



Acquisition Agreement Completed

PepinNini Minerals Limited (PepinNini, PNN, the Company) is pleased to announce that it has completed negotiations, first announced 22 December 2020, and entered into an agreement for the purchase of all of the issued shares in Hillside Minerals Pty Ltd (Hillside), which has applied for a number of exploration licences (Tenements) in South Australia.

The Tenements comprise two exploration licence applications covering 1,129km² located on the Eyre Peninsula in South Australia (Figure 1). The Tenements have recorded occurrences⁽¹⁾ of kaolin clay. Both tenements directly adjoin tenements held by Andromeda Metals (ASX:ADN) on which JORC 2012 Resources of kaolin and halloysite have been reported (ASX announcements 26 November 2020, 29 September 2020 and 11 August 2020).

ABOUT

PepinNini Minerals Limited is a diversified ASX listed Australian Exploration Company focused on exploring, discovering and developing a significant mineral resource. PepinNini has exploration tenements prospective for nickel-copper-cobalt-PGE in the Musgrave Province of South Australia and hold a lithium brine resource in Salta Province, Argentina. The company also holds a copper-gold exploration project in Salta Province, Argentina

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FURTHER INFORMATION

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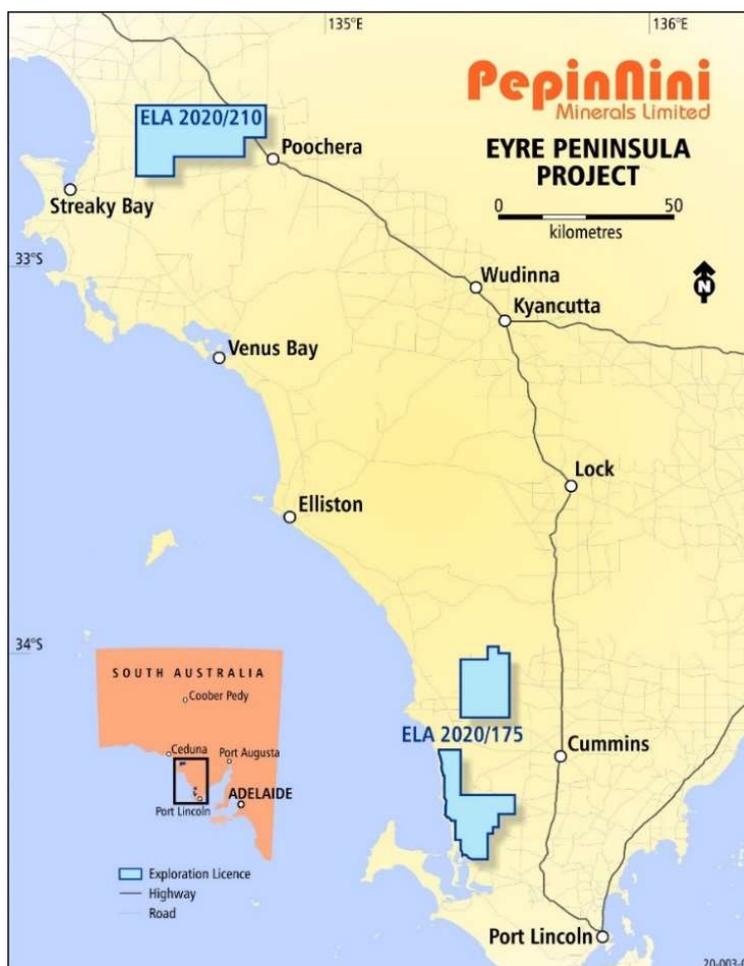


Figure 1 – Hillside Tenement Locations

During PepinNini's initial due diligence, drill hole data from 1,179 drillholes from 14 historical Exploration Licences and two Special Mining Leases (SML) has been downloaded from SARIG. The data for ELA 2020/175 is summarised in Figure 2 below.

