

21 MARCH 2025

GOLD FIELDS AND LUNNON METALS AGREE EXCLUSIVITY PERIOD FOR LADY HERIAL

KEY POINTS

- Parties will use best endeavours to agree commercial terms for future treatment of the Lady Herial gold deposit
- Negotiation period of 90 days will commence on completion and delivery of a Mineral Resource estimate and metallurgical test work to Gold Fields
- Lunnon Metals free to negotiate with other parties after 90 days if no agreement reached with Gold Fields

Lunnon Metals Limited (**ASX: LM8**) (the **Company** or **Lunnon Metals**) is pleased to inform the market that it has reached agreement with St Ives Gold Mining Co. Pty Ltd (**St Ives**), a wholly owned subsidiary of Gold Fields Ltd and the Company's major shareholder, to vary St Ives' existing right of pre-emption that applies to future gold bearing material from the Lady Herial deposit at its Kambalda Gold & Nickel Project (**KGNP**). This variation will clear the way for the parties to enter into exclusive negotiations regarding the sale of material from Lady Herial to St Ives for the purposes of treatment at St Ives' Lefroy gold plant. The key terms agreed are:

- Lunnon Metals to complete and deliver a Mineral Resource estimate to St Ives (containing gold mineralisation at the Indicated Mineral Resource category¹ or higher) and metallurgical test work based on the St Ives Lefroy gold plant flow sheet;
- A period of 90 days then follows to reach agreement on the sale and purchase terms;
- As St Ives is a party to which Listing Rule 10.1 applies, shareholder approval may be required prior to any agreement commencing and, if so, the Company will prepare a Notice of Meeting for a subsequent Extraordinary General Meeting to seek such approval;
- If unable to reach an agreement with St Ives within the 90 days², Lunnon Metals will be free to negotiate either a toll treatment or sale/purchase agreement with other parties, for a further 120 days²; and
- Should the Company not reach agreement with external parties, St Ives and Lunnon Metals would re-engage for a further 90 day period.

The Lefroy gold plant is located just 7.0 km along an existing haulage route to the north of the Lady Herial deposit. Lady Herial is an outcropping to very shallow gold deposit with the potential to deliver low strip ratios in any future open pit. The Company is well positioned to exploit the current high A\$ gold price environment as the Foster Gold Belt is hosted on granted mining leases with an abundance of infrastructure, including the Lefroy gold plant, nearby.

Managing Director, Edmund Ainscough, commenting said:

"We would like to thank Gold Fields for agreeing to work collaboratively with us, as we seek to secure the future treatment of our exciting, high-grade Lady Herial gold deposit. The Lefroy gold plant is without doubt the most efficient and most logical destination for any future material and we look forward to negotiating mutually beneficial terms with Gold Fields."

¹ As defined in the Joint Ore Reserves Committee of the Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC): 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

² Or such longer period as agreed by the parties in writing.

LADY HERIAL METALLURGICAL CHARACTERISTICS

A metallurgical test work 'sighter' program has recently been completed by the Company based on reverse circulation (RC) material sourced from the 2024 drill program. The test work covered all weathering types and a range of gold grades, from 0.47g/t Au to 4.13g/t Au (as well as a program high 78.95g/t Au), reflecting the broad gold grade distribution recorded to date by Lunnon Metals' drilling. A series of bottle roll tests were completed at P80 passing 125 µm to simulate leach conditions over 48 hours and are considered sighter in nature. The test work program³ recorded high gold recoveries across all material types and grades (based on calculated head grades). The average for the entire program was 95%.

The program also indicated a strong coarse gold component at Lady Herial. As part of the collaboration with St Ives, the Company will investigate the opportunity to achieve even higher recoveries by including a gravity separation step in the process flowsheet in future testwork. This outcome would greatly enhance the recovery and treatability of any future ore. The Company believes significant further improvements may also be possible with optimisation work around grind size, residence time and reagent usage.

ST IVES GOLD OPERATION & THE LEFROY GOLD PLANT

The St Ives Lefroy gold plant was commissioned in December 2004. It operates at a current rate of approximately 4 million tonnes per annum treating oxide, transitional and fresh ore from underground and open pit mines, including Invincible, Hamlet and Neptune⁴. The plant consists of primary crushing, closed circuit SAG/ball milling, gravity and leach/CIP circuits and a thickened in-pit tailings storage facility⁵. Gold production from St Ives in calendar 2024 was 331,200oz (calendar 2023 recorded 371,800oz)⁶.



