28 October 2021

# Quarterly Activities Report
## for the period ending 30 September 2021

## Summary

- Three-year contract executed with leading mineral process engineering specialists Primero Group for processing services at Savannah with a value of approximately $34 million.
  - Terms of the contract incentivise outperformance of base case processing recoveries.
- Primero fully mobilised to site and successfully commissioned the Savannah processing plant three weeks ahead of schedule.
- Plant ore feed is being sourced from the +120kt ore stockpile generated since underground mining operations restarted.
- First nickel-copper-cobalt concentrate produced post quarter end in October 2021.
- Trucking of concentrate from site to the Wyndham Port is planned to commence late October.
- First shipment of concentrate is expected to leave Wyndham port in December 2021.
- Grade control drilling on the first mining level at Savannah North confirms strong and continuous mineralisation and provides increased confidence in stope designs.

### ***CORPORATE***

- US$30 million draw-down completed in late September under the Trafigura US$45 million secured loan facility. US$15 million is undrawn and available.
- Five-year offtake agreement with Trafigura starting in February 2023 now unconditional.
- Group Cash – $45 million available at quarter end.

Panoramic Managing Director and CEO, Victor Rajasooriar commented:

*"It has been another successful quarter for the Company, achieving the next set of objectives as we progressively tick off the steps and milestones required to achieve our goal of first shipment of concentrate from Savannah in December 2021.*

*"The expanded Panoramic team of employees and contractors have done an excellent job in advancing the project in a safe and efficient manner. We will continue to remain focused on hitting our targets in the current quarter while we ramp up production at Savannah."*

**Panoramic Resources Limited**
Level 9, 553 Hay St
Perth, Western Australia 6000

Telephone: +61 8 6374 1700
Website:
www.panoramicresources.com

# Nickel – Savannah Project

## Mineral Resource and Ore Reserve

On 22 July 2021, the Company released its annual Mineral Resource and Ore Reserve statement, which, due to the temporary suspension of operations at Savannah, had no updates to either the Mineral Resource or Ore Reserve and therefore remained unchanged from the Mineral Resource and Ore Reserve estimates reported in 2020 (refer ASX announcement 22 July 2021 including relevant JORC tables).

In the Mineral Resource and Ore Reserve statement, the total Savannah Project Mineral Resources at 30 June 2021 stand at 13.45Mt @ 1.56% Ni, 0.70% Cu and 0.10% Co for 209.8kt Ni, 94.2kt Cu and 13.7kt Co contained metal. The total Savannah Ore Reserves (including Savannah North) at 30 June 2021 were 8.3Mt @ 1.23% Ni, 0.59% Cu and 0.08% Co for 102.0kt Ni, 48.5kt Cu and 7.0kt Co contained metal.

The Savannah North orebody remains open along strike and at depth providing significant potential to bring more material into future Ore Reserves and mine plans with additional resource definition and exploration drilling planned as part of the Savannah Project restart.

## Primero Processing Contract

During the quarter the Company advised that its subsidiary, Savannah Nickel Mines Pty Ltd, had executed a three-year processing contract with leading mineral process engineering firm Primero Group, a subsidiary of NRW Holdings Limited (ASX:NWH), for processing activities at the Company's Savannah Mine. Primero's responsibilities include the restart, operation and maintenance of Savannah's existing ore processing plant and non-processing infrastructure at the Savannah Operation. The contract has a value of approximately $34 million over its three-year term.

Under the terms of the contract, Primero is incentivised to exceed budgeted mineral recoveries outlined in the Savannah Feasibility Study (refer ASX release 6 April 2021).

## Underground Mining

Underground mining progressed well throughout the quarter with sustained momentum since mining commenced in early July 2021. All activities have been carried out safely by underground mining contractor Barminco, with operating and financial performance achieving planned targets. Table 1 below shows the monthly physicals achieved since commencement of mining in July. During July and August, the focus was on maintaining one jumbo, one long hole rig and four trucks. A fifth truck arrived in September to enhance the fleet.

