



**INTERRA COPPER CORP. ANNOUNCES PROPOSED ACQUISITION OF ALTO VERDE
COPPER INC. AND COINCIDENT FINANCING**

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THE UNITED STATES/

December 2nd, 2022, VANCOUVER, British Columbia – Interra Copper Corp. (“**Interra**” or the “**Company**”) (CSE: IMCX) (OTCQB: IMIMF) (FRA: 3MX) is pleased to announce that it has entered into a Non-binding letter of intent dated December 2nd, 2022 (the “**LOI**”) with Alto Verde Copper Inc. (“**Alto Verde**”), in respect of a proposed acquisition of Alto Verde (the “**Proposed Transaction**”) expected to be completed by way of three-cornered amalgamation. Pursuant to the Proposed Transaction, a newly created wholly-owned subsidiary of the Company will amalgamate with Alto Verde, to create a new company (“**Newco**”) with Newco becoming a wholly-owned subsidiary of the Company at closing.

The Company’s focus remains on advancing its copper projects, supported by the long-term view on copper supply / demand economics. With this proposed transaction, the company adds copper exploration properties in an prolific copper belt in Chile, South America, that are potentially scalable. Chile remains a geo-politically secure region, producing more than a quarter of the world’s annual copper supply, and hosting significant industry-cluster synergies to advance value in the business. In addition to the projects being acquired, the proposed transaction adds significant experience to Interra’s management team with a more global reach in the technical, legal, management and mine development areas.

Director and CEO Jason Nickel states, “We are excited to combine forces with Alto Verde Copper and their team as we look to develop and expand our asset base in both British Columbia and now within the prolific Chilean copper belt. The addition of Alto Verde Copper and its team broadens the Company’s overall bench strength as we continue to advance our growth plans which include a more global platform.”

Background on Alto Verde:

Alto Verde Copper Inc. is a private mining company (incorporated under the Business Corporations Act (Ontario)) is focused on its portfolio of prospective exploration assets located in the Central Volcanic Zone, within the prolific Chilean Copper belt.

Alto Verde’s portfolio includes three copper exploration projects: Pitbull in the Tarapaca Region and Tres Marias and Zenaida in the Antofagasta Region. Alto Verde holds a significant land package covering an area of 16,250 hectares with the projects situated proximal to several of the world’s largest mines.

Alto Verde’s leadership team is comprised of senior mining industry executives who have a wealth of technical and capital markets experience and a strong track record of discovering, financing,

developing, and operating mining projects on a global scale. Alto Verde is committed to sustainable and responsible business activities in line with industry best practices, supportive of all stakeholders, including the local communities in which it operates.

Additional information can be found at www.altoverdecopper.com

Tres Marías, Pitbull, and Zenaida Projects:

All three of the Alto Verde copper projects are located in northern Chile within the Central Volcanic Zone, home to a majority of the country's production of copper, with much coming from porphyry-style deposits that are rich in copper, molybdenum, gold and silver by-products. Notable copper miners in the region include Antofagasta Minerals, BHP Billiton, Glencore and Freeport-McMoRan Inc., among others. With its well-developed sector, Chile is also known as a favourable mining jurisdiction within South America, with a long history of strong mining laws and support for foreign direct investment.

Tres Marías is a prospective mid-stage exploration group of concessions covering an area of 13,050 ha and is located within the Paleocene-Lower Eocene Central Metallogenic Belt at a 1,600 m elevation with year-round access in the Antofagasta Region. There is a visible hydrothermal alteration in the outcrops that, based on geological mapping, corresponds to continental clastic sedimentary rocks of the Jurassic Quehuita Formation. Results from Freeport-McMoRan Inc. ("**Freeport**") 2015 and 2018 drill programs are highlighted by drill holes TMD-15-02 with 2.4 m of 3.10% Cu and 19 ppm Ag, and TMRC-18-01 with 4.0 m of 4.50% Cu and 121.5 ppm Ag. Drilling also indicated anomalous polymetallic zinc, silver, lead and copper potential.

