



TAITON RESOURCES  
LIMITED

ASX: T88

## QUARTERLY ACTIVITIES REPORT

31<sup>th</sup> July 2024

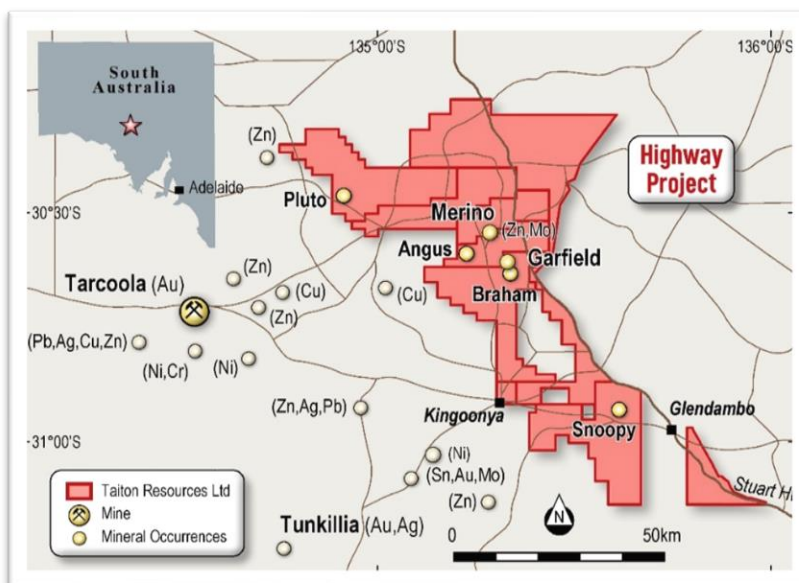
### Highlights

- **Multiple Mineralisation Styles at Highway Project**
- **Maiden Exploration Program Commences at Challenger West**
- **Potential Gold Mineralisation at Challenger West**

Taiton Resources Limited (**ASX: T88, Taiton** or “**the Company**”) is pleased to provide a summary of activities completed during the Quarter ended 30<sup>st</sup> June 2024.

### Highway Project – South Australia

During the quarter, all the assays from the UltraFine (**UF**) soil sampling program completed in March were received and processed. A total of 1,197 samples (ex QAQC samples) were collected across three prospects; Garfield, Pluto and Snoopy, at the Highway project (Figure 1).



**Figure 1. Location of prospects within Highway Project.**



A recent litho-structural interpretation of the Highway project highlighted the potential for multiple mineralisation styles derived from intrusive activity. These mineralisation styles include epithermal gold, molybdenum porphyry, and Iron-Oxide-Copper-Gold (**IOCGs**).

