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POSEIDON NICKEL

ASX Announcement

WINDARRA GOLD TAILINGS FEASIBILITY STUDY HIGHLIGHTS ROBUST PROJECT

23 July 2021

KEY POINTS

- Ore Reserve of 5.54-5.73Mt, subject to mining method, grading 0.84 g/t gold and 2.1 g/t silver for **approximately 150koz of contained gold and 375koz of contained silver**
- Windarra Gold Tailings could produce approximately **53.5-55.2koz gold**, subject to mining method, over a 45-month period, utilising low-cost, low-risk tailings mining methods and a conventional 1.5Mtpa modular designed processing facility
- Feasibility Study base case utilising dredging mining returns the following economic outcomes:
  - **Net operating cashflow of $30.6M, Net Present Value (NPV_8) of $21.7M and IRR of 50.6%, assuming gold price of US$1,750/oz and exchange rate of A$1.00 = US$0.75**
  - Application of the Residual Value assessment improves net operating cashflow to $36.3M, NPV_8 to $25.7M and IRR to 53.9%
  - All in sustaining cost (AISC) for the Project is A$1,393/oz
- Modest development capital cost of $25.8-$29.5M, subject to the mining method selected with a payback of 27-28 months from start of construction
- Ministerial approval received for the annual renewal of the Lancefield Licence to Treat tenure
- Environmental Approval for the Project received, conditional upon receipt of an approved Mining Proposal within six months

Poseidon Nickel (ASX: POS, "the Company") is pleased to report outcomes from the Windarra Gold Tailings Project ("the Project") Definitive Feasibility Study ("DFS").

Managing Director and CEO, Peter Harold, commented: "The results from the DFS demonstrate a robust and profitable project retreating the gold tailings at Windarra and Lancefield.

The gold tailings present a project which can generate positive cash flows to be invested into our nickel business, which is our primary focus. The tailings project would be ideal for a partnership style arrangement or an outright sale. We will be actively looking for a high quality partner to work with to bring this project into production or a party to acquire the Project so we can monetise the asset for Poseidon shareholders."

Competent Persons Statement

The information in the DFS which relates to Mineral Resources is based upon details compiled by Ian Glacken (FAusIMM - CP, FAIG, CEng), who is a Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Glacken has sufficient experience which is relevant to the style of mineralisation and the deposit under consideration, and to the activity which he is undertaking 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 (the JORC Code). Mr Glacken is taking responsibility for the quality of the resource estimation data, the collection and processing of the 2020 resource estimation data and the resource estimation and classification. Mr Glacken is a full-time employee of Optiro Pty Ltd and has more than five years' experience in the estimation of tailings resources. Mr Glacken visited the Windarra site and the Lancefield site in December 2020.

The information in the DFS report that relates to metallurgical testwork, process Opex and process plant Capex is based on information compiled and/or reviewed by Mr Rob Gobert, who is a Fellow of the Australasian Institute of Mining and Metallurgy ("FAusIMM"). Mr Gobert has sufficient experience which is relevant to the metallurgy and processing method under consideration, 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 (the JORC Code). Mr Gobert is a full-time employee of Como Engineers.

The information in the DFS report that relates to mining methods and Ore Reserve is based on information compiled and/or reviewed by Mr Peter Wade FAusIMM(CP), BEng. (Mining), who is a Fellow of the Australasian Institute of Mining and Metallurgy ("FAusIMM"). Mr Wade has sufficient experience which is relevant to the mining methods and modifying factors under consideration, 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 (the JORC Code). Mr Wade is a full-time employee of Black Mountain Metals Pty Ltd. Mr Wade consents to the inclusion in this report of the matters based on his information in the form and context, which it appears.

Cautionary Statement

The information contained in this announcement that relates to the Feasibility Statement is extracted from the report entitled 'Windarra Gold Tailings Project DFS' dated 30 June 2021.

The Feasibility Study has been prepared and reported in accordance with the requirements of the JORC Code (2012) and relevant ASX Listing Rules. The primary purpose of the Feasibility Study is to establish the economic viability of the Windarra Gold Tailings Project ('Windarra') inclusive of the Lancefield Mineral Resource (Lancefield) within the production profile, as a combined project (the Project). The Feasibility Study level of accuracy is estimated to be [±15%].

The Company has concluded it has a reasonable basis for providing any of the forward-looking statements included in this announcement and believes that it has a reasonable basis to expect that it will be able to fund its stated objectives for the Project. All material assumptions on which the forecast financial information is based are set out in the announcement.

Forward Looking Statements

Some of the statements contained in this report are forward looking statements. Forward looking statements include, but are not limited to, statements concerning estimates of tonnages, expected costs, statements relating to the continued advancement of Poseidon's project and other statements that are not historical facts. When used in this report, and on other published information of Poseidon, the words such as 'aim', 'could', 'estimate', 'expect', 'intend', 'may', 'potential', 'should' and similar expressions are forward looking statements.

Although Poseidon believes that the expectations reflected in the forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that the actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements including the potential that the Project may experience technical, geological, metallurgical and mechanical problems, changes in gold and nickel price and other risks not anticipated by Poseidon. Poseidon considers that this summary of the study is presented in a fair and balanced way and believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any mining of mineralised material, modifying factors, production targets and operating cost estimates. This announcement has been compiled by Poseidon from the information provided by the various contributors to the announcement.

DEFINITIVE FEASIBILITY STUDY SUMMARY

1. Background

Poseidon is considering development of the Windarra Gold Tailings Project, which comprises the Windarra Gold Tailings Mineral Resource contained within the North and South tailings dams (Windarra) and the Lancefield Gold Tailings Mineral Resource contained on License To Treat (LTT) tenement 700-3709 (Lancefield). The Mineral Resource comprises 4.75 Mt at the Windarra North and South dams at an average grade of 0.73 g/t gold and 1.21 Mt at Lancefield at an average grade of 1.27 g/t gold, all classified as Indicated resources. There is a total of approximately 161,000 ounces of gold contained within the Project Mineral Resource at Indicated classification. The Project also has access to an additional 0.38 Mt at an average grade of 1.20 g/t gold at Lancefield currently classified as an Inferred resource. With additional resource definition drilling it is considered likely this material would be reclassified to an Indicated resource also.

A Definitive Feasibility Study (DFS) has been prepared with the assistance from several well recognised and independent mining consultants and contractors that assisted to establish the resource and reserve estimates, design the process plant and infrastructure, complete the metallurgical testwork, mining design and associated cost estimates, finalise the environmental assessment and prepare the submissions for the regulatory approvals. The financial evaluation presented in the DFS was completed by Poseidon using inputs from the various consultants, contractors and competent persons.

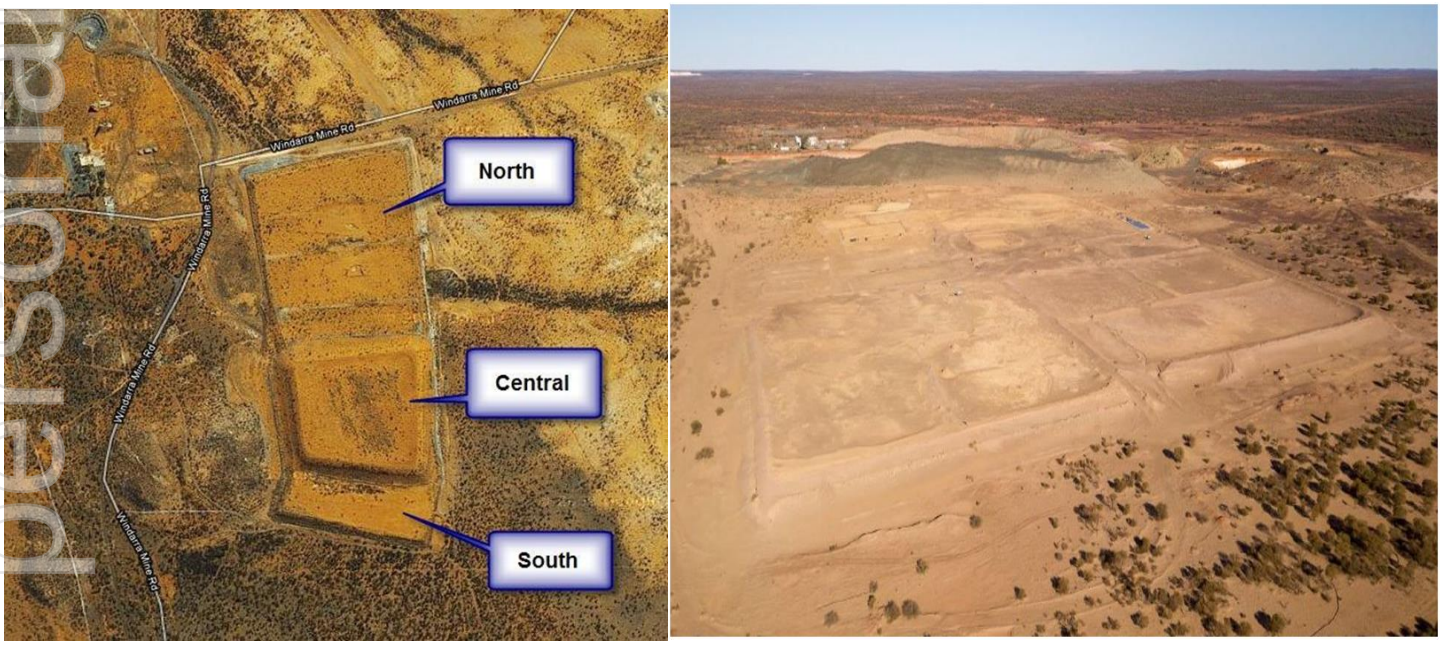

Figure 1.1 and 1.2: Configuration of the Tailings Dams at Windarra (left) and Aerial View of Lancefield Gold Tailings (right foreground)

Poseidon has previously released key outcomes from the Pre-Feasibility Study (PFS) on the Windarra Gold Tailings Project (refer ASX Announcement 22 June 2020). In August 2020, Poseidon purchased an option to acquire the right to treat Lancefield from Svenson Nominees Pty Ltd (refer Poseidon ASX Announcement 17 August 2020).

The DFS builds on the work performed during the PFS phase in addition to incorporating the Lancefield Mineral Resource within the production profile. The DFS applied proven gold leaching technology and investigated two mining options to reclaim the gold tailings at Windarra, being hydraulic mining and amphibious dredging. Both mining options were confirmed to be technically viable and both presented similar positive project economics.

A number of optimization scenarios were considered in the DFS and modelled to assess the incremental value improvement to the base case position. The scenarios included:

- a residual value assessment of the modular processing plant;
- inclusion of the Lancefield Inferred resources; and
- recognition of the potential for a 9.5% uplift to the resource grade for Windarra, based on application of metallurgical accounting statistics available from Western Mining Corporation (WMC) reports.

The key outputs from the scenarios modelled are attractive in terms of the potential improvement to the Project's base case valuation. The residual value case modelled would require Poseidon to identify a suitable project development partner who could redeploy the modular gold tailings processing plant to another project.

2. Project Description and Location

The Project is located on the Poseidon Nickel Agreement Act, 1971, State Agreement Lease ML261SA, situated in the Eastern Goldfields region of Western Australia, approximately 20 km north-west of the town of Laverton and 260 km north north-east of Kalgoorlie (Figure 2.1).

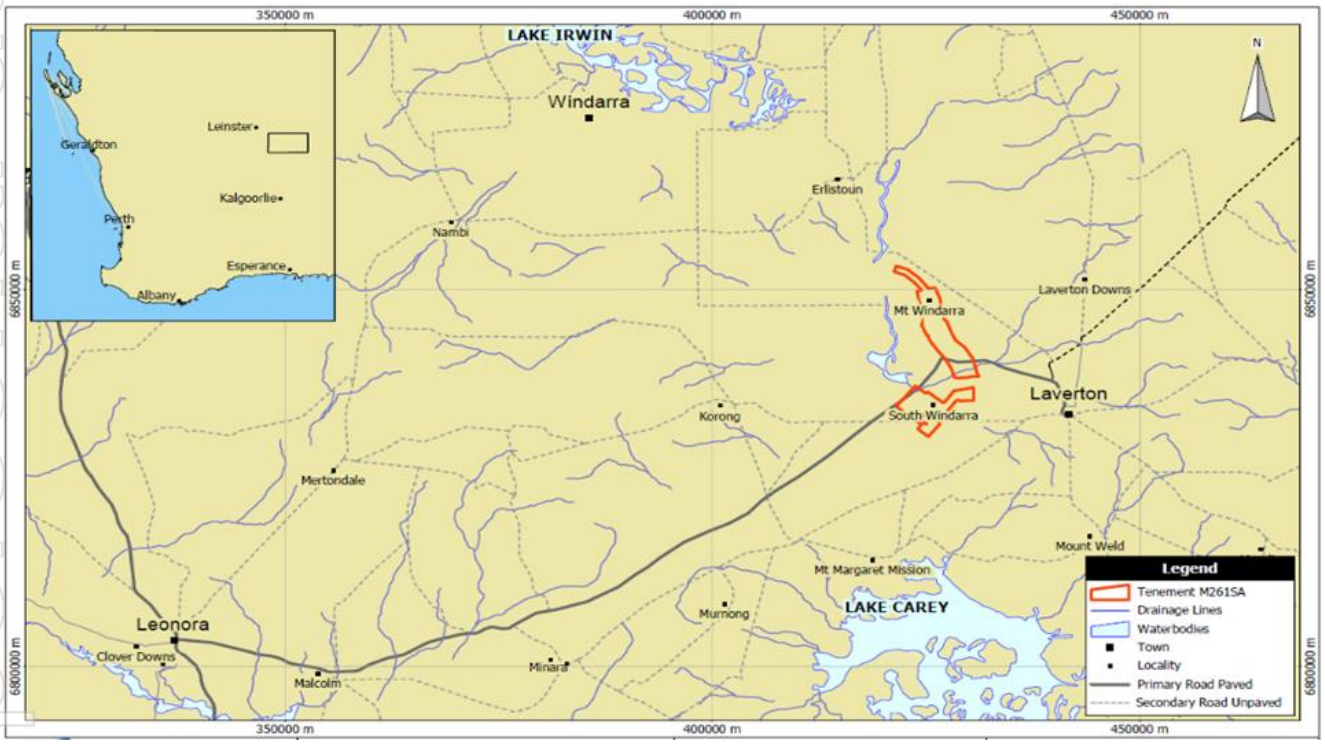

Figure 2.1 Windarra Location Plan

Poseidon is considering the development and construction of the Project to allow retreatment of historic gold tailings and the establishment of the South Windarra Pit as the location for disposal of the reprocessed final tailings. The South Windarra Pit is also the location of the source of water supply for mining and processing.

The proposed development will comprise the following:

- Reclamation of gold tailings from the North and South dam of the decommissioned Windarra TSF by hydraulic mining methods for processing, including the introduction of the Lancefield gold tailings via mechanical mining and haulage (via road train) from Lancefield to Windarra.
- Construction and operation of a 1.5 Mt per annum gold processing plant for recovery of gold and silver and production of dore' on site.
- Development of a Tailings Storage Facility (TSF) within the disused South Windarra Pit, located approximately 13.5 km south of the Windarra site.

- Construction of a 17 km tailings pipeline and water return pipeline from the process plant for transfer of processed tailings to the western side of the South Windarra Pit and return of process water from the eastern side of the South Windarra Pit to the process plant.

Lancefield is located approximately 17 km south-east of Mount Windarra and about 8 km north-northwest of the town of Laverton. Access to the Lancefield area will be via established roads, either using the unsealed Erlistoun Road or the sealed Laverton-Leonora Highway (Figure 2.2). For the preferred Lancefield site access option, a 750m unsealed road is proposed to be constructed to intersect Lancefield with Erlistoun Road.

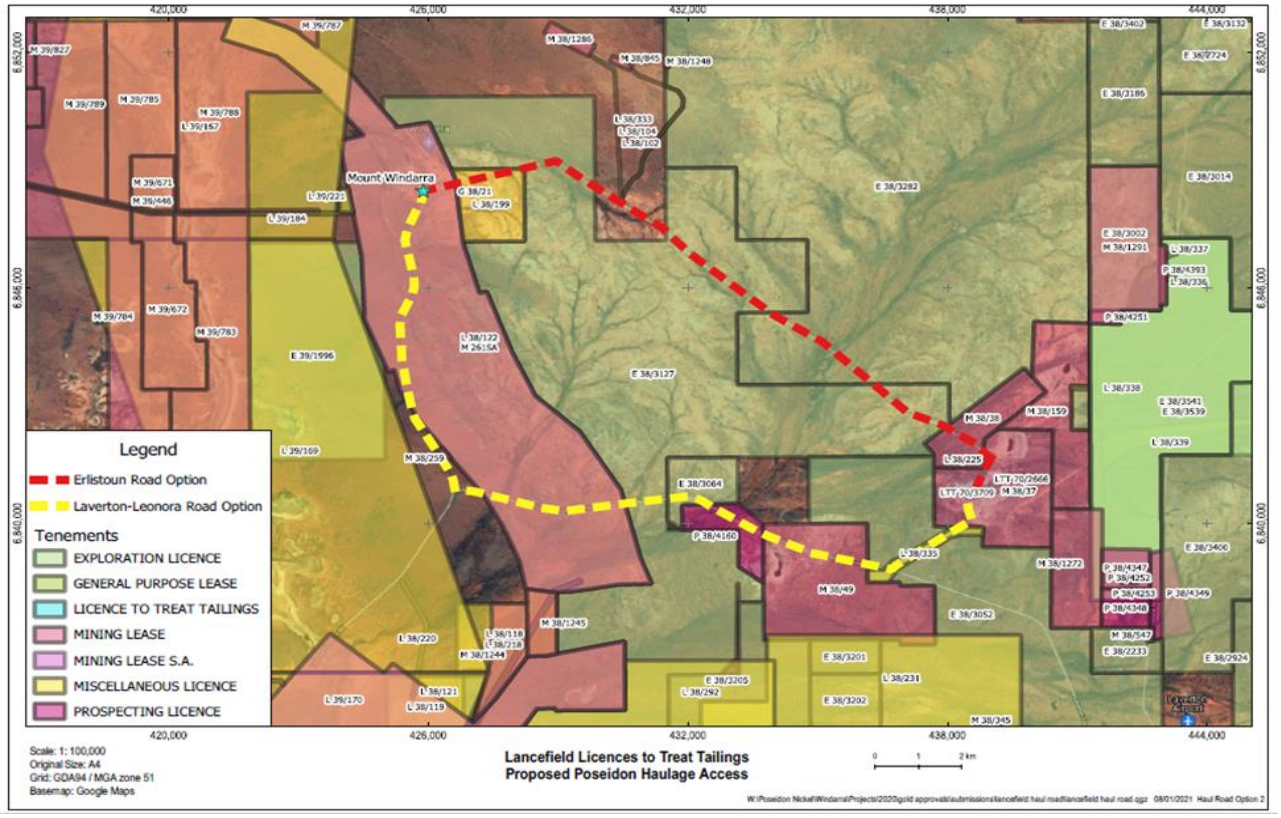

Figure 2.2 Lancefield Location Plan

Production is expected to begin at Lancefield which will be conventionally mined using a front-end loader over a 9-month period. The Lancefield tailings will be hauled using triple (or quad) road trains to Windarra for processing. Subject to the mining method option selected, the Lancefield tailings will either be side-tipped into a raised landform excavated trench (Hydraulic Mining option) or side-cast atop of the northern perimeter wall of the Windarra North dam (Amphibious Dredging option). The tailings will then be pumped to a conventional 1.5 Mt per annum Carbon-In-Pulp (CIP) gold processing plant to recover the gold and silver.

