



Australian Nickel Conference

October 2022

Cannon Resources Limited is a successful nickel exploration company with flagship nickel resource projects in Western Australia

www.cannonres.com.au

ASX: CNR

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Exploration Results

The information in this presentation that relates to Data and Exploration Results is based on information compiled and reviewed by Mr. Warrick Hamilton a Competent Person who is a Member of the Australian Institute Geoscientists (AIG) and Senior Geologist of Cannon Resources Limited. Mr. Hamilton has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Hamilton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where reference is made to previous releases of exploration results in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.

The information in this report that relates to previous Exploration Results was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of the original announcement to the ASX.

Resource Statement

The Statement of Estimates of Mineral Resources for Musket were reported by Cannon in accordance with ASX Listing Rule 5.8 in the announcements released to the ASX on 9 March 2022 and 24 March 2022. Cannon confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources for Sabre were reported by Cannon in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 5 April 2022 and 15 August 2022. Cannon confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.

The Statement of Estimates of Mineral Resources for Camelwood, Cannonball and Collurabbie were reported by Cannon in accordance with ASX Listing Rule 5.8 in its Prospectus dated 26 May 2021 released to the ASX on 10 August 2021. Cannon confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and, that all material assumptions and technical parameters underpinning the estimates in the Prospectus continue to apply and have not materially changed.



POTENTIAL UPSIDE



- 🕒 Fisher East discovery 134.1kt Ni¹ to date and growing
- 🕒 Industry leading discovery cost at \$104 per Ni tonne
- 🕒 All resources open laterally and down plunge
- 🕒 Nickel mineralisation intersected 520m down plunge at Sabre, more than doubles the known mineralisation depth

INFRASTRUCTURE ADVANTAGE



- Being close to Leinster in WA provides the company with multiple development options:
- 🕒 Produce Nickel concentrate on site
 - 🕒 Sell to smelters

NEW NICKEL BELT



- 🕒 Fisher East is a new nickel region and is rapidly evolving as a nickel resource of significant scale
- 🕒 Fisher East is a high-quality growth asset which is highly sought after
- 🕒 First mover advantage in new nickel region in a Tier 1 jurisdiction

Notes:

(1) Refer ASX announcement 15 August 2022

Company Snapshot



About Cannon Resources

Cannon Resources Limited is a Western Australia focused mineral resources exploration and development company with flagship nickel projects at Fisher East & Collurabbie in the North-Eastern Goldfields region of Western Australia.

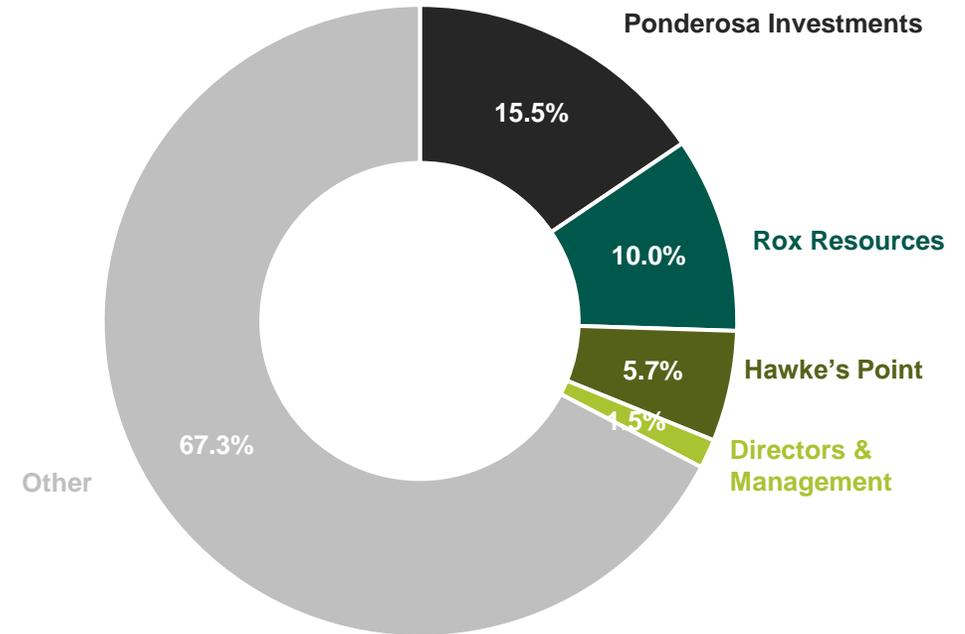


Capital Structure / Enterprise Value

ASX Code	CNR
Shares on issue	85.6m
Options on issue	14.8m
Market capitalisation (as at 04/10/2022)	\$23.1m
Cash (as at 30/06/22)	\$3.3m
Enterprise value	\$19.8m

Shareholder Information - as at 04 October 2022

Top 20 Shareholders 55.0%



Experienced Board



ALEX PASSMORE - Non-Executive Chairman

Mr Passmore is a qualified geologist and experienced corporate executive. He holds a Bachelor of Science degree with First Class Honours in Geology and a Graduate Diploma of Applied Finance from the Securities Institute of Australia. Mr Passmore was recently Chief Executive Officer of Cockatoo Iron NL, Non-Executive Director of Aspire Mining Ltd, Non-Executive (and Executive) Director of Equator Resources Ltd/Cobalt One, and CEO of Draig Resources (now Bellevue Gold Ltd). Mr Passmore is currently Managing Director of Rox Resources Limited and Non-Executive Director of Pearl Gull Iron Limited.