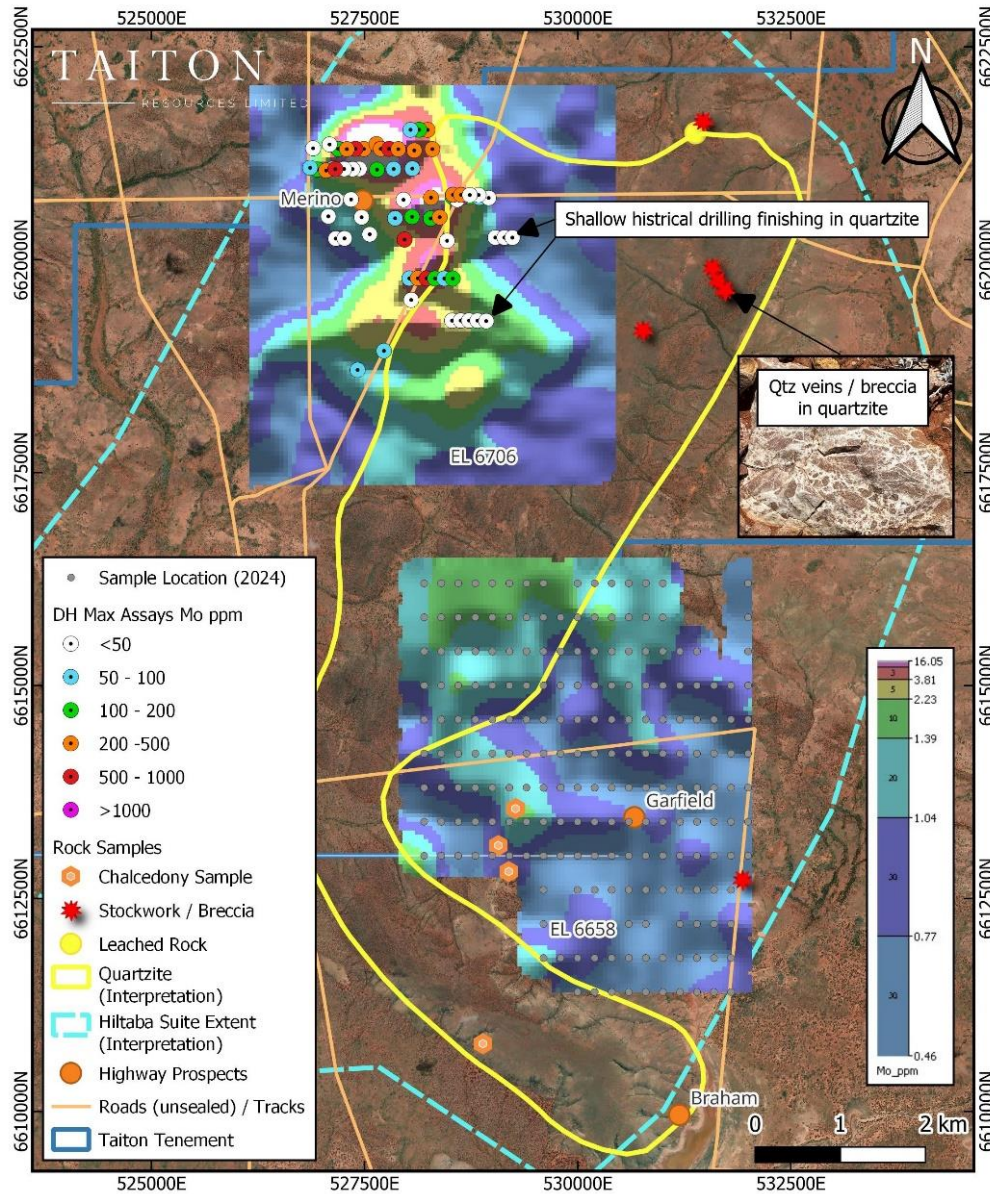
The UF program was successful in identifying multi-element anomalism across the three prospects and provide further support for the various mineralisation styles Taiton is pursuing within the Highway project. Due to the early stage of exploration, Taiton is not limiting its search to one mineralisation style.

### **Garfield - Molybdenum Mineralisation, IOCG & Epithermal Mineralisation**

The Garfield prospect is highly prospective with the results from the UF program returned various multi-element soil anomalism indicating potential for differing mineralisation styles.

The presence of low-level molybdenum anomalies suggests that the hydrothermal system containing molybdenum, which has been identified at the Merino prospect about 4 km to the north, probably extends between the two prospects.





**Figure 2. UF soil results gridded for Mo ppm highlighting an area of anomalism within a metasediment (quartzite) at Garfield**

Reconnaissance field work identified areas within the metasediment exhibiting quartz veining and brecciations that further supports the extent of a hydrothermal footprint.



The potential of IOCG mineralisation at Garfield is supported by discrete magnetic anomalism coincident with multi-element (Ce, La, Te) anomalism that is indicative of proximal mineralisation.

To further investigate the Garfield prospect as an IOCG target, Taiton is currently conducting a ground gravity survey to solidify this prospect as a genuine IOCG target as currently there are no gravity readings within the Garfield prospect.

Low level gold with broadly associated silver soil anomalism was also identified at Garfield. This coupled with the presence of proximal chalcedony rock samples (some with coincident Au anomalism) support the potential for epithermal mineralisation to occur at Garfield. Due to the broad nature of the sampling points, an additional infill sampling was completed after the quarter to further define / refine the target.

