

ASX Announcement



18 November 2020

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NMR Exercises Option to Acquire Highly Prospective Music Well Gold Property in Eastern Goldfields, WA

Highlights:

- NMR has exercised the option to acquire two Exploration Licenses - **EL 37/1362 and EL 37/1363** - which form the Music Well Gold Property in the Eastern Goldfields of Western Australia
- Music Well is in the Yilgarn Craton - one of Australia's premier mineral provinces and host to major deposits of gold, nickel, zinc, silver, tantalum and iron ore
- Music Well is NMR's highest priority target in its Eastern Goldfields Project – contains historical small-scale gold workings and is located close to four operating gold mines
- Tenements are largely unexplored, however previous limited geochemical sampling around the property has returned high grades up to **20.2 g/t Au** highlighting the significant exploration potential
- Data analysis and target generation work currently underway, with on-ground exploration scheduled to commence Q1 2021
- Acquisition of Arcoona and Mt Vettters Exploration Licenses to be finalised near-term – further consolidating NMR's **540km² landholding in the Eastern Goldfields region**
- NMR has a portfolio of advanced exploration projects in both QLD and WA highly prospective for gold and copper mineralisation – aggressive exploration programs are scheduled for the next six months
- Drilling currently underway at the Leane's Copper Prospect in QLD – first assays due Q4 2020

Copper and gold exploration company **Native Mineral Resources Holdings Limited (ASX: NMR)**, or ("**NMR**" the "**Company**"), is pleased to advise that it has exercised the option to acquire Exploration Licenses ("**EL**") - EL 37/1362 and EL 37/1363 – which form the Music Well Gold Property, located 60km north-northeast of Leonora.

The Music Well Property covers 270km² in the Yilgarn Craton region and is considered highly prospective for gold mineralisation given its close proximity to four operating gold mines and a history of small-scale gold mining within the project tenure.

NMR's wholly owned subsidiary Native Mineral Resources Pty Ltd ("**NMRPL**") entered into an option agreement with Sullivan Creek Pty Ltd ("**SCPL**") granting the Company the option to acquire two Exploration Licenses at

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Music Well (E37/1363 and E37/1362) and two EL applications at Mt Vettors (E24/210) and Arcoona (E31/1203) respectively.

Under the agreement, NMRPL must exercise the option in relation to all four tenements, however, if a tenement has not been granted to SCPL at the time NMRPL exercises the option, NMRPL is not required to pay the Consideration for that tenement on exercise of the option. Consideration for each EL is \$20,000 and the issue of \$15,000 worth of NMR shares which will be escrowed for a period of 12 months.

Management Commentary

NMR's Managing Director, Blake Cannavo, commented: *"The Music Well Property in WA is an exciting opportunity for NMR and provides us with an additional high-quality exploration focus in the near-term."*

The Eastern Goldfields has long been regarded as one of the world's premier gold producing regions and our strategy has been to identify and secure high-quality, underexplored tenements within close proximity to producing mines, and Music Well ticks both boxes.

Importantly, the recent discoveries of intrusion-related gold systems (IRGS) in the Yilgarn Craton, including the Hemi (De Grey Mining) and Ramone (Northern Star) deposits, has led to a spike in exploration work targeting IRGS mineralisation in areas that previously received limited attention. Given Music Well is in an area known to host intrusive rocks we believe there is a real opportunity for NMR to unlock value, potentially very quickly.

Drilling is currently underway at the Leane's Copper Prospect in QLD and we are also completing desktop studies on Music Well with the aim of commencing field work in Q1 2021 so our pipeline of exploration activity over the coming months is very strong."

Eastern Goldfields Project Background

The Yilgarn Craton is one of Australia's premier mineral provinces and host to major deposits of gold, nickel, zinc, silver, tantalum and iron ore and other commodities.

Recent exploration success by other companies has discovered new gold deposits within the Yilgarn Craton that are intrusion-related gold systems (IRGS), which has led to a greater exploration focus in areas that have received little exploration focus.

NMR's tenements in the Eastern Goldfields (Figure 1) are in areas of prospective intrusive rocks, close to operating gold mines, are underexplored, and in the company's opinion offer great opportunities to discover relatively new concepts of mineralisation style.

