

# June 2022 Quarterly Activities Report

Pivotal quarter for PVW with completion of \$9.5M capital raising paving the way for the Company's maiden drilling program in the Tanami region

## Highlights

### Tanami Gold and Rare Earth Element (REE) Project

- › **Heritage approval received** for drilling at the Castella REE prospect in June, following COVID-related delays.
- › Site preparation completed to provide access for the Reverse Circulation (RC) drill rig, with PVW's maiden RC drill campaign in the region commencing late in the reporting period.
- › **66 RC holes completed to date for 4,763m** with drilling to continue across the Castella and Watts Rise prospects.
- › **Approximately 1,390 samples collected** from geological logging and in-field portable-XRF analysis, with samples to be submitted to Perth-based laboratories for REE and gold analysis.
- › **Metallurgical testwork continuing on five 20kg samples**, with studies progressed to assess possible improvements to concentrate grade.

### Corporate

- › **\$9.5M share placement** (23.75M shares at \$0.40 per share) completed to institutional and sophisticated investors following the issue of the Tranche 2 shares.
- › This followed approval for both **Tranche 1 (18,146,352 shares)** and **Tranche 2 (5,603,648 shares)** from shareholders at the General Meeting held on 12 May. Tranche 1 was issued on 14 April.
- › The heavily oversubscribed placement **increased PVW's cash balance to over \$10M**, putting it in a strong position to progress the recently commenced exploration program in the Tanami.
- › Executive Director Mr George Bauk visited the US including Washington DC to discuss the Tanami Project with various government agencies.

**ASX:PVW**

SHARES ON ISSUE

**93,021,875**

SHARE PRICE

**\$0.275**

MARKET CAP

**\$25.6M**

DIRECTORS

George Bauk  
David Wheeler  
Colin McCavana

MANAGEMENT

Karl Weber  
Robin Wilson  
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# Exploration activities

PVW Resources' (ASX: PVW) core focus for the June Quarter was on gaining approvals to commence a pivotal drilling campaign in the Tanami Region.

Following the receipt of these approvals late in the reporting period, exploration drilling is now in progress to systematically test beneath surface mineralisation at Castella, and shallow mineralisation at Watts Rise.

Drilling will also explore along the more regional and largely untested 18km strike length of unconformity which hosts both the Castella and Watts Rise prospects.

While exploration activities were primarily focused on the Tanami Project, planning was also undertaken for exploration programs in the Kalgoorlie, Leonora and Ballinue regions for later in 2022.

## Tanami Project

Previous exploration and mineralogical studies have confirmed several styles of mineralisation in both the Pargee Sandstone and the Killi Killi Formation.

The ongoing work indicates a significant mineral system hydrothermally altering the Meso/Paleoproterozoic unconformity, with evidence for multi-generational fluid flow and xenotime precipitation. Following a successful 2021 field

season, exploration highlights from the previous quarter include:

- Five metallurgical samples, each weighing 20kg, demonstrate strong surface mineralisation with up to 8.43% Total Rare Earth Oxides (TREO).
- Average Heavy Rare Earth Oxides (HREO) percentage of 80%, including an average of 2,990ppm dysprosium oxide and up to 5,795ppm dysprosium oxide.
- Ore Sorting obtained a TREO grade of 7.16% at a recovery of 87.3%.
- Magnetic separation obtained an 81.2% recovery and 50.8% mass rejection.
- Collection of quantitative and qualitative geochemical data at high resolution (micron-scale) paired with manual mineral interpretation to confirm minerals identified using AMICS spectra analysis and to establish mineral abundance and confirmation using SEM EDS/ XRD analysis, details of which were provided in the ASX announcement dated 7 December 2021 titled "Mineralogy confirms Heavy Rare Earths at Tanami are Xenotime".

The significance of the brecciation and mineralogy within the Killi Killi Formation potentially provides a range of additional exploration opportunities away from the immediate unconformity targets.

