

SEPTEMBER 2023 QUARTERLY ACTIVITIES REPORT**25 October 2023**

For the period ended 30 September 2023

HIGHLIGHTS

- **Silver Lake Hanging Wall results validate previously reported Exploration Target range estimates, Mineral Resource estimate to follow**
- **Historical Core Program at Foster validates underground drill hole data and identifies areas of potentially significant nickel mineralisation**
- **Continued success at East Trough, with the opportunity to evaluate an initial Mineral Resource in coming quarter (which if converted to Ore Reserve would be accessible from a future Baker decline)**
- **Drilling at Long South Gap commences**
- **Metallurgical testwork at Baker and Foster highlight potential by-product opportunities for platinum and palladium, excellent nickel recoveries at Baker and consistent recoveries at Foster's Warren and 85H areas**
- **Successful \$18 million placement to sophisticated and institutional shareholders¹**
- **30 September 2023 cash balance of \$31.9 million (30 June 2023: \$19.7 million).**

Commenting on the September 2023 quarter, Managing Director, Edmund Ainscough said:

"The September quarter was another busy one for the Lunnon Metals team. Significant progress has been made with the Foster components of the combined Baker-Foster Preliminary Feasibility Study including de-risking the future Baker decline through the drilling of dedicated geotechnical holes and continuing to demonstrate the excellent metallurgical characteristics of our Kambalda Nickel Project deposits. During the quarter, we commenced testing of the 3.2km by 2.4km Long South Gap, an important first step in a campaign that will also include a full 3D seismic survey and focuses on an unexplored area immediately adjacent to one of Australia's most prolific nickel camps – the Kambalda Dome. The coming quarter sees a strong focus on capturing the success of our drilling campaigns with Mineral Resource reports on several different deposits within our portfolio, including both first-time and updated estimates".

DECEMBER 2023 QUARTER OUTLOOK

- Diamond drilling (**DD**) will focus on the gap between the main Foster mine and the Foster South deposit whilst at Silver Lake, Ausdrill's specialised lake rig will continue the Long South Gap program
- Reverse circulation (**RC**) drilling will commence on a portion of the Baker Indicated Mineral Resource to upgrade this area to Measured Resource and exploration at Foster Tops (being targets in the top 300m of the main Foster mine)
- The Historical Core program (**HCP**) will target remnant mineralisation at Foster (40, 50 and 60 series surfaces) and also areas at the Fisher mine

¹ \$1M is subject to shareholder approval at the Annual General Meeting on 3 November 2023.

The following news flow and events are anticipated through to the Christmas 2023/New Year 2024 period. The December quarter will see a strong focus on capturing the success of the 2023 drill programs and HCP, with a significant number of updated and first-time Mineral Resource Estimates (**MRE**) expected in the coming months.

- 85H MRE update with metallurgical DD holes
- East Trough first-time MRE
- Silver Lake Hanging Wall first-time MRE
- Foster 40, 50 and 60 surfaces first-time MRE
- Foster South MRE update with metallurgical DD holes
- Fisher Historical Core Program first-time MRE
- Updates on Long South Gap drilling progress
- Foster South Metallurgical Program – test work summary
- DD results for Baker Measured drill out
- Ongoing Foster/Baker combined Preliminary Feasibility Study (**PFS**) activity updates (December quarter 2023) and final reporting (March quarter 2024)

Lunnon Metals Limited (**ASX:LM8**) (the **Company** or **Lunnon Metals**) is pleased to report on activities during the September 2023 quarter.

KAMBALDA NICKEL PROJECT (KNP)

Health, Safety and Environment

No safety or environmental incidents were reported during the quarter.

Community and Heritage

The Company continued to make solid progress in negotiations with the Ngadju Native Title Aboriginal Corporation (**NNTAC**). The parties are close to agreeing an overarching Mining Rights Agreement, which includes a Heritage Protocol. The quarter's activities principally focussed on the draft Heritage Protocol given changes to the underlying statutory framework. The agreement will cover 100% of the Foster-Baker project (**FBA**) and part of the Silver Lake-Fisher project (**SLF**) on the Lake Lefroy area. The northern shore of Lake Lefroy is covered by the Marlinyu Ghoorlie native title claim group.

During the quarter, site and Perth office staff took part in a one-day cultural awareness workshop with representatives of the Ngadju and NNTAC at Kambalda.

Drilling Program Physicals

Approximately 8,100 drill metres were completed in the September 2023 quarter (10,200m in June 2023), with DD accounting for all 18 holes drilled (11 holes in June 2023 quarter). There was no RC drilling in the quarter (24 holes in June 2023 quarter). At the FBA, exploration focussed in the immediate Baker area (East Trough and geotechnical drilling in the West Idough open pit), as well at Foster South and the gap between that deposit and the main Foster mine. At SLF, drilling commenced at the Long South Gap and continued at the Silver Lake Hanging Wall (**SLHW**) target.

In addition to the surface drill program, the HCP recorded over 2,900 metres of reprocessed core in 36 holes. Areas the subject of the HCP included West Trough, Foster South, Foster N60C and the Cooe Gap at the FBA. At the SLF, areas tested by the HCP included Fisher mine, Silver Lake mine, Ken South, Long South and the KD208/210 trend at Silver Lake.

The Company highlights that all RC and DD holes completed which have intersected potentially economic mineralisation at Baker, Warren, Foster or Silver Lake are subject to a program of grouting from end of hole to above the nickel intercept of interest for future safety and operational control purposes.

Future Discovery Programs

As part of the announced \$18M Placement², the Company noted that funds raised would primarily be used towards the Company's discovery programs (see **Table 1** and **Figures 1 and 2**).

Table 1: Break down by area of exploration spend from August 2023 Placement.

Description	Amount	Activity	Area
Silver Lake / Fisher Area (see Figure 1)	\$6.1M	Early stage	Long South Gap, full 5.8km ² 3D seismic survey, Victor-McLeay Trend
		Early stage & Mineral Resource conversion	Ken South, Fisher K & South Zone, Silver Lake HW and down flank
		Historical Core Program	Fisher & Silver Lake
Foster / Baker Area (see Figure 2)	\$8.0M	Early stage to Advanced Prospect	North Jan, Somerset, Cooe Gap, Foster Thrust
		Early stage & Mineral Resource conversion	East Trough, West Trough, Foster North and Tops
		Mineral Resource conversion	Warren flank, Baker Measured

² Refer to ASX Announcement dated 17 August 2023.

