

QUARTERLY ACTIVITIES REPORT

December 2023

HIGHLIGHTS

DEVILS CANYON GOLD/COPPER PROJECT – Nevada USA

- All results have been received from recent maiden drill program. Significant results include:
 - **6.0m @ 46.7 g/t Ag, 0.78% Cu from 59.4m (incl. 1.5m @ 170 g/t Ag, 2.60% Cu)** from 62.5m in RCDC008.
 - **1.5m @ 3.7 g/t Ag, 0.25 g/t Au, 1.10% Cu** from 7.5m in RCDC001
 - **3.0m @ 2.29 g/t Au (incl. 1.5m @ 4.12 g/t Au)** from 50.3m in RCDC002
 - **7.5m @ 16 g/t Ag, 0.75 g/t Au** from 57.9m in RCDC002
(incl. 1.5m @ 56 g/t Ag, 1.7 g/t Au, 1.07% Cu) from 62.5m
 - **10.5m @ 12.5 g/t Ag, 0.43% Cu** from 54.9m RCDC005
 - **1.5m @ 31.2 g/t Ag, 0.69 g/t Au, 0.65% Cu** from 41.6m in RCDC008
 - **3.0m @ 3.02 g/t Au (incl. 1.5m @ 5.92 g/t Au)** from 9.0m in RCDC010
- Mineralisation open both along strike and at depth.
- A review of the results of the drilling is underway including an investigation of the potential use of geophysics to detect deeper sulphide accumulations.

KING SOLOMON GOLD PROJECT – Idaho USA

- All results from drilling program received^{31,32,34}.
- Drillhole LP23-09 returned several mineralised intercepts associated with altered quartz veins in granite including **1.0m @ 4.62 g/t from 77m**.
- Mineralisation open both along strike and at depth.
- Geological review and planning are continuing.
- Re-assaying of core from selected intervals supports the Company's interpretation that a significant proportion of the gold distribution at the project is coarse grained.

CORPORATE

- Company continues to review additional project opportunities in line with corporate strategy.



Diablo Resources Ltd (ASX: DBO) continued exploration activities at its USA Projects during the quarter, located within some of the most prospective gold and base-metal regions globally (Figure 1).

DEVILS CANYON PROJECT

The Devil's Canyon Project consists of 90 mineral claims covering 6.56 km² located within the Carlin Trend, Nevada that has produced in excess of 195 million ounces of gold. It lies 20 km west of Kinross Gold Corporation's Bald Mountain Gold Mine and 40 km north of Barrick Gold Corporation's Ruby Hill Gold Mine (Figure 1).

A total of 10 RC holes for 855m were completed^{33,34} testing high grade geochemical anomalies at several prospect areas including Southside, Eastside and Ridgeline that surround a multiphase intrusive stock cut by major structures. All assay results were received during the quarter (Figure 2).



Figure 1- Project Location Map

Table 1 - Devils Canyon Project - Drill hole Summary

(Note- Drilling completed in feet and converted to metres)

Hole	Area	East	North	Az	Dip	Depth_M	Zone	RL_M
RCDC001	Southside	598827	4429636	225	50	91.4	NAD83Z11	2584
RCDC002	Southside	598827	4429636	245	50	86.9	NAD83Z11	2584
RCDC003	Southside	598804	4429602	45	45	77.7	NAD83Z11	2580
RCDC004	Southside	598804	4429602	255	45	93.0	NAD83Z11	2580
RCDC005	Southside	598804	4429602	90	50	82.3	NAD83Z11	2580
RCDC006	Eastside	599349	4429494	335	45	77.7	NAD83Z11	2583
RCDC007	Eastside	599505	4429585	355	45	54.9	NAD83Z11	2632
RCDC008	Southside	598804	4429602	100	55	114.3	NAD83Z11	2580
RCDC009	Ridgeline	599329	4430383	175	50	88.4	NAD83Z11	2634
RCDC010	Ridgeline	599357	4430351	200	50	88.4	NAD83Z11	2647



