

Multiphase hydrothermal alteration identified in Diamond Drilling at Central IOCG Target

Highlights:

- 551.4m HQ3 Diamond Drilling (Drill Hole DDHC_003) has been completed at the Central IOCG Target (E69-3850)
- Drilling aimed to test a magnetics anomaly defined in both regional magnetics and in a high-resolution drone magnetics survey completed by NMR. The target also lies above a low resistivity zone identified in a regional Magnetotelluric survey
- Initial observations show multiple styles of hydrothermal alteration overprinting regional host rocks and granites (refer to photos 1-4 below)
- Core assaying is now underway with first results expected to be reported later this quarter

Native Mineral Resources Holdings Limited (ASX: NMR), or (“NMR” the “Company”), is pleased to announce the completion of its maiden diamond drill hole at the Central IOCG target (E69-3850) located within the Company’s Helios Project in the Nullarbor region of Western Australia.

Diamond hole DDHC_003 was completed to a depth of 551.4m to test a magnetic anomaly identified in regional and drone-magnetics (refer to ASX announcement 26 October 2021).

Encouragingly, initial observations recorded by NMR’s technical team confirm the presence of hydrothermal alteration (see photos 1-5 below). The drill core is being prepared for assay and the first results are expected to be reported later this quarter.

Management Commentary

NMR’s Managing Director, Blake Cannavo, commented: “First and foremost, some amazing alteration has been intersected and we are quickly getting the drill core ready for assay and further analysis. Central is an exciting IOCG target located 110km to the south of Helios within our Nullarbor tenement package. These initial drilling results are extremely encouraging and are typically strong indicators of a larger alteration system related to possible Porphyry or IOCG mineralisation. We look forward to receiving the assays from this diamond hole as we continue to roll out our very busy pipeline of exploration activity over the coming months.”



Figure 1. Initial first-pass observation of stage 2 hydrothermal alteration of host rocks. Initial observations indicate epidote-chlorite-sericite +/- actinolite and biotite alteration. Diamond HQ drill core Central_DD003.

