

05 FEBRUARY 2025

DEFIANCE WEST EIS DRILLING PROGRAM KICKS OFF

KEY POINTS

- **Co-funded EIS program to commence at Defiance West**
- **High-ranking target considered a strong analogue of Beta/Hunt to the north**
- **Diamond drilling program is the first deep bedrock test in a 4km² area adjacent to the Victory-Defiance Gold Mine**

Lunnon Metals Limited (**ASX: LM8**) (the **Company** or **Lunnon Metals**) is pleased to inform the market that a key diamond drill program has commenced at its Defiance West target, a high-ranking prospect at its Kambalda Gold & Nickel Project (**KGNP**).

The diamond drill program is co-funded by the Western Australian Government, Department of Energy, Mines, Industry Regulation and Safety Exploration Incentive Scheme (**EIS**) and the Company acknowledges the contribution and support that the EIS program provides.

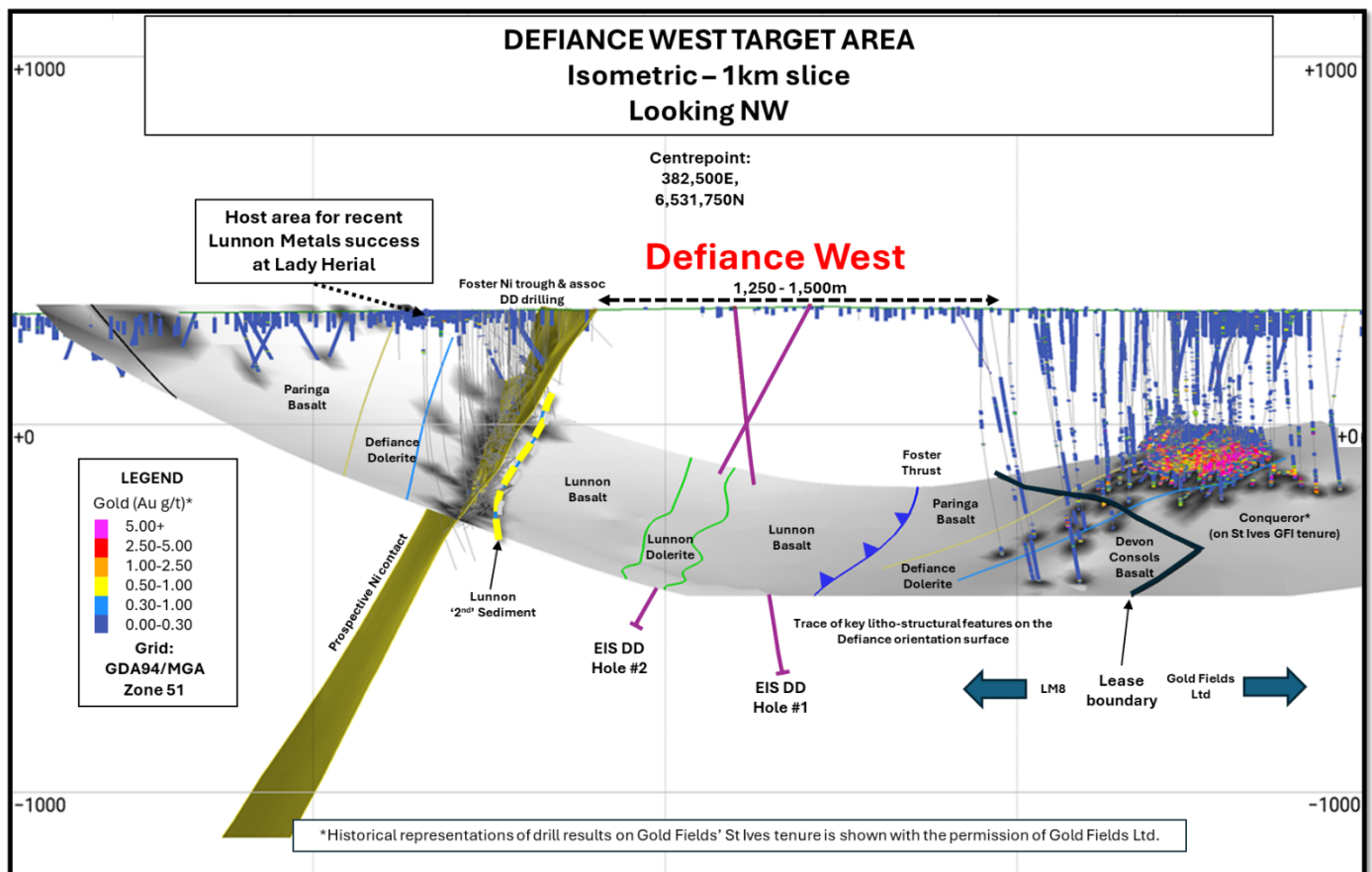


Figure 1: 1km thick slice isometric view of preliminary litho-structural interpretation of the Defiance West structural system (grey surface), highlighting the absence of drill testing in the area between Conqueror (Gold Fields Ltd) and Foster nickel mine (Lunnon Metals) and depicting the EIS DD Holes #1 and #2 as planned



