



## FINLAND EXPLORATION UPDATE

### Key Points

- Two diamond drill holes (FRPD0001 and 2) testing the Ruopas Isovaara target completed with several thin zones of semi-massive iron sulphides and trace copper sulphides interpreted as the source of the modelled EM plate
- Sulphide zones appear to be hydrothermal veining rather than magmatic, so will therefore be assayed for PGE's and gold
- Drilling to recommence at Aarnivalkea (Aarni') gold prospect whilst PGE and gold assays awaited
- Assays received for the remainder of diamond holes FAVD0065 and FAVD0066 at Aarni' identifying further mineralised intercepts
- Assays awaited for Aarni' diamond holes FAVD0067 to FAVD0073

### Ruopas Isovaara diamond drilling

S2 Resources Ltd ("S2" or the "Company") advises that two diamond drill holes (FRPD0001 and 2) have been completed at the Company's 100% owned Ruopas Isovaara target in northern Finland. These holes were designed to test a coincident electromagnetic (EM) plate and elevated nickel and copper in Base of Till (BoT) drilling (refer to S2's ASX announcement dated 10<sup>th</sup> August 2021).

Hole FRPD0001 intercepted two 20-30cm zones of semi-massive sulphides within hydrothermal quartz veins at 190 metres and 259 metres. Hole FRPD0002 was drilled 50 metres up-plunge and intercepted similar width semi-massive sulphide zones in the same stratigraphic positions at 138 metres and 205 metres downhole. These sulphides are believed to be the source of the modelled fixed loop EM plate which was anticipated to be intercepted at approximately 250 metres downhole in FRPD0001. Sulphides comprised predominantly pyrrhotite (iron sulphide) with minor chalcopyrite (copper sulphide).

Due to the hydrothermal nature of the sulphide mineralisation and an association of gold and platinum group elements (PGEs) with veining and sulphides in some deposits within the Central Lapland Greenstone Belt, these sulphide zones will be assayed for precious metals. Drilling of hole FRPD0002 is continuing to a depth of 250 metres to provide a platform for downhole electromagnetics (DHEM), with the aim of confirming that the conductive zone modelled from the ground EM has been satisfactorily explained. The

original fixed loop EM (FLEM) defined a conductive body measuring 280 metres long by 240 metres deep, dipping steeply to the northeast.

#### **Further mineralised zones in Aarni' hole FAVD0065**

Gold assay results have been received for the remainder of diamond holes FAVD0065 and FAV0066, the first two follow-up holes drilled at the Company's 100% owned Aarnivalkea gold prospect. New intervals from hole FAVD0065 include:

- 2.00 metres at 1.5g/t gold from 127.0m metres,
- 19.80 metres at 0.7g/t gold from 305.2 metres, including 0.58 metres at 7.3g/t gold from 308.6 metres, and
- 1.87 metres at 3.0g/t gold from 329.1 metres (see Figure 1)

These intercepts are in addition to those previously reported from hole FAVD0065 (refer to S2 ASX announcement dated 9th August 2021) which include:

- 1.20 metres at 1.5g/t gold from 161.0 metres (revised interval based on additional assays),
- 5.81 metres at 2.7g/t gold from 381.1, including 0.62 metres at 16.7g/t gold from 386.3 metres, and
- 5.64 metres at 3.1g/t gold from 393.4 metres, including 1.04m at 14.2g/t gold from 393.4 metres

No further significant intercepts were recorded in FAVD0066 (Figure 2) beyond those previously reported (refer to S2 ASX announcements dated 9<sup>th</sup> and 30<sup>th</sup> August 2021), which include:

- 18.6 metres at 1.1g/t gold from 228.0 metres, including 1.8 metres at 7.60g/t gold from 244.8 metres,
- 0.64 metres at 7.5g/t gold from 314.2 metres, and
- 6.79 metres at 1.2g/t gold from 330.5 metres, including 0.89 metres at 5.2g/t gold from 335.5 metres (see Figure 2)

Assays are awaited for seven further wide spaced scout diamond holes (FAVD0067 to FABD0073) drilled to depths of 240 to 520 metres over a 1.3 kilometre strike length (Figure 3). Drilling at Aarni' is due to recommence shortly.

