

31 October 2023

ACTIVITIES REPORT – SEPTEMBER QUARTER 2023

EXPLORATION HIGHLIGHTS

BROKEN HILL, NSW

COBALT LEAD ZINC SILVER COPPER EXPLORATION

Enmore (EL 9220)

- Preparing for 2 RC holes in March quarter 2024 to test 2 targets within 2 chargeability zones defined by an Induced Polarisation Survey within Enmore.

LIMESTONE COAST, SA

RARE EARTH ELEMENTS (REE) EXPLORATION

Parrakie (EL 6795) and Wolseley (EL 6807)

- Preparing for a first drilling campaign in December 2023 quarter following the review of results from laboratory and pXRF analysis of core/chip samples obtained from selected historic drillholes.

LAVERTON WA

LITHIUM EXPLORATION

Barneys (EL 38/3718) and Neckersgat (EL 38/3719)

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

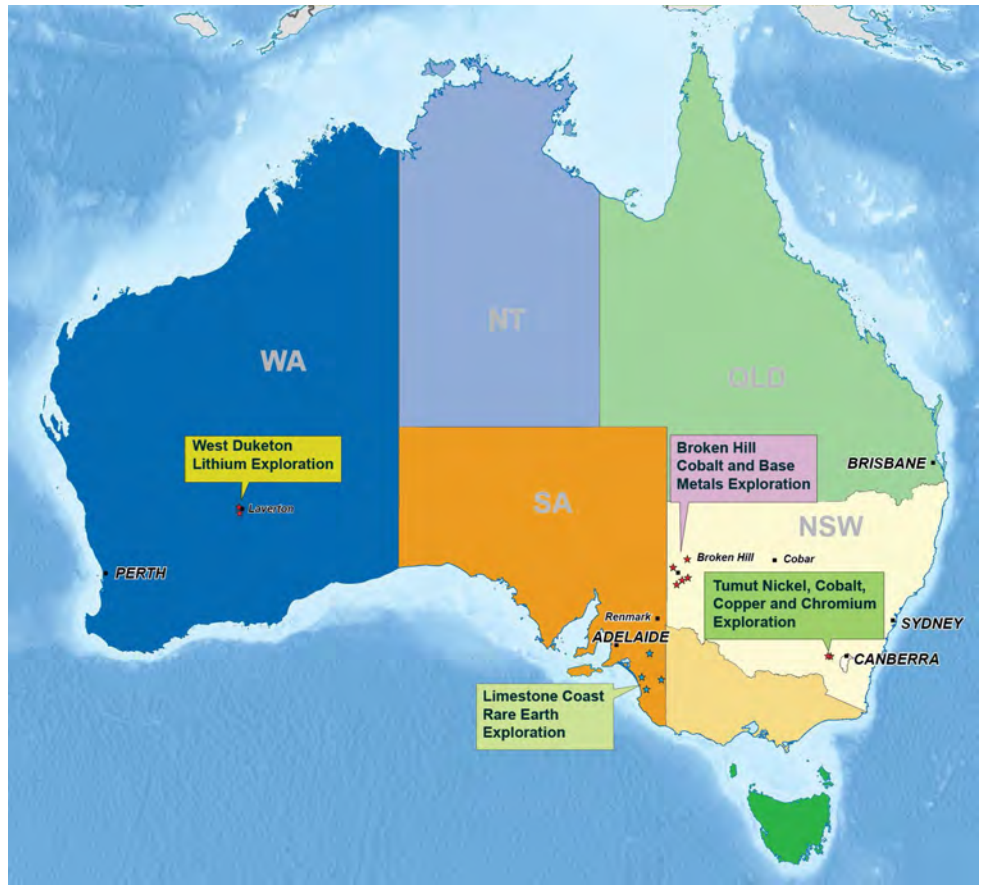


Figure 1: Location of Company Projects in Australia

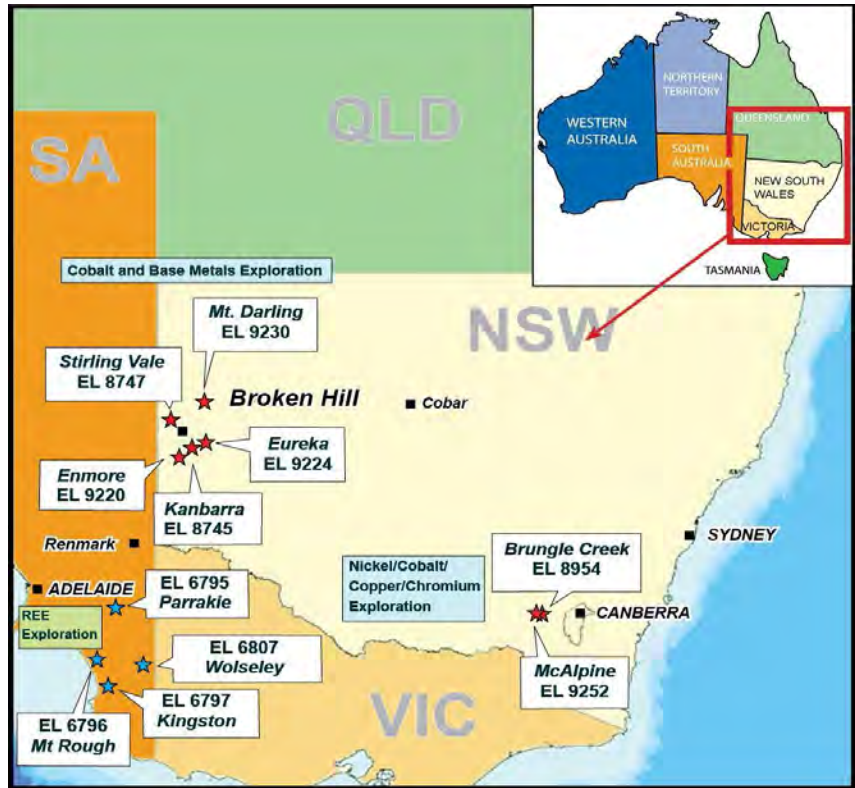


Figure 2: Location of granted licences in NSW and SA

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

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

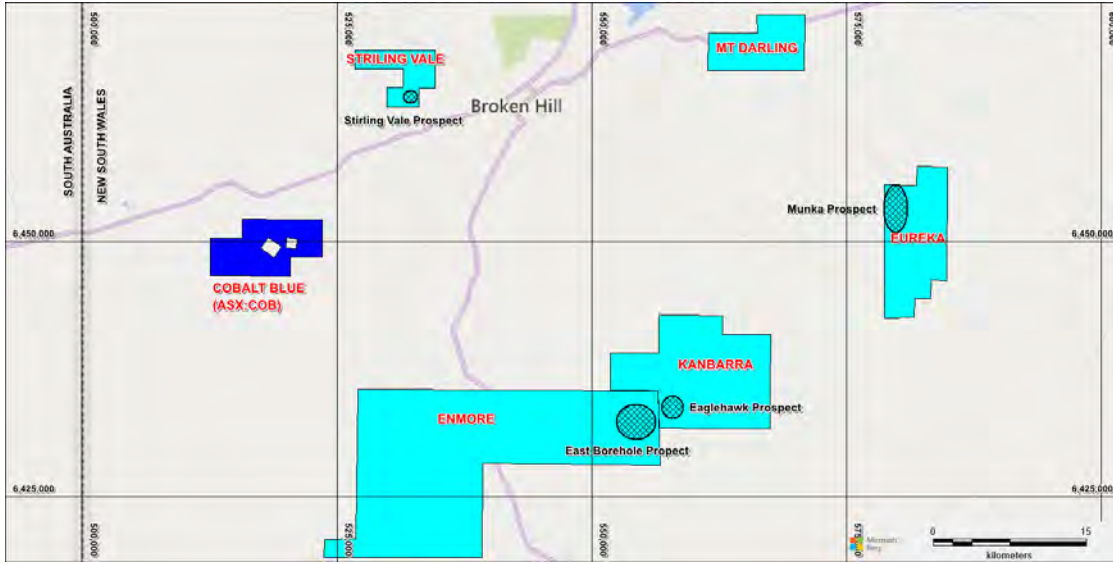


Figure 3: Location of granted Broken Hill tenements and the key prospects for exploration

The five licences cover an area of approximately 685 km² 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.

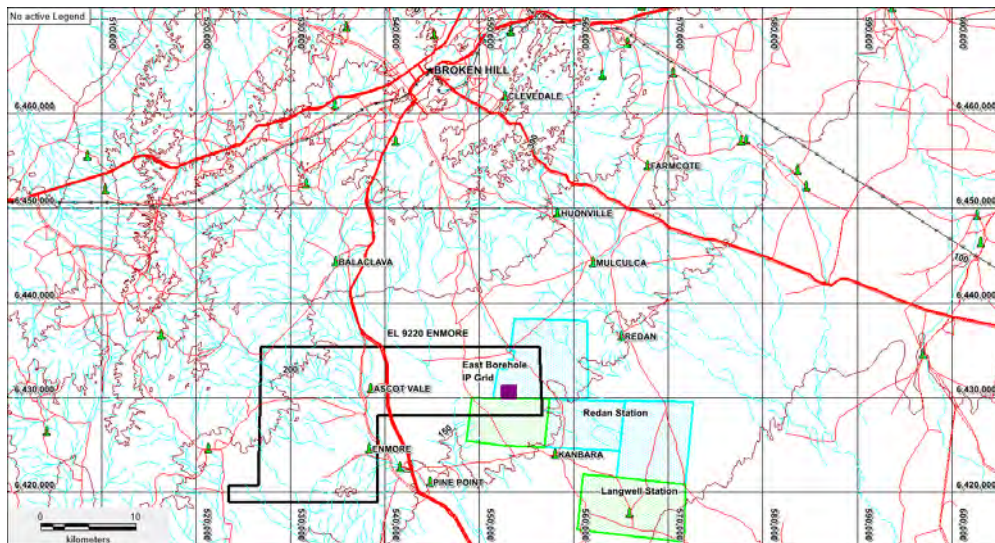


Figure 4: East Borehole Prospect Location within EL 9220 Enmore southeast of Broken Hill

