ZERO CARBON BATTERY METALS™

ASX Release

06.12.2021

Cobalt assay results and geophysics identify drill targets at Skuterud

Kuniko Limited ("Kuniko" or "the Company") is pleased to provide an update on geochemical sampling analysis and further geophysics investigation at its prospective Skuterud Cobalt project in Norway.

Highlights:

- First geochemical soil sample assays from the Skuterud Cobalt Project provide encouraging results and vectors towards the target 'fahlband' zone, particularly around the Middagshvile historic mine.
- 3D investigation of electromagnetic ("EM") inversion data identifies a significant conductor below the historic Middagshvile mine.
- Although previously drilled in 2017, the new data shows that drilling at Middagshvile did not penetrate deep enough to test the conductor, providing Kuniko with new drilling targets for 2022.
- Assays from the soil sampling of the Vangrøfta Copper Project continue to be progressed, with ALS laboratories advising completion of the analysis within the coming weeks as the laboratory continues to be resource constrained.

Antony Beckmand, CEO, commented:

"The assay results at our Skuterud Cobalt Project offer further support that the anomaly identified by our geophysics program is on point, putting us in a prime position to firm up a drilling program for next year. The investment in the airborne geophysics, combined with the extensive soil sampling campaign, demonstrates that there is significant upside exploration potential, with drilling by pervious explorer Berkut having missed the mark.

These results and the pending assays from our Vangrøfta Copper Project enable us to plan an efficient drilling program for next year."

Highlights

Developing **Copper, Nickel, Cobalt, and other battery metals** projects in Europe, for Europe

Ethical Sourcing ensured.

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Operations in Norway, where 98% of electricity comes from **RENEWABLE** sources.

Corporate Directory

Kuniko Limited
ACN 619 314 055

Chief Executive Officer
Antony Beckmand

Chairman
Gavin Rezos

Non-Executive Director
Brendan Borg

Non-Executive Director
Maja McGuire

Non-Executive Director
Birgit Liodden

Company Secretary
Joel Ives

www.kuniko.eu

info@kuniko.eu

@KunikoLtd

Level 11, Brookfield Place,
125 St Georges Terrace
Perth WA 6000

+61 8 6364 5095

Cobalt

The Skuterud Cobalt Project comprises 10 exploration licenses with an area of 52.12km2, located in central-southern Norway, due west of Oslo (refer Figure 1). The exploration license area includes the historically significant Skuterud Cobalt Mine, now a museum, found in the centre of the project area, while the licenses also cover the extent of the main host horizon ("Fahlband") at Skuterud, containing the richest cobalt deposits.

Geochemical rock and soil sampling of the Skuterud Cobalt Project area was completed at the end of August 2021, with samples taken along a regularly spaced 50 x 100 m grid (refer ASX release 15 Sep. 2021). An airborne geophysics program was also completed over the project area during September 2021 (refer ASX release 8 Nov. 2021).

