

25 July 2023

## ACTIVITIES REPORT – JUNE QUARTER 2023

### EXPLORATION HIGHLIGHTS

#### BROKEN HILL, NSW: COBALT, LEAD, ZINC, SILVER AND COPPER EXPLORATION

##### Enmore (EL 9220), Eureka (EL 9224) and Mt Darling (EL 9230)

- <sup>1</sup>Results of geochemical sampling within Mt Darling and Enmore
  - ❖ Mt Darling
    - A high Zn (451 ppm) in rock assay associated with an untested N-S linear magnetic high
    - Elevated Total Rare Earth Element Oxide (TREEO) to 1,400 ppb.
  - ❖ Eureka
    - N-S zone of elevated Cu in soils
- <sup>2</sup>Induced Polarisation Survey within Enmore
  - Two chargeability zones defined and 2 drillholes proposed to test 2 targets

#### TUMUT, NSW: COBALT, NICKEL, CHROMITE AND COPPER

##### Brungle Creek (EL 8954) and McAlpine (EL 9252)

- Review of all past exploration results including from sampling in March quarter to plan follow up work at identified key prospects.

#### LIMESTONE COAST, SA: RARE EARTH ELEMENTS (REE) EXPLORATION

##### Parrakie (EL 6795), Mt Rough (EL 6796), Kingston (EL 6797) and Wolseley (EL 6807)

- Laboratory and pXRF analysis of core/chip samples available from selected historic drillholes to plan target drilling.

#### LAVERTON WA: LITHIUM EXPLORATION

##### Barneys (ELA 38/3718) and Neckersgat (ELA 38/3719)

- Attending to Native Title requirements in preparation for field sampling.

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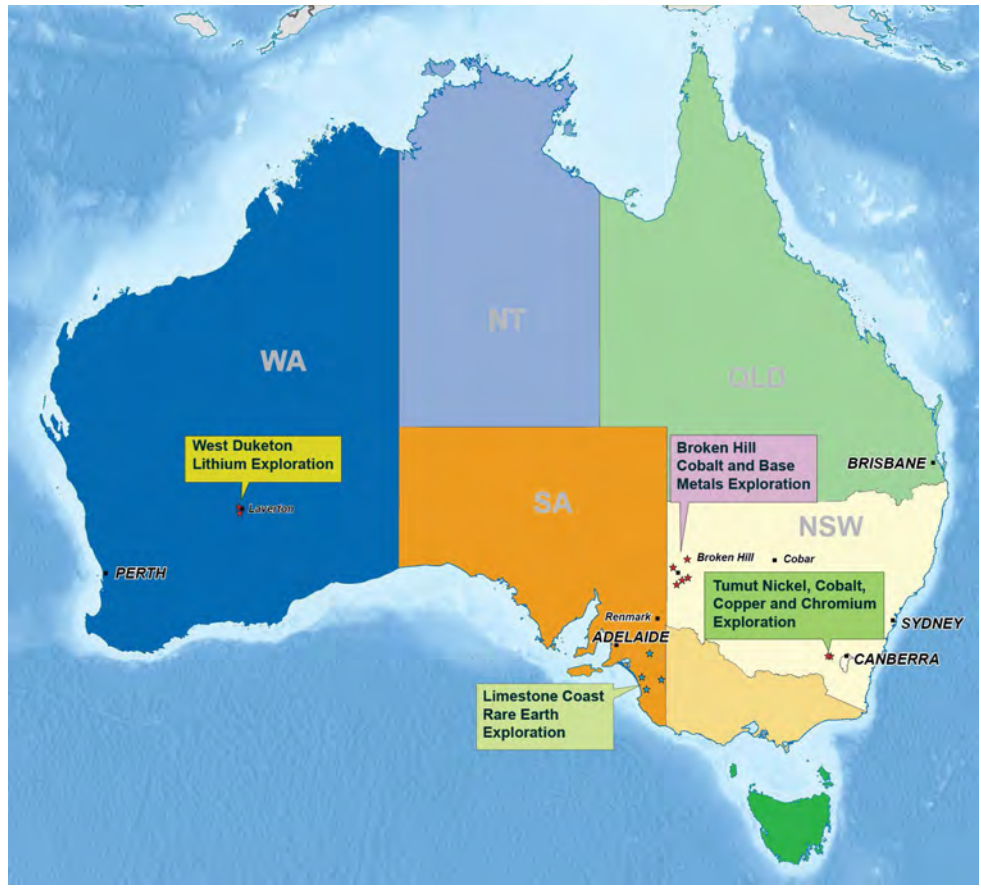


Figure 1: Location of Company Projects in Australia

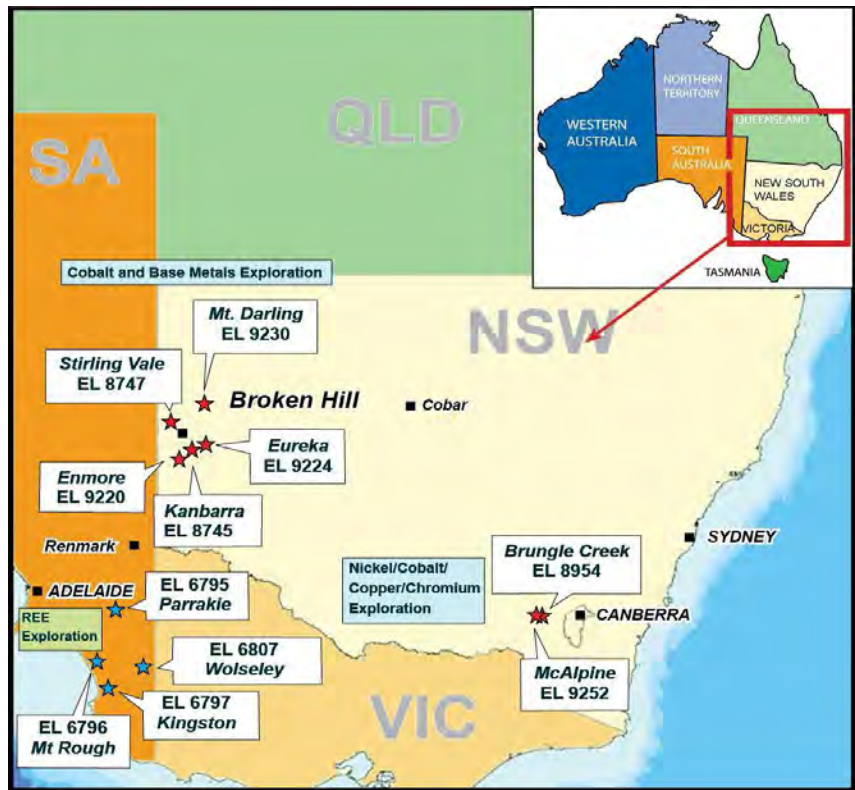
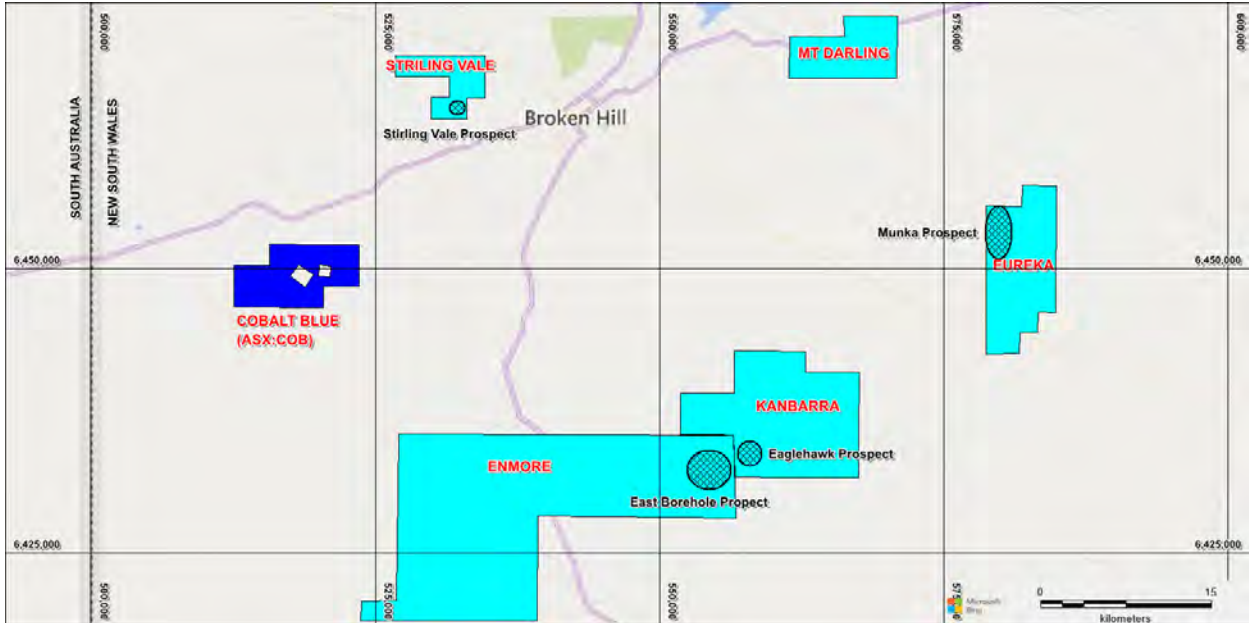


Figure 2: Location of granted licences in NSW and SA

**NEW SOUTH WALES  
COBALT, COPPER, LEAD, ZINC AND SILVER EXPLORATION**

*Near Broken Hill – 100% interest  
ELs 8745, 8747, 9220, 9224 and 9230*



**Figure 3: Location of granted Broken Hill tenements and the key prospects for exploration**

The five licences cover an area of approximately 685 km<sup>2</sup> near Broken Hill (**Figure 3**) in the region of the cobalt development areas of Cobalt Blue (ASX:COB).

***Enmore (EL 9220), Eureka (EL 9224) and Mt Darling (EL 9230)***

Within the 3 exploration licences (**Figure 3**) the Company plans to explore for Broken Hill-type Pb-Zn-Ag, Iron Oxide Cu-Au (IOCG) and cobalt mineralisation within Palaeoproterozoic Willyama Supergroup rocks as found by Cobalt Blue in their tenements.

**Geochemical Sampling**

Grid-based soils sampling at five target areas in Mt Darling (EL 9230) (**Figure 4**) and four target areas in Eureka (EL 9220) (**Figure 8**) that commenced in the March Quarter was completed on 2<sup>nd</sup> April 2023. A total of 400 soil and 39 rock samples were collected across the tenements on a 200 m x 200 m grid with an average collection per day of 38 soil samples of 300 g from 20 cm depth. The samples were submitted to SGS Adelaide for gold and multi-element analyses using the SGS proprietary Mobile Metal Ion (“MMI”) technology. The MMI\* technology has the ability to detect geochemical signatures beneath transported cover sediments which, in the Eureka (Munka Prospect) and Mt Darling tenements, can be up to 50 m in thickness.

*\*The MMI™ technology of SGS is an innovative geochemical process that uses a very different approach to the analysis of metals in soils, using extremely weak solutions of organic and inorganic compounds rather than the conventional aggressive acid digest solutions commonly used in geochemistry.*



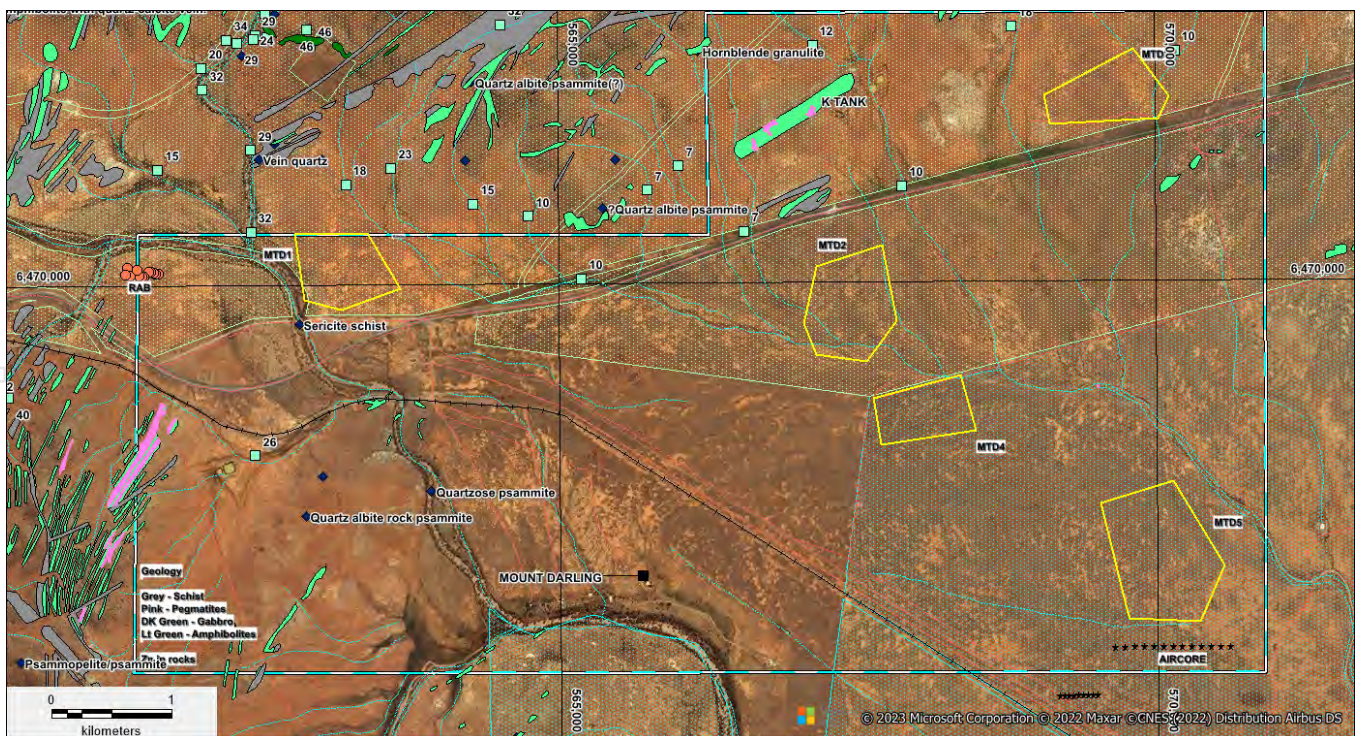
The sampling results<sup>1</sup> were received at the end of May 2023 and in summary were as follows:

- Mt Darling (EL9230)
  - A high Zn (451 ppm) in rock assay associated with an untested N-S linear magnetic high (**Figures 5 and 6**).
  - Elevated Total Rare Earth Element Oxide (TREEO) to 1,400 ppb (**Figure 7**).
- Eureka (EL 9220)
  - N-S zone of elevated Cu in soils (**Figures 9 and 10**).

