



30th April 2024

Highlights

- **Acquisition of Advanced High-Grade Molybdenum project – Kingsgate Project, New South Wales**
- **Potential to be near term production asset**
- **Over 1000m width of Molybdenum Mineralisation at Highway Project, South Australia**

Taiton Resources Limited (**ASX: T88, Taiton** or “**the Company**”) is pleased to provide a summary of activities completed during the Quarter ended 31st March 2024.

Kingsgate Project - NSW

During the Quarter, the Company applied and obtained the approval of Mining, Exploration and Geoscience - Department of Regional NSW for 2 Exploration Licences (EL9636 and EL9641) for land area totalling 294.1 sq.km (Figure 1).

The Kingsgate project is located approximately 20km east of Glen Innes (pop. 6,155), the main town in the Northern Highlands of New South Wales. Glen Innes is approximately 600km north of Sydney situated on a major highway between Sydney and Brisbane.

The Company has identified the Kingsgate project as being prospective for high-grade Molybdenum and high-purity quartz and has the potential to be a near term production asset.

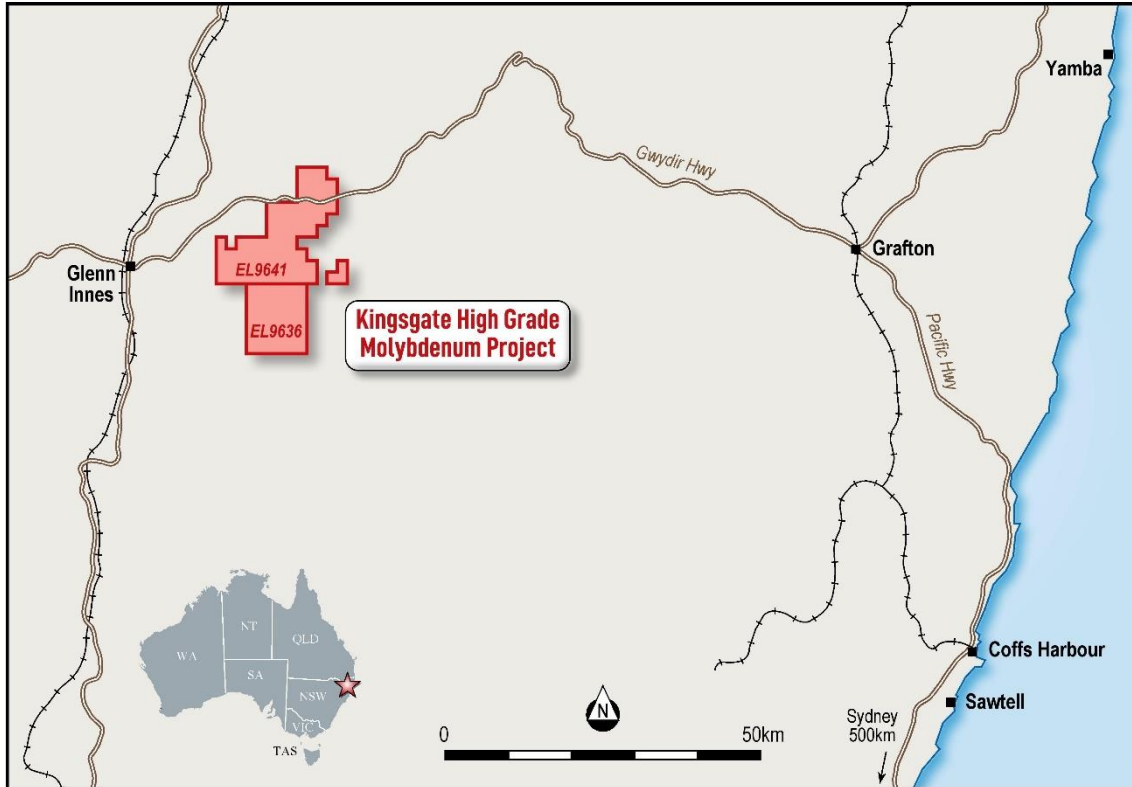


Figure 1. Location of the Kingsgate project

Extensive exploration work was undertaken by Auzex Resources Limited (“Auzex”) (ASX: AZX) between 2006 and 2010 with a total of over 100 quartz pipes known to exist (over 50 pipes having been production in the past). Auzex is no longer listed on the ASX.

The region has also been well documented to contain high purity quartz which has been identified by Auzex in their exploration activities.

The Kingsgate area has also been a significant producer of tin and molybdenum in the past with production estimated at 300,000t and 450t respectively.



