



SCORPION MINERALS LIMITED

BOARD OF DIRECTORS

Ms Bronwyn Barnes
Non-Executive Director

Mr Craig Hall
Non-Executive Director

Ms Kate Stoney
Non-Executive Director,
Company Secretary

ISSUED CAPITAL

Ordinary Fully Paid
248,267,859

Options - Unlisted

Exp. 10/21 19,250,000 (\$0.10)
Exp. 11/23 15,000,000 (\$0.12)
Exp. 12/23 5,750,000 (\$0.12)

SCORPION MINERALS LIMITED

ABN 40 115 535 030
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1877
F: +61 8 6241 1811

www.scorpionminerals.com.au

ASX ANNOUNCEMENT

12th August 2021

RC Drilling Commences at Pharos Gold Targets

HIGHLIGHTS

- RC drilling commences at Pharos on multiple gold targets
- 16 holes for 1070m planned to follow up high-grade 2020 RC drilling results including:
 - 12m @ 7.40 g/t Au from 44m at Lantern (Historic)
 - 16m @ 3.09 g/t Au from 0m at Lantern (Historic)
 - 7m @ 8.33 g/t Au from 4m at Lantern (2020)
 - 5m @ 8.28 g/t Au from 9m at Cap Lamp (2020)
 - 4m @ 2.65 g/t Au from 28m (EoH) at Candle North (Historic)
- Drilling at Beacon, Candle, Candle North and Lantern prospects will test interpreted orientation of high-grade structures
- Cap Lamp drilling is designed to follow up high-grade mineralisation
- Prospects are considered to contain multiple shear zone hosted quartz vein targets similar to “Day Dawn” style mineralisation

Scorpion Minerals Limited (ASX: SCN) (“the Company” or “SCN”) is pleased to announce that Reverse Circulation (RC) drilling has commenced at its Pharos Project located approximately 50kms northwest of Cue in the Murchison District of WA.

The current RC drilling programme will follow up the successful 2020 RC drilling programme, historic drilling and rock chip sampling completed across multiple targets including Beacon, Candle, Candle North, Lantern and Cap Lamp (Figure 2).

Company Comment – Director Bronwyn Barnes

“We are pleased to have this RC drilling programme underway at Pharos to follow-up several encouraging high-grade gold targets within the project. Very little previous gold exploration has been completed at Pharos over the past 20 or so years, so this programme will provide our team with a significant level of insight into these high-grade structures.”

Scorpion considers that the Beacon, Candle, Candle North, Lantern and Cap Lamp prospects contain multiple shear zone hosted quartz vein targets similar to “Day Dawn” style mineralisation. The Company’s technical team is highly encouraged by grades intersected in historic drilling and the open-ended nature of the current prospects.

As previously reported, Pharos hosts several multi commodity targets prospective for gold and VMS Cu-Zn-Ag-Au mineralisation, so there remains significant optionality for us to unlock value from our exploration programmes over the coming months.”



Figure 1: RC Drill Rig on site at Pharos

Historic drilling and sampling results from individual prospects include;

Beacon	Rock chips up to 0.84 g/t Au	(SCN)
Candle	Rock Chips up to 2.79 g/t Au	(SCN)
	6m @ 0.76 g/t Au from 102m incl	(SCN)
	2m @ 1.34 g/t Au from 106m <i>EOH</i>	
Candle North	4m @ 2.65 g/t Au from 28m <i>EOH</i>	(Historic)
Lantern	12m @ 7.40 g/t Au from 44m	(Historic)
	16m @ 3.09 g/t Au from 0m	(Historic)
	7m @ 8.33 g/t Au from 4m	(SCN)
Cap Lamp	5m @ 8.28 g/t Au from 9m	(SCN)
	3m @ 2.72 g/t Au from 18m	(SCN)

Pharos Project Planned Exploration Activities

The following activities are planned to take place at Pharos for the remainder of the calendar year. The multi-commodity targets are 100% owned by Scorpion and are in addition to the iron ore targets that are the subject of an option agreement with Fenix Resources Ltd (ASX: FEX). The Company will provide further updates on the proposed JV in due course.

