April 25, 2022

Zacks Small-Cap Research

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World Copper Limited (OTCQX: WCUFF)

PEA on Escalones Copper-Oxide Resource Indicates a 53.6% After-Tax IRR at US$4.00/lb Cu; Target raised to US$2.27 reflecting new data from the PEA & the recent 5% increase in price of copper

Based on a calculation of fully diluted share value of attributable resources, which uses the most recent 43-101-compliant report, a target of US$2.27 per share is indicated.

Current Price (04/22/22)	$0.48
Valuation	**$2.27**

OUTLOOK

World Copper Limited (OTCQB: WCUFF; TSXV: WCU) is a junior mining company focused on the exploration and development of **two copper-oxide properties**, the **Escalones Copper-Gold Porphyry-Skarn Project** in Chile and the recently acquired **Zonia Copper-Oxide Project** in Arizona. Management is **fast tracking a PEA on the Escalones Main deposit** and has plans to expand the resource base at Escalones (via Mancha Amarilla & the East Skarn) and Zonia (NE target). In addition, the company holds an option to earn 100% of the **Cristal Project**, a prospective copper porphyry property in northern Chile.

SUMMARY DATA

52-Week High	**$0.88**
52-Week Low	**$0.28**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (shrs.)	**41,418**
Shares Outstanding (million)	**94.08**
Market Capitalization ($mil.)	**$45.26**
Short Interest Ratio (days)	**2.6**
Institutional Ownership (%)	**4.4**
Insider Ownership (%)	**21.5**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/M**
P/E using 2022 Estimate	**N/M**
P/E using 2023 Estimate	**N/M**

Risk Level	**Above Average**
Type of Stock	**Small-Value**
Industry	**Mining – Misc.**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2020	0 A	0 A	0 A	0 A	0 A
2021	0 A	0 A	0 A	0 E	0 E
2022	0 E	0 E	0 E	0 E	0 E
2023					0 E

Earnings per Share
(EPS is operating earnings before non-recurring items)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2020	-$0.018 A	-$0.022 A	-$0.022 A	-$0.022 A	-$0.09 A
2021	-$0.043 A	-$0.021 A	-$0.042 A	-$0.015 E	-$0.11 E
2022	-$0.030 A	-$0.020 A	-$0.030 A	-$0.020 E	-$0.10 E
2023					-$0.09 E

Quarterly EPS may not equal annual EPS due to rounding.

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RECENT NEWS

Over the last few months, several significant events occurred:

- The combination of World Copper and Cardero Resource Corp. closed in late January, bringing the **Zonia Property** in Arizona into World Copper's portfolio of copper oxide projects.

- An initial **Preliminary Economic Assessment** on the **Escalones Copper-Oxide Resource** was announced and filed on SEDAR. This initial PEA considering only the copper oxide resource estimates an **after-tax $NPV_{8\%}$** of **US$1.4996 million** representing a **46.2% IRR** (Cu $3.60/lb).

- Regulatory **Approvals** for **5,000m diamond drilling campaign** at **Escalones** Project were granted. **Drilling** is **currently underway** with 4 holes (1,000m) having been completed as of mid-April.

- In February, World Copper entered into a **MOU for a strategic alliance** with the **Advanced Mining Technology Centre** of the University of Chile in order to research, develop and implement sustainable, environmentally-friendly mining processes.

- In an effort to secure a **water source for Escalones Copper Project**, World Copper entered into a **non-binding LOI** with Desaladora Rosario SpA in April 2022 for the construction of a pipeline to provide desalinated seawater to the Project.

- Shares of World Copper were **upgraded** to the **OTCQX** Best Market in April.

Merger with Cardero Resources (Zonia Copper Project)

On January 28, 2022, the combination of World Copper and Cardero Resource Corp. closed. A total of 29,389,236 World Copper shares were issued to Cardero shareholders. Management has **several noteworthy developmental plans** for the newly acquired Zonia Property.

In the area adjacent to prior brownfield operations, an updated PEA is planned in order to expand the scope of the project to include non-private lands. **Applications** have been **filed for a 5,000m drilling program** that pertains to both BLM administered public lands and Arizona state land. Through these developmental actions, management expects to significantly expand the Zonia copper resource. Management anticipates that the updated PEA will be completed in 4Q 2022.

Furthermore, a significant copper-molybdenum geochemical anomaly is situated roughly three kilometers northeast drill-defined main brownfield resource. Approximately 2,500m by 1,000m in size, the anomaly was the subject of an IP geophysical survey in late February 2018 that indicated a lack of sulfides suggesting that the area is deeply weathered and oxidized to a depth greater than 300m. These overlapping anomalies are indicative of the presence of a copper-oxide porphyry target that prospectively could further expand the resource of the Property.

Preliminary Economic Assessment

On February 15, 2022, World Copper announced the results of the **initial Preliminary Economic Assessment** on the **Escalones Copper-Oxide Resource**. The NI 43-101 was filed on SEDAR on March 22, 2022.

Overall, the PEA fine-tunes certain specifics of the copper-oxide open-pit project. Our **valuation assumptions have been adjusted** to conform to the new information conveyed. The PEA increases our confidence in the project.

The PEA focuses on the **shallow, copper-oxide resource** that is mineable within an optimized pit shell, which is amenable to conventional **heap-leach processing**. Though the **open-pit constrained Inferred Mineral Resource** was reduced from 426.2 to **365.8 million tonnes** of copper oxide ore, the grade improved from 0.367% Cu to **0.038% Cu**. It should be noted that the quantity and grade of an Inferred Mineral Resource is based on limited geological sampling.

In addition, the anticipated rate of **metallurgical Cu recovery improved** from 71% **to 72.5%**. Also, the **Life of Mine expanded** from 8.6 **to 20 years**. However, the **initial anticipated capital expenditures** increased from US$ 198 million **to US$438.4 million**.

Finally, at $US4.00 per lb. Cu, the after-tax $NPV_{8\%}$ would be US$1.822 million representing a 53.6% IRR. Currently, the price of copper is US$4.58 per pound.

PEA HIGHLIGHTS

- **$1,499.6 million Post-Tax NPV_8 at $3.60 /lb. Life of Mine ("LOM") (20 years) copper price**
  - **Post-Tax IRR of 46.2% and Payback of 2.18 years**
  - **$2,279.1 million pre-tax NPV_8, Pre-Tax IRR of 63.9%**
- $1,822.4 million Post-Tax NPV_8 at US$4.00 /lb. LOM copper price
  - Post-Tax IRR of 53.6% and Payback of 1.95 years
  - $2,769.8 million pre-tax NPV_8, Pre-Tax IRR of 75.0%
- **Initial Capital (CAPEX) cost of $438.4 million** (from construction decision)
- 365.8 Mt of heap leach tonnes mined and processed over a 20-year LOM in a conventional open pit mining operation

World Copper Press Release February 15, 2022

For comparison purposes, select economic results and assumptions of Escalones and Zonia are in the table below. The Zonia PEA is based on 15.6 million tonnes (0.43% Cu) of Measured resources, 61.4 million tonnes (0.31% Cu) of Indicated resources and 27.2 million tonnes (0.28% Cu) of Inferred resources while the Escalones is based on 426.2 million tonnes (0.367% Cu) of Inferred resources.

World Copper Limited

Preliminary Economic Assessments (PEAs)	Escalones (March 2022)	Escalones (March 2022)	Zonia (April 2018)
Copper Price Assumed ($/lb.)	$3.60	$4.00	$3.00
Post-Tax NPV8% (millions)	1,499.6	1,822.4	192.0
Post-Tax IRR	46.2%	53.6%	29.0%
Initial Capital (US$ millions)	438.4	438.4	198.0
Payback Period of Initial Capital	2.18	1.95	2.89
Life-Of-Mine (Years)	20.0	20.0	8.6

5,000m Drilling Program Commences at Escalones

On March 7, 2022, World Copper received Environmental Approval through a Resolución de Calificación Ambiental (RCA) from the Regional Environmental Committee (Comisión de Evalucaión Ambiental) to conduct an **11-hole** (**5,000m) diamond drilling program** at the Escalones Project. Previously, on February 21, 2022, the drilling application (Declaración de Impacto Ambiental or DIA) was approved by the Regional Environmental Committee.

Since the drill program was designed to minimize the environmental impact (use of temporary mobile camp, light equipment, etc.), management anticipated the environmental approval and was prepared to quickly mobilize the drilling rig to the proposed initial drilling site at the **Mancha Amarilla lithocap**. Drilling commenced after receiving the Environmental Approval. Drilling is currently underway with 4 holes (1,000m) having been completed as of mid-April. Upon completing the planned drill holes at Mancha Amarilla, the rig will be moved to the **east-flanking skarn** where the second part of the drilling program will be performed.

The entire **11-hole** (**5,000m) drilling program** is expected to be completed during the first half of 2022 before the Chilean winter sets in. Drilling results are anticipated to be announced in the second half of 2022.

Quest for Sustainable, Environmentally-friendly Mining Processes

On February 9, 2022, World Copper entered into a **MOU** for a **strategic alliance** with the **Advanced Mining Technology Centre** of the University of Chile. This collaborative effort has the goal of developing and subsequently implementing sustainable, environmentally-friendly mining processes. The strategic alliance hopes to create new mining technologies that reduce water consumption, CO_2 emissions and the overall environmental footprint of mining activities

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Non-Binding LOI for Development of Desalinated Seawater Supply for Escalones Project

On April 18, 2022, World Copper signed a non-binding Letter of Intent (LOI) with Desaladora Rosario SpA (DESALA) for **development a supply of desalinated seawater** to the company's **Escalones Project**. The LOI encompasses a jointly effort for the development and construction of a desalination plant on the coast and a pipeline to the Escalones Project. The designed capacity of the desalination plant/pipeline project (2,000 liters per second) far exceeds the PEA's estimate of no more than 100 liters per second, which allows for the **possibility of sharing water capacity with rural Chilean communities** along the route of the pipeline, many of which currently are fully dependent on water supplied by trucks. It is envisioned that a binding water purchase agreement would be in a take-or-pay format for at least a 15-year term.

World Copper Upgraded to the OTCQX in the U.S.

On April 19, 2022, the shares of World Copper began trading on the OTCQX Best Market.

Anticipated Upcoming Developments

2H-2021 - results of 5,000m exploratory drill program at **Escalones** (Mancha Amarilla & East Skarn)
2H-2022 - small, shallow (100m-150m) exploration drill program at **NE anomaly** at **Zonia**
2H-2022 - 5,000m infill drill program at main deposit on BLM & Arizona state lands at **Zonia**
2H-2022 - small (4-6 holes) exploration drill program at **Cristal** (target depth in the 500m-1,000m range)
4Q 2022 - updated PEA on main deposit at **Zonia**
2023 - 10,000m infill drill program on main deposit at **Zonia**
2023 - PFS on **Zonia**
2023/24 - deeper, infill developmental drill program at **Escalones**
2024 - PFS on **Escalones**

OVERVIEW

Headquartered in Vancouver, World Copper Limited (OTCQB: WCUFF; TSXV: WCU) is a junior mining exploration company, currently focused on the exploration and development of **two copper-oxide properties**, the **Escalones Copper-Gold Porphyry-Skarn Project** in Chile and its soon-to-be acquired **Zonia Property** in Arizona (through a merger with Cardero Resource Corp.). In addition, the company holds an option to earn 100% of the **Cristal Project**, a prospective copper porphyry property in northern Chile.

