

Leinster Project Exploration Update: New Ni-Cu-PGM Targets, New Soils Program Underway

- Soil sampling at Leinster in an area of greenstone 5km along strike from BHP's Weebo Bore nickel deposit has revealed a 1.3km long anomaly with strongly elevated PGM and other nickel fertility ratios indicative of Ni-Cu-PGM sulphide deposits
- Both anomalies are open to the south so a new soil program is underway to extend the trend 3km to the south and results are expected in the coming weeks

Albion Resources Limited ("Albion" or the "Company") is pleased to announce a review of soil sampling completed in 2021 by the Company on its 100% owned Leinster Project. The project covers the southeast extents of the same Greenstone Belt of the world class Leinster Nickel mine camp of Western Australia (Figure 1).

Recent compilation and interpretation work highlighted the western greenstone trend as being the most prospective for magmatic nickel-copper-PGM deposits (Figure 1). A total of 106 soil samples were completed by Albion Resources in 2021 along that belt and samples were sent to ALS Laboratories for fine fraction (<53 micron) for gold and full suite multi-element assay.

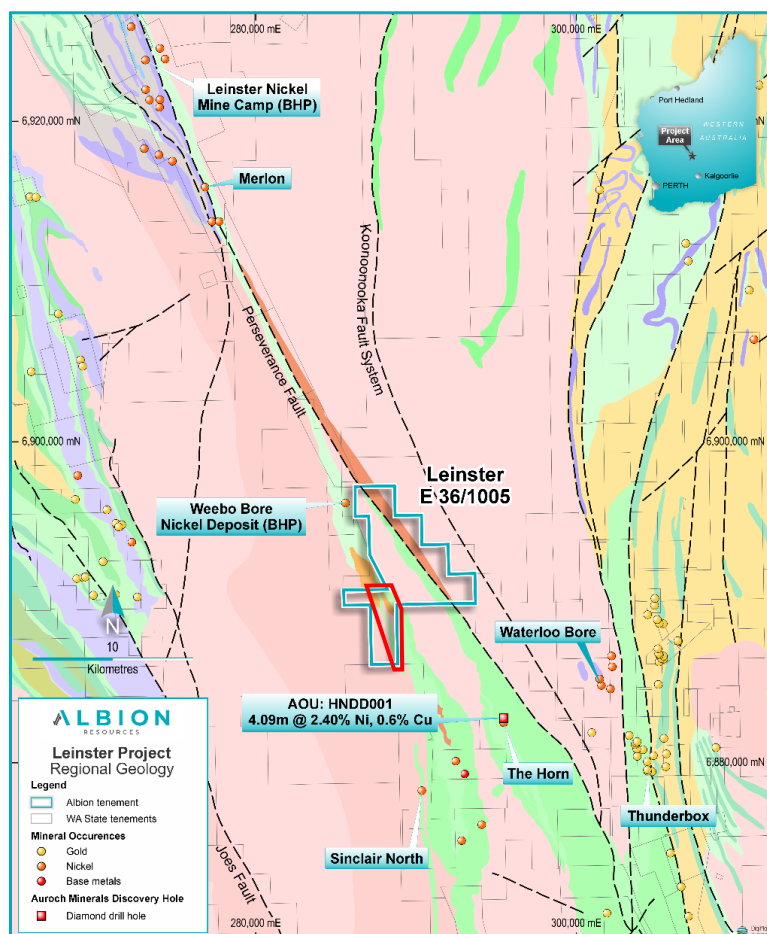


Figure 1: Leinster Project Location Map on GSWA 500K Geology showing the location of the recent soil review and current soil program (red polygon).

Soils Review

In the western portion of E36/1005, a greentone belt 4.5km long and 300m to 1.5km wide was subject to a soil sampling survey in the northern section with samples at 50m spacing and lines spaced 400m apart (Figure 2). The soil data indicates that a highly elevated “Kambalda Ratio” (Ni/Cr x Cu/Zn) occurs variably associated with the greenstone belt for at least 1.3km strike (Figure 2). The Kambalda Ratio is designed specifically to detect nickel-bearing sulphide deposits at depth (Brand, 1999)¹. This anomaly is semi-coincident with a highly elevated PGM (Pt+Pd+Au)-in-soil anomaly particularly toward the south where both anomalies remain open (Figure 2). Highly elevated PGM is further validation of the possible presence of Ni-Cu-PGM sulphides in fresh rock at depth. Previous review of historical drilling indicates that only 4 deeper diamond holes and 12 RC holes penetrate into fresh rock over a large 5km strike which provides ample scope for nickel sulphide targets in the remaining areas. The geological setting of the target area is identical to BHP’s Weebo Bore nickel deposit located 5km directly along strike (Figure 1).

