

Minerals 260 expands landholding in WA's highly prospective Gascoyne Province

Increased tenement position, which will cover 1,709km², located close to significant lithium and rare earth discoveries.

KEY POINTS

- Minerals 260 Limited ("Minerals 260" or the "Company") has executed an Agreement to acquire an extensive lithium-rare earths land package comprising six Exploration Licences (EL) in northern WA from White Cliff Minerals Limited (ASX: WCN).
- The ELs cover an area of 920km² and collectively form the Yinnetharra Project ("Project"), located in the Gascoyne Province of Western Australia ~850km north of Perth and 230km east of Carnarvon (**Figure 1**).
- The acquisition follows the recently completed purchase of the 789km² Nardoo Project from eMetals Limited (see ASX release dated 7th March 2023) and more than doubles the Company's landholding in this highly prospective province.
- The combined Projects are located close to significant mineral occurrences (**Figures 1 and 2**), including:
 - Red Dirt Metal's Yinnetharra Lithium Project ("Red Dirt"/ASX: RDT)¹; and
 - Kingfisher Mining Limited's ("Kingfisher"/ASX: KFM) MW2 Rare Earth Element (REE) discovery².
- The prospective stratigraphy and structures on Red Dirt's and Kingfisher's tenure are interpreted to continue into Minerals 260 new land position.
- Most of the combined Yinnetharra/Nardoo tenure is underlain by the Durlacher Granite Supersuite (**Figure 2**), which is the primary host rock to the REE mineral resources defined on the Yangibana REE Project, being developed by Hastings Technology Metals Limited ("Hastings"/ASX: HAS³), and Dreadnought Resources Limited's ("Dreadnought"/ASX: DRE⁴) Mangaroon Project, both located 50-60km to the north (**Figure 1**).
- Government mapping (**Figure 2**) has recorded numerous pegmatites and tantalum occurrences in the region, indicating good potential for the discovery of spodumene-bearing hard rock lithium deposits.
- Historic exploration in the Gascoyne region has focused on gold, base metals, tungsten and uranium with only limited work undertaken for lithium and REE's.
- The total consideration for the Yinnetharra Project will be 7,000,000 Minerals 260 shares ("Consideration Shares") at a deemed issue price of \$0.335 per share and \$100,000 cash.
- Minerals 260's cash position (~\$21M at 31st December 2022) ensures that it can maintain exploration momentum in the Gascoyne region and on the Company's other key asset, the Moora/Koojan Project in the Julimar Region of south-western Western Australia, where recent drilling results have confirmed the potential for significant copper-gold mineralisation (see ASX announcements dated 27th February 2023 and 22nd March 2023).

1 RDT ASX announcement dated 12th September 2022 and www.redirtmetals.com.au

2 KFM ASX announcement dated 27th February 2023 and www.kingfishermining.com.au

3 www.hastingstechmetals.com

4 DRE ASX announcement dated 28th December 2022 and www.dreadnoughtresources.com.au

Minerals 260 Limited (“Minerals 260” or the “Company”) is pleased to advise that, following the completion of due diligence, it has executed an agreement to acquire the Yinnetharra Lithium-Rare Earths (REE) Project, located approximately 230km east of Carnarvon and 850km north of Perth in Western Australia (**Figure 1**), from White Cliff Minerals Limited (ASX: WCN).

The Yinnetharra Project comprises six granted EL's covering a total area of 920km² of the highly prospective, but under-explored Gascoyne Province.

The acquisition of the Yinnetharra Project follows the recent purchase of the adjacent 789km² Nardoo Project from eMetals, with the Company's combined land position in the Gascoyne region now totalling 1,709km² including nine contiguous ELs covering 1,154km² (**Figure 2**).

The Gascoyne Province has been explored historically for gold, base metals, tungsten and uranium; however, recent exploration by neighbouring tenement holders has highlighted the region's prospectivity for both hard rock hosted lithium (spodumene) and REE deposits.

