# Major Strategic Acquisition of Mt Cattlin Lithium Tenements

## Key Highlights:

- **Major strategic expansion of a combined 87.1 km2 of highly prospective lithium tenure in Western Australia, the Ravensthorpe district in proximity to the operating Mt Cattlin lithium mine.**
- **Acquisition of five Exploration Licenses (Es) and one Prospecting License (P) has increased NickelSearch's total Ravensthorpe landholding to 194.5 km2, of which NIS holds lithium rights to 148.7 km2, and results in NickelSearch becoming a major tenement holder in the Ravensthorpe area.**
- **New Es are largely contiguous with the existing Carlingup Project and contain a continuation of prospective structures northeast of Mt Cattlin held by Allkem Ltd (ASX:AKE), and nearby Bulletin Resources Ltd (ASX:BNR).**
- **Pegmatites were mapped on one of the acquired tenements, E 74/762, however historical rock-chip samples were not assayed for lithium.**
- **NIS plans to accelerate exploration across the new tenements including mapping, soil sampling, and rock-chip sampling with the intention of defining drill-ready targets in H1 CY2024.**

**NickelSearch Limited (ASX: NIS)** (**NickelSearch, NIS** or the **Company**) is pleased to announce the acquisition of four Exploration Licenses E 74/719, E 74/744, E 74/743, E 74/762 and one Prospecting License P 74/387 that cover a combined 81.8 $km^2$ of landholding prospective for lithium in the Ravensthorpe district. In addition, the Company acquired E 74/777 that covers 5.3 $km^2$ that adjoins its Carlingup Project. NickelSearch's Ravensthorpe district landholding now totals 194.5 $km^2$, of which 148.7 $km^2$ is for all mineral rights including lithium, and the remaining 45.8 $km^2$ is for nickel rights only.

The new tenements are in proximity to the Mt Cattlin lithium mine owned by Allkem Limited and to NIS's flagship Carlingup Project. The acquisition contains a continuation of structures northeast of the Mt Cattlin Mine and nearby to tenements held by Bulletin Resources Ltd, enhancing the potential of the lithium target pipeline.

Historical exploration has been primarily for nickel. NIS plans to accelerate lithium exploration programs including mapping, soil sampling and rock-chip sampling with the aim to define drill-ready targets in H1 CY2024.

### NickelSearch Managing Director, Nicole Duncan, commented:

> *"The strategic acquisition of these tenements in new areas prospective for lithium in proximity to the Mt Cattlin Mine exposes the Company to lithium exploration success in CY2024.*
>
> *Following the recent capital raising and option exercising raising approximately $3.6 million before costs, we are well funded to execute our exploration programs."*

