Sulphide Intercepts Define New Target Zone at Panton

17 November 2022

Highlights

- **Diamond drilling has intersected near-surface sulphide mineralisation, providing further evidence for a large new Ni-Cu-PGE sulphide system at Panton**
- **Heavily disseminated to matrix-textured sulphides have been intersected in the south (holes PS411 and PS412) within broader intervals of over 40 metres of disseminated sulphides**
- **Intersections demonstrate prospective new mineralised zone, 4km south-west of the known high-grade chromite reef-hosted mineralisation**
- **Coincident with large gravity anomaly, interpreted to be a continuation of the keel position in the north**
- **Over 350m of disseminated magmatic sulphides intercepted in hole PS410, distal area to keel position underlying the chromite-reef hosted mineralisation**
- **Six diamond drill holes completed to date in the ongoing programme, with every hole intersecting sulphide mineralisation**
- **Down hole electromagnetics ("DHEM") and a ground-based electromagnetic ("EM") survey over the gravity anomaly areas to begin shortly**
- **Drilling of the highly prospective keel position to begin imminently**

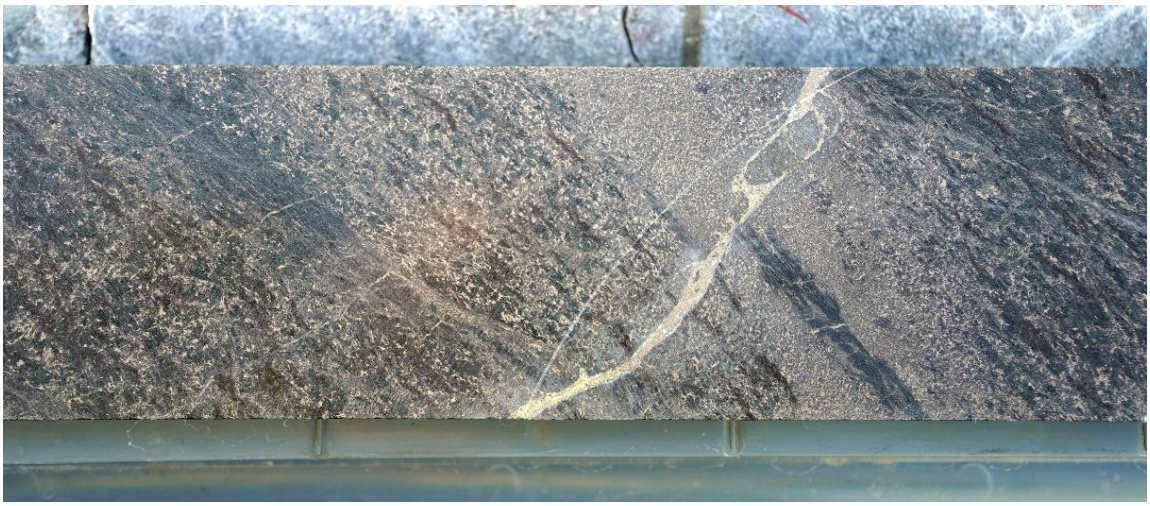

Figure 1 | Semi-massive sulphide bearing core from hole PS411

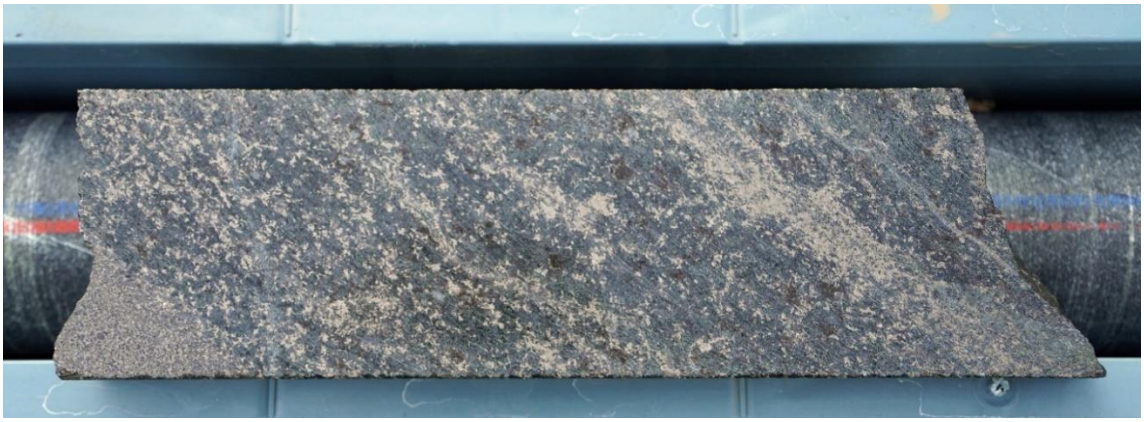

Figure 2 | Matrix sulphide bearing core from hole PS412

Future Metals NL ("Future Metals" or the "Company", ASX | AIM: FME), is pleased to provide an update on its ongoing drilling programme at its wholly owned Panton project ("Panton" or "the Project").

Further to the Company's announcement on 3 November 2022 (*Drilling Confirms Sulphide System at Panton*), the Company has completed an additional three diamond drill holes for approximately 540m, with sulphide mineralisation intersected in each hole. This brings total drilled metres for the 2022 exploration season to approximately 1,340m across six holes, with each hole intersecting sulphide mineralisation. The sulphide intersections range from fine grained and weakly disseminated to very locally, semi-massive. Table 1 below provides the logging notes and percentage estimates of sulphide mineralisation, based on pXRF analysis and visual estimation of the logging geologist (analytical laboratory results are pending).

Mr Jardee Kininmonth, Managing Director and Chief Executive Officer of Future Metals, commented:

"*It is incredibly encouraging to have our sulphide exploration programme continue to be validated with positive results. PS411 and PS412 open up a completely new target zone in the south, an area which was previously overlooked due to minimal outcropping chromite reef relative to the resource area in the north-east. Our advanced gravity inversion modelling, EM surveys and recent drilling have uncovered what is a highly prospective zone which is interpreted to be an extension of the keel position identified under the chromite reefs.*