<sup>1</sup> ASX announcement dated 1 June 2023. The Company is not aware of any new information or data that materially affects the information included in this announcement.

Within Eureka (EL 9220) there is a distinct north-south linear Cu in soil anomaly associated with target EUR1 (**Figure 10**) that is associated with a mapped shear zone. In addition, there are several elevated Cu results associated with a circular magnetic anomaly (EUR4) (**Figure 10**).

In addition to the standard suit of elements analysed, the Rare Earth Elements (REE) were included for analysis and the results showed an elevated REE response within the Mt Darling tenement. There is a distinctive Total Rare Earth Element Oxide (TREEO) (**Figure 7**). The elevated TREEO occurs along the contact of the Cues and Lady Bassey Formations. Further exploration along the contact will be carried out to investigate the nature of any possible REE mineralisation. A high Zn in rock result of 451 ppm was obtained at the southern margin of grid MTD4 (**Figure 5**). The elevated Zn is associated with a sub cropping muscovite schist, a linear magnetic high and generally no outcrop; further prospecting is warranted across this area.



**Figure 4: Mt Darling tenement showing the targets in yellow**



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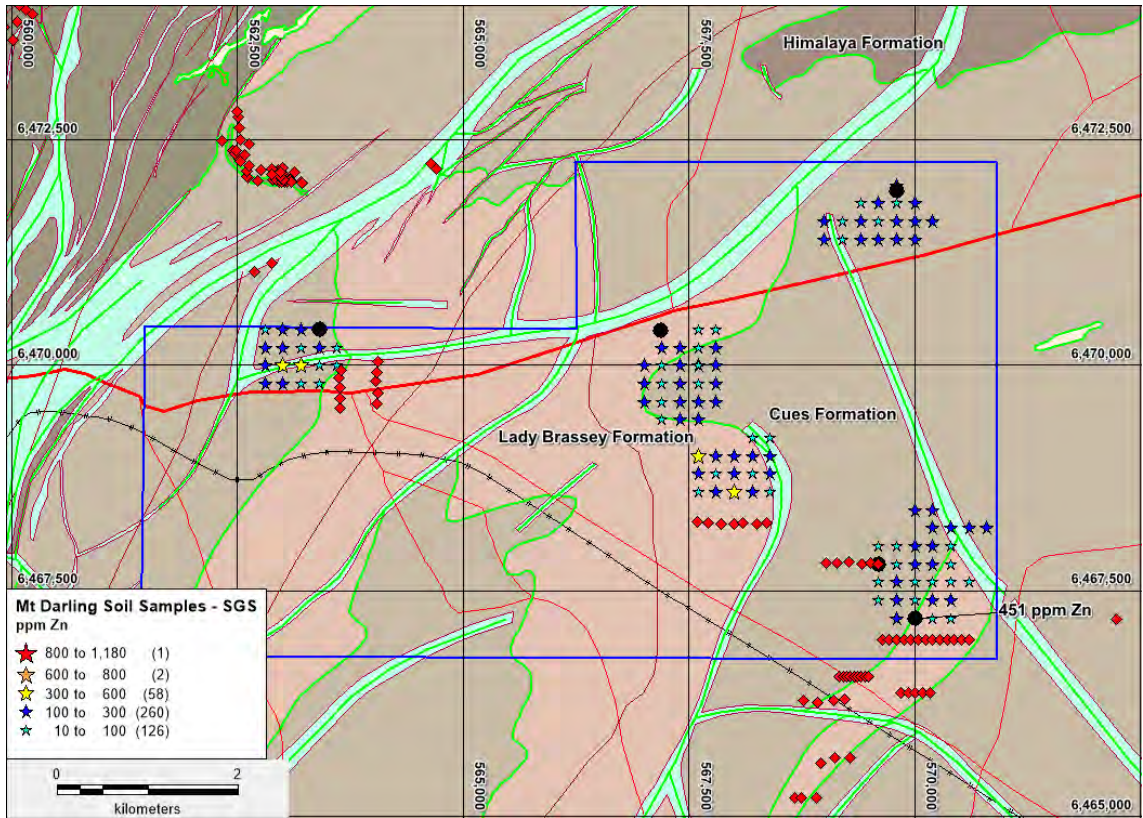


Figure 5: Mt Darling MMI Soil Survey showing Zn results in ppb over geology

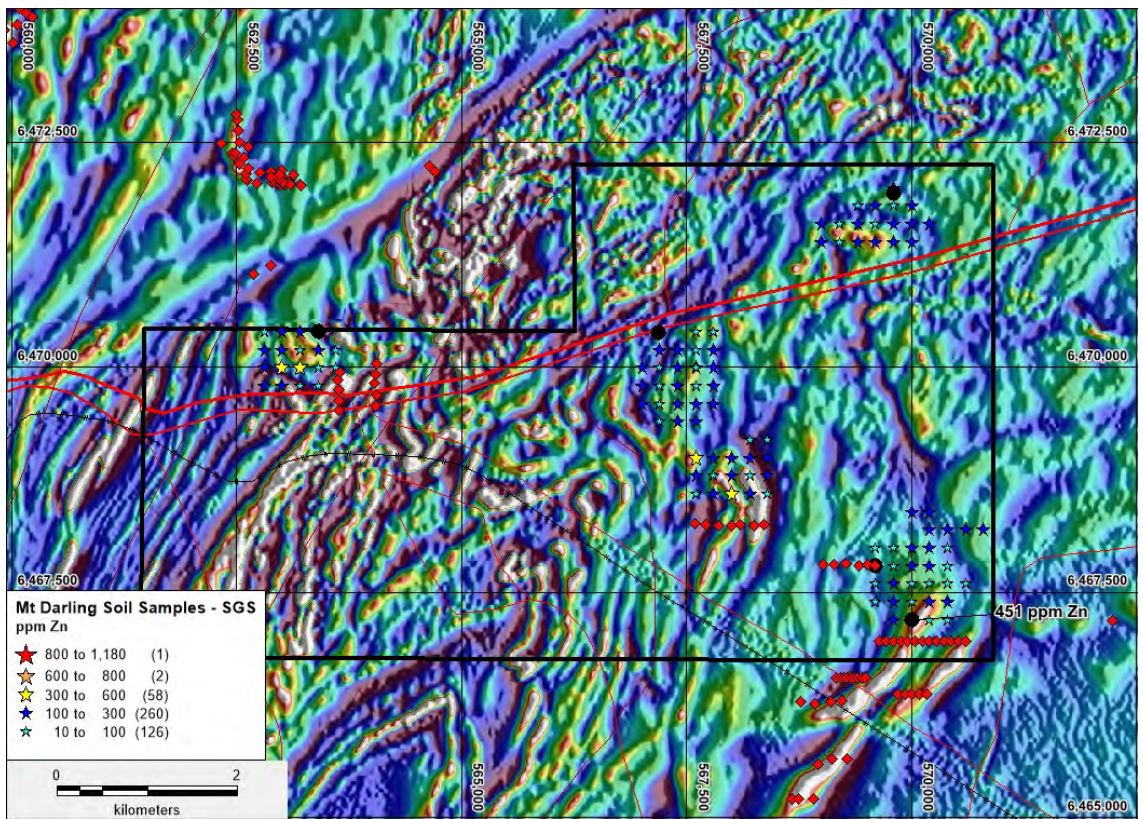


Figure 6: Mt Darling MMI Soil Survey showing Zn results in ppb over airborne magnetic image.



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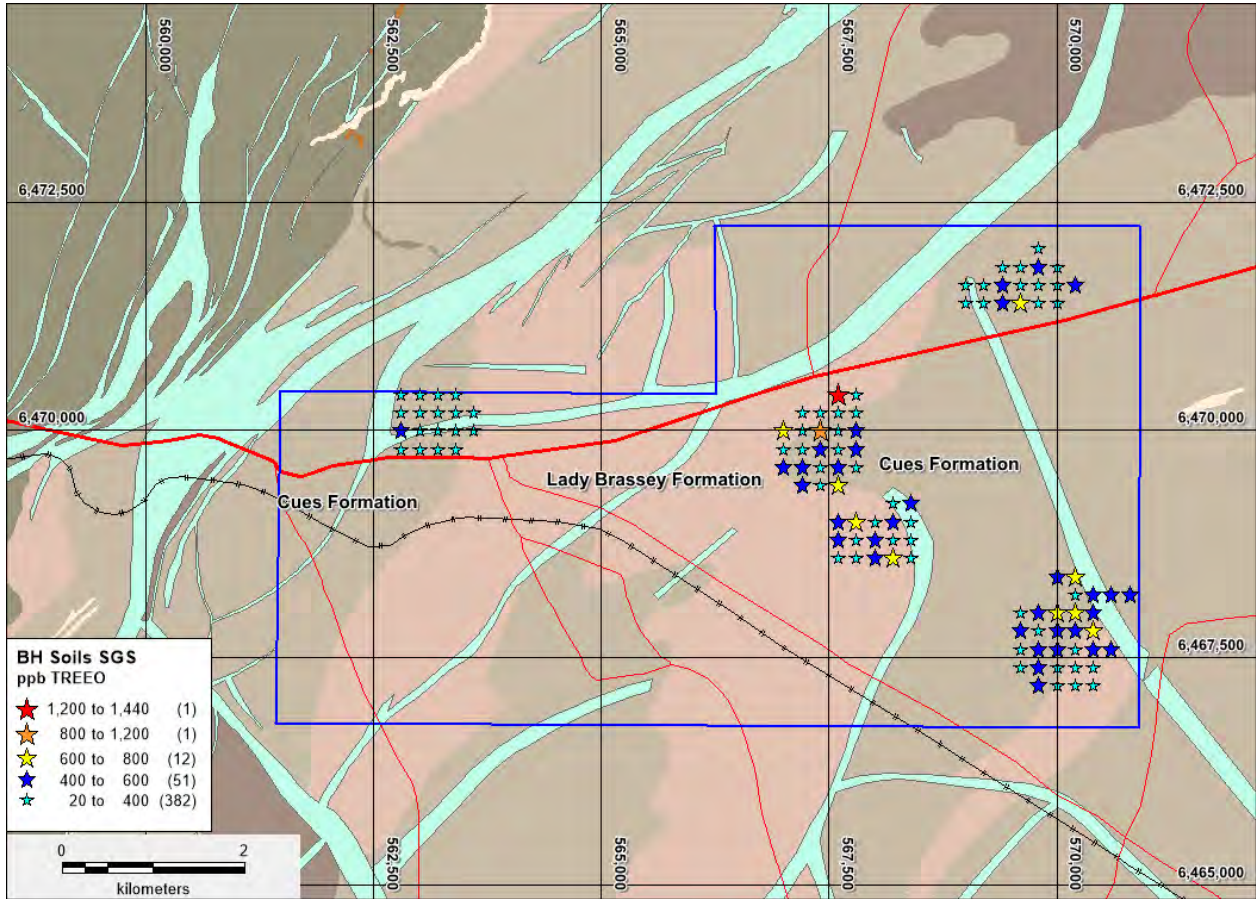


