



HIGH GRADE PALLADIUM IN NICKEL CONCENTRATE RESULTS FROM ARMSTRONG DEPOSIT

HIGHLIGHTS

- Sighter flotation test work on Armstrong mineralised sample from RC chips produces commercial grade nickel concentrate (12% Ni)
- Material palladium grades in both sample (3 g/t) and concentrate (20 g/t) from Armstrong deposit
- Planned locked cycle flotation tests on drill core expected to improve grade and recoveries of nickel and palladium
- Historically less than 10% of samples from 13k+ drill hole Mt Edwards database assayed for palladium and platinum
- At Mt Edwards less than 25% of samples with nickel assays >1% have been assayed for palladium and platinum
- External consultants engaged to review the spatial distribution of palladium assays within Armstrong and Widgie Townsite deposits to assess the potential co-product contribution effect on mining studies currently underway

Project developer Neometals Ltd (ASX: NMT) (“Neometals” or “the Company”) is pleased to announce encouraging results from preliminary metallurgical sighter test work carried out on mineralisation from the Armstrong Mineral Resource Estimate at the Mt Edwards Project. The Armstrong deposit contains a Mineral Resource Estimate of 633,000 tonnes @ 2.1% nickel for 13,200 of contained nickel tonnes using a 1%Ni block cut-off grade. For full details refer to ASX announcement “60% Increase in Armstrong Mineral Resource” released 16 April 2020.

Samples of mineralised drill chips were sourced from 3 Reverse Circulation “RC” drill holes completed by Neometals in December 2019 with a view to determine the amenability of nickel to upgrade into a concentrate. These samples were blended into a single composite designed to reflect a similar overall nickel grade to the Armstrong Mineral Resource, with the head grade of 2.16% Ni.

The purpose of flotation test work was to determine if the primary nickel mineralisation was amenable to flotation, with results confirming “in principle” the ability of the nickel to upgrade to acceptable concentrate levels (+12% Ni grade). The recovery and grade of palladium from the test work has been a pleasing revelation.

Points noted from test work:

- A flotation reagent regime based on standard Kambalda Nickel Operations was utilised
- Presence of RC drilling fluid remnants hampered testing requiring decantation and pre-flotation steps affecting recovery. Normally diamond drill core is used for float testing avoiding this issue.
- Sample head grade noted presence of palladium and platinum grades at levels considered potentially economic.
- Recovery to concentrate for nickel, cobalt, palladium, and platinum suggest a positive correlation may exist. It is considered likely the platinum and palladium will report to the nickel concentrate rather than be rejected to tails.
- Concentrate grades for palladium and platinum provide significant encouragement for the potential of these minority elements to contribute to revenue, subject to further work.

A summary table outlining the results of test work is shown in table 1 below, with 48.8% recovery of nickel at a grade of 12.8%, and a 55.4% recovery of palladium with a resultant grade of 20.4 ppm (g/t).

Table 1 – Armstrong Float Test Work Results

PRODUCT	WEIGHT		NICKEL		COBALT		PALLADIUM		PLATINUM		GOLD	
	Gram	%	%	%dist	%	%dist	ppm	%dist	ppm	%dist	ppm	%dist
Head Grade	936.4	100.0	2.16	100.0	0.03	100.0	3.04	100.0	0.21	100.0	0.57	100.0
Rougher Concentrate		8.24	12.8	48.8	0.16	43.2	20.4	55.4	0.61	24.0	4.08	59.0
Prefloat Con +Decant		26.6	2.24	27.5	0.03	25.5	3.30	28.8	0.20	24.9	0.48	22.5
Tails		65.2	0.79	23.7	0.02	31.3	0.74	15.8	0.17	51.1	0.16	18.5

Platinum and Palladium at Mt Edwards

The Mount Edwards project database consists of assay and geological data from more than 13,000 drill holes. Platinum (Pt) and Palladium (Pd) have been sparingly assayed in work to date at Mount Edwards. While the majority of samples are assayed for nickel or lithium, only ~10% (42,468 of 422,129) of the total samples have been assayed for either Pt or Pd. Historically Pt and Pd assays were used as an indicator element in exploration activities helping to vector in on new discoveries.

Nickel mining at the Mt Edwards project was last conducted some 13 years ago. The Armstrong Deposit is on granted mining lease (M15/99) and is currently on 'care and maintenance' status with the Department of Mines and Petroleum. Since this time, the price of palladium has increased markedly with a tenfold increase in value since 2008. The significance of the increased market value of palladium and platinum - coupled with a positive result from early-stage sighter metallurgical test work - now warrants further investigation to determine if these precious metals can provide an additional revenue stream for the nickel project.

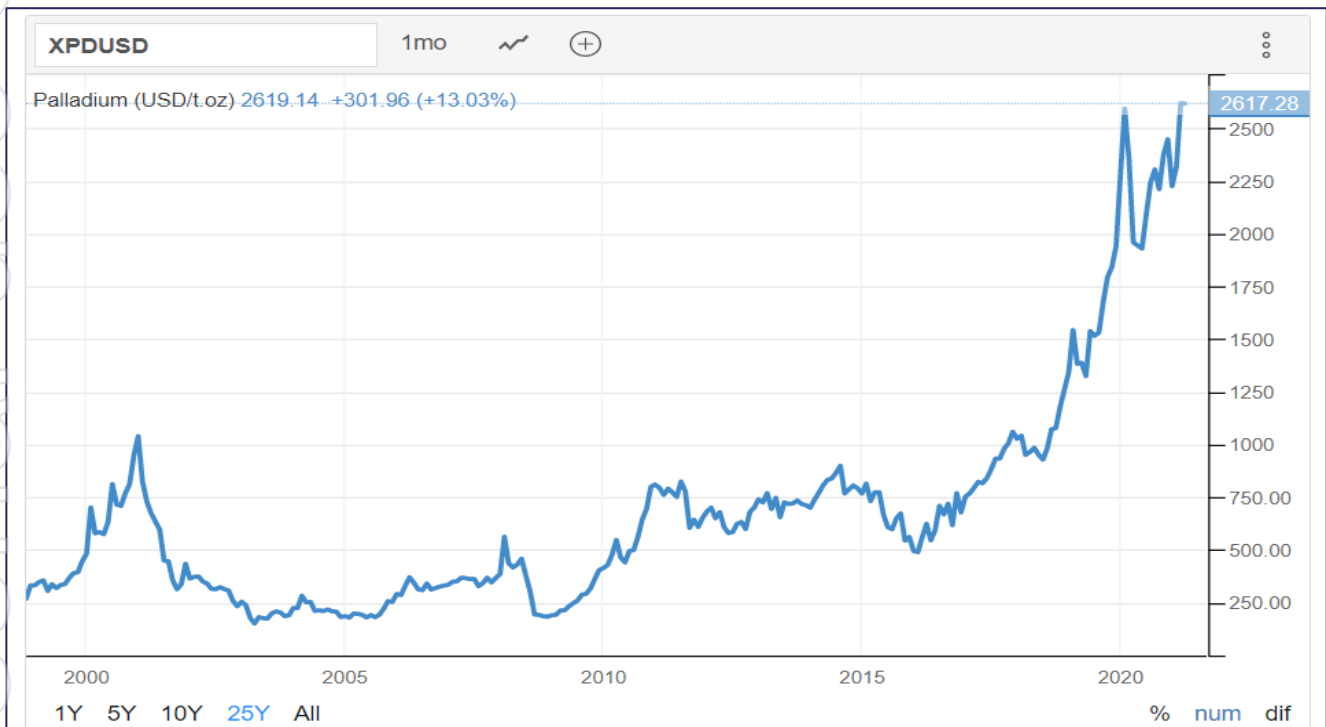


Figure 1 – Historical Palladium Pricing

Forward Work

The Company has commenced a detailed geological and geometallurgical program to ascertain the potential impacts on its eleven separately defined Mineral Resources at Mt Edwards and exploration potential within its > 300 square km tenure.

