

## Quarterly Report

June 2022 Quarter

28 July 2022

Burley Minerals Ltd (ASX: BUR, 'Burley' or 'the Company') is pleased to provide the following update on its business activities during the June quarter.

### HIGHLIGHTS

#### Hamersley Iron Ore Prospects – all 100% owned

- Cane Bore Exploration License Application (ELA) has 28kms of remnant outcropping Channel Iron Deposit (CID) mineralisation
- Broad Flat Well has CID mineralisation confirmed by historical rock chip assays ranging up to 61.5% Fe
- Draft Heritage Agreements for the three exploration licence applications (ELA's) Cane Bore, Broad Flat Wells and Hardey West have progressed well during the quarter
- A second draft of a Conservation Management Plan (CMP) for the Cane Bore Tenement was submitted to the Department of Biodiversity, Conservation and Attractions (DBCA) and DWER's on 15 July, following initial government feedback

#### Yerecoin Iron Project – 70% owned Resource 247Mt @ 29.9% Fe

- Mineral Resources of 247 Mt @ 29.9% Fe (68.1% Fe concentrate grade)
- Exploration drilling Programmes of Works (PoW's) have been granted by DMIRS for all three iron ore domains located within the Yerecoin Main Deposit Area(s)
- The location of the future metallurgical drill holes in conjunction with resource upgrade drilling for the three key magnetite targets have been determined and budgeted
- The advancement of land access arrangements for associated Land Lots with known mineralisation are advancing

#### Yerecoin Ni-Cu-Co-PGE Project

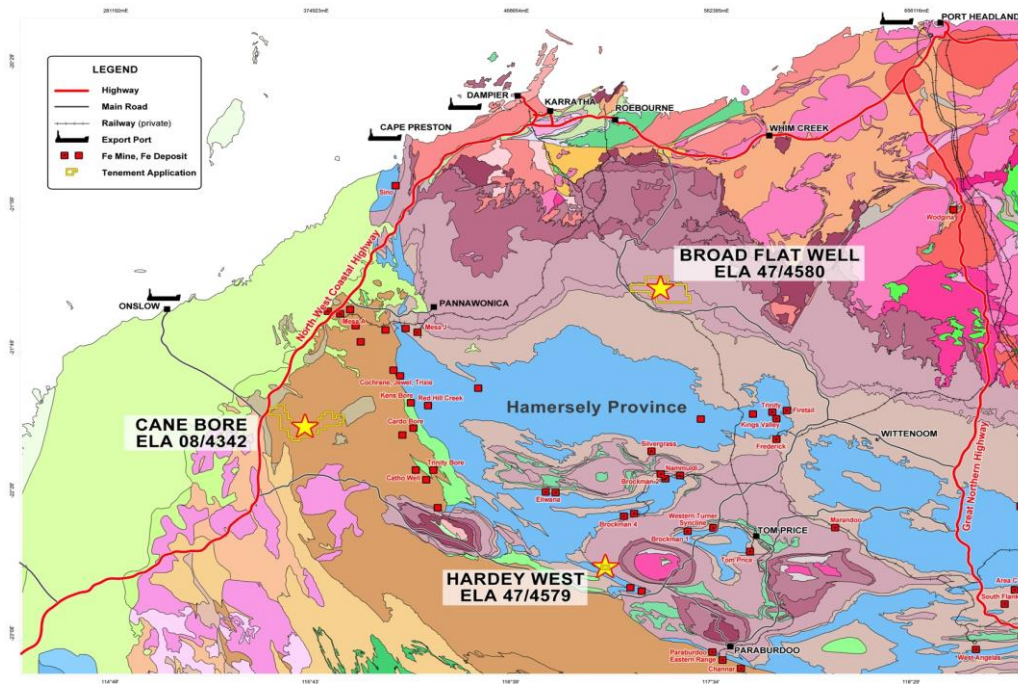
- A Moving Loop Time Domain Electromagnetic (MLTEM) survey scheduled to commence during the quarter, was deferred at the request of the Landowner.
- A Diamond Core drilling program has been developed for the EM target(s), pending the MLTEM survey results. A PoW has been submitted to DMIRS and approval is pending.
- Land access compensation arrangements for site access to the potential Ni-Cu-Co-PGE mineralisation zone(s) are being advanced

### Corporate

- Well-funded cash balance of \$4.06 M as of 30 June 2022.
- Tight capital structure (only 61M Shares) and Market Capitalisation of \$6.7 M.
- The Company is actively assessing potential acquisitions it believes may be value accretive for shareholders

## Hamersley Iron Ore Prospects – 100% Burley

During the quarter, Burley advanced the three current Exploration Licence Applications (ELA's) in the Hamersley Iron Ore Province of Western Australia towards grant and access.

