

31 January 2024

ACTIVITIES REPORT – DECEMBER QUARTER 2023

EXPLORATION HIGHLIGHTS

BROKEN HILL, NSW

COBALT, LEAD, ZINC, SILVER AND COPPER EXPLORATION

Enmore (EL 9220)

- Preparation for 2 RC holes drilling in March/June quarter 2024 to test 2 targets within 2 chargeability zones defined by an Induced Polarisation Survey within Enmore in mid-2023.
- An environmental survey of the area for the planned drilling program has been conducted by a consultant who concluded that there are no habitats of Thick-Billed Grass Wren although an endangered native mouse specie spotted may require management.

LIMESTONE COAST, SA

RARE EARTH ELEMENTS (REE) EXPLORATION

Parrakie (EL 6795)

- Preparation for a first drilling campaign along roadside verges in January 2024 quarter.
- Preparation for meeting with Southern Malle District Council for approval to drill on council managed road verges.
- Assembling exploration team comprising field and drilling crew along with traffic management crew.
- Aircore drilling commenced on 29 January 2024.

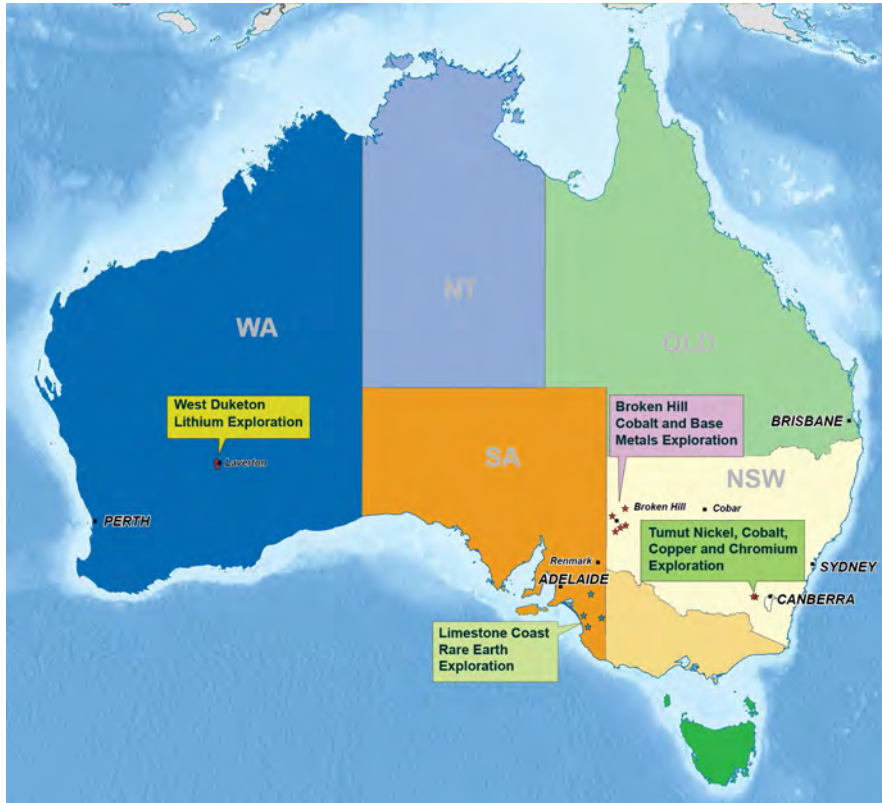


Figure 1: Location of Company Projects in Australia



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*

