

Completion of Drilling at Pharos Gold Targets

HIGHLIGHTS

- **RC drilling completed at Pharos on multiple gold targets**
- **16 holes for 1,134m to follow up high-grade RC drilling results including:**
 - 12m @ 7.40 g/t Au from 44m at Lantern (Historic)
 - 16m @ 3.09 g/t Au from 0m at Lantern (Historic)
 - 7m @ 8.33 g/t Au from 4m at Lantern (2020)
 - 5m @ 8.28 g/t Au from 9m at Cap Lamp (2020)
 - 4m @ 2.65 g/t Au from 28m (EoH) at Candle North (Historic)
- **Drilling at Beacon, Candle, Candle North Lantern and Cap Lamp prospects tested interpreted orientation of high-grade structures**
- **Quartz veining and silica-carbonate-chlorite-sulphide altered shear structures intersected at all targets**
- **Prospects contain multiple shear zone hosted quartz vein targets hosted by altered dolerite similar to “Day Dawn” style mineralisation**
- **Samples have been submitted to the laboratory for analysis – initial results expected in four weeks**
- **Follow up RC drilling planned late September**

Scorpion Minerals Limited (ASX: SCN) (“the Company” or “SCN”) is pleased to report that a Reverse Circulation (RC) drilling programme (see ASX announcement dated 12 August 2021) has been completed at the Pharos Project located approximately 50km northwest of Cue in the Murchison District of WA.

This latest RC drilling follows up the successful 2020 RC drilling programme, historic drilling and rock chip sampling completed across multiple targets including Beacon, Candle, Candle North, Lantern and Cap Lamp (Figure 2).

The programme included 16 holes drilled for a total of 1,134m to a maximum depth of 145m in North South drill sections at Beacon, Candle, Candle North and Lantern. The holes were designed to scissor historic intersections to determine strike and dip of the high-grade structures. A single section was drilled at each target, apart from Lantern where two sections were completed. Several drill holes intersected significant dolerite-hosted structures with associated quartz veining, alteration (silica-carbonate-chlorite-pyrite-arsenopyrite) and/or the weathered remnants. Regional alteration (carbonate-chlorite) of the dolerite host rocks was also noted.

Initial assays are expected to be received in September, with follow-up RC drilling expected to commence shortly thereafter.

Company Comment – Director Bronwyn Barnes

“We are pleased to have completed this initial programme at Pharos, designed to follow up high-grade gold results reported from previous campaigns. Our team

BOARD OF DIRECTORS

Ms Bronwyn Barnes
Non-Executive Director

Mr Craig Hall
Non-Executive Director

Ms Kate Stoney
*Non-Executive Director,
Company Secretary*

ISSUED CAPITAL

Ordinary Fully Paid
259,031,192

Options - Unlisted
Exp. 10/21 19,250,000 (\$0.10)
Exp. 11/23 15,000,000 (\$0.12)
Exp. 12/23 5,750,000 (\$0.12)

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has identified several targets at Pharos that contain multiple shear zone hosted quartz veins similar to “Day Dawn” style mineralisation, so we are understandably eager to explore this potential further.

Pharos continues to reveal itself as an exciting opportunity for Scorpion and hosts several multi commodity targets prospective for gold and VMS Cu-Zn-Ag-Au mineralisation. We are now working to expedite additional RC drilling across several encouraging gold targets at Pharos and we look forward to reporting assays in the near-term.”



Figure 1: RC drill rig on site at Pharos

Historic drilling and sampling results from individual prospects include;

Beacon	Rock chips up to 0.84 g/t Au	(SCN)
Candle	Rock Chips up to 2.79 g/t Au	(SCN)
	6m @ 0.76 g/t Au from 102m incl	(SCN)
	2m @ 1.34 g/t Au from 106m EOH	
Candle North	4m @ 2.65 g/t Au from 28m EOH	(Historic)
Lantern	12m @ 7.40 g/t Au from 44m	(Historic)
	16m @ 3.09 g/t Au from 0m	(Historic)
	7m @ 8.33 g/t Au from 4m	(SCN)
Cap Lamp	5m @ 8.28 g/t Au from 9m	(SCN)
	3m @ 2.72 g/t Au from 18m	(SCN)

Pharos Project Planned Exploration Activities

The following activities are planned to take place at Pharos for the remainder of the calendar year and have been amended to bring forward follow up drilling of Pharos gold targets in September. The multi-

commodity targets are 100% owned by Scorpion and are in addition to the iron ore targets that are the subject of an option agreement with Fenix Resources Ltd (ASX: FEX). The Company will provide further updates on the proposed JV in due course.

