

SRK TEAM IDENTIFY NUMEROUS STOCKPILES AND UNTAPPED MINERALISATION**HIGHLIGHTS**

- Teams from SRK Consulting and Condor Prospecting moved quickly to commence the inaugural site visit to Nelly Vanadium Mine in Argentina, as part of the Board's strategy to fast-track pre-acquisition due diligence
- Initial observations are more stockpiles discovered than expected, partially unmined veins within historic workings and significant exploration upside determined by mineralised vein outcropping away from historic workings
- Key initial findings, other than a comprehensive survey of the entire project area and taking numerous photos, included:
 - Discovery of nine stockpiles around the main open pit which are readily accessible and can be easily processed as a potential direct shipping ore product, if bulk sampling and metallurgy results are positive
 - Portions of mineralised veins up to 1.5m wide left untouched from historic mining operations within the open pit and shafts
 - Possible extension to the main open pit vein evidenced by surface outcropping circa 250m to the south-west, with no visible legacy workings apparent, that exhibits the same mineralisation
 - Numerous examples from across the project area that highlight vanadium mineralisation prevalence at surface
- Over the balance of the site visit, the teams will focus on geologically mapping the project area, ascertaining the extent of unexploited mineralised veins and quantifying the cumulative size of ore within the legacy stockpiles

Hardey Resources Executive Chairman, Terence Clee commented: *"Without question, SRK Consulting and Condor Prospecting have moved rapidly to mobilise their teams to Nelly Vanadium Mine to progress preliminary due diligence. Having reviewed the initial findings, the Board is highly encouraged to have confirmation the stockpiles are readily accessible and visible evidence of unexploited mineralisation. The Board looks forward to receiving further newsflow from site as it materialises."*

Hardey Resources Limited's (ASX: HDY) ("HDY" or "the Company") Board has received a brief report from SRK Consulting and Condor Prospecting that highlight key initial findings from the field trip.

NELLY VANADIUM MINE SITE VISIT UNDERWAY

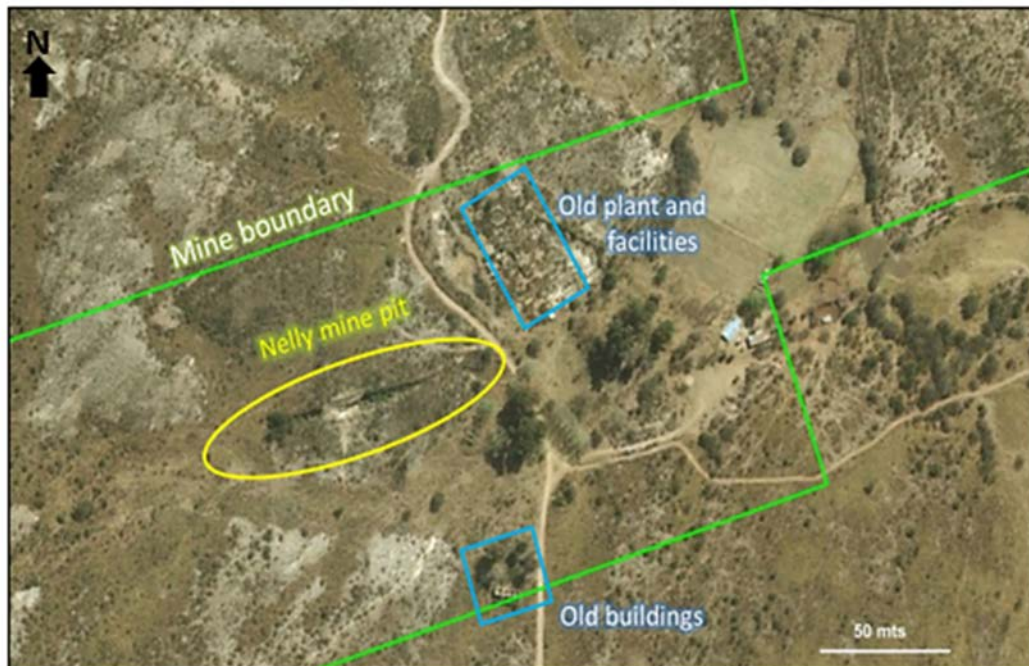
Overview

The teams from SRK Consulting and Condor Prospecting set an aggressive agenda for the initial phase of the site visit at Nelly Vanadium Mine, which was mostly achieved. They set out to take numerous photos of the historic workings/stockpiles, processing plant, mineralised veins and surface samples then augment these with detailed commentary.

