



## **Island Passage Exploration Files Annual Report Highlighting Significant Technical Progress and Socioeconomic Impacts from the EL02 Project - Bougainville Island, Papua New Guinea**

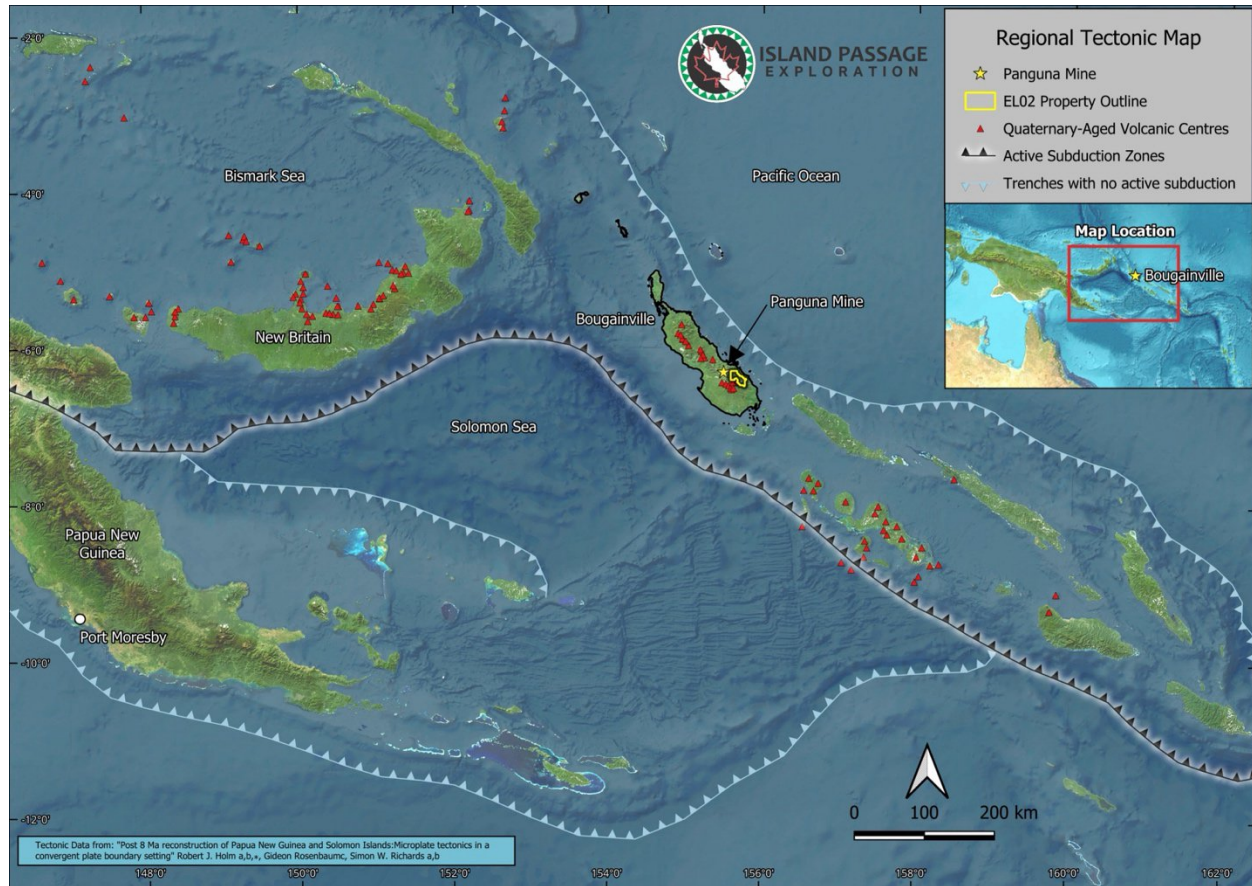
**Arawa, Bougainville, Papua New Guinea – May 4, 2026** – Island Passage Exploration Limited (IPX or the “Company”) and its customary landowner company partner, Isina Resource Holdings Limited (IRHL), have filed an annual report with the Autonomous Bougainville Government (ABG) documenting the progress made at the EL02 license during 2025. The partners continue to operate a large-scale copper-gold exploration program across the 250-km<sup>2</sup> license in Central Bougainville, Papua New Guinea (Figure 1).

