SURFIRE RESOURCES NL

31 March 2022

ASX Announcement
ASX Codes: SRN and SRNOC

VICTORY BORE-UNALY HILL

VANADIUM PROJECT (WA) (100%)

STRONG VANADIUM DEMAND

- **Increased vanadium demand for:**
  - **Large capacity battery storage**
  - **Steel alloys reducing weight and increasing tensile strength**
  - **Aeronautical-related specialty alloys**
  - **Nuclear reactors**
  - **Military equipment**
- **Victory Bore / Unaly Hill has Inferred Resources of vanadium of [1]:**

  237Mt @ 0.43% vanadium pentoxide (V_2O_5), 24.9% Fe, and 5.9% TiO_2
- **Additional vanadium exploration target identified at Victory Bore [2]:**

  150Mt - 200Mt @ 0.4% - 0.7% V_2O_5, 22% – 40% Fe, 6% - 8% TiO_2

Surefire Resources NL (**ASX:SRN, SRNOC**) is greatly encouraged by the increased global commodity price of vanadium and considers that the company is now well positioned to further develop and monetise the Project.

Attached is an Investor Update presentation of the Project.

Authorised for ASX release by:

Vladimir Nikolaenko
Managing Director

[1] ASX release 29 June, 2017 (QNL), Surefire confirms that it is not aware of any new information or data that materially affects the information included previous market announcements and, in the case of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant 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 materially changed from the original market announcement

[2] ASX release 29 April 2019 (SRN), The potential quantity and grade of the Exploration target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the entire area of the Exploration Target, and it is uncertain if further exploration will result in the estimation of an increased Mineral Resource.

Victory Bore/Unaly Hill

Vanadium

The strategic battery metal for a clean future

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MFlis Mar2022

Cautionary Statement

The Exploration Target referred to in this announcement, being conceptual in nature, takes no account of geological complexity, possible mining method or metallurgical recovery factors. The Exploration Target was estimated in order to provide an assessment of the potential scale of the exploration on the Perenjori Iron Project and to inform the Company prior to a decision to proceed with additional resource definition work and more advanced and definitive studies. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or Reserves.

No New Information or Data

SRN confirms that it is not aware of any new information or data that materially affects the information included previous market announcements and, in the case of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant 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 materially changed from the original market announcement.

Forward Looking Statements:

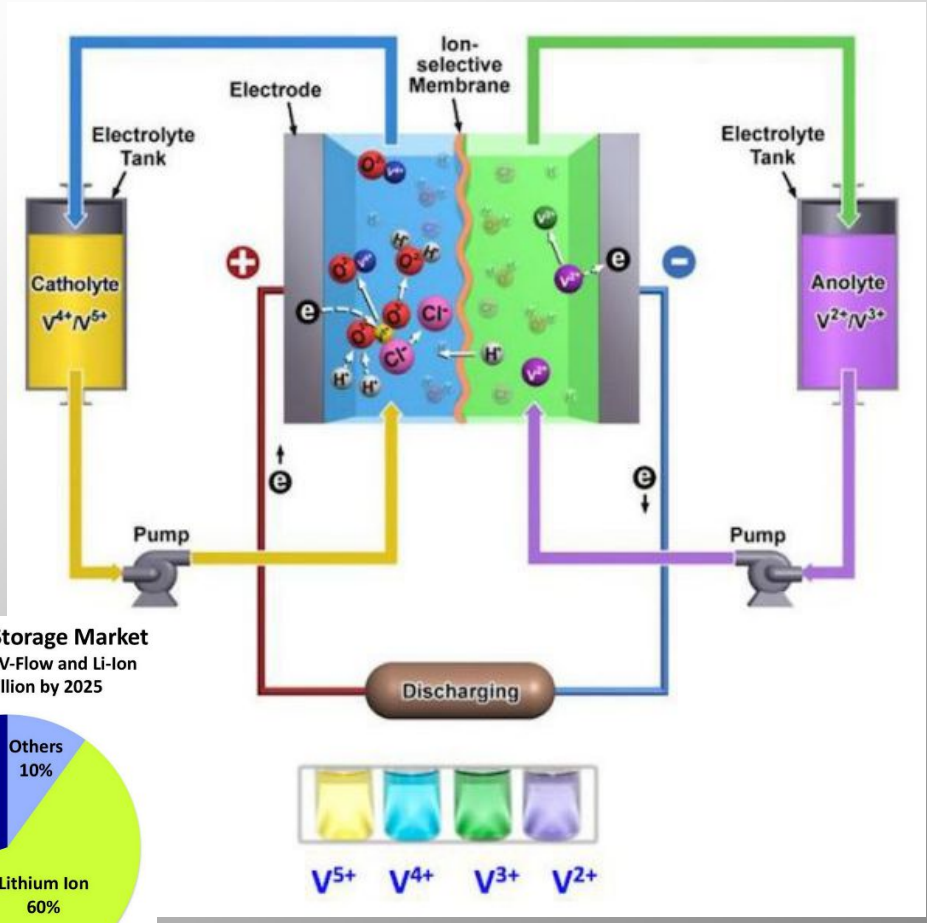
This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward- looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