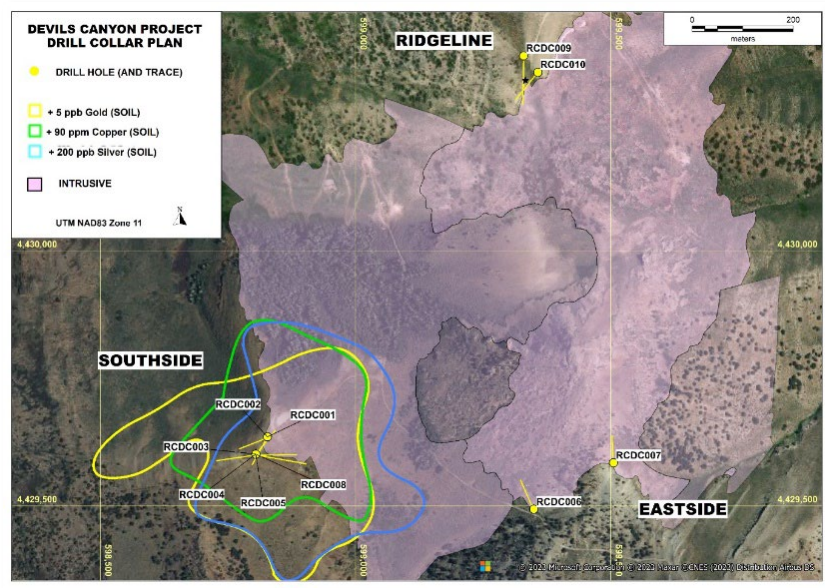


Figure 2 - Drill hole location plan

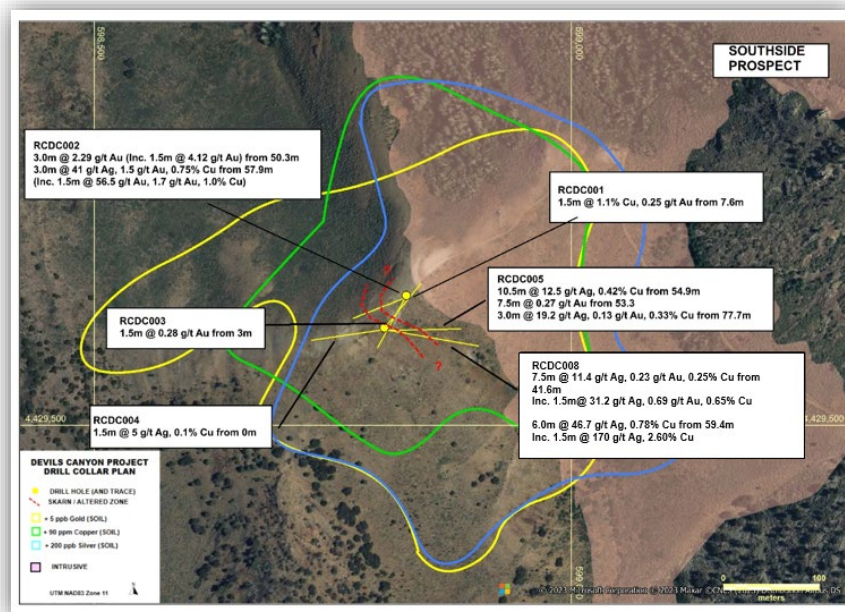


Figure 3 – Southside, Drill hole location and results

A number of significant Ag-Cu-Au downhole mineralised intersections were intersected in the drilling, most notably at Southside (Figure 3). Mineralization is hosted in skarn altered limestone and ferruginous sediment proximal to the multi-phase granitic stock. Sulphides including chalcopyrite, bornite and pyrite were noted in concentrations ranging up to 10% (total sulphide %) within the mineralised zones. A cross section from drilling at Southside is presented as Figure 4.



