21 February 2023
Cross Release:MM8

OUTSTANDING GROWTH POTENTIAL HIGHLIGHTED AT SEXTON

KEY HIGHLIGHTS:

- Recent geophysical surveys comprising downhole electromagnetics (DHEM) completed at Sexton.
- Results show high to very high conductive sources, confirming prospectivity for massive sulphides.
- DHEM plates extend 80m down dip and >150m down-plunge from recent drilling that intersected 6m of massive and matrix sulphides from 149m in drill hole 23NRC012 (assays pending).
- DHEM plates are coincident with historic nickel sulphide intersections, giving the Company confidence in the extensional targets for planned follow up drilling scheduled for Q2 CY23.

NickelSearch Limited (ASX: NIS) (NIS or **Company)** is pleased to announce the outstanding DHEM survey results received at its Sexton target in the flagship Carlingup Project, following the successful completion of its regional Reverse Circulation (**RC**) drilling program.

When the maiden RC holes delivered intersections with massive to matrix sulphides, the Company conducted DHEM surveys. The results (see Figure 1) indicate the potential for significant extensions to nickel sulphide mineralisation and will be used to guide the follow-up drill program.

NickelSearch's Managing Director, Nicole Duncan, commented:

> *"We are excited to see strong indicators that Sexton has the potential to progress into a significant nickel discovery. The modelled DHEM plates and visual mineralisation intercepted in the maiden drill program suggest mineralisation extends at depth and down-plunge. The very high conductivity of the DHEM plates also highlights the potential to intersect a high-grade channel, which will be a focus for follow-up drilling.*
>
> *The recent drilling results and success of the DHEM surveys give us confidence in continuing with systematically testing our 30+ greenfields targets defined across Carlingup.*
>
> *We look forward to commencing follow-up drilling at Sexton and maiden RC and Diamond drill programs at greenfields targets, Lipple, Wadley and John Ellis West in Q2 CY2023."*

DHEM SURVEY RESULTS

Following the recent successful drilling at Sexton, NickelSearch engaged Gem Geophysics to complete DHEM surveys on holes 23NRC011 and 23NRC012 because of the logged sulphides they contain. Modelling was completed by Newexco in Perth.

The DHEM survey results from both holes support an upper and lower plate, with the highest conductance of up to 50,000 Siemens in the lower plate to the east of hole 23NRC012. Importantly, these plates extend 80m down-dip to the south and at least 150m down plunge to the southeast. Drill hole 23NRC012 has also been checked with a ThermoScientific NiteOn XL5 pXRF handheld device (**pXRF**). Readings from this pXRF suggest the sulphides are nickel bearing. NickelSearch cautions that pXRF results should never be considered a proxy or substitute for laboratory analysis that is required to determine grades and widths reported from visual or pXRF logging. Laboratory assay results from the recent drilling are eagerly anticipated.