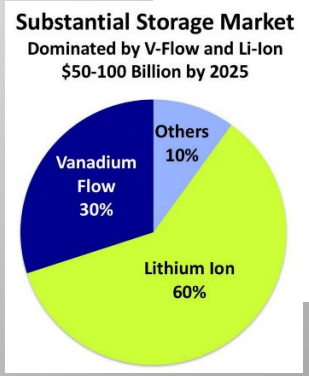
Competent Person Statement

The information in this report that relates to Mineral Resource and Exploration Target is based on information compiled by Mr Marcus Flis who is a Fellow of the Australian Institute of Geoscientists. Mr Flis is an independent Principal Consultant at Rountree Pty Ltd. Mr Flis has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are 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' and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

Vanadium: the future for large scale batteries

- Higher energy density than alternatives
- Long life: over 20 years
- High total cycles: over 20,000 recharge cycles with no degradation
- No damage if undercharged or overcharged
- Nonvolatile – not combustible, unlike Li cells
- 100% discharge capability
- Ideal for large scale applications
- Cheaper than lithium based batteries

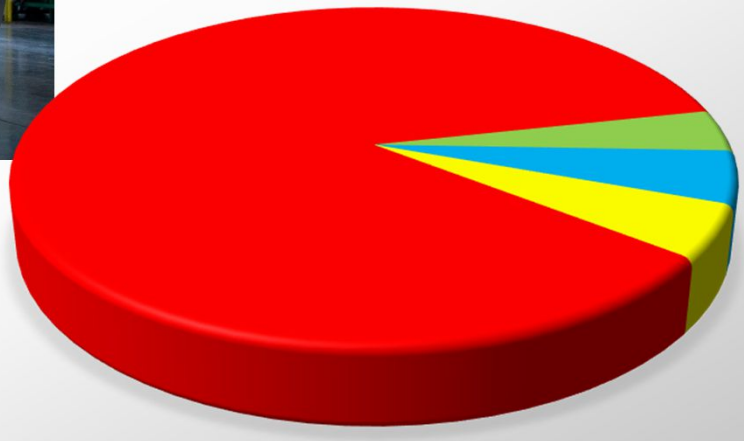




Sources: Wattjoule, UniEnergy Technologies

….with a strong demand from traditional uses

Steel making 86%



Chemicals 4%

Specialty alloys 5%

Energy storage 5%

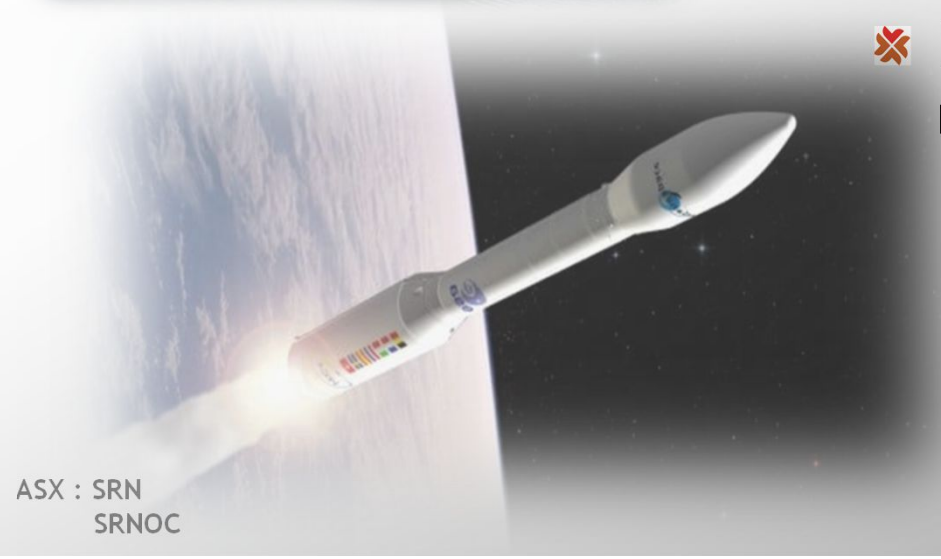
The global vanadium market will grow by 28,310t from a base of 73,000t during 2020-2024[1] @Technavio

