ASX ANNOUNCEMENT **26 July 2021**

QUARTERLY ACTIVITY REPORT – JUNE 2021

HIGHLIGHTS:

MUSIC WELL GOLD PROJECT, EASTERN GOLDFIELDS, WA

- **Second field campaign of bulk sampling 2021 delivers exceptional results, including:**
  - **High grade gold confirmed in samples ranging up to 129g/t Au**
  - **An average grade of 3.516g/t from 128 samples**
  - **Visible gold was observed in several rock chip samples**
  - **The target vein was exposed to a maximum of 1m depth in order to obtain samples of fresh vein material for assay and to observe the geometry of the vein below the surface where possible.**
- **EIS grant for 450m Diamond drilling campaign at Music Well was awarded to NMR on 21st April 2021. Drilling will commence in July 2021.**
- **Tarmoola Station Pastoral Deed signed on 30th June 2021, providing NMR full access rights over the tenement areas.**
- **NMR plans to accelerate key work programs at Music Well over the coming months including diamond drilling, further bulk sampling and airborne geophysical survey.**

PALMERVILLE COPPER AND GOLD PROJECT, QLD

- **Project Status for all 9 Palmerville tenements was approved on 17th May 2021.**
- **NMR completed field work in May of 2021 at Palmerville with the aim of exploring high-potential targets. Additional field work was also completed at Leane's Prospect.**
- **Rock chip samples from a new site identified south of the historical 'Fairlight' copper mines returned grades of 7.99% Cu. Additional rock chip samples from the Glenroy target area exhibited copper grades of up to 19.99% and up to 1.6% Cu from a new target identified near the Palmer River.**
- **NMR continues to be encouraged by the positive grades from existing and new targets, reinforcing the area as a very high priority for copper deposit discovery.**

MOUNT MORGAN, QLD

- **Divestment of Mt Morgan to GBM Resources (ASX: GBZ) for a total $35,000 deposit and $200,000 in GBM shares on 30th June 2021.**

APPLICATION FOR NEW TENEMENTS IN THE NULLARBOR REGION OF WESTERN AUSTRALIA

- **Three new tenements have been applied for by NMR over greenfields geophysical anomalies in the south-eastern part of Western Australia - area considered extremely prospective for intrusion-related Nickel-Cu-PGE and IOCG-style copper gold mineralisation.**
- **The tenements are under cover giving NMR the first explorer advantage in this exciting and rapidly growing area of interest. NMR plan to expedite testing of the Nullarbor targets using geophysics and drilling.**

Copper and gold exploration company **Native Mineral Resources Holdings Limited** (ASX: NMR), or ("NMR" or "the Company"), is pleased to provide its quarterly activity report for the three months ended 30 June 2021.

Management Commentary

Commenting on progress made during the June quarter, NMR's Managing Director, Blake Cannavo, said: *"NMR continued to advance its key gold and copper assets during the quarter, with exceptional progress made at both our Music Well and Palmerville projects. Music Well continues to unveil itself as a high-quality gold project, with our bulk sampling work completed to date confirming high-grade Music Well quartz vein system continues at depth. Given the target zone remains open in all directions, we have expedited our planned diamond drilling program. Additional deeper bulk sampling work will also be completed this quarter. Both the drilling and bulk sampling will greatly increase NMR's knowledge of the grade and size of the target vein system.*

"NMR is finalising plans to commence exploration at our Palmerville Copper Project for the 2021 field season. Our team completed a program of rock chip sampling during the quarter which returned some fantastic high-grade copper hits across new and existing target areas, so we are very eager to roll out our next phase of exploration this quarter.

"NMR also made the strategic decision during the quarter to apply for three new tenements in the Nullarbor region of Western Australia which are highly prospective for copper, gold and nickel mineralisation. These tenements are located in an emerging and highly sought-after exploration jurisdiction and, once granted, will add considerable value to our portfolio.

"We enter the September quarter with great momentum and a busy pipeline of activity planned across our key assets and I look forward to providing further updates on progress."

PROJECT OVERVIEW

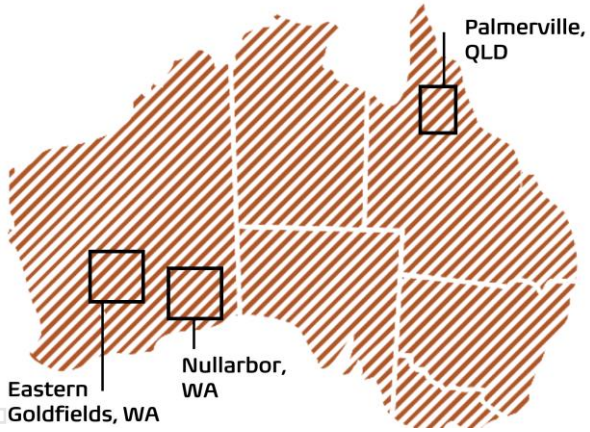

Figure 1. *Map of Australia highlighting NMR's three main project areas including the new applications in the Nullarbor region of SE western Australia.*

NMR now hold a portfolio of 16 tenements (12 granted and 4 in application) in world class mineral provinces targeting for Copper, Gold and Nickel.

