



23<sup>rd</sup> May 2022

## ASX ANNOUNCEMENT

# TRANSFORMATIONAL NEW NT LITHIUM PROJECT SUBSTANTIAL 570KM<sup>2</sup> INCREASE OF NT LITHIUM PORTFOLIO

## HIGHLIGHTS

- Additional project area comprising five tenements to create Northern Territory combined “supergroup” project
- Tenement farm-in agreement for Ragusa to earn initial 90% interest, with scope to increase to 100%
- Strategic ~570km<sup>2</sup> NT lithium landholding in highly prospective Litchfield Pegmatite Belt, and comparable land package to neighbouring Core Lithium and Lithium Plus
- Four granted tenements allow for rapid advancement of exploration works

Ragusa Minerals Limited (ASX: RAS) (“Ragusa” or “Company”) is pleased to advise that it has entered into a Tenement Farm-in Agreement (“Agreement”) with May Drilling Pty Ltd for the exclusive right to earn an initial 90% interest in tenements EL28642, EL29731, EL30521, EL32671 and EL(A)32405 (combined the “Tenements”) – located in the highly prospective Litchfield Pegmatite Belt in Northern Territory – and the exclusive option to acquire the additional 10% interest in the tenements.

In addition, the Agreement allows the Company to conduct due diligence works including immediate exploration activities on the tenements, covering approximately 570km<sup>2</sup> within the highly prospective Pine Creek Orogen including the Finnis River Group – host to Core Lithium’s Finnis Project.

Ragusa intends to commence exploration works to target outcropping pegmatite rocks identified from prior exploration activities, to develop a more comprehensive lithium exploration program.

Ragusa Chairperson, Jerko Zuvella said *“The Company has secured extremely strategic and highly sought-after lithium prospective tenements in the centre of a well-renowned lithium district. This is a significant opportunity to combine Ragusa’s existing NT lithium projects to create a combined “supergroup” project area comparable to neighbours Core Lithium and Lithium Plus, and utilise our exploration and development experience to rapidly progress our NT Lithium Project in a Tier 1 jurisdiction close to major infrastructure.*

*With four currently granted tenements and considerable historic works to reference, Ragusa is in a strong position to rapidly accelerate the development of our project at a time of record lithium prices and within a proven high-quality lithium district.”*