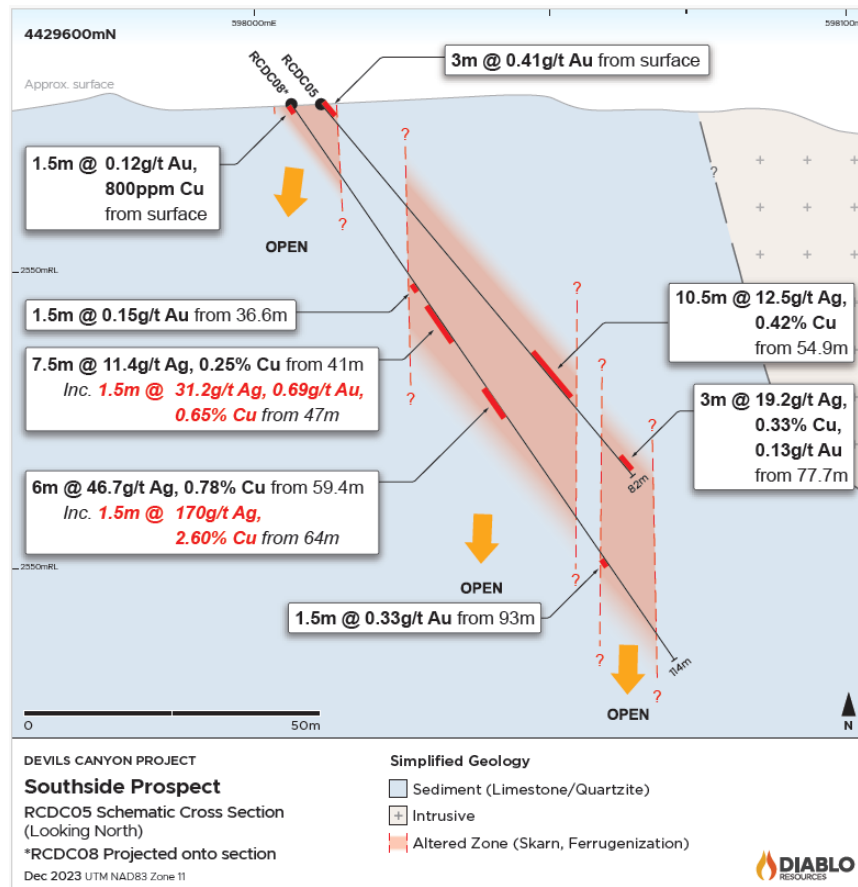


Figure 4 – Cross Section RCDC05 & 08

Southside

- 1.5m @ 3.7 g/t Ag, 0.25 g/t Au, 1.10% Cu from 7.5m in RCDC001
- 3.0m @ 2.29 g/t Au (incl. 1.5m @ 4.12 g/t Au) from 50.3m in RCDC002
- 7.5m @ 16 g/t Ag, 0.75 g/t Au from 57.9m in RCDC002
(incl. 1.5m @ 56 g/t Ag, 1.7 g/t Au, 1.0% Cu from 62.5m)
- 10.5m @ 12.5 g/t Ag, 0.43% Cu from 54.9m RCDC005
- 1.5m @ 31.2 g/t Ag, 0.69 g/t Au, 0.65% Cu from 41.6m in RCDC008
- 3.0m @ 91.2 g/t Ag, 1.39% Cu from 62.5m
(incl. 1.5m @ 170 g/t Ag, 2.60% Cu from 64m)

Ridgeline

- 3.0m @ 3.02 g/t Au (incl. 1.5m @ 5.92 g/t Au) from 9.0m in RCDC010

Mineralisation is zoned, with anomalous Zn to 0.3% occurring outside of the Ag-Cu-Au mineralised zone(s). These zones are associated with skarn and/or ferruginous sediment, with alteration minerals including garnet and actinolite observed as part of the alteration assemblage. Some silicification was also noted.



Other elevated elements including As, In, Mo, Bi, Mn, Se, Sb, Sn, W and Zn are associated with the mineralisation/alteration.

