ASX ANNOUNCEMENT

9 August 2022

Enterprise Maiden Resource highlights prospectivity of AR1's eastern tenure

Highlights:

- *Maiden Mineral Resource Estimate completed for the Enterprise Deposit within Austral's Eastern Succession tenements*
- *The Mineral Resource at a 0.7% Copper cut-off and to a depth of 85m below surface is:*
    - *0.58 Mt @ 1.3% Cu (Inferred Sulphide Mineral Resource)*
- *Mineralisation is tested to over 200m in depth, remains open at depth and the high-grade core appears to lengthen at depth*
- *The Enterprise Mineral Resource has potential to improve with further exploration and is adjacent to other current copper operations*
- *The maiden Enterprise Mineral Resource Estimate highlights the prospectivity of AR1's Eastern tenure*

Copper producer Austral Resources Australia Ltd (ASX:**AR1**) (**"Austral"** or the **"Company"**) is pleased to announce the completion of a maiden Mineral Resource for the Enterprise deposit within EPM 17527 in Austral's Eastern Succession tenement package.

The Enterprise deposit was originally discovered and initially drilled out by CST Minerals' Lady Annie Exploration Pty Ltd ("CST") in 2015 and 2016. Further work planned by CST was not completed due to budget constraints.

Today's maiden Mineral Resource is classified as Inferred and reflects the broad 40m by 120m drill hole spacing.

Austral has completed the maiden Mineral Resource estimate originally planned by CST to determine the next phase of resource definition infill drilling.

The maiden Mineral Resource estimate, along with preliminary mining studies has indicated the potential for a small sulphide open pit mine with toll treatment potential at one of several regional copper processing mills.

The Enterprise Mineral Resource warrants further work including drilling to test depth potential and infill current drill spacing, metallurgical evaluation and the measurement of density.

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Location and Tenure

The Enterprise deposit lies within EPM17527 and is held 100% by Austral. It is 22 km north of the Mount Cuthbert Mine site and 110 km north-northwest of Mount Isa (Figure 1). It is 6 km west of the Dobbyn mine site and 2 km east of the haul road that connects Mount Watson mine site to the Mount Cuthbert processing centre.

Enterprise is within the Eastern Fold belt of the Mount Isa Inlier and is separated from other Austral operations around Lady Annie. The deposit is within ore transport distance to several local copper processing facilities at Mount Cuthbert that processes oxide ore by heap leach and Rocklands and Ernest Henry that process sulphide ore by flotation.

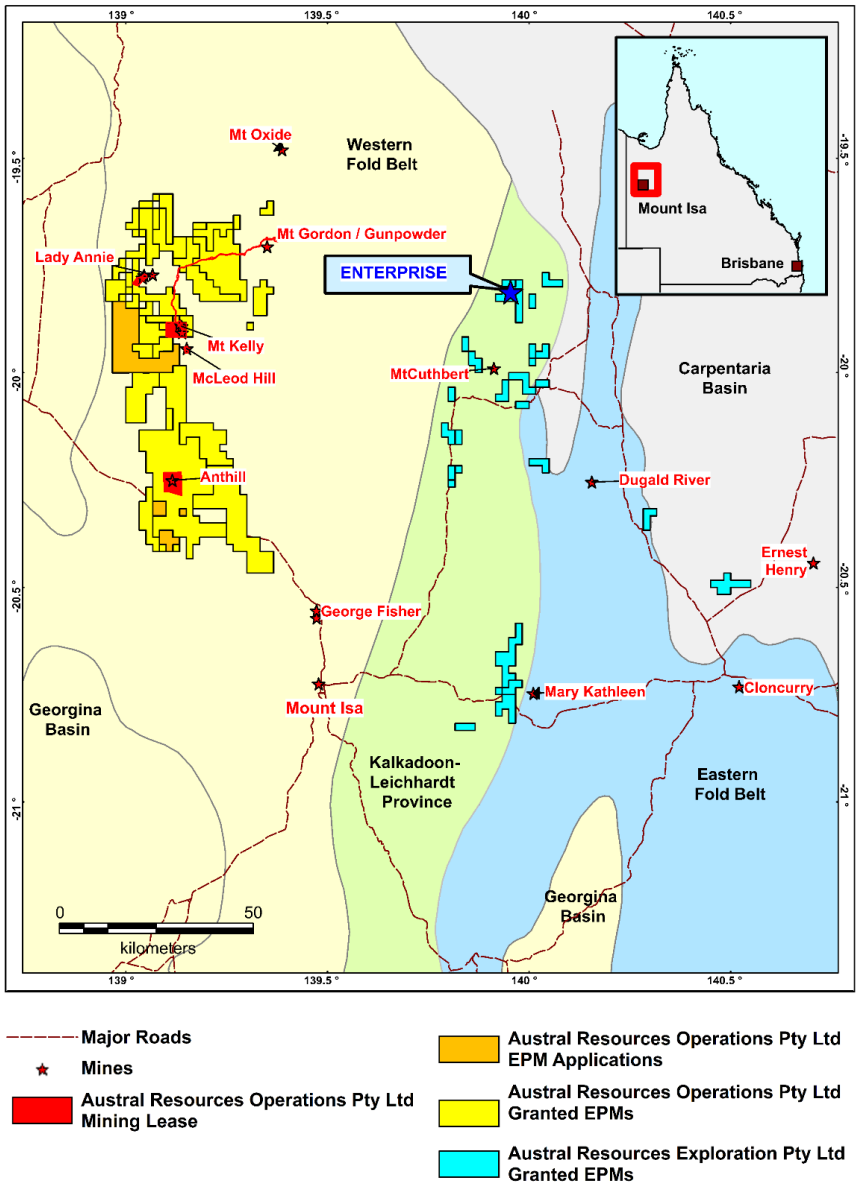

Figure 1. Enterprise location and tenements

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Geology

EPM17527 which contains Enterprise lies predominantly within the Kalkadoon-Leichhardt Belt and the Mary Kathleen Zone of the Mount Isa Inlier. The principal deposits in the vicinity are hosted by lithologies assigned to the Kalkadoon-Leichhardt Belt. These include felsic metavolcanic rocks assigned to the Leichhardt Volcanics of Cover Sequence 1.

