

16 November 2020

ASX Announcement

## **NMR Commences Trading on ASX Following Successful IPO Drilling Underway at Leane's Copper Prospect in North QLD**

### **Highlights:**

- Copper and gold explorer **Native Mineral Resources** has today commenced trading on the ASX under the security code "**NMR**"
- NMR successfully raised \$5.7M (before costs) via the IPO of ~28.7M shares at \$0.20 per share
- NMR holds a large portfolio of advanced exploration tenements in Queensland (Palmerville Project and Mount Morgan Project) and Western Australia (Eastern Goldfields Project)
- Immediate focus is on drill testing several high priority targets within the Palmerville Project that covers a strike length of 130km over an area of ~1,820km<sup>2</sup>, 200km west-northwest of Cairns
- 15 hole, 2,000m RC drilling program is currently underway on the highly prospective Leane's Copper Prospect - initial assays expected to be received in December
- First drillhole (LRC011) at Leane's Prospect has confirmed the geological interpretation and the presence of the mineralised target horizon - mineralised breccia is open at the northern end of the prospect
- Leane's Copper Prospect was first discovered in 2007 – a shallow drilling program in 2010 returned intervals including 28m @ 0.55% Cu, 4m @ 0.55% Cu, and 11m @ 0.32% Cu. No further work has been completed since 2010.
- Planning well advanced to commence exploration at several Eastern Goldfields gold targets in early 2021

**Copper and gold exploration company Native Mineral Resources Holdings Limited (ASX: NMR)**, or ("**NMR**" the "**Company**"), is pleased to advise that it has commenced trading today on the Australian Securities Exchange ("**ASX**") under the ticker code "**NMR**" following the successful completion of the Company's Initial Public Offering ("**IPO**"). The IPO was managed by Lodge Partners and raised a total of \$5.7M (before costs) via the issue of 28,713,500 shares at \$0.20 per share.

Further, the Company is also pleased to report that an initial reverse circulation ("**RC**") drilling program at the Leane's Copper Prospect (see Figure 1) has commenced, with first results expected to be available in December. The program has been designed to follow-up an initial shallow drilling program completed in 2010 and aims to intersect the mineralised horizon at depth, below the zone of weathering in the supergene/primary sulphide zone.

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**Figure 1: Drilling underway at Leane's Copper Prospect, November 2020**

## Management Commentary

**NMR's Managing Director, Blake Cannavo, commented:** *"This is a tremendous milestone for Native Mineral Resources, and on behalf of the Company I would like to thank everyone who has contributed towards this achievement for their hard work and commitment, including my fellow Directors, our entire staff, IPO lead manager Lodge Partners and our contractors and advisers."*

*The IPO was extremely well supported, and I would like to personally thank our new shareholders and welcome them to the NMR register. I am excited that you share NMR's vision for building a new and sustainable copper and gold development company and we look forward to delivering on our near-term exploration plans to unlock the value we have already identified within our projects."*



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*NMR is built on firm foundations, having assembled a world-class portfolio of advanced exploration targets, within close proximity to operating mines, in the premier mining regions of North Queensland and the Eastern Goldfields of WA.*

*We have wasted no time and have hit the ground running at our Palmerville Project in QLD with the first drilling program underway at Leane's.*

*Early indications from this drill program are extremely encouraging and we expect to be able to report initial assays in mid-December. We will also be providing further details on our pipeline of exploration programs planned for both Palmerville and the Eastern Goldfields as activity continues to ramp-up over the coming months."*

## **Leane's Copper Prospect Overview**

The Leane's Copper Prospect was originally discovered in 2007 by Lodestone Exploration Limited ("Lodestone") when outcrops containing malachite veining were mapped at surface. Subsequent exploration, including detailed soil geochemistry identified strongly anomalous copper over a 1,200m extent along a north-northwest trending brecciated contact between limestone to the west and siliciclastic sediments, and locally basalt to the east (Figure 2). In 2010, Lodestone completed a 8 drillhole RC program to test the copper soil anomalies over a 500 m strike length, plus two drillholes further south to test gold anomalies.

The best intervals in that program intersected 28m @ 0.55% Cu in drillhole LRC004, 4m @ 0.55% Cu in drillhole LRC003, and 11m @ 0.32% Cu in drillhole LRC002. All drilling was shallow and intersected the mineralised zone in the weathered horizon. No further exploration has been undertaken at Leane's since 2010.

