

ASX RELEASE

22 January 2021

NICKEL-COPPER SULPHIDES INTERSECTED AT SECOND ANDOVER PROSPECT

Three drill holes intersect shallow Ni-Cu mineralisation at VC-23 target

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to report that nickel and copper sulphide mineralisation has been observed in each of the first three diamond core holes (ANDD0009, ANDD0010 and ANDD0011) drilled at the VC-23 target ("VC-23") on the Andover Ni-Cu Project (60% Azure / 40% Creasy Group).

HIGHLIGHTS:

- VC-23 comprises a high-order, yet separate and distinct group of surface fixed loop (FLTEM) and downhole (DHTEM) electromagnetic conductor plates located 3km northeast of the VC-07 conductor
- Ni-Cu sulphide mineralisation was intersected at shallow depths in the first three holes drilled at VC-23; fourth hole ANDD0012 is in progress
- Bands of massive sulphides in holes ANDD0009 and ANDD0011 host nickel and copper sulphide mineralisation, confirmed by pXRF and verified by Azure's on-site geologists
- Downhole electromagnetic (DHTEM) surveying of VC-23 drill holes will commence shortly
- At VC-07, mineral resource drilling is continuing on the 1,050m-long and +200m-deep main conductor with hole ANDD0008 nearing the target zone

Commenting on Azure's latest drilling success at Andover, Managing Director, Mr. Tony Rovira said:

"This is a very exciting result for Azure and highlights the potential of Andover to host multiple nickel-copper sulphide deposits.

"EM surveying has identified numerous conductors indicative of bedrock-hosted sulphide mineralisation and, geologically, Andover does not appear to have any physical characteristics that may generate false positives. Importantly, wherever we have drilled an EM conductor at Andover we have intersected nickel-copper sulphide mineralisation and this 100% hit-rate has continued with the successful drilling of the new targets at VC-23.

"While most of our drilling in 2021 will be focused on delivering a JORC mineral resource for the VC-07 conductor several other significant, high-priority conductor targets have been identified and drilling of these will be tested concurrently."

