



17 December 2021

COMPLETION OF ACQUISITION OF MILLROSE GOLD PROJECT

Key Points

- **Completion of Acquisition of Millrose Gold project from Millrose Gold Mines and Golden Eagle Mining**
- **Aggressive resource expansion program to commence January 2022**

Further to its announcement on 23 June 2021, Strickland Metals Limited (ASX:STK) (**Strickland** or the **Company**) is pleased to announce it has completed the transaction with Millrose Gold Mines Limited ACN 126 072 884 and Golden Eagle Mining Pty Ltd ACN 641 411 298 (collectively, **Vendors**) to acquire the Millrose Gold Project (**Transaction**).

Strickland is now pleased to announce that all conditions precedent and completion obligations in relation to the Transaction have now been satisfied.

Management Comment

Andrew Bray, Chief Executive Officer, said, "We are very pleased to have completed the Millrose acquisition, and would like to give particular thanks to the vendors and their advisors for facilitating a seamless transaction.

Millrose was the final 'piece of the puzzle' for our consolidation plans on the north-east flank of the prodigious Yandal Belt. As a result of the Millrose acquisition, Strickland now controls approximately 100km of strike over the Celia Shear zone, in what appears to be one of the most underexplored parts of the belt.

Rigs have been secured for our resource expansion program at Millrose, which will commence in January 2022. The Company is expecting to release an upgrade of the Millrose Mineral Resource within twelve months."

Completion

Under the Terms of the Transaction, Strickland agreed to pay the following consideration to the Vendors:

1. \$1,000,000 cash upon signing the binding term sheet (**Initial Payment**) (paid);
2. \$5,000,000 cash within three months of the Initial Payment (**Second Payment**) (paid);
3. \$4,000,000 within three months (**Third Payment Date**) of the Second Payment; (**Third Payment**) (paid);
4. The Third Payment can be structured as either:
 - a. \$4,000,000 cash; or
 - b. \$2,000,000 cash and \$2,000,000 in fully paid ordinary shares in Strickland which are freely tradable (**Shares**). The share price for the Tranche 3 Shares will be calculated based on a volume weighted average price of the shares at close of trading on the 20 trading days immediately prior to the Third Payment Date;

at the Company's election.

With respect to the Third Payment, Strickland elected to pay the Vendors \$2,000,000 in cash and \$2,000,000 in Shares. Based on the formula above a total of 28,050,491 Shares were issued at an issue price of \$0.0713 (which represents the 20 day VWAP). The Company obtained shareholder approval to issue the Shares at its Annual General Meeting held on 30 November 2021.

About the Millrose Gold Project

As previously announced, the Transaction increases the Company's resource base to over 600,000 ozs Au (11.72Mt @1.60g/t Au for 603,000 Au). Strickland's JORC 2012 compliant Mineral Resource Estimate is now as follows:

PROJECT	PROSPECT	Indicated			Inferred			ALL CATEGORIES		
		TONNES	GRADE (g/t)	Contained Metal (oz)	TONNES	GRADE (g/t)	Contained Metal (oz)	TONNES	GRADE (g/t)	Contained Metal (oz)
Millrose	Millrose	4,300,000	1.90	264,000	1,700,000	1.50	82,000	6,000,000	1.80	346,000
TOTAL MILLROSE		4,300,000	1.90	264,000	1,700,000	1.50	82,000	6,000,000	1.80	346,000
Horse Well (2019)	Palomino				930,400	2.30	68,300	930,400	2.30	68,300
Horse Well (2019)	Filly SW				302,400	1.80	17,200	302,400	1.80	17,200
Horse Well (2015)	Filly				206,000	1.30	8,700	206,000	1.30	8,700
Horse Well (2019)	Warmblood				788,000	2.1	53,900	788,000	2.1	53,900
Horse Well (2019)	Dusk til Dawn				3,495,600	1.0	108,900	3,495,600	1.0	108,900
TOTAL HORSE WELL¹					5,722,400	1.40	257,000	5,722,400	1.40	257,000
TOTAL	All Prospects	4,300,000	1.90	264,000	7,422,400	1.42	339,000	11,722,400	1.60	603,000

Notes:

1. Mineral Resources are based on JORC Code Definitions as defined by the Australasian Code for Reporting Results, Mineral Resources and Ore Reserves.
2. All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
3. For the Millrose Resource Estimate a cut-off grade of 0.5g/t gold has been applied.
4. The cut-off grades for Horse Well 2015 Resources are 0.50 g/t for Oxide, 0.75 g/t for Transition and 1.00 g/t for Fresh weathering classifications.
5. The cut-off grades for the Horse Well 2019 Resources is 0.50 g/t for all weathering classifications, except Palomino which has a cut-off of 2 g/t Au below 100 metres depth.
6. The Resource has been estimated using appropriate high-grade cuts, minimum mining widths and dilutions.
7. For full detail of the Millrose Mineral Resource Estimate, refer to the Company's ASX release dated 23 June 2021.
8. For full detail of the Horse Well Mineral Resource Estimate, refer to the Company's ASX release dated 26 August 2019.