Figure 1: St Ives gold plant at Lefroy*

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

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³ See ASX announcement dated 19 February 2025.

⁴ [www.goldfields.com: https://careers.goldfields.com/Australia/content/St-Ives/](https://careers.goldfields.com/Australia/content/St-Ives/)

⁵ www.goldfields.com: Mineral Resources and Mineral Reserves Supplement to the Integrated Annual Report 2023 – St Ives gold mine/Mineral processing and TSFs.

⁶ www.goldfields.com: Commentary/Review of operations/Year ended December 2024 compared with year ended December 2023.

* Figure 1 image source: <https://www.miningnews.net/>



BACKGROUND: ST IVES / KAMBALDA - ONE OF AUSTRALIA'S MOST PROLIFIC GOLD PRODUCTION CENTRES

The Kambalda / St Ives gold camp is one of Australia's most prolific gold production and discovery centres. Gold has been produced in the area since the discovery of the Red Hill gold mine in 1896 (adjacent to the Company's historical Silver Lake nickel mine at Kambalda). The area immediately encompassing and surrounding the Foster-Baker project (**FBA**) produced gold from the 1920s onwards, but this new goldfield came to prominence in the early 1980s when WMC Resources Ltd (**WMC**) commenced dedicated gold production from the Victory-Defiance Complex and the Hunt nickel mine near Kambalda.

The St Ives Gold Mine was sold by WMC to Gold Fields Ltd (**Gold Fields**) in December 2001 after 5.6 Moz of gold⁷ had been produced. With an expanded exploration budget requisite with being one of the world's major gold companies, Gold Fields has gone on to mine over 10 Moz of gold⁷ itself and has found what is shaping to be the most significant discovery in the camp's history, the Invincible deposit (see **Figure 3**), suggesting that the biggest deposits are not always found first in the discovery cycle. The Company holds all mineral rights over the FBA, except gold in specific "Excluded Areas"⁸ (shown as red polygons on **Figure 2**).

The Company highlights that all gold prospects being tested and evaluated are 100% owned by Lunnon Metals. The FBA project is located on granted mining tenements with significant existing infrastructure in place. Nearby gold plants include the Lefroy, Lakewood (ASX :BC8) and Higginsville plants (ASX: WGX), with the Lefroy gold plant, a few kilometres to the north, notably owned and operated by the Company's major shareholder, Gold Fields.

High-grade quartz veins were mined in the 1920s on the Foster Gold Belt by prospectors (see ASX announcement dated 22 April 2024) with gold ore won from these workings treated at either the nearby historical State Battery or the privately owned Ives Reward battery, the relic sites of which are both located on what are now Lunnon Metals' leases.

ABOUT THE KAMBALDA GOLD & NICKEL PROJECT

The Kambalda Gold & Nickel Project (**KGNP**) (shown in detail for the Foster-Baker Area in **Figure 2** and regionally in **Figure 3**) features approximately 47sqkm of tenements in the Kambalda Nickel District. KGNP is located approximately 570 km east of Perth and 50-70 km south-southeast of Kalgoorlie, in the Eastern Goldfields of Western Australia. KGNP 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 more than 1.6 million tonnes⁹ of nickel metal since its discovery in 1966 by WMC. In addition, over 16 Moz of gold⁹ in total has been mined, making the Kambalda/St Ives district a globally significant gold camp in its own right. The KGNP is assessed via public roads, well-established mine road infrastructure and the main St Ives causeway over Lake Lefroy. The KGNP is broadly surrounded by tenements held by St Ives Gold Mining Co. Pty Ltd (**SIGM**), a wholly owned subsidiary of Gold Fields (JSE: GFI) and the Company's major shareholder.

**SIGM retains rights⁸ to explore for and mine gold in the "Excluded Areas" at the FBA, as defined in the subsisting agreements between Lunnon Metals and SIGM, 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).

⁷ Historical WMC production records to December 2001 and sum of Gold Fields Ltd annual report filings, thereafter.