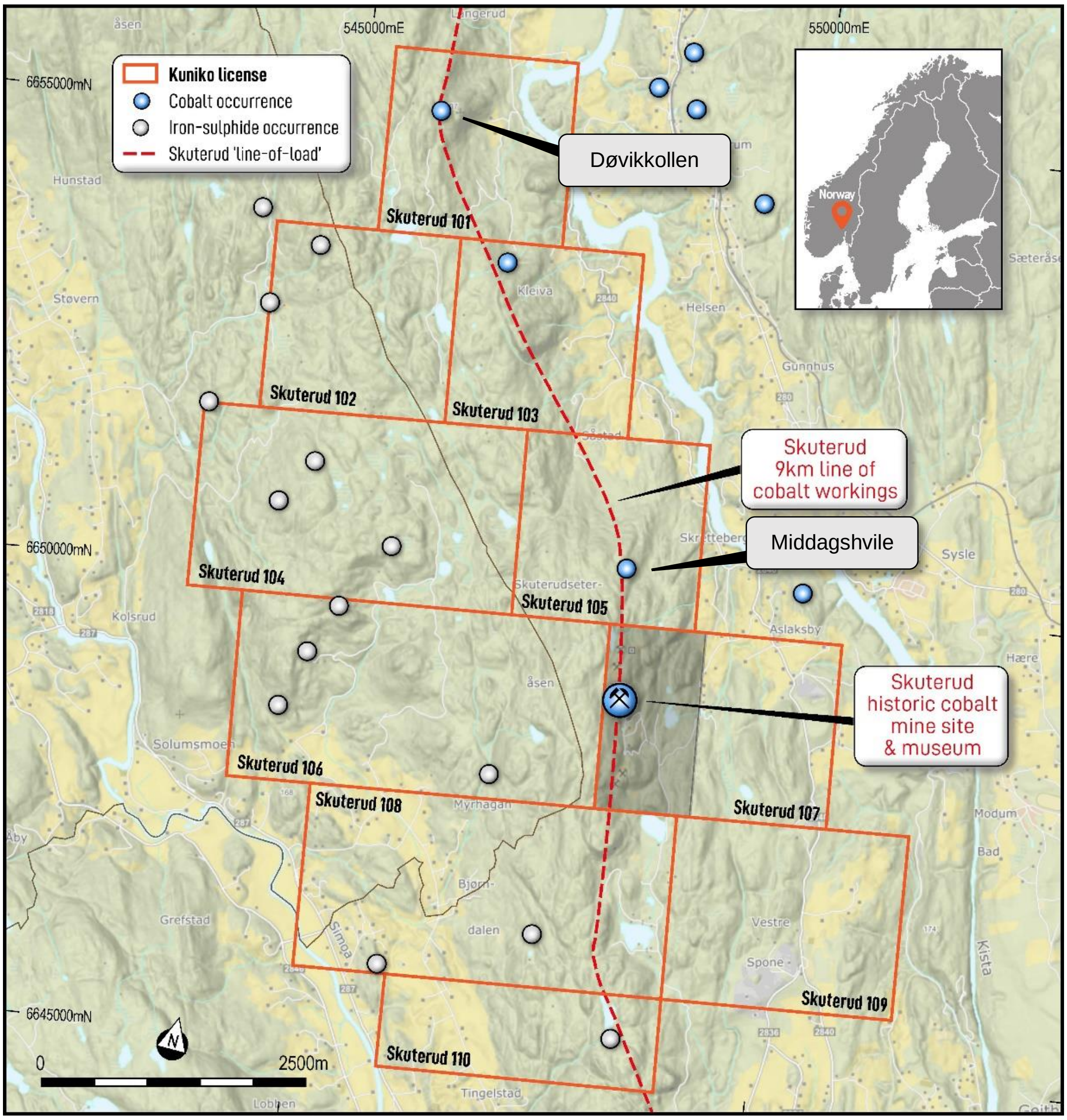
In early December 2021, 131 of 713 B-horizon soil sample assays were received from ALS laboratories in Loughrea, Ireland. Of these received results, the samples cover parts of the historic Middagshvile mine and the Døvikkollen As-Co mineral occurrence. A review of the distribution of anomalous geochemical populations in the samples received to date indicate a distinctive geochemical vector and As-Co-Cu signature towards the 'fahlband' zone, believed to extend for at least 12 km in an NNW direction from the historic Skuterud Mine. Soil sample assays in the vicinity of Middagshvile contain anomalous concentrations of up to 2,660 ppm As, 90.3 ppm Co, and 818 ppm Cu. Background concentrations are in the range of < 20 ppm Co. These assay results, though currently only a partial representation of the comprehensive soil sampling undertaken, demonstrate a reliable delineation of the known prospective trend in the Skuterud area using soil geochemistry.

A detailed assessment of the geochemical data will be completed with further highlights expected to be available within February 2022. The analysis will apply multivariate and trace element data interpretation techniques. The results will enable Kuniko's technical team to delineate drilling targets for the 2022 field season.

