



**31<sup>st</sup> January 2024**

## Highlights

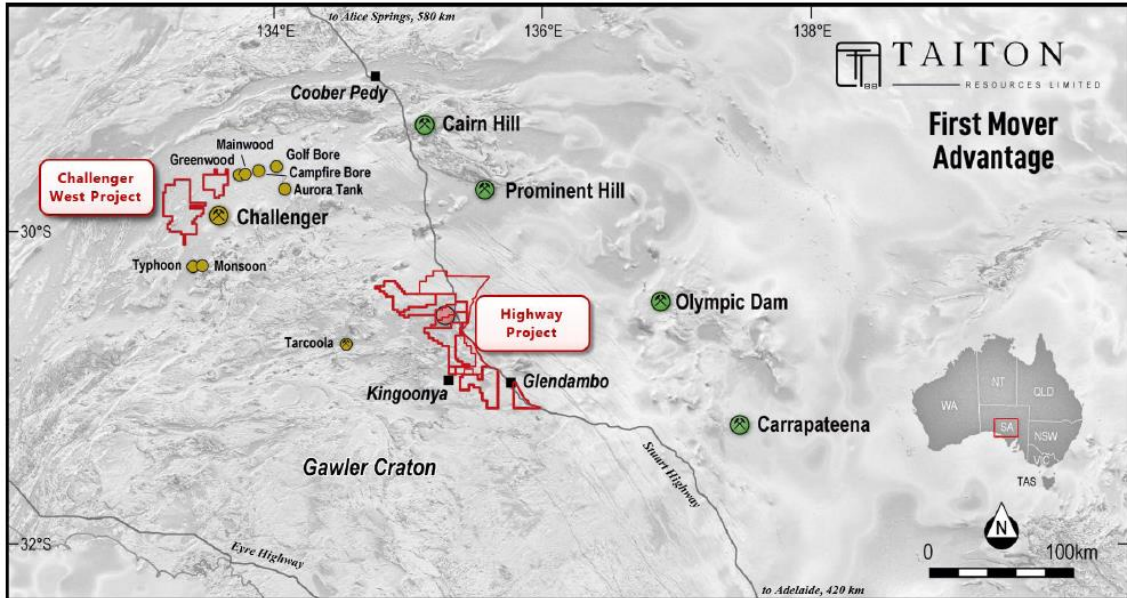
### Highway Project

- **2<sup>nd</sup> Drilling Program Completed on 2.5km Molybdenum Target identified by UltraFine Soil Survey**
- **Maiden Drilling Results**
- **Prospective Hydrothermal Activity over >10km Strike Length**
- **Heritage Survey Completed**

Taiton Resources Limited (**ASX: T88, Taiton** or **“the Company”**) is pleased to provide a summary of activities completed during the Quarter ended 31<sup>st</sup> December 2023.

