
Quarterly Activities Report – March 31st, 2025

Highlights:

- **Integrated targeting study generated multiple new targets within the Webb Project**
 - **Priority drill targets selected for testing using RC and Diamond drilling**
 - **Targets have potential for IOCG, carbonatite and orogenic gold**
 - **Drilling contractor DDH1 selected to complete the programs commencing late April**
 - **Continued to build a land position in the highly prospective Leonora gold district through low-cost tenement pegging**
 - **Leonora project review highlights multiple gold hits in drilling that require follow-up**
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CGN Resources Ltd (ASX: CGR) (“CGNR” or “the Company”) has maintained a strong exploration focus during Q1 of 2025. Work has concentrated on the Webb IOCG, Nb & Au project located in the West Arunta Orogen in Western Australia, and on the rapidly developing Christmas Well Project (“Christmas Well”) and the Panhandle Project (“Panhandle”) near Leonora.

Key activities at the Webb Project have included interpretation of Ultrafine™ surface geochemistry results (Figure 1), target ranking for drilling, drill program planning and contractor selection. The Company has committed to significant RC and diamond drill programs targeting IOCG, carbonatite and orogenic gold targets at Kandula, Elmar and Shep. Site mobilisation activities kicked off in late March in advance of RC and diamond drilling which are planned to commence in late April.

The key focus for the Leonara projects has been addressing compliance requirements related to stakeholder engagement and access agreement negotiations to move towards granting of tenure. On the technical front the team have been concentrating on regional data compilation, geological / geophysical interpretation, and first pass program planning. The regional data review demonstrates that multiple significant gold results exist within the Christmas Well tenure that have not been systematically explored and require follow-up.

These developments reflect CGNR’s ongoing commitment to advancing its exploration initiatives and building shareholder value and strong partnerships with local communities. The Company could not be happier with the results of the recent work which provide a compelling series of targets for testing during 2025.

March Quarter Exploration Activities

Webb Project:

CGNR places a high value on excellence in geoscience as a key factor in making major discoveries. With this aim in mind the Company completed an integrated targeting study pulling together all the company geophysical and geology data and integrating it with the publicly available regional data sets. During the quarter, the Company received the results from the first pass Ultrafine surface geochemical samples. The results provided additional support for the potential for mineral systems being present beneath the cover rocks.