The components of the geometallurgical program are:

- the geologically informed selection of a number of mineralised samples
- laboratory-scale planned locked cycle test work to determine the response of the mineralisation to mineral processing unit operations
- the distribution of these parameters throughout the deposits using an accepted geostatistical technique
- the application of a mining plan and mineral processing models to generate a prediction of the process plant behaviour

Managing Director Chris Reed commented:

“This initial result heralds a new chapter in the advancement of the Mt Edwards project. We are thrilled to discover the presence of palladium and platinum within our already significant nickel endowment. We will pause our mining studies and focus on a geometallurgical evaluation to quantify the potential for significant co-product revenue.”



Palladium at Armstrong

A review of available palladium and platinum data in drill samples at the Armstrong deposit shows that while only ~10% of all samples in the area were assayed for Pd and / or Pt, elevated grades of the PGMs are closely associated with the locations of enriched nickel.

Richard Maddocks of Auralia Mining Consulting, a consultant independent of Neometals, carried out an estimation of a Nickel Sulphide Mineral Resource in April 2020. Snowden Mining Industry Consultants Pty Ltd then conducted a review of the Mineral Resource. Palladium was outside the scope and was not considered in the April 2020 nickel estimate or review.

Work is underway to determine if there is sufficient data to estimate the amount of palladium at Armstrong, with all available samples and drill core will be assayed for Pd and Pt in coming weeks.

The review of palladium was sparked by preliminary metallurgical sighter test work carried out on nickel mineralisation from Armstrong. The report of this early-stage float test work shows good recoveries for Nickel, as well as encouraging recoveries for palladium.

Sighter metallurgical test work undertaken by Auralia Metallurgy was reviewed by Gavin Beer.

Figure 2 - Location of the Drill Hole Collars and Drill Traces at Armstrong on M 15/99 Over Geology. Samples with Pt or Pd assay are coloured green and red. Note only ~10% of drilling at Armstrong has been assayed for platinum and palladium

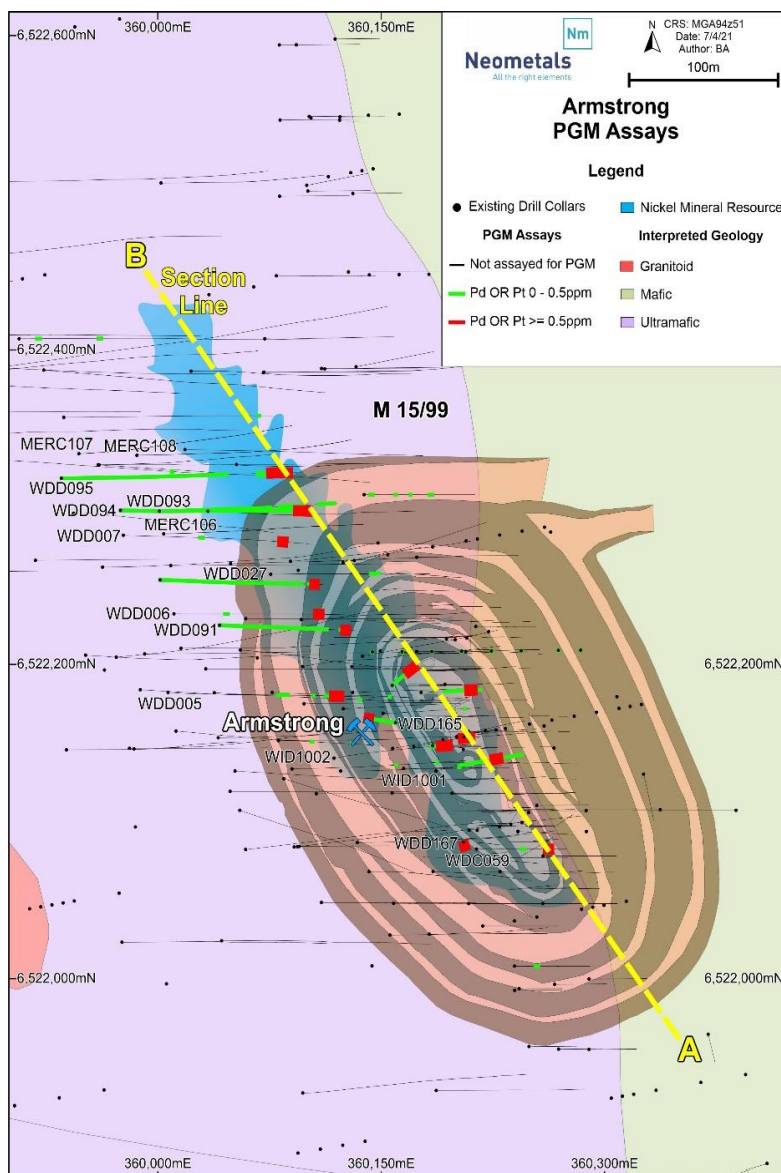


Table 2 - List of Diamond Core and RC Holes at Armstrong with Significant Pd or Pt Intercepts. Grid used is MGA94_515

Hole ID	Drill Type	End of Hole (m)	Easting	Northing	Collar RL	Azimuth	Dip	Mining Tenement	Location
WDC059	RC	120	360,214	6,522,082	336.3	90	-60	M15/99	Armstrong
WDD005	DD	252.3	360,007	6,522,182	333.8	93	-59.7	M15/99	Armstrong
WDD006	DD	229	360,011	6,522,232	333.4	91	-59.8	M15/99	Armstrong
WDD007	DD	247	359,977	6,522,282	333.6	93	-59.8	M15/99	Armstrong
WDD027	DD	255.6	360,076	6,522,257	332.6	90	-61.5	M15/99	Armstrong
WDD091	DD	197.85	360,042	6,522,225	333.1	92	-59.5	M15/99	Armstrong
WDD093	DD	201.2	360,001	6,522,297	334.8	90	-60.8	M15/99	Armstrong
WDD094	DD	295	359,975	6,522,298	344.1	90	-60.6	M15/99	Armstrong
WDD095	DD	285	359,935	6,522,318	337.2	91	-60	M15/99	Armstrong
WDD165	DD	135	360,160	6,522,163	275.7	275	-79.9	M15/99	Armstrong
WDD167	DD	81	360,205	6,522,087	274.8	165	-88.2	M15/99	Armstrong
WID1001	DD	201	360,158	6,522,146	332.8	79.5	-60	M15/99	Armstrong
WID1002	DD	196	360,118	6,522,140	333.2	79.5	-60	M15/99	Armstrong

