

25 January 2023

ASX Release

31 DECEMBER 2022 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- RC maiden drilling over Tambourah North completed end of December 2022.
- 9 RC drillholes completed for 1,159m drilled at Tambourah North to date with all drill samples dispatched to Nagrom Labs for analysis.
- Tambourah drilling targeted the Zone 1 stacked - sheeted pegmatites that returned 2.56% Li₂O, 1.59% Li, 1.293 ppm Rb and 40 ppm Ta from surface rock chip sampling in April 2022.
- RC drilling program over Talga (Moolyella) completed early December 2022.
- 39 RC drillholes completed for 2,825m drilled at Talga to date with all drill samples dispatched to Nagrom Labs for analysis.
- Drilling targeted highly anomalous lithium assays from soil sample undertaken by BCI Minerals Limited in 2017 yielding up to 477ppm Lithium Oxide.
- Total RC drilling production for the quarter 3,984m.
- Aggressive maintenance for existing exploration programs and new battery metal acquisitions.
- The Company remains well funded with cash at bank \$13.02M.



Figure 1 – Minrex Field Crew - Talga Moolyella prior to the commencement of drilling November 2022

Quarterly Activities Report

MinRex Resources Limited (ASX: MRR) ("MinRex" or "the Company") is pleased to announce the completion of stage 1 RC drilling at the Tambourah North and Talga - Moolyella North Lithium Project near Marble Bar.

Quarterly Summary

The Company completed 9 RC drillholes totalling 1,159m over the Tambourah North lithium Project late December 2022. MinRex targeted the Zone 1 surface rich pegmatites hosted within the Apex Basalt located in the northern portion of the tenement.

In April 2022, the Company mapped and sampled surface outcropping pegmatite, which yielded rock chip samples consisting of MRR028: 2.56% Li₂O, 1.59% Li, 1,293 ppm Rb, 115 ppm Cs, 40 ppm Ta (*ASX Release 11 April 2022, Outstanding Assays at MRR Tambourah North in East Pilbara & 30 May 2022, New Larger Pegmatites Identified over Tambourah North in East Pilbara*).

The Company also completed the first pass RC drill program over the Talga Project. Stage 1 program consisted of 39 RC holes, totalling 2,825m. The drilling targeted the highly elevated soil anomalies over 15% of the tenement area with up to 447 ppm Lithium soil sampled in 2017 completed by BC Iron Limited (BCI:ASX).

MinRex Resources Limited Managing Director Mr Karageorge commented:

"I am pleased to report the MinRex team completed the first pass drilling programs over Tambourah and Talga Moolyella incident free in trying conditions in December 2022. The quarter yielded a major drilling milestone for MinRex achieving just shy of 4,000m.

Mr Karageorge added recent highlights.

Drilling Milestone

"MinRex continued the quarter on the back of the maiden RC drilling program at Sisters Marble Bar targeting the geological mapping and high-grade surface rock chip of lithium mineralisation on surface outcropping pegmatites. Tambourah has become a lithium hot spot with Trek Resources confirming petrophysical confirmation of spodumene bearing pegmatites and Infinity Mining, and Rivers Gold launching maiden drilling programs with MinRex sharing common boundaries over the untested Pegmatites with modern exploration techniques".

Aggressive Exploration and Partnering Opportunity

"MinRex will maintain an aggressive exploration program in 2023 and is currently reviewing multiple opportunities for potential lithium partnering and acquisitions on a Western Australian and global platform thanks to our highly lucrative cash position of over \$13M".

Tambourah North Lithium Project

Tambourah is located approximately 200 km south southeast of Port Hedland and 80km southwest of Marble Bar within the Pilbara Mineral Field.

The Tambourah project area has become a lithium exploration hub with recent maiden RC drilling programs launched by Infinity Mining Limited (IMI:ASX), Rivers Gold Limited (RGL:ASX) and Trek Metals Limited (TRK:ASX) all confirming spodumene rock chip and RAMON tested high-grade lithium assay results and petrophysical identification.

MinRex drill tested Zone 1, a series of stacked sheeted pegmatites hosting spodumene striking 45° over 300 metres with approximately 50m in width were located within the Apex Basalt Greenstone Belt, (see Figure 1 and Figure 3).