**Table 1: Mining physicals achieved at Savannah**

| Activity | Jul-21 | Aug-21 | Sep-21 |
|---|---|---|---|
| Jumbo development (m) | 399 | 338 | 385 |
| Ore trucked to surface (t) | 14,315 | 40,329 | 46,485 |
| Blasted stock underground (t) | 21,948 | 39,980 | 29,507 |
| Drilled stock to blast (t) | 85,949 | 88,568 | 89,207 |
| Total ore on surface stockpile (t) | **14,315** | **54,644** | **101,129** |

Pleasingly production from Savannah stopes progressed as planned over the quarter, with single stope blasts of 30,000t being carried out with no technical difficulties. Dilution to date in the stopes has been minimal and development drive dilution is well under the Feasibility Study assumption, with several improvement projects underway to further minimise dilution. The grades mined to date are in line with expectations based on preliminary sampling with final grade reconciliation underway post commissioning of the processing plant.

### Processing Plant Commences Concentrate Production

Subsequent to the end of the quarter, the ~1Mtpa processing plant at Savannah was successfully commissioned three weeks ahead of schedule, following the completion of requisite preparatory works by Primero's maintenance crew. Upon achievement of operational readiness at the plant, Primero's operating crews were fully mobilised to site which allowed the commencement of 24/7 ore processing.

The crushing, milling and flotation circuits, and tails processing have achieved operational stability with concentrate production underway. Concentrate haulage from site to Wyndham Port is planned to commence next week, with haulage contractor Cambridge Gulf Limited having already recruited a local workforce for concentrate haulage.

Primero's recruitment process ahead of the restart was highly successful given the current labour environment. All management and technical roles were filled and 95% of the recruited workforce are WA-based employees, with the remaining employees being Northern Territory-based.

### Re-instatement of Annual Sustainability Report

During the quarter, the Company reinstated its annual Sustainability Report as part of the Company's annual reporting suite. The report facilitates a transparent means of benchmarking the Company's sustainability performance in many critical areas and highlights the commitment of the Board and Management toward continuous and sustainable improvement across the business.

## Exploration

### Drill Targets at Savannah and Savannah North

On 14 September 2021, Panoramic announced that the first grade control drill program at Savannah North was undertaken from the 1381 footwall drive, facilitating final stope designs for the 1381 production level which is scheduled to begin stope production in late October. The grade control drill program, which was completed during August, involved 20 drill holes for a total of 912 drill metres with 597 samples collected and submitted for assay.

Results from the program are summarised in Table 1 (Appendix 1). The position of the grade control holes relative to the 1381 level, existing drill hole pierce points and preliminary life of mine (LOM) stope areas is shown in Figure 1. Appropriate JORC 2012 compliance tables (Sections 1 and 2) are presented in Appendix 2.

Better results for the 1381 grade control program include:

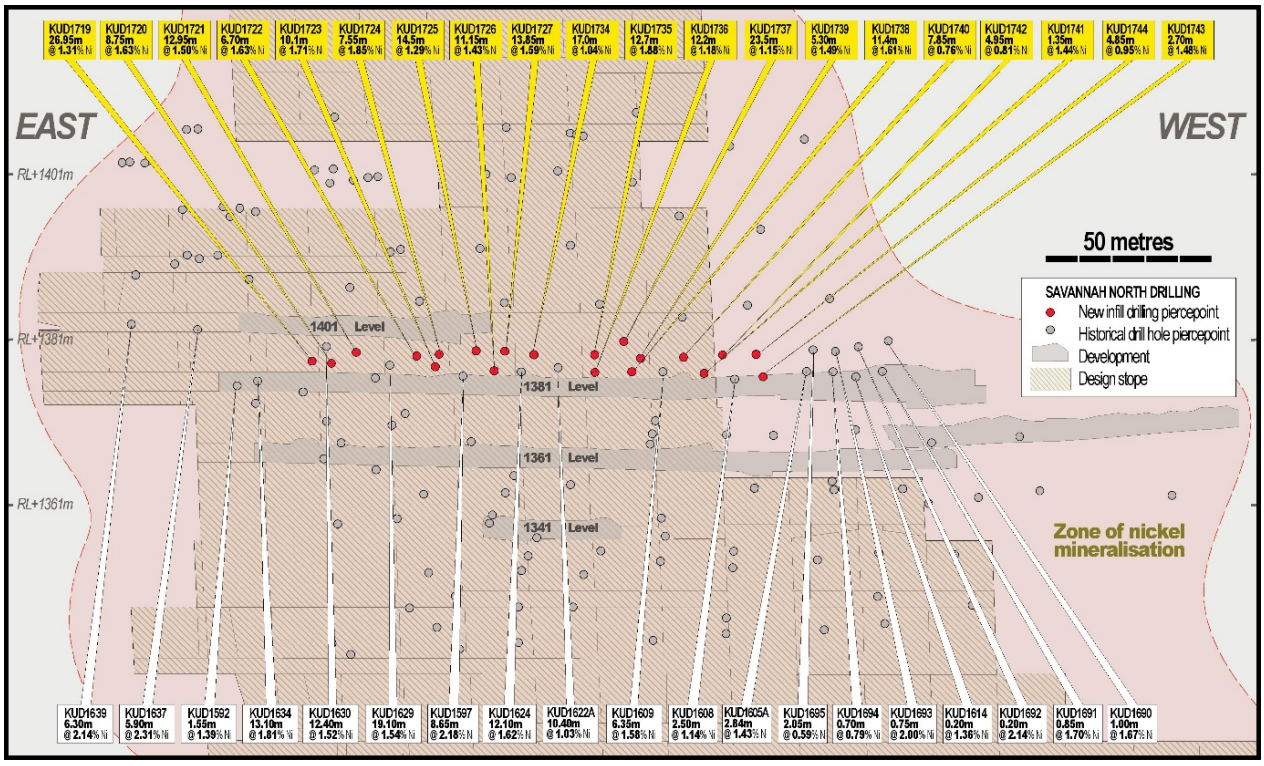
- 26.95m @ 1.44% Ni, 0.43% Cu, 0.10% Co from 30.05m in KUD1719;
- 12.95m @ 1.64% Ni, 0.39% Cu, 0.12% Co from 33.05m in KUD1721;

- 12.80m @ 1.52% Ni, 0.64% Cu, 0.10% Co from 17.25m in KUD1727;
- 12.70m @ 1.93% Ni, 0.68% Cu, 0.14% Co from 15.05m in KUD1735; and
- 11.40m @ 1.68% Ni, 0.63% Cu, 0.13% Co from 16.50m in KUD 1738.

The 1381 grade control drill results confirm the strong and continuous nature of the Savannah North mineralisation in this area of the mine. Historic Resource Definition drilling angles (from the 1570 stockpile drill drive at Savannah) were not optimal, however the grade control drilling completed from the 1381 footwall drives were drilled from an ideal position and resulted in good drill angles and better intercepts.

The results augur well for the future 1341, 1361 and 1401 grade control drill programs that will be implemented once footwall access is completed on these levels in the coming months. Stoping in Savannah North is planned for late October and given the current results from the grade control program, final mine designs of the production stopes for the 1381 level can continue with high confidence.

**Figure 1: Long-section of the 1381 Grade control and historic drilling intercepts with development drives, proposed stope and mineralisation shapes.**



# Corporate

## Draw-down of US$30M Trafigura Finance Facility

On 29 September 2021, the Company advised that it had received $US30 million in funding from the first tranche of the secured loan facility with Trafigura Group Pte Ltd (Trafigura). The draw-down followed the completion of all conditions precedent in early July 2021 (ASX announcement 2 July 2021) under the US$45 million secured loan facility. The loan facility comprises two tranches.

The first tranche is a five-year Prepayment Loan Facility (PLF) totaling US$30 million which was fully drawn in late September. The second tranche is a US$15 million Revolving Credit Loan Facility (RCF) which remains undrawn.

