

ASX Announcement

3 March 2021

Metals Australia to Acquire Nepean South Nickel Project, Western Australia

Highlights:

- Binding agreement signed to acquire 100% of the **Nepean South Nickel Project** located near Coolgardie in Western Australia – a **Kambalda style nickel sulphide project**
- Historic shallow RAB drilling was completed by Mincor Resources NL (**Mincor**) with significant drilling results including:
 - **NRB042: 3m @ 2.34g/t Au** from 57m
 - **NRB048: 12m @ 1.29% Ni** from 15m
including **NRB048: 6m @ 1.84% Ni and 0.02% Cu** from 18m
 - **NRB067: 3m @ 0.78% Ni** from 33m and **3m @ 0.76% Ni** from 48m (6537270mN, 315560mE)
 - **NRB055: 9m @ 0.54% Ni** from 21m
 - **NRB077: 3m @ 0.69% Ni** from 24m (6536970mN, 315600mE)
- **Nepean South Nickel Project is considered both highly prospective and underexplored for both gold and nickel**, with historic RAB drilling completed to very shallow depths on average only 42m from surface, with many holes drilled at even shallower depths
- **An EM conductor on a basal ultramafic contact 100-200m below surface is located at the northern tenement boundary of the Nepean South project and is interpreted to continue south along strike into the Nepean South licence**
- Nepean South Nickel Project is located south of and along strike of the historic Nepean nickel sulphide mine, currently 80% owned by Auroch Minerals Limited (**Auroch**) (ASX: AOU), which produced **1,108,457 tonnes of nickel ore at an average recovered grade of 2.99% Ni for 32,303t of nickel metal** between 1970 and 1987¹
- Auroch is currently drilling along the southern extent of the Nepean Project, located directly north of the Nepean South Nickel Project (*presently being acquired by Metals Australia*), and has intersected high-grade nickel, including²:
 - **3m @ 3.70% Ni and 0.33% Cu from 91m**
including 2m @ 5.09% Ni and 0.47% Cu from 91m (NPRC031)
 - **1m @ 5.57% Ni and 0.25% Cu** from 60m (NPRC032)
 - **2m @ 3.02% Ni and 0.30% Cu** from 55m (NPRC034)
 - **3m @ 1.35% Ni and 0.10% Cu from 40m,**
within a broader zone of 18m @ 0.76% Ni and 0.02% Cu from 25m (NPRC033)
- Initial exploration program for Metals Australia at the Nepean South Nickel Project will consist of **an airborne EM survey across the entire strike length** of the prospective ultramafic sequence, followed by a **drilling campaign**
- **Nickel price fast approaching US\$20,000/t – record high nickel prices makes this acquisition value accretive for shareholders**

¹ Refer to ASX announcement dated 11 November 2020 and released on the MAP by Auroch Minerals Limited (ASX: AOU) and titled "Auroch to Acquire High-Grade Nepean Nickel Project".

² Refer to ASX announcement dated 15 February 2021 and released on the MAP by Auroch Minerals Limited (ASX: AOU) and titled "Intersections over 5% Ni Extend High-Grade Mineralisation at Nepean".

Metals Australia Ltd (**ASX: MLS**) (**MLS** or the **Company**) is pleased to announce it has entered into a binding agreement to acquire 100% of the Nepean South Nickel Mine (**Nepean South**) located approximately 30km south of Coolgardie, Western Australia.

The Nepean South project is located directly south and along strike of the historic Nepean nickel sulphide mine (**Nepean mine**), currently 80% owned by Auroch Minerals Limited (**ASX: AOU**) (**Auroch**), which was the second producing nickel mine in Australia, producing 1,108,457t of ore between 1970 and 1987 for 32,202t of nickel metal at an average recovered grade of 2.99% Ni¹. The ore was treated by Western Mining Corporation (WMC, now BHP Group Ltd) at their Kambalda processing facilities. The Nepean mine closed in 1987 due to low nickel prices.

