



# FARADAY COPPER

NEWS RELEASE

July 2, 2026

## Faraday Copper Signs a Definitive Agreement to Acquire BHP's San Manuel Property in Arizona, Creating a Multi-Asset Copper District in the USA

**July 2, 2026 – Vancouver, British Columbia** – Faraday Copper Corp. (“**Faraday**”) (TSX:FDY) (OTCQX:CPPKF) is pleased to announce it has entered into a definitive purchase and sale agreement (the “**Agreement**”) with a wholly owned subsidiary of BHP Group Limited (“**BHP**”) in respect of the [previously announced transaction](#) whereby Faraday will acquire from BHP the San Manuel property (“**San Manuel**”), adjacent to Faraday’s Copper Creek project (“**Copper Creek**”), located in Arizona, USA (Figure 1).

Paul Harbidge, President and CEO, commented, “This is a transformational acquisition for Faraday. Combining San Manuel with our Copper Creek project, with the support of the Lundin Group and BHP as strategic shareholders, positions us well to become one of the largest undeveloped copper districts in the U.S. with a path to development and near-term copper production.”

Under the terms of the Agreement, Faraday will acquire 100% of the San Manuel property (the “**Transaction**”). As consideration for the Transaction, Faraday will issue to BHP common shares of Faraday (the “**Consideration**”) equivalent to a 30% interest in the issued and outstanding common shares on a fully diluted basis as of the date of closing. Including shares issued to BHP from its participation in the C\$100 million private placement in March 2026, BHP is expected to hold approximately 138 million common shares after the closing of the Transaction. In addition, BHP will be granted customary investor rights pursuant to an investor rights agreement, provided it maintains a minimum shareholding requirement.

### **Strategic Rationale**<sup>1</sup>

- **Significant resource potential:** The combined projects are expected to become a multi-generational copper district delivering made-in-America copper.
- **Accelerates pathway to production:** Leveraging the private land position of San Manuel to facilitate the potential for expedited copper cathode production from the combined projects.
- **Flexibility through private land and infrastructure:** Additional ~27,000 acres of private land for site facilities and access to existing regional infrastructure, including road, rail, gas and power.
- **Centralizes infrastructure and reduces environmental footprint:** Shared future facilities, utilizing existing infrastructure and prioritizing use of brownfield sites, reduce the overall environmental footprint while enhancing capital efficiency.
- **The combined assets offer potential for project staging:** Prioritization of copper cathode production, followed by open pit sulphides before development of underground operations.
- **BHP to become a strategic investor:** BHP to join the Lundin Group as a strategic investor in Faraday.

## **Transaction Terms**

The Agreement contemplates that on the closing of the Transaction (the "**Closing**"), BHP will transfer all of its interest in San Manuel, which comprise the legacy San Manuel Copper Mine (including the San Manuel and Kalamazoo deposits, the San Manuel plant site and closed tailings storage facilities and surrounding BHP-owned land, and all related mineral estate interests), the Black Hills Quarry and the Camp Grant Quarry, and related rights and assets. As consideration for the purchase, Faraday will assume all liabilities, including all environmental and closure liabilities, related to San Manuel and will issue the Consideration to BHP. Faraday has also agreed to certain operational and other post-closing covenants covering customary international industry, environmental and stakeholder engagement standards.

The Agreement further contemplates that, concurrently with the Closing, Faraday and BHP will enter into, among other things, an offtake rights agreement, a water supply agreement and an investor rights agreement. The investor rights agreement will provide BHP with, among other rights and entitlements, board nomination rights, equity participation rights, and registration rights and will impose certain obligations on BHP including customary standstill, voting and transfer restrictions.

The Agreement provides for customary deal protection, including non-solicitation covenants, a "fiduciary out" permitting Faraday to consider and accept a superior proposal, matching rights in favour of BHP, and the payment of a US\$12 million termination fee in certain circumstances.