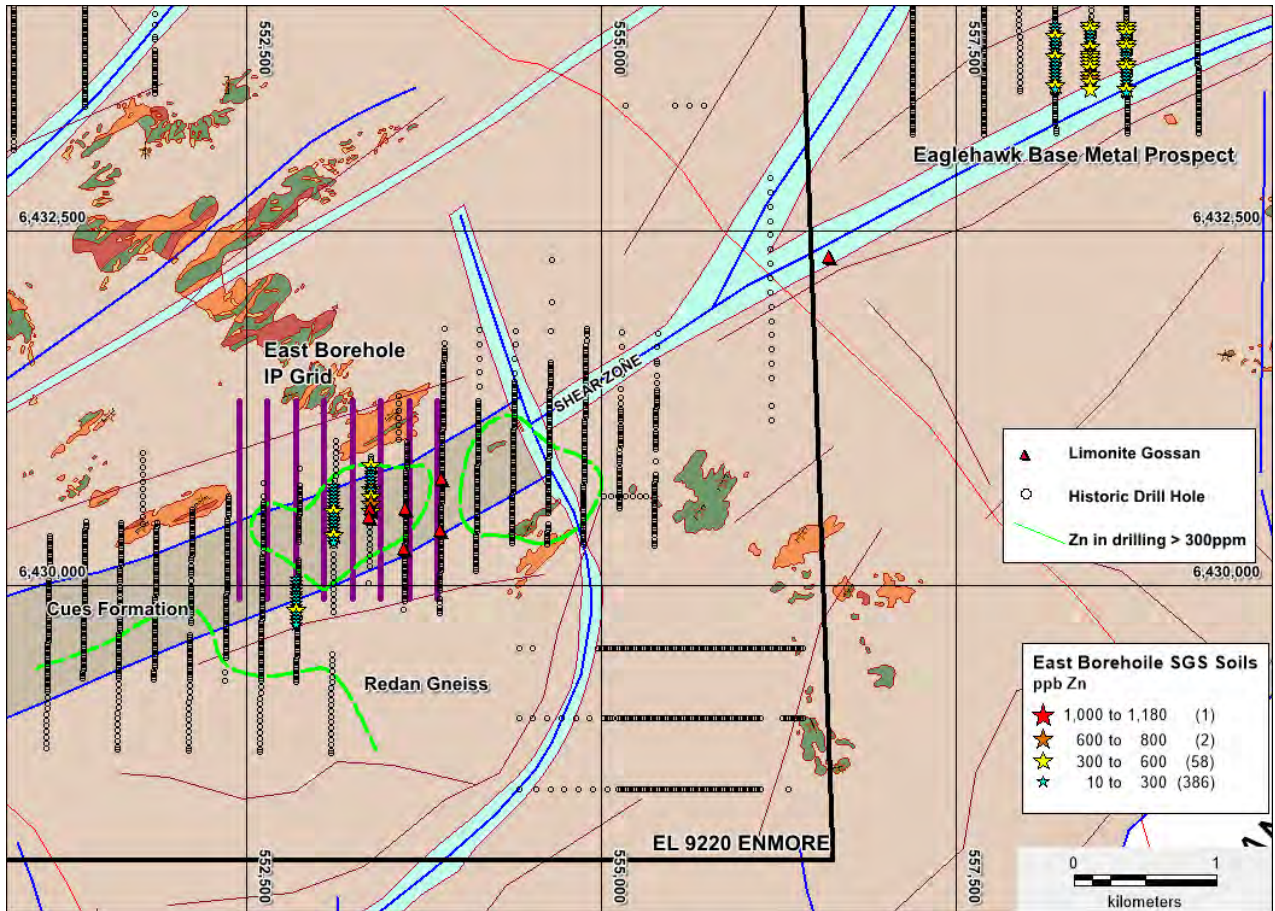


Figure 5: Orientation Soil Sampling at East Borehole

During the quarter the Company has been preparing to drill 2 RC holes in the March 2024 quarter within the East Borehole prospect based on the results of the IP survey conducted in the June 2023 quarter. An environmental survey is in preparation as required to identify any evidence of the Grass Wren habitats in the area before drilling may commence.

During a sampling program in March 2023, three orientation soil lines were completed using the MMI technique within East Borehole (Enmore (EL 9220)) prospects (**Figures 4 and 5**) to orientate the MMI sampling technique in the area with known sub surface base metal mineralisation.

The sampling results received in June 2023 (**Figure 4**) showed elevated Zn response between 600 ppb and 1,180 ppb over East Borehole. The orientation lines at East Borehole show the elevated Zn in soils located within the area where the Company has conducted the June IP survey (*see ASX Announcements of 18th May, 16 June and 5 July 2023*).

Two main chargeability zones have been defined by the IP survey

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 6**).

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.

The two zones are also indicated in **Figures 6 and 7**. 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 8**. The eastern zone has around 300 m of strike extent defined but is open to the east **Figure 9**.

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 7, 8 and 9**.

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.

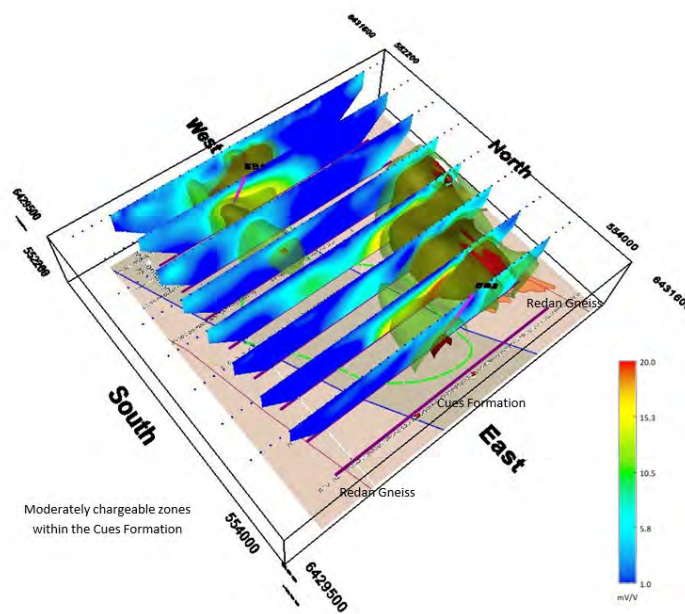


Figure 6. Perspective view looking from the SE. Sections are 2D inverted chargeability. Shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. Proposed drillholes EB1 and EB2 shown as pink traces

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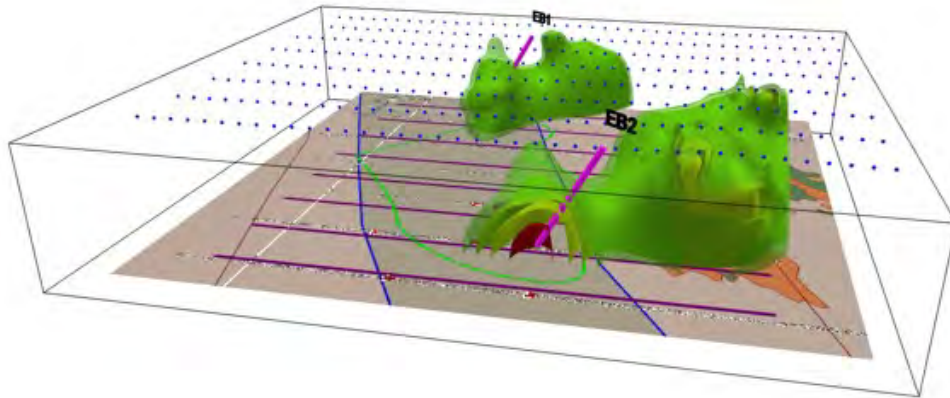


Figure 7. Perspective view looking from the East. Sections are 2D inverted chargeability. Green shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. The proposed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

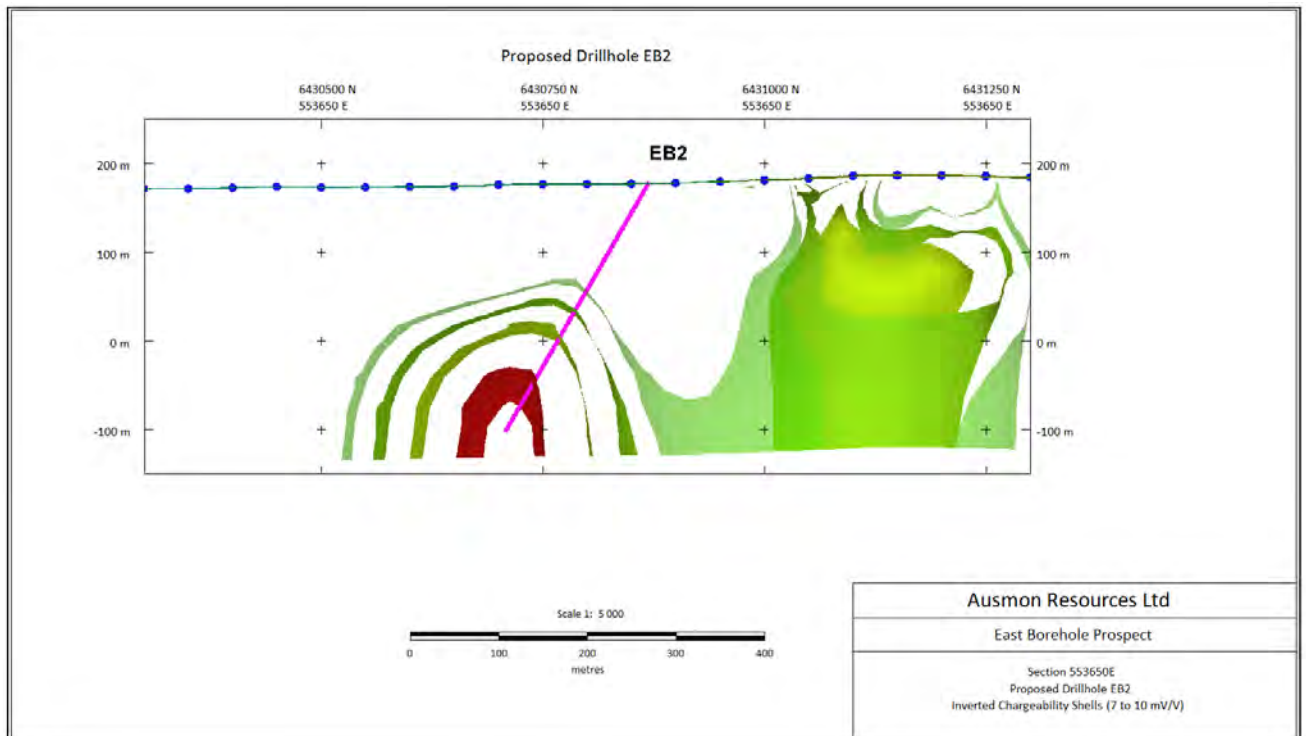


Figure 8. Cross section showing proposed hole trace for EB1 intersecting the western chargeability anomaly

