

Eco Oro Seeks Annulment of ICSID Tribunal Decision on Damages and Announces US\$4.5 Million Financing

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VANCOUVER, July 31, 2025 - [Eco Oro Minerals Corp.](#) (CSE: EOM) ("Eco Oro" or the "Company") announces it has filed an application to annul the damages award issued on July 15, 2024 (the "Award on Damages") awarding no monetary compensation to the Company by the arbitral tribunal (the "Tribunal") constituted under the International Centre for Settlement of Investment Disputes ("ICSID") in its arbitration proceedings against the Republic of Colombia (ICSID Case No. ARB/16/41). In conjunction therewith, the Company also announces a US\$4.5 million financing to support the annulment process and fund ongoing operations.

Annulment Filing

The annulment request is made pursuant to Article 52 of the ICSID Convention, citing material deficiencies in the Tribunal's decision, including:

- **Contradictory Reasoning:** The Tribunal found Colombia breached its treaty obligations causing the total loss of Eco Oro's investment but awarded no damages arising from that breach.
- **Procedural Injustice:** The Tribunal imposed an unreasonable evidentiary burden on Eco Oro, acknowledging that the reason Eco Oro could not meet the evidentiary burden was because of Colombia's failure to delimit the protected páramo zone.
- **Excess of Powers:** The Tribunal failed to exercise its jurisdiction to assess and award damages, and failed to apply its own Liability Decision when assessing damages.

Eco Oro asserts that the Award on Damages is legally unsound and seeks annulment as well as cost recovery. The Company may expand on these grounds in future submissions.

Under the ICSID Convention, the annulment application will be reviewed by a three-member ad hoc committee appointed by the Chairman of the ICSID Administrative Council. The annulment proceeding is anticipated to take approximately 18 to 36 months from the date of registration.

The Executive Chair of the board of directors of the Company (the "Board"), Courtenay Wolfe, stated:

"Eco Oro disagrees with the Tribunal majority's Damages Award issued on July 15, 2024, which is internally contradictory and disregards the evidentiary record. The Company files this annulment application with firm conviction that the ICSID system offers a critical mechanism to correct precisely the type of errors made by the Tribunal here. Eco Oro trusts that an objective ICSID ad hoc Committee will see the fundamental flaws in the Damages Award, which would pave the way for the Company to pursue a new damages award that reflects the compensation rightfully owed to Eco Oro for Colombia's breaches of international law."

Private Placement

To support its arbitration efforts and fund ongoing operations, Eco Oro has entered into an investment and backstop agreement (the "Investment Agreement") with GrayWolfe Capital SEZC ("GrayWolfe") and certain other investors pursuant to which the Company has launched a private placement (the "Private Placement") of US\$4.5 million of contingent value rights certificates ("2025 CVRs"), to be completed in two tranches as follows:

- First Tranche: An initial tranche of US\$4.0 million of 2025 CVRs to be completed on or about August 1, 2025
- Second Tranche: A second tranche of US\$500,000 of 2025 CVRs anticipated to be completed in September 2025

Holders ("Existing CVR Holders") of the Company's previously issued contingent value rights certificates ("Existing CVRs") who are eligible to participate in the Private Placement on a prospectus exempt basis ("Eligible CVR Holders") will be entitled to participate in the Second Tranche on a *pro rata* basis as set out in the Investment Agreement. The Company will deliver a "Notice of Private Placement" and form of subscription agreement to Existing CVR Holders describing the terms and conditions on which Existing CVR Holders will have the opportunity to participate in the Second Tranche.

If and to the extent that the Second Tranche is not fully subscribed, GrayWolfe will backstop the shortfall. The proceeds of the Private Placement will be used to support the annulment process and fund ongoing operations.

Revised Distribution Waterfall

In connection with the financing, the Company's previously issued contingent value rights certificates and promissory notes will be exchanged for a new class of contingent value rights certificates ("Replacement CVRs"). Under the terms of the 2025 CVRs and Replacement CVRs, the Company will be permitted to issue (a) up to US\$1,000,000 of additional 2025 CVRs at any time on or after July 30, 2027 and (b) if the Board determines that additional funds are required to fund resubmission or collection costs up to US\$7,000,000 of new contingent value rights ("Resubmission CVRs") entitling holders to receive, in the aggregate, up to 20% of the Remainder (as defined below). In addition, the Company will be entitled to incur up to US\$6,000,000 of senior debt and US\$4,000,000 of subordinated debt.

Under the terms of the 2025 CVRs and Replacement CVRs, any proceeds received by the Company in connection with the arbitral proceedings ("Claim Proceeds") shall be distributed or retained in the following order of priority:

- first, 100% of any such Claim Proceeds will be utilized by the Company to settle outstanding trade payables, (1) including any outstanding legal fees incurred in connection with the Company's arbitration proceedings, and to repay permitted senior and subordinated debt;
- second, 100% of any such Claim Proceeds, *pro rata* to the holders of 2025 CVR Certificates and any (2) Resubmission CVR Certificates until the principal amount of 2025 CVR Certificates and any Resubmission CVR Certificates has been repaid in full; and
- third, the balance of any such Claim Proceeds will be distributed to (i) the Company's arbitration counsel ("Company Counsel") and (ii) the holders of the 2025 CVRs, the holders of the Replacement CVRs, the holders (3) of the Resubmission CVRs (if any) and participants in the Company's management incentive plan ("MIP Participants") and the Company (collectively, the "Residual Claimants") *pro rata* based on the following entitlements:
 - (a) to Company Counsel, up to 8% of the Claim Proceeds less any amounts previously paid to such Company Counsel pursuant to clause (1) above; and
 - (b) as to the balance of the Claim Proceeds (the "Remainder") *pro rata* to the Residual Claimants (subject to dilution in each case in the event that the Company issues Resubmission CVRs entitling holders to receive up to 20% of the Remainder) based on the following entitlements:
 - (i) to the MIP Participants, 5% of the Remainder;
 - (ii) to the 2025 CVR Holders, 85% of the Remainder;
 - (iii) to the Replacement CVR Holders, 9.7% of the Remainder; and
 - (iv) to the Company, 0.3% of the Remainder.

Board Approval

Courtenay Wolfe, a director of the Company, is a principal of GrayWolfe. As GrayWolfe, certain significant shareholders of the Company and certain directors of the Company will or may be participating in the Private Placement, the transaction would ordinarily be subject to the "minority approval requirements" set forth in Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101").

Prior to approving the Investment Agreement and the Private Placement, the Board, with the advice of its advisors, conducted a thorough process and considered a number of options, including alternative financing transactions proposed by third party investors. The Board, including its independent members, have determined, in light of the Company's circumstances and the process it has followed, that the Company is eligible to rely on the exemption from minority approval requirements provided by Subsection 5.7(e) of MI 61-101.

Company Profile

Eco Oro is a publicly traded company and its arbitration against the Republic of Colombia is its core focus.

Forward-Looking Statements

This news release includes "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including without limitation statements about the expected closing date of the Private Placement and the likelihood that the Company will receive Claim Proceeds and, if so, the amount that will be available for distribution to holders of the Company's securities. All statements, other than statements of historical facts included herein, are forward-looking statements that involve known and unknown risks and uncertainties. Forward-looking statements are necessarily based upon the current belief, opinions and expectations of management that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and other contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in the forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws. Investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

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The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.

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