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25 January 2022

Julimar Auger Geochemical Results

Highlights:

- **Roadside auger geochemistry sampling program completed December 2021**
- **Two areas anomalous in base metals Nickel and Chromium, typical of Julimar type targets**
- **Land access negotiations initiated to allow for detailed geochemical sampling in H1 2022**
- **Geophysical service provider New Resolution Geophysics planning helicopter electromagnetic survey (HEM) at the Julimar Project early 2022**

Lycaon Resources Ltd (ASX:LYN) (**Lycaon** or the **Company**) is pleased to announce two areas returned anomalous base metal nickel and chromium results from the first pass road-side auger geochemical sampling program completed at the Julimar Project, 45km east of Perth, Western Australia (**Julimar Project**), Figure 1.

The road-side auger sampling program was designed as a first pass geochemical survey to cover public roads within the project area comprising two granted exploration licences E70/5416 and E70/5415 located in the Western Yilgarn area of Western Australia. The exploration licences are within the Jimperding Metamorphic Belt host to the recent Gonneville discovery of 330Mt @ 0.94g/t Pd+Pt+Au, 0.16% Ni, 0.10% Cu, 0.016% Co[1], making it the largest PGE discovery in Australian history.

The auger drill sampling technique took a single point sample up to 50cm from surface which is effectively a surficial sample. The results of the sampling program will be viewed in conjunction with the planned helicopter EM survey results to prioritise targets for follow up exploration work for the remainder of 2022.

Lycaon considers that the tenements may be prospective for nickel, copper and PGEs, but limited exploration has been conducted on the tenements to date. Initial work programs will consist of reconnaissance exploration including soil sampling and ground geophysical surveys prior to drilling.

Mr Thomas Langley, Technical Director commented "This initial auger sampling program has highlighted the potential of the Julimar Project, with two areas anomalous in both nickel and

chromium base metals already being identified is incredibly encouraging. With further geochemical sampling across the broader project area and the upcoming HEM survey, we will hopefully have some exciting targets to drill in H2 2022."

Geophysical service provider New Resolution Geophysics (NRG) have been appointed to undertake a helicopter electromagnetic survey (HEM) at the Julimar Project early 2022. This high-resolution geophysical survey will provide detailed geological information and allow three-dimensional modelling of targeted anomalies. Anticipated to take three – four days, the high-resolution geophysical survey will be conducted with the NRG flying XciteTM HEM system at a minimum 100m line spacing.

The system provides uninterrupted 'soundings' from near surface to >300m depth of investigation, simultaneously collect high resolution conductivity data and infill less detailed publicly available magnetic data. The interpreted shallow depth to basement for the Julimar Project enhances the effectiveness of the survey.

