Medaro Signs LOI to Acquire up to 100% Interest in the past Producing Sala Silver-Zinc Project, Sweden

Vancouver, British Columbia--(Newsfile Corp. - May 13, 2026) - **Medaro Mining Corp. (CSE: MEDA) (OTCID: MEDAF) (FSE: 1ZY)** ("**Medaro**" or the "**Company**") is pleased to announce that it has entered into a non-binding Letter of Intent (the "**LOI**") with Alicanto Minerals Ltd. **(ASX: AQI)** (the "**Optionor**"), pursuant to which it may acquire up to a 100% legal and beneficial interest in the Sala Zinc-Silver Project ("**Sala**" or the "**Property**"), located in Sweden. The Property is comprised of several exploration permits covering an area of 91km^2 prospective for zinc and silver. The LOI provides for an exclusivity deposit, and the parties are targeting execution of a definitive agreement by the end of May 2026.

Sala is a brownfield polymetallic zinc-silver-lead skarn project located in the Bergslagen mining district of Sweden, approximately 180km from Stockholm. The Project hosts an Inferred Mineral Resource of 9.7Mt @ 214g/t AgEq[1].

Key Highlights

- Inferred Mineral Resource of 9.7Mt @ 214g/t AgEq[1], including zinc, silver and lead mineralisation defined at the Prince Lode and Sala/Sala NW zones.
- Established brownfield setting, with historic mining activity at Sala dating back to at least the 15th century[2].
- High-grade historic silver-lead production, with more recent geological reviews citing cumulative historic production of approximately 450t silver and 35kt lead from approximately 5Mt of mined material[2 & 3].
- Demonstrated high-grade mineralisation, including locally bonanza-grade[3] silver ore historically mined at Sala and high-grade zinc-silver-lead drill intercepts reported by Alicanto[5].
- Substantial exploration dataset, including more than **28,000m** of diamond drilling completed by Alicanto and review of over **35,000m** of historical drill core.
- Multiple growth targets, with the mineralised system remaining open in several directions and priority targets identified around Prince Lode, Sala, Sala NW, Bronäs within the Property and other limestone/dolomite-hosted zones.
- The 2025 Fraser Institute ranked Sweden as the 2nd top jurisdiction in Europe and 9th globally.

The Sala Zinc-Silver Project comprises a zinc-silver-lead mineralised limestone/skarn system hosted within the Bergslagen volcanic region. The deposit has geological similarities to other major polymetallic underground mines in the district, including Boliden's Garpenberg and Zinkgruvan mines[4].

The current Inferred Mineral Resource[1] includes the Prince Lode (located immediately south of the historic Sala Mine) and the Sala Mine/Sala NW zone (refer Figure 1). Alicanto reported that the Prince Lode has been defined over approximately 950m of strike and 700m down-dip, while the silver-dominant Sala Mine/Sala NW zone has been defined over approximately 350m of strike and 485m down-dip[1].

The broader Sala project area remains underexplored relative to its historic significance. Alicanto

reported base metal mineralisation extending over more than 3km by 1.5km[5] within the prospective limestone/dolomite host sequence, with numerous follow-up targets including the Bronäs Mine area, which historically produced ore grading approximately 350g/t Ag, 2.0% Zn and 4.2% Pb[6], as well as surface rock-chip results including 1,480g/t Ag and 1.3% Cu, and 10.3% Zn[5].

