

## ACTIVITIES REPORT – JUNE 2022

### Status of the Inputs Controlling Project Development Scheduling:

#### 1 Resource & Technical Drilling Controls

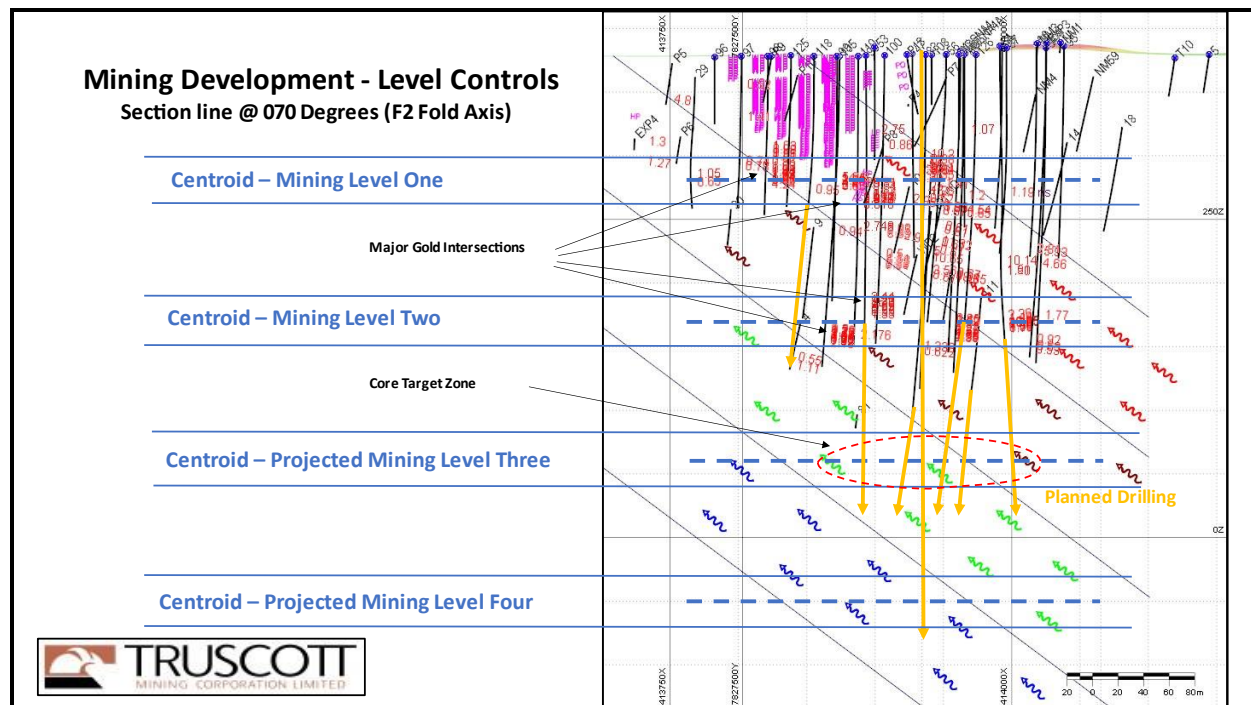
**Systems Established**

Truscott has prioritised research to allow new knowledge to place the company in a position to make targeted and risk managed applications of capital funds to exploration drilling. The company is now in a position to drive value by expanding the resource base at its High-Grade Westminster Gold Project.

Sufficient drilling has been completed to generate an understanding of the structural framework controlling the depths at which gold mineralisation is expected to accumulate. The centres of the depth for the first two mining levels (figure 1) are illustrated in accordance with major gold intersections returned to date.

Research, comparative analysis, and modelling has provided the basis for planning the next round of drilling. During the quarter five existing drill holes were selected for extension by core drilling. The holes targeting the projected centroid for a third mining level,

Comparative analysis indicates that the largest gold accumulations are expected to be intersected at the core of level three. A new deeper drill hole is also scheduled for testing for projected mineralisation to level four in the system.



**Figure One: Planned Drilling – Dilation Opening One – Orebody One - Westminster**



The company's wide ranging research studies have also determined that specific directional controls exist with respect to the concentration of gold mineralisation. In particular, the host environment for major accumulations is controlled by a phase of ductile folding F2 that is aligned to (070°).

The orogenic scale of influences is such that the controlling direction is widely observable within the Tennant Creek Region at locations such as the Juno Mine and the White Devil Mine, and as far away as the Dead Bullock Soak Mine in the Tanami Region.

