Fin Resources

ASX Release
30 June 2020

Company Announcements Office
ASX Limited
By E-Lodgement

## Exploration Update and New Director Appointment

### Highlights

- **McKenzie Springs Project contains under-explored layered mafic-ultramafic intrusions, situated along strike to Panoramic Resources' Savannah Nickel-Copper Mine and in a region dominated by Independence Group Limited (IGO).**
- **1,000m of Diamond Drilling is planned to target strong Fixed Loop Electromagnetic (FLEM) conductors**
- **FLEM geophysical surveys confirmed a strike extensive conductive horizon**
- **Geophysical targets coincident with geochemical and geological anomalies**
- **Drilling statutory approvals well advanced with drilling scheduled to commence in September 2020 quarter**
- **Mr Simon Mottram joins the FIN Board as a Non-Executive Director. Mr Mottram brings significant nickel sulphide exploration experience to the Company. Mr Justin Tremain has resigned from the board.**

The Board of **Fin Resources Limited (ASX: FIN) (Fin or the Company)** is pleased to provide an update regarding the McKenzie Springs Project, which is prospective for Nickel, Copper and Platinum Group Element (PGE) mineralisation.

Fin Resources Limited has submitted a Program of Works for a 1,000m diamond drilling program at the McKenzie Springs Project with drilling planned to commence within the September 2020 quarter once approvals are received.

The McKenzie Springs Project is located within the East Kimberley region of Western Australia, 85km northeast of the township of Halls Creek and 9km along strike from the Savannah Nickel-Copper Mine.



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Modelling from a Fixed Loop Electromagnetic (FLEM) geophysical survey defined strong high priority conductors. Fin plans to drill test the high priority FLEM conductors with approximately 1,000m of diamond drilling during the September 2020 quarter, subject to statutory approvals.