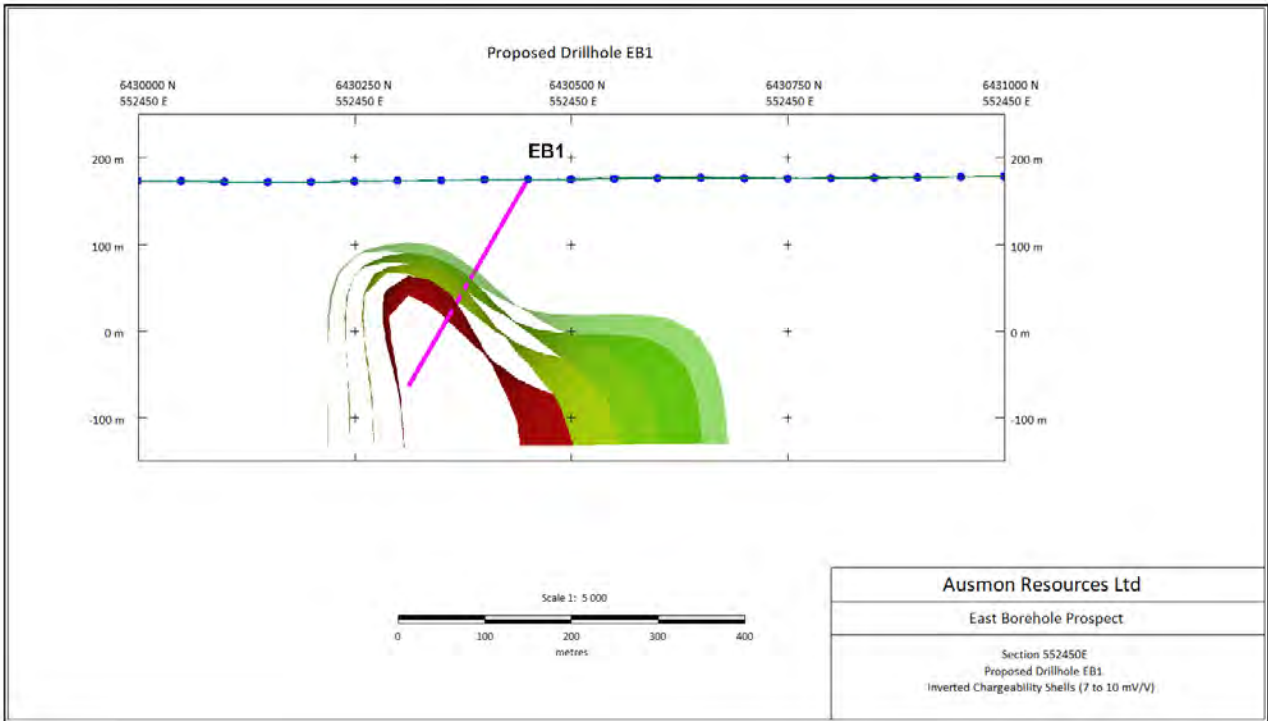


Figure 9. Cross section showing proposed hole trace for EB2 intersecting the western chargeability anomaly

See the Quarterly Activities Report released to ASX on 25 July 2023 that contains a description and the results of the Induced Polarisation Survey conducted at East Borehole in the June 2023 quarter and the geology of the area.

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.
- Drill testing of East Borehole IP chargeability anomalies.

No field work and only technical studies have been conducted at Kanbarra EL 8745, Stirling Vale 8747, Eureka EL 9224 and Mt Darling EL 9230 during the September 2023 quarter.

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.

No field work has been conducted at McAlpine EL 9252 and Brungle Creek EL 8954 as the Company completes further studies of the results of the last sampling program.

