

News Release

Marimaca Announces Sale of Non-Core Ivan Plant for up to US\$17.0 million

Vancouver, British Columbia, March 4th, 2022 – Marimaca Copper Corp. (“Marimaca Copper” or the “Company”) (TSX: MARI) is pleased to announce that it has entered into a binding agreement to sell certain non-core Rayrock assets, including the Ivan SX-EW Processing Plant and associated mining claims, to 5Q SpA (“5Q”), a privately-held specialist mineral processing company based in Santiago, Chile, for total consideration of up to US\$11.0 million, plus up to US\$6.0m in contingent payments. Details of the transaction are outlined below.

Transaction Details

Total Consideration

- **Up to \$11.0 million in total consideration to Marimaca**
 - **US\$150,000 upon signing**
 - **US\$350,000 upon approval of the Ivan Rayrock technical permits**
 - **US\$1.8 million – US\$2.1 million on the 12-month anniversary of the transaction*, determined by LME copper price**
 - **US\$2.7 million – US\$3.1 million on the 18-month anniversary of the transaction*, determined by LME copper price**
 - **US\$4.1 million – US\$5.2 million on the 24-month anniversary of the transaction*, determined by LME copper price**
- **A 1.5% NSR on future production from the Ivan underground ore body**

Contingent Payments

- **Up to \$6.0 million in contingent payments based on potential future stockpile acquisitions to be processed through the Ivan Plant, based on the amount of contained copper in the stockpiles acquired**
 - **US\$1.0m for stockpiles containing 5,000t - 10,000t total copper**
 - **US\$2.0m for stockpiles containing 10,000t - 20,000t total copper**
 - **US\$4.0m for stockpiles containing 20,000t - 30,000t total copper**
 - **US\$6.0m for stockpiles containing >30,000t total copper**

Hayden Locke, President and CEO of Marimaca Copper, commented:

“The sale of the Ivan Plant is in-line with our strategy of advancing and developing the Marimaca Project on a standalone basis. Since the Company acquired the Ivan Plant in 2017, the Marimaca Project has continued to grow and evolve to a point whereby the Ivan Plant is no longer a core component of the Project’s optimal development path.”

“We are very pleased to conclude this transaction with 5Q. The Ivan SX-EW Plant is an excellent fit with 5Q, and the 5Q team has an exceptional track record of processing stockpiled oxide and mixed ores in Chile. We hope to see the Ivan Plant become a successful and core part of their business.”

Overview

Marimaca acquired the Ivan SX-EW processing plant in 2017. The plant was previously operated by Compañía Minera Milpo S.A.A ("Milpo") from 1995-2012. Since 2012 the plant has been non-operational. The plant has an installed capacity of 10,000 tonnes per annum of copper cathode. The Ivan Plant has been considered non-core by Marimaca since the completion of the 2020 Preliminary Economic Assessment ("PEA"), which considered a standalone 40,000 tonne per annum copper cathode plant at the Marimaca Project Site (see announcement dated August 4, 2020). Future development scenarios considered for the DFS (planned for H2 2022) are expected to consider development scenarios larger than 40,000 tonnes per annum copper cathode capacity. The Ivan Plant is located approximately 20km south of the Marimaca Project. The sale includes approximately 11,000ha of mining claims held in Minera Rayrock Ltda associated with the historic Ivan Mine.

Total Consideration Detail

Details of the total purchase price are outlined in the table below.

Payment	Amount (USD) + LME Cu Benchmark ⁽¹⁾			Timing	Time Thresholds* ⁽²⁾	
	Low	Mid	High		Earliest	Latest
1	<\$3.70/lb	\$3.70-\$4.50/lb	>\$4.50/lb	Fixed	On signing	On signing
2	\$150,000	\$150,000	\$150,000	Fixed	On signing	On signing
3	\$350,000	\$350,000	\$350,000	Fixed	Permit Approval	Permit Approval
4	\$1,821,000	\$2,000,000	\$2,107,000	Fixed	12-month anniversary	12-month anniversary
5	\$2,702,000	\$3,000,000	\$3,179,000	Variable	6 months post Payment 3	9 months post Payment 3
	\$4,110,000	\$4,800,000	\$5,214,000	Variable	6 months post Payment 4	9 months post Payment 4

(1) Based on average price over defined lookback period

(2) Payment timing for Payments 4 and 5 determined by certain defined operating thresholds

The transaction is expected to close in the first quarter of 2022.

Contact Information

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Forward Looking Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by Marimaca Copper, are inherently subject to significant business, economic, competitive, political and social uncertainties and



contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: risks related to share price and market conditions, the inherent risks involved in the mining, exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project delays or cost overruns or unanticipated excessive operating costs and expenses, uncertainties related to the necessity of financing, the availability of and costs of financing needed in the future as well as those factors disclosed in the annual information form of the Company dated March 29, 2021, the final short form base prospectus and other filings made by the Company with the Canadian securities regulatory authorities (which may be viewed at www.sedar.com). Accordingly, readers should not place undue reliance on forward-looking statements. Marimaca Copper undertakes no obligation to update publicly or otherwise revise any forward-looking statements contained herein whether as a result of new information or future events or otherwise, except as may be required by law.

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