PROVINCE RESOURCES LIMITED

ASX Announcement
(ASX:PRL)
17 February 2022

# Drilling Commences at Gnama Nickel-Copper Project, Fraser Range

**Highlights**:

- **Drilling has commenced at the Gnama Project in the Fraser Range targeting primary nickel-copper sulphides below an historic supergene anomaly which returned:**

  **16m @ 0.6% Ni, 0.14% Cu and 0.13% Co from 36m in drillhole SFRC0005**
  **20m @ 0.57% Ni, 0.17% Cu and 0.08% Co from 28m in drill hole SFRC0006**

- **RC program consists of 3 drillholes to a maximum depth of 300m each aiming to provide a robust test of bedrock below supergene anomaly**
- **Downhole electromagnetic survey (DHEM) to follow to identify conductive bodies which may be caused by sulphide accumulations, and assist with targeting for future drilling programs**
- **Approvals in place for further RC and Diamond drilling to follow pending positive results**

Province Resources has commenced drilling activities at the Gnama nickel-copper project in the Fraser Range Province of Western Australia.

The Gnama Project (Figure 1) is located at the southern end of the Fraser Range, host to several recent nickel discoveries including Nova-Bollinger (Sirius Resources / IGO), Silver Knight (Creasy Group) and Mawson (Legend Mining).

All these discoveries display similar features:

- Shallow oxide Ni-Cu-Co anomaly
- Barren interval below supergene enrichment
- Local geology of meta-pyroxenites intruded into a sequence of quartz-feldspar-biotite-garnet meta-sediments
- High-grade sulphide mineralisation, initially identified by either ground EM or downhole EM surveying.

