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6 April 2022

## Quarterly Activities Report 31 March 2022

### Highlights

- Primary gold mineralisation intersected at Lycaon's maiden Rocky Dam drilling program, with best results including;

**9m at 1.34g/t gold from 97m, including 2m at 4.66g/t gold (RD21009)**

**10m at 1.13g/t gold from 72m (RD21008)**

- Rocky Dam gold mineralisation associated with quartz veining, sulphides and sericite ± chlorite alteration typical of orogenic quartz lode style deposits
- Detailed drone magnetic survey covering 29.5 km<sup>2</sup> at the Rocky Dam gold project completed defines three new areas of interest for follow up exploration, Figure 6
- Extensive auger sampling for new target generation across broader Rocky Dam tenement package underway, with early results expected late April
- Julimar first pass auger geochemical sampling completed December 2021 results returned during the quarter highlighted two areas anomalous in base metals nickel and chromium
- Geophysical service provider New Resolution Geophysics completed helicopter electromagnetic survey (HEM) at the Julimar Project with results and interpretation due shortly
- Preliminary planning of Gradient Array Induced Polarisation (GAIP) geophysical survey at Gnewing Bore undertaken to better define drill targets and potentially identify other mineralised bodies offset or parallel to the known outcropping mineralisation
- GAIP surveys are planned pending access approvals and permits, which will greatly assist with planning the maiden drilling program at Gnewing Bore. Reconnaissance geological mapping and sampling at Gnewing Bore and other regional targets to commence in Q2, 2022.

**Lycaon Resources Limited** (ASX: LYN) ("the **Company** or **Lycaon**") is pleased to report on the March 2022 quarterly activities.

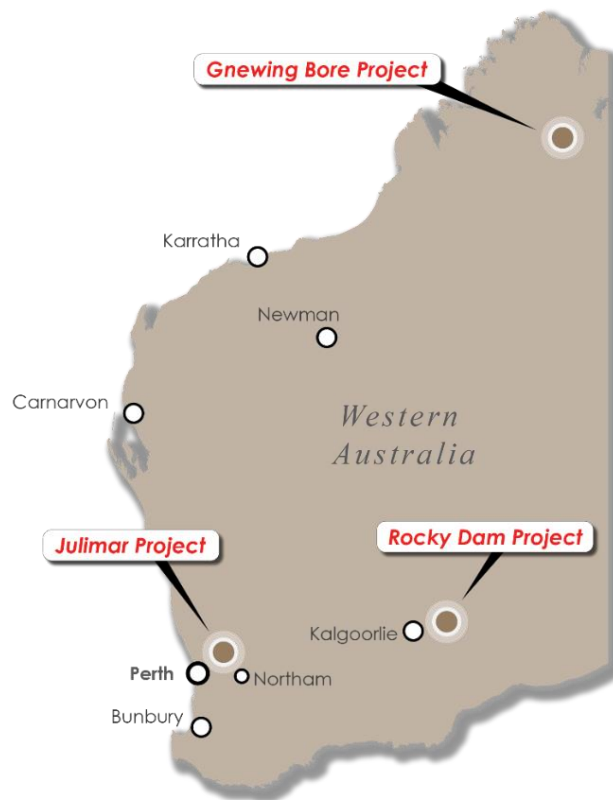


Figure 1. Lycaon Resources three major projects located in Western Australia.

## Projects Summary

### Rocky Dam Project (Gold)

The Rocky Dam Project comprises nine (9) granted and one (1) pending Exploration Licences covering approximately 162.8km<sup>2</sup>, a significant landholding in the highly prospective Norseman - Wiluna Greenstone Belt around the Yindarlgooda Dome within the Eastern Goldfields. The Project is centred 60km northeast of Kalgoorlie via sealed and well-maintained gravel roads. The Project is close to significant mining infrastructure and surrounds gold producer Northern Star Limited's recent Kurnalpi Project acquisition and active explorers Riversgold Limited (ASX:RGL) and Black Cat Syndicate Limited (ASX:BC8).

The Company completed Phase 1 RC drilling at Rocky Dam gold project during the quarter which intersected primary gold mineralisation within fresh rock, with best results of:

**9m at 1.34g/t gold from 97m, including 2m at 4.66g/t gold (RD21009)**

**10m at 1.13g/t gold from 72m (RD21008)**

Historical drilling at Rocky Dam identified significant oxide mineralisation however, identification of primary gold mineralisation within bedrock had yet to be fully tested (refer DRE.ASX Announcements 15 July 2020 and 12 August 2020). Lycaon's initial drill programme at Rocky Dam aimed to provide a more comprehensive test for bedrock mineralisation by targeting below the oxide mineralisation in a range of drill orientations.

