Highland Copper Identifies Key Optimization Opportunities Through Detailed Engineering at the Copperwood Project

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VANCOUVER, June 03, 2026 - Highland Copper Company Inc. (TSXV: HI; OTCQB: HDRSF) ("Highland Copper" or "Highland" or the "Company") is pleased to provide an update on ongoing engineering and project optimization efforts at its Copperwood project ("Copperwood" or the "Project") located in Michigan, U.S.A. The results of the optimization work, including the previously announced process plant redesign, are expected to be incorporated into an updated feasibility study (the "Updated FS"). This Updated FS will support project development planning and project financing initiatives.

Highlights:

- Evaluating Lower Cut-off Grades to Expand Mineable Resources: Ongoing studies are assessing lower cut-off grades based on a long-term copper price of approximately US$4.80 per pound, with the potential to convert additional Measured and Indicated Mineral Resources into mineable reserves.
- Ore Sorting Technology to Unlock Additional Resource Potential: Bulk ore sorting technologies are being evaluated to potentially incorporate the Upper Copper Bearing Sequence ("UCBS") resource, which hosts 10.2 million tonnes in the Measured and Indicated category grading 1.1% copper into future mine plans, increasing operational flexibility and expanding the project's economic resource base.
- Geotechnical Studies Support Potential Mine Design Enhancements: Updated geotechnical interpretations, combined with conventional room-and-pillar mining methods, may enable optimization of mining heights and pillar dimensions while allowing dilution to be sourced from the mineralized hanging wall rather than the floor.
- Simplified Process Plant Design Expected to Enhance Project Economics: Building on previously announced metallurgical optimization work, the Updated FS is expected to incorporate a simplified process flowsheet designed to reduce secondary milling requirements, lower energy and reagent costs, decrease plant footprint, and most importantly, increase copper recoveries to 87.6%, relative to 86.0% in the 2023 Feasibility Study.
- Updated FS Targeted for Q1 2027: Given the improvement in long-term consensus copper prices since the 2023 Feasibility Study, the Updated FS is expected to incorporate revised Mineral Resources and Reserves, mine and process optimization initiatives, and updated capital and operating costs, reflecting the significant advancement of the Copperwood Project.
- Advancing Towards Project Financing: Front-End Engineering and Design ("FEED") advancing toward 40% completion in 2026, positioning Copperwood for project financing and technical due diligence activities.

Barry O'Shea, CEO of Highland Copper, stated, "As we continue our integrated mine plan review against a backdrop of significantly improved long-term consensus copper prices, we are encouraged by the opportunities to further optimize Copperwood through mine design, processing, and engineering enhancements. These initiatives have the potential to strengthen project economics and will be incorporated into the updated feasibility study. With Copperwood advancing toward a construction decision, the Project is entering an increasingly important stage of development at a time when few new copper projects are positioned to come online in the United States in the near term. As demand for domestically sourced critical minerals continues to grow, we believe Copperwood is strategically positioned to play an important role in the future U.S. copper supply chain."

Integrated Mine Plan Review

Following the successful redesign of the process plant flow sheet, the current focus on engineering is an integrated mine plan review to evaluate potential optimizations to the mine plan, including revisions to cut-off grade assumptions and geotechnical parameters. The integrated mine plan review will also conclude on final design criteria and assumptions.

Evaluation of Reduced Cut-off Grade: At a long-term consensus copper price of approximately $4.80 per pound, Highland is evaluating Copperwood Mineral Resources and Reserves at reduced cut-off grades compared to cut-off grades applied in the Company's 2023 Feasibility Study[1]. Early indications include the potential addition of Measured and Indicated Resources into the mine plan, although the impact of this change on Mineral Reserves has not yet been determined. The potential impact on Mineral Resources is consistent with the sensitivity analyses presented in the 2023 Feasibility Study.

