

26 October 2023

## Quarterly Activities and Cash Flow Report for the period ending 30 September 2023

Critical minerals and base metals explorer **Iltani Resources Limited** (ASX: ILT, “Iltani” or “the Company”) is pleased to report its activities and corporate developments for the September 2023 Quarter.

### HIGHLIGHTS:

- Stage 1 Orient reverse circulation (RC) drilling program completed – targeting high grade silver-lead-zinc-indium antimony tin mineralisation. 14 RC drill holes completed for 2,034 metres drilled at Orient East and West.
- Mapping program completed at Orient – confirms mineralisation is epithermal in nature and that system (alteration and mineralisation) extends over 3km<sup>2</sup>. Highlights multiple target zones for follow up drilling.
- Reconnaissance mapping and sampling program discovers a hitherto unknown gold rich epithermal vein system at Boonmoo (Herberton Project, QLD) – discovery rock chip returns an outstanding assay of 7.85 g/t Au & 2.17 g/t Ag.

Figure 1 RC Drill Rig at Orient East



**1. Herberton Project**

Iltni’s focus during the quarter was to commence exploration activities at our exciting Herberton Project in Northern QLD.

**1.1. Orient Drilling Program**

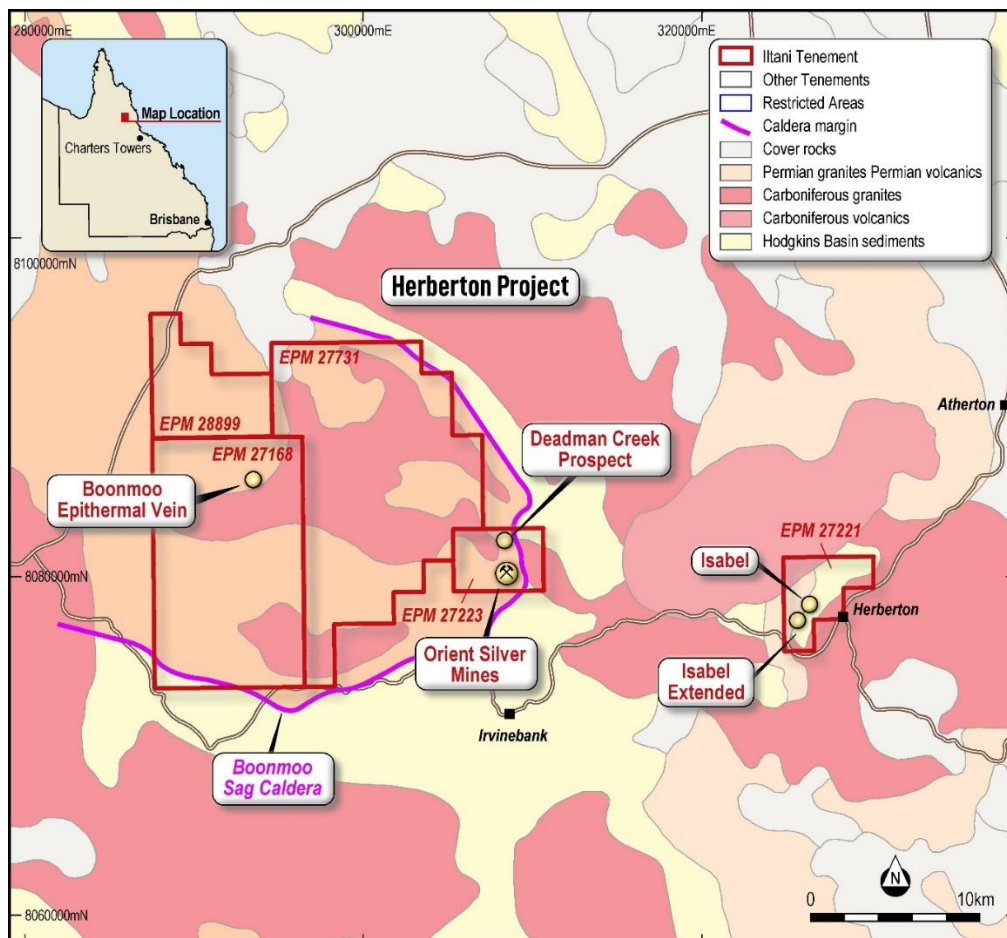
During the quarter, Iltni successfully completed a 14 hole reverse circulation (RC) drilling program (2,034 metres drilled) at the Orient Project.