The EIS program¹ will see two diamond drill (**DD**) holes completed (for an estimated total of 1,800 metres) as an initial test of the Defiance West target, an area of approximately 4km², that is located in the footwall of the Company's Foster nickel mine. The target area is also to the immediate south-west of the Conqueror gold deposit, discovered by WMC Resources Ltd (**WMC**).

Conqueror is located on Gold Fields Ltd tenements, and was part of the regionally significant Victory-Defiance-Leviathan Complex which was mined for over 25 years by both WMC and later Gold Fields Ltd.

Lunnon Metals has demonstrated with its recent success at Lady Herial and Guiding Star, that an extensive array of gold mineralised structures is present in the hanging wall of the Foster nickel mine in the same favourable rock types that host the Conqueror and Defiance lodes at Victory.

The EIS funded program will test for the presence of similar, gently dipping, quartz-breccia, so-called 'Defiance-style lodes' between the Conqueror deposit and the footwall of the Foster nickel mine. This previously untested area comprises the same gold bearing rock types as at the Beta/Hunt mine to the north. These rock types include Lunnon Basalt and the iron-rich Lunnon Sediment which hosted the September 2018 Father's Day Vein discovery by then owner, TSX listed Karora Resources Inc.

Managing Director, Edmund Ainscough, commenting said:

"Lunnon Metals acknowledges the Western Australian government for its support of this co-funded EIS drill program and we are thrilled to kick it off. The Defiance West target area is completely devoid of information in the bedrock at depth. The objective is to demonstrate that this area is permissive for gold, as we have done with the suite of exciting results delivered at Lady Herial and now Guiding Star. Our tenements at Foster and Baker are surrounded by some of WA's great gold mines and the opportunity to test our own ground more aggressively is extremely exciting and has the potential to transform the company".

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

Edmund Ainscough
Managing Director
Phone: +61 8 6424 8848
Email: info@lunnonmetals.com.au

¹ See ASX announcement dated 23 October 2024 for full background to the program and target details.

BACKGROUND: ST IVES / KAMBALDA - ONE OF AUSTRALIA'S MOST PROLIFIC GOLD PRODUCTION CENTRES

The Kambalda / St Ives gold camp is one of Australia's most prolific gold production and discovery centres. Gold has been produced in the area since the discovery of the Red Hill gold mine in 1896 (adjacent to the Company's historical Silver Lake nickel mine at Kambalda). The area immediately encompassing and surrounding the Foster-Baker project (FBA) produced gold from the 1920s onwards, but this new goldfield came to real prominence in the early 1980s when WMC commenced dedicated gold production from the Victory-Defiance Complex and the Hunt nickel mine near Kambalda.

The St Ives Gold Mine was sold by WMC to Gold Fields Ltd (**Gold Fields**) in December 2001 after 5.6Moz² of gold had been produced. With an expanded exploration budget requisite with being one of the world's major gold companies, Gold Fields has gone on to mine over 9.6Moz² of gold itself and has found what is shaping to be the most significant discovery in the camp's history, the Invincible deposit (see **Figure 3**), suggesting that the biggest deposits are not always found first in the discovery cycle. The Company holds all mineral rights over the FBA, except gold in specific "Excluded Areas"³ (shown as red polygons on **Figure 2**).

The Company highlights that all gold prospects being tested and evaluated are 100% owned by Lunnon Metals. The FBA project is located on granted mining tenements with significant existing infrastructure in place. Nearby gold plants include the Lefroy, Lakewood and Higginsville Plants, with the Lefroy plant, a few kilometres to the north, notably owned and operated by the Company's major shareholder, Gold Fields. High-grade quartz veins were mined during the 1920s in the Foster gold belt by prospectors (see ASX announcement dated 22 April 2024) with gold ore won from these workings treated at either the nearby historical State Battery or the privately owned Ives Reward battery, the relic sites of which are both located on what are now Lunnon Metals' leases.

