

EUROBATTERY MINERALS AB UPDATES ON EXPLORATION ACTIVITIES IN NORTHERN SPAIN

An extensive exploration program commenced at the Company's Castriz prospect at the beginning of summer. This involved geological mapping and the collection of geophysical data and soil samples over an area of ~4km² that contains mafic and ultramafic rocks prospective for nickel (Ni), cobalt (Co) and copper (Cu) mineralisation. The Castriz prospect was identified during historical exploration activities in the 1980's and was recognised to have a high potential for hosting an ore deposit. Historical trenching and geochemistry highlighted the potential at Castriz with several areas containing ore grade Ni-Co-Cu mineralisation (*Fig. 2*). No modern exploration methods have been undertaken anywhere at Corcel leaving the possibility open for the discovery of multiple ore bodies.

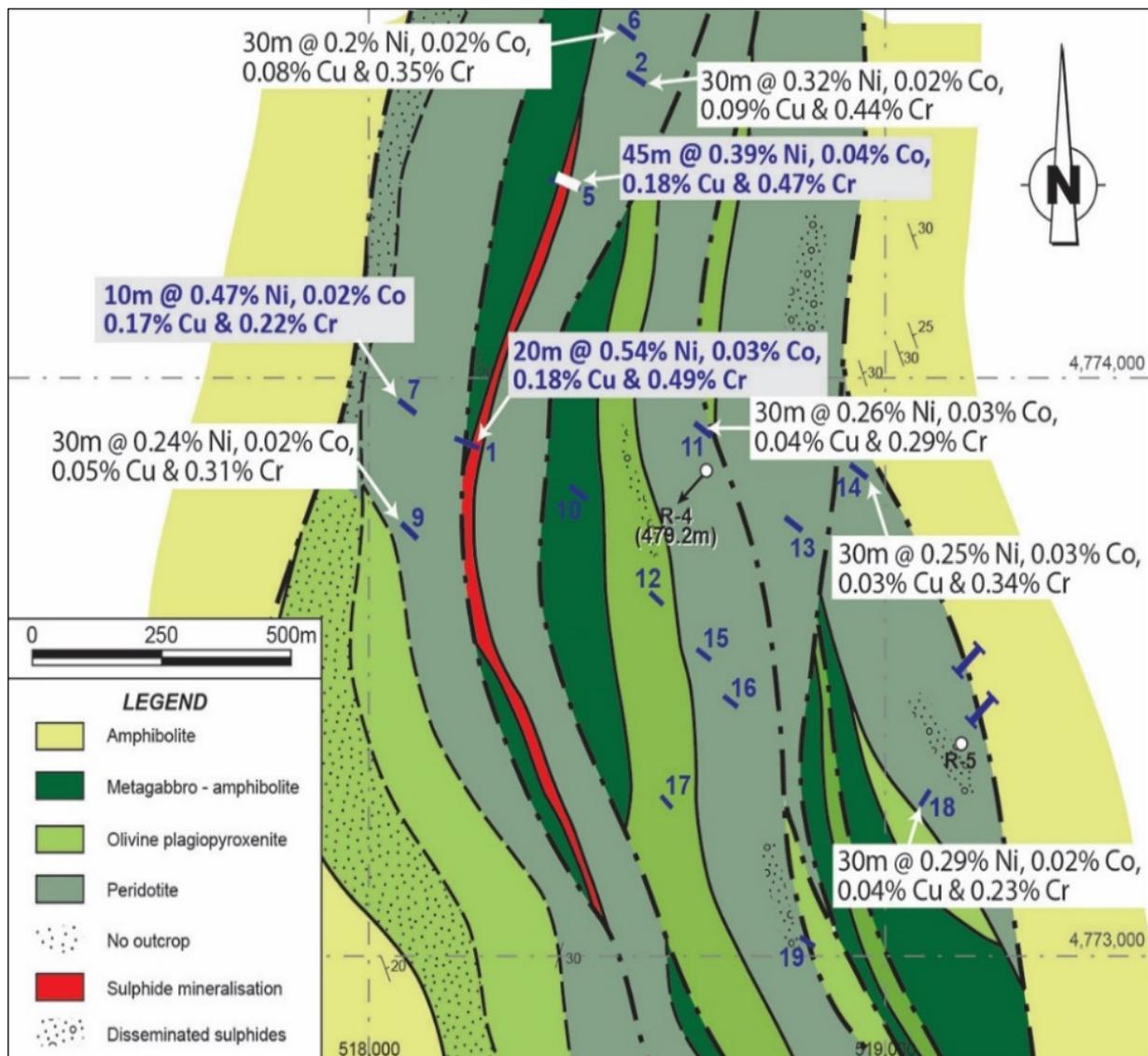


Figure 2. Solid geology map (plan view) of the Castriz prospect highlighting historical trenching results.