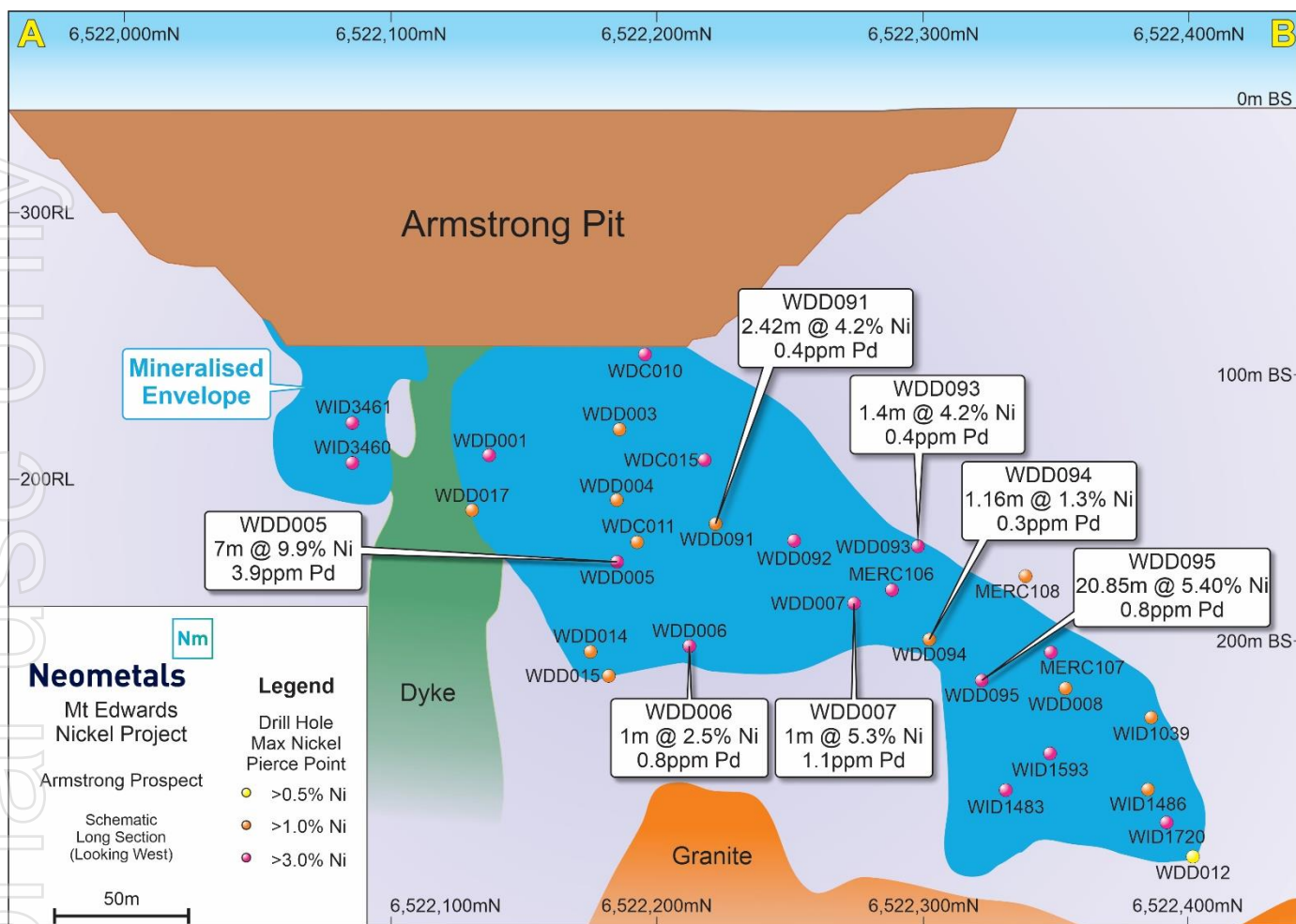


Figure 3 - Long Section of Armstrong Deposit Looking West Showing the Mineralised Envelope, Historic Maximum Nickel Grades, and Locations of the Pierce Points. Palladium grades for the corresponding nickel intercept are displayed in the call out boxes.

Table 3 - Significant Nickel Intercepts and the Related Pd and Pt in Drilling From the Armstrong Nickel Deposit.

Hole_ID	Location	From	To	Interval (m)	Ni %	Pd ppm	Pt ppm	Cu ppm	As ppm	Fe ₂ O ₃ %	MgO %	S %
WDC059	Armstrong	95	96	1	13.5	5.3	0.5	7400	11,200	28.7	8.1	17.0
WDD005	Armstrong	220	227	7	9.9	3.9	0.1	5084	106,672	16.5	6.9	5.9
WDD006	Armstrong	194	195	1	2.5	0.8	0.5	1030	105	14.3	19.7	3.7
WDD007	Armstrong	213	214	1	5.3	1.1	0.5	3540	3,020	25.4	18.1	7.2
WDD027	Armstrong	139	140	1	2.1	0.2	0.1	10300	3	53.0	0.5	15.0
WDD091	Armstrong	175.73	178.15	2.42	4.2	0.4	0.3	2509	207	20.1	20.1	7.3
WDD093	Armstrong	182.15	183.55	1.4	1.8	0.5	0.2	859	201	10.9	36.8	1.7
WDD093	Armstrong	190	190.47	0.47	1.5	0.7	0.3	2860	106	12.4	34.3	3.1
WDD093	Armstrong	193	194.4	1.4	4.2	0.4	0.3	1728	792	17.9	20.2	6.3
WDD094	Armstrong	223.46	225.46	2	1.5	0.4	0.1	613	154	10.5	36.9	1.4
WDD094	Armstrong	232	233.16	1.16	1.3	0.3	0.2	850	40	12.4	26.3	1.8
WDD095*	Armstrong	249.85	270.7	20.85	5.4	0.8	0.4	3528	6,482	15.5	29.4	5.5
WDD165	Armstrong	123.16	123.45	0.29	7.9	5.1	0.2	3327	72,254	7.5	3.8	2.1
WDD167	Armstrong	70	73.9	3.9	7.9	0.3	0.9	3696	343	26.6	13.0	13.2
WID1001	Armstrong	106	106.68	0.68	2.6	0.4	0.5	1795	201	13.5	15.5	4.5
WID1002	Armstrong	138	152.08	14.08	3.7	0.4	0.2	2363	193	14.5	27.4	4.5

Note: Significant intercepts are contiguous samples with assay results greater than 1% nickel, with an average grade greater than or equal to 1% nickel. Up to 1 metre internal dilution (less than 1% nickel) may be included in the intercept. *WDD095 includes intercepts where some Pd assays reported by the lab at maximum detection limit value of 1ppm, so true grade is likely to be higher.