MARK STOWELL - Non-Executive Director

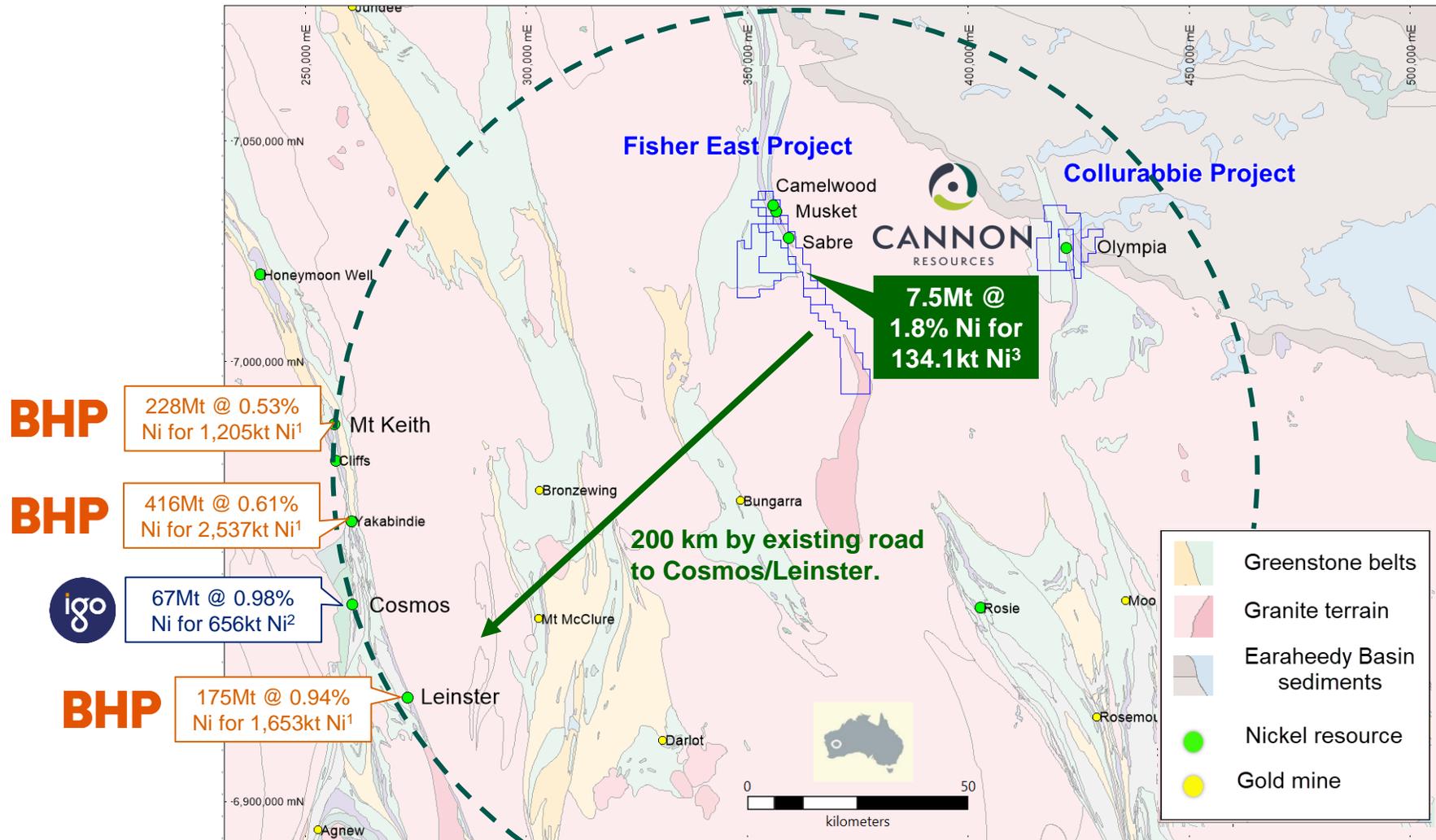
Mr Stowell is a Chartered Accountant with over 20 years of corporate finance and resource business management experience. He served as manager in the corporate division of Arthur Andersen and was subsequently involved in the establishment and management of a number of successful ventures as principal, including resource companies operating in Australia and internationally. Mr Stowell was a founder of Anvil Mining Ltd (DRC), founder and Non-Executive Director of Incremental Petroleum Limited, and Chairman and founder of Mawson West Ltd. Mr Stowell is also currently the Chairman of Southern Hemisphere Mining Limited and Kula Gold Limited.



RICHARD BEVAN - Non-Executive Director

Mr Bevan has experience as a Managing Director/Chief Executive Officer and Non-Executive Director/Chairman for listed and unlisted companies. He brings experience in the execution and integration of mergers, acquisitions and other major corporate transactions and has been involved in business areas as diverse as healthcare, construction and engineering, and information services. His roles within these businesses have included operational management, implementing organic growth strategies and acquisitions and assisting with capital raisings. Mr Bevan was previously the founding Managing Director of Cassini Resources Limited until it was acquired by OZ Minerals Limited via a Scheme of Arrangement in late 2020. Mr Bevan is a member of the Australian Institute of Company Directors and is currently a Non-Executive Chairman of Killi Resources Limited (ASX: KLI), Narryer Metals Limited (ASX: NYM) and TG Metals Limited (ASX: TG6).

Location



Source:

1. BHP The Future is Clear Presentation – Diggers and Dealers Mining Forum 03/08/2022
2. FY22 Cosmos and Forrestania Resources and Reserves – ASX Announcement on 30/08/2022
3. Fisher East Resource Increased to 134.1kt Contained Nickel – ASX Announcement on 15/08/2022

