# TEST WORK CONFIRMS NICKEL-COBALT AS RECOVERABLE SULPHIDES, DRILLING CAMPAIGN STARTS

## HIGHLIGHTS

- **Positive implications for a conventional flotation processing route**
- **QEMSCAN Mineralogy confirms Nickel-Cobalt sulphide species dominated by Cobaltite, Gersdorfite, Siegenite and Violarite**
- **Aqua Regia testwork reveals that a high (+98%) percentage of Nickel and Cobalt in SFRC016 is sulphide and carbonate hosted and is chemically leachable**
- **Additional Assays on SFRC18 indicate extension of Komatiite hosts rocks further east than previously recognized**
- **Diamond Drilling Operations have started**

**Resources & Energy Group Limited** (ASX: REZ) (**REZ** or the **Company**), is pleased to provide an update on investigations at the Springfield Nickel prospect.

## AQUA REGIA TEST RESULTS CONFIRM NICKEL-COBALT AS SULPHIDES

Reserved sample from SFRC016 representing a 31m interval of mineralisation from 96 to 126m down the hole were submitted for additional analysis by aqua regia digestion. This work was carried out to develop a basic understanding for the host rock mineralisation. Initial analysis comprising a four-acid digestion method, revealed a principal mineralised interval of **8m @ 0.64% Ni, 469ppm Co and 45ppb (Pt+Pd) from 102m**, within a broader interval of **17m @ 0.37% Ni, 282 ppm Co and 32ppb (Pt+Pd) from 96m** down the hole, refer (ASX, release 6th June 2023).

The aqua regia results for Nickel, Cobalt, and Sulphur over the same intervals are within 98 to 100% of the previously reported 4 acid digest results as under:

**SFRC016 (Cut-off Grade 0.3%)**
8m@ 0.63% Ni from 102m=98%
8m@470 ppm Co from 102m=100%
8m@0.39% S from 102m=98%

**SFRC016 (Cut-off Grade 0.1%)**
17m@ 0.36% Ni from 102m=99%
17m@ 284 ppm Co from 102m=100%
17m@ 0.28% S from 102m= 100%

A four acid digestion assay dissolves nearly all minerals in the majority of rock types including sulphide, carbonate, and silicate forms. Silicate forms of nickel are typically not recoverable by conventional processing. However, aqua regia only dissolves sulphide and carbonate hosted minerals.

The comparison of results of the two digestion methods on a single sample is a diagnostic indicator of the metallurgical character of an ore and with that an indicator of a suitable flowsheet for mine-scale extraction. This is an important economic result for the Springfield Project.

Significantly cobalt and sulphur contents also display similar findings, and the relationships are remarkably consistent, refer figure 1a, 1b and 1c.

