

Wednesday, 22 December 2021

Falcon Metals Completes \$30M IPO and Successful Demerger from Chalice Mining

- Falcon Metals (Falcon) completes its A\$30 million IPO, officially listing on the Australian Securities Exchange at 2pm today (AEDT).
- Falcon issued 60 million shares at \$0.50 per share in its IPO in addition to the 117 million shares distributed in specie to Chalice shareholders upon demerger, for an indicative market capitalisation of \$88.5M upon listing
- Falcon is a new, high-profile, gold explorer with assets in Victoria and WA, including Pyramid Hill, Viking and Mount Jackson projects
- Falcon holds one of the largest ground positions (>5,000km²) in the Bendigo gold zone of Victoria – considered one of the most prospective regions in Australia for large-scale, high-grade greenfield gold discoveries
- \$30M IPO allows Falcon to rapidly advance systematic exploration of its portfolio, with initial focus on following up promising early-stage results at the Pyramid Hill Project near Bendigo
- Board and management includes one of Australia's most decorated explorers Dr Mark Bennett as Chairman, experienced mining and investment executive Tim Markwell as Managing Director and Chalice's Alex Dorsch as Non-Executive Director
- Drilling programs to commence at Pyramid Hill in January 2022 with Viking and Mount Jackson later in 2022


Falcon Metals Limited (ASX: FAL) ("Falcon" or "the Company"), a new Australian gold-focused explorer, advises that it commences trading on the Australian Securities Exchange (ASX) at 2pm AEDT / 11am WST today, following the successful completion of its Initial Public Offer (IPO) which raised \$30 million (before costs).

The Company issued 60 million shares at \$0.50 per share in its IPO in addition to the 117 million shares distributed in specie to Chalice shareholders upon demerger, giving it an indicative market capitalisation of \$88.5 million upon listing.

The formation of Falcon Metals is the result of Chalice Mining Limited (ASX: CHN) demerging its gold assets in Victoria and Western Australia, including the Pyramid Hill Project, Viking Project and the Mount Jackson Project.

Falcon Metals has one of the largest exploration licence holdings (>5,000km²) in the Bendigo Zone of Victoria, which hosts the world-class Fosterville Gold Mine (>8Moz Au)¹ and historic Bendigo Goldfield

¹ 'Resources and Reserves' Kirkland Lake Gold, www.kl.gold



(>22Moz Au)². It is focused on the advancement of its project portfolio, particularly the large Pyramid Hill Project, which is in the Bendigo Zone, situated north of Fosterville.

In WA, its Viking Project comprises a large zone of high-grade supergene gold discovered in 2011 by AngloGold, while the Mount Jackson Project is in an underexplored part of the Southern Cross belt, featuring a large untested gold-in-soil anomaly.

Falcon Metals' Managing Director Tim Markwell said:

"Falcon Metals is excited by the opportunity to further explore the gold projects spun out by Chalice. All of them are in areas considered highly prospective for gold discoveries, with Pyramid Hill particularly noteworthy due to its location in the Bendigo goldfield and proximity to Fosterville, while Viking and Mount Jackson are also very promising. We believe our experienced team can help us further develop these assets and unlock their potential value.

Through our strongly supported IPO, we commence trading with a cash position of ~\$30 million, which together with the promising early stage work completed by Chalice gives us a unique platform to target an early discovery.

We have built a dedicated Board and management team, with many years of collective experience in the resources industry, a track-record of 'company making' discoveries including Julimar, Nova-Bollinger, Thunderbox, and Waterloo, and financing projects through development.

On behalf of the Board, I wish to thank all of those involved in the successful de-merger from Chalice and successful IPO, most notably our lead manager Bell Potter. We welcome all shareholders onto our register and look forward to a bright future ahead.

Management Team

Chairman Dr Mark Bennett is an industry veteran, with 30-plus years' experience in gold and base metal exploration. His previous roles include founding Managing Director and CEO of Sirius Resources where he discovered the world-class Nova-Bollinger nickel-copper discovery in 2013. Mark is a two-times winner of the AMEC award, having previously also been recognised for the Thunderbox gold and Waterloo nickel discoveries in 2002 during his time as a key member of the senior leadership team of LionOre Mining International. He is currently Executive Chairman of S2 Resources and Non-Executive Director of Todd River Resources.

Managing Director & CEO Tim Markwell has more than 25 years' experience in gold and base metal exploration with expertise in geology, fund management, and mining. He was Investment Manager of the African Lion funds at Lion Selection Group for 14 years, was a Non-Executive Director of Predictive Discovery (ASX: PDI) and Anax Metals (ASX: ANX) and CEO and Non-Executive Director of Celamin Holdings (ASX: CNL).

Chalice Managing Director Alex Dorsch is a Non-Executive Director, bringing his diverse experience in the resources sector in a variety of management, advisory, and consultancy roles. Alex was instrumental in the initial staking and securing of Chalice's licence holding at the Pyramid Hill Gold Project. Since his appointment as Chalice Managing Director, Alex has led the company through an

² 'History of gold mining in Victoria' Earth Resources Victoria, www.earthresources.vic.gov.au



exceptional period of growth following the world-class Julimar nickel-copper-PGE discovery and was recognised as 'New/Emerging Leader of the Year' by Mining News and 'CEO of the Year' by Kitco in 2020.