Drilling will be undertaken to test the immediate unconformity targets and explore for REE and gold mineralisation along strike.

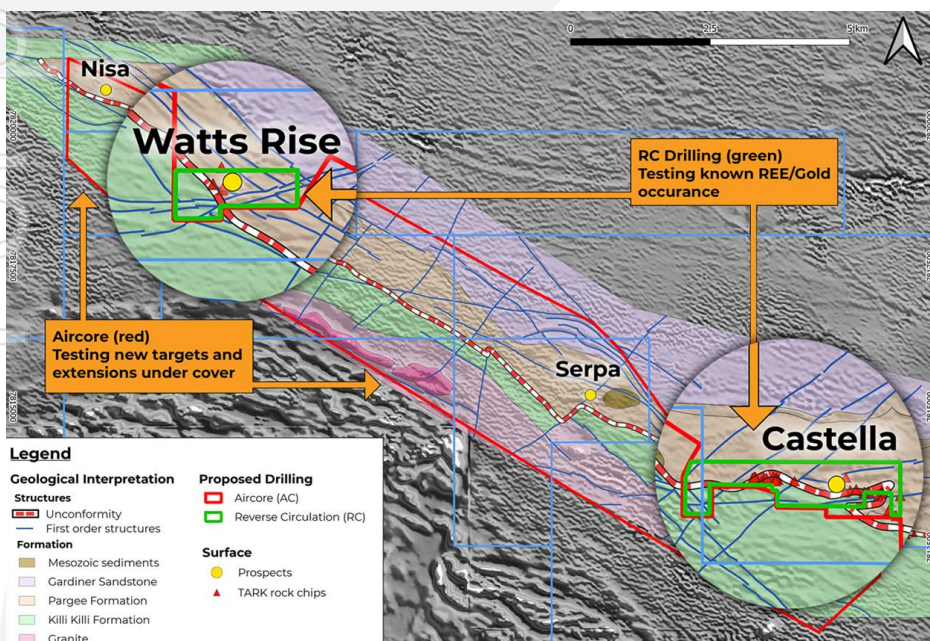


Figure 1: Areas of drilling proposed for 2022 field season. Includes the detailed geological interpretation and magnetic image. Drilling has commenced at the Castella Prospect.

## Castella (formerly Killi Killi East)

The rare earth mineralisation occurs mostly within a basal conglomerate unit of the Pargee Sandstone. Where mineralised, the conglomerate unit is often strongly hematitic but also displays silicification and brecciation in places. Field evidence suggests the mineralisation is both structurally and lithologically controlled.

Cross-cutting structures possibly act as structural traps for mineralisation along this trend, with the basal conglomerate unit providing a suitable litho-chemical host. The potential for REE mineralisation hosted within the Killi Killi Formation has also now been recognised.

Drilling during the quarter has provided visual confirmation that the Pargee Sandstone and the Killi Killi Formation are both altered at and immediately below the unconformity. The Killi Killi Formation also displays strong alteration within discrete zones up to 60m below the unconformity.

