

MULTIPLE PRIORITY TARGETS IDENTIFIED AT PHOENIX COPPER PROJECT

HIGHLIGHTS

- Phoenix Copper Project (Project) is located along strike from the currently producing 740Mlb Lisbon Valley Copper Mine (LVCC) within the world-class Lisbon Valley Mining District, Utah, Colorado, USA¹.
- **Six (6) High Priority Targets** with known and potential copper mineralisation identified by geological and structural interpretation of the CC Claim Block.
- The Project lies in a prolific copper producing region within the State of Utah that produced 700 Mlbs of copper in 2023, ranking it as the 2nd largest copper producing state in the USA².
- Copper prices continue to surge with LME price ~US\$9,600/t³

NEXT STEPS

- Exploration is ongoing with mapping and soil and rock sampling programs to deliver **drill targets expected to be tested in 2025**.

Diablo's Chairman Paul Lloyd commented:

*“Structural and geological interpretation has identified **6 high priority Targets** including the known Philadelphia prospect where previous sampling traced copper mineralisation averaging 6.29% Cu over with 750m of strike.*

The Company will utilise these extremely encouraging results to drive its exploration, focus the mapping and sampling programs on the Targets in order of priority to identify drill targets with the aim to test the most promising in 2025.”

Diablo Resources Ltd (ASX:DBO) is pleased to present the results of its geological and structural targeting on its 100% of the Phoenix Copper Project, located in southwestern USA, proximal to the Utah/Colorado border. The Project contains sediment hosted copper mineralisation and lies along strike from an operating copper mining in a similar geological setting.



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OVERVIEW

The Phoenix Copper Project is located in southwestern USA, approximately 70km southwest of Moab proximal to the Utah/Colorado border. Access is year-round utilising sealed and maintained gravel roads.



Figure 1 – Phoenix Copper Project – Location Plan

The Project consists of two separate areas, the CC and Stateline Claim Blocks, located to the northwest and southeast respectively along strike from the Lisbon Valley Copper Mine (operated by Lisbon Valley Copper Corporation – LVCC). The Project consists of 292 unpatented lode claims covering 5,840 acres (23.6 km²).

Little recent copper exploration has been completed within the Project targeting known copper mineralisation in a highly mineralised district. The staked claim blocks were identified by the DBO team to host copper mineralisation on strike extensions and within the similar geological settings as being mined at the Lisbon Valley Copper Mine.

CC CLAIM BLOCK

The **CC Claim Block** is located ~5 km northwest of the LVCC operations and ~3km south of the historical Big Indian Copper Mine that produced 150,000t of copper ore averaging 1.5% primarily during WWII⁴. It consists of 143 unpatented lode claims for 2,860 acres (11.6 km²) staked on Bureau of Land Management (BLM) administered Federal lands (Figures 1 & 2).

Geological / Structural Interpretation and Targeting

The CC Claim Block covers a portion of the Lisbon Valley localised on a northwest-trending, double plunging anticline (arch-shaped fold). The western and central portion of the claim



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block are underlain predominantly by sandstones/siltstones and carbonate of the Hermosa Group. The claim block is cut by two major NW-SE trending faults; the Lisbon Valley Fault (LVF) in the west and the east dipping, Eastern Bounding Fault (EBF). The northeastern portion of the claim block is underlain by Dakota Sandstones and Burro Canyon Formation displaced downwards along the EBF.

