NOVALES PROJECT UPDATE: EMILIA MINERALISED ZONE EXCEEDS 100M WIDTH; SURFACE DRILLING READY TO COMMENCE

Underground drilling at Emilia reveals a significantly wider mineral system, as the Company unifies the district and accelerates Project Restart preparations

Highlights

- **Emilia Scale Significantly Increased:** Underground drilling at the historical Emilia sector have confirmed the high-grade zinc mineral system is tightly structurally controlled and extends over 100m in width, implying the area is at this point substantially under-drilled.
- **Assays Pending:** Drill core from the first nine underground holes at Emilia has been shipped to ALS Seville for laboratory analysis.
- **High-Grade Udías Intercepts:** Recent underground drilling at Udías has returned strongly mineralised drill core intervals. Assays are anticipated to be received and released shortly.
- **System Unification:** Due to the sprawling nature of the interconnected underground development and mineralised system, the upcoming JORC Mineral Resource Estimate (MRE) upgrade will look to formally unify the historical central workings of San Jose, Udías, Emilia, and Margarita into one single "Novales Project".
- **Surface Drilling Fully Permitted:** Landowner access agreements have been secured for a comprehensive surface drilling campaign comprising an initial 20 holes across 15 confirmed pads. The first part of the surface drilling campaign will target the highly prospective corridor between the central Novales workings and Emilia, commencing upon the mobilisation of rigs from Altoro's separate, wholly owned Guajaraz Project near central Spain, at which the maiden drilling campaign is nearing completion.
- **Novales Project Restart Advancing:** The original Mine Restart Study (refer ASX announcement 25 March 2026) only incorporated the central historical workings; the inclusion of Udias, Emilia and Margarita projects into the single Novales Project will provide significant project upside. Furthermore, following a highly productive site visit by Non-Executive Director Myles Campion, the Company has identified strategic and economic efficiencies which could streamline the previous restart study.
- **Accelerated Permitting:** The first part of accelerating this process and capitalising on the LME zinc price recently breaking the US$4,000/t barrier, an additional senior mining engineer has been appointed to assist local Technical Director in finalising the Mine & Plant Project and Restoration Plan. The company is targeting end-of-year submission to the Cantabrian mining authorities.

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Novales Project Drilling Programme

Altoro Metals Limited (ASX: ARO) ("Altoro" or the "Company") is pleased to provide a comprehensive operational update on its flagship Novales Zinc Project in Cantabria, northern Spain. Work programmes are advancing rapidly across multiple fronts, driving towards the Company's strategic objective of upgrading the project's JORC MRE by Q1 2027.

Emilia and Udías Underground Drilling

Ongoing underground drilling and geological logging at Emilia's Level 2 have fundamentally shifted the Company's understanding of the local geological architecture. Observations confirm that the mineral system is not only exceptionally high-grade and structurally controlled but also extends over 100 metres in width. The sheer scale and multi-directional nature of the mineralisation indicate that the Emilia system remains significantly under-drilled. Drill core from the first nine underground holes at Emilia has been shipped to ALS Seville, with assay results expected shortly.

Concurrently, the Company has completed a phase of underground drilling at Udías. Initial review of drill core in the field, from a targeted zone, indicates high-grade zinc mineralisation over multiple-meter length, with the results to be reported shortly alongside the Emilia mine assay results.

System Unification and Surface Drilling

As the Company targets a significant resource upgrade, the extent of the mineralised trend has necessitated a shift in the project's structural framework. The original Mine Restart Study (refer ASX announcement 25 March 2026) was based solely on the central historical workings of San Jose. However, following the identification of expanding mineralised footprints, the Company has now formally added the Udias, Emilia and Margarita sectors to the broader development plan. Given the continuous nature of this vast >12km system, these assets are being unified under a single, integrated "Novales Project" umbrella.