A précis of the key findings follows:

- To provide context, the initial focus of the visit was performed on the region which extends south-west from the road that passes through the project area (Figure 1). Pre-site checks comprised reviewing regional geology, verifying accessibility and availability of power/water to the project area.

FIGURE 1: CLOSE UP SATELLITE IMAGE OF NVM



Source: HDY geology team

- Initial observations highlighted there are four shafts within the open pit and at least nine adjacent stockpiles. The team took preliminary measurements of the workings and stockpiles (which can be utilised to determine the potential volume of ore available for a direct shipping ore product).
- The mineralisation observed in the open pit vein and rocks in the stockpiles was consistent with hematite, pyrite, copper and black minerals.
- There was a portion of the mineralised vein untouched by historic mining operations which is 1.5m wide and on the north wall of the main open pit. Notably, it extends for 30m and ranges in height from 1m to up to 2.5m.

- About 200m to the south-west of the main open pit, a small dig (2m x 2m x 0.5m) was identified over an extension of the mineralised vein. Notably, there were clasts of quartz with veinings and breccia portions surrounding this small working area.
 - ❖ A further 50-70 to the south-west of this small working area, another vein outcropping (with no workings) was identified. It carried significant hematite and oxides, with the same style of mineralisation as the other veins within the project area.
- The team observed the ruins of the historic production plant including pits, furnace oven, ditches, living quarters and administrative offices. Interestingly, next to the plant was some oxidised material (2m x 4m x 0.5m) that requires analysis on the next field trip.

DESCRIPTIVE PHOTO GALLERY

The remainder of this release highlights photos from site and value-added commentary from the geology team on their initial interpretations. All photographs are taken within the Nelly Vanadium Mine project area in San Luis Province in Argentina.

Viewing to the south-west of the main open pit (Photo 1), the host rock (schist) is left and unexploited vein on the right part. The vein comprises bluish, greenish and yellowish minerals that may be from the vanadates family. Notably, oxidation is covering the quartz and veinings.

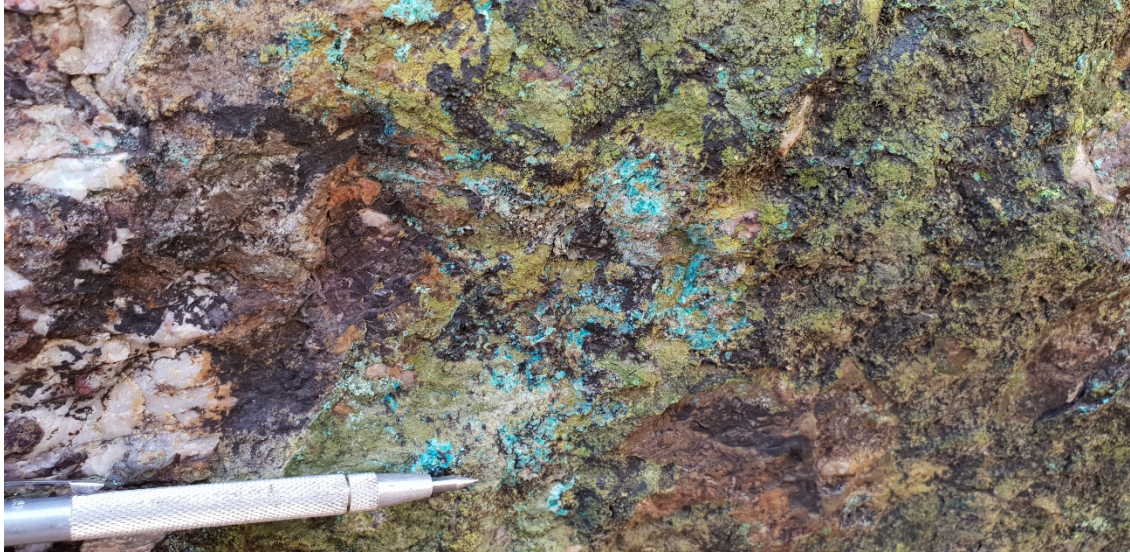
PHOTO 1: MAIN OPEN PIT AT NVM



Source: HDY geology team

A closer look at the vein in the main open pit (Photo 2), shows yellow and greenish minerals which may be vanadates. The blue minerals are from copper and oxidized veins and may be hematite carrying copper and zinc minerals.

PHOTO 2: VANADATES WITHIN OPEN PIT



Source: HDY geology team

Another picture of the vein in the main pit (Photo 3), shows intense veining in quartz and some iron mineral crystals in the centre. The bluish minerals on the left may be vanadium minerals.

