

FAR NORTHERN RESOURCES QUARTERLY REPORT 31 MARCH 2024

Activities March Quarter 2024

- Far Northern Resources successfully raised \$4.165M and satisfied the listing conditions to enable the quotation of its shares on ASX
- FNR acquired 100% of Premier Mining and Bridge Creek Mining post 31 March
- Director Conducted Site Visit to Bridge Creek in the NT
- Directors conducted Pre-Listing Road Shows Brisbane, Sydney, and Perth
- Rock Chip sampling over copper anomalies at Empire - see announcement 15 April 2024.

During the March quarter 2024, Far Northern Resources Ltd (ASX: FNR) successfully raised \$4.165 million and was accepted to admission to the official list of the Australian Stock Exchange (ASX). Shares in FNR started trading on 12 April 2024. The initial Public Offering (IPO) raised \$4,165,000 through the issue of 20,825,000 shares at an issue price of \$0.20. The total undiluted shares on issue at the date of listing was 70,961,135 with FNR having a Market Capitalisation of \$14,192,227 and an Enterprise Value (EV) of \$10,027,227.

FNR has accumulated an exciting package of tenements in the Northern Territory and Queensland that are highly prospective for Gold and Copper. Exploration will commence shortly in the Northern Territory while a rock chip program has been conducted in North Queensland at the Empire project over the southern end of the Empire Mining Lease (see FNR's announcement dated 15 April 2024).

Exploration Activities

Empire Copper Gold Project

A rock chip sampling program was conducted over the southern area of the Empire Mining Lease with a view to connect the JORC at the Empire stockwork to the southern area of the block.

- High Grade Copper and Gold rock chips have returned assays of up to 12.64% Cu (FNRRCS24001) and 4.12 g/t gold (FNRRCS24002)
- Other individual surface samples have returned copper grades of 11.59% Cu, 11.89% Cu, 9.60% Cu, 6.53% Cu and 2.61% Cu. (%)
- Other individual samples have returned gold grades of 0.78g/t, 0.92g/t, 1.19g/t, 2.16g/t, 0.75g/t, 1.68g/t and 0.70g/t.

Previous exploration activity at Empire including drilling and soil geochemistry prove a very strong geochemical signature in the associate elements of Au-Ag-Bi-Cu-Mo-Sb-W typical of copper-gold porphyry systems. So far drilling has focussed only on the stockworks where an open pit mineable resource has been defined.

Our latest rock chips show these stockworks extend for at least another 750m and our geologist believes these could be the part of a bigger porphyry style target.