The Orient project is located on Iltni’s wholly owned tenement EPM27223 which is approximately 20km west of the historic mining town of Herberton and 9km north of Irvinebank in North Queensland (Figure 2). Access to the tenement is gained from Herberton via the sealed Herberton Petford Road and then unsealed Hales Siding Road, from here prospects can be accessed via unsealed roads and established tracks.

Mineralisation in the project area was discovered in 1886 and was mined until 1924, with historic mining activities occurring at both Orient West and Orient East which are located approximately 2km apart. Mining was conducted intermittently on lodes continuing for over 600m at Orient East and mineralised veins have been mapped for over 900m at Orient West. Production figures are incomplete but records from the Queensland Mines Department include 6,600 tons of high-grade ore averaging 46 ounces of silver and 40% lead per ton.

The veins are variably mineralised with sphalerite, galena, chalcopyrite, arsenopyrite, stannite-cassiterite, boulangerite (Pb-Sb-Ag) and tetrahedrite (Cu-Sb-Ag). Indium as well as minor gallium and cadmium are also associated with the various ore minerals. Mineralisation has a close association with pyrrhotite.

Figure 2 Orient Location and Regional Geology



Iltni completed seven RC drillholes at Orient East for 804 metres drilled (ORR001, ORR003, ORR004, ORR007, ORR005, ORR008 and ORR008A) and seven RC drillholes were completed at Orient West for 1,224 metres drilled (ORR010, ORR011, ORR012, ORR013, ORR014, ORR015 and ORR016). Refer to Figure 2 for drill collar locations and Table 1 for drill hole data. Samples were submitted for assay during the quarter, and all assays were received subsequent to the end of the quarter.