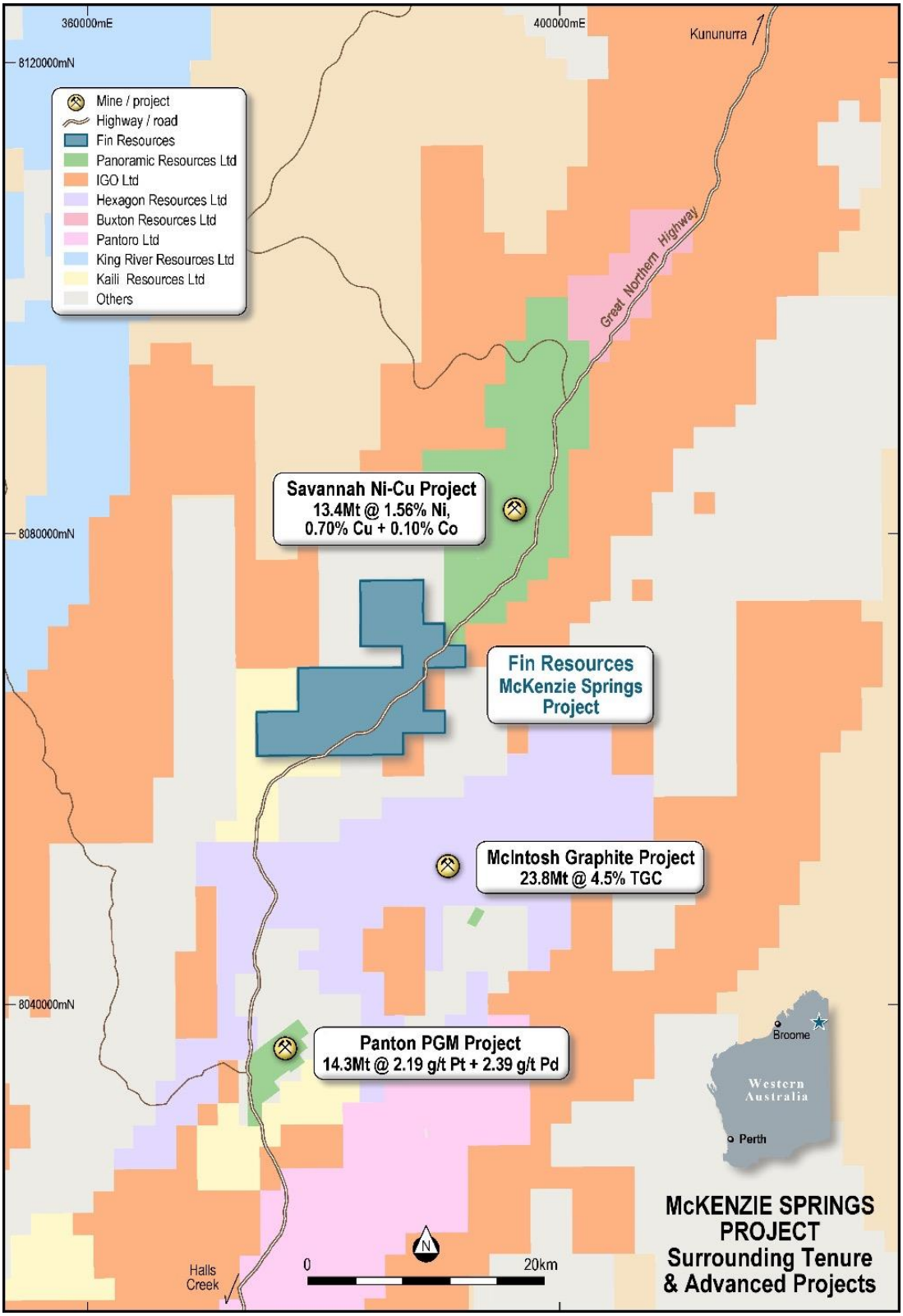


Figure 1: Fin's McKenzie Springs key position within the East Kimberley

**Background on the McKenzie Springs Target**

The McKenzie Springs Target was highlighted by a FLEM survey carried out during 2012, recently released to the public domain under the DMIRS Sunset Clause. The FLEM survey was designed and interpreted by Newexco Exploration Pty Ltd, renowned nickel consultants, on behalf of the previous tenement holder. The FLEM surveys were conducted to follow up on anomalous responses identified from Versatile Time Domain Electromagnetic (VTEM) surveys. The VTEM surveys identified a well-defined strike-extensive anomalous response over the McKenzie Springs Intrusion. The presence of the McKenzie Springs Intrusion had previously been confirmed by an airborne gravity gradiometry survey.

Three FLEM surveys were subsequently completed along the entire strike of the VTEM anomaly. The FLEM response was varied along strike of the intrusive, with the time-constant reaching values of 9ms, considered to be similar in amplitude to the Savannah orebody. There is significant variation in the response along strike, inconsistent with sediments in the area, suggesting the source is more likely to be related to mineralisation.

Modelling was undertaken independently on all lines to reveal significant variation in the conductor geometry. The source is broadly interpreted to plunge to the north, aligned with the interpreted basal contact of the intrusion. The most significant responses coincide with the proposed drilling. Plates modelled for this conductor are illustrated in Figure 2.

