



Luca Mining Corp.  
1000 – 1111 Melville Street  
Vancouver, BC, V6E 3V6,  
Canada

## Luca Mining Announces First Tranche Closing of CAD\$ 18.34 Million

### VANCOUVER, BRITISH COLUMBIA, APRIL 26, 2023

Luca Mining Corp. (“Luca” or the “Company”) (TSX-V: LUCA; OTCQX: LUCMF; Frankfurt: TSGA) is pleased to announce that it has closed the first tranche (the “**First Tranche**”) of its non-brokered private placement (the “**Private Placement**”) announced by news release dated March 31, 2023. The Company has sold 52,412,065 units of the Company (each, a “**Unit**”) at a price of CAD\$0.35 per Unit for gross proceeds of \$18,344,223.

Each Unit consists of one common share of the Company (a “**Share**”) and one half of one transferable share purchase warrant (each whole, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one additional common share (a “**Warrant Share**”) at a price of CAD \$0.50 per Warrant Share until April 25, 2025 (the “**Expiry Date**”), subject to an acceleration clause. If the closing price of the Shares on the TSX Venture Exchange (the “**TSXV**”) or such other stock exchange as Luca is listed on exceeds CAD \$0.90 for 15 consecutive trading days, the Company will earn the right, providing notice (the “**Acceleration Notice**”) to the warrant holders via a news release or written notice, to accelerate the Expiry Date of the Warrants to 4:00pm (Vancouver time) on the 30<sup>th</sup> day from the date of the Acceleration Notice (the “**Acceleration Expiry Date**”). If the Company provides Acceleration Notice, all Warrants that are not exercised by the Accelerated Expiry Date will expire.

All securities issued in connection with the private placement are subject to a four month plus one day hold period under applicable Canadian securities laws. Finder’s fees are to be paid in cash and securities (6% cash and 6% in warrants) in connection with the Private Placement to various finders including Canaccord Genuity Corp., Leede Jones Gable Inc, PI financial Corp, Echelon Wealth Partners, Haywood Securities, and Research Capital Corporation, among others. The Private Placement is subject to receipt of final approval of the TSXV.

The Company intends to close the remaining second tranche of the unit private placement under the same terms outlined above shortly as remaining private placement subscription agreements and proceeds are received by the Company.

“We’re very excited to have such a strong show of support from existing and new investors in this financing and expect to close the balance of the Private Placement on an oversubscribed basis over the next couple of weeks as remaining subscription agreements and proceeds are received by the Company” commented Mike Struthers, CEO. “This funding is a major milestone event that puts the Company in a strong position to achieve our goals this year, creating the foundation for growing Luca into a very successful mining company.”

Net proceeds will allow the Company to complete construction of its phase one 500 tonnes per day (“tpd”) project at Tahuehueto; to make substantial progress towards completing its nameplate 1,000 tpd project; and for general working capital.

A Director and a related party to a Director of the Company acquired 1,728,500 Units under the First Tranche for a total purchase price of CAD \$604,975. Accordingly, the Private Placement is to that extent a “related party transaction” as defined under Multilateral Instrument 61-101 - Protection of



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Minority Security Holders in Special Transactions (“MI 61-101”). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any securities issued to, or the consideration paid by such person, will exceed 25% of the Company's market capitalization.

#### **TAHUEHUETO CONSTRUCTION UPDATE**

The Company is also pleased to provide an update on construction progress at Tahuehueto. Heavy equipment has been mobilized and earthworks re-commenced for stage 1 of the tailings facility, with tailings consultants supervising site works. Completion of the stage 1 facility will allow the company to ramp up production to 500 tonnes per day (“tpd”). All the additional equipment (cyclones, screens etc.) for the comminution circuit are already on site, and only waiting on some additional pumps to complete construction. Work is also continuing on the definitive water supply system; quotations are being finalized for the second tailings filter press, which will act as a backup; and with the additional funding the Company can obtain the necessary critical spares to minimize the risks of downtime when operating at 500 tpd.

