

29 November 2022

Diamond Drilling Commences at Viking

- **3-hole diamond drilling program has commenced at the Viking Gold Project near Norseman, WA**
- **Viking drill program has been accelerated given recent high grades encountered**
- **Drilling is targeting along strike and down-dip extensions to several high-grade RC drill intercepts announced last week. Highlights from this program¹ included:**
 - **VKB2RC004** **6m @ 1.02 g/t Au from 93m; including**
1m @ 5.01g/t Au from 93m; and
6m @ 5.11g/t Au from 141m; including
1m @ 28.5g/t Au from 141m
 - **VKB2RC001** **3m @ 6.07g/t Au from 43m; including**
1m @ 13.4 g/t Au from 45m
- **Results from this ~750m program expected to be released Q1 2023**

Falcon Metals Limited (**ASX: FAL**) ("**Falcon**" or "**the Company**") advises that it has commenced a 3-hole diamond drilling program at the Viking Gold Project, located 30km southeast of Norseman in the Northern Foreland of the Albany Fraser Province (see Figure 1), Western Australia.

On 21 November 2022, Falcon announced several high-grade RC drill intercepts at the Beaker 2 Prospect at Viking in an ASX announcement ("**High-grade Gold Confirmed in Assays at Viking**"). This drilling tested for primary mineralisation down-dip to historical oxide zone intercepts that previously had limited follow-up drilling (see Figure 2 and Figure 3). Given the high grades encountered, and the continuity and predictability of the location of the mineralised shear zones, Falcon has accelerated the timing of follow-up drilling to test the potential size of the Beaker 2 mineralisation. Step-out holes are located at a spacing of 150m along strike to the northeast and southwest of the current extent of Beaker 2 primary mineralisation, and at least 100m down dip.

Mineralisation is associated with shallow south-easterly dipping shear zones within relatively undeformed granodiorites and diorites. These shear zones generally consist of muscovite-chlorite-biotite schists with varying amounts of quartz veining and sulphides. Although these mineralised shear zones are quite continuous and predictable, the continuity of grade within these prospective zones is highly variable and diamond drilling will assist in assessing structural controls on mineralisation.

Western Australian-based contractor Topdrive Drillers Australia ("**Topdrive**") was appointed to undertake the diamond drilling campaign which will initially comprise approximately 750m. Drilling is expected to take about 3-weeks to complete with assays expected in Q1 2023.

¹ Refer to ASX Announcement 21 November 2022 "High-grade Gold Confirmed in Assays at Viking"



Falcon Metals' Managing Director Tim Markwell said:

"The results Falcon announced on 21 November included several high-grade intercepts, confirming that the historical oxide zones encountered continue at depth. This has provided Falcon with the confidence to expand its drilling program with a diamond rig to test for a possible larger scale target at depth and to also look at the continuity of the high-grade mineralisation encountered. It is a credit to the Falcon team and its contractors that a diamond drilling program was able to be arranged so quickly after the receipt of the assays from the initial RC drill program."