BUT that doesn't take into account restrictions in Russian supply that accounts for about 25% of current global supply

[1] Technavio Research, UK

….and an upswing in defence and space spend

- High performance steel alloys for use aerospace application depends on vanadium
- Vanadium is an unsubstitutable component due to its low weight and high strength characteristics
- It is considered a critical metal in the high speed transport sector
- In an age of uncertainty requiring the updating of military assets, vanadium is crucial



Vanadium price strongly rebounding

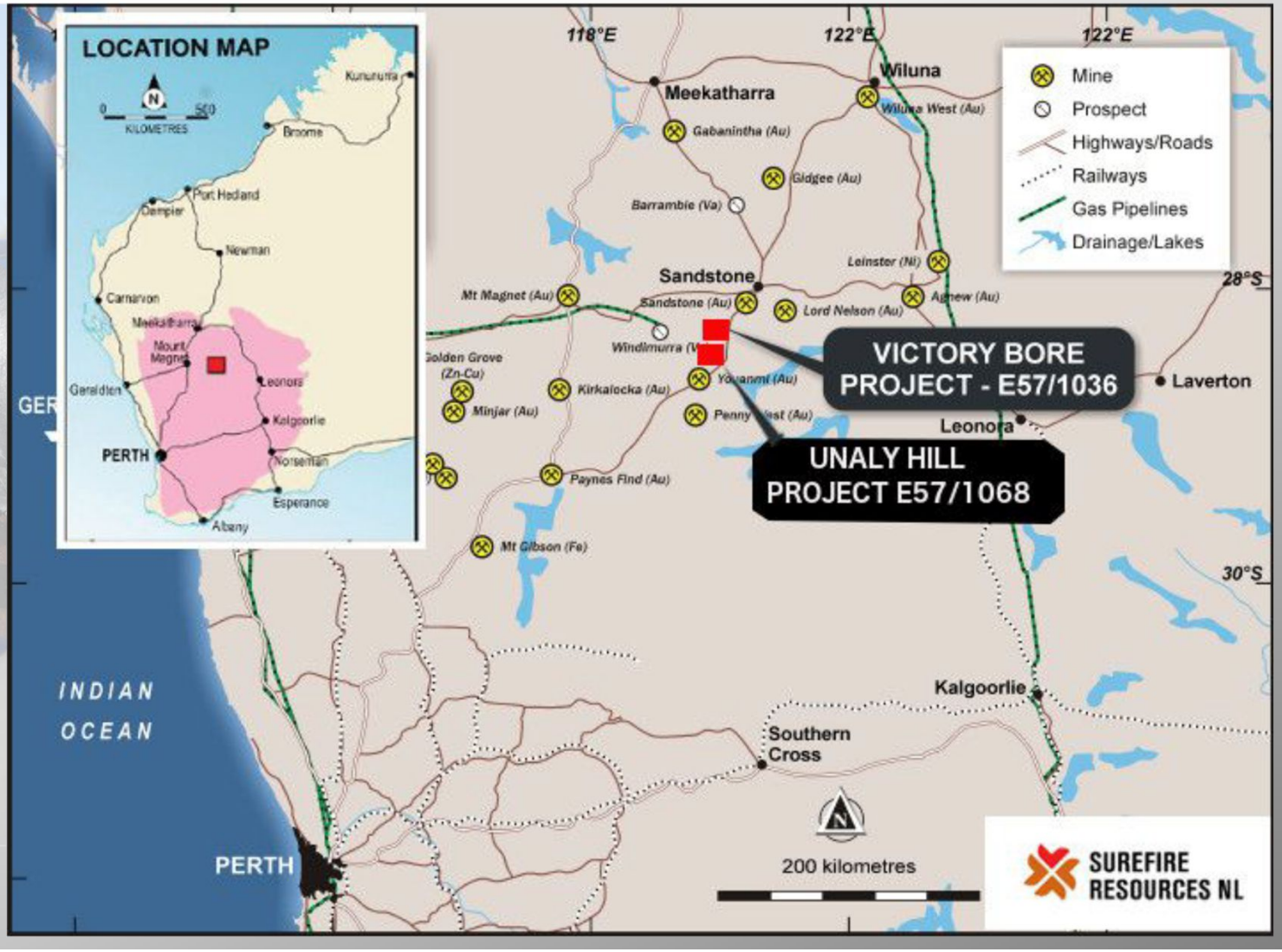
- Vanadium prices are up by 60% since the beginning of 2022
- Chinese infrastructure sector continues to drive vanadium demand
- China is a net-importer of vanadium
- Russian vanadium is being blocked from the market
- With the China-Russian trade alliance taking up Russia's production, the world will be in vanadium deficit
- USA imports almost 100% of its vanadium

