



Cannon Resources Limited is a focused nickel exploration and development company with flagship nickel resource projects in Western Australia

Investor Presentation

June 2022

www.cannonres.com.au

ASX: CNR



Forward-Looking Statements

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Exploration Results

The information in this presentation that relates to Data and Exploration Results is based on information compiled and reviewed by Mr. Stephen Lynn a Competent Person who is a Member of the Australian Institute Geoscientists (AIG) and Chief Executive Officer of Cannon Resources Limited. Mr. Lynn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Lynn consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.


The information in this report that relates to previous Exploration Results was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX.

Resource Statement

The Statement of Estimates of Mineral Resources for Musket were reported by Cannon in accordance with ASX Listing Rule 5.8 in the announcements released to the ASX on 9 March 2022 and 24 March 2022. Cannon confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources for Sabre were reported by Cannon in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 5 April 2022. Cannon confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources for Camelwood, Cannonball and Collurabbie were reported by Cannon in accordance with ASX Listing Rule 5.8 in its Prospectus dated 26 May 2021 released to the ASX on 10 August 2021. Cannon confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and, that all material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.

An aerial photograph of a diamond drilling operation in a desert environment. The central focus is a large, white and yellow drilling rig mounted on a truck chassis, positioned on a cleared, reddish-brown dirt area. To the left of the rig is a small, white, rectangular building with a flat roof. The surrounding landscape is arid, with sparse, low-lying green and brown shrubs and trees. The ground is marked with numerous tire tracks, indicating heavy vehicle activity. In the background, a winding road or path is visible through the scrubland. The overall scene depicts an active industrial site in a remote, natural setting.

Fisher East and Collurabbie
Exploring for Nickel in Western Australia

***Diamond drilling on listing
at Musket - August 2021***

Investment Highlights



COMMODITY FOR A CLEAN FUTURE

- 🕒 High demand for nickel used in EV batteries
- 🕒 High grade Class 1 nickel resources (JORC 2012) (6.4 Mt at 1.8% Ni for 116.3 Kt Ni at Fisher East and 9.3 Kt of contained Ni at Collurabbie ⁽¹⁾)



POTENTIAL UPSIDE

- 🕒 Resource increased 49% since IPO listing in Aug 2021
- 🕒 New high grade discovery at Sabre
- 🕒 Drilling underway to expand the current resource inventories
- 🕒 All deposits at Fisher East remain open along strike, internally and at depth



INFRASTRUCTURE ADVANTAGE

Being close to Leinster in WA provides the company with multiple development options:

- 🕒 Produce Nickel concentrate on site
- 🕒 Potential to toll treat mineralisation at nearby concentrators at Leinster/Cosmos



NEW NICKEL BELT

- 🕒 Fisher East is a new nickel region and is rapidly evolving as a Ni resource of significant scale
- 🕒 Fisher East has missed all previous nickel booms
- 🕒 First mover advantage in new nickel region in a Tier 1 jurisdiction



ATTRACTIVE VALUATION

- 🕒 100% owned asset, no Joint Venture
- 🕒 Market capitalisation of \$27m presents an attractive opportunity for investment given the large size and high-quality resource

Company Snapshot



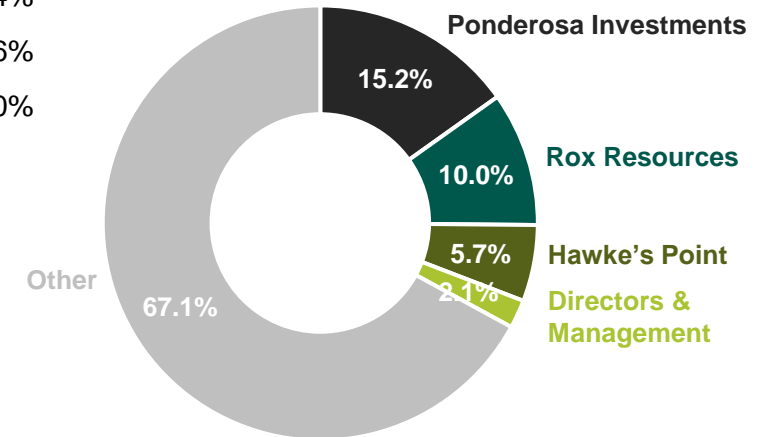
About Cannon Resources

Cannon Resources Limited is a Western Australia focused mineral resources exploration and development company with flagship nickel projects at Fisher East and Collurabbie which are situated in the North Eastern Goldfields of Western Australia, approximately 400km to the north east of Kalgoorlie.



Shareholder Information - as at 9 June 2022

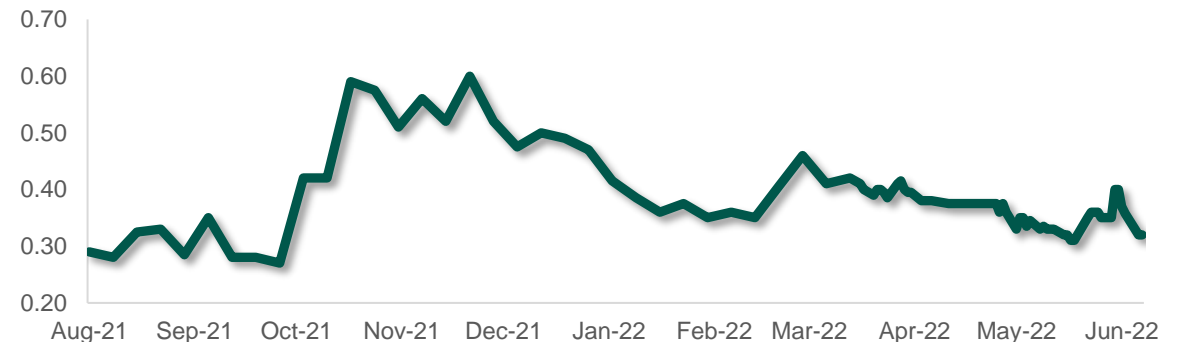
Top 20 Shareholders	54.4%
Top 70 Shareholders	66.6%
2 - Year Escrow	10.0%



Capital Structure / Enterprise Value

ASX Code	CNR
Shares on issue	85.5m
Options on issue	16.3m
Market capitalisation (as at 15/06/2022)	\$27.3m
Cash (as at 31/03/22)	\$4.7m
Enterprise value	\$22.6m

CNR Share Price Performance



Experienced Board and Management



STEPHEN LYNN - Chief Executive Officer

Mr Lynn is a geologist with over 25 years' experience in Australia and internationally exploring and developing a range of commodities including nickel, gold, and base metals. He has played a key role in the discovery of both nickel and VMS style base metal deposits within Western Australia, working previously for Great Central Mines, Gold Fields Limited and IGO Limited. Mr Lynn is a member of the Australian Institute of Geoscientists and holds Bachelor of Science (App Geology) and Master of Economic Geology degrees.