Unconformably overlying the Leichhardt Volcanics is a sequence of regionally metamorphosed sedimentary rocks together with felsic-mafic volcanic rocks assigned to the Tewinga Group (Magna Lynn Meta-basalt and Argylla Formation). Calcareous sedimentary rocks of Cover Sequence 2 unconformably overlie the Kalkadoon-Leichhardt Belt rocks along the eastern margin of the Tenement. Granitoid rocks of the Kalkadoon Batholith, plus mafic sills and dykes have been emplaced into the Kalkadoon-Leichhardt Belt rocks prior to the deposition of Cover Sequence 2.

The known copper mineralisation in the area is confined to shears or dilational zones and are typically developed at structure nodes. In addition, numerous smaller deposits and minor occurrences are spatially associated with the mafic intrusive bodies. Copper mineralisation occurs within quartz veins, on shear planes and as void fills. It was emplaced during late-D2 to late-D3 time. No mineralisation associated with D1 has been noted in the area.

The deposits are predominantly small and oxidised to depths of up to 80 m. The depth of oxidation is generally related to the size of the shear or structure hosting mineralisation. Typically, the deposits are zoned from malachite/azurite and/or chrysocolla at surface to chalcocite, cuprite, tenorite, and native copper in the transition zone, to chalcopyrite at depth.

The Enterprise copper mineralised zone at surface comprises malachite in quartz veins and a highly sheared (20° fabric) magnetic mafic unit (most likely an intrusive) over 250m, at the NW-SE trending contact zone between interpreted Leichhardt volcanic rocks to the SW and Kalkadoon granodiorite to the NE. This contact was the prime focus for the RC drill programme. The area surrounding the Enterprise Cu mineralisation has extensive sheet-wash cover obscuring most of the geology and potential mineralisation, limiting surface mapping. Available outcrop mapping is presented in Figure 2.

From logging of the RC drill chips, the depth of oxidation is 10 to 15 m making Enterprise primarily a sulphide deposit. Sulphide mineralisation comprises chalcopyrite (Cu bearing) and pyrite at depth associated with a composite quartz vein hosted in a mafic unit. The mafic unit is magnetic with zones rich in biotite and has been pervasively invaded by silica where mineralised. Minor graphite was observed in the composite quartz vein. Assays from drilling indicate the ore grade Cu mineralisation is >15 m true width over >300 m strike and is open in both strike directions (NW and SE) and to depth.

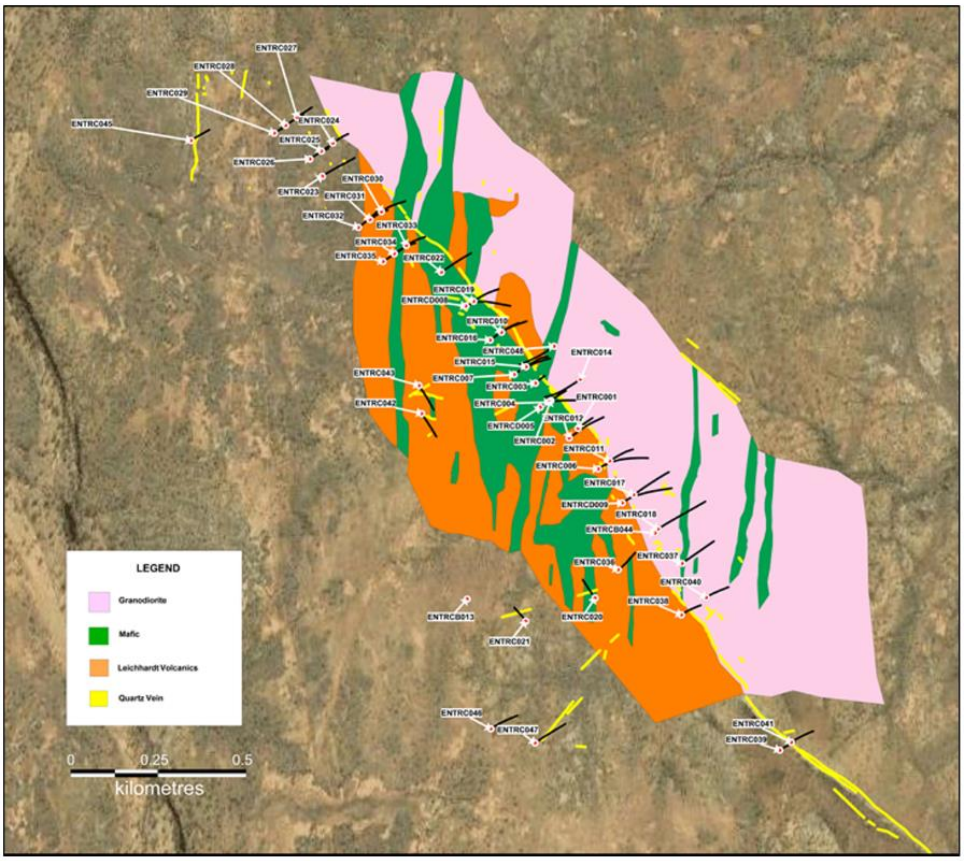

Figure 2. Enterprise local geology

Drilling

CST completed four discovery holes in 2015 and then a 44-drill hole program at the Enterprise project in 2016. The 2016 program comprised an initial 7-hole program targeting chargeability anomalies and a follow-up resource definition program of 37 holes mostly on 40 m spacing on 120 m spaced lines (Figure 3 and Appendix 1).

The drilling was by a large truck mounted Reverse Circulation (**"RC"**) drilling rig capable of conversion to diamond drilling. Drilling is predominantly RC with 48 RC drill holes for 6634 m. Four of these had diamond core tails with for an additional 355 m, mostly at depth and below the Mineral Resource area reported.

Several geophysical surveys were undertaken prior to the original drilling programs, and these were used to orientate the drilling drill to provide an optimal angle of intersection but are not otherwise used for the Mineral Resource estimate.

Drill collars were surveyed by a local register surveyor who established the initial drilling grid and tie the coordinates back to the national grid system. Down hole surveys were collected using a Reflex Tool 705 gyroscopic survey tool on 10 m intervals and at the end of hole that should provide high quality survey results.