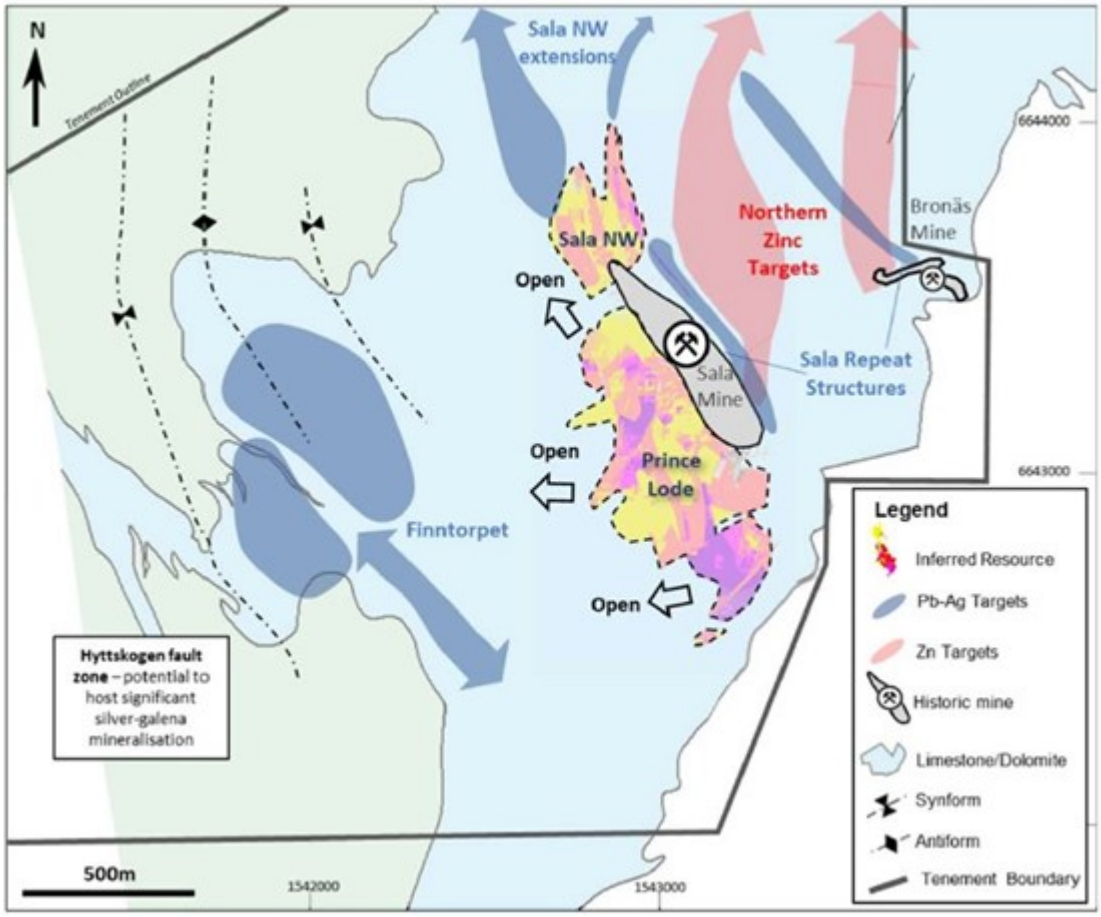


Figure 1: *Plan viewof the Sala Zinc-Silver Project showing the underlying target limestone, Inferred Mineral Resource[1], historic mines and the exploration targets.*

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8279/297281_64c1cf16c477b924_001full.jpg

Alicanto Minerals Ltd.

Alicanto Minerals Limited (ASX: AQI) is an Australian gold exploration and development company focused on advancing the Mt Henry Gold Project in Western Australia's Eastern Goldfields. Mt Henry hosts a 915,000oz JORC (2012) Mineral Resource defined across three primary deposits within a broader ~16km mineralised corridor.

Alicanto is backed by a highly experienced Board, leadership and technical team with a proven track record of success across companies including Firefly Metals Ltd (ASX: FFM), Bellevue Gold Ltd (ASX: BGL), Cygnus Metals Ltd (ASX: CY5), Andean Silver Ltd (ASX: ASL) and Midas Minerals Ltd (ASX: MM1), bringing deep expertise across geology, project development and capital markets to advance Mt Henry as a scalable gold system with a clear pathway to development.

Transaction Terms

Pursuant to the LOI, the Company may acquire up to a 100% interest in the Property in stages by making cash payments and share issuances to the Optionor and incurring exploration expenditures (the "**Earn-In**").