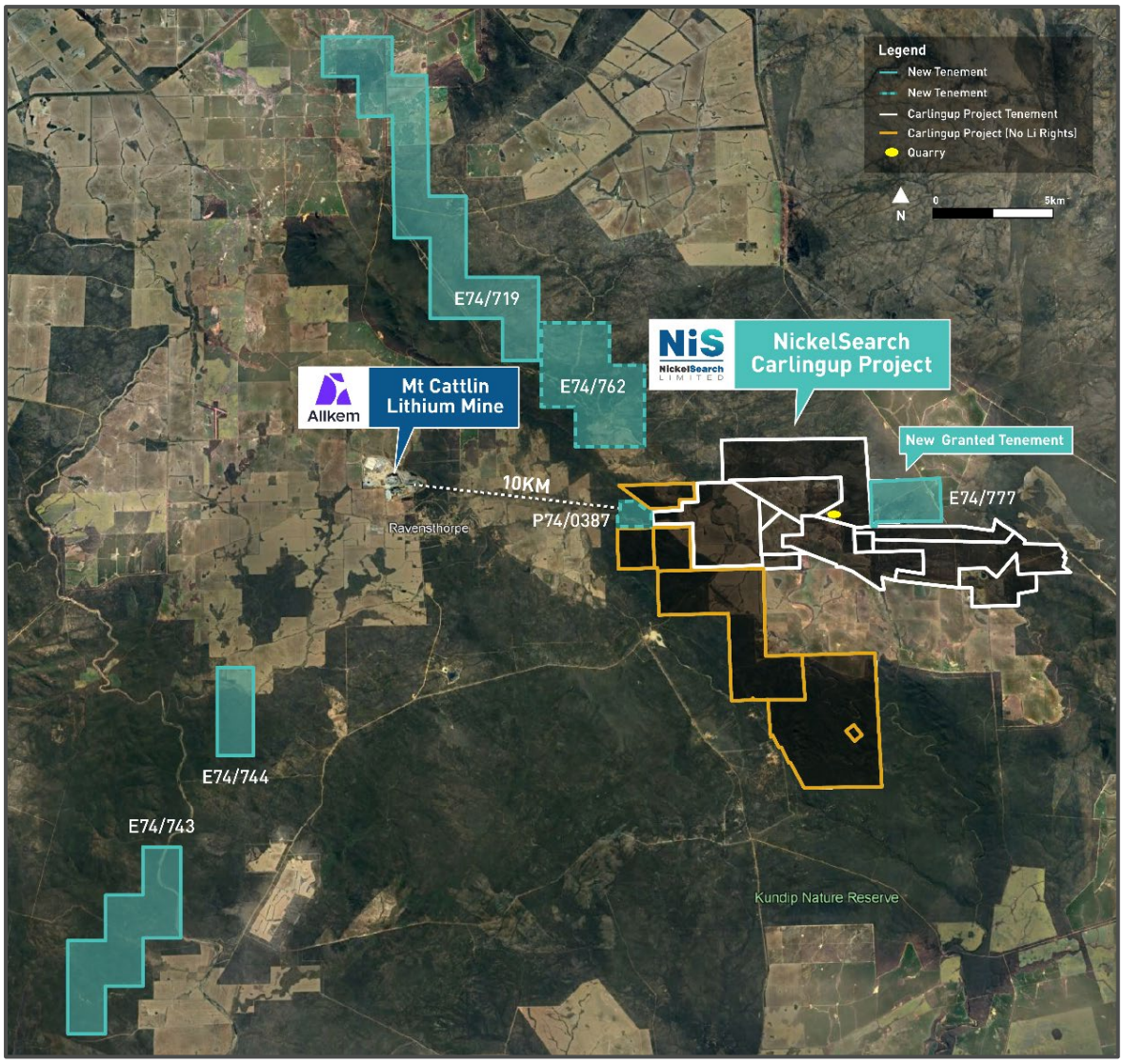



***Figure 1:*** *New acquisition tenements shown in relation to NIS existing tenure.*

## Acquisition of E 74/762 and P 74/387

E 74/764 is located 2 km north-west from Carlingup and 6 km north-east from the Mt Cattlin lithium mine. P 74/387 adjoins NickelSearch's Carlingup Project tenements to the west.

The presence of pegmatites is mapped in several locations inside E 74/762, recorded in the Geological Survey of Western Australia's (GSWA) WAROX database (see Figure 3). These localities will be investigated once work begins within the lease.

E 74/762 contains a continuation of the Carlingup greenstones including ultramafic rocks and sediments. Granite is mapped in the eastern part of the tenement. Northeast-trending structures, which pass adjacent to the Mt Cattlin deposit, extend through the tenement (Figure 2).

Previous exploration has mostly consisted of geological mapping, surface sampling, and very limited drilling. All of the substantial work appears to have focussed on nickel exploration and the lithium potential of the tenement is largely untested.

P 74/387 contains greenstones including ultramafic rocks and sediments. The Minedex records indicate the presence of historic small-scale gold and copper workings within the lease.

