11 June 2024

Electromagnetic Survey Identifies New Targets at Mt Jackson

- **Ground Electromagnetic (EM) survey at the Mt Jackson Project identifies multiple conductors considered prospective for nickel-copper sulphide mineralisation**
- **These conductors coincide with nickel, copper and PGM soil anomalies associated with interpreted ultramafic rocks, enhancing their prospectivity**
- **Southern cluster of three high-conductance, late-time anomalies (>10,000 Siemens), up to 260m long, interpreted to be potential massive sulphides**
- **Central 1,380m long moderate-conductance anomaly (2,150 Siemens) coincides with the highest priority gold anomaly from soil sampling – gold mineralisation associated with conductive sulphides is present within the Southern Cross Greenstone Belt, most notably at the Bounty Gold Deposit**
- **Aircore drilling of the gold targets and the up-dip projection of the shallow high-conductance EM plates is planned for Q4 2024 following completion of a heritage survey, with RC or diamond drilling of the EM plates to follow**

Falcon Metals Limited (**ASX: FAL**) (**"Falcon"** or **"the Company"**) advises that it has received results for a ground Moving Loop Electromagnetic ("MLEM") survey at its 100%-owned Mt Jackson Project located 110 kilometres north of Southern Cross in Western Australia (see Figure 1). Mt Jackson is located at the convergence of the Southern Cross Greeenstone Belt and the regional-scale Koolyanobbing Shear Zone at the northern end of the belt. The Southern Cross Greenstone Belt is a well-endowed mineral province and has historically produced ~384kt[1] of nickel from the Forrestania Greenstone Belt, the southern extension of the Southern Cross Greenstone Belt, and more than 15Moz[2] of gold.

The survey was conducted by GEM Geophysics using a high-temperature Superconducting Quantum Interference Device (HT-SQUID) sensor. The program comprised three survey grids targeting separate soil anomalies on E77/2577 (see Figure 2) where Falcon previously announced coincident Ni-Cu-PGM results (see ASX announcement *"Soil Sampling Confirms Gold, Nickel and Lithium Potential at Mt Jackson"* on 12 December 2023). The MLEM survey has generated nine late-time conductors, which have been modelled as plates (planar rectangular conductive bodies) as shown in Table 1.

Table 1 Modelled priority conductors generated from MLEM survey

Anomaly	Conductor	Depth to Top (m)	Strike Length (m)	Depth Extent (m)	Conductance (Siemens)
South	Sth_E	99	260	90	17,000
South	Sth_F	67	140	60	13,600
South	Sth_C	82	165	60	10,600
South	Sth_D	213	120	140	10,000
Central	Cen_A	95	180	147	7,160
South	Sth_B	210	140	160	7,100
South	Sth_A	264	150	160	5,850
North	Nth_B	295	140	120	2,500
Central	Cen_B	51	1,380	730	2,150

[1] *ASX announcement: IGO 30/08/2022, "FY22 Cosmos and Forrestania Mineral Resources and Ore Reserves", p32*
[2] *ASX announcement RRL 03/08/2022, "Diggers and Dealers Mining Forum"*

Falcon Metals Limited
ASX: FAL
Level 6, 350 Collins St, Melbourne VIC 3000
PO Box 106, Flinders Lane VIC 8009

T: +61 3 8648 6684
E: info@falconmetals.com.au
www.falconmetals.com.au
ABN 87 651 893 097