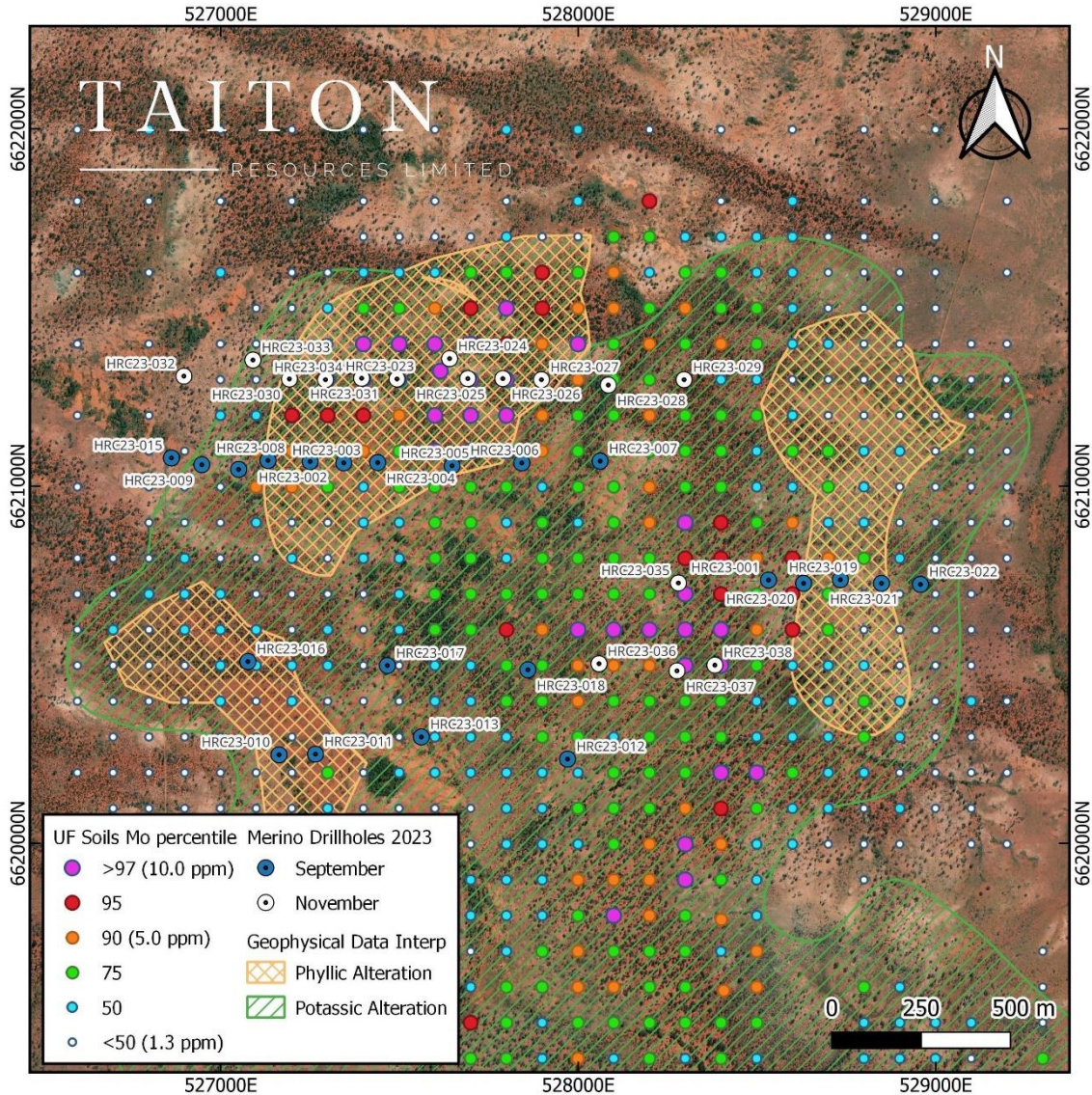
### Highway Project - SA

The Highway Project with total land holding of 2,930 sq km is bisected by the Stuart Highway (A87). The Merino Prospect – within the Highway Project is situated approximately 590 km from the state capital of Adelaide and 186 km north of Port Augusta.



During the Quarter, Taiton completed the follow-up drilling program on the 2.5km Molybdenum Target identified by UltraFine Soil Survey. The 2<sup>nd</sup> drilling program consisted of 1,896m drilled across sixteen RC holes [Figure 1].

A total of 1,001 samples have been collected and submitted to the lab in Adelaide for assay. The results of the assays were undergoing QAQC check during the Quarter and were subsequently released on 24 January 2024.

