

ASX Release

29 October 2021

Quarterly Activities Report for period ending 30 September 2021

Buxton Resources Limited (ASX: BUX or “Buxton”) is pleased to release the quarterly activities report and Appendix 5B for the period ended 30 September 2021 (the Quarter).

West Kimberley JV (BUX/IGO)

- 2021 field season ongoing, encouraging results at Sentinel
- Outcropping Ni-Cu sulphide mineralisation was identified in the Ruins Intrusive Suite at Sentinel
- All activities 100% funded by IGO

Narryer Project (100% BUX)

- Regional infill gravity survey commenced

Yalbra Project (100% BUX)

- Metallurgical studies by Elmore Ltd ongoing

New Projects (100% BUX)

- Applications for three (3) Exploration Licenses lodged at the new Royale Project

Corporate

- Cash balance (30 September 2021) of approximately \$2.4 million

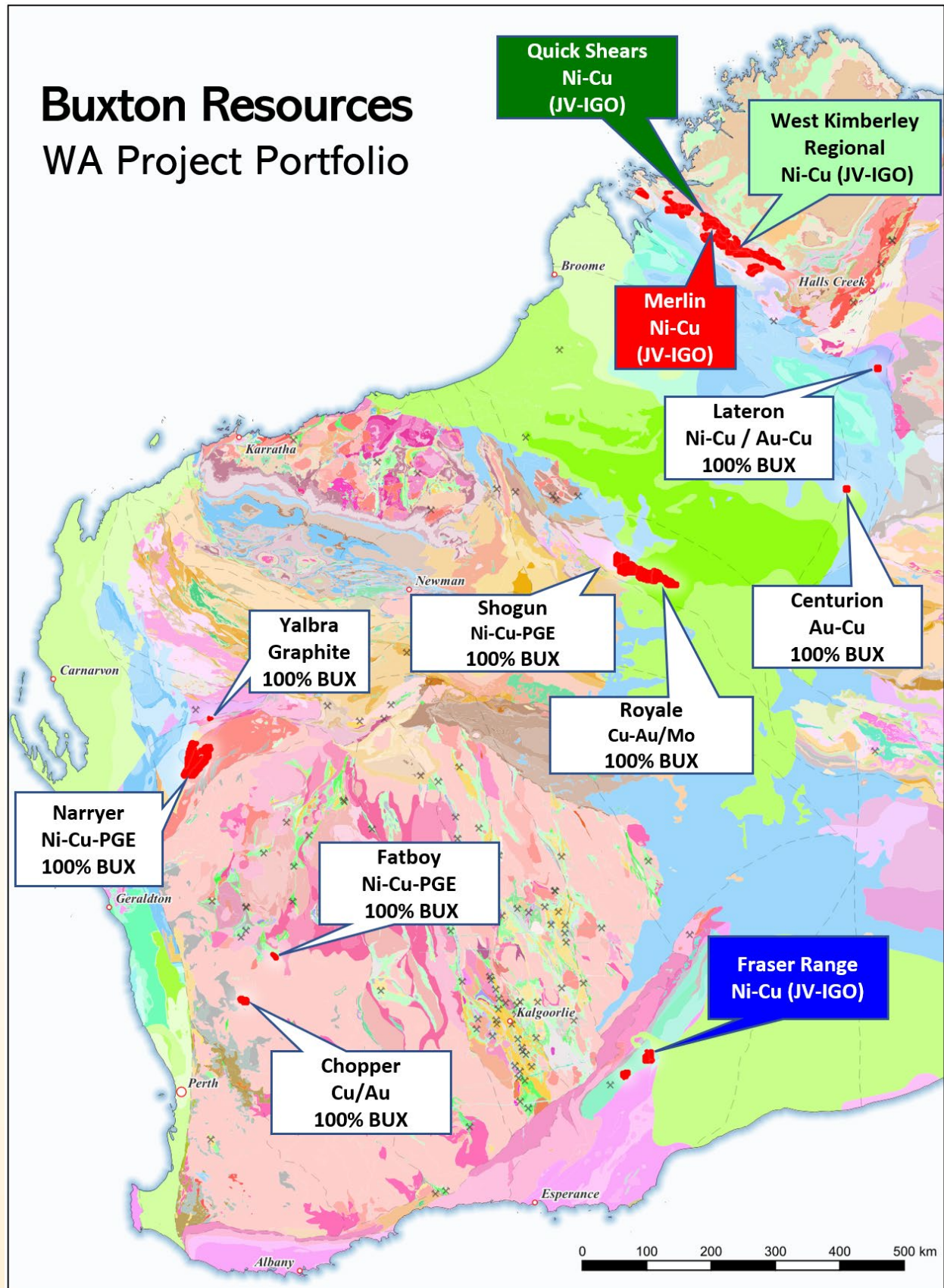


Figure 1: Buxton's WA exploration project portfolio overlaid on GSWA's 1:500k bedrock geology. Buxton has pegged several new, 100% owned portfolios in WA as a direct result of rigorous generative work during the last 12 months.

West Kimberley Project (BUX/IGO JV)

The West Kimberley Project is targeting Nova-style magmatic Ni-Cu sulphide mineralisation in Proterozoic belts of the West Kimberley Region of Western Australia (Figure 2).

During the current quarter, work commenced in the West Kimberley with a focus on the Sentinel area (Figure 3). This involved stream sediment and rock chip sampling, geological and portable XRF rock analysis traversing, and ground EM surveys.

Outcropping Ni-Cu sulphide mineralisation was identified in the Ruins Intrusive Suite whilst investigating a SPECTREM airborne electromagnetic target (Figure 4). This will be prioritised for ground EM surveying in 2022 once light vehicle access is established.

