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Drone Magnetic Survey and Auger Sampling Commenced at Rocky Dam

Highlights:

- **Detailed drone magnetic survey covering 29.5 km² at the Rocky Dam gold project to assist with exploration targeting has commenced**
- **Extensive auger sampling for new target generation across broader tenement package also underway**
- **Project wide technical review of lithium potential will be undertaken, reviewing publicly available historical reports and WAROX data for possible lithium bearing pegmatites**

Lycaon Resources Ltd (ASX:LYN) (**Lycaon** or the **Company**) is pleased to announce the commencement of a high detail drone magnetic survey at the Rocky Dam gold project (**Rocky Dam Project**) in the Goldfields region of Western Australia. The Company is also completing extensive auger sampling for new target generation across the broader tenement package.

Mr Thomas Langley, Technical Director commented "It's great to have the magnetic survey underway at Rocky Dam following the opening of WA borders. The drone survey will provide a highly detailed magnetic dataset to assist in geological interpretation and exploration targeting going forward. Following the recent RC drill program being completed, I'm looking forward to reviewing all of the assay results and building on our knowledge of the mineral system at Rocky Dam."

"The auger sampling program across the broader tenement package will be important in identifying new targets and I'm hopeful we will have multiple new targets to follow up with further auger sampling and drilling throughout 2022. Furthermore, the Company will begin a project wide technical review of lithium potential across the company's goldfields tenure, reviewing publicly available historical reports and WAROX data for possible lithium bearing pegmatites."

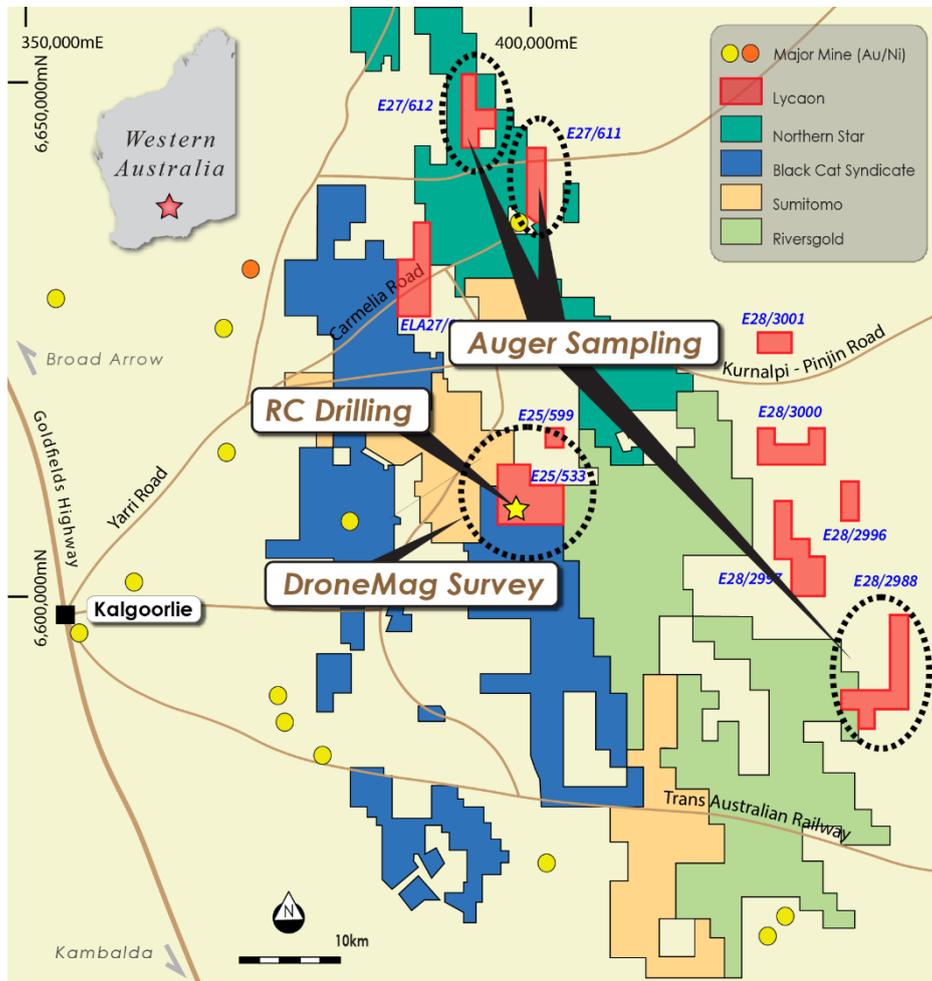


Figure 1. Rocky Dam Project tenements and work programs.

Ultramag Geophysics will fly a detailed magnetic survey over 29.5 km² at the Rocky Dam gold project to assist with exploration targeting. Magnetic data will be recorded over the survey area using a DJI Matrice UAS flying at 8 m/s with a GEM Systems GSMP-35U sensor, Figure 2. The line spacing will be 40m, with the expected duration of the data acquisition to take approximately 2 weeks.