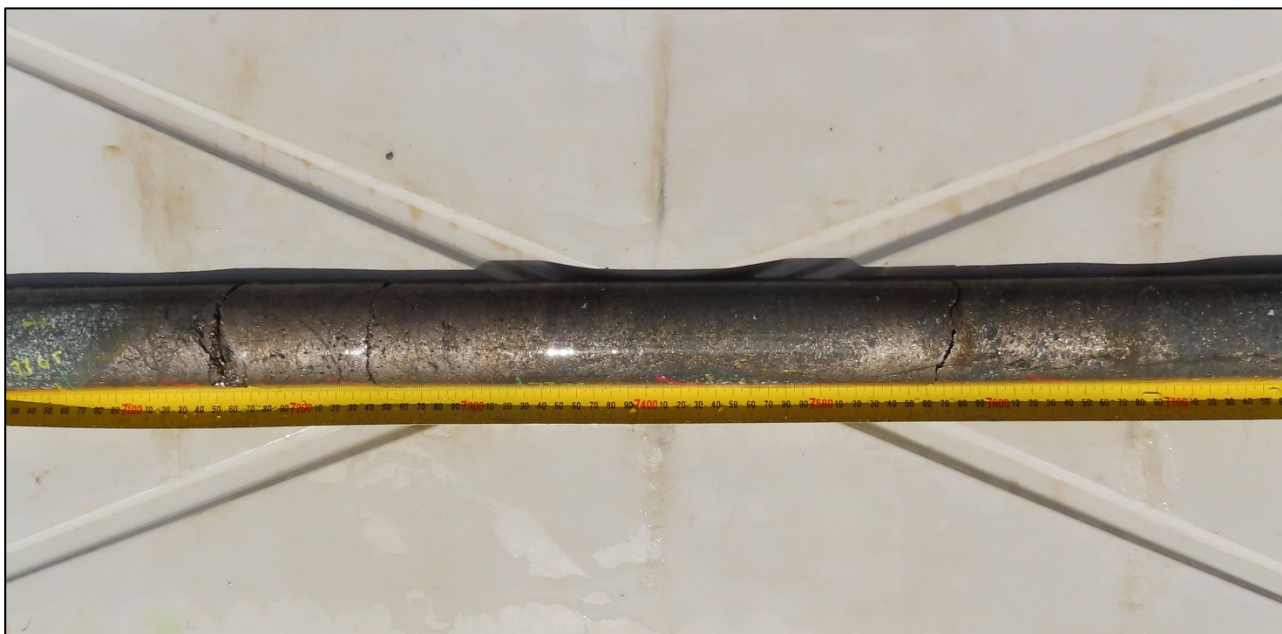


Photo 1: ANDD0009 – Semi-massive to massive Ni-Cu sulphides @ 73.0m – 73.7m



Photo 2: ANDD0011 – Semi-massive to massive Ni-Cu sulphides @ 33.1m – 33.8m

PROJECT OVERVIEW

Regional Targets

Based on FLTEM and DHTM surveying, 10 first and second-order priority electromagnetic conductor anomalies have been identified within the Andover project area (see **Figure 1**). Additional detailed FLTEM surveys were completed over several of these anomalies, providing specific targets for follow-up drilling.

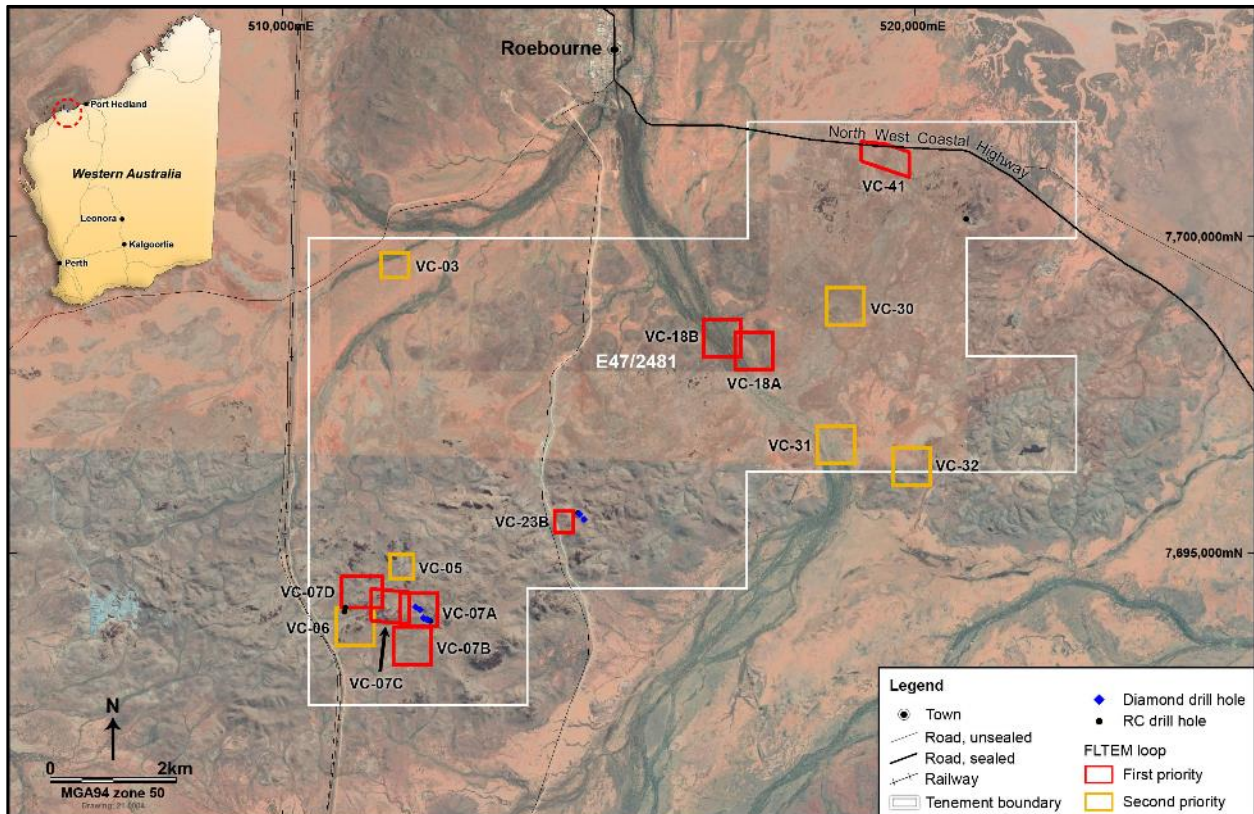


Figure 1: Andover Ni-Cu Project – plan showing identified geophysical (FLTEM / DHTM) targets

