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KUNIKO
ZERO CARBON BATTERY METALS™

ASX Release
18.01.2023

Kuniko Launches New Drill Programs at its Copper, Nickel & Cobalt Projects

A 5-hole diamond drilling programme commences at the Ertelien Nickel Project.

A second drilling programme at the Skuterud Cobalt Project commences in February.

A third drilling programme at the Undal-Nyberget Copper Project is set to start during March.

Highlights:

- Kuniko has launched diamond drilling programmes spanning its three highest priority projects in Norway for Copper, Nickel and Cobalt.
- The drilling programme at the Ertelien Nickel Project commences today, as planned on schedule. This campaign is focussed on verifying key historical drill intercepts close to the Ertelien Nickel Mine.
- Drilling at the Ertelien Nickel Project will comprise five diamond drill holes, aiming to idemonstrate continuity between historical mineralised intercepts across the Ertelien geological model.
- In February, a second rig will be mobilised to the Skuterud Cobalt Project as Kuniko seeks to build upon the results of the maiden drill program of 2022. Drilling in 2022 yielded intercepts of cobalt mineralisation in 8 of 8 drill holes at the priority Middagshvile target.
- This phase of planned drilling at Skuterud will consist of 2,500 metres spread across approximately ten diamond drillholes, designed to test the extension of mineralisation along strike and at depth.
- A maiden 1000–1500 metre, 10-hole drilling programme at Undal-Nyberget Copper Project is scheduled to start in early Mar'23, targeting confirmed geophysical anomalies for conductors identified at the Myrmalm and Øyasætra locations on the exploration licence area.

Highlights

Developing **Copper, Nickel, Cobalt, and other battery metals** projects in Europe, for Europe.

Ethical Sourcing ensured.

100% commitment to target a net **ZERO CARBON** footprint.

Operations in Norway, where 98% of electricity comes from **RENEWABLE** sources.

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Antony Beckmand, CEO, commented:

"We are excited to commence a maiden drilling programme at the brownfield Ertelien Nickel Project, located on our Ringerike license area. This first phase of drilling will develop the potential for a nickel resource at the site and leverage available exploration data and drilling of previous explorers.

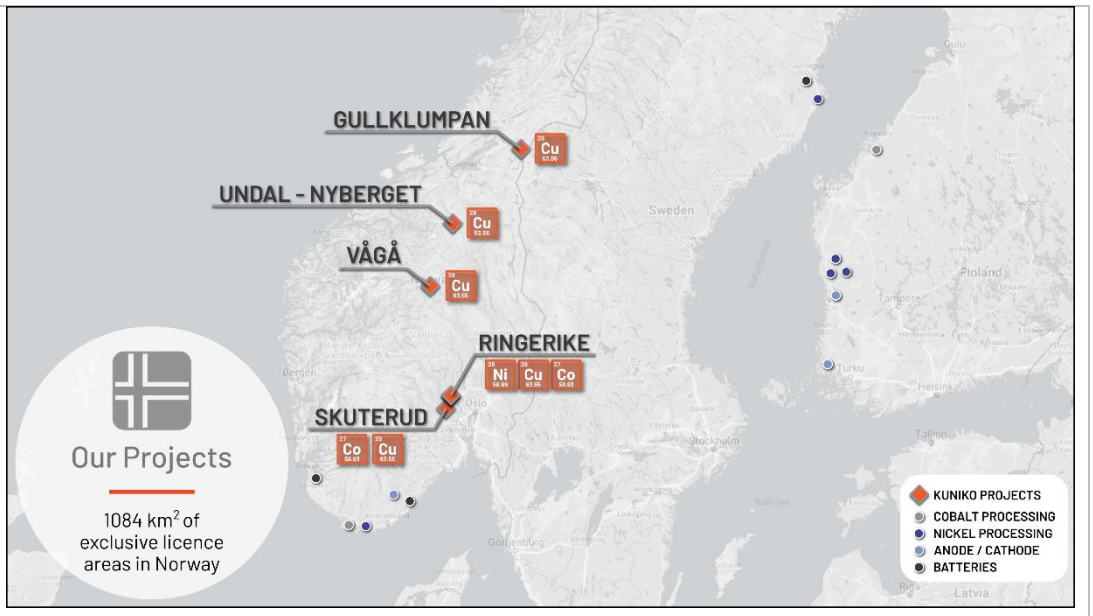
Drilling activity will then ramp-up at the Skuterud Cobalt Project and build upon the success of the maiden drilling campaign. Having proven the project is ripe for cobalt mineralisation through intercepts in all drill holes at our priority target, this additional drilling along the mineralized trend will now test the potential for scalable cobalt-copper mineralisation.

