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BULK SAMPLE TESTWORK CONFIRMS PREMIUM LUMP ORE PRODUCT

- **Bulk sample testwork confirms premium lump ore product with high TiO_2 content.**
- **Average 19.48% TiO_2, 59.69% Fe_2O_3 and 0.97% V_2O_5 in lump ore product.**
- **Low levels of deleterious elements confirm suitability for proposed application.**
- **Simplified process only crushing and screening required.**

Audalia Resources Limited (ASX: **ACP**) (**Audalia** or the **Company**) is pleased to provide an update on activities at the Medcalf Project, a vanadium-titanium-iron project located approximately 470km south east of Perth near Lake Johnston, Western Australia.

Bulk Sample Testwork

The addition of titanium bearing material in the blast furnace is a popular protection measure applied in the iron making industry to reduce the wear of hearth refractory linings. Audalia has recently identified the opportunity of producing a High Titanium Lump Ore Product to be used for blast furnace refractory liner protection. The proposed product is a direct shipping ore (DSO) type product only requiring crushing and screening process. The minimum product requirement is: TiO_2 > 12.5%, TFe > 35%, and particle size between 10 and 60mm.

A bulk sampling programme was completed in October 2021 and approximate 13 tonnes of bulk samples were delivered to Nagrom to undergo the metallurgical testwork (Refer to ASX announcement dated 24 November 2022). The bulk samples were collected within the proposed open pit footprint as shown in Figure 1. The mineral resource model developed by Cube Consulting has indicated the mineralisation exists at the surface of the selected location. After removing the top soil, the bulk samples were excavated from surface to approximate 3m below the ground. These bulk samples are representative of the initial operation conditions.

The bulk sample testwork programme was developed in conjunction with Nagrom. The bulk samples were composited to a single unified composite sample by a bobcat. The composite was staged crushed to P_{100} 60mm. The crushed composite was then dry screened at 10mm. The +10mm to -60mm portion is the target product and was assayed at various size fraction. The -10mm portion is the mineralised waste and was assayed at various size fraction as well.

