



## AUSTRALASIAN METALS

ASX Announcement | ASX: A8G | 25 January 2023

# DECEMBER 2022 QUARTERLY ACTIVITIES REPORT

### Highlights

#### Operations

- Collaborative research project initiated between Core Lithium, Oceana Lithium, the Centre for Exploration Targeting, University of Western Australia and other lithium explorers in the North Arunta pegmatite district
  - The focus of this collaboration will be to define a mineralisation framework for rare metal pegmatites in this highly prospective region
- Field activity continues at Australasian's Barrow Creek Project in the North Arunta.
- Mining Management Plan (**MMP**) approved for diamond drilling at the Mt Peake Lithium project
- The MMP approval allows A8G to move forward on plans for a maiden drill program at Mt Peake, testing well-defined targets in northwest of EL32830

#### Corporate

- Well-funded with ~\$4.5 million in cash reserves as at 31 December 2022

Australasian Metals Limited (ASX:**A8G**, **Australasian** or the **Company**) is pleased to present its quarterly activities report for the December quarter.

### Operations

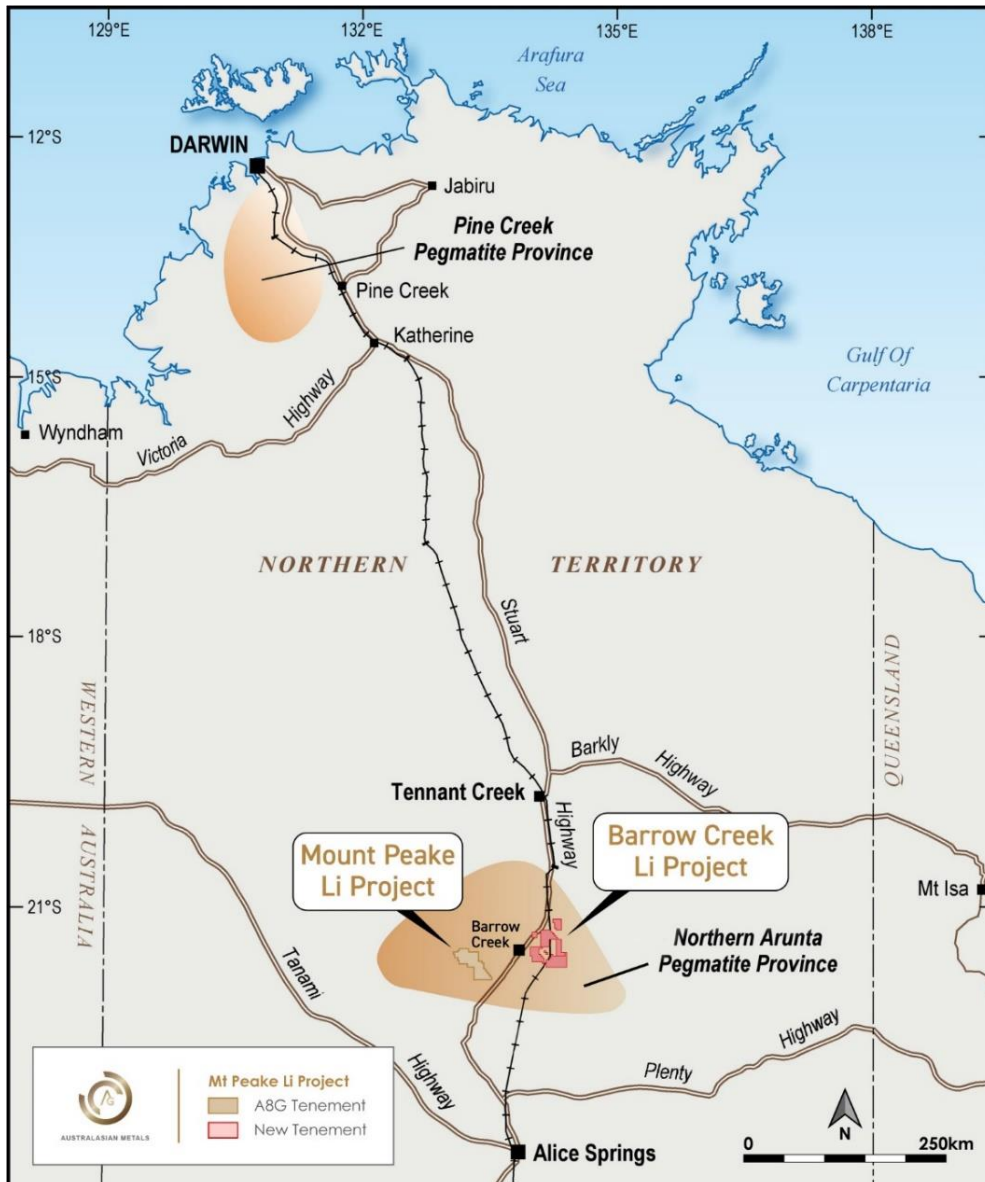
#### ***Mt Peake Lithium project (100%)***

