ASX ANNOUNCEMENT

2 August 2022

Drilling at Flying Horse confirms 14m @ 2.23% Cu

Highlights:

- *Assay results from drilling at Flying Horse, a copper sulphide resource at Mt Kelly includes 14m @ 2.23% Cu, 11m @ 2.30% Cu and 19m @ 1.69% Cu*
- *Continued evaluation of potential suitability of Mt Kelly copper sulphide ore for sulphide heap leach SX-EW technology*
- *Austral to accelerate determining the potential for economic extraction of copper sulphide resource at Mt Kelly*

Copper producer Austral Resources Australia Ltd (ASX:AR1) (**"Austral"** or the **"Company"**) is pleased to announce the drilling results from the Flying Horse diamond drilling program.

Flying Horse (**FH**) is located on an existing Mining Lease (ML5447) and contains a JORC Mineral Resource Estimate of 14.2MT at 0.77% Cu - see Table 1 below [1]. The quoted resource was calculated in 2013 by the previous mine owner.

DEPOSIT	MATERIAL TYPE	MT	CU%	CA%	MG%	CONTAINED CU TONNES
FLYING HORSE	Oxide	1.3	0.46	0.6	0.6	5,980
	Transitional	2.2	0.60	4.5	2.6	13,200
	Sulphide	10.7	0.85	5.5	3.3	90,950
	Total**	14.2	0.77	4.9	2.9	109,340

Table 1. Flying Horse JORC Mineral Resource Estimate. ** Rounding applied to resource numbers.

[1] Appendix 1, ASX release 26 April 2022

As previously announced[2], Austral Resources completed a 3-hole diamond drilling program for a total of 712m at Flying Horse to provide fresh ore samples for a metallurgical test work programme (Figure 1 & Figure 2). This program evaluates the suitability of Mt Kelly sulphide (chalcopyrite) mineralisation for an emerging sulphide heap leach SX-EW technology. If the evaluation is positive, there is exciting potential for Austral to have an additional processing solution relative to conventional flotation for its sulphide resource base of 26.5Mt@ 0.8% Cu.

Figure 1. Diamond drill rig at Flying Horse Pit May 2022

Figure 2. Diamond drill core containing sulphide copper mineralisation from drillhole MTKD010 at Flying Horse pit.

[2] Appendix 1, ASX release 6 June 2022

Update on Drilling Results

Austral Resources has completed drilling a total of 3 diamond drill holes for 712m at Flying Horse. A plan view of collar locations and the current Flying Horse open pit topography is displayed in Figure 3, with sections along the lines of each drillhole displayed in Figures 4, 5 & 6. Drillhole design details are listed in Table 1.

Drilling results to date have verified the current geologic resource model and the targeting strategy applied with outstanding results. Assays for all 3 drillholes have been received and are listed in Appendix 2.

Significant intersections include;

- MTKD010. Refer Figure 4
  - 19m @ 1.69% Cu (from 66m downhole)
- MTKD081. Refer Figure 5
  - 14m @ 2.23% Cu (from 122m downhole)
  - 11m @ 2.3% Cu (from 146m downhole)
- MTKD082. Refer Figure 6
  - 5m @ 2.06% Cu (from 125m downhole)
  - 7m @ 1.02% Cu (from 244m downhole)
  - 6m @ 1.65% Cu (from 264m downhole)

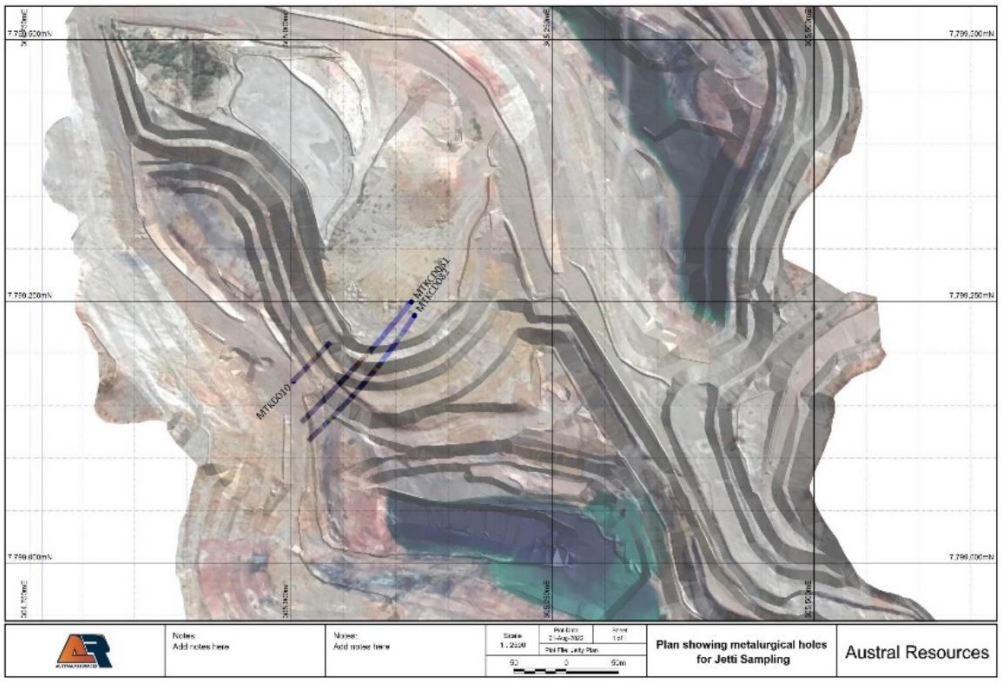

Figure 3. Plan view of Flying Horse 2022 drilling hole traces.

