

19 June 2024

ASX ANNOUNCEMENT

Drilling Commences at Chenene Lithium Project, Tanzania

HIGHLIGHTS

- Drilling commenced at Chenene Lithium Project, targeting multiple high-priority lithium targets.¹
- Initial diamond core drilling will consist of 8 holes, with potential expansion if required.
- The initial hole has intersected pegmatite from a depth of 6 metres, close to outcropping pegmatite.
- Drill results are expected once SGS South Africa completes laboratory analysis.
- AustChina entered an Exclusive Binding Heads of Agreement to conduct due diligence to ascertain if they wish to move forward and acquire the 4 licences from Cassius Mining.²
- The MSA Group (Pty) Ltd, a leading Johannesburg-based geological company, is providing Competent Person technical oversight for the drilling and sampling program.

Chief Executive Officer, Andrew Fogg, commented: *“We are excited to commence the drilling program at the Chenene Lithium Project in Tanzania. We have a great program team in place with highly reputable local geological companies and on ground expertise. The first of four prime exploration targets have commenced, and core samples have evidenced pegmatite intersections within seven metres from surface. We look forward to providing further updates on our initial drill results in the coming weeks.”*

AustChina Holdings Limited (**ASX: AUH**) (“**AUH**”, the “**Company**” or “**AustChina**”) is pleased to announce that drilling has commenced at the Chenene Lithium Project in Tanzania, targeting multiple high-priority lithium targets.

¹ ASX Release, “AustChina Mobilises for Maiden Drilling at Chenene Lithium Project”, 3 June 2024.

² ASX Release, “Option to acquire Chenene Lithium Project”, 7 March 2024.

The diamond core drilling program will be targeting four prime exploration locations, with potential expansion based on drill results.

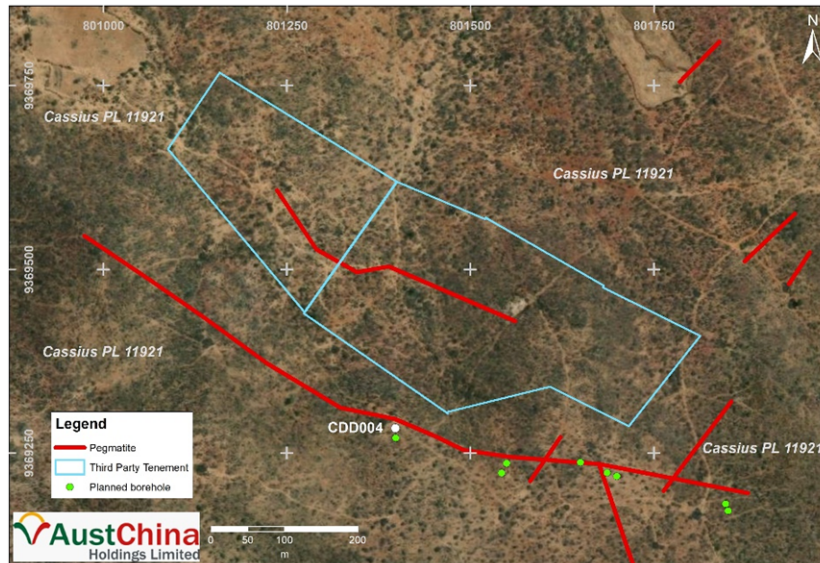


Figure 1: Tenement areas and location of current drilling activity

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Drilling of the first of the intended target holes (CDD004) as per Figure 2 below has been completed, with an intersection of pegmatite in evidence from 6 m to 14.45 m (± 8.45 m, not true width), close to outcropping pegmatite. Sample coring ceased at 26.3m.



Figure 2: Drilling has commenced at the first drill target

Figure 3 showing core obtained from CDD004.

