



Thick Outcropping Copper Discovered at Merke and Drilling Begins at Glubokoe under Pallas–Ivanhoe Mines Alliance

London, UK – 3rd September 2025 – Pallas Resources, committed to discovering the next generation of Tier-1 copper and gold deposits across Kazakhstan's most prospective and underexplored belts, today announces the new discovery of a thicker outcropping copper zone at the Merke and newly granted Lugovoe Licences in the south of the Chu-Sarysu Basin, alongside the commencement of first drilling at the Glubokoe Project in the west of the Basin - a key milestone under its Strategic Alliance with Ivanhoe Mines.

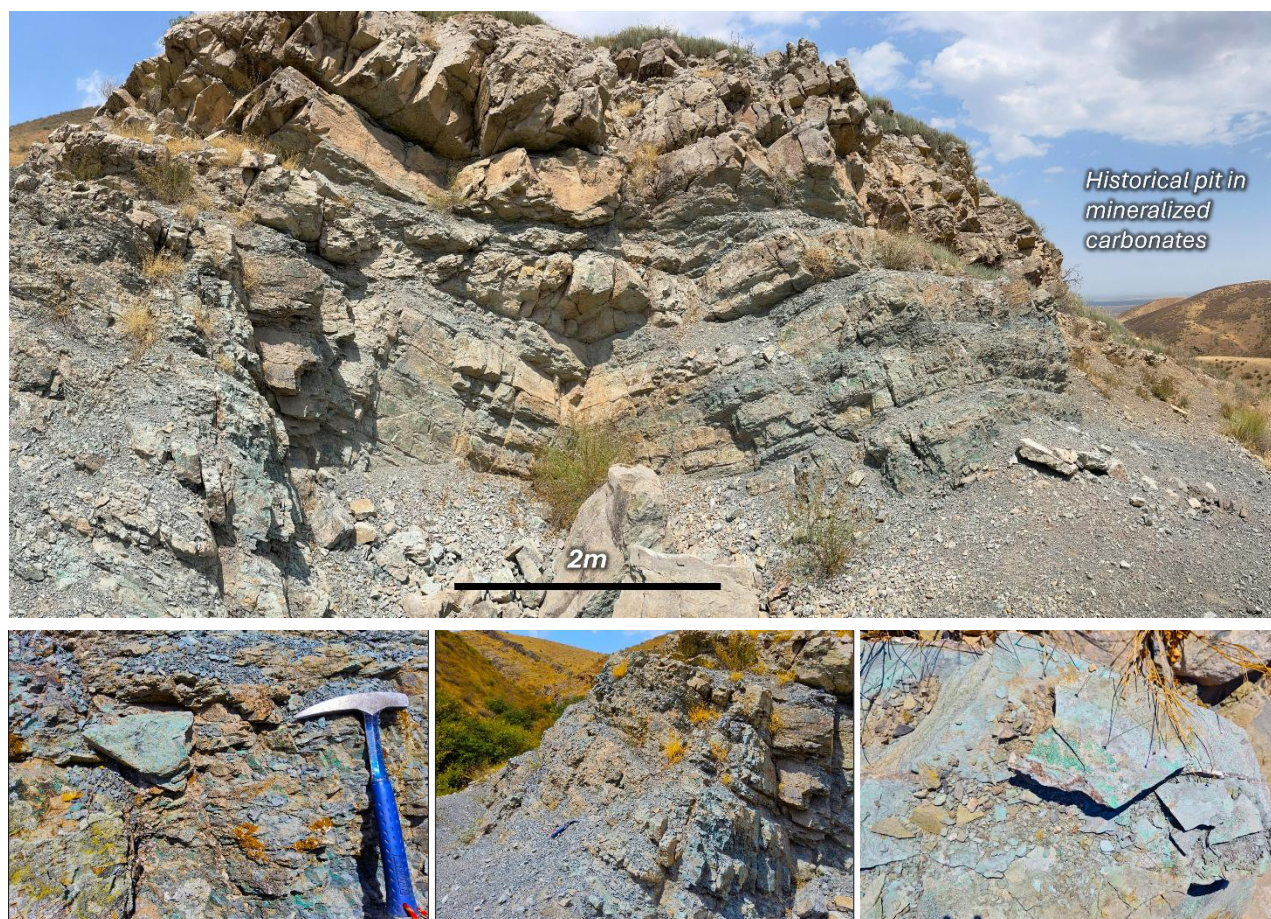


Figure 1: Historical pit at the Merke Licence (South Chu-Sarysu Basin) exposing a ~20 m thick horizon of copper mineralization within fractured carbonate rocks. Visible malachite and azurite confirm copper at surface. The discovery demonstrates structural control on mineralization and provides a very strong framework for future targeting.



Further Outcropping Copper Discovered at Merke and Newly Granted Lugovoe Licence (South Chu-Sarysu Basin)

- The Merke licence, located in the south of the Chu-Sarysu Basin, covers a 36km stratigraphic trend where historical sampling returned copper grades up to 5.0%, with multiple samples above 1.0%. Reconnaissance by Pallas and Ivanhoe Mines previously confirmed visible copper minerals (malachite, azurite, chalcocite) at surface, though no drilling has ever been completed on the licence.
- **Newly completed fieldwork has now identified a ~20 m thick outcropping zone of copper mineralization** within fractured carbonate units (packstone–mudstone), exposed in a historic pit.
- While clearly not an economic occurrence in isolation, this outcropping discovery is significant in that it strongly supports the thesis that mineralization is structurally controlled, with faults and fractures acting as conduits for copper-bearing fluids — an exploration model analogous to Ivanhoe Mines's Makoko Deposit in the DRC (~9 Mt contained Cu), where copper mineralization is concentrated against the basement contact.
- The Alliance has also been granted the Lugovoe licence, further extending the prospective stratigraphy observed within the Merke licences by another 40km to the west. **Reconnaissance has already identified copper mineralization at surface** within what looks to be a fold zone acting as a structural trap.
- Follow-up work will now prioritise mapping these structures in detail, supported by higher-resolution magnetic surveys to trace them undercover, and by evaluating basement contacts and fault systems as potential fluid pathways.