Geochemistry

The geochemical sampling program involved using hand auger to collect ~1kg samples from the “B horizon” (Fig. 3). In total 2,004 soil samples were collected, 1,532 of which were sent for multi-element geochemical analysis. Samples were taken along 23 ENE-trending profiles at 100m line spacing with a sample taken every 20m. Multi-element geochemical analysis was completed by ALS Global¹ Laboratories via Seville. A total of 48 elements were analysed for using the ME-MS61 ALS method (four acid digest followed by introduction to an ICP-MS). Blank samples and duplicate samples were also analysed as part of the Company’s QA/QC procedures.

The results of the soil geochemistry both confirmed and better defined the historic soil sampling at Castriz. Multiple areas display elevated concentrations of Ni and Cu, and to a lesser degree Co. Ore grade nickel-in-soil anomalies up to 0.66% Ni have been recorded and more than 52 samples returned assays >0.2% Ni and 146 samples returned assays >0.15% Ni. A typical economic cut-off grade for shallow mineralisation that is amenable to open cut mining is 0.15% Ni. Anomalous levels of copper (up to 0.2% Cu) and cobalt (up to 0.08% Co) have also been detected, with the copper and nickel anomalies being coincident (Figs. 4, 5 & 6). The Company’s results are also significantly better than the historical soil sampling at Castriz which returned a maximum value of 0.32% Ni.



Figure 3. Geochemical sampling at the Castriz prospect.

Four main highly prospective areas have been defined and warrant drill testing (Fig. 4). The highest priority anomalies occur in the north and west of the survey area. The northern anomaly, adjacent to historic trenches C2, C6 and C5 (Figs. 4 & 5), measures over 450m in strike and ~150m in width, and contains strong nickel results including 0.45% Ni, 0.33% Ni and 0.36% Ni. The nickel anomalies are also coincident with copper anomalies of up to 0.17% Cu (Fig. 5). The Company is highly encouraged by the northern anomaly as it is immediately adjacent to the contact of the mafic-ultramafic rocks with the surrounding metamorphic host rocks which could be a sulphur source required for sulphide crystallisation.

The western anomaly is adjacent to trenches C1, C7 and C9 which were the best of the historic trenches (Fig. 2). Soil anomalies up to 0.33% Ni have been recorded in this area within a broader zone of anomalous geochemistry measuring ~500m x 250m (Fig. 4). The nickel anomalies are also coincident with the highest

¹ ALS Global is the leading full-service provider of analytical geochemistry services to the global mining industry.

copper anomalies received over the survey area. Copper assays up to 0.2% Cu were recorded adjacent to trench C7 (Fig. 5). The anomalous western zone is also adjacent to the contact with the surrounding metamorphic host rocks so also has good potential for containing sulphide accumulations for the same reason as the northern anomaly.

The remaining two anomalous areas, central and southern, are the largest of the anomalies (Fig. 6). The most prospective of these is the central anomaly adjacent to trenches C11, C12 and C13 which measures approximately 450m x 450m (Fig. 4). Multiple ore grade nickel anomalies have been recorded in the central anomaly, including 0.66% Ni, 0.5% Ni, 0.44% Ni and 0.34% Ni. Again, the nickel anomalies are coincident with copper anomalies. The large size of the central anomaly, in conjunction with the anomalous metal concentrations, suggests that Castriz has the potential to contain a bulk tonnage type mineral deposits.