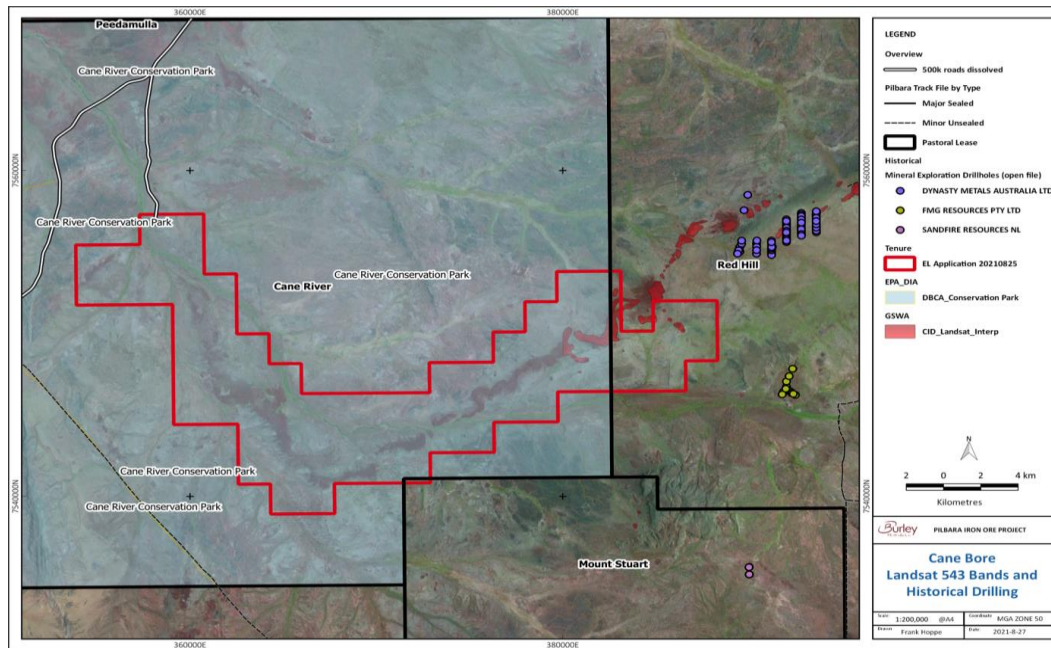


**Figure 1: Location plan –Cane Bore, Broad Flat Well and Hardey West Prospects in relation to operating iron mines, major iron deposits, road, and port infrastructure.**

All applications are near significant infrastructure, such as main roads, townsites and port facilities. The ELA's were lodged as part of the Company's ongoing project generation strategy of developing a pipeline of projects by reviewing and acquiring projects that have the potential for early resource definition and development.

### Cane Bore - ELA 08/3424 - 100% Burley

The Cane Bore ELA covers a long palaeochannel hosting outcropping CID mineralisation approximately 28km long and an average of 400m wide. The Landsat 8 imagery highlights the remnant CID palaeochannel quite clearly, in the centralised region of the 100% - owned Burley ELA (refer Figure 2).



**Figure 2: ELA 08/3424 – Landsat TM and historical drilling locations**

The ELA approval has been further progressed with the submission of a Conservation Management Plan (CMP) for requested exploration activities within the ELA. This CMP was submitted to Department of Biodiversity, Conservation and Attractions (DBCA) on 30 March 2022. Initial feedback on the proposal from the DBCA was received and a revised submission was sent to DWER's and DBCA on 15 July 2022. Approval of the CMP is expected to be critical path to the grant of the Exploration Licence "E".

