ASX Announcement 12th December 2022

# Duketon Project Increases to over 100k tonnes of Nickel in Resource

**HIGHLIGHTS**

**C2 Project (100% DKM)**

- C2 Nickel Resource increases to **8.06 Mt @ 0.57% Ni**
- Equates to **46,243 tonnes contained nickel, 2,339 tonnes contained copper and 25,684 ounces of contained PGEs (only Pt + Pd assayed)**[1]
- This includes
  - **41% increase in tonnes**
  - **22% increase in nickel metal tonnes**
- **99% of the C2 Mineral Resource is now in the Indicated category**
- **Updated resource includes all drilling up to and including 2022**
- The updated resource model will be integrated into the existing mining study
- Total combined JORC resource for Rosie and C2 is **102,527 nickel tonnes, 14,163 copper tonnes and 254,712 ounces PGEs**[2]
- Mineralisation remains open in all directions on both resources

Duketon Mining Ltd (DKM) is pleased to announce an update to the JORC 2012 Indicated and Inferred Mineral Resource Estimate (MRE) for the C2 Nickel Deposit in the Duketon Belt, 120km north of Laverton. This update is based on additional drilling conducted since the last MRE in 2015 and includes all drilling conducted to date.

[1] Refer to tables 1-3 for classification breakdown
[2] Rosie PGEs include all six PGEs

**Duketon Mining Limited** ACN 159 084 107
Level 2 25 Richardson Street West Perth WA 6005 T: +61(0) 8 6315 1490

The Indicated and Inferred Mineral Resource Estimate for C2 is **8.06 million tonnes at 0.57% nickel** and is reported in accordance with the 2012 JORC Code. The resource estimate is reported at >0.4% Ni grade. Previously 100% of the C2 resource was reported as Inferred. Over **99% of the Resource has now been classified as Indicated**. Mineralisation remains open in all directions.

The Mineral Resource contained metal stands at **46,263 tonnes of nickel, 2,339 tonnes of copper, 1,505 tonnes of cobalt and 25,684 oz of total PGEs** (Table 4).

| Resource Category | Tonnes (kt) | Ni% | Ni tonnes |
|---|---|---|---|
| Indicated | 7,955 | 0.58 | 45,790 |
| Inferred | 108 | 0.44 | 474 |
| **TOTAL** | **8,063** | **0.57** | **46,263** |

**Table 1: C2 Mineral Resource Statement (December 2022) >0.4% Ni**

| Classification | January 2015 Resource | | | December 2022 Resource | | | Change % | | |
|---|---|---|---|---|---|---|---|---|---|
| | tonnes | Ni % | metal | tonnes | Ni % | metal | tonnes | Ni % | metal |
| Indicated | | | | 7,955,751 | 0.58 | 45,790 | | | |
| Inferred | 5,700,000 | 0.7 | 38,000 | 107,790 | 0.44 | 474 | -98% | -37% | -99% |
| Total | 5,700,000 | 0.7 | 38,000 | 8,063,541 | 0.57 | 46,263 | 41% | -18% | 22% |

**Table 2: Comparison between January 2015 and December 2022 MREs for C2**

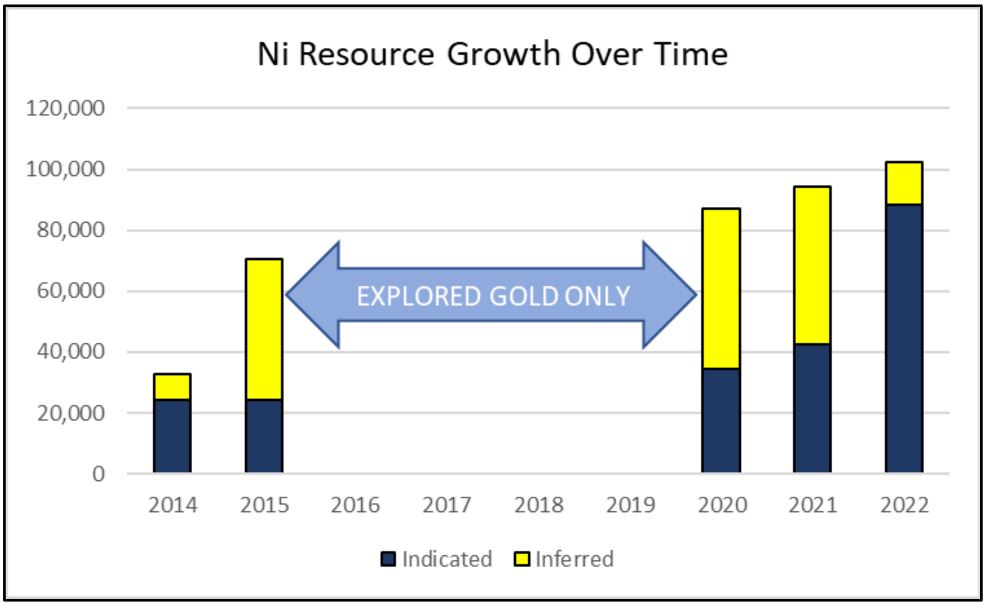


**Chart 1: Nickel Resource Growth Over Time by Category, The Bulge Area.**

Managing Director, Stuart Fogarty said:

*"What an excellent result, not only to increase the resource base significantly but also to increase the proportion of indicated resources. The resource base has grown from approximately 24,000 Ni tonnes in 2014 to over 100,000 Ni tonnes to date. On any measure this is a substantial increase.*

*C2 is ticking many boxes now as a major contributor to the resource base of DKM on a size of resource, metallurgical qualities and through pit optimisations. Both C2 and Rosie are open at depth. Our expectation is that both C2 and Rosie will continue to grow over time with additional drilling."*

**Rosie and C2**

The total JORC compliant nickel resource for the Bulge Area (Rosie and C2) now stands at **102,527 tonnes of nickel, 14,163 tonnes of copper and 254,712 ounces of PGEs** (Tables 3 to 7).

| C2 Nickel Resource >0.4%Ni | | | | | | |
|---|---|---|---|---|---|---|
| **Classification** | **Tonnes** | **Ni (%)** | **Cu (%)** | **Pd (ppb)** | **Pt (ppb)** | **S (%)** |
| Indicated | 7,955,751 | 0.57 | 0.03 | 56.7 | 42.8 | 1.7 |
| Inferred | 107,790 | 0.44 | 0.01 | 34.7 | 31.4 | 0.5 |
| **Total** | **8,063,541** | **0.57** | **0.03** | **56.5** | **42.7** | **1.7** |