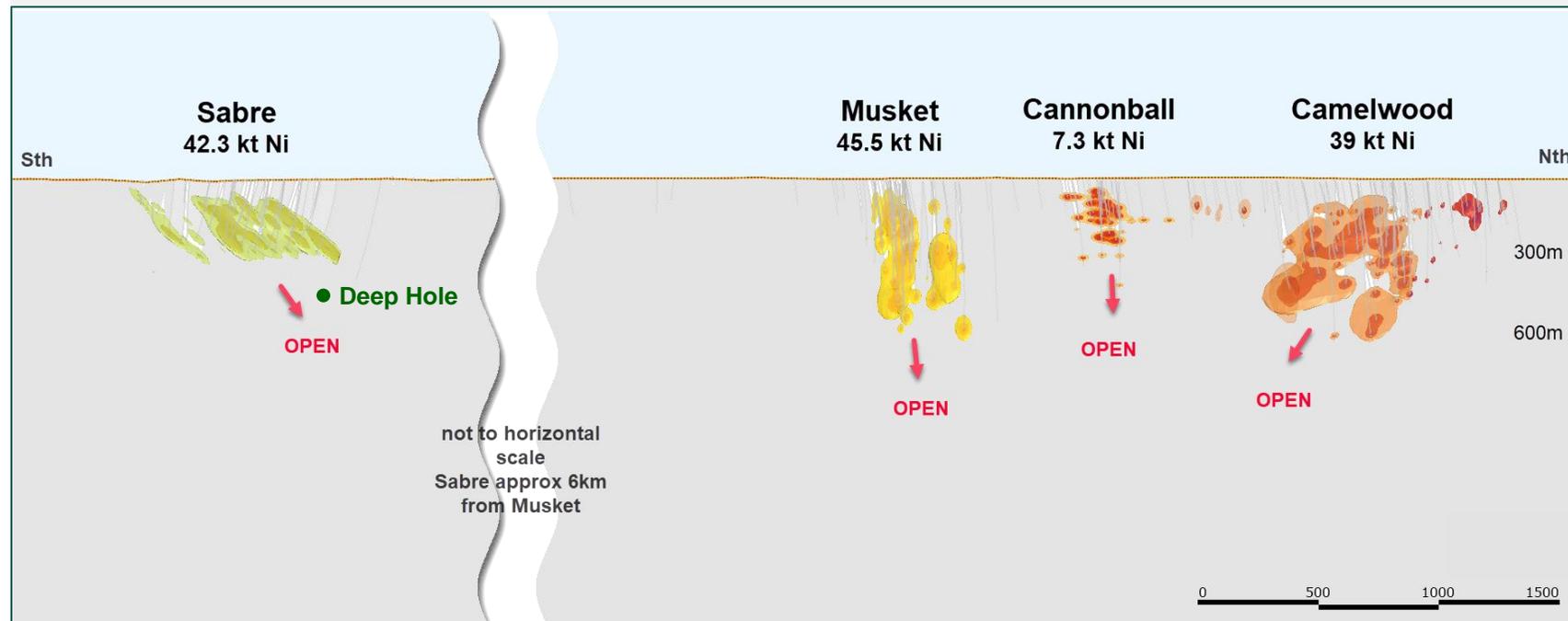
Fisher East Nickel Project



Combined resource of 7.5Mt @ 1.8% Ni for 134.1kt contained Ni (JORC2012) ⁽¹⁾

🕒 Kambalda style komatiite channels individually up to 700m width. Massive to semi massive and disseminated mineralisation at grades of 1.5% – 2.8% Ni

🕒 All resources open laterally and down plunge



Fisher East Nickel Project



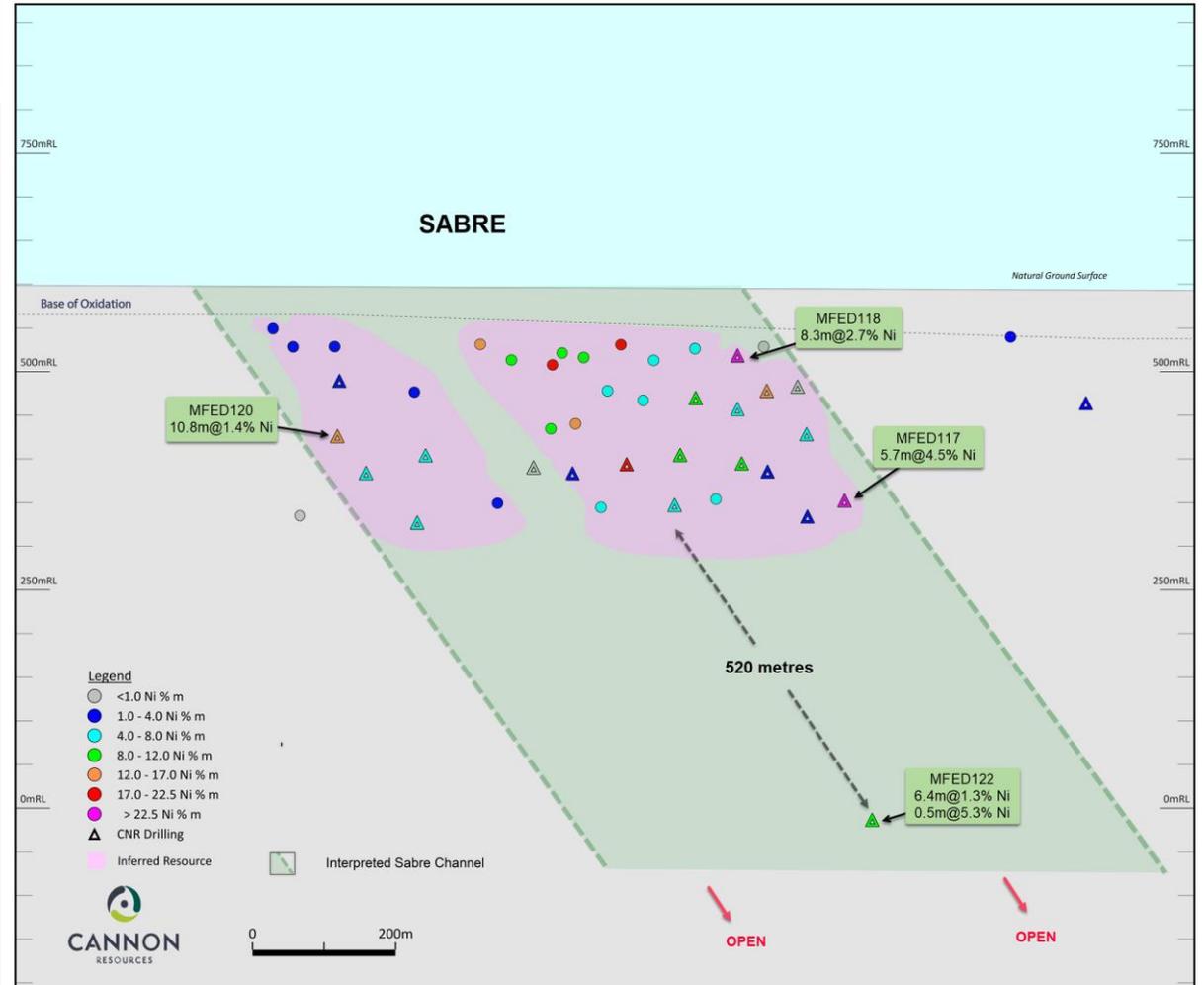
Sabre Resource

2.9Mt @ 1.5% Ni for 42.3kt Ni ⁽¹⁾

- 🕒 Sabre channel interpreted to be 700m strike and at least 800m plunge extent
- 🕒 Deep hole MFED122 which is ~520m down plunge from the current Sabre resource indicates that the channel mineralisation is still present at depth
- 🕒 Resource defined across the top of the channel - over most of the strike and down to 300m only
- 🕒 Resource open down plunge and laterally

Notes:

(1) Refer ASX announcement 15 August 2022



Fisher East Nickel Project

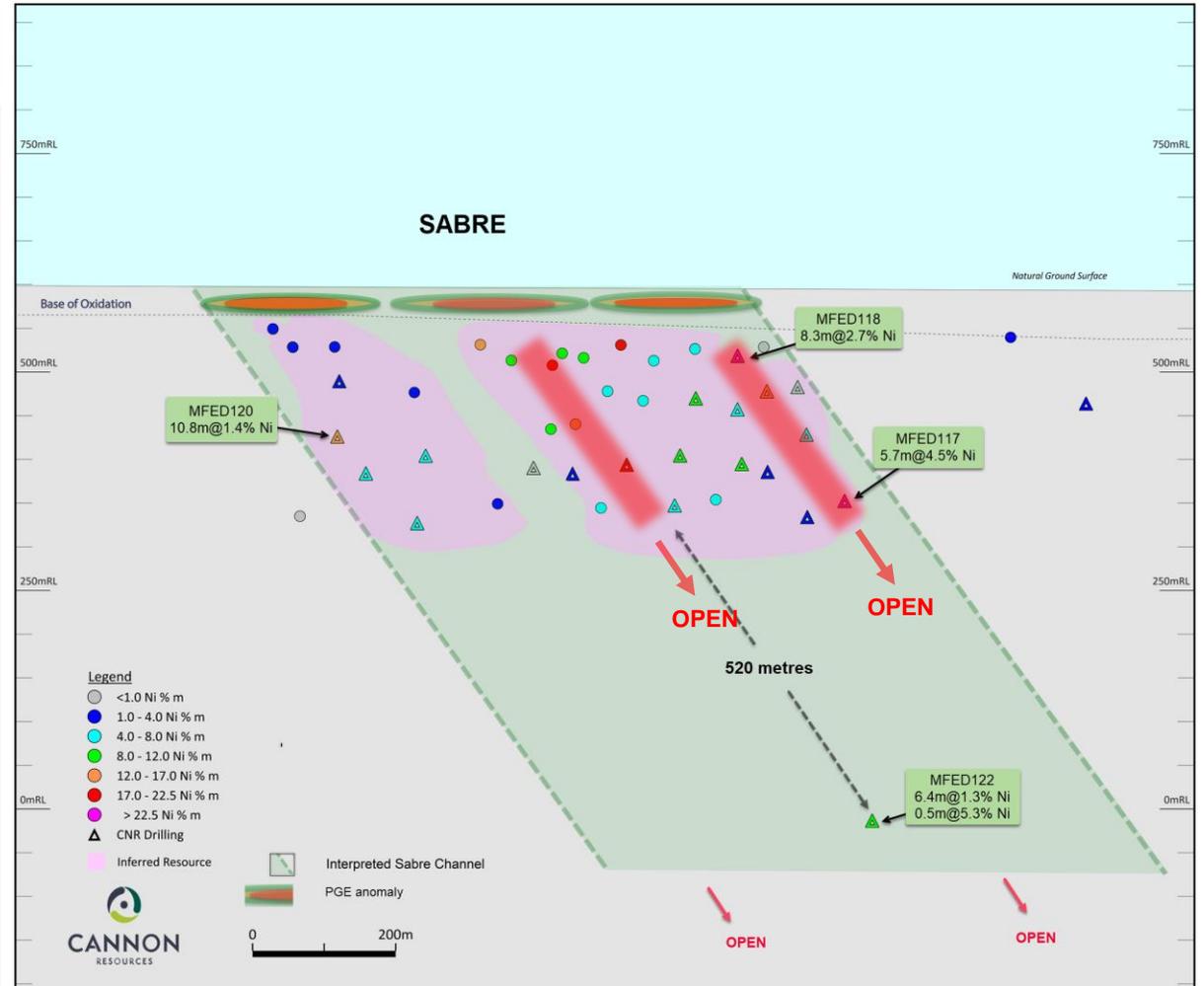


High Grade Trends Within Sabre Resource

- High grade Ni zone defined along northern channel margin – up to 3.7m of massive nickel sulphides in drilling (MFED117 5.7m @ 4.5% Ni¹)
- Deep diamond hole MFED122 has more than doubled the vertical extent of nickel mineralisation at the Sabre
- Sabre resource remains open laterally & down plunge

Notes:

(1) Refer ASX announcement 21 June 2022



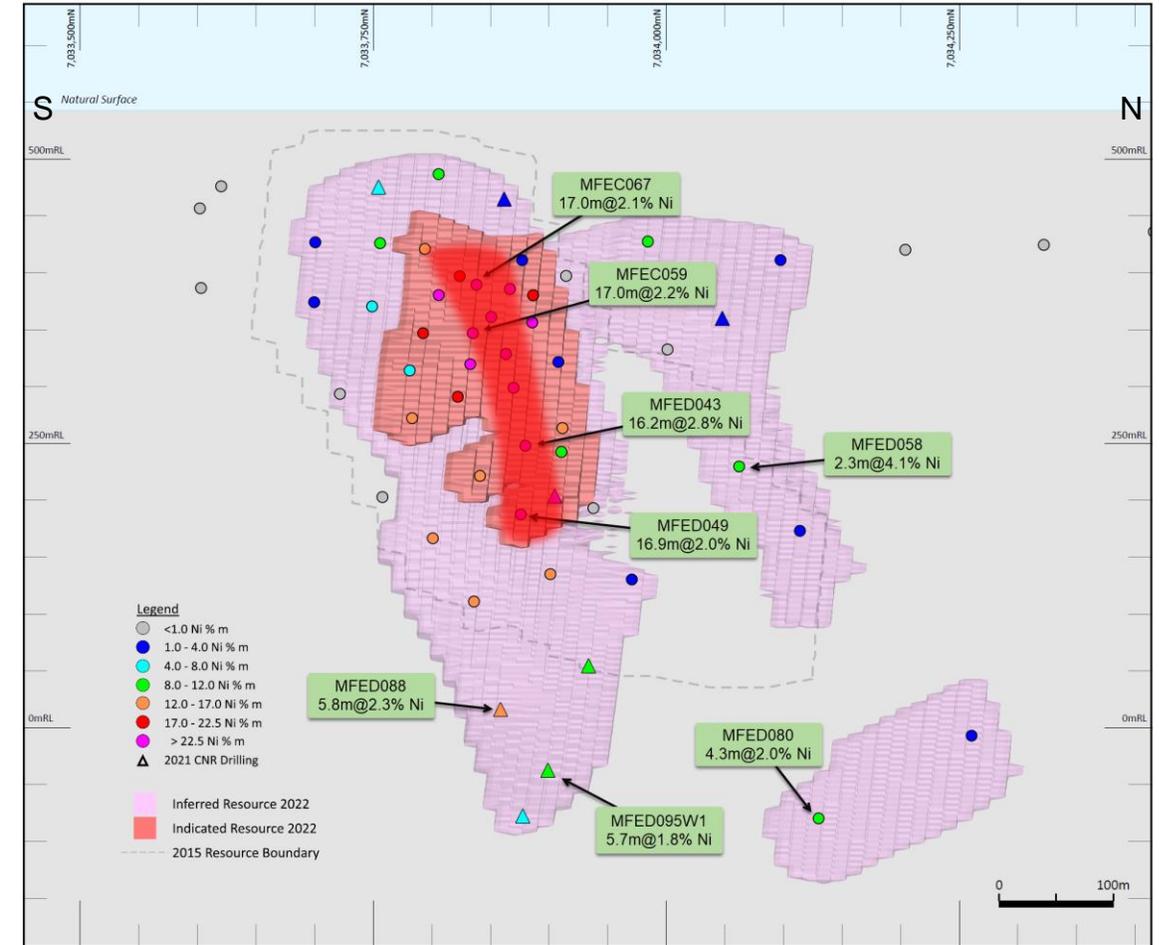
Fisher East Nickel Project



Musket Resource

2.4Mt @ 1.9% Ni for 45.5kt Ni ⁽¹⁾

- 🕒 Cannon has extended the resource down to 600m from surface
- 🕒 Musket channel is approximately 450m wide, dipping approximately 65° to the east and plunging sub-vertical to the north
- 🕒 Mineralisation has a high nickel tenor with disseminated sulphide in the 1-5% Ni range and massive sulphide in the 10-20% Ni range
- 🕒 High grade thicker zone down channel centre remains open



Notes:

(1) Refer ASX announcement 9 March 2022 and 24 March 2022

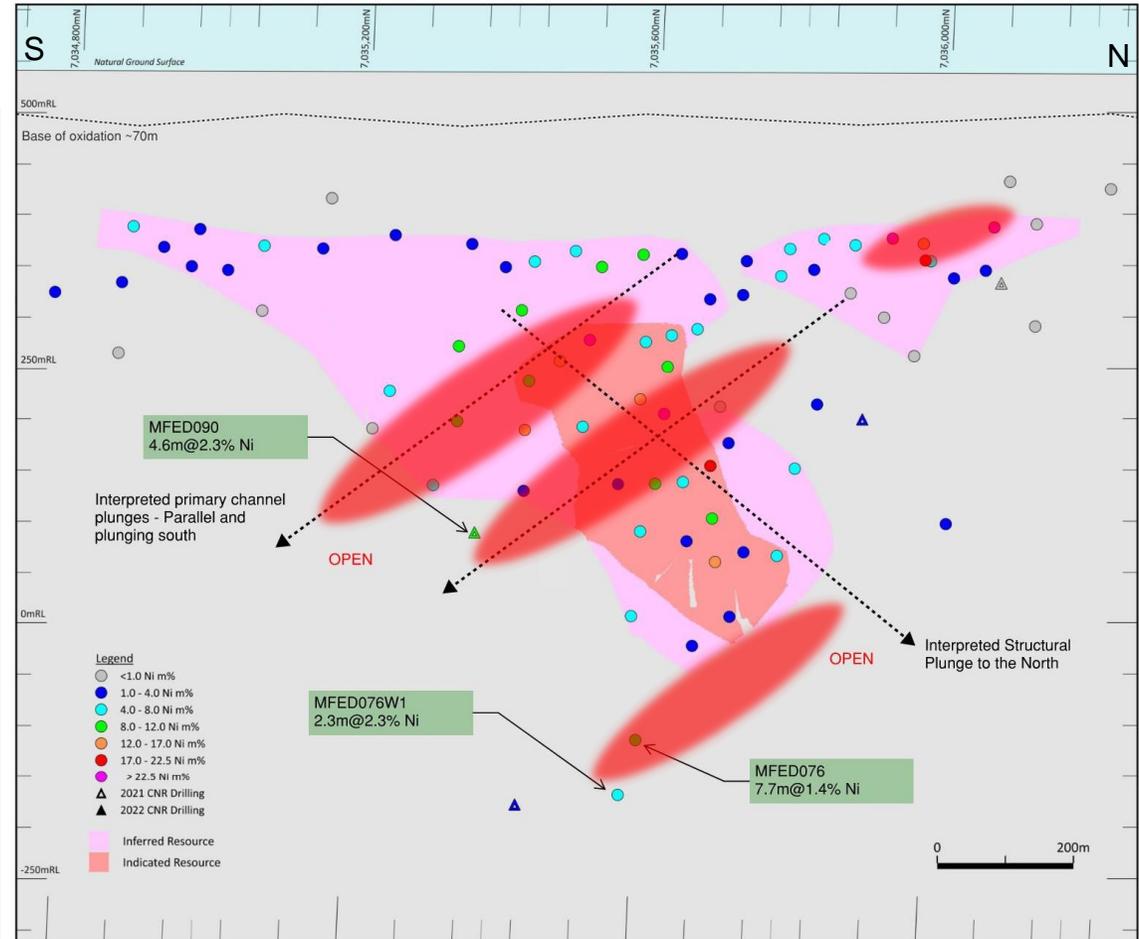
Fisher East Nickel Project



Camelwood Resource

2.0Mt @ 2.0% Ni for 39.0kt Ni ⁽¹⁾

- 🕒 New geological and DHEM interpretation with assistance from consultants Model Earth and Newexco defines dual controls on mineralisation:
 - a northern structural plunge
 - parallel southern primary channel plunges
- 🕒 Camelwood channel is approximately 1,400m wide and dipping approximately 65° to the east
- 🕒 Majority of existing drilling concentrated along northern structural plunge
- 🕒 Mineralisation along primary plunge only modestly tested and is open at depth



Notes:

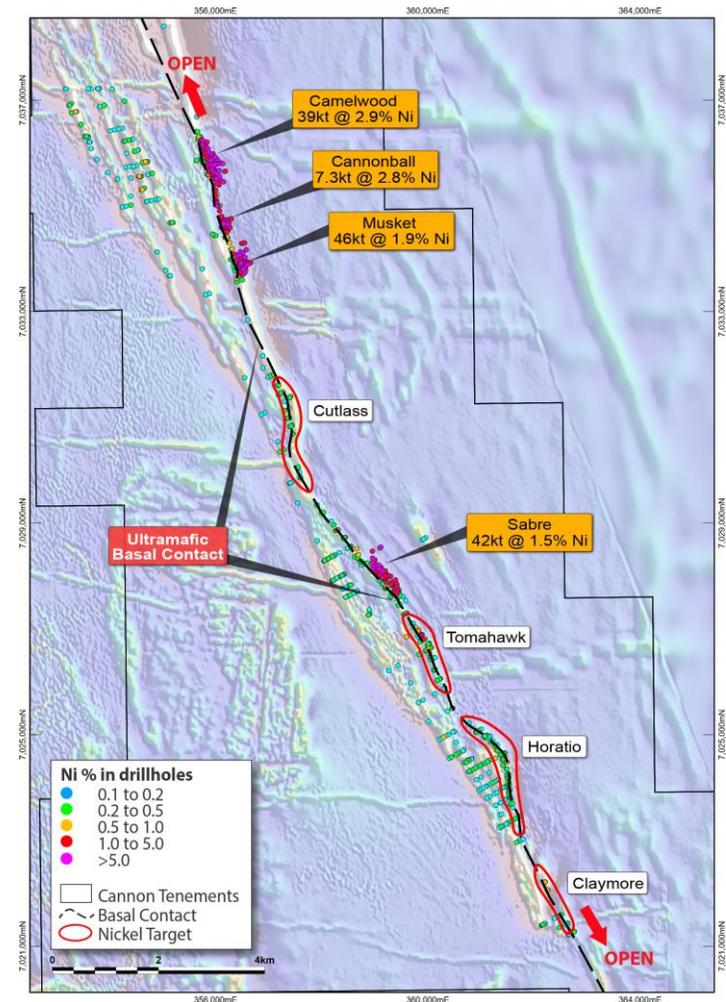
(1) Refer Prospectus released on the ASX announcement 10 August 2021

Fisher East Nickel Project



Significant Nickel Camp Emerging

- 4 known Kambalda style nickel sulphide ore bodies over a 10km section of the basal komatiite at Camelwood, Cannonball, Musket and Sabre
- More than 20 km of the key basal contact position on Cannon tenure
- Fisher East basal contact well defined by high resolution aeromagnetics and associated PGE (platinum and palladium) pathfinder geochemistry in regolith
- Multiple anomalies along the basal contact to be drill tested
- Cutlass, Tomahawk and Horatio are all advanced prospects on the basal contact. They are all potential nickel bearing channel systems and are the focus of Cannon's regional drilling program