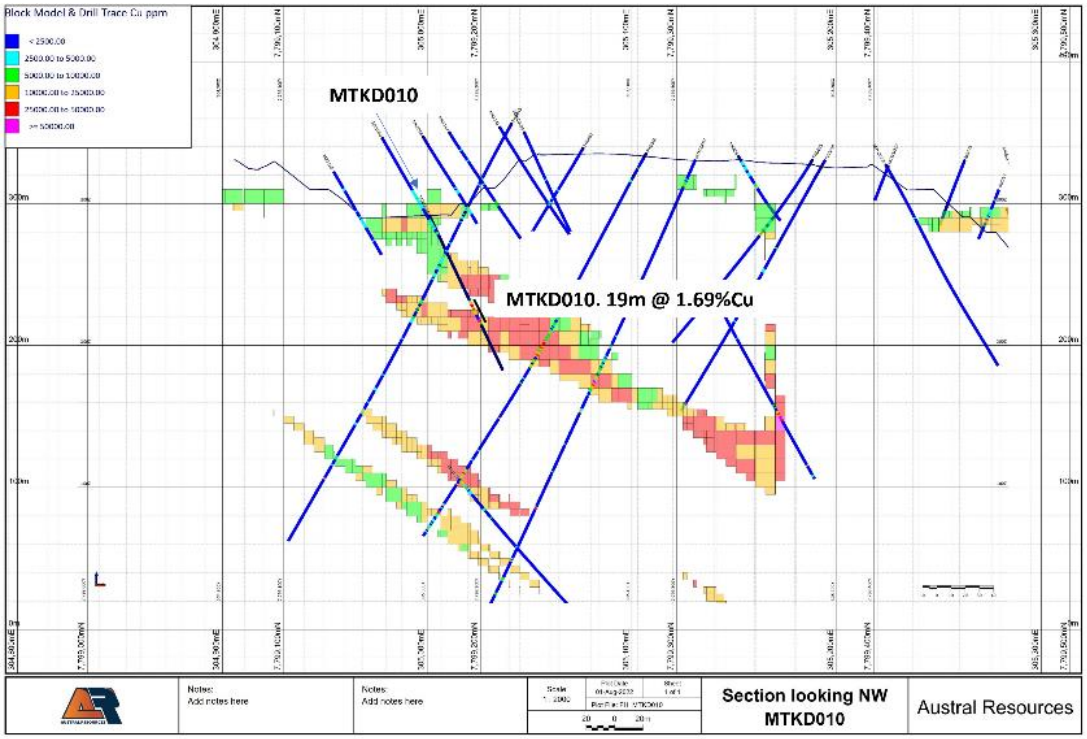

Figure 4. Flying Horse Section through MTKD010.