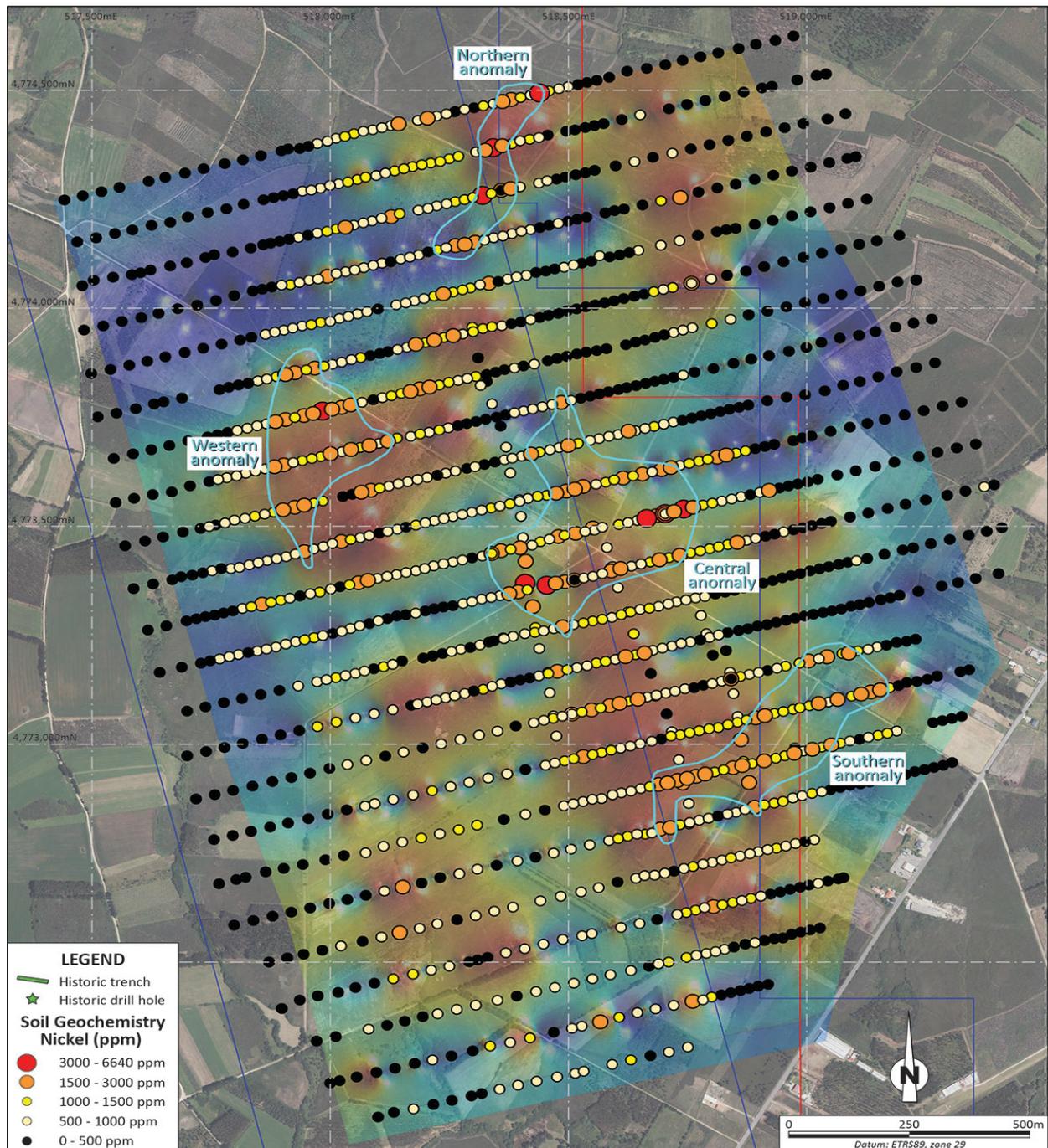