The Mt Peake lithium project (granted EL32830) is located in the Mt Peake area of the Anningie Tin-Tantalum-Pegmatite fields, within the north Arunta Region of the NT. The area is considered highly prospective for hard rock lithium mineralisation. EL32830 covers over 640km<sup>2</sup> and shares a boundary with Core Lithium Limited's (ASX: CXO) Anningie lithium project. The project is located ~200km north of Alice Springs (**Figure 1**).



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**Figure 1:** Mt Peake and Barrow Creek lithium project location in the Northern Arunta Pegmatite province of the Northern Territory

Fieldwork commenced at Mt Peake with Australasian and the CSIRO initially embarking on a detailed mapping and targeting exercise using a combination of ground-based surveying techniques and detailed satellite imagery to highlight potential lithium bearing zones. A total of 27 rock and soil samples were collected with assay results announced to ASX on 16 November 2021. Rock chip sample JC001 returned high-grade lithium mineralisation of up to



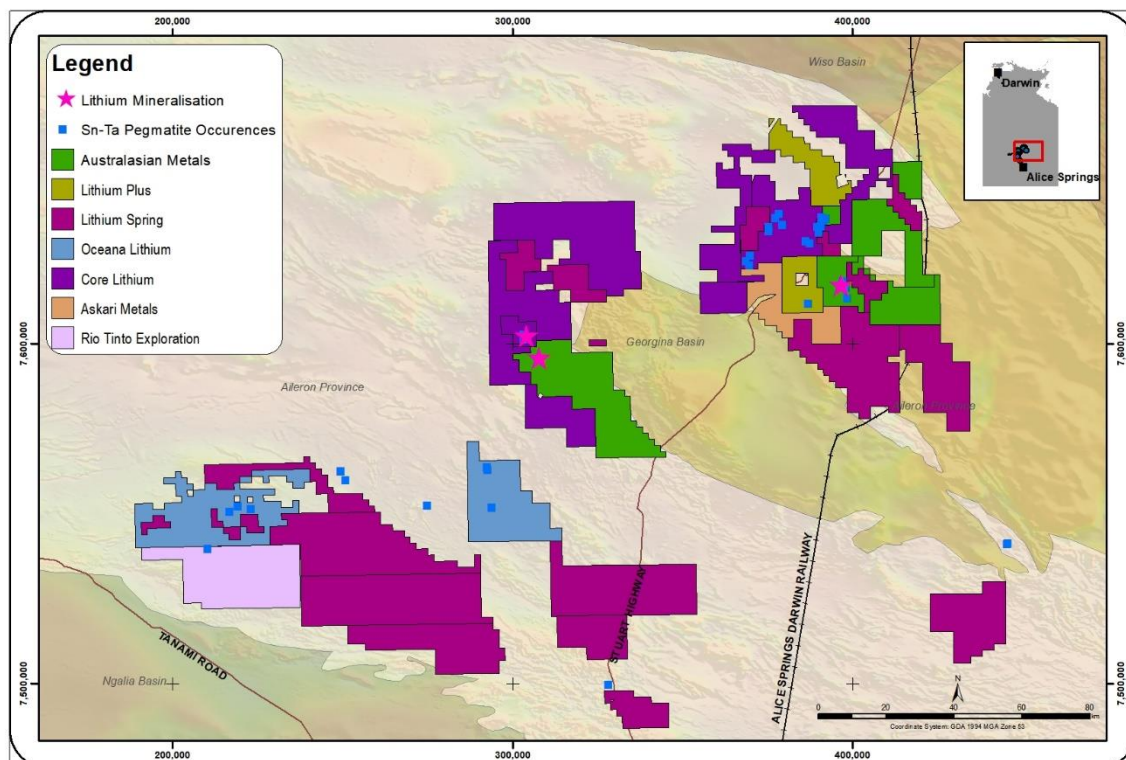
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1.61%  $\text{Li}_2\text{O}$  and 223ppm Ta within outcropping pegmatites. Sample JC001 was sampled from a pegmatite unit within a micaceous schist.