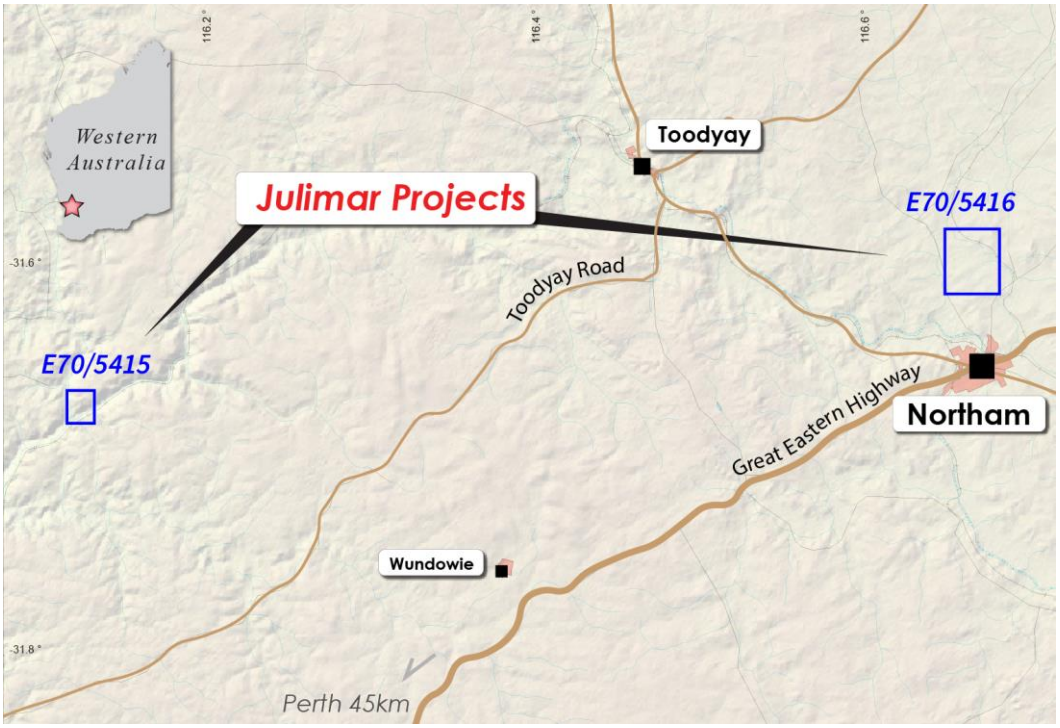

Figure 1. Lycaon Resources Julimar Project location.