Initial interpretations of the conductivity data acquired from the geophysics program undertaken in September 2021 indicate that there are several conductors of significant intensity within the licence area (refer ASX release 8 Nov. 2021). Of these, the delineated conductors underlying the Middagshvile mine area show the highest conductivities in the area and have been examined in more detail. Further investigation clearly demonstrates that previous drilling by Berkut Minerals Ltd ("Berkut") in 2017, conducted without access to 3D geophysical data, did not penetrate far enough to test either of the main conductive bodies (refer to Figures 4 and 5). Work continues to integrate geological and historic information into the 3D targeting model. This will be used to derive a greater understanding of the likely cause and geometry of the conductor, for the purposes of drill collar and path planning and testing in 2022.

Notably, the presence of a surface geochemical anomaly over a target at such depth is encouraging. During re-logging and re-evaluation of historic Berkut core at the Norwegian Geological Survey ('NGU') core store in November 2021 Kuniko geologists noted the presence of cobalt mineralisation, which, in the context provided by Kuniko's newly acquired geophysical data, is located in peripheral parts of the most conductive zone. Therefore, the mineralisation encountered in the Berkut core is interpreted to be distal in origin, whilst the geophysical data suggest a deeper location of higher-grade mineralisation. Petrological studies are currently initiated to evaluate the nature and occurrence of mineralisation.

Figure 1: Location of Skuterud Cobalt Project and granted exploration licenses



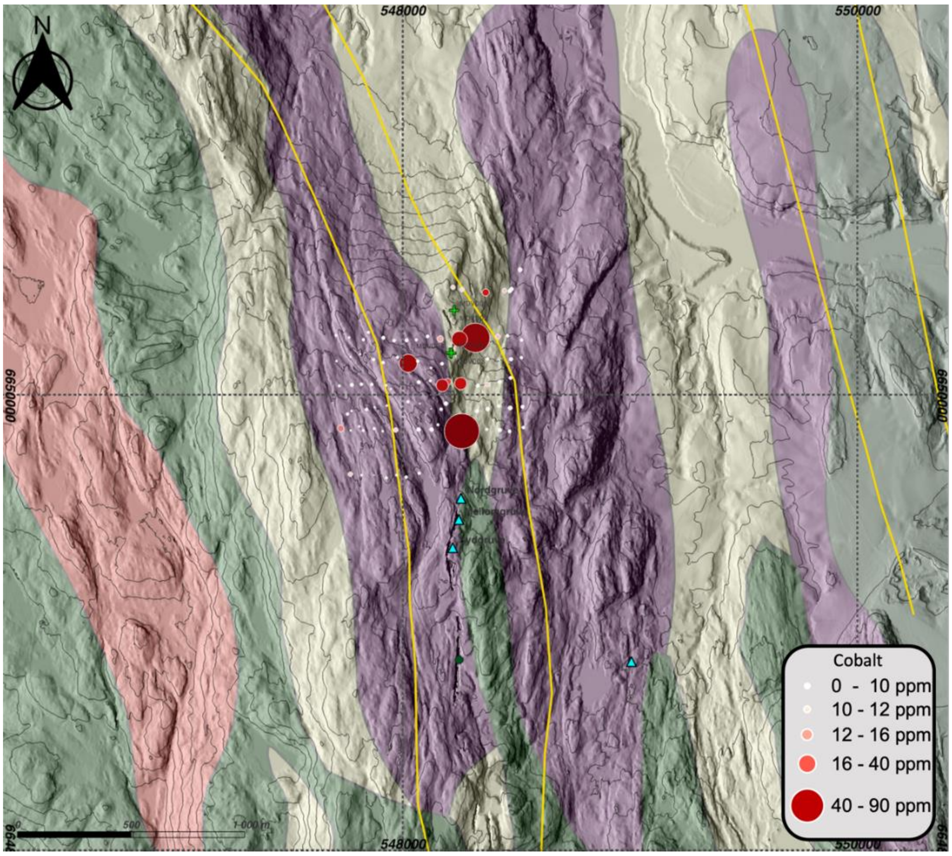


Figure 2: Cobalt assay results from the Skuterud soil sampling program around the Middagshvile historic mine.

Turquoise triangles indicate NGU mineral occurrences, and green crosses indicate the location of Berkut drill holes.

