



Allied Copper Acquires Option to Acquire 100% Interest of Klondike Property, CO, USA

VANCOUVER, British Columbia, Canada February 3, 2022 — Allied Copper Corp. (TSX-V: CPR, OTCQB: CPRRF) (the “**Company**” or “**Allied Copper**”), is pleased to announce that further to its press release of December 7, 2021, and pursuant to an option agreement (the “**Option Agreement**”) dated December 3, 2021 between the Company, Cloudbreak Discovery PLC (“**Cloudbreak**”), Cloudbreak Discovery (Canada) Ltd. (“**Cloudbreak Subco**”), Tarsis Resources US Inc. (“**Tarsis**”) and Alianza Minerals Ltd. (“**Alianza**” together with Cloudbreak Subco and Tarsis, the “**Optionors**”), as amended February 1, 2022, the Company was granted an option (the “**Option**”) to acquire the Klondike Property (“**Klondike**”), located in Colorado, United States. The Klondike Property consists of 76 unpatented mining claims, a State of Colorado Exploration Permit and an exclusive right to a State lease.

Under the terms of the Option Agreement, the Company may exercise the Option to acquire a 100% interest in Klondike in exchange for:

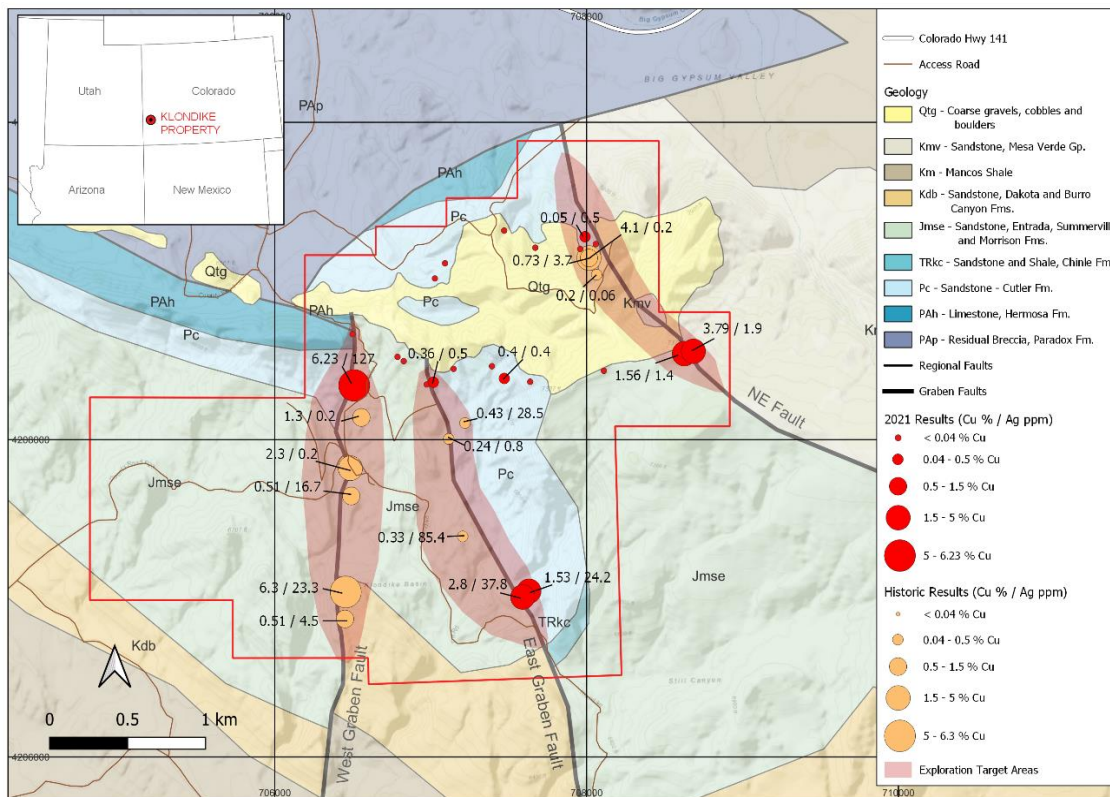
- Incurring an aggregate of \$4,750,000 in exploration expenditures on Klondike over a period of four years, with at least CAD \$500,000 to be spent prior to the first anniversary of the closing date;
- Making an aggregate of \$400,000 in cash payments to Cloudbreak Subco and Alianza in accordance with their pro rata interest over a period of four years;
- Issue and aggregate of 7,000,000 common shares (the “**Common Shares**”) in the capital of the Company to Cloudbreak Subco and Alianza in accordance with their pro rata interest prior to the second anniversary of the closing of the transaction (the “**Closing Date**”);
- Issue an aggregate of 3,000,000 Common Share purchase warrants (the “**Option Warrants**”) to Cloudbreak Subco and Alianza in accordance with their pro rata interest, on the third anniversary of the date of the Option Agreement. Each Option Warrant entitled the holder thereof to acquire one Common Share for a period of three years from the date of issuance of such Option Warrant at an exercise price of the greater of: (i) \$0.23; and (ii) the 10-day volume weighted average sale price (the “**VWAP**”) of the Common Shares in such date or during the applicable time period on the principal securities exchange on which such shares are then listed. The VWAP per share shall be determined by dividing the aggregate sale price of all common shares traded on such stock exchange or market, as the case may be, during such ten consecutive trading days by the total number of Common Shares so traded;
- In the event that the Option is exercised, the Company will grant a 2% net smelter returns royalty (“**NSR**”) in favour of the Optionors, subject to the ability of the Company to purchase 1% of the NSR (resulting in the remaining NSR being 1%) for a purchase price of \$1,500,000 at any time before the commencement of commercial production on Klondike for CAD \$1,500,000 within 30 days of commercial production.
- In the event that the Company files on SEDAR an NI 43-101 technical report establishing the existence of a resource on any portion of Klondike of at least 50,000,000 tonnes of either copper or copper equivalent at a minimum cut-off grade of 0.50% copper or copper equivalent