A follow-up rock chip sampling program at Mt Peake returned further high-grade lithium and tantalum results, with sample MP10127 returning 1.15%  $\text{Li}_2\text{O}$  and 226 ppm Ta (refer ASX announcement 8 April 2022) (**Figure 2**).

Various rare metal pegmatite fields are known in the highly prospective Northern Arunta Pegmatite Province. Many of these are interpreted to be Lithium-Caesium-Tantalum (LCT) pegmatites, a type of rare-element pegmatite that hosts world-class lithium and tantalum deposits in Western Australia, such as Greenbushes, Pilgangoora, and Wodgina. Other pegmatites, such as those associated with rare earth elements, may also be present. There are several active explorers in this region; their land holding is presented in Figure 1.



**Figure 2:** Land holding of lithium explorers in the North Arunta Pegmatite district in Northern Territory. Red stars are the location of lithium mineralisation identified so far.

Until now there has been a dearth of systematic structural and petrogenetic constraints on the Arunta rare metal pegmatite province, which, as a consequence, has hindered systematic,



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cost-effective exploration targeting using modern geochemical, hyperspectral and mineralogical tools.

This joint research program (see A8G announcement dated 28 November 2022) will address this issue by first defining a robust litho-chemical-mineralisation framework for rare metal pegmatites in the Arunta Province and situating it within the context of available structural constraints. Following the establishment of this framework, detailed mineralogical and mineral chemistry investigations on Li-bearing and pathfinder minerals will be undertaken, allowing for robust and cost-effective exploration targeting for fertile (in terms of lithium, tantalum and potentially rare earth element) granites.

### ***Barrow Creek Lithium project (90%)***

Barrow Creek is located roughly 100 kms to the northeast of the Mt Peake Lithium project (**Figure 1**). There are historical Ta-Sn mineral occurrence records across several tenements, and pegmatite rocks have been mapped, with regional geological mapping by previous explorers and government geologists (**Figure 3**).

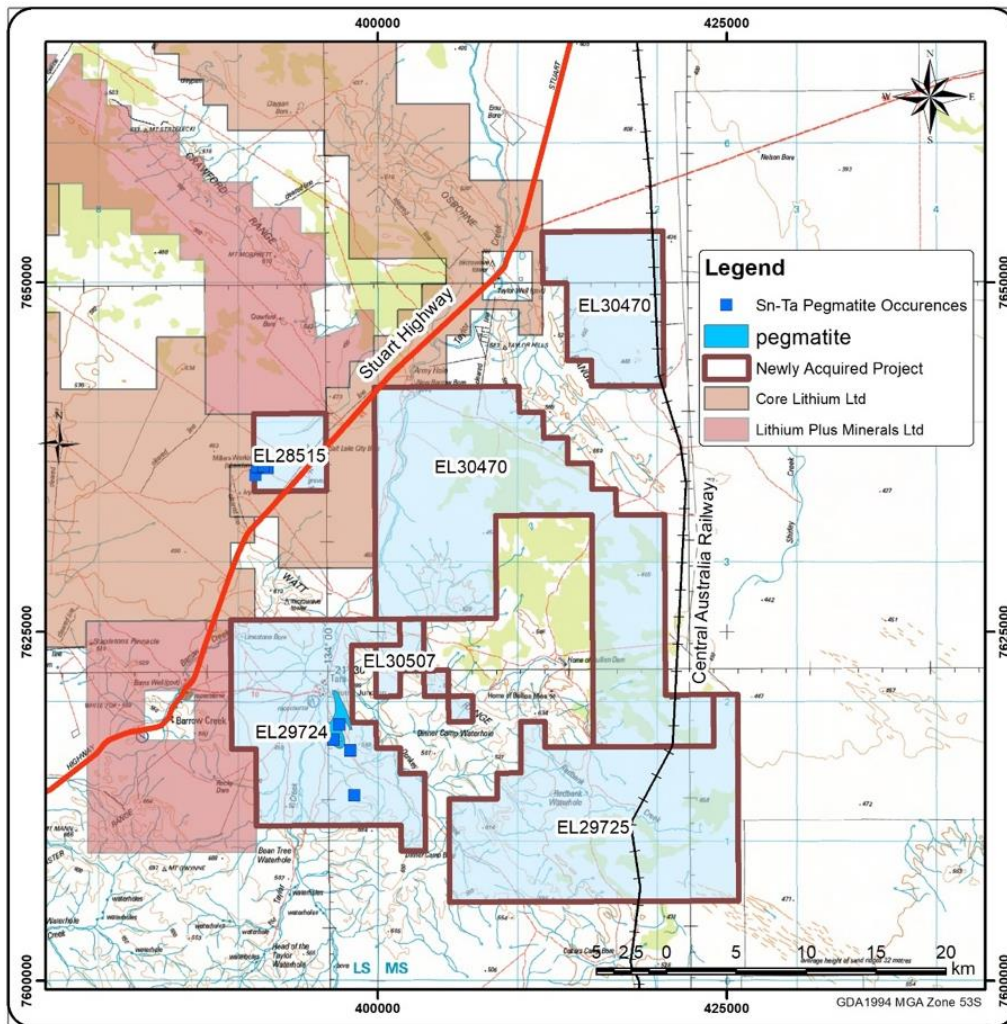
On 28 June 2022, the Company announced that it is continuing its partnership with CSIRO through the Kick-Start research program, with \$50K co-funding to research “Li exploration in the Mt Peake and Barrow Creek Pegmatite Field”. Australasian and CSIRO agreed to continue their successful collaboration to further narrow down the search for Li-(Ta-Sn) bearing pegmatites. The research is especially focused on better understanding the occurrence of mafic rocks hosting LCT-pegmatites and possible genetic relationships between the maficity of the igneous country rocks and the Li-content and/or Li-host minerals. CSIRO proposes to improve the mapping of mafic country rocks in the Mt Peake and Barrow Creek area by further developing the PRISMA-derived mineral maps targeting mafic minerals and comparing this with aeromagnetic and gravity data.





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**Figure 3:** Layout of the Barrow Creek tenements. The package shares a boundary with Core Lithium Limited and another lithium explorer (Lithium Plus Minerals Ltd). Pegmatites are mapped with 1:250K geological map, and Sn-Ta pegmatite occurrences have been reported. The tenements have great access to Stuart Highway and the Central Australian Railway

### Queensland Projects (100%)

#### May Queen

The May Queen gold project comprises granted Exploration Permits for Minerals EPM 19419 and adjacent EPM 27746, located within the Brovinia goldfield in Queensland, approximately 375km by road from Brisbane.

No work was undertaken at May Queen during the December quarter.



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### ***Mt Clermont and Capella Project***

Mt Clermont hosts the regionally significant Retro, Retro Extended, and Nanya prospects associated with the Retro Fault Zone. The project lies within the Anakie Province of the Drummond Basin, which is composed of a sequence of Devonian to Carboniferous sediments in Central Queensland, approximately 60km by road north-west of the town of Emerald. Mt Clermont has over 6,700m of historical drilling, showing potential for a high-grade polymetallic epithermal system.

During the June quarter the Company completed a ~2,500m reverse circulation (RC) drilling program at the Mt Clermont and Capella projects. The RC drilling program focused on the Ayres Rock prospect at the Capella tenement and at the Retro Extended prospect within the Mt Clermont tenement (**Figure 4**).

### ***Capella Gold Project***

The basement rocks in the project area consist of Bathampton Metamorphics, a subdivision of the Anakie Metamorphics. The units consist dominantly of quartz-mica schist and phyllite, with subordinate quartzite, amphibolites and calcsilicate rocks.

