

Approval of Maiden Drilling for the Highway Project in South Australia

ASX Release – 4th September 2023

Taiton Resources Limited (“T88”, “Taiton” or “the company”) is pleased to provide an update on its activities at the Highway Project (Figure 1) in the Gawler Craton of South Australia. The maiden drilling program at the Highway project has now commenced. Drilling has commenced and is going as planned.

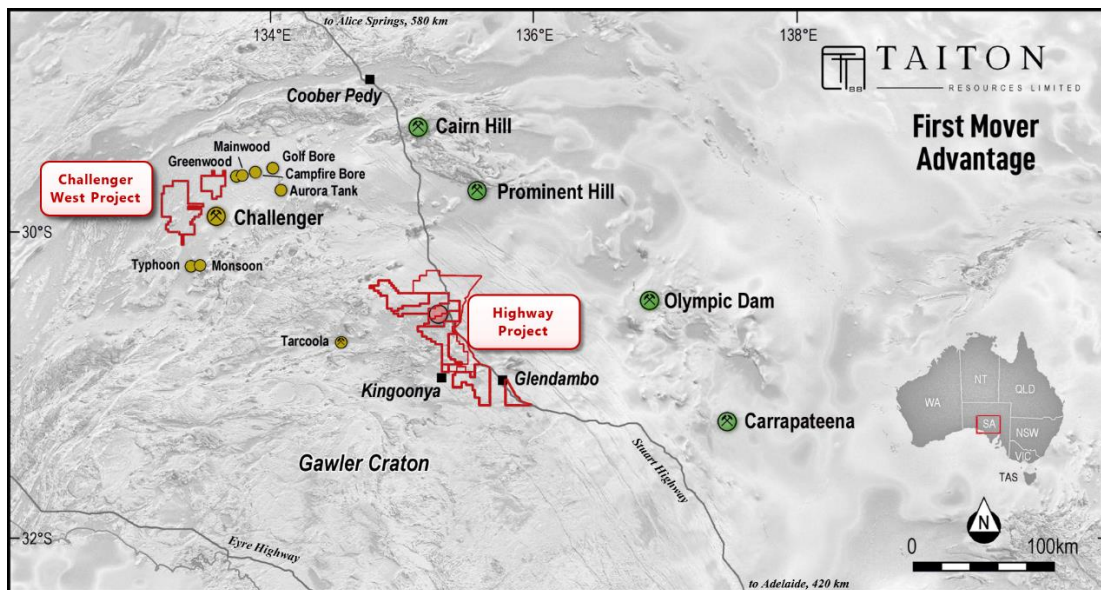


Figure 1: Location of Taiton South Australian projects. The pink dot represents the location of the Merino prospect and the current location of the drilling program. Green mines are IOCG deposits.

The drilling has commenced and to date, we have completed five drill holes. The current field reports show that there are no unfavourable drilling conditions (Figure 2).



Figure 2: Drilling at the Merino prospect.

There is good sample recovery. (Figure 3). If the drilling conditions continue to be favourable, we should complete the program within three weeks. Samples will begin to be dispatched to laboratories this week.



Figure 3: Taiton team logging and sampling at the Merino prospect.

Maiden Drilling Program

The drill program at the Merino prospect will be conducted initially with a Reverse Circulation (RC) method to complete the proposed meterage of



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3,000m. Taiton has the provision to expand metres based on drilling capabilities and geological observations from drilling.

The focus of the drilling will be to complete all Priority 1 targets (Figure 4) which were identified from historical shallow geochemical anomalism coincident with alteration halos interpreted from radiometric imagery and the recent IP survey as shown in Figure 4.

As we have described in our previous announcement (2nd August 2023), Taiton is taking a systematic approach to exploring the Merino prospect. The potential scale in both area (alteration footprint of a nominal 3.7km by 2.6km) and depth (range from less than 10m to >500m from the surface) and the style of mineralisation dictate that exploration must be approached systematically.

Our initial exploration activities have identified geochemical anomalism and alteration signatures that support the presence of a magmatic-hydrothermal system driven by an interpreted intrusion.

The current geological model will guide exploration to identify the potential for the interpreted intrusion to lend itself to a molybdenum porphyry system or in a recent in-house interpretation to a potential polymetallic greisen.

The drill program is designed to identify potential mineralisation and the type (metal content) while also looking to confirm/understand the geological setting of the prospect.

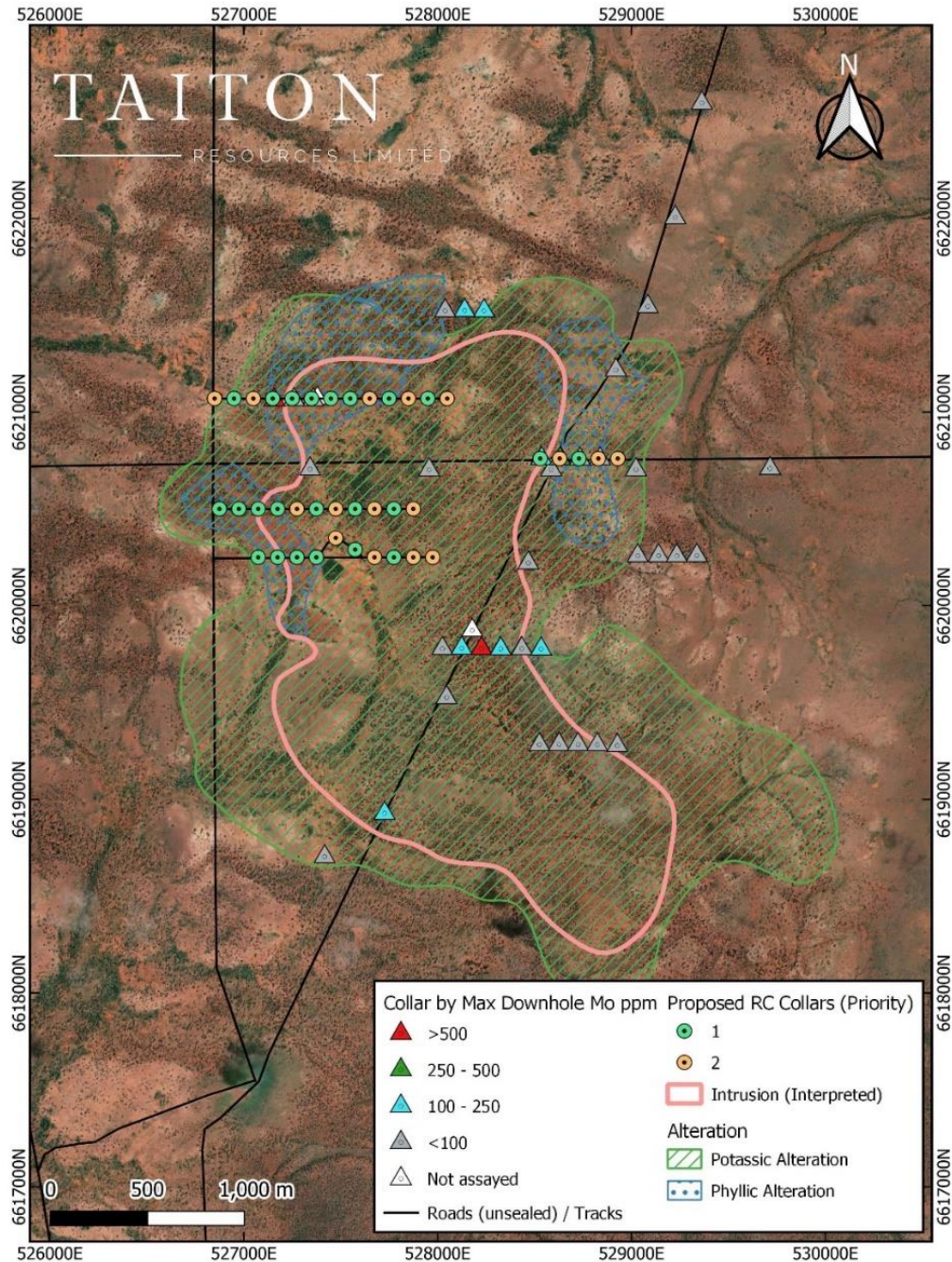


Figure 4: Location of planned drilling collars at the Merino prospect coloured by priority (priority 1 - green and priority 2 - orange).



Figure 5 represents the current interpreted geological setting consisting of an interpreted intrusion (modelled resistive shell) with associated alteration modelled from chargeability IP response.

Drilling will focus on the higher chargeability (9 mV/V shell) response coincident with resistive response.

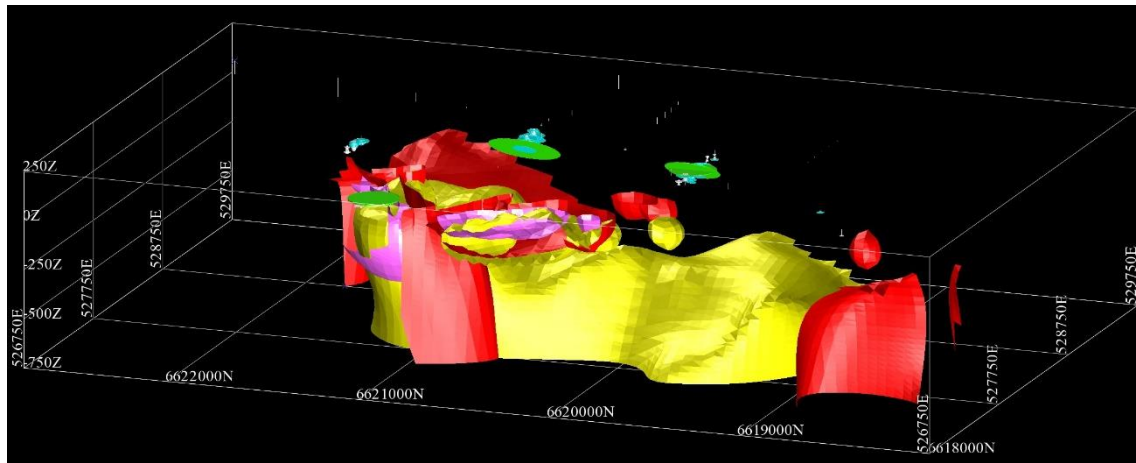


Figure 5. Interpreted Intrusion (modelled 1,000 Ω m shell, yellow) with associated areas of potential alteration indicated by chargeability, Magenta (9 mV/V shell) and Red (5 mV/V shell) layered with historical drilling coloured by Mo ppm, green > 500 ppm and cyan 100 – 500 ppm.

Kennedy Drilling

Kennedy Drilling began operations in Kalgoorlie in January 1982. Over the years, Kennedy has continued to expand and diversify and today Kennedy Drilling provides professional RAB, Aircore, and Reverse Circulation drilling services.

The company has demonstrated a strong commitment to a safe working environment by recognising a culture of duty of care to ensure the health, safety and welfare of employees and all others within the operations.



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Key Points to maintain safety standards:

- Demonstrate compliance with Occupational Health, Safety & Injury Management legislation.
- Ensure continuous improvement of our Occupational Health & Safety Management Systems by effective implementation and regular reviews of our policies and procedures.
- Assign occupational health and safety responsibilities, accountabilities and authority to all supervisory staff.

Key Feature of the RC Rig 6 (Figure 6)

- SREPS SR650 heavy duty RC rig.
- 1350cfm @ 500psi Sullair compressor
- 650metres depth capacity 4.5" RC rods with 5.75" drill hole diameter.
- Rig mounted OX Engineering Sampling system, with dual door drop box and inline two port cone splitter.
- Mounted on Mercedes AROCS 8x8 truck
- Auxiliary Compressor is a 1150cfm @ 350 psi Sullair
- OX Engineering booster 1000psi
- Mounted on Mercedes AROCS 8x8 truck



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Figure 6: RIG 6 – SREPS SR650 Heavy Duty RC Rig



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Executive Director Noel Ong commented:

“To say that the entire team is excited is an understatement. The start of the drilling at Merino is a fantastic time for Taiton Resources. The time has come for us to provide evidence to support our belief in the Highway project.

Our exploration work prior to this drilling stage has shown strong evidence that our original theory of uncovering a large undiscovered fertile mineral system is valid.

What is most important, is that the exploration team has ticked all the boxes that is required to support our strong faith in making a discovery. The work has shown without question that there is a mineral system at Merino. The start of the drilling will begin the process of putting the discovery pieces together.

We started this journey with our shareholders to uncover what we believe is a value-creating process for the company, and this stage is another step to maintain our goal.

Today, the drilling activities will allow our exploration team to see for the first time what lies underneath the Merino prospect. The drilling is the culmination of all the hard work over the months since our acceptance on to the ASX. We have experienced delays, but the credit goes to the entire team to persevere and achieve this stage.



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It will take time to work through our exploration strategies and this drilling program is the beginning of the exploration journey. We know that there will be many steps but we have begun.

Additionally, we are awaiting the results from our previous Ultrafine soil survey results. The results from the Ultrafine survey will allow Taiton to see if there are new targets as well as refining any current drill targets.

The Board would like to thank the entire Exploration Team for the efforts. The significance of arriving at this crucial step of our exploration effort cannot be understated.”

This announcement has been approved for release by the Executive Directors.

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COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results and geological data for the Highway Project is based on information generated and compiled by Shane Tomlinson, who is a member of the Australian Institute of Geoscientists (AIG).

Shane Tomlinson has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

FORWARD LOOKING INFORMATION:

This announcement contains forward-looking statements. Wherever possible, words such as "intends", "expects", "scheduled", "estimates", "anticipates", "believes", and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify these forward-looking statements.

Although the forward-looking statements contained in this announcement reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, Taiton cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements.

Forward-looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause actual results, events, prospects



and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although Taiton has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended, including those risk factors discussed in Taiton's public filings.

There can be no assurance that the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements. Any forward-looking statements are made as of the date of this announcement, and Taiton assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law.

About Taiton Resources Limited

Taiton Resources Limited (ASX: T88) is an early-stage mineral exploration and development company with a portfolio of projects across South Australia and Western Australia, comprising the following:

- (a) **Highway Project** – total land holding of 2,930 sq km, located in South Australia,
- (b) **Lake Barlee Project** – total land holding of 668.7 sq km, located in Western Australia; and
- (c) **Challenger West Project** – total land holding of 997 sq km, located in South Australia.



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Taiton Resources Limited (ASX: T88) project locations.

The company's initial focus is at Highway Project where magmatic-hydrothermal mineralisation has been identified at shallow depth and is interpreted to have formed at the same time as the world-class Olympic Dam deposit.