



Multiple new nickel sulphide outcrops - PNG

LCL Resources Ltd (ASX:LCL) (Company) is pleased to provide an update on ongoing exploration work at the Company PNG assets, and the status of its Colombia projects.

The Company has completed a reconnaissance field program over its Iyewe and Doriri prospects which are part of the 100% owned PNG Nickel Project. The field program discovered outcropping nickel sulphides at several locations not previously recorded as areas of interest and these will be prioritised for follow up work.

Olei Creek nickel sulphide outcrop

A new zone of outcropping nickel sulphide was mapped at Olei Creek, 12km SE of the Doriri target (Figure 1). The outcrop is a series of stacked shears, typically 1m wide, containing disseminated nickel sulphides within serpentinite (Photo 1). The outcrop is located close to the Keveri Fault, which is believed to be a significant structural control for nickel sulphide mineralisation elsewhere in the region and extends the strike length of known nickel sulphide occurrences to ~20km, from Veri Veri to Olei Creek.

Multiple outcrops around Iyewe

Field work at the Iyewe prospect suggests the area has multiple nickel bearing structures of variable orientation, raising the appeal of this sub-district for future investigation (Figure 1). Mapping revealed outcrops typically consist of 1-2m wide shears containing 10-60cm wide lenses of nickel sulphide minerals and associated nickel silicate garnierite (Photos 2-5, assays pending). A previously reported float sample¹ containing exceptionally high grade nickel sulphide (44.8% Ni and 2.38 g/t Au (Photo 2, Table 1)) has now been confirmed as coming from one of the identified areas of outcrop. This is one of the highest grade surface samples recorded to date from LCL's PNG Nickel Project.

Geophysics modelling highlights more targets

The Company has commissioned Terra Resources to trial new modelling techniques (2.5D inversion software) to extract additional information from historical VTEM surveys. The outputs have confirmed electromagnetic responses from known target areas such as Veri Veri (Figures 2 and 3) and have revealed new targets. Of particular interest is an EM conductivity high SSW of the established Veri Veri nickel sulphide outcrops, which represents a new priority area for follow up (Figure 3B).

The Company is very encouraged by initial results of the new inversion modelling of the existing VTEM data and has commissioned additional assessment to generate further targets over the Veri Veri-Iyewe region.

¹ See ASX announcement 4 October 2023. The Company confirms that it is not aware of new information that affects the information contained in the original announcement.

