

29 July 2021

Quarterly Activities Report June 2021

Marquee Resources Limited (“Marquee” or the “Company”) (ASX:MQR) is pleased to provide this Quarterly Activities Report for the June 2021 quarter.

Operational response and impact of COVID-19

The Company continues to be faced with the challenges of Covid-19 and the associated difficulty in advancing its overseas projects.

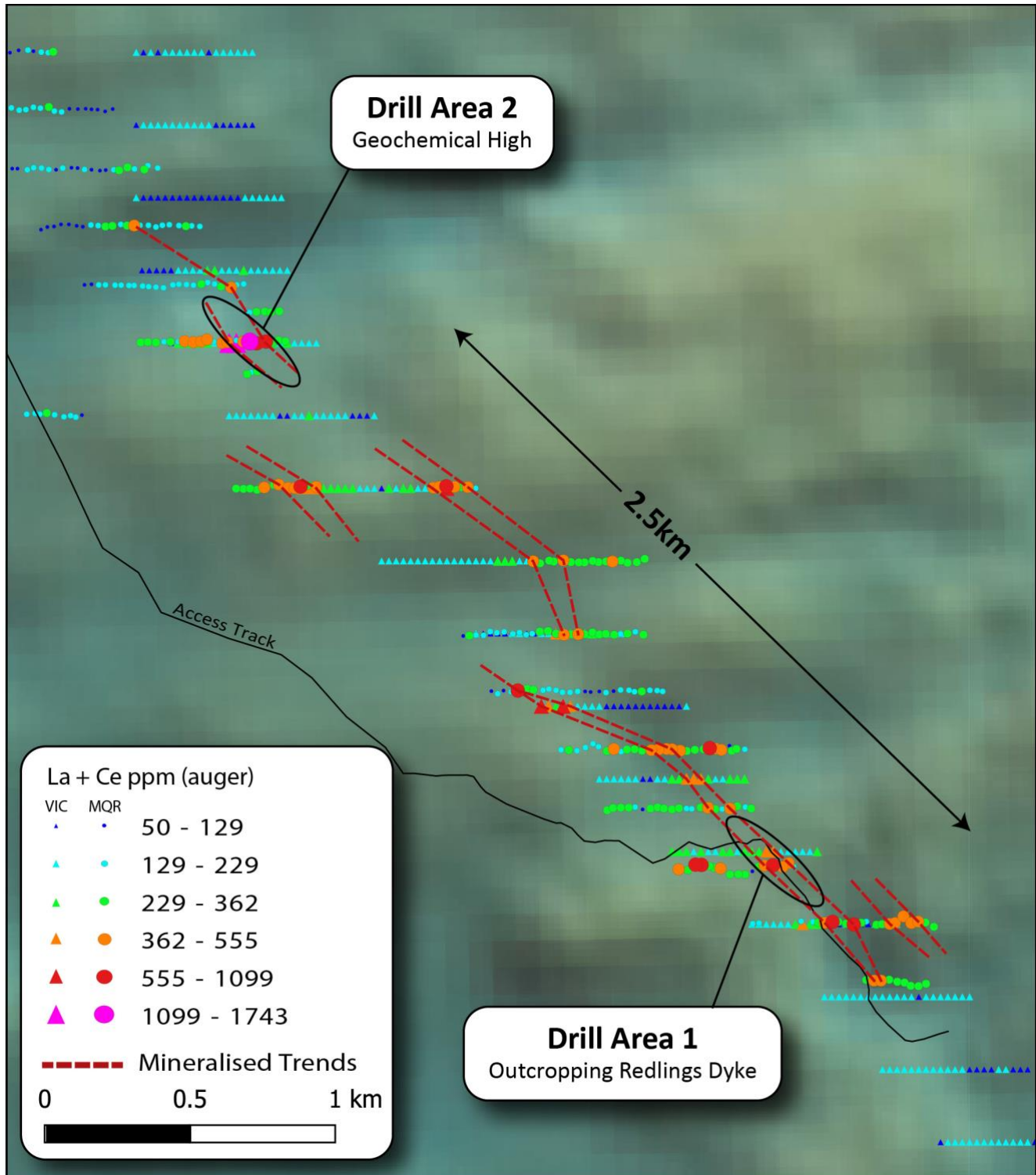
Marquee continues to concentrate on its Redlings REE Project, Mount Clement Gold/Antimony Project and the West Spargoville Gold/Nickel Project until a better understanding is gained on the virus and factors affecting international travel.

