

31 October 2024

QUARTERLY ACTIVITIES REPORT ENDED 30 SEPTEMBER 2024

HIGHLIGHTS:

- **Awarded (June 2024) the maximum \$300,000 in aggregate under two co-funding exploration grants from Northern Territory Government for drilling.**
- **First round of co-funded drilling was completed within the Georgina Project area, designed to test IOCG targets at Wilma, Pebbles and Dino prospects.**
- **Base metal sulphides presented in the shallow sedimentary cover at both Dino and Pebbles prospects and in the targeted basement associated with strong 'redrock' alteration at Pebble requires further investigation.**
- **Cash position solidified through the sale of MDI's interest in Aurumin Limited for \$1.44M.**
- **Cash and share investments position of \$2.27M (as at 30 September 2024).**

Middle Island Resources Limited (ASX: MDI, "Middle Island" or "the Company") is pleased to present its Quarterly Report (**Report**) for the period ended 30 September 2024 (**Period**).

During the Period, the Company was focused on advancing its exploration programmes at its Barkly Copper-Gold Super Project in the Northern Territory with the completion of a maiden exploration drill programme within the Georgina Project area. The drilling is the culmination of 2 years' target generation efforts where MDI moves to the next stages of systematically testing the established substantial pipeline of drill targets, to unlock the potential of this significantly under-explored region.

The Company also solidified its cash position through the sale of its entire share investment in Aurumin Limited and agreed to conduct a capital raising via a share placement within the Company's ASX Listing Rule 7.1 and 7.1A placement capacities. This share placement transaction was completed and funds received after the end of the quarter. The funds raised provide capacity to realise ambitions in identifying and selecting a more advanced project to compliment the Company's major copper-gold project in the NT. The funds will also assist with further exploration on MDI's existing projects and provide general working capital.

Barkly Copper-Gold Super Project

Overview

The Barkly Copper-Gold Super Project is prospective for large Iron Oxide Copper Gold (IOCG) and Sediment Hosted Cu-Zn-Pb-Ag (SedH) deposits at Tennant Creek and Barkly. The Company's exploration holdings in the region cover some 6,918 sq kms with a large pipeline of significant (quality and scale) targets (Figure 1).

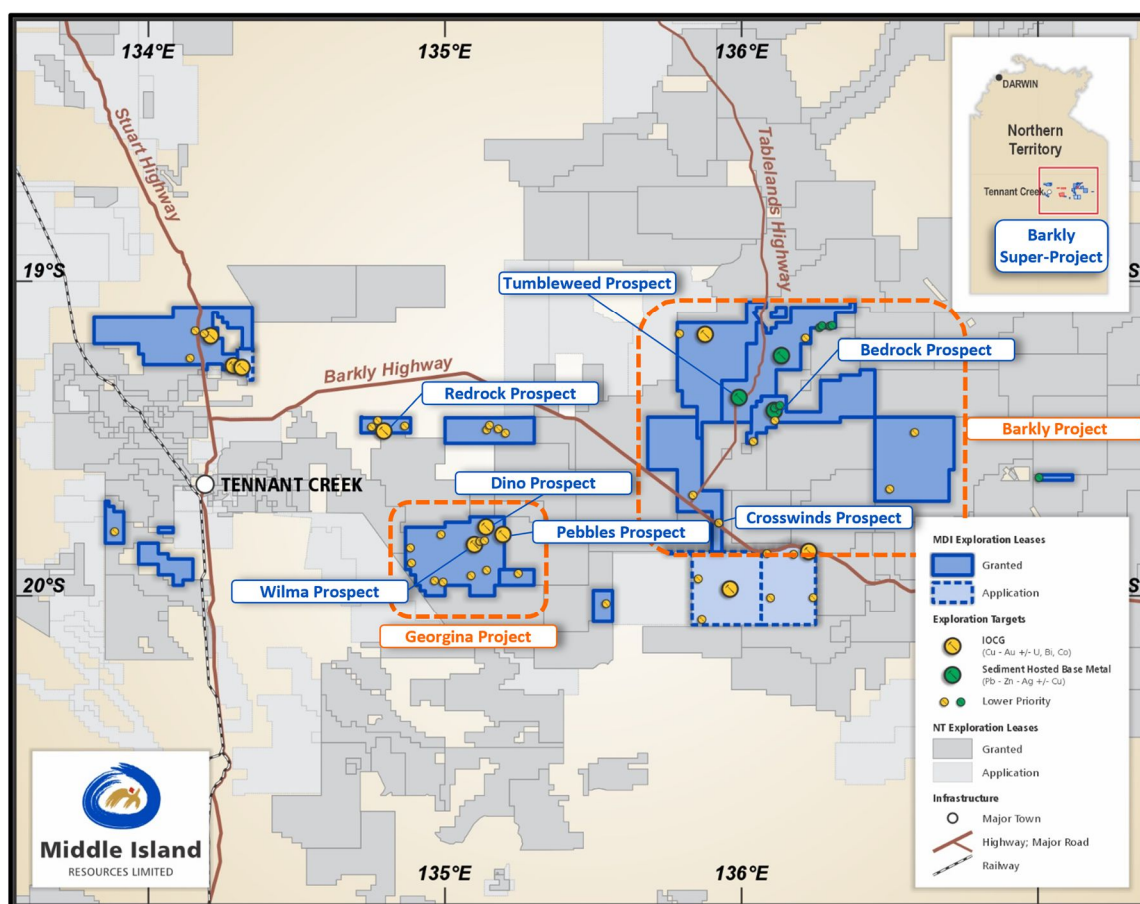


Figure 1. Barkly Copper-Gold Super Project, project areas, tenements and exploration prospect locations. Report first round drilling completed is within the Georgina Project area.

