8th March 2022

ASX Limited- Company Announcements Platform

ARMADA METALS LIMITED (ASX: AMM)

Commencement of Diamond Drilling at The Nyanga Project in Gabon

Highlights:

- Diamond drilling program, consisting of up to 3,000 metres, has commenced over Armada's highest priority Ni-Cu targets along the Libonga-Matchiti Trend (LMT) at the Nyanga Project, in Southern Gabon.
- Armada, together with drilling contractor Boart Longyear, have mobilised two custom-built lightweight diamond drill rigs from Canada to the first drill target, Libonga North.
- With Permit G5-555 recently granted (see ASX announcement on 2 March 2022), the initial drill program will now include the highest ranked target, Matchiti Central, which is situated within the renewed permit, along the LMT.
- The Phase 1 drilling program is scheduled to take up to three months to complete.

Armada Metals Limited (ACN 649 292 080) (**Armada**, **AMM**, or **Company**) is pleased to announce the commencement of its first drill program at the Nyanga Project, Gabon (Fig. 1.), following successful mobilisation of two custom-built lightweight drill rigs to the first target sites. Phase 1 drilling will consist of up to 3,000m of diamond drilling along the high-priority Libonga-Matchiti Trend (LMT), drilling previously untested magmatic Ni-Cu targets ('LMT') (Fig. 2). Diamond drilling will be completed by Boart Longyear and is expected to take up to three months to complete.

Figure 1: Custom-built Zinex A5 diamond drill rig set-up at the first drill hole site at Libonga North. Source: AMM.

Armada's Managing Director Dr Ross McGowan commented:

"Since listing on the ASX in December 2021, the Company has made rapid progress on multiple fronts, with significant effort to secure contractors with newly-built drill rigs and mobilise within a short space of time in challenging global circumstances. With field teams on site since December, drill rigs have now been successfully mobilised and transported to the first drill positions where we have now begun our phase 1 drilling along the highly prospective LMT and into this potential new magmatic mineralising system.

"Today is an exciting moment for the Company as we launch this first diamond drilling campaign, implemented by our experienced operational team. The Company looks forward to providing shareholders with updates on our drilling results as these programs are executed."

Phase 1 Nyanga Project Diamond Drilling Program

The program is designed to test high-priority electromagnetic conductors, identified by Armada (Figs. 2 and 3), positioned along the 25-kilometer-long prospective strike of the Libonga-Matchiti Trend (LMT).

Diamond drilling (DD) programs will include appropriate sampling and assaying techniques on diamond drill core with multi-element assay data, and the collection of lithological and structural data for mineralisation vectoring:

- Libonga North Target: a minimum of six (6) holes are planned between 100m and 400m depth for a total of ~1,500m of drilling. Planned hole depths are modelled from the Xcite™ HTDEM and FALCON® AGG data.

- Matchiti Central Target: a minimum of six (6) holes are planned between 100m and 400m depth for a total of ~1,500m of drilling. Planned hole depths are modelled from the Xcite™ HTDEM and GGG data (see ASX announcement, 2 March 2022 for further details on this target).

The first two planned drill holes (LBNDD001 and LBNDD002, Fig. –4.) have been positioned at Libonga North, targeting HTDEM plates X-LBN02 and X-LBN04 (Conductor A and B – Fig. 3. and Table 1). The HTDEM plates are modelled with a shallow to moderate dip (35º and 45º respectively) to the east and very high conductivity-thicknesses (80 and 100 S/m) close to surface, coincident with disseminated sulphides mapped at surface in earlier field programs. The two plates are potentially associated with a north-south orientated, steeply dipping structure.

HTDEM: heliborne time domain electromagnetics
AGG: airborne gravity gradient
GGG: ground gravity gradient