Drilling at Eastside encountered skarn style mineralisation at the limestone-intrusive contact with anomalous Ag-Cu recorded. A full summary of results is provided in Table 2.

Table 2- Significant Drill Results³³⁻³⁴

HOLE	FROM (m)	To (m)	Result
RCDC001	7.6	9.1	1.5m @ 3.7 g/t Ag, 0.25 g/t Au, 1.1% Cu
	53.3	56.4	3.0m @ 9 g/t Ag, 0.18% Cu
	62.5	65.5	3.0m @ 1.6 g/t Ag, 0.18% Cu
	77.7	79.2	1.5m @ 2.9 g/t Ag, 0.1 g/t Au, 0.12% Cu
RCDC002	7.6	12.2	4.5m @ 1.8 g/t Ag, 0.1 g/t Au, 0.23 % Cu
	44.2	45.7	1.5m @ 0.4 g/t Au
	50.3	53.3	3.0m @ 2.29 g/t Au
Incl.			1.5m @ 4.12 g/t Au
	57.9	65.5	7.5m @ 16 g/t Ag, 0.75 g/t Au
Incl.			3.0m @ 41 g/t Ag, 1.5 g/t Au, 0.75% Cu
Incl.			1.5m @ 56 g/t Ag, 1.7 g/t Au, 1.0% Cu
	70.1	71.6	1.5m @ 6 g/t Ag, 0.15% Cu
RCDC003	3	4.5	1.5m @ 0.28 g/t Au
RCDC004	0	1.5	1.5m @ 5 g/t Ag, 0.1 % Cu
RCDC005	0	3	3m @ 0.41 g/t Au
	44.2	45.7	1.5m @ 6 g/t Ag, 0.1 g/t Au, 0.18% Cu
	54.9	65.5	10.5m @ 12.5 g/t Ag, 0.42% Cu
	53.3	61	7.5m @ 0.27 g/t Au
	77.7	80.8	3.0m @ 19.2 g/t Ag, 0.13 g/t Au, 0.33% Cu
RCDC006			NSR
RCDC007	25.9	27.4	1.5m @ 5 g/t Ag, 0.32% Cu
RCDC008	36.6	38.1	1.5m @ 0.1 g/t Au
	41.6	48.8	7.5m @ 11.4 g/t Ag, 0.25% Cu
Incl.	47.2	48.8	1.5m @ 31.2 g/t Ag, 0.69 g/t Au, 0.65% Cu
	59.4	65.5	6.0m @ 46.7 g/t Ag, 0.78% Cu
Incl.	62.5	65.5	3.0m @ 91.2 g/t Ag, 1.39% Cu
Incl.	64	65.5	1.5m @ 170 g/t Ag, 2.60% Cu
	93	94.5	1.5m @ 0.3 g/t Au
RCDC009	9.1	10.6	1.5m @ 0.32% Cu
	85.3	86.8	1.5m @ 0.7 g/t Au
RCDC010	9.1	12.6	3.0m @ 3.02 g/t Au
Incl.	9.1	10.6	1.5m @ 5.92 g/t Au
	16.8	19.3	3.0m @ 0.6 g/t Au

Mineralised intervals zoned - Calculated at + 0.5 g/t Ag, +/- 0.1 g/t Au, +/- 0.1 % Cu.

Maximum of 2 sample continuous internal dilution

Downhole widths quoted, true width not known.

NSR- No significant Result

The Company is encouraged by these initial results at Devils Canyon, and will investigate the use of geophysics to detect deeper sulphide accumulations, and potential drill targets.



KING SOLOMON PROJECT

The King Solomon Project is prospective for gold and comprises two Patented Mining Claims and a further 268 mineral claims covering an area of approximately 21.85 km². It is located 10km west of Salmon in Lemhi County, Idaho.

The project contains precious metal occurrences including the Lone Pine Vein Zone and King Solomon Prospect spatially related to the Eocene age Trans-Challis Fault System.