Collurabbie Project

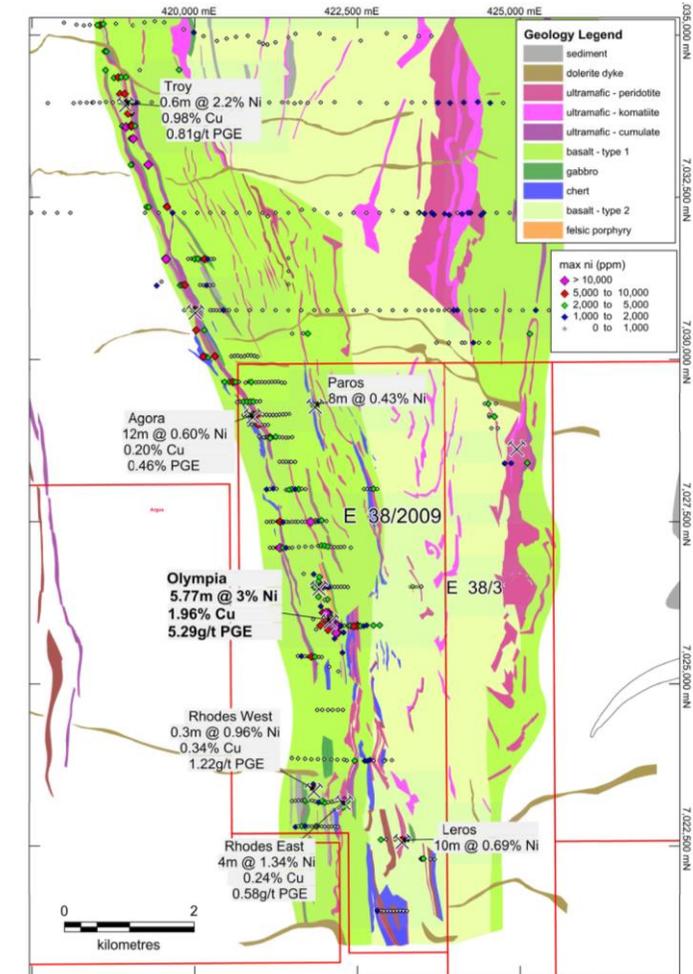


Project Overview

- ➊ Intrusive style sulphide Ni-Cu-Co-PGE system (Nova, Savannah, Julimar)
- ➋ Ni-Cu-Co-PGE resource at Olympia hosted in ultramafic sill with total Mineral Resource (JORC) estimate of **0.573Mt at 1.63% Ni, 1.19% Cu, 0.082% Co, 1.49g/t Pd, 0.85g/t Pt** ⁽¹⁾
- ➌ Well defined zone of Ni-Cu-Co-PGE mineralised sills with a strike extent of over 15 km on Cannon tenure.
- ➍ Multiple anomalous Ni-Cu-Co-PGE historical drill intercepts within the sills, most yet to be adequately tested
- ➎ Anomalous gold and VMS style mineralisation also intersected in historical drilling within the Project area. Most yet to be followed up

Notes:

(1) Refer Prospectus released on the ASX announcement 10 August 2021



Strategy / Next Steps



🕒 Large high-quality resource of 134.1kt contained Ni¹ at Fisher East and growing, which is highly sought after



🕒 Internal studies progressing, focused on advancing the project to production



🕒 Targeted planning progressing on next drilling programme, with a focus on expanding Sabre resource given the recent deep diamond hole discovery

Notes:

(1) Refer ASX announcement 15 August 2022

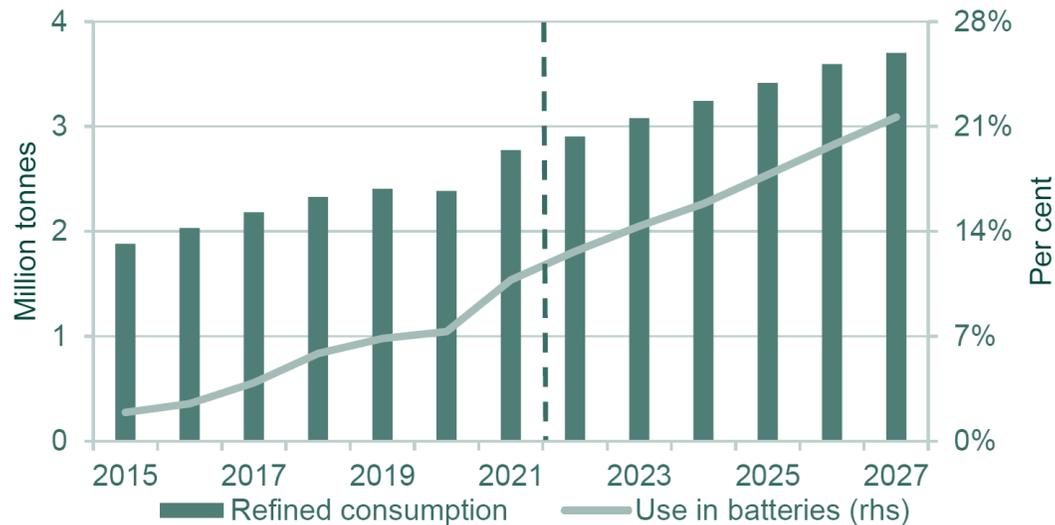


APPENDICES

Nickel Market Outlook



Forecast Nickel Consumption



Source: International Nickel Study Group (INSG); Wood Mackenzie; Department of Industry, Science, Energy and Resources (2022)

Forecast Average Nickel Price



Source: Business Insider (2022); Department of Industry, Science, Energy and Resources (2022)