In 2020, management's focus started to evolve toward pursuing the potentially economically viable **oxidized copper mineralization** (as opposed to traditional sulfide mineralization) situated less than 300m below the surface of the Main deposit at the **Escalones Project** (underlying the Meseta) and the contiguous **prospective Mancha Amarilla** ridge. A recent revised NI 43-101 Technical Report (dated October 6, 2021) estimates **Inferred Resource** of copper oxides at the Escalones Main deposit contains 3.447 billion pounds of copper Management is **fast tracking a PEA** (Preliminary Economic Assessment) **on the Main deposit**. An 11-hole (5,000m) **Phase 1 drill program** at Mancha Amarilla commenced in March 2022 with drilling results expected to be announced in the second half of 2022..

The **merger with Cardero Resource Corp.** closed on January 28, 2022. Through this share transaction, World Copper **acquired 100% of the Zonia Copper-Oxide Project**. Management plans to commission an updated PEA that considers expanding the resources beyond the 100% privately-owned land by including the estimated resources on BLM and Arizona state land.

As part of management's strategy to increase the company's resource based, two prospective target areas are scheduled for further exploration: the **Northern Target Cluster** of porphyry-related mineralization at the Escalones Property (Rio Negro, Argüelles East and Argüelles) and the **northeast Copper-Porphyry target** at the Zonia Property. All have been investigated and explored through geophysical surveys and geochemical surface sampling. Among the three prospective northern targets, the **central area of Rio Negro** is management's priority drill target.

World Copper's stock is benefitting from several catalysts. Currently, there is a very **positive macro-tailwind for the copper mining industry**, driven by the outlook for a looming supply shortage based on the confluence of increased demand from green electrification initiatives and an impending reduction of mine production. By 2030, projected demand for copper is expected to exceed expected mine production by **5.7 million tonnes**, according to S&P Global Market Intelligence.

Moreover, there are **impending company-specific catalysts**, including **drilling results** from the exploration of **Mancha Amarilla** and the **East Skarn** at Escalones and the **upcoming expanded PEA** of the **Zonia Copper Project** in Arizona. In addition, the company should experience news flow from management's exploration (in-fill sampling) initiatives at **Rio Negro** and **Argüelles Este** at Escalones and the **northeast target** at Zonia.

Equity Developments

On January 26, 2021, Wealth Copper was listed on the **TSXV** under the ticker symbol WCU. The company began trading in the U.S. on May 17, 2021 under the ticker symbol WCUFF, and was subsequently uplisted to the **OTCQB Venture Market** on August 18 2021. On October 18th, the company's shares became **DTC eligible**. On April 19, 2022, the shares of World Copper were upgraded to the OTCQX Best Market. The OTCQX listing and DTC eligibility should expand awareness of World Copper and facilitate the trading of the company's shares among US investors, both retail and institutional. The company's primary continues to be the TSX Venture Exchange with roughly twice the average daily volume as the OTCQX.

World Copper Limited

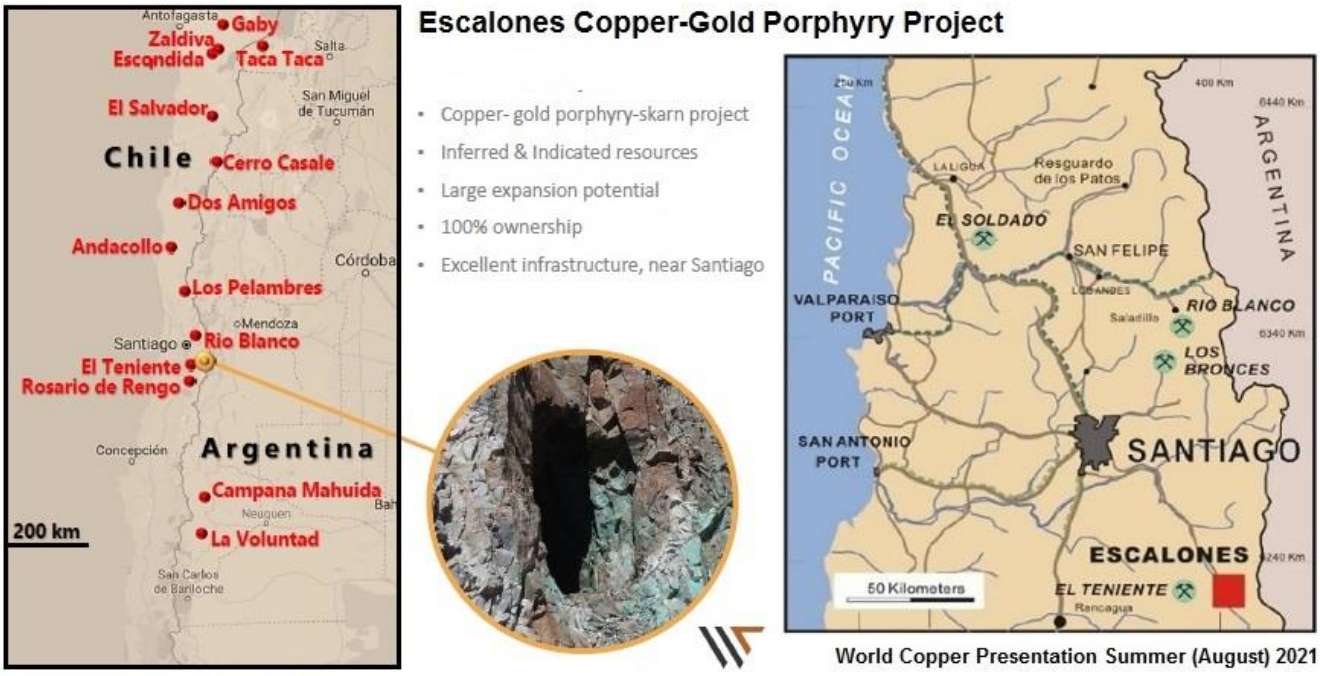
TSXV: WCU

Current Price	**CAD 0.59**	**Average Daily Volume (shrs.)**	**64,392**
52-Week High	**CAD 1.05**	**Shares Outstanding (million)**	**94.08**
52-Week Low	**CAD 0.29**	**Market Capitalization (million)**	**CAD 55.51**

ESCALONES COPPER-GOLD PORPHYRY PROPERTY

Management is advancing the **Escalones Copper-Gold Porphyry Project** in a novel direction, specifically as an **oxide copper resource**. Historically, the prior owner of the property, Gold Springs Resource Corp. (formerly known as TriMetals Mining, South American Silver and General Minerals) pursued the advancement of the porphyry-related deposit as a precious metals project, concentrating on the supergene body of sulfide mineralization. Gold Springs was and is a junior gold-silver company. As a result, the prior owner explored, evaluated and advanced Escalones as a sulfide porphyry mineral resource with special interest in precious metals.

Since the management of World Copper has been focusing on the **oxide copper mineralization** that overlies the sulfide deposit. First, shallow copper-oxide ore can be more economically mined with an open pit design with a lower strip ratio than deeper copper sulfide ore. Second, oxidized ore can be processed **less expensively through heap leaching** and in a **greener** manner.

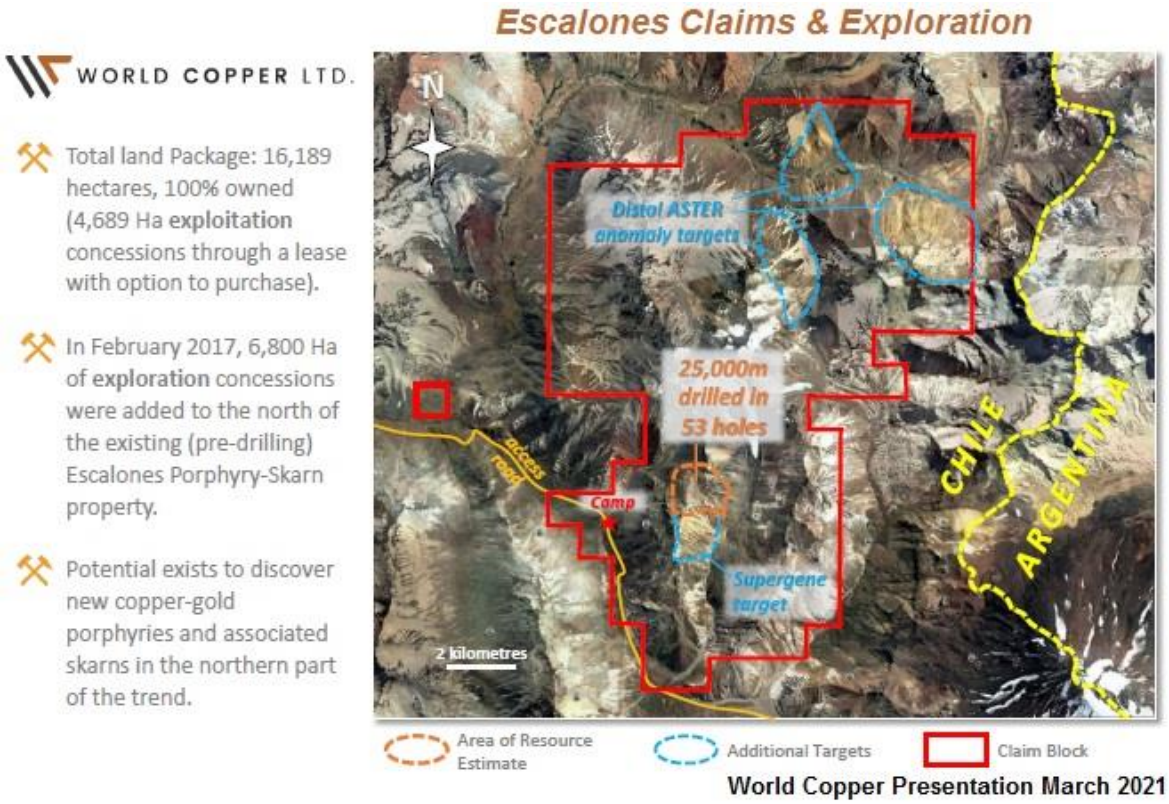


To date, 24,939 meters (53 holes) of drilling has been completed on the Escalones Main Zone deposit and associated skarns. The drilling programs were carried out between 1998 and 2013 by General Minerals Corp. (1998-2001) and South American Silver Corp. (2007-2013). Essentially, both companies are the same entity, which changed its name and corporate structure several times between 2006 and 2019.

Management is **fast tracking a PEA on the Escalones Main deposit**. There is also a significant opportunity to expand the Escalones resource by **drilling the immediately adjacent Mancha Amarilla target**, which management believes is an extension of the Main deposit.

Escalones Property Description

The **Escalones Project** encompasses 59 exploitation concessions covering **16,189 hectares**, of which approximately four km^2 hosts geophysical anomalies with hydrothermal alterations that are consistent with copper, gold and silver porphyry-related mineralization, including mineralized skarn. The project is located 35 kilometers east of CODELCO's well-known El Teniente mine, the world's largest underground copper mine.



Escalones Property Ownership

Today, the total Escalones Property encompasses a 161.89 km^2 consisting of two tracts.