**Table 3: C2 Resource > 0.4% Ni with Auxiliary Attributes**

| Classification | Ni tonnes | Cu tonnes | Co tonnes | PGE oz |
|---|---|---|---|---|
| Indicated | 45,790 | 2,325 | 1,490 | 25,455 |
| Inferred | 474 | 15 | 14 | 229 |
| **Total** | **46,263** | **2,339** | **1,505** | **25,684** |

**Table 4: C2 Mineral Resource Contained Metal**

| Rosie Nickel Resource >1% NiEq | | | | | | | |
|---|---|---|---|---|---|---|---|
| Classification | Sulphide | Tonnes | Ni (%) | Cu (%) | Co (ppm) | Total PGEs (g/t) | NiEq (%) |
| Indicated | Pentlandite | 1,191,555 | 2.4 | 0.42 | 642 | 2.7 | 3.76 |
| | Violarite | 820,999 | 1.7 | 0.39 | 504 | 2.5 | 2.75 |
| | **Sub-Total** | **2,012,553** | **2.1** | **0.41** | **585** | **2.6** | **3.35** |
| Inferred | Pentlandite | 694,751 | 1.8 | 0.48 | 580 | 2.5 | 3.13 |
| | Violarite | 66,179 | 1.5 | 0.42 | 442 | 1.7 | 2.36 |
| | **Sub-Total** | **760,930** | **1.8** | **0.48** | **568** | **2.4** | **3.06** |
| **Total** | **All** | **2,773,483** | **2.0** | **0.43** | **580** | **2.6** | **3.27** |

**Table 5: Rosie Mineral Resource Grade** (see ASX Announcement 10 March 2022)

| | | Contained Metal | | | |
|---|---|---|---|---|---|
| Classification | Ore Type | Ni (t) | Cu (t) | Co (t) | Total PGEs (oz) |
| Indicated | Pentlandite | 28,524 | 4,978 | 764 | 104,868 |
| | Violarite | 13,966 | 3,230 | 414 | 64,869 |
| | **Sub-Total** | **42,490** | **8,208** | **1,178** | **169,737** |
| Inferred | Pentlandite | 12,786 | 3,337 | 403 | 55,740 |
| | Violarite | 987 | 279 | 29 | 3,551 |
| | **Sub-Total** | **13,774** | **3,616** | **432** | **59,291** |
| | **Total** | **56,264** | **11,824** | **1,610** | **229,028** |

**Table 6: Rosie Mineral Resource Contained Metal**

| Combined Metal Inventory, The Bulge Area | | | |
|---|---|---|---|
| Deposit | Ni tonnes | Cu tonnes | PGE oz |
| **Rosie** | 56,264 | 11,824 | 229,028 |
| **C2** | 46,263 | 2,339 | 25,684 |
| **TOTAL** | **102,527** | **14,163** | **254,712** |