PHOTO 3: INTENSE VEINING IN QUARTZ IN OPEN PIT



Source: HDY geology team

Incremental pictures of the main open pit show contact between the vein and the host rock, with the vein on the right and the host rock, which is a schist, on the left (Photo 4). From a different viewpoint, the north-east shaft (Photo 5) was used to access different levels of the mine. On the right of the level located in the centre of the picture is the ladder miners used.

PHOTO 4: HOST-ROCK & VEIN



PHOTO 5: NORTH-EAST SHAFT



Source: HDY geology team

Another view from the north-east shaft to the mine (Photo 6), shows on the right side a portion of the vein left by the historic miners. It is >1m wide and yellow/green/blue minerals visibly present.

PHOTO 6: UNEXPLOITED MINERALISATION ON NORTH-EAST SHAFT



Source: HDY geology team

This picture (Photo 7), which is on the north-west side of the main pit, shows the main stock pile and unmined vein that is >1m wide.

PHOTO 7: UNEXPLOITED MINERALISATION ON NORTH-EAST SHAFT



Source: HDY geology team

Confirming the extent of stockpiles around the main open pit, Photos 8A-F highlight six that can be readily exploited if bulk sampling and metallurgy results are positive.

PHOTO 8A-F: STOCKPILES 2-4 and 7-9



Source: HDY geology team

A clear picture of the vein outcropping (Photo 9) that is 200m south-west of the main open pit. It shows the vein has minor veinings with oxidation and minerals. Next to this is a historic working that is surrounded by breccia clasts from the vein. Interestingly, the clasts within the breccia are silicified.

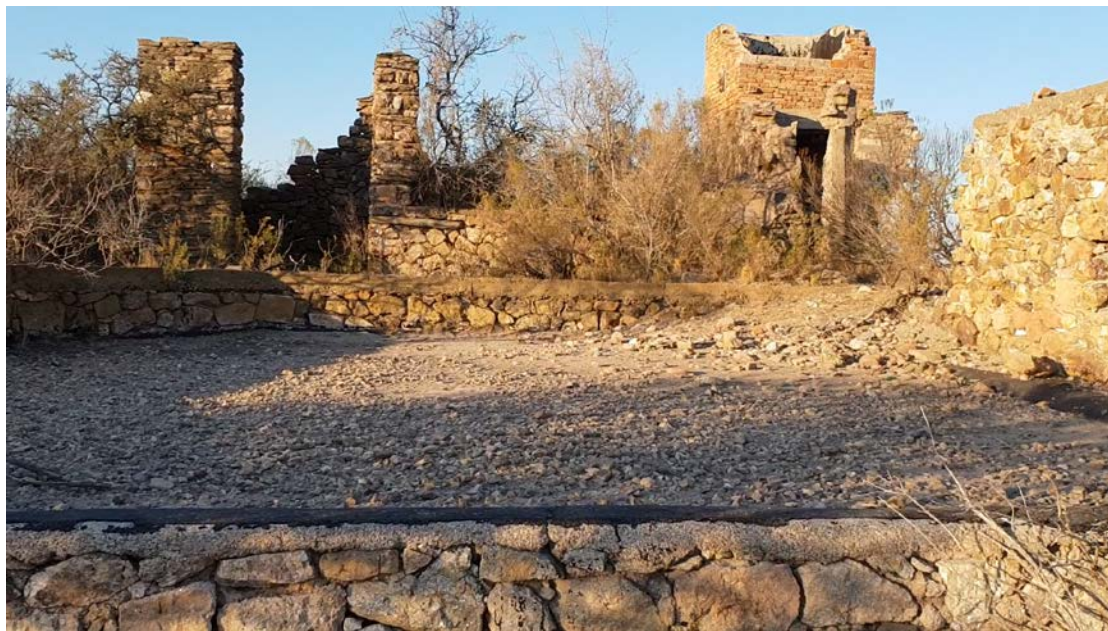
PHOTO 9: VEIN OUTCROPPING 200M SOUTH-WEST OF MAIN OPEN PIT



Source: HDY geology team

The historic processing plant (Photo 10) where vanadium pentoxide was produced.

PHOTO 10: HISTORIC PROCESSING FACILITY

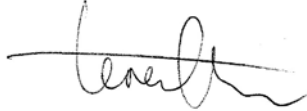


Source: HDY geology team

Next steps

Next progress report from NVM and initial work on Vanadium Mining due diligence.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'Terence Clee', with a horizontal line drawn through the middle of the signature.

Terence Clee
Executive Chairman