

ACTIVITIES REPORT – JUNE 2021

Status

The interest in the mineral potential for a tract of country spanning the central northern territory continues to build with the entry of major Australian explorers and producers increasingly evident. Truscott Mining Corporation Ltd (Truscott) is strategically positioned to continue its research work and make those findings publicly available to support any late entrants, driving up the value of all holdings in the region.

The company's advanced high grade gold exploration project Westminster and early exploration gold and base metal projects, North Tennant Creek and Barkly (Figure 1) are all located in the Tennant Creek region of the Northern Territory. Truscott has been a leading participant in the Barkly area selecting a prospective position before several large exploration and mining companies took up adjacent tenements.

Ongoing work during the quarter focused on further developing the context for exploration by trialling the application of structural models to the company's early exploration areas. The work includes auditing of the mathematics utilised to characterise the strike slip stress continuum evident in the Proterozoic rocks and subsequent field proofing of findings.

The planning work for the Westminster Project to provide for definition of diamond drilling in the fourth quarter of the financial year remains in place. Positive results from the drilling program would substantiate the findings of the research and development work completed to date and act to accelerate the increase in gold exploration activity for the growing number of participants in the region.

Truscott continues to carefully manage cash flow and limit the issuing of shares for working capital as market conditions are monitored. At this juncture the scheduled resumption of drilling in the fourth quarter is being planned to facilitate a significant increase in exploration activity against a possible upturn in gold prices and increased interest in the gold sector.

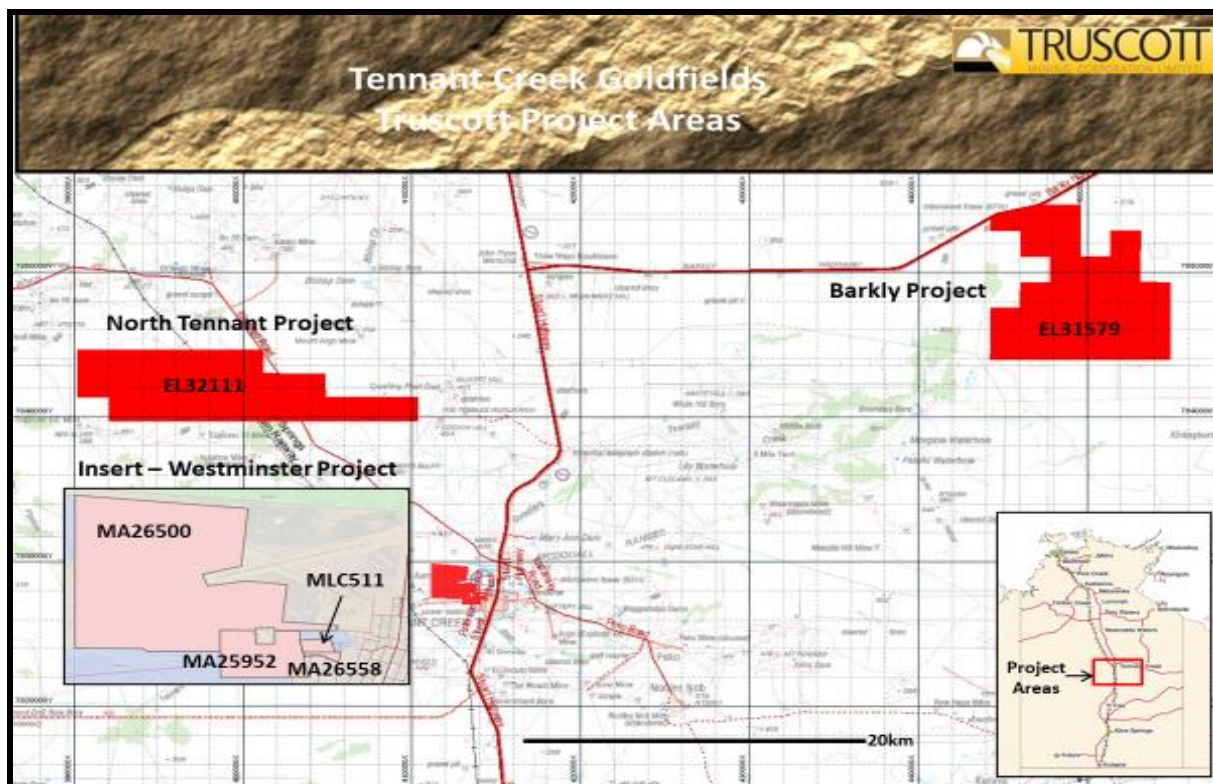


Figure One: Truscott Exploration & Development Projects

Regional Context

The opportunity for discovery is often a result of the limitations of previous exploration, and exploiting that potential requires the establishment of a context for new exploration work. Work on development of a context for exploration has followed from first observations on government mapping.

Mapping illustrates the setting for large-scale tectonic forces, with a primary stress direction (sigma one), aligned to physical landforms, structures, and geological boundaries. With Archean and Proterozoic rocks evident as relative zones of uplift or crustal thinning across the Northern Territory.

The lineation observed on 126° (Sigma 1) is treated as being the principal stress direction that is a consequence of inter-plate collision. Structural theory suggesting that ongoing primary stress (Sigma 1) has the capacity to develop major strike slip corridors which exhibit characteristic structural elements.