⁸ Refer to the Company's Prospectus (lodged 11 June 2021) for further details. SIGM has a pre-emptive right over gold material from the FBA (other than the Excluded Areas).

⁹ **Gold:** Sum of historical WMC production records to December 2001, sum of Gold Fields Ltd's, Karora Resources and Westgold Resources report filings thereafter.

Nickel: Sum of historical WMC production records and relevant ASX company production figures.

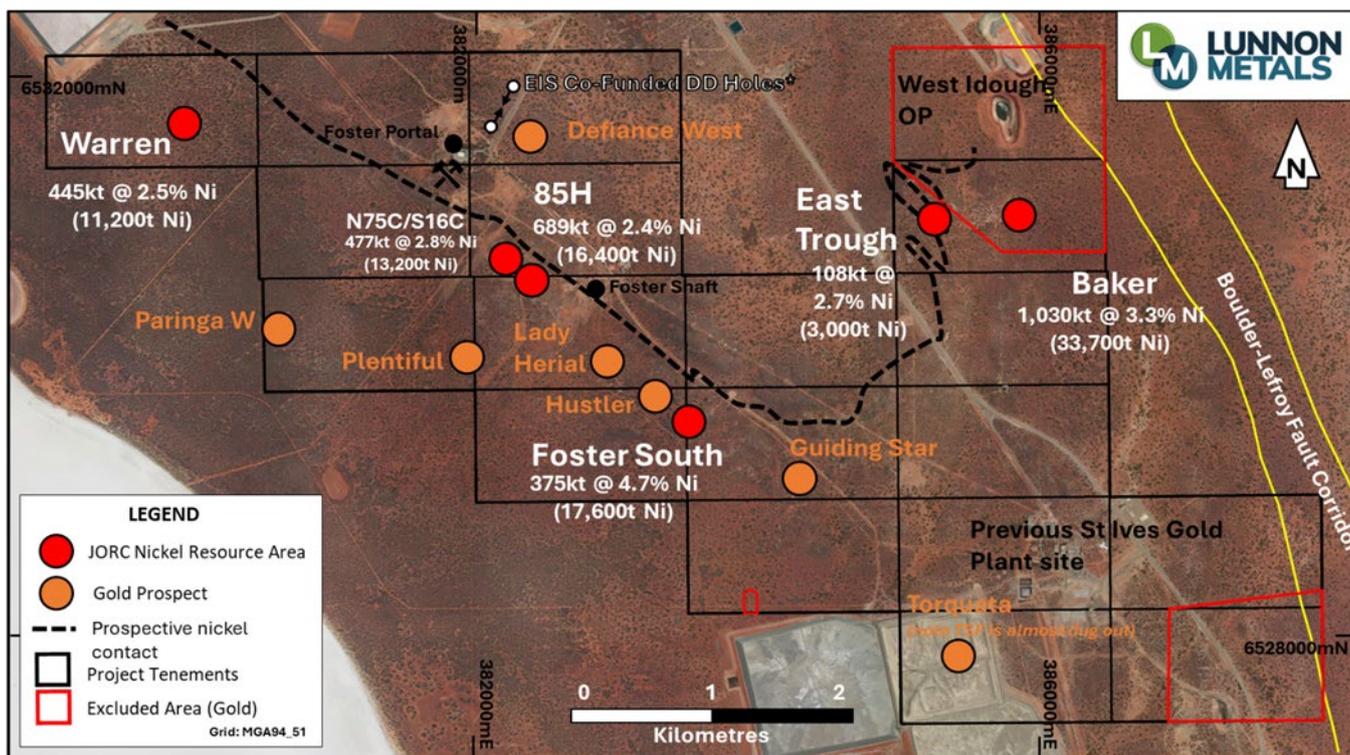


Figure 2: Foster-Baker Project Area showing select high-ranking gold prospects, collar locations of EIS DD Holes (*subject to change based on progress/outcomes) & nickel Mineral Resource¹⁰ positions.

¹⁰ A full breakdown of the nickel Mineral Resource and Ore Reserve is contained on Page 7.