Drill Programme

During this period, the Company completed a three-hole diamond drill programme with hole designs extending to a depth of 600-650m. The aim of the maiden drilling programme within the Georgina Project area (EL32109) was to test the IOCG targets at the Wilma, Pebbles and Dino prospects. The drill programme was awarded co-funding from the Northern Territory Government as part of the *Resourcing the Territory* initiative (refer to [Co-funding Grant](#)).

The drilling of the first two holes was completed without issue. While no economic visible sulphides were recorded in the holes, the presence of trace copper sulphides and alteration dispersed in the first hole at the large Pebbles prospect is significant. While the target at the Wilma Prospect remains valid, consequent upon encountering unforeseen geology in the cover sequence of the third hole, drilling was suspended pending reassessment of our approach to drilling and that target.

The drilling has provided significant information that will be key to refining our next round of drilling, both at Pebbles, with its encouraging footprint, as well as our expansive list of priority targets across the region. The presence of observed possible MVT style mineralisation in the cover rocks is also an interesting development that opens new possibilities for exploration in shallower target positions and transactions.

Co-Funding Grant

Middle Island was awarded the maximum \$300,000 in aggregate under two co-funding grants under Round 17 of the Northern Territory Government's Geophysics and Drilling Collaborations ("GDC") program (see ASX release dated 12 June 2024). The GDC program is a competitive program funded by the Northern Territory Government as part of the *Resourcing the Territory* initiative, administered by the Northern Territory Geological Survey.

The details of the two grants are as follows:

- \$125,000 (inclusive of GST) towards co-funding of three diamond drillholes; the first-round test of a spread of IOCG targets at the Wilma, Pebbles and Dino prospects within the Georgina Project area (EL32109); and
- \$175,000 (inclusive of GST) towards co-funding of one deep diamond drillhole; the first-round test of one of the SedH targets at the Bedrock prospect within the Barkly Project area (EL33588).

Future Works

Planned drill programmes at Barkly are being conducted in stages; a next round of drilling at the Bedrock Prospect (recipient of the second co-funding grant) was proposed for the later part of 2024 but due to conditions on site at the Bedrock prospect the drilling has been postponed that will result in a lapse of the second co-funding grant. The data collected from the reported drilling within the Georgina area is being used to build and refine forward models of the geophysical targets (including at Bedrock) that will improve the potential for drilling success.

Additional systematic field surveys, over the next round of priority targets, that include soil sampling and further ground geophysical surveys (gravity) are planned on an ongoing basis. Soil sampling programmes continued in the report period.

Operating Activities Corporate

Finances

Middle Island Resources Limited held aggregated cash and share investments of A\$2.27M as of 30 September 2024, comprising:

- Cash reserves - A\$1.99M
- Shares held in Tajiri Resources (TSX:TAJ) and Emu NL (ASX: EMU) - A\$280k.

During the reporting period the Company raised \$1.44M through the sale of its entire interest in Aurumin Limited (ASX: AUN). The Company retains 5,495,488 unlisted options in AUN (exercise price 6 cents, expiring 22/12/2025).

Prior to and just after the end of the quarter, the Company agreed to place a total of 54,600,172 fully paid ordinary shares (New Shares) at 1.5 cents (\$0.015) each to sophisticated and professional investors, with the placement being conducted within the Company's existing ASX Listing Rule 7.1 and 7.1A capacities. This resulted in a capital raise of ~\$819K (before costs); the transaction was completed and funds received after the end of the quarter. The share placement was completed in two tranches (see ASX releases of 27 September and 1 October). Part of the agreement was for 10,920,034 unlisted options (New Options) to be issued as broker options subject to shareholder approval being obtained at the next meeting of shareholders. These New Options will be exercisable at 3.0 cents (\$0.03) each, on or before a date which is two years from their date of issue.

ASX Additional Information

ASX Listing Rule 5.3.1: Exploration and evaluation expenditure during the Period was \$710k.

ASX Listing Rule 5.3.2: No substantive mining production or development activities were undertaken during the Period.

ASX Listing Rule 5.3.5: During the Period, the Company made cash payments of \$30k to related parties and their associates, being the aggregate amount paid to Directors as salary, directors fees, consulting fees and superannuation.

