

29 October 2021

## **Ministerial Approval Received for Drilling at Halls Peak Gibsons Prospect**

### **Highlights**

- Ministerial Approval has been received for 2,500m of diamond drilling exploration at the Halls Peak Gibsons Prospect
- Final approval from Resources Regulator expected imminently
- Approvals for drilling at Sunnyside expected in the near future
- Drilling planned to begin at Gibsons before relocating to Sunnyside
- Drill contractors DRC Drilling, have been appointed and are due to arrive on site in the third week of November
- Holes are designed to confirm near surface mineralisation and deeper targets to a maximum depth of up to 500m
- Previous exploration identified intersections including 37.2m @ 8.7% Zn, 3.0% Pb, 85g/t Ag, 1.4% Cu from hole DDH HP 026 (see ASX announcement dated 03 January 2014 – Precious Metal Resources)
- Deeper holes to be surveyed by down hole electromagnetics to identify further extensions of mineralisation at depth and plan future drilling
- Previous exploration in 2016 identified high grade massive sulphides which forms the basis of this drill program
- Program to be run in conjunction with exploration activities at the nearby Sunnyside prospect
- Historical mining has produced high grade Zinc, Lead, Copper, Silver and Gold

Critical Resources Limited (ASX: **CRR**) ("**Critical Resources**" or the "**Company**"), is pleased to advise that it has received Ministerial approval for drilling at its 100% owned Gibsons prospect located on its Halls Peak Tenement EL 4474 in New South Wales. The final approval required before drilling can commence at Gibsons from the Resources Regulator, is expected imminently.

Historical drilling at Gibsons has intersected, and workings have mined, near surface, high grade, massive sulphides containing Zinc (Zn), Lead (Pb), Copper (Cu), Silver (Ag) and Gold (Au).

Recent review works of historic geological and geophysical data have yielded strong exploration targets and provided clarity around the Company's exploration strategy at both the Gibsons and Sunnyside Prospects. To ensure drilling can commence as quickly as possible, the Gibsons Prospect has been prioritised. However, permitting approvals for the Sunnyside prospect are expected imminently.

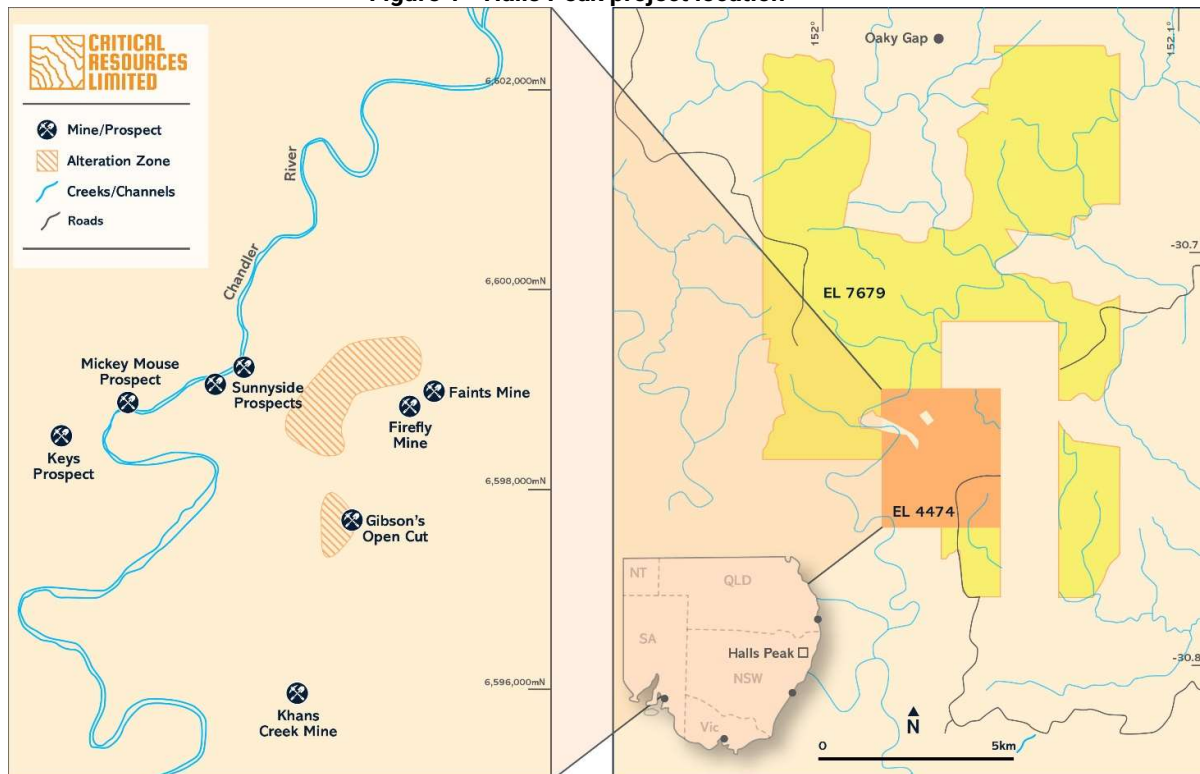
Critical Resources Chief Executive Officer Alex Biggs said: "We are very excited to announce Ministerial Approval has been received for drilling at our Gibsons Prospect. The team has completed a lot of work to generate some excellent targets at both Gibsons and Sunnyside as well as remaining focused and diligent throughout the permitting process. We feel that Halls Peak has the potential to be transformational for the company and its shareholders and we look forward to this exciting drill campaign."

### Halls Peak Project Description

The 100% owned Halls Peak-Gibson project is located in New South Wales approximately 45km South-East of Armidale in the New England Fold Belt, an area well known for its mineral endowment and production. The Halls Peak massive sulphide deposits were discovered in 1896 where near surface mining extracted high-grade Zinc, Lead, Copper and Silver. More recent near surface exploration has been conducted by Precious Metal Resources Limited, Sovereign Gold Company Limited (now Critical Resources Limited) and Force Commodities Limited (now Critical Resources Limited) yielding high-grade intercepts to a depth of approximately 150m.

The project area comprises multiple historic mines and prospects including Gibsons, Sunnyside, Firefly, Faints, Khans Creek, Keys and Mickey Mouse. All current exploration activities are focused on exploration licence EL 4474 with primary targets being the Gibsons and Sunnyside Prospects. A summary of the project location is shown in Figure 1.

**Figure 1 - Halls Peak project location**



**Previous Exploration**

Previous drilling at Gibsons has only focused on near surface targets and has intersected high-grade mineralisation as shown in Figure 2. The most recent exploration activities were conducted in 2016. A summary of previous exploration and exploration strategy at Gibsons can be found in ASX announcement dated 08 July 2021.

Significant intersections at Gibsons undertaken by:

***Critical Resources Limited (formerly Sovereign Gold Company and Force Commodities Limited) – ASX Announcements***

11.3m @ 15.18% Zn, 8.02% Pb, 597g/t Ag, 1.61% Cu from hole SG-03

(see ASX announcement dated 15 December 2016)

11.2m @ 19.71% Zn, 10.77 % Pb, 134.96 g/t Ag, 0.8% Cu from hole SG-06

(see ASX announcement dated 29 December 2016)

7.2m @ 20.19% Zn, 7.17 % Pb, 30.93gpt Ag, 0.66% Cu from hole SG-05

(see ASX announcement dated 29 December 2016)

5.7m @ 9.44% Zn, 7.09% Pb, 155g/t Ag, 0.53% Cu from hole SG-03

(see ASX announcement dated 15 December 2016)

***Precious Metal Resources Limited – ASX Announcements***

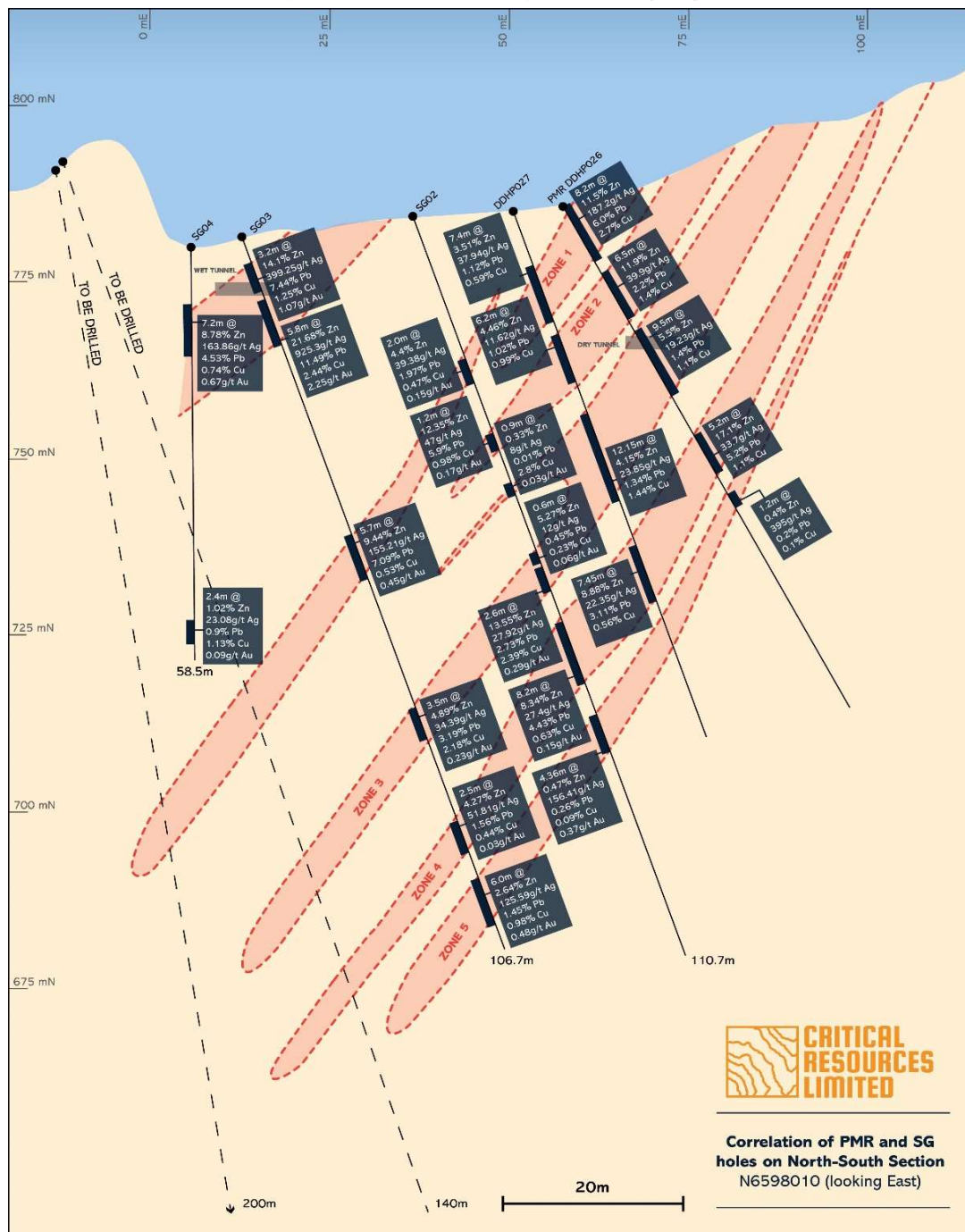
37.2m @ 8.7% Zn, 3.0% Pb, 85g/t Ag, 1.4% Cu from hole DDH HP 026

(see ASX announcement dated 03 January 2014)

7.45m @ 8.88% Zn, 3.11% Pb, 22 g/t Ag, 0.56% Cu from hole DDH HP 027

(see ASX announcement dated 15 January 2014)

**Figure 2 - Historical drilling at Gibsons prospect**



## Drilling Strategy and New Targets

Historical drilling has focused on near surface mineralisation. The depth potential of this high-grade mineralisation will require drill testing and forms the basis for the upcoming exploration program at Gibsons. Drilling will initially twin an existing hole for the purpose of validating previous drill results, providing results that are JORC QAQC compliant and to act as infrastructure to allow for downhole electromagnetic surveying. This surveying will then inform the next targets at depth for drilling.

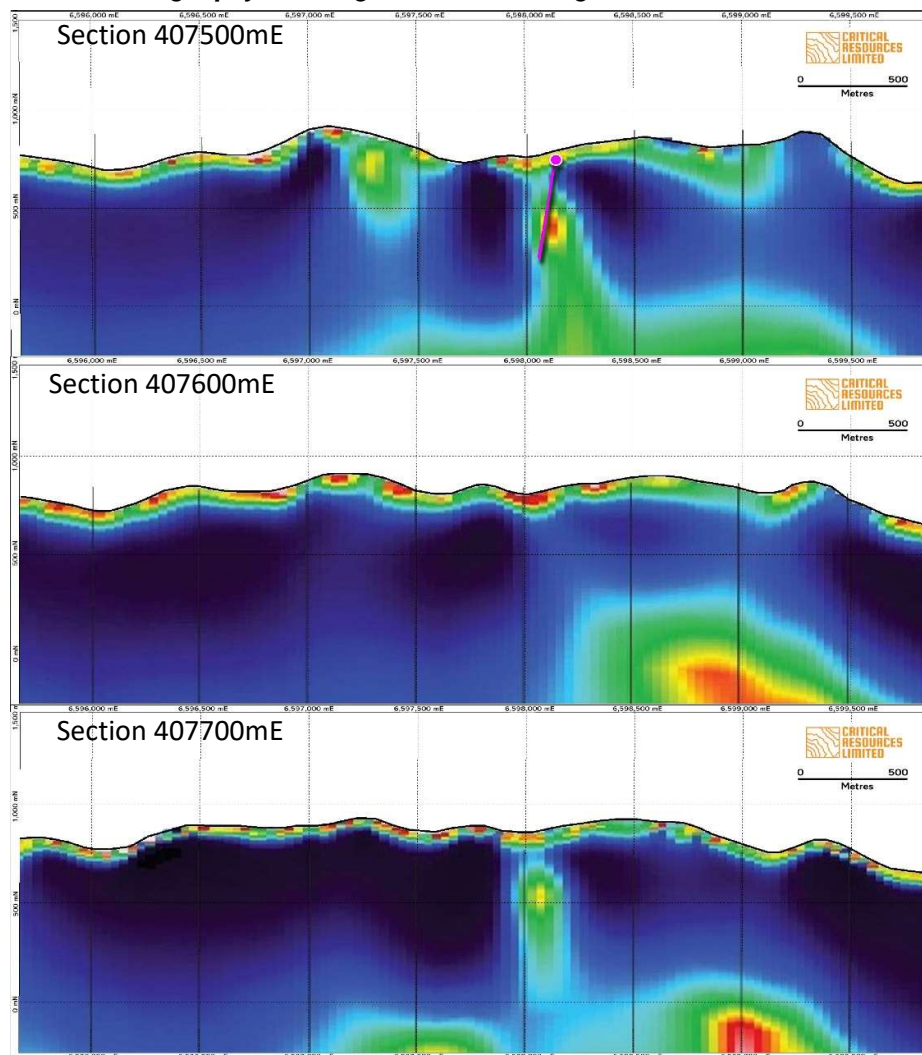


The Company is of the opinion that this staged approach to exploration will enable more accurate, lower risk, target development and more efficient placement of future holes and further exploration of the down dip and down plunge extensions to known mineralisation.

New targets have been generated through a first principles review of VTEM data (see ASX announcement dated 02 June 2021). Cross sectional slices taken at 100m intervals are shown in Figure 3.

These targets represent a clear strategy and work program developed by the Company and form the basis of the upcoming drill program, inclusive of down hole electromagnetics aiding in subsequent drill hole placement.

**Figure 3 - Gibsons geophysical targets demonstrating three sections at 100m intervals**



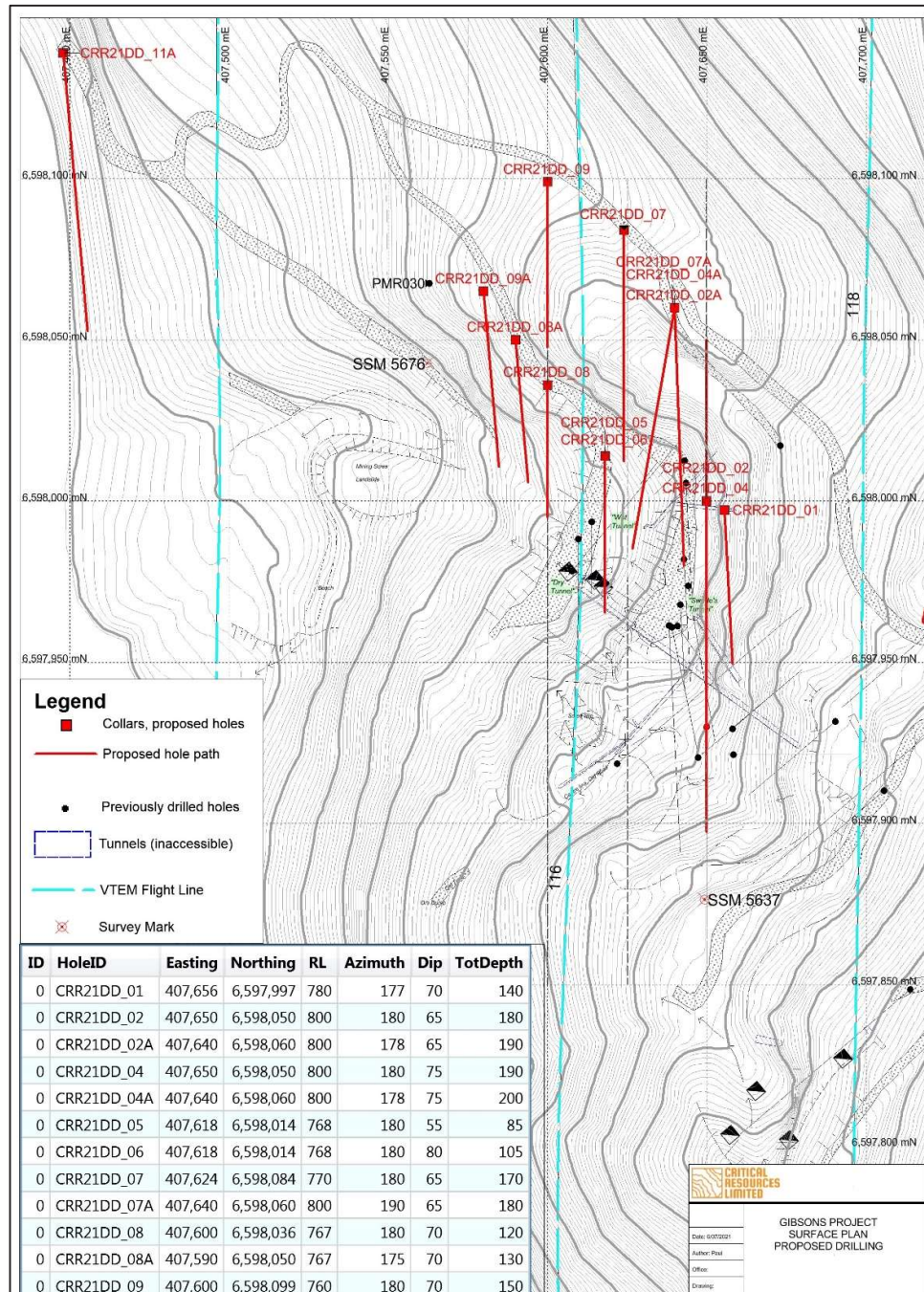
## Drilling Plan

A total of 14 drill holes have been designed for a total of ~2,500m. Potentially not all these holes will be drilled in the upcoming drill program although all have been included in the permitting process. This provides optionality for additional drilling locations in this program and any subsequent programs. All holes will be completed via diamond drilling and assayed at an appropriate laboratory with the intention of data being valid for a JORC compliant Resource estimate in the future. A plan of the proposed Gibsons drill holes is shown in Figure 4.

## Sunnyside Drilling

The strategy for drilling at Sunnyside (see ASX Announcement 20 July 2021) will focus on deeper targets as defined by the recent reinterpretation of geophysical data. Permitting approvals for the three drill holes at Sunnyside, for ~1,700m, are expected imminently and the Company will keep the market updated. Drilling will start at Gibsons before moving to Sunnyside.

**Figure 4 - Plan of proposed Gibsons drill holes**



**This announcement has been approved for release by the Board of Directors.**

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### **EXPLORATION WORK – COMPETENT PERSONS STATEMENT**

The information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr Michael Leu, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Leu is a full-time employee of Critical Resources Limited. Mr Leu has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Leu consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

### **FORWARD LOOKING STATEMENTS**

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

### **NO NEW INFORMATION**

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

## **ABOUT CRITICAL RESOURCES LIMITED**

Critical Resources is a base metals exploration and development focused company headquartered in Perth, Western Australia and is listed on the Australian Securities Exchange (ASX:CRR). The Company has recently been undergoing a structured process of change at the Director and Executive level. These changes mark the commencement of a renewed focus by the Company on providing shareholder value through the exploration, development and advancement of the Company's long held NSW assets and also of its Copper assets in Oman.