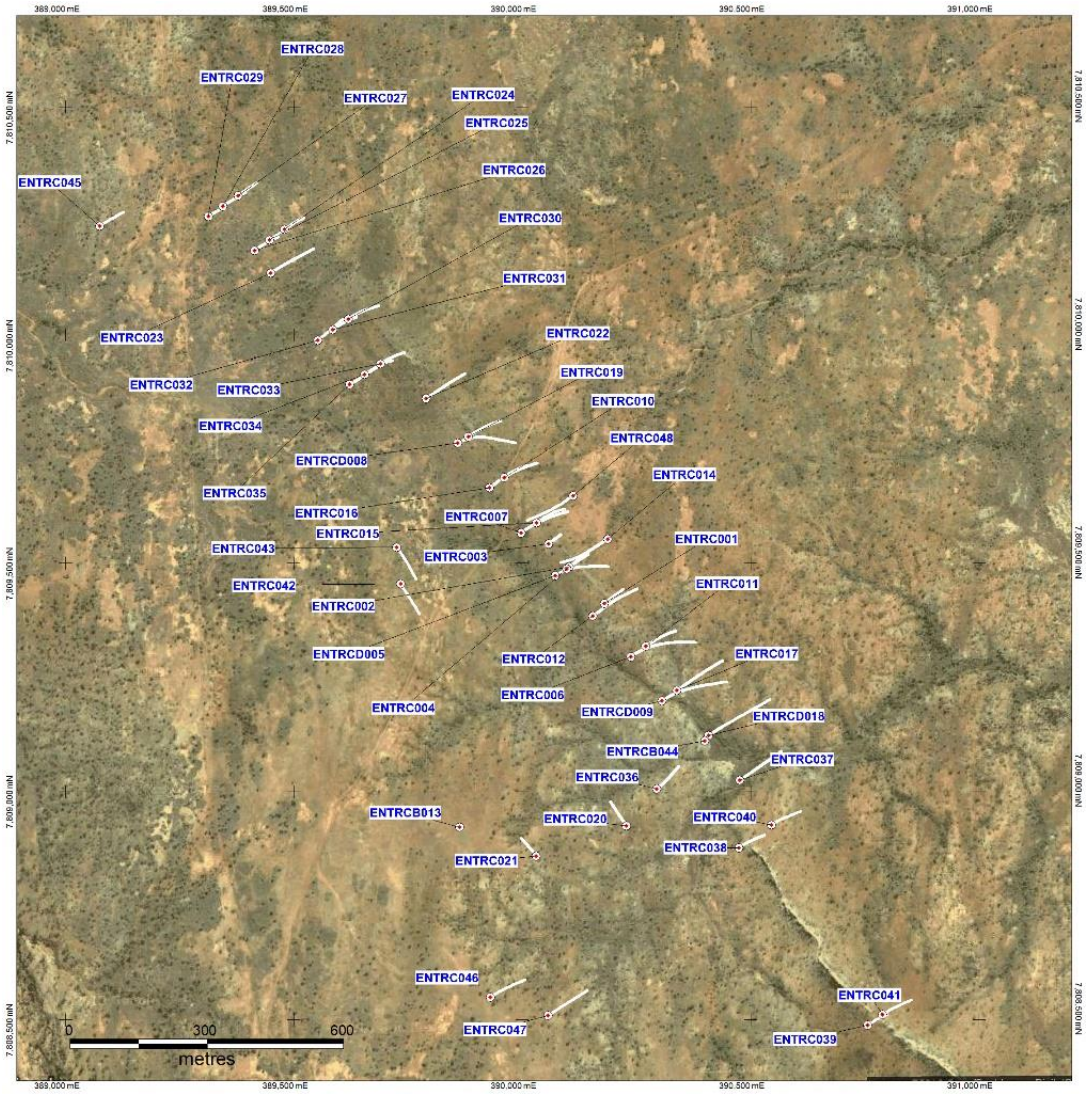

Figure 3. Enterprise drill hole locations

Sampling

Industry standard sampling methods were used.

RC samples were collected by cyclone and split using an onboard triple deck riffle splitter to generate a 1 in 8 split of the RC chips. Some composite sampling was done but the results are not complete and not used. Sample weights indicate good RC recovery.

Diamond core was halved for sampling. The remnant core from the diamond drilling program cannot be located. All data from the diamond core is available given the extensive and robust data collection and management strategies utilised.

All samples used for the Mineral Resource were from the primary 1 m sample intervals.

Sample Analysis

Samples were prepared for analysis by ALS using standard commercial laboratory processes.

Multielement sample analysis was by ALS in Townsville with method ME-ICP41 and reassayed using method ME-OG46 for samples over 0.3% Cu. Some diamond core samples were assayed for gold by aqua regia (AU-TL43) as were 4 m composite RC samples.

All samples were analysed onsite with a portable handheld XRF in the field to orientate the drilling program and ensure mineralisation was sampled but these results do not contribute to the Mineral Resource.

CST undertook 120 RC field duplicates and resubmitted 364 check samples for reanalysis at SGS Townsville using a similar analysis method. These QAQC samples did not raise any concerns.

Interpretation

Interpretation of weathering is based only on drill holes logs and indicate a shallow depth of oxidation, limiting the quantity of oxide copper ore suitable for heap leaching. Due to the shallow depth of the weathering the current drilling does not sample copper mineralisation in the oxide or transitional zones with the interpretation projected from waste drilling in the hanging wall. Until drilled and sampled oxide and transition mineralisation is excluded from the Mineral Resource.

Enterprise is a structurally controlled copper deposit with a well-defined vertical dip, consistent NW-SE strike and drill defined strike limits. The mineralisation has an inner core higher grade zone that is surrounded by a lower grade, more disseminated mineralisation halo. This has allowed the interpretation of both 0.3% and 0.7% Cu cut-offs using all drilling.

The high grade has a strike length of 630 m at depth and 320 m near surface. The low grade is traced further to the north at depth with a maximum strike extent of 830 m. The mineralisation is tested to over 200 m in depth and remains open at depth and appears to be lengthening with depth (see Figures 4 and 5).

Anomalous mineralisation on sections further north indicates some additional possibly disconnected and different striking mineralisation.

Appendix 2 lists the drilling intervals from the high-grade domain interpretation.

Grade Estimation

A block model was constructed with parent block size of 5 by 5 by 5 m and sub blocked to 1.25 by 1.25 by 1.25 m.

Grade estimation was conducted using inverse distance square estimation for copper and cobalt using a single pass search with a radius 160 by 160 by 40 m and 2 m composites. Composite limits include a maximum of 16 composites from four drill holes and 4 composites per drill hole. A 1 to 5

flattening anisotropy and bulk density assumptions were applied based on experience from other nearby deposits.

Examples of the block grade estimates are presented in the figures below (Figures 5 and 6).

