

FAR NORTHERN RESOURCES SEPTEMBER 2024 QUARTERLY REPORT

Highlights Project: The Empire Projects / Chillagoe, North Queensland

- **Completion of drilling in North Queensland.**
- **In the process of updating the Resource Model at Empire.**
- **Base Case Sensitivity Analysis of Empire North underway.**

Summary of Activities

Far Northern Resources Limited (FNR) recently completed a targeted Reverse Circulation (RC) drilling program at the Empire Mining Lease. This program aimed to update and infill the 2020 resource model, with a focus on the primary vein at the northern end of the Empire Stockworks. The drilling results have confirmed the presence of high-grade gold zones (>3 g/t Au), with mineralization remaining open at depth and along strike, indicating further exploration potential.

Drilling Results

Six RC drill holes were completed, all of which intercepted high-grade quartz veins in line with the previous modelling.

The following assay results were announced to the market on 13 September¹

4m @ 1.24g/t Au from 28m in FNRRC031 (incl. 1m @ 2.90 g/t Au)
1m @ 1.20g/t Au from 43m in FNRRC031
1m @ 1.01g/t Au from 13m in FNRRC032
3m @ 0.93g/t Au from 50m in FNRRC032
1m @ 14.96g/t Au from 9m in FNRRC033
1m @ 9.05g/t Au from 44m in FNRRC033
1m @ 2.49g/t Au from 11m in FNRRC034
8m @ 3.03g/t Au from 18m in FNRRC034 (incl. 5m @ 4.31 g/t Au)
1m @ 1.32g/t Au from 32m in FNRRC034
1m @ 1.02g/t Au from 41m in FNRRC034
1m @ 2.80g/t Au from 0m in FNRRC035
1m @ 1.45g/t Au from 11m in FNRRC035
1m @ 1.24g/t Au from 14m in FNRRC035
6m @ 1.23g/t Au from 29m in FNRRC035
1m @ 1.30g/t Au from 32m in FNRRC036

¹ ASX Announcement 13 September 2024: Amendment to Empire Project Announcement – The Empire Projects/Chillagoe North Queensland

These intercepts demonstrate the continuity of high-grade mineralization within the Empire Stockworks, supporting the potential for future mining operations. The assays will be fed into an updated resource and economic model to reflect current gold prices, forming the basis for future feasibility studies.

FAR NORTHERN RESOURCES MINERAL RESOURCES AS AT THE DATE OF FNR'S PROSPECTUS

Project	Cut-off (g/t)	Indicated			Inferred			Total		
		Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Empire Stockworks – QLD	0.2	0.54	0.97	16.89	0.28	0.63	5.62	0.82	0.85	22.50
Bridge Creek - NT	0.5				1.97	1.12	70.56	1.97	1.12	70.56
Total		0.54	0.97	16.89	2.25	1.06	76.18	2.79	1.04	93.06

These figures provide an important foundation as the Company looks to future expansion.

Strategic Positioning

FNR is in a strong position to advance the Empire Project, given its proximity to a mill located less than 20 km from the current mining lease. The mill access greatly enhances the economic feasibility of mining operations and will be crucial as the company moves into more advanced feasibility studies.

Looking Forward

The FNR team remains excited about the exploration potential at the Empire Stockworks. With the deposit still open at depth and along strike, the board is confident that additional drilling will continue to expand the resource base. The securing of funding from the IPO for ongoing exploration activities has ensured that the Company can continue developing the project with the aim of establishing FNR's first operational mine.

Conclusion

The results from the 2024 drilling campaign have provided valuable new data, confirmed the presence of high-grade gold mineralization and enhanced the Company's resource model. FNR will continue to focus on exploration at the Empire Project, with the goal of moving toward full feasibility and mining operations in the coming years.