Figure 2. Ultramag drone survey underway at the Rocky Dam Project.

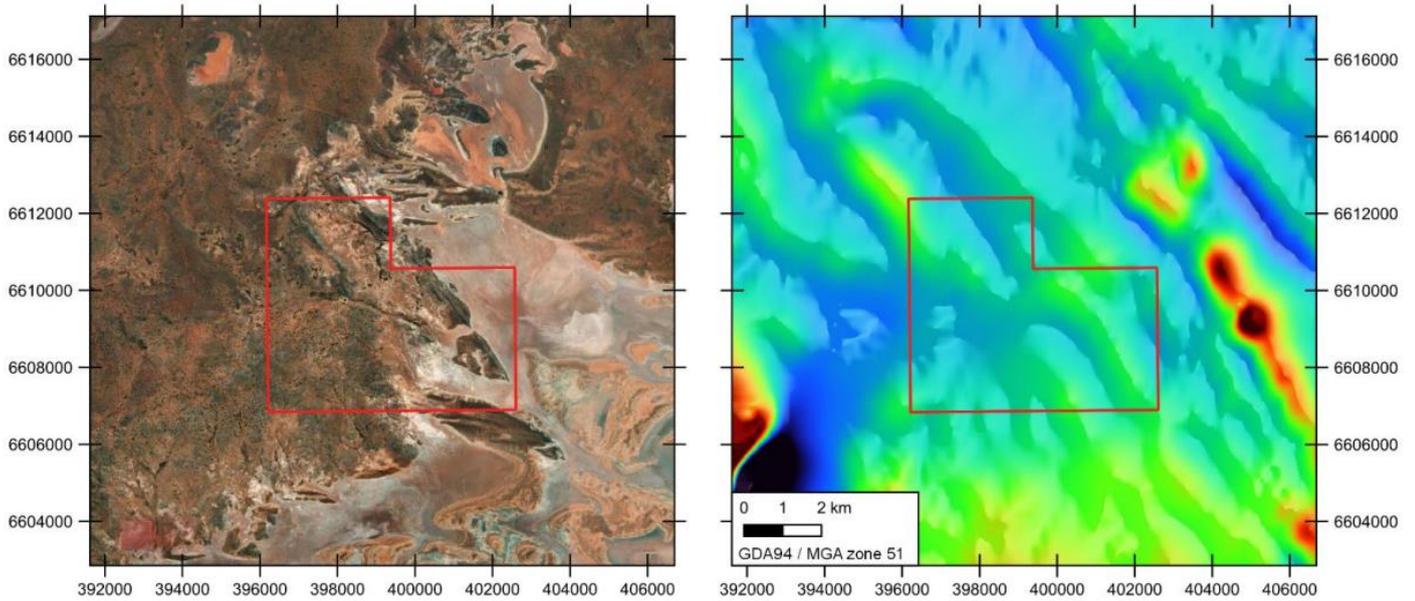


Figure 3. Left: area of interest Rocky Dam (E25/533) over ESRI satellite image, Right: over WA TMI grid showing NW-SE trending ridges

Gyro drilling is undertaking an auger program designed as a first pass geochemical survey to define anomalies that may be related to primary gold mineralisation at depth across tenements E27/611, E27/612 and E28/2988, Figure 1. It is a key step in exploration targeting, with subsequent further infill and extensional auger soil sampling to follow, if results warrant. The auger samples will be completed on an east-west 100m grid and north-south 400m grid spacing, for a total of 1,288 samples. The Company proposes to complete further auger sampling and aircore drilling shortly after this initial auger sampling concludes. Both the drone survey and auger sampling will assist in ongoing geological review to identify, prioritise, and rank new targets for further exploration programs.



Figure 4. Gyro Drilling with 4WD Ute mounted auger rig

Rocky Dam Project (Gold)

The Rocky Dam Project comprises nine (9) granted and one (1) pending Exploration Licences covering approximately 162.8km², a significant landholding in the highly prospective Norseman - Wiluna Greenstone Belt around the Yindarlgooda Dome within the Eastern Goldfields. The Project is centred 60km northeast of Kalgoorlie via sealed and well-maintained gravel roads. The Project is close to significant mining infrastructure and surrounds gold producer Northern Star Limited's recent Kurnalpi Project acquisition and active explorers Riversgold Limited (ASX:RGL) and Black Cat Syndicate Limited (ASX:BC8).