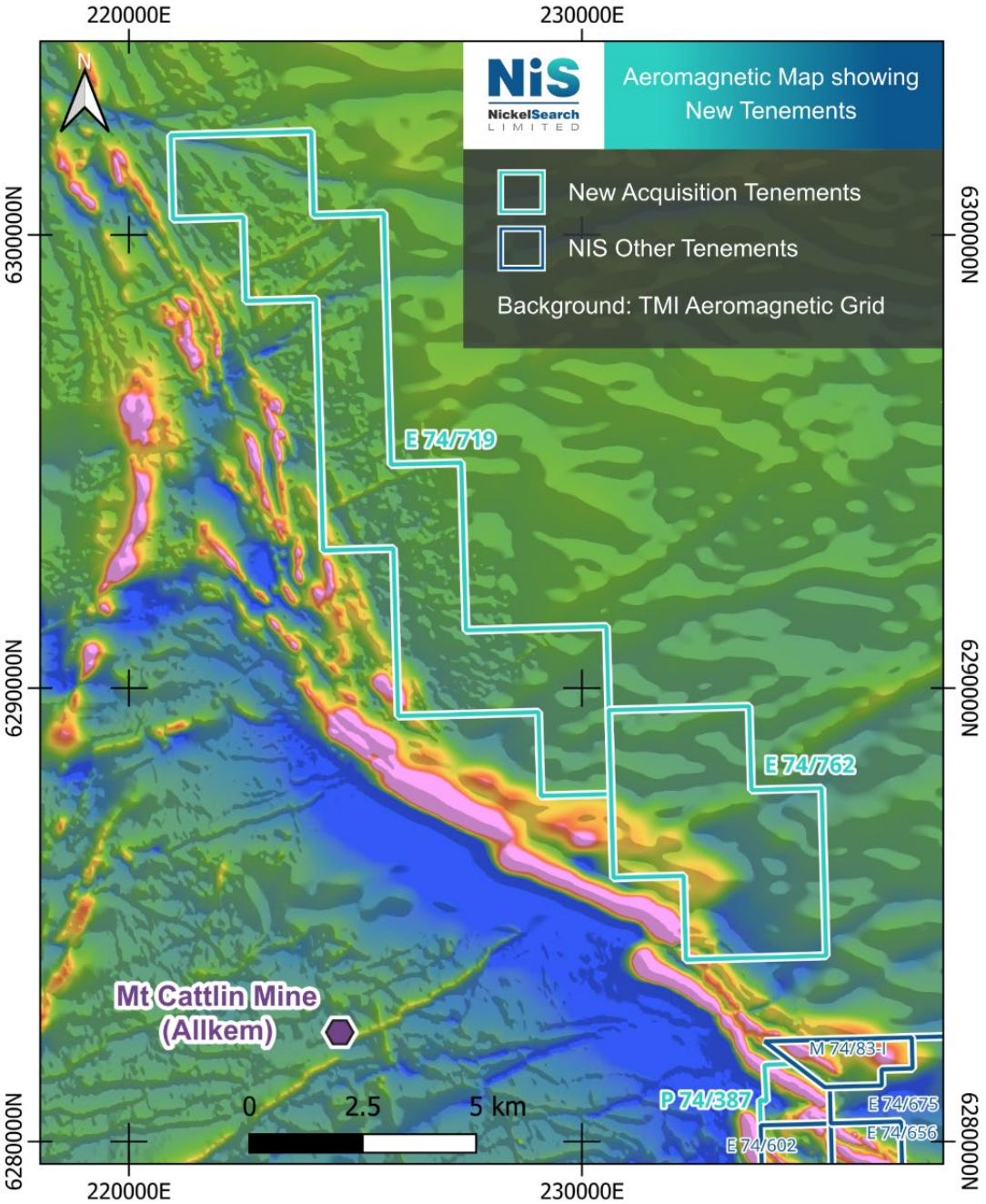



***Figure 2:*** *Aeromagnetic image showing new acquisition tenements hosting the extension of a northeast-trending structure that also passes by the Mt Cattlin Mine.*



***Figure 3:*** *NIS field staff member Blake stands atop a pegmatite outcrop within E 74/762 during recent reconnaissance work undertaken within the lease for due diligence purposes.*

## Acquisition of E 74/719, E 74/744 and E 74/743

### E 74/719

E 74/719 is located 10 km north-west of Carlingup and 7 km from the Mt Cattlin lithium mine. The south-western margins of the tenement contain greenstones, whereas most of the tenement in underlain by granite. The tenement adjoins E 74/762 at its southern extents and these southern portions appear to contain northeast-trending structures parallel to those passing through the Mt Cattlin Mine.