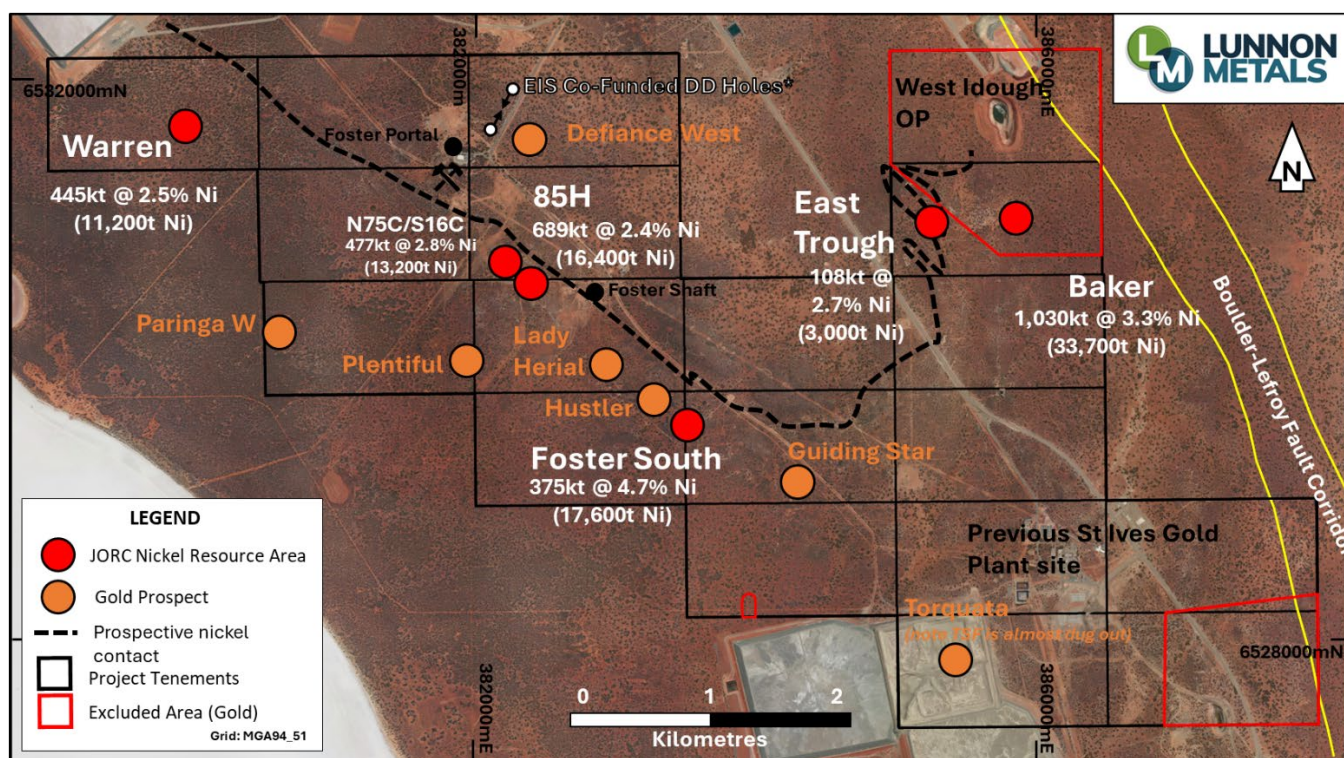


Figure 2: Foster-Baker Project Area showing select high-ranking gold prospects, collar locations of EIS DD Holes (*subject to change based on progress/outcomes) & nickel Mineral Resource⁴ positions.

² Sum of historical WMC production records to Dec 2001 and sum of Gold Fields Annual Report filings thereafter.

³ Refer to the Company's Prospectus (lodged 11 June 2021) for further details. Gold Fields St Ives has a right of first refusal on any gold offtake.

⁴ A full breakdown of the nickel Mineral Resource and Ore Reserve is contained on Page 7.



ABOUT THE KAMBALDA GOLD & NICKEL PROJECT (KGNP)

The Kambalda Gold & Nickel Project (**KGNP**) (shown in detail for the Foster-Baker Area in **Figure 2** and regionally in **Figure 3**) features approximately 47km² of tenements in the Kambalda Nickel District. KGNP is located approximately 570km east of Perth and 50-70km south-southeast of Kalgoorlie, in the Eastern Goldfields of Western Australia. KGNP 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 1.6 million tonnes⁵ of nickel metal since its discovery in 1966 by WMC Resources Ltd (**WMC**). In addition, over 15Moz of gold⁵ in total has been mined, making the Kambalda/St Ives district a globally significant gold camp in its own right.