Figure 7: Mt Darling MMI Soil Survey showing (TREEO) results in ppb over geology

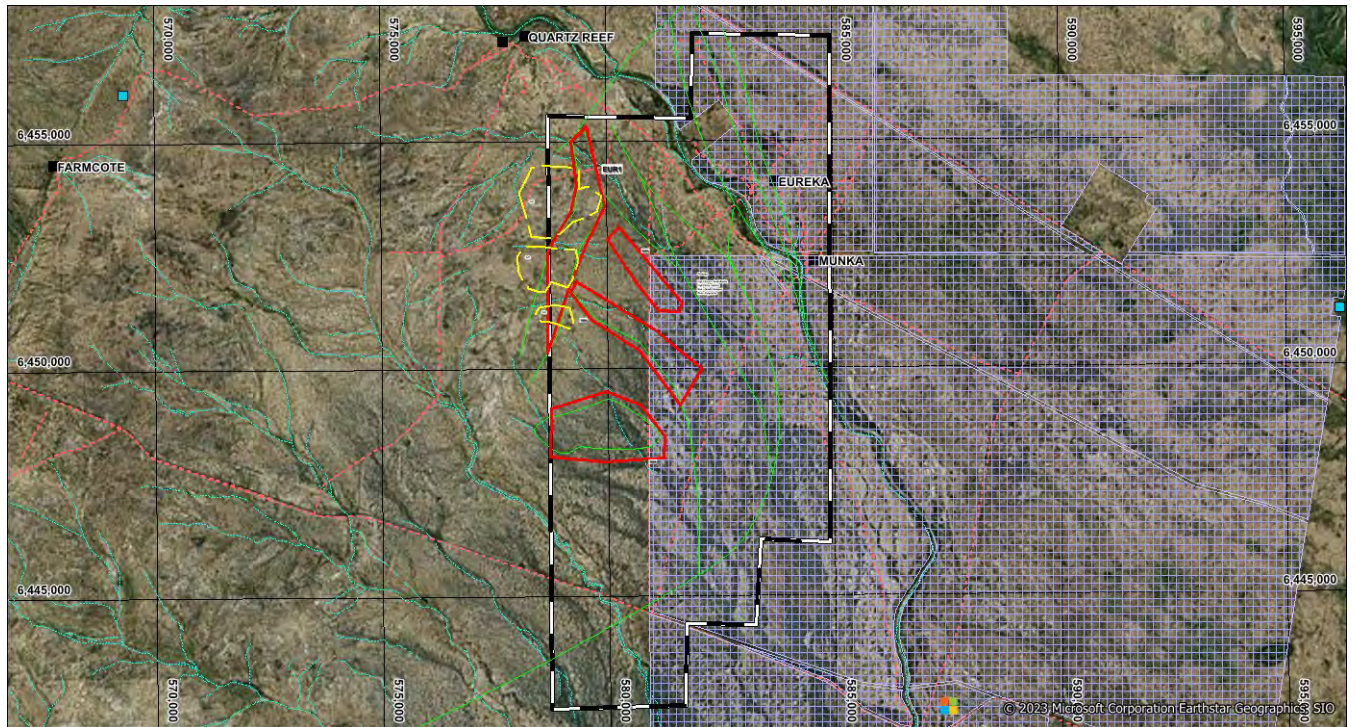


Figure 8: Eureka tenements showing the target areas in red and outcrop in yellow



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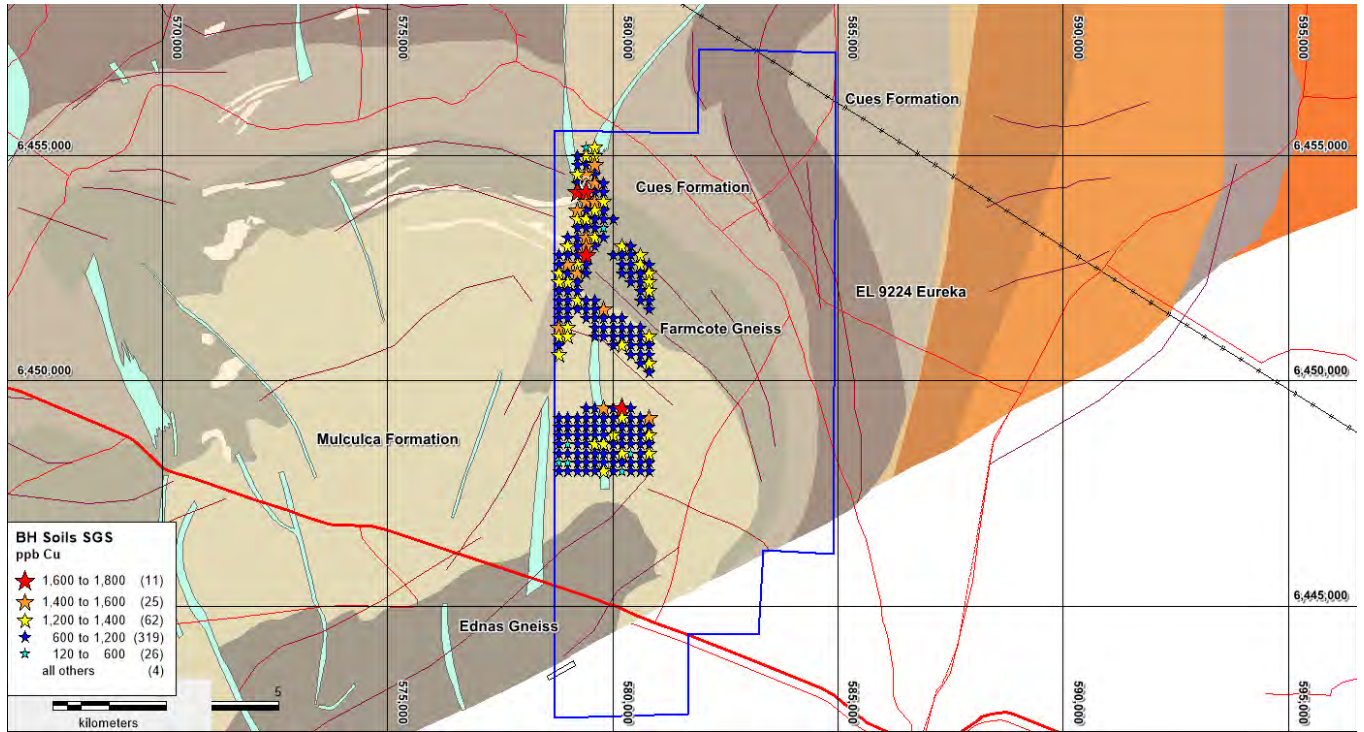


Figure 9: Eureka MMI Soil Survey showing Cu results in ppb over interpreted geology (NSW Geological Survey)

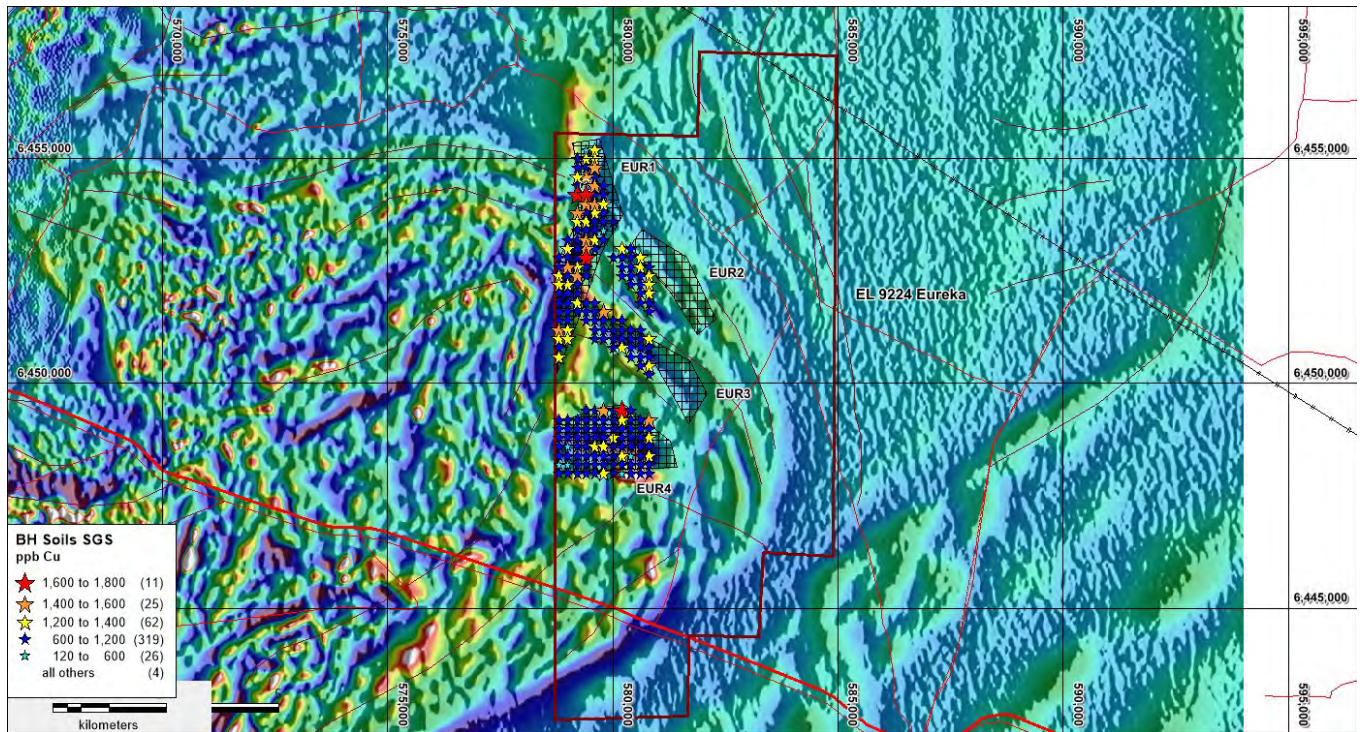


Figure 10: Eureka MMI Soil Survey showing Cu results in ppb over airborne magnetic image



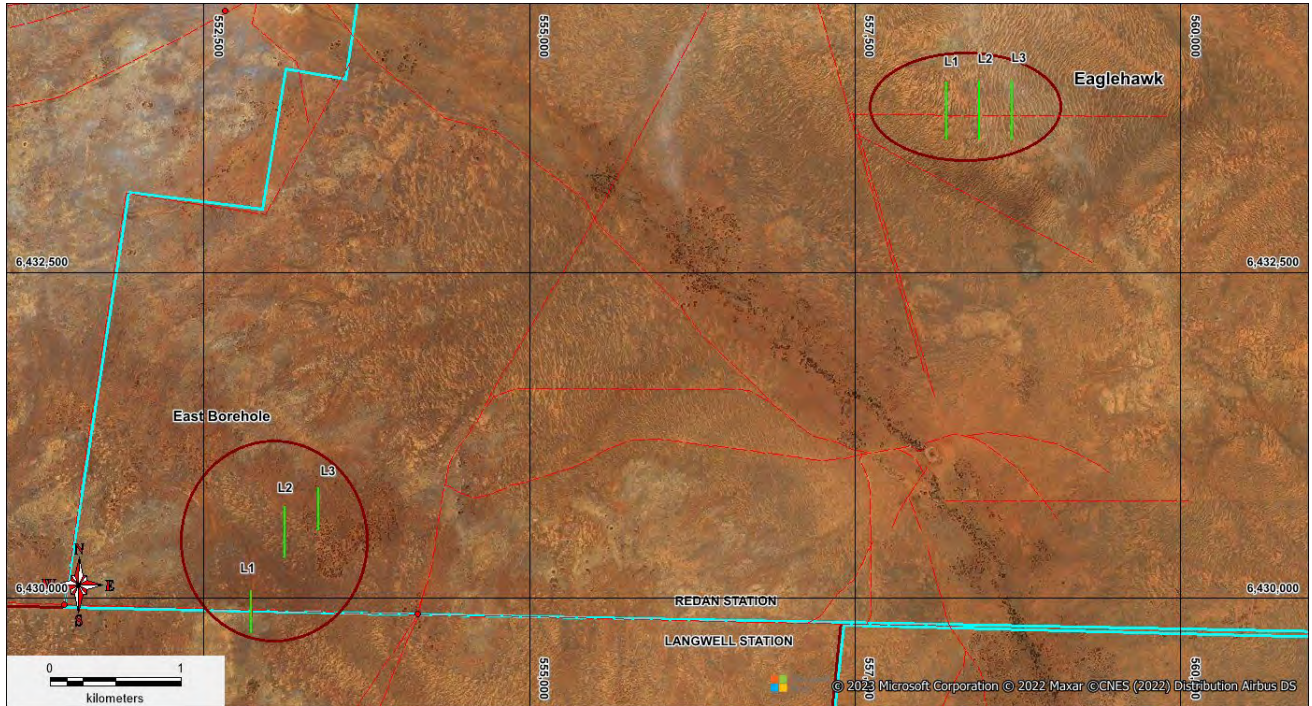


Figure 11: Eaglehawk and East Borehole prospects showing the orientation MMI soil lines in green

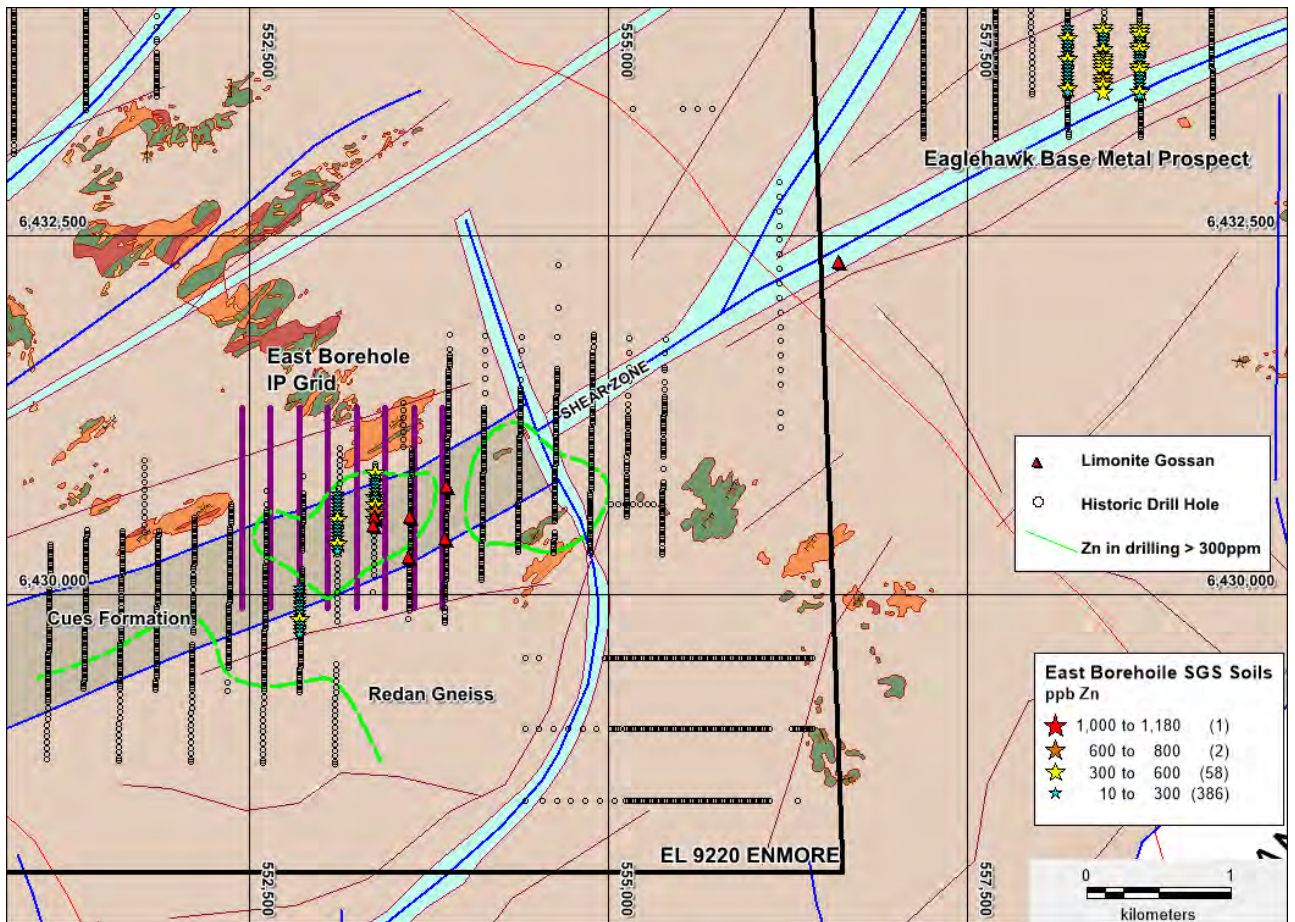


Figure 12: Orientation Soil Sampling at East Borehole and Eaglehawk Prospects



During the sampling program in March 2023, three orientation soil lines have been completed also using the MMI technique within each of Eaglehawk (Kanbarra (EL 8745)) and East Borehole (Enmore (EL 9220)) prospects (**Figures 2 and 11**) to orientate the MMI sampling technique in two areas with known sub surface base metal mineralisation.