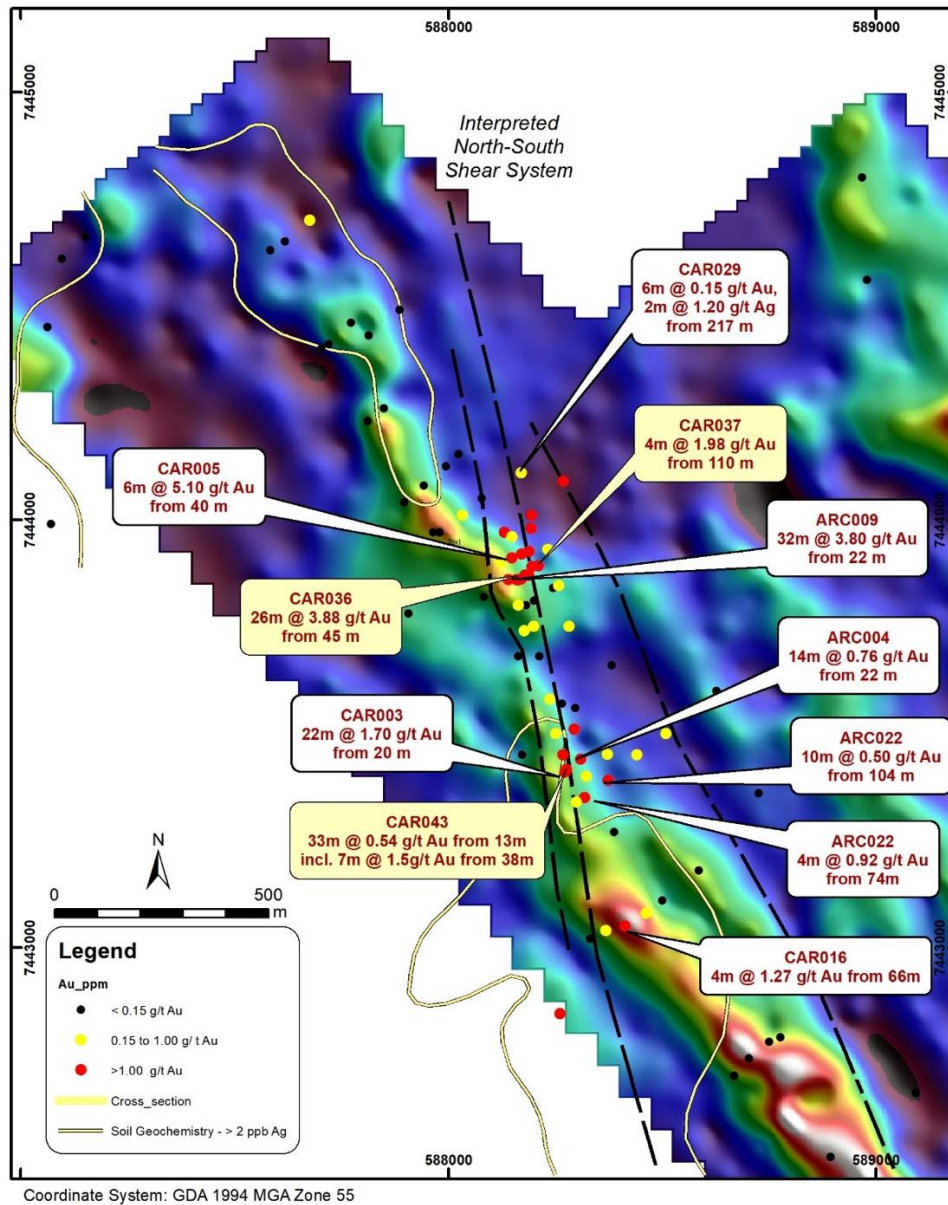
Historical drilling indicated the continuation of a stockwork mineralised horizon at the tenement. 1995-2001, Australian Goldfields NL completed aeromagnetic, auger soil geochemistry, IP surveys, percussion and diamond drilling at the tenement. Together 28 RC holes for 3,388m were drilled. In 2008, Impact Minerals Limited drilled 15 RC holes totalling up to 2,490m. Historically, over 66 RC holes for a total of ~6,500m have been drilled across the tenement.

During the December quarter, resource modelling work was undertaken at Mt Clermont and Capella.



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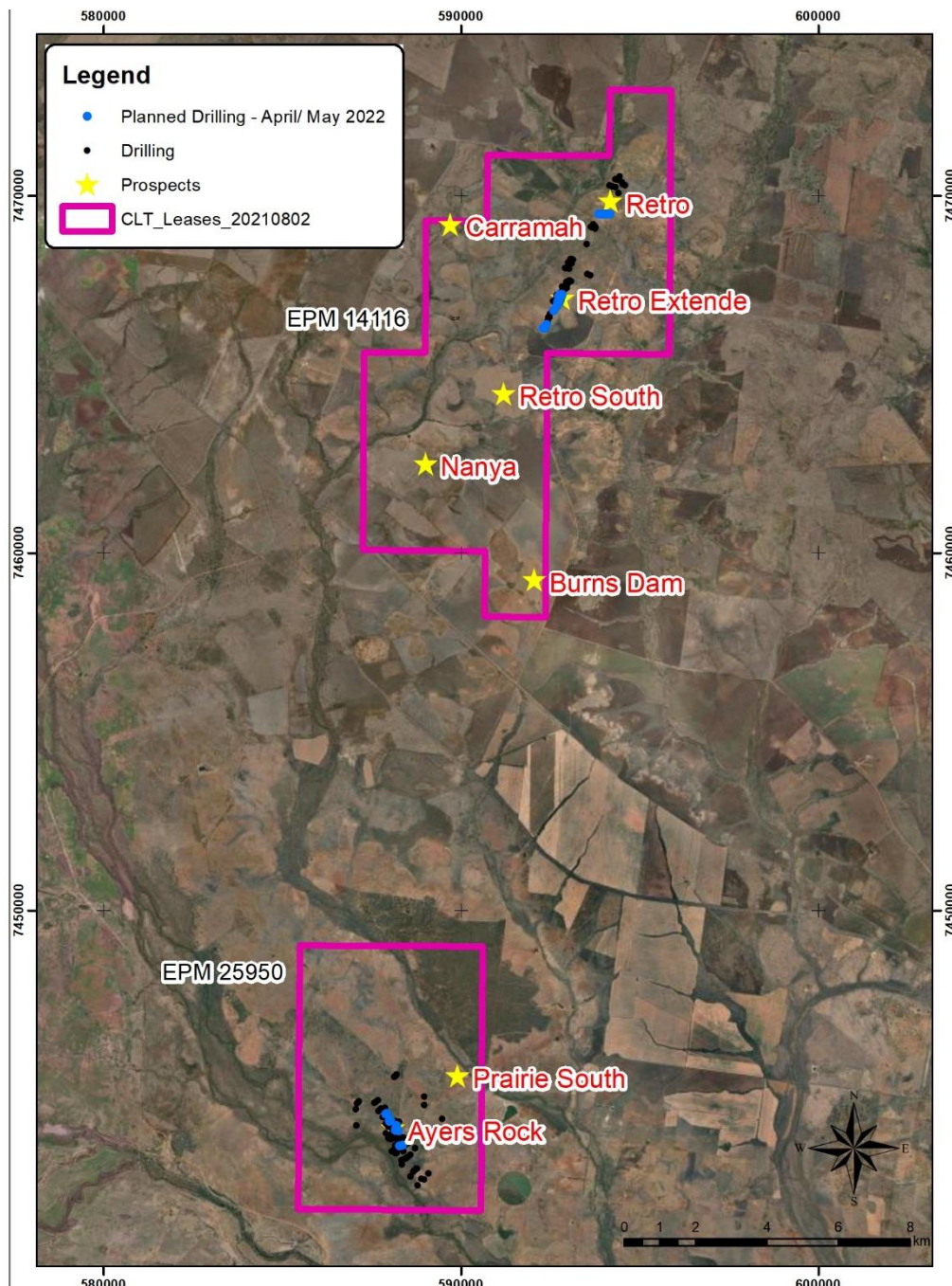
**Figure 4:** Historical drilling data at Capella, with MMI soil anomaly on the map of magnetic base map (Impact Minerals, 2016). The latest 2022 drilling is highlighted by yellow boxes. New interpreted faulting system is likely to be playing an important role in localizing the gold mineralisation.





