over an 8.11m length highlight the important high grade silver-bearing structures present in the Iska Iska mineralized system (see Eloro press release of April 13, 2021) Better definition of these high grade structures in the potential starter pit area to determine their lateral and vertical extents as well as outline additional high grade structures will be a key focus in the next definition drilling program."

Mr. Larsen continued: "While geological and especially geophysical data clearly show that the mineralization is continuous between wide spaced holes, additional definition drilling is required to provide a more accurate estimate of grade. Supporting this view are the results from our bulk metallurgical testing that returned substantially higher grades than the original twinned diamond drill holes - 91 g Ag/t in the bulk sample versus 31 g Ag/t in the original holes that were twinned (see Eloro press release January 23, 2024), suggesting that grades, especially for silver, may be underestimated, in some cases significantly.

Highlighting the substantive progress on the PEA, Mr. Larsen said: "Our engineering team led by Mike Hallewell, C.Eng, Senior VP Engineering Projects/Metallurgy has made major strides on the PEA. The preliminary optioneering study has shown that a 12 million tpa mining operation appears to be the most attractive option based upon XRT Ore Sorting and/or Dense Media Separation followed by milling and

differential lead-zinc flotation. These advanced processing techniques effectively double the grade feeding the milling and flotation circuit, while halving the tonnages required for the downstream milling, froth flotation and wet TSF. The higher flotation plant feed grade is likely to improve downstream metal recoveries. Metallurgical studies are well advanced and information on local costs are much better defined which has led to lower capital and operating cost estimates. Some engineering work remains to be completed but our priority in the shorter turn is get the drills turning again to complete the necessary definition drilling to optimize and expand the high grade mineral resource in the potential starter pit area on which the PEA will be based."

Commenting on additional major upsides at Iska Iska, Larsen added: "The high chargeability anomaly in the southeast that extended the mineralized structural corridor at Iska Iska 600m further to the southeast for an overall strike length of at least 2km (see Eloro's press release of January 29, 2024) is a high priority target with excellent potential to outline a second starter pit area. Holes on the northwest edge of this anomaly have returned significant results, however the majority of previous drill holes in the southeast in the general area of the anomaly were drilled over the top of this anomaly so its core has not been drill-tested. This anomaly is stronger than the anomaly over the high grade resource in the potential starter pit area of Santa Barbara."

Update on Preliminary Economic Assessment (PEA)

Considerable progress has been made over the past several months in advancing the PEA as follows:

- The excellent pre-concentration results observed and reported in Eloro's press release dated January 23, 2024 have been used to provide inputs to an internal optioneering study that has provided better definition on the optimum capacity and configuration of the pre-concentrator flowsheet. This information is not normally produced until the PEA stage but has been made possible by the higher MRE level of metallurgical studies already conducted by Eloro.
- This preliminary optioneering study has shown that a 12 million tpa mining operation appears the most attractive option based upon XRT Ore Sorting and/or Dense Media Separation with all the major benefits mentioned above.
- The preconcentration step also has less tangible benefits which are also important, whereby they reduce downstream costs, effectively reducing the cut-off grade.
- This preconcentration stage and its ability to operate at a wide range of settings provides Eloro with the ability to establish an optimum pre-concentration setup to suit whatever run-of-mine ("ROM") grades or domains are being mined. The level of pre-concentration is dependent upon the ROM grades and the metallurgical domain and this highlights how powerful the use of the pre-concentration stage will be to provide an optimum processing scenario for Iska Iska given increased engineering that would naturally flow from the PEA study.
- Local logistical and engineering consultancy group in Bolivia CATALIX have provided Eloro with increased definition on the logistical costs associated with transporting pre-concentrated ore and/or final concentrates, resulting in improved projected capital and operating costs with downstream process site options narrowed down.
- Local Bolivian electrical consultants ENER.PLUS have defined the estimated required electrical supply to the site and the capital costs associated with High Voltage electrical connection together with the ongoing unit cost per kilowatt hour (US$/kwhr).
- International metal trading groups have been consulted to define port operating costs in Chile and provide a better definition of ocean freight and smelter terms based upon the existing Locked Cycle Tests Lead and Zinc Concentrate specifications already completed on two composite samples of Iska Iska's zinc sulphide polymetallic domain.
- A surface hydrological study has defined the cost and capacity of a local water reservoir by collecting surface run off during the wet season.
- The location of potential tailing storage facilities ("TSF") has been identified.
- A structural geometallurgical process modelling system has been developed so that the mine plan and financial model are structured using inputs from the processing studies on selected samples from each of the major domains.