In March, drilling continues with a maiden drilling programme at the Undal-Nyberget Copper Project in Norway's prolific copper belt, where we will aim a drill rig at our two highest priority targets. Our geochemistry, geological mapping and geophysics work are aligning to deliver these high confidence targets prospective for copper mineralisation.

We are pleased to have been able to positively develop our portfolio of battery metals projects such that we now have a pipeline of three high potential projects including copper, nickel and cobalt. Our drilling programmes will be a catalyst for unlocking the upside potential of these assets and continue to position Kuniko as a front runner in the further development of a low carbon European battery metals supply chain."

Figure 1:

Location of Kuniko's Norwegian Copper, Nickel and Cobalt Projects



Nickel: Drill Programme at Ertelien

Kuniko will be kicking off the first of three diamond drilling campaigns at the brownfield Ertelien nickel deposit located on the Ringerike battery metals project license area. Ertelien is highly prospective for nickel, copper and cobalt, and during the most recent period of activity at the historical mine site, 66 diamond drillholes were drilled across the Ertelien intrusion by former exploration license holders.

Kuniko is aiming to continue to verify the existing work from these previous explorers, with a goal of developing a modern and JORC-compliant Mineral Resource estimate at the Ertelien Nickel Project. This Phase 1 campaign will focus on a single drill profile, twinning two key holes (ER2006-05 and ER2006-6B) from drilling of previous exploration licence holder, Blackstone Ventures Inc ("Blackstone"). By twinning these holes, Kuniko aims to verify grades and thicknesses of mineralisation previously reported by Blackstone (Refer: Technical report on resource estimates for the Ertelien, Stormyra and Dalen deposits, Southern Norway, Reddick Consulting Inc., Feb. 11, 2009). Three additional holes will be drilled, with the aim of improving knowledge of mineralised continuity within the deposit. All drill

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holes will also be continued into the footwall gneiss sequence as this contact zone is currently thought to play a key role in the genesis of mineralisation at Ertelien (Refer: Figure 3).

This maiden drilling campaign with its planned 5 diamond drill holes for 1,200 – 1,500 meters, commencing 18 January 2023, is expected to conclude end-February/early-March. The programme will yield a wealth of new data in a tightly controlled geological environment, aimed at considerably improving the understanding of geological controls on mineralisation at the Ertelien Nickel Project.

In addition to this drilling and the groundwork already completed in 2022, Kuniko anticipates assay results for the four boreholes resampled in late 2022 to be returned and reported during February 2023. The verification of historical assay data will be an important factor in utilizing the historical data in an updated resource model. Two of the resampled historical drill holes are from Ertelien, and two were drilled at the Langedalen prospect, also on Kuniko's Ringerike Project. Kuniko's exploration team will be analysing the assay results and seeking geochemical comparisons between the intrusions and mineralisation at both locations, with the intent of developing exploration criteria for other targets across the region.

Kuniko anticipates that an additional phase of drilling at Ertelien will be planned with a view to expanding the scale of known mineralisation at the Ertelien Nickel mine in connection with defining a maiden JORC resource.

Figure 1:

Location of:

i. Ertelien Nickel Project and granted exploration licences of the Ringerike project area; and
ii. Priority Middagshvile target on the Skuterud Cobalt project license area.

[Coordinate System: WGS 1984 UTM 32N]