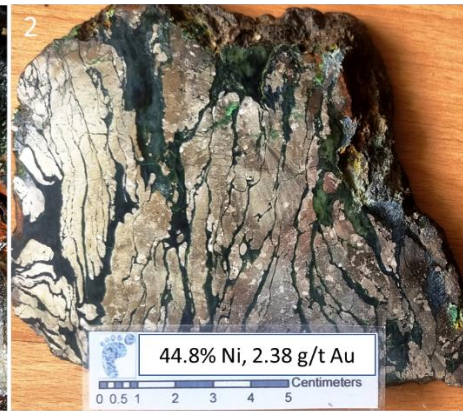
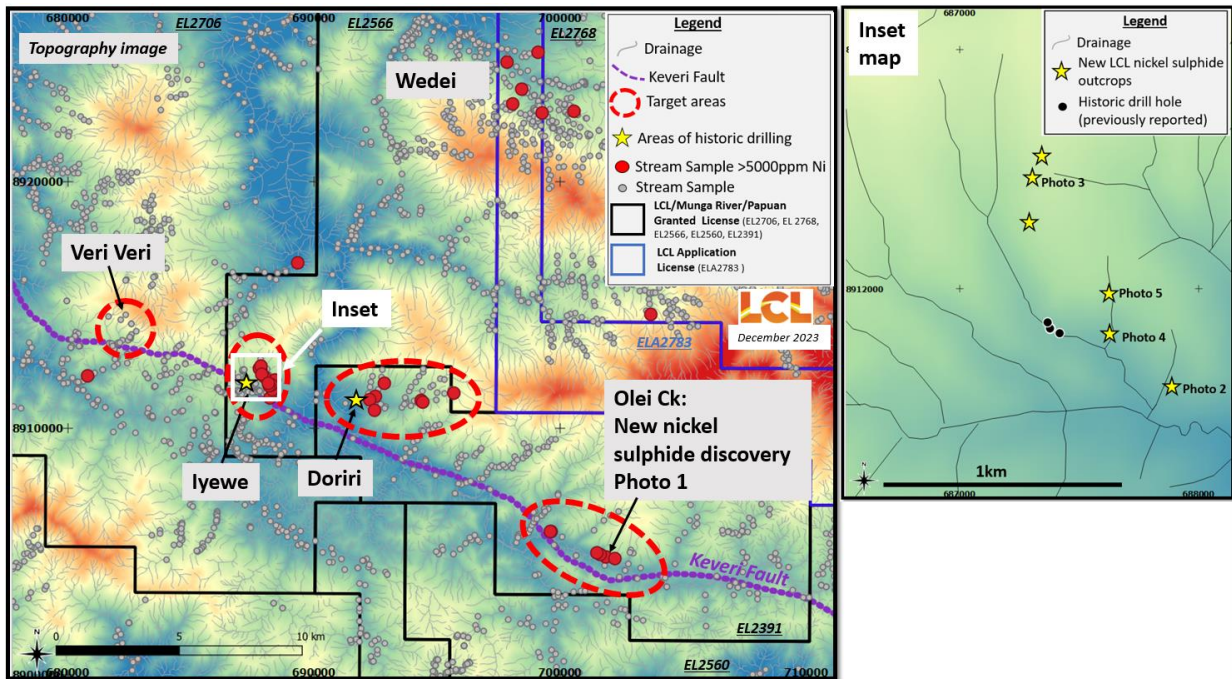


Photo 1: Outcrop of disseminated Ni-sulphide from the new target - Olei Creek.
Photo 2: Float sample from area of outcrop 550m SE of Iyewe drilling, 44.8% Ni, 2.38g/t Au.
Photo 3: Float sample from area of outcrop 600m N of Iyewe drilling containing heazlewoodite-garnierite.
Photo 4: Outcrop 250m E of Iyewe drilling showing nature of mineralised shears.
Photo 5: Outcrop sample from area 300m NE of Iyewe drilling containing heazlewoodite-garnierite.