**Table 7: Combined Metal Inventory, The Bulge Area.**

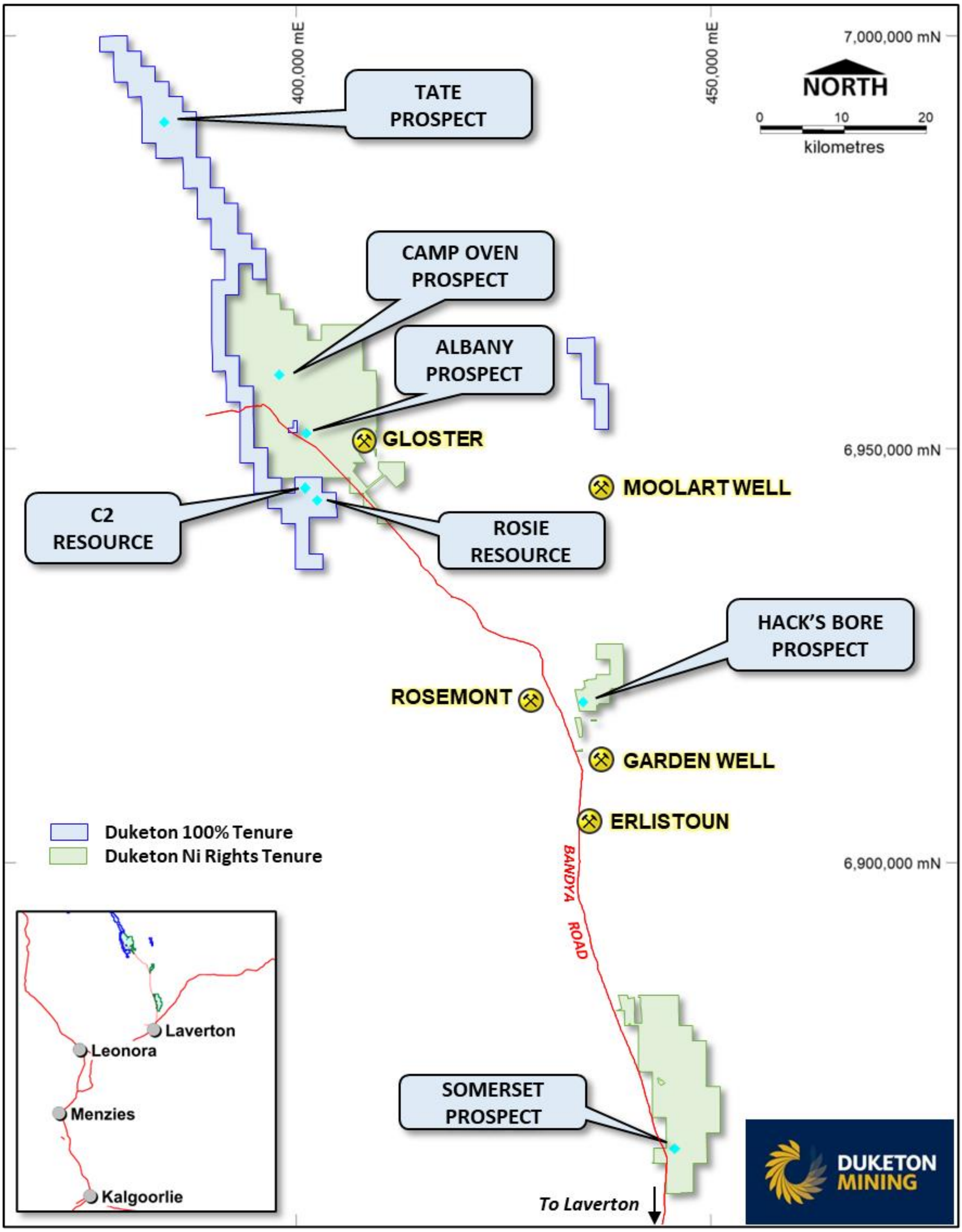


**Figure 1: Plan of DKM Tenements showing Ultramafic, Nickel Resources and Prospects**

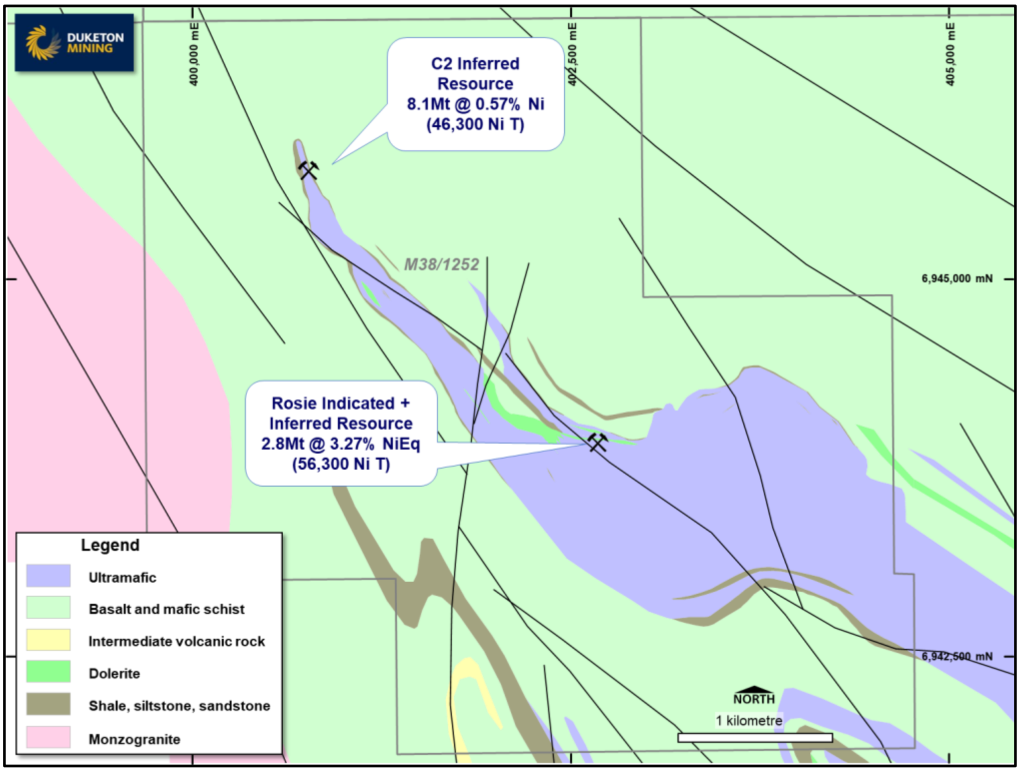


**Figure 2: Plan of The Bulge Complex**

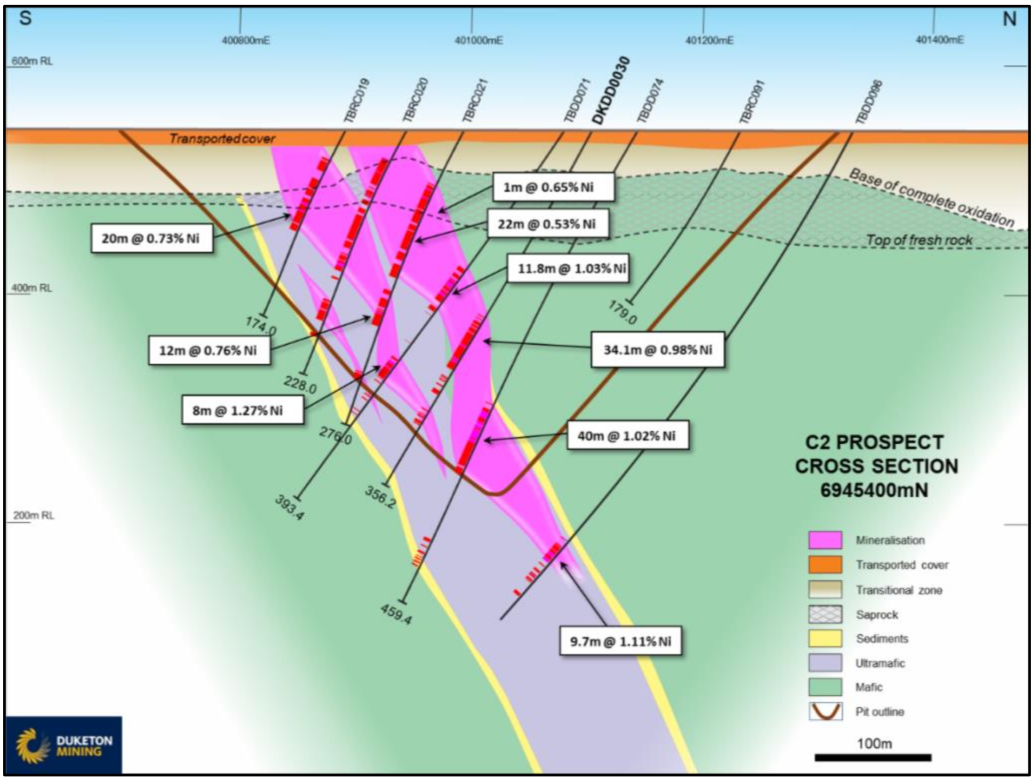


**Figure 3: C2 Cross Section, looking NW**

**C2 Technical Summary – Mineral Resource Estimation and Data**

The updated C2 Nickel Mineral Resource was estimated by independent consultants from Cube Consulting Pty Ltd (Cube).

**Geology and Geological Interpretation**

The C2 Nickel Deposit is located within the Duketon Greenstone Belt, approximately 120km north of Laverton in Western Australia. The host unit of the nickel sulphide mineralisation is locally termed the Bulge Ultramafic Complex, this can be traced over 10km of strike and is also host to the Rosie Nickel Sulphide Deposit (2.7Mt @ 2.0% Ni for 56,264 Ni tonnes) (Tables 4-5).

