Pacific Nickel

ASX ANNOUNCEMENT

7 October 2021

INITIAL JORC (2012) RESOURCE ESTIMATE AT JEJEVO

Pacific Nickel Mines Limited (ASX Code: PNM) ("**Pacific Nickel"** or **"Company"**) is pleased to advise that the Company has completed an initial JORC (2012) mineral resource estimate for Prospecting Licence PL 01/18 (Jejevo tenement) on Isabel Island, Solomon Islands. The mineral resource estimate was carried out by Mining One Pty Ltd (Mining One) an independent consultant to the Company.

OVERVIEW

- The Jejevo JORC mineral resource area is located within PL 01/18 and is located on Isabel Island in the Solomon Islands.
- JORC validation drilling program completed in June 2021 has provided confirmation of historical drilling data[1].
- **Total JORC mineral resource estimate at Jejevo is 14.42 million tonnes at 1.29 % Ni at a 1.0% Ni cut off.**
- In addition there is a conceptual resource extension target at Jejevo of a further 3.0 million to 5.0 million tonnes at 1.2% to 1.6% Ni [2].
- Significant recent drilling intercepts in PL 01/18 as announced in June 2021 include[1]:
  - ✓ **SJT-04: 8m @ 2.18% Ni from 2m**
  - ✓ **SJT-09: 8m @ 1.93% Ni from 2m**
  - ✓ **SJT-11: 5m @ 1.93% Ni from 2m**
  - ✓ **SJT-15: 9.4m @ 2.11% Ni from 2m**
  - ✓ **SJT-21: 7m @ 1.90% Ni from 4m**
- The new JORC mineral Resource estimate will form the basis of a feasibility study at the Jejevo project.
- On 4 October 2021 Prospecting License PL 01/18 was renewed by the Solomon Islands Minister of Mines, Energy and Rural Electrification for a period of two years commencing 4 October 2021.
- The combined JORC mineral resource estimate for the Jejevo and Kolosori projects now totals **21.7 million tonnes at 1.35% Ni at a 1.0% Ni cut off**.

JEJEVO JORC 2012 MINERAL RESOURCE ESTIMATE

Mining One has completed an initial JORC (2012) mineral resource estimate for Prospecting Licence PL 01/18 (Jejevo tenement) on Isabel Island, Solomon Islands. The results are provided in Table 1, Table 2 and Table 3 below using cut-off grades of 0.5% Ni, 1.0% Ni and 1.2% Ni respectively. The mineral resource estimate is classified in accordance with the 2012 JORC guidelines with relevant details provided in JORC (2012) Table 1 criteria (Sections 1 to 3) provided in Appendix A of this announcement.

[1] ASX Announcement dated 23rd June 2021 – Jejevo Nickel Project – Drilling Update

[2] The potential quantity and grade of an Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource

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JEJEVO JORC MINERAL RESOURCES > 0.5 % Ni				
LITHOLOGY	**RESOURCE CATEGORY**	**Kt ('000)**	**Ni %**	**Co %**
LIMONITE	MEASURED	-	-	-
	INDICATED	2,079	1.06	0.14
	INFERRED	3,421	1.00	0.15
	SUB TOTAL	**5,500**	**1.02**	**0.15**
TRANSITIONAL	MEASURED	-	-	-
	INDICATED	1,063	1.50	0.07
	INFERRED	1,320	1.33	0.08
	SUB TOTAL	**2,383**	**1.41**	**0.08**
SAPROLITE	MEASURED	-	-	-
	INDICATED	5,085	1.34	0.02
	INFERRED	5.093	1.19	0.02
	SUB TOTAL	**10,178**	**1.26**	**0.02**
TOTAL (M+I+I)		**18,060**	**1.21**	**0.07**

TABLE 1 – JEJEVO JORC (2012) RESOURCE ESTIMATE (0.5% Ni Cut-Off)

JEJEVO JORC MINERAL RESOURCES > 1.0 % Ni				
LITHOLOGY	**RESOURCE CATEGORY**	**Kt ('000)**	**Ni %**	**Co %**
LIMONITE	MEASURED	-	-	-
	INDICATED	1,410	1.12	0.14
	INFERRED	2,070	1.07	0.15
	SUB TOTAL	**3,480**	**1.09**	**0.15**
TRANSITIONAL	MEASURED	-	-	-
	INDICATED	1,051	1.51	0.07
	INFERRED	1,263	1.35	0.08
	SUB TOTAL	**2,313**	**1.42**	**0.08**
SAPROLITE	MEASURED	-	-	-
	INDICATED	4,482	1.40	0.02
	INFERRED	4,147	1.25	0.02
	SUB TOTAL	**8,630**	**1.33**	**0.02**
TOTAL (M+I+I)		**14,424**	**1.29**	**0.06**

TABLE 2 – JEJEVO JORC (2012) RESOURCE ESTIMATE (1.0% Ni Cut-Off)

JEJEVO JORC MINERAL RESOURCES > 1.2% Ni				
LITHOLOGY	**RESOURCE CATEGORY**	**Kt ('000)**	**Ni %**	**Co %**
LIMONITE	MEASURED	-	-	-
	INDICATED	249	1.27	0.13
	INFERRED	62	1.27	0.13
	SUB TOTAL	**311**	**1.27**	**0.13**
TRANSITIONAL	MEASURED	-	-	-
	INDICATED	969	1.54	0.07
	INFERRED	911	1.43	0.08
	SUB TOTAL	**1,880**	**1.49**	**0.07**
SAPROLITE	MEASURED	-	-	-
	INDICATED	3,430	1.49	0.02
	INFERRED	2,200	1.40	0.02
	SUB TOTAL	**5,630**	**1.45**	**0.02**
TOTAL (M+I+I)		**7,822**	**1.46**	**0.04**

TABLE 3 – JEJEVO JORC (2012) RESOURCE ESTIMATE (1.2% Ni Cut-Off)

PROGRESSING FEASIBILITY STUDIES AT BOTH KOLOSORI AND JEJEVO

The Company holds 80% interests in two nickel projects, the Kolosori Project and the Jejevo Project, both located on Isabel Island in the Solomon Islands. Both are advanced stage direct shipping ore nickel laterite projects with excellent potential for development. The Company has now commenced feasibility studies in respect of both projects. Both projects have a number of positive features including their close proximity to the coast, no processing requirements, low capital route to direct shipping ore production and local landowner support.

The Company previously reported a total JORC (2012) mineral resource estimate at the Kolosori project of 7.28 million tonnes at 1.46 % Ni at a 1.0% Ni cut off[3].

The JORC (2012) mineral resource estimate for the Jejevo and Kolosori projects combined totals 21.7 million tonnes at 1.35% Ni at a 1.0% Ni cut off.

KOLOSORI NICKEL PROJECT

The Company has recently applied for a mining lease for the Kolosori Project[4].

JEJEVO NICKEL PROJECT

Prospecting Licence 01/18, which contains the Jejevo project, was recently renewed by the Solomon Islands Minister of Mines, Energy and Rural Electrification for a period of two years commencing 4 October 2021.

The Company intends to apply for a mining lease over the Jejevo project in 2022.

The feasibility study and environmental impact statement (EIS) will be the two key documents for the mining lease application.

[3] ASX Announcement 13 November 2020 – Initial Resource Estimate at Kolosori

[4] ASX Announcement 31 August 2021, Kolosori Nickel Project – Lodgement of Mining Lease Application

This recently completed resource estimate will form the basis of a feasibility study at Jejevo. An infill drilling program is currently being designed by Mining One to increase the confidence and test for extensions of the resource estimate. The program will utilise a number of infill holes at a closer spacing to increase the measured and indicated resource estimates in these categories. Infill drilling is expected to commence as soon as practicable next year.

The Company intends to commence the environmental impact statement which includes water sampling, and ecology and social studies. This will be carried out by local contractors as soon as practicable and will follow the same procedures as previously carried out for the Kolosori project EIS.

The locations of the Kolosori and Jejevo projects are shown in Figure 1 and Figure 2. The Jejevo project is approximately 70km NW of the Kolosori project.

