

9 April 2021

## Metals Australia Completes Acquisition of Nepean South Nickel Project, Western Australia

### Highlights:

- Acquisition of a 100% interest in the **Nepean South Nickel Project** located near Coolgardie in Western Australia has been completed – a **Kambalda style nickel sulphide project**
- Historic shallow RAB drilling was completed by Mincor Resources NL (**Mincor**) with significant drilling results including:
  - NRB042: 3m @ 2.34g/t Au** from 57m
  - NRB048: 12m @ 1.29% Ni** from 15m  
including **NRB048: 6m @ 1.84% Ni and 0.02% Cu** from 18m
  - NRB067: 3m @ 0.78% Ni** from 33m and **3m @ 0.76% Ni** from 48m (6537270mN, 315560mE)
  - NRB055: 9m @ 0.54% Ni** from 21m
  - NRB077: 3m @ 0.69% Ni** from 24m (6536970mN, 315600mE)

*Refer to ASX announcement dated 3 March 2021 and titled "Acquisition Nepean South Nickel Project in Western Australia".*

- Nepean South Nickel Project is considered both highly prospective and underexplored for both gold and nickel**, with historic RAB drilling completed to very shallow depths on average only 42m from surface, with many holes drilled at even shallower depths
- An EM conductor on a basal ultramafic contact 100-200m below surface is located at the northern tenement boundary of the Nepean South project and is interpreted to continue south along strike into the Nepean South licence**
- Initial exploration program for Metals Australia at the Nepean South Nickel Project will consist of **an EM survey across the entire strike length** of the prospective ultramafic sequence, followed by a **drilling campaign – planning is currently underway with the Company engaging industry specialist Newexco Exploration Pty Ltd to manage this initial exploration program**

Metals Australia Ltd (**ASX: MLS**) (**MLS** or the **Company**) is pleased to announce that it has completed the acquisition of its 100% interest in the Nepean South Nickel Mine (**Nepean South**) located approximately 30km south of Coolgardie, Western Australia.

The Nepean South project is located directly south and along strike of the historic Nepean nickel sulphide mine (**Nepean mine**), currently 80% owned by Auroch Minerals Limited (**ASX: AOU**) (**Auroch**), which was the second producing nickel mine in Australia, producing 1,108,457t of ore between 1970 and 1987 for 32,202t of nickel metal at an average recovered grade of 2.99% Ni<sup>1</sup>. The ore was treated by Western Mining Corporation (WMC, now BHP Group Ltd) at their Kambalda processing facilities. The Nepean mine closed in 1987 due to low nickel prices.

<sup>1</sup> Refer to ASX announcement dated 11 November 2020 and released on the MAP by Auroch Minerals Limited (ASX: AOU) and titled "Auroch to Acquire High-Grade Nepean Nickel Project".

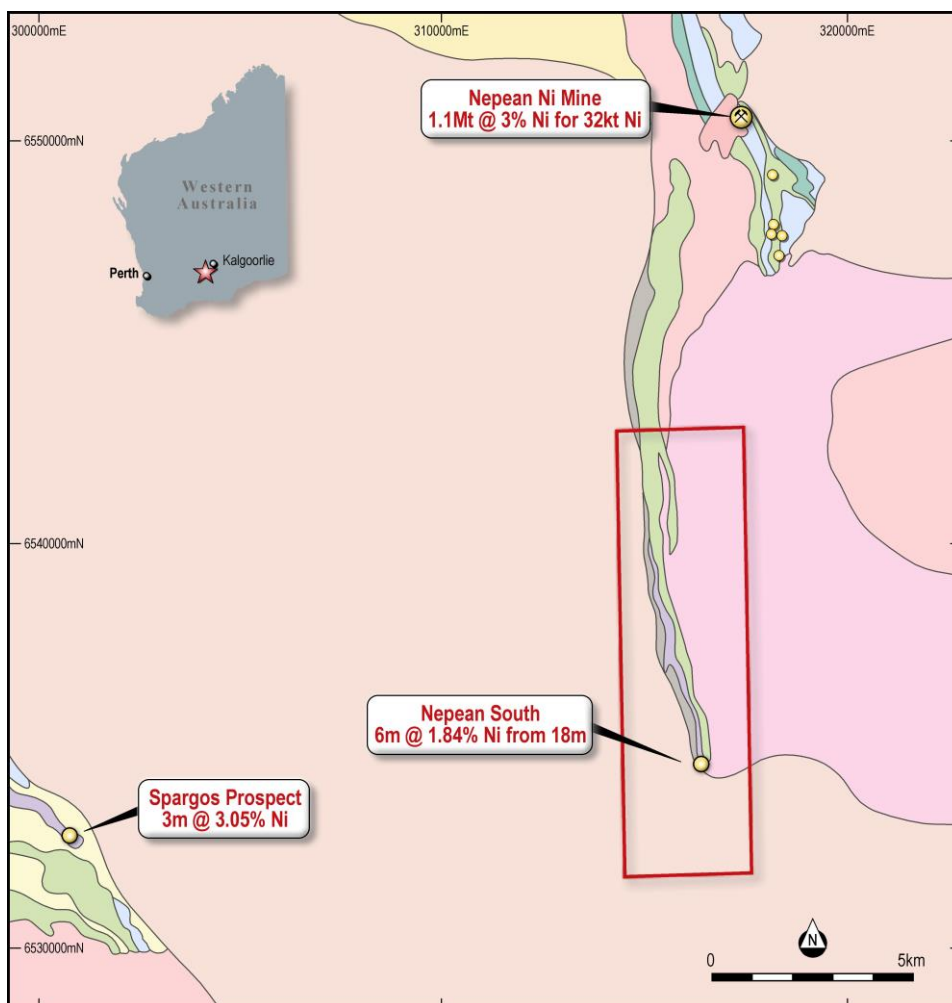
The nickel sulphide mineralisation around the Nepean South project is typically massive to semi-massive sulphide with a high nickel tenor located on ultramafic-mafic contacts. Historic shallow RAB drilling was completed by Mincor Resources NL (**Mincor**) with significant drilling results including:

- **NRB042: 3m @ 2.34g/t Au** from 57m
- **NRB048: 12m @ 1.29% Ni** from 15m  
including **NRB048: 6m @ 1.84% Ni and 0.02% Cu** from 18m
- **NRB067: 3m @ 0.78% Ni** from 33m **and 3m @ 0.76% Ni** from 48m  
(6537270mN, 315560mE)
- **NRB055: 9m @ 0.54% Ni** from 21m
- **NRB077: 3m @ 0.69% Ni** from 24m

The Nepean South project is considered both highly prospective and underexplored for both gold and nickel, with historic RAB drilling completed to very shallow depths on average only 42m from surface, with many holes drilled at even shallower depths.

Previous exploration identified an EM target conductor on a basal ultramafic contact 100-200m below surface located at the northern tenement boundary of the Nepean South project which is interpreted to continue south along strike into the Nepean South licence. **This is a high priority target for the Company.**

The Nepean South project geology is illustrated in Figure 1 below:



**Figure 1:** Nepean South Nickel Project interpreted geology

An initial exploration program has been planned at the Nepean South project comprising of **an electromagnetic (EM) survey across the entire strike length** of the prospective ultramafic sequence. This will be followed by a **drilling campaign**. The Company has engaged Newexco Exploration Pty Ltd to manage the airborne EM survey and data interpretation.

Commenting on the completion of the acquisition of the Nepean South Nickel Project, Director of Metals Australia, Mr Gino D'Anna stated:

*"We are pleased to have completed the acquisition of the Nepean South project and look forward to commencing our initial exploration campaign."*

*Work is also underway at our high-grade Lac Rainy Graphite Project in Quebec with the commencement of an advanced stage of metallurgical testwork designed to improve the economics of the Stage I Scoping Study through better defining the sizing fractions of the graphite concentrate produced at Lac Rainy and improving the yield and recovery at processing through an optimised and Lac Rainy specific production flowsheet. We will update shareholders in due course."*

This announcement was authorised for release by the Board of Directors on behalf of the Company.

## **ENDS**

### **For more information, please contact:**

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### **Caution Regarding Forward-Looking Information**

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Metals Australia Limited's planned exploration program and other statements that are not historical facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Metals Australia Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

### **Competent Person Declaration**

The information that relates to exploration results for the Nepean South Nickel Project was reported by Mincor Resources NL in 2012. The exploration results are not reported in accordance with the JORC Code 2012 and a Competent Person (as defined in the JORC Code 2012) has not done sufficient work to classify the Exploration Results in accordance with JORC Code 2012. The information in this report that relates to Exploration Results is based on information compiled by Mr Martin Bennett and represents an accurate representation of the available data and studies for the project. Mr. Martin Bennett is a consultant to Metals Australia Ltd, and a member of The Australasian Institute of Mining and Metallurgy. Mr. Bennett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.