Once mining of the Lancefield tailings is complete, the Windarra North and South dams will be reclaimed over a 36-month period and pumped to the CIP gold processing plant. The reprocessed tailings would be pumped through a pipeline approximately 17 km long and deposited into the disused South Windarra Pit. The South Windarra Pit contains over 23 Mm^3 of saline water that will be utilised as the main water supply for the Project.

Final tailings storage is proposed to be within the disused South Windarra Pit. Detailed solute transport and geochemical modelling completed over the 45-month operating phase (and 100-year post-closure) concluded the water level of the South Windarra Pit Lake is unlikely to exceed the ambient groundwater level and it will remain a 'groundwater sink'. Consequently, the risk of the lake forming a flow-through system or aquifer recharge source is low. The detailed modelling confirmed the pit lake is unlikely to overtop in response to expected or extreme weather events. The already saline pit lake is predicted to become hypersaline by the end of the Project,

with salinity increasing from the current seawater composition (38,000 mg/L TDS) to over 124,000 mg/L 100-years post-closure. As a permanent 'groundwater sink' with low probability of overtopping, few potential source-pathway-receptor linkages will likely exist post-closure (e.g., not impacting groundwater dependent ecosystems). The increasingly saline water will be unsuitable as a drinking water source for fauna and would be unlikely to support abundant aquatic life. The predicted pit lake both during operation of the Project and post-closure is considered to present a low risk to sensitive environmental receptors. Therefore, the South Windarra Pit Lake is suitable to utilise as the final TSF for the Project.

3. Local Infrastructure

The Project will make use of some existing infrastructure established by the original WMC operations, and in some cases historical infrastructure refurbished or upgraded by Poseidon to support exploration and resource definition programs, including:

- A "raw" water supply borefield including a currently equipped and operational bore.
- An existing water tank on Mount Windarra will be used to store water from the borefield and supply it to the plant by gravity feed. An adjacent, larger existing water tank (2,200 kL) on Mount Windarra will be used to store reserve process water for plant clean-down and tailings line flushing.
- An 8 km sealed access road from the Leonora-Laverton Road to Mount Windarra, and a 3 km unsealed access road from the Leonora-Laverton Road to South Windarra, with a number of other minor internal site roads for access to the Mount Windarra tailings dams, borefields, and other infrastructure.
- An administration complex with offices, communications, ablutions laundry, kitchen, and dining room, and adjacent accommodation facility, presently incorporating 16 single bedroom de-mountable units; Poseidon intends to supplement this accommodation with another 16 units.

In addition, there is a decommissioned site airstrip which has an unsealed surface.

Poseidon intends to use either the public Erlistoun Road or Laverton-Leonora Road to haul tailings from Lancefield to Mount Windarra. The regional airport located at Laverton is proposed to be utilized to support the workforce during the construction and operation phases. Laverton also has existing commercial accommodation that may be utilized as a source of overflow accommodation during peak periods.

4. Project History

Nickel was first discovered at Mount Windarra in 1969 by Poseidon NL, inciting a famous nickel boom on the Australian and London Stock Exchanges. Development of the Windarra Nickel Project (WNP), comprising an underground mine and concentrator at Mount Windarra, commenced in 1971. In 1974, operation of a second nickel mine (open pit and underground mine) commenced at South Windarra, 13.5km south of Mount Windarra. Nickel concentrate production commenced at Mount Windarra in 1974, with the product transported to the WMC smelter at Kalgoorlie. In 1981, an additional processing plant was constructed to recover gold from the Lancefield satellite orebody, located approximately 17km by road south-east of the mine.

Between 1974 and 1993, approximately 8.8 Mt of nickel ore was treated at an average head grade of 1.55% nickel from a combination of Mt Windarra, South Windarra and Leinster nickel mines producing over 1.04 Mt of nickel concentrate containing over 103,000 tonnes of nickel metal at a recovery of 75.3%. The nickel tailings were deposited into the Central dam at the Windarra TSF.

Between 1981 and 1994, approximately 5.1 Mt of gold ore was treated at an average head grade of 5.1 g/t gold producing over 700,000 ounces of gold at a recovery of 84.2%. The gold tailings were isolated from the nickel tailings and deposited initially in the South dam and then the North dam from 1988. The North dam contains approximately 80% of the gold tailings tonnage. A minor proportion of gold tailings was deposited on top of the Central dam to assist with capping the nickel tailings prior to rehabilitation of the Central dam.

Mining at Mount Windarra ceased in 1990 and at South Windarra in 1991 due to low nickel prices when the economically viable reserves at the time were depleted. Processing of nickel sulphide ores from Leinster continued at Mount Windarra until 1993 and processing of gold ore continued until 1994. WMC carried out closure and rehabilitation activities at the site between 1994 and 1998.

In 2006, Poseidon (then Niagara Mining) purchased the WNP assets from WMC and entered into a Deed of Covenant with the State of Western Australia. This deed transferred the rights and obligations of the Poseidon Nickel Agreement Act, 1971 to Poseidon, subject to several additional obligations.

5. Environmental Permitting Legal and Compliance

The scope to retreat the Windarra gold tailings and to deposit the final tailings into the South Windarra Pit Lake was originally assessed and approved in 2012 by the Department of Water and Environmental Regulation (DWER). The Works Approval (W5180) was part of a combined gold retreatment and nickel processing project (Windarra Nickel Project). W5180 was granted by DWER for the Windarra Nickel Project in 2012, received a five-year extension in 2017 and was granted a further three-year extension in May 2020.

In August 2020, Poseidon purchased an option to acquire the right to treat Lancefield from Svenson Nominees Pty Ltd (refer Poseidon ASX Announcement 17 August 2020). The Lancefield tenure is renewed on an annual basis by the Minister for Mines, Petroleum, Energy and Industrial Relations. Poseidon is working with the Department of Mines, Industry Regulation and Safety (DMIRS); the Department of Jobs, Tourism, Science and Innovation (DJTSI), and DWER to seek the Minister's renewal of the Lancefield tenure beyond the current expiry date.

In September 2020, DWER requested Poseidon to submit for assessment an amendment to W5180 based on Poseidon's proposed inclusion of Lancefield within the production profile. Poseidon submitted the amendment application to DWER in December 2020. The amendment to W5180 included the gold tailings located on Lancefield LTT 700-3709 within the production profile for the Project.

On 28 May 2021, Poseidon received a notification from DWER confirming its intension to grant the Works Approval for the Project inclusive of Lancefield, subject to DWER receiving within six months confirmation of an approved Mining Proposal from DMIRS. DWER's assessment and notification of the intension to grant the Works Approval was based on the Hydraulic Mining option. DWER is assessing the Amphibious Dredging alternative mining option within the current scope of W5180.

In June 2021, the WA government lead agency for State Agreement projects (DJTSI), advised Poseidon that the Ministers Office should receive the necessary Cabinet Papers by the end of June with the aim of introducing the Windarra Nickel State Agreement Termination Bill in the September 2021 sitting of parliament. The Bill is considered to be non-controversial and Poseidon anticipate the Bill to be passed in due course. Therefore, Poseidon believes it has reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the DFS.

The following summarises the current status of the Project approvals:

- The amendment to Works Approval W5180 is conditionally approved by DWER.
- The Mining Proposal was resubmitted to DMIRS in May 2021 and is in the final stages of assessment.
- The Windarra Nickel Project Termination Agreement is finalised and will be executed between Poseidon and the State at the appropriate time.
- The State Agreement Termination Bill will be introduced into the Parliament's September sitting.

On 1 July 2021, the Minister approved renewal of the Lancefield LTTs.

6. Resource Estimate

The original resource estimate covering the gold tailings contained within the Windarra North and South dams was completed by CSA Global Pty Ltd (CSA Global) in January 2010 as part of a pre-feasibility study compiled by Triton Gold Limited. In 2011, Poseidon engaged Optiro Pty Ltd (Optiro) to assess the resource database and complete another independent resource estimate. The Optiro resource estimate was based on the same data as the CSA Global estimate, comprised no new data and was finalised in October 2011. The Optiro estimate concluded a similar outcome to the CSA Global estimate in terms of the quantum of resource tonnage, gold grade and contained gold metal.

In April 2020, Poseidon engaged Optiro to update the Windarra resource estimate to comply with JORC 2012 guidelines (refer Poseidon ASX Announcement 22 June 2020). Optiro updated the Windarra resource estimate for the DFS in December 2020, to include the tonnage of tailings contained within the North and South dam embankment walls that was demonstrated by additional drilling completed in October 2020. The update increased the Windarra resource estimate marginally (was not material and not disclosed).

In September 2020, Optiro was engaged to supervise the resource confirmation drilling program at Lancefield and estimate the Lancefield gold tailings resource. The Lancefield drilling program was completed between October to November 2020. The Lancefield estimate was finalised in December 2020 (refer Poseidon ASX Announcement 21 December 2020).

Table 6-1 and Table 6-2 summarise the Mineral Resource for Windarra and Lancefield respectively.

Classification Indicated	Windarra Gold Tailings North / South Dams Mineral Resource - JORC 2012						
	Tonnes (t)	Au (g/t)	Au (oz)	Ag (ppm)	As (ppm)	Cu (ppm)	Ni (ppm)
North dam	3,902,000	0.78	98,000	1.9	1,805	365	975
South dam	850,000	0.50	14,000	0.6	645	355	2,533
Total	**4,752,000**	**0.73**	**112,000**	**1.7**	**1,600**	**363**	**1,250**

Table 6-1 Windarra Mineral Resource

Classification	Lancefield Gold Tailings Mineral Resource - JORC 2012						
	Tonnes (t)	Au (g/t)	Au (oz)	Ag (ppm)	As (ppm)	Cu (ppm)	Ni (ppm)
Indicated	1,210,084	1.27	49,278	3.61	2,789	314	70
Inferred	337,964	1.20	13,063	3.48	2,951	269	57
Total	**1,548,048**	**1.23**	**62,341**	**3.58**	**2,824**	**304**	**67**

Table 6-2 Lancefield Mineral Resource

Table 6-3 summarises the Project Mineral Resource (Indicated category) applied in the DFS.

Tailings Source	Project Mineral Resource Base - JORC 2012						
	Classification	In-situ Density (t/m^3)	Tonnes (t)	Gold (ppm)	Gold (oz)	Silver (ppm)	Silver (oz)
Windarra North	Indicated	1.60	3,902,000	0.78	98,000	1.94	243,377
Windarra South	Indicated	1.60	850,000	0.50	14,000	0.57	15,577
Lancefield	Indicated	1.75	1,210,084	1.27	49,278	3.61	140,447
Total	**Indicated**	**-**	**5,962,084**	**0.84**	**161,278**	**2.10**	**399,401**

Table 6-3 Project Mineral Resource

7. Ore Reserve

Mineral Reserve estimates have been classified in accordance and to be compliant with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). Indicated Resources have been converted to Probable Ore Reserves. No Measured material was contained in the Resource. The Inferred material contained within the Lancefield mining inventory has been treated as unmined for base case economic modelling but has been included in the economic modelling scenario analysis.

The metallurgical recovery applied to the Ore Reserves is based on comprehensive metallurgical testwork and processing recovery data analysis completed in 2020 and 2021, which supports a large body of historical metallurgical testwork.

The Project Mineral Reserve summary is presented in Table 7-1.

Tailings Source	Project Mineral Reserve - JORC 2012					
	Classification	Ore (tonnes)	Gold (ppm)	Gold (oz)	Silver (ppm)	Silver (oz)
Windarra North	Probable	3,618,551	0.78	91,185	1.94	226,036
Windarra South	Probable	775,479	0.50	12,455	0.57	14,318
Total	**Probable**	**4,394,030**	**0.73**	**103,640**	**1.70**	**240,354**
Lancefield	Probable	1,150,038	1.27	46,833	3.61	133,527
Total	**Probable**	**5,544,068**	**0.84**	**150,473**	**2.10**	**373,881**

Table 7-1 Project Mineral Reserve

The combined Ore Reserve estimate for the Project as at June 2021 is 5,544,068 tonnes of ore grading 0.84g/t gold and 2.10g/t silver for a total of 150,473 oz of contained gold and 373,881 oz of contained silver.

Table 7-2 summarises the Mineral Resource conversion to the Ore Reserve for the Project. Overall, 93.3% of the Project Mineral Resources have been converted to Project Ore Reserves. The Inferred resources available at Lancefield were not included in the calculation. The Lancefield Inferred resource tonnage represents upside.

Source	Resource		Reserve		Resource to Reserve	
	Ore (t)	Au (oz)	Ore (t)	Au (oz)	Ore (t)	Au (oz)
Windarra North	3,902,000	98,000	3,618,551	91,185	92.7%	93.1%
Windarra South	850,000	14,000	775,479	12,455	91.2%	89.0%
Lancefield	1,210,084	49,278	1,150.038	46,833	95.0%	95.0%
Total	**5,962,084**	**161,278**	**5,544,068**	**150,473**	**93.0%**	**93.3%**

Table 7-2 Resource to Reserve Conversion

Operating data was sourced from WMC archives indicating the tonnage and grade of gold tailings placed between 1981 and 1994. This indicated that based on the metallurgical accounting, the combined Windarra dams contained 5.1Mt at 0.80 g/t gold for 120,000 oz. Refer to Figure 7-1.

PRODUCTION		1981/82	1982/83	1983/84	1984/85	1985/86	1986/87	1987/88	1988/89	1989/90	1990/91	1991/92	1992/93	1993/94	1994/95	Life of Project
Lancefield Underground																
Mill Throughput	tonnes		93,315	172,419	138,169	127,430	173,242	158,701	305,020	550,646	492,570	422,860	309,448	363,384	73,650	3,380,854
	g/t		6.20	6.14	6.41	6.50	6.41	5.78	5.81	6.09	5.81	6.00	5.84	6.04	7.00	6.02
	ozs.		18,600.9	34,036.4	28,493.2	26,630.3	35,702.8	29,491.6	55,015.1	107,815.3	92,010.0	81,571.5	58,123.3	70,509.0	16,570.3	654,569.8
Lancefield Open Cuts																
Mill Throughput	tonnes	85,677	153,089	62,054	119,577	106,235	130,143	95,344	3,441							755,560
	g/t	4.74	4.47	2.94	4.50	3.92	3.84	2.43	2.65							3.93
	ozs.	13,056.7	22,001.0	5,865.2	17,301.0	13,391.1	16,047.8	7,448.6	293.2							95,402.4
Beasley Creek Open Cut																
Mill Throughput	tonnes							14,568	299,977	141,947	63,787	27,195	68,340	266,312		852,126
	g/t							2.48	2.47	2.24	3.05	4.05	2.56	2.84		2.65
	ozs.							1,161.6	21,439.5	10,222.7	6,254.9	3,541.1	5,618.8	24,325.9		72,564.5
Agnew Open Cuts																
	tonnes			5,802.0	33,043.0	16,369.0										55,214
	g/t			4.00	5.18	3.99										4.71
	ozs.			746.9	5,506.1	2,099.8										8,352.8
Other Open Cuts																
Mill Throughput	tonnes					4,616	32,172	8,993								45,781
	g/t					2.85	3.43	2.84								3.28
	ozs.					423.0	3,551.2	821.1								4,795.3
Total																
Mill Throughput	tonnes	85,677	246,404	240,275	290,789	254,650	335,557	277,606	578,438	692,593	556,357	450,055	377,788	629,696	73,650	5,089,535
	g/t	4.74	5.13	5.26	5.49	5.20	5.13	4.36	4.13	5.30	5.49	5.88	5.25	4.68	7.00	5.11
	ozs.	13,056.7	40,601.9	40,648.6	51,300.3	42,544.1	55,301.8	38,920.9	76,747.8	118,038.0	98,264.9	85,112.6	63,742.2	94,834.9	16,570.3	835,684.9
Gold Produced	ozs.	10,712.5	30,194.5	33,740.9	44,004.7	37,824.1	46,663.0	34,521.0	65,390.8	99,834.0	84,878.9	73,227.6	52,375.6	78,021.9	12,619.0	704,008.4
Tails	tonnes	85,677	246,404	240,275	290,789	254,650	335,557	277,606	578,438	692,593	556,357	450,055	377,788	629,696	73,650	5,089,535
	g/t	0.85	1.31	0.89	0.78	0.58	0.80	0.49	0.61	0.82	0.75	0.82	0.94	0.83	1.67	0.80
	ozs.	2,344.2	10,407.4	6,907.7	7,295.6	4,720.0	8,638.8	4,399.9	11,357.0	18,204.0	13,386.0	11,885.0	11,366.6	16,813.0	3,951.3	131,676.5
Recovery	%	82.0%	74.4%	83.0%	86.8%	88.9%	84.4%	88.7%	85.2%	84.6%	88.4%	86.0%	82.2%	82.3%	76.2%	84.2%
Deliveries	ozs.	10,908.4	29,001.0	33,740.9	44,004.7	37,824.1	46,663.0	34,521.0	61,841.0	96,327.0	90,843.0	70,304.0	53,411.9	78,072.5	13,261.8	700,724.2

Figure 7-1 Scan from WMC Mine Operating Summary

Records indicate that of the total gold tailings at Windarra, the majority was deposited in the North and South dams with only a small quantity of the gold tailings deposited over the nickel tailings in the Central dam in the final year of operations (1994). This makes accurate reconciliation of the tonnage difficult but does provide qualitative support to the Mineral Resource estimate. The 0.80 g/t gold grade measured by WMC across the life of the gold operations between 1981 and 1994 represents quantitative support for the gold grade established for the Windarra Mineral Resource, which was estimated by the nominal 40x40m drill pattern employed in the Windarra resource definition drilling program. In fact, based on the WMC metallurgical accounting statistics, there may be the potential for a 9.5% gold grade uplift. This optimization has been assessed in one of the project valuation scenarios (Section 14).