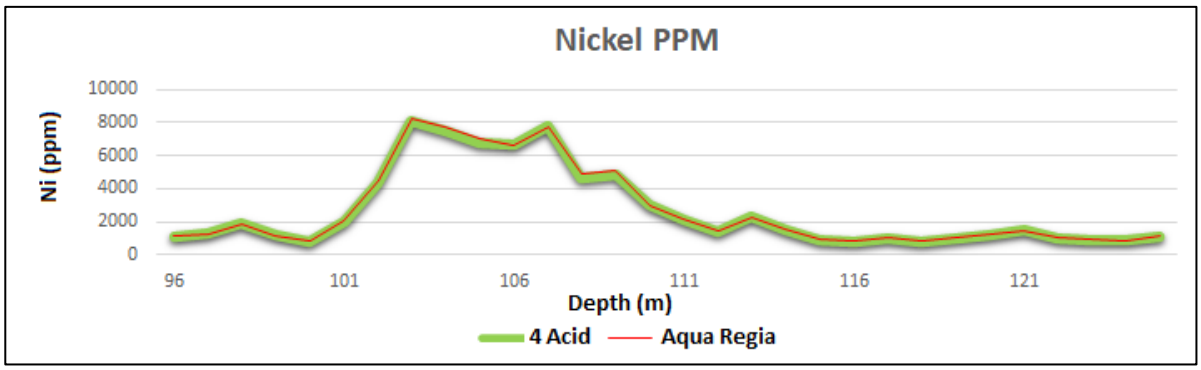



*Figure 1(a) Nickel Content 4 acid vs Aqua Regia Digestion*

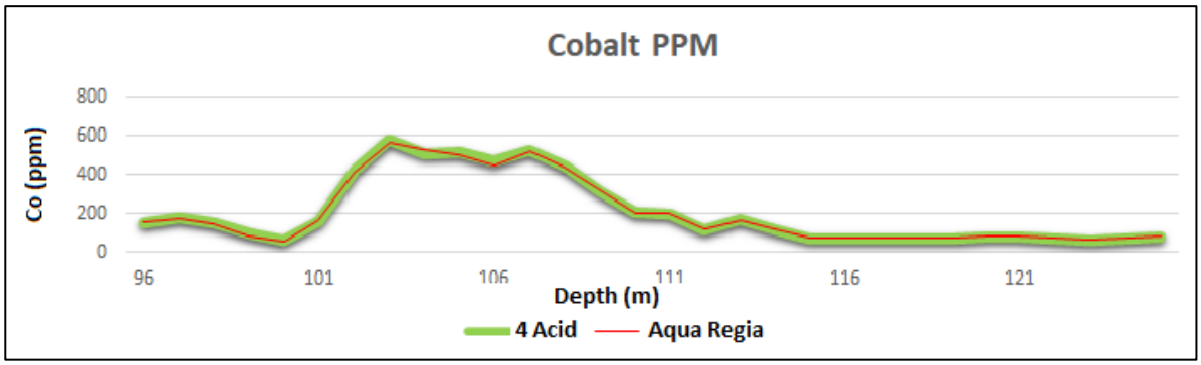



*Figure 1(b) Cobalt Content 4 acid vs Aqua Regia Digestion*

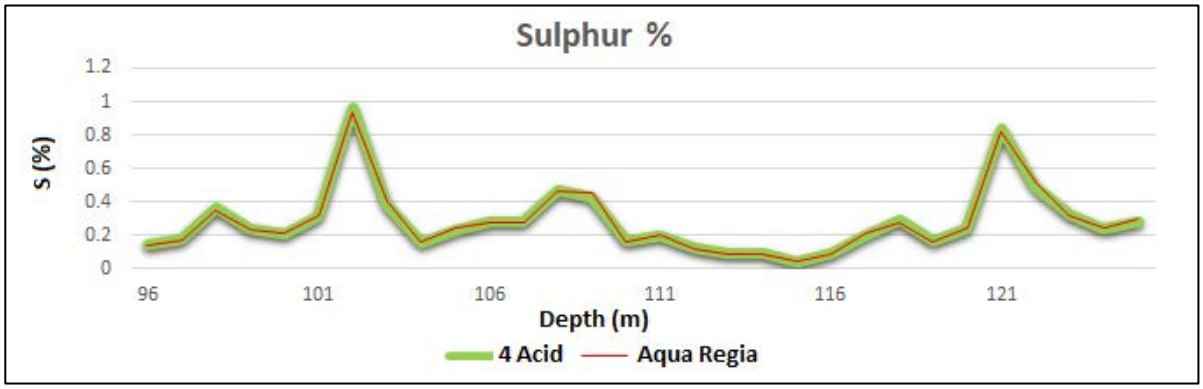



*Figure 1(c) Sulphur Content 4 acid vs Aqua Regia Digestion*

## COMMENTING ON THESE RESULTS REZ CEO J. DANIEL MOORE:

> *"Our focus at Springfield is the potential for disseminated Nickel-Cobalt Sulphide mineralisation. Developing an understanding of the metallurgical character of this mineralisation is a big step. The results indicate that a high proportion of Nickel and Cobalt assayed occurs as sulphides which respond to flotation extraction. Knowing that a flotation concentrate can be produced indicates a relatively low capex operation."*

## PREPARATION OF CONCENTRATES AND QEMSCAN ANALYSIS

As part of the Companies assessment, pulp sample from Reverse Circulation Drillhole SFRC016 was submitted to ALS Metallurgy for further investigation with emphasis on identification of Nickel species using Quantative Automated Mineralogical analysis (QEMSCAN). In particular, sample 'MFG00926', representing the interval from 101-102m was separated into +2.95 Sink and -2.95 Float products by centrifugal HLS. Both products were then chemically assayed by XRF, and the sink product was analysed by QEMSCAN and XRD (for mineral speciation only).

QEMSCAN analysis on the +2.95 Sink product indicates that the main Ni-bearing sulphide minerals are Cobaltite-gersdorffite. This group makes up 2.79 % of the sample mass in the sink product. Minor violarite/pentlandite (0.83 % by mass), trace siegenite (0.02 %) and millerite were also detected, refer figure 2.