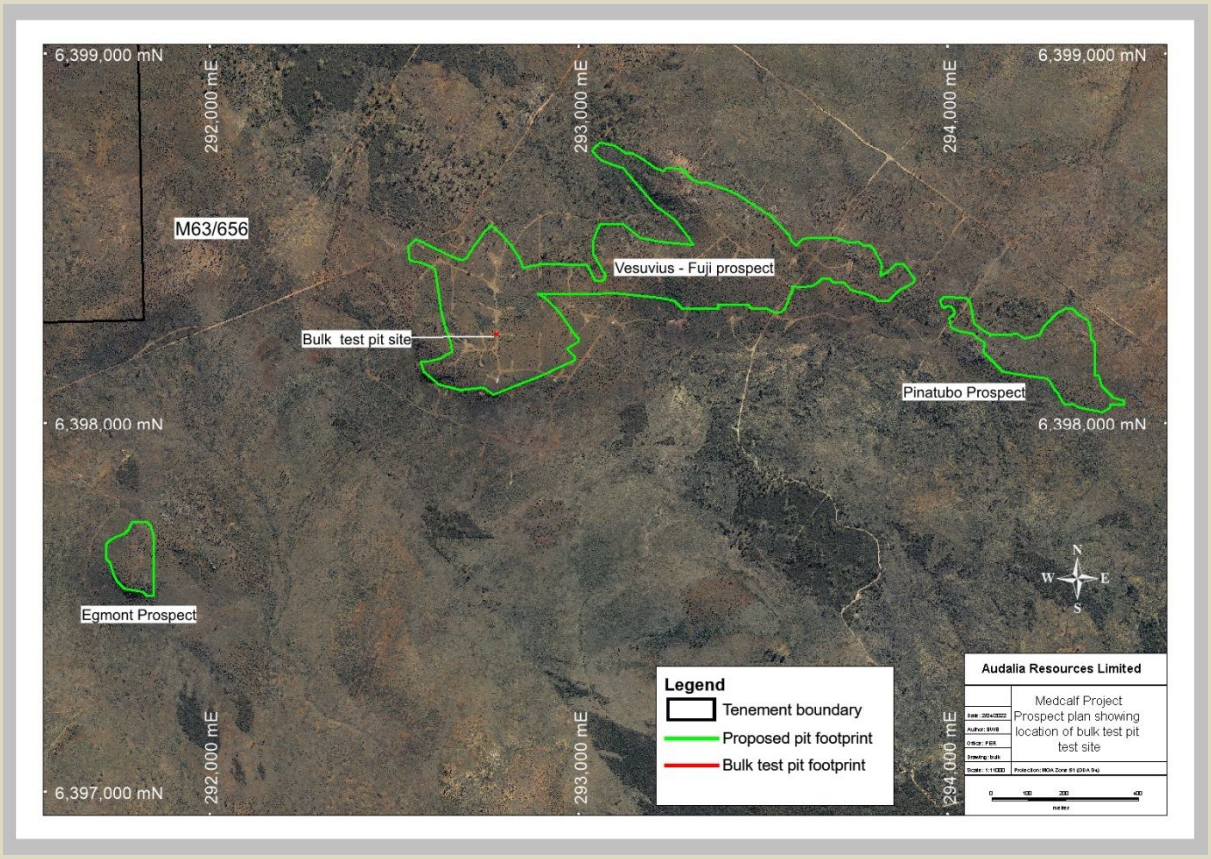

Figure 1: Bulk sample pit location.

Assay results have now been received for all the size fractions. See Table 1 for the major element results. The full suite of assay results is detailed in Appendix 1.

Table 1: Major element of bulk sample testwork.

Sample Size (mm)	TiO_2 (%)	Fe_2O_3 (%)	V_2O_5 (%)	SiO_2 (%)	Al_2O_3 (%)
+50	21.24	58.50	0.92	4.38	7.53
+40	22.02	59.03	1.00	3.87	6.95
+31.5	21.32	59.38	0.93	3.85	7.73
+20	22.08	60.27	0.96	3.51	7.47
+16	21.38	61.40	0.98	3.35	7.66
+12.5	21.43	61.95	0.99	3.27	7.54
+10	21.19	61.67	1.00	3.47	7.55
Calc. Head	**21.48**	**59.69**	**0.97**	**4.02**	**7.72**
+8	21.17	61.77	1.01	3.99	7.29
+6.3	21.52	61.49	1.01	3.82	7.39
+5.6	21.37	61.34	1.01	4.07	7.44
+4	21.53	61.31	1.01	3.93	7.35
+3.35	21.67	60.88	1.00	4.02	7.29
+2	21.06	61.06	0.98	4.31	7.58

Sample Size (mm)	TiO_2 (%)	Fe_2O_3 (%)	V_2O_5 (%)	SiO_2 (%)	Al_2O_3 (%)
+1	19.59	57.56	0.92	6.64	9.19
+0.5	16.74	47.00	0.77	12.84	13.79
+0.355	17.23	45.97	0.75	14.77	13.58
+0.25	16.60	40.87	0.67	19.18	14.27
+0.106	13.96	31.19	0.50	31.44	14.73
+0.075	14.24	30.60	0.49	29.88	16.54
+0.045	14.19	26.79	0.43	31.42	18.16
+0.038	13.22	29.48	0.47	27.34	19.57
+0.025	12.66	23.37	0.37	30.41	22.27
-0.025	6.51	17.96	0.29	32.88	29.19

This bulk testwork has confirmed the opportunity to produce a high titanium lump ore product of the mineralisation at Medcalf, with a weighted average grade of **21.48% TiO_2, 59.69% Fe_2O_3, 0.97% V_2O_5, 4.02% SiO_2 and 7.72% Al_2O_3**. The weighted average was calculated based on the proportion of each size fraction. The titanium and iron content in the lump ore product are well above the product requirement. The bulk testwork has also confirmed the low deleterious elements across all size fractions, with weighted average grades of 4.02% SiO_2, <0.06% S and <0.01% P. See Appendix 1 for the full suite of assay results.

The testwork results indicated, for the proposed lump ore product, the concentration of major elements is very consistent across all different size ranges. This will allow great flexibility in actual operation to produce specific size product meeting customer's specification. The high titanium and iron grade combined with low levels of impurities demonstrates the scope for the Medcalf High Titanium Lump Ore Product to meet or exceed the market product specifications.