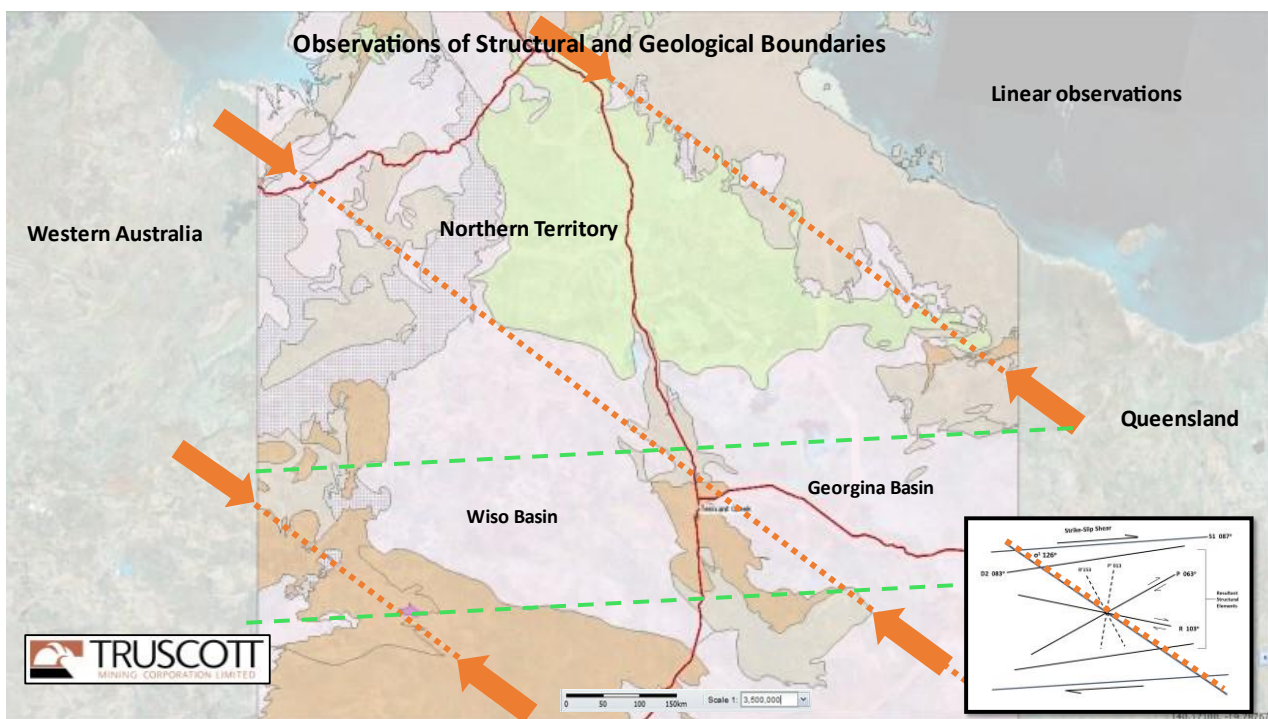


Figure 2: Regional Linear observations on 126° (Sigma 1)

The strike slip corridor can be seen on an NT wide TMI image showing primary stress alignment across a centralised corridor $S(087^\circ)$, with repeating elements (Figure 3). The focus of stress development associated with uplift along Sigma 1 provides the environment for rising fluid intrusions.

Early D2 compression folding is initially aligned with 063° as the strike slip shear corridor develops. Shearing within the central corridor allows for the movement of mineralised fluids, which concentrate in resultant shears R (103°), and late-stage cross shearing on P (063°).

Across the corridor large exploration and mining companies are established in the western zone with new entrants rapidly establishing themselves in the central and eastern region sections.

The extent to which the strike slip shear influences should be extrapolated across the continent is under consideration with several recent major discoveries in Western Australian exhibiting equivalent structural features.

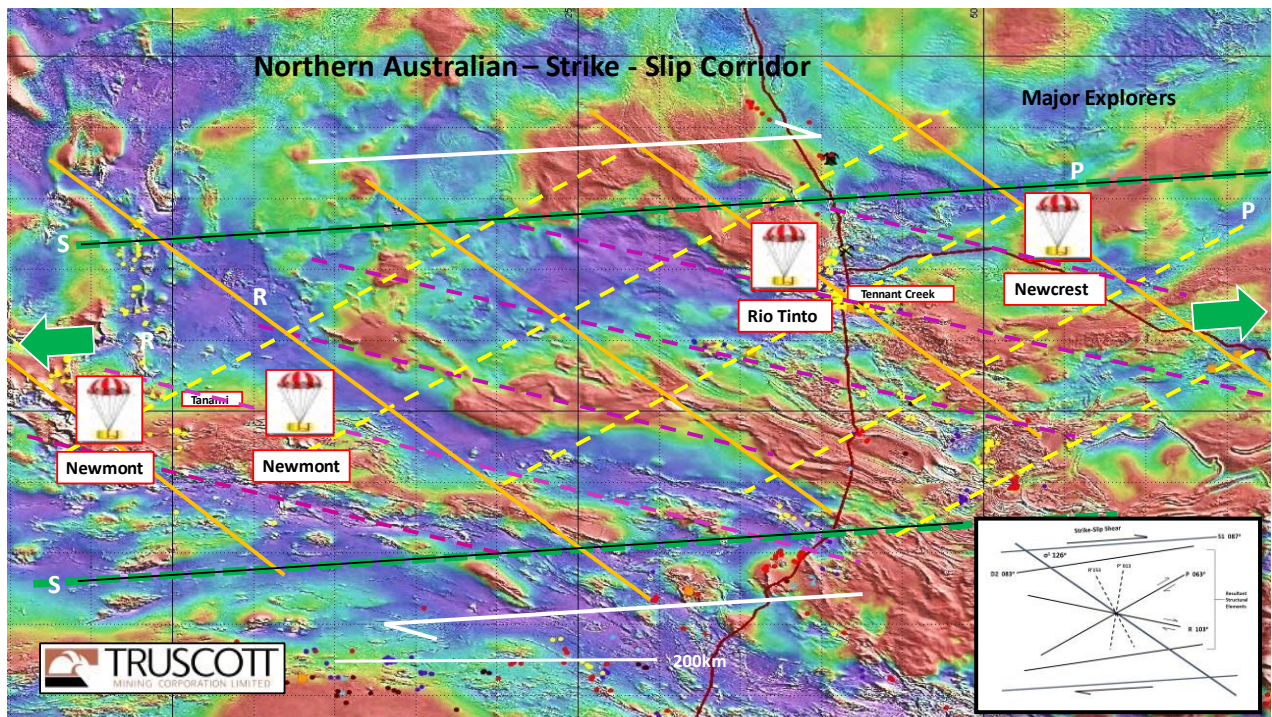


Figure 3: Dextral Shear Corridor, Tanami to Tennant Creek

Identification of Structural Domains

Extensive outcropping of Proterozoic rocks proximal to Tennant Creek provides an opportunity to study the influence of the stress continuum and the resultant structural elements that were generated. The presence (Figure 4) of discrete structural domains is observed in the processed (1VD) image.

The focus of these repeating structures is cross tied by intersection of resultant structural elements on R and R'. The domain geometries are maintained with variations in intensity significantly attributed to the extent to which latter geological units and sediments overly the Proterozoic rock.

It is evident, that under the stress continuum the primary structural domains repeat along the sigma one and the sigma three directions. The third orthogonal principal stress direction, sigma two, is understood as having, and influence on the repeat cycles of structural control over mineralisation with depth.

These primary structural domains (fractal one) can be described mathematically, with general equations then being written to categorise other fractal levels or scales. The derived mathematics is currently being audited by application testing at multiple fractal levels on the company's project areas.

