

Dear Shareholder

As a new shareholder, on behalf of the board I would like to welcome you to Falcon Metals Ltd (Company or Falcon). Falcon is a new gold-focussed exploration company with exciting exploration assets located in Victoria and Western Australia.

The Company was incorporated as a wholly owned subsidiary of Chalice Mining Ltd (**Chalice**) (ASX: CHN) for the sole purpose of demerging Chalice's gold assets (**Demerger**), including the Pyramid Hill Project, Viking Project and the Mt Jackson Project (collectively, the **Spin-Out Projects**).

The new company is a standalone gold exploration company which will be solely focussed on the advancement of the Spin-Out Projects. Central to this strategy is the large Pyramid Hill Project, which covers an under-explored area of north central Victoria containing the same gold-prospective geology that is host to numerous significant gold deposits further to the south, including the world class Bendigo goldfield and the Fosterville gold mine.

Falcon is also noteworthy for its Board and management team, which collectively have many years of experience in the resources industry and a track-record of making and financing valuable mineral discoveries. The Board comprises myself as Chair, Tim Markwell as Managing Director and Chief Executive Officer, and Alex Dorsch as Non-executive Director. We have also been fortunate to secure the services of Doug Winzar as our Exploration Manager. Tim, Doug and I are based in Victoria and consequently well placed to oversee the Company's activities.

Importantly, Falcon has raised \$30,000,000 (before costs) by the issue of 60,000,000 Shares under a Priority Offer and a Shortfall Offer, for which Bell Potter Securities Limited was the Lead Manager. The proceeds of this will be used to:

- (a) enable the Company to systematically explore across the Spin-Out Projects and fund potential development of the Spin-Out Projects;
- (b) pay corporate and administration costs;
- (c) fund general working capital; and
- (d) pay the costs of the Offers.

With this enviable cash position, Falcon will be able to pursue an expansive and systematic strategy, and intends to hit the ground running, with drill programs planned and rigs booked for a start in early January. We look forward to keeping you informed of progress.

Yours faithfully



Mark Bennett
Non-Executive Chairman



ABN 87 651 893 097

001869 000 FAL



VISKOVICH NOMINEES PTY LTD
<VISKOVICH SUPER FUND A/C>
9 LODER WAY
SOUTH GUILDFORD WA 6055

Update your information:



Online:

www.computershare.com.au/easyupdate/fal



By Mail:

Computershare Investor Services Pty Limited
GPO box 2975 Melbourne
VIC 3001 Australia

Enquiries:

Phone:

Falcon Metals Limited +61 3 8648 6684

Email:

info@falconmetals.com.au

Holder Identification Number (HIN)

HIN WITHHELD

ASX Code

FAL

Payment Date

27 July 2022

Direct Credit Reference No.

802532

Unmarketable Parcel Share Sale Facility Payment

Further to our letter to you dated 22 April 2022 regarding the sale of your unmarketable parcel of shares, please be advised that your shares have been sold under the terms of the Unmarketable Parcel Share Sale Facility.

The brokerage costs associated with the sale of your shares have been met by Falcon Metals Limited (FAL).

If your shares were held on the Issuer Sponsored sub-register you will receive a statement at the end of the month.

If your shares were held on the CHESS sub-register, you will receive a CHESS statement from the Australian Securities Exchange (ASX) during the following month.

As your FAL shares have been sold, you may be considered to have disposed of your shares for capital gains tax purposes and you may have incurred a capital gain or loss on that disposal depending on your cost base for the shares. If you have any queries regarding taxation issues, you should consult your taxation or financial advisor.

| Class Description | Amount per Share | Number of FAL Shares Sold | Gross Payment |
|----------------------------|------------------|---------------------------|-----------------|
| Ordinary Fully Paid Shares | \$0.219493 | 660 | \$144.87 |
| | | Net Payment | \$144.87 |

To update your bank account details, please go online to www.computershare.com.au/easyupdate/fal or use the automated prompts by phoning 1300 308 185.

Note: You should retain this statement to assist you in preparing your tax return.

Your Payment Instruction

NATIONAL AUSTRALIA BANK LTD
BSB: 086-131 Account number: XXXXXXXX25

Amount Deposited

AUD\$144.87



ABN 87 651 893 097

FAL




VISKOVICH NOMINEES PTY LTD
<VISKOVICH SUPER FUND A/C>
9 LODER WAY
SOUTH GUILDFORD WA 6055


Principal Register: Western Australia

ASX Code FAL

Security class: ORDINARY FULLY PAID SHARES

Update your information:

 **Online:**
www.investorcentre.com/contact

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia

Enquiries:

(within Australia) 1300 850 505
(international) +61 3 9415 4000

Holder Identification Number (HIN)

HIN WITHHELD

Important: You will need to quote this number and name of issuer for all future dealings in these securities. Keep it safe and confidential.

Tax File Number/ABN: Not quoted
Page Number: 1 of 1

CHES Allotment Confirmation Notice as at 15 December 2021

**THIS ADVICE CONFIRMS THE ALLOTMENT OF 660
ORDINARY FULLY PAID SHARES IN FALCON METALS
LIMITED ON 15 DECEMBER 2021 TO THE ABOVE
NAMED**

IF THE DETAILS ABOVE ARE INCORRECT, PLEASE ADVISE THIS OFFICE IMMEDIATELY