The nickel sulphide mineralisation around the Nepean South project is typically massive to semi-massive sulphide with a high nickel tenor located on ultramafic-mafic contacts. Historic shallow RAB drilling was completed by Mincor Resources NL (**Mincor**) with significant drilling results including:

- **NRB042: 3m @ 2.34g/t Au** from 57m
- **NRB048: 12m @ 1.29% Ni** from 15m
including **NRB048: 6m @ 1.84% Ni and 0.02% Cu** from 18m
- **NRB067: 3m @ 0.78% Ni** from 33m **and 3m @ 0.76% Ni** from 48m
(6537270mN, 315560mE)
- **NRB055: 9m @ 0.54% Ni** from 21m
- **NRB077: 3m @ 0.69% Ni** from 24m

The Nepean South project is considered both highly prospective and underexplored for both gold and nickel, with historic RAB drilling completed to very shallow depths on average only 42m from surface, with many holes drilled at even shallower depths.

Previous exploration identified an EM target conductor on a basal ultramafic contact 100-200m below surface located at the northern tenement boundary of the Nepean South project which is interpreted to continue south along strike into the Nepean South licence. **This is a high priority target for the Company.**

An initial exploration program has been planned at the Nepean South project comprising of **an airborne EM survey across the entire strike length** of the prospective ultramafic sequence. This will be followed by a **drilling campaign**. The Company is currently securing a contractor for the airborne EM survey and data interpretation and will update shareholders in due course.

Commenting on the acquisition of the Nepean South Nickel Project, Director of Metals Australia, Mr Gino D'Anna stated:

"We are very pleased to have acquired the Nepean South Nickel Project. The Nepean South project is a typical Kambalda style nickel sulphide project which is strategically located along strike and south of the historic Nepean sulphide nickel mine, owned 80% by Auroch Minerals Limited. Auroch Minerals is currently drilling at the Nepean mine and has intersected shallow nickel sulphides.

The acquisition of the Nepean South project compliments our existing asset portfolio which is levered to the battery metals sector, with nickel sulphate playing a vital role in the electrification transition. Historic exploration at the Nepean South project undertaken by Mincor in 2007 has demonstrated both the grade of the mineralisation and the shallow nature of the nickel sulphides.

¹ Refer to ASX announcement dated 11 November 2020 and released on the MAP by Auroch Minerals Limited (ASX: AOU) and titled "Auroch to Acquire High-Grade Nepean Nickel Project".

We are also continuing the development of our high-grade Lac Rainy Graphite Project in Quebec and will soon be commencing an advanced stage of metallurgical testwork designed to improve the economics of the Stage 1 Scoping Study through better defining the sizing fractions of the graphite concentrate produced at Lac Rainy and improving the yield and recovery at processing through an optimised and Lac Rainy specific production flowsheet. We will update shareholders in due course.”

TENURE AND LOCATION

The Nepean South Nickel Project is located approximately 30km south of the township of Coolgardie in the Goldfields region of Western Australia. The tenement package consists of a single granted exploration licence (EL15/1702) covering a total area of 35.22km² and is located in a highly fertile region for both nickel and gold mineralisation. The project is accessed by maintained bitumen roads, leading directly to the project area with numerous exploration tracks providing access across the tenement package, facilitating easy exploration access.

GEOLOGY

The tenement incorporates approximately 10km of strike of Kambalda-style komatiites, flanked by granites, with significant nickel sulphide mineralisation potential. The mineralisation present at the Nepean South project is interpreted to be similar to the Kambalda style, with nickel sulphides dominantly associated with the basal unit of komatiite flows in the stratigraphic package.

The Nepean South project is located in the boundary of the Southern Cross Platform and the Eastern Goldfields Platform in Yilgarn Craton. This area is separated by the Ida Fault which is the tectonic boundary of Southern Cross and Eastern Goldfields Granite-Greenstone Terranes. The Ida Fault is interpreted to be a crustal-scale extensional fault.

The Nepean South project geology is illustrated in Figure 1 below:

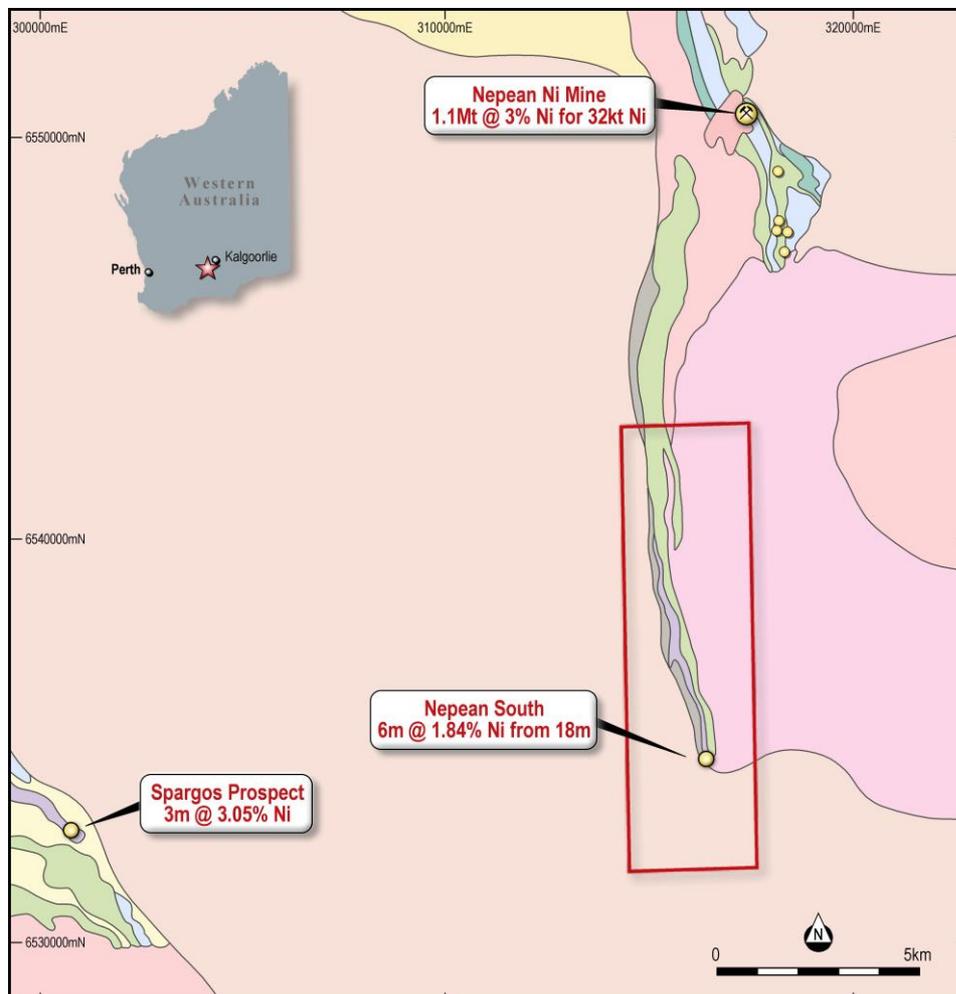


Figure 1: Nepean South Nickel Project interpreted geology

MINERALISATION

The nickel mineralisation identified in the Kambalda area are volcanic peridotite associated deposits which are best developed at or near the base of ultramafic flows (komatiite). The ultramafic flows occur at a low stratigraphic level in the Kambalda greenstone succession.

The bulk of the mineralisation in these komatiite flows is at the flow base, within depressions in the underlying units. The Nepean South project is prospective for both komatiitic-hosted nickel sulphide deposits and greenstone-hosted orogenic gold deposits.

HISTORICAL EXPLORATION

Exploration at the Nepean South Nickel Project had been historically undertaken over the period from 2006 to 2012. In 2012, Mincor Resources NL (**Mincor**) conducted an exploration campaign on the Nepean South project.

Mincor drilled a total of 23 RAB holes for 1,342 metres that were aimed to infill the area surrounding previously drilled RAB hole NRB042, which returned an intersection of 3m @ 2.34 g/t Au from 57m (Wamex Report A97027).

Significant drilling results include:

- **NRB042: 3m @ 2.34g/t Au** from 57m
- **NRB048: 6m @ 1.84% Ni** from 18m
- **NRB067: 3m @ 0.78% Ni** from 33m **and 3m @ 0.76% Ni** from 48m (6537270mN, 315560mE)
- **NRB077: 3m @ 0.69% Ni** from 24m (6536970mN, 315600mE)

The historic hole (NRB042) was part of a wide spaced reconnaissance program testing a magnetic high believed to be an extension of the Nepean ultramafic. This program identified a broad corridor of 100 ppb gold in basement lithologies and follow up work was recommended. The intersection was hosted in low MgO amphibole-rich foliated ultramafic lithology associated with minor ironstone and volcanoclastics.

To the north of the drilled area and located at the northern tenement boundary there is an untested TEM conductor from a 2010 geophysical survey along the interpreted basal contact with an estimated depth to top of conductor of 100-200m.