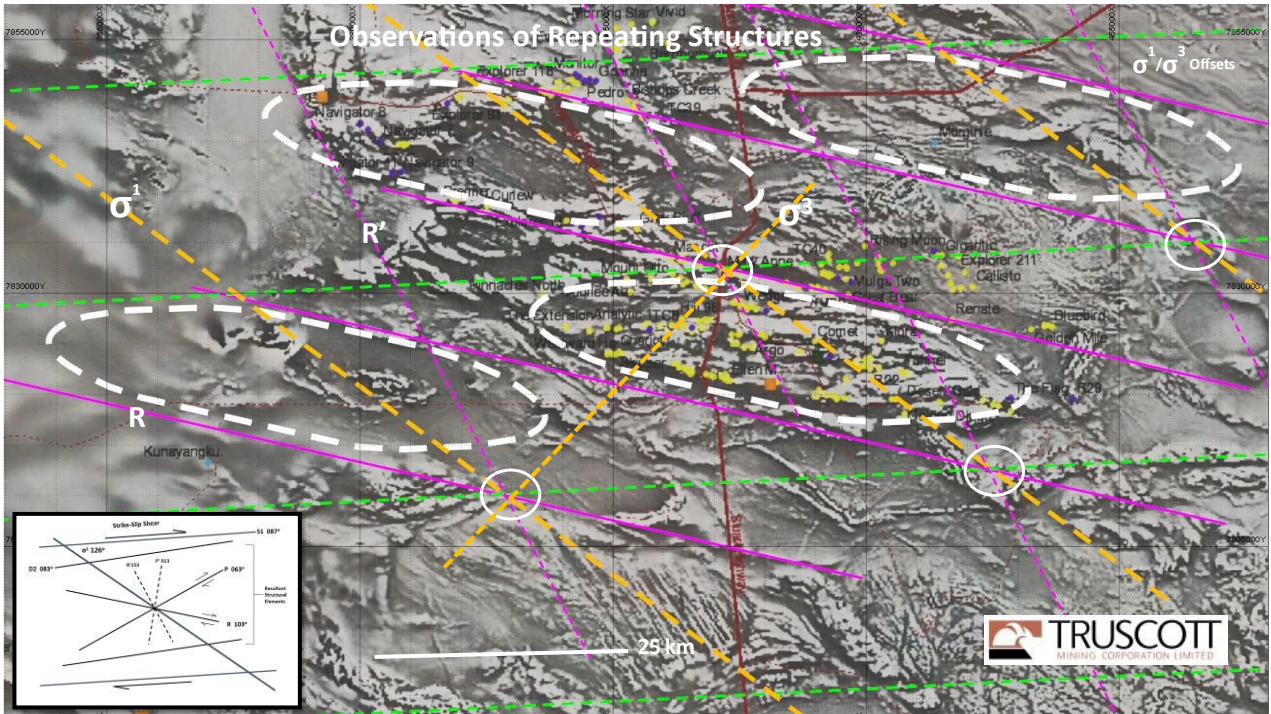


Figure 4: Structural Domains within the Strike-Slip Corridor

Observations At Project Scale (5+ Million Oz Au Targets)

Based on the categories established within the primary domains it is possible to make observations at project level or fractal three at which potential exists to describe multiple separately identified zones for mineral concentration.

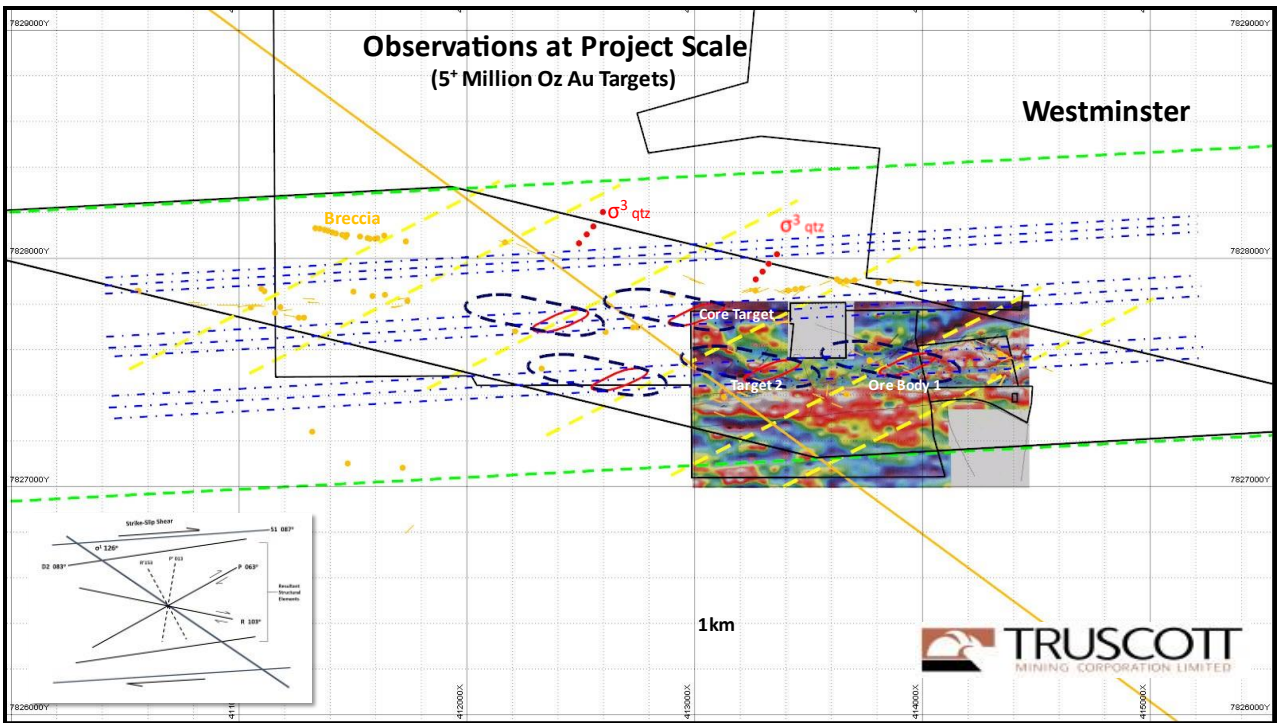


Figure 5: Targets at Project Scale (Fractal three) Westminster Project

A gravity signature over part of the Westminster Project illustrates (Figure 5) the alignment of a structural domain at fractal three. The structural elements S, R, P in evidence at fractal one, are in evidence at fractal three and the drilled ore bodies (domains) and additional targets are again aligned with sigma one and sigma three

Observations At Ore Body Scale (1+ Million Oz Au Targets)

By further mathematical derivation of the primary domain, it is possible to undertake analysis at ore body level or fractal four.

A plan of workings (Figure 6) for the historical Juno Mine is aligned to a structural domain at fractal four, With the structural elements S, R, P again in evidence with ore constrained within shear corridor S.

It is important to note that the mining zones and ore pods consistently align with the P (063⁰) dilation direction.