The **smaller tract** (~46 km^2) encompasses 19 **exploitation concessions** in which the Escalones Main deposit is situated. Initially, this 4,689-hectare parcel was subject of an option entered into by **General Minerals SCM** with Juan Luis Boezio Sepulveda in 1996. Between 1997 and 2001, General Minerals conducted exploration programs, including surface geological mapping, surface sampling, geophysical surveys, trenching, 25 diamond drill holes and channeling across the rock face of skarn. However, due to low copper prices, the option agreement was terminated in 2001. Effective February 26, 2004, the same two parties entered into a subsequent option agreement, which has been amended several times over time. The Escalones Main deposit is situated within this smaller tract of concessions.

The **second larger tract** (115 km^2) encompasses 40 **exploration concessions**. Part of this larger parcel (2,200 hectares or 22 km^2) was controlled by General Minerals SCM between 1996 and 2004.

On September 28, 2006, **South American Silver Corporation** was created as a carve-out from General Minerals with South American Silver holding the concessions of Escalones. Effective March 17, 2014, South American Silver changed its name to **TriMetals Mining Inc**.

On May 31, 2019, **Wealth Copper Ltd**. signed a definitive agreement whereby it holds an option to acquire a 100% interest in the **Escalones Copper-Gold Porphyry Project** from TriMetals Mining Inc. Pursuant to the definitive agreement, Wealth Copper issued 25,000,000 shares of Wealth Copper (now World Copper) to TriMetals and paid $150,000 in cash payments. As part of the agreement, TriMetals Mining was granted a 2% NSR (net smelter royalty), which can be repurchased for US$3.0 million within five years after going into production.

On July 16, 2020, Wealth Copper Ltd. changed its name to **World Copper Ltd**.

Subsequently, on November 5, 2019, TriMetals Mining Inc. (TSX: TMI, OTCQB: TMIAF) changed its name to **Gold Springs Resource Corp**. (TSX: GRC.TO).

In addition, World Copper is required to make **USD cash payments per the schedule below** to Sociedad Legal Minera Los Escalones Uno Uno de San Jose de Maipo (an incorporated entity formed by the heirs of Juan Luis Boezio) in order to exercise the Escalones Option on the smaller parcel.

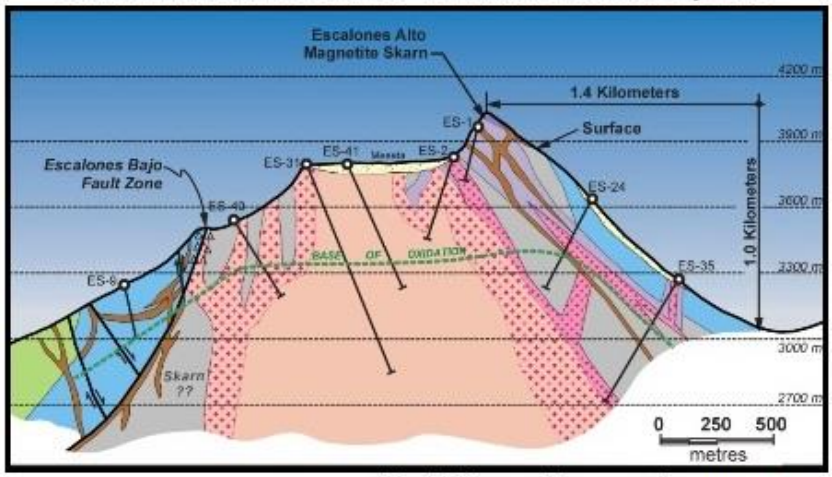
Date	Cash Payment (USD)
December 30, 2020	$140,000 (PAID)
June 30, 2021	$150,000 (PAID)
September 30, 2021	$150,000 (PAID)
June 30, 2022	$500,000
June 30, 2023	$500,000
June 30, 2024	$3,000,000
Total:	**$4,500,000**

World Copper NI 43-101 PEA March 22, 2022

Escalones Property Historical Production

Historically, high-grade copper ores (over 10% Cu) were mined from magnetite skarn exposures at Escalones Alto and from areas of Escalones Bajo. In 1926, a mining and production report cited that total production for the month of April 1926 was 15.4 tonnes of ore grading of 12% Cu (Report on Escalones Property, Kurt T. Katsura, October 24, 2006).

Schematic Cross Section - Escalones Main Deposit



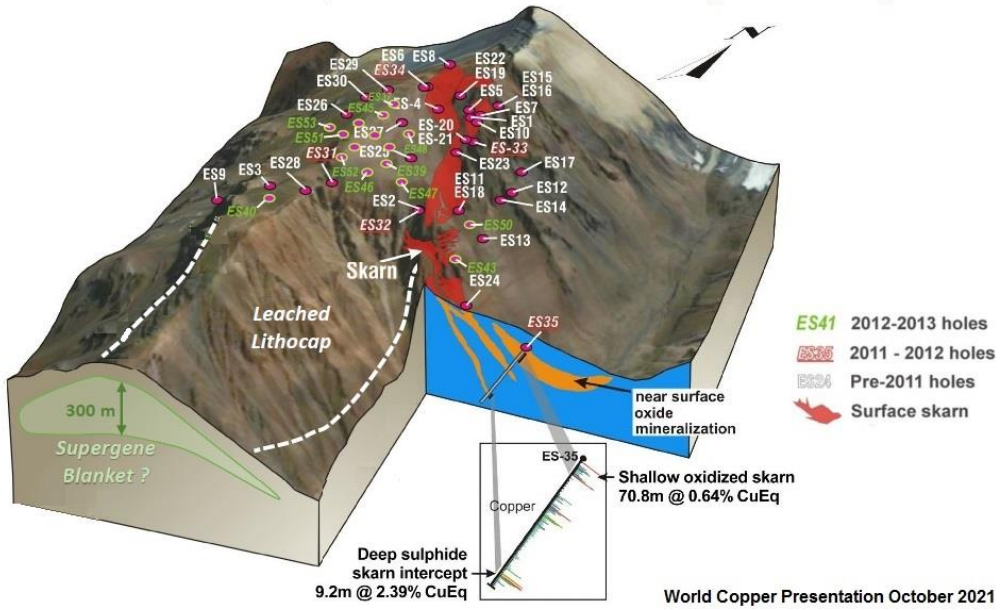
World Copper Presentation March 2021

Exploration - Drilling

Between 1998 and 2013, 53 drill holes (24,939 meters) were completed on the Escalones Main Zone deposit and associated skarns. The table below summarizes the programs.

World Copper Limited				
Drill Programs		**# of**		
Season	**Drill Holes**	**Holes**	**Length**	**Target**
1998-1999	ES-1 to ES-9	9	4,434	Escalones Alto
1999-2000	ES-10 to ES-23	14	5,725	Escalones Alto & Bajo
2000/2001	ES-24 to ES-25	2	1,212	Meseta
2007	ES-26 - ES-30	5	1,294	sulfide target at Meseta
2011/2012	ES-31 to ES-35	5	2,704	mineralized skarn intersected
2012/2013	ES-36 to ES-53	18	9,070	16 in Meseta & 2 in skarn
Totals	**ES-1 to ES-53**	**53**	**24,439**	

Escalones Main Deposit & Mancha Amarilla Expansion Target

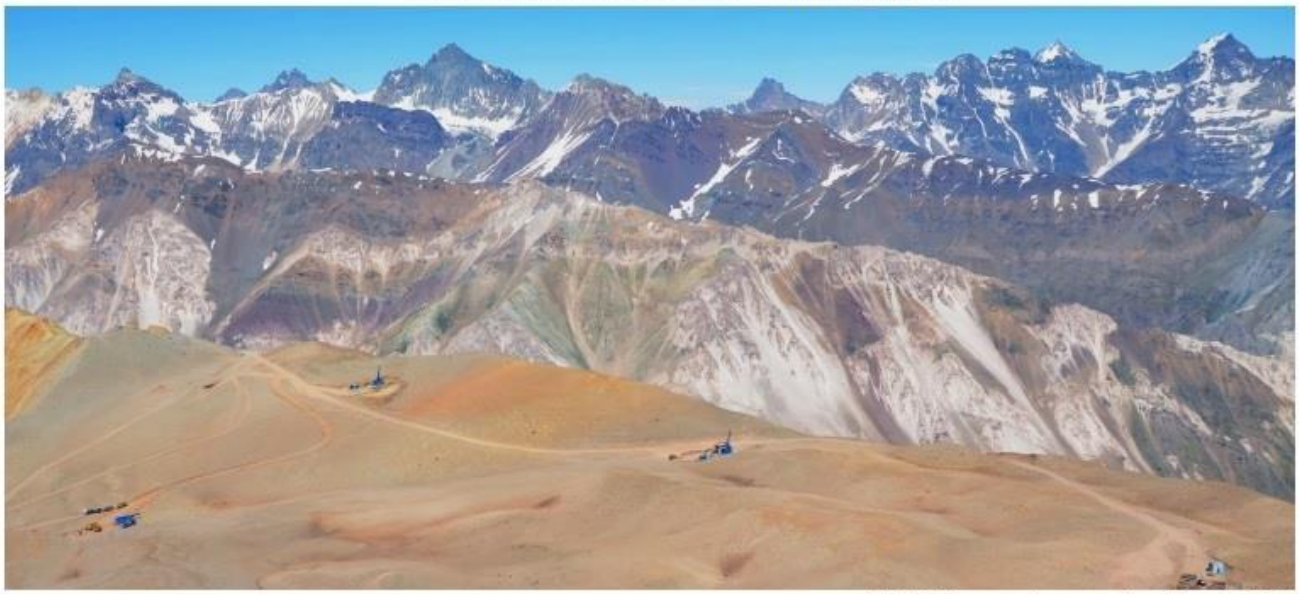


World Copper Presentation October 2021

Initial early exploration (1998-1999) **focused on** the exposed high-grade copper mineralization at Escalones Alto and the high-grade down-dip extensions of magnetite-copper **skarn** with particular interest in gold credits. Later, in 2000, drilling expanded to the Escalones Bajo structure and thereafter to the Meseta, where porphyry-style mineralization was first intersected in ES-25.

The **Meseta** is situated at an altitude of 3,800m above sea level and is a plateau covered by glacial till, which is underlain by an intrusive complex with ore-grade porphyry-type copper-gold-silver mineralization that appears to have been subjected to supergene enrichment processes. To the east lies **Escalones Alto**, a skarn on a ridge crest at approximately 4,000m above sea level, and to the west is **Escalones Bajo**, a lower skarn between 2,500m and 3,200m above sea level.

Escalones Main Zone - The Meseta



World Copper Presentation March 2021

In 2007, the **focus shifted to sulfides** related to porphyry-style deposits, along with skarn mineralization. Following the submission of an Environmental Impact Declaration, an environmental license was granted on August 18, 2009.

Drilling during the **2011-2013 campaigns** (11,774m over 23 holes) concentrated on better defining the porphyry mineralization in order to expand the resource estimate. The 5-hole program during the 2011-2012 drilling season **detected a new copper oxide zone**. In the subsequent summer drilling season (December 2012 - April 2012), 18 holes (9,070 meters) were completed.

Since acquiring the option on the Escalones Property, World Copper has not conducted a drilling program on the project due to a combination of constraints (budget, permitting and seasonal weather). However, **World Copper has compiled and validated historical sampling and drill data**. This includes the data from the 53 drill holes and from 1,556 chip samples collected from surface outcrops and trenching (both channel and road cuts) between 1998 and 2011.

Using all the accumulated geological, geochemical and geophysical data have been **integrated by utilizing GIS** (Geographic Information System) software, which is designed to display and analyze geographic and spatial data. Graphic displays of cross sections in the area of historical drilling were generated and analyzed at 100-meter intervals.