EASTERN GOLDFIELDS PROJECTS, WA

Project Background and Music Well Exploration Summary

The Eastern Goldfields is located in the eastern part of the world famous Yilgarn Craton. This unique part of Australia is host to significant mineral resources, particularly gold and nickel. Native Mineral Resources is exploring for Granite-hosted gold mineralisation on four highly prospective tenements in the Eastern Goldfields (**Figure 1**). The discovery of structurally-controlled high-grade gold at Music Well, has prompted NMR to focus on this prospect, however, the Mt Vetters and Arcoona Projects, which are located within close proximity to Kalgoorlie (**Figure 2**), are gaining exploration momentum from the company based on the exploration success identifying mineralised, granite-hosted structures at the Music Well Project (E37/1362 and E37/1363).

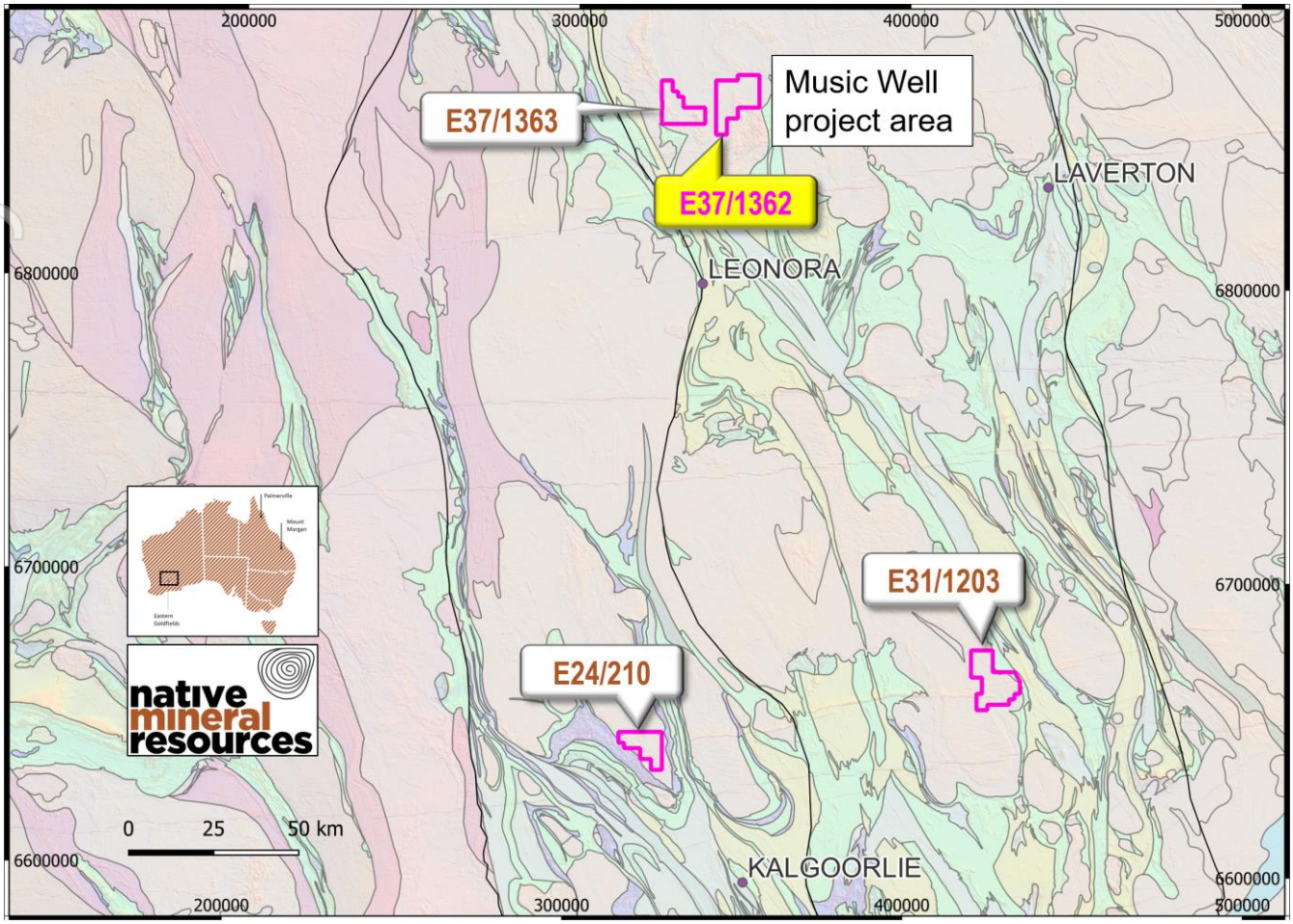

Figure 2. *Location map of NMR projects (four tenements) in the Eastern Goldfields of Western Australia. All three projects are located within regions near operating mines and proven mineralisation. NMR's* ***Music Well Project*** *is located approximately 60km north of Leonora (Grid reference is GDA94 Zone51).*