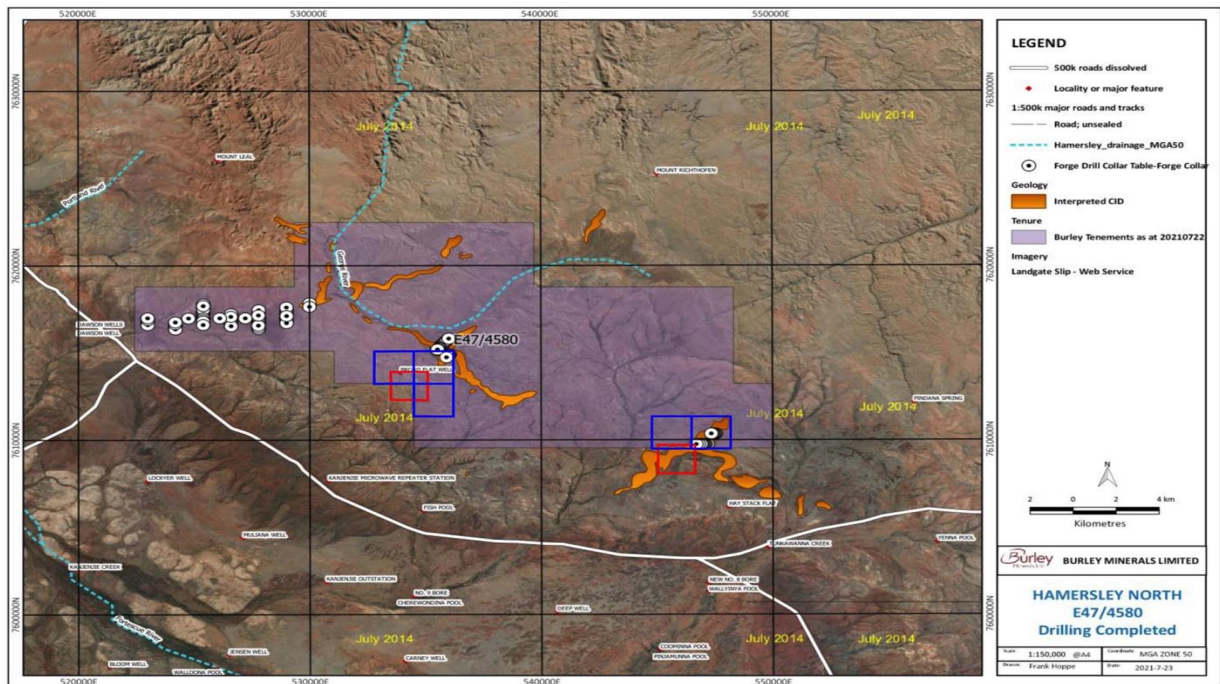
Negotiations with the two prevalent Native Title Groups associated with Cane Bore has progressed during the quarter. Burley has reviewed and signed both proposed Heritage Agreements from the NT Groups during July. Burley is awaiting final signatures from the NT Groups.

An Access Deed with the pastoralist was signed in late March, thereby approving access to the tenement, subject to the CMP approval (pending). The first drilling programme will be considered, once early-stage mapping and rock-chip sampling has been completed.

Exploration Licence Application ELA 08/3424 is located directly east of the intersection of the Onslow Main Road with the Northwest Coastal Highway, and centred some 90km south-west of Pannawonica, 90km south-east of Onslow and its port facilities. The close proximity to Onslow and the Port of Ashburton, represents a potentially viable outflow and logistics solution for the export of the iron ore.

### **Broad Flat Well – ELA 47/4580 – 100% Burley**

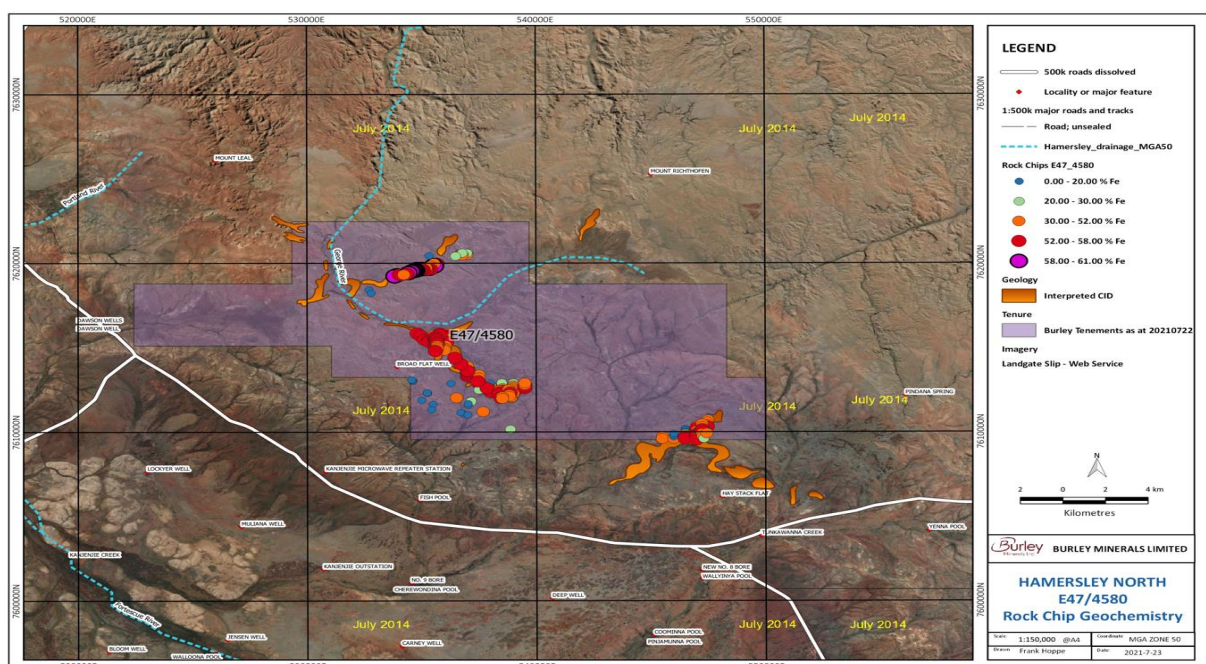
The Broad Flat Well ELA's cover outcropping Channel Iron Deposit (CID) mineralisation. The ELA 47/4580 covers an area of approximately 223km<sup>2</sup>, with the geology dominated by numerous remnants of mid-Miocene Channel Iron Deposits (CID) related to the Fortescue River palaeodrainage located within the application area.



**Figure 3: Previous Drilling Completed by other Mining Groups on ELA 47/4580**

CID mineralisation occurs as scattered, dissected outcrops along the Fortescue River valley. The eroded outcrops are remnants of an extensive network of CID deposits, which are found in tributary channels of the ancestral Fortescue River. Rock-chip sampling (refer Figure 5) conducted by API from 2006 to 2008, returned iron results typical of those from surface sampling of CID throughout the Pilbara with results ranging up to 61.5% Fe (refer ASX: BUR announcement “Burley applies for Exploration Licences for Iron Ore in the Hamersley Province” dated 23<sup>rd</sup> September 2021).

During the previous quarter, two Deeds of Access and Indemnity with Rio Tinto Iron Ore subsidiaries, Robe River Mining Co. Pty. Ltd and Hamersley Iron Pty. Limited, were executed. A preliminary exploratory program of works has now been developed for budgetary and scheduling priorities.



**Figure 4: Summary of Rock Chip Geochemistry (previous mining Groups)**

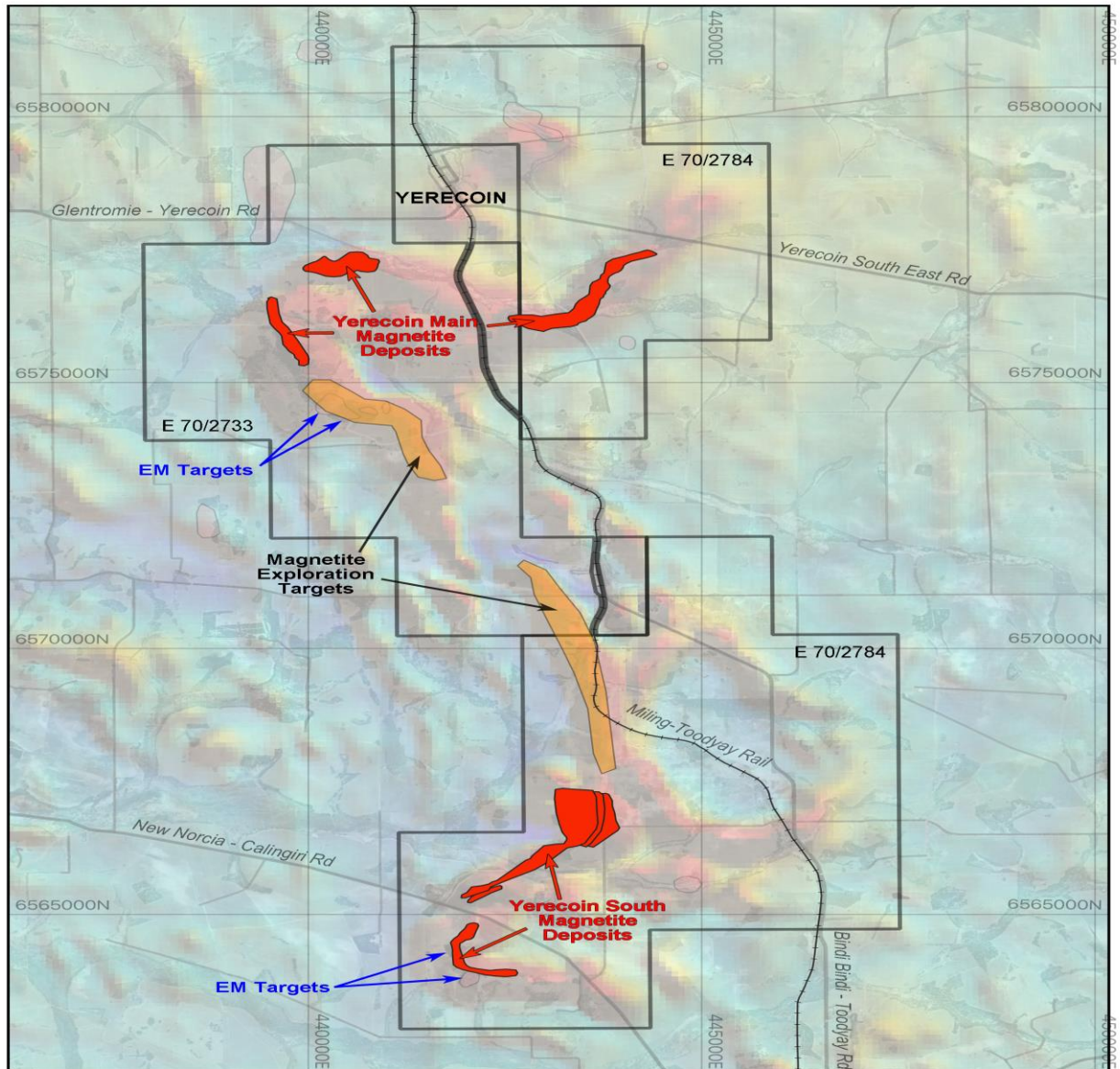
### **Hardey West - ELA 47/4579 - 100% Burley**

