

17 January 2025

## DECEMBER 2024 QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

#### Strategic Review Confirms Gold Prospectivity (6 November 2024)

- Initiated a strategic review of the Murchison South Gold Project (formerly Primrose Gold Project)
- Historical exploration data reveals significant gold potential, with key targets and new opportunities identified across the Project area
- Immediate drilling opportunities to target infill gaps within the revised block model to confirm potential open pit mining opportunities

#### High-Grade REE Results from Surface (Wabli Creek) (21 November 2024)

- Initial assay results from 18 of 40 drill holes reveal significant intersections of Total Rare Earth Oxide (TREO), from surface with mineralisation open at depth
- High-grade Magnet Rare Earth Oxide (MREO) intersections include Neodymium (Nd), Praseodymium (Pr), Dysprosium (Dy) & Terbium (Tb) up to 1,856ppm
- Majority of holes report TREO >1,000ppm with many showing mineralisation open at depth

#### Further Thick REE/TREO Intersections from Surface (Wabli Creek) (6 December 2024)

- Final assay results from the Wabli Creek maiden drill campaign confirm consistent, thick Rare Earth Element (REE) mineralisation hosted within the alkaline granite intrusion (biotite granite)
- Consistent high-grade MREO zones (Nd, Pr, Dy & Tb) up to 1809ppm
- Significant mineralisation found near surface and throughout multiple drill holes, TREO grades as high as 7,193ppm with MREO up to 1,809ppm correlating with weathered shear zones
- Large TREO resource potential identified

#### Mining Plus to Fast Track Gold Review (11 December 2024)

- Mining Plus engaged to conduct an independent review of the Murchison South Gold Project
- This will build on the first stage of the strategic review announced on 6 November 2024
- Recommended RC drill program: ~12 holes (60-80m depth) with drilling planned for 6 January 2025 (commenced post-quarter end – see ASX announcement dated 8 January 2025)
- Drilling aims to validate historical data and focus on high grade zones identified in previous interpretations

Reach Resources Limited (ASX: RR1 & RR1OA) ("the Company" or "Reach Resources") provides its activities report for the quarter ended 31 December 2024.

#### Strategic Review Confirms Gold Prospectivity (6 November 2024)

This first stage of the strategic review aimed at identifying opportunities and expansion potential within the Murchison South Gold Project, leveraging the favourable gold pricing environment and enhancing the Company's gold exposure. The substantial gold mineralisation potential at Murchison South offers immediate growth opportunities.

As part of this review, the Blue Heaven prospect ("Prospect") was remodeled using Ordinary Kriging (OK) and Multiple Indicator Kriging (MIK). These advanced techniques more accurately evaluate the subsurface mineralisation in terms of size, shape, and orientation. By incorporating a detailed analysis of various geological data sets, the new model uncovered previously overlooked opportunities for further expansion at the Project. The model was created specifically for this exploration purpose and not to update the existing Mineral Resource Estimate (MRE).

Target infill gaps within the revised block model will be prioritised to confirm immediate open pit mining opportunities. This is fundamental to the potential monetisation of our gold resource.

The historical data review has further identified key exploration targets and growth opportunities within the broader project area.

### High-Grade REE Results from Surface (Wabli Creek) (21 November 2024)

Initial High-Grade Assay Results Include:

- 24WCRC016: **109 metres** at 1109 ppm TREO from 11 metres depth, including 4m at 1677 ppm and **8m MREO at 270ppm**
- 24WCRC017: **80 metres** at 1280 ppm TREO from 0 metres depth (**entire hole**), including 3m at 1516 ppm and **16m MREO at 257ppm**
- 24WCRC002: **86 metres** at 1099 ppm TREO from 3 metres depth
- 24WCRC004: **79 metres** at 1012 ppm TREO from 0 metres depth (**entire hole**)
- 24WCRC007: **80 metres** at 1151 ppm TREO from 0 metres depth (**entire hole**)
- 24WCRC008: **80 metres** at 1144 ppm TREO from 0 metres depth (**entire hole**), including 1m at **1648 ppm**
- 24WCRC015: **73 metres** at 1251 ppm TREO from 7 metres depth, including 1m at 3615 ppm and **2m at 6046 ppm** and **4m MREO at 708ppm**
- 24WCRC011: **69 metres** at 1102 ppm TREO from 11 metres depth, including 1m at 1563 ppm and 1m at 1788 ppm
- 24WCRC014: **56 metres** at 1097 ppm TREO from 56 metres depth

Assay results show significant, broad intersections of Total Rare Earth Oxides (TREO) over 1,000ppm within the majority of holes. As evidenced by the intercept lengths, the high grades of TREO reported have been consistent throughout each of the drill holes reported, providing a large, mineralised zone from surface to depths of more than 109m finishing in mineralisation and remaining open at depth. This may provide significant scale at the project.