The Company completed its first drill program at the King Solomon Project in 2023³¹⁻³². A nine (9) hole program for 2108.5m of diamond core drilling (HQ₃) was completed during the field season at the LPVZ and King Solomon prospect areas, within the greater King Solomon Project. Hole numbers were LP23-1 to LP23-9. Multiple holes were completed from several drill pad locations due to the steep terrain.

Table 3- King Solomon project- Drill hole Summary

DHID	AREA	LAT	LONG	ELEVATION(M)	AZI	DIP	DEPTH(M)
LP23-1	Lone Pine	-114.0044	45.2379	2602	90	-60	245.9
LP23-2	Lone Pine	-114.0064	45.2364	2553	130	-70	192
LP23-3	KingSolom	-113.9978	45.2314	2329	290	-55	231.6
LP23-4	KingSolom	-113.9980	45.2308	2317	235	-55	165.7
LP23-5	KingSolom	-113.9969	45.2329	2370	300	-55	300.84
LP23-6	KingSolom	-113.9996	45.2319	2390	300	-55	296.97
LP23-7	KingSolom	-113.9980	45.2308	2317	300	-50	252.07
LP23-8	KingSolom	-113.9980	45.2308	2317	235	-70	128.78
LP23-9	KingSolom	-113.9996	45.2319	2390	305	-45	295

The King Solomon Prospect (KS) hosts numerous shallow pits and three adits located 800m southeast of the Lone Pine Vein Zone (LPVZ). Following historical mapping and sampling in 1990, initial RC drilling (6 holes) was followed by a second round of RC drilling in 1992 targeting broad stockwork quartz veining in sericite-chlorite-tourmaline alteration zones in both granite and sediments.

Current drilling has shown the orientation of geological contacts and lithologies vary considerably, being tightly folded in places and differing in part to that assumed by previous explorers. This may suggest that there is potential for several zones of mineralisation hosted by structures with varying orientations, with the mineralised quartz veins exploited in the historical adits being an example of one such trend.



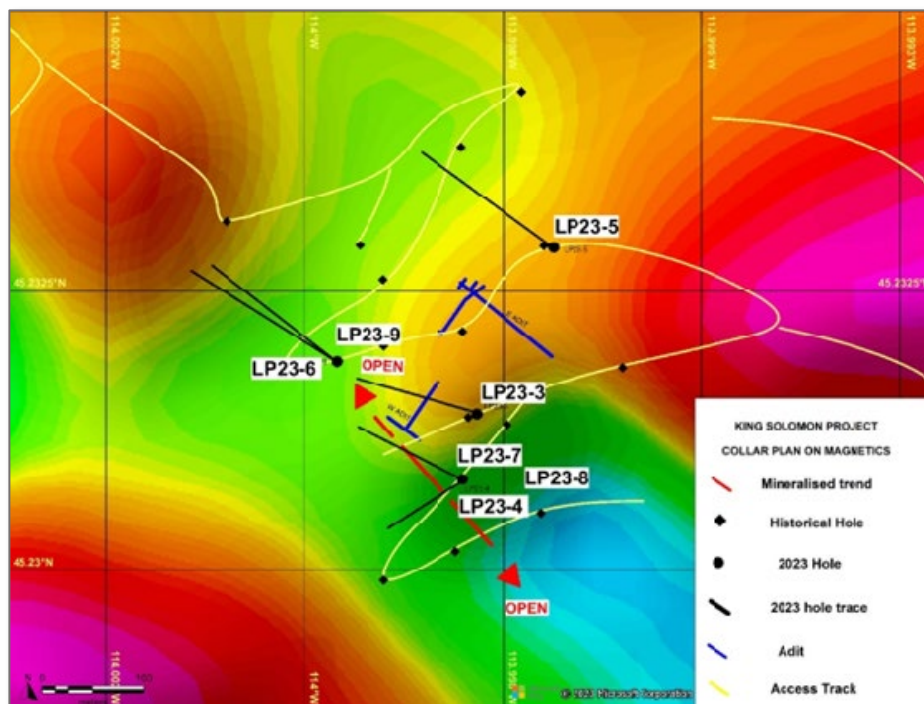


Figure 5- King Solomon Prospect - Drill Location Plan overlain on magnetics.