"Further, in hole PS410 we have drilled over 350m of magmatically emplaced disseminated sulphides near the chromite reefs, in the outer area of the keel position. This is again, extremely encouraging as it aligns with multiple analogues for this style of mineralisation, with disseminated sulphides forming a 'cloud' or 'halo' around a keel position which is more heavily mineralised. This provides us with confidence that the keel position will ultimately be shown to host a large sulphide body."

Holes PS411 and PS412

Drill holes PS411 and PS412 were targeting EM conductors in the south of the Panton Project area. The EM targets are broadly coincident with the large gravity anomaly in the south, identified through a recent gravity survey. Similarly, the targets are coincident with the fold line of the Panton intrusion, in an area of significantly high strain.

Both holes intersected heavily disseminated to matrix-textured sulphide mineralisation within a broader zone of disseminated sulphides. These sulphides have been confirmed by both visual inspection and portable X-Ray Fluorescence ("pXRF") analysis to be chalcopyrite (copper sulphide mineral) bearing but are not significantly nickel enriched. This sulphide mineralisation is clearly hosted by a high-strain shear zone and the Company's interpretation is that it may represent structural-hydrothermal remobilisation from an underlying primary magmatic source.

Within hole PS411 two zones of significant mineralisation were intersected, a 2m zone of 20% massive pyrrhotite and a 5cm band of 50% semi-massive sulphide mineralisation. In both intervals, pyrrhotite is dominant with lesser chalcopyrite. Disseminated mineralisation encompasses these intervals with up to 5% disseminated pyrrhotite with minor chalcopyrite over a 39.3m interval.

In hole PS412, the main zone of mineralisation extends for 10.7m with blebby to disseminated pyrrhotite and minor chalcopyrite, with an increase in matrix sulphide up to 20% in a high strain zone.

In this context, it is significant that these sulphide intersections are spatially coincident with a large gravity anomaly. This anomaly potentially shows an extension of the keel position, 4km to the south-west of the keel zone identified near the chromite reefs in the north-east of the Project area. These encouraging visual results from initial drilling confirm this southern area of the Project as a new target zone.

Hole PS410

Hole PS410 was drilled in the 'Lower Zone' of the Panton Intrusion, in the north-east near the chromite reefs, testing a large magnetic anomaly (*refer announcement dated 3 November 2022*) distal to the interpreted 'keel' position in this area. The hole intersected over 350m of fine grained weakly disseminated to disseminated sulphides, of clear magmatic origin, with pXRF analysis confirming the presence of chalcopyrite and nickel-bearing mineralisation. This provides further evidence of a potentially significantly mineralised 'keel' position near the chromite reefs.