EXPLORATION UPSIDE

In addition to following up the historical shallow RAB drilling completed by Mincor, the Nepean South project also hosts significant exploration upside. The Nepean South project has been underexplored and much of the ultramafic strike remains untested and very little deep drilling and exploration has been completed.

The Company believes that there is great potential to identify additional mineralisation at depth beneath the historical drilling as well as discover new mineralisation along strike of those previously drill tested areas.

WORK PROGRAMME

The Company has commenced the planning for an initial airborne EM survey across the entire strike length of the prospective ultramafic sequence covering the Nepean South project. This data will then be interpreted and examined to enable the Company to identify high priority targets which will be followed up in the field with an RC drilling program.

KEY COMMERCIAL TERMS

The Company has entered into a binding term sheet with the Vendor to acquire 100% of the Nepean South Nickel Project (the **Acquisition**).

Consideration for the Acquisition will comprise the following:

- a cash payment of A\$25,000 to be paid within five (5) business days from the Company completing its due diligence investigations to its absolute satisfaction; and
- the issue of such number of fully paid ordinary shares in the capital of the Company that is the equivalent of A\$75,000 (Share Consideration), at a deemed issue price equal to the higher of \$0.002 or the 5-day VWAP of the Company immediately prior to the date on which the Share Consideration is proposed to be issued. The Share Consideration shall be escrowed for 6 months from the date of issue. These shares will be issued by the Company pursuant to ASX Listing Rule 7.1.

Completion of the Acquisition is expected to occur on or about 5 March 2021. The Share Consideration is expected to be issued on or about the same date, with the cash consideration also being paid on or about the same date.

The Acquisition is subject to, and conditional upon, the satisfaction of the Company with its due diligence on the assets. The Company notes that its legal due diligence has been completed and technical due diligence is due for sign off imminently.

This announcement was authorised for release by the Board of Directors.

ENDS

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Caution Regarding Forward-Looking Information

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Metals Australia Limited's planned exploration program and other statements that are not historical facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Metals Australia Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Declaration

The information that relates to exploration results for the Nepean South Nickel Project was reported by Mincor Resources NL in 2012. The exploration results are not reported in accordance with the JORC Code 2012 and a Competent Person (as defined in the JORC Code 2012) has not done sufficient work to classify the Exploration Results in accordance with JORC Code 2012. The information in this report that relates to Exploration Results is based on information compiled by Mr Martin Bennett and represents an accurate representation of the available data and studies for the project. Mr. Martin Bennett is a consultant to Metals Australia Ltd, and a member of The Australasian Institute of Mining and Metallurgy. Mr. Bennett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1: Collar Locations of Mincor Resources NL RAB Drill Holes

