

ASX ANNOUNCEMENT

Chikundo Cu-Pb-Zn VHMS Update

HIGHLIGHTS

Chikundo is a recently discovered Copper (Cu)-Lead (Pb)-Zinc (Zn) prospect located within the Chilalo Graphite Project tenements:

- A recent field visit and sampling programme has identified gossanous material over 1km along strike from the original workings supporting the potential for an extensive Volcanic Hosted Massive Sulphide (VHMS) style Cu-Pb-Zn system
- New soil and rock chip sampling from the original workings has confirmed highly anomalous base metal values
- A review of historical drilling data, targeting graphite, has identified over 5% Cu in samples near surface
- Three new VHMS prospects with highly anomalous base metal and pathfinder geochemistry have been identified within the Company's tenements.

Evolution Energy Minerals Limited (Evolution or the Company) (ASX: EV1, FSE: P77) is pleased to provide a further update on the Chikundo VHMS prospect, within the Chilalo Graphite Project area (the Project) in southeast Tanzania, previously announced on 28 October 2024.

The location of the Chikundo VHMS prospect within PL 12590/2023 is shown in Figure 1.

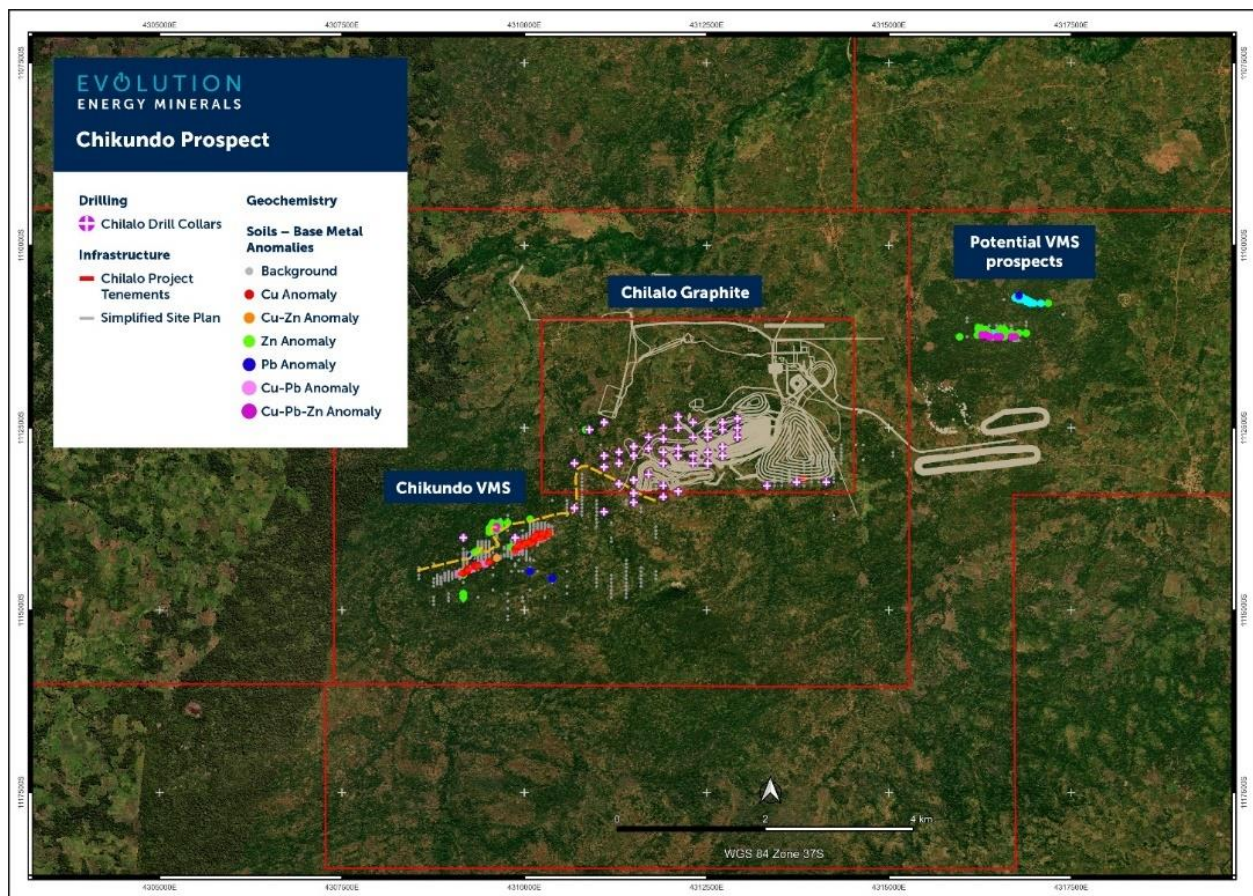


Figure 1: Location of the Chikundo Cu-Pb-Zn Prospect in relation to the Chilalo Graphite Project planned infrastructure

Chikundo has the key characteristics of a VHMS Cu-Pb-Zn prospect, including the expected host geology and key lithogeochemical associations. These associations include a strong pathfinder relationship between the economic metals (Cu-Pb-Zn) and pathfinder¹ elements such as Bismuth (Bi) and Tellurium (Te). Figure 2 shows that the pathfinder elements indicate an increase in tenor to the southwest over more than 1.5km. This suggests that the potential mineralisation extends to the southwest.