VC-23

The first of the high priority targets to be tested in the regional diamond drilling program is VC-23, which comprises several discrete conductor plates identified by both FLTEM and DHTM surveying. The VC-23 prospect was initially tested by the Creasy Group in 2018 with two Reverse Circulation (RC) drill holes. ADRC005 failed to intersect its target and ADRC006 intersected three zones of nickel-copper sulphide mineralisation associated with an EM conductor, including (ASX: 17 July 2020):

- **2m @ 2.10% Ni and 0.44% Cu from 15m downhole; and**
- **6m @ 0.45% Ni and 0.39% Cu from 22m downhole; and**
- **6m @ 0.31% Ni and 0.55% Cu from 34m downhole.**

Azure's diamond drilling campaign on VC-23 is in progress (see **Figure 2**) and three holes (ANDD0009, 0010 and 0011) have been completed for 345.4m (see **Figures 3 and 4**). A fourth hole, ANDD0012, is in progress.

Sulphide mineralisation, comprising pentlandite, chalcopyrite and pyrrhotite, was observed in the three completed holes in various forms, including banded massive, semi-massive, matrix and disseminated sulphides hosted in gabbro and similar mafic rocks. Testing of the drill core by hand-held pXRF indicates the presence of high nickel grades within the massive sulphide bands.

ANDD0009 targeted shallow, coincident FLTEM and DHTEM conductor plates, intersecting several zones of massive and matrix nickel-copper sulphides proximal to the geophysical anomalies, within an overall 8.6m-wide mineralised envelope commencing at 65.8m down-hole, including:

- **1.2m of massive Ni-Cu sulphides from 65.8m; and**
- **0.9m of matrix to semi-massive Ni-Cu sulphides from 69.5m; and**
- **0.7m of semi-massive to massive Ni-Cu sulphides from 73.0m (see Photo 1).**



Figure 2: Diamond drilling hole ANDD0009 at VC-23 on 13 January 2021

ANDD0010 intersected two broad zones of disseminated nickel-copper sulphide mineralisation approximately 40m to the south of hole ADRC006 completed by the Creasy Group in 2018, including:

- **6.0m of disseminated Ni-Cu sulphides from 61.3m; and**
- **10.8m of disseminated Ni-Cu sulphides from 73.2m.**

ANDD0011 intersected 3.1m of weathered iron-nickel-copper-rich rocks from 4.1m downhole, which are interpreted to represent semi-oxidised sulphides. Another two narrow zones of partially oxidised nickel-copper sulphides were intersected at the base of this zone:

- **3.1m of iron-nickel-copper gossan (completely weathered) from 4.1m and;**
- **0.2m of massive Ni-Cu sulphides (partially oxidised sulphides) from 7.5m and;**
- **0.2m of massive Ni-Cu sulphides (partially oxidised sulphides) from 8.3m.**

Further down-hole in ANDD0011, and coincident with the modelled EM conductor plates, two zones of massive and matrix to semi-massive nickel-copper sulphides were intersected. This was immediately followed by a broad zone of disseminated and blebby sulphide mineralisation, including;

- **1.3m of massive Ni-Cu sulphides from 32.7m (see Photo 2); and**
- **1.7m of matrix to semi-massive Ni-Cu sulphides from 36.7m; and**
- **21.4m of disseminated and blebby sulphides from 36.7m.**