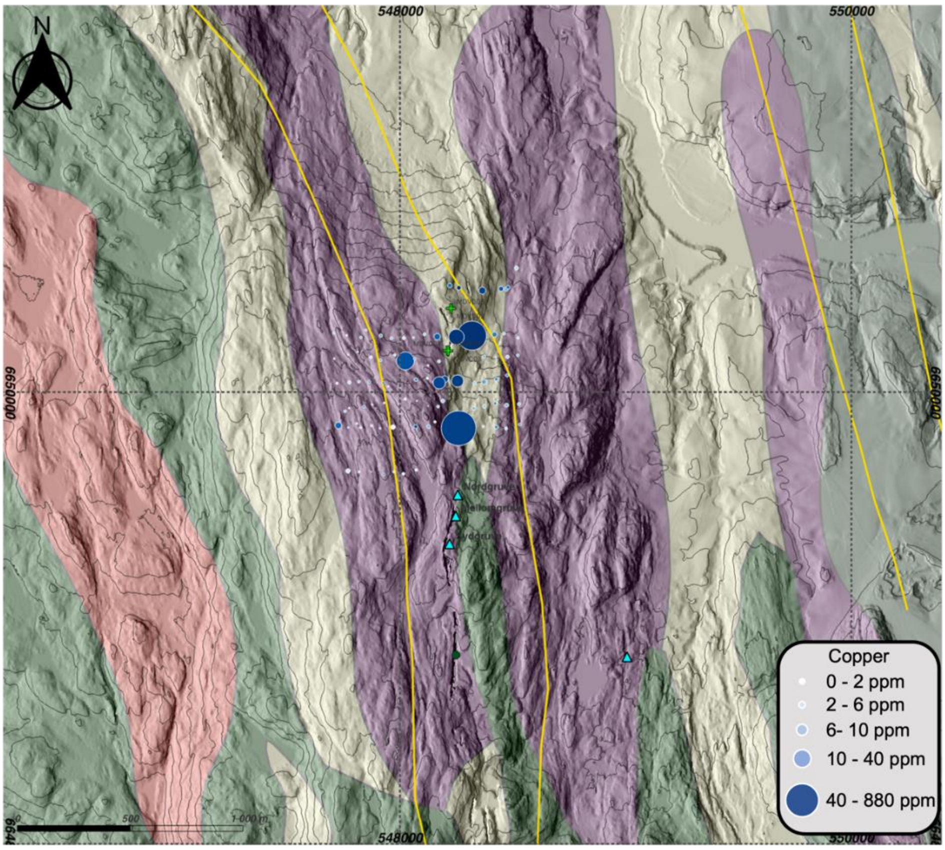


Figure 3: Copper assay results from the Skuterud soil sampling program around the Middagshvile historic mine.

Turquoise triangles indicate NGU mineral occurrences, and green crosses indicate the location of Berkut drill holes.