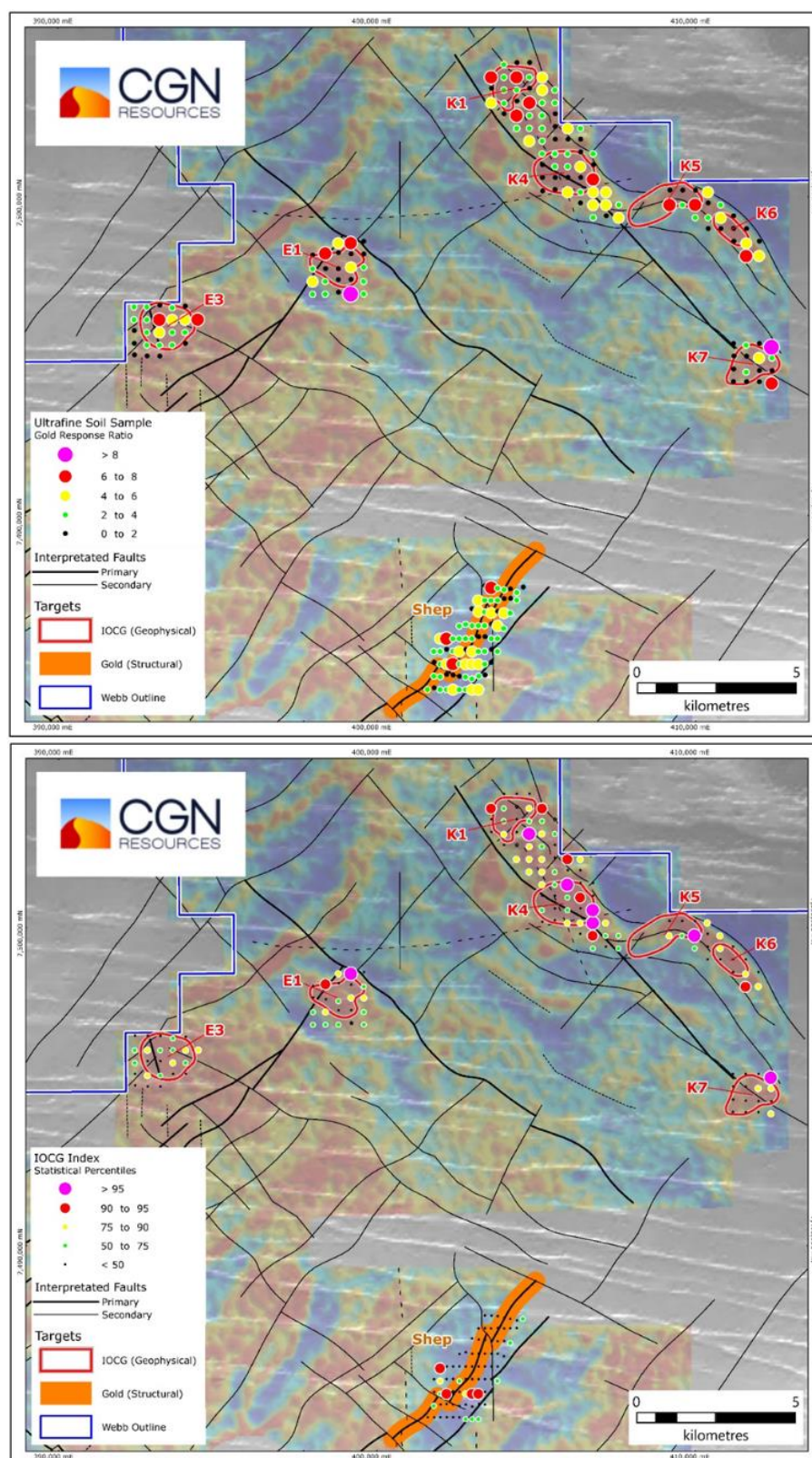


Figure 1. Ultrafine surface geochemistry Summary images showing gold response ratio in upper image and IOCG index in the bottom (from announcement 18/2/2025)

The targets selected for this year's exploration campaign (Figure 2) have sufficient scale to host a significant deposit, are regionally significant gravity anomalies with associated magnetic responses and occur in favourable structural positions. These characteristics have proved effective in a global context for making large magmatic mineral system discoveries such as IOCG and carbonatite.

In addition, the Shep target has been prioritised for further exploration base on the results of the targeting study providing a strong structural target and the positive results from the fixed loop electromagnetic (FLEM) data, IP data, surface geochemistry and the results of RC drilling in 2025.