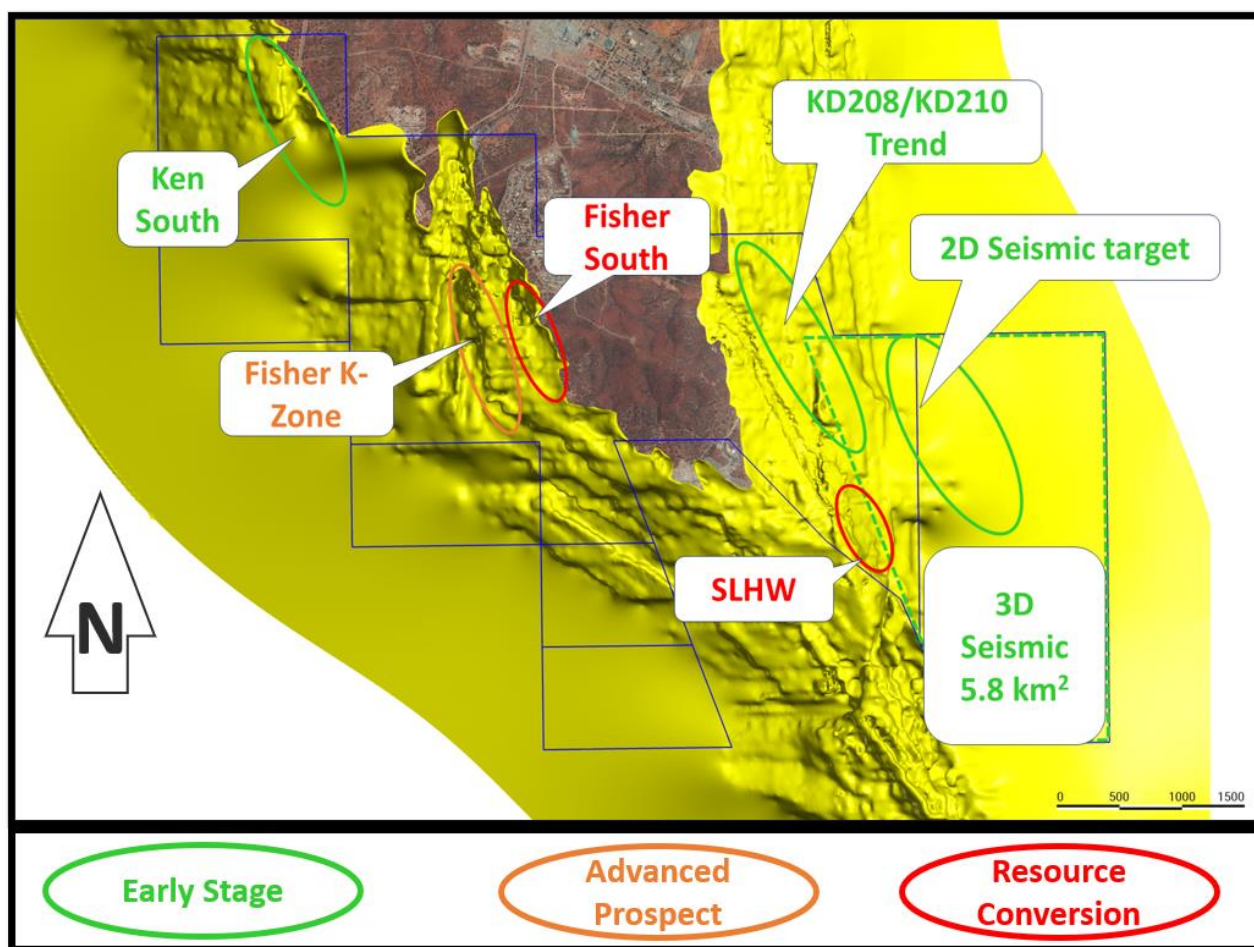


Figure 1: Diagrammatic Plan View of the Silver Lake / Fisher area with summarised exploration target program.

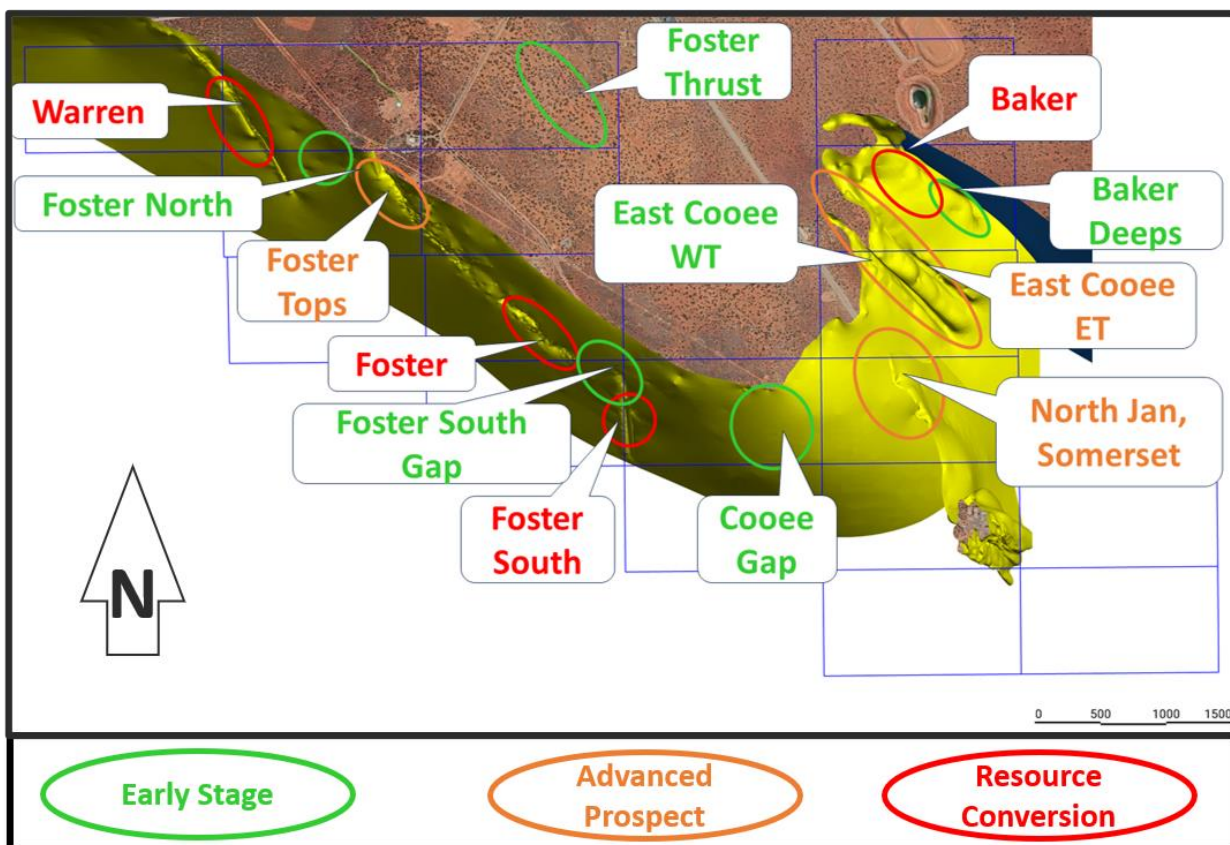


Figure 2: Diagrammatic Plan View of the Foster / Baker area with summarised exploration target program.

FOSTER / BAKER PROJECT DISCOVERY PROGRAM

Foster Studies and Permitting

Foster's MRE is expected to grow as the Company progresses the HCP on the 40, 50 and 60 surfaces, together with other areas of remnant nickel mineralisation at the mine dating from the Western Mining Corporation Limited (**WMC**) operational period. The ongoing Foster PFS involves economic and technical studies to investigate the potential to exploit the Foster MRE. Key study inputs are:

- an update to the MRE for Foster South (which include the assay results from the recently announced metallurgical DD program³);
- an update to the 85H MRE to include reported metallurgical DD holes; and
- the outcomes of the MRE exercise for the 40, 50 and 60 nickel surfaces reported 3 October 2023.