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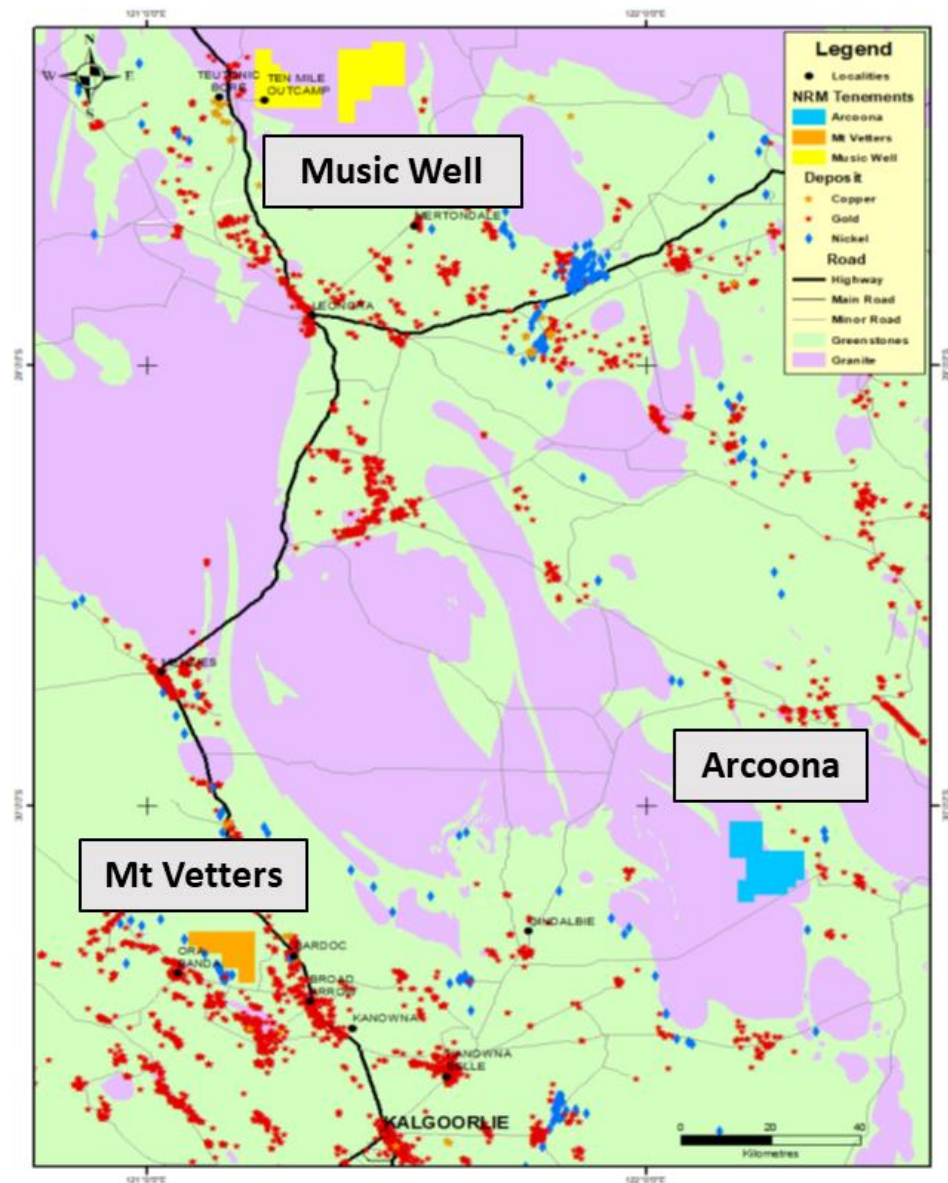


Figure 1: Eastern Goldfields Project location map

Music Well Gold Property Background

The Music Well tenements (E37/1363 and E37/1362) are located 60km north-northeast of Leonora and are accessible by the Leonora– Meekatharra Highway. The area is situated less than 50km from four operating gold mines. Most of the known mineralisation is associated with greenstone belt settings rather than granite-hosted settings, but not exclusively.

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The tenements are interpreted to be underlain by granitoid intrusions (Figure 2) , but are masked by alluvial cover, sand plains and lateritic duricrusts, inhibiting exploration. Previous exploration in the immediate vicinity of the two tenements has been minimal, consisting of limited surface geochemistry and related activities, returning sporadic high grades (**up to 20.2 g/t Au**).

There have been minor historical small-scale gold workings on the tenements, and these are reported to be hosted within the granites.