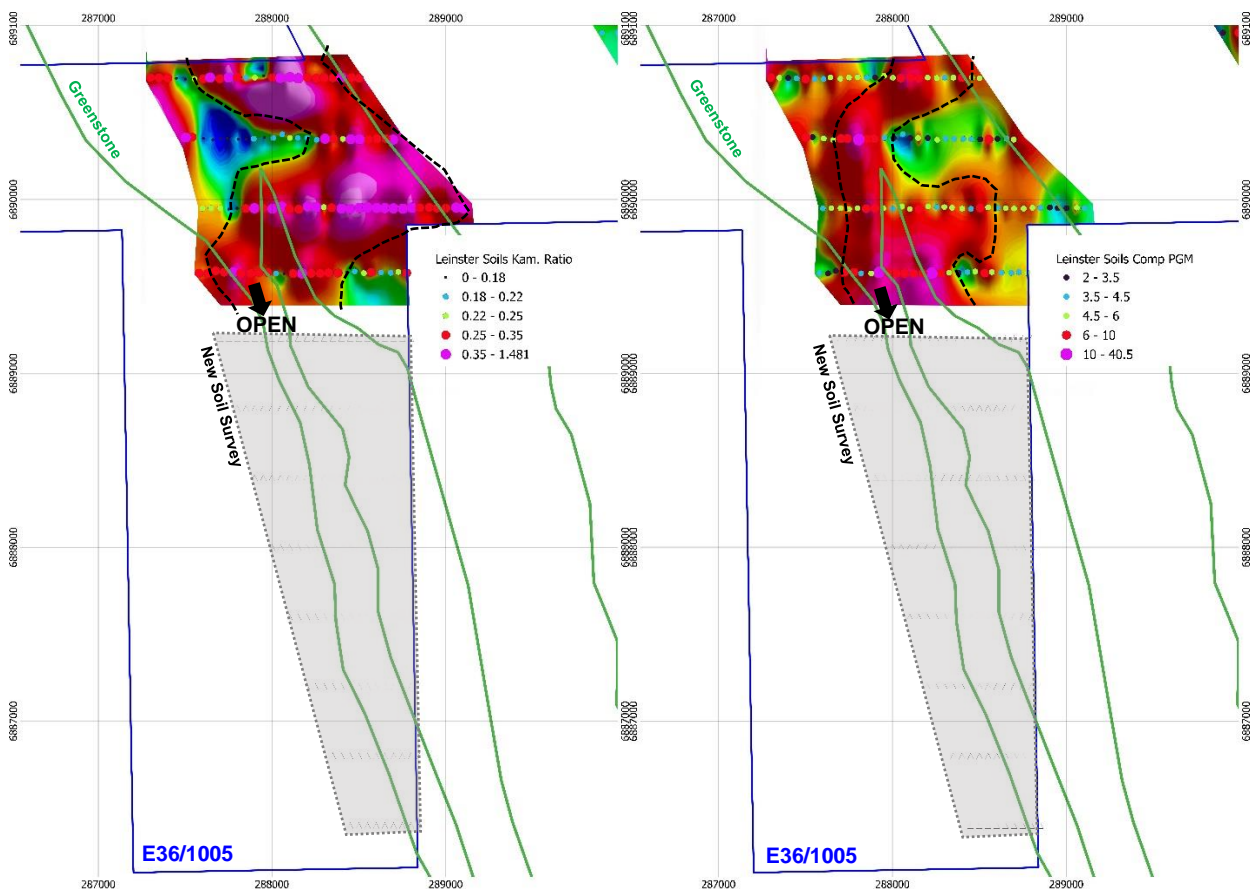


Figure 2: (left) Soil results for Kambalda Ratio (Ni/Cr x Cu/Zn) and (right) PGM-in-soil in relation to the greenstone belt and soil sampling program in progress

Further Work

These newly defined consistent and coherent Ni-Cu-PGM anomalies strongly support the potential for Ni-Cu-PGM discoveries on the project so further work is warranted. A program of 130 soil samples is in progress to track the anomalies along strike to the south over an additional 3 km strike length associated with the same greestone belt. The data will be evaluated for further anomalies in order to highlight possible drill targets. Once all the Ni-Cu-PGM soil anomalies have been assessed the company will consider the most appropriate electromagnetic (EM) geophysical method to identify berock conductors to advance targets toward drill testing.

This announcement has been approved for release by the Board.