Evaluation of the Upper Copper Bearing Sequence (UCBS): The Company is also evaluating the potential application of bulk ore sorting technologies to selectively reject lower-grade or barren material between the Lower Copper Bearing Sequence ("LCBS") and Upper Copper Bearing Sequence ("UCBS"). The current Mineral Resource Estimate includes 54.2 million tonnes in the Measured and Indicated category at a 1.51% copper grade. Of this, the UCBS represents 10.2 million tonnes in the Measured and Indicated category at a 1.1% copper grade, none of which is included in the reserve mine plan. At a reduced cut-off, and with the benefit of bulk ore sorting, the UCBS may come into consideration from a mine plan perspective. This work remains preliminary in nature, and there is no certainty that such technologies will be implemented or that the UCBS may come into the mine plan.

Evaluation of Geotechnical Assumptions: As part of the integrated mine plan review, Highland is also reconsidering Copperwood's geotechnical assumptions. Geotechnical investigations completed to date, including laboratory and field test work, which indicate that the previously assumed requirement to maintain a 30 cm beam of GLAM material may not be necessary. This interpretation, combined with the adoption of conventional room-and-pillar mining methods, may enable optimization of mining heights and pillar dimensions. It may also allow dilution from the mineralized hanging wall, rather than the floor. These design changes remain subject to ongoing engineering validation.

At the same time, Highland is reassessing productivity, ground support, and labor assumptions. The consolidated set of updated assumptions and final design criteria will be incorporated in the Updated FS.

Mineral Processing and Metallurgical Test Work

A metallurgical test work program completed in September 2025 evaluated alternative processing configurations and reagent schemes. Key highlights included:

- Evaluation of a mill-float-mill-float ("MF2") flowsheet incorporating a de-sliming stage;
- Reduction of mass reporting to secondary milling through rejection of up to approximately 25% of primary rougher tailings;
- Estimated comminution energy reductions of approximately 10% to 13.7%;
- Development of an optimized reagent scheme with the potential to reduce operating costs by up to $1.00 per tonne milled; and
- Projected average life-of-mine metallurgical performance, incorporating ultrafine flotation and the optimized flowsheet, is estimated at approximately 87.6% copper recovery (relative to 86.0% copper recovery in the 2023 FS) at a 25% concentrate grade.

The simplified plant is anticipated to decrease overall footprint, reducing structural, civil, platework, piping and installation capital. A reduced footprint also naturally reduces environmental impact. The revised process flowsheet will be incorporated into the Update FS.

These projections are based on test work and engineering assumptions and have not yet been demonstrated under operating conditions. The Company notes that metallurgical recoveries are subject to variability and may differ from test work results.

Tailings Management

Following the metallurgical program, a tailings dewatering test work campaign was conducted at Responsible Mining Solutions Corp. (RMS) in Sudbury, Ontario. The results indicate that thickened tailings with a target density of approximately 55% solids by mass can be produced under test conditions.

The use of thickened tailings is being evaluated as part of the design of the Tailings Deposition Facility ("TDF") and may reduce the overall TDF footprint, potentially reducing related earthwork cost during initial construction. Tailings thickeners also allow for increased process recovery water, reducing pumping costs from reclaim water pumps and water recirculation between the process plant and TDF. Overall, this potential change can reduce environmental impact and certain operational risks.

Updated Feasibility Study and Project Development

Given the scope of potential design changes and updated economic assumptions, the Company intends to prepare Updated FS results in Q1 2027. Through the remainder of 2026, Highland will conclude on remaining design criteria, and advance FEED to 40% for key work packages. The Updated FS is expected to include:

- Updated Mineral Resources and Reserves estimates;
- Revised mine design and production schedule;
- Optimized process flow sheet incorporating Jameson cells;
- Potential reduction of TDF;
- Updated capital and operating cost estimates; and
- Results of ongoing engineering optimization work.

An updated FS reflective of long-term consensus copper price, with FEED complete and design optimizations incorporated, will position Highland for the technical due diligence related to project financing.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Trace Arlaud, a "Qualified Person" as defined under NI 43-101. Ms. Arlaud is a consultant to Highland Copper and serves as the Company's Project Director.

Approval of the process and tailings statement is based on previously QP Press Release by Dr. Wynand van Dyk dated September 4th, 2025.