The results received in June 2023 (**Figure 12**) showed elevated Zn response between 600 ppb and 1,180 ppb over East Borehole and Eaglehawk. The orientation lines at East Borehole show the elevated Zn in soils located within the area where the Company has conducted an IP survey during the June quarter (*see ASX Announcements of 18 May, 16 June and 5 July 2023*).

#### **Next Phase of Exploration**

- Further prospecting and soil sampling in the areas of elevated SGS geochemistry.
- Shallow Aircore drilling to test the elevated Cu response in Mt Eureka and REE response in Mt Darling.
- RC drill follow up at the East Borehole Prospect on the back of the IP survey results.

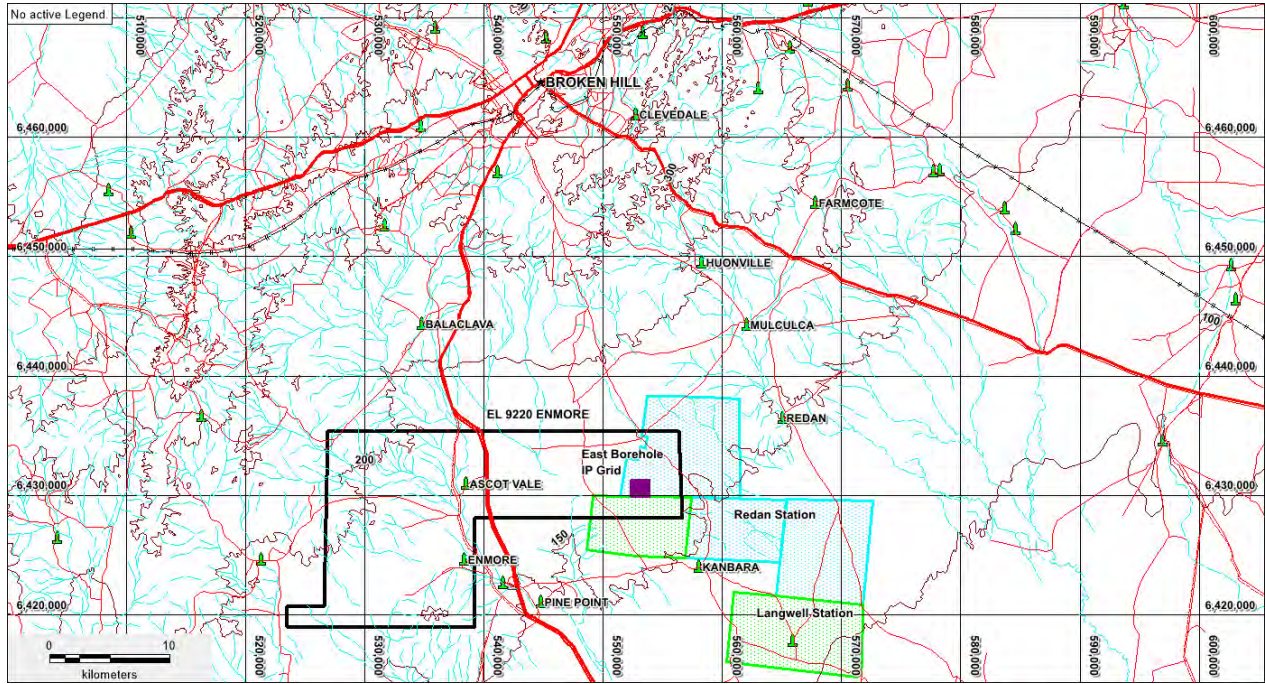
#### **Induced Polarisation Survey**

A Ground Induced Polarisation (IP) survey commenced in mid-May 2023 at the East Borehole Prospect within Enmore (EL 9220) (**Figures 2 and 13**). The survey was planned for 8 lines (**Table 1 and Figure 14**) spaced 200 m apart for Ground IP of 1.4 km long N-S oriented across a 1.5 km base metal exploration target identified during earlier field sampling.

Merlin Geophysics conducted the survey applying the dipole-dipole array method with 50 m electrode spacing and long enough to achieve 300 m depth penetration. Equipment used included a Phoenix TXU-30A transmitter and a Smartem 24 receiver system. Receiving electrodes were standard non-polarising porous pots and transmitter electrodes were buried steel plates. Rama Geoscience interpreted the data in 2D and 3D models.

Due to rain events that prevented access to the ground during work at Line 7 the survey was paused for several days. During that time the interpretation of the then collected data continued and it provided valuable geological insight for a change in the area of focus resulting in moving Line 8 from its the originally planned location of east of Line 7 to west of Line 1.





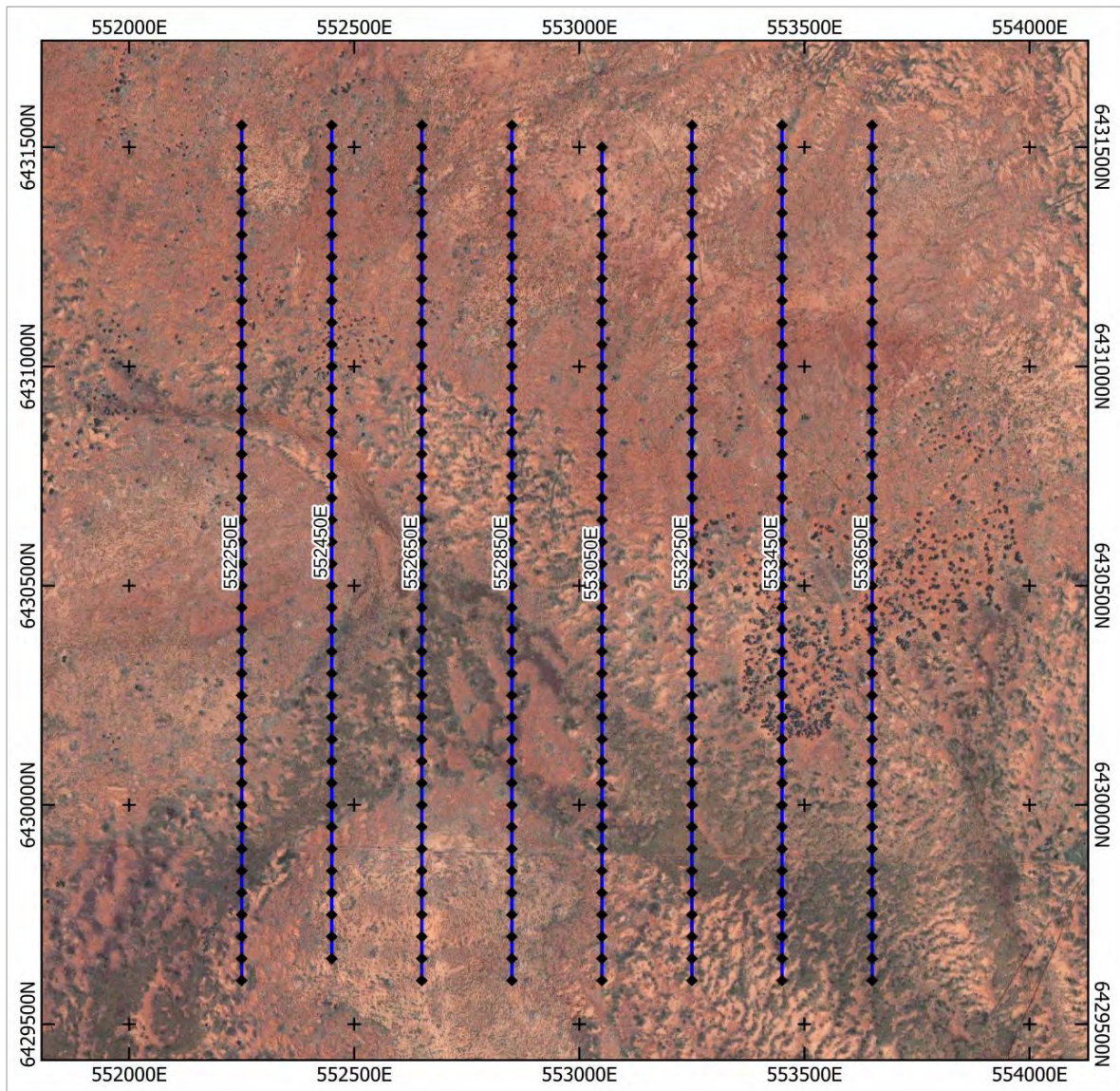
**Figure 13: East Borehole Prospect Location within EL 9220 Enmore southeast of Broken Hill**

Line	South	North	Length (m)
552250E	6429600N	6431550N	1950
552450E	6429650N	6431550N	1900
552650E	6429600N	6431550N	1950
552850E	6429600N	6431550N	1950
553050E	6429600N	6431500N	1900
553250E	6429600N	6431550N	1950
553450E	6429600N	6431550N	1950
553650E	6429600N	6431550N	1950

**Table 1. East Borehole DDIP 2023 Survey Specifications. Coordinates are GDA94/MGA54.**

<sup>2</sup> ASX announcement dated 5 July 2023. The Company is not aware of any new information or data that materially affects the information included in this announcement.





**Figure 14. East Borehole DDIP 2023 Survey Location Map (GDA94/MGA54).**

*Black dots are DDIP electrode locations.*

The field survey was completed on 27 June 2023 and the interpretation results were released in the ASX Announcement of 5 July 2023.

**Two main chargeability zones have been defined by the IP survey<sup>2</sup>**

On the western line 552250E there is a resistive and chargeable zone (up to 20 mV/V) at around 6430600N which appears to be coincident with outcropping Redan Gneiss.

There is a similar resistive and chargeable signature in the north-east corner of the survey area, which is also coincident with outcropping Redan Gneiss. Both of these responses extend to depth, and it is likely that these broad responses at depth are also lithological responses related to the Redan Gneiss, although it is not clear why this unit should have high chargeability. Ground inspection of the outcrops is recommended by



the geophysicist to look for chargeable material within the Redan Gneiss.

Of more potential interest are two moderately chargeable zones (10-12 mV/V) located to the south of the northern contact between the Cues Formation and the Redan Gneiss (**Figure 15**).

They are best illustrated in depth slices through the 3D chargeability inversion model which show the two zones as ENE trending chargeable highs possibly bisected by a NW trending fault (**Figure 14**, 105 m and 155 m depth slices through the chargeability model).

The two zones are also indicated in **Figures 15 and 16**. The western zone starts from about 100 m deep, has 150 m - 200 m of depth extent, and around 500 m strike extent. The eastern zone is a little deeper starting at around 150 m deep but extends to depth and has a more broad and diffuse response **Figure 17**. The eastern zone has around 300 m of strike extent defined but is open to the east **Figure 18**.

These two anomalies are located in proximity to geochemical anomalism ( $Zn > 300$  ppm in historic drilling) and are possible targets for sulphide mineralisation within the Cues Formation. Proposed drillholes to test the two targets are listed in **Table 2** and are shown in **Figures 16, 17 and 18**.

Hole	East (MGA54)	North (MGA54)	Elevation	Dip	Azim (MGA54)	Depth
EB1	552450	6430450	174	-60	180	275
EB2	553650	6430870	178	-60	180	325

*Table 2. Proposed drillholes to test the two chargeability targets in the Cues Formation.*



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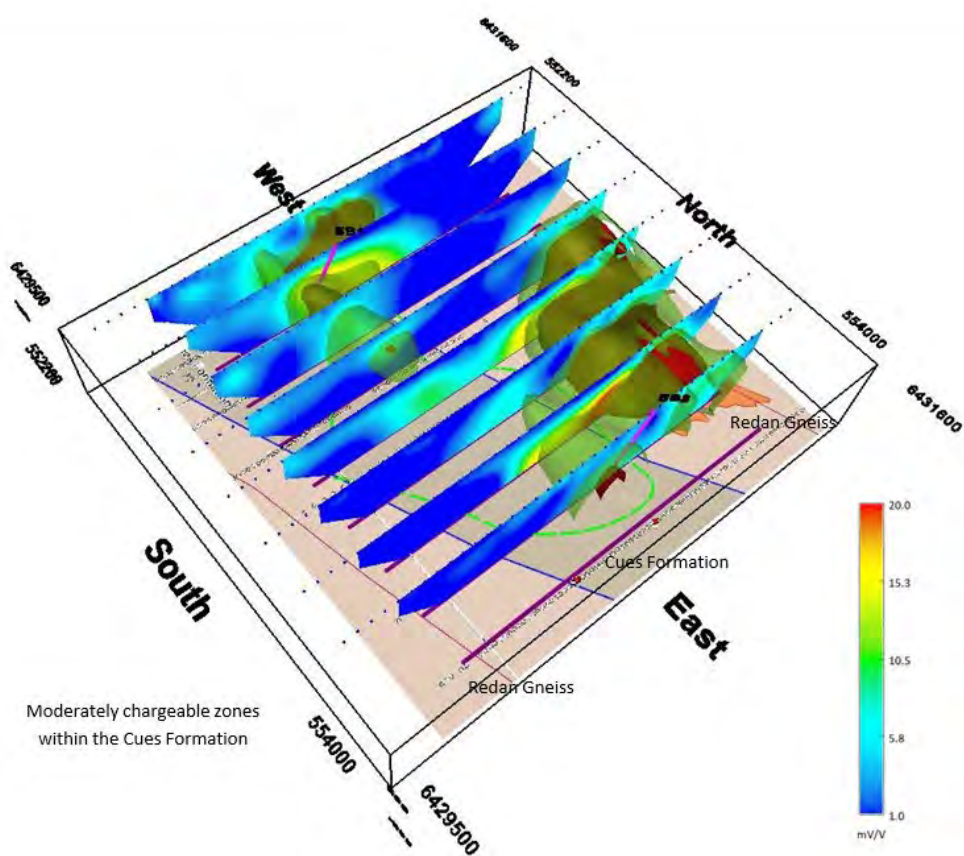


Figure 15. Perspective view looking from the SE. Sections are 2D inverted chargeability. Shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. Proposed drillholes EB1 and EB2 shown as pink traces

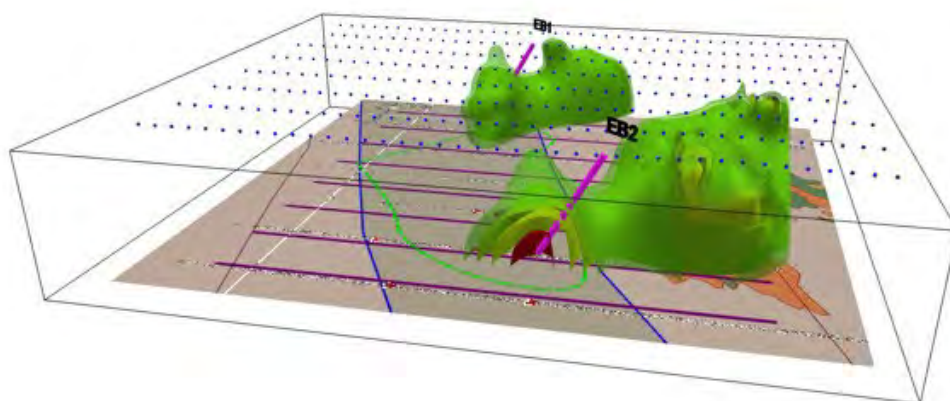


Figure 16. Perspective view looking from the East. Sections are 2D inverted chargeability. Green shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. The proposed drill traces of the two proposed drill holes EB1 and 2 are shown in purple and Cues Formation outlined in blue.