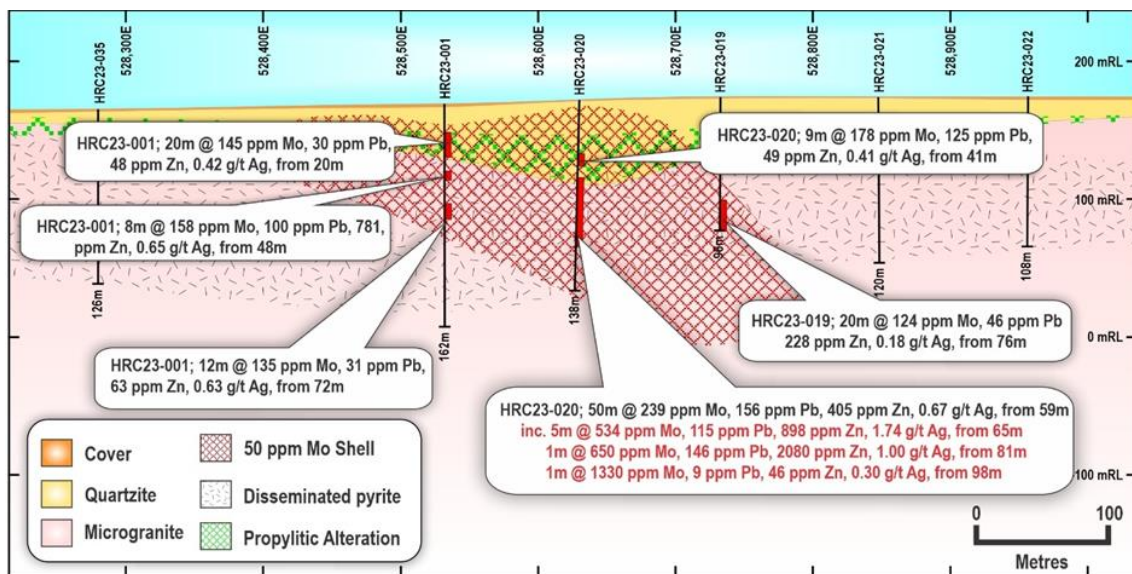


**Figure 1. Plan section showing collars and selected significant results**

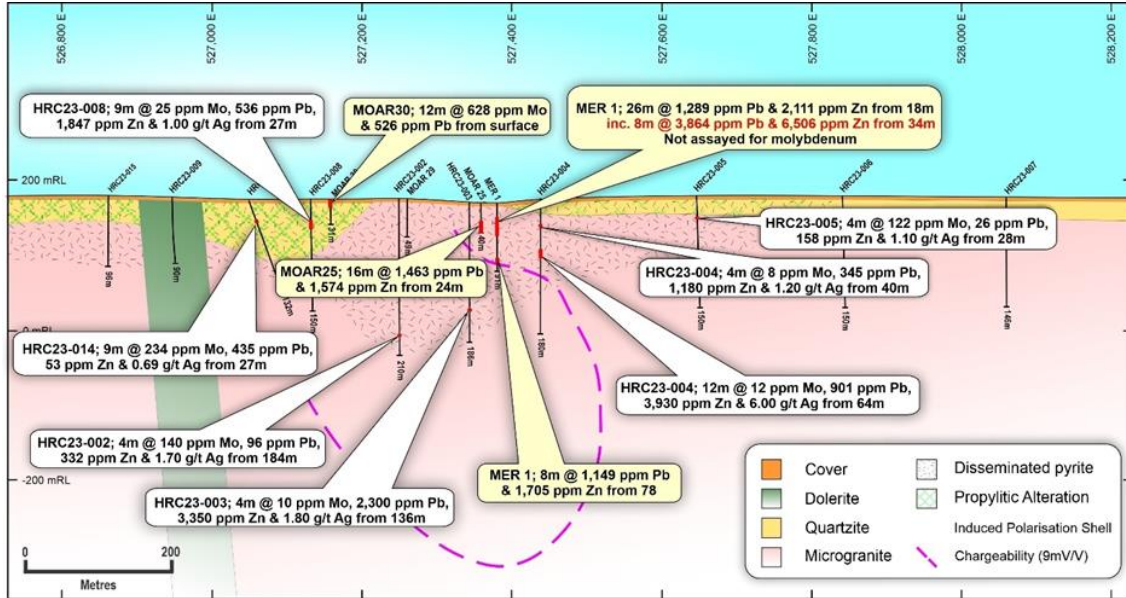
After completion of the 2<sup>nd</sup> drilling program, the Company received the results of the assays from the maiden drilling program completed in September 2023 which comprised of twenty-two (22) reverse circulation (RC) holes totalling 3,062m.

The assay results revealed broad intervals of molybdenum and base metal anomalism. The program aimed to assess targets identified through Taiton's earlier Induced Polarisation (IP) survey and to follow up on historical shallow drilling with anomalous molybdenum and base metal assay results.

Within the Merino prospect, drilling intersected broad zones of low-level molybdenum (>50 ppm Mo) anomalism, primarily within the Hiltaba Suite microgranite. Internal zones exhibited elevated molybdenum assay results, reaching a maximum of 1m @ 1,330 ppm Mo. Furthermore, samples adjacent to molybdenum anomalism returned elevated levels of lead (Pb), zinc (Zn), and silver (Ag).