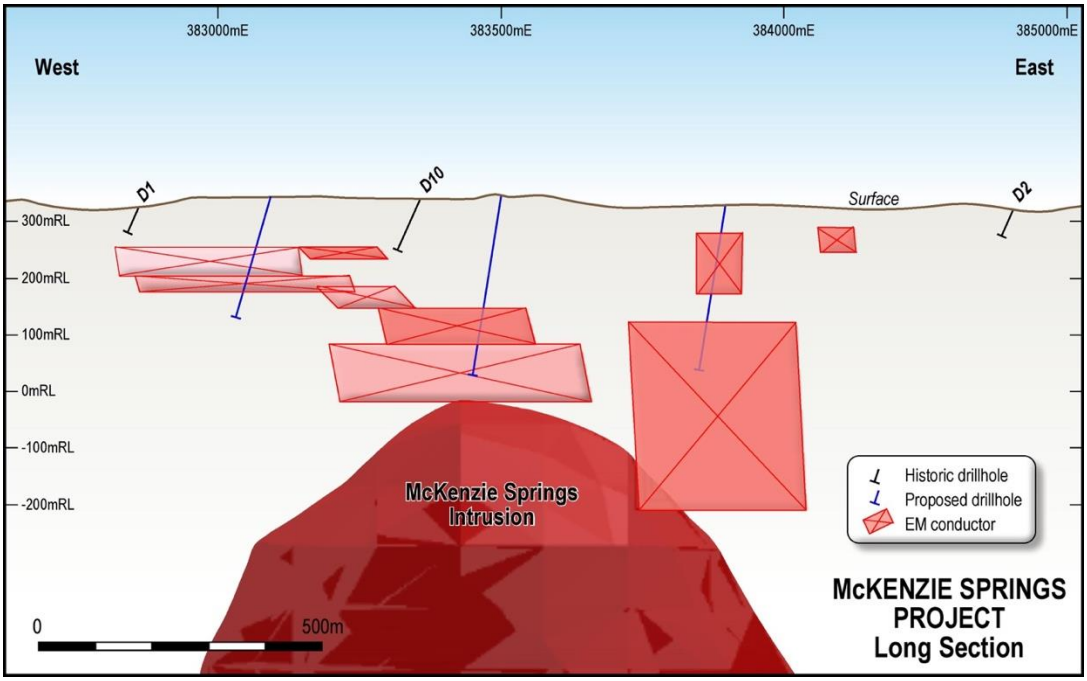


Figure 2: Interpreted model of the McKenzie Springs intrusion, FLEM plate models, existing drilling and proposed drillholes.

Three diamond drillholes were proposed by Newexco, for approxiamately 1,000m, to test three separate ground FLEM conductors at the McKenzie Springs Prospect.

The holes will test a shallow conductor, an intermediate depth conductor and a deeper conductor. The drillholes will be prioritised for downhole electromagnetic (DHEM) surveying to assist in establishing the three-dimensional geometry of the exploration target. A field trip will be completed this month in preparation for the drilling program. Fin looks forward to updating the market when the drilling program commences.