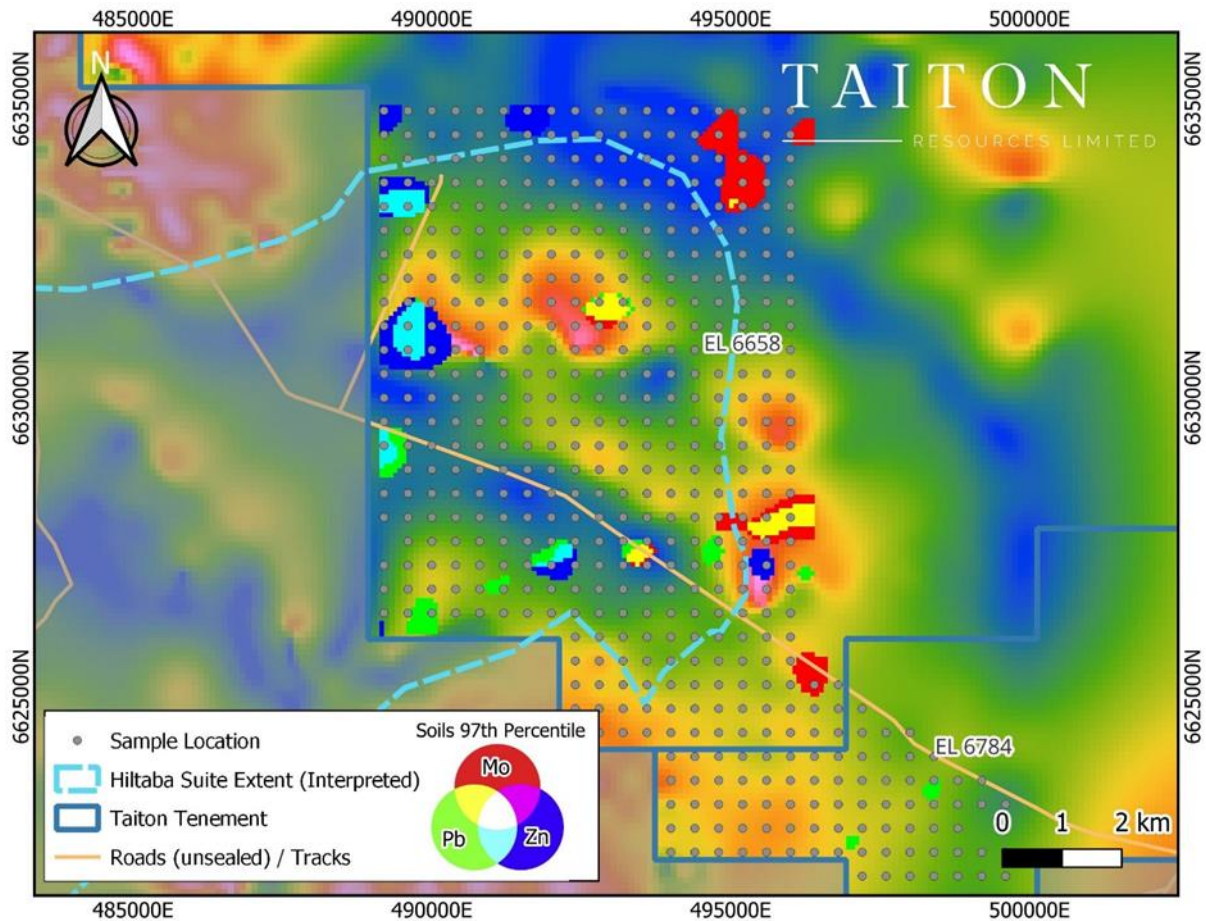
### **Pluto – IOCG, Hydrothermal Molybdenum Mineralisation and Potential Epithermal Mineralisation**

A geophysical review of the broader Pluto prospect (Figure 3) identified multiple gravity anomalies some of which are coincident with magnetic anomalies primarily within an area of interpreted HSG.

The UF program identified geochemical Ce-La-Te anomalism which is broadly coincident with some of the gravity anomalies, additionally broad Ba anomalism indicates K Feldspar alteration.

The geochemical and geophysical anomalism identified to date gives support for potential IOCG mineralisation. Ground gravity surveys are required to support this interpretation.





**Figure 3. Pluto prospect showing tri-variant (Mo-Pb-Zn) anomalies underlain by gravity image highlighting areas of gravity anomalism.**

Low level molybdenum and base metal anomalism has been identified within Pluto broadly coincident and proximal to gravity (Figure 3) and magnetic anomalies. The geophysical anomalies are interpreted as potentially shallower or later stage intrusions within an area of interpreted HSG and in consideration with geochemical anomalism indicates potential targets for hydrothermal molybdenum mineralised system.