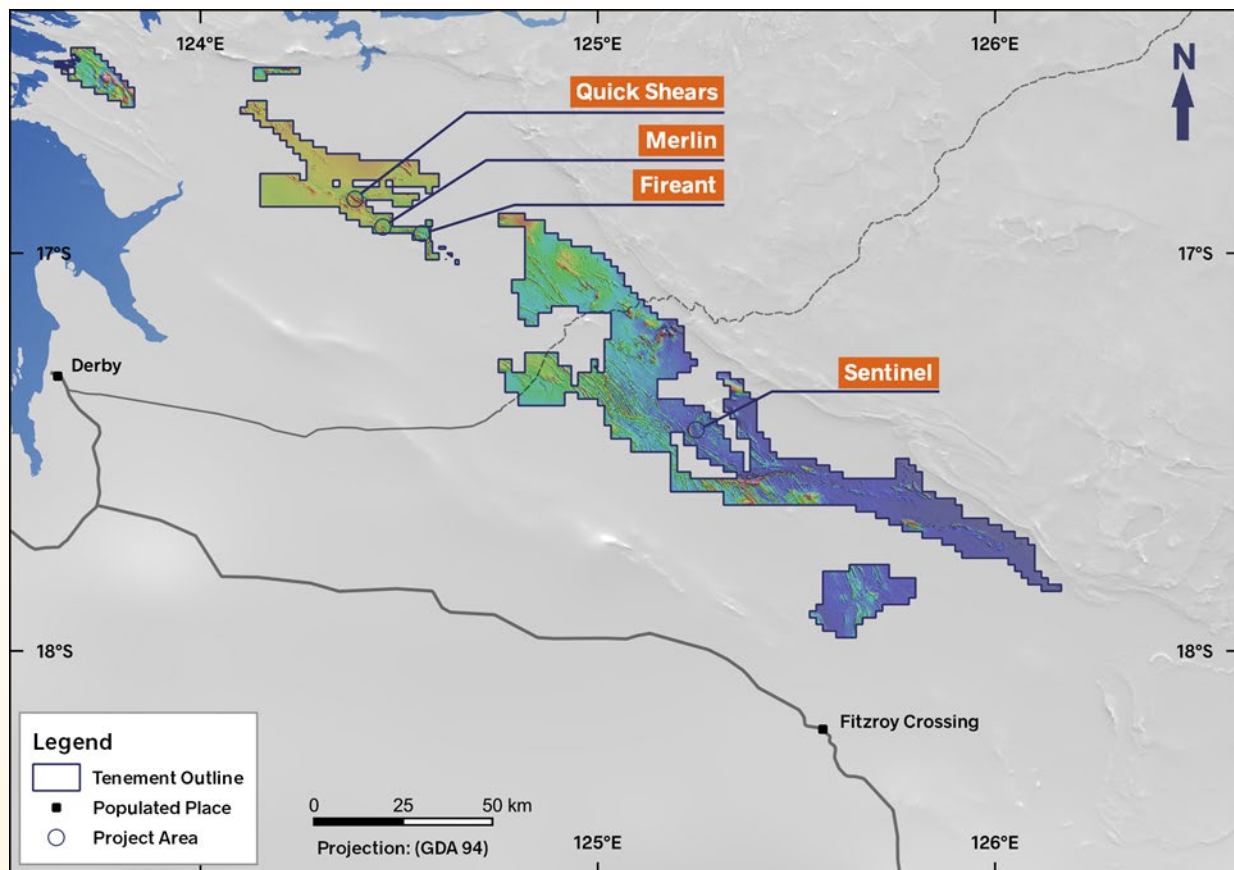


Figure 2: West Kimberley Joint Venture tenure with high-resolution aeromagnetic coverage

