

Avebury Report

EL17/2022 McLean Creek Partial Relinquishment Report 2026

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Allegiance Mining Pty Ltd

GDA94

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Executive Summary

EL17/2022 was granted on 16 December 2022 as a category 1,3 and 5 Exploration Licence covering 7 square km adjacent to the eastern boundary of the Avebury Mine Lease 4M/2022.

Due to corporate reprioritisation in exploration strategy, the decision has been made to surrender exploration tenements held by Allegiance Mining Pty Ltd. A portion of EL17/2022 immediately adjacent to 4M/2022 is to be retained due to high prospectivity for the continuation of Avebury style mineralisation at depth. The "Exploration Target" of East Avebury.

A tenement area of 3.2km^2 will remain following partial relinquishment of 3.8km^2 in the east. This report summarises the work completed on the relinquised area since being granted in December 2022.

Total expenditure on EL17/2022 for life of tenement to date is $23,218.

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1 Introduction

1.1 Exploration Rationale

The primary objective of Allegiance Mining Pty Ltd is to add to their nickel inventories as part of the Avebury Nickel Mine re-start project. The retained portion of EL17/2022 is considered highly prospective for the continuation of Avebury style mineralisation at depth. The "Exploration Target" of East Avebury.

1.2 Regional Geology

Historical, exploration works in the vicinity of what now is EL17/2022 have focused on Queen Hill style tin sulphide replacement and polymetallic mineralisation (such as Stonehenge, to the north and Oceania to the east) and Skarn associated with Heemskirk granite to the north and east. It was only after the comparatively very recent discovery of the Avebury Nickel deposit, that interest in the area started to include nickel also.

The nearby "Silver Duke" deposit was mined in the 1890s for Pb, Ni, and Cu. Here, the Oonah formation is faulted to the southwest against Cambrian sediments, and intruded by pentlandite bearing pyroxenite (Montgomery, 1890, Blissett, 1962). The prospect contains two recorded adits.

1.3 Prospect Geology

There are no recorded drill holes on EL17/2022, the nearest being at East Avebury to the West, and Swansea to the North. There is interest for potential for eastern strike extension of the Avebury orebodies.

1.4 Prospect Mineralisation

The unnamed "Nickel Prospect" to the north of EL17/2022 has been described as a nickel bearing narrow pyroxenite dyke trending north-westerly between the Swansea and Silver Duke Mines. The dyke was considered an offshoot of the parent mass in the vicinity of Heemskirk; however, the outline had not been accurately traced. It was noted genthite occurs throughout the body of the dyke, however not at quantities of commercial importance. Along the footwall of the dyke are indications of sulphide nickel, at which in those locations the basic rock had been completely converted to dolomite. Radiating hairlike crystals of millerite are implanted on the dolomite associated with pyrite. Also occurring is minor pentlandite, however is highly oxidised and poorly visible (Reid, 1922).

Target concepts for previous nearby exploration has Ni-enrichment associated with Devonian granite related magnetite-pentlandite with lithological/faulted contacts between mafic-ultramafic complexes and the Oonah Formation carbonates, carbonaceous shale, siltstone and sandstone. Pyrrhotite-pentlandite deposits hosted by Oonah Formation sediments proximal to mafic-ultramafic complexes; and associated with magnetite-serpentine skarn localised (at depth) along major structures." (ZZ Exploration Pty Ltd 2003).

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2 Licence

2.1 Partial Relinquishment

EL17/2022 was granted on 16 December 2022 as a category 1,3 and 5 Exploration Licence covering 7 square km adjacent to the eastern boundary of the Avebury Mine Lease 4M/2022.

Due to corporate reprioritisation in exploration strategy, the decision has been made to surrender exploration tenements held by Allegiance Mining Pty Ltd. A portion of EL17/2022 immediately adjacent to 4M/2022 is to be retained due to high prospectivity for the continuation of Avebury style mineralisation at depth. The "Exploration Target" of East Avebury.

2.2 Exploration Licence Summary

Tenement number:	EL17/2022
Tenement name:	McLean Creek
Granted Tenement area:	7km^2 shown Figure 1
Retained Tenement area:	3.2km^2 shown Figure 2
Tenement location:	The tenement is located approximately 5km southwest of Zeehan adjacent to the eastern boundary of the Avebury Mine Lease (Figure 1).The license area has no traversing tracks and is currently accessed via a gravel road north of the tenement via the Comstock to Swansea track to the north or via the Mt Zeehan walking track.
Tenement land status:	Remote crown land (Future Potential Production Forest), with a small slither at the far eastern end part of the Mt Zeehan Regional Reserve. There is occasional recreational use from bushwalking in the vicinity of Mt Zeehan at the east of the lease area. A small hydro-electric scheme development is planned for McLean Creek, with possible upstream inundation in the future.
Tenement holder:	Allegiance Mining Pty Ltd