The Music Well Gold Project is located approximately 60 km north of Leonora and is comprised of the two tenements E37/1362 and E37/1363 (**Figure 2**). The company completed a comprehensive sampling campaign in March and a second follow up campaign in May of 2021 aimed at testing the continuity of the gold-bearing target vein(s) below the surface to avoid the potential impacts of oxidation, sulfide degredation, and weathering.

The initial sampling campaign successfully repeated previous tenement holders high-grade gold results and helped NMR confirm the Music Well vein(s) as a high-priority target. NMR have been able to repeat the high-grade gold from samples of the excavated vein which have returned vein samples of up to 129g/t Au. Using an excavator, the vein was exposed in sections along a strike length of approximately 140m and to a depth of up to 1m. The areas where most sampling occurred were in parts of the vein principally comprised of massive white quartz that was preferentially resistant to weathering. The most significant outcomes from the sampling included:

1) High-grade gold – up to 129 g/t Au - identified in rock chip samples from vein material excavated down to 1 m depth.
2) Average grade of all 128 rock chip samples collected from the target vein is 3.516 g/t Au.
3) 28 samples returned over 1g/t Au and six samples over 10g/t Au.
4) Small flakes and nuggets of visible gold were detected in rock chip samples.

Gold assay results were obtained on grab samples collected from excavated and crushed quartz (refer to ASX announcement 27th June 2021). The average of 128 samples returned a grade of 3.516 g/t Au and only one sample

recorded an assay below detection. The grades are supported by the discovery of visible gold in several samples which, when discovered, were set aside and not included in the samples for assay to avoid sample bias.