Background

The Mt Edwards nickel project is centred around the small township of Widgiemooltha, located 90 kilometres south of Kalgoorlie in Western Australia. The project consists of 47 granted and pending mining tenements spanning approximately 50 kilometres of strike length over and around the Widgiemooltha Dome. The Widgiemooltha Dome is a world class nickel sulphide camp that has hosted more than seven historical nickel mines with a new mine, Cassini, currently under development by Mincor Resources Ltd.

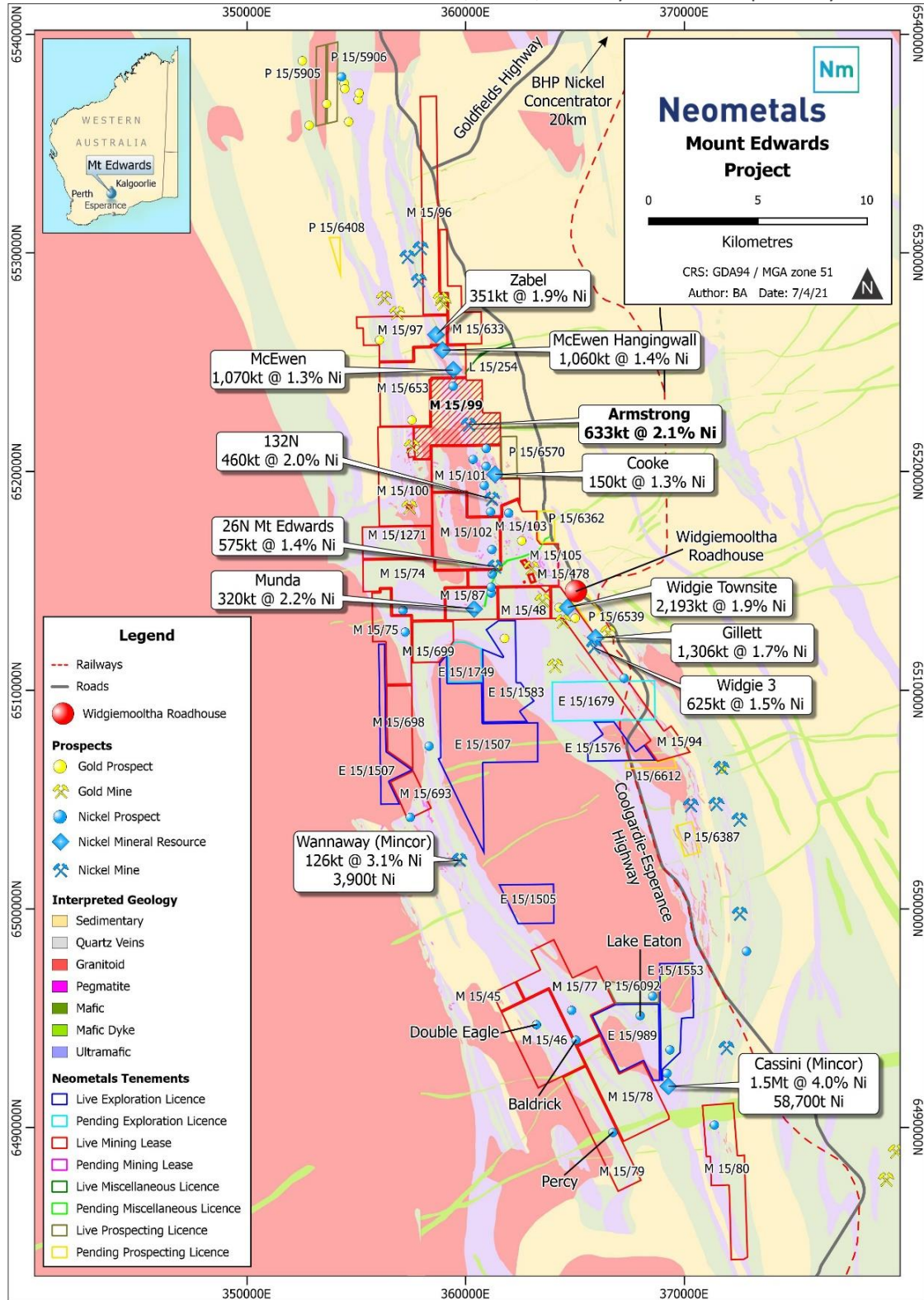


Figure 4 – Mining Tenements of the Mt Edwards Project Over Geology. The Armstrong deposit and Mining Lease M15/99 location are highlighted, and other Mineral Resources identified. Neometals holds 100% nickel, platinum and palladium rights for all live tenements shown above.

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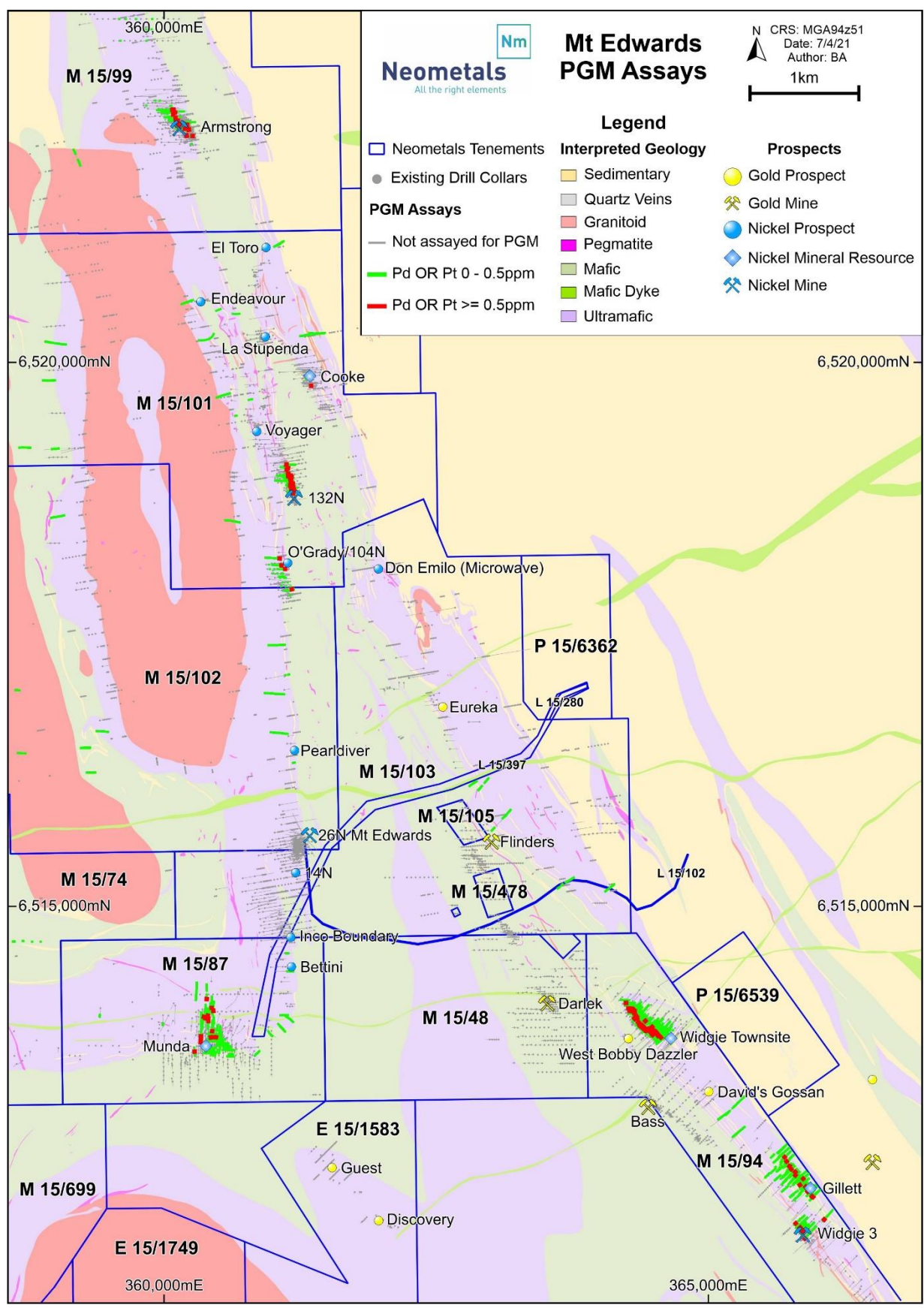