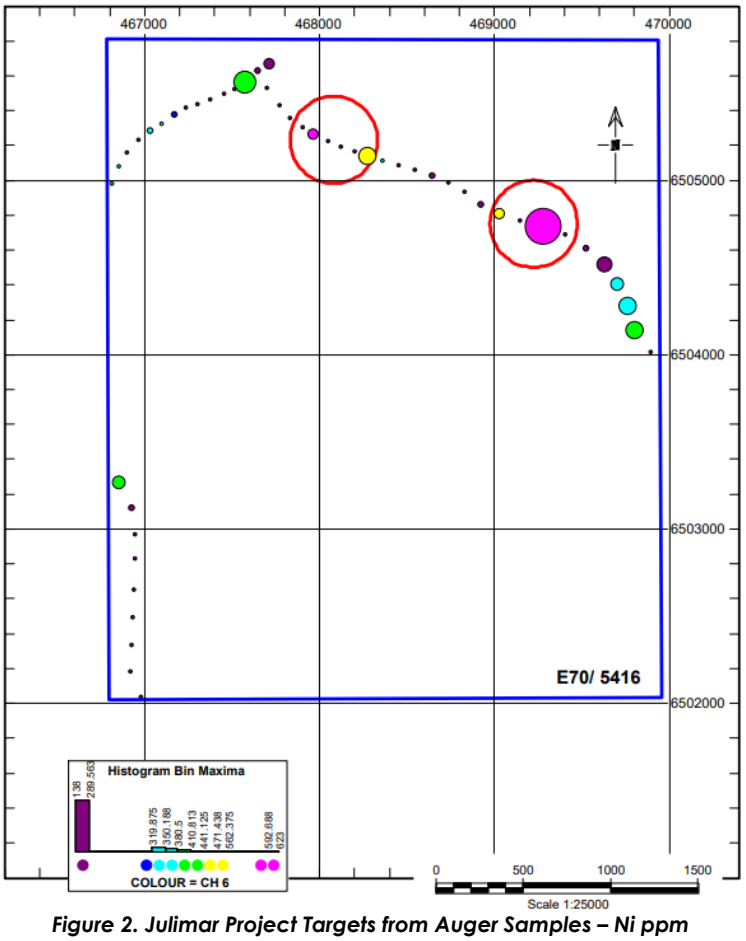

Figure 2. Julimar Project Targets from Auger Samples – Ni ppm

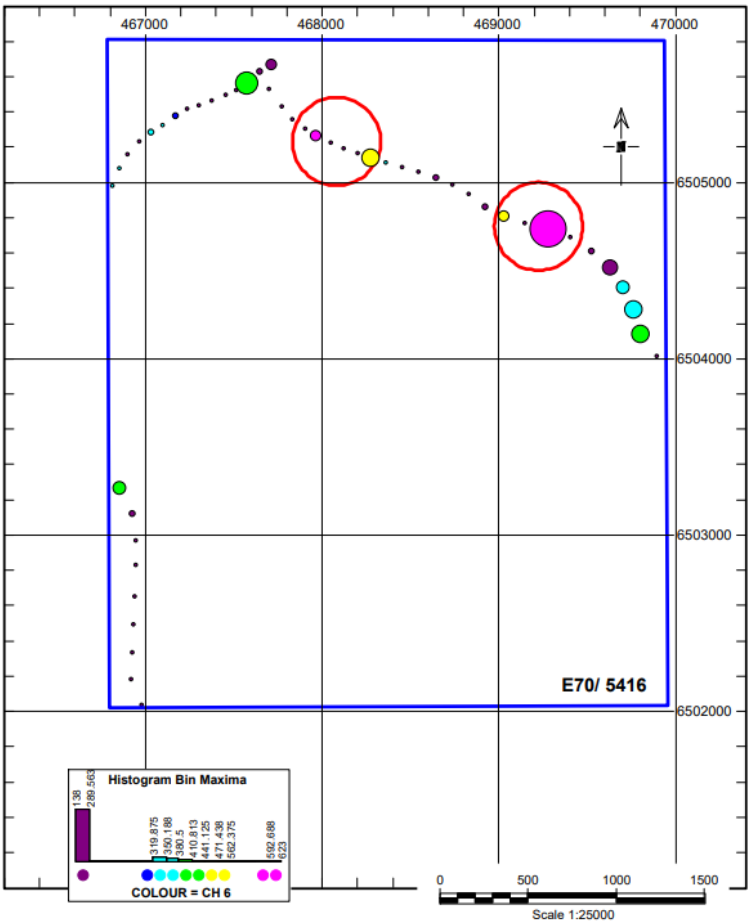

Figure 3. Julimar Project Targets from Auger Samples – Cr ppm

Julimar Project *(Nickel-Copper-PGE)*

The Julimar Project comprises two (2) granted Exploration Licences, located 40km northeast and 85km east-northeast of Perth. The project licences cover an area of approximately 15km². Lycaon's Julimar Project lies 20km south (E70/5415) and 45km east (E70/5416) of the Julimar Nickel-Copper-PGE discovery.

During March 2020, Chalice Gold Mines Limited (Chalice, ASX:CHN) discovered extensive high-grade palladium and nickel mineralisation at its Julimar Nickel-Copper-PGE Project[2]. The Jimperding Metamorphic Belt is considered an emerging Ni-Cu-PGE province; with the recent Gonneville discovery by Chalice, Caspin Resources Limited's (Caspin, ASX:CPN) XC-29 and Yarabrook Hill prospects, DevEx Resources Limited's (ASX:DEV) Sovereign Project and Pursuit Minerals Limited's (ASX:PUR) Phil's Hill prospect. Caspin intersected encouraging sulphide zones at its Yarawindah Brook Ni-PGE Project[3], located 45km north of Chalice's Julimar Project.

The prospective mafic-ultramafic bodies are hosted within the Jimperding Metamorphic Belt. The Jimperding Metamorphic Belt is the northern part of the southwestern Yilgarn Craton and comprises Archaean gneisses, arkosic paragneiss and banded-iron-formation, interleaved with a variety of garnetiferous orthogeniss and ultramafic units. The discovery has led to significant interest in the nickel-copper-PGE potential of the mafic-ultramafic complexes. Regional work conducted by Harrison (1986) suggested that some of the mafic and ultramafic bodies within the terrane may be the remnants of larger layered intrusives, providing exploration targets for platinum group elements (PGEs) mineralisation. Chalice's Julimar results to date appear to support this assessment.

Lycaon's Project has not historically been explored for copper and nickel mineralisation however geological mapping has highlighted numerous mafic-ultramafic intrusive bodies in the general area that may be associated with mineralisation.