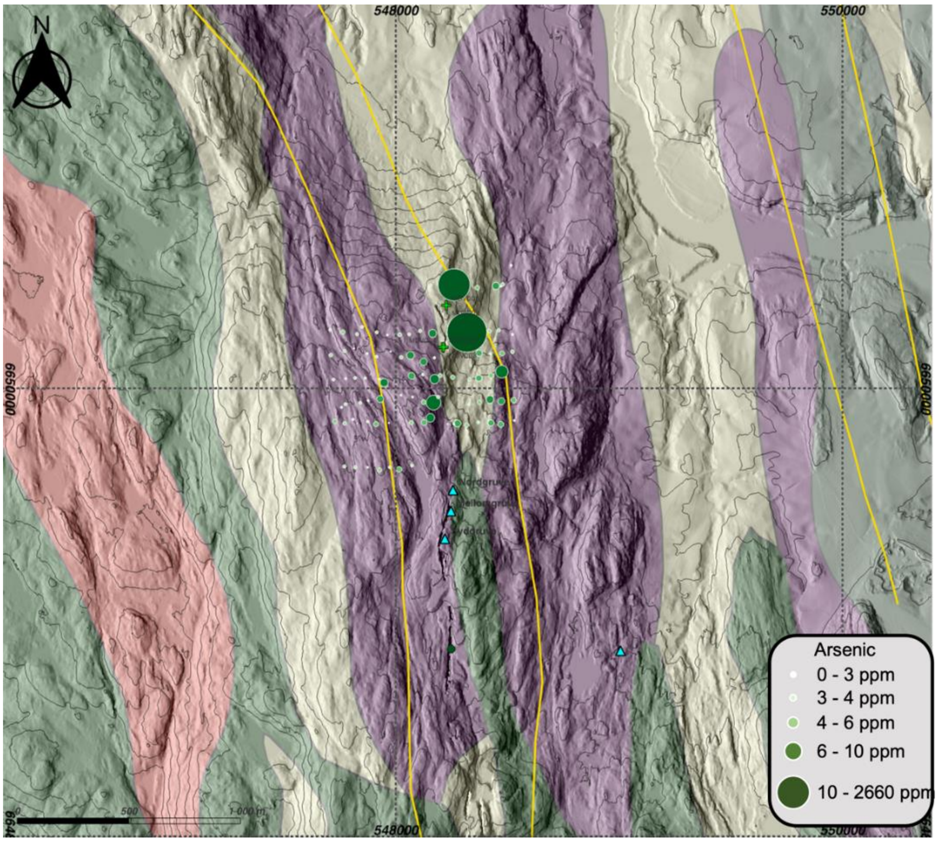


Figure 4: Arsenic assay results from the Skuterud soil sampling program around the Middagshvile historic mine.

Turquoise triangles indicate NGU mineral occurrences, and green crosses indicate the location of Berkut drill holes.