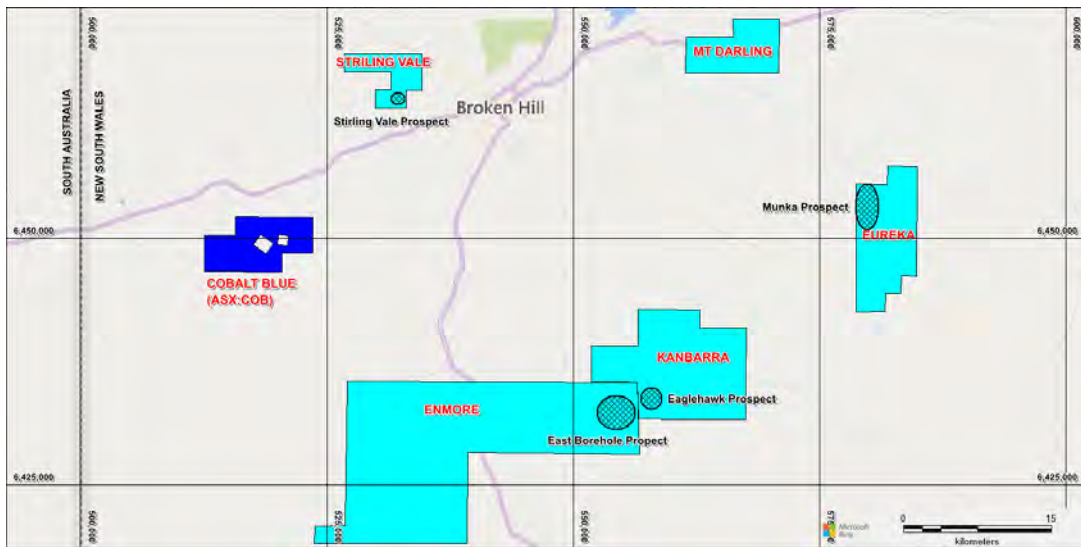


Figure 3: Location of granted tenements near Broken Hill and the key prospects for exploration

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.

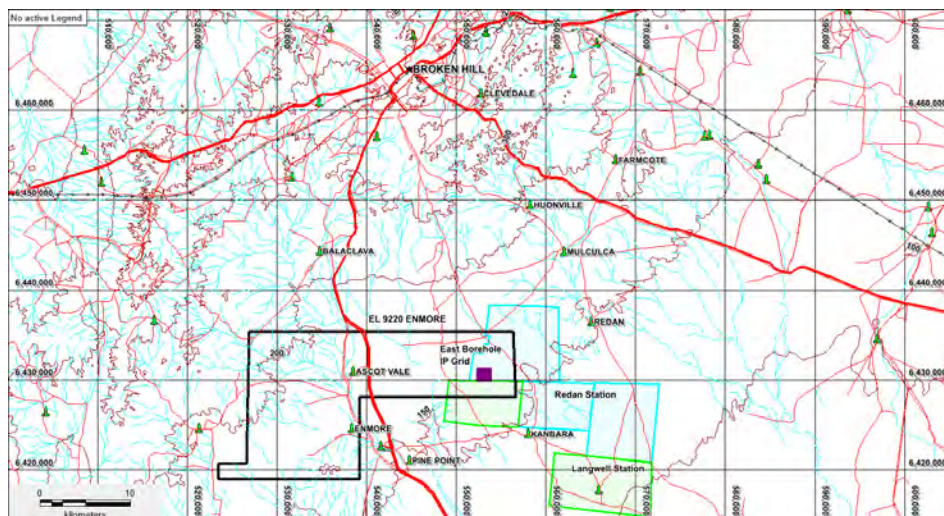


Figure 4: East Borehole Prospect Location within EL 9220 Enmore southeast of Broken Hill

During the quarter the Company continued to prepare for a drill program of 2 RC holes to be conducted in the March/June 2024 quarter within the East Borehole prospect, EL 9220 Enmore. The IP survey conducted in the June 2023 quarter has defined 2 main chargeability zones and 2 drillholes have been proposed to test the 2 targets. See the September 2023 Quarter Activities Report released on ASX on 31 October 2023 for details on the results of the IP survey and the proposed drillholes.

In December 2023, an environmental survey has been carried out as required prior to drilling in the area to identify any evidence of Thick-Billed Grass Wren habitats. While no habitats of the Thick-Billed Grass Wren have been located the survey identified a native mouse which may be an endangered species requiring management.