## **Leane's 2020 Drilling Program Summary**

NMR is undertaking a 15 hole, 2,000m RC drilling program to follow up and extend the shallow drilling completed at the Prospect in 2010. This program has been designed to infill gaps in the previous program and test the mineralised horizon below the weathered zone, which is targeted to host higher grades of copper mineralisation.

At the completion of this program, there will be a total of 25 drillholes across a 500m long strike length at Leane's. Results from this program will provide a strong basis for interpreting the geological and mineralisation setting and may support a maiden Inferred Mineral Resource as defined by the JORC Code.

Drilling of the first hole (LRC011) is complete. LRC011 was sited at the northern end of the strong copper soil anomaly, immediately north of an interpreted fault offset (Figure 2). Drilling intersected a sequence of siliciclastic lithologies as expected, as well as several fault zones prior to intersecting the target breccia horizon from 104m to 106m. The breccia is a mixed zone containing visible sulphides and copper oxides. Drilling could not proceed due to the hole collapsing in a fault zone intersected at 40m.

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This hole has successfully confirmed the geological interpretation and the presence of the mineralised target horizon and demonstrated the mineralised breccia is open at the northern end of the prospect. LRC011 may be extended by follow-up diamond drilling to test the full extent of the target. Drilling has now commenced at LRC012 (Figure 2), sited in the south-central part of the prospect.