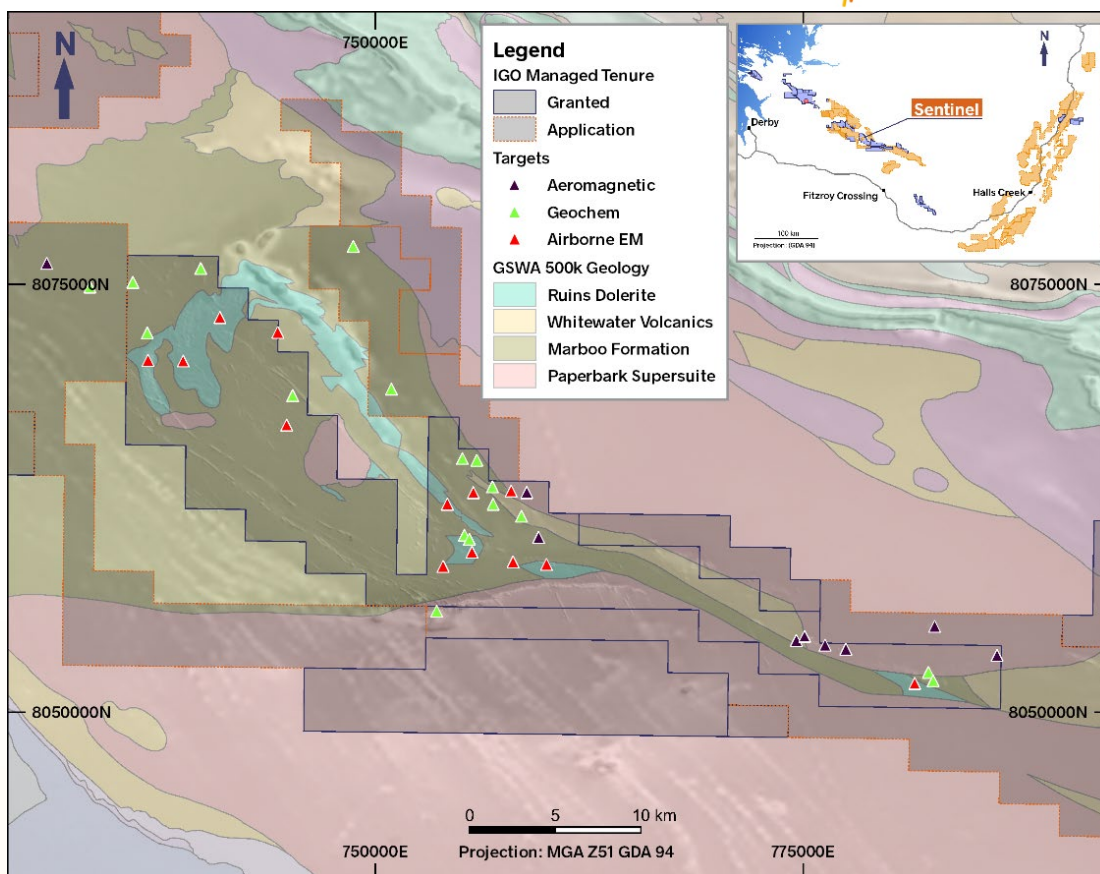


Figure 3: Sentinel area, where multiple geophysical & geochemical anomalies require ground follow-up