Next Phase of Exploration at Enmore EL 9220

- Review all historic exploration in light of the 2023 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 or technical studies have been conducted at Kanbarra EL 8745, Stirling Vale 8747, Eureka EL 9224 and Mt Darling EL 9230 during the December 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 (**Figure 5**) 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.

During the quarter no exploration work has been conducted at McAlpine EL 9252 and Brungle Creek EL 8954 as the Company prioritizes the other areas to be explored.

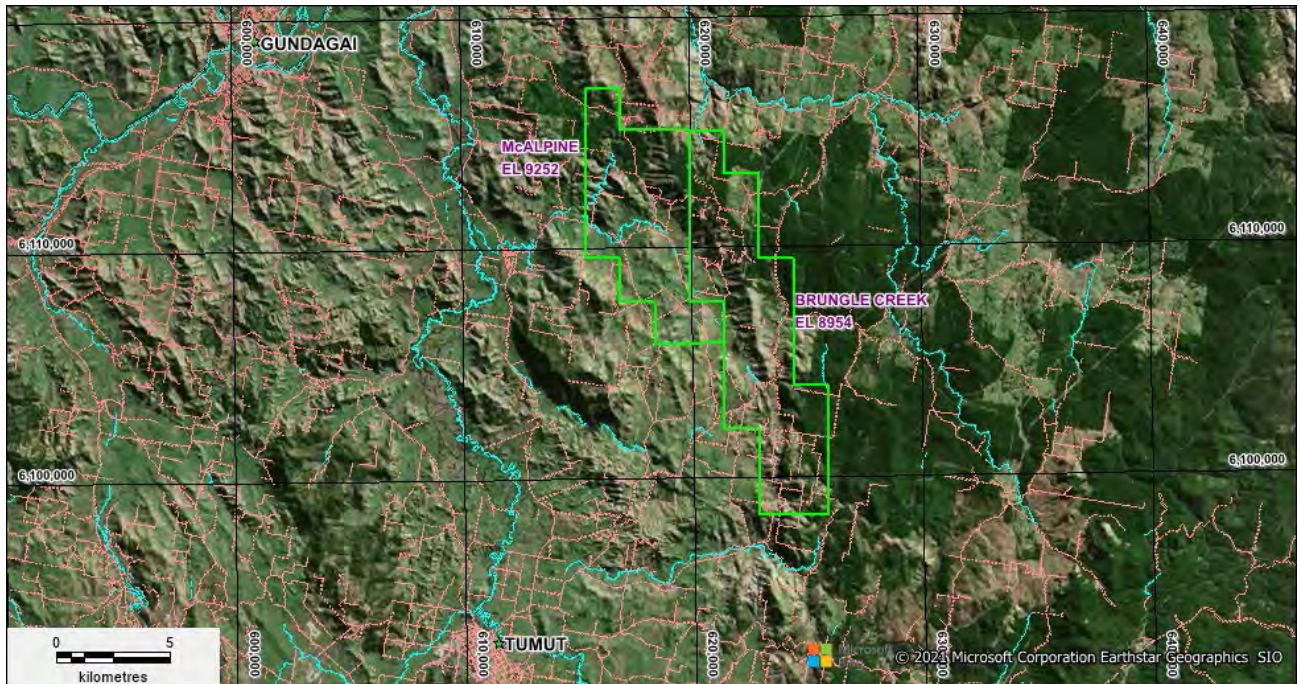


Figure 5: McAlpine EL 9252 and Brungle Creek EL 8954 location map – BING Aerial Photograph

SOUTH AUSTRALIA

RARE EARTH ELEMENTS (REE) EXPLORATION

Murray and Otway Basins (Figure 6) - 100% interest

Parrakie (EL 6795), Mt Rough (EL 6796), Kingston (EL 6797), Wolseley (EL 6807) and Wilkawatt ELA 2023/00059

The total area of the 4 ELs granted to 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.