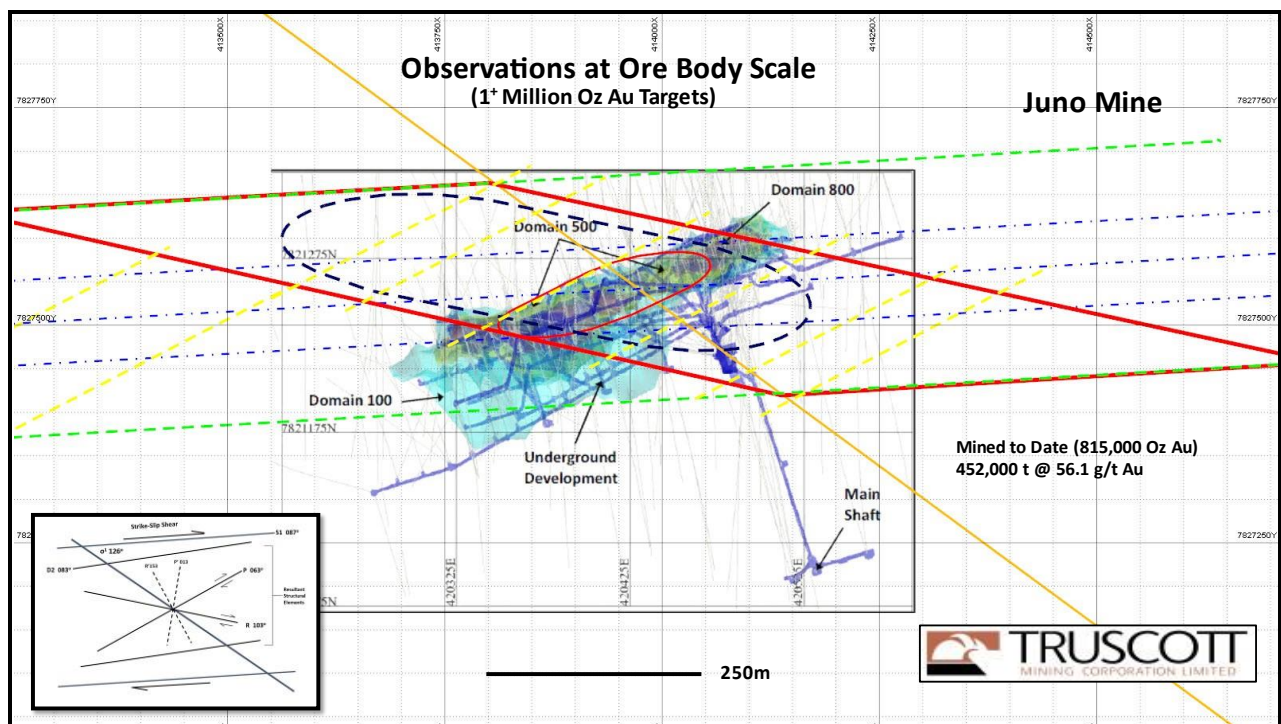


Figure 6: Observations at Ore Body Level (Fractal Four) Juno Deposit – Ore Body Block Model

Comparative Observations at Ore Body Scale (1+ Million Oz Au Targets)

The importance of making multiple or comparative observations at different locations is that it provides a basis for testing applicability of models and supports the establishment of common characteristics.

A geology plan (Figure 7) for the historical White Devil Mine is again set in alignment with the structural domain at fractal four. The structural elements, S, R, P again in evidence with ore constrained within shear corridor S.

Consistently, the mining zones aligning with dilation P (063⁰) and the late-stage porphyry on tensional openings associated with sigma one.

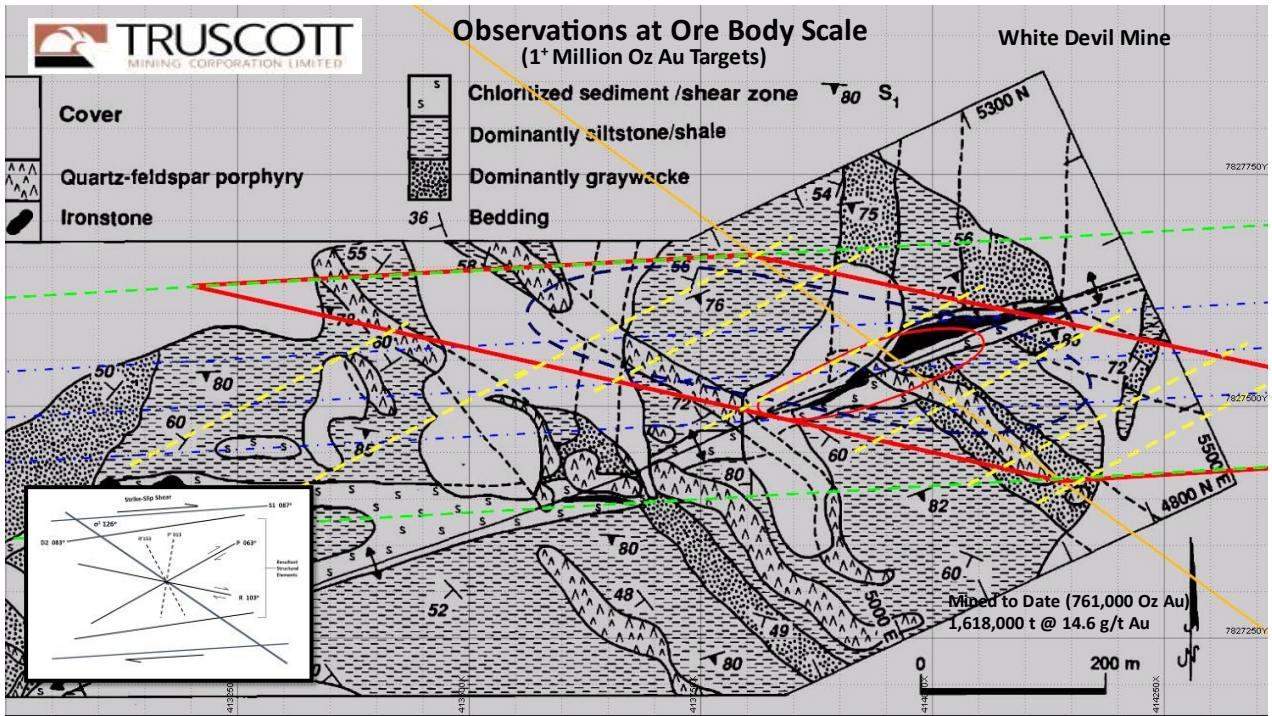


Figure 7: Observations at Ore Body Level (Fractal Four) White Devil Deposit – Ore Body Alignment

