



Allied Copper Signs Option Agreement To Acquire 100% of Klondike Property, CO, USA

VANCOUVER, British Columbia, Canada December 7, 2021 — Allied Copper Corp. (TSX-V: CPR, OTCQB: CPRRF) (the “Company” or “Allied Copper”), is pleased to announce the optioning of 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.

Warner Uhl Executive Chairman Allied Copper stated, “We are focused in finding opportunities to complement our existing SK Property (“SK”) with attractive assets in the Western United States. Klondike, together with SK both have the potential to become strategically located producing copper mines. It is our plan to drill prospective targets at each property in H1 2022 and then develop utilising our significant treasury raised in 2021. The Allied management team has a track record of taking an asset into production and in replicating this at our portfolio of assets, we hope to be able to meet the anticipated copper shortage with these properties. We are extremely excited to be adding an asset that shows such promise and will continue to evaluate further strategically located assets.”

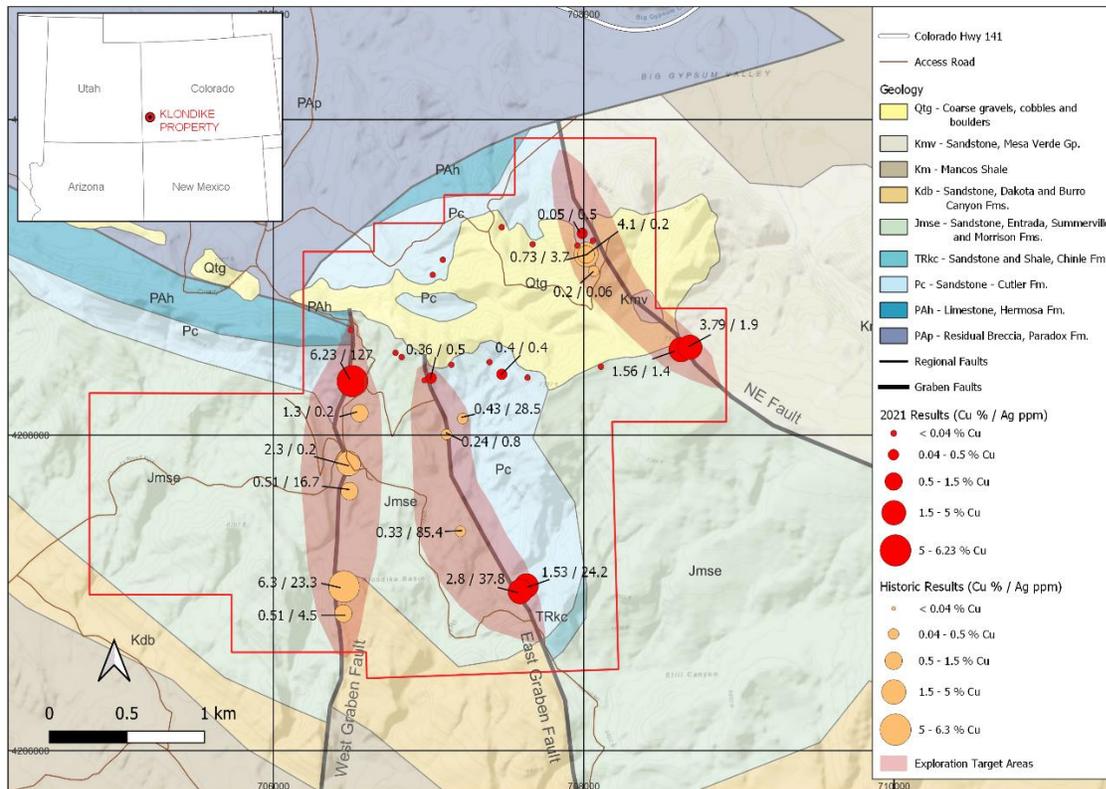
Klondike Property Option Agreement Highlights

