ASX ANNOUNCEMENT
31st JANUARY 2023

KOONENBERRY GOLD LTD

Quarterly Report for the Period ended 31 December 2022

HIGHLIGHTS

- RC Drilling completed at Lucky Sevens Prospect with the program designed to test the widest and highest tenor gold in soil anomaly at the Prospect as well as geophysical resistivity features interpreted to represent multiple, stacked quartz reefs
- Drilling intersected stacked quartz veins with zones up to 30m in width over a +2km strike
- Only low tenor gold results were returned (peak 2m @ 0.13g/t Au), which is interpreted to reflect the structural complexity of the local geology, where any mineralised veins may be discontinuous (such as tension gash or boudinage style) and could have been missed by the modest first-pass program. Alternatively, higher grade mineralisation could be focused elsewhere along the 4km of strike at Lucky Sevens
- Multielement data (Sb-As) is elevated in the quartz vein zones and reaffirms the exploration methodology and may provide vectors to mineralisation along strike
- These drill results have not explained the extensive surface gold anomaly at Lucky Sevens
- Preparations advanced for the first ever drilling campaign at Atlantis, Four Queens and Vegas Prospects, as well as upcoming prior rock chip and soil sampling campaigns planned in Q3
- **An abundance of targets waiting to be tested across the broader Project area**

Koonenberry Gold Ltd **(ASX:KNB)** ("Koonenberry" or the "Company") is pleased to report work has been carried out in the quarter particularly the completion of its maiden drilling program.

Managing Director, Dan Power, said "*We successfully executed our first ever drill program during the quarter. In the coming months we will look to drill test Prospects at Atlantis, Four Queens, Vegas and Lasseters as well as bring forward several anomalous Prospects to drill ready status.*"

OVERVIEW

The Company's 100% owned Koonenberry Project is located in NW New South Wales, approximately 160km NE of the major mining and cultural centre of Broken Hill and 40km W of the opal mining town of White Cliffs. The Project covers 2,060km^2 of granted EL's in a consolidated belt-scale package. The Company holds a dominant position along the Koonenberry Fault within the underexplored Koonenberry belt which is considered highly prospective for orogenic gold systems based on widespread gold occurrences and similar tectonic setting, host rocks, structure and mineralisation age as seen in the Victorian Goldfields, in particular the Stawell Zone[(1)].

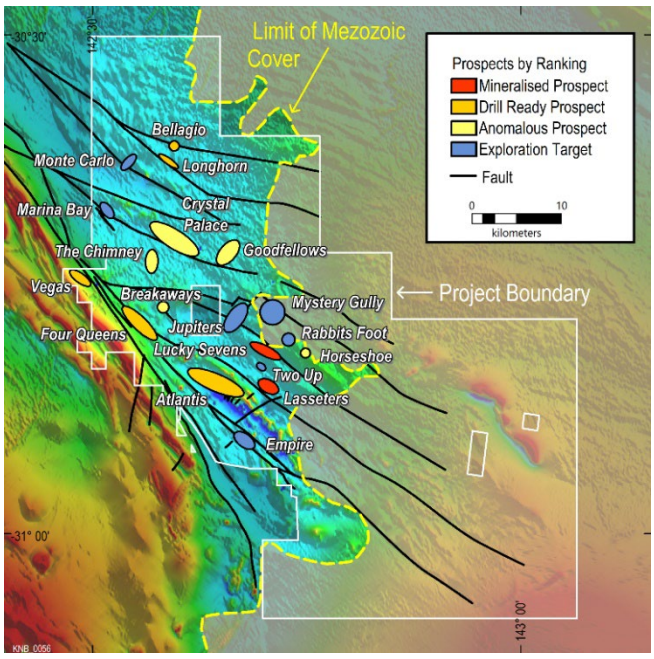


Figure 1. Koonenberry Gold Project.

EXPLORATION ACTIVITIES

During the quarter the Company completed Reverse Circulation (RC) drilling at the Lucky Sevens Prospect.

The Company has a solid pipeline of drill ready targets with preparation advancing for planned Aircore (AC) drill programmes to be completed during the remainder of the financial year. In addition, early-stage targets will be advanced with planned rock chip and soil geochemistry programs.

Lucky Sevens Drilling

The 11-hole, 2,258m RC drilling program was the first ever conducted by Koonenberry Gold and targeted a 400m part of the 4km long gold in soil anomaly (+5ppb, max 1,400ppb Au) [5] at Lucky Sevens. The soil anomaly appears to have a sigmoidal shape which is reflected in vein development mapped at outcrop scale (Figure 2).

The Lucky Sevens Prospect has seen limited drilling, with the dilational "fat" or "eye" part of the soil anomaly having seen no bedrock drilling. Historically, costean SBC0501 located at the northern "tail" returned **0.25m @20.67g/t Au**, whist RAB hole KYRB032 located at the southern "tail" returned **5.0m @25.1g/t Au from 0m**[1]. These historical intercepts demonstrate the high-grade potential of the mineralised structures (Figure 2).

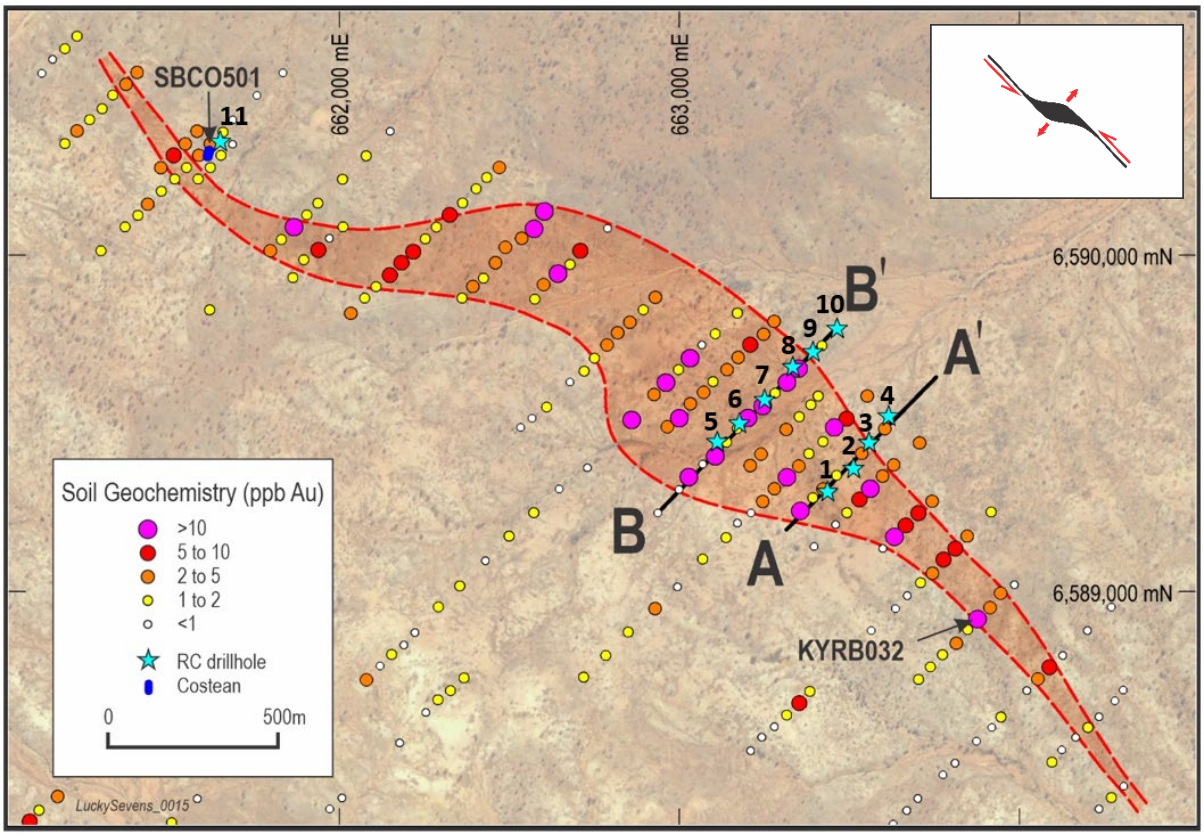


Figure 2. Plan view of the Lucky Sevens Prospect showing 4km x 450m gold in soil geochemical anomaly, drill hole locations and sections A-A' and B-B'. The "fat" or "eye" part of the soil anomaly is interpreted to coincide with a zone of maximum dilation and fluid flow and is being targeted with drilling for the first time. Historical costean SBC0501 returned 0.25m @ 20.67g/t Au and RAB hole KYRB032 returned 5.0m @25.1g/t Au from 0m[1] at the northern and southern "tail" of the "eye" respectively. These historical intercepts demonstrate the high-grade potential of the mineralised structures.

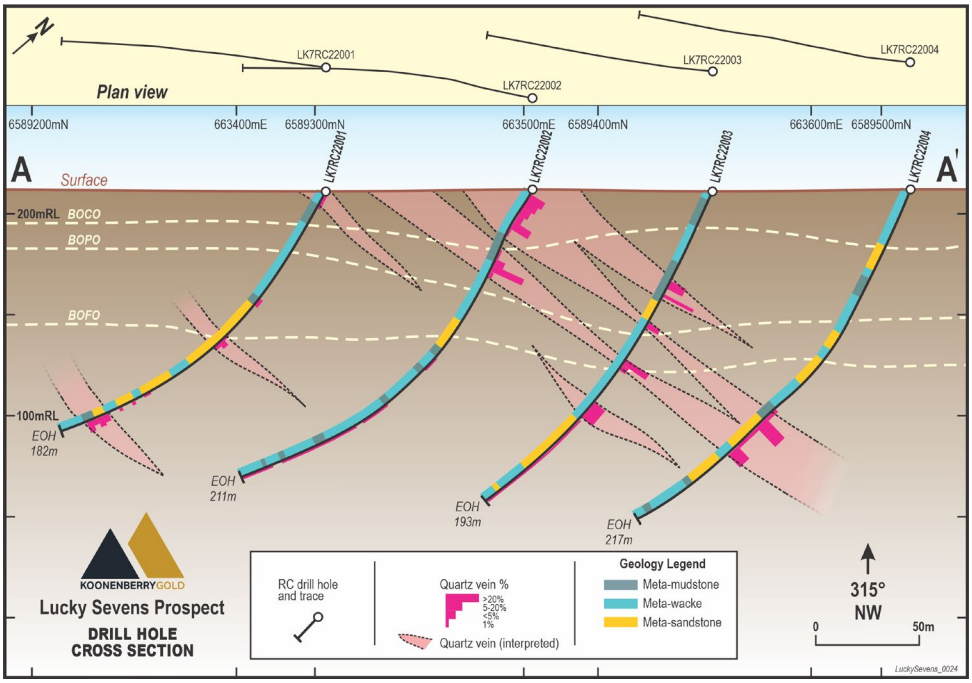


Figure 3. Cross-section A – A' showing RC drill hole traces which were designed to test the potential for multiple stacked quartz veins. Observed quartz veins are shown in pink and are interpreted to have continuity between drill holes. They remain open along strike, at depth and down dip towards the NE.

The drilling program objective was to test both the anomalous gold in soil geochemistry and the resistive geophysical features mapped beneath shallow cover [(8)].

A single drill hole at the 17 Black Prospect (northern "tail" of Lucky Sevens), was targeted underneath the SBC0501 costean result which had returned 0.25m @ 20.67g/t Au[(1)].

All assays have been received and elevated results returning >0.05g/t Au are presented in Table 1 below.

Hole ID	Azimuth (True N)	Dip	Depth From	Depth To	Interval (m)	Au (g/t)	As (ppm)	Cu (ppm)	Sb (ppm)
LK7RC22002	226.79	-69.57	10	12	2	0.132	44.4	43.8	5.59
LK7RC22002	226.79	-69.57	22	24	2	0.083	10.6	17.2	0.87
LK7RC22008	226.32	-70.12	48	50	2	0.058	6.2	33.5	0.47

Table 1: All results >0.05g/t Au

Broad zones of interest containing quartz veins and\or sulphides, corresponding to a moderately east dip on each section were identified and are outlined in Table 2 below:

Hole ID	Section	Depth From (m)	Depth To (m)
LK7RC22002	A-A'	0	46
LK7RC22003	A-A'	48	132
LK7RC22004	A-A'	130	160
LK7RC22007	B-B'	10	14
LK7RC22008	B-B'	46	204
LK7RC22009	B-B'	60	182
LK7RC22010	B-B'	78	204
LK7RC22011	C-C'	38	66

Table 2: Zones of interest identified

From these zones in Table 2 the multi element data was reviewed and it was clear that gold and pathfinder elements (As and Sb) were more elevated in these zones of interest than the rest of the samples (Table 3). This information will help to better target mineralisation along strike.

	Au (g/t)	Sb (ppm)	As (ppm)	Cu (ppm)
Main Quartz Zones	0.004	1.3	12.8	25.3
Remaining Zones	0.002	0.8	8.8	27.0

Table 3: Pathfinder multi-element by average grade in zones of interest vs. remaining zones

The multi-element data was also reviewed in cross section, with examples from line 1 shown in Figures 4 to 6. Whilst subtle in absolute concentrations, there is a clear positive correlation of Au, As and Sb with the observed and interpreted quartz veining, supporting the target methodology and pathfinder element exploration toolkit. This data also supports the interpreted dip of the veins representing areas of hydrothermal fluid flow. There is no evidence of a supergene gold blanket at the interface of the Upper-Lower Saprolite boundary in the regolith profiles and no apparent supergene depletion from leaching in the Upper Saprolite. These findings are important and will assist the upcoming Air Core program design and subsequent interpretation of results.

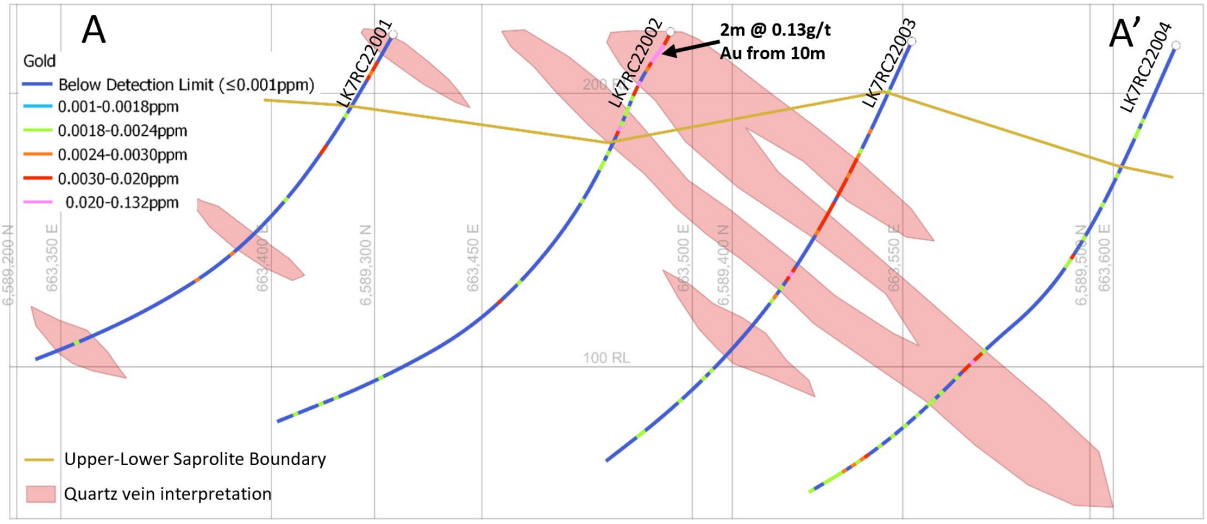


Figure 4 – Cross Section A-A' (line 1) showing down hole gold assays (ranges by standard deviations)

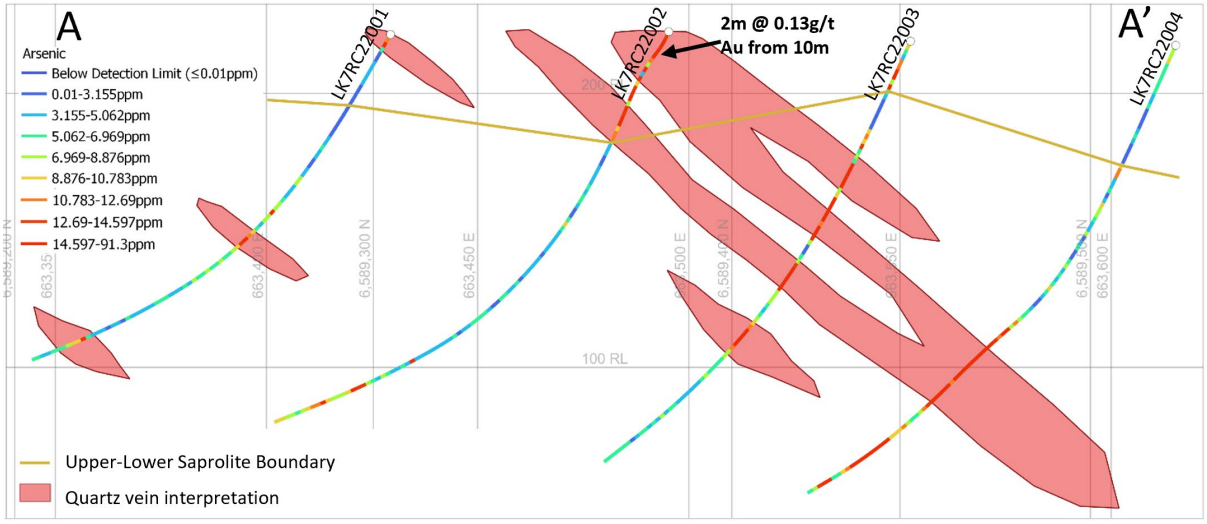


Figure 5 – Cross Section A-A' (line 1) showing down hole arsenic assays (ranges by standard deviations)

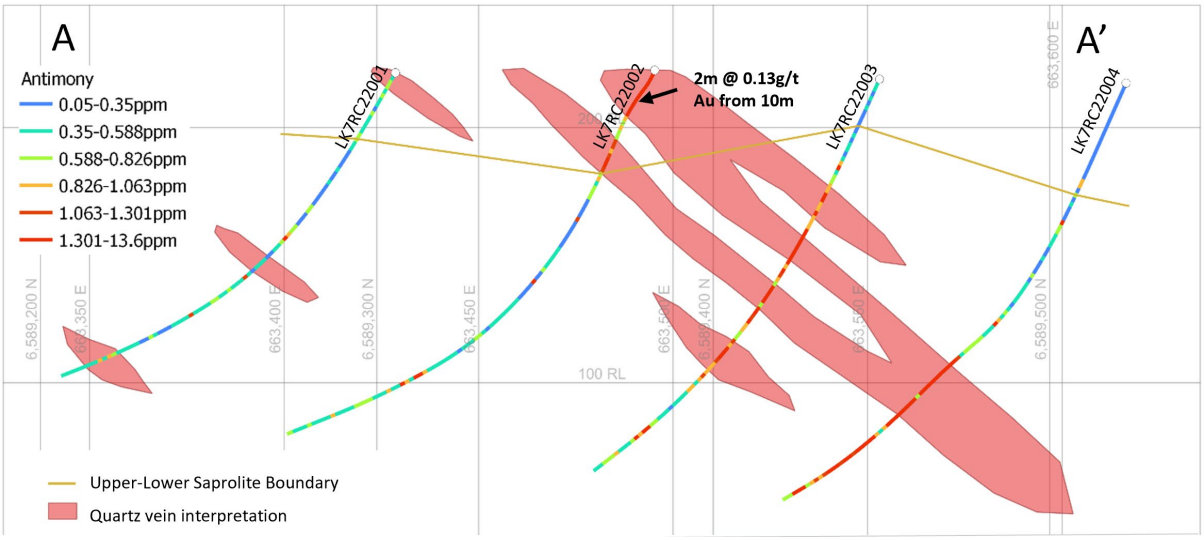
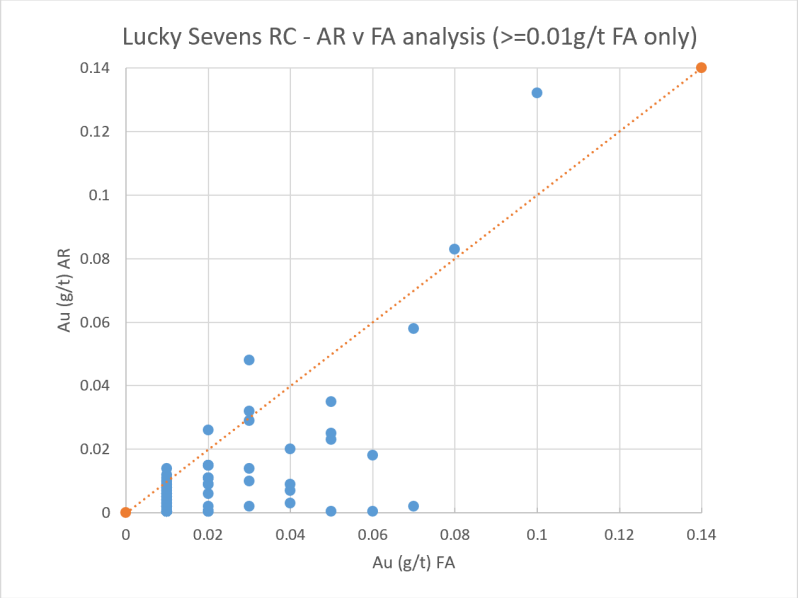


Figure 6 – Cross Section A-A' (line 1) showing down hole antimony assays (ranges by standard deviations)

Samples in the quartz zones of interest were later reanalysed by Fire Assay to determine if there was any fine gold present that was not liberated by the Aqua Regia digest employed in the first pass laboratory analysis (as Fire Assay is a more complete method to quantify absolute contained gold). All assays have been received and similar results were returned for both; However, for values >=0.01g/t (detection limit) of Fire assay, there is a skew towards higher values in general with the Fire Assay technique compared to Aqua Regia (Graph 1).



Graph 1: values >=0.01g/t (detection limit) of Fire assay

After comparing the top three significant intersections (Table 4), two were slightly higher in the Aqua Regia assay data compared to Fire Assay but are considered to be within the error of the nugget effect (as different pulp charges were used for each).

Hole ID	Azimuth (True N)	Dip	Depth From	Depth To	Interval (m)	Au AR (g/t)	Au FA (g/t)
LK7RC22002	226.79	-69.57	10	12	2	0.132	0.1
LK7RC22002	226.79	-69.57	22	24	2	0.083	0.08
LK7RC22008	226.32	-70.12	48	50	2	0.058	0.07

Table 4: All results >0.05g/t Au showing Aqua Regia (AR) and Fire Assay (FA) comparison

The geology observed is of a typical deep water turbidite sequence of mudstone, siltstone, matrix-supported, poorly-sorted wackes and clast-supported, better-sorted sandstone, which have been metamorphosed to lower greenschist facies. In all rock types, clastic grains are dominated by quartz accompanied by lesser feldspars, minor muscovite and trace Ti-mineral, graphite, biotite, tourmaline and zircon. The presence of graphitic clasts indicates these sediments were weakly carbonaceous and therefore reduced in redox character.(16)

Quartz veins are generally observed on or near the contact between the grain-supported sandstone and matrix-supported wacke and/or fine-grained mudstone. In the absence of structural data (drill core) the quartz veins have been interpreted to have a moderate dip towards the east.(9) They tend to have a milky-white colour and are filled and/or sealed by varied assemblages of quartz-chlorite, or fine-grained quartz-carbonate-graphite ±sulphides (pyrite-chalcopyrite-sphalerite).(16) Quartz veins were observed to have the highest abundance on section B – B', which is also coincident with the highest tenor gold in soil results.

Alteration consists of silica-sericite and chlorite which are observed to increase in intensity closer to the quartz vein zones. Sulphides are observed as very fine-grained disseminations of pyrite and rare pyrrhotite which also generally increase in abundance closer to the quartz veins. Chalcopyrite and sphalerite have been observed petrographically as described above.

The Base of Complete Oxidation (BOCO), Base of Partial Oxidation (BOPO) and Base of Fracture Oxidation (BOFO) are observed to increase slightly in the centre of the A – A' and B – B' sections, (9) which is indicative of increased weathering along a structure/s and oxidation of sulphides. Given the proximity of the quartz veining and coincidence of alteration and sulphide mineralisation, this structure/s is likely to have been a conduit for hydrothermal fluids.

FORWARD PROGRAM

Koonenberry Gold plans to complete a substantial Aircore program at a number of Prospect areas during the second half of the financial year subject to regulatory approvals. Planning for Aircore drilling at the Atlantis, Vegas and Four Queens Prospects is advanced and a number of other target areas are undergoing design for first pass drilling.

Campaign rock chip programs will be implemented in the next quarter, along with more soil sampling surveys in locations warranted that have limited or no historical soil data. This work will aim to advance known anomalous Prospects to drill ready status.

In addition, there are a significant number of areas that have not had first-pass reconnaissance exploration, including rock chip sampling and assaying. These areas will also be targeted. Geophysical surveys are also planned (with potential follow up AC drilling) to test effectiveness for targeting underneath the Mesozoic cover and potentially at Atlantis to test for a conductive/resistive response associated with known alteration and mineralisation at surface.

At the Belagio and Longhorn Prospects, soil sample pulps will be submitted for multi-element analysis. It is expected that further multi-element soil data will help to define drill targets in these Prospect areas.

CORPORATE UPDATE

During the quarter, the following corporate events occurred:

- Mr Brett Tucker was appointed as Company Secretary on 14 October 2022, replacing Mr Ben Donovan;
- The Company purchased and extinguished the 2% net smelter royalty interest over Exploration Licence 6803 for cash consideration of $20,000;
- A total of 11,063,000 unlisted options expired unexercised on 19 November 2022;
- The Company held its Annual General Meeting (AGM) of shareholders on 30 November 2022, where all resolutions were passed on a vote via poll; and
- The Company issued 3,000,000 performance rights to Mr Paul Harris as approved by shareholders at its AGM.

CAPITAL MANAGEMENT

As at 31 December 2022, Koonenberry had a cash balance of $2.88 million and no debt.
Exploration and evaluation expenditure incurred during the quarter was $1.14 million.

RELATED PARTY PAYMENTS IN QUARTER TO 31 DECEMBER 2022

In accordance with Appendix 5B:

SRG CFO and Accounting Fees	$14,000 [1]
Non-Executive director fees	$60,575 [2]

[1] SRG Partners provides CFO and accounting support services (George Rogers is a Director of SRG Partners).
[2] Directors fees include payments for Non-Executive Director fees.

At 31 December 2022 no other payments have been made to, or to an associate of, a related party of the entity that the Directors are aware of.

ACTUAL EXPENDITURE SINCE LISTING COMPARED TO "USE OF FUNDS" IN PROSPECTUS

Listing Rule 5.3.4 requires the Company to provide a comparison of actual expenditure to date since listing on 28 September 2021 against the use of funds statement in the Prospectus dated 2 July 2021.

Use of Funds [1]	Use of Funds Statement $'000's	Actual spend to 30 September 2022 $'000's
Exploration Expenditure	4,700	2,266
Future Acquisition Costs	1,000	-
Expenses of the Offers	798	1,004
Working Capital	2,055	2,009
Total	**8,553**	**5,279**

[1] The use of funds table is a statement of current intentions at the date of the Prospectus (2 July 2021). As with any budget intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

All costs spent to date are aligned with Koonenberry's expected use of funds as outlined in the Prospectus dated 2 July 2021. The exploration costs have been lower than planned due to COVID-19 border lockdowns and changes in exploration personnel affecting planned activities.

CAPITAL STRUCTURE AT 31 DECEMBER 2022

Ordinary Fully Paid Shares	119,749,088
Unlisted Options	1,665,000 (various strike prices and expiry dates)
Performance Rights	5,600,000 (various performance hurdles and expiry dates)

Of the issued ordinary shares, 43,992,644 (36.7%) are restricted shares.

-ENDS-.

ABOUT KOONENBERRY GOLD

Koonenberry Gold Ltd is a minerals explorer based in Australia aiming to create value for shareholders through exploration at the Company's 100%-owned Koonenberry Gold Project. The Project is located in north-western New South Wales, approximately 160km north-east of the major mining and cultural centre of Broken Hill and 40km west of the opal mining town of White Cliffs. Good access is available via main roads connecting Broken Hill, White Cliffs and Tibooburra. Acquired in 2017, and with an IPO in 2021, the Project covers 2,060km^2 of granted EL's in a consolidated tenement package.

With abundant evidence of high-grade mineralisation in multiple bedrock sources and a pipeline of emerging targets, the tenement package offers a compelling regional scale discovery opportunity in an underexplored and emerging province. Koonenberry Gold holds a dominant position in the Koonenberry Belt in NSW which is believed to be an extension of the Stawell Zone in Western Victoria and therefore has the potential for the discovery of significant gold deposits.

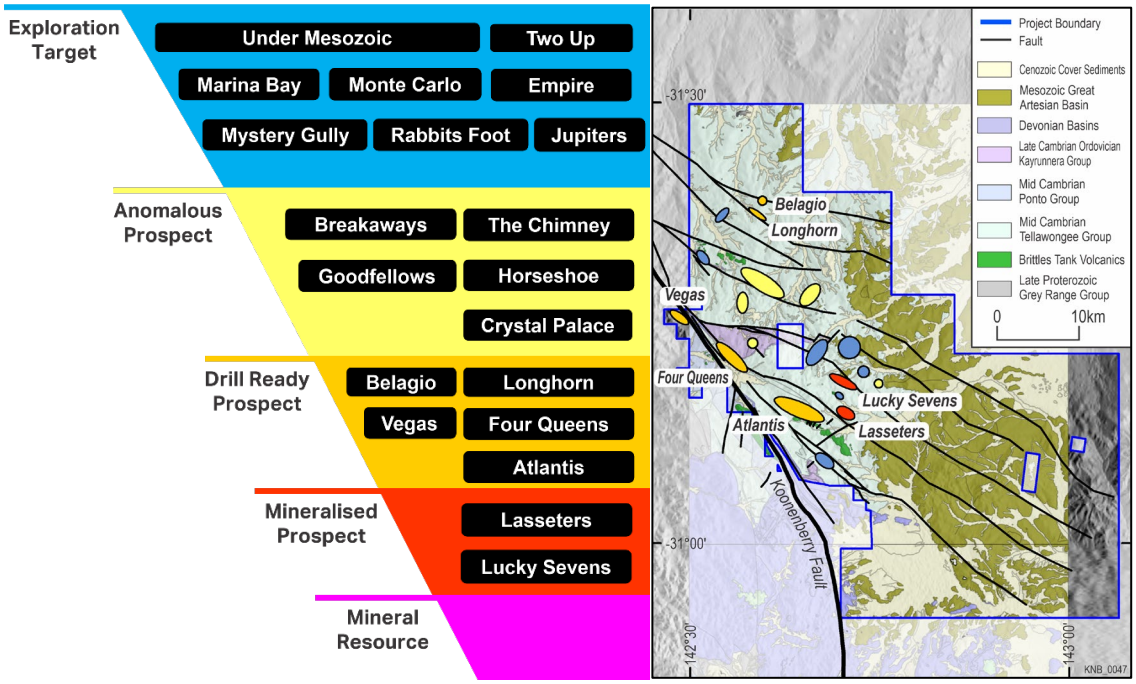


Figure 7. Koonenberry Gold Prospects and pipeline of discovery opportunities [2].

This ASX release was authorised by the Board of the Company.

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For further information regarding the Company and its Projects please visit www.koonenberrygold.com.au

REFERENCES

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6. Koonenberry Gold, 11/07/2022. ASX - JMEI tax credits secured.
7. Koonenberry Gold, 28/07/2022. ASX - Quarterly Activities Report.
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11. Miller J. and Wilson, J.L., 2004. Stress controls on intrusion-related gold lodes: Wonga gold mine, Stawell, Western Lachlan Fold Belt, Southeastern Australia.
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14. North Stawell Minerals (ASX: NSM), 2021.01.31. December 2021 Quarterly Activities Report, p14
15. Duncan, R. 2019. The five key ingredients that make a world-class gold district, Geological Survey of Victoria. Compilation of various open file rock lithogeochem data including Gold Undercover work Report 16 Arne & House, 2009.
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Licence Number	Area (km^2)*	Location	Title Holder	Equity Interest at Quarter End	Change in Equity Interest during Quarter
EL6803	156.22	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL6854	59.02	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL7635	23.60	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL7651	47.20	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8245	88.50	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8705	5.90	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8706	295.37	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8819	168.36	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8918	162.64	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8919	277.25	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8949	23.62	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL8950	32.47	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL9491	372.16	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL9492	321.66	NSW	Lasseter Gold Pty Ltd	100%	N/A
EL9493	26.22	NSW	Lasseter Gold Pty Ltd	100%	N/A

Table 4. Koonenberry's 100% owned subsidiary company, Lasseter Gold Pty Ltd, owns a 100% interest in fifteen (15) granted tenements associated with the Koonenberry Gold Project.
*Area is calculated from the ellipsoid, not planimetric.

Prospect	Hole ID	Easting	Northing	mRL	Azi. (True Nth)	Dip	Depth (m)
Lucky Sevens	LK7RC22001	663428	6589294	243	227.75	-60.71	182
Lucky Sevens	LK7RC22002	663502	6589366	244	226.79	-69.57	211
Lucky Sevens	LK7RC22003	663561	6589443	244	225.17	-65.66	193
Lucky Sevens	LK7RC22004	663621	6589525	231	224.40	-65.92	217
Lucky Sevens	LK7RC22005	663114	6589446	239	225.42	-65.84	205
Lucky Sevens	LK7RC22006	663180	6589501	239	227.07	-63.04	241
Lucky Sevens	LK7RC22007	663253	6589572	241	222.54	-70.00	211
Lucky Sevens	LK7RC22008	663335	6589664	239	226.32	-70.12	217
Lucky Sevens	LK7RC22009	663395	6589712	233	226.15	-70.32	215
Lucky Sevens	LK7RC22010	663464	6589783	233	224.48	-69.86	215
Lucky Sevens	LK7RC22011	661649	6590340	249	226.66	-60.11	151

Table 5. Lucky Sevens drill collar information. Reference coordinate system is WGS84 Zone 54.

Competent Persons Statement

The information in this announcement that relates to exploration results is based on information compiled under the supervision of Mr Paul Wittwer, who is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Institute of Mining and Metallurgy (AusIMM) and is the Exploration Manager of Koonenberry Gold Limited. Mr Wittwer has sufficient experience that 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 Exploration Results, Mineral Resources and Ore Reserves." Mr Wittwer consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

Forward looking statements

This announcement may include forward looking statements and opinion. Forward looking statements are based on Koonenberry and its Management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Koonenberry's business and operations in future. Koonenberry does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that Koonenberry's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Koonenberry or Management or beyond Koonenberry's control. Although Koonenberry attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of Koonenberry. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law in providing this information Koonenberry does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any changes in events, conditions or circumstances on which any such statement is based.

Cautionary statement on visual estimates of mineralisation

References in this announcement to visual results are from visual estimates of drill chips from reverse circulation drilling by qualified geologists. Laboratory assays are required for representative estimates of quantifiable elemental values.