The Company may earn up to a 90% interest in the Property by making aggregate cash payments of CDN$800,000, issuing an aggregate of 800,000 common shares (the "**Consideration Shares**"), and incurring aggregate exploration expenditures of CDN $1,750,000, as follows:

- **Initial Payment:** CDN $50,000 in cash and 250,000 Consideration Shares, payable within five (5) days of the effective date of the definitive agreement (the "**Effective Date**").
- **Year 1 Earn-In (50% total interest):** CDN $250,000 in cash, 250,000 Consideration Shares and CDN $750,000 of exploration expenditures on or before the first anniversary of the Effective Date.
- **Year 2 Earn-In (90% total interest):** CDN $500,000 in cash, 300,000 Consideration Shares and CDN $1,000,000 of exploration expenditures on or before the second anniversary of the Effective Date.

Following completion of the earn-in, the Company may acquire the remaining 10% interest in the Property by paying CDN $500,000 in cash and issuing 400,000 Consideration Shares on or before the third anniversary of the Effective Date (the "**Option**").

Upon the Company earning a 90% interest in the Property, the Optionor will retain a 1.0% net smelter return royalty (the "**NSR**"), which will increase to 2.0% upon the Company acquiring a 100% interest in the Property.

The Earn-In and the Option are exercisable at the Company's sole discretion, and the Company may accelerate the timing of the payments, share issuances and exploration expenditures.

All securities issued in connection with the transaction will be subject to a four-month statutory hold period in accordance with applicable securities laws.

The completion of the transactions contemplated by the Earn-In and Option are subject to a number of terms and conditions including and without limitation to the following: negotiation and execution of a definitive agreement; there being no material adverse changes in respect of either the Company or the Optionor; the parties obtaining all necessary consents, orders and regulatory approvals, including the approval of the Canadian Securities Exchange if required; completion of customary due diligence by each party of the other party; and other standard conditions of closing for a transaction in the nature of the Earn-In and Option.

Comments on Historic Resource Estimate

The Sala Zinc-Silver Project hosts a historical mineral resource estimate prepared by Alicanto Minerals Ltd. in accordance with the JORC Code (2012 Edition), as announced on July 13, 2022, entitled "Outstanding maiden Resource confirms Sala has global scale with immense scope for more growth". Alicanto reported an Inferred Mineral Resource estimate of 9.7Mt grading 3.2% Zn, 47.3g/t Ag and 0.5% Pb (4.5% ZnEq or 214g/t AgEq) at a 2.5% ZnEq cut-off, containing approximately 311kt Zn, 14.7Moz Ag and 44.2kt Pb. The estimate was prepared by Cube Consulting Pty Ltd using Ordinary Kriging and dynamic interpolation methods applied to geological wireframes constrained by drilling, geological interpretation and mineralisation domains. The estimate incorporated 135 drillholes for approximately 35,909m of drilling, including approximately 20,771m of drilling completed by Alicanto between 2021 and 2022. Metal equivalent calculations assumed recoveries of 93.8% Zn, 82.0% Ag and 89.9% Pb and metal prices of US$2,976/t Zn, US$22.62/oz Ag and US$2,259/t Pb. Alicanto reported that all resources were classified as Inferred Mineral Resources under the JORC Code due to drill spacing, continuity assumptions and reliance in part on historical drilling data.

A qualified person on behalf of Medaro has not completed sufficient work to classify the historical estimate as current mineral resources or mineral reserves under NI 43-101, and Medaro is not treating the historical estimate as current mineral resources or mineral reserves. The historical estimate is considered relevant as it demonstrates the presence of a significant polymetallic Zn-Ag-Pb mineralised

system and provides an exploration target basis for further technical review. However, additional work will be required to verify the estimate, including review and validation of the drillhole database, QA/QC procedures, geological modelling, density assumptions, estimation methodology and underlying supporting technical data, as well as confirmatory drilling and metallurgical testwork. The historical estimate was prepared and reported in accordance with the JORC Code (2012 Edition).