Figure 5 - Location of Drill Holes and Drill Traces with Pt and Pd Assays Across the Mt Edwards Project. Eight of the eleven nickel deposits are shown over the geology. Samples where Pd and / or Pt has been assayed are shown in green. Drilling samples with Pd or Pt assays returned greater than 0.5 ppm are shown in red. The figure shows a good correlation of elevated Pd grades near the nickel Mineral Resources.

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Table 4 - Mt Edwards Global Nickel Mineral Resource

Deposit	Indicated		Inferred		TOTAL Mineral Resources		
	Tonne (kt)	Nickel (%)	Tonne (kt)	Nickel (%)	Tonne (kt)	Nickel (%)	Nickel Tonnes
Widgie 3 ²			625	1.5	625	1.5	9,160
Gillett ⁵			1,306	1.7	1,306	1.7	22,500
Widgie Townsite ²	2,193	1.9			2,193	1.9	40,720
Munda ³			320	2.2	320	2.2	7,140
Mt Edwards 26N ²			575	1.4	575	1.4	8,210
132N ⁶	34	2.9	426	1.9	460	2.0	9,050
Cooke ¹			150	1.3	150	1.3	1,950
Armstrong ⁴	526	2.1	107	2.0	633	2.1	13,200
McEwen ¹			1,070	1.3	1,070	1.3	13,380
McEwen Hangingwall ¹			1,060	1.4	1,060	1.4	14,840
Zabel ⁷	296	1.9	55	2.1	351	1.9	6,800
TOTAL	3,049	1.9	5,694	1.6	8,743	1.7	147,000

Note 1. refer announcement on the ASX: NMT 19 April 2018 titled Mt Edwards JORC Code Mineral Resource 48,200 Nickel Tonnes

Note 2. refer announcement on the ASX: NMT 25 June 2018 titled Mt Edwards Project Mineral Resource Over 120,000 Nickel Tonnes

Note 3. refer announcement on the ASX: NMT 13 November 2019 titled Additional Nickel Mineral Resource at Mt Edwards

Note 4. refer announcement on the ASX: NMT 16 April 2020 titled 60% Increase in Armstrong Mineral Resource

Note 5. refer announcement on the ASX: NMT 26 May 2020 titled Increase in Mt Edwards Nickel Mineral Resource

Note 6. refer announcement on the ASX: NMT 6 October 2020 titled 132N Nickel Mineral Resource and Exploration Update at Mt Edwards

Note 7. refer announcement on the ASX: NMT 23 December 2021 titled Zabel Nickel Mineral Resource Update at Mt Edwards

Authorised on behalf of Neometals by Christopher Reed, Managing Director

ENDS

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About Neometals Ltd

Neometals innovatively develops opportunities in minerals and advanced materials essential for a sustainable future. With a focus on the energy storage megatrend, the strategy focuses on de-risking and developing long life projects with strong partners and integrating down the value chain to increase margins and return value to shareholders.

Neometals has four core projects with large partners that support the global transition to clean energy and span the battery value chain:

Recycling and Resource Recovery:

- Lithium-ion Battery Recycling – a proprietary process for recovering cobalt and other valuable materials from spent and scrap lithium batteries. Pilot plant testing completed with plans well advanced to conduct demonstration scale trials with 50:50 JV partner SMS group, working towards a development decision in early 2022; and
- Vanadium Recovery – sole funding the evaluation of a potential 50:50 joint venture with Critical Metals Ltd to recover vanadium from processing by-products (“Slag”) from leading Scandinavian Steel maker SSAB. Underpinned by a 10-year Slag supply agreement, a decision to develop sustainable European production of high-purity vanadium pentoxide is targeted for December 2022.

Downstream Advanced Materials:

- Lithium Refinery Project – evaluating the development of India’s first lithium refinery to supply the battery cathode industry with potential 50:50 JV partner Manikaran Power, underpinned by a binding life-of-mine annual offtake option for 57,000 tonnes per annum of Mt Marion 6% spodumene concentrate, working towards a development decision in 2022.

Upstream Industrial Minerals:

- Barrambie Titanium and Vanadium Project - one of the world’s highest-grade hard-rock titanium-vanadium deposits, working towards a development decision in 2021 with potential 50:50 JV partner IMUMR.

Competent Person Attribution

The information in this report that relates to Exploration Results is based on information compiled by Gregory Hudson, who is a member of the Australian Institute of Geoscientists. Gregory Hudson is a full-time employee of Neometals Ltd and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and the activity being undertaken, to qualify as a Competent Person as defined in the December 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Gregory Hudson has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

Information that relates to metallurgical results is based on work carried out by Auralia Metallurgy under the supervision of Gavin Beer, who is a full-time employee of Neometals Ltd, a member and Chartered Professional of the AusIMM and has sufficient experience relevant to the metallurgy and test work to qualify as a Competent Person as defined in the December 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Gavin has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcement.'