These MRE updates will be reported as each part is finished. The target is to have all MREs completed prior to Christmas 2023. Accordingly, the final reporting of the updated and combined PFS for Baker and Foster will likely be in the March quarter, 2024. The results of this combined PFS, if positive, are likely to lead to an increase to the Company's Probable Ore Reserve.

The updated PFS will enable the Company to have a better view on the KNP's nickel production potential and better position the Company to continue evaluating its processing alternatives which include potential ore tolling partners.

On 1 August 2023, the Company announced that the Warren and 85H deposits returned metallurgical test work results aligned with the available documentation of the historical performance of the Foster mine during its operational life. Foster operated between 1981 and 1994, delivering 2.37 million tonnes of ore grading 2.57% Ni for 61,129 tonnes of nickel metal⁴.

Table 2: Flotation test work program results for Warren and 85H deposits.

Foster Mine - result	Warren	85H
Head grade (% Ni)	3.51	3.70
Recovery (% Ni)	85.2	88.9
Concentrate grade (% Ni)	12.3	11.9
Concentrate grade (% Cu)	1.45	0.95
Concentrate grade (% Co)	0.29	0.26
Recovery (% Pd)	89.9	90.9
Concentrate grade (g/t Pd)	4.82	1.60
Concentrate grade (g/t Pt)	1.70	0.35
Pd+Pt (g/t) in concentrate	6.52	1.95
Fe:MgO ratio (n:1 in concentrate)	26.0	11.1
As (ppm) (in concentrate)	261	81

Note: The above results above are indicative metallurgical performance and concentrate quality based on metallurgical flotation testwork. Actual results may vary depending on the specifications and performance of the concentrator.

³ Refer to ASX Announcements dated 9 October 2023 and 17 October 2023.

⁴ Based on historical WMC ore production and delivery records.

Baker

As reported in the PFS results (see ASX announcement 22 May 2023), metallurgical test work was still in progress on select MRE domains (BOF01 and BOF02) based on DD holes which had been drilled to “twin”⁵ existing drill intercepts of known width and grade. The program then on-foot was initiated to evaluate the variability of metallurgical response related to possible weathering effects on the shallowest, up-dip portions of the deposit.

On 21 July 2023, the Company announced that the assay results for these new DD holes matched or bettered the nearest previous drill intercept and also the current MRE in regard to either width, grade, metal content or all three parameters. Significant results above a 1.0% Ni cut-off were⁶:

- ECO23DD_028 – **8.00m @ 5.35% Ni, 0.40% Cu, 0.10% Co, 0.60g/t Pd, 0.25g/t Pt, <10ppm As**
(from 95.35m)
- ECO23DD_029 – **8.35m @ 2.20% Ni, 0.24% Cu, 0.05% Co, 0.31g/t Pd, 0.11g/t Pt, <10ppm As**
(from 89.80m)

Also on 21 July 2023, the Company announced the nickel recoveries recorded in the two new metallurgical test work programs were an improved and excellent **95.1%** for the **BOF01** domain and **84.4%** for **BOF02**. The previous composite samples for BOF01 and BOF02 returned nickel recoveries of 91.8% and 83.4% respectively.

The updated metallurgical outcomes for BOF01 and BOF02 (highlighted in green) are presented below, in conjunction with the other domains previously reported and the PFS deposit average (as reported on 22 May 2023).

Table 3: Previously reported⁷ Baker flotation test work program results, highlighting BOF01 & BOF02.

Result	Ore Domain Specific Samples					PFS deposit average
	BOF01	BOF02	MOB02	MOB03A	MOB03B	
Head grade (% Ni)	4.27	2.94	3.80	7.43	6.76	2.86
Recovery (% Ni)	91.8	83.4	92.1	94.2	95.9	91.2
Concentrate grade (% Ni)	14.2	17.7	14.7	14.3	13.7	14.6
Concentrate grade (% Cu)	1.52	1.93	1.00	1.00	2.96	1.29
Concentrate grade (% Co)	0.25	0.32	0.29	0.23	0.20	0.26
Fe:MgO (in concentrate)	16.3	11.1	27.6	19.1	17.0	18.8
As (ppm) (in concentrate)	319	<20	271	<20	<20	440

Note: The above results above are indicative metallurgical performance and concentrate quality based on metallurgical flotation testwork. Actual results may vary depending on the specifications and performance of the concentrator.

On 1 August 2023, the Company announced the outcomes of palladium (**Pd**) and platinum (**Pt**) metallurgical results (which were pending at time of release of the Baker Preliminary Feasibility Study). Assay results for Pd and Pt were consistently high, up to 8.61g/t Pd+Pt. Based on these assay results, the indicative average concentrate grades increased when compared to the PFS, from 2.35 g/t to 2.51 g/t for Pd and from 0.58 g/t to 0.62 g/t for Pt.

⁵ The term “twin” is used here to describe two drill holes intersecting targeted mineralisation as close as possible to each other.

⁶ Reported widths approximate, or are close to, true widths, subject to the pending update of the MRE.

⁷ See PFS Results announced on 22 May 2023 for full details of the PFS metallurgical test work.

Table 4: The updated Pd+Pt metallurgical results for Baker PFS metallurgical test work.

Baker Deposit - result	Ore Domain Specific Samples ⁸					PFS LoM av.
	BOF01	BOF02	MOB02	MOB03A	MOB03B	
Recovery (% Pd)	92.6	84.3	92.7	94.4	97.1	91.9
Concentrate grade (g/t Pd)	3.82	3.27	2.76	2.58	6.51	2.51
Concentrate grade (g/t Pt)	0.80	0.64	0.44	0.58	2.10	0.62
Pd+Pt (g/t) in concentrate	4.62	3.91	3.20	3.16	8.61	3.11

During the quarter, the Company completed two geotechnical DD holes at the Baker deposit covering the path of the proposed 450 metre decline from the proposed portal in the West Idough open pit to planned stoping areas of the Baker Ore Reserve. Both holes have been geotechnically logged, and the results will be incorporated into the Baker and Foster Pre-Feasibility Study.

East Trough

The Company's first significant nickel intercept after its June 2021 Initial Public Offering was at East Trough, with an intersection of **2m @ 5.07% Ni** in ECO21RC_005 (see announcement dated 28 September 2021). This initial exploration program was surpassed by the subsequent discovery of Baker in December 2021, with the Company principally focussing on the rapid drill out of the deposit and subsequent Mineral Resource declarations in 2022.

