



# ASX ANNOUNCEMENT

11<sup>th</sup> August 2022

## REGIONAL GOLD CONSOLIDATION

- Binding agreement with Horizon Minerals Limited to acquire four separate licences, including:
  - The high-grade historical Phoenix gold mine with only limited exploration below 100m; and
  - The prospective Kangaroo Hill project hosting the likely strike extension of the Burbanks Shear
- Total consideration of \$300,000 with \$150,000 in cash and \$150,000 equity (on completion)
- Data compilation and drill planning already underway ahead of targeted completion by September 2022

Greenstone Resources Limited (**ASX:GSR**) (**Greenstone** or the **Company**) is pleased to advise it has entered into a binding agreement with Horizon Minerals Limited (**ASX: HRZ**) to acquire four separate licences near Coolgardie in Western Australia, including the high-grade historic Phoenix underground gold mine (collectively, the **Acquisitions**). The Acquisitions serve to compliment Greenstone's existing Coolgardie focused gold portfolio consisting of both Burbanks and Phillips Find.

The historic Phoenix underground gold mine (Phoenix) aligns with the Company's regional consolidation strategy to acquire underexplored brownfields assets. Phoenix is located 5km north of Coolgardie and importantly occurs in the same stratigraphic sequence as the proven Lindsays - Bayleys – Prices – Kings Cross trend which collectively totals over 1.0 million ounces of gold (Figure 1). The limited exploration historically completed at Phoenix had predominantly targeted Bayleys Reward style mineralisation which typically occurs on the contact between the basalt and ultramafic units (east-west striking). Whereas the historical Phoenix underground mine workings are situated at the intersection between the basalt / ultramafic contact and a NW-SE trending fault. These latter NW-SE trending structures will form the principal focus of the forthcoming exploration campaign at Phoenix. Phoenix has historically been worked as an underground mine with historic production grades over 50g/t Au with only limited exploration below 100m<sup>1</sup>.

As part of the Acquisitions, Greenstone is also acquiring the Kangaroo Hill project (M15/731) which is contiguous to Greenstone's existing Burbanks Gold Project (Figure 2). Mineralisation at Kangaroo Hill appears to be associated with a sheared basalt contact which is likely an extension of the Burbanks Shear Zone, the principal control on known mineralisation at Burbanks and the focus of Greenstones recent exploration campaigns.

**Managing Director and CEO, Chris Hansen, commented:** *"The acquisition of both Phoenix and Kangaroo Hill directly aligns with our Coolgardie focused consolidation strategy of identifying high-grade, high-potential and underexplored brownfields projects. At Phoenix we see the potential to test for down plunge extensions of known high-grade mineralisation as well as the potential for additional NW-SE intersecting structures. With the arrival of a second multipurpose drill rig later this month which will work across the Coolgardie gold projects, we are excited to test both Phoenix and Kangaroo Hill.*

*More generally, with the Mt Thirsty Joint Venture still considering options to simplify the ownership structure to support the next development phase of the project, including an initial public offer on the Australian Securities Exchange, it is increasingly important that we also remain focussed on building continued value within our gold portfolio.*

<sup>1</sup> WAMEX A28645



Underpinning this will be the interim resource updates for Burbanks and Phillips Find which are expected in the next 2-4 weeks.

Finally, we are appreciative of the professionalism shown by the Horizon Minerals team and supporting Greenstone as the natural owners of these assets."