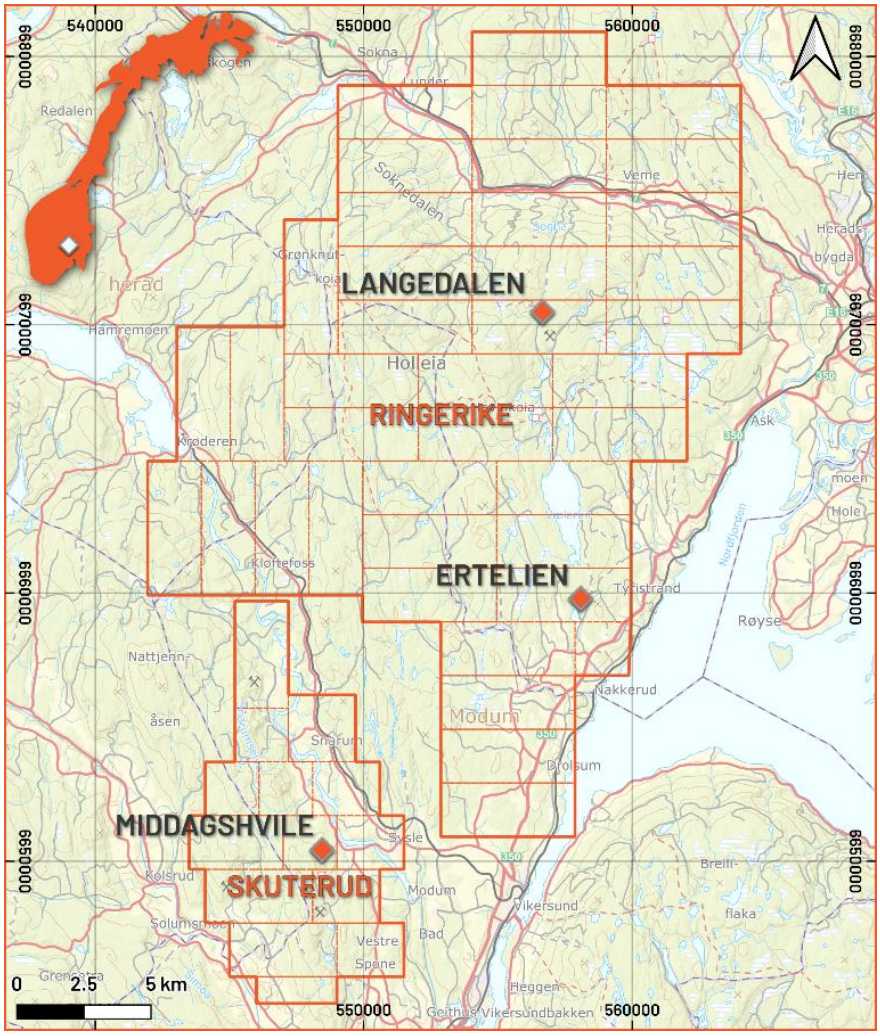

Figure 2:

Geological map of Ertelien Nickel Project showing location of Blackstone drill holes (blue lines) and the planned five phase 1 drillholes (orange spots and lines).

[Coordinate System: WGS 1984 UTM 32N]

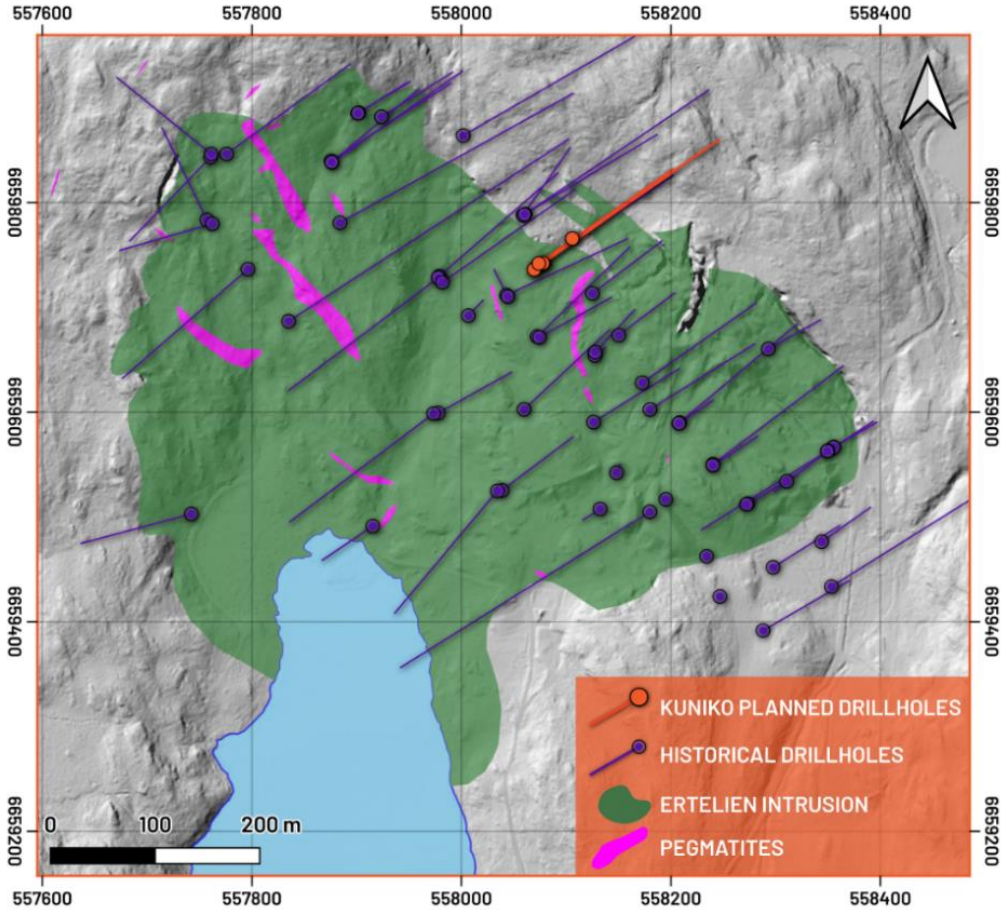

Table 1:

Details for the planned five-hole Phase 1 drilling programme at Ertelien

[Coordinate System: WGS 1984 UTM 32N]

Drillhole Name	Easting	Northing	Elevation	Azimuth	Dip	Length
23ER_001	558076.8	6659742	183.0802	55	50	270
23ER_002	558077.8	6659742	183.1321	55	35	250
23ER_003	558067.3	6659739	179.4202	53	80	450
23ER_004	558073.9	6659742	183.0883	55	67	400
23ER_005	558105.9	6659766	185.4186	50	50	100

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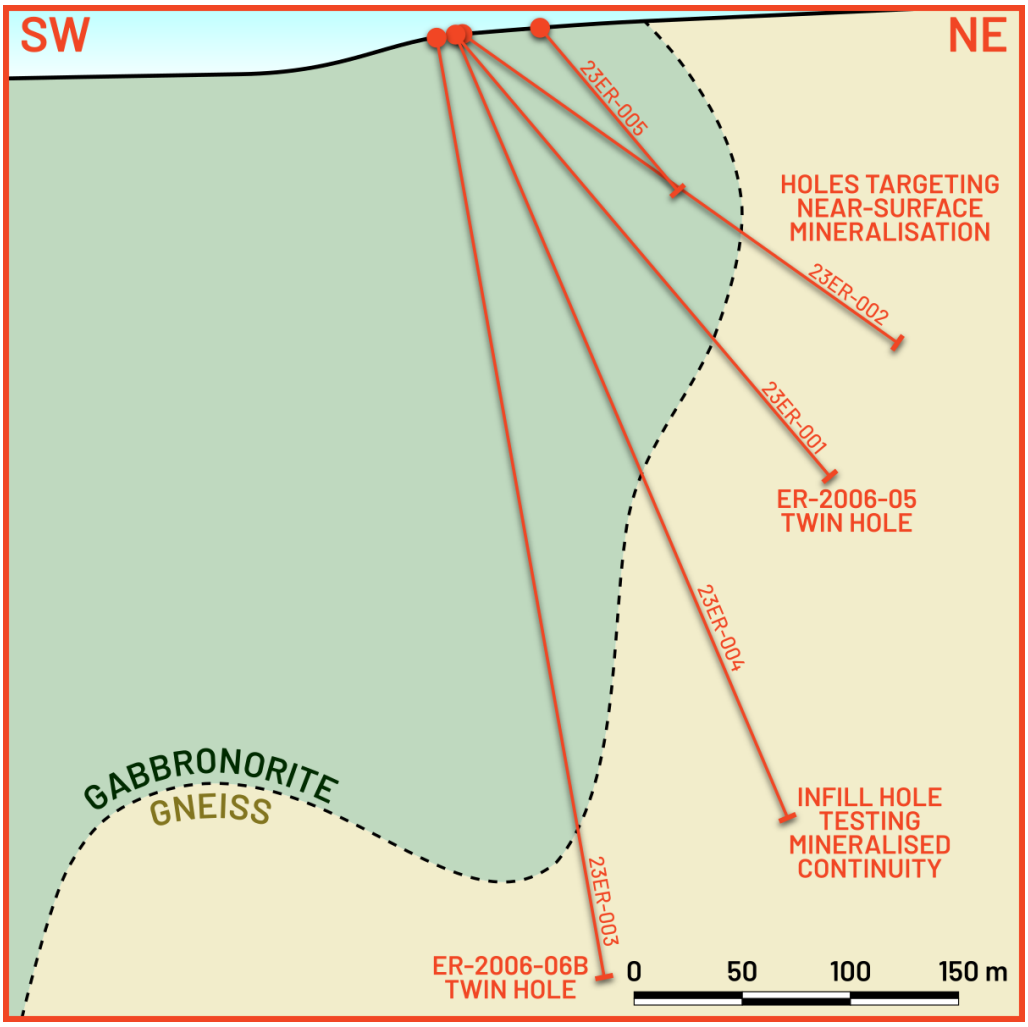
Figure 3:

Ertelien Nickel Project cross-section (looking north-east). The section is drawn along the plane of the five drillholes planned for Phase 1 drilling. (Refer: Figure 2).