Compliance Statement

The information in this report that relates to Exploration Results and Mineral Resources for Neometals other than those discussed relevant to the recent metallurgical work at Armstrong are extracted from the ASX Announcements listed in the table below, which are also available on the Company's website at www.neometals.com.au

19/04/2018	Mt Edwards Nickel - Mineral Resource Estimate
25/06/2018	Mt Edwards - Mineral Resource Over 120,000 Nickel Tonnes
31/10/2018	Quarterly Activities Report
05/08/2019	Mt Edwards Nickel – Drill Results
13/11/2019	Additional Nickel Mineral Resource at Mt Edwards
11/12/2019	Mt Edwards Nickel - Drill Results from Widgie South Trend
31/01/2020	Further Massive Nickel Sulphide Results from Mt Edwards
16/04/2020	60% Increase in Armstrong Mineral Resource
26/05/2020	Increase in Mt Edwards Nickel Mineral Resource
05/10/2020	132N Nickel Mineral Resource and exploration update at Mt Edwards
23/12/2020	Zabel Nickel Mineral Resource update at Mt Edwards

APPENDIX

Table 1 information in accordance with JORC 2012: Mount Edwards Nickel Exploration

Section 1 Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections.)

Section 1 Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Sampling techniques	<p><i>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.</i></p> <p><i>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.</i></p>	<p>All new data collected from the Mt Edwards nickel exploration project discussed in this report (samples for sighter test work) is in relation to a Reverse Circulation (RC) drill and sample program completed during December on M15/99 in the year 2019, unless stated otherwise.</p> <p>Samples were acquired at one metre intervals from a chute beneath a cyclone on the RC drill rig. Sample size was then reduced through a cone sample splitter. Two identical sub-samples were captured in pre-numbered calico bags, with typical masses ranging between 2 and 3.5kg. Care was taken to ensure that both original sub-samples and duplicate sub-samples were collected representatively, and therefore are of equal quantities. The remainder of the sample (the reject) has been retained in green mining bags.</p> <p>Samples assessed as prospective for nickel mineralisation were assayed at single metre sample intervals, while zones where the geology is considered less prospective were assayed at nominal 4 metre length composite samples.</p> <p>A mineralised sample is defined as that which would be expected when tested in a laboratory to have an assay results returned above 3,000ppm (0.3%) nickel.</p> <p>Composite samples were prepared by the geologist at drill site through spear sampling. A sampling spear was used to collect representative samples from 4 consecutive green mining bags and were collected into a pre-numbered calico bag. A typical composite sample weighs between 2 and 3.5kg.</p> <p>No other measurement tools related to sampling have been used in the holes for sampling other than directional/orientation survey tools. Down Hole electromagnetic surveys have been carried out for some of the holes.</p> <p>For sighter metallurgical test work ~3kg samples were taken by scoop from selected Ni mineralised samples from the reject samples in March 2021.</p> <p>Base metal, multi-element analysis was completed using a 4-acid digest with ICP-OES finish for 33 elements.</p> <p>Sampling techniques for the INCO and WMC drilling is not known.</p> <p>Samples which returned nickel grades >0.5% Ni have been retained and stored.</p>
Drilling Techniques	<p><i>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).</i></p>	<p>3 Reverse Circulation (RC) drill holes have been completed on M15/99 using a face sampling hammer. Equipment used was a SCHRAMM Drill Rig, Auxiliary compressor, and Booster. Drill rods were 6 metres long and drill bit diameter is 143mm, and hence so is the size of drill hole diameter. Holes were drilled at a nominal dip angle of -60° with varying azimuth angles in order to orthogonally intercept the interpreted favourable geological contact zones.</p> <p>Titan Resources drilled the majority of holes at Armstrong. Drill hole localities were sited with a differential GPS and recorded in grid AGD84.</p>

Section 1 Sampling Techniques and Data		
		<p>In all instances of RC drilling McKay Drilling, a Kalgoorlie based company, was utilised. The rig used was a 1998 Schramm T685W with a 1150/350 onboard compressor and a 1999 Western Air 1150/350 silenced compressor and 2700/1450 Ariel booster. Pre-collars and Diamond Core Drilling were undertaken by DrillCorp Western Deephole utilising a UDR 1000 heavy duty multi-purpose rig with a 900cfm x 350psi onboard compressor.</p> <p>Historic drilling included both RC and Diamond core. The database used for resource estimation included a total of 412 RC holes for 20,625m and 110 Diamond Core holes for 24,204m.</p>
Drill Sample Recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<p>Sample recovery of drilling prior to 2000 is not known. Drill sample recovery is not known for the INCO or WMC holes.</p> <p>Minor sample loss was recognised while sampling the first metre of some drill holes in 2019 due to very fine grain size of the surface and near-surface material.</p> <p>No relationship between sample recovery and grade has been recognised in the 2019 drilling.</p>
Logging	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>All drill holes have been geologically logged for lithology, weathering, alteration, and mineralogy.</p> <p>For the December 2019 drilling a total of 826m was drilled in three drill holes. The geologist recorded the sample recovery during the drilling program, and these were overall very good.</p> <p>All samples were logged in the field at the time of drilling and sampling (both quantitatively and qualitatively where viable) with spoil material and sieved rock chips assessed.</p> <p>Geochemical analysis of each hole has been correlated back to logged geology for validation.</p>
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p>	<p>Information relating to RC chip samples collected before 1999 is scarce. Information such as sample interval is well recorded. From 2003 Titan samples were collected in 1m or 2m intervals, after passing through a cyclone, and split via a 50:50 or 75:25 riffle splitter. Approximately 3-5kg of sample was submitted for analysis, and the remaining sample left in plastic bags at drill sites (these sites have since been rehabilitated).</p> <p>Details as to the sampling of wet holes pre 2003 are unknown. Post 2003 wet holes have not been encountered as the rigs utilized had sufficient air to keep the holes and therefore samples dry.</p> <p>Procedures used by Neometals are detailed below. 1 metre samples Samples collected at 1 metre intervals from the splitter (which are truly the 2 to 3.5kg sub-samples of the sample material extracted and captured from each metre through the drilling process) were collected in the field, received by the lab, sorted and recorded.</p> <p><u>Composite Samples</u> Equal amounts (usually ~600g) of material were taken by scoop or spear from individual reject bags in sequences of 4 representing 4 metres of drilled material and placed into a prenumbered calico bag.</p>