Proximal to the interpreted potential intrusions is (Au-Ag-Cu) geochemical anomalism that may indicate epithermal gold



mineralisation. Due to the broad sample spacing infill sampling is required to further define the potential for this style of mineralisation at Pluto.

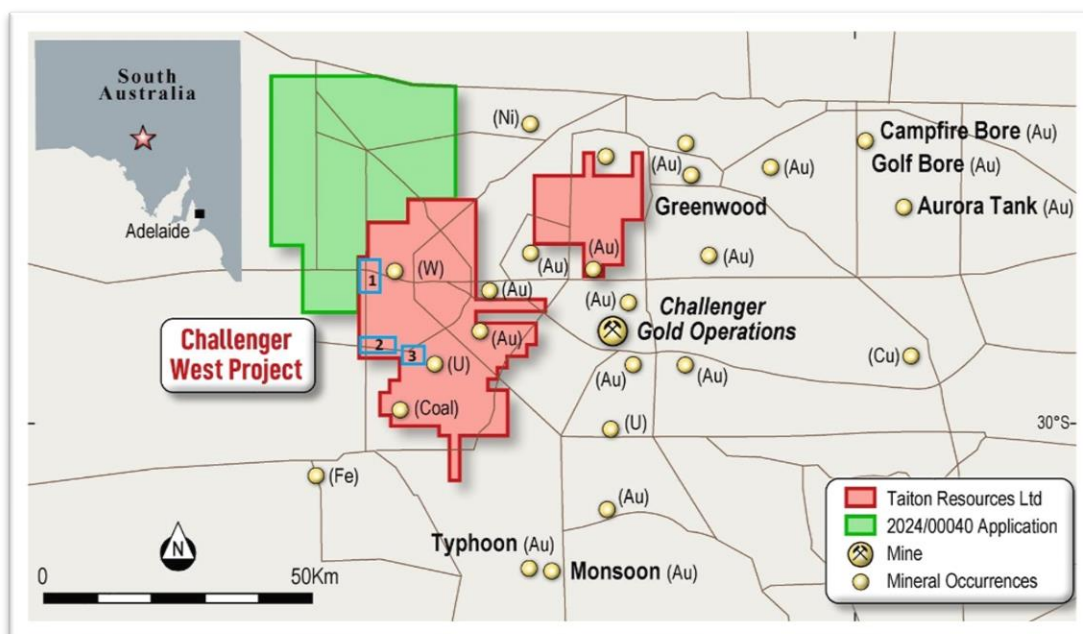
### **Snoopy**

The Snoopy prospect covers approximately 12km strike of the interpreted Harris Greenstone Belt (HGB) which includes the Lake Harris Komatiite based on magnetic interpretation with most of the prospect covered by aeolian sand and colluvium sediments. A broad spaced 400m by 400m east-west grid UF program was carried out across the HGB with a result showing a nickel anomaly with associated copper and cobalt anomalism coincident with the interpreted Lake Harris Komatiite.

Sporadic low-level gold (maximum of 6 ppb Au) was returned and is being considered for follow up infill sampling programs.

### **Challenger West Project – South Australia**

During the quarter, the Company undertook its maiden exploration program at Challenger West and completed an UltraFine soil sampling program over 3 prospects.