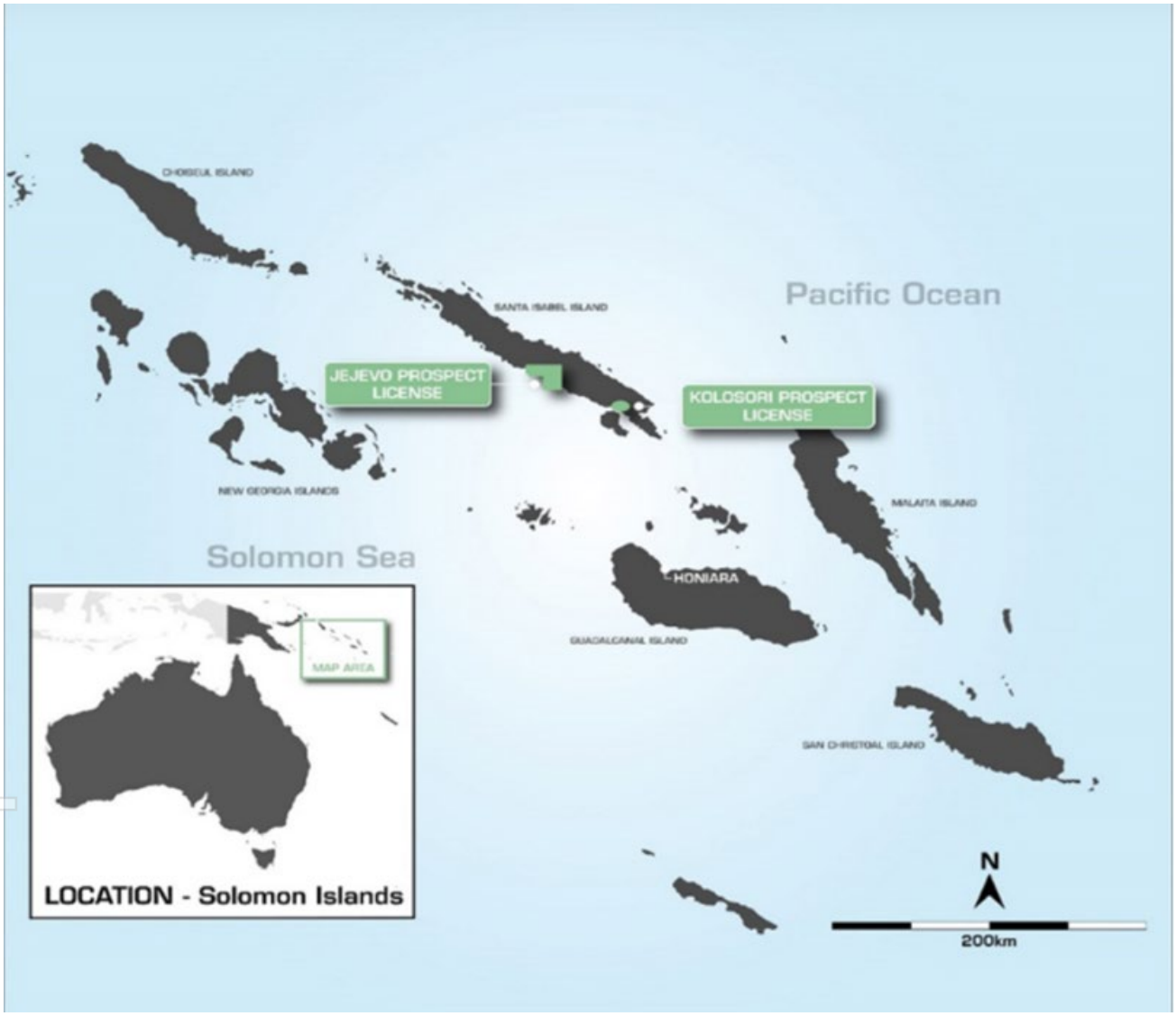

Figure 1 – Jejevo Location (Isabel Island)

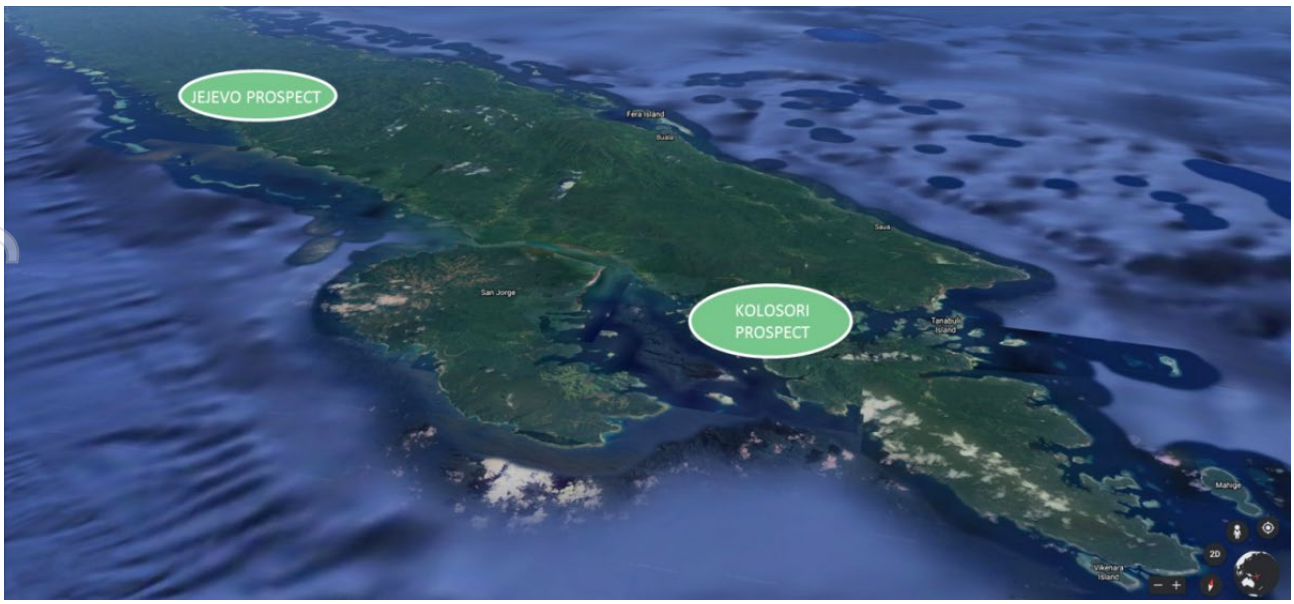

Figure 2 – Location of Kolosori and Jejevo projects on Isabel Island, Solomon Islands

The Company's Executive Director & CEO, Mr. Geoff Hiller said:

> *"The initial 2012 JORC resource estimate of 14.4 million tonnes at 1.29% Ni at a 1%Ni cut off is the first step in the development of the Jejevo project. We will now progress this project in a similar fashion to our Kolosori nickel project where we have recently completed a feasibility study and have applied for a mining licence.*
>
> *We greatly value our ongoing relationship with local landowners and the support shown by regulatory authorities at both the provincial and national level in relation to the renewal of the Jejevo prospecting licence for a further two years. We are now well positioned to complete the feasibility study and apply for a mining licence at Jejevo in 2022. We remain confident of delivering two nickel projects in the Solomon Islands in the short term, both of which will provide significant benefits to all stakeholders."*

JEJEVO RESOURCE ESTIMATE INFORMATION

The drilling dataset used to estimate JORC mineral resources for Jejevo included a total of 436 diamond drillholes, 26 of these holes were drilled by Pacific Nickel Mines in 2020/21 to provide validation of the historical diamond drilling results. The location of historical holes drilled by Sumitomo and the 2021 holes drilled by Pacific Nickel Mines are shown in Figure 3 below.

Drilling was completed down to a 50m x 50m spacing in some areas of the Jejevo deposit. The diamond core drilling was sampled using half core and then assayed via the pressed disc XRF method in the ALS laboratory in Brisbane, Australia.

Laboratory analysis was completed for Ni%, Co%, Mg%, Cr%, Fe%, Mn%, Al%, Si%, Ca% and K%.

