CANNON
RESOURCES

ASX ANNOUNCEMENT | ASX: CNR

09 March 2022

Musket Resource Update Delivers 44% Increase of Contained Nickel to 45.5 Kt

Highlights

- **Cannon delivers an updated JORC 2012 Mineral Resource for the Musket deposit of 2.4 Mt @ 1.9% Ni for 45.4 Kt contained nickel**
- **Fisher East Project now contains 91,800 t of contained nickel in 3 deposits – Camelwood, Cannonball and Musket**
- **PGE content also estimated for the first time at Musket at 0.5 g/t (Pt + Pd) within the resource (also JORC 2012 compliant)**
- **Musket resource remains open laterally, internally and down plunge**
- **Drilling at Fisher East to recommence this week across all key prospects**

Cannon Resources Limited (**ASX: CNR**) (**"Cannon"** or **"the Company"**) is pleased to announce that an update of the Musket Mineral Resource has been completed which has resulted in a 44% increase in nickel metal over the previously reported resource estimate. Musket has now been estimated to contain **2.4 Mt @ 1.9% Ni and 0.5 g/t PGE (Pt + Pd) for 45.4 Kt** contained nickel at a cut–off grade of 0.9% Ni (JORC 2012). This is an increase in both tonnage and grade over the previous estimate of 1.9 Mt @ 1.7% Ni for 31.6 Kt contained Ni.

The Fisher East Project now has **91,800 tonnes of contained nickel** in 3 JORC 2012 resources at Camelwood, Cannonball and Musket.

In addition, a comprehensive program of resampling for PGE from relevant holes as well a new and existing PGE analysis has enabled Cannon for the first time to estimate a PGE content for the Musket Mineral Resource. The combined PGE content (Pt and Pd) has been estimated within the Musket resource at **2.4 Mt @ 0.5 g/t (Pt+Pd) for 38,580 Oz contained (Pt+Pd)** and is also JORC 2012 compliant.

For comparison to the previously reported Musket Mineral Resource of 31.6 Kt contained Ni (which used a cut-off grade of 1.0% Ni), a resource estimate of **2.3 Mt @ 1.9% Ni and 0.5 g/t PGE (Pt + Pd) for 44.7 Kt** contained nickel at a cut–off grade of 1.0% Ni (JORC 2012) is provided.

Cannon CEO, Steve Lynn commented:

"Musket is now delivering on the potential we expected. The 44% jump in Mineral Resource to 45.5 Kt of contained nickel is an exciting development. In addition, we have estimated the combined PGE grade at 0.5 g/t Pt + Pd. The PGE number is dominated by palladium, which is a fantastic and welcome outcome as well."

"The resource mineralisation remains open down plunge and laterally along the northern and southern margins, as well as internally within the zones without drill data. The current extent of drilling is approximately 600 metres vertically. This means there is ample scope to substantially grow the resource beyond the current limits."

"This is exactly what we plan to do with aggressive and focused diamond and RC drilling campaigns of over 9,000 metres. These are designed to infill Musket resource growth targets and other key prospect and scheduled to begin in March 2022. I look forward to keeping the existing Cannon shareholders and the market in general informed of our results as they come to hand over the following months."

Table 1: Musket Mineral Resource March 2022

			Grade			Contained Metal
Ni Cut-off Grade (%)	Material	Quantity (Mt)	Ni (%)	Combined PGE (g/t)	Bulk Density (t/m3)	Nickel Metal (kt)
Indicated Mineral Resource						
0.9	Oxide					
	Transitional	0.01	1.6	0.4	3.1	0.2
	Fresh	0.9	2.1	0.6	3.1	18.9
	Total Indicated	0.9	2.1	0.6	3.1	19.0
Inferred Mineral Resource						
0.9	Oxide	0.09	1.3	0.3	3.0	1.2
	Transitional	0.06	1.4	0.4	3.1	0.8
	Fresh	1.3	1.8	0.5	3.1	24.4
	Total Inferred	1.5	1.8	0.4	3.1	26.4
Total		**2.4**	**1.9**	**0.5**	**3.1**	**45.5**

			Grade			Contained Metal
Ni Cut-off Grade (%)	Material	Quantity (Mt)	Ni (%)	Combined PGE (g/t)	Bulk Density (t/m3)	Nickel Metal (kt)
Indicated Mineral Resource						
1.0	Oxide					
	Transitional	0.01	1.6	0.4	3.1	0.2
	Fresh	0.9	2.1	0.6	3.1	18.6
	Total Indicated	0.9	2.1	0.6	3.1	18.8
Inferred Mineral Resource						
1.0	Oxide	0.09	1.3	0.3	3.0	1.2
	Transitional	0.06	1.4	0.4	3.1	0.8
	Fresh	1.3	1.9	0.5	3.1	23.9
	Total Inferred	1.4	1.8	0.4	3.1	25.9
Total		**2.3**	**1.9**	**0.5**	**3.1**	**44.7**

Notes:

1. *Totals may differ due to rounding, Mineral Resources reported on a dry in-situ basis.*
2. *All Mineral Resources figures reported in the table above represent estimates as at 9th March, 2022. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*
3. *Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*
4. *A reporting cut-off grade of 0.9% Ni was used to report the Mineral Resource. This was based on parameters from a previous scoping study in 2015 by CSA Global and updating of the parameters as appropriate by Cannon. Key parameters were a nickel price of AUD 21,500 per tonne, processing costs of AUD 42.51, mining costs of AUD 65.40, dilution of 10% and payability of 70%. A mineral resource estimate using a cut-off grade of 1.0% Ni is additionally provided for comparison.*

Musket Mineral Resource Discussion:

The Musket resource estimation utilises all existing historical holes plus the 8 new Cannon holes drilled in 2021. Cannon also analysed existing mineralised pulp material from those historical samples where PGE data was non-existent or deficient and this extra data was added to the dataset to estimate the PGE grade for the resource.

The new resource model differs from the previous estimate in that a steeper slightly north of vertical plunge is now interpreted. In addition, in the absence of drilling data, a main southern channel and an "overbank'' northern trend is modelled. This channel morphology implies a lesser mineralised zone between and parallel to the 2 trend axes. This non mineralised zone is characterised by a lack of drill pierce points through the ore position and is outside of the new resource. It will be a priority target area for extensional drilling in the near term.

A total of-five mineralised zones were modelled using Seequent Leapfrog software; three zones for massive/semi-massive mineralisation and two zones for disseminated mineralisation. The mineralisation at Musket extends over a 440 m strike length, starting at about 40-90 m below ground surface and has been drilled to over 600 m depth.