The PLF has a five-year term through to 31 July 2026. Debt service under this tranche is interest only during the period to 31 July 2022, thereafter loan repayments commence based on a fixed schedule. These scheduled repayments are sculpted to align with project cash flows.

The RCF is available for the period through to 31 December 2022. The Company can draw-down the RCF at its election and repay this facility at any time without penalty. The loan facility incurs interest based on the three-month LIBOR as a base interest rate, plus a favourable margin.

There are no conditions subsequent under the loan facility and there is no requirement for mandatory commodity price hedging.

As a result of the draw-down, the five-year nickel-copper-cobalt concentrate offtake agreement for the period February 2023 to February 2028 with Trafigura is now unconditional. This agreement commences on the expiry of the existing offtake agreement with Jinchuan.

## Group Cash

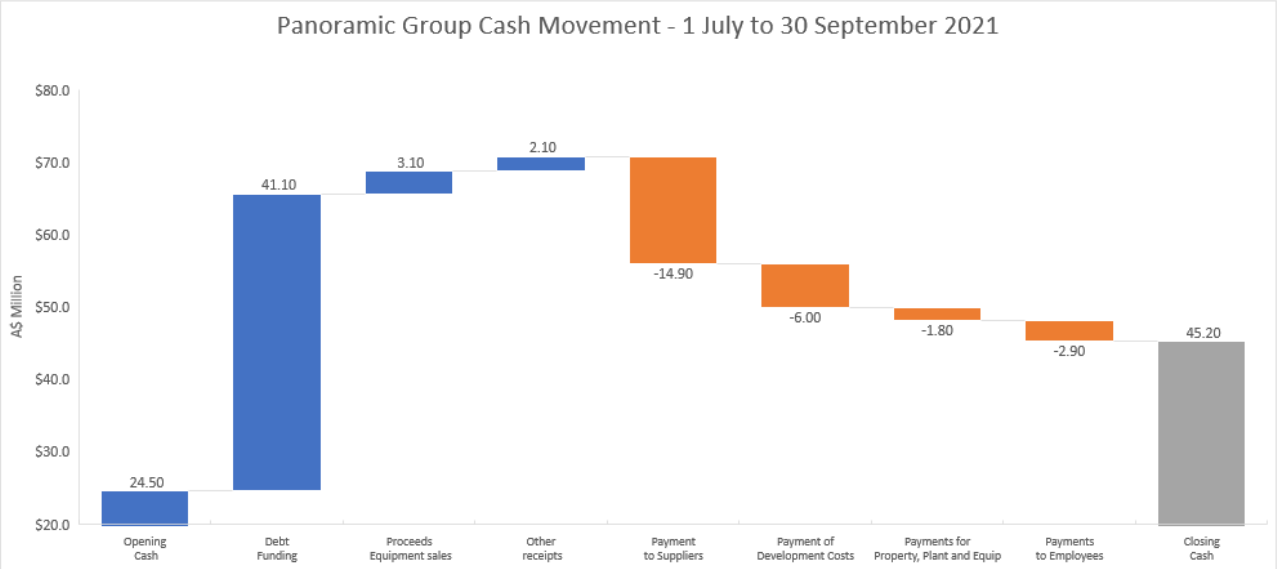
Group cash as at 30 September 2021 totaled $45.2 million. The movement in the cash position during the quarter included the following key items:

***Inflows***

- $41.1 million debt funding from the Trafigura loan facility (US$30.0 million tranche).
- $3.1 million proceeds received from the sale of surplus / second-hand equipment no longer required.

***Outflows***

- $14.9 million payment to suppliers for Savannah and corporate office.
- $6.0 million development costs for underground establishment and mining activities.
- $1.8 million plant and equipment capital expenditure.




## Competent Person

The information in this release that relates to Exploration Planning at Savannah is based on information compiled by Andrew Shaw-Stuart. Andrew Shaw-Stuart is a member of the Australian Institute of Geoscientists (AIG) and is a full-time employee of Panoramic Resources Limited.

The aforementioned has sufficient experience that is relevant to the style of mineralisation and type of target/deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Shaw-Stuart consents to the inclusion in the release of the matters based on the information in the form and context in which it appears.

