

13 September 2021

ASX Market Announcements

APPLICATIONS FOR TWO ADDITIONAL TENEMENTS FOR RARE EARTHS EXPLORATION IN SOUTH AUSTRALIA

Ausmon Resources Limited (“Company”) announces that two new tenements applications with the Government of South Australia, Department of Energy and Mining (“DEM”) have been registered as ELA 2021/00136 and ELA 2021/00137 (**Figure 1**) with the DEM commencing the assessment process to consider the offer of the tenements for rare earths elements exploration.

Those new applications, covering a total area of 1,779 sq km, follow from the application last month of ELA 2021/00082 that covers a total of 998 sq km on the Limestone Coast in south east of South Australia (**Figure 1**) within the Loxton Sands of the Murray Basin and the equivalent stratigraphic Tertiary unit in the Otway Basin. Analysis of the region was carried out and the Company identified additional areas with Tertiary Strandlines potentially hosting ionic clay that could possibly contain Rare Earths Elements (“REE”).

The tenements applied for are located in the region where Australian Rare Earth (ASX:AR3) has recently announced a JORC inferred mineral resource of 39.9 MT @ 725 ppm TREO (Total Rare Earth Oxides) at their Koppamurra project prospective for ionic clay REE deposit (see AR3’s ASX announcement of 13 July 2021 and AR3’s prospectus dated 7 May 2021 released on ASX announcement platform on 29 June 2021).

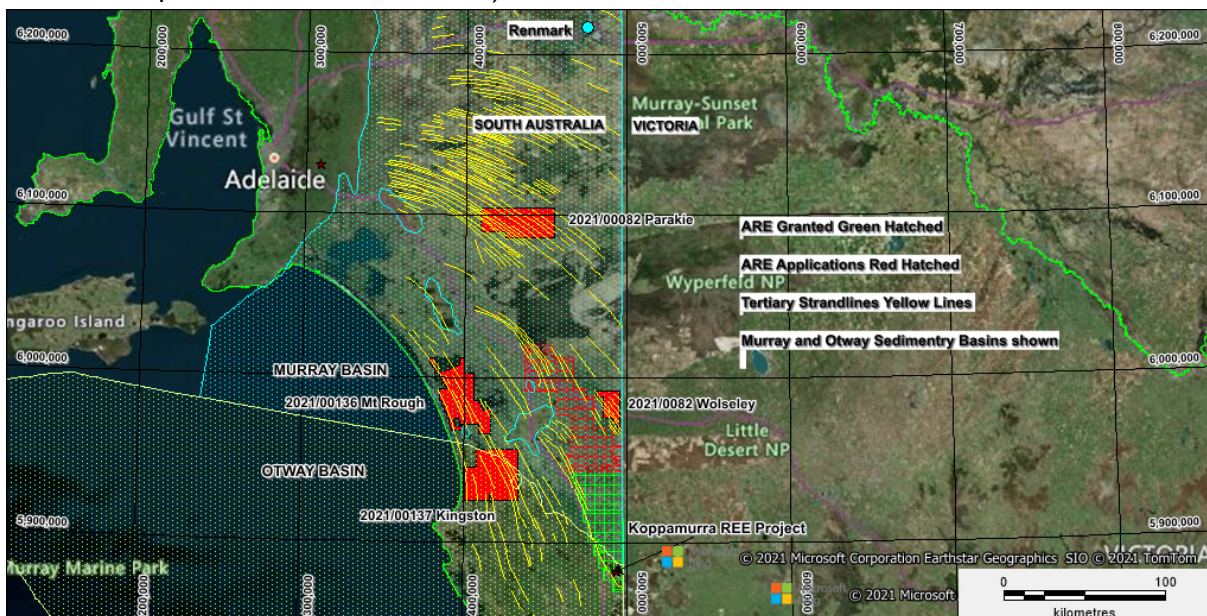


Figure 1: Ausmon Limestone Coast Applications ELA2021/0082, 00136 and 00137 shaded in orange with Tertiary Strandlines and ASX:AR3’s Koppamurra Project Location

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With the lowering of the overall levels, the Loxton Sands of the Murray Basin and the equivalent stratigraphic Tertiary unit in the Otway Basin were formed on the beach on the shore of the emergent land (Strandlines). Locally, **heavy_minerals** including **rutile**, **zircon** and **ilmenite** (Mineral Sands) were concentrated by wave action. In addition, Light and Heavy Rare Earth Elements have formed an ionic bond with the fine clay fraction (Ionic Clays) of the Loxton Sands and equivalent stratigraphic units at shallow depths.

This clay fraction will be the primary exploration target within the Tertiary Strandlines.

When the tenements are granted and landholder access agreements have been executed the Company plans to carry out, subject to government approval, orientation fine fraction sampling and analysis of the Strandlines prior to planning shallow Aircore Drilling to test for the clay fraction.

REE have been designated critical minerals of the future by Australia, EU, USGS and IEA and are used in rare earth permanent magnets for electric vehicles (EV), wind turbines and many electronic devices.

Competent Person Statement

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Authorised by:

Eric Sam Yue

Company Secretary