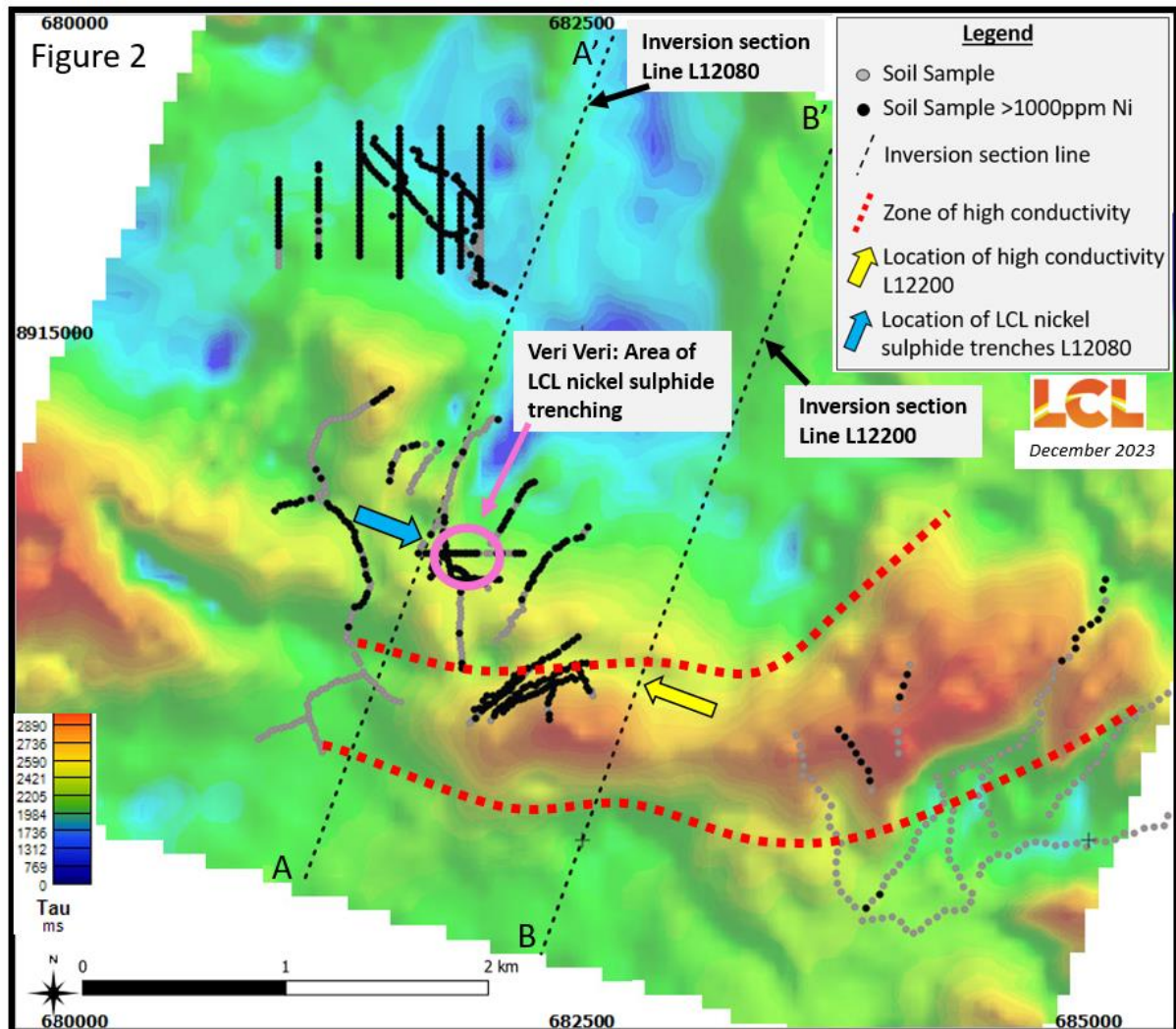


Figure 2: Conductivity image depth slice plan at 200m derived from the VTEM data. Soil samples located with >1,000ppm Ni in soils highlighted as black dots. The location of the previously reported⁵ LCL sampling of outcropping nickel sulphides at Veri Veri is highlighted. Two section lines A-A' and B-B' relate to the location of Figure 3 inversion sections.