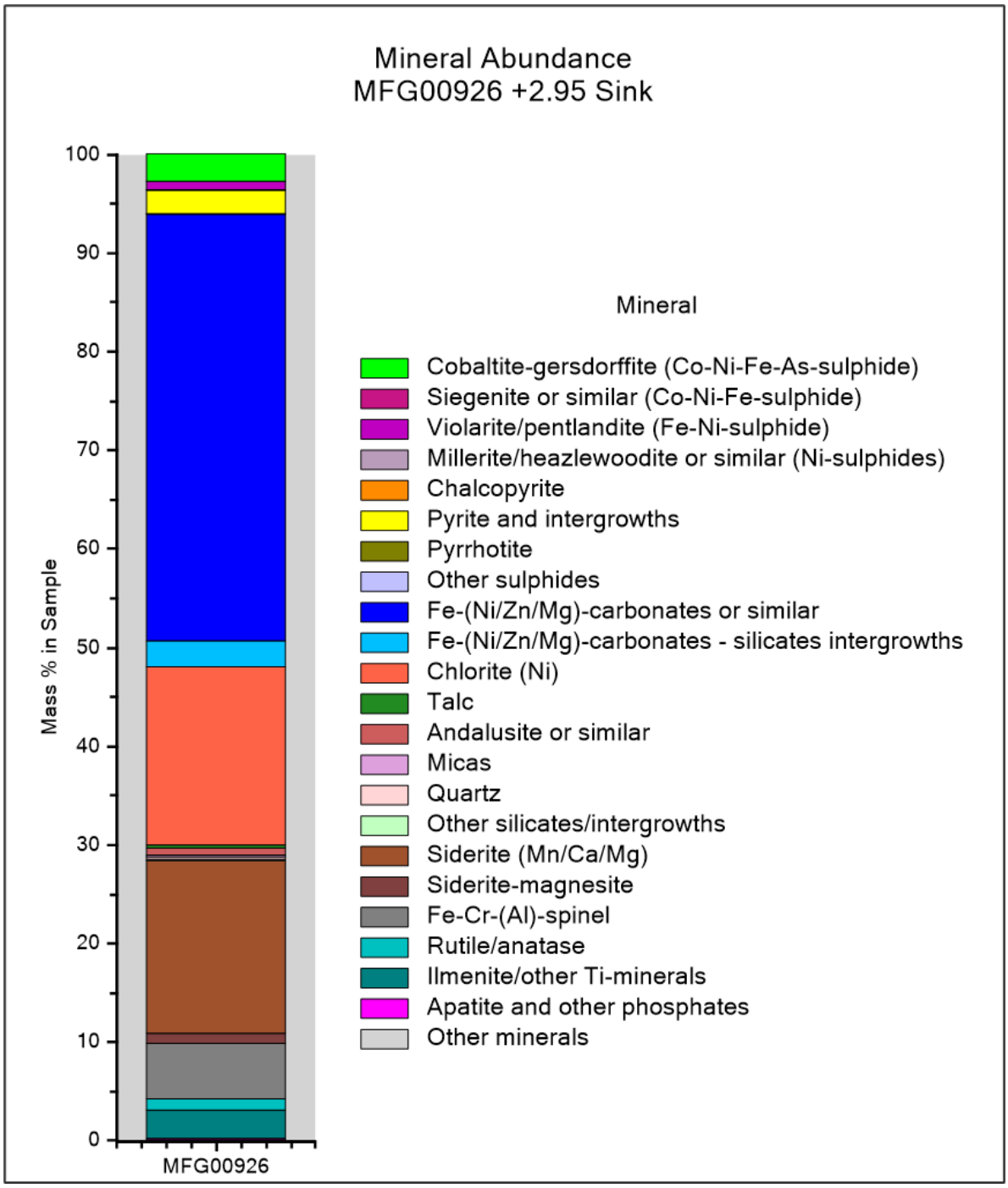
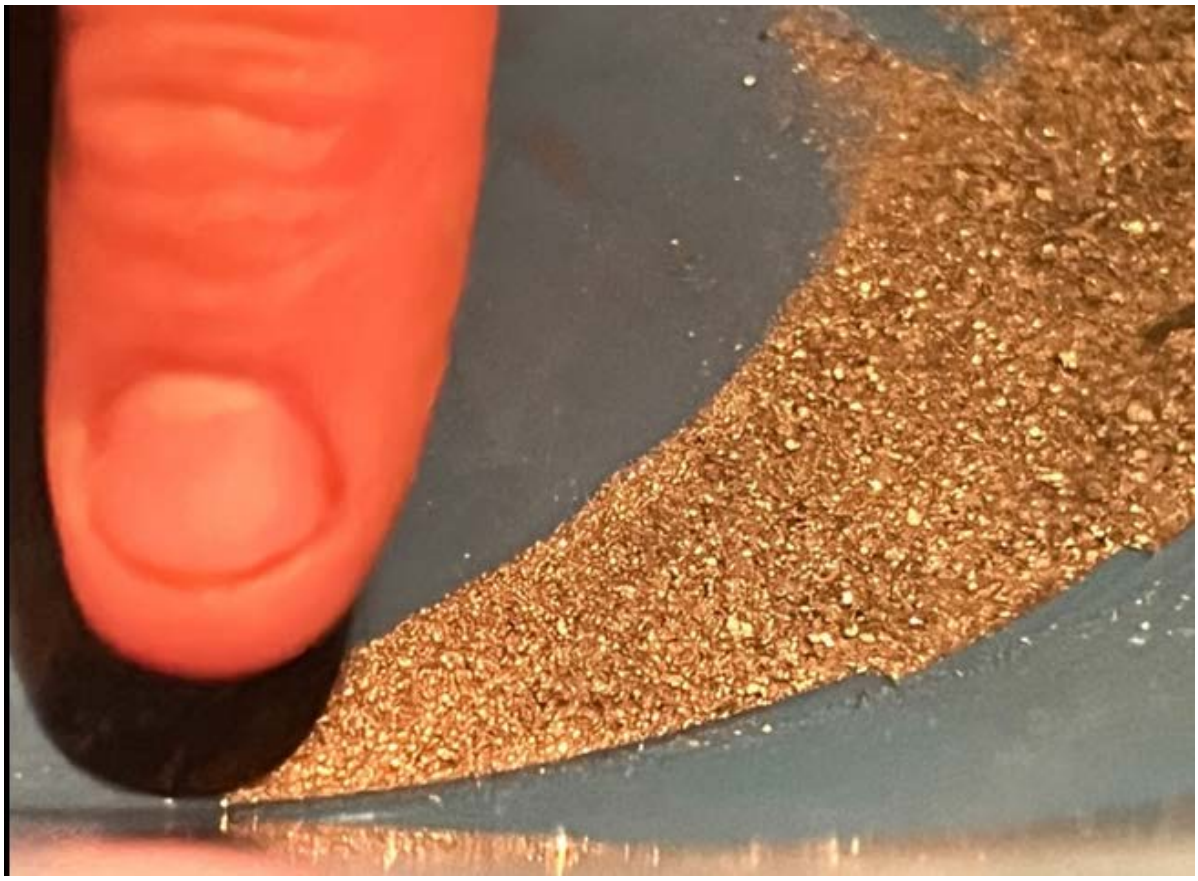



**Figure 2**

QEMSCAN analysis also points to a dominant Fe type carbonate with minor Ni, Zn, Mg, and trace Mn. However, the technology cannot readily distinguish between oxides/oxyhydroxides and carbonates. Further testwork will be required to more fully understand the nature of this mineralisation.



**Panned Sulphide Con of RC chips from SFRC016 from 103-104m. This interval assayed 0.84% Ni, 569ppm Co and 0.4% S**

## DRILLING OPERATIONS SET TO COMMENCE

A program of Diamond drilling has been designed as a step out from SFRC016 to recover additional sample for petrological, metallurgical, and structural analysis. This work will also involve the installation of 50mm casing sleaves to enable completion of down hole geophysical surveys. Borehole SFRC017, which was terminated at 112m depth due to excessive water make, will also be completed to the original target depth of 180m.

