

19 October 2022

September 2022 Quarterly Activities Report: Multiple corporate and operational developments advanced unlocking near term growth catalysts

- Diamond drill rig mobilised to Narraburra Rare Earth and Rare Metal Project completing maiden diamond drill campaign – initial assays pending
- pXRF readings taken during drilling at Narraburra indicate rare metal mineralisation is possibly present in underlying fresh rock, untested by historical drilling, as well as occurring in the weathered surficial material
- Strategic pivot from proposed aircore drilling at Narraburra to 25-hole, 1,500m diamond core drill campaign to upgrade existing Mineral Resource Estimate to JORC 2012 standards
- Planned resource drilling at Narraburra commenced during the quarter – Company on track to complete drilling in coming weeks
- GRL anticipates delivery of JORC 2012 Resource upgrade at Narraburra during Q1 2023
- Assays from a two-hole, 900m diamond drill program at Yeoval South and Cyclops prospects intercepted broad copper mineralisation
- Strategic placement and Share Purchase Plan completed and heavily subscribed – GRL raised ~\$2.9m (before costs) providing considerable financial flexibility

Godolphin Resources Limited (ASX: GRL) (“**Godolphin**” or the “**Company**”) is pleased to provide an update on activities undertaken during the three-month period ending 30 September 2022 (the “quarter”). The Company advanced a number of operational and corporate initiatives to underpin the development of its project suite, with particular focus on the Narraburra Rare Earth Project.

Management commentary:

Managing Director Ms Jeneta Owens said:

“Godolphin has advanced a number of corporate and operational work streams during the September quarter, including the ongoing exploration of the Narraburra Rare Earth Project work at its 100%-owned Yeoval project and a strategic placement that provides the necessary financial flexibility to deliver on a number of milestones over the coming months.

The Company continues to focus on unlocking shareholder value at the Narraburra project, through the completion of an initial diamond drill campaign as well as working towards a focused exploration program which will provide sufficient data for a JORC 2012 resource.

The completion of Godolphin’s maiden drill program at Narraburra marked a major achievement and was complemented by the commencement of a second diamond core drill program, designed to expedite activity at the Project.

At Yeoval, the Company received assays from its 900m diamond drilling program, which highlighted extensive zones of copper mineralisation. Results provided an increased understanding of the Yeoval South and Cyclops prospects, which will have the potential to considerably increase in size with further exploration.



The strong support that Godolphin received from its strategic placement and shareholder share purchase plan, raising \$2.9m (before costs) also highlighted investor appetite for our project suite and the considerable opportunity evident in near term operations."