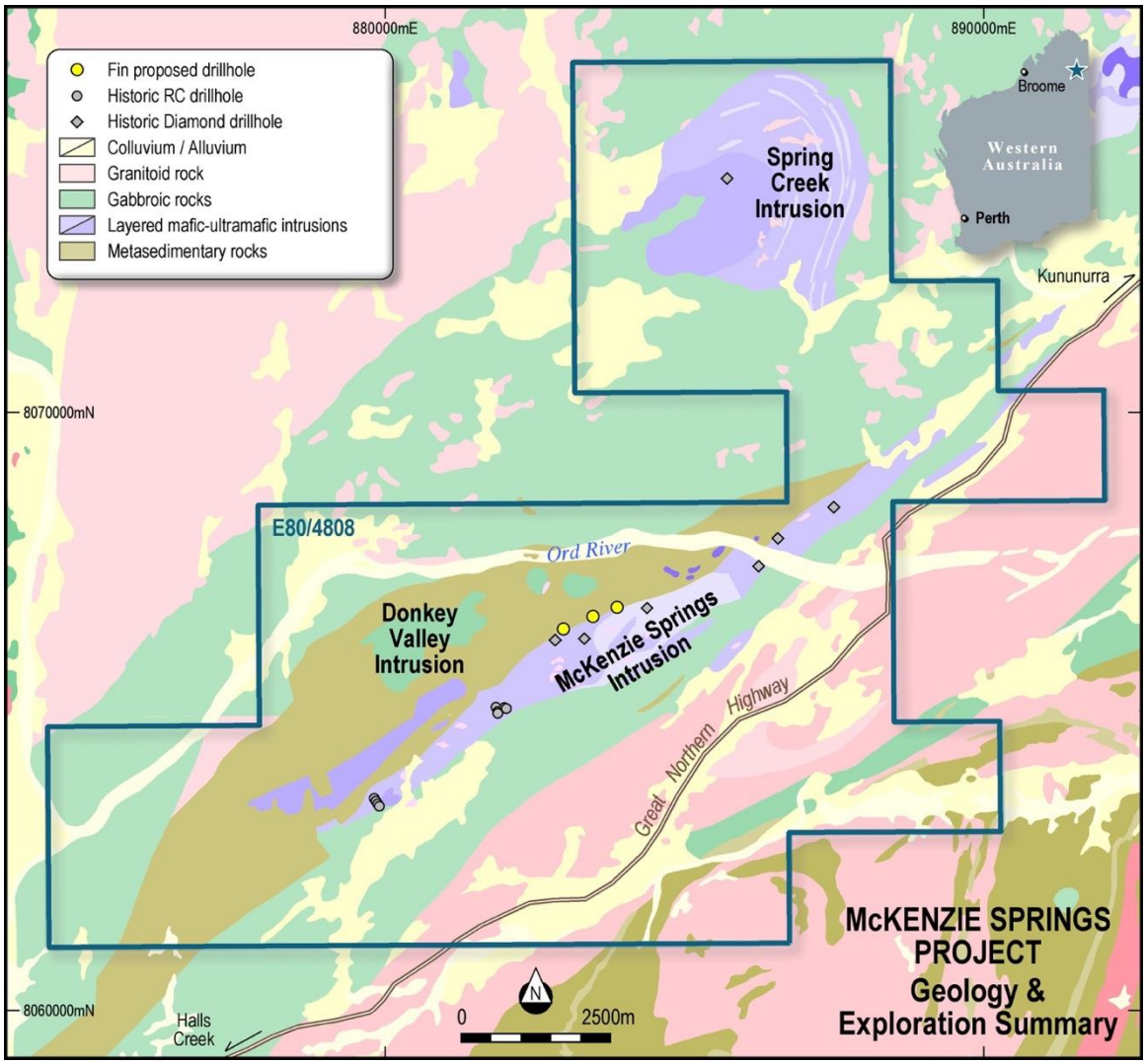


Figure 3: McKenzie Springs Project geology, existing drillholes and proposed diamond drillholes

**Board Changes**

Mr Simon Mottram joins the FIN Board as Non-Executive Director. Mr Mottram is a geologist with over 25 years' experience predominantly in base and precious metals. Mr Mottram has held both executive and senior management positions with several successful mining companies both in Australia and overseas and has seen a number of discoveries advanced through to commercial mine development and has been central to several significant exploration successes. Mr Mottram brings significant nickel exploration experience to the Company where he previously was the Country Manager for Asian Mineral Resources which ran the Ban Phuc Nickel mine in Vietnam. Mr Mottram also played a key role in the evaluation, identification and testing of targets, leading to the discovery of the Sinclair Ni deposit for Jubilee Mines NL.

Mr Mottram was part of the successful executive team that took Avanco Resources Limited from a small junior through discovery and into production, building a successful mining company with an impressive portfolio, that was subsequently purchased on market by mid-tier Australian copper producer OZ Minerals for circa $440M in 2018. Mr Mottram is also currently CEO of ASX listed Odin Metals Limited (ASX: ODM), and a Non-Executive Director of Medusa Mining Limited (ASX: MML).

Mr Justin Tremain has resigned as a Non-Executive Director of the Company in order to pursue other interests. The Board thanks Justin for his contribution over the past 2 years. He has carried out his duties with the utmost professionalism and we wish him well in his future endeavours.

**- ENDS -**

**Authorised for release by:** Jason Bontempo - Non-Executive Director

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**Competent Persons Statement**

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) and has been compiled and assessed under the supervision of Ms Felicity Repacholi-Muir, an independent consultant to the Company. Ms Felicity Repacholi-Muir is a Member of the Australian Institute of Geoscientists. She 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 JORC Code. Ms Repacholi-Muir consents to the inclusion in this announcement of that matters based on her information in the form and context in which it appears.