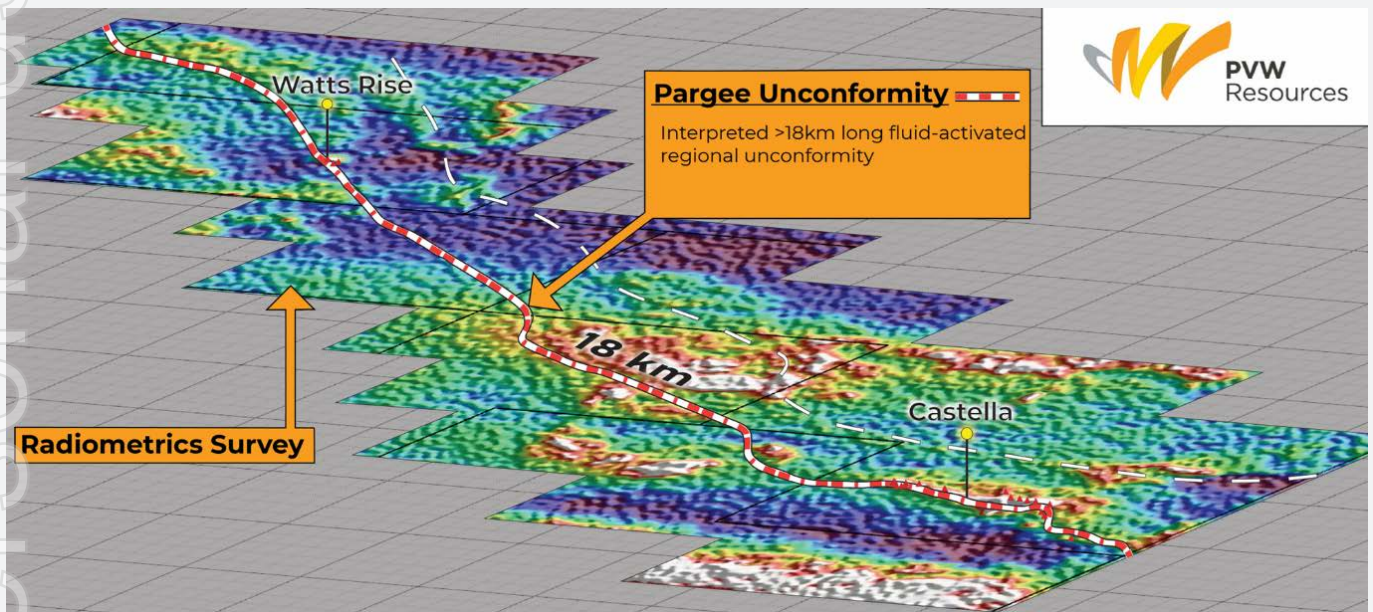


Figure 2: Tanami Project - Regional REE target (Watts Rise - Castella Trend)

## Regional REE Target

The contact between the Pargee Sandstone and the Killi Killi Formation is a regional-scale unconformity extending over a strike length of more than 18km which is considered prospective for hydrothermal unconformity-related REE mineralisation, examples of which occur across a large part of the Birrindudu Basin (eg. Browns Range, Boulder Ridge).

The two main prospect areas - Castella and Watts Rise - occur 12km apart and are both located close to the contact between the Pargee Sandstone and the Killi Killi Formation (see Figures 1 and 2).

PVW Resources' exploration program is targeting the unconformity and faults and structures that transect the regional unconformity and potentially act as conduits for mineralising fluids. Deposits of the hydrothermal unconformity-related style can have a small areal footprint (<200m<sup>2</sup>) which may require detailed geological mapping and close-spaced drilling in the exploration phase.

Following the RC drilling program, regional targets along the unconformity between Watts Rise and Killi Killi East will also be tested with air-core drilling.

Exploration at surface and now at depth is testing the **three key requirements of an unconformity-related REE Project**, these being:

1. **The stratigraphic setting** - unconformity between the Pargee Sandstone and the Killi Killi Formation at Castella is analogous to the unconformity between Gardiner Sandstone and Browns Range Metamorphics at Browns Range.
2. **The mineralisation** - extensive surface mineralisation includes HREE in Xenotime, confirming the right ore-forming system (similar to Browns Range).
3. **The plumbing system** - structures (faults and folds) are present, offsetting and deforming the unconformity. The Pargee Sandstone and Killi Killi Formation both host mineralisation with breccia zones linking the two.