TREVOR BENSON - Independent Non-Executive Chairman

Mr Benson has extensive experience as an investment banker and has served on a number of ASX listed company boards as both Chairman and Director. He has specialised in cross border transactions within the natural resources sector across China, Africa and Southeast Asia and has been an adviser to Chinese State-Owned Enterprises. His specialist activities include corporate funding solutions and off-take agreement negotiations within the natural resources domain. Mr Benson holds a Bachelor of Science Degree from the University of Western Australia. Mr Benson was previously Chairman and Executive Director of Walkabout Resources (ASX: WKT) from 13 September 2016 to 19 October 2020 and is currently Non-Executive Chairman of Ionic Rare Earths Limited (ASX: IXR) and Evolution Energy Minerals Limited (ASX: EV1).



ALEX PASSMORE - Non-Independent Non-Executive Director

Mr Passmore is a qualified geologist and experienced corporate executive. He holds a Bachelor of Science degree with First Class Honours in Geology and a Graduate Diploma of Applied Finance from the Securities Institute of Australia. Mr Passmore was recently Chief Executive Officer of Cockatoo Iron NL, Non-Executive Director of Aspire Mining Ltd, Non-Executive (and Executive) Director of Equator Resources Ltd/Cobalt One, and CEO of Draig Resources (now Bellevue Gold Ltd). Mr Passmore is currently Managing Director of Rox Resources Limited and Non-Executive Director of Pearl Gull Iron Limited.



RICHARD BEVAN - Independent Non-Executive Director

Mr Bevan has experience as a Managing Director/Chief Executive Officer and Non-Executive Director/Chairman for listed and unlisted companies. He brings experience in the execution and integration of mergers, acquisitions and other major corporate transactions and has been involved in business areas as diverse as healthcare, construction and engineering, and information services. His roles within these businesses have included operational management, implementing organic growth strategies and acquisitions and assisting with capital raisings. Mr Bevan was previously the founding Managing Director of Cassini Resources Limited until it was acquired by OZ Minerals Limited via a Scheme of Arrangement in late 2020. Mr Bevan is a member of the Australian Institute of Company Directors and is currently a Non-Executive Chairman of Killi Resources Limited (ASX: KLI), Narryer Metals Limited (ASX: NYM) and TG Metals Limited (ASX: TG6).



2022

- Increase resources at Fisher East
- Exploration at Collurabbie
- Metallurgical testwork at Fisher East



2023

- Resource conversion to M&I
- Scoping Study
- Ongoing exploration



2024

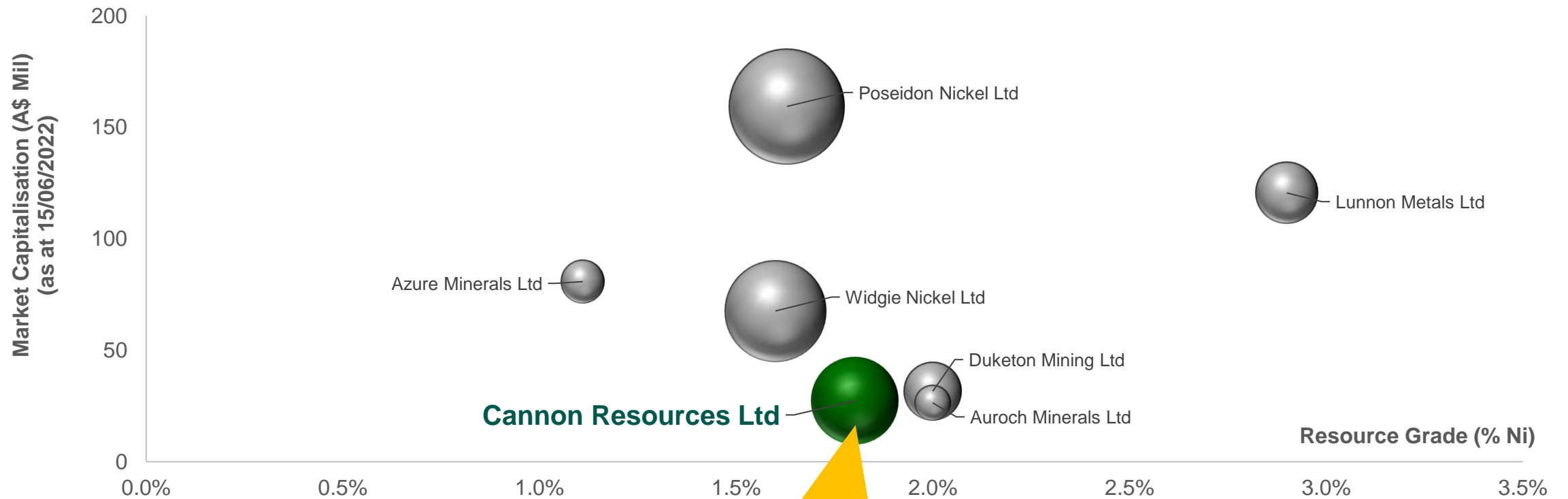
- Feasibility Study
- Final investment decision
- Ongoing exploration

Peer Comparison



Peer Comparison, Resource Grade (% Ni) vs Resource Size (Ni Kt) vs Market Capitalisation (A\$ Mil)

(Bubble size represents Resource Size)



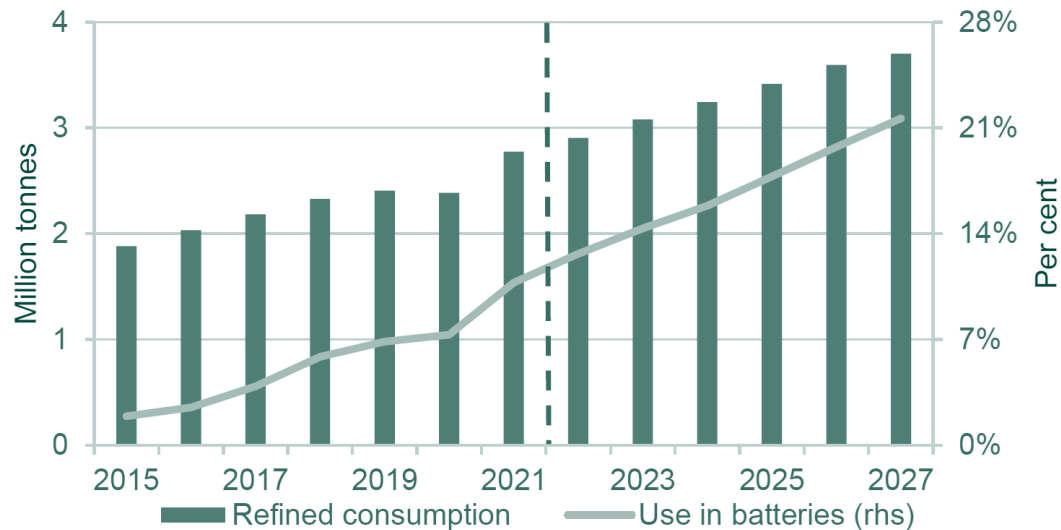
High grade and large size resource with compelling valuation