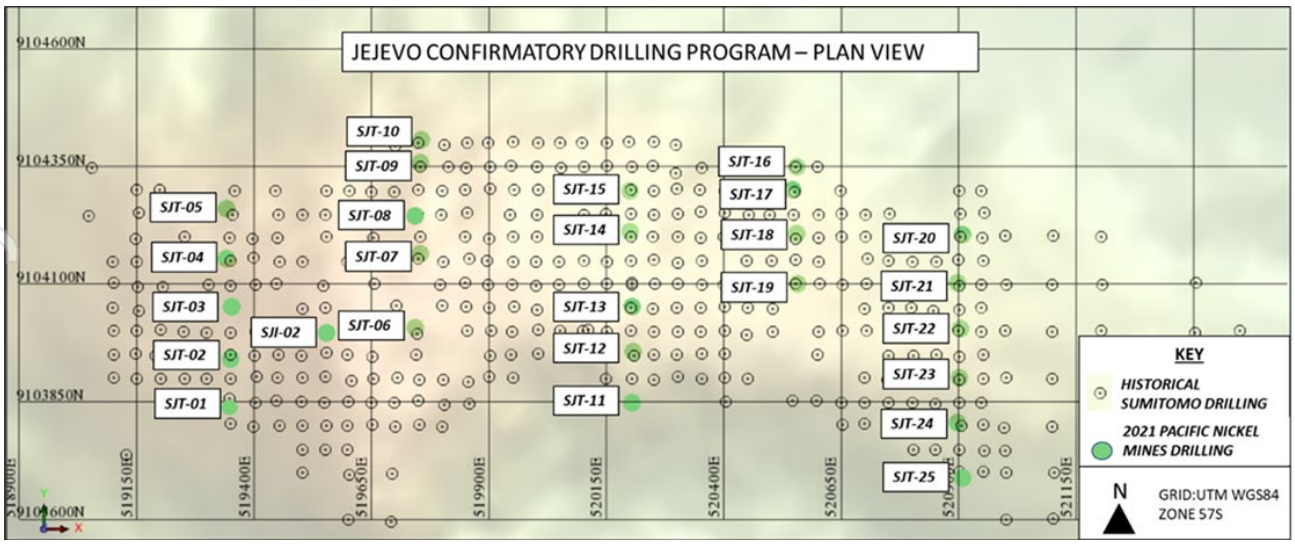

Figure 3 – Jejevo Diamond Drillhole Locations

A cross section is shown in Figure 4 indicating the typical regolith profile encountered within the Jejevo project area. An example of a typical cross section of the Jejevo deposit is also shown in Figure 5 below.

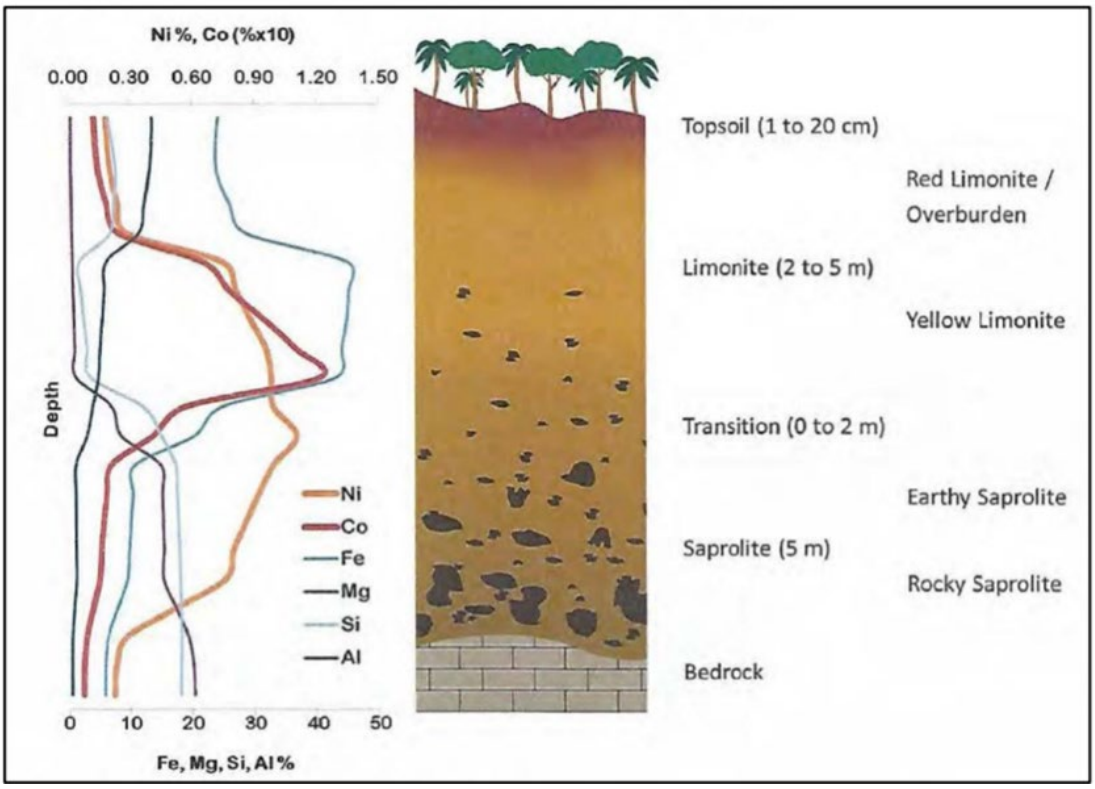

Figure 4– Jejevo Typical Regolith Profile

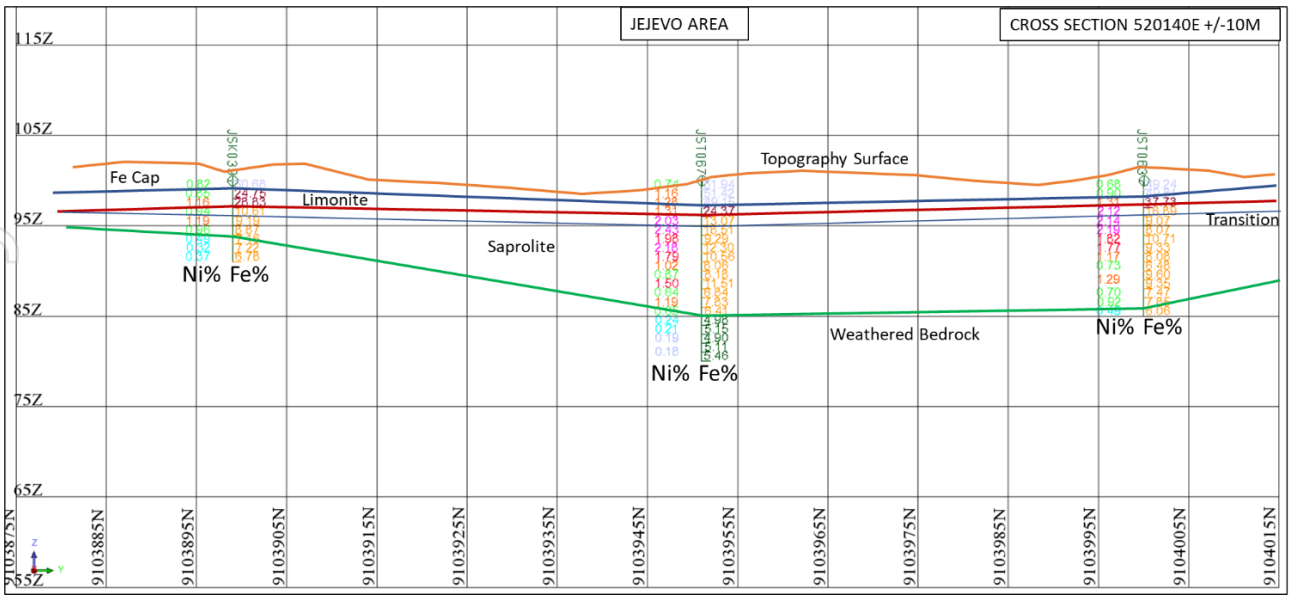

Figure 5– Jejevo Example Cross Section 520140E +/-10m

The mineral resource was constructed using 3D models representing the key regolith surfaces namely the base of saprolite, base of transitional, base of limonite and base of the iron cap/overburden. Nickel, cobalt and other elements were estimated in the block model using the regolith surfaces as hard boundaries. Ordinary kriging was used for grade estimation. More detailed information on the estimation methodology is summarised in Appendix 1 of this release. Results for the saprolite domain are shown in Figure 6.