The interpretation of the mineralised zones was based predominantly on lithological logging with assay results used to confirm the intersections. Samples were composited to 1m lengths and top cuts were applied to remove high grade outliers which was necessary only for Pt, Pd, Cr and Cu. Top cuts were not applied to other elements. Variography was modelled for all elements for the largest object (disseminated mineralisation object 4) and applied to all other objects. Maximum ranges in the direction of greatest continuity were modelled between 170m and 128m with nugget values ranging from 0.05 to 0.21.

Grades were estimated into an unrotated Surpac block model of size Y 25m by X 5m by Z 5m sub-blocked to Y 1.5625m, X 0.625m and Z 0.3125m. Most elements were estimated using the Ordinary Kriging ("OK") algorithm with three estimation passes. For most elements, a minimum of 8 samples and maximum of 32, with a maximum of 4 samples per hole was used for the first pass with a search radius of 80m. For the second pass, a minimum of 4 samples, maximum of 32 and maximum per hole of 2 samples was used with a search radius of 160m. For the third pass, a minimum of 2 samples, a maximum of 32 and maximum per hole of 2 samples was used with a search radius of 300m. The grade validation indicated OK grades were similar to IDW grades but mostly slightly higher than sample composite grades.

A relationship between Ni grade and density was determined from existing drill samples and regression equations were determined for all massive and disseminated mineralisation then used to assign density to the mineralised blocks.

Mineral Resources where the sample spacing was 50m or less were classified as Indicated Resource while Mineral Resources where sample spacing was 50m up to 150m were classified as Inferred Resources. All other material was not classified. A reporting cut-off grade of 0.9% Ni was used to report the Mineral Resource. This was based on parameters from a previous scoping study in 2015 by CSA Global and updating of the parameters as appropriate by Cannon, including use of a nickel price of AUD 21,500 per tonne. In addition, a reporting cut-off grade of 1.0% Ni was also used to determine a mineral resource for comparison purposes with the previously published mineral resource for Musket.

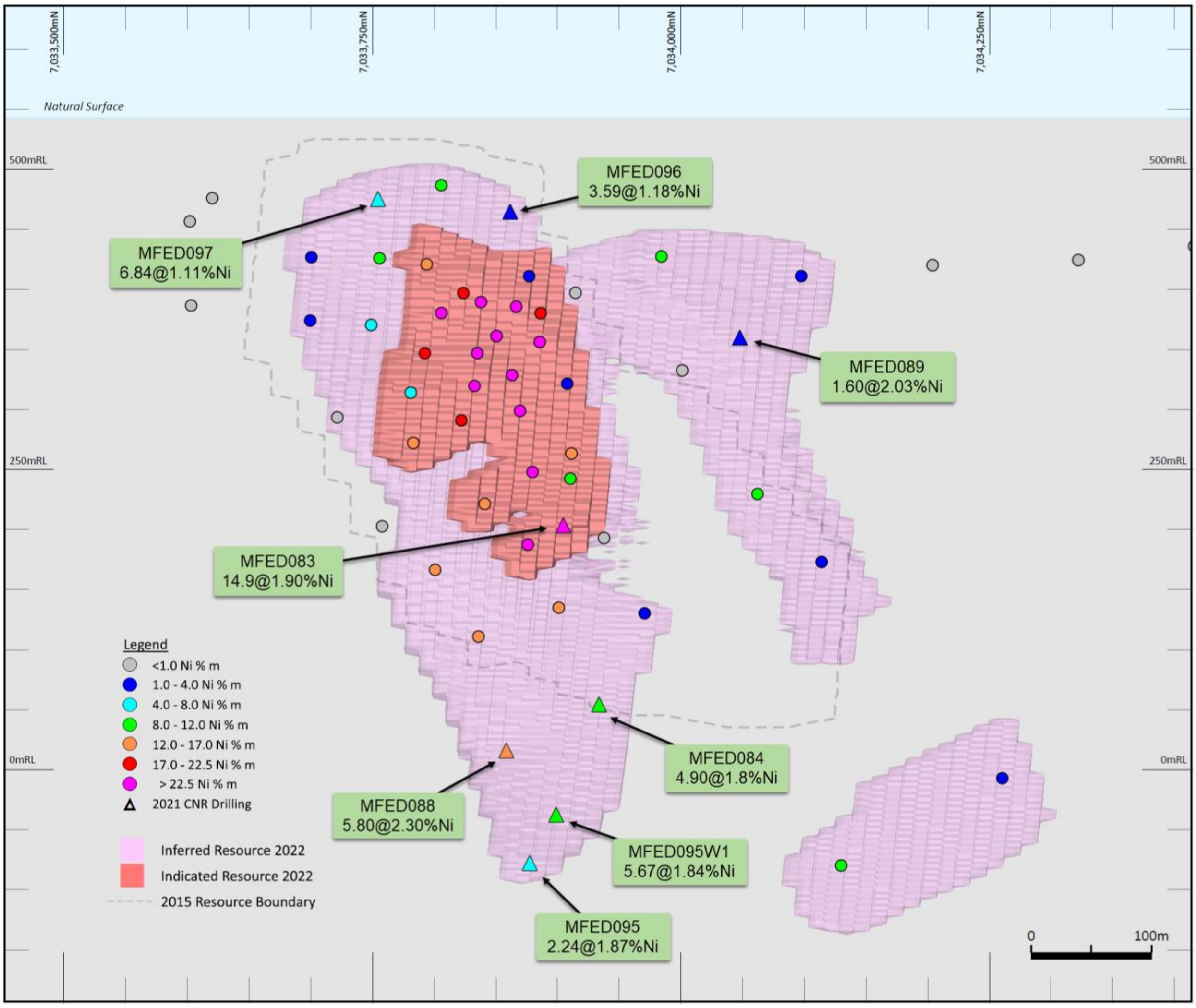

Figure 1: Musket Mineral Resource in long section.
Section shows 2022 Indicated Resource, 2022 Inferred Resource and outline of previous 2015 Mineral Resource. Also shown are all drilling pierce points plus Cannon drilling results.