Lycaon's Phase 1 drillholes RD21008 and RD21009 were drilled either side of historical RDRC012 which returned 20m @ 1.1 g/t Au from 40m including 5m @ 3.3 g/t Au from 52m (refer DRE.ASX Announcement 12 August 2020).

Significantly, the mineralisation intersected in Lycaon's drilling was in fresh rock, associated with quartz veining, sulphides and sericite  $\pm$  chlorite alteration, which is typical of orogenic quartz lode style mineralisation found in major gold mines in the Goldfields region of Western Australia (Figure 2 & 3).



**Figure 2. Photograph of RC drill chips from RD21009 (97 – 104 metres) showing visible sulphide and quartz veining present**



**Figure 3. Photograph of RC drill chips from RD21008 (72 – 80 metres) showing quartz veining and sericite  $\pm$  chlorite alteration**

Previous geological interpretations for Rocky Dam highlighted the relationship with regional scale shearing, which traditionally results in a steeper orientation to mineralisation. It is possible that these veins are flat-lying extensional features adjacent to such a shear. An alternative model would be that these veins are folded, which might link to surface mapping during the drill programme which highlighted structural complexity with changes in dip and strike in foliation observed in outcrop.

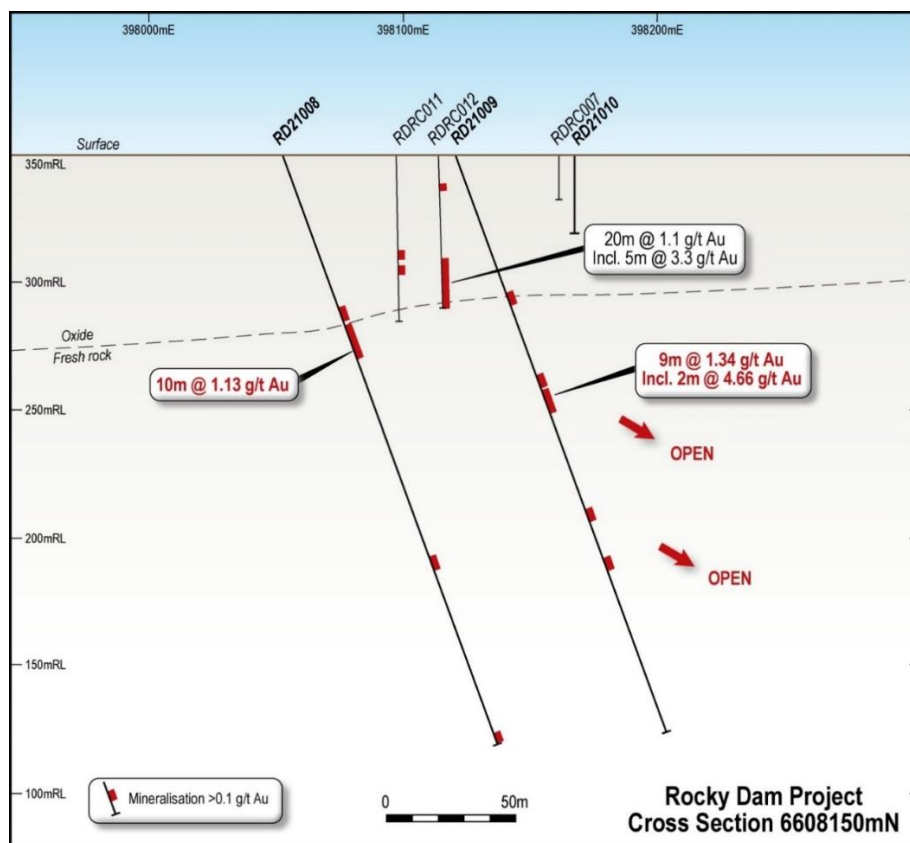


Figure 4. Cross Section 6608150N showing Lycaon results and historical drilling. (Looking North)

A cross section showing results is presented as Figure 4, and mineralisation is currently interpreted to have a relatively shallow easterly dip. Mineralisation is open in this direction as well as along strike to the north.

RD21009 and RD21008 were drilled 50m off section 6608100mN, on which Dreadnought reported significant oxide mineralisation (refer DRE.ASX Announcements 15 July 2020 and 12 August 2020). No bedrock mineralisation was identified in deeper drilling on this section by Dreadnought or Lycaon which indicates potential for a northerly plunge to mineralisation.

Further drilling is required to test the interpretation presented above. Lycaon is also considering other methods to identify extensions to mineralisation, including geophysical techniques. The strong association between gold mineralisation and quartz veins bearing 1 – 2 % pyrite may mean that techniques such as Induced Polarisation (IP) are useful for targeting in future drill programs.

During the quarter Ultramag Geophysics completed a drone assisted magnetic survey across E25/533 and Gyro drilling undertook an auger program designed as a first pass geochemical survey to define anomalies that may be related to primary gold mineralisation at depth across tenements E27/611, E27/612 and E28/2988, Figure 5.

Review of the high detail drone magnetic survey led to a further three areas of interest being identified for follow up exploration. New targets RD3 and RD4 occur on a prominent ENE trending Proterozoic dyke that transects the Rocky Dam project with associated magnetic highs. In light of recent discoveries by Galileo Mining and St George Mining of nickel, palladium and platinum mineralisation this mineralisation style warrants further investigation at these targets. RD2 located on an interpreted greenstone lithology with associated discrete magnetic high is also a high priority target.

The auger sampling program across the broader tenement package will be important in identifying new targets and is a key step in exploration targeting.



Subsequent further infill and extensional auger soil sampling will follow, if results warrant. The auger samples will be completed on an east-west 50m grid and north-south 400m grid spacing, for a total of 2,548 samples. The Company proposes to complete further auger sampling and aircore drilling shortly after this initial auger sampling concludes. Both the drone survey and auger sampling will assist in ongoing geological review to identify, prioritise, and rank new targets for further exploration programs.

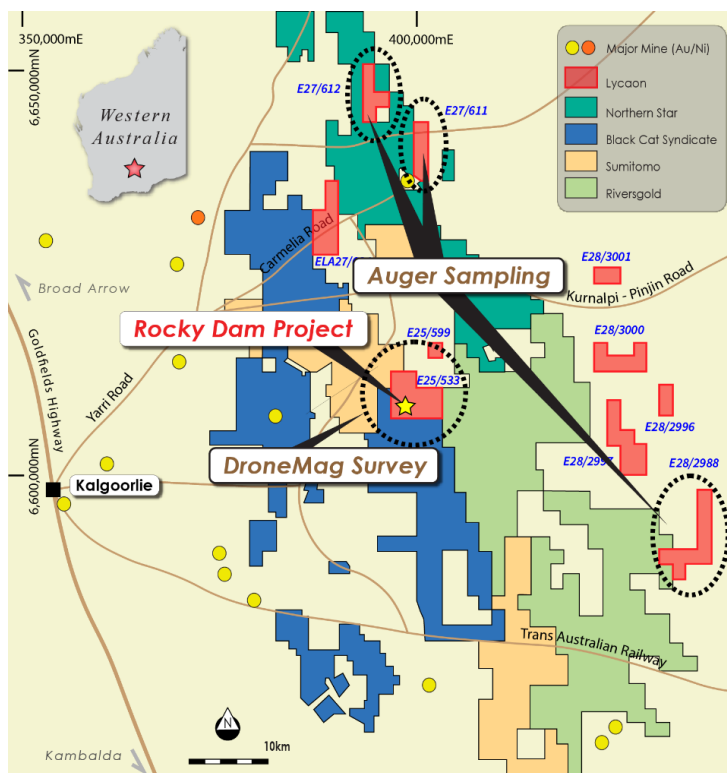


Figure 5. Rocky Dam Project Location and work program areas

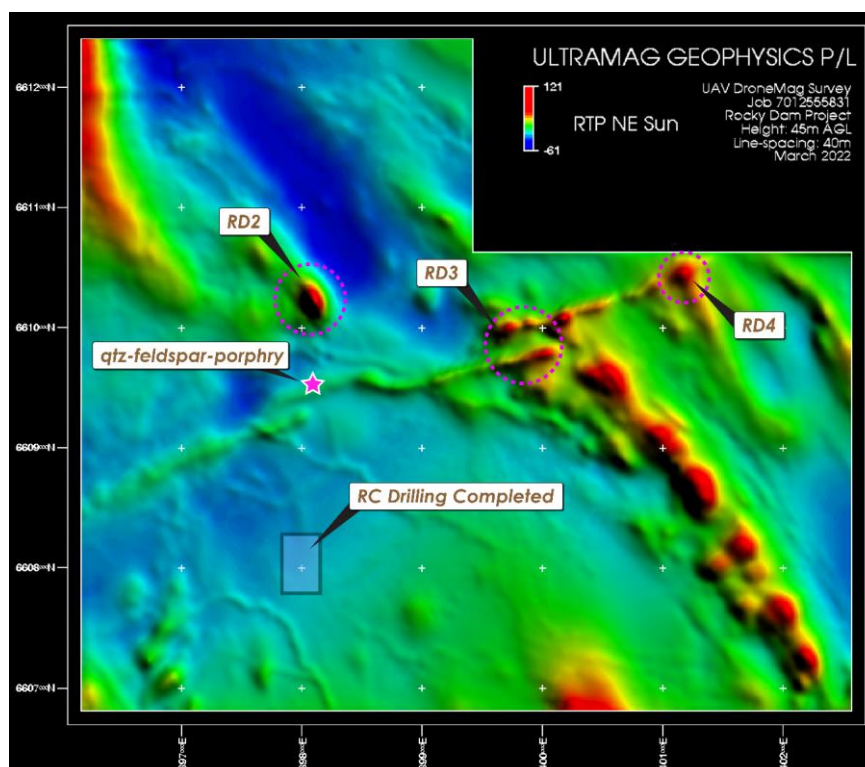


Figure 6. New targets identified following the Ultramag drone survey.

## Julimar Project (Nickel-Copper-PGE)

The Julimar Project comprises two (2) granted Exploration Licences, located 40km northeast and 85km east-northeast of Perth. The project licences cover an area of approximately 15km<sup>2</sup>. Lycaon's Julimar Project lies 20km south (E70/5415) and 45km east (E70/5416) of the Julimar Nickel-Copper-PGE discovery.

Geophysical service provider New Resolution Geophysics (NRG) completed a high-resolution HEM survey to locate conductors that may be related to massive sulphide Ni-Cu-PGE mineralisation associated with mafic and ultramafic intrusions. These rock types host Chalice Mining's recent Gonneville discovery of 330Mt @ 0.94g/t Pd+Pt+Au, 0.16% Ni, 0.10% Cu, 0.016% Co<sup>1</sup>, making it the largest PGE discovery in Australian history, approximately 20kms to the north. Final report and interpretation from Southern Geoscience Consultants expected in the coming weeks.

The Company was also pleased to announce two areas returned anomalous base metal nickel and chromium results from the first pass road-side auger geochemical sampling program at the Julimar Project completed in December 2021, Figure 7.

The road-side auger sampling program was designed as a first pass geochemical survey to cover public roads within the project area. The auger drill sampling technique took a single point sample up to 50cm from surface which is effectively a surficial sample. The results of the sampling program will be viewed in conjunction with the HEM survey results to prioritise targets for follow up exploration work for the remainder of 2022.

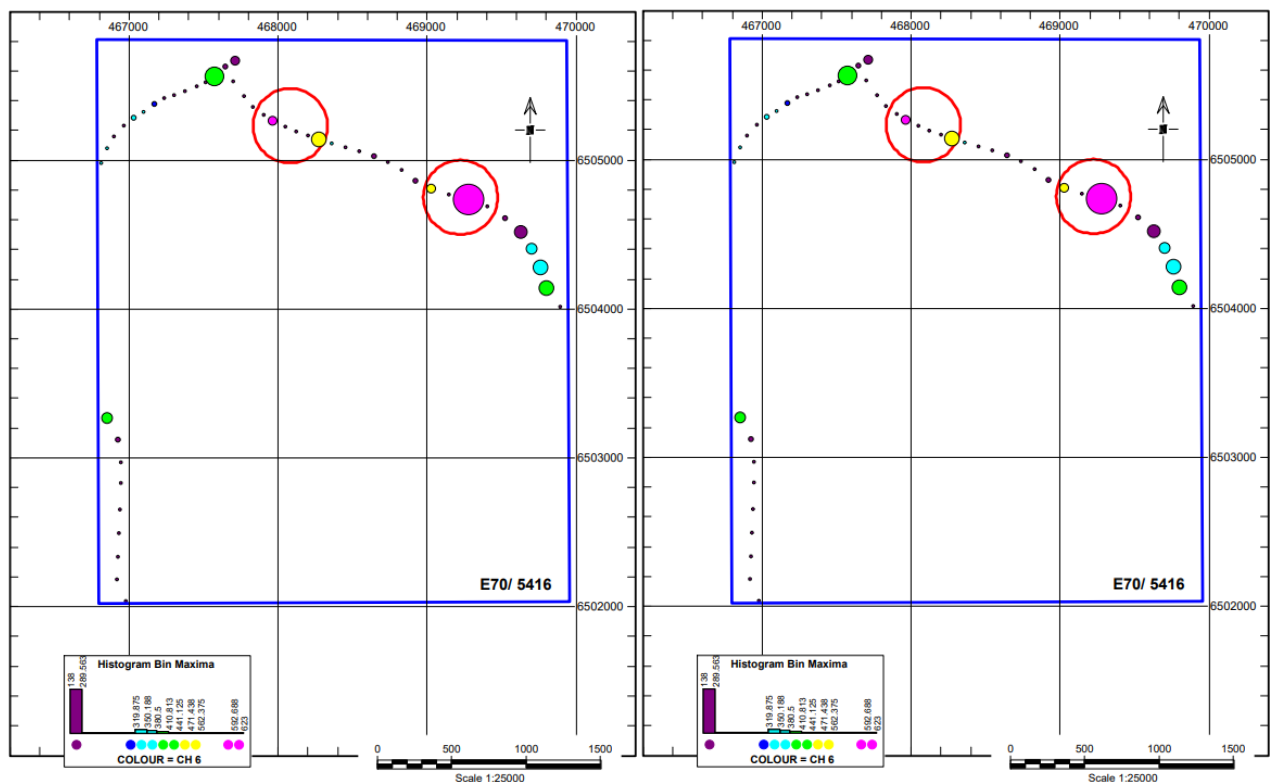
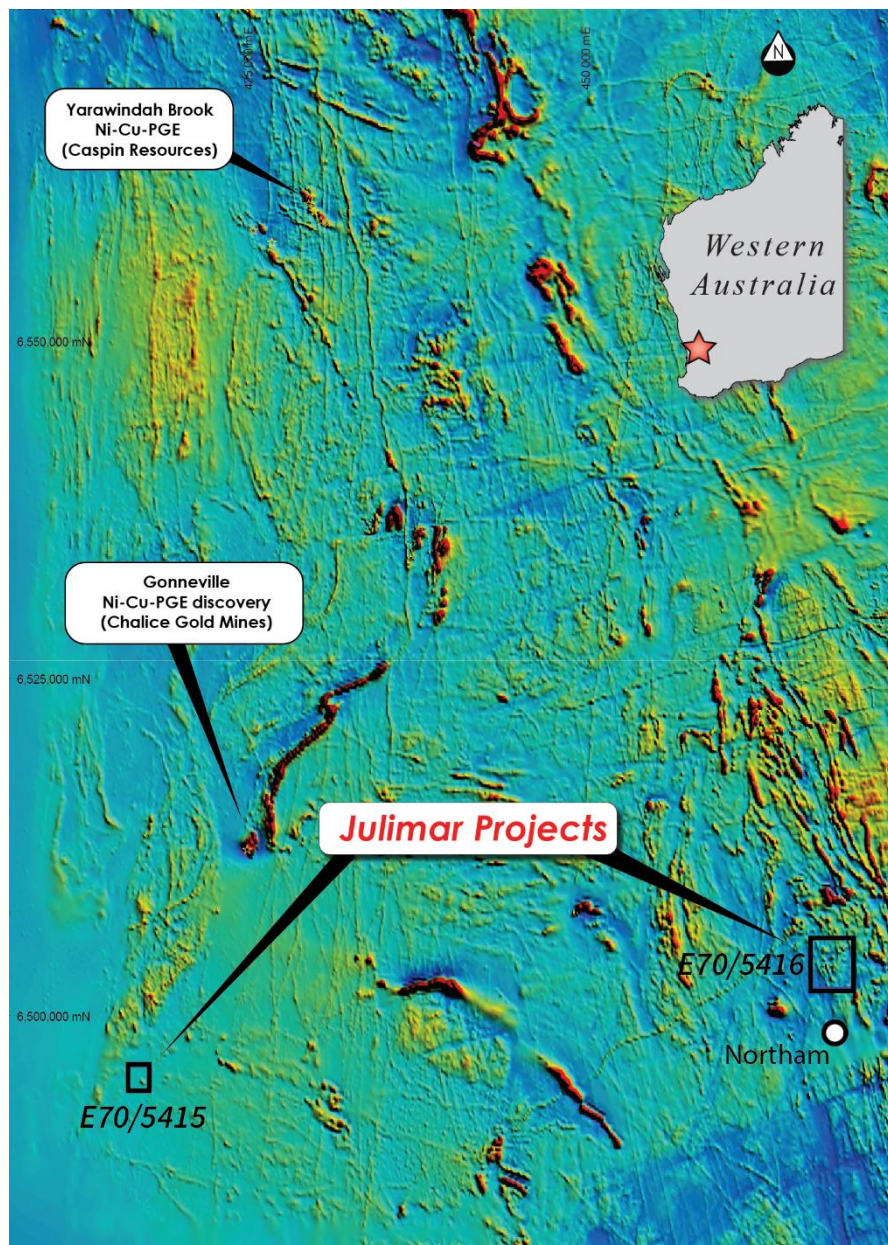


Figure 7. Julimar Project Targets from Auger Samples – Ni ppm (left image) and Cr ppm (right image)



**Figure 8. Regional magnetics - Julimar Project**

### **Gnewing Bore Project (Gold, Silver, Copper)**

The Gnewing Bore Project is approximately 28km to the northwest of the Halls Creek townsite, within the Kimberley Region of Western Australia. Halls Creek is situated 347km south of Kununurra and is readily accessible via the sealed Great Northern Highway. The Project has generally good outcrop and easy access via stations tracks on the Moola Bulla pastoral lease.

During the quarter Southern Geoscience undertook preliminary planning of Gradient Array Induced Polarisation (GAIP) geophysical surveys to better define drill targets and potentially identify other mineralised bodies offset or parallel to the known outcropping mineralisation. The GAIP surveys are planned for H2, 2022 pending access approvals and permits, which will greatly assist with planning the maiden drilling program. Reconnaissance geological mapping and sampling at Gnewing Bore and other regional targets to commence in Q2, 2022.

The Gnewing Bore Project has experienced limited exploration to date, with work focusing on the area surrounding a prominent north-northwest-trending, 50m long, significant gossanous outcrop consisting of brecciated quartz material and iron oxides after sulphides, Figure 11. Historical rock chip samples have returned up to 5.10 g/t Au and 105g/t Ag.



A small historical drilling program returned a best result of 8m @ 0.52g/t Au from 12m from a hole drilled beneath the gossan, indicating a wide mineralisation system could be present. There remains significant potential down dip and along strike to test for high-grade mineralisation in fresh rock, which warrants further drilling.

