Maiden drilling program commences on Koojan JV as exploration momentum continues to build

Drilling underway to test multiple gold±PGE*±copper targets

HIGHLIGHTS

- An 160-180 hole aircore drilling program has commenced testing new targets on the Koojan JV and the Company's adjacent 100%-owned Moora Project.
- Drilling planned for eight prospects defined by geochemical and/or geophysical surveying.
- Detailed aeromagnetic and gravity surveys have been completed with data being processed ahead of interpretation.
- 6,000-7,000 sample geochemical program in progress to in-fill previous, partially defined anomalies and define new drill targets.
- Drilling follows on from the significant intersections reported from the Company's 100%-owned Moora Project located immediately to the east (see ASX: MI6 release dated 4th March 2022), where assays are still pending for 24 Reverse Circulation (RC)/diamond core drill-holes.

* PGE ~ Palladium and Platinum

Minerals 260 Limited (ASX:MI6, "Minerals 260" or "Company") is pleased to advise that the first-ever drilling program has commenced across targets on the Koojan JV, which is located ~150km north-east of Perth in the Julimar Mineral Province of SW Western Australia.

The Koojan JV forms part of a contiguous, ~1,000km^2 land position which also includes the Company's adjacent 100%-owned Moora Project (***Figure 1***). At Koojan, the Company is in joint venture with Lachlan Star Limited (ASX: LSA) and has the right to earn up to a 51% direct interest in the Project.

The drilling is part of an initial $6.7 million, 6-month exploration program that commenced in early November 2021 and is scheduled to be completed ahead of the cropping season that will begin shortly across the Project areas.

The aircore drilling will test coincident geochemical and geophysical targets including the previously announced high-priority Mallory and Bourbana prospects (reported by Liontown Resources Limited (ASX:LTR) prior to the demerger and IPO of Minerals 260 – see Liontown ASX release dated 14th July 2021).

At Mallory, which has been defined over a strike length of 2km, highly anomalous gold (up to 18ppb), PGE's (up to 160ppb) and copper (up 380ppm) are coincident with a conductive zone defined by Gradient Array Induced Polarisation (GAIP) (***Figure 2***).

The Bourbana prospect, a multi-peaked gold anomaly (up to 135ppb) defined over an area of 1km x 2.7km, is also coincident with conductive zones defined by GAIP (***Figure 3***).

Aircore traverses will also be drilled on the Company's Moora Project including the western extension of the Mt Yule magnetic anomaly (***Figure 4***), which hosts the recently discovered Mynt copper-gold zone (see below and ASX release dated 4th March 2022).

Detailed aeromagnetic and gravity surveys have been completed over the western part of the combined Project areas and the data are being processed ahead of interpretation and modelling of targets.

A 6,000-7,000 sample geochemical program, designed to in-fill previously, partially defined anomalies and assess new areas, is ongoing with ~40% of the samples collected and submitted for assay.

The results from the aeromagnetic, gravity and geochemical surveys will provide a significant amount of data, which, once processed and analysed, will be used to optimise drill testing of existing and new targets.

RC/Diamond Core Drilling Program Update

In January 2022, the Company completed a 37-hole/6,196m diamond core/Reverse Circulation (RC) drilling program over prospects coincident with the Mt Yule Magnetic Anomaly (***Figure 4***), with the primary focus being the Angepena gold prospect.

Assays have been reported for 13 holes (see ASX release dated 4th March 2022) with significant results recorded from the Mynt (24m @ 1.9% copper and 0.7g/t gold) and Angepena (up to 9m @ 1.1g/t gold) prospects.

At Mynt, the start of early cropping preparations over the prospect area means the Company will not be able to resume further drilling in this current program and, subject to clearance from the landowner (as required under the existing Access Agreement), the Company plans to re-commence drilling at the prospect later this year as soon as possible after the harvest.

Assays are pending for 15 RC and 5 diamond core holes drilled at Angepena and further work will be planned once data from these holes are received and processed.

Assays are also pending for 4 other RC holes drilled into the Sez prospect located on the southeast margin of the Mt Yule magnetic anomaly.

This announcement has been authorised for release by the Managing Director, David Richards.