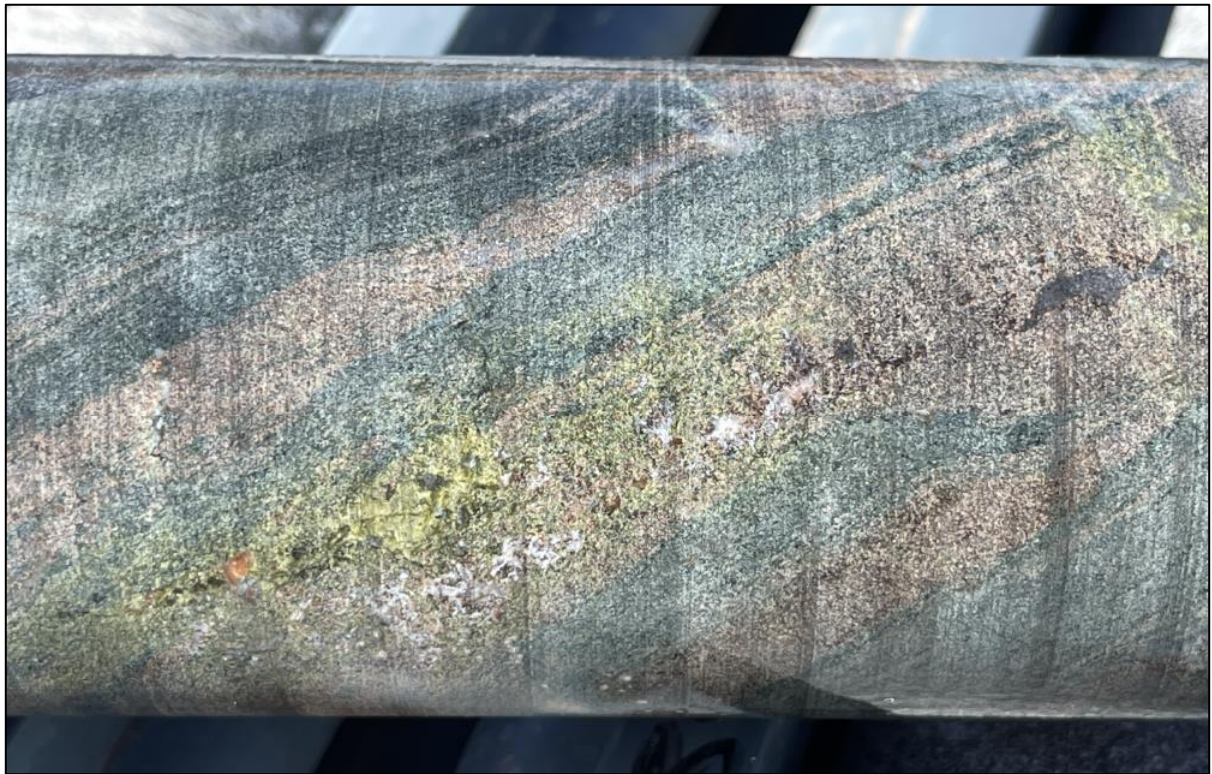


Figure 2. "Green rock" alteration of host country rocks in Central_DD003

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Figure 3. Photo showing an example of granite found in drill core from Central DDH003.



Figure 4. Photo of HQ diamond drill core CENTRAL_DD003 showing hematite staining of country rocks.

CENTRAL NULLARBOR - IOCG TARGET, WA (E69-3850)

The Central Target was discovered using the geophysical criteria that have led to the discovery of other IOCG-style deposits, particularly those in South Australia. NMR's drone-based magnetic survey has confirmed the presence of a significant anomaly – 1,200m long and 400m wide - with a relative peak of over 760nT (**Figure 5**). The high magnetic

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anomaly lies directly above a well-defined zone of low resistivity imaged in the results from the regional Magnetotelluric survey transect that passes directly along the northern boundary of the tenement.

The southern and central tenement E69/3849 and E69/3850 were acquired to enable NMR to explore two geophysical anomalies identified as potential indicators of IOCG-style mineralisation. The distinctive anomalies identified in the magnetics are within proximity to a distinctive zone of relatively low resistivity identified in a regional Magnetotelluric (MT) geophysical survey. The target on E69/3850 lies in a setting similar to the Olympic Dam Deposit which also lies above relatively low resistivity zones defined in the MT, referred to in the Olympic Dam setting as the “Fingers of God”.

Diamond Drilling preliminary results and observations

The ‘basement’ was intersected at 424.2m. First pass observations indicate a mixture of altered intrusive rocks, green- and red-altered country rocks and localised disseminated sulfides. The alteration is multiphase and varies in chemistry with each phase. Of note is the presence of hematite, epidote, sericite and chlorite alteration as well as possible actinolite and biotite alteration in parts of the core. Localised granitic rocks also exhibit potassic, hematite and magnetite alteration. Pyrite is also present. The hydrothermal overprint is multiphase and varies in composition with each phase. The core is being prepared for cutting and assaying and more detailed observations will be made with confirmation of possible mineralisation in the near future.

Further logging and analysis of the core will be undertaken in following weeks to confirm alteration styles and assays.