Source: See Appendix 1

Nickel Market Outlook

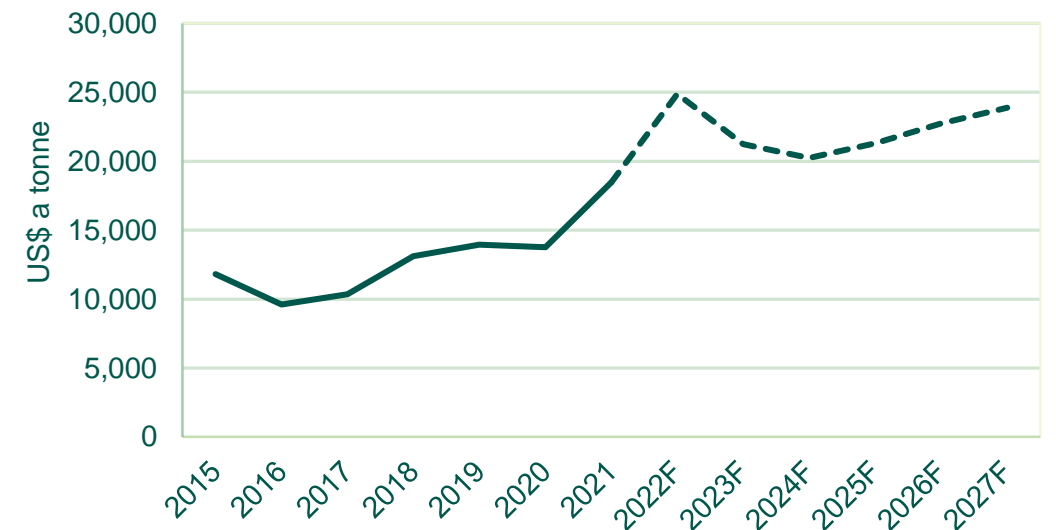


Forecast Nickel Consumption



Source: International Nickel Study Group (INSG); Wood Mackenzie; Department of Industry, Science, Energy and Resources (2022)

Forecast Average Nickel Price



Source: Business Insider (2022); Department of Industry, Science, Energy and Resources (2022)

- Nickel demand rose by 16% year on year in 2021
- Nickel use in batteries is expected to be a dominant driving force of nickel demand. By 2027, batteries are expected to account for 22% of total nickel demand (nearly doubled its 2021 level)
- Nickel price is forecasted to stay above US\$20,000 per tonne in the next few years, reaching US\$23,875 per tonne in 2027

Current Nickel Resources



Current Resource

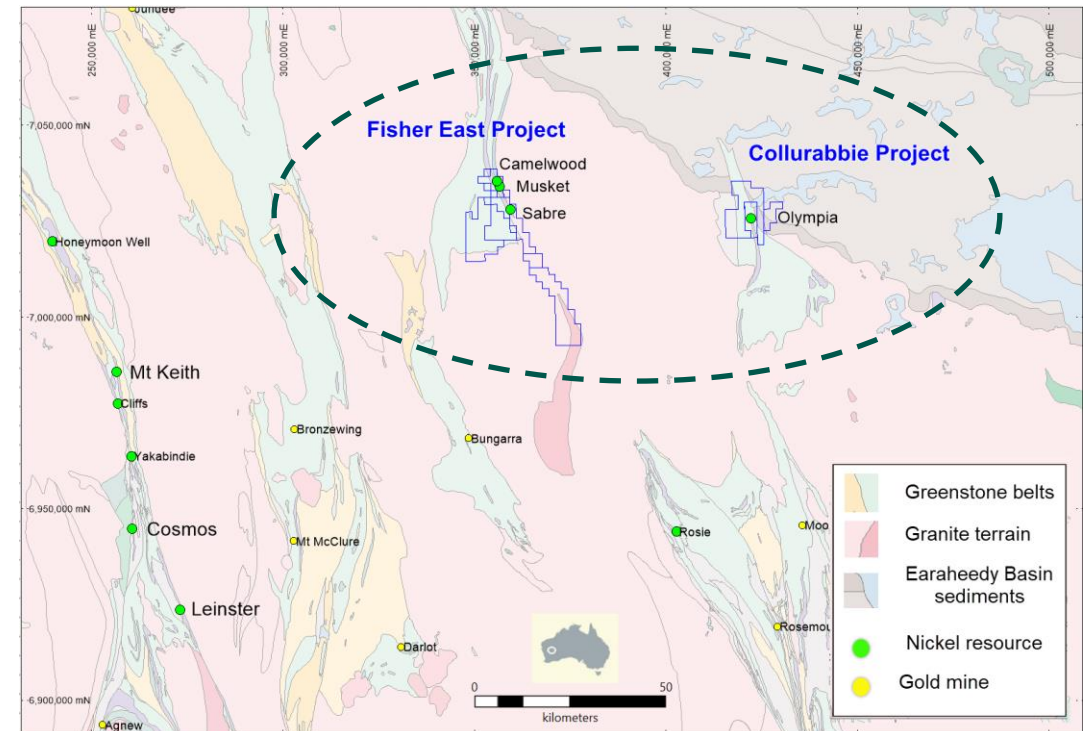
Fisher East

- 🕒 Fisher East resource contains 6.4 Mt @ 1.8% Ni for 116.3 Kt Ni ⁽¹⁾
 - 🕒 Focused exploration program (since listing has increased resource by 49% ⁽¹⁾)
 - 🕒 4 deposits open along strike, internally and at depth
 - 🕒 Maiden Sabre resource of 1.8 Mt @ 1.4% Ni for 24.5 Kt contained nickel ⁽¹⁾

Collurabbie

- 🕒 Collurabbie resource is 0.5 Mt @ 1.6% Ni for 9.3 Kt Ni ⁽²⁾
 - 🕒 Exploration upside

Overview of Company Projects



Notes:

Cut-off grades: Camelwood, Cannonball and Olympia 1.0% Ni; Musket and Sabre 0.9% Ni. Values may not sum due to rounding.

- (1) Refer ASX announcement 9 March 2022, 24 March 2022, 5 April 2022 and Prospectus released on the ASX 10 August 2021. See Appendix 2
- (2) Refer Prospectus released on the ASX 10 August 2021. See Appendix 2