On 1 November 2023, the Company lodged an application for an additional area ELA 2023/00059 Wilkawatt of approximately 775 square kilometres adjoining the southern boundary of Parrakie EL 6795. When granted the Company will have a total area of interest of 3,550 square kilometres to explore over the next few years.

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).

During the quarter, the Company has obtained required approvals, completed “Dial Before You Dig” checks of proposed drill sites and, has engaged a locally based driller and a traffic management service provider for a drill program at Parrakie to be conducted in January 2024 that was delayed to accommodate the end of year festivities. The drilling commenced on 29 January 2024 as planned on roadside verges

For this initial program, the drilling along roadside verges with local council approvals minimises disruptions on private land and aims to identify areas of potential for future programs. The drilling sites have been selected based on geological work carried out to date by the Company and the information obtained from pXRF scans and laboratory assays for Rare Earth Elements of a selection of core and drill chips from historical drilling that were available at the SA Mines Department.

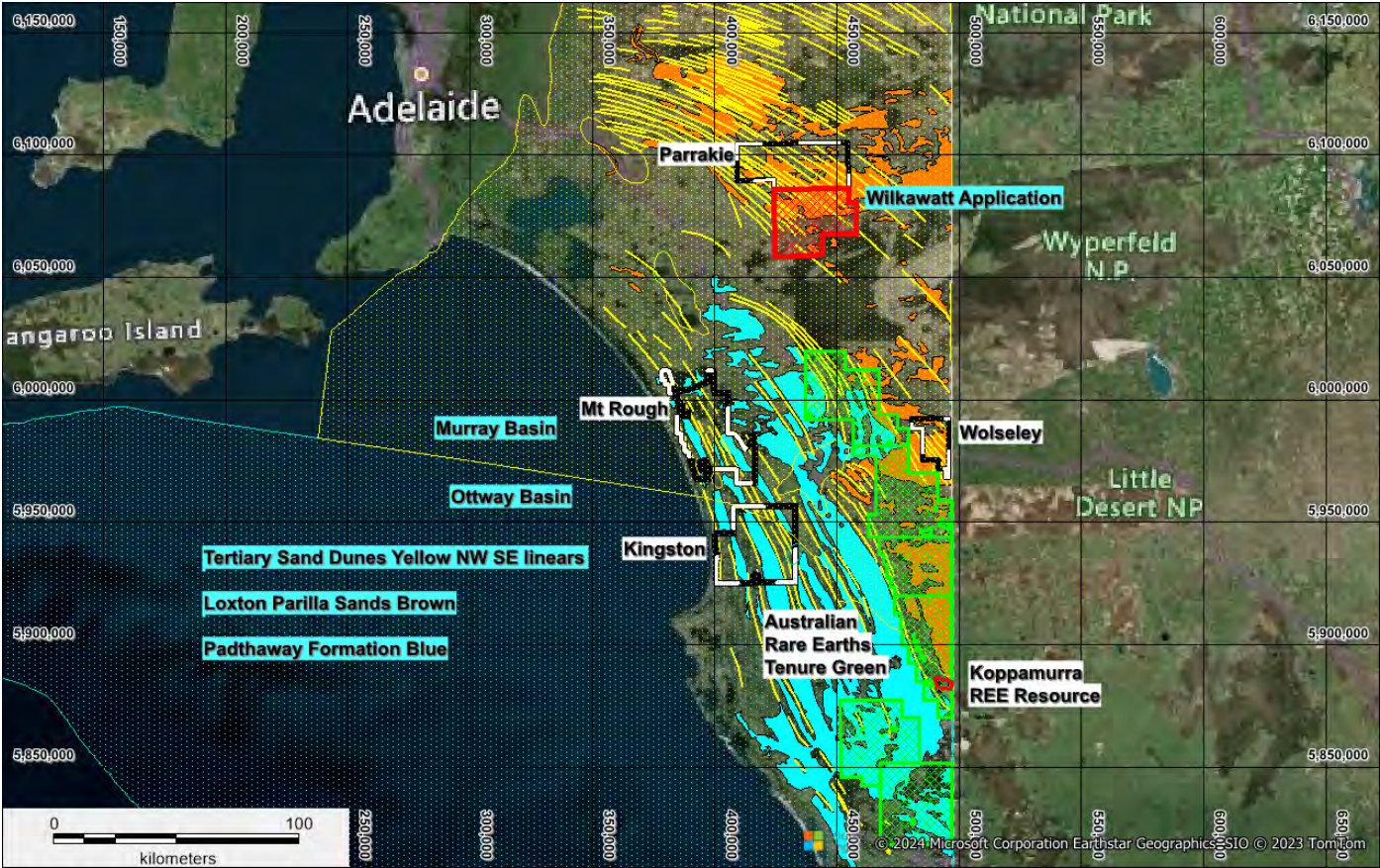


Figure 6: South Australian REE Licence Areas and associated Murray and Otway Basins

Proposed exploration in 2024 financial year

- Plan and conduct expanded Aircore drill programs over the granted 4 ELs.
- Prepare presentations for community meetings and to District councils.
- Submit drill tenders and engage drillers for an expanded Aircore drilling program.

**WESTERN AUSTRALIA
LITHIUM EXPLORATION**

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

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 7).

The Native Title process to enable the conduct of field work in financial year 2024 has not progressed during the quarter.



Figure 7: Laverton area Barneys and Neckersgat located to the north of Laverton in the Eastern Goldfields of WA

According to the Company’s study of the areas, a concentration of pegmatite occurrences in NW of Laverton had very limited historic sampling that focusses on lithium potential. The Company’s plan is to verify whether 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

- Execute access agreements with land holders and native title parties.
- Review of all available historic exploration.
- Digitisation of geochemical and drilling data into the Company’s GIS data base.
- Geological/regolith mapping and field 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	13,000
IP Survey	11,000
Project management costs	9,000
Assays	4,000
Total	<u>37,000</u>

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

TECHNICAL RELEASES RELEVANT TO THE REPORT FOR DECEMBER 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
25 July 2023	Quarterly Activities/ Appendix 5B Cash Flow Report
26 October 2023	Presentation at 2023 AGM
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
12 December 2023	Exploration program update