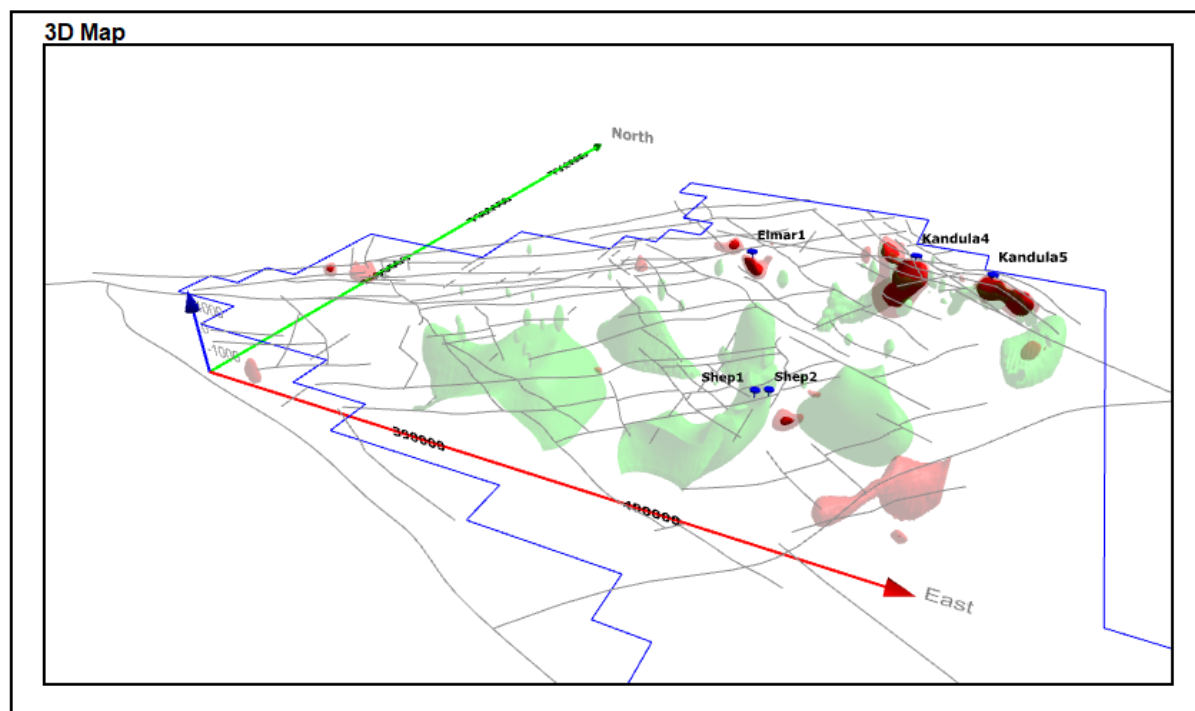


Figure 2. 3D view of 2025 drilling targets with gravity inversion models in red, magnetic inversion models in green, interpreted structures in grey and CGN tenement outlines in blue.

Leonora Project:

As part of its ongoing commitment to create value for shareholders, the Company continuously reviews project opportunities that align with its strategy of leveraging excellence in geoscience to make significant mineral discoveries. In line with this strategy, the Company is continuing to build a land position targeting the highly prospective Gwalia gold corridor within the Leonora gold district through low-cost tenement applications (Figure 3).

During this quarter CGNR completed a wide-ranging review of publicly available data targeting potential gold projects in WA that could be pegged from open ground. Based on this review the Company has pegged the Christmas Well project (in addition to the Panhandle Project) in the Leonora district as it had the clearest positive results from assessment criteria outlined below:

- Tenure within a 15km radius of an area of +1Moz gold endowment.
- Contains geological terrains and structural positions with demonstrated potential for gold mineralisation.

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10th April 2025



- Aligned with a regionally significant gravity gradient.
- Has strong evidence of gold mineralisation in drilling or surface geochemistry.
- Available tenure of sufficient size to accommodate a major gold deposit and project infrastructure.