V_2O_5 Flake 98% Price is US12.10/lb or A$37,050/t

Transition to renewable energy is expected to drive new Vanadium Redox Flow Batteries deployments worldwide

Major Vanadium project in the Mid West

- Held 100% by Surefire Resources NL
- World class Vanadium deposit with over 2 billion pounds of contained V_2O_5
- Located in emerging Tier 1 vanadium mining district with exceptional infrastructure
- 560km north west of Perth, WA
- Metallurgical test work shows excellent vanadium recovery using industry standard processes
- Titanium and iron credits



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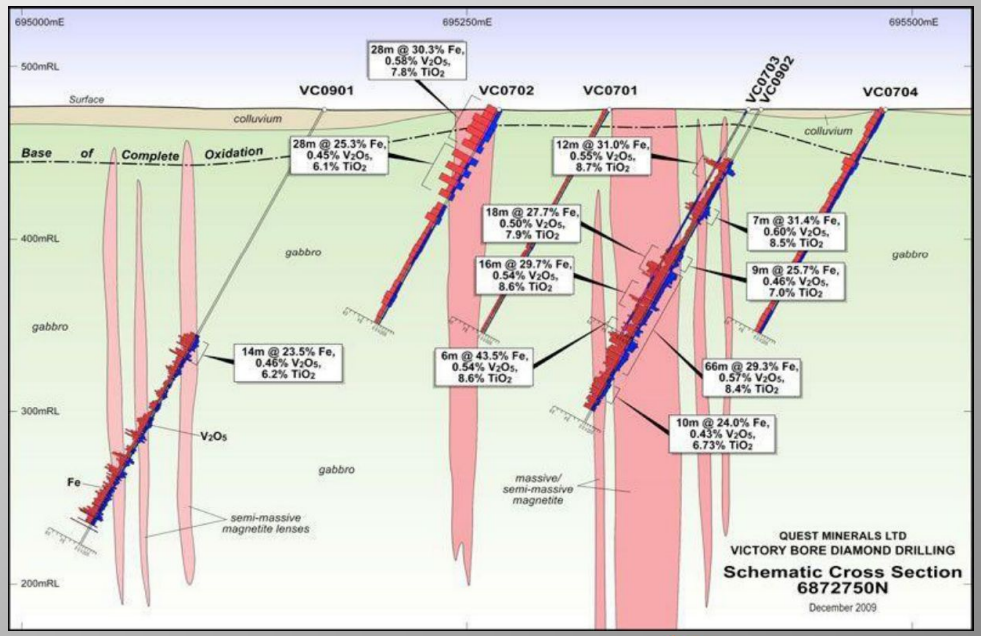
Over 2 Billion lbs of Inferred Resource[1]