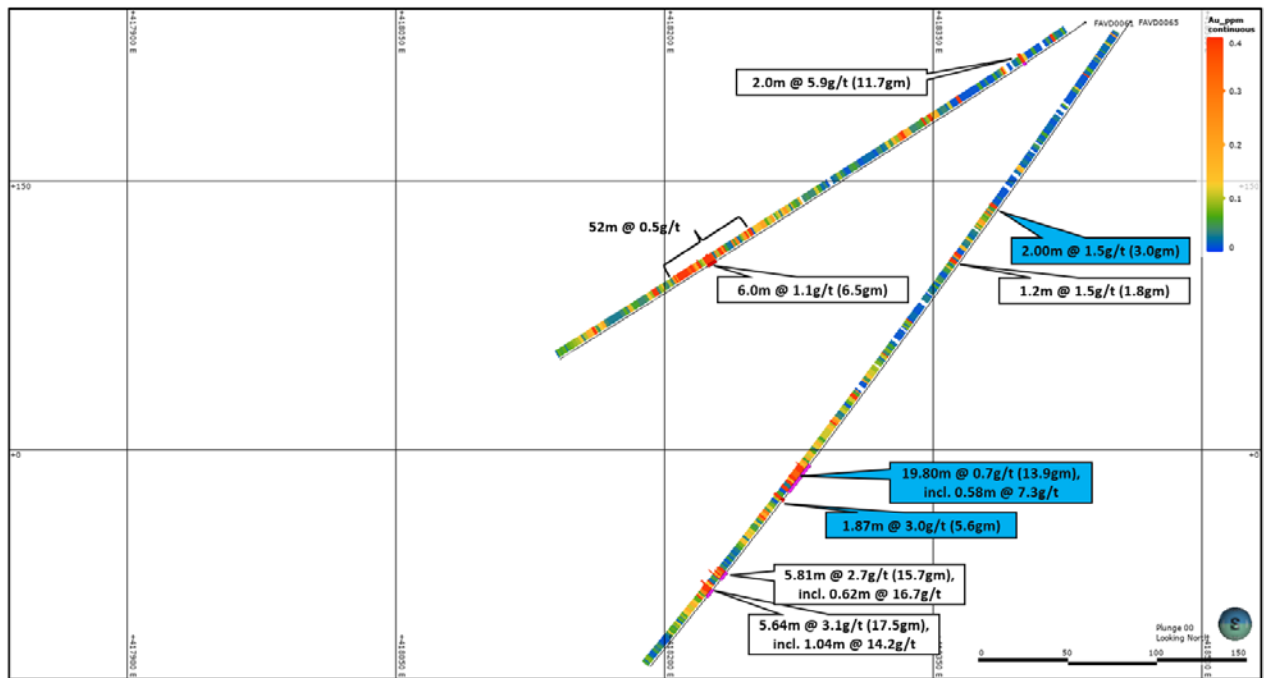


Figure 1. Cross section through 7551680Mn showing gold mineralisation in previously reported drill hole FAVD0061 (see S2 ASX announcement date 8<sup>th</sup> December 2020) and newly reported hole FAVD0065, including recent intercepts (blue) and previously reported intercepts (white). Note there is no shallow drilling above hole FAVD0061 and FAVD0065 due to swampy ground conditions.