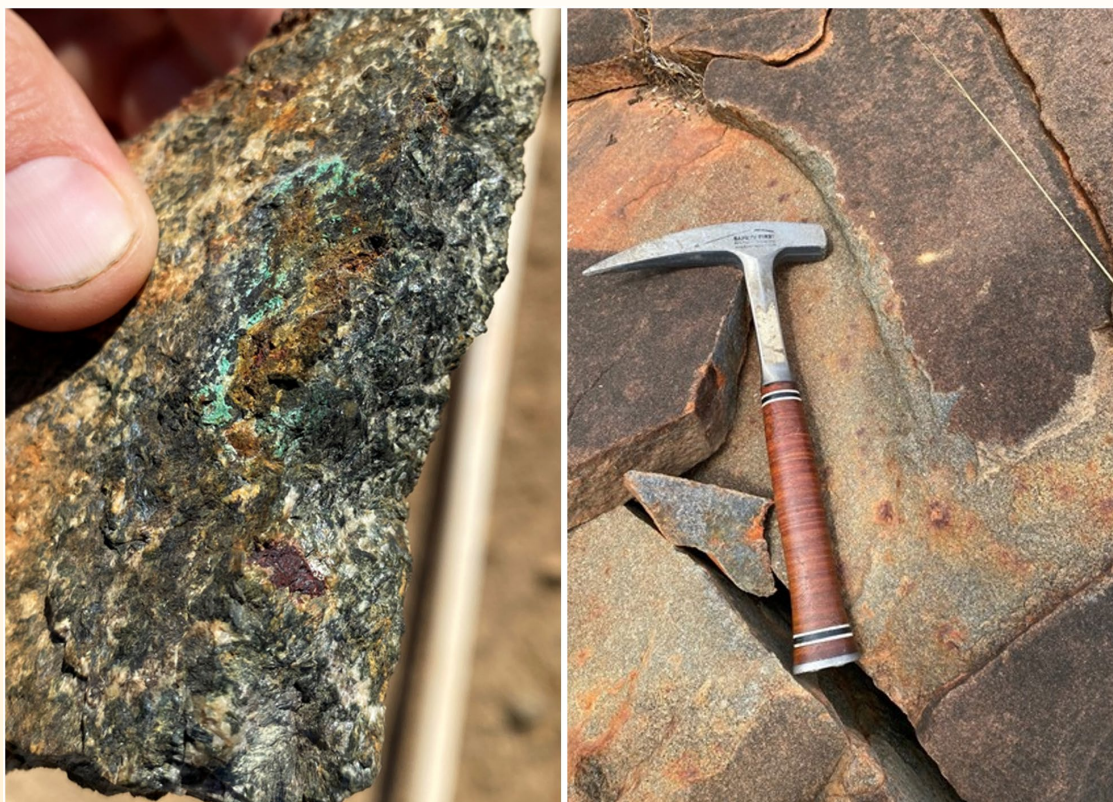


Figure 4: Outcropping disseminated Ni-Cu mineralisation has been discovered in the prospective Ruins Dolerite at Sentinel

Narryer Project (100% BUX)

The Narryer Terrane forms part of the Western Yilgarn Craton margin which hosts the recently discovered, world-class Julimar Ni-Cu-PGE Project. This new discovery by Chalice Mining Ltd and the presence of numerous Ni-Cu-PGE occurrences along a >1,000km strike length defines the West Yilgarn Ni-Cu-PGE Province - a highly prospective new exploration frontier now subject to intense exploration activity (Figure 5).

