

CANNON RESOURCES ANNOUNCES ROBUST PRELIMINARY ECONOMIC ASSESSMENT FOR THE FISHER EAST NICKEL PROJECT

NEWS PROVIDED BY

Kinterra Capital Corp →

Apr 27, 2026, 18:47 ET

PEA Demonstrates Post-Tax NPV8% of US\$746 Million; IRR of Approximately 54%

KEY PEA HIGHLIGHTS

- Post-tax net present value at 8% of US\$746 million and 53.8% internal rate of return
- 1st quartile cash cost of US\$3.88 per pound of nickel equivalent with a payback of approximately 2 years
- Projected 15-year mine life with an average annual production of approximately 23,800 tonnes per annum of nickel equivalent over years 1 to 11 of the mine life
- Initial capital cost of US\$247 million, representing an NPV-to-Capex ratio of >3.0x
- Mineral Resource increased to 20.6 million tonnes at 2.2% nickel equivalent containing 444,300 tonnes of nickel equivalent, representing a 175% increase in tonnage and a 206% increase in contained nickel since Kinterra's acquisition in 2023
- PEA contemplates conventional mining and processing supported by geotechnical and metallurgical testwork. Centralised compact surface infrastructure to support all deposits
- Nickel recovery of approximately 84.4% into an approximately 11% nickel concentrate, with payable cobalt and palladium by-product credits
- Located in Tier-1 Western Australia, with one mining lease granted and two additional applications advancing
- Final Investment Decision targeted for early 2029, with first production targeted for the first half of 2030, with options to accelerate timeline

TORONTO and PERTH, Australia, April 27, 2026 /CNW/ - Cannon Resources Pty Ltd ("**Cannon**" or the "**Company**"), a Western Australia-based nickel development company backed by Kinterra Capital Corp. ("**Kinterra**"), is pleased to announce the results of a Preliminary Economic Assessment ("**PEA**") for its flagship Fisher East Nickel Project ("**Fisher East**" or the "**Project**") in Western Australia. All dollar amounts are in US dollars, unless otherwise stated.

The PEA outlines a robust and capital-efficient development pathway for Fisher East and supports the Project's potential to become a significant high-grade nickel sulphide development in Australia.

MANAGEMENT COMMENTARY

"The completion of the PEA marks an important milestone in Fisher East's development trajectory," said Cheryl Brandon, Co-Founder and Co-Managing Partner at Kinterra. "The study establishes a clear, capital-efficient pathway to production, supported by a high-grade resource, compelling project economics, conventional processing, and the advantages of operating in a premier Western Australian jurisdiction."

"The growth achieved at Fisher East since acquisition has been exceptional, with this growth underpinning the robust project economics with an IRR of greater than 50%" said Chris O'Brien, VP & Project Director at Cannon Resources. "Since 2023, we have completed detailed drilling and engineering programs, which has resulted in an increase in contained nickel by more than 200%, while the system remains open at depth across key deposits. The PEA reflects a disciplined and integrated technical approach and positions Fisher East as a high-quality development asset with a clear pathway toward production in a tier 1 mining jurisdiction."

Kinterra and Cannon are actively assessing strategic partnership opportunities for Fisher East, reflecting the strong interest we have received from potential offtake and co-investment partners as the Project advances toward a Final Investment Decision.

RESOURCE GROWTH SINCE ACQUISITION

At the time of Kinterra's acquisition in early 2023, Fisher East hosted a Mineral Resource Estimate ("MRE") of 7.5 million tonnes at 1.8% nickel, containing 134,000 tonnes of nickel. Through a systematic drilling and technical program comprising more than 228 diamond and RC drill holes and approximately 88,000 metres of drilling, the 2025 MRE, prepared by AMC in accordance with the JORC Code using a 0.9% nickel cut-off, has increased to:

- 20.6 million tonnes at 2.2% nickel equivalent (2.0% Ni) containing 444,300 tonnes of nickel equivalent (411 kt Ni, 10.4 kt Co, 229 koz Pd, 109 koz Pt)
- 175% increase in resource tonnage and 206% increase in contained nickel since Kinterra's acquisition of the project in February 2023
- Approximately 22% increase in nickel equivalent grade, driven by the targeting of higher-grade massive and disseminated sulphide zones
- Mineralization remains open down-plunge at all four deposits: Musket, Camelwood, Cannonball, and Sabre

The Mineral Resource spans four deposits along approximately 10 kilometres of strike of komatiite-hosted nickel sulphide mineralization. Recent extensional drilling has returned intercepts including 4.09 metres @ 5.48% nickel (MFED239) and 2.39 metres at 2.99% nickel (MFED258).

PEA RESULTS SHOW ROBUST ECONOMICS

The PEA was developed by Kinterra in conjunction with Cannon's management team and a group of specialized external consultants. The financial model applies long-term commodity price assumptions of US\$9.35/lb nickel, US\$21.82/lb cobalt, and US\$1,231/oz palladium.