Fisher East Nickel Project

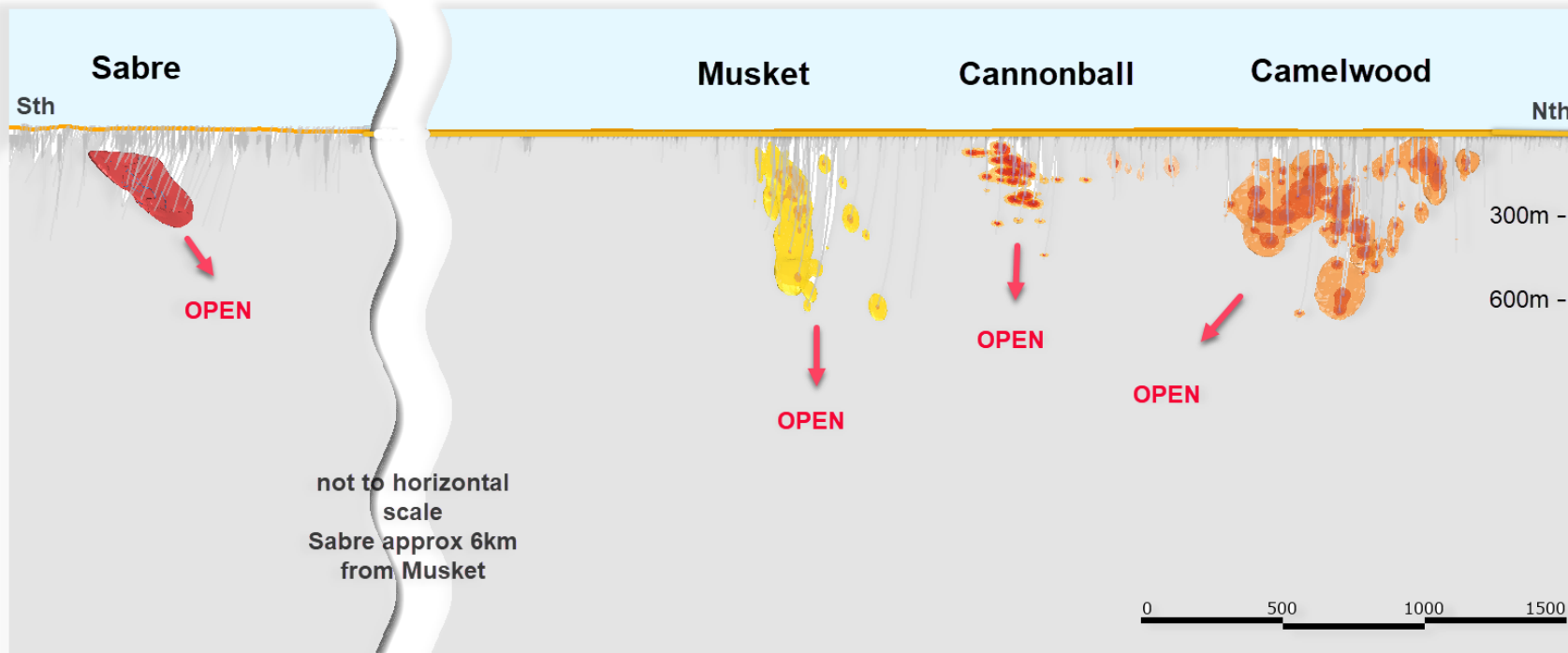


Combined resource of 6.4 Mt @ 1.8% Ni for 116.3 Kt contained Ni (JORC2012) in 4 deposits ⁽¹⁾

Kambalda style komatiite channels individually up to 700m + width. Massive to semi massive and disseminated mineralisation at grades of 1.4% – 2.8% Ni

All resources open internally, laterally and down plunge.

Diamond drill program now active targeting resource expansion at Sabre, Musket & Camelwood



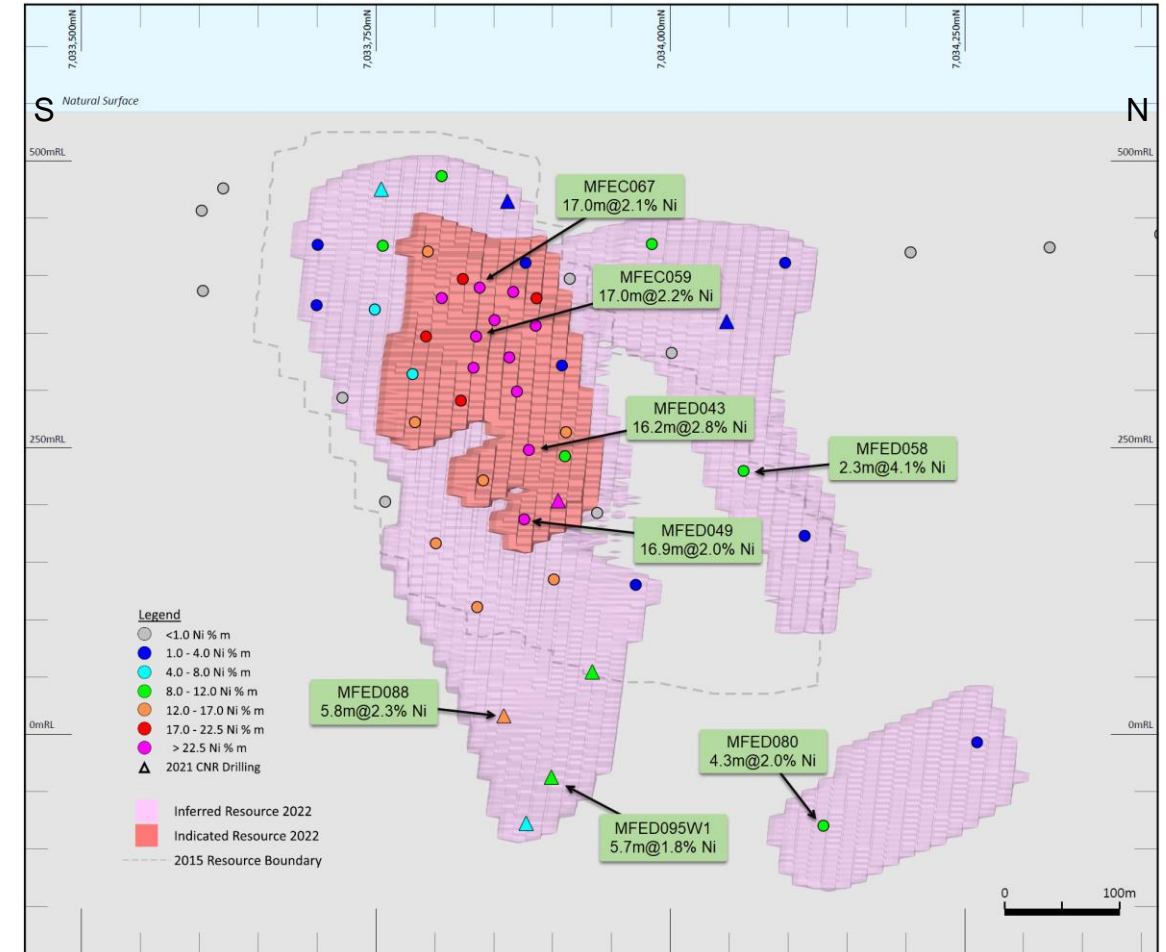
Fisher East Nickel Project



Musket Resource

Musket resource expanded 44%
Now 2.4 Mt @ 1.9% Ni for 45.5 Kt Ni ⁽¹⁾

- 🕒 Cannon has extended the resource down to 600 metres from surface
- 🕒 Musket channel is approximately 450 metres wide, dipping approximately 65° to the east, & plunging sub-vertical to the north.
- 🕒 Mineralisation in channel is consistent and extensive with true extent still open
- 🕒 Mineralisation has a high nickel tenor with disseminated sulphide in the 1-5% Ni range and massive sulphide in the 10-20% Ni range



Notes:

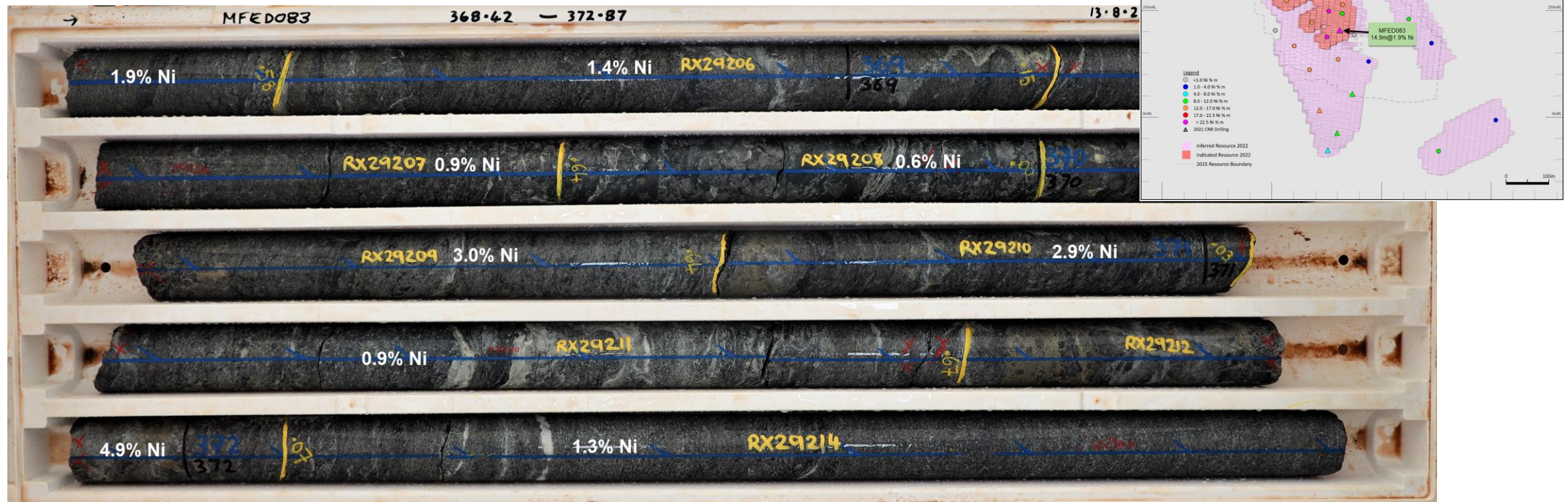
(1) Refer ASX announcement 9 March 2022 and 24 March 2022

Fisher East Nickel Project



Musket

- Bulk of resource is disseminated mineral style with high tenor Ni sulphide department in komatiite host. Consistent grade distribution through orebody
- Bonanza grades where massive sulphides develop at channel base & margins (up to 20% Ni)



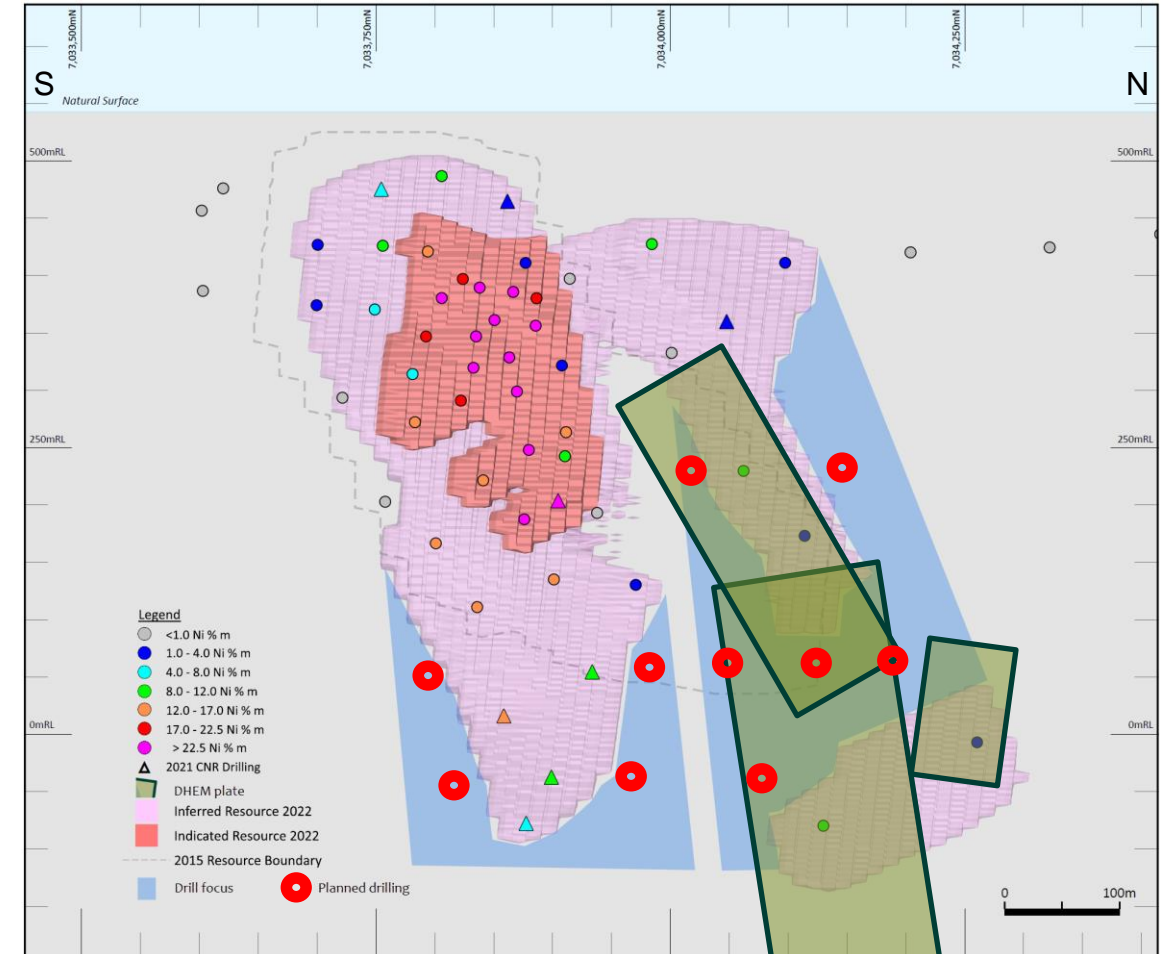
Fisher East Nickel Project



Musket Resource Extension

Now **2.4 Mt @ 1.9% Ni for 45.5 Kt Ni** ⁽¹⁾

- 🕒 Cannon are targeting resource extension in the upper-600 metre zone (shown in blue opposite)
- 🕒 Drilling underway with approximately 6,000 metres of diamond planned and all holes outside of current resource
- 🕒 Strong DHEM plates are high priority targets on northern channel margin
- 🕒 Musket is still open at depth. As well as laterally and along northern channel margin. Resource expansion is the focus for exploration in CY2022



Notes:

(1) Refer ASX announcement 9 March 2022 and 24 March 2022

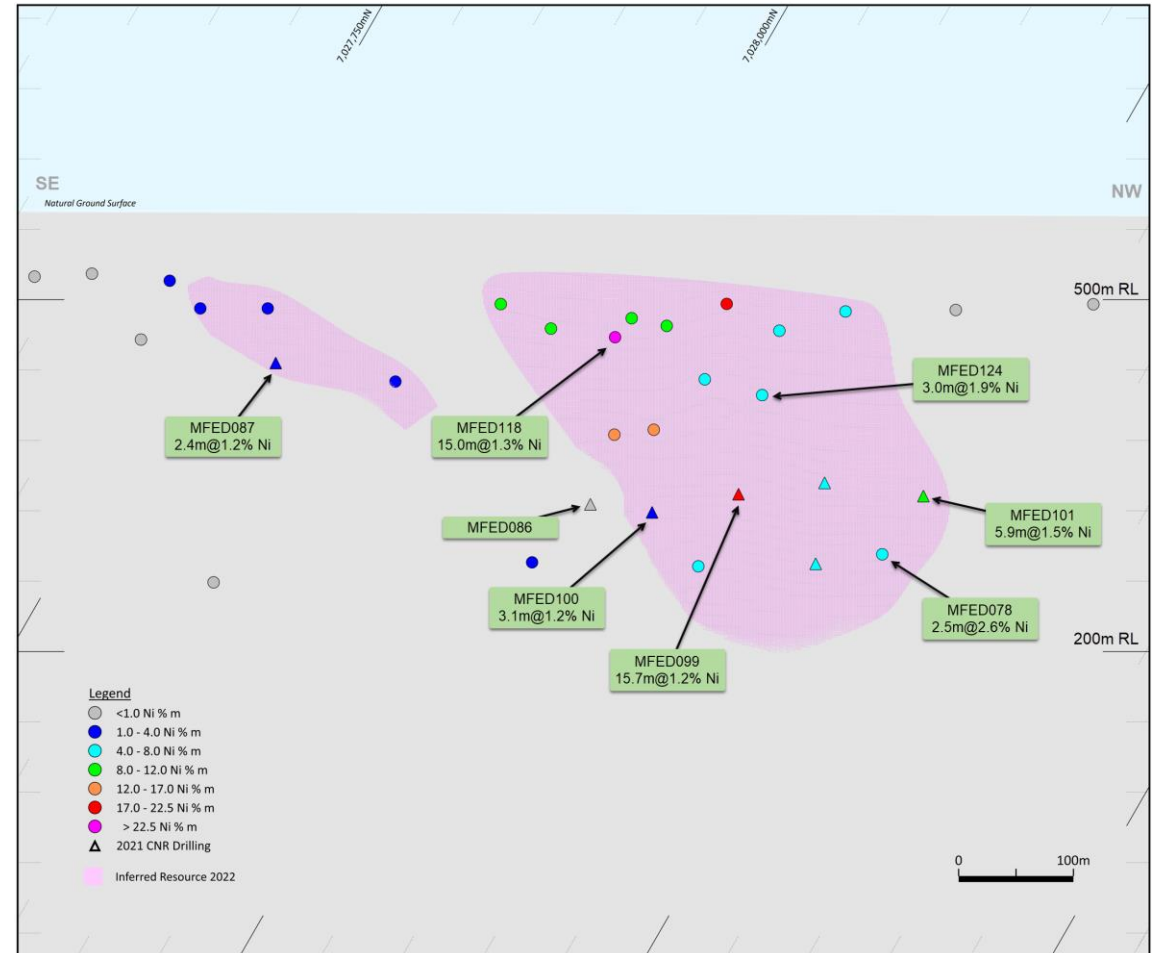
Fisher East Nickel Project



Sabre Resource

Sabre maiden resource declared in April 2022
1.8 Mt @ 1.4% Ni for 24.5 Kt Ni (1)

- Large mineralised channel – under drilled with huge upside for significant resource expansion
- Large shallow plunging channel 700m wide. Much shallower plunge than Musket ~ 56° on dip of 56° to the east. Channel likely to have further plunge extension
- Mineralisation is disseminated, semi-massive and massive sulphide hosted in komatiite. Similar in style to Musket but with lesser Ni tenor in drilling to date. Massive sulphide up to 7-9% Ni
- Partially drilled to max 300m depth. Drill spacing is largely 80m



Notes:

(1) Refer ASX announcement 5 April 2022

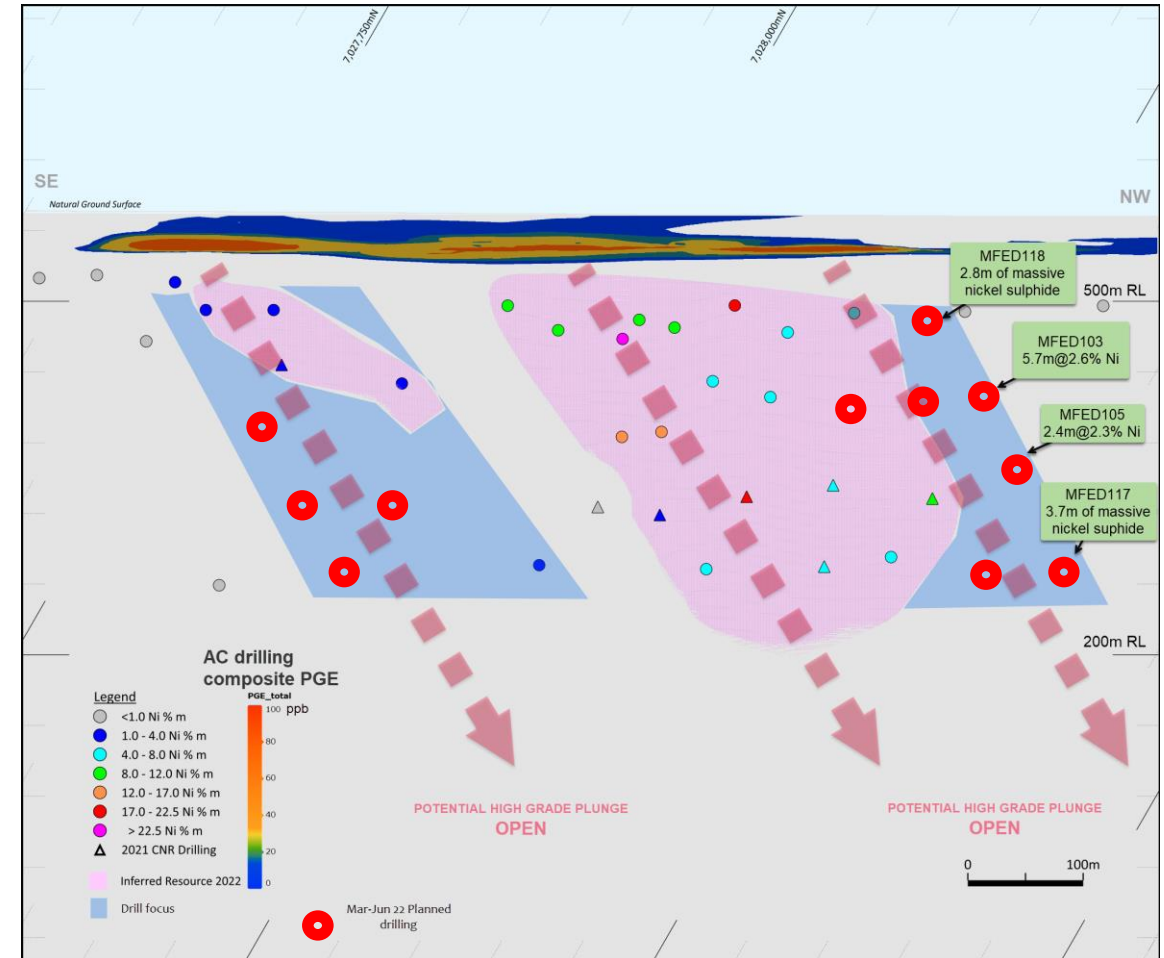
Fisher East Nickel Project



Sabre Resource

1.8 Mt @ 1.4% Ni for 24.5 Kt Ni (1)

- Strong PGE anomaly in AC drilling above Sabre defines plunging high grade (Ni+PGE) trends in the channel zone
- Cannon are targeting high grade zones and resource extension in the upper 300 metre zone (shown in blue opposite)
- Current drill program has game-changing success. Wide massive nickel sulphide intersected in all holes (4) along northern margin of Sabre channel (2) (3)
- Exploration focus now pivoting to drilling high grade zone. Sabre is still open internally, laterally and at depth