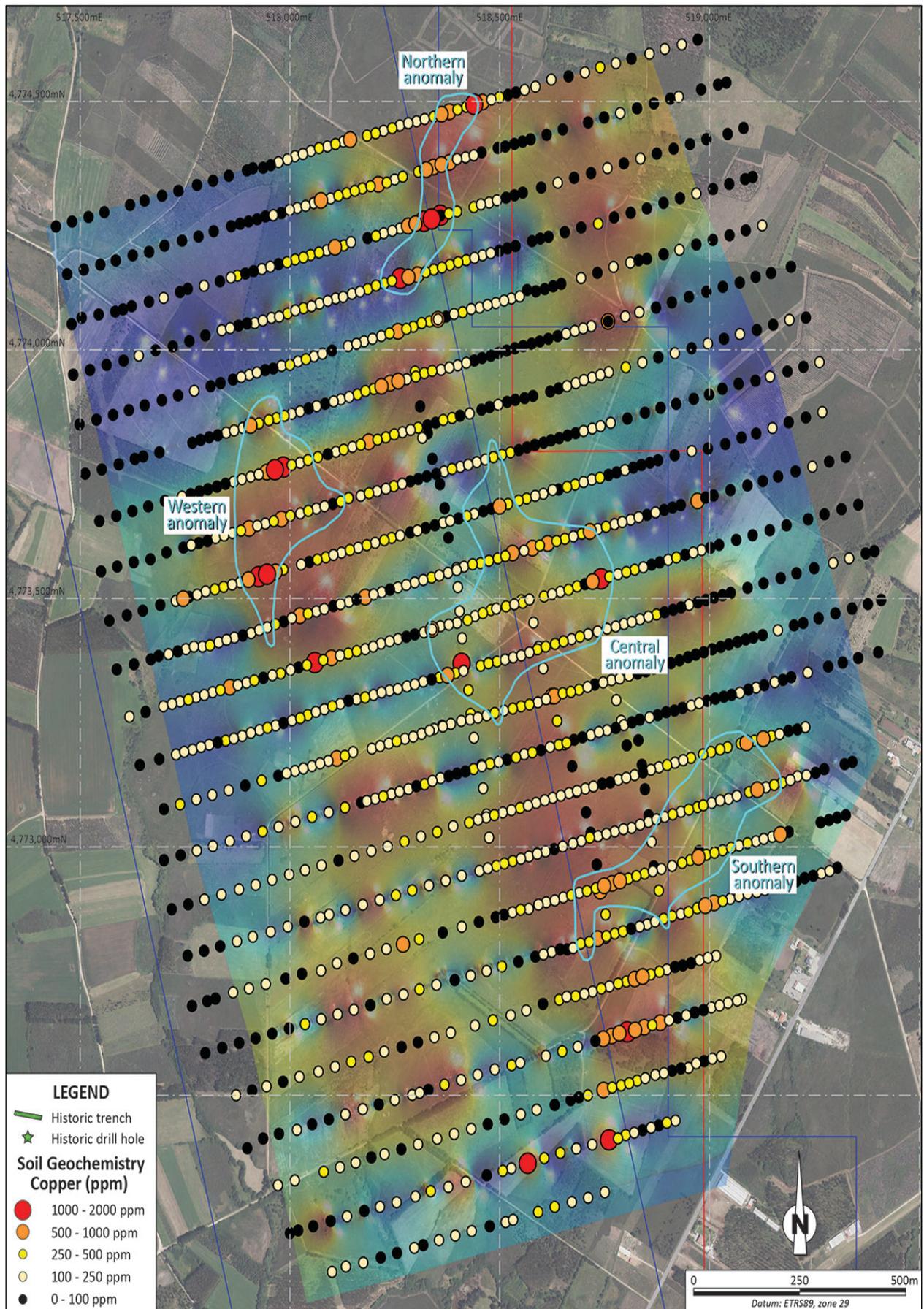


