

24 January 2023

ANDOVER WEST NICKEL TARGETS - MAIDEN DRILL PROGRAM SET TO COMMENCE

- Technical experts confirm priority drill hole locations
- Track and pad clearance in progress
- Drilling set to commence shortly

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

ANDOVER WEST PROJECT

The final heritage survey report has now been received and the track to the planned drill hole locations and associated drill pads are now being cleared. The drilling contractor has been notified and drilling is expected to commence shortly.

Priority drill hole targets have been identified and modelled from the fixed loop electromagnetic (**FLEM**) survey completed in late 2022 (refer ASX announcement 9 December 2022). The Company's technical consultants, who have been involved in multiple major Nickel Discoveries in Western Australia, have provided recommendations for the locations of the drill collars for the initial testing of these priority targets.

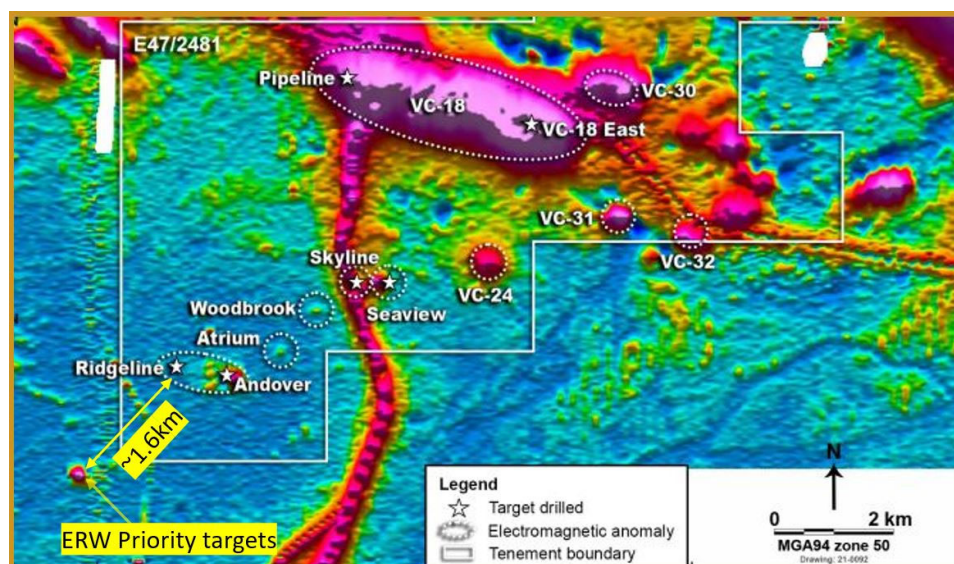


Figure 1. Location of Andover West priority targets relative to Azure's Ridgeline deposit

As mentioned in the announcement 9 December 2022¹, the Company has three priority targets which will be the subject of the Andover West maiden drilling campaign. These holes have been designed to intercept the modelled conductor plates at target areas A, B and C. These conductor plates are considered to potentially represent nickel sulphide mineralisation. Target area A which comprises three spatially related conductor plates will be the first target to be tested, with the initial hole designed to provide information on all three of these closely related plates.

¹ Errawarra Resources Ltd, ASX announcement, FLEM Survey Results confirm priority targets 9 December 2022

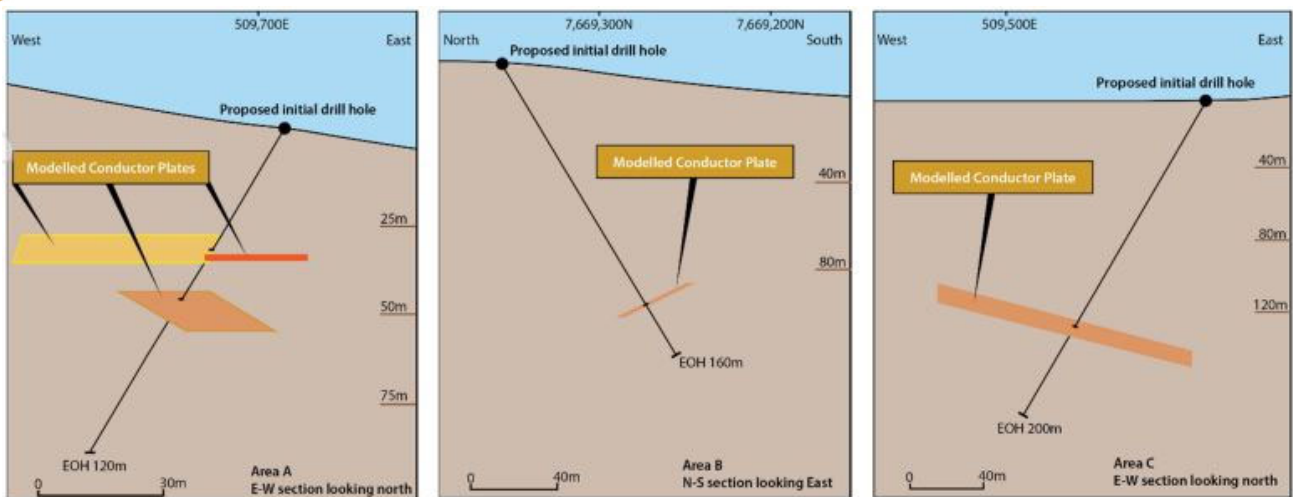


Figure 2. Priority drill hole locations identified by FLEM

Once these three priority drill holes have been completed, the Company intends to undertake down hole electromagnetic surveys (**DHEM**) aimed at potentially identifying the most prospective zones within each target based on conductivity. Any new targets identified will be tested in a follow-up drill program.

The Andover West project and priority target location is along strike and part of a mineralised trend that runs through Azure Minerals' Andover project and into Errawarra's Andover West project. These priority drill hole locations are only ~1.6km from Azure's Ridgeline prospect where they recently announced a highest intercept at that location of **18.2m @ 1.93% Ni**, including **9.3m @ 2.58% Ni²**.

This maiden drilling program has been the culmination of many months of work by your Company and despite some unavoidable delays, it is pleasing that this moment in time has eventuated.

Executive Chairman Thomas Reddicliffe also commented:

*"We acknowledge the traditional custodians of the land, past and present of which Andover West project is situated. We would particularly like to thank the Ngarluma Aboriginal Corporation (**Ngarluma**) co-operation in finalising with Native Title and Heritage Protection formalities and will continue to work closely with Ngarluma personnel as we not only investigate our high priority nickel targets but also in exploring other areas of the Company's tenement."*

-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:

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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.

² Azure Minerals Ltd, ASX announcement, Highest Grade Nickel Intersection to date from Ridgeline deposit