The testwork results also confirmed the concentration of major elements in the fine ore fractions (-10mm to +1mm) is almost equivalent to the lump ore product. The fine ore fractions could potentially be used for ore blending of sinter pellet. This could generate additional income stream for the Medcalf Project.

The bulk testwork results is a critical component of the current PFS study. The testwork results will provide information for flowsheet definition and engineering design.

Next Step

Ongoing work in support of the development of the Medcalf Project includes:

- Delivery of the product samples to potential customers for testing and analysis.
- Completion of the PFS study incorporating the bulk testwork results.
- Discussion with Southern Port Authority (SPA) on access to Esperance Port.

This announcement was authorised to be given to ASX by the Board of Directors of Audalia Resources Limited.

Authorised by:

Brent Butler
CEO and Executive Director

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Forward Looking Statements and Cautionary Statements

Some statements in this summary regarding estimates or future events are forward-looking statements. They include indications of and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as “planned’, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain mine licences, permits and other regulatory approvals required in connection with mining and processing operations, competition for among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of transportation services; the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward-looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements.

Competent Person’s Statement

The information in this report that relates to the Exploration Results is based on information compiled by Mr Brent Butler, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Butler has 37 years’ experience as a geologist and is CEO and Executive Director of Audalia. Mr Butler 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’ (JORC Code). Mr Butler has provided his consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Bulk Sample Testwork Results

Sample Size (mm)	TiO_2 (%)	Fe_2O_3 (%)	SiO_2 (%)	Al_2O_3 (%)	MnO (%)	CaO (%)	P_2O_5 (%)	SO_3 (%)	MgO (%)
+50	21.244	58.507	4.386	7.538	0.071	0.048	0.023	0.321	0.105
+40	22.029	59.036	3.879	6.950	0.064	0.029	0.020	0.292	0.079
+31.5	21.328	59.387	3.853	7.734	0.066	0.026	0.022	0.255	0.079
+20	22.085	60.274	3.512	7.479	0.058	0.026	0.019	0.187	0.078
+16	21.387	61.409	3.356	7.660	0.053	0.028	0.020	0.161	0.074
+12.5	21.432	61.958	3.273	7.549	0.054	0.027	0.022	0.144	0.075
+10	21.197	61.674	3.478	7.552	0.047	0.030	0.022	0.151	0.077
+8	21.178	61.771	3.990	7.294	0.051	0.053	0.022	0.149	0.078
+6.3	21.522	61.490	3.826	7.398	0.045	0.033	0.023	0.139	0.081
+5.6	21.379	61.347	4.078	7.449	0.044	0.037	0.023	0.135	0.082
+4	21.537	61.319	3.932	7.354	0.040	0.039	0.025	0.137	0.079
+3.35	21.678	60.881	4.022	7.292	0.036	0.035	0.024	0.136	0.079
+2	21.061	61.068	4.316	7.584	0.035	0.041	0.023	0.137	0.079
+1	19.597	57.568	6.643	9.192	0.032	0.047	0.022	0.155	0.079
+0.5	16.745	47.005	12.849	13.795	0.045	0.067	0.021	0.201	0.106
+0.355	17.237	45.979	14.772	13.588	0.063	0.074	0.022	0.186	0.134
+0.25	16.608	40.879	19.181	14.274	0.067	0.090	0.019	0.160	0.145
+0.106	13.969	31.191	31.448	14.735	0.059	0.100	0.016	0.115	0.130
+0.075	14.247	30.603	29.889	16.547	0.046	0.120	0.016	0.100	0.144
+0.045	14.197	26.790	31.423	18.166	0.073	0.144	0.016	0.090	0.153
+0.038	13.220	29.483	27.342	19.576	0.057	0.190	0.018	0.113	0.147
+0.025	12.663	23.378	30.415	22.270	0.036	0.206	0.017	0.081	0.180
-0.025	6.517	17.963	32.888	29.190	0.014	0.221	0.016	0.079	0.193
Sample Size (mm)	**ZnO (%)**	**K_2O (%)**	**V_2O_5 (%)**	**Cr_2O_3 (%)**	**CoO (%)**	**NiO (%)**	**CuO (%)**	**As_2O_3 (%)**	**PbO (%)**
+50	0.005	0.008	0.927	0.022	<0.001	0.005	0.011	0.003	<0.001
+40	0.004	0.006	1.006	0.021	<0.001	0.003	0.007	0.003	<0.001
+31.5	0.004	0.005	0.933	0.026	<0.001	0.006	0.010	0.003	0.002
+20	0.002	0.005	0.965	0.029	<0.001	0.005	0.007	0.003	<0.001
+16	0.003	0.007	0.982	0.036	<0.001	0.007	0.006	0.003	<0.001
+12.5	0.003	0.005	0.993	0.039	<0.001	0.006	0.006	0.004	<0.001
+10	0.003	0.006	1.004	0.039	<0.001	0.005	0.006	0.003	<0.001
+8	0.003	0.028	1.012	0.042	<0.001	0.005	0.005	0.004	<0.001
+6.3	0.003	0.008	1.016	0.042	<0.001	0.004	0.005	0.003	<0.001
+5.6	0.001	0.007	1.012	0.044	<0.001	0.005	0.005	0.004	<0.001
+4	0.002	0.009	1.014	0.047	<0.001	0.006	0.005	0.003	<0.001
+3.35	0.001	0.009	1.002	0.044	<0.001	0.003	0.004	0.004	<0.001
+2	0.002	0.011	0.981	0.049	<0.001	0.003	0.005	0.003	0.002
+1	0.002	0.014	0.926	0.045	<0.001	0.002	0.006	0.004	<0.001
+0.5	0.002	0.021	0.778	0.038	<0.001	0.004	0.006	0.003	<0.001
+0.355	0.006	0.026	0.753	0.037	<0.001	0.005	0.006	0.002	0.003
+0.25	0.002	0.035	0.670	0.033	<0.001	0.003	0.005	0.003	<0.001
+0.106	0.002	0.047	0.509	0.034	<0.001	0.011	0.005	0.001	0.001
+0.075	0.002	0.070	0.499	0.032	<0.001	0.005	0.006	0.002	<0.001

