

DRILLING UNDERWAY AT THE HIGH-GRADE NEPEAN NICKEL PROJECT

Highlights

- **3,500m** reverse-circulation (RC) drill programme has commenced at the high-grade Nepean Nickel Project in Western Australia. which historically produced **32,303t of nickel metal at an average recovered grade of 2.99%Ni**¹
 - Drilling to target a series of untested and highly prospective aeromagnetic targets to the north and south of the mine
 - Drilling will also test the extents of shallow near-mine high-grade mineralisation
 - The drill programme is the first of an aggressive schedule of drill programmes planned for Q1 across the Company's three high-grade nickel sulphide projects in WA
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Auroch Minerals Limited (**ASX:AOU**) (**Auroch** or the **Company**) is pleased to announce drilling has commenced at its high-grade Nepean Nickel Project (**Nepean**), located 25km south of Coolgardie, in Western Australia (Figure 1). The project is operated under the Company's 80:20 JV agreement with Goldfellas Pty Ltd (**Goldfellas**).

Drilling will target a series of untested highly prospective aeromagnetic targets to the north and south of the mine. These targets align with the Nepean mine stratigraphy and are thought to represent a serpentinised core or high MgO unit of the komatiitic unit. **The targets extend for over 10km of strike and each one has the potential to host significant massive nickel sulphide mineralisation.** The drill-holes at these exploration targets have been planned to intersect the ultramafic-basalt contact and to define channel geometry, fertility and the presence of any nickel sulphides.

The Nepean Nickel Project contains the historic high-grade Nepean nickel sulphide mine, which was the second producing nickel mine in Australia, producing 1,108,457t of ore between 1970 and 1987 for **32,202t of nickel metal at an average recovered grade of 2.99% Ni**.¹

An initial eight drill-holes of the 3,500m programme will also test shallow near-mine mineralisation located approximately 200m south of the historic mining operation (see Figure 1). These holes will look to define the extents of the mineralisation identified by historic high-grade intercepts which include¹:

- **3m @ 11.78% Ni from 37m** (NP084470-2)
- **3m @ 9.93% Ni from 49m** (NP084480-1)
- **4m @ 6.63% Ni from 46m** (NP084470-1)
- **6m @ 2.82% Ni from 53m** (NP084490-1).

Modern high-powered down-hole electromagnetic (**DHEM**) surveys will be undertaken on the completed drill-holes to identify any potential nearby conductive massive sulphide bodies.

Seismic Drilling Services Pty Ltd (**Seismic**) have been contracted to complete the programme having previously assisted Auroch at its wholly owned Saints Nickel Project (**Saints**). The programme is

¹ Refer to ASX Announcement – AUROCH TO ACQUIRE HIGH-GRADE NEPEAN NICKEL PROJECT
https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02307223-6A1006606?access_token=83ff96335c2d45a094df02a206a39ff4

expected to be completed within 3-4 weeks, and laboratory assay results will be reported to the market as they are received.

Auroch Managing Director Aidan Platel commented:

“We are pleased to have drilling underway at our recently-acquired high-grade Nepean Nickel Project, and are very excited by the huge potential to build on the existing nickel sulphide mineralisation as well as uncover further significant high-grade nickel sulphides.

The nickel price has continued to rise to over US\$18,000/t and many forecasts for the price of nickel have recently been upgraded as we continue to see a greater disconnect between supply and demand for nickel, and in particular for Tier 1 nickel, forecasted for the next few years.

As such, Auroch has aggressive work programmes planned for 2021 as we consolidate our existing high-grade nickel sulphide resources and move towards scoping studies, whilst at the same time continue to aggressively explore for new nickel discoveries, and we look forward to creating real value for our shareholders this year.”