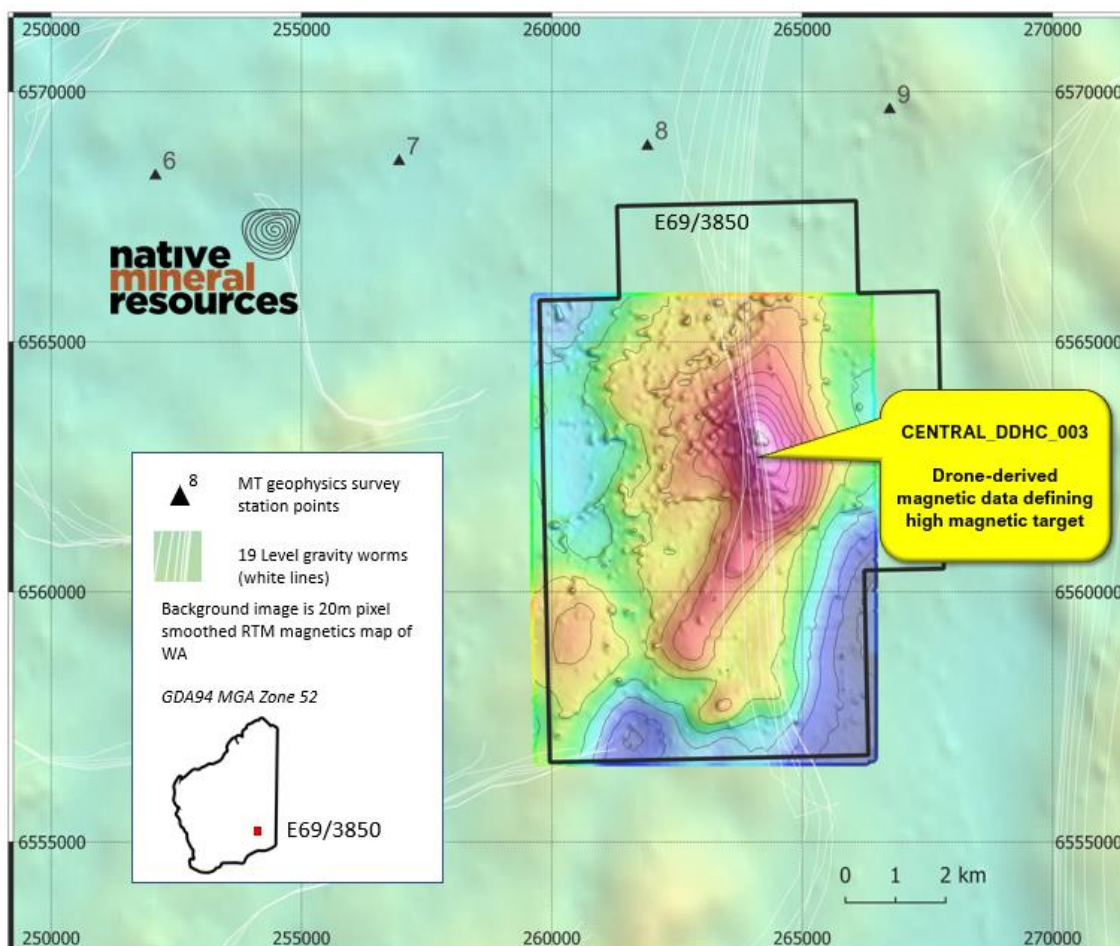


Figure 5: Drill Target DDHC_003 near the centre of the Magnetic peak from drone-mounted magnetic survey.



Figure 6: altered granite in HQ drill core from Central_DD003. The granite contains minor hematite staining, secondary biotite, pyrite and magnetite.

-Ends-

The Board of Native Mineral Resources Holdings Ltd authorised this announcement to be lodged with the ASX.

This announcement refers to information contained in previous announcements:

26th October 2021 - **Magnetic Survey Highlights Significant Anomaly at Nullarbor Iron-Oxide Copper-Gold (IOCG) Target**

7th June 2021 - **NMR expands exploration portfolio with three new tenement applications targeting copper, gold, and nickel in WA (with JORC tables)**

9th March, 2022 - **Exploration Update – Helios and Central**

For more information, please visit www.nmresources.com.au or contact:

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The information in this report relating to Exploration Results is based on information provided to Dr Simon Richards, a Competent Person who is a Member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Dr Simon Richards is a full-time employee of Native Mineral Resources. Dr Richards has sufficient experience that is relevant to the styles 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'. Dr Richards has no potential conflict of interest in accepting Competent Person responsibility for the information presented in this report and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Native Mineral Resources:

Native Mineral Resources (ASX: NMR) is an Australian publicly listed minerals exploration company established to explore for copper and gold deposits in the Palmerville region in North Queensland and for gold, Ni and IOCG deposits in the Eastern Goldfields and Nullarbor region in Western Australia.