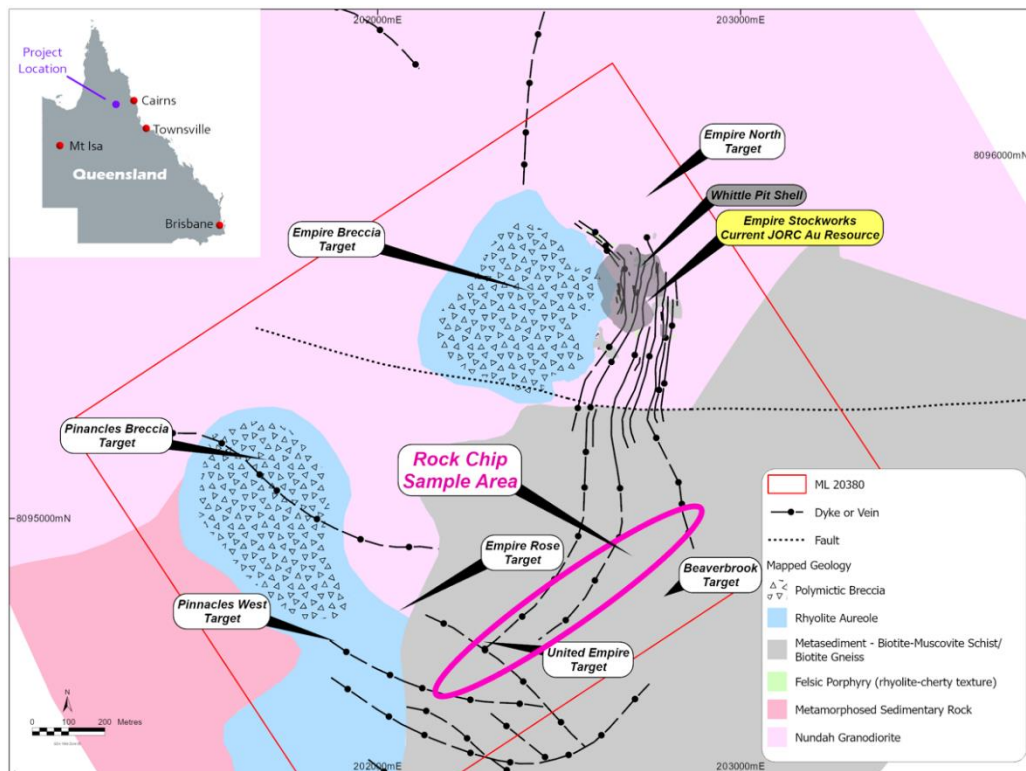


Figure 1 Empire Mining Lease - Location of Empire Stock Work, Pinnacle & United Empire.

United Empire – Copper-Gold Anomaly

Our recent reconnaissance works focussed on the known area south of Empire Stockworks which exhibits enhanced geochemical signatures which had been previously disturbed by (likely hand-worked) diggings. The small mullock dumps exhibit strong signs of mineralisation and additional rock chips from these show excellent results as reported in this release.

A geophysical program by 3-D Induced Polarisation (3D-IP) is planned for execution as soon as a team is available which is expected to enhance drill targeting. This will be further endorsed with detailed layers of mapping, soil geochemistry and other geological layers.

