

3D SEISMIC SURVEY OF LONG SOUTH GAP KICKS OFF

26 OCTOBER 2023

KEY POINTS

- **3D seismic survey underway**
- **Collecting geophysical data over 5.8km² at Long South Gap**
- **Surveyed area is in one of Australia's most prolific nickel sulphide camps**

Lunnon Metals Limited (**ASX: LM8**) (the **Company** or **Lunnon Metals**) is pleased to confirm that a full 3D seismic survey has commenced across the entire **Long South Gap** target, an area which measures 3.2km by 2.4km. The survey will complement the successful 2D seismic survey lines completed earlier this year (see ASX announcement dated 21 April 2023). Given the extent of this new 3D seismic survey, the Company is expecting it to generate multiple high-quality drill targets.

The Long South Gap area is hosted on the Company's Silver Lake-Fisher project at its Kambalda Nickel Project (**KNP**). The first ever diamond drill (**DD**) hole designed to intersect the key ultramafic-basalt contact in this part of the prolific Kambalda Dome (see ASX announcements dated 31 August 2023 and 9 October 2023) is ongoing and is currently sitting at approximately 1,000m downhole.



Figure 1: 3D Seismic survey crews preparing to commence on Lake Lefroy.

Managing Director, Edmund Ainscough, commenting said: "The Long South Gap prospect represents approximately 6km² of untested ultramafic-basalt contact in one of Australia's most prolific nickel belts. Our discovery program is multi-pronged, surface diamond drilling is already on foot and this 3D survey will complement that. We fully expect the survey to deliver a pipeline of high-quality drill targets for testing which will see this prospect form a big part of our discovery effort for the next 18 months or more".



Figure 2: The first survey "node" being installed at Long South Gap on Lake Lefroy.

3D SEISMIC SURVEY DETAILS

Geophysical contractor, UltraMag Geophysics Pty Ltd, mobilised to the KNP site last week to commence survey activity. The survey is expected to take approximately 4 weeks (weather and lake surface conditions dependent). Processing and analysis of the resultant data will be an ongoing exercise that will run for up to 6 months, with drill targets and interpretations produced progressively over this timeframe.

BACKGROUND TO THE LONG SOUTH GAP PROSPECT

In April 2023, the Company announced the results of a geophysical survey using the “mini vibro-seis” seismic data collection method. The survey was successful with two 2D seismic lines completed on the surface of Lake Lefroy, to the immediate east of the historical Silver Lake mine and to the immediate south of the Long Operation (now owned by Wyloo), host to the West Victor, Victor, McLeay and Long/Moran nickel trends. At that time, the Company signalled its intent to scope out and then execute a full 3D seismic survey using the same methodology.

That plan has come to fruition with the commencement of this important 3D survey over an area previously untested by modern exploration methods.

In total, the mined nickel channels immediately adjacent to the survey area have generated approximately **13.5 million tonnes**¹ of past ore production and over **465,500 tonnes of nickel metal**¹ at an average grade of **3.45% Ni**¹. No surface or underground drilling has tested the key nickel prospective position in the survey area, namely the contact between the Kambalda Komatiite and the Lunnon Basalt.

