Level 1
3 Ord Street
West Perth WA 6005
E admin@poseidon-nickel.com.au
T +61 8 6167 6600
F +61 8 6167 6649

POSEIDON NICKEL

ASX Announcement

21 December 2020

JORC RESOURCE OF 62,000 OZ GOLD FOR LANCEFIELD TAILINGS

HIGHLIGHTS

- JORC 2012 Mineral Resource of 1.5 Mt @ 1.25 g/t Au for the Lancefield Tailings Project
- Lancefield Tailings contain 62,000oz gold (Indicated and Inferred)
- Lancefield Tailings will be incorporated into the Windarra Gold Tailings Project Definitive Feasibility Study which is due for completion late Q1 2021

Poseidon Nickel (ASX Code: POS, "the Company") is pleased to declare a JORC 2012 compliant Mineral Resource for the Lancefield Gold Tailings Project (the "Project"). The Company has purchased an option to acquire the right to treat the Lancefield Gold Tailings (refer to ASX Release dated 17 August 2020). If the option is exercised the Company will enter into a Royalty and Right to Treat Agreement with the licence holder of the Lancefield tailings, granting the Company the exclusive right to reprocess the gold tailings from the Project.

The Lancefield Tailings Mineral Resource estimate has been generated following a sonic drilling program undertaken during Q4 2020 at the Project which complemented a resource definition drilling program completed in 2009. The 2020 drilling program comprised 23 holes, ten of which twinned the previous drilling plus 13 additional holes. In addition to the 2020 drilling program, an extensive pulp re-assay program was carried out on the rejects from the 2009 drilling.

The Lancefield Gold Tailings will now be incorporated into the Definitive Feasibility Study currently being undertaken on the Windarra North and South Tailings Dams that contain an Indicated Mineral Resource totalling 105,000oz gold (refer to ASX Release dated 22 June 2020). The Definitive Feasibility Study is due for completion late Q1 2021.

MINERAL RESOURCE SUMMARY

The Mineral Resource summary for the Lancefield Gold Tailings is presented in Table 1.

Lancefield Gold Tailings Project – Mineral Resource (JORC 2012)					
Resource category	**Tonnes (kt)**	**Density t/m^3**	**Gold g/t**	**Silver g/t**	**Gold ounces**
Indicated	1,210	1.75	1.27	3.6	49,300
Inferred	338	1.75	1.2	3.5	13,100
Total	**1,548**	**1.75**	**1.25**	**3.6**	**62,300**

Table 1: Lancefield Gold Tailings Project Mineral Resource Tabulation

The Lancefield gold tailings estimate in Table 1 has been reported on the following basis:

- no cut-off grade has been used to report the resource, as the potential mining method dictates removal of the entire dams;
- a dry bulk density of 1.75 t/m^3 has been used to derive tonnages; and
- resource numbers in Table 1 may not sum exactly due to rounding.

DETAILS OF ESTIMATE

The details below have been provided in compliance with Section 5.8.1 of the ASX Listing Rules. Optiro Pty Limited ("Optiro") was commissioned to supervise the 2020 drilling program at the Project, carried out by Geosonic Pty Ltd, and to estimate the subsequent Mineral Resource.

1. Location

The Project is located 720 km northeast of Perth, 260 km north northeast of the major mining town of Kalgoorlie, and about 8 km north northwest of the town of Laverton, in the northern Goldfields region of Western Australia. It is serviced by sealed roads from Kalgoorlie via Leonora to Laverton. The Project is 17 km by road from the Company's Windarra Gold Tailings Project.

Figure 1: Aerial Photograph of Lancefield Gold Tailings Looking East Southeast

2. History

The Project contains tailings from the gold operations conducted at the adjacent Lancefield open pit and underground gold mine. Gold ore was processed onsite at Lancefield until 1981 and from 1981 to 1994 material was trucked to Western Mining Corporation's (WMC) nearby Windarra plant, where the tailings were deposited mainly on the North and South dams. The Lancefield Project thus reflects tailings generated from the Lancefield open pit and underground gold mine prior to 1981.

3. Drilling and sampling techniques

In 2009, Cervantes Gold Pty Ltd ("Cervantes") carried out resource definition drilling at the Project via an 87-hole aircore drilling program. No Quality Assurance/Quality Control (QAQC) information remains from this program, although the majority of the pulp residues from the drilling were available for re-assay. The Cervantes holes were drilled upon an approximate 50m by 30m grid.

The 2020 drilling, completed by Geosonic Drilling on behalf of the Company, used an EP 26 sonic rig to drill 10 holes which twinned the Cervantes holes (with collars within 2m of the original), along with 13 infill holes. All holes were drilled vertically until they intersected the underlying pre-deposition surface, using 1m sampling intervals. The sonic rig generates a 'core' tube which was collected in a plastic sleeve, before splitting in half.

Each metre of every hole was sampled. The 2020 collars were picked up by a GPS, with a horizontal accuracy of 2-3m.

At the time of the 2020 drilling a LIDAR drone survey was flown over the tailings, providing both an accurate location and volume of the tailings. Both the Cervantes drilling and the Company drilling was 'draped' onto the LIDAR pickup, providing centimetre accuracy in the vertical dimension.

4. Quality Assurance/Quality Control (QAQC) and assaying

QAQC for the 2020 program included duplicate core assays at a rate of 1 in 20, and the insertion of Certified Reference Materials (CRMs) at a rate of 1 in 8. One of the CRMs used was low grade and could be considered as a blank. Samples from the 2020 drilling were assayed for gold by fire assay at SGS in Perth, and for silver, arsenic, copper, nickel, iron and sulphur using Inductively Coupled Plasma (ICP).

The re-assay of 87 pulps in 2020 from the 2009 drilling program showed an overall 11% lower gold assay. The comparison of the 10 2020 holes and their 2009 twins showed that, on an overall hole average, the 2020 assays were 21% lower. However, many of the 2009 holes were not drilled to the base of the tailings, whereas all of the 2020 holes intersected the underlying pre-depositional surface.