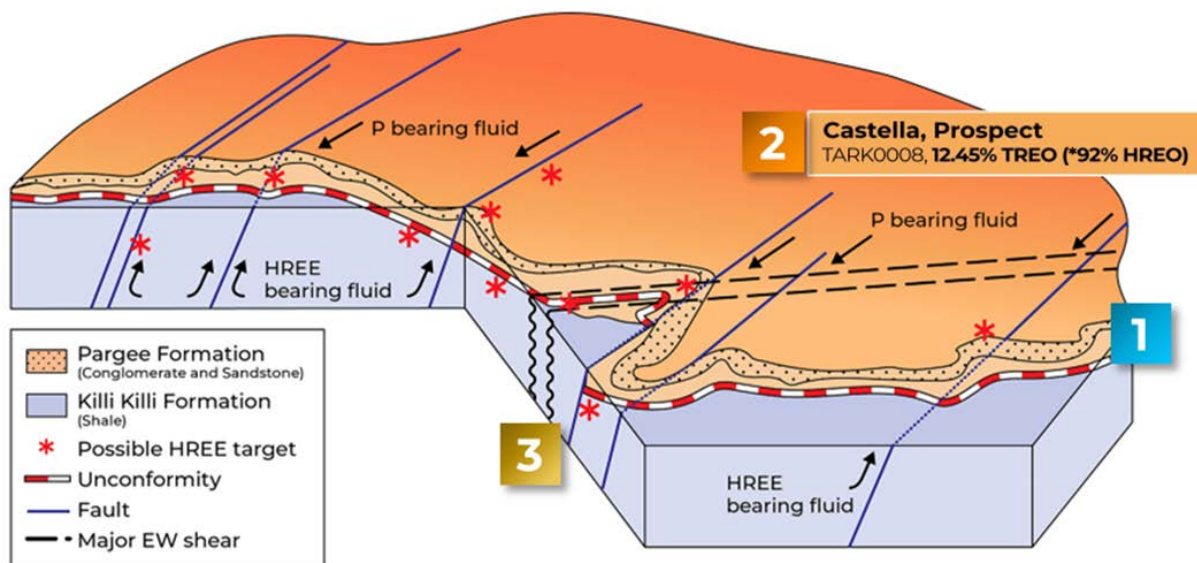


Figure 3: 3D representation of the unconformity, significant structures and the range of possible HREE targets

# Exploration activities forecast for the next Quarter

## Tanami Project

- › Continuation of RC drilling at Castella and Watts Rise
- › Assay results for REE and gold samples
- › Site preparation for aircore drilling
- › Heritage Survey for further regional exploration activities
- › Field assessment of the northern tenements E80/5694-5697.

## Corporate

Tranche 2 shares for the placement announced on the 6th of April was approved at the General Meeting held on the 14th of April. The New Shares were issued at \$0.40. The New Shares will rank equally with the Company's existing fully paid ordinary share

Executive Director Mr George Bauk visited the US including Washington DC to discuss the Tanami Project with various government agencies. Rare Earths are a critical mineral and in particular Dysprosium and Terbium which is the main focus of the Tanami Project.

During the visit to the US, Mr Bauk also visited a number of funds, investors and existing shareholders to present the current status of the company and the plans for 2022.

## People

During the quarter, the Company boosted its exploration team with contract field staff to ensure activities are completed in a timely manner.

## Competent Person's Statement

The information in this document relating to gold exploration activities is based on information compiled by Mr Karl Weber, a professional geologist with over 25 years' experience in minerals geology including senior management, consulting, exploration, resource estimation, and development.

Mr Weber completed a Bachelor of Science with Honours at Curtin University in 1994; is a member of the Australasian Institute of Mining and Metallurgy (Member No. 306422) and thus holds the relevant qualifications as Competent Person as defined in the JORC Code. Mr Weber is a full-time employee of PVW Resources. Mr Weber has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Weber consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

- › In accordance with Listing Rule 5.3.5, PVW Resources Ltd advises that payments made to related parties as advised in the Appendix 5B for the quarter ended 30 June 2022 were as follows; \$81k for Director fees, \$18k for company secretary and accounting services and \$4.5k for rent and other disbursements.
- › In accordance with Listing Rule 5.3.4, as the June 2022 quarter was in a period covered by a 'use of funds' statement in the recapitalisation Prospectus, the table on page 6 shows a comparison of the Company's actual expenditure to 30 June 2022 against the estimated expenditure in the 'use of funds' statement.