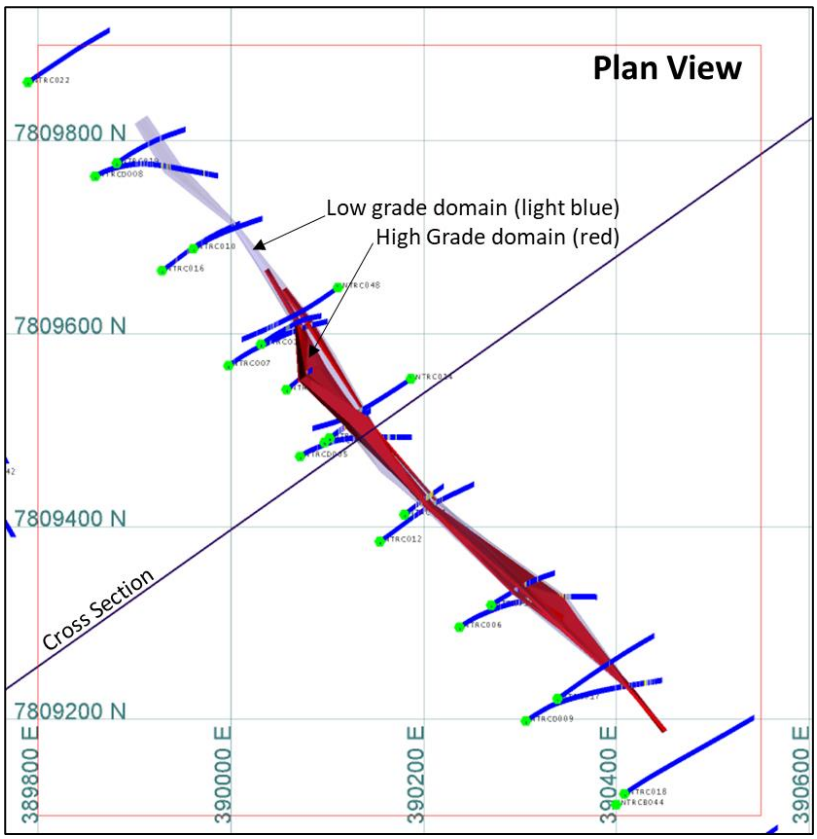

Figure 4. Plan view of drilling and resource domains

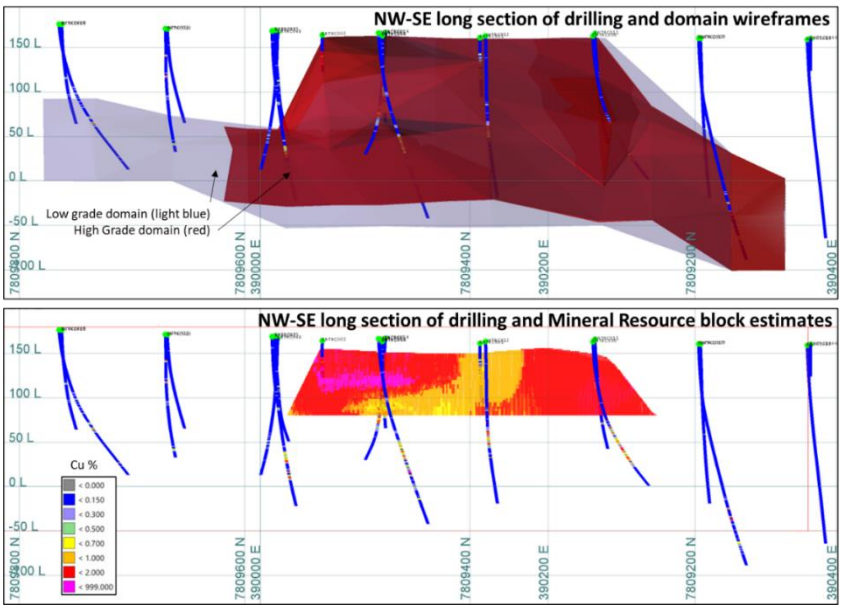

Figure 5. NW-SE long section of the resource domains and Mineral Resource block estimates

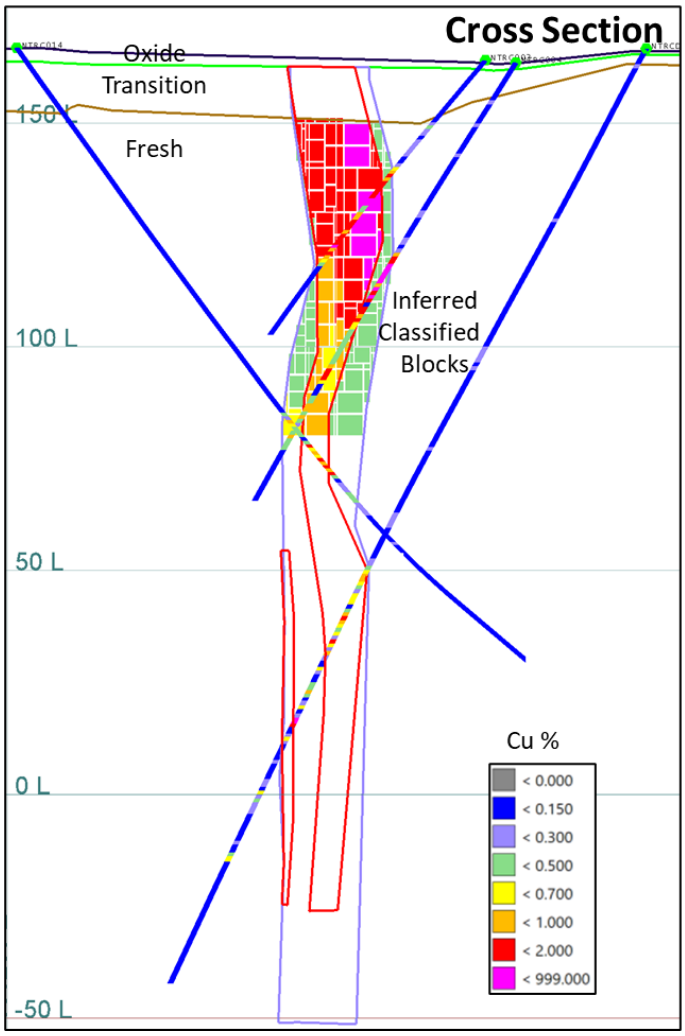

Figure 6. Enterprise NE-SW cross section displaying only block estimates considered for Mineral Resource

Classification

Enterprise is a structurally controlled copper deposit with a well-defined vertical dip and consistent NW-SE strike.