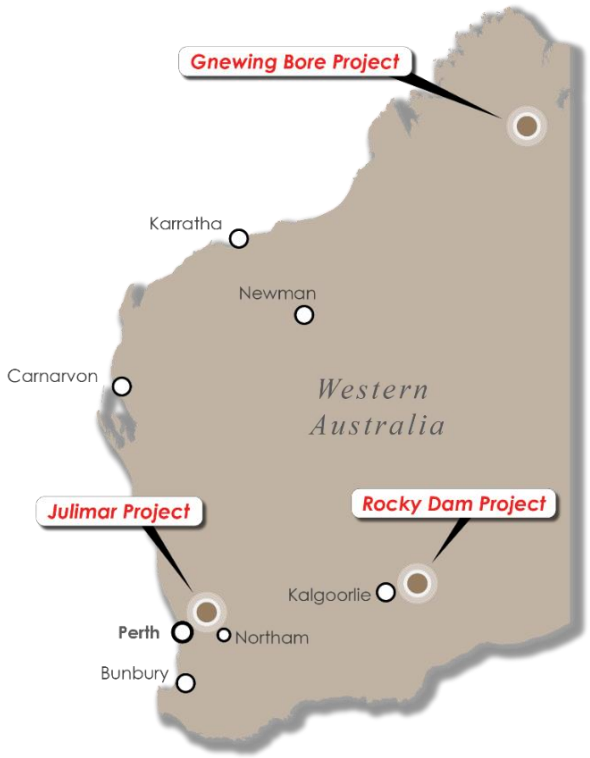

Figure 4. Lycaon Resources three major projects located in Western Australia.

This announcement has been authorised for release by the Directors of the Company.

Thomas Langley - *Technical Director*

For additional information please visit our website at www.lycaonresources.com

The information referred to in this announcement relates to the following sources:

[1] ASX.CHN 9 November 2021 Announcement Chalice Mining (markitdigital.com)
[2] ASX.CHN 23 March 2020 Announcement Chalice Mining (markitdigital.com)
[3] ASX.CPN Announcements 28 April 2021 Caspin Resources (markitdigital.com)

Competent Person's Statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Thomas Langley who is a member of the Australian Institute of Geoscientists (MAIG) and a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Thomas Langley is a full-time employee of Lycaon Resources Limited, and is a shareholder, however Mr. Thomas Langley believes this shareholding does not create a conflict of interest, and Mr. Langley 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 in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Langley consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the forma and context in which the Competent Person's findings are presented have not been materially modified from the original reports.

Hole ID	Easting (m)	Northing (m)	RL (m)	Depth	Ni_ppm	Cr_ppm	Tenement
LR002	469804	6504145	130.3	0.5	195	3033	E70/5416
LR003	469764	6504281	136.5	0.5	222	3021	E70/5416
LR004	469705	6504407	135.9	0.5	131	1644	E70/5416
LR005	469627	6504519	134.5	0.5	115	1933	E70/5416
LR008	469279	6504737	135	0.5	519	6121	E70/5416
LR010	469026	6504811	135	0.5	95	1402	E70/5416
LR013	468739	6504989	135.7	0.5	126	168	E70/5416
LR018	468275	6505144	132.5	0.5	548	3048	E70/5416
LR020	468121	6505198	125.7	0.5	6	89	E70/5416
LR021	468047	6505230	134.8	0.5	6	34	E70/5416
LR022	467964	6505266	123.2	0.5	180	1462	E70/5416
LR029	467575	6505568	126	0.5	300	3818	E70/5416
LR032	417012	6494452	23.7	0.5	32	19	E70/5415
LR035	417386	6494669	27.1	0.5	67	23	E70/5415
LR037	417570	6494757	30.8	0.5	102	85	E70/5415
LR040	417095	6494496	24	0.5	32	44	E70/5415
LR047	467032	6505289	140.5	0.5	110	645	E70/5416
LR049	466897	6505164	144.9	0.5	39	390	E70/5416
LR052	466850	6503273	134.5	0.5	103	1875	E70/5416