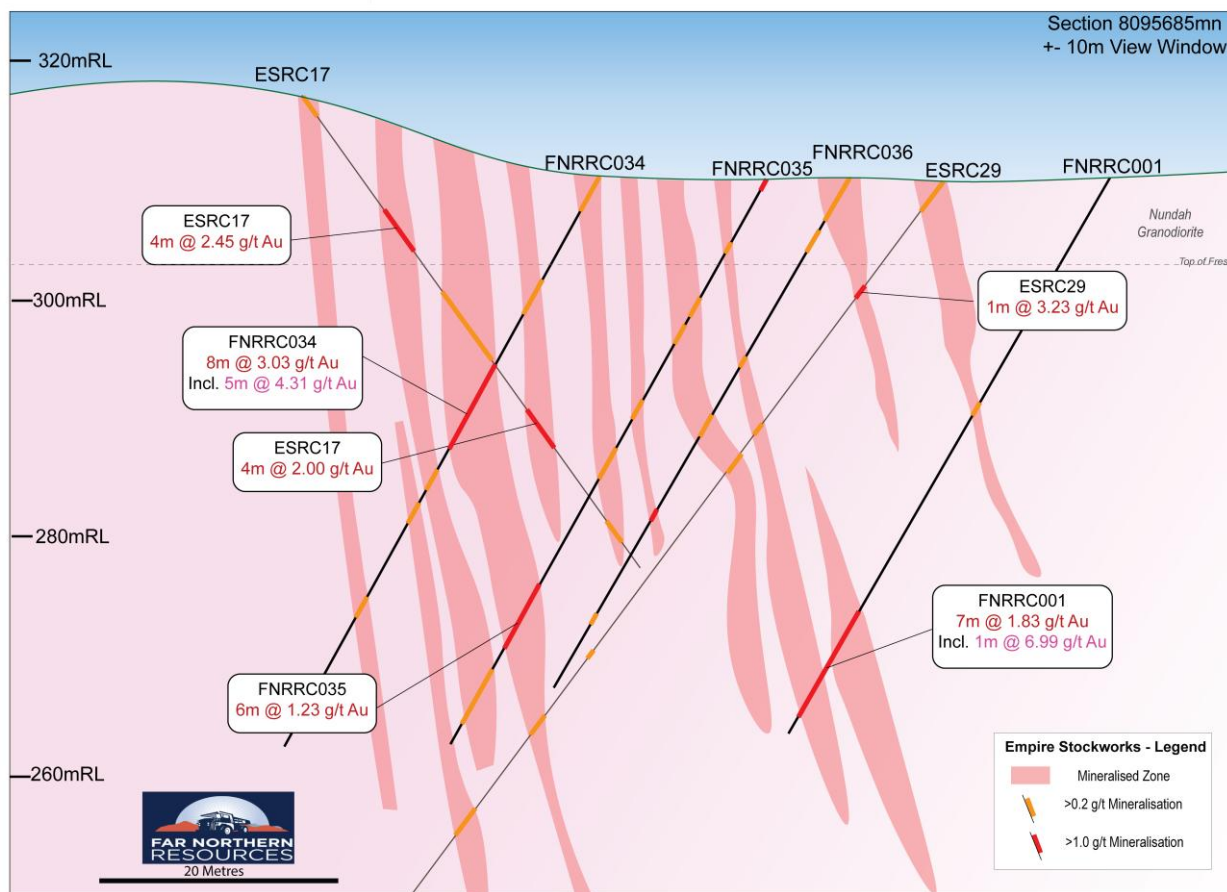


FIGURE 1: CROSS SECTION THROUGH RECENT DRILLING SECTION 8095685MN

United Empire – Copper-Gold Anomaly

Our recent reconnaissance works focussed on a 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.

