



Update on Extraordinary General Meeting – Extension of Zijin Put Option and Exclusivity Arrangements

7 April 2025

Xanadu Mines Ltd (ASX: XAM, TSX: XAM) (Xanadu or the Company) refers to its announcement dated 12 March 2025 in relation to an Extraordinary General Meeting (EGM) to be held on Friday, 11 April 2025.

The EGM included a resolution to approve the exercise of a put option previously granted by the Company's major shareholder and joint venture partner, Zijin Mining Group Co. Ltd (Zijin), to allow the Company to dispose of a 25% interest in Khuiten Metals Pte Ltd (25% Put Option). This resolution shall be withdrawn until further notice, and will not be considered at the EGM, as the Company has now entered into a Deed of Variation pursuant to which the parties have agreed to extend the term of the 25% Put Option by at least 30 days following the expiry of the exclusivity agreement entered into between the parties (see below for further detail).

The extension of the term of the 25% Put Option has been entered into in order to allow the parties to continue discussions in respect of a range of potential corporate transactions. The Company has granted Zijin a period of exclusivity ('no shop', 'no talk' and 'no due diligence' restrictions and a notification right, each subject to customary exceptions) pursuant to an exclusivity agreement in this regard.

The Board has formed a committee of independent directors (Independent Board Committee) led by the Company's Executive Chairman and Managing Director, Colin Moorhead in relation these matters.

The Independent Board Committee considers this to be a prudent step for it to take given it provides the committee with additional time to explore these other potential transactions with Zijin, while at the same time not losing the ability to exercise the 25% Put Option (subject to shareholder approval).

Xanadu will keep the market informed of any material developments relating to this matter in accordance with continuous disclosure requirements. Until then, there is no need for Xanadu shareholders to take any action. Shareholders are cautioned that there is no guarantee than any transaction will eventuate with Zijin or any party.

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project together with our 50-50 JV partner Zijin Mining Group.

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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This Announcement was authorised for release by Xanadu's Independent Board Committee.

Forward-Looking Statements

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (**ASX**) and Toronto Stock Exchange (**TSX**). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All 'forward-looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not a guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein.

For further information please visit the Xanadu Mines' Website at www.xanadumines.com.