Hole ID	Easting (m)	Northing (m)	RL (m)	Depth	Ni_ppm	Cr_ppm	Tenement
LR056	466937	6502658	131.4	0.5	6	70	E70/5416
LR001	469897	6504017	134	0.5	6	162	E70/5416
LR006	469526	6504612	139.3	0.5	80	765	E70/5416
LR007	469403	6504695	135	0.5	40	176	E70/5416
LR009	469144	6504770	134.9	0.5	70	367	E70/5416
LR011	468923	6504868	136.4	0.5	105	636	E70/5416
LR012	468828	6504939	137	0.5	79	142	E70/5416
LR014	468641	6505027	126.3	0.5	59	406	E70/5416
LR015	468543	6505060	128.3	0.5	6	323	E70/5416
LR016	468453	6505090	130.8	0.5	22	214	E70/5416
LR017	468360	6505116	127.2	0.5	6	290	E70/5416
LR019	468200	6505166	128.4	0.5	17	135	E70/5416
LR023	467906	6505308	124.2	0.5	6	53	E70/5416
LR024	467833	6505362	125.5	0.5	6	135	E70/5416
LR025	467768	6505433	123.5	0.5	6	91	E70/5416
LR026	467699	6505531	128.4	0.5	27	157	E70/5416
LR027	467709	6505674	138.1	0.5	115	1169	E70/5416
LR028	467646	6505630	131.4	0.5	71	652	E70/5416
LR030	467516	6505527	128.1	0.5	6	92	E70/5416
LR031	416885	6494391	24.1	0.5	34	34	E70/5415
LR033	417174	6494531	24	0.5	37	25	E70/5415
LR034	417245	6494576	32.6	0.5	6	23	E70/5415
LR036	417458	6494704	23.6	0.5	6	24	E70/5415
LR038	417668	6494794	22.7	0.5	39	28	E70/5415
LR039	417804	6494859	26.2	0.5	6	57	E70/5415
LR041	467450	6505498	137.9	0.5	6	82	E70/5416
LR042	467375	6505465	138.7	0.5	6	94	E70/5416
LR043	467300	6505440	138	0.5	6	76	E70/5416
LR044	467234	6505420	130.9	0.5	6	90	E70/5416
LR045	467167	6505380	128.6	0.5	49	431	E70/5416
LR046	467096	6505330	133.3	0.5	31	385	E70/5416
LR048	466964	6505234	142.3	0.5	29	228	E70/5416
LR050	466850	6505085	147.7	0.5	6	36	E70/5416
LR051	466811	6504982	149	0.5	6	118	E70/5416
LR053	466922	6503123	135.2	0.5	70	484	E70/5416
LR054	466944	6502976	136.1	0.5	6	32	E70/5416
LR055	466941	6502834	142.2	0.5	6	61	E70/5416
LR057	466931	6502497	134.2	0.5	6	82	E70/5416
LR058	466927	6502338	135.3	0.5	6	76	E70/5416
LR059	466920	6502188	129.3	0.5	6	103	E70/5416
LR060	466975	6502040	136.7	0.5	6	83	E70/5416

JORC Code, 2012 Edition – Table 1 report template

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.*	**Auger Soil Samples** • Auger samples were collected by Gyro Drilling and submitted for analysis. • Auger soil samples were drilled with a power auger and a 1kg sample taken at a depth up to 0.5 metre in the C horizon. • Auger soil samples were ground dumped and geological data collected and digitally recorded. The 1kg samples were bagged and air dried in the field then delivered for pXRF testing by Gyro Drilling
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).*	Power auger drilling is an open hole technique.
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.*	Sample recovery is not assessed for power auger drilling as it is a geochemical method. Recoveries are inherently good as holes need to be clear to be drilled deeper.

Criteria	JORC Code explanation	Commentary
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.*	• None of the results are used in Mineral Resources Estimates. • Sample colour was qualitatively logged • Only the sampled interval ~0.5m is logged
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.*	**Auger Soil Samples** • Each selected 0.5m is sampled and sieved, subsampled to approximately 1kg. This sample is considered in excess of what is required and is representative of the drilled material. • Samples are sieved at the hole to -2mm, to ensure no large rock or organic particles are present.
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.*	**Auger Soil Samples** • All samples were collected and shipped to Gyro Drilling in Perth, then prepared as pressed pellets and tested by a NITON XL5 instrument, No #500781 • The pressed pulp samples were tested in a controlled environment, directly onto sample in the Mining Mode using the fundamental parameters method, were filters set to 15 seconds for Main, Low and High with 45 seconds for the Light Metals. • The blanks, duplicates and calibrations samples were inserted 1 in 20 in the field at time of sampling and were used to check the samples, assay lab and pXRF.
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,*	**Auger Soil Samples** • Auger samples and geological information is written in field books and coordinates and track data saved from handheld GPSs used in the field.