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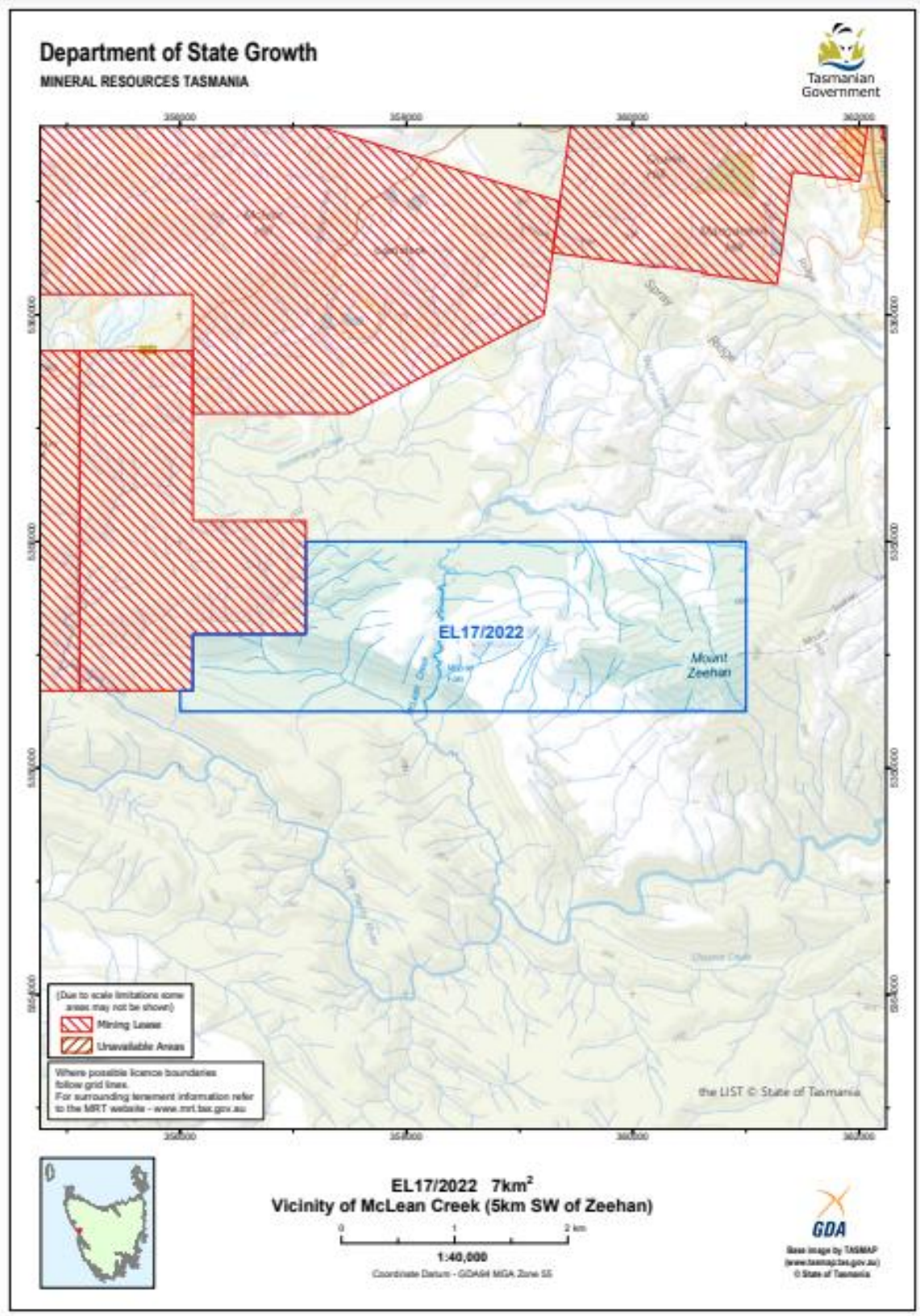

Figure 1. Original tenement boundary of EL17/2022 McLean Creek (MRT issue)