Figure 3 Orient Drill Collar Location

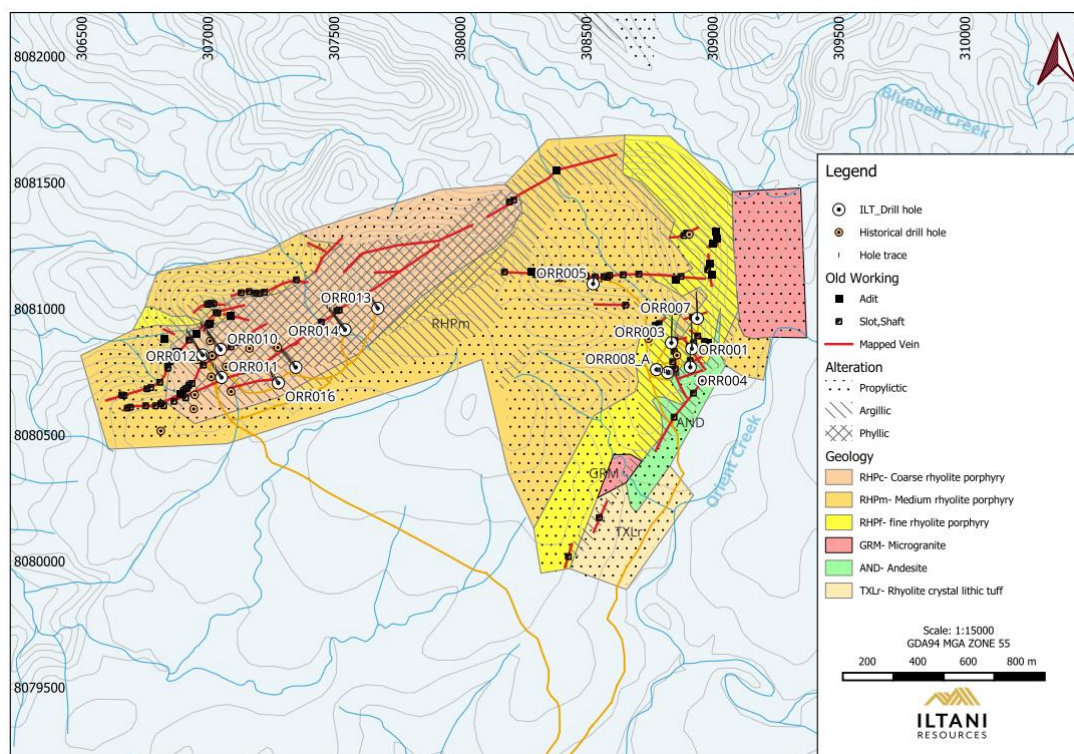


Table 1 Orient Stage 1 RC Drill Program Drillhole Data

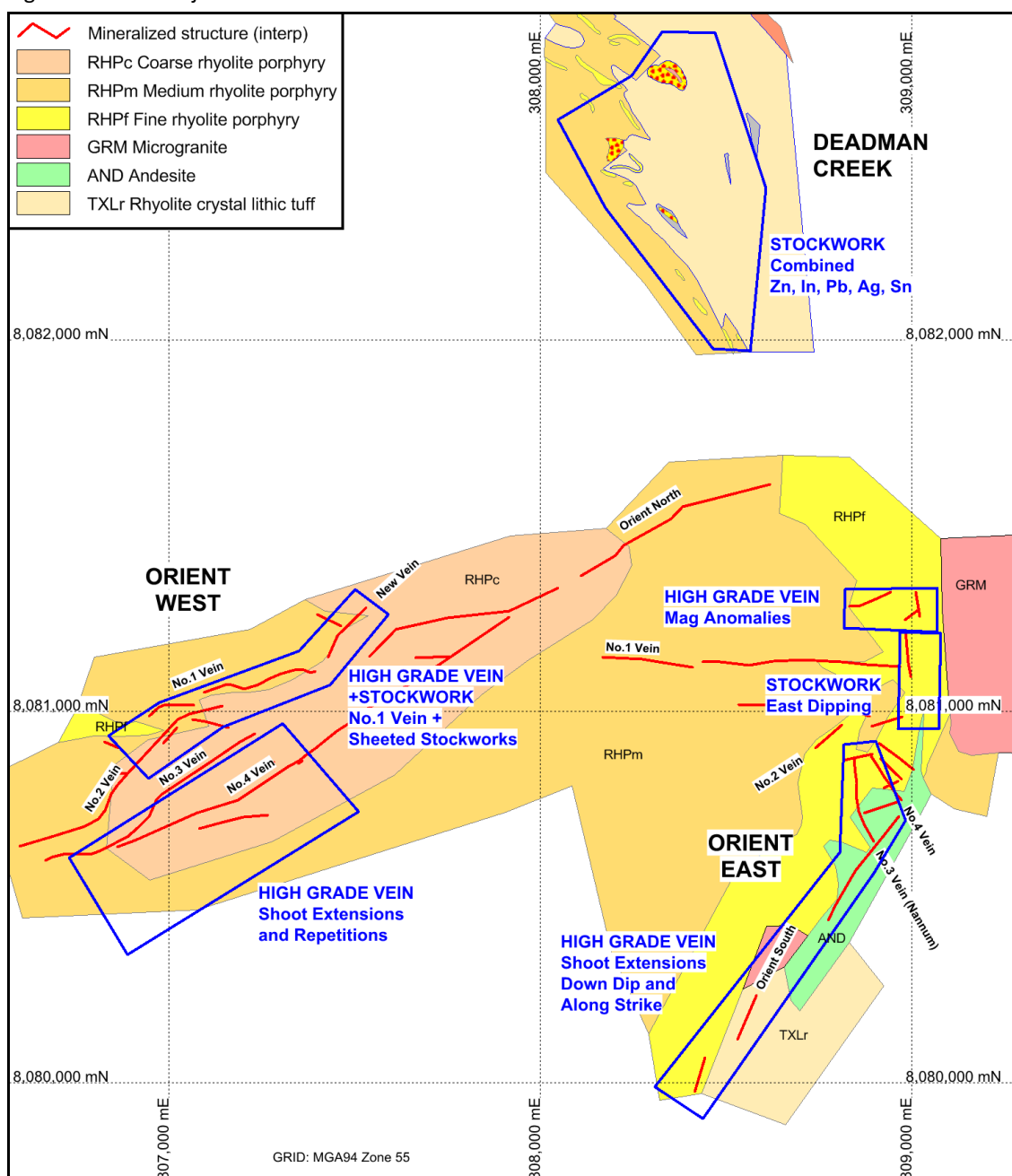
DH ID	Easting	Northing	Elevation (m)	Dip	Azimuth (Mag)	Azimuth (Grid)	Depth (m)
ORR001	308918	8080842	815	-60	353.5	0	150
ORR003	308837	8080865	798	-60	353.5	0	150
ORR004	308912	8080769	798	-60	353.5	0	102
ORR005	308527	8081099	756	-60	353.5	0	72
ORR007	308940	8080962	821	-60	353.5	0	162
ORR008	308822	8080747	791	-60	353.5	90	18
ORR008_A	308778	8080759	790	-60	83.5	90	156
ORR010	307051	8080839	809	-60	313.5	320	204
ORR011	307055	8080728	796	-60	313.5	320	198
ORR012	306980	8080817	805	-60	313.5	320	198
ORR013	307674	8081002	826	-60	313.5	320	156
ORR014	307544	8080917	799	-60	313.5	320	168
ORR015	307349	8080768	803	-60	313.5	320	150
ORR016	307280	8080706	801	-60	313.5	320	150