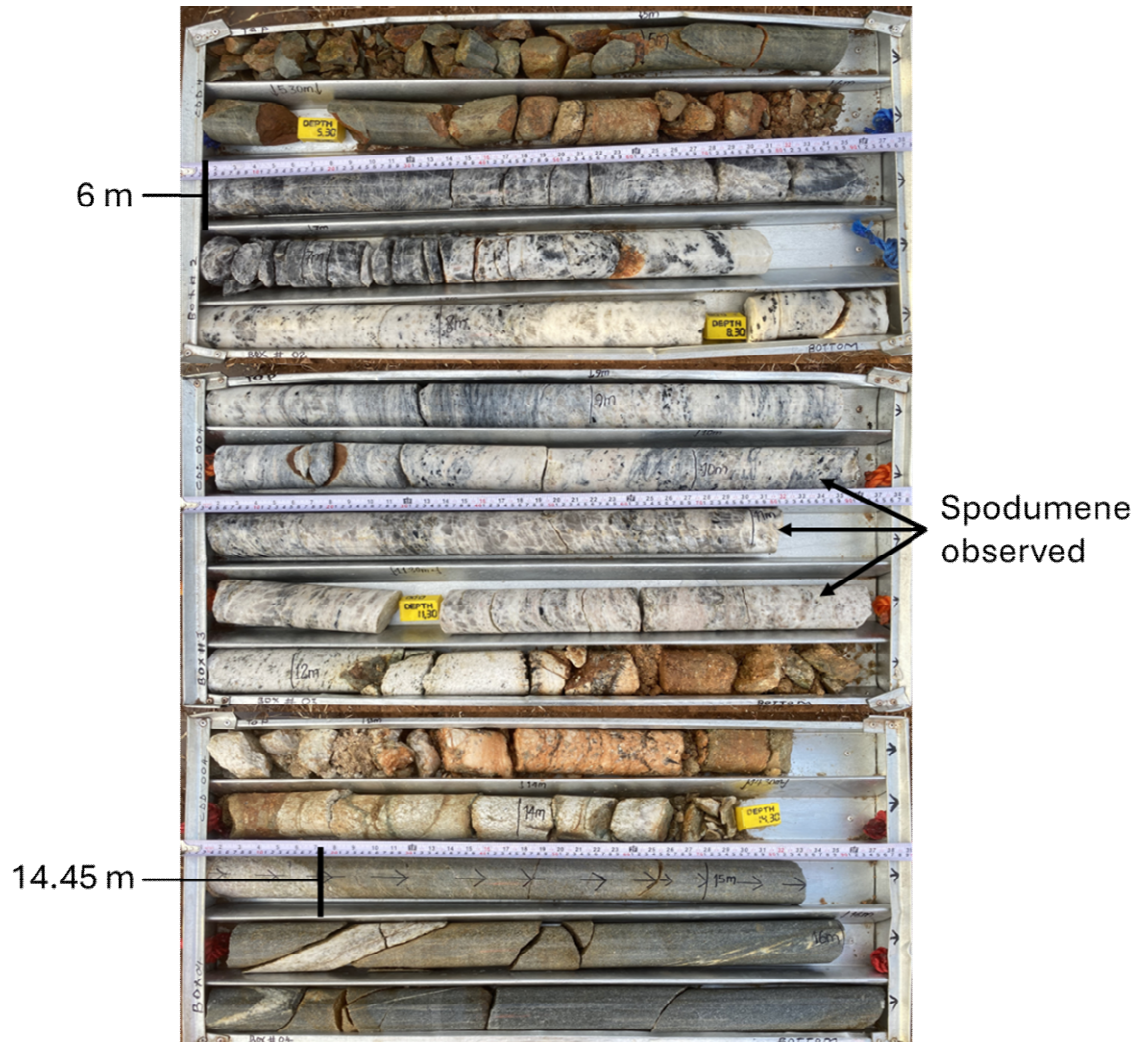


Figure 3: The Drill Core from 4.4 m to 17 m

Drill results are expected once SGS South Africa has completed laboratory analysis.

As announced on 7 March 2024, the Company entered a Binding Heads of Agreement with Cassius Mining Limited (**ASX: CMD**) (**Cassius**) and its wholly owned subsidiary Cassius Mining (T) Limited (**CMT**) pursuant to which it has been granted an exclusive and binding option to acquire (**Option**) 100% of the issued capital in CMT, the holder of four prospecting licences which comprise the Chenene Lithium Project in Tanzania.²

Recognising the importance of local expertise, AustChina has engaged The MSA Group (Pty) Ltd (**MSA**), a Johannesburg-based geological company, to provide technical oversight for the drilling program. The Competent Person for MSA is George van der Walt, who has extensive experience with lithium-hosted

pegmatites in South Africa, Nigeria, Brazil, DR Congo and Ivory Coast. Additionally, SGS South Africa has been appointed to undertake sample preparation at Mwenda, Tanzania and analysis at their Randfontein laboratory in South Africa.

Geology

The main features are the NW-trending Chenene Hills of sheared granite within rolling plains formed mainly of eroded granitic soils. A belt of metamorphosed amphibolite schists and amphibolite gneiss rocks outcrops along the margins of the sheared granites within the Licences, exposed intermittently above granitic soil plains.

Pegmatites are hosted in these metamorphosed rocks of the Dodoma formation within the ‘Hombolo-Msangani belt’, a NW-SE trending belt approximately 35 km long and 13 km wide. Folding was later deformed by NW shearing. Pegmatites were emplaced prior to the shearing.

Competent Person

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The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by George van der Walt, a Competent Person who is a Member of the South African Council for Natural Scientific Professions (SACNASP, member number 400306/07) a ‘Recognised Professional Organisation’ (RPO) included in a list that is posted on the ASX website from time to time.

George van der Walt is employed by The MSA Group (Pty) Ltd and has no direct interest in the business of AustChina Holdings Limited.

George van der Walt 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’. George van der Walt consents to the inclusion in the report of the matters based on his (or her) information in the form and context in which it appears.

This announcement has been approved for release by the Chairman of the Board

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