Criteria	JORC Code explanation	Commentary
	data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	• Field data is entered into excel spreadsheets to be loaded into a database. • Significant results for auger drilling, or other geochemical programmes do not require twinning or independent verification.
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.*	• All sample locations were recorded with a Garmin handheld GPS which has an accuracy of +/- 5m. • GDA94 MGA Z50.
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.*	• Sample spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource. • Data from Auger sampling or other soil sampling will not be used in Mineral Resource Estimations.
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.*	Power auger holes were spaced approximately every 100m along public access roads at the Julimar Project.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by Gyro Drilling. All geochemical samples were collected, bagged, and sealed by Gyro Drilling staff for transport to Perth for analysis
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No detailed audits or reviews have been completed.

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land	• *Type, reference name/number, location and ownership including agreements or material issues with third*	Lycaon Resources Julimar Project consists of two granted tenements E70/5415 and E70/5416.

Criteria	JORC Code explanation	Commentary
tenure status	*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.*	
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Previous work within the general project area focused on the evaluation of the region for surface bauxite deposits, little to no exploration has been undertaken for nickel-copper and platinum group elements. Work undertaken by Australian Anglo American and North Flinders Mines (North Flinders) during the 1970s identified various prospects circa the townsite of Northam. This work included the identification of the Newleyine Prospect situated 4km to the southwest of E70/5416 and the Mt Dick Prospect situated 1km north of E70/5416. North Flinders document nickel and copper geochemical anomalies associated the magnetic signatures of mafic and ultramafic rocks at the Mt Dick and Newleyine Prospect. The geochemical samples were not analysed for PGEs. WAMEX Report A018602 During 1992 to 1994, BHP Minerals Pty Ltd (BHP) explored its Northam Project for Boddington-style Au-Cu mineralisation. Initial exploration involved roadside sampling of drainages and infill soil sampling. The data is not in a digital format however it appears that a single sample (DT3736) was taken within the area pertaining to current tenement E70/5416. The area was relinquished due to the sampling returning low level geochemical results. WAMEX Report A041816, A046911 During early 2000s, Sipa Exploration NL (Sipa) explored its Ularring Rock Project (tenement E70/2337). Sipa pegged the tenement on the basis of a single laterite sample anomalous in Au and W taken during a reconnaissance laterite sampling program. Sipa focused on an area to the northeast of E70/5416, referred to as the Centre Forest where they outlined wide intersections of subeconomic Au-Cu-Bi-W mineralisation in a garnet-biotite granulite unit that lies on a granite-granulite-amphibolite contact. Mineralisation was interpreted to be syn peak metamorphism. WAMEX Report A066830
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Julimar Project lies within the western part of the Archaean Yilgarn Craton, a large craton formed by the accretion, in several phases, of a host of techno-stratigraphic terranes of existing continental crust. The Jimperding Metamorphic Belt is the northern part of the southwestern Yilgarn Craton and comprises Archaean gneisses, arkosic paragneiss and banded-iron-formation, interleaved with a variety of

Criteria	JORC Code explanation	Commentary
		garnetiferous orthogeniss and ultramafic units. The Jimperding Metamorphic Belt is host to the recent Gonneville discovery by Chalice Mining of 330Mt @ 0.94g/t Pd+Pt+Au, 0.16% Ni, 0.10% Cu, 0.016% Co Several mafic to ultramafic bodies have been mapped within the vicinity of E70/5416; identified from outcrop, drilling and aeromagnetic interpretation. These bodies have all been variously interpreted as remnants of large, layered intrusions of probably tholeiitic affinity, or structure-controlled emplacement of sills with tholeiitic as well as komatiitic affinities.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	All information has been included within the text as Table 1.
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.*	Exploration results have not been cut, altered or aggregated.
Relationship between mineralisatio	• *These relationships are particularly important in the reporting of Exploration Results.*	True widths cannot be estimated for the power auger drill results. They do not intersect known geological units.

Criteria	JORC Code explanation	Commentary
n widths and intercept lengths	• *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').*	
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.*	• Refer to figures within this 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.*	• The accompanying document is a balanced report with a suitable cautionary note.
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.*	• There are no other exploration data that are material or should be reported.
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.*	• Follow up Auger is planned and will be undertaken to extend across the majority of the project area as access is permitted. Detailed helicopter electromagnetic survey (HEM), surface geochemistry and mapping prior to drilling.