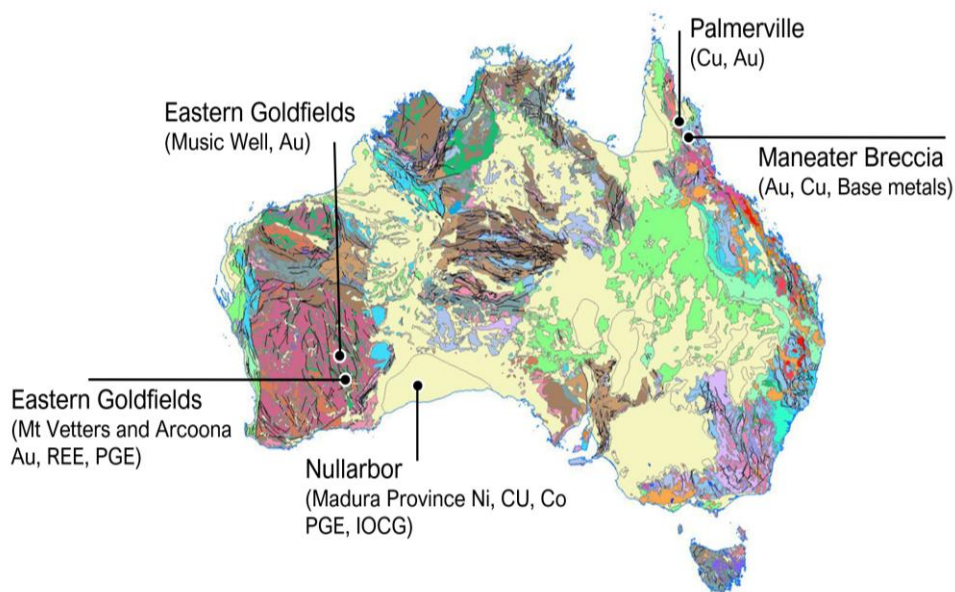


Figure 7: Native Mineral Resources' exploration portfolio focussed on Cu, Au, Ni and PGE in key geological provinces of Australia

Palmerville Project

The Palmerville Project is the Company's principal exploration asset and covers a near continuous strike length of 130km over an area of ~1,820km² centred 200km west-northwest of Cairns in North Queensland. The Project is considered prospective for the following deposit styles:

- Copper-zinc-gold volcanic massive Sulfide or vein-style mineralisation.
- Porphyry- and skarn-associated copper-zinc-gold mineralisation in Chillagoe Formation limestone-dominant strata.
- Porphyry-related copper-gold mineralisation in non-carbonate lithologies.
- Orogenic-style gold-antimony mineralisation.
- Epithermal gold mineralisation distal to porphyry intrusions
- Alluvial gold akin to the historic Palmerville Goldfield.

Exploration results released in May 2021 (see ASX release "High-grade Copper confirmed within NMR's Palmerville project" 04 May 2021)

Eastern Goldfield Project

The Yilgarn Craton is one of Australia's premier mineral provinces and host to major deposits of gold, nickel, zinc, silver, tantalum and iron ore and other commodities. Recent exploration success has discovered new gold deposits that are intrusion-related gold systems (IRGS), which has led to a greater exploration focus in areas that have received little exploration focus.

NMR has a landholding of 540km² in the Eastern Goldfields between Kalgoorlie and Leonora, in areas of prospective intrusive rocks, close to operating gold mines. The tenements are underexplored and offer opportunities to discover relatively new concepts of gold mineralisation.

Nullarbor Greenfields Ni and IOCG exploration

NMR have completed its first diamond drill hole on tenement E69/3852 announced the discovery of significant IOCG-style hematite, magnetite, sericite alteration. NMR was awarded an EIS government co-funded grant of up to \$220,000 to complete a second hole at the Helios target which will begin Q3-Q4 CY 2022.

The Central Target has been derived using the geophysical criteria that have led to the discovery of other IOCG-style deposits, particularly those in South Australia. NMR's drone-based magnetic survey has confirmed the presence of a significant anomaly – 1,200m long and 400m wide - with a relative peak of over 760nT.

JORC Code 2012 Edition -Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	Only drill core has been collected at this stage and no samples of core have been taken. No samples collected by NMR. Photographs are of representative sections of drill core only and are provided as an update to drilling activities. Announcements containing sample assays and geochemistry will accompany following ASX announcements once complete.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	The samples shown here are just a few representative sections of the drill core just recovered from Central_DDHC003. No reference has been made at this stage to mineralisation. The photos shown here are a small representative sample collection of just some of the rocks recovered in recent drilling.
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. 	No reference to mineralisation has been made at this stage. This announcement is an update with some preliminary observations only. NMR will await the results from assaying before reporting on mineralisation.
	<ul style="list-style-type: none"> 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 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 (e.g. submarine nodules) may warrant disclosure of detailed information. 	N/A
Drilling techniques	<ul style="list-style-type: none"> 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 orientated and if so by what method, etc.). 	Drilling through basement rock was diamond HQ. A multi-shot survey was completed after the EOH was reached.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	No sampling of drill core has been completed at this time and only a full suite of core photos and sections of core have been collected. The drill core is currently being prepared for sampling and assay.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of samples 	N/A
	<ul style="list-style-type: none"> 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 	N/A
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of 	Drill logs are currently being compiled and detailed analysis of rock types, including assays in progress.