The Bulge Ultramafic Complex has been a focus for nickel exploration for several companies over the last ten years, most significantly at the Rosie and C2 prospects by Independence Group NL. During this time, a JORC 2004 compliant resource of 1.9Mt @ 1.7% Ni (32,700 Ni t), 0.38% Cu and 1.9 g/t Pt + Pd was defined at the Rosie Prospect (see ASX announcement 24$^{th}$ July 2014).

Structural thickening is highly likely in the Bulge area due to folding, however the exact relationship to the structure and folding with respect to the mineralisation is currently poorly understood. Mineralisation at the C2 deposit is located at the northern end of the ultramafic host, with the facing direction younging to the southwest (Figure 4 2). The ultramafic at C2 strikes to the north-northwest and dips steeply to the northeast.

The C2 deposit is a komatiite-hosted nickel sulphide deposit. The mineralisation is characterised by accumulations of disseminated and to a lesser extent massive and matrix Ni-Cu-PGE magmatic sulphides at or close to the basal contact of a komatiite ultramafic rock, overlying a mafic pillow basalt footwall. This footwall often has fine grained siltstone sediments which also contain sulphides in varying amounts. The deposit has been drilled with a combination of Aircore, RC and Diamond drilling (NQ2) from surface to a vertical depth of approximately 400m over a strike length of ~750m.

The C2 mineralisation is of medium-high tenor (10-14% Ni in 100% sulphides), with intersections of Ni up to 7.36% in remobilised vein hosted massive sulphides. It has lesser amounts of Cu at a ratio of ~12:1, and minor Pt and Pd credits. The mineralogy of the system appears to be similar to typical Kambalda-style magmatic Ni systems, with pyrrhotite, pentlandite and chalcopyrite as the dominant sulphides in the primary portion of the mineralised zone.

**Drilling Techniques**

For the previous January 2015 MRE, a total 86 AC, RC and DDH holes intersected the contact mineralised surface and were used for grade interpolation. Rotary air blast (RAB) holes were not used.

Between 2018 and 2022, an additional 16 RC holes and one diamond hole were drilled at C2 for a total of 2,893 m, with all but one of these holes intersecting nickel mineralisation.

The majority of drilling was undertaken on east west sections being approximately perpendicular to the interpreted strike of the mineralisation. The majority of holes are dipping 60 degrees to the west but may vary depending on the amount of deviation encountered in the drillhole.

**Sampling and Subsampling Techniques**

Aircore and RC drillholes were sampled initially as 4m composites and subsequently 1m samples. AC and RC 1m samples were split with a riffle splitter into calico bags where mineralisation has been encountered.

Oriented diamond core was sampled as half core NQ2 across the mineralised intervals with a 5m buffer either side. Samples were generally 1m in length however can be less than 20cm in places based on geology and mineralisation. Geological boundaries are deemed sample boundaries, in order to gain multi-element analysis of the complete suite of rock types observed, and not to contaminate one rock type with another, and/or mineralisation.

**Sample Analysis Method**

All samples were analysed at Bureau Veritas in Canning Vale, WA. Samples were sorted and dried in ovens for up to 24 hours (approx +/-) at 105°C. Primary sample preparation has been by crushing the whole sample. For RC samples, the whole sample was crushed to a nominal 3mm. For diamond core the whole sample was crushed to a nominal 10mm (primary crush) and then further crushed to a nominal 3mm. All samples were then split with a riffle splitter to obtain a sub-fraction, a nominal 2.4 kg sample where possible. All material was retained after splitting. Samples were then milled using a robotic preparation system to 90% passing -75um. Sample catch weight was 0.15g for Mixed acid digest.

Samples were analysed for:

As(1ppm), Co(5ppm), Cu(2ppm), Cr(10ppm), Fe(0.01%), Ti(50ppm), Ni(2ppm), Zn(2ppm), Mg(0.01%) and S(0.01%) – a 0.15g was digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This extended digest approaches a total digest for many elements however some refractory minerals are not completely attacked. The mixed acid digest (0.3g sample weight) is modified to prevent losses of sulphur from high sulphide samples. The samples are peroxidised using an oxidant that converts the sulphides present to sulphates. As has been determined by Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Co, Cu, Cr, Ti, Fe, Ni, Zn, Mg, S have been determined by Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES).

Au (1ppb), Pt (5ppb), Pd (5ppb) – the samples have been analysed by firing a 40g portion of the sample. Lower sample weights may be employed for samples with very high sulphide and metal contents. This is the classical fire assay process and will give total separation of gold, platinum and palladium in the sample. Au (FA), Pt (FA), Pd (FA) have been determined by Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES).

**Estimation Methodology**

Cube were retained by the Company to estimate the mineral resource for the C2 nickel deposit. The previous (2015) MRE (see ASX announcement 29 January 2015) was based on a 0.3% Ni cut-off hard boundary domain within the ultramafic unit. However, there is no distinct population break at this grade to justify the use of internal estimation domain hard boundaries within the ultramafic unit. Therefore, the estimation technique used for this MRE was Localised Uniform Conditioning (LUC) – a non-linear technique used to estimate the Ni grade within the entire ultramafic unit. For this MRE, only Ni was estimated by LUC, with the other variables (As, Au, Co, Cu, Pd, Pt, S and density) estimated by Ordinary Kriging (OK).

**Cut Off Grade**

Cut-off grade for reporting is 0.4% Ni, derived from metal prices and mining/processing costs and recoveries used for a pit optimisation study.

## Prospects for Economic Extraction

The grade and geometry of the C2 nickel deposit is amenable to open pit mining. The deposit is located on a mining lease. There is no apparent reason the C2 nickel deposit could not be mined.

## Mining Methods and Parameters

Pit optimisation analysis has been undertaken, the C2 resource is within an optimised pit shell with grades and geometry amenable to medium scale open cut mining.

## Metallurgical Methods and Parameters

Metallurgical testwork was completed on one composite sample. The sample was assessed by flotation to determine the possibility of recovering nickel at a saleable grade. A total of ten flotation tests were conducted on the composite sample including 3 rougher, 3 cleaner and 4 recleaned tests. Saleable nickel concentrate can be generated in a conventional float circuit.

## Resource Classification Criteria

A Drill Hole Spacing Analysis (DHSA) was recently completed by Cube for the C2 deposit. The DHSA used geostatistical Conditional Simulation and multiple kriged estimates to derive confidence limits for nickel grade from various drill hole spacings that were drawn from the Conditional Simulation.