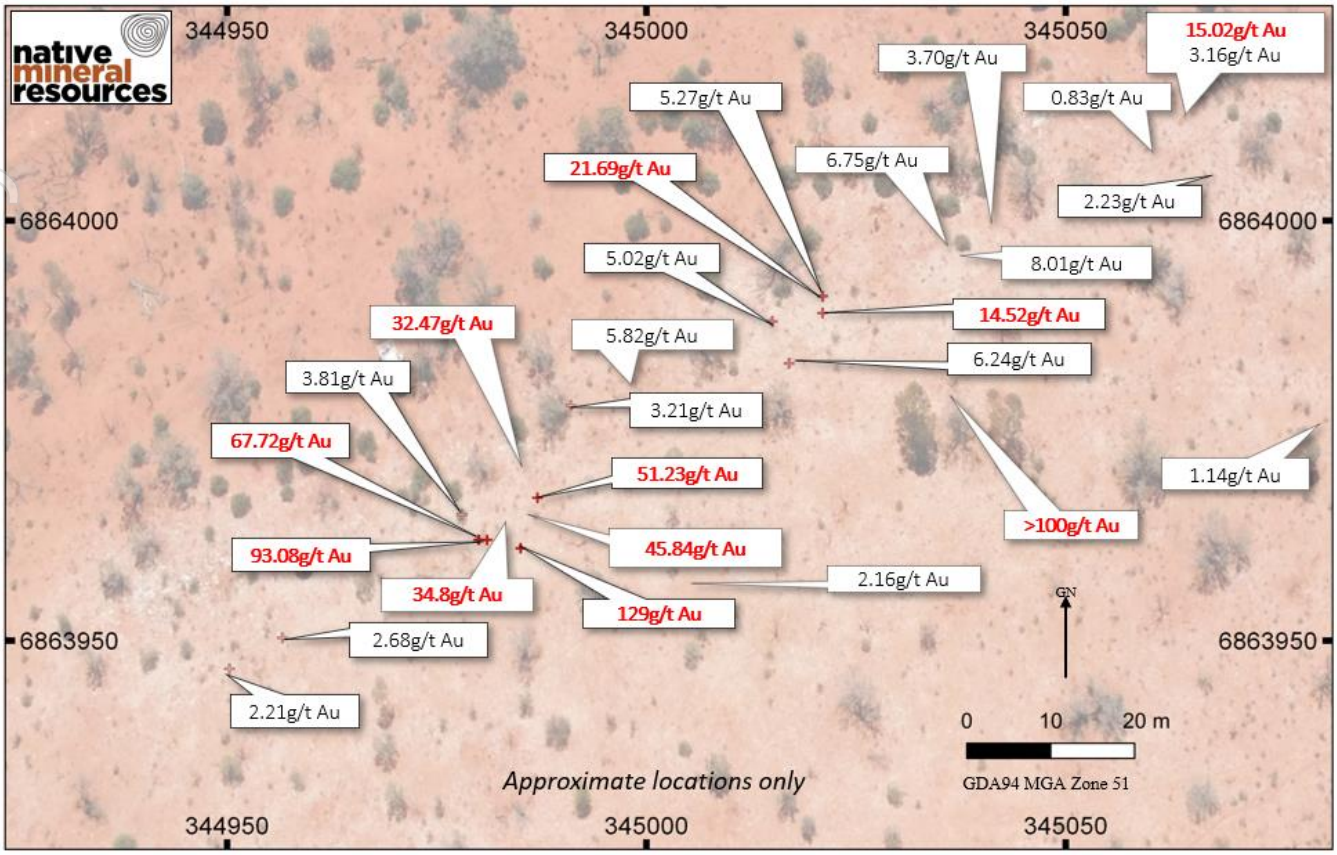

Figure 3. *Map showing the location of a collection of samples over 1 g/t from the Music Well target vein(s). The results are a collation of samples from rock chips collected during both field campaigns at Music Well (refer to previous ASX announcements for sample details and JORC table). Samples in red are above 10g/t Au.*

In order to further develop the target area, NMR will undertake the EIS co-funded diamond drilling program (Refer to ASX announcement 5th May 2021) (total 450m) in late July and early August 2021. In parallel, NMR will complete a 10,000t bulk sampling program for approximately 1000t of quartz for toll treating in August 2021.

PALMERVILLE PROJECT, NORTH QLD

Background

The Palmerville Project is the Company's principal copper exploration asset and covers a near continuous strike length of 130km over an area of ~1,820km^2 centred 200km west-northwest of Cairns in North Queensland.

The tenements consist of nine Exploration Permit Minerals (EPMs) in the highly prospective Chillagoe Formation, which hosts the Red Dome and Mungana porphyry and skarn-associated gold-copper deposits to the south of the Palmerville Project. The Chillagoe Formation also hosts significant zinc-rich and copper-rich limestone-hosted skarn-associated deposits, particularly at King Vol, Mungana, Griffiths Hill and Red Cap.

The Project is prospective for the following deposit styles:

- *Porphyry- and skarn-associated copper-zinc-gold mineralisation in Chillagoe Formation limestone-dominant strata.*
- *Porphyry-related copper-gold mineralisation in non-carbonate lithologies.*
- *Copper-zinc-gold volcanic massive sulphide or vein-style mineralisation.*

- *Orogenic-style gold-antimony mineralisation.*
- *Epithermal gold mineralisation distal to porphyry intrusions*
- *Alluvial gold akin to the historic Palmerville Goldfield.*

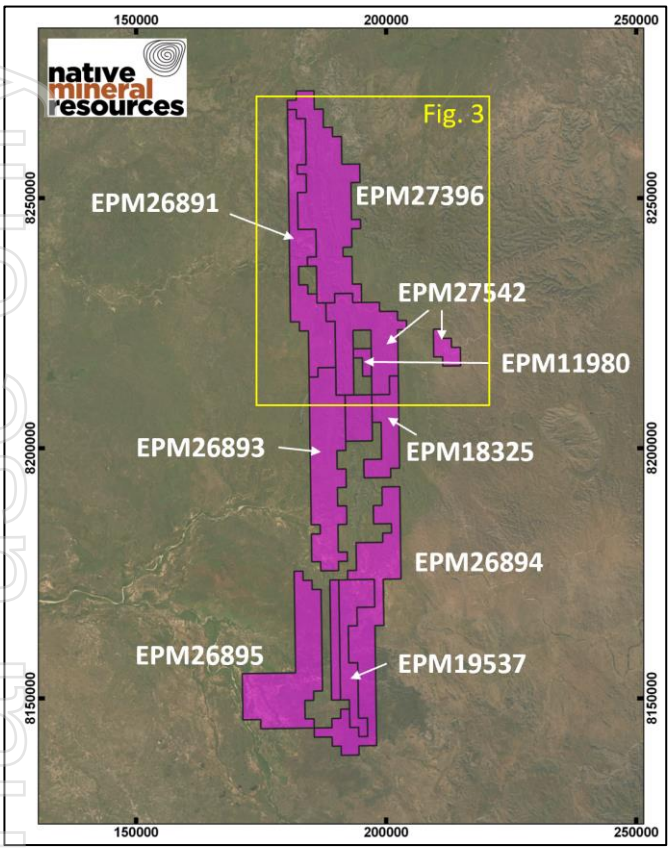

Figure 4. *Map showing the location of NMR's 9 tenements that make up the Palmerville project. The tenements encompass a significant portion of the Chillagoe Formation and N-S trending Palmerville Fault. Please refer to previous ASX announcements and NMR's website for detailed geological maps. Location information is provided in GDA94 MGA Zone55.*