Observations on Mineral flow & Dilation Interactions

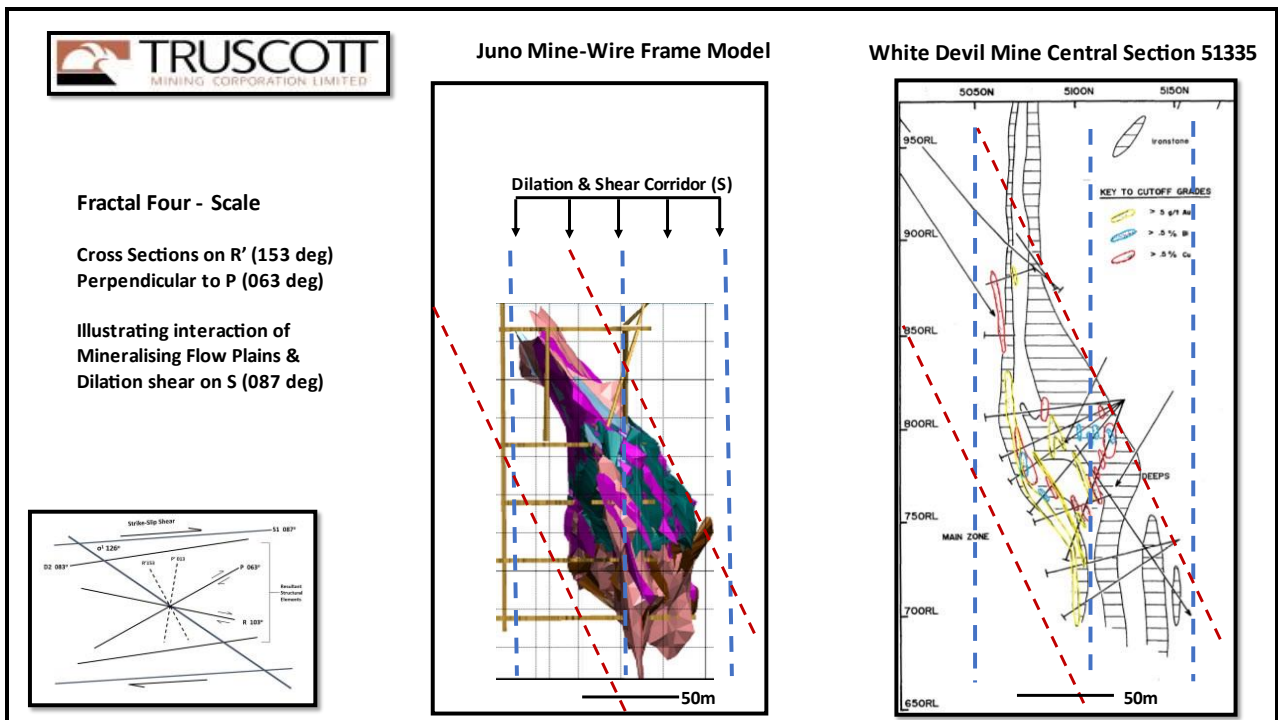


Figure 8: Interactions of Mineralising fluids and Dilation – Juno & White Devil Deposits

Within constraining shear S (087°), it is possible to make detailed observations on fluid flow and dilation interactions. The cross sections (Figure 8) from the Juno & White Devil Mines illustrating intersection of flow plains and dilation on P (063°).

Changes in energy as fluid flow crosses the dilation zone resulting in interactive responses, with pregnant fluids precipitate gold as they intersect dilation P (063°) in the constraining shear corridor S (087°)

Reference Observations at Ore Body Scale (1+ Million Oz Au Targets)

The initial reference observation set for undertaking analysis at ore body level or fractal four was ore body one within the Westminster project area.

The gravity image (Figure 9) and the block model for ore body one at Westminster are again set in alignment with a structural domain at fractal four, with the structural elements S, R, P also in evidence with ore constrained within shear corridor S (087°).

It being clear that the upper ore gold zones drilled and modelled to date sympathetically align with the dilation P (063° deg), a reoccurring observation at multiple sites that becomes a determinant for planning and orienting future drilling programs.

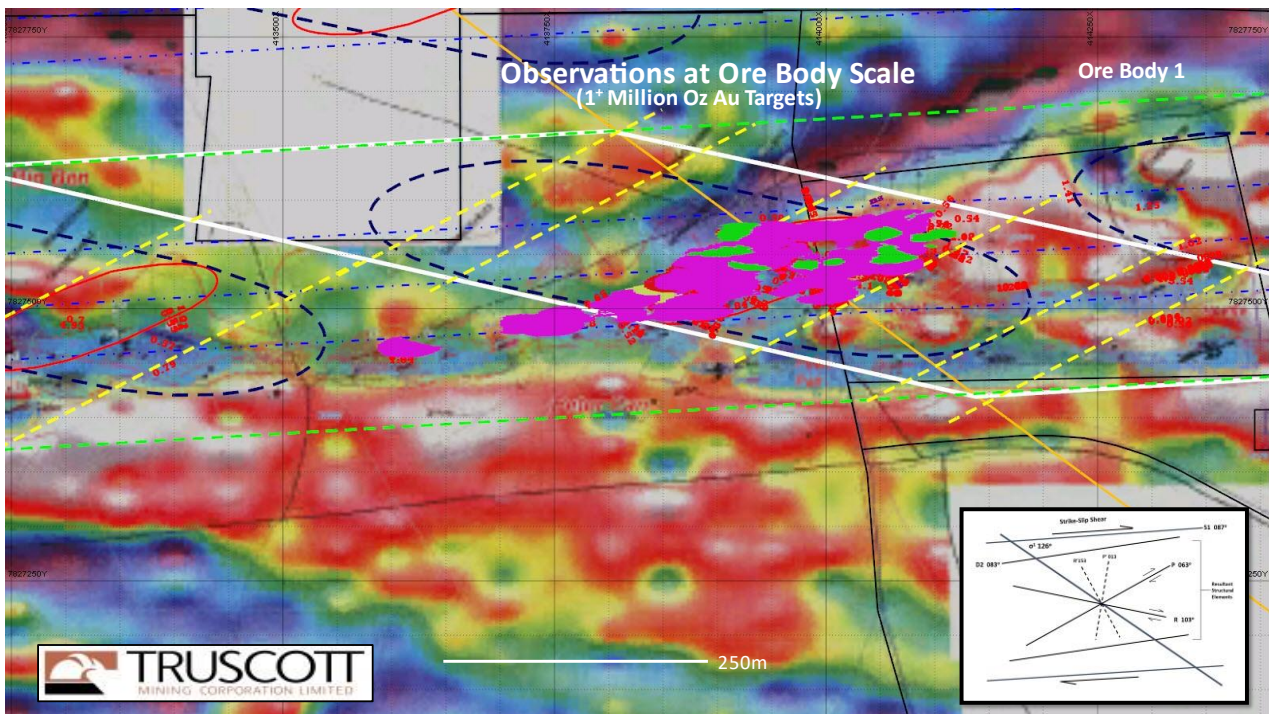


Figure 9: Observations at Ore Body Level (Fractal Four) Westminster – Gold Block Model & Gravity Image

Modelling Mineral flow & Dilation Interactions

Analysis and modeling of the upper part of orebody one at Westminster

The Cross section (Figure 10) of Ore body One – Westminster, illustrates the intersection of modelled flow plains and dilation on P (063°), where pregnant fluids precipitate gold within the constraining shear corridor S (087°).

