NICO RESOURCES

ASX ANNOUNCEMENT

14 January 2022

Additional information Listing Rule 5.9

In Line with ASX listing rules, in particular listing rule 5.9, the following is provided in relation to the Mineral Resource and Reserve Estimate and the Phase 1 Feasibility Study for the Wingellina nickel and cobalt project. This information is provided in addition to the detail available by reference to the Nico Resources Replacement Prospectus dated 12 November 2021 and in particular Schedule 3 – The Independent Technical Assessment Report.

In 2007 a scoping study for the Wingellina Nickel and Cobalt project was completed which recommended to proceed with a feasibility study. In 2008 a Phase 1 feasibility (+/- 25% estimates) was undertaken which provided for a significantly economical project. Subsequently to the Phase 1 feasibility study a large proportion of the resource was upgraded to a probable reserve. Metals X has continued to review the reserve on an annual basis as required under the JORC code. Mineral Resource estimations completed by Metals X in 2008 and 2016 for the Wingellina Project are shown in Table 1 below.

Table 1: Mineral Resource estimation for the Wingellina and Mt Claude Projects

0.5% Ni cut-off grade	Classification	2008			2016 Metals X			% Difference tonnes	% Difference metal
		Tonnes	**Grade**	**Metal**	**Tonnes**	**Grade**	**Metal (t)**		
Wingellina									
Nickel	Measured	68,847,000	1.00	688,500	37,600,000	0.98	368,000	-45%	-47%
	Indicated	98,623,000	0.97	956,600	130,900,000	0.91	1,193,000	33%	25%
	Inferred	15,727,000	0.97	152,600	14,100,000	0.87	122,000	-10%	-20%
	Total	**183,197,000**	**0.98**	**1,798,000**	**182,600,000**	**0.92**	**1,684,000**	**0%**	**-6%**
Cobalt	Measured	68,847,000	0.08	53,700	37,600,000	0.075	28,000	-45%	-48%
	Indicated	98,623,000	0.08	74,000	130,900,000	0.072	94,600	33%	28%
	Inferred	15,727,000	0.07	11,000	14,100,000	0.065	9,100	-10%	-16%
	Total	**183,197,000**	**0.08**	**138,700**	**182,600,000**	**0.07**	**131,700**	**0%**	**-5%**
Fe_2O_3	Measured	68,847,000	48.71	33,535,000	37,600,000	45.94	17,260,0000	-45%	-49%
	Indicated	98,623,000	46.39	45,751,000	130,900,000	45.55	59,611,000	33%	30%
	Inferred	15,727,000	42.73	6,720,000	14,100,000	41.25	5,8321000	-10%	-13%
	Total	**183,197,000**	**46.95**	**86,006,000**	**182,600,000**	**45.30**	**82,701,000**	**0%**	**-4%**
Claude Hills 2010									
Nickel	Measured	-	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-	-
	Inferred	-	-	-	33,000,000	0.81	270,000	-	-
	Total	**-**	**-**	**-**	**33,000,000**	**0.81**	**270,000**	**-**	**-**
Cobalt	Measured	-	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-	-
	Inferred	-	-	-	33,000,000	0.07	22,700	-	-
	Total	**-**	**-**	**-**	**33,000,000**	**0.07**	**22,700**	**-**	**-**
Total Central Musgrave Project									
Nickel	Total	-	-	-	215,600,000	0.91	1,954,000	-	-
Cobalt	Total	-	-	-	215,600,000	0.07	154,400	-	-

Table 1 Notes:

Mineral Resources are reported inclusive of Mineral Resources modified to produce the Ore Reserve.
Figures have been rounded to the appropriate number of significant figures.
The 2016 MLX MRE was reported in accordance with the current 2012 edition of the JORC Code
The 2008 Wingellina MRE and 2010 Claude Hills MRE were reported in accordance with the 2004 edition of the JORC Code
Source: Metals X (2017)

During 2016, Metals X reviewed the April 2008 resource model for Wingellina in detail and according to JORC (2012) guidelines. Metals X concluded that the model was somewhat "smoothed" with an observed underestimation of the higher-grade ore distribution within the deposit. As a result, a revised model was initiated.

The re-interpretation strategy was guided by the geological interpretation. A low-grade (>0.5% Ni) envelope, which was re-interpreted from the 2008 model was initially defined. A high-grade domain (>1.0% Ni) was subsequently interpreted as a result of implicit modelling of nickel at progressively higher cut-off grades and the observed continuity of the higher grades. This 1% Ni cut-off grade was considered appropriate for the high-grade domains as a result of ore-waste boundary analysis using log probability plots, which indicated a break in the data population at this grade. Domain boundary analysis conducted in Isatis also lent support to the use of a 1.0% Ni boundary.

There was an Ore Reserve declared by Metals X as of 30 June 2016 (Table 2). Information in the 30 June 2016 Annual Mineral Resource Commentary indicated metal prices used were equal to the Phase 1, 2008 Feasibility Study, plant recovery of 91.2% for Ni and 86.5% for Co, mining costs of $3.67/t mined and processing cost of $83.30/t milled.

Table 2: Ore Reserve estimation for the Wingellina Project

Project	Ore Reserve category	Ore Mt	Nickel		Cobalt	
			Grade (% Ni)	**Nickel (kt Ni)**	**Grade (% Co)**	**Cobalt (kt Co)**
Wingellina	Proved	-	-	-	-	-
	Probable	168.4	0.93%	1,561	0.07%	122.6
	Total	**168.4**	**0.93%**	**1,561**	**0.07%**	**122.6**

Source: Metals X (2016)

CSA Global has reviewed the 2016 Metals X Mineral Resource estimation parameters, methodologies and concluded that they believe they are in accordance with industry practice and the JORC (2012) guidelines. The company agrees with the recommendation from CSA that a detailed peer review of the Resource Model to examine all relevant parameters in the updated Mineral Resource estimate be undertaken. As would be anticipated with changes to these parameters and other modifying factors, it is expected a new Ore Reserve estimate will be declared once an updated PFS is complete.

Material Assumptions and Outcomes from the Phase 1 Feasibility Study (P1FS)

In April 2008 Metals X commenced a Phase 1 feasibility study with the primary objectives to identify and recommend the best construction and operating scenario for development. This was achieved by completing detailed studies of all key aspects of the Project including equipment, infrastructure, capital and operating cost estimates with an accuracy of estimate of ±25%.

In terms of the ASX's Listing Rule 5.9.1, a general description of the Ore Reserves which support the feasibility study is as follows:-

- The classification of the Wingellina Mineral Resource Estimate is completed in accordance with JORC guidelines and is based on the combination of estimation derived parameters, the input data and geological/mining knowledge. Confidence in the geological model used to constrain the Wingellina estimate was high, with the genetic model for lateritic nickel development well understood. Logged geology was used to drive the mineralisation interpretation, with the base of laterite defined with drillholes, or its level on a given section interpreted from surrounding drill sections. Continuity of the interpretation across and along the Wingellina deposit was for the most part good, with intersections of hard rock in drillholes, and well-mapped outcropping basement the primary causes of breaks within the mineralised horizon.
- The identified 2008 Mineral Resource estimate at 0.5% Ni cut-off of 183Mt @ 0.98% Ni, 0.08% Co and 46.95% Fe2O3 was used as the basis for all mining studies. The 0.5% Ni cut-ff was selected to reflect the open pit mining method.