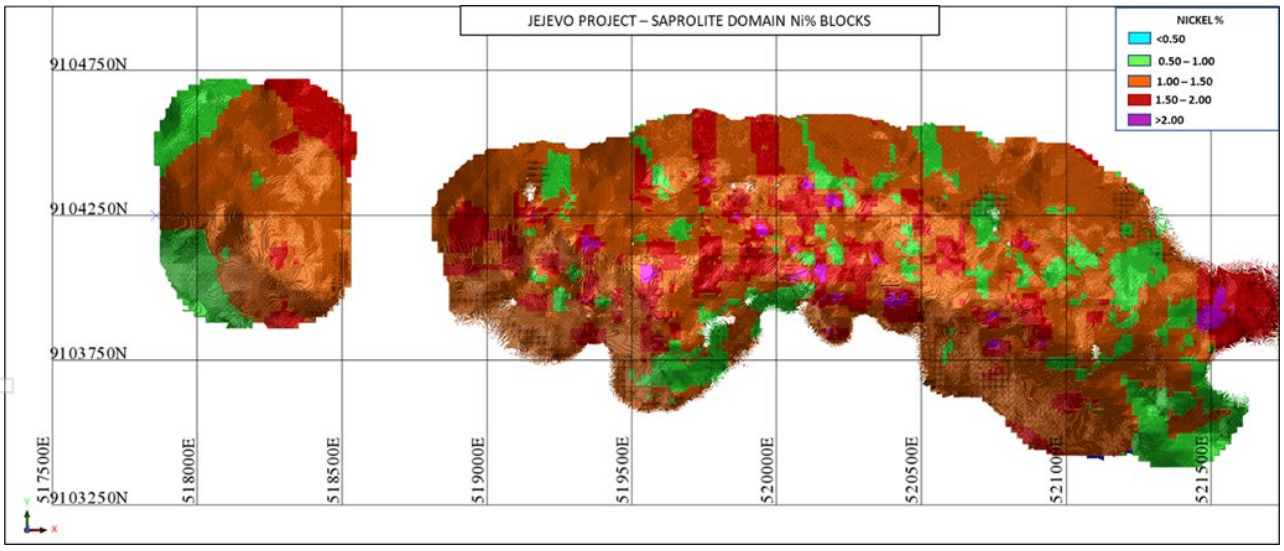

Figure 6– JORC Mineral Resources (Saprolite Domain Plan View)

JEJEVO CONCEPTUAL EXPLORATION TARGETS

Numerous resource extensional targets have been defined that are located adjacent to the currently defined mineral resource area. The targets are defined where historical drilling has encountered significant nickel grades at the extent of drilling that coincide with topographic highs. Target tonnages have been calculated using an average density value of 1 and thicknesses ranging between 4m and 8m (potential Saprolite and Transitional material).

A total of 3-5 million tonnes of material ranging between 1.2% and 1.6% Nickel is defined within these areas. Proposed drilling of these conceptual target areas is shown in Figure 7 below.

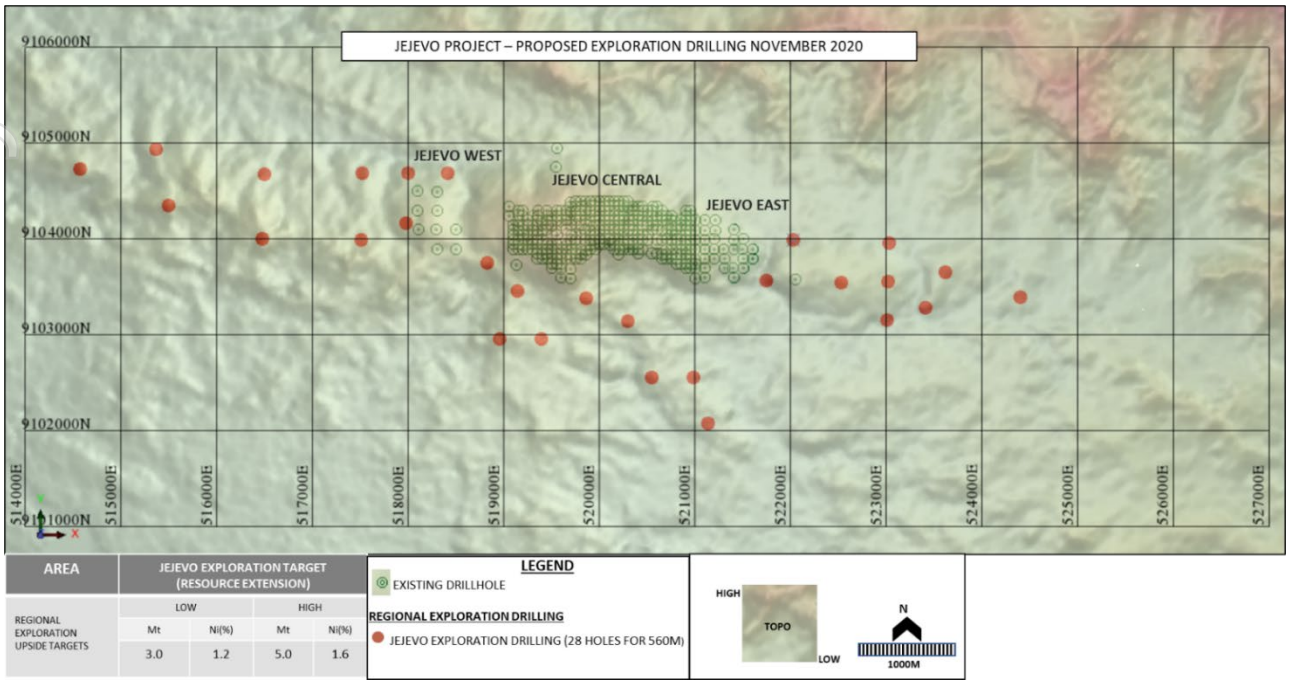

Figure 7 - Jejevo Conceptual Exploration Targets Plan View

Authorised by the Board.

For further information please contact:
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The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources at the Jejevo project is based on, and fairly represents, information and supporting documentation prepared by Mr Stuart Hutchin a Member of the Australian Institute of Geoscientists. Mr Hutchin is a full-time employee of Mining One Consultants and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Hutchin consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Please visit the company's website at www.pacificnickel.com