APPENDIX 1. JORC CODE TABLE 1 Checklist of Assessment and Reporting Criteria

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• Representative composite 2m samples and 1m samples were taken of RC drill hole cuttings.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Samples were collected over one metre intervals using a rig mounted rotary cone splitter to obtain a split representative sample of approximately 2 to 3kg. • Each 1m interval sample was then split using a Single Tier Field Sample Splitter (50% / 50%) with first half sample placed in a sequentially numbered calico bag and returned as the representative 1m sample. The second half sample was combined with the second half sample from the next sequential 1m sample to produce a 2m composite sample for assay. The assay sample was placed in a sequentially numbered calico bag. • The rig mounted rotary cone splitter and field single tier splitter were routinely monitored and cleaned to minimise contamination. • The composite assay samples, 1m representative sample and any QA/QC samples were placed initially in polywoven bags and then into Bulka Bags or equivalent and sealed in preparation to be transported to ALS in Adelaide for analysis.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Determination of mineralisation was achieved by appropriate geological logging of samples by company geologist or representative under direction.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg. submarine nodules) may warrant disclosure of detailed information.*	• The Reverse Circulation (RC) drill holes were drilled with a face-sampling hammer using industry practice drilling methods to obtain a 2m representative sample for assay. Silver City Drilling (SCD) completed RC drilling using a large capacity RC Rig (Hydco 1000).
Drilling techniques	• *Drill type (eg. core, reverse circulation, open-hole hammer, rotary air blast,*	• RC Drilling used a 5 ½" diameter face sampling hammer using standard RC

Criteria	JORC Code explanation	Commentary
	auger, Bangka, sonic, etc) and details (eg. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	drilling Techniques employed by SCD, a specialist RC Drilling company. • Downhole surveys were carried out on RC holes within the drill string using a Reflex gyroscopic survey tool every 30m to record the movement of the drill hole from the planned direction and inclination, with True North azimuth measured.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• RC sample weights and recoveries were observed during the drilling with any wet or moist, under-sized or over-sized drill samples being recorded. All samples were deemed to be of acceptable quality.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• RC samples were checked by the geologist for volume, moisture content, possible contamination, recoveries and against drill depth. Any issues were discussed with the drilling contractor. • Sample spoils (residual) were collected in large green heavy duty, UV stabilised plastic bags with representative chips collected by sieving a grab sample from the bags and washing the oversize component for storage in chip trays and logging.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample recovery was good. No sample biases are expected, and no relationship is known to exist between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• No Mineral Resource estimation, mining studies or metallurgical studies have been conducted at this stage, but samples have been logged with sufficient detail to use for this function. • A representative sample of the RC chips was collected from each of the drilled intervals (sampled every 1m), then logged and stored in chip trays for future reference. RC chips were logged for lithology, alteration, degree of weathering, fabric, colour, abundance of quartz veining and sulphide type and % abundance. • Geological data was recorded using a computer-based logging system
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Geological logging was qualitative in nature. Reference RC chips in trays have been photographed and placed into storage.
	• *The total length and percentage of the relevant intersections logged.*	• The entire length of all RC holes was logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No core was drilled
	• *If non-core, whether riffled, tube sampled, rotary split, etc and-whether sampled wet or dry.*	• All RC samples were collected at 1m intervals in numbered calico bags using the rig mounted cone splitter and each 1m interval sample was

Criteria	JORC Code explanation	Commentary
		then split using a Single Tier Field Sample Splitter (50% / 50%), and the splits were combined every 2m to produce a 2m composite sample for assay. • Almost all (99.5%) samples were dry. • All polywoven plastic bags containing samples for assay were secured and placed into bulka bags or equivalent in preparation for transport to ALS Laboratory in Adelaide.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Samples are pulverised at ALS to a QC size specification of 85% <75µm.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Pulverised samples are rotary split using a Boyd Rotary Splitter
	• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*	• Duplicates, blanks and standards were placed in the sample sequence alternatively every twenty fifth sample. • 2m composites, duplicates, blanks and standards were all placed in calico sample bags then placed in white polywoven plastic bags.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample size is considered appropriate for the target style of mineralisation, and the requirements for laboratory sample preparation and analyses, for early stage Exploration Results.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• ALS is an ISO/IEC 17025:2005 and ISO9001:2015 certified laboratory. • All samples were analysed using a trace detection limit method for acid extractable Au (aqua regia digestion), using a 50g charge and ICP-MS finish (ALS method AuME-TL44), along with a 50-element package. Detection limit range for Au is 0.001ppm to 1ppm. • Gold values >0.02ppm from AuME-TL44 were reanalysed with a further 50g charge using fire assay fusion with an atomic absorption spectroscopy finish (ALS method Au-AA26). Detection limit range is 0.01ppm to 100ppm Au. • Zones of visual geological interest were reanalysed with a further 50g charge using fire assay fusion with an atomic absorption spectroscopy finish (ALS method Au-AA26). Detection limit range is 0.01ppm to 100ppm Au. • The nature of the laboratory assay sampling techniques is considered 'industry standard' and appropriate.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations*	• Magnetic susceptibility measurements were completed on all 1m samples using a TERRA KT-10 handheld magnetic susceptibility meter.

Criteria	JORC Code explanation	Commentary
	factors applied and their derivation, etc.	
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Duplicates, blanks and standards were placed in the sample sequence alternatively every twenty fifth sample. • Sample quality, sample interval, sample number and QA/QC inserts (standards, duplicates, blanks) were recorded on paper logs and then collated and entered into the logging system. • The QAQC assays were reviewed to ensure testing was accurate. In addition, lab duplicates and lab standard analysis (laboratory checks) are investigated to check for potential errors. If a potential error is discovered, it is investigated and the samples are potentially re-run with another laboratory.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• Assay data has been verified by the geologist in charge of the program and a second Koonenberry Gold employee. • Significant intersections/results in this ASX Release have been verified by the Competent Person.
	• *The use of twinned holes.*	• No twinned holes have been completed as part of this ASX Release, as the program is at an early stage.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Primary geological logging was completed by electronic means using a rugged tablet and appropriate data collection software. • Sampling data was collected on hard copy and then entered into excel software. • All original hardcopy logs and sample reference sheets are kept for reference. Digital data entry is validated through the application of database validation rules and is also visually verified by the responsible geologist through GIS and other software. Any failures are sent back to the responsible geologist for correction and re-submission. Data is stored in a SQL database managed through an external consultant with proprietary software. The extracted database is backed up as part of the Company server backup protocol.
	• *Discuss any adjustment to assay data.*	• No adjustments have been made to the assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• All data points have been collected with a standard Garmin GPS with an Easting and Northing accuracy of approximately +/- 5m. • Drill Collars remain in place but are scheduled to be rehabilitated as per the NSW Government's Guidelines.