The gold mineralisation occurs in multiple zones hosted in highly altered (sericite chlorite-tourmaline) and ferruginised quartz veined zones in both metasediment and intrusive rocks. The mineralisation remains open in all directions. Remaining results were received during the quarter, with significant results including holes LP23-1 to LP23-8 reported previously ^{31,32,34} shown below.

- Hole LP23-3:
 - **3m @ 2.70 g/t Au from 95m, incl. 1m @ 4.04 g/t Au**
- Hole LP23-4:
 - **13m @ 12.28 g/t Au from 46m, incl. 4.1m @ 26.26 g/t Au**
- Hole LP23-6:
 - **0.35m @ 2.61 from 33.45m**
- Hole LP23-07:
 - **0.86m @ 13.75 g/t Au from 101.6m**
 - **0.78m @ 2.30 g/t Au from 140.82**
 - **2.0m @ 5.92 g/t Au from 156m incl. 1.0m @ 10.70 g/t Au from 156m**
 - **0.52m @ 5.82 g/t Au from 166.73m**
- Hole LP23-8:
 - **1.50m @ 1.54 g/t Au from 42m incl. 0.48m @ 3.56 g/t Au**
 - **0.51m @ 9.62 g/t Au from 52.74m**
- Hole LP23-9:
 - **1.0m @ 4.62 g/t Au from 77m**



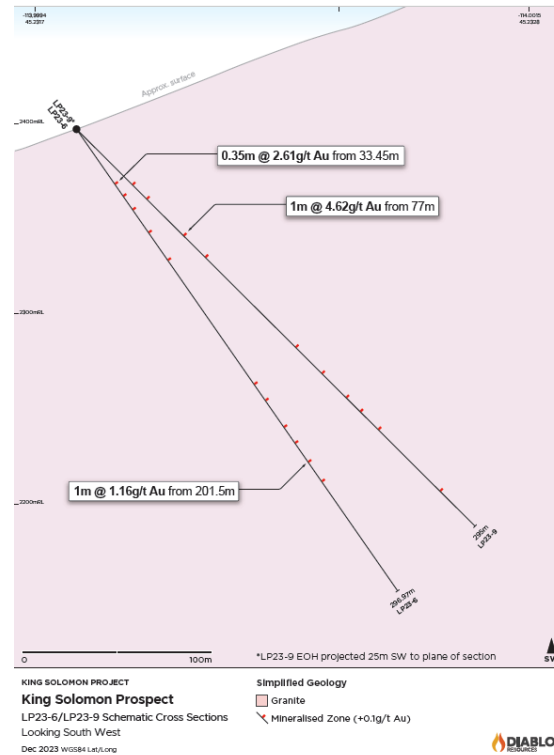


Figure 6 - King Solomon Project- Cross Section

The Company is currently undertaking a review of the 2023 program results, including geology, structure and alteration within the mineralised zones to assess future exploration strategies.

Re-Sampling

A total of 53 samples were collected from the recent drill program and submitted to ALS in order to ascertain the effect of coarse gold in the mineralised zones and compare to initial assay results. This re-assaying has confirmed the coarse nature of gold distribution in the mineralized zones, showing high variability in initial vs. re-sample results. To allow comparison, the remaining half core from the selected intervals was submitted.

As an example, drill hole LP23-1, drilled to extend the LPVZ in the patented claims had an initial result of **1.1m @ 1.43 g/t Au**³¹, re-sampling has upgraded the initial result to **1.1 @ 8.2 g/t Au** for the same interval (remaining core submitted for assay)³⁴.