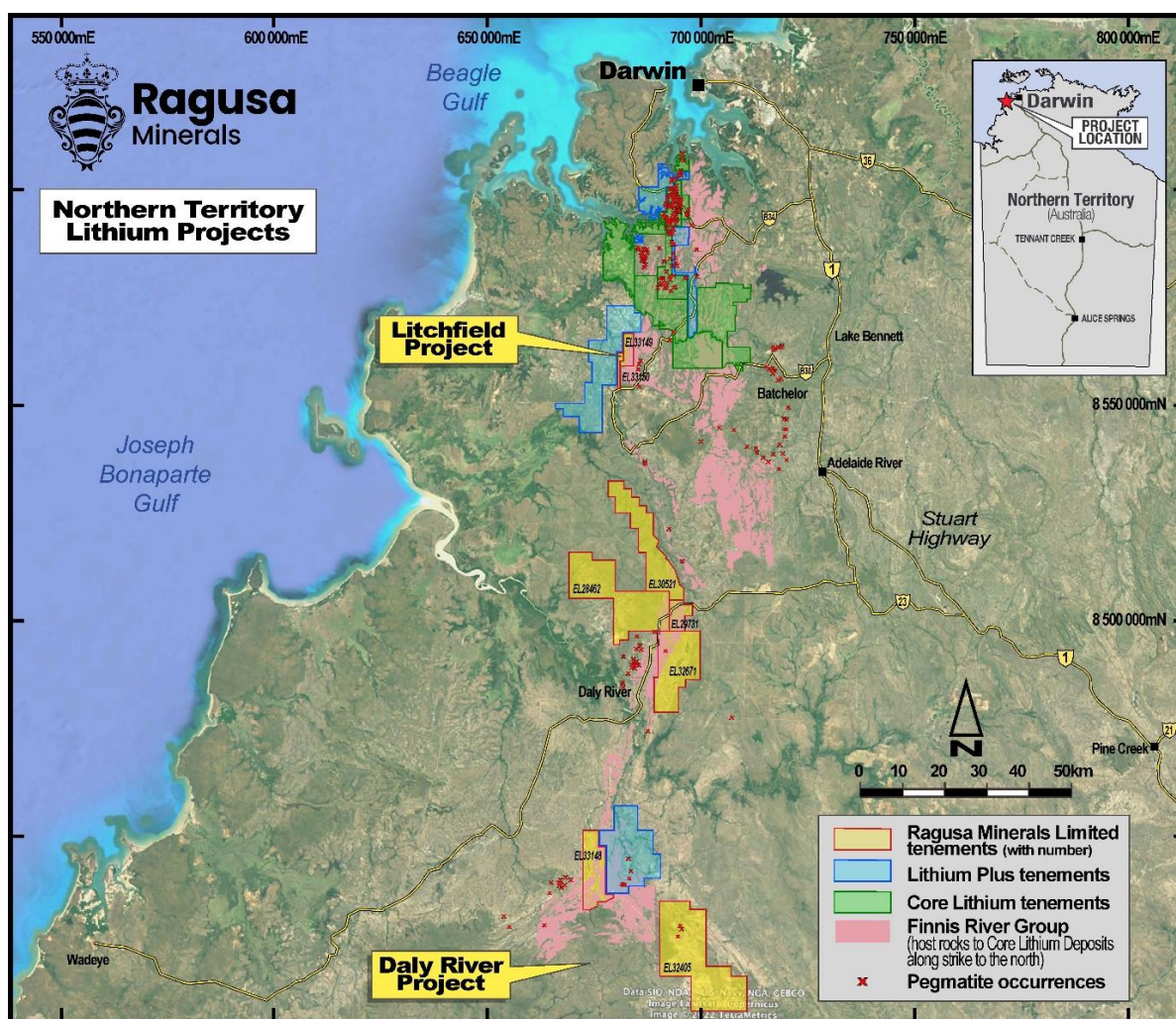
## PROJECT OVERVIEW

The four granted tenements cover the same general prospective geology as Ragusa’s existing Northern Territory lithium projects, and also Core Lithium and Lithium Plus project areas. The fifth tenement –

EL(A)32405 is located south-east of Ragusa’s Daly River Project tenement, and also contains similar geology.

The main lithium bearing host geology in the region are pegmatites within the Burrell Creek Formation of the Finnis River Group of sediments, adjacent to and within the contact aureole of late Proterozoic granites as the source of the LCT (Li- Cs-Ta) pegmatites in the area.

The Burrell Creek Formation continues from the known lithium bearing district predominantly held by Core Lithium in the north, through the Litchfield National Park and into the newly acquired four granted tenements, and into Ragusa’s Daly River Lithium Project in the south. Together, this combined “supergroup” of tenements Ragusa has acquired represents a significant and strategic landholding within the very highly prospective geology of the Finnis River Group for lithium bearing minerals, and all within a short distance to the major port of Darwin.



**Figure 1. Ragusa NT “Supergroup” Lithium Project Location**

Historical exploration in the prospective lithium province relating to pegmatites, has predominantly been for tin and tantalum, with numerous remnant small-scale artisanal mining evident in the area (including the new Ragusa tenements project area). Reports on previous exploration for lithium by Core, Liontown, and others has consistently noted the intense lateritic weathering profile in the area, which has led to the breakdown/alteration of spodumene to kaolinite, resulting in the lack of spodumene at surface. In a

presentation to the 2017 AGES conference, Core noted “interest and knowledge of lithium limited to amblygonite collectors” and “no spodumene at surface”<sup>1</sup>, which is remarkably consistent with data provided to Ragusa on the new tenements.