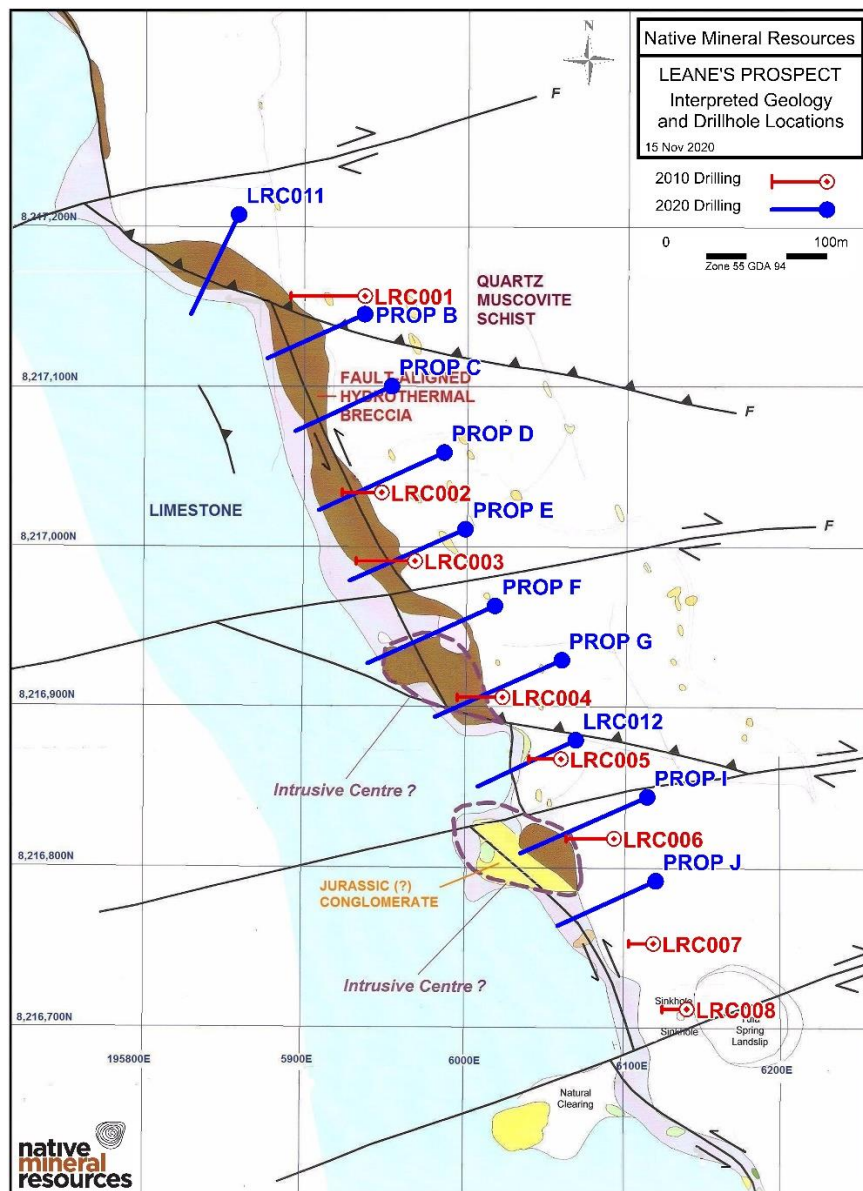


Figure 2: Leane's Prospect interpreted geology and drillhole locations

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## **Palmerville Project Background**

The Palmerville Project is the Company's principal exploration asset and covers a near continuous strike length of 130km over an area of ~1,820km<sup>2</sup> centered 200km west-northwest of Cairns in North Queensland.

The tenements consist of eight Exploration Permit Minerals (EPMs) and one EPM application in the highly prospective Chillagoe Formation, which hosts the large Red Dome and Mungana porphyry and skarn-associated gold-copper deposits to the south of the Palmerville Project. The Chillagoe Formation also hosts significant zinc-rich and copper-rich limestone-hosted skarn-associated deposits, particularly at King Vol, Mungana, Griffiths Hill and Red Cap.

The Project is considered prospective for the following deposit styles:

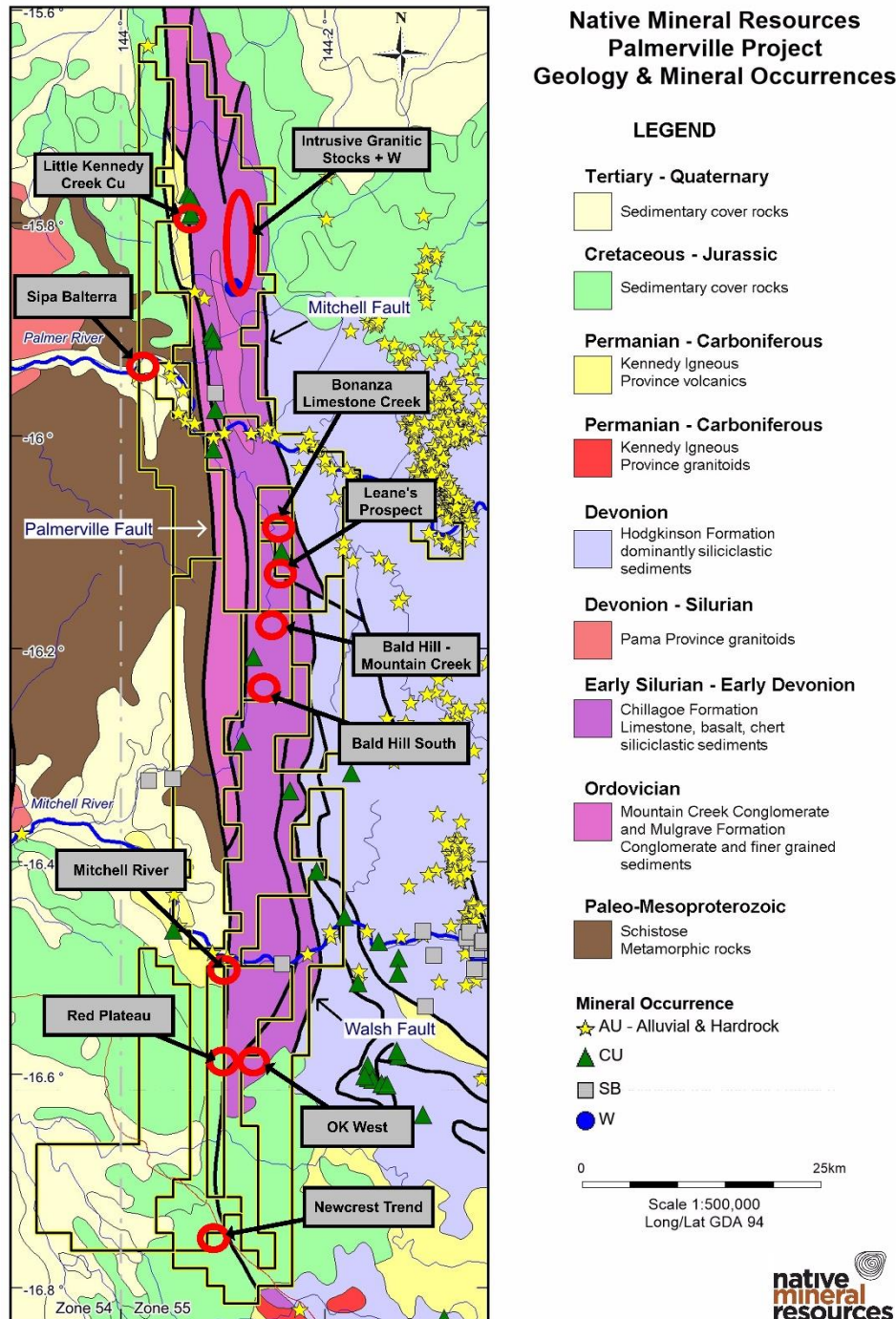
- Porphyry- and skarn-associated copper-zinc-gold mineralisation in Chillagoe Formation limestone-dominant strata.
- Porphyry-related copper-gold mineralisation in non-carbonate lithologies.
- Copper-zinc-gold volcanic massive sulphide or vein-style mineralisation.
- Orogenic-style gold-antimony mineralisation.
- Epithermal gold mineralisation distal to porphyry intrusions
- Alluvial gold akin to the historic Palmerville Goldfield.