The 2025 field campaign was the second full year of property-wide exploration at EL02, it resulted in significant de-risking of the project by confirming the presence of both large-scale porphyry-type and high-grade epithermal hydrothermal systems. The results provide a solid foundation for the next phase of exploration, which will focus on systematic target definition and advancement toward drilling. Selected target-specific highlights appear below:

- The **Bara-Tangka prospect** is a large-scale copper-gold-molybdenum target defined by strong coincident soil anomalies over approximately 4 km<sup>2</sup> so far, including numerous rock chip channel samples exceeding 1.0% Cu, 0.1 % Mo, and 1.0 g/t Au. One such continuous channel included 55m of 0.56% Cu and 0.61 g/t Au.
- Between Isina and Kanabete, in the southeastern part of the license, the **Takina vein complex** hosts variably mineralized structures spanning almost 9km near the margin of the Isina Pluton. These showings include many quartz-adularia sulphide veins containing more than 3 g/t Au, 10 g/t Ag, and 0.5% Cu. Highlights include 7.0m at 64.03 g/t Au and 1.55% Cu; 6.0m at 20.98 g/t Au and 1.2% Cu; and 3.0m at 6.73 g/t Au;
- More distal from the intrusive complex, there are also newly discovered vein systems that formed in a lower temperature environment with gold and silver bearing quartz-carbonate-sulfide veins.

Island Passage continues its policy of investing 5% of exploration expenditures into community development projects. These projects are heavily weighted towards investments in education, health & welfare, and locally owned small businesses. Selected highlights of significant community projects in 2024, 2025, and 2026 include:

- Building supplies and airlift for two new classrooms at Isina primary school;
- Building supplies and airlift for a modern teacher’s house at Isina Village;
- Airlift of construction materials for a new seismic monitoring station at Mt. Baganda, in cooperation with the ABG and Australia DFAT;
- Cash donations of over PGK 37,000 to at least 15 schools within EL02; and
- Scoping studies and planning for four village-based chicken and egg farms in cooperation with Kyeema Foundation.



**Figure 1. Location of Bougainville Island and EL02 License**

The IRHL and IPX teams also assisted victims of Cyclone Maila with food and aid distribution, access repair, and transport.

Glyn Tovirika, CEO of IRHL, commented on the year's accomplishments and the ongoing exploration program, *"IRHL has seen significant changes over the last two years. Critics had said that the parties would not be successful and they would not survive the environment created by the Bougainville crisis. We have proven them wrong and we are standing with our partner IPX and have set out to message that Bougainville is safe and ready for exploration and hopefully development work. At EL02 the partners are training youth and proving that exploration can be environmentally friendly. We appreciate the expenditures being made by IPX as it is having a great impact in our communities. We appreciate the community investments which will have long lasting impacts. Over the last two years we have seen many landowners now beginning to welcome exploration. There are of course ongoing challenges which we will address through ongoing awareness programs and consultations. As the CEO of IRHL, I strongly believe this project will soon advance into a development stage and we will continue to appreciate the of the shareholders"*.

Donald McInnes, Chairman and CEO of Island Passage Exploration, added his remarks, *"2025 was a breakout year for IRHL and IPX. We are very proud of our team's accomplishments last year. We achieved much better integration with our landowner partners in IRHL, and the team dynamic is much stronger as we build capacity and connections in the the local communities. We can now see real-time impacts and opportunities from wages, local purchasing, and community*

investments. We also transitioned from property-wide reconnaissance exploration and prospecting to target definition in four different areas. Our technical work continues to accelerate, and our presence and infrastructure on the island has really grown over the last two years. We are grateful for the support and interest we receive from all stakeholders. Perhaps most rewarding for our investors is that we have successfully proven that exploration work can occur safely and effectively in Bougainville.”

## Community Impacts

Island Passage invested almost 11 million Papua New Guinea kina (PGK) (US\$ 2.55 million) in the project during 2025. This is an average of PGK 900,000 (US\$205,000) per month, but peak expenditures reached more than PGK 1,200,000 per month in mid-year. Table 1 details project expenditures; and various impacts of those investments, beyond technical exploration work, are detailed below.