## About Panoramic:

Panoramic Resources Limited (ASX: PAN) is a Western Australian company which owns the Savannah Nickel Project in the East Kimberley. Panoramic successfully commissioned and operated the Project from 2004 until 2016 before the mine was placed on care and maintenance. Following the discovery of the Savannah North orebody, the mine was recommissioned in 2018 before operations were temporarily suspended in 2020. Panoramic has completed an updated Mine Plan for Savannah which has outlined an attractive near-term nickel sulphide mine restart opportunity. Following the completion of a ventilation shaft for the Savannah North deposit, additional underground capital development and ancillary works, the Board of Panoramic approved the restart of Savannah in April 2021 with a target of first concentrate shipment by the end of 2021.

## Forward Looking Statements:

This announcement contains certain “forward-looking statements” and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this announcement speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this

announcement are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements. The forward-looking statements are based on information available to the Company as at the date of this announcement.

Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to supplement, revise or update forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.

**This ASX announcement was authorised on behalf of the Panoramic Board by:** Victor Rajasooriar, Managing Director & CEO

**For further information contact:**
**Victor Rajasooriar, Managing Director & CEO**
**+61 8 6374 1700**

**Media inquiries:**
**Michael Vaughan, Fivemark Partners**
**+61 422 602 720**

# Appendix 1

***Table 1 - Summary of Savannah North Grade Control Drilling***

| Hole | East | North | RL | Dip | Azi | EOH | From | To | Intercept | Cu | Co |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | (m) | (m) | (m) | (°) | (°) | (m) | (m) | (m) | (m @ % Ni) | (%) | (%) |
| KUD1719 | 396216.2 | 8082417 | 1386.422 | 9.82 | 328 | 62.85 | 30.05 | 57 | 26.95m @ 1.31 %Ni | 0.43 | 0.09 |
| KUD1720 | 396216 | 8082417 | 1386.438 | 11.67 | 314.8 | 56.8 | 31.15 | 39.9 | 8.75m @ 1.63 %Ni | 0.46 | 0.12 |
| KUD1721 | 396215.9 | 8082416 | 1386.62 | 15.24 | 303.7 | 61.2 | 33.05 | 46 | 12.95m @ 1.5 %Ni | 0.39 | 0.11 |
| KUD1722 | 396177.8 | 8082404 | 1386.509 | 26.28 | 344.28 | 48.1 | 20.6 | 27.3 | 6.7m @ 1.63 %Ni | 0.60 | 0.10 |
| KUD1723 | 396177.2 | 8082404 | 1385.798 | 13.6 | 332.2 | 50.3 | 26.4 | 36.5 | 10.1m @ 1.71 %Ni | 0.36 | 0.13 |
| KUD1724 | 396177.4 | 8082404 | 1386.48 | 26.49 | 326.4 | 45.1 | 21 | 28.55 | 7.55m @ 1.85 %Ni | 0.78 | 0.14 |
| KUD1725 | 396160.6 | 8082397 | 1386.378 | 29.9 | 345.4 | 41.5 | 17.5 | 32 | 14.5m @ 1.29 %Ni | 0.48 | 0.10 |
| KUD1726 | 396160.3 | 8082397 | 1385.46 | 15.03 | 330.7 | 42 | 19.4 | 29.9 | 11.15m @ 1.43 %Ni | 1.52 | 0.11 |
| KUD1727 | 396160.7 | 8082397 | 1386.686 | 31.1 | 318.9 | 40.3 | 17.25 | 30.05 | 13.85m @ 1.59 %Ni | 0.64 | 0.11 |
| KUD1734 | 396160.3 | 8082397 | 1386.461 | 23.9 | 299.9 | 44.7 | 19 | 36 | 17m @ 1.04 %Ni | 0.43 | 0.07 |
| KUD1735 | 396123 | 8082383 | 1386.299 | 32.6 | 359 | 38.6 | 15.05 | 27.75 | 12.7m @ 1.88 %Ni | 0.67 | 0.13 |
| KUD1736 | 396123 | 8082383 | 1385.04 | 15.5 | 354.6 | 41.9 | 18.2 | 29.9 | 12.2m @ 1.18 %Ni | 0.49 | 0.09 |
| KUD1737 | 396123.1 | 8082383 | 1386.365 | 36.1 | 331.4 | 41.2 | 15 | 38.5 | 23.5m @ 1.15 %Ni | 0.81 | 0.09 |
| KUD1738 | 396123.1 | 8082383 | 1385.158 | 17.4 | 327.3 | 36 | 16.5 | 27.9 | 11.4m @ 1.61 %Ni | 0.63 | 0.12 |
| KUD1739 | 396123.1 | 8082383 | 1386.363 | 32.5 | 309 | 35.7 | 17.05 | 22.35 | 5.3m @ 1.49 %Ni | 0.43 | 0.10 |
| KUD1740 | 396095.1 | 8082355 | 1385.309 | 17.7 | 4.5 | 47.7 | 30.9 | 38.75 | 7.85m @ 0.76 %Ni | 0.64 | 0.05 |
| KUD1741 | 396094.9 | 8082355 | 1384.83 | 9.8 | 354.1 | 47.6 | 31.4 | 32.75 | 1.35m @ 1.44 %Ni | 0.31 | 0.11 |
| KUD1742 | 396094.8 | 8082355 | 1385.366 | 24.15 | 344.3 | 41.7 | 26.55 | 31.5 | 4.95m @ 0.81 %Ni | 0.24 | 0.06 |
| KUD1743 | 396094.8 | 8082355 | 1384.767 | 9.22 | 320.5 | 47.6 | 31 | 33.7 | 2.7m @ 1.48 %Ni | 0.21 | 0.11 |
| KUD1744 | 396094.9 | 8082355 | 1385.393 | 26.3 | 320 | 40.8 | 24.2 | 29.05 | 4.85m @ 0.95 %Ni | 0.14 | 0.06 |