Hole ID	Hole Type	Max Depth	Grid ID	Easting	Northing	RL	Drill Code	Drill Type	Report
NRB001	RAB	23	MGA94_51	315800	6542525	400	RAB	Rotary Air Bore	078327
NRB002	RAB	19	MGA94_51	315720	6542525	400	RAB	Rotary Air Bore	078327
NRB003	RAB	47	MGA94_51	315640	6542525	400	RAB	Rotary Air Bore	078327
NRB004	RAB	11	MGA94_51	315560	6542525	400	RAB	Rotary Air Bore	078327
NRB005	RAB	5	MGA94_51	315800	6542100	400	RAB	Rotary Air Bore	078327
NRB005R	RAB	44	MGA94_51	315800	6542100	400	RAB	Rotary Air Bore	078327
NRB006	RAB	25	MGA94_51	315800	6541300	400	RAB	Rotary Air Bore	078327
NRB006R	RAB	27	MGA94_51	315800	6541300	400	RAB	Rotary Air Bore	078327
NRB007	RAB	16	MGA94_51	315720	6541300	400	RAB	Rotary Air Bore	078327
NRB007R	RAB	32	MGA94_51	315720	6541300	400	RAB	Rotary Air Bore	078327
NRB008	RAB	11	MGA94_51	315640	6541300	400	RAB	Rotary Air Bore	078327
NRB008R	RAB	44	MGA94_51	315640	6541300	400	RAB	Rotary Air Bore	078327
NRB009	RAB	23	MGA94_51	315560	6541300	400	RAB	Rotary Air Bore	078327
NRB010	RAB	38	MGA94_51	315480	6541300	400	RAB	Rotary Air Bore	078327
NRB011	RAB	10	MGA94_51	315400	6541300	400	RAB	Rotary Air Bore	078327
NRB012	RAB	22	MGA94_51	315320	6541300	400	RAB	Rotary Air Bore	078327
NRB013	RAB	6	MGA94_51	315880	6539740	400	RAB	Rotary Air Bore	078327
NRB014	RAB	5	MGA94_51	315800	6539740	400	RAB	Rotary Air Bore	078327
NRB015	RAB	25	MGA94_51	315720	6539740	400	RAB	Rotary Air Bore	078327
NRB015R	RAB	26	MGA94_51	315720	6539740	400	RAB	Rotary Air Bore	078327
NRB016	RAB	8	MGA94_51	315640	6539740	400	RAB	Rotary Air Bore	078327
NRB016R	RAB	61	MGA94_51	315640	6539740	400	RAB	Rotary Air Bore	078327
NRB017	RAB	66	MGA94_51	315560	6539740	400	RAB	Rotary Air Bore	078327
NRB018	RAB	57	MGA94_51	315480	6539740	400	RAB	Rotary Air Bore	078327
NRB019	RAB	49	MGA94_51	315400	6539740	400	RAB	Rotary Air Bore	078327
NRB019R	RAB	45	MGA94_51	315400	6539740	400	RAB	Rotary Air Bore	078327
NRB020	RAB	52	MGA94_51	315680	6538150	400	RAB	Rotary Air Bore	078327
NRB021	RAB	55	MGA94_51	315600	6538150	400	RAB	Rotary Air Bore	078327
NRB022	RAB	37	MGA94_51	315420	6538150	400	RAB	Rotary Air Bore	078327
NRB023	RAB	25	MGA94_51	315340	6538150	400	RAB	Rotary Air Bore	078327
NRB024	RAB	44	MGA94_51	315720	6542100	400	RAB	Rotary Air Bore	078327
NRB025	RAB	41	MGA94_51	315640	6542100	400	RAB	Rotary Air Bore	078327
NRB026	RAB	34	MGA94_51	315560	6542100	400	RAB	Rotary Air Bore	078327
NRB027	RAB	41	MGA94_51	315480	6542100	400	RAB	Rotary Air Bore	078327

NRB028	RAB	41	MGA94_51	315400	6542100	400	RAB	Rotary Air Bore	078327
NRB029	RAB	60	MGA94_51	315320	6542100	400	RAB	Rotary Air Bore	078327
NRB030	RAB	41	MGA94_51	315960	6537600	400	RAB	Rotary Air Bore	078327
NRB031	RAB	41	MGA94_51	315880	6537600	400	RAB	Rotary Air Bore	078327
NRB032	RAB	50	MGA94_51	315800	6537600	400	RAB	Rotary Air Bore	078327
NRB033	RAB	60	MGA94_51	315720	6537600	400	RAB	Rotary Air Bore	078327
NRB034	RAB	64	MGA94_51	315640	6537600	400	RAB	Rotary Air Bore	078327
NRB035	RAB	58	MGA94_51	315560	6537600	400	RAB	Rotary Air Bore	078327
NRB036	RAB	41	MGA94_51	315480	6537600	400	RAB	Rotary Air Bore	078327
NRB037	RAB	64	MGA94_51	315400	6537600	400	RAB	Rotary Air Bore	078327
NRB038	RAB	49	MGA94_51	315880	6536970	400	RAB	Rotary Air Bore	078327
NRB039	RAB	81	MGA94_51	315800	6536970	400	RAB	Rotary Air Bore	078327
NRB040	RAB	69	MGA94_51	315720	6536970	400	RAB	Rotary Air Bore	078327
NRB041	RAB	42	MGA94_51	315640	6536970	400	RAB	Rotary Air Bore	078327
NRB042	RAB	75	MGA94_51	315560	6536970	400	RAB	Rotary Air Bore	078327
NRB043	RAB	76	MGA94_51	315480	6536970	400	RAB	Rotary Air Bore	078327
NRB044	RAB	41	MGA94_51	315400	6536970	400	RAB	Rotary Air Bore	078327
NRB045	RAB	41	MGA94_51	316720	6534550	400	RAB	Rotary Air Bore	078327
NRB046	RAB	41	MGA94_51	316640	6534550	400	RAB	Rotary Air Bore	078327
NRB047	RAB	41	MGA94_51	316560	6534550	400	RAB	Rotary Air Bore	078327
NRB048	RAB	52	MGA94_51	316480	6534550	400	RAB	Rotary Air Bore	078327
NRB049	RAB	43	MGA94_51	316400	6534550	400	RAB	Rotary Air Bore	078327
NRB050	RAB	48	MGA94_51	316320	6534550	400	RAB	Rotary Air Bore	078327
NRB051	RAB	54	MGA94_51	316240	6534550	400	RAB	Rotary Air Bore	078327
NRB052	RAB	41	MGA94_51	316160	6534550	400	RAB	Rotary Air Bore	078327
NRB053	RAB	30	MGA94_51	316520	6534550	400	RAB	Rotary Air Bore	078327
NRB054	RAB	56	MGA94_51	315900	6536970	400	RAB	Rotary Air Bore	078327
NRB055	RAB	66	MGA94_51	315680	6537600	400	RAB	Rotary Air Bore	078327
NRB056	RAB	62	MGA94_51	315640	6538150	400	RAB	Rotary Air Bore	078327
NRB057	RAB	47	MGA94_51	315460	6538150	400	RAB	Rotary Air Bore	078327
NRB058	RAB	34	MGA94_51	315440	6538150	400	RAB	Rotary Air Bore	078327
NRB059	RAB	8	MGA94_51	315880	6540580	400	RAB	Rotary Air Bore	078327
NRB060	RAB	20	MGA94_51	315800	6540580	400	RAB	Rotary Air Bore	078327
NRB060R	RAB	26	MGA94_51	315800	6540580	400	RAB	Rotary Air Bore	078327
NRB061	RAB	72	MGA94_51	315720	6540580	400	RAB	Rotary Air Bore	078327