1.2. Orient Mapping Program

During the quarter, Iltani engaged a consultant geologist to carry out a mapping program over the Orient Project area. Nick mapped a large scale system (>3km<sup>2</sup> of alteration and mineralisation) at Orient to Deadman Creek. The Orient and associated Deadman Creek prospects have potential for high grade vein style and low grade bulk tonnage style Ag, Pb, Zn, In, Sn mineralisation.

The implication of epithermal conditions of formation suggests that the system is likely to exhibit vertical zonation from lead-silver dominant in upper parts to zinc rich in deeper parts and possibly to copper dominant at greater depths. There is also some potential for gold enrichment at very high levels or peripheral parts of the system. A broad area of hydrothermal alteration envelopes the mineralised structures at the Orient prospect. Much of the coarse grained rhyolite porphyry has been affected by strong phyllic (sericite-quartz-carbonate) alteration. Hydrothermal alteration facies at the Orient prospect form a zoned envelope around the mineralised structures.

Figure 4 Orient Project Area

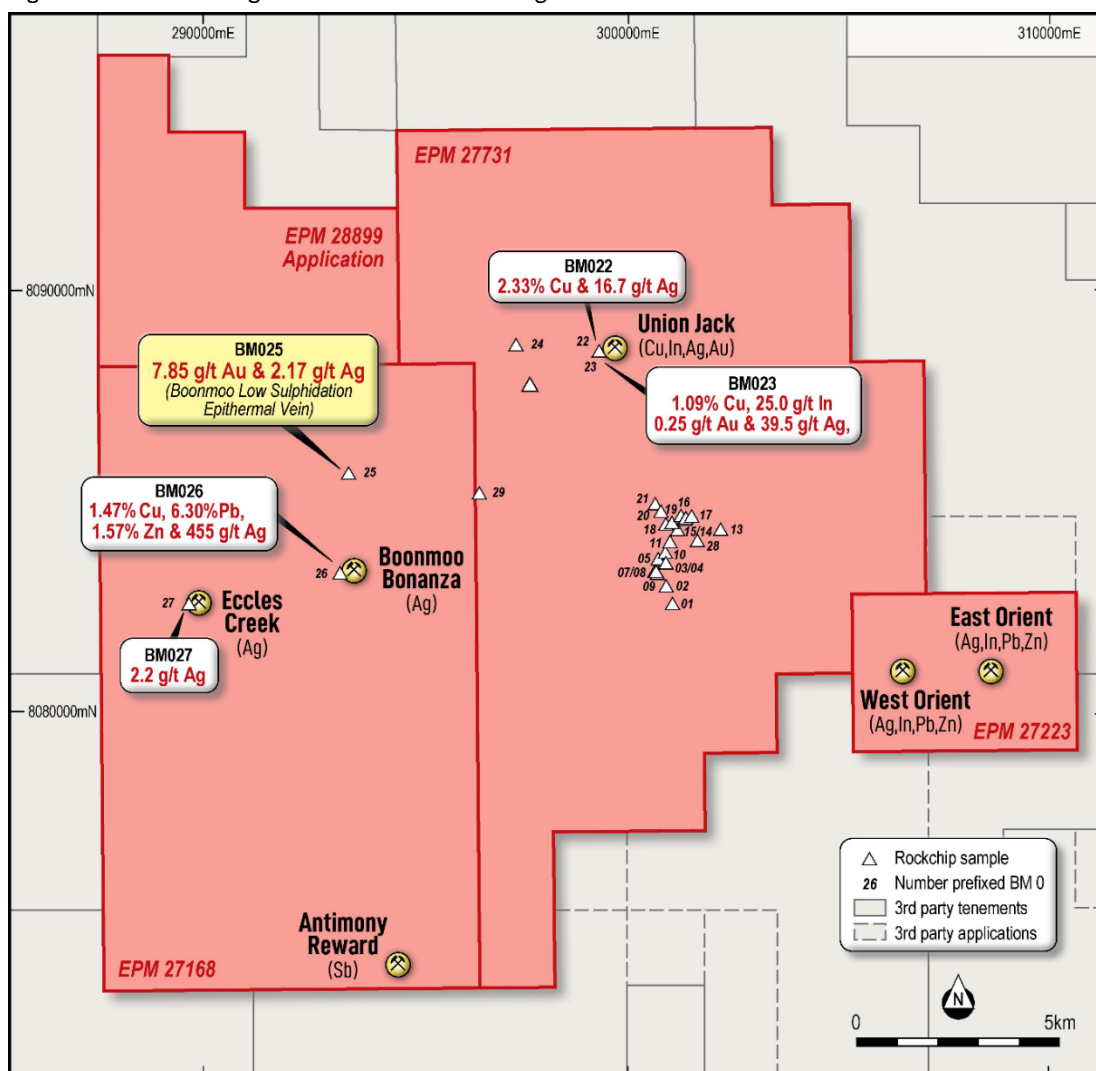


**1.3. Herberton Regional Reconnaissance Program**

As part of Iltani’s ongoing target generation activities, a reconnaissance sampling program was commenced with the objective of following up areas of interest (historical workings, known mineral occurrences) plus generate new exploration targets on tenements held by Iltani. The program started with a sampling/mapping visit targeting areas in EPM 27731 and EPM 27168 (Figure 5).

The program was an outstanding success, with multiple tourmaline breccia pipes identified, historical workings mapped and sampled plus the discovery of a hitherto unknown low sulphidation epithermal vein system. Iltani collected 29 rock chip samples from multiple locations across the target area and the highlight of the program was the discovery of an epithermal vein system located in the northern part of EPM 27168 (refer to Figure 5). One rock chip sample (BM025) was taken from the low sulphidation epithermal vein system and this has returned an outstanding assay of 7.85 g/t Au & 2.17 g/t Ag.

Figure 5 Herberton Regional Reconnaissance Program



The discovery rock chip (BM025) was followed up by a further program of sampling and mapping, and results were received Au subsequent to the quarter end. Iltani plans to carry out further reconnaissance activities on a regular basis throughout the tenement portfolio.