In parallel with coring operations a program of RC drilling will commence shortly. This work will be targeting resource extension to the north-south, east, and west of SFRC016. These step out holes will assist in confirming the continuity of mineralisation in terms of thickness and grade, along strike, and dip.

## PENDING PRECIOUS METALS ASSAYS RECEIVED

Results for additional precious metal assays (Pt+Pd and Au) have been received and assessed. A key outcome from these results is SFRC018, which intersected a cumulative interval of 139m @ 0.1% Ni from 16m down the hole. This interval was associated with elevated Platinum+ Palladium which averaged 22ppb over the same interval. A petrological evaluation of chip samples recovered from this hole indicates that the sequence from about 31m is a meta-Komatiite. SFRC018 is located approximately 2km south-east of SFRC016, in a folded sequence of rocks which have not been previously reported as hosting Komatiites, refer figure 4. The identification of these rocks in the vicinity of SFRC018 has potential to open up further ground to the southeast of Springfield and into the area occupied the King Dam Anticline.

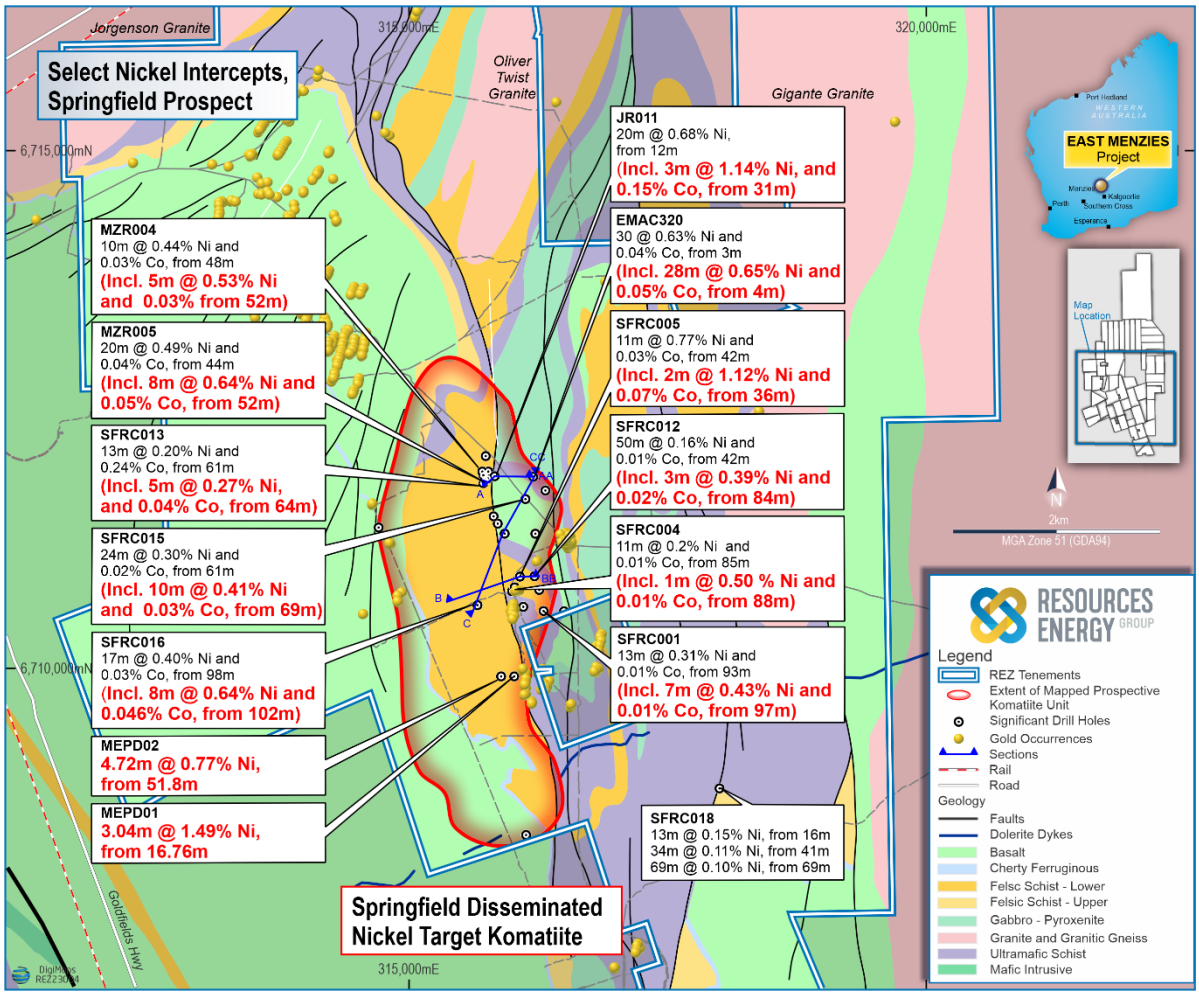



**Figure 4: The Springfield Prospect Borehole Location Plan**

**-Ends-**

Released with the authority of the board.

For further information on the Company and our projects, please visit: **www.rezgroup.com.au**

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## COMPETENT PERSONS STATEMENT

The information in this release related to Exploration Results is based on and fairly represents information compiled by Mr Michael Johnstone Principal Consultant for Minerva Geological Services (MGS). Mr Johnstone is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the reporting of Exploration Results to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Johnstone consents to the inclusion in this release of the matters based on their information in the form and context it appears.