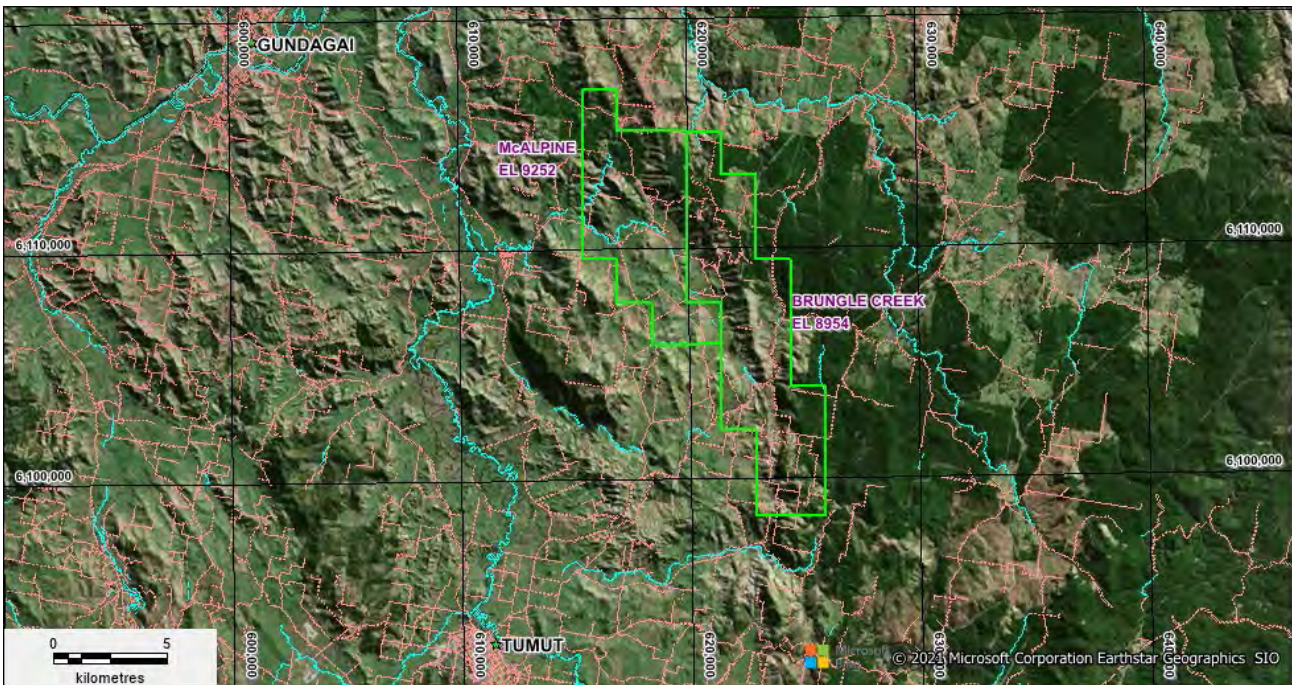


Figure 10: McAlpine EL 9252 and Brungle Creek EL 8954 location map – BING Aerial Photograph

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 11**) 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 has declared its Koppamurra Project a world scale ionic clay-hosted rare earths province with a latest JORC mineral resource estimate of 186 million tonnes @712 ppm TREO (Total Rare Earth Oxides) (see

AR3's ASX announcement of 19 September 2023).

With the information from the recent pXRF scans and laboratory assay results of samples obtained from historic drill holes and 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 to first drill test the Parrakie and Wolseley tenements where council approvals have been obtained to drill on road verges.

During the quarter the Company has been seeking all other required approvals and engaging service providers for a drill campaign to commence in this December 2023 quarter.

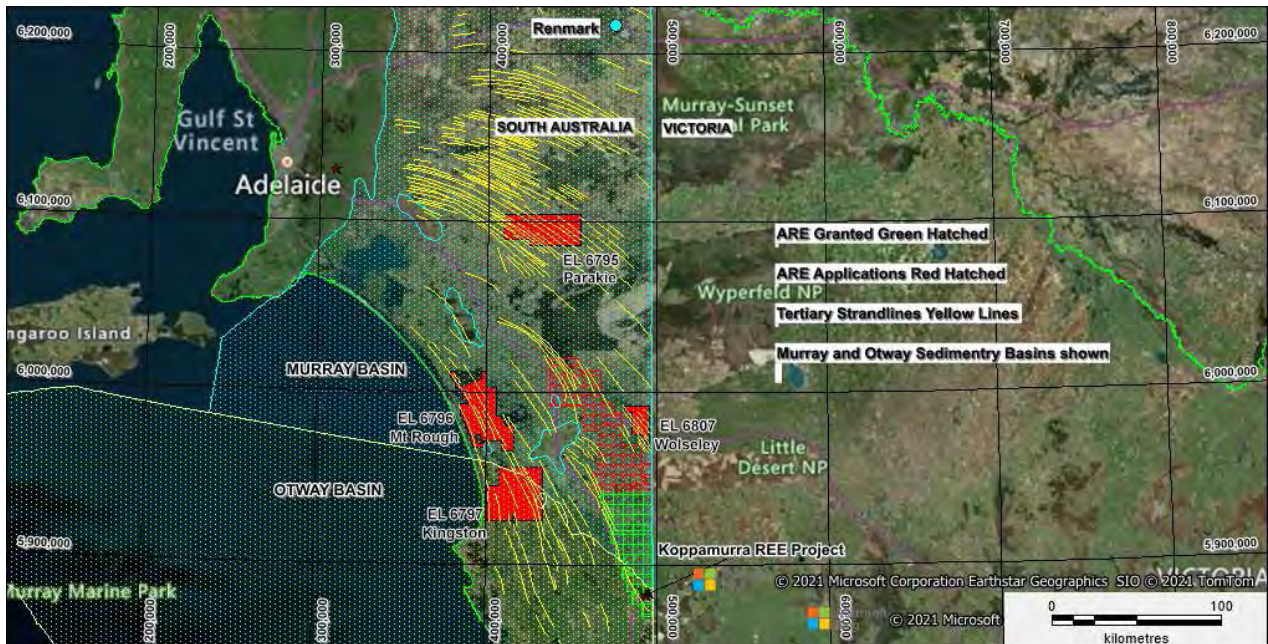


Figure 11: South Australian REE Licence Areas and associated Murray and Otway Basins