Minerals 260 will establish a single project from the two land positions and undertake a detailed review of previous exploration data, which includes a recently flown, low-level, detailed magnetic and radiometric survey, prior to planning geochemical and geophysical programs designed to define targets for drill testing. Field reconnaissance, to assess targets generated by this work, is scheduled to commence in April 2023.

Minerals 260's strong cash position (~\$21M on 31st December 2022) ensures that it can quickly progress exploration activity on the Gascoyne tenure while maintaining momentum at its other key asset, the Moora/Koojan Project in the Julimar Region of south-west Western Australia.

Management Comments

Commenting on the latest acquisition, Minerals 260 Managing Director David Richards said: *“We have been transparent in our desire to have a significant presence in the Gascoyne region – and building a big land position in this highly prospective but under-explored region, located in a world-class mining jurisdiction, aligns strongly with our strategy.*

“To have secured tenure which bridges much of the area between the respective Red Dirt and Kingfisher Gascoyne projects – and which is interpreted to include the prospective stratigraphy and structures of those projects – has us very excited at the prospect of exploring the area.

“Focusing on Western Australia also means we can ensure the efficient use of funds and people and advance our Projects by getting the drill rigs going as soon as possible.”

Agreement Terms

Following are the key terms of the Yinnetharra acquisition:

- The agreement is between Minerals 260 Limited through its wholly owned subsidiary ERL (Aust) Pty Ltd and White Cliff Minerals Limited and its wholly owned subsidiaries Magnet Resource Company Pty Ltd and Electrification Metals Pty Ltd which are the parties that hold the tenements comprising the Yinnetharra Project.
- Minerals 260 to issue White Cliff Minerals Limited 7,000,000 shares (“Consideration Shares”) at a deemed issue price of \$0.335 per share and pay \$100,000 cash on completion.
- The Consideration Shares will be subject to a voluntary escrow period of six months from completion of the acquisition, on customary terms.

- Completion of the acquisition is due to occur on or before the 11th April 2023, which is 10 business days after the Execution Date, or such other date as the parties agree to in writing.

This announcement has been authorised for release by the Managing Director, David Richards.

Competent Person Statement

The Information in this report that relates to new Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr David Richards, who is a Competent Person and a member of the Australasian Institute of Geoscientists (AIG). Mr Richards is a full-time employee of the company. Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken 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 Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 and that all material assumptions and technical parameters underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in the relevant market announcements 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 announcements.