Even though the DHSA study used the domain definition for the 2015 MRE, the findings will still be applicable to the current whole-of-ultramafic domain. The study concluded that a drill hole spacing of 50 m x 50 m was sufficient to support a classification of Indicated, except in the southern part of the deposit where the mineralisation is more complex (numerous mineralised lodes).

**Authorised for release by:**

**Stuart Fogarty**
Duketon Mining Limited - Managing Director
+61 8 6315 1490

*The information in this report that relates to Mineral Resources for the C2 Nickel Deposit is based on, and fairly represents, information and supporting documentation prepared by Mr Michael Job who is a Fellow of the Australasian Institute of Mining and Metallurgy. At the time that the Mineral Resources were compiled, Mr Job was a full-time employee of Cube Consulting Pty Ltd, an independent mining consultancy. Mr Job 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 Job has provided his written consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## PREVIOUSLY REPORTED INFORMATION

*The information in the announcement that relates to Mineral Resources for the Rosie resource is extracted from the Company's ASX announcement dated 10 March 2022 and is available to view on the Company's website (www.duketonmining.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 announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 announcement.*

*The information in this report that relates to exploration results is based on information compiled by Ms Kirsty Culver, Member of the Australian Institute of Geoscientists (AIG) and an employee of Duketon Mining Limited. Ms Culver has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a competent person as defined in the JORC Code 2012. Ms Culver consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

*This report includes information that relates to exploration results and mineral resource estimates that were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company's previous ASX announcements as follows:*

- *10 March 2022*
- *29 January 2015*

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

# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data – C2 MRE November 2022