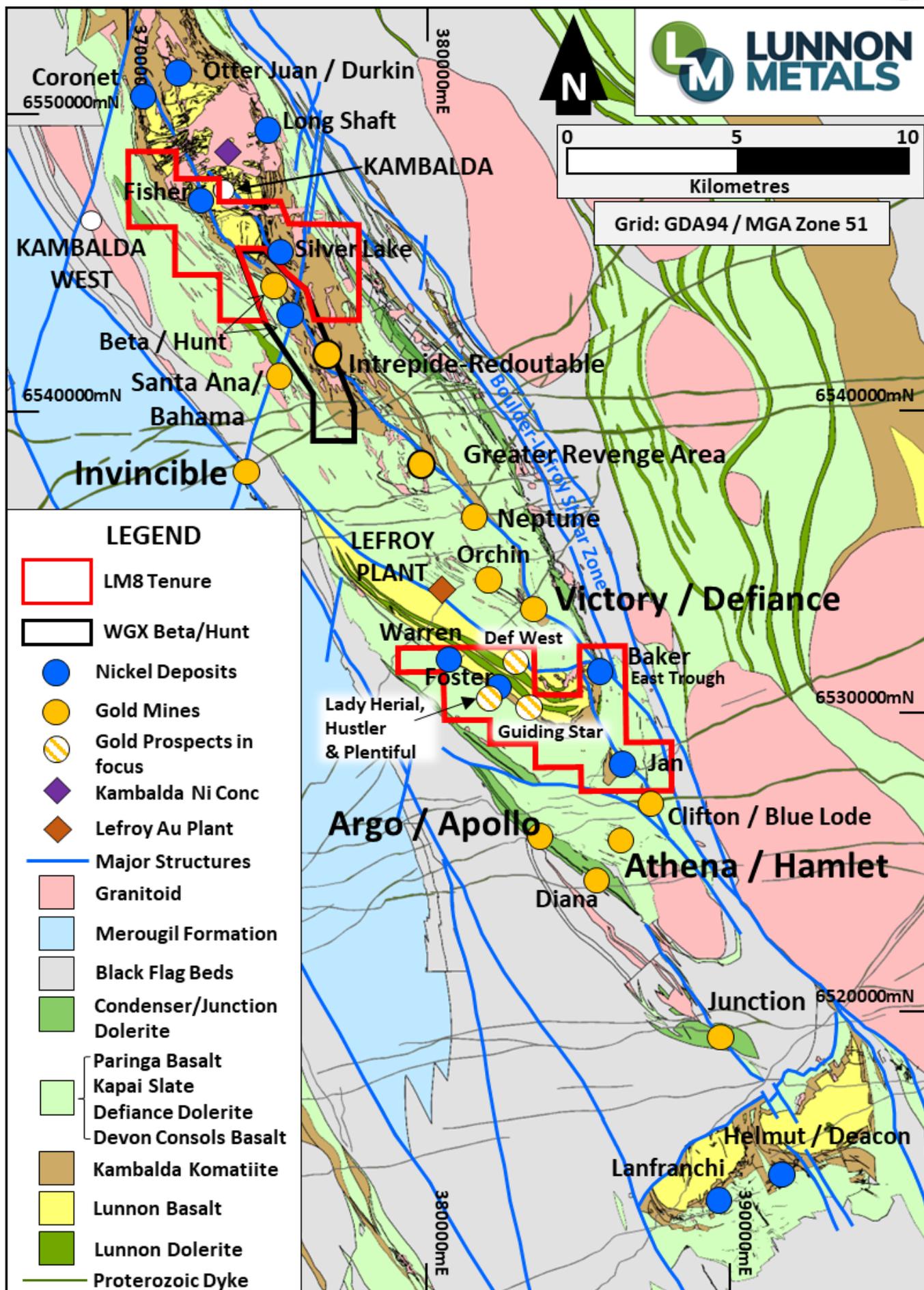


Figure 3: The KGNP (red outlines) with Kambalda / St Ives regional geology and location of key nickel and gold mines/infrastructure.