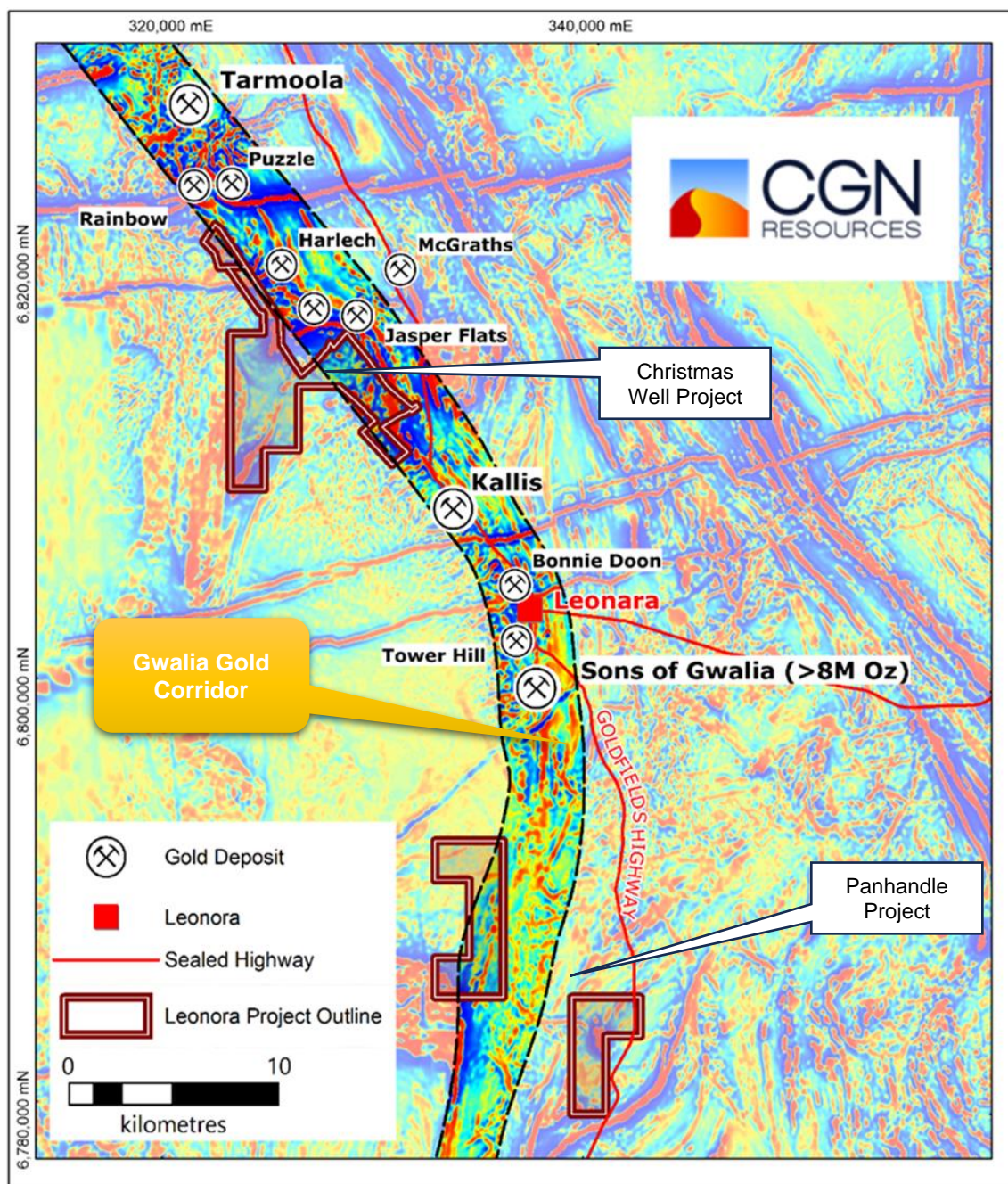


Figure 3. Project Locations for Christmas Well and Panhandle Projects over GSWA regional 1VD magnetic data compilation

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10th April 2025



Christmas Well covers areas of the Raeside Batholith and the Norseman - Wiluna Greenstone belt, 12 km NW of Leonora. The Project comprises one exploration and eleven prospecting licenses covering an area of approximately 1864 Ha.

Christmas Well is situated within the Gwalia Shear Zone that contains numerous gold occurrences within 15km including the world class Sons of Gwalia gold deposit (> 8 Moz) and the large Tarmoola (> 4M oz) and Tower Hill (> 1Moz) gold deposits and numerous deposits in 100k-250k oz (Figure 3).

Within the project area, the Company identified the sheared contact between the Raeside Batholith and the Norseman Wiluna greenstone belt as a highly prospective gold setting that remains relatively underexplored under a variable depth of cover, up to 80m depth. Furthermore, Christmas Well overlies a strong gravity gradient with multiple gold hits recorded in drilling within the DEMIRS WAMEX database that require follow-up (Figure 4).