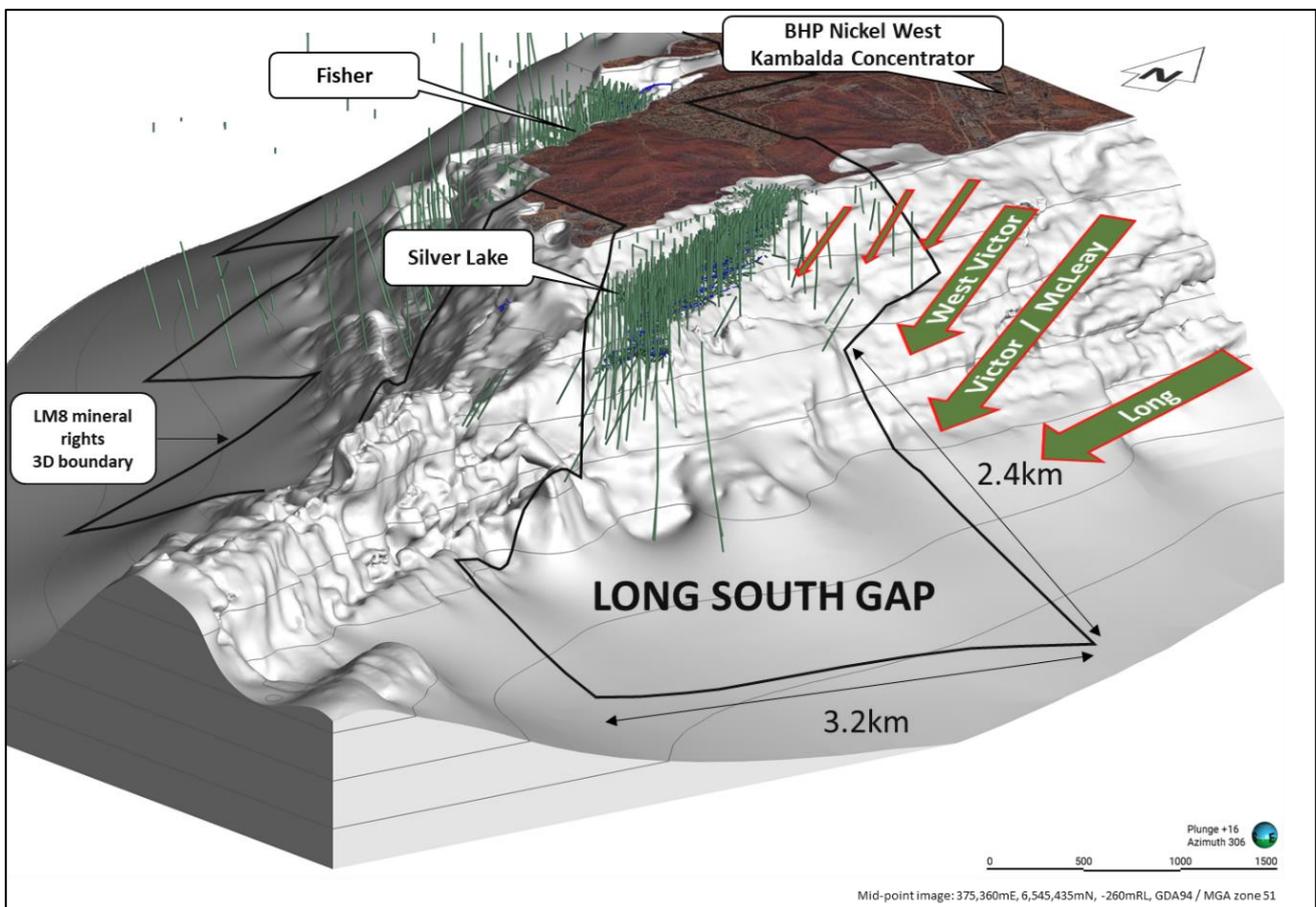


Figure 3: Isometric view looking northwest of the **Long South Gap** area, showing the 3D interpreted komatiite-basalt contact (coloured silver and prior to the 2D seismic data), interpreted nickel channels and trends and previous WMC drilling in green.

¹ Source: historical WMC production records plus sum of relevant production from previous ASX:IGO announcements.



UPCOMING EVENTS / NEWS FLOW

The following news flow and events are anticipated through to the Christmas 2023/New Year 2024 period. There is a strong focus on capturing the success of the 2023 drill campaign and Historical Core Program, with a significant number of updated and first-time Mineral Resource Estimates (**MREs**) expected in the coming months.

Progress of the current surface drilling activity in the Long South Gap area will be reported as that drilling program progresses.

- 85H MRE update with metallurgical DD holes
- East Trough first-time MRE
- Silver Lake Hanging Wall first-time MRE
- Foster 40, 50 and 60 surfaces first-time MRE
- Foster South MRE update with metallurgical DD holes
- Fisher Historical Core Program first-time MRE
- Foster South Metallurgical Program – test work summary
- DD results for Baker Measured drill out
- On-going Foster/Baker combined Preliminary Feasibility Study activity updates (December quarter 2023) and final reporting (March quarter 2024)

This release has been approved and authorised for release by the Board.