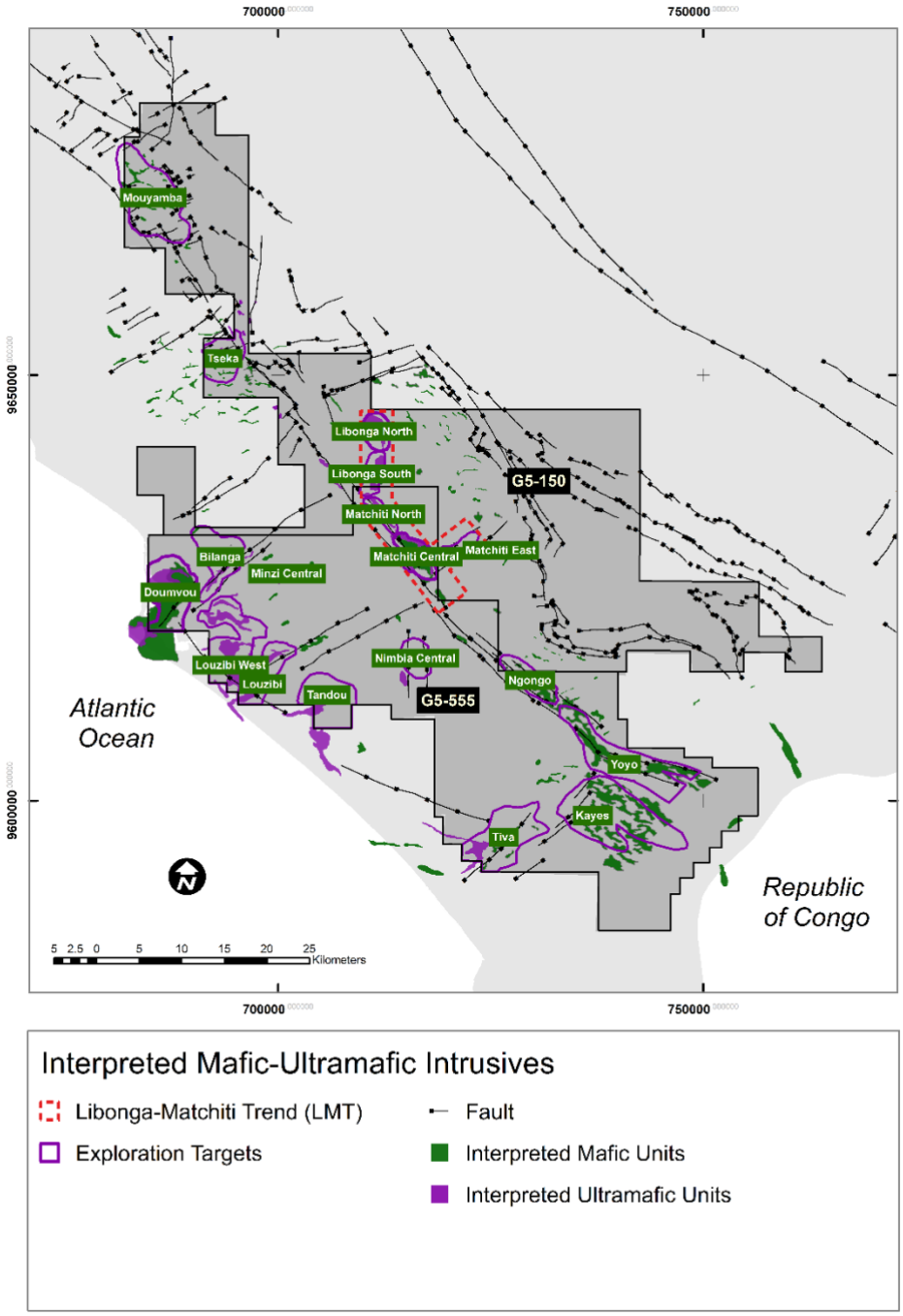

Figure 2: AMM interpreted mafic-ultramafic intrusive hosted nickel-copper targets, Nyanga Project Datum WGS84 32S. Source: AMM