During the current quarter Buxton progressed the three applications to grant and selected a qualified contractor to undertake infill gravity surveying early in the coming Quarter. Previous gravity coverage in this area is extremely limited with most of the region covered by 5-6 kilometre spaced stations. Buxton's infill gravity program comprises an initial grid of 1,021 stations at 1,200 metre spacing.

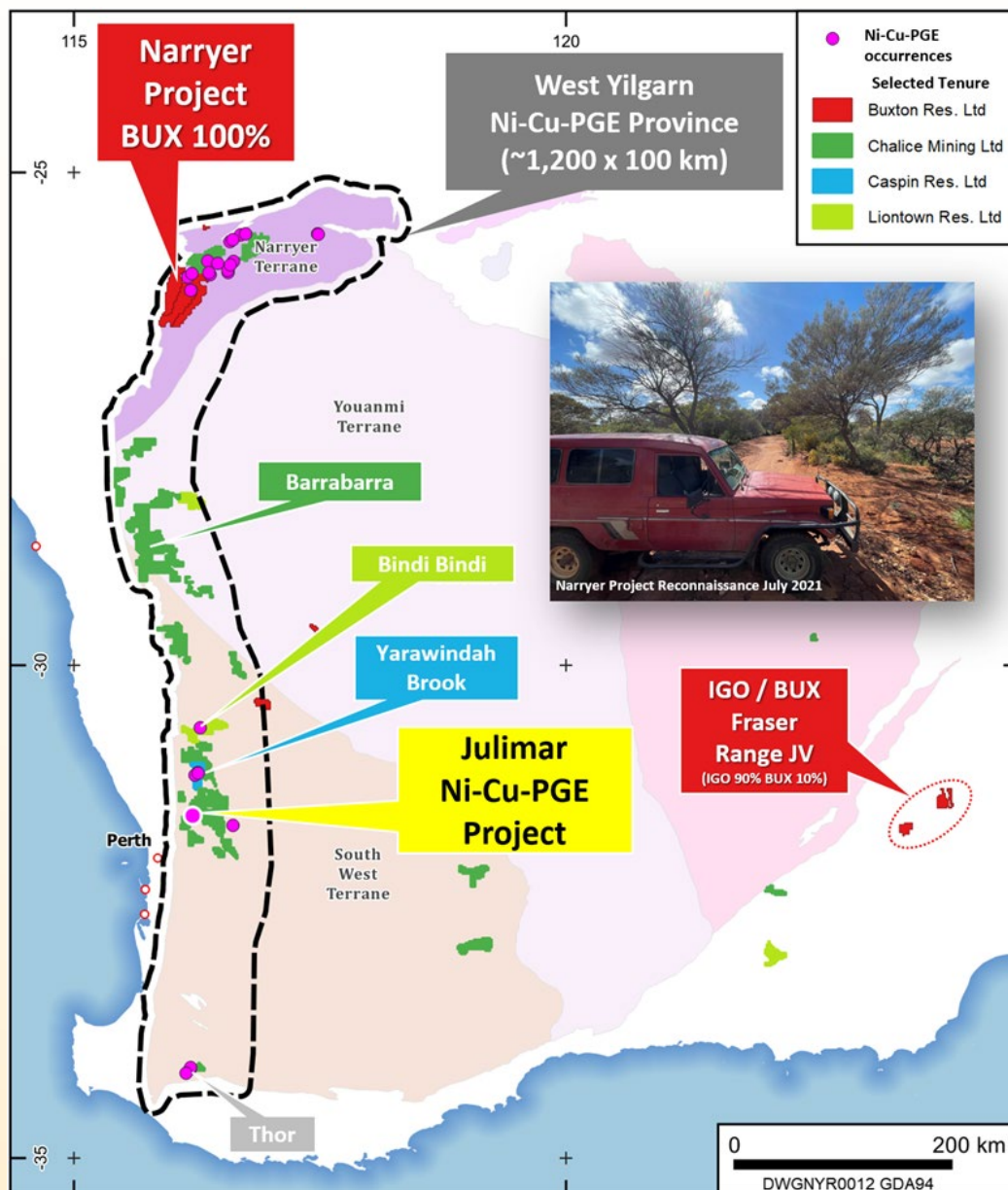


Figure 5: Buxton's 100% owned Narryer Project is located within the West Yilgarn Ni-Cu-PGE province