The focus for exploration activities in and around the Baker discovery has now shifted to defining additional sources of nickel mineralisation in proximity to the potential future underground development. With that objective in mind, a DD and RC program targeting the East Trough prospect was completed and returned the following significant intercepts⁹ (> 1.0% Ni cut off):

- ECO23RC_098 - **5.00m @ 1.51% Ni** (from 182.0m)
- ECO23RC_100 - **2.00m @ 2.03% Ni** (from 209.0m)
- ECO23RC_103 - **1.00m @ 5.01% Ni** (from 262.0m); and
- ECO23RC_103 - **2.00m @ 4.96% Ni** (from 266.0m)
- ECO23RC_111 - **1.00m @ 3.53% Ni** (from 138.0m)
- ECO23DD_025 - **0.85m @ 1.41% Ni** (from 308.4m); and
- ECO23DD_025 - **0.30m @ 3.08% Ni** (from 314.0m)

These intervals were returned from approximately 400m of plunge extent that was targeted in the interpreted trough, in the locality of, and extending up-plunge from, ECO23DD_023 (reported to ASX on 19 April 2023) and also broadly between a number of historical WMC DD holes. These intercepts sit at the contact between the Kambalda Komatiite and Lunnon Basalt, the more traditional mineralisation setting associated with channel hosted "Kambalda style" nickel deposits, with structural complexity apparent at this East Trough prospect. The East Trough prospect remains open down plunge.

The goal at East Trough is to complete a MRE exercise and seek to report an initial Inferred Mineral Resource. This will enable the East Trough nickel mineralisation to be assessed for any potential future Baker underground operation.

⁸ Refer to ASX Announcement dated 22 May 2023 for details of the contribution to financial results from by-product credits.

⁹ Refer to ASX Announcement dated 4 July 2023.

West Trough

In addition to the East Trough prospect, a conceptual West Trough target has been interpreted based on historical drilling data that identifies an elongated embayment in the komatiite-basalt contact. A near surface elongate 800m long nickel oxide anomaly greater than 0.3% Ni is positioned immediately above and along the interpreted trough. This interpretation is supported by anomalous historical drill intercepts¹⁰ in what would be the western flank position to this West Trough target (>1.0% Ni cut off) which include:

- SID393 - **2.0m @ 3.70% Ni** (from 110.00m)
- SID489 - **1.48m @ 1.48% Ni** (from 194.66m)
- CD544 - **0.73m @ 3.71% Ni** (from 285.6m)
- SID289 - **0.82m @ 1.52% Ni** (from 393.95m)

To date, Lunnon's drill testing of this target has been limited to the flank position with the base of the trough not yet successfully intersected.

Geophysical modelling, not yet completed, for downhole transient electro-magnetic (**DHTEM**) survey data collected from five of the West Trough holes will be included in the interpretation to help guide future targeting efforts.

SILVER LAKE-FISHER (SLF) PROJECT DISCOVERY PROGRAM

Silver Lake Hanging Wall Exploration Target

The first pass surface DD program evaluating the Silver Lake Hanging Wall (**SLHW**) prospect was completed during the quarter. Approximately 4,200 metres was drilled in seven DD parent¹¹ (and multiple subsidiary wedge) holes.

Significant mineralisation recorded in assayed holes to date includes (see **Figure 4**; >1.0% Ni cut-off)¹²:

- SLK23DD_001: 1.00m @ 1.05% Ni, 0.06% Cu and 0.01% Co (from 453.0 metres down hole)
- SLK23DD_002: 1.06m @ 1.51% Ni, 0.10% Cu and 0.03% Co (from 484.94 metres)
- SLK23DD_002W1A: **1.65m @ 2.11% Ni, 0.17% Cu and 0.06% Co** (from 475.40 metres)
- SLK23DD_002W2: **1.00m @ 5.74% Ni, 0.27% Cu and 0.07% Co** (from 453.85 metres)
- SLK23DD_003: **2.20m @ 1.85% Ni, 0.12% Cu and 0.03% Co** (from 429.20 metres)

All intercepts recorded extremely low, or below detection, levels of arsenic.

An exciting observation during this program has been identifying nickel mineralisation beneath the SLHW position on the komatiite-basalt contact. This contact sits approximately 60 metres below the SLHW and is the position traditionally considered more prospective for nickel. All new Lunnon Metals DD holes were extended to ensure that the contact position was tested. This new drilling, together with the historical WMC DD data and previous Company re-assay results, have defined a significant opportunity at this contact.

¹⁰ Refer to ASX Announcement dated 4 July 2023

¹¹ "Parent" hole is used in this context to describe an initial diamond hole that serves as a platform for subsequent geophysical/geochemical surveys and then further diamond drilling by way of wedging from that parent, if warranted.

¹² Refer to ASX Announcement dated 11 September 2023.

Upon completion of the DD program and return of all assay results, a MRE will be completed for the SLHW prospect. On the basis that the DD program has validated and reproduced widths and grades seen in the previous historical drill intercepts, it is expected that the MRE will record tonnage and grade outcomes broadly within the previously reported Exploration Target¹³ ranges. The goal is to complete and report the MRE before the end of the December 2023 quarter.