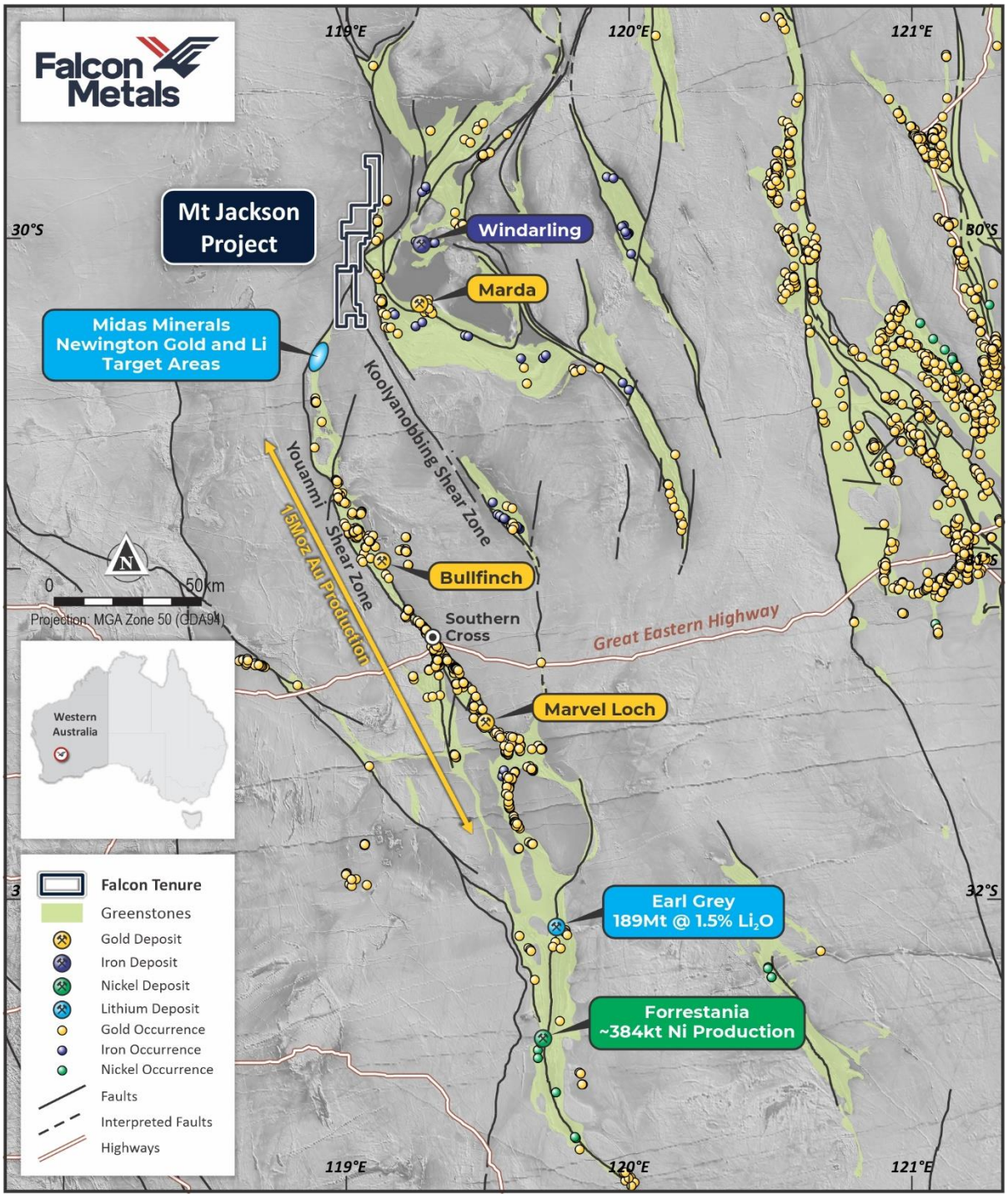

Figure 1 Location of Mt Jackson Project in reference to the Southern Cross Greenstone Belt

The South anomaly grid returned three relatively shallow, high conductance plates (see Figure 3):

- **Sth_E** The highest conductance plate in the survey (**17,000 Siemens**) starting at 99 metres below surface with a strike extent of 260 metres
- **Sth_F** A shallower high-conductance plate (**13,600 Siemens**) starting at 67 metres below surface with a strike extent of 140m
- **Sth_C** A high-conductance plate (**10,600 Siemens**) starting at 82 metres below surface with a strike extent of 165m

Ground truthing of the up-dip projection of these conductors confirmed the presence of shallow cover, which is concealing the bedrock geology. The very strong conductance of these plates (~10,600-17,000 Siemens) is consistent with highly conductive bodies such as massive nickel-copper sulphide minerals, sulphide facies banded iron formations or graphite. Three other moderate conductance plates that modelled deeper (between 5,850-10,000 Siemens) will be assessed following testing of the shallower and higher conductance targets.