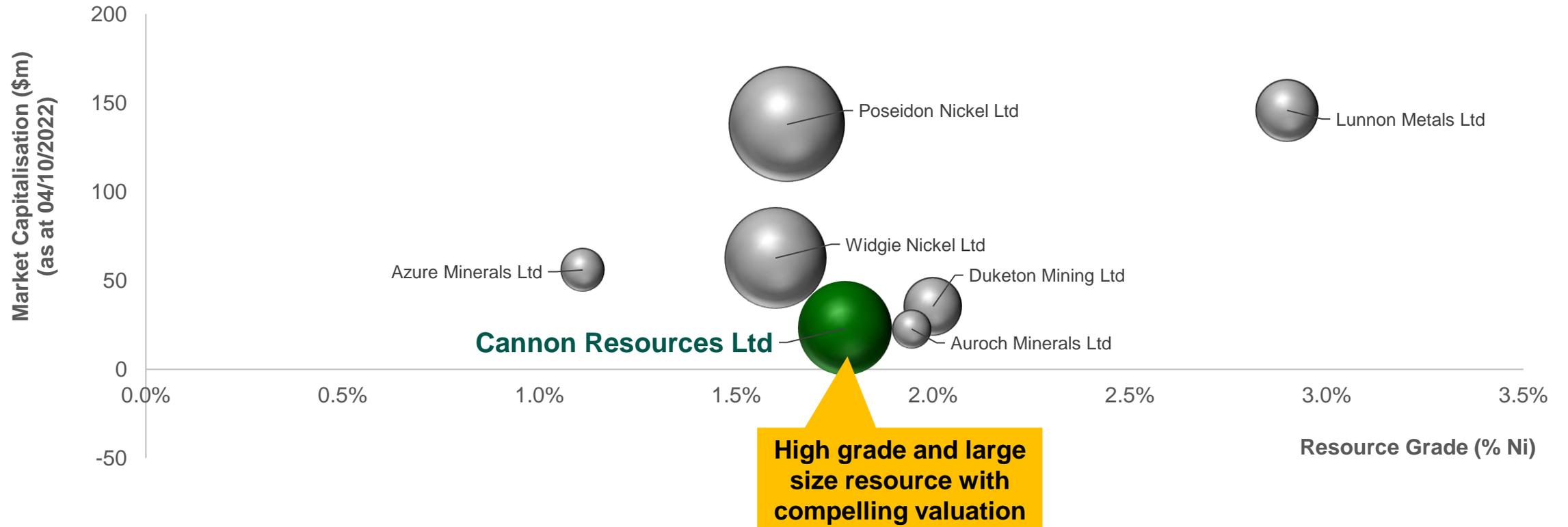
- Nickel demand rose by 16% year on year in 2021
- Nickel use in batteries is expected to be a dominant driving force of nickel demand. By 2027, batteries are expected to account for 22% of total nickel demand (nearly doubled its 2021 level)
- Nickel price is forecasted to stay above US\$20,000 per tonne in the next few years, reaching US\$23,875 per tonne in 2027

Peer Comparison



Peer Comparison, Resource Grade (% Ni) vs Resource Size (Ni Kt) vs Market Capitalisation (\$m)

(Bubble size represents Resource Size)



Source: See Peer Selection slide

Peer Selection



Companies selected are considered comparable to Cannon as they are:

- 🕒 ASX listed & Australian based exploration and/or study phase;
- 🕒 Class 1 nickel / nickel sulphide;
- 🕒 Resource grade > 1.0% Ni; and
- 🕒 Nickel equivalents are excluded

ASX code	Company name	Project Ownership (%)	Attributable Resource (Mt)	Ni Grade (% Ni)	Attributable Ni Metal (kt)	Source
LM8	Lunnon Metals Ltd	100%	2.2	2.9%	64.3	Company Presentation – ASX Announcement on 15/06/2022
POS	Poseidon Nickel Ltd	100%	13.5	1.6%	219.7	Paydirt Battery Minerals Presentation – ASX Announcement on 07/04/2022 Silver Swan Resource Update – ASX Announcement on 27/04/2022
AZS	Azure Minerals Ltd	60%	2.8	1.1%	31.0	Paydirt Battery Minerals Presentation – ASX Announcement on 06/04/2022
AOU	Auroch Minerals Ltd	100%	1.3	1.9%	25.0	Noosa Mining Investor Conference (ASX Announcement on 20/07/2022) and Nepean Nickel Project JORC 2012 Mineral Resource Estimate (ASX Announcement on 1/9/2022)
DKM	Duketon Mining Ltd	100%	2.8	2.0%	56.3	Rosie Resource Increases in Tonnes, Grade and Metal – ASX Announcement on 10/03/2022
WIN	Widgie Nickel Ltd	100%	10.7	1.6%	168.2	2022 RIU Sydney Resources Round Up Presentation – ASX Announcement on 05/05/2022
CNR	Cannon Resources Ltd	100%	7.5	1.8%	134.1	ASX Announcement on 15/08/2022; Collurabbie excluded

Other inputs	Input date	Source
Market capitalisation	4 October 2022	Australian Stock Exchange

Mineral Resource



Fisher East ⁽¹⁾				
Deposit	Category	Tonnes (Mt)	Grade Ni %	Contained Ni Metal
Camelwood	Indicated	1.7	2.0	34.0
	Inferred	0.3	1.5	5.0
	Total	2.0	2.0	39.0
Cannonball	Indicated	0.24	2.9	7.0
	Inferred	0.02	1.9	0.3
	Total	0.26	2.8	7.3
Musket	Indicated	0.9	2.1	19.0
	Inferred	1.5	1.8	26.4
	Total	2.4	1.9	45.5
Sabre	Inferred	2.9	1.5	42.3
	Total	2.9	1.5	42.3
Total	Indicated	2.8	2.1	60.0
	Inferred	4.7	1.6	74.0
	Total	7.5	1.8	134.1

Collurabbie ⁽²⁾							
Deposit	Category	Tonnes (Kt)	Grade Ni %	Grade Cu %	Grade Co %	Grade Pd g/t	Grade Pt g/t
Olympia	Inferred	573	1.63	1.19	0.082	1.49	0.85

Notes:

Cut-off grades: Camelwood, Cannonball and Olympia 1.0% Ni; Musket and Sabre 0.9% Ni. Values may not sum due to rounding.

(1) Refer ASX announcement 9 March 2022, 24 March 2022, 5 April 2022, 15 August 2022 and Prospectus released on the ASX 10 August 2021

(2) Refer Prospectus released on the ASX 10 August 2021



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