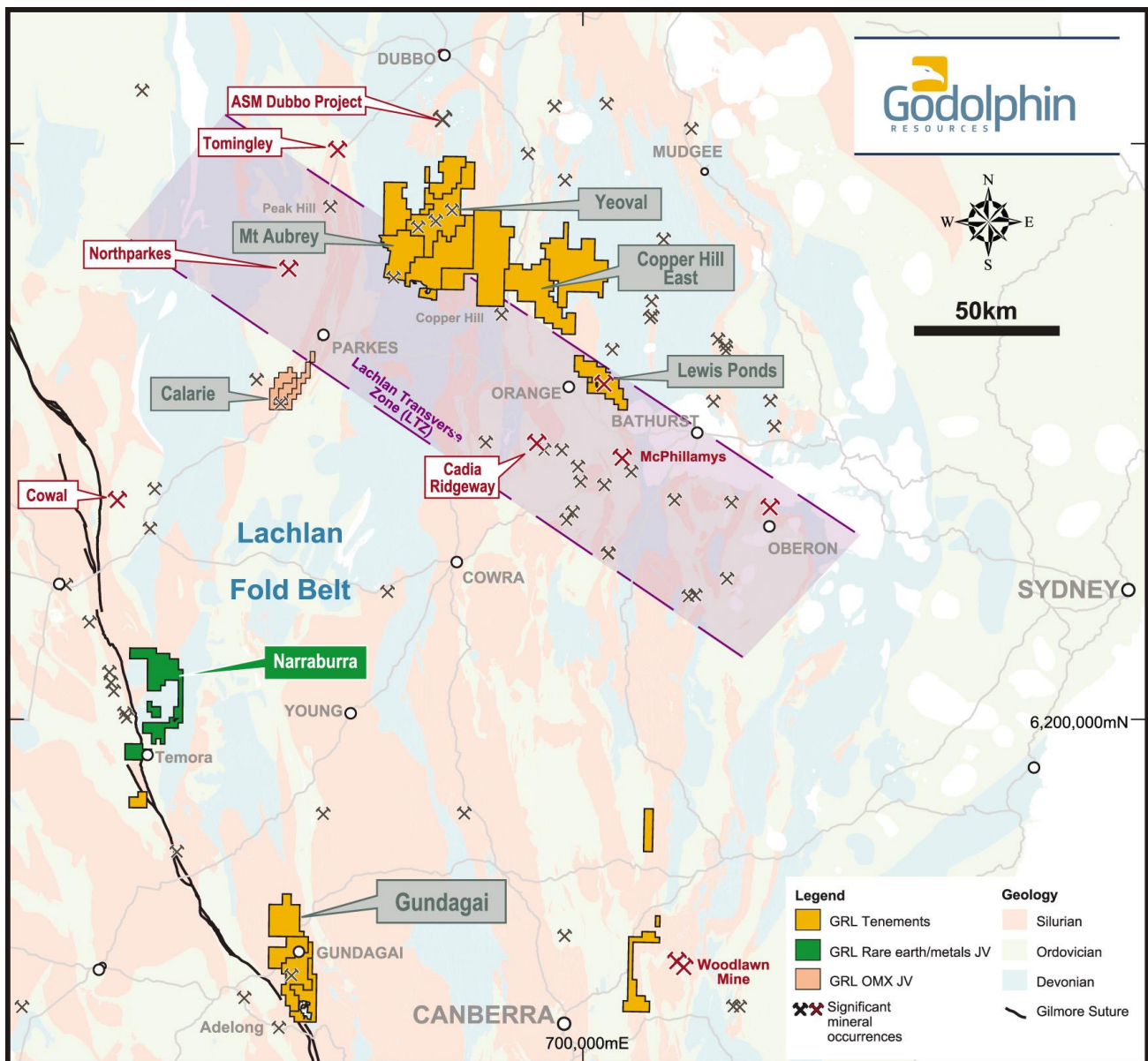


Figure 1: Location of Godolphin Resources tenement portfolio in NSW.

Narraburra Rare Earth Project:

Diamond drill rig mobilised to Narraburra Rare Earth Project and completion of initial drilling campaign:

The Company successfully mobilised a diamond core drill rig to the Narraburra Project and completed its maiden drill program at the project, which encompassed four diamond drill holes for 285.6m.

The diamond drill campaign was designed to test and confirm rare earth and rare metal mineralisation at Narraburra, with core samples to be used to determine the mineralogy, deportment of pay-metals, flow sheet testing, extraction and additional metallurgical test work.



Figure 2: Location of the four diamond drill holes at Narraburra.

During drilling, a number of pXRF readings were taken at 50cm intervals down the drill core. pXRF machines can measure the presence of a limited range of rare earth elements and rare metal pathfinder elements, along with other elements which may indicate the presence of other rare elements of economic importance that cannot be directly detected by the device. Results give an indication of the location of the elements of interest within each drill hole.

The decision to extend holes well below the depth of previously identified rare earths and rare metal mineralisation was predicated using the pXRF data taken on site.

pXRF results from the program indicated that rare metal mineralisation is present in the underlying fresh rock, which is a horizon untested by historical drilling as well as occurring in the weathered surficial material. Planned mineralogical work will determine if the rare metals in the fresh rock are in a form that can be economically extracted.



25-hole diamond cored drill program approved at Narraburra Rare Earth Project with rig successfully mobilised:

Godolphin secured approval from the New South Wales Resources Regulator to commence a 25-hole diamond cored drill campaign at the Narraburra Project, which is designed to reclassify the existing mineral resource estimate to JORC 2012 standards, as well as test resource potential at depth and provide additional samples for metallurgical testing.

