

## **ASX Announcement**

**19 March 2018**

### **Activities Report**

AustSino Resources Group Limited (“AustSino” or the “Company”) is pleased to present this activities report which addresses our current activities that are ongoing and our planned expanded activities upon re-quotation.

The Company has both current and planned activities that are significant and such that the Company is confident that it warrants the re-quotation of its securities and its continued listing on ASX.

#### **Business strategy and objectives**

The business strategy of the Company is to own and develop a portfolio of mineral interests in Western Australia with a particular focus on the MidWest region of Western Australia. The Company intends to work closely with all key stakeholders in this region including exploration of the potential for collaboration with other mining companies and infrastructure providers.

In this context, the Company will seek to be a catalyst to promote economic infrastructure solutions for the Mid West and, accordingly, has allocated \$750,000 in funds to be used for this purpose in 2018. The Company’s present intentions are that these funds will be used to undertake the following activities, with the amounts allocated to particular activities varying upon the success and timeframe associated with each:

- Costs of staff and consultants
- Legal fees (drafting heads of agreements and other documents, participating in negotiations)
- Creation of an alliance of key Mid West stakeholders (leveraging of the past work of the Geraldton Iron Ore Alliance and the Magnetite Network)
- Indigenous engagement
- Community initiatives in the Mid West.

The Company recognises that a number of projects are being developed in the region and a number of potential infrastructure providers have expressed interest in seeing the mineral resources of the MidWest developed. The Company and its advisers have been informed that they would be open to discussing potential collaboration once AustSino is in a financial position to do so. The Company envisages that this would occur shortly after achievement of re-quotation.

### Operational update

We set out below a schedule of AustSino's tenements as at the date of this letter.

Area of Interest	Tenement Reference	Interest
<b>Western Australia</b>		
Peak Hill	M 52/1068	100%
Peak Hill	E 52/1557	100%
Peak Hill	E 52/1860	100%
Peak Hill	E 52/2368	100%
Peak Hill	E 52/2993	100%
Mt Padbury	E 52/1862	100%
Mt Padbury	E 52/1976	100%
Mt Padbury	E 52/2279	100%

The Company recently conducted a project review identifying an area of vacant ground contiguous to the Company's existing mining tenure prospective for iron mineralisation with the potential of providing additional resource as an adjunct to future operations on the Company's mining lease. The Company has lodged an application for Exploration Licence 52/3598 over the area which will hopefully be granted during 2018.

In late 2017, we also commenced recommended drilling at the Peak Hill Iron Ore project. We completed approximately 1,200 m of reverse circulation percussion (RC) drilling under a programme managed by CSA Global. The Company's Telecom Hill Mineral Resource has been upgraded to JORC 2012 standard. This update was announced on December 20, 2017 and highlights that the Company has a significant mineral resource tonnage of 700Mt above a 15% Mass Recovery of Iron - a robust magnetite resource, with encouraging concentrate composition. In addition, we have 11.5MT of DSO with upside potential for further discovery of both magnetite and DSO. This mineral resource is being further developed as a priority for the Company. Specifically, the Company plans to undertake the following programme of works in 2018 and 2019, again under the management of CSA Global. The Company as at this date has not received a report from CSA Global on the drilling program as it is awaiting assay results.

Proposed Exploration Program and Budget*				
Activity	2018 Budget AUD\$		2019 Budget AUD\$	
	Minimum	Success Based	Minimum	Success Based
Tenement Costs (rents, rates)	\$110,000	\$110,000	\$100,000	\$120,000
Geological Personnel	\$100,000	\$200,000	\$120,000	\$150,000
Travel and Accommodation	\$20,000	\$30,000	\$20,000	\$30,000
Field Camp	\$15,000	\$30,000	\$20,000	\$30,000
Consumables and Freight	\$15,000	\$30,000	\$20,000	\$30,000
Geophysics	\$30,000	\$50,000	\$ 10,000	\$10,000
Surface Geochemistry	\$30,000	\$30,000	\$-	\$-
Drilling (inc heritage)	\$380,000	\$500,000	\$400,000	\$500,000
Drilling Assays	\$80,000	\$130,000	\$100,000	\$130,000
Metallurgy	\$20,000	\$40,000	\$30,000	\$50,000
<b>TOTAL</b>	<b>\$800,000</b>	<b>\$1,150,000</b>	<b>\$820,000</b>	<b>\$1,050,000</b>

**Further inquiries:**

Henko Vos

Company Secretary T: +61 8 9463 2463