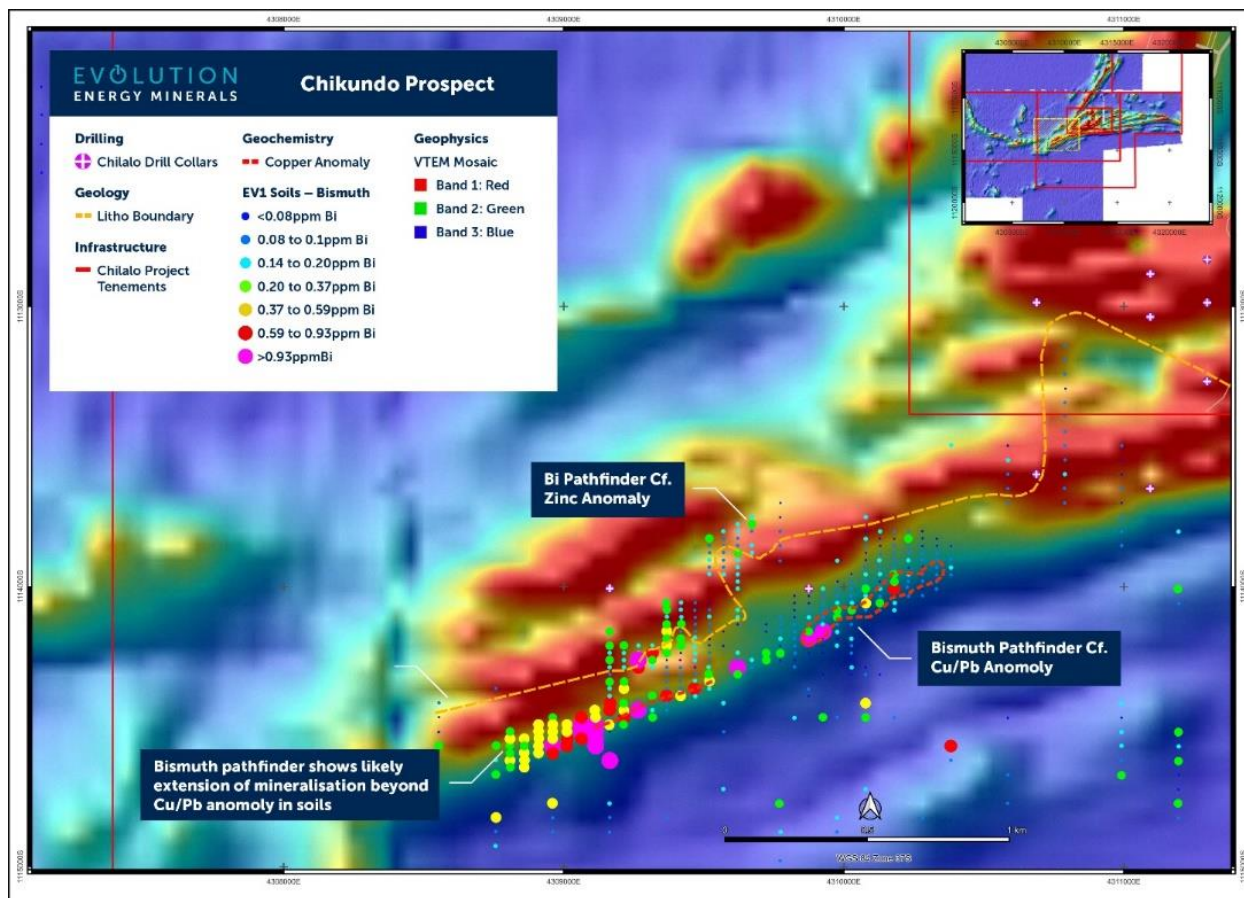


Figure 2: Bismuth Pathfinder chemistry indicating the possible extension of the anomaly to the southwest

RECENT ACTIVITY

Surface Sampling and Analysis

During recent field reconnaissance at Chikundo, eight rock chip samples were collected near the original workings (**Malachite Pit**) to confirm both visual evidence of copper carbonate (Malachite) at surface, as well as values from historical sampling. These locations and a GPS trace are shown in Figure 3. Significant results² from samples collected in and around the Malachite Pit include:

- **MAL-PT-01** – **2,753ppm Cu, 616ppm Zn**, 25ppb Pd, 10ppb Pt, 13ppb Au
- **MAL-PT-02** – 31ppb Pd, **405ppm Cu**
- **MAL-PT-03** – 277ppm Cu, 153ppm Ba
- **MAL-PT-04** – 24ppb Pd, 371ppm Cu
- **MAL-PT-05** – **53ppm Ag, 167ppb Au**, 63ppb Pd, **>1% Cu³, 1,194ppm Zn**, >15% Fe, >5% S
- **MAL-PT-06** – **713ppm Cu**, 126ppm Zn
- **MAL-PT-07** – **3,324ppm Cu**, 125ppm Zn, 256ppm Ba
- **MAL-PT-08** – **1,832ppm Cu**, 324ppm Zn, 263ppm Ba

¹ Pathfinder elements, such as Bismuth and Tellurium, are chemically correlated with Cu-Pb-Zn but remain relatively immobile in weathered soils. As a result, they preserve a reliable geochemical signal even when the main target metals have been leached or dispersed. Their stability and strong association with the target minerals make them an effective tool for pinpointing prospective zones in base metal exploration.

² These sample was assayed using Fire Assay (for Au & PGE's) and Aqua Regia Digest - ICPEs for the remaining elements. Full results are included in Appendix 1

³ ">1% Cu" – indicates that the result was greater than the upper level of detection for the assay method used.

The key findings from these results are:

- Sample **MAL-PT-05** is a highly anomalous consistent with a strong VHMS-style sulphide occurrence (high Cu (>1%), Zn (0.12%), Fe (15%), S (>5%), plus notable Ag (53g/t) and Au (167ppb)).
- Several other samples (**MAL-PT-01, -07, -08**) confirm that copper mineralization is not isolated.
- Elevated barium in **MAL-PT-06** and **-07** suggests possible barite or exhalite layers—again, typical in VHMS systems.

A sample was also collected approximately 1km to the southwest of the Malachite Pit (Refer Figure 3 – “Gossan Sample”), where a historical soil sample had returned a highly anomalous value of 71ppm Te. On initial inspection, this location had abundant in situ ferricrete (Figure 4). Further investigation showed compelling evidence, including remnant weathered sulphides, that this material represents a gossan.

A gossan is the oxidised, weathered remnant of mineralisation originally rich in sulphide minerals. When these sulphides oxidise, they produce iron oxides/hydroxides and release trace elements into the weathering zone. Gossans act as “pathfinders” because the oxidation process concentrates or mobilizes metals (e.g., Cu, Zn, As) that may indicate a primary sulphide body at depth.

A sample was sent to ALS laboratories in Perth and the significant assays results are shown below:

- **1039805⁴ – 5,340ppm Cu**, 34ppm Pb, **1,610ppm Zn**, 66ppm As, **50% Fe**, **0.18% S**, 279ppm Ni, 24ppm Mo, 6ppm Bi, 4ppm Sn, 240ppm Se