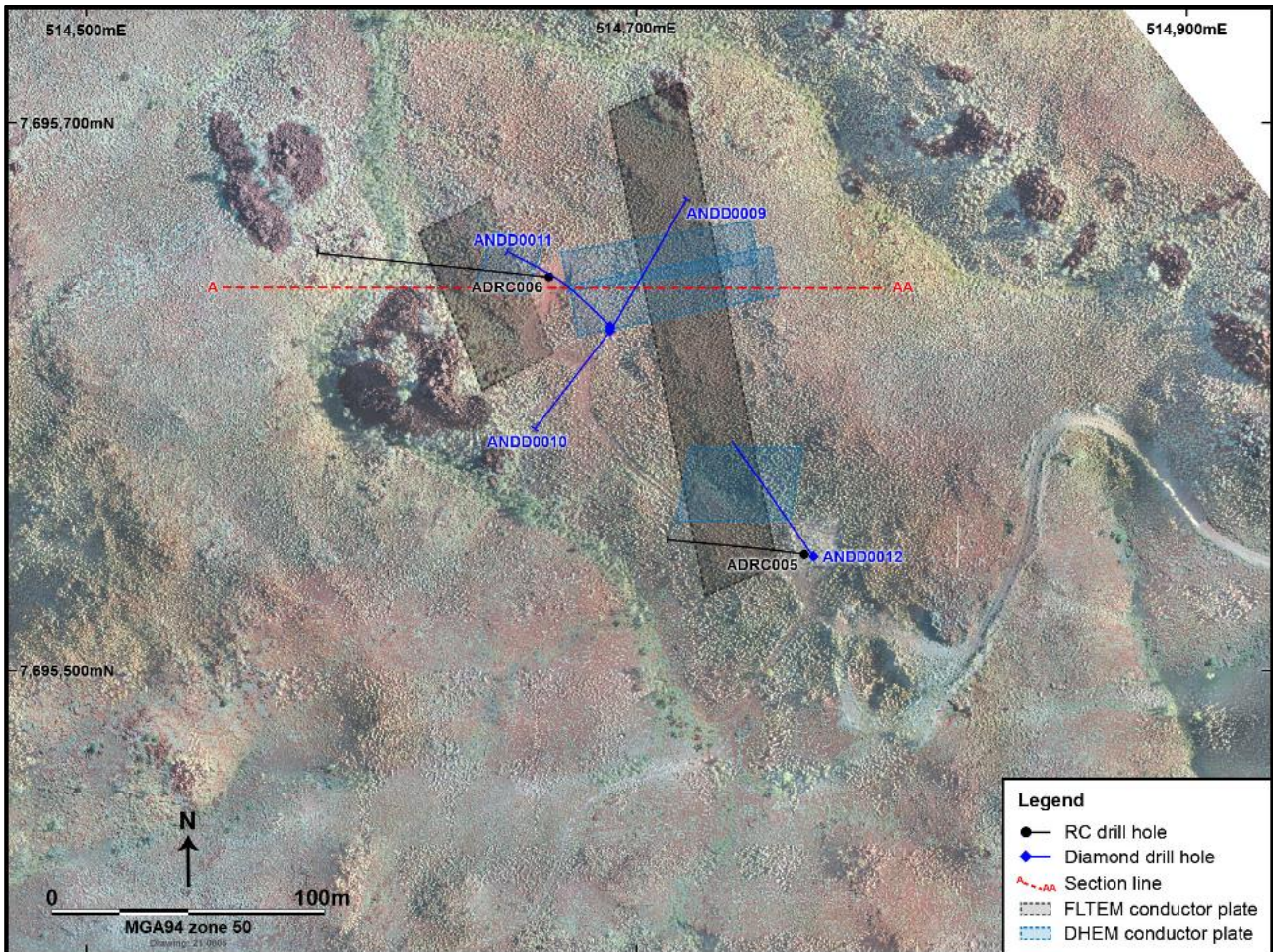


Figure 3: VC-23 showing EM conductor plates and drill holes

All drillholes have been prepared for DHEM geophysical surveys which will be completed as soon as practicable and will, in addition to detailed geological logging, enable geological interpretation of the mineralisation and provide a basis for targeting additional follow-up drilling.

Detailed logging, cutting, and sampling of the mineralised intersections from ANDD0009, 0010 AND 0011 have been completed and the samples dispatched to the laboratory in Perth for analysis.