Summary Financial Metrics

- Post-tax NPV (8% discount rate): US\$746 million
- Post-tax IRR: approximately 53.8%
- Payback period: approximately 2.0 years
- NPV-to-capex ratio: approximately 3.0x
- Initial capital cost: US\$247 million, including 15% contingency
- LOM AISC: US\$4.66/lb NiEq
- C1 cash cost: US\$3.88/lb NiEq
- Average annual EBITDA (Years 1–11): US\$207 million
- Average annual free cash flow (Years 1–11): US\$131 million
- Total life-of-mine nickel equivalent production: approximately 294,000 tonnes of nickel equivalent over a 15-year mine life

The Project is expected to generate average annual gross revenue of approximately US\$379 million through the first 11 years of the mine life. EBITDA is expected to increase materially from year 9 to 11, averaging over US\$275 million, as higher-grade ore is accessed from underground. Revenue is expected to be derived primarily from nickel, with cobalt and palladium providing additional by-product credits which provide margin support and commodity diversification



MINE PLAN AND DEVELOPMENT PARAMETERS

The PEA contemplates an underground long hole open stoping ("LHOS") operation with cemented paste backfill, consistent with Fisher East's steeply dipping Kambalda-style orebody geometry.

Key Operating Parameters

- Plant throughput of up to 1.9 million tonnes per annum
- Life-of-mine ore mined of 20.7 million tonnes at 1.56% nickel, delivering approximately 323,000 tonnes of contained nickel
- Mining method based on LHOS via three boxcuts and declines across all four deposits
- Average annual production of approximately 23,800 tonnes per annum nickel equivalent for the first 11 years of the mine life, which includes 22 ktpa Ni
- Average annual by-product production over years 1 to 11 of approximately 0.5 ktpa Co and 10.4 kozpa Pd
- Mining cost of US\$67.50/t ore
- Processing cost of US\$17.00/t ore

The mine plan is supported by an extensive geotechnical database, including 14,575 metres of drill core logged across 168 holes and more than 600 laboratory rock property tests, and supports conventional underground design parameters at the PEA level.

METALLURGY AND PROCESSING

Metallurgical testwork indicates that Fisher East ore is amenable to conventional sulphide flotation and does not require complex downstream processing. A conventional three-stage crush, grind, and flotation flowsheet was selected based on testwork completed across all four deposits and multiple ore types.

- Nickel recovery of approximately 84.4% into an approximately 11% Ni concentrate with an average of 0.24% Co and of 1.6 ppm Pd in concentrate
- Payability assumptions of 80% Ni, 45% Co, and 50% Pd
- Clean concentrate with MgO below 4%, with no expected penalties and low deleterious elements

PERMITTING AND TENURE

Fisher East is located in the North-Eastern Goldfields of Western Australia, one of the world's most established mining jurisdictions. The Project's permitting pathway is envisaged to be state-based, and no material environmental or regulatory constraints have been identified to date.

Key Permitting and Tenure Milestones



- Mining Lease M53/1117 granted in 2025, covering the Sabre deposit and upper Musket resource, including the planned process plant, power station, and tailings storage facility
- Mining Lease applications M53/1115 and M53/1116 advancing through the approvals process, covering Camelwood, Cannonball, and lower Musket
- Approximately 406 km² contiguous land package across 15 tenements, with all Miscellaneous Licences granted
- Environmental, heritage, hydrogeological, and cultural baseline studies well advanced in support of permit applications targeted for 2027
- Proactive engagement underway with all three Native Title groups across the Project area
- Federal EPBC triggers considered unlikely, supporting a streamlined state-based approvals process

Cannon is targeting a Final Investment Decision in **2029** and first production in **2030**.

ABOUT CANNON RESOURCES

Cannon Resources Pty Ltd is a Western Australia-based nickel exploration and development company focused on the Fisher East Nickel Project in the North-Eastern Goldfields of Western Australia. Cannon Resources is a portfolio company of the Kinterra Battery Metals Mining Fund, LP, managed by Kinterra Capital Corp.

ABOUT KINTERRA CAPITAL

Kinterra Capital is a private equity firm that invests in the people, ideas, critical materials, and strategic infrastructure necessary to accelerate the development of the modern economy. With nearly 20 years of mining investment experience, Kinterra leverages significant domain specific technical and transactional expertise to source and manage investments that create value for its stakeholders, all while supporting the communities within which we operate through meaningful partnerships. At Kinterra, we focus on creative ideation, rigorous analysis and executing with excellence to make investments that will create sustainable, strong and secure supply chains. For more information about Kinterra Capital, please visit www.kinterracapital.com.

COMPETENT PERSONS

The information in this press release that relates to the Mineral Resource estimate is based on, and fairly represents, information and supporting documentation prepared by Mr Dmitry Pertel, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Pertel is a full-time employee of AMC Consultants Pty Ltd and is independent of Cannon Resources. Mr Pertel has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, 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 (the JORC Code). Mr Pertel consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The PEA, including the engineering, economic, and operational assumptions contained herein, has not been reviewed or approved by a Qualified Person. The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the PEA will be realized.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements relating to Cannon Resources and the Fisher East Project, including, but not limited to, statements regarding mineral resources, estimated grades, anticipated production rates, development plans, project economics, permitting, operational targets, financing, and market conditions. These statements are based on current expectations, estimates, projections, and assumptions that are subject to a range of known and unknown risks and uncertainties, many of which are beyond the control of Cannon and Kinterra. Actual results or events may differ materially from those expressed or implied by such forward-looking statements. Except as required by applicable law, Cannon and Kinterra undertake no obligation to update or revise any forward-looking statements.

SOURCE Kinterra Capital Corp

FOR FURTHER INFORMATION: Mairi MacEachern | Kinterra Capital Corp., Email:
mmaceachern@kinterracapital.com | Tel: 647-530-8826