**Figure 2. Cross section 6,620,730 N looking north showing shallow microgranite with a broad blanket of molybdenum mineralisation interpreted to represent low tenor core.**

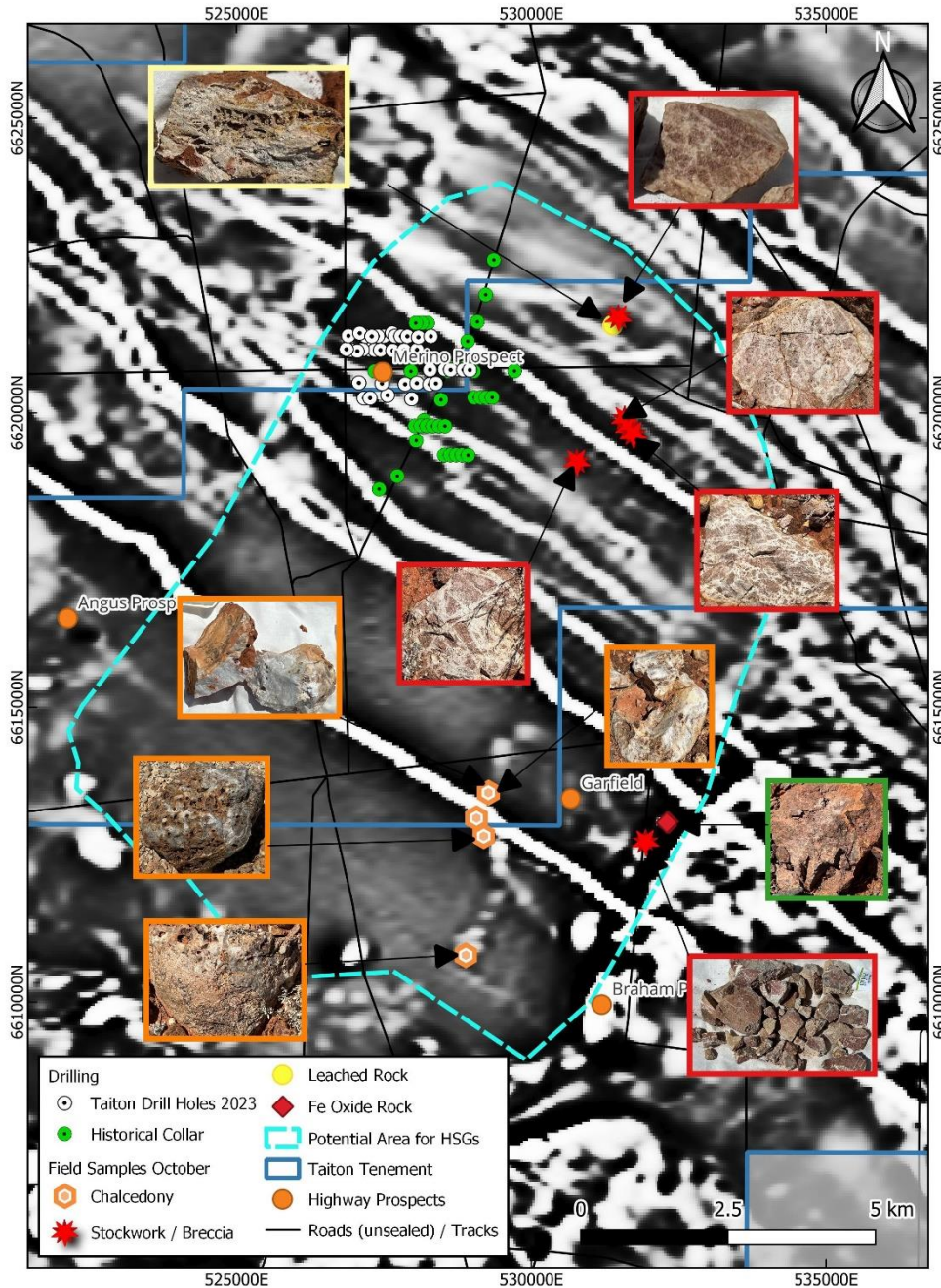


**Figure 3. Cross section 6,621,060 N looking north showing shallow microgranite and a broad zone of disseminated pyrite coincident with chargeable anomalism.**

Based on the current exploration progress at Merino, Taiton has expanded exploration efforts within the Highway Project, targeting areas with the potential to host Hiltaba Suite Granites (HSG).