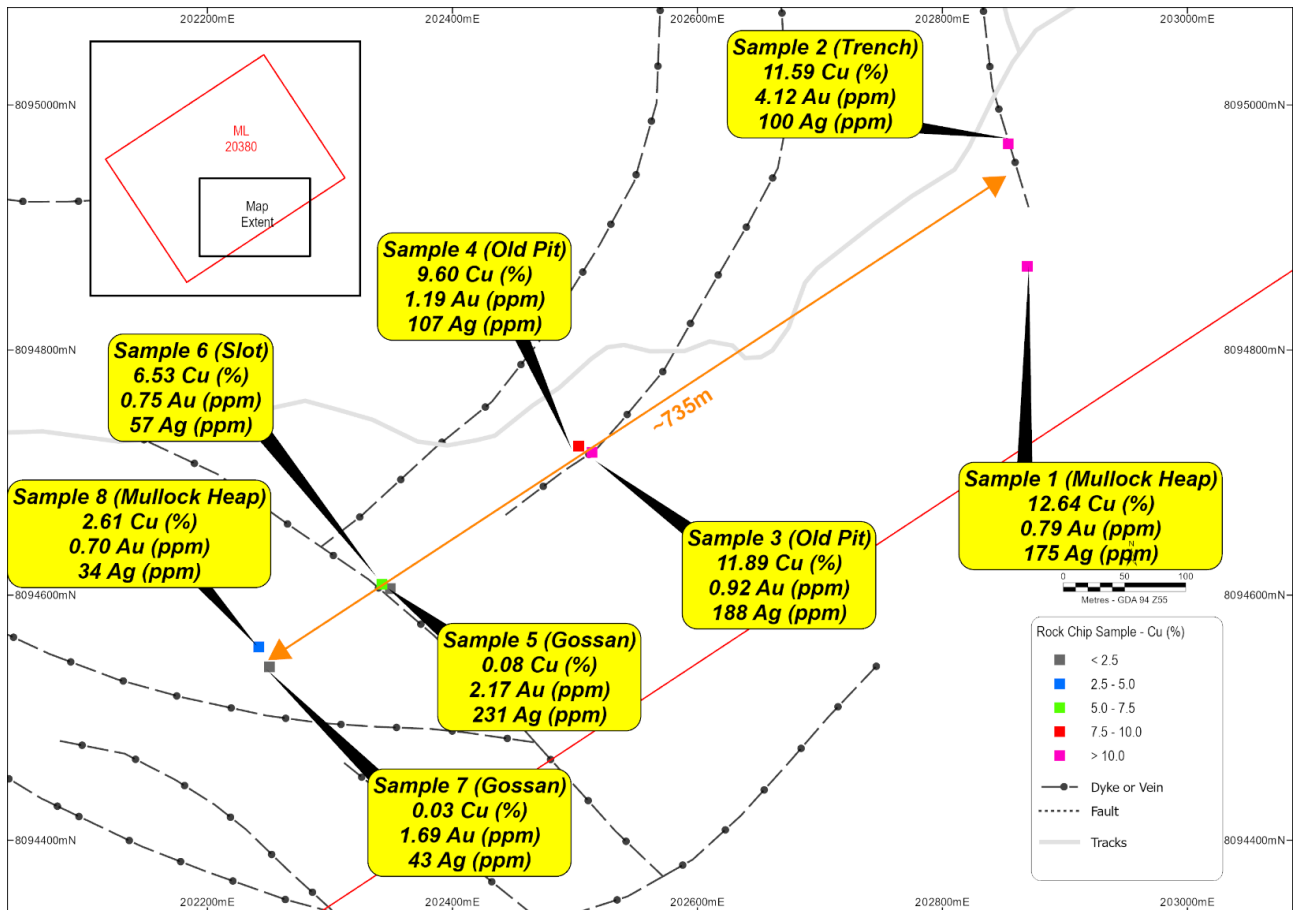


Figure 2. Rock Chip Samples take south of the Empire Prospect

Rock Chip locations and results

| SampleID | Easting (GDA94 MGA Z55) | Northing (GDA94 MGA Z55) | Au ppm | Ag ppm | Al ppm | As ppm | Cu ppm | Fe % | Mg ppm | Mn ppm | Na ppm | Pb ppm | S ppm | Ti ppm | Zn ppm |
|------------|-------------------------|--------------------------|--------|--------|--------|--------|--------|-------|--------|--------|--------|--------|-------|--------|--------|
| FNRRC24001 | 202,869 | 8,094,868 | 0.785 | 175.1 | 55865 | 1654 | 126432 | 6.86 | 3438 | 1848 | 701 | 255 | 314 | 1997 | 346 |
| FNRRC24002 | 202,853 | 8,094,968 | 4.124 | 100.2 | 62228 | 431 | 115872 | 6.51 | 1976 | 1150 | 683 | 6272 | 916 | 1733 | 7276 |
| FNRRC24003 | 202,514 | 8,094,716 | 0.921 | 187.7 | 35526 | 193 | 118941 | 3.63 | 856 | 1348 | 763 | 336 | 1619 | 863 | 5793 |
| FNRRC24004 | 202,502 | 8,094,721 | 1.193 | 107 | 46137 | 284 | 96044 | 6.75 | 1083 | 968 | 637 | 89 | 2313 | 1086 | 1643 |
| FNRRC24005 | 202,349 | 8,094,605 | 2.168 | 230.8 | 24157 | 50855 | 760 | 24.57 | 493 | 98 | 3771 | 27293 | 25236 | 201 | 278 |
| FNRRC24006 | 202,342 | 8,094,609 | 0.75 | 57.3 | 83281 | 835 | 65345 | 4.25 | 2568 | 181 | 1011 | 431 | 440 | 2475 | 177 |
| FNRRC24007 | 202,250 | 8,094,541 | 1.687 | 42.9 | 7778 | 57238 | 2182 | 41.51 | 406 | 60 | 1512 | 6281 | 29401 | 499 | 123 |
| FNRRC24008 | 202,241 | 8,094,557 | 0.701 | 34.3 | 61319 | 2374 | 26059 | 6.98 | 2589 | 217 | 1681 | 2148 | 15310 | 2609 | 261 |

Corporate

ASX Disclosures

ASX Listing Rule 5.3.1

During the quarter, the Company spent \$8,995 on exploration activities focussed mainly on the Empire Project in North Queensland. Cash outflows were made for the Rock Chip sampling activities.