Full details regarding the terms of the Transaction are set out in the Agreement, which will be filed by Faraday on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **Shareholder Meeting**

Faraday intends to convene a special meeting of its shareholders (the "**Meeting**") to seek approval of the Transaction. The Meeting is expected to be held in August 2026. Faraday shareholders of record as of a date to be determined by the Board of Directors will be entitled to receive notice of, and vote at, the Meeting.

Approval of the Transaction will require the affirmative vote of a simple majority of the votes cast by disinterested Faraday shareholders present in person or represented by proxy at the Meeting. A management information circular containing detailed information about the Transaction, including a copy of the Agreement and the fairness opinion of TD Securities Inc., will be prepared and mailed to Faraday shareholders in advance of the Meeting and filed under Faraday's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Faraday shareholders are urged to read these and other relevant materials when they become available.

## **Transaction Conditions and Timing**

Completion of the Transaction is subject to the satisfaction (or waiver, where applicable) of customary closing conditions for a transaction of this nature, including approval by disinterested Faraday shareholders, receipt of Toronto Stock Exchange approval, other required regulatory approvals and the fulfillment of certain closing deliverables by the parties.

Subject to the receipt of all necessary approvals, the Transaction is expected to be completed by the end of the third quarter of 2026.

## **Board of Directors' Recommendation**

After consultation with its financial and legal advisors and receiving the unanimous recommendation of the independent directors of Faraday, the Board of Directors of Faraday has unanimously approved entering into the Agreement. The Board of Directors of Faraday unanimously recommends that Faraday shareholders vote in favour of the Transaction.

TD Securities Inc. has provided a fairness opinion to the Faraday Board of Directors to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications

stated in such opinion, the Consideration to be paid by Faraday pursuant to the Transaction is fair, from a financial point of view, to Faraday.

### **Voting and Support Agreements**

Concurrently with the execution of the Agreement, BHP entered into voting and support agreements (the “**Voting Support Agreements**”) with certain securityholders of Faraday, including each of the directors and officers of Faraday. Pursuant to the Voting Support Agreements, each supporting securityholder has agreed, subject to the terms thereof, to vote their Common Shares in favour of the Approval Resolution at the Meeting. The supporting securityholders party to the Voting Support Agreements hold, in aggregate, Common Shares representing approximately 21.88% of the issued and outstanding Common Shares as of the date hereof.

### **San Manuel Property Overview**

The San Manuel Mine, comprising the San Manuel and Kalamazoo deposits, operated as a combined underground block cave and open-pit mine. The combined operation was one of the largest underground mines in the USA during its operation, generating over 4.5 million tonnes of copper between 1955 and 1999 based on publicly available historical production records. Historical copper production was predominantly from underground sulphide material feeding a concentrator, while notable cathode production was achieved later in the mine’s operational period by mining and processing of oxide material, including in-situ recovery (“**ISR**”). A significant historical resource<sup>2</sup> and historical reserve<sup>3</sup> remained at closure, which are not compliant under the current standards of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators (“**NI 43-101**”)<sup>4</sup>.

The mineralization at San Manuel and Kalamazoo is well-understood. Sulphide mineralization occurs within Laramide porphyry intrusives and the surrounding Oracle granite. Supergene (oxide) mineralization formed later during tectonic extension. The Kalamazoo deposit is the downthrown extension of mineralization which was offset along the San Manuel fault.

### **Copper Creek Project Overview**

The project is a 100% owned, large copper deposit, located ~80 road km northeast of Tucson, Arizona, and ~19 km northeast of San Manuel, Arizona. The resource area is ~3 km in length and is open in all directions.

The property hosts an early halo vein style porphyry copper deposit with high-grade, near-surface, breccia-hosted mineralization. Both mineralization types form the basis of the current Mineral Resource Estimate (“**MRE**”) prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum standards. Copper is the primary commodity, with molybdenum, silver and gold present in varying amounts associated with both types of mineralization.