Use of funds	Per IPO Prospectus (2-year period)	Actual expenditure up to 30 June 2022
Exploration of Leonora Gold Project	\$1,750,000	\$912,870
Exploration of Tanami Gold Project	\$2,450,000	\$1,630,982
Exploration of Kalgoorlie Gold Project	\$700,000	\$895,607
Administration expenses	\$1,150,000	\$1,938,824
Working capital	\$150,000	\$150,000
Expenses associated with the acquisition (including expenses of the offers)	\$600,000	\$803,388
<b>Total</b>	<b>\$6,800,000</b>	<b>\$6,331,671</b>

## About PVW Resources

PVW Resources (ASX: PVW) is a diversified resource company established by a group of highly experienced mining executives including key founding members of mining company, Northern Minerals, who oversaw the development of the Browns Range Heavy Rare Earths Project.

With a project portfolio spanning Tier-1 mining jurisdictions in the Tanami region of WA, Kalgoorlie and Leonora, PVW has embarked on a potentially game-changing exploration campaign at its flagship Tanami Heavy Rare Earths and Gold Project in WA.

Located in the heart of the world-class Tanami mineral province, the Tanami Project offers exceptional potential for significant heavy rare earths and gold discoveries. At a time when demand and pricing for critical minerals such as rare earths has never been more favourable, incentive for discovery and development of new supply sources for a diversified global supply chain is strong.



### Tanami Region 100% ~1,270km<sup>2</sup>

- › Significant historical REE and gold results
- › Limited previous exploration
- › Recent exploration by PVW has confirmed the REE potential with rock chips up to 12.45% TREO
- › Historic gold results up to 12m at 2.94g/t and 5m at 6.99g/t
- › ~35,000m drill program underway

For recent REE results refer to ASX:PVW, 13 Oct 2021, Confirmation of high-grade Heavy Rare Earths at Tanami. All historical Tanami Project exploration drilling results refer to ASX:PVW, Thred Prospectus Appendix A - Independent Geologists Report, Appendix 1.

## **Kalgoorlie Region 100% 150km<sup>2</sup>**

- › Numerous near-term drill targets with historic results of 6m at 2.61g/t and 4m at 2.39g/t

All historical Kalgoorlie Project exploration drilling results refer to ASX:PVW, Thred Prospectus

Appendix A - Independent Geologists Report, Appendix 1.

## **Leonora Region 100% 195km<sup>2</sup>**

- › Jungle Well & Brilliant Well Projects
- › Small gold resource at Jungle Well with numerous follow-up targets

Refer to the Thred Ltd website Prospectus - Appendix A - Independent Geologists Report, 2.4 Mineral Resource Estimation - Jungle Well Deposit. The Company confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed at the time of publication.

## **West Yilgarn Region 100% 950km<sup>2</sup>**

- › Ballinue Project is located in the West Yilgarn Ni-Cu-PGE province that hosts Chalice's Julimar Project

### **Right place for the right times for the right commodities**

Western Australia is one of the leading investment jurisdictions according to the recent Fraser Institute rankings. During the challenging times we live in during COVID-19 all our projects and people are in Western Australia with excellent access to the projects. Finally, Western Australia is a global leader in gold production and gold exploration and producer of Rare Earths.