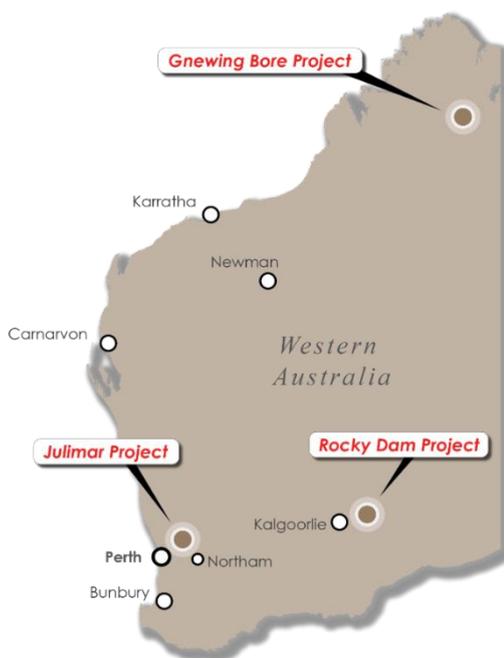


Figure 5. Lycaon Resources three major projects located in Western Australia.

The Rocky Dam Project lies within a favourable setting for orogenic gold and base metal-rich Volcanic Massive Sulphide-style (VMS) styles of mineralisation with multiple other prospects identified throughout the tenure. The large-scale supergene gold mineralisation recorded in historical drilling demonstrates a fertile project area potentially active during major Yilgarn greenstone mineralisation events, which presents a great opportunity to potentially discover primary bedrock mineralisation that may be the source of the supergene enrichment.

Exploration work to date at the Rocky Dam Project has identified gold mineralisation at the CRA-North Prospect. The prospect was first discovered in the 1990s as a 700m long gold anomaly along a sheared contact of felsic volcanics and black shales. Historical drilling has returned encouraging results delineating thick shallow zones of supergene gold mineralisation. The oxide mineralisation is associated with ferruginous quartz veining and sericite alteration, and remains open along strike with best results including:

- 40m @ 0.6 g/t Au [18m] in RDRC002 including 9m @ 1.7 g/t Au [40m]
- 21m @ 1.0 g/t Au [41m] in RDRC012 including 6m @ 2.8 g/t Au [52m]
- 4m @ 4.1 g/t Au [62m] in RDRC001 including 1m @ 13.8 g/t Au [67m]
- 15m @ 0.4 g/t Au [13m] in RDRC009 including 4m @ 1.3 g/t Au [17m]
- 20m @ 0.6 g/t Au [39m] in RDRC006 including 2m @ 3.0 g/t Au [39m]
- 2m @ 5.9 g/t Au [95m] in RDRC007

The significant low order gold mineralisation recorded in historical drilling suggests a mineralised system is present at CRA-North, warranting further drill testing. Initial exploration work programs will

consist of RC and diamond drilling planned to delineate the strike extent of the oxide mineralisation and to test for primary mineralisation at depth. Geochemical sampling, geophysics and aircore drilling will be completed at regional targets.

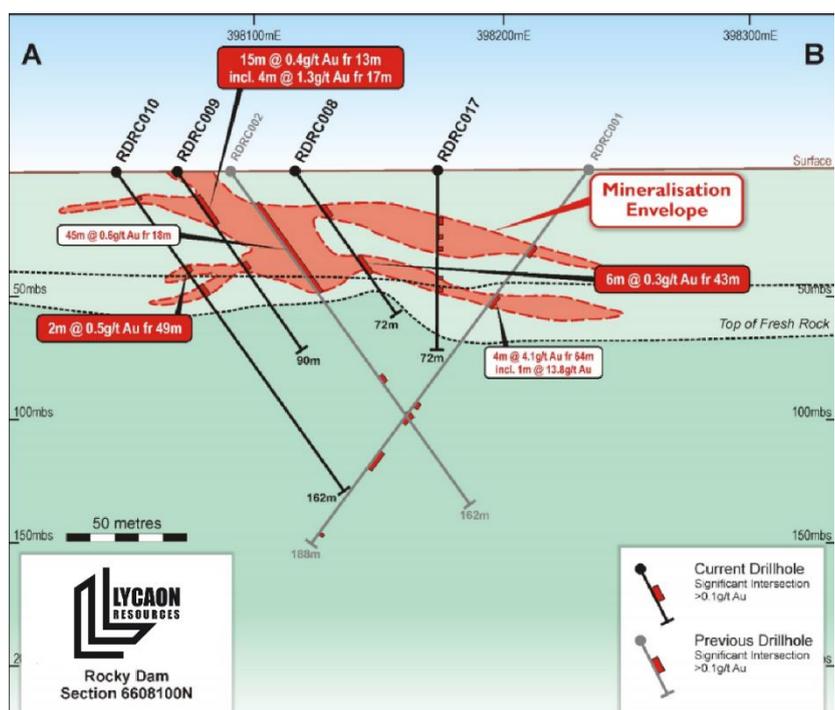


Figure 6. View of the main quartz sulphide outcrops, looking northeast (from WAMEX Report A036766)

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

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.

Listing Rule 5.23 Disclosure

The Company confirms that it is not aware of any new information or data that relates to Exploration Results at the Rocky Dam project as previously announced in the Prospectus lodged 29 September 2021.