8. Mining Method

A conventional mining approach using mechanical mining equipment is not recommended for the Windarra gold tailings. The drilling program completed in October 2020 observed 35% moisture content greater than 3m below surface at the Windarra North dam, midway between the perimeter wall area and the central decant area. This would present a geotechnical mining risk in terms of mechanical mining equipment subsiding once the mine plan had removed the tailings above this wet zone. As a result, the DFS investigated two mining methods to reclaim the wet tailings at the Windarra North and South dams:

- Hydraulic Mining (Figure 8-1); and
- Amphibious Dredging (Figure 8-2).

The Lancefield gold tailings are relatively dry, consistently averaging only approximately 15% moisture across the entire footprint. Therefore, the Lancefield gold tailings can be mined using conventional mechanical mining equipment, loaded and hauled to Windarra.

The mine production and mining physicals schedule developed in the DFS is based on the Hydraulic Mining method. For this reason, the mining option used for the establishment of Ore Reserves, is based on Hydraulic Mining. The mining physicals generated for the Hydraulic Mining option were also applied to the Amphibious Dredging option after confirming the production grade profile generated from the Hydraulic Mining stage plan (for the Windarra North and South dams) was not material to the Project NPV when applying the average Reserve grades for the respective dams.

The assumptions used in developing the Mine Plan are summarised in Table 8-1. A cut-off grade is not entirely relevant to a tailings operation as there is limited selectivity with the proposed mining method. A cut-off grade estimate established that Lancefield and Windarra North and South dams are above cut-off.

Parameter	Unit	Value
Plant Capacity	tpa	1,500,000
Mine Production	tph	180
Availability	%	95%

Table 8-1 Assumptions Used in Mine Plan

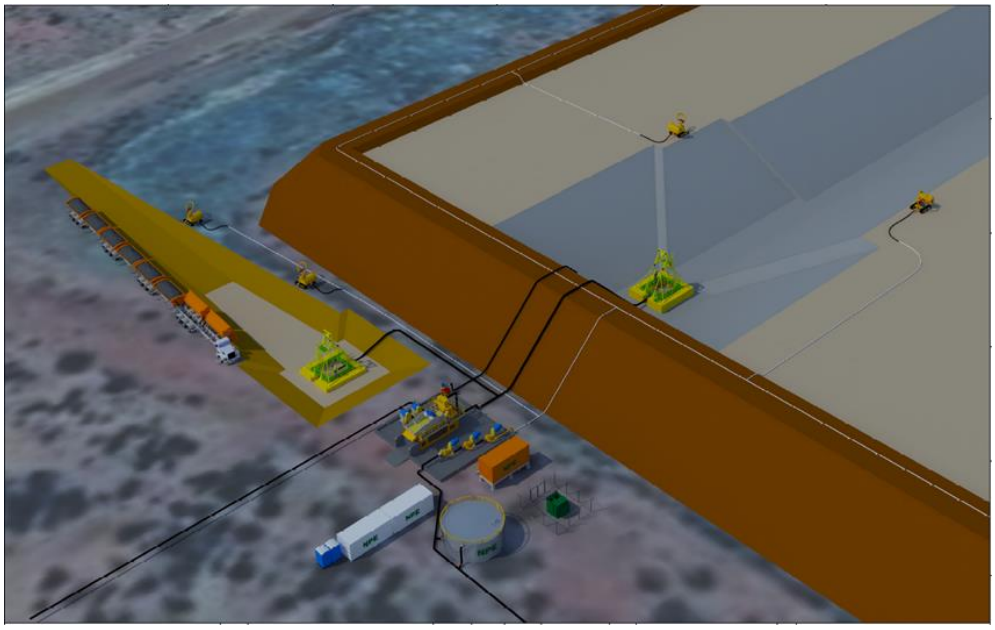

Figure 8-1 Windarra Hydraulic Mining with Lancefield Receival

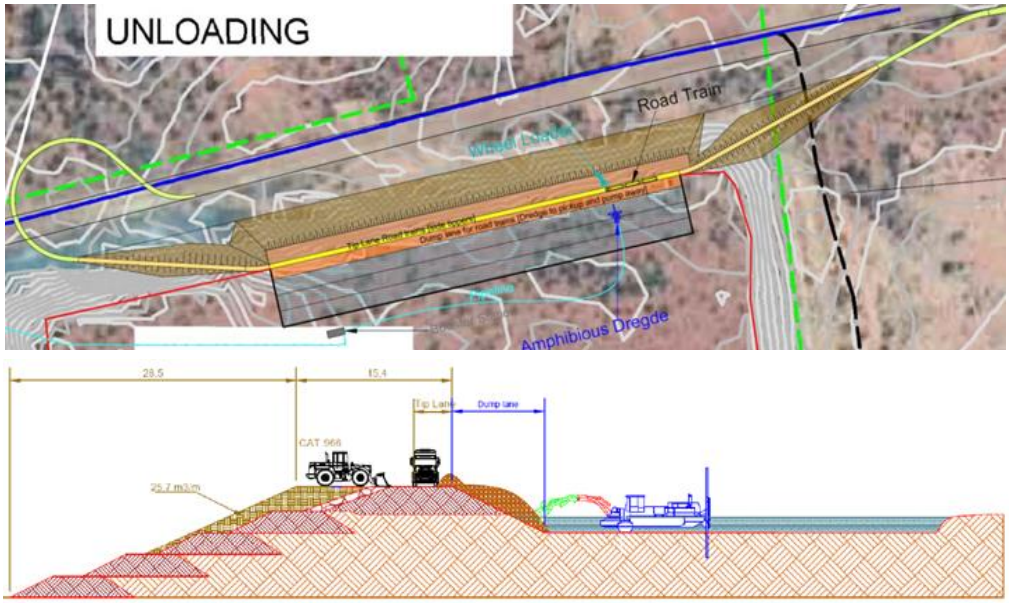

Figure 8-2 Windarra Amphibious Dredging with Lancefield Receival (Plan/Section Views)

The sequence of mining was based in part on the grade distribution in the Windarra North dam. Each dam was divided into blocks of approximately one month's feed: 75 mW x 150 mL x 8 mD, which equates to 90,000 m³. In practice, the blocks vary significantly due to thickness and perimeter variability.

The monthly production schedule in Figure 8-3 depicts the grade and production over the entire project. The schedule is based on the mining sequence and mining rate and demonstrates the benefit of targeting the higher-grade Lancefield gold tailings in the initial months on a campaign basis, then starting at the north-eastern corner of the Windarra North dam, with the Windarra South dam processed last in the sequence.

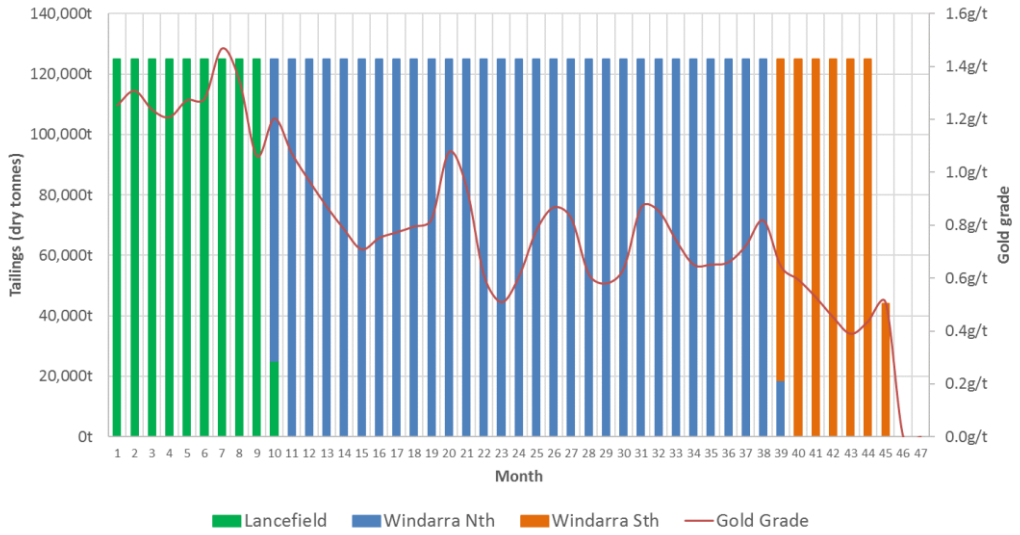

Figure 8-3 Monthly Production Schedule

Although the Hydraulic Mining or Amphibious Dredging mining methods are not selective, they are very effective at recovering the available tailings. However, as the nature of the original surface beneath the tailings is not known, it was assumed that there will be a 5% loss of resource for the Hydraulic Mining method. This equates to approximately 0.4m of material remaining after Hydraulic Mining over the floor of the dam. The Amphibious Dredging mining method was assessed to have greater ability to recover the material at the tailings to natural surface interface (80% of the 0.4m floor assumed not minable by Hydraulic Mining), based on the ability to manoeuvre the dredge cutter with reasonable precision. The impact of dilution was considered to be immaterial and no allowance was included in the mining plan.

9. Metallurgical Testing

Significant metallurgical testwork has previously been completed on tailings samples from the Windarra North and South dams using both variability samples and composites. The majority of the testwork has been undertaken on samples collected from the Windarra North dam due to the larger contribution to the resource base. The North dam contributes to greater than 80% of the gold tailings Ore Reserve at Windarra.

Interpretation of all relevant leach data indicates that the average gold extraction is 38.0% for the Windarra North dam and 45.6% for the Windarra South dam for the 16-hour leach/adsorption residence time proposed in the Process Design Criteria.

Significant previous testwork programs conducted on the Windarra tailings included:

- WMC completed 61 leach tests on 32 samples at Oretest in 1996;
- Nagrom completed testwork in 2009 for Triton Resources;
- SGS completed gravity recovery and leach tests in 2009 for Australian Mineral Fields;
- Nagrom completed testwork in 2011 and 2012 for Poseidon;
- Outotec completed settling tests in 2011;
- SGS completed a leach test and Fleming constant determination in 2012 for Poseidon;
- HRL completed LeachWell extraction tests and mineralogy in 2013 for Poseidon;
- ALS conducted leach tests in 2017 for GTI Resources.

The testwork completed by Nagrom in 2011 included composite samples selected from the North and South dams with good spatial (and depth) representativeness. A direct cyanidation leach test (conducted in duplicate) on each composite indicated the South dam has a 20% higher gold extraction relative to the North dam. The higher gold extraction interpreted for the Windarra South dam is in line with what would be anticipated based on the historical ore sources delivered to WMC's Windarra gold processing plant. WMC records indicate approximately 55% of the tailings deposited into the South dam (1981 to 1987) originated from open cut ore sources (including oxides). By contrast, approximately 75% of the tailings deposited into the North dam (1988 to 1994) originated from the more refractory Lancefield underground ore source.

In 2020, a testwork program was undertaken using sonic core samples from the Windarra North tailings dam to confirm the results of the previous testwork undertaken by GTI Resources in 2017. The aim of the testwork included confirmation of the following parameters:

- gold leach extraction;
- nickel and copper leach extraction;
- nickel and copper adsorption carbon adsorption rates; and
- determine if soluble or colloidal gold is present in the thickener overflow.

The testwork also examined the viability of new leaching technology including a high shear dissolution reactor (Mach reactor) and the use of GlyCat™ leaching. GlyCat™ is a mixture of glycine and cyanide.

Figure 9-1 shows the linear correlation trendline derived from all metallurgical leach extraction testwork completed on the Windarra North dam, which provides the residual tails grade after leaching with respect to feed grade where:

- Tails grade = 0.6213 x Head grade.

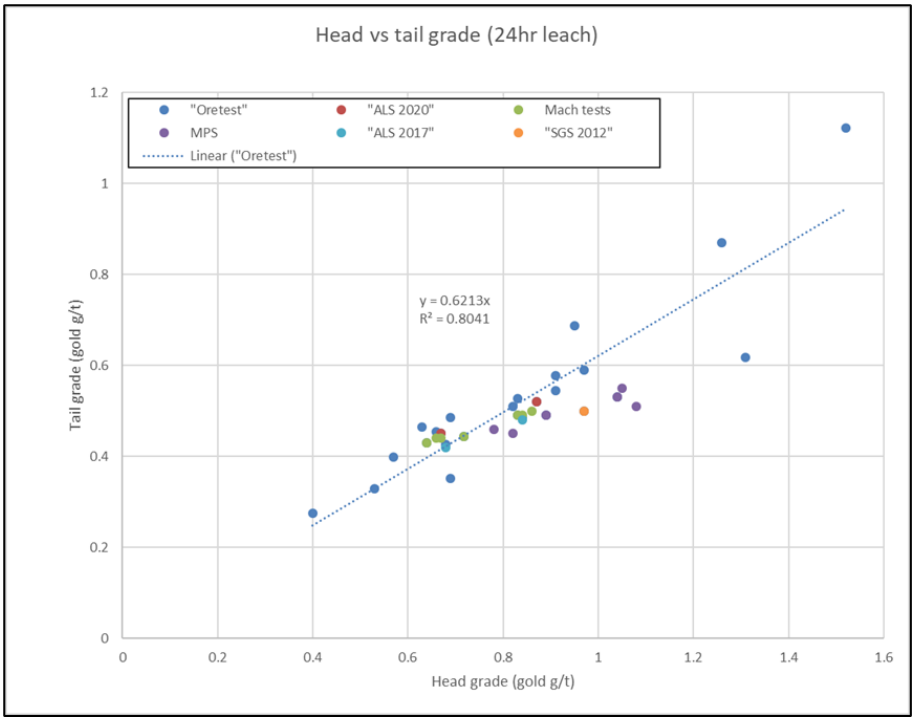

Figure 9-1 Assumptions Used in Mine Plan

The data set provides a statistically significant correlation from which the leach extraction and gold recovery for the Windarra North dam has been interpreted. The Oretest data (blue points) are from historical testwork

completed by WMC in 1994, whereas the other coloured data points relate to more recent work, as noted by the dates in the legend. Data below the correlation trendline indicates higher gold extraction/recovery.

A reasonable proportion of the data from the more recent testwork lies below correlation trendline, which may indicate marginally higher gold leach extraction/recoveries are achievable for samples collected more recently, well after the original closure of the Windarra North dam in 1994. To be conservative, the interpretation of the gold recovery has not taken the sample collection 'timing' into account. This may present some upside.

For the Lancefield tailings, testwork completed in 2021 on representative samples confirmed the average gold extraction was 28.1% after 16-hours and 28.3% after 24-hours.

The key metallurgical recovery factors applied in the base case economic modelling are summarized below:

	Gold	Silver
• Metallurgical recoveries:		
○ Windarra North dam	38.0%	31.7%
○ Windarra South dam	45.6%	31.7%
○ Lancefield	28.1%	45.5%

10. Design Basis

The Design Criteria for the Windarra tailings treatment plant was prepared to provide the key process design parameters for equipment selection and engineering. A leach circuit residence time of 16 hours at 180 tph has been selected with design allowance for future expansion if required. The CIP gold leaching process is well understood and applies proven technology.

Poseidon requested Como Engineers to base the design on a modular, relocatable basis to facilitate the potential for relocation of the plant and equipment at the end of the relatively short 45-month Project life. The modular design brief was specifically requested in order to justify and ultimately realise a greater residual value for the plant and equipment at the end of the Project life.

11. Modular Process Plant

The Windarra tailings treatment plant is designed based on a throughput of 1.5 million tonnes per annum at a design availability of 95% and processing rate of 180 tph.

The modular processing circuit includes the following major equipment areas (Figure 11-1):

- Pre-leach thickener (relocatable)
  - Carbon-in-Column (CIC) tank on the overflow (to recover soluble gold)
- Leach and adsorption
  - Two leach tanks and six adsorption tanks (relocatable, each of approximately 529 m^3 volume)
- Carbon elution
  - A 2-tonne pressure Zadra circuit comprising separate acid and elution columns, electrowinning cells and thermal heater
- Carbon regeneration
- Gold room
- Services and reagents
- Tailing storage and water supply

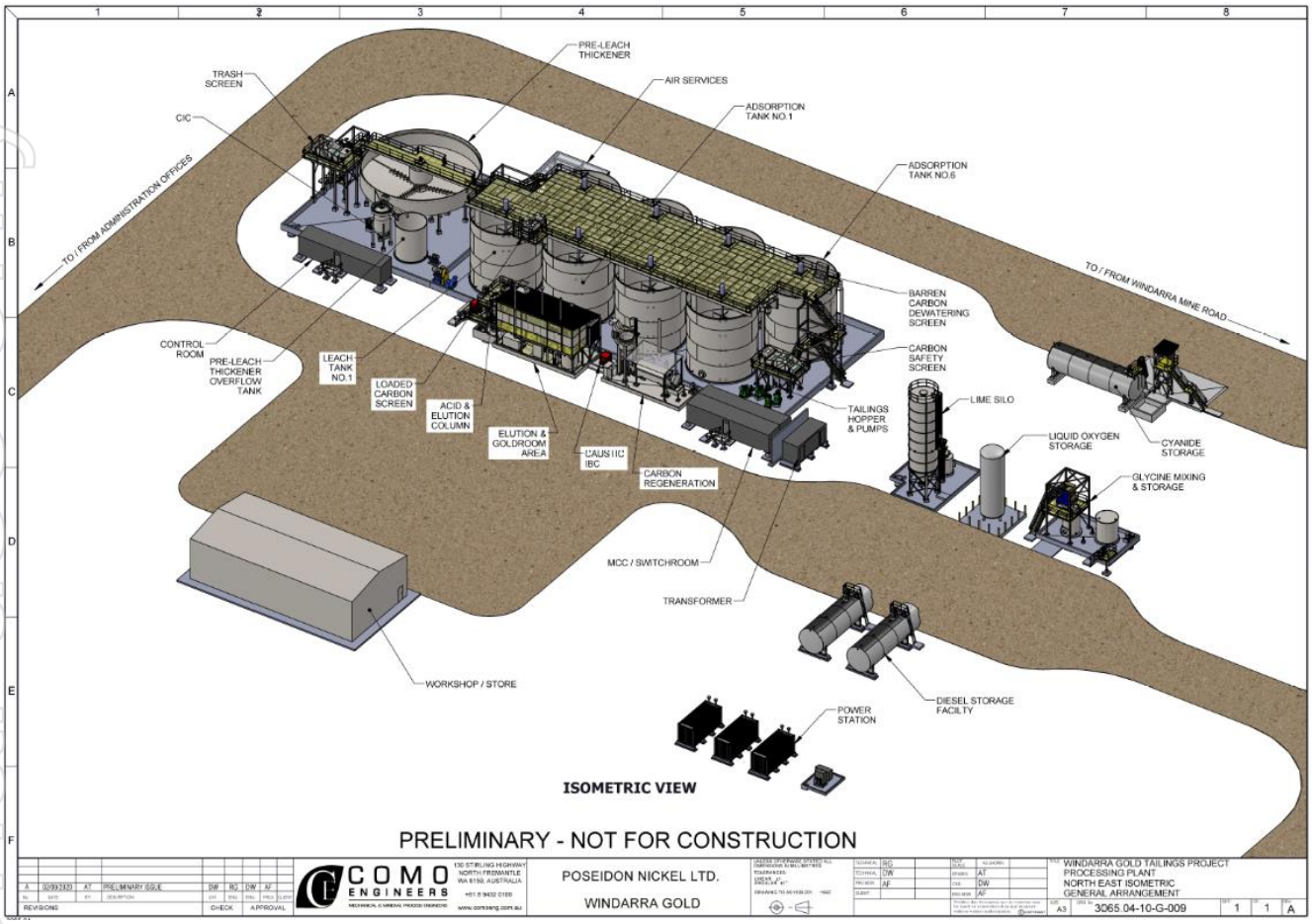

Figure 11-1 Windarra Gold Tailings Process Plant

12. Capital Cost Estimate

Como Engineers Pty Ltd compiled the process plant and infrastructure capital cost estimate, inclusive of the equipment and infrastructure required for the Hydraulic Mining option. The capital cost estimate is in accordance with Australian Institute of Mining and Metallurgy (AusIMM) Class 3 level as defined for Feasibility Studies. The basis of the estimate is Q1, 2021. The estimate accuracy is ±15%.