(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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *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.* | • The C2 prospect was sampled using Reverse Circulation (RC), Air-Core (AC) and Diamond Drill (DD) holes on sections spaced at 50m x 50m with some areas out to 100m x 100m and some within 30m x 30m. The primary method of drilling the C2 deposit has been RC drilling with some oriented diamond core (NQ2) using the Ace and EziMark orientation tools.<br>• Diamond Drillhole and Reverse Circulation collars were surveyed using DGPS equipment to sub 0.5m accuracy except for 7 RC drill holes and the AC drill holes which are based on planned drill hole co-ordinates. A combination of licensed surveyors and company field technicians was used during various programs to determine accurate collar positions. Drilling after 2016 (1 diamond drill hole and 16 RC drill holes) has been surveyed using a handheld GPS. Co-ordinates were surveyed in the MGA94 grid system. No local grid has been established as yet.<br>• AC and RC drillholes have been sampled initially as 4m composites, and subsequently 1m samples. AC and RC 1m samples were split with a riffle splitter into calico bags where mineralisation has been encountered.<br>• Diamond core (NQ2) has been sampled as half core in areas of mineralisation with a 5m buffer sampled either side of the mineralised zone. The samples are generally 1m intervals, however can be less than 20cm in places based on geology and mineralisation styles. Geological boundaries are deemed sample boundaries, in order to gain multi-element analysis of the complete suite of rock types observed, and not to contaminate one rock type with another, and/or mineralisation. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | • Diamond holes drilled prior to 2016 have also been systematically analysed on 1m intervals using a handheld XRF machine (Innov-X Systems) where no physical sampling has taken place. Also, the XRF machine is used to analyse the mineralisation prior to core-cutting, giving a good approximation to the grade intercepted, prior to the receipt of the assay results from the lab. The XRF data have not been used in the resource estimate and are purely used as a guide to the geological interpretation.<br>• Magnetic Susceptibility readings have been taken for most of the sampled intervals. |
| *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).* | • The C2 deposit has been drilled with a combination of Aircore, RC and Diamond drilling (NQ2). The primary method of drilling for the C2 deposit has been RC drilling with some oriented diamond core (NQ2). Diamond drillholes used the Ace and EziMark orientation tools to orient the core. Drill holes extend to a vertical depth of approximately 400m over a strike length of ~700m, however mineralisation has been intersected over a strike length of ~1km and is still open along strike and down-dip. |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • The majority of the resource drilling to date has been reverse circulation and sample recovery on these holes was reasonable with 60% of the recovered drill chips that were weighed having weights of over 29kg. Wet samples have been recorded for RC drilling, however these make up less than 5% of the composites used in the resource estimate.<br>• An area of concern was that there might be a grade/weight bias in the RC 1m samples. Statistical analysis for the riffle splitter has shown that although there was a weight bias between primary vs duplicate samples, it did not necessarily affect the grades. The cone split sample weights have not been able to be statistically analysed due to mixed methods of primary vs field duplicate sample selection in the field, an issue which was rectified later in the program.<br>• The drilling at C2 does not have historical sample weights and |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | therefore any potential bias cannot be determined<br>• Core recovery was high with over 90% of the Diamond drilling having core recoveries of 100%. |
| *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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Logging has been completed in detail for diamond core including rock type, grain size, texture, colour, foliation, mineralogy, alteration and a detailed description written for every interval. In sections of oriented diamond core structural measurements of fractures, foliation, veins and shearing have been measured systematically using the Kenometer, with Alpha and Beta measurements taken for each feature where possible. If the core is not orientated only an Alpha reading has been taken. RC chip samples have been logged with a detailed geological description. All logging is of a level sufficient in detail to support resource estimation.<br>• Prior to 2016 diamond holes were logged on paper logs using the IGO company geological codes library and a detailed written description is recorded for each interval. The logs then data entered into an excel spreadsheet before being uploaded to the SQL database with an AcQuire front end.<br>• Prior to 2016 Field Marshall software was used for RC logging and the files are loaded directly into the SQL database.<br>• Since 2016 all drillholes (diamond and RC) were logged directly into Expedio Ocris software then loaded into DKMs Maxgeo DataShed<br>• Core photography has been completed both wet and dry for the majority of the diamond drilling over the entire length of the hole. The photographs are labelled and stored on the Perth server. Geotechnical logging has been completed for 30m either side of the footwall contact/mineralisation – and involved measuring fracture frequency, depth, hardness, fracture type, alpha, beta angle, profile of the fracture, the roughness of the joint surface, the infill type and characteristics.<br>• The handheld Innov-X XRF machine stores a multi-element analysis of the point at which the reading was taken. These data have been used as an aid to the geological interpretation of the drilling where sampling |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | and analysis by a laboratory has not taken place. The XRF machine is also used to analyse the mineralisation prior to sampling, which gives a good approximation to the grade intercepted and allows a visual estimate to be obtained from the core prior to the receipt of the assay results from the lab. No handheld XRF data have been used in the resource estimate. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • For the C2 resource all samples were sorted and dried in ovens for up to 24 hours (approx +/-) at 105°C. Primary sample preparation has been by crushing the whole sample. For RC samples, the whole sample was crushed to a nominal 3mm. For diamond core the whole sample was crushed to a nominal 10mm (primary crush) and then further crushed to a nominal 3mm. All samples were then split with a riffle splitter to obtain a sub-fraction, a nominal 2.4 kg sample where possible. All material was retained after splitting. Samples were then milled using a robotic preparation system to 90% passing -75um. Sample catch weight was 0.15g for Mixed acid digest.<br>• Diamond core samples are half core, cut with an Almonte core saw.<br>• Where field duplicates are taken the core is cut into two quarters. Field duplicates for RC samples are taken as riffle splits.<br>• Laboratory standards taken at the pulverizing stage and selective repeats conducted at the laboratory's discretion.<br>• Sample size is considered appropriate for the grainsize of the material supplied |
| *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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (eg standards, blanks,* | • 1m split RC samples and all diamond core samples have been analysed for: Au (1ppb), Pt (5ppb), Pd (5ppb) – the samples have been analysed by firing a 40g portion of the sample. Lower sample weights may be employed for samples with very high sulphide and metal contents. This is the classical fire assay process and will give total separation of gold, platinum and palladium in the sample. Au (FA), Pt (FA), Pd (FA) have been determined by Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES). As(1ppm), |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | Co(5ppm), Cu(2ppm), Cr(10ppm), Fe(0.01%), Ti(50ppm), Ni(2ppm), Zn(2ppm), Mg(0.01%) and S(0.01%) – 0.15g was digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This extended digest approaches a total digest for many elements however some refractory minerals are not completely attacked. The mixed acid digest (0.3g sample weight) is modified to prevent losses of sulphur from high sulphide samples. The samples are peroxidised using an oxidant that converts the sulphides present to sulphates. As has been determined by Inductively Coupled Plasma Mass Spectrometry (ICP-MS). Co, Cu, Cr, Ti, Fe, Ni, Zn, Mg, S have been determined by Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES).<br>• Inter-laboratory (Umpire) Checks on pulps from the C2 deposit were completed at Genalysis, Maddington, WA. The pulps were analysed by a comparative method and for the same suite of elements as those completed at Ultra Trace (detailed above).<br>• Standards were submitted with a minimum 3/100 samples, blanks minimum 2/100 samples, duplicates minimum 2/100 samples, in Aircore and RC drilling. In 2012 the standard insertion rate was increased to 5/100 samples. With diamond drillholes, every zone of mineralisation generally had 2 or more standards, 1 or more blanks and 1 or more duplicates spread throughout the zone of mineralisation.<br>• Various Geostats Pty Ltd or OREAS Certified Reference Materials standards have been used from 0.5%, 1%, 2%, 3% Nickel, up to 11.65% Nickel for high grade massive sulphide. Standards were submitted within mineralised intervals in a suitable location based on the expected grade of the zone being sampled and using a comparable grade standard, i.e., disseminated mineralisation would have a ~0.5% Ni standard inserted into the sample run, whereas matrix sulphide mineralisation may have a 3% Ni standard inserted and so on. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Cube Consulting have visually verified the significant intersections in diamond core<br>• All data has been checked internally for correctness by senior DKM geological and corporate staff.<br>• No adjustments have been made to assay data.<br>• There have been no twinned holes drilled at this point.<br>• Prior to 2016 Field Marshall was used for RC logging and the files are loaded directly into the database. Diamond holes were logged onto paper logs using the company geological codes library and a detailed written description is recorded for each interval. The logs are then data entered into an excel spreadsheet before being uploaded to the SQL database.<br>• From 2016 drillhole logs were entered into Ocris geological logging software on a Toughbook using DKM geological logging codes. |
| *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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • For drilling completed prior to 2012 Drillhole collars were surveyed using DGPS equipment to sub 0.5m accuracy for the C2 resource drilling. Some AC and RC drill holes have collar points based on planned co-ordinates. A combination of licensed surveyors and company field technicians was used during various programs to determine accurate collar positions. Co-ordinates were surveyed in the MGA94 grid system.<br>• For drilling completed after 2012 collars were surveyed using a handheld GPS to an accuracy of +/-5m. Co-ordinates were surveyed in the MGA94 system<br>• Dip and azimuth readings have been completed using DHA SEG Target INS– North Seeking Gyroscope for all diamond holes where possible. All gyro downhole surveys have to pass DHS internal audit by cross referencing the in-run and out-run which equates to <10m between IN and OUT run over 1000m (1%). RC drilling has been |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | surveyed approximately every 50m down hole with a Reflex EZ single shot digital camera. AC drilling uses planned survey.<br>• No local grid has been established as yet. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • For the C2 resource the ultramafic unit was reviewed in longitudinal projection showing the drill intercept locations. The drill spacing was variable with some well-informed areas where drill spacing was approximately 50 x 50m (with some infill holes on the E-W oriented sections. The data spacing and distribution is sufficient to establish geological and grade continuity appropriate for the Mineral Resource estimation procedure and classification applied.<br>• All sample/intercept composites have been length and density-weighted. Most diamond core samples have measured density values assigned to them. All RC assay results were assigned a density based on a regression formula calculated from the measured density and Ni, Cu, Co and S content of the diamond core samples. Where S values were not present, a modified regression formula calculated from the measured density and Ni, Cu and Co was used. |
| *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.*<br>• *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.* | • The mineralisation intersected to date is sub-vertical in orientation and forms a semi-continuous sheet of mineralisation approximately 10m - 50m true width with an average grade of ~0.8% Ni (plus Cu, Co and PGE), with thicker accumulations in places. The deposit could be classified as a moderately deformed magmatic sulphide deposit. The details of the structural modification and extent of over-printing relationships are a work in progress and not well understood at this stage. The drillholes were orientated to pierce the mineralisation approximately perpendicular to the strike, at an angle of approximately 60 degrees dip, this may vary from time to time depending on the depth and amount of deviation encountered within the drillhole. Drillhole intersections through the mineralisation are suitable for resource estimation and do not introduce sampling bias. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| *Sample security* | • *The measures taken to ensure sample security.* | • Chain of custody was managed by company representatives and is considered appropriate. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • No external audits or reviews have been conducted apart from internal company review. |