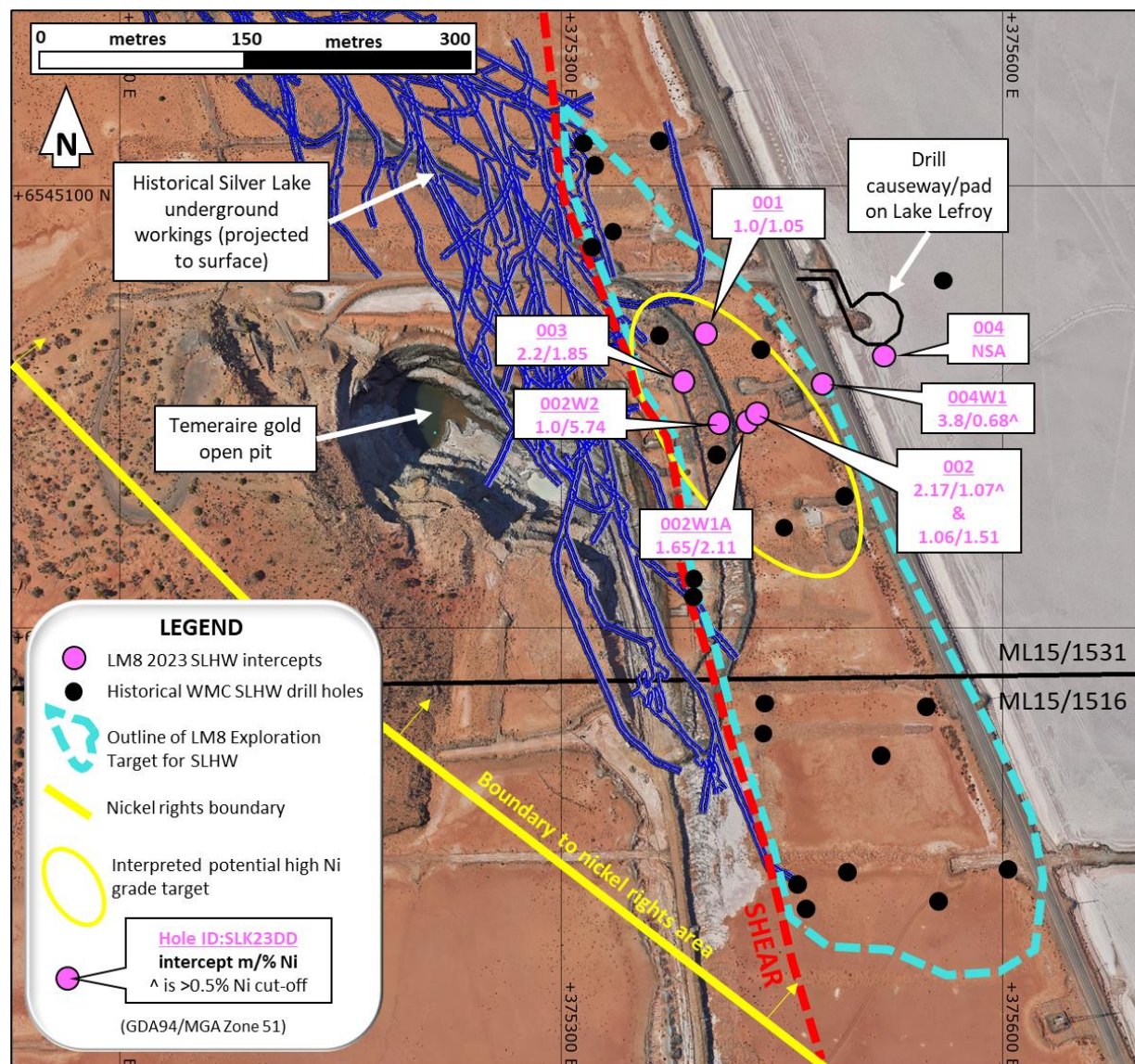


Figure 4: Plan view of the SLHW prospect area showing historical pierce points and the recent LM8 drill program together with the position of the historical mine workings (dark blue) and current surface infrastructure.

Long South Gap

Diamond drilling commenced in the quarter at the Long South Gap prospect. The drill program will be a first pass test of the encouraging potential “channel” anomaly identified in the recent 2D seismic survey line (see ASX announcement 21 April 2023). This anomaly is interpreted to represent at least one of multiple known nickel mineralised channels and conceptual trends prospective for nickel mineralisation. These channels and trends are interpreted to plunge from properties now held by Wyloo Metals Pty Ltd (**Wyloo**) towards, and onto, Lunnon Metals’ properties.

¹³ Refer to ASX Announcement dated 25 October 2022.



Figure 5: Track mounted, lake-based rig setting up to commence drilling of the Long South Gap prospect – August 2023.

A track mounted, lake-based rig (see **Figure 5**) is being used for the DD, which allows flexibility in set-up / positioning and removes the need for causeway construction (which also significantly reduces the surface disturbance). The program is expected to run over a number of months and will include the completion of a series of parent holes from which both downhole geophysical surveys and geochemical studies will be conducted to assess and identify the potential for off-hole nickel sulphide targets in the vicinity of each completed hole.

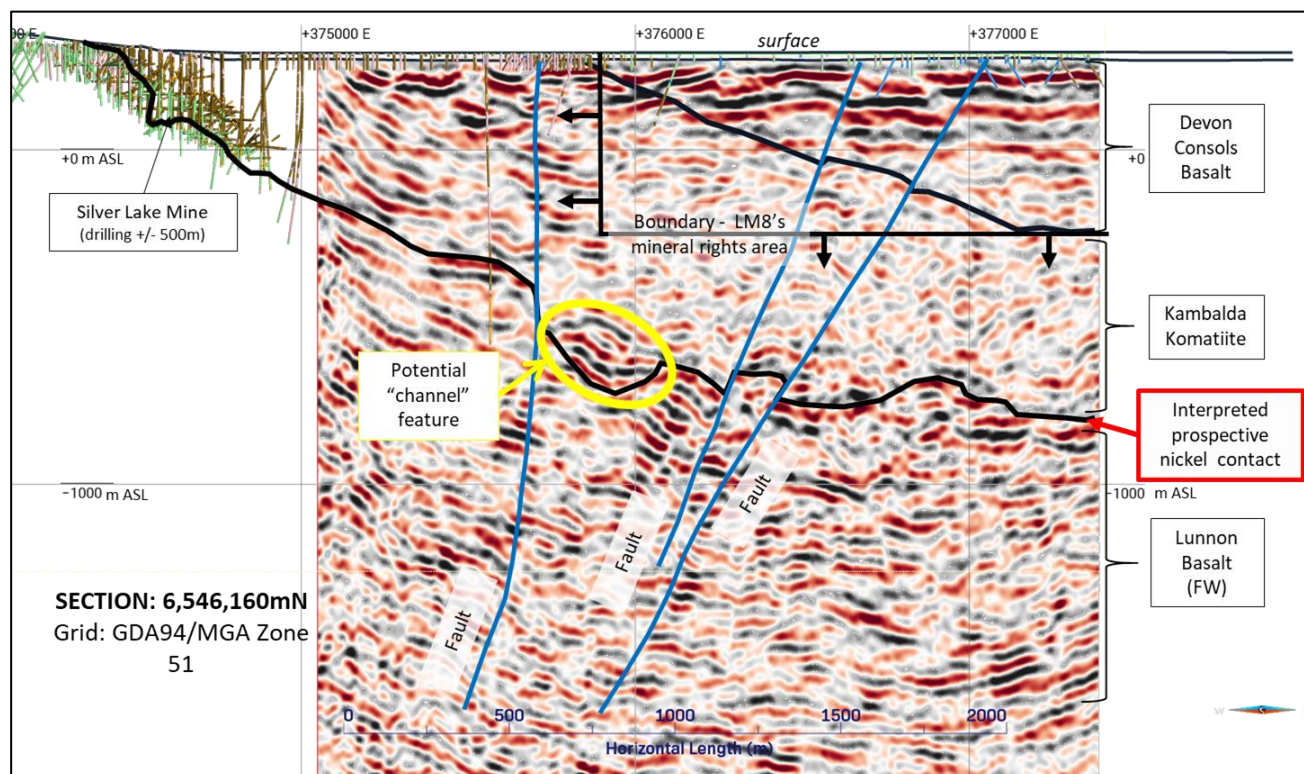


Figure 6: Cross sectional image (looking north) of the April 2023 northern 2D seismic line survey combined with geological interpretation of lithology and structure of the Long South Gap project area and the high priority drill target in yellow.

The possible depth to the prospective komatiite-basalt contact ranges between approximately 750 metres and 1,000 metres below the lake surface. Parent holes will take approximately 3 to 4 weeks to complete in each case (subject to the drilling conditions encountered), with subsequent supporting surveys, immediate litho-structural logging of the diamond core, application of portable XRF analysis for geochemical data collection, and assay results all used to assist with vectoring towards potential nickel mineralisation. The program is designed to progressively improve the Company's knowledge and fine tune the location of subsequent wedge holes, or new parent holes, to enhance the prospects of a significant discovery.

A range of potential outcomes are possible from this first series of drill holes and supporting exploration activities at the prospect area. The Company highlights that whilst direct intersection of nickel sulphides remains the primary objective in all drill holes of this type ("hitting it on the head" so to speak), each new hole will continue to improve the Company's geological and structural understanding of the area. The Long South Gap prospect has remained untested for over 55 years, since WMC's discovery of nickel sulphides in Kambalda in 1966, despite its proximity to significant nickel deposits such as the Long-Victor Operation to the north and Silver Lake mine to the immediate west.