- Allied Copper will incur an aggregate of CAD \$4,750,000 in exploration expenditures on the property, with at least CAD \$500,000 to be spent prior to the first anniversary of the closing date.
- Allied will issue 7,000,000 common shares and make an aggregate of CAD \$400,000 in cash payments to the Alliance over a three-year period.
- Upon completion of these option agreement obligations, the Alliance will transfer 100% interest in the Klondike Property to Allied. Allied will also issue 3,000,000 warrants exercisable for a three-year term at a price equal to the 10-day VWAP of Allied’s common shares at the time of the issuance.
- The Alliance will retain a 2% net smelter royalty which is subject to a buy down provision where Allied may, at its discretion, repurchase half of the royalty for CAD \$1,500,000 within 30 days of commercial production.
- If Allied Copper files on SEDAR an NI 43-101 technical report establishing the existence of a resource on any portion of the Klondike Property 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 warrants exercisable for a three year term at a price equal to the 10-day VWAP of Allied’s common shares at the time of the issuance.

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.

Geology

The geology of the Klondike area has been mapped by the US Geological Survey (Cater, 1955; Vogel, 1960). The stratigraphic units exposed in the prospect area extend from the Pennsylvanian Paradox Formation through the Quaternary terrace gravel. The exposed Paradox Formation is for the most part a yellowish-gray residual breccia composed mostly of siltstone, gypsum, and minor black shale, remaining after the salt component of the Paradox Formation has been weathered away. The upper part of the Pennsylvanian section is Hermosa Formation, composed of gray fossiliferous limestone with thin beds of shale. The Permian section is Rico and Cutler Formations; maroon and red conglomerate and coarse arkosic sandstone, with limestone beds in the Rico. In the Triassic section the Moenkopi Formation is missing; the Chinle Formation contains red siltstone with beds of red sandstone, shale, and limestone pebble conglomerate. The Jurassic Glen Canyon Group is composed of Wingate Sandstone, Kayenta Formation, and Navajo Sandstone; two normally red and gray eolian sandstone units separated by red, buff, and gray fluvial sandstone, siltstone, and shale. Overlying the Navajo is a third fine eolian sandstone, the Entrada, in orange buff and white colors; and then the Summerville Formation, red sandy shales. The upper Jurassic Morrison Formation is composed of two members, the Salt Wash member, dominated by thick sandstone and conglomerate beds, overlain by the Brushy Basin member composed of variegated red and gray siltstone and shale with minor sandstone and conglomerate beds. The Cretaceous section is composed of Burro Canyon, Dakota, Mancos and Mesa Verde Formations, whose lithology is not important to the geology of the prospect. The ridge between Big Gypsum Valley and Klondike Basin is capped by terrace gravels of Quaternary age, well-rounded pebble, and cobble gravels, which rest unconformably on most of the older units.

There are numerous historical copper occurrences that have been identified throughout the district, however, many of these have not been explored using modern exploration techniques.

At Klondike, documented copper exploration ceased in the 1960s with subsequent exploration targeting uranium during the 1970s. **Previous work reported high-grade copper mineralization highlighted by results of 6.3% copper and 23.3 g/t silver in rock outcrop.** In addition to its high-grade potential, disseminated copper-silver mineralization has been observed which may be amenable to modern open pit mining with Solvent Extraction Electro Winning (SXEW) processing similar to the Lisbon Valley Mine. Sedimentary-hosted copper deposits are an important contributor to world copper production, accounting for more than 20% of the world's copper supply annually.

Klondike is located at the southeast end of a gypsum salt anticline in a similar structural setting as Lisbon Valley. Copper mineralization occurs in bleached and altered, porous and permeable, sandstone units adjacent to small graben-bounding normal faults. Copper mineralization in outcrop includes malachite, azurite, chalcocite and black copper oxides.

Qualified Person

Rene Victorino (P. Geo.) is the “Qualified Person” as defined by National Instrument 43-101 Standards of Disclosure for Mineral Projects who has reviewed and approved the technical information that is contained within this news release.

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.