Redlings REE Project

The Redlings Project (formerly called Jungle Well) is 100% owned by Marquee and comprises exploration licences E 37/1311 and E 37/1376. The Project is located approximately 40km west of Leonora, and 77km north of Menzies. Lynas Corporation’s Mt Weld Project lies approximately 150km east of the project.

In May 2021 the Company announced the commencement of its maiden reverse-circulation (RC) drilling campaign at the Redlings Rare-Earth Element Project (“Redlings” or “the Project”). Approximately 1,000m of slim-line RC, proof of concept drilling was completed targeting down-dip and along-strike extensions of the outcropping Redlings rare-earth element (REE) bearing dyke. The final assay results from this program are due from the laboratory in the coming weeks and MQR will provide the results to shareholders soon.

Targeting two key areas along a 3km long surface geochemical anomaly, the proof of concept drilling aims to confirm the existence of the Redlings REE bearing dyke at depth and along strike to gain an initial understanding on the scale of the system. This is the next step in assessing the broader exploration potential of the Redlings REE Project.



Redlings REE Project Drilling areas

Mt Clement Project

The Mt Clement Project consists of exploration license applications E08/3214 and E08/3301. The Mt Clement Deposit (ASX:NST) is situated in the middle of the tenement package and numerous other historical gold and base metal mines and prospects surrounding the tenure. The Project consists of 360 square kilometers of tenure prospective for syngenetic gold-antimony mineralisation, a poorly understood and underexplored mineralisation style in the Ashburton Basin. This Project represents a genuine greenfields opportunity in one of Australia's most unexplored regions.

Detailed aeromagnetic surveys will be completed over the package with ground gravity data being collected in particular areas of interest. Once targets have been further refined a decision will be made to test the targets either with surface geochemical techniques or by undertaking targeted drilling. Dr James Warren (Chief Technical Officer) is conducting a field trip in the first week of August to the Project.

West Spargoville Project (Gold & Nickel)

The West Spargoville Project is located 20km SW of Kambalda, at the northern end of the Widgiemooltha Greenstone Belt. The Project sits adjacent to the Wattle Dam gold deposit, which was one of Australia's highest-grade gold deposits.

Marquee intends to advance nickel exploration on the project while other gold exploration opportunities that exist within the project will be carefully considered as part of Marquee's exploration strategy for the coming year.

Werner Lake Cobalt Project (Canada 30%)

The Company did not conduct any on ground exploration work on the project during the quarter however the JV parties continue to explore the best way to unlock value from this cobalt project.

Clayton Valley Lithium Project (USA 100%)

The Company continues its strategy to extract the maximum value from its Clayton Valley Lithium Project that covers approximately ~12 square kilometres of claims endowed with both lithium-rich brines and clays and is located on the north-east side of the southern end of the Clayton Valley Basin and neighbors to the south the only producing lithium mine in North America – Silver Peak.

The Company is exploring the possibility of farm-in / joint venture partners for the Project or an outright sale. Activity in relation to this however has not yet reached a stage where there is certainty one way or another as to the direction that will eventuate.

Centenario Lithium Project (Argentina 30%)

During the June 2021 quarter, the Company executed a Share Purchase Agreement with the Canadian based company, Vertex Lithium Corporation (Vertex) which will acquire Marquee's 30% interest in the lithium exploration properties on the Centenario Salar ("Centenario") in Argentina. Lithium Power International Ltd (ASX:LPI) has also entered into the same agreement with Vertex to sell its 70% interest in the Project.

The Centenario transaction with Vertex allows for the sale of 100% of Centenario, releasing MQR from any future exploration spending requirements. It also removes the cost of holding the asset in a foreign jurisdiction in which the Company has struggled to conduct any meaningful exploration on, due to the nature of the ownership structure and Covid-19 restrictions.

The transaction provides MQR with the following consideration upon closing:

- Cash payment USD\$300,000; and
- CDN \$250,000 payable in cash or shares(at MQR's election) at the deemed issue price of Vertex's listing transaction.
- In addition to the above payment terms if between closing of the transaction and 5 September 2021:
 - a) A JORC-compliant resource of 250,000 tonnes of lithium carbonate equivalent with a minimum grade of 200mg/L Lithium is delineated across the Property, Vertex must pay \$1,000,000 to MQR; and
 - b) A JORC-compliant resource of 500,000 tonnes of lithium carbonate equivalent with a minimum grade of 200mg/L Lithium is delineated across the Property, Vertex must pay a further \$1,000,000 to MQR.

New Project Opportunities

Marquee continues to review a number of complimentary projects that would be a strategic fit for the Company and would add substantial value for shareholders. MQR is at a very advanced stage of negotiations in respect to one Project. The Board will update the market on any of these projects should they reach the binding agreement stage.