## ABOUT RESOURCES ENERGY GROUP

Resources and Energy Group Limited (ASX: REZ) is an ASX-listed mineral resources explorer and miner, with projects located in premier mining jurisdictions in Western Australia and Queensland. As of April 2023, the Company has gold and silver resources of 183k oz/au and 862k oz/au ag as shown in the Table below.

| Deposit | Material | Cut-off (gt/Au) | Indicated | | | | | Inferred | | | | | Indicated and Inferred | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Tonnes (kt) | Au (g/t) | Ag (g/t) | Au (koz) | Ag (koz) | Tonnes (kt) | Au (g/t) | Ag (g/t) | Au (koz) | Ag (koz) | Tonnes (kt) | Au (g/t) | Ag (g/t) | Au (koz) | Ag (koz) |
| Mount Mackenzie [1] | Oxide | 0.35 | 500 | 1.09 | 8 | 18 | 136 | 700 | 0.96 | 4 | 21 | 87 | 1200 | 1.02 | 6 | 39 | 223 |
| | Primary | 0.55 | 1200 | 1.25 | 13 | 48 | 482 | 1030 | 1.28 | 5 | 42 | 157 | 2220 | 1.27 | 9 | 90 | 639 |
| Goodenough [2] | Primary | 1 | 634 | 1.84 | | 38 | | 82 | 1.99 | | 5.2 | | 716 | 2.07 | | 43 | |
| Granny Venn[3] | Primary | 1 | 134 | 2.03 | | 9 | | 41 | 2.14 | | 2.9 | | 175 | 2.1 | | 3 | |
| Maranoa[4] | Primary | 1 | | | | | | 46 | | | 8 | 8.05 | 46 | 5.7 | | 8 | |
| Total | | | 2468 | | | 113 | 618 | 1899 | | | 79 | 252 | 4357 | | | 183 | 862 |

*Resources and Energy Group Resources*

*(1), (2) (4) Refer to ASX releases made on 26 February 2016, 21 June 2016 and 19 May 2020 concerning the Mt Mackenzie Resource and 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021 concerning Menzies.*
*(3) Depleted for Mining Activity at GVCB*

In Western Australia, the Company's flagship is the East Menzies project (EMP), situated 130km north of Kalgoorlie.

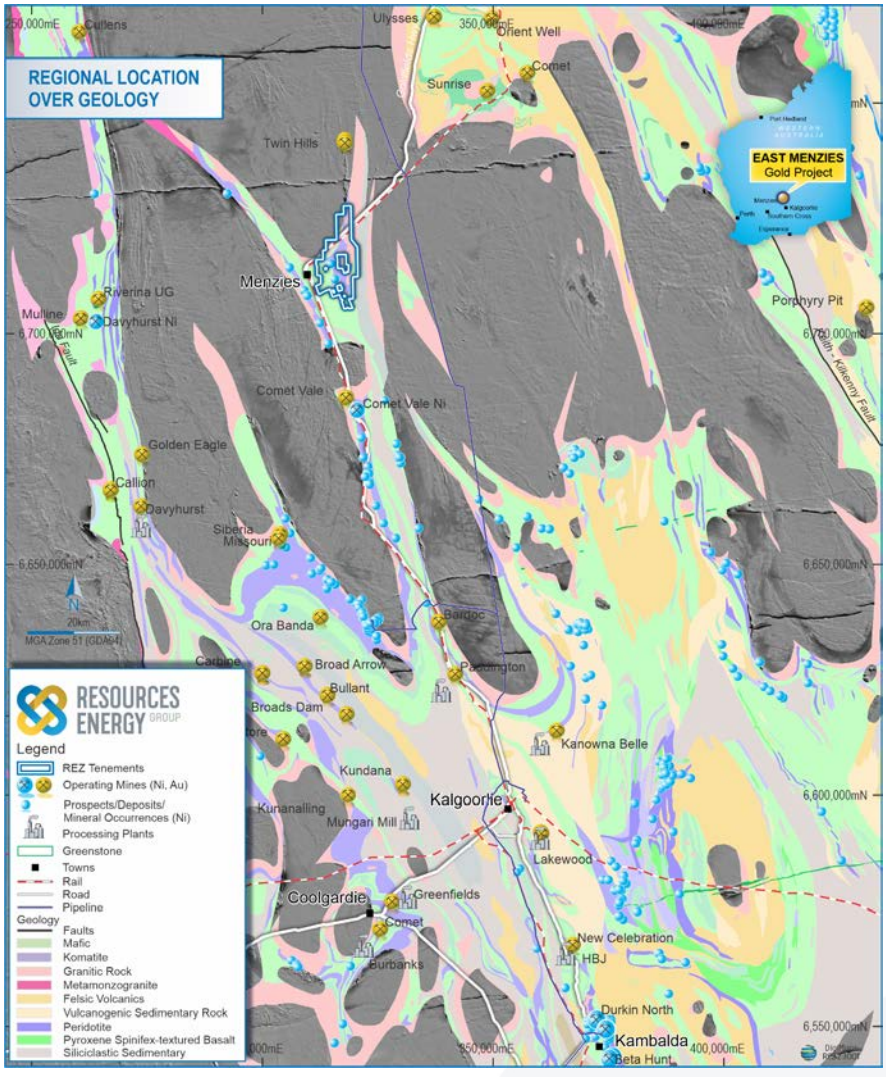


**Figure 5: Regional Location over Geology**

The EMP represents a 108km2 package of contiguous mining, exploration, and prospecting licenses which are prospective for precious metals, nickel, and other technology metals, refer figures 5 and 6. The tenements are located within a significant orogenic lode gold province.