ASX Listing Rule 5.3.2

There were no substantive Mining Production and Development activities conducted during the quarter at any of the Company's projects.

ASX Listing Rule 5.3.3

Following the successful capital raise which concluded after the March 2024 quarter, the Company finalised the acquisitions of its interest in Bridge Creek Mining and Premier Mining. Both acquisitions were completed after the end of the March 2024 quarter.

| Tenement | Project | % ownership at end of period | Comments |
|-----------|---------|------------------------------|------------------------------|
| ML20380 | QLD | 76.93% | FNR holds 100% post 31 March |
| EPM 26473 | QLD | 100% | |
| ML 766 | NT | 0% | FNR holds 100% post 31 March |
| ML 1060 | NT | 0% | FNR holds 100% post 31 March |
| ML 30807 | NT | 0% | FNR holds 100% post 31 March |

ASX Listing Rule 5.3.4

In addition to the Appendix 5B disclosure below, the Company has included the following indicative use of funds table that was included in the Company's prospectus dated 24 July 2023:

| Indicative use of Funds | 2 Year Use of Funds as per IPO Prospectus in relation to \$4m raise |
|-------------------------|---|
| Exploration Expenditure | \$2,403,851 |
| Expenses of Offer | \$420,431 |
| Administration costs | \$956,800 |
| Total | \$1,377,231.00 |

Apart from the amount of \$8,995 disclosed above (see LR 5.3.1) no other funds were expended on exploration related activities in the March 2024 quarter due to the IPO not being finalised until after the March 2024 quarter and the current early stage of the exploration programme.

ASX Listing Rule 5.3.5

During the quarter, \$42,000 was paid as directors fees.

THIS ANNOUNCEMENT HAS BEEN AUTHORISED FOR RELEASE TO THE ASX BY THE COMPANY'S BOARD OF DIRECTORS

For further information regarding Far Northern Resources Limited please visit our website at www.farnorthernresources.com or contact:

Rod Corps- Chairman

Cameron Woodrow - CEO

Competent Person's Statement

The information in this announcement that relates to the Empire Project, is based on information compiled by Mr Christopher Speedy who is a Member of the Australian Institute of Geoscientists. Mr Christopher Speedy is employed by Angora Resources on a full-time basis. Mr Speedy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Speedy consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

Appendix 5B

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

Name of entity

FAR NORTHERN RESOURCES LTD

ABN

89 621 685 701

Quarter ended ("current quarter")

31 MARCH 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (9) | (15) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (41) | (125) |
| (e) administration and corporate costs | (24) | (224) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (74) | (364) |

| | | |
|--|---|---|
| 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 | - | - |
| (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 (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | (9) | (9) |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (9) | (9) |
| 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 | 29 | 29 |
| 3.6 | Repayment of borrowings | (3) | (3) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 26 | 26 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 136 | 426 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (74) | (364) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (9) | (9) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 26 | 26 |

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 (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 79 | 79 |

| 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 | 79 | 79 |
| 5.2 | Call deposits | - | - |
| 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) | 79 | 79 |

| 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 – Directors' Fees | 42 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>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.</i> | | |

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

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | - |
| 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. | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (364) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (364) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 79 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 79 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.22 |
| <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: NA - the calculated amount in 8.7 does not take into account the receipt of funds from the IPO post 31 March 2024. | |
| 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: See above | |

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: Yes - the Company refers to the prospectus dated 24 July 2023.

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:30 April 2024.....

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.