On May 3, 2023, Faraday announced an updated MRE and Preliminary Economic Assessment for the project, with a technical report titled “Copper Creek Project NI 43-101 Technical Report and Preliminary Economic Assessment” filed on SEDAR+ on June 13, 2023.

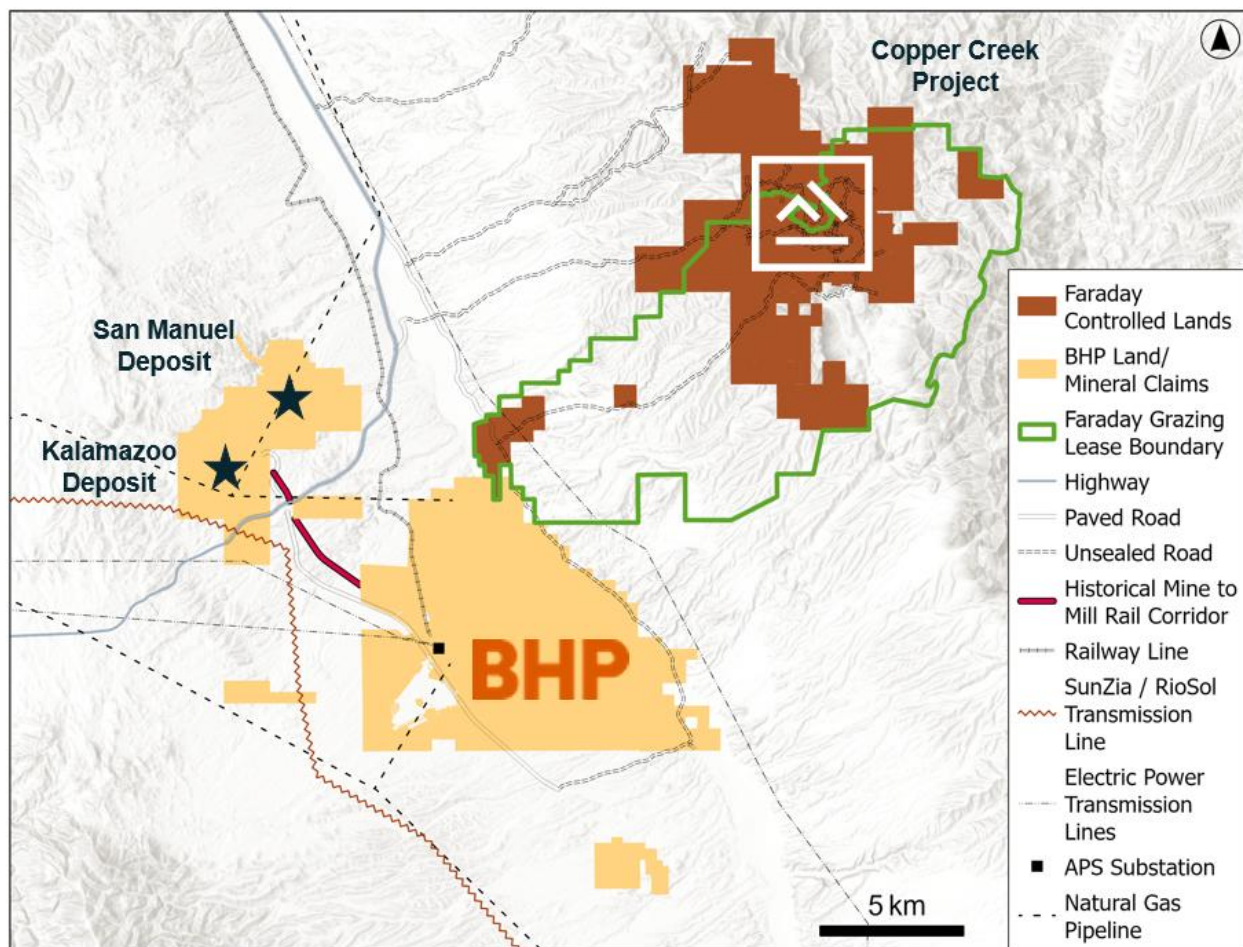
With a total of over 257,000 metres of recent and historical drilling and modest past production, significant exploration upside remains. There are over 320 known breccia occurrences mapped at the surface, of which less than 15% have been drill tested and only 17 are included in the 2023 MRE.