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Competent Person Statement

The Information in this report that relates to geophysical Exploration Results for the Koojan JV is based on and fairly represents information and supporting documentation prepared by Mr David Richards, who is a Competent Person and a member of the Australasian Institute of Geoscientists (AIG). Mr Richards is a full-time employee of the company. Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken 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 Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this Report that relates to other Exploration Results for the Moora and Koojan Projects is extracted from Minerals 260 Limited ASX announcement titled "Wide copper-gold zone confirmed at Moora" released on 4 March 2022" which is available on www.minerals260.com.au and Liontown Resources Limited ASX announcement titled "Strong PGE and gold anomalism confirmed at the Koojan JV Project, WA" released on 14 July 2021 which is available on www.ltresources.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in the relevant market announcements continue to apply and

have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward Looking Statement

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

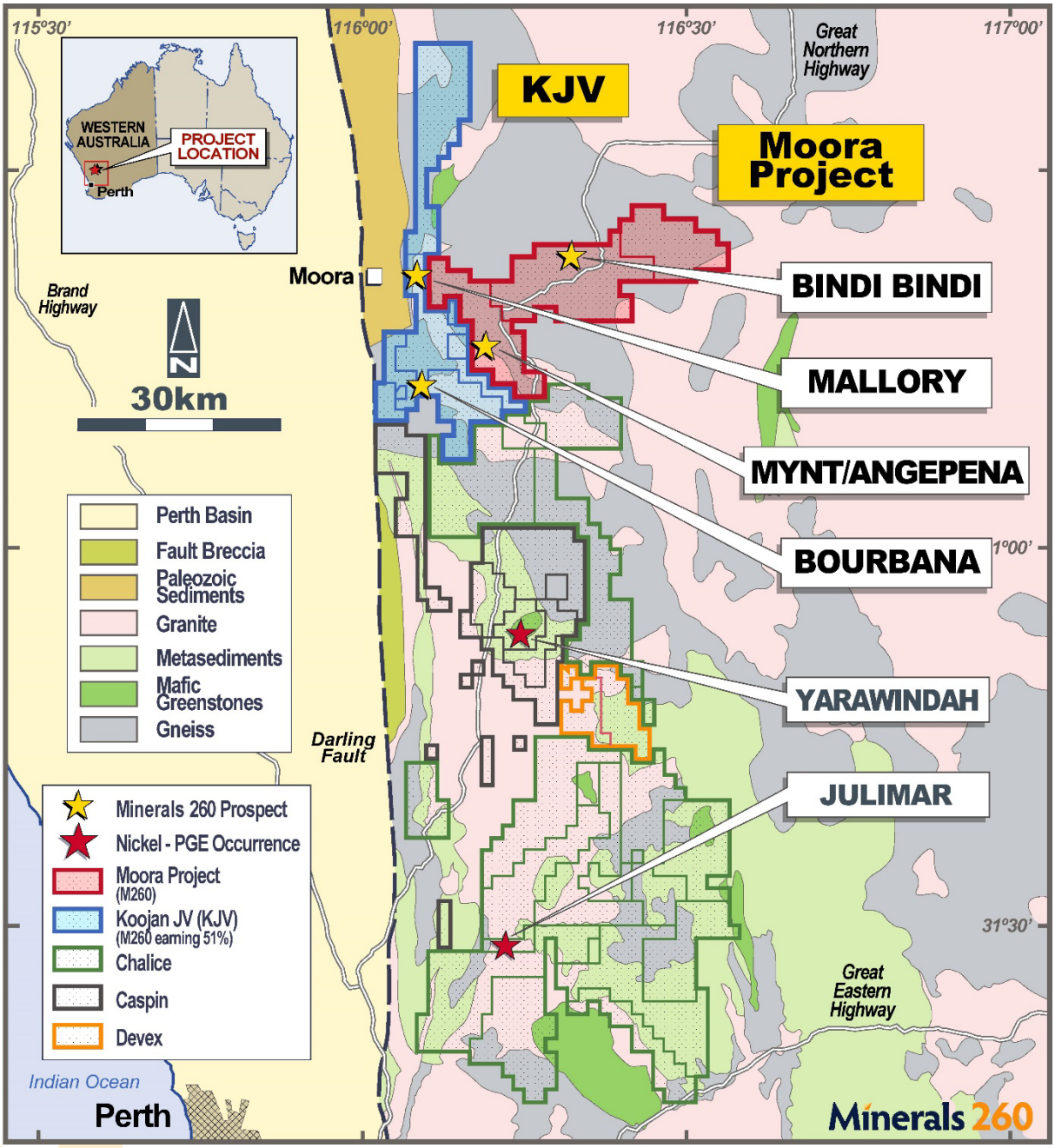

Figure 1: Moora and Koojan JV Projects: Location plan and regional geology.