The principal work that is required to complete the PEA study is as follows:

- Complete further definition drilling to optimize the mineral resource in the starter pit area of Santa Barbara to support a 10-12 year initial mine life. Successful drilling in the SE chargeability anomaly has the potential to add a second starter pit area.
- Complete additional PQ diamond drill holes for "Ore" Sorting and metallurgical tests on the higher-grade tin (Sn) and polymetallic Ag-Zn-Pb-Sn areas to finalize the flowsheet.

- Complete geotechnical studies to optimize pit slopes.
- Complete outstanding metallurgical testing.
- Finalize the optioneering scenarios based upon the updated resource base of each metallurgical domain to provide better processing capacity decisions.
- Finalize the TSF study and plant engineering studies at whatever tonnage the aforementioned optioneering study produces.

Southeast Chargeability Anomaly Target

Results of an expanded IP survey in the potential southeastern extension of the Iska Iska Mineralized Corridor were very positive with key conclusions as follows (see Eloro press release of January 29, 2024):

- New chargeability high southeast of the MRE open pit indicates that the major mineralized structural corridor that is up to 800m wide extends a further 600m along strike to the southeast for an overall strike length of at least 2km. This new area has not been drilled.
- The South East anomaly is stronger than the anomaly over the existing high-grade resource in the potential Santa Barbara starter pit area.
- Chargeability highs correlate very well with areas of high-grade mineralization within the MRE. The chargeability anomaly southeast of the pit is very strong, which is a prime target potentially outlining additional higher-grade polymetallic (Ag-Zn-Pb) mineralization.

- The Chargeability anomaly is open along strike and at depth as exploration work has still not defined the full limits of this remarkable mineralized system.

- Note that all of the previous holes that were drilled in the general area of the SE chargeability anomaly only intersected its edge or were over top of the anomaly. Encouragingly, all of the drill holes in vicinity of the anomaly returned significant intersections (see Eloro press release of April 12, 2023). Three of the holes (DSB-50, DSB-51 and DSB-52) had reportable intersections over 100m long including high grade Ag intersections as follows:

    - 70.52m grading 15.57 g Ag/t including higher grade sections of 32.75 g Ag/t over 10.59m and 31.80 g Ag/t over 12.54m in DSB-49
    - 27.98 g Ag/t over 10.62m in DSB-48
    - 20.76 g Ag/t over 20.00m in DSB-51
    - 60.67 g Ag/t over 7.56m and 25.53 g Ag/t over 9.04m in DSB-52

This target which has the potential to be a second starter pit area is a high priority exploration target.

Qualified Person ("QP")

Engineering work for the PEA is being managed by Mike Hallewell, B.Sc., F.I.M.M.M., F.S,A.I.M.M., F.M.E.S., C.Eng, Eloro's Senior VP Engineering Projects/Metallurgy, and a Qualified Person ("QP") as defined by NI 43-101. Mr. Hallewell has reviewed and approved the technical engineering content of this news release.

Dr. Bill Pearson, P.Geo., Eloro's Executive Vice President Exploration and a QP as defined by NI 43-101 has reviewed and approved the technical geological content of this news release. Dr. Pearson who has more than 50 years of worldwide mining exploration, development and production experience, including extensive work in South America, manages the overall technical program, working closely with Dr. Osvaldo Arce, P.Geo. General Manager of Eloro's Bolivian subsidiary, Minera Tupiza S.R.L., and a QP in the context of NI 43-101, who supervised all field work carried out at Iska Iska.