APPENDIX A: JORC 2012 Table 1 criteria assessment

Section 1: Sampling Techniques and Data

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

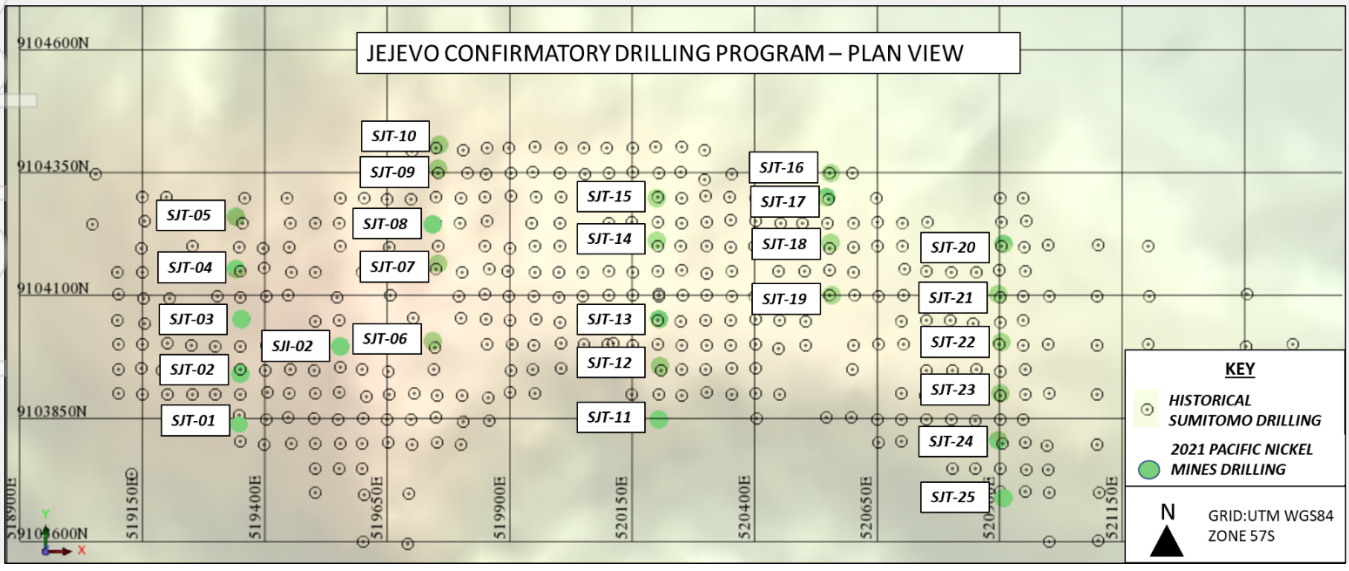
CRITERIA	JORC CODE EXPLANATION	COMMENTARY
1.1 Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representation and the appropriate calibration of any measurement tools or systems used.* *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 1m samples from which 3kg was pulverised to produce a 30g 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.*	Drilling was completed down to a 50m x 50m spacing in some areas of the Jejevo deposit. The diamond core drilling was sampled using half core and then assayed via the pressed disc XRF method in the ALS laboratory in Brisbane, Australia. Laboratory analysis was completed for Ni%, Co%, Mg%, Cr%, Fe%, Mn%, Al%, Si%, Ca% and K%.
1.2 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).*	Diamond drilling was completed using a small portable drilling rig. The rigs drilled conventional NQ sized single tube core that was contained within a plastic sleeve within the core barrel to ensure any loosely consolidated material was contained within the sample interval. These types of drill rigs are commonly used for drilling of laterite hosted deposits within Indonesia and the South Pacific. Holes were drilled vertically through the limonite and saprolite zones into underlying basement.
1.3 Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *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.*	Sample recovery averaged greater than 95% given the containment of each sample run within a plastic sleeve within the core barrel.
1.4 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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	All holes were: • marked up for recovery calculations • geologically marked up and logged for geology, fractures and recovery • marked up for sampling interval • photographed Geology logging includes lithology, minerals, colour and texture.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
1.5 Sub- sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representation of samples.* *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.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The NQ core was sampled as whole core over samples ranging in length from 0.25m to 1.0m. The majority of sample intervals were 1m in length. Geological contacts were used to determine the sampling intervals where practical to do so. The principal sampling method from the drill core resulted in samples averaging 3-5 kg in weight for each 1m sample. The ALS laboratory in Brisbane, a certified laboratory facility, used standard preparation methods that included: • 24 hour drying at 90º C • jaw crushing to <5 mm • riffle split to 1.2 to 1.6 kg • pulverised with LM2 sampled to 50 g and 200 g pulps.
1.6 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.* *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.* *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.*	The pressed pellet XRF method was used where a standard multi-element suite was completed. Assay were determined for: • Ni%, Co%, Mg%, Cr%, Fe%, Mn%, Al%, Si%, Ca% and K%. Standards, blanks and duplicates were inserted in a 1:20 ratio to support the 2021 drilling program.
1.7 Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	The 2020/21 drilling program was designed provide verification of the historical Sumitomo drilling results. Areas of the deposit have however been drilled down to a 50m x 50m spacing where correlation between sample results for Ni% and Co% are high and are in line with the distribution expected within a nickel laterite deposit. There were no adjustments to any assays other than the replacement of below detection values with half the detection limit.
1.8 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.* *Specification of the grid system used. Quality and adequacy of topographic control.*	Collar locations were surveyed by hand-held GPS. No elevation was recorded, GPS reading accuracy was to approximately 5 m. All exploration and evaluation work is completed in UTM WGS 84 Zone 57S. Topography data includes a processed DTM grid with an average accuracy of within 1m.
1.9 Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *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.* *Whether sample compositing has been applied.*	Drilling has been completed on spacings ranging from 100m x 100m down to 50m x 50m in the central deposit area. The 50m spacing is adequate to establish continuity of the nickel laterite style of mineralization. Drill core samples are generally 1 m in length, the regolith horizons encountered within the deposit are generally greater than 1m in thickness. The drill spacing and sampling intervals are assessed as acceptable for this style of mineralization.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
1.10 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.* *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.*	The nickel laterite deposit is formed as a weathered geomorphic surface sourced from ultramafic bedrock units. All diamond holes were vertical and provide a suitable intersection angle. The drill pattern spacing allows for interpretation of the nickel and cobalt mineralization throughout the project area. Regional and local structures are described as horizontal to sub- horizontal and related to thrusting. There is no evidence of cross cutting structures or units that would bias the assay results.
1.11 Sample security	*The measures taken to ensure sample security.*	All drill samples are supervised by the site Geologist between the drill site and the secure core processing area.
1.12 Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audit or reviews have been completed of the updated dataset.

Section 2: Reporting of Exploration Results

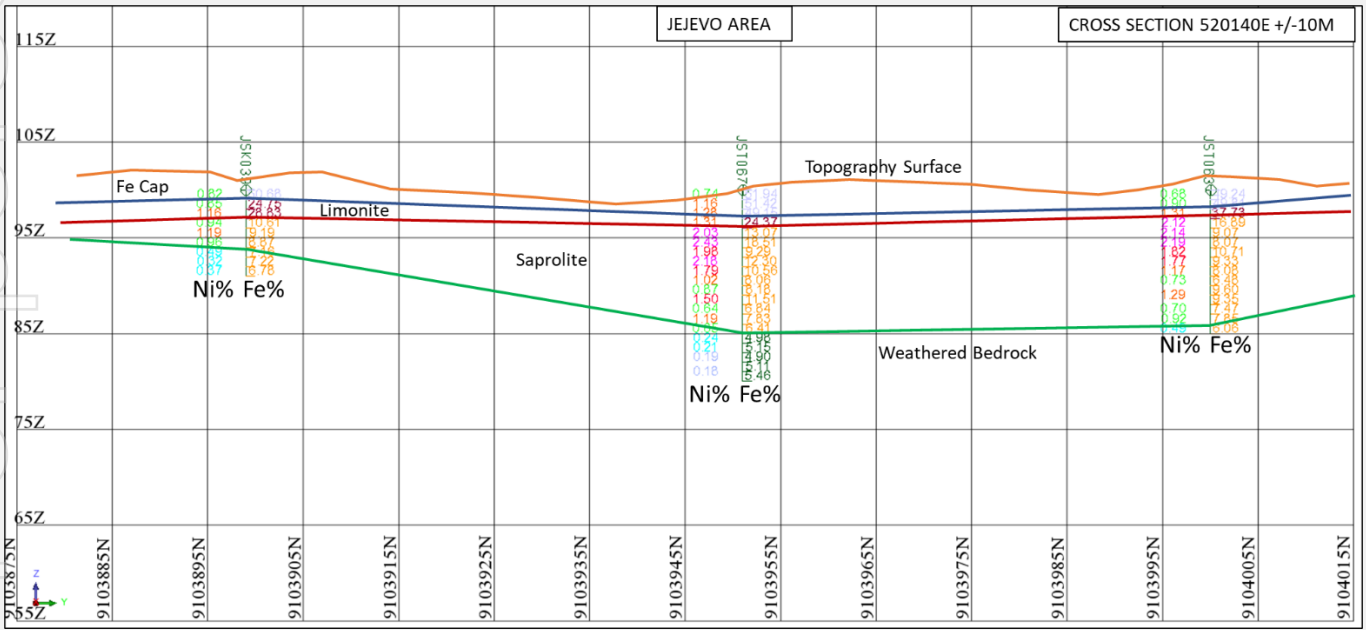
CRITERIA	JORC CODE EXPLANATION	COMMENTARY
2.1 Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *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.*	Pacific Nickel Mines Limited owns 80% of Pacific Nickel Mines Varei Limited ("PNMVL") which holds prospecting licence tenement PL 01/18 located on the south coast of Santa Isabel Island in the Solomon Islands. The remaining 20% of PNMVL is owned by local landowners (Landholders). The Jejevo Nickel Project is located within the PL 01/18 project area.
2.2 Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	INCO/INAL and Sumitomo have completed significant exploration programs over the Jejevo area since the 1960's. Golder and Associates completed a technological study in 2014 that included geology, mining, metallurgical assessment of the Jejevo deposit.
2.3 Geology	*Deposit type, geological setting and style of mineralisation.*	Wet tropical laterite. In-situ chemical weathering of the ultramafic rocks with nickel and cobalt enrichment through both residual and supergene processes.
2.4 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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* *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.*	Holes were drilled on various spacings ranging from 100m x 100m down to 50m x 50m. Diamond drilling was completed using a small portable drilling rig that was moved between drill sites using a track based crawler. The rigs drilled conventional NQ sized single tube core that was contained within a plastic sleeve within the core barrel to ensure any loosely consolidated material was contained within the sample interval. These types of drill rigs are commonly used for drilling of laterite hosted deposits within Indonesia and the South Pacific. Holes were drilled vertically through the limonite and saprolite zones into underlying basement. Details of the drillhole collar locations of the 26 Pacific Nickel Mines diamond drilling in relation to the historical drillholes are shown in the image below.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
2.5 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.* *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.*	Weighted averages are used for reporting all assay intervals from the diamond drillholes.
2.6 Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *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 (eg 'down hole length, true width not known').*	The laterite is thin but laterally extensive. The intercepts are almost perpendicular to the mineralisation. Drilling so far has been confined to the major ridgelines due to access and deposit geometry.
2.7 Diagrams	*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.*	See images in section 2.4 and 3.3 for location of drill collars and cross section example.
2.8 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.*	The significant results reported from the drilling use a lower cut-off of 1.2% Ni with no more than 1m of internal material less than 1% included
2.9 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.*	Significant studies were completed by Golder Associates and Sumitomo Metal Mining Co. This work included geotechnical, metallurgical, mining, geological and environmental studies.
2.10 Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth 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.*	Future work will include: • Completion of validation, infill and extensional drilling within the Jejevo deposit area • Conceptual mining studies for Jejevo .

