

Monday 13th February 2023

ASX Announcement

BUBALUS GEARS UP FOR ACTIVE 2023 DRILLING SEASON

Highlights

- Target generation nearing completion to inform 2023 in field exploration & drilling activities across Bubalus' portfolio of REE, manganese and base metals projects.
- Exploration at flagship Nolans East REE Project (located 15km from Nolans Bore Deposit (ASX.ARU)) to commence immediately following the end of the wet season, with drilling to follow soon after ~mid 2023.
- Initial field programme planned for Coomarie REE Project in Q3 CY2023 generating quality targets, combining systematic geological, geophysical and geochemical surveys.
- Approvals process commenced for drilling manganese targets at Amadeus Project, currently scheduled for Q3 CY2023.
- Bubalus remains well funded for all exploration & drilling activities.

Bubalus Resources Limited (ASX: BUS) (**Bubalus or the Company**) is pleased to update the market on its forward plan for the 2023 field season across its portfolio of 100% owned projects in the Northern Territory. Safety is the Company's priority and accordingly work programmes have been planned to take place during the dry season.

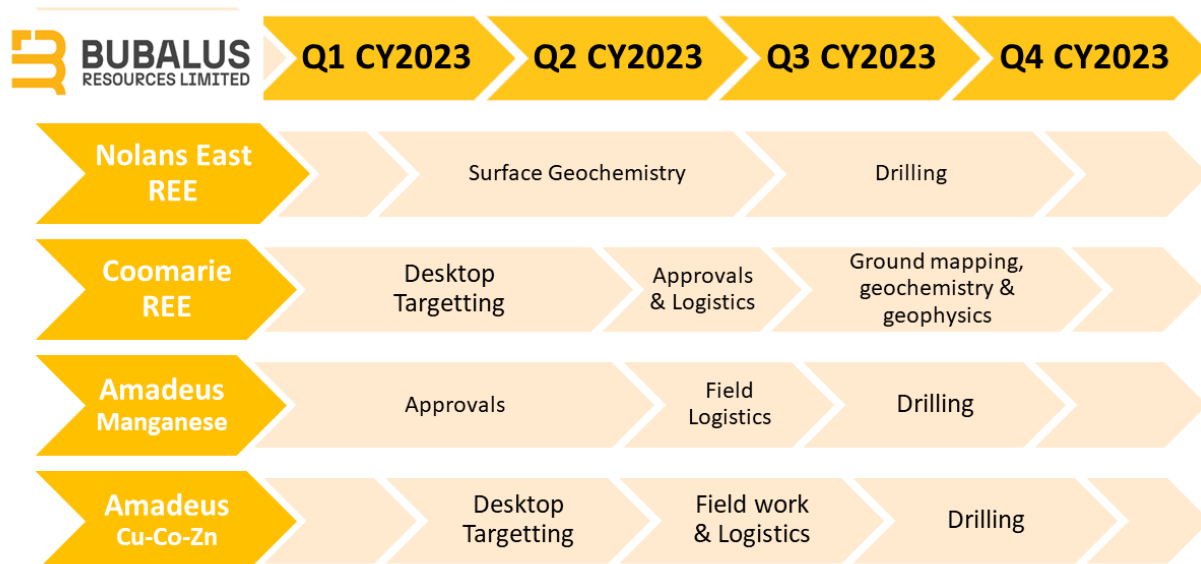
The Company also respects the complimentary rights of stakeholders at its projects and has commenced the consultation and approvals process necessary prior to carrying out drilling and other intensive field activities.

The current schedule for the 2023 exploration campaign is shown schematically below and detailed on a project by project basis overleaf.

The Company's 2023 programmes target rare-earth element (REE) mineralisation at the Nolans East and Coomarie projects as well as manganese mineralisation at the Amadeus Project.

The Company looks forward to updating shareholders with progress on the various work programmes as milestones are met.