Ongoing Programme

Although the mineralisation appears to be remobilised, it is significant in that sulphides are present in gabbroic to anorthositic lithologies which overlay the dunite and chromite reefs of the complex. These drill holes are over 4km to the south-west of hole PS410 which intersected over 350m of disseminated intercumulus magmatic sulphides in dunite. This demonstrates the potential for the Panton Intrusion to host a significant sulphide system in addition to its chromite-hosted PGM reefs.

The Company has commenced drilling into the keel position into the north and will shortly begin running DHEM on each of the completed drill holes to identify further targets, and complete ground-based EM surveys over the gravity anomaly areas.

Figure 3 | Disseminated sulphide bearing core from PS412

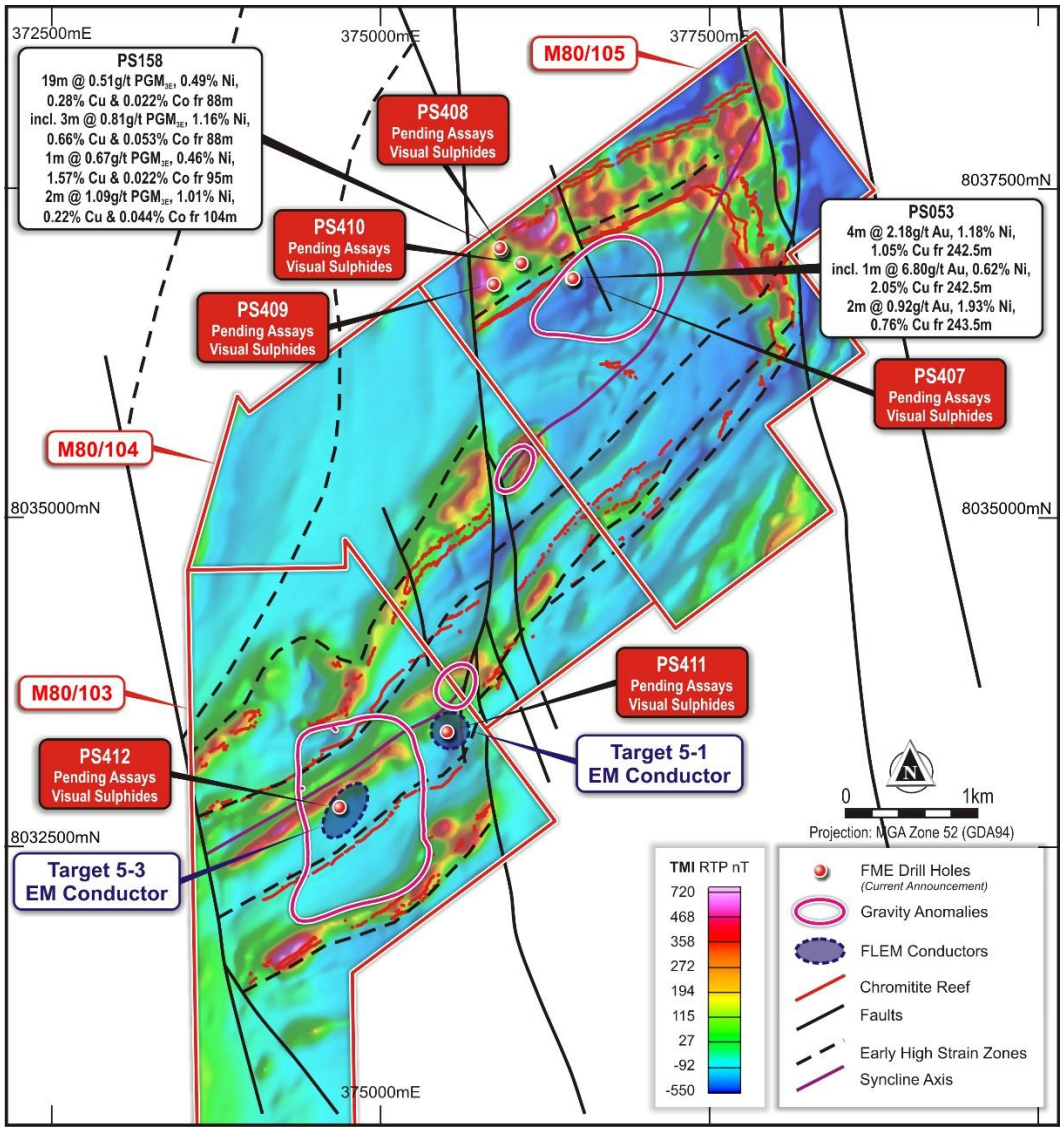

Figure 4 | Magnetic Inversion with Gravity Anomalies and FLEM Conductors

The below logging notes from observations made in the field of the drill core are from visual observations only, with supporting evidence from pXRF analysis; analytical laboratory results are pending and further announcements will be made in due course. Sulphide mineralisation and metal contents are not directly correlated. Assays are required to determine metal content (ie. Pd, Pt, Au, Ni, Cu values). The sulphides in hole PS410 are predominantly fine grained and as such have not been reported as discrete sulphide minerals unless otherwise noted.

Table 1: Panton Summary Logs - Sulphide Mineralisation

Hole ID	From (m)	To (m)	Length (m)	Lithology	Mineralisation Description Sulphide % (Visual Estimate)
PS410	33	39.5	6.5	Dunite, orthocumulate	<1%
	39.5	87.0	47.5	Dunite, orthocumulate, patchy strong serpentinization	<1%
	87.0	113	26	Dunite, orthocumulate	<1%
	113	118	5	Dunite, orthocumulate	<1%
	118	171.8	53.8	Dunite, orthocumulate	<1%
	171.8	321.4	149.6	Dunite, orthocumulate	<1%
	321.4	321.6	0.2	Dunite, orthocumulate	<1%
	321.6	347	25.4	Dunite, sheared 342 to 343m, strong serpentinization on shear	<1%