Figure 2: Historical workings within the central Kingsgate historical mine area.
(Source: Auzex Photographs)



Figure 3: Photo of Molybdenite taken from the Emmaville Museum.

The Kingsgate area is known for its high-grade nature and nuggets of Molybdenite are commonly found in the entire Kingsgate to Emmaville region (Figure 3).

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.

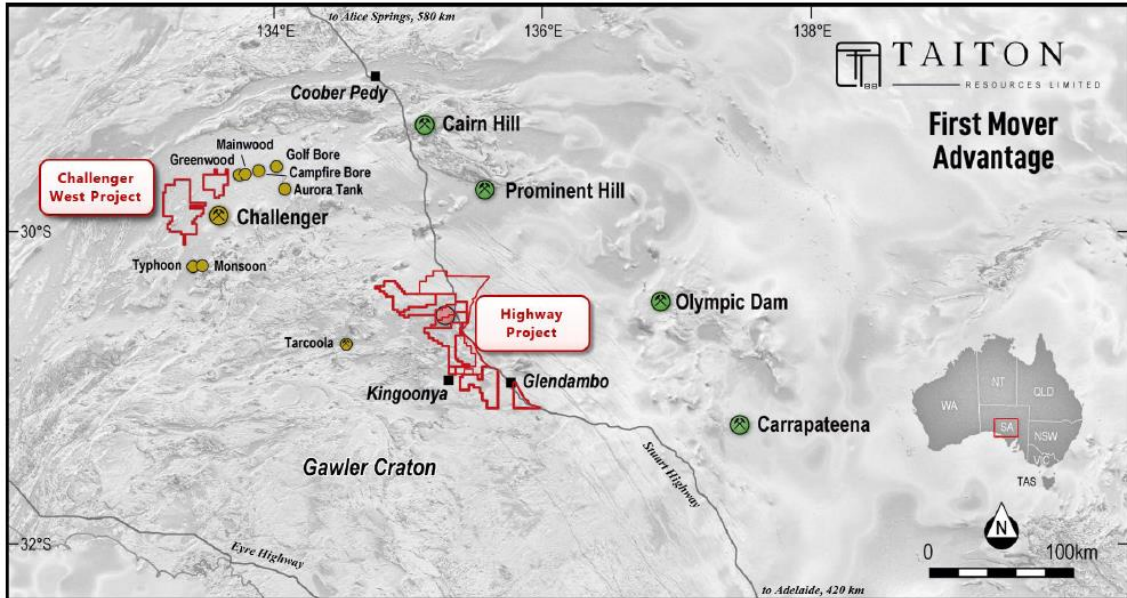


Figure 4: Location of Taiton South Australia projects. The pink dot represents the location of the Merino prospect and the current location of the drilling program. Green mines are IOCG deposits.

During the Quarter, the assays received from the 2nd drilling program consisting of 1,896m drilled across sixteen RC holes was successful in defining broad zones of molybdenum mineralisation (>100 ppm Mo) **over a strike length > 1 km to a nominal depth of 50m**, as shown in Figure 5.