ESCALONES MINERAL RESOURCE ESTIMATES

Resource Estimate (announced December 19, 2011)

The initial independent NI 43-101-qualified resource estimate on Escalones was completed in late 2011 and filed on SEDAR on February 2, 2012. At the time, the Escalones Property encompassed 6,889 hectares; the subject of the estimate was skarn-type mineralization overlying and adjacent to Escalones Main porphyry system. The porphyry-related copper deposits were described as “large-tonnage, low-grade, hydrothermal **copper sulfide** occurrences.” In 2012, the Estimated **Inferred** Resource was 420 million tonnes grading at 0.49% CuEq **containing 3.8 billion pounds Cu**, 56.9 million pounds of molybdenum (Mo), 610,000 troy ounces of Au and 16.8 million troy ounces Ag @ 0.2% CuEq cut-off. The Estimated Inferred Resource was based on 30 diamond drill holes (12,666 meters) and 43 channel/road cuts (over 2,100 meters).

Resource Estimate (dated May 2014 & amended July 11, 2014)

Escalones Project Mineral Resource Estimate

May 2014

Classification	CuEq% Cut-off	Tonnes *1,000	Cu %	Cu lbs *1,000	Au g/t	Au Oz	Ag g/t	Ag oz	Mo %	Mo lbs	CuEq%	CuEq lbs *1,000
Indicated	**0.25**	232,561	0.308	1,578,329	0.067	**498,012**	0.661	4,938,667	**0.006**	31,908,650	0.380	1,947,232
Inferred	**0.25**	527,667	0.343	3,992,410	0.036	**609,437**	0.849	14,397,830	**0.007**	79,488,676	0.401	4,664,903

World Copper NI 43-101 Technical Report dated September 17, 2020

The amended July 2014 resource estimate on the Escalones Porphyry Copper Project includes the results of the drilling programs through April 2013. It is noteworthy that after the 2011-2013 drilling programs, it appears that the **42%** of the initial 2011 **Inferred** Resource (3.8 billion pounds Cu) **was upgraded** to the **Indicated** category (1.578 billion pounds Cu).

Resource Estimate (dated September 17, 2020)

World Copper commissioned an independent NI 43-101-qualified resource estimate on the Escalones Project, which was completed on September 17, 2020. The Estimated **Indicated** Resource was 184.6 million tonnes grading at 0.370 CuEq **containing 1.327 billion pounds Cu**, 445,000 troy ounces of Au and 4.162 million troy ounces Ag @ 0.24% CuEq cut-off. The Estimated **Inferred** Resource was 253.8 million tonnes grading at 0.427 CuEq **containing 2.205 billion pounds Cu**, 392,000 troy ounces of Au and 8.888 million troy ounces Ag. The Estimated Mineral Resource was **constrained by a conceptual pit shell** that is considered to be amenable to open-pit mining. Consequently, the **Indicated** Resource declined 15.9% from 1.578 to 1.327 billion pounds Cu.

Mineral Resource Statement for the Escalones Project

June 30, 2020

CLASS	Density	Tonnes	*Average Grade*				*Metal Content*			
			CuEq	Cu	Ag	Au	CuEq	Cu	Ag	Au
	tonne/m³	Thousand tonnes	%	%	g/t	g/t	Thousand lb	Thousand lb	Thousand t. oz	Thousand t. oz
Indicated	2.67	184,650	0.370	0.326	0.7	0.075	1,507,280	1,326,858	4,162	445
Inferred	2.76	253,826	0.427	0.394	1.1	0.048	2,390,759	2,205,448	8,888	392

World Copper NI 43-101 Technical Report dated September 17, 2020

Updated Resource Estimate (dated August 23, 2021)

On August 23, 2021, an updated resource estimate was announced. With an effective date of June 25, 2021, the technical report **focused on the shallow, copper-oxide resource** that is mineable within an optimized pit shell. Consequently, the redefined oxidized mineralization resource should be amenable to a **heap-leach processing method**.

Escalones Oxide Copper Resource Estimate Statement

CLASS	Density	Tonnes	Grade	Metal Content
	tonne/m³	(X1000)	Total Cu %	x1000 lb Cu
Inferred	2.69	426,198	0.367	3,446,982

World Copper Presentation Summer (August) 2021

The estimated **Inferred Mineral Resource** is 426.2 million tonnes of copper **oxide ore** grading **0.367% Cu** with a strip ratio of only 0.93 with a 13% cut-off grade. It should be noted that the

quantity and grade of an Inferred Mineral Resource is based of limited geological sampling, which is sufficient to imply the size of the resource, though it can be reasonably expected that a significant part of an Inferred Mineral Resources can be upgraded to the Indicated category though further exploration, usually by infill drilling.

The boundary of the optimized pit shell was determined using several estimated/assumed factors, including the ore grade, a **metallurgical Cu recovery of 71%**, copper price of US$3.50/lb and operating ore costs of US$6.50/tonne, among others. The sulfide material below the oxidized boundary (approximately 300m below the surface) was excluded from the updated resource estimate.

Whittle $3.50 Cu Optimized Pit Parameters

Internal cuttoff @	$/lb Cu	$ 3.50
Processing	$/ore tonne	$5.00
G&A + Taxes	$/ore tonne	$1.50
Cu Recoveries	Acid+ CN Sol.	71%
Royalties	gross	2.0%
Refining & Shipping cost	per/lb	$0.25
Total cost	$/ore tonne	$6.50
Cu Selling Price	$US/lbs	$2.45
CuT Cutoff Grade		0.13%

Resource Sensitivity Within 2021 Resource Pit

Cut-Off Grade (% Cu)	Strip Ratio	Inferred		
		Tonnes	Copper	Contained Copper
		(x '000)	(%)	(M lbs)
0.10	0.77	463,472	0.347	3,541
0.13	***0.93***	***426,198***	***0.367***	***3,447***
0.15	0.99	412,643	0.374	3,405
0.20	1.21	371,385	0.396	3,245
0.25	1.63	312,692	0.428	2,952

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Infrastructure

The Escalones Property has sufficient infrastructure to support mining operations. The property is located 97km southeast of Santiago and has access to the seaports of Valparaiso and San Antonio. The property, itself, has access roads and an exploration camp at an altitude of 2,400m. Along with access to locally diesel-generated electric power, there is also a gas pipeline that crosses a portion of the property. Currently, there are discussions to construct a water pipeline to transport desalinized water from the ocean to El Teniente mine, which is only 35km away.

Pre-COVID, there was an effort to construct a green 531MW hydroelectric plant (Alto Maipo) 50km southeast of Santiago. Although Alto Maipo filed for Chapter 11 protection in November 2021, the restructured entity is conducting tests towards the start of commercial operations. In addition, the Espejo de Tarapaca Project for a solar-powered pumped storage hydroelectric facility to serve Chile's copper processing industry is in the feasibility stage with environmental permits having already been granted.

ESCALONES PROPERTY - EXPANSION TARGETS

The Escalones Main deposit remains open for oxidized mineralization laterally to the south (**Mancha Amarilla**) over an area roughly equal to the outline of the Estimated Mineral Resource of the Escalones Main deposit, itself. Furthermore, geophysical and geochemical anomalies indicate that **two skarn extensions** flanking the Escalones Main deposit **on the east and west** are highly prospective. All three (Mancha Amarilla and both skarns) are high priority **expansion targets**.

Additionally, there is a cluster of **three (3) prospective** porphyry and skarn **targets** (Rio Negro, Argüelles Este and Argüelles) that are situated between 8km and 10km to the north of the Escalones Main deposit. These three large geochemical anomalies (with diameters ranging between 2,000m and 3,000m) have

not yet been drilled, though **two surfacing sampling programs** have been conducted, the first by General Minerals in 1999 and the second by World Copper in 2021. Management is planning an initial 2,000-meter drill program in order to test the more promising hydrothermal alteration zones at Rio Negro.

During March and April 2021, World Copper conducted rock sampling program, along with a mapping effort, over two of the Escalones extension targets (Mancha Amarilla and East Skarn) and all three northern targets (Rio Negro, Argüelles Este and Argüelles). 336 samples were collected from Mancha Amarilla and East Skarn targets, while over 180 samples were taken from the Rio Negro, Argüelles Este and Argüelles. Having interpreted the geochemical analysis of the surface samples, the company is current conducting a **Phase 1 drill program** at **Mancha Amarilla**. Also, the **central area of Rio Negro** is management's **priority drill target** among the three prospective northern targets.

Mancha Amarilla

To the south of the Main resource of the Escalones Project, on the same ridge, is the **Mancha Amarilla** target. The Main resource, which is the subject of the Oxide Resource Estimate (dated October 6, 2021), is situated beneath the Meseta. The **Mancha Amarilla** target encompasses an area of 500,000 square meters (1,000m by 500m), which extends under a **down-sloping ridge to the south**. Management believes that Mancha Amarilla is an extension of the Escalones Main deposit, which potentially could contribute oxidized mineralization to the oxide copper resource.



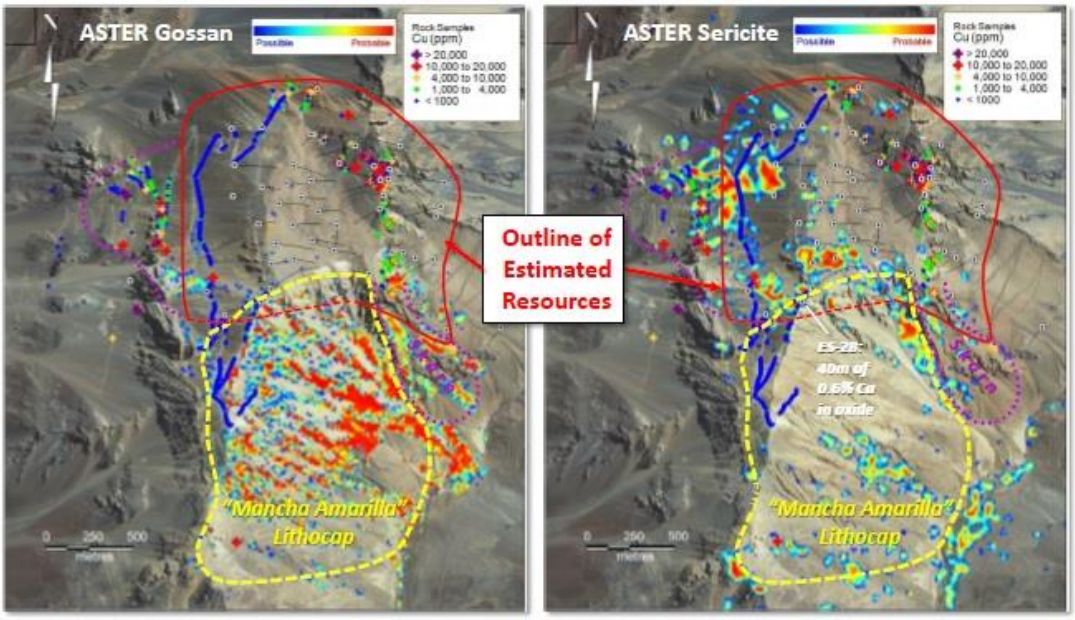
World Copper website January 4, 2022 https://worldcopperltd.com/properties/escalones/

Escalones - Skarn Extensions

Mineralized skarn extensions are present on east and west flanks of the Escalones Main deposit. Historic hole ES35 (drilled before 2011) on the East Skarn flank intercepted both near-surface oxide skarn (70.8m at 0.64% CuEq) and deep sulfide skarn (9.2m at 2.39% CuEq). In general, mineral-bearing porphyry-related skarn is volumetrically smaller, but grades are normally higher, than the mineralization in the associated porphyry system.