Photograph 1 – Reverse Circulation drilling at the Nepean Nickel Project

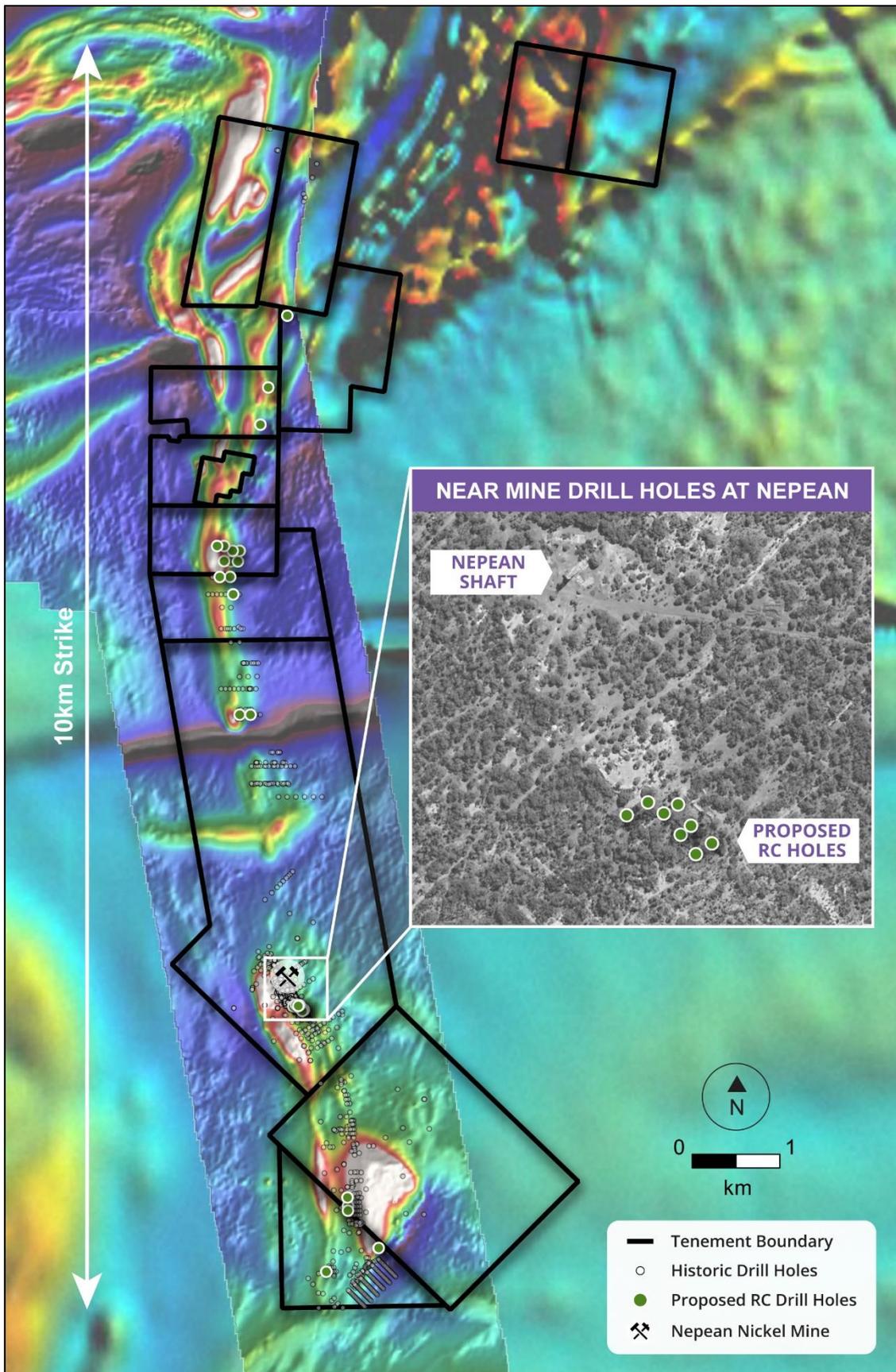


Figure 1 – Plan map of the Nepean Nickel Project showing planned and existing drill-hole collars (RC & DD) relative to aeromagnetic (RTP) highs (high-resolution aeromagnetic survey overlying GSWA 250k merged mosaic)

This announcement has been authorised by the Board of Directors of the Company.

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Competent Persons Statement

The information in this report that relates to exploration results, other than the aeromagnetic survey data contained in Figure 4, for the Nepean Nickel Project was reported by Focus Minerals Ltd to the ASX on 2 April 2008 under JORC Code 2004 (see <https://www.asx.com.au/asxpdf/20080402/pdf/318c2ckxsl90y7.pdf>). The exploration results are not reported in accordance with the JORC Code 2012 and a Competent Person (as defined in the JORC Code 2012) has not done sufficient work to classify the Exploration Results in accordance with JORC Code 2012. The information in this report that relates to Exploration Results is based on information compiled by Mr Aidan Platel and represents an accurate representation of the available data and studies for the project. Mr Platel (Member of the Australian Institute of Mining and Metallurgy) is the Company's Chief Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Platel consents to the disclosure of this information in this report in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Auroch Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Auroch Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

JORC Code, 2012 Edition, Table 1 (Nepean)

Section 1: Sampling Techniques and Data

CRITERIA	EXPLANATION	COMMENTARY
Sampling techniques	<ul style="list-style-type: none"> 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 1m samples from which 3kg was pulverised to produce a 30g 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. 	<p>Drilling</p> <ul style="list-style-type: none"> Nickel mineralisation at Nepean has been sampled from Reverse Circulation 1m chip samples & Diamond core samples. RC drilling creates 1m samples of pulverised chips, approximately 3kg's is collected in individual calico bags No diamond core samples are reported in this announcement. <p>Air Magnetic Survey Contractor: UTS Client: St Francis Mining Ltd Year: 1996 Aircraft: Fletcher Instrumentation: Cesium Vapour Sample Interval: ~5m Flightline Spacing: 50 and 100m Flight Line Direction: 068°-248°, 158°-338°, 090°-270° Tie Line Spacing: 500m and 1000m Mean Terrain Clearance: 25m Navigation: Differential GPS</p>
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Drilling by previous holders Focus Minerals is reported. The project has been held by various companies since the 1960's, with numerous phases Percussion and Diamond drilling completed. In total 830 drill holes have completed over the Nepean tenure. This is excluding any historic underground drilling Focus drilled 80 RC holes to a maximum depth of 230m, 1 Diamond drill hole was drilled by Focus, completed to a maximum depth of 188.5m
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Sample recovery assessment details not documented by previous operators Focus Minerals. Sample recovery assessment details not documented by historic operators.