**Table 1. 2025 Exploration Expenditures on EL02 License**

<b>Exploration and Operating Costs</b>		
<b>Island Passage Exploration Ltd</b>		
<b>January 1 - December 31, 2025</b>		
<b>EL 02 Exploration Expenditures</b>		<b>Total (PGK)</b>
Staff / Contractors - Labour		4,085,800
Exploration Management		1,823,900
Other Exploration Costs		1,695,700
Travel: Transport, Accommodation		1,245,000
Analytical		714,000
Camp Costs / Vehicles, Heli		507,800
General Field Supplies		443,600
Field Equipment		137,600
Geophysics		74,000
Fuel and Vehicles		58,700
Travel: Meals, Groceries		15,600
<b>Grand Total Expenditures</b>	<b>PNG Kina</b>	<b>10,801,700</b>

## Employment

IPX and IRHL are committed to maximize the hire and training of Bougainvilleans with a focus on residents of EL02 and Central Bougainville. The companies recruited and employ 32 full time employees in Bougainville, and the field team averaged approximately 130 people per month as part-time or casual labor. The EL02 project team has nominated eight (8) community liaison officers from the different ethnographic regions of the project who focus on community outreach, social mapping, and awareness.

The project also employed three Bougainvillean student geologists from the University of Papua New Guinea (UPNG) during their summer break and retained one new graduate geologist from the university on a full-time basis.

### Training and Business Development

As IPX brings technical expertise to the EL02 Project, IRHL brings local leadership, knowledge, and access to the human resources of Central Bougainville. During July 2025, Island Passage funded travel for a five-person delegation from IRHL to attend the PNG Chamber of Resource and Energy (CORE) conference in Port Moresby. The conference provided an opportunity to network with and learn from other landowner organizations across PNG who are growing their own companies into diverse businesses.

The IPX geology team, along with co-authors from the University of Texas El Paso and UPNG, presented a technical talk on EL02 at the Society of Economic Geologists annual conference in Brisbane in September of 2025. It was one of the first public technical presentations on Bougainville geology since the 1980s. Island Passage also funded attendance and travel to the SEG conference for several Bougainvillean and PNG geology students.

IPX also supports higher education in Papua New Guinea. Having a strong relationship with the Earth Sciences Division within the UPNG School of Natural and Physical Sciences, the Company facilitated and funded the re-establishment of the student chapter of SEG at the university. IPX also makes a monthly gift to the chapter to support meetings and guest speakers.

IPX also sponsored a delegation from the ABG to attend PNG CORE Investment Week in Sydney in December 2025. Most of the delegation was from the Department of Commerce, Trade, Industry and Economic Development. IPX regards these events as both learning and marketing opportunities for Bougainvillean public servants and business leaders.

IPX presented at the PNG Core event at the world's largest mining conference, the Prospectors and Developers Association of Canada 2026 annual conference in Toronto, Canada.

As the two companies grow the EL02 project, the whole IRHL and IPX team is engaged in continuous training on exploration methods, field safety, and logistics. The finance and management team at IPX also lends considerable support to IRHL and EL02 landowners for business, bookkeeping, and banking. IPX management was instrumental in the opening of bank accounts for IRHL and Takuang Osikaiang Holdings Ltd, a new company owned by the landowners within EL02.