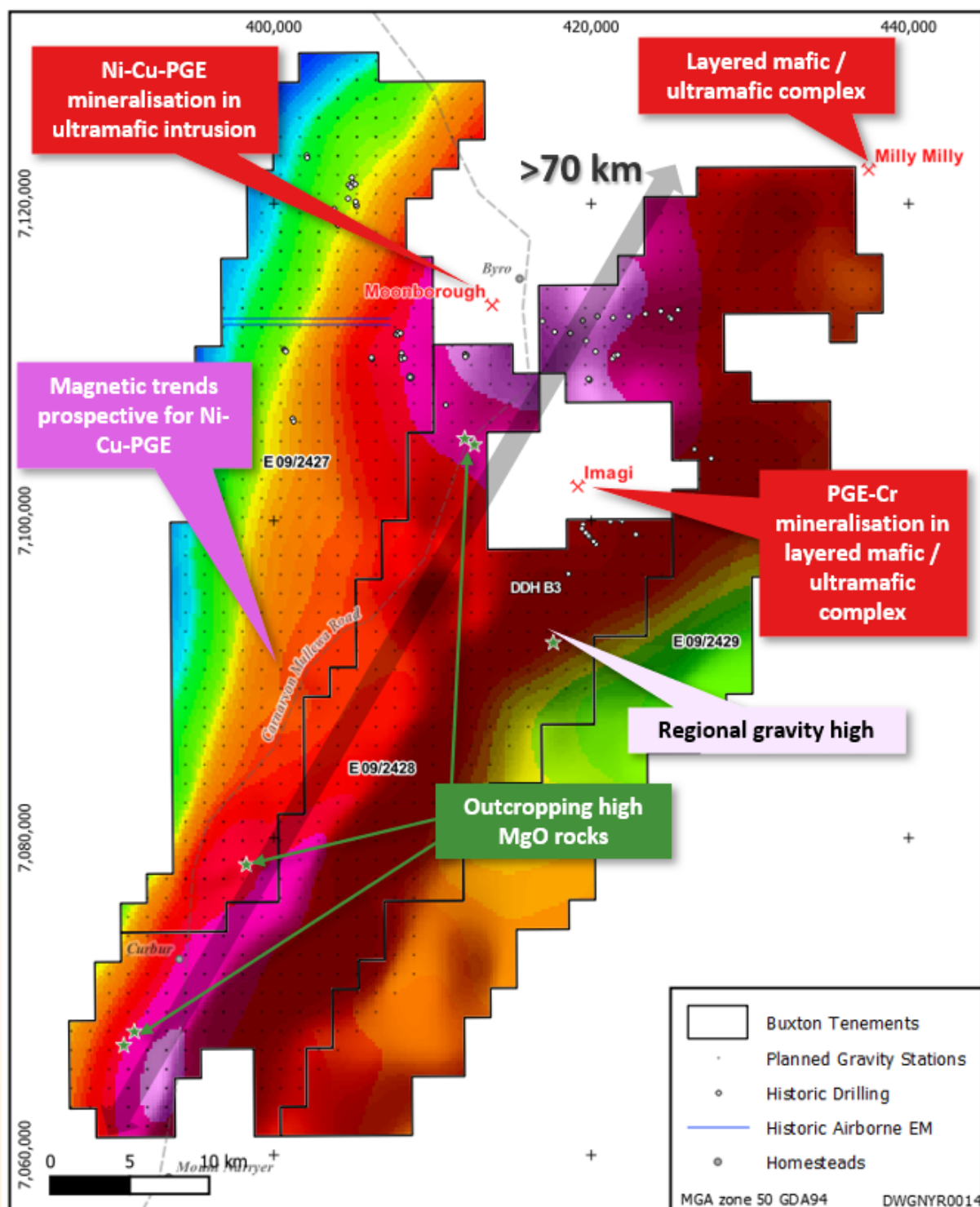


Figure 6: Narryer Project - existing open file bouguer gravity image over Buxton's three contiguous 100% owned exploration licenses.