**Figure 4 – Locations of 3 prospects of UltraFine soil sampling program and new application.**

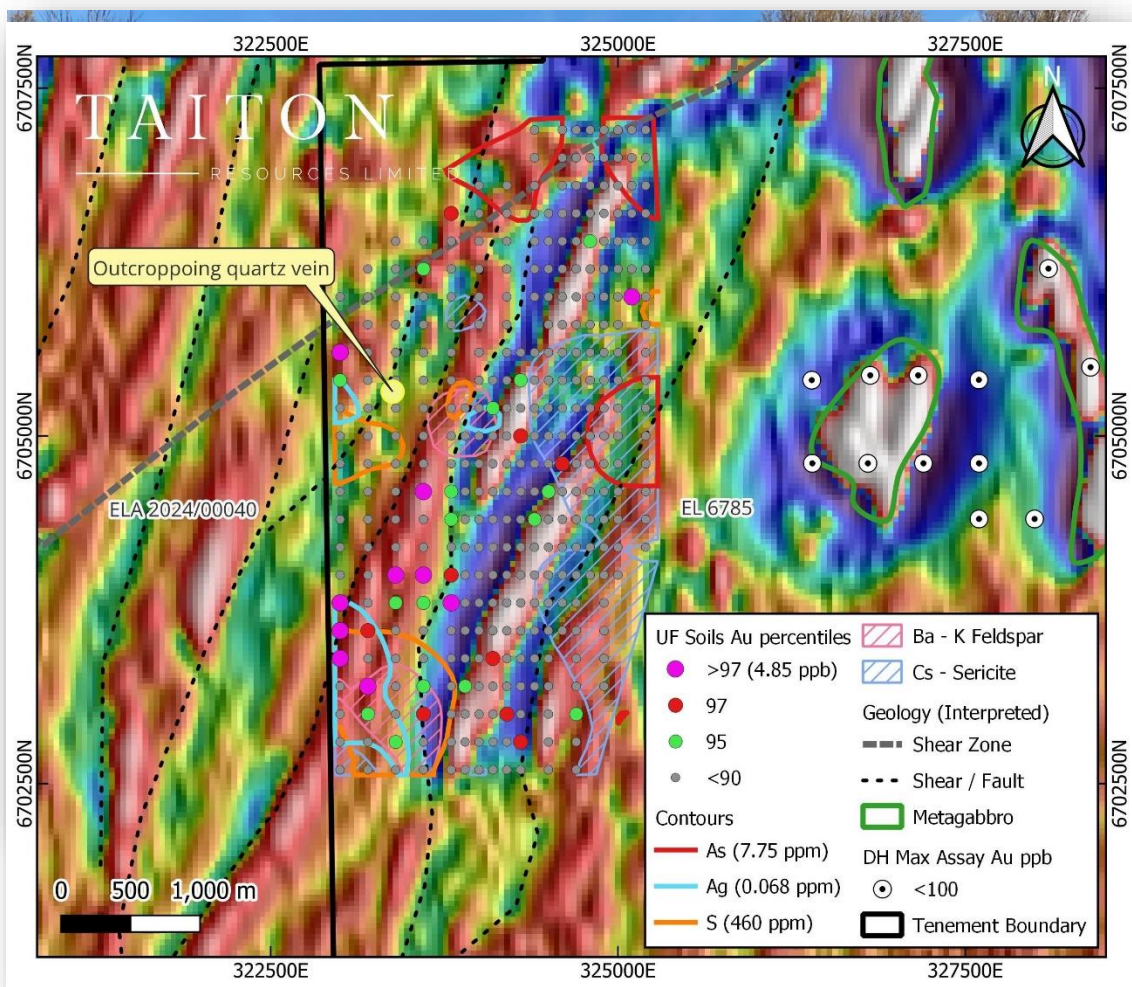
A total of 990 samples (inc. QAQC samples) were collected and was Taiton's first pass field-based assessment of selected prospects identified primarily from geophysical datasets. Prior to this, this area has seen relatively little exploration work and remains under-explored. The Challenger West project is located between 10km and 40km west and north of the >1 M\* ounce Challenger Gold deposit as shown in Figure 6.

### **Area 1**

The prospect is defined as a series of interpreted north-northeast trending structures that connect into a northeast trending shear based on magnetic imagery. A coherent low-level gold (maximum value of 26.9 ppb Au) and Ag anomaly was identified coincident to an



interpreted north-northeast trending structure. In addition, coincident pathfinder elements (As-S) and elements indicating favourable alteration; proximal K Feldspar (Ba) and broader sericite (Cs)l.



**Figure 5. Area 1 UF soil results underlain by RTP 1VD magnetic image.**

Outcrop is limited however an outcropping quartz vein (Figure 6) was observed coincident to an interpreted structure with proximal elevated Au-Ag-S anomalism.





**Figure 6. Outcropping quartz vein located in Area 1 coincident to an interpreted small range shear / fault proximal to multi-element anomalism.**

The combination of gold and pathfinder element (indicating both metal and alteration) anomalism coincident with lower order structures that are tapped into major shear zones demonstrates the potential of the prospect. In the short-term Taiton will complete infill sampling across the areas exhibiting multielement anomalism coincident with interpreted structures.



## Area 2

Results from this prospect has produced sporadic low level gold anomalism (maximum of 26.9 ppb Au) mostly associated with an interpreted northeast trending shear and a northwest trending dyke.