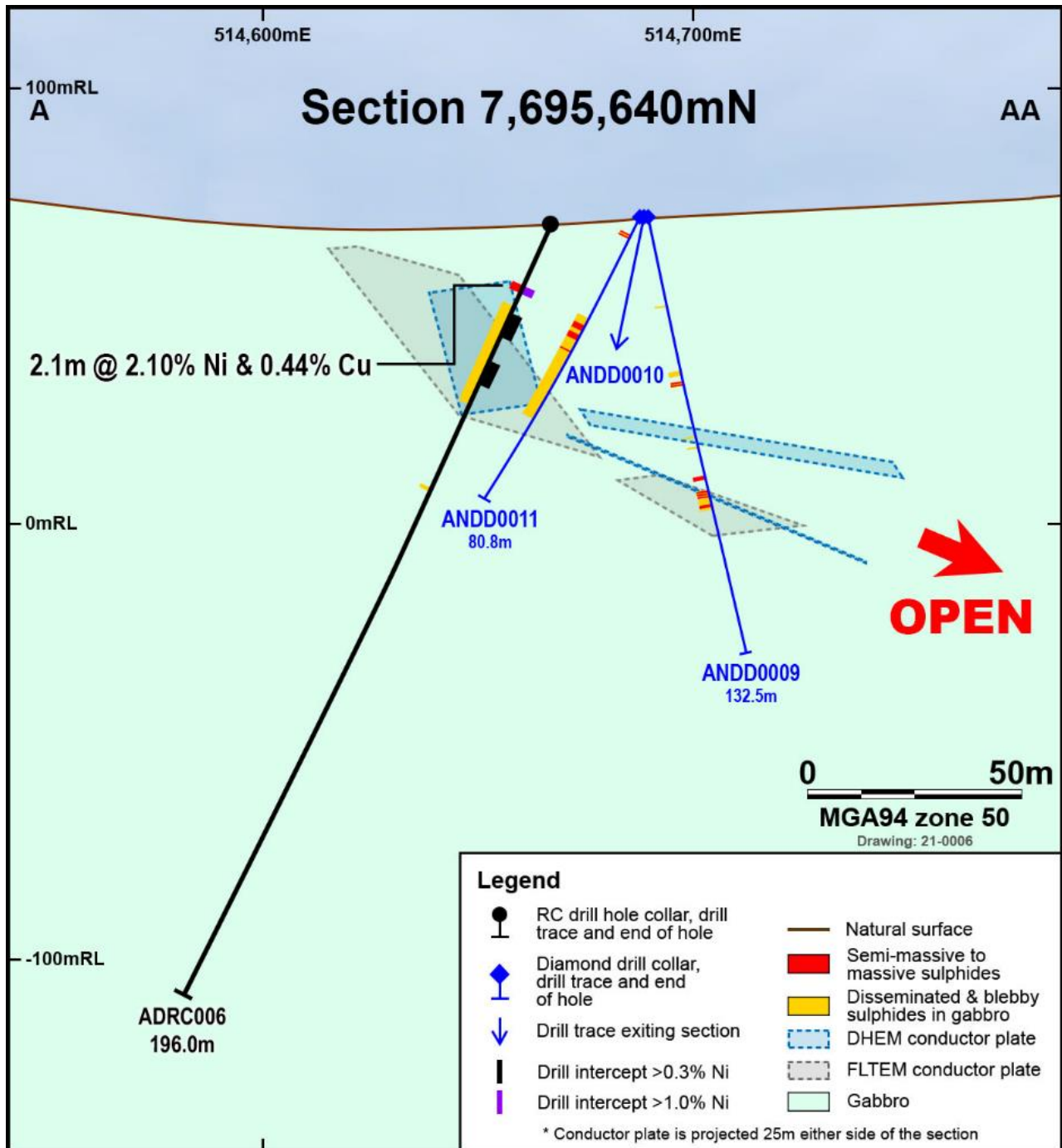


Figure 4: Section A-AA through VC-23 target zone

Table 1: Summary of mineralised intervals for ANDD0009, ANDD0010 and ANDD0011

INTERVAL (m)				MINERALISATION DESCRIPTION SULPHIDE % (Visual Estimate)
HOLE	FROM	TO	LENGTH	
ANDD0009	65.8	67.0	1.2	Matrix to massive sulphides in gabbro (Po-Pn-Cpy) 80%
ANDD0009	67.0	69.5	2.5	Gabbro
ANDD0009	69.5	70.4	0.9	Matrix to semi-massive sulphides in gabbro (Po-Pn-Cpy) 45%
ANDD0009	70.4	70.8	0.4	Heavily disseminated sulphides in gabbro (Cpy-Po-Pn) 15%
ANDD0009	70.8	71.1	0.3	Massive sulphides (Po-Pn-Cpy) 90%
ANDD0009	71.1	73.0	1.9	Disseminated and blebby sulphides in gabbro (Po-Pn-Cpy) 10%
ANDD0009	73.0	73.7	0.7	Semi-massive to massive sulphides in gabbro (Po-Pn-Cpy) 60%
ANDD0009	73.7	74.4	0.7	Heavily disseminated sulphides in gabbro (Cpy-Po-Pn) 20%
ANDD0010	61.3	66.3	6.0	Disseminated sulphides in gabbro (Cpy-Py) 7%
ANDD0010	66.3	73.2	7.2	Gabbro
ANDD0010	73.2	84.0	10.8	Disseminated sulphides in gabbro (Cpy-Py) 5%
ANDD0011	4.1	7.5	3.1	Iron-Nickel-Copper Rich Gossan (includes 0.3m core loss)
ANDD0011	7.5	7.7	0.2	Massive sulphides - partially oxidized (Po-Pn-Cpy) 90%
ANDD0011	7.7	8.3	0.6	Gabbro
ANDD0011	8.3	8.5	0.2	Massive sulphides - partially oxidized (Po-Pn-Cpy) 90%
ANDD0011	8.5	32.7	24.2	Gabbro
ANDD0011	32.7	34.0	1.3	Massive Sulphides (Po-Pn-Cpy) 90%
ANDD0011	34.0	35.0	1.0	Gabbro
ANDD0011	35.0	36.7	1.7	Matrix to semi-massive Sulphides in Gabbro (Po-Pn-Cpy) 50%
ANDD0011	36.7	58.1	21.4	Disseminated and blebby sulphides in gabbro (Po-Pn-Cpy) 8-10%
Po = Pyrrhotite Pn = Pentlandite Cpy =Chalcopyrite Py = Pyrite				

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of sulphide and oxide material abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of the visible mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available.

Table 2: Location data for Andover drill holes

HOLE No.	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	AZIMUTH	DIP	TOTAL DEPTH (m)	COMMENT
ANDD0001	512300	7693954	63.7	100	-50	175.2	Completed
ANDD0002	512282	7693965	63.7	110	-60	210.0	Completed
ANDD0003	512226	7693986	67.6	099	-63	324.2	Completed
ANDD0004	512174	7694114	77.6	160	-65	432.1	Completed
ANDD0005	512174	7694113	77.6	160	-59	389.9	Completed
ANDD0006	512174	7694115	77.6	160	-70	494.5	Completed
ANDD0007	512174	7694117	77.6	205	-72	483.1	Completed
ANDD0008	512091	7694151	78.0	210	-71	TBD	In Progress
ANDD0009	514690	7695625	71.3	025	-65	132.5	Completed
ANDD0010	514690	7695624	71.3	215	-70	132.1	Completed
ANDD0011	514690	7695626	71.3	295	-50	80.8	Completed
ANDD0012	514764	7695542	77.8	325	-70	TBD	In Progress

Authorised for release by Mr Brett Dickson, Company Secretary.

-ENDS-

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COMPETENT PERSON STATEMENT