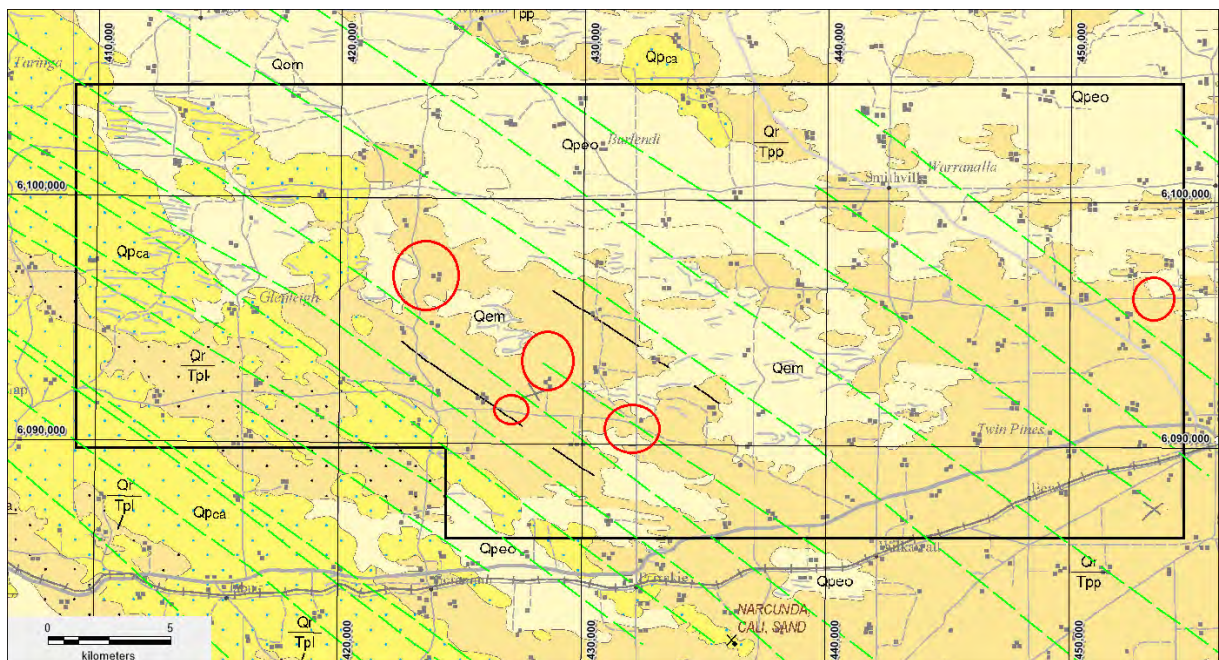


Figure 12: Parakie EL showing the areas of pXRF sampling marked in red

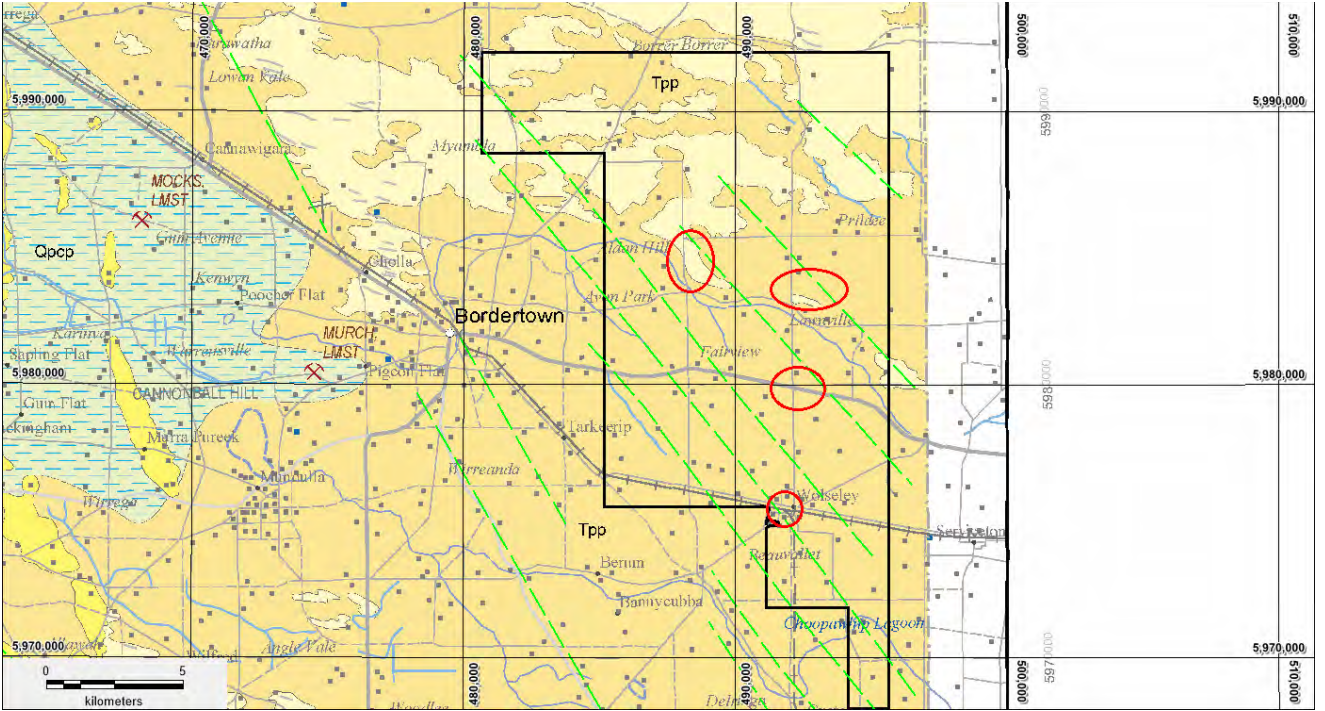


Figure 13: Wolesey EL showing the areas of pXRF sampling marked in red

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 (EL 38/3718) and Neckersgat (EL 38/3719) Laverton Area - 100% interest

Barneys EL 38/3718 and Neckersgat EL 38/3719 cover a total area of 275.8 km² near Laverton in the Eastern Goldfields of Western Australia (**Figure 14**)

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



Figure 14: Laverton area Barneys and Neckersgat located to the north of Laverton in the Eastern Goldfields of WA