Table 2: Cannon Diamond Drilling Assay Results - Musket

Hole	From (m)	To (m)	Downhole Interval (m)	Estimated True width (m)	Ni%	Pt g/t	Pd g/t	Pt+Pd g/t	Co%	Prospect
MFED083	366.15	381.09	14.94	13.3	1.90	0.281	0.345	0.625	0.04	Musket
MFED084	559.77	564.71	4.94	4.2	1.79	0.167	0.306	0.474	0.03	Musket
MFED088	584.35	590.16	5.81	5.1	2.29	0.148	0.272	0.420	0.04	Musket
and	577.43	577.62	0.19	0.17	16.89	0.186	2.176	2.36	0.17	Musket
MFED089	197.76	199.36	1.60	1.33	2.03	0.201	0.424	0.625	0.03	Musket
MFED095	714.79	717.03	2.24	2.10	1.86	0.115	0.224	0.340	0.04	Musket
MFED095W1	584.35	590.16	5.67	5.31	1.84	0.131	0.210	0.341	0.04	Musket
MFED096	79.58	83.17	3.59	3.3	1.18	0.137	0.238	0.375	0.03	Musket
MFED097	65.0	71.84	6.84	6.50	1.11	0.103	0.197	0.300	0.03	Musket

Note: totals may not add due to rounding. Intercepts are calculated on a 1.0% Ni cut-off and exclude +2m of internal waste

Table 3: Collar Details for Cannon Diamond Drilling - Musket

Hole ID	Prospect	Drill Type	East	North	RL	Depth	Dip	Azi
MFED083	Musket	DD	356668	7033932	538	420.9	-72	270
MFED084	Musket	DD	356838.7	7033989.8	538.3	600.9	-71	270
MFED088	Musket	DD	356850.5	7033950.8	538.3	626.5	-72	260
MFED089	Musket	DD	356498.1	7034049.9	538.4	248.6	-72	273
MFED095	Musket	DD	356995	7034020.5	538	760	-70	259
MFED095W1	Musket	DD	356995	7034020.5	538	743.5	-70	259
MFED096	Musket	DD	356454	7033861.1	538	199.1	-68	255
MFED097	Musket	DD	356487.2	7033753.5	538	209.6	-68	255

Table 4: All Mineral Resource drilling - Musket

Hole	From (m)	To (m)	Downhole Interval (m)	Ni%	Pt g/t	Pd g/t	Pt+Pd g/t	Prospect
MFEC036	55	64	9	1.32	0.114	0.140	0.254	Musket
MFEC037	129	132	3	3.13	0.466	0.820	1.286	Musket
MFEC040	129	136	7	1.84	0.134	0.253	0.387	Musket
MFEC047	126	127	1	1.04	0.101	0.218	0.319	Musket
MFEC048	176	189	13	1.93	0.121	0.232	0.353	Musket
MFEC055	220	231	11	1.77	0.131	0.214	0.345	Musket
MFEC056	127	133	6	1.49	0.103	0.200	0.303	Musket
MFEC057	188	191	3	1.54	0.093	0.189	0.282	Musket
MFEC058	185	186	1	1.34	0.481	0.522	1.003	Musket
MFEC059	214	231	17	2.22	0.171	0.308	0.479	Musket
MFEC064	188	209	21	1.27	0.092	0.166	0.258	Musket
MFEC065	227	244	17	2.17	0.344	0.534	0.877	Musket
MFEC066	189	192	3	5.88	0.262	0.753	1.015	Musket
MFEC067	161	179	18	2.00	0.198	0.305	0.503	Musket
MFEC070	154	155	1	1.08	0.112	0.234	0.345	Musket
MFEC071	178	182	4	8.43	0.405	1.256	1.662	Musket
MFEC071	188	192	4	0.96	0.079	0.139	0.218	Musket
MFEC071	198	199	1	1.25	0.069	0.107	0.176	Musket
MFEC072	205	210	5	8.39	1.056	1.559	2.616	Musket
MFEC074	142	143	1	3.63	0.455	0.766	1.221	Musket
MFEC078	154	164	10	2.16	0.122	0.240	0.362	Musket
MFEC078	167	168	1	1.01	0.058	0.125	0.183	Musket
MFED042	264.53	279.85	15.32	2.68	0.150	0.408	0.559	Musket
MFED043	305.05	321.25	16.2	2.80	0.136	0.397	0.534	Musket
MFED044	240.76	244	3.24	1.41	0.175	0.250	0.425	Musket
MFED044	247	263.85	16.85	2.04	0.142	0.286	0.428	Musket
MFED045	265	265.1	0.1	1.90	0.104	0.893	0.997	Musket
MFED045	268	277.22	9.22	1.88	0.117	0.243	0.360	Musket
MFED046	265.2	265.5	0.3	13.30	0.300	2.766	3.066	Musket
MFED046	268	272.9	4.9	1.28	0.075	0.148	0.223	Musket
MFED047	294.75	304	9.25	1.66	0.097	0.183	0.280	Musket
MFED048	311.46	321.09	9.63	1.22	0.126	0.206	0.332	Musket
MFED048	324.34	324.46	0.12	3.28	0.142	0.263	0.405	Musket
MFED049	352.07	369	16.93	2.03	0.149	0.388	0.537	Musket
MFED050	358.43	358.5	0.07	2.19	n/a	n/a	n/a	Musket
MFED050	361	368.53	7.53	1.80	n/a	n/a	n/a	Musket
MFED052	220.8	220.9	0.1	1.72	n/a	n/a	n/a	Musket
MFED053	256.95	257.7	0.75	4.04	0.260	1.029	1.289	Musket