NRB062	RAB	63	MGA94_51	315640	6540580	400	RAB	Rotary Air Bore	078327
NRB063	RAB	42	MGA94_51	315560	6540580	400	RAB	Rotary Air Bore	078327
NRB064	RAB	44	MGA94_51	315480	6540580	400	RAB	Rotary Air Bore	078327
NRB065	RAB	54	MGA94_51	315400	6540580	400	RAB	Rotary Air Bore	078327
NRB066	RAB	84	MGA94_51	315420	6539740	400	RAB	Rotary Air Bore	078327
NRB067	RAB	56	MGA94_51	315560	6537270	400	RAB	Rotary Air Bore	078327
NRB077	RAB	32	MGA94_51	315600	6536970	400	RAB	Rotary Air Bore	078327

Appendix 2: Full table of significant nickel intersections drilled by Mincor Resources NL

Hole ID	Drill Type	Easting (m)	Northing (m)	RL	Final Depth	Significant Intersection
NRB001	RAB	315800	6542525	400	23	NSI
NRB002	RAB	315720	6542525	400	19	NSI
NRB003	RAB	315640	6542525	400	47	NSI
NRB004	RAB	315560	6542525	400	11	NSI
NRB005R	RAB	315800	6542100	400	44	NSI
NRB006	RAB	315800	6541300	400	25	NSI
NRB006R	RAB	315800	6541300	400	27	NSI
NRB007	RAB	315720	6541300	400	16	NSI
NRB007R	RAB	315720	6541300	400	32	NSI
NRB008	RAB	315640	6541300	400	11	NSI
NRB008R	RAB	315640	6541300	400	44	NSI
NRB009	RAB	315560	6541300	400	23	NSI
NRB010	RAB	315480	6541300	400	38	NSI
NRB011	RAB	315400	6541300	400	10	NSI
NRB012	RAB	315320	6541300	400	22	NSI
NRB013	RAB	315880	6539740	400	6	NSI
NRB014	RAB	315800	6539740	400	5	NSI
NRB015	RAB	315720	6539740	400	25	NSI
NRB015R	RAB	315720	6539740	400	26	3m @ 0.15 g/t Au and 0.12% Ni
NRB016R	RAB	315640	6539740	400	61	NSI
NRB017	RAB	315560	6539740	400	66	3m @ 0.44% Ni
NRB017	RAB	315560	6539740	400	66	6m @ 0.33% Ni
NRB018	RAB	315480	6539740	400	57	NSI
NRB019	RAB	315400	6539740	400	49	3m @ 0.21 g/t Au
NRB020	RAB	315680	6538150	400	52	NSI
NRB021	RAB	315600	6538150	400	55	40m @ 0.30% Ni
NRB021	RAB	315600	6538150	400	55	3m @ 0.62% Ni
NRB021	RAB	315600	6538150	400	55	3m @ 0.57% Ni
NRB022	RAB	315420	6538150	400	37	NSI
NRB023	RAB	315340	6538150	400	25	NSI