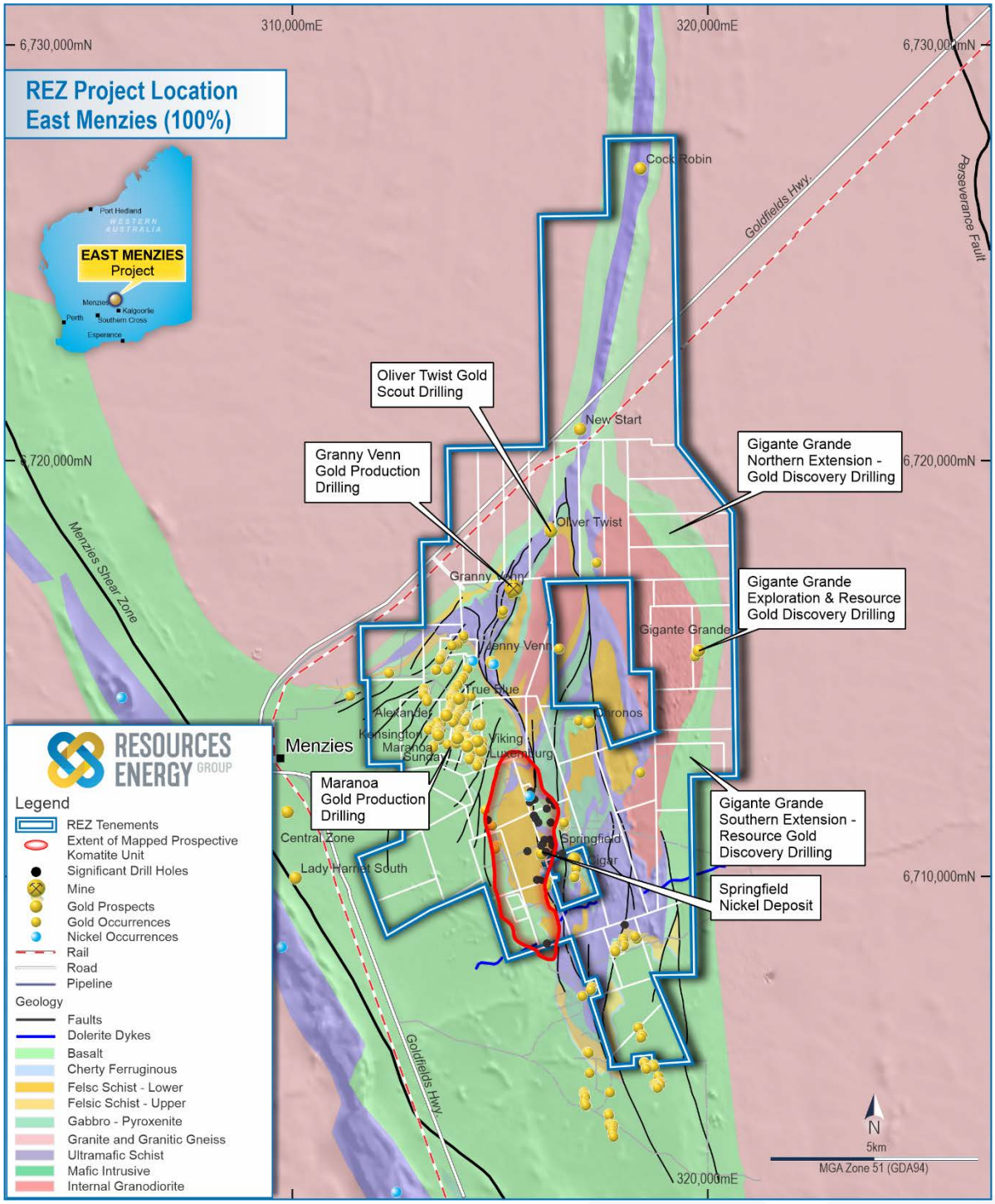


**Figure 6: Project Location East Menzies**

The EMP currently encompasses seven operational areas, including the Gigante Grande Gold prospect on the east side project area, which has been subdivided into three geographical domains (North, Central and South. In the southwest, drilling investigations at Springfield have intersected magmatic Ni sulphides. This is a significant and material exploration result that has opened a large tract of prospective ground for nickel, cobalt, copper, and platinum group elements. In the central west, the Company is investigating opportunities for mining operations in M29/189 Granny Venn, M29/141 Goodenough, and M29/427 Maranoa. In the north exploration planning is underway to investigate the Venn Springfield corridor, from the northern end of the Granny Venn Open Pit to the Cock Robin prospect located in E29/929.

In Queensland, the Company has a 12km2 Mineral Development Licence over the Mount Mackenzie Mineral Resource and retains a further 15km2 as an Exploration Permit. These tenements are prospective for high, intermediate, and low sulphidation gold and base metals mineralisation. The current MRE for Mount Mackenzie has been estimated at 3.42Mt @ 1.18g/t gold and 9g/t silver for a total of 129,000 oz gold and 862k oz silver: refer to the Resource Summary. The Company is carrying out mining, groundwater, ecological, and metallurgical studies, to inform a PFS study and an application for an Environmental Authority to develop the project.