Section 1 Sampling Techniques and Data

		<p>If there was insufficient sample for a 600g scoop the smallest individual sample is exhausted and the other 3 samples that make up the composite are collected to match the size of the smallest sample. The ~ 2.4kg composite sample was then sent to the lab for sample preparation and analysis.</p> <p>Hereafter the sample preparation is the same for 1 metre and composite samples.</p> <p><u>Sample Preparation</u> Individual samples were weighed as received and then dried in a gas oven for up to 12 hours at 105C. Samples >3 kg's were riffle split 50:50 and excess discarded. All samples were then pulverised in a LM5 pulveriser for 5 minutes to achieve 85% passing 75um. 1:50 grind checks were performed to verify passing was achieved. A 300g split was taken at the bowl upon completion of the grind and sent to the next facility for assay. The remainder of the sample (now pulverised) was bagged and retained until further notice.</p> <p>For each submitted sample, the remaining sample (material) less the aliquot used for analysis has been retained, with the majority retained and returned to the original calico bag and a nominal 300g portion split into a pulp packet for future reference.</p> <p>Individual samples have been assayed for a suite of 33 elements including nickel related analytes as per the laboratory's procedure for a 4-acid digestion followed by Optical Emission Spectral analysis.</p> <p>Internal sample quality control analysis was then conducted on each sample and on the batch by the laboratory.</p> <p>Results have been reported to Neometals in csv, pdf and azeva formats.</p>
<p>Quality of assay data and laboratory tests</p>	<p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>QAQC procedures carried out by operators before 1999 are not known. The QAQC results were sourced from the Titan Resources annual exploration report for 2003-2004. These indicated that no significant or material discrepancies was identified by the QAQC sampling/analysis for drilling and sampling conducted by Titan Resources or Consolidated Nickel.</p> <p>The procedures implemented by Titan and Neometals included standards and field duplicates.</p> <p>Assaying for 2019 work was completed by a commercial registered laboratory with standards and duplicates reported in the sample batches. In addition, base metal Standard Reference samples were inserted into the batches by the geologist.</p> <p>Neometals followed established QAQC procedures for this exploration program with the use of Certified Reference Materials as field and laboratory standards.</p> <p>Field and laboratory duplicates have been used extensively and results assessed.</p> <p>Nickel standards (Certified Reference Materials, CRM) in pulp form have been submitted at a nominal rate of one for every 50 x 1 metre samples.</p> <p>A detailed QAQC analysis has been carried out with all results assessed for repeatability and meeting expected values relevant to nickel and related elements.</p>

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		Detailed QAQC analysis for Consolidated Minerals and Titan Resources drilling has been sourced and is confirms generally good quality of the sampling and assay data.
Quality of assay data and laboratory tests continued	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>	<p>Pre 1999 samples (WMC) were submitted to the Silver Lake Laboratory for analysis. Little is known about the laboratory used however it is believed that on the basis of information subsequently collected there is no reason to doubt the assays. Detection limits are not often recorded on the available data and the analytical scheme cannot be verified. According to WMC it was standard practice to submit duplicates and standards.</p> <p>It has been noted that many nickel samples from Widgiemoooltha and Kambalda were analysed at the Silver Lake Laboratory and there is no basis for believing the analytical results to be incorrect.</p> <p>Post 2003 reputable laboratories, namely ALS Chemex (ALS) and Ultra Trace Pty Ltd, were utilized. These laboratories have stringent quality control systems, ALS has ISO9002 certification.</p> <p>The analytical methods and detection limits used did not alter between drill methodologies. Analytical methods and detection limits are merged into the database assay file.</p> <p>For analysis undertaken at ALS, Perth, the entire sample was prepared. Analytical schemes and detection limits as follows</p> <ul style="list-style-type: none"> • ME-ICP61 (formerly IC587) four acid digestion, HF-HNO₃-HCLO₄ acid digestion, HCL leach and ICP - AES, detection limits in brackets. Cu (1ppm), Co (1ppm), Ni (1ppm), Cr (1ppm), As (5ppm), Mn (5ppm), Al (0.01%), S (0.01%), Mg (0.01%) and Fe (0.01%). • Copper and nickel values in excess of 1% were re assayed via analytical schemes AA46 (formerly A101) and AA62 (formerly A102) with lower detection limits of 0.01%. • Au-AA24. Nominal sample weight 30g. Au (0.01ppm). • Some samples were analysed for platinum, palladium and gold using PGM-MS27 (formerly PM223). Nominal sample weight 30g – fire assay. Pt (0.05ppm), Pd (0.01ppm) and Au (0.01ppm). <p>After preparation ALS take a split or check from every 25th sample and send it to Ultra Trace Analytical Laboratories in Perth. Analytical schemes and detection limits are as follows</p> <ul style="list-style-type: none"> • Four acid digest, detection limits in brackets. Cu (1ppm), Co (1ppm), Ni (1ppm), Cr (5ppm), As (5ppm), Mn (1ppm), Al (0.01%), S (0.01%), Mg (0.01%) and Fe (0.01%). • Gold, platinum and palladium. 40g charge fire assay determination via ICP (inductively coupled plasma) Mass Spectrometry. Au, Pt and Pd all with lower detection limits of 1ppb <p>A detailed QAQC analysis is been carried out with all results from Titan Resources and Consolidated Nickel with no significant issues or bias detected.</p> <p>Neometals followed established QAQC procedures for this exploration program with the use of Certified Reference Materials as field and laboratory standards.</p> <p>QAQC analysis has been carried out with all results from Titan Resources and Neometals with no significant issues or bias detected.</p>

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Verification of sampling and assaying	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes</i></p> <p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>Discuss any adjustment to assay data</i></p>	<p>Assay, Sample ID and logging data of the historical databases are matched and validated using filters in the drill database. The data is further visually validated by Neometals geologists and database staff.</p> <p>There has been no validation and cross checking of laboratory performance at this stage.</p> <p>No adjustments have been made to assay data.</p> <p>Assay results are provided by the laboratory to Neometals in csv, pdf and azeva formats, and then validated and entered into the database managed by an external contractor. Backups of the database are stored both in and out of office. Duplicate samples (with suffix A) are taken for all 1 metre samples and submitted at the will of the geologist.</p> <p>Duplicates were submitted sometimes with the same submission as the original sample, and at other times at later submissions. All duplicates have validated that there have been no sample swaps of 1 metre samples at the rig, and that assays are repeatable with acceptable limits.</p> <p>A statistical analysis was conducted by Golder in 2004 to determine the applicability of using historic WMC drilling, sampling and assay data. This study concluded that the historic WMC data was of an adequate standard to be used for resource estimation.</p> <p>Auralia has relied on these conclusions and, in the process of examining the historic data, has not seen any data to contradict Golder's conclusions.</p> <p>Assay, Sample ID and logging data are matched and validated using filters in the drill database. The data is further visually validated by Neometals geologists and database staff.</p> <p>There has been no validation and cross checking of laboratory performance at this stage.</p> <p>Twinned holes have not been used in this program.</p> <p>SG of the mineralised samples has not been considered in determining significant intercepts.</p> <p>No adjustments have been made to assay data.</p>
Location of data points	<p><i>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.</i></p> <p><i>Specification of the grid system used</i></p> <p><i>Quality and adequacy of topographic control</i></p>	<p>A handheld GPS (Garmin GPSmap76 model) was used to determine the drill hole collar locations during the drill program with a ± 8 metres coordinate accuracy. MGA94_51S is the grid system used in this program.</p> <p>Historic survey methods are not known but INCO and WMC data was originally recorded in in local grids that have been converted to current MGA data.</p> <p>Downhole survey using Reflex gyro survey equipment was conducted during the program by the drill contractor.</p> <p>Downhole Gyro survey data were converted from true north to MGA94 Zone51S and saved into the data base. The formulas used are:</p> <p>Grid Azimuth = True Azimuth + Grid Convergence. Grid Azimuth = Magnetic Azimuth + Magnetic Declination + Grid Convergence.</p> <p>The Magnetic Declination and Grid Convergence were calculated with an accuracy to 1 decimal place using plugins in QGIS.</p> <p>Magnetic Declination = 0.8 Grid Convergence = -0.7</p>