The KGNP is accessed via public roads, well-established mine road infrastructure and the main St Ives causeway over Lake Lefroy. The KGNP 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.

**SIGM retains rights⁶ to explore for and mine gold in the "Excluded Areas" at the FBA, as defined in the subsisting agreements between Lunnon Metals and SIGM, 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).

⁵ Gold: Sum of historical WMC production records to December 2001 and sum of Gold Fields' annual report filings thereafter.

Nickel: Sum of historical WMC production records and relevant ASX company production figures.

⁶ Refer to the Company's Prospectus (lodged 11 June 2021) for further details. Gold Fields St Ives has a right of first refusal on any gold offtake.

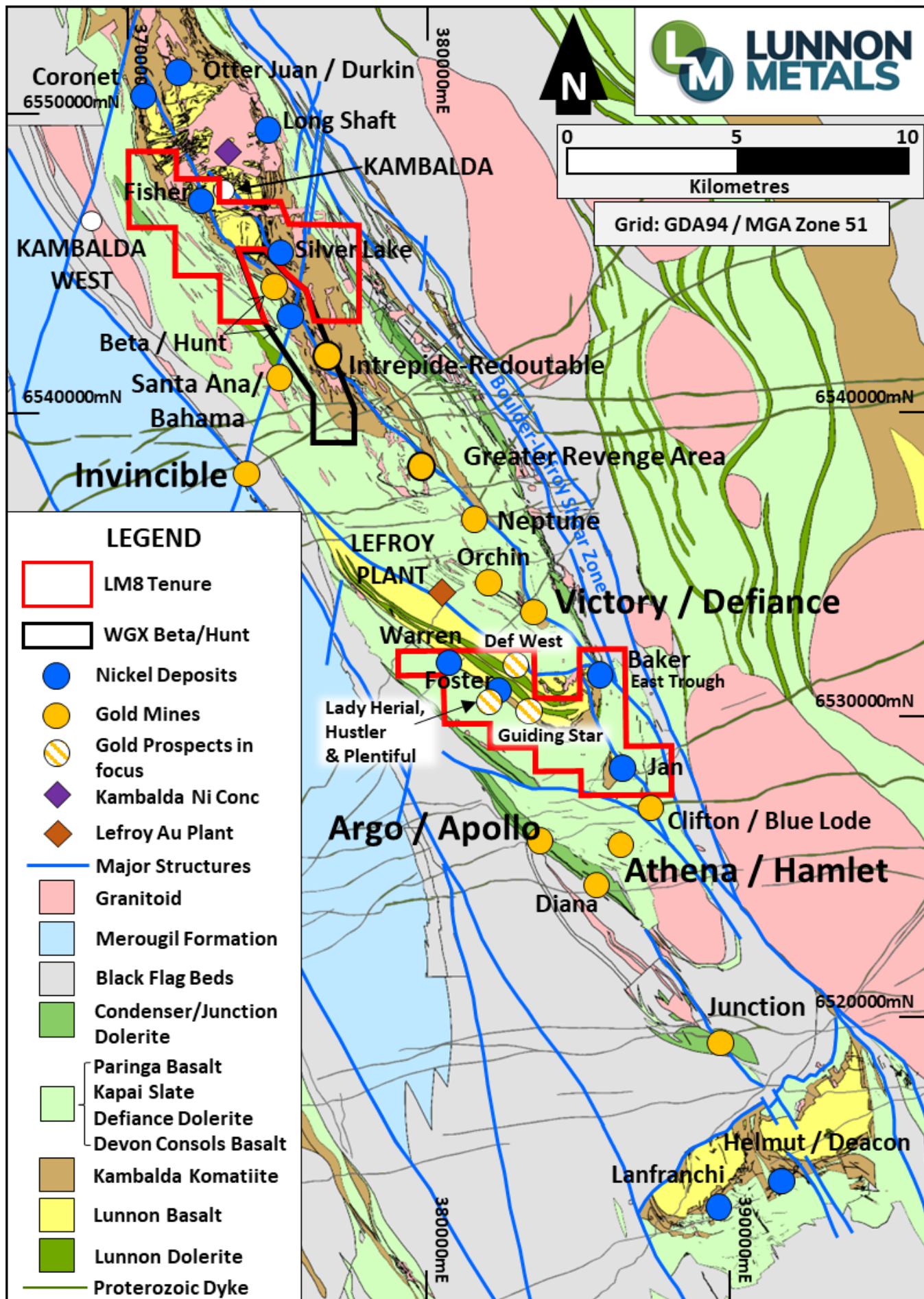


Figure 3: The KGNP (red outlines) with Kambalda / St Ives regional geology and location of key nickel and gold mines/infrastructure.