Review of previous exploration activity to date suggests that very little historical exploration work has been completed within the tenement boundary.

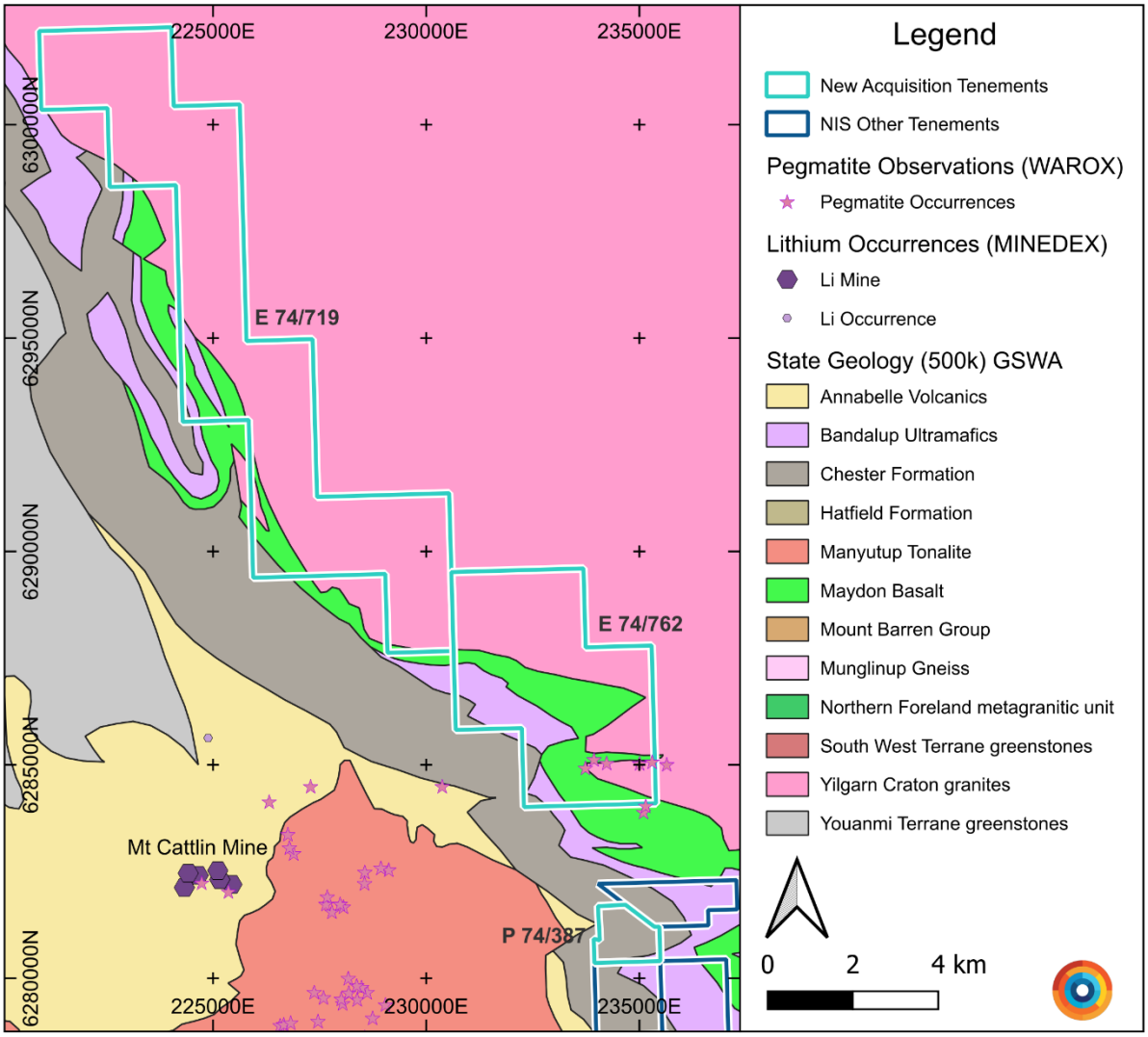



***Figure 4:*** *Geological plan of new acquisition tenements E 74/719, E 74/762, and P74/387.*

## E 74/743

E 74/763 is located approximately 25 km southwest of the Carlingup Project and 18 km from the Mt Cattlin lithium mine. Part of the tenement contains the Annabelle Volcanics geological formation which is the host geology for the mineralised pegmatites at Mt Cattlin. The remainder of the tenement is interpreted to be underlain by tonalite. The tenement has seen relatively little previous exploration work. DMIRS records indicate that soil sampling has been completed across the centre of the tenement. A review of the previous exploration data will be completed in advance of the commencement of planned activities.