	347	348	1	Dunite, orthocumulate	<1%
	348	367.8	19.8	Dunite, orthocumulate, narrow bands of strong serpentinisation	<1%
	367.8	369.8	2	Dunite, orthocumulate, strong pervasive serpentinisation	<1%
	373	384.5	11.5	Dunite, orthocumulate	<1%
	384.5	401	16.5	Dunite, orthocumulate	<1%
PS411	9.00	11.00	2.00	Intensely altered gabbro	2% po, cpy
	11.00	14.80	3.80	Intensely altered gabbro	<1% po, cpy
	14.80	16.60	1.80	Altered gabbro with planar fabric - foliation or shearing?	1% po, cpy
	16.60	17.60	1.00	Intensely altered gabbro	6% po, cpy
	17.60	19.60	2.00	Intensely altered gabbro/matrix sulphide. Planar fabric	20% po, cpy
	19.60	21.40	1.80	Intensely altered gabbro. Multiphase alteration with late carbonate overprint.	4% po, cpy
	21.40	21.45	0.05	Semi-massive sulphide	55% po, cpy
	21.45	32.10	10.65	Intensely altered gabbro. Multiphase alteration with late carbonate overprint	1% po, cpy
	32.10	35.20	3.10	Intensely altered gabbro. Multiphase alteration with late carbonate overprint	<1% po, cpy
	35.20	50.10	14.90	Intensely altered rock, fine to medium grained Late carbonate overprint	<1% po, cpy
PS412	52.90	53.80	0.90	Pervasively silica altered Gabbro/Norite	<1%
	53.80	55.50	1.70	Pervasively silica altered Gabbro/Norite	10% po, cpy
	55.50	56.60	1.10	Pervasively silica altered Gabbro/Norite	5% po
	56.60	63.50	6.90	Pervasively silica altered Gabbro/Norite	1% po
	63.50	64.50	1.00	Pervasively silica altered Gabbro/Norite	20% po
	64.50	107.60	43.10	Pervasively silica altered Gabbro/Norite	<1% - 3% po

po = Pyrrhotite, cpy = Chalcopyrite, pn = Pentlandite, py = Pyrite

For further information, please contact:

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Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Shane Hibbird, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Hibbird is the Company's Exploration Manager and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Hibbird consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as is forms part of United Kingdom domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended.