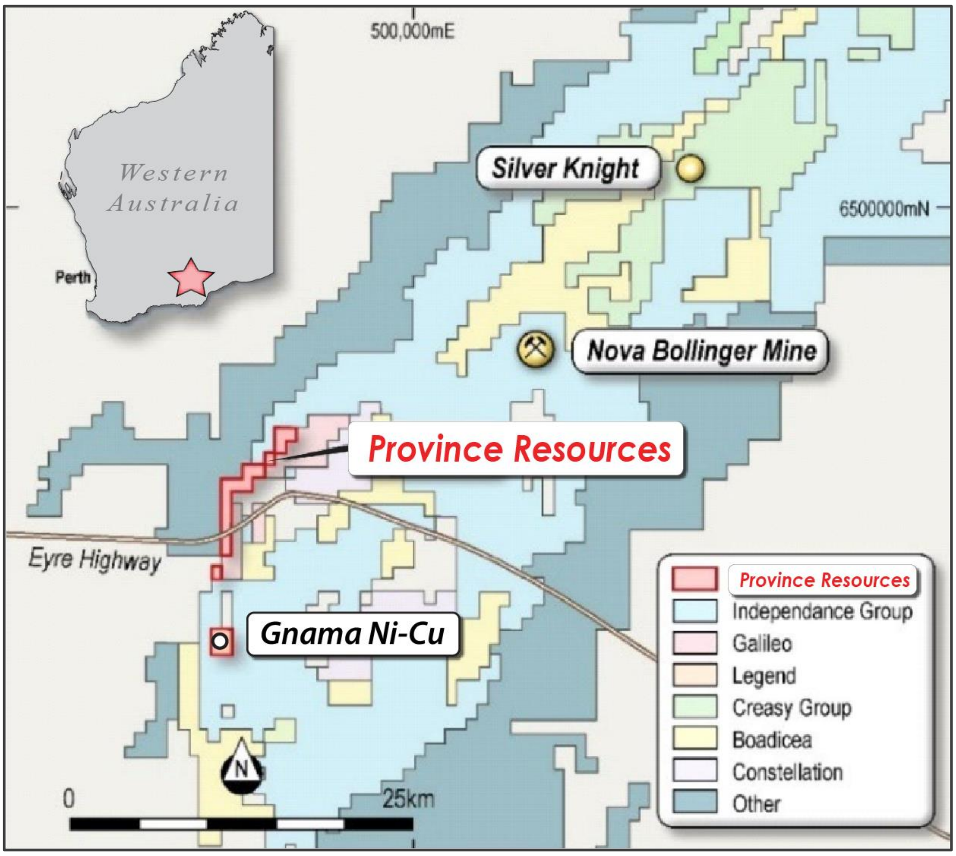


*Figure 1. Gnama Nickel-Copper Project location in Fraser Range Province.*

Gnama was first identified by Newmont in the 1960s from geochemical sampling and shallow drilling. Sirius Gold then held the tenement from 2004 to 2011. Drilling by Sirius Gold intersected significant elevated Ni, Cu and Co enrichment in the oxide zone above mixed mafic lithology, Figure 2 (See ASX release 3 June 2020).

- Drill hole SFRC0005 intersected 16m @ 0.6% Ni, 0.14% Cu and 0.13% Co from 36m
- Drill hole SFRC0006 intersected 20m @ 0.57% Ni, 0.17% Cu and 0.08% Co from 28m.

At the time, Sirius remarked that "Whilst the elevated levels of Ni and Co could be explained by lateritic enrichment, the presence of copper suggests that the underlying rocks may contain sulphide mineralisation." Sirius discovered Nova in 2012, a year after drilling the Gnama tenement.

"… at Gnama South there is still potential to test for sulphide mineralisation below significant regolith enrichment zones. The decision to drop the tenement was based on a rationalisation of tenure within the project." - Sirius Gold Pty Ltd extract from Wamex Report (A92266), Full Surrender Report E63/809.

Province's drilling programme aims to comprehensively test the bedrock below the supergene anomalism, identified by Sirius Gold Pty Ltd (Figure 2), for primary sulphide hosted nickel copper mineralisation. The RC drillholes will be cased to enable downhole electromagnetic (EM) surveying to be carried out after drilling is completed.

EM surveys are a key tool in nickel sulphide exploration as they detect conductive bodies in bed rock. Accumulations of sulphide minerals are conductive and accordingly EM anomalies are highly prospective for nickel-copper mineralisation. Importantly in historical drilling around Gnama no conductive sediments have been logged, which can provide false positives.