World Copper acquired ASTER (Advanced Spaceborne Thermal Emission and Reflection Radiometer) imagery from PhotoSat in January 2020. The color anomalies were interpreted, and it was determined that the gossanous **East Skarn** is comprised of highly mineralized sandstone and porphyry sills. The following year, in March and April of 2021, World Copper conducted a **rock surface sampling program** (336 samples) at the Escalones extension targets, including Mancha Amarilla and the East Skarn.

ASTER Satellite Spectrometry

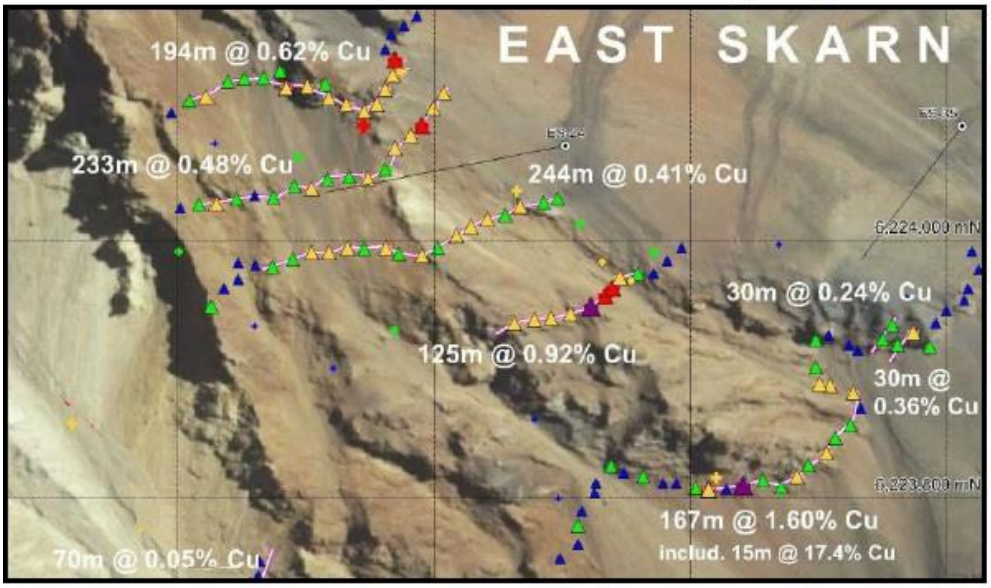


- Strong gossan over SE skarn target remains undrilled
- ASTER gossan on the Mancha Amarilla is over 1 X 1 km²

World Copper Presentation March 2021

The **continuous 15m chip sampling program** over five uninterrupted lengths. Higher chip results of the grab sampling program were 244m @ 0.41% Cu, 233m @ 0.48% Cu, 194m @ 0.62% Cu, 125m @ 0.92% Cu and 167m @1.60% Cu, including15m @17.4% Cu.

East Skarn Flank - Surface Sampling



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Northern Target Cluster

The Escalones Property hosts areas totaling at least four km^2 of hydrothermal alteration with geophysical anomalies consistent with copper, gold and silver hosted in porphyry-related mineralization. In addition to the area surrounding the Main Resource deposit, there are three

significant targets situated between 5km and 10km to the north. Each target has a diameter between 2,000m and 3,000m. Currently, there is not any road access to these targets.



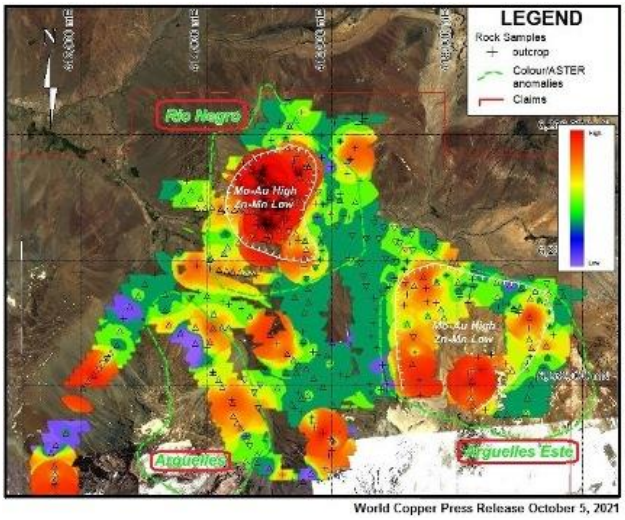
World Copper web site (December 2021) https://wealthcopper.pubco.net/properties/escalones/

Exploration

In **1999**, General Minerals Corporation conducted a **reconnaissance level survey** (RECCE) and a limited sampling program of the three northern targets. Evidence of porphyry and skarn mineralization was detected at all three targets; however, the highlight was that disseminated and fracture-controlled copper-oxide and sulfide mineralization was discovered at the Rio Negro target.

In January **2020**, World Copper acquired ASTER imagery from PhotoSat. Having detected gossan and sericite anomalies, World Copper RECCE mapped and conducted a **surface sampling program** during March and April of **2021**. The effort confirmed gossanous alterations related to **porphyry systems at Rio Negro and Argüelles East**, along with **skarn mineralization at Argüelles**. Assay results geochemically confirmed the presence of porphyry-related copper mineralization, particularly at Rio Negro.

During March-April 2021, World Copper conducted a **rock surface sampling program** using the ridge and spur character rock sampling technique (a relatively unbiased sampling procedure). Rock chips were collected in 4m-diameter areas roughly every 200 meters, mostly from outcrops (as the topography allowed); 180 samples were taken from the Rio Negro and Arguelles Este targets.



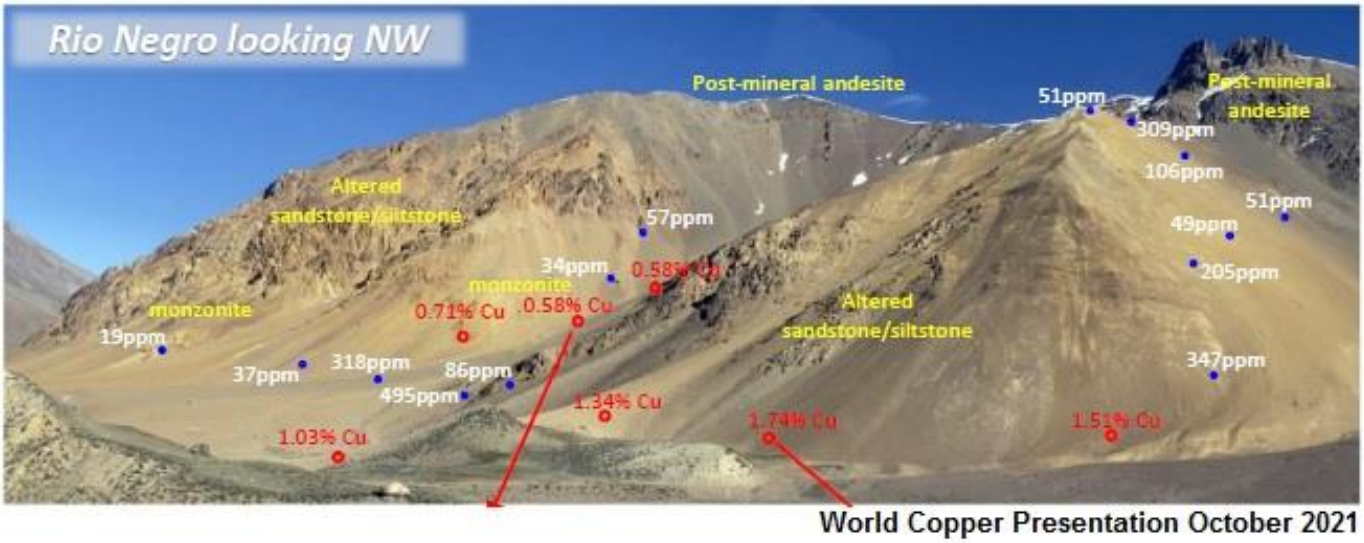
World Copper Press Release October 5, 2021



World Copper Presentation August 2021

Rio Negro Target

Rio Negro is a 2,000m-in-diameter target with copper mineralization at surface. The **central area** (800m by 1000m) is an argillic (clay) and quartz-sericite alteration zone associated with porphyry intrusions into sedimentary rocks. This central area produced five samples assaying at over 1.0% Cu (10,000 ppm) and three samples returning between 0.5% and 1.0% Cu. The **south margin** in the valley is covered with young volcanic rocks and alluvium. The **central area of Rio Negro** is management's **priority drill target** in the northern target cluster.



Argüelles Este Target

Argüelles Este is a large (3,000m in diameter), deeply-weathered, argillic (clay) and gossanous alteration zone roughly two kilometers southeast of Rio Negro. Field work identified an extensive lithocap with quartz-pyrite vein stockworks and also copper oxides in gypsum diapirs (domed rock formations created by deformable material forced into brittle overlying rocks). Along the western third of the anomaly, sporadic anomalous copper and molybdenum was detected. The central area of the anomaly has yet to be sampled and mapped. More sampling is needed in order to determine initial drilling targets.

Argüelles Target

Argüelles appears to be an extensive skarn system along a 3km rugged ridge. Since sampling was limited to accessible bases of the ridge and only a few samples assayed at greater than 1000 ppm, further sampling is required to determine the importance of this target.

ZONIA COPPER-OXIDE PROPERTY

On January 28, 2022, the combination of World Copper and Cardero Resource Corp. closed, through which World Copper **acquired the Zonia Copper Project**. The Zonia Property contains a **near-surface, copper-oxide resource**, including a brownfields site mined in the late 1960s and 1970s. A PEA was completed in April 2018 utilizing data from over 50,000 meters of drilling.

Zonia Property Overview

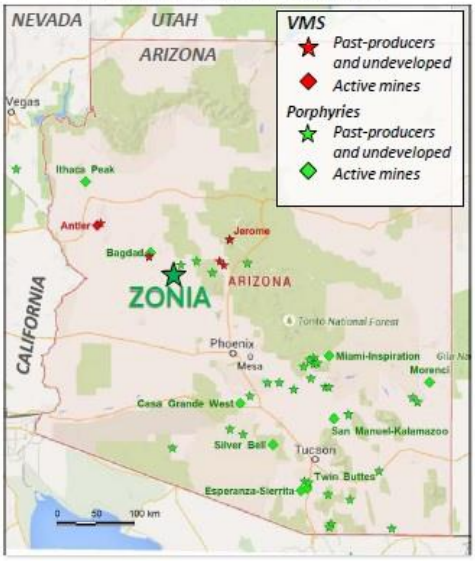
The 4,280-acre Zonia Property encompasses a near-surface copper-oxide resource, along with a brownfield site which was mined in the late-1960s and 1970s (see Production Section below). Since the discovery of mineralization in the 1880s, the property has been **historically explored** by many owners and lessees through over 600 drill holes (50,000m), geochemical sampling, aerial photogrammetric surveys, topographic surveys, geologic mapping and metallurgical studies (indicated recoveries between 71% and 81%), along with being developed with exploration shafts and five levels of approximately 4,000 feet of laterals and crosscuts (between 1916 and 1920).