In addition, early geochemical analysis has shown numerous intersections of high-grade Magnet Rare Earth Oxides (MREO) up to 1,856ppm. The high level of mineralisation consistency in these initial results indicate further high-grade MREO zones may exist. The importance of the MREO elements, Neodymium (Nd), Praesodymium (Pr), Dysprosium (Dy) and Terbium (Tb), is significant as these are the key REE's that produce the permanent magnets for electric vehicles and wind turbines and attract the highest prices within the TREO basket.

### Further Thick REE/TREO Intersections from Surface (Wabli Creek) (6 December 2024)

A total of 40 holes were completed using Reverse Circulation (RC) drilling across three target areas Pelops, Broteas and Amphion within the large Alkaline Granite intrusion at Wabli Creek (Refer to Figure 1).

These results announced 6 December 2024, present assay results from drill holes 24WCRC019 – 24WCRC040 and follows the results from drill holes 24WCRC001 – 24WCRC018, announced on 21 November 2024.

Final High-Grade Assay Results Include:

- 24WCRC031: **76 metres\* at 1677 ppm TREO** from 4 metres depth, inc. **14m @ 2394 ppm TREO, 5m @ 2421 ppm TREO & 3m @ 4514 ppm TREO** and inc. **19 metres at 379 ppm MREO and 3 m @ 1087 ppm MREO**
- 24WCRC034: **68 metres at 1032 ppm TREO** from 12 metres depth
- 24WCRC040: **60 metres at 1077 ppm TREO (entire hole)**
- 24WCRC029: **57 metres at 1063 ppm TREO** from 1 metres depth
- 24WCRC038: **53 metres at 1057 ppm TREO** from 24 metres depth and inc. **2 metres at 508 ppm MREO**
- 24WCRC019: **52 metres at 1166 ppm TREO** from 48 metres depth, inc. **3m @ 1567 ppm TREO & 3m @ 1618 ppm TREO & 9 metres at 304 ppm MREO**
- 24WCRC030: **40 metres at 1534 ppm TREO** from 7 metres depth, inc. **3m @ 3200 ppm TREO & 7m @ 2850 ppm TREO & inc. 3 metres at 674 ppm & 7 metres at 689 ppm MREO**
- 24WCRC037: **23 metres at 1366 ppm TREO** from 13 metres depth, inc. **2m @ 3324 ppm TREO and 6m @ 1600 ppm TREO** and inc. **5 metres at 448 ppm MREO & 4 metres at 298 ppm MREO**

\*Reference to metres @ XXXXppm is down-hole depth

Results confirm further broad intersections of Total Rare Earth Oxides (TREO) over 1000ppm within the majority of holes in the biotite granite and a depletion of grades in the neighbouring granite and within pegmatites.

### **Mining Plus to Fast Track Gold Review (11 December 2024)**

Mining Plus (a part of the Byrnecut Group) was engaged to conduct an independent review of the Company's 100% owned Murchison South Gold Project at Payne's Find (the "Project").

The independent review by Mining Plus follows the first stage of the Company's strategic review, as announced on 6 November 2024, which focused on identifying opportunities and expansion potential at the Project. The initial findings highlighted several high-grade zones that remain open at depth and along strike within a revised block model, offering promising infill drill targets for further investigation. Mining Plus will prioritise the interrogation of these infill drill targets as well as validating historical data. The identification and confirmation of high-grade zones is fundamental to the potential monetization of the Company's gold resource.



*Figure 1. Historic mining shaft within the Project area at the Company's Murchison South Gold Project*

## **CORPORATE**

The Company held its Annual General Meeting on 21 November 2024.

The Company retains the potential for deferred consideration relating to the sale of Albury Heath, being an additional \$400,000 and further \$200,000 of cash or Westgold shares, if the Albury Heath project achieves performance targets, as outlined in the 23 April 2020 ASX release.

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company had **\$4.43 million in cash as at 31 December 2024**.

## **MATERIAL EVENTS SUBSEQUENT TO THE END OF QUARTER**

None.

## **ASX DISCLOSURE REQUIREMENTS**

The proportion of expenditure incurred during the quarter ended 31 December 2024, in relation to the 'REcycle Waste Recycling Technology', was \$Nil.



**GUIDANCE NOTE 23 DISCLOSURES****Details of mining exploration activities**

Details of exploration activities during the quarter are set out above.

The \$0.736 million of exploration and evaluation expenditure was largely attributed to field programs at the Company's Wabli Creek project in the Gascoyne and review of historical drilling data and an independent mining assessment of the Company's Murchison South gold project.

**Details of mining production and development activities**

No production and development activities were undertaken during the quarter.

**Details of tenement activities**

The tenement schedule included below shows all holdings and any change for the Company and its subsidiaries.

**Details of related party payments**

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$46,000, comprising Directors fees and superannuation.

### SCHEDULE OF TENEMENTS

As at 31 December 2024

Project / Tenement		Interest at Start of Quarter	Interest at End of Quarter	Acquired During the Quarter	Disposed During the Quarter
<b>Primrose Project - Western Australia</b>					
Paynes Find	M59/662	100%	100%	-	-
Paynes Find	P59/2130	100%	-	-	100%
Paynes Find	P59/2159	100%	100%	-	-
Paynes Find	P59/2160	100%	100%	-	-
Paynes Find	P59/2161	100%	100%	-	-
Paynes Find	L59/184	100%	100%	-	-
Paynes Find	M59/769	100%	100%	-	-
Paynes Find	M59/786	100%	100%	-	-
Paynes Find	M59/790	100%	100%	-	-
<b>Wanna Station Projects - Western Australia</b>					
Skyline	E09/2646	100%	100%	-	-
Skyline North	E09/2733	100%	100%	-	-
Skyline South	E09/2771	100%	100%	-	-
White Castles	E09/2750	100%	100%	-	-
White Castles	E09/2751	100%	100%	-	-
White Castles	E09/2539	100%	100%	-	-
White Castles	E09/2542	100%	100%	-	-
<b>Yinnetharra Projects - Western Australia</b>					
Camel Hill	E09/2354	100%	100%	-	-
Camel Hill	E09/2388	100%	100%	-	-
Wabli Creek	E09/2377	100%	100%	-	-
Wabli Creek (North)	E09/2748	100%	100%	-	-
Morrissey Hill	E09/2375	100%	100%	-	-

*This announcement has been authorised by the Board of Reach Resources Limited*

For further information please contact:

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-ENDS-

**About Reach Resources Limited**

Reach Resources is a critical mineral explorer with a large portfolio of tenements in the resource rich Gascoyne Mineral Field. Recent and historical exploration results have confirmed the presence of Lithium, REE, Niobium and Manganese across the Company's land holdings.

However, the Company is distinct from other pure explorers by also having an Inferred Gold Resource at Murchison South and a significant investment in a downstream patented technology that recycles the rare earth elements from the permanent magnets required in electric vehicles, wind turbines, hard disk drives and MRI machines (REEcycle Inc.).

**Competent Person's Statement**

Information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Mr Nicholas Revell, who is a Member of the Australian Institute of Geoscientists. Mr Revell is a consulting geologist for Reach Resources Limited. Mr Revell has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Revell consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

**No New Information**

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

**Forward Looking Statement**

This report contains forward looking statements concerning the projects owned by Reach Resources Limited. If applicable, statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Appendix 5B

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

Name of entity

Reach Resources Ltd

ABN

79 079 982 235

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(62)	(225)
	(e) administration and corporate costs	(208)	(434)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	91	135
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)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(179)</b>	<b>(524)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(736)	(1,052)
	(e) investments	-	-
	(f) other non-current assets	-	-



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>(736)</b>	<b>(1,052)</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	-	(5)
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>(5)</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	5,348	6,014
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(179)	(524)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(736)	(1,052)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(5)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,433</b>	<b>4,433</b>

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	309	184
5.2	Call deposits	4,124	5,164
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,433</b>	<b>5,348</b>

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	46
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
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		

Payments included in item 6.1 are related to fees and remuneration (inclusive of superannuation) paid to Directors.

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A’000</b>	<b>Amount drawn at quarter end \$A’000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
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			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(179)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(736)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(915)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,433
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,433
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	4.84
<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?	
	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?	
	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?	
	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: 17 January 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 – 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.== == == == ==