Previous exploration over the tenements has, in places, been extensive with soil, stream sediment and rock chip sampling, trenching, and limited drilling. Elsewhere, exploration is at an early stage. NMR has completed a review of historical mining activity and past exploration and identified 65 mineralisation occurrences and eleven initial targets for exploration (Figure 3).

Exploration drilling has commenced at Leane's Prospect and further exploration is being planned across the Palmerville Project in early 2021.



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**Figure 3: Palmerville Project geological setting and priority targets**

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The Board of Native Mineral Resources Holdings Ltd authorised this announcement to be lodged with the ASX.

For more information please visit [www.nmresources.com.au](http://www.nmresources.com.au) or contact:

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## **About Native Mineral Resources:**

**Native Mineral Resources** (ASX: NMR) is an Australian publicly listed minerals exploration company established to explore for copper and gold deposits in the Palmerville fault and Mount Morgan regions in North Queensland and for gold deposits in the Eastern Goldfields region in Western Australia.

## **Competent Person Statement:**

The information in this report relating to Exploration Results is based on information compiled by Mr Mark Berry, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Berry is a full-time employee of Derisk Geomining Consultants, an independent company appointed by the Company to provide technical and mining support services in relation to the Company's activities. Mr Berry has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Berry has no potential conflict of interest in accepting Competent Person responsibility for the information presented in this report and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## APPENDIX 1: JORC CODE TABLE 1 CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA

### Section 1: Sampling Techniques and Data

CRITERIA	JORC Code Explanation	Commentary
SAMPLING TECHNIQUES	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	The 2010 drilling program was undertaken using RC drilling. The 2020 drilling program will be mostly RC, but several drillholes may incorporate a diamond-cored tail through the mineralised horizon.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	RC drilling is an established method designed to minimise drilling-induced contamination of samples, aimed to deliver a representative sample of the interval being drilled. Diamond drilling is also an established method aimed at collecting representative samples of the interval being drilled.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	For the 2020 RC drilling program, all samples from the drilling operation will be collected through a cyclone mounted on the drill rig. 1.0 m sample intervals will be collected, with a calico bag inserted to collect approximately 10% of the sample through a dedicated chute in the cyclone, with the remainder of the sample discharged into a large plastic bag. All sample material will be weighed at the drill rig to estimate recovery.
DRILLING TECHNIQUES	Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	The 2020 RC drilling program will be undertaken using a 145 mm diameter face-sampling bit.
DRILL SAMPLE RECOVERY	Method of recording and assessing core and chip sample recoveries and results assessed.	The entire recovered sample is weighed. Assumptions will be made of bulk density to estimate recovery.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The driller momentarily stops drilling at the completion of each 1.0 m interval to ensure all sample from the drilled interval is discharged from the cyclone into the sample bags.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No assay results have been received to date to allow an assessment of sample bias.
LOGGING	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	RC chips will be geologically logged to support Exploration Results and a Mineral Resource estimate if results are positive.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Geological logging is qualitative using a template of standard colour, grain size, lithology, and mineral codes.