Reporting Confirmation

- 12 July 2024, Drilling Commenced at Barkly Copper-Gold Super Project
- 31 July 2024, Drilling Progress Update Barkly Copper-Gold Super Project
- 19 August 2024, Drilling Update Barkly Copper-Gold Super Project
- 26 August 2024, A\$1,440,000 (Net) Raised From Sale of AUN Shares
- 27 September 2024, Agreement as to Placement of Shares to Clients of Cygnet Capital
- 1 October 2024, Further placement of Shares

Tenure

MDI holds 100% interest in 13 granted exploration licences and 3 pending applications covering 6,918km² within the Barkly region of the Northern Territory (Figure 1).

During this reporting period two of eight pending Exploration Permit for Minerals (EPM) within Queensland were granted, the granted EPMs are the Ridglands and Greenbank Projects. MDI holds 100% interest in the 2 granted EPMs and has six pending applications within Queensland. The various EPM applications are being progressed through the various application stages.

The Queensland projects were generated from reviews of open ground, selected as having potential for porphyry copper-gold and epithermal-gold style deposits. All the tenements have varying evidence of mineralising processes (either historical mine workings, recorded copper or gold occurrences or geophysical anomalies). The newly granted Ridglands Project covers the historical Ridglands Goldfield located 35km NW of Rockhampton. Historical background data on the new tenements are being compiled.

Strategy

The Company's strategy regarding its Barkly Copper-Gold Super Project is to generate shareholder value via exploration success, complimentary assets acquisition or transactional activity. The focus on transactional activity was heightened during the reporting period. MDI continues to assess asset acquisition opportunities globally and during the quarter expanded its focus on semi mature gold and copper assets in Australia. The Company looks at, and screens corporate opportunities as they are presented.

Project Acquisitions

New project generation has a Copper-Gold focus. Several new project opportunities outside the Barkly region were assessed. None was thought to match the existing greenfields potential to deliver 'world class' discoveries like MDI's established Barkly Project.

Safety, Environmental and Social

Health & Safety

No injuries or incidents were recorded at the Company's projects and premises during the Period.

Environment

No environmental incidents were recorded at the Company's projects and premises during the Period.

Social

MDI is committed to working with the local communities in terms of procurement and employment. MDI has committed expenditure in Tennant Creek (TC) and Alice Springs, providing the services to our Barkly operations base located in TC.

RELEASE AUTHORISED BY THE MDI BOARD:

Roland Bartsch

CEO

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Andrew Willis

Investor & Media Relations

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Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Roland Bartsch, BSc(Hons), MSc, MAIG. Mr Bartsch is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Bartsch consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mining Tenements

Middle Island Resources Limited advises the following information required under ASX Listing 5.3.3 as of 30 September 2024.

Tenements	Status	Held	Tenement location
EL32109	Granted	100%	Northern Territory
EL32290	Granted	100%	Northern Territory
EL32291	Granted	100%	Northern Territory
EL32292	Granted	100%	Northern Territory
EL32304	Granted	100%	Northern Territory
EL 32305	Granted	100%	Northern Territory
EL32617	Granted	100%	Northern Territory
EL32626	Application	100%	Northern Territory
EL32627	Application	100%	Northern Territory
EL32680	Granted	100%	Northern Territory
EL32760	Granted	100%	Northern Territory
EL33276	Granted	100%	Northern Territory
EL33585	Granted	100%	Northern Territory
EL33588	Granted	100%	Northern Territory
EL33589	Granted	100%	Northern Territory
EL33590	Granted	100%	Northern Territory
EPM29008	Granted	100%	Queensland
EPM29009	Application	100%	Queensland
EPM29010	Application	100%	Queensland
EPM29011	Granted	100%	Queensland
EPM29012	Application	100%	Queensland
EPM29013	Application	100%	Queensland
EPM29014	Application	100%	Queensland
EPM29015	Application	100%	Queensland

Appendix 5B

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

Name of entity

Middle Island Resources Limited

ABN:

70 142 361 608

Quarter ended ("Current Quarter")

30 Sep 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(710)	(710)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(167)	(167)
	(e) administration and corporate costs	(113)	(113)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	16	16
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(974)	(974)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(52)	(52)
	(d) exploration & evaluation	-	-
	(e) investments	(100)	(100)
	(f) other non-current assets – tenement bonds	(32)	(32)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	1,440	1,440
	(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	1,256	1,256

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	8	8
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 (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	8	8

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,702	1,702
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(974)	(974)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,256	1,256
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8	8

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,992	1,992

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	175	188
5.2 Call deposits at interest	76	116
5.3 Bank overdrafts	-	-
5.4 Other (provide details) Term Deposits at interest	1,741	1,401
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,992	1,705

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	30
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>	

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

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(974)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(974)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,992
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,992
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.05
<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	
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	
<i>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.</i>		

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 October 2024**

Authorised by: **Rudolf Tieleman, Company Secretary**
(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.

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

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.
6. By the Company lodging this Appendix 5B, the Executive Director and CFO declare that the Appendix 5B for the relevant quarter:
 - presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
 - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.