The Board and management made the strategic pivot towards a diamond drill program to replace the proposed 4,000m aircore drill program, due to long-range forecasts of wet weather events that would affect aircore sampling. Undertaking a diamond cored drill program is expected to mitigate any risks associated with wet weather conditions and allow the collection of higher quality samples to be used in the mineral resource estimation.

Shortly after receiving the approvals for the revised drill campaign, Godolphin commenced its planned resource estimate upgrade drill campaign at Narraburra. To date, the Company has drilled 15 of 25 holes for a total of 648.1 metres (refer ASX announcement: 11 October 2022, ASX: GRL "Update on 25-hole Diamond Core Drill Program at Narraburra"). Godolphin has not been heavily impacted by weather events and remains on track to complete to the 1,500m program by the end of October 2022 and provide the Company with sufficient data to report an upgraded JORC 2012 estimate during Q1 CY2023.

Yeoval Copper-Gold Project:

Extensive copper mineralisation intersected at Yeoval South and Cyclops Prospects:

Godolphin received assay results from its two-hole 900m diamond cored drill program at the 100%-owned Yeoval tenement in central west NSW, which targeted areas north and south of the current Inferred Mineral Resource Estimate (MRE) to test for extensions to copper-gold mineralisation.

Diamond drilling at the Yeoval South Prospect has intersected broad zones of disseminated and vein-hosted copper mineralisation with coincident gold, silver and molybdenum mineralisation. Copper mineralisation greater than 1% was intersected in the granodiorite host rock, extending the copper and gold mineralisation from the existing JORC compliant Yeoval Prospect Mineral Resource Estimate further to the south by 350m. Drill hole GYDD002 was designed to test for southern extensions to the resource mineralisation and for mineralisation at depth underneath historic drilling, which did not extend beyond 90 metres depth at this location.

The results in drill hole GYDD002 are very encouraging and highlights that the main resource, which contains 12.8 Mt at 0.38% copper, 0.14 g/t gold, 2.2 g/t silver & 120 ppm molybdenum, exhibits excellent exploration potential for higher grade mineralisation outside the current Mineral Resource Estimate.

Multi-element drill results from GYDD002 include:

- GYDD002 copper intersection – **276m @ 0.12% Cu** from 128m, including:
 - 94m @ 0.18% Cu from 208m and
 - 10m @ 0.56% Cu from 260m and
 - **2m @ 1.8% Cu** from 264m
- GYDD002 gold intersection – 20m @ 0.15g/t Au from 208m
- GYDD002 silver – 18m @ 4.12g/t Ag from 260m, including:
 - 2m @ 25g/t Ag from 264m
- GYDD002 molybdenum intersection – 2m @ 545ppm Mo from 282m; and
 - 4m @ 160ppm Mo from 348m