*Notes:*
1. *Intervals are down-hole lengths, not true-widths.*
2. *Parameters: 0.5% Ni lower-cut off, with a minimum reporting interval of 1m and with discretionary internal waste to a maximum of 2.0 consecutive metres.*
3. *SG calculated by regression analysis.*

# Appendix 2 – 2012 JORC Disclosures

*Savannah North Project - Table 1, Section 1 - Sampling Techniques and Data*

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling techniques** | • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.<br>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.<br>• Aspects of the determination of mineralisation that are Material to the Public Report.<br>• 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. | • The Savannah mine and surrounding exploration areas are typically sampled by diamond drilling techniques. Over 1600 holes have been drilled within the mine for a total in-excess of 220,000m. The majority of holes were drilled from underground platforms.<br>• Initial Resource definition drilling is conducted on a nominal 50 x 50 metre grid spacing with subsequent infill grade control drilling conducted on a nominal 25 x 25 metre grid spacing.<br>• Historically, all drill hole collars were surveyed using Leica Total Station survey equipment by a registered surveyor. Down hole surveys are typically performed every 30 metres using either "Reflex EZ Shot" or "Flexit Smart Tools".<br>• All diamond core is geologically logged with samples (typically between 0.2 metre to 1 metre long) defined by geological contacts. Analytical samples are dominantly sawn half core samples. Sample preparation includes pulverising to 90% passing 75 µm followed by either a 3 acid digest & AAS finish at the Savannah onsite laboratory or a total 4 acid digest with an ICP OES finish if the samples are analysed off-site.<br>• Since 2019 Bureau Veritas has operated the on-site laboratory. Sample preparation and assaying of all drill samples now involves crushing and pulverizing the sample to 80% passing 75µm followed by Ni, Cu, Co, Fe, MgO and S analysis by XRF of metaborate fused glass beads. The XRF brand is a ZETIUM Pan-analytical instrument. |
| **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). | • Greater than 90% of the mine drill hole database consists of LTK60 and NQ2 size diamond holes. Exploration and resource Resource definition drill holes are typically NQ2 size. Infill grade control holes are typically LTK60. Historically, some RC holes were drilled about the upper part of the mine.<br>• The diamond drill holes pertaining to this announcement were a combination of NQ2 and LTK60 size. |
| **Drill sample recovery** | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• 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 core recoveries are logged and recorded in the database. Overall recoveries are typically >99% and there are no apparent core loss issues or significant sample recovery problems.<br>• Hole depths are verified against core blocks.<br>• Regular rod counts are performed by the drill contractor.<br>• There is no apparent relationship between sample recovery and grade. |
| **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. | • All diamond holes pertaining to this announcement were geologically logged in full.<br>• Geotechnical logging was carried out for recovery and RQD. The number of defects (per interval) and their roughness were recorded about ore zones.<br>• Details of structure type, alpha angle, infill, texture and |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.<br>• The total length and percentage of the relevant intersections logged. | healing is also recorded for most holes and stored in the structure table of the mine drill hole database.<br>• Logging protocols dictate lithology, colour, mineralisation, structural (DDH only) and other features are routinely recorded.<br>• All diamond core was photographed wet. |
| **Sub-sampling techniques and sample preparation** | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.<br>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• 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.<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | • Analytical core samples pertaining to this announcement were full core.<br>• Sample sizes are considered appropriate to represent the Savannah North style of mineralisation.<br>• SG determinations by water immersion technique are restricted to Resource definition and Exploration holes at Savannah and are not performed on grade control holes.<br>• All core sampling and sample preparation follow industry best practice.<br>• QC involves the addition of purchased CRM and Savannah derived CRM assay standards, blanks, and duplicates. At least one form of QC is inserted in most sample batches on average one in every 20 samples.<br>• Original versus duplicate assay results have always shown strong correlation due to the massive sulphide rich nature of the Savannah North mineralisation. |