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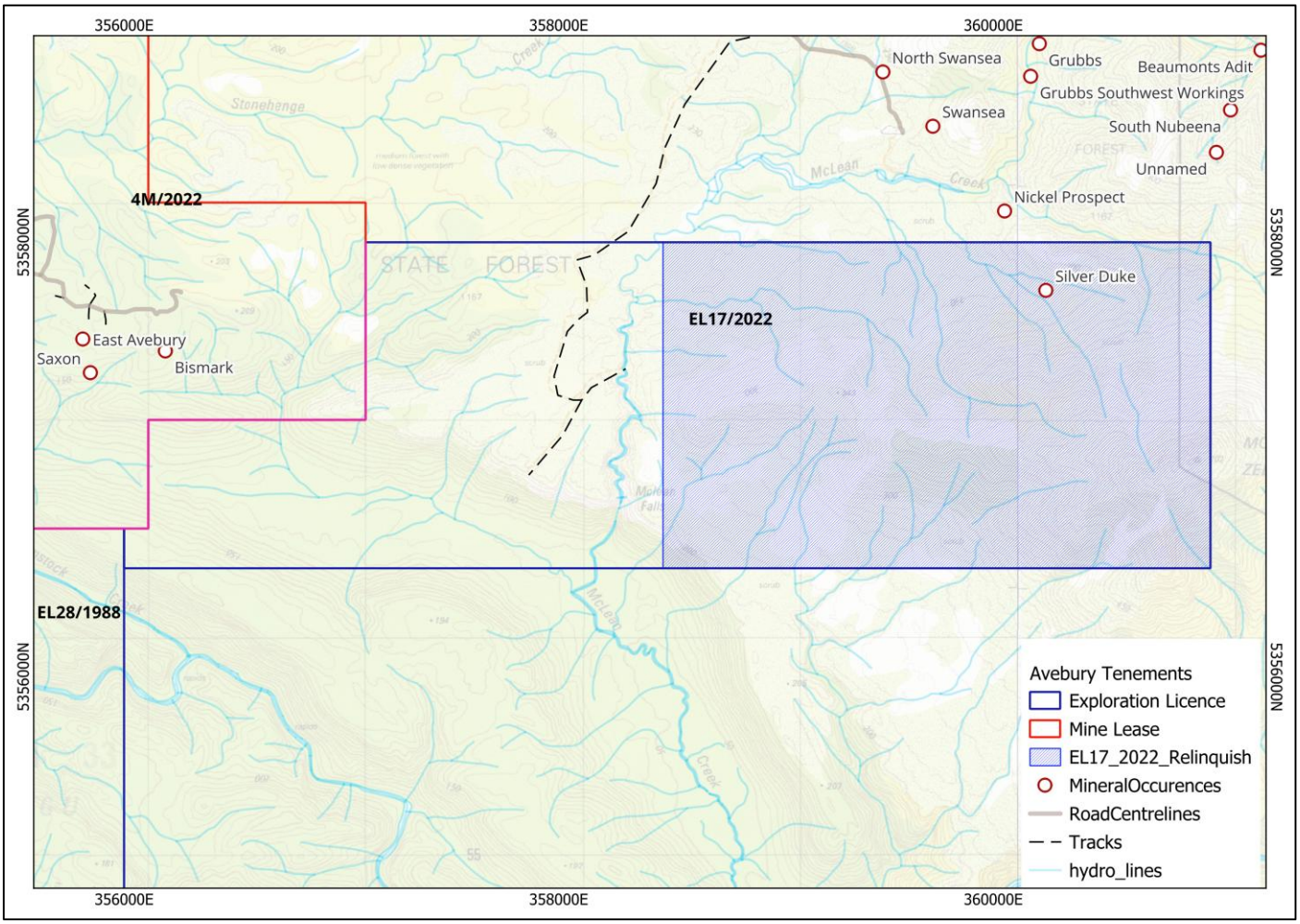

Figure 2. Retained area of EL17/2022 McLean Creek, with relinquished area shown as blue hash.

3 Exploration Exemptions

3.1 EL17/2022 Exemptions Approved

An exemption from the conditions of exploration has been in place on EL17/2022 for the period 30 May 2024 to 15 December 2025.

4 Review of Previous Work

4.1 Historic Summary

Historical, exploration works in the vicinity of what is now EL17/2022, had focused on Queen Hill style tin sulphide replacement and polymetallic mineralisation (such as Stonehenge, to the north and Oceania to the east) and Skarn associated with Heemskirk granite to the north and east. It was only after the comparatively very recent discovery of the Avebury Nickel deposit, that interest in the area started to include nickel also. Known records of activity are summarised below:

The only prospect Silver Duke was mined in the 1890s for Pb, Ni, and Cu. Here, the Oonah formation is faulted to the southwest against Cambrian sediments, and intruded by pentlandite bearing pyroxenite (Montgomery, 1890, Blissett, 1962). The prospect contains two recorded adits.