Through broad-spaced field traverses, Taiton identified evidence of hydrothermal activity in metasedimentary units within a corridor exceeding 10km in strike length (Figure 4). Alterations in this corridor include intense quartz veining, brecciation, chalcedony (potentially representing silicic alteration), and/or epithermal systems.

Taiton is actively assessing the broader Highway Project for Iron Ore Copper Gold (IOCG) mineralisation. A recent field trip uncovered sub-crop / float samples with iron oxides on the interpreted HSG boundary. Magnetics indicate a potential intrusion (Garfield prospect) marked by discrete magnetic anomalism, possibly due to magnetite rimming (Figure 4).



**Figure 4. Aeromagnetic image highlighting the potential extent of the Hiltaba Suite microgranite (HSG) and location of rock samples exhibiting evidence of hydrothermal activity including, quartz veining / breccia (red box), chalcedony (orange box), dissolution indicating epithermal system (yellow box) and sample with iron oxide present (green).**

To expedite exploration in the broader Highway Project, Taiton completed a heritage survey, enabling soil sampling, gravity surveys, and broad-spaced reconnaissance drilling. Existing disturbed ground, including track and fence lines, will facilitate access for these exploration activities.

### **Challenger West Project – South Australia**

During the quarter, the Company engaged SensOre Ltd (ASX:S3N) to collate and clean geochemistry data across both SA projects for an AOI and Au prospectivity map for Challenger. Management is now studying the results of the data compilation before deciding next course of action.

### **Lake Barlee Project – Western Australia**

In the quarter, the Company is still trying to engage First Nation groups to prepare a Heritage Survey to begin work on the ground. However, progress has been slow.

## **CORPORATE**

At 31<sup>st</sup> December 2023, Taiton has 73,009,544 shares on issue, 12,261,168 unlisted options and 6,000,000 unlisted performance rights. Cash at bank totalled \$2.496 M.

No further shares or options were issued during the December Quarter 2023.

## **ASX Additional Information**

### **Summary of expenditure items within Appendix 5B**

A summary of the expenditure and related party payments is set out below:

- 1.2(d) Staff costs of \$135K relate to director fees and consulting services, and CFO salary including superannuation.
- 1.2(e) Administration and corporate costs of \$179K relate mainly to costs for and associated with compliance costs (ASIC, ASX and share registry), consulting fees, legal fees, investor relations, promotion & marketing, office costs, insurance, rental, web hosting, IT, and travel.
- 1.8 Other costs of \$30K comprises project consulting fees (\$25K) and new tenement application fees (\$5K).
- 2.1(c) Property, plant, and equipment of \$20K relates to purchases of computers, computer equipment and field equipment.
- 2.1(d) Exploration & evaluation costs of \$710K relate mainly to payments to Geologists for work activities, Tenement rents, consulting services, Fieldwork & supplies, Field travel, Heritage survey, Laboratory analysis, Drilling, Field mapping, and Hire of equipment.



- 6.1 Payments to related parties relate to director fees and consulting services (\$104.5K), payment for media digital content, production, and promotion services (\$15K) to an entity associated with the Executive director, and Hire of Ute from the Executive director (\$6.5K).
- 6.2 Payments to related parties relate to director consulting services (\$23K) included in exploration & evaluation costs.

There were no mine production or development activities during the quarter.

#### **Use of Funds (Listing Rule 5.3.4)**

The Table below sets out a comparison of actual expenditure in the Use of Funds against estimated expenditure in the IPO prospectus dated 23 September 2022 and explanation of any material variances.