5. Dry bulk density

For the 2020 drilling the sonic 'core' diameter was measured. In most cases the 'core' from the 1m drilling had an ultimate length of more than 1m due to squeezing of the semi-plastic tailings through the sonic rig bit. It was established that the effective diameter of the core through the bit assembly was 67mm and this was used to derive an overall bulk density. All samples were weighed as soon as possible after drilling and before the sleeve was removed, and this allowed the calculation of a wet bulk density of 2.06 t/m^3. The samples were dried at SGS Australia (SGS) and weighed dry, resulting in the calculation of an overall moisture content of 14.3%. This allowed a dry bulk density of 1.75 t/m^3 to be calculated, and this was used in the tonnage calculations over the entire resource. This dry bulk density accords with numbers used for the Windarra Gold Tailings Project and other recent tailings estimates.

6. Estimation details

A drone LIDAR survey was carried out by Geolithic Pty Ltd during the 2020 drilling. This allowed an accurate representation of the surface of the tailings and surrounding natural surface. The base of the tailings was established from the logged end of tailings in the holes and the flat nature of the pre-depositional surface. A three-dimensional tailings volume was thus established. The original walls, which can be observed to be comprised of coarse material in profile, were modelled as waste. Subsequent wall lifts were demonstrated to be composed of tailings.

Within the defined volume a block model was generated, comprising 25m by 25m by 1m cells, with sub-celling to fill the enclosed volume. The modelled volume was within 0.2% of the surveyed volume. Ordinary block kriging was used to estimate grades, which were composited to 1m from the 2020 drilling (largely on 1m) and the 2009 drilling (largely on 0.75m). Eight of the 2009 holes, which could not be satisfactorily located and which were drilled in the walls, were removed from the data set used for estimation. The removal of these holes does not materially affect the estimated grade and they have partially been replaced by 2020 drilling.

Variograms were generated for gold, showing good grade continuity, and a 200m (north-south) by 50m (east-west) by 1m (vertical) search was used. Gold variograms were used for the other elements. A very small number of un-estimated blocks were allocated the default tailings grade and were classified as Inferred material. A 3D view of the grade model is presented in Figure 2. Model grades were validated visually against the drilling, compared overall against the weighted sample grade (with a difference of less than 2%), and compared locally using profile (swath) plots. All estimated grades match the sample grades.

7. Cut-off grade for reporting

It is assumed that the Company will remove all of the material from Lancefield by truck and shovel and transport it to Windarra for processing; therefore there will be no selective mining and no reporting cut-off grade.

8. Classification

The tailings area represents the original depositional zone, which is still in situ, and an area to the north and the east reflecting various small vat leaching operations carried out since mine closure in 1994. The original tailings have been classified as Indicated Resources and the re-deposited area as Inferred Resources. Despite the QAQC showing an overestimation of gold grade in the 2009 drilling, the Competent Person considers that any potential bias is within the error implied by the Indicated and Inferred classification. The classification is shown in Figure 3.

9. Reasonable Prospects of Eventual Economic Extraction (RPEEE)

The Company has provided the Competent Person with costs based upon a model of trucking the Lancefield Tailings to Windarra and treating there together with the Windarra Gold Tailings. These costs suggest that the estimate satisfies the Reasonable Prospects of Eventual Economic Extraction (RPEEE) criteria required for classification according to the 2012 JORC Code.

Peter Harold
Managing Director & CEO
21 December 2020
For further information contact Peter Harold: + 61 (0)8 6167 6600

The announcement was authorised for lodgement by the Board of Poseidon Nickel Limited.

About Poseidon Nickel Limited

*Poseidon Nickel Limited **(ASX Code: POS)** is a nickel sulphide exploration and development company with three projects located within a 300km radius of Kalgoorlie in the Goldfields region of Western Australia and a resource base of around 400,000 tonnes of nickel and 180,000 ounces of gold (excluding Lancefield Tailings).*

Poseidon's strategy is focused on the exploration and eventual restart of its established nickel operations in Western Australia where project risk capital and operating costs are low. A critical element of this strategy has been to acquire projects and operations with high levels of geological prospectivity likely to lead to potential substantial extension of the operation's life through the application of modern exploration techniques.

Poseidon owns the Windarra, Black Swan and the Lake Johnston Nickel Projects. In addition to the mines and infrastructure including concentrators at Black Swan and Lake Johnston, these projects have significant exploration opportunities demonstrated by the discovery of the Abi Rose deposit at Lake Johnston and the recent discovery of the Golden Swan mineralisation at Black Swan. The Company is also undertaking a Definitive Feasibility Study on retreating the gold tailings at Windarra and Lancefield given the strength of the A$ gold price.