Post quarter end, it was reported that drilling of the first surface DD hole¹⁴ into the Long South Gap target at Silver Lake-Fisher had reached 928 metres depth having progressed satisfactorily at the forecast penetration rate. The DD hole has intersected a thick succession of Kambalda Komatiite rock, the preferred host environment for nickel mineralisation and in line with the preliminary interpretations predicted from the 2D seismic data. The DD hole also encountered significant shearing and fault structures, another key element of the Company's targeting model and believed to be an important coincident geological feature with nickel concentrations.

The prevalence of these structures at depth caused some drilling difficulties and the Company has chosen to retreat higher up in the hole and wedge a new DD hole from which to continue the program.

FINANCIAL AND CORPORATE

Executive Leadership Team

On 3 August 2023, the Company announced the appointment of Greg Harvey as General Manager of Kambalda Nickel Project. Greg has more than 40 years' experience in the Australian mining industry. His invaluable expertise and experience in mining, particularly in Kambalda, and relationship with that community strengthens the Company's team as it pursues an aggressive program of pre-feasibility studies at Foster (and integrating those results with an updated Baker PFS), all while continuing to aggressively explore its leases and tenure for a significant new nickel discovery.

Placement and Share Purchase Plan

On 17 August 2023, the Company announced it had received firm commitments to raise \$18 million (before costs) at \$0.90 per share via a two-tranche placement (**Placement**), with \$1 million of this amount subject to shareholder approval. Lunnon Metals received very strong inbound interest from institutional and sophisticated investors alongside support from its existing shareholders. Tranche 1 of the Placement, raising \$17 million and issuing approximately 18.9 million shares utilising the Company's placement capacity under ASX Listing Rule 7.1, completed on 28 August 2023.

Subject to shareholder approval, Tranche 2 of the Placement is intended to issue approximately 1.1 million shares to major shareholder St Ives Gold Mining Company Pty Ltd (a wholly owned subsidiary of Gold Fields Limited) (**Gold Fields**), raising \$1 million.

¹⁴ See ASX announcement dated 9 October 2023.

If approved, Gold Fields undiluted voting power will change from 33.70% before the Placement to 31.03% at completion of the Placement¹⁵. Approval of shareholders will be sought at the Annual General Meeting on 3 November 2023. Subject to shareholder approval, settlement of Tranche 2 of the Placement is expected to occur shortly thereafter.

In addition to the Placement, the Company also announced a non-underwritten Share Purchase Plan (**SPP**), targeting to raise up to \$2.5 million at the same offer price as the Placement. This SPP completed on 20 September 2023, issuing 533,322 shares and raising \$479,990 (before costs).

Financial Update

As at 30 June 2023, Lunnon Metals held approximately \$31.9 million (30 June 2023: \$19.7 million) in cash. The Company received \$17 million (before costs) in relation to the Placement completed in August and \$0.5 million (before costs) in relation to the SPP which completed in September.

Net payments for exploration, evaluation and development during the September 2023 quarter totalled \$4.08 million (30 June 2023 quarter: \$2.04 million), as detailed in the Company's accompanying Appendix 5B statement (exclusive of salaries), with \$3.02 million classified under operating activities and \$1.06 million classified as investing activities.

The exploration and evaluation expenditure was primarily attributable to drilling (\$2.46 million), technical studies (\$0.35 million), exploration overheads (\$0.32 million), seismic survey preparation (\$0.20 million) and sampling and assaying (\$0.14 million).

Related Party Payments

Payments to related parties or associates of Lunnon Metals during the quarter totalled \$146,240. The payments were in respect of salaries, fees and superannuation to directors.

Share Capital

During the September 2023 quarter, the Company issued 19,422,210 fully paid ordinary shares following the Placement and SPP. There were no changes in the Company's "Other Securities".

Post the September quarter end, 21,505,376 fully paid ordinary shares were released from escrow on 4 October 2023. The escrow arrangements were in connection with the acquisition by the Company of the Silver Lake / Fisher nickel mineral rights from Gold Fields¹⁶.

Issued Shares (as at 30 September 2023)

ASX Code	Description	Total Number
LM8	Listed Ordinary Fully Paid Shares	194,378,253
LM8AK	Unlisted Ordinary Fully Paid Shares (Escrowed to 4 Oct 2023)	21,505,376
Total		215,883,629

¹⁵ As at 30 September 2023, Gold Fields current voting power was 30.67%.

¹⁶ Refer to ASX Announcement dated 12 April 2022.

Other Securities (as at 30 September 2023)

ASX Code	Description	Total Number
LM8AE	Unlisted Options (Expiring 22 Mar 2026, Ex \$0.05)	2,175,000
LM8AF	Unlisted Options (Expiring 22 Mar 2026, Ex \$0.05)	1,700,000
LM8AG	Unlisted Options (Expiring 25 Oct 2026, Ex Nil)	216,965
LM8AH	Unlisted Options (Expiring 16 Nov 2026, Ex Nil)	61,500
LM8AI	Unlisted Options (Expiring 28 Mar 2027, Ex Nil)	21,396
LM8AJ	Unlisted Options (Expiring 11 Feb 2026, Ex \$1.18)	950,000
LM8AL	Performance Rights	3,815,061
	• Onboarding Performance Rights (vesting 31 Dec 2023, expiring 31 Dec 2024)	80,899
	• Onboarding Performance Rights (vesting 31 Dec 2024, expiring 31 Dec 2025)	42,459
	• 2023-24 STI Performance Rights (vesting 30 June 2024, expiring 31 Dec 2029)	1,890,671
	• 2023-26 LTI Performance Rights (vesting 30 June 2026, expiring 31 Dec 2029)	1,801,032
Total		8,939,922

ASX Lodgements

An active news flow was maintained throughout the period with the following announcements lodged on the ASX.

- 22 September 2023 Annual Report 2023 to Shareholders
- 11 September 2023 Silver Lake Hanging Wall Update
- 31 August 2023 Long South Gap – Lake Drilling Commences
- 24 August 2023 Geotechnical Diamond Hole to De-risk Baker Decline
- 17 August 2023 \$18M Placement and targeted \$2.5M Share Purchase Plan
- 03 August 2023 Lunnon Adds Operational Strength to its Leadership Team
- 01 August 2023 High Palladium Levels in Nickel Concentrate at KNP
- 21 July 2023 Baker Metallurgy Results Provide “Proof of The Pudding”
- 04 July 2023 Teasing Out the Potential of East Trough

Compliance lodgements made to the ASX were as follows:

- 28 September 2023 Revised Security Trading Policy
- 22 September 2023 Appendix 4G and Corporate Governance Statement
- 22 September 2023 Release of Restricted Securities from Escrow
- 21 September 2023 Change of Director’s Interest Notice x 5
- 20 September 2023 Application for quotation of securities – LM8
- 18 September 2023 Results of Share Purchase Plan
- 12 September 2023 Closing Date of Director Nominations
- 29 August 2023 Change in Substantial Holding – St Ives
- 28 August 2023 Application for quotation of securities – LM8
- 28 August 2023 Cleansing Notice – s708A(5)(e) of the Corporations Act
- 28 August 2023 Share Purchase Plan – Letter to Shareholders and Booklet
- 17 August 2023 Proposed issue of securities – LM8
- 07 August 2023 Investor Presentation – Diggers and Dealers
- 25 July 2023 Quarterly Activities Report – June 2023
- 25 July 2023 Quarterly Cash Flow Report – June 2023



Subsequent to the quarter's end, and up to the date of this Quarterly Report, the Company lodged the following announcements on the ASX.