The JORC Code "Inferred Mineral Resource" category is broadly comparable to the CIM Definition Standards for an "Inferred Mineral Resource" incorporated by reference in NI 43-101. Both classifications are intended to reflect mineralisation for which quantity and grade are estimated on the basis of limited geological evidence and sampling, and for which geological and grade continuity are reasonably assumed but not verified. Both classifications carry a lower level of confidence than Indicated or Measured Mineral Resources and are considered too speculative geologically to have economic considerations applied to them in a manner that would enable categorisation as Mineral Reserves. While there are differences in reporting and disclosure requirements between the JORC Code and NI 43-101, no material differences are considered to exist between the underlying definitions of an Inferred Mineral Resource and readers are cautioned not to place undue reliance on the historical estimate.

Qualified Person

Amanda Scott, FAusIMM, a "Qualified Person" as defined under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), has reviewed and approved the scientific and technical information contained in this news release.

About Medaro Mining Corp.

Medaro is a mineral exploration company focused on the acquisition and advancement of high-quality mineral projects in Ontario, Quebec and Sweden. The Company's strategy is to build shareholder value through systematic exploration, disciplined project evaluation, and responsible development.

For more information, investors should review the Company's public filings available at www.sedarplus.ca.

On Behalf of the Company

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Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to: statements regarding the proposed transaction contemplated by the letter of intent, including the Company's ability to enter into a definitive agreement and the terms thereof; the Company's ability to earn up to a 100% interest in the Property; the anticipated timing and completion of the Earn-In payments, share issuances and exploration expenditures; the Company's decision to accelerate any payments, share issuance or exploration expenditures related to the Earn-In or the Option; the Optionor retaining the NSR; the Company's decision to acquire 100% of the Property through the Option,; and the exploration potential of the Property.

Forward-looking information is based on management's current expectations and assumptions as of the date of this news release, including, among other things: that the parties will successfully negotiate and execute a definitive agreement on the terms currently contemplated; that the Company will obtain all necessary regulatory approvals; that the Company will have sufficient financial resources to complete the Earn-In and Option requirements; and that exploration activities on the Property will proceed as currently anticipated.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by such forward-looking information, including, without limitation: the risk that a definitive agreement may not be entered into or that the proposed transaction may not be completed on the terms contemplated or at all; the risk that the Company may not satisfy the Earn-In or Option requirements; risks inherent in mineral exploration, including that exploration may not result in the discovery or definition of mineral resources; regulatory and permitting risks; fluctuations in commodity prices; the availability of financing; and general economic, market and industry conditions.

Readers are cautioned not to place undue reliance on forward-looking information. Forward-looking information speaks only as of the date of this news release, and the Company undertakes no obligation to update or revise such information except as required by applicable securities laws.

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[1] The historic Inferred mineral resource estimate for Sala was reported by Alicanto Minerals Ltd on the 13th of July 2022, which was a publicly traded Australian company at the time of publication. Medaro has not done sufficient work to verify the historical resources but considers the published historical estimates to be relevant and reliable. Refer to 'Comments on Historic Resource Estimate' section in the main body of this release. https://wcsecure.weblink.com.au/clients/alicantominerals/v2/headline.aspx?headlineid=61099470

[2] Jansson, N.F. (2022). Excursion guide: Sala silver mine. 150 Year Anniversary Meeting, Special Publication 2, Geological Society of Sweden. Medaro has not performed sufficient work to verify the published historic production data or grades reported above, but Medaro believes this information is considered reliable and relevant.

[3] Tegengren, F.R. (1924) - Sveriges ädlare malmer och bergverk, SGU Ca17.

[4] The nearby mines and deposits in the region provide geologic context for Medaro's Sala Zinc-Silver Project, but this is not necessarily indicative that the Sala Zinc-Silver Project hosts similar mineralization.

[5] Refer Alicanto ASX release dated 1st February 2022: https://wcsecure.weblink.com.au/clients/alicantominerals/v2/headline.aspx?headlineid=61075193.

[6] Jansson, N.F., Allen, R.L., Skogsmo, G. & Turner, T. (2022). Origin of Palaeoproterozoic, subseafloor Zn-Pb-Ag skarn deposits, Sala area, Bergslagen, Sweden. Mineralium Deposita.

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