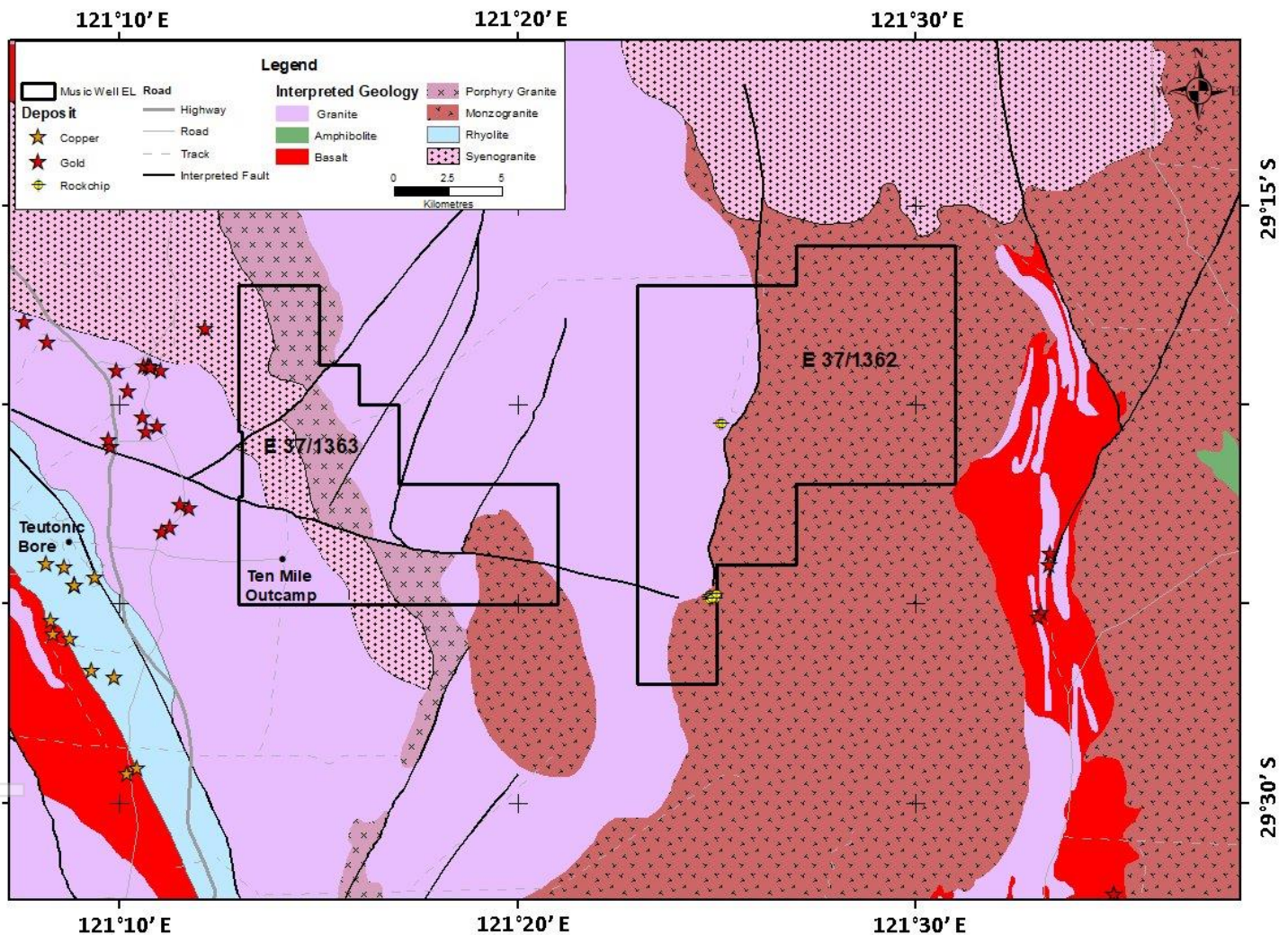


Figure 2: Music Well Tenements EL 37/1363 and EL 37/1362 geological setting

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Planned Work Programs

NMR is currently completing the compilation of all previous exploration data available on the Music Well tenements. Geological assessment work of the structural setting and potential for IRGS mineralisation will also be completed this quarter, prior to the commencement of initial geochemical sampling and/or geophysics.

Further updates on field work programs and timeframes will be provided in due course.

-Ends-

The Board of Native Mineral Resources Holdings Ltd authorized this announcement to be lodged with the ASX.

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About Native Mineral Resources:

Native Mineral Resources (ASX: NMR) is an Australian publicly listed minerals exploration company established to explore for copper and gold deposits in the Palmerville fault and Mount Morgan regions in North Queensland and for gold deposits in the Eastern Goldfields region in Western Australia.

Competent Persons Statement:

The information in this report relating to Exploration Results is based on information compiled by Mr Mark Berry, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Berry is a full-time employee of Derisk Geomining Consultants, an independent company appointed by the Company to provide technical and mining support services in relation to the Company's activities. Mr Berry has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Berry has no potential conflict of interest in accepting Competent Person responsibility for the information presented in this report and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.