Hole	From (m)	To (m)	Downhole Interval (m)	Ni%	Pt g/t	Pd g/t	Pt+Pd g/t	Prospect
MFED054	298.5	301.25	2.75	4.49	0.342	1.106	1.448	Musket
MFED055	275.9	275.99	0.09	5.17	n/a	n/a	n/a	Musket
MFED056	456.6	465.3	8.7	1.58	0.119	0.229	0.348	Musket
MFED058	366.9	369.16	2.26	4.10	0.767	1.444	2.212	Musket
MFED059	450.4	451.78	1.38	1.44	0.126	0.275	0.401	Musket
MFED059	454.5	455.4	0.9	0.94	0.058	0.111	0.169	Musket
MFED062	486.3	495.05	8.75	1.66	0.105	0.225	0.329	Musket
MFED063	414.15	415.95	1.8	1.55	0.103	0.306	0.410	Musket
MFED063	419.9	428.46	8.56	1.42	0.087	0.168	0.255	Musket
MFED064	457.5	458.18	0.68	3.59	n/a	n/a	n/a	Musket
MFED079	518.58	519.11	0.53	1.08	0.062	0.191	0.253	Musket
MFED079	522.5	522.99	0.49	4.72	0.889	1.214	2.102	Musket
MFED079	606.1	607.28	1.18	1.07	0.002	0.158	0.159	Musket
MFED079	608	608.1	0.1	1.35	0.001	0.338	0.339	Musket
MFED080	701.71	706	4.29	2.02	n/a	n/a	n/a	Musket
MFED083	366.15	381.09	14.94	1.90	0.281	0.345	0.626	Musket
MFED084	558.09	564.71	6.62	1.40	0.131	0.244	0.375	Musket
MFED088	577.43	577.62	0.19	16.89	0.186	2.176	2.362	Musket
MFED088	584.35	590.16	5.81	2.29	0.148	0.272	0.420	Musket
MFED089	197.76	199.36	1.6	2.03	0.202	0.424	0.625	Musket
MFED095	714.79	717.03	2.24	1.86	0.116	0.222	0.338	Musket
MFED095W1	705.63	711.3	5.67	1.84	0.131	0.210	0.341	Musket
MFED096	79.58	79.98	0.4	3.00	0.053	0.440	0.494	Musket
MFED096	82.95	83.17	0.22	3.40	0.004	0.009	0.013	Musket
MFED097	65	71.84	6.84	1.11	0.103	0.197	0.300	Musket

Note.

1. The intercepts included in this table were calculated using a 0.9% Ni cut-off and allowing 2m of internal waste. The intercepts may differ slightly from those used in the resource estimate
2. n/a: - no PGE data available (sample pulp unavailable)