The Millrose Gold Deposit is located in the north-eastern domain of the highly gold endowed Yandal Greenstone Belt, WA. The Project lies adjacent to the Company's Horse Well Project and Yandal East Gold Project (See Figure 1). The Millrose Gold Project is approximately 600km² in size and lies roughly 30km due east of Northern Star Resources Limited's 10m oz+ Jundee operation.

¹ Refer to ASX release dated 26 August 2019 for full details regarding Horse Well Mineral Resource estimate.

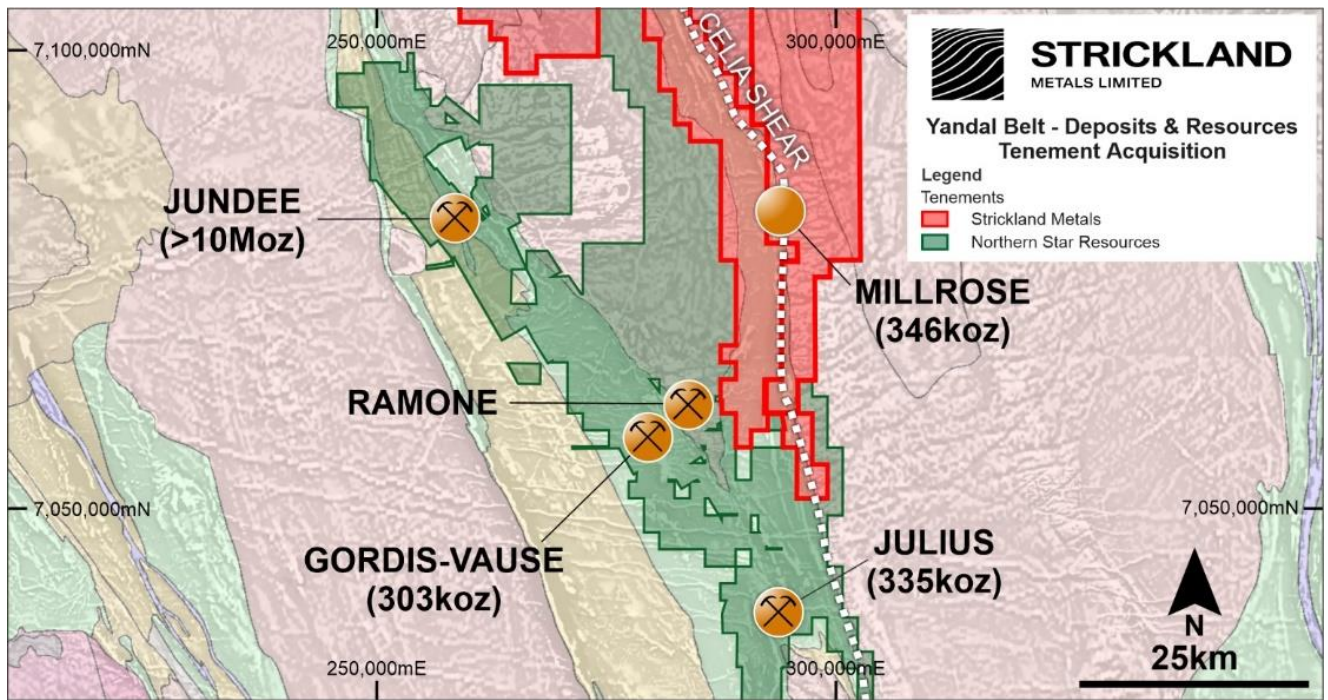


Figure 1: Location of Millrose

Resource Extension

The reported resource forms part of a large mineralised zone that to date has been defined by RC and limited diamond drilling over a strike length of at least 2,000 metres. The gold mineralisation remains open along strike and at depth (Figure 2). The trend is well defined and traceable in the available geophysical datasets and limited RC and aircore drilling.