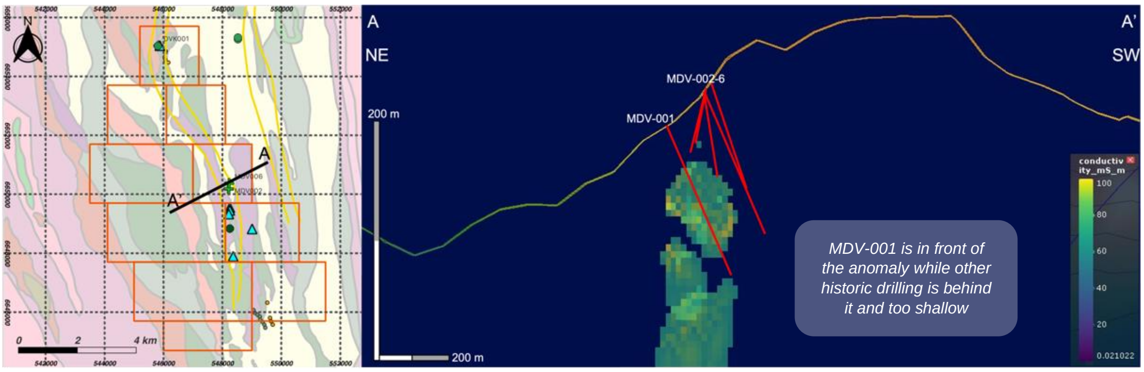


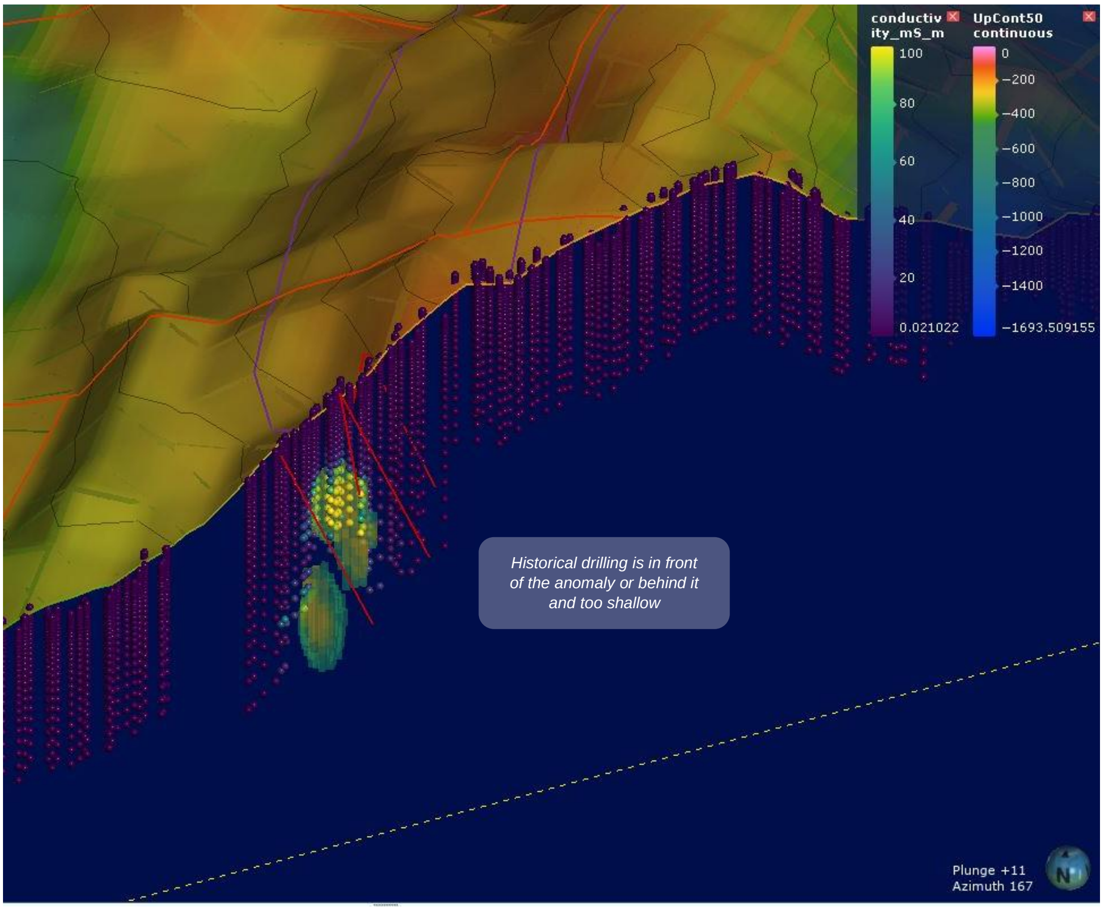
Figure 5: Section showing of Middagshvile conductivity anomaly viewed from North.

Red lines show historical drilling missing the anomaly. The anomaly is shown with conductivities above 70 mSm.

This view shows the conductivity anomaly as semi-transparent, illustrating the presence of multiple conductivity focii, but not showing the high conductivity cores. The cut-off of 70 mSm indicates that the rocks are anomalously conductive for the area, the range 70-100 mSm indicates that the rocks contain a significantly conductive material such as graphite or metal. The maximum value within the bodies shown is over 130 mSm.

Figure 6:
Section showing of Middagshvile conductivity anomaly viewed from South.

Red lines show historical drilling missing the anomaly.



About Kuniko

Kuniko is focused on the development of copper, nickel, and cobalt projects in Scandinavia and has expanded its interests to include prospects for both battery and technology metals. Kuniko has a strict mandate to maintain net zero carbon footprint throughout exploration, development, and production of its projects.

In the event a mineable resource is discovered, and relevant permits granted, Kuniko is committed to sustainable, low carbon and ethical mining practices which embrace United Nations sustainable development goals. Kuniko activities now and in future will target sustainable practices extending to both life on land and life below water, which includes responsible disposal of waste rock away from fjords. Kuniko understands its activities will need to align with the interests of conservation, protected areas, cultural heritage, and indigenous peoples, amongst others.

Kuniko's licence portfolio consists of the five (5) separate project areas.

- The South-west and South-east Norway exploration licenses are Ni-Cu-Co projects in the historically important Feøy and Romsås mining districts respectively.
- The South-central Norway cobalt exploration licenses are prospective for Co-Cu-Au, part of the historically important Skuterud mining district of central-southern Norway, previously the largest cobalt mining area in the world.
- The South-central Norway copper exploration licenses comprise of the Undal Cu-Zn-Co project and Vangrøfta Cu-Co-Au projects, located in the Trøndelag region of central Norway.

