

15 December 2022

ERRABIDY RARE EARTH POTENTIAL CONFIRMED

Errawarra Resources Ltd (ASX:ERW) (**Errawarra** or the **Company**) is pleased to provide this update to shareholders on its Errabiddy project.

ERRABIDY PROJECT

The Errabiddy Project is in the Gascoyne Region of Western Australia approximately 190km northwest of Meekatharra and 360km east of Carnarvon and within the Shires of Upper Gascoyne and Murchison.



Figure 1. Errabiddy prospect location on Western Australia map

The project covers an area of 1,066km² and comprises eight granted tenements four of which are contiguous. Some of the tenements in this package are considered highly prospective for intrusion-related Ni-Cu-Co-PGE mineralisation due to the occurrence of both Archaean and Proterozoic aged mafic-ultramafic intrusions. The area is highly competitive for nickel and gold exploration but more recently there is an emerging focus on REE exploration with significant exploration results reported by both Desert Metals and Krakatoa Resources both of which are in proximity to the Errabiddy Project.

Due to the discovery of REE's in the vicinity of the Errabiddy Project tenements by Desert Metals Ltd¹ and Krakatoa Resources Ltd², Errawarra had an independent review undertaken on the REE potential of the tenement package based on publicly available information. The report highlighted potential exploration target areas across the range of tenements but highlighted by E09/2459 where the review has identified

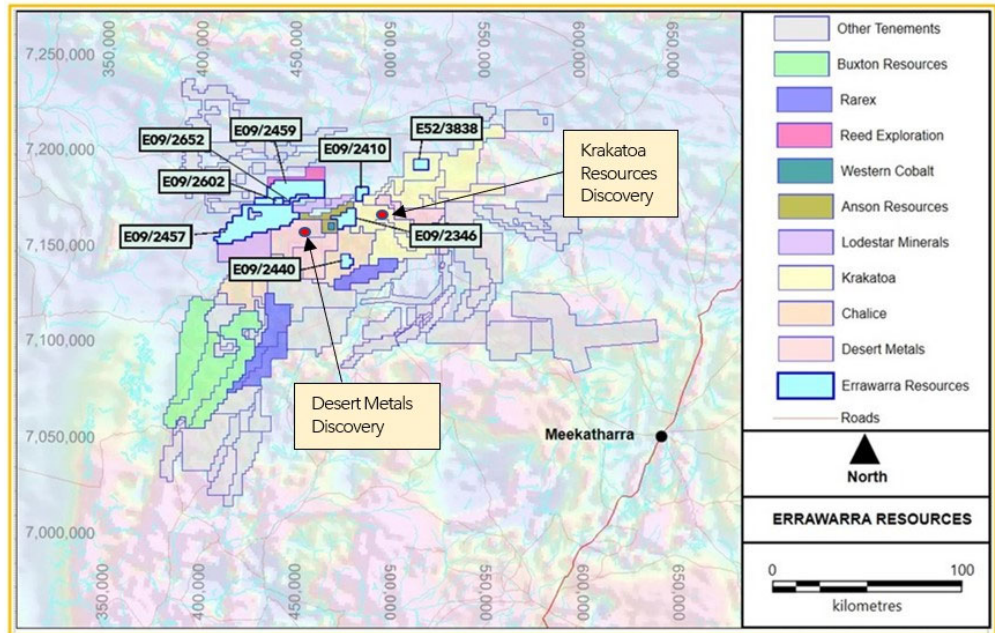


Figure 2. Errabiddy prospect on map with neighbouring tenement holders

multiple priority target areas. These target areas were based on the interpretation of spectral signatures and other factors following a review of remote sensing hyperspectral datasets. In addition, a review of the GSWA soil sampling dataset reveals several anomalous TREO* samples within the project tenements. The significance of these soil sample results is not known at this stage but warrants follow-up to determine the source of the anomalous REE results.