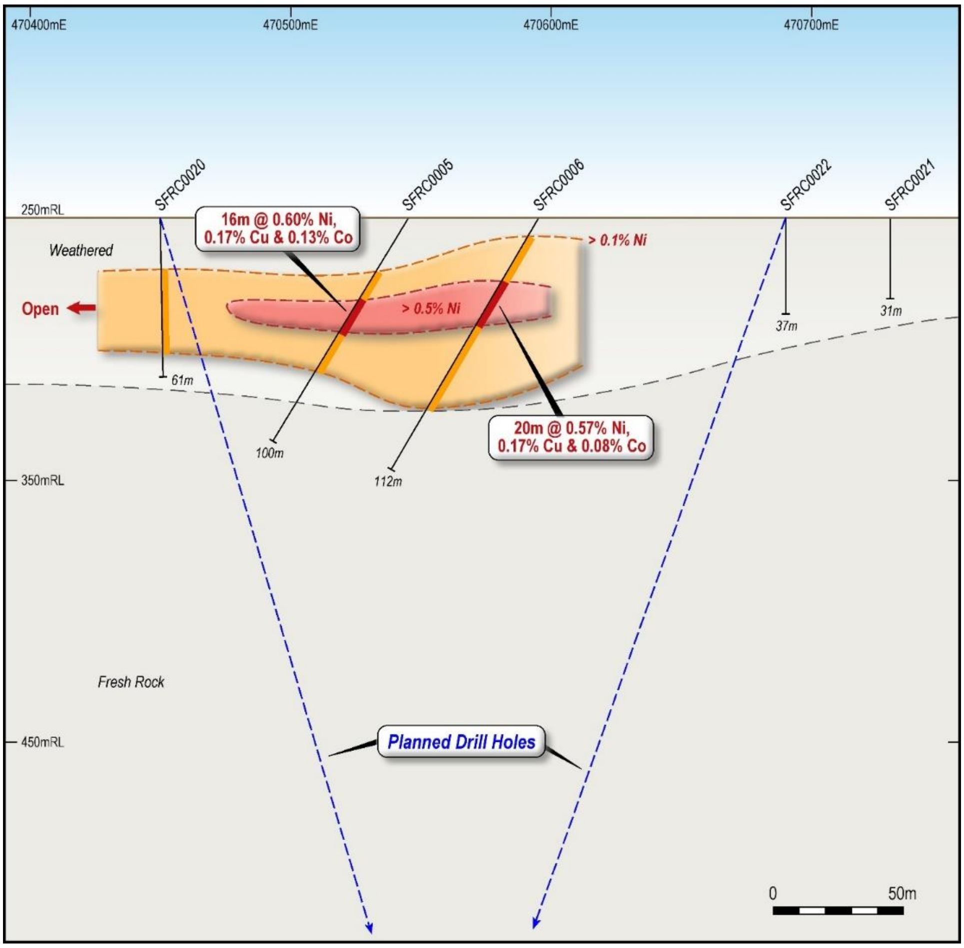


*Figure 2. Planned drilling at the Gnama Nickel Project with Ni / Cu RC drill intersections by Sirius Gold Pty.*

This announcement has been approved by the Board.


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**Competent Person's Statement**

*The information in this announcement that relates to Exploration Results and other geological information has been compiled under the supervision of Mr Thomas Langley. Mr Langley is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy and is an employee of the Company. Mr Langley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity 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 Resources and Ore Reserves ('the JORC Code')". Mr Langley consents to the inclusion in the report of the matters 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 exploration results contained in this announcement, and that the form and context in which the Competent Person's findings as presented have not been materially modified from the original reports.*

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## Appendix 1. Historical Significant Intersections from the Gnama Project

| | | | | | 0.4% Ni Cut-off | | | | | 0.1% Ni Cut-Off | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hole_ID | East | North | RL | EOH | From | Thickness | Ni % | Cu % | Co % | From | Thickness | Ni % | Cu % | Co % |
| SFRC0001 | 470568 | 6436125 | 350 | 226 | No intersections above cut-off | | | | | 163 | 9 | 0.11 | 0.02 | 0.01 |
| SFRC0002 | 470505 | 6436233 | 350 | 124 | No intersections above cut-off | | | | | 36 | 20 | 0.14 | 0.02 | 0.01 |
| SFRC0003 | 470550 | 6436233 | 350 | 190 | No intersections above cut-off | | | | | 64 | 98 | 0.11 | 0.02 | 0.01 |
| SFRC0004 | 470970 | 6436550 | 350 | 154 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| SFRC0005 | 470586 | 6437345 | 350 | 100 | 36 | 16 | 0.60 | 0.14 | 0.13 | 28 | 56 | 0.30 | 0.07 | 0.05 |
| SFRC0006 | 470632 | 6437346 | 350 | 112 | 28 | 20 | 0.59 | 0.16 | 0.07 | 8 | 64 | 0.35 | 0.10 | 0.03 |
| SFRC0007 | 474040 | 6430050 | 350 | 112 | No intersections above cut-off | | | | | 32 | 8 | 0.19 | 0.01 | 0.03 |
| SFRC0008 | 473990 | 6430050 | 350 | 82 | No intersections above cut-off | | | | | 20 | 20 | 0.16 | 0.03 | 0.02 |
| SFRC0019 | 470569 | 6437448 | 350 | 67 | No intersections above cut-off | | | | | 36 | 24 | 0.15 | 0.02 | 0.03 |
| SFRC0020 | 470450 | 6437343 | 350 | 61 | No intersections above cut-off | | | | | 40 | 12 | 0.16 | 0.03 | 0.05 |
| SFRC0021 | 470730 | 6437345 | 350 | 31 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| SFRC0022 | 470690 | 6437358 | 350 | 37 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| SFRC0023 | 470563 | 6437243 | 350 | 43 | No intersections above cut-off | | | | | 24 | 8 | 0.18 | 0.05 | 0.01 |
| FRC001 | 478680 | 6437767 | 340 | 9 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC002 | 478675 | 6437768 | 340 | 201 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC003 | 470423 | 6437491 | 346 | 196 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC004 | 470306 | 6437395 | 345 | 188 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC005 | 469752 | 6437447 | 341 | 189 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC006 | 470813 | 6436568 | 351 | 190 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC007 | 470787 | 6436352 | 340 | 189 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC008 | 469833 | 6433946 | 315 | 189 | No intersections above cut-off | | | | | No intersections above cut-off | | | | |
| FRC019 | 475060 | 6432200 | 350 | 171 | No intersections above cut-off | | | | | 40 | 8 | 0.20 | 0.00 | Not Assayed |
| FRC020 | 475150 | 6432200 | 350 | 200 | No intersections above cut-off | | | | | 20 | 16 | 0.19 | 0.01 | Not Assayed |
| FRC021 | 475240 | 6432200 | 350 | 200 | No intersections above cut-off | | | | | 40 | 8 | 0.12 | 0.00 | Not Assayed |