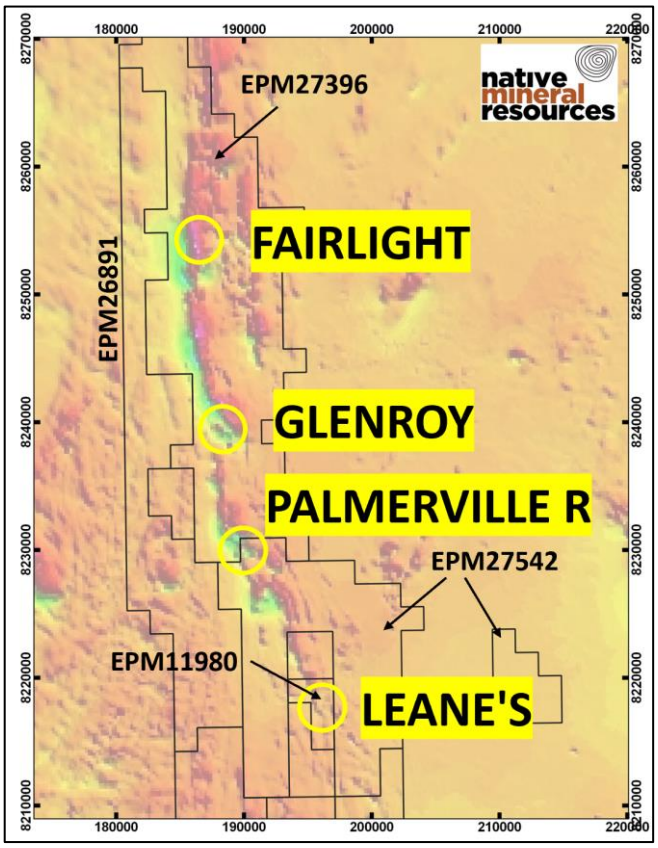

Figure 5. *Map showing the northern part of the tenement package with the location of prospects referred to in this release. The base map is the publicly available total magnetic intensity (TMI) image. As described in the body text, NMR is targeting copper prospects along the length of the approximately N-S trending magnetic high (reds and purples) in the centre of the tenements. Location information is provided in GDA94 MGA Zone55.*

During the quarter, NMR carried out on-ground exploration with some exciting results discussed below.

The Fairlight prospect is an exciting area of exploration for NMR. The area has been mined historically with records showing more than 16 shafts ranging from 3m to 27mdeep. Sampling has confirmed the presence of copper-rich rocks near the historical mining area, returning values of up to **7.99% copper**. These samples were collected from a new prospect located to the south of the main historical copper mining area of Fairlight and has proven to NMR that the prospective copper zone extends further south than anticipated.

The geology of the area is dominated by metamorphosed, tight- and isoclinally-folded sequence of basic volcanics with thin interbedded cherts, rhyolites and limestones locally overlain by greywackes, slates and cherts. Basic volcanics include vesicular basalts, scorious basalt, pillow lavas, flow top breccias and tuff lavas and reported occurrences of porphyritic gabbro's. The main copper workings are in vesicular basalt and at the contact between basalts and metasedimentary rocks including cherts and jaspers. Copper carbonate, chalcocite, chalcopyrite and bornite have also been reported from these areas. The rich copper ore was reported to have occurred along joints in the basalt and at basalt-slate contacts. Previous explorers, Sipos Mining identified a number of targets from which 11 of 32 rock chip samples from Fairlight returned up to 22.8% Cu, including two soil samples recording 2.13% and 6.45% Cu (Cooper,

1997a). NMR are focusing on integrating structural interpretations with geophysics to better unravel the genesis of copper mineralisation at Palmerville.

NMR also investigated a historical prospect referred to as "Glenroy" (**Figure 5**). Six samples were collected from the main mineralised zone and wall rocks within an area where shallow (<1m) workings had exposed un-weathered samples. The aim of the sampling was to determine whether the mineralised zone, which trends approximately NNW-SSE, has sufficient grade to warrant follow up exploration. Rock chip samples returned exceptional grades of up to **19.99% Cu** together with silver values of up to **32.1 ppm**. Samples from within a 5m radius of the rocks exposed in the shallow workings also returned extremely positive results of **between 6.17 and 0.96% Cu**. These results will allow NMR to focus exploration along the Glenroy structure and to explore the lateral extents of mineralisation there. NMR are excited to add the Glenroy area to its growing number of prospects with confirmed high-grade copper.