and categorized as a combination of inferred resources, indicated resources and measured resources, then Allied will also issue a further 3,000,000 Common Share purchase warrants (the “**Additional Warrants**”) to Cloudbreak Subco and Alianza in accordance with their pro rata interest exercisable for a three year term at a price to the greater of (i) \$0.23; and (ii) the 10-day volume weighted average sale price (the “**VWAP**”).

About the Klondike Property

The Klondike Property is located 25 km (15.6 miles) South of Naturita, Colorado and lies within the Paradox Copper Belt of San Miguel County, Colorado, USA. The operational Lisbon Valley Mine lies 50 km (approx.31 miles) to the NW. The property consists of 76 unpatented lode claims totaling 843 hectares (2,083 acres).

The Klondike Property is located about 3.2 km (2 miles) off Colorado Highway 141 and accessible by an all-weather County Road and then unimproved dirt roads throughout the project. The project is expected to be accessible all year round except during serious winter storms.



A recent reconnaissance program conducted by Cloudbreak/Alianza (News Release dated December 1, 2021), consisting of mapping, stream sediment sampling and rock sampling, was undertaken at the Klondike Property to help define drill targets at the West Graben Fault and East Graben Fault targets. Rock sampling and mapping successfully expanded the footprint of both targets and identified a new target named the Northeast Fault. **Sampling at the Northeast Fault returned 1.56% copper and 1.4 grams per tonne (“g/t”) silver over a 4.6 metre chip sample of bleached, bitumen spotted and altered Jurassic sandstones of the Saltwash member of the Morrison Formation.**

Copper mineralized sandstones at the Northeast Fault target can be traced along the fault and outboard from it into the adjacent sandstones over an area 200 metres long by 100 metres wide before becoming obscured beneath gravel cover. Further anomalous copper, including 2.1 metres of 463 ppm copper, was encountered over one kilometre to the northwest where the structure and host strata next appear from beneath the same gravel cover.

Qualified Person

Rene Victorino (P. Geo.) is the “Qualified Person” as such term is defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, has reviewed and approved the geological information reported in this news release. The Qualified Person has not completed sufficient work to verify the historic information on Klondike, particularly with regards to historical sampling and regional government-mapped geology. However, the Qualified Person assumes that sampling and analytical results were completed to industry standard practices. The information provides an indication of the exploration potential of Klondike but may not be representative of expected results.

On behalf of the Board of Directors of Allied Copper Corp.,

Mr. Warner Uhl
Executive Chairman

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Forward Looking Statements- Safe Harbour

This news release includes certain “Forward-Looking Statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” under applicable Canadian securities laws. When used in this news release, the words “anticipate”, “believe”, “estimate”, “expect”, “target”, “plan”, “forecast”, “may”, “would”, “could”, “schedule” and similar words or expressions, identify forward-looking statements or information.

Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, enhanced value and capital markets profile of Allied Copper Corp., future growth potential for Allied Copper and its business, and future exploration plans are based on management’s reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management’s experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of copper and other metals; no escalation in the severity of the COVID-19 pandemic; costs of exploration and development; the estimated costs

of development of exploration projects; Allied Copper' ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

This news release contains "forward-looking information" within the meaning of the Canadian securities laws. Statements, other than statements of historical fact, may constitute forward looking information and include, without limitation, statements about: anticipated timing and content of upcoming work programs, geological interpretations, receipt of property titles, and potential copper recovery processes; anticipated dates for receipt of permits, approvals and other milestones; anticipated Results of drilling programs, feasibility studies and other analyses; anticipated availability and terms of future financing; future production, operating and capital costs; and operating or financial performance. Information concerning potential contingent copper resource estimates also may be deemed to be forward-looking information in that it reflects a prediction of the copper bearing zones that would be encountered if a copper structure were developed and produced. With respect to the forward-looking information contained in this news release, the Company has made numerous assumptions regarding, among other things, the geological, metallurgical, engineering, financial and economic advice that the Company has received is reliable and are based upon practices and methodologies which are consistent with industry standards. While the Company considers these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies. Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. Known risk factors include, among others: fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of well results and the geology, continuity and grade of copper deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; increased costs and restrictions on operations due to compliance with environmental and other requirements; increased costs affecting the metals industry and increased competition in the metals industry for properties, qualified personnel, and management. All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events, or developments, except as required by law.