



ASX RELEASE

27 October 2021

Exposure to district scale Ni Cu Co Au PGE potential in QLD

Chase Mining Corporation Limited (ASX: CML, "Chase Mining" or "Company") is pleased to announce that following a due diligence process it has entered into an earn-in and joint venture agreement with unlisted junior explorer, Australian Company Auburn Resources Limited (Auburn), whereby it can acquire up to 90% of a district-scale granted tenement holding of approximately 1,680km² located approximately 55km's west of Mundubbera in Southern Queensland. The tenement holding consists of 13 granted EPMS, known as the Hawkwood Project. Refer to the attached **Schedule 1** - Hawkwood project tenements.

This earn-in and JV is in keeping with CML's strategy of acquiring highly prospective tenements on favourable terms within a single jurisdiction. The Company already has exposure in Queensland through its 40% holding in private exploration Company Red Fox Pty Ltd.

Further to the initial approach by CML, Auburn agreed to the JV agreement as it provides a strategic opportunity to enable the accelerated exploration and development of the Hawkwood Project by CML, while AUB concentrates its exploration and development efforts on its flagship projects at Calgoa and South Nicholson in Qld, and Tanumbirini and Victoria River Downs in the NT.

For more information on Auburn, see the website of DGR Global www.dgrglobal.com.au under its Auburn Resources section.

The Hawkwood Project has unproven geological potential for magmatic Ni-Cu-Co-PGE sulphide mineralisation associated with mafic and ultramafic intrusive complexes. There is also geological potential for porphyry Cu-Mo-Au mineralisation and epithermal gold occurrences, but there has been limited detailed exploration undertaken at the Hawkwood Project to date and there are no known mineral resources.

CML planned exploration:

During Phase 1 (Option period) DGR Global as appointed Operator will carry out a CML defined exploration programme. Pending equipment and contractor availability, this will include ground EM surveys followed by drill testing of any anomalies generated for sulphide mineralisation.

Key Commercial Terms:

CML and Auburn Resources, an unrelated third party, have entered into a binding term sheet the material terms of which are as follows:

1. CML will spend \$500,000 over 12 months on an exploration program for the Hawkwood Project (**Stage 1**). DGR Global will undertake the program and be entitled to a management fee of 5% of the amount spent.

2. At the end of Stage 1 CML may elect to spend a further \$2m on exploration over 12 months (following Stage 1) (**Stage 2**). Upon completing Stage 2, CML will have earned a 51% interest in the project tenements and associated assets. CML may at its election undertake the program and be entitled to a management fee of 5% of the amount spent.
3. At the end of Stage 2 CML may elect to spend a further \$2m on exploration over 12 months (following Stage 2) (**Stage 3**). Upon completing Stage 3, CML will have earned a further 24% interest (for a total of 75% interest) in the project tenements and associated assets. CML may at its election undertake the program and be entitled to a management fee of 5% of the amount spent. Upon completing Stage 3 and subject to point 4 below, the parties will manage and fund the project in accordance with their respective joint venture interests.
4. AUB has the right, for a period of 30 days following CML earning a 75% interest, to sell a further 15% interest to CML for CML fully paid ordinary shares with a total value of \$2m at an issue price equal to the then 30 day VWAP. If exercised and its interest is reduced to 10%, AUB is free carried to a decision to mine.

This announcement has been authorised for release to the ASX by the CML Board of Directors.

For further information, please contact:

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SCHEDULE 1 - HAWKWOOD PROJECT TENEMENTS

General description

The Hawkwood Project is located approximately 55km's west of Mundubbera and 55km's southeast of Cracow. The project comprises 13 granted EPM's that cover approximately 1,680km².

All tenements in the project are held 100% legally and beneficially by Auburn Resources Ltd, and Auburn Resources is the Holder for all statutory purposes.

Tenement Details							Project
EPM	NAME	STATUS	GRANTED	EXPIRY	PRINCIPAL HOLDER	SUB-BLOCKS	PROJECT AREA
25948	HAWKWOOD	GRNTD	11-Feb-16	10-Feb-24	AUBURN RESOURCES LTD	31	HAWKWOOD
26013	WALKERS ROAD	GRNTD	14-Mar-16	13-Mar-24	AUBURN RESOURCES LTD	10	HAWKWOOD
26245	NERANGY	GRNTD	15-May-17	14-May-23	AUBURN RESOURCES LTD	24	HAWKWOOD
26248	TITI CREEK	GRNTD	30-Jan-17	29-Jan-23	AUBURN RESOURCES LTD	26	HAWKWOOD
26526	AUBURN	GRNTD	4-Jan-18	3-Jan-24	AUBURN RESOURCES LTD	16	HAWKWOOD
26529	THEREVALE	GRNTD	24-Aug-17	23-Aug-23	AUBURN RESOURCES LTD	4	HAWKWOOD
27217	QUAGGY EXTENDED	GRNTD	28-Aug-19	27-Aug-22	AUBURN RESOURCES LTD	36	HAWKWOOD
26523	CALROSSIE	GRNTD	11-Dec-10	10-Dec-23	AUBURN RESOURCES LTD	24	HAWKWOOD
18534	QUAGGY CREEK	GRNTD	12-Oct-10	11-Oct-23	AUBURN RESOURCES LTD	9	HAWKWOOD
27403	HAWKWOOD EXTENDED	GRNTD	3-Dec-20	2-Dec-25	AUBURN RESOURCES LTD	100	HAWKWOOD
27404	CALROSSIE EXTENDED	GRNTD	3-Dec-20	2-Dec-25	AUBURN RESOURCES LTD	100	HAWKWOOD
27405	QUAGGY SOUTH	GRNTD	10-Mar-21	9-Mar-26	AUBURN RESOURCES LTD	100	HAWKWOOD
27406	HAWKWOOD SOUTH	GRNTD	3-Dec-20	2-Dec-25	AUBURN RESOURCES LTD	38	HAWKWOOD