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|---|---------------------|
| 1. Airborne detailed photography | August |
| 2. RC drill testing Pharos gold targets | August |
| 3. Heritage Survey and Clearance | August |
| 4. Airborne and/or ground EM surveys | August - September |
| 5. RC drill testing (~1000m programme) of Iron targets identified | September – October |
| 6. Diamond drilling Mt Mulcahy (~800m) | Q4 2021 |

For additional background on Pharos Project information please refer to ASX releases:

25/06/2020	<i>"Pharos Project Exploration Update"</i>
09/07/2020	<i>"High Grade Gold Rock Chips - Pharos Project"</i>
13/08/2020	<i>"Drilling to Commence – Pharos Project"</i>
31/08/2020	<i>"Commencement of Drilling - Pharos Project"</i>
28/09/2020	<i>"High Grade Gold Confirmed at Lantern - Pharos Project"</i>
08/10/2020	<i>"Phase 2 RC Drilling Commenced- Pharos Project"</i>
02/11/2020	<i>"Priority PGE Ni-Cu Targets – Pharos Tenement"</i>
24/11/2020	<i>"Further High Grade Gold Results – Pharos Project"</i>
08/02/2021	<i>"Term Sheet – Iron Ore Rights at Pharos"</i>
08/04 2021	<i>"PGE-Ni-Cu Targets Identified at Pharos Project"</i>
28/04/2021	<i>"Fenix Iron Ore JV Update – Pharos"</i>
16/06/2021	<i>"Pallas PGE-Ni-Cu Target – Pharos"</i>
23/06/2021	<i>"Multiple Commodity Targets Identified at Pharos"</i>
13/07/2021	<i>"Fenix Iron Ore JV and Pallas PGE Target Exploration Update"</i>
21/07/2021	<i>"Iron Ore Targets Advanced and Drilling Expedited – Fenix JV"</i>

This announcement has been authorised by the board of directors of the Company.

- ENDS -

Enquiries

Bronwyn Barnes

Non-Executive Director

T +61 (0) 417 093 256

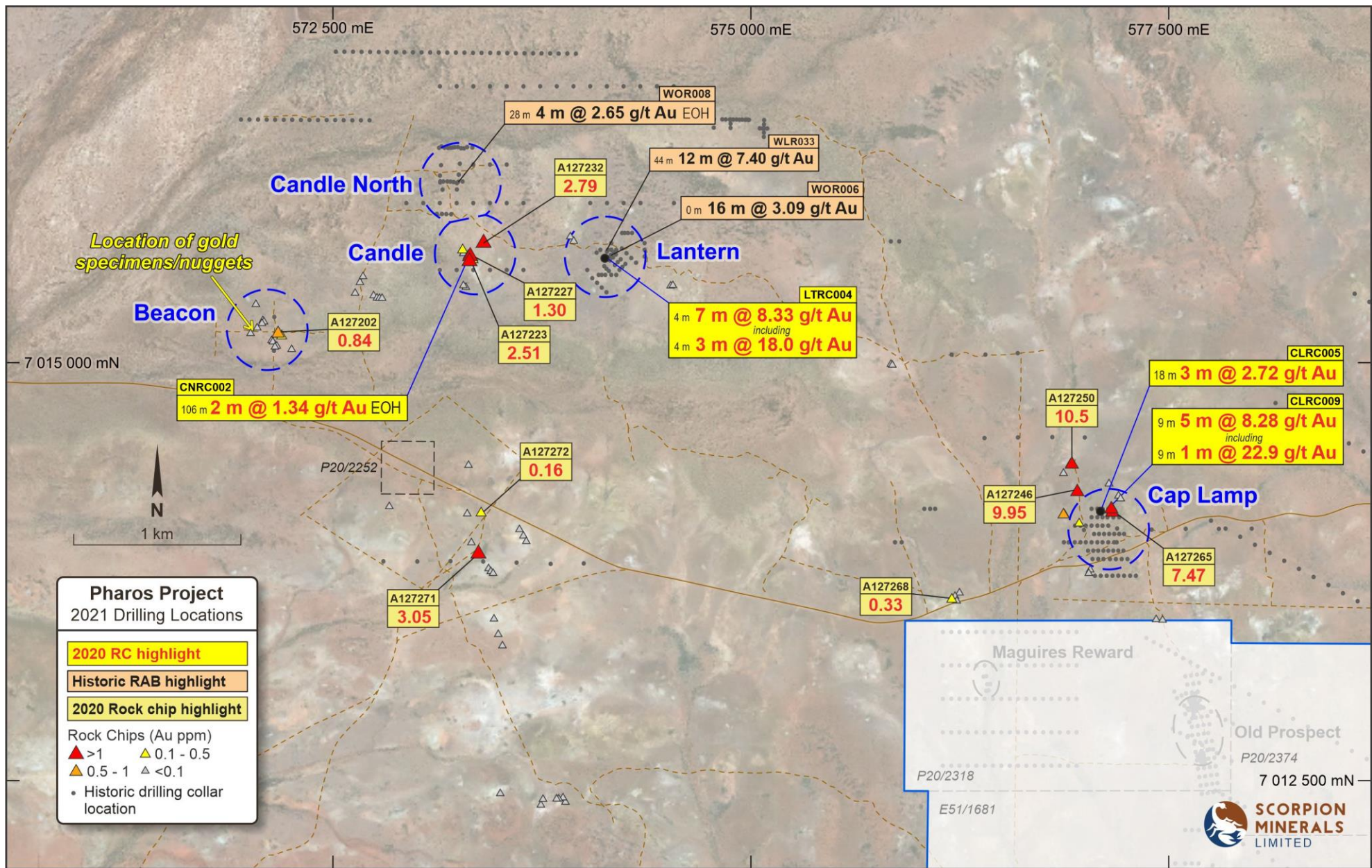


Figure 2 – Pharos Drilling Locations Map

About Scorpion Minerals

Scorpion Minerals Limited (ASX: SCN) is a WA based mineral exploration company focused on gold base metals and iron ore.

