

ASX Release

19 January 2022

DATELINE RESOURCES LIMITED

(ACN 149 105 653)

ASX Code: DTR

CAPITAL STRUCTURE

Share Price (17/01/22) \$0.077
Shares on issue 438 million
Market Cap \$33.7 million

MAJOR SHAREHOLDERS

Southern Cross Exploration NL	21.8%
Mr. Mark Johnson AO	19.9%
National Nominees Ltd	11.9%
Stephen Baghdadi	5.9%

DIRECTORS & MANAGEMENT

Mark Johnson AO
Chairman

Stephen Baghdadi
Managing Director

Greg Hall
Non-Executive Director

Tony Ferguson
Non-Executive Director

Bill Lannen
Non-Executive Director

Mark Ohlsson
Company Secretary

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DATETIME
RESOURCES

Closing in on first gold production from Gold Links Gold Mine, Colorado

Highlights

- Mining and stockpiling of the 9900rl Mineral Resource of the 2150 Vein has commenced.
- Re-commissioning of the Lucky Strike mill is well underway, with campaign testing to commence next week.
- Discovery Zone drilling continues to provide encouraging geological indicators in line with expectations.
- Additional US\$3million drawn down from working capital facility to fund ongoing production, development and exploration activities.

Dateline Resources Limited (ASX: DTR) (**Dateline** or the **Company**) is pleased to announce that gold production activities are progressing well at the Gold Links Gold Mine in Colorado, ahead of plant re-commissioning.

Initial production is focused on the 9900rl Mineral Resource on the 2150 Vein. The Indicated Mineral Resource being targeted has a head grade of 14.73g/t Au¹. Following the completion of two headings on the 9900rl Mineral Resource, production from development drives has commenced at a rate of ~100tpd, with ore currently stockpiled at the mine site. Ore haulage is expected to commence this week, with ore transported to the Company's 100% owned Lucky Strike mill.

Dateline has commenced re-commissioning activities at the Lucky Strike mill, with a 24-hour commissioning cycle planned for next week as the Company ramps up to full production. The mill is initially planned to operate at ~100tpd, however the Company is investigating upgrading the circuit to ~250tpd.

Following equipment and personnel productivity issues, a new drilling contractor has been mobilised to site to complete the 12,000-foot drilling program. The new contractor has equipment that is more suitable for deeper holes that can be accessed from the #5 and other drill stations.

Additionally, the Company has drawn down a further US\$3 million from a working capital facility and is fully funded to commence production stoping, development and continue with exploration until the period of first cashflow.

Commenting on the update whilst on site in Colorado, Dateline's Managing Director, Stephen Baghdadi, said:

"We see 2022 as being transformative for Dateline Resources as we transition to a high-grade gold producer."

"With infrastructure already developed and in place, the operation will have very low capital intensity in addition to high grades that we believe will result in low operating costs."

¹ As disclosed to ASX in "March 2021 Quarterly Activities Report" on April 27, 2021

Mining and Development – Gold Links

Production from development drives has commenced at the 9900rl Mineral Resource, with ore being extracted at a rate of ~100tpd, a rate chosen to match the initial processing capacity at the Lucky Strike mill. Ore has been stockpiled at site, with haulage to commence this week.

The Company plans to continue developing and stoping at this rate until a decision is made on upgrading the mill to ~250tpd.

The ore zones encountered to date appear to have widths and grades in line with expectations from the Mineral Resource. As can be seen in Figures 1 and 2, the ore zones are clearly visible within the development drives.