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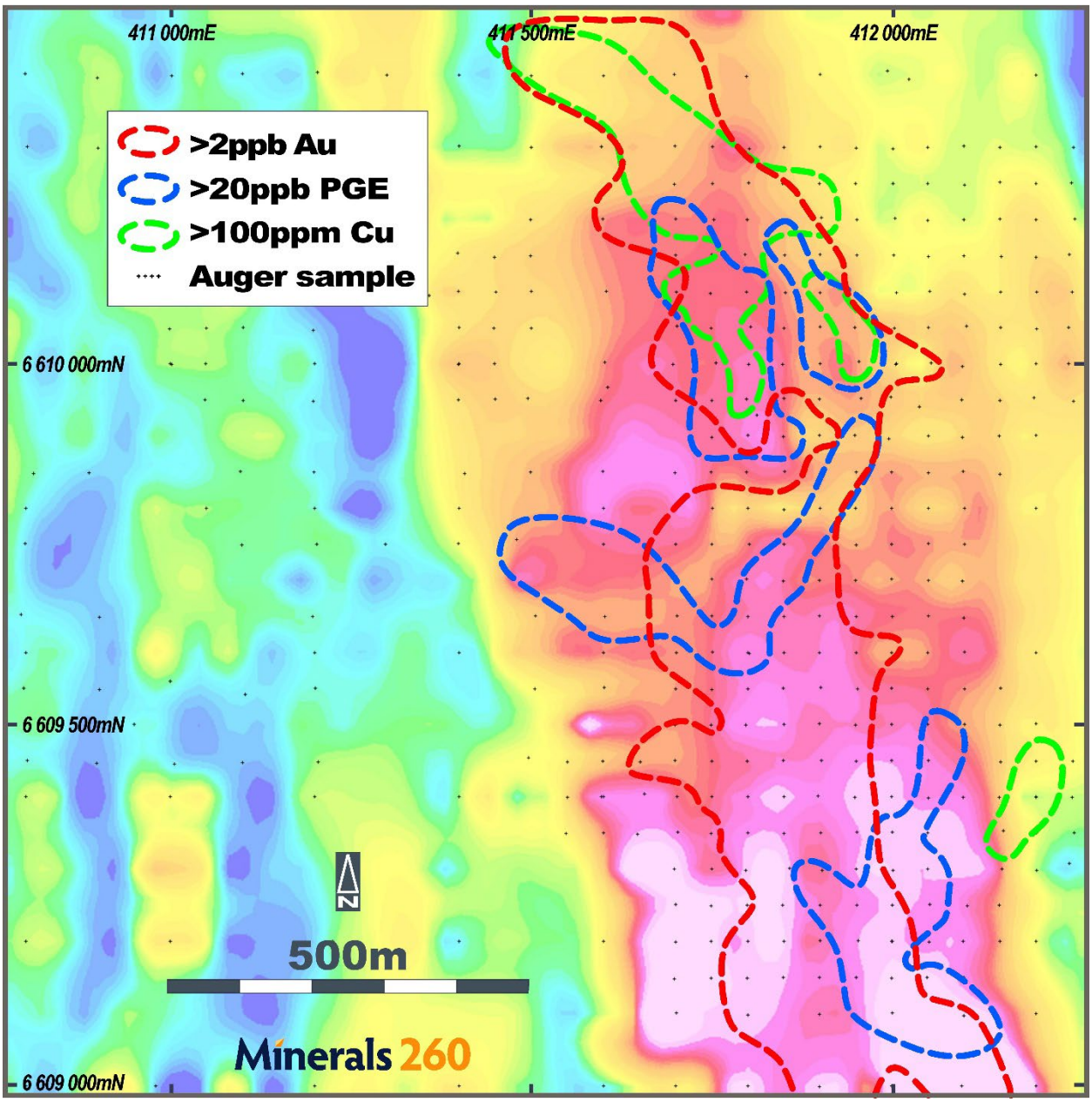
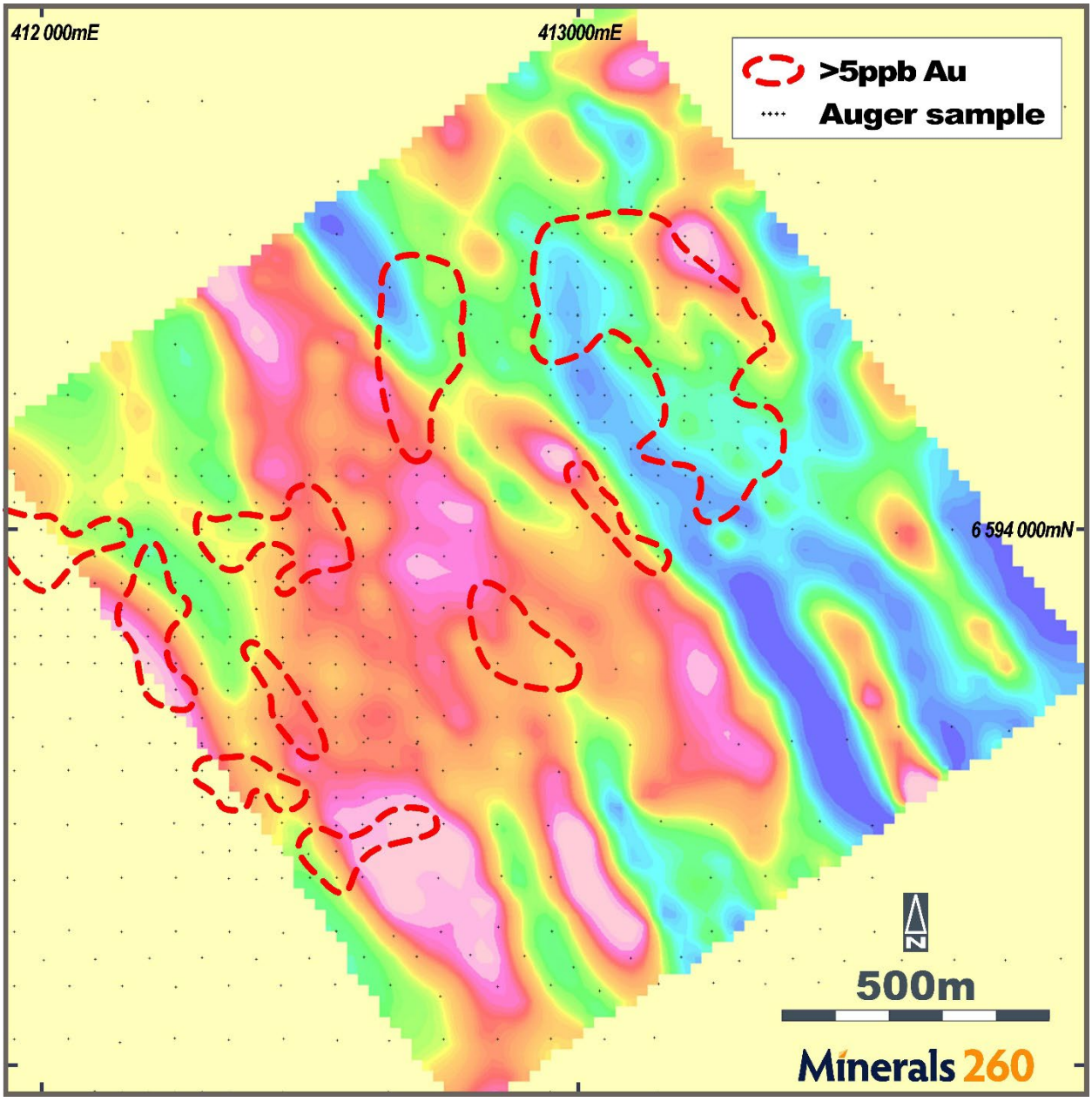