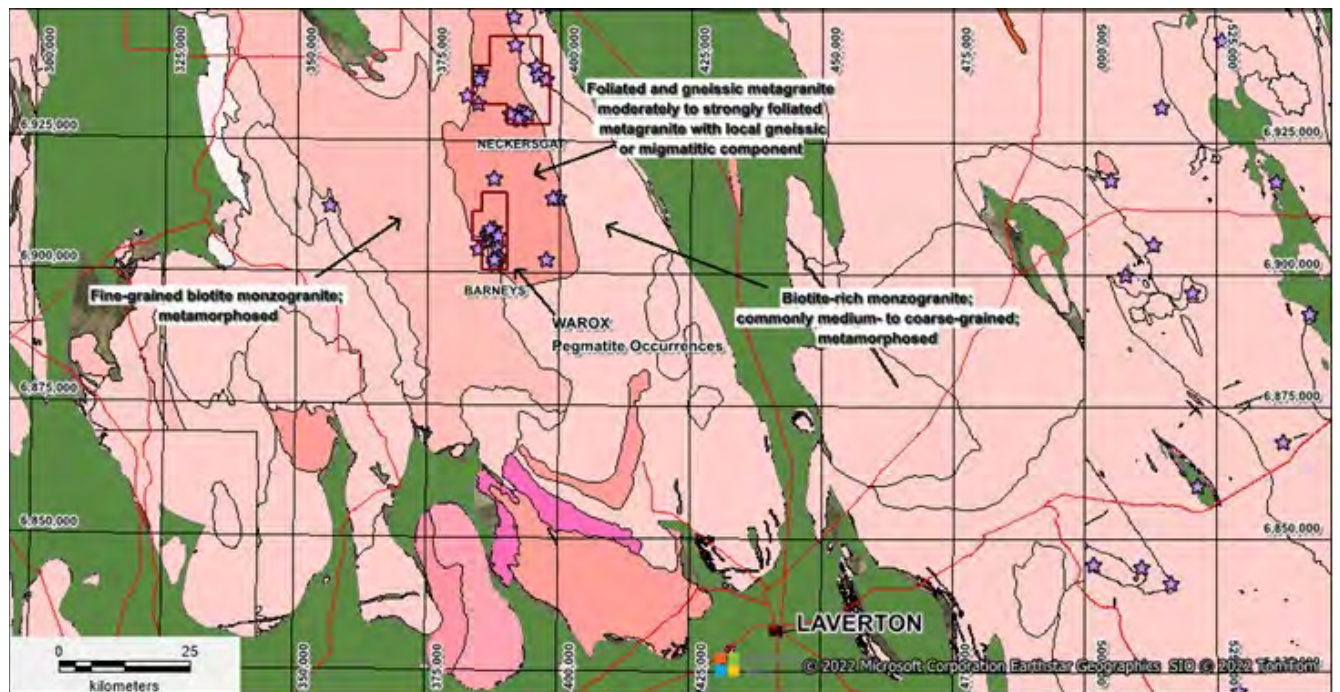


Figure 15: Laverton area Barneys and Neckersgat and showing the location of several pegmatites. The pegmatite data is located within the GSWA WAROX data base

In the Company's study of the areas a concentration of pegmatite occurrences (**Figure 15**) was noted to the NW of Laverton that have had very limited sampling focussing on the lithium potential. Given the limited understanding of the nature of these pegmatites, 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.

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 (as adjusted for accrual basis of accounting to the cash flow item 2.1(d) in Appendix 5B) the following amounts in mineral exploration and evaluation activities:

	\$
Geology and geophysics	30,000
Rent levy	58,000
Project management costs	14,000
Assays	3,000
Total	<u>105,000</u>

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

TECHNICAL RELEASES SINCE COMMENCEMENT OF SEPTEMBER 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:

5 July 2023	Ground IP survey completed at EL 9220 Enmore, Broken Hill
25 July 2023	Quarterly Activities/ Appendix 5B Cash Flow Report
26 October 2023	Presentation at 2023 AGM

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 September 2023 and their locations are set out in the table below. The Group has not acquired or disposed of any mining tenements, or entered into any farm-in or farm-out agreements 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 2027
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	WA Laverton	100%	Expiry 16 March 2028
EL38/3719	Neckersgat	WA Laverton	100%	Expiry 16 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 \$32K were as follows:

- Director's management fees and superannuation	\$29K
- 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 \$4K were as follows:

- Director's management fees and superannuation	\$6K
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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**

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 SEPTEMBER 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(40)	(40)
(e) administration and corporate costs	(65)	(65)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (GST, projects)		
1.9 Net cash from / (used in) operating activities	(107)	(107)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(206)	(206)
(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(1)	(1)
	(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)		
2.6	Net cash from / (used in) investing activities	(207)	(207)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
3.5	Proceeds from borrowings	240	240
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other		
3.10	Net cash from / (used in) financing activities	240	240
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	78	78
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(107)	(107)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(207)	(207)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	240	240

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	4	4

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	4	7
5.2	Call deposits	-	71
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4	78

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	32
6.2	Aggregate amount of payments to related parties and their associates included in item 2	6

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. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	1,150	240
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	1,150	240
7.5 Unused financing facilities available at quarter end		910
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.		
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 11% per annum.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(107)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(206)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(313)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4
8.5 Unused finance facilities available at quarter end (item 7.5)	910
8.6 Total available funding (item 8.4 + item 8.5)	914
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.92
<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>	
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: 31 October 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.