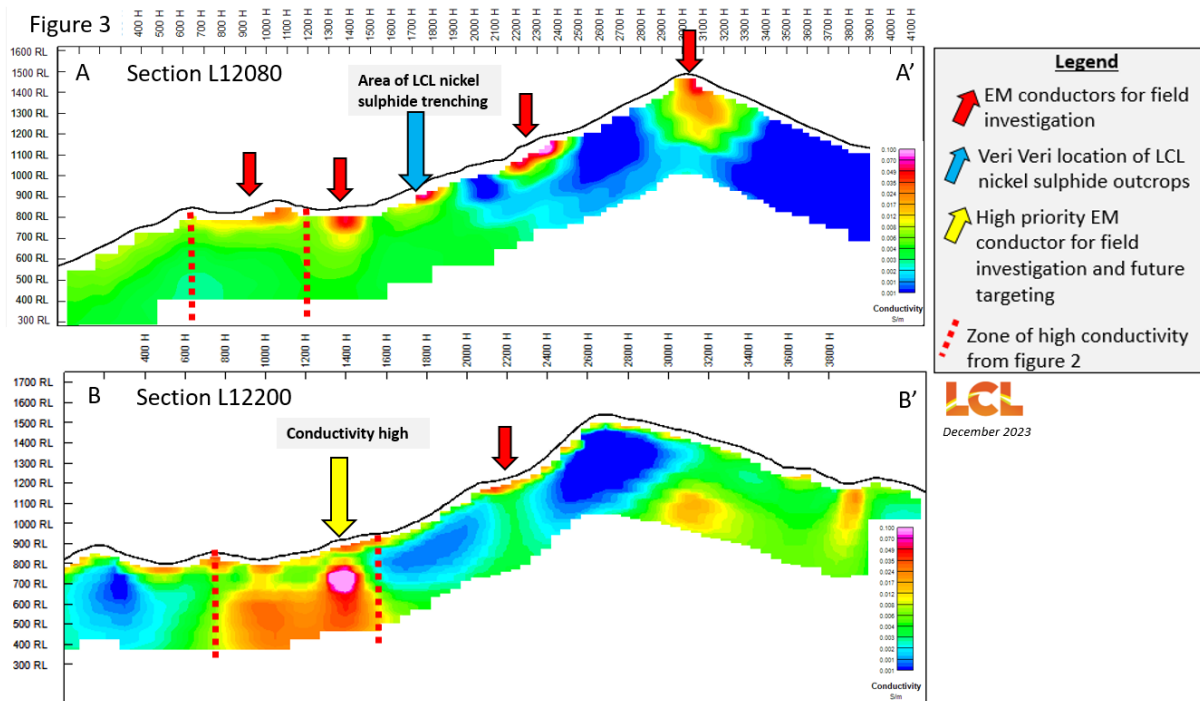


Figure 3: VTEM conductivity inversion 2.5D sections (VOXI) for lines L12080 and L12200 showing the location of the Veri Veri nickel sulphide outcrops and new conductivity features highlighted for future field investigations and targeting.

Sample ID	Easting	Northing	Ni %	Au g/t
FPRIY001	687891	8911587	44.8	2.38

Table 1: Rock chip (float) assay from Iyewe.

Colombia

The Department of Prior Consultation (a Central Colombian Authority within the Ministry of Interior) has advised that the Company re-open a consultation process with a local indigenous community for a portion of the 100% owned Quinchia Gold Project. The process was initiated by previous owners of the project Seafeld Resources Limited, then completed and closed by the same Authority in 2017.

As previously advised², the Company is investigating the potential development of an alternative Quinchia mine plan to that envisaged by Seafeld, incorporating the Tesorito, Miraflores and Dosquebradas gold deposits, which will require additional community consultation to strengthen intercultural dialogue and improve understanding of local stakeholder priorities.

The process required by the Authority builds upon the 2017 process and does not impact the status of the recently awarded Miraflores Environmental Licence³ or Quinchia mining and exploration titles. The Company is currently focusing expenditure on the PNG Nickel Project with restricted funding allocated to Colombian projects.

² See ASX Announcement 16 October 2023 and 23 January 2023.

³ See ASX Announcement 16 October 2023.



Next Steps

LCL recently successfully completed a capital raise to secure AUD\$3M⁴ with the main focus of exploration expenditure to be directed to the emerging PNG Nickel Project. With the completion of the above-mentioned reconnaissance program at Iyewe and Doriri, field work is expected to move to more detailed investigation of the Veri Veri area in mid-December 2023. The Veri Veri program will initially involve trenching across the ~200m shear zone that is known to host nickel mineralisation⁵, additional regional mapping and investigation of anomalous zones revealed in the recent 2.5D geophysics assessment. The Company is targeting drilling at its PNG Nickel Project in the April – June 2024 quarter.

For the purpose of ASX Listing Rule 15.5, the Board has authorised the release of this announcement.