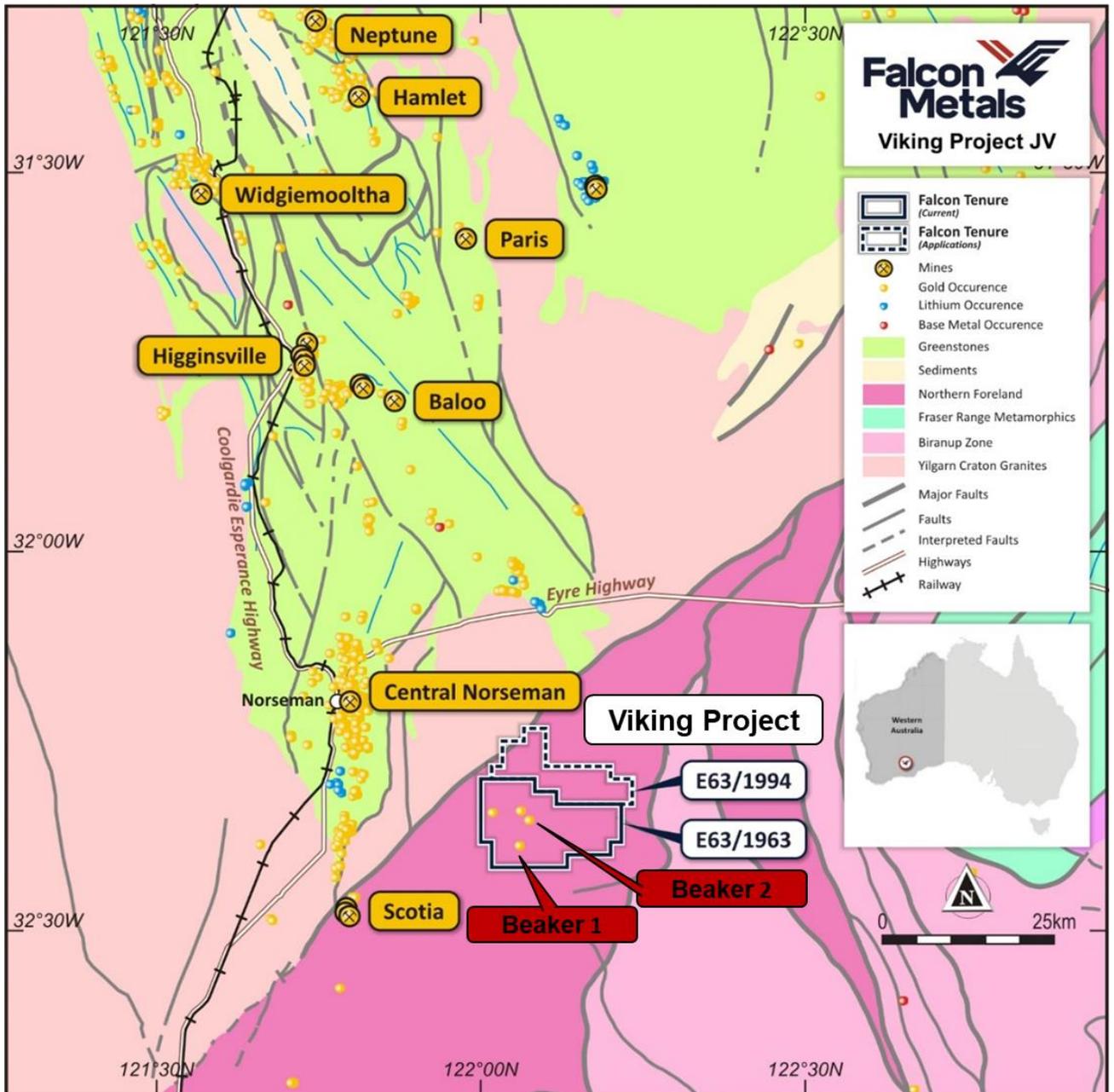


Figure 1 Location of the Viking Project

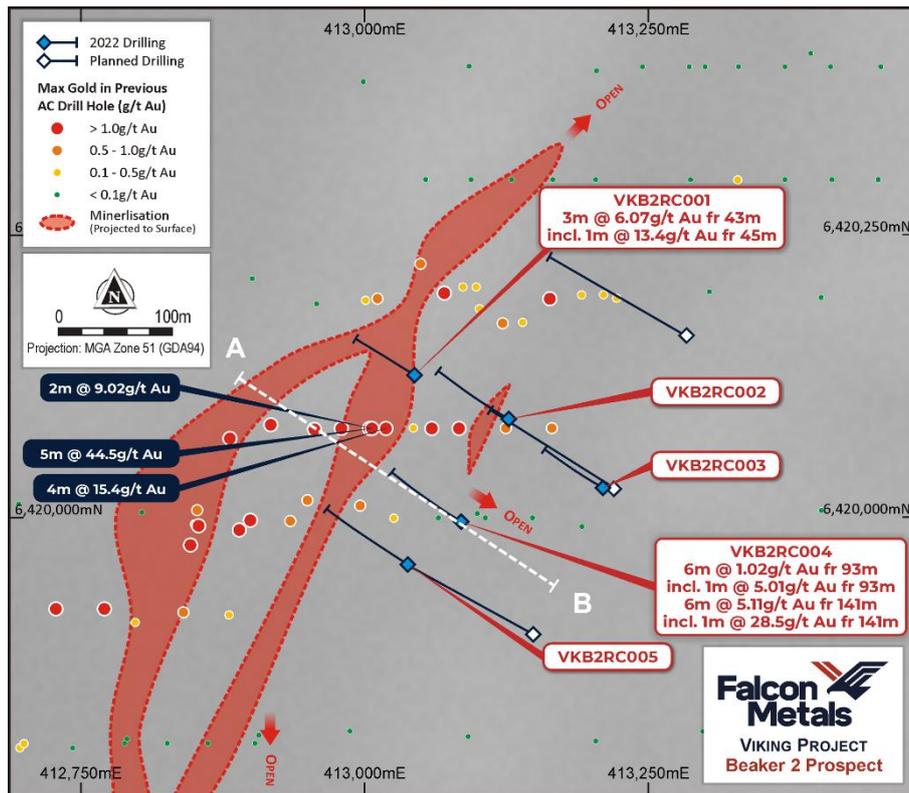


Figure 2 Drilling results from the recently completed program at the Beaker 2 Prospect^{1 2}