A geophysical program by 3-D Induced Polarisation (3D-IP) was used to drill four test holes, the results of these holes is currently under review by FNR's geology team.²

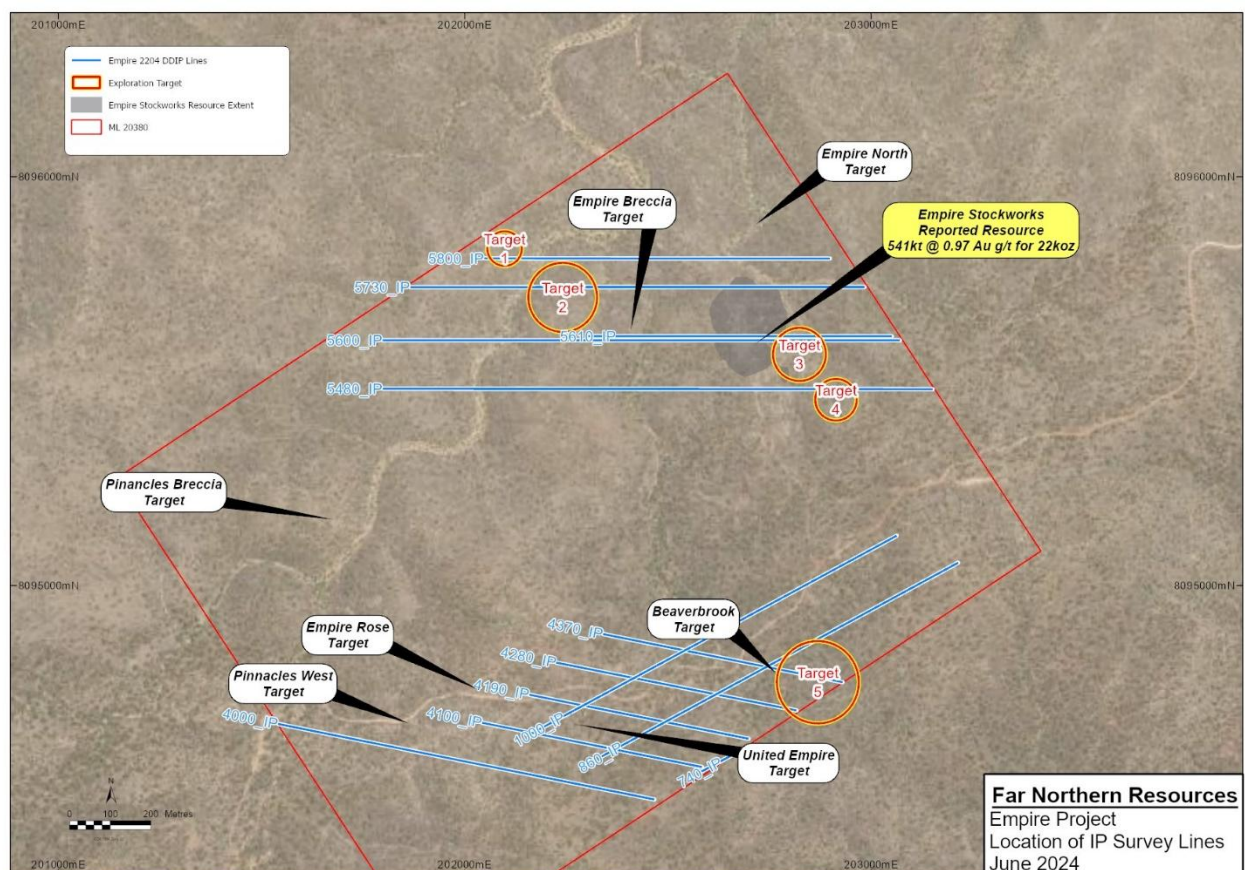


FIGURE 2: LOCATION OF DRILL HOLES FROM IP SURVEY

²ASX Announcement 12 June 2024: Empire IP Results

ASX Announcement 15 July 2024: Drilling has commenced at IRGS Project on ML20380

ASX Announcement 13 August 2024: North Queensland Exploration Update

Bridge Creek Project, Northern Territory

Exploration commenced at the Bridge Creek project, with initial activities including desk-top studies and fieldwork. These efforts led to the identification of the Los prospect, a promising target for future exploration. The project area is considered highly prospective for gold and copper, aligning with FNR's broader exploration strategy.