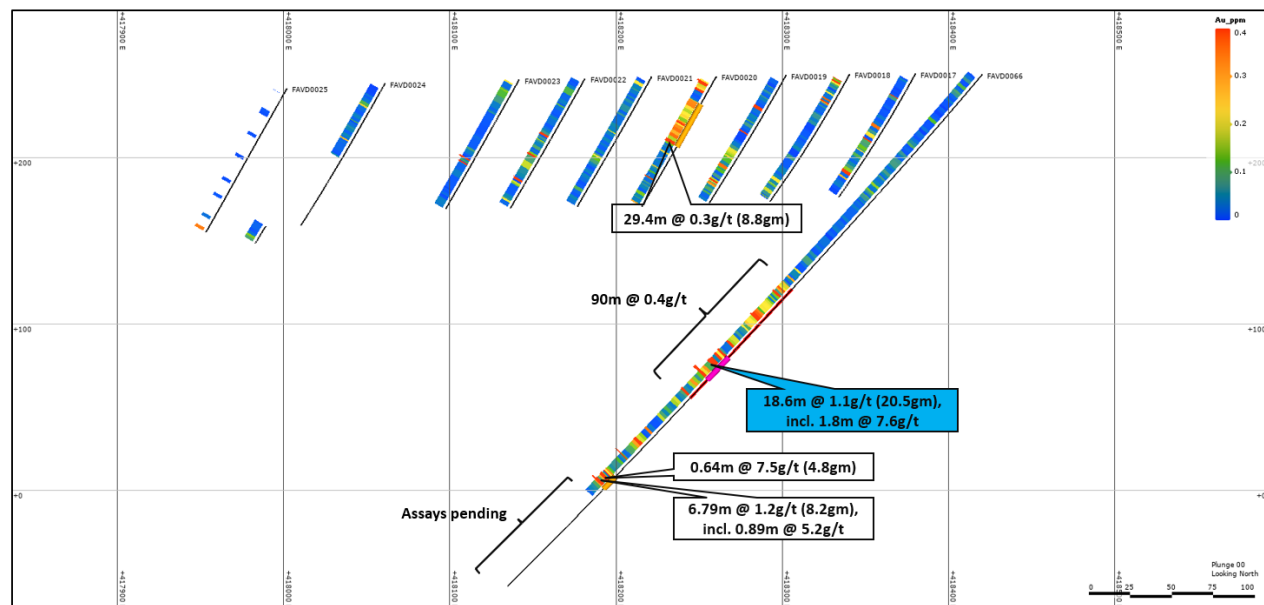


Figure 2. Cross section through 7552100Mn showing gold mineralisation in hole FAVD0066, including the recent intercept (blue) and previously reported intercepts (white)

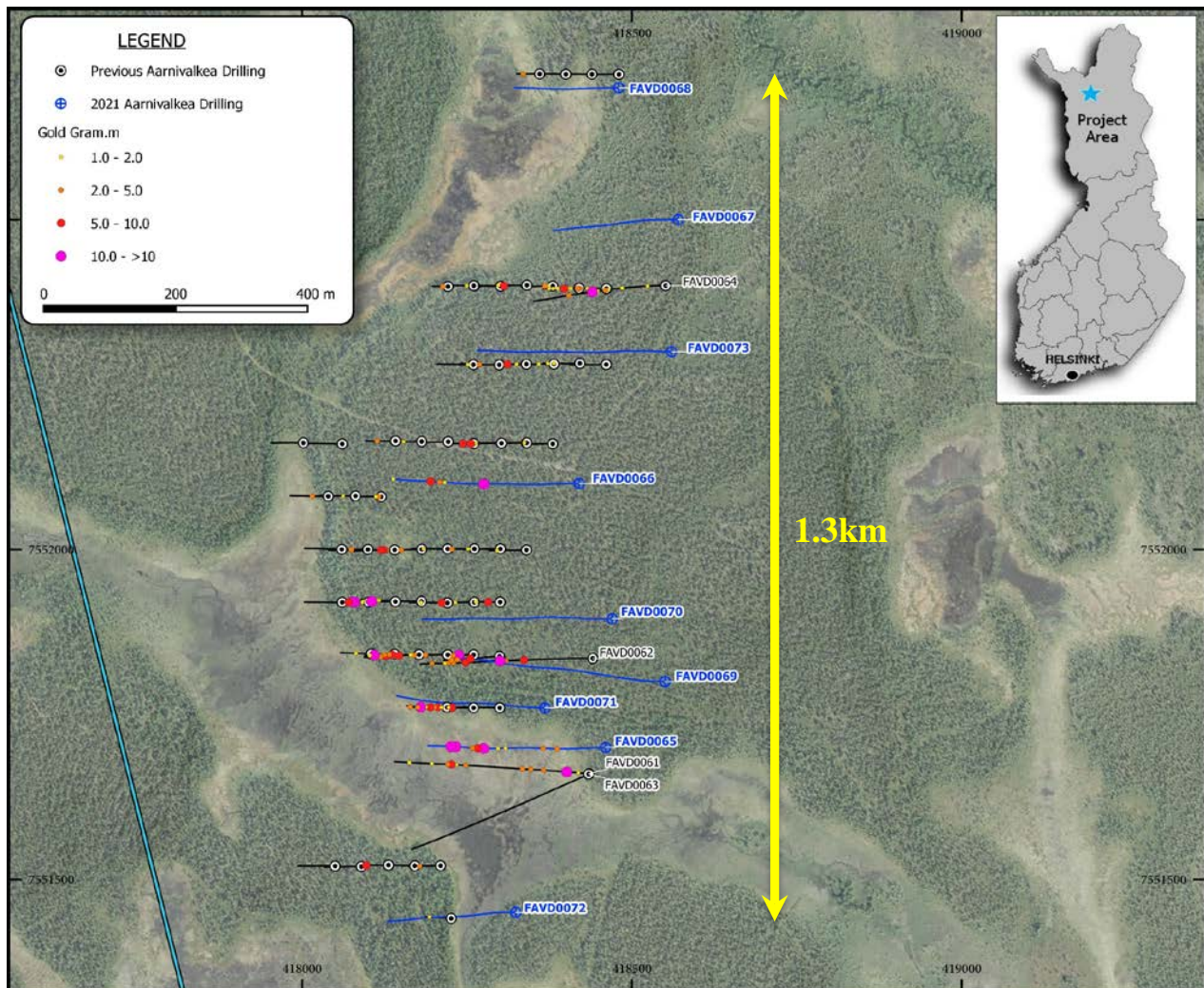


Figure 3. Map showing diamond drill hole locations at the Aarnivalkea prospect with wide spaced deeper follow-up holes coloured in blue. The majority of previous diamond holes (black) comprise shallow scout drilling to depths of less than 110m.

This announcement has been provided to the ASX under the authorisation of the Board.

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Past Exploration results reported in this announcement have been previously prepared and disclosed by S2 Resources Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to [www.s2resources.com.au](http://www.s2resources.com.au) for details on past exploration results.

## Competent Persons statements

The information in this report that relates to Exploration Results is based on information compiled by John Bartlett, who is an employee and shareholder of the Company. Mr Bartlett is a member of the Australian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience of relevance to the style of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartlett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

## Table 1. Summary of drilling:

**Aarnivalkea** - 2021 diamond drilling by S2 (refer to previous S2 ASX announcements on 8 October 2019 and 12 November 2019 for all 2019 drill results and previous S2 ASX announcements on 8 December 2020 and 4 January 2021 for all 2020 drill results).

Hole	Easting	Northing	RL	Dip	Azimuth	Depth	From	To	Width	Grade Au g/t
FAVD0065	418460	7551700	238.8	-55	270	449.7	38	39	1	0.5
And							127	129	2	1.5
And							161	167.2	6.2	0.6
And							207.39	208	0.61	1.5
And							230.72	231.25	0.53	0.5
And							258.9	261.15	2.25	0.7
And							278.16	279.28	1.12	1.1
And							305.2	325	19.8	0.7
including							308.58	309.16	0.58	7.3
And							329.13	331	1.87	3.0
And							340.24	346.2	5.96	0.4
And							381.09	386.9	5.81	2.7
including							386.28	386.9	0.62	16.7
And							391.05	392	0.95	0.6
And							393.36	399	5.64	3.1
including							393.36	394.4	1.04	14.2
And							401	402	1	0.4
FAVD0066	418420	7552100	249.7	-50	270	419.7	172.0	261.66	89.66	0.4
Including							228.0	246.6	18.6	1.1
And including							244.8	246.6	1.8	7.6
And							292.27	293.8	1.53	0.4
And							301	305	4	0.4
And							314.2	314.84	0.64	7.5
And							326.8	329.25	2.45	0.4
And							330.5	337.25	6.79	1.2
Including							335.51	336.4	0.89	5.2
And							414.47	415.5	1.03	1.0
FAVD0067	418570	7552500	244.5	-50	270	323.8	AWR			
FAVD0068	418480	7552700	242.1	-50	270	240.6	AWR			

Hole	Easting	Northing	RL	Dip	Azimuth	Depth	From	To	Width	Grade Au g/t
FAVD0069	418550	7551800	241.8	-55	270	518.7			AWR	
FAVD0070	418550	7551895	245.3	-55	270	461.8			AWR	
FAVD0071	418470	7551760	239.7	-55	270	370			AWR	
FAVD0072	418368	7551450	239.1	-55	270	295.6			AWR	
FAVD0073	418560	7552300	246.9	-50	270	419.4			AWR	