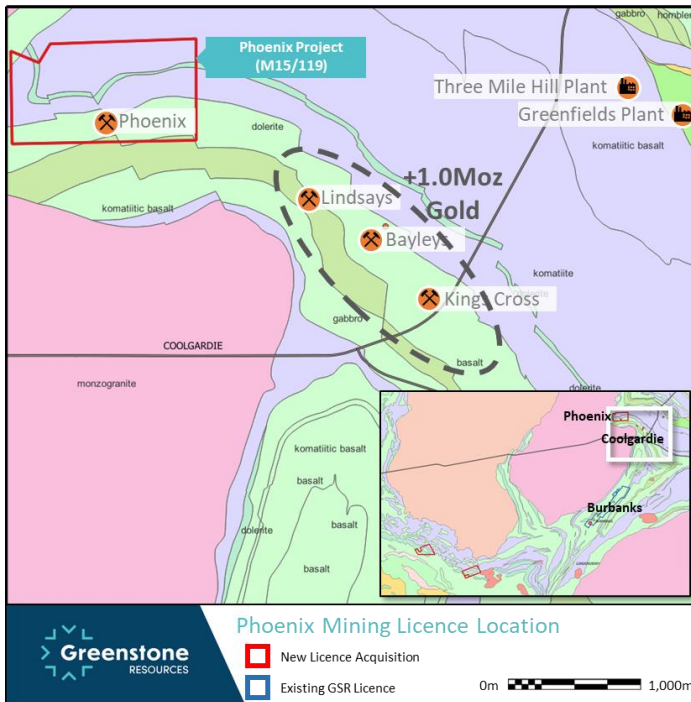


Figure 1: Phoenix Mining Lease Location

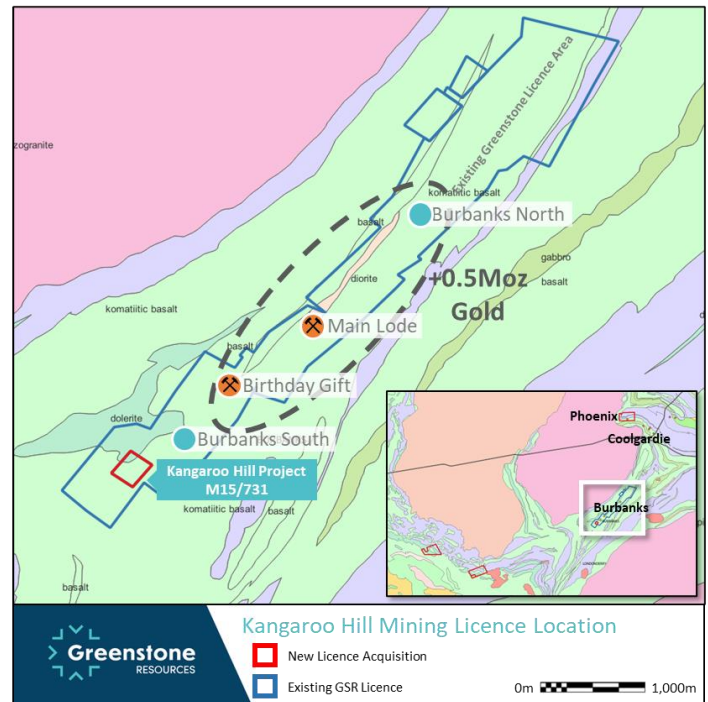


Figure 2: Kangaroo Hill Mining Lease Location

The Acquisition comprises two (2) mining leases (M15/119, M15/731) and two (2) prospecting licences (P15/6381, P15/6382), which on completion Greenstone will pay a total consideration of \$300,000 in cash and shares, namely:

- \$150,000 cash payable upon completion; and
- \$150,000 payable on completion by the issue of fully paid ordinary shares in Greenstone at an issue price equivalent to the VWAP calculated over the 15 trading days prior to the Completion Date, and subject to 6-months voluntary escrow.

Completion is expected to occur in the September quarter 2022 and remains subject to standard conditions precedent for a transaction of this nature including due diligence and Ministerial consent.

*This announcement is authorised by the Board of Directors.*

**- END -**

Chris Hansen

**Managing Director & Chief Executive Officer**

**Greenstone Resources Limited**

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## DISCLAIMER

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken based on interpretations or conclusions contained in this report will therefore carry an element of risk. This report contains forward-looking statements that involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. No obligation is assumed to update forward-looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

## COMPETENT PERSONS' STATEMENT

The information in this report which relates to Exploration Results and geological interpretation at Burbanks is based on information compiled by Mr Glenn Poole an employee of Greenstone Resources Limited who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Poole consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report which relates to Mineral Resources at Main Lode and Burbanks North is based on information compiled by Mr Andrew Bewsher full-time employee of BM Geological Services Pty Ltd who is a Member of the Australian Institute of Geoscientists. The information in this report which relates to Mineral Resources at Birthday Gift and Christmas Pit is based on information compiled by Mr Richard Buerger, a full-time employee of Mining Plus Pty Ltd who is a Member of the Australian Institute of Geoscientists. Messer's Harvey, Bewsher and Buerger 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 Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code).

The company is not aware of any new information or data that materially affects the information presented and that the material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.