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 31 December 2023 and their locations are set out in the table below. There has been no change in the tenements holding in the December Quarter other than the lodgement of an application for ELA 2023/00059.

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
ELA 2023/00059	Wilkawatt	SA Murray Basin	100%	Application lodged on 1 November 2023

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 \$12,000 were as follows:

- Director's management fees and superannuation	\$9,000
- Office rent contribution and service fees to a related entity of Managing Director John Wang	\$3,000

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 \$2,000 were as follows:

- Director's management fees and superannuation	\$2,000
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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")

31 DECEMBER 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(20)	(60)
(e) administration and corporate costs	(42)	(107)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(8)	(10)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (GST, projects)	8	8
1.9 Net cash from / (used in) operating activities	(62)	(169)

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	(128)	(334)
(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 (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	-	(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	(128)	(335)
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	480
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	480
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4	78
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(62)	(169)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(128)	(335)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	240	480

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	54	54

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	54	4
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)	54	4

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	12
6.2	Aggregate amount of payments to related parties and their associates included in item 2	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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	1,250	480
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	1,250	480
7.5 Unused financing facilities available at quarter end		770
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. In December 2023 the loan facility agreement was varied to increase loan facility amount up to \$1,250,000 and to extend the loan availability period to 1 October 2025. The funds advanced under the loan facility are unsecured and bear interest at 11.25% per annum.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(62)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(128)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(190)
8.4 Cash and cash equivalents at quarter end (item 4.6)	54
8.5 Unused finance facilities available at quarter end (item 7.5)	770
8.6 Total available funding (item 8.4 + item 8.5)	824
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.34
<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 January 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.