With the cross section aligned perpendicular to the constraining shear S (087°) the dip of the mineralization is higher than the apparent dip observed the cross sections of figure eight.

Based on other deposits and mineralisation along strike, substantial high-grade gold is typically intersected at depths that would relate to the untested green horizon.

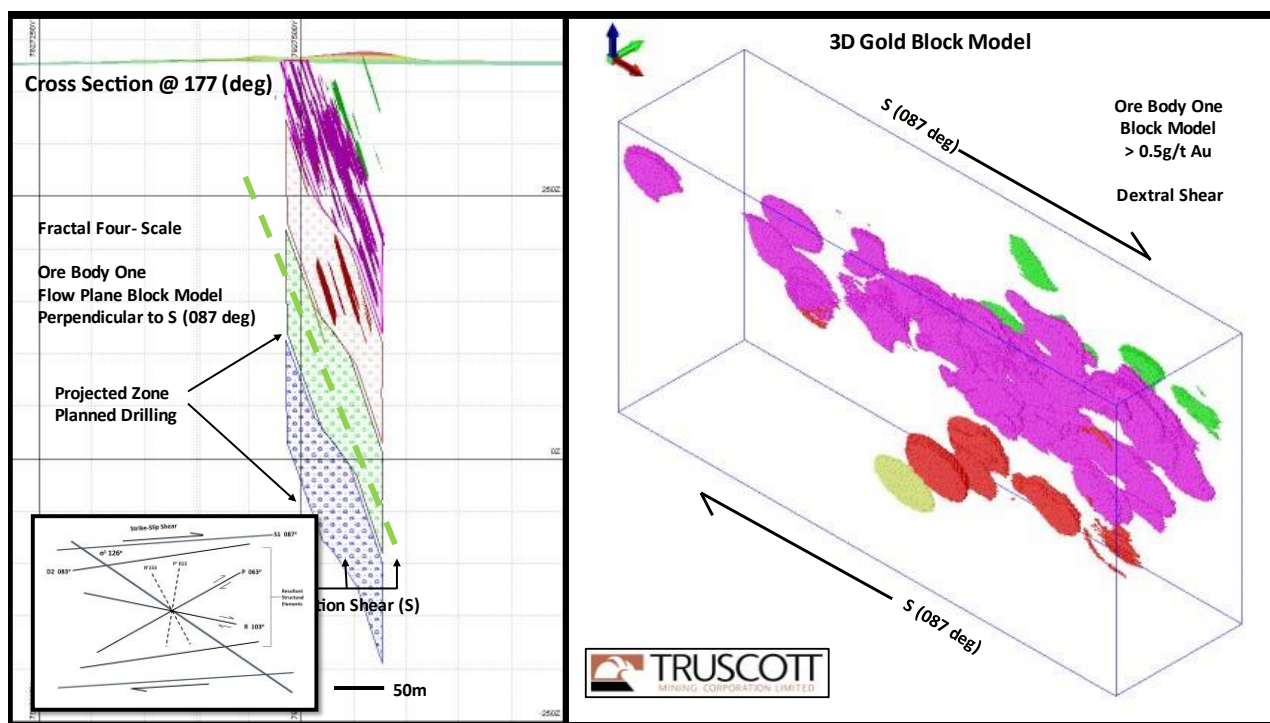


Figure 10: Modelling Mineralising fluid flows and Dilation Shear Interaction – Westminster Project

Diamond Core Drilling Controls

Modelling has defined discordant strike slip- shear corridors striking S (087°). Aligned within these corridors planner elements are tilted 10 degrees to the east and dip 65-70° N resulting in a surface strike trace of (083°). These elements act as flow plains for mineralisation.

The intersection of these flow plains and the resultant vertical P (063°) dilation direction generated by the strike-slip action, determines the dominant trend for gold mineralisation, being a direction of P (063°) with a plunge of 041°.

The later stage cross-linking shear and dilation on P (063°) providing the strongest influence on the local distribution of structurally controlled gold mineralisation.

A series of vertical drill holes have been planned to verify the mineralisation at deeper levels than have been previously tested. Discrete targets at these levels are considered to each have 500,000 plus ounces of gold potential.

This proposed drilling, targets mineralisation to depth at one of four enrichment zones along a 2.5 km long strike shear corridor at the Westminster Project. As indicated in figure five, this first corridor of strike slip shear and mineralisation is also expected to repeat multiple times and provide for multiple lines of mineralisation at substantial depths.

A typical drill control cross section (Figures 11) aligned to P (063°) demonstrate multiple levels or flow plain intersections plunging at 041°. The vertical spacing between flow plain sets of 105 metres follows from the earlier modelling of the existing drill-hole database.

Highly crystalline and non-sheared ironstone is evident where these flow plains come to surface, supporting precepts relating to the structural model. Of specific importance is the observation that only highly sheared ironstones with iron levels moderated by subsequent events demonstrate high concentrations of gold mineralisation.

Photographs of these crystalline outcrops are provided as inserts to the cross sections. They are considered to relate to distal parts of the dilated opening of first phase iron deposition. Their chemistry exhibits almost pure iron oxide levels with background gold mineralisation and significantly elevated levels of anomalous wolframite.