## Appendix 2 JORC Code, 2012 Edition – Table 1
## Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *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.* | • The results are based on metre to metre samples recovered from RC Drilling. |
| | • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | • The RC samples were collected for every 1 meter drilled using a cone splitter. A 1m primary sample was collected from the splitter, with a second field duplicate sample generally collected every 20th metre. Samples were reported dry and free flowing. Drilling operations are typically terminated if excess water is encountered. |
| | • *Aspects of the determination of mineralisation that are Material to the Public Report.* | • The report only includes RC drilling results from recent drilling activities completed at the Companies Springfield prospect. |
| | • *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* | • Industry standard RC drilling was used to obtain one metre samples from which 3kg for each sample was collected. The samples were pulverised and sub-divided in the laboratory to produce a sub-sample for Multi Element Assay by ICP-AES and precious metals by fire assay. The sampling and analytical methods are industry standard. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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.* | |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • The exploration results are based on Reverse Circulation drilling using a 141mm face sampling percussion hammer. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.* | • Recoveries for RC samples were visually assessed in the field and weighed and recorded at the laboratory. Results are uploaded into the database and sample weights were analysed as part of QAQC protocols. |
| | • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | • Field procedures included checking the splitter every sample to ensure no residue remained from the previously drilled interval. The cyclone and housing are also checked regularly and cleaned with compressed air. Checks on splitter level are made using a spirit level. Each calico sample collected weighed on average 3kg. |
| | • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential* | • No relationship has been identified at this stage. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *loss/gain of fine/coarse material.* | |
| ***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.* | • RC samples have been geologically logged with alteration, colour, weathering, texture, mineralisation, and lithology reported. |
| | • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | • Logging is qualitative and descriptive using look up tables. Chip trays for drilling are labelled and photographed and have been retained and stored for future reference. |
| | • *The total length and percentage of the relevant intersections logged.* | • 100% of the drilling has been logged and has lithological information present. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.* | • Not applicable. |
| | • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | • For RC samples, a cone splitter was used to obtain 1m sub samples with a weight of approximately 3kg. In the majority cases the sample has been classified dry. |
| | • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | • The field procedures for RC drilling are industry standard, adequate and appropriate. After initial collection in the field all subsequent sample preparation is carried out in a laboratory, under controlled conditions and specified by the relevant standards. |
| | • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | • The programme QAQC involved inserting Certified Reference Materials, blanks and collecting field duplicate samples per 30 metres drilled. CRMs were also typically inserted in zones of interest. A statistical analysis was carried on the results. This analysis did not identify any issues with the testing carried out by ALS, with assays typically within 2 standard deviation points of the mean result. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *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.* | • Pre-numbered continuous Primary and Duplicate calico samples were collected every metre drilled. Blanks and CRMs were inserted every 30 metres, with multiple grade ranges of appropriate matrix material selected for the CRMs. Laboratory procedures also include the use of certified reference samples and blanks for internal QA/QC assurance. |
| | • *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Sample sizes for the RC sampling were typically 3kg which is considered appropriate given nature of the material being sampled. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | • The primary assay techniques used for these results were Multi Element Assay using ICP AES (ME-ICP61) offered by ALS Pty Ltd. This method uses a four-acid digestion and is considered near total with respect to sulphides. Results for SFRC016 are also based on two acid Aqua Regia digestion followed by Multi Element (ME-MS41). The AR method is considered a partial technique of soluble sulphides and carbonates. The QEMSCAN sample, labelled 'MFG00926', was separated into +2.95 Sink and -2.95 Float products by centrifugal HLS. Both products were chemically assayed by XRF and only the sink product was analysed by QEMSCAN (quantitative evaluation of minerals by scanning electron microscopy) and XRD (X-ray diffraction, for mineral speciation only). QUEMSCAN is regarded as leading-edge technology and is an Industry standard approach for mineral particle identification. |
| | • *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.* | • Not applicable, the results are not based on these instruments. A hand-held XRF instrument (Delta Olympus 5000) was used to select sample from Springfield for Multi Element analysis, however the results of individual spot readings have not been included in this release. The procedure adopted for XRF assessment is to check calibration with CRMs at the start of each shift, or when the window cover of the pXRF was replaced, or after every 50 samples analysed. The reading time adopted is 60 seconds read time followed by a 10 second "data load" time after each analysis. The procedure for XRF is to ensure the face straddles the chip tray properly, ensuring a more uniform distance from the window to sample surface (<0.25mm to 0mm) to all of the samples. Between each sample readings the detecting window is given a quick brush to remove any sample residue. Two sets of chip trays for the SFR holes were collected, one with washed chips for geological logging, and one with the powder and chip material from the spoil's piles for each meter for XRF. This process ensures a more representative sample is |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | available for assessment by XRF. |
| | • *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.* | • RC sample results have been analysed with respect to field duplicates, blanks and CRM's with no issues related to bias to date. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.* | • All drilling intersections are verified by the supervising Geologist, who has been present on site during the complete drilling process. The sampled intersections are also checked by REZ by reference to hole number, drilling depths, sample numbers, blanks, and standards. |
| | • | • |
| | • *The use of twinned holes.* | • No twin holes have been carried out. |
| | • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | • The primary data was collected at the drill site as drilling progressed by the Supervising Geologist and Field Technician. The Supervising Geologist recorded all lithological logging data directly into digital format via a rugged computer. The sample data, including allocation of sample number to interval, sample quality/recovery data, and insertion of QA/QC samples was recorded on a field sheet by the Field Technician and reviewed by the Supervising Geologist in the field. This data was later validated against assay files and checked by the Supervising Geologist, and REZ. For recent drilling field sheets are kept on file and digital data backed up. The project data is stored in a MS access database on a cloud server. |
| | • *Discuss any adjustment to assay data.* | • No adjustments have been made to the assay data. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches,* | • All drill collars were initially located in the field by hand-held GPS, a final relocation survey will be carried out using a dGPS. Down-the hole surveys were completed using a north seeking Gyro with surveys every 5m during drilling operations to monitor deviation. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *mine workings and other locations used in Mineral Resource estimation.* | |
| | • *Specification of the grid system used.* | • The grid system used is MGA94_51s. |
| | • *Quality and adequacy of topographic control.* | • Topographic controls are based on surveyed benchmarks. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.* | • The RC holes at Springfield are typically in the range of 500-100m apart. |
| | • *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* | • This is not applicable as a Mineral Resource or Ore Reserve is not being determined. |
| | • *Whether sample compositing has been applied* | • Drill holes have not been composited. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | • Based on present understanding, the drill holes have been orientated reasonably perpendicular to the interpreted mineralisation. |
| | • *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* | • The selected orientation has minimized potential for introducing sampling bias. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *material.* | |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • A chain of custody procedure was put in place. Samples were checked against the sample record sheet in the field prior to collection into sequentially numbered plastic bags. The plastic bags were sealed with cable ties before being secured along with sample submission sheets. The sample batches were loaded by the field team and transported directly to the Laboratory. Sample security measures for earlier drilling are not known. The sample batches were loaded by the field team and transported directly to the Laboratory by a 3rd party contractor. The receiving laboratory verified sample numbers against the sample submission sheet/manifest and confirmed receipt. After receipt, the samples were bar coded and tracked through the entire analytical process. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • No audits have been undertaken. |