References

¹Brand, N, W., 1999. Element Ratios in nickel sulphide exploration: vectoring towards ore environments. Journal of Exploration 67, 145-165

FOR FURTHER INFORMATION:

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COMPETENT PERSONS STATEMENT

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Leo Horn. Mr Horn is a member of the Australian Institute of Geoscientists. Mr Horn has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking 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' ("JORC Code"). Mr Horn consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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. 	<ul style="list-style-type: none"> Ultrafine soil sampling by Albion Resources was conducted from a 30-40cm cleared area to a depth of approximately 25cm. The sample was dry sieved to collect 200-300 grams of -2mm.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Drilling not reported in this announcement
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Drilling not reported in this announcement

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Drilling not reported in this announcement
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Drilling not reported in this announcement
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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. 	<ul style="list-style-type: none"> Ultrafine soil samples were sieved to -53 micron at ALS Laboratories and run for gold plus a 43 multi-element package by aqua regia digestion for acid extractable gold (25-gram charge).
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Drilling not reported in this announcement
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control 	<ul style="list-style-type: none"> Location of soil samples by Albion Resources were recorded using a handheld GPS which is considered appropriate for soil sampling results.

Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <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> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Soil sampling was conducted at 50 m spacing with north-south oriented lines spaced 400m apart.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <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> <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> 	<ul style="list-style-type: none"> Soil sampling was planned and conducted along more detailed east-west lines at 50m in order to define mineralisation that may is likely to be on a northwest trend parallel to the greenstone belt.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Albion Resources ensured that sample security was maintained to ensure the integrity of sample quality.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Audits and reviews have not been undertaken at Albion

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary																																																		
Mineral tenement and land tenure status	<ul style="list-style-type: none">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.The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	<ul style="list-style-type: none">The Leinster Project consists of one Exploration license E36/1005 amd is wholly owned by Albion Resources.There are no material issues regarding accessThe tenement is in good standing ad no known impedements exist																																																		
Exploration done by other parties	<ul style="list-style-type: none">Acknowledgment and appraisal of exploration by other parties.	<ul style="list-style-type: none">Exploration drilling has been conducted previously by Western Mining Corporation (WMC), Scotia Nickel/LionOre, Breakaway Resources and Auroch Minerals at the Leinster Project, including primarily AC with percussion/RC and diamond core drilling in only some places.Data collected by these entities has been reviewed by Albion Resources																																																		
Geology	<ul style="list-style-type: none">Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none">The Leinster Project mineralisation is regarded as an Archaean komatiitehosted massive nickel sulphide deposit. The project straddles the Weebo-Mt Clifford greenstone belt																																																		
Drill hole Information	<ul style="list-style-type: none">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:<ul style="list-style-type: none">easting and northing of the drill hole collarelevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collardip and azimuth of the holedown hole length and interception depthhole length.If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	<ul style="list-style-type: none">Statistic soil information is included below:<table><tr><th>Metal</th><th>Pt ppb</th><th>Pd ppb</th><th>Au ppb</th><th>PGM+Au ppb</th><th>Ni ppm</th><th>Cr ppm</th><th>Cu ppm</th><th>Zn ppm</th><th>Kambalda Ratio</th></tr><tr><td># Samples</td><td>106</td><td>106</td><td>106</td><td>106</td><td>106</td><td>106</td><td>106</td><td>106</td><td>106</td></tr><tr><td>Minumum</td><td>1</td><td>0.05</td><td>0.8</td><td>2.6</td><td>10</td><td>68.5</td><td>21</td><td>10.8</td><td>0.09</td></tr><tr><td>Maximum</td><td>6</td><td>4</td><td>7.7</td><td>13.1</td><td>143.5</td><td>577</td><td>63.1</td><td>79.8</td><td>1.48</td></tr><tr><td>Mean</td><td>2.3</td><td>0.85</td><td>2.25</td><td>5.4</td><td>30</td><td>137.5</td><td>37.6</td><td>28</td><td>0.31</td></tr></table>	Metal	Pt ppb	Pd ppb	Au ppb	PGM+Au ppb	Ni ppm	Cr ppm	Cu ppm	Zn ppm	Kambalda Ratio	# Samples	106	106	106	106	106	106	106	106	106	Minumum	1	0.05	0.8	2.6	10	68.5	21	10.8	0.09	Maximum	6	4	7.7	13.1	143.5	577	63.1	79.8	1.48	Mean	2.3	0.85	2.25	5.4	30	137.5	37.6	28	0.31
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Data aggregation methods	<ul style="list-style-type: none">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.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.	<ul style="list-style-type: none">Drilling not reported in this announcement																																																		

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	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<ul style="list-style-type: none"> Bedrock nickel sulphide mineralisation has not yet been identified on the project within rocks or drilling
Diagrams	<ul style="list-style-type: none"> 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 limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> See relevant maps in the body of this announcement.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All available data has been presented in figures.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Further work is detailed in the body of the announcement.