The field-based exploration activities were also used to investigate the Leane's copper prospect in further detail with a particular focus on the structural geometry of the copper-bearing zone. Samples were collected from a range of different rock types along the hydrothermal breccia zone identified in previous mapping and sampling campaigns. The aim of the sampling was to determine whether high-grade copper was restricted to specific rock types or whether the high copper grades were also pervasive into the adjacent footwall limestones. The results from a collection of nine samples of different rock types revealed significant differences in copper grades but confirmed that the copper is principally contained within breccias with a minor amount of copper present within altered and sheared metasediments at the contact as well as within fractures along the margin of the limestone. The highest-grade sample returned a grade of **over 10% Cu** and **7.8ppm Ag**.

MOUNT MORGAN, QLD

With the current strategic exploration focused on WA and Palmerville, NMR has divested its Mt Morgan tenement EPM 17850 to GBM Resources (ASX: GBZ) for a total $35,000 deposit and $200,000 in GBM shares on 30th June 2021.

This strategic move to divest this non-core asset will assist NMR to streamline its resources and focus towards rapidly advancing work programs in the Eastern Goldfields and Palmerville tenements, with both projects demonstrating significant exploration and development potential.

NEW GREENFIELDS TENEMENT APPLICATIONS IN NULLARBOR REGION OF WA

During the quarter, NMR applied for three tenements over greenfields targets in the Nullarbor region of SW Western Australia (**Figure 6**). The three new tenements are located over two potential target types including intrusion hosted Ni (E69/3852) and iron-oxide copper-gold (IOCG)-style mineralisation (E69/3850 and 3849).

Tenement E69/3852 is a high-priority magnetic and gravity anomaly discovered using the geophysical characteristics exhibited by the Nova-Bollinger Nickel deposit in the adjacent Frazer Range. The target is relatively well-defined in regional, publicly available geophysics, however, the basement rocks are also located under cover. As a result, NMR plan to carry out a higher-resolution geophysical survey over the tenement followed by drilling after the geophysical results have been examined.

The two southern tenements E69/3850 and E69/3849 were applied for over areas with distinctive anomalies identified in magnetics and in a region where a regional Magnetotelluric (MT) geophysical survey shows a distinctive zone of relatively low resistivity, similar to the "Fingers of God" anomaly found beneath Olympic Dam. Securing these key tenements will add additional nickel and IOCG projects to the pipeline of copper and gold projects currently being explored by NMR including near-surface copper opportunities along the almost 130km long, highly prospective Chillagoe Formation in Queensland and the growing, near-surface gold mineralisation at Music Well in Western Australia.