Alto Verde as delineated a 10,000m drill program to test a large number of geophysical targets in the eastern, central and western portions of the 13,050 ha Tres Marías concession, and anticipates work can begin shortly after completing the Proposed Transaction.

The Tres Marías property is subject to a purchase option by Freeport such that upon Alto Verde completing US\$5 million of qualifying exploration expenditures on the Tres Marías property within five (5) years of September 23rd, 2021, Freeport shall have the right and option to (i) acquire a 51% interest in the Tres Marías property for US\$12.5 million, or (ii) acquire a 49% interest in the Tres Marías property for US\$250,000 (collectively with (i), the "**Purchase Option**"), or (iii) not acquire any interest in the Tres Marías property. If Freeport exercises the Purchase Option to acquire a 51% interest in the Tres Marías property, Alto Verde will be granted a 0.5% NSR royalty over the Tres Marías property. If Freeport exercises the Purchase Option to acquire a 49% interest in the Tres Marías property, Freeport will be granted a 1.0% NSR royalty over the Tres Marías property. Freeport may also elect not to participate in the property, in which case it will be granted a 1.0% NSR royalty over the Tres Marías property.

Pitbull is an early-stage exploration group of concessions comprising 1,400 ha and located about 25 km north of Anglo American & Glencore's Collahuasi mine, which in 2019 produced more than 565 kt of fine copper with revenues of US\$ 3.1 billion. The group of concessions lies within the Upper Eocene-Lower Oligocene (Mid-Tertiary) Metallogenic Belt, a similar geological zone to that of Collahuasi. Initial plans at the Pitbull property include a high resolution UAV magnetometry

survey over 14 km², an Induced Polarization and Resistivity GSDAS (3D) comprising 32 linear km and covering 14 km², a photogrammetric survey, Magnetovariational Profiling (MVP), and a 3D Resistivity Inversion study. Data from these studies will determine the drill hole collar locations for a follow-on drilling campaign.

Zenaida is an early-stage exploration group of concessions comprising 1,800 ha, and is also located on the Upper Eocene-Lower Oligocene (Mid-Tertiary) Metallogenic Belt located in the Antofagasta Region. Preliminary results indicate the potential for mineralization and may warrant further analysis and follow-up by Alto Verde in the future.

The information and data referred to above, including the drilling results, are historical in nature. A qualified person, as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, has not completed sufficient work to independently verify the historical information and data disclosed and neither the Company nor Alto Verde is treating the historical data as current.

Transaction Structure:

The Proposed Transaction is expected to be completed by way of a three-cornered amalgamation or such other form of business combination determined by the legal and tax advisors to each of Interra and Alto Verde, acting reasonably, which will result in Alto Verde becoming a wholly-owned subsidiary of the Company.

Pursuant to the Proposed Transaction, the Company will acquire 100% of the issued and outstanding common shares of Alto Verde on a share exchange ratio of approximately 0.30 of one common share in the authorized share structure the Company (each, an “Interra Share”) for one common share in the capital of Alto Verde. All outstanding warrants to purchase Alto Verde common shares will be exchanged, on approximately 0.30:1 basis, for warrants to purchase common shares, as the case may be, of the Company.

In addition to securities of the Company to be issued upon conversion of the Subscription Receipts (as defined below), upon closing of the Proposed Transaction, it is expected that the Company will issue approximately 7,632,573 common shares to shareholders of Alto Verde. Additionally, it is anticipated that 11,729 incentive stock options of Alto Verde will be exchanged or replaced with equivalent securities of the Company. The 7,632,573 common shares being issued will be subject to various escrow release schedules defined in the definitive agreement.