Prospect	Million tonnes	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	Contained V_2O_5 Mt	Contained V_2O_5 Mlb
Unaly Hill	86.2	0.42	24.8	4.5	28.6		
Victory Bore	151	0.44	25.0	6.73	28.6		
Total	**237**	**0.43**	**24.9**	**5.9**	**28.6**	**1.03**	**2,263**

- Resource is hosted in a layered gabbro
- Mineralisation exhibits good consistency
- Excellent vanadium recoveries at a coarse grind size of 106 microns
- With titanium and iron credits



ASX : SRN
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[1] Complies with JORC(2012), ASX release 29 June 2017 by QNL

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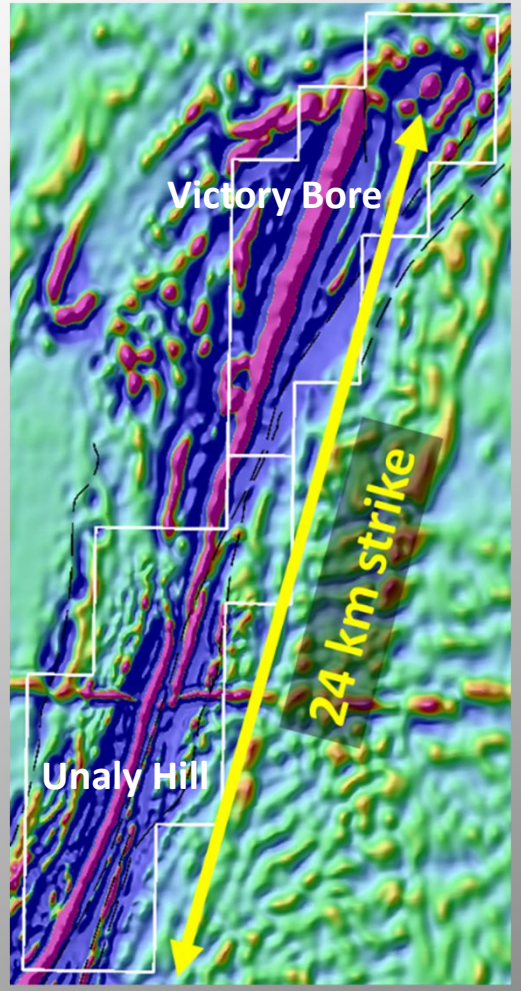
With huge potential to increase the Resource[1]

- Inferred Resource is open down dip and along strike
- Only 8 strike km of a 24km strike target drill tested
- Additional exploration target identified at Victory Bore[2]