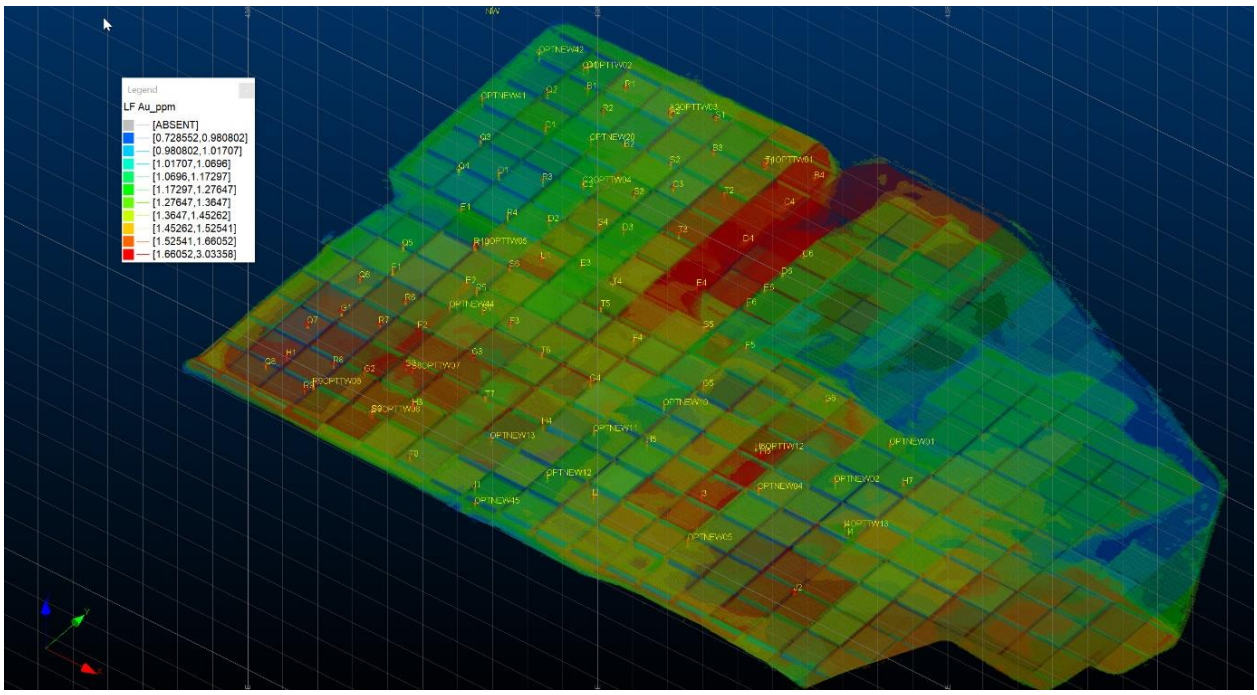

Figure 2: Lancefield Tailings block model and drillholes, looking northwest, coloured on gold grade – grid squares are 25 m

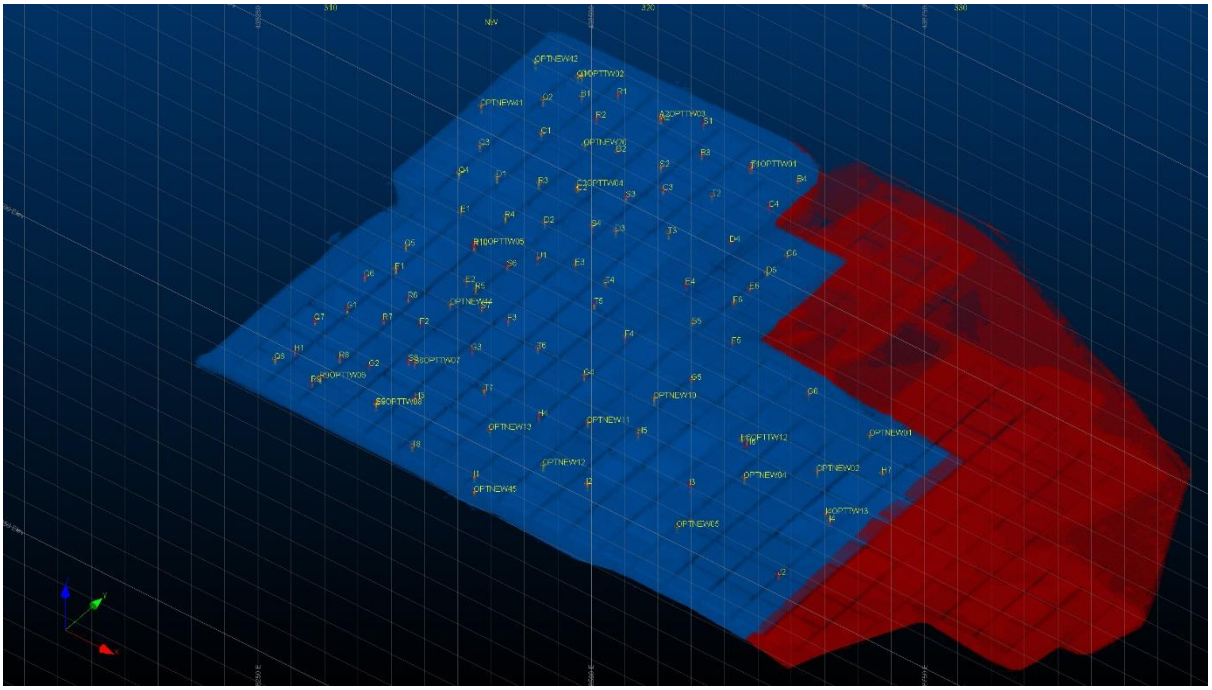

Figure 3: Lancefield Tailings resource classification, with blue = Indicated and red = Inferred