The resource currently consists of a northern and southern zone with the 'gap' in between only defined by aircore drilling that was not included in the resource estimation.

As previously announced, the Company is planning to undertake a systematic RC program in this 'gap' area, the results of which will likely feed into a resource expansion.

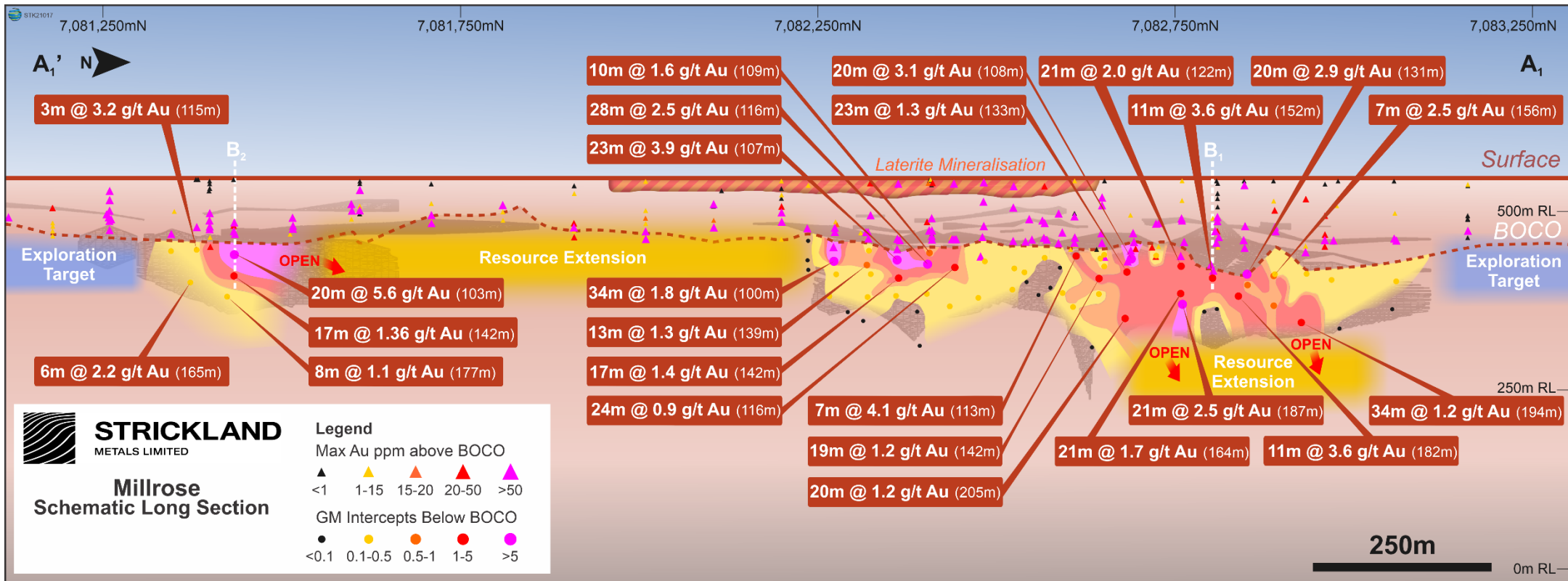


Figure 2: Millrose Long Section

The Millrose gold deposit is controlled by a sub-vertical major shear zone up to 100m wide on the contact between a sequence of mafic schists and a felsic volcano-sedimentary package (Figures 3 & 4). Within this broad mineralised corridor there are three defined higher-grade structures with widths up to ~20 metres. Importantly, a well-developed high-grade supergene gold blanket has developed in the oxide zone above the primary mineralisation.

Despite there being a zone of depletion above the supergene mineralisation, a well-developed zone of near surface laterite gold mineralisation has been intersected (Figure 3). This has been intersected in drilling over a strike length of ~700 metres.