## Appendix 2. Supporting tables prescribed under the JORC Code (2012 Edition) for the reporting of Exploration Results from the Gnama Project

### Section 1 Sampling Techniques and Data

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

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to* | • Historical RC drilling to test for nickel-copper mineralisation.<br>• Drilling was sampled at 1m intervals with the entire interval collected at the rig then riffle split at the rig to produce samples.<br>• Initial sampling was done using a scoop to collect a composite sample. Samples were submitted to an external laboratory where they were dried and pulverised before sub sampling for assay.<br>• Where anomalous results were returned from initial samples the 1m samples from the interval were collected and submitted to the laboratory for drying, pulverising and sub sampling for assay. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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.* | |
| *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).* | • RC drilling was carried out using face sampling reverse circulation hammers. |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • RC recoveries were measured qualitatively and poor recoveries recorded in the sampling sheets.<br>• Standard drilling techniques such as cleaning cyclones each rod and hole conditioning to maintain good sample quality were used.<br>• No recovery issues noted so no relationship between recovery and grade or sample bias known. |
| *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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • All RC chips were geologically logged in their entirety. The logs are sufficiently detailed to support Mineral Resource estimation. Logged criteria included lithology, alteration, alteration intensity, veining, weathering, grainsize and sulphides.<br>• Geological logging is qualitative in nature, although percentages of veins or sulphides present were estimated. |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | • For RC drilling samples were riffle split at the rig after passing through a conventional cyclone. An initial sample was taken by spear sampling the reject piles to form a 4m (FRC series) or 10m (SFRC series) composite.<br>• All techniques are appropriate for collecting statistically unbiased samples.<br>• Duplicates were collected every 10 composite samples to ensure representivity, with duplicates also collected from the 1m split samples. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • CRMs were inserted at regular intervals into the sample stream. |
| *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.*<br>• *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.*<br>• *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.* | • Samples were analysed at Genalysis or Ultratrace, independent quality assured laboratories.<br>• Sample preparation comprised drying, crushing, pulverising and sub sampling for assay.<br>• Assay methods comprised analysis by four acid digest with ICPOES finish (Genalysis code 4A/OE, Ultratrace code ICP102) or four acid digest with ICPMS (Ultratrace ICP302). Au, Pt and Pd were assayed by fire assay with ICPMS finish (Genalysis FA50/MS, Ultratrace FA003)<br>• QA/QC programmes comprised Certified Reference Materials, replicates, duplicates and blanks. CRMs were inserted at regular intervals into the sample stream. Duplicate samples of both composite and split samples were collected and analysed. No issues were reported. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • All drilling and exploration data were stored in databases by the Creasy Group and Sirius Resources.<br>• Exploration results in this announcement have been sourced from data exports from these databases submitted as part of statutory reporting to the WA Dept of Mines, Industry Regulation and Safety.<br>• No twin holes have been drilled to date.<br>• No adjustments to assay data have been made. |
| *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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Drill hole collar positions were surveyed using a GPS with an accuracy of ~5m.<br>• All SFRC holes were surveyed using an Eastman single shot survey tool. FRC holes were not downhole surveyed/<br>• Coordinates are recorded in MGA 94 Zone 51.<br>• Topographic control is based on public data and adequate for current stage of project. |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and* | • Drilling has not been completed on a regular spacing, with drillholes sited to test specific geochemical or |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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.*<br>• *Whether sample compositing has been applied.* | geophysical targets.<br>• Drillholes SFRC0005 and SFRC0006 detailed in this announcement are located 50m apart.<br>• Data spacing is not sufficient for a Mineral Resource as yet. |