- The South-central Norway tenements comprising Ringerike, Krødsherad and Modum are prospective for Ni-Cu-Co-Au-PGE.
- The North-west Norway exploration licenses in the Nord-Helgeland region comprise Glomfjord, Meløya and Rundtinget, which contain identified LCT pegmatites and additional pegmatites of unknown composition.

Competent Persons Statement

Information in this report relating to Exploration Results is based on information reviewed by Dr Benedikt Steiner, who is a Chartered Geologist with the Geological Society of London and the European Federation of Geologists. Dr Steiner is an independent consultant of Kuniko Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Steiner consents to the inclusion of the data in the form and context in which it appears.

Forward Looking Statements

Certain information in this document refers to the intentions of Kuniko, however these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. Statements regarding plans with respect to Kuniko's projects are forward looking statements and can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. There can be no assurance that the Kuniko's plans for its projects will proceed as expected and there can be no assurance of future events which are subject to risk, uncertainties and other actions that may cause Kuniko's actual results, performance or achievements to differ from those referred to in this document. While the information contained in this document has been prepared in good faith, there can be given no assurance or guarantee that the occurrence of these events referred to in the document will occur as contemplated. Accordingly, to the maximum extent permitted by law, Kuniko and any of its affiliates and their directors, officers, employees, agents and advisors disclaim any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Enquiries

Joel Ives, Company Secretary

Telephone: +61 8 6364 5095

Email: info@kuniko.eu

Authorisation

This announcement has been authorised by the Board of Directors of Kuniko Limited.

ANNEXURE – JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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 (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.*	• Soil sampling in the Skuterud tenements aimed at collecting tenement-scale geochemical baseline data supporting the delineation of exploration targets. Samples were collected along regular, pre-defined 50 m x 100 m grids, perpendicular to the regional geological trend. Unsieved samples of approx. 800 g – 1 kg weight were manually obtained from the B-horizon by excavating approx. 50 cm x 50 cm x 30-40 cm extensive pits. Each plastic sample bag was zip-tied and labelled with a permanent marker pen as well as a sample ticket and a barcode sticker. • Soil samples, along with relevant sample attribute data, were logged into a GIS application on iPad devices and later synchronised to a master sample database.
Drilling techniques	• *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).*	• No drilling was undertaken on the Skuterud license blocks.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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 drilling was undertaken on the Skuterud license blocks.

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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All soil samples were comprehensively logged at each sample location, including coordinate, geographic, and geological attributes. The data was saved into the Input GIS app on rugged iPad field devices and later synchronized with a master database.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Soil samples were neither sub-sampled in the field, nor in the Asker base. All samples were despatched to ALS laboratories in Pitea and Mala (Sweden), where further sub-sampling and homogenization (PREP-41) was carried out in a controlled laboratory environment.
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.* • *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.* • *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.*	• Soil samples from Skuterud were analysed at ALS Loughrea (Ireland) using a near-total, four acid digest and a 48-element ICP-MS analysis technique (ME-MS61). Where necessary, overlimit assay technique OG-62 was applied, if assay values were above the upper detection limit. • The analytical techniques are considered appropriate for the style of mineralisation and the nature of the exploration project. • External certified reference materials were inserted at a 1:20 ratio, including standards (OREAS 86, OREAS 622), blanks (OREAS 22e), and field duplicates, which were obtained from the same sample pit as the original sample. The QAQC samples returned acceptable results.

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No drilling was conducted by Kuniko on the properties.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The location and spatial accuracy of data points were confirmed both using Garmin GPS66s devices, as well as the in-built GPS tool of the iPad tablets. The quality and accuracy of the measurements and topographic control are deemed acceptable and sufficient. • The following projected coordinate grid systems were used: WGS 1984 UTM 32N.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Soil sampling in the Skuterud tenements aimed at collecting tenement-scale geochemical baseline data supporting the delineation of exploration targets. Samples were collected along regular, pre-defined, 50 m x 100 m grids, perpendicular to the regional geological trend. • Where possible, the soil sampling teams obtained rock samples along the soil grid lines and recorded the occurrence of outcrops, lithologies and structural measurements. Care was taken to obtain rock samples from outcrops and not float or otherwise transported material. • The spacing is sufficient for delineating targets for further exploration. • No sample compositing was applied.
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.* • *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.*	• The soil sampling grids were designed to test the extent of the prevailing regional mineralisation trend, whilst at the same time the samples were collected in perpendicular lines to these trends.