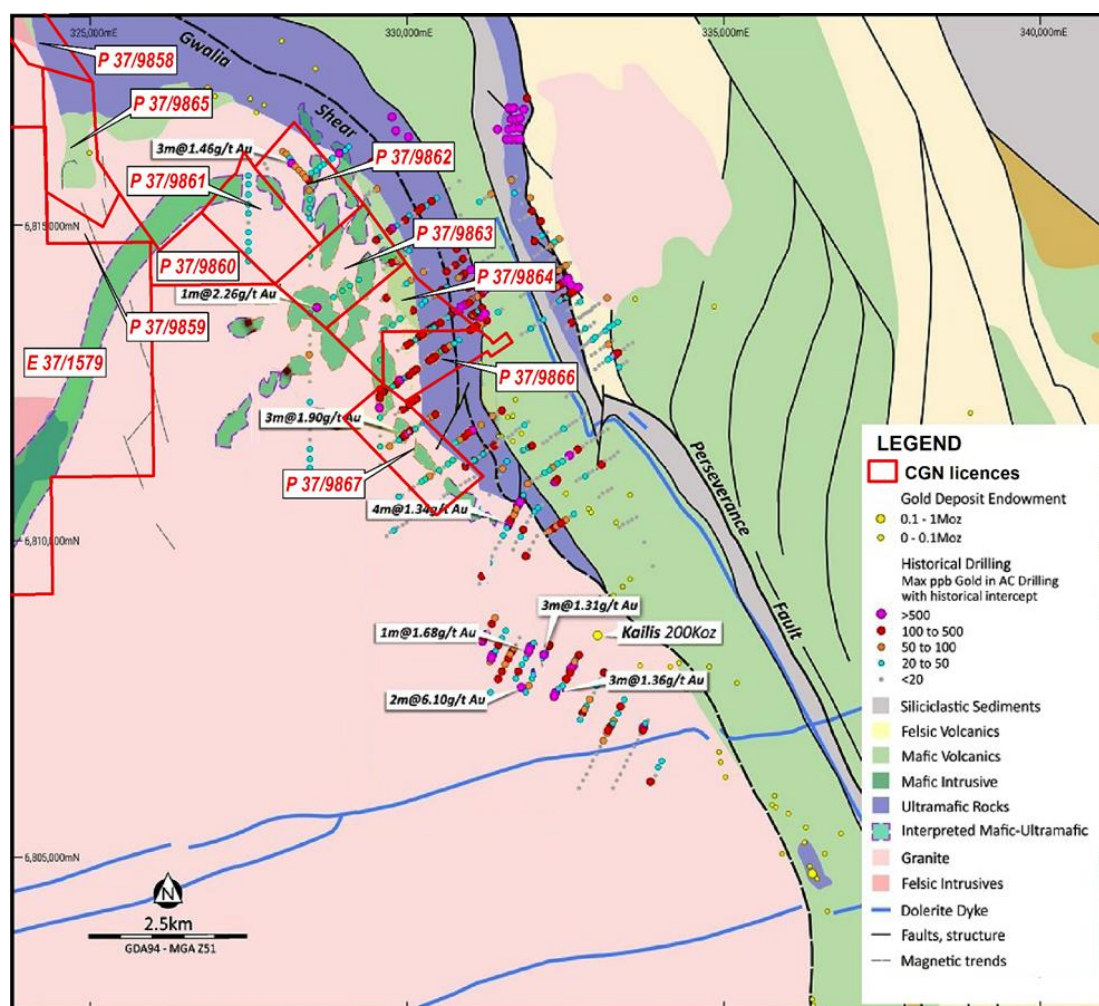


Figure 4. Compilation of maximum gold value in WAMEX drill database over key areas of Christmas Well project over the 1:100,000 interpreted bedrock geology.

The historical data provides compelling evidence for anomalous gold being present in the region and within the Christmas Well project. There are several multi-metre plus 1 gram per tonne Au hits

within the tenure and in directly adjacent tenure (Figure 4) as well as broad areas where anomalous gold is present aligned with favourable geology and structure.

The tenure is still under application and as such the company has not acquired any new data to test the results found in the WAMEX database. Targeting has relied completely on the historic data and has been used to underpin our exploration rationale. The key aspect being that there is a favourable geological and structural regime with anomalous gold values present. These layers of evidence collectively are more important than the exact values of individual samples, and although the company believes they are reliable they should be considered indicative and have not been verified in the field (see announcement 11/03/2025 for more details).