**ANNEXURE 1:**

**The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of the Exploration Results at the McKenzie Springs Project.**

**Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)**

| 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.* | No drilling undertaken.<br>This report covers targets generated from a fixed loop electromagnetic (FLEM) geophysical survey. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| **Drilling techniques** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).* | No drilling undertaken. |
| **Drill sample recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | No drilling undertaken. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| **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.* | No drilling undertaken. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | No drilling undertaken. |
| | *The total length and percentage of the relevant intersections logged.* | No drilling undertaken. |
| **Sub-sampling techniques and sample preparation** | *If core, whether cut or sawn and whether quarter, half or all core taken.* | No drilling undertaken. |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | No drilling undertaken. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | No drilling undertaken. |
| | *Quality control procedures adopted for all sub-* | No drilling undertaken. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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.* | No drilling undertaken. |
| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | No drilling undertaken. |
| **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.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| **Verification of sampling and assaying** | *The verification of significant intersections by either independent or alternative company personnel.* | No drilling undertaken. |
| | *The use of twinned holes.* | No drilling undertaken. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | No drilling undertaken. |
| | *Discuss any adjustment to assay data.* | No drilling undertaken. |
| **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.* | No drilling undertaken. |
| | *Specification of the grid system used.* | The grid system for the McKenzie Springs Project is Map Grid of Australia GDA 94, Zone 52. |
| | *Quality and adequacy of topographic control.* | Digital Terrain Models have been created utilising data collected from the various geophysical surveys. Geophysical survey locations are positioned using differential GPS to sub 1m accuracy. |
| **Data spacing and distribution** | *Data spacing for reporting of Exploration Results.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| | *Whether sample compositing has been applied.* | No drilling undertaken. |
| **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.* | FLEM surveys are performed by inducing an electrical current into a large transmitter (Tx) wire loop on the surface, usually laid out in a rectangular shape, producing a large EM field known as the primary EM field.<br><br>The location of the Tx loop is important and is positioned so that the primary EM field directions electrically couple with the target orientations (i.e. are not parallel to the target orientation).<br><br>The primary EM field interacts with conductive regolith and conductive bedrock bodies, which in turn create secondary EM fields that decay with respect to time. The |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | secondary EM fields produced by conductive sources in the ground are measured at each receiver station along the survey lines using a fluxgate sensor in 3 directions, or components; the vertical Z component, the X component oriented along the direction of the survey line, and the Y component oriented perpendicular to the survey line. |
| | *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.* | No drilling undertaken. |
| **Sample security** | *The measures taken to ensure sample security.* | No drilling undertaken. |
| **Audits or reviews** | *The results of any audits or reviews of sampling techniques and data.* | No audits of the geophysical survey have been completed. The survey was completed to industry standards by independent commercial contractors and consultants. |

**Section 2:** Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

| 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 McKenzie Springs Project comprises a single granted Exploration Licence (EL), namely E80/4808 covering a land area of 134km$^2$.<br><br>Fin entered into a term sheet with the current holder, Sammy Resources Pty Ltd to acquire a 51% interest in the exploration project and the right to farm-in to an additional 19% interest in the McKenzie Project.<br><br>The EL lies on the Texas Downs / Mabel Downs (PL N050285) Pastoral Lease.<br><br>The EL is within land where two Native Title claim applications for determination have been made. The Purnululu People have made the WC1994/011 Native Title Claim and the Malarngowerm People have made the WC1999/044 Native Title Claim. The Native Title claim applications currently remain active. |
| | *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.* | There are no known issues affecting the security of title or impediments to operating in the area. |
| **Exploration done by other parties** | *Acknowledgment and appraisal of exploration by other parties.* | Since the 1970s, the McKenzie Springs Intrusion has been the subject of nickel-copper exploration.<br><br>Exploration completed includes geological mapping, geochemical sampling (rock, stream and soil), ground and aerial geophysical surveys, costeaning and limited drilling (percussion, RC and diamond). |
| **Geology** | *Deposit type, geological setting and style of mineralisation.* | The East Kimberley region has proven potential for hosting magmatic nickel-copper sulphide and PGM (Platinum Group Metals) mineralisation. Two significant mineralised bodies have been discovered in this area to date within intrusive complexes of the Halls Creek Orogen. These are the *Savannah Ni-Cu Mine* and the *Panton PGM Project* owned by Panoramic Resources Ltd and are respectively 9km and 30km away from Fin's McKenzie Springs Project.<br><br>Mineralisation within Fin's McKenzie Springs tenement is associated with the basal contact of mafic-ultramafic rocks in a similar geological setting to the *Savannah Ni-Cu Mine*. Over 25 gossans have been defined at different stratigraphic levels in the intrusion through the course of exploration, some with |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | a strike length of more than 200m. |
| **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:*<br>• *easting and northing of the drill hole collar*<br>• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>• *dip and azimuth of the hole*<br>• *down hole length and interception depth*<br>• *hole length.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| **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.* | No drilling undertaken. |
| | *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.* | No drilling undertaken. |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | No drilling undertaken. |
| **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').* | No drilling undertaken. |
| **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.* | Maps and sections within the announcement provide context in relation to the EM survey. |
| **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 report is considered balanced and provided in context. |
| **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.* | All relevant exploration data is shown on figures, in text, in tables and in Annexure A. |
| **Further work** | *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>*Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | The Company plans to drill test the priority EM targets, as illustrated in relevant diagrams. |