### **Technical Highlights**

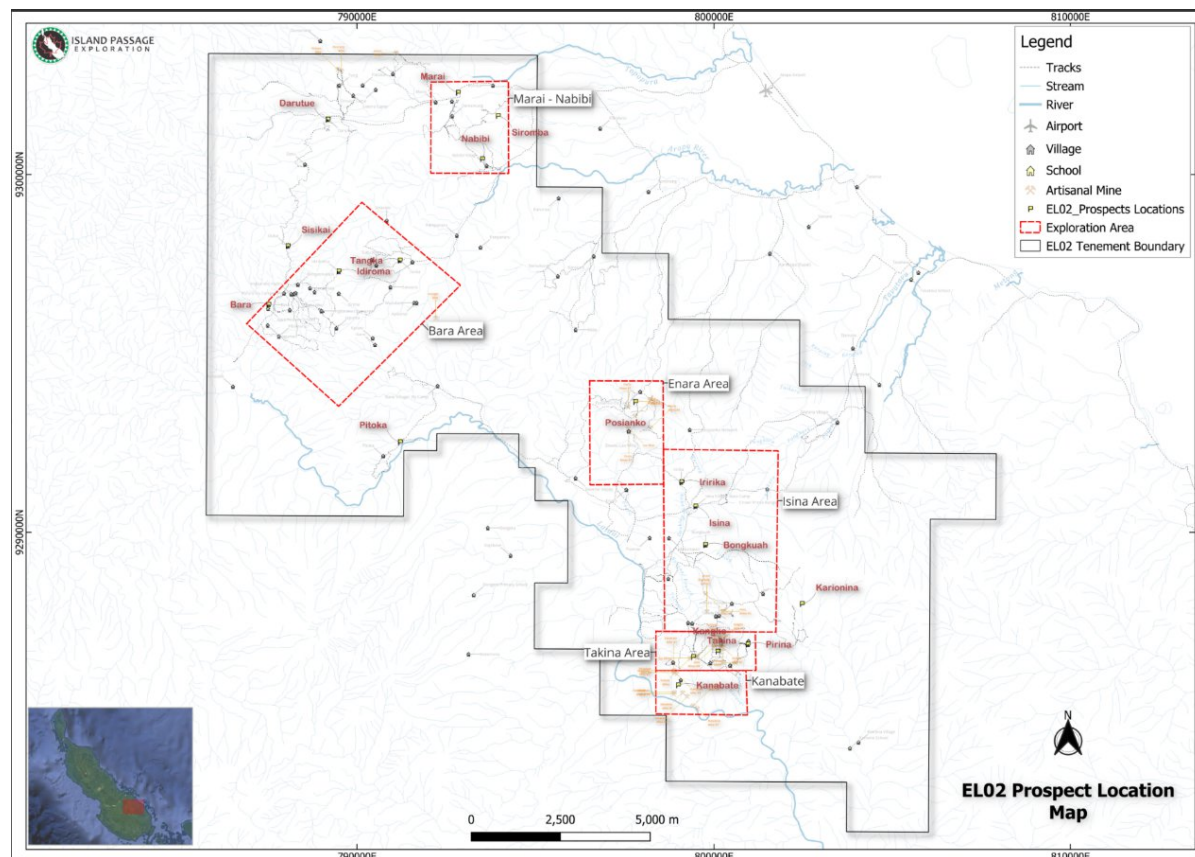
Over the past two years, the partners have collected well over 4,500 samples, including 3,676 in 2025. After systematically assessing the entire license, the technical team has identified several hydrothermal centers where exploration is advancing through the target definition phase. As previously reported, strong anomalies in copper and gold are numerous and widespread on the license. A statistical summary of rock sampling results is shown below. The gold and copper population is strongly skewed, such that median and mean values are well above those expected in such volcanic and intrusive rocks.

**Table 2. Statistical Summary of EL02 Rock Samples**

	<b>Cu</b>	<b>Au</b>	<b>Ag</b>	<b>Mo</b>
<b>Median (ppm)</b>	304	0.051	0.5	1.0
<b>Mean (ppm)</b>	2,800	1.54	5.78	22.9

<b>Maximum (ppm)</b>	138,287	457	590	5,968
<b>90<sup>th</sup> Percentile (ppm)</b>	6,642	0.96	7.50	20.0
<b>Count</b>	1,675	1,841	1,664	1,675

The mineralization discovered to date includes both high-grade gold-silver-copper-molybdenum (Au-Ag-Cu-Mo) in veins and apparently disseminated Cu-Au-Mo mineralization across a large footprint. A snapshot of the results is offered below, but Island Passage will issue a more detailed technical news release shortly.



**Figure 2. Target Areas and Villages within EL02 License**

The second half of 2025 was focused on the road-accessible Bara-Tangka porphyry copper-gold target in the west central part of the license (Figure 2). The large Bara-Tangka corridor is hosted near the western margin of the Isina pluton associated with a strong magnetic anomaly from the historic airborne survey. After identifying several types of veins hosting Cu, Mo, and Au accompanied by biotite-magnetite-alkali feldspar alteration, IPX geologists commenced geologic mapping and reconnaissance-scale soil sampling. The soil grid now covers more than 12 km<sup>2</sup> and boasts a strong Cu-Au anomaly covering more than 4 km<sup>2</sup>. During this phase of work, the team discovered new showings hosted in porphyritic diorite and at the hornfels-altered margin of the intrusive complex. Significant occurrences from the Bara-Tangka target included channel sampling results such as:

- 55.0m at 0.56% Cu, 0.63 g/t Au, 5.9 g/t Ag, and 0.02% Mo

- 27.0m at 0.22% Cu and 0.12 g/t Au
- 6.0m at 6.4 g/t Au, 0.06% Cu, and 0.014% Mo; and
- 3.0m at 0.69% Cu, 0.9 g/t Au; and 8.5 g/t Ag.