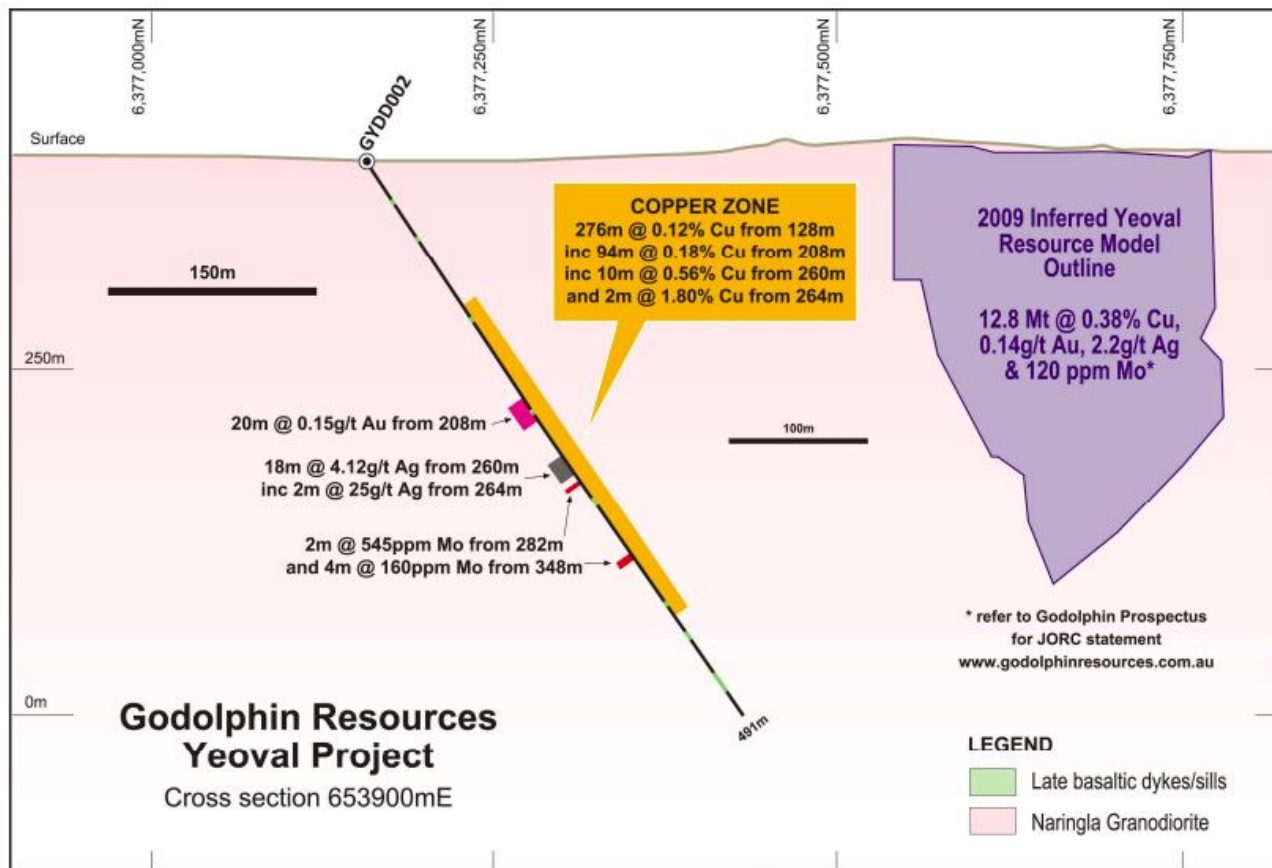


Figure 3: Cross section of GYDD002 looking west

Diamond drilling at Cyclops Prospect, located approximately 2km north of the Yeoval Mineral Resource Estimate, intersected multiple zones of shear-hosted high-grade copper mineralisation with coincident gold, silver and molybdenum mineralisation. Copper mineralisation greater than 1% was intersected in shear-hosted magnetite-chlorite-quartz-epidote lodes within the Naringla Granodiorite. Multiple zones which reported assays greater than 1% copper were intersected within a broader envelope of mineralisation adjacent to the shear zones. Mineralisation remains open along strike as well as up and down dip of the interpreted mineralised lodes.

The mineralised copper intervals from GYDD001 include:

- **18m @ 0.52% Cu** from 118m, including:
 - **8m @ 1.01% Cu** from 118m and
 - 4m @ 1.75% Cu from 122m;
- **14m @ 0.42% Cu** from 88m, including:
 - **2m @ 1.51% Cu** from 94m;
 - 4m @ 0.47% Cu from 214m;

Other precious and base metal intercepts include:

- 4m @ 0.14g/t Au from 92m;
- 12m @ 3.3g/t Ag from 88m including:
 - 4m @ 6.3g/t Ag from 92m;
- 14m @ 2.2g/t Ag from 118m including:
 - 4m @ 4.4g/t Ag from 122m;
- 28m @ 338ppm Mo from 122m including:
 - 2m @ 0.12% Mo from 148m