Figure 4. Plan view of nickel soil assay results. Background coloured image is Total Magnetic Intensity (TMI). Main anomalies highlighted by blue polygons.



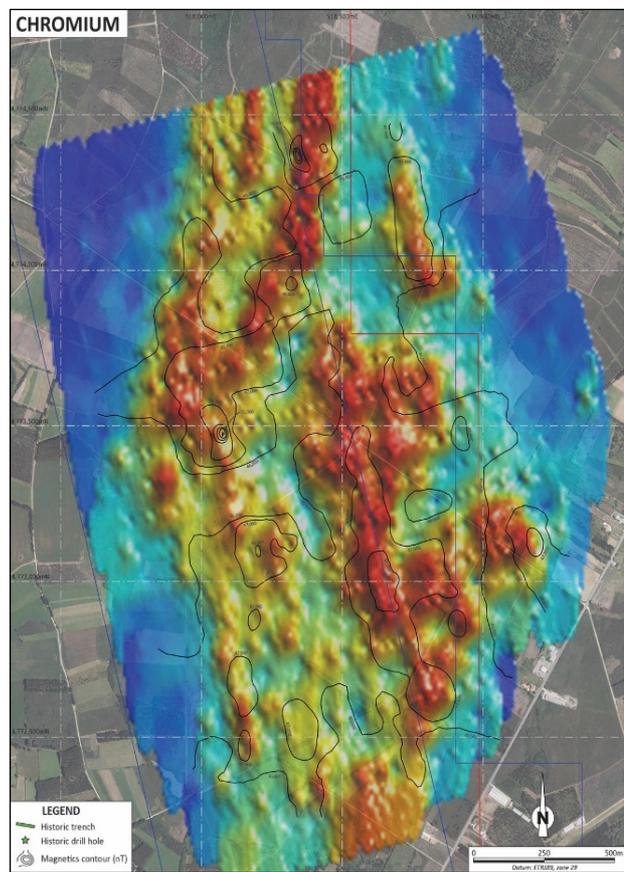
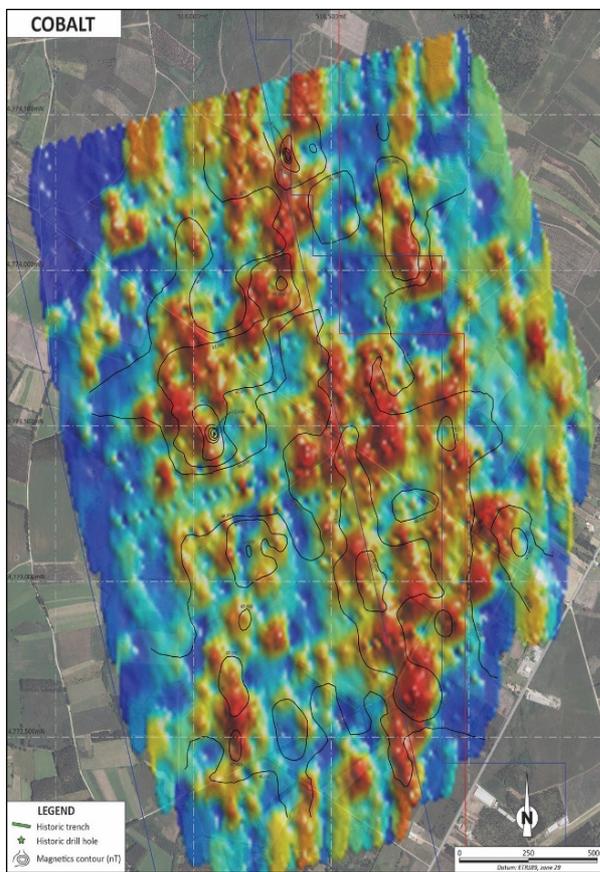
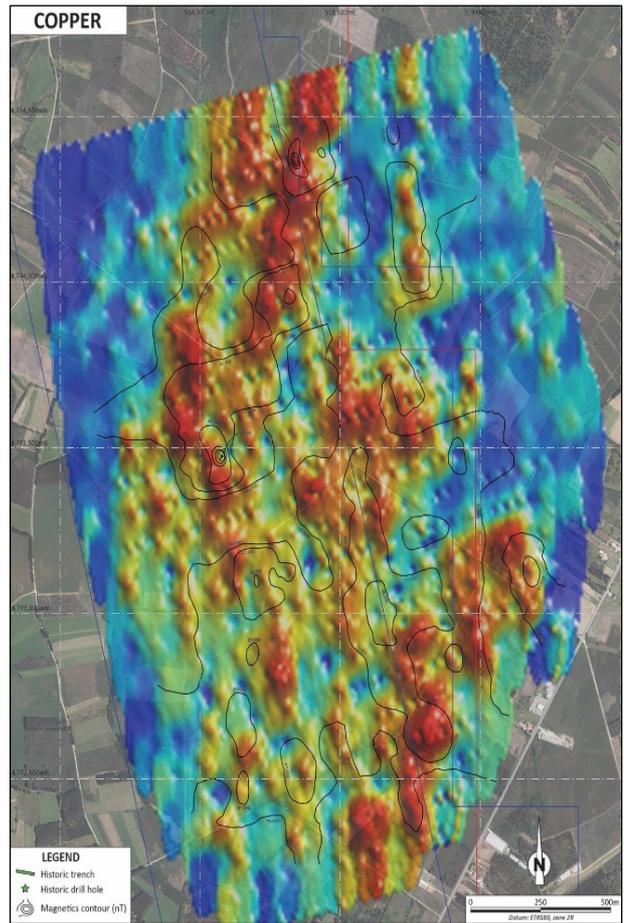
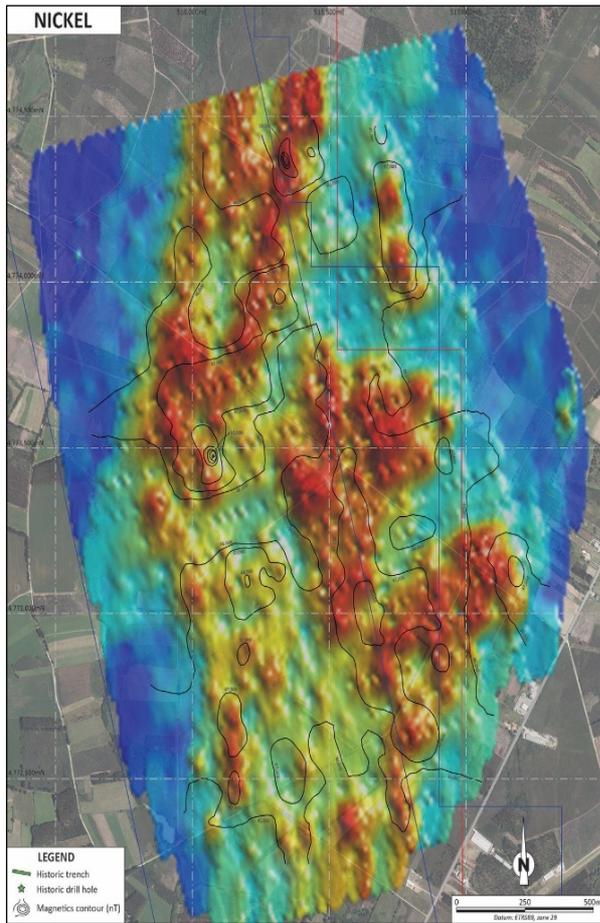


Figure 6. Plan view of soil geochemical results for Ni, Cu, Co and Cr represented as raster images (IDW interpolation). Total magnetic intensity contours also shown.