Table 2: Drill Collar Information Summary

Hole ID	Hole type	Collar easting	Collar northing	Collar elevation	Drill date	Hole depth	Comment
A	AC	438187.8	6841052	449.71	2009	5.5	NOT USED
A2	AC	438289.4	6841057	452.089	2009	4.2	USED
A2OPTTW03	SNC	438287	6841059	452.181	2020	5.913	USED
B	AC	438188.8	6841014	450.121	2009	6.25	NOT USED
B1	AC	438238.7	6841045	452.137	2009	6	USED
B2	AC	438286.1	6841018	452.312	2009	1.5	USED
B3	AC	438327.8	6841046	451.638	2009	5.25	USED
B4	AC	438388.6	6841061	452.766	2009	6	USED
C	AC	438192.6	6840970	451.482	2009	6	NOT USED
C1	AC	438240.8	6841003	452.97	2009	6	USED
C2	AC	438288.2	6840976	451.75	2009	2.25	USED
C2OPTTW04	SNC	438286	6840979	451.68	2020	5.625	USED
C3	AC	438328.5	6841008	451.25	2009	5.25	USED
C4	AC	438389.3	6841032	453.159	2009	6	USED
C6	AC	438422.3	6841007	449.292	2009	2.25	USED
D	AC	438191.8	6840920	450.356	2009	6	NOT USED
D1	AC	438242.4	6840957	451.25	2009	5.75	USED
D2	AC	438290.6	6840941	451.75	2009	5.75	USED
D3	AC	438328.8	6840961	451.601	2009	5.75	USED
D4	AC	438389.5	6840994	452.23	2009	6	USED
D6	AC	438422.1	6840987	449.454	2009	3.95	USED
E	AC	438205.1	6840866	449.615	2009	4.5	NOT USED
E1	AC	438245.3	6840918	452.196	2009	6	USED
E2	AC	438285.8	6840870	451.369	2009	5	USED
E3	AC	438329	6840921	452.377	2009	6	USED
E4	AC	438391.6	6840947	451.917	2009	5.6	USED
E6	AC	438422.7	6840970	449.75	2009	3.3	USED
F	AC	438204.8	6840821	450.08	2009	4.5	NOT USED
F1	AC	438244.6	6840855	450.25	2009	4.5	USED
F2	AC	438287.1	6840824	450.869	2009	4.75	USED
F3	AC	438326.9	6840858	451.25	2009	6	USED
F4	AC	438391.9	6840887	452.25	2009	6	USED
F5	AC	438446.1	6840922	452.01	2009	4.5	USED
F6	AC	438422.8	6840954	449.75	2009	3.5	USED
G	AC	438204.2	6840775	450.137	2009	4.5	NOT USED
G1	AC	438243.2	6840809	450.25	2009	4.5	USED
G2	AC	438286.3	6840775	451.324	2009	5.25	USED
G3	AC	438326.2	6840823	451.71	2009	5	USED
G4	AC	438393.8	6840845	452.17	2009	6	USED
G5	AC	438448.5	6840879	453.949	2009	6.6	USED
G6	AC	438511.6	6840911	454.099	2009	6.75	USED
H	AC	438205.8	6840725	450.795	2009	4.75	NOT USED
H1	AC	438242.1	6840759	450.25	2009	4.5	USED
H3	AC	438326	6840768	451.5	2009	5.75	USED
H4	AC	438394.8	6840799	452.25	2009	6.2	USED
H5	AC	438452	6840821	453.5	2009	6.75	USED
H6	AC	438509.2	6840853	452.915	2009	7.3	USED
H6OPTTW12	SNC	438505	6840854	453.5	2020	6.875	USED
H7	AC	438588.9	6840882	452	2009	2	USED
I1	AC	438397.4	6840732	451.569	2009	5.5	USED
I2	AC	438455.6	6840767	452.893	2009	6.3	USED
I3	AC	438505.4	6840803	453.75	2009	7	USED
I4	AC	438592.5	6840826	454.75	2009	4.4	USED
I4OPTTW13	SNC	438586	6840831	453.63	2020	6.714	USED
J2	AC	438595.5	6840771	452	2009	4.25	USED
OPTNEW01	SNC	438562	6840905	451.81	2020	5.222	USED
OPTNEW02	SNC	438557	6840860	452.139	2020	5.571	USED

Hole ID	Hole type	Collar easting	Collar northing	Collar elevation	Drill date	Hole depth	Comment
A	AC	438187.8	6841052	449.71	2009	5.5	NOT USED
A2	AC	438289.4	6841057	452.089	2009	4.2	USED
A2OPTTW03	SNC	438287	6841059	452.181	2020	5.913	USED
B	AC	438188.8	6841014	450.121	2009	6.25	NOT USED
B1	AC	438238.7	6841045	452.137	2009	6	USED
OPTNEW04	SNC	438526	6840829	451.904	2020	5.375	USED
OPTNEW05	SNC	438522	6840768	453.111	2020	6	USED
OPTNEW10	SNC	438440	6840853	452.978	2020	6.775	USED
OPTNEW11	SNC	438422	6840811	452.793	2020	4.184	USED
OPTNEW12	SNC	438424	6840765	452.392	2020	6	USED
OPTNEW13	SNC	438379	6840771	452.5	2020	5.78	USED
OPTNEW20	SNC	438267	6841011	452.189	2020	6.133	USED
OPTNEW41	SNC	438197	6841001	453	2020	7.219	USED
OPTNEW42	SNC	438199	6841052	453.5	2020	7.683	USED
OPTNEW44	SNC	438290	6840849	450.5	2020	4.957	USED
OPTNEW45	SNC	438406	6840721	452.077	2020	4	USED
Q1	AC	438227.4	6841060	451.75	2009	6	USED
Q1OPTTW02	SNC	438226	6841058	451.75	2020	6	USED
Q2	AC	438222.2	6841029	451.694	2009	5.25	USED
Q3	AC	438217	6840974	451.29	2009	5.5	USED
Q4	AC	438222.6	6840946	451.475	2009	5.5	USED
Q5	AC	438236.6	6840875	450.25	2009	5.25	USED
Q6	AC	438234	6840838	450.044	2009	4.5	USED
Q7	AC	438234.3	6840789	450.013	2009	4.5	USED
Q8	AC	438237.2	6840746	450.25	2009	4.5	USED
R1	AC	438254.6	6841060	451.75	2009	5.75	USED
R10	AC	438269	6840900	450.5	2009	4.5	USED
R10OPTTW05	SNC	438268	6840901	450.5	2020	4.37	USED
R2	AC	438257.5	6841035	451.75	2009	6	USED
R3	AC	438266	6840968	451.5	2009	5.5	USED
R4	AC	438268.9	6840931	451.5	2009	5.75	USED
R5	AC	438293.7	6840869	450.539	2009	4.5	USED
R6	AC	438266.6	6840839	450.25	2009	4.5	USED
R7	AC	438266.8	6840814	450.318	2009	4.5	USED
R8	AC	438267	6840771	450.25	2009	5	USED
R9	AC	438267.2	6840743	450.5	2009	5.25	USED
R9OPTTW06	SNC	438269	6840749	450.5	2020	5.15	USED
S1	AC	438311.6	6841070	452	2009	5.75	USED
S2	AC	438314.6	6841023	451.268	2009	5.25	USED
S3	AC	438314.8	6840990	451.25	2009	5.25	USED
S4	AC	438314.9	6840956	451.763	2009	6	USED
S5	AC	438415.7	6840922	450.644	2009	6	USED
S6	AC	438296.2	6840897	450.75	2009	5	USED
S7	AC	438307.3	6840857	451.043	2009	5.25	USED
S8	AC	438302.2	6840793	451.27	2009	5.5	USED
S8OPTTW07	SNC	438306	6840793	451.25	2020	5.348	USED
S9	AC	438310.6	6840749	451.403	2009	5.25	USED
S9OPTTW08	SNC	438311	6840749	451.423	2020	5.41	USED
T1	AC	438357.9	6841054	451.75	2009	5.25	USED
T1OPTTW01	SNC	438358	6841056	451.838	2020	6	USED
T2	AC	438355.4	6841021	452.08	2009	6	USED
T3	AC	438355.6	6840977	452.441	2009	5.75	USED
T4	AC	438353.2	6840919	452.644	2009	6	USED
T5	AC	438358.7	6840901	451.25	2009	4.5	USED
T6	AC	438356.3	6840848	451.25	2009	4.5	USED
T7	AC	438353.8	6840799	451	2009	5.25	USED
T8	NA	438351.4	6840731	451.597	2009	4	USED
U1	NA	438307	6840913	452.175	2009	6.75	USED