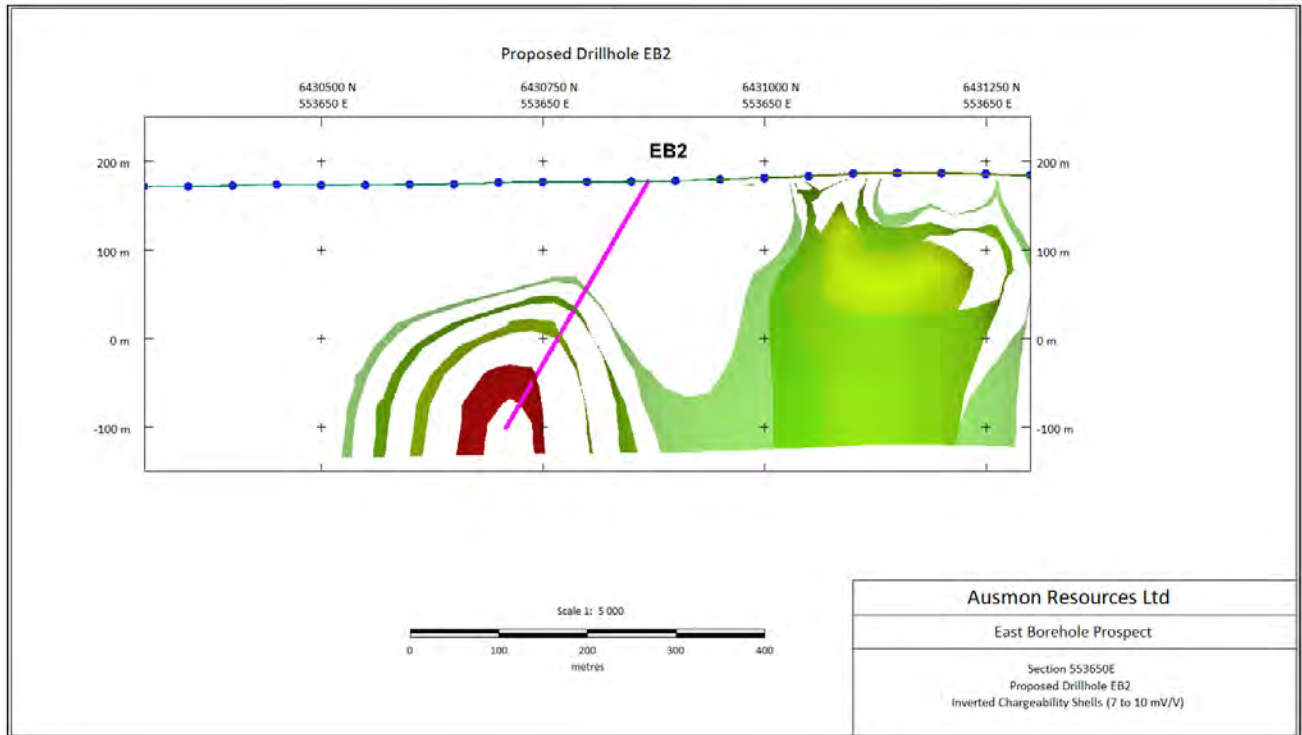


Figure 17. Cross section showing proposed hole trace for EB1 intersecting the western chargeability anomaly

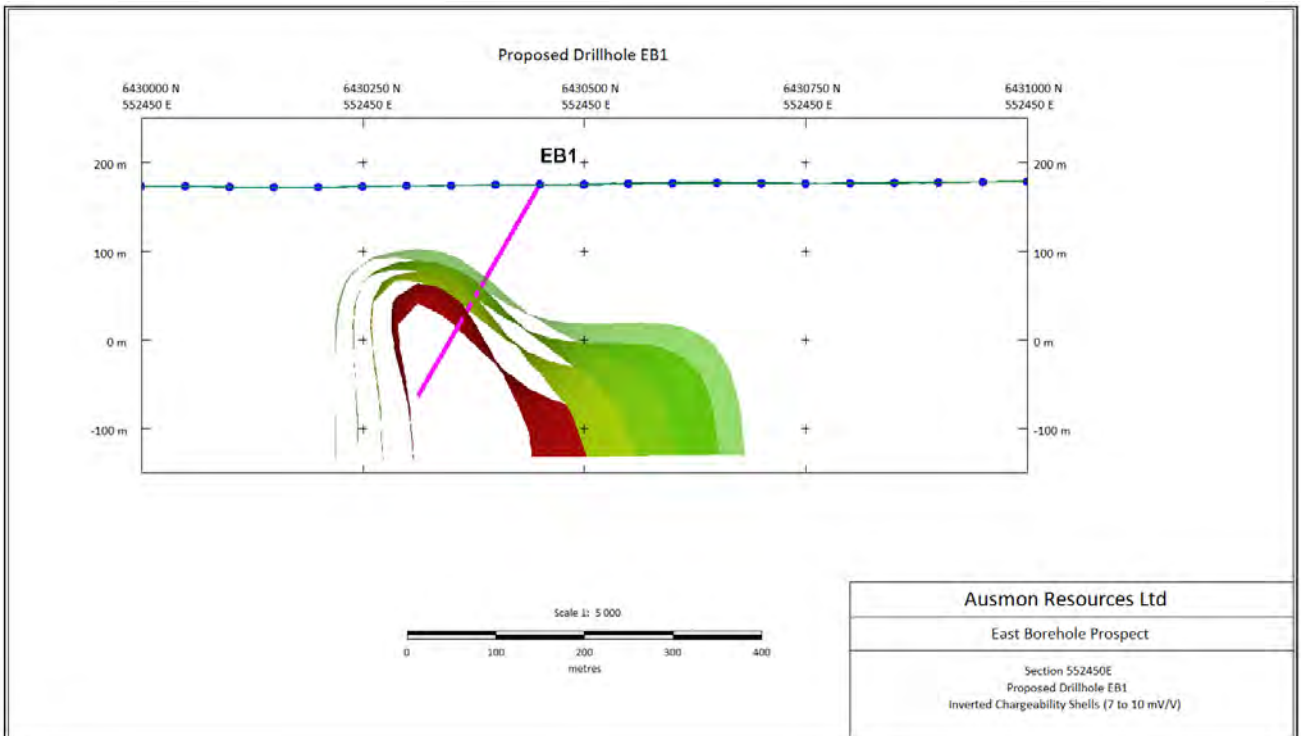


Figure 18. Cross section showing proposed hole trace for EB2 intersecting the western chargeability anomaly



## Next Phase of Exploration at Enmore EL 9220

- Review all historic exploration in light of the recent Ground IP Survey
- Geological mapping in the vicinity of the large chargeability high in the NE of the survey area to determine if it is a lithological response.
- Fine fraction soil grid sampling of the Clues Formation in the NW of the tenement where there has been very little exploration apart from a small historic shallow drilling program in the south of the area (**Figure 20**).
- Plan drill testing of East Borehole IP chargeability anomalies.

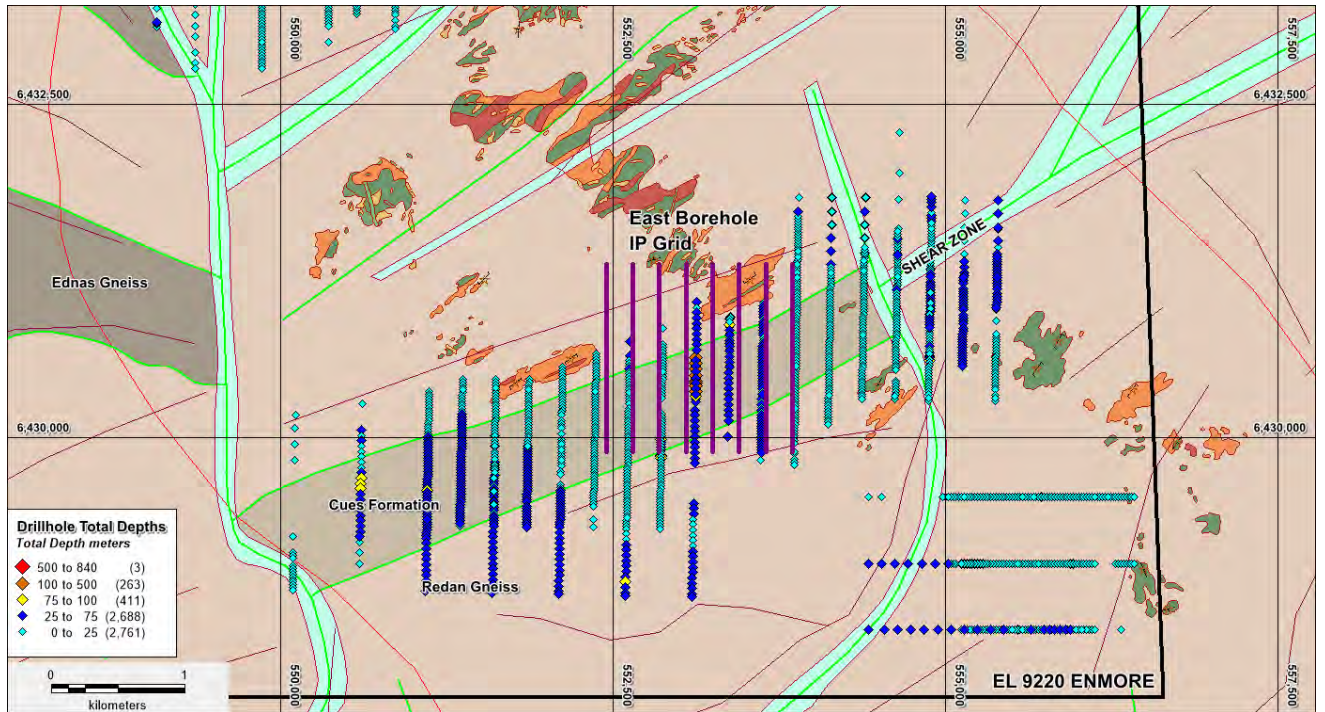
### Background

#### Geology of the area

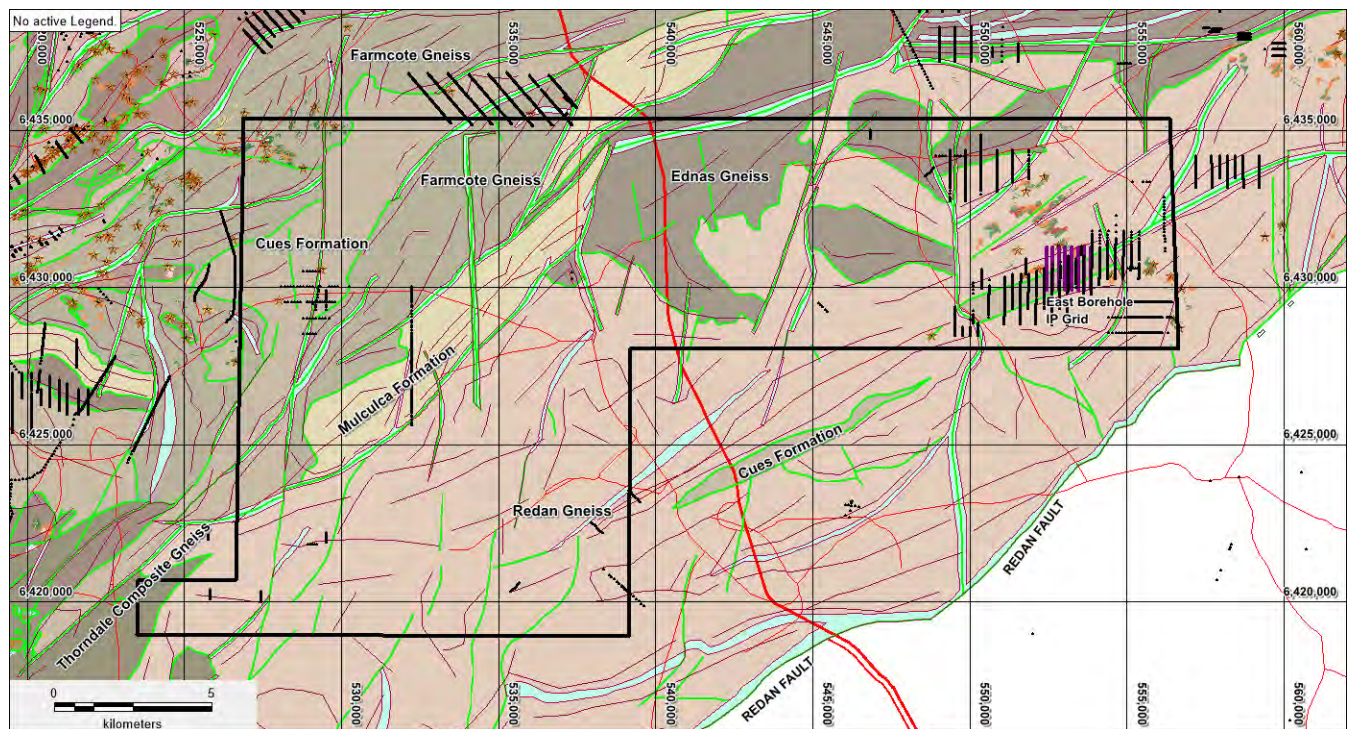
The Enmore tenement is located in the Thackaringa Group and underlying gneissic units located stratigraphically below the Broken Hill Group that hosts the world class Broken Hill Orebody Pb Zn Ag orebody currently being mined adjacent and to the south of Broken Hill Township (**Figures 20 to 21**).