Information in this report that relates to Exploration Results for the Andover Project is based on information compiled by Graham Leaver, who is a Member of The Australasian Institute of Geoscientists and fairly represents this information. Mr Leaver has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Leaver is a full-time employee of Azure Minerals Limited and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report that relates to previously reported Exploration Results has been cross-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (eg 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.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Samples are taken from diamond drill core (HQ or NQ2) that is saw cut (half or quarter). Sample intervals are determined according to the geology logged in the drill holes.</p> <p>Sample preparation was undertaken at Bureau Veritas Minerals, Canning Vale laboratory, where the samples received were sorted and dried. Primary preparation crushed each whole sample to 10mm and then to 3mm. The samples were then split with a riffle splitter to obtain a sub-fraction which was pulverised via robotic pulveriser. The resultant pulverised material was placed in a barcoded sample packet for analysis. The barcoded packet is scanned when weighing samples for their respective analysis. Internal screen QAQC is done at 90% passing 75um.</p> <p>All samples were analysed by methods:</p> <ul style="list-style-type: none"> FA0002 – lead collection fire assay/ICP-AES for Au, Pd and Pt ICP102 – 4-acid digest/ICP-OES for Al, Ca, Co, Cr, Cu, Fe, K, Mg, Mn, Na, Ni, P, S, Sc, Ti, V and Zn, and ICP302 – 4-acid digest/ICP-MS for Ag, As, Ba, Cd, Li, Mo, Pb, Sr, Y and Zr. <p>These techniques are considered a total digest for all relevant minerals.</p>
Drilling Techniques	<p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i></p>	<p>Drilling technique for all holes was diamond drilling with HQ-size (63.5mm diameter) from surface and NQ2-size (50.6mm diameter) core to the final depth.</p> <p>Drill holes are angled and core is being oriented for structural interpretation.</p>
Drill Sample Recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<p>Diamond core was reconstructed into continuous runs. Depths were measured from the core barrel and checked against marked depths on the core blocks. Core recoveries were logged and recorded in the database.</p> <p>Core recoveries are very high with >90% of the drill core having recoveries of >98%.</p> <p>There is no discernible relationship between recovery and grade, and therefore no sample bias.</p>
Logging	<p><i>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.</i></p>	<p>Detailed core logging was carried out with recording of weathering, lithology, alteration, veining, mineralisation, structure, mineralogy, RQD and core recovery.</p> <p>Drill core logging is qualitative.</p>