Scorpion’s focus is the 100% owned Pharos project that covers 640km² and is located 60 km northwest of Cue in the Murchison Mineral Field, Western Australia. The Pharos project ism prospective for gold, iron ore, PGE-Ni-Cu and VMS hosted Cu-Zn-Ag Au mineralisation.

The strategic location of the Pharos tenements is further enhanced by exploration success in the region (Figure 2) for iron ore (Fenix Resources) copper (Cyprium), PGE-Ni-Cu (Podium and EMetals) and gold (Musgrave Minerals, refer Figure 5). Pharos project area appears to host a multitude of commodities targets that require detailed evaluation.

Scorpion has completed resource definition drilling at the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit, a zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t at the ‘South Limb Pod’ (SLP).

In addition, Scorpion has entered into a joint venture with Fenix Resources limited to explore for iron ore within the company’s tenements. Fenix can earn 70% of the iron ore rights by sole funding exploration and resource definition drilling to identify up to 10 million tonnes. Alternatively, Fenix can earn 70% of a portion of the tenements by funding a feasibility study on a resource of at least 1 million tonnes of iron ore

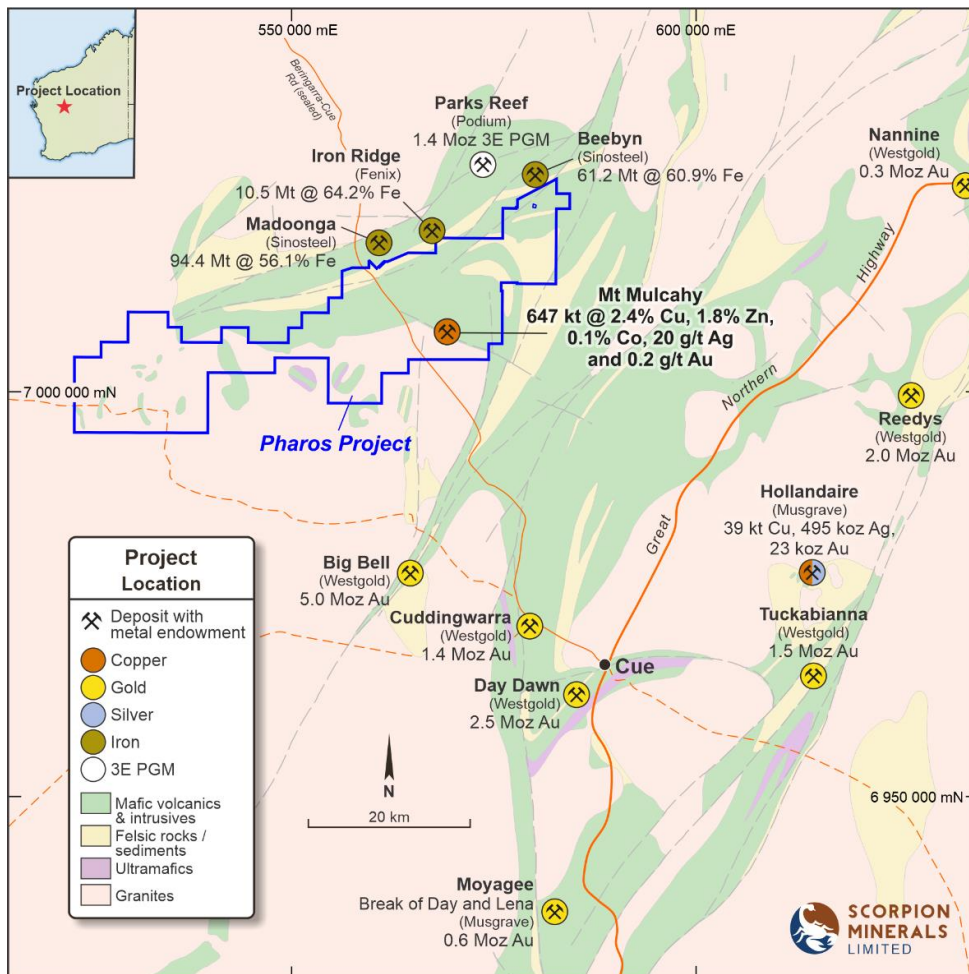


Figure 3 – SCN’s ground position Pharos Project in the Central Murchison Region, WA

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Ltd, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.