Table 12-1 summarises the Project capital cost.

	MATERIALS & EQUIPMENT	LABOUR	FREIGHT	TOTAL
DIRECT COSTS	$13,893,827	$3,206,917	$574,619	**$17,675,363**
INDIRECT COSTS	$2,937,762	$3,055,649	$73,368	**$6,066,779**
OTHER COSTS	$5,399,987	$380,778	$0	**$5,720,764**
SUB-TOTAL	**$22,231,576**	**$6,643,344**	**$647,987**	**$29,462,906**

Table 12-1 Project Capital Cost Estimate (Hydraulic Mining)

The capital cost estimate for the 1.5 Mtpa Processing Plant using all new equipment, including all direct and indirect costs and contingency is $23.7M (+/-15% accuracy) excluding other costs. The contingency applied varies based on the source of the estimated costs, but averages to 8.5%. Table 12-2 summarises the direct and indirect capital costs for the 1.5 Mtpa Processing Plant by area.

DIRECT COSTS	MATERIALS & EQUIPMENT	LABOUR	FREIGHT	TOTAL
ELECTRICAL	$2,086,052	$957,562	$19,145	**$3,062,759**
LEACHING	$4,724,917	$1,525,772	$208,369	**$6,459,058**
ELUTION, GOLDROOM, REGENERATION	$1,976,675	$352,896	$91,847	**$2,421,417**
REAGENTS	$636,738	$141,552	$41,548	**$819,838**
SERVICES	$600,057	$107,353	$37,710	**$745,120**
TAILINGS	$3,229,717	$97,190	$147,717	**$3,474,624**
INFRASTRUCTURE	$639,672	$24,592	$28,283	**$692,547**
SUB-TOTAL	**$13,893,827**	**$3,206,917**	**$574,619**	**$17,675,363**
INDIRECT COSTS	**MATERIALS & EQUIPMENT**	**LABOUR**	**FREIGHT**	**TOTAL**
ENGINEERING, PROCUREMENT, CONSTRUCTION MANAGEMENT	$0	$2,982,228	$0	**$2,982,228**
GENERAL	$1,077,683	$73,421	$73,368	**$1,224,472**
CONTINGENCY	$1,860,079	$0	$0	**$1,860,079**
SUB-TOTAL	**$2,937,762**	**$3,055,649**	**$73,368**	**$6,066,779**
TOTAL	**$16,831,589**	**$6,626,566**	**$647,987**	**$23,742,141**

Table 12-2 Process Plant Direct and Indirect Costs

Table 12-3 summarises the Project Other Costs, which include the Hydraulic Mining equipment, the Lancefield dry tailings unloading trench, and construction of the 750m unsealed road required to access Lancefield LTT 700-3709. The capital cost estimate for Other Costs is $5.72M (+/-15% accuracy). The contingency applied varies based on the source of the estimated costs, but averages to 3.1%.

OTHER COSTS	MATERIALS & EQUIPMENT	LABOUR	CONTINGENCY	TOTAL COST
FIRST FILLS:				
DIESEL	$153,000		$15,300	**$168,300**
REAGENTS	$344,389		$34,439	**$378,828**
COMMISSIONING SPARES	$90,878		$9,088	**$99,966**
WAREHOUSE & CRITICAL SPARES	$227,195		$22,720	**$249,915**
HYDRAULIC MINING EQUIPMENT	$3,293,830			**$3,293,830**
LANCEFIELD LTT ACCESS ROAD (750m)	$310,116		$31,012	**$341,128**
DRY TAILINGS UNLOADING TRENCH	$523,330		$52,333	**$575,664**
OPERATIONAL READINESS:				
RECRUITMENT AND ON-BOARDING		$50,000	$5,000	**$55,000**
PRE-PRODUCTION LABOUR (6 WEEKS)		$266,192	$26,619	**$292,811**
PRE-PRODUCTION ACCOMMODATION	$67,333		$6,733	**$74,066**
INFORMATION & COMMUNICATIONS TECHNOLOGY	$140,200	$51,058		**$191,258**
SUB-TOTAL	**$5,150,271**	**$367,250**	**$203,243**	**$ 5,720,765**

Table 12-3 Summary of Other Costs

Qualifications and standards applied in the capital cost estimation are:

- No allowance has been included in the estimate for escalation within the overall project cost.
- No allowance has been made for financing costs or interest during construction.

- No allowance has been included for variations or extensions of construction period due to weather.
- No allowance has been made for sunk costs.
- No allowance has been made for government approvals or special permits.
- No allowance has been made for the Australian Goods and Services Tax (GST).
- No allowance has been provided for environmental costs.

Closure costs are assumed to be funded by an existing $3.5 million environmental bond.

13. Operating Cost Estimate

Como Engineers Pty Ltd compiled the process plant and infrastructure operating cost estimate, inclusive of the contract power supply cost estimate and the power required for Hydraulic Mining. The basis of estimate is Q1, 2021. The estimate accuracy is (±15%) for the 1.5 Mtpa production rate.

Figure 13.1 presents a breakdown of the process plant operating cost estimated by Como Engineers.

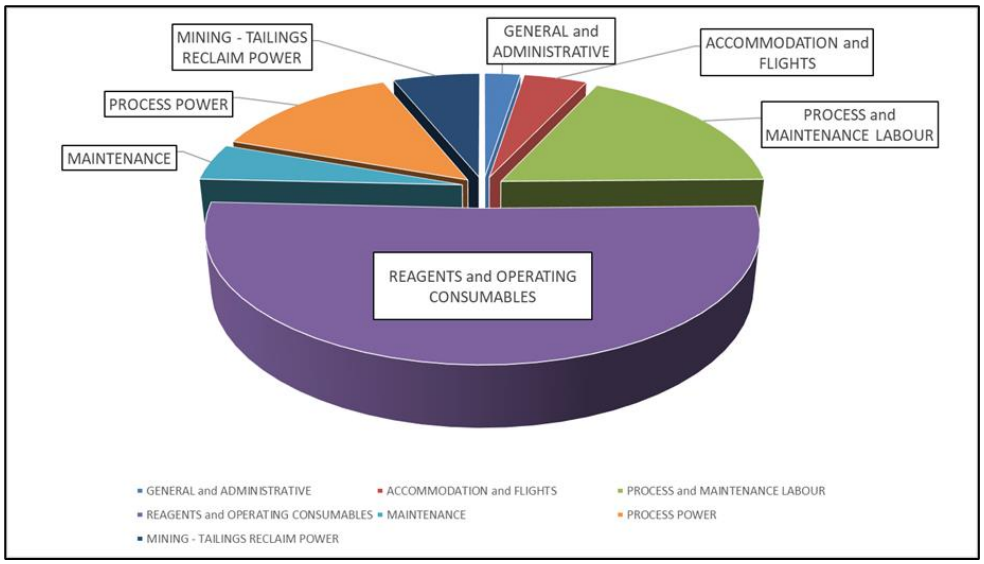

Figure 13-1 Process Plant Operating Cost Breakdown

The Lancefield reclaim, load and haulage cost to Windarra site and the Windarra North and South dams Hydraulic Mining and Amphibious Dredging operating cost estimates were supplied by experienced contractors as detailed estimates in response to a Request for Quotation (RFQ) for mining services. All estimates are within ±15% level of accuracy.

The overall Project operating cost summary for the Hydraulic Mining option is presented in Table 13-1 and Figure 13-2.

The overall Project operating cost summary for the Amphibious Dredging option is presented in Table 13-2 and Figure 13-3.

Project Area	A$M	A$/t
Mining	15.8	2.85
Processing	45.6	8.23
G&A	5.5	0.99
Total	66.9	12.07

Table 13-1 Project Operating Cost – Hydraulic Mining

Project Area	A$M	A$/t
Mining	18.0	3.14
Processing	44.4	7.76
G&A	5.6	0.98
Total	68.0	11.88

Table 13-2 Project Operating Cost – Amphibious Dredging

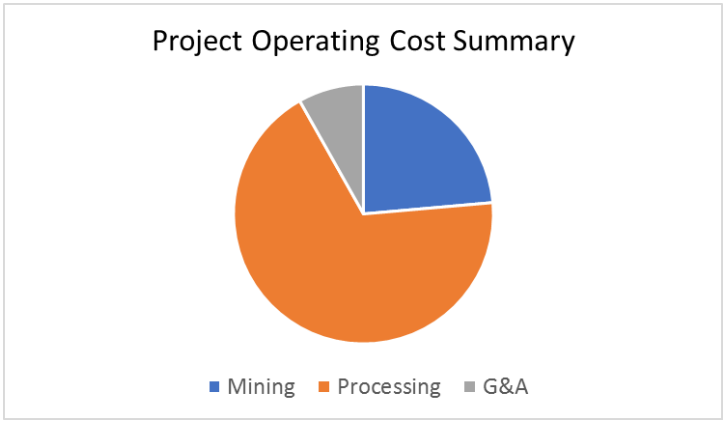

Figure 13-2 Project Operating Cost Breakdown – Hydraulic Mining

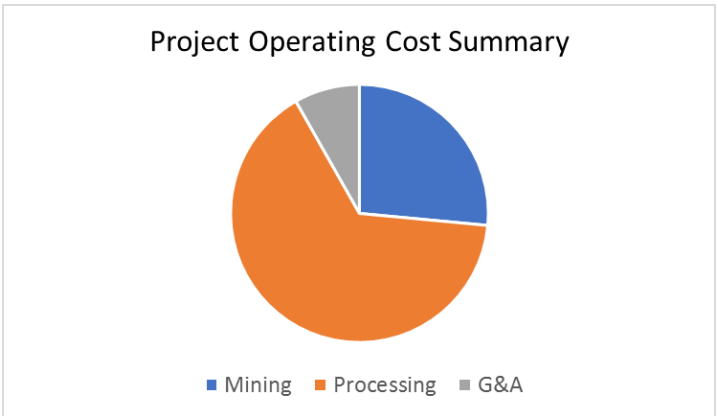

Figure 13-3 Project Operating Cost Breakdown – Amphibious Dredging

14. Economic Evaluation

Economic modelling was undertaken by Poseidon for the Project. It utilises the capital and operating cost estimates identified in the DFS in conjunction with the mine plan physicals, which reflect the Project Reserve estimate. The additional Inferred resource within the Lancefield Mining Inventory is included in the Economic Model and can be selected as a specific scenario to model the impact of including the Inferred component of the Lancefield Mining Inventory. The key assumptions, considerations and findings, including a sensitivity analysis are summarised below.

A flat foreign exchange and pricing structure has been used in the economic modelling for the period between July 2021 to March 2026. This encompasses the anticipated regulatory and project approvals period going forward to a Final Investment Decision (FID); the project construction phase; and the Life of Mine operating period. The key economic assumptions in Table 14-1 have been assumed as the base case in the economic analysis.

INPUT	Value
Gold Price $US	$1,750
Exchange Rate: US$:A$1.00	US$0.75
Discount rate	8%

Table 14-1 Key Economic Assumptions

Financial modelling is undertaken on pre-tax earnings. It does not consider offsetting losses, research and development tax rebates and other tax minimisation opportunities.

Under the Western Australian Mining Act 1978, royalties are payable on all minerals. The rate of royalty payable for gold and silver metal, contained in dore' 2.5%. This has been applied to the Economic Model.

Under the terms of the Lancefield Right to Treat Agreement executed between Poseidon and Svenson Nominees Pty Ltd in Q3 2020, Svenson Nominees is entitled to receive a Net Smelter Royalty (NSR) of 1.5% on gold and silver recovered from processing the Lancefield gold tailings. This has been applied to the Economic Model.

An Excel based model was developed for the economic evaluation of the Windarra Gold Tailings Project. It incorporates both the Windarra and Lancefield mining production schedules with tonnage, gold and silver grades reported on a monthly basis, and incorporates the respective process recoveries, capital and operating costs. The model calculates headline figures pre-tax including:

- Capital costs
- Operating costs
- Revenue
- Net present value (NPV)
- Internal rate of return (IRR)
- Unit operating costs

The basis and key considerations of the base case investment scenario were:

- Commencement of production: 10 months from FID.
- Production commencing with Lancefield on a campaign basis (over 9 months) followed by Windarra (over a further 36-month period).

The key production and financial information used for the Hydraulic Mining option base case modelling is outlined below:

- Life of Mine (LOM) operating period – 45 months
- LoM tonnage – 5.54 Mt

- Ore treatment rate – 1.5 Mtpa
- Gold Price – US$1,750/oz flat over LOM
- Silver Price – US$24.0/oz flat over LOM
- Exchange rate – US$0.75: A$1.00 over LOM
- Discount rate – 8%
- State royalty – 2.5% payable on gold and silver
- Third party royalty – 1.5% NSR (payable on Lancefield tonnage only)
- Excludes depreciation, corporate overhead, closure, taxation and financing costs
- Metallurgical recoveries:

	Gold	Silver
○ Windarra North dam	38.0%	31.7%
○ Windarra South dam	45.6%	31.7%
○ Lancefield	28.1%	45.5%

- Total LOM gold produced – 53,490 oz
- Total LOM silver produced – 136,947 oz

A base case economic evaluation was undertaken for two mining options:

- Hydraulic Mining (using high-pressure water cannons)
- Amphibious Dredging

The mining physicals generated for the Hydraulic Mining option were also applied to the Amphibious Dredging option after confirming the production grade profile generated from the Hydraulic Mining stage plan (for the Windarra North and South dams) was not material to the Project NPV when applying the average Ore Reserve grades for the respective dams.

The base case production and financial inputs was applied to both mining options. The modelled Amphibious Dredging mining option reclaims an additional 185kt of mining inventory relative to the Hydraulic Mining method based on the dredging method employed, where 80% of the 0.4m dam 'floor', considered not mineable by the Hydraulic Mining method, was assessed to be recoverable by Amphibious Dredging. The base case economic modelling outcomes are outlined below in Table 14-2.

Project Commercial Metrics	Hydraulic Mining	Amphibious Dredging
Revenue[1] (A$M)	A$129.1M	A$133.2M
Net Cash Flow	A$26.7M	A$30.6M
Pre-Tax NPV_8	A$18.4M	A$21.7M
IRR	43.3%	50.6%
Payback period[2]	28 months	27 months
Unit cost analysis	**Recovered basis**	
C1 Cash Costs[3]	A$1,250/oz	A$1,232/oz
AISC Cash Costs[4]	A$1,366/oz	A$1,393/oz
All in Cost[5]	A$1,917/oz	A$1,859/oz

Table 14-2 Base Case – Financial Model Summary

1 Unless otherwise stated, all cash flows are in Australian dollars and not subject to inflation or escalation factors. A gold price of US$1,750/oz has been assumed and an exchange rate of A$:US$ of 0.75.

2 From commencement of process plant and infrastructure construction.

3 C1 cash costs means operating cash costs including mining, processing, site G&A. Excludes development and sustaining capex, pre-production costs, royalties and corporate overheads.

4 All-in-sustaining cash costs are C1 cash costs plus royalties and sustaining capital. Excludes development capital, preproduction costs, and corporate overheads.

5 Includes AISC plus development capital, pre-production costs.

Sensitivity Analysis

The Project was subjected to a sensitivity analysis against key variables including:

- Gold price
- US$: A$ foreign exchange rate
- Pre-production capital cost
- Mining operating costs
- Processing operating costs

Results of the sensitivity analysis for the Amphibious Dredging mining option are shown in Figure 14-1 and Table 14-3. The gold price sensitivity sits directly under the gold recovery (green) sensitivity line.

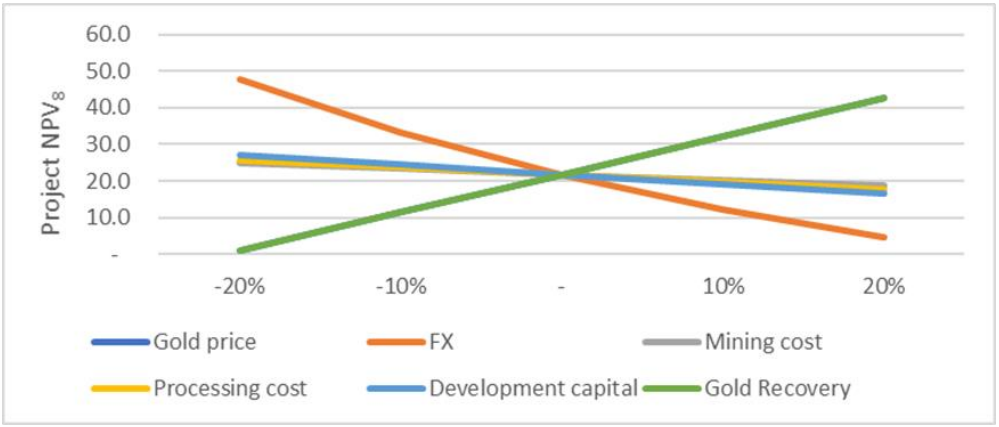

Figure 14-1 Amphibious Dredging Base Case – NPV Sensitivity Analysis

Sensitivity	Unit	-20%	-10%	0%	10%	20%
Gold Price	A$M	0.9	11.3	21.7	32.1	42.5
FX	A$M	47.7	33.3	21.7	12.3	4.4
Mining Costs	A$M	24.8	23.3	21.7	20.2	18.7
Processing Costs	A$M	25.8	23.8	21.7	19.7	17.7
Capital Costs	A$M	27.0	24.4	21.7	19.1	16.5

Table 14-3 Amphibious Dredging Base Case – NPV Sensitivity Analysis Data

The analysis showed the Project to be sensitive to the gold price, i.e., to revenue. It is also sensitive to gold recovery with a strong increase in the NPV with an increase in these revenue drivers. Conversely, the modelling showed the Project to be negatively impacted by an increase in the foreign exchange rate and to a lesser extent changes to the mining and processing operating costs and the capital cost.

