

Quarterly Report

September 2022 Quarter

31 October 2022

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

HIGHLIGHTS

Hamersley Iron Ore Prospects – all 100% owned

- **Exploration Licence (EL) E47/4580 for Broad Flat Well** deposit in the world class Hamersley Iron Ore Province of Western Australia **granted by DMIRS**
- **Access and Heritage Protection Agreement signed** for Exploration Licence Application (ELA) 08/3424 – Cane Bore Project
- **Access Deed with the Red Hill Pastoralist Lease Holder signed** for Cane Bore Project
- Final comments associated with **The Conservation Management Plan (CMP)** for exploration activities within the Cane Bore Project Area were received by the DBCA in October.

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

- **A Land Access and Compensation Agreement (LACA) was signed** for a significant mineralised zone of the magnetite ore body located within the Yerecoin "Main" Tenement E70/2733
- **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)
- Access arrangements for additional Land Lots with known mineralisation are advancing

Yerecoin Ni-Cu-Co-PGE Project

- A Moving Loop Time Domain Electromagnetic (MLTEM) survey will be scheduled once a Land Access confirmed
- A new Programme of Works (PoW) has been submitted to DMIRS for a targeted exploration drilling programme on Licence E 70/2784
- Land access compensation arrangements for site access to the potential Ni-Cu-Co-PGE mineralisation zone(s) are being progressed

Corporate

- Cash balance of \$3.75M as of 30 September 2022.
- Tight capital structure (only 61M Shares) and Market Capitalisation of \$11.0M
- A Government of Western Australia funding package of \$117K associated with co-funding Base Metal Exploration Drilling was received during the quarter
- 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 was granted an Exploration Licence for Broad Flat Well - E47/4580. (Refer location in Figure 1).

Burley has continued to advance the Cane Bore and Hardey West Exploration Licence Applications (ELA's) towards their grant and site access.