MINERAL RESOURCE STATEMENT

Table 1: Nickel Projects Mineral Resources Statement

Nickel Sulphide Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY												
			INDICATED			INFERRED			TOTAL						
			Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
BLACK SWAN PROJECT															
Black Swan	2012	0.40%	9,600	0.68	64,900	21,100	0.54	113,800	30,700	0.58	179,000	0.01	4,200	NA	-
Silver Swan	2012	4.50%	108	9.4	10,130	61	9.7	5,900	168	9.5	16,030	0.19	316	0.4	679
LAKE JOHNSTON PROJECT															
Maggie Hays	2012	0.80%	2,600	1.60	41,900	900	1.17	10,100	3,500	1.49	52,000	0.05	1,800	0.10	3,400
WINDARRA PROJECT															
Mt Windarra	2012	0.90%	922	1.56	14,500	3,436	1.66	57,500	4,358	1.64	72,000	0.03	1,200	0.13	5,700
South Windarra	2004	0.80%	772	0.98	7,500	-	-	-	772	0.98	7,500	NA	-	NA	-
Cerberus	2004	0.75%	2,773	1.25	34,600	1,778	1.91	34,000	4,551	1.51	69,000	NA	-	0.08	3,600
TOTAL															
Total Ni, Co, Cu Resources	2004 & 2012	-	**16,775**	**1.03**	**173,530**	**27,275**	**0.81**	**221,300**	**44,049**	**0.90**	**395,530**	**0.02**	**7,516**	**0.03**	**13,379**

Note: totals may not sum exactly due to rounding. NA = information Not Available from reported resource model. The Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

- ***Black Swan Resource*** *as at 22 July 2014 (see ASX announcement "Poseidon Announces Black Swan Mineral Resource" released 4th August 2014)*
- ***Silver Swan Resource*** *as at 5 August 2019 (see ASX announcement "Silver Swan Resource Upgrade" released 5th August 2019)*
- ***Maggie Hays Resource*** *as at 17 March 2015 (see ASC announcement "50% Increase in Indicated Resources at Lake Johnston" released 17th March 2015)*
- ***Mt Windarra Resource*** *as at 7 November 2014 (see ASX announcement "Poseidon Announces Revised Mt Windarra Resource" released 7th November 2014)*
- ***South Windarra and Cerberus Resource*** *as at 30 April 2013 (see ASX announcement "Resource Increase of 25% at Windarra Nickel Project" released 1st December 2011)*

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Gold Tailings Mineral Resource Statements

Table 2.1 Windarra Gold Tailings Project JORC2012 Mineral Resource

Windarra Gold Tailings Project North and South Dams Mineral Resource - JORC 2012 tabulation							
	INDICATED						
	Tonnes (t)	Au (g/t)	Au (oz)	Ag (g/t)	As (ppm)	Cu (ppm)	Ni (%)
North Dam	3,624,000	0.78	91,000	1.9	1,770	360	0.10
South Dam	923,000	0.48	14,000	0.6	630	369	0.26
Total	**4,547,000**	**0.72**	**105,000**	**1.6**	**1,540**	**360**	**0.13**

The Windarra Tailings estimate for North and South Dams has been reported based on the following:

- *no cut-off grade has been used to report the resource, as the potential mining method dictates removal of the entire dams.*
- *a dry bulk in situ density of 1.60 t/m³ has been used to derive tonnages.*
- *resource numbers in Table 2.1 may not sum exactly due to rounding.*

- ***North and South Dam Resource*** *as at 22 June 2020 (see ASX announcement "Robust PFS completed for Windarra Gold Tailings Project" released 22 June 2020)*

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Table 2.2 Windarra Central Dam JORC2012 Mineral Resource

Windarra Gold Tailings Project Central Dam Mineral Resource - JORC 2012 tabulation						
	INDICATED					
	Tonnes (t)	Au (g/t)	Au (oz)	As (ppm)	Cu (ppm)	Ni (%)
Central Dam	6,198,000	0.37	74,000	435.0	270	0.3

The Windarra Tailings estimate for the Central Dam has been reported based on the following:

- *No cut-off grade has been used to report the resource, as the potential mining method dictates removal of the entire dam down to a specified elevation.*
- *The mineralisation has been reported above a flat elevation of 446 mRL; there are tailings below this level but these have been shown by drilling to contain no gold, and it is anticipated that the proposed mining method will not treat material below this elevation.*
- *A dry bulk in situ density of 1.60 t/m^3 has been used to derive tonnages.*
- *Resource totals may not sum exactly due to rounding.*

- ***Central Dam Resource*** *as at 22 June 2020 (see ASX announcement "Robust PFS completed for Windarra Gold Tailings Project" released 22 June 2020)*

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

COMPETENT PERSON DECLARATION

The information in the ***Windarra Gold Tailings Project Mineral Resource Statements*** *which relates to Mineral Resources is based upon details compiled by Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Ian Glacken is an employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and the 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 (the JORC Code).*

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

ORE RESERVE STATEMENT

Table 3: Nickel Projects Ore Reserve Statement

Nickel Sulphide Reserves	JORC Compliance	ORE RESERVE CATEGORY		
		PROBABLE		
		Tonnes (Kt)	Ni% Grade	Ni Metal (t)
SILVER SWAN PROJECT				
Silver Swan Underground	2012	130	5.2	6,800
Black Swan Open pit	2012	3,370	0.63	21,500
TOTAL				
Total Ni Reserves	2012	3,500	0.81	28,300

Note: Calculations have been rounded to the nearest 10,000 t of ore, 0.01 % Ni grade 100 t Ni metal and 10t of cobalt metal.