- Open pit mining was selected, and the following points summarise the basis for that selection:
    - The ores are planned to be extracted using conventional open pit mining methods, utilising load and haul equipment to freely excavate material and deliver ore to a run-of-mine ("ROM") pad at a rate of 4.3 million tonnes per annum. It is planned that ore will be stockpiled and, in some instances, blended as it is fed into the primary crusher using front end loaders.
    - The nickeliferous limonite ores are to be excavated primarily without blasting and have an estimated average in-situ bulk density of 1.28 tonnes per cubic metre. Waste to ore ratios are very low and the average waste: ore stripping ratio in the first 20 years is estimated to be approximately 0.5:1. The life of mine stripping ratio is approximately 1.1:1. An allowance for 10% of total volume requiring blasting has been made which adequately accounts for small occurrences of siliceous and calcareous cap-rock and small gabbro intrusives which exist within the ore system.
- The processing method and assumptions are summarised thus:
    - The processing plant is planned to be located some 500m east of and central to the overall strike of the ore body.
    - ROM ores are planned to be crushed, ground to 100% passing 500 µm and then subjected to HPAL. The process plant design incorporates three parallel autoclave trains. Following HPAL the discharge slurry is neutralised in two stages using locally sourced calcrete in order to remove impurities. The first stage neutralisation precipitate is washed and neutralised to pH 7.5 using slaked lime and discharged to tailings while the second stage neutralisation precipitate is recycled to the HPAL discharge where it is re-leached. A Nickel-cobalt hydroxide is then precipitated in two stages from the purified solution, the first stage is the saleable product produced at the mine which is precipitated at pH 5.5 to 6.5 using magnesia. The second stage of hydroxide precipitation is a scavenger precipitate produced using hydrated lime at pH 6.5 to 7.5 and is recycled to the autoclave discharge for re-leaching. The final liquor is further neutralised using hydrated lime at a pH of 7.5 to 8.5 to remove manganese. The manganese precipitate is directed to neutralisation tanks prior to being discharge into the tailings facility, while the barren solution is recycled for use as in the CCD washing process.
    - The tailings storage facility is located approximately 0.5km to the northeast of the processing plant at the closest point. The tailings storage facility is a central discharge, with thickened tailings deposition. Approximately 200m^3/h of water is recovered in the tailings thickener and recycled into the calcrete and lime preparation circuits. Recycle water is not used in the autoclaves as the high magnesium mineral content is likely to accelerate scaling.
    - Acid for the leaching process is planned to be generated in a sulphur burning plant at the site with approximately 390,000 tonnes per annum of elemental sulphur being the main reagent transported to site. The elemental Sulphur is expected to be imported through the Darwin Port and hauled by rail approximately 1,300 km to the Impadna siding (which is the siding closest to the Lasseter Highway) in the Northern Territory. At the Impadna siding, the sulphur is transferred to road haulage and hauled to site via a combination of the Lasseter Highway, and a proposed new road constructed for the project (via Uluru). The total road haulage requirement is approximately 541km.
    - The raw water requirement for the processing plant is approximately 1200 m^3/hour and is planned to be sourced from a borefield approximately 100km to the north of the processing plant. The water quality is good at between 1000 and 2000 ppm of dissolved solids. The borefield will source water from the Cobb Embayment, a sedimentary structure within the Canning Basin. The majority of the raw water requirement is direct feed to the process plant, however a water treatment plant is to be installed at the processing plant in order to meet the design requirements in various sections of the plant. An alternative water source also exists to the South West of the project within the Lungkarta sandstone which forms part of the extensive Officer Basin.

- Power for the operation will be generated in a cogeneration plant using steam produced in the sulphur burning acid plant, and natural gas supplied from the Mereenie Gas field, located approximately 400km to the North East. Total connected power is approximately 53.5MW, with a consumption rate of 37.3MW. The power plant design consists of two 22MW extraction steam turbine generators and one 20MW gas fired turbine generator with heat recovery stem generation. The gas consumption rate is 5.7 TJ/day under normal operation, and approximately 13TJ/day during acid plant outages. The processing plant is designed to operate at 50% capacity during acid plant outages.
- Locally sourced calcrete is the primary source of neutralisation material in the process. Sources of high quality calcrete located within 30km of the processing plant have been outlined.

- The basis for the cut-off grade (0.5% Ni) and quality parameters were derived from Whittle 4D mining optimisation simulations for the resource model were used as a fundamental tool to establish a staged open pit mining scenario which enabled a diminishing grade mining schedule to be devised which provides faster capital payback and higher discounted cash flow. The overall mining strategy is to mine a number of staged open pit mines using conventional methods. The scheduling philosophy is to optimise the schedule by extracting the highest head grade material and lowest strip ratio first.
- The estimation methodology for the Mineral Resource Estimate was ordinary kriging estimation. The interpretation strategy was guided by the geological interpretation. A low-grade (>0.5% Ni) mineralisation envelope, which was re-interpreted from the 2008 model was initially defined. A high-grade mineralisation domain (>1.0% Ni) was subsequently interpreted as a result of implicit modelling of nickel at progressively higher cut-off grades and the observed continuity of the higher grades. This 1% Ni cut-off grade was considered appropriate for the high-grade domains as a result of ore-waste boundary analysis using log probability plots, which indicated a break in the data population at this grade. Domain boundary analysis lent support to the use of a 1.0% Ni boundary. Both by-product and deleterious elements were estimated at the time of primary grade estimation. The resource was then classified in line with JORC guidelines utilising a combination of various estimation derived parameters and geological/mining knowledge. Estimation results were validated against primary input data.

- The material modifying factors, including the status of environmental approval, mining tenements and approvals, other governmental factors and infrastructure requirements for the selected open pit mining method and for transportation to market are summarised as follows::
  - Export of the final product, a mixed nickel and cobalt hydroxide is by the same transport routes as the inbound reagent products. Subsequent studies have also shown that a mixed sulphide can be produced or high grade nickel and cobalt sulphates.
  - All employees will be site based, working on a two week on, one week off fly in fly out roster arrangement. Employees are provided with air transport to and from the site, and are housed in an accommodation facility at the site during work time. The accommodation and entire project area is to be operated as an alcohol free environment. Extensive recreation facilities and healthy living alternatives are to be offered as a substitute to alcohol consumption at the mine.
  - All operations are planned to be undertaken with upmost cognisance for health and safety of internal and external stakeholders, the minimisation of environmental impact, and the protection and respect for Aboriginal heritage and cultural values. The project plan includes maximisation of employment, training and participation of local indigenous people.
  - As a result of the homogeneity of the deposit and the low strip ratio no dilution factor was applied with an ore recovery factor of 97%

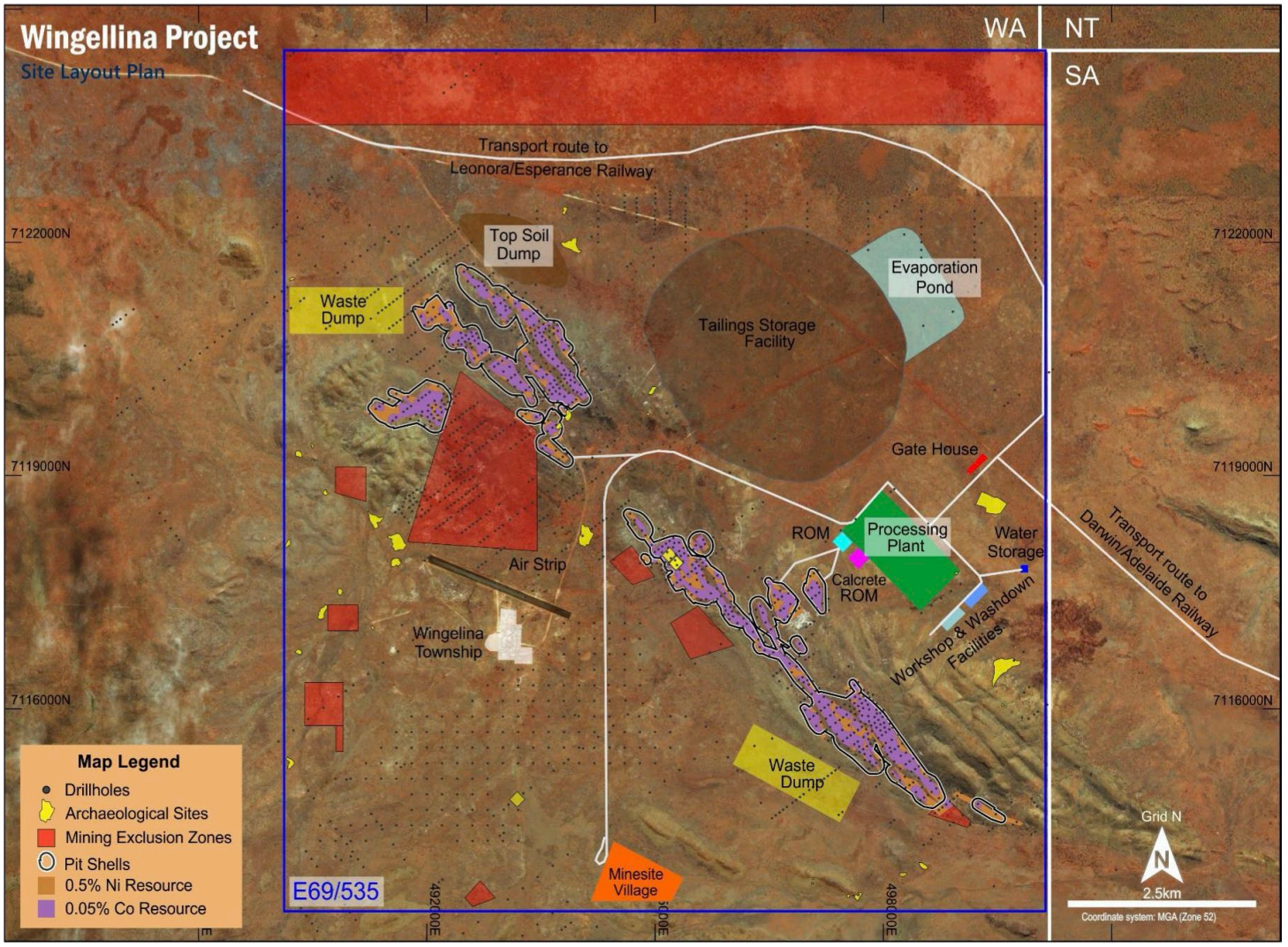


Figure 1 - Wingellina 2008 Phase 1 Feasibility Study - Indicative Site Layout

The key outcomes and assumptions of the feasibility are tabulated as follows:

Process Methodology	High Pressure Acid Leach (HPAL)
Product	Mixed Nickel-Cobalt Hydroxide
Optimal Process Rate	4.34 million ore tonnes per annum
Assumed Ramp-up - Year 1 - Year 2 - Year 3 - Year 4	 50% 75% 90% 100%
Avg. mining grades Year 1 - 2 Year 3 - 5 Year 6 - 10 Year 11–20 Year 20+	 1.33% Ni, 0.12% Co 1.17% Ni, 0.09% Co 1.09% Ni, 0.08% Co 1.02% Ni, 0.08% Co 0.87% Ni, 0.07% Co
Metal Prices Assumptions - Nickel - Cobalt	US$20,000 per tonne US$45,000 per tonne

Key Consumable Price Assumptions	
Sulphur	$A150/tonne
Natural Gas	$A6/GJ
Calcrete	$A15/tonne (locally sourced)
Magnesia	$A770/tonne
SMBS	$A615/tonne
Metal Recoveries - Nickel	92.1%
- Cobalt	89.1%
Exchange Rate Assumptions $AUD:$US	US$0.85

	39 yr Mine Life	20 yr Mine Life
Average Annualised Prod'n - Ni (t)	38,200	41,600
- Co (t)	2,900	3,250
Capital Cost	$US 1.882 Billion (A$2.214 Billion)	$US 1.882 Billion (A$2.214 Billion)
Avg. Capital Cost US$/pound Ni–equiv.	$US 0.57/lb	$US 1.02/lb
Operating Cost – average $A p. annum	$US 411m	$US 414M
Avg. OpCost $US/t Ni.	$US 10,300/t	$US 9,950/t
Avg. OpCost $US/t Ni (after Co Credits)	$US 7,370/t ($US 3.34/lb)	$US 7,180/t ($US 2.92/lb)
Total Prod'n Cost $US/t Ni .	$US 12,040/t	US$ 12,210/t
Total Prod'n Cost $US/Ni (after Co Cr)	$US 8,680/t ($US 3.91/lb)	$US 8,880/t ($US 3.94/lb)
Est. Avg. EBITDA – A$ per annum	$US 483 Million (A$ 568 M)	$US 565 Million (A$ 665 M)
Est Avg. EBIT – A$ per annum	$US 434 Million (A$ 511 M)	$US 470 Million (A$ 553M)

Revenue

The assumptions used for the P1FS was a nickel price of US$20,000, a cobalt price of US$45,000 at an AUD exchange rate of 0.85. Based on the average production rate over 39 year mine life this equates to A$1,050Mpa in revenue. The current nickel and cobalt prices as of 4 January 2022 are approximately US$21,300[1] and US$70,300[1] at an exchange rate of 0.721 which based on the average production rate over the 39 year mine life would equate to A$1,403Mpa (approximately 34% higher than the PFS1).

1. Reference London Metal Exchange 4/01/2022
2. Reference Reserve Bank of Australia 4/01/2022

Capital Cost

The capital costs for the operation are summarised in Table 4 below:

Item	Direct Cost ($M)	EPCM Allowance ($M)	Contingency Allowance ($M)	Total Cost ($M)
On site Infrastructure	1,451	238	282	1,971
Off Site Infrastructure	254	16	43	313
Mining	18	0	0	18
Tailings	40	4	4	48
Raw Water Supply	73	13	15	101
Owners Cost	73	0	0	73
Total	**1,909**	**271**	**345**	**2,525**

Table 4 Capital Cost Estimate Summary

Major site infrastructure requirements with values greater than $100 million include:

- HPAL facilities (3 Train) - $324 million;
- Counter Current Decantation (CCD) facilities - $136 million;
- Sulphuric acid plant - $252 million;
- Power station - $107 million.

The offsite infrastructure is mainly associated with the building of roads ($308 million), with a minor upgrade at the Impanda railway siding ($5 million). No allowance has been made for co-funding of the road with state and federal governments.

Costs for upgrading port facilities have been included in the blue water shipping unit rates.

The major components of the water supply include:

- Bore field construction and equipping - $23 million;
- Delivery pipeline and infrastructure - $41 million;
- Electrical and telemetry equipment - $10 million.

Owners' costs are estimated to be approximately 4% of total capital costs, which includes an estimate of approximately $15M for project insurance.

During 2012 Metals X engaged Jacobs E&C Australia Pty Ltd (“Jacobs”) to undertake a scoping study for process plant options for Wingellina. Jacobs (PKA Aker Solutions Australia Pty Ltd), designed the processing plant and associated infrastructure as part of the 2008 P1FS. The scoping study was undertaken to ±30% accuracy capital cost and operating cost estimates. The study was based on an order of magnitude estimates on scaling and factoring from data prepared for the 2008 P1FS, escalated to 2012. The study concluded that the onsite infrastructure costs had increased from approximately $1,971M to $2,174M or an increase of approximately 10%, while the operating costs increased by only 4%.

Operating Cost

The operating cost for the operation is summarised in Table 5 below. Since the cost model is based on a production schedule, there are slight variations in cost per tonne and cost per pound of nickel (after cobalt credits) throughout the mine life.

The cost of gas supply is included in the Mill and Infrastructure cost calculation, and a cost of $6/GJ has been assumed. As at the end of December 2021 the Western Australian spot market price was approximately $5.35/GJ[3], however this may not fully reflect the differences in prices from the various suppliers or points of supply.

3. Reference gastrading.com.au

	Average Operating Cost - 2016 to 2032			
	Average Cost/Tonne Ore	Average Cost/lb Nickel ($A)	Average Cost/lb Nickel ($US)	Average Cost/lb Nickel ($US) after Cobalt Credit
Mill & Infrastructure	$ 58.29	$ 2.66	$ 2.26	$ 1.59
Mining	$ 6.22	$ 0.28	$ 0.24	$ 0.17
Road Maintenance	$ 0.75	$ 0.03	$ 0.03	$ 0.02
Transport	$ 22.87	$ 1.02	$ 0.87	$ 0.61
Tailings	$ 0.12	$ 0.01	$ 0.00	$ 0.00
Water Supply	$ 1.14	$ 0.05	$ 0.04	$ 0.03
Treatment Charges	$ 21.01	$ 0.94	$ 0.80	$ 0.56
Royalties	$ 6.63	$ 0.30	$ 0.25	$ 0.18
Total Operating Cost	**$ 117.02**	**$ 5.29**	$ 4.50	$ 3.16

Table 5 Operating Cost Estimate Summary

Approximately 50% of the operating cost is associated with the mill and infrastructure components, and a further 19% of the cost is for transport of goods and consumables. Reference to the project financial model demonstrates that the supply of sulphur equates to 23% of the total mill and infrastructure operating cost, and 59% of the transport cost for the operation. In all, the average cost attributable to sulphur supply is 23% of the project operating cost. This demonstrates the projects sensitivity to sulphur price. The base case sulphur price is set at $150 per tonne, while current spot prices for the commodity are in the order of $330 per tonne. Historic price levels have approximated the $150 per tonne assumed and is considered reasonable, however is also a key project risk.

Labour costs equate to approximately 15% of the mill and infrastructure costs (7.5% of total operating costs), and include site management, administration, environmental and processing staff.

Processing plant maintenance materials account for 20% of the mill and infrastructure costs, and 10% of the total operating cost for the project.

Processing and Site Infrastructure

The primary site infrastructure requirement will be a 4.34 Million tonne per annum processing plant and associated buildings. The ore processing route is HPAL followed by metal precipitation to a mixed nickel-cobalt hydroxide product.

A simplified block diagram of the MHP flow sheet proposed to treat Wingellina ore is shown in Figure 2.

Tailings

The tailings facility has been designed for an initial life of 20 years, however, changes to the discharge array and other parameters will enable the capacity of the facility to be expanded to enable capacity for up to 30 years. Expansion of the footprint of the facility would also be possible, allowing a further life of mine extension of the facility.