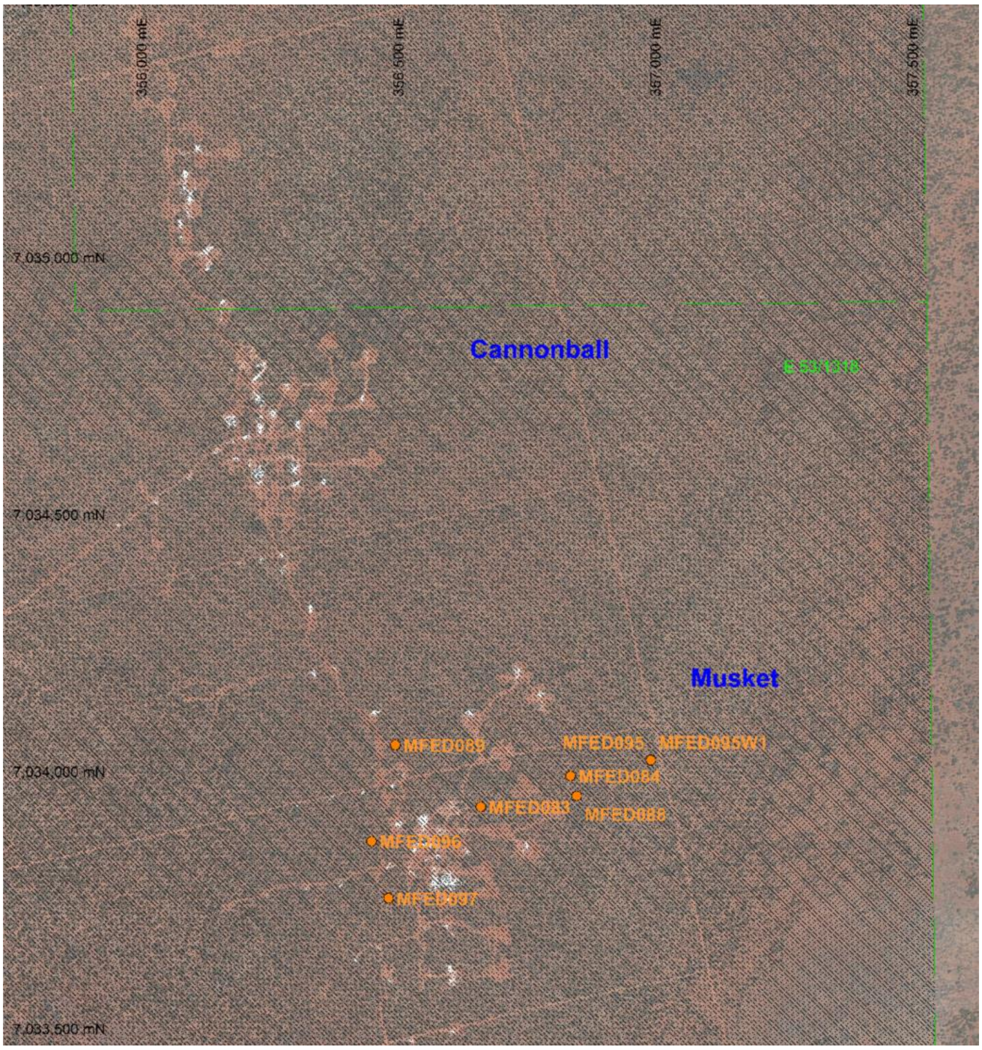

Figure 2: Musket location with Cannon drilling

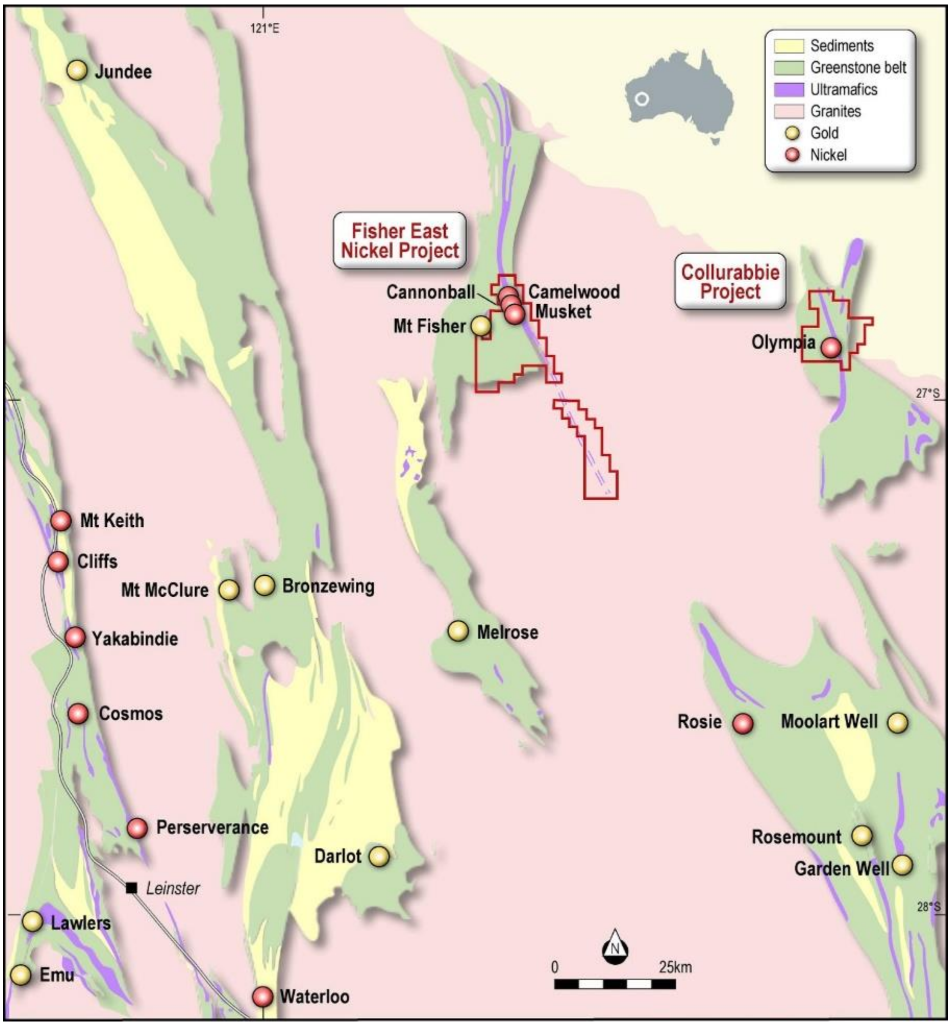

Figure 3: Project location

This ASX announcement has been approved by the Board of Cannon Resources Limited.

For further information

Steve Lynn
Chief Executive Officer
Tel: +61 8 9226 0044
E: admin@cannonres.com.au

Jane Morgan
Investor and Media Relations
+61 405 555 618

About Cannon Resources Limited

Cannon Resources Limited is a West Australian focused nickel exploration company with two flagship projects, Fisher East and Collurabbie. Both Projects are located in the northern Goldfields region of Western Australia, approximately 200 km north-east of Leonora.

Fisher East hosts the Camelwood, Cannonball and Musket nickel sulphide deposits with a combined JORC 2012 Mineral Resource containing 91,800 tonnes of nickel. The deposits are Kambalda style komatiite hosted massive and disseminated nickel sulphide mineralisation designated Class 1 ore. All deposits are located on 100% Cannon tenements.
Individually the 3 resources consist of:
Musket; 2.4 Mt @ 1.9% Ni for 45.5 Kt Ni (0.9% Ni cut-off)
Camelwood; 2.0 Mt @ 2.0% Ni for 39.0 Kt Ni (1.0% Ni cut-off)
Cannonball; 0.26 Mt @ 2.8% Ni for 7.3 Kt Ni (1.0% Ni cut-off)

Collurabbie contains a JORC 2012 Inferred Mineral Resource of 573,000t grading 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt at Olympia. Mineralisation is intrusive magmatic style and is composed of massive and disseminated nickel sulphide mineralisation designated Class 1 ore. Olympia is located on 100% Cannon tenements.

Competent Person Statements

Exploration Results

The information in this report that relates to Data and Exploration Results is based on information compiled and reviewed by Mr Stephen Lynn a Competent Person who is a Member of the Australian Institute Geoscientists (AIG) and Chief Executive Officer of Cannon Resources Limited. Mr Lynn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lynn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Unless otherwise stated, where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous Exploration Results, was either prepared and first disclosed under the JORC Code 2004 or under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX. In the case of the 2004 JORC Code Exploration Results and Mineral Resources, they have not been updated to comply with the JORC Code 2012.

Resource Statement

The Statement of Estimates of Mineral Resources has been compiled under the supervision of Mr. David Allmark who is a full-time employee of Rox Resources Limited and a Member of the AusIMM and AIG. Mr. Allmark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012).

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Cannon Resources Limited planned exploration program(s) and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward looking statements.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g., 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 (e.g., '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 (e.g., submarine nodules) may warrant disclosure of detailed information.*	• All holes are Reverse Circulation ("RC") and diamond core drilling ("DD"). Drilling has been used to obtain high quality samples that were logged for lithological, structural, geotechnical, density and other attributes. • The NQ2 size diamond core was cut in half longitudinally by sawing with half core then sampled. For HQ core, the core was quartered using a diamond saw and then sampled. The samples lengths ranged from 0.1m to 1.5m to within geological boundaries. • 1m RC samples were collected by a cone splitter. Diamond core drilling was logged for lithology, structure, alteration, geotechnical and other attributes. Rox sampling and assaying procedures meet quality assurance and quality control (QA/QC) measures that are of industry best practice standards. • Samples were sent to Intertek Genalysis in Kalgoorlie and Perth, dried, crushed to 10mm and pulverised to -75um using LM5 units. Samples > 3kg were split to produce a nominal 200g sub sample. The samples were analysed in Perth for Au, Pd, Pt using a 25g Lead collection fire assay with analysis by Inductively Coupled Plasma Mass Spectrometry ("ICPMS" finish). • 48 multi-element analysis was completed using a four-acid digest and analysis using Inductively Coupled Plasma Optical Emission Spectrometry ("ICP-OES"). • Representivity has been ensured by monitoring core recovery to minimize sample loss. • Sampling was carried out under

		industry and QAQC best practice
Drilling techniques	• *Drill type (e.g., 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).*	• Diamond and RC drilling rigs were used. The RC hole diameter was 140mm with a face sampling hammer used. Hole depths ranged from 86m to 259m. Diamond holes were drilled with predominantly NQ2 diameter (although also some PQ and HQ size precollars and upper hole portions) with all core recovered. Hole depths ranged from 162.3m to 751.1m. Pre-collars for diamond holes were drilled using a roller bit and reamed to HW casing size. Where possible, the core was oriented using Camtech and Reflex Act III orientation tools.
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.*	• Diamond drill core recoveries were logged and recorded in the database. Overall recoveries were >95%, and there were no significant core loss or recovery problems. • RC drill recoveries were very good; almost all samples were dry • DDH1 recorded from and to depths and core interval recovered as the hole was drilled. Field technicians then independently measured and meter-marked core and reconciled with drillers blocks. These data were then transcribed to core blocks and stored with the drill samples. Both a digital and a photographic record of the data was stored by the Company. These are noted on core blocks at the end of each core run. Intervals were confirmed by on site Company geologists during the logging process. Core recovery was logged by the onsite geologist. No material core loss was reported in the sampled intervals. • Diamond core was reconstructed into continuous sample runs on an angle iron used for orientation marking. Depths were measured and checked against marked depths on the core blocks. • RC samples were visually checked for recovery, moisture and