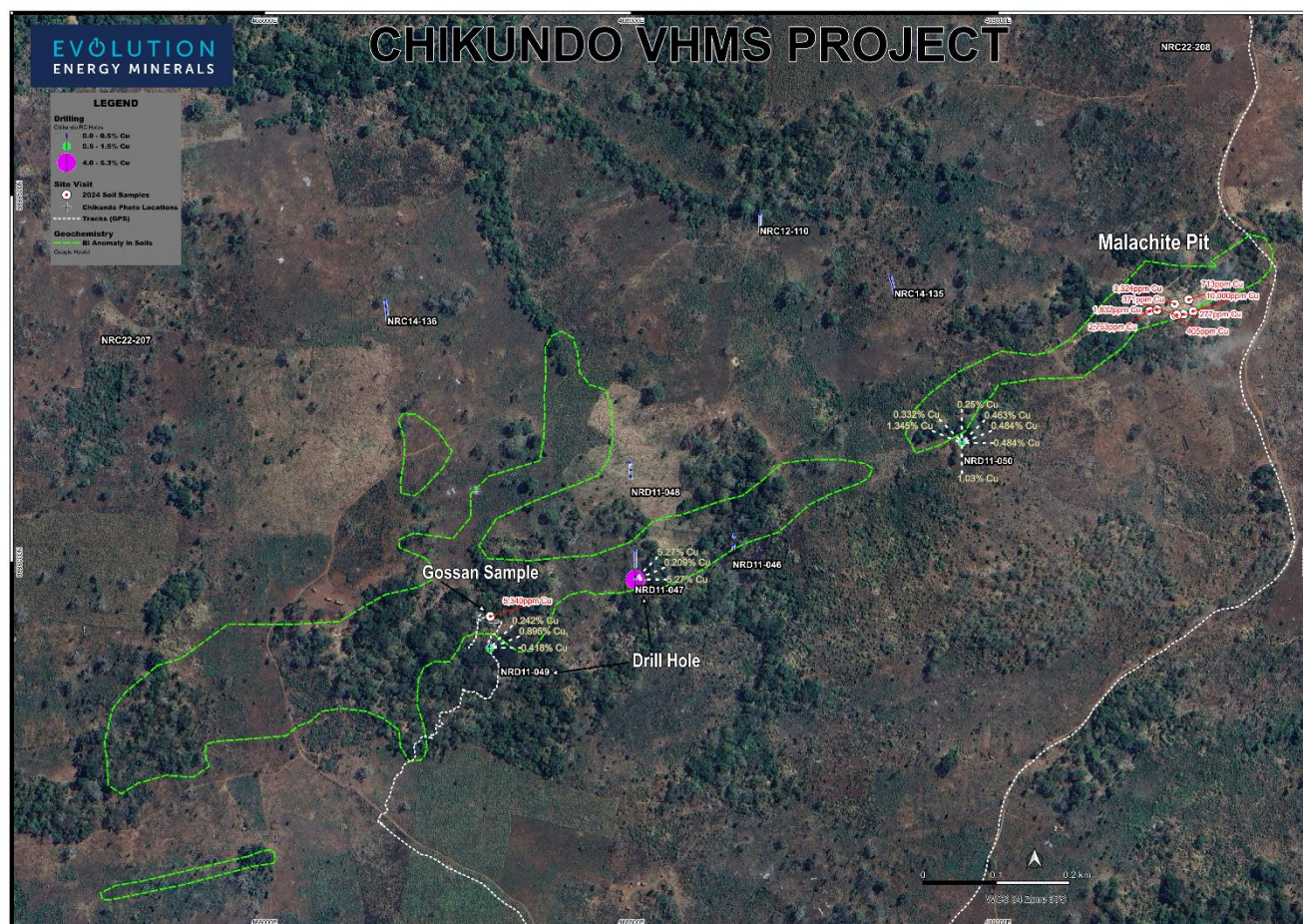


Figure 3: Confirmatory soil samples collected at the Malachite Pit and 1km southwest at a sample site showing highly anomalous Tellurium (Te). This figure also shows anomalous Cu values in historical RC drilling.

⁴ This sample was assayed using ALS's 51 element 4-acid digest ICPMS. Gold and PGE's cannot be determined using this method. Full results are included in Appendix 1

Beyond the markedly anomalous Cu and Zn values observed in the assay results, the geochemical signature of this sample provides compelling evidence of its classification as a gossan. Notably, key oxyanion-forming elements—molybdenum (Mo), bismuth (Bi), tin (Sn), and selenium (Se)—which remain immobile under acid-rich weathering conditions, serve as critical discriminants between primary hydrothermal mineralisation and secondary Cu-Zn remobilisation. The elevated concentrations of these elements in this sample further substantiate its interpretation as a gossan, reinforcing its significance as a pathfinder for mineralisation.



Figure 4: Gossanus sample and ferricrete out crop from recent field inspection

Analysis of Historical Drilling

Nine drillholes including three Reverse Circulation (**RC**) holes and five Diamond Core holes were completed proximal to Chikundo by the IMX Resources Ltd (ASX:**IXR**) and Continental Nickel Ltd (TSXV:**CNI**). The exploration results from this drilling were announced IMX Resources (now Indiana Resources Ltd) on 28 March 2012⁵. The location of these drillholes is shown in Figure 3, and the significant intercepts⁶ are summarised below:

RC Holes⁷

- **NRC12110** – 18m @ 0.6g/t Ag, 814ppm Cu, **947ppm Zn**, 2% S from 21m includes 1m @ **1,930ppm Cu**, **6,480ppm Zn** and **5.5% S** from 31m
- **NRC14135** – 34m @ 5,046ppm Cr, **2,443ppm Ni**, 151ppm Zn, 1% S from surface includes 4m @ **10,897ppm Cr**, **1,344ppm Cu**, **30% Fe**, **4,095ppm Ni**, **3% S** and 140ppm Zn from 30m
- **NRC14136** – 65m @ 1,963ppm Cr, 427ppm Cu and 1.5% S from surface

Diamond Core Holes⁸

- **NRD11046** – 3m @ **1,002ppm Cu**, **6% S** from 49m includes 0.3m @ **1,250ppm Cu**, **21% Fe** and **22% S** from 50.3m
- **NRD11047** – 1.2m @ **27,365ppm Cu**, **14% Fe**, **14.5% S** from 27.7m includes 0.4m @ **52,700ppm Cu**, **24% Fe** and **26% S** from 28.5m
- **NRD11048** – 2.6m @ 177ppm Cu, 413ppm Ni, 4.5% S from 82.4m
- **NRD11049** – 6.3m @ **2,059ppm Cu**, **3% S** from 62.7m includes 0.6m @ **8,950ppm Cu**, **10% Fe** and **9% S** from 63.3m
- **NRD11050** – 6m @ 0.1g/t % Au, 5,034ppm Cu, 8% Fe, 5% S from 49m

⁵ IMX Resources Announcement 28 March 2012 - <https://announcements.asx.com.au/asxpdf/20120328/pdf/42593jjgs5k0p0.pdf>

⁶ The complete drillhole data set are provided in Appendix 1. All data represent apparent thicknesses, and may not be true thickness, eg for angled holes.

⁷ Not all elements were assayed for each hole (N/A = Not Assayed)

⁸ Not all elements were assayed for each hole (N/A = Not Assayed)

includes 0.6m@ **13,450ppm Cu**, **14% Fe** and **13% S** from 49m, and
includes 1.0m @ **10,300ppm Cu**, **7% Fe** and **5% S** from 53m

It is of particular interest that holes NRD11047, NRD11049 and NRD11050, which are located either within or very close to the surface Bi anomaly, also contain the highest Cu intercepts of between 1% and 5.3% Cu. These samples also contain very high levels of iron (Fe) and sulphur (S).

For the remaining holes, the fact that NRC12-110, which is located over 300m northwest of the Bi anomaly and has 0.2% Cu and 0.6% Zn, continues to reinforce the probability of VHMS style of system.

NEXT STEPS

Following the extremely encouraging results of this initial reconnaissance phase, the Company intends to undertake a systematic exploration programme to delineate the potential of the Chikundo discovery, and the other VHMS targets. This programme is likely to include:

- Geological mapping, soil sampling, and trenching programs to both infill and potentially extend the current Cu-Pb-Zn anomalies.
- Geophysical modelling of ground Fixed Loop Electromagnetic or airborne VTEM conductors, with the aim of identifying VHMS targets hidden by graphite conductors.
- Targeted RC drilling to test the extent, depth and continuity of the mineralisation.

The strategy is focused on defining a maiden mineral resource estimate.

Soil Sampling Program

A detailed soil sampling program has been designed to cover all four VHMS prospects and is currently planned to be executed in two stages. The first stage will provide complete coverage of these targets at a 200m x 200m spacing. Based on the results of Stage One, the second stage will close this sampling grid down to 100m x 100m, for those targets which return anomalous geochemistry.