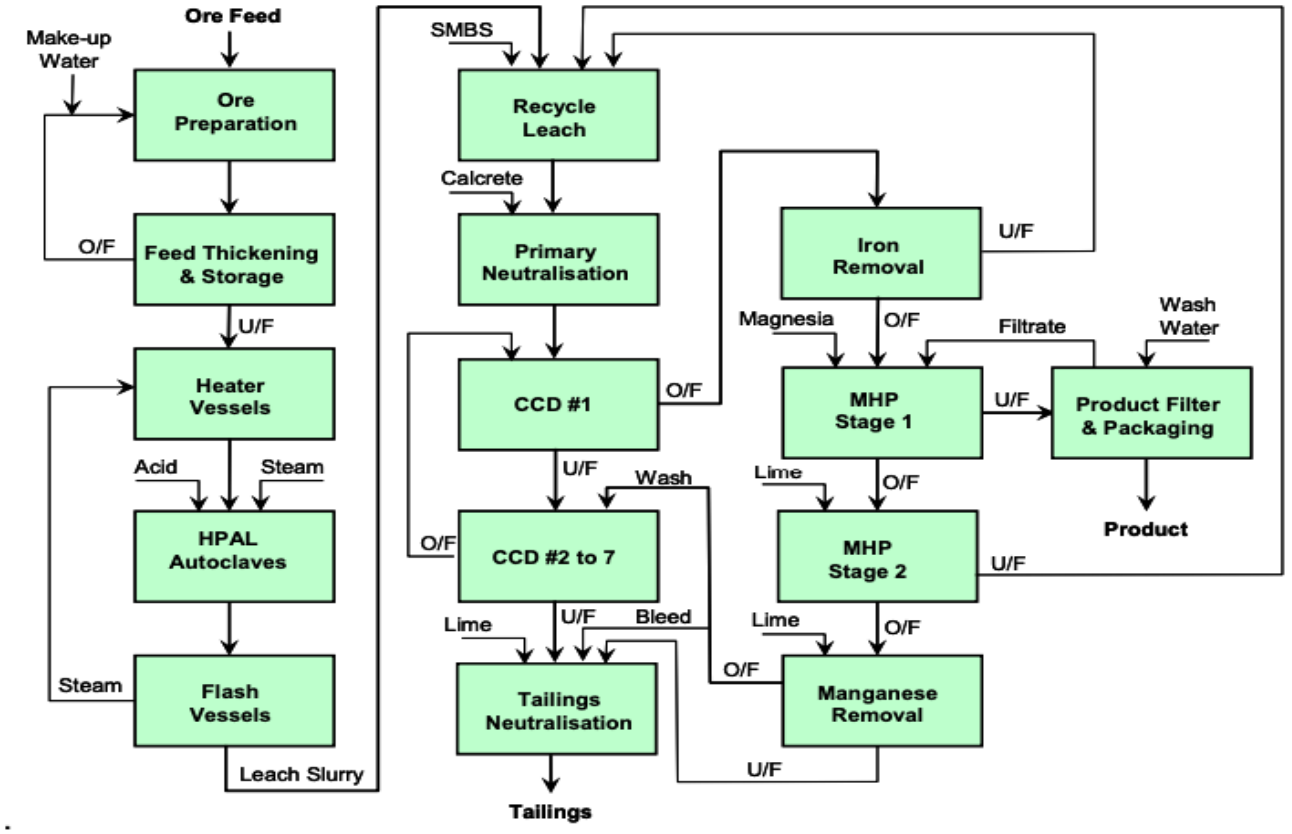


Figure 2 - Wingellina 2008 Phase 1 Feasibility Study Process Block Flow Diagram

Water Supply

Two major water sources have been identified which based upon technical evaluation and previous drilling, show significant capability to provide all water requirements for the project. The two alternatives are the Cobb Depression (part of the Canning Basin) to the North, and the Officer Basin to the South. A conceptual borefield at the Cobb Depression has been developed in order to generate a cost estimate for the PFS.

The borefield will be required to deliver approximately 1,200 m^3/h to the raw water storage area at the processing plant.

Site Access and Logistics

A number of transport mediums and potential routes for project logistics have been investigated.

It was concluded that a combination of ship, rail and road transport provides the best alternative for the project. The studies demonstrated that use of the Central Australian Railway to haul sulphur from Darwin to the Impadna siding is the most economical way to support the operation. At the Impadna siding, sulphur is to be transferred to road haulage, and freight is carted along the existing (and upgraded) Lasseter Highway, and then along a new road constructed to the site. Total road haulage distance is 541 kilometres, including 255km of new road and 286km on the Lasseter Highway.

Approximately 200,000 wet tonnes (130,000 dry tonnes) of mixed hydroxide product from the mine is transferred to the Darwin Port via the same haulage route described above. Studies to reduce moisture content in the product need to be considered.

The proposal is to construct a new bitumen road, suitable for heavy haulage from the end of the Lasseter Highway to the site, enabling full site access from the rail siding on sealed and all weather roads. Alternatives for site access using unsealed roads to reduce capital cost are also available to the project.

Gas Supply

The Mereenie gas field was identified as potentially being able to provide gas for the life of the Project. In 2008 it was understood that approximately 200PJ of gas was uncontracted, with approximately 2.2PJ per annum required at Wingellina.

Key Outstanding Issues Identified In 2008 Phase 1 Feasibility Study

The 2008 P1FS identified a number of key outstanding issues including:

- Calcrete/limestone source for acid neutralisation;
- Water source with the ability to provide 1,200m^3/hour to fed the mill;
- Aboriginal agreements to access the land on which Wingellina is located with associated grant of Mining Leases;
- Environmental approvals;
- Other government approvals; and
- Infrastructure routes for road, rail and gas.

Since 2008, Metals X has worked through the resolution of these identified key issues as detailed in the following sections.

Calcrete Resources - Lewis Calcrete Project

As determined by the 2008 Feasibility Study, a total of ~800,000t/year of calcrete/limestone will be required over the life of the Project for acid neutralisation purposes. While valley floor calcrete resources were noted in the general region, Metals X have subsequently taken action to define and secure calcrete resources.

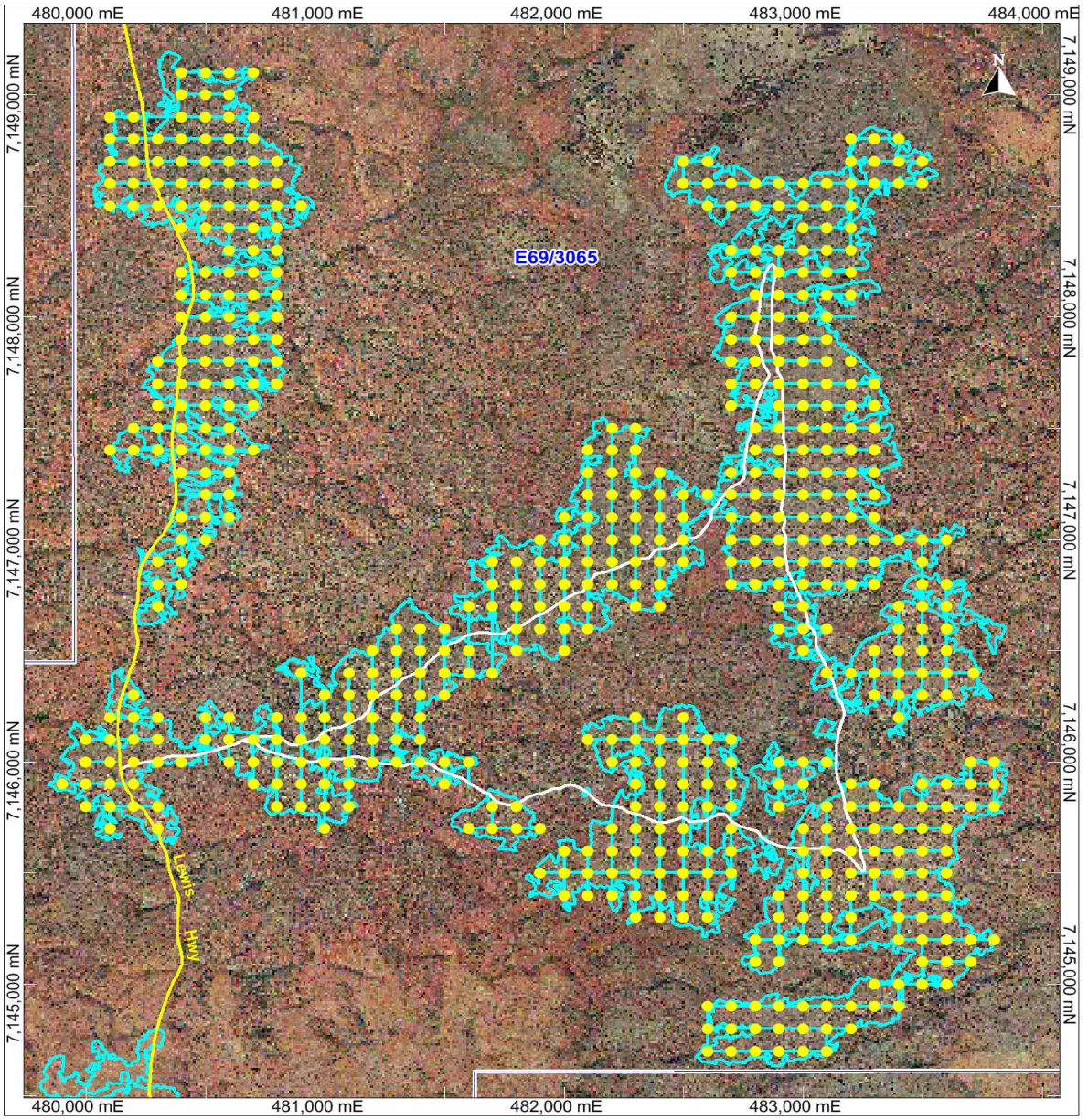
Exploration Licence E69/3065 located within WA, approximately 25km northwest of the Wingellina township was acquired in 2013 to cover identified valley calcrete resources now known as the Lewis Calcrete Deposit. Initial drill testing comprising 89 shallow reconnaissance 100 metre spaced RC holes along a 9km access track was completed in 2014 with 579 samples submitted for analysis. Test work subsequently confirmed good quality calcrete with CaO+MgO+LOI exceeding 70% confirmed in 68 of the holes drilled. The calcrete is calcium-rich, with MgO rarely exceeding 2%. The base of the calcrete profile was found to occur at a depth of about 6 metres below surface.