		contamination and notes made in the logs. • Samples used for the Mineral Resource estimate came from both RC and DD drilling, both of which had high recoveries. There is no observable relationship between recovery and grade, and therefore no sample bias.
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.*	• Qualitative logging of DD core and RC chips included lithology, mineralogy, mineralisation, structural, weathering, colour and other features of the samples. Core was photographed wet (and sometimes also dry) and was stored in plastic core trays. RC chips were stored in plastic RC chip trays. • Quantitative logging has been completed for geotechnical purposes. Detailed geological and geotechnical logs were carried out on all diamond drill holes for recovery, rock quality designation (RQD) and structures including logging of structure type, dip, dip direction, alpha angle, beta angle, texture, fill material. This data was stored in the drill hole database. • The total lengths of all holes were logged in full except for the rock roller bit diamond hole pre-collars (0-80m in most cases)..
Sub-sampling techniques and sample preparation	• *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*	• DD core was subsampled over lengths ranging from 0.1m to 1.2m Core was sawn longitudinally using a diamond core saw and half-core taken. All subsamples were collected from the same side of the core. • RC samples were collected on the drill rig using a cone splitter. The majority of these samples were collected dry. Very few of the mineralised samples were collected wet, and these were noted in the drill logs and database.

	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.*	• The sample preparation of DD core and RC samples occurred at Intertek Genalysis in Kalgoorlie and Perth and involved oven drying (4-6 hrs at 95C), coarse crushing in a jaw-crusher to 100% passing 10 mm, then pulverisation of the entire crushed sample in LM5 grinding mills to a particle size distribution of 85% passing 75 microns and collection of a 200 gram sub-sample. • Field QC procedures involved the use of Certified Reference Materials (CRM's) as assay standards, along with blanks, duplicates and barren waste samples. The insertion rate of these was approximately 1:20 to 1:40.
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 (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Laboratory assaying techniques were 4 acid digest for multi-element and fire assay for Au & PGE. The four acid digest was followed by multi-element ICP/OES analysis (Intertek analysis code 4A/OE). The four acid digest involved hydrofluoric, nitric, perchloric and hydrochloric acids and is considered a "complete" digest for most material types, except certain chromite minerals. The fire assay technique was used for analysis of Au and Pt and Pd. Both techniques are considered a total digest. • No geophysical tools were used to determine any element concentrations. • The laboratory sample preparation checks for particle size distribution compliance as part of routine internal quality procedures to ensure the target particle size distribution of 85% passing 75 microns is achieved in the pulverisation stage. • CRMs and blanks were inserted

CANNON RESOURCES

		routinely at a rate of 1:20 to 1:40 samples. Internal laboratory control procedures involved duplicate assaying of randomly selected assay pulps as well as internal laboratory standards. All data was reported to the Company and analysed for consistency and any discrepancies. • Check assays were undertaken at an independent third party assay laboratory. • CRMs used to monitor accuracy have expected values ranging from low to high grade, and the CRMs were inserted randomly into the routine sample stream to the laboratory. • The results of the CRMs confirm that the laboratory sample assay values have good accuracy and results of blank assays indicate that any potential sample cross contamination has been minimised.
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.*	• Two or more Company geologists have inspected the core. Photos of all core have been collected. Significant intersections were checked by Senior Management. • No twinned holes were completed. • Primary data was collected using a standard set of Excel templates on Toughbook laptop computers in the field. These data were transferred to Geobase Australia Pty Ltd for data verification and loading into the drill hole database. Assay data are imported directly from digital assay files and are merged in the database with sample information. Data is backed up regularly in off-site secure servers. • No geophysical or XRF results are used in exploration results reported. There has been no adjustment to the assay data.

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.*	• Hole collars were recorded using DGPS. Accuracy is expected to be better than 30 cm for both easting and northings. The azimuth of the drill collars was determined with north seeking gyro on board the drill rig. A clinometer was used to check the dip of the hole at the collar. • Downhole surveys were carried out regularly with a minimum interval 30m downhole spacing with electronic digital magnetic Reflex or Ranger Survey Tool. Downhole surveying for the later drilling by Cannon was conducted with an Axis Champ Gyro. Measurements were collected approximately every 18m or less during the drilling of the hole. • The grid system is MGA_GDA94 (zone 51)
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.*	• Nominal 20m by 40 m and 40 m by 40m to 80m by 80 m spacing. The diamond drill program has been designed to intersect mineralisation within targeted zones that vary across the 3 ore systems drilled. • The geology and grade of the mineralisation showed continuity from hole to hole that was sufficient to support the estimation of a Mineral Resource or Ore Reserve and the classifications contained in the JORC Code (2012 Edition). • For diamond drill holes, no physical sample compositing was used. Nominal sample length was one metre with adjustments to match lithological boundaries where required. For RC samples, mineralised zones were sampled at a one metre intervals; sample compositing occurred over 4 metre intervals for un-mineralised material
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased*	• The deposits strikes at about 345 degrees and dips to the east at

geological structure	*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.*	between -60 to -75 degrees. Drill holes were oriented at approximately 270 degrees, slightly oblique to the perpendicular direction, however, many drill holes swung slightly south (to about 255 degrees) so became oriented perpendicular to strike. This is confirmed in structural logging of mineralised zones. Drilling is therefore approximately perpendicular to the strike of the mineralisation and intersecting at an angle in most cases greater than 70 degrees.
Sample security	• *The measures taken to ensure sample security.*	• Sample security was managed by the Company. Samples were bagged, numbered, recorded in digital files, collected and then securely stored on site until dispatch to the lab. In most cases, these bags were transported by the Company directly to the laboratory. In some cases, the samples were delivered to a transport contractor who then delivered the samples to the laboratory. A sample reconciliation advice is sent by the laboratories to the company on receipt of the samples. The laboratory procedure is to audit the samples on arrival and report any discrepancies back to the Company. No such discrepancies occurred. • Sample preparation was completed in Kalgoorlie then the samples were transported to Perth for analysis using the laboratories standard chain of custody procedure.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Reviews of the sampling techniques and data were carried out by Optiro Pty Ltd as part of Mineral Resource estimates made for Camelwood in 2013 and for Musket in 2014, and by Mining One for the Mineral Resource estimate in 2015. For this estimate, RPMGlobal has conducted a high level review of sampling techniques and data used in the Mineral Resource. The database is considered to be of sufficient quality

		to support the Mineral Resource estimate.