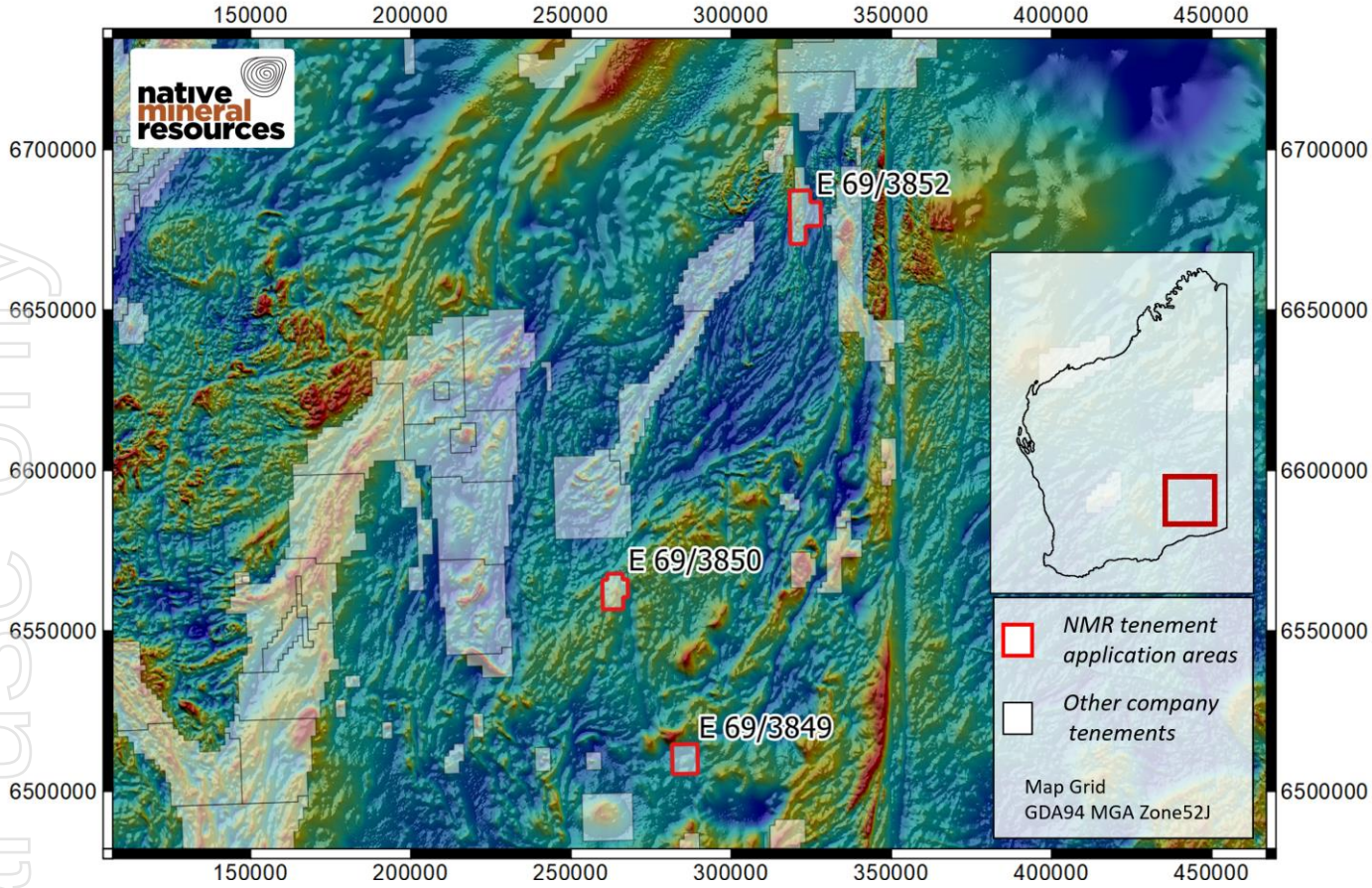

Figure 6. *Map showing the location of the three tenements under application by NMR. Base map is the 40m TMI image from the DMIRS with a west-to-east hill shade to enhance magnetic features. The tenement map ("other company tenements") shown here was obtained from DMIRS on 1st June 2021. Map grid is GDA94 MGA zone 52J and coordinate values are provided in meters. NMR tenement application areas are E69/3852, E69/3850 and E69/3849.*

PLANNING FOR 2021

Music Well Gold Project

Following the exploration success encountered at Music Well during the quarter, exploration plans for the September quarter have been fast-tracked. A summary of the key work programs planned for this quarter is outlined below:

- With the award of EIS grant, NMR will undertake a 450m diamond drilling campaign to test the down-dip extent of the vein which is currently on track and scheduled to commence mobilisation late July.
- The drilling will aim to intercept the vein approximately 40-50m below the surface and will continue through the footwall to test the presence of parallel veins that are not exposed at surface.
- In parallel with the drilling, a 10,000t bulk sampling campaign is scheduled in mid August 2021 from which an anticipated 1000t of quartz will be recovered and toll treated by Golden Mile Milling.
- This bulk sampling campaign will allow NMR to better reconcile the grade of the target vein(s).
- In addition, NMR is looking to perform a regional air magnetic survey over the Music Well tenements to gain insight to geology and structure under cover.

Palmerville Project

The Palmerville Project remains NMR's premier copper prospect, with several high-quality new and existing targets identified within NMR's tenement holding. NMR holds considerable exploration area over the northern Chillagoe Formation and, to help explore the area more effectively, NMR is carrying out a seamless airborne magnetic survey over all of its tenements in Palmerville. The dataset will be significantly higher resolution than the currently available public data and will be used to help refine the targeting already completed in the area.

The magnetics will be the basis for further, more detailed target definition, with further follow-up work programs for the 2021 field season to be reported in due course.

Nullarbor Project

The Nullarbor tenements (E69-3849/E69-3850/E69-3852) are currently in application and forecast to be granted by the end of September 2021. Two native title agreements are currently ongoing with both landowners notified and in support of NMR's work program.

NMR has commissioned AirGeoX to undertake a ~2,200 line km geophysical survey over its 3 tenements. Upon completion of the survey, drill targets will be refined and a 3 x 500m (total 1500m) diamond drill program will be completed.