The Enmore tenement is dominated by the Redan Gneiss in the east and Edna/Farmcote Gneisses, Mulculca Formation in the west. The Cuse Formation of the Thackaringa Group outcrops as the East Borehole Prospect and in the far northwest of the tenement. The Cues Formation at the East Borehole Prospect comprises predominantly felsic biotite schist flanked by quartz feldspar gneiss of the Redan Gneiss (**Figure 19**). The Cues formation from GSNSW drilling database shows several drill holes to have intersected limonitic gossanous within the Cues Formation that regionally includes “Psammitic and pelitic metasediments with the Cues Formation locally including garnet-quartz +/- magnetite rocks and granular quartz-iron oxide/sulphides rocks”.

The intersection of limonite gossanous intervals in the East Borehole Drilling (historic) may be the surface expression of deeper sulphide mineralisation that is being tested by the IP survey. The NE-NW trending Cues Formation at the East Borehole Prospect (**Figures 19 and 21**) show the Cues Formation as having a low magnetic response and the Redan Gneiss adjacent and to the north as having a linear magnetic response. The IP survey has been designed to test the linear magnetic low and adjacent linear magnetic high in the Redan Gneiss.

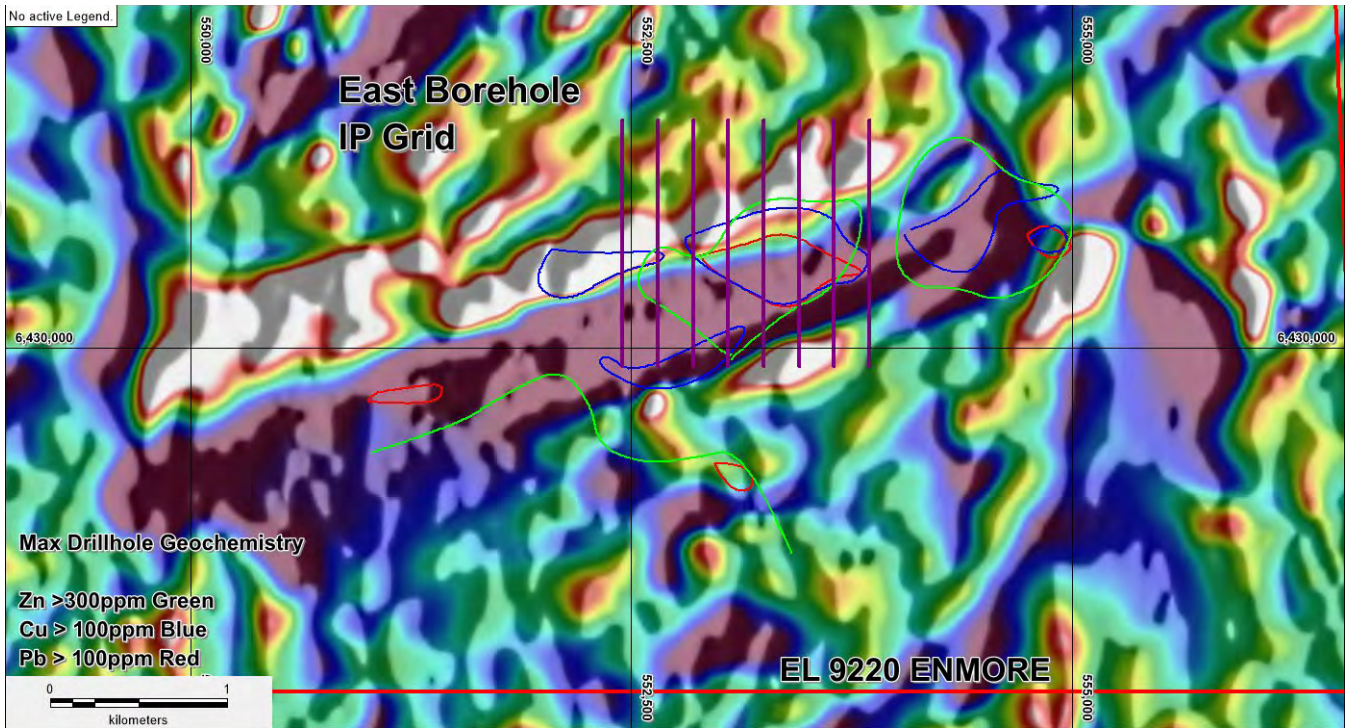


**Figure 19: East Borehole Solid Geological Interpretation - GSNSW Minview GIS Website**

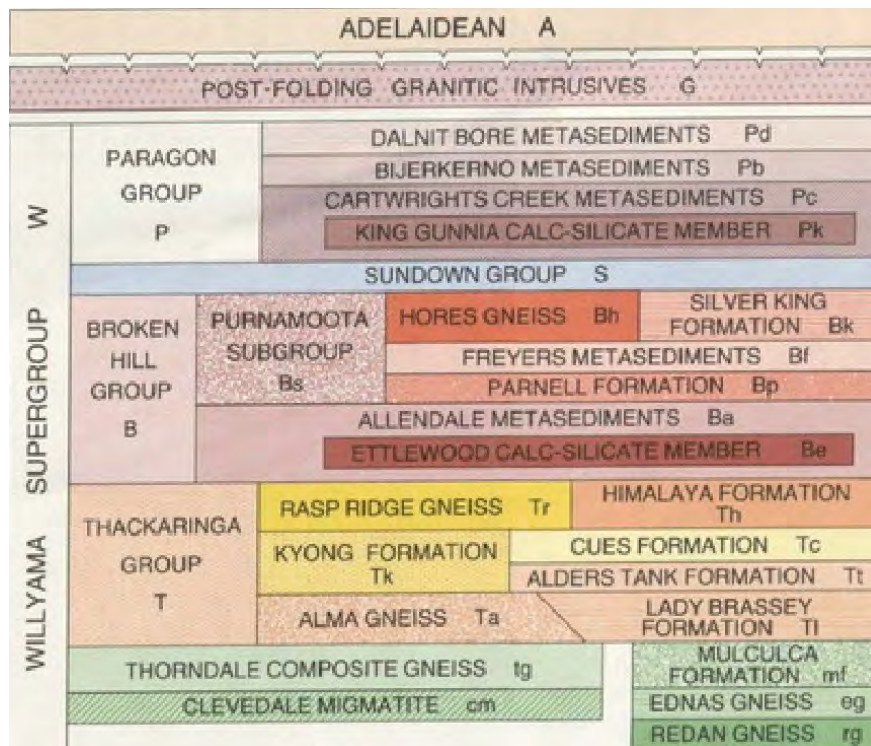


**Figure 20: East Borehole Solid Geological Interpretation with GSNSW 1:25,000 Redan mapping outcrop polygons overlaid. Also shown is the GSNSW Minview Drilling Dataset codes for depth of drilling in meters.**





**Figure 21: Aeromagnetic RTP Magnetic Image showing the East Borehole IP Grid in purple and the associated low magnetic response of the Cues**



**Figure 22: Broken Hill Regional Stratigraphic Column**



**CUES FORMATION** Mainly psammopelitic to psammitic composite gneisses or metasediments, with intercalated bodies of basic gneiss. The basic gneisses occur in a substantial continuous interval in the middle sections of the formation, underlain by thinner, less continuous bodies. The basic gneisses are moderately Fe-rich, (abundant orthopyroxene or garnet), and finely layered, in places with pale feldspar-rich layers, and are associated with medium-grained quartz - feldspar - biotite - garnet gneiss or rock which occurs in thin bodies or pods. A distinctive leucocratic quartz - microcline - albite ± garnet gneiss (interpreted as metarhyolite) occurs as thin, continuous and extensive horizons, in several areas. The Cues Formation is characterized by stratiform horizons of granular garnet-quartz ± magnetite rocks, and granular quartz - iron oxide/sulphide rocks, and granular quartz - magnetite rocks. The sulphide-bearing rocks may be lateral equivalents of, or associates of, Broken Hill type stratiform mineralization. Minor layered garnet - epidote - quartz calc-silicate rocks occur locally within the middle to basal section.

**KYONG FORMATION** Psammitic to pelitic metasediments intercalated with quartzo-feldspathic gneisses which form beds 1m to tens of metres thick and lenses. Gneisses include leucocratic and biotite-rich types, and some contain sillimanite and/or feldspar megacrysts. Minor basic gneiss, granular ferruginous and cupiferous quartz rock, garnet-quartz rock, garnet-haematite rock, very minor medium-grained quartz-feldspar-biotite-garnet gneiss, quartz magnetite rock, and poorly layered calc-silicate rock.

**ALDERS TANK FORMATION** Consists largely of composite gneisses, with little or no basic gneiss, local minor plagioclase-quartz rocks and minor granular quartz-iron oxide/iron sulphide "lode" rocks. The composite gneisses range from quartzo-feldspathic and psammopelitic in the southwest, to psammitic/psammopelitic elsewhere. In the Broken Hill Synform the composite gneiss is quartzo-feldspathic and very cordierite-garnet rich near the base.

**LADY BRASSEY FORMATION** Well to poorly bedded leucocratic sodic plagioclase - quartz rocks, either massive, discrete units or thin to thick interbeds within psammitic to pelitic metasedimentary composite gneisses. Substantial conformable masses of basic gneiss. In the southeast contains abundant leucocratic quartzo-feldspathic gneiss, and is magnetite rich.

**THORNDALE COMPOSITE GNEISS.** Mainly metasedimentary quartz - feldspar - biotite - sillimanite ± garnet ± cordierite composite gneiss, consisting of interlayered psammite and psammopelite, generally with minor pelite and abundant pegmatitic to granitic quartzo-feldspathic segregations. Segregations commonly disrupt bedding. Other rocks present include psammitic, psammopelitic, and pelitic metasediment, basic gneiss, minor plagioclase-quartz rock and K-feldspar - rich leucocratic rock, and rare quartz - magnetite and quartz - iron oxide/sulphide rocks. Bedding in the composite gneiss/metasediments is generally disrupted, lenticular and/or discontinuous, and highly variable in thickness. Rare graded bedding, crossbedding, and scour-and-fill structures are present in places.

**CLEVEDALE MIGMATITE.** Mainly migmatite to quartzo-feldspathic composite gneiss (commonly leucocratic). Minor basic gneiss and very rare, thin, plagioclase - quartz rock and medium-grained biotite-rich quartzo-feldspathic gneiss. Bedding extensively disrupted and mainly thin and discontinuous.

**MULCULCA FORMATION.** Abundant metasedimentary composite gneiss, variable sodic plagioclase - quartz - magnetite rock, quartz - albite - magnetite gneiss, minor quartz - magnetite rock common, minor basic gneiss, albite - hornblende-quartz rock.

**EDNAS GNEISS.** Quartz - albite - magnetite gneiss, sodic plagioclase - quartz - magnetite rock, minor albite - hornblende - quartz rock, minor quartzo - feldspathic composite gneiss.

**REDAN GNEISS.** Albite - hornblende - quartz rock, sodic plagioclase - quartz - magnetite rock, minor quartz - albite - magnetite gneiss.

**Figure 23: Stratigraphic Unit Descriptions – GSNSW**

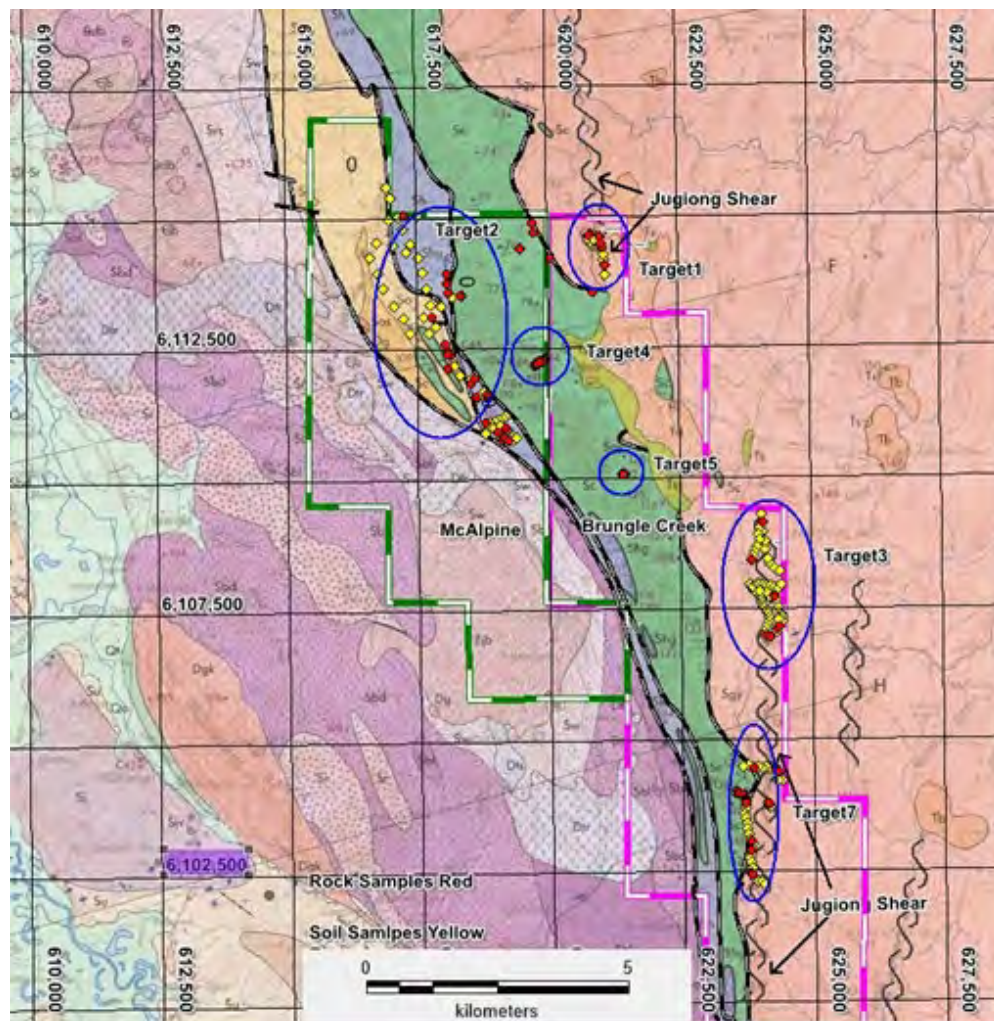


**NEW SOUTH WALES**  
**COBALT AND BASE METALS (COPPER, CHROMITE AND NICKEL) EXPLORATION**

*Near Tumut – 100% interest*  
**EL 9252 and EL 8954**

McAlpine EL 9252 and Brungle Creek EL 8954 cover a total area of approximately 106 square kilometres within an exciting exploration region with potential for Cobalt, Copper, Chromite, Gold and Nickel 15 km north-east of Tumut, 15 km south-east of Gundagai and adjacent to the serpentine ridge of the Honeysuckle Range. EL 9252 covers the McAlpine Copper and Chromite historical workings, is adjacent and to the west of Brungle Creek EL 8954.

