



ICENI GOLD
LIMITED

ASX RELEASE

ASX RELEASE

29 October 2021

BOARD

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Executive-Chairman

David Nixon
Technical Director

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QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 SEPTEMBER 2021

Multiple Alteration Systems Intersected in Drilling

Highlights

- Significant alteration system identified in Diamond Drilling at Deep Well.
- AC Drilling defines >1km long alteration anomaly at Deep Well.
- Three significant alteration intersections in Diamond Drilling at TOTK.
- New target area generated after positive soil sampling results.
- \$2M placement completed, to be applied toward further exploration.

Iceni Gold Limited (ASX: ICL) (**Iceni** or the **Company**) is pleased to report on its activities during the 3-month period ended 30 September 2021.

Exploration

Iceni Gold Limited has identified an additional high priority gold exploration target within the 14 Mile Well Project, situated ~ 50km from Laverton WA, where significant exploration activities are currently being undertaken, bringing the number of priority target areas to 7.

Deep Well

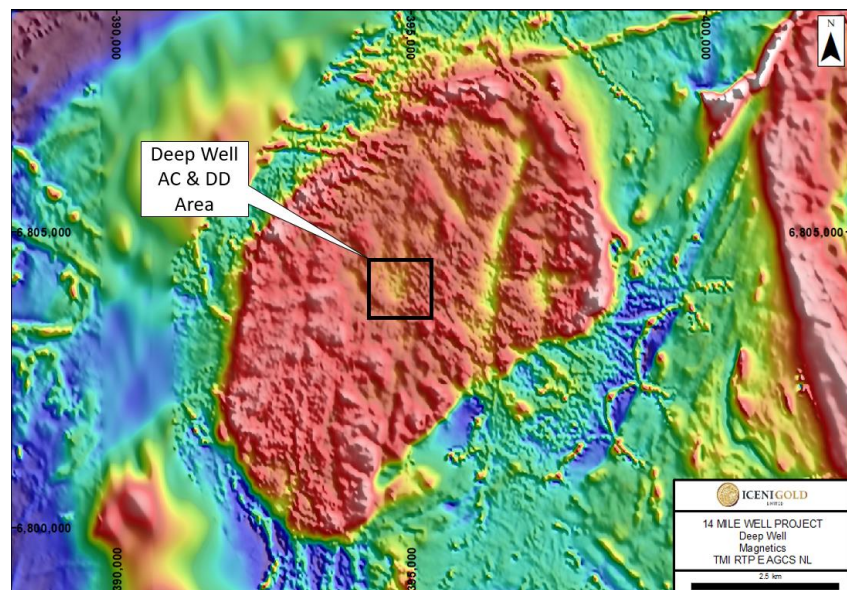


Figure 1: Magnetic image showing the location of drilling at Deep Well.

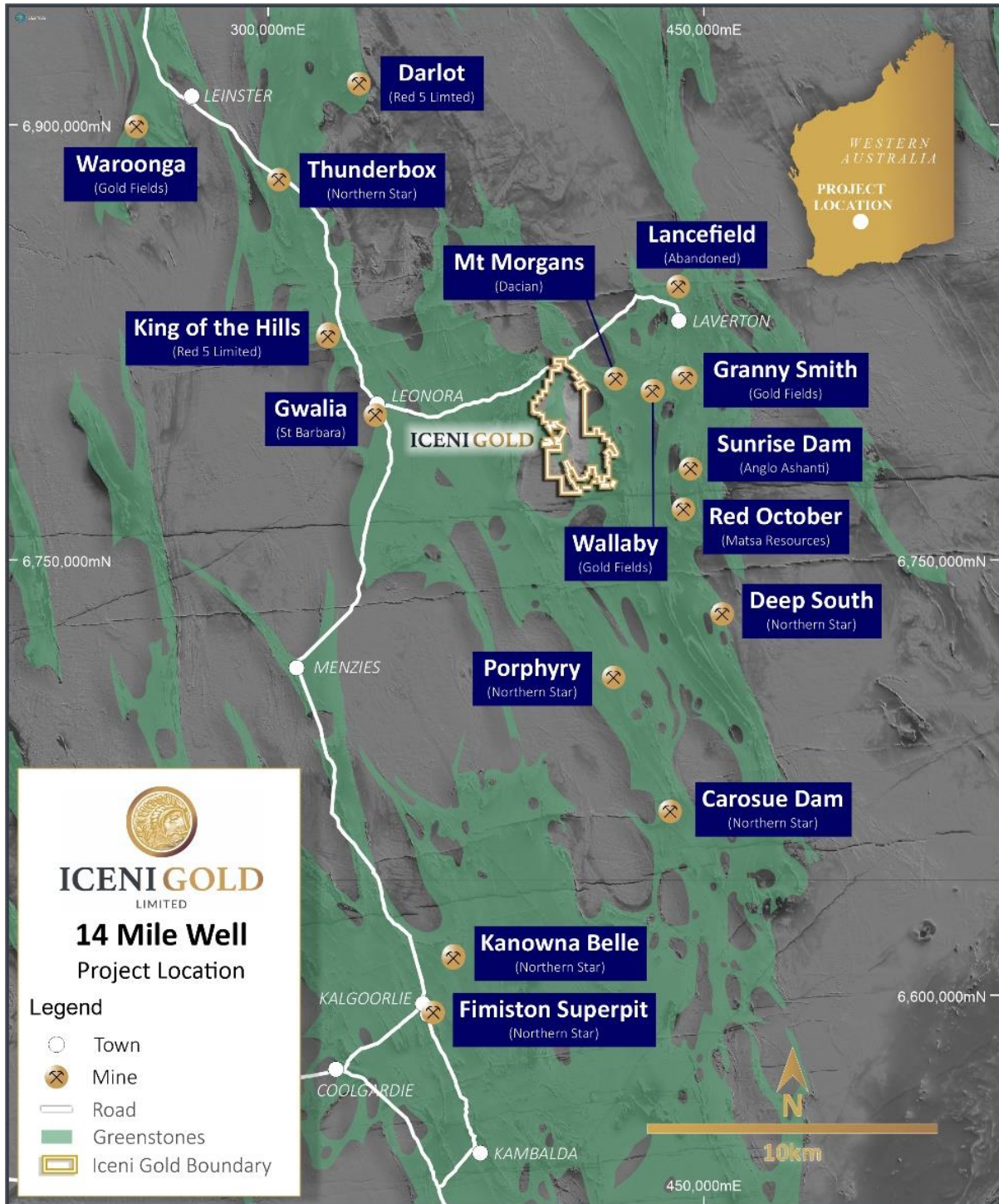


Figure 2: Location of the 14 Mile Well Project in the Eastern Goldfields of WA.

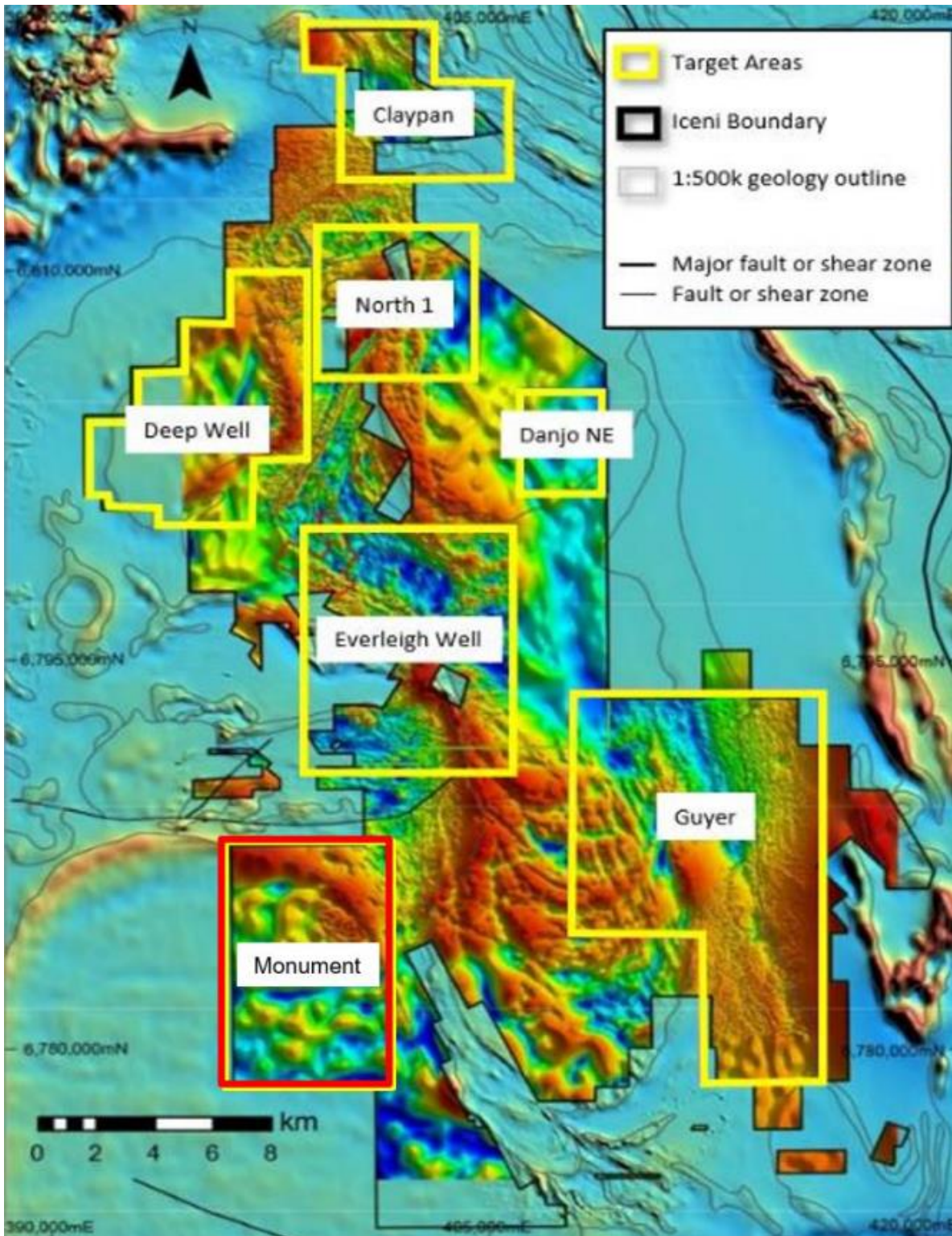


Figure 3: 14 Mile Well project area, showing the previous six key target areas and now including the new seventh target area, Monument (which includes the Breakaway Well UFF+ gold soil anomaly). Image is RTP TMI magnetics, linework from regional geological interpretation.



Fieldwork at Deep Well identified outcrop of the Deep Well Monzonite. Company geologists were able to confirm, using observations from outcrop and drill core, that the Deep Well Monzonite has geological characteristics consistent with a Mafic Group Granite. These observations are significant because this type of intrusive is known to be associated with gold mineralisation elsewhere in the Eastern Goldfields of WA (Champion & Cassidy 2002).



Figure 4: Outcrop of Deep Well Granite showing distinctive mafic enclaves.

The first phase of Air Core (AC) drilling has been completed at Deep Well. The AC program was following up alteration identified in the recent Diamond Drilling (DD) and significant anomalous historic Rotary Air Blast (RAB) drilling intersections. Significant historic results at Deep Well include:

KOW013 with 4m @ 0.66g/t Au, 4m @ 0.14g/t Au & **5m @ 3.32g/t Au**

KOW014 with 4m @ 0.16g/t Au, 8m @ 0.25g/t Au & **4m @ 0.55g/t Au**

The DD defined alteration over a strike length of 200m and the AC drilling has been extremely successful, with results expanding the alteration zone over a strike length of 1km. The alteration zone remains open to the north and south. The alteration has a variable composition, but is visually dominated by red hematite, which has formed at the expense of magnetite and is associated with white quartz veining, sulphides, silica, sericite and albite. Intermediate porphyries were also identified, being intimately associated with the zones of hematite alteration and quartz veining. Observable trends in the alteration reflect the underlying trends in the magnetics. They have been interpreted to be related to magnetite destruction by the alteration.



Figure 5: Early success in the AC drilling at Deep Well in hole FMAC0024. The AC drilling has intersected quartz veining and associated hematite alteration with weathered sulphides (left). This is identical to intersections from the focussed diamond drilling (right), which is located several hundred metres to the south.

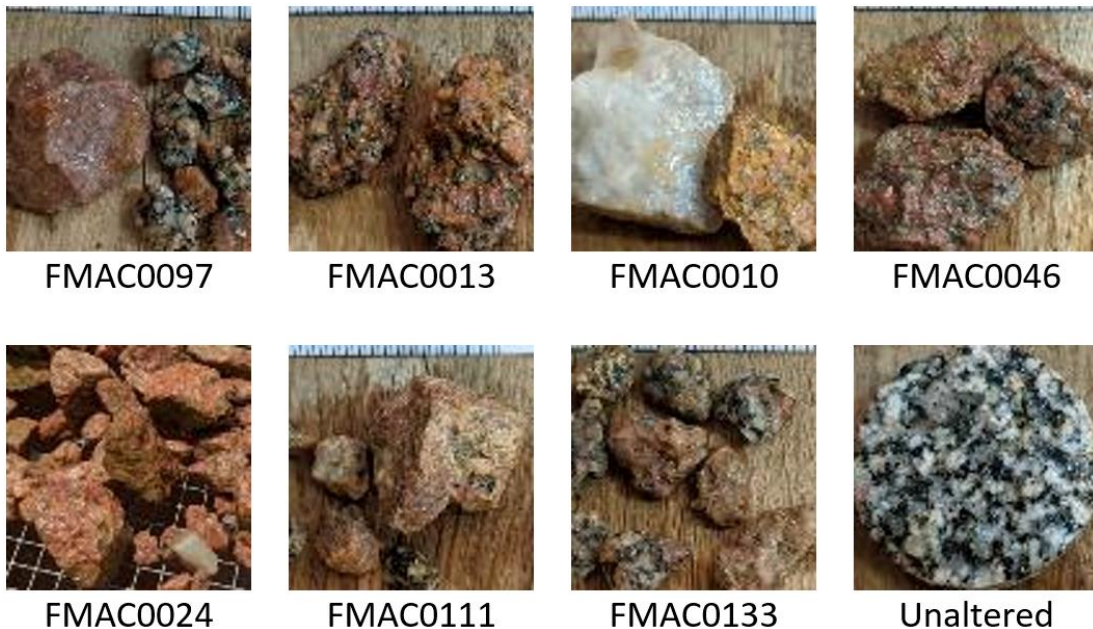


Figure 6: Alteration observed in AC samples from Deep Well (with an unaltered specimen for comparison).

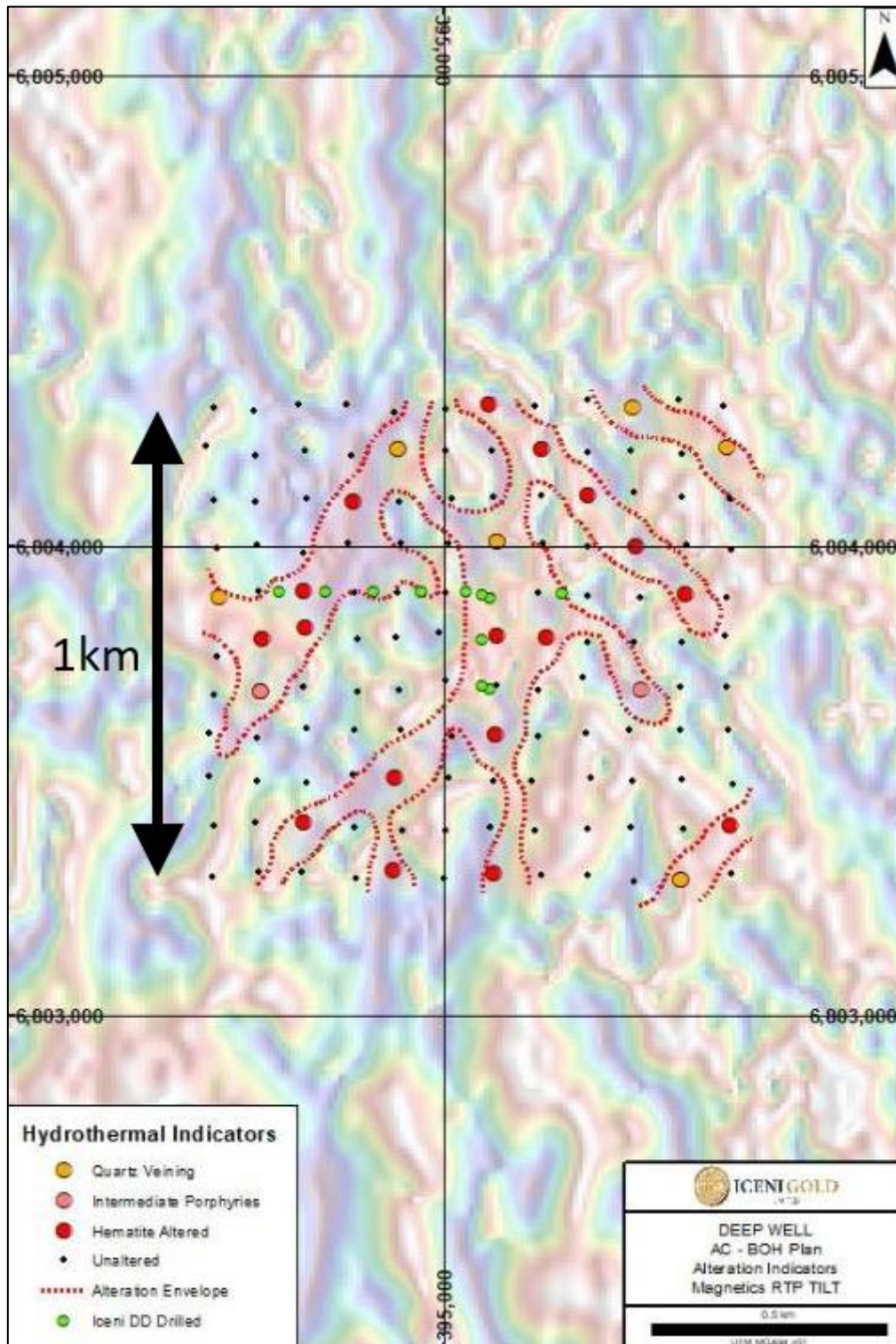


Figure 7: Schematic collar plan showing the 1km long anomalous zone, defined by the distribution of hydrothermal alteration indicators at Deep Well.

The first phase of the diamond drilling campaign at the **Deep Well target** area has been completed, comprising eleven diamond drill holes. This drilling intersected multiple narrow zones of intense alteration within a broader alteration envelope hosted by a monzonite intrusive.

The alteration zones are highly visible, with bright red hematite alteration surrounding quartz veining with associated sulphides. The alteration has been observed in all eleven holes over a strike length of 200m. This is significant because quartz veining, sulphides and intrusive bodies are known to be key ingredients within the known gold deposits in the Leonora-Laverton District.

The alteration zone is spatially associated with an ultramafic shear zone, that cuts the monzonite intrusion. This is significant because Au mineralisation, throughout the Eastern Goldfields, is known to be strongly associated with shear zones.

The drill core has been transported to Kalgoorlie where it is being processed, sampled and sent to the laboratory for assaying.

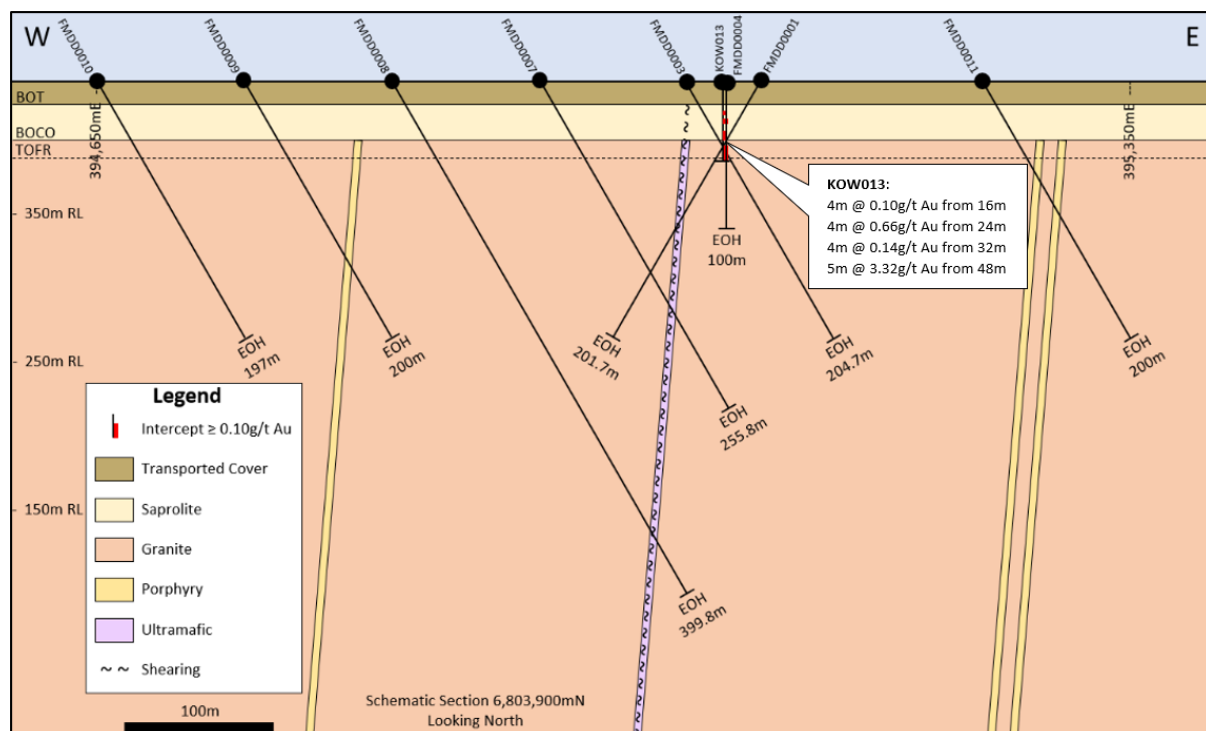


Figure 8: Schematic section 6,803,900mN at Deep Well, showing the diamond drill holes testing beneath historic gold in-drilling, hosted by monzonite. The drilling has identified a number of intrusive porphyries and an ultramafic shear zone that cuts the monzonite. The gold anomalism is spatially associated with the shear zone.



North1-5 TOTK

Previous fieldwork at **TOTK** was highly encouraging, demonstrating the potential for high grade gold mineralisation along a +100m outcropping quartz vein that hosted fresh sulphides and visible gold at surface. These results form part of an exciting broader mineralised envelope that extends over a much larger 400m trend.

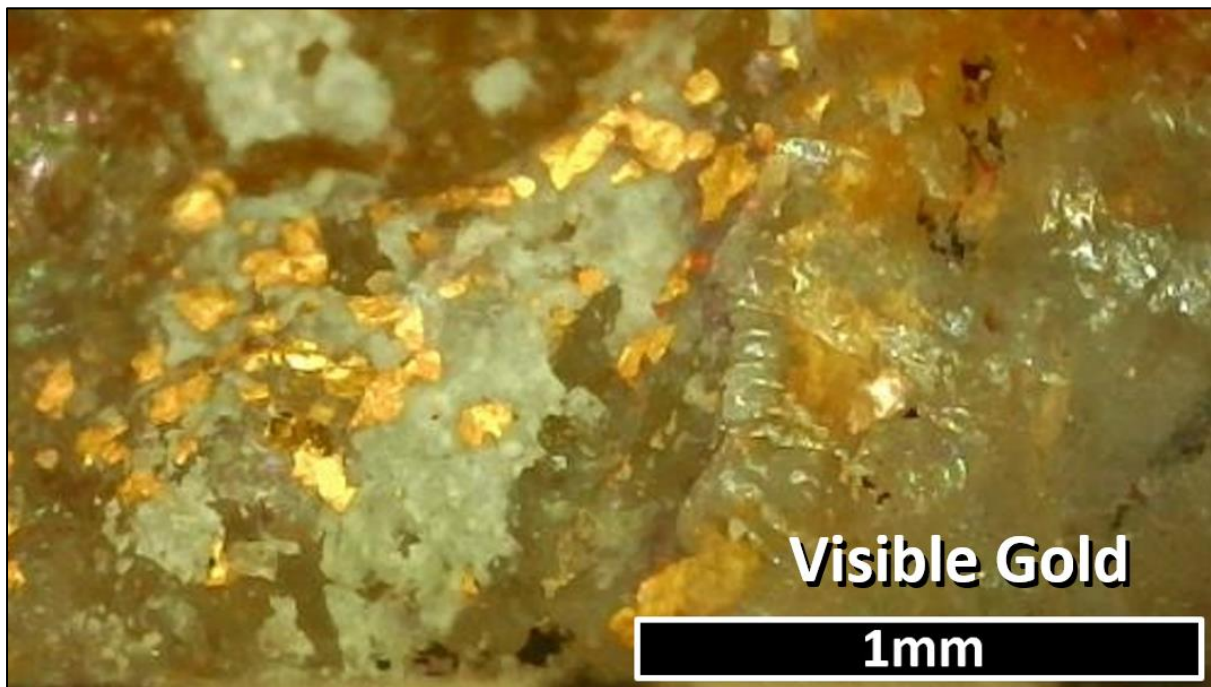


Figure 9: Visible Gold on quartz from the outcropping vein at **TOTK**. Diamond drilling intersected broad alteration zones while testing beneath this vein.

The mineralisation at **TOTK** displays a distinctive Au-Ag-Te-W signature, similar to several of the neighbouring high grade, high tonnage gold deposits in the Laverton District.

Diamond Drilling (DD) is following up the surface gold anomalism and visible high-grade gold identified in outcrop. Significant rock chip results at **TOTK** include¹:

135g/t Au, 1,220g/t Ag & 0.66g/t Te

101g/t Au, 548g/t Ag & 1.26g/t Te

61.8g/t Au, 507g/t Ag & 2.06g/t Te

22.5g/t Au, 57.8g/t Ag & 0.34g/t Te

DD is ongoing at **TOTK** to identify the underlying source of the surface gold anomalism and visible gold identified in outcrop. DD at **TOTK** has intersected several thick zones of strongly altered and sulphide bearing granite that is cut by several different porphyries. Significant sulphide bearing alteration zones have been identified over two sections spaced 100m apart, in holes FMDD0012, FMDD0015 and FMDD0016. Each of the intercepts have downhole lengths of ~90m. The alteration has a variable

¹ Refer to Independent Geologist Report in IPO prospectus dated 3 March 2021.



composition; at times it is strongly haematitic, switching to zones of silica, sericite and albite. The alteration zones are cut by multiple generations of quartz veining and felsic to intermediate porphyries.

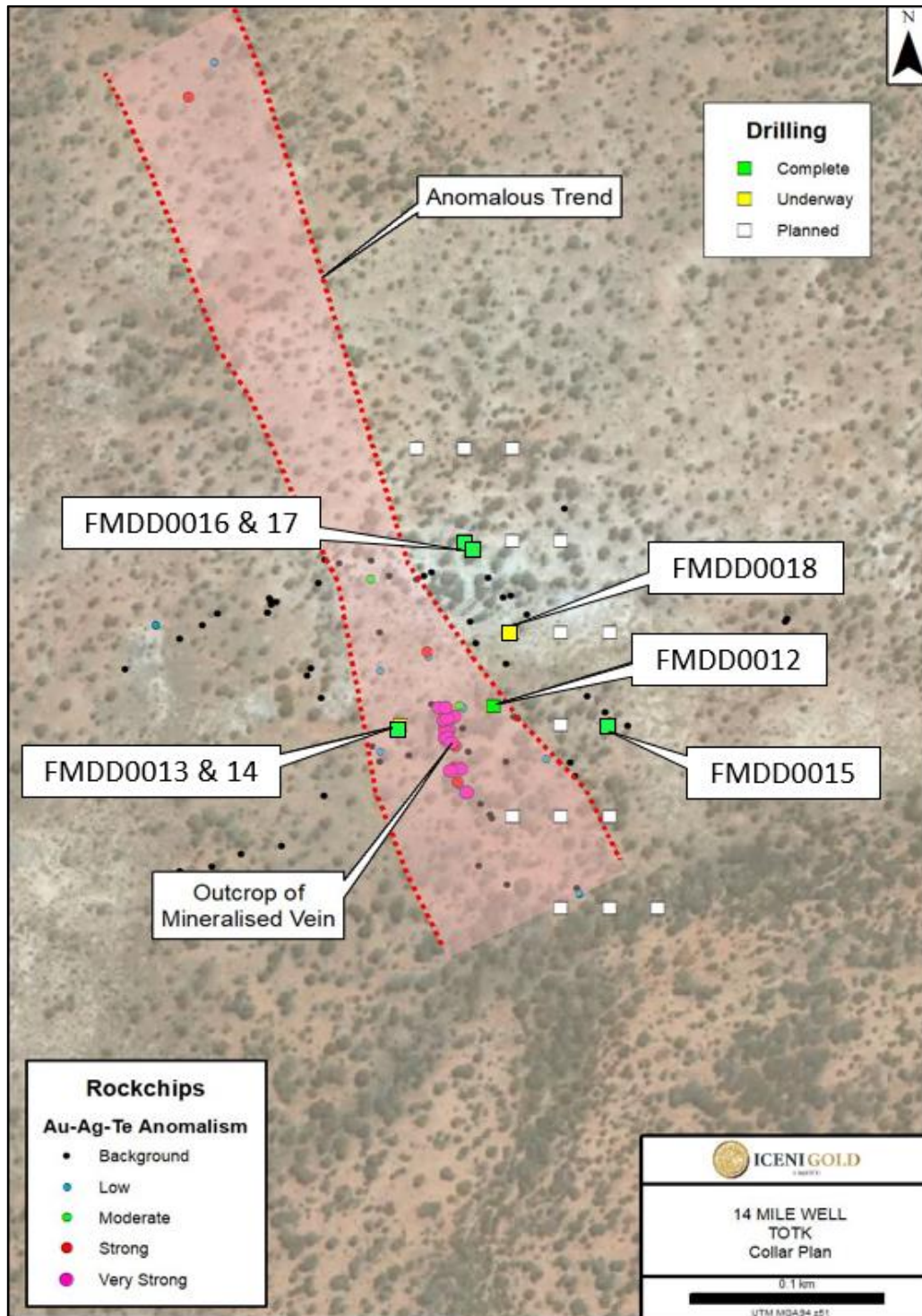


Figure 10: Collar Plan showing drill hole locations at TOTK.



These observations are highly encouraging as they confirm the continuity of the alteration zone to the north. These intersections have verified the interpreted orientation of the alteration zone and confirms its orientation can be predicted and tested with further DD.

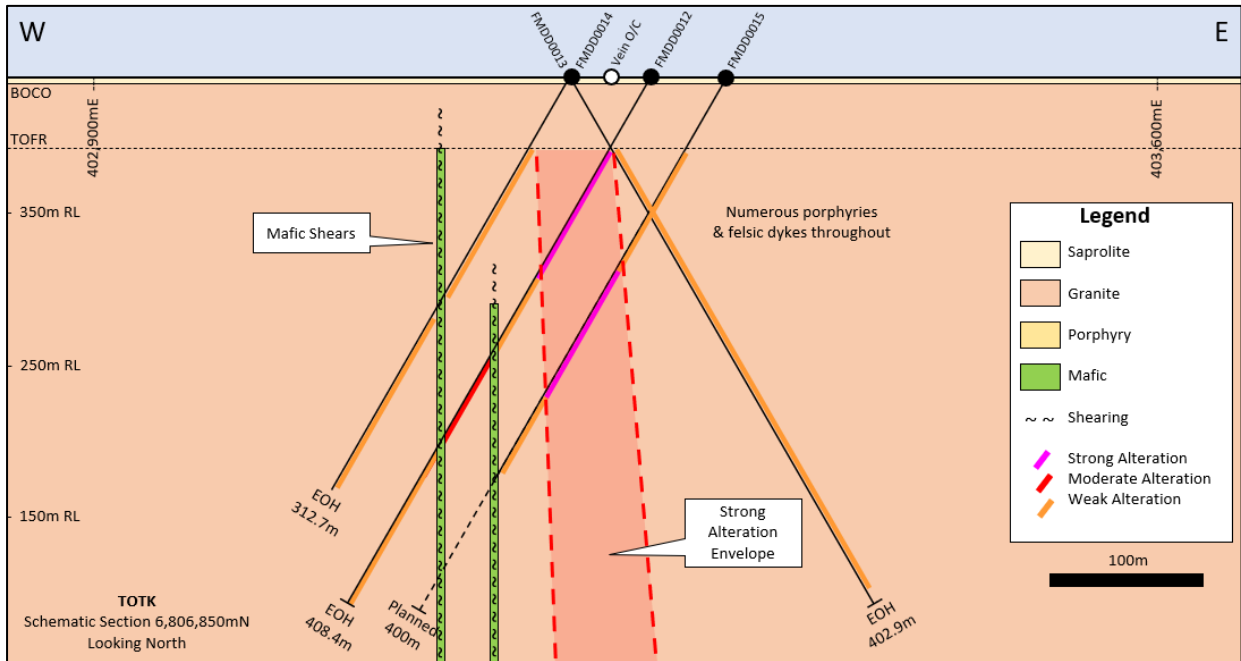


Figure 11: Schematic section 6,806,850mN, looking north. Two ranging drill holes identified that the strong alteration zone previously intersected is currently interpreted to be vertical. This geometry will guide further diamond drilling along strike and down dip.



Figure 12: FMDD0012 at ~95m, showing an intermediate porphyry cutting the Danjo Granite. The porphyry contains disseminated sulphides throughout. The granite displays brecciation and hosts several quartz veins. Overall, the rock mass has seen an enormous amount of hydrothermal fluid that has modified significant volumes of rock. This is a process that can form large gold deposits.



Figure 13: Strongly hematite, silica and sulphide altered drill core at ~210m in FMDD0015.

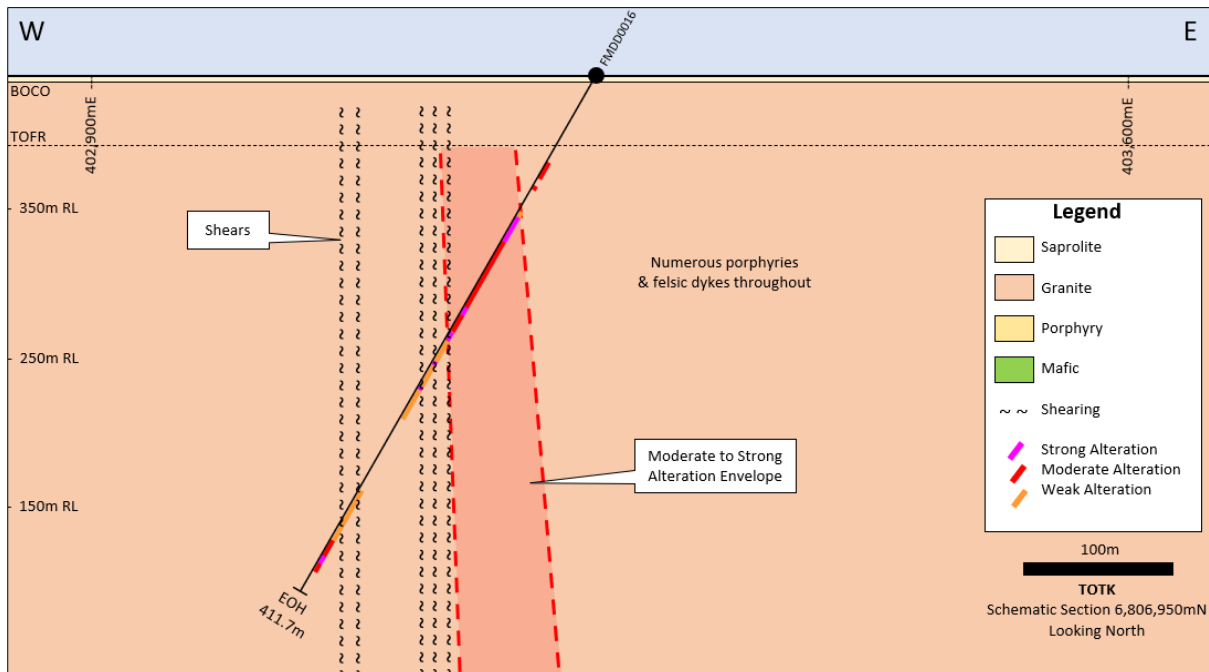


Figure 14: Schematic section 6,806,950mN, looking north. Drilling has intersected the strong alteration zone a further 100m north along strike from the previous drill section. The strong alteration zone has a downhole length of ~96m, similar to the strong alteration zone previously intersected along trend to the south.



UFF+ Soil Sampling Campaign

The Ultra Fine Fraction (UFF+) soil sampling campaign continued through the quarter; although significant delays were experienced when sampling was suspended due to unseasonal rainfall.

The Ultra Fine Fraction (UFF+) process was developed by CSIRO and is optimised for soil particles less than two microns in size. The workflow involves a physical step to retain the fine microparticles, then a chemical step to test for the presence of gold and other elements.

Fine particles (clays and iron oxides) in the soil have more surface area to accumulate gold and other metals that move through the environment. This accumulation process forms the geochemical signatures above orebodies lying deep below. This allows the Company to generate new exploration targets that were previously unknown.

Monument Target Area: Breakaway Well (14UF001) Gold soil anomaly identified

Analysis of results from the ongoing UFF+ soil program has identified a significant, >5km long, coincident Au and multi-element soil anomaly. The residual soil anomaly, known as **Breakaway Well (14UF001)**, is located within the **Monument target area**, the 7th new key target area at the 14 Mile Well Gold Project.

The anomaly displays a strong **Au-W-Te-Mo** geochemical association and is interpreted to be underlain by monzogranite. The anomaly has a 5.5km long strike north-south and a 1km width east-west, comprising 5 closely spaced priority zones, as follows:

- Priority 1 Zone: Consists of coherent gold and multi-element anomalism across 3 sample lines.
- Priority 2 Zone: Narrow coherent gold and multi-element anomalism across 2 sample lines.
- Priority 3, 4 & 5 Zones are generally gold only anomalies.

The sample lines are spaced 400m apart and samples are spaced 50m apart along lines (400m x 50m).

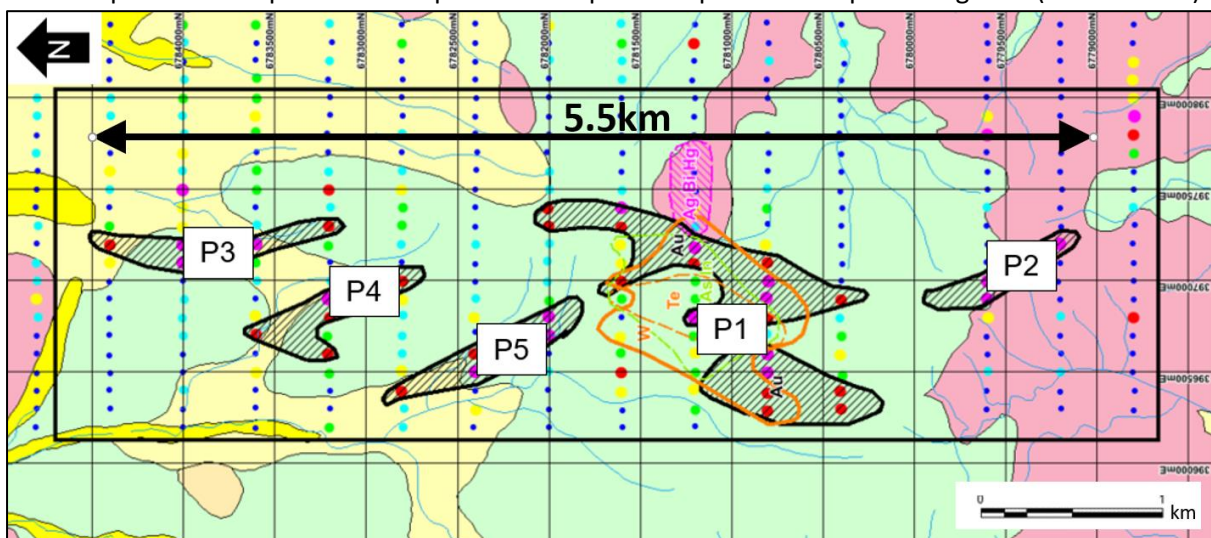


Figure 15: Size and geometry of the Breakaway Well (14UF001) Gold anomaly.

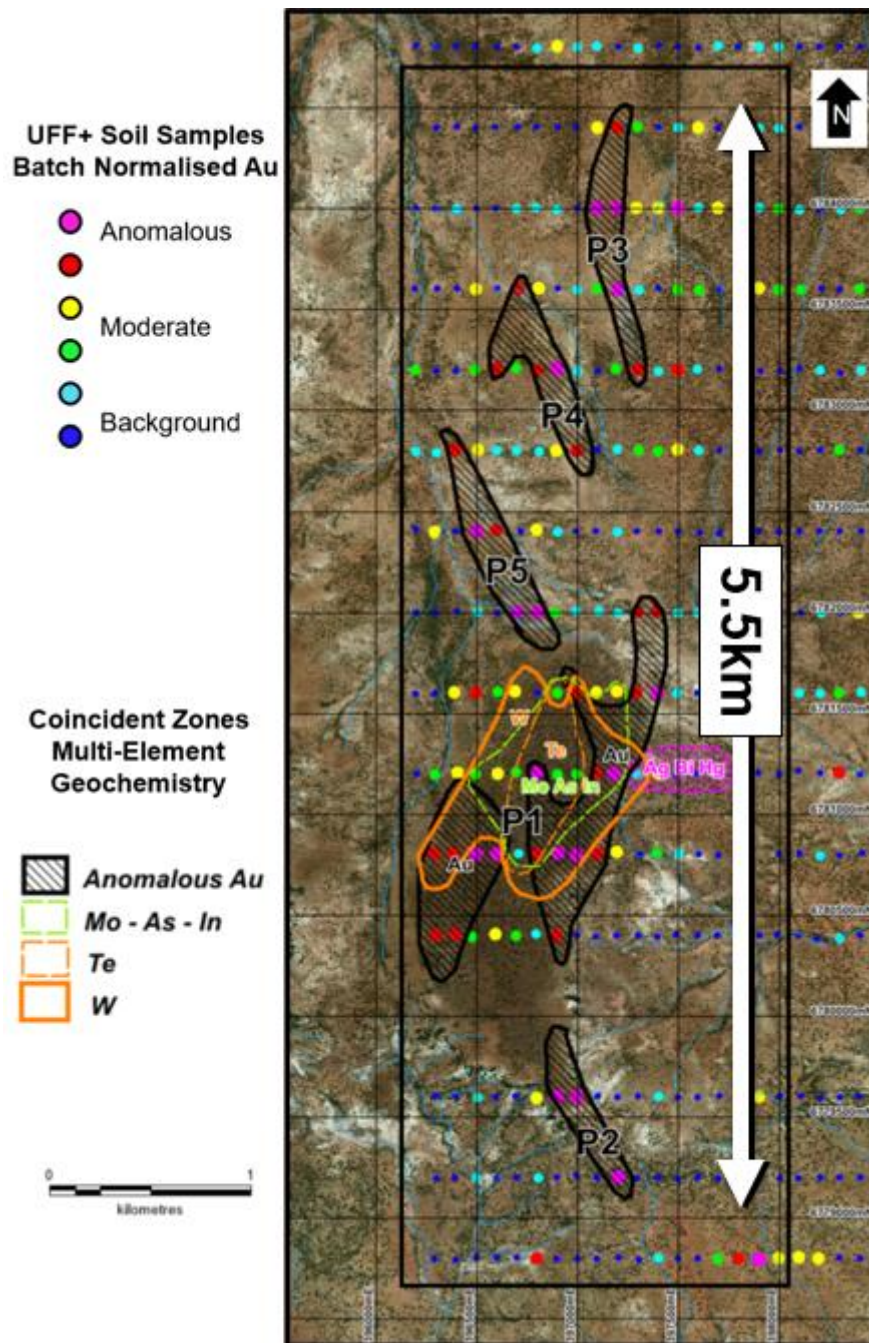


Figure 16: Breakaway Well (14UF001) Anomaly: Schematic plan showing the >5km long UFF+ gold soil anomaly, defined by the distribution of batch normalised gold results. Coherent zones of coincident multi-element geochemical anomalism have been highlighted. These zones have been prioritised and scheduled for field work and validation.