## E 74/744

E 74/744 is located 21 km south-west from Carlingup and 10 km from the Mt Cattlin lithium mine. The tenement is interpreted to be mostly underlain by diorite and tonalite. Mineralised pegmatites containing lithium have been reported by Bulletin Resources approximately 3km to the west of the tenement. Previous exploration within the tenement appears to have been limited to surface sampling.

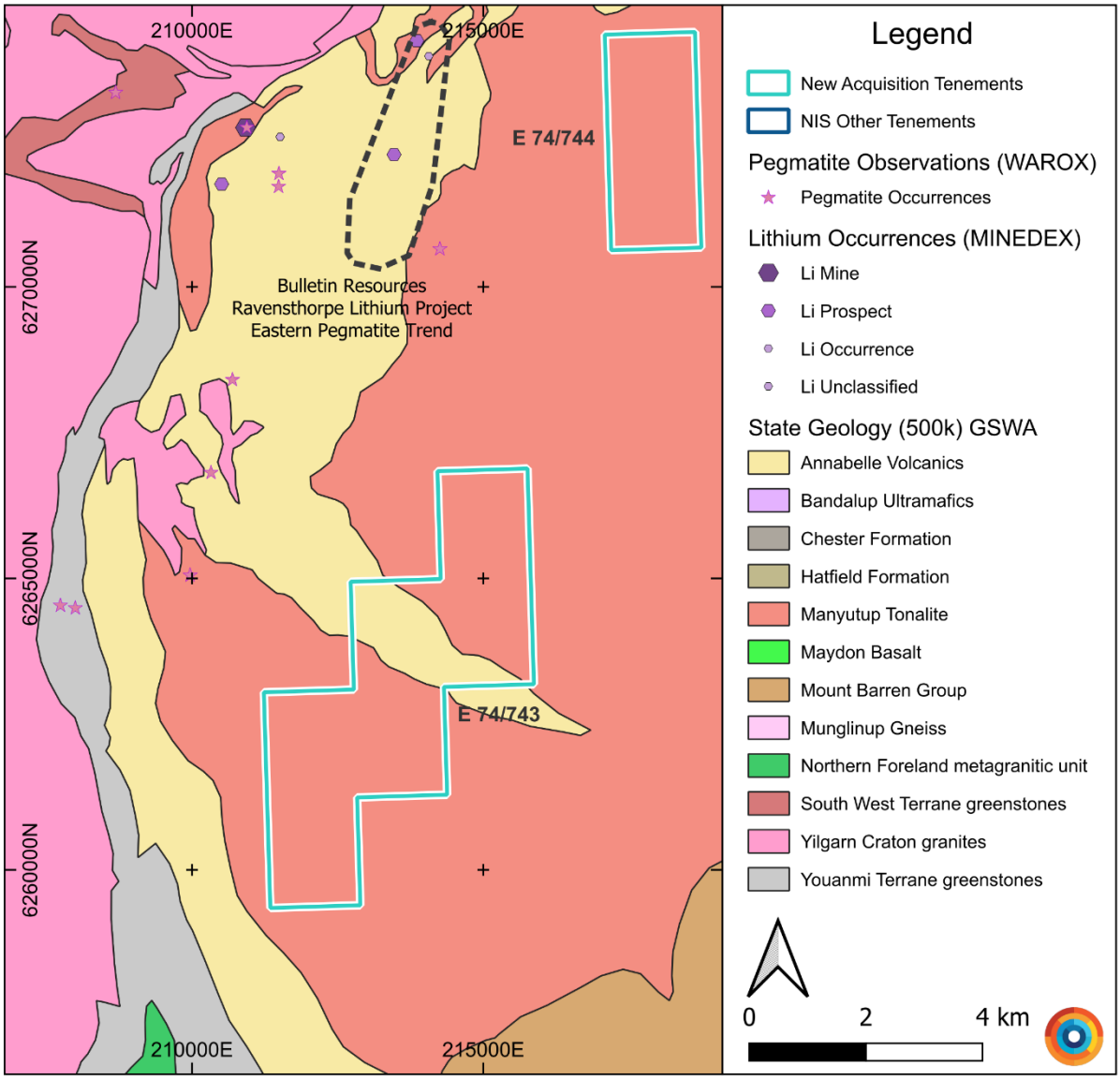



***Figure 5:*** *Geological plan of new acquisition tenements E 74/743 and E 74/744.*

## New Granted NickelSearch Tenement E 74/777

E 74/777 adjoins NickelSearch's Carlingup Project 1.6 km to the east of the quarry where high-grade lithium within spodumene-bearing pegmatites have recently