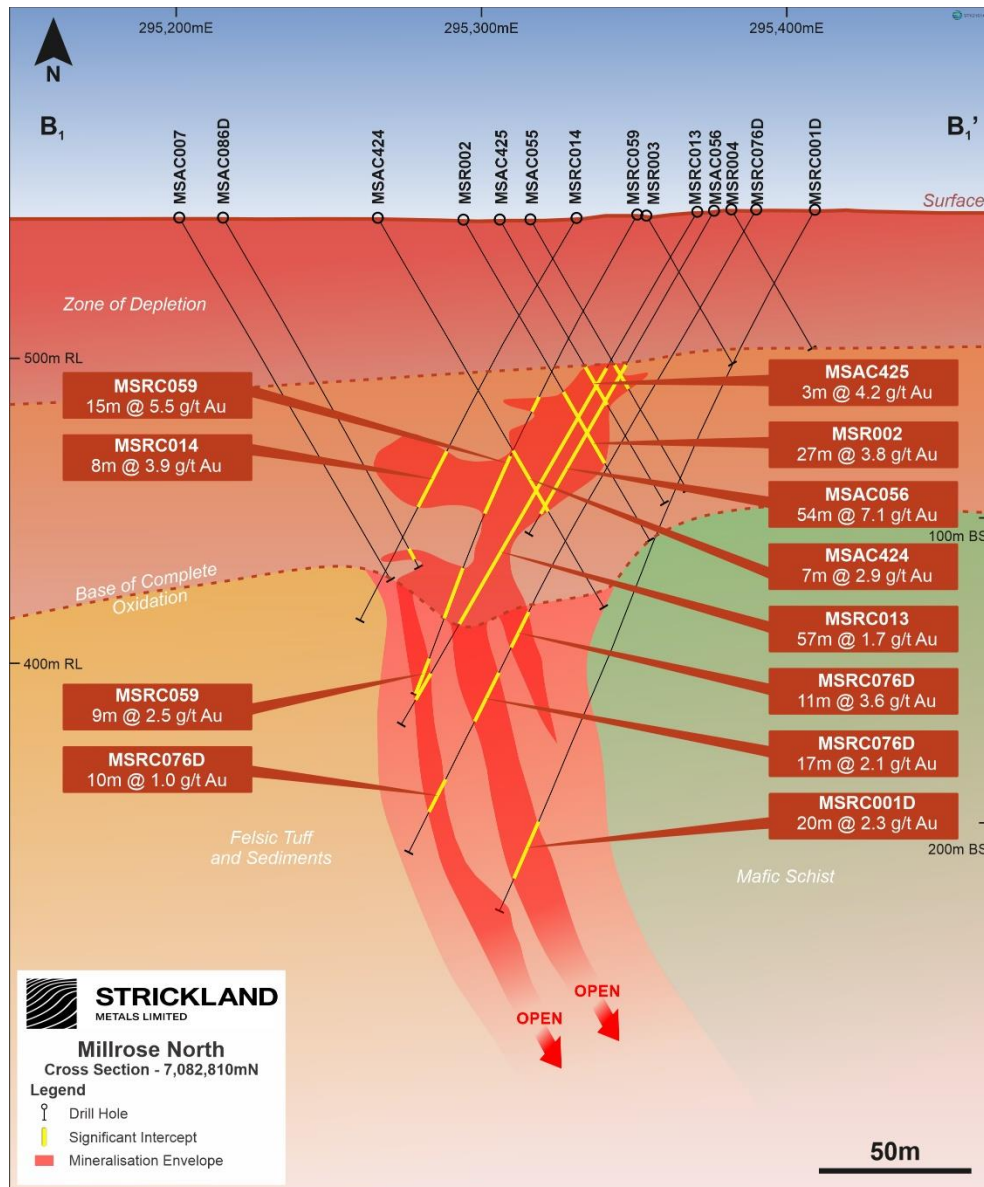


Figure 3: Millrose Cross Section

The gold mineralisation at Millrose remains completely open at depth. As part of the Company's resource expansion program, a combination of RC and diamond drilling will be undertaken to test for depth extensions.