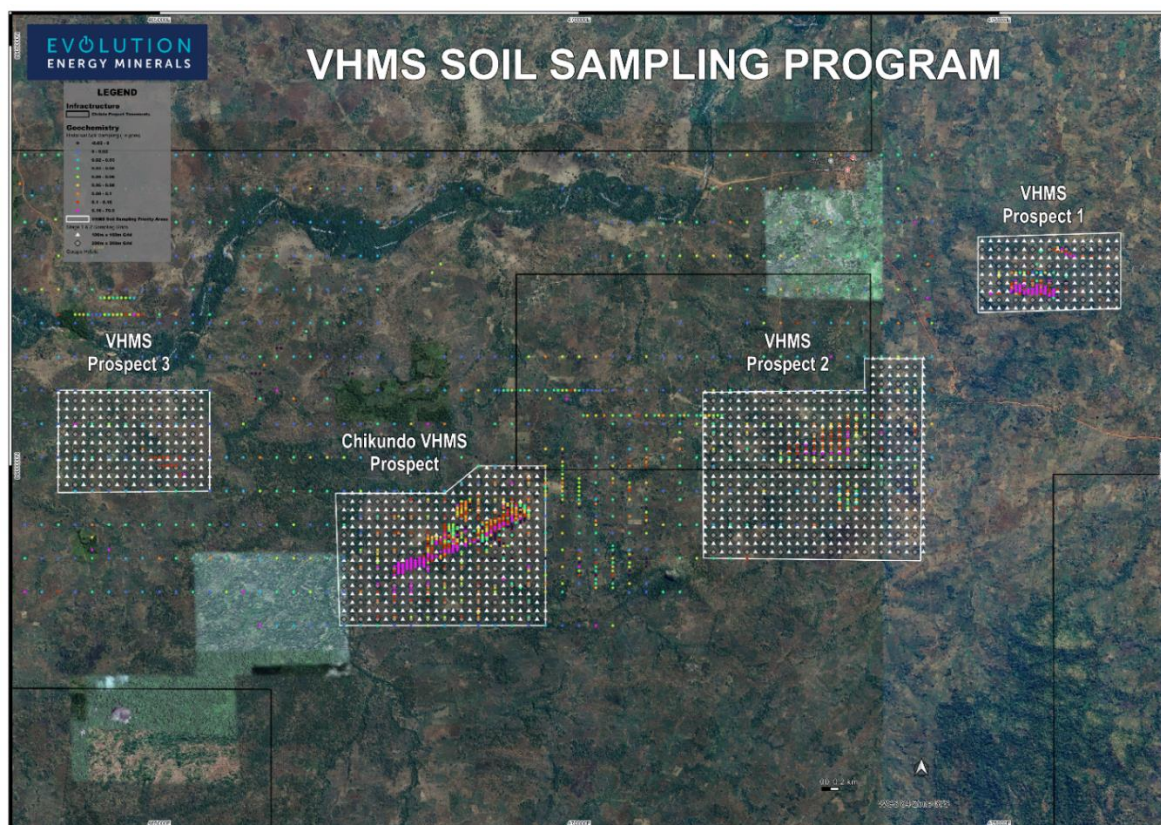


Figure 5: Planned soil sampling program for the four VHMS prospects, to be executed in two stages

The timing of this program will depend on access following the current wet season. The Market will be updated in due course.

Evolution's CEO, George Donne, commented:

"The discovery of the Chikundo is hugely exciting for Evolution and has the potential to give us exposure to other highly desirable battery metals."

"While we focus on the delivery of our Chilalo coarse flake graphite project, Chikundo broadens our asset portfolio and offers the chance to capture meaningful additional value. Although we are currently targeting final investment decision at Chilalo, this mineralisation shows that our tenements are highly prospective and that exploration is still an important part of our development plan."

This announcement has been approved for release by Evolution's Board of Directors.

For further information, please contact:

George Donne

CEO

gdonne@ev1minerals.com.au

T: +61 8 9200 4960

Andrew Rowell

White Noise Communications

andrew@whitenoisecomms.com

T: +61 400 466 226

ABOUT EVOLUTION (ASX:EV1)



Development-ready coarse flake graphite project in Tanzania (NPV US\$338M, IRR 32%)



Binding offtake covering 90% of production with Tier-1 customers



EPC process started and targeting Final Investment Decision in 2025



Strategic partnership with global #1 battery anode producer for downstream product development



Exciting new Chikundo copper-lead-zinc VHMS discovery on existing Prospecting Licence

Evolution's vision is to become a vertically integrated company that will only supply sustainably sourced graphite products and battery materials.

This will be achieved by combining our unique graphite source with industry-leading technology partners, working closely with customers and producing diversified downstream products in both Tanzania and strategically located manufacturing hubs around the world. Evolution is committed to being global leaders in ESG and ensuring its operations support the push for decarbonisation and the global green economy.

Forward Statements

This release includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration programs and other statements that are not historical facts. When used in this release, the words such as "could", "plan", "estimate", "expect", "anticipate", "intend", "may", "potential", "should", "might" and similar expressions are forward looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve known and unknown risks and uncertainties and are subject to factors outside of the Company's control. Accordingly, no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Statement

The reported Exploration Results were compiled or reviewed by Craig Moulton, a Member of the Australian Institute of Mining and Metallurgy and a Fellow of the Geological Society London. Mr Moulton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Moulton is a Non-Executive Director with the Company.

The information contained in this announcement relates to the following ASX announcements and are referred to in this Report. The Competent Person for this report was Craig Moulton, and none of the data has materially changed since this approval was given. All of these reports can be found on the company's website at:

- **ASX Announcements - Evolution Energy Minerals – 29th October 2024 Chikundo Cu-Pb-Zn VHMS Prospect**

The information contained in this announcement related to historical drilling relates to the following ASX announcements and are referred to in this Report. The Competent Person for this report was Patricia Tirschmann, P. Geo, Vice President Exploration for Continental Nickel Ltd and none of the data has materially changed since this approval was given. This report can be found via the ASX website and has been attached as Appendix 2:

- **ASX Announcements – IMX Resources – 28th March 2012 Copper Mineralisation intersected at Chilalo Regional Targets, Nachingwea Ni-Cu JV Tanzania**