been confirmed[1]. The tenement was granted on 13th October 2023 and reconnaissance mapping and sampling have already commenced within the lease.

The tenement contains structures that appear to trend from the quarry pit area northeast into the tenement. Cenozoic sands cover the northern part of the tenement, and lateritic material caps the underlying granitic gneiss in the southern portions of the tenement.

[1] NIS ASX Announcement 16 October 2023 – "Assays over 5% Lithium Oxide (Li2O) at Carlingup"

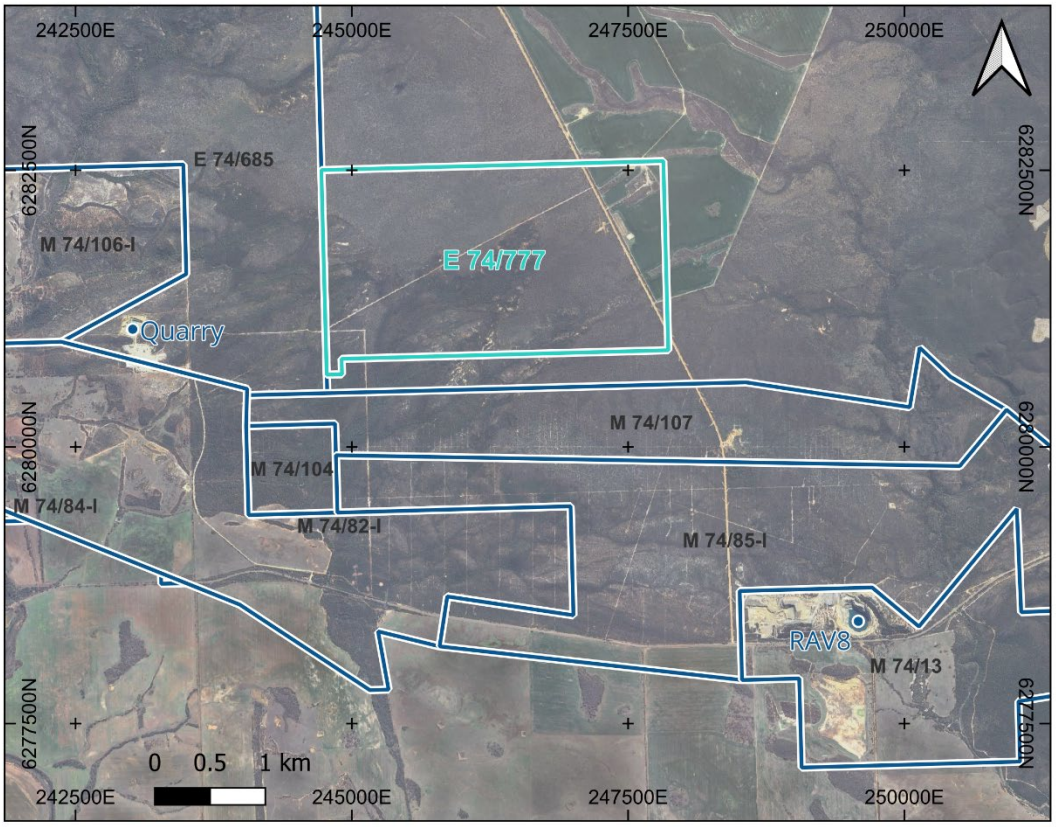



***Figure 6:*** *Position of new NIS tenement E 74/777 showing its position relative to the RAV8 Nickel Mine and the quarry where NIS recently confirmed spodumene bearing pegmatites[1].*