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### **Right place for the right times for the right commodities**

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PVW TANAMI PTY LTD/PVW EXPLORATION NL TENEMENT SCHEDULE  
(a wholly owned subsidiary of PVW RESOURCES LTD)  
TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

**TANAMI PROJECT**  
220 kms South East of Halls Creek

Tenement ID	Ownership at end of Quarter	Change during Quarter
E80/4029	100% PVW Tanami PL	
E80/4197	100% PVW Tanami PL	
E80/4558	100% PVW Tanami PL	
E80/4869	100% PVW Tanami PL	Partial Surrender Voluntary, 24 BL surrendered 22 April 2022
E80/4919	100% PVW Tanami PL	Partial Surrender Compulsory, 9 BL surrendered 16 May 2022
E80/4920	100% PVW Tanami PL	
E80/4921	100% PVW Tanami PL	
E80/5187	100% PVW Tanami PL	
E80/5188	100% PVW Tanami PL	
E80/5189	100% PVW Tanami PL	
E80/5190	100% PVW Exploration NL	
E80/5249	100% PVW Tanami PL	
E80/5250	100% PVW Tanami PL	
E80/5694	100% PVW Tanami PL Application	
E80/5695	100% PVW Tanami PL Application	
E80/5696	100% PVW Tanami PL Application	
E80/5697	100% PVW Tanami PL Application	



PVW KALGOORLIE PTY LTD/STARK RESOURCES PTY LTD TENEMENT SCHEDULE  
(a wholly owned subsidiary of PVW RESOURCES LTD)  
TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

**KALGOORLIE PROJECT**  
30 kms North of Kalgoorlie

Tenement ID	Ownership at end of Quarter	Change during Quarter
E24/214	100% PVW Kalgoorlie PL	
E27/571	100% PVW Kalgoorlie PL	
E27/614	100% PVW Kalgoorlie PL	
P24/5290	100% PVW Kalgoorlie PL	
P24/5291	100% PVW Kalgoorlie PL	
P24/5292	100% PVW Kalgoorlie PL	
P24/5293	100% PVW Kalgoorlie PL	
P24/5294	100% PVW Kalgoorlie PL	
P24/5397	100% PVW Kalgoorlie PL	
P24/5398	100% PVW Kalgoorlie PL	
P24/5399	100% PVW Kalgoorlie PL	
P24/5302	100% Stark Resources PL	
P24/5303	100% Stark Resources PL	
P24/5304	100% Stark Resources PL	
P24/5305	100% Stark Resources PL	
P24/5306	100% Stark Resources PL	
P24/5307	100% Stark Resources PL	
P24/5308	100% Stark Resources PL	
P24/5309	100% Stark Resources PL	
P24/5310	100% Stark Resources PL	
P24/5311	100% Stark Resources PL	
P24/5312	100% Stark Resources PL	
P24/5313	100% Stark Resources PL	
P24/5314	100% Stark Resources PL	
P24/5266	PVW Kalgoorlie PL	
P24/5267	PVW Kalgoorlie PL	
P24/5268	PVW Kalgoorlie PL	
P24/5269	PVW Kalgoorlie PL	
P24/5270	PVW Kalgoorlie PL	
P24/5271	PVW Kalgoorlie PL	

PVW LEONORA PTY LTD TENEMENT SCHEDULE  
(a wholly owned subsidiary of PVW RESOURCES LTD)  
TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

**LEONORA PROJECT**  
60 kms North of Leonora

Tenement ID	Ownership at end of Quarter	Change during Quarter
E37/1254	100% PVW Leonora Pty Ltd	5 Year Extension of Term Application Lodged 27 June 2022
E37/1394	100% PVW Leonora Pty Ltd	
E37/909	100% PVW Leonora Pty Ltd	
M37/135	100% PVW Leonora Pty Ltd	
P37/9312	100% PVW Leonora Pty Ltd	

PVW LEONORA PTY LTD TENEMENT SCHEDULE  
(a wholly owned subsidiary of PVW RESOURCES LTD)  
TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

**BALLINUE PROJECT**  
200 kms Northeast of Geraldton

Tenement ID	Ownership at end of Quarter	Change during Quarter
E09/2601	100% PVW Leonora Pty Ltd Application	
E59/2585	100% PVW Leonora Pty Ltd	Granted 23/02/2022
E59/2586	100% PVW Leonora Pty Ltd	Granted 23/02/2022

**Please don't  
hesitate to get  
in touch**



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