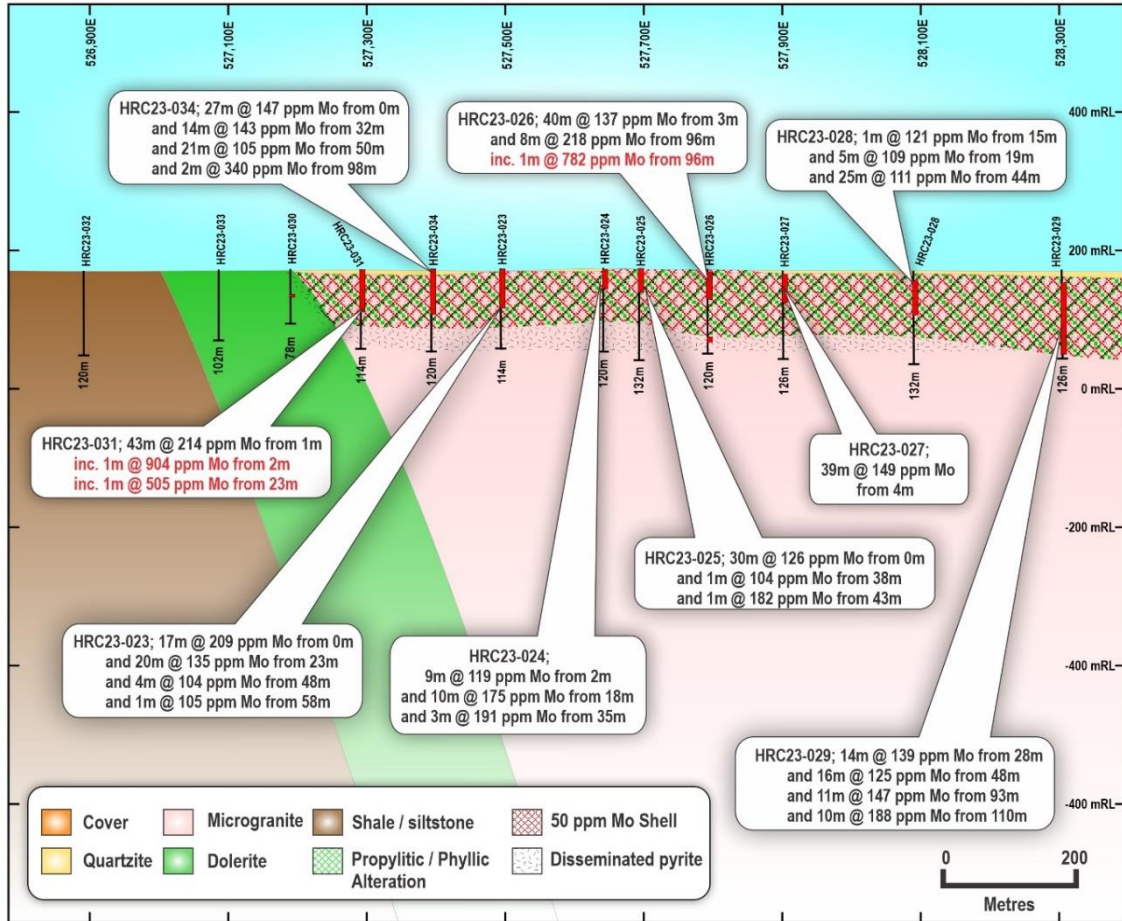


Figure 5. Merino cross section 6,621,300 N highlighting >100 ppm Mo drill hole intersects (red box's) within a broader envelope of anomalous molybdenum (>50 ppm Mo).

Based on the exploration results from Merino prospect, Taiton is now focusing on the regional parts of Highway project which may not be susceptible to preservation concerns. Preliminary reconnaissance exploration has identified the high priority Garfield prospect approximately 8km to the south-southeast of Merino whereby rock samples exhibits evidence of hydrothermal activity including, quartz veining / breccia, chalcedony, dissolution indicating epithermal system and sample with iron oxide present.

Hence, a large scale Ultrafine (UF) soil sampling program had then commenced during the Quarter across three prospects; Garfield, Snoopy and Pluto, within the Highway project (Figure 6).