2. Other Projects

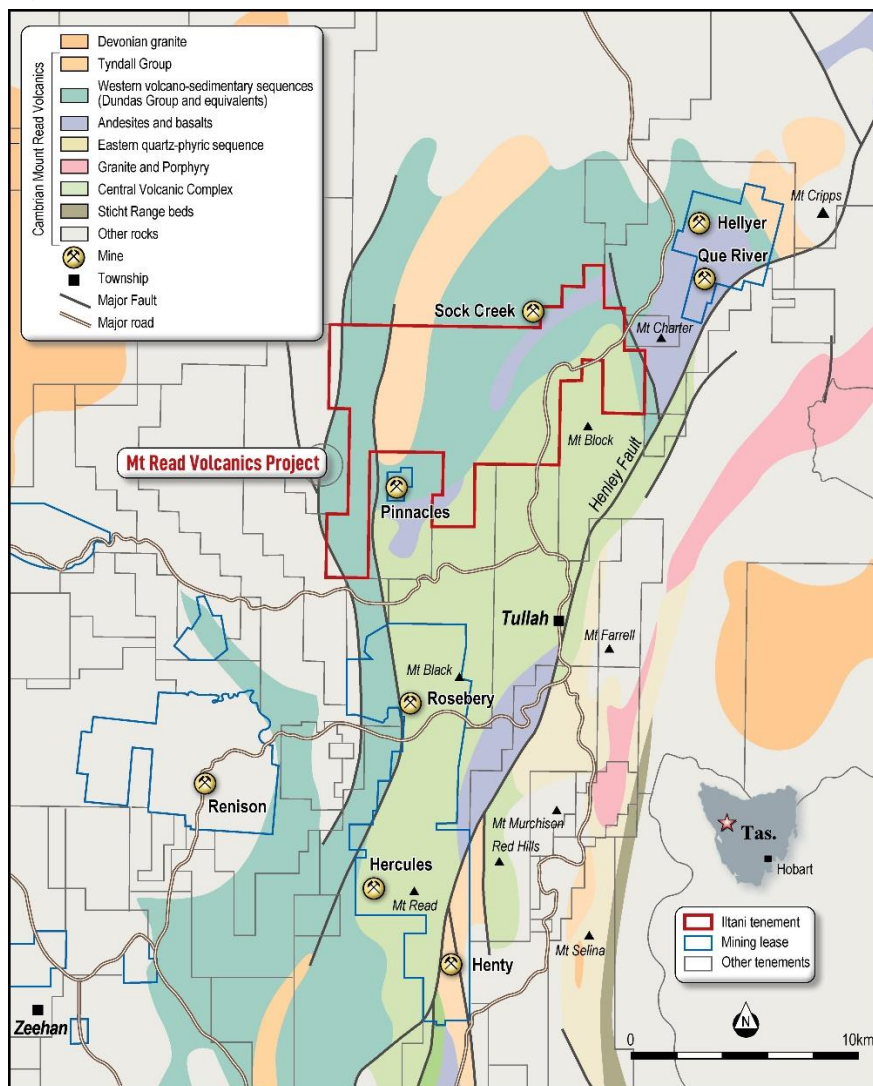
Tenement EL33/2023 (Mount Read Volcanics Project) was granted during the quarter (21 Sept 2023). EL33/2023 is located in the highly prospective Mount Read Volcanics (MRV) Belt in NW Tasmania (Figure 6) and controls the ground between the world-class Rosebery and Hellyer/Que River volcanic hosted massive sulphide deposits.

Rosebery is an underground mine, and has been operating continuously for over 85 years since production commenced in 1936. Rosebery produces a zinc concentrate, a lead concentrate, a precious metals rich copper concentrate and a gold dore bullion. The estimated pre-mining resource at Rosebery is in excess of 50Mt @ 13% Zn, 4% Pb, 0.5% Cu, 1.9 g/t Au & 132 g/t Ag<sup>(1)</sup>.

The estimated (pre mining) resource for Hellyer is 16.9Mt @ 0.4% Cu, 7.2% Pb, 13.8% Zn, 2.5 g/t Au & 167 g/t Ag<sup>(1)</sup>, and the estimated (pre mining) resource for Que River is 3.3Mt @ 0.7% Cu, 7.4% Pb, 13.3% Zn, 3.3 g/t Au & 195 g/t Ag<sup>(1)</sup>. Que River was mined from 1981 to 1991, and Hellyer was mined from 1989 to 2000. Recently, small scale mining activity was undertaken at both deposits targeting remnant ore (Bass Metals Limited, 2007 to 2010). Currently, there is a tailings reprocessing operation at the Hellyer mine site, utilising the Hellyer processing plant.

Itlani is reviewing all historical exploration data associated with EL33/2023 and plans to restart exploration activities in the near future.

Figure 6 EL33/2023 Location



<sup>1</sup>The Geology and Mineral Deposits of Tasmania: a summary. Tasmanian Geological Survey, Bulletin 72 (Mineral Resources Tasmania, 2006)



### 3. Corporate Update

#### 3.1. Cash Balance

As at 30 September 2023 the Company had a cash balance of A\$3.63m.

#### 3.2. Capital Structure

As at 30 September 2023, the Company had a total of 41,787,600 ordinary shares on issue.

#### 3.3. September 2023 Quarter ASX Releases

This Quarterly Activities Report contains information extracted from 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 referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

Table 2 Iltani September Quarter ASX Releases

Date	Announcement
10 July 2023	Iltani prepares for maiden drilling at Orient Project, QLD
7 August 2023	Iltani commences drilling at the Orient Project
24 August 2023	Iltani discovers epithermal vein system at Boonmoo prospect, QLD

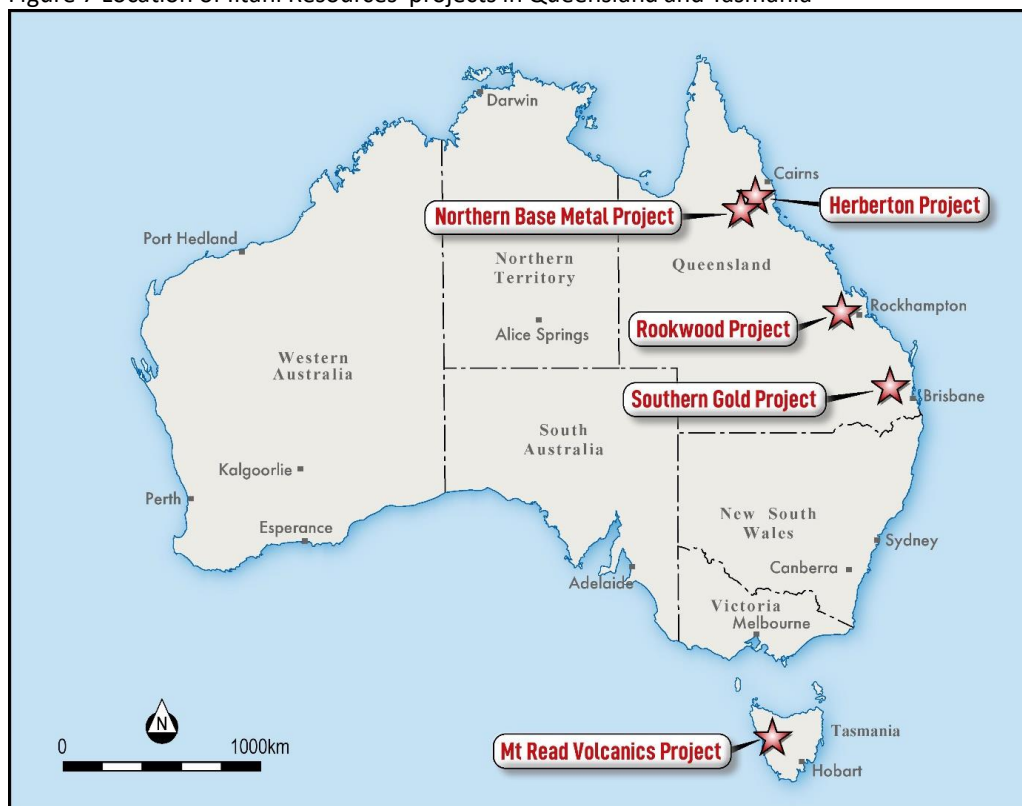
These announcements are available for viewing on the Company’s website [www.iltaniresources.com.au](http://www.iltaniresources.com.au) under the Investors tab. Iltani Resources confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

### About Iltani

Iltani Resources (ASX: ILT) is a recently listed ASX company focused on the base metals and critical raw materials required to create a low emission future. It has built a portfolio of advanced exploration projects in Queensland and Tasmania with multiple high quality, drill-ready targets, including a high priority silver target at Orient, part of its Herberton Project, which will be its initial focus for exploration.