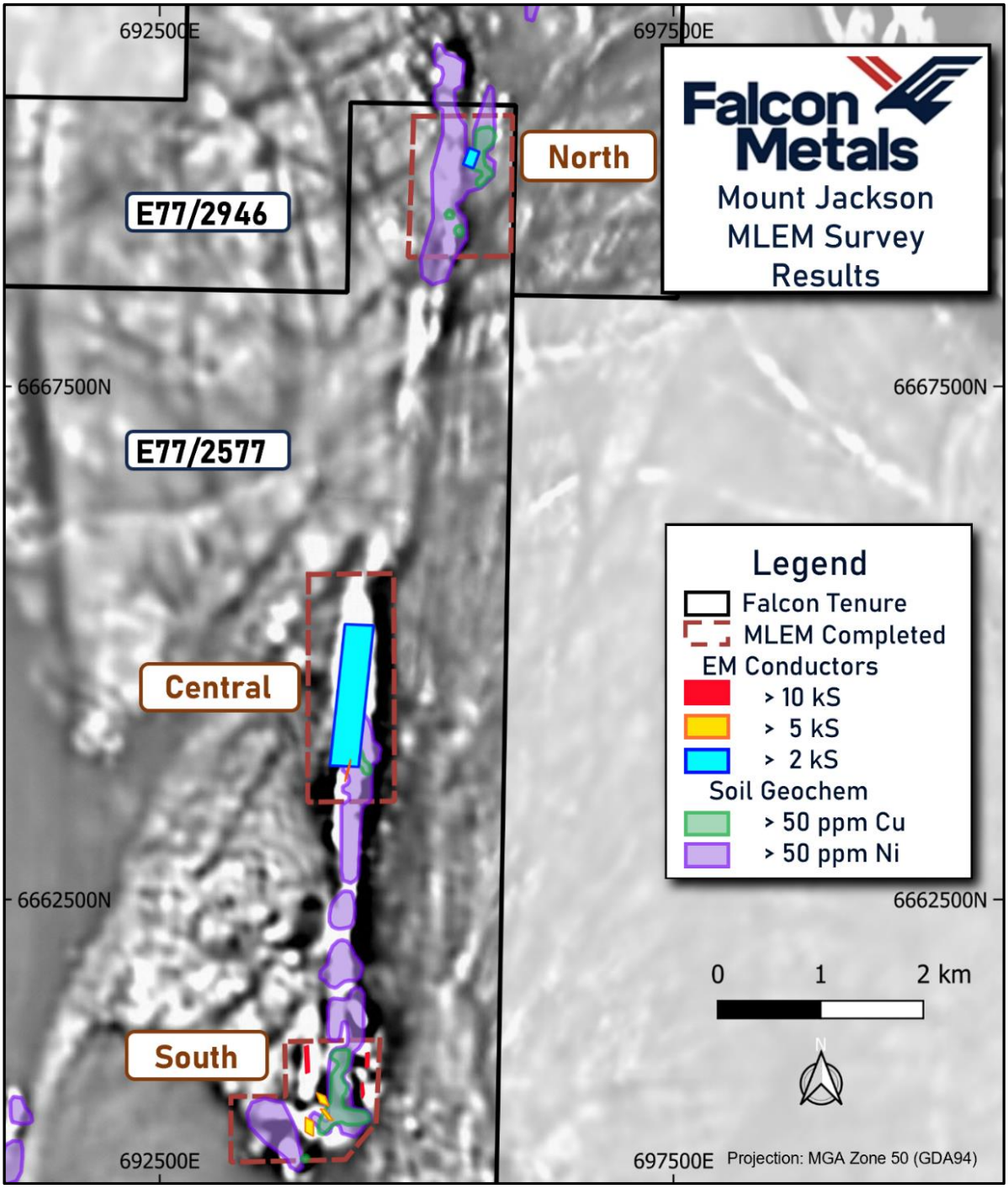

Figure 2 Plan map of Mt Jackson showing the location of the ground EM surveys

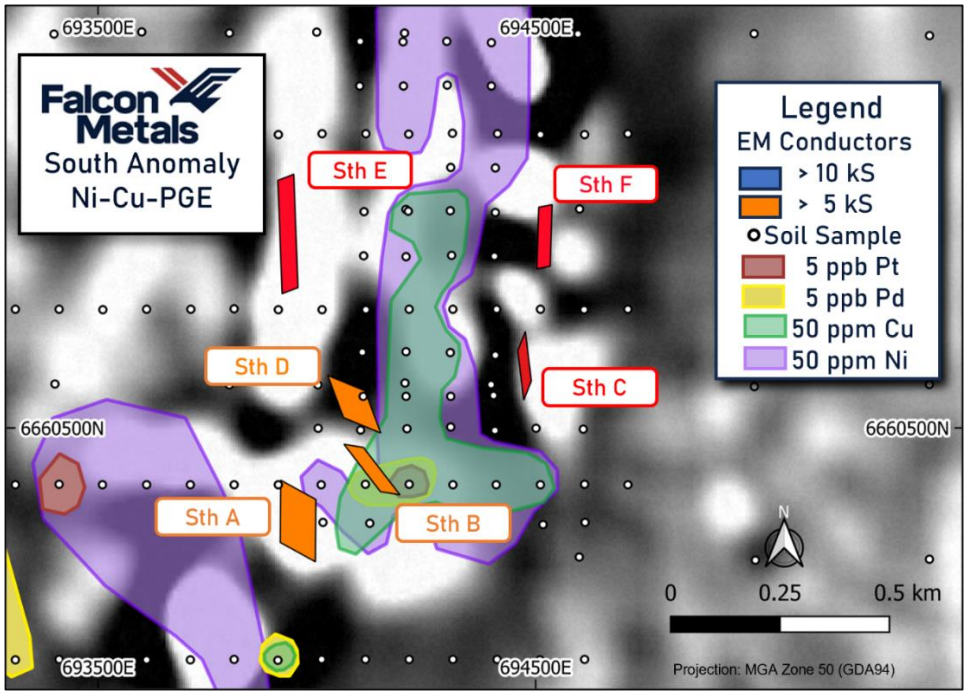

Figure 3 South anomaly showing all the high-priority EM plates generated

The Central anomaly survey returned two priority conductors:

- **Cen_B** A large moderate conductance plate (**2,150 Siemens**) starting at 51 metres below surface with a strike extent of 1,380m, the longest of the survey; and
- **Cen_A** A smaller higher conductance plate (**7,160 Siemens**) at the southern end of the larger plate, starting at a depth of 95 metres below surface with a strike extent of 180m

Both EM plates are coincident with the highest gold anomaly in the area, which is encouraging as significant gold mineralisation was associated with pyrrhotite at the Bounty Gold Deposit in the Southern Cross Greenstone Belt. Orientation studies after discovery showed the Bounty deposit demonstrated high conductance[3]. The Central anomaly plates are also coincident with Ni, Cu and PGM anomalism in the soil sampling (see Figures 4 and 5), and although the size of the larger plate suggests that it could be stratigraphic in nature, it is still a compelling target due to its association with a smaller, higher conductance plate and the overlying soil anomalism. Importantly, the soil anomalism includes Pt and Pd, which are often indicative of the Ni and Cu being sulphide-derived rather than just being enriched during the weathering of otherwise unmineralized ultramafic rocks.

Only one significant conductor was generated from the North anomaly survey, a 2,500 Siemens plate modelled to start at 295 metres below surface. This will be assessed once the shallower and higher conductance targets are tested at the other anomalies.

The initial aircore drill program at Mt Jackson is expected to be undertaken in Q4 2024 but will be dependent on heritage clearance being obtained in the coming months. The aircore drilling program aims to test the anomalous gold zones, the up-dip projection of the three high-conductance plates in the South anomaly area, and the two plates in the Central anomaly area.

A deeper drill program specifically targeting the conductors will be submitted in August as part of the Geological Survey of Western Australia ("GSWA") Exploration Incentive Scheme co-funded drilling program - Round 30.