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CRITERIA	JORC Code Explanation	Commentary
	The total length and percentage of the relevant intersections logged.	100% of RC-drilled intervals and diamond-drilled intervals will be logged.
SUB-SAMPLING TECHNIQUES AND SAMPLE PREPARATION	If core, whether cut or sawn and whether quarter, half or all core taken.	If diamond tails are drilled, core will be cut in half and sampled.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	The cyclone has chutes with predetermined settings to allow a primary and duplicate sample to be collected (nominally 10% of the sample each), with the remainder of the sample discharged into a large plastic bag.  Samples are expected to be dry to 10-20m, then moist below the water table. In places, some samples may be very wet where drilling intersects broken zones or cavities.
	For all sample types, the nature, quality, and appropriateness of the sample preparation technique.	Primary RC samples and half core samples will be dispatched to the laboratory for drying, crushing, pulverising and sub-sampling prior to analysis. This approach is appropriate for the copper mineralisation being targeted.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	RC coarse duplicates will be inserted at a nominal rate of 1 in 10 samples to assess sample preparation and analysis. Three certified reference materials (CRMs) will be inserted regularly to assess analysis.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	All drilled material is passed through a cyclone mounted on the drill rig and drilling practices are designed to deliver representative samples. Drilling momentarily pauses at the end of each 1.0 m interval drilled and after rod changes, the hole is cleaned prior to inserting sample bags under the cyclone discharges at the commencement of drilling.  The cyclone is cleaned of loose material at the end of each 6 m rod to minimise contamination.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	There is currently no available data to provide a semi-quantitative assessment of sample size vs mineralisation grain size, but the sampling protocol developed is expected to be appropriate for copper mineralisation.
QUALITY OF ASSAY DATA AND LABORATORY TESTS	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Gold will be analysed by 30 g fire assay methods and is expected to deliver a total analysis.  Samples for a 49 element analysis by Inductively coupled plasma mass spectrometry (ICPMS) will be treated using a 4-acid digest, which should deliver a total analysis for most elements.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Coarse duplicates and CRMs will be inserted to monitor laboratory performance.
VERIFICATION OF SAMPLING AND ASSAYING	The verification of significant intersections by either independent or alternative company personnel.	The 2020 drilling program represents an exploration phase. No independent verification is planned, but there will be the opportunity for checks on significant intersections by other company staff.
	The use of twinned holes.	No twinned holes have been planned for the 2020 program.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All drill-site based documentation will be collected in hardcopy format then transferred to digital files. Verification of logging and sampling data will be undertaken by other company staff.

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CRITERIA	JORC Code Explanation	Commentary
	Discuss any adjustment to assay data.	No adjustments to assay data are expected to be made.
LOCATION OF DATA POINTS	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Planned and actual drillhole collar positions will be determined using handheld global positioning system (GPS) instruments.
	Specification of the grid system used.	The grid system used to date is Zone 55 GDA 94.
	Quality and adequacy of topographic control.	There is no detailed topographic data available for the Leane's Prospect area. This is adequate to support reporting of Exploration Results and Inferred Mineral Resources.
DATA SPACING AND DISTRIBUTION	Data spacing for reporting of Exploration Results.	The 2020 drilling program will generate drillholes spaced 50 m apart along strike, with the possibility of some additional drilling down-dip on selected sections.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	It is likely that sample spacing and distribution may be close enough to support estimation and reporting of Mineral Resources, pending results.
	Whether sample compositing has been applied.	Some sample compositing of 1.0 m samples to 5.0 m will be undertaken in the hangingwall sequence, where no economic mineralisation is anticipated.
ORIENTATION OF DATA IN RELATION TO GEOLOGICAL STRUCTURE	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The orientation of drilling is planned to be perpendicular to the strike of the mineralised horizon. Mineralisation is interpreted to be steeply dipping and initial drilling will intersect mineralisation at a moderate angle and therefore will not represent true thickness.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	This will be assessed once results from the current drilling program are received.
SAMPLE SECURITY	The measures taken to ensure sample security.	Drilling is taking place on private property and only authorised staff are present. All RC samples are placed in large plastic bags at the drill site and secured. Samples are transported by company staff to a transport hub for despatch to a commercial laboratory. These measures are considered appropriate for the style and tenor of mineralisation.
AUDITS OR REVIEWS	The results of any audits or reviews of sampling techniques and data.	No audits or reviews have been undertaken to date.