[Coordinate System: WGS 1984 UTM 32N]



Cobalt: Drill Program at Skuterud

Following the successful drilling programme in mid-2022 at the Skuterud Cobalt Project's Middagshvile location, Kuniko returns in February 2023 with an expanded drill campaign to test the continuity and extent of mineralisation along strike and at depth. The programme is expected to be ongoing throughout February and March, with a planned 2,500 metres across approximately 10 diamond drill holes.

After successfully intersecting cobalt mineralisation to the NE of the historic Middagshvile mine workings in KNI_MDV008 (Refer ASX Release dated 11/10/22), Kuniko's campaign objective is to now continue to test the depth continuation of mineralisation across the defined trend, as well as focussing on using infill drilling to connect the intercepts in KNI_MDV001-007 (Refer ASX Release dated 11/10/22) to KNI_MDV008. The campaign will improve the understanding of both physical and grade continuity, which will be factored into the planning of future drilling.

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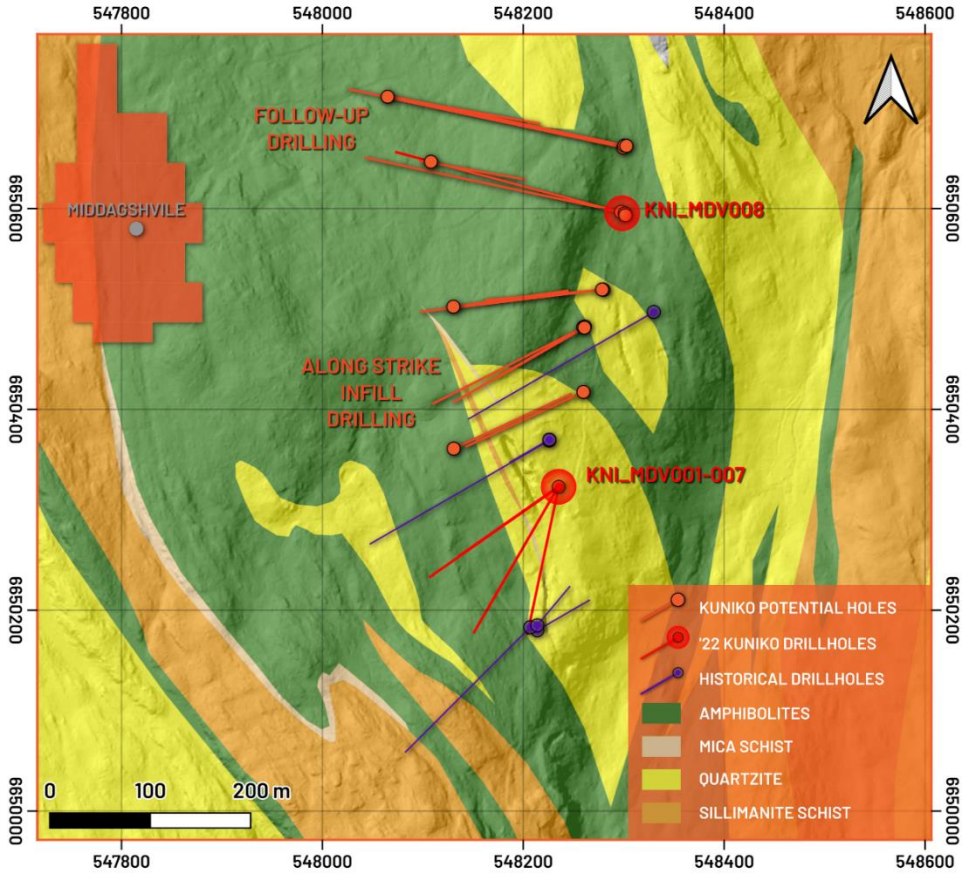
Figure 4:

Map showing the layout of previous and potential further exploration drilling at Middagshvile, overlain onto the 2022 Geological Map.

[Coordinate System: WGS 1984 UTM 32N]



Copper: Drill Program at Undal-Nyberget

Planned to commence in early March '23, Kuniko's maiden drilling campaign on the Undal-Nyberget Project is targeting two strong conductors known as Myrmalm and Øyasætra. Both targets show along-strike electromagnetic geophysical continuity with outcropping sulphide mineralisation, which makes both targets highly prospective.