IP/Res surveys were carried out by MES Geophysics using Eloro's ELREC-Pro 10 channel IP receiver and GDD 3600 watt IP transmitter. Dr. Chris Hale, P.Geo. and Mr. John Gilliatt, P.Geo. of Intelligent Exploration provided the survey design, preparation of the maps and interpretation of data processed, and quality reviewed by Mr. Rob McKeown, P. Geo. of MES Geophysics. Messrs. Hale, Gilliatt and McKeown are Qualified Persons ("QP") as defined under NI 43-101.

About Iska Iska

The Iska Iska silver-tin polymetallic project is a road accessible, royalty-free property, wholly controlled by the Title Holder, Empresa Minera Villegas S.R.L. and is located 48 km north of Tupiza city, in the Sud Chichas Province of the Department of Potosi in southern Bolivia. Eloro has an option to earn a 100% interest in Iska Iska.

Iska Iska is a major silver-tin polymetallic porphyry-epithermal complex associated with a Miocene possibly collapsed/resurgent caldera, emplaced on Ordovician age rocks with major breccia pipes, dacitic domes and hydrothermal breccias. The caldera is 1.6km by 1.8km in dimension with a vertical extent of at least 1km. Mineralization age is similar to Cerro Rico de Potosí and other major deposits such as San Vicente, Chorolque, Tasna and Tatasi, all located along the same overall geological trend.

Eloro began underground diamond drilling from the Huayra Kasa underground workings at Iska Iska on September 13, 2020. On November 18, 2020, Eloro announced the discovery of a significant breccia pipe with extensive silver polymetallic mineralization just east of the Huayra Kasa underground workings and a high-grade gold-bismuth zone in the underground workings. On November 24, 2020, Eloro announced the discovery of the Santa Barbara Breccia Pipe (SBBP) approximately 150m southwest of the Huayra Kasa underground workings.

Subsequently, on January 26, 2021, Eloro announced significant results from the first drilling at the SBBP including the discovery hole from 0.0m to 257.5m. Subsequent drilling has confirmed the presence of significant values of Ag-Sn polymetallic mineralization in the SBBP and the adjacent Central Breccia Pipe (CBP) A substantive mineralized envelope which is open along strike and down-dip extends around both major breccia pipes. Continuous channel sampling along the walls of the of the Santa Barbara Adit located to the east of SBBP returned average grades of 164.96 g Ag/t, 0.46%Sn, 3.46% Pb and 0.14% Cu over 166m including 446 g Ag/t, 9.03% Pb and 1.16% Sn over 56.19m. The west end of the adit intersects the end of the SBBP.

Since the initial discovery hole DHK-15 which returned 29.53g Ag/t, 0.078g Au/t, 1.45%Zn, 0.59%Pb, 0.080%Cu and 0.056%Sn over 257.5m, Eloro has released a number of significant drill results in the SBBP and the surrounding mineralized envelope which, along with geophysical data, has defined an extensive target zone. On October 17, 2023, Eloro filed the NI 43-101 Technical Report outlining the initial inferred MRE for Iska Iska, prepared by Micon International Limited. The MRE was reported in two domains, the Polymetallic (Ag-Zn-Pb) Domain which is primarily in the east and south of the Santa Barbara deposit and the Tin (Sn-Ag-Pb) Domain which is primarily in the west and north.

The Company completed a 5,267.7m definition drill program in the fall of 2023 to upgrade and expand the higher-grade mineral resource in the potential Santa Barbara starter pit.

About Eloro Resources Ltd.

Eloro is an exploration and mine development company with a portfolio of gold and base-metal properties in Bolivia, Peru and Quebec. Eloro has an option to acquire a 100% interest in the highly prospective Iska Iska project, which can be classified as a polymetallic epithermal-porphyry complex, a significant mineral deposit type in the Potosi Department, in southern Bolivia. A recent NI 43-101 Technical Report on Iska Iska, which was completed by Micon International Limited, is available on Eloro's website and under its filings on SEDAR. Iska Iska is a road-accessible, royalty-free property. Eloro also owns an 82% interest in the La Victoria Gold/Silver Project, located in the North-Central Mineral Belt of Peru some 50 km south of the Lagunas Norte Gold Mine and the La Arena Gold Mine.

For further information please contact either Thomas G. Larsen, Chairman and CEO or Jorge Estepa, Vice-President at (416) 868-9168.

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