Preparatory works such as sourcing of equipment are also underway for the subsequent 1,000 tpd stage at which time the Company will announce commercial production. The Company expects this final stage to be achieved by the end of 2023.

#### **GRANT OF INCENTIVE STOCK OPTIONS**

The Company announces that pursuant to its Stock Option Plan, it has granted incentive stock options to newly appointed Directors and Officers totaling 527,778 shares in the capital stock of the Company. The options will be exercisable at a price of \$0.45 per share for a period of 5 years. The options will vest under the terms of the Company's Stock Option Plan with one-third vesting immediately, one-third within 6 months, and the remaining balance will vest at the 1st anniversary of the grant of the option.

#### **About Luca Mining Corp.**

Luca Mining Corp. is a Canadian based mining company with two 100% owned Mexican gold, silver, and base metal mining projects.

Luca's Tahuehueto Gold Mine Project is in north-western Durango State, Mexico where construction of an initial 500 tonnes per day (“tpd”) operation is well advanced. Commercial production, the 1,000 tpd project, will follow immediately after commissioning the initial stage. The operation is generating gold, silver, lead and zinc in concentrates.

Campo Morado is an operating polymetallic base and precious metals mine currently producing at an average of 2,400 tpd, generating zinc and copper concentrates with significant precious metals credits.

On Behalf of the Board of Directors

*(signed) “Mike Struthers”*

Mike Struthers,  
CEO and Director



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### **CAUTIONARY NOTE REGARDING PRODUCTION DECISIONS AND FORWARD-LOOKING STATEMENTS**

It should be noted that Luca (then Altaley Mining Corporation) declared commercial production at Campo Morado and elected to initiate construction to go into production at Tahuehueto prior to completing full feasibility studies demonstrating economic and technical viability. Accordingly, readers should be cautioned that Luca's production decisions have been made without comprehensive feasibility studies of established reserves at Campo Morado and prefeasibility level reserves at Tahuehueto, such that there is greater risk and uncertainty as to future economic results from the Campo Morado mine and at Tahuehueto mine where reserves are established to the prefeasibility level of confidence and therefore a higher technical risk of failure than would be the case if full feasibility studies were completed and relied upon to make production decisions. Luca has completed a preliminary economic assessment ("PEA") mining study on the Campo Morado mine and a prefeasibility study ("PFS") at Tahuehueto mine that provides a conceptual life of mine plan and a preliminary economic analysis based on the previously identified mineral resources (see News Release dated November 8, 2017, April 4, 2018, and April 25, 2022).

Statements contained in this news release that are not historical facts are "forward-looking information" or "forward-looking statements" (collectively, "Forward-Looking Information") within the meaning of applicable Canadian securities laws. Forward-Looking Information includes but is not limited to conditions or financial performance that are based on assumptions about future economic conditions and courses of action; the timing and costs of future activities on the Company's properties, such as production rates and increases; success of exploration, development and bulk sample processing activities, and timing for processing at its own mineral processing facility on the Tahuehueto project site. In certain cases, Forward-Looking Information can be identified using words and phrases such as "plans," "expects," "scheduled," "estimates," "forecasts," "intends," "anticipates" or variations of such words and phrases. In preparing the Forward-Looking Information in this news release, the Company has applied several material assumptions, including, but not limited to, that the current exploration, development, environmental and other objectives concerning the Campo Morado Mine and the Tahuehueto Project can be achieved: the continuity of the price of gold and other metals, economic and political conditions, and operations. Forward-Looking Information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the Forward-Looking Information. There can be no assurance that Forward-Looking Information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on Forward-Looking Information. Except as required by law, the Company does not assume any obligation to release publicly any revisions to Forward-Looking Information contained in this news release to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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

### **For further information about Altaley Mining Corporation, please contact:**

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