1. Airborne detailed photography	August - completed
2. RC drill testing Pharos gold targets	August - completed
3. Heritage Survey and Clearance	September
4. Airborne and/or ground EM surveys	September
5. RC drill follow up Pharos gold targets	September
6. RC drill testing (~1000m programme) of Iron targets identified	September – October
7. Diamond drilling Mt Mulcahy (~800m)	Q4 2021

For additional background on Pharos Project information please refer to ASX releases:

25/06/2020	<i>"Pharos Project Exploration Update"</i>
09/07/2020	<i>"High Grade Gold Rock Chips - Pharos Project"</i>
13/08/2020	<i>"Drilling to Commence – Pharos Project"</i>
31/08/2020	<i>"Commencement of Drilling - Pharos Project"</i>
28/09/2020	<i>"High Grade Gold Confirmed at Lantern - Pharos Project"</i>
08/10/2020	<i>"Phase 2 RC Drilling Commenced- Pharos Project"</i>
02/11/2020	<i>"Priority PGE Ni-Cu Targets – Pharos Tenement"</i>
24/11/2020	<i>"Further High-Grade Gold Results – Pharos Project"</i>
08/02/2021	<i>"Term Sheet – Iron Ore Rights at Pharos"</i>
08/04/2021	<i>"PGE-Ni-Cu Targets Identified at Pharos Project"</i>
28/04/2021	<i>"Fenix Iron Ore JV Update – Pharos"</i>
16/06/2021	<i>"Pallas PGE-Ni-Cu Target – Pharos"</i>
23/06/2021	<i>"Multiple Commodity Targets Identified at Pharos"</i>
13/07/2021	<i>"Fenix Iron Ore JV and Pallas PGE Target Exploration Update"</i>
21/07/2021	<i>"Iron Ore Targets Advanced and Drilling Expedited – Fenix JV"</i>
12/08/2021	<i>"RC Drilling Commences at Pharos Gold Targets"</i>

This announcement has been authorised by the board of directors of the Company.

- ENDS -

Enquiries

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Non-Executive Director

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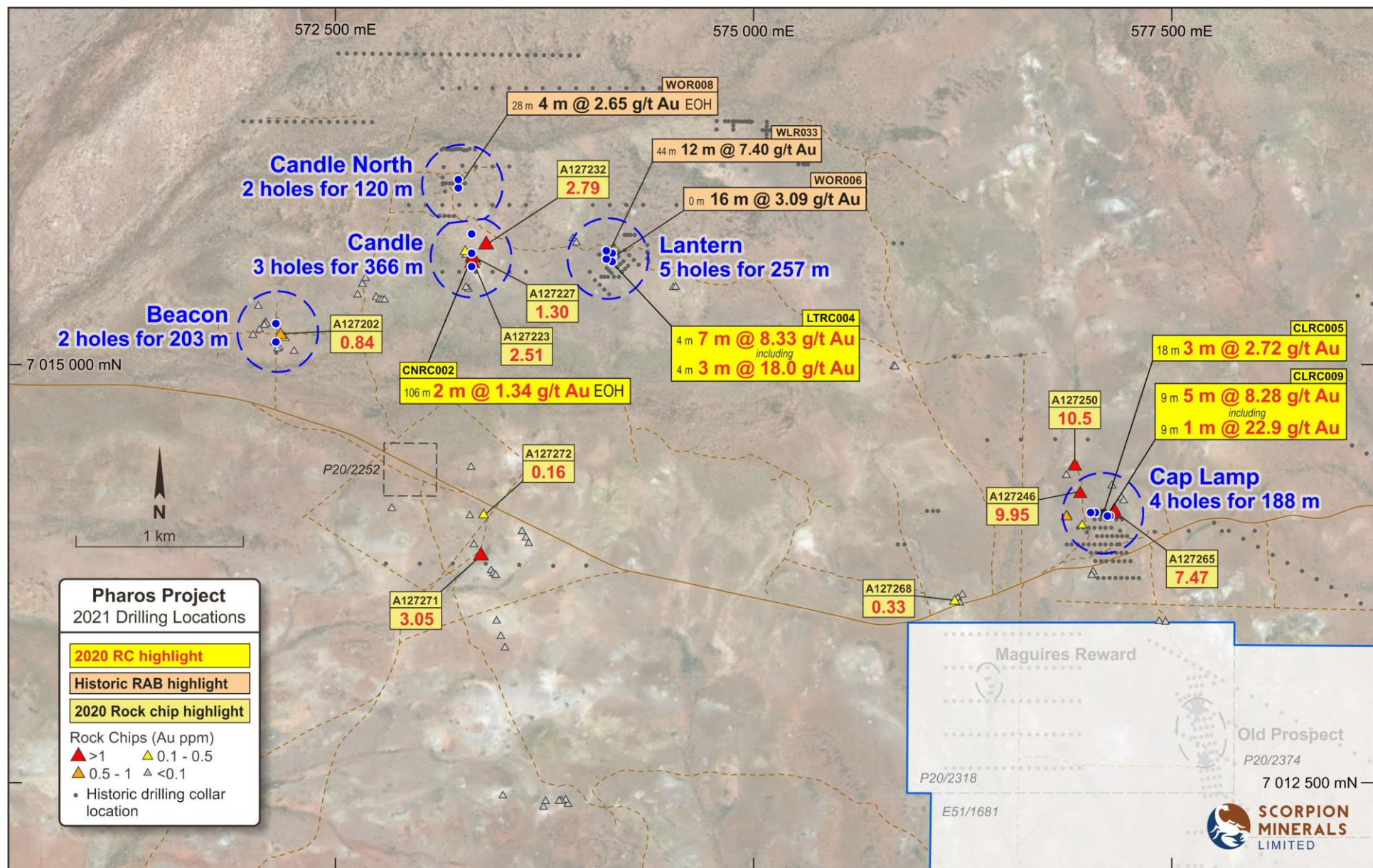


Figure 2 – Pharos Drilling Location Map showing recently completed RC drilling (blue)

About Scorpion Minerals

Scorpion Minerals Limited (ASX: SCN) is a WA based mineral exploration company focused on gold base metals and iron ore.