Notes to Editors

PGMs are a group of six precious metals being Platinum (Pt), palladium (Pd), iridium (Ir), osmium (Os), rhodium (Rh), and ruthenium (Ru).

Exceptionally rare, they have similar physical and chemical properties and tend to occur, in varying proportions, together in the same geological deposit. The usefulness of PGMs is determined by their unique and specific shared chemical and physical properties.

PGMs have many desirable properties and as such have a wide variety of applications. Most notably, they are used as autocatalysts (pollution control devices for ICE vehicles), but are also used in jewellery, electronics, hydrogen production / purification and in hydrogen fuel cells.

The unique properties of PGMs help convert harmful exhaust pollutant emissions to harmless compounds, improving air quality and thereby enhancing health and wellbeing.

Appendix 1 | Panton Diamond Drill Hole Collar Details

Hole ID	Hole Type	Easting	Northing	RL (m)	Total Depth (m)	Inc (deg)	Azi (deg)
PS407	Diamond core	376456	8036810	490	300	-82	350.6
PS408	Diamond core	375920	8037027	437	200	-60	324
PS409	Diamond core	375860	8036770	455	300	-60	290
PS410	Diamond core	376070	8036930	437	401	-58	038
PS411	Diamond core	375505	8033370	390	50	-60	340
PS412	Diamond core	374687	8032799	400	90	-60	135

Appendix 2 | JORC Code (2012) Edition Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	▪ 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.	▪ No sampling is reported
Drilling techniques	▪ 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).	▪ All Future Metals NL drill holes were diamond core holes, either PQ3 or HQ3 in size. Generally, the top 50 metres (approximately) of the other drill holes were often also drilled in PQ3 until competent rock was encountered. The drill hole was then cased off and continued in HQ3 size core drilling. ▪ PQ3 core diameter is 83.0mm, HQ3 core diameter is 61.1mm. ▪ Future Metals NL drill holes HQ3 core is orientated using a BLY TruCore UPIX Orientation Tool. ▪ Future Metal NLs drilling contractor is Terra Drilling. Triple tubes are utilised in the weathered horizon (less than 10m) and standard tubes for the remainder of the drill hole.
Drill sample recovery	▪ 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.	▪ Each core run is measured and checked against the drillers core blocks. Any core loss is noted. To date core recoveries have been excellent with very little core loss reported. ▪ Exploration drilling is planned to be as close to orthogonal to the mineralisation as practicable to get representative samples of the mineralisation. ▪ No relationship between recovery and grade has been identified.
Logging	▪ 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.	▪ All drill core samples have been logged onsite by geologists to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. ▪ Logging is qualitative and records lithology, grain size, texture, weathering, structure, alteration, veining and sulphides. Core is digitally photographed. ▪ All holes are logged in full.
Sub-sampling techniques	▪ 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.	▪ Not applicable – no sampling reported.