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.*	• All drilling for the Mineral Resource is located on tenement E53/1318. Tenements are held 100% by Cannon Resources Limited • The tenements are currently in good standing with no known operational impediments
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Nickel mineralisation at Camelwood, Musket and Sabre was previously identified and drilled over the period 2012 – 2017 by Rox Resources Limited. • Only incidental and immaterial exploration by other parties was undertaken in the Fisher East area prior to the exploration by Rox Resources Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The geological setting is Archaean channelised basal komatiite hosted mineralisation, bounded by hangingwall basaltic rocks and footwall felsic metasediments. Mineralisation is mostly situated at the (eastern) basal ultramafic - felsic contact. The rocks are strongly talc-carbonate altered. Metamorphism is mid-upper Greenschist. The deposit is analogous to Kambalda type 1 basal nickel sulphide deposits.

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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea*
		• Drill hole collar coordinates, azimuths and dips are listed in tables in the test
		• Drill hole intersections are listed in tables in the text

Criteria	JORC Code explanation	Commentary
	level in metres) of the drill hole collar ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *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.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., 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.*	• All reported assay intervals have been length weighted. No top cuts have been applied. A lower cut-off of 1% is generally applied with up to 2m of internal dilution allowed, except where early exploration holes at a new prospect are reported based on their geological significance. • High grade massive or semi-massive sulphide intervals internal to broader zones of mineralisation are reported as included intervals. • No metal equivalent values are reported
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 (e.g., 'down hole length, true width not known').*	• The mineralisation is east dipping at -55 to -70 degrees throughout the deposits. Drillhole azimuths were generally planned at 240-270 degrees and holes generally inclined at -60 to -70 degrees west. In general, true widths are likely to be 80-90% of drilled width; but each hole will need to be specified separately and these values determined on an individual basis.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery*	• Refer to Figures and Table in the text.

Criteria	JORC Code explanation	Commentary
	being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
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.*	• Comprehensive reporting of all exploration results is included, including high, low and unmineralised samples
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 characteristics; potential deleterious or contaminating substances.*	• All core samples were measured for bulk density using the water displacement method. Multi-element assaying on all samples was carried out for a suite of potentially deleterious elements such as arsenic and magnesium. • Geotechnical data was collected from all diamond drillholes including recovery and RQD. Structural information was recorded; structure type, thickness, lithology, and alpha/beta angles (dip and dip direction).
Further work	• *The nature and scale of planned further work (e.g., 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.*	• Further work (RC and diamond drilling) is justified to infill known mineralisation and to locate extensions to mineralisation both at depth and along strike.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures*	• Rox and Cannon geologists used data templates with lookup tables and fixed formatting for recording logging and sampling data. Data transfer was via email with a copy sent to both the Company and the external database consultant.

CANNON RESOURCES

Criteria	JORC Code explanation	Commentary
	used.	Sample numbers are unique and pre-numbered bags were used to minimise any potential errors. Data was compiled by Geobase Australia Pty Ltd and validation checks were conducted at that time. Any identified issues were queried with Rox or Cannon. • Data validation checks are run by Geobase, and they maintain a "master copy" of the database. Cannon uses working copies which are provided by Geobase on a regular basis. Upon receipt of and during the work for this resource estimate, Cannon made checks on the database, including checking that: o drill holes plotted within the geographical limits of the Fisher East project; o down-hole surveys were within the expected range; o down-hole azimuths were in the correct range; o there were no overlapping assay intervals; o there were no overlapping lithology intervals; o lithologies as plotted were consistent with Ni and other element assays; o assays used for grade estimation fell within appropriate mineralisation interpretations; o Ni and other element assays did not exceed the theoretical maxima for these elements given the mineral species present. • These checks revealed no anomalies
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is*	• The Exploration Competent Person has conducted site visits and inspected relevant core and samples used in the estimate. The mineral Resource Competent Person has yet to conduct a site visit to the project however has been working

Criteria	JORC Code explanation	Commentary
	the case.	with Cannon geologists on the interpretation of the mineralization for the model and has been made aware of all details of drilling for the project and has viewed core and site photos for the project. • The Competent Person has planned to visit the site during March when it is logistically more convenient due to camp and core farm upgrades.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• There is a high degree of confidence in the geological models of deposits, based on consistent stratigraphy in drill holes and highly correlatable lithologies and mineralisation boundaries. • Surveying of drill hole collars and drill hole paths, geological logging of RC chips and DD core and assay data were used to create the geological interpretation. • There are few alternative interpretations as there is a high degree of confidence in the geological models of deposits, based on consistent stratigraphy in drill holes and highly correlatable lithologies and mineralisation boundaries. Any likely alternative interpretation would not be material to the Mineral Resource. • Geological logging of RC samples and diamond drill core recognised two domainable types of sulphide mineralisation within the deposit: ○ highest grade mineralisation: massive and semi massive sulphide, and ○ higher and lower grade mineralisation: matrix and disseminated sulphide. These two styles of mineralisation were separately domained to guide and control the Mineral Resource estimate. • The principal factors determining the continuity of “grade and geology” are described in the previous entry above.

Criteria	JORC Code explanation	Commentary
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The mineralisation at Musket extends over a 440 m strike length, starting at about 40-90 m below ground surface and has been drilled to over 600 m depth. The deposit is still open along strike and at depth. Drilling has penetrated adequately on both sides of the mineralised zone.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.*	• Ni, Pt, Pd and Cu grades were estimated within the two mineralised domains described above. Other minor elements were also estimated in the block model for completeness. • The interpretation of the mineralisation was not extrapolated further than 25m along strike beyond the last drilled section. • Geovia Surpac 2021 (v7.4) software ("Surpac") was used for the resource estimate. • Samples were composited to 1m lengths with a minimum length of 0.3m. Grades were estimated in each zone using only samples from within the zone. • Top-cuts were applied only to Pt, Pd, Cu and Cr. Top cuts ranged from 550ppb for Pt, 800ppb to 5,000ppb for Pd, 3000 to 3,500ppm for Cr and 1,400 to 8,000ppm for Cu. All top cuts reduced coefficients of variation ("CVs") to less than 1 for those elements. There were no outlier grades for other elements and coefficients of variation were less than 1.2 so top cuts were not applied. • Only Object 4 contained sufficient samples for and so was the only object chosen for variography. Most elements in Object 4 were modelled with the exception of Cr, for which robust variograms could not be obtained. Variography was modelled using Surpac software. Maximum ranges in the direction of greatest continuity were modelled between 170m and 128m with nugget values ranging from 0.05 to 0.21. The