Completion of the Proposed Transaction will be subject to a number of conditions precedent set forth in the LOI, including, but not limited to: (i) satisfactory completion of due diligence investigations by each of the Company and Alto Verde; (ii) the negotiation and execution of a definitive agreement (the “**Definitive Agreement**”) on or before January 15, 2023; (iii) approval of the shareholders of Alto Verde and the Company; (iv) completion of the Financing (as described below); and (v) receipt of all requisite regulatory (including the CSE) and third party approvals. There can be no assurance that the Proposed Transaction will be completed on the terms proposed in the LOI or at all. Upon execution of the Definitive Agreement, the Company will issue a subsequent press release containing the details of the Definitive Agreement and additional terms of the Proposed Transaction.

Proposed Private Placement Financing:

As a condition of closing, the Company will complete a private placement financing (the “**Financing**”) of subscription receipts (the “**Subscription Receipts**”) at a price of C\$0.50 per Subscription Receipt for minimum gross proceeds of C\$2.5 million, to fund the operations of the Company in both Canada and Chile. Each Subscription Receipt will automatically convert into units of the Company (“Units”). Each Unit will be comprised of one common share of Interra Share and one-half Interra Share purchase warrant (each full warrant, an “Interra Warrant”). Each Interra Warrant will entitle the holder to acquire one Interra Share (a “Warrant Share”) at an exercise price of \$0.75 per Warrant Share for a period of 36 months following the closing of the Proposed Transaction. The Interra warrants will be subject to an acceleration provision allowing the Issuer to accelerate the expiration date of the Interra Warrants with a 30 days’ notice period to warrant-holders in the event the Interra Shares trade on the CSE for 10 consecutive days at \$1.25 or greater. The Financing is subject to CSE approval.

Proposed Management and Directors:

Following the completion of the Proposed Transaction, and subject to CSE approval, the Board of Directors will consist of five (5) individuals, with Mr. Jason Nickel continuing as a Director with the change in management role to Chief Operating Officer. Mr. David McAdam and Mr. Scott Young will also continue as independent Directors on the Board, providing their expertise in financial reporting, audit, capital markets and general corporate governance experience. Mr. Thomas Hawkins P. Geo will assume the role of VP Exploration and “Qualified Person.” Mr. Oliver Foeste remains as CFO and Ms. Janet Francis as Corporate Secretary. It is also expected that at closing of the Transaction, the following Alto Verde board members and officers will be appointed as directors and officers of the Company:

Chris Buncic, MBA, CFA, P.Eng, President, CEO and Director

Mr. Chris Buncic is one of the founding partners in the formation of Alto Verde Copper Inc. and will take on the role of Chief Executive Officer. Chris has served in senior management roles at several Canadian corporations in the technology and resources sectors. His depth of experience also includes six years in Institutional Equity Research at leading Canadian independent full-service brokerage firms Cormark Securities Inc. and Mackie Research Capital Corporation. Mr. Buncic is a CFA Charterholder, has an MBA from Schulich School of Business and B.A.Sc. from the University of Toronto. Mr. Buncic is a member of the Professional Engineers of Ontario and the CFA Society.

Rick Gittleman, Director

Mr. Richard (Rick) Gittleman is a mining executive with over 40 years’ senior management experience working on mining projects across the globe. He started as a lawyer working on mining projects in central Africa. During his 25-year career at Akin Gump Strauss Hauer & Feld, he managed the energy and mining practice groups of the firm and undertook M&A and Project Finance assignments on behalf of energy and mining clients. In 2009 he joined Freeport McMoRan as a Senior Vice President for Africa and was part of the leadership team that brought the Tenke Fungurume mine in the Democratic Republic of Congo into production. He also worked at Glencore in its copper division. He is currently the Managing Partner of RMG Minerals, a consulting company providing advice to the mining community.