[3] *John H Coggon & Robert A. Rutherford (1994) GOLD: Bounty Gold Deposit, Western Australia: Magnetic and Electromagnetic Responses, ASEG Extended Abstracts, 1994:1, 233-240, DOI: 10.1071/ASEGSpec07 15*

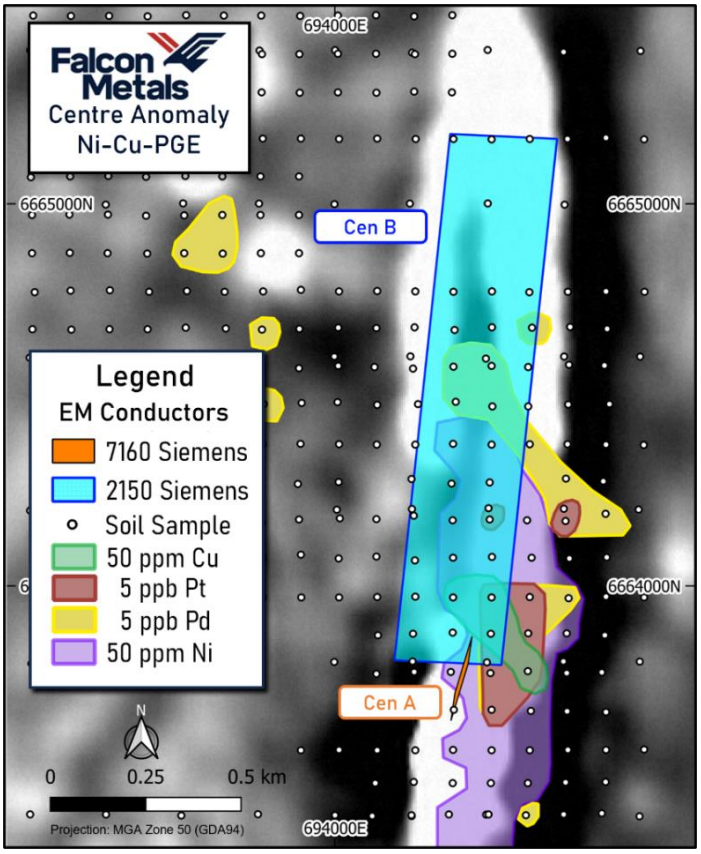

Figure 4 Central anomaly Cu-Ni-PGE

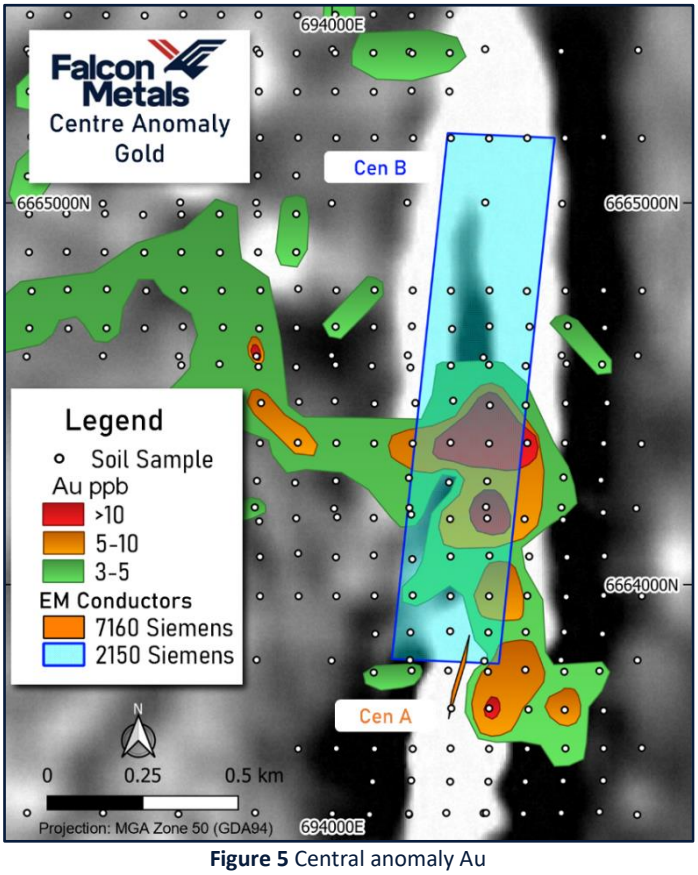

Figure 5 Central anomaly Au

This announcement has been approved for release by the Board of Falcon Metals.
For more information, please contact:

Tim Markwell
Managing Director
tmarkwell@falconmetals.com.au

Media and Investor Queries
Ben Creagh
benc@nwrcommunications.com.au

COMPETENT PERSON STATEMENT:

The information contained within this announcement relates to exploration results based on and fairly represents information compiled and reviewed by Mr Doug Winzar who is a Member of the Australian Institute of Geoscientists. Mr Winzar is a full-time employee of Falcon Metals Limited and has sufficient experience which is 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 "Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Winzar consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

FORWARD LOOKING STATEMENT:

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (Forward Statements). Forward Statements can generally be identified by the use of forward looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions 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.