High grade mineralisation is defined from three and a half 120 m spaced sections near surface and five 120 m spaced sections at depth. Low grade extends a further two sections at depth covering a total 800 m of strike extent. Though widely spaced there is sufficient continuity demonstrated to warrant Inferred classification. Limitations to the Mineral Resource classification and reporting were imposed to exclude:

- Oxide and transition material not yet sampled (Figure 6).
- Material below 80 m RL (85m below surface) as preliminary mining studies indicated deeper material is unlikely to be economically viable by open pit mining (Figures 5 and 6).

Deeper material below that reported as Mineral Resource is defined and the deposit is open at depth. Further exploration should evaluate these potential depth extensions, which dependent upon actual grade and width intersected may support an underground resource.

Mineral Resource

The Mineral Resource estimate is provided at a cut-off of 0.7% Cu, a current estimate of a marginal economic cut-off grade for open pit mining, ore transport and toll treatment of sulphide copper ore at a regional processing facility.

The Mineral Resource is classified as Inferred and reflects the broad 40 by 120 m drill hole spacing.

The Mineral Resource for fresh sulphide material is:

Inferred Sulphide Mineral Resource	0.58 Mt @ 1.3% Cu

Aqua Regia gold assays suggest limited gold grade and potential credit. The maximum gold grade was 0.14 g/t Au from one 4 m RC composite. Cobalt grade are approximately 45 ppm Co, indicating limited potential credit if any.

Additional details for the Mineral Resource are discussed in Appendix 3 under the JORC (2012) Table 1 guide.

Though there are no metallurgical studies at this stage of exploration, mineralogical studies to date have identified chalcopyrite as the copper mineral with minor pyrite. If pervasive then there should be no impediment for processing by flotation to recover copper from the fresh material reported in the Mineral Resource.

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Further Work

The Enterprise deposit represents an exciting new discovery still at the early stages of exploration. Further potential work includes:

- The evaluation and application of appropriate geophysical methods testing for resource continuity and depth extension below the current 200m depth of drill testing
- Infill drilling to at least 40m centres and a vertical depth of 80m to fully define Mineral Resource to a level required for mine planning and consideration for Ore Reserves.
- Exploration drilling to evaluate the potential depth extensions of the Resource.
- Completion of the appropriate mineralogical and metallurgical studies
- Evaluation of the structural and lithological environment across both the Resource and the wider prospect, to identify further potential exploration targets.
- Additional near surface infill drilling may also be required to define the oxide. The project would benefit from a broader coverage of gold analyses and near surface copper sequential assays to better define the oxidation and mineralisation suitable for heap leach processing.

This announcement is authorised for market release by the board.

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About Austral Resources

Austral Resources Australia Ltd is an ASX listed copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SXEW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine which has an Ore Reserve of 5.06Mt at 0.94% Cu. The Company expects to produce 40,000t of copper cathode over a four-year period from mid-2022.

Austral also owns a significant copper inventory with a JORC compliant Mineral Resource Estimate of 60Mt@ 0.7% Cu (420,000t of contained copper) and 2,100km^2 of highly prospective exploration tenure in the heart of the Mt Isa district, a world class copper and base metals province. The Company is implementing an intensive exploration and development programme designed to extend the life of mine, increase its resource base and then review options to commercialise its copper resources.

Competent Persons' Statement

The information in this announcement that relates to Exploration Results is based on and fairly reflects information compiled and conclusions derived by Mr Andrew Beaton, Mr Ben Coutts and Mrs Lisa Orr, Competent Persons who are Members of the Australasian Institute of Mining and Metallurgy. Mr Beaton is the Site General Manager at Austral and Mr Coutts is Exploration Manager at Austral. Mrs Orr is an independent database consultant with Orr and Associates. Mrs Orr, Mr Coutts and Mr Beaton are geologists and have 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 and Ore Reserves (2012 JORC Code). Mrs Orr, Mr Coutts and Mr Beaton consent to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on and fairly reflects information compiled and conclusions derived by Mr John Horton who is a Charted Fellow of the Australasian Institute of Mining and Metallurgy, and employee of ResEval Pty Ltd. Mr Horton is an independent consulting geologist and 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 and Ore Reserves (2012 JORC Code). Mr Horton consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

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Appendix 1. Enterprise drilling summary