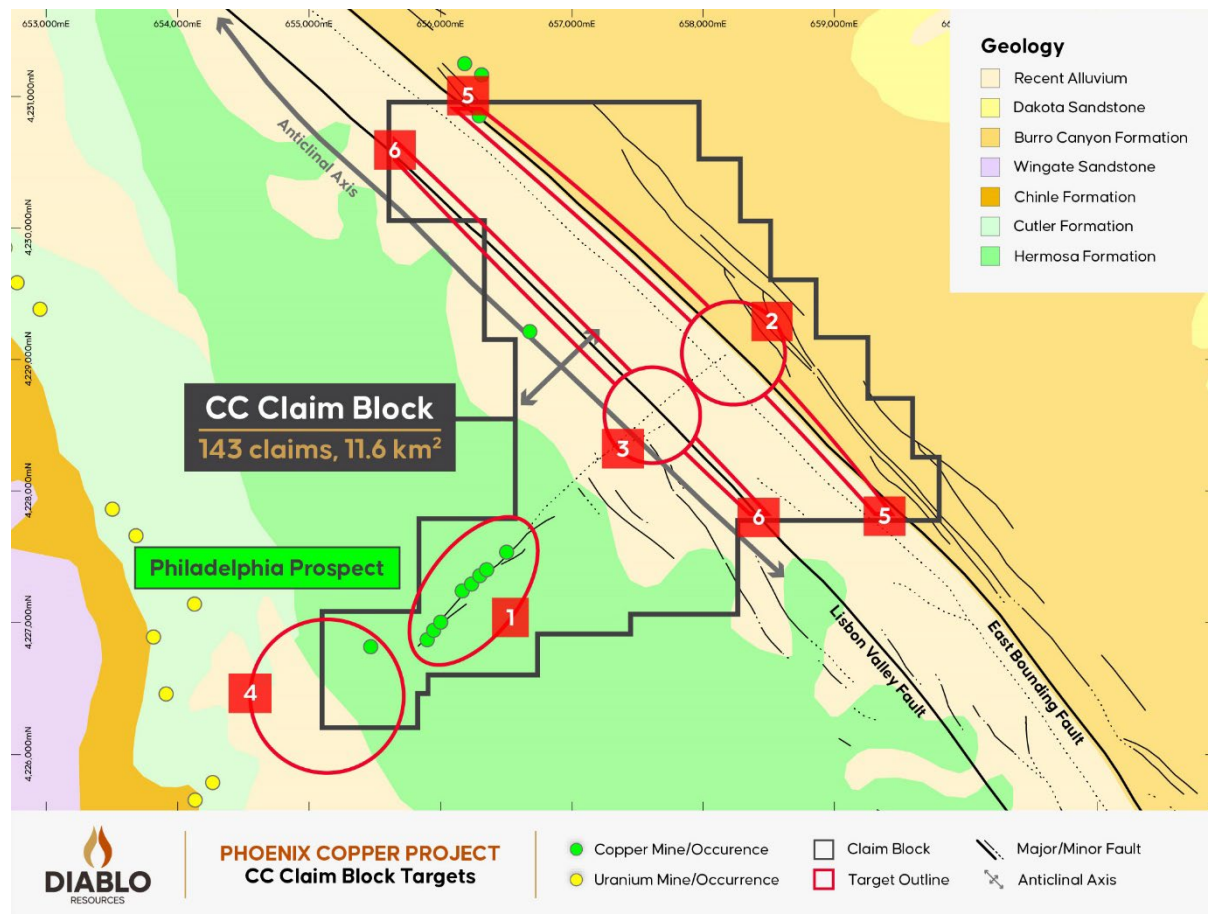


Figure 2 – Geological / Structural Interpretation and Targeting

DBO completed an in-house geological / structural interpretation and targeting on the CC Claim Block. The **interpretation identified 6 Targets** that either host copper mineralisation or are considered highly prospective for copper mineralisation based on their structural and stratigraphic setting (Figure 2). Targets in order of priority:

Target 1: corresponds to the historical Philadelphia prospect dating to the early 1900's, developed by 6 shafts, 3 adits, and several shallow prospect pits exploring a NE trending mineralized fault zone over 750m. This fault is described as nearly vertical ranging in width from about 1m to about 15m⁴. During due diligence 31 rock samples collected from this prospect returned an average 6.29% Cu, ranging from 0.5% Cu to 45.7% Cu and 219g/t Ag (~7oz Ag)⁵.

Target 2: lies on the intersection of the northeast trending structure hosting the mineralisation at the Philadelphia prospect and the NW-SE striking, easterly dipping EBF. Both the fault intersection and the hanging wall sandstones of the Dakota and Burro Canyon Sandstones are highly prospective for copper mineralisation.



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Target 3: lies under recent cover at the intersection of the Philadelphia prospect structure and the LVF. Documented copper mineralisation occurs closely associated with this fault to the NW of the Target.

Target 4: lies to the southwest of the Philadelphia prospect at the intersection of the NW-SE striking, copper hosting structure and the overlying Cutler and Chinle sandstones and conglomerates. The Chinle is host to the majority of the uranium mineralisation and some copper mineralisation in the Lisbon Valley.

Target 5: corresponds to the EBF and its contact with the overlying Dakota and Burro Canyon sandstones to both the NW and SE of Target 2. This zone was discussed as a target in a 1981 report on the uranium-vanadium and copper mineralisation of the Lisbon Valley⁴.

Target 6: lies to the NW and SE of Target 3 along the LVF. This target covers the length of the LVF. It has potential to host copper mineralisation in structural jogs along the fault as well as in the adjoining sandstones and limestones of the Hermosa Formation.

STATELINE CLAIM BLOCK

The **Stateline Claim Block** consists of 149 unpatented lode claims for 2,980 acres (12km²) on BLM administered Federal lands located south east of the Lisbon Valley copper mine covering highly prospective structural and geological trends (Figure 3).

It lies 5km SW along strike from the Lone Wolf Deposit, first documented in 1981, that now contains a 60Mt resource containing 12.1Kt (267Mlbs) of recoverable copper⁶.

Due diligence reconnaissance on Stateline has located outcropping malachite (copper oxide) in altered sandstone with handheld XRF readings showing it to be anomalous in Cu and Co.



Figure 3 – Stateline Claim Block

The Stateline Prospect overlies the interpreted extensions of known mineralised faults and prospective geological units that control and host the copper mineralisation in the Lisbon Valley.

EXPLORATION - NEXT STEPS

- Soil and rock sampling in conjunction with geological mapping is ongoing in the CC Claim Block. This exploration will address the identified Targets in order of priority to identify drill targets.
- **The intent is to drill test identified targets in 2025.**



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This announcement has been authorised for release by the Board.

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Competent Persons Statement

The information in this announcement that relates to the Project (including the information provided pursuant to ASX Listing Rules 5.12.2 to 5.12.7 (inclusive)) is based on, and fairly represents information compiled by Lyle Thorne who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Thorne is an Employee of the Company and holds shares in the Company. Mr. Thorne consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Diablo.



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