The current work program is focused on resource, geotechnical and hydrogeological drilling, environmental data gathering, and stakeholder outreach.

### **Advisors**

TD Securities Inc. is engaged as financial advisor to Faraday. McCarthy Tétrault LLP and Dorsey & Whitney LLP are acting as legal counsel to Faraday.

**Figure 1: Consolidated Project Map**



**Qualified Persons**

The scientific and technical information contained in this news release has been reviewed and approved by Faraday’s VP Geology, Dr. Thomas Bissig, P. Geo., and VP, Technical Services, Zach Allwright, P.Eng., each of whom are considered a Qualified Person under NI 43-101.

**Notes**

<sup>1</sup> The potential development pathways and production scenarios described herein are conceptual in nature. There is no certainty that such outcomes will be realized, and they are subject to, among other things, completion of technical studies, permitting, and economic evaluation.

<sup>2</sup> For historical resource (based on US\$0.80/lb copper constraint), reference Magma Copper Co, Annual Report on Form 10-K for the fiscal year ended December 31, 1993, filed with the USA Securities Commission on March 14, 1994.

<sup>3</sup> For historical reserve (based on US\$1.00/lb copper constraint), reference BHP Limited, 1999 Annual Report for the fiscal year ended May 31, 1999 entitled “Description of business and financial statements 1999” filed with the Australian Stock Exchange and also filed on Form 20-F with the USA Securities Commission.

<sup>4</sup> While Faraday considers the historical estimates to be relevant to investors as they indicate the presence of copper mineralization, the mineral resource and reserve estimates referenced herein were calculated

prior to the adoption of NI 43-101 and are provided as historical data only. The estimates were calculated using a copper price assumption of US\$0.80/lb copper and US\$1.00/lb copper, respectively, which differs significantly from current market conditions and these estimates should not be relied upon for economic evaluation. A qualified person has not completed the work necessary to classify the historical estimate as current mineral resources or mineral reserves and Faraday is not treating the historical estimate as current. The reliability of the historical estimates is uncertain, as they were prepared using estimation methodologies and assumptions that may not conform to current CIM standards, and Faraday has not independently verified the underlying data.

### **Early Warning Disclosure**

Further to the requirements of National Instrument 62-104 *Take-Over Bids and Issuer Bids* and National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, BHP will file an early warning report in connection with its participation in the Transaction. As of the date of this news release, BHP holds 6,400,000 common shares of Faraday, representing approximately 2.2% of the issued and outstanding common shares of Faraday on a non-diluted basis. Assuming the completion of the Transaction, BHP is expected to hold a number of shares equal to the aggregate of the common shares of Faraday then held by BHP and that number of common shares of Faraday equivalent to a 30% interest in the issued and outstanding common shares of Faraday on a fully-diluted basis as of the date of Closing. Based on 292,698,575 common shares of Faraday issued and outstanding as of the date hereof and assuming no additional common shares or securities exercisable for or convertible for common shares are issued or granted by Faraday pending completion of the Transaction, BHP would beneficially hold, directly or indirectly, or exercise control or direction over, 137,959,189 common shares, representing approximately 32.5% of the issued and outstanding common shares of Faraday on a non-diluted basis pro forma the Transaction. Pursuant to the terms of the Agreement, the value of Consideration will be based on the five-day VWAP of the common shares of Faraday on the Toronto Stock Exchange during the five trading days immediately prior to the Closing. A copy of BHP's early warning report will be filed with applicable securities commissions and will be made available under Faraday's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **About BHP**

BHP is a global resources company that produces essential commodities the world needs, including iron ore, copper, steelmaking coal – and soon potash. With operations and projects in over 90 countries around the world, BHP is the world's largest copper producer. BHP has an unwavering commitment to safety, and a focus on operational excellence, disciplined capital allocation, and delivering long-term value for shareholders, employees, partners and communities. BHP's purpose is to bring people and resources together to build a better world. For more information, visit [bhp.com](http://bhp.com).