Section 1: Sampling Techniques and Data

	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>Drill core was photographed, wet and without flash, in core trays prior to sampling.</p> <p>Core from the entire drill hole was logged.</p>
<p>Sub-sampling techniques and sample preparation</p>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled</i></p>	<p>Drill core was sawn in half or quarter using a core saw. All samples were half or quarter core and were collected from the same side of the core.</p> <p>The sample preparation followed industry best practice. Sample preparation was undertaken at Bureau Veritas Minerals, Canning Vale laboratory, where the samples received were sorted and dried.</p> <p>Primary preparation crushed each whole sample to 10mm and then to 3mm. The samples were then split with a riffle splitter to obtain a sub-fraction which was pulverised via robotic pulveriser. The resultant pulverised material was placed in a barcoded sample packet for analysis.</p> <p>The barcoded packet is scanned when weighing samples for their respective analysis. Internal screen QAQC is done at 90% passing 75um.</p> <p>The sample sizes are considered appropriate to the grain size of the material being sampled.</p>
<p>Quality of assay data and laboratory tests</p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>All samples were analysed by methods:</p> <ul style="list-style-type: none"> FA0002 – lead collection fire assay/ICP-AES for Au, Pd and Pt ICP102 – 4-acid digest/ICP-OES for Al, Ca, Co, Cr, Cu, Fe, K, Mg, Mn, Na, Ni, P, S, Sc, Ti, V and Zn, and ICP302 – 4-acid digest/ICP-MS for Ag, As, Ba, Cd, Li, Mo, Pb, Sr, Y and Zr. <p>These techniques are considered a total digest for all relevant minerals.</p> <p>Duplicate, standard and blank check samples were submitted with drill core samples.</p>
<p>Verification of sampling and assaying</p>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data</i></p>	<p>Senior technical personnel from the Company (Project Geologists +/- Exploration Manager) logged and verified significant intersections.</p> <p>Primary data was collected by employees of the Company at the project site. All measurements and observations were recorded digitally and entered into the Company's database. Data verification and validation is checked upon entry into the database.</p> <p>Digital data storage is managed by an independent data management company.</p> <p>No adjustments or calibrations have been made to any assay data.</p>

Section 1: Sampling Techniques and Data

Location of data points	<p><i>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.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>Drill holes were pegged by Company personnel using a handheld GPS, accurate to $\pm 3\text{m}$.</p> <p>The grid system used is MGA94 Zone 50 for easting, northing and RL.</p> <p>Available state contour data and GPS recorded RL has been used which is adequate given the early stage of the project.</p>
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied</i></p>	<p>Holes were individually drilled into electromagnetic targets and were not setup on a regular spacing.</p> <p>Downhole sample interval spacings are selected based on identification of intersected mineralisation.</p> <p>The project is at early exploration drilling stage, geological and grade continuity is not yet established.</p> <p>No sample compositing has been applied.</p>
Orientation of data in relation to geological structure	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<p>Drilling was designed to intersect the modelled EM targets and geological features were not factored at this early stage of exploration.</p> <p>No sampling bias has been identified due to the early stage of the project.</p>
Sample security	<p><i>The measures taken to ensure sample security</i></p>	<p>Assay samples were placed in calico sample bags, each is pre-printed with a unique sample number.</p> <p>Calico bags were placed in a poly weave bag and cabled tied closed at the top. Poly weave bags were placed inside a large bulka bag prior to transport.</p> <p>Samples were picked up and delivered to the laboratory by a transport contractor.</p>
Audits or reviews	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<p>No audits have been completed. Review of QAQC data has been carried out by company geologists</p>