JORC Tables

Section 1 Sampling Techniques and Data

Criteria	
Sampling techniques	Rock Chip Samples <ul style="list-style-type: none"> 9 samples were collected in total within the Company's tenement area - PL 12590/2023 Samples MAL-PT-01 to MAL-PT-08 were collected around a site from artisanal workings Sample 1039805 was collected at the site of a historical soil sample site with a value of 71ppm Te Samples were collected using a geopick, with an average weight of between 500g and 1kg Sampling was carried out by experienced field personnel (geologists/geo-technicians). Samples were collected from in situ outcrop, i.e. not boulders or float Samples were labelled using a pre-numbered sample tag and a tag id was also marked on the calico bag. The sample location description and coordinates were recorded along with sample id on sample register. No field standards or blanks were submitted due to the small number of samples collected. Samples PT-01 to MAL-PT-08 were submitted to SGS Mtwara (Tanzania) where Au, Pt & Pd were analysed using Fire Assay Method (GE_FAI30V5) with an ICP-AES finish using at 30g milled pulp. The remaining 34 elements were analysed using an Aqua Regia digest and an ICP-AES finish Laboratory standards and blanks were provided by SGS to ensure analytical precision. Sample 1039805 was submitted to SGS Malaga (Australia) where all 51 elements were analysed using a 4-acid digest method (ME-MS61L) 1 and an ICP-AES finish. A fire assay method was not requested as gold and PGE elements were expected to provide useful data.
Drilling techniques	<ul style="list-style-type: none"> All of the samples were collected by hand, no drilling equipment was used
Drill sample recovery	<ul style="list-style-type: none"> As no drilling equipment was used, drill sample recover was not measured.
Logging	<ul style="list-style-type: none"> All samples contain a geological description and colour of the regolith sampled.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> No subsampling was required, the entire sample was submitted to the laboratory.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Laboratory standards and a blank were used as quality control measures for the 8 samples submitted to the SGS Mtwara laboratory. Laboratory standards, a repeat and a blank were used as quality control measures for the sample submitted to the SGS Malaga laboratory. Examination of all the QA/QC data indicated that the laboratory performance was satisfactory for both standards and are at acceptable levels of precision and accuracy.
Verification of sampling and assaying	<ul style="list-style-type: none"> Senior geological personnel supervised the collection of all samples and the verification of their locations. All assay results were reviewed within their geological and lithological context to ensure that the results were sensible. No adjustments were reported to be made to assay data.
Location of data points	<ul style="list-style-type: none"> All sample locations were recorded using a handheld GPS with an accuracy of <5 m for easting, northing coordinates. Field sample locations were validated against planned coordinate. The coordinates grid system used was UTM WGS84 Zone 37 South datum and projection. This method is considered appropriate for exploration level geochemistry / sample collection.
Data spacing and distribution	<ul style="list-style-type: none"> No regular or gridded sample spacing was used as the sampling was preliminary in nature. The primary aim was to verify the veracity historical sampling data held by the Company.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> The sampling program was within the bounds of regional structures or lithological units, targeting areas of anomalous geochemistry. As no sampling grid was used the orientation has no importance.
Sample security	<ul style="list-style-type: none"> All samples were marked with unique sequential numbering to ensure controls against sample loss or omission. This sample number was retained during the entire processes from field collection to sample preparation at the local field camp, and submission to the laboratory. The samples were packed in the field and sealed prior to transport to the local field office/storage which has 24-hour security prior to be transported or shipped to designated SGS laboratory.
Audits or reviews	<ul style="list-style-type: none"> Due to the limited number of samples, all sample results were reviewed individually.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The exploration results reported in this announcement are from work carried out on granted prospecting licences PL 12590/2023, which is owned by Kudu Graphite Limited, an entity jointly owned by Evolution Energy Minerals (84%) and Government of Tanzania (16%). The tenement is currently in good standing.
Exploration done by other parties	<ul style="list-style-type: none"> Exploration has been performed by Kudu Graphite Ltd, a company jointly owned by Evolution Energy Minerals of Australia (84%) and the government of Tanzania (16%). Analysis of historical drilling information is provided in the historical announcement by IMX provided in Appendix 2.
Geology	<ul style="list-style-type: none"> The regional geology is comprised of late Proterozoic Mozambique mobile belt lithologies consisting of mafic to felsic gneisses interlayered with amphibolite and metasedimentary rocks. The mineralisation consists of a series of intercalated graphitic horizons within felsic gneiss (aluminous rich sediments), amphibolite (mafic sourced material) and rarely high purity marble horizons. The assumed geological model is a volcanic hosted massive sulphide system. The geology identified both via field observation and litho geochemistry is consistent with this style of mineralisation.
Drill hole Information	<ul style="list-style-type: none"> This analyses in this announcement, covered by these JORC tables, does not rely on any drilling information. Analysis of historical drilling information is provided in the historical announcement by IMX provided in Appendix 2.
Data aggregation methods	<ul style="list-style-type: none"> No data aggregation or compositing methods were used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> This analyses in this announcement does not rely on any drilling information. Analysis of historical drilling information is provided in the historical announcement by IMX provided in Appendix 2.
Diagrams	<ul style="list-style-type: none"> Sample locations are shown in figure 3 of this announcement.
Balanced reporting	<ul style="list-style-type: none"> All of the samples shown in this announcement relate to those collected over the Chikundo Prospect area of interest, they cover only two small areas of interest, and do not provide a view on the overall sampling across the prospect. The previous announcement by the Company: "29th October 2024 Chikundo Cu-Pb-Zn VHMS Prospect" provides a review of all historical sampling across the prospect. Within the context of both announcements, the reporting of these samples is believed to be balanced and representative. There is no known bias apparent between the two data sets for the primary elements under analysis.
Other substantive exploration data	<ul style="list-style-type: none"> A VTEM geophysical survey was initially completed over a large portion of the Company's tenement. It identified numerous anomalies (conductors) which are likely to be associated with conductive mineralisation, primarily graphite. Fixed Loop EM (FLEM) and Down Hole EM was also captured; however, this was focused on graphite exploration.
Further work	<ul style="list-style-type: none"> Geological mapping, soil sampling, and trenching programs to both infill and potentially extend the current anomalies. Geophysical modelling of ground Fixed Loop Electromagnetic (FLEM) or AEM conductors, with the aim of identifying VHMS targets hidden by graphite conductors. Targeted Reverse Circulation (RC) drilling to test the extent, depth and continuity of the mineralisation.

APPENDIX 1 - SAMPLE DATA

SAMPLE_ID	Location	Projection	Easting	Northing	Au_ppb GE_FAI30V5	Pt_ppb GE_FAI30V5	Pd_ppb GE_FAI21B20	Ag_ppm GE_ICP21B20	Al_% GE_ICP21B20	As_ppm GE_ICP21B20	Ba_ppm GE_ICP21B20	Be_ppm GE_ICP21B20	Bi_ppm GE_ICP21B20	Ca_% GE_ICP21B20	Cd_ppm GE_ICP21B20	Co_ppm GE_ICP21B20	Cr_ppm GE_ICP21B20	Cu_ppm GE_ICP21B20	Fe_% GE_ICP21B20	Hg_ppm GE_ICP21B20	K_% GE_ICP21B20	La_ppm GE_ICP21B20	Li_ppm GE_ICP21B20
MAL-PT-01	HW-S01	UTM WGS84 37S	469207	8899342	13	10	25	<2	1.751	<3	69	<0.5	<5	0.374	<1	45	186	2753	3.11	2	0.02	2.4	2
MAL-PT-02	HW-S02	UTM WGS84 37S	469240	8899336	5	<10	31	<2	0.521	<3	19	<0.5	<5	0.382	<1	8	85	405	1.13	<1	0.017	<0.5	2
MAL-PT-03	HW-S03	UTM WGS84 37S	469253	8899338	15	<10	12	<2	1.261	<3	115	<0.5	<5	0.282	<1	6	42	277	5.24	<1	0.067	1.6	2
MAL-PT-04	HW-S04	UTM WGS84 37S	469244	8899337	3	<10	24	<2	1.241	<3	31	<0.5	<5	1.243	<1	16	67	371	2.13	<1	0.047	<0.5	2
MAL-PT-05	HW-S05	UTM WGS84 37S	469266	8899342	167	<10	63	53	0.624	<3	93	<0.5	108	0.141	6	117	57	>10000	>15.00	<1	0.03	<0.5	2
MAL-PT-06	FW-S01	UTM WGS84 37S	469260	8899358	9	<10	7	<2	1.011	<3	256	<0.5	<5	0.216	<1	7	7	713	1.86	2	0.233	4	4
MAL-PT-07	FW-S02	UTM WGS84 37S	469241	8899352	8	<10	8	<2	1.435	<3	243	<0.5	<5	0.316	<1	17	12	3324	2.56	2	0.295	4	5
MAL-PT-08	FW-S03	UTM WGS84 37S	469217	8899344	5	<10	8	<2	1.305	<3	54	<0.5	<5	0.54	<1	32	10	1832	3.36	2	0.025	2.4	2