Geophysics

Approximately 15 line-kilometres of magnetic and ground penetrating radar (GPR) data was acquired at Castriz. The magnetic survey was undertaken to identify zones of iron alteration, which has been observed to be associated with the mineralisation, and better understand the structure of the underlying geology. GPR was also acquired to assist with structural and geological interpretations.

Eleven individual ENE-trending geophysical profiles were completed at 200m line spacing. These were oriented near perpendicular to the strike of lithological units. In total, 6,904 magnetic stations were recorded at ~2m spacing (*Fig. 7*). Maximum Total Magnetic Intensity (TMI) readings range between ~43,000nT to 51,000nT (*Fig. 8*). It is interpreted that the magnetic anomalies are caused by iron alteration of the underlying rock units, potentially related to hydrothermal fluid activity concentrated in fault structures.

The GPR system used a 6m length dipole-dipole array with transmitting power of 10MW and frequency of 50MHz. Following data processing and filtering, radargrams were produced for each profile. Geological interpretation was then completed for each profile to interpret the dominant structural features (fault zones) (*Fig. 9*). Features were then interpreted between each profile.

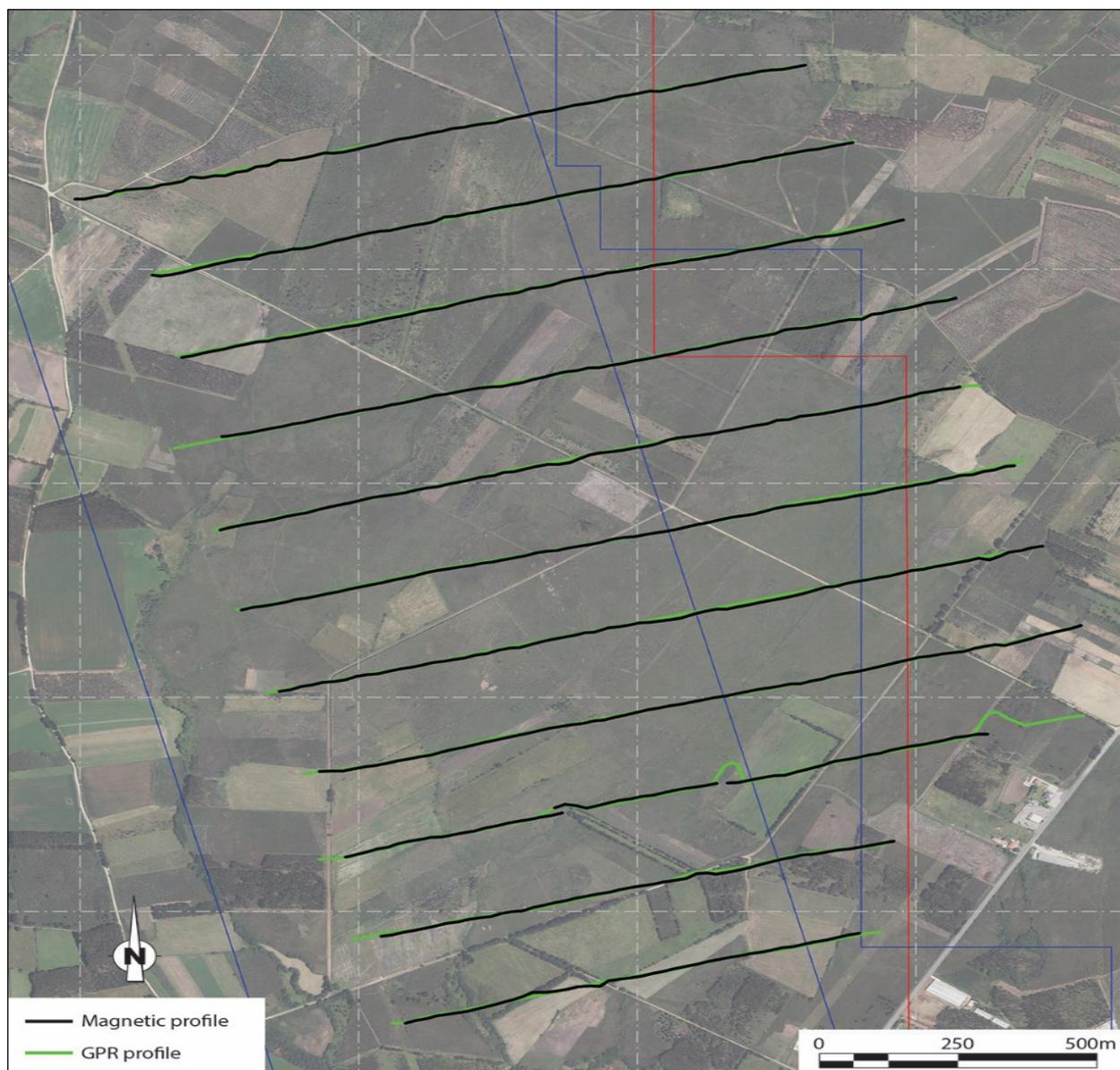


Figure 7. Plan view of geophysical profiles.

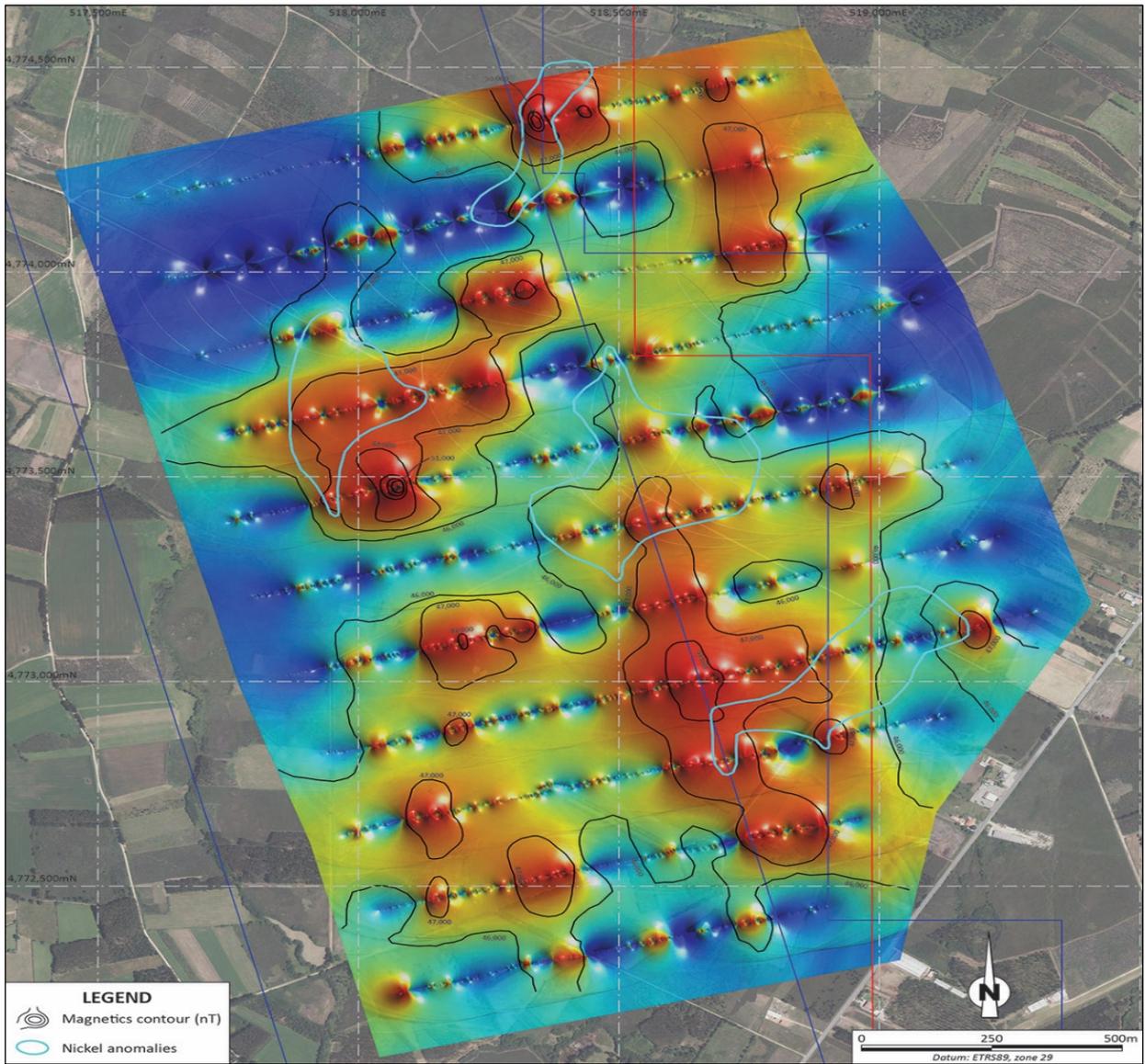


Figure 8. Plan view of raster grid image (IDW interpolation) of magnetics data. Geochemical anomalies highlighted.