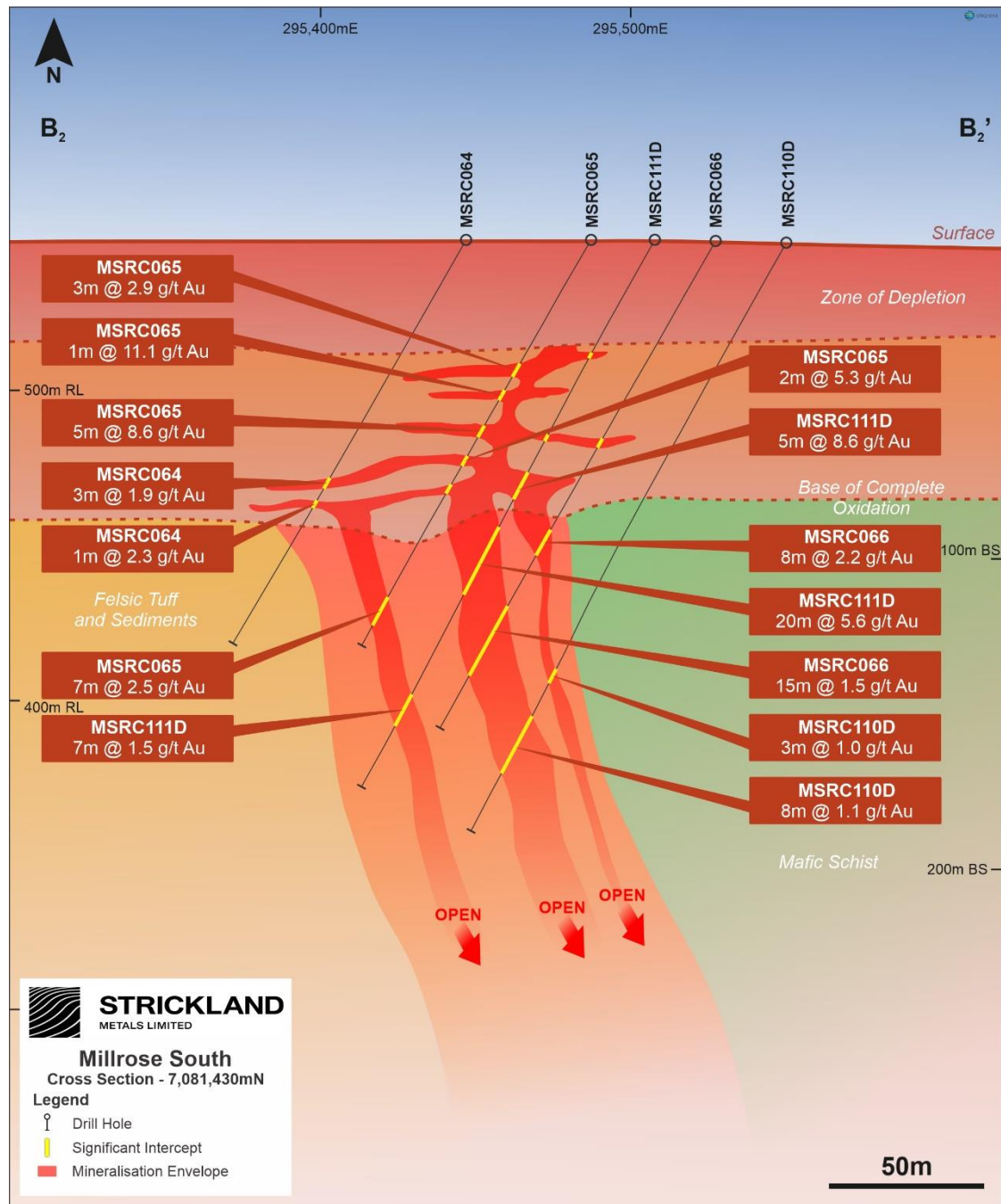


Figure 4: Millrose Cross Section

Exploration Targets

There is approximately 3,000 metres of prospective strike immediately to the north and south of the existing Mineral Resource. Historic aircore drilling has intersected significant gold mineralisation in shallow drilling, demonstrating the continuity of the main mineralising structures.