CRITERIA	EXPLANATION	COMMENTARY
Logging	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Geological logging data collected to date is sufficiently detailed. At this stage detailed geotechnical logging is not required. • Geological logging is intrinsically qualitative. • Historic drill holes were geologically logged by previous operators and these data are available to Auroch Minerals.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 1m RC percussion, maximum 1m length core samples, or as close as reasonable within geological boundaries, are considered appropriate for the style of mineralisation being targeted. • Historic drill holes were logged at level of detail to ensure sufficient geological understanding to allow representative selection of sample intervals. • Sampling QAQC measures taken by previous operator and Focus minerals have not been documented. • It is assumed that Focus minerals sample sizes were appropriate for the type, style and thickness of mineralisation tested.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • 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 (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Focus Minerals – Utilise a AD02 ICP (4 Acid Digest) Ni, Cu & Co analysis performed by ALS. • It is assumed that industry standard commercial laboratory instruments were used by ALS to analyse historical drill samples from the Nepean prospect. • It is assumed that industry best practice was used by previous operators to ensure acceptable assay data accuracy and precision. Historical QAQC procedures are not recorded in available documents.

CRITERIA	EXPLANATION	COMMENTARY
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All historic drilling data including collar coordinates, hole orientation surveys, total depth, sampling intervals and lithological logging were collated from statutory annual reports and historic digital data files and verified by Auroch's Geologists. No indication of drill holes being twinned by previous workers has been observed or documented. It is assumed that industry best practice was used for collection, verification and storage of historic data. No adjustments to assay data were undertaken.
<i>Location of data points</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill collars were surveyed in GDA94/MGA Zone 51 datum by Focus Minerals. <p>Air Magnetic Survey;</p> <ul style="list-style-type: none"> Differential GPS was used during flight survey
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Typically sampled in 1-4 metre intervals, skipping intervals of no interest and increasing the frequency of sampling depending on the geology observed in diamond drill core. Drill data spacing of historic drill data is sufficient to establish the degree of geological and grade continuity appropriate for estimating an Inferred Ni Resource. <p>Air Magnetic Survey;</p> <ul style="list-style-type: none"> Flightline spacing 50-100m
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Historical drill holes were oriented, as far as reasonably practical, to intersect the centre of the targeted mineralised zone perpendicular to the interpreted strike orientation of the mineralised zone. The geometry of drill holes relative to the mineralised zones achieves unbiased sampling of this deposit type. No orientation-based sampling bias has been identified.
<i>Sample security</i>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> It is assumed that due care was taken historically with security of samples during field collection, transport and laboratory analysis.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No independent audit or review has been undertaken.

Section 2: Reporting of Exploration Results

CRITERIA	EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Nepean project consists of 2 Mining Leases and 11 prospecting leases. M15/709, M15/1809, P15/5625, P15/5629, P15/5738, P15/5740, P15/5741, P15/5742, P15/5743, P15/5749, P15/5750, P15/5963, P15/5965 All leases are held by Eastern Coolgardie Goldfields Pty Ltd (ECG), a wholly owned subsidiary of Auroch Minerals Ltd. No known royalties exist on the leases. There are no material issues with regard to access. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Significant exploration drilling has been conducted by Historic holes, Metals Exploration NL, Endeavour, St Francis Mining, Anaconda, Spinifex Nickel, Ausminex NL - Consolidated Nickel Pty Ltd. Focus Minerals held the project between 2007-2020. Data collected by these entities has been reviewed in detail by AOJ.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Nepean Project is regarded as an Archaean komatiite-hosted massive nickel sulphide deposit.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> A Drill hole location table has been included in this announcement.
Data aggregation methods	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Exploration Results were reported by using the weighted average of each sample result by it's corresponding interval length, as is industry standard practice. Grades >1% Ni are considered significant for mineralisation purposes. A lower cut-off grade of 1% Ni has been

CRITERIA	EXPLANATION	COMMENTARY
	<p>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.</p> <ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>used to report the Exploration results. Top-cuts were deemed not applicable considering the style of Ni mineralisation.</p> <ul style="list-style-type: none"> Metal equivalent values have not been used.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Most drill holes were angled to the West so that intersections are orthogonal to the orientation of mineralisation.
<i>Diagrams</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Relevant diagrams have been included within the announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All results related to mineralisation at Nepean have been reported in the Significant Intercepts Table.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No other substantive data exists.
<i>Further work</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> AOU is currently reviewing all Nepean project data to determine if further drilling is warranted. If it is determined that additional drilling is required AOU will announce such plans in due course. Refer to diagrams in the body of text.