150 - 200Mt @ 0.4 - 0.7% V_2O_5, 22 - 40% Fe, 6 - 8% TiO_2

- Unaly Hill has additional potential



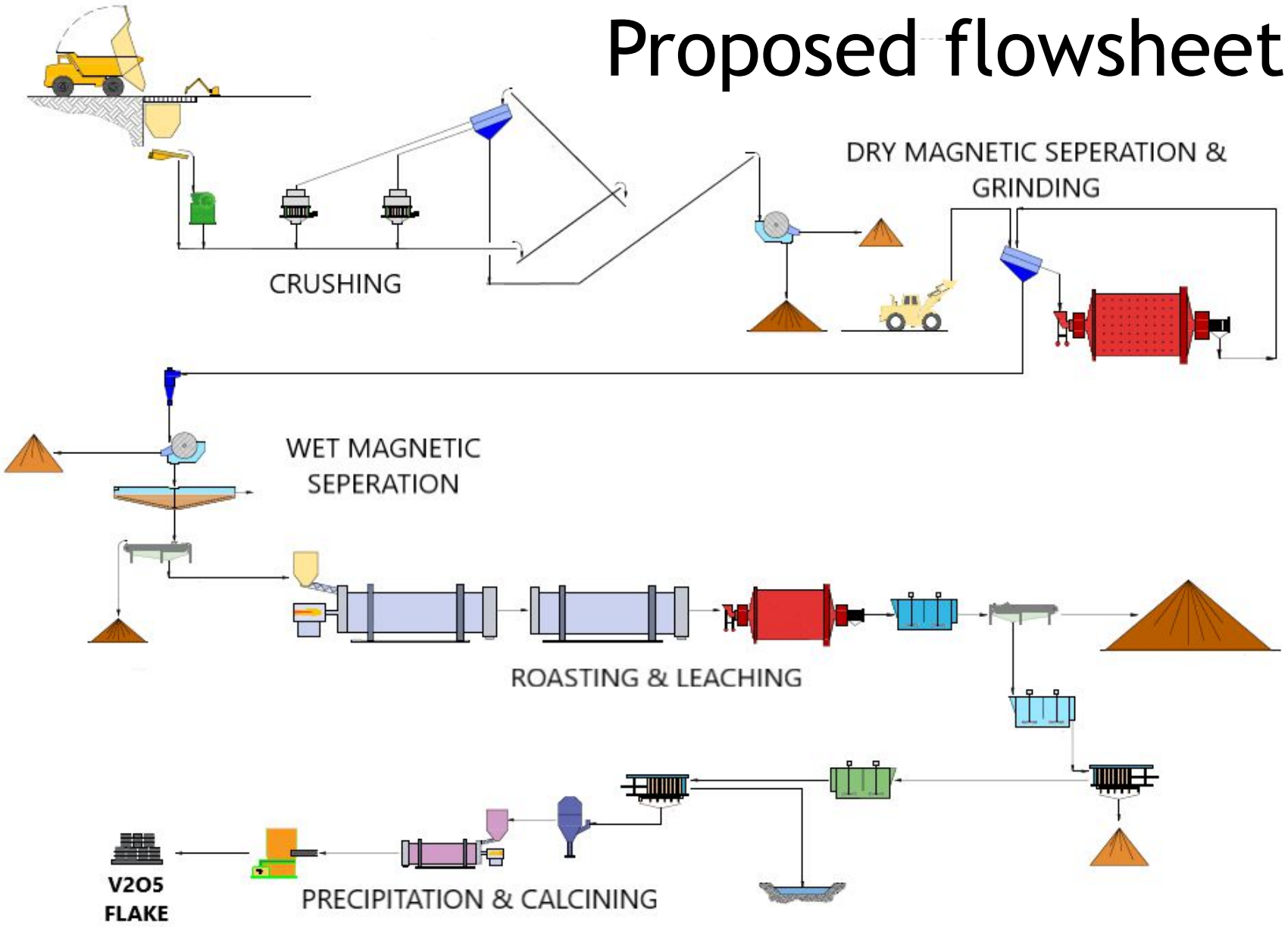
The potential quantity and grade of the Exploration target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the entire area of the Exploration Target, and it is uncertain if further exploration will result in the estimation of an increased Mineral Resource.

[1] Complies with JORC(2012), ASX release 29 June 2017 by QNL, [2] ASX release 29 April 2019 by SRN

Easily upgraded, excellent recovery

- Up to a 367% vanadium upgrade with grind to 106µm and magnetic separation
- Easy first stage concentration 1.43% V_2O_5 achieved with 93.7% recovery of vanadium, not sensitive to primary ore grade
- Deleterious elements (silica, alumina, and calcium) 99% rejected at first LIMS stage
- Final beneficiation by sodium salt roast and water leach recovers 89.2% of vanadium
- Final product is a high grade, premium vanadium flake V_2O_5
- Titanium and iron are by-products and contribute credits to the value of the ore
- Low bond index and abrasion index means moderate power requirement and lower maintenance costs