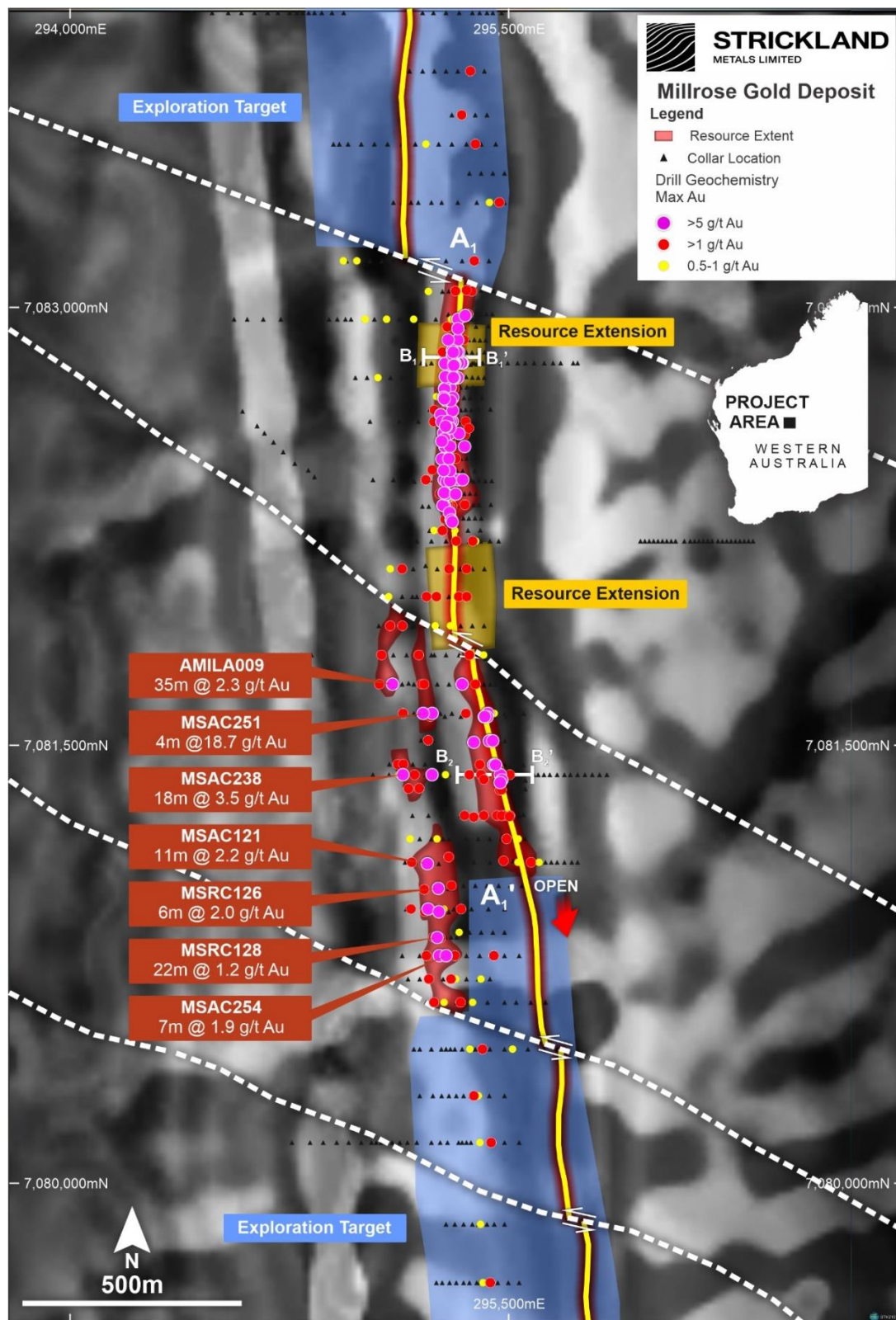


Figure 5: Millrose Plan View

The results from the recently acquired gravity survey in conjunction with existing airborne magnetic data show several north-west trending structures (Figure 5) which appear to control the gold mineralisation along this shear structure.

From a broader perspective, the sub-vertical shear zone extends over 30 kilometres south from the Millrose Gold Deposit, with the only drilling completed to date being, shallow, vertical RAB drilling, which has been conducted at 1.6 kilometre spacings (N-S) and 250 metre spacings (E-W). Given the shallow depth of historic drilling and the level of depletion seen at Millrose, it is believed that this entire structure has not been adequately tested.

The Company will undertake systematic a RC program to test for gold mineralisation along strike from the existing Mineral Resource.

Future Drilling at Millrose

As previously announced, a 23,000m RC and diamond drill program will commence in January 2022 and run for at least six months as part of the Millrose resource expansion program.

The priority for future drilling at Millrose is as follows:

- Infill drilling of the 'gap' between the southern and northern resource domains with RC drilling. The position is prospective for both supergene and primary gold.
- Along strike extensions to the north and south as identified in the geophysical and geochemical datasets.
- Depth extensions, with a focus on the high-grade domains to understand underground mining potential.
- Further definition of extensive, near-surface laterite mineralisation.
- Parallel trends to the west of the main defined shear zone.

The program will be complemented with a Mineral Resource upgrade which is likely to comprise a significant addition to the current resource. After the resource upgrade, the Company will consider the commencement of a Scoping Study for the development of the resource.

This ASX announcement was approved and authorised for release by the Chief Executive Officer of the Company.

Yours faithfully
Strickland Metals Limited

Andrew Bray

Chief Executive Officer

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Competent Person Statement

The information in this announcement that relates to Exploration Results and Mineral resources has been extracted from various Strickland ASX announcements and are available to view on the Company's website at www.stricklandmetals.com.au or through the ASX website at www.asx.com.au (using ticker code "STK").

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 and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.