Advisors to the Board of Directors:

In addition to increasing the members of the Board from four (4) to five (5) the, the following professionals will be comprised to the advisory committee to the board of directors, contributing their vast expertise to help guide the Company going forward:

Mr. T. Greg Hawkins

Mr. Hawkins continues as Advisor to the Board. He has been involved in the mining exploration and investment industry since 1969. He has been variously responsible for the identification and/or delineation of 10 mineral deposits in Canada, USA, Chile, Ghana, Mali and Zaire (DRC) with 7 deposits taken to production.

Dr. Mark Cruise, Ph.D, P.Geo,

Dr. Cruise is an exploration and mining professional with over of 25 years' global experience, having discovered, developed and operated mines in Europe, South America, Canada and Africa. Dr. Cruise is the former CEO of New Pacific Metals Corp., and previously founded Trevali Mining where he grew the Company from an initial discovery to a global leading zinc producer.

Rich Leveille.

Mr. Leveille has a lifetime's worth of experience in the mining sector. He has a B.S. Geology from the University of Utah and an M.S. in geology at the University of Alaska, Fairbanks. He has worked several large mining companies including AMAX, Kennecott, Rio Tinto, Phelps Dodge and Freeport-McMoRan in the US and internationally. His last corporate position was Sr VP Exploration for Freeport-McMoRan, based in Phoenix.

David Garofalo.

Mr. Garofalo is an accomplished mining executive with 30 years' experience in the creation and growth of multi-billion-dollar mining business across multiple continents. Mr. Garofalo has served as Chairman, President and CEO of Gold Royalty Corp. since August 2020. Formerly, he was the President and CEO of Goldcorp Inc., a position he held from 2016 until its sale to Newmont Corporation in 2019. Prior to Goldcorp, he was President, CEO and Director of Hudbay Minerals Inc, (2010-2016), Senior Vice President, Finance and CFO and Director of Agnico-Eagle Mines Limited (1998-2010) and Treasurer of Inmet Mining Corporation (1990-1998).

Mike Ciricillo.

Mr. Ciricillo is a mining executive with almost 30 years of operational and project experience, having lived and worked on 5 continents over the span of his career. Mike began his career in 1991 at INCO Ltd in Canada and later joined Phelps Dodge in 1995, later acquired by Freeport-McMoRan. In the DRC, Mike served as President of Freeport McMoRan Africa and spent 5 years at Tenke Fungurume from the construction phase into the operations phase. He later joined Glencore in 2014 progressing through several roles, culminating as Head of Glencore's Worldwide Copper Assets.

Finder's Fees:

Subject to approval of the CSE, in connection with closing of the Proposed Transaction, the Company will issue up to 421,171 Interra shares to certain arm's length parties as a finder's fee in connection with the Proposed Transaction.

Qualified Person:

The scientific and technical information in this press release has been reviewed and approved by Scott Jobin-Bevans, Ph.D., PMP, P.Geo., Principal Geoscientist and President at Caracle Creek International Consulting Inc., on behalf of Alto Verde Copper, who is an independent consultant and Qualified Person as defined in National Instrument 43-101.

About Interra Copper Corp.:

Interra Copper Corp. is a junior exploration and development company focused on creating shareholder value through the advancements of its current assets that include the Thane Property in north-central British Columbia. Utilizing its heavily experienced management team, Interra continues to source and evaluate assets to further generate shareholder value.

The Thane Property covers approximately 206 km² (50,904 acres) and is located in the Quesnel Terrane geological belt of north-central British Columbia, midway between the previously operated open pit Kemess Mine and the current open pit Mount Milligan mine, both two copper-gold porphyry deposits. The Thane Property includes several highly prospective mineralized areas identified to date, including the 'Cathedral Area' on which the Company's exploration is currently focused.

ON BEHALF OF INTERRA COPPER CORP.

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Cautionary Statement Regarding Forward-Looking Information: *This news release contains certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future operating or financial performance of the Company, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this news release relate to, among other things, exploration activities at the Company's projects and results therefrom. Actual future results may differ materially. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these items. The Company does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by applicable securities laws.*