AMERICAN CUMO MINING CORPORATION (CuMoCo) IS FOCUSED ON ITS WHOLLY-OWNED CUMO PROJECT – AN ADVANCED-STAGE PROJECT NEAR BOISE, IDAHO, USA. THE PROJECT HAS THE POTENTIAL TO BE ONE OF THE LARGEST, LOWEST-COST AND MOST PROFITABLE MOLYBDENUM DEPOSITS IN THE WORLD WITH SIGNIFICANT COPPER, SILVER, TUNGSTEN, AND RHENIUM BY-PRODUCTS.

CuMoCo is advancing the CuMo Project’s feasibility study led by its sustainability-focused management team with proven expertise in mine development, optimization and operations.
CuMoCo has discovered one of the largest deposits of molybdenum, copper, silver, tungsten and rhenium in North America near Boise, Idaho, USA. The CuMo Project is advancing towards feasibility with the goal of being one of the world's largest and lowest-cost primary producers of molybdenum.

The CuMo Project has two distinct layers of diversification: the upper half contains higher grades of silver and copper compared to molybdenum; the lower half is rich in molybdenum, with lower grades of silver and copper. The total recoverable value of both layers is what gives the CuMo Project such excellent economic potential.

An independent NI 43-101 preliminary economic analysis prepared in 2018 shows a mine life of 82 years with an annual after-tax cash flow of over US$600 million at current metal prices, with substantial room for improvement as various optimization techniques are applied. The CuMo Project is in a politically-stable jurisdiction and an area heavily mined and logged over the past 100 years.
Molybdenum: Strengthening the Future

Molybdenum is used as an alloying agent in steel, cast iron, and super alloys to enhance hardening ability, strength, durability and corrosion resistance. It is driving advancements in medical, technological, and renewable energy research.

Molybdenum has been identified as the first viable alternative to silicon for two-dimensional semiconductors and technologies that are developing smaller, faster and more energy-efficient computers. Lithium-ion batteries have shown marked improvements in energy capacity, lifespan and recharge times from a molybdenum/graphene/graphite additive. With the use of a polished molybdenum slug, X-Ray technology is reaching an atomic and molecular level by increasing imaging pulses from 120 per second to 1 million per second.

Clean, potable water and transmission from source to consumer is crucial to sustaining life on this planet. With 40 percent of the world’s population living in water-scarce regions, desalination plants constructed with molybdenum steel can be used to convert the 97 percent of earth’s water that is too salty for consumption.

Other molybdenum uses include: bridge and building construction, especially where pollution/salt/volcanic exposure are factors; pipelines for petrol and drinking water delivery; manufacturing automobiles/ships/rockets/aircraft; lubrication for high heat purposes; agricultural fertilizer to boost crop production; fuel cell technology; mobile phones; and computers.

Strong economic potential

The CuMo Project’s potential profitability is far greater by duplicating the practices of the large copper and gold porphyry deposit miners, a new approach in molybdenum mining. In contrast to small-sized, high-grade projects, the CuMo Project can provide huge economies of scale, higher production rates and return significant profits to investors. Examples of this low-cost, high-profitability model include: Highland Valley, Morenci, and Sierrita. Highland Valley was placed into production to mine material worth $8 per ton for a cost of $4. Using large-scale mining infrastructure, the CuMo Project is targeting mining material with a recovered value per ton in excess of $25 for $8 or less per ton (2018 PEA mining costs).

Potential low-cost producer

CuMoCo has identified significant quantities of molybdenum, copper silver, tungsten, and rhenium at the CuMo Project. The Company anticipates that project cash and total costs could be significantly reduced from steady by-product credits from these well-priced and in-demand metals, potentially making the CuMo Project profitable in most metal-market price conditions. Production costs are currently estimated to be less than $2.40/lb molybdenum metal or $1.18/lb copper equivalent. Recent studies of the use of modern mining technologies indicate that these costs can be reduced to those similar to by-product producers (less than $0.50/lb molybdenum metal). As a potential low-cost, primary molybdenum producer, the CuMo Project is expected to have significant advantages over high-cost underground or remote producers.

CuMo Project Operating Cost Compared to Primary Molybdenum Producers

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<tr>
<th>Operating Cost/lb Mo Metal (2018 data)</th>
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<tr>
<td>CuMo Project (Typical Year)</td>
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<td>CuMo Project (Optimized)</td>
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Molybdenum based on 150K tons per day and >$15 recovered value. Metal prices used are $12.5 per lb Molybdenum (Mo), $3 per lb Copper, $17.5 per ounce Silver, $1350 per ounce Gold, $25 per lb Uranium, $6 per lb Nickel, $1.5 per lb Zinc, 1.00 per lb Lead, and $40 per lb Cobalt.

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“With demand for molybdenum forecast to increase by 300 million pounds by 2022, the CuMo Project with its billions of pounds of low-cost molybdenum has assets in a class by itself.”
Shaun Dykes, CEO
American CuMo Mining Corporation

DISCLAIMER: The preliminary economic assessment is preliminary in nature and includes inferred resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. Mr. Shaun M. Dykes, M.Sc. (Eng), P.Geo., CEO and Director of CuMoCo is the designated qualified person for the CuMo Project, and prepared the technical information contained in this disclosure.
RESPECTING THE ENVIRONMENT

AS THE CUMO PROJECT ADVANCES, CUMOCO INTENDS TO AID IN REPAIRING THE DAMAGE LEFT BEHIND BY THE PREVIOUS MINING ACTIVITY, THUS ELIMINATING THE CONTAMINATION CREATED BY OUTDATED MINING PRACTICES.

The CuMo Project
Permit Status
North American project development is governed by three levels of increasingly stringent analyses to evaluate the environmental impacts of proposed projects.

The CuMo Project’s exploration team has completed the Lower Level analysis Categorical Exclusion (CE) and is completing the necessary Middle Level Environmental Assessment (EA) permits to proceed with advanced exploration and site analysis. CuMoCo continues to gather the required scientific information to bring the project to the highest level Environmental Impact Statement (EIS), and to make informed, responsible, and intelligent decisions.

The Project region, Southern Idaho, is rooted in mining history and natural resource economies. A recent survey by Boise State University highlighted the overwhelming support of Idahoans for responsible mining with 80.4 percent of respondents affirming their belief that mining can be conducted without negatively impacting the environment. Local, state and federal governments have shown great interest in and are formally declaring their support for the CuMo Project. Furthermore, a shift to pro-development policies within federal agencies has created momentum for strategic minerals projects.

Project Financing
To obtain its mining permit for the CuMo Project, CuMoCo requires approximately $25 million to complete the project’s Feasibility Study and $75 million for the Environmental Impact Statement. With a positive Feasibility Study, close to 70% of the $2.8B production financing could be funded by loan devices and arrangements, with an additional $500M to be obtained through self-equipment financing from major vendors. There are multiple financing arrangements under consideration for the Feasibility Study. Among those being considered are the following: off-take arrangements (based on achievement of defined goals); equity plus direct interest; joint venture earn-in; and convertible debentures.