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COMPETENT PERSON'S STATEMENT & COMPLIANCE

Any information in this announcement that relates to nickel geology, nickel Mineral Resources, Exploration Targets and Exploration Results, is based on, and fairly represents, information and supporting documentation prepared by Mr. Aaron Wehrle, who is a Member of the Australasian Institute of Mining and Metallurgy (**AusIMM**). Mr. Wehrle is a full-time employee of Lunnon Metals Ltd, a shareholder and holder of employee options/performance rights; he has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Wehrle consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

MINERAL RESOURCES

The detailed breakdown of the Company's Mineral Resources as updated 30 June 2023, is as follows:

	Cut-off (Ni %)	Indicated Ni			Inferred Ni			Total Ni		
		Tonnes	%	Ni Tonnes	Tonnes	%	Ni Tonnes	Tonnes	%	Ni Tonnes
FOSTER MINE										
Warren	1.0	345,000	2.6	8,800	100,000	2.4	2,400	445,000	2.5	11,200
Foster Central										
85H	1.0	387,000	3.3	12,800	300,000	1.3	3,800	687,000	2.4	16,600
N75C	1.0	270,700	2.6	6,900	142,000	1.9	2,600	412,700	2.3	9,500
S16C / N14C	1.0	-	-	-	64,000	5.7	3,700	64,000	5.7	3,700
South	1.0	223,000	4.7	10,500	116,000	4.8	5,500	340,000	4.7	16,000
Sub total		1,225,700	3.2	39,000	722,000	2.5	18,000	1,948,700	2.9	57,000
BAKER AREA										
Baker	1.0	638,000	3.8	24,000	291,000	2.3	6,800	929,000	3.3	30,800
Sub total		638,000	3.8	24,000	291,000	2.3	6,800	929,000	3.3	30,800
TOTAL		1,863,700	3.4	63,000	1,013,000	2.4	24,800	2,877,700	3.1	87,800

Note: Figures have been rounded and hence may not add up exactly to the given totals. The Mineral Resource is inclusive of any reported Ore Reserves.

ORE RESERVES

The detailed breakdown of the Company's Baker Ore Reserve as at 30 June 2023, is as follows:

Baker	tonnes	Ni %	Cu %	Co %	Pd g/t	Pt g/t	As ppm	Ni metal
Proved	-	-	-	-	-	-	-	-
Probable	612,000	2.86	0.24	0.052	0.49	0.20	110	17,500
TOTAL	612,000	2.86	0.24	0.052	0.49	0.20	110	17,500

Note: All figures have been rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

The Ore Reserve is reported using the December 2022 Mineral Resource. The Ore Reserve is evaluated using a cut-off grade of 1.5% Ni, except for an incremental cut-off grade of 1.0% Ni for low grade development necessary for access to mining zones. The inputs used for the NPV in the Ore Reserve study were a A\$35,294/t nickel price (US\$24,000/t at US\$0.68:A\$1.00) and 8% discount rate.