APPENDIX: JORC Table 1 – Mt Jackson Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • 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 (eg. '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 (eg. submarine nodules) may warrant disclosure of detailed information.	• The recent soil samples were collected from 0- 25 cm and sieved to -0.3mm in the field with approximately 500g collected. The samples are then dried and sieved to -50um (0.05mm) at the laboratory and 30g of this material is used for assay.
Drilling techniques	• Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Not applicable.
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.	• Not applicable.
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.	• Not applicable.

Criteria	JORC Code explanation	Commentary
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 recent sampling involved sieving the material to -50um to remove the diluting effect of sand from the clay that was targeted. This was done in the laboratory once the sample was dried. • The sample size was appropriate to ensure enough -50um material was available for analysis.
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. • 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 (eg. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• Soil samples were processed by Intertek Genalysis in Maddington, WA. • The samples were analysed using a 10g Cyanide Leach for Au (CN10/MS), specifically designed for fine fraction soil sampling. This is a partial digest. The sample was also analysed with a 0.5 g Aqua Regia digest with a 53-element package and analysed on a triple quad ICPMS to allow for low level detection (AR005/MSQ53). This is considered a partial digest. • Falcon used 1 standard every 100 samples. • The lab uses their own certified standards and blanks, and this data is also provided to Falcon.
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.	• Results were checked by the Falcon Metals Exploration Manager.
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.	• Sample locations have been picked up using a handheld global positioning system (GPS) with a ±5 m error. • The grid system used for the location of all drillholes is MGA, GDA94 (Zone 50). • The reliability of RL data is unknown.
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.	• Sample spacing was 100m x 100m, this was designed to increase the resolution of previously defined anomalous zones. • This spacing is not considered suitable for establishing geological or grade continuity but to aid in the drill planning. • No sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
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 infill sampling on a 100m x 100m grid was designed to remove any bias.
Sample security	• The measures taken to ensure sample security.	• Samples were delivered to the laboratory by the contractors who collected the samples.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No review has been carried out to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • 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.	• Surface sampling has been carried out within E77/2577 and E77/2946. The tenement areas are wholly owned by Falcon Metals (WA) Pty Ltd
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Southern Cross Goldfields took eight rock chip samples at the south end of the project area in 2009. No gold values were noted in the digital data file. No anomalous pathfinder results were noted in the multi-elements. In 2018, Fleet Street Holdings took 63 soil samples within the southwest corner of the project area. A peak gold value of 7 ppb was returned, and no significant gold pathfinder results are noted.
Geology	• Deposit type, geological setting and style of mineralisation.	• Two mineralisation styles are being explored for: 1) orogenic style gold similar to that seen across the goldfields of the Yilgarn Craton. 2) Komatiite hosted Ni-Cu-PGE • In addition to this the area is also prospective for LCT pegmatites and this will be assessed as part of the exploration.
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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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.	• Not applicable.
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. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Not Applicable.

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. • 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').	• Not applicable.
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.	• The results of the soil sampling results for the targeted elements are shown in the figures and discussed in the text.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• The contouring has been done to5ppb Pd, 5ppb Pt, 50 ppm Cu and 50ppm Ni. This is appropriate for the identification of anomalous areas for further targeting MLEM and drilling.
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.	• The results of the High Temperature SQUID MLEM survey are provided in this announcement. Initial surveying was done with a 200m loop in a slingram configuration with 100m between stations and 200m between lines. The southern area had infill undertaken to tighten the line spacing to 100m to better constrain the deeper targets.
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.	• Drilling is planned to test the shallower high conductance targets generated from the MLEM survey