	<i>detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	
	<ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.,) photography.</i> 	Logging of the drill core at this stage is preliminary only and a qualitative log will be generated. Quantitative analysis will include pXRF and assays from selected sections of interest.
	<ul style="list-style-type: none"> • <i>The total length and percentage of the relevant intersections logged.</i> 	N/A
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken</i> 	N/A
	<ul style="list-style-type: none"> • <i>If non-core, whether riffles, tube sampled, rotary split, etc., and whether sampled wet or dry</i> 	N/A
	<ul style="list-style-type: none"> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> 	Photos of the core were taken under natural light with all efforts made to show the true colours of the core for example.
	<ul style="list-style-type: none"> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> 	All sampling and assay results appear to have been completed on the same 2m intervals of drill core, therefore the relative grades can be compared across the full length of the drill core.
	<ul style="list-style-type: none"> • <i>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.</i> 	N/A
	<ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	N/A
	<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>
<ul style="list-style-type: none"> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instruments make and model, reading times, calibrations factors applied and their derivation, etc.</i> 		N/A
<ul style="list-style-type: none"> • <i>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.</i> 		N/A
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> 	N/A
	<ul style="list-style-type: none"> • <i>The use of twinned holes.</i> 	N/A
	<ul style="list-style-type: none"> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	N/A.
	<ul style="list-style-type: none"> • <i>Discuss any adjustment to assay data.</i> 	N/A
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>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.</i> 	The drill hole collar has been obtained using a handheld GPS with approximately +/- 2m position accuracy.

	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> 	In all cases, unless otherwise stated, grid references are provided in GDA94 MGA Zone 52J (Southern Hemisphere).
	<ul style="list-style-type: none"> • <i>Quality and adequacy of topographic control.</i> 	No topographic information has been provided.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> 	No new data has been obtained.
	<ul style="list-style-type: none"> • <i>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 procedures and classifications applied.</i> 	Exploration targets only. No reference to grade or resource has been provided until assays and geochemistry have been completed on the recovered drill core.
	<ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	N/A
<i>Orientation of data in relation to geological structure.</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	N/A
	<ul style="list-style-type: none"> • <i>If the relationship between drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	Drilling was completed to test a linear magnetic anomaly. The orientation of the drill hole was aimed to drill into a high magnetic section of the anomaly. The drill core was oriented oblique to the anomaly with the aim of intersecting any planar structures at an angle and avoid, for example, drilling down a structure and obtaining a representative result. Based on the results obtained so far, the complexity of structures and intrusives obtained in the drill core is such that the orientation did not generate any sample or rock-type intersection bias.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	N/A
<i>Audits and review</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	N/A

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
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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. 	Information contained within the related document is for an exploration permit E69/3850. The tenement is wholly owned and operated by NMR and is compliant in all aspects.
	<ul style="list-style-type: none"> The security of tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	The exploration permits are current and drilling was undertaken following the granting, for example of appropriate permits such as PoW.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgement and appraisal of exploration by other parties 	No other exploration has been undertaken on or near this tenement.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation 	The target deposit style is IOCG or porphyry-type mineralisation related to major crustal and deep crustal structures. A full description of the target geology has been provided in ASX announcement (26th October 2021 - Magnetic Survey Highlights Significant Anomaly at Nullarbor Iron-Oxide Copper-Gold (IOCG) Target).
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; 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 	Drill hole Central_DD003 52J 264167.485mE, 6562815.784mN Precise elevation awaiting differential survey collar pickup. Drill hole orientation is approximately 75 dips to 140 (magnetic) EOH, 551.4m
	<ul style="list-style-type: none"> 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. 	N/A
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut off grades are usually Material and should be stated. 	N/A
	<ul style="list-style-type: none"> 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. 	N/A

	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	N/A
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results 	N/A
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported 	No mineralisation or intercepts are reported here.
	<ul style="list-style-type: none"> If it is known and only the down hole lengths reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	N/A
Diagrams	<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. 	All maps are provided with grid references in meters East and South aligned with grid references in GDA94 MGA Zone 52J. Drill hole location is presented above and shown on the map in Figure 5.
Balanced Reporting	<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 	N/A
Other substantive exploration data	<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, ground water, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	N/A – Update only
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extension or depth extensions or large-scale step-out drilling). 	Drill core is being logged, pXRF at regular intervals and being prepared for cutting and samples sent for assay and geochemical analysis. No further drilling is planned at this stage until results from the current drill hole are reviewed comprehensively.
	<ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	N/A

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