Resource definition drilling commenced in late 2020 with the planned program as shown on Figure 3 approximately 50% completed. The program was postponed due to COVID restrictions, when completed, the results from this program will be used to quantify and ascertain the continuity of the best quality calcrete in the deposit for HPAL process requirements. Additional calcrete deposits occur elsewhere on the tenement that may also be utilised as a source for haul road construction materials for the Project.

Water Resources

Water supply is a critical aspect of the Project, with approximately 2.1m^3 of raw water supply required per tonne of ore feed to the mill. This requires approximately 1,200 m^3/hour of raw water to be supplied to the operation from a combination of bores and mine dewatering sources.
Two locations within 100km of Wingellina, and with a high potential to supply the operational water requirements, were identified as part of the P1FS, being the Cobb Embayment of the Canning Basin, and the Officer Basin situated approximately 100km to the north and 140km to the south respectively (based on likely pipeline distances). Investigations into these potential water resources were undertaken by consultants Rockwater Pty Ltd between 2010 and 2012 with the conclusion that both areas could provide the required water resources for the planned operation, albeit with differing infrastructure requirements.

Recently a third potential water source, the Mann Fault Palaeovalley, was identified just north of the Wingellina resource area and is thought to have the potential to provide lower cost start-up water for the construction and development of the project.



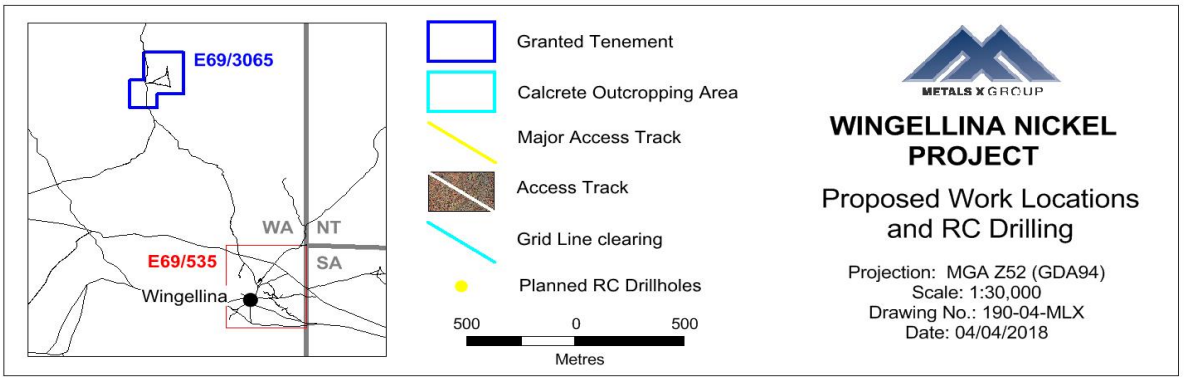


Figure 3 - Lewis Calcrete Deposit - Planned Resource Definition Drilling

Public Environmental Review

The Project was referred to the Environmental Protection Authority ("EPA") in September 2013 under Section 38 (Part IV) of the Environmental Protection Act 1986 ("EP Act"). In November 2013 the EPA determined that the Project required formal assessment under the EP Act and set a Public Environment Review ("PER") level of assessment with an eight week public review period.

A PER is required for projects of regional and/or State-wide significance which raise a number of significant environmental factors or issues, some of which are considered complex and require detailed assessment. The EPA requires a formal public review, and compliance with the EP Act, to ensure that such proposals are implemented and managed in an environmentally acceptable manner.

The Environmental Scoping Document ("ESD") for the proposal was approved on 11 July 2014 and the PER document was released for public review from 14 September 2015 to 9 November 2015.

The report and recommendations of the EPA were returned on 15 June 2016 with the Minister for the Environment noting that the EPA has concluded that the Wingellina proposal may be implemented to meet the EPA's objectives, provided the implementation of the proposal is carried out in accordance with the recommended conditions as follows:

- Requirement for a revised air quality management plan to minimise the impacts of atmospheric and particulate emissions; and
- Requirement to minimise impacts to *Goodenia sp. aff. quasilibera* (a small herbaceous plant) at the species and population level (NB: populations of this species have been located within the proposed Officer Basin water borefield area of L69/12 and have not been found to occur anywhere else on the Project tenements or within the geological units of the Musgraves).

The imposed conditions were accepted by Metals X and on 2nd September 2016 Metals X received a signed Ministerial Statement (No. 1034) that the Wingellina Nickel Project proposal may be implemented.

A condition of the environmental approval is the requirement for Hinckley Range to submit an annual report on performance and compliance which has been done.

Renewal of the EPA approval has been lodged with a request to remove the condition of the Goodenia sp. aff. quasilibera as additional data since 2016 has shown the Goodenia not to be as rare as originally thought.

Other Government Approvals

Outstanding government approvals will pertain to the finalisation of the planned infrastructure routes and the final detailed mine permitting by the DMIRS.

Infrastructure Routes

As defined by the P1FS, the Wingellina operation will require significant tonnages of reagents to be brought to site and for the final product to be transported to port for sale. Metals X have continued to consider the transport infrastructure routes for the Project as shown on Figure 4. Options for road haulage via Uluru (Ayres Rock) to the Impadna rail siding and through the APY Lands to the Indulkana rail siding remain the preferred options.

Discussions with the Department of Planning and Infrastructure in the Northern Territory have previously been undertaken in relation to the proposed infrastructure corridor and the use of the Lasseter Highway as a haulage route.