Proposed flowsheet



Ore

⇩

Crush

⇩

Grind

⇩

Magnetic separation

⇩

Roasting

⇩

Leaching

⇩

Precipitation

⇩

Calcining

⇩

V_2O_5

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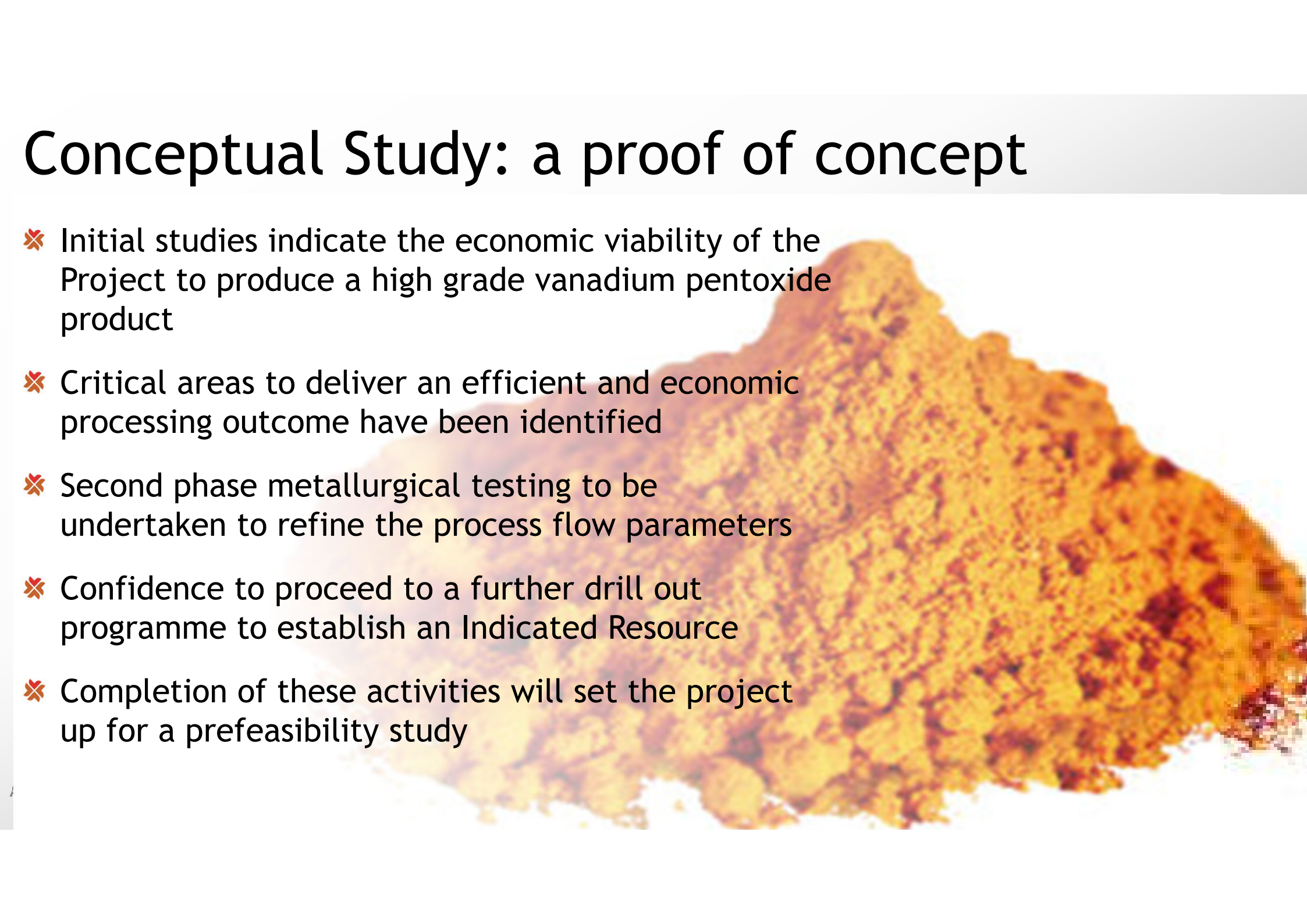
Conceptual Study: a proof of concept

- Initial studies indicate the economic viability of the Project to produce a high grade vanadium pentoxide product
- Critical areas to deliver an efficient and economic processing outcome have been identified
- Second phase metallurgical testing to be undertaken to refine the process flow parameters
- Confidence to proceed to a further drill out programme to establish an Indicated Resource
- Completion of these activities will set the project up for a prefeasibility study



Resources to support a 7,600tpa production[1]

- Existing resource can support a long-lived mine
- Initial production modelled at 3.2Mtpa ore to produce 7,600t of vanadium pentoxide
- Cost estimates indicate the project is viable at today's Vanadium prices
- Working towards a Scoping Study to update and confirm economic viability

Parameter	Value
Annual mill throughput	3.2Mtpa
Annual vanadium production (V_2O_5)	7,600t or 16.8Mlb
Expected strip ratio	2.5
Life of Mine	>40 years[2]

[1] ASX release 29 April 2019
[2] Based on current Inferred Resource. There is no guarantee that Inferred resources will be converted to Reserves

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