- 17 October 2023 Foster South Delivers 14.05m @ 4.13% Nickel
- 09 October 2023 High Grades Confirmed In Foster Metallurgical Drill Program
- 03 October 2023 Historical Core Program Delivers Opportunities at Foster
- 02 October 2023 Notice of Annual General Meeting and Proxy Form

For further information regarding the Company's activities please visit the website www.lunnonmetals.com.au or contact the Company, details below.

This Quarterly Report has been approved and authorised for release by the Board.

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COMPETENT PERSON'S STATEMENT & COMPLIANCE

Any information in this report that relates to nickel geology, nickel Mineral Resources, Exploration Targets and Exploration Results, is based on, and fairly represents, information and supporting documentation prepared by Mr. Aaron Wehrle, who is a Member of the Australasian Institute of Mining and Metallurgy (**AusIMM**). Mr. Wehrle is a full-time employee of Lunnon Metals Ltd, a shareholder and holder of employee options/performance rights; he 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 Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Wehrle consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this report that relates to prior reporting of nickel metallurgy, was based on, and fairly represents, information and supporting documentation prepared by Mr. Barry Cloutt, who is a Member of the AusIMM. Mr. Cloutt is an external and independent consultant to Lunnon Metals Ltd and has sufficient experience that is relevant to the activity that he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Cloutt consented to the inclusion in those announcements of the matters based on his information in the form and context in which it appears.

Any information in this report that relates to the mining, metallurgical and environmental modifying factors or assumptions as they may apply to the Company's MREs is based on, and fairly represents, information and supporting documentation prepared by Mr. Max Sheppard, Mr. Wehrle and Mr. Edmund Ainscough, who are Competent Persons and Members of the AusIMM and full time employees of Lunnon Metals Ltd. Mr. Wehrle and Mr. Ainscough are shareholders and all three are holders of employee options/performance rights. All three employees have sufficient experience that is relevant to the style of mineralisation, the types of deposit under consideration, the activity that they are undertaking and the relevant factors in the particular location of the prospect area, the historical Foster mine and the KNP generally, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Sheppard, Mr. Wehrle and Mr. Ainscough consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

The information in this report that relates to nickel Ore Reserves at Baker is based on information compiled by Mr. Sheppard, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Sheppard is a full-time employee of the Company and is the holder of employee options/performance rights. Mr. Sheppard has sufficient experience 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sheppard consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

MINERAL RESOURCES

The detailed breakdown of the Company's Mineral Resources as updated 30 June 2023, is as follows:

	Cut-off (Ni %)	Indicated Ni			Inferred Ni			Total Ni		
		Tonnes	%	Ni Tonnes	Tonnes	%	Ni Tonnes	Tonnes	%	Ni Tonnes
FOSTER MINE										
Warren	1.0	345,000	2.6	8,800	100,000	2.4	2,400	445,000	2.5	11,200
Foster Central										
85H	1.0	387,000	3.3	12,800	300,000	1.3	3,800	687,000	2.4	16,600
N75C	1.0	270,700	2.6	6,900	142,000	1.9	2,600	412,700	2.3	9,500
S16C / N14C	1.0	-	-	-	64,000	5.7	3,700	64,000	5.7	3,700
South	1.0	223,000	4.7	10,500	116,000	4.8	5,500	340,000	4.7	16,000
Sub total		1,225,700	3.2	39,000	722,000	2.5	18,000	1,948,700	2.9	57,000
BAKER AREA										
Baker	1.0	638,000	3.8	24,000	291,000	2.3	6,800	929,000	3.3	30,800
Sub total		638,000	3.8	24,000	291,000	2.3	6,800	929,000	3.3	30,800
TOTAL		1,863,700	3.4	63,000	1,013,000	2.4	24,800	2,877,700	3.1	87,800

Note: Figures have been rounded and hence may not add up exactly to the given totals. The Mineral Resource is inclusive of any reported Ore Reserves.

ORE RESERVES

The detailed breakdown of the Company's Baker Ore Reserve as at 30 June 2023, is as follows:

Baker	tonnes	Ni %	Cu %	Co %	Pd g/t	Pt g/t	As ppm	Ni metal
Proved	-	-	-	-	-	-	-	-
Probable	612,000	2.86	0.24	0.052	0.49	0.20	110	17,500
TOTAL	612,000	2.86	0.24	0.052	0.49	0.20	110	17,500

Note: All figures have been rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

The Ore Reserve is reported using the December 2022 Mineral Resource. The Ore Reserve is evaluated using a cut-off grade of 1.5% Ni, except for an incremental cut-off grade of 1.0% Ni for low grade development necessary for access to mining zones. The inputs used for the NPV in the Ore Reserve study were a A\$35,294/t nickel price (US\$24,000/t at US\$0.68:A\$1.00) and 8% discount rate.

DISCLAIMER

References in this announcement may have been made to certain previous ASX announcements, which in turn may have included Exploration Results, Exploration Targets, Mineral Resources, Ore Reserves and the results of Pre-Feasibility Studies. For full details, please refer to the said announcement on the said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement.

ABOUT THE KAMBALDA NICKEL PROJECT (KNP)

The Kambalda Nickel Project (**KNP**) (shown in **Figure 7**) features approximately 47km² of tenements in the Kambalda Nickel District. KNP is located approximately 570km east of Perth and 50-70km south-southeast of Kalgoorlie, in the Eastern Goldfields of Western Australia. KNP comprises two project areas, Foster and Baker* (19 contiguous mining leases) and Silver Lake and Fisher* (20 contiguous mining leases).

The world-renowned Kambalda Nickel District has produced in excess of 1.4 million tonnes of nickel metal since its discovery in 1966 by WMC Resources Ltd (**WMC**). In addition, close to 15Moz of gold in total has been mined, making the Kambalda/St Ives district a globally significant gold camp in its own right.

The KNP is accessed via public roads, well-established mine road infrastructure and the main St Ives causeway over Lake Lefroy. The KNP is broadly surrounded by tenements held by St Ives Gold Mining Co. Pty Ltd (**SIGM**), a wholly owned subsidiary of Gold Fields Limited (JSE:GFI) and the Company's major shareholder.