TENEMENT SCHEDULE AS AT 30 JUNE 2021

Region	Tenement ID	Tenement Name	Date Granted	Date Expire	Sub-Block	Km Square (approx.)
Queensland	EPM 11980	Limestone Creek	3-Jun-05	2-Jun-22	4	13.16
Queensland	EPM 18325	Bald Hills*	30-Jul-12	29-Jul-21	15	49.35
Queensland	EPM 19537	Mitchell River South	21-Jan-08	20-Jan-24	33	108.57
Queensland	EPM 26891	Palmerville North	29-Jan-19	28-Jan-24	63	207.27
Queensland	EPM 26893	Palmerville West	29-Jan-19	28-Jan-24	100	329
Queensland	EPM 26894	Palmerville East	1-Apr-19	31-May-24	84	276.36
Queensland	EPM 26895	Palmerville South	31-Jan-19	30-Jan-24	89	292.81
Queensland	EPM 27396	East Palmerville North	4-Jun-20	3-Jun-25	100	329
Queensland	EPM 27452	East Palmerville South	2-Feb-21	1-Feb-26	65	213.85
Queensland	EPM 17850	Mount Morgan	Transfer to GBM		13	41.6
WA	E37/1362	Music Well	17-Sep-19	16-Sep-24	58	190.82
WA	E37/1363	Music Well	17-Sep-19	16-Sep-24	39	128.31
WA	E31/1203	Arcoona	19-Nov-20	18-Nov-25	61	200.69
WA	E24/210	Mt Vetters	In Application		35	115.15
WA	E69/3852	Nullarbor North	In Application		41	121.5
WA	E69/3850	Nullarbor Central	In Application		26	76.65
WA	E69/3849	Nullarbor South	In Application		25	73.7

CORPORATE

Use of Funds

Pursuant to ASX Guidance Note 23, Appendix sets out a comparison of the actual expenditure on the individual line items in the "use of funds" statement since the date of admission to the ASX on 12 November 2020.

With the exceptional results from the exploration campaigns, spending has been accelerated to advance year 2 planned work program. The overall spending is in line with the prospectus budget. The fast tracking of work program is driven by NMR's strategic move to enable NMR to develop revenue opportunities in the near term.

Use of Funds	Prospectus use of Funds	Funds used to 30 June 2021
Exploration Costs (2 years)	3,327,000	2,146,968
Acquisition of mining tenements in W.A.	80,000	99,284
Palmerville Project Land Access agreement expense	16,000	-
Operating expenses	1,545,700	630,414
Costs of Offer - fundraising	445,000	445,000
Costs of Offer - ASX, legal, accounting & other support services	329,000	386,645
TOTAL	**$ 5,742,700**	**$ 3,708,311**

In accordance with ASX listing rule 4.7 C.3, the payments to related parties and their associates of $13k disclosed in the Appendix 5B are comprised of Directors fees.

New Appointment

Mr Hasaka Martin has been appointed joint company secretary of NMR effective immediately.

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

For more information please visit www.nmresources.com.au or contact:

Blake Cannavo
Managing Director and Chief Executive Officer
Native Mineral Resources Holdings Limited
T: +61 2 6583 7833
E: blake@nmresources.com.au

Sam Burns
Media & Investor Relations
Six Degrees
T: +61 400 164 067
E: sam.burns@sdir.com.au

Competent Person Statement:
The information in this report relating to Exploration Results is based on information compiled by Dr Simon Richards, a Competent Person who is a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Dr Simon Richards is a full-time employee of Native Mineral Resources. Dr Richards has sufficient experience that is relevant to the styles 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'. Dr Richards 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.

Notes – Specific ASX announcements:

No new results have been presented in this announcement. Material contained in this release refers to information including, but not limited to sample results and the methodologies used for sample acquisition and processing (JORC table) presented in the previous ASX Announcements listed below.

- ASX Announcement, 27th June 2021 - NMR Confirms Further High-Grade Gold Mineralisation at Music Well Project in WA
- ASX Announcement, 7th June 2021 - NMR expands exploration portfolio with three new tenement applications targeting copper, gold and nickel in WA.
- ASX Announcement, 29th March 2021 - High-grade and free-milling gold at Music Well
- ASX Announcement, 4th February 2021 - East Palmerville South Permit Granted
- ASX Announcement, 5th May 2021 - NMR awarded EIS grant to fund diamond drilling at Music Well
- ASX announcement 21st January 2021 - Porphyry Intrusions Confirmed at Leane's Copper Prospect
- ASX announcement 21st December 2020 - Leane's Returns Shallow Intercepts Grading – Copper
- ASX announcement 15th December 2020 - Drilling Confirms Mineralisation System at Leane's Copper Prospect
- ASX announcement 27th November 2020 - Significant Results from Drilling at Leane's Copper Prospect.

Cooper, I. S. 1997a. *First and Final Report St George River Exploration Permit Minerals 11085. Appendix 1 List of Samples with Locations and Geochemical Results.* I & D.I. Sipos #CR29595_2