Residual Value Assessment

The process plant was specifically designed to be modular, relocatable and capable of being redeployed to another project at the end of the 4-year Project life. The short life of the Project and modular design basis justifies the consideration of a residual value for the key equipment and infrastructure that can be redeployed to another gold tailings treatment project or another gold mining project.

The economic modelling included an assessment of the Project's residual value after incorporating the key equipment from the capital cost build-up and after applying a factor of 60% of the original purchase price across all categories. The following values are applied when the Residual Value assessment case is selected:

- Residual Value Process Plant – A$5.6M
- Residual Value Hydraulic Mining Equipment – A$1.2M

The base case economic modelling outcomes presented in Table 14-2 do not include the benefit of the Residual Value assessment. This benefit is included in Case B of the Project Valuation Scenario Analysis.

Project Valuation Scenario Analysis

To assess the potential value of the Project the following cases were modelled. The cases were modelled as incremental to the base case position:

- Case A: Inclusion of Lancefield Inferred Mining Inventory
- Case B: Inclusion of the Residual Value assessment
- Case C: Base Position + Case A + Case B
- Case D: Uplift (9.5%) on Windarra Resource grade (WMC metallurgical statistics – Figure 7-1)
- Case E: Scenario C + D

The key economic modelling outputs are summarised in Table 14-4 for the Amphibious Dredging mining option. The Base Case position is in accordance with JORC (2012), whereas Cases A through E (except B) are non-JORC compliant, requiring additional definition and are presented to suggest the potential for value improvements.

Scenario	Pre-tax NPV_8	IRR	Net Cashflow	NPV_8 Breakeven Gold	
	(A$M)	(%)	(A$M)	(US$/oz)	(A$/oz)
Base Case position	**21.7**	**50.6**	**30.6**	**1,384**	**1,845**
Case A	24.0	52.2	33.9	1,366	1,821
Case B	25.7	53.9	36.3	1,317	1,756
Case C	27.9	55.0	39.5	1,304	1,739
Case D	29.0	61.7	39.7	1,293	1,724
Case E	35.1	64.2	48.6	1,224	1,632

Table 14-4 Amphibious Dredging – Project Valuation Case Analysis

The cumulative cashflow for the Project valuation scenario (Case E) is summarised below.

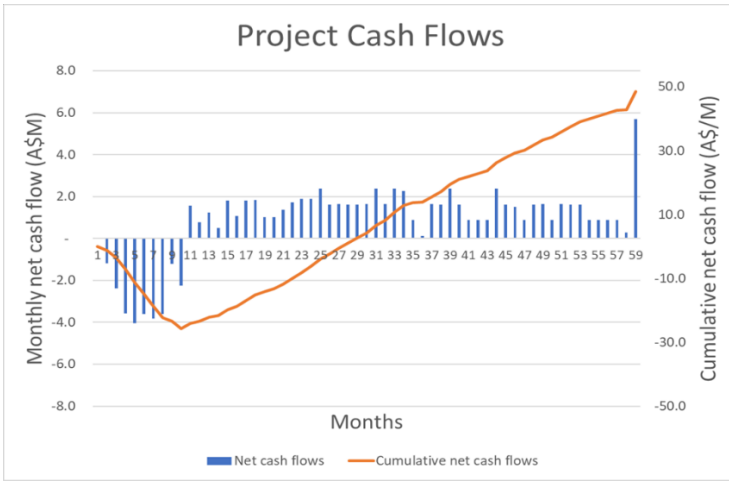

Figure 14-2 Amphibious Dredging Case E – Cumulative Cash Flow

15. Conclusions

Project Strengths and Weaknesses

Project strengths include:

- A robust Ore Reserve base with access to the ore only 0.75m from surface, leading to a relatively short project development timeframe (9 months).
- The modular design of the Process Plant will allow redeployment to another project at the end of the current 45-month operating period.
- A high level of confidence in the Windarra Resource tonnage and gold grade estimates.
    - The Resource estimate is well supported by WMC's detailed historical metallurgical accounting statistics, which indicate 5.1Mt of gold tailings were deposited averaging 0.80g/t gold. The WMC grade estimate is 9.5% higher than the grade estimate established by the resource definition drilling programs. This presents some upside.
- Comprehensive metallurgical sample selection and testwork programs have been completed. The analyses of the results on the gold leach extraction, and the interpretation based on statistics, provide confidence in the recovery forecasts.
- A relatively low number of operating personnel are required for the Process Plant with mining activities well suited to applying a contract mining approach.
- The design applies proven gold leaching and recovery technology that is also relatively easy to operate and maintain.
- The Project has a modest base case NPV_8 with an attractive Internal Rate of Return (IRR) and payback period for either mining option selected. The economic modelling 'scenarios' presented to assess the potential value of the Project have a realistic likelihood of materialising.

Project weaknesses include:

- Limited upside to the resource base with only 45-months of operational life currently established.
- The economics have high sensitivity to gold price, exchange rate and gold recovery. Noting the gold price and exchange rate can be hedged to mitigate risk.

Key Conclusions

The following summarises the key conclusions:

- Interpretation of all relevant leach data from current and previous testwork indicates that the average gold recovery from the tailings in the Windarra North dam is 38.0%.
- Interpretation of all relevant leach data from previous testwork indicates that the average gold recovery from the tailings in the Windarra South dam is 45.6%.
- Interpretation of all relevant leach data from current testwork indicates that the average gold recovery from the tailings at Lancefield is 28.1%.
- There is 'colloidal' (or soluble) gold in the reclaimed tailings. The mini-continuous leaching testwork completed at MPS on Windarra tailings shows the presence of soluble gold is moderate at approximately 0.15ppm. The batch testwork completed at ALS on Lancefield tailings also shows the presence of soluble gold at approximately 0.19ppm. The risk of solution losses due to soluble gold returning to the mining water from the pre-leach thickener has been mitigated with the installation of a Carbon In Column (CIC) circuit.
- The capital cost estimate for the 1.5 Mtpa Process Plant using all new equipment, including all direct and indirect costs and contingency is $23.7M (+/-15% accuracy) excluding other costs. The contingency applied varies based on the source of the estimated costs, but averages to 8.5%.

- The total Project development capital cost estimate for the Hydraulic Mining case is A$29.5M (+/-15% accuracy).
- The total Project development capital cost estimate for the Amphibious Dredging alternative mining case is $25.8M (+/-15% accuracy).
- The Process Plant operating costs have been estimated to a Class 3 accuracy at $8.70 (±15% accuracy) per tonne of ore treated for the 1.5 Mtpa production rate (including Hydraulic Mining power consumption).
- The Hydraulic Mining operating costs have been estimated by an experienced Hydraulic Mining contractor to a Class 3 accuracy at $2.09 (±15% accuracy) per tonne of ore mined.
- The Amphibious Dredging operating costs have been estimated by an experienced dredging contractor to a Class 3 accuracy at $3.62 (±15% accuracy) per metre cubed of ore mined, which is equivalent to $2.22 per tonne of ore mined.
- The Hydraulic Mining option base case position has a pre-tax NPV_8 of A$18.4 million (IRR of 43.3%).
- The Amphibious Dredging alternative mining option base case position has a pre-tax NPV_8 of A$21.7 million (IRR of 50.6%).
- Termination of the State Agreement would be required before legal tenure for the Project could be established under the WA Mining Act (1978) and the relevant project approvals received. The Project could not proceed to a final investment decision and subsequent implementation phase until it had received the appropriate regulatory approvals.

Key Recommendation of DFS

- Consider engaging a Joint Venture (JV) partner to implement the Project who has the demonstrated engineering design and construction expertise but also the capability to manage the project during the operations phase. A JV partnership (equity based) project implementation model would minimise construction contractor mark-ups and incentivise project delivery performance across construction, schedule, capital cost, operating cost, and also assist to align the key processing KPIs (such as metallurgical recovery) during operations.

The Company will commence a process to seek opportunities to monetise the Project, in particular divestment or JV options presented to Poseidon.

Peter Harold
Managing Director & CEO
23 July 2021

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The announcement was authorised for lodgement by the board of Poseidon Nickel Limited.

APPENDIX 1 – Drill Collar Information Summary

Table 1: Drill Collar Information Summary – Windarra Gold Tailings (North and South Dams)

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTS0001	8.9	-90	426597.61	6848538.26	447.65
WTS0002	6.5	-90	426612.52	6848489.83	447.79
WTS0003	7.8	-90	426512.57	6848522.83	447.49
WTS0004	8	-90	426438.13	6848504.8	447.4
WTS0005	9	-90	426358.83	6848460.1	447.04
WTS0006	9	-90	426339.82	6848440.57	447.13
WTS0006B	5	-90	426340.5	6848440.57	447.13
WTS0007	10	-90	426361.23	6848424.85	446.91
WTS0008	10	-90	426278.86	6848467.12	447.34
WTS0009	9.5	-90	426238.29	6848339.5	446.94
WTS0010	9.3	-90	426159.23	6848338.97	447.18
WTS0011	9.6	-90	426079.46	6848338.99	447.55
WTS0012	9	-90	426339.88	6848419.76	446.93
WTS0013	9	-90	426320.35	6848422.07	446.96
WTS0014	9	-90	426339.84	6848401.2	446.79
WTS0015	8.5	-90	426321.64	6848380.35	446.8
WTS0016	8.5	-90	426359.85	6848379.38	446.64
WTS0017	8.5	-90	426381.07	6848400.24	446.62
WTS0018	8	-90	426398.21	6848419.4	446.98
WTS0019	8.7	-90	426380.7	6848437.11	447.13
WTS0020	8	-90	426479.49	6848420.37	447.05
WTS0021	7	-90	426560.68	6848419.51	447.63
WTS0022	7	-90	426619.27	6848411.74	447.77
WTS0023	7.5	-90	426536.18	6848488.56	447.59
WTS0024	6.5	-90	426633.46	6848331.83	447.67
WTS0025	8	-90	426557.53	6848339.63	447.56
WTS0026	7.5	-90	426478.9	6848337.7	447
WTS0027	8	-90	426398.87	6848342.71	446.66
WTS0028	9.8	-90	426317.95	6848341.32	446.79
WTS0029	10	-90	426240.32	6848421.14	447.21
WTS0030	11	-90	426163.47	6848440.65	447.46
WTS0031	10	-90	426081.33	6848418.69	447.27
WTS0032	8	-90	426076.03	6848262.2	447.39
WTS0033	8	-90	426160.44	6848259.9	447.34
WTS0034	8	-90	426242.25	6848257.94	446.3
WTS0035	7.5	-90	426321.11	6848259.42	445.23
WTS0036	7.2	-90	426401.78	6848262.63	444.98
WTS0037	7	-90	426482.07	6848259.29	445.98
WTS0038	7.1	-90	426560.93	6848262.31	447.11
WTS0039	7	-90	426636.31	6848251.62	447.71
WTS0040	7	-90	426647.27	6848182.63	447.78
WTS0041	7.5	-90	426556.06	6848183.33	446.82
WTS0042	7.5	-90	426481.04	6848180.82	445.98
WTS0043	6.5	-90	426401.4	6848175.48	444.89
WTS0044	6	-90	426319.94	6848181.67	445.19
WTS0045	7	-90	426242.4	6848181.91	446.77

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTS0046	7	-90	426161.87	6848182.62	447.09
WTS0047	7.5	-90	426080.77	6848181.43	447.63
WTS0048	6.3	-90	426115.86	6848100	447.62
WTS0049	6	-90	426200.41	6848101.25	447.11
WTS0050	6.3	-90	426221.54	6848100.62	446.93
WTS0051	5.5	-90	426219.65	6848082.41	446.75
WTS0052	5	-90	426241.75	6848058.66	446.32
WTS0053	5	-90	426261.89	6848080.54	446.07
WTS0054	6	-90	426256.76	6848123.82	446.34
WTS0055	7	-90	426238.35	6848138.5	447.2
WTS0056	6.5	-90	426220.82	6848120.55	447.13
WTS0057	5.7	-90	426199.86	6848060.94	446.91
WTS0058	5.8	-90	426238.91	6848101.83	446.83
WTS0059	6	-90	426261.07	6848100.5	446.21
WTS0060	5	-90	426281.2	6848101.07	445.73
WTS0061	5	-90	426358.78	6848099.9	444.81
WTS0062	6	-90	426480.71	6848098.55	445.68
WTS0063	6	-90	426559.85	6848098.95	446.42
WTS0064	8	-90	426656.37	6848098.64	447.84
WTS0065	7	-90	426665.43	6848019.94	447.64
WTS0066	7	-90	426602.37	6848023.17	447.33
WTS0067	6	-90	426523.78	6848017.97	446.32
WTS0068	5.6	-90	426441.69	6848017.79	445.34
WTS0069	4.8	-90	426359.89	6848021.29	445.3
WTS0070	5	-90	426282.29	6848023.03	446.23
WTS0071	4.7	-90	426199.09	6848019.67	446.79
WTS0072	4.7	-90	426118.92	6848024.22	447.18
WTS0073	5.5	-90	426161.4	6847939.64	447.48
WTS0074	6	-90	426239.55	6847938.44	447.36
WTS0075	6.5	-90	426320.88	6847933.36	446.89
WTS0076	7	-90	426389.39	6847938.04	447.17
WTS0077	6.2	-90	426515.85	6847939.1	446.34
WTS0078	6.2	-90	426596.97	6847941.76	447.13
WTS0079	6.6	-90	426675.85	6847940.49	447.66
WTS0080	7	-90	426681.93	6847858.06	447.89
WTS0081	6.5	-90	426641.95	6847858.27	447.61
WTS0082	6.5	-90	426557.98	6847861.4	446.94
WTS0083	6.2	-90	426479.84	6847858.85	446.67
WTS0084	7	-90	426402.06	6847859.8	446.67
WTS0085	6.5	-90	426323.15	6847858.82	446.44
WTS0086	6.6	-90	426240.98	6847854.07	447.41
WTS0087	6	-90	426154.96	6847860.26	448.71
WTS0088	6	-90	426705.64	6847240.66	445.59
WTS0089	1	-90	426693.92	6847137.51	445.54
WTA001	8	-90	426637.58	6848299.73	447.73
WTA002	8	-90	426602.93	6848294.64	447.55
WTA003	9	-90	426597.11	6848295.27	447.64
WTA004	8	-90	426555.87	6848300.23	447.25

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTA005	9	-90	426519.97	6848297.61	447.13
WTA006	9	-90	426482.24	6848297.76	446.35
WTA007	9	-90	426479	6848338	446
WTA008	8	-90	426438.37	6848339.63	446.36
WTA009	10	-90	426359.33	6848339.26	446.88
WTA010	10	-90	426279.75	6848332.86	447.06
WTA011	6	-90	426200.61	6848339.07	447.02
WTA012	12	-90	426120.34	6848341.58	447.6
WTA013	10	-90	426064.19	6848300.64	447.67
WTA014	10	-90	426103.04	6848299.07	447.8
WTA015	9	-90	426158.08	6848300.89	447.12
WTA016	10	-90	426240.23	6848300.82	447.24
WTA017	9	-90	426278.75	6848300.87	446.01
WTA018	9	-90	426318.4	6848299.99	445.25
WTA019	8	-90	426359.53	6848300.22	444.93
WTA020	8	-90	426398.01	6848300.03	444.92
WTA021	5	-90	426438.51	6848299.49	444.83
WTA022	9	-90	426526.49	6848339.9	447.9
WTA023	8	-90	426624.5	6848378.25	447.62
WTA024	8	-90	426602.91	6848380.02	447.76
WTA025	8	-90	426559.73	6848375.32	447.84
WTA026	10	-90	426518.43	6848378.81	447.65
WTA027	8	-90	426480.45	6848381.76	447.33
WTA028	9	-90	426439.97	6848380.85	447.29
WTA029	9	-90	426400.15	6848380.48	447.03
WTA030	9	-90	426379.93	6848401.41	446.76
WTA031	9	-90	426361.54	6848377.69	446.73
WTA032	9	-90	426341.47	6848399.4	446.93
WTA033	10	-90	426280	6848381.46	447
WTA034	11	-90	426242.77	6848380.81	447.18
WTA035	11	-90	426199.44	6848379.46	447.11
WTA036	11	-90	426162.16	6848382.33	447.09
WTA037	10	-90	426117.39	6848383.28	447.32
WTA038	10	-90	426083.28	6848380.68	447.85
WTA039	11	-90	426119.47	6848427.33	447.24
WTA040	10	-90	426141.59	6848409.47	447.14
WTA041	11	-90	426162.97	6848436.86	447.43
WTA042	10	-90	426056.02	6848372.8	447.36
WTA043	11	-90	426200.51	6848445.39	447.15
WTA044	12	-90	426200.91	6848420	447.02
WTA045	11	-90	426241.13	6848457.97	447.45
WTA046	8	-90	426300.08	6848450.5	447.18
WTA047	10	-90	426281.23	6848421.76	447.13
WTA048	9.1	-90	426319.18	6848423.69	447.2
WTA049	9	-90	426339.23	6848422.32	447
WTA050	9	-90	426359.17	6848425.22	446.99
WTA051	9	-90	426379.96	6848435.13	447.1
WTA052	9	-90	426340.75	6848442.81	447.13