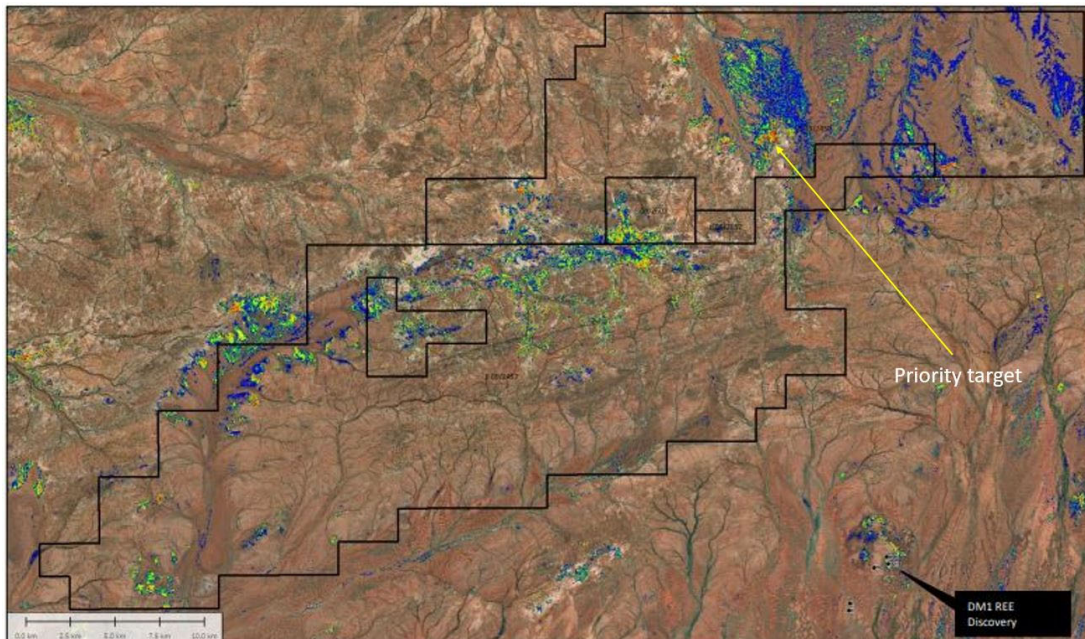


Figure 3. Hyperspectral Remote Sensing Image over Errabiddy Project Tenements

¹ Desert Metals Limited ASX announcement 23 May 2022 High-Value Rare Earth Element Intercepts at Innouendy.

² Krakatoa Resources Limited ASX announcement 24 November 2021 Clay Hosted REE Drilling commences at Mt Clere.

* TREO: (Ce+ La + Y) reported in publicly available GSWA Soil Sample Database.

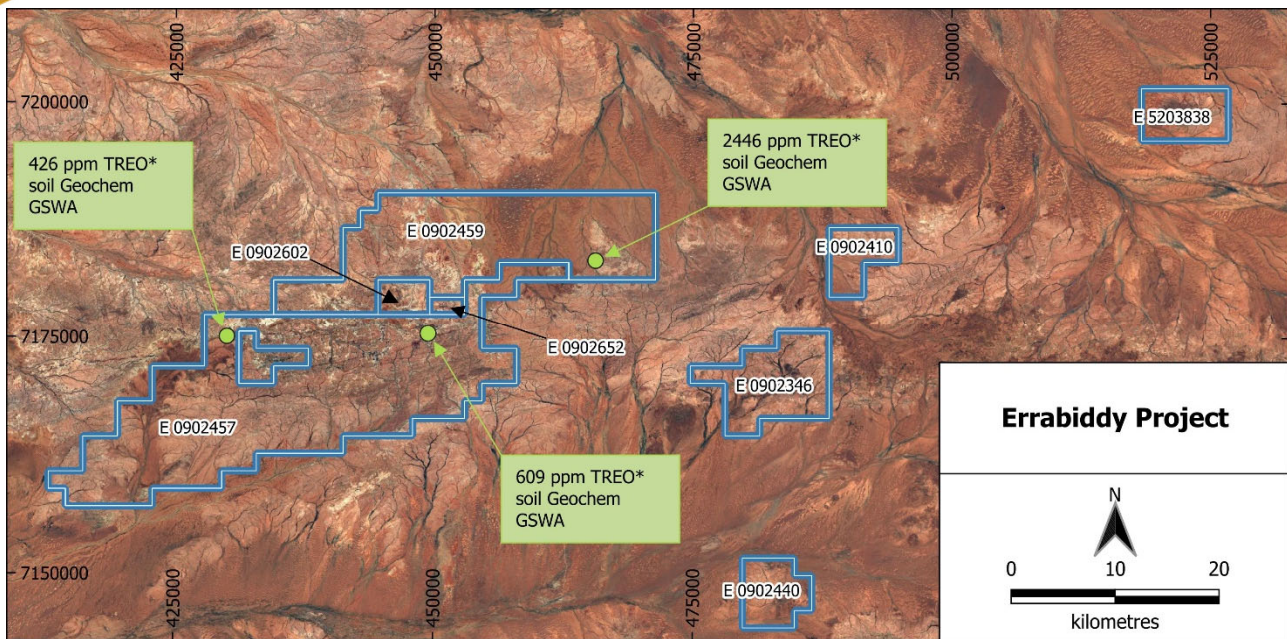


Figure 4. Location of TREO Anomalous GSWA Soil Samples

As the Errabiddy tenement package is prospective for nickel, gold and REE, the Company will not only be progressing on ground exploration initiatives but will consider joint ventures or other strategic partnerships to enhance the value to shareholders.

ANDOVER WEST

While the Company will investigate its options in respect of the Errabiddy project, it is still focussed on the Andover West project with on-ground activities soon to commence. Heritage surveying is complete with the final report due shortly. Once received, track and drill pads will be cleared and with drilling scheduled to commence shortly thereafter.

-ENDS-

This ASX announcement has been authorised for release by Thomas Reddicliffe, Executive Chairman on behalf of the Board of Directors.

For further information, please contact:

Tom Reddicliffe
 Executive Chairman
 Errawarra Resources Ltd
 E: info@errawarra.com
 T: +61 8 9322 3383

Competent Person Statement

Thomas Reddicliffe, BSc (Hons), MSc, a Director and Shareholder of the Company, is a Fellow of the AUSIMM, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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'. Thomas Reddicliffe consents to the inclusion in the report of the information in the form and context in which it appears.