

17 November 2021

Austral Resources commences blasting at Anthill Mine

Highlights:

- *First blast fired on 16 November 2021, a key development milestone*
- *110,000 cubic meters (BCM) of ironstone cover broken over Anthill east pit*
- *Anthill Mine site facilities and haul roads are under construction*
- *Austral is on track to be producing 10,000tpa of copper cathode for four years from mid 2022*

Copper producer **Austral Resources Australia Ltd (ASX:AR1)** (“Austral” or the “Company”) is pleased to announce that the first blast at Anthill Mine has been fired on 16 November 2021.

The first production blast is designed to establish initial mining benches at Anthill East pit – in preparation for bulk earthmoving in January 2022. First ore mining is expected to commence in March/April 2022. Austral is focussed on developing its new Anthill Mine and ramping production to 10,000t of copper cathode by mid 2022 at Mt Kelly, which is scheduled to process 5,000t/day of oxide ore at full production.



Figure 1. First blast at Anthill Mine east pit area, 16 November 2021.

Anthill Mine Development

The inaugural blast at the Anthill Mine is a key milestone for Austral's development plans. It is the result of several years of careful planning and design by the Austral team and is a crucial first step towards progressing to 10,000tpa cathode production by mid 2022.

The maiden blast was attended by Austral Executive Director, Dan Jauncey, site management, Thiess Mining Services, Orica and Roc-Drill, with all parties pleased to witness this key event. Additional blasting is planned through to mid-December 2021, with the aim of having significant overburden material prepared for the commencement of bulk mining in January 2022.

Approval to commence mining at Anthill was received on 25 October 2021 with the first blast achieved within three weeks. The pit areas are being cleared with vegetation and topsoil stockpiled for future mine rehabilitation. Thiess is currently mobilising its fleet whilst clearing continues and site infrastructure is installed.



Figure 2. Anthill east pit area showing drilled area for first shot. Haul roads have been marked out for construction.



Figure 3. Attendees at the inaugural Anthill blast.



Figure 4. Anthill pit shells showing cleared areas to date and first blast footprint at the east pit, shaded black.

Steve Tambanis, Austral's Chief Executive Officer commented:

"We're delighted to break ground within three weeks of obtaining approval to commence mine development. Employees and contractors have worked tirelessly to achieve this key development milestone – both safely and cost effectively.

Site works are proceeding as scheduled with bulk earthmoving planned to commence in January 2022 and first ore deliveries expected in April 2022, weather permitting. Both Anthill Mine development and Mt Kelly plant refurbishment are in full swing.

Our goal is to achieve planned copper production of 10,000tpa commencing mid 2022 for a four year period.

Exploration and development activities are underway with a further update planned over the next month. Historic geological, geochemical and geophysical data is currently being evaluated with several new prospects identified adjacent to the Anthill mine and exploration recruitment being finalised.

We look forward to updating shareholders as we prepare to commence maiden production. On behalf of the Board, I would like to thank our employees and contractors for their collective efforts to develop Anthill and Mt Kelly in a safe and timely manner. We look forward to delivering shareholder value over the coming period."

This announcement is authorised for market release by Steve Tambanis, Chief Executive Officer.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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 is developing 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 and 1,940km² 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 Steven Tambanis, Competent Persons who are Members of the Australasian Institute of Mining and Metallurgy. Mr Beaton is the Site General Manager at Austral and Mr Tambanis is Chief Executive Officer of the Company. Mr Tambanis 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 Tambanis 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.

Key Austral ASX announcements

DATE	HEADING
01 Nov 2021	Austral Prospectus
03 Nov 2021	Austral lists on ASX
09 Nov 2021	Anthill and Mt Kelly Development underway
17 Nov 2021	Anthill Blasting Commences



Figure 5. Loading explosives for the first Anthill shot.



Figure 6. Blasthole drilling rig on left, emulsion truck on right.



Figure 7. Epiroc blasthole rig.