Criteria	JORC Code explanation	Commentary
		• Drillholes are planned to be surveyed using a high accuracy system, prior to rehabilitation.
	• *Specification of the grid system used.*	• The grid system used is Universal Transverse Mercator (UTM) WGS84, Zone 54 (Southern Hemisphere).
	• *Quality and adequacy of topographic control.*	• Topographic control based on 5m DEM data. Surface RL data was approximated using a Digital Elevation Model created from DEM Data. • Variation in topography is less than 20 metres within the project area.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• Holes collars were designed nominally at ~100m spacing across strike with angle-overlap coverage
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• No Mineral Resource or Ore Reserve have been estimated in this ASX Release.
	• *Whether sample compositing has been applied.*	• No compositing of assay data has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drilling was orientated to be approximately perpendicular (in azimuth) to the known strike of the lithological units and outcropping quartz veins.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill testing is too early stage to determine if the drilling orientation has introduced a sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• Chain of Custody was managed by Koonenberry staff and its contractors. The samples were transported daily from the site to camp where they were secured in Bulka Bags to be freighted to ALS in Adelaide for analysis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• An overall geological review has been undertaken by an independent geologist and is provided in the KNB Prospectus.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• Refer to Solicitor's Report in Company Prospectus released to ASX 24/09/2021. • The Koonenberry Project is secured by 15 granted Exploration Licences covering 2,060km^2 in a consolidated package.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Refer to Solicitor's Report in Company Prospectus released to ASX 24/09/2021.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Refer to Independent Geologist's Report in Company Prospectus released to ASX 24/09/2021.
Geology	• *Deposit type, geological setting, and style of mineralisation.*	• The Project area covers a series of Mid - Cambrian marine sediments of the Koonenberry Formation, which were deposited in a volcanic arc environment prior to being deformed in the Late Cambrian Delamerian Orogeny. This orogeny is characterised by intense compressive deformation, resulting in tight to isoclinal upright folds and a vertical slaty cleavage. • The Koonenberry Belt has been subject to uplift, sedimentation and deformation throughout the Phanerozoic, including the Benambran Orogeny, which is considered to be the main phase of gold mineralisation. • It is comparable with the Stawell Zone of the Victorian Goldfields. On the western side of the Koonenberry Project is the Koonenberry Fault, which is a long-lived deep crustal structure traceable in outcrop for over 225 km. • Gold occurs as structurally controlled lode-style veins or as alluvial concentrations. Lode gold is often associated with laminated quartz veins and has also been documented in quartz vein stockworks. Gold is associated with pyrite and arsenopyrite, galena, chalcopyrite and sphalerite. • Documented veins range in width from millimetre scale to several metres in width, with the strike of some individual veins exceeding several hundred metres. Historical production often documented head grades of sorted ore at two to three ounces of gold per tonne.

Criteria	JORC Code explanation	Commentary
Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *- Easting and northing of the drill hole collar.* *- Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.* *– Dip and azimuth of the hole.* *– Down hole length and interception depth.* *– Hole length.*	• Completed drill hole details are presented in Tables in the body of the report. • A summary of significant results >=0.05g/t Au are summarized in the Tables in the body of the report.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No information has been excluded from this release to the best of Koonenberry Gold's knowledge.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.*	• The cut-off grade for reporting of drill results was 0.05g/t Au
	• *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• All aggregate drill intercepts are length weighted and no internal dilution was applied
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent values have been reported in this ASX Release.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• Information and knowledge of the mineralised systems are inadequate to estimate true widths.
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• The geometry is unknown at this stage
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	• Down hole lengths are reported
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps, sections, and tables for new results have been included in this ASX Release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Not all sample assay data has been included in this report as it is not considered material beyond the representatively reported high- and low-grade results presented in the main body of this ASX Release. Gold results reported range from

Criteria	JORC Code explanation	Commentary
		<0.001g/t to 0.13g/t Au.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The Koonenberry Project includes a large amount of exploration data collected by previous companies. This includes stream sediment, soil sample, rock chip and costean data as well as geological mapping data, drilling data and magnetics data. Much of this data has been captured and validated in a GIS database. • Further information can be found in the Independent Geologist's Report in Company Prospectus released to ASX 24/09/2021.
Further work	• *The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Further drilling is planned.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• See body of this announcement.

Appendix 5B

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

Name of entity	
Koonenberry Gold Limited	
ABN	**Quarter ended ("current quarter")**
17 619 137 576	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	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(216)	(476)
	(e) administration and corporate costs	(170)	(376)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	27	28
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)	-	-
1.9	**Net cash from / (used in) operating activities**	**(359)**	**(824)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4)	(6)
	(d) exploration & evaluation	(1,140)	(1,479)
	(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	200	200
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(944)**	**(1,285)**
	Notes to investing activities: 2.1b – Refund of tenement security bond (overpayment)		

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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 (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,182	4,988
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(359)	(824)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(944)	(1,285)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,879**	**2,879**

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	2,868	4,171
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (bank guarantee)	11	11
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,879**	**4,182**

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	75
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

Notes to related party payments:

$60,575 paid to Non-Executive Directors for services provided.

$14,000 paid to SRG Partners for CFO and Accounting Services provided. George Rogers (non-executive director) is a Director of SRG Partners.

7.	**Financing facilities** *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.*	**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	-	-
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)	(359)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,140)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,499)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,879
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,879
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.92

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.

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: Yes

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: The Company is confident that it can raise sufficient capital as and when required to fund its operations based on an ongoing review of potential funding arrangements.

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:	The entity currently holds sufficient cash reserves meet its forecasted material drilling costs deferred presently to April 2023 and corporate and administrative expenses. Beyond its cash reserves and strong net asset position, the entity has good prospects of raising capital in the future to meet ongoing business operations.

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.

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: 31 January 2023

Authorised by: ...Board of Directors.....
(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.