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**Figure 5:** Mt Clermont and Capella gold project RC hole locations.





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### Western Australian Projects

#### *Fairview Gold project*

The Fairview gold project lies within the Pilbara Granite-Greenstone Complex in the northwest of Western Australia. The exploration target is structurally similar to the Mt Clement deposit (less than 5km to the south-east) and the Paulsens Gold Mine, operated by Northern Star Limited (ASX:NST) (around 30km to the northwest).

No work was undertaken at Fairview during the December quarter.

### Corporate

#### *Annual General Meeting*

The Company's Annual general Meeting was held 25 November 2022, with all resolutions passing by way of a Poll.

#### *New Opportunities*

The board continues to assess new project opportunities to drive further shareholder value.

#### *Finance and use of funds*

Pursuant to ASX listing rule 5.3.4, the Company provides a comparison of its actual expenditure against the estimated expenditure on items set out in in section 5.7 of the Company's Prospectus.

Activity Description	Funds Allocated	Actual to Date (20 months)
Exploration (2 years)	\$3,600,000	\$2,348,000
Administration (2 years)	\$1,265,000	\$1,075,000
Expenses of the Offer	\$409,000	\$286,000

#### *Note 6 to Appendix 5B*

Payments to related parties of the entity and their associates: during the December quarter \$29,000 was paid to related parties and associates in relation to director remuneration and consulting fees in accordance with existing service agreements.

This announcement is approved for release by the Board of Directors

**ENDS**



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**For Further Information**  
**Dr Qingtao Zeng**  
**Managing Director**  
**+61 8 6507 3082**

**Mr Dan Smith**  
**Joint-Company Secretary**  
**+61 8 9486 4036**

### Competent Person Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Dr Qingtao Zeng, Managing Director of Australasian Metals Limited. Dr Zeng is a member of the Australasian Institute of Mining and Metallurgy and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken 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". Dr Zeng consents to the inclusion in this release of the matters based on the information in the form and context in which they appear. Dr Zeng is a shareholder of Australasian Metals Limited.

### Annexure 1: Australasian Metals Limited – tenements held directly by Australasian Metals or subsidiary company as at 31 December 2022

Tenements	Acquired during Quarter	Disposed of during Quarter	Held at end of Quarter	State / Country
May Queen, EPM 19419	-	-	100%	Queensland
May Queen, EPM 27746	-	-	100%	Queensland
Mt Clermont, EPM 14116	-	-	100%	Queensland
Capella, EPM 25956	-	-	100%	Queensland
Fairview, E08/3248	-	-	100%	Western Australia
Mt Peake, EL 32830	-	-	100%	Northern Territory
Barrow Creek, EL 30507	-	-	90%	Northern Territory
Barrow Creek, EL 28515	-	-	90%	Northern Territory
Barrow Creek, EL 29724	-	-	90%	Northern Territory
Barrow Creek, EL 29725	-	-	90%	Northern Territory
Barrow Creek, EL 30470	-	-	90%	Northern Territory

## Appendix 5B

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

Name of entity

AUSTRALASIAN METALS LIMITED

ABN

54 625 744 907

Quarter ended ("current quarter")

31 December 2022

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)	(19)	(22)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(122)	(316)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	25
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(135)</b>	<b>(304)</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 (if capitalised)	(149)	(371)
	(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>(149)</b>	<b>(371)</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 (lease liability)	-	-
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>-</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	4,757	5,148
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(135)	(304)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(149)	(371)
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>4,473</b>	<b>4,473</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	4,473	4,757
5.2	Call deposits	-	-
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>4,473</b>	<b>4,757</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	(23)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(6)
<p><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></p> <p>Amounts at item 6.1 are in relation to director fees included in item 1.2.</p> <p>Amounts at item 6.2 are in relation to consulting fees included in item 2.1.</p>		

<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 (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.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(135)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(149)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(284)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,473
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,473
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	15.8
<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	

## 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: N/A

*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: ..... 25 January 2023.....

Authorised by: .....Board of Directors.....  
(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.