Forward Looking Statement

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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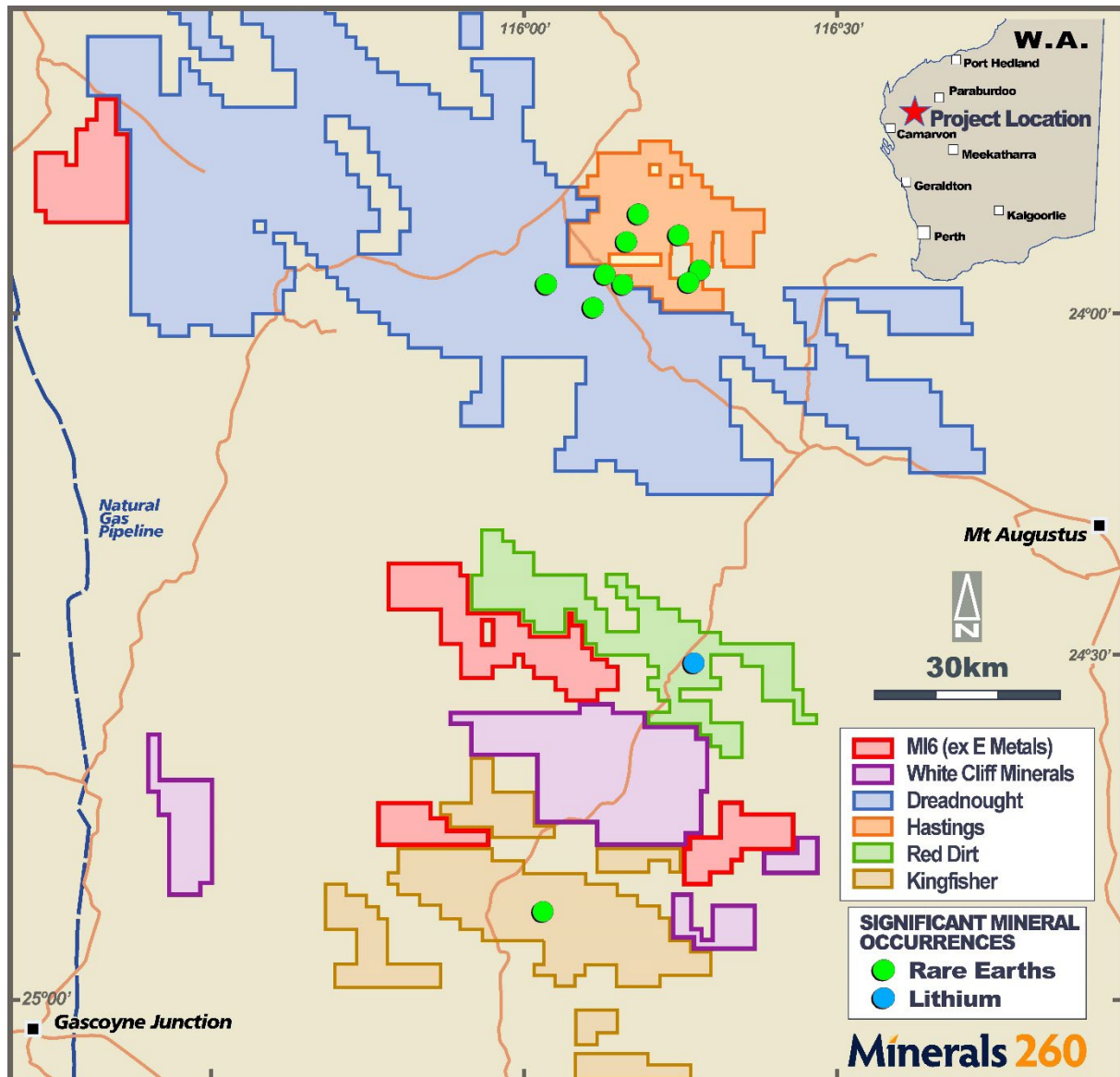


Figure 1: Gascoyne Region – Location plan showing recently acquired eMetals and White Cliff Minerals' projects and other significant tenement positions.