Sample Size (mm)	ZnO (%)	K_2O (%)	V_2O_5 (%)	Cr_2O_3 (%)	CoO (%)	NiO (%)	CuO (%)	As_2O_3 (%)	PbO (%)
+0.045	0.003	0.103	0.434	0.030	<0.001	0.006	0.006	0.001	0.001
+0.038	0.002	0.108	0.473	0.031	<0.001	0.006	0.007	0.001	0.001
+0.025	0.003	0.148	0.379	0.031	<0.001	0.007	0.007	<0.001	0.002
-0.025	0.003	0.129	0.294	0.028	<0.001	0.006	0.008	<0.001	<0.001
Sample Size (mm)	**BaO (%)**	**Na_2O (%)**	**Cl (%)**	**SrO (%)**	**Sb_2O_3 (%)**	**Nb_2O_3 (%)**	**ZrO_2 (%)**	**CeO_2 (ppm)**	**U (ppm)**
+50	0.003	0.020	0.010	0.003	<0.001	0.001	0.033	10	1.5
+40	<0.001	<0.001	0.009	0.002	<0.001	0.002	0.031	11	1.5
+31.5	0.007	<0.001	0.010	0.003	<0.001	<0.001	0.033	10	2.0
+20	0.005	<0.001	0.010	0.003	<0.001	0.004	0.034	10	2.0
+16	0.005	0.002	0.006	0.003	<0.001	0.002	0.036	12	2.0
+12.5	0.006	<0.001	0.005	0.002	<0.001	0.005	0.035	9	2.0
+10	0.008	<0.001	0.008	0.003	<0.001	0.002	0.036	9	3.0
+8	0.003	0.016	0.010	0.003	<0.001	0.001	0.036	15	2.5
+6.3	0.006	0.005	0.008	0.003	<0.001	0.003	0.037	9	3.5
+5.6	0.004	<0.001	0.007	0.002	<0.001	0.003	0.038	9	2.5
+4	0.005	<0.001	0.006	0.003	<0.001	0.003	0.037	9	3.5
+3.35	0.008	<0.001	0.003	<0.001	<0.001	0.003	0.038	9	2.5
+2	0.004	<0.001	0.006	0.003	<0.001	0.003	0.041	10	2.5
+1	0.003	0.006	0.003	0.003	<0.001	0.003	0.039	11	3.0
+0.5	0.002	0.015	0.007	0.003	<0.001	0.003	0.035	14	3.0
+0.355	0.004	0.023	0.010	0.004	<0.001	0.002	0.034	13	3.0
+0.25	0.007	0.029	0.007	0.002	<0.001	<0.001	0.033	15	2.5
+0.106	0.010	0.031	0.004	0.003	<0.001	0.001	0.029	14	2.5
+0.075	0.010	0.048	0.004	0.003	<0.001	<0.001	0.033	15	2.0
+0.045	0.009	0.070	0.007	0.003	<0.001	0.003	0.037	16	2.5
+0.038	0.012	0.064	0.009	0.003	<0.001	0.001	0.038	19	3.0
+0.025	0.012	0.083	0.008	0.004	0.001	0.002	0.049	24	2.5
-0.025	0.003	0.059	0.008	0.003	<0.001	0.002	0.030	30	2.5
Sample Size (mm)	**Th (ppm)**	**LOI_{1000} (%)**							
+50	3.5	7.30							
+40	3.0	6.93							
+31.5	4.0	6.60							
+20	9.0	5.50							
+16	9.5	5.08							
+12.5	7.5	4.64							
+10	8.0	4.96							
+8	8.0	4.47							
+6.3	8.5	4.55							
+5.6	9.5	4.51							
+4	9.5	4.69							
+3.35	10.0	4.68							
+2	11.0	4.87							
+1	12.5	5.92							
+0.5	12.0	8.71							
+0.355	12.0	7.55							