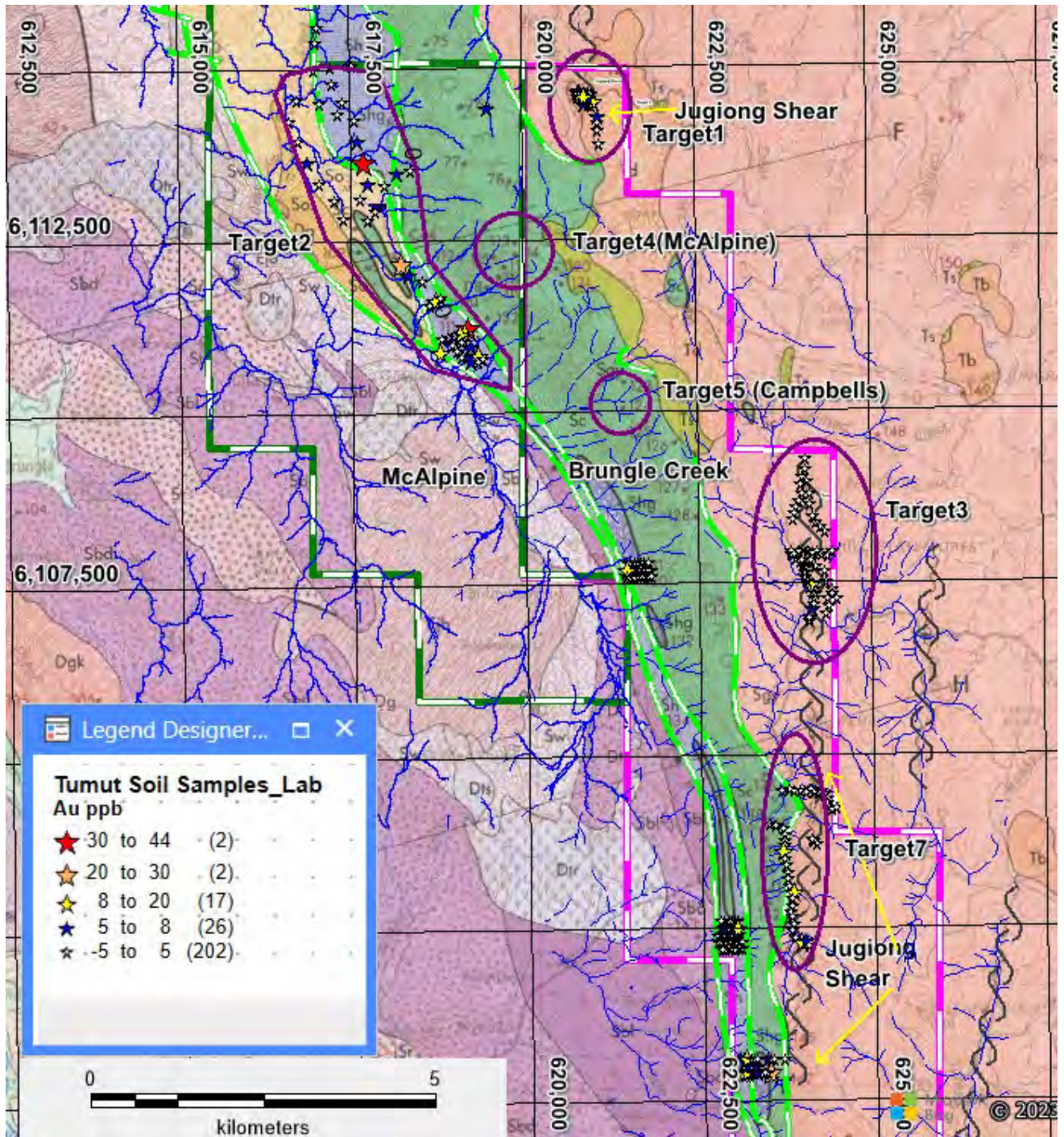
After the completion of geochemical sampling of Targets 1, 2, 3, 4, 5 and 7 (**Figures 24 and 25**) within the two tenements at the end of the March Quarter (see *ASX Announcement dated 30 March 2023*) the activities during the June Quarter have been to review all exploration results including historical exploration to determine follow up targeted exploration at key prospects in the financial year 2024.



**Figure 24: Location of Brungle Creek (Pink EL8954) and McAlpine(Green EL9252) tenements Northeast of Tumut and the 6 target areas investigated**



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*Figure 25: Location of Brungle Creek (Pink EL8954) and McAlpine (Green EL9252) tenements Showing Au ppb soil results and faults in green*



## SOUTH AUSTRALIA

### RARE EARTH ELEMENTS (REE) EXPLORATION

*Parrakie (EL 6795), Mt Rough (EL 6796), Kingston (EL 6797) and Wolseley (EL 6807)*

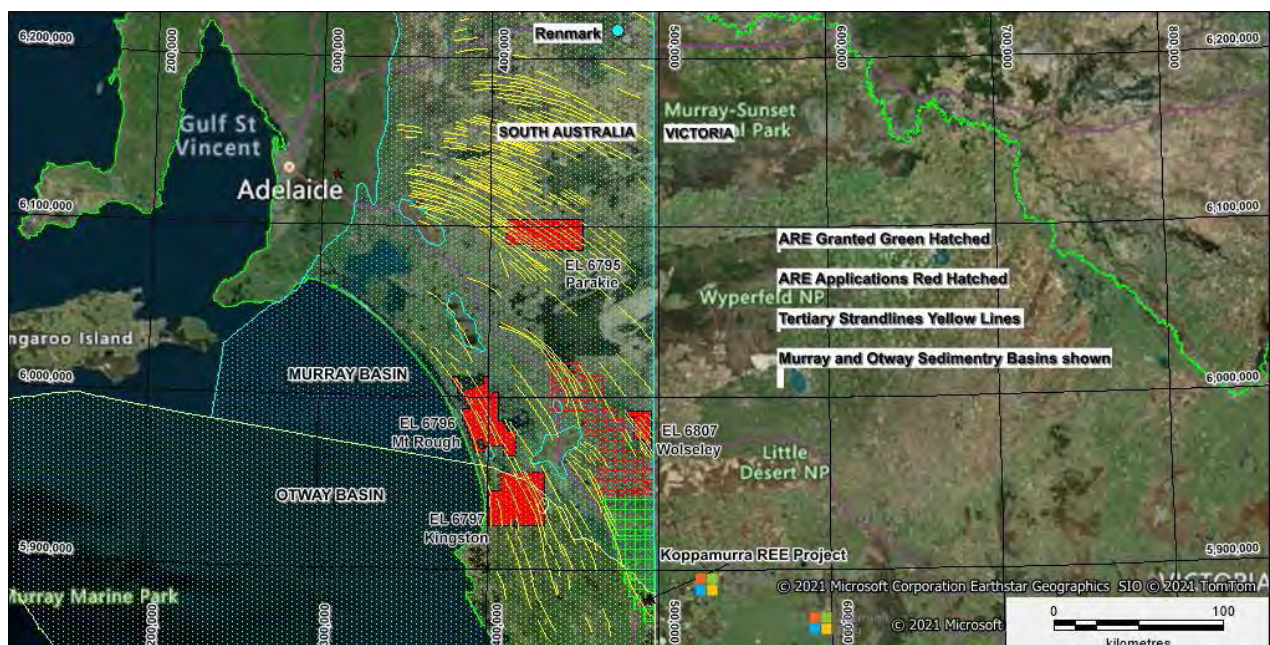
*Murray and Otway Basins - 100% interest*

The total area of the 4 ELs held by the Company is approximately 2,775 square kilometers in the Limestone Coast Region south-east of Adelaide (**Figure 26**) within the Loxton Sands or equivalent of the Murray and Otway Basins.

Rare Earth Elements (“REE”) are reportedly contained within the fine clay fraction of Tertiary (65 to 2.5 Million Years Ago) Strandlines (“ionic clay style of deposit”) in the region. Australian Rare Earth (ASX:AR3) has a large area in the region and recently announced an increased JORC mineral resource estimate to 101 million tonnes @ 818 ppm TREO (Total Rare Earth Oxides) at their Koppamura project prospective for ionic clay REE deposit (see AR3’s ASX announcement of 3 April 2023).

The SA Mines Department holds a selection of core and drill chips from historical drilling campaigns. The availability of those drill hole materials provides the Company with low cost source of samples for REE analysis without incurring the costs of drilling. Since the March 2023 quarter the Company has engaged Adelaide based Challenger Geological Consulting (CGC) to retrieve a selection of drill hole materials within all 4 tenements and to scan samples with the pXRF Olympus Vanta M series which is capable to scan a range of key REE elements namely, Yttrium, Lanthanum, Cerium, Praseodymium(Pd) and Neodymium (Nd). Having regards to the results of the scans, selected samples have been submitted to ALS Laboratory in Adelaide for a full suite tests of REE.

With the information from the pXRF scans and laboratory results in addition to other geological work carried out to date the Company has identified areas to focus for Aircore drilling in the 2024 financial year. The current plan is for first drill test the Parrakie and Wolseley tenements where council approvals have been obtained to drill on road verges.



**Figure 26: South Australian REE Licence Areas and associated Murray and Otway Basins**



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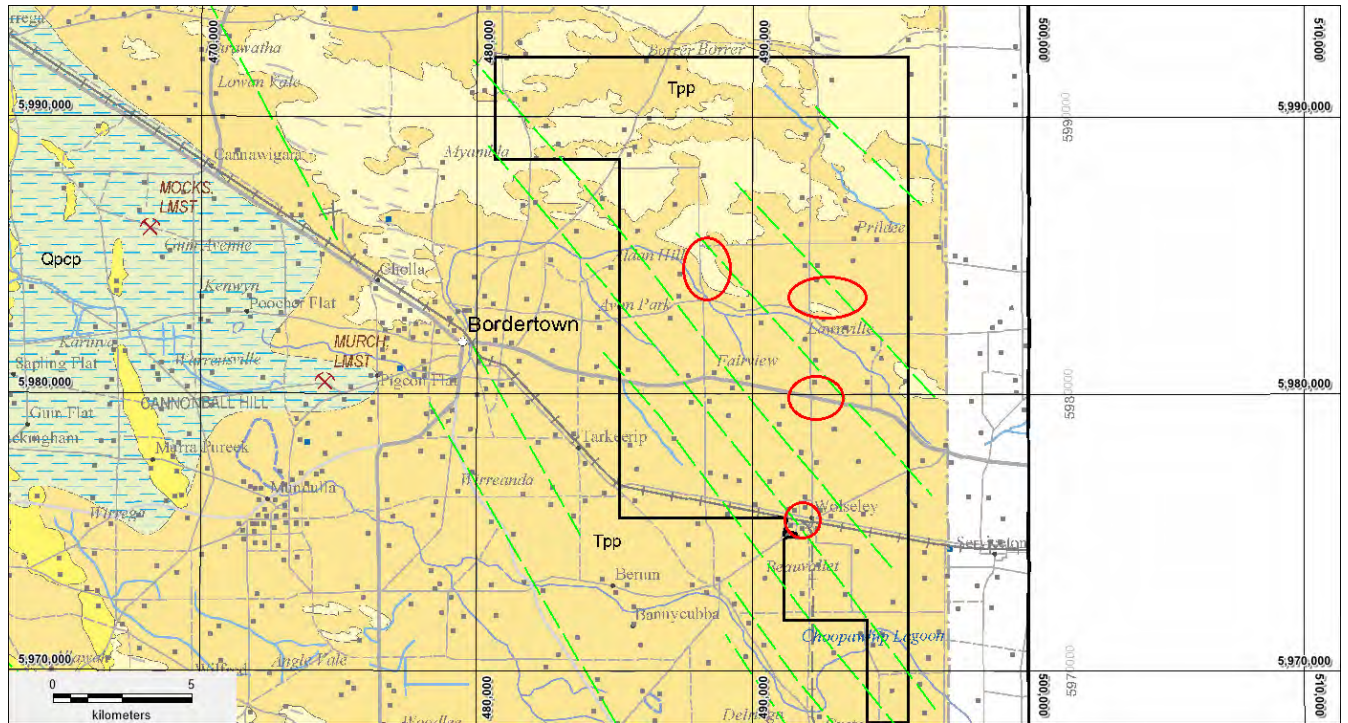