| **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.<br>• 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.<br>• 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. | • All sample analyses pertaining to this announcement were performed at the Savannah Nickel Mine on-site laboratory, which is operated by Bureau Veritas. Sample preparation and assaying of all drill samples involves crushing and pulverizing the sample to 80% passing 75µm followed by Ni, Cu, Co, Fe, MgO and S analysis by XRF of metaborate fused glass beads. The XRF brand is a ZETIUM Pan-analytical instrument.<br>• No other analytical tools or techniques are employed.<br>• The onsite laboratory uses internal standards, duplicates, replicates, blanks and repeats and carries out all appropriate sizing checks.<br>• External laboratory checks are occasionally performed. No analytical bias has been identified. |
| **Verification of sampling and assaying** | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • Drilling and sampling procedures at SNM have been inspected by many stakeholders since the project began.<br>• Throughout the life of the mine, there have been several instances where holes have been twinned to confirm intersections and continuity.<br>• In respect to the drill holes pertaining to this announcement, no holes were twinned.<br>• Holes are logged into OCRIS software on Toughbook laptop computers before the data is transferred to SQL server databases.<br>• All drill hole and assay data is routinely validated by site personnel.<br>• No adjustments are made to 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. | • All diamond drill hole collars are picked-up using Leica TS15, R1000 instrument by a registered surveyor.<br>• Downhole surveys are performed using an Axis Champ |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • Specification of the grid system used.<br>• Quality and adequacy of topographic control. | North Seeking Gyro instrument. Survey interval no more than 30m.<br>• Visual checks to identify any obvious errors regarding the spatial position of drill holes collars or downhole surveys are routinely performed in a 3D graphics environment using Surpac software.<br>• The mine grid is a truncated 4 digit (MGA94) grid system.<br>• Conversion from local grid to MGA GDA94 Zone 52 is calculated by applying truncated factor to local coordinates is E: +390000, N: +8080000.<br>• High quality topographic control is established across the mine site. RL equals AHD + 2,000m. |
| **Data spacing and distribution** | • Data spacing for reporting of Exploration Results.<br>• 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.<br>• Whether sample compositing has been applied. | • The Savannah North Project nominal underground grade control drill hole spacing is 25m (easting) by 25m (RL).<br>• The mineralized domains delineated by the drill hole spacing show enough continuity to support the classification applied under the JORC Coe (2012 Edition).<br>• No sample compositing is undertaken. |
| **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.<br>• 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. | • Where possible drill holes are designed to be drilled perpendicular to the target area being tested.<br>• No orientation sampling bias has been identified. |
| **Sample security** | • The measures taken to ensure sample security. | • Drill samples are collected and transported to the on-site laboratory by SNM staff. Samples sent off site are road freighted. |
| **Audits or reviews** | • The results of any audits or reviews of sampling techniques and data. | • No recent audits/reviews of the Savannah drill sampling protocols have been undertaken. The procedures are considered to be of the highest industry standard. Mine to mill reconciliation records throughout the life of the Savannah Project provide confidence in the sampling procedures employed at the mine. |