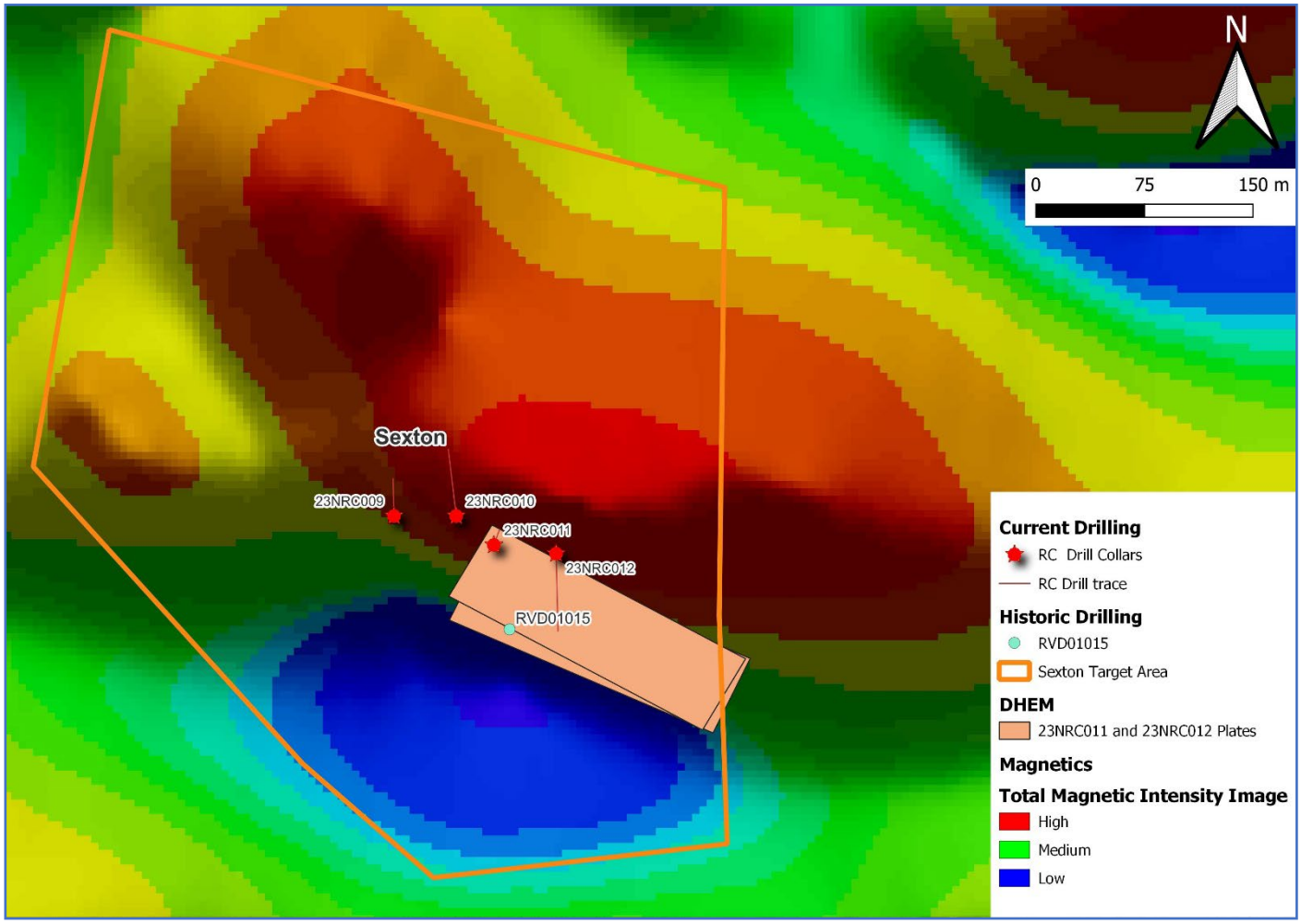

***Figure 1**: Plan View of Sexton over a Total Magnetic Intensity image of the target*

The plunge orientation is very similar to that seen in the RAV8 deposit, located 3.5km to the east, and has been interpreted as indicating the Sexton plates are following regional trends rather than just apparent dip.

DHEM plates are coincidental with historic drill section of 2m at 1.2% Ni and 0.17% Cu from 98m, and recent sulphide intersections (see Figures 1 and 2, and NIS Announcement dated 16 May 2022). This gives the Company confidence in testing the extensional targets with planned follow up drilling scheduled for Q2 CY2023, and more broadly for the 30+ greenfield targets currently identified across Carlingup (see Figure 3).

