



## ExGen Signs Carried Interest Agreement with Phoenix for Construction of the Empire Mine Open Pit Project, Idaho

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VANCOUVER, British Columbia, Dec. 18, 2024 -- **ExGen Resources Inc.** (TSX.V: EXG; OTC: BXXRF) ("**ExGen**", the "**Company**") is pleased to provide an update in respect of the development and construction activities at the Empire Mine Project in Custer County, Idaho, USA. On December 17<sup>th</sup>, 2024 ExGen has signed a carried interest agreement ("**Carried Interest Agreement**") with Phoenix Copper Ltd., whereby Phoenix has agreed to fund all of ExGen's construction and operating costs related to the Empire Mine Open Pit Project (the "**Project**").

### **CARRIED INTEREST AGREEMENT**

The Carried Interest Agreement is an important milestone for ExGen as it ensures that all funding required by ExGen for the construction and operation of the Project will be provided by a loan from Phoenix or its affiliates to Konnex Resources, Inc. ("**Konnex**"). The Carried Interest Agreement contemplates that Konnex will construct and operate the Project as Konnex holds the majority of the leases and claims for the Project (with the remainder being held by an affiliate of Phoenix). Further to previous news releases, ExGen owns 20% and Phoenix owns 80% of Konnex. As a result of the Carried Interest Agreement, Phoenix or its affiliates will fund, through a loan to Konnex, all of ExGen's 20% of construction and operating costs for the Project, and the loan will be repaid by ExGen to Phoenix from ExGen's 20% share of the profits from the Project. In addition, the Carried Interest Agreement ensures that ExGen's ownership interest in Konnex will not be diluted from 20% as a result of the funding of the construction and operation of the Project. In addition, ExGen continues to own 1,330,000 common shares of Phoenix. As part of the consideration for the Carried Interest Agreement and to help facilitate the fastest path to production for the Project, ExGen has agreed that Phoenix is no longer required to do the following pursuant to the original option agreement, as amended, among ExGen and Phoenix: (i) complete a NI 43-101 compliant Feasibility Study for the Project; (ii) pay to ExGen USD 100,000 per year; and (iii) complete USD 500,000 of annual spending on the Project.

Jason Riley, CEO of ExGen commented: "This is a pivotal milestone for ExGen as the carried interest for the Project essentially creates a synthetic royalty payout structure with ExGen maintaining its 20% interest while no longer being required to fund any of the construction or operating costs of the Project. This structure removes the upfront funding risk for ExGen and potentially significant dilution if ExGen had to raise the funds directly, or was unable to do so. We look forward to working with Phoenix in helping to advance the Project as rapidly as possible towards production."

### **ABOUT EXGEN RESOURCES INC.**

ExGen is a project accelerator that seeks to fund exploration and development of our projects through joint ventures and partnership agreements. This approach significantly reduces the technical and financial risks for ExGen, while maintaining the upside exposure to new discoveries and potential cash flow. The Company intends to build a diverse portfolio of projects across exploration stages and various commodity groups. ExGen currently has 5 projects in Canada and the US.

For more information on ExGen please contact ExGen Resources Inc.

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**Forward-Looking Information:** This news release contains certain forward-looking information. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. In particular, this news release contains forward-looking information in relation to: the construction and operation of the Project; the Carried Interest Agreement, including the funding by Phoenix of ExGen's construction and operating costs of the Project, any loans by Phoenix or its affiliates to Konnex for the construction and operation of the Project, and any repayment by ExGen to Phoenix, or its affiliates, of any loans for ExGen's construction and operating costs of the Project through ExGen's 20% share of profits from the Project; the contemplation of the construction and operation by Konnex of the Project; the lack of dilution to ExGen's ownership interest in Konnex as a result of the Carried Interest Agreement; the further potential development and construction of the Project; and the exploration and development strategy of the Project. There can be no assurance that such information will prove to be accurate, and

actual results and future events could differ materially from those anticipated in such information. There can be no assurance that the development and construction of the Project will be completed, and if development and construction is completed, that such development and construction will result in a producing mine or profits for ExGen or Phoenix. In the forward looking information contained in this news release, ExGen has made numerous assumptions, based upon practices and methodologies which are consistent with the mineral industry. In addition, ExGen has assumed: Phoenix's and Konnex's ability to develop, construct and operate the Project and obtain adequate funding for the same; that all approvals and permits will be obtained for the construction and exploitation of minerals from the Project; the continued market acceptance of ExGen's joint venture partnership model; the ability of ExGen and its partners to raise future financing, if needed, at prices acceptable to ExGen or its partners, including for the development, construction and operation of the Project; ExGen's current and initial understanding and analysis of the Project; the ability of Phoenix to explore and develop the Project; the cost of exploration, including sampling, drilling and assaying, on the Project, the costs of developing the Project and the costs and the ability of Phoenix to construct and operate the Project; and ExGen's general and administrative costs remaining sustainable. While, ExGen 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 ExGen's observations, 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: uncertainties relating to interpretation of drill results and the geology; continuity and grade of mineralization; there is no certainty that the ongoing work programs will result in significant or successful exploration of the Project or development of the Project into a producing mine; uncertainty as to the actual results of exploration and development or operational activities; uncertainty as to the availability and terms of future financing; uncertainty as to timely availability of permits and other governmental approvals; ExGen may not be able to comply with its ongoing obligations regarding its properties; the early stage development of ExGen and its projects, and in particular, the Project; general business, economic, competitive, political and social uncertainties; capital market conditions and market prices for securities, junior market securities and mining exploration company securities; commodity prices, in particular copper, gold, silver, and zinc prices; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting ExGen; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. A description of additional risk factors used to develop such forward-looking information that may cause actual results to differ materially from forward-looking information can be found in ExGen's disclosure documents on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca). Although ExGen has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. ExGen does not undertake to update any forward-looking information except in accordance with applicable securities laws.