At the Myrmalm target, boggy low-relief terrain reduces outcrop exposure and could have concealed sulphide mineralisation. Kuniko is utilising the winter conditions to enable the drilling team to operate in this terrain with the lowest possible impact and environmental footprint on the project area. Drilling will be split between the two targets based on geological observations made as drilling progresses, although at this stage a minimum of five holes are planned to be drilled at Myrmalm, with a further three drill holes planned at Øyasætra. A more detailed breakdown of these targets can be found in Kuniko's ASX Release dated 28/11/2022.

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Figure 6:

Location of Undal-Nyberget Copper Project and granted exploration licences.

[Coordinate System: WGS 1984 UTM 32N]

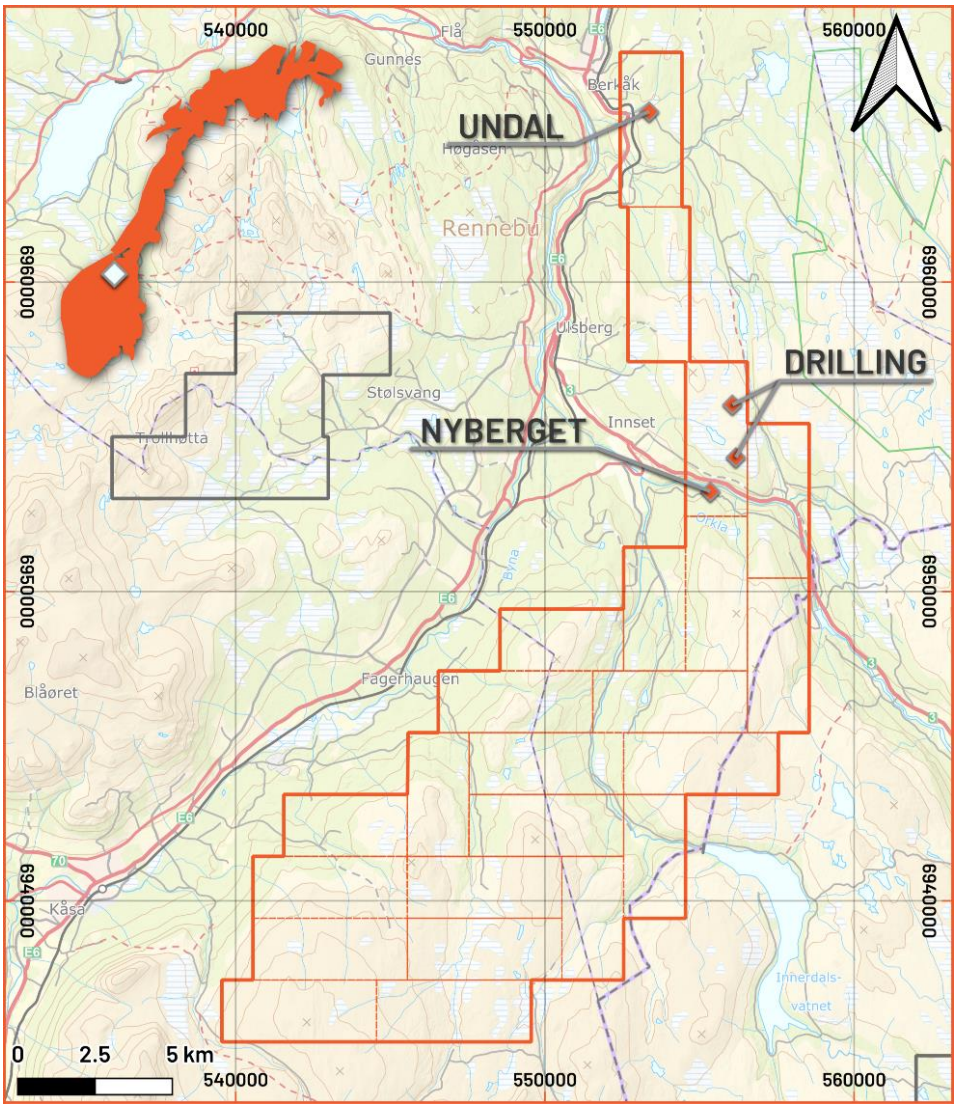

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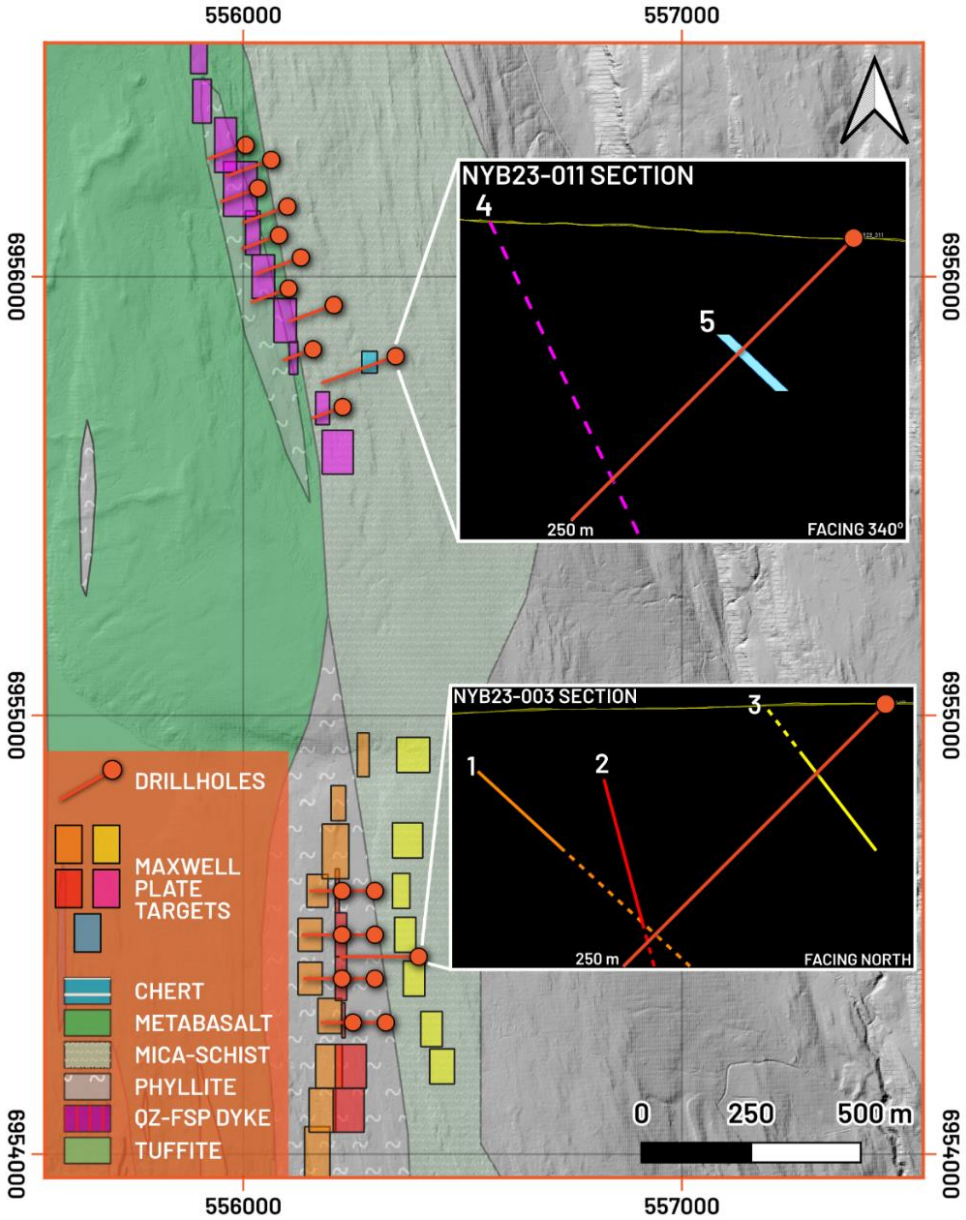
Figure 7:

Nyberget target drilling locations 1 & 2 showing planned drill collars.

[Coordinate System: WGS 1984 UTM 32N]