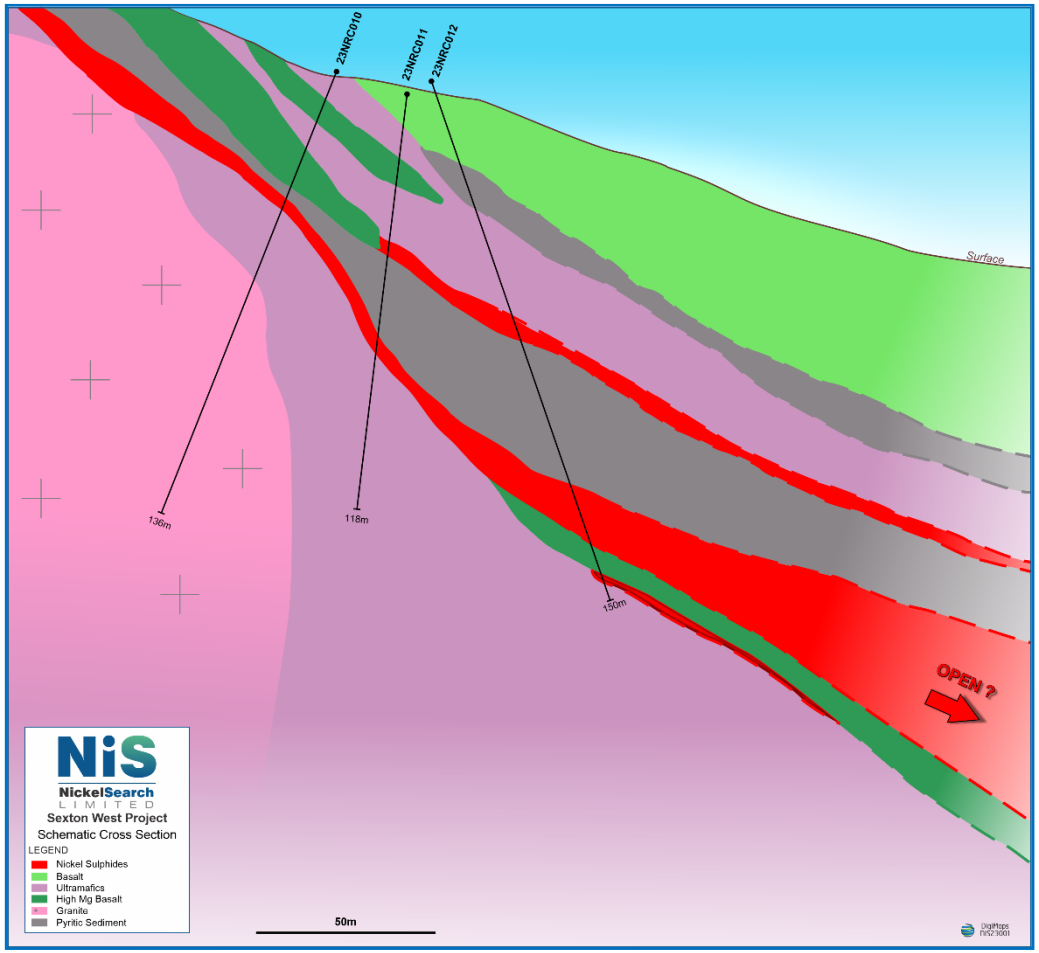

Figure 2: Oblique cross section of drilling at Sexton showing potential mineralised widths, to east northeast