Criteria	JORC Code explanation	Commentary
and sample preparation	▪ 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.	
Quality of assay data and laboratory tests	▪ 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.	▪ No new assay data is reported on in this announcement.
Verification of sampling and assaying	▪ 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.	▪ Primary data: drill hole data, geological logging, sample intervals etc. are all recorded digitally in the field. Maps and cross sections are produced and the digital data verified. ▪ Future Metals NL has established a Datashed database and appropriate protocals.
Location of data points	▪ 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.	▪ All drill holes were located initially with hand held GPS but then re-surveyed with a differential GPS system to get locational accuracy's to <0.1m. ▪ Down hole surveys are taken with a north seeking gyroscope at regular intervals of 30m down hole in Future Metals NL drill holes. ▪ Future Metals NL drilling is located using Map Grid of Australia 1994, Zone 52. ▪ The topographic control is considered better than <3m and is considered adequate.
Data spacing and distribution	▪ Data spacing for reporting of Exploration Results. ▪ 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. ▪ Whether sample compositing has been applied.	▪ Sample Compositing: Not applicable, no sampling reported
Orientation of data in relation to geological structure	▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. ▪ 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.	▪ Exploration and resource drilling is designed to be as close to orthogonal as practicable to the dip and strike of the mineralisation within the Panton Intrusion.
Sample security	▪ The measures taken to ensure sample security.	▪ Not applicable – no sampling reported.
Audits or reviews	▪ The results of any audits or reviews of sampling techniques and data.	▪ Not applicable – no sampling reported.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	▪ 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 licence to operate in the area.	▪ The Panton PGM Project is located on three granted mining licenses M80/103, M80/104 and M80/105 ('MLs'). The MLs are held 100% by Panton Sill Pty Ltd which is a 100% owned subsidiary of Future Metals NL. ▪ The MLs were granted on 17 March 1986 and are currently valid until 16 March 2028. ▪ A 0.5% net smelter return royalty is payable to Elemental Royalties Australia Pty Ltd in respect of any future production of chrome, cobalt, copper, gold, iridium, palladium, platinum, nickel, rhodium and ruthenium. ▪ A 2.0% net smelter return royalty is payable to Maverix Metals (Australia) Pty Ltd on any PGMs produced from the MLs. ▪ There are no impediments to working in the area.
Exploration done by other parties	▪ Acknowledgment and appraisal of exploration by other parties.	▪ The Panton deposit was discovered by the Geological Survey of Western Australia from surface mapping conducted in the early 1960s. ▪ Pickland Mather and Co. drilled the first hole to test the mafic-ultramafic complex in 1970, followed by Minsaco Resources which drilled 30 diamond holes between 1976 and 1987. ▪ In 1989, Pancontinental Mining Limited and Degrussa Exploration drilled a further 32 drill holes and defined a non-JORC compliant resource. ▪ Platinum Australia Ltd acquired the project in 2000 and conducted the majority of the drilling, comprising 166 holes for 34,410 metres, leading to the delineation of a maiden JORC Mineral Resource Estimate. ▪ Panoramic Resources Ltd subsequently purchased the Panton PGM Project from Platinum Australia Ltd in May 2012 and conducted a wide range of metallurgical test work programs on the Panton ore.
Geology	▪ Deposit type, geological setting and style of mineralisation.	▪ The Panton intrusion is a layered, differentiated mafic to ultramafic body that has been intruded into the sediments of the Proterozoic Lamboo Complex in the Kimberley Region of Western Australia. The Panton intrusion has undergone several folding and faulting events that have resulted in a south westerly plunging synclinal structure some 10km long and 3km wide. ▪ PGM mineralisation is associated with several thin cumulate Chromitite reefs within the ultramafic sequence. In all there are three chromite horizons, the Upper group Chromitite (situated within the upper gabbroic sequence), the Middle group Chromitite (situated in the upper portion of the ultramafic cumulate sequence) and the Lower group Chromitite (situated toward the base of the ultramafic cumulate sequence). The top reef mineralised zone has been mapped over approximately 12km. ▪ Exploration drilling described in this announcement is targeting more conceptual features, particularly an inferred feeder or conduit system to the layered intrusion and the lowermost ultramafic stratigraphy proximal to such a structure. These areas, by analogy to other

Criteria	JORC Code explanation	Commentary
		similar intrusions prospective for sulphide hosted nickel, copper, cobalt and PGE mineralisation. Such bodies of mineralisation can be semi massive to massive and hence excellent electromagnetic targets.
Drill hole Information	▪ 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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole 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.	▪ Details of all drill holes reported in this announcement are provided in Appendix One.
Data aggregation methods	▪ 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. ▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.	▪ Significant intercepts are reported as down-hole length weighted averages of grades above 0.50g/t PGM_{3E} (Pt/Pd/Au). No top cuts have been applied to the reporting of the assay results. ▪ 4 metres of internal dilution is allowed in the reported intervals. ▪ Higher grade intervals are included in the reported grade intervals; and have also been split out on a case-by-case basis where relevant.
Relationship between mineralisation widths and intercept lengths	▪ 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').	▪ Usually drilling is designed to be as close to orthogonal as practicable to the dip and strike of the mineralized chromitite reefs within the Panton Intrusion. ▪ Refer to the Figures in this announcement showing drill cross sections.
Diagrams	▪ 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.	▪ Appropriate sections included in the body of this announcement.
Balanced reporting	▪ 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.	▪ All results at hand at the time of this announcement have been reported.
Other substantive exploration data	▪ 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	▪ No other exploration data is relevant.

Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	
Further work	▪ 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.	▪ Refer to main text and figures for exploration potential. ▪ Metallurgical test work is on-going. ▪ Exploration and resource definition drilling will continue in and around the current resource area. ▪ Mining, environmental and economic studies are underway