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTA053	9	-90	426321.19	6848473.71	447.21
WTA054	9	-90	426399.07	6848460.31	447.33
WTA055	9	-90	426415.71	6848483.95	447.22
WTA056	8	-90	426441.48	6848459.94	447.24
WTA057	8	-90	426438.22	6848420.61	446.88
WTA058	8	-90	426520.25	6848421.35	447.38
WTA059	7	-90	426619.03	6848458.56	447.92
WTA060	8	-90	426563.28	6848466.51	447.85
WTA061	8	-90	426519.41	6848462.23	447.52
WTA062	8	-90	426481.12	6848457.26	447.26
WTA063	8	-90	426491.59	6848492.67	447.37
WTA064	7	-90	426571.11	6848488.69	447.86
WTA065	8	-90	426556.88	6848531.17	447.75
WTA066	8	-90	426644.45	6848220.62	447.76
WTA067	8	-90	426599.58	6848219.85	447.36
WTA068	6	-90	426555.74	6848220.46	447.03
WTA069	4	-90	426518.25	6848222.08	446.34
WTA070	6	-90	426201.59	6848256.89	447.05
WTA071	8	-90	426126.77	6848259.65	447.38
WTA072	8	-90	426075.54	6848217.36	447.62
WTA073	8	-90	426120.82	6848223.6	447.48
WTA074	8	-90	426157.71	6848223.99	447.13
WTA075	3	-90	426201.63	6848217.57	446.7
WTA076	8	-90	426118.8	6848186.09	447.39
WTA077	8	-90	426089.77	6848139.5	447.83
WTA078	7	-90	426119.29	6848140.42	447.95
WTA079	7	-90	426156.58	6848138.34	447.66
WTA080	7	-90	426197.82	6848140.95	447.62
WTA081	7	-90	426199.59	6848180.14	447.07
WTA082	6	-90	426162.1	6848101.55	447.24
WTA083	6	-90	426159.58	6848061.55	447.12
WTA084	6	-90	426122.5	6848057.63	447.21
WTA085	7	-90	426100.02	6848057.89	447.6
WTA086	5	-90	426160.49	6848021.05	447.2
WTA087	5	-90	426115.18	6847982.77	447.42
WTA088	6	-90	426154.55	6847979.85	447.43
WTA089	6	-90	426196.36	6847979.37	446.91
WTA090	5	-90	426239.64	6847978.92	446.81
WTA091	6	-90	426277.31	6847979.46	446.32
WTA092	6	-90	426319.48	6847979.92	445.58
WTA093	6	-90	426361.6	6847981.01	445.34
WTA094	6	-90	426400.46	6847978.46	445.71
WTA095	6	-90	426441.33	6847981.04	445.77
WTA096	6	-90	426478.65	6847980.41	446.19
WTA097	6	-90	426520.53	6847982.09	446.32
WTA098	6	-90	426563.43	6847983.6	447.15
WTA099	7	-90	426598.47	6847979.97	447.86
WTA100	7	-90	426637.42	6847979.91	447.76

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTA101	7	-90	426669.92	6847982.15	447.62
WTA102	7	-90	426661.32	6848058.57	447.76
WTA103	6	-90	426608.61	6848060.89	447.03
WTA104	7	-90	426683.08	6847898.84	447.56
WTA105	7	-90	426641.93	6847903.65	447.24
WTA106	6	-90	426600.5	6847900.47	446.9
WTA107	6	-90	426559.68	6847899.3	446.85
WTA108	6	-90	426480.33	6847898.26	446.76
WTA109	6	-90	426520.61	6847896.2	446.62
WTA110	7	-90	426438.47	6847898.03	446.7
WTA111	7	-90	426397.46	6847897.16	446.55
WTA112	6	-90	426355.9	6847896.92	446.48
WTA113	6	-90	426317.49	6847900.36	446.51
WTA114	6	-90	426278.68	6847898.29	446.92
WTA115	6	-90	426241.03	6847897.09	447.22
WTA116	6	-90	426192.32	6847898.51	447.58
WTA117	6	-90	426152.28	6847898.14	447.49
WTA118	6	-90	426128.45	6847938.15	447.64
WTA119	6	-90	426172.84	6847805.47	449.99
WTA120	6	-90	426209.58	6847819.73	449.16
WTA121	7	-90	426243.37	6847823.2	448.02
WTA122	7	-90	426277.25	6847831.22	447.22
WTA123	7	-90	426282.63	6847857.34	446.83
WTA124	6	-90	426198.32	6847860.06	447.76
WTA125	7	-90	426366.11	6847859.18	446.42
WTA126	6	-90	426440.68	6847858.12	446.95
WTA127	7	-90	426520.51	6847857.44	446.97
WTA128	7	-90	426603.96	6847858.78	447.19
WTA129	7	-90	426640.82	6847940.28	447.5
WTA130	6	-90	426559.56	6847939.71	446.55
WTA131	6	-90	426479.32	6847938.44	446.58
WTA132	6	-90	426443.08	6847942.31	447.03
WTA133	7	-90	426354.36	6847936.87	446.7
WTA134	7	-90	426279.53	6847941.45	447.14
WTA135	7	-90	426320.73	6847931.14	446.91
WTA136	6	-90	426202.21	6847938.05	447.38
WTA137	5	-90	426235.87	6848019.23	446.66
WTA138	5	-90	426277.58	6848058.64	445.94
WTA139	5	-90	426321.51	6848018.72	445.59
WTA140	3	-90	426401.18	6848018.63	445.59
WTA141	5	-90	426563.19	6848018.75	446.78
WTA142	7	-90	426643.64	6848022.51	447.3
WTA143	4	-90	426597.4	6848098.57	446.91
WTA144	7	-90	426600.11	6848137.73	446.85
WTA145	7	-90	426600.95	6848180.45	447.39
WTA146	7	-90	426653.1	6848139.05	447.53
WTA147	8	-90	426669.11	6847092.77	445.67
WTA148	8	-90	426565.99	6847103.84	445.67

HOLE ID	DEPTH	DIP	EASTING	NORTHING	ELEVATION
WTA149	8	-90	426489.07	6847123.28	445.91
WTA150	9	-90	426409.93	6847139.65	445.37
WTA151	9	-90	426334.32	6847151.07	445.75
WTA152	9	-90	426258.07	6847167.75	445.93
WTA153	8	-90	426180.28	6847194.65	445.78
WTA154	8	-90	426197.67	6847245.34	446.12
WTA155	9	-90	426276.31	6847219.01	446.19
WTA156	8	-90	426351.69	6847199.73	445.7
WTA157	9	-90	426438.31	6847187.08	445.04
WTA158	8	-90	426508.68	6847171.24	445.12
WTA159	8	-90	426590.32	6847146.15	445.55
WTA160	7	-90	426695.06	6847139.87	445.6
WTA161	7	-90	426705.09	6847188.99	445.86
WTA162	6	-90	426699.78	6847240.9	445.48
WTA163	7	-90	426621.14	6847251.9	445.92
WTA164	7	-90	426610.14	6847194.14	445.64
WTA165	7	-90	426535.53	6847242.14	445.34
WTA166	7	-90	426463.86	6847239.39	444.9
WTA167	7	-90	426381.91	6847243.45	445.47
WTA168	9	-90	426300.5	6847266.01	446.06
WTA169	9	-90	426216.79	6847295.5	446.67
WTA170	8	-90	426254.9	6847281.73	446.35
WTA171	7	-90	426339.45	6847255.85	445.78
WTA172	6	-90	426422.63	6847240.38	445.16
WTA173	6	-90	426496	6847241	445
WTA174	5	-90	426580.06	6847242.81	445.46
WTA175	5	-90	426656.38	6847249.4	445.74
WTA176	5	-90	426656.85	6847188.05	445.56
WTA177	7	-90	426569.62	6847205.78	445.27
WTA178	7	-90	426525.32	6847205.77	445.12
WTA179	8	-90	426238.3	6847232.3	445.89
WTA180	8	-90	426318.05	6847210.14	445.82
WTA181	8	-90	426394.53	6847194.01	445.27
WTA182	7	-90	426475.34	6847178.05	445.15
WTA183	7	-90	426550.17	6847158.16	445.33
WTA184	7	-90	426638.04	6847144.89	445.56
WTA185	7	-90	426608.4	6847098.23	445.76
WTA186	7	-90	426527.79	6847114.2	445.67
WTA187	7	-90	426445.96	6847130.97	445.34
WTA188	8	-90	426371.13	6847149.74	445.26
WTA189	8	-90	426294.55	6847163.19	445.91
WTA190	8	-90	426219.52	6847181.66	445.89
WTA191	7	-90	426559.06	6848138.52	446.38
WTA192	7	-90	426517.47	6848137.29	446.1
WTA193	7	-90	426479.19	6848139.7	445.28
WTA194	5.5	-90	426476.51	6848223.19	445.16

Table 2: Drill Collar Information Summary – Lancefield Gold Tailings

Hole ID	Hole type	Collar easting	Collar northing	Collar elevation	Drill date	Hole depth	Comment
A	AC	438187.8	6841052	449.71	2009	5.5	NOT USED
A2	AC	438289.4	6841057	452.089	2009	4.2	USED
A2OPTTW03	SNC	438287	6841059	452.181	2020	5.913	USED
B	AC	438188.8	6841014	450.121	2009	6.25	NOT USED
B1	AC	438238.7	6841045	452.137	2009	6	USED
B2	AC	438286.1	6841018	452.312	2009	1.5	USED
B3	AC	438327.8	6841046	451.638	2009	5.25	USED
B4	AC	438388.6	6841061	452.766	2009	6	USED
C	AC	438192.6	6840970	451.482	2009	6	NOT USED
C1	AC	438240.8	6841003	452.97	2009	6	USED
C2	AC	438288.2	6840976	451.75	2009	2.25	USED
C2OPTTW04	SNC	438286	6840979	451.68	2020	5.625	USED
C3	AC	438328.5	6841008	451.25	2009	5.25	USED
C4	AC	438389.3	6841032	453.159	2009	6	USED
C6	AC	438422.3	6841007	449.292	2009	2.25	USED
D	AC	438191.8	6840920	450.356	2009	6	NOT USED
D1	AC	438242.4	6840957	451.25	2009	5.75	USED
D2	AC	438290.6	6840941	451.75	2009	5.75	USED
D3	AC	438328.8	6840961	451.601	2009	5.75	USED
D4	AC	438389.5	6840994	452.23	2009	6	USED
D6	AC	438422.1	6840987	449.454	2009	3.95	USED
E	AC	438205.1	6840866	449.615	2009	4.5	NOT USED
E1	AC	438245.3	6840918	452.196	2009	6	USED
E2	AC	438285.8	6840870	451.369	2009	5	USED
E3	AC	438329	6840921	452.377	2009	6	USED
E4	AC	438391.6	6840947	451.917	2009	5.6	USED
E6	AC	438422.7	6840970	449.75	2009	3.3	USED
F	AC	438204.8	6840821	450.08	2009	4.5	NOT USED
F1	AC	438244.6	6840855	450.25	2009	4.5	USED
F2	AC	438287.1	6840824	450.869	2009	4.75	USED
F3	AC	438326.9	6840858	451.25	2009	6	USED
F4	AC	438391.9	6840887	452.25	2009	6	USED
F5	AC	438446.1	6840922	452.01	2009	4.5	USED
F6	AC	438422.8	6840954	449.75	2009	3.5	USED
G	AC	438204.2	6840775	450.137	2009	4.5	NOT USED
G1	AC	438243.2	6840809	450.25	2009	4.5	USED
G2	AC	438286.3	6840775	451.324	2009	5.25	USED
G3	AC	438326.2	6840823	451.71	2009	5	USED
G4	AC	438393.8	6840845	452.17	2009	6	USED
G5	AC	438448.5	6840879	453.949	2009	6.6	USED
G6	AC	438511.6	6840911	454.099	2009	6.75	USED
H	AC	438205.8	6840725	450.795	2009	4.75	NOT USED
H1	AC	438242.1	6840759	450.25	2009	4.5	USED
H3	AC	438326	6840768	451.5	2009	5.75	USED
H4	AC	438394.8	6840799	452.25	2009	6.2	USED
H5	AC	438452	6840821	453.5	2009	6.75	USED
H6	AC	438509.2	6840853	452.915	2009	7.3	USED
H6OPTTW12	SNC	438505	6840854	453.5	2020	6.875	USED
H7	AC	438588.9	6840882	452	2009	2	USED
I1	AC	438397.4	6840732	451.569	2009	5.5	USED
I2	AC	438455.6	6840767	452.893	2009	6.3	USED
I3	AC	438505.4	6840803	453.75	2009	7	USED
I4	AC	438592.5	6840826	454.75	2009	4.4	USED
I4OPTTW13	SNC	438586	6840831	453.63	2020	6.714	USED
J2	AC	438595.5	6840771	452	2009	4.25	USED
OPTNEW01	SNC	438562	6840905	451.81	2020	5.222	USED
OPTNEW02	SNC	438557	6840860	452.139	2020	5.571	USED

Hole ID	Hole type	Collar easting	Collar northing	Collar elevation	Drill date	Hole depth	Comment
A	AC	438187.8	6841052	449.71	2009	5.5	NOT USED
A2	AC	438289.4	6841057	452.089	2009	4.2	USED
A2OPTTW03	SNC	438287	6841059	452.181	2020	5.913	USED
B	AC	438188.8	6841014	450.121	2009	6.25	NOT USED
B1	AC	438238.7	6841045	452.137	2009	6	USED
OPTNEW04	SNC	438526	6840829	451.904	2020	5.375	USED
OPTNEW05	SNC	438522	6840768	453.111	2020	6	USED
OPTNEW10	SNC	438440	6840853	452.978	2020	6.775	USED
OPTNEW11	SNC	438422	6840811	452.793	2020	4.184	USED
OPTNEW12	SNC	438424	6840765	452.392	2020	6	USED
OPTNEW13	SNC	438379	6840771	452.5	2020	5.78	USED
OPTNEW20	SNC	438267	6841011	452.189	2020	6.133	USED
OPTNEW41	SNC	438197	6841001	453	2020	7.219	USED
OPTNEW42	SNC	438199	6841052	453.5	2020	7.683	USED
OPTNEW44	SNC	438290	6840849	450.5	2020	4.957	USED
OPTNEW45	SNC	438406	6840721	452.077	2020	4	USED
Q1	AC	438227.4	6841060	451.75	2009	6	USED
Q1OPTTW02	SNC	438226	6841058	451.75	2020	6	USED
Q2	AC	438222.2	6841029	451.694	2009	5.25	USED
Q3	AC	438217	6840974	451.29	2009	5.5	USED
Q4	AC	438222.6	6840946	451.475	2009	5.5	USED
Q5	AC	438236.6	6840875	450.25	2009	5.25	USED
Q6	AC	438234	6840838	450.044	2009	4.5	USED
Q7	AC	438234.3	6840789	450.013	2009	4.5	USED
Q8	AC	438237.2	6840746	450.25	2009	4.5	USED
R1	AC	438254.6	6841060	451.75	2009	5.75	USED
R10	AC	438269	6840900	450.5	2009	4.5	USED
R10OPTTW05	SNC	438268	6840901	450.5	2020	4.37	USED
R2	AC	438257.5	6841035	451.75	2009	6	USED
R3	AC	438266	6840968	451.5	2009	5.5	USED
R4	AC	438268.9	6840931	451.5	2009	5.75	USED
R5	AC	438293.7	6840869	450.539	2009	4.5	USED
R6	AC	438266.6	6840839	450.25	2009	4.5	USED
R7	AC	438266.8	6840814	450.318	2009	4.5	USED
R8	AC	438267	6840771	450.25	2009	5	USED
R9	AC	438267.2	6840743	450.5	2009	5.25	USED
R9OPTTW06	SNC	438269	6840749	450.5	2020	5.15	USED
S1	AC	438311.6	6841070	452	2009	5.75	USED
S2	AC	438314.6	6841023	451.268	2009	5.25	USED
S3	AC	438314.8	6840990	451.25	2009	5.25	USED
S4	AC	438314.9	6840956	451.763	2009	6	USED
S5	AC	438415.7	6840922	450.644	2009	6	USED
S6	AC	438296.2	6840897	450.75	2009	5	USED
S7	AC	438307.3	6840857	451.043	2009	5.25	USED
S8	AC	438302.2	6840793	451.27	2009	5.5	USED
S8OPTTW07	SNC	438306	6840793	451.25	2020	5.348	USED
S9	AC	438310.6	6840749	451.403	2009	5.25	USED
S9OPTTW08	SNC	438311	6840749	451.423	2020	5.41	USED
T1	AC	438357.9	6841054	451.75	2009	5.25	USED
T1OPTTW01	SNC	438358	6841056	451.838	2020	6	USED
T2	AC	438355.4	6841021	452.08	2009	6	USED
T3	AC	438355.6	6840977	452.441	2009	5.75	USED
T4	AC	438353.2	6840919	452.644	2009	6	USED
T5	AC	438358.7	6840901	451.25	2009	4.5	USED
T6	AC	438356.3	6840848	451.25	2009	4.5	USED
T7	AC	438353.8	6840799	451	2009	5.25	USED
T8	NA	438351.4	6840731	451.597	2009	4	USED
U1	NA	438307	6840913	452.175	2009	6.75	USED

APPENDIX 2 – JORC 2012 TABLE 1 – WINDARRA GOLD TAILINGS PROJECT

SECTION 1 - Sampling Techniques and Data for the Windarra Gold Tailings (North and South Dams)

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

JORC Code explanation	Commentary
Sampling techniques	
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. *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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Two types of sampling have been carried out: Sonic drilling (North and South dams) and aircore drilling (North and South dams). All drilling included measures to recover a representative sample, such as the use of plastic sleeves to capture the sonic sample, and the use of a cyclone and collection hose for the aircore drilling. Sonic and aircore drilling were used to derive 1 m samples from the North and South dams.
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 or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Sonic drilling and aircore drilling were used for the North and South dams.
Drill sample recovery	
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.*	Sample recovery and sample quality was monitored in each case by the site geologist for Triton Gold (North and South dams). Sample recoveries were assessed visually against the calculated mass for each drilling type for 1 m intervals. Holes where there was poor recovery (cave-in) or blockage of the bit by large rocks, or where there was excessive water, were abandoned and the hole was re-drilled. There is no relationship between sample recovery and grade.
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. *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	Sonic and aircore chips for the North and South dams were logged to define the nature of the tailings material, including the size, nature and coarseness of the sample recovered, whether soil or regolith (from the in situ material underlying the dam), and the moisture content of the sample. The logging comprises both qualitative (material type, oxidation state) and quantitative (particle size, moisture content) measures. Every intersection in every completed hole in the North and South dams was logged.
Sub-sampling techniques and sample preparation	
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.*	Core drilling was not used. The entire sample was collected for the sonic, RC and aircore drilling. The sonic samples were either split in half length-ways or the entire sample was used. The sonic and aircore samples were riffle-split every meter. For all drilling types industry standard sample collection techniques were applied, with the intention of collecting the entire sample for each interval. No subsampling was carried out for the sonic or aircore drilling – the entire sample was submitted to the preparation laboratory. The sonic samples were either split in half length-ways or the entire sample was used. The sonic and aircore samples were riffle-split every meter. No field duplicates were collected as for the sonic and aircore drilling the entire sample was collected. The tailings material is generally fine to very fine; thus the 1 m samples for each drilling type are appropriate to the particle size.