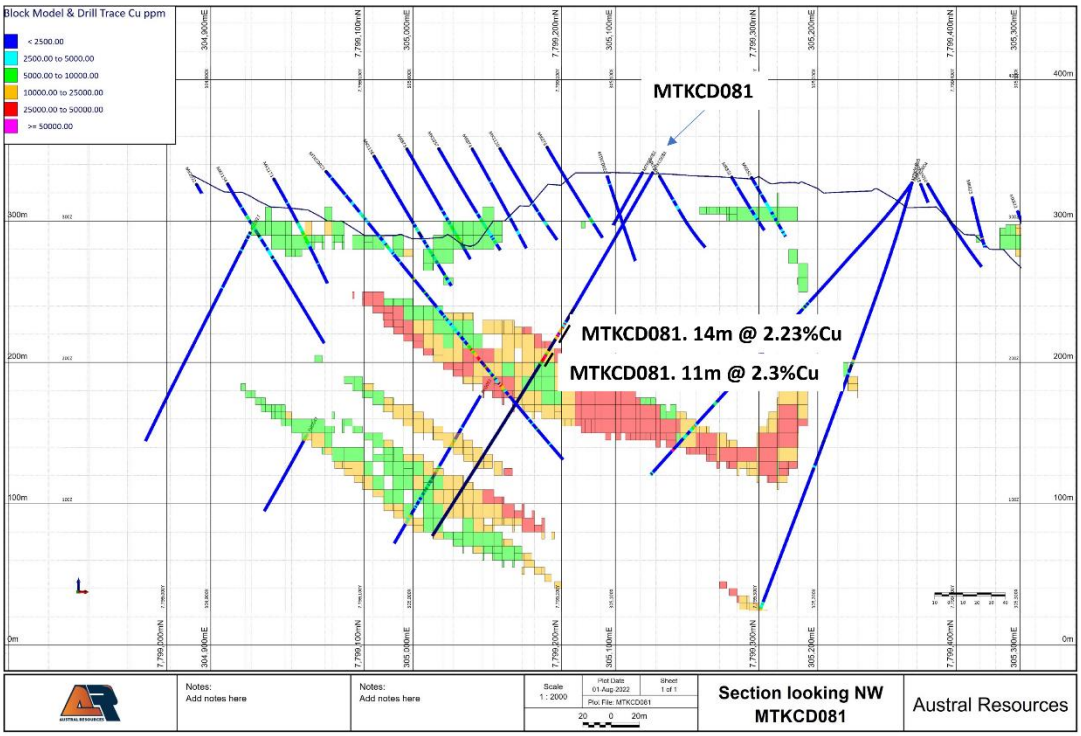

Figure 5. Flying Horse Section through MTKD081.

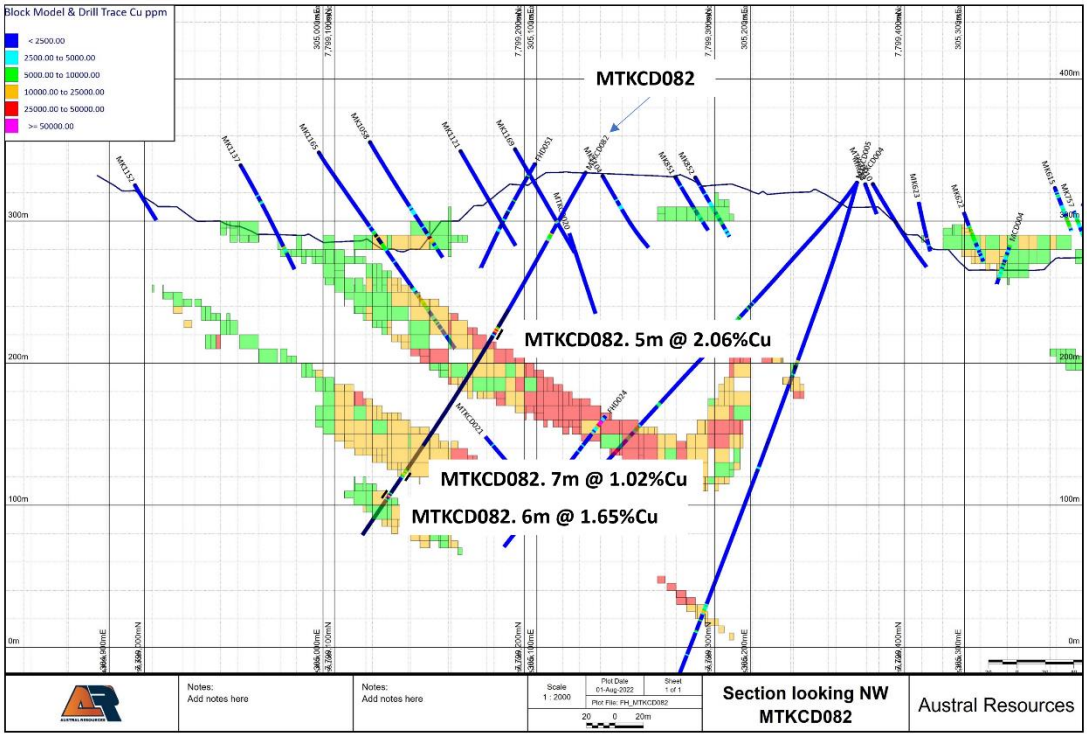

Figure 6. Flying Horse Section through MTKD082.

HoleID	East (MGA94)	North (MGA 94)	East (AGD 84)	North (AGD 84)	RL	Dip	AziTN	Depth
MTKD010	305125	7799349	305002	7799173	292	-65	45	122
MTKCD081	305239	7799425	305115	7799249	334	-60	220	301
MTKCD082	305242	7799412	305118	7799236	334	-60	215	300

Table 2. Flying Horse Collar details from 2022 Drilling Program.

Update on Geometallurgical Test Work

This overview of geometallurgical test work is preliminary in nature based on incomplete information and will be updated once analysis and evaluation is received in August or September 2022.

Austral has selected 12 intervals forming a representative sample both in terms of spatial distribution and grade range from the sulphide core generated during the 2022 drilling program. The composite sample has a mass of 20.5kg for an average grade of 0.8% Cu. This grade is considered appropriate within the context of a potential heap-leach program.

Austral Resources is completing acid consumption testing on samples from the composite that are representative of the range of grades. Results from the acid consumption testing is expected no later than mid-August.

Dependent upon the results from the acid consumption testing, the composite will then be air-freighted to the laboratory in Arizona US for further evaluation.

Further Work

Further work includes completion of the program to evaluate the suitability of Mt Kelly sulphide (chalcopyrite) mineralisation for an emerging sulphide heap leach SX-EW technology.

This ongoing evaluation of Flying Horse is a further step in assessing the potential to begin commercialising Austral's 210,000t of contained copper in sulphides (26.5Mt @ 0.8% Cu) to augment the Company's current 40,000t Anthill Mine copper production from the Anthill copper oxide mine.

This announcement is authorised for market release by Phillip Thomas – Chairman

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About Austral Resources

Austral Resources Australia Ltd is an ASX listed copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SXEW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine which has an Ore Reserve of 5.06Mt at 0.94% Cu. The Company expects to produce 40,000t of copper cathode over a four-year period from mid-2022.

Austral also owns a significant copper inventory with a JORC compliant Mineral Resource Estimate of 60Mt@ 0.7% Cu (420,000t of contained copper) and 2,100km^2 of highly prospective exploration tenure in the heart of the Mt Isa district, a world class copper and base metals province. The Company is implementing an intensive exploration and development programme designed to extend the life of mine, increase its resource base and then review options to commercialise its copper resources.

Competent Persons' Statement

The information in this announcement that relates to Mineral Assets, Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on and fairly reflects information compiled and conclusions derived by Mr Andrew Beaton and Mr Ben Coutts, Competent Persons who are Members of the Australasian Institute of Mining and Metallurgy. Mr Beaton is the Site General Manager at Austral and Mr Coutts is Exploration Manager at Austral. Mr Coutts and Mr Beaton are geologists and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results and Ore Reserves (2012 JORC Code). Mr Coutts and Mr Beaton consent to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Ore Reserve and Mineral Resource Estimate Statements

Detailed information that relates to Ore Reserves and Mineral Resource Estimates is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report. This document is available on Austral's website: www.australres.com and on the ASX released as "Prospectus" on 1 November 2021. The Company confirms that it is not aware of any new information or data that materially affects the estimates of Mineral Resources and Ore Reserves as cross referenced in this release and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.

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AUSTRAL RESOURCES

Appendix 1. Key Austral ASX announcements

DATE	*TITLE*
1 Nov 2021	*Austral Prospectus*
3 Nov 2021	*Austral lists on ASX*
9 Nov 2021	*Anthill and Mt Kelly development underway*
17 Nov 2021	*Anthill blasting commences*
7 Dec 2021	*Thiess signing*
14 Dec 2021	*Updated Company presentation*
11 Jan 2022	*Mining commences at Anthill*
30 Jan 2022	*December Quarter Report*
3 Feb 2022	*Offtake and Prepayment Agreement secured with Glencore*
31 Mar 2022	*Austral's Anthill Mine Ore Shipments Commence*
26 Apr 2022	*Exploration update*
28 Apr 2022	*March Quarter Report*
4 May 2022	*RIU Conference presentation*
6 Jun 2022	*Austral exploration update*
8 Jun 2022	*Glencore (MIM) JV*
8 Jun 2022	*Resources Rising Stars Presentation*
14 Jun 2022	*First Anthill Copper Cathode Plated*
21 Jun 2022	*Austral Appoints Exploration Manager*
27 Jun 2022	*Change of Management*
27 Jul 2022	*Austral June 2022 Quarterly Update*
28 Jul 2022	*Lady Colleen Drilling Update*