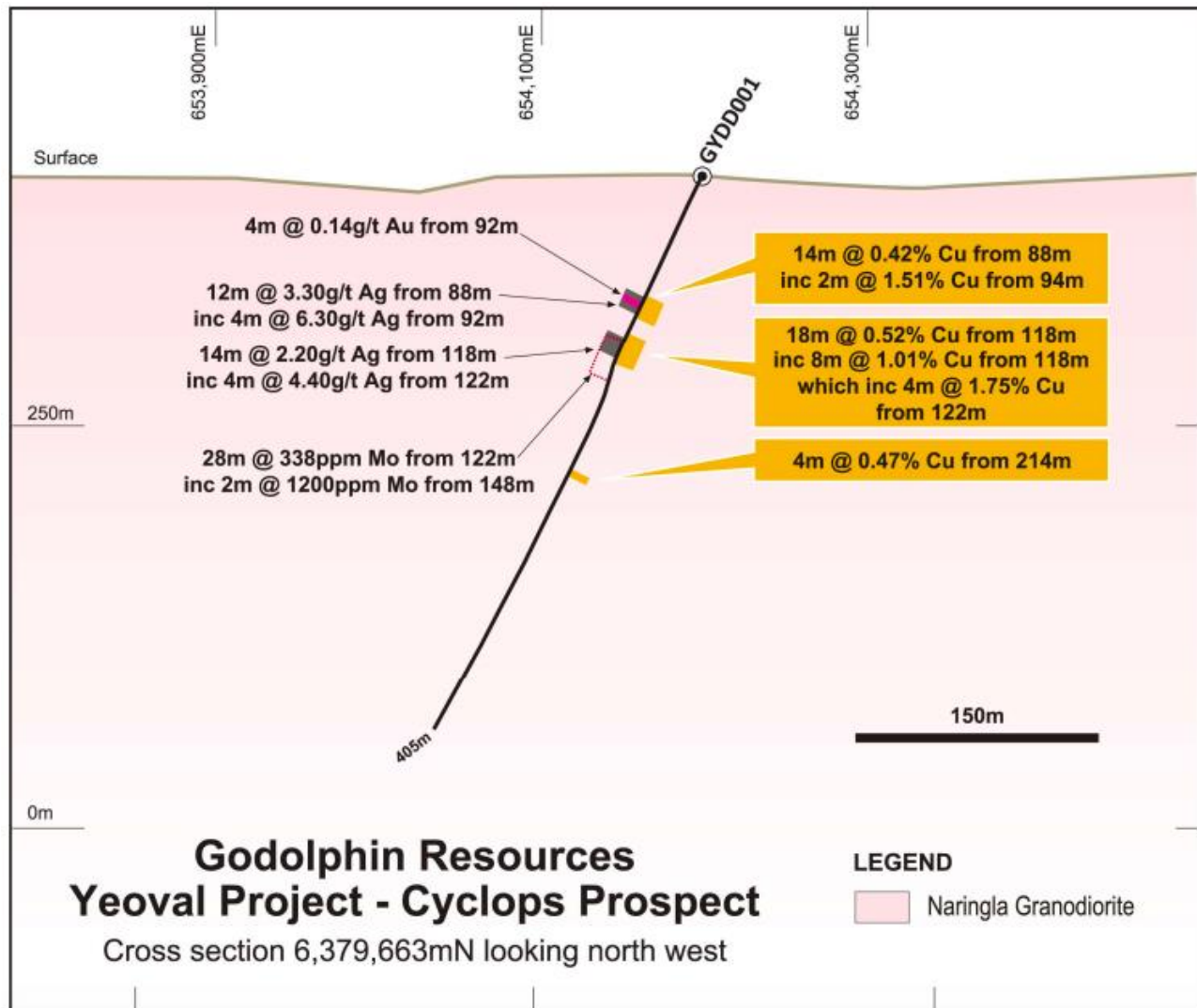


Figure 4: Cross section of GYDD001 displaying the copper values on the right of the drill trace, with gold, silver and molybdenum on the left

Cyclops soil sampling:

A 400m by 100m space soil sampling program was also completed during the period, adjacent to the Cyclops Prospect while the drilling was underway.

The program was designed to test the area to west of the Cyclops Prospect for indications of mineralisation extensions. The soil sampling was completed using a hand auger, which allowed Godolphin to reach the soil 'C' horizon for sampling.

The program identified weak to moderately anomalous copper in soils extending along strike from the historic workings and the drilling, suggesting mineralisation extends further west than what has previously been explored (Figure 5 below).

This area, along with the main Cyclops Prospect area, will become the priority focus areas for a ground-based magnetic survey, which will identify magnetite alteration. As the mineralisation identified during the diamond drilling is associated with magnetite, this should prove an effective data set when combined with local structural mapping to identify locations for follow-up reverse circulation percussion (RC) drilling. RC drilling is expected to commence in Q2 2023.