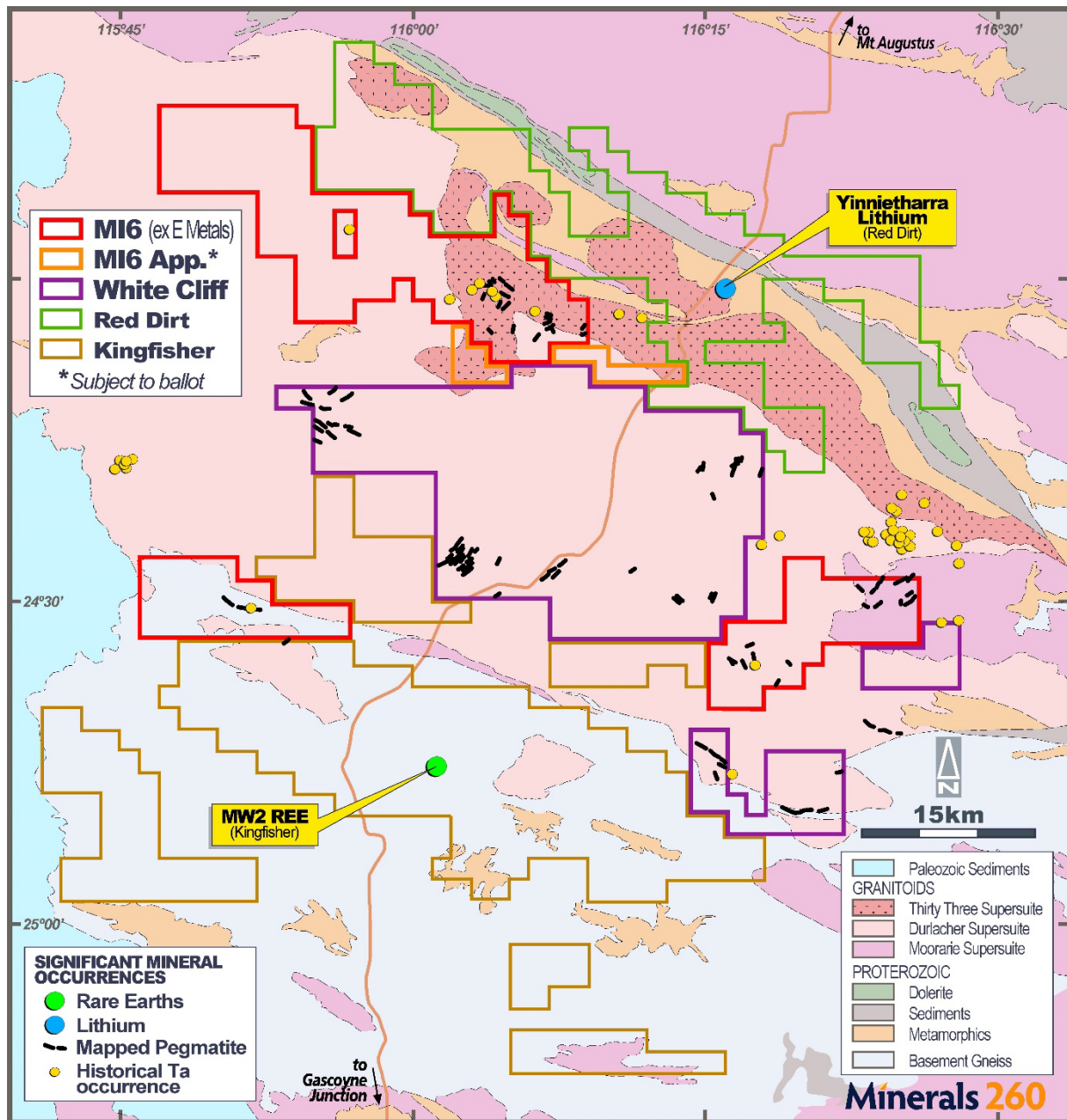


Figure 2: Gascoyne Region – Geoscience Australia 1:2,500,000 bedrock interpretation showing tantalum occurrences and mapped pegmatites within eMetals and White Cliff tenure.

Appendix 1 – Yinnetharra Project– JORC Code 2012 Table 1 Criteria

The table below summarises the assessment and reporting criteria used for the Yinnetharra Project and reflects the guidelines in Table 1 of *The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code, 2012).

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	No drilling, rock chip or soil sample results reported
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i>	No drilling reported
Drilling techniques	<i>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).</i>	No drilling reported
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling reported
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No drilling reported
	<i>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.</i>	None noted.
Logging	<i>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.</i>	No drilling reported
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	No drilling reported
	<i>The total length and percentage of the relevant intersections logged.</i>	No drilling reported
Sub-sampling techniques and	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No drilling reported

Criteria	JORC Code explanation	Commentary
sample preparation	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No drilling reported
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	No drilling reported
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No drilling reported
	<i>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.</i>	No drilling reported
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	No drilling reported
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No drilling reported
	<i>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.</i>	No drilling reported
	<i>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</i>	No drilling reported
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No drilling reported
	<i>The use of twinned holes.</i>	No drilling reported
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	No drilling, rock chip or soil sample results reported
	<i>Discuss any adjustment to assay data.</i>	None required
Location of data points	<i>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.</i>	No drilling, rock chip or soil sample results reported
	<i>Specification of the grid system used</i>	The grid system used is GDA94 Zone 50
	<i>Quality and adequacy of topographic control.</i>	No drilling, rock chip or soil sample results reported
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	No drilling, rock chip or soil sample results reported
	<i>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.</i>	MRE not being prepared.