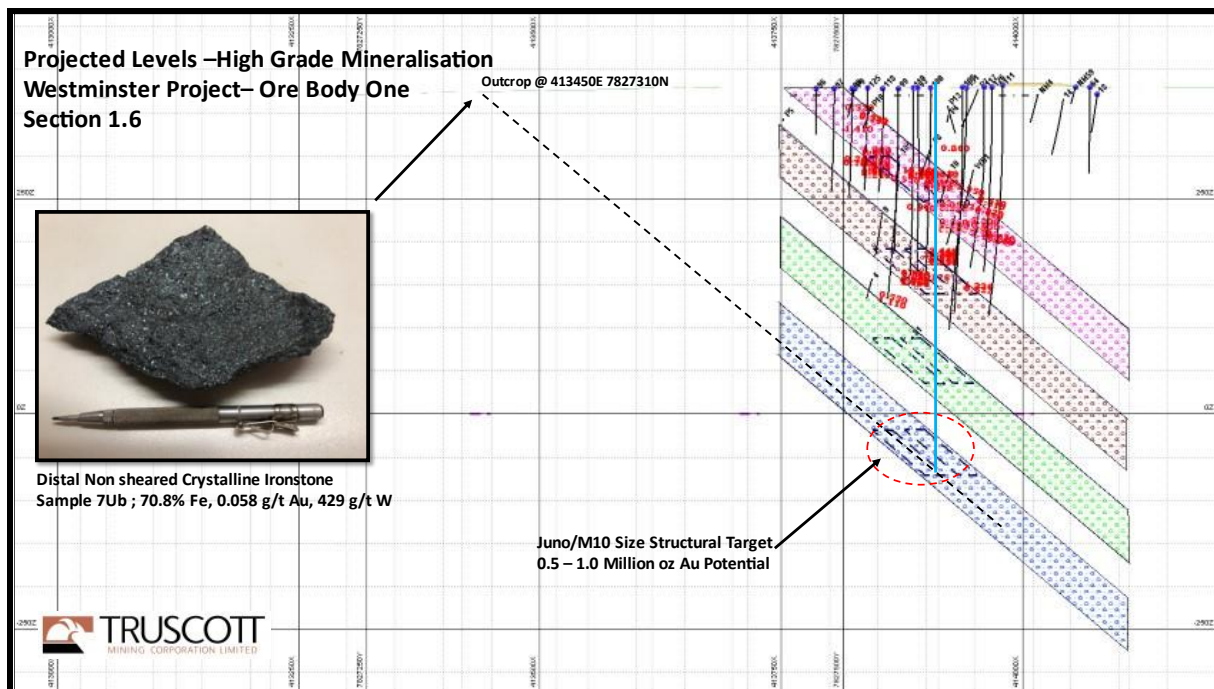


Figure 11: Westminster Project – Drill Section 1.6

Targeting New Project Scale Domains (5+ Million Oz Au Targets)

Selecting new project scale fractal three domains within larger tenement holdings requires the establishment of key reference observations.

Truscott as a first step is establishing the location of significant lines of strike-slip shear S (087°) and back testing them against fractal models.

Further field reconnaissance then targets identifying other resultant elements of resultant shear that provide a signature for the multiple interactions that occur in association with mineralisation.

Overlays within the reference framework of fractal one domains also allow for the consideration of spatial equivalence of locations with other known ore systems.

Initial recognizance work has already returned anomalous mineralisation at predetermined/targeted locations for mineralisation.

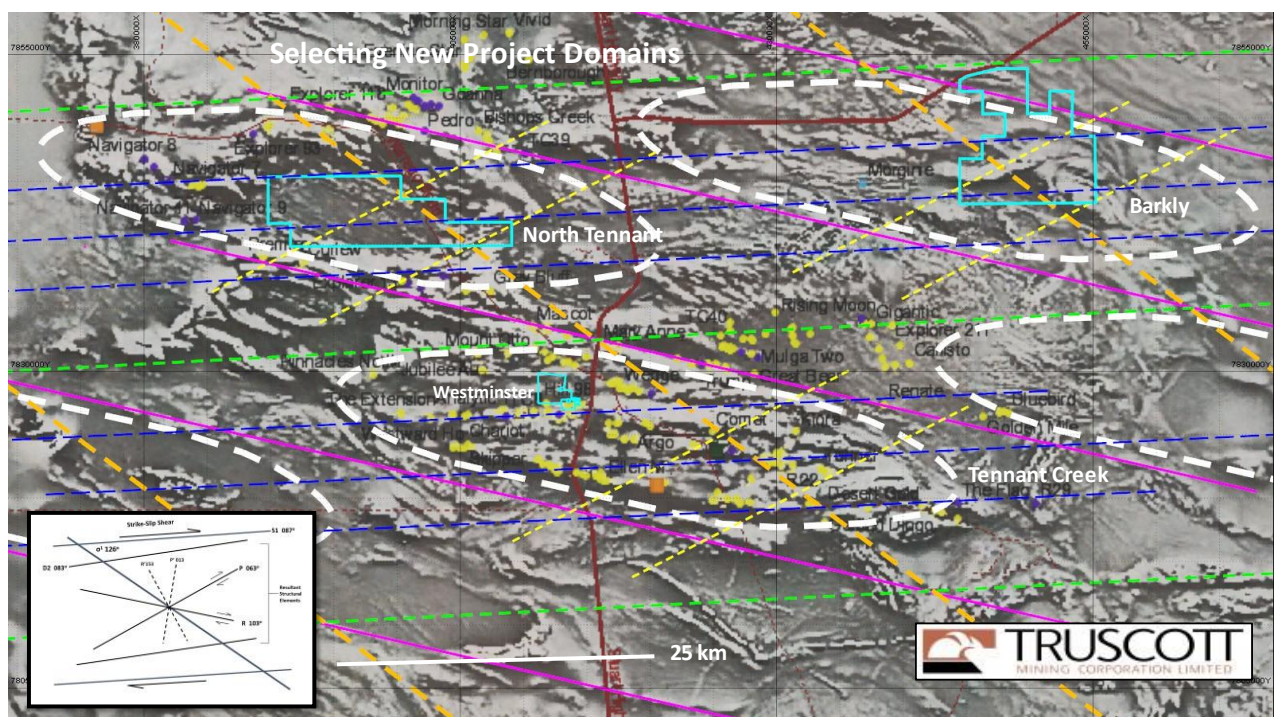


Figure 12: Targeting New Project Scale Domains (5+ Million Oz Au Targets)

Confirming Shear Elements in the Field

Though strike-slip systems and the order in which they develop are well documented in publications, the established theory, Truscott has supported the findings by making with field observations.

The established order of development of elements within a strike slip corridor is illustrated (Figure 13), with field proofing or observation confirming the existence of these elements and the applicability of the theoretical order and discipline.

