

ASX ANNOUNCEMENT



2 March 2023

Austral hits production rate of 33.5 tonnes per day in February maintaining costs within budget

Key highlights:

- Austral recorded an average daily production rate of 33.5 tonnes of plated copper for February despite heavy rainfall.
- Operational costs have been managed within budget.
- The Company is also progressing with Lady Colleen PFS (after receiving a positive Scoping study announced on 15 February 2023) in an effort to increase and extend copper production in the medium term.
- Exploration campaign commenced late February with drill pad preparation near Lady Annie pits.

Copper producer Austral Resources Australia Ltd (ASX:ARI) ("Austral" or the "Company") is pleased to announce the Company has maintained steady state production rates in February despite heavy rainfall, with the Company achieving an average production rate of 33.5 tonnes of plated copper per day. The Company is also pleased to announce that Austral's exploration campaign has commenced, with site preparation works starting in late February at Lady Annie in preparation for the 2023 drill season.

Continued Steady State Production Rates

February saw Austral continue to maintain a steady state production rate of 33.5 tonnes of plated copper per day thanks to the solid operational performance of its team and contractors on site at both the Anthill mine and the Mt Kelly processing area. The Company's focus is on the controllable aspects of the business, particularly optimising production and reducing operating costs wherever possible, and February's performance is a testament to the team's hard work and commitment to excellence.

Furthermore, operational costs have remained within budget. Austral's ongoing efforts to optimise operations and increase efficiencies have allowed the Company to maintain high standards while also delivering value for our shareholders. This approach will continue to enable sustainable growth and success.

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2023 Exploration Program has commenced

Austral's exploration campaign commenced in late February and site preparation works for drilling have started adjacent the Company's Lady Annie deposit.

In 2022 Austral developed a robust and strategic approach to exploration. Given the Company's complex tenure and mineral assets, this strategy will enable Austral to strike the right balance and maintain focus across our complex portfolio of oxide and sulphide targets.



Figure 1. A normal day stripping copper cathode at Austral Resources



Figure 2. Clearing drill pads at Lady Tresca ready for drilling



Figure 3. Clearing Drill pads yesterday for drilling to start, in the background is one of our existing pits

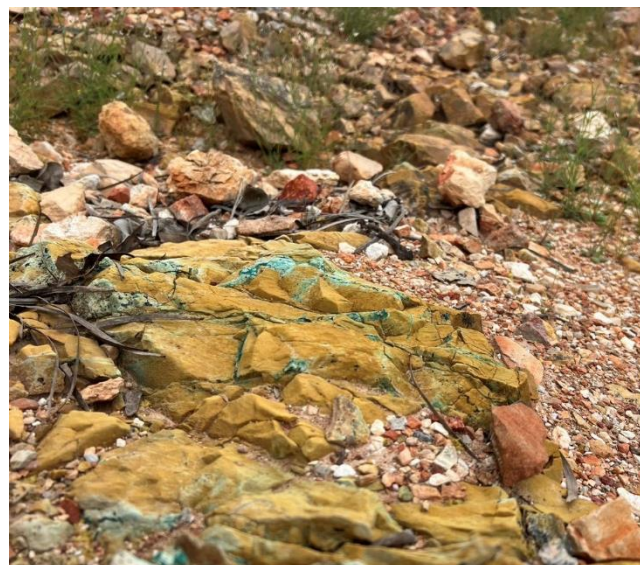


Figure 4. Some nice surface Malachite at one of our targets in 2023

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Austral Resources' Managing Director and CEO, Dan Jauncey said:

"I am thrilled to update that, despite having well above average rainfall in February, our team at Austral has shown incredible dedication and resilience, maintaining our daily average of 33.5 tonnes of production. This achievement is a testament to the unwavering commitment of our team to meet and exceed our goals, no matter the challenges we face.

We are also excited to report that our PFS for Lady Colleen is proceeding according to plan, with drilling and exploration already underway. This is an exciting time for our Company, and we are looking forward to a big 2023."

This announcement is authorised for market release by Managing Director and CEO, Dan Jauncey.

FOR FURTHER INFORMATION PLEASE CONTACT:

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About Austral Resources

Austral Resources Australia Ltd (ASX:ARI) is a copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SX-EW) 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 2,100km² 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 program designed to extend the life of mine, increase its resource base and then review options to commercialise its copper resources.

To learn more, please visit: www.australres.com

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 exploration results and 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.