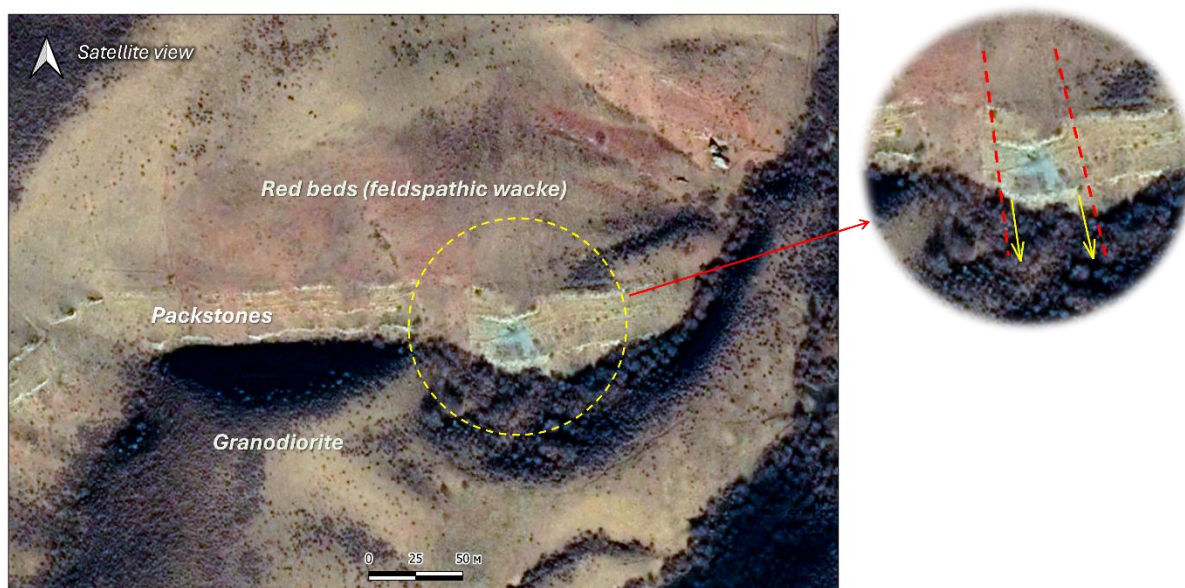


Figure 2: Satellite view of the Merke Licence showing lithologies (red beds, packstones, granodiorite) and structural features interpreted as key controls for mineralization, with clearly visible outcropping copper from satellite imagery alone.





Figure 3: Field reconnaissance at the newly granted Lugovoe project.

Commencement of Drilling at Glubokoe Projects (West Chu-Sarysu Basin)

- Drilling has commenced at the Glubokoe Licence in the western Chu-Sarysu Basin, part of Pallas–Ivanhoe Mines’s ~16,000 km² portfolio in one of the world’s largest and most endowed sediment-hosted copper provinces.
- The Glubokoe Project covers ~2,500 km² and extends ~200 km along strike, encompassing highly prospective stratigraphy.
- This marks a key JV milestone, with drilling initiated just 10 months after the formation of the Strategic Alliance with Ivanhoe Mines.
- The first hole, GLB-25-001, is testing potential extensions of mineralization first noted in a Soviet stratigraphic hole drilled in the 1980s, which intersected three separate copper-bearing intervals totaling 26 m grading between 0.12% and 3% Cu.
- The Glubokoe campaign comprises five diamond drill holes, each 800–1,000 m deep, totaling ~4,200 m. Objectives include calibrating historic and newly acquired geophysical datasets (AMT, MT, TEM, gravity) against known mineralization, and supporting the development of a detailed stratigraphic and facies model.
- Drilling is expected to conclude by October 2025, with assays anticipated by late December. Results will directly inform the broader Alliance program, including a ~15,000 m drill campaign planned for 2025, and refine the exploration toolkit for future phases.