Exploration Licence application E47/4579 covers approximately 470 hectares, located some 70km west south-west of Tom Price. Geology is dominated by mafic volcanics and volcanoclastic sediments of the Bunjina and Jerrinah Formations but includes Brockman Iron Formation stratigraphy (*refer ASX: BUR announcement "Burley applies for Exploration Licences for Iron Ore in the Hamersley Province" dated 23<sup>rd</sup> September 2021*). It is the latter which hosts the major iron ore deposits in the Pilbara Region of Western Australia.

Negotiations with the Native Title Group associated with Hardey West Deposit has progressed during the quarter, via the receipt of a proposed Heritage Agreement, which has been duly signed by Burley and is now awaiting finalisation and signatories from the NT Group directors.

### **Yerecoin Iron Project - 70% Burley**

Burley is progressing the Yerecoin Iron Project, which contains a magnetite resource of 247Mt, with the potential to produce a >68% Fe final Product. Exploratory and interpretative programs of work need to be conducted to assess both the iron ore and base metal prospectively of this tenement. Exploration Programs and reflective PoW applications have been prepared and received from DMIRS for 3 of the 4 key Iron Ore Targets retained within the Yerecoin Main deposits. Refer highlighted sections in red in Figure 5.



**Figure 5: Yerecoin Project Magnetite Resource Area(s) and potential Ni-Co-Cu-PGE Mineralisation highlighted as EM targets**

### **Metallurgical Review & Prefeasibility Study Advancement**

A review of the significant historical metallurgical testwork programs and an evaluation of the proposed process flowsheet(s) has been completed. A future metallurgical sampling and analysis program in conjunction with the diamond drill hole exploration program(s) was developed as part of the 2023 Fiscal year budget.

Based upon the availability and quantum of previous core sample and further domain interpretation drilling required, the metallurgical program will commence once both representative samples (old and new) of early production can be sourced. The program will acknowledge previous studies and look at both a dry and wet processing plant, to determine the optimal Project economics, preferred logistical solution(s) and CAPEX/OPEX trade-offs

The PFS Resource development work associated with the recent DMIRs' approved PoW's, is aimed at increasing the geological understanding and interpretation of the ore bodies, improve geotechnical and

geochemical understanding of the resource, and to expand the resource from the Inferred to the Indicated categorisation.

### **Geological Resource**

A re-evaluation of the Mineral Resource Estimates developed by Cliffs (2012) and Radar Iron (2015) has been reviewed by Burley's recently appointed Project Geologist and updated in the Expedio database.

Enhanced mapping and relogging of the historical diamond drill cores to assist in the geological interpretation and domaining of the stratigraphy and mineralisation, continued during the quarter to identify key parameters for future domaining and resource estimation work. This work has already contributed to a better understanding of the nature of the mineralisation and strategic planning of future drilling to upgrade the resource base to Indicated status.

Exploration budgets and specific drill plans for two of the three magnetite targets in Yerecoin Main district, have been prepared.

### **Stakeholder Engagement**

Burley continued to engage with key landowners' during the quarter. Specific site-based discussions with the landowners 'at their homesteads or mineralised deposits were undertaken.

Burley has received legal advice confirming both surface and access rights to for most of the Yerecoin Iron Resource for the purpose of undertaking Exploration Programs of Work, in accordance with Section 29 of the Mining Act 1978 (WA).

Burley has continued to seek the finalisation of Land Access and Compensation Agreements (LACA's) with associated landowners.

### **Schedule and Path Forward**

The Company has planned a series of drill programs having received approval for three separate Programs of Works, by The Department of Mines, Industry Regulation and Safety (DMIRS). The approvals are directly associated with the Yerecoin Main deposits, located within Exploration Licences E70/2733 and E70/2784.

One of the approved PoW's represents the potential for a 33-hole RC ( $\pm$ diamond (DD)) drilling program over one of the Yerecoin Main deposits located within E70/2733. The second approved PoW has the potential to drill up to 52 holes (RC  $\pm$ DD) drilling program over an additional Yerecoin Main Iron Ore deposit, located both within E70/2784 and E70/2733. The third PoW incorporates the approval to drill up to 23 RC and/or DD holes in a high-priority deposit located within E70/2733, where known mineralisation prevails and has been previously drilled.

Collectively the three key magnetite resource areas are targeted for infill drilling to provide sufficient metallurgical samples, geological/morphological/physical characterisation data and upgraded Resource categorisation.

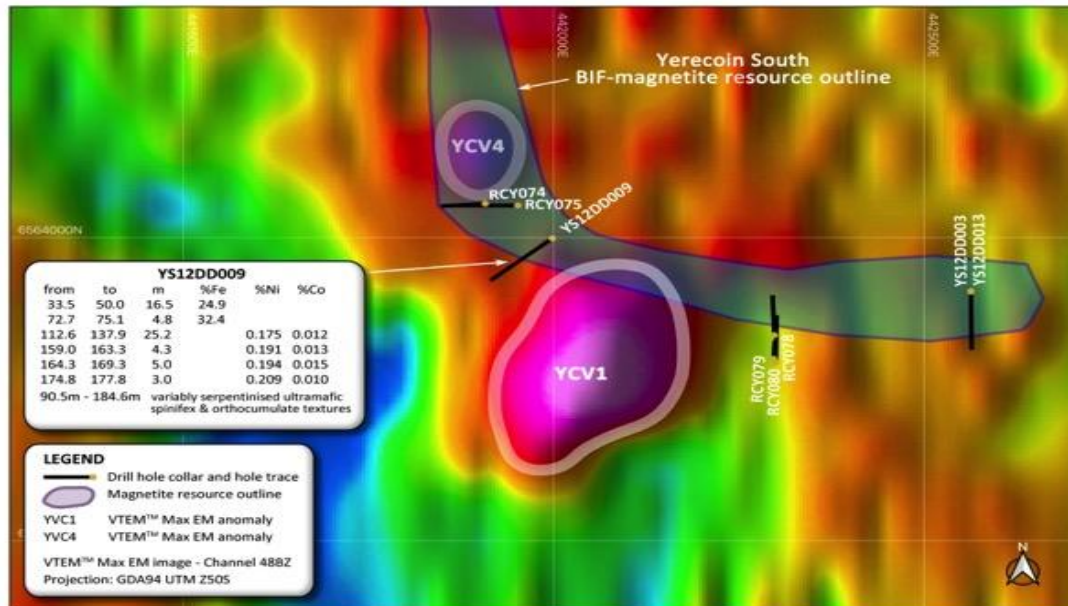
### **Yerecoin Ni-Cu-Co-PGE Project – 70% Burley**

Burley developed a Program of Works for a ground-based geophysics survey involving Moving Loop Time Domain Electromagnetic (MLEM) technology earlier this year.

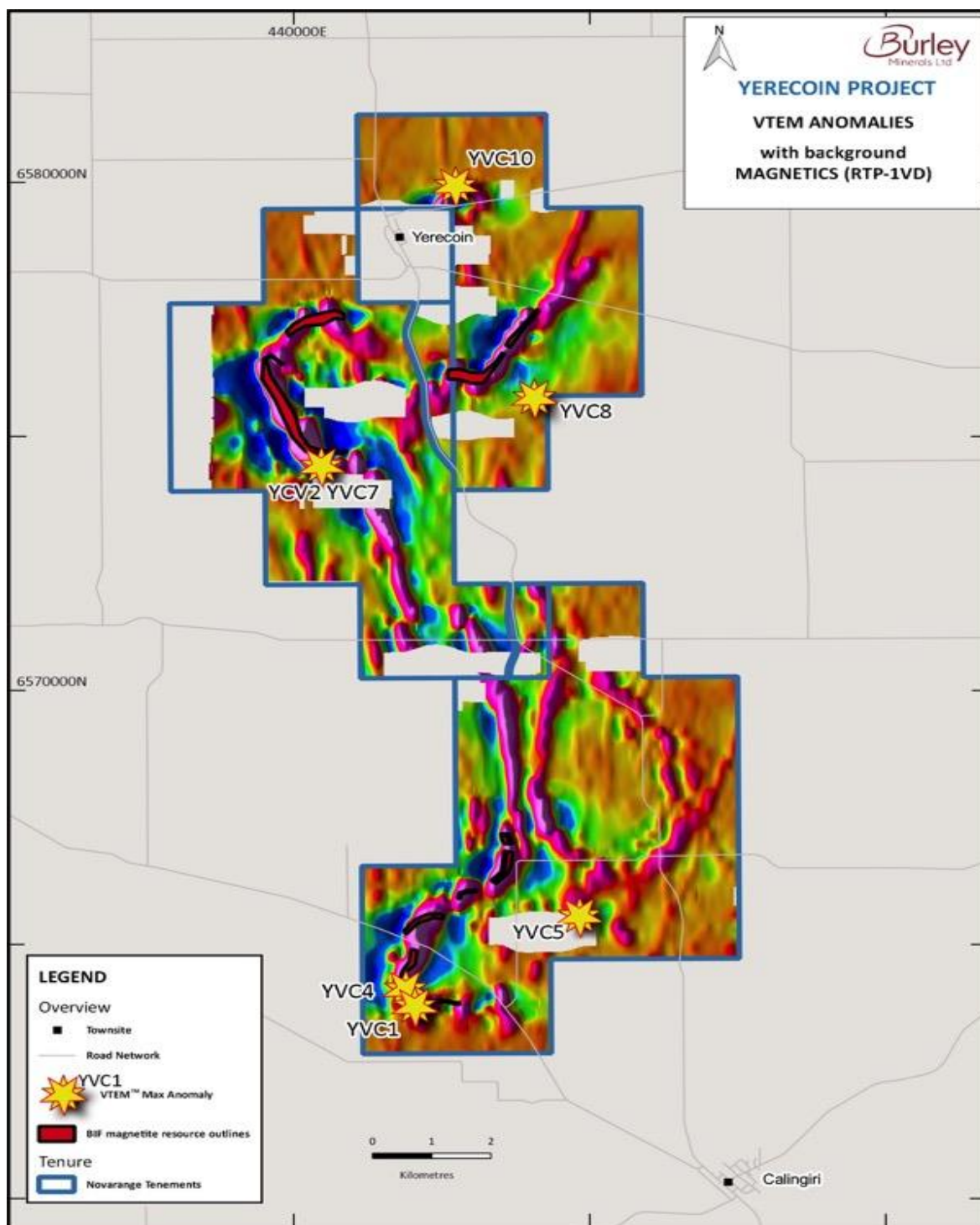
Actioning of the MLEM survey has been deferred pending clarification of land access rights. Burley has received legal advice confirming both surface and access rights to most of the Yerecoin Project for the purpose of undertaking Exploration Programs of Work, in accordance with Section 29 of the Mining Act 1978 (WA). Landowner discussions are continuing whilst access rights are being clarified via a Wardens Court application by Burley.

Once the MLEM survey has been conducted then a follow-up diamond core drilling programme of the EM anomalies will be scheduled. A PoW for the drilling program was submitted to DMIRS in April 2022. A revised submission of this PoW was forwarded to DMIRS in July.

YVC1 and YVC4 are near the Yerecoin South Banded Iron Formation (BIF) magnetite deposit. The closest drillhole to YVC1 (YS12DD009) drilled through the BIF sequence intercepted ultramafic rock units beneath the BIF units. Historical assaying returned anomalous nickel and cobalt values in variably serpentinised ultramafic units (Figure 6).



**Figure 6. Yerecoin South – Two VTEM™ Max EM anomalies located at Yerecoin South – historical low-grade nickel and cobalt assays from nearby diamond drillhole (YS12DD009). Not assayed for PGEs. Background image: VTEM Channel 48BZ**



**Figure 7. Yerecoin Project – Location of air-borne VTEM geophysics conductors, prefixed ‘YVC’, overlying high resolution aeromagnetic image (RTP-1VD)**

### Corporate

Burley had a cash balance of \$4.05 M as of 30 June 2022. Burley has retained a very tight capital structure with only 61 million ordinary shares currently on issue, representing a market capitalisation of \$6.4 M.