For comparative purposes (Figure 2) the first dilation opening located within orebody one at the Westminster project is drawn on the same scale as the deposit for the White Devil Mine. Both the tenure of the mineralisation drilled to date and the confines of the structural modelling at Westminster indicate that the targeted mineralisation is of the same order of magnitude as that at the White Devil Mine.

The extent of mineralisation within dilation one of ore body one at Westminster requires further confirmation. The company is however planning, at this stage, on the basis that sufficient mineralisation will be defined to support project development.

Early exploration and development at the White Devil Mine were largely dependent on local observations and extrapolations from known mineral accumulations. Truscott has, through its research work, developed tools and understanding that were not available at that time.

It is important to note that dilation one of ore body one at Westminster constitutes only part of the wider potential for the Westminster Project area. It is interesting to note that surface structures at White Devil, when considered in the context of Truscott's modelling, also provide for the possibility of further mineralisation. Regionally, other contemporary explorers may gain a clearer understanding by changing "standard practice" and generating long sections aligned to (070°).

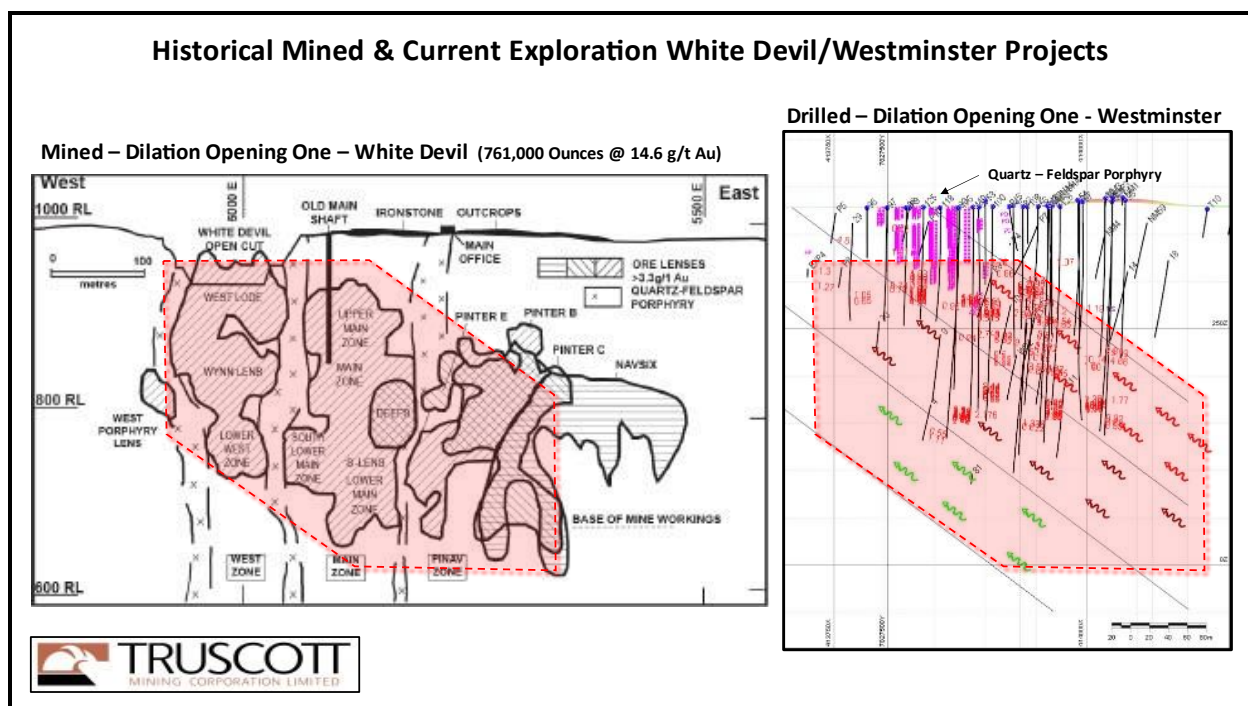
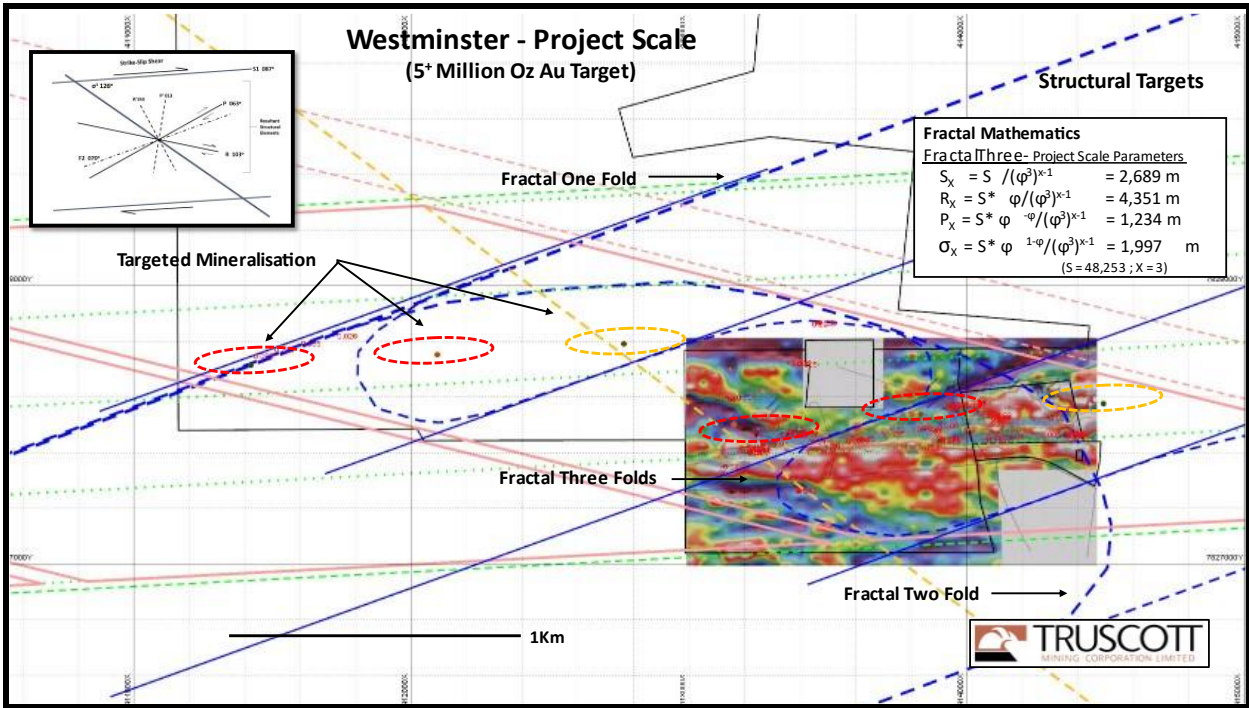