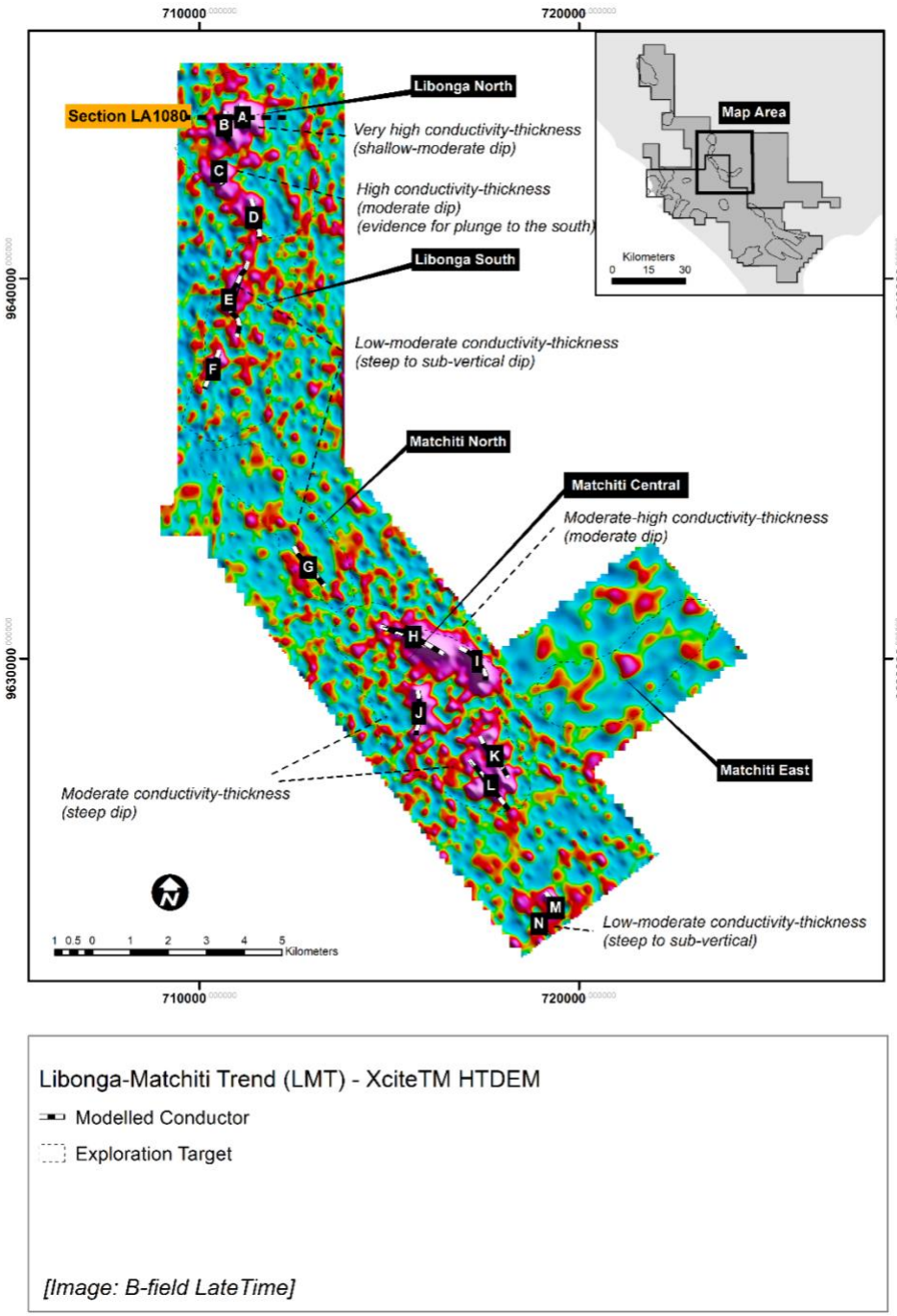

Figure 3: Xcite™ modelled HTDEM conductors on B-Field Late-time image, Nyanga Project
Refer to Appendix 1 – Table 1 for modelled conductor properties. Datum WGS84 32S. Source: AMM.