*Savannah North Project - Table 1, Section 2 - Reporting of Drilling 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.<br>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | • The Savannah Nickel Mine (SNM), incorporating the Savannah North Project is an operating mine secured by five contiguous Mining Licences, ML's 80/179 to 80/183 inclusive. All tenure is current and in good standing. SNM has the right to explore for and mine all commodities within the mining tenements, being.<br>• SNM has all statutory approvals and licences in place to operate. The mine has a long standing off-take agreement to mine and deliver nickel sulphide concentrate to the Jinchuan Group in China. |
| **Exploration done by other parties** | • Acknowledgment and appraisal of exploration by other parties. | • Since commissioning in 2004, SNM has conducted all surface and underground exploration and drilling related activities on the site. |
| **Geology** | • Deposit type, geological setting and style of mineralisation. | • The SNM is based on mining ore associated with the Savannah and Savannah North palaeo-proterozoic mafic/ultramafic intrusions. The "Savannah-style" Ni-Cu-Co rich massive sulphide mineralisation occurs as "classic" magmatic breccias developed about the more primitive, MgO rich basal parts of the two intrusions. |
| **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>○ easting and northing of the drill hole collar<br>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>○ dip and azimuth of the hole<br>○ down hole length and interception depth<br>○ hole length.<br>• 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 in-mine drilling at SNM is conducted on the Savannah mine grid, which is a "4 digit" truncated MGA grid. Conversion from local to MGA GDA94 Zone 52 is calculated by applying truncated factor to local coordinates of: E: +390000, N: +8080000. RL equals AHD + 2,000m.<br>• Additional drill hole information pertaining to this announcement includes:<br>• All diamond holes were either NQ2 or LTK60.<br>• All core is oriented and photographed prior to logging, cutting and sampling.<br>• All intersection intervals are reported as down-hole lengths and not true widths.<br>• All reported assay results were performed by the on-site laboratory. |
| **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.<br>• 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.<br>• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • All analytical drill intercepts pertaining to this announcement are based on sample length by grade weighted averages using a 0.5% lower cut-off, a minimum reporting length of 1m and maximum of 2m on consecutive internal waste.<br>• Cu and Co grades are determined for the same Ni interval defined above using the same procedures. |
| **Relationship between mineralisation widths and intercept lengths** | • These relationships are particularly important in the reporting of Exploration Results.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• 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 intersection lengths reported in this accompanying release are down hole lengths and not true widths.<br>• Where reported, estimates of True Width are stated only when the geometry of the mineralization with respect to the drill hole angle is sufficiently well established. |
| **Diagrams** | • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, | • A simplified sectional view of the drill hole intercept positions pertaining to this announcement is deemed sufficient at this time. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | 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. | • Based on the fact that, all the drill results pertaining to the drill program described in this announcement are reported in the announcement, the report is considered to be sufficiently balanced. |
| **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. | • No other data is considered material to this release at this stage. |
| **Further work** | • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).<br>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • The infill grade control drill results reported herein for the Savannah North Project are the initial drill program since the mine was re-opened in June 2021. Further results will be reported for subsequent drill programs when they become available. |