In April 2018, a PEA was completed which only considered the resources underlying private lands. The Estimated **Measured and Indicated** Resources contain **510 million pounds of Cu** while the **Inferred Resource** is estimated to contain **154.6 million pounds Cu**. With **plans to update the PEA** to include all known resources underlying the Zonia Property, management expects to expand the Estimated Resource by 30% to 50%.

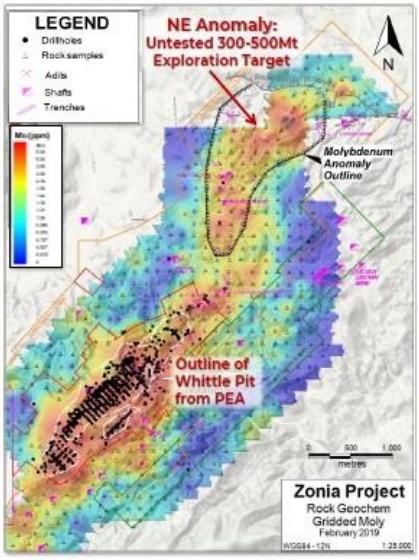
In addition, a **prospective copper-porphyry target** (situated **northeast** of the main deposit) has been identified. Applications have been **filed for a 5000-meter drilling program** that pertains to both BLM administered public lands and Arizona state land. The prospective northeast target is located at the unpatented claims, which are administered by the BLM.

Longer-term, management contemplates advancing toward a Phase I production stage, mining ore contained within the privately-owned land, which has an accelerated permitting process.

Zonia Project Location



Geochemical Survey



PEA (March 2018)

Production Profile/Economics	
Total Tons Leached	93 M
Head Grade	0.30% Cu
Mine Life	8.6 years
Payback Period	2.9 years
Mill throughput	30,000 tpd
Copper Recovery (oxide)	73%
Copper Recovery (transition)	70%
Total Copper Recovered	422 M lbs
Average Annual Production (LOM)	49 M lbs
After-Tax NPV 8%, $3.00 Cu (base case)	$192 M
After-Tax 1st Year FCF, $3.00 Cu	$100 M
After-Tax NPV 8%, $4.00 Cu (spot)	$447 M
After-Tax 1st Year FCF, $4.00 Cu	$149 M

Operating Costs	
Mining / Processing / G&A	$1.46/lb of copper

Capital Requirements	
Initial Capital	$198 M
Sustaining Capital	$40.8 M

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Zonia Property Description

Located in central Arizona (Yavapai County), the Zonia Property consists of 261 patented and unpatented mineral claims, along with 566.85 acres of surface rights acquired from the State of Arizona, for a total of **4,279.55 acres**.

The **main copper deposit** of the Zonia Property has a strike length of approximately 2,400m and a width that varies from 60m to 450m. Almost all of the deposit has been drilled to depths of up to 120m. The main deposit is a highly oxidized portion of a supergene-enriched porphyry deposit, including chalcopyrite [$CuFeS_2$] and chalcocite [Cu_2S], which extend as deep as 250m in a historic shaft in the central part of the pit. The common copper minerals are chrysocolla, malachite [$Cu_2(CO_3)(OH)_2$], azurite [$Cu_3(CO_3)_2(OH)_2$], melaconite [CuO] and cuprite [Cu_{2O}].



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Recent Ownership of Zonia Property

Beginning the ownership timeline in 1964, McAlester Fuel Company obtained the Zonia Property in in that year and, after exploration activities, conducted mining operations between 1966 and 1975. After optioning the property several times, the title to the Zonia Property passed to Antioch Resources Ltd. in 1983, the Zonia Company in 1988, Arimetco, Inc. in 1993, Ste-Genevieve Resources Ltd. in 2004 and Ascendant Copper Corporation in 2008. Ascendant changed its name to Copper Mesa Mining in 2008. In 2009, full ownership of the Zonia Property was transferred to Copper Mesa's subsidiary, Redstone Resources Corp. in an equity-for-debt swap.

On August 27, 2015, Cardero Resource Corp. entered into an Option Agreement with Redstone Resources Corp. for the right to acquire up to a 100% interest in the Zonia Property. Though subsequently amended, Cardero fulfilled the terms of the Option Agreement by making cash payments totaling US$1.925 million and issuing a total of 22,679,099 common shares. In November 2018, Cardero Resource Corp. acquired 100% of the Zonia Copper-Oxide Project.

On April 13, 2021, World Copper pursued a business combination with Cardero Resource Corp. in which 60% of the post-transaction company to be owned by existing shareholders of World Copper and 40% by existing shareholders of Cardero Resource. On December 10, 2021, Cardero shareholders agreed to the business combination. The merger is closed on January 28, 2022.

Zonia Property Historical Production

Gold mineralization on the Zonia Property was discovered in the 1880's and copper prospecting began in the 1890's with a single-stack smelter being built in 1900. In 1927, Hammon Copper Company constructed a pilot leach plant, but the production plan was terminated due to the Depression. From 1947 to 1948, Mr. Gottbehut leased the property and shipped an insignificant amount of ore from the 210 level of the mine workings built for exploration purposes between 1916 and 1920 by a syndicate.

In 1964, McAlester Fuel Company acquired the Zonia Property. After completing airborne reconnaissance, surface geologic mapping and a drilling program, McAlester Fuel conducted pilot leaching studies and thereafter initiated open pit mining operations and heap-leaching processing in 1966. Approximately 7.1 million tons of mineralized ore were mined from the pit and stacked on three asphalt-lined leach pads and subsequently leached with diluted sulfuric acid. Another 10.0 million tons of material was dumped as waste.

Zonia Mineral Resource Estimate & Preliminary Economic Assessment (April 2018)

On April 17, 2018 (with an effective date of March 22, 2018), an updated Resource Estimate and PEA on the Zonia Copper-Oxide Project was completed. The study was based on an **open pit mining scenario** utilizing only 100% privately-owned land and a **heap leach recovery** method.

The Estimated **Measured and Indicated** Resources were 76.8 million tonnes grading at 0.33% Cu (containing **510 million pounds of Cu**) at a 0.17% Cu cut-off. The **Inferred Resource** Estimated was 27.2 million tonnes grading 0.28% Cu (containing **154.6 million pounds Cu**).

The PEA , which included the use of the Inferred Mineral Resource, estimated that 422 million pounds Cu could be recovered with an average annual copper production rate of 49.1 million pounds with a mill throughput rate of 30,000 tpd and a copper-oxide recovery rate of 73% over a 8.6 Life of Mine (LOM). At **$3.00 Cu**, the project would generate an after-tax NPV of $192 million (based on an **8% discount rate**) and an **after-tax IRR of 29%**. The initial pre-production capital costs totaled $198 million with an anticipated payback of 2.89 years (almost 35 months).

The PEA was based at least two assumptions that are no longer operative:

1) The assumed price of copper was $3.00 per pound.
2) The pit was constrained to privately-owned land, which normally can be permitted within a relatively short period of time (three-to-four years).

Today, copper is trading over US$4.50 per pound.

Management plans to commission an updated PEA that considers expanding the resources beyond the 100% privately-owned land by including estimated resources on BLM and Arizona state land, particularly the northeast Copper-Porphyry target.

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Northeast Copper-Porphyry Target

A **rock sampling program** over most of the Zonia Property was conducted in early 2018 by Cardero Resources Corp. The sampling program consisted of rock samples collected by shovel (at a depth of 10cm to 25 cm) over a roughly one-meter square area at stations situated on a 150-meter spaced grid. The geochemical survey discovered **a new porphyry copper target**. Located three kilometers northeast of the drill-defined main resource' the **2,500m by 1,000m anomaly** was **identified** through a geochemical footprint of coincident anomalous elevated values of copper and molybdenum, along with depressed values manganese.

Furthermore, in late February 2018, an **IP** (Induced Polarization) **geophysical survey** over the Zonia Project indicated the lack of sulfides in the area of the Northeast anomaly, suggesting that the area is deeply weathered and **oxidized to a depth greater than 300m**. These overlapping anomalies are indicative of the presence of a copper-oxide porphyry target.

CRISTAL COPPER PORPHYRY PROPERTY

The **Cristal Property** is believed to host a **porphyry copper mineralization deposit** at depth. The prospectivity is supported **geophysical data surveys** (magnetics, gravity, and electromagnetic) conducted by **BHP Billiton** between 2012 and 2014 and drilling on an adjacent property. The prospectivity of the Property is detailed in a **NI 43-101-compliant Technical Report**, which was completed in **March 2018** and filed on SEDAR by New Energy Metals Corp.

Management's primary focus is on advancing the Escalones and Zonia Projects. Nonetheless, within the next year, World Copper intends to test drill the anomalies detected by geophysical surveys. The small initial exploration program is expected to consist of two drill holes with a target depth in the 600-to-800 meter range.

Cristal Property Description

Located in northern Chile about 10 kilometers from the border with Peru, the Cristal Property encompasses **approximately 900 hectares** (9 km^2) in three exploitation concessions (Mensuras).

The Cristal Copper Project is supported by **sufficient infrastructure** to support exploration and mining operations. **Arica**, a coastal city, is 72km to the west, which can be driven in 75 minutes. The **Pan-American Highway** (Highway 135) runs through Arica with Tacna (Peru) 58km to the north and Antofagasta 761km to the south.

Prospective anomalies underlie **public lands** with the surface rights held by the Chilean Government. Consequently, World Copper should have unrestricted access to the property.



Cristal Property Prospectivity

The north-south **West Fissure Fault System** (a branch of the Precordillera Fault System aka Domeyko Fault or Falla Domeyko) in Chile has been very conducive for magmatic fluid flow toward the earth's surface. As a result, hydrothermal activity along the fault system has been instrumental in forming a chain of several copper-porphyry deposits (including Chuquicamata, Collahuasi, El Abra, El Salvador, La Escondida and Potrerillos), which have helped Chile become the world's largest producer of copper.

Several strands of the West Fissure Fault System trend through the Cristal Property. Geophysical survey data collected by BHP Billiton indicates the presence of a circular **doughnut-shaped anomaly** (between 2km and 3km in diameter) defined by an anomalous magnetic low, along with a strong magnetic inversion anomaly, both being suggestive of a porphyry copper deposit buried by several hundred meters of cover. In addition, electromagnetic data suggests a northwest-trending topographic ridge underlies the volcanic cover-rocks at a depth of at least 600 meters. The center of the coincident magnetic, gravity and electromagnetic anomalies will most likely be the target area of management's initial drilling program.

Cristal Property Ownership

On March 27, 2019, **Wealth Copper** entered into a definitive Assignment and Assumption Agreement with **New Energy Metals Corp**. (TSX-V: ENRG) by which up to a 100% interest in the **Cristal Copper Project** could be earned through assuming the obligation of making the remaining cash payments on the original option agreement dated August 4, 2017. **The Assignment became effective on July 23, 2019** when Wealth Copper delivered **50,000 common shares of Wealth Copper** to New Energy Metals Corp., which in turn, **transferred and assigned the underlying option agreement for the Cristal Project to Wealth Copper**.

On October 10, 2020, Wealth Copper Ltd. changed its name to **World Copper Ltd**.

If World Copper successfully exercises the option by making the cash option payments according to the schedule listed in the table below, World Copper will grant a 30% participating interest in the Cristal Project to New Energy Metals with the remaining 70% interest to be retained by World Copper. The underlying property owner has retained a 3% NSR (net smelter royalty), which can be repurchased upon payments totaling of US$3,000,000.

