

14 December 2022

LARGE SCALE AIRCORE DRILLING PROGRAM AT PYRAMID HILL UNDERWAY

- Major aircore drilling program has commenced at the Pyramid Hill Gold Project in Victoria
- Falcon is planning to drill until May 2023 in the largest aircore drilling program undertaken at the Pyramid Hill Project to date
- A second aircore drill rig is expected to mobilise to site in January 2023
- The Company expects to drill more than 50,000m of aircore, in addition to a targeted diamond drilling program planned for Q1 2023
- Ironbark East is a priority target for infill drilling following the high-grade results announced on 13 July 2022 with aircore hole PHAC1030 returning:
 - 40m @ 2.81g/t Au from 50m, including
 - 26m @ 4.20 g/t Au from 51m; that includes
 - 2m @ 15.42g/t Au from 51m
 - 1m @ 17.06g/t Au from 62m
 - 1m @ 10.07g/t Au from 70m
 - 1m @ 11.95g/t Au from 76m
- The drilling program will also include infill aircore drilling at the Wandoo, Karri and Banksia Prospects, as well as a significant regional program
- Results will be progressively released over the course of the drill program as they become available

Falcon Metals Limited (**ASX: FAL**) ("**Falcon**" or "**the Company**") advises that it has commenced drilling at its Pyramid Hill Gold Project, north of Bendigo in Victoria, Australia.

The program comprises a two-pronged approach, with both infill target definition drilling and regional prospect generation to be undertaken. Initially one aircore rig is in operation on the regional exploration program, with a second aircore drill rig mobilising to site a few weeks later. Falcon anticipates recommencing infill drilling at the high-priority Ironbark East prospect in early January 2023 with both rigs. Once the infill programs are completed, both rigs will return to the target generation program, allowing Falcon to refine its search area and focus on higher potential target areas in subsequent drill seasons. Falcon intends to complete a targeted diamond drill program in Q1 2023 once results from the infill programs are received.

Falcon's proposed aircore drilling program is likely to be one of the more extensive regional exploration programs by a gold explorer in Victoria, with more than 50,000m of aircore drilling expected in a single season.

Falcon Metals' Managing Director Tim Markwell said:

"The magnitude of the proposed program potentially makes this one of the larger aircore drilling programs undertaken in Victoria. This is made possible by the scale and quality of Falcon's strategic ground position in the Bendigo Zone, as well as the strong financial position of the Company. We are especially excited by the infill drilling at Ironbark East and Wandoo, plus there are high expectations of new priority prospects being generated by our regional program. We look forward to keeping shareholders updated during this period of substantial activity and news flow."

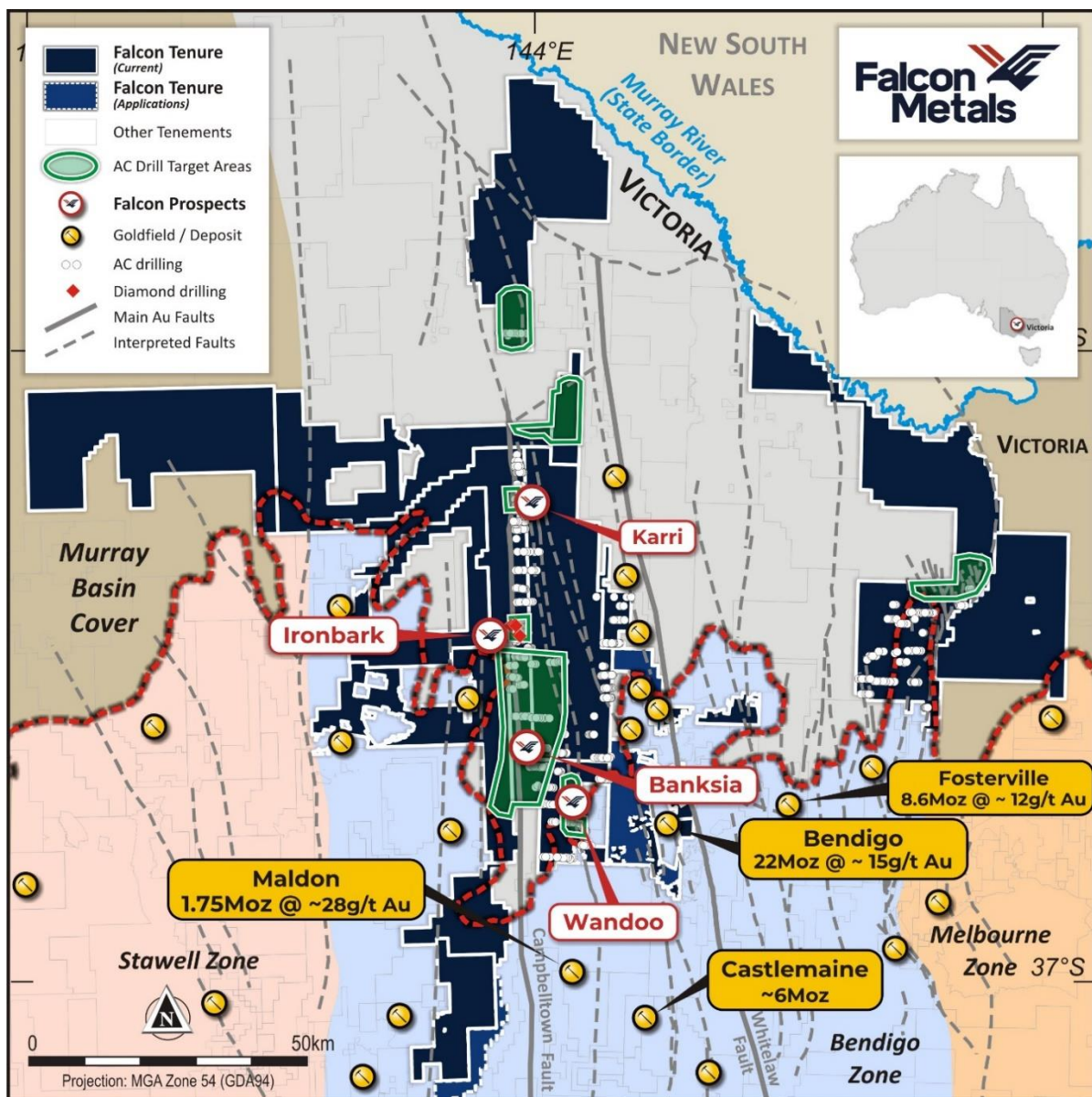


Figure 1 Pyramid Hill Project Location



Figure 2 Aircore drill rig at the Pyramid Hill Gold Project

This announcement has been approved for release by the Board of Falcon Metals.

For more information, please contact:

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COMPETENT PERSON STATEMENT:

The information contained within this announcement relates to exploration results based on and fairly represents information compiled and reviewed by Mr Doug Winzar who is a Member of the Australian Institute of Geoscientists. Mr Winzar is a full-time employee of Falcon Metals Limited and has sufficient experience which is relevant to the style of mineralisation and type of 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 Exploration Results, Mineral Resources and Ore Reserves". Mr Winzar consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

FORWARD LOOKING STATEMENT:

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (Forward Statements). Forward Statements can generally be identified by the use of forward looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance.