

## December 2023 Quarterly Activities Report

Albion Resources Limited (ASX: ALB) ("Albion" or the "Company") is pleased to provide the following summary of activities conducted over the December 2023 quarter.

### Mongers Lake Project:

The Mongers Lake Project covers a portion of the Yalgoo-Singleton Greenstone Belt in the Murchison Province of Western Australia, located between Capricorn Metals' Mt Gibson Gold Project and Silver Lakes' Rothsay Gold Projects (Figure 1). The Mongers Lake Project has been subject to limited historical exploration despite the regional prospectivity.



Figure 1: Mongers Lake Project Location Map on GSWA 500k Geology

*Recent Activities*

During the quarter, the Company commenced planning for a ground-based Fixed Loop Electromagnetic (FLEM) surveys over its Red Well prospect on E59/2576. The survey follows recent encouraging results that include:

- A review of airborne SKYTEM data that revealed 2 newly identified late time conductors REM1 and REM2 – refer to ALB announcement dated 2 October 2023;
- Soil geochemistry survey that indicates highly elevated nickel, copper, PGM and fertility ratios coincident with the new EM anomalies – refer to ALB announcement dated 2 June).

Subsequent to quarter end, the Company announced that the FLEM survey had commenced with results expected in the coming weeks.

**Lennard Shelf Project:**

Albion's Lennard Shelf Project is located in the world class Mississippi Valley type Zinc-Lead province, the Lennard Shelf, approximately 30 km southeast of Fitzroy Crossing in the Kimberley, Western Australia. Despite hosting significant historic mines, Pillara (19.3Mt @ 7.8% Zn + 2.6% Pb) and the Cadjebut Trend (16.4Mt @ 8.9% Zn + 5% Pb), regional exploration in the Lennard Shelf Province has been largely overlooked since the late 1980's. The Lennard Shelf Project covers an expansive area and contains comparable geology to Pillara and the Cadjebut Trend.

*Recent Activities*

No on-ground activities were completed on the Lennard Shelf Project during the quarter.

The Company surrendered E80/5352 (Sadler Ridge) during the quarter.

**Leinster Project:**

The Leinster Project, located 30km southeast of Leinster, covers an area of 42km<sup>2</sup> and is prospective for nickel-copper being located adjacent to BHP's Nickel West Weebo Ni deposit.