COMPETENT PERSON'S STATEMENT & COMPLIANCE

Any information in this announcement that relates to nickel and gold geology, nickel Mineral Resources, Exploration Targets, Exploration Results and the Company's Historical Core Program, which includes the accessing, re-processing, re-logging, cutting and assaying of historical WMC Resources Ltd diamond core and the appropriateness of the use of this data and other historical geoscience hard copy data such as cross sections, underground level mapping plans, longitudinal projections and long sections, including commentary relying on personal experience whilst employed at Kambalda by WMC Resources Ltd and Gold Fields Ltd, 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 is the Company's principal Competent Person and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Any information in this announcement that relates to the mining, metallurgical and environmental modifying factors or assumptions as they may apply was based on, and fairly represents, information and supporting documentation prepared by Mr. Wehrle, Mr. Max Sheppard and Mr. Edmund Ainscough. Messrs. Sheppard and Ainscough are also Competent Persons and Members of the AusIMM. Mr Ainscough is a full-time employee and Mr Sheppard is a permanent, part-time employee, both of Lunnon Metals Ltd. Both Messrs. Ainscough and Sheppard are shareholders and hold employee performance rights in Lunnon Metals Ltd.

Messrs Wehrle, Sheppard and Ainscough have sufficient experience that is relevant to the style of mineralisation, both gold and nickel, the types of deposit under consideration, the activity that they are undertaking and the relevant factors in the particular location of the prospect areas, the historical Foster mine and the KGNP 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. Messrs. Sheppard, Wehrle and 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's details are as above and he 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

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 and Ore Reserves 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 Competent Person's findings in relation to the estimates of Mineral Resources and Ore Reserves have not been materially modified from the original announcements reporting those estimates.



MINERAL RESOURCES

The detailed breakdown of the Company's nickel Mineral Resources as at 30 June 2024, is as follows:

	Measured Ni			Indicated Ni			Inferred Ni			Total Ni		
	Tonnes	%	Ni Tonnes	Tonnes	%*	Ni Tonnes	Tonnes	%*	Ni Tonnes	Tonnes	%*	Ni Tonnes
FOSTER MINE												
Warren				345,000	2.6	8,800	100,000	2.4	2,400	445,000	2.5	11,200
Foster Central												
85H				395,000	3.2	12,800	294,000	1.2	3,600	689,000	2.4	16,400
N75C				271,000	2.6	6,900	142,000	1.9	2,600	413,000	2.3	9,500
S16C/N14C				-	-	-	64,000	5.7	3,700	64,000	5.7	3,700
South				264,000	4.7	12,400	111,000	4.7	5,200	375,000	4.7	17,600
Sub total				1,275,000	3.2	40,900	711,000	2.5	17,500	1,986,000	2.9	58,400
BAKER AREA												
Baker	110,000	3.4	3,700	622,000	3.7	22,900	298,000	2.4	7,100	1,030,000	3.3	33,700
East Trough				-	-	-	108,000	2.7	3,000	108,000	2.7	3,000
Sub total	110,000	3.4	3,700	622,000	3.7	22,900	406,000	2.5	10,100	1,138,000	3.2	36,700
SILVER LAKE												
25H				336,000	1.6	5,300	488,000	1.7	8,500	824,000	1.7	13,800
Sub total				336,000	1.6	5,300	488,000	1.7	8,500	824,000	1.7	13,800
FISHER												
F Zone				56,000	2.7	1,500	196,000	1.6	3,200	252,000	1.9	4,700
Sub total				56,000	2.7	1,500	196,000	1.6	3,200	252,000	1.9	4,700
TOTAL	110,000	3.4	3,700	2,289,000	3.1	70,600	1,801,000	2.2	39,300	4,200,000	2.7	113,600

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 2024, 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

The Ore Reserve is reported using the Baker December 2022 Mineral Resource. The Ore Reserve was 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. The Ore Reserve is predicated on processing future nickel ore through the Kambalda Concentrator, or other such third-party facility proximal to the KGNP. The BHP Nickel West Kambalda Concentrator will be on care and maintenance from October 2024, with the temporary suspension to be reviewed by BHP by February 2027.

See the Company's 2024 Annual Report (lodged on 16 September 2024) for the latest restatement of Mineral Resources and Ore Reserves.