#### Previous Work

The Tenements have been subject to prior exploration, by May Drilling and other groups, with such works focussed on tin, tantalum, gold, copper, graphite, lead, zinc, uranium and lithium, all of which have had anomalous results found in a series of geochemical studies, drilling, surface rock-chip analysis and geophysical survey data.

Prior exploration works conducted within the new tenements by Monax Mining Limited focussed on lithium targets. During 2016-2017, Monax conducted a series of geochemical soil and rock-chip sampling programs focussing on outcropping pegmatite and surrounding sediments. Numerous high grade lithium results were returned from rock chips, up to a peak grade of 8.03% Li<sub>2</sub>O<sup>2</sup> from a sample of amblygonite with an accompanying 7.3 g/t gold result. Numerous anomalous geochemical soil results were also received, with grades up to 420ppm lithium (903ppm Li<sub>2</sub>O) and 1% tin<sup>3</sup>, identifying several exploration target areas.

During 2018, PNX Metals entered into a farm-in agreement<sup>4</sup> over the same tenure, with a primary focus on gold and base metals exploration. Rock chip sampling during reconnaissance works returned a peak Li<sub>2</sub>O grade of 7.25% and a peak gold grade of 23.1 g/t<sup>5</sup>. Following the initial field visit, PNX reported “several distinct trends and many kilometres of untested strike length of pegmatites occurring within the leases”<sup>6</sup>. PNX conducted an airborne electromagnetic (EM) survey over the area during October 2018 targeting massive sulphide accumulations resulting in 13 targets of varying priority for gold, base metals and kimberlites.

The combined result of the historical works has left Ragusa in a fortunate position with a series of walk-up drill targets for both lithium and gold, with a significant amount of targeting work completed and a remarkably similar surface situation to that of Core Lithium’s Finnis Project to the north.

Ragusa intends to follow on from this prior work that identified high grade lithium (+gold) mineralisation in preliminary surface exploration works, in search of lithium mineralisation beneath the as-yet untested fresh pegmatite at depth.

#### **ACQUISITION TERMS**

Ragusa has executed a binding Tenement Farm-in Agreement with May Drilling Pty Ltd, whereby the Company has the exclusive right to earn an initial 90% interest in tenements EL28642, EL29731, EL30521, EL32671 and EL(A)32405, and the exclusive option to acquire the additional 10% interest in the Tenements.

In addition, the Agreement allows for Ragusa to conduct due diligence works covering the ~570km<sup>2</sup> project area.

The material terms of the Tenement Farm-in Agreement include:

Due diligence payment - Ragusa will pay May Drilling the sum of \$125,000 in cash within 7 days of signing, for the right to carry out due diligence for a period of up to 12 months. Ragusa will pay for all tenement costs and obligations during the due diligence period.

Upon completion of due diligence and Ragusa entering into the farm-in arrangement;

- Upon decision to proceed, a payment of \$150,000 within 60 days.

- Ragusa to expend a minimum of \$500,000 per annum on in-ground activities during the farm-in period, for a minimum aggregate of \$1,500,000 of on-ground expenditure, and a minimum total expenditure of 2,500,000 on the project.
- Ragusa will meet all tenement costs and obligations.

Upon completion of the farm-in period, the two parties will enter into a formal joint venture agreement, whereby an unencumbered 90% ownership in the Tenements will be transferred to Ragusa, and Ragusa shall have full operational control and decision-making rights thereafter.

May Drilling will retain 10% ownership, free carried until a decision to mine.

Ragusa will have the exclusive right to purchase May Drilling's remaining 10% interest in the Tenements, for \$500,000 in cash, \$500,000 in cash or shares (or a combination thereof) at the election of Ragusa, and the grant of a 2% net smelter return royalty of the value of any minerals produced and sold from the Tenements.

May Drilling has the right to explore for and exploit any alluvials on the Tenements.

When EL(A) 32405 is granted, Ragusa shall pay to May Drilling \$50,000 in cash and an additional \$150,000 (in cash or shares at Ragusa's discretion) if Ragusa remains listed on the ASX at the time EL(A) 32405 is granted.