Silver Swan Underground Reserve as at 26 May 2017 (see ASX announcement "Silver Swan Definitive Feasibility Study" released 26th May 2017)
Black Swan Open Pit Reserve as at 5 November 2014 (see ASX announcement "Poseidon Announces Black Swan Ore Reserve" dated 5th November 2014).

The Company is aware that the 2019 upgrade to the Silver Swan Indicated Resource will materially affect the Silver Swan Reserve above which was based upon the 2015 Silver Swan Resource Estimate (refer to Table 1 above for the new Silver Swan Resource estimate). Such information is based on the information complied by the Company's Geologists and the Competent Persons as listed below in the Competent Person Statements.

The Company is not aware of any new information or data that materially affects the information in the relevant market announcements for the Black Swan Open Pit Reserve. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

COMPETENT PERSON STATEMENTS:

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled and reviewed by Mr Steve Warriner, who is an employee of Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists.

The information in this report which relates to the Black Swan Mineral Resource is based on, and fairly represents, information compiled by Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd. The information in this report which relates to the Black Swan Ore Reserve is based on, and fairly represents, information compiled by Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and who is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Silver Swan Mineral Resource is based on, and fairly represents, information compiled by Mr Steve Warriner, who is an employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists, and Mr Kahan Cervoj, who is a full time employee of Optiro Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Silver Swan Ore Reserve is based on, and fairly represents, information compiled by Mr Matthew Keenan who is a full-time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Lake Johnston Mineral Resource is based on, and fairly represents, information compiled by Mr Steve Warriner, who is an employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Lake Johnston Ore Reserves Project is based on, and fairly represents, information compiled by Mr Matthew Keenan who is a full time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Mineral Resources at the Windarra Nickel Project are based on, and fairly represent, information compiled by Mr Steve Warriner, an employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists. The Windarra Nickel Project Resources have been compiled to JORC 2004 standards and have undergone no material change since compilation in 2012. The Resources will be compiled to JORC 2012 standard when the nickel project is progressed further.

The information in this report that relates to Mineral Resources at the Windarra Gold Tailings Project, is based upon details compiled by Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and a full-time employee of Optiro Pty Ltd.

Mr Warriner, Mr Cervoj, Mr Weeks, Mr Glacken and Mr Keenan all have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are 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 2012). Mr Warriner, Mr Cervoj, Mr Weeks, Mr Glacken and Mr Keenan have consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

FORWARD LOOKING STATEMENT – INFERRED RESOURCE STATEMENTS:

The Company notes that an Inferred Resource has a lower level of confidence than an Indicated Resource and that the JORC Codes, 2012 advises that to be an Inferred Resource it is reasonable to expect that the majority of the Inferred Resource would be upgraded to an Indicated Resource with continued exploration. Based on advice from relevant competent Persons, the Company has a high degree of confidence that the Inferred Resource for the Silver Swan deposit will upgrade to an Indicated Resource with further exploration work.

The Company believes it has a reasonable basis for making the forward looking statement in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular, the JORC Code, 2012 Mineral Resource for Silver Swan as of May 2016, together with independent geotechnical studies, determination of production targets, mine design and scheduling, metallurgical testwork, external commodity price and exchange rate forecasts and worldwide operating cost data.

FORWARD LOOKING STATEMENTS:

This release contains certain forward looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "except", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements

Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility and potential development of the Silver Swan underground mine.

APPENDIX 1 - JORC 2012 TABLE 1 LANCEFIELD GOLD TAILINGS PROJECT

SECTION 1 - Sampling Techniques and Data for the Lancefield Gold Tailings

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

JORC Code explanation	Commentary
Sampling techniques	
Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Sampling is based upon two phases of drilling – a phase of 87 aircore holes drilled in 2009, and a phase of 23 follow-up sonic holes drilled in 2020. Both methods generate good samples of tailings without disruption by air or water. Air core provides representative chunks of rocks and sonic drilling generates an intact 'tube' of core, which is captured in a plastic sleeve. The compression of material in sonic drilling results in elongation of the 'core' and a correction has been made for this. Both drilling methods are deemed to be industry standard to best practice for delineating sub-aerially deposited tailings. Assaying of gold, by fire assay, is also deemed to be standard practice. There is no suggestion of coarse gold.
Drilling techniques	
Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	Aircore drilling uses a reverse circulation paradigm to preserve sample integrity. Sonic drilling generates a more-or-less intact 'tube' of material which is constrained in a plastic sleeve.
Drill sample recovery	
Method of recording and assessing core and chip sample recoveries and results assessed. *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No records exist of the aircore recoveries for the 2009 drilling. All intervals for the 2020 drilling were photographed and the sample recovery was good to excellent. The tailings material is fine and the sonic drilling is very representative. No records exist regarding the recovery of the 2009 drilling. There is no relationship between sample recovery and grade.
Logging	
Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	The 2009 aircore drilling was logged for colour and moisture. The 2020 sonic drilling was also logged for colour and moisture content. Logging is quantitative. Every metre of every hole has been logged.
Sub-sampling techniques and sample preparation	
If core, whether cut or sawn and whether quarter, half or all core taken. *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The subsampling of the 2009 aircore drilling is unknown, except to note that substantial rejects exist for almost all intervals. For the 2020 drilling, half 'core' was taken except where a duplicate sample was taken of the remainder of the sample. The splitting method of the 2009 aircore drilling is unknown. Samples were manually split using a trowel for the 2020 drilling. The moisture content varies from dry to wet, with most samples being moist or damp. The sample cutting technique for the sonic 'core' is deemed by the Competent Person to be appropriate. The subsampling of the 2009 aircore material is unknown. The 2020 sonic 'core' was cut as soon as possible after recovery and bagged along with a sample tag. Duplicate samples for the sonic material entail taking the entire sample in two halves of 'core'. QAQC for the seven field duplicates taken for the 2020 programme show no grade bias. The material is very fine (<70 micron) and thus the sample sizes are representative. The 2020 drilling recovered 'half-core' sample sizes of between 1 and 4 kg on average.
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.	The 2020 samples were dried, weighed, and pulverized to rehomogenise the material. Both the 2009 and 2020 drilling was subject to gold by fire assay, a total assay technique.