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JORC STATEMENTS - COMPETENT PERSONS STATEMENTS

The technical information related to LCL's assets contained in this report that relates to Exploration Results is based on information compiled by Mr John Dobe, who is a Member of the Australasian Institute of Mining and Metallurgy and who is a Geologist employed by LCL on a full-time basis. Mr Dobe has sufficient experience which is relevant to the style of mineralisation and type of 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'. Mr Dobe consents to the inclusion in the release of the matters based on the information he has compiled in the form and context in which it appears.

⁴ See ASX Announcement 30 November 2023.

⁵ See ASX Announcement 20 July 2023. The Company confirms that it is not aware of new information that affects the information contained in the original announcement.

JORC Code, 2012 Edition – Table 1- Awala EL2706, Abau EL2566, Adau EL2391

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> All channel, rock chip grab samples are approximately 2kg in weight. Rock chip float sample FPRIY001 was assayed at ALS: Au by AA-26 & PGM by PGM-MS24; ME by ME-MS61.
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> NA
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> 	<ul style="list-style-type: none"> NA

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> NA
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> LCL did not undertake any QAQC samples.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading 	<ul style="list-style-type: none"> NA

Criteria	JORC Code explanation	Commentary
	<p><i>times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Some historical data is supplied from the PNG Mineral Resources Authority (MRA) and is from a publicly available database. The majority of this data was compiled by Terra Search from historical reports. Digital data received is verified and validated by LCL management before loading into the assay database. Reported results are compiled by the Company's geologists and verified by the Company's database administrator and exploration manager. No adjustments to surface assay data were made. Data is stored digitally in a database which has restricted access to LCL's database personnel.
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The grid system is WGS84 UTM zones Z55S.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> The Historic VTEM data is 100m line spacing and is considered to be an effective spacing for targeting.
Orientation of data in relation to	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> 	<ul style="list-style-type: none"> The VTEM flight lines are considered to be in an optimal orientation for mapping the mineralised trends at Veri Veri.

Criteria	JORC Code explanation	Commentary
geological structure	<ul style="list-style-type: none"> 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. 	
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none">
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> At this stage no audits have been undertaken.

Section 2 Reporting of Exploration Results – Awala EL2706, Abau EL2566, Adau EL2391

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Exploration Titles were validly issued as Exploration Licences pursuant to the 1992 Mining Act. The Exploration Licence grants its holders the exclusive right to carrying out exploration for minerals on that land. There are no outstanding encumbrances or charges registered against the Exploration Title at the National Registry. Exploration Licence Applications (ELA) remain subject to granting by PNG authorities. LCL has a binding agreement to secure 100% of EL 2566, EL 2391 subject to renewals.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Veri Veri & Iyewe Projects: Goldminex (ASX:GMX) 2006-2013. Drilling, stream sampling, soils, rock chips, trenching, aeromagnetics, VTEM. GMX sampling of rocks and trenches within this report was undertaken prior to 2009. Doriri Project: Historical explorers include INSEL, CRAE, Highlands Gold, PPM, PML. Historical work includes stream, soils, rock chips, trenching, drilling, aeromagnetics, ground magnetics and ground EM.

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The discussed nickel projects are hydrothermal shear hosted nickel-sulphide targets.
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • NA
Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • NA
Relationship between mineralisation widths and	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> •

Criteria	JORC Code explanation	Commentary
intercept lengths	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Maps showing the location of rock photos, samples and VTEM inversion lines are contained within this report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Reporting is considered balanced.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> The VTEM inversions were undertaken by Terra Resources Pty Ltd, Perth. The 2.5D inversions were performed after thorough QAQC on the raw digital data. Voxi software (GEOSOFT) was used for the inversions.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Further surface work is being planned at the Veri Veri prospect. Terra Resources will undertake further 2.5D inversions covering Veri Veri and Iyewe.