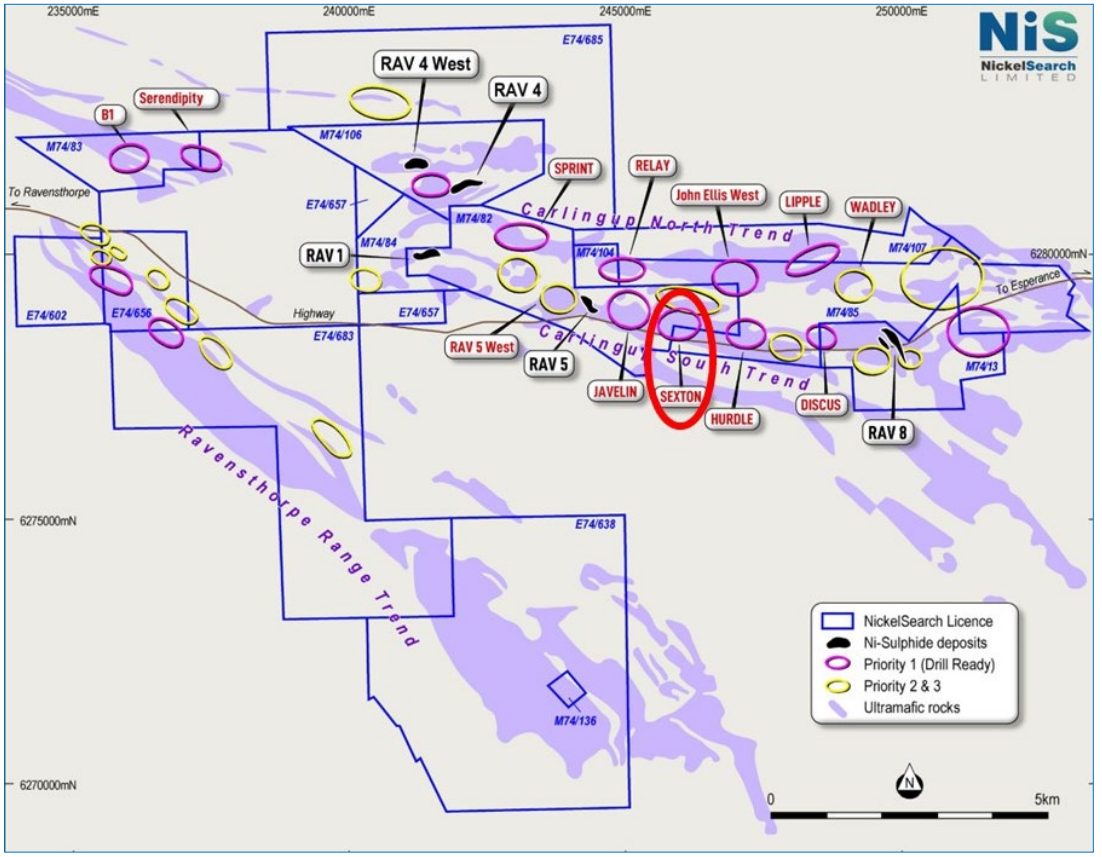

Figure 3: Drill target locations in Carlingup, with the Sexton target highlighted in red

This announcement has been approved for release by the Board of NickelSearch Limited.

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About NickelSearch

NickelSearch Limited (ASX code: NIS) is a dedicated WA nickel sulphide explorer focused on advancing its flagship Carlingup Nickel Project. The asset has an existing resource base of 171kt contained nickel.

Directors & Management

Nicole Duncan
Managing Director

David Royle
Non-Executive Chairman

Norman Taylor
Non-Executive Director

Paul Bennett
Non-Executive Director

Donald James
Non-Executive Director

NickelSearch
ACN 110 599 650

Projects
Carlingup Nickel Project (100%)

Shares on Issue
104,264,018

Options
13,250,817

ASX Code
NIS

- Highly prospective tenure covering +10km strike
- Multiple high priority, drill-ready resource extension targets
- Proven high grade nickel production of 16.1kt Ni at 3.45%
- Significant, shallow resource base open in most directions
- Strategically positioned next to major nickel mining & processing hubs

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COMPETENT PERSON STATEMENT:

The information contained within this announcement on the historic massive sulphide intersection at Sexton is extracted from the announcement titled "Multiple Exploration Targets Prioritised" released 16 May 2022, which is available to view on www.nickelsearch.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement. 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 announcement that relates to exploration targeting and results is based on, and fairly represents, information compiled and reviewed by Mr Andrew Pearce, who is an employee of NickelSearch, and is a Member of The Australian Institute of Geoscientists. Mr Pearce has sufficient experience which is relevant to the style of mineralisation and type of deposits 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' (the JORC Code 2012). Mr Pearce consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS:

This announcement contains certain forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "except", "intend", "plan", "estimate", "anticipate"," continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management. 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. Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility and potential development of NickelSearch's exploration activities.

Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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.*	• RC Drilling with samples composited by cone splitter for each metre and collected in calico bags. Each 1m was visually logged, plus field elemental analysis was completed by handheld pXRF and magsus metres. • Sampling procedures adopted by NickelSearch use a 1m composite 3-5 kg cone split sample collected in calico bags for dispatch to the sample laboratory. Sample preparation was in 3-5kg pulverizing mills, followed by sample splitting to a 200g pulp which will then be further split to 30g samples for analysis by Intertek Perth using methods 4A/MSA48 for sample digest followed and FA25/MS for fire assay where applicable.
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).*	• RC rig contracted from Strike Drilling with additional auxiliary booster and compressor for deeper drilling or when water present. • Water produced from outside returns and cone splitter were capture in above ground Enviropod for offsite disposal.
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.*	• Recoveries for all sampling methods are recorded by the geologist during the drill program. No recovery issues were identified during the drill program within mineralised intervals. Sample representation is considered to be adequate for the reporting of Exploration Results.

Criteria	JORC Code explanation	Commentary
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Detailed geological logs were recorded by the geologist for the entire length of all holes. The lithological logs are considered to be adequate for the reporting of Exploration Results.
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.*	• 1 metre representative composite samples are selected for assay that were sampled with a cone splitter attached to the rig. • Samples are collected dry where possible, but wet in fibrous material. • Each calico bag weighs between 3 and 5kgs. • Standards, blanks and duplicates are inserted at 20m intervals.
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.*	• 4 Acid digest is considered the appropriate assay technique as it allows for the full digest of sulphide and silicate nickel. • pXRF devices are calibrated daily against the manufacturer provided calibration materials. NickelSearch Ltd uses the Niton XL5 Analyzer.
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.*	• Verification drilling has not been conducted. • Duplicate samples were taken at regular intervals and will be checked for consistency when assays become available.

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.*	• Collar locations were surveyed by handheld GPS with downhole surveys every 30m. • Grid used is GDA 94/MGA Zone 51.
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.*	• Not applicable for this announcement.
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.*	• Drilling was conducted at an azimuth and dip that gives good intercept angles to surface mapping dip and dip direction.
Sample security	• *The measures taken to ensure sample security.*	• NickelSearch ensured that sample security was maintained to ensure the integrity of the sample quality.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Audits and reviews have not been undertaken at this stage.

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.* • *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 Carlingup Project, located 20km east of Ravensthorpe comprises 8 MLs, 7 ELs covering 108 sq km (All rights -ML74/013, M74/085, M74/107, M74/104, M74/082, M74/084, M74/106, E74/685, E74/657, E74/675; nickel only rights M74/083, E74/656, E74/602/ E74/683, E74/638). • The project tenements are in good standing and no known impediments exist.

Criteria	JORC Code explanation	Commentary
		• The tenements are 100% owned by NickelSearch.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Several generations of drilling and exploration have been carried out in the project area. These are detailed in the NiS Prospectus published in October 2021.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Nickel Sulphide occurrences identified to date are associated with the Bandalup Ultramafic on the northern limb of the Maydon Syncline. They occur typically as disseminated sulphides, however narrow lenses of massive to semi-massive sulphide have been located near the basal contact of the ultramafic, but are poorly exposed.

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.*
		• Summary tables of drill hole information are included in the announcement.

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*	• All massive sulphide intervals have been included.

Criteria	JORC Code explanation	Commentary
	clearly stated.	
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').*	• At this early stage of exploration, the true widths are not known. • All intersections are reported as down hole lengths.
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.*	• Appropriate diagrams for the release have been included within the main body of the release.
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.*	• This is a report on the completion of drilling activities. No grades have been reported in this release.
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.*	• Geophysical data was collected and is currently being interpreted. It will be released when available. • Samples were sent to Intertek laboratory for analysis. Results will be released to the market when available.
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 work in the Carlingup area was mentioned in general terms. Decisions will not be made around the nature of that work until results and additional permits are received.