Section 2: Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<p>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> <p>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.</p>	<p>Exploration Licence E47/2481 is a Joint Venture between Azure Minerals Ltd (60%) and Croydon Gold Pty Ltd (40%), a private subsidiary of the Creasy Group.</p> <p>The tenement is centred 35km southeast of the major mining/service town of Karratha in northern WA. The tenement is approximately 12km x 6km in size with its the northern boundary located 2km south of the town of Roebourne.</p> <p>Approximately 30% of the tenement area is subject to either pre-existing infrastructure, Class "C" Reserves and registered Heritage sites. Written permission is required to access these areas which are outside the current areas of exploration focus.</p> <p>The tenement has been kept in good standing with all regulatory and heritage approvals having been met. There are no known impediments to operate in the area.</p>
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>Limited historical drilling has been completed within the Andover Complex. The following phases of drilling works with results have been undertaken:</p> <p>1986-1987: Greater Pacific Investment; 6 core holes. Intersected elevated values of nickel (up to 1.0% Ni) and copper (up to 0.41% Cu). No PGEs were detected.</p> <p>1996-1997: Dragon Mining; Stream sediment sampling, 5 RC holes in the NE at Mt Hall Ni-Cu target. Zones of noted sulphides (in sediments & gabbro) were selectively sampled with no anomalous results. Rare intervals of ultramafics were sampled.</p> <p>1997-1998: BHP Minerals; 2 RC/DD holes were drilled within the Andover project area. Both holes intersected strongly magnetic serpentinite containing elevated values of nickel (up to 0.29% Ni), copper (up to 0.26% Cu) and cobalt (up to 332ppm Co) but no anomalous PGE's.</p> <p>2012-2018: Croydon Gold; VTEM Survey, soil, and rock chip sampling, 7 RC holes tested 4 geophysical / geological targets. Significant Ni-Cu-Co sulphide mineralisation was intersected in two locations.</p>
Geology	Deposit type, geological setting and style of mineralisation.	<p>The Andover Complex is an Archean-age layered mafic-ultramafic intrusion covering an area of about 200km² that intruded the West Pilbara Craton.</p> <p>The Andover Complex comprises a lower layered ultramafic zone 1.3km thick and an overlying 0.8km gabbroic layer intruded by dolerites.</p> <p>Ni-Cu-Co sulphide mineralisation occurs at lithological boundaries, either between different types of gabbro's, or between mafics and ultramafics.</p> <p>The current interpretation of the mineralized sulphides suggests a magmatic origin heavily overprinted by one or several hydrothermal events.</p>

Section 2: Reporting of Exploration Results		
Drill hole information	<p>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:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. <p>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.</p>	<p>Refer to tables in the report and notes attached thereto which provide all relevant details.</p>
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>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.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Length weighted average grade calculations have been applied to reported assay intervals.</p> <p>No maximum and/or minimum grade truncations (eg cutting of high grades) or cut-off grades were applied.</p> <p>High grade intervals internal to broader mineralised zones are reported as included zones - refer to drill intercept and detail tables.</p> <p>No metal equivalents were reported.</p> <p>Reported nickel and copper mineralised intersections for the drilling are based on intercepts using a lower grade cut-off of 0.4% Ni for the overall mineralised zones and 1.0% Ni for the included high grade mineralised zones.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should</p>	<p>Geological controls and orientations of the mineralised zone are unconfirmed at this time and therefore all mineralised intersections are reported as “intercept length” and may not reflect true width.</p> <p>Drilling was designed to intersect the modelled EM targets and geological features have not been factored at this early stage of exploration. The true direction of mineralisation is not determined at this stage.</p>

Section 2: Reporting of Exploration Results		
	<i>be a clear statement to this effect (eg 'down hole length, true width not known').</i>	
Diagrams	<i>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.</i>	Refer to figures in the report.
Balanced reporting	<i>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.</i>	The Company believes that the ASX announcement is a balanced report with all material results reported.
Other substantive exploration data	<i>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.</i>	Everything meaningful and material is disclosed in the body of the report. Geological observations have been factored into the report.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or large-scale step out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Additional diamond drilling to follow-up the sulphide intersections. Downhole EM surveying.