Other projects include the Northern Base Metal, Southern Gold and Rookwood projects in Queensland and its Mt Read Project, a highly strategic 99km<sup>2</sup> licence in Tasmania's Mt Read Volcanics (MRV) Belt, located between the world-class Rosebery and Hellyer-Que River VHMS deposits.

Figure 7 Location of Iltani Resources' projects in Queensland and Tasmania



### Competent Persons Statement

#### Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Carlos Duran who is a member of The Australasian Institute of Geologists (AIG), and is a consultant engaged by Iltani Resources Limited., and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Mr Duran consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.



## Appendix A – Tenement Interests

As at 30 September 2023, Iltani had an interest in the following tenements and projects:

Table 3 Iltani Tenement Interests as at 30 September 2023

Tenement	Location	Project	Status	Beneficial Interest
EPM 27168	Australia (Queensland)	Herberton	Granted	100%
EPM 27221	Australia (Queensland)	Herberton	Granted	100%
EPM 27223	Australia (Queensland)	Herberton	Granted	100%
EPM 27731	Australia (Queensland)	Herberton	Granted	100%
EPM 27934	Australia (Queensland)	Northern Base Metal	Granted	100%
EPM 27919	Australia (Queensland)	Rookwood 01	Granted	100%
EPM 27927	Australia (Queensland)	Rookwood 02	Granted	100%
EPM 27929	Australia (Queensland)	Rookwood 03	Granted	100%
EPM 27930	Australia (Queensland)	Rookwood 04	Granted	100%
EPM 27882	Australia (Queensland)	Southern Gold	Granted	100%
EL33/2022	Australia (Tasmania)	Mount Read Volcanics	Granted	100%
EPM 28899	Australia (Queensland)	Herberton	Application	100%

### Additional Information

The table below compares the Company's actual expenditure against the 2-year Use of Funds table contained in the Company's IPO Prospectus dated 5 May 2023:

Use of funds as contained in the Prospectus	2-Year Use of Funds as contained in the Prospectus	Actual amount spent to date
Herberton Project	\$1,758,000	\$592,642
Northern Base Metal Project	\$267,500	-
Mount Read Volcanics	\$104,000	-
Rookwood	\$177,000	\$3,353
Southern Gold Project	\$57,000	-
Exploration management and Equipment	\$814,000	\$93,641
Corporate Administration	\$1,200,000	\$213,727
Working Capital	\$252,500	\$92,791
Costs of the offer	\$470,000	\$463,509
<b>Total</b>	<b>\$5,100,000</b>	<b>\$1,459,663</b>

**Appendix 5B related party payments**

Amounts included in section 6.1 of the Appendix 5B relate to Director's fees paid for the September 2023 quarter. The Company also made payments to JM Corporate Services Pty Ltd, an entity related to Non-executive Director Mr Justin Mouchacca, for Company Secretarial and Accounting Services provided during the quarter amounting to \$28,066.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ILTANI RESOURCES LIMITED

ABN

21 649 345 308

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(19)	(19)
	(e) administration and corporate costs	(214)	(214)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	26	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(207)</b>	<b>(207)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(690)	(690)
	(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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 (deposits paid)	(100)	(100)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(790)</b>	<b>(790)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	(380)	(380)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(380)</b>	<b>(380)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,006	5,006
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(207)	(207)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(790)	(790)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(380)	(380)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,629</b>	<b>3,629</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,629	5,006
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,629</b>	<b>5,006</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	131
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
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.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(207)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(790)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(997)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,629
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,629
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.64
<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	
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	
<i>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.</i>	

**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: 26 October 2023

Authorised by: The Board of Directors

**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.