Section 3: Mineral Resource Estimation

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
3.1 Database integrity	*•Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *•Data validation procedures used.*	Drilling information is entered into excel spreadsheets and then imported into a Microsoft Access database. Validation checks include drill hole survey collar locations, overlapping geology and assay intervals and assessment of the QAQC samples inserted into each batch of samples
3.2 Site visits	*•Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *•If no site visits have been undertaken indicate why this is the case.*	A site visit has not been completed as yet due to COVID-19 travel restrictions between the Solomon Islands and Australia. Site based geologists have however taken videos and photos to enable the CP geologist to view the project area.
3.3 Geological interpretation	*•Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* *•Nature of the data used and of any assumptions made.* *•The effect, if any, of alternative interpretations on Mineral Resource estimation.* *•The use of geology in guiding and controlling Mineral Resource estimation.* *•The factors affecting continuity both of grade and geology*	Nickel is concentrated in a lateritic profile that overlays ultramafic rocks. The lateritic profiles are developed primarily on ridge lines within the project area. The resource has been modelled based on the following regolith domains from the top of the deposit to the base: • Overburden/Fe Cap • Limonite • Transitional • Saprolite • Weathered Bedrock These domains were built based on a combination of geological logging and multi-element analysis. Ni, Fe, Mg, Ca and Si values were used to guide the boundaries on these domains, boundaries are modelled as hard boundaries in that only data contained within each domain was used to estimate grades into each particular domain. Grades show strong lateral continuity (See image below) within each of the modelled domains, this is due to the laterization process for accumulation of nickel and cobalt mineralisation.



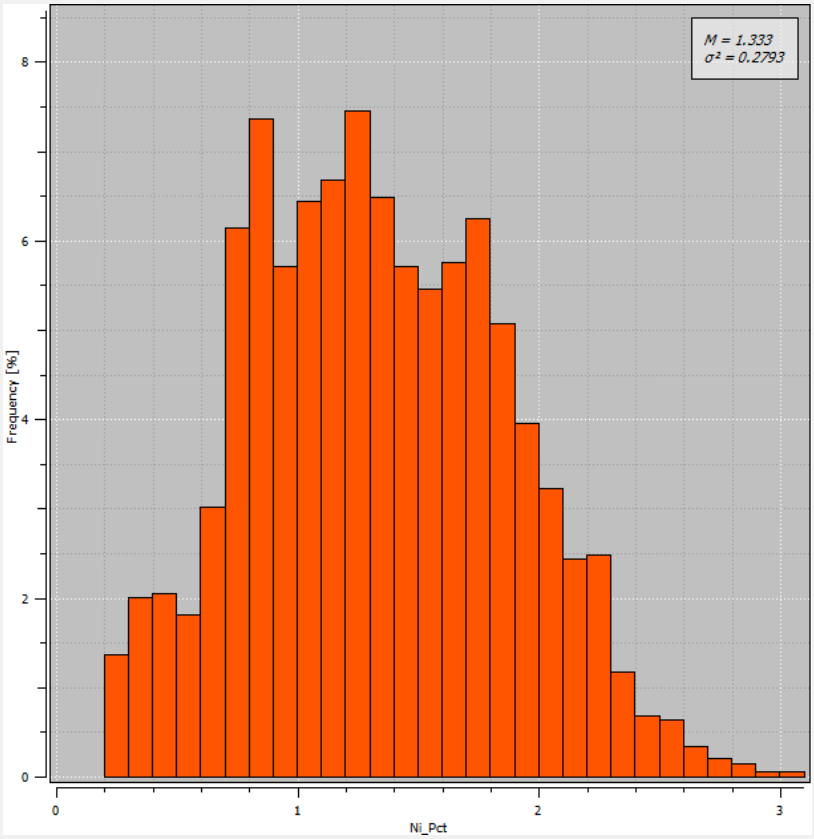
3.4 Dimensions	*•The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The deposit has so far been defined over a strike length of 4,500m and width of 1,000m, the average thickness of the mineralisation is 15m. The mineralisation occurs within 2m of the surface typically.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
3.5 Estimation and modelling techniques	*•The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* *•The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* *•The assumptions made regarding recovery of by-products.* *•Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* *•In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *•Any assumptions behind modelling of selective mining units.* *•Any assumptions about correlation between variables.* *•Description of how the geological interpretation was used to control the resource estimates.* *•Discussion of basis for using or not using grade cutting or capping.* *•The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	The Jejevo block model was constructed using a parent cell size of 20m (Y) by 20m (X) by 5m (Z) with sub blocking down to a minimum size of 5m (Y) by 5m(X) by 1.25m (Z). The grade estimation was completed using Ordinary Kriging. Estimation parameters were based of variogram analysis of the composite files created for each regolith domain. LeapfrogTM and SurpacTM software was used to build the domain models and create the block model respectively. Blocks were estimated for Ni (%), Co (%), Fe (%), Mg (%), Al (%) Ca(%), Cr(%), Mn (%) and Si (%). In-situ moisture was also estimated into the model based on wet and dry sample weights. The estimation of these attributes was required to support the metallurgical assessment of the deposit. The drill spacing ranges from 50m x 50m at its closet, some areas are drilled at 100m x 100m spacing and then out to greater than 100m on the periphery of the deposit. The parent block size is therefore suitable in relation to the drill spacing. The sub blocking cell size was down to a minimum of 5m (Y) x 5m (X) by 1.25m (Z). This accounts for the potential bench and flitch heights and the lateral block size to be mined within an open pit scenario. No correlation between variables was used apart from using the Mg%, Fe%, Si% and Ca% values to guide the coding of the regolith domains The estimate was constrained with the Fecap/Overburden, Limonite, Transitional, Saprolite and Bedrock domains. Only sample data located within each of these domains was used to inform the estimation of grades within each respective domain. Hard boundaries were therefore applied. No grade capping was assessed as required due to lack of grade outliers. The style of the Jejevo deposit leads to a relatively homogenous distribution of nickel grades with low nugget values. Three estimation passes were run at 25m, 50m and 250m search radii, min/max samples used were 5/30, 5/20 and 2/10 respectively for these passes. Variograms were run for all estimated parameters using Isatis and Surpac software. The variograms were analysed for assay data within each modelled regolith domain and each model attribute. The variogram results were similar for Ni and Co within each regolith domain and there was not a material difference seen in the variogram results for the Fe (%), Mg (%), Al (%), Ca (%), Cr (%), Mn (%) and Si (%). The Ni (%) variogram parameters were therefore used for these attributes. Nugget values averaged 0.28, sill 0.78 and the range of the primary structure was 52m. The estimation process and results were checked via comparison of block model grades and regolith coding with the raw drilling data and also by plotting the composite data against the raw drillhole data and the block grades.