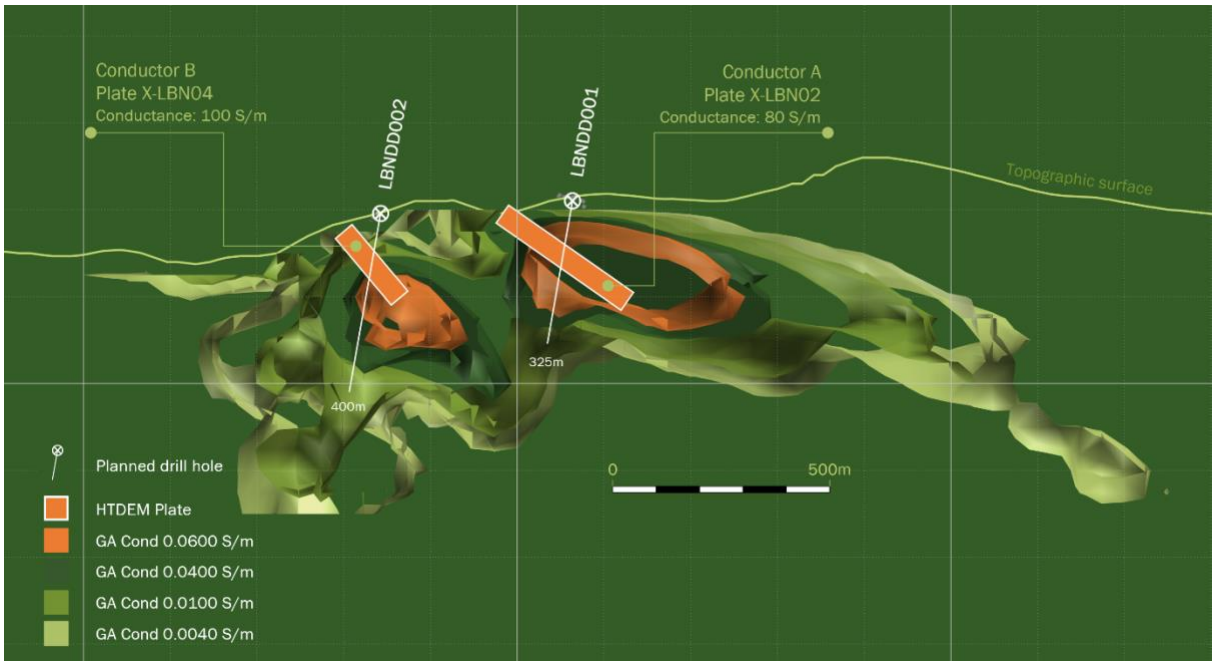

Figure 4: Section view displaying conductivity isoshells from Geoscience Australia (GA) layered earth volumes with Maxwell modelled Xcite™ HTDEM™ plates for the Libonga North target (Section LA1080 – see Fig. 3. For location). The location of the first two planned drill holes is also shown. Refer to Appendix 1 – Table 1 for detailed modelled plate properties. Source: AMM

Camp Establishment

The Company has established fully operational fly-drill camps (Fig. 5) and additional drilling site platforms at a number of priority targets along the Libonga-Matchiti Trend ('LMT') in advance of drilling. These sites have been established in compliance with the Company's environmental management plan and in collaboration with Direction Générale de l'Environnement et de la Protection de la Nature ('DGEPN') (a department of the Ministry of Water, Forests, Sea, Environment, Climate Change and Land Allocation).

Figure 5: Fly-drill camp at the Libonga North target.

This announcement has been approved for lodgment with ASX by the Company's Board of Directors.

-ENDS-

For further information, please contact:

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Background on Armada

Armada was established to define new belt-scale discovery opportunities for key commodities (principally nickel and copper) in under-explored regions of Africa. Armada is exploring a multi-target project opportunity for magmatic Ni-Cu sulphides in the Nyanga area, southern Gabon. The Company is supported by a Board and Africa-based technical team both with a track record of successful African projects. Key members of the Armada targeting team were part of the team awarded the 2015 PDAC Thayer Lindsley Award for an International Mineral Discovery (as members of the Kamoa discovery team with Ivanhoe Mines).

Competent Persons Statement

The information in this report relates to mineral exploration results and exploration potential based on work compiled under the supervision of Mr Thomas Rogers, a Competent Person and a member of a Recognised Professional Organisation (ROPO). Mr Rogers is contracted to the Company as Technical Manager and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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 Rogers is a member of the South African Council for Natural Scientific Professions, a ROPO. Mr Rogers consents to the inclusion in this report of the information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Armada Metals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Armada Metals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

APPENDIX 1

Table 1: 2021 Xcite™ airborne HTDEM survey modelled conductivity plates, Nyanga Project.

XCITE™ HTDEM PLATE RESULTS								
PLATE ID	TECHNICAL RANK (2021)	CONDUCTANCE (S)	LENGTH (m)	DEPTH FROM SURFACE (m)	DEPTH EXTENT (m)	DIP	DIP DIRECTION	MODELLED CONDUCTOR
X-LBN05	1	100	400	80-110	200	50	95.00	B
X-LBN04	1	100	300	80-110	200	50	90.00	B
X-LBN06	1	100	300	80-130	250	40	90.00	C
X-LBN01	1	85	250	80-130	450	30	90.00	A
X-LBN02	1	80	300	80-130	350	35	95.00	A
X-LBN03	1	80	300	80-130	300	25	100.00	A
X-LBS12	1	50	400	25-100	300	60	290.00	E
X-LBS13	1	50	400	25-100	400	65	290.00	E
X-MTC21	1	40	600	80-90	200	40	230.00	I
X-LBS14	1	35	400	25-100	250	70	260.00	E
X-LBS16	1	35	400	25-100	200	80	90.00	E
X-LBS15	1	30	400	25-100	200	65	90.00	E
X-LBN07	1	25	300	80-130	300	30	90.00	C
X-MTC20	2	35	800	40	350	60	212.50	H
X-MTC23	2	30	400	30-60	200	75	270.00	J
X-MTC24	2	25	600	10-30	400	50	60.00	K
X-MTC26	2	25	600	20	250	80	52.50	L
X-MTC22	2	25	600	30-60	150	70	272.50	J
X-MTC25	2	20	600	10-30	500	80	60.00	K
X-LBS18	3	40	300	30-40	200	90	290.00	F
X-LBS17	3	30	400	30-40	200	80	110.00	F
X-LBN08	3	25	300	80-140	200	75	270.00	D
X-LBN11	3	25	300	80-140	400	50	265.00	D
X-MTS27	3	20	400	100	400	60	235.00	M
X-LBN09	3	20	300	80-140	300	60	260.00	D
X-MTN19	3	15	800	60-70	450	70	232.50	G
X-MTS28	3	15	500	40	500	80	233.00	N
X-LBN10	3	10	400	80-140	350	40	260.00	D