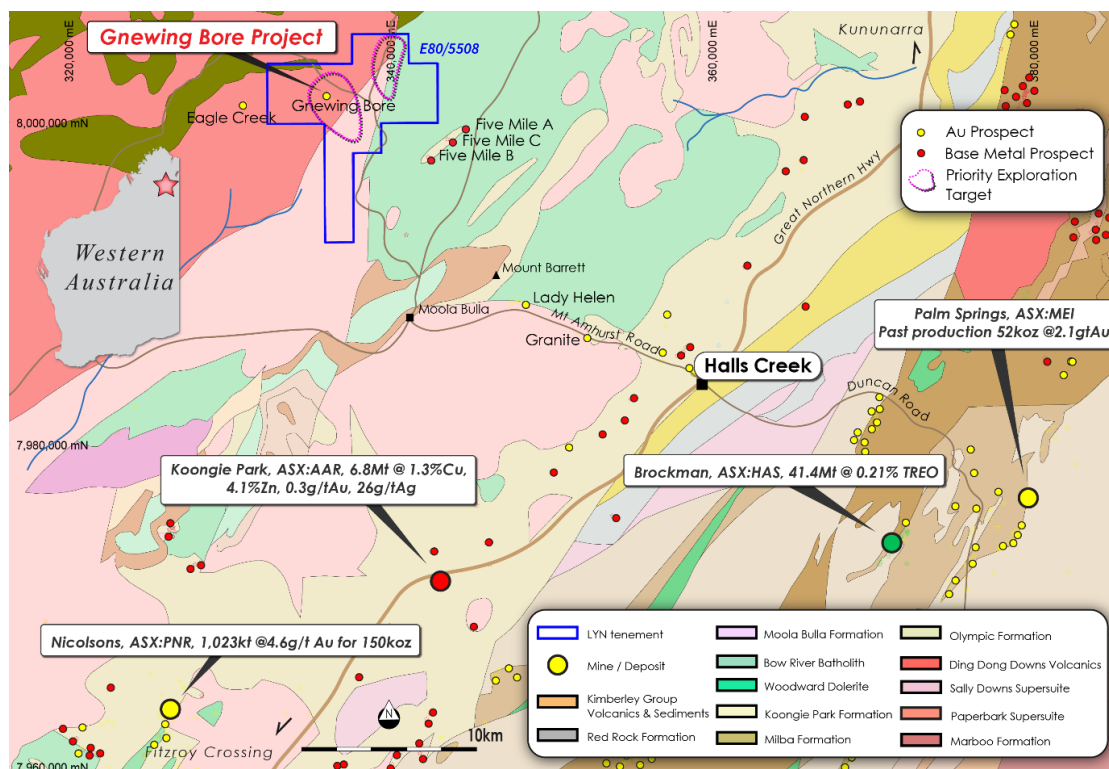


Figure 9. Gnewing Bore Project Location and Geology



Figure 10. View of the main quartz sulphide outcrops, looking northeast (from WAMEX Report A036766)



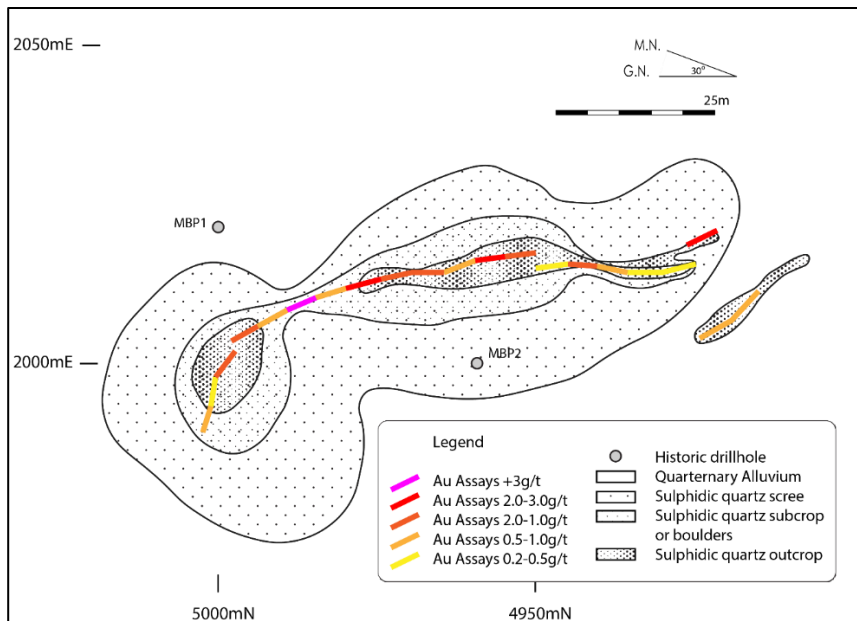


Figure 11: Gold results from semi-continuous rock chip sampling completed by Anglo Australian