## Area 3

The prospect covers an area of interpreted structural complexity with magnetics indicating multiple lower order cross cutting structures which may tap into the Tallacootra Shear Zone (TSZ).

The soil sampling program has identified low level gold anomalism (maximum of 10.9 ppb Au) mostly coincident with interpreted structures and associated pathfinder elements. This also includes Ba which may indicate K Felspar alteration<sup>2</sup>, which is indicative of wall rock alteration.





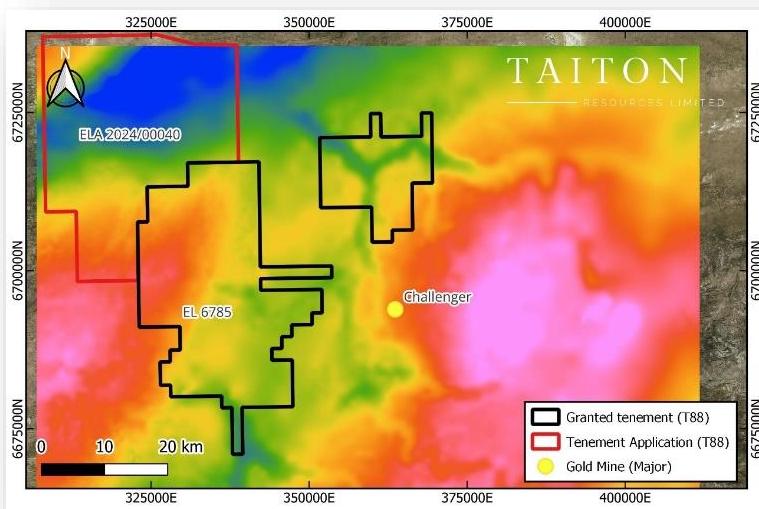
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## QUARTERLY ACTIVITIES REPORT

### Tenement Application

With the encouraging results from the UF program at Challenger West. Taiton had applied for additional 861 sq km of exploration ground (ELA 2024/00040).



**Additional tenement exploration ground under application.**

### Lake Barlee Project – Western Australia

In the quarter, the Company is still trying to engage First Nation groups to prepare a Heritage Survey to begin work on the ground. However, progress has been slow.



**CORPORATE**

At 30 June 2024, Taiton has 73,009,544 shares on issue, 12,261,168 unlisted options and 6,000,000 unlisted performance rights. Cash at bank totalled \$1.16 M.

No further shares or options were issued during the June Quarter 2024.

**ASX Additional Information****Summary of expenditure items within Appendix 5B**

A summary of the expenditure and related party payments is set out below:

- 1.2(d) Staff costs of \$158K relate to director fees and consulting services, and CFO salary including superannuation.
- 1.2(e) Administration and corporate costs of \$107K relate mainly to costs for and associated with compliance costs (ASIC, ASX and share registry), consulting fees, legal fees, investor relations, promotion & marketing, office costs, insurance, rental, web hosting, IT, and travel.
- 1.8 Other costs of \$37K relate to project consulting fees (\$32K) and new tenement application fees (\$3K), and tenement project expenses pre-granting (\$2K).
- 2.1(c) Property, plant, and equipment of \$2K relates to purchases of equipment.
- 2.1(d) Exploration & evaluation costs of \$548K relate mainly to payments to Geologists for work activities, Tenement rents, consulting services, Fieldwork & supplies, Field travel, Geochemical surveys, Laboratory analysis, and Land access negotiations/agreements.
- 6.1 Payments to related parties relate to director fees and consulting services (\$118K), and payment for media digital content, production, and promotion services (\$15K) to an entity associated with the Executive director.

6.2 Payments to related parties relate to director consulting services (\$23K) included in exploration & evaluation costs.

There were no mine production or development activities during the quarter.

### **Use of Funds (Listing Rule 5.3.4)**

The Table below sets out a comparison of actual expenditure in the Use of Funds against estimated expenditure in the IPO prospectus dated 23 September 2022 and explanation of any material variances.