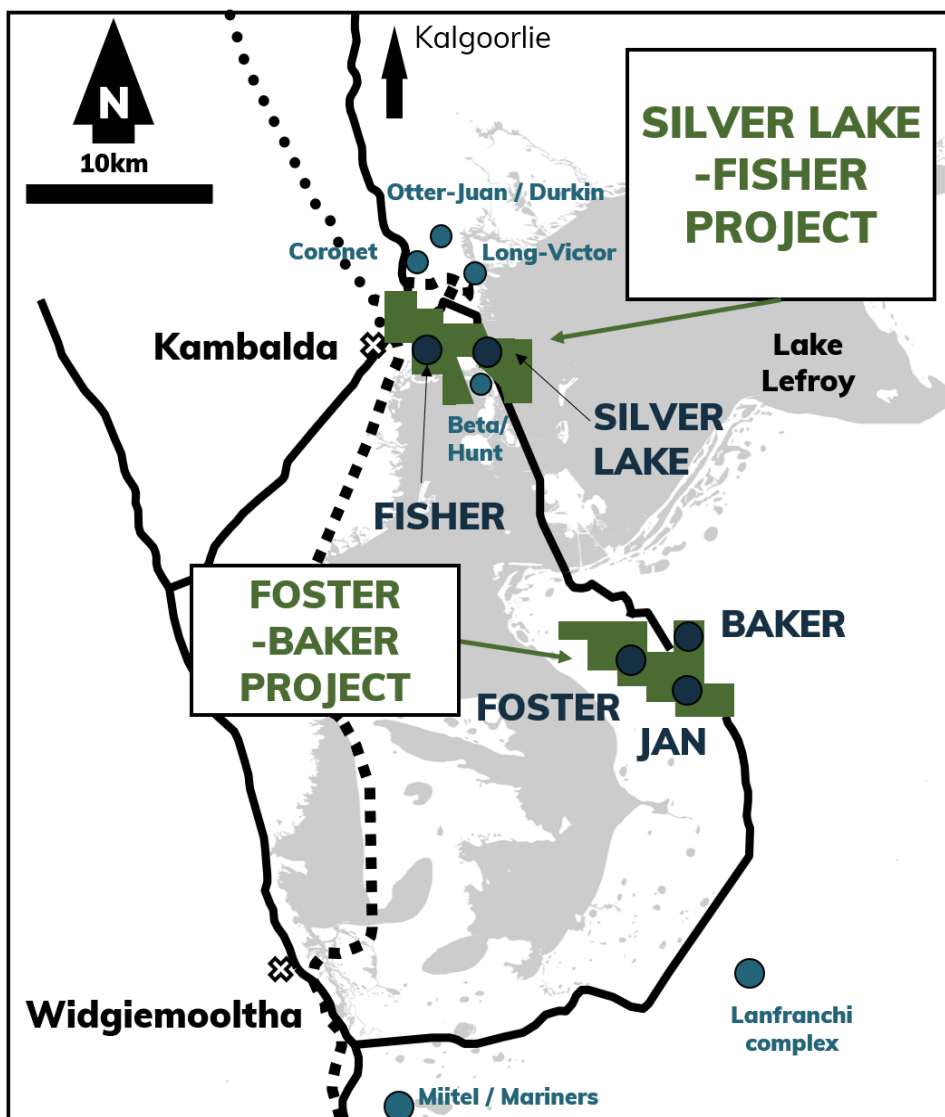


Figure 7: Regional Location of the Kambalda Nickel Project and other nearby nickel deposits.

**SIGM retains rights to explore for and mine gold in the "Excluded Areas", as defined in the subsisting agreements between Lunnon Metals and St Ives, and on the remaining area of the tenements, has select rights to gold in limited circumstances.*

**The Company has the exclusive rights to nickel on 19 mining leases and related access rights on one additional tenure. Gold Fields retains the rights to the other minerals (except to the extent minerals occur in conjunction with nickel mineralisation or nickel bearing ore but excluding gold).*



Tenement Summary

Current Foster/Baker components of the Kambalda Nickel Project (All tenements are in location about 20km south from Kambalda).

Tenement	Location	Nature of Interest*	Interest at beginning of quarter	Interest at end of quarter
M15/1546	Kambalda district, Western Australia	Granted, all mineral rights excepting rights to gold in the "Excluded Areas"	100% legal & beneficial interest	100% legal & beneficial interest
M15/1548	Kambalda district, Western Australia	Granted, all mineral rights excepting rights to gold in the "Excluded Areas"	100% legal & beneficial interest	100% legal & beneficial interest
M15/1549	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1550	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1551	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1553	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1556	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1557	Kambalda district, Western Australia	Granted, all mineral rights excepting rights to gold in the "Excluded Areas"	100% legal & beneficial interest	100% legal & beneficial interest
M15/1559	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1568	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1570	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1571	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1572	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1573	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1575	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1576	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest



Tenement	Location	Nature of Interest*	Interest at beginning of quarter	Interest at end of quarter
M15/1577	Kambalda district, Western Australia	Granted, all mineral rights excepting select rights to gold held by St Ives Gold Mining Co. Pty Ltd	100% legal & beneficial interest	100% legal & beneficial interest
M15/1590	Kambalda district, Western Australia	Granted, all mineral rights excepting rights to gold in the "Excluded Areas"	100% legal & beneficial interest	100% legal & beneficial interest
M15/1592	Kambalda district, Western Australia	Granted, all mineral rights excepting rights to gold in the "Excluded Areas"	100% legal & beneficial interest	100% legal & beneficial interest

*St Ives Gold Mining Co. Pty Ltd (St Ives) retains rights to explore for and mine gold in the "Excluded Areas" on the Tenements as defined in the subsisting agreements between Lunnon Metals and St Ives. This right extends to gold mineralisation which extends from the Excluded Area to other parts of the Tenements with select restrictions which serve to prevent interference with, or intrusion on, Lunnon Metals' existing or planned activities and those parts of the Tenements containing the historical nickel mines. St Ives has select rights to gold in the remaining areas of the Tenements in certain limited circumstances as described in detail in the Company's Solicitor Report attached to the Prospectus submitted to the ASX dated 22 April 2021 and lodged with the ASX on 11 June 2021.

Mineral Rights Agreement - Silver Lake/Fisher (All tenements are in location in the immediate vicinity and/or directly south from Kambalda).

Tenement	Location	Nature of Interest*	Interest at beginning of quarter*	Interest at end of quarter*
ML15/0142	Kambalda district, Western Australia	Rights of access subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: Fisher mine portal. Access rights only – nickel rights held by BHP Nickel West Pty Ltd.	Beneficial: Fisher mine portal. Access rights only – nickel rights held by BHP Nickel West Pty Ltd.
M15/1497	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1498	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1499	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from 100 m ASL.	Beneficial: 100% of nickel rights from 100 m ASL.
M15/1505	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1506	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1507	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from 150 m ASL.	Beneficial: 100% of nickel rights from 150 m ASL.
M15/1511	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1512*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from sea level.	Beneficial: 100% of nickel rights from sea level.



Tenement	Location	Nature of Interest*	Interest at beginning of quarter ⁺	Interest at end of quarter ⁺
M15/1513*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from -150 m ASL (~425 m depth).	Beneficial: 100% of nickel rights from -150 m ASL (~425 m depth).
M15/1515*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1516*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1523	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).
M15/1524	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).
M15/1525	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).
M15/1526*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).	Beneficial: 100% of nickel rights from -250 m ASL (~540 m depth).
M15/1528	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1529*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1530	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022– tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.
M15/1531*	Kambalda district, Western Australia	Mineral rights to nickel subject to deal announced 12 April 2022 – tenement held 100% by St Ives Gold Mining Co. Pty Ltd	Beneficial: 100% of nickel rights from surface.	Beneficial: 100% of nickel rights from surface.

* Denotes portion of tenement excluded from Mineral Rights Agreement

⁺ Mineral Rights Agreement completed on 4 October 2022.

ASL – denotes above sea level. Surface elevations generally range from 290 m ASL to 300 m ASL for the tenements where the rights are from surface.