The Burley management team continues to review new mineral projects that it believes could be value accretive for Burley's shareholders.

#### **ASX Listing Rule 5.3.4 and 5.3.5**

In accordance with Listing Rule 5.3.5, Burley advises that payments made to related parties as advised in the Appendix 5B for the quarter ended 30 June 2022 were as follows.

- \$93k for Director fees; and
- \$21k for company secretary and accounting services.

In accordance with Listing Rule 5.3.4, as the June 2022 quarter was in a period covered by a 'use of funds' statement in the IPO Prospectus, below is a comparison of the Company's actual expenditure to 30 June 2022 against the estimated expenditure in the 'use of funds' statement in the Prospectus (differences are primarily due the Company only being twelve (12) months into its planned two-year expenditure program):

<b>Use of funds</b>	<b>Per IPO Prospectus (2-year period) \$</b>	<b>Actual expenditure up to 30 June 2022 \$</b>
Exploration of Yerecoin magnetite deposits	2,266,200	363,927
Exploration of Yerecoin Ni-Cu-PGE Project	927,350	365,783
Acquisition and stamp duty	536,815	199,000
General working capital <ul style="list-style-type: none"> <li>• Administration</li> <li>• New projects</li> </ul>	2,074,258	716,449 74,605
Estimated expenses of the Offer	664,215	483,802
<b>Total</b>	<b>\$6,468,838</b>	<b>\$2,203,566</b>

The Company will consider acquiring interests in additional resource projects and assets in Australia and/or overseas which contain or are prospective for minerals including minerals other than iron ore, copper, nickel and platinum group elements consistent with its objectives consistent with its prospectus dated 26 May 2021. Continuing work programmes will be subject to market conditions, access and ongoing exploration results. Funds may be diverted to new resource projects acquired by the Company if the Board considers it warranted. To the extent the Company is presented with new projects and additional acquisition opportunities, the Company's general working capital may fund such further exploration and acquisition activities.

This announcement has been authorised for release by the Board of Burley Minerals Limited.

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## About Burley Minerals

Burley Minerals Ltd is an ASX-listed Iron Ore and Base Metals explorer. The Company completed a successful listing of the Company on the Australian Securities Exchange on 7th July 2021. The Company's flagship project is the Yerecoin Iron Project located approximately 120km northeast of Perth, Western Australian which has a JORC 2012 compliant Mineral Resource of 247Mt of magnetite iron ore, capable of producing a concentrate at >68% Fe. Various studies have been completed by previous tenement operators, including various production scenarios as well as evaluations of infrastructure solutions.

In addition to the development potential of the Yerecoin Iron Project, there has been some recent exploration successes within the Jimperding Metamorphic Belt, which also hosts the world class, 20Moz palladium equivalent Julimar - Gonneville nickel-copper-PGE Project owned by Chalice Mining Ltd (ASX: CHN). Given these recent exploration successes, and the knowledge that Co-Ni bearing sulphides have previously been identified within Yerecoin's ultramafic rocks, Burley believes the geological setting and prospectivity of the Yerecoin Project are analogous to the Julimar-Gonneville discovery setting and represent an opportunity for the discovery of Ni-Co-Cu-PGE mineralisation.

## Tenement Schedule as of 30 June 2022:

Tenement	Project	30 June 2022 % interest	31 Mar 2022 % interest
E 70/2733	Yerecoin Project, Western Australia	70%	70%
E 70/2784	Yerecoin Project, Western Australia	70%	70%
ELA 08/3424*	Cane Bore, Hamersley, Western Australia	100%	100%
ELA 47/4580*	Broad Flat Well, Hamersley, Western Australia	100%	100%
ELA 47/4579*	Hardey West, Hamersley, Western Australia	100%	100%

\* Exploration Licence Applications pending grant

## Competent Person's Statement

*The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation compiled by Mr. Gary Powell, a Competent Person, who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Powell is a Geological and Technical consultant, shareholder, and former director of Burley Minerals Limited and 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 Resource and Ore Reserves". Mr. Powell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

*The Yerecoin Main and South Mineral Resource Estimate was reported in 2014 under the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The Mineral Resource Estimate was detailed in refer to Prospectus dated 27 May 2021 Section 10 for the Independent Technical Assessment Report.*

*The Company is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the data in the relevant market announcements continue to apply and have not materially change.*