

Kinterra Capital's Cannon Resources Advances Exploration at Fisher East Nickel Project to Support EV Battery Supply Chain

Nickel Sulphide Resource Doubled in Six Months Following Kinterra's Investment

TORONTO and PERTH, Australia—February 26, 2024—Kinterra Capital (“Kinterra”), a private equity firm that invests in and develops key critical minerals assets and strategic infrastructure necessary for the energy transition, today announced that its portfolio company, Cannon Resources Pty Ltd (“Cannon” or “the Company”), a Western Australia-focused mineral resources exploration company, has made significant advancement in expanding the resource at its Fisher East nickel project, the largest undeveloped high-grade nickel sulphide asset in Australia not owned by a major mining corporation.

Cannon saw an increase in its independent JORC Resource to 13.1 million tonnes of Indicated and Inferred mineral resources, composed of 5.2 million tonnes of Indicated resource at an average grade of 1.99% Ni, together with an additional 7.9 million tonnes of inferred resource at 1.69% Ni. The new estimate represents an 75% increase from the previously reported resource. Contained nickel tonnage also increased by 77% as Cannon maintained the high quality of its mineral resource while substantially increasing scale.

“We are incredibly proud of our Australian and Toronto teams behind the successful drill program at Fisher East where the Nickel sulphide resource doubled in less than six months,” said Warrick Hamilton, Exploration Manager at Cannon Resources. “Our outstanding results are a direct outcome of Cannon’s and Kinterra’s commitment to the project and the high-quality nature of the asset.”

Cannon will conduct metallurgical test work, geotechnical, and environmental baseline collection in support of permitting and additional drilling in early 2024. In collaboration with Kinterra, Cannon will look to engage with offtake partners, including major automotive OEMs, to partner on the development of the Fisher East project, which is advancing to supply IRA compliant nickel to the electric vehicle (“EV”) battery supply chain.

Generating sustainable supply chain solutions is core to Kinterra’s investment thesis. NiVolt Technologies (“NiVolt”), another Kinterra portfolio company, is advancing a vertically integrated battery raw materials facility in the Province of Quebec, Canada. NiVolt achieved a significant milestone in Q423, by producing Mixed Hydroxide Precipitate (“MHP”) from nickel sulphide concentrate. Kinterra and Cannon are leveraging the knowledge and expertise from NiVolt to evaluate the opportunity to convert Fisher East’s nickel sulphide concentrate into MHP and nickel sulphate to unlock additional synergies within the EV supply chain.

“We realize this is a difficult time in the Australian and global nickel markets, but we believe there is a real opportunity for low cost, ESG-friendly projects with the right downstream and government support to contribute to secure supply chains for the EV market,” said Chris O’Brien, Vice President and Project Director at Cannon. “We remain focused on advancing Fisher East through dedicated technical studies, trade-off development, and comprehensive environmental and stakeholder stewardship. This work will position Cannon for strategic and informed future investment decisions.”

“Fisher East aligns with Kinterra's focus on advancing integrated supply chain solutions where downstream and upstream partners work collectively to de-risk projects and unlock value,, all in countries with superior environmental and social practices,” Kamal Toor, Co-Managing Partner at Kinterra Capital, added. “And we are thrilled that Federal Resources Minister Madeleine King placed nickel on the Critical Minerals List, giving companies like Cannon the opportunity to access Commonwealth funding.”

About Kinterra Capital

Kinterra Capital is a Toronto based private equity firm investing in the people, ideas, critical minerals, and strategic infrastructure necessary to accelerate the energy transition. Kinterra leverages significant domain specific technical and transactional expertise to source and manage investments that create value for key stakeholders, all while enhancing the communities within which we operate through meaningful partnerships. At Kinterra, we focus on innovative ideation, rigorous analysis and executing with excellence to make investments that will create a more sustainable future. For more information about Kinterra Capital, please visit www.kinterracapital.com.

About Cannon Resources

Cannon Resources Limited is a Western Australia nickel exploration and development company, focused on the Fisher East Nickel Project, a high-grade, sulphide development project in Australia.

Disclaimer

The mineral resource estimates in this release are based on Cannon's initial exploration findings and interpretation. These estimates are subject to change as additional data becomes available through further exploration and evaluation of the Cannon project, and Cannon undertakes no obligation to update any of the contents of this release or to correct any inaccuracies that may become apparent following the date hereof. This release contains forward-looking statements, including, but not limited to, Cannon's exploration activities, project development initiatives, partnership engagements and potential contributions to the EV supply chain. These statements are based on an assessment of present economic, technical, and operational conditions and on several assumptions regarding future events and actions that, as of the date of this release, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of Cannon. Cannon cannot and does not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this report will actually occur, and readers are cautioned not to place undue reliance on these forward-looking statements. Cannon has no intention to update or revise forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this release.

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