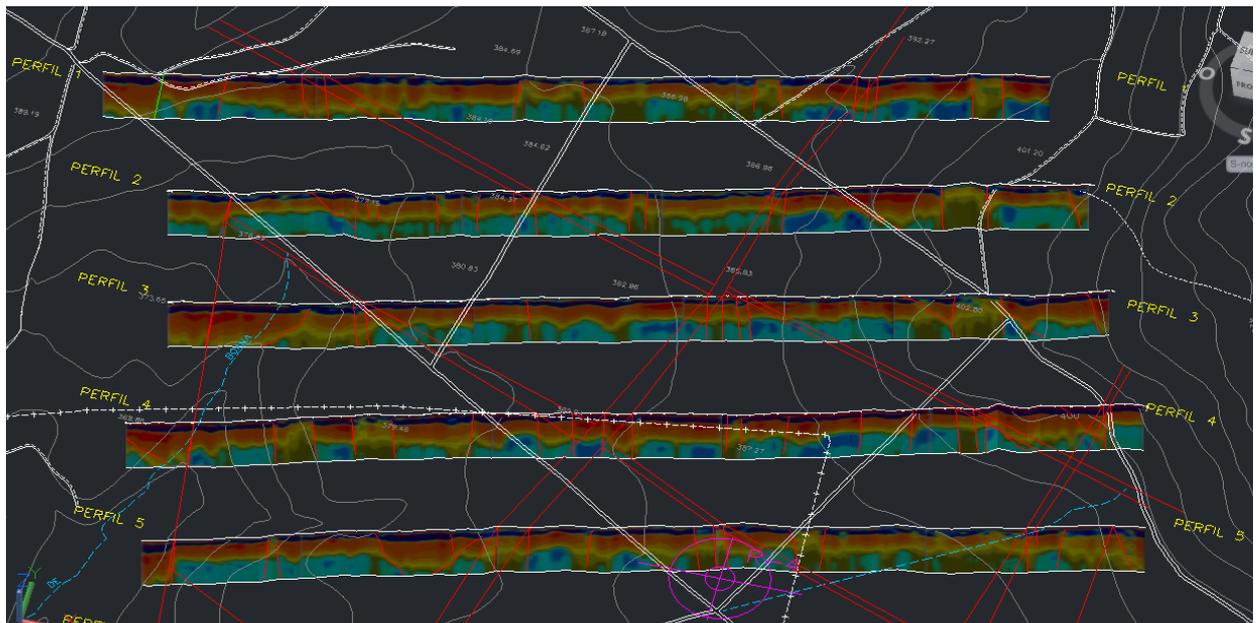


Figure 9. GPR radargrams with geological interpretations (red lines).

Conclusions

The summer exploration work activities have been a success in delineating several high-quality targets at the Castriz prospect. Coincident Ni-Cu geochemical and magnetic anomalies are interpreted to be the result of hydrothermal fluid alteration of the mafic and ultramafic rock units. The interpreted presence of fault structures may have also been a controlling factor in focusing the hydrothermal fluids. The Company's exploration model is that sulphide minerals contained in the mafic and ultramafic rock units have been remobilised and precipitated with the iron oxide mineral magnetite, forming the coincident geochemical and magnetic anomalies. Ore grade Ni-in-soil anomalies are uncommon and the Company believes there is good potential for higher metal grades at depth. On this basis, additional exploration activities at Castriz are warranted.

Next Steps

The Company is currently well advanced in its preparations for its maiden drilling program at the Corcel Project. Negotiations with land holders and drilling contractors have commenced and BAT is scheduling drilling to commence in September. The northern anomaly (*Fig. 4*) will initially be drill tested to ascertain the geological reasons for the geochemical and magnetic anomalies. In addition to drilling, mineralogical studies will also be undertaken to understand the precise mineralogical sources of the metal anomalies. The Company looks forward to providing shareholders with updates over the coming weeks as it further advances the exciting Castriz prospect.

For further information, please contact:

Roberto Garcia Martinez, CEO

E-mail: roberto@eurobatteryminerals.com

Website: <https://eurobatteryminerals.com/en/>

Eurobattery Minerals is a mining and prospecting company focused on battery minerals such as nickel, cobalt, copper and rare earth elements. Business activities and operations are conducted exclusively in Europe with a focus on Spain and northern Sweden. The company has one mining license and eight exploration licenses. The headquarters is located in Stockholm. Augment Partners AB, e-mail: info@augment.se, phone: +46 8 505 651 72, is the company's Mentor