## 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 results have been obtained from prospecting license P29/2556. The tenement is wholly owned by Resources and Energy Group through a purchase agreement completed in December 2018. The land, from which the Exploration Results have been obtained does not encompass Strategic cropping lands, wilderness, or protected landscapes. The tenements are located on a portion of the Menzies Town water Reserve which may add some compliance requirements on any future mining activity. |
| | • *The security of the tenure held at the time of reporting along with any known impediments to* | • At the time of writing, the tenements are in good standing. There are no known impediments which would prohibit operations in accordance with the license conditions. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *obtaining a licence to operate in the area.* | |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • Exploration on the tenements has been completed over a number of campaigns and years with significant contributions by CRA who completed mapping and limited percussion drilling over the area in the late 1960's. In 1985 BHP geologists mapped the Jowett's Well prospect and completed two lines of percussion drilling as part of a regional campaign of investigations with focus primarily on gold. In 1985 Geologists (J.E Martyn I G Johnson) mapped the Springfield area and provided key observations as to the nature of the Interflow Sediments, and Komatiites in the area. During the 1994-1998 Golden State Resources completed a number of shallow RAB and Auger drillholes over the Springfield area, which at that time was known as Merry Well. The work was focussed on gold exploration but provides a good reference for the geology of the area. In 2004 Great Australian Resources carried out a program of shallow RC drilling investigations over the Cepline prospect. This work was directed at potential for shallow lateritic Nickel resources. In 2012 Dr D Gee completed a review and data compilation of the area on behalf of Resource Assets Pty Ltd. In 2014 Stratum Metals commissioned a HeliTem survey by Fugro Pty Ltd over the greater East Menzies Goldfield and an interpretation of results by Core Geophysics Pty Ltd. In 2015-2016 Menzies Goldfield Pty Ltd completed 2 programs of MMI sampling over the prospect area. |
| ***Geology*** | • *Deposit type, geological setting, and style of mineralisation.* | • The Springfield area occurs within an Archaean Geological Terrane, which is part of the Wiluna-Norseman Greenstone Belt-a significant Orogenic province. At prospect scale the project comprises four suites of volcano-sedimentary rocks which includes the following succession in descending stratigraphic order:<br>I) Upper Mafic – High Mg Basalts.<br>II) Sedimentary- Pyritic Chert, slate, banded amphibolite, fuchsite, tuffaceous metasediments.<br>III) Quartz-andalusite-fuchsite schists with accessory chromite, rutile, tourmaline and minor sulphides, bedded chert and banded fuchsitic chert-like horizons, thin talc schist at the base.<br>IV) Lower Ultra Mafic - Meta komatiites (tremolite, actinolite, Talc, chlorite), and birbirite.<br><br>On the western margin of the prospect, the prospective sequence is interpreted to dip moderately to the west, however along the eastern side a strong pattern N-S faulting and recumbent folding associated with the Springfield Fault Zone has locally overturned and disrupted the formation creating a "crumpled zone" around the King Dam area. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | The geological setting has potential for a hybrid or bimodal style of mineralisation- where there is interaction between nickel-enriched ultramafic magma in the basal komatiites and sulphide- enriched sedimentary/exhalative material in fuchsitic and sedimentary sequences. The interaction of a hot Komatiite flow, partially melting sulphide rich sedimentary rock types has potential for the mobilisation and assimilation of sulphides including zinc from sediments and nickel from the Komatiites. |
| ***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:*<br>o *easting and northing of the drill hole collar*<br>o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>o *dip and azimuth of the hole*<br>o *down hole length and interception depth*<br>o *hole length.* | • Co-ordinate locations, elevation, depth, dip, and azimuth of all recent drillholes has been previously provided in market releases. Downhole length, interception depths and assay results have been furnished the accompanying documentation. |
| | • *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.* | • All significant RC drilling results have been included in the accompanying documentation. Where cut of grades apply they have been stated in the main body of the report. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* | • No grades have been changed or truncated. |
| | • *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.* | • Broad zones of exploration interest and principal intervals of mineralisation have been reported together with the basis of aggregation. |
| | • *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Metal equivalents have not been used. |
| ***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.* | • The drillholes are believed to be reasonably perpendicular to mineralisation, however, exploration is still at an early stage, and the actual geometry of mineralisation is not known at this stage. |
| | • *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').* | • All sample intervals have been reported as down hole lengths. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • The accompanying documentation includes plans showing specific areas of interest within the project area. The release includes references to previously reported results and date of release. |
| ***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 material data has been adopted. |
| ***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.* | • Exploration has not yet generated any other substantive data. |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* | • Recommendations for future work are contained within the announcement and accompanying maps. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Possible extensions to mineralisation, or zones of specific exploration interest have been included in the main body of the release |