The companies have also reported very high-grade Au and Cu from multiple types of quartz-(carbonate)-sulphide veins. These veins range from lower-temperature quartz-carbonate veins to higher-temperature quartz-adularia sulphide veins. The structural controls on the veins also vary considerably, from arc-parallel northwest to nearly north-south, and less commonly, northeast striking. Channel samples from the various vein systems have driven follow-up mapping and sampling at the Takina Mines, Kanabete, Sriromba, and Karioina prospects. Some of these occurrences are summarized below:

- 7.0m at 64.03 g/t Au, and 1.55% Cu;
- 6.0m at 20.98 g/t Au, and 1.2% Cu;
- 3.0m at 6.73 g/t Au;
- 3.0m at 11.29 g/t Au; and
- 3.8m at 3.7% Cu and 4.4 g/t Au

The early part of the 2026 field season has been focused on expanding the soil grid and planning for trenching at the Bara-Tangka target, following up on encouraging results from another intrusion-hosted prospect called Enara, and prioritizing the various vein targets for the next round of evaluation.

### **Summary**

In addition to the increased investment and employment on the EL02 project, the first full year of exploration operations also saw the development of stronger foundations in the community and much deeper collaboration between the partner companies on business development, education, and other growth opportunities for the project stakeholders.

The 2025 exploration program was also very successful – technically speaking. The program has successfully demonstrated evidence of both porphyry copper–gold and high-grade vein mineralisation on the project. The intrusion-hosted and vein mineralization (mostly) in the volcanic rocks surrounding the intrusive complex suggest the presence of one or more large-scale magmatic hydrothermal systems. The dimensions, tenor, and erosion level of the magmatic system(s) cannot yet be determined, partly due to the intense weathering and resulting regolith developed over the hosting lithologies. Nevertheless, numerous of the mineral showings on the property demonstrate grades, metal ratios, and scale consistent with very attractive exploration targets.

At the same time, the implementation of a structured community relations program has enhanced access, reduced operational risk, and strengthened stakeholder support. Based on the outcomes of the 2025 program, the following provides an overview of the focus of the 2026 exploration campaign:

- The Bara–Tangka target corridor will be advanced through the deployment of multiple field teams undertaking detailed geological mapping, additional soil sampling, and systematic trenching. This work is expected to delineate and prioritize multiple drill targets, which will enable the commencement of a drill program in Q3–Q4 2026.
- Detailed target definition work will also advance on several additional targets, including the Enara porphyry target and several of the vein occurrences around the periphery of the intrusive complex. The team’s objective is to deliver multiple targets for a seamless transition into drilling following the initial phase expected at the Bara–Tangka target.

- During 2026 the project team will be engaging in more detailed social mapping and landowner information studies in order to deepen the knowledge of the ties between the landowners and their resources.
- IPX and IRHL will maintain and strengthen community relations through ongoing awareness campaigns, proactive stakeholder engagement, and continued support for community development initiatives, ensuring sustained access and strong local partnerships.

**About Isina Resource Holdings Ltd.** IRHL was founded in 2009 with the directors drawn from the chiefs of the ten major clans and their subclans in south Central Bougainville. As the custodians of their customary clan-owned land, the directors represent the customary landowner families. In an exercise of sovereignty over their mineral rights, they applied for and were granted EL02 over their lands. The licence comprises 250 km<sup>2</sup> and is situated 9 km SE of the Panguna open pit along the Crown Prince Range, and extends a further 26 km to the SE.

**About Island Passage Exploration Ltd.** A private Canadian company purpose built in 2022 to facilitate the finance, technical, commercial, and business development expertise that will be necessary to drive exploration and development on Bougainville. The Company is founded on the principle of responsible resource development in partnership with indigenous and customary landowners, and its leadership has a long track record of success on multiple such ventures. IPX holds an option to earn a 70% interest in the tenement from IRHL.

**About Island Passage Development Ltd.** This PNG company is 100% owned by IPX and serves as the vehicle to employ PNG national team members, direct activities, and funnel the finance and technical expertise into the EL02 license from North America.

For further information please go to [islandpassage.ca](http://islandpassage.ca)

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