JORC Code explanation	Commentary
For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	No geophysical tools were used. 87 pulp reject samples were taken of the 2009 drilling, chosen at random. These were subject to fire assay. Seven field duplicates were taken in the 23 2020 holes. Standard reference materials (three different types) were inserted at regular intervals and 16 standards overall were used in the 2020 drilling. The 10 2020 twin holes were compared on a hole-by-hole basis and overall with their 2009 twinned equivalents.
Verification of sampling and assaying	
The verification of significant intersections by either independent or alternative company personnel. *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	10 twinned holes were drilled in 2020 which duplicated 2009 drilling. Field duplicates (second half of 'core') were taken throughout the 2020 drilling at an approximate 1 in 25 rate. 10 twinned holes were drilled. Each of the 2020 holes was logged and all logging information was transferred to a spreadsheet. The 2009 drilling was provided in spreadsheet form. All drilling was input into a mining software package (Datamine Studio RM) for estimation. There has been no adjustment to the assay data despite the 2020 assaying of the 2009 rejects showing an 11% lower grade overall. This difference is considered by the CP to be within the range of error implied by an Indicated Mineral Resource.
Location of data points	
Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Collars were picked up by conventional GPS and thus the X and Y coordinates are accurate to 2-3 metres. A drone pickup of the tailings in November 2020 was used to ensure that the vertical (Z) co-ordinate of the old and the new drilling is accurate to several centimetres. The MGA grid (Zone 51) was used. A drone survey of the tailings was flown during the 2020 drilling. This allowed a very accurate volume of the total tailings footprint to be generated.
Data spacing and distribution	
Data spacing for reporting of Exploration Results. *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Drill spacing varies but averages between 20 x 20 to 50 x 50 over the Indicated portion of the tailings. There is no geological continuity as material is not in situ. Grade continuity, of approximately 200 m by 50 m, has been established in a horizontal plane. The 2009 drilling averaged 0.75 m for individual samples. The 2020 drilling was collected on consistent 1 m downhole intervals. Overall, the entire data set has been composited to 1 m downhole.
Orientation of data in relation to geological structure	
Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The tailings have been deposited horizontally (or virtually so); thus the vertical drilling provides a good intersection angle. The mineralisation has continuity horizontally due to its depositional nature; there are no other grade trends. No sample bias exists.
Sample security	
The measures taken to ensure sample security.	Samples were collected, cut and bagged by Optiro in the field for the 2020 programme. The samples were delivered to the assay laboratory by Optiro secured in large bags on pallets.
Audits or reviews	
The results of any audits or reviews of sampling techniques and data.	No review of the 2009 drilling has been carried out. The 2020 drilling has not been externally reviewed but Optiro managed the entire programme.

Section 2 Reporting of Exploration Results for the Lancefield Gold Tailings
(Criteria listed in the preceding section also apply to this section.)

Section 2: Reporting of Exploration Results	
Mineral Tenement and Land Tenure Status	
Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Poseidon has been granted an exclusive option to acquire the right to treat the Lancefield Gold Tailings and recover all gold from those tailings. On exercising the option both Poseidon and the tailings treatment licence holder, Svenson Nominees, will enter into a Royalty and Right to Treat Agreement granting Poseidon the exclusive right to reprocess the gold tailings from the Lancefield Gold Tailings. Licence Holder: Svenson Nominees Pty Ltd. Licence to Treat Tailings tenements LTT 70/3709 and LTT 70/2666 and Miscellaneous Licence 38/225, collectively referred to as the "Lancefield Gold Tailings". All Licences are to be renewed on an annual basis. Both parties agree that the Lancefield Gold Tailings should be treated within four years of the signing of the Royalty and Right to Treat Agreement.
Exploration Done by Other Parties	
Acknowledgment and appraisal of exploration by other parties.	Previous exploration by Cervantes in 2009 resulted in 87 vertical aircore holes, for which almost 100% of the sample rejects are retained. Records exist of an 'augering' programme in 1993, but no samples have been retained from this drilling.
Geology	
Deposit type, geological setting and style of mineralisation.	The deposit is tailings from the Lancefield gold mine, both open pit and underground. Lancefield was an Archaean sediment-hosted deposit which ceased operation in 1994.
Drill Hole Information	
A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	See drilling collar summary (Table 2).
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.	Grades were not combined but were composited to 1 m downhole. The variability is low and no cutting of high grades was adopted.
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.	Some short residual samples at the base of the tailings were incorporated into the samples above via the compositing process. The 2009 drilling (averaging 0.75 m downhole) was composited to 1 m downhole for estimation.
The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents were used or applied.
Relationship Between Mineralisation Widths and Intercept Lengths	
These relationships are particularly important in the reporting of Exploration Results. *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	The entire tailings area is mineralised to varying extents. Down hole intercepts reflect 'true widths' as the tailings were deposited horizontally. No vertical continuity has been assumed.

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').	
Diagrams	
Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views	See the report for a collar plan of the 2009 and 2020 drilling.
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.	No selective reporting has been applied.
Other Substantive Exploration Data	
Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data is relevant or has been gathered.
Further work	
The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The tailings extent is known and therefore no additional extensional drilling is required. Depending upon the metallurgical testing further holes may be required.

Section 3 Estimation and Reporting of Mineral Resources for the Lancefield Gold Tailings
(Criteria listed in the preceding section also apply to this section.)