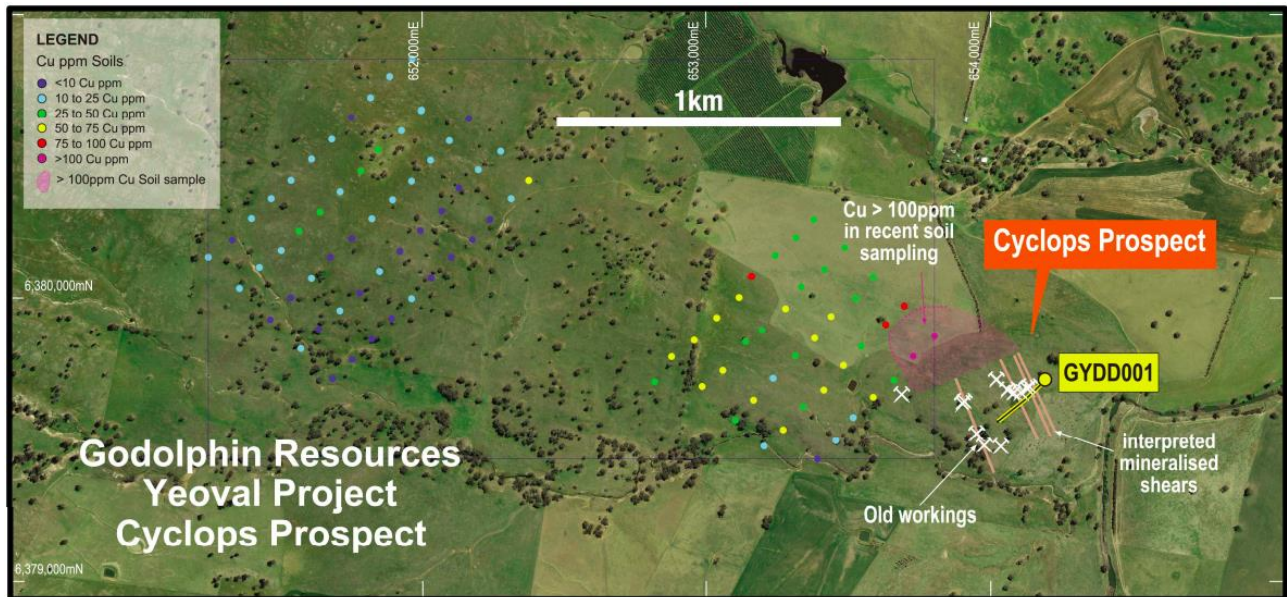


Figure 5: Location of the soil sampling program in EL8538. Anomalous zone of >100ppm Cu occurs adjacent to and along strike of recently completed drilling

Corporate developments:

Strategic placement:

Godolphin completed a single tranche share placement of 18.9m fully paid ordinary shares at an issue price of \$0.085 per new fully paid ordinary share to unrelated sophisticated and professional investors to raise \$1.6m (before costs) (the “placement”).

Alongside the placement, the Company also completed a share purchase plan (“SPP”), which raised an additional \$1.3m through the issue of 15.3m new fully paid ordinary shares at \$0.085 per share.

Funds raised from both the placement and the SPP are being deployed to advance drilling and bench scale metallurgy initiatives at the Narraburra Rare Earth Project, as well as additional exploration programmes across the Company’s tenement suite and for general working capital.



Godolphin Resources Limited Tenement Schedule as at 30 September 2022

Tenure	Location	Godolphin Interest	Status	Note
EL 5583	Lewis Ponds	100%	Live	1
EL 8556	Copper Hill East	100%	Live	
EL 8966	Mt Bulga	100%	Live	
EL 8901	Caledonian	100%	Live	
EL 8532	Mt Aubrey	100%	Live	
EL 8538	Yeoval	100%	Live	
EL 8964	Yallundry	100%	Live	
EL 8963	Obley West	100%	Live	
EL 8962	Obley North	100%	Live	
EL 8890	Cumnock	100%	Live	
EL 8555	Calarie	100%	Live	2