Hole Name	Hole Type	Precollar Depth (m)	Total Depth (m)	Easting * mE	Northing * mN	RL * mRL	Date Drilled	Downhole Surveys			Copper Assays
								Number	Mean Dip	Mean Azimuth	
ENTRC001	RC	0	84	390179.9	7809412.5	161.3	25/10/2015	10	-53.0	54.3	84
ENTRC002	RC	0	78	390102.2	7809491.8	164.0	26/10/2015	9	-52.0	54.0	78
ENTRC003	RC	0	54	390057.5	7809542.2	164.3	27/10/2015	6	-50.3	52.0	54
ENTRC004	RC	0	114	390097.0	7809487.4	163.5	29/10/2015	11	-59.1	55.2	114
ENTRC006	RC	0	222	390237.1	7809295.6	163.1	4/03/2016	18	-46.1	78.2	222
ENTRC007	RC	0	222	389997.3	7809567.0	168.8	7/03/2016	23	-59.4	65.9	222
ENTRC010	RC	0	132	389960.8	7809688.3	170.8	12/03/2016	14	-53.4	65.6	131
ENTRC011	RC	0	144	390270.0	7809318.5	165.6	14/03/2016	15	-58.9	62.7	143
ENTRC012	RC	0	216	390154.4	7809384.5	163.4	27/03/2016	21	-58.0	57.9	216
ENTRC014	RC	0	180	390186.7	7809553.4	166.8	31/03/2016	19	-49.6	242.6	180
ENTRC015	RC	0	138	390031.1	7809589.2	169.6	2/04/2016	14	-59.7	63.6	138
ENTRC016	RC	0	168	389928.3	7809665.7	171.4	2/04/2016	18	-55.6	59.0	168
ENTRC017	RC	0	216	390338.8	7809221.4	160.3	2/04/2016	22	-56.3	56.8	216
ENTRC018	RCD	126	273.3	390408.2	7809122.8	159.1	27/04/2016	28	-55.1	59.4	273
ENTRC019	RC	0	138	389881.3	7809777.1	176.2	4/04/2016	14	-54.7	62.9	138
ENTRC020	RC	0	96	390228.2	7808925.0	165.0	6/04/2016	10	-49.0	326.1	96
ENTRC021	RC	0	72	390030.6	7808858.5	169.2	7/04/2016	8	-44.8	320.1	72
ENTRC022	RC	0	174	389789.1	7809861.0	172.7	7/04/2016	35	-54.5	57.2	174
ENTRC023	RC	0	222	389449.0	7810136.0	165.7	10/04/2016	45	-61.0	60.2	222
ENTRC024	RC	0	100	389479.0	7810231.5	168.8	7/04/2016	11	-59.1	59.3	100
ENTRC025	RC	0	112	389446.4	7810208.5	167.7	9/04/2016	12	-66.4	62.4	112
ENTRC026	RC	0	132	389413.7	7810185.8	166.2	10/04/2016	14	-62.8	60.2	0
ENTRC027	RC	0	100	389377.3	7810305.6	167.7	12/04/2016	11	-59.2	55.8	100
ENTRC028	RC	0	144	389344.4	7810282.7	166.7	13/04/2016	15	-65.6	58.4	144
ENTRC029	RC	0	90	389311.9	7810259.9	165.7	14/04/2016	10	-61.9	58.5	90
ENTRC030	RC	0	132	389618.1	7810034.9	169.3	12/04/2016	13	-55.9	64.9	120
ENTRC031	RC	0	102	389585.1	7810012.0	167.2	14/04/2016	21	-55.5	61.5	102
ENTRC032	RC	0	144	389552.2	7809989.1	165.9	16/04/2016	29	-60.5	50.0	144
ENTRC033	RC	0	115	389688.9	7809937.7	172.7	16/04/2016	12	-58.9	65.4	115
ENTRC034	RC	0	138	389654.6	7809914.0	169.3	18/04/2016	14	-60.4	62.7	138
ENTRC035	RC	0	150	389622.2	7809891.6	167.0	20/04/2016	16	-62.5	57.1	150
ENTRC036	RC	0	150	390294.3	7809006.2	162.6	19/04/2016	16	-62.5	44.8	150
ENTRC037	RC	0	222	390476.7	7809024.6	157.7	21/04/2016	1	-60.0	55.0	222
ENTRC038	RC	0	120	390474.6	7808876.7	165.1	21/04/2016	13	-58.7	63.3	120
ENTRC039	RC	0	92	390756.0	7808487.9	182.2	22/04/2016	10	-57.4	61.2	92
ENTRC040	RC	0	150	390545.7	7808926.5	167.7	23/04/2016	16	-61.9	64.7	150
ENTRC041	RC	0	144	390788.9	7808510.9	183.1	23/04/2016	15	-60.5	63.1	144
ENTRC042	RC	0	180	389732.8	7809454.9	172.3	25/04/2016	19	-64.2	147.8	180
ENTRC043	RC	0	162	389725.2	7809535.3	171.6	25/04/2016	17	-59.8	148.9	162
ENTRC045	RC	0	120	389074.1	7810239.0	164.7	27/04/2016	13	-59.3	59.5	120
ENTRC046	RC	0	156	389930.4	7808549.3	169.1	27/04/2016	17	-57.0	63.0	156
ENTRC047	RC	0	84	390056.7	7808508.9	170.0	28/04/2016	9	-58.2	56.6	84
ENTRC048	RC	0	192	390110.9	7809648.0	166.7	30/04/2016	20	-53.5	241.1	192
ENTRCB013	RC	0	36	389862.9	7808922.0	171.6	29/03/2016	1	-90.0	6.0	2
ENTRCB044	RC	0	36	390399.7	7809111.5	160.0	25/04/2016	1	-90.0	0.0	36
ENTRCD005	RCD	152	240.9	390071.7	7809472.8	166.6	8/03/2016	24	-60.2	79.2	242
ENTRCD008	RCD	161	210.6	389859.0	7809763.4	176.5	9/03/2016	22	-51.4	87.4	212
ENTRCD009	RCD	222	291	390306.0	7809198.3	160.7	6/04/2016	30	-59.1	72.7	294

* Coordinates in MGA94 Zone 54

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Appendix 2. Resource high grade domain intervals

Hole Name	Mid-point Coordinate			Depth (m)		Length (m)	Cu %	Au g/t	Co ppm
	mE	mN	mRL	From	To				
ENTRC001	390199	7809427	132	34	41	7	0.773		31
ENTRC002	390125	7809509	130	31	58	27	1.36		42
ENTRC003	390074	7809556	139	24	43	19	1.85		106
ENTRC004	390125	7809508	107	50	83	33	1.41		35
ENTRC006	390304	7809323	66	120	123	3	1.15		35
ENTRC006	390330	7809326	42	138	177	39	0.84		67
ENTRC007	390072	7809605	30	158	166	8	0.78		76
ENTRC007	390083	7809609	10	183	188	5	1.25		57
ENTRC011	390294	7809334	115	56	60	4	1.29		28
ENTRC011	390303	7809338	99	73	81	8	2.43		109
ENTRC012	390206	7809421	55	117	135	18	0.84		38
ENTRC014	390129	7809517	75	110	119	9	0.93		43
ENTRCD005	390140	7809492	41	134	156	22	0.62	0.026	21
ENTRCD005	390155	7809493	15	172.2	178.2	6	1.51	0.017	35
ENTRCD009	390412	7809235	-36	224.2	230.5	6.3	2.54	0.039	152
Total						214.3	1.21	0.004	55