| *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.*<br>• *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.* | • Drilling has been oriented perpendicular to regional trends or to test modelled geophysical targets.<br>• Mineralisation intersected is supergene and flat lying. The orientation of the underlying bedrock mineralisation is not known.<br>• The relationship between drilling orientation and structural orientation is not thought to have introduced a sampling bias. |
| *Sample security* | • *The measures taken to ensure sample security.* | • Samples were delivered from the drilling site directly to the laboratory. |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • No audits or review are reported. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *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.*<br>• *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.* | • The Gnama Project comprises three granted exploration licenses (E63/1933, E63/1934 and E63/1935) owned 100% by Vanatech Pty Ltd, a subsidiary of Province Resources Ltd.<br>• Vanatech has signed a RSHA with the Ngadju NTAC who hold the native title rights in the area of the Gnama Project. The RSHA allows Vanatech access to the project are provided relevant protocols are observed to preserve Aboriginal heritage. To the Company's knowledge no cultural or environmentally sensitive sites have been identified within the tenement.<br>• The tenements are in good standing and no known impediments exist. |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Initial mineral exploration in the Fraser Range area, including the Gnama Project, was completed by Newmont between 1965 and 1972.<br>• Subsequently a number of parties |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | including Renison, Metana, BHP, CRAE, Orion Resources NL, Pan Australian Exploration and Gutnick Resources completed exploration for a diverse variety of commodities spanning gold, chromite/PGEs, mineral sands/REEs, lignite, dimension stone, base metals and diamonds<br>• Exploration most relevant to the nickel-copper potential of the Gnama Project was completed by the Creasy Group and Sirius Resources. |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • The Gnama Project is located in the Albany-Fraser Orogen, a Proterozoic mobile belt in the south west of Western Australia<br>• Mineralisation in the Albany Fraser Orogen is primarily located in the Fraser Zone, dated at ca 1300Ma. Sheets of metagabbroic rocks are interlayered with sheets of granitic material and layers of pelitic, semi-pelitic and calcitic metasedimentary rocks.<br>• Fraser Zone gabbros are interpreted by the GSWA to be formed at depth then pooled in a mid crustal "staging chamber" and repeatedly intruded into the quartzofeldspathic country rock. Magmatic processes in the staging chamber and emplacement within the country rock are key elements in accumulating sulphide minerals which form nickel-copper mineralisation. |
| *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:*<br>o *easting and northing of the drill hole collar*<br>o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>o *dip and azimuth of the hole*<br>o *down hole length and interception depth*<br>o *hole length.*<br>• *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.* | • All significant drilling intercepts over 0.1% Ni were included in ASX Announcements 3 June 2020 and 8 Sep 2020.<br>• All drillhole collars are tabulated in ASX Announcements 3 June 2020 and 8 Sep 2020. |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| *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.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • All intersections have been weighted based on sample intervals. |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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').* | • Mineralisation is supergene and therefore relatively flat-lying. Due to the attitude of mineralisation intersection angles are almost perpendicular and therefore drill widths are a reasonable approximation of true width. However the orientation of primary bedrock mineralisation is not known. |
| *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.* | • Appropriate maps and sections are provided in the text |
| *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.* | • All drilling intersections were included in ASX Announcements 3 June 2020 and 8 Sep 2020. |
| *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* | • Historical exploration activity over the Fraser Range project area has included airborne magnetics, gravity, Landsat7 and an airborne GeoTEM survey. Surface geochemical sampling and ground EM were also completed within the project area. Data will be compiled and reviewed to aid in forthcoming exploration programmes. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *characteristics; potential deleterious or contaminating substances.* | |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • As detailed in this announcement. |