Sample security	• *The measures taken to ensure sample security.*	• Each plastic sample bag was zip-tied and labelled with a permanent marker pen as well as a sample ticket and a barcode sticker. • All sample batches were transported from the Skuterud project site to the main field hub in Asker, Norway, where they were visually checked and logged into a main database by the exploration manager, and subsequently safely couriered by DB Schenker to ALS laboratories in Pitea/ Mala (Sweden).
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Dr Benedikt Steiner visited the Skuterud project from 12-20th August 2021. • The sampling techniques and procedures practised by the field team were reviewed in the field, and a consistent and methodological approach confirmed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

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.* • *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.*	• As of 06th December 2021, Kuniko Norge AS holds 100% interest in 57 tenement areas across Norway with a total landholding of 527.22 km^2, whereas Kuniko Limited holds 100% interest in 32 tenement areas with a total landholding of 262.87 km^2 (see Appendix 1 for a comprehensive list of current tenement areas). • All tenement areas have been granted and approved by the Norwegian Directorate of Mining (DIRMIN) for a period of 7 years. • No other material issues or JV considerations are applicable or relevant.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Limited historic investigations by the Norwegian Geological Survey (NGU) and commercial exploration companies have been conducted on Kuniko's tenements. • **Skuterud:** The cobalt ores at Skuterud were discovered in 1772, and mine production commenced in 1776, to begin with in large open pits, and from 1827 until the closure in 1898, in underground stopes. In the 1890s, ore reserves decreased rapidly, leading to the final shutdown of mining operation in 1898. The area remained idle until 2016 when Australian-based explorer Berkut Minerals Ltd. commenced exploration in the area north of the Skuterud historic mine site. Soil sampling covered the area between the Middagshvile and Døvikkollen historic open pits and mineral occurrences and led to the delineation of follow-up drilling targets. One DD drillhole was completed at Døvikkollen and six DD drillholes at Middagshvile. The drilling campaign confirmed the presence of Co-Cu mineralization; however the exploration project was abandoned in 2018 and not pursued by Berkut any further.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• **Skuterud:** The cobalt occurrences in the Skuterud and Modum areas are related to sulphide-rich schist zones, so-called fahlbands. The most extensive sulphide-rich zone has a length of 12 km along strike and is up to 100–200 m wide. The rock type hosting the sulphides can be characterized as a quartz-plagioclase-tourmaline-phlogopite-sulphide gneiss or schist. Graphite is locally common, and its content may attain more than 5% of the rock. The cobalt mineralisation is, to a large degree, characterised by impregnation of cobaltite (CoAsS), glaucodote ((Co,Fe)AsS), safflorite ((Co,Fe)As2) and skutterudite (CoAs3), which partly occur as enriched in quartz-rich zones and lenses. The cobalt-rich lenses are structurally controlled, following axes of folds and lineations in the area.
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:* ○ *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.* • *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 drilling was conducted by Kuniko on the properties.
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No drilling was conducted by Kuniko on the properties.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No drilling was conducted by Kuniko on the properties.
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.*	• No drilling was conducted by Kuniko on the properties, and therefore no maps and sections are reported. • Maps of the soil sampling locations are included in the report.
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.*	• Significant geochemical anomaly results in exploration data acquired by Kuniko are included in the report.
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.*	• Relevant exploration data is shown in report figures, in the text and in cited reference documents.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth 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.*	• Future plans for exploration on the properties include additional soil sampling, channel rock chip composite sampling, and DD drilling. A project review and exploration targeting study will be completed in Q4 2021 and Q1 2022 in order to define an exploration plan for the 2022 summer season.