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The unnamed “Nickel Prospect” to the north of EL17/2022 has been described as a nickel bearing narrow pyroxenite dyke trending north-westerly between the Swansea and Silver Duke Mines. The dyke was considered an offshoot of the parent mass in the vicinity of Heemskirk; however, the outline had not been accurately traced. It was noted genthite occurs throughout the body of the dyke, however not at quantities of commercial importance. Along the footwall of the dyke are indications of sulphide nickel, at which in those locations the basic rock had been completely converted to dolomite. Radiating hairlike crystals of millerite are implanted on the dolomite associated with pyrite. Also occurring is minor pentlandite, however is highly oxidised and poorly visible (Reid, 1922).

The tenement area known as EL17/2022, was previously a portion of the adjacent EL30/2002 held by Australian Hualong Pty Ltd. The southern portion being a partial relinquishment by Hualong (previously ZZ Exploration Pty Ltd) in July 2020. Mallee Resources Ltd, applied for the area for exploration of Category 1, 3 and 5 minerals in August 2022. EL17/2022 was granted on 16 December 2022

There are no recorded drill holes on EL17/2022, the nearest being at East Avebury to the West, and Swansea to the North.

5 Exploration Completed During Reporting Period

5.1 Regional Exploration Activities

5.1.1 Aerial Photogrammetry

In late 2022, aerial photogrammetry was conducted at Avebury Mine and EL17/2022. *Reported EL17/2022 McLean Creek First Annual Report 2022-23*

5.1.2 Compilation of Geophysical Data

Five airborne surveys were identified from historic reports and searches of the TIGER database, and well as two ground surveys. Open source data utilised to identify targets on EL17/2022. *Reported EL17/2022 McLean Creek First Annual Report 2022-23.*

5.1.3 Planned Gravity

A large proportion of the proposed expenditure during 2024 was to be attributed to regional exploration with the Xcalibur Multiphysics to conduct an airborne gravity survey using HeliFalcon®.

The survey was dismissed entirely in 2025 due to budget constraints and uncertainty of the suitability of the survey. *Reported in EL17/2022 McLean Creek First Annual Report 2022-23 and EL17/2022 Annual Technical Report 2024*

5.1.4 VRIFY

In March 2025 a project was initiated with VRIFY for AI Target Generation. A collection of Allegiance Mining Pty Ltd exploration and public data files were compiled for an AI Target Generation Project over all tenements.

The VRIFY AI platform was provided to begin running first pass experiments in late 2025. Experiments were run for Ni >0.5% & Cu >0.5%, Cu >1% and Sn >0.5%, conducted on ‘local’ AOI’s (areas of interest) that incorporated all tenements held. The findings were then compared to the previously proposed targets. *Reported in EL17/2022 Annual Technical Report 2025*

5.2 Prospect Based Exploration Activities

5.2.1 Compilation of Historical Data

On Acquiring the tenement in December 2022, initial work completed was to compile historic data and the interrogation of LandSAT imagery to identify outcrop and anomalies. Information was sourced from Annual

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Reports of the two tenements previously held in the area (EL42/1971 and EL49/2004). *Reported EL17/2022 McLean Creek First Annual Report 2022-23.*

5.2.2 Targeting Studies

Due to the infancy of the tenement and minimal prior exploration history, targeting studies were put on hold pending review of preliminary results of the VRIFY AI Target Generation Project. *Reported in EL17/2022 Annual Technical Report 2025*

5.2.3 Preliminary Reconnaissance

Initial reconnaissance to determine the best access into EL17/2022 was conducted in late 2023 with a traverse part way along McLean Creek. *Reported EL17/2022 McLean Creek First Annual Report 2022-23.*

A follow up reconnaissance trip was conducted in August 2024 attempting to access a track mapped to exit the Swansea access road north of EL17/2022 boundary shown in Figure 2. Reported *EL17/2022 Annual Technical Report 2024*

Both trips were unsuccessful in accessing the tenement boundary.

6 Discussion of Results

6.1.1 VRIFY

In most cases throughout EL28/1988, EL17/1992 (Trial Harbour) VRIFY AI strongly supported previous identified exploration targets including suggesting high prospectivity for the continuation of Avebury style mineralisation across the 4M/2022 boundary into EL17/2022. Overall, it is considered poor prospectivity on EL17/2022 east of 5357500mE.

Internal report on VRIFY experiments is attached to EL43/1192 Final Report as *Appendix A_Tenement Review (VRIFY) 2026.*

7 Conclusion

Insufficient work on surrendered ground for any conclusions.

8 Environmental Management

8.1 Recommendations

No field activities have been conducted during the reporting period that require rehabilitation.

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9 Expenditure

9.1 Exploration Licence Expenditure

Total expenditure on EL17/2022 for life of tenement to date is $23,218.

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11 Appendices

Attached Separately

Appendix A: EL17_2022_Retained.shp

Appendix B: EL17_2022_Retained.dbf

Appendix C: EL17_2022_Relinquish.shp

Appendix D: EL17_2022_Relinquish.dbf

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