## Acquisition Terms

NickelSearch has entered into a Binding Agreement to acquire 100% of the issued capital of Resource Standard Pty Ltd (**Resource Standard** or the **Vendors**). Resource Standard has effective ownership of the tenements E 74/743, E 74/744 and E 74/719.

The material terms of the Agreement are as follows:

- **Upfront share consideration:** $575,000 in NIS shares issued at settlement, based on the 30-day VWAP in the shares in the lead up to the execution of the Term Sheet.
- **Deferred share consideration – Milestone 1:** $125,000 in NIS shares issued at the 30-day VWAP upon the announcement of five (5) rock chip samples greater than 1% Li2O.
- **Deferred share consideration – Milestone 2:** $125,000 in NIS shares issued at the 30-day VWAP upon the announcement of drill result of 10m @ 1.0% Li2O.
- **NSR Royalty:** the Vendor's nominee company is granted a 1.5% net smelter royalty (NSR) over lithium won from the tenements up to a limit of $10,000,000. NickelSearch may reduce the royalty to 0.75% by paying to the nominee company $2,500,000.

The deferred share consideration payments are subject to shareholder approval. If shareholder approval is not obtained or expires, NickelSearch will pay the cash amount in lieu of the shares. The Agreement otherwise contains terms and conditions customary for an agreement of this nature.

NickelSearch has also entered into an Agreement with Mining Equities Pty Ltd (**Mining Equities**) to acquire 100% interest in E 74/762 and P 74/387. Transfer of E 74/762 is subject to Ministerial consent, which will be sought immediately.

The material terms of the Agreement is as follows:

- **Upfront share consideration:** $600,000 in NIS shares issued at settlements based on the 30-dayVWAP before the announcement of the execution of this agreement; and
- **NSR Royalty:** Mining Equities are granted a 1.00% NSR royalty over lithium won from the tenements. NickelSearch may reduce the royalty to 0.50% by paying Mining Equities $5,000,000.

**This announcement has been approved for release by the Board of NickelSearch Limited.**


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## Compliance Statement:

The information in this announcement that relates to previously reported exploration results for NickelSearch has been extracted from the Company's announcement dated 16 October 2023 entitled "*Assays over 5% Lithium Oxide ($Li_2O$) at Carlingup*" which was released to ASX and is available on the Company's website at www.nickelsearch.com. NickelSearch Limited confirms that it is not aware of any new information or data that materially affects the information included in the relevant Company announcement.

## Competent Person's Statement:

The information in this announcement that relates to the geological information on new tenements acquired is based on, and fairly reflects, information compiled and conclusions derived by Mr Ian Pryor (BSc (Hons) Geology, MAIG). Mr Pryor is a full time employee of Newexco Exploration Pty Ltd, an independent industry consultancy providing geological and exploration services to NickelSearch. Mr Pryor has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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' (JORC Code 2012). Mr Pryor is a Member of the Australian Institute of Geoscientists. Mr Pryor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## About NickelSearch

**NickelSearch Limited [ASX: NIS]** is a dedicated batter metals explorer focused on advancing its flagship Carlingup Project in Western Australia. The Project has an existing mineral resource base totalling 155kt contained nickel and is strategically located in the same greenstone corridor as IGO's Forrestania nickel mining complex, and only 10km from Allkem's Mt Cattlin Lithium Mine.

**Strategic landholding only 10km from Mt Cattlin mine**

**High-grade lithium rock-chip of up to 5.19% and 4.99% $Li_2O$**

**Outcropping pegmatites on 4 high priority lithium areas**

**Technical collaboration with Allkem Limited on lithium potential**