Figure 2: Mallory Prospect – GAIP image showing coincident conductive zone (hot colours) and geochemical anomalism.



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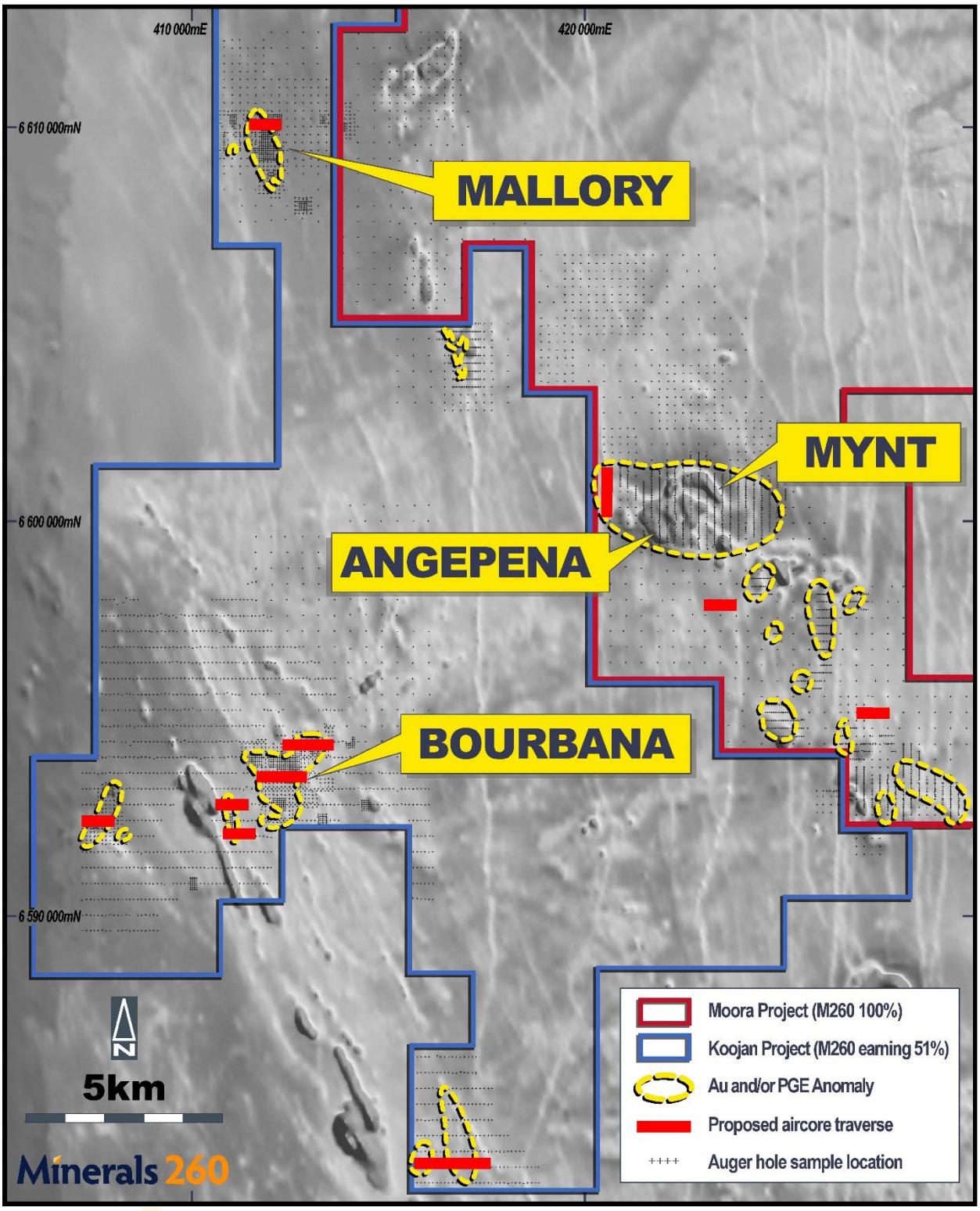
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Minerals 260
Moora Project (M260 100%)
Koojan Project (M260 earning 51%)
Au and/or PGE Anomaly
Proposed aircore traverse
Auger hole sample location

Appendix 1: Koojan JV Project – JORC Code 2012 Table 1 Criteria

The table below summarises the assessment and reporting criteria used for the Koojan JV Project and reflects the guidelines in Table 1 of *The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code, 2012).