About Highland Copper Company

Highland Copper Company Inc. is focused on developing the Copperwood Project in the Upper Peninsula of Michigan, U.S.A. The Company also owns surface rights securing access to the Copperwood deposit and providing space for infrastructure at Copperwood as required. The Company has 738,188,122 common shares issued and outstanding. Its common shares are listed on the TSX Venture Exchange under the symbol "HI" and trade on the OTCQB Venture Market under symbol "HDRSF".

More information about the Company is available on the Company's website at www.highlandcopper.com and on SEDAR+ at www.sedarplus.com.

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking statements" and "forward-looking information" (collectively "forward-looking statements") within the meaning of applicable Canadian securities legislation. Forward-looking statements in this news release include, but are not limited to, statements regarding: Integrated Mine Plan Review, including the information regarding the evaluation of reduced cutoff grade, evaluation of the UCBS and evaluation of geotechnical assumptions, the potential implications of recently completed mineral processing and metallurgical test work, potential for thickening tailings and the potential

implications of thickened tailings including reduced TDF footprint and reduced environmental impact; the timeline for, and potential results of, an Updated FS; the anticipated completion of FEED engineering and advancement to approximately 40% engineering; the results of the integrated mine plan review, including updates to cut-off grade, mining method, equipment strategy, and ground support design; and the assessment and potential implementation of drift and fill mining method and potential increased mine recoveries.

These forward-looking statements are based on certain key assumptions, that FEED engineering can be completed as planned and within budget; that the results of the integrated mine plan review, metallurgical and mining test work and tailings management improvements will result in improvements to the project economics; a positive Updated FS will be sufficient to advance the Project to support due diligence for Project Finance; that copper prices will remain at levels that support project economics; that cost inflation will not materially exceed current estimates; and that there will be no material adverse changes in metal markets, regulatory requirements, or general economic conditions.

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 be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, the Company may be unable to obtain project financing on acceptable terms or at all, which would prevent the Company from proceeding to construction; the FEED engineering may reveal technical challenges, cost overruns, or design issues that delay the project or increase capital requirements; the integrated mine plan review may not result in improvements to project economics and may reveal the need for more conservative mining parameters; any technical optimizations may require permit amendments, which are subject to regulatory approval and may be delayed, denied, or granted with unfavorable conditions; permit amendment processes may take longer than anticipated, delaying the construction decision or construction start; environmental mitigation projects may not perform as designed, requiring additional remediation work and expense; the availability of skilled labor and adequate housing may be insufficient to support construction and operations, particularly in the Upper Peninsula of Michigan; the Company may be unable to retain qualified technical advisors, offtake advisors, or debt finance advisors on acceptable terms; the debt financing process may not result in financing on acceptable terms or at all; offtake partners may not be available or may only be available on unfavorable commercial terms; Trace Arlaud may become unavailable as a consultant or may be unable to complete the integrated mine plan review, and the Company may be unable to recruit a qualified replacement Project Director in a timely manner, either of which could impact the Company's operating plans; capital costs and operating costs may increase materially due to inflation, supply chain disruptions, labor shortages, or other factors; copper prices may decline, adversely affecting project economics and the ability to obtain financing; metal markets may experience volatility or prolonged downturns; regulatory requirements may change or become more stringent, requiring additional permitting, studies, or capital expenditures; general economic conditions may deteriorate, affecting the availability of financing and the cost of capital; geotechnical conditions may prove more challenging than anticipated, requiring changes to mining method, ground support, or pillar design; the Company may encounter unforeseen technical, environmental, or social challenges in advancing the project; and the other risks and uncertainties set out in the Company's public disclosure documents, including its Annual Information Form, filed on SEDAR+. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements in this news release are reasonable, undue reliance should not be placed on such statements. All forward-looking statements in this press release are based on information available to the Company as of the date hereof, and the Company undertakes no obligation to update forward-looking statements except as required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information or media requests, please contact:

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[1] See "Feasibility Study Update Copperwood Project Michigan, USA" with an Effective Date of March 6, 2023, prepared for the Company by G Mining Services Inc. available under the Company's profile at www.sedarplus.com