There is also noticeable variability in initial versus re-assays results at King Solomon. The results of this work will be used in future programs to optimise sample methodology and sample size.

CORPORATE

In September 2023, the Company announced a placement raising \$1m (before costs) through a share placement at \$0.035 per share ("New Shares") with one free attaching option per two New Shares ("Placement"). The unlisted options are exercisable at \$0.08 expiring three years from date of issue ("Options"). Under the Placement, 61% of the New Shares and all of the Options were subject to shareholder approval which was obtained at the Company's Annual General Meeting held on 7 November 2023. On 14 November 2023, 17,428,571 New Shares and 14,285,714 Options were issued representing Tranche Two of the Placement.



On 8 November 2023, the Company established a share sale facility (Facility) for small holding shareholders (Small Holding Shareholders) of unmarketable parcels of shares of less than \$500 in the Company (Unmarketable Parcels) which closed on 28 December 2023.

Financial Position

The Company has \$0.9 million in cash at the end of the Quarter.

A summary of the expenditure incurred on exploration activities, payments to related parties and tenements held are set out in the annexure to the Appendix 5B. No development or production activities were undertaken during the Quarter.

A comparison of the use of funds as set out in the Prospectus and the actual use of funds is set out in the annexure to this announcement.

For further information please refer to the Appendix 5B.

The announcement has been authorised for release by the Board.

-END-

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Competent Persons Statement

The information in this announcement that relates to the Projects (including the information provided pursuant to ASX Listing Rules 5.12.2 to 5.12.7 (inclusive)) is based on, and fairly represents information compiled by Lyle Thorne who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking 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. Thorne is an Employee of the Company and holds shares in the Company. Mr. Thorne consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

All parties have consented to the inclusion of their work for the purposes of this announcement. The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the author at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however might be, they make no claim for absolute certainty. Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this presentation will therefore carry an element of risk.



Future Performance

This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Diablo.

About Diablo Resources Limited

Diablo is an Australian registered, USA-focused metals exploration and development company. The mineral assets of Diablo and its 100% owned subsidiaries comprise the Devil's Canyon Au-Cu-Ag Project located in Nevada, and the Lone Pine Gold Project located in Idaho, all within the USA.



– Diablo Resources, United States of America (USA) project portfolio, located in the mining friendly states of Nevada and Idaho.

Both project areas have mineralisation at surface that require further exploration. Some prospect areas within the project areas appear to have only been lightly drilled or never been drill tested and present as priority targets.

The Company listed in October 2021 on the ASX and plans to progress its project portfolio through systematic and focussed exploration. The Company has an in-country management team with expertise in all aspects of exploration activities in the Western USA.