Activities for the Current Period

For the 3 months ending 30th June 2025, the Company will undertake the following activities:

- Setup Webb exploration camp and complete drill access earthmoving
- Completed rehabilitation works from previous programs
- Undertake RC and diamond core drilling at the Webb Project
- Undertake sampling and geochemical analysis
- Expand marketing efforts
- Finalise access agreements for Christmas Well and Panhandle
- Aim to have new Leonora tenure granted
- Detailed program design for exploration of the Leonora projects
- Stakeholder engagement with traditional owners

Corporate Activities for the Period

- Expanded our project profile by making new tenure application in the Leonora District
- Attended RIU Explorers Conference
- Presented to multiple broking houses on our upcoming exploration campaign

March Quarter Cashflow (including note to Section 6 of Appendix 5B)

Attached below are the Appendix 5B company cash flow statement and summary use of funds (

Table 1). During the quarter, the Company operating expenses amounted to approximately \$316k. Significant expenses for the quarter related to data compilation, geological review, tenement costs, geophysical modelling, contractors for fieldwork, project planning, stakeholder engagement and marketing. Payments to related parties of the entity and their associates totalled \$99k which included Chairman fees, Managing Director salary, Non-executive director fees, rent and company secretarial costs.

Table 1. Summary of use of Funds

| Use of Funds Year 1 (from Prospectus) | Prospectus Estimated Use of Funds (\$'000) | Actual Use of Funds (YTD \$'000) |
|---|---|---|
| Exploration and evaluation programs at the Webb Project | 2,996 | 3,758 |
| Costs of the Offer | 850 | 776 |
| General administration costs | 550 | 208 |
| Working capital | 1,362 | 44 |
| Sub-total (Year 1) | 5,758 | 4,786 |
| Use of Funds Year 2 (from Prospectus) | | |
| Exploration and evaluation programs at the Webb Project | 2,408 | 871 |
| General administration costs | 550 | 43 |
| Working capital | 1,362 | (184) |
| Sub-total (Year 2) | 4,320 | 730 |
| Total | 10,078 | 5,516 |

ENDS

This announcement has been authorised by the Board of Directors of the Company.

For Further Information, Please Contact:

| | |
|--|---|
| Mr Stan Wholley Managing Director Tel: +61 (0) 421 109 664 info@cgnresources.com.au | Mr Grant Mooney Non-Executive Director / Company Secretary Tel: +61 8 9226 0085 info@cgnresources.com.au |
|--|---|

About the Webb Project

The Webb Project is in the Eastern Pilbara region of Western Australia approximately 20km east of the Kiwirrkurra aboriginal community. The Project comprises nine granted exploration licences (Appendix 1) in JV with Meteoric Resources. The tenements cover 961 sq km of the highly prospective West Arunta Orogen, a package of Proterozoic to Archean aged rocks considered highly prospective for large magmatic base metal, precious metal, and kimberlitic diamond deposits. The project has been the subject of exploration for diamonds resulting in the discovery of Australia's largest kimberlite field comprising at least 280 kimberlite pipes. During exploration for diamonds

multiple holes returned highly anomalous base metal intersections for copper, nickel, and rare earth elements. Based on these results CGNR changed focus from diamonds exploration to base metal and critical metal exploration which will be the focus of work over the coming years.

About the Leonora Projects

The Company's exploration efforts are focused on two key areas surrounding the township of Leonora in Western Australia: The Panhandle Project and the Christmas Well Project. Both areas lie along strike from some of the region's most prominent gold deposits, including the Gwalia Mine, containing in excess of 8 million ounces of gold.

The Panhandle Project is located approximately seven kilometres south of the Gwalia Mine, the Panhandle Project covers two exploration licences in an area where the stratigraphy is interpreted to be similar to that of Gwalia but buried under cover.

The Christmas Well Project is situated 10 kilometres north of Leonora. The project is strategically located along strike from several significant gold mines. The tenements target the contact zone between the Raeside Batholith and the Eastern Goldfields Superterrane, a geological feature that hosts multiple +1-million-ounce gold mines, including Gwalia, Tower Hill, and King of the Hills.