JORC Code explanation	Commentary
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. *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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Conventional 30g charge fire assay was used for the gold assaying from each of the sampling types and dams. A portable XRF was used to check base metal grades from the Central dam but this was not applicable to the gold assaying. Standards were inserted in the sonic and aircore drilling at a rate of 1 per 25 samples. No field duplicates were generated.
Verification of sampling and assaying	
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.*	There has been no independent verification of significant intersections other than through adjacent drilling of the higher-grade zones, showing consistency of the grades across adjacent holes. No twinning was carried out. Electronic databases exist for all drilling types, generated separately for the North and South dams (Triton). No assays have been adjusted.
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. *Specification of the grid system used.* *Quality and adequacy of topographic control.*	The holes are very short (< 11 m for the North and South dams), so no downhole surveys were carried out. Collar positions were recorded with a DGPS with sufficient accuracy for the purpose of resource estimation. MGA94_51 was used for all hole positioning. The surface of each of the dams was picked up using accurate survey techniques, thus the quality of topographic control is good.
Data spacing and distribution	
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.*	Sonic holes were drilled on an 80 m x 80 m grid for the North dam, with some infill holes. There is only one sonic hole in the South dam. Aircore holes were drilled on a 40 m x 40 m spacing across the North dam and on a 40 m x 50 m spacing across the South dam. In the opinion of the Competent Person the drill spacing is sufficient for the determination of Mineral Resources across the North and South dams. No sample compositing has been carried out.
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. *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.*	All holes are vertical, intersecting the horizontally deposited tailings at 90°. There is no bias between the orientation of the vertical drilling and the horizontally deposited tailings.
Sample security	
The measures taken to ensure sample security.	Samples were collected from the rigs by the respective geologists and/or technicians working for Triton or Poseidon and delivered by road to the laboratories in Perth. There are not considered to have been any issues with sample security.
Audits or reviews	
The results of any audits or reviews of sampling techniques and data.	No audits of the sampling have been carried out, although both drilling campaigns were supervised by senior geological personnel for Triton and Poseidon.

Section 2 Reporting of Exploration Results for the Windarra Gold Tailings (North and South Dams)

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

Section 2: Reporting of Exploration Results	
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.	Poseidon has tenure over the dams, which are contained within the much larger Mining Lease M261SA, owned by Poseidon Nickel Limited.
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.	Poseidon has tenure over the dams; the lease includes historic mines at Mount Windarra and South Windarra, with no known impediments to operation.
Exploration Done by Other Parties	
Acknowledgment and appraisal of exploration by other parties.	There has been exploration by WMC Resources and Triton Gold in addition to work carried out by Poseidon.
Geology	
Deposit type, geological setting and style of mineralisation.	The deposits are three adjacent tailings dams containing gold and nickel tailings.
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: *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.*	See drilling collar summary (Appendix 1 – Table 1).
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 weighting or averaging has been used in reporting the drillhole.
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 aggregate intercepts have been reported.
The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents have been reported.
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').*	Holes have been drilled normal to the deposition of the tailings.
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	No intercepts have been reported.

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.	No intercepts have been reported.
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.	No other exploration data is relevant to the estimation of the Mineral Resources at the dams.
Further work	
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.*	No further drilling is planned – the dimensions of the dams are entirely known.

Section 3 Estimation and Reporting of Mineral Resources for the Windarra Gold Tailings (North and South Dams)

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

Section 3: Estimation and Reporting of Mineral Resources	
Database integrity	
Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. *Data validation procedures used.*	Information has been stored in series of Access databases and is free of errors. Information has been imported digitally into the databases wherever possible.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	The Competent Person visited the Windarra site in December 2020.
Geological interpretation	
Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	Tailings have been deposited horizontally. There are no other controls on mineralisation. Drilling data from sonic and aircore holes have been used as-is. No assumptions have been made other than that the drilling provides a representative sample of the tailings. No alternative interpretations are possible. Geology is not relevant in the Mineral Resource estimations. Grade continuity in the horizontal plane is a function of the consistency of the tailings deposited at any one elevation. No grade continuity has been assumed in any other plane.
Dimensions	
The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The combined dams have a footprint of 620 m in the east-west dimension and 1400 m in the north-south dimension.
Estimation and modelling techniques	
The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	The block models have been constrained by a surface constructed from the base depth of the holes. Solids were constructed assuming a 45-degree angle for the inner dam walls. Ordinary kriging of gold values has been used in all models. For the North and South dams an estimation block size of 60 x 60 x 1m (vertical) has been used. Gold, silver, copper, nickel and arsenic grades have been estimated using ordinary kriging. Top cuts were applied to some of the gold and silver grades. Search ellipsoids were based on the variograms and reflect the directions and dimensions of continuity in the horizontal plane, with a very narrow ellipsoid dimension in the vertical plane, reflecting the depositional nature of the tails. Previous estimates for the North and South dams have been carried out by other consulting groups, and by WMC Resources, the original owner of the property. No assumptions have been made regarding the recovery of by-products. There are no deleterious elements which are anticipated to affect recovery. The block sizes used are based upon the drill spacings and the modelling of continuity. Because of the proposed mining method (dredging) the concept of a selective mining unit is not relevant. No correlations between the variables have been assumed. No geological interpretation has been used to control the estimates. High-grade gold and silver grades were cut to restrict the influence of outlier grades. The models were validated visually, using profile plots and on a whole-of-domain basis against the input drilling data. There has been no recovery of tailings from the dams, thus no reconciliation is possible, although cross-checks were made against production records from tailings deposition over the life of the dams by WMC Resources.
Moisture	

Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Tonnages have been estimated using dry bulk density determinations taken from nine geotechnical holes drilled in 2008 to test potential tailings dam lifts. Moisture determinations during this testing varied between 14% and 33%, depending upon the depth. Testing was carried out using undisturbed tube samples.
Cut-off parameters	
The basis of the adopted cut-off grade(s) or quality parameters applied	Due to the proposed mining method no cut-off grade has been applied. A small area of the South dam which is contaminated with potential arsenic-contaminated equipment (placed on top of the tailings) has been excised from the model.
Mining factors or assumptions	
Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	It is assumed that the material will be extracted via dredging within a tailings pond. As this is a non-selective method, assumptions have been made that all of the material will be removed for treatment (excluding the potential surficial arsenic-contaminated area, which can be removed using a bulldozer or loader). The decision of RPEEE has been made on the basis of the gold price and the assumed metallurgical recovery.
Metallurgical factors or assumptions	
The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Metallurgical data was used from the following test programs on material from the North and South Dams to determine the appropriate metallurgical gold recovery: • WMC completed 61 leach tests on 32 samples at Oretest in 1996; • Nagrom completed testwork in 2009 for Triton Resources; • SGS completed gravity recovery and leach tests in 2009 for Australian Mineral Fields; • Nagrom completed testwork in 2011 and 2012 for Poseidon; • Outotec completed settling tests in 2011; • SGS completed a leach test and Fleming constant determination in 2012 for Poseidon; • HRL completed LeachWell extraction tests and mineralogy in 2013 for Poseidon; • ALS conducted leach tests in 2017 for GTI Resources. The Company has prepared the DFS based on a statistical correlation for the recovery rate for North dam (38.0%); and for South dam (45.6%).
Environmental factors or assumptions	
Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made	No assumptions affecting the Mineral Resource estimate have been made about disposal of the post-treatment residue. It is not expected that the location and cost of dumping the tailings will affect the RPEEE assumptions. There are not expected to be any environmental assumptions.
Bulk density	
Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc),	A dry bulk density of 1.60 t/m^3 has been assumed on the basis of geotechnical testwork carried out in 2008 (nine holes in the North dam), which returned values of between 1.69 and 2.06 t/m^3. Appropriate techniques have been used to measure the bulk density, with corrections for moisture content. Due to the nature of the tailings,

moisture and differences between rock and alteration zones within the deposit, Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	a moisture correction is necessary and this was applied based on the results of laboratory testing. A constant bulk density has been used for all dams.
Classification	
The basis for the classification of the Mineral Resources into varying confidence categories Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit.	All of the material has been classified as Indicated Mineral Resources, reflecting the relative levels of certainty in the data and the physical measurements of bulk density and dimensions. All relevant factors have been considered in the choice of the Indicated category. The classification reflects the Competent Person's view of the deposit.
Audits or reviews	
The results of any audits or reviews of Mineral Resource estimates. Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No reviews of the estimates have been carried out. All of Optiro's estimates have been peer-reviewed internally. No assessment of the relative accuracy and confidence of the estimate has been made. The confidence in the estimate is believed to be moderate to good. The resource estimates are believed to be accurate on the basis of annual tonnages and grades. Due to the relatively non-selective nature of the mining method proposed and the likelihood of mixing during mining, it is not possible to be any more confident than this. There is no production data.

APPENDIX 2 – JORC 2012 TABLE 1 – WINDARRA GOLD TAILINGS PROJECT

SECTION 1 - Sampling Techniques and Data for the Lancefield Gold Tailings

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

JORC Code explanation	Commentary
Sampling techniques	
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. *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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Sampling is based upon two phases of drilling – a phase of 87 aircore holes drilled in 2009, and a phase of 23 follow-up sonic holes drilled in 2020. Both methods generate good samples of tailings without disruption by air or water. Air core provides representative chunks of rocks and sonic drilling generates an intact 'tube' of core, which is captured in a plastic sleeve. The compression of material in sonic drilling results in elongation of the 'core' and a correction has been made for this. Both drilling methods are deemed to be industry standard to best practice for delineating sub-aerially deposited tailings. Assaying of gold, by fire assay, is also deemed to be standard practice. There is no suggestion of coarse gold.
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 or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	Aircore drilling uses a reverse circulation paradigm to preserve sample integrity. Sonic drilling generates a more-or-less intact 'tube' of material which is constrained in a plastic sleeve.
Drill sample recovery	
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.*	No records exist of the aircore recoveries for the 2009 drilling. All intervals for the 2020 drilling were photographed and the sample recovery was good to excellent. The tailings material is fine and the sonic drilling is very representative. No records exist regarding the recovery of the 2009 drilling. There is no relationship between sample recovery and grade.
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. *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* *The total length and percentage of the relevant intersections logged.*	The 2009 aircore drilling was logged for colour and moisture. The 2020 sonic drilling was also logged for colour and moisture content. Logging is quantitative. Every metre of every hole has been logged.
Sub-sampling techniques and sample preparation	
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.*	The subsampling of the 2009 aircore drilling is unknown, except to note that substantial rejects exist for almost all intervals. For the 2020 drilling, half 'core' was taken except where a duplicate sample was taken of the remainder of the sample. The splitting method of the 2009 aircore drilling is unknown. Samples were manually split using a trowel for the 2020 drilling. The moisture content varies from dry to wet, with most samples being moist or damp. The sample cutting technique for the sonic 'core' is deemed by the Competent Person to be appropriate. The subsampling of the 2009 aircore material is unknown. The 2020 sonic 'core' was cut as soon as possible after recovery and bagged along with a sample tag. Duplicate samples for the sonic material entail taking the entire sample in two halves of 'core'. QAQC for the seven field duplicates taken for the 2020 programme show no grade bias. The material is very fine (<70 micron) and thus the sample sizes are representative. The 2020 drilling recovered 'half-core' sample sizes of between 1 and 4 kg on average.
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.	The 2020 samples were dried, weighed, and pulverized to rehomogenise the material. Both the 2009 and 2020 drilling was subject to gold by fire assay, a total assay technique.

JORC Code explanation	Commentary
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	No geophysical tools were used. 87 pulp reject samples were taken of the 2009 drilling, chosen at random. These were subject to fire assay. Seven field duplicates were taken in the 23 2020 holes. Standard reference materials (three different types) were inserted at regular intervals and 16 standards overall were used in the 2020 drilling. The 10 2020 twin holes were compared on a hole-by-hole basis and overall with their 2009 twinned equivalents.
Verification of sampling and assaying	
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.*	10 twinned holes were drilled in 2020 which duplicated 2009 drilling. Field duplicates (second half of 'core') were taken throughout the 2020 drilling at an approximate 1 in 25 rate. 10 twinned holes were drilled. Each of the 2020 holes was logged and all logging information was transferred to a spreadsheet. The 2009 drilling was provided in spreadsheet form. All drilling was input into a mining software package (Datamine Studio RM) for estimation. There has been no adjustment to the assay data despite the 2020 assaying of the 2009 rejects showing an 11% lower grade overall. This difference is considered by the CP to be within the range of error implied by an Indicated Mineral Resource.
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. *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Collars were picked up by conventional GPS and thus the X and Y coordinates are accurate to 2-3 metres. A drone pickup of the tailings in November 2020 was used to ensure that the vertical (Z) co-ordinate of the old and the new drilling is accurate to several centimetres. The MGA grid (Zone 51) was used. A drone survey of the tailings was flown during the 2020 drilling. This allowed a very accurate volume of the total tailings footprint to be generated.
Data spacing and distribution	
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.*	Drill spacing varies but averages between 20 x 20 to 50 x 50 over the Indicated portion of the tailings. There is no geological continuity as material is not in situ. Grade continuity, of approximately 200 m by 50 m, has been established in a horizontal plane. The 2009 drilling averaged 0.75 m for individual samples. The 2020 drilling was collected on consistent 1 m downhole intervals. Overall, the entire data set has been composited to 1 m downhole.
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. *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.*	The tailings have been deposited horizontally (or virtually so); thus the vertical drilling provides a good intersection angle. The mineralisation has continuity horizontally due to its depositional nature; there are no other grade trends. No sample bias exists.
Sample security	
The measures taken to ensure sample security.	Samples were collected, cut and bagged by Optiro in the field for the 2020 programme. The samples were delivered to the assay laboratory by Optiro secured in large bags on pallets.
Audits or reviews	
The results of any audits or reviews of sampling techniques and data.	No review of the 2009 drilling has been carried out. The 2020 drilling has not been externally reviewed but Optiro managed the entire programme.

Section 2 Reporting of Exploration Results for the Lancefield Gold Tailings
(Criteria listed in the preceding section also apply to this section.)

Section 2: Reporting of Exploration Results	
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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Poseidon has been granted an exclusive option to acquire the right to treat the Lancefield Gold Tailings and recover all gold from those tailings. On exercising the option both Poseidon and the tailings treatment licence holder, Svenson Nominees, will enter into a Royalty and Right to Treat Agreement granting Poseidon the exclusive right to reprocess the gold tailings from the Lancefield Gold Tailings. Licence Holder: Svenson Nominees Pty Ltd. Licence to Treat Tailings tenements LTT 70/3709 and LTT 70/2666 and Miscellaneous Licence 38/225, collectively referred to as the "Lancefield Gold Tailings". All Licences are to be renewed on an annual basis. Both parties agree that the Lancefield Gold Tailings should be treated within four years of the signing of the Royalty and Right to Treat Agreement.
Exploration Done by Other Parties	
Acknowledgment and appraisal of exploration by other parties.	Previous exploration by Cervantes in 2009 resulted in 87 vertical aircore holes, for which almost 100% of the sample rejects are retained. Records exist of an 'augering' programme in 1993, but no samples have been retained from this drilling.
Geology	
Deposit type, geological setting and style of mineralisation.	The deposit is tailings from the Lancefield gold mine, both open pit and underground. Lancefield was an Archaean sediment-hosted deposit which ceased operation in 1994.
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: *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.*	See drilling collar summary (Appendix 1 – Table 2).
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. *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.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Grades were not combined but were composited to 1 m downhole. The variability is low and no cutting of high grades was adopted. Some short residual samples at the base of the tailings were incorporated into the samples above via the compositing process. The 2009 drilling (averaging 0.75 m downhole) was composited to 1 m downhole for estimation. No metal equivalents were used or applied.
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.*	The entire tailings area is mineralised to varying extents. Down hole intercepts reflect 'true widths' as the tailings were deposited horizontally. No vertical continuity has been assumed.

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').	
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	See the report for a collar plan of the 2009 and 2020 drilling.
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.	No selective reporting has been applied.
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.	No other exploration data is relevant or has been gathered.
Further work	
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.*	The tailings extent is known and therefore no additional extensional drilling is required. Depending upon the metallurgical testing further holes may be required.

Section 3 Estimation and Reporting of Mineral Resources for the Lancefield Gold Tailings
(Criteria listed in the preceding section also apply to this section.)

Section 3: Estimation and Reporting of Mineral Resources	
Database integrity	
Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. *Data validation procedures used.*	Cross-checks have been instigated between the manually entered sample sheets and the resultant electronic data. Visual comparisons between the original (2009) and the twinned (2020) holes for the 10 twins have been made and there are no striking differences. The Competent Person visited the tailings site after drilling and confirmed the collar locations of all of the 2020 holes, along with most of the twinned 2009 holes. The 2009 drilling rejects were subject to re-assay in part. Seven of the 2020 sampling intervals were duplicated (second half of 'core') with no bias observed.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	The Competent Person has visited the Lancefield tailings site approximately two weeks after the end of the 2020 drilling programme and has identified all of the 2020 drilling collars. The tailings profiles can be observed visually in cuttings.
Geological interpretation	
Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.	There is no geological interpretation. It is assumed that the 2009 assays are reflective of the tailings material since the assays have largely been reproduced (with a small bias) by the 2020 reject repeat assaying. There are no alternative interpretations. Geology does not guide the Mineral Resource estimate, other than to note that the original material which gave rise to the tailings was derived from a hard rock open pit and underground gold mine. Grade continuity has been demonstrated by variography and reflects the sub-horizontal nature of the tailing deposition. It is expected that there will be horizontal continuity as material of similar grade characteristics was been processed at any one time.
Dimensions	
The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	The tailings dam has approximate dimensions of 380 m (east-west) by 340 m (north-south) and a depth of between 4 and 7 metres.
Estimation and modelling techniques	
The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Grades have been composited to 1 m downhole. One domain has been assumed, covering the entire tailings deposit. No top cutting of gold grades was applied due to their lack of variability. Based upon variography of the gold values, an initial search of 200 m (north-south) by 50 m (east-west) by 1 m vertical has been utilised. Three more successive (larger) searches were applied to blocks not estimated in the previous pass. Blocks unestimated in the fourth pass (a very small number) were applied the deposit average grade of 1.25 g/t gold. Other elements (silver, copper, nickel, arsenic, iron and sulphur) used the gold variography directions and estimation parameters. There has been some extrapolation beyond the data points in the north and east portions of the tailings, but this area has all been classified as Inferred. Ordinary block kriging, using a minimum of 8 samples and a maximum of 24 samples, along with a block discretisation of 3 x 3 x 3 (27 points), was adopted for the first search. Estimation used Datamine Studio RM software and Supervisor for the statistics and geostatistics. No check estimates are available. No by-product recovery has been assumed. Arsenic, copper, nickel, iron and sulphur have been estimated but it is not assumed that any of these elements are deleterious in the concentrations as estimated. The average As value of 2,824 ppm may require some investigation depending upon the treatment method assumed. The block size is 25 m (X) by 25 m (Y) by 1 m (Z), based upon an average drillhole spacing of 20 x 20 to 50 x 50. The concept of a selective mining unit is not relevant as the entire dam will be removed for treatment.