Previous ASX Announcements

1. ASX Announcement March 16, 2020, Acquisition of Western Desert Gold - Copper Project, Utah, USA, Hawkstone Mining Ltd
2. ASX Announcement July 3, 2021 –Hawkstone Mining Ltd 950% increase in Western Desert Copper-Gold Project.
3. Barrick Gold Corporation, 2020. Annual Report 2020. www.barrick.com
4. New Placer Dome, 2021. Kingsley Mountain Project. www.newplacerdome.com
5. West Kirkland Mining Inc, 2012. West Kirkland Files TUG Resource Estimate on SEDAR. 16 July 2012
6. Rio Tinto, 2021. Increase in Mineral Resource at Kennecott Copper operation following mine life extension studies. ASX Announcement, 17 February 2021.
7. ASX Announcement Oct 7, 2020, Acquisition of Carlin Trend Gold Project, Hawkstone Mining Ltd
8. ASX Announcement Oct 23, 2020, Hawkstone Mining Ltd. Target A1 Identified Over 92.2 g/t Gold Rock Chip Sample at Devil's Canyon Gold Project
9. ASX Announcement Dec 2, 2020, Hawkstone Mining Ltd. High Grade Gold and Copper Results at Devil's Canyon Gold Project, Nevada
10. ASX Announcement Feb 1, 2021, Hawkstone Mining Ltd. Devil's Canyon Gold Project High Grade Assays to 191.5 g/t Gold
11. ASX Announcement Feb 3, 2020, Hawkstone Mining Ltd. Acquisition of Historical High Grade Lone Pine Project
12. ASX Announcement June 18, 2020. Hawkstone Mining Ltd. Maiden Drill Program to Commence at Lone Pine Gold Project.
13. ASX Announcement. Hawkstone Mining Ltd. July 1, 2020. Acquisition of King Solomon Mine Adjacent to Lone Pine Gold Project.
14. ASX Announcement. Hawkstone Mining Ltd. July 13, 2020. Lone Pine Project Exploration Update.
15. ASX Announcement. Hawkstone Mining Ltd. Aug 8, 2020. HWK Mobilised Larger Additional Rig to Lone Pine.
16. ASX Announcement. Hawkstone Mining Ltd. Aug 27, 2020. Completion of King Solomon Acquisition and Exploration Update.
17. Revival Gold Presentation Oct 5, 2020 (revival-gold.com)
18. ASX Announcement Nov 25, 2020, Hawkstone Mining Ltd Final Drill Results Confirm, Lone Pine High Grade Potential
19. ASX Announcement. Hawkstone Mining Ltd. 15/09/ 2020. Initial Drilling Confirms High Grade Mineralisation at the Lone Pine Gold Project.
20. ASX Announcement Dec 9, 2020, Hawkstone Mining Ltd High Grade Rock Chip samples up to 24.7 g/t identify further mineralised zones.
21. Diablo Resources Prospectus, <https://diablorresources.com.au/>
22. ASX Announcement Nov 22, 2021, Diablo Resources Ltd- Exploration Update
23. ASX Announcement Dec 9, 2021, Diablo Resources – Drilling commences at Western Desert Gold Copper Project
24. ASX Announcement May 5, 2022, Diablo Resources – Encouraging Results from Western Desert as wide zones intersected in first pass drilling.
25. ASX Announcement June 6, 2022, Diablo Resources – Exploration Update
26. ASX Announcement Aug 2, 2022, Diablo Resources – Exploration Update
27. ASX Announcement Oct, 12 2022, Highly Encouraging Results, Devils Canyon & Western Desert Projects
28. ASX Announcement June 6, 2023, Diablo Resources Exploration Update
29. ASX Announcement June 22, 2023, Diablo Resources – Drilling Commences at Lone Pine
- 30.- ASX Announcement Aug 1, 2023, Diablo Resources Exploration Update
31. ASX Announcement Aug 28, 2023, Outstanding Drill Results Confirm new high-grade discovery in Idaho
- 32.- ASX Announcement Sept 25, 2023, Diablo Resources - Further Significant Results- King Solomon
33. ASX Announcement Nov 2, 2023, Diablo Resources - Significant Results from Drilling Program- Devils Canyon
34. ASX Announcement Dec 13, 2023- Exploration Update



ANNEXURE

A comparison of the proposed use of funds set out in the prospectus against the actual use of funds two years from the date of admission is set out below:

Description	Prospectus disclosure (Year 1 & 2)	Actual Expenditure	Commentary
Exploration – Devil’s Canyon Project	1,935,000	832,926	A.
Exploration – Western Desert Project	2,000,000	1,572,776	B.
Exploration – Lone Pine Project	1,465,000	2,065,001	C.
Administration Costs	540,900	862,310	
Expenses of the Offer	559,100	594,508	
Total	6,500,000	5,927,520	

Commentary:

- A. Actual exploration expenditure will vary due to timing of the exploration programs on the various projects which is dependent on weather, access and availability of suppliers.
- B. Actual exploration expenditure at Western Desert lower than budgeted as results from exploration undertaken to date have not been sufficiently positive to warrant further expenditure.
- C. Actual exploration expenditure was above budget as additional work was undertaken given encouraging results obtained during the drilling program.