Yalbra Project (BUX 100%)

Buxton's 100% owned high grade Yalbra graphite resource located in the Murchison region, Western Australia.

An updated JORC compliant Mineral Resource Estimate was calculated for the main zone of graphite mineralisation located within the boundaries of E09/1985. This Inferred Mineral Resource at Yalbra is 4.0Mt @ 16.2% TGC, using a 4% TGC cut-off (see ASX announcement 24th October 2014).

Over the last 12 months, Buxton's library of Yalbra Project sample material has been the subject of significant test work, product development, marketing studies and offtake discussions by Elmore Ltd – an ASX listed (ASX:ELE) processing and mining services group.

During the current Quarter, Elmore's metallurgical test work has been focused on finding a suitable balance between limited on-site processing and concentrate creation, with final product upgrading to occur with the end user. Different grinding sizes and methods are being assessed at various size fractions with wet milling to yield concentrate responses with simple flotation, see Figure 7. Leaching is also being trialled with a range of mild reagents at different temperatures and chemical combinations of NaOH, HCL and HF acid.

Elmore's work is ongoing and Buxton expects to provide an update during the coming Quarter.



Figure 7: Recent metallurgical testwork for the Yalbra Graphite Project

New Projects

Royale Project (BUX 100%)

During the current Quarter, Buxton lodged applications for Exploration Licenses E 45/6029, E 45/6030 and E 45/6031 located in the Paterson Region of Western Australia.

These applications are the result of ongoing in-house project generation work which focus on a well-established Cu - Au / Mo mineralisation style that have never been previously targeted in this area. During the current Quarter, Buxton's work has included a desktop review along with inspection of open file drill core in support of fertility assessments for the target mineralisation style.

Buxton will provide further details on this exciting Project in the coming Quarters.

Corporate

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had \$2.4 million in cash as 30 September 2021.

Exploration Expenditure for the quarter was \$168k with most of this expenditure being associated with project generation and desktop assessment activities in support of the Narryer, Project, along with the tenement applications at the Royale Projects, and other ongoing project assessment. Buxton is also continuing to actively pursue copper opportunities in the USA.

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities were approximately \$74k comprising directors fees, salaries and superannuation.

Corporate and other administration expenditure was \$116k for the quarter which represents general costs associated with running the Company, including ASX fees, legal fees, rent, etc..

Cash outflows for the quarter were in line with management expectations. The company is adequately funded to continue its current activities and will continue to demonstrate appropriate fiscal restraint.

This announcement is authorised by the Board.

For further information please contact:

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Sam Wright
Company Secretary
sam@buxtonresources.com.au

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Mr Eamon Hannon, Member of the Australasian Institute of Mining and Metallurgy, and Mr Martin Moloney, Member of the Australian Institute of Geoscientists. Mr Hannon and Mr Moloney are full-time employees of Buxton Resources. Mr Hannon and Mr Moloney have sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hannon and Mr Moloney consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Appendix 1: Changes in interests in mining tenements - Buxton Resources Ltd

01/07/21 – 30/09/21

| Interests in mining tenements relinquished, reduced or lapsed | Tenement | Location | % at beginning of quarter | % at end of quarter |
|---|----------|----------|---------------------------|---------------------|
| | | | | |
| | | | | |
| | | | | |

| | | | | |
|--|------------|----------------|---|-----|
| Interest in mining tenements acquired or increased | ELA45/6029 | Royale Project | 0 | 100 |
| | ELA45/6030 | Royale Project | 0 | 100 |
| | ELA45/6031 | Royale Project | 0 | 100 |