<b>Use of funds</b>	<b>Proposed \$ in IPO prospectus -Year 1</b>	<b>Proposed \$ in IPO prospectus -Year 2 (prorata for 3 quarters)</b>	<b>Total Year 1 &amp; Year 2 (prorata for 3 quarters)</b>	<b>Actual expenditure \$ to 30 June 2024</b>	<b>Variance under/(over) \$'000</b>
Exploration activities <sup>a)</sup>	\$1,900,000	\$1,526,250	\$3,426,250	\$3,090,175	\$336
Administration costs <sup>b)</sup>	\$799,000	\$556,500	\$1,355,500	\$1,857,713	\$(502)
Estimated expenses of the Offer <sup>c)</sup>	\$1,142,000	0	\$1,142,000	\$927,710	\$214
Working Capital <sup>d)</sup>	\$315,000	\$198,000	\$513,000	\$402,675	\$110
Total Funds allocated – Year 1 & Year 2 (prorata)	\$4,156,000	\$2,280,750	\$6,436,750	\$6,278,273	\$158

The material variances note above are as a result of a number of factors, including:

- a) Exploration activities expenditures including plant & equipment purchases (\$111K) are in line with the exploration program and dependent on the progress and timing of regulatory approvals.
- b) The Company has incurred higher than anticipated Administration costs due to higher spending on compliance costs, legal and professional costs, travel costs, and investor relations/media promotion costs.



- c) Estimated expenses of the Offer were less than actuals due mainly to less brokerage paid.
- d) Working Capital includes interest paid on Loan facilities (\$156K) which were fully repaid by the conversion to shares on the Company's admission to the ASX; and costs expended on identifying and reviewing new acquisition opportunities (\$120K), project consulting fees (\$70K), project expenses (\$19K), security deposits (\$20K) and new tenement application fees (\$17K).

### Tenements

Registered Holder	Tenement No.	Location	Project	Area (Sq km)	Total (Sq km)	Interest at the end of Quarter
Lake Barlee Gold Pty Ltd	E77/2700	WA	Lake Barlee	191.54		100%
Lake Barlee Gold Pty Ltd	E57/1158	WA	Lake Barlee	204.26		100%
Lake Barlee Gold Pty Ltd	E77/2715	WA	Lake Barlee	131.93		100%
Lake Barlee Gold Pty Ltd	E57/1168	WA	Lake Barlee	141.00		100%
					668.7	
Taiton Resources Limited	EL6658	SA	Highway	972.00		100%
Taiton Resources Limited	EL6706	SA	Highway	160.00		100%
Taiton Resources Limited	EL6784	SA	Highway	884.00		100%
Taiton Resources Limited	EL6857	SA	Highway	914.00		100%
					2,930.0	
Taiton Resources Limited	EL6785	SA	Challenger West	997.00		100%
					997.0	
Taiton Resources Limited	EL9636	NSW	Kingsgate	104.70		
Taiton Resources Limited	EL9641	NSW	Kingsgate	189.40	294.1	100%
					<b>4,889.8</b>	





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## QUARTERLY ACTIVITIES REPORT

During the Quarter, application was made to the Department for Energy and Mining of South Australia for a mineral exploration tenement (ELA2024/00040) measuring 861 sq km. An application was also made by Lake Barlee Gold Pty Ltd for 64 blocks (192.2 sq km) of new mineral tenements (E57/1445) in Western Australia.

**This Report has been approved by the Board of Directors of the Company.**

**For further information, please contact:**

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## COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Noel Ong, an employee of the Company. Mr Ong is a member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ong consents to the inclusion in this report of the matters based on this information in the form and context in which they appear.