SAMPLE_ID	Location	Projection	Easting	Northing	Mg_% GE_ICP21B20	Mn_ppm GE_ICP21B20	Mo_ppm GE_ICP21B20	Na_% GE_ICP21B20	Ni_ppm GE_ICP21B20	P_% GE_ICP21B20	Pb_ppm GE_ICP21B20	S_% GE_ICP21B20	Sb_ppm GE_ICP21B20	Sc_ppm GE_ICP21B20	Sn_ppm GE_ICP21B20	Sr_ppm GE_ICP21B20	Ti_% GE_ICP21B20	V_ppm GE_ICP21B20	W_ppm GE_ICP21B20	Y_ppm GE_ICP21B20	Zn_ppm GE_ICP21B20	Zr_ppm GE_ICP21B20
MAL-PT-01	HW-S01	UTM WGS84 37S	469207	8899342	0.539	319	2	0.044	93	0.015	2	0.02	6	12	<10	19.1	0.015	36	<10	5.6	616	4.8
MAL-PT-02	HW-S02	UTM WGS84 37S	469240	8899336	0.602	159	<1	0.106	32	<0.003	<2	<0.01	<5	7.2	<10	11.1	0.019	36	<10	0.8	68	1.6
MAL-PT-03	HW-S03	UTM WGS84 37S	469253	8899338	0.417	253	2	0.059	10	0.017	<2	0.17	<5	4	<10	36	0.021	59	<10	2.4	99	1.6
MAL-PT-04	HW-S04	UTM WGS84 37S	469244	8899337	1.092	366	<1	0.193	30	<0.003	2	0.01	<5	9.6	<10	29.6	0.027	66	<10	1.6	55	3.2
MAL-PT-05	HW-S05	UTM WGS84 37S	469266	8899342	0.055	45	11	0.211	85	<0.003	13	>5.00	7	4	21	14.4	0.009	18	<10	0.8	1194	2.4
MAL-PT-06	FW-S01	UTM WGS84 37S	469260	8899358	0.696	206	<1	0.1	10	0.005	<2	0.03	<5	8	<10	19.9	0.153	35	<10	6.4	126	4
MAL-PT-07	FW-S02	UTM WGS84 37S	469241	8899352	0.795	405	<1	0.114	23	0.011	<2	0.03	<5	11.2	<10	15.2	0.142	43	<10	7.2	125	4
MAL-PT-08	FW-S03	UTM WGS84 37S	469217	8899344	0.472	333	<1	0.089	44	0.017	2	<0.01	<5	17.5	<10	29.4	0.044	87	<10	7.2	324	3.2

SAMPLE_ID	Location	Projection	Easting	Northing	Ag_ppm ME-MS61L	Al_% ME-MS61L	As_ppm ME-MS61L	Ba_ppm ME-MS61L	Be_ppm ME-MS61L	Bi_ppm ME-MS61L	Ca_% ME-MS61L	Cd_ppm ME-MS61L	Ce_ppm ME-MS61L	Co_ppm ME-MS61L	Cr_ppm ME-MS61L	Cs_ppm ME-MS61L	Cu_ppm ME-MS61L	Fe_% ME-MS61L	Ga_ppm ME-MS61L	Ge_ppm ME-MS61L	Hf_ppm ME-MS61L	In_ppm ME-MS61L	K_% ME-MS61L
1039805	Gossan Sample	UTM WGS84 37S	468308	8898926	0.243	1.31	66.1	70	1.18	6.18	0.09	3.12	3.17	128	168.5	0.08	5340	49.6	3.97	0.96	0.177	1.325	0.03

SAMPLE_ID	Location	Projection	Easting	Northing	La_ppm ME-MS61L	Li_ppm ME-MS61L	Mg_% ME-MS61L	Mn_ppm ME-MS61L	Mo_ppm ME-MS61L	Na_% ME-MS61L	Nb_ppm ME-MS61L	Ni_ppm ME-MS61L	P_% ME-MS61L	Pb_ppm ME-MS61L	Rb_ppm ME-MS61L	Re_ppm ME-MS61L	S_% ME-MS61L	Sb_ppm ME-MS61L	Sc_ppm ME-MS61L	Se_ppm ME-MS61L	Sn_ppm ME-MS61L	Sr_ppm ME-MS61L	Ta_ppm ME-MS61L
1039805	Gossan Sample	UTM WGS84 37S	468308	8898926	1.61	1.4	0.07	182	23.7	0.028	1.075	279	0.105	37.4	0.81	0.0024	0.18	3.24	4.39	240	4.1	21.9	0.191

SAMPLE_ID	Location	Projection	Easting	Northing	Te_ppm ME-MS61L	Th_ppm ME-MS61L	Ti_% ME-MS61L	Tl_ppm ME-MS61L	U_ppm ME-MS61L	V_ppm ME-MS61L	W_ppm ME-MS61L	Y_ppm ME-MS61L	Zn_ppm ME-MS61L	Zr_ppm ME-MS61L
1039805	Gossan Sample	UTM WGS84 37S	468308	8898926	6.68	0.488	0.036	0.05	10.45	654	0.758	4.98	1610	6.2

APPENDIX 2 – IMX Resources Announcement

28th March 2012

**Copper Mineralisation intersected at Chilalo Regional Targets,
Nachingwea Ni-Cu JV Tanzania**

28 March 2012

COPPER MINERALISATION INTERSECTED AT CHILALO REGIONAL TARGETS, NACHINGWEA NI-CU JV TANZANIA

Highlights

- Regional copper hits enhance the prospectivity of the Nachingwea JV tenure
- Copper mineralisation intersected over a 1km strike length with up to 0.4m @ 5.27% Cu, 15.05 g/t Ag and 0.41 % Zn returned at Chilalo 6
- New untested copper geochemical targets identified for drilling in 2012

Joint Venture Project Update:- IMX Resources Limited (ASX: IXR; 'IMX') reports that 2011 regional exploration drilling at the Chilalo copper targets in Tanzania has intersected copper sulphide mineralisation over a 1km strike length. The identification of a sedimentary copper-silver-zinc mineralisation style in the project area further enhances the regional prospectivity of the evolving new mineral province at Nachingwea.

The Chilalo prospect is located 23km northeast of the Ntaka Hill Nickel deposits and is part of the larger Nachingwea Nickel - Copper JV Project in southern Tanzania, which is operated and managed CNI of Canada.

Full details of these latest results can be viewed in the CNI release to the TSXV attached below.

Nachingwea Holding Structure

IMX's 53% beneficial interest in the Nachingwea Nickel - Copper JV Project is held through a direct 25% interest in the Tanzanian joint venture company, Ngwena Limited, and indirectly through a 37.2% equity interest in CNI. IMX funds its joint venture interest on a pro rata basis.



NEIL MEADOWS
Managing Director

For further information, please contact:

Neil Meadows
Managing Director
Tel: +61 8 9388 7877
E: nmeadows@imxres.com.au

Investor Relations
Tony Dawe
Professional Public Relations
Tel: +61 8 9388 0944
E: tony.dawe@ppr.com.au

Competent Persons

Information in this announcement relating to exploration results is based on data collected under the supervision of, or compiled by Patricia Tirschmann, P. Geo., who holds the position of Vice President, Exploration and is a full time employee of Continental Nickel Limited. Ms. Tirschmann is a registered member of the Association of Professional Geoscientists of Ontario and has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms. Tirschmann consents to the inclusion of the data in the form and context in which it appears.

About IMX Resources Limited

IMX Resources Limited (ASX: IXR) is an ASX listed company headquartered in Perth, Western Australia.

IMX is a mining and mineral exploration company with an iron ore mining operation in South Australia, and a portfolio of advanced exploration projects in Australia and Africa, focusing on iron ore, nickel, copper and gold.

IMX operates and owns 51% of the Cairn Hill Iron Ore Mining Operation, located 55 kilometers south-east of Coober Pedy in South Australia, where it produces a premium coarse-grained magnetite-copper-gold DSO product with a clean saleable Cu / Au concentrate, at a rate of 1.7Mtpa.