NRB024	RAB	315720	6542100	400	44	NSI
NRB025	RAB	315640	6542100	400	41	NSI
NRB026	RAB	315560	6542100	400	34	NSI
NRB027	RAB	315480	6542100	400	41	NSI
NRB028	RAB	315400	6542100	400	41	NSI
NRB029	RAB	315320	6542100	400	60	NSI
NRB030	RAB	315960	6537600	400	41	NSI
NRB031	RAB	315880	6537600	400	41	NSI
NRB032	RAB	315800	6537600	400	50	NSI
NRB033	RAB	315720	6537600	400	60	NSI
NRB034	RAB	315640	6537600	400	64	6m @ 0.57% Ni
NRB034	RAB	315640	6537600	400	64	3m @ 0.62% Ni
NRB035	RAB	315560	6537600	400	58	3m @ 0.44% Ni
NRB036	RAB	315480	6537600	400	41	NSI
NRB037	RAB	315400	6537600	400	64	NSI
NRB038	RAB	315880	6536970	400	49	6m @ 0.53% Ni
NRB039	RAB	315800	6536970	400	81	3m @ 0.53% Ni
NRB040	RAB	315720	6536970	400	69	NSI
NRB041	RAB	315640	6536970	400	42	3m @ 0.35 g/t Au
NRB042	RAB	315560	6536970	400	75	3m @ 2.34 g/t Au
NRB043	RAB	315480	6536970	400	76	NSI
NRB044	RAB	315400	6536970	400	41	NSI
NRB045	RAB	316720	6534550	400	41	NSI
NRB046	RAB	316640	6534550	400	41	NSI
NRB047	RAB	316560	6534550	400	41	NSI
NRB048	RAB	316480	6534550	400	52	3m @ 1.79% Ni
NRB048	RAB	316480	6534550	400	52	3m @ 1.89% Ni
NRB048	RAB	316480	6534550	400	52	15m @ 1.12% Ni
NRB048	RAB	316480	6534550	400	52	12m @ 1.29% Ni
NRB048	RAB	316480	6534550	400	52	30m @ 0.70% Ni
NRB049	RAB	316400	6534550	400	43	6m @ 0.59% Ni
NRB050	RAB	316320	6534550	400	48	NSI
NRB051	RAB	316240	6534550	400	54	NSI
NRB052	RAB	316160	6534550	400	41	NSI

NRB053	RAB	316520	6534550	400	30	NSI
NRB054	RAB	315900	6536970	400	56	18m @ 0.30% Ni
NRB055	RAB	315680	6537600	400	66	9m @ 0.54% Ni
NRB056	RAB	315640	6538150	400	62	6m @ 0.63% Ni
NRB057	RAB	315460	6538150	400	47	NSI
NRB058	RAB	315440	6538150	400	38	NSI
NRB059	RAB	315880	6540580	400	8	NSI
NRB060	RAB	315800	6540580	400	20	NSI
NRB060R	RAB	315800	6540580	400	26	NSI
NRB061	RAB	315720	6540580	400	72	NSI
NRB062	RAB	315640	6540580	400	63	NSI
NRB063	RAB	315560	6540580	400	42	NSI
NRB064	RAB	315480	6540580	400	44	NSI
NRB065	RAB	315400	6540580	400	54	NSI
NRB066	RAB	315420	6539740	400	84	NSI
NRB067	RAB	315560	6537270	400	56	3m @ 0.78% Ni
NRB067	RAB	315560	6537270	400	56	3m @ 0.76% Ni
NRB077	RAB	315600	6536970	400	32	3m @ 0.69% Ni

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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. 	<p>Nickel mineralisation at the Nepean South Nickel Project has been sampled from RAB 1m samples.</p> <p>No diamond core samples are reported in this announcement.</p>
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). 	<p>Drilling completed by Mincor Resources NL is reported. The project has been held by various companies with numerous phases of exploration undertaken, the most relevant being the RAB drilling completed by Mincor Resources NL. In total 23 RAB holes were drilled by Mincor Resources NL in 2012 at the Nepean South Nickel Project. RAB drilling was completed to a very shallow depth, with a maximum depth of 84m in the case of NRB066.</p>
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. 	<p>Sample recovery assessment details are not documented by previous operators Mincor Resources NL.</p>
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. 	<p>Geological logging data collected to date is sufficiently detailed. At this stage, detailed geotechnical logging is not required.</p> <p>Geological logging is intrinsically qualitative.</p> <p>Historic drill holes were geologically logged by previous operators and these data are available to Metals Australia Limited.</p>
Sub-sampling techniques and	<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. 	<p>1m RAB, maximum 1m length core samples, or as close as reasonable within geological boundaries, are considered appropriate for the style of mineralisation being targeted.</p> <p>Historic drill holes were logged at a level of detail to ensure sufficient geological</p>

Criteria	JORC Code explanation	Commentary
sample preparation	<ul style="list-style-type: none"> 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. 	<p>understanding to allow representative selection of sample intervals.</p> <p>Sampling QAQC measures taken by previous operator and Mincor Resources NL have not been documented.</p> <p>It is assumed that Mincor Resources NL sample sizes were appropriate for the type, style and thickness of mineralisation tested.</p>
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. 	<p>Mincor Resources NL – utilise a AD02 ICP (4 Acid Digest) Ni, Cu, Au & Co analysis performed by ALS.</p> <p>It is assumed that industry standard commercial laboratory instruments were used by ALS to analyse historic drill samples the Nepean South Nickel Project.</p> <p>It is assumed that industry best practice was used by previous operators to ensure acceptable assay data accuracy and precision. Historical QAQC procedures are not recorded in available documents.</p>
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. 	<p>All historic drilling data including collar coordinates, hole orientation surveys, total depth, sampling intervals and lithological logging were collated from statutory annual reports and historic digital data files.</p> <p>No indication of drill holes being twinned by previous workers has been observed or documented.</p> <p>It is assumed that industry best practice was used for collection, verification and storage of historic data.</p> <p>No adjustments to assay data were undertaken</p>
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. 	<p>Drill hole collars were surveyed by GPS in GDA94/MGA Zone 51.</p>
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<p>Typically sampled in 1-3 metre intervals, skipping intervals of no interest and increasing the frequency of sampling depending on the geology observed.</p> <p>Insufficient data is available to establish the degree of geological and grade continuity required for estimation of a resource.</p> <p>No compositing of data has been applied and assay results are reported as received.</p>
Orientation of data in relation to	<ul style="list-style-type: none"> 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 	<p>Historical drill holes were oriented, as far as reasonably practical, to intersect the centre of the targeted mineralised zone perpendicular to the interpreted strike orientation of</p>

Criteria	JORC Code explanation	Commentary
<i>geological structure</i>	<i>structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	the mineralised zone. The geometry of drill holes relative to the mineralised zones achieves unbiased sampling of this deposit type. No orientation-based sampling bias has been identified.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	It is assumed that due care was taken historically with security of samples during field collection, transport and laboratory analysis.
<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> 	No independent audit or review has been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	Metals Australia Limited is the 100% owner of the Nepean South Nickel Project (E15/1702) pursuant to a binding acquisition agreement. There are no other material issues affecting the tenements. No known royalties exist on the leases. There are no material issues with regard to access. The tenement is in good standing and no known impediments exist.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	Exploration was previously undertaken by Mincor Resources NL and this has been reviewed by the Company.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	The Nepean South Nickel Project is regarded as an Archaean komatiite-hosted massive nickel sulphide deposit.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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</i> 	A Drill hole location table has been included in this announcement.

Criteria	JORC Code explanation	Commentary
	<i>Competent Person should clearly explain why this is the case.</i>	
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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>Exploration Results were reported by using the weighted average of each sample result by its corresponding interval length, as is industry standard practice.</p> <p>Grades >0.5% Ni are considered significant for mineralisation purposes.</p> <p>Metal equivalent values have not been used.</p>
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'). 	<p>Most drill holes were angled to the West so that intersections are orthogonal to the orientation of mineralisation.</p>
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. 	<p>Included in body of the announcement.</p>
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. 	<p>Details and results for all samples submitted for assay are listed in Appendix A and B attached to the body of this announcement.</p> <p>All results related to mineralisation at Nepean South have been reported in the Significant Intercepts Table.</p>
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. 	<p>All meaningful and material data is reported.</p>
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. 	<p>Further detailed geological mapping and sampling planned to identify areas of highest potential.</p> <p>An immediate airborne EM survey.</p> <p>RC drilling, if warranted.</p>