Appendix 2. Flying Horse Assays from 2022 Drilling Program

Hole_ID	From	To	SampleID	Method	ME-ICP49 Cu%	ME-ICP49 Ca%	ME-ICP49 Mg%	ME-ICP49 Fe%	ME-ICP49 S%	Cu-OG46 Cu ppm	Intersections Cut-off 0.3%Cu
MTKD010	66.00	66.97	DCMTKJT0001	1/4 CORE	0.45	11.6	5.83	3.98	1.88		19m @ 1.69% Cu from 66m
MTKD010	66.97	68.00	DCMTKJT0002	1/4 CORE	2.27	14.95	7.59	6.47	3.93		
MTKD010	68.00	69.00	DCMTKJT0003	1/4 CORE	2.33	14.6	7.36	7.02	4.66		
MTKD010	69.00	70.00	DCMTKJT0004	1/4 CORE	2.73	14.9	7.67	6.54	4.32		
MTKD010	70.00	71.00	DCMTKJT0005	1/4 CORE	3.15	13.3	6.79	9.49	8.47		
MTKD010	71.00	71.66	DCMTKJT0006	1/4 CORE	1.4	16.6	8.51	5.5	3.43		
MTKD010	71.66	72.52	DCMTKJT0007	1/4 CORE	1.01	14.5	7.36	5.22	3.15		
MTKD010	72.52	73.18	DCMTKJT0008	1/4 CORE	3.19	17.75	9.05	8.27	6.26		
MTKD010	73.18	74.05	DCMTKJT0009	1/4 CORE	0.84	11.6	5.9	5.82	4.42		
MTKD010	74.05	75.06	DCMTKJT0010	1/4 CORE	1.75	17.7	9.09	6.13	4.02		
MTKD010	75.06	76.00	DCMTKJT0011	1/4 CORE	1.54	9.79	5.05	5.14	3.9		
MTKD010	76.00	77.15	DCMTKJT0013	1/4 CORE	1.48	10.2	5.2	4.65	3.08		
MTKD010	77.15	78.00	DCMTKJT0014	1/4 CORE	0.15	10.65	5.36	2.84	1.02		
MTKD010	78.00	79.00	DCMTKJT0015	1/4 CORE	0.06	11.75	5.86	2.79	0.8		
MTKD010	79.00	80.00	DCMTKJT0016	1/4 CORE	0.04	9.58	4.86	2.18	0.6		
MTKD010	80.00	80.76	DCMTKJT0017	1/4 CORE	0.16	10.4	5.08	3.05	0.85		
MTKD010	80.76	82.00	DCMTKJT0018	1/4 CORE	>5.00	13.25	6.78	11.35	10.4	5.41	
MTKD010	82.00	83.00	DCMTKJT0019	1/4 CORE	3.71	15.95	8.08	9.15	7.53		
MTKD010	83.00	84.35	DCMTKJT0020	1/4 CORE	1.74	15.75	8.05	5.42	2.68		
MTKD010	84.35	85.00	DCMTKJT0021	1/4 CORE	0.54	12.6	6.35	4.08	1.58		
MTKCD081	121.00	122.00	DCMTKJT0022	1/4 CORE	0.16	9.41	4.71	2.45	0.81		
MTKCD081	122.00	123.00	DCMTKJT0023	1/4 CORE	0.33	9.63	4.75	3.02	1		14m @ 2.23% Cu from 122m
MTKCD081	123.00	124.00	DCMTKJT0024	1/4 CORE	4.79	11.55	5.7	7.99	4.78		
MTKCD081	124.00	125.00	DCMTKJT0025	1/4 CORE	0.47	12.8	6.08	5.12	1.94		
MTKCD081	125.00	126.00	DCMTKJT0026	1/4 CORE	0.38	11.3	5.45	4.03	1.26		
MTKCD081	126.00	127.00	DCMTKJT0027	1/4 CORE	2.75	8.84	4.29	6.51	4.32		
MTKCD081	127.00	128.00	DCMTKJT0028	1/4 CORE	1.89	13.2	6.54	6.21	3.52		
MTKCD081	128.00	129.00	DCMTKJT0029	1/4 CORE	1.78	15.9	7.85	6.16	3.45		
MTKCD081	129.00	130.00	DCMTKJT0030	1/4 CORE	2.15	16.55	8.33	6.15	3.89		
MTKCD081	130.00	131.00	DCMTKJT0031	1/4 CORE	1.19	10.95	5.56	5.48	3.95		
MTKCD081	131.00	132.00	DCMTKJT0032	1/4 CORE	0.19	7.61	3.83	3.4	2.17		
MTKCD081	132.00	133.00	DCMTKJT0033	1/4 CORE	>5.00	8.87	4.41	15.75	15.7	8.57	
MTKCD081	133.00	134.00	DCMTKJT0034	1/4 CORE	3.92	8.96	4.53	8.29	7.54		
MTKCD081	134.00	135.00	DCMTKJT0035	1/4 CORE	1.38	12.35	6.33	5.03	3.38		