DISCLAIMER

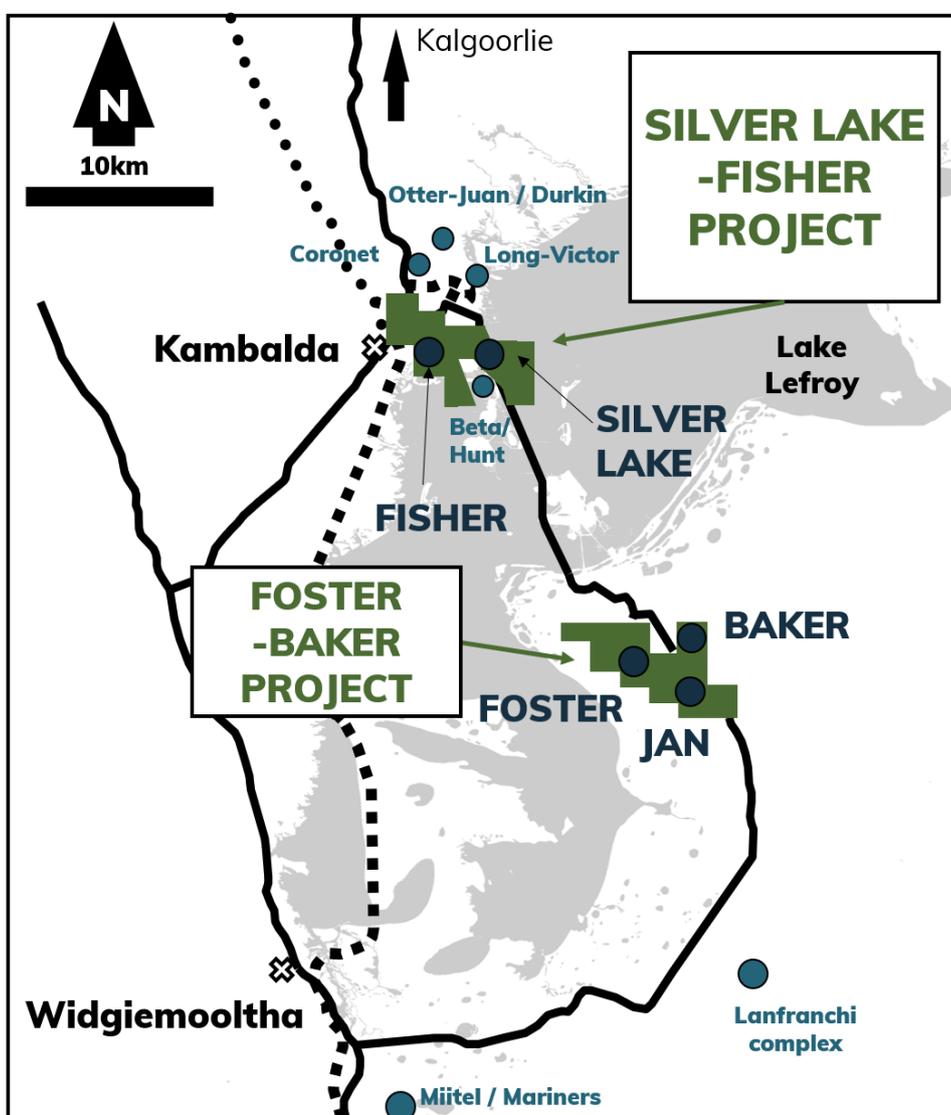
References in this announcement may have been made to certain previous ASX announcements, which in turn may have included Exploration Results, Exploration Targets, Mineral Resources, Ore Reserves and the results of Pre-Feasibility Studies. For full details, please refer to the said announcement on the said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant 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 announcement.

ABOUT THE KAMBALDA NICKEL PROJECT (KNP)

The Kambalda Nickel Project (KNP) (shown in **Figure 4**) features approximately 47km² of tenements in the Kambalda Nickel District. KNP is located approximately 570km east of Perth and 50-70km south-southeast of Kalgoorlie, in the Eastern Goldfields of Western Australia. KNP comprises two project areas, Foster and Baker* (19 contiguous mining leases) and Silver Lake and Fisher+ (20 contiguous mining leases).

The world-renowned Kambalda Nickel District has produced in excess of 1.4 million tonnes of nickel metal since its discovery in 1966 by WMC Resources Ltd (WMC). In addition, close to 15Moz of gold in total has been mined, making the Kambalda/St Ives district a globally significant gold camp in its own right.

The KNP is accessed via public roads, well-established mine road infrastructure and the main St Ives causeway over Lake Lefroy. The KNP is broadly surrounded by tenements held by St Ives Gold Mining Co. Pty Ltd (St Ives), a wholly owned subsidiary of Gold Fields Limited (JSE:GFI) and the Company's major shareholder.



*St Ives retains rights to explore for and mine gold in the "Excluded Areas", as defined in the subsisting agreements between Lunnon Metals and St Ives, and on the remaining area of the tenements, has select rights to gold in limited circumstances.

+The Company has the exclusive rights to nickel on 19 mining leases and related access rights on one additional tenure. Gold Fields retains the rights to the other minerals (except to the extent minerals occur in conjunction with nickel mineralisation or nickel bearing ore but excluding gold).

Figure 4: Regional Location of the Kambalda Nickel Project and other nearby nickel deposits.