Sample Size (mm)	Th (ppm)	LOI_{1000} (%)							
+0.25	11.5	8.06							
+0.106	11.5	7.86							
+0.075	13.0	7.87							
+0.045	14.0	8.53							
+0.038	14.5	9.44							
+0.025	16.0	10.34							
-0.025	13.0	12.73							

JORC Code, 2012 Edition – Table 1 report

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.*	• Trench excavated perpendicular to the strike of mineralisation. • Trench excavated beside logged and assayed PQ core hole MDD012 drilled in 2015 as a reference. • Bulk samples from 15 bulka bags (13t) were composited to a unified sample. The composite was staged crushed to P_{100} 60mm. The crushed composite was then dry screened at 10mm. The +10mm to -60mm portion is the target product and was assayed at various size fraction.
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).*	• Not applicable – no drilling.
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.*	• Not applicable – no RC nor core drilling. • Not applicable – excavated sample.
Logging	• *Whether core and chip samples have been geologically and*	• Not applicable – no drilling.

Criteria	JORC Code explanation	Commentary
	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.*	• Not applicable – bulk sample. • Not applicable – bulk sample.
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.*	• Not applicable. No core drilling. • Dry bulk sample not split. • Excavator appropriate equipment for 13 tonne bulk sample. • No sub sampling. • Senior Geologist determined the location of the trench. • Bulk sample. Grainsize fraction controlled in the laboratory.
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.*	• Nagrom analysed the sample by XRF/ICP analysis which is an appropriate method for this mineralisation. • Not applicable. • Used drillhole MDD012 as the quality control indicator.
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, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Senior Geologist verified results against drillhole MDD012. • Core hole MDD012 twins the trench. • Data documented in Nagrom report. • No adjustments were made to the assay data.

Criteria	JORC Code explanation	Commentary
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.*	• Used surveyed core hole MDD012 as a reference and GPS. • GDA 94, Zone 51. • Used survey core hole MDD012 as a reference.
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.*	• No data spacing. • Bulk sample not used for Mineral Resource/Reserve estimation. • Bulk sample contained in 15 bulka bags (13t) composited to one sample in laboratory with bobcat.
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.*	• Mineralisation flat dipping. Unbiased sample. • Not applicable. No drilling.
Sample security	• *The measures taken to ensure sample security.*	• Bulk sample are stored in a locked gated storage facility with guard dogs.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not applicable – no drilling and sample used for metallurgical purposed not mineral estimation.