## 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.*<br>• *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.* | • The tenement (M38/1252) is 100% owned by Duketon Mining Limited and is in good standing and there are no known impediments to obtaining a licence to operate in the area. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Cominco explored the area for nickel in 1966 and found nickel sulphide veinlets in ultrabasic rocks and gossanous material. INSEL explored the area between 1969 and 1973 later followed by Kennecott and Shell Minerals between 1973 and 1974 who identified high magnesium (+34% MgO) and low aluminium dunites. There was no further activity until Independence Group commenced exploration in the mid 2000 culminating in the discovery of the C2 and Rosie mineralisation. |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The C2 Nickel Deposit is a komatiite-hosted nickel sulphide deposit. The mineralisation is characterised by lenses of disseminated and blebby to stringer matrix nickel sulphides within a talc-carbonate ultramafic. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *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:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *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.* | • All significant intersections for C2 have been previously reported. |
| *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.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No top-cuts have been applied for reporting of exploration results.<br>• Aggregated sample assays were calculated using a length weighted average. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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').* | • C2 mineralization is sub vertical and strikes approximately north-north west to south-south east.<br>• All significant intercepts are down hole lengths and true width are not calculated. |
| *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.* | • Refer to figures in document. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *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 significant results above the stated reporting criteria have been reported regardless of the width or grade. |
| *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 exploration data has been previously 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).*<br>• *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 work includes updates to the Scoping Study, metallurgical studies of the C2 resource. |

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Database integrity* | • *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*<br>• *Data validation procedures used.* | • All data is managed by Maxgeo and stored in a SQL database. Data is logged using paper logs and Field Marshall or Expedio Ocris software with inbuilt validation and sent to Maxgeo for uploading into the database. Assay files are sent directly from the laboratory to Maxgeo for merging with the database.<br>• All drill core has been photographed both dry and wet and available for viewing from the company database. |
| *Site visits* | • *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*<br>• *If no site visits have been undertaken indicate why this is the case.* | • The Competent Person for Sections 1 and 2 of this report, Kirsty Culver of Duketon Mining has visited site frequently in 2016 – 2022. No site visit has been conducted by the Competent Person for Section 3 of this report (Michael Job of Cube Consulting) at this stage. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| *Geological interpretation* | • *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*<br>• *Nature of the data used and of any assumptions made.*<br>• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*<br>• *The use of geology in guiding and controlling Mineral Resource estimation.*<br>• *The factors affecting continuity both of grade and geology.* | • There is high confidence level in the geological interpretation and that of the mineralisation. The resource estimate has been guided by the geology as the mineralisation is syn-genetic, with the elevated Ni grades within the ultramafic near the basal contact.<br>• The mineralised domain solids for the previous MRE (October 2012) were based on a 0.3% Ni cut-off within the ultramafic unit. However, there is no distinct population break at this grade, and spatial examination of the grade distribution also shows that a 0.3% Ni grade boundary is somewhat arbitrary, with many grades well below 0.3% Ni included in the interpretation, and isolated instance of mineralisation outside the boundary.<br>• Therefore, with no obvious Ni grade boundaries within the ultramafic, it was considered that a non-linear estimation technique such as Localised Uniform Conditioning (LUC) would be a suitable approach for Ni grade estimation within the entire ultramafic unit.<br>• The ultramafic unit was modelled in Surpac software (updated from the previous 2012 MRE with drilling undertaken since then). However, there are non-mineralised cross-cutting dolerite dykes and internal sediments within the ultramafic. These can range in downhole intercepts from a metre to over 10 m and were modelled using Leapfrog implicit modelling software. |
| *Dimensions* | • *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.* | • The drilling used for the estimate of the Mineral Resource to date spans a vertical depth of approximately 500 m over a strike length of ~1,000 m, however mineralisation is still open down-dip. The mineralised ultramafic is approximately 20 to 200 m wide (increasing in width to the south), striking approximately north-west to south-east and dipping steeply (~70°) to the north-east. The mineralisation projects to the surface, however it is obscured from direct detection by a thin veneer of transported overburden (~10 - 20 m thick).<br>• The higher-grade nickel mineralisation (> 0.5% Ni) is located on the north-eastern contact of the ultramafic and has variable width (20 to 40 m) and continuity. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| *Estimation and modelling techniques* | • *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*<br>• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*<br>• *The assumptions made regarding recovery of by-products.*<br>• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*<br>• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*<br>• *Any assumptions behind modelling of selective mining units.*<br>• *Any assumptions about correlation between variables.*<br>• *Description of how the geological interpretation was used to control the resource estimates.*<br>• *Discussion of basis for using or not using grade cutting or capping.*<br>• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.* | • Estimation of nickel was by the non-linear geostatistical method of Localised Uniform Conditioning (LUC) using Isatis software.<br>• Estimation of cobalt, copper, arsenic, gold, platinum, palladium, sulphur and bulk density was by Ordinary Kriging (OK) within the ultramafic unit using Datamine software. A check estimate for Ni was also run using OK.<br>• Approximately 92% of the sampled intervals within the ultramafic were 1 m or less, so the drilling was composited to 1 m downhole. A minimum composite size of 0.5 m was permitted, and as there were few density determinations, the composites were not weighted by density<br>• Grade caps were not used for nickel, as there were no extreme outlier values, but grade capping was used for all the other variables.<br>• Variography was performed using Snowden Supervisor software for all variables. The experimental variograms for the raw composite data were generally poorly structured, so a Gaussian transform (normal scores) was applied for each variable. The experimental variograms were modelled in Gaussian space with a nugget effect and two or three directional spherical structures, concordant with the geometry of the ultramafic unit.<br>• The variogram model for Ni had a low nugget effect (17% of the total sill), with long ranges of 480 m along strike, and 100 m across strike.<br>• Estimation for Ni (via Ordinary Kriging – a necessary precursor step for UC) was into a rotated block model (-30° i.e. parallel to strike) in MGA94 grid, with a panel block size of 25 mE x 25 mN x 10 mRL – this is about half the average drill spacing in the ultramafic. Localisation of the grades was into Selective Mining Units (SMU) block of 5 mE x 12.5 mN x 5 mRL (20 SMUs per panel).<br>• For the panel estimate for Ni, only a single search pass of 250 m x 150 m x 50 m was used, with a minimum of 8 and maximum number of samples of 20. Over 90% of the 25 x 25 x 10 panels were estimated – blocks not estimated distant to sampling were later assigned the check OK estimate. An optimum number of samples |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | per angular sector of five was used, but no maximum number of samples per drill hole restrictions were used.<br>• The UC process applies a Change of Support correction (discrete Gaussian model) based on the composite sample distribution and variogram model, conditioned to the Panel grade estimate, to predict the likely grade tonnage distribution at the SMU selectivity.<br>• The Localising step was then run for the UC, and the resulting SMU model was exported from Isatis to Datamine.<br>• For the other variables estimate by OK, a first search pass of 200 m x 150 m x 50 m, with a minimum of 8 and maximum number of samples of 18. Octant restrictions were used (minimum of two octants with minimum number of sample two and maximum number of samples five per octant), but a maximum number of samples per drill hole restrictions were not used.<br>• If a block was not estimated with this first search pass, a second pass twice the size of the first was used, and a third pass five times the original search was used if required. 88% of the blocks were informed on the first search, and 11% on the second pass.<br>• The block model was validated for all variables by checking tonnage-weighted grade estimates against input sample data, semi-local comparisons of model and sample accumulations and estimated grades by using swath plots, and by extensive visual inspection of the block grades and input data on screen. All these methods show that the grade estimates honour the input data satisfactorily.<br>• It is assumed that the highly oxidised zone will have no metallurgical recovery and has been excluded from the mineral resource. However, all variables were estimated into the oxidized zone (Ni by LUC and the other variables by OK), using a horizontal search.<br>• There has been no mining at the C2 deposit. This mineral resource estimate supersedes the previous estimate from October 2012. |
| *Moisture* | • *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.* | • Tonnages are estimated on a dry basis. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Cut-off parameters* | • *The basis of the adopted cut-off grade(s) or quality parameters applied.* | • The cut-off grade of 0.4% Ni was established from pit optimisation work of the current mineral resource estimate model. See Mining factors and assumptions below. |
| *Mining factors or assumptions* | • *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.* | • Grades and geometry are amenable to moderate scale open-cut mining.<br>• Given the relatively broad width of the higher-grade Ni mineralisation (average 20 to 40m thickness), mining dilution would be minimal.<br>• Recent pit optimisation work used a nickel price of USD $30,000/tonne, with payability of 75%. Assuming a USD/AUD exchange rate of 0.65, this equates to a Ni price of AUD $34,600/tonne.<br>• Mining costs (in AUD) varied with depth but averaged $8.75/BCM ore and $8.00/BCM for waste (to 250 m depth). An overall processing cost of $35/tonne was assumed, with G&A of $5/tonne.<br>• Variable processing recoveries for fresh rock and transitional by Ni grade ranges was assumed (0% below 0.3%, stepping in increments up to 80% above 0.9% Ni).<br>• Overall wall slope angles of 42° in oxide, 45° in transitional and 48° in fresh rock were assumed.<br>• From the pit optimisation work, an incremental cut-off grade (i.e. not including mining costs) of about 0.2% was calculated. However, zero recovery has been assumed for material below 0.3% Ni, so an incremental cut-off grade of 0.2% is not supportable. If mining costs (including drill and blast and waste removal) were taken into account, and assuming an average recovery for all material above 0.3% Ni of 60% (calculated from the assumed incremental recoveries and the grade-tonnage curve), then a cut-off grade of 0.4% Ni is more defendable. |
| *Metallurgical factors or assumptions* | • *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions* | • Metallurgical test work was completed on one composite sample that was assessed by flotation to determine the possibility of recovering nickel at a saleable grade.<br>• Ten (10) flotation tests were conducted on the composite sample |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | *regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.* | including 3 rougher, 3 cleaner and 4 recleaner tests.<br>• Saleable nickel concentrate can be generated in a conventional flotation circuit. |
| *Environmental factors or assumptions* | • *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.* | • Any potential mine would be moderate scale open-cut mining and any potentially acid forming material would be encapsulated in the waste rock dump.<br>• The deposit is in an area of Western Australia that has numerous mining operations, both underground and open-cut, and any proposed mine would comply with the well-established environmental laws and protocols in the Goldfields area of WA. |
| *Bulk density* | • *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*<br>• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.*<br>• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.* | • Bulk densities were determined by Bureau Veritas and field staff for the majority of significant interval diamond core samples from the C2 deposit. The water displacement method was used. The samples were weighed in air (DryWt) and then submerged in water and the water displacement measured (WetWt) and the formula Density=DryWt/(DryWt-WetWt) was applied.<br>• The density values that were available were located in the central part of the deposit and covered a reasonable portion of the ultramafic unit.<br>• Bulk density was estimated from the available samples within the central part of the deposit (in fresh rock), and outside this area (for blocks not receiving a density estimate) density was assigned by regression against the Ni estimate. |
| *Classification* | • *The basis for the classification of the Mineral Resources into varying confidence categories.*<br>• *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*<br>• *Whether the result appropriately reflects the Competent Person's* | • The classified mineral resource estimate is within a constraining optimised pit shell as discussed in the Mining factors and assumptions section above.<br>• Indicated Mineral Resource has a nominal drill spacing of 50 mN x 50 mRL in the northern part of the deposit and used search pass 1 in fresh rock and transitional zones only, and not more than 25 m beyond the drilling. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *view of the deposit.* | • Inferred Mineral Resource has a nominal drill spacing of 50 mN x 50 mRL in the more complex southern part of the deposit and is outside the Indicated to the limit of the ultramafic (within the optimised pit shell).<br>• There is high confidence in the geological interpretation, and the input data has been thoroughly checked and is reliable.<br>• The results reflect the Competent Person's view of the deposit. |
| *Audits or reviews* | • *The results of any audits or reviews of Mineral Resource estimates.* | • No independent external audits have occurred, but the work has been internally peer reviewed by Cube Consulting. |
| *Discussion of relative accuracy/ confidence* | • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*<br>• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.*<br>• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.* | • Confidence in the estimate is reflected in the Mineral Resource Classification. Geostatistical metrics (e.g., kriging variances) have been used to assist with classification but are not the only measure of confidence.<br>• The Mineral Resource relates to global tonnage and grade estimates.<br>• No mining production has occurred at the C2 nickel deposit. |