<b>Use of funds</b>	<b>Proposed \$ in IPO prospectus -Year 1</b>	<b>Proposed \$ in IPO prospectus -Year 2 (pro-rata for 1 quarter)</b>	<b>Total Year 1 &amp; Year 2 (pro-rata for 1 quarter)</b>	<b>Actual expenditure \$ to 31 December 2023</b>	<b>Variance under/(over) \$'000</b>
Exploration activities <sup>a)</sup>	\$1,900,000	\$508,750	\$2,408,750	\$2,192,197	\$217
Administration costs <sup>b)</sup>	\$799,000	\$185,500	\$984,500	\$1,432,315	(\$448)
Estimated expenses of the Offer <sup>c)</sup>	\$1,142,000	0	\$1,142,000	\$927,710	\$214
Working Capital <sup>d)</sup>	\$315,000	\$66,000	\$381,000	\$306,217	\$75
Total Funds allocated – Year 1 & Year 2 (prorata)	\$4,156,000	\$760,250	\$4,916,250	\$4,858,439	\$58

The material variances note above are as a result of a number of factors, including:

- a) Exploration activities expenditures including plant & equipment purchases (\$107K) are in line with the exploration program and dependent on the progress and timing of regulatory approvals.
- b) The Company has incurred higher than anticipated Administration costs due to higher spending on compliance costs, legal and professional costs, travel costs, and investor relations/media promotion costs.
- c) Estimated expenses of the Offer were less than actuals due mainly to less brokerage paid.
- d) Working Capital includes interest paid on Loan facilities (\$156K) which were fully repaid by the conversion to shares on the Company's admission to the ASX; and costs expended on identifying and reviewing new acquisition opportunities (\$120K), project consulting fees (\$25K) and new tenement application fees (\$5K).

It should be noted that as with any budget, the allocation and timing of the use of funds set out in the Table above may change depending on a number of factors, including market conditions, the progress of the Company's exploration and evaluation programs, economic conditions, and regulatory approvals.

**Tenements**

Registered Holder	Tenement No.	Location	Project	Area (Sq km)	Total (Sq km)	Interest at the end of Quarter
Lake Barlee Gold Pty Ltd	E77/2700	WA	Lake Barlee	191.54		100%
Lake Barlee Gold Pty Ltd	E57/1158	WA	Lake Barlee	204.26		100%
Lake Barlee Gold Pty Ltd	E77/2715	WA	Lake Barlee	131.93		100%
Lake Barlee Gold Pty Ltd	E57/1168	WA	Lake Barlee	141.00		100%
					668.7	
Taiton Resources Limited	EL6658	SA	Highway	972.00		100%
Taiton Resources Limited	EL6706	SA	Highway	160.00		100%
Taiton Resources Limited	EL6784	SA	Highway	884.00		100%
Taiton Resources Limited	EL6857	SA	Highway	914.00		100%
					2,930.0	
Taiton Resources Limited	EL6785	SA	Challenger West	997.00		100%
					997.0	
					<b>4,595.7</b>	

There were no mining tenements acquired or disposed of during the quarter.

**This Report has been approved by the Board of Directors of the Company.**

**For further information, please contact:**

Noel Ong  
 Managing Director  
 noel.ong@taiton.com.au  
 +61 3 8648 6431

David Low  
 Executive Director  
 david.low@taiton.com.au  
 +61 3 8648 6431

## COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Noel Ong, an employee of the Company. Mr Ong is a member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ong consents to the inclusion in this report of the matters based on this information in the form and context in which they appear.