Appendix 3. JORC Code Table 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*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 downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *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.*	CST Mineral Lady Annie Exploration Ltd (CST) completed four discovery holes in 2015 and then a 44-drill hole program at the Enterprise project in 2016. The 2016 program comprised an initial 7-hole program targeting chargeability anomalies and a follow-up resource definition program of 37 holes mostly on 40 m spacing on 120 m spaced lines. Several geophysical surveys were undertaken prior to the original drilling programs and these were used to orientate the drilling drill to provide an optimal angle of intersection. All samples were analysed onsite with a portable handheld XRF in the field to orientate the drilling program and ensure mineralisation was sampled. Samples were prepared for analysis by ALS using standard processes. Laboratory as received weights record 6486 RC samples averaging 2.7 kg suggesting a 1 in 8 riffle split was used and 360 diamond half core samples averaging 2.2 kg indicating NQ core. The drilling program uses modern 2016 drilling and assaying methods and despite the lack of some documentation the drilling and sampling is considered appropriate. The drilling was part of a multidisciplinary exploration program using both geophysics and surface termite sampling to aid and direct the drilling program
Drilling techniques	*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).*	The drilling is predominantly Reverse Circulation (RC) with 48 RC drill holes for 6634 m. Four of these had diamond core tails with for an additional 355 m. Drilling used a large truck mounted RC drilling capable of conversion to diamond drill. RC samples was recovered by cyclone and split by a three-tier onboard riffle splitter. RC drilling likely to have use a 5-inch hammer or larger. Diamond core was NQ3.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *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.*	RC recovery is not documented however a high 2.7 kg average weight was received at the laboratory indicating generally good recovery for the 1 in 8 riffle splitter was used for field splitting. Diamond core recovery is uncertain as logs are currently misplaced. No issues were recorded regarding recovery in the exploration reports Diamond drilling is below the stated Mineral Resource and will have little impact on the estimates.
Logging	*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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	Geological logging entered into a database includes: lithology, oxidation, grain size, colour, rock texture, dominant copper minerals. Field testing of samples was undertaken by handheld XRF. However, all 1 m samples were assayed and the XRF data is not relied on.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Diamond core was halved for sampling Evidence indicates RC drilling was collected by an onboard cyclone and riffle splitter from which 2.7 kg samples were collected. CST undertook 120 RC field duplicates and not issues were highlighted

Criteria	JORC Code explanation	Commentary
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. *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.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *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.* *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.*	Samples were submitted to ALS in Townsville for multielement analysis by methos ME-ICP41 and reassayed using method ME-OG46 for samples over 0.3% Cu. Samples were assayed for Au by aqua regia (AU-TL43) using 4 m composites or 1 m diamond core intervals. Field XRF analyses were undertaken but not used for the Mineral Resource. QAQC Sampling by CST included: • 63 field submitted blanks • 97 field submitted CRMs (standards) • 5% of samples (364 samples) were reassayed at SGS in Townville using similar assay methods with not issues highlighted. In addition, ALS reported internal blanks and CRMs. Review of the comprehensive QAQC data set indicated all assaying was within expected ranges and suitable for use in the Mineral Resource.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	There are not twin holes or other verification samples other than the handheld XRF results. Austral Resources maintains the drilling data in a Datashed database Adjustments to the assay data only included the management of below detection limit results stored in the database as negative values.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Initial 2015 drilling was surveyed by an independent local surveyor (Lodewyke) when setting up the local drilling grid. Lodewyke tied the grid into the national grid and the nearby Dobbyn mine control point. Subsequent drilling in 2016 was surveyed by DGPS by Lodewyke when as discrepancy in the original survey was rectified. All information is in Australian Map Grid (MGA94) coordinates Zone 54. Down hole surveys were collected using a Reflex Tool 705 gyroscopic survey tool on 10 m intervals and at the end of hole that should provide high quality survey results. CST in 2016 flew a drone survey over the enterprise prospect to provide detailed imagery and digital elevation model (DEM). Details of the survey control are not described, and the DEM is vertically offset from the collar coordinates. Though not used directly the DEM confirms a subdued topographic profile.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *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.* *Whether sample compositing has been applied.*	Drilling over the mineralization is regularly spaced with 58° NE dipping holes spaced at 40 m on section and 120 m between sections The spacing is sufficient to define continuity of the mineralisation for the current Inferred classification. Sampling is on regular 1 m intervals with 4 m composites only used for additional assaying and not relied upon.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is*	Drilling is angled on average 58° toward an azimuth of 050° and is adequate to test the vertical mineralised system. No sample orientation bias is likely.

Criteria	JORC Code explanation	Commentary
	considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	*The measures taken to ensure sample security.*	Sample security was not documented. Copper as a base metal does not present a tampering concern.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The project has only had one phase of significant exploration drilling and there is no evidence that any processes or results were reviewed. The 2016 drilling program was overseen by an independent consulting geologist from Orr and Associates.

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. 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.*	The Enterprise Mineral Resource lies with EPM 17527 Review of the tenure for Queensland State Government website GIS GeoResGlobe indicates the exploration lease is granted to Austral Resources Exploration Pty Ltd in 2012 until 2027
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Enterprise is a recent discovery by CST in 2015. The target was a known mineral occurrence (QLD Min occurrence database) and highlighted in target generation exercises by Terra Search and CST geologists. Reports do not suggest any earlier substantive exploration contributed to the discovery.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Enterprise Cu mineralised zone at surface comprises malachite in quartz veins and a highly sheared (20° fabric) magnetic mafic unit (most likely an intrusive) over ~250m, at the NW-SE trending contact zone between interpreted Leichhardt volcanic rocks to the SW and Kalkadoon granodiorite to the NE. This was the prime focus for the RC drill programme. Drilling logs indicate a shallow oxidation profile making Enterprise primarily a sulphide deposit. Sulphide mineralisation comprises chalcopyrite (Cu bearing) and pyrite at depth associated with a composite quartz vein hosted in a mafic unit. The mafic unit is magnetic with zones rich in biotite and has been pervasively invaded by silica where mineralised. Minor graphite was observed in the composite quartz vein. Assays from drilling indicate the ore grade Cu mineralisation is >15m true width over >200m strike and is open in both strike directions (NW and SE) and to depth. Scanning electron microscope work on 8 RC chip samples identified predominantly albite-biotite- quartz + some hornblende. Copper mineral identified included chalcopyrite in some holes with minor pyrite. Petrography indicated similar assemblages.