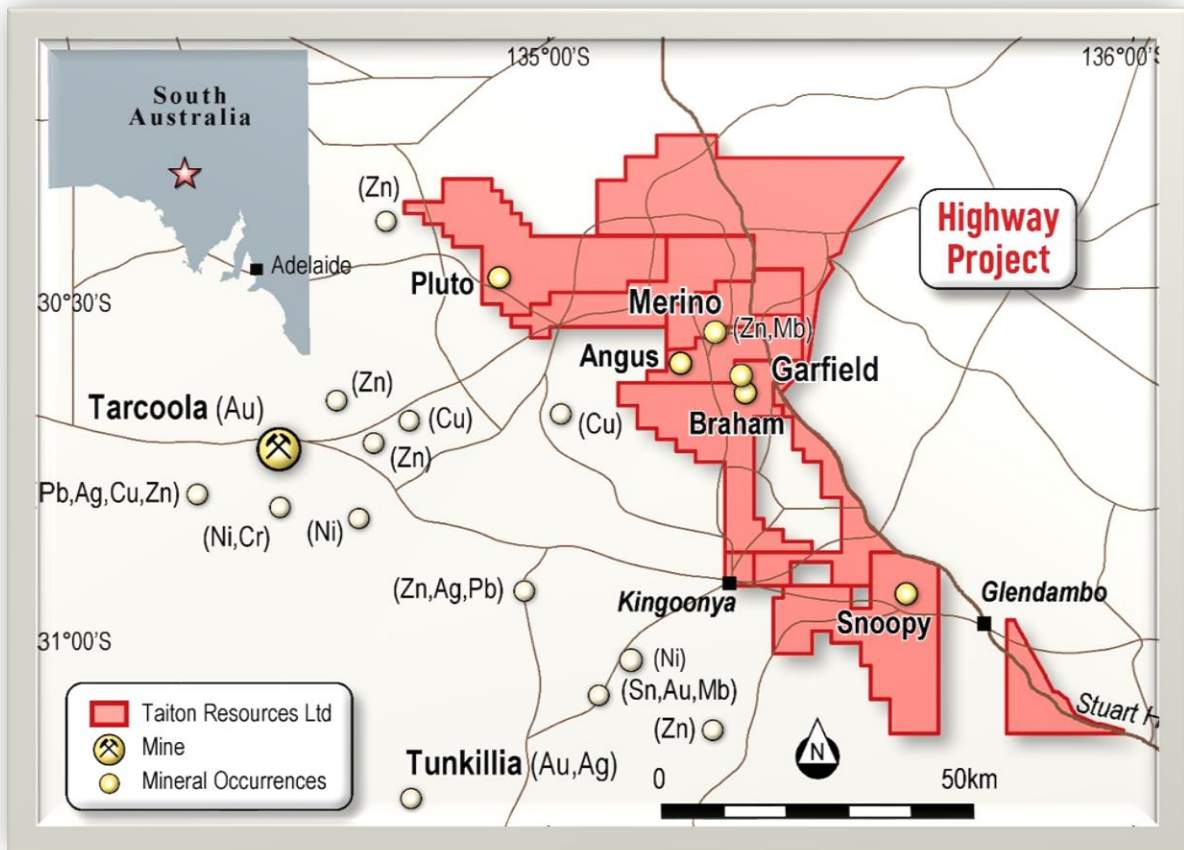


Figure 6. Location of the Highway project and prospects where recent UF were undertaken.

Assays from the large scale UF soil program at Highway project are currently pending.



Challenger West Project – South Australia

During the quarter, the review of geophysical and historical surface geochemical sampling datasets obtained in the previous quarter from SensOre Ltd (ASX:S3N) reports has identified multiple target areas. The Challenger West project is located between 10km and 40km west and north of the >1 M* ounce Challenger Gold deposit.

Preparation was then made for an UF Soil program to be conducted the following quarter.

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 March 2024, Taiton has 73,009,544 shares on issue, 12,261,168 unlisted options and 6,000,000 unlisted performance rights. Cash at bank totalled \$1.991 M.

No further shares or options were issued during the March Quarter 2024.

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 \$107K relate to director fees and consulting services, and CFO salary including superannuation.
- 1.2(e) Administration and corporate costs of \$111K less GST receipts of \$49K (net \$62K) 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 \$59K relate to project consulting fees (\$13K) and new tenement application fees (\$9K), Security deposits on tenements (\$20K), and tenement project expenses pre-granting (\$17K).
- 2.1(c) Property, plant, and equipment of \$2K relates to purchases of equipment.
- 2.1(d) Exploration & evaluation costs of \$346K relate mainly to payments to Geologists for work activities, Tenement rents, consulting services, Fieldwork & supplies, Field travel, Heritage survey, Laboratory analysis, and Hire of equipment.

- 6.1 Payments to related parties relate to director fees and consulting services (\$94K), and payment for media digital content, production, and promotion services (\$15K) to an entity associated with the Executive director.
- 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.

Use of funds	Proposed \$ in IPO prospectus -Year 1	Proposed \$ in IPO prospectus -Year 2 (prorata for 2 quarters)	Total Year 1 & Year 2 (prorata for 2 quarters)	Actual expenditure \$ to 31 March 2024	Variance under/(over) \$'000
Exploration activities ^{a)}	\$1,900,000	\$1,017,500	\$2,917,500	\$2,540,389	\$377
Administration costs ^{b)}	\$799,000	\$371,000	\$1,170,000	\$1,601,507	(\$431)
Estimated expenses of the Offer ^{c)}	\$1,142,000	0	\$1,142,000	\$927,710	\$214
Working Capital ^{d)}	\$315,000	\$132,000	\$447,000	\$365,616	\$81
Total Funds allocated – Year 1 & Year 2 (prorata)	\$4,156,000	\$1,520,500	\$5,676,500	\$5,435,222	\$241

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

- a) Exploration activities expenditures including plant & equipment purchases (\$109K) 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 (\$38K), project expenses (\$17K), security deposits (\$20K) and new tenement application fees (\$14K).

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	
Taiton Resources Limited	EL9636	NSW	Kingsgate	104.70		
Taiton Resources Limited	EL9641	NSW	Kingsgate	189.40	294.1	100%
					4,889.8	

During the Quarter, 2 mining tenements were acquired in NSW (EL9636 & EL9641) measuring 294.1 sq km.