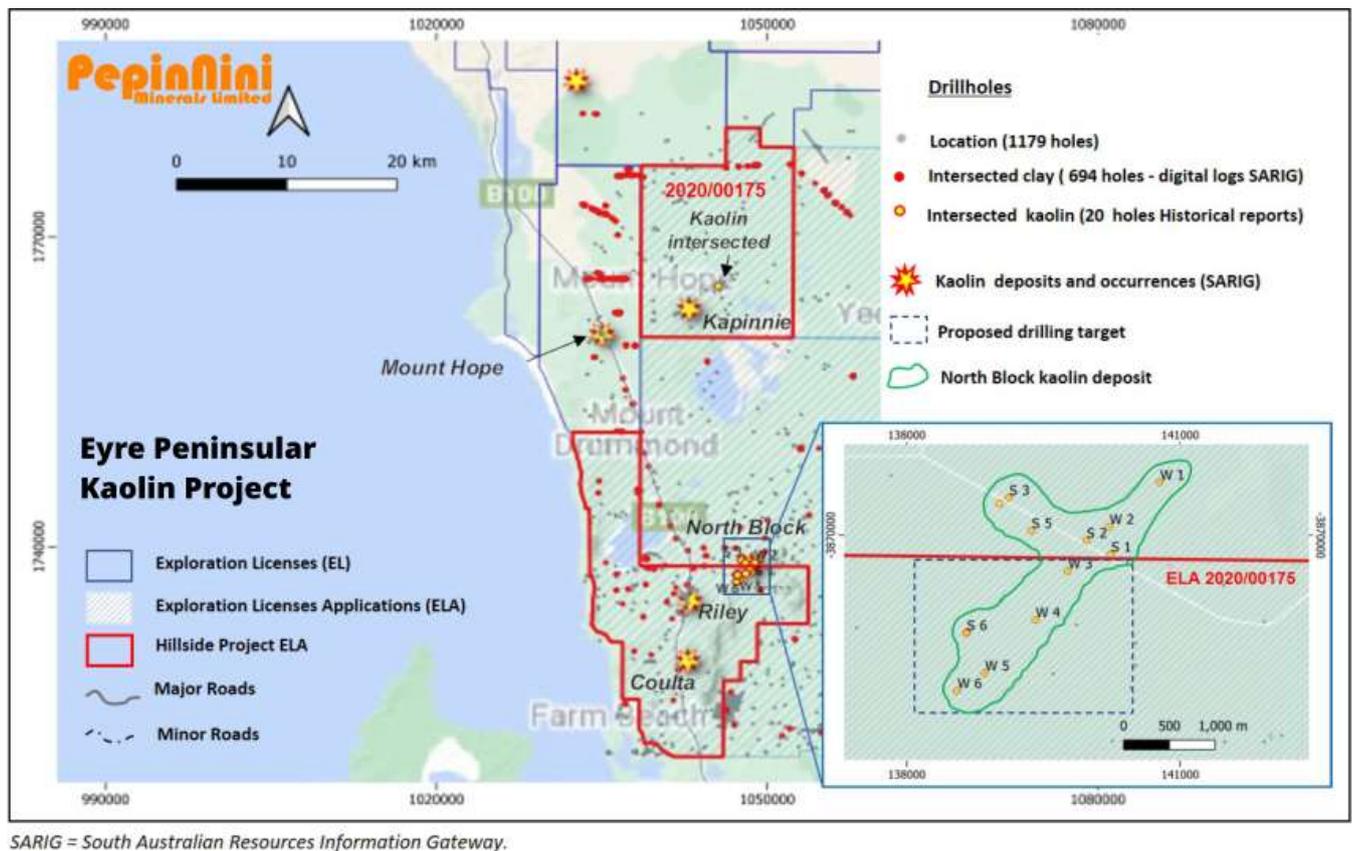


Figure 2 Historical Exploration Activity Eyre Peninsular Kaolin Project

There were numerous occurrences of kaolin recorded, significantly the Mount Hope deposit first defined by Blacker Motors and Abaleen Minerals⁽¹⁾ in 1971 and now held by Andromeda Metals (ADN). ADN announced in accordance with the 2012 JORC Code and Guidelines an Inferred Mineral Resource of 18MT in-situ Bright White Kaolinised Granite yielding 7.5MT of -45micron quality kaolin (ASX announcement – 11 August 2020). Reported within this resource were sub domains of Ultra-Bright high purity kaolin (1.6MT) and high halloysite-kaolin (0.6MT).

Blacker Motors and Abaleen Minerals NL also reported the North Block⁽¹⁾ kaolin deposit in 1972 outlined on Figure 2 in the Hillside ELA 2020/00175. North Block will be an attractive drill target as kaolin has been intersected in historical drilling. This will be an initial drilling target for PepinNini when the Tenements are granted.

About the acquisition

The purchase consideration is payable in PNN shares and options and will involve PepinNini seeking approval at a shareholder meeting for the issue of the purchase consideration shares and options to the vendors, there are three Hillside vendor shareholders, none of whom are related parties of PepinNini.

The transaction will be completed in two stages:

Stage 1 – subject to shareholder approval and due diligence, 1.75 million PNN ordinary shares will be issued to the vendors and PepinNini will acquire all of the issued shares in Hillside. Stage 1 of the transaction is not conditional on the grant of the Tenements.

Stage 2 – following the successful grant of the Tenements, (and also subject to shareholder approval), 4.5 million PNN ordinary shares and 1.2 million unquoted options exercisable at \$0.35 expiring 31

December 2023 (with the unquoted options subject to a period of voluntary escrow commencing on the date that the options are issued and ending on the date that is 6 months after that date), will be issued to the vendors as the final purchase consideration.

Following Stage 2 a Joint Venture between PepinNini and the vendors will be established. The vendors will establish a new entity (Newco) for participation in the joint venture for the exploration of the Tenements. The Joint Venture, which PepinNini will manage, will be PepinNini 80% and 20%Newco. The Newco interest will be free carried until a decision to mine the Tenements, at which point an 80:20 mining joint venture would be established. PepinNini would continue as Manager and both parties contribute to the JV according to their respective share.

(1) Open File Envelope No.1940, SML 669, Marble Range, Progress Report to Licence Expiry/Renewal for the period 10/2/1972 to 9/2/1973, submitted by Blacker Motors Pty Ltd and Abaleen Minerals NL, 1972, Government of South Australia Minerals and Energy Resources.

The section on the kaolin project has been prepared with information compiled by Suziany Rocha de Souza , MAusIMM. Suziany Rocha de Souza is the Head of Geosciences at Future Minerals Insights and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Suziany Rocha de Souza consents to the inclusion in the report of the matters based on her information in the form and context in which it appears

This announcement was authorised for issue by the Directors of PepinNini Minerals Ltd

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Note: Additional information on PNN is available at www.pepinnini.com.au