Schedule of Cash Payments by World Copper for the Cristal Project

Payment Due Date	Cash Payment
December 31, 2019	US$50,000 (paid)
January 15, 2022	US$150,000 (US$100,000 paid)
January 15, 2023	US$500,000
January 15, 2024	US$700,000
January 15, 2025	US$3,000,000

Image by Analyst using information from World Copper 3Q 2021 MD&A

Resource Interpretation

The 900-hectare Cristal Property is part of a larger area of regional prospectivity for porphyry copper deposits hosted by faults and related structures along the West Fissure Fault Zone. In addition, the Cristal Property is situated near the projected intersection of the West Fissure Fault Zone and the Incapuquio Fault System, which would be a promising geological environment for occurrences of buried porphyry deposits.

Historical exploration activities on the Property include gravity, electromagnetic and magnetic surveys collected by BHP Billiton between 2012 and 2014. These geophysical surveys are suggestive of a buried porphyry copper deposit, specifically coincident anomalies of a magnetic low surrounding a weak magnetic high (a typical geophysical characteristic of copper porphyry deposit), along with a gravity high and electromagnetic high.

Also, BHP Billiton drilled a vertical drill hole (INT005D) located approximately 1km to the east of the Cristal Property. The drill dole confirmed the interpretation of the data from the electromagnetic survey of a buried ridge at depth. Nevertheless, due to the anticipated depth of the potential deposit, we would expect an average copper grade above 1.0% Cu would be necessary for the deposit to be economically viable, especially since no surface rocks have been found to be mineralized or altered.

Planned Exploration

Management plans to conduct small initial exploration drilling program in the area of the coincident geophysical anomalies. The program is expected to consist of two drill holes with a target depth in the 500-to-1,000 meter range.

BRIEF PRIMER ON COPPER GEOLOGY

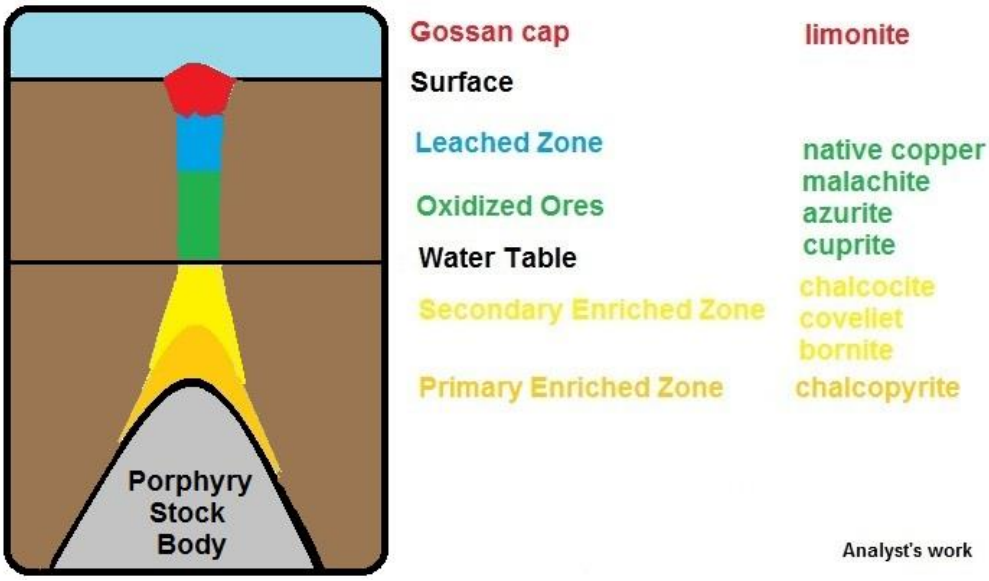
Depositions, alterations and assemblages of copper porphyry deposits are variable. However, simplistically, a **typical shallow deposit** originates from a magmatic reservoir at depth that emanates magmatic fluids, usually through a fault system. As the magmatic fluids cooled to form a **porphyry stock body**, the dynamics of the cooling process caused pregnant hydrothermal fluids to be transported to areas at and near the top of the porphyry body, where the mineralized fluids escaped and are deposited, forming a halo or zone of **mineral-enriched hypogene ore**. Focusing on the origins of copper ore, this mineralization is usually characterized by sulfide-bearing copper minerals, such as chalcocite [Cu_2S] and bornite [Cu_2FeS_4] to mention a couple. The configurations of the depositions are dependent upon many factors, including the composition of and the fracturing in the surrounding native rock and the temperature and rate of flow of the mineralized fluids. Post-ore deposition events (such as faulting, tilting, intrusions, erosion, weathering, etc.) can significantly alter the nature and structure of the mineralization.

Supergene enrichment processes (above the water table and relatively near the surface) **create oxide zones** as water, weathering and chemical reactions oxidize, leach, dissolve and redistribute hypogene sulfide ores. Simplistically, the oxygen above the water table, along with weak acid and/or carbonated surface water, allows the copper sulfides to break down into soluble copper salts and carbonates, such as copper sulfate [$CuSO_4$], azurite [$Cu_3(CO_3)_2(OH)_2$] and malachite [$Cu_2(CO_3)(OH)_2$]. Also, the surface water dissolves, redistributes and concentrates these minerals.

A group of deposits associated with copper porphyry deposits are **skarn deposits**, which are formed when hydrothermal fluids intrude into immediately adjacent carbonate units, usually limestone beds. The resultant calcium-silicate minerals can be economically-valuable sources of certain metals, including copper.

Lastly, a copper porphyry deposit can be overlain by **gossan**, which forms as a result of chemical processes that produces iron hydroxides over sulfide ore bodies. One example is limonite [$Fe(OH)_3$], which is usually situated in the upper zones of oxidized ore body and which has expanded during its formation, forming an “iron cap.”

Schematic Cross Section of Copper Porphyry Mineralization



RECENT FINANCINGS

In January 2021, a 27,031,466-Unit private placement closed at $0.12 per Unit provided gross proceeds of CDN $3,243,775.92. Each Unit is comprised of one common share of World Copper and a warrant exercisable for one share of World Copper at a price of $0.20 per until July 27, 2025. **Net proceeds** were approximately **CDN $2,998,270**, which are intended for the exploration of Escalones and Cristal as well as for general working capital.

On September 29, 2021, World Copper closed the first tranche of a private placement consisting of 1,657,500 Units, which provided gross proceeds of CDN $659,000. Each Unit is comprised of one common share of World Copper and a half-share warrant, which is exercisable toward a one share of World Copper Share at a price of $0.60 per until September 29, 2023. **Net proceeds** were **CDN $629,620.**
On October 6, 2021, World Copper closed the second tranche of a private placement consisting of 4,157,500 Units, which provided **gross proceeds of CDN $1,663,000**. The terms of the Units are the same as for the first tranche except that the half-share warrants will expire on October 6, 2023.

On October 28, 2021, World Copper closed the third tranche of a private placement consisting of 10,468,921 Units, which provided **gross proceeds of CDN** $4,187,568.50. The terms of the Units are the same as for the first and second tranches except that the half-share warrants will expire on October 28, 2023.

In 2021, we estimate that the company has received **gross proceeds** of approximately **CDN$9,753,000** from the issuance of shares

During 2020, the company received **net proceeds of CDN$2,373,765** from the issuance of shares.

VALUATION

Managements of junior mineral exploration companies create value through evaluating, acquiring, exploring and developing mining properties. **Management's strategy** is to increase shareholder value through **acquiring and advancing copper-oxide projects**. Currently, management is focusing on the Escalones Project, along with the extensions of the Mancha Amarilla lithocap and two contiguous skarns.

Our calculation of **share value of attributable resources** is based on the ascertained net asset value of the Escalones Project, which is determined by **adjusting the value of estimated resources for the expected recovery rate, mining/processing costs** and **royalties**. The resources are assigned a **confidence factor** that attempts to take into account the assurance level of the resources. Also, there a confidence factor that incorporates the risk of the Project, such as the locality of the deposits, various technical mining/production risks, etc.

The Zonia Property, which is in the process of being acquired, is being valued at cost.

Our methodology also accounts for balance sheet adjustments for working capital and assets, such as property, plant and equipment, etc. Lastly, we account for the dilution of outstanding options and warrants.

The resource valuation methodology involves the following assumptions:

1) The **Escalones Project**
    a. Many assumptions are derived from the PEA issued in March 2022, such as capital costs to bring the Escalones Project to commercial production, operating costs etc. The estimated recovery rate is 72.5%.
    b. The valuation model uses the Inferred Mineral Resource estimated to be available for the open pit discussed in the March 2022 PEA. A confidence factor of 15% was utilized for the Inferred Mineral Resource. We generally use a factor in the 15%-to-20% range for Inferred Resources. This factor may change after World Copper releases the assay results from the ongoing initial drilling program on the Escalones Project. When infill drilling upgrades the resource to the Indicated category, this factor usually increases dramatically to the 40%-to-70% range.
    c. The current copper price is utilized to value the *in situ* copper metal.
2) Since the **Zonia Property** was just acquired and no additional work has been conducted to de-risk the project, we are valuing it at its purchase price of $10.0 million (in stock) until management has the opportunity to begin advancing its projects (the main deposit and the northeast target).
3) Properties and projects that do not have a resource estimate have not been assigned a value, specifically, Mancha Amarilla, the Northern Target Cluster at Escalones and the Cristal Property.
4) Our asset value per share takes into account the dilutive effect of having warrants and options which are exercisable below our target price.

Based on our calculation of share value of attributable resources (see table below), **our target for World Copper's stock is $2.27**.

World Copper Limited

Projects	Metal	Inferred (tonnes)	Grade Cu (%)	In situ Cu Metal (million lbs.)	Recovery Rate	Current Cu Price ($US)	Operating Costs ($US MM)	Smelter Royalties ($US MM)	Value to WCUFF ($US)	Net Present Value to WCUFF
Escalones Main	Cu	365,800,000	0.3800%	3,065	72.5%	$4.58	519	204	1,238,078,201	596,312,319
Zonia Property	Cu								10,000,000	10,000,000
Up-front capital costs for Escalones Project									(438,400,000)	(369,453,843)
BALANCE SHEET ADJUSTMENTS										
	Working capital								(579,124)	(579,124)
	Net proceeds from recent placements								4,280,862	4,280,862
	Capital from August 2022 options								1,453,655	1,453,655
	Capital from February 2024 options								3,282,012	3,282,012
	Capital from July 2025 warrants								4,252,644	3,780,128
	Capital from September 2023 warrants								388,782	345,584
	Capital from October 2023 warrants								3,451,587	3,068,077
	Capital from other warrants								4,535,525	3,336,516
								Net Assets & Resources	**830,744,145**	**255,826,187**
								Shares Outstanding	94,082,695	94,082,695
								Options	4,400,000	4,400,000
								Options	4,585,000	4,585,000
								July 2025 warrants	9,010,489	9,010,489
								Sept. 2023 warrants	823,750	823,750
								October 2023 warrants	7,313,211	7,313,211
								Other warrants	9,609,855	9,609,855
								Fully Diluted Shares	**112,901,934**	**112,901,934**
								Asset Value	7.36	
								Discounted Asset Value ($US)		**2.27**

RISKS

- As with almost all junior resource exploration companies, currently World Copper does not generate sufficient cash flow to adequately fund its developmental and exploration activities and is in need of additional capital to continue pursuing management's strategy. Nevertheless, the company has effectively funded its operations and initiatives to date.