IMX is actively exploring the Mt Woods Magnetite Project on the highly prospective Mt Woods Inlier in South Australia. IMX owns 100% of the iron ore rights of the Mt Woods tenement package, where it currently has a JORC Inferred Resource of 569Mt @ 27% Fe at the Snaefell Magnetite Deposit and a Global Exploration Target of between 200-380Mt @ 25-35% Fe elsewhere in the project.

IMX has also entered into a joint venture with OZ Minerals (the Mt Woods Copper-Gold JV Project) to explore the Mt Woods tenements for copper and gold. OZ Minerals is spending a minimum of \$20M for a 51% interest in the non-iron rights, with IMX retaining a 49% interest in the non-iron rights.

In Tanzania, IMX holds a 53% beneficial interest in the Nachingwea Nickel – Copper JV Project in southern Tanzania, which is managed and operated by 75% JV partner, Continental Nickel Limited (TSXV:CNI). IMX has a 37.2% direct equity investment in CNI and a 25% interest in the Nachingwea Nickel - Copper JV project.

IMX owns 25.5% of Uranex (ASX:UNX), which is a dedicated uranium exploration company, which is developing the Mkuju Uranium project in southern Tanzania

Visit: www.imxresources.com.au

Press Release

Continental Nickel Reports Copper Sulphide Mineralization at Chilalo Regional Targets, Nachingwea Project, Tanzania

TORONTO, ONTARIO (March 27, 2012) - Continental Nickel Limited (TSXV:CNI) ("CNI" or the "Company") is pleased to report that metasedimentary-hosted copper sulphide mineralization has been intersected in drilling completed in late 2011 to test regional geochemical and geophysical targets on its Chilalo license located 23 kilometres northeast of Ntaka Hill. The project is a 75:25 joint venture between CNI and IMX Resources Limited of Australia.

Highlights

- Copper sulphide horizon confirmed over a 1 kilometre strike length with mineralization grading up to 5.27% copper, 15.05 g/t silver and 0.41 % zinc over 0.4 metres at Chilalo 6
- New untested copper soil anomaly identified 450 metres north of current drilling at Chilalo 6
- Untested high priority targets to be drilled in 2012 at Chilalo 7
- New mineralization enhances the prospectivity of the regional land holdings

Patricia Tirschmann, VP Exploration, commented: *"It is exciting to see that several years of progressive regional exploration have advanced to the point where we are starting to identify new sulphide occurrences for more detailed follow-up. The intersection of a laterally extensive zone of copper sulphide mineralization in the Chilalo 6 area is another example of the potential for significant metasedimentary-hosted copper-silver mineralization, in addition to nickel-copper sulphide mineralization, on the Company's extensive land package. We look forward to further drill testing of the highly prospective targets in the Chilalo 6 and 7 areas and to following up additional regional targets in 2012."*

Regional exploration in 2011 identified prospective geochemical and geophysical anomalies and surface gossans at two high priority areas, Chilalo 6 and 7, on the Company's Chilalo license (see location map which may be viewed using link provided with this release). The Chilalo 6 area is located 23 kilometres northeast of Ntaka Hill where artisanal copper mining was reported earlier by the Company (Press Release May 25, 2011). The Chilalo 7 area is located 6.5 kilometres northeast of Chilalo 6.

During November 2011, a total of five diamond drill holes totalling 500.5 metres were completed to test the targets identified in the Chilalo 6 area. Results for five holes are reported herein and are provided below in Table I. A drill hole location figure may be viewed using the link provided with this release.

Since the drilling was terminated earlier than expected due to heavy rains that restricted road access, targets in the Chilalo 7 area will be tested as part of the 2012 regional exploration program.

Background

In May 2011, artisanal copper malachite mining activity was confirmed on the Company's Chilalo license located 23 kilometres northeast of Ntaka Hill. The malachite mineralization is hosted primarily in high metamorphic grade felsic gneisses and amphibolite, adjacent to a highly oxidized, gossanous copper-bearing sulphide horizon. The gossanous sulphide horizon and related malachite mineralization was traced in a series of artisanal pits extending in a northeast-southwest direction over a strike length of approximately 400 metres. Soil sampling in the area identified a narrow copper soil anomaly extending to the southwest of the artisanal pits over a total strike length of 1.8 kilometres.

Several other copper soil anomalies were identified elsewhere on the Chilalo license including values of up to 625 ppm copper, 630ppb silver and 925 ppm zinc and in the vicinity of a second gossan showing in the Chilalo 7 area. Grab samples of surface gossans from this location returned values of up to 0.42% copper, 1.19g/t silver and 0.34% zinc.

Surface time domain electromagnetic surveys ("EM") were subsequently completed over both the Chilalo 6 and Chilalo 7 areas. The surveys detected several EM anomalies including an anomaly located 700 metres west of the artisanal pits at Chilalo 6 and an anomaly coincident with the gossan occurrence at Chilalo 7. A diamond drilling program was carried out in November 2011 to test selected geochemical and geophysical targets.

Drilling

Five diamond drill holes totaling 500.5 metres were completed in the Chilalo 6 area. Four of the holes (NRD11-046, 47, 49 & 50) tested the 1.8 kilometre long copper soil anomaly and associated geophysical anomalies. The fifth hole (NRD11-048) tested an EM conductor located 200 metres north of hole NRD11-047 and 150 metres southwest of a surface grab sample which returned 0.26% zinc.

Drill holes NRD11-046, 047, 049 and 050 all intersected copper sulphide mineralization that is interpreted to be correlated with the surface copper soil anomaly. The mineralization typically consists of narrow, locally brecciated, semi-massive sulphide (pyrite and chalcopyrite) veins and/or sulphide disseminations hosted in variably sheared pelitic paragneisses. Copper-bearing samples from these holes also contain elevated levels of bismuth (up to 43 ppm), cadmium (up to 26 ppm), cobalt (up to 200 ppm), molybdenum (up to 28 ppm), lead (up to 1,685 ppm), selenium (up to 162 ppm) and tellurium (58 ppm). The best copper-silver-zinc values were obtained in holes NRD11-047 and 050.

Drill hole NRD11-047 was drilled approximately 800 metres southeast of the main artisanal pit and intersected a zone of disseminated to semi-massive pyrite and chalcopyrite which graded 1.89% copper, 5.64 g/t silver and 0.19% zinc and over 1.20 metres including 5.27% copper, 15.05 g/t silver and 0.41 % zinc over 0.4 metres.

Drill hole NRD11-050 was drilled approximately 475 metres northeast of hole NRD11-047 and intersected a zone of disseminated to semi-massive pyrite and chalcopyrite which graded 0.50% copper, 2.18 g/t silver and 0.06% zinc over 6.00 metres including two higher grade intervals containing 1.35% copper, 2.07 g/t silver and 0.21 % zinc over 0.6 metres and 1.03% copper, 8.46 g/t silver and 0.07 % zinc over 1.0 metres.

Drill hole NRD11-048 was drilled 200 metres to the north of NRD11-046 and tested a 300 meter long, EM anomaly coincident at its east end with a surface grab sample containing 0.26% zinc. The EM conductor can be correlated with a wide interval of locally sheared graphitic paragneisses intersected between 53.9 and 86.2 metres. A 9.3 metre interval within the graphitic paragneisses contained disseminated and blebby sulphides which returned elevated zinc and silver values of 0.13% zinc and 1.35 g/t silver including one sample assaying 0.34% zinc and 6.91 g/t silver over 0.70 metres.