Section 3: Estimation and Reporting of Mineral Resources	
Database integrity	
Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. *Data validation procedures used.*	Cross-checks have been instigated between the manually entered sample sheets and the resultant electronic data. Visual comparisons between the original (2009) and the twinned (2020) holes for the 10 twins have been made and there are no striking differences. The Competent Person visited the tailings site after drilling and confirmed the collar locations of all of the 2020 holes, along with most of the twinned 2009 holes. The 2009 drilling rejects were subject to re-assay in part. Seven of the 2020 sampling intervals were duplicated (second half of 'core') with no bias observed.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	The Competent Person has visited the Lancefield tailings site approximately two weeks after the end of the 2020 drilling programme and has identified all of the 2020 drilling collars. The tailings profiles can be observed visually in cuttings.
Geological interpretation	
Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	There is no geological interpretation. It is assumed that the 2009 assays are reflective of the tailings material since the assays have largely been reproduced (with a small bias) by the 2020 reject repeat assaying. There are no alternative interpretations. Geology does not guide the Mineral Resource estimate, other than to note that the original material which gave rise to the tailings was derived from a hard rock open pit and underground gold mine. Grade continuity has been demonstrated by variography and reflects the sub-horizontal nature of the tailing deposition. It is expected that there will be horizontal continuity as material of similar grade characteristics was been processed at any one time.
Dimensions	
The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The tailings dam has approximate dimensions of 380 m (east-west) by 340 m (north-south) and a depth of between 4 and 7 metres.
Estimation and modelling techniques	
The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Grades have been composited to 1 m downhole. One domain has been assumed, covering the entire tailings deposit. No top cutting of gold grades was applied due to their lack of variability. Based upon variography of the gold values, an initial search of 200 m (north-south) by 50 m (east-west) by 1 m vertical has been utilised. Three more successive (larger) searches were applied to blocks not estimated in the previous pass. Blocks unestimated in the fourth pass (a very small number) were applied the deposit average grade of 1.25 g/t gold. Other elements (silver, copper, nickel, arsenic, iron and sulphur) used the gold variography directions and estimation parameters. There has been some extrapolation beyond the data points in the north and east portions of the tailings, but this area has all been classified as Inferred. Ordinary block kriging, using a minimum of 8 samples and a maximum of 24 samples, along with a block discretisation of 3 x 3 x 3 (27 points), was adopted for the first search. Estimation used Datamine Studio RM software and Supervisor for the statistics and geostatistics. No check estimates are available. No by-product recovery has been assumed. Arsenic, copper, nickel, iron and sulphur have been estimated but it is not assumed that any of these elements are deleterious in the concentrations as estimated. The average As value of 2,824 ppm may require some investigation depending upon the treatment method assumed. The block size is 25 m (X) by 25 m (Y) by 1 m (Z), based upon an average drillhole spacing of 20 x 20 to 50 x 50. The concept of a selective mining unit is not relevant as the entire dam will be removed for treatment.

	No correlation between gold an any other variable has been assumed. No geological interpretations are relevant. Gold grade caps have not been applied due to the low grade and extremely low variability (CV = 0.39) of the gold values. The comparison of the declustered sample grades and the volume-weighted block grades for gold shows a difference of 1.5%, which is considered very low.
Moisture	
Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Moisture was measured for all of the 2020 samples by weighing the samples wet (at the rig) and dry (at the laboratory). An average moisture content of 14.3% was calculated. This was applied to the wet bulk density and a dry bulk density was determined for tonnage calculation.
Cut-off parameters	
The basis of the adopted cut-off grade(s) or quality parameters applied	No cut-off grade has been adopted for reporting as the entire tailings deposit is expected to be removed.
Mining factors or assumptions	
Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	The entire tailings deposit will be removed by truck and shovel.
Metallurgical factors or assumptions	
The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	An approximate metallurgical recovery of 30% has been assumed in determining Reasonable Prospects of Eventual Economic Extraction. This is based upon preliminary testwork completed in 2009 at an accredited metallurgical laboratory using seven composites. The testwork assessed gold extraction using a conventional cyanidation/leach flowsheet.
Environmental factors or assumptions	
Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made	The removal of the tailings and subsequent processing and deposition in an alternate Tailings Storage Facility will be addressing an environmental liability by the owners of the Tailings Licence. The Environmental Assessment for deposition of the tailings in an alternate Tailings Storage Facility (as part of a larger gold tailings retreatment project) is currently in progress.
Bulk density	
Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit, Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	A wet bulk density was derived for the 2020 sonic drilling by assuming an average 'core' diameter after drilling of 67 mm and before 'core' elongation. This leads to an average wet bulk density value of 2.05 t/m^3 for the 2020 drilling. After correction for moisture (14.3% on average) an average dry bulk density of 1.75 t/m^3 was derived. The sonic drilling method provides intact lengths of core for which a volume can easily be measured. All material has been assumed to have the same bulk density.
Classification	
The basis for the classification of the Mineral Resources into varying confidence categories Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The material covered by 2009 and 2020 drilling, which encapsulates the original footprint of the tailings, has been assigned a category of Indicated. This takes into account the 10-20% grade bias seen between the 2009 and the 2020 drilling. The north and east portions of the tailings deposit, which have no drilling and which comprise wholly or

Whether the result appropriately reflects the Competent Person's view of the deposit.	partially material which has been removed from the main tailings, have been classified as Inferred. Grade reliability, volume uncertainty and assay uncertainty have all been considered in the assignment of resource categories. The classification reflects the Competent Person's view of the deposit.
Audits or reviews	
The results of any audits or reviews of Mineral Resource estimates. Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No external audits have been conducted on the Mineral Resource estimate. The Competent Person considers that the resource confidence levels applied reflect the relative accuracy of the estimation in the deposit. Grade continuity in the horizontal plane is good. The uncertainty in the historical (2009) assays is reflected in the Indicated classification. The resource classification is appropriate at the global scale, i.e. when the entire tailings deposit is removed for treatment. No production data is available.