Corporate

The Company advised shareholders that 7 million Performance Rights expired 8 June 2021.

Payments to related parties of the entity and their associates

Section 6.1 Appendix 5B description of payments:

Director Fees	\$60,772	Total fees paid to Directors
AGH Law fees	\$5,680	Director G Henderson is a Director and shareholder of AGH Law
GTT Ventures Pty Ltd – Consulting fee	\$31,500	C Thomas is Director and shareholder of GTT V
19808283 Pty Ltd – Office lease	\$9,000	C Thomas is Director and shareholder of 19808283 Pty Ltd
Total	\$106,952	

DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "potential(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity

price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

AUTHORISATION

The provision of this announcement to ASX has been authorised by the board of directors of the company.

For further information please contact:



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Marquee Resources Ltd
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Tenement Schedule (Disclosure per ASX Listing Rule 5.3.3)

Tenements held at end of the quarter by Marquee Resources and subsidiary companies.

TENEMENT	LOCATION	NAME	INTEREST
CVE 1	Nevada USA	Clayton Valley	100%
CVE 3-4	Nevada USA	Clayton Valley	100%
CVE 8-17	Nevada USA	Clayton Valley	100%
CVE19-75	Nevada USA	Clayton Valley	100%
CVE 81-82	Nevada USA	Clayton Valley	100%
CVE 84	Nevada USA	Clayton Valley	100%
CVE 86-102	Nevada USA	Clayton Valley	100%
CVE 119-126	Nevada USA	Clayton Valley	100%
CVE 143 – 150	Nevada USA	Clayton Valley	100%
KRL 98381-83	Kenora, Ontario	Werner Lake	30%
9385-87, 19096/97	Kenora, Ontario	Werner Lake	30%
19107-12	Kenora, Ontario	Werner Lake	30%
29054/55, 29058-76	Kenora, Ontario	Werner Lake	30%
30055 -58, 31229	Kenora, Ontario	Werner Lake	30%
31373/74, 31823-28	Kenora, Ontario	Werner Lake	30%
33170-72, 33175-96	Kenora, Ontario	Werner Lake	30%
33198 -212, 33240	Kenora, Ontario	Werner Lake	30%
33270/1, 33280-84	Kenora, Ontario	Werner Lake	30%
33328-33, 33416	Kenora, Ontario	Werner Lake	30%
33419, 33421-23	Kenora, Ontario	Werner Lake	30%
36272, 33173-4	Kenora, Ontario	Werner Lake	30%
10661	Kenora, Ontario	Werner Lake	30%
12128	Kenora, Ontario	Werner Lake	30%
12246 -12247	Kenora, Ontario	Werner Lake	30%
12501	Kenora, Ontario	Werner Lake	30%
13150 - 13151	Kenora, Ontario	Werner Lake	30%
13283 - 13284	Kenora, Ontario	Werner Lake	30%
13292	Kenora, Ontario	Werner Lake	30%
E37/1311	W. Australia	Redlings	100%
E37/1376	W. Australia	Redlings	100%
E08/3214	W. Australia	Mount Clement	100%
E08/3301 application	W.Australia	Mount Clement	100%
E15/1781	W. Australia	Spargoville	100%
Centenario 3	Argentina	Centenario	30%
Centenario 4	Argentina	Centenario	30%
Centenario 5	Argentina	Centenario	30%
Centenario 6	Argentina	Centenario	30%
Centenario 200	Argentina	Centenario	30%
Centenario 201	Argentina	Centenario	30%
Bientenario 303	Argentina	Centenario	30%
Total Number of Claims	401		

Appendix 5B

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

Name of entity

Marquee Resources Limited

ABN

94 616 200 312

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production		
	(d) staff costs	(129)	(519)
	(e) administration and corporate costs	(89)	(468)
1.3	Dividends received (see note 3)		
1.4	Interest received	0	1
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	0	24
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(218)	(962)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements	-	(200)
	(c) property, plant and equipment	-	(11)
	(d) exploration & evaluation (if capitalised)	(145)	(583)
	(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 (12 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 (provide details if material)		
2.6	Net cash from / (used in) investing activities	(145)	(794)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	2,454
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	(1)	(147)
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 Lease principal repayments	(9)	(36)
3.10	Net cash from / (used in) financing activities	(10)	2,271

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,607	719
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(218)	(962)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(145)	(794)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(10)	2,271

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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,234	1,234

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,127	1,501
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposit credit card)	107	106
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,234	1,607

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

107

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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

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
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.		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(218)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(145)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(363)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,234
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,234
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.39
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
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:	
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:	
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:	

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: 29 July 2021.

Authorised by: By the Board.

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.