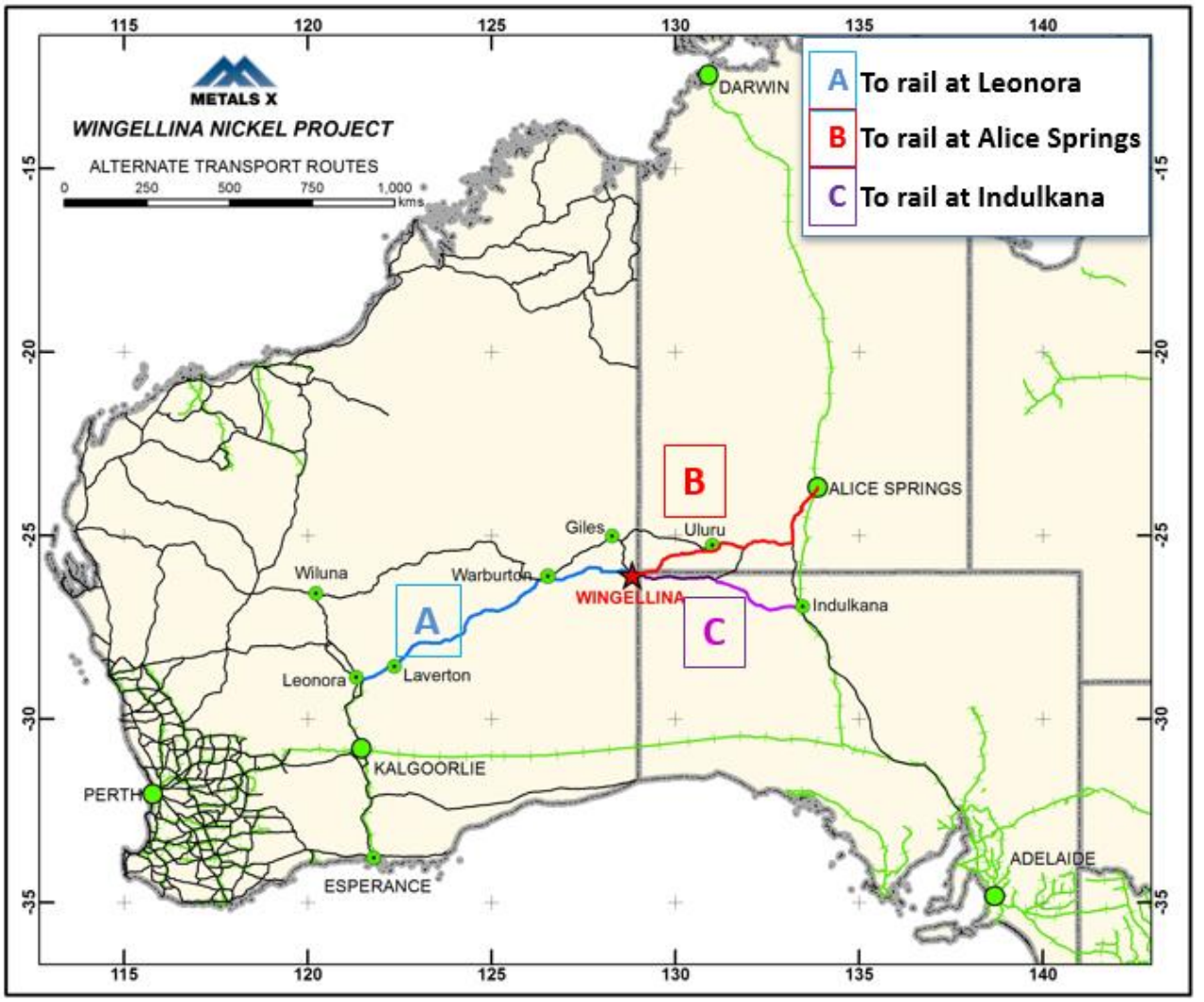


Figure 4 - Wingellina - Potential Road Infrastructure Routes

Gas Pipeline

The P1FS contemplated sourcing gas from the Mereenie gas field to Wingellina via a new pipeline of approximately 350km (Figure 5). The Mereenie field is currently owned 50% by Central Petroleum and 50% by Macquarie. However, since the Mereenie field is connected to the Amadeus to Darwin pipeline system, gas could potentially be bought from other connected suppliers via a gas swap agreement.

Metals X has investigated various gas supply options, including from Western Australia, and has had preliminary discussions with a number of groups and is confident that gas supply to the Project will not be an issue. Metals X continues to engage with Government representatives, third party infrastructure providers and other mining companies with projects in the region in order to progress options for provision of gas.

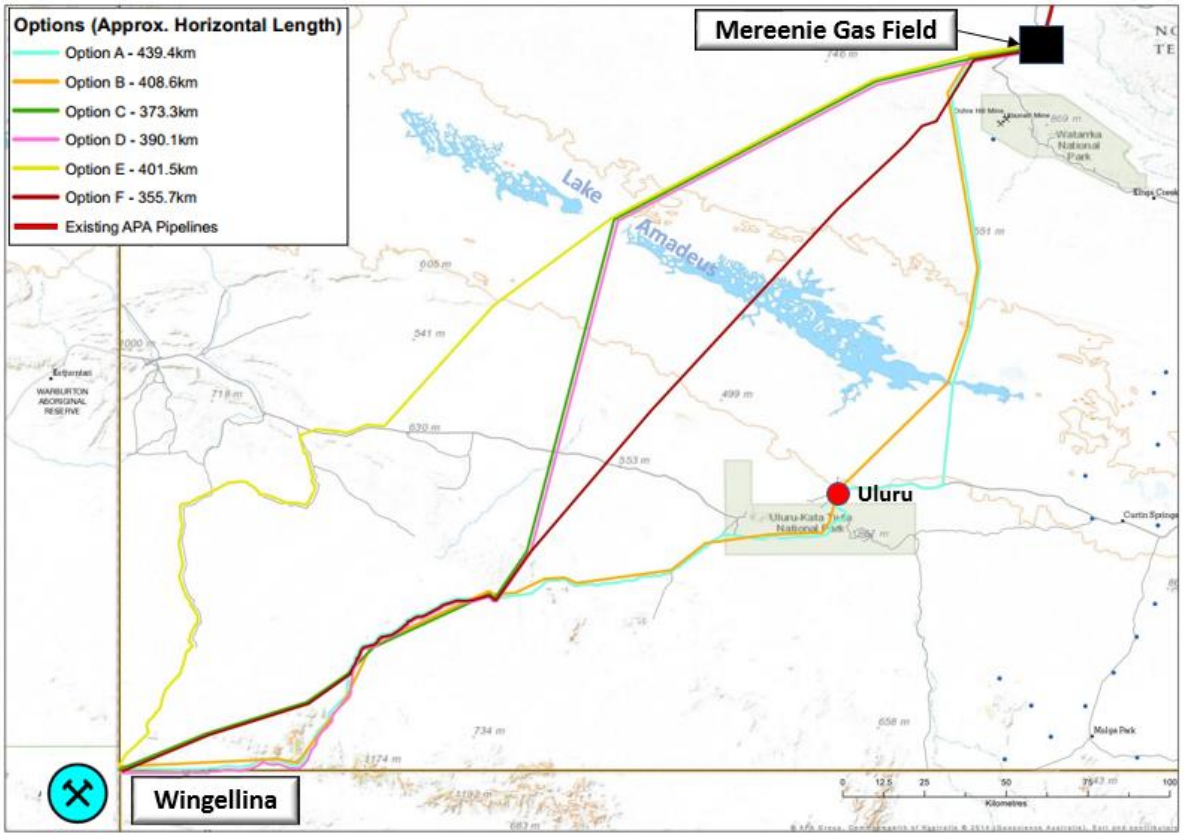


Figure 5 - Location of Mereenie Gas Field & Possible Pipeline Routes

Land Access Agreement

On 16th July 2010, Hinckley Range Pty Ltd (a wholly owned subsidiary of Metals Exploration), the Yarnangu Ngaanyatjarraku Parna Aboriginal Corporation, the Ngaanyatjarra Council (Aboriginal Corporation) and the Ngaanyatjarra Land Council (Aboriginal Corporation) executed the Wingellina Project Agreement which provides for the future grant of Mining Leases, the construction and operation of the future Wingellina mine and details the associated compensation considerations.

Additional Studies

Since 2008 Metals X has also undertaken various other studies to enhance the understanding of the Wingellina deposits and ways to optimally exploit the resource including the successful production of a Mixed Sulphide product and the production of both Nickel and Cobalt Sulphates. The successful extraction of Scandium from the ore. Ore characterisation and materials handling test work and the review and trial of various process alternative.

The company believes that the economics of the project remains robust and is looking forward to working towards and updating the Feasibility over the next 2 years.

This announcement has been authorised for release by the Board.

CONTACTS

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Competent Person's Statement

The Exploration Targets, Exploration Results and Mineral Resources information has been compiled by Mr Tony Donaghy who is a Principal Consultant and Technical Director Nickel with CSA Global in Perth, Western Australia. Mr Donaghy takes overall responsibility for the Report as Competent Person. Mr Donaghy is a Registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario, an RPO and has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" The Competent Person, Mr Donaghy has compiled the Mineral Resources statement and given permission for the publication of this information in the form and context within which it appears in this report.

The Ore Reserves information in this report has been compiled by Mr Mark Laing, an employee of CSA Global. Mr Laing takes overall responsibility for the Report as a Competent Person. Mr Laing is a Member of the AusIMM and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the JORC Code (2012 Edition). The Competent Person, Mr Laing has compiled the Ore Reserve statement and given permission for the publication of this information in the form and context within which it appears in this report.

In accordance with the requirements of ASX LR 5.9.2, JORC Table 1 Sections 1,2,3 and 4 are attached as Appendix 1.