ASX ANNOUNCEMENT

AUSTRAL RESOURCES

Hole_ID	From	To	SampleID	Method	ME-ICP49 Cu%	ME-ICP49 Ca%	ME-ICP49 Mg%	ME-ICP49 Fe%	ME-ICP49 S%	Cu-OG46 Cu ppm	Intersections Cut-off 0.3%Cu
MTKCD081	135.00	136.00	DCMTKJT0036	1/4 CORE	1.42	10.75	5.38	5.29	3.6		
MTKCD081	146.00	147.00	DCMTKJT0038	1/4 CORE	1.08	10.6	5.42	3.74	2.12		11m @ 2.3% Cu from 146m
MTKCD081	147.00	148.00	DCMTKJT0039	1/4 CORE	1.19	9.99	5.09	5.25	3.91		
MTKCD081	148.00	149.00	DCMTKJT0040	1/4 CORE	0.58	5.77	3.12	3.47	2.98		
MTKCD081	149.00	150.00	DCMTKJT0041	1/4 CORE	3.14	8.89	4.62	7.19	7.05		
MTKCD081	150.00	151.00	DCMTKJT0042	1/4 CORE	>5.00	8.38	4.27	11.25	11.3	7.33	
MTKCD081	151.00	152.00	DCMTKJT0043	1/4 CORE	2.65	11	5.59	7.65	6.7		
MTKCD081	152.00	153.00	DCMTKJT0044	1/4 CORE	2.57	9.88	5.07	7.86	7.4		
MTKCD081	153.00	154.00	DCMTKJT0045	1/4 CORE	2.86	10.35	5.29	8.24	7.67		
MTKCD081	154.00	155.00	DCMTKJT0046	1/4 CORE	2.65	14.35	7.09	10.8	10.2		
MTKCD081	155.00	156.00	DCMTKJT0047	1/4 CORE	0.55	11.45	5.63	4.21	1.99		
MTKCD081	156.00	157.00	DCMTKJT0048	1/4 CORE	0.71	9.92	5.06	3.41	2.04		
MTKCD082	125.00	126.00	DCMTKJT0049	1/4 CORE	0.86	9.05	4.67	4.27	1.19		5m @ 2.06% Cu from 125m
MTKCD082	126.00	127.00	DCMTKJT0050	1/4 CORE	2.29	16.8	8.57	6.62	3.9		
MTKCD082	127.00	128.00	DCMTKJT0051	1/4 CORE	2.5	17	8.66	6.53	3.94		
MTKCD082	128.00	129.00	DCMTKJT0052	1/4 CORE	1.32	16.2	8.29	5.43	2.88		
MTKCD082	129.00	130.00	DCMTKJT0053	1/4 CORE	3.31	17.55	9.1	7.51	5.4		
MTKCD082	130.00	131.00	DCMTKJT0054	1/4 CORE	0.07	13.4	6.31	5.03	1.76		
MTKCD082	131.00	132.00	DCMTKJT0055	1/4 CORE	0.3	12.5	6.02	6.15	3.65		
MTKCD082	244.00	245.00	DCMTKJT0056	1/4 CORE	0.58	14.15	7.26	4.08	1.42		7m @ 1.02% Cu from 244m
MTKCD082	245.00	246.00	DCMTKJT0057	1/4 CORE	2.33	12.35	6.31	6.38	4.7		
MTKCD082	246.00	247.00	DCMTKJT0058	1/4 CORE	0.56	11.9	6.1	4.29	2.65		
MTKCD082	247.00	248.00	DCMTKJT0059	1/4 CORE	1.2	15.6	7.95	5.37	3.06		
MTKCD082	248.00	249.00	DCMTKJT0060	1/4 CORE	1.1	12.7	6.4	4.9	2.86		
MTKCD082	249.00	250.00	DCMTKJT0061	1/4 CORE	0.87	12.4	6.21	4.76	2.78		
MTKCD082	250.00	251.00	DCMTKJT0062	1/4 CORE	0.49	12.65	6.3	3.64	1.26		
MTKCD082	251.00	252.00	DCMTKJT0063	1/4 CORE	0.21	12.75	6.16	3.68	1		
MTKCD082	264.00	265.00	DCMTKJT0065	1/4 CORE	0.64	5.23	2.62	2.87	1.32		6m @ 1.65% Cu from 264m
MTKCD082	265.00	266.00	DCMTKJT0066	1/4 CORE	0.09	4.11	2.1	1.95	0.65		
MTKCD082	266.00	267.00	DCMTKJT0067	1/4 CORE	1.68	8.53	4.25	4.39	2.6		
MTKCD082	267.00	268.00	DCMTKJT0068	1/4 CORE	>5.00	9.19	4.45	17.15	17.5	7	
MTKCD082	268.00	269.00	DCMTKJT0069	1/4 CORE	0.19	16	7.37	4.97	0.65		
MTKCD082	269.00	270.00	DCMTKJT0070	1/4 CORE	0.3	14.65	7.28	3.7	0.9		

Appendix 3. JORC Code Table 1

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	RC drilling was sampled on 1 m intervals to collect 2 to 3 kg samples. The splitter was cleaned at the end of each rod, the cyclone was cleaned at the start of each hole. Diamond core drilling was used to sample half core in 1 m lengths based on mineralisation. Samples were sent to ALS lab for sample preparation and analysis. The laboratory conforms to Australian Standards ISO 9001 and ISO 17025.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Reverse circulation and percussion methods were used to test near surface oxide mineralisation while diamond drilling (HQ and NQ) was used for evaluating deeper sulphide mineralisation. RC drilling used standard face sampling hammers, high pressure compressor and a riffle splitter. Diamond drilling was HQ size using standard/triple tubing. Drill holes considered unreliable such as water bore, percussion holes, RAB holes, were excluded from the resource estimate
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	For RC samples the weight of the recovered sample was recorded as high, medium or low or as a number from 1 to 5. The drill hole database indicates that 35% of the samples have a high sample recovery weight and 51% with medium sample recovery weights. For diamond drilling, the sample recovery averages 95.39%. RC and diamond sampling methods are appropriate for the style of mineralisation. The CST RC drilling procedures include adequate measures to control sample contamination and minimise sample loss.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Geological logging entered into a Microsoft Access database includes lithology, oxidation, grain size, colour, rock texture, dominant copper minerals, fracture angle and bedding angle (DD).