Ragusa will pay \$500,000 cash and \$1,000,000 in cash or shares if it publicly announces the delineation of a JORC Code-compliant Measured Mineral Resource, Probable Ore Reserve or Proved Ore Reserve as a milestone payment.

#### **EXECUTIVE APPOINTMENT**

With the NT lithium project acquisition and strong works progress with Ragusa's project portfolio, Mr Olaf Frederickson will move to an Executive Director position. Mr Frederickson is a qualified geologist with over 25 years experience in the mining sector ranging from grassroots exploration through to mine site operations, resource estimation, project assessment, project generation and business development. His recent works include pegmatite-hosted lithium mineralisation in Australia and Canada, and more generally within Northern Territory and the Company's lithium projects.

Mr Frederickson has held senior and executive level management roles for major companies including FMG, Rio Tinto, Iluka Resources, Newcrest Mining, is a Competent Person under the JORC code for numerous commodities and is a Member of the Australasian Institute of Mining and Metallurgy.

In accordance with ASX Listing Rule 3.16.4, the Company advises that as part of Mr Frederickson's move to Executive Director, he will receive a fee of up to \$1350 per day for his services.

**ENDS**

*This announcement has been authorised by Jerko Zuvela, the Company's Chairperson*

*For more information on Ragusa Minerals Limited and to subscribe for regular updates, please visit our website [www.ragusaminerals.com.au](http://www.ragusaminerals.com.au) or contact us at [admin@ragusaminerals.com.au](mailto:admin@ragusaminerals.com.au) or Twitter [@Ragusa Minerals](https://twitter.com/Ragusa_Minerals).*

#### **For further information:**

Jerko Zuvela  
Chairperson

T | +61 8 6188 8181

E | [admin@ragusaminerals.com.au](mailto:admin@ragusaminerals.com.au)

W | [www.ragusaminerals.com.au](http://www.ragusaminerals.com.au)

**Reference to Previous ASX Releases:**

This document refers to the following previous ASX releases:

<sup>1</sup> (ASX:CXO) Core Lithium, Presentation 2017 AGES Conference

<sup>2</sup> (ASX:MOX) ASX Announcement, Monax Mining Limited - "High Grade Lithium recorded at Litchfield", 31 August 2016

<sup>3</sup> (ASX:MOX) ASX Announcement, Monax Mining Limited - "Significant Sampling Results at Litchfield Lithium Project", 21 December 2016

<sup>4</sup> (ASX:PNX) ASX Announcement, PNX Metals - "Acquisition of Kilfoyle Project, Northern Territory", 31 May 2018

<sup>5</sup> (ASX:PNX) ASX Announcement, PNX Metals - "High-Grade lithium and lead-silver-gold in rock chips at the Kilfoyle Project", 16 July 2018

<sup>6</sup> (ASX:PNX) ASX Announcement, PNX Metals - June 2019 Quarterly Report

Ragusa confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Ragusa confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

**Forward Looking Statements:** Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

**Competent Person's Statement**

*The information contained in this ASX release relating to Exploration Results has been reviewed by Mr Olaf Frederickson. Mr Frederickson is a Member of the Australasian Institute of Mining and Metallurgy and 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 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Frederickson is a Non-Executive Director of Ragusa Minerals Ltd and consents to the inclusion in this announcement of this information in the form and context in which it appears.*

---

**ABOUT RAGUSA MINERALS LIMITED**

Ragusa Minerals Limited (ASX: RAS) is an Australian company with 100% interest in the following projects – Litchfield and Daly River Lithium Projects in the Northern Territory, Burracoppin Halloysite Project in Western Australia, Monte Cristo Gold Project in Alaska, and Lonely Mine Gold Project in Zimbabwe.

The Company has an experienced board and management team with a history of exploration, operational and corporate success.

Ragusa leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximize shareholder value through focussed, data-driven, risk-weighted exploration and development of our assets.