COMPETENT PERSON'S STATEMENT & COMPLIANCE

Any information in this announcement that relates to nickel and gold geology, nickel Mineral Resources, Exploration Targets, Exploration Results and the Company's Historical Core Program, which includes the accessing, re-processing, re-logging, cutting and assaying of historical WMC diamond core and the appropriateness of the use of this data and other historical geoscience hard copy data such as cross sections, underground level mapping plans, longitudinal projections and long sections, including commentary relying on personal experience whilst employed at Kambalda by WMC and Gold Fields, 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 the Company, 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 (**JORC Code**). Mr. Wehrle is the Company's principal Competent Person and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Any information in this report that relates to Lady Herial gold metallurgical testwork program, was based on, and fairly represents, information and supporting documentation prepared by Mr. Barry Cloutt, who is a Member of the AusIMM. Mr. Cloutt is an external and independent consultant to the Company and has sufficient experience that is relevant to the activity that he is undertaking to qualify as Competent Person as defined in the JORC Code. Mr. Cloutt consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Any information in this announcement that relates to the mining, metallurgical and environmental modifying factors or assumptions as they may apply was based on, and fairly represents, information and supporting documentation prepared by Mr. Max Sheppard, Mr. Wehrle and Mr. Edmund Ainscough, who are Competent Persons and Members of the AusIMM and full time employees of the Company. Mr. Wehrle and Mr. Ainscough are shareholders and all three are holders of employee options/performance rights. All three employees have sufficient experience that is relevant to the style of mineralisation, both gold and nickel, the types of deposit under consideration, the activity that they are undertaking and the relevant factors in the particular location of the prospect areas, the historical Foster mine and the KGNP generally, to qualify as Competent Persons as defined in the JORC Code. Mr. Sheppard, Mr. Wehrle and Mr. Ainscough each consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

The information in this report that relates to nickel Ore Reserves at Baker is based on information compiled by Mr. Sheppard, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Sheppard's details are as above and he has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr. Sheppard consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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 and Ore Reserves 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 Competent Person's findings in relation to the estimates of Mineral Resources and Ore Reserves have not been materially modified from the original announcements reporting those estimates.



MINERAL RESOURCES

The detailed breakdown of the Company's nickel Mineral Resources as at 30 June 2024, is as follows:

	Measured Ni			Indicated Ni			Inferred Ni			Total Ni		
	Tonnes	%	Ni Tonnes	Tonnes	%*	Ni Tonnes	Tonnes	%*	Ni Tonnes	Tonnes	%*	Ni Tonnes
FOSTER MINE												
Warren				345,000	2.6	8,800	100,000	2.4	2,400	445,000	2.5	11,200
Foster Central												
85H				395,000	3.2	12,800	294,000	1.2	3,600	689,000	2.4	16,400
N75C				271,000	2.6	6,900	142,000	1.9	2,600	413,000	2.3	9,500
S16C/N14C				-	-	-	64,000	5.7	3,700	64,000	5.7	3,700
South				264,000	4.7	12,400	111,000	4.7	5,200	375,000	4.7	17,600
Sub total				1,275,000	3.2	40,900	711,000	2.5	17,500	1,986,000	2.9	58,400
BAKER AREA												
Baker	110,000	3.4	3,700	622,000	3.7	22,900	298,000	2.4	7,100	1,030,000	3.3	33,700
East Trough				-	-	-	108,000	2.7	3,000	108,000	2.7	3,000
Sub total	110,000	3.4	3,700	622,000	3.7	22,900	406,000	2.5	10,100	1,138,000	3.2	36,700
SILVER LAKE												
25H				336,000	1.6	5,300	488,000	1.7	8,500	824,000	1.7	13,800
Sub total				336,000	1.6	5,300	488,000	1.7	8,500	824,000	1.7	13,800
FISHER												
F Zone				56,000	2.7	1,500	196,000	1.6	3,200	252,000	1.9	4,700
Sub total				56,000	2.7	1,500	196,000	1.6	3,200	252,000	1.9	4,700
TOTAL	110,000	3.4	3,700	2,289,000	3.1	70,600	1,801,000	2.2	39,300	4,200,000	2.7	113,600

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 2024, 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

The Ore Reserve is reported using the Baker December 2022 Mineral Resource. The Ore Reserve was 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. The Ore Reserve is predicated on processing future nickel ore through the Kambalda Concentrator, or other such third-party facility proximal to the KGNP. The BHP Nickel West Kambalda Concentrator will be on care and maintenance from October 2024, with the temporary suspension to be reviewed by BHP by February 2027.

See the Company's 2024 Annual Report for the latest restatement of Mineral Resources and Ore Reserves.