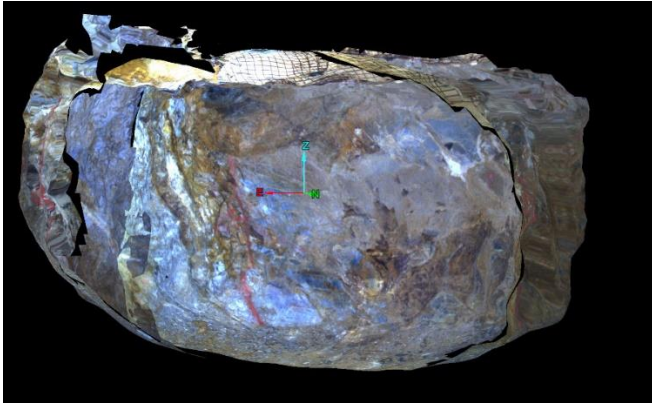


Figure 1 – 3D view of ore face within 9900rl

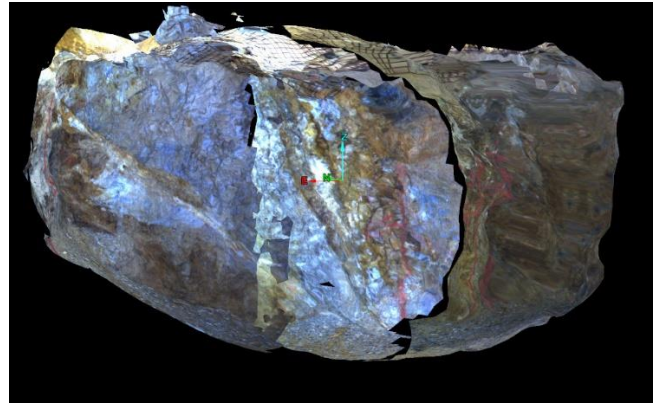


Figure 2 – 3D view of ore face within 9900rl

As the Company is transitioning from a purely exploration phase to an ongoing production phase, it is undertaking a review of equipment and personnel requirements going forward, with owner-operator and contract models being considered.



Figure 3 Stockpiled development ore

Lucky Strike mill re-commissioning

The Company has commenced re-commissioning works at the 100%-owned Lucky Strike mill. The fully licenced mill has previously operated at 100tpd and has been well maintained.

Minor equipment repairs and replacements have been required to bring the mill back up to 'production ready' status. Initial commissioning is underway with a trial batch of development ore to be treated during a 24-hour campaign over the next week.

The Company is aiming towards first gold concentrate production and sale during Q1 2022.

Underground drilling and lab results

The Company has mobilised a new drilling contractor to site in order to effectively complete the drilling program. The previous drilling contractor had equipment and personnel reliability issues.

The new contractor is on site and has commenced drilling of the deeper targets, following the completion of site safety inductions. It is expected that the new contractor will complete the remainder of the existing 12,000-foot drilling campaign, with an extension likely based on results to date.

Assay lab turnaround times continue to be an issue, something that is common at many resources projects around the world. The Company has engaged a second lab with the aim of speeding up the return of assays to aid with forward drill planning.

Draw down on working capital facility

The Company has drawn down a further US\$3 million from a working capital facility in order to fund production, development and exploration activities until the receipt of first cashflows from sale of Gold Links concentrate shipments. The additional funds were advanced on the same terms as the initial draw down, repayable over 10 years with a 6% interest rate. The terms do not include any debt-to-equity conversion rights for the lender. Following the draw down, the Company has US\$9.865 million in debt.

This announcement has been authorised for release on ASX by the Company's Board of Directors.

For more information, please contact:

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About Dateline Resources Limited

Dateline Resources Limited (ASX: DTR) is an Australian publicly listed company focused on gold mining and exploration in North America. The Company owns 100% of the Gold Links and Green Mountain Projects in Colorado, USA and has an agreement to acquire 100% of the Colosseum Gold Mine in California.

The Gold Links Gold Mine is a historic high-grade gold mining project where over 150,000 ounces of gold was mined from high-grade veins. Mineralisation can be traced on surface and underground for almost 6km from the Northern to the Southern sections of the project. The Company aims to delineate sufficient Mineral Resources to commence a small high-grade, low-cost operation by the end of 2021.

The Company owns the Lucky Strike gold mill, located 50km from the Gold Links mine, within the Green Mountain Project. It is proposed that ore from Gold Links would be transported to Lucky Strike for processing.

The Colosseum Gold Mine is located in the Walker Lane Trend in East San Bernardino County, California and produced approximately 344,000 ounces of gold (see ASX release 15 March 2021). Significant potential remains for extension to mineralization at depth.