Criteria	JORC Code explanation	Commentary
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* *easting and northing of the drillhole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Collar listing and survey summary information is tabulated. Resource summary intervals are tabulated.
Data aggregation methods	*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.* *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.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Drilling intervals are length weighted averages. No equivalences are reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	The intercepts are from drilling at roughly 60˚ into a vertical system. Drilling down hole intervals factor to true horizontal width at around 50%.
Diagrams	*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.*	Maps and sections are provided in the body of the announcement.
Balanced reporting	*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 significant drilling results relevant to the Mineral Resource are tabulated. Lower grade halo zones are not reported and do not contribute to the current Mineral Resource reported.
Other substantive exploration data	*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.*	Mineral Resources are primarily defined by drilling and assaying. Geophysics and surface geochemistry are used in exploration but have no meaningful input to the resource definition.
Further work	*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*	No further work planned on the Mineral Resource estimate. Further potential exploration includes:

Criteria	JORC Code explanation	Commentary
	interpretations and future drilling areas, provided this information is not commercially sensitive.	The evaluation and application of appropriate geophysical methods testing for resource continuity and depth extension below the current 200m depth of drill testing Infill drilling to at least 40 m centers and a vertical depth of 80 m to fully define Mineral Resource to a level required for mine planning and consideration for Ore Reserves. Exploration drilling to evaluate the potential depth extensions of the Resource. Completion of the appropriate mineralogical and metallurgical studies Evaluation of the structural and lithological environment across both the Resource and the wider prospect, to identify further potential exploration targets. Additional near surface infill drilling may also be required to define the oxide. The project would benefit from a broader coverage of gold analyses and near surface copper sequential assays to better define the oxidation and mineralisation suitable for heap leach processing.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *Data validation procedures used.*	Austral Resources maintain all drilling data in a Datashed a database, administered by a specialist independent contractor. This maintains the drill hole cross table integrity, precedence of preferred assays and version control.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	The last exploration work completed was in 2016 and little evidence is expected to remain on site after rehabilitation of the previous drilling. Hence no recent site visit was arranged. Lisa Orr of Orr and Associates was involved with field exploration drilling by CST in 2015 and 2016 at Enterprise. She remains involved with the project as she assists with geological data management at Austral's projects. Lisa has verified the exploration drilling program details and provides continuity with the previous exploration work.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* *Nature of the data used and of any assumptions made.* *The effect, if any, of alternative interpretations on Mineral Resource estimation.* *The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	The Enterprise mineralisation has an inner core higher grade zone that is surrounded by a lower grade more disseminated mineralisation halo. This has allowed the interpretation of both 0.3 and 0.7% Cu cut-offs. All drilling was used for interpretation and estimation Weathering surfaces for oxide and transition were derived from geological logging of weathering physical characteristics since no copper sequential assays are available to better define a metallurgical or mineralogical zonation.

Criteria	JORC Code explanation	Commentary
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	Enterprise is a structural controlled vertical system with defined drill defined strike limits. The mineralisation is tested to over 200 m in depth and remains open. The high grade has a strike length of 630 m at depth and 320 m near surface. The low grade is trace further tot eh north at depth with a maximum strike extent of 830 m. Anomalous mineralisation on sections further north indicates some additional possibly disconnected and different striking mineralisation. The general lack of near surface drilling from the first drill out at Enterprise still leaves some room for further surface extensions.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* *The assumptions made regarding recovery of by-products.* *Estimation of deleterious elements or other non-grade variables of economic significance (e.g., sulphur for acid mine drainage characterisation).* *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *Any assumptions behind modelling of selective mining units.* *Any assumptions about correlation between variables.* *Description of how the geological interpretation was used to control the resource estimates.* *Discussion of basis for using or not using grade cutting or capping.* *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Estimation was carried out Maptek Vulcan software using both high- and low-grade domains to minimise over smoothing from the widely spaced drill section. Block model was established with a parent block size for mineralisation of 5 by 5 by 5 m sub blocked to 1.25 m. Grade estimation was conducted using inverse distance square estimation (ID2) for copper gold and cobalt using a single pass search with a radius 160 by 160 by 40 m. Other estimation parameters include 2 m composites Discretization of 2 by 2 by 2 points Maximum of 16 composites Maximum of 4 composites per drillhole Maximum of 4 drill holes 1 to 5 flattening anisotropy Length weighting to account for composites not 2 m in length. Validation was undertaken on the model estimates using visual and statistical methods.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	All tonnage and density is reported on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	Cut-off 0.3% Cu used for low grade interpretation roughly matches likely cut-off for heap leach processing include ore transport to a local processing facility. This would be relevant to oxide material that is not currently reported. The Mineral Resource Cut-off 0.7% Cu matches likely cut-off for sulphide ore treatment by flotation and includes ore transport to a local processing facility.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may*	No mining ore dilution factors are applied. The composite size and block size are considered reasonable for assessing open pit mining and selectivity.

Criteria	JORC Code explanation	Commentary
	not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Little is understood of the oxide and transition material and consequently this material is not reported at this stage. Enterprise is predominantly a sulphide deposit. There is not metallurgically test work available to date. Petrology and scanning electron microscope work identified chalcopyrite as the principal copper material. There are no indications copper would not be recovered via flotation processes.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfield project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	There are no known environmental factors that restrict or impact on the Mineral Resource estimate.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Bulk density has not been tested at Enterprise to date Experience from other nearby deposits were used for the bulk density assumptions of: 1.95 t/m^3 for oxide 2.40 t/m^3 for transition 2.56 t/m^3 for fresh

Criteria	JORC Code explanation	Commentary
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.* *Whether appropriate account has been taken of all relevant factors (i.e., relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity, and distribution of the data).* *Whether the result appropriately reflects the Competent Person's view of the deposit.*	Enterprise is a structural controlled copper deposit with a well-defined vertical dip and consistent NW-SE strike. Strong mineralisation is defined from three and a half 120 m spaced sections near surface and five 120 m spaced sections at depth. Low grade extends a further two sections at depth covering a total 800 m of strike extent. Though widely spaced there is sufficient continuity demonstrated to warrant Inferred classification. Oxide and transition is not reported as this mineralisation is not yet tested. Mineralisation is interpreted and model to a depth to 200 m below surface. Preliminary pit optimisation indicates at current economics mining maybe viable to a depth of 55 m below surface. Only material to a depth of 80 m RL or 85m below surface are reported at Mineral Resource. This is based on the maximum depth of a more optimistic pit optimisation to determine the maximum open pit potential for the current grade and ore thickness modelled at Enterprise. This limits the classification of the Mineral Resource to only the upper third of the defined mineralisation. There remains underground potential that is not reported until further work is undertaken.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	The Mineral Resource estimate has not been reviewed.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	No studies of relative confidence have been carried out. The Mineral Resource is relatively well defined though there is a lack of near surface drilling. Hence the potential oxide copper material for heap leach process is not stated. The sensitivity of the mineral resource to being estimated within both high- and low-grade domains compared to only the low-grade domains indicates a larger tonnage at lower grade would otherwise be estimated with a higher metal content. This indicates the current approach is more conservative. CST completed a manual non-JORC polygonal estimate base on the field XRF results, prior to the assay results becoming available. The estimate was not updated when laboratory assays became available. The estimate was restricted to the main three cross sections and extended below the current depth reporting limit however the results are nonetheless consistent with the current estimate.