Aboriginal Heritage Agreement

In a key milestone for Iceni, the Company has reached an (in-principle) agreement with the registered Native Title claimants over the 14 Mile Well Project in respect of all current and future Iceni exploration tenure.

The agreement enables Iceni to progress all of its current exploration activities and, subject to any required heritage surveys, all future exploration plans. Importantly, the agreement will streamline the grant of all future exploration tenements and approvals.

Iceni acknowledges the ongoing physical and spiritual connection Aboriginal people have to the land associated with the 14 Mile Well Project. The Company is pleased to have reached an agreement with the Native Title claimants that provides for meaningful ongoing engagement. The agreement lays a strong foundation for the 14 Mile Well Project and allows the Company to explore whilst respecting the heritage and culture of the area.

Kalgoorlie Core Yard

Iceni has completed the construction and commissioning trials for its drill core processing facility in Kalgoorlie. The establishment of an operational core yard gives Iceni a significant logistical advantage.

Drill core is being transported from the rig on site, at the 14 Mile Well Project, to the core yard in Kalgoorlie, where it is being measured, oriented and logged before being cut on the diamond saws, then sampled prior to being dispatched to the laboratory for assaying.

Iceni would like to thank its staff and business partners for their contributions towards achieving this significant and critical outcome.



Figure 17: Roller racking at Iceni's Kalgoorlie core yard. The racks can hold 600m of NQ core, which is fed to twin Almonte diamond core saws within the shed.



Tenement Status

The Company confirms that all of its tenements remain in good standing and that the Company has not acquired additional tenements or disposed of any tenements during the quarter. The Company applied for a number of tenements during the quarter (Tenement Applications). Any additional tenements resulting from the Tenement Applications are expected to be granted in approximately 12 months, at which time the Company will provide the appropriate update in the applicable periodic report. The Company further confirms that, as at the end of the quarter, the beneficial interest held by the Company in the various tenements has not changed. Details of the tenements and their locations are set out in detail in the Company's annual report dated 29 September 2021.

Corporate

During the quarter, the Company completed a placement of 9,000,000 fully paid ordinary (Shares) at an issue price of \$0.225 per Share, raising \$2,025,000 from an unrelated sophisticated investor.

The Company released the 2021 annual report for the year ended 30 June 2021 and announced that it is convening its 2021 annual general meeting of shareholders on Wednesday, 10 November 2021, at 10:00 am (WST). For details, shareholders should refer to the announcement dated 11 October 2021, which includes a copy of the notice of meeting and explanatory memorandum.

Finance and Use of Funds

Pursuant to ASX listing rule 5.3.4, the Company provides a comparison of its actual expenditure against the estimated expenditure on items set out in in section 5.4 of the Company's Prospectus.

| Activity Description | Funds Allocated (\$) | Actual to Date (\$) |
|--------------------------|----------------------|---------------------|
| Exploration (2 years) | 13,000,000 | 3,405,472 |
| Administration (2 years) | 3,500,000 | 1,265,645 |
| Expenses of the Offer | 1,350,000 | 1,219,829 |

For the purposes of section 6 of the Appendix 5B, all payments made to related parties are for director fees, office rent, administration services and geological consulting services.

For further information regarding Iceni Gold Limited please visit our website www.icenigold.com.au

Authorised by the Board of Iceni Gold Limited.

For further information, please contact:

Brian Rodan
Executive Chairman
admin@icenigold.com.au

David Nixon
Technical Director



ABOUT ICENI GOLD LIMITED

Iceni Gold Limited is a Perth based exploration company that operates the 14 Mile Well Gold project in the Laverton Greenstone Belt.

The project consists of a ~600km² tenement package on the western side of Lake Carey, the majority of which has never been subject to modern systematic geological investigation.

Competent Person Statement

The information in this announcement was first released by the Company in its IPO prospectus dated 3 March 2021 (released on the ASX market announcements platform on 12 April 2021), and various announcements in 2021 (Announcements). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcements.

– Ends –

Appendix 5B

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

Name of entity

Iceni Gold Limited

ABN

98 639 626 949

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 | (1,764) | (1,764) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (341) | (341) |
| (e) administration and corporate costs | (360) | (360) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | (15) | (15) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (2,480) | (2,480) |

| | | |
|--|-------|-------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | (23) | (23) |
| (c) property, plant and equipment | (470) | (470) |
| (d) exploration & evaluation | - | - |
| (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 (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (493) | (493) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 2,025 | 2,025 |
| 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 | (9) | (9) |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | (187) | (187) |
| 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 | 1,829 | 1,829 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 17,368 | 17,368 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (2,480) | (2,480) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (493) | (493) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,829 | 1,829 |

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 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 16,224 | 16,224 |

| 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 | 11,224 | 17,368 |
| 5.2 | Call deposits | 5,000 | - |
| 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) | 16,224 | 17,368 |

| 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 | 214 |
| 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 | 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 | 2,700 | 1,889 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | 2,700 | 1,889 |
| 7.5 | Unused financing facilities available at quarter end | | 811 |
| 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. | | |
| | A finance facility of \$2.7 million is held with Toyota Australia and relates to equipment financing at various terms and rates. Terms range up to 36 months and interest rates range from 2.8% - 5.34%. The facility is secured by the equipment purchased under the various equipment finance agreements and a further company guarantee in favour Toyota Finance from 100% owned subsidiary 14 Mile Well Gold Pty Ltd. In addition, Icen Gold Limited has provided a bank guarantee to Toyota Finance for \$150,000. | | |

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-------|---|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (2,480) |
| 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) | (2,480) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 16,244 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 16,244 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 6.5 |
| | <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.

Date: 29 October 2021

Authorised 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.