### **About Faraday Copper**

[Faraday Copper](#) is an exploration company focused on advancing its flagship copper project in Arizona, U.S. The [Copper Creek Project](#) is one of the largest undeveloped copper projects in North America with significant district scale exploration potential. Faraday has entered into a definitive purchase and sale agreement with a subsidiary of BHP Group for the [acquisition of BHP's San Manuel Property](#), adjacent to the Copper Creek Project. Faraday is well-funded to deliver on its key milestones and benefits from a management team and board of directors with senior mining company experience and expertise. Faraday trades on the TSX under the symbol "FDY".

### **For additional information please contact:**

Stacey Pavlova, CFA  
Vice President, Investor Relations & Communications  
Faraday Copper Corp.  
E-mail: [info@faradaycopper.com](mailto:info@faradaycopper.com)  
Website: [www.faradaycopper.com](http://www.faradaycopper.com)

To receive news releases by e-mail, please register using the Faraday website at [www.faradaycopper.com](http://www.faradaycopper.com).

### **Cautionary Note on Forward Looking Statements**

Some of the statements in this news release, other than statements of historical fact, are “forward-looking statements” and are based on the opinions and estimates of management as of the date such statements are made and are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements of Faraday to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, without limitation, statements relating to the completion and timing of the Transaction, the satisfaction of conditions precedent (including regulatory, stock exchange and shareholder approvals), the anticipated consideration and resulting ownership interests, the expected strategic, operational and economic benefits of the Transaction, and the potential development pathways, production scenarios and exploration potential of the combined San Manuel and Copper Creek projects, all of which are conceptual in nature and subject to the completion of further technical studies and evaluations. There can be no assurance that such statements will prove to be accurate, and actual results may differ materially from those anticipated.

Although Faraday believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially. Accordingly, readers should not place undue reliance on forward-looking statements or information.

Factors that could cause actual results to differ materially from those in forward-looking statements include without limitation: market prices for metals; the conclusions of detailed feasibility and technical analyses; lower than expected grades and quantities of mineral resources; receipt of regulatory approval; receipt of shareholder approval; mining rates and recovery rates; significant capital requirements; price volatility in the spot and forward markets for commodities; fluctuations in rates of exchange; taxation; controls, regulations and political or economic developments in the countries in which Faraday does or may carry on business; the speculative nature of mineral exploration and development, competition; loss of key employees; rising costs of labour, supplies, fuel and equipment; actual results of current exploration or reclamation activities; accidents; labour disputes; defective title to mineral claims or property or contests over claims to mineral properties; unexpected delays and costs inherent to consulting and accommodating rights of Indigenous peoples and other groups; risks, uncertainties and unanticipated delays associated with obtaining and maintaining necessary licenses, permits and authorizations and complying with permitting requirements, including those associated with the Copper Creek property; and uncertainties with respect to any future acquisitions by Faraday. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental events and hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and the risk of inadequate insurance or inability to obtain insurance to cover these risks as well as “Risk Factors” included in Faraday’s disclosure documents filed on and available at [www.sedarplus.ca](http://www.sedarplus.ca).

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. This press release is not, and under no circumstances is to be construed as, a prospectus, an offering memorandum, an advertisement or a public offering of securities in Faraday in Canada, the United States or any other jurisdiction. No securities commission or similar authority in Canada or in the United States has reviewed or in any way passed upon this press release, and any representation to the contrary is an offence.