Andrea Betti is the Company's Chief Financial Officer and Company Secretary, with over 20 years' experience in accounting, corporate governance, finance and corporate banking.

Commencement of Drilling

Planning is underway for drill programs at all three projects in 2022, with a diamond and aircore (AC) program at Pyramid Hill expected to commence in January 2022. Reverse circulation drilling at Viking will follow in early Q2 and AC drilling is planned for Mount Jackson later in the year.

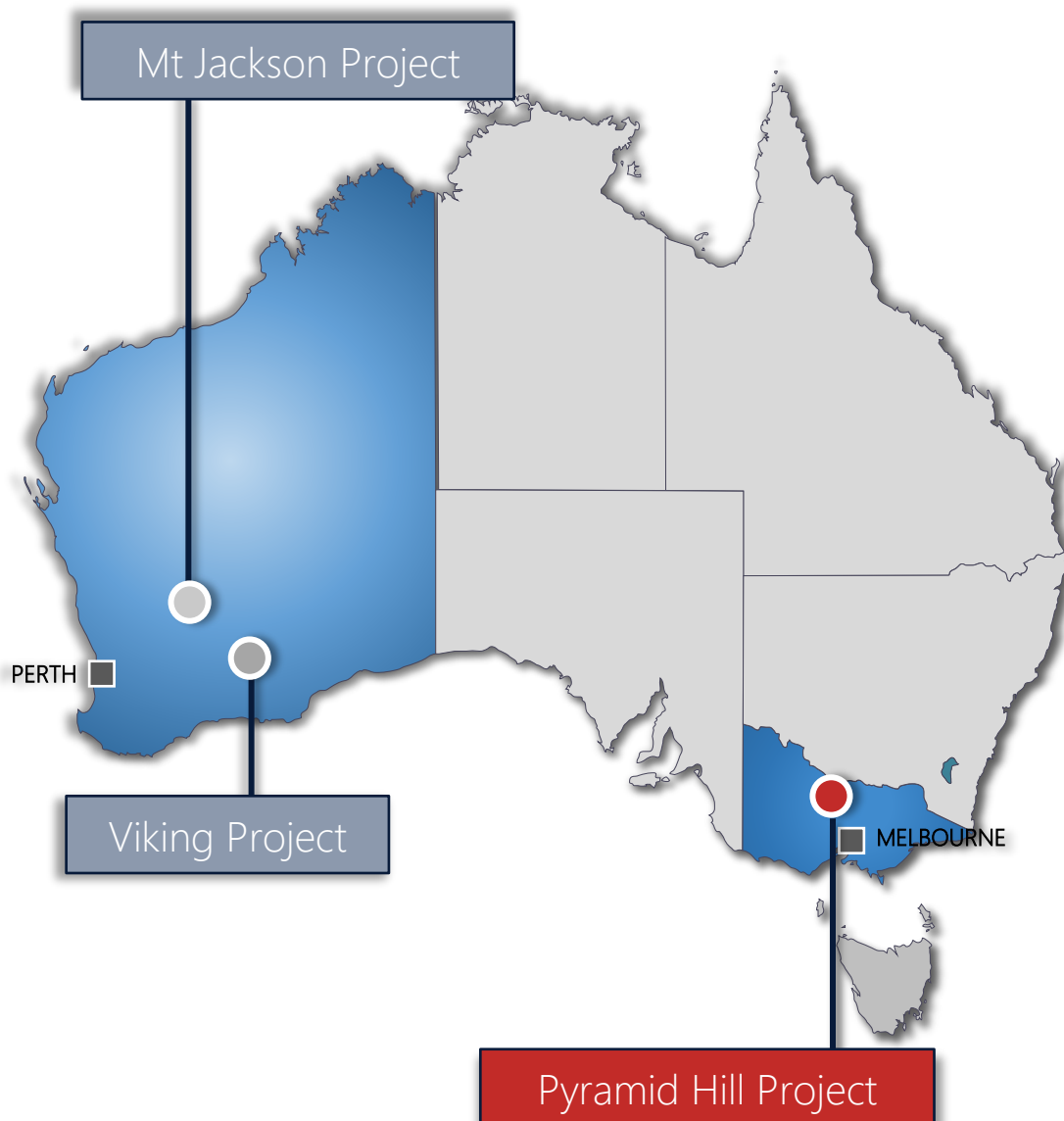


Figure 1. Location of Falcon's Gold Projects



This announcement has been approved for release by the Board of Falcon Metals.

For more information, please contact:

Tim Markwell
Managing Director
tmarkwell@falconmetals.com.au

Media and Investor Queries
Victoria Humphries
victoria@nwrcommunications.com.au

Past Exploration results reported in this announcement have been previously prepared and disclosed by Falcon Metals Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.falconmetals.com.au for details on past exploration results and the Falcon Metals Ltd Initial Public Offering Prospectus dated 3 November 2021 (Falcon Prospectus). The Falcon Prospectus is available to view on the Company's website or on the ASX website (www.asx.com.au)

COMPETENT PERSON STATEMENTS:

The information contained within this announcement is extracted from the Falcon Metals Ltd Initial Public Offering Prospectus dated 3 November 2021 (Falcon Prospectus). The Falcon Prospectus is available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Falcon Prospectus and that all material assumptions and technical parameters underpinning the information in the Falcon Prospectus 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 modified from the original Falcon Prospectus.