Scorpion's focus is the 100% owned Pharos project that covers 640km² and is located 60 km northwest of Cue in the Murchison Mineral Field, Western Australia. The Pharos project ism prospective for gold, iron ore, PGE-Ni-Cu and VMS hosted Cu-Zn-Ag Au mineralisation.

The strategic location of the Pharos tenements is further enhanced by exploration success in the region (Figure 2) for iron ore (Fenix Resources) copper (Cyprium), PGE-Ni-Cu (Podium and EMetals) and gold (Musgrave Minerals, refer Figure 5). Pharos project area appears to host a multitude of commodities targets that require detailed evaluation.

Scorpion has completed resource definition drilling at the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit, a zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t at the 'South Limb Pod' (SLP).

In addition, Scorpion has entered into a joint venture with Fenix Resources limited to explore for iron ore within the company's tenements. Fenix can earn 70% of the iron ore rights by sole funding exploration and resource definition drilling to identify up to 10 million tonnes. Alternatively, Fenix can earn 70% of a portion of the tenements by funding a feasibility study on a resource of at least 1 million tonnes of iron ore

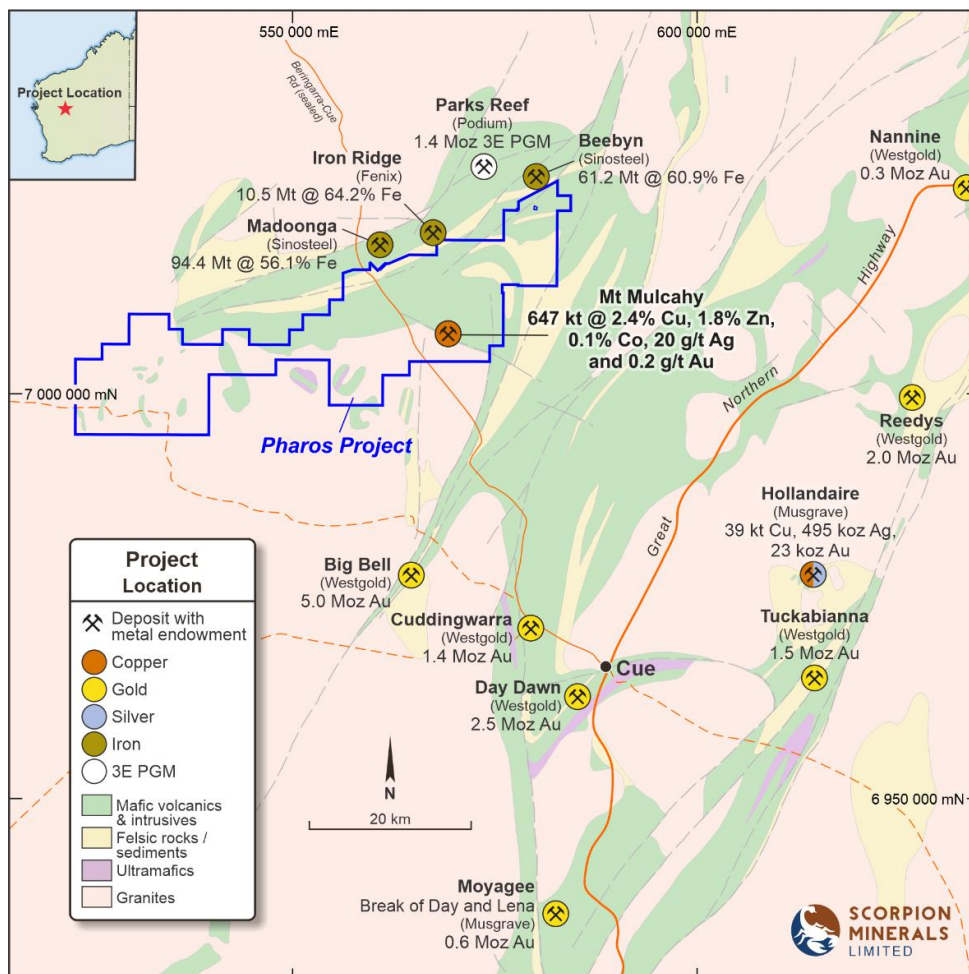


Figure 3 – SCN's ground position Pharos Project in the Central Murchison Region, WA

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

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