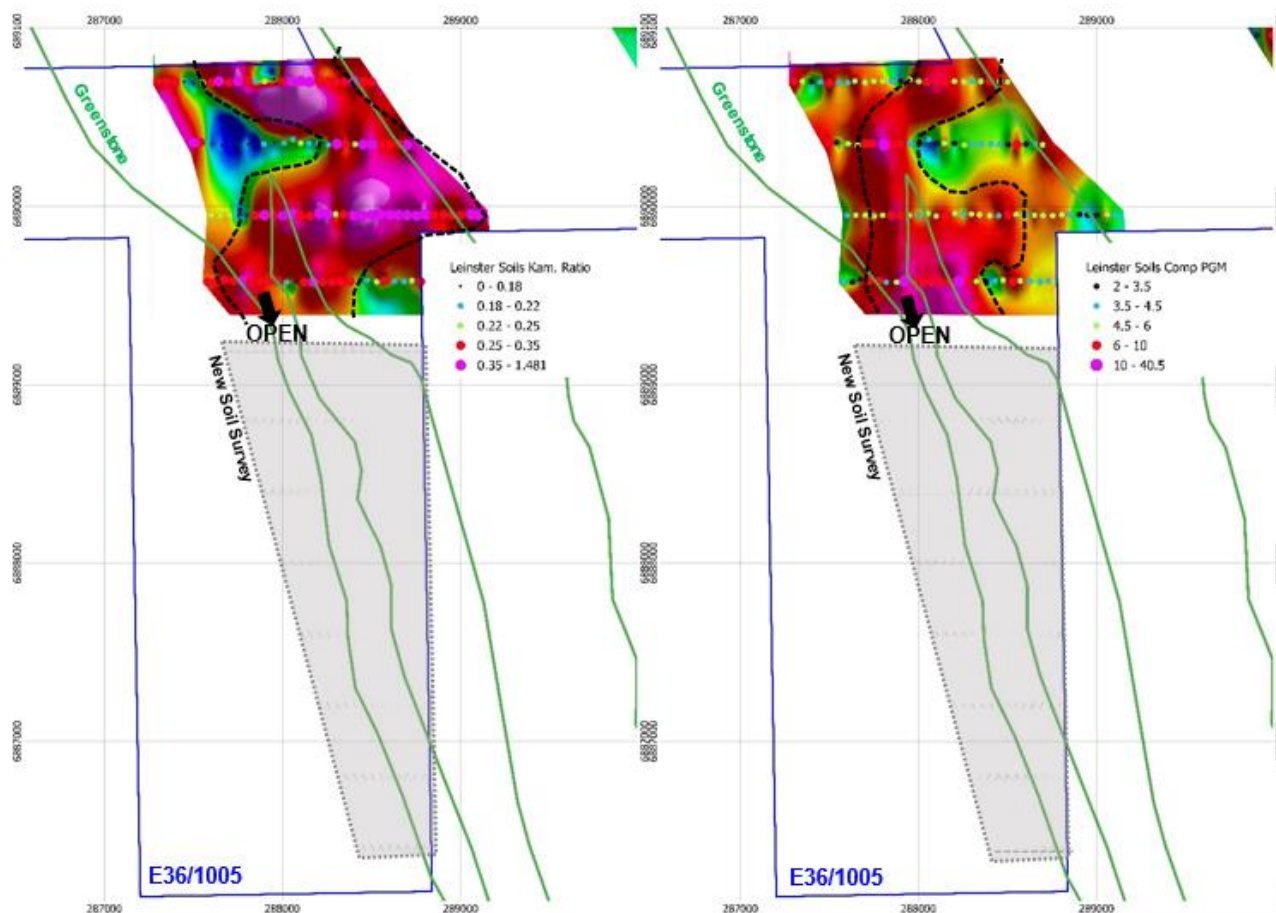
*Recent Activities*

During the quarter, the Company undertook a review of soil sampling completed in 2021 with the compilation and interpretation work highlighting the western greenstone trend as being the most prospective for magmatic nickel-copper-PGM deposits.

The soil data indicates that a highly elevated "Kambalda Ratio" (Ni/Cr x Cu/Zn) occurs variably associated with the greenstone belt for at least 1.3km strike (Figure 2)..This anomaly is semi-coincident with a highly elevated PGM (Pt+Pd+Au)-in-soil anomaly particularly toward the south where both anomalies remain. Highly elevated PGM is further validation of the possible presence of Ni-Cu-PGM sulphides in fresh rock at depth.

A program of 130 soil samples commenced during the quarter to track the anomalies along strike to the south over an additional 3 km strike length associated with the same greenstone belt.

Once all the Ni-Cu-PGM soil anomalies have been assessed the Company will consider the most appropriate electromagnetic (EM) geophysical method to identify bedrock conductors to advance targets toward drill testing.



**Figure 2:** (left) Soil results for Kambalda Ratio (Ni/Cr x Cu/Zn) and (right) PGM-in-soil in relation to the greenstone belt and soil sampling program in progress

### Corporate:

Cash on hand as the end of the quarter was \$3.06M.

Albion continues to assess other opportunities as they are presented with a view to adding to the discovery potential within the Company's portfolio of projects.

### Related Party Payments

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 31 December 2023, the Company made payments of \$40k to related parties which relate to existing remuneration arrangements (director fees and superannuation).

### Exploration

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$107k. Full details of activity during the Quarter are set out above.

ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.

In line with obligations under ASX Listing Rule 5.3.3, Albion provides the following information with respect to its Mining Tenement holdings as at 31 December 2023.

Project	Sub-Project	Tenement	Status	% Held	Change During Quarter
Lennard Shelf	Pillara East	E04/2499	Granted	100%	-
Lennard Shelf	Pillara East	E04/2637	Granted	100%	-
Lennard Shelf	Pillara East	E04/2672	Granted	100%	-
Lennard Shelf	Prices Hill	E04/2504	Granted	100%	-
Lennard Shelf	Sadler Ridge	E80/5352	Granted	-	(100%)
Leinster	-	E36/1005	Granted	100%	-
Mongers Lake	-	E59/2576	Granted	100%	-
Mongers Lake	-	E59/2641	Granted	100%	-

This announcement has been approved for release by the Board.

#### **FOR FURTHER INFORMATION:**

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#### **Competent Persons Statement**

*The information in this announcement that relates to historical exploration results was first reported by the Company in its IPO prospectus dated 18 March 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus. Mineral Resource estimates for neighbouring properties sourced from US Geological Survey, "Compilation of Mineral Resource Data for Mississippi Valley-Type and Clastic-Dominated Sediment-Hosted Lead-Zinc Deposits". USGS Open-File Report 2009-1297.*

*The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Leo Horn. Mr Horn is a member of the Australian Institute of Geoscientists. Mr Horn has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are 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' ("JORC Code"). Mr Horn consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

## Appendix 5B

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

Name of entity

ALBION RESOURCES LIMITED

ABN

94 620 545 664

Quarter ended ("current quarter")

31 December 2023

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	(107)	(117)
	(b) development		
	(c) production		
	(d) staff costs		
	(e) administration and corporate costs	(113)	(207)
1.3	Dividends received (see note 3)		
1.4	Interest received	58	90
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>(162)</b>	<b>(234)</b>

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
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>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	-	-
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>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	3,168	3,240
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(162)	(234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## 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
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,006</b>	<b>3,006</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	501	164
5.2	Call deposits	2,505	3,004
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>3,006</b>	<b>3,168</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	40
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	<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.		



<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)	(162)
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)	(162)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,006
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,006
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	18.55
<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 January 2024**

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



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

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**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.