The proposed stage 1 maiden drill program was designed for 14 RC drill holes, totalling 1,540m to test the outcropping high-grade lithium bearing pegmatites identified from the initial rock chip sampling program reported in April 2022.

MinRex achieves 1,159m of drilling in 9 of the proposed 14 drillholes by the end of the 2022 field program. Drilling will recommence pending assay results, favourable weather conditions and drill rig availability in March or April 2023.

Talga Mollyella Lithium Project

A total of 3 main target out of 12 areas were drill tested within the project based on the combination of soil geochemistry and mapped pegmatite dyke zones. These have been preferentially selected over known pegmatite dykes with elevated lithium assays from soil sampling from 70 ppm Lithium to 447 ppm Lithium soils. Some spot highs include 410 ppm Tin and 95 ppm Tantalum (see Figures 3 and 4).

The coarse-grained pegmatites are striking between 280° and 340° with individual pegmatites ranging from 40m to 440m in length and vary from 0.5m to 4m in width. The Company designed its maiden RC drill programme over Project and tested the potential lithium bearing pegmatites along strike and at depth. In conjunction, shallow reconnaissance drilling over the newly identified soil geochemical target areas was systematically tested.

Approximately 60% of the northern portion of the tenement remains completely untested by surface geochemistry or mapping. Ground exploration activities will concentrate in the north portion of E45/5873 with Heritage Surveys completed for the calendar year.

Cash At Bank

The Company remains very well-funded with \$13.02M cash at bank on 31 December 2022.

The Company will launch in the new year the ongoing exploration programs over current project areas and initiate an aggressive acquisition strategy pursuing additional battery metals assets Australia wide and internationally.



Figure 2 – RC Drilling commenced over Tambourah North Project December 2022 with both Directors Mr Karageorge and Mr Shackleton

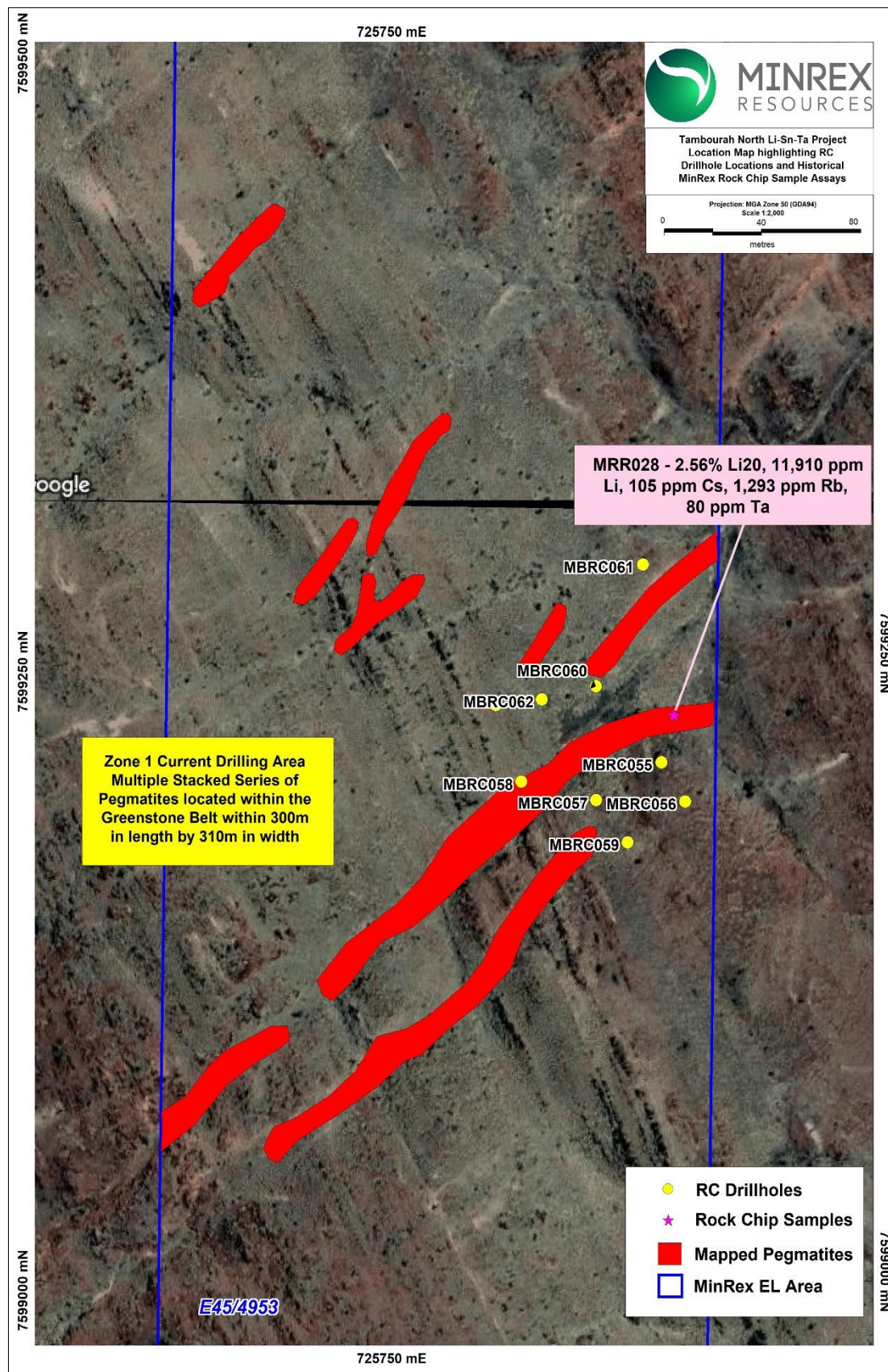


Figure 3 – Tambourah North drillhole collar positions and Pegmatite outcrop over Stage 1 Maiden RC drilling program



Figure 4 – Tambourah North Project Extensive Sheeted Spodumene Hosted Pegmatites

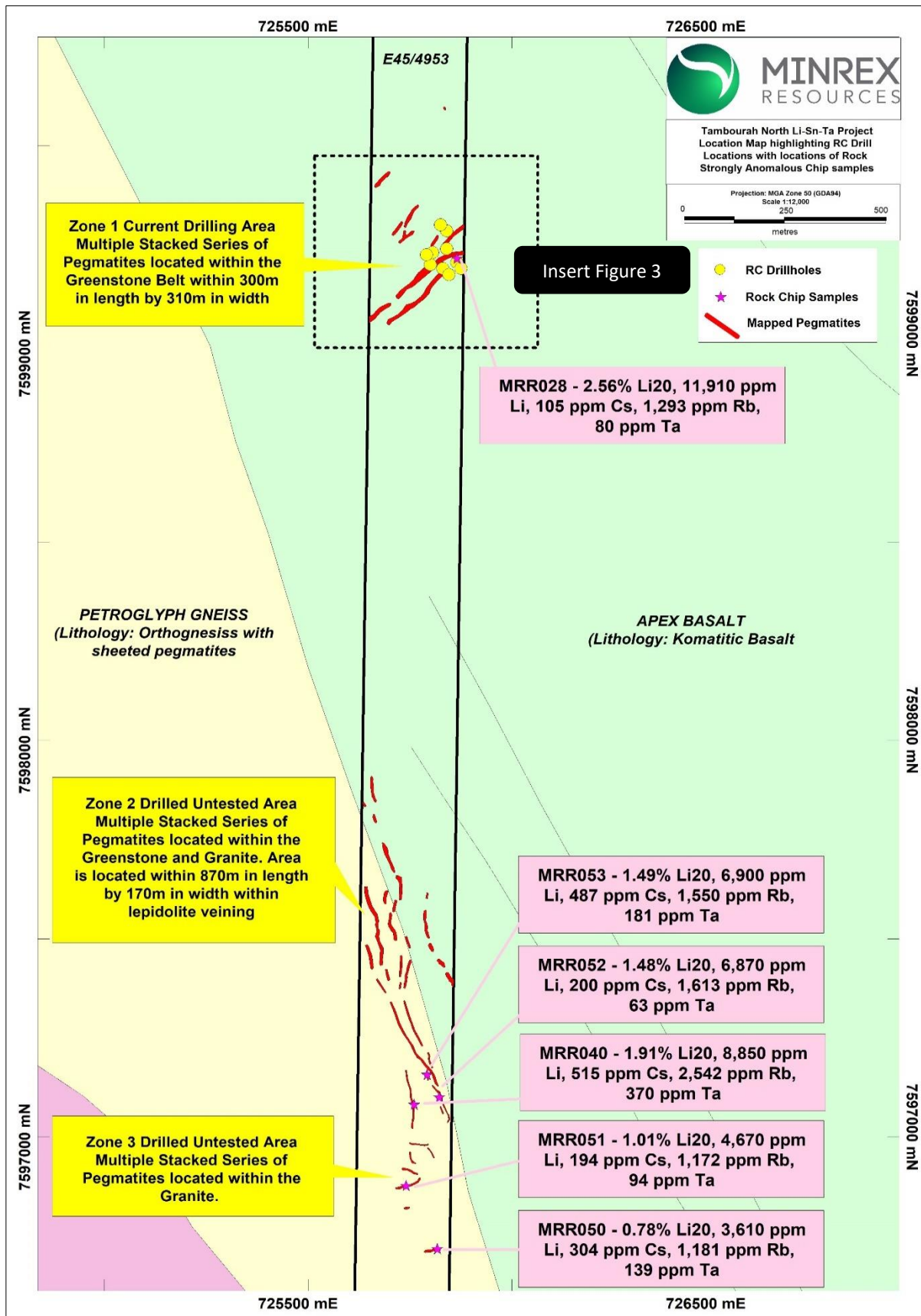


Figure 5 – Tambourah North Project highlighting the identified mineralised pegmatites with the current RC Drillhole locations

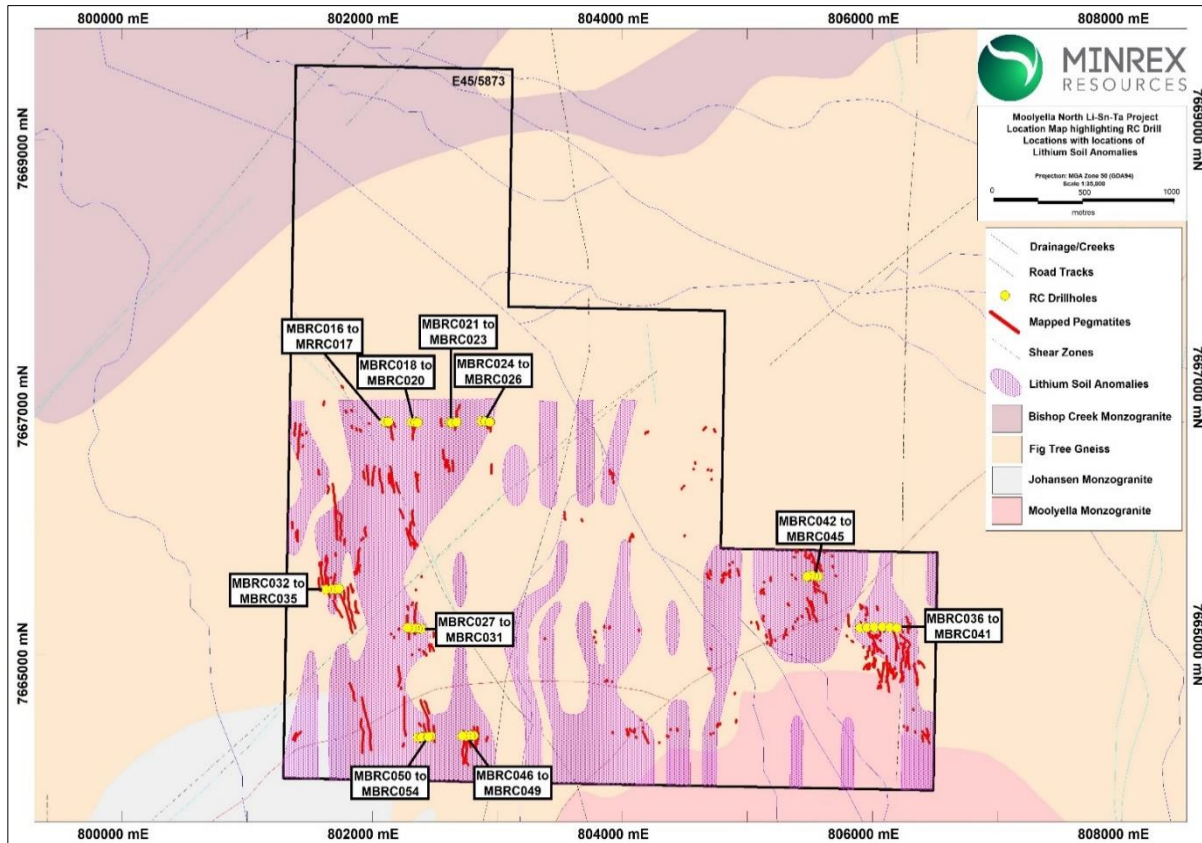


Figure 6 – Talga Moolyella drill collar position over Pegmatite outcrop and elevated Lithium soil anomalies.



Figure 7 – Talga Moolyella Pegmatite swarm outcrop within 1990's trenching ex-Pilbara Tin limited tin tantalum exploration.



Figure 8 - MBRC047 Talga – Mollyella drill pad November 2022 with extensive intersections of multiple stacked Pegmatites.

This ASX announcement has been authorised for release by the Board of MinRex Resources Limited.

For further information, please contact:

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About MinRex Resources Ltd

MinRex Resources Limited (ASX: MRR) is an Australian based ASX-listed emergent battery metals explorer with Lithium-Tin-Tantalum Projects in the Pilbara (WA) in close proximity to world-class Lithium and Tantalum producers Pilbara Minerals, Mineral Resources, and Global Lithium. MinRex also has a highly prospective portfolio of Gold-Copper projects in the Murchison and Pilbara Regions (WA) and Gold-Silver-Copper and other metals projects in the Lachlan Fold Belt (NSW). The Company's tenements package cover 1,000km² of highly prospective ground targeting multi-commodities type deposits. The Company also currently has JORC 2012 Resources totalling 352,213 oz gold at its Sofala Project (NSW).

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Ian Shackleton. Mr. Shackleton is the Technical Director of MinRex Resources Limited and is a Member of the AIG of whom have sufficient experience relevant to the styles of mineralisation under consideration and to the activity being reported 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. Ian Shackleton has verified the data disclosed in this release and consent to the inclusion in this release of the matters based on the information in the form and context in which it appears.

Forward Statement

This release includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning MinRex's planned exploration programs and other statements that are not historical facts. When used in this release, the words such as "could", "plan", "estimate", "expect", "anticipate", "intend", "may", "potential", "should", "might" and similar expressions are forward-looking statements. Although MinRex believes that its expectations reflected in these forward-looking statements are

reasonable, such statements involve known and unknown risks and uncertainties and are subject to factors outside of MinRex's control. Accordingly, no assurance can be given that actual results will be consistent with these forward-looking statements.

References

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Appendix 5B

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

Name of entity

MINREX RESOURCES LIMITED

ABN

81 151 185 867

Quarter ended ("current quarter")

31 DECEMBER 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(251)	(1,844)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(447)	(894)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	84	128
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	252	252
1.9	Net cash from / (used in) operating activities	(362)	(2,358)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(1)	(1)
	(c) property, plant and equipment	(1)	(61)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(2)	(62)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	925
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	23	339
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4)	(4)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	(21)	(20)
			-
3.10	Net cash from / (used in) financing activities	(2)	1,240

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	13,383	14,197
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(362)	(2,358)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(62)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	1,240

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	13,017	13,017

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	13,017	13,383
5.2	Call deposits	-	-
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)	13,017	13,383

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	169
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(362)
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)	(362)
8.4	Cash and cash equivalents at quarter end (item 4.6)	13,017
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	13,017
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	(35.959)
	<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?	
	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?	
	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?	
	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: 25 January 2023

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.

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