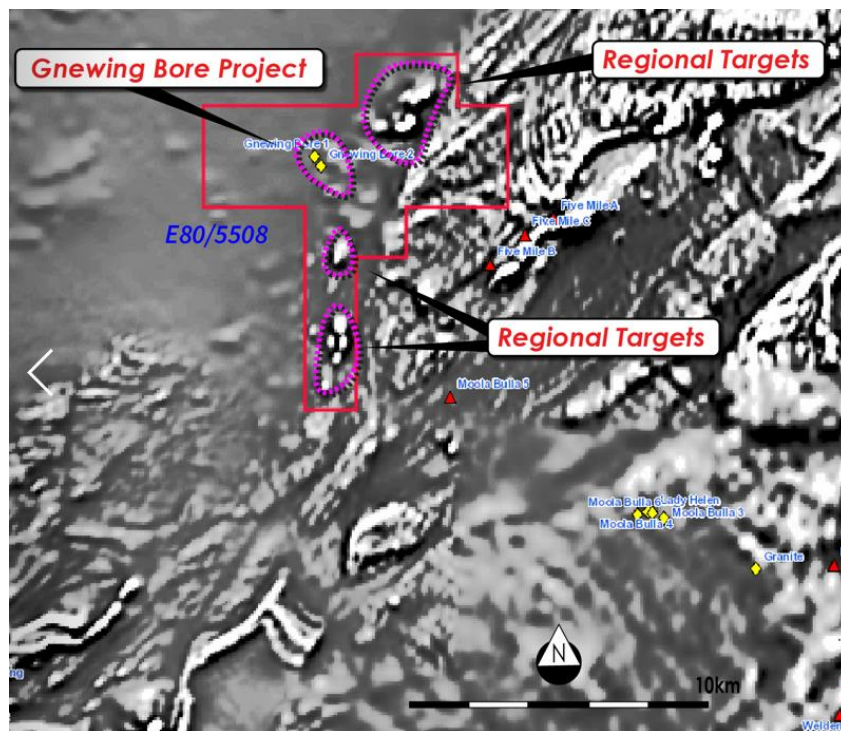


Figure 12. Gnewing Bore Project and priority Regional Targets (greyscale 1VD magnetics overlay)

## Corporate

### Restricted Securities Released from Escrow

The following securities were released from escrow during the quarter. 1,125,000 fully paid ordinary shares and 1,250,000 unlisted options exercisable at \$0.30 expiring 23 February 2025, were released on 23 February 2022. 1,387,500 fully paid ordinary shares and 1,387,500 unlisted options exercisable at \$0.30 expiring 23 February 2025, were released on 25 March 2022.

## Assessment of Additional Project Opportunities

As part of its ongoing business development model, Lycaon continues to assess project opportunities across a broad range of commodities and geographies with a view to identifying attractive, suitably priced assets that will add shareholder value.

## ASX Additional Information

As per ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$514,113. Full details of exploration activity during the Quarter are set out in this report.

As per ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.

As per ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter was \$74,292. The Company advises that this relates to director's fees and accounting and company secretarial related services.

As per ASX Listing Rule 5.3.4 the following expenditures have occurred:

Item	Current Quarter (\$)	Year To Date (\$)	As per IPO Prospectus dated 29 September 2021* (\$)
Exploration – Rocky Dam	379k	413k	1.07m
Exploration – Gnewing Bore	7k	7k	1.21m
Exploration – Julimar	128k	129k	540k
Expenses of the offer	-	733k	500k
Corporate and administration costs	100k	232k	500k
Working capital	-	4k	1.5m

\* Costs per the prospectus are over the first two years following admission of the Company to the official List of ASX

The differences in the above are as follows:

### Expenses of the offer

These costs include legal costs, accounting and tax advice costs, and other support services. Delays in the anticipated listing of the Company increased costs of the offer, predominately legal costs.

### References:

The information referred to in this announcement relates to the following sources:

<sup>1</sup> ASX.CHN 9 November 2021 Announcement Chalice Mining ([markitdigital.com](https://www.markitdigital.com))

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

**ENDS**

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## Tenement Register

Project	Tenement	Location	Interest at 1/01/2022	Acquired/Disposed	Interest at 31/03/2022
Gnewing Bore	E 80/5508	WA	100%	-	100%
Julimar	E 70/5415	WA	100%	-	100%
Julimar	E 70/5416	WA	100%	-	100%
Rocky Dam	E 25/533	WA	100%	-	100%
Rocky Dam	E 27/611	WA	100%	-	100%
Rocky Dam	E 27/612	WA	100%	-	100%
Rocky Dam	ELA 25/599	WA	100%	-	100%
Rocky Dam	ELA 27/634	WA	100%	-	100%
Rocky Dam	ELA 28/2988	WA	100%	-	100%
Rocky Dam	ELA 28/2996	WA	100%	-	100%
Rocky Dam	ELA 28/2997	WA	100%	-	100%
Rocky Dam	ELA 28/3000	WA	100%	-	100%
Rocky Dam	ELA 28/3001	WA	100%	-	100%

*There are no Farm-in or Farm-out Arrangements held by Lycaon Resources Limited*

For additional information please visit our website at [www.lycaonresources.com](http://www.lycaonresources.com)

### Forward-Looking Statements

This announcement contains “forward-looking statements.” All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and based upon information currently available to the company and believed to have a reasonable basis. Although the company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct as actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold, and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. Readers are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty thereof. The forward-looking statements contain in this press release are made as of the date of this press release and except as may otherwise be required pursuant to applicable laws, the Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement”.

### Competent Persons Statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Thomas Langley who is a member of the Australian Institute of Geoscientists (MAIG) and a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Thomas Langley is a full-time employee of Lycaon Resources Limited, and is a shareholder, however Mr. Thomas Langley believes this shareholding does not create a conflict of interest, and Mr. Langley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Langley consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.