Criteria	JORC Code explanation	Commentary
	The total length and percentage of the relevant intersections logged.	
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	A diamond core is sawn longitudinally with half core taken for sampling. The RC drilling has an attached cyclone and riffle splitter from which 2 to 3 kg samples were collected. Field duplicates were collected for the RC samples from a bucket containing the rejects using a spear. Duplicates for diamond core samples were taken from the crushed rejects at ALS laboratory.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Standards and blanks were inserted at a rate of 1 in 25 and a minimum of 2 standards per batch. Standards were picked to match the expected grade of the mineralised interval. Blanks were inserted immediately after the standard. Field duplicates were inserted with the blanks and standards. Prior to 2008 there was minimal QAQC, but some check sampling and production reconciliation indicated no material problems with assaying. Available QAQC data was assessed and there were no significant sampling and assaying issues noted. The frequency of standards, blanks and duplicates is considered adequate. 2022 XRF sampling protocols are being established to statistically determine levels of accuracy compared to laboratory assay methods.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	A twinning program was conducted by CopperCo of selected Buka drilling at the Lady Annie deposit and assessed by FinOre. The assessment showed that the CopperCo twinned drilling within 7.5 m (81 drill holes) of existing Buka drilling showed a higher mean copper grade while comparison with drilling within 10 m (296 drill holes) showed a lower mean copper grade. However, the older Buka and CopperCo drilling is overwhelmed by the more recent drilling by CST. There are a small number (19) of closed spaced drilling (within 10 m) that intersect the **Anthill** copper mineralisation. Comparison of the close-spaced drilling show that in most cases the trend and magnitude of the copper mineralisation is consistent between the paired drill holes. The drill hole database is maintained on site in digital (Microsoft SQL database) and hard-copy format. A designated database administrator maintains the database and is tasked with adding data and making any corrections to the database. Negative assay values indicate half detection limit (typically 0.005). Unsampled intervals within the mineralised envelope were assigned a value of 0.01% Cu.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Majority of the drill hole locations are reported to be by differential GPS which provides sub-metre accuracy for regional AMG coordinates. All drilling is in Australian Map Grid (AMG84) coordinates Zone 54.

Criteria	JORC Code explanation	Commentary
	Specification of the grid system used. *Quality and adequacy of topographic control.*	Down hole surveys were collected using a range of methods with the majority of the drill holes surveyed using a single-shot or multi-shot camera on approximately 30 m intervals. 16% of samples at Lady Annie were surveyed by compass and 3% were vertical. For 34% of the Lady Annie drill holes the survey method is not recorded in the database. Topography is provided by a detailed survey by Austral, which is continuously updated with sub metre accuracy. The current topography surfaces have been updated to the end of January 2021.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Lady Annie/Lady Brenda: drill spacing varies from 10 m by 10 m to 100 m by 100 m, averages 20 m by 10 m to 20 m by 20 m. Mt Kelly/Flying Horse: drill spacing varies from less than 20 m by 20 m to 100 m by 50 m, averages approximately 50 m. Swagman: drill spacing on oblique grid of 20 m by 20 m. McLeod Hill: drill spacing is approx. 50 m by 25 m. Anthill drill spacing varies from 20 m to over 100 m and averages approximately 20 m by 40 m. Drill hole data was composited to 3 m intervals by mineralisation domain for Lady Annie, Mt Kelly and Anthill main areas, and 1 m intervals by mineralisation and oxide domain for Swagman and McLeod Hill. Drill hole data was composited to 3 m intervals by mineralisation domain for Lady Annie and , Mt Kelly/Flying Horse. The drill spacing is sufficient to capture the salient geological features controlling the mineralisation and is sufficient, in places, to define Measured and Indicated Mineral Resources.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Lady Annie/Lady Brenda: drilling is oriented on average 60 toward an azimuth of 090 and 270 ; copper mineralisation shallow dipping in the near surface oxide. Mt Kelly/Flying Horse: drilling is oriented 60 toward azimuths of both 040 and 220 ; copper mineralisation is flat dipping near surface oxide and steeper mineralisation is dipping 35 to 40 with a strike of 120 to 170 . Swagman: drilling gridlines are orientated towards the north-east; mineralisation is flat lying in the oxide and dips approximately 50 toward 200 for the transition and sulphide mineralisation. McLeod Hill: drilling is oriented toward the east to north-east; mineralisation strikes at 170 and dips approximately 60 toward the west. Anthill: drilling is oriented on average 60 toward azimuths 090 and 270 in Anthill west and 035 and 215 for Anthill east and link zone; Copper mineralisation is generally shallow dipping in the near surface oxide; Anthill west there is steep mineralisation that dips 40 to 65 and strikes 300. Drilling is appropriately oriented to intersect the mineralisation across dip to avoid any sampling bias.
Sample security	*The measures taken to ensure sample security.*	Samples were collected by CST field staff during previous drilling campaigns. Sample numbers are recorded on the sample sheet and the data is later entered into the corresponding drill log. Once the hole/log is complete the file is sent to the database manager and checked by a geologist. Samples are placed in numbered samples dispatch bins, prior to being sent to the laboratory. The sample number, bin and date-time are recorded in the sample dispatch sheet which is signed by the operating field technician. Each sample bin or approximately every 300 samples are allocated a batch number and a separate laboratory submission sheet. Samples were dispatched by truck to the ALS Townsville laboratory weekly.