## References:

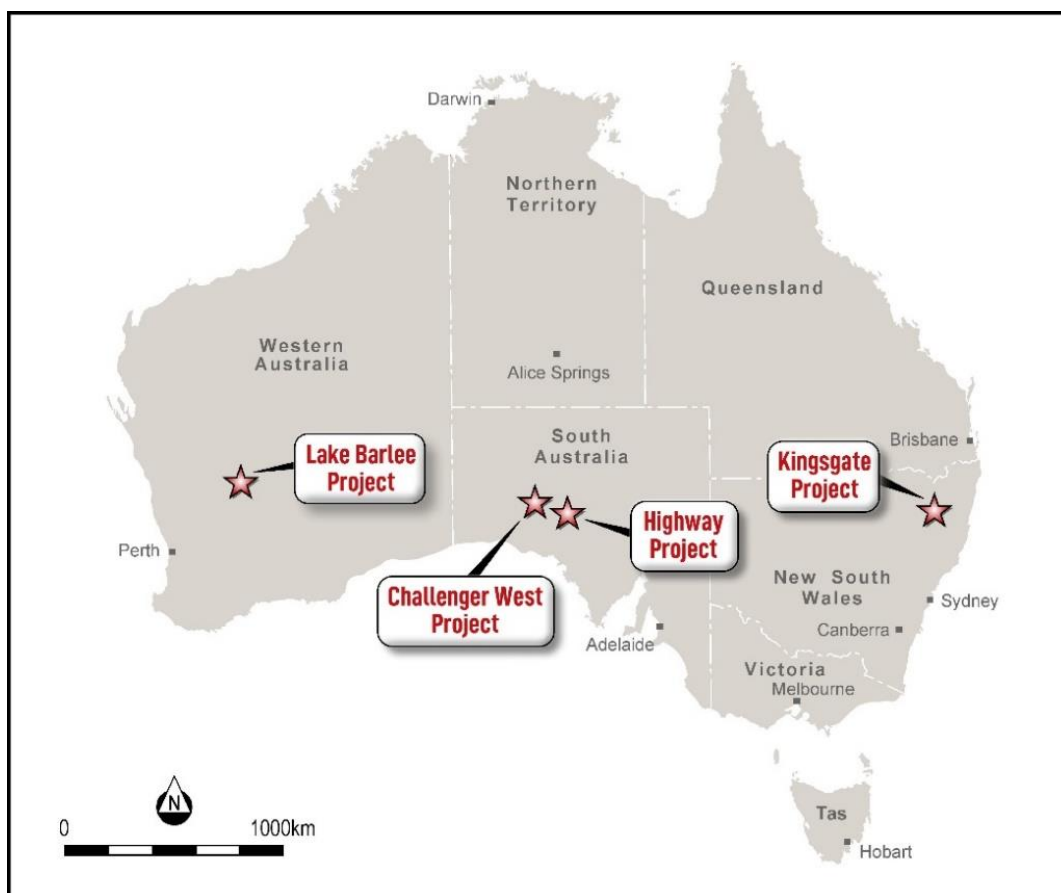
### Taiton announcements

- 17/06/2024 Potential Gold Mineralisation at the Challenger West
- 22/5/2024 Multiple Mineralisation Styles at Highway Project
- 2/05/2024 Challenger West Maiden UltraFine Soils Completed
- 22/04/2024 Maiden Exploration Program Commences at Challenger West

## About Taiton Resources Limited

Taiton Resources Limited (ASX: T88) is an early-stage mineral exploration and development company with a portfolio of projects across New South Wales, South Australia and Western Australia, comprising the following:

- a) **Kingsgate Project** – total tenement holding of 294.1 sq km, located in New South Wales;
- b) **Highway Project** – total tenement of 2,930 sq km, located in South Australia;
- c) **Challenger West Project** – total tenement land holding of 997 sq km and application for additional 861 sq km of tenement land, both in South Australia; and
- d) **Lake Barlee Project** – total tenement holding of 668.7 sq km and application for additional 192.2 sq km of tenement land, both located in Western Australia.





## Appendix 5B

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

Name of entity

Taiton Resources Limited

ABN

41 062 284 084

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	9	9
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(158)	(531)
	(e) administration and corporate costs	(107)	(498)
1.3	Dividends received (see note 3)		
1.4	Interest received	12	133
1.5	Interest and other costs of finance paid		(1)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)	(37)	(246)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(281)</b>	<b>(1,134)</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	(2)	(82)
	(d) exploration & evaluation	(548)	(2,221)
	(e) investments		
	(f) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 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>(550)</b>	<b>(2,303)</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	-	(30)
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>(30)</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	1,991	4,627
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(281)	(1,134)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(550)	(2,303)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(30)

## 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 (12 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>1,160</b>	<b>1,160</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	660	991
5.2	Call deposits	500	1,000
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>1,160</b>	<b>1,991</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	133
6.2	Aggregate amount of payments to related parties and their associates included in item 2	23

*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.*



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

<b>7. Financing facilities</b> <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>	<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 (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.		
N/A		

<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)	(281)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(548)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(829)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,160
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,160
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.4
<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: Yes	
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: Steps are being undertaken to raise further funds and the company believes it will be successful in raising the required funds in the short term.	

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

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: Yes, on the basis that further funds are expected to be raised to meet its operational commitments in line with its current exploration programs.

*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.*

**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 July 2024.....

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.