## Section 2: Exploration Results

CRITERIA	JORC Code explanation	Commentary
MINERAL TENEMENT AND LAND TENURE STATUS	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	<p>Drilling is taking place on EPM 11980 (Limestone Creek), which is 100% owned by Native Mineral Resources Pty Ltd, a 100% owned subsidiary of NMR.</p> <p>The drilling site is located on Palmerville Station, where NMR has negotiated a Conduct and Compensation Agreement with the landowner.</p> <p>EPM 11980 is sited on Native Title Claim QCD2006/001. NMR has received approval from the Western Yalanji Aboriginal Corporation to complete the proposed drilling program at Leane's Prospect.</p>



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CRITERIA	JORC Code explanation	Commentary
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	EPM 11980 expires on 2 June 2022. There are no known impediments to obtaining a licence to operate.
EXPLORATION DONE BY OTHER PARTIES	Acknowledgment and appraisal of exploration by other parties.	All previous exploration at Leane's Prospect was undertaken from 2007 to 2010 by Lodestone Exploration Limited. Exploration included surface geochemistry, geological mapping and a shallow RC drilling program of 10 drillholes totalling ~500 m. The best intervals intersected in that program included 28 m @ 0.55% Cu in LRC004, 4 m @ 0.55% Cu in LRC003, and 11 m @ 0.32% Cu in LRC002.
GEOLOGY	Deposit type, geological setting, and style of mineralisation.	EPM 11980 covers part of a north-trending belt of Ordovician-Silurian Chillagoe Formation rocks, up to 9 km wide, situated immediately east of the Palmerville Fault. This major structure forms the western edge of the Hodgkinson Basin Province. Leane's prospect is characterised by a +500 ppm Cu-in-soils anomaly that extends for about 1 km along a north-northwest trending brecciated contact between limestone to the west and siliciclastic sediments, and locally basalt to the east. The breccia zone is interpreted as a combination fault and solution collapse breccia, linked to intrusion-related (skarn) copper and copper-gold systems similar to the Red Dome deposit and the Mungana deposit located ~100 km to the south.
DRILL HOLE INFORMATION	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>– Easting and northing of the drill hole collar.</li> <li>– Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.</li> <li>– Dip and azimuth of the hole.</li> <li>– Down hole length and interception depth.</li> <li>– Hole length.</li> </ul>	A 15-hole, 2,000 m drilling program has been planned at Leane's Prospect. Only one drillhole (LRC011) has been completed to date and drilling is continuing. No assay data is available for LRC011 Detailed drillhole information will be provided in subsequent public releases.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No analytical results of drilling are being reported and therefore detailed drillhole information is not material to this release.
DATA AGGREGATION METHODS	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	No analytical information is being reported in this release.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No analytical information is being reported in this release.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No analytical information is being reported in this release.
RELATIONSHIP BETWEEN	These relationships are particularly important in the reporting of Exploration Results.	No analytical information is being reported in this release.

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CRITERIA	JORC Code explanation	Commentary
MINERALISATION WIDTHS AND INTERCEPT LENGTHS	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The orientation of drilling is planned to be perpendicular to the strike of the mineralised horizon. Mineralisation is interpreted to be steeply dipping and initial drilling will intersect mineralisation at a moderate angle and therefore will not represent true thickness.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	No analytical information is being reported in this release.
DIAGRAMS	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Please refer to the body of the public release.
BALANCED REPORTING	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	No analytical information is being reported in this release.
OTHER SUBSTANTIVE EXPLORATION DATA	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	LRC011 has been completed and intersected a sequence of Chillagoe Formation siliciclastic rocks from 0 m to 104 m before intersecting a breccia zone interpreted to be the target horizon from 104 m to 106 m. Drilling was abandoned at 106 m because the upper section of the hole was collapsing and causing the drill rods to become jammed in the hole.
FURTHER WORK	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Drilling is ongoing and results will be publicly reported once further information becomes available.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Drilling is ongoing and appropriate diagrams will be publicly reported once further information becomes available.