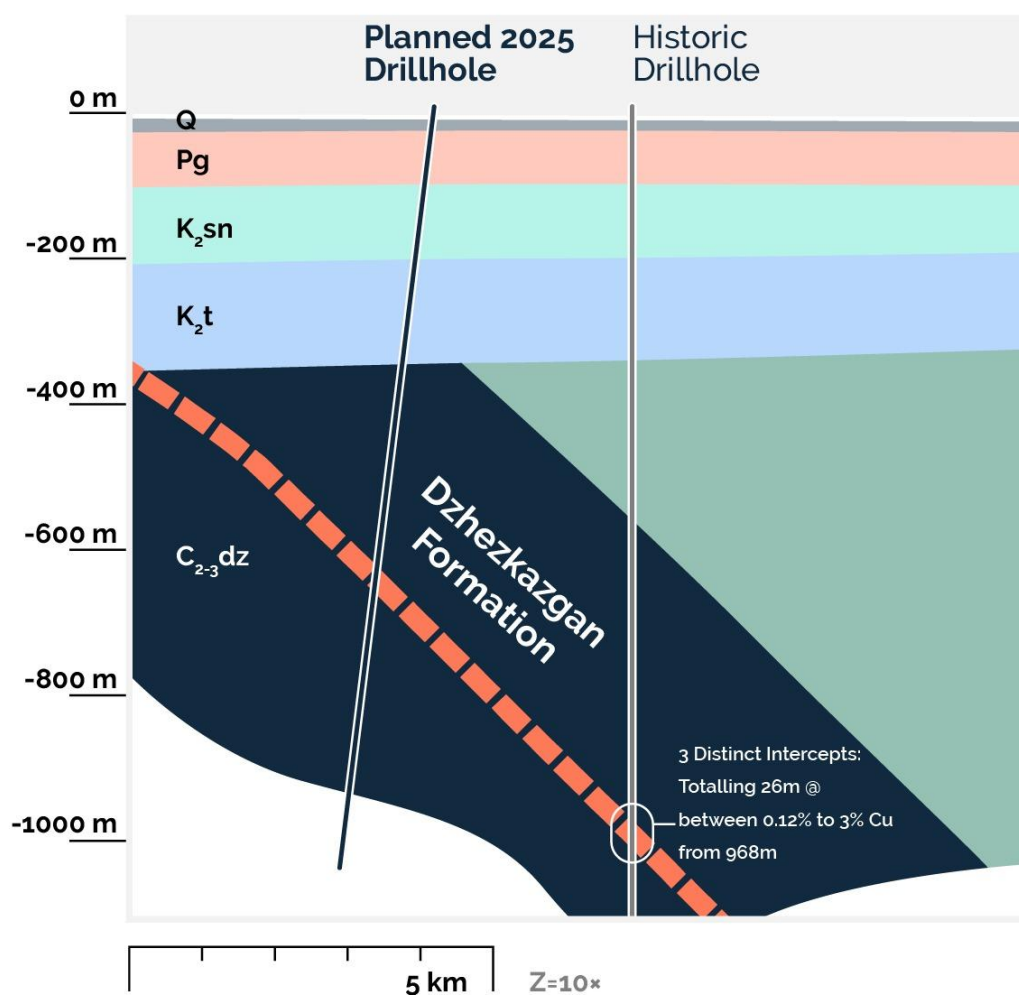
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3rd September 2025



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About Kazakhstan's Chu-Sarysu Basin

- **Third-largest sediment-hosted copper basin globally**, hosting the **world-class Dzhezkazgan deposit** (2.0Bt @ 1.1% Cu, 22Mt Cu), continuously mined for over a century.
- **Significant copper endowment of >27Mt Cu** identified to date, with the USGS estimating an additional **25Mt Cu yet undiscovered**.
- **Untouched frontier**—no meaningful greenfields exploration conducted for over 50 years despite exceptional geological potential.
- **Pallas has secured a commanding foothold in the Chu-Sarysu Basin**, with over 16,000 km² of ground held through its strategic alliance with Ivanhoe Mines (granted or pending), two joint ventures with First Quantum, a royalty, and three wholly owned licences—**making it the leading explorer across this emerging copper province**.



Pallas and Ivanhoe Mines Alliance and Exploration Joint Venture Details

- Pallas has formed a **Strategic Alliance** and Joint Venture Agreement with **Ivanhoe Mines**, a leading global copper explorer and producer – targeting major copper systems in the Chu Sarysu.
- **Spanning >16,000km²—larger than Northern Ireland**—this alliance targets the basin's most prospective tracts, forming one of the most significant land packages in Kazakhstan and the largest in the basin.
- Ivanhoe Mines will **sole-fund \$18.7 million** during the Initial Phase. In Phase 1, they may elect to invest **up to \$115 million** over four years to earn into all projects under the alliance.
- This alliance combines Pallas' unmatched exploration datasets and first-mover advantage in Kazakhstan with Ivanhoe Mines's deep expertise in sediment-hosted copper systems, exemplified by their grassroots discovery of the now producing Kamoakakula Complex (third largest copper mine globally).



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About Pallas Resources: Pallas Resources is a Central Asian explorer with a fresh approach to discovery. We employ a disciplined target selection process, focusing on highly prospective yet under-explored regions in Kazakhstan. We are on the hunt for large-scale copper and gold systems across districts that are ripe for the application of modern exploration techniques. These frontiers remain largely untouched by present-day explorers despite prior Tier 1 Soviet-era discoveries. For further information:
<https://www.pallasresources.com>.

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