Both projects have experienced limited systematic exploration due to the depth of alluvial cover sediments that obscure the underlying bedrock. However, the area remains highly prospective, with the bedrock geology hidden beneath the cover offering substantial exploration potential. The Company aims to unlock this potential by continuing exploration efforts in these underexplored regions.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning CGN Resources Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although CGN Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person's Statement

The information in this announcement that relates to Exploration Results for the Webb Project is based on, and fairly represents, information compiled by Mr Daniel Wholley, a Competent Person who is a Member of the Australian Institute Geoscientists (AIG). Mr Wholley is a fulltime employee of CGN Resources Limited. Mr Wholley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Wholley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Interests in Tenements

| Tenement Id | Status | Project | Jurisdiction | Interest ant Start of Quarter | Interest at end of Quarter |
|--------------------|---------------|----------------|---------------------|--------------------------------------|-----------------------------------|
| E37/1567 | PENDING | PANHANDLE | MALCOLM | 100% | 100% |
| E37/1579 | PENDING | CHRISTMAS WELL | MALCOLM | 100% | 100% |
| E40/0454 | PENDING | PANHANDLE | MARMION | 100% | 100% |
| E80/4815 | LIVE | WEBB | LAKE MACKAY | 91% | 91% |
| E80/5471 | LIVE | WEBB | WANMAN | 91% | 91% |
| E80/5496 | LIVE | WEBB | ELIZABETH HILLS | 91% | 91% |
| E80/5499 | LIVE | WEBB | ELIZABETH HILLS | 91% | 91% |
| E80/5573 | LIVE | WEBB | WANMAN | 91% | 91% |
| E80/5633 | LIVE | WEBB | WEBB | 91% | 91% |
| E80/5864 | LIVE | WEBB | WANMAN | 91% | 91% |
| E80/5956 | LIVE | WEBB | WANMAN | 91% | 91% |
| E80/5986 | LIVE | WEBB | WANMAN | 91% | 91% |
| P37/9857 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9858 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9859 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9860 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9861 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9862 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9863 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9864 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9865 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9866 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |
| P37/9867 | PENDING | CHRISTMAS WELL | LEONORA NORTH | 100% | 100% |

Appendix 5B

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

Name of entity

CGN Resources Limited

ABN

51 122 958 810

Quarter ended ("current quarter")

31 March 2025

| 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 (if expensed) | (116) | (1,525) |
| | (b) development | | |
| | (c) production | | |
| | (d) staff costs | (235) | (502) |
| | (e) administration and corporate costs | (21) | (66) |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | 57 | 195 |
| 1.5 | Interest and other costs of finance paid | | |
| 1.6 | Income taxes paid | | |
| 1.7 | Government grants and tax incentives | - | 139 |
| 1.8 | Other (provide details if material) | | |
| 1.9 | Net cash from / (used in) operating activities | (315) | (1,759) |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire: | | |
| | (a) entities | | |
| | (b) tenements | | |
| | (c) property, plant and equipment | - | (1) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| | (d) exploration & evaluation (if capitalised) | | |
| | (e) investments | | |
| | (f) other non-current assets | - | (14) |
| 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 | - | (15) |

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

| | | | |
|------------|--|--------------|--------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 5,558 | 7,017 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (315) | (1,759) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | | (15) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | | |
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period (See note 1 below) | 5,243 | 5,243 |

| | | | |
|------------|---|------------------------------------|-------------------------------------|
| 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 | 461 | 63 |
| 5.2 | Call deposits | 4,782 | 5,495 |
| 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) | 5,243 | 5,558 |

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

99

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

7. Financing facilities

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.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

| Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|-------------------------------------|
| | |
| | |
| | |
| | |

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.

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|-------------|
| 8.1 Net cash from / (used in) operating activities (Item 1.9) | (315) |
| 8.2 Capitalised exploration & evaluation (Item 2.1(d)) | |
| 8.3 Total relevant outgoings (Item 8.1 + Item 8.2) | (315) |
| 8.4 Cash and cash equivalents at quarter end (Item 4.6) | 5,243 |
| 8.5 Unused finance facilities available at quarter end (Item 7.5) | |
| 8.6 Total available funding (Item 8.4 + Item 8.5) | 5,243 |
| 8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3) | 16 quarters |

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

- 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:

- 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:

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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: 10th April 2025

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 – e.g. 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.

ASX Listing Rules Appendix 5B (01/12/19) See chapter 19 of the ASX Listing Rules for defined terms