Criteria	JORC Code explanation	Commentary
	<i>Whether sample compositing has been applied.</i>	No drilling, rock chip or soil sample results reported
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	No drilling, rock chip or soil sample results reported
	<i>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.</i>	No drilling, rock chip or soil sample results reported
Sample security	<i>The measures taken to ensure sample security.</i>	No drilling, rock chip or soil sample results reported
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	<p>The Yinnetharra Project comprises 6 granted exploration licences (E09/2607, E09/2628, E09/2629, E09/2630, E09/2641 and E09/2701). The tenement package covers 920km² area located ~850km north of Perth, Western Australia.</p> <p>All ELs are held by White Cliff Minerals Limited (WCN) via its wholly owned subsidiaries Magnet Resource Company Pty Limited and Electrification Metals Pty Ltd.</p> <p>Minerals 260 Limited (M16) has executed a Tenement Sale Agreement to acquire the Yinnetharra Project for the following consideration:</p> <ul style="list-style-type: none"> The agreement is between Minerals 260 Ltd through its wholly owned subsidiary ERL (Aust) Pty Ltd and White Cliff Minerals Limited and its wholly owned subsidiaries Magnet Resource Company Pty Limited and Electrification Metals Pty Ltd which are the parties that hold the tenements comprising the Yinnetharra Project. Minerals 260 to issue WCN 7,000,000 shares ("Consideration Shares") at a deemed issue price of \$0.335 per share and \$100,000 cash on completion. Consideration Shares will be subject to a voluntary escrow period of 6 months from completion of the acquisition, on customary terms. <p>The Yinnetharra Project covers part of 2 Native Title Determinations including the Gnulli Gnulli (WAD22/2019) and Wajarri Yamatji Part A (WAD6033/1998).</p>
	<i>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.</i>	All tenements are in good standing.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Multiple phases of exploration have been undertaken for base metals, gold, tungsten and uranium on localised areas within the Project. Detailed follow-up has defined a number of minor mineral occurrences with limited potential.</p> <p>Exploration completed by White Cliff Minerals includes a low level, detailed aeromagnetic and radiometric survey plus compilation of historic sampling.</p>

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Yinnetharra Project is located within the Gascoyne Province of Western Australia. The Gascoyne Province is located between the Archaean Pilbara and Yilgarn cratons and comprises a Palaeoproterozoic to Mesoproterozoic assemblage of metasedimentary and metavolcanic supracrustal rocks intruded by multiple phases of granitoids.</p> <p>The Gascoyne Province has been affected by multiple deformation events associated with several major orogenies. Several major WNW/ESE trending crustal-scale structures which are considered important controls on local metallogeny cut the Project area.</p> <p>There are numerous pegmatites mapped in the region which are interpreted to be derived from granites belonging to the Neoproterozoic Thirty Three Supersuite (990 – 950Ma). The ubiquitous occurrence of tantalum associated with these pegmatites indicates prospectivity for lithium.</p> <p>The Project is also considered prospective for REE based on discoveries to the north and south hosted in a similar geological setting.</p>
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> 	No drilling reported.
Data aggregation methods	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No drilling reported.</p> <p>No drilling reported.</p> <p>None reported</p>
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	No drilling reported.
Diagrams	<i>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</i>	No drilling reported.

Criteria	JORC Code explanation	Commentary
	<i>limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<i>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.</i>	No drilling reported.
Other substantive exploration data	<i>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.</i>	All meaningful and material data reported
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<ul style="list-style-type: none"> • Review of previous exploration data. • Planning of follow up exploration.