Notes:

(1) Refer ASX announcement 5 April 2022. (2) Refer ASX announcement 26 April 2022. (3) Refer ASX announcement 07 June 2022

Collurabbie Project

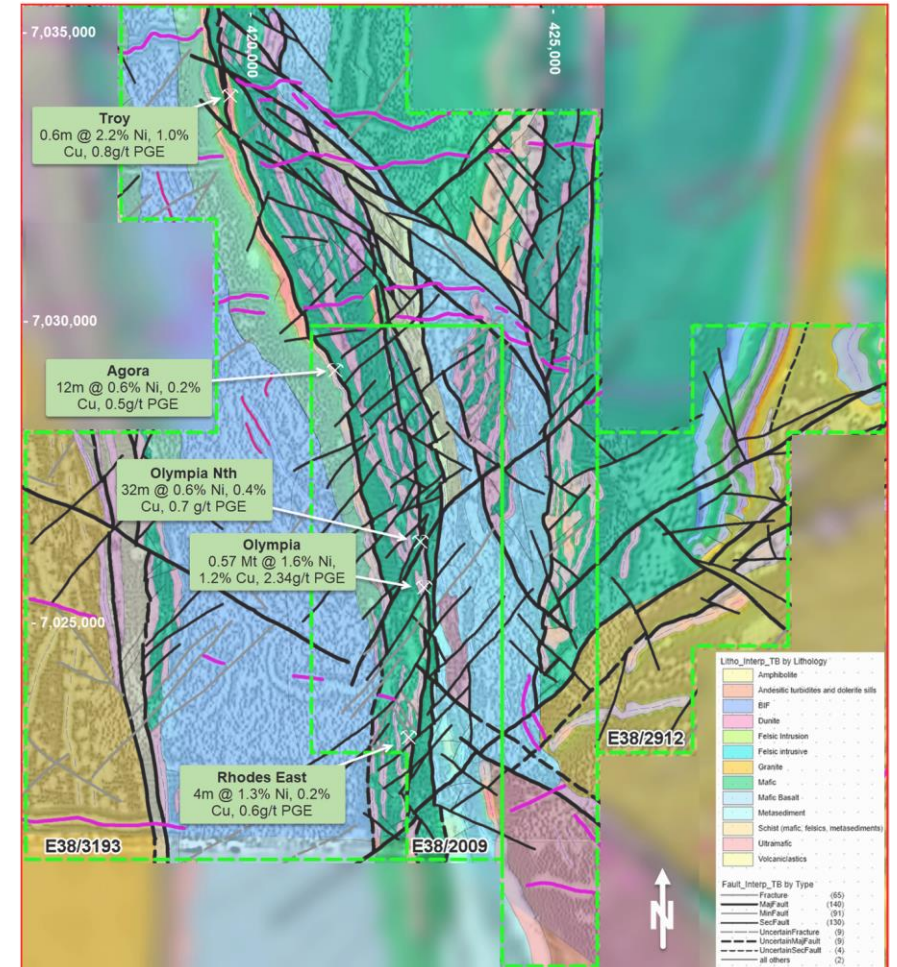


Project Overview

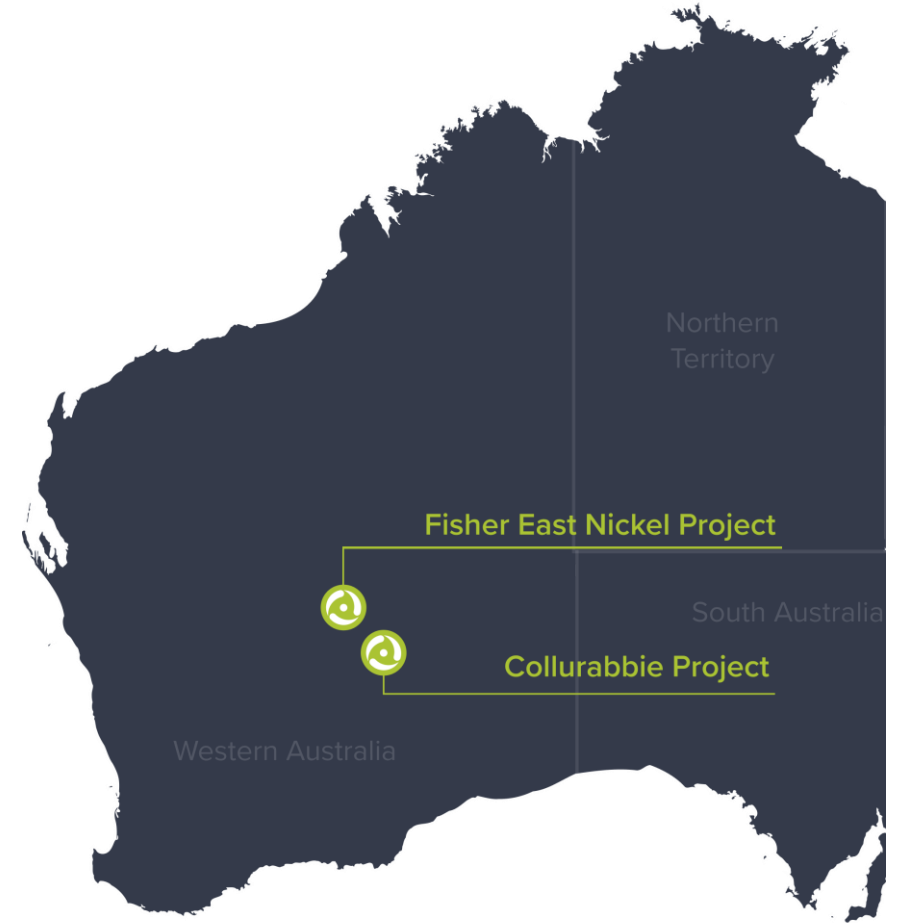
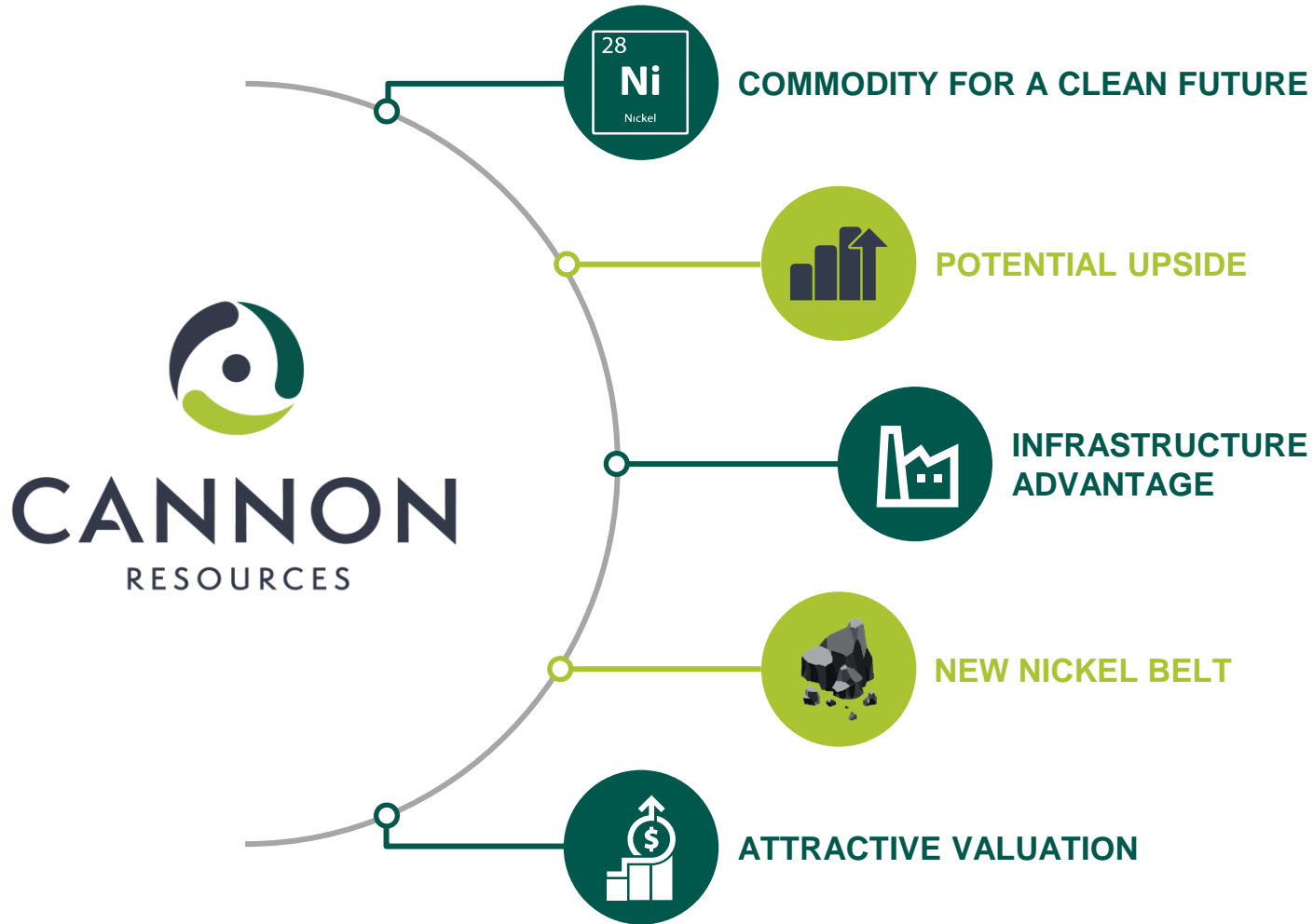
- ➊ Intrusive style sulphide Ni Cu Co PGE system (Nova, Savannah, Julimar)
- ➋ Ni-Cu-Co-PGE resource at Olympia hosted in ultramafic sill with total Mineral Resource (JORC) estimate of **0.573Mt at 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt** ⁽¹⁾
- ➌ Well defined zone of Ni Cu Co PGE mineralised sills with a strike extent of over 15 km on Cannon tenure.
- ➍ Multiple anomalous Ni Cu Co PGE (plus Au & VMS base metals) historical drill intercepts within the sills, most yet to be adequately tested
- ➎ Cannon is currently compiling & re-processing the geophysical datasets with a view to drill test later this year

Notes:

(1) Refer Prospectus released on the ASX announcement 10 August 2021



Concluding Remarks



Appendix 1



Companies selected are considered comparable to Cannon as they are:

- 🕒 ASX listed & Australian based exploration and/or study phase;
- 🕒 Class 1 nickel / nickel sulphide;
- 🕒 Resource grade > 1.0% Ni; and
- 🕒 Nickel equivalents are excluded

ASX code	Company name	Project Ownership (%)	Attributable Resource (Mt)	Ni Grade (% Ni)	Ni Metal (Kt)	Source
LM8	Lunnon Metals Ltd	100%	2.2	2.9%	64.3	Company Presentation – ASX Announcement 15/06/2022
POS	Poseidon Nickel Ltd	100%	13.5	1.6%	219.7	Paydirt Battery Minerals Presentation - 07/04/2022 Silver Swan Resource Update – ASX Announcement on 27/04/2022