TAITON RESOURCES
LIMITED

ASX: T88

QUARTERLY ACTIVITIES REPORT

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

For further information, please contact:

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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:

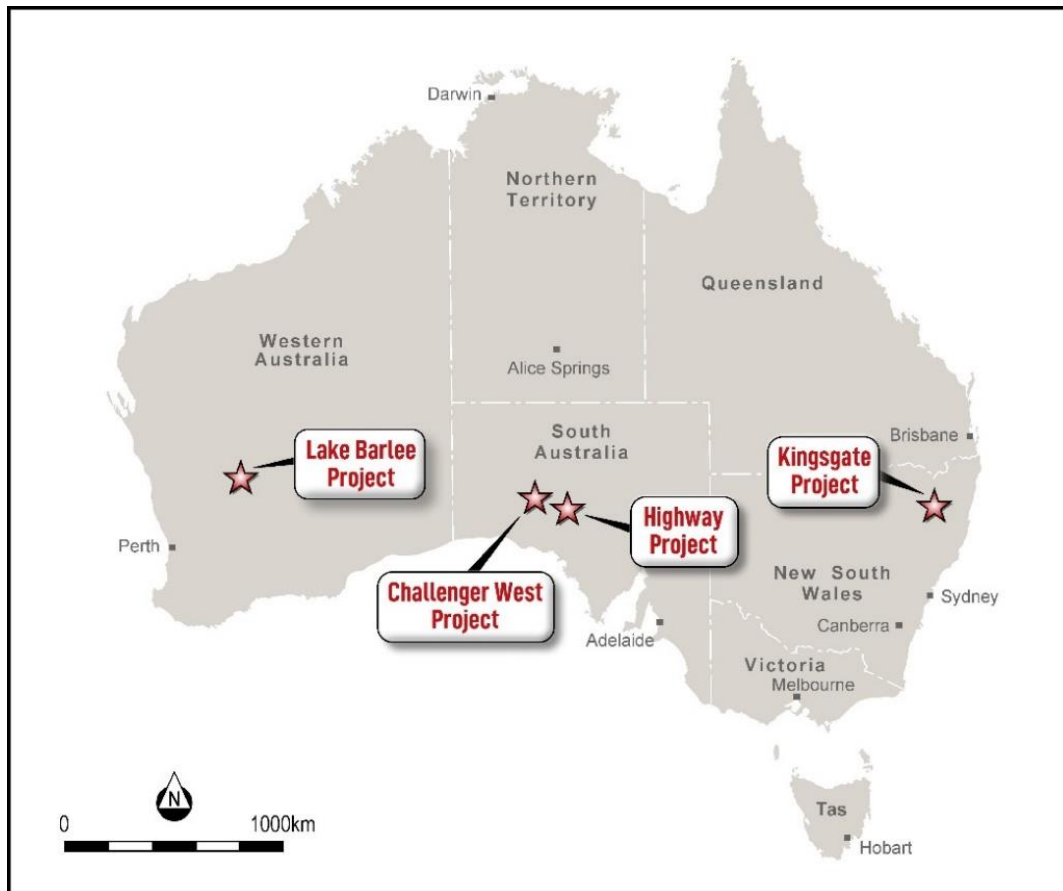
Taiton announcements

- 18/03/2024 Large Scale Ultra-Fine Soil Sampling Commenced
- 07/03/2024 Kingsgate Project Update
- 24/01/2024 Over 1000m width of Molybdenum Mineralisation
- 16/01/2024 High-Grade Molybdenum Acquisition - The Kingsgate Project

About Taiton Resources Limited

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

- a) **Kingsgate Project** – total tenement holding of 294.1 sq km, located in New South Wales;
- b) **Highway Project** – total tenement of 2,930 sq km, located in South Australia;
- c) **Challenger West Project** – total tenement holding of 997 sq km, located in South Australia; and
- d) **Lake Barlee Project** – total tenement holding of 668.7 sq km, located in Western Australia.



Appendix 5B

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

Name of entity

Taiton Resources Limited

ABN

41 062 284 084

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	(107)	(373)
(e) administration and corporate costs	(62)	(391)
1.3 Dividends received (see note 3)		
1.4 Interest received	71	121
1.5 Interest and other costs of finance paid		(1)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	(59)	(209)
1.9 Net cash from / (used in) operating activities	(157)	(853)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(2)	(80)
(d) exploration & evaluation	(346)	(1,673)
(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 (9 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)		
2.6	Net cash from / (used in) investing activities	(348)	(1,753)

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	-	(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)		
3.10	Net cash from / (used in) financing activities	-	(30)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,496	4,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(157)	(853)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(348)	(1,753)
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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,991	1,991

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	991	696
5.2	Call deposits	1,000	1,800
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,991	2,496

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	109
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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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 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.	N/A	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(157)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(346)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(503)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,991
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,991
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.95
<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:30 April 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.