Section 2 Reporting of Exploration Results

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

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.*	• Audalia owns the Medcalf project 100% that comprises of M63/656, E63/1855, L63/75, L63/94, G63/10 and E63/1133 and E63/1134. All tenements are owned 100% and are in good standing with no legal issues. The Medcalf lies in Proposed Nature Reserve (PNR84) where mineralisation exists in proximity to Declared Rare Flora and subterranean fauna. Native Title interests are a royalty on production.
	• *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.*	• Tenure is secure and there are no known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Medcalf layered intrusion was identified by Union Miniere in the 1960's during which they completed gridding, geological mapping, soil sampling, geophysical surveys, and drilling. Amoco completed detailed geological mapping, geochemical sampling, and ground magnetic surveys during 1978. Drilling broadly delineated the mineralisation with drill samples submitted for mineralogical and petrographic analysis. Mineralised samples were submitted for metallurgical test work. In 1986 Cypres drilled a deep diamond hole to the west of the current resource area to test for down dip extensions. Arimco drilled diamond core to obtain samples for metallurgical testing in 1996, on which separation test work was completed. During 2005 and 2006 LionOre explored the area primarily for base metals and completed a geophysical survey and drilling. Norilsk briefly explored the area for nickel in 2010. A total of 44 historical holes have been drilled. None of these holes have been included in estimation of the Mineral Resource.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Medcalf Project lies in the southern end of the Archaean Lake Johnston greenstone belt: a narrow, north-northwest trending belt approximately 110 km in length. It is located near the southern margin of the Yilgarn Craton, midway between the southern ends of the Norseman-Wiluna and the Forrestania-Southern Cross greenstone belts. The area of interest is the Medcalf sill located in the hinge zone of a gently north-west plunging regional anticline and is emplaced within a predominately tholeiitic basalt sequence low in the greenstone succession. Rocks in this area belong to the almandine amphibolite facies of regional metamorphism. In the mineralised area the magnetite-rich sequence is deeply weathered, with +60 m of saprolite showing vertical zonation of weathering minerals due to progressive weathering. Primary mineralisation is the result of gravity accumulations of oxide phases within the pyroxenite zone of the sill. Extensive weathering over time has resulted in removal of much of the silica, calcium and magnesium resulting in residual concentration of iron, titanium and vanadium oxides. Vanadium is present in the samples as microscopic and sub-microscopic constituents of hematite, goethite, and several other iron minerals.

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.*
	• *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.*
		• No drilling.
		
		  ○ Centre point of trench = 292,777mE 6,398,240mN.
		  ○ 427mRL.
		
		  ○ -90 dip, zero azimuth.
		  ○ 0 to 3m.
		  ○ 3m.
		• No exclusion undertaken.

Criteria	JORC Code explanation	Commentary
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.*	• No aggregation of assay results has been performed, nor top-cutting of assays applied. • No metal equivalents have been used. Individual grades for estimated elements are reported. • No assumptions.
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').*	• Relationship is one to one. One vertical metre of excavation is one vertical metre of mineralisation. • No angle to the mineralisation ie flat. • Not applicable. Geometry of mineralisation 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.*	• Not applicable. Bulk sample.
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 meaningful and material data has been 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.*	• Audalia have completed a range of metallurgical tests of mineralisation sourced for the Medcalf Project:
		  ○ Mineralogical characterisation – Investigation of the distribution of vanadium, titanium and iron in different minerals.
		  ○ Beneficiation testwork – Investigations on the suitability of various concentration processes including gravity separation, magnetic separation, and flotation. Results indicate magnetic separation as the most suitable process
		  ○ Metallurgical testwork – To investigate the extraction and separation of vanadium, titanium and iron from beneficiated

Criteria	JORC Code explanation	Commentary
		concentrate by pyrometallurgical processes. Full details of this work have been previously reported in an ASX release dated 26 October 2017 and as an Addendum released on 31 October 2017, and more recently on 28 September 2020.
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.*	• Further metallurgical testwork to examine mineralisation variability. • Not applicable as no drilling.