Section 1 Sampling Techniques and Data

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.*	Soil samples collected from 0.1 -1m depth with 200-500g, -2mm material collected for assay. No drilling completed.
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).*	No drilling completed.
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.*	No drilling completed
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.*	No drilling completed
Sub-sampling techniques and	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No drilling completed

Criteria	JORC Code explanation	Commentary
sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories, i.e. Oven drying, jaw crushing and pulverising so that 85% passes -75microns. Duplicates and standards inserted approximately every 50 samples. Review of lab standards The sample size (0.5 - 1kg) submitted to laboratory is consistent with industry standards.
	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.	
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.*	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. Samples are submitted for multi-element analyses by Bureau Veritas fire assay and aqua-regia techniques following mixed-acid digest. The assay techniques used are 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.	None used
	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	Duplicates and standards inserted approximately every 50 samples. Review of lab standards
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No drilling completed.
	The use of twinned holes.	See above.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All field data is manually collected, entered into excel spreadsheets, validated and loaded into an Access database. Electronic data is stored on the Perth server. Data is exported from Access for processing by a number of different software packages. All electronic data is routinely backed up. No hard copy data is retained.
	Discuss any adjustment to assay data.	None required
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.*	All sites are located using a hand held GPS.
	Specification of the grid system used	GDA94 Zone 50
	Quality and adequacy of topographic control.	Nominal RLs based on regional topographic datasets.

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Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	First pass soil sampling collected on 200x200m, 400x400m and 800x800m grid spacing with density of sampling dependent on perceived prospectivity. Infill sampling collected on 50m x50m, 100m x 50m and 200x50m grids depending complexity of anomaly.
	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.	MRE not being prepared.
	Whether sample compositing has been applied.	No compositing completed.
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.*	No drilling completed.
	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.	No drilling completed.
Sample security	*The measures taken to ensure sample security.*	Senior personnel supervise collection and storage of samples prior to dispatch to laboratories.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Koojan JV Project area totals ~550km^2 and comprises five granted Exploration Licences (ELs 70/5312, 70/5337, 70/5429, 70/5450 and 70/5515), and one application for a Prospecting Licence (PL 70/1743). All tenements are 100%-owned by Coobaloo Minerals Pty Ltd, which is owned 75% by Lachlan Star Limited (ASX: LSA) and 25% by private group Wavetime Nominees Pty Ltd. Minerals 260 (MI6) through its wholly owned subsidiary, ERL (Aust) Pty Ltd, has the right to earn 30% equity in the Project by spending $1,500,000 on in-ground exploration over 5 years and up to 51% equity if it spends $4,000,000 within the same period. MI6 must spend $500,000 before having the right to withdraw from the JV. MI6 will manage exploration during the earn-in phase after which a JV committee will be established to operate the Project. Wavetime will be 25% free-carried until completion of a BFS after which it will have the right to contribute pro-rata or convert to a 2% NSR. The Koojan Project is largely underlain by freehold properties used for broad acre cropping and livestock rearing. Access Agreements have been negotiated with all farmers where field work has been undertaken. Coobaloo has signed a Heritage Agreement with the South West Aboriginal Land and Sea Council Aboriginal Council who act on behalf of the Yued

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Criteria	JORC Code explanation	Commentary
		Agreement Group.
	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.	All tenements are in good standing.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	No effective exploration prior to Lachlan Star acquiring its equity in Coobaloo Minerals. Lachlan Star has completed geological mapping, reconnaissance sampling and an aerial electromagnetic survey which have confirmed the presence of prospective mafic/ultramafic rock types.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Koojan JV Project area is located within the >3Ga age Western Gneiss Terrain of the Archaean Yilgarn Craton of southwest Western Australia. The prospective mafic/ultramafic bodies lie within the highly deformed Jimperding Metamorphic Belt which locally comprises high grade metamorphic rocks of quartz feldspar composition with some amphibolite schist and minor banded iron formation. The Belt is up to 70 kilometres wide and bounded to the west by the Darling Fault (and Perth Basin) and to the east by younger Archaean rocks. Regionally the geological trend is north-westerly with moderate to steep north-easterly dips. NNE and NNW trending, Proterozoic dolerite dykes also intrude the geological sequence. Outcrops are rare and bedrock geology is largely obscured by lateritic duricrust and saprolitic weathering. The clearing of farmland and related agricultural practices have further contributed to the masking of the bedrock. MI6 is exploring for mafic/ultramafic, intrusion-hosted, PGE-Ni-Cu-Au mineralisation similar to that recently discovered at Julimar 80 -90 km to the south.
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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	No drilling completed.
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.*	No intersections reported
	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.	No intersections reported

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Criteria	JORC Code explanation	Commentary
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values reported
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *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').*	No drilling completed.
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.*	See Figures in body of 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.*	All results reported.
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.*	All meaningful and material data 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).*	• Complete Phase 1 aircore drilling program • Process and interpret geophysical datasets. • Complete 6,000 – 7,000 sample geochemical program. • Plan next phase of drilling.

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