

23 December 2021

ASX Market Announcements

CHAIRMAN'S ADDRESS AT THE 2021 ANNUAL GENERAL MEETING ON 23 DECEMBER 2021

At last year's annual general meeting we expressed hope for 2021 to be a better year for business. Unfortunately, we experienced further frustrating times with interstate and international border closures. In spite of outstanding performance by scientists in developing vaccines against the Covid-19 and nations mobilising to vaccinate their population, the advent of the new Delta strain resulted in months of Government sanctions on travel and lockdowns of major cities and regions in Australia. The current Omicron strain presents further global threat with no early end in sight of the coronavirus pandemic.

Fortunately, a pause in travel restrictions in Western Australia during Q2 2021 accompanied with clear weather allowed us to implement the much delayed field work at the Halls Creek tenements in WA. We achieved interesting results from the soil and rock sampling, and we plan to follow up with further field work in the Q2 2022 dry season. In this case we will need helicopter support to reach the more remote targeted areas. We believe our tenements are in an exciting region for cobalt, gold, and base metals exploration.

After the successful air core drilling in September 2020, we had planned a follow up drilling at the Gindalbie Gold Project in Yilgarn Craton WA for 2021 commencing with an initial assessment deeper drilling of 400 m at Canegrass tenement before engaging in a larger drilling program at the Canegrass and Holey Dam tenements. The pandemic has not dampened drilling activities in Australia, and we have faced unexpected difficulties in securing drillers for our program. Two drillers who indicated availability in this December 2021 quarter have postponed the program to January 2022.

Early in the year, we applied for two new tenements, Gidyea and Kovac, near Tennant Creek in the Northern Territory for gold and base metals exploration. Gidyea was granted in September 2021, and we look forward to the grant of Kova. Those 2 tenements could present exciting exploration in 2022 being in a region where the Tennant Creek Goldfield has produced 5 M oz of gold since 1932.

We look forward to a busy 2022 exploration year hopefully, with no Government sanctions because of the Covid-9 pandemic. The recent opening of the international borders in Australia is an encouraging event.

Our parent company has continued to provide interest free loans to maintain the current Group's activities as we continue our long term strategy in minerals exploration and eventually production.

I thank you for your support as governments and businesses strive to overcome the challenges presented by the pandemic.

Donghai Zhang
Chairperson

Announcement authorised by Long Zhao, Director/Company Secretary