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<p>Data spacing and distribution</p>	<p><i>Data spacing for reporting of Exploration Results</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied</i></p>	<p>All RC drill holes, and most diamond core holes, were sampled at 1 metre intervals down hole.</p> <p>Select sample compositing has been applied at a nominal 4 metre intervals determined by the geologist.</p> <p>Drill holes were completed at select geological targets on M15/99.</p> <p>At the Armstrong deposit drilling has been targeted to infill known mineral resources, with spacing from other drilling between 25 to 60 metres.</p> <p>Historic RC drilling was at a minimum of 1m in mineralised zones. Some non-mineralised areas were sampled at larger intervals of up to 4m. Diamond core was sampled to geological contacts with some samples less than 1m in length.</p> <p>When assessing the spacing of new drilling with historical exploration, the length of drilling from surface to the target zones of approximately 100 metres depth, and the quality of the survey data, should be considered.</p>
<p>Orientation of data in relation to geological structure</p>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<p>At the Mt. Edwards-Kambalda region, nickel mineralisation is typically located on the favourable geological contact zones between ultramafic rock units and metabasalt rock units. Drilling has generally been oriented perpendicular to strike, or in many cases art grid 090, at dips from -45 to -90 degrees. Intersections are generally not true lengths but show some exaggeration due to the near vertical nature of the mineralisation.</p> <p>For the 2019 drilling holes were planned at - 60° dip angles, with varying azimuth angles used in order to orthogonally intercept the interpreted favourable geological contact zones. There is no significant bias introduced due to drilling orientation.</p>
<p>Sample security</p>	<p><i>The measures taken to ensure sample security</i></p>	<p>Historic security measures are not known.</p> <p>For the 2019 program samples for assay were transported personally by Neometals and/or geological consultant staff to a commercial laboratory in Kalgoorlie for submission in Western Australia.</p> <p>The reject samples were retained in green bags and stored in sealed 44-gallon drums on site. Samples for the sighter metallurgical test work were collected from these drums at site (Mt Edwards) and taken by Neometals staff directly to the laboratory for test work.</p> <p>Sample security was not considered a significant risk to the project. No specific measures were taken by Neometals to ensure sample security beyond the normal chain of custody for a sample submission.</p>

Section 2 Reporting of Exploration Results

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<p>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.</p> <p>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.</p>	<p>Neometals (Mt Edwards Lithium Pty Ltd) hold all minerals rights other than gold on Mining Lease M15/99.</p> <p>As a Western Australian mining lease security of tenure is very strong, and approvals to mine can be readily attained.</p>
Exploration done by other parties	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>Neometals have held an interest in M15/99 since April 2018, hence all prior work has been conducted by other parties.</p> <p>The ground has a long history of exploration and mining and has been explored for nickel since the 1960s, initially by INCO in the 1960's and then by Western Mining Corporation from the early 1980's. Numerous companies have taken varying interests in the project area since this time. Titan Resources held the tenement from 2001.</p> <p>Consolidated Minerals took ownership from Titan in 2006, and Salt Lake Mining in 2014.</p> <p>Historical exploration results and data quality have been considered during the planning stage of drill locations on M15/99 for this exploration program, and results of the program are being used to validate historic data.</p>
Geology	<p>Deposit type, geological setting and style of mineralisation.</p>	<p>The geology in both areas comprises of sub-vertically dipping multiple sequences of ultramafic rock, metabasalt rock units and intermittent meta-sedimentary units.</p> <p>At the Armstrong deposit on M15/99 an intrusive granitic rock and east-northeast trending dolerite dyke have been reported in previous drilling but were not intercepted in this program.</p> <p>Contact zones between ultramafic rock and metabasalt are considered as favourable zones for nickel mineralisation. The relationship between nickel mineralisation and palladium is not fully understood. Preliminary analysis suggests that where palladium is present at elevated levels nickel should also be expected, however nickel mineralisation is not always an indication of palladium.</p> <p>Generally, 5 to 10 metres of transported soil cover is observed at Armstrong, with a zone of oxidation varying between 30 to 60 vertical metres.</p>
Drill hole information	<p>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:</p> <p>easting and northing of the drill hole collar</p> <p>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</p> <p>dip and azimuth of the hole</p> <p>down hole length and interception depth</p> <p>hole length.</p>	<p>The drill and sample program was conducted in December 2019.</p> <p>3 Reverse Circulation (RC) drill holes have been completed at the Armstrong deposit for a total of 826m.</p> <p>All drill holes were drilled at a nominal -60° dip at varying azimuth angles.</p> <p>Relevant drill hole information has been tabled in the report including hole ID, drill type, drill collar location,</p>

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	<p><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 Competent Person should clearly explain why this is the case.</i></p>	<p>elevation, drilled depth, azimuth, dip, and respective tenement number.</p> <p>Where available palladium grades of drill intercepts have also been tabled</p> <p>Historic drilling completed by previous owners has been verified and included in the drilling database. The database used for the Armstrong Mineral Resource estimation includes 522 holes totalling 44,829m.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>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.</i></p>	<p>Samples assessed as prospective for nickel mineralisation were assayed at single metre sample intervals, while zones where the geology were considered less prospective were assayed at a nominal 4 metre length composite sample.</p> <p>Some diamond core holes have been sampled to geological boundaries, and samples can be in the order of 30 centimetres.</p>
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></p>	<p>Nickel mineralisation is hosted in the ultramafic rock unit close to the metabasalt contact zones.</p> <p>All drilling is angled to best intercept the favourable contact zones between ultramafic rock and metabasalt rock units to best as possible test true widths of mineralisation.</p> <p>Due to the ~60° dip orientation of the mineralised zones there will be minor exaggeration of the width of intercept on M15/99, likely to be in the order of 10%.</p> <p>The relationship between palladium intercepts and drill orientation is not known.</p>
Diagrams	<p><i>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.</i></p>	<p>Appropriate maps, sections and tables are included in the body of the Report.</p> <p>A long section is shown for several of the drill holes which contain palladium and nickel mineralisation</p>
Balanced reporting	<p><i>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.</i></p>	<p>Current understanding is based on a single phase of drilling conducted by Neometals, combined with historical mapping, drilling, and sampling conducted by previous owners of the tenement. While results are encouraging, Neometals wish to conduct further work across the project area to gain an improved understanding of the economic potential of the nickel and palladium mineralisation at Mt Edwards.</p>
Other substantive exploration data	<p><i>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.</i></p>	<p>No further exploration data has been collected at this stage.</p>
Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral 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.</i></p>	<p>Further drilling is planned to test the potential lateral extents and infill areas for nickel and PGM mineralisation.</p>