Comment on Mineralization

The mineralization intersected in holes NRD11-046, 047, 049 and 050 can be correlated with the 1.8 kilometre long copper soil anomaly which extends southwest from the artisanal pits at Chilalo 6. Copper sulphides have now been identified over a strike length of approximately 1 kilometre from the artisanal pits southwest to holes NRD11-049.

At this early stage of exploration on the prospect, the mineralization is viewed as having similarities to various stratiform sedimentary-hosted and sedimentary exhalative ("SEDEX") copper deposits including copper-silver deposits of the African copper belts and the Broken Hill deposit in Australia. The sulphides are hosted in high metamorphic grade pelitic paragneisses, are characterized by anomalous copper and silver and have been structurally modified to varying degrees by shearing and brecciation. Mineralized samples also contain elevated abundances of other trace elements including bismuth, cadmium, cobalt, molybdenum, lead, selenium and tellurium.

The new Chilalo mineralization represents the fourth occurrence of drill intersected copper-silver-zinc mineralization hosted in paragneisses on the Company's regional licenses. Three other occurrences were reported from reverse circulation drilling carried out in 2010 (Press Release Jan 31, 2011).

New Target

In the Chilalo 6 area, a new soil geochemical anomaly located 450 metres north of the current drilling and 600 metres northwest of the artisanal pits was identified from the results of in-fill sampling carried out in 2011. Anomalous copper values in soil were obtained over an area 300 metres by 150 metres in size with a maximum value of 1,115 ppm copper, 654 ppm zinc, 620 ppb silver, and 23ppb gold. This copper geochemical anomaly is not yet fully defined and could possibly link up with anomalous copper samples observed immediately north of the artisanal pits. Additional soil sampling and drill testing are planned in 2012.

Next Steps

Regional soil geochemistry and EM geophysical surveys have proven effective in identifying the location of prospective new mineralized horizons. In the Chilalo 6 area, recent drilling has confirmed the presence of a copper sulphide horizon hosted in pelitic paragneisses over a strike length of approximately 1 kilometre. However, the mineralization intersected to date has been narrow and the sulphide horizon appears to have undergone both shearing and brecciation based on textures observed in drill core. As the next step in the evaluation of this prospective target, the Company plans to carry out an induced polarization ("I.P") survey in 2012 to identify structures that may host wider portions of the mineralized horizon and to identify potential zones of disseminated mineralization which do not have an EM response. High priority targets will then be selected for drill testing.

Additional soil sampling is also planned to more fully define the new and untested copper soil anomaly in the Chilalo 6 area. Subsequent drill testing of this target and also of the high priority geochemical and geophysical targets in the Chilalo 7 area will be carried out as part of the regional 2012 drilling program.

Qualified Persons

The quality control, technical information and all aspects of the exploration program are supervised by Patricia Tirschmann, P. Geo., Vice President, Exploration for CNI. Ms. Tirschmann is a qualified person as defined by National Instrument 43-101.

Quality Control

The drilling was completed by Tandrill Limited of Tanzania. Drill core samples (NQ) are cut in half by a diamond saw on site. Half of the core is retained for reference purposes. Samples are generally 1.0 metre intervals or less at the discretion of the site geologists. Sample preparation is completed at the ALS Chemex preparation lab in Mwanza, Tanzania. Sample pulps are sent by courier to the ALS Chemex analytical laboratory in Vancouver, Canada. Blank samples and commercially prepared and certified control standards with a range of grades are inserted in every batch of 20 samples or a minimum of one per sample batch. Duplicate pulps are also prepared for selected samples from a re-split of the coarse reject. Multi-element analyses including Cu, Zn, Pb and Ag are completed using a HF-HNO₃-HClO₄ digestion and HCl leach preparation and an ICP-AES and ICP-MS finish (Analytical Code ME-MS81). Ore grade Cu analyses are completed using a peroxide fusion preparation and an ICP-AES finish (Analytical Code ME-ICP81). Analyses for Pt, Pd, and Au are by fire assay with an ICP-AES finish (Analytical Code PGM-ICP23).

About Continental Nickel Limited

Continental Nickel Limited is focused on the exploration, discovery and development of nickel sulphide deposits in geologically prospective, but under-explored regions globally. The Company's key asset is its 75% interest in the Nachingwea project in Tanzania, where measured and indicated mineral resources have been estimated at 12.8 Mt grading 1.21% nickel and inferred mineral resources have been estimated at 45 Mt grading 0.30% nickel (CNI press release March 2, 2012).

The Company also has an option to joint venture on the St. Stephen project in New Brunswick, Canada where the 2010 and 2011 diamond drill programs discovered new Ni-Cu sulphide zones.

As at the date of this release, the Company has 42,738,508 common shares issued and outstanding (51,126,914 on a fully-diluted basis) and trades on the TSX Venture Exchange under the symbol CNI. The Company had over \$9.4 million in the treasury as at December 31, 2011.

On behalf of

Continental Nickel Limited

"Dave Massola"

President and CEO

For further information please contact:

Continental Nickel Limited

Dave Massola,

President and CEO

Tel: (416) 603-8416 (ext 228)

Fax: (416) 603-8760

E: info@continentalnickel.com

Web site: www.continentalnickel.com

Patricia Tirschmann

Vice President, Exploration

Tel: (416) 603-8416 (ext 224)

CAUTIONARY STATEMENT: The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact included in this release including, without limitation, statements regarding potential mineralization, potential or estimated metal recoveries, resources and reserves, exploration results or targets, future plans and objectives of Continental Nickel Limited, is forward-looking information that involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such information. Important factors that could cause actual results to differ materially from Continental Nickel Limited's expectations are the risks detailed herein and from time to time in the filings made by Continental Nickel Limited with securities regulators.

Information in this announcement relating to exploration results is based on data collected under the supervision of or compiled by Patricia Tirschmann, P. Geo., who holds the position of Vice President, Exploration and is a full time employee of Continental Nickel Limited. Ms. Tirschmann is a registered member of the Association of Professional Geoscientists of Ontario and has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms. Tirschmann consents to the inclusion of the data in the form and context in which it appears.

Table I: Summary of Assay Results – Regional Chilalo Drilling Program, Nachingwea Project, Tanzania.

Drill hole (NRD11-)	Location East/ North UTM:WGS84	Az / Dip	Length (m)	From (m)	To (m)	Interval (m)	Cu %	Ag g/t	Zn %
Chilalo 6 Area									
046	468638mE 8898998mN	360 / -60	83.90	49.00	52.00	3.00	0.12	0.46	0.05
047	468505mE 8898961mN	360 / -60	112.20	27.70	28.90	1.20	1.89	5.64	0.19
				Incl. 28.50	28.90	0.40	5.27	15.05	0.41
048	468500mE 8899096mN	360 / -70	119.90	74.00	83.30	9.30	0.02	1.35	0.13
				Incl. 81.70	82.40	0.70	0.01	6.91	0.34
049	468324mE 8898850mN	340 / -55	92.10	63.30	65.60	2.30	0.46	1.82	0.05
050	468950mE 8899135mN	355 / -60	92.40	49.00	55.00	6.00	0.50	2.18	0.06
				Incl. 49.00	49.60	0.60	1.35	2.07	0.21
				and 53.00	54.00	1.00	1.03	8.46	0.07

Note:

Intervals represent core lengths, not necessarily true widths.