- Consistent with management's need to fund the company's exploration and developmental activities, private placements and other payments requiring the issuance of shares has caused shares outstanding to increase significantly.

- As with any metals company, the price of the targeted mineral is beyond management's control, in the case of World Copper, primarily the price of copper. Consequently, any significant movements in the price of copper would materially affect the outlook of the company, more so for the plans of the upstream business.

BALANCE SHEETS

World Copper Limited

Balance Sheet (Canadian Dollars)	2019 12/31/2019	2020 12/31/2020	3Q 2020 9/30/2020
ASSETS			
Cash and cash equivalents	166,712	330,655	543,447
Receivables	9,961	34,555	51,549
Prepaids	-	13,000	55,461
Deferred acquisition costs	-	-	273,851
Total current assets	**176,673**	**378,210**	**924,308**
Exploration and evaluation assets	4,053,019	4,446,720	6,657,077
TOTAL ASSETS	**4,229,692**	**4,824,930**	**7,581,385**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Accounts payable and accrued liabilities	283,083	752,148	1,092,126
Loans payable	150,000	-	12,500
Due to Gold Springs Resource	921,658	421,658	500,000
Due to Wealth Minerals	217,741	69,224	55,909
Total current liabilities	**1,572,482**	**1,243,030**	**1,660,535**
Due to Gold Springs Resource Corp.	-	500,000	-
Total Liabilities	**1,572,482**	**1,743,030**	**1,660,535**
Stockholders' Equity			
Share capital	3,339,001	5,640,240	11,688,529
Subscriptions received	-	-	175,000
Equity portion of compound instruments	-	24,746	24,746
Contributed surplus	-	68,468	1,292,538
Deficit	(681,791)	(2,651,554)	(7,259,963)
Shareholder's equity	**2,657,210**	**3,081,900**	**5,920,850**
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	**4,229,692**	**4,824,930**	**7,581,385**
Shares outstanding	19,546,664	27,959,216	45,731,490

PROJECTED ANNUAL INCOME STATEMENT

World Copper Limited

Income Statement (Canadian Dollars) (For Years Ending December 31)	Year ending 12/31/2019	Year ending 12/31/2020	Est. Year ending 12/31/2021
Total Revenues	**0**	**0**	**0**
Operating Expenses			
Consulting fees	183,566	495,610	899,898
Exploration and evaluation	97,023	359,663	1,068,221
Accretion	-	24,746	0
Listing fees	-	-	947,556
Office and miscellaneous	25,222	147,873	142,463
Professional fees	282,991	748,499	445,654
Rent	4,226	28,299	54,969
Share-based payments	-	-	1,083,326
Shareholder communications	45,956	111,650	329,259
Transfer agent and regulatory fees	11,311	46,737	110,333
Travel	10,968	28,966	94,765
Wages and benefits	-	-	194,489
Total Operating Expenses	**661,263**	**1,992,043**	**5,370,934**
Income (loss) from operations	**(661,263)**	**(1,992,043)**	**(5,370,934)**
Interest (expense)	(20,528)	0	(9,762)
Foreign exchange (loss) gain		22,280	(9,341)
Total other income (expense):	**(20,528)**	**22,280**	**(19,103)**
Net Income (loss)	**(681,791)**	**(1,969,763)**	**(5,390,037)**
Net eanings per share (basic and diluted)	**($0.088)**	**($0.086)**	**($0.111)**
Wgtd. avg. shares outstanding	7,729,289	22,951,602	48,770,898

QUARTERLY INCOME STATEMENTS

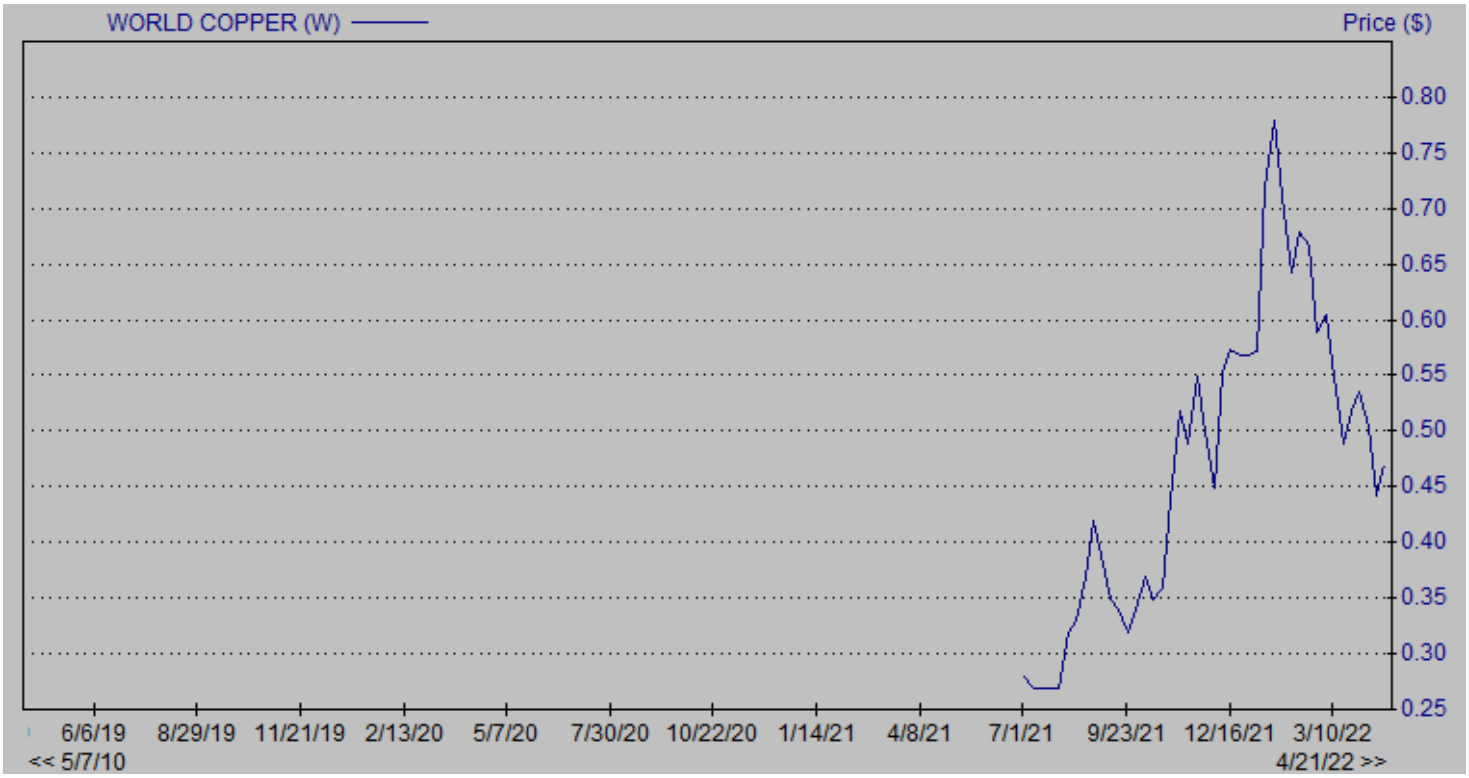
World Copper Limited

Income Statement (Canadian Dollars) (For Years Ending December 31)	Year ending 12/31/2019	1Q 3/31/2020	2Q 6/30/2020	3Q 9/30/2020	4Q 12/31/2020	Year ending 12/31/2020
Total Revenues	**0**	**0**	**0**	**0**	**0**	**0**
Operating Expenses						
Consulting fees	183,566	138,231	169,049	57,582	130,748	495,610
Exploration and evaluation	97,023	51,924	61,868	115,658	130,213	359,663
Accretion	-	-	-	24,746	0	24,746
Foreign exchange gain				-	0	
Office and miscellaneous	25,222	23,112	87,553	111,662	(74,454)	147,873
Professional fees	282,991	118,914	102,013	198,171	329,401	748,499
Rent	4,226	-	-	-	28,299	28,299
Shareholder communications	45,956	8,610	38,391	32,656	31,993	111,650
Transfer agent and regulatory fees	11,311	-	-	978	45,759	46,737
Travel	10,968	2,146	-	11,584	15,236	28,966
Total Operating Expenses	**661,263**	**342,937**	**458,874**	**553,037**	**637,195**	**1,992,043**
Income (loss) from operations	**(661,263)**	**(342,937)**	**(458,874)**	**(553,037)**	**(637,195)**	**(1,992,043)**
Interest (expense)	0	-	-	-	-	0
Foreign exchange (loss) gain	(20,528)	(16,363)	22,090	1,897	14,656	22,280
Total other income (expense):	**(20,528)**	**(16,363)**	**22,090**	**1,897**	**14,656**	**22,280**
Net Income (loss)	**(681,791)**	**(359,300)**	**(436,784)**	**(551,140)**	**(622,539)**	**(1,969,763)**
Net eanings per share (basic and diluted)	**($0.088)**	**($0.018)**	**($0.022)**	**($0.022)**	**($0.022)**	**($0.086)**
Wgtd. avg. shares outstanding	7,729,289	19,546,667	19,546,667	24,780,851	27,932,250	22,951,602

World Copper Limited

Income Statement (Canadian Dollars) (For Years Ending December 31)	Year ending 12/31/2020	1Q 3/31/2021	2Q 6/30/2021	3Q 9/30/2021	4Q E 12/31/2021	Year Estimate 12/31/2021
Total Revenues	**0**	**0**	**0**	**0**	**0**	**0**
Operating Expenses						
Consulting fees	495,610	190,256	181,772	277,870	250,000	899,898
Exploration and evaluation	359,663	198,733	323,814	278,619	267,055	1,068,221
Accretion	24,746	`	-	-	-	0
Listing fees	-	947,556	0	0	0	947,556
Office and miscellaneous	147,873	50,587	73,430	8,446	10,000	142,463
Professional fees	748,499	281,169	157,681	1,804	5,000	445,654
Rent	28,299	6,549	16,167	16,253	16,000	54,969
Share-based payments		-	-	1,083,326	-	1,083,326
Shareholder communications	111,650	54,857	67,549	96,853	110,000	329,259
Transfer agent and regulatory fees	46,737	50,907	29,253	10,173	20,000	110,333
Travel	28,966	17,198	31,664	22,212	23,691	94,765
Wages and benefits	-	-	52,790	66,699	75,000	194,489
Total Operating Expenses	**1,992,043**	**1,797,812**	**934,120**	**1,862,255**	**776,747**	**5,370,934**
Income (loss) from operations	**(1,992,043)**	**(1,797,812)**	**(934,120)**	**(1,862,255)**	**(776,747)**	**(5,370,934)**
Interest (expense)	0	-	-	(4,881)	(4,881)	(9,762)
Foreign exchange (loss) gain	22,280	(1,328)	(9,254)	1,241	0	(9,341)
Total other income (expense):	**22,280**	**(1,328)**	**(9,254)**	**(3,640)**	**(4,881)**	**(19,103)**
Net Income (loss)	**(1,969,763)**	**(1,799,140)**	**(943,374)**	**(1,865,895)**	**(781,628)**	**(5,390,037)**
Net eanings per share (basic and diluted)	**($0.086)**	**($0.043)**	**($0.021)**	**($0.042)**	**($0.015)**	**($0.111)**
Wgtd. avg. shares outstanding	22,951,602	41,575,695	44,083,993	44,101,898	53,439,898	48,770,898

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