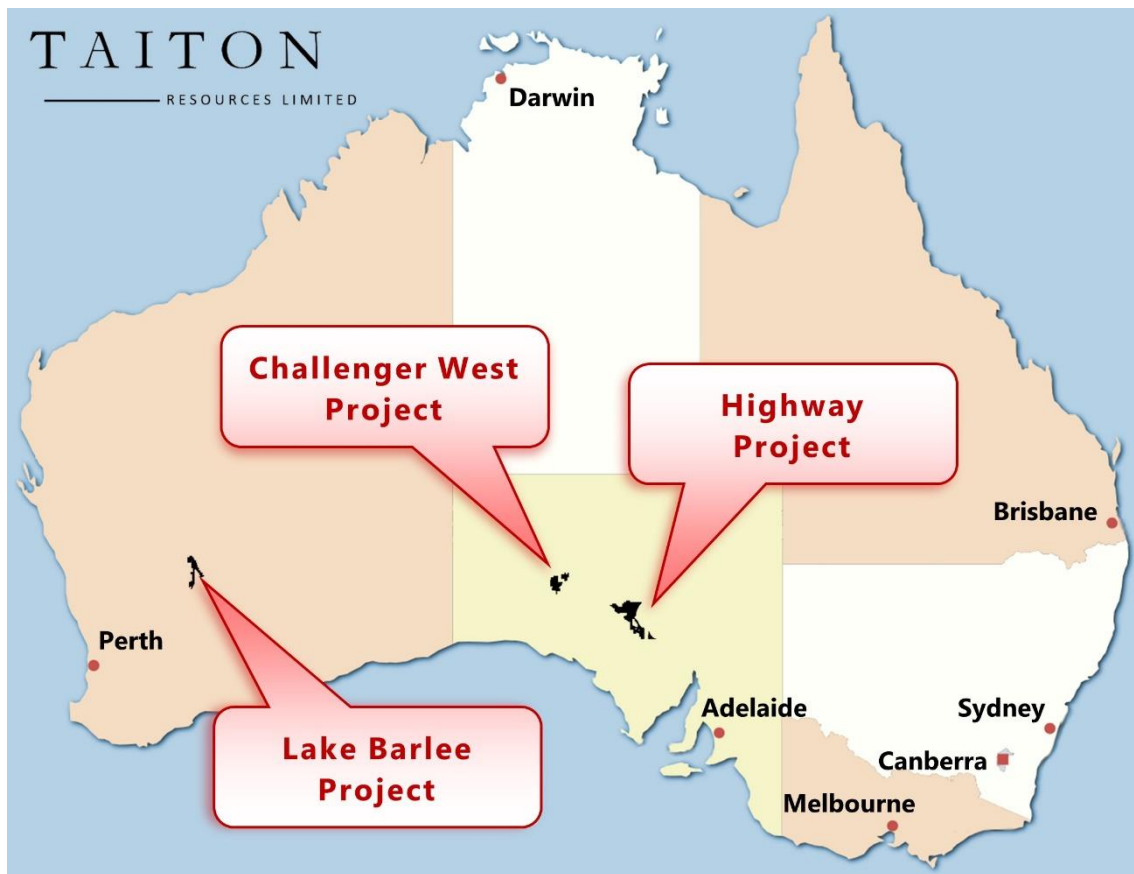
### References:

#### Taiton announcements

- 24/01/2024 Over 1000m width of Molybdenum Mineralisation
- 15/12/2023 Broad-spaced Molybdenum Mineralisation Confirmed
- 24/11/2023 Drilling Results Update
- 03/11/2023 Drilling Commenced on Significant Molybdenum Anomaly
- 09/10/2023 Drilling Significant Molybdenum Anomaly identified by the UltraFine Soil Survey

## About Taiton Resources Limited

Taiton Resources Limited (ASX: T88) is an early-stage mineral exploration and development company that has a Shallow Mineral System within the Olympic Dam Mineralising Event.



### Project location of Taiton Resources Limited.

Our dominant land holding at the Highway Project will allow us to potentially uncover the Next Elephant Deposit in Australia.

The Company has assembled a portfolio of projects across both 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.

The projects have a range of exploration activities planned. The Company will be undergoing a series of grassroots exploration and also several walk-up drilling targets.

## Appendix 5B

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

Name of entity

<b>Taiton Resources Limited</b>
---------------------------------

ABN

<b>41 062 284 084</b>
-----------------------

Quarter ended ("current quarter")

<b>31 December 2023</b>
-------------------------

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(135)	(266)
(e) administration and corporate costs	(179)	(329)
1.3 Dividends received (see note 3)		
1.4 Interest received	36	50
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	(30)	(150)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(309)</b>	<b>(696)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(20)	(78)
(d) exploration & evaluation	(710)	(1,327)
(e) investments		
(f) other non-current assets		

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(730)</b>	<b>(1,405)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	(30)
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)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>(30)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,535	4,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(309)	(696)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(730)	(1,405)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(30)



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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,496</b>	<b>2,496</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	696	335
5.2	Call deposits	1,800	3,200
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,496</b>	<b>3,535</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	126
6.2	Aggregate amount of payments to related parties and their associates included in item 2	23

*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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.	N/A	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(309)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(710)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,019)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,496
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,496
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.45
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

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

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: N/A

*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 2024.....

Authorised by: ....By the Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
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.