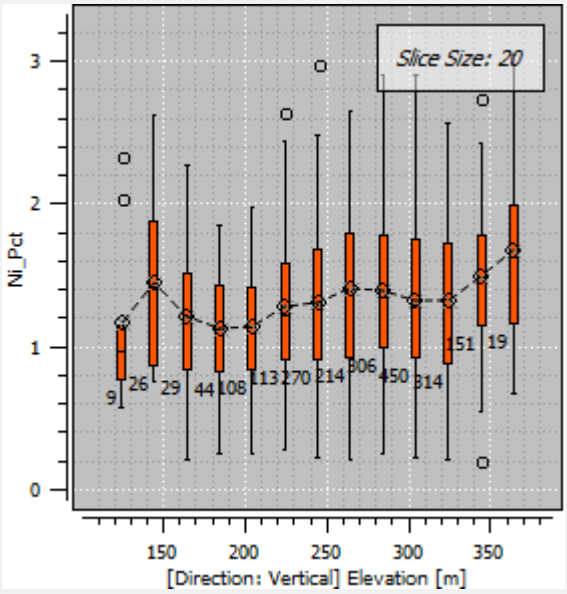
Attribute	Samples	Min	Max	Mean	STD Dev
Ni%	2053	0.2	3.04	1.33	0.53
Co%	1881	0.01	0.24	0.02	0.01
Fe%	2051	5.23	46.92	10.71	4.13
Mg%	1910	1.57	21.55	15.61	2.52
Al%	1910	0.19	3.8	0.67	0.29
Ca%	1910	0.01	1.39	0.11	0.11
Cr%	1910	0.15	17.1	0.49	0.89
Mn%	1910	0.02	2.67	0.22	0.15
Si%	1910	3.16	25.23	18.31	1.64

Jejevo Saprolite Composite Statistics

CRITERIA	JORC CODE EXPLANATION	COMMENTARY

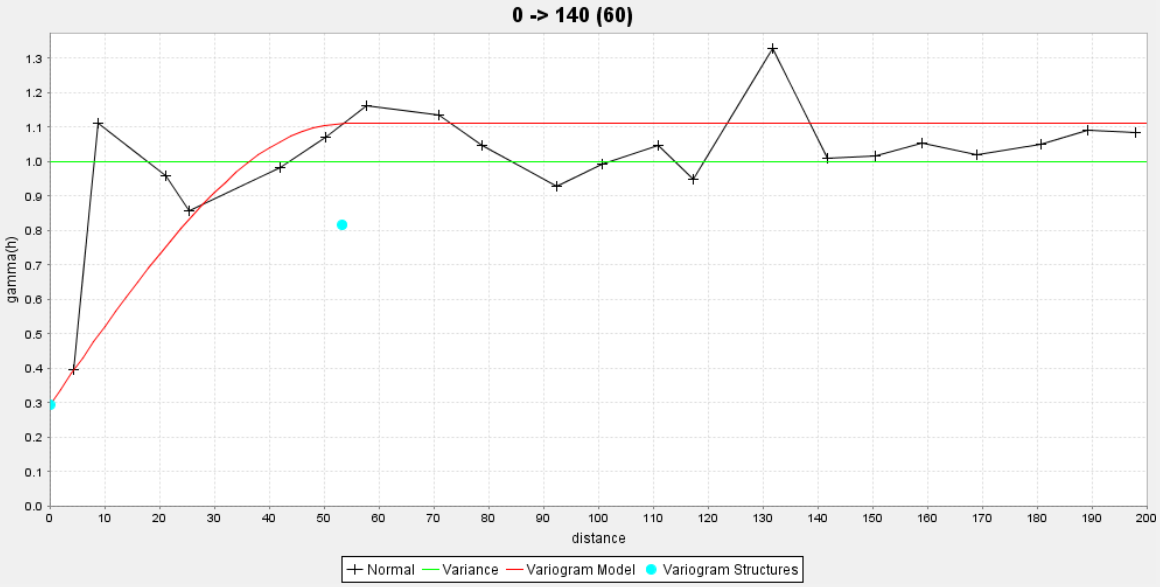


Jejevo Saprolite Domain Histogram

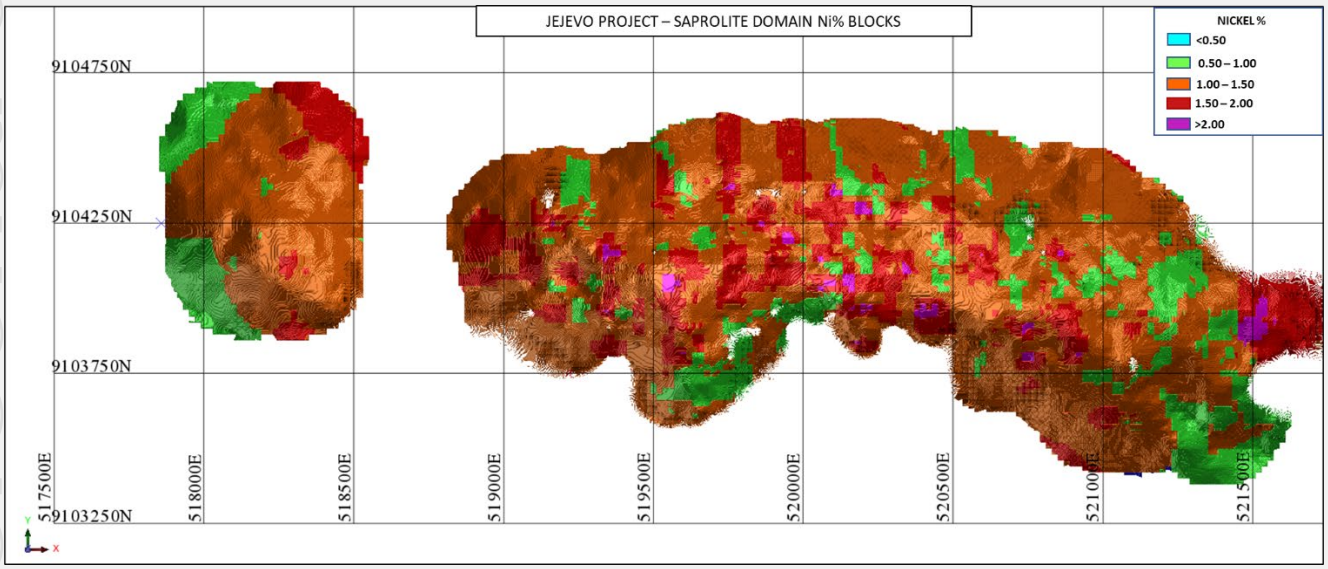


Jejevo Saprolite Domain – Ni% Swath Plot (RL)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY



Jejevo Deposit – Saprolite Variogram Primary Direction



Jejevo Saprolite Domain – Ni% Blocks

SEPTEMBER 2021 JEJEVO MODEL RESULTS > 1.0% Ni

Domain	CONFIDENCE	Volume (m^3)	Tonnes	Ni (%)	Co (%)	Fe (%)	Mg (%)	Al (%)	Ca (%)	Cr (%)	Mn (%)	Si (%)	Moisture (%)
LIMONITE	MEASURED												
	INDICATED	1077504	1410419	1.12	0.14	49.03	0.73	3.2	0.03	1.52	1.07	1.88	26
	INFERRED	1,543,859	2,070,489	1.07	0.15	48.68	0.82	3.52	0.04	1.65	1.10	1.95	26
	SUB TOTAL	**2,621,363**	**3,480,908**	**1.09**	**0.15**	**48.82**	**0.78**	**3.39**	**0.04**	**1.60**	**1.09**	**1.92**	**26**
TRANSITIONAL	MEASURED												
	INDICATED	953,184	1,050,715	1.51	0.07	28.98	6.04	1.92	0.11	1.38	0.63	10.17	26
	INFERRED	1,143,824	1,263,065	1.35	0.08	31.14	5.86	2.28	0.09	1.71	0.65	8.58	26
	SUB TOTAL	**2,097,008**	**2,313,780**	**1.42**	**0.08**	**30.16**	**5.94**	**2.12**	**0.10**	**1.56**	**0.64**	**9.30**	**26**
SAPROLITE	MEASURED												
	INDICATED	4,526,844	4,482,405	1.4	0.02	11.04	15.42	0.68	0.11	0.50	0.23	18.29	25
	INFERRED	4,143,863	4,147,693	1.25	0.02	11.17	15.59	0.79	0.13	0.81	0.21	17.79	25
	SUB TOTAL	**8,670,707**	**8,630,098**	**1.33**	**0.02**	**11.10**	**15.50**	**0.73**	**0.12**	**0.65**	**0.22**	**18.05**	**25**
LIMONITE + TRANSITION + SAPROLITE	MEASURED												
	INDICATED	6,557,532	6,943,539	1.36	0.05	21.47	11.02	1.38	0.09	0.84	0.46	13.73	25
	INFERRED	6,831,546	7,481,247	1.22	0.07	24.92	9.86	1.80	0.10	1.19	0.53	11.85	25
	GRAND TOTAL	**13,389,078**	**14,424,786**	**1.29**	**0.06**	**23.26**	**10.42**	**1.60**	**0.10**	**1.02**	**0.50**	**12.75**	**25**

Jejevo JORC Resources – September 2021

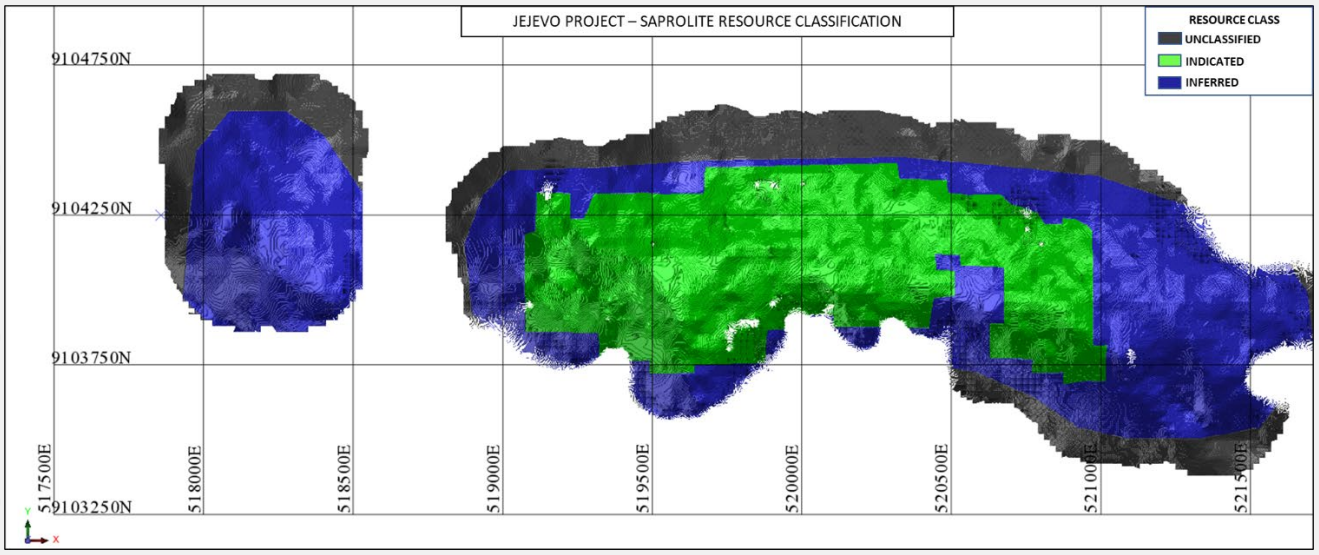
3.6 Moisture	*•Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated based on a dry basis. Moisture contents are reported within the model however dry tonnages are reported.

<table>
<tr><th>CRITERIA</th><th>JORC CODE EXPLANATION</th><th>COMMENTARY</th></tr>
<tr><td>3.7 Cut-off parameters</td><td>•The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>Resources were reported above a 1.0% nickel cut-off. The cut-off used deliver an average global resource grade of 1.30% Ni. Application of the current nickel prices (15,800USD/t) therefore values the material at approximately 205 USD/t.</td></tr>
<tr><td>3.8 Mining factors or assumptions</td><td>•Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</td><td>The potential mining method will be open pit. The block model has been constructed with parent and sub cell sizes to account for this. The deposit occurs from surface down to a maximum depth of 30m. Given the shallow nature of the reported mineral resources and the value per tonne ascribed to the blocks the criteria of the reasonable prospects for eventual economic extraction are met.</td></tr>
<tr><td>3.9 Metallurgical factors or assumptions</td><td>•The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</td><td>The block model contains grade estimation of nickel and cobalt and all elements (compounds) that effect the metallurgical processing of the nickel laterite ore. The resources are therefore reported to enable assessment of the processing amenability of the material</td></tr>
<tr><td>3.10 Environmental factors or assumptions</td><td>•Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</td><td>Environmental studies are ongoing however the project will likely comprise a series of shallow open pits where waste material will be stored in surface waste dumps and/or backfilled into the mined pits in a staged process. The product is likely to comprise direct shipping ore, onsite tailings dams and processing infrastructure is therefore not envisaged to be required.</td></tr>
<tr><td>3.11 Bulk density</td><td>•Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.

•The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.

•Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</td><td>Density measurements are used on the basis of the 1792 samples taken at the nearby Kolosori deposit. The values used for Jejevo are summarised in the table below.

<table>
<tr><th>Domain</th><th>Ni%</th><th>Density</th></tr>
<tr><td>FeCap/Overburden</td><td>-</td><td>1.35</td></tr>
<tr><td rowspan="3">Limonite</td><td><1%</td><td>1.35</td></tr>
<tr><td>1% to 1.20%</td><td>1.30</td></tr>
<tr><td>>1.2%</td><td>1.20</td></tr>
<tr><td>Transitional</td><td>-</td><td>1.10</td></tr>
<tr><td rowspan="2">Saprolite</td><td>>1.6%</td><td>0.95</td></tr>
<tr><td><1.6%</td><td>1.00</td></tr>
<tr><td rowspan="2">Bedrock</td><td>>0.6%</td><td>1.20</td></tr>
<tr><td><0.6%</td><td>1.40</td></tr>
</table>
</td></tr>
</table>

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
3.12 Classification	*•The basis for the classification of the Mineral Resources into varying confidence categories.* *•Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* *•Whether the result appropriately reflects the Competent Person's view of the deposit.*	The resource is classified based on the average drill spacing and the results of the variogram analysis. The variograms provided ranges averaging 52m for the major structure. Wireframes were constructed to code the model for resource class. No measured blocks have been classified at Jejevo, indicated blocks are coded In general terms where drill spacing is 50m and inferred where drill spacing is between 50m and 200m spacing. The classification criteria is assessed as appropriate in relation to the style of mineralisation and the average drill spacing through the deposit area.
		 Jejevo JORC Resources – Resource Classification
3.13 Audits or reviews	*•The results of any audits or reviews of Mineral Resource estimates.*	No audits or reviews have yet been completed on this estimate.
3.14 Discussion of relative accuracy/ confidence	*•Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* *•The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *•These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The block model is based on geological domain layers that represent the commonly encountered regolith profile in nickel laterite deposits. The deposit has been drilled down to a 50m x 50m spacing in places where results show a strong continuity of nickel and cobalt grades, especially in the Saprolite and Transitional domains. The drilling results therefore provide validation of the expected geological setting. The mineral assemblages and ratios noted in the assay dataset are line with those used to determine the boundaries between bedrock, saprolite, transitional, limonite and overburden material. Within the drilled areas there is a moderate to high level of confidence in the grade and thickness estimates of the deposit. No production has been completed to date to verify the resource estimation results.