Figure Two: Dilation Openings Orientated at (070°), White Devil Mine - Development at Westminster

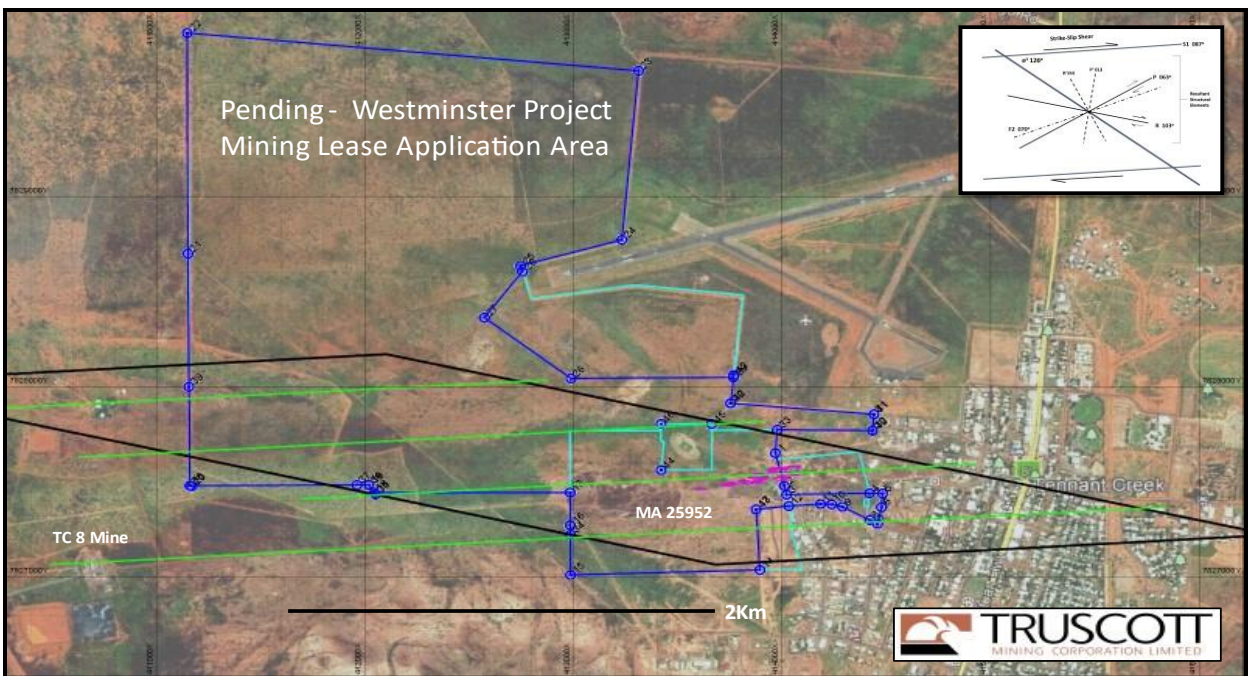
## 2 Project Development Area Selection

**Parameters Established**

Truscott’s research and development work has provided that multiple orebodies (Figure 3) are expected to exist along particular zones of shear S (087°) and that more than one line of mineralised shear is evident within the Westminster Project Area. This became a primary consideration when determining the required extent of the proposed area for the extended mining lease.



**Figure Three: Potential Multiple Mineralised Targets – Westminster Project**



**Figure Four: Project Area & Logistics – Westminster**

During the quarter, a series of two-metre-high steel pegs were installed, to define the boundaries (Figure 4) of the proposed operating area. The survey located pegs being established at all corner points and changes of direction along tenement boundaries. The triggering of a full project development schedule, that has been completed, is expected to follow the conclusion of the current period of market consolidation.

The nature of the high-grade mineralisation and the selective underground mining techniques being contemplated are expected to lead to operations that are of lower energy intensity than typical mining operations. Sufficient additional area has also been included within the proposed operations area to establish solar power installations and other energy offsetting activities.

The railway line is approximately five hundred metres to the west of the proposed tenement boundary, a gas pipeline runs through the southern margin of tenure, presenting no impediment to exploration. The proximity to the commercial airstrip is evident as is access via the major Stuart Highway five hundred metres to the east of the proposed tenement boundary.

### 3 Issued Capital Controls & Equity Raising



Truscott positioned itself during the quarter to allow for the current period of consolidation within the gold market to conclude. The strategic position taken, over the longer term, by the company, has seen an enhancement of the dollar value of the underlying asset base occurring with the market price of target minerals increasing by approximately three hundred percent since initiation of exploration activities.



Research and development initiatives establish new understandings with the potential to drive value. The intangible value of the company’s research and development initiatives is beginning to be realised by new investors. An initial appreciation of the increasing value can be observed, on the longer cycle monthly share price chart, with an increase of approximately four hundred percent over the last two years.

Major shareholdings by Directors and staff provide defence against any aggressive external actions related to opportunist re-assessment of value. A small group of sophisticated long-term investors, with the intellectual capacity to understand the time frames required to develop new knowledge, takes the total nominal partition of tightly held shares in the company to eighty percent. The relatively small number of residual shares, available in the marketplace, may therefor contribute to a dynamic share price environment.

## Exploration Paradigms

Truscott is working to building knowledge and recognition of the potential 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. After 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.

An increased understanding by explorers of this orogenic scale strike slip activity will lead to the onset of a major increase in exploration activity for companies seeking to exploit previously unrecognized potential. The company provides for its social license to operate, by the intellectual contribution, of openly reporting its findings to support regional exploration and development initiatives by other explorers.

*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 wider understanding of structural controls by all explorers and an integration of historical geophysical and geochemical exploration concepts will result in a change in thinking.*

### **Peter N Smith** **Executive Chairman**

Authorised by: By the Board

**Competent Person's Statement:** *The contents of this report, which 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 Corporations Limited'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

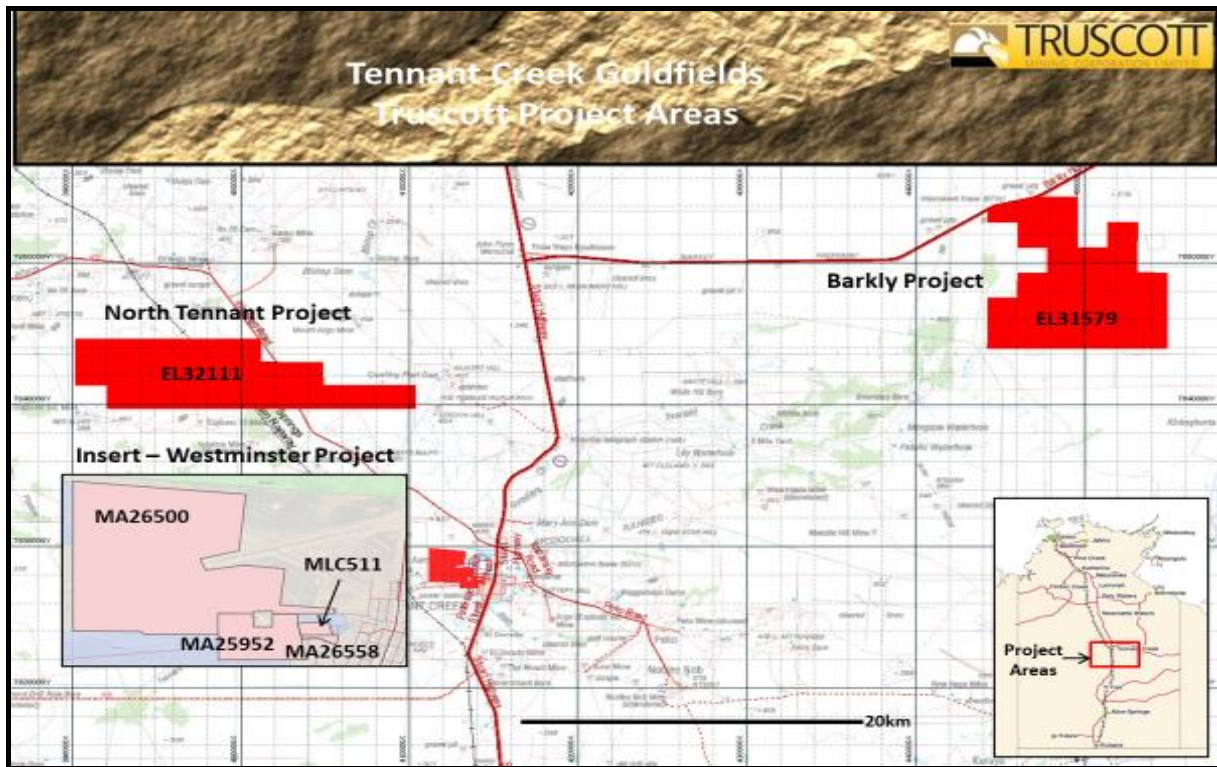
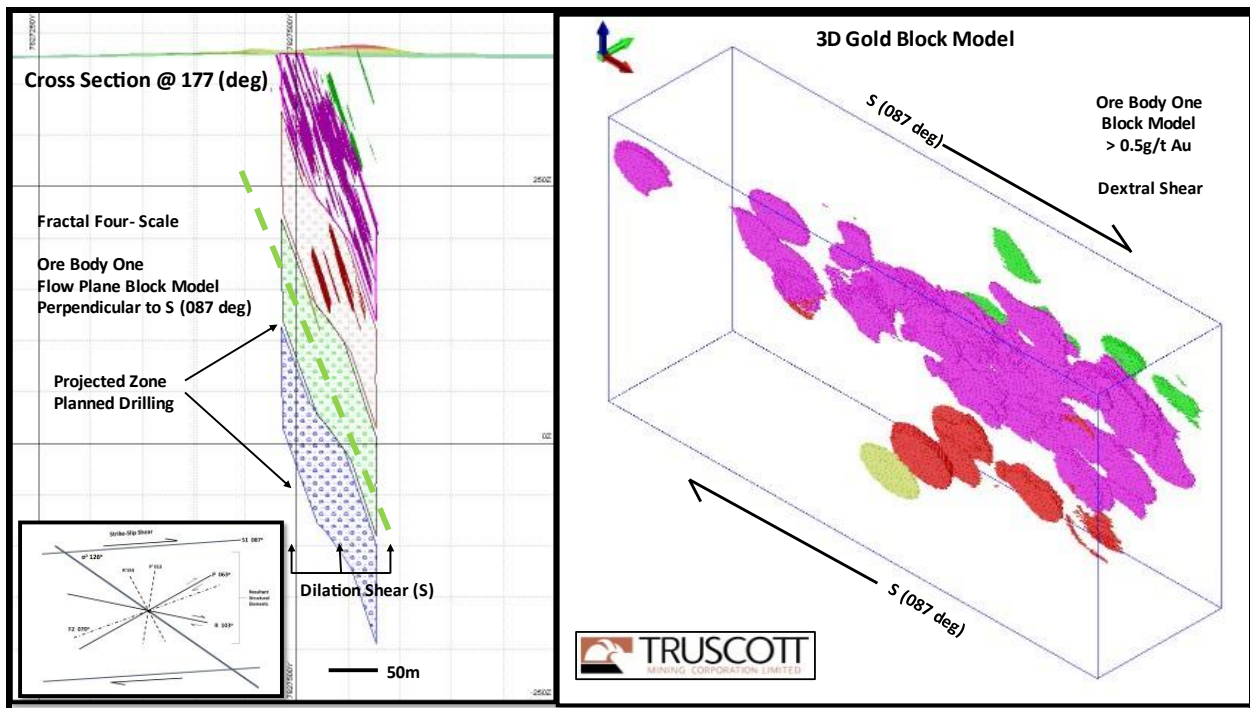


Figure Five: Truscott Exploration & Development Projects

Mining Tenements Held on 30 June 2022 (Table 1)

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

## Appendix 2



**Figure Six: Modelling Mineral Deposition – Westminster Project**

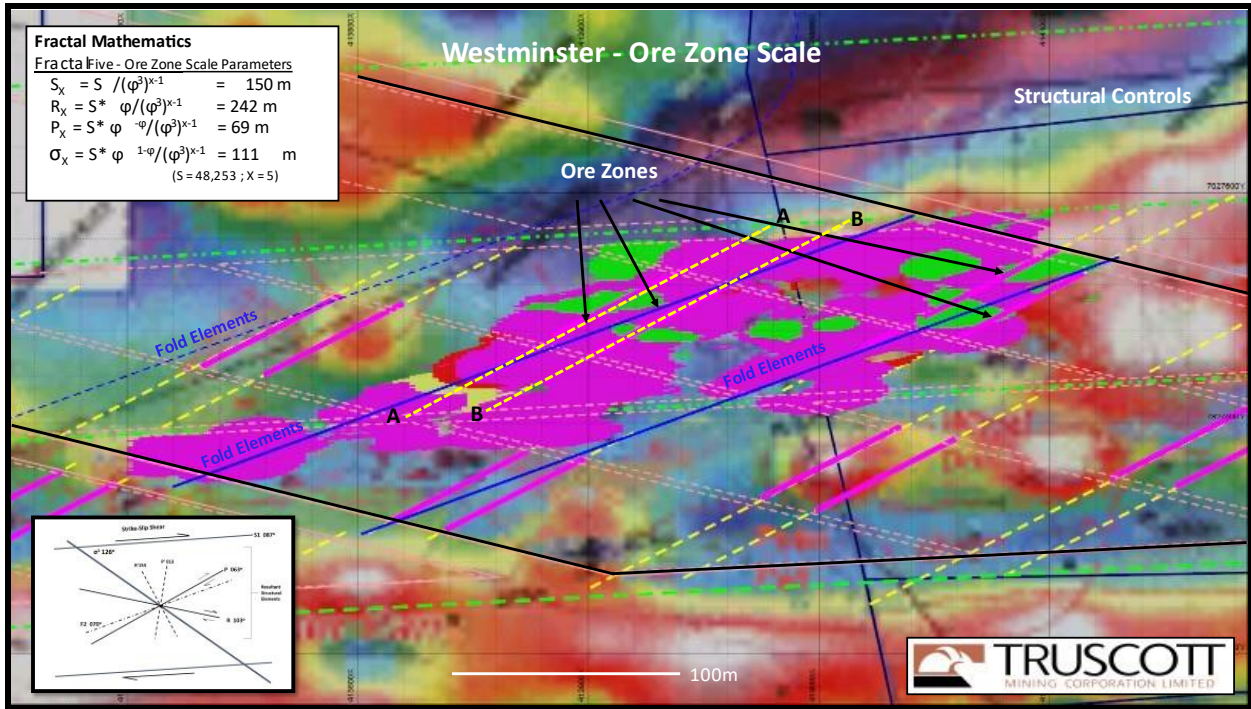
Alignment of the ore body drilled to date within the constraining shear S (087°) has provided for,

### **A THREE-DIMENSIONAL MODEL FOR THE MINERALISED ZONES**

The Cross section (Ore body One) illustrating the intersection of flow plains and dilation on P (063°)

Pregnant fluids precipitating gold within dilation on P (063°) in constraining shear corridor S (087°)

Substantial high-grade mineralisation is typically intersected lower in the system in the untested green horizon



**Figure Seven: Interaction Zones – Westminster – Gold Block Model over Gravity Image**

Zones of intense mineralisation can be observed at brittle ductile interfaces,

**CONCENTRATION OF MINERALISATION AT ORE ZONE SCALE**

A plan of the ore body model demonstrates that zones of intense mineralisation occur where discordant dilation on P (063°) crosses fold elements aligned to F2 (70°)

The mineralisation repeats as a cross linked sequence in both the sigma 1 (126°) and the sigma 3 (040°) primary stress directions. These zones of intersection provide a focus for drill planning



### Westminster/White Devil Overlay Plan –Dilation Opening One

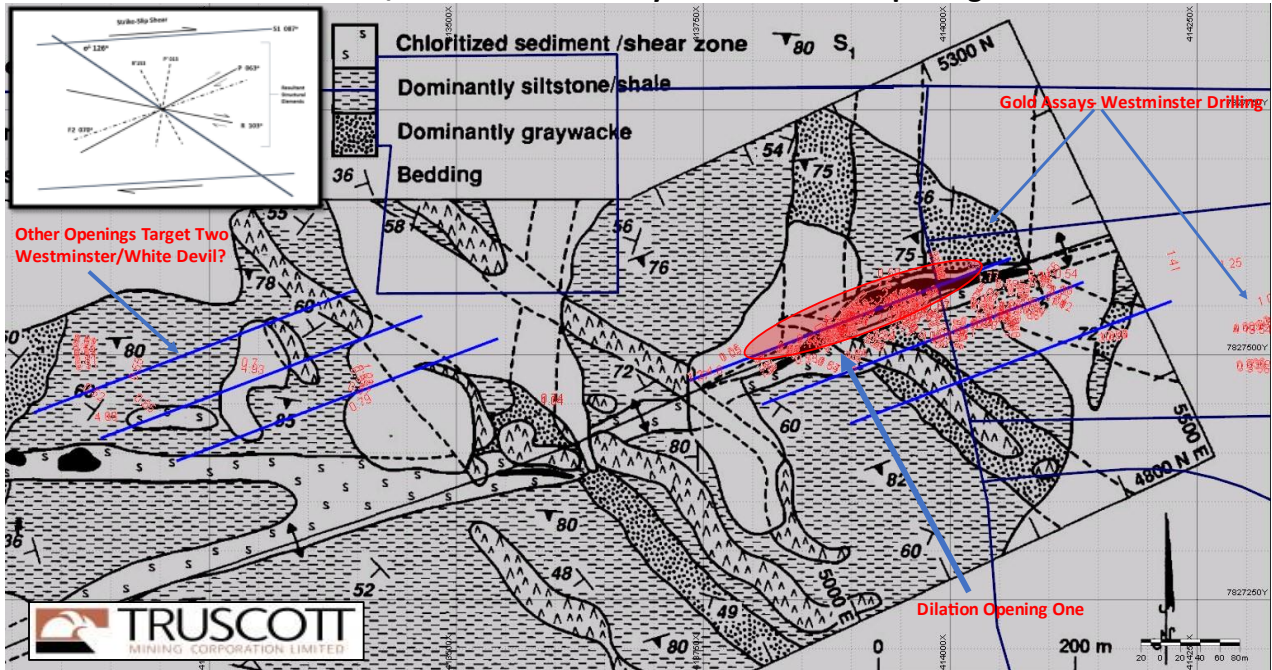


Figure Eight: Structural Alignment – Westminster – White Devil

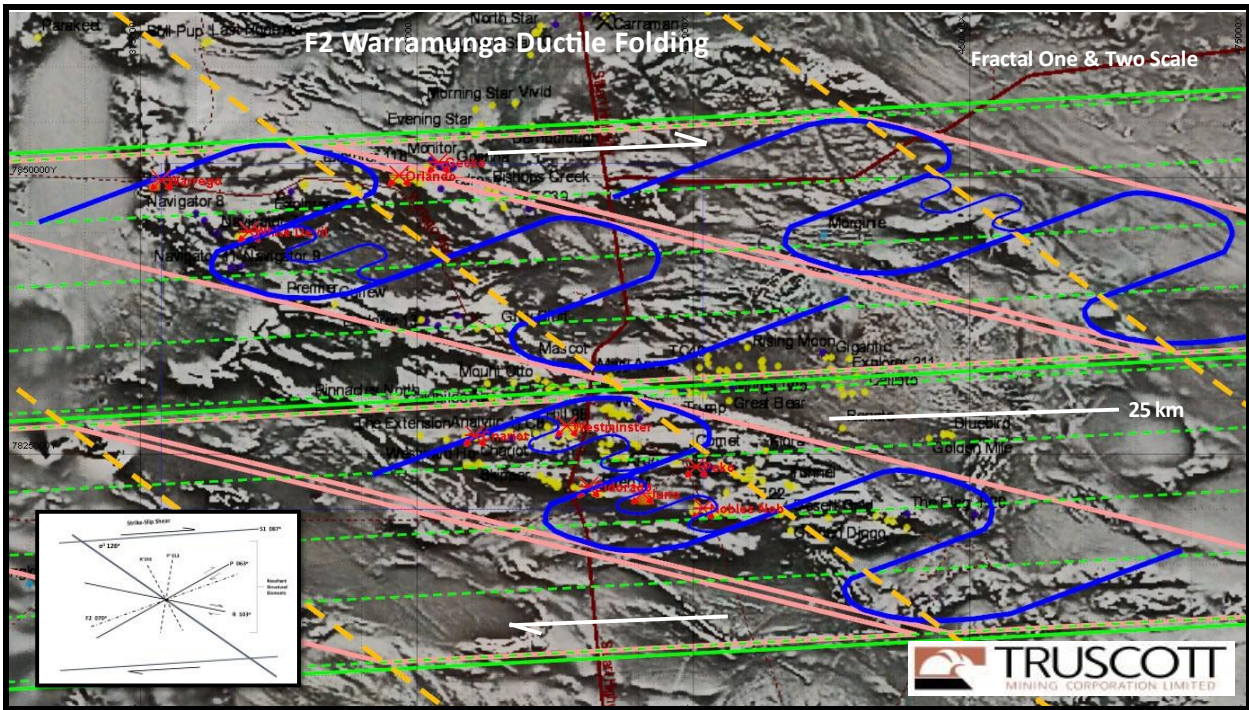
Mineralised zones overprint at both locations in terms of both orientation and extent

### CONSISTENT STRUCTURAL CONTROLS ARE WIDELY OBSERVED

The orientation of the gold mineralisation at both Westminster and White Devil are observed as being controlled by discordant dilation on P (063°) crossing fold elements aligned to F2 (70°). The footprints of the mineralised zones are similar in extent.

At White Devil further structures located along the shear direction S (087°) are aligned to F2 (70°), indicating the potential for a second significant zone of dilation and gold mineralisation.

At Westminster a second major target zone has been located at an equivalent distance along the shear direction S (087°), to that at White Devil, and the existence of gold mineralisation already confirmed by scout drilling.



**Figure Nine: Primary and Parasitic Ductile Folding (Blue)**

Modelling early ductile folding in the Warramunga meta-sediments,

## THE STRUCTURAL SETTING FOR CONTROLLED MINERAL DEPOSITION

Generating first and second order folding along the principle primary stress axis provides

- A correlation with landforms and mapped geological features,
- An observed spatial relationship with major mineral deposits

The major deposits being located at the intersection of strike slip shear S (087<sup>0</sup>) and the direction of ductile folding F2 (70<sup>0</sup>), give a first indication of the diagnostic potential of this basic model

### Appendix 3

The Quarterly Cashflow Report (“Appendix 5B”) for the reporting period ending 30 June 2022 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.

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	<b>5</b>
6.2 Aggregate amount of payments to related parties and their associates included in item 2	<b>18</b>

*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

ABN

31 116 420 378

Quarter ended ("current quarter")

30 June 2022

Statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(4)	(15)
(e) administration and corporate costs	(12)	(112)
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	0
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(16)</b>	<b>(127)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	0	(2)
(d) exploration & evaluation	(26)	(37)
(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		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(26)</b>	<b>(39)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	<b>0</b>	<b>210</b>
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	<b>0</b>	<b>(15)</b>
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	<b>0</b>	<b>(31)</b>
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>0</b>	<b>164</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	<b>102</b>	<b>62</b>
4.2	Net cash from / (used in) operating activities (item 1.9 above)	<b>(16)</b>	<b>(127)</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	<b>(26)</b>	<b>(39)</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	<b>0</b>	<b>164</b>

## 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		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>60</b>	<b>60</b>

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	19	7
5.2	Call deposits	41	95
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>60</b>	<b>102</b>

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	18
<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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	165
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	7	0
<b>7.4 Total financing facilities</b>	<b>257</b>	<b>165</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>92</b>
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 received after 30 June.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(16)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(26)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(42)
8.4 Cash and cash equivalents at quarter end (item 4.6)	60
8.5 Unused finance facilities available at quarter end (item 7.5)	92
8.6 Total available funding (item 8.4 + item 8.5)	152
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>3.62</b>
<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	
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	
<i>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.</i>	

**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: 27 July 2022

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.