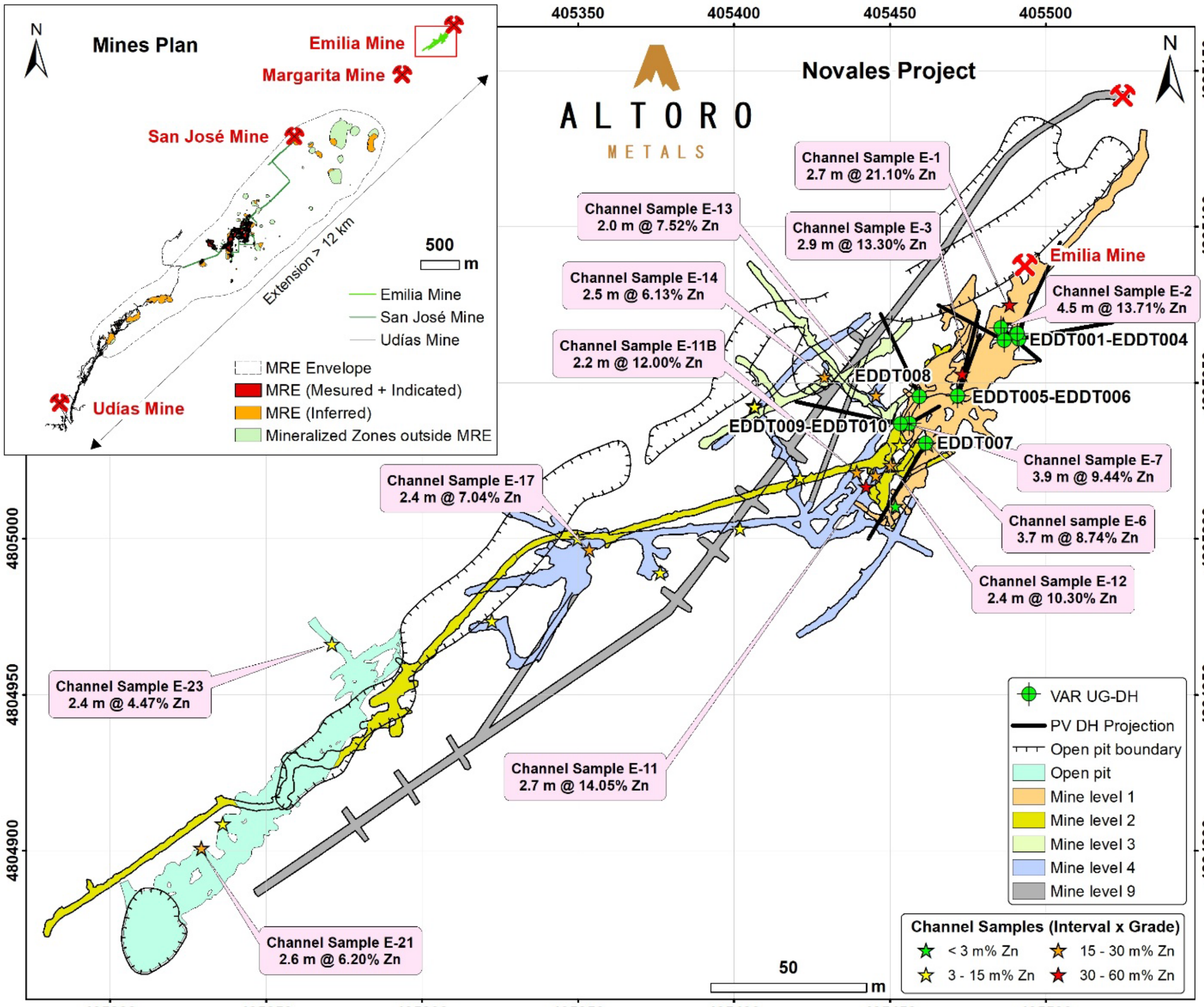

Figure 1: Channel samples at Emilia (main) and the unified **Novales Project** (top left) within the >12km San José–Udías zinc trend. (refer ASX announcement 11 August 2026)

To facilitate this unification process, Altoro has engaged resource modellers Asturmine. Following its on-site observations, Asturmine will design an optimised drill-spacing model. This model will guide ongoing and future campaigns, ensuring drilling is executed efficiently to convert the newly identified widths into Measured and Indicated resource categories.

Additionally, Altoro has finalised preparations for a major surface drilling campaign. The Company has successfully secured local landowner access agreements and confirmed the locations for 15 drill pads, from which 20 targeted surface holes will be drilled. This campaign will commence immediately following the conclusion of the Company's maiden drilling programme at the Guajaraz Project, as drill rigs and personnel mobilise to Cantabria.

Project Restart Study and Permitting

Momentum continues to build for the reopening of the unified Novales Mine. Newly appointed Director Myles Campion recently completed a site visit to Novales, reviewing the operational and engineering parameters of the project. This review has identified significant opportunities to optimise the restart strategy.

To accelerate the permitting process and capitalise on the current global zinc market – with the London Metal Exchange (LME) zinc price having recently broken the US$4,000 per tonne barrier – Altoro has appointed an additional external senior mining engineer to support the Company's local Technical Director. This expanded technical team is focused exclusively on finalising the comprehensive Mine & Plant Project and Restoration Plan documents, keeping the Company on track for a formal submission to the Cantabrian Department of Mines by the end of the year.

This announcement has been authorised for release by the Board of Altoro Metals Limited.

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About the Novales Project

The Novales Project is located in the Basque-Cantabrian Basin in northern Spain, approximately 30km southwest of the regional capital, Santander. The project is centred around the former producing historical underground workings and features a significant 12km mineralised trend, alongside a sub-parallel 3km trend, delineated from contemporary and historical data.

The region is a world-class brownfield zinc district renowned for hosting multiple Mississippi Valley Type (MVT) deposits. The Novales Project is located just 9km from the world-class Reocín Mine—the largest known strata-bound carbonate-hosted Zn-Pb deposit in Spain—and is within trucking distance (~180km) of the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (100% owned by Glencore).

Competent Person Statement

The information in this announcement that relates to technical information and previous exploration results for the Novales Project is based on, and fairly represents, information and supporting documentation compiled and reviewed by Dr Mike Mlynarczyk, Principal of Redstone Exploration Services, a geological consultancy acting as an external consultant to Altoro Metals. Dr Mlynarczyk is a Professional Geologist (PGeo) of the Institute of Geologists of Ireland and European Geologist (EurGeol) of the European Federation of Geologists, as well as Fellow of the Society of Economic Geologists (SEG). Dr Mlynarczyk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Mlynarczyk consents to the inclusion in the announcement of the matters based upon his information in the form and context in which it appears.

The information in this document that relates to previous exploration results was prepared pre-2012 JORC code. It is the opinion of the Company that the exploration data is reliable. Although some of the data is incomplete, nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historic exploration.

Forward-Looking Statements

This announcement may contain forward-looking statements, including statements regarding planned exploration activities, drilling, timing of drilling and receipt of assay results, future exploration programmes and the Company's exploration strategy. Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company. Actual results may differ materially from those expressed or implied by such statements. Past performance is not necessarily a guide to future performance. The Company makes no representation or warranty as to the likelihood of achievement or reasonableness of any forward-looking statements. The occurrence of events in the future is subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ materially from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements, except as required by applicable law or the ASX Listing Rules.