Criteria	JORC Code explanation	Commentary
	• *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.*	maximum range for Ni for Object 4 was 168m with a nugget of 0.11. • The variogram parameters for object 4 were applied to all other domains and adjusted for the local orientation. • Most elements were estimated using the Ordinary Kriging ("OK") algorithm with three estimation passes. For most elements, a minimum of 8 samples and maximum of 32, with a maximum of 4 samples per hole was used for the first pass with a search radius of 80m. For the second pass, a minimum of 4 samples, maximum of 32 and maximum per hole of 2 samples was used with a search radius of 160m. For the third pass, a minimum of 2 samples, a maximum of 32 and maximum per hole of 2 samples was used with a search radius of 300m. For object 3, zone 1, a minimum of 1 sample was used for the third pass, and for the third pass for Pt, Pd and As, the search radius was increased to 500m to 1,000m. • The estimation parameters were checked against those used for the previous estimates by Optiro (2014) and Mining One (2015) for Musket. • No assumptions have been made regarding recovery of by-products • Estimation of deleterious and other non-grade variables of economic significance included S and bulk density. Parameters were the same as for the other elements. • An unrotated block model of size Y 25m by X 5m by Z 5m sub-blocked to Y 1.5625m, X 0.625m and Z 0.3125m was created for the estimate. The small sub-blocks were applied to model the parts of the massive/semi-massive mineralisation which were extremely thin (less than 0.3m). • No assumptions have been made regarding the modelling of selective mining units. • Strong correlation between Pt and Pd (0.85) and between Co and As (0.69) allowed variogram parameters

CANNON RESOURCES

Criteria	JORC Code explanation	Commentary
		for Pt to be used for Pd and parameters for Co to be used for As. • The resources were estimated only within the mineralisation domains determined from the geological interpretation. • The basis for using top cuts is described above. • Validation involved visual comparison of estimated block grades to sample composite grades for each domain and element, comparison of global average sample grades versus average block grades for each domain and element, and validation swath plots or averages of block and samples grades over intervals of easting, northing and elevation. Validation results indicated OK grades were similar to check IDW grades but mostly slightly higher than sample composite grades. Swath plots showed reasonable correlations for sample to estimate grades with some smoothing in the block model as expected. Overall results indicate an acceptable estimate.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnages are estimated on a dry basis as all samples were dried prior to analysis. Natural moisture is negligible as determined from bulk density data. Bulk densities have been determined from dried samples.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• A reporting cut-off grade of 0.9% Ni was used to report the Mineral Resource. This was based on parameters from a previous scoping study in 2015 by CSA Global and updating of the parameters as appropriate by Cannon. Key parameters were a nickel price of AUD 21,500 per tonne, processing costs of AUD 42.51, mining costs of AUD 65.40, dilution of 10% and payability of 70%.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal dilution were based the results of the Scoping Study by CSA Global (2015) as discussed above. The scoping study states the assumed mining method would involve open sub-level stoping with no back-filling, level intervals of 20m and access by a twin decline from the box cut.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Assumptions regarding metallurgical amenability have also been sourced from the Scoping Study (2015). Comminution and flotation testwork has been conducted on material from Musket and Camelwood deposits. A process flowsheet involves production of a Ni concentrate, with Ni recovery to the rougher concentrate for Musket primary disseminated material of 84.2% and Ni recovery to the rougher concentrate for Camelwood primary disseminated material of 86.2%. Massive ore achieved 97 to 100% recovery at a concentrate grade of 12% Ni while disseminated ore achieved 74 to 81% recovery at a concentrate grade of 12% Ni. Details can be found in the CSA Global Scoping Study report (2015).
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts,*	• A level 1 vegetation and flora assessment was conducted for the Fisher East Nickel Project and is detailed in the Scoping Study. A total of 31 flora species were identified, with none listed as threatened. Other studies on water management, tailings storage and transport of the concentrate have also been completed and are included in the Scoping Study document (2015).

CANNON RESOURCES

Criteria	JORC Code explanation	Commentary
	particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• All density measurements were taken by Rox and Cannon using the water immersion (Archimedes) industry-standard method. The dry bulk density was determined from core samples ranging from approximately 16cm to 1.5m in length. A relationship between Ni grade and density was determined from existing drill samples. A regression equation was determined as follows for all massive mineralisation: Density = (0.00001*Ni) + 3.17787 And for all disseminated mineralisation : Density = (0.00001*Ni) + 2.90070 The regression equations above were used to determine densities for other samples with no density data. The density was then estimated into the block model along with all elements. • The bulk density determination method adequately accounts for void spaces, moisture and differences between rock and alteration zones. • Assumptions were made for the bulk density of waste material outside the mineralised wireframes as there were few determinations. An average grade of 2.91 t/m3 was applied to the waste material.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.*	• Classification of the Mineral Resources into the varying confidence categories was based on

Criteria	JORC Code explanation	Commentary
	• *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	data quality, quality of the estimate and sample spacing, predominantly. Mineral Resources where the sample spacing was 50m or less were classified as Indicated Resource. Mineral Resources where sample spacing was 50m up to 150m were classified as Inferred Resources. Resources where there were only single samples less than the minimum composite length were classified as Inferred unless adjacent to a thick zone of Indicated disseminated mineralisation. • Appropriate account has been taken of all relevant factors with classification modified based on other factors such as size and confidence in adjacent resources. • The result appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.* • *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative*	• The Mineral Resource has been audited by RPMGlobal Pty Ltd ("RPM"). RPM reviewed all aspects of the resource model from data and QAQC results to statistical analysis and variography, block model coding and estimation and reporting of resource quantities and grades. RPM found some issues with the model which was rectified by Cannon prior to finalisation. RPM found no material issues with the final resource model and reported resource quantities and grades. • The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the JORC Code (2012 Edition). The block models and resource estimates are suitable for planning and scheduling of medium to long-term production over periods such as yearly or quarterly. The block model is not suitable for selection of blocks at the time of mining – block selection at the time of mining will require more sampling during a grade control program. • The statement relates to global estimates of tonnes and grade.

Criteria	JORC Code explanation	Commentary
	accuracy and confidence of the estimate should be compared with production data, where available.	• No production data is available.