	No correlation between gold an any other variable has been assumed. No geological interpretations are relevant. Gold grade caps have not been applied due to the low grade and extremely low variability (CV = 0.39) of the gold values. The comparison of the declustered sample grades and the volume-weighted block grades for gold shows a difference of 1.5%, which is considered very low.
Moisture	
Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Moisture was measured for all of the 2020 samples by weighing the samples wet (at the rig) and dry (at the laboratory). An average moisture content of 14.3% was calculated. This was applied to the wet bulk density and a dry bulk density was determined for tonnage calculation.
Cut-off parameters	
The basis of the adopted cut-off grade(s) or quality parameters applied	No cut-off grade has been adopted for reporting as the entire tailings deposit is expected to be removed.
Mining factors or assumptions	
Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	The entire tailings deposit will be removed by truck and shovel.
Metallurgical factors or assumptions	
The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	An approximate metallurgical recovery of 30% has been assumed in determining Reasonable Prospects of Eventual Economic Extraction. This is based upon preliminary testwork completed in 2009 at an accredited metallurgical laboratory using seven composites. The testwork assessed gold extraction using a conventional cyanidation/leach flowsheet.
Environmental factors or assumptions	
Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made	The removal of the tailings and subsequent processing and deposition in an alternate Tailings Storage Facility will be addressing an environmental liability by the owners of the Tailings Licence. The Environmental Assessment for deposition of the tailings in an alternate Tailings Storage Facility (as part of a larger gold tailings retreatment project) is currently in progress.
Bulk density	
Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit, Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	A wet bulk density was derived for the 2020 sonic drilling by assuming an average 'core' diameter after drilling of 67 mm and before 'core' elongation. This leads to an average wet bulk density value of 2.05 t/m^3 for the 2020 drilling. After correction for moisture (14.3% on average) an average dry bulk density of 1.75 t/m^3 was derived. The sonic drilling method provides intact lengths of core for which a volume can easily be measured. All material has been assumed to have the same bulk density.
Classification	
The basis for the classification of the Mineral Resources into varying confidence categories Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The material covered by 2009 and 2020 drilling, which encapsulates the original footprint of the tailings, has been assigned a category of Indicated. This takes into account the 10-20% grade bias seen between the 2009 and the 2020 drilling. The north and east portions of the tailings deposit, which have no drilling and which comprise wholly or

Whether the result appropriately reflects the Competent Person's view of the deposit.	partially material which has been removed from the main tailings, have been classified as Inferred. Grade reliability, volume uncertainty and assay uncertainty have all been considered in the assignment of resource categories. The classification reflects the Competent Person's view of the deposit.
Audits or reviews	
The results of any audits or reviews of Mineral Resource estimates. Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No external audits have been conducted on the Mineral Resource estimate. The Competent Person considers that the resource confidence levels applied reflect the relative accuracy of the estimation in the deposit. Grade continuity in the horizontal plane is good. The uncertainty in the historical (2009) assays is reflected in the Indicated classification. The resource classification is appropriate at the global scale, i.e. when the entire tailings deposit is removed for treatment. No production data is available.

Section 4 – Estimation and Reporting of Ore Reserves for the Windarra Gold Tailings Project

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Section 4: Estimation and Reporting of Ore Reserves	
Mineral Resource estimate for conversion to Ore Reserves	
Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	The mineral resource used as the basis for the ore reserve is as follows: Windarra Indicated 4.75Mt @ 0.73g/t Au; 112,000oz. Lancefield Indicated 1.21Mt @ 1.27g/t Au; 49,300oz Au Reported to ASX 21/12/20. The stated resource is inclusive of the ore reserve.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	The Windarra Project was visited by the Competent Person for the Ore Reserve on 13 July 2018. The conclusion from the site visit is that there appear to be no material impediments to exploiting the tailings as described in the Feasibility Study. The Lancefield Tails have not been visited and the opinions of the resource Competent Person is relied upon in this case.
Study status	
The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	A pre-feasibility study and definitive feasibility study have been completed on the Windarra Gold Tailings project. With application of the appropriate modifying factors, the study has concluded that the project is technically and economically viable.
Cut-off parameters	
The basis of the cut-off grade(s) or quality parameters applied	No cut-off has been applied as the tailings will not be selectively mined and with the exception of estimated mining losses the Indicated resource will be mined in its entirety.
Mining factors or assumptions	
The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods.	The pre-feasibility study and initial definitive feasibility study has been based on a hydraulic mining method for the Windarra tails and excavator and truck for the Lancefield tails. These methods are appropriate for the material being mined. The DFS has considered other mining methods such as dredge mining which may be employed following further value engineering studies. The geotechnical understanding of the tailings is based on the resource drilling which indicates the tailing are mostly dry with the exception of a small area at the centre of the dam. These characteristics combined with the geometry of the tailings were used to determine the mining method. There is no grade control as such, however the current resource drilling is of sufficient density to sequence the mining of the higher grade first. No additional dilution has been allowed for as the mine plan is for all tailings (95%) to be mined, the grade is based on the average grade of the entire tailings mass and the ability to mine accurately to the edge of the dam. A recovery assumption of approximately 95% was applied which equates to approximately 0.4 m thick of tailings remaining on the floor of the dam as the original surface can only be interpolated from the drilling data and it is possible that 100% of the tailings will not be recovered. Minimum mining width is not applicable as there is no selectivity and the entire tailings dam is planned to be mined. The mining strips are based on breaking the dam into approximately monthly mining blocks. All Windarra resources are in the Indicated category. The Lancefield inferred resources are excluded from the mine plan and do not hinder or inhibit the mining process. The infrastructure requirements have been designed and estimated by NPE for mining and Como Engineering for the processing and tailings aspects. These details are covered in the study report.
Metallurgical factors or assumptions	
The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. *Whether the metallurgical process is well-tested technology or novel in nature.*	The metallurgical process is a proven standard CIL circuit with pre-leach thickener and pressure Zadra elution circuit. This process method is appropriate to the re-treatment of gold tailings. Since 1996, a total of six metallurgical testwork programs have been completed by

The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. *Any assumptions or allowances made for deleterious elements.* *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	various owners, using cyanide leach techniques. During 2020 and 2021 further metallurgical testing was completed on representative composite samples and spatial variability samples to verify the historical data. The samples were obtained using sonic drilling on a grid pattern of the tailings resource. Using conventional laboratory test methods, the average recovery of gold and silver has been established. Interpretation of all relevant leach data shows that the average gold extraction is 38.0% for the Windarra North dam; 45.6% for the Windarra South dam and 28.1% for Lancefield for the 16-hour leach/adsorption. Allowance have been made for the occurrences of deleterious nickel and copper by designing for separate removal of these metals in the elution circuit using hot acid washing and cold cyanide elution respectively.
Environmental factors or assumptions	
The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	Waste rock characterisation is relevant in the context of the removal of previously characterised (by WMC) and approved (by DMIRS) capping material that was utilised in 1994/95 to cap the Windarra North/South dams. This previously characterised and approved capping material is proposed to be temporarily stockpiled around the perimeter of the Windarra North/South dams, reused and redistributed as the final landform capping after the gold tailings have been reclaimed. The Lancefield gold tailings have no capping material in place and are intended to be fully reclaimed, loaded and hauled to Windarra site for processing. The scope to retreat the Windarra gold tailings and to deposit the final tailings into the South Windarra Pit Lake was originally assessed and approved in 2012 by the Department of Water and Environmental Regulation (DWER). The Works Approval (W5180) was part of a combined gold retreatment and nickel processing project (Windarra Nickel Project). W5180 was granted by DWER for the Windarra Nickel Project in 2012; received a five-year extension in 2017 and was granted a further three-year extension in May 2020. In September 2020, DWER requested Poseidon to submit for assessment an amendment to W5180 based on Poseidon's proposed inclusion of Lancefield within the production profile. Poseidon submitted the amendment application to DWER in December 2020. The amendment to W5180 included the gold tailings located on Lancefield LTT 700-3709 within the production profile for the Project. Final tailings deposition from processing is proposed to be subaerially within the disused South Windarra Pit. Detailed solute transport and geochemical modelling over the 3.5-year operating period proposed (and for 100-year post closure) concluded the water level of the South Windarra Pit Lake is unlikely to exceed the ambient groundwater level and it will hence remain a 'groundwater sink'. Consequently, the risk of the lake forming a flow-through system or aquifer recharge source is low. Detailed modelling has confirmed the pit lake is unlikely to overtop in response to expected or extreme weather events. The already saline pit lake is predicted to become hypersaline by the end of the Project, with salinity increasing from the current seawater composition (38,000 mg/L TDS) to over 124,000 mg/L 100-years post-closure. As a permanent 'groundwater sink' with low probability of overtopping, few potential source-pathway-receptor linkages will likely exist post-closure (e.g., not impacting groundwater dependent ecosystems). The increasingly saline water will be unsuitable as a drinking water source for fauna and would be unlikely to support abundant aquatic life. The predicted pit lake both during operation of the Project and post-closure is considered to present a low risk to sensitive environmental receptors. Therefore, the South Windarra Pit Lake is suitable to utilise as the final Tailings Storage Facility (TSF) for the Project. On 28 May 2021, Poseidon received a notification from DWER confirming its intension to grant the Works Approval for the Project inclusive of Lancefield, subject to DWER receiving within six months confirmation of an approved Mining Proposal from DMIRS. DWER's assessment and notification of the intension to grant the Works Approval was based on the Hydraulic Mining option. DWER is assessing the Amphibious Dredging alternative mining option within the current scope of W5180.
Infrastructure	
The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk	The site can be accessed by sealed road from Laverton and some existing infrastructure remains in place from historical operation of the Windarra mine. This includes administration offices, messing facility and camp buildings. Existing

commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	infrastructure will be upgraded to accommodate the required personnel numbers. Personnel will transfer to site via the nearby Laverton airport. The plant site will be located in close proximity to the location of the previous plant, which has been removed, and sufficient land area is available. Infrastructure for bore water supply is existing. Raw water will be sourced from the historical South Windarra mine pit and pumped via a new pipe line to the process plant. The South Windarra pit will also be used for leached tailings deposition. Power will be supplied by an onsite power generation plant operated by an experienced contractor.
Costs	
The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private.	Project capital costs have been determined to Class 3 level based on the AusIMM cost estimation guidelines. The capital cost estimate has been calculated using vendor supplied mechanical and electrical equipment costs. Structural and concrete costs are determined from quantity estimates and material take-offs (MTO) using the latest commodity rates. Material take-offs were determined from the project general arrangement and elevation drawings. Labour costs for structural, mechanical, piping and electrical installation are based on composite labour rates. The composite labour rate includes the cost of rotation travel, accommodation, minor consumables, site efficiency and contractor mark-up. The capital cost includes allowances for Owners costs and required site infrastructure. Process operating costs have been estimated based on testwork data, reagent consumption rates, current labour rates, materials costs and maintenance costs. Unit pricing for reagents and consumables is based on pricing from reliable suppliers. Costs for bulk consumables includes delivery to site. Power costs have been determined from the installed load list and tender quotation from experienced power supply contractors. Site accommodation costs are based on tender quotation from a contractor experienced in providing site accommodation services. Costs for the tailings reclaim are based on pricing from a specialist contractor experienced in hydraulic mining. Exchange rates applied are based on prevailing market conditions and Poseidon management's internal forecast. Smelting and refining charges are included based on the estimated cost per oz to refine the gold to bullion. Under the Western Australian Mining Act 1978, royalties are payable on all minerals. The rate of royalty payable for gold and silver metal, contained in dore' 2.5%. This has been applied to the Economic Model. Under the terms of the Lancefield Right to Treat Agreement executed between Poseidon and Svenson Nominees Pty Ltd in Q3 2020, Svenson Nominees is entitled to receive a Net Smelter Royalty (NSR) of 1.5% on gold and silver recovered from processing the Lancefield gold tailings. This has been applied to the Economic Model.
Revenue factors	
The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	The run of mine grade is derived from the resource model estimate for the aggregated monthly mining block. Exchange rates applied are based on prevailing market conditions and Poseidon management's internal forecast. The derivation of the gold and silver price applied in the base case economic modelling is supported by a review of the previous 12-month weighted average spot price for both metals and Poseidon management's internal forecast after taking this historical review into consideration. Noting the weighted average spot price for gold over the past 12-months (in US$ terms) is approximately 6% higher than the gold price applied in the base case economic modelling (and for silver 5% higher.)
Market assessment	
The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product.	Considered Not Applicable for gold and silver commodities.

Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	
Economic	
The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs.	Economic modelling was undertaken by Poseidon for the Project. It utilises the capital and operating cost estimates identified in the DFS (stated at +/- 15% accuracy) in conjunction with the mine plan physicals, which reflect the Project Reserve estimate. A flat foreign exchange and pricing structure was used in the economic modelling for the period between July 2021 to March 2026. This encompasses the anticipated regulatory and project approvals period going forward to a Final Investment Decision (FID); the project construction phase; and the Life of Mine operating period. The key economic assumptions noted below have been assumed as the base case in the economic analysis. • Gold price $US - $1,750/oz • Exchange Rate: US$:A$1.00 – US$0.75 • Discount rate – 8% Financial modelling was undertaken on pre-tax earnings. It does not consider offsetting losses, research and development tax rebates and other tax minimisation opportunities. Under the Western Australian Mining Act 1978, royalties are payable on all minerals. The rate of royalty payable for gold and silver metal, contained in dore' 2.5%. This has been applied to the Economic Model. Under the terms of the Lancefield Right to Treat Agreement executed between Poseidon and Svenson Nominees Pty Ltd in Q3 2020, Svenson Nominees is entitled to receive a Net Smelter Royalty (NSR) of 1.5% on gold and silver recovered from processing the Lancefield gold tailings. This has been applied to the Economic Model. The NPV is highly sensitive to the gold price, gold recovery and exchange rate with a 20% change to each (in isolation) reducing the Project NPV to approximately zero. The NPV is marginally sensitive to mining costs, processing costs and capital costs with a 20% increase in each costing input (in isolation) reducing the Project NPV by approximately 15%, 21% and 33% respectively.
Social	
The status of agreements with key stakeholders and matters leading to social licence to operate.	The Shire of Laverton is the holder of the Management Order for Reserve 45177, known as the Windarra Heritage Trail. The heritage trial provides a historical route located on site at Windarra, from the first drill hole where the historical Poseidon NL first intercepted nickel, up to the water tower look out that overlooks the historical mine and associated infrastructure that still remains at Windarra. Poseidon and the Shire have prepared a draft Heritage Trail Agreement which is still yet to be finalised. The document is to govern the relocation and re-instatement of the Heritage Trial during any period of mining operations at Windarra. The Shire and Poseidon continue to engage on this matter.
Other	
To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: Any identified material naturally occurring risks. The status of material legal agreements and marketing arrangements. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	No material naturally occurring risks have been identified. The scope to retreat the Windarra gold tailings and to deposit the final tailings into the South Windarra Pit Lake was originally assessed and approved in 2012 by the Department of Water and Environmental Regulation (DWER). The Works Approval (W5180) was part of a combined gold retreatment and nickel processing project (Windarra Nickel Project). W5180 was granted by DWER for the Windarra Nickel Project in 2012; received a five-year extension in 2017 and was granted a further three-year extension in May 2020. In August 2020, Poseidon purchased an option to acquire the right to treat Lancefield from Svenson Nominees Pty Ltd (refer Poseidon ASX Announcement 17 August 2020). The Lancefield tenure is renewed on an annual basis by the Minister for Mines, Petroleum, Energy and Industrial Relations. Poseidon is working with the Department of Mines, Industry Regulation and Safety (DMIRS); the Department of Jobs, Tourism, Science and Innovation (DJTSI), and DWER to seek the Minister's renewal of the Lancefield tenure beyond the current expiry date. In September 2020, DWER requested Poseidon to submit for assessment an amendment to W5180 based on Poseidon's proposed inclusion of Lancefield within the production profile. Poseidon submitted the amendment application to DWER in

	December 2020. The amendment to W5180 included the gold tailings located on Lancefield LTT 700-3709 within the production profile for the Project. On 28 May 2021, Poseidon received a notification from DWER confirming its intension to grant the Works Approval for the Project inclusive of Lancefield, subject to DWER receiving within six months confirmation of an approved Mining Proposal from DMIRS. DWER's assessment and notification of the intension to grant the Works Approval was based on the Hydraulic Mining option. DWER is assessing the Amphibious Dredging alternative mining option within the current scope of W5180. In June 2021, the WA government lead agency for State Agreement projects (DJTSI), advised Poseidon that the Ministers Office should receive the necessary Cabinet Papers by the end of June with the aim of introducing the Windarra Nickel State Agreement Termination Bill in the September 2021 sitting of parliament. The Bill is considered to be non-controversial and Poseidon anticipate the Bill to be passed in due course. Therefore, Poseidon believes it has reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the DFS. The following summarises the current status of the Project approvals: • The amendment to Works Approval W5180 is conditionally approved by DWER. • The Mining Proposal was resubmitted to DMIRS in May 2021 and is in the final stages of assessment. • The Windarra Nickel Project Termination Agreement is finalised and will be executed between Poseidon and the State at the appropriate time. • The State Agreement Termination Bill will be introduced into the Parliament's September sitting. • On 1 July 2021, the Minister approved renewal of the Lancefield LTTs.
Classification	
The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	As all of the mined resources are in the Indicated category, the Ore Reserve is categorised as Probable Reserves. In the opinion of the Competent Person this is an appropriate classification.
Audits or reviews	
The results of any audits or reviews of Ore Reserve estimates.	No audits of the Ore Reserve were completed. Two independent Resource estimates were completed; CSA Global (2010) and Optiro (2011, 2020 and updated in 2021). The Resource estimates are supported by WMC metallurgical accounting records and the tailings are contained within a man-made structure of know dimensions.
Discussion of relative accuracy/ confidence	
Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	The level of study carried out as part of this Ore Reserve is to a Feasibility Study standard. The Ore Reserve is considered to be representative on a local scale based on the nature of the deposition and density of the drilling. The resource confidence is considered to be robust given there is a documented tails placement history against which the resource estimate can be reconciled.