Criteria	JORC Code explanation	Commentary
		The assay results were sent from the Laboratory directly to the database The assay results were sent from the laboratory directly to the manager and geologist by email.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	FinOre Mining Consultants undertook an audit of the drill hole QAQC including an audit of the laboratory in 2005 for the CopperCo Lady Annie Feasibility Study. In 2007 and 2008 Maxwell GeoServices assessed the CopperCo QAQC data. Snowden in 2010 assessed the QAQC data collected since 2008. Golder completed a high-level database review in 2012, including undertaking a small number of checks of the hard-copy data with the digital data and rudimentary checks of the drill hole database. No major issues with the sampling and assaying were identified by the reviews. The RC and diamond drilling data are appropriate for Mineral Resource estimation.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Austral Resources Lady Annie Pty Ltd holds 15 Mining Leases (ML) and 14 Exploration Permit for Minerals (EPM) around the Lady Annie Copper Project. Mineral Resources, Ore Reserves and all mining and processing infrastructure are located on ML's. A further 18 EPM's are held by Austral Resources Exploration Pty Ltd, a 100% subsidiary of Austral Resources.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Buka Minerals Limited (Buka) purchased the Lady Annie and Lady Loretta deposits in 1996 and commissioned a pre-feasibility study into the development of a standalone cathode copper operation at Lady Annie. In June 2004, Avon Resources was renamed to CopperCo Limited (CopperCo) and acquired 100% of the Lady Annie Project from Buka. The Lady Annie Project was developed by CopperCo and mining commenced at Mount Clarke with pre-stripping in April 2007 and at Lady Annie in October 2008. The Mount Kelly process plant was commissioned in October 2007. Exploration primarily utilised RC and diamond drilling to test the Lady Annie, Mt Kelly and Anthill areas. Drilling at Lady Annie and Mt Kelly was conducted from 1964 to present-day with the majority of the drilling completed in 2004 using predominantly modern reverse circulation (61% of drilling) and diamond drilling (11% of drilling) methods. The rest of the drilling is predominately rotary air blast (RAB 12% of drilling) and unspecified drilling methods (10%). Drilling at the Anthill deposit was conducted from 1972 to 2012 with the majority completed in 2010 to 2012. Drilling is by predominantly modern reverse circulation (70% of drilling) and diamond drilling (14% of drilling) plus RC with diamond tail (12%) methods.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Lady Annie mining area is contained within the north trending Lady Loretta High Strain Zone. The Lady Annie deposit is hosted by fault-bounded blocks of gently folded Paradise Creek and Upper Gunpowder Creek

Criteria	JORC Code explanation	Commentary
		Formations. The Lady Brenda deposit is located approximately 300 m to the south-west of the Lady Annie deposit. Copper mineralisation at Lady Annie and Lady Brenda is hosted in dolomitic, carbonaceous and argillaceous sandstones and siltstones. Oxidation of these units has removed the dolomitic material leaving behind ferruginous silty sandstones or kaolinitic sandy siltstones. The primary copper sulphide mineralisation appears to be structurally controlled, being commonly associated with well-defined fault-related silicification. The Mount Kelly mining area, where Flying Horse Deposit is located, is dominated by early to mid-Proterozoic siltstones and dolomitic siltstones of the McNamara Group. Copper mineralisation occurs within units of the McNamara Group and is reportedly related to the north-west-trending Mount Kelly and Spinifex Faults, which intersect and cut the McNamara Fault. The known mineralisation is associated with multiple phases of brecciation and veining along the fault zones. The copper oxide mineralisation appears to be shear and fault controlled. The Swagman and McLeod Hill deposits occur within a few kilometres of the Mt Kelly mining area and have similar rock types and mineralisation styles. The mineralisation at both deposits is controlled by structural features such as shear zones and faults. The Anthill deposit is hosted predominately within the Esperanza Formation. The host lithologies of the ore body are mostly inferred to be dolomitic siltstones; however the strong weathering and oxidation process has resulted in the near complete loss of dolomite from the rock in the upper oxide zone. The mineralisation appears to be controlled by a combination of steep structural elements and broad domal features. The Anthill transition is commonly hosted in structurally controlled silicified zones as well as in silicified sedimentary breccias in dolomite, which appear to have been a preferred permeability horizon for mineralising fluids.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* *easting and northing of the drillhole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Drillhole information is considered to be of a good standard.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	No data aggregation methods have been applied.

Criteria	JORC Code explanation	Commentary
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	Drill intersections are reported as downhole intersections and may not reflect true widths.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	All diagrams contained in this document are generated from spatial data displayed in industry standard mining and GIS packages.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Balanced reporting principles are being applied.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Historic geophysical data was reprocessed late 2021 to confirm projections and apply new processing methods where possible
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Geometallurgical evaluation of the potential for primary sulphide material to be economically leached