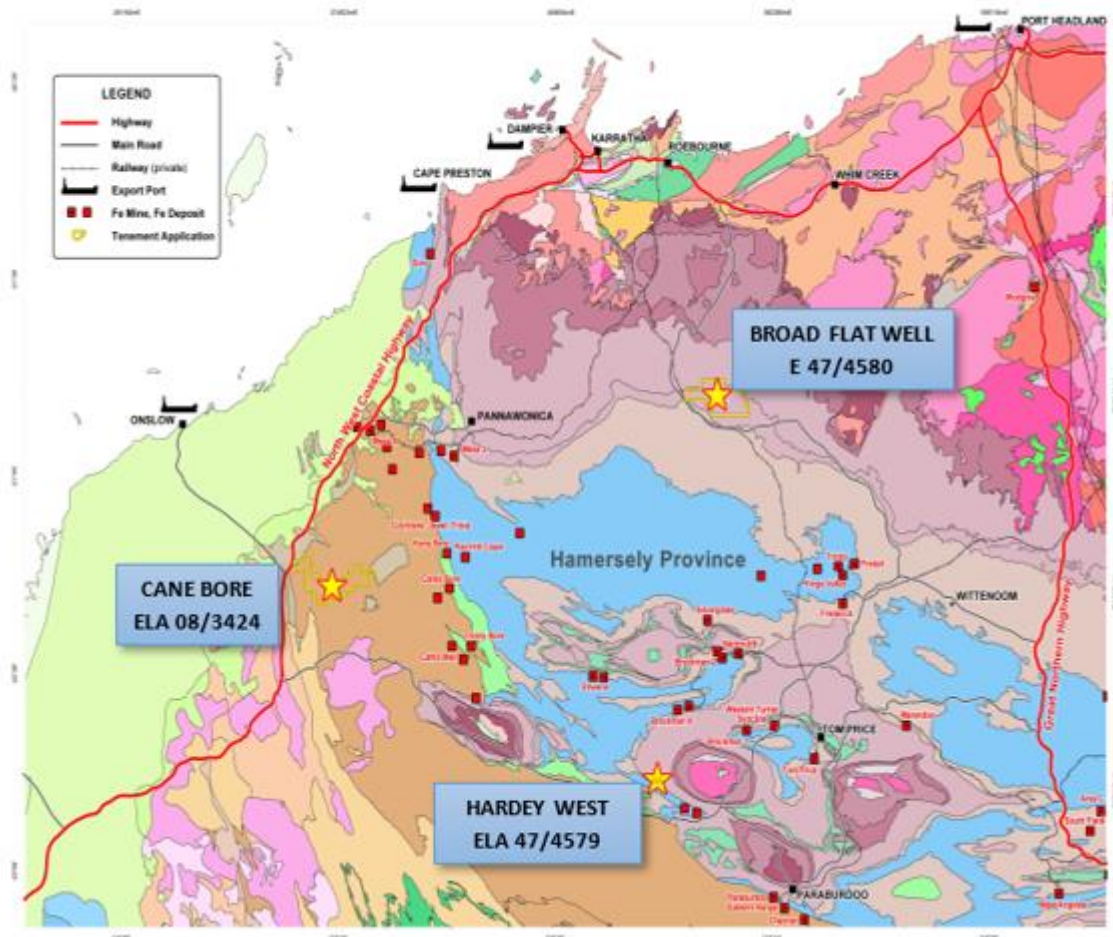


Figure 1: Location plan –Cane Bore, Broad Flat Well and Hardey West Prospects in relation to operating iron mines, major iron deposits, road, and port infrastructure.

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).

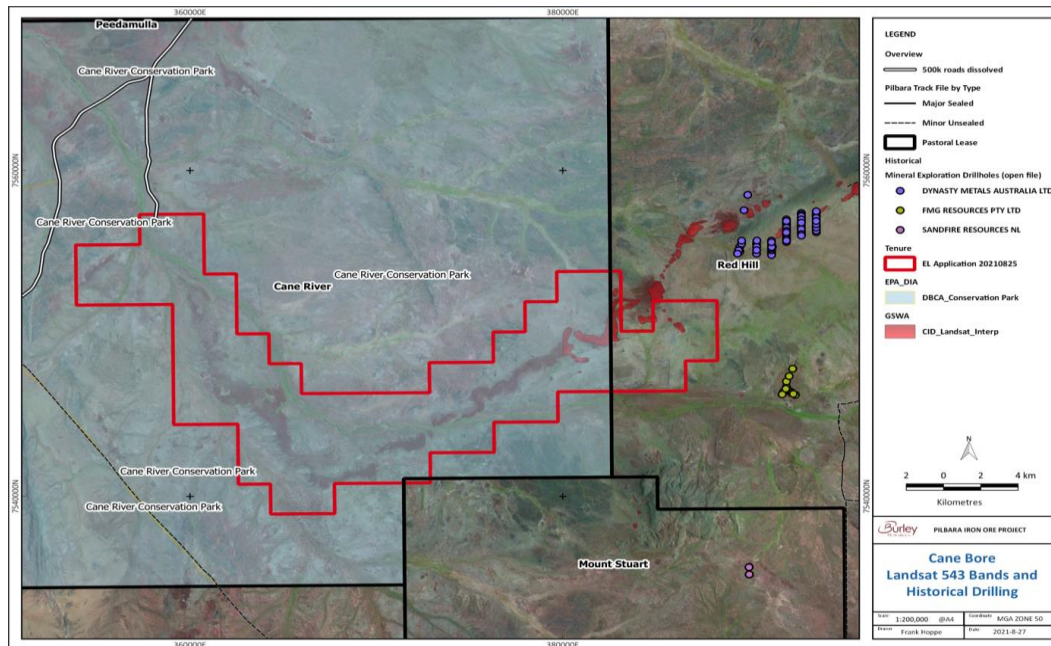


Figure 2: ELA 08/3424 – Landsat TM and historical drilling locations

The ELA approval has been further progressed with the **signing of an Access and Heritage Protection Agreement with the Buurabalayji Thalanyji People** (refer ASX announcement dated 05 October 2022 “Heritage Agreement signed for Cane Bore”).

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

A further iteration of The Conservation Management Plan (CMP) was resubmitted to Department of Biodiversity, Conservation and Attractions (DBCA) on 23 September. Feedback was received on 21 October, and the forward process associated with the advancement of a Section 24 (s24) of the Mining Act 1978 Application, to the Minister of Environment and the Conservation and Parks Commission (CPC) is being assessed.

An additional Heritage Agreement with the PKKP Native Title Group for Cane Bore, has progressed during the quarter. Burley has signed the Heritage Agreement and is awaiting signatories from the two associated parties to the Agreement.

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.

The upper areas of this palaeodrainage system have been drill assessed by API Management Pty Ltd (Manager of the Red Hill Iron Ore Joint Venture). In 2016, Red Hill Iron Ltd published JORC 2012 compliant mineral resources in the order of 664Mt at 56.9% Fe for the Cochrane/Jewel, Trixie, Kens Bore and Red Hill Creek deposits (refer Red Hill Iron Ltd’s ASX announcement dated 24 November 2016 “Red Hill Iron Ore Joint Venture - Mineral Resources Update”). These deposits are proximal to, or within, the Hamersley Range and occur approximately 40km ‘upstream’ from the eastern boundary of Burley’s application.

Landsat 8 (bands 5,4,3) highlight the remnant CID palaeochannel (dark maroon colour) quite clearly (refer Figure 2). The Total Magnetic Intensity (TMI) imagery indicates a number of N-S Proterozoic dykes traverse the tenement application. The arcuate mid-intensity magnetic units within the western margin of the application represent the sediments of the Ashburton Formation, with the cross-cutting linear high possibly representing the unconformable contact of the Mount Minnie Group

Broad Flat Well – E 47/4580 – 100% Burley

The Broad Flat Well tenement was granted Exploration Licence “E” status during the quarter. (refer ASX announcement dated 08 September 2022 “Burley granted highly prospective Pilbara Exploration Licence with confirmed Channel Iron Deposit (CID) Mineralisation”).

The exploration licence covers outcropping Channel Iron Deposit (CID) mineralisation and covers an area of approximately 223km², 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.

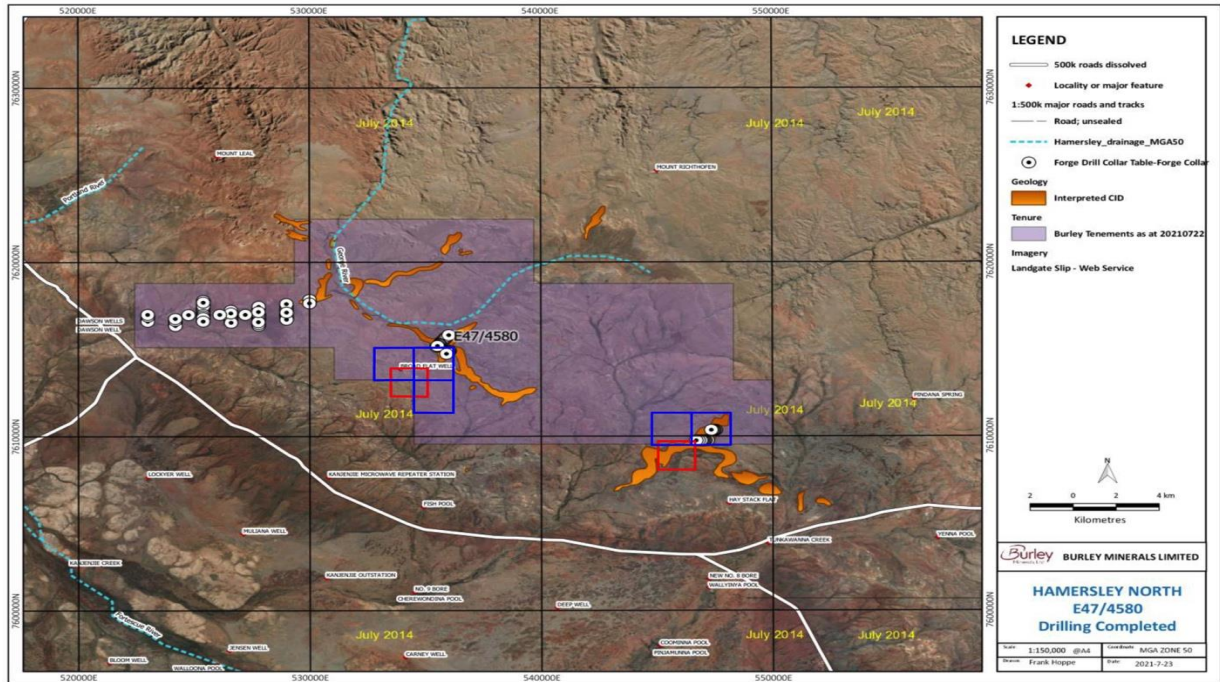


Figure 3: Previous Drilling Completed by other Mining Groups on E 47/4580

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 4) 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 23rd September 2021).

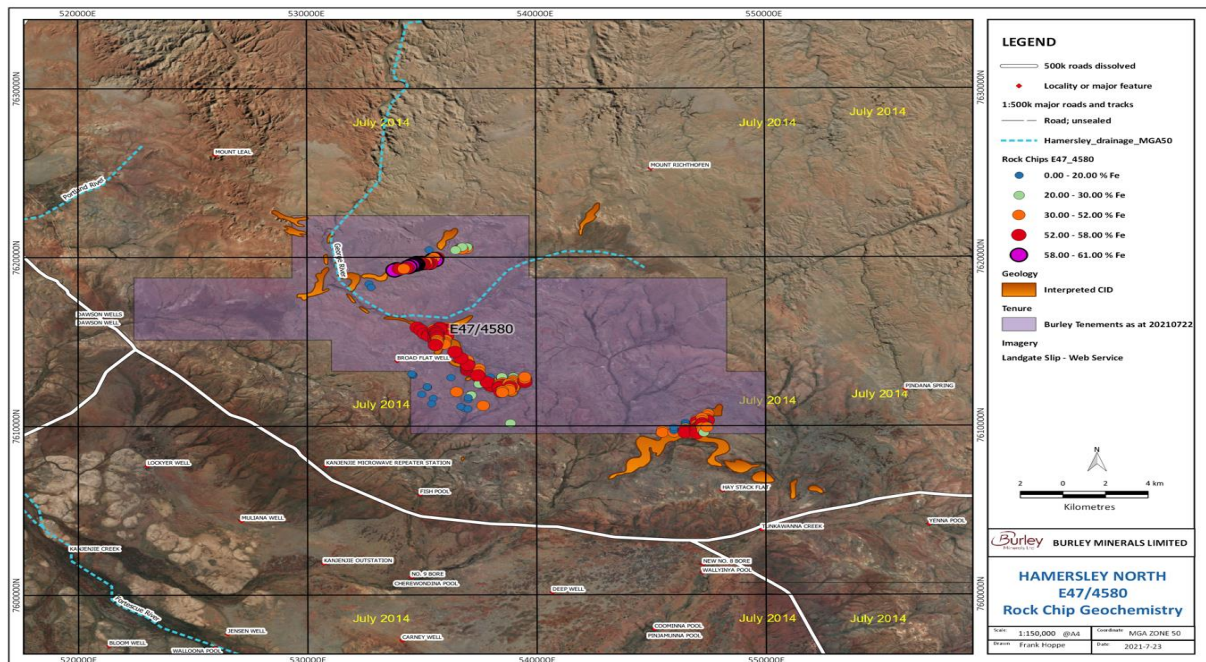


Figure 4: Summary of Rock Chip Geochemistry (previous mining Groups)

Hardey West - ELA 47/4579 - 100% Burley

Exploration Licence application ELA 47/4579 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 23rd September 2021*). It is the latter which hosts the major iron ore deposits in the Pilbara Region of Western Australia.

Advancement and finalisation of a Heritage Agreement with the Native Title Group (PKKP) associated with Hardey West Deposit is awaiting countersigning. The signing of this agreement and the Cane Bore Heritage Agreement(s) will be considered at the same meeting of the NT Group(s), scheduled for November 2022.

Yerecoin Iron Project - 70% Burley

Burley signed a Land Access and Compensation Agreement during the Quarter with one of the Yerecoin "Main" deposit Landowners, whose tenure is retained within tenement E 70/2733. An approved PoW was received for this section of the tenement during the Quarter.

The Company 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 will be conducted to further assess both the iron ore and base metal prospectively of this tenements. Exploration Programs and reflective PoW applications have been 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.

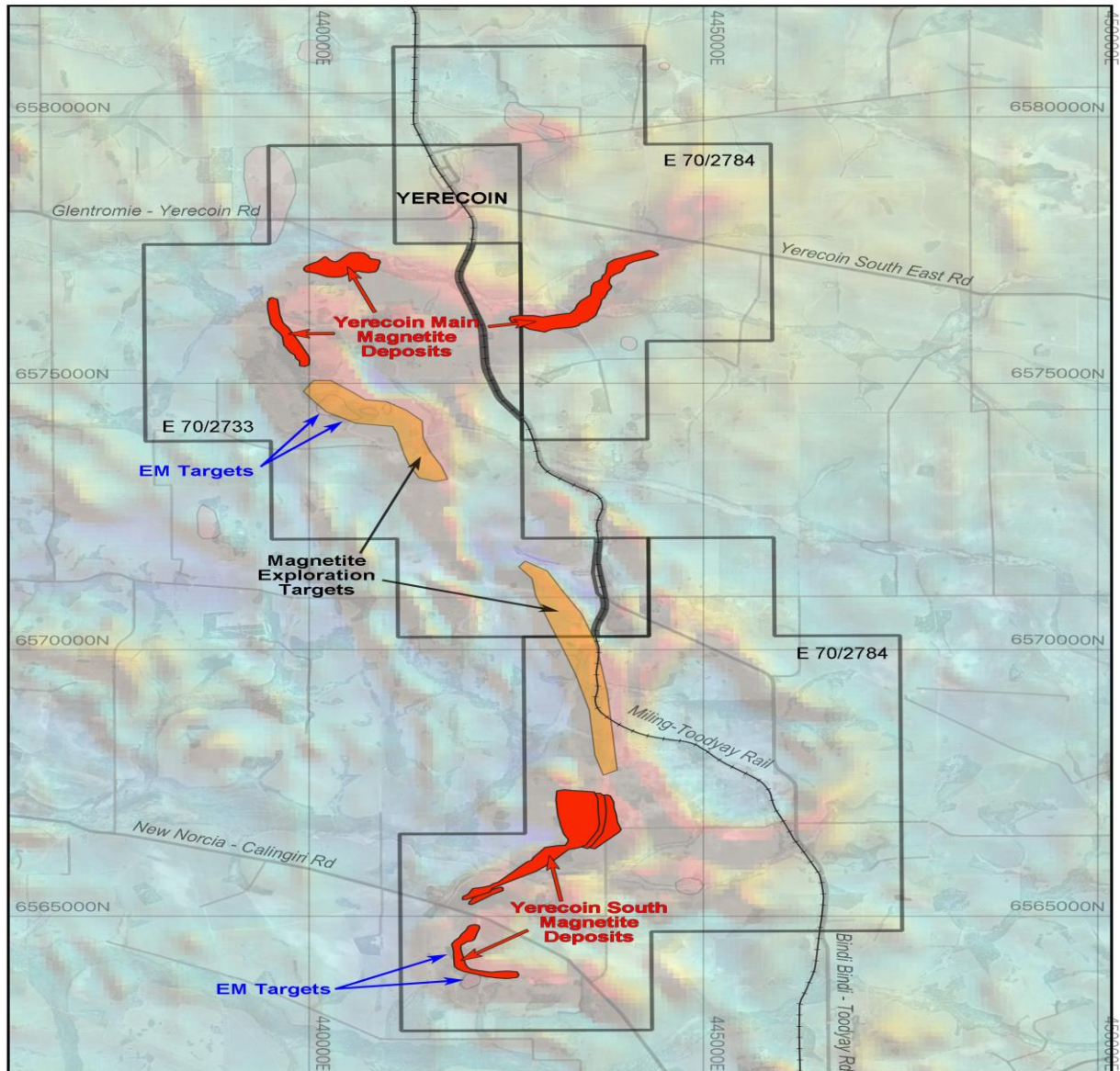


Figure 5: Yerecoin Project Magnetite Resource Area(s) and potential Ni-Co-Cu-PGE Mineralisation highlighted as EM targets

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 approval of 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.

A Warden's Court mention hearing was held on 9 September for the advancement of land access and compensation rights to a previously drilled zone of magnetite mineralisation located on Lots retained within exploration licences E 70/2784 and E70/2733. Responses from the Landowner's solicitor were received on 25 October. Legal assessment of the Landowner's response is being considered, at the time of writing this report.

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 with the Landowner.

A Warden's Court Mention hearing was held on 9 September. Responses from the Landowner's solicitor were received on 24 October. Legal assessment of the response is being considered at the time of writing this report.

Once the MLEM survey has been conducted then a follow-up diamond core drilling programme of the EM anomalies will be scheduled. A revised submission of a PoW was forwarded to DMIRS in July and approved on 04 August.

Corporate

Burley had a cash balance of \$3.75 M as of 30 September 2022. Burley has retained a very tight capital structure with only 61 million ordinary shares currently on issue, representing a market capitalisation of \$11.0 M, as of 27 October.

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 September 2022 were as follows.

- \$90,328 for Director fees; and
- \$33,768 for company secretary and accounting services.

In accordance with Listing Rule 5.3.4, as the September 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 September 2022 against the estimated expenditure in the 'use of funds' statement in the Prospectus (differences are primarily due the Company only being three months into its planned two-year expenditure program):

Use of funds	Per IPO Prospectus (2-year period) \$	Actual expenditure up to 30 Sept 2022 \$
Exploration of Yerecoin magnetite deposits	2,266,200	443,940
Exploration of Yerecoin Ni-Cu-PGE Project	927,350	445,793
Acquisition and stamp duty	536,815	199,000
General working capital <ul style="list-style-type: none"> • Administration • New projects 	2,074,258	901,336 119,172
Estimated expenses of the Offer	664,215	483,802
Total	\$6,468,838	\$2,593,043

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 (ASX: BUR) is a well-funded ASX-listed minerals explorer with a 70% interest in the Yerecoin Project is located approximately 120km to the northeast of Perth, Western Australian that has a JORC 2012 compliant Mineral Resource of 246.7Mt capability of producing a concentrate at >68% Fe. Various studies completed by previous operators, included various production scenarios as well as evaluation of infrastructure solutions. Burley is preparing to commence its maiden drilling campaign with the aim of up grading the confidence in the magnetite minerals resource.

Burley initially applied for exploration license applications (ELA's) over three iron ore prospects in the world class Hamersley Iron Ore Province. Those being Cane Bore, Broad Flat Wells and Hardey West. The Cane Bore Prospect has 28kms of remnant outcropping Channel Iron Deposit (CID) mineralisation which on

average is 400m wide. Broad Flat Well has CID mineralisation confirmed by historical rock chip assays ranging up to 61.5% Fe. A recent ASX release confirmed the grant of Exploration Licence (E47/4580) for Broad Flat Well. Countersigning of the Access and Heritage Protection Agreements for the two subsequent ELA's by the NT Claimant Group(s) are pending. The Exploration Agreements should be issued thereafter.

The Yerecoin Project also has potential for ultramafic hosted Ni-Cu-Co-PGE mineralisation and is located within the Jimperding Metamorphic Belt, only 60kms north of the world class, 20Moz palladium equivalent Julimar - Gonneville nickel-copper-PGE Project¹ owned by Chalice Mining Ltd (ASX: CHN). Helicopter-borne VTEMTM Max electromagnetic and magnetic geophysical survey identifies several EM anomalies. Historical drilling at Yerecoin South magnetite deposit intercepted abundant serpentinised ultramafic rocks adjacent to the BIF over strike length of ~3km and in places up to 150m thick. Drilling approvals are currently being progressed and a Land Access and Compensation Agreement with a Landowner was recently signed.

Tenement Schedule as of 30 September 2022:

Tenement	Project	30 September 2022 % interest	30 June 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%
E 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 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 changed.