AZS	Azure Minerals Ltd	60%	2.8	1.1%	31.0	Paydirt Battery Minerals Presentation - 06/04/2022
AOU	Auroch Minerals Ltd	100%	1.0	2.0%	21.4	RIU Explorers Conference 15/02/2022
DKM	Duketon Mining Ltd	100%	2.8	2.0%	56.2	Rosie Resource Increases in Tonnes, Grade and Metal – ASX Announcement 10/03/2022
WIN	Widgie Nickel Ltd	100%	10.7	1.6%	168.2	2022 RIU Sydney Resources Round Up Presentation - 05/05/2022
CNR	Cannon Resources Ltd	100%	7.0	1.8%	125.6	Paydirt Battery Minerals Presentation - 07/04/2022

Other inputs	Input date	Source
Market capitalisation	15 June 2022	Australian Stock Exchange

Appendix 2



Fisher East ⁽¹⁾							
Deposit	Category	Tonnes (Mt)	Grade Ni %	Contained Ni Metal			
Camelwood	Indicated	1.7	2.0	34.0			
	Inferred	0.3	1.5	5.0			
	Total	2.0	2.0	39.0			
Cannonball	Indicated	0.24	2.9	7.0			
	Inferred	0.02	1.9	0.3			
	Total	0.26	2.8	7.3			
Musket	Indicated	0.9	2.1	19.0			
	Inferred	1.5	1.8	26.4			
	Total	2.4	1.9	45.5			
Sabre	Inferred	1.8	1.4	24.5			
	Total	1.8	1.4	24.5			
Total	Indicated	2.8	2.1	60.0			
	Inferred	3.6	1.6	56.2			
	Total	6.4	1.8	116.3			

Collurabbie ⁽²⁾							
Deposit	Category	Tonnes (Kt)	Grade Ni %	Grade Cu %	Grade Co %	Grade Pd g/t	Grade Pt g/t
Olympia	Inferred	573	1.63	1.19	0.082	1.49	0.85

Notes:

Cut-off grades: Camelwood, Cannonball and Olympia 1.0% Ni; Musket and Sabre 0.9% Ni. Values may not sum due to rounding.

(1) Refer ASX announcement 9 March 2022, 24 March 2022, 5 April 2022 and Prospectus released on the ASX 10 August 2021

(2) Refer Prospectus released on the ASX 10 August 2021



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