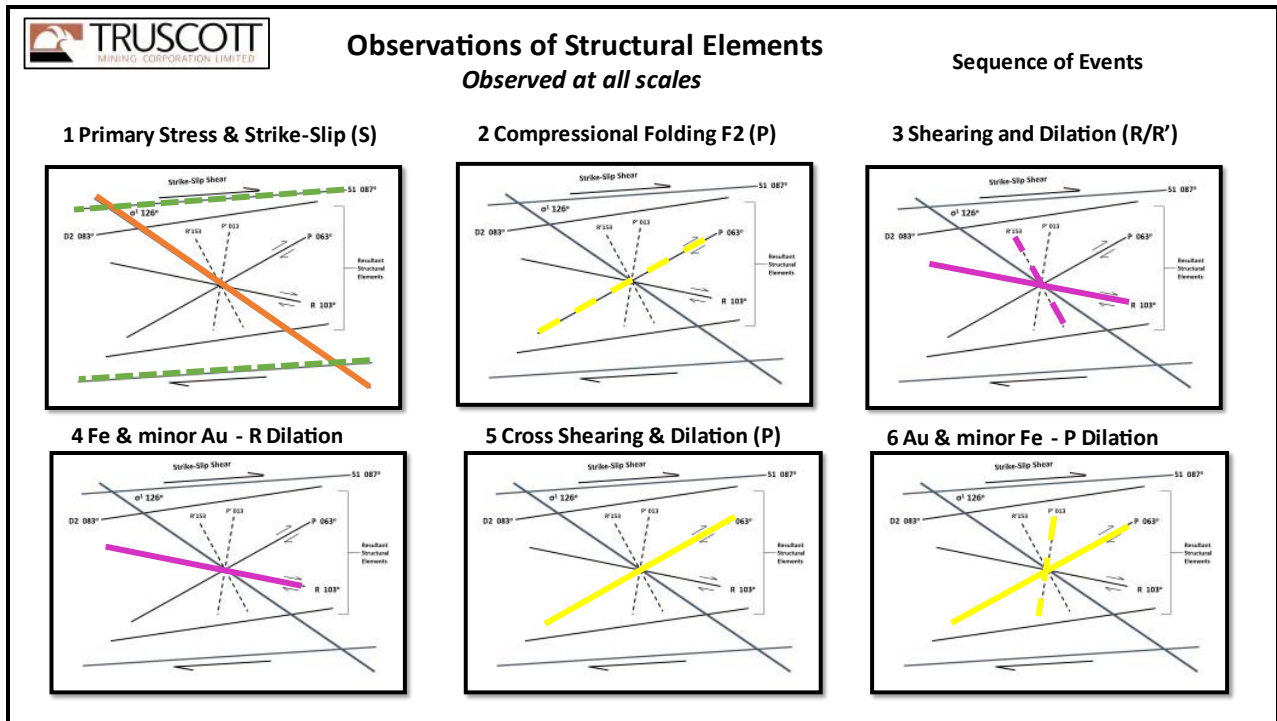


Figure 13: Confirming Theory of Strike-slip Shear elements with Field Observations

Exploration Paradigms

Truscott is working to building knowledge and recognition of the potential a continental scale strike-slip shear zone. Outcrops of Proterozoic rock proximal to Tennant Creek have provided a window into a near basement environment that has provided an understanding of structural events. Subsequent to an initial phase of sedimentation and folding a discordant strike slip event appears to have been a determinant for controlling both later intrusions and mineralising flows.

It is anticipated that increased understanding of this orogenic scale strike slip activity will lead to the onset of a major rush of exploration activity for company's seeking to exploit previously unrecognized potential. The successful newcomers giving primacy to understanding the influence of discordant strike slip activity, when targeting mineralisation.

Truscott's research and development studies use current structural models for prioritising and acquiring exploration areas. The knowledge provided by the structural modelling, is the key to the future development of the mineral field. A paradigm shift is expected to occur as a wider understanding of structural controls is integrated with historical geophysical and geochemical exploration techniques.

Further research on algorithm development to support intelligent design and modelling of mineralisation within the stress continuum of a strike-slip setting is also under development. This work is in part being driven with the objective of providing methods for ore resource estimation for this style of mineralisation.

Peter N Smith
Executive Chairman

Authorised by: By the Board

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types 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. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Regulatory Information: *The Company does not suggest that economic mineralisation is contained in the untested areas, the information relating to historical drilling records have been compiled, reviewed, and verified as best as the company was able. The company is planning further exploration drilling programs to confirm the geology, structure, and potential of untested areas within the company's tenements. The company cautions investors against using this announcement solely as a basis for investment decisions without regard to this disclaimer.*

Forward-Looking Statements: *This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Truscott Mining Corporation's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Truscott believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.*

Appendix 1

Mining Tenements Held on 30 June 2021 (Table 2)

Project Tenement		Interest at Beginning	Interest at End	Acquired	Disposed
Westminster	Northern Territory				
MLC 511		100%	100%		
MA25952		100%	100%		
MA26500		100%	100%		
MA26558		100%	100%		
Barkly	Northern Territory				
EL 31579		100%	100%		
North Tennant	Northern Territory				
EL 32111		100%	100%		

Appendix 2

The Quarterly Cashflow Report (“Appendix 5B”) for the reporting period ending 30 June 2021 was released to the ASX the same day as this report and provides an overview of the company’s financial activities. An extract of Items relevant to this Quarterly Activities Report are tabled below.

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 6.1	5
6.2 Aggregate amount of payments to related parties and their associates included in item 6.2	16
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.	

Payments to directors and director related entities for professional services at less than market rates.

Appendix 5B

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

Name of entity

TRUSCOTT MINING CORPORATION LTD
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ABN

31 116 420 378

Quarter ended ("current quarter")

30 June 2021

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		
(b) development		
(c) production		
(d) staff costs	(4)	(16)
(e) administration and corporate costs	(11)	(106)
1.3 Dividends received (see note 3)		
1.4 Interest received		
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)	0	10
1.9 Net cash from / (used in) operating activities	(15)	(112)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(18)	(15)
(e) investments		
(f) other non-current assets		

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

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) Refund of security deposit		
2.6	Net cash from / (used in) investing activities	(18)	(15)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	200
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	(3)	(17)
3.5	Proceeds from borrowings	0	35
3.6	Repayment of borrowings	0	(30)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(3)	188

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	98	1
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(15)	(112)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18)	(15)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	188

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

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	62	62

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	15	8
5.2	Call deposits	47	90
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	62	98

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	5
6.2	Aggregate amount of payments to related parties and their associates included in item 2	16
<i>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.</i>		

Payments to directors and director related entities for professional services at less than market rates.

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	250	196
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	215	0
7.4 Total financing facilities	465	196
7.5 Unused financing facilities available at quarter end		269
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.		
7.1 Loan is an unsecured interest free loan facility from a director and his related entity.		
7.3 Net BAS refund and share placement proceeds (before costs) received after 30 June		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(60)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(25)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(85)
8.4 Cash and cash equivalents at quarter end (item 4.6)	62
8.5 Unused finance facilities available at quarter end (item 7.5)	269
8.6 Total available funding (item 8.4 + item 8.5)	246
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.89
<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: Note that the amount at item 8.1 is inflated due to ASX annual listing fees and auditor costs. The ASX fees and auditor costs will not be repeated in later quarters at this level.	
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:	

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:

Note that the amount at item 8.1 is inflated due to ASX annual listing fees and auditor costs. The ASX fees auditor costs will not be repeated in later quarters at this level.

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.

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: 30 July 2021

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

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.