Note, Final, complete results from the FAVD0065 and FAVD0066 – **new results in bold**. The following abbreviations have been used; AWR – Awaiting results, IP – In progress

### Ruopas Isovaara

Hole	Easting	Northing	RL	Dip	Azi.	Depth	From	To	Width	Grade Ni_pct	Grade Cu_pct
FRPD0001	408,209	7,491,087	205	-60	340	204.48			AWR		
FRPD0002	408,165	7,491,107	205	-60	340	IP			IP		

The following abbreviations have been used; AWR – Awaiting results, IP – In progress

The following Tables are provided to ensure compliance with the JORC code (2012) edition requirements for the reporting of exploration results.

### SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	The reported drilling was using MK Drilling of Ranua, Finland drilling NQ2 rod size with a DDH size of 75.7mm and core size of 50.7mm. NQ2 core samples are logged and marked up by S2 personnel. Unbiased core sample intervals were cut in half by diamond saw with half core sent for preparation and analysis at ALS Laboratories.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	Sampling and QAQC procedures are carried out using S2 protocols as per industry best practice.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i>	Diamond drilling was used to obtain core samples that have been cut and sampled on intervals that are determined by lithology and mineralisation.  The drill core samples are sent to ALS Laboratories for analyses for gold and base metals. Drill core is sampled at S2's facilities in Kittila, Finland.
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Diamond drilling with NQ2 wireline bit producing a 50.7mm diameter core.

Criteria	JORC Code explanation	Commentary
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Diamond Drill core recoveries are recorded by the driller and written on core block markers. The exact recovery is then recorded on a metre basis after core mark-up and recorded in the database.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Sample quality is qualitatively logged on a metre basis, recording sample condition.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No relationship has been seen to exist
<b>Logging</b>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	The logging uses a standard legend developed by S2 which is suitable for implicit wireframing. All diamond holes are geotechnically and structurally logged.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	All core has been photographed both dry and wet. Geological logging of the diamond drill holes is into tough books using standardised codes and templates. These logs are then imported into S2's central database
	<i>The total length and percentage of the relevant intersections logged</i>	All drill holes were logged in full.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core sawn in half and half core taken for assay.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were delivered by S2 personnel to ALS Minerals laboratory in Sodankyla, Finland, where they are crushed with >70% <2mm (code CRU-31), split by riffle splitter (code SPL-21), and pulverised 1000grm to 85% <75 um (code PUL-32). Crushers and pulverizers are washed with QAQC tests undertaken (codes CRU-QC, PUL-QC). The prepared samples are forwarded to ALS Minerals Loughrea, Ireland, for analysis.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Full QAQC system in place to determine accuracy and precision of assays
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	For DDH's non-biased core cutting through using an orientation line marked on core and cut to the line
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Samples of appropriate size
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	All samples were analysed by ALS Minerals Loughrea, Ireland.  Core samples from Aarnivalkea are analysed for gold undergo a 50g fire assay with AA finish (code Au-AA26).  Core samples from Ruopas Isovaara are to be analysed for an extensive, 48-element suite using 4 acid digest with AES / MS finish (code ME-MS61) as well as a 30g fire assay with MS finish for gold, platinum and palladium (code PGM-MS23)