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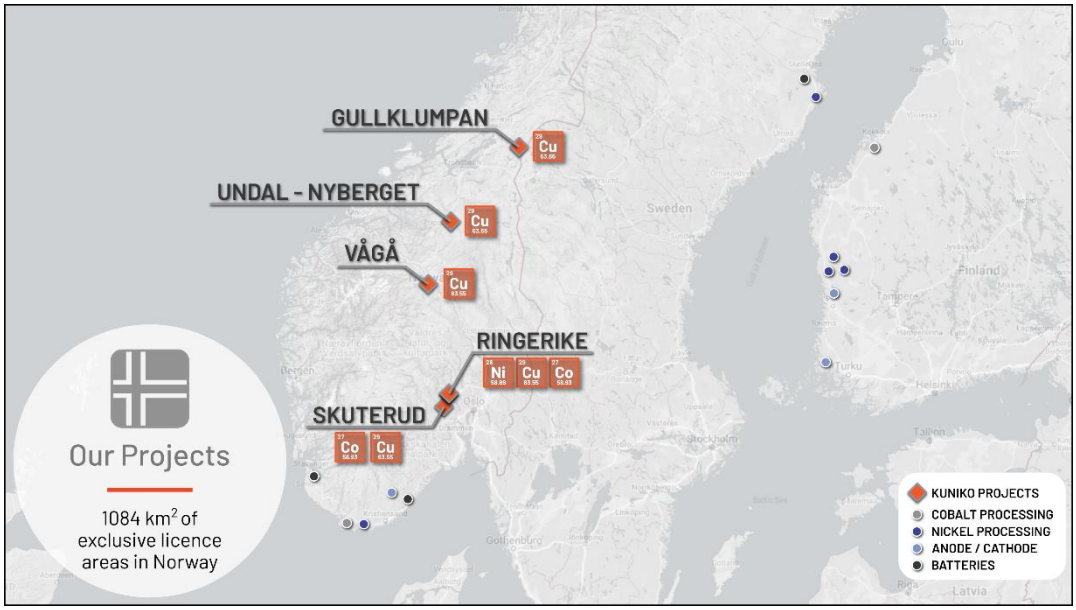
About Kuniko

Kuniko is focused on the development of copper, nickel, and cobalt projects in Scandinavia and has expanded its interests to include prospects for both battery and technology metals. Kuniko has a strict mandate to maintain net zero carbon footprint throughout exploration, development, and production of its projects.

Kuniko's key assets, located in Norway, include the Skuterud Cobalt Project, the Undal-Nyberget Copper Project and the Ringerike Battery Metals. Additional assets include the Vågå and Gullklumpan Copper projects.

- **Skuterud** has had over 1 million tonnes of cobalt ore mined historically and was the world's largest cobalt producer in its time. Kuniko's geophysics and geochemical exploration in 2021 identified multiple anomalies, with a maiden drill campaign completed in July 2022.
- **Ringerike**, 15 kms from Skuterud, is prospective for nickel, copper and cobalt and contains a brownfield Ni-Cu mine.
- **Undal-Nyberget** is in the prolific Røros Copper region, a copper belt which has historical hosted Tier 1-2 mines. Historical production from Undal had grades of 1.15 % Cu, 1.86 % Zn, while adjacent, Nyberget has had surface grades up to 2% Cu.



Location of Kuniko's projects

"Human rights protection is driving consumers to demand ethically extracted and sustainable sources of battery metals" – Kuniko Chairman Gavin Rezos.

The European battery market is the fastest growing in the world, however it has very limited domestic production of battery-quality metals. Kuniko's projects will reduce this almost total reliance on external sources of battery metals by offering local and sustainable sources of nickel, cobalt, and copper.

In the event a mineable resource is discovered, and relevant permits granted, Kuniko is committed to sustainable, low carbon and ethical mining practices which embrace United Nations sustainable development goals. Kuniko activities now and in future will target sustainable practices extending to both life on land and life below water, which includes responsible disposal of waste rock away from fjords. Kuniko understands its activities will need to align with the interests of conservation, protected areas, cultural heritage, and indigenous peoples, amongst others.

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Competent Persons Statement

Information in this report relating to Exploration Results is based on information reviewed by Dr Benedikt Steiner, who is a Chartered Geologist with the Geological Society of London and the European Federation of Geologists. Dr Steiner is an independent consultant of Kuniko Limited and 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 by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Steiner consents to the inclusion of the data in the form and context in which it appears.

Forward Looking Statements

Certain information in this document refers to the intentions of Kuniko, however these are not intended to be forecasts, forward looking statements, or statements about the future matters for the purposes of the Corporations Act or any other applicable law. Statements regarding plans with respect to Kuniko's projects are forward looking statements and can generally be identified using words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. There can be no assurance that the Kuniko's plans for its projects will proceed as expected and there can be no assurance of future events which are subject to risk, uncertainties and other actions that may cause Kuniko's actual results, performance, or achievements to differ from those referred to in this document. While the information contained in this document has been prepared in good faith, there can be given no assurance or guarantee that the occurrence of these events referred to in the document will occur as contemplated. Accordingly, to the maximum extent permitted by law, Kuniko and any of its affiliates and their directors, officers, employees, agents and advisors disclaim any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

No new information

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

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Authorisation

This announcement has been authorised by the Board of Directors of Kuniko Limited.