** applications / surrenders lodged after the end of the Quarter*

| | | | | |
|--|----------|-----------------------------------|----|----|
| | E04/1533 | Merlin - IGO JV | 49 | 49 |
| | E04/2026 | Merlin - IGO JV | 49 | 49 |
| | E04/2142 | Merlin - IGO JV | 49 | 49 |
| | E04/2451 | West Kimberley - Baracus / IGO JV | 0 | 16 |
| | E04/2462 | West Kimberley - Baracus / IGO JV | 0 | 16 |
| | E04/2060 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2407 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2408 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2411 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2466 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2467 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2468 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2469 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2480 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2527 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2530 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2536 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2549 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2550 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2578 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2579 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2580 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2581 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2583 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2584 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2585 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2609 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2610 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2611 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2612 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2613 | West Kimberley Regional - IGO JV | 20 | 20 |

| | | | | |
|--|--------------------------------|---|-----|-----|
| | E04/2614 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2615 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2617 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2629 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2630 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2631 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2636 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2648 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2649 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2650 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/2651 | West Kimberley Regional - IGO JV | 20 | 20 |
| | E04/1972 | West Kimberley – IGO/NWC/TT JV | 16 | 16 |
| | E04/2314 | West Kimberley – IGO/NWC/TT JV | 16 | 16 |
| | E04/2423 | West Kimberley – IGO/NWC/TT JV | 20 | 20 |
| | E28/1959 | Fraser Range - IGO JV | 10 | 10 |
| | E28/2201 | Fraser Range - IGO JV | 10 | 10 |
| | EL09/2427 | Narryer Project | 100 | 100 |
| | EL09/2428 | Narryer Project | 100 | 100 |
| | EL09/2429 | Narryer Project | 100 | 100 |
| | E09/1985 | Yalbra Project | 100 | 100 |
| | ELA45/5892 | Shogun Project | 100 | 100 |
| | ELA45/5892 | Shogun Project | 100 | 100 |
| | ELA80/5579 | Centurion Project | 100 | 100 |
| | ELA78/5819 | Chopper Project | 100 | 100 |
| | ELA59/2595 | Fatboy Project | 100 | 100 |
| | MEP 008-121028 | Copper Wolf Project, Yavapai Co, Arizona (State Exploration Permit) | 100 | 100 |
| | SM-01 through SM-054 inclusive | Copper Wolf Project, Yavapai Co, Arizona (Federal Lode Mining Claims) | 100 | 100 |

Abbreviations and Definitions used in Tenement Schedule:

E = Exploration Licence (WA) / ELA = Exploration Licence Application (WA) / MEP = Mineral Exploration Permit (Arizona)

Appendix 5B

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

Name of entity

Buxton Resources Limited

ABN

86 125 049 550

Quarter ended ("current quarter")

30 September 2021

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|--|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (150) | (150) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (124) | (124) |
| | (e) administration and corporate costs | (116) | (116) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | - | - |
| 1.5 | Interest and other costs of finance paid | (1) | (1) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (refund) | - | - |
| 1.9 | Net cash used in operating activities | (391) | (391) |
| 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 | - | - |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

| 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 (provide details if material) | - | - |
| 2.6 | Net cash used in investing activities | - | - |

| | | | |
|-------------|---|---|---|
| 3. | Cash flows from financing activities | | |
| 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 | - | - |
| 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 (payments for right-of-use liability) | - | - |
| 3.10 | Net cash from financing activities | - | - |

| | | | |
|-----------|---|-------|-------|
| 4. | Net decrease in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 2,804 | 2,804 |
| 4.2 | Net cash used in operating activities (item 1.9 above) | (391) | (391) |
| 4.3 | Net cash used in investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from financing activities (item 3.10 above) | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 2,413 | 2,413 |

| 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 | 2,287 | 2,680 |
| 5.2 | Call deposits | - | 2 |
| 5.3 | Term deposits | 128 | 128 |
| 5.4 | Credit card | (2) | (6) |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 2,413 | 2,804 |

| 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 | 74 |
| 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

| | | | |
|-----------|---|---|--|
| 7. | Financing facilities <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> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 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 used in operating activities (item 1.9) | (391) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (391) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 2,413 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 2,413 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 6.18 |
| <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 | | |

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

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

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.

29 October 2021

Date:

By the Board

Authorised by:
(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.