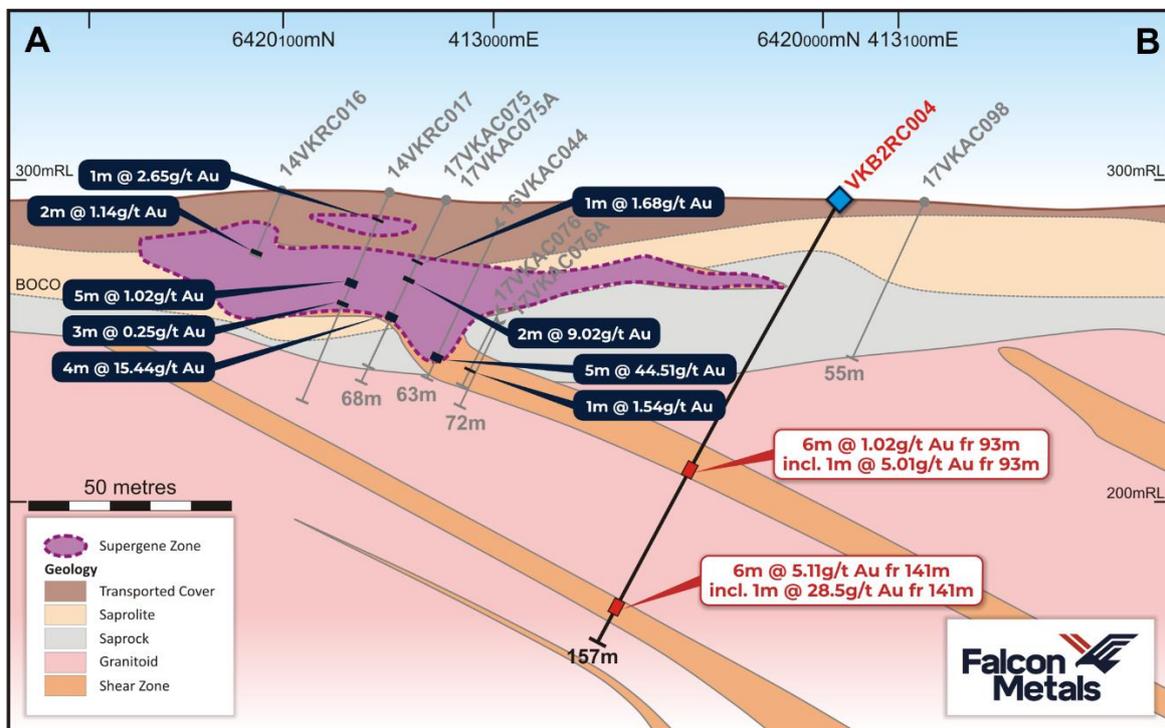


Figure 3 Beaker 2 Cross Section A-B^{1 2}

¹ Refer to ASX Announcement 21 November 2022 "High-grade Gold Confirmed in Assays at Viking"

² Refer to Falcon Prospectus dated 3 November 2021



Viking Background

Viking is located 30km southeast of Norseman in WA, within the Dundas Nature Reserve. Permit E63/1963 is held via a joint-venture arrangement with Metal Hawk and Falcon has the right to earn a 70% interest in this permit from ASX-listed Metal Hawk Limited (**ASX: MHK**) (“**Metal Hawk**”).

The key terms of the joint venture are as follows:

- Initial A\$1,000,000 expenditure for Falcon to earn a 51% interest within two years from the grant of the permit
- On achieving 51% Falcon has the right, but not obligation, to earn a further 19% (70% in total) by funding an additional A\$1,750,000 over 30 months

Upon completion of the earn in period, a joint venture will be formed to fund exploration on an ongoing basis.

Application E63/1994 is 100% owned by Falcon.

The Albany-Fraser Province is a high-metamorphic grade terrain dominated by gneisses and reworked granitoids. It is known to host several world-class deposits including the Nova-Bollinger Nickel Mine operated by ASX-listed IGO and the Tropicana Gold Mine operated by AngloGold Ashanti (“**Anglo**”).

Following the discovery of Tropicana in 2005, Anglo stepped up its regional exploration and discovered Viking in 2011 using surface auger sampling. This work defined the four prospects, referred to as Beaker 1-4. Anglo drilled 513 aircore holes, 14 RC holes and 20 diamond holes prior to divesting the project to Genesis Minerals which continued exploration, drilling a further 87 aircore holes and 29 RC holes until 2019 when the tenement was dropped.

Metal Hawk pegged E63/1963 in 2019 and it was granted in March 2021. This project was joint ventured to Chalice Mining in 2020 and was part of the project portfolio demerged into Falcon in December 2021.

Although Viking is located in the Dundas Nature Reserve, Falcon has the required approvals to undertake exploration activities within its permit area.

This announcement has been approved for release by the Board of Falcon Metals.

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COMPETENT PERSON STATEMENT:

The information contained within this announcement relates to exploration results based on and fairly represents information compiled and reviewed by Mr Doug Winzar who is a Member of the Australian Institute of Geoscientists. Mr Winzar is a full-time employee of Falcon Metals Limited and 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 "Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Winzar consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

FORWARD LOOKING STATEMENT:

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (Forward Statements). Forward Statements can generally be identified by the use of forward looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements. 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 interpretation 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.