Criteria	JORC Code explanation	Commentary
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No geophysical tools were used to determine any element concentrations.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Full QAQC system in place including Certified Standards and blanks of appropriate matrix and levels
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	all significant intercepts have been verified by senior S2 exploration personnel, including verifying against drill logging, core photos and/or direct visual inspection of drill core.
	<i>The use of twinned holes.</i>	No twinned diamond holes have been drilled at Arnivalkea
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary sampling data is collected in a set of standard Excel templates. The information is managed by S2's database manager for validation and compilation into S2's central database.
	<i>Discuss any adjustment to assay data.</i>	No adjustments made
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Diamond drill collars are pegged using a Trimble DGPS to +/- 1m accuracy. Drill rigs are aligned to Grid west using Standard Finnish National Grid ETRS-TM35FIN. The holes are downhole surveyed using a Deviflex tool.
	<i>Specification of the grid system used.</i>	The grid system used is the Standard Finnish National Grid ETRS-TM35FIN.
	<i>Quality and adequacy of topographic control.</i>	Elevation data for all collars is determined by a digital elevation model derived from public domain 2m Lidar data. Topographic control and map data is excellent.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Recent drilling was not completed on a regular grid. Previous diamond drilling at Aarnivalkea has been completed on 40m drill spacings on lines between 80 – 240 metres apart.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Data spacing and distribution is not sufficient at this stage to allow the estimation of mineral resources.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	At Aarnivalkea, drillhole orientation is designed to intersect the mineralised package of rocks and be perpendicular to shearing and mineralisation. Structural measurements from orientated core indicate that the main fabric and contacts are dipping steeply to the east and hence holes collared at between – 50° and -60° dip 270° azimuth are appropriate. S2 have drilled two holes (FAVD0061 and FAVD0063) obliquely due to the local terrain, but the hole orientations are still considered appropriate.  At Ruopas Isovaara, the drill hole has been designed to drill perpenduiularly into the modelled
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The drilling at this stage is preliminary and exploratory. It is not possible to assess if any sample bias has occurred due to drillhole orientation at this stage.



Criteria	JORC Code explanation	Commentary
Sample security	<i>The measures taken to ensure sample security.</i>	Chain of custody is managed by S2 personnel. Drill samples and core is visually checked at the drill rig and then transported to S2's logging and cutting facilities by S2 personnel for logging, cutting and sampling. Bagged samples are transferred to ALS Laboratories in Sodankyla, Finland by S2 personnel.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits or reviews have been conducted at this stage.

## SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	<p>The Aarnivalkea prospect is located within the Paana Central Exploration Licence (ML2018:0081).</p> <p>The Ruopas Isovaara prospect is located within the Ruopas 1 Exploration License (ML2018:0065).</p> <p>The exploration licences are 100% owned by Sakumpu Exploration Oy, a Finnish registered 100% owned subsidiary of S2</p>
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	All of the Exploration Licences are in good standing and no known impediments exist on the tenements being actively explored.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>The Aarnivalkea prospect is a greenfield discovery with historic BoT holes drilled in the region by Outukumpu not having been assayed for gold.</p> <p>At Ruopas Isovaara, the area has been explored by government regional programs over the last 40 years with wide spaced till sampling. Assay suites were often limited to base metal and detection limits are variable.</p> <p>Limited diamond drilling has been completed targeting copper-gold mineralisation at the historic Tiukuvaara prospect, located approximately 2 kilometres NNW of the Ruopas target</p>
Geology	Deposit type, geological setting and style of mineralisation.	<p>Aarnivalkea is a shear zone hosted orogenic gold deposit within the Kittila Group of the Paleoproterozoic Central Lapland Greenstone belt.</p> <p>The primary host rocks include altered and sheared basalt, dacites and sediments</p> <p>Alteration assemblages include albite, sericite, carbonate, chlorite with disseminated pyrite, pyrrhotite and arsenopyrite.</p> <p>At Ruopas Isovaara, exploration is targeting magmatic intrusion related nickel-copper-PGE mineralisation</p>

Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul>	Refer to sample plans in text.
<b>Data aggregation methods</b>	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported intersections of drilling undertaken by S2 have been length weighted. A nominal 0.2g/t lower cut-off is used for the reconnaissance diamond drill intersections. No top cut has been applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	High grade intervals internal to broader zones of mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	None used.
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</p>	<p>At Aarnivalkea, the trend of mineralisation at the targets/prospects described is estimated to be dipping steeply to the east at approximately 75 to 80 deg.</p> <p>Refer to figures in body of text.</p>
<b>Diagram</b>	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures in body of text.
<b>Balanced reporting</b>	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results considered significant are reported.
<b>Other substantive exploration data</b>	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	At Ruopas Isovaara, S2 has previously completed a regional heli-borne VTEM survey that identified the Ruopas Isovaara conductor. Follow-up FLEM was completed over the target to better refine the target ahead of drilling.

Criteria	JORC Code explanation	Commentary
<b>Further work</b>	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	<p>Drilling is ongoing at Aarnivalkea, with the current drilling planned to scope out the gold potential beneath the shallow drilling to date.</p> <p>At Ruopas Isovaara, the drill hole will have a downhole EM survey completed to search for any off-hole conductor that may not have been tested by the drill hole</p>