Field Exploration and Drilling Planned for Three Projects in 2023



Nolans East REE Project

Nolans East is located 15km south east of the Nolans Bore deposit owned by Arafura Resources Limited (**Arafura**) (Figure 1). A Mineral Resource of 56 million tonnes at an average grade of 2.6% total rare earth oxides (TREO) and 11% phosphate (P_2O_5) has been defined by Arafura at Nolans Bore¹. Arafura's market capitalisation has recently grown to over A\$1 billion (ASX.ARU).

The Company completed an initial surface sampling survey in November 2022 immediately after listing which delineated a broad REE anomaly across the survey area². According to Arafura, neodymium-praesidium oxides ($Nd_2O_3+Pr_6O_{11}$, **NdPr**) make up 26% of the TREO content at Nolans Bore. Encouragingly, NdPr contents in the Nolans East surface samples averaged 22% of TREO, similar to that at Nolans Bore².

Due to the success of the sampling programme the Company plans to expand and continue the sampling over a 10km by 3km area (oriented WNW-ESE parallel to the regional structural trend). The aim is to better delineate the REE anomalism spatially and quantitatively. In addition, field inspections of outcrops will be undertaken and data incorporated with sample results and aeromagnetic data for interpretation and prospectivity ranking of potential drilling targets.

It is anticipated that results from the forthcoming work programme will allow the Company to delineate targets for drilling in mid 2023. The Company has commenced the process to gain approval and consent for drilling at Nolans East.

¹ <https://www.arultd.com/projects/nolans.html> ; also refer ARU.ASX Announcement 7 June 2017.

² Refer ASX Announcement 24 January 2023

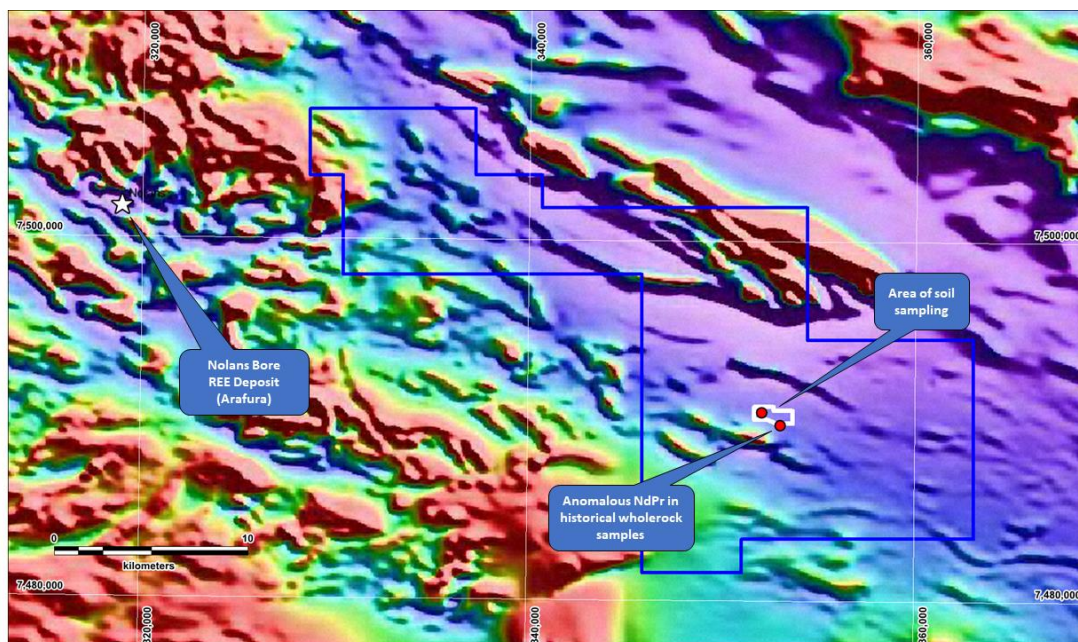


Figure 1. Initial target area at the Nolans East Project over magnetics (TMI – NTGS data).

Coomarie REE Project

The Coomarie Project is an early stage project located near the WA-NT border in the Tanami region. The Tanami is emerging as a potentially significant supplier of rare earth elements (REE) for global consumption due to discoveries and development of REE deposits by Northern Minerals (ASX.NTU) and PVW Minerals (ASX.PVW). The Company's exploration strategy will follow a similar "playbook" to that which has yielded success for these companies.

REE mineralisation within the Tanami Region is hosted at unconformities between older metamorphic rocks associated with granitic intrusions and younger sediments (for example Browns Ridge (ASX.NTU)³, Watts Ridge-Castella (ASX.PVW)⁴ and Mount Mansbridge (ASX.RMX)⁵). Mineralisation is often controlled by faults which cross cut the unconformity and are interpreted to have controlled fluid flow.

The Company's tenure overlies the Coomarie Dome, a granitic dome and associated country rock contacts. The Company engaged Southern Geoscience to acquire and re-process open file geophysical data over the Coomarie Project in November 2022. This targeting exercise has been expanded to produce a geological interpretation for the project area specifically focussed on delineating the granitic margin and cross cutting structures.

³ NTU.ASX Announcement 9 June 2022 (Corporate Presentation)

⁴ PVW.ASX Announcement 1 November 2022 (Presentation – Australian Rare Earth Conference)

⁵ RMX.ASX Announcement 19 July 2022 (Company Presentation July 2022)

The aim is to delineate areas for field inspection in Q3 CY2023. Field activities will encompass surface geophysical surveys (principally radiometric data), surface sampling where suitable in-situ regolith exists and geological mapping of any outcrops. Due to the remote nature of the project detailed planning of the work programmes and associated logistics will be undertaken to ensure work is completely safely and efficiently.

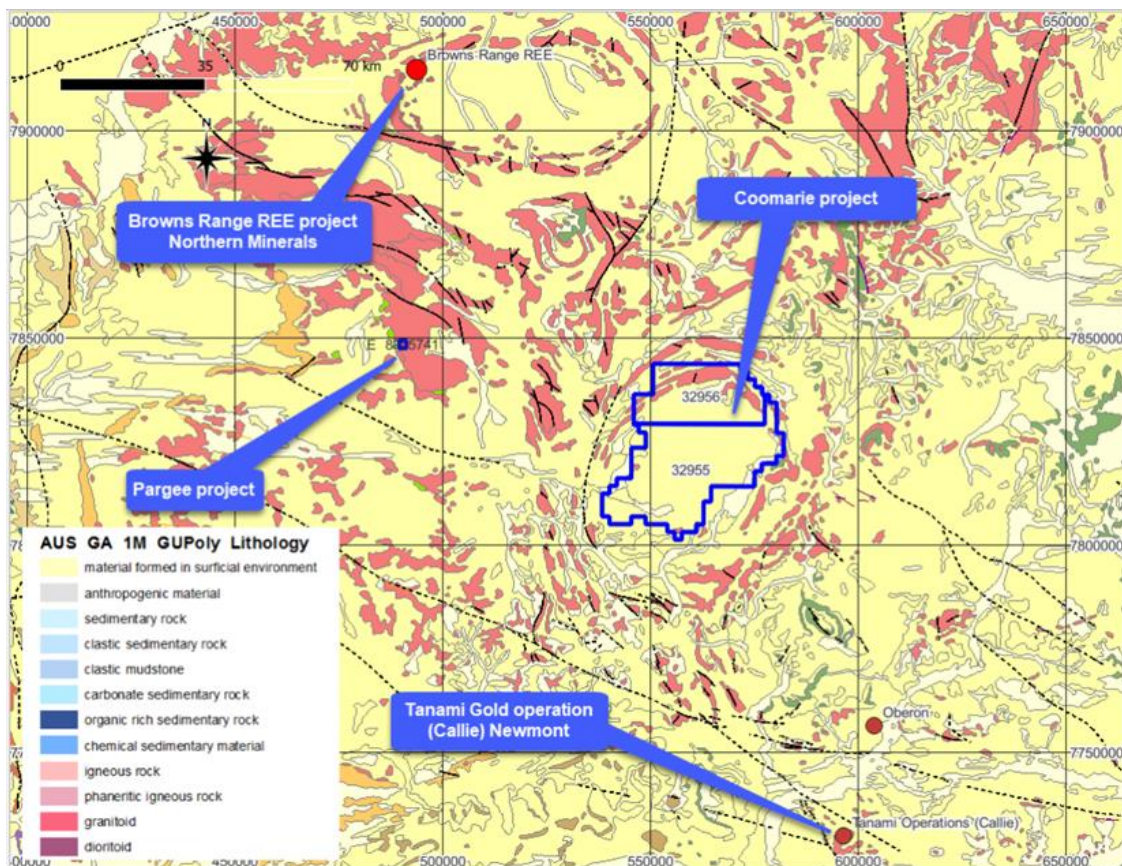


Figure 2. Location of Coomarie Project relative to major REE projects in region over regional scale outcrop geology (Source – Geoscience Australia ⁶).

⁶ Refer Independent Geologists Report (ASX Announcement 11 October 2022).

Amadeus Manganese Project

The Amadeus Project hosts numerous occurrences of outcropping manganese mineralisation (refer Figure 2)⁷. While these have been extensively mapped and sampled by previous explorers only the Tardis project has been tested by drilling.

Review of historical exploration has identified that the surface mineralisation may not be coincident with the peak gravity anomalies in the project area. Gravity data is an important tool in exploration for manganese mineralisation due to its high density as well as often being hosted in less dense sedimentary formations.

Detailed gravity surveys across the Amadeus Project have been undertaken by the Northern Territory Geological Survey (NTGS) as part of a regional gravity survey and this data is currently being reprocessed to refine targeting at each of the 18 known manganese prospects. In parallel the Company has commenced the approvals process for drilling at the Amadeus Project.

A field reconnaissance programme across the Amadeus Project in late 2022 confirmed good access to the project area and regional infrastructure to support drilling.

The Company plans to commence drilling during Q3 CY2023, provided all relevant stakeholders provide their consent.

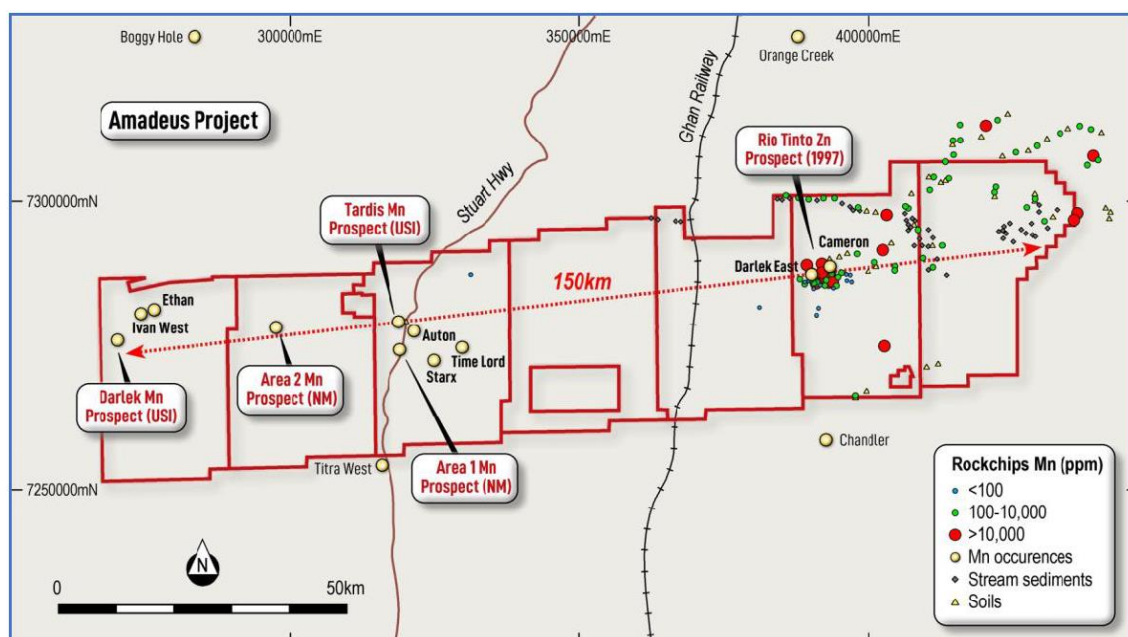


Figure 3: Location of Amadeus Project and Mn prospects defined to date (Mn >1% shown as red dots).

The Amadeus Project also hosts a number of targets prospective for base metal mineralisation, specifically zinc, copper and cobalt, which are the subject of ongoing work and will be addressed in subsequent announcements.

⁷ Refer Independent Geologists Report (ASX Announcement 11 October 2022).

This announcement has been authorised by the Board of Directors of Bubalus Resources Limited.

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ABOUT BUBALUS RESOURCES

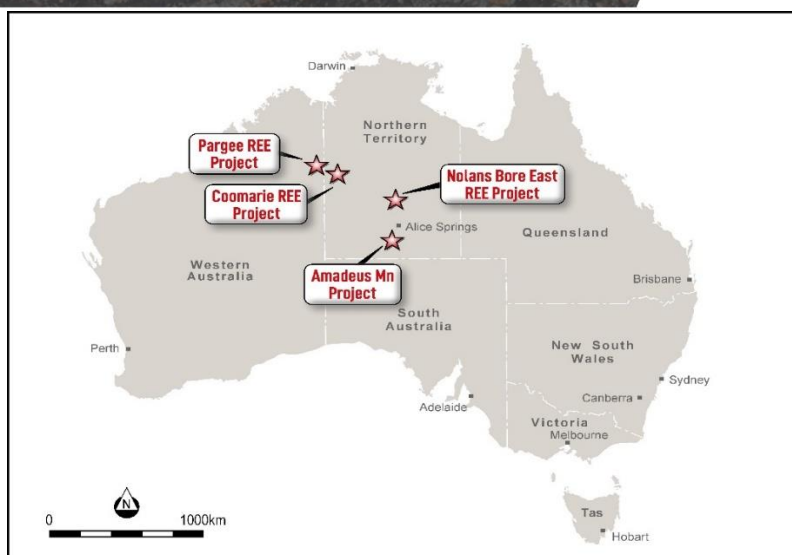
Bubalus has four projects, the Amadeus Project (prospective for Manganese), the Coomarie Project (prospective for Heavy Rare Earths), the Nolans East Project (prospective for Light Rare Earths) and the Pargee Project (prospective for Heavy Rare Earths), which are located in premier geological provinces in the Northern Territory and Western Australia:

Amadeus Project (Mn) - Significant land package with 150kms of strike containing outcropping high grade manganese covering 5,436km², located 125km south of Alice Spring where historical exploration has identified 11 manganese occurrences, along with cobalt and Ni-Zn-Cu also identified.

Nolans East Project (Light REEs) - The project covers 380km² of the Arunta Province, analogous to Nolan's Bore light rare earth deposit and is prospective for light rare earths, located only 15kms east of Arafura's (ASX:ARU) 56Mt NPV \$1.011Bn light rare earth deposit.

Coomarie Project (Heavy REEs) - The project covers 1,153 km² and presents as a geological analogue to Browns Dome, host to Northern Minerals' (ASX:NTU) Browns Range heavy rare earths deposit where mineralisation is hosted on margins of granite dome intrusive where the unconformity between Gardiner Sandstone and Browns Range Metamorphics exist and located in the Tanami Region.

Pargee Project (Heavy REEs) - The project is prospective for heavy rare earths and located 30kms from PWV Resources' (ASX:PVW) Watts Rise heavy rare earths discovery.



COMPETENT PERSONS STATEMENT

Information in this report relating to Exploration Results is based on information compiled, reviewed and assessed by Mr. Bill Oliver, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Oliver is a Director of Bubalus Resources and has sufficient experience which 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 by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Oliver consents to the inclusion of the information in the form and context in which it appears.

Some of the information is extracted from the Independent Geologist's Report contained within the Prospectus released to the ASX on 11 October 2022 and available to view on the Bubalus Resources Limited website, www.bubalusresources.com.au or on the ASX website, www.asx.com.au under the ticker code BUS.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.