Appendix A JORC Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Commentary
Sampling techniques, drilling techniques, and drill sample recovery	**Diamond drilling** A small portion of the data used in resource calculations at the Central Musgrave Project (CMP) has been gathered from diamond core. This core is geologically logged before sampling. **Reverse circulation percussion (RC) drilling** RC drilling has been utilised extensively at the CMP. Drill cuttings are extracted from the RC return via cyclone. The underflow from each interval is transferred via a bucket to a four-tiered riffle splitter, delivering approximately 3 kg of the recovered material into calico bags for analysis. The residual material is retained on the ground near the hole. Composite samples are obtained from the residue material for initial analysis, with the split samples remaining with the individual residual piles until required for re-split analysis or eventual disposal. **Historical** A variety of drilling methods were employed by INCO, including churn drilling (102 holes) DDH (19 holes) RAB drilling (2,643 holes), vacuum (77 holes), and Becker drilling (102 holes). Sample recovery from early drilling by INCO is not known. Sample recovery from RC drilling carried out from RC drilling after 2001 was generally very good, except where the drillhole encountered strong water flow from the hole. All geology input is logged and validated by the relevant area geologists, incorporated into this is an assessment of sample recovery. No defined relationship exists between sample recovery and grade. Nor has sample bias due to preferential loss or gain of fine or coarse material been noted.
Logging	Diamond core is logged geologically and geotechnically. RC hole chips are logged geologically. Logging is quantitative in nature. All holes are logged completely.
Sub-sampling techniques and sample preparation	A sample of each 5 ft of drilling from INCO drilling was quartered and forwarded for assay, either to AMDEL in Adelaide, or to INCO's in-house laboratory at Blackstone. Samples of RC drilling taken before 2006 were composited on a 3 m or 4 m basis, and the composite was assayed. A 1 m riffle split sample was also taken for each metre drilled and was submitted for analysis if the composite assayed >0.4% Ni. Sub-sampling for the 2006 and later RC drilling was riffle split for each 2 m sample drilled. Chips/core chips undergo total preparation. Quality assurance/quality control (QAQC) is currently ensured during the sub-sampling stages process via the use of the systems of an independent NATA/ISO accredited laboratory contractor. A portion of the historical informing data has been processed by in-house laboratories. The sample size is considered appropriate for the grain size of the material being sampled. The un-sampled half of the diamond core is retained for check sampling if required. For RC chips regular field duplicates are collected and analysed for significant variance to primary results.
Quality of assay data and laboratory tests	Samples of INCO's drilling were dried and assayed by atomic absorption spectrometry (AAS) either at AMDEL in Adelaide, or at INCO's in-house laboratory at Blackstone. The digest method was not specified. Samples were assayed for nickel, cobalt, and iron. Analytical quality control was maintained by the insertion of standard samples and re-analysis of duplicates at separate laboratories at a frequency of two check analyses for every 20 samples. Composite samples of RC drilling completed in 2001 were submitted to AMDEL, dried and pulverised, and assayed for Ni, Co, Ag, As, Bi, Cu, Cr, Fe, Mg, Mn, Pb, S, Sb, Ti, V, Zr, Ca and Al by HF-multi-acid digest/inductively coupled plasma-optical emission spectroscopy (ICP-OES). The 1 m riffle-splits for any composite sample assaying >0.4% Ni were retrieved, and re-assayed using the same method. Composite samples from 2002 to 2004 were assayed for Al, Ca, Cr, Fe, Mg, Mn, Ni, Si, Ti by borate fusion ICP-OES, and for Ag, As, Bi, Co, Cu, Ni, Pb, S, Sb, V, Zr by HF-multi-acid digest/ICP-OES. During 2005, 2 m composite riffle split (or spear-sampled for wet samples) samples were sent to SGS Laboratories in Perth. Each 2 m composite sample was dried and pulverised to a nominal 90% passing 75 microns and analysed for:

Criteria	Commentary
	As, Bi, Co, Cu, Ni, Pb, S and Zn by ICP-OES. Samples returning >0.4% Ni were re-assayed for Ni, Co, Al_2O_3, CaO, K_2O, Fe_2O_3, MgO, MnO, Na_2O, SiO_2, V_2O_5, TiO_2, Cr, SO_3, Cu, Zn by fused disc XRF. After 2005, 2 m composite riffle split (or spear-sampled) samples were sent to SGS Laboratories in Perth. Each sample was pulverised to nominal 90% passing 75 µm for analysis for assay for Ni, Co, Al_2O_3, SiO_2, TiO_2, Fe_2O_3, MnO, CaO, K_2O, MgO, SO_3, Na_2O, V_2O_5, Cr, Cu and Zn by fused disc XRF. Duplicate samples were taken by spearing the sample pile on the ground approximately every 20 samples, and an in-house standard was inserted into the sample run every alternate 20 samples. No significant QAQC issues have arisen in recent drilling results. These assay methodologies are appropriate for the resource in question.
Verification of sampling and assaying	Anomalous intervals, as well as random intervals, are routinely checked assayed as part of the internal QAQC process. Virtual twinned holes have been drilled in several instances across all sites with no significant issues highlighted. Primary data is loaded into the drillhole database system and then archived for reference. All data used in the calculation of resources and reserves are compiled in databases that are overseen and validated by senior geologists. No primary assays data is modified in any way.
Location of data points	All hole collar locations for RC holes drilled after 2000 were surveyed using a Real-Time Kinematic global positioning system (GPS). This measured X, Y and Z to sub-centimetre accuracy in terms of the MGA 94, Zone 52 metric grid. Hole collars for almost all INCO drillholes were relocated and surveyed using the TREK GPS. Several INCO collars could not be located, and their MGA positions are estimated from their drilled location on the original INCO Imperial local grid. Topographic control is generated from a combination of remote sensing methods and ground-based surveys. This methodology is adequate for the resource in question.
Data spacing and distribution	Drillhole spacing at CMP is generally on a 120 m x 50 m spacing. This has been infilled to 60 m x 50 m and 30 m x 25 m spacing in some areas. The data spacing is sufficient for both the estimation procedure and resource classification applied. Compositing of drill assay data to 2 m was used in the estimate.
Orientation of data in relation to geological structure	Drilling intersections are nominally designed to be sub-normal to the orebody. It is not considered that drilling orientation has introduced an appreciable sampling bias.
Sample security	Samples are delivered to a third party transport service, who in turn relay them to the independent laboratory contractor. Samples are stored securely until they leave site.
Audits or reviews	Site generated resources and reserves and the parent geological data is routinely reviewed by the Metals X Limited (Metals X) Corporate technical team.

Section 2: Reporting of Exploration Results

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

Criteria	Commentary
Mineral tenement and land tenure status	The CMP comprises five granted exploration leases and one granted miscellaneous lease. Native title interests are recorded against the CMP tenements. The CMP tenements are held by Austral Nickel Pty Ltd (South Australia) and Hinckley Range Pty Ltd (Western Australia). Metals X has 100% ownership of both companies. One third party royalty agreement applies to the tenements at CMP, over and above the state government royalty. Hinckley Range Pty Ltd and Austral Nickel Pty Ltd operate in accordance with all environmental conditions set down as conditions for grant of the leases. There are no known issues regarding the security of tenure. There are no known impediments to continued operation.
Exploration done by other parties	The CMP area has an exploration history that extends back to the 1960s, with significant contributors being INCO, Acclaim Exploration Ltd (Acclaim) and Metex Nickel (now Metals X). On balance, Metals X work has generally confirmed the veracity of historical exploration data.
Geology	The Musgrave Block is an east-west trending, structurally bounded mid-Proterozoic terrane some 130,000 km^2 in area, straddling the common borders of Western Australia, South Australia, and the Northern Territory.

Criteria	Commentary
	Deep weathering of olivine-rich ultramafic units has resulted in the concentration of nickel mineralisation. The olivines in the ultramafic units have background values of about 0.15% Ni to 0.3% Ni. The almost complete removal of magnesium oxide and SiO_2 to groundwaters during the weathering of olivines in the ultramafic units resulted in extreme volume reductions and consequent significant upgrading of other rock-forming oxides (Fe_2O_3, Al_2O_3) and metal element concentrations in the weathered profile.
Drillhole Information	No drillhole information is being presented as Exploration Results.
Data aggregation methods	No drillhole information is being presented as Exploration Results, a Mineral Resource estimate has been completed.
Relationship between mineralisation widths and intercept lengths	No drillhole information is being presented as Exploration Results, a Mineral Resource estimate has been completed.
Diagrams	No drillhole information is being presented as Exploration Results.
Balanced reporting	No drillhole information is being presented as Exploration Results, a Mineral Resource estimate has been completed.
Other substantive exploration data	No drillhole information is being presented as Exploration Results.
Further work	No drillhole information is being presented as Exploration Results.

Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section)

Criteria	Commentary
Database integrity	Drillhole data is stored in a MaxGeo DataShed system based on the Sequel Server platform which is currently considered "industry standard". As new data is acquired it passes through a validation approval system designed to pick up any significant errors before the information is loaded into the master database. The information is uploaded by a series of Sequel routines and is performed as required. The database contains diamond drilling (including geotechnical and specific gravity data), and some associated metadata. By its nature, this database is large in size and therefore exports from the main database are undertaken (with or without the application of spatial and various other filters) to create a database of workable size, preserve a snapshot of the database at the time of orebody modelling and interpretation and preserve the integrity of the master database.
Site visits	The site is manned continually by Senior Geological personnel. The Competent Person has undertaken site visits in the recent past.
Geological interpretation	Confidence in the geological model used to constrain the Wingellina estimate is high, with the genetic model for lateritic nickel development well understood. Logged geology has been used to drive the mineralisation interpretation, with the base of laterite defined with drillholes, or its level on a given section interpreted from surrounding drill sections. Continuity of the interpretation across and along the Wingellina deposit is for the most part good, with intersections of hard rock in drillholes, and well-mapped outcropping basement the primary causes of breaks within the mineralised horizon. No alternative interpretations are currently considered viable. Geological interpretation of the deposit was carried out using a systematic approach to ensure that the resultant estimated Mineral Resource figure was both sufficiently constrained, and representative of the expected subsurface conditions. In all aspects of resource estimation, the factual and interpreted geology was used to guide the development of the interpretation. The protolithology is the dominant control on grade continuity at the CMP. Structural controls which influence the depth of weathering are secondary controls on grade distribution.
Dimensions	Individual deposit scales vary across the CMP. The Wingellina deposits have a strike length of >9 km, a lateral extent of up to 2.5 km and a depth of up to 200 m.
Estimation and modelling techniques	All modelling and estimation work undertaken was carried out in three dimensions via Micromine or Surpac Vision. After validating the drillhole data to be used in the estimation, interpretation of the orebody is undertaken in sectional and/or plan view to create the outline strings which form the basis of the three-dimensional (3D) orebody wireframe. Wireframing is then carried out using a combination of automated stitching algorithms and manual triangulation to create an accurate 3D representation of the subsurface mineralised body.

Criteria	Commentary
	Drillhole intersections within the mineralised body are defined, these intersections are then used to flag the appropriate sections of the drillhole database tables for compositing purposes. Drillholes are subsequently composited to allow for grade estimation. In all aspects of resource estimation the factual and interpreted geology was used to guide the development of the interpretation. Once the sample data has been composited, a statistical analysis (using Snowden Supervisor v8.5) is undertaken to assist with determining estimation search parameters, top cuts, etc. Variographic analysis of individual domains is undertaken to assist with determining appropriate search parameters. Which are then incorporated with observed geological and geometrical features to determine the most appropriate search parameters. An empty block model is then created for the area of interest. This model contains attributes set at background values for the various elements of interest as well as density, and various estimation parameters that are subsequently used to assist in resource categorisation. The block sizes used in the model will vary depending on orebody geometry, minimum mining units, estimation parameters and levels of informing data available. Grade estimation is then undertaken, with the ordinary kriging estimation method considered as standard, although in some circumstances where sample populations are small, or domains are unable to be accurately defined, inverse distance weighting estimation techniques may be used. Both by-product and deleterious elements are estimated at the time of primary grade estimation if required. It is assumed that by-products correlate well with nickel. There are no assumptions made about the recovery of by-products. The resource is then depleted for mining voids and subsequently classified in line with JORC guidelines utilising a combination of various estimation derived parameters and geological/mining knowledge. This approach has proven to be applicable to Metals X's nickel assets. Estimation results are routinely validated against primary input data, previous estimates, and mining output.
Moisture	Tonnage estimates are dry tonnes.
Cut-off parameters	The resource reporting cut-off grade is 0.5% Ni. The reporting cut-off used was based on MLX's current interpretation of commodity markets, and to allow peer group comparison.
Mining factors or assumptions	Not considered for Mineral Resources. Applied during the Reserve generation process.
Metallurgical factors or assumptions	Not considered for Mineral Resources. Applied during the Reserve generation process.
Environmental factors or assumptions	MLX stated that they operated in accordance with all environmental conditions set down as conditions for grant of the respective leases.
Bulk density	Sampling of HQ diamond drill core was used to determine the dry density of laterite ore. The average measured dry density is 1.23 t/m^3 for limonite ore and 1.40 t/m^3 saprolite ore. A total of 281 triple-tube HQ core samples were collected immediately from the core barrel and measured for bulk density on site. The core length was measured for diameter and length (square-cut ends), dried for 24 hours in a gas oven at 120°C, and weighed. Density was calculated by dividing the weight (kg) of the dry sample by the volume of the core piece.
Classification	Resources are classified in line with JORC guidelines utilising a combination of various estimation derived parameters, the input data and geological/mining knowledge. This approach considers all relevant factors and reflects the Competent Person's view of the deposit.
Audits or reviews	Resource estimates are peer-reviewed by the site technical team as well as Metals X's Corporate technical team.
Discussion of relative accuracy/ confidence	All currently reported resource estimates are considered robust, and representative on both a global and local scale.

Section 4: Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section)

Criteria	Commentary
Mineral Resource estimate for conversion to Ore Reserves	At all projects, all resources that have been converted to reserve are classified as either an Indicated or Measured Resource. Indicated Resources are only upgraded to Probable Reserves after adding appropriate modifying factors. Some Measured Resource may be classified as Proven Reserves and some may be classified as Probable Reserves based on whether it is capitally or fully developed.

Criteria	Commentary
Site visits	Irregular site visits have been undertaken. The reserve has remained consistent since the 2008 Feasibility Study was completed.
Study status	A Feasibility Study utilising a combination of internal and external expertise has been undertaken to allow the conversion of Mineral Resources to Ore Reserves.
Cut-off parameters	The cut-off grade used for inclusion in the CMP Reserve was determined through the Feasibility Study process. Cobalt co-product revenue is considered by the Feasibility Study.
Mining factors or assumptions	Whittle 4D was used to formulate optimal pit shell, with subsequent designs being undertaken in Surpac. Mining studies indicate most material will be free digging, but an allowance has been made to blast some material. The material outcrops and has an overall strip ratio of 1.1:1. Due to the shallow nature and expected ground conditions, slope angles are low. Geotechnical data has been obtained through logging. The Mineral Resource was used to formulate the Ore Reserves. Due to the bulk nature of the deposit, limited dilution factors have been used, combined with high recovery factors.
Metallurgical factors or assumptions	Based on this preliminary assessment, the Wingellina deposit may be processed by a pressure acid leach flowsheet. Pressure acid leach is a proven nickel extraction method both in Australia and globally. Extensive testwork including at pilot plant scale has been conducted on CMP material over the period 1965 to 2013. Alternate processing options are actively being tested.
Environmental	Waste dumps were considered during the Feasibility Study. A draft Public Environmental Notice has been completed and will be published.
Infrastructure	Limited infrastructure is currently present. All required infrastructure was considered in the Feasibility Study. Infrastructure is considered standard for a remote site setup.
Costs	The Feasibility Study was completed in 2008 using both independent and internal cost estimates. These costs were updated in 2012. Both government and private royalties are payable. All royalties were considered as part of the Feasibility Study.
Revenue factors	The Feasibility Study progressed utilising assumptions regarding foreign exchange rates and commodity prices presented below. These prices have been set by corporate management and are considered a realistic forecast of expected commodity prices and exchange rates over the initial period of projected operation at Wingellina. • Ni = US$20,000/t • Co = US$45,000/t • Exchange rate (A$:US$) US$0.85. Head grades have been defined via Whittle optimisation and subsequent scheduling.
Market assessment	Detailed economic studies of the nickel market and future price estimates are considered by Metals X and applied in the estimation of revenue, cut-off grade analysis and future mine planning decisions. There remains strong demand and no apparent risk to the long-term demand for the nickel generated from the CMP.
Economic	For the CMP, which is yet to be funded, an 8% real discount rate is applied to net present value analysis. Sensitivity analysis of key financial and physical parameters is applied to future development project considerations and mine.
Social	The CMP is yet to start and will require environmental and other regulatory permitting.
Other	A Native Title agreement has been reached.
Classification	The basis for classification of the resource into different categories is made on a subjective basis. Measured Resources have a high-level of confidence and are generally defined in three dimensions. Indicated resources have a slightly lower level of confidence but contain substantial drilling and are well defined from a mining perspective. Inferred Resources always contain significant geological evidence of existence and are drilled, but not to the same density. There is no classification of any resource that is not drilled or defined by substantial physical sampling works. Some Measured Resources have been classified as Proven and some are defined as Probable Reserves based on subjective internal judgements. The result appropriately reflects the Competent Person's view of the deposit.

Criteria	Commentary
Audits or reviews	Site generated reserves and the parent data and economic evaluation data is routinely reviewed by the Metals X Corporate technical team. Resources and Reserves have in the past been subjected to external expert reviews, which have ratified them with no issues. There is no regular external consultant review process in place.
Discussion of relative accuracy/confidence	All currently reported reserve calculations are considered representative on a global scale. Only material considered as part of the Feasibility Study has been included as part of the reserve statement. Limited modifying factors have been applied due to the massive nature of the deposit and the closeness to the surface.