Figure 27: Parakie EL showing the areas of pXRF sampling marked in red

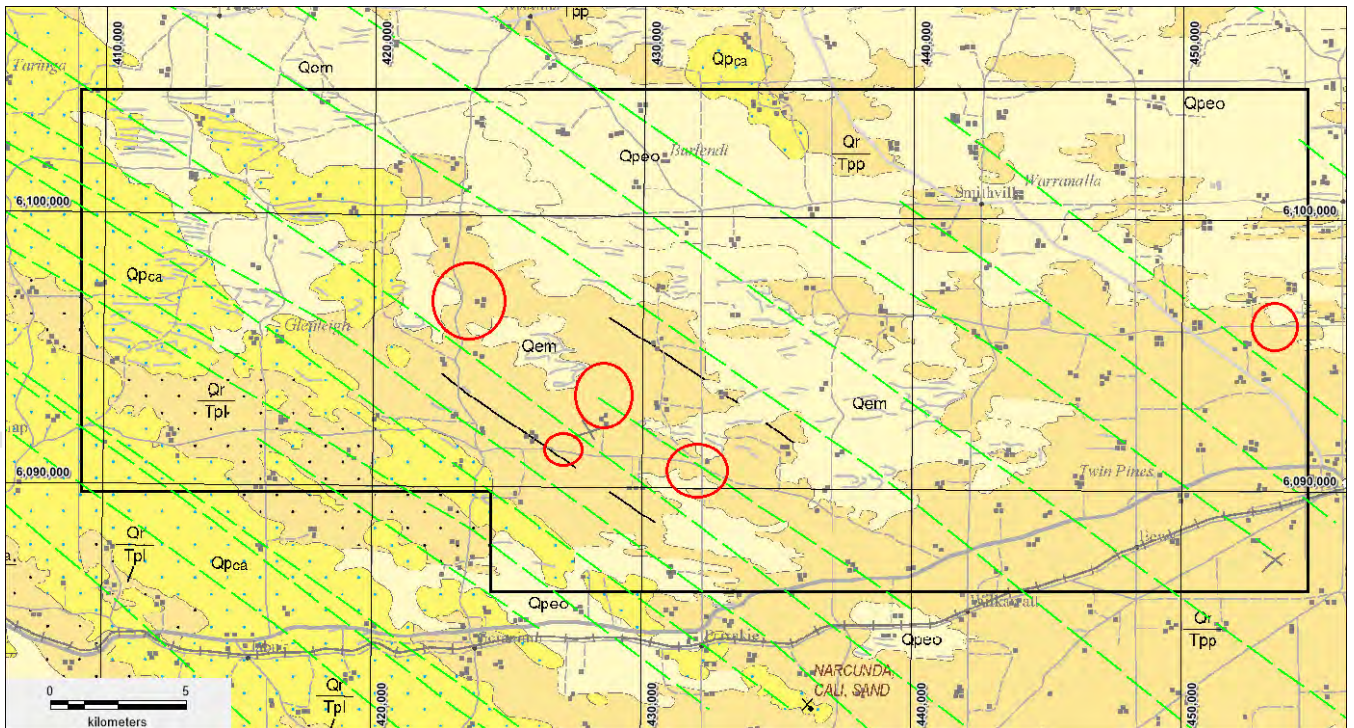


Figure 28: Walseley EL showing the areas of pXRF sampling marked in red



## Proposed exploration in 2024 financial year

- Finalise pXRF sampling of selected historic drill material.
- Plan Aircore drill programs and presentation to District Councils
- Complete “Dial Before You Dig” search of proposed drill sites.
- Prepare presentation for community meetings.
- Engage traffic management service providers.
- Submit drill tenders and engaged driller for planned Aircore drilling.
- Carry out drilling programs.
- Sample selected granite for Whole Rock Analyses

## WESTERN AUSTRALIA LITHIUM EXPLORATION

### *Barneys (ELA 38/3718) and Neckersgat (ELA 38/3719) Laverton Area - 100% interest*

In the March 2023 quarter, the Company’s wholly owned subsidiary AUSBCM Pty Ltd was granted 2 tenements, Barneys EL 38/3718 and Neckersgat EL 38/3719 covering a total area of 275.8 km<sup>2</sup> near Laverton in the Eastern Goldfields of Western Australia (**Figure 29**) by the WA Department of Mines Industry Regulations and Safety (DMIRS).

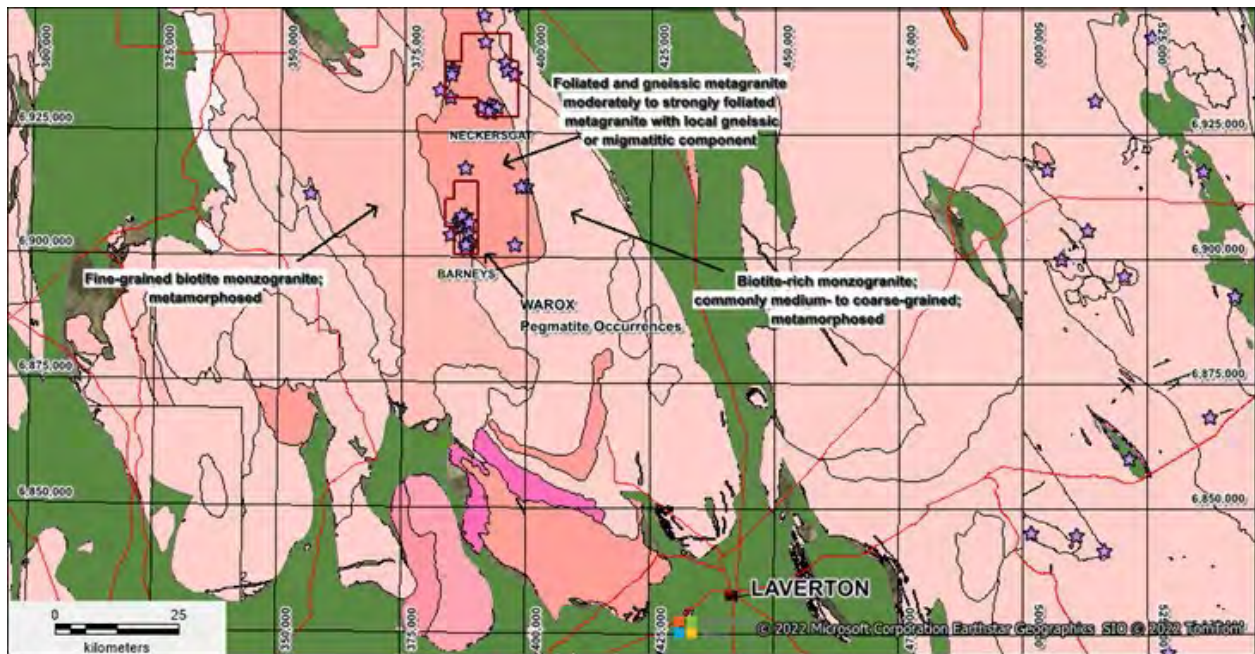
The Company has been attending to the required Native Title process to enable the conduct of field work in financial year 2024.



**Figure 29:** Laverton area applications Barneys and Neckersgat located to the north of Laverton in the Eastern Goldfields of WA

## Potential of the areas

Since 2021, the Company has actively reviewed for possible lithium opportunities in Western Australia and has carried out extensive reviews of published geological, geochemical, and geophysical data sets both within the Governments GeoVIEW and the Company's inhouse MapInfo GIS systems. A large database has been assembled comprising whole rock geochemistry which includes lithium assays and detailed interpreted geology across the state. A concentration of pegmatite occurrences was noted to the NW of Laverton that have had very limited sampling focussing on the lithium potential.



**Figure 30:** Laverton area applications Barneys and Neckersgat and showing the location of several pegmatites. The pegmatite data is located within the GSWA WAROX data base

The Company believes, given the limited understanding of the nature of these pegmatites, that a focussed exploration is warranted to determine if these pegmatites belong to the LCT (Lithium Caesium Tantalum) variety that is associated with lithium mineralisation currently being mined as several operations within Western Australia.

## Regional Geology and Mineralisation

The broad geological setting is Archean Yilgarn Craton granite/greenstone terranes as shown in **Figure 30** with the greenstone terrains shown in green and the granites in pink/red. The states, major gold and nickel mines are situated on the greenstone terranes. The lithium operations are located primarily within the greenstone terranes i.e., Wodgina, Pilgangoora etc however the Greenbushes Lithium, the largest in WA is located within the Balingup Metamorphic Belt of the Western Gneiss Terrane, dominated by metamorphosed granitic lithologies in addition to more mafic to ultramafic varieties of igneous rocks as occur at Greenbushes. The NW oriented Donnybrook-Bridgetown shear zone that appears to be associated with the emplacement of the pegmatites at Greenbushes is an ancient structure, characterised by steeply dipping mylonitic textures, horizontal stretching lineations, asymmetric folds and evidence of sinistral strike-slip movement. It corresponds to a sequence of sheared gneiss, orthogneiss, amphibolite and



migmatite outcrops along the trace of the lineament. A series of syn-tectonic granitoid intrusives also occur within the Balingup Metamorphic Belt, elongated along the Donnybrook-Bridgetown Shear Zone.

Within the Regional Laverton Lithium Project, the dominant lithology is a fine to coarse grained monzogranite flanked by the Duketon Greenstone Belt to the west (**Figure 30**). The lithium occurrences are hosted by strongly foliated and gneissic metagranite with local gneissic or migmatitic (A composite rock found in medium and high-grade metamorphic environments consisting of two or more constituents often layered repetitively with the alternate layer being a pegmatitic or finer granite). The gneissic nature represents a higher metamorphic grade and possibly significant structural component.

#### Proposed exploration from the 2024 financial year

- Review of all available historic exploration.
- Execute access agreements with land holders and native title parties.
- Digitisation of geochemical and drilling data into the Company’s GIS data base.
- Geological/regolith mapping and surficial geochemical sampling.
- Compilation of all geophysical survey data and a lithostructural interpretation.
- RC drill testing of high priority targets that may be identified from the work above.

#### EXPLORATION EXPENDITURE

During the quarter the Group incurred the following amounts in mineral exploration and evaluation activities:

	\$
IP Survey	97,000
Assays	44,000
pXRF analyser equipment	50,000
Geology and geophysics	78,000
Rent and other project management costs	21,000
Total	<u>290,000</u>

There were no mining production and development activities during the quarter.

#### TECHNICAL RELEASES SINCE COMMENCEMENT OF JUNE 2023 QUARTER

This Quarterly Activities Report contains information extracted from the Company’s ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results can be found in the following announcements lodged on the ASX:

4 April 2023	Soil sampling completed at EL9230 and EL9224, Broken Hill NSW
28 April 2023	Quarterly Activities Report
18 May 2023	Ground IP survey commences at EL 9220, Broken Hill NSW
1 June 2023	Soil sampling results – EL 9230 and EL 9224, Broken Hill NSW
14 and 16 June 2023	Update on ground IP survey at EL 9220 in Broken Hill NSW
5 July 2023	Ground IP survey completed at EL 9220 Enmore, Broken Hill

The Company is not aware of any new information or data that materially affects the information included in these announcements.

## LICENCES STATUS

Minerals tenements held and under application as of 30 June 2023 and their locations are set out in the table below. There was no change during the quarter.

Tenement	Area Name	Location	Beneficial Interest	Status
EL8745	Kanbarra	NSW Broken Hill	100%	Expiry on 15 May 2024
EL8747	Stirling Vale	NSW Broken Hill	100%	Expiry on 24 May 2024
EL 8954	Brungle Creek	NSW Tumut	100%	Expiry on 11 March 2026
EL 9252	McAlpine	NSW Tumut	100%	Expiry on 6 August 2026
EL 9220	Enmore	NSW Broken Hill	100%	Expiry on 21 July 2026
EL 9224	Eureka	NSW Broken Hill	100%	Expiry on 21 July 2026
EL 9230	Mt Darling	NSW Broken Hill	100%	Expiry on 21 July 2026
EL38/3718	Barneys	Laverton WA	100%	Expiry 6 March 2028
EL38/3719	Neckersgat	Laverton WA	100%	Expiry 6 March 2028
EL 6795	Parrakie	SA Murray Basin	100%	Expiry on 4 July 2028
EL 6796	Mt Rough	SA Murray Basin	100%	Expiry on 4 July 2028
EL 6797	Kingston	SA Otway Basin	100%	Expiry on 4 July 2028
EL 6807	Wolseley	SA Murray Basin	100%	Expiry on 18 July 2028

## CORPORATE

### Payments to related parties of the entity and their associates

The aggregate amount of payments to related parties and their associates for the quarter reported in item 6.1 in Appendix 5B Cash Flow Report of \$72K were as follows:

- Directors' fees for the year ended 30 June 2022 (final payment except super) \$50K
- Director's management fees and superannuation \$19K
- Office rent contribution and service fees to a related entity of Managing Director John Wang \$3K

The aggregate amount of payments to related parties and their associates for the quarter reported in item 6.2 in Appendix 5B Cash Flow Report of \$1K were as follows:

- Director's management fees and superannuation \$1K



### **Competent Person Statement**

*The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities 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, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.*

### **Forward-Looking Statement**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.*

### **Authorised by the Board of Directors**

Eric Sam Yue  
Company Secretary

Contact:

Tel : **61 2 9264 6988** Email: **[office@ausmonresources.com.au](mailto:office@ausmonresources.com.au)**

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AUSMON RESOURCES LIMITED

ABN

88 134 358 964

Quarter ended ("current quarter")

30 JUNE 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(80)	(204)
(e) administration and corporate costs	(56)	(205)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(6)	(17)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (GST, projects)	(4)	(20)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(146)</b>	<b>(445)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(81)	(294)
(e) investments		
(f) other non-current assets		



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	25	25
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Security deposit refund)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(56)</b>	<b>(269)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	648
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(14)
3.5	Proceeds from borrowings	-	70
3.6	Repayment of borrowings	(310)	(310)
3.7	Transaction costs related to loans and borrowings	-	(12)
3.8	Dividends paid		
3.9	Other		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(310)</b>	<b>382</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	590	410
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(146)	(445)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(56)	(269)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(310)	382

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>78</b>	<b>78</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7	11
5.2	Call deposits	71	579
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>78</b>	<b>590</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	72
6.2	Aggregate amount of payments to related parties and their associates included in item 2	1

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	1,150	-
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 <b>Total financing facilities</b>	1,150	-
7.5 <b>Unused financing facilities available at quarter end</b>		1,150
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>Fort Capital Pty Ltd, an unrelated company, has provided a loan facility to the Company to fund general working capital of up to \$1,150,000 until 01 October 2024. The funds advanced under the loan facility are unsecured and bear interest at 8% per annum. Effective from 30 June 2023, the interest is 11% per annum.</p>		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(146)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(81)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(227)
8.4 Cash and cash equivalents at quarter end (item 4.6)	78
8.5 Unused finance facilities available at quarter end (item 7.5)	1,150
8.6 Total available funding (item 8.4 + item 8.5)	1,228
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	5.41
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 25 July 2023.....

Authorised by: By the Board .....  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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