FNR has submitted a new mine management plan to the Northern Territory Mines department and expects to commence drilling 2nd quarter 2025.

Corporate

ASX Disclosures

ASX Listing Rule 5.3.1

During the quarter, the Company spent \$195,691 on exploration activities focussed mainly on the Empire project in North Queensland. Cash outflows were made for the drilling program.

ASX Listing Rule 5.3.3

Tenement Information

Tenement	Project	Status	Holder	Ownership	Grant date	Expiry Date
ML20380	QLD	Granted	Premier Mining Pty Ltd	FNR (100%)	10/03/2004	30/03/2025
EPM 26473	QLD	Granted	Chillagoe Resources Pty Ltd	FNR (100%)	02/11/2017	01/11/2027
ML 766	NT	Granted	Bridge Creek Mining Pty Ltd	FNR (100%)	02/12/1974	31/12/2041
ML 1060	NT	Granted	Bridge Creek Mining Pty Ltd	FNR (100%)	22/10/1993	31/12/2031
ML 30807	NT	Granted	Bridge Creek Mining Pty Ltd	FNR (100%)	10/07/2015	09/07/2025

No tenements were acquired or disposed of during the quarter.

ASX Listing Rule 5.3.4

Indicative use of Funds	Actual YTD Expenditure	2 Year Use of Funds as per IPO Prospectus in relation to \$4m raise
Exploration Expenditure	195,691	2,403,851
Working Capital	57,310	548,561
Expenses of Offer	-	420,431
Repayment of Loan	-	78,985
Administration costs	142,081	956,800
Total	395,082	4,408,608

ASX Listing Rule 5.3.5

During the quarter, \$64,112 was paid as directors fees.

Authorisation

This announcement has been authorised for release by the Board of Directors

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

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Forward Looking Statement

Forward Looking Statements regarding FNR's plans with respect to its mineral properties and programs are forward-looking statements. There can be no assurance that FNR's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that FNR will be able to confirm the presence of additional mineral resources, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of FNR's mineral properties. The performance of FNR may be influenced by a number of factors which are outside the control of the Company and its Directors, staff, and contractors. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results.

All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and

(vi) other risks and uncertainties related to the company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Competent Person Statements

The information in this announcement that relates to:

- Mineral Resources are extracted from FNR ASX Announcement 26th September 2024 "Annual Report" available at www.farnorthernresources.com and www.asx.com.au
- Exploration results are based on information compiled by Mr C Speedy who is a full-time employee of Angora Resources Pty Ltd and a consultant to Far Northern Resources and is a member of the Australian Institute of Geoscientists. Mr Speedy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Speedy consents to the inclusion of the matters based on his information in the form and context in which it appears.

In each case above, FNR confirms that is not aware of any new information or data that materially affects the information included in the market announcements and FNR confirms that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the market announcements continue to apply and have not materially changed. FNR confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified.

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")

30 SEPTEMBER 2024

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	(196)	(196)
(b) development	-	-
(c) production	-	-
(d) staff costs	(72)	(72)
(e) administration and corporate costs	(70)	(70)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	11	11
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	(327)	(327)

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 (3 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	(20)	(20)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(20)	(20)

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	-	-
3.6	Repayment of borrowings	(38)	(38)
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	(38)	(38)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,564	3,564
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(327)	(327)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(19)	(19)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(38)	(38)

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	3,179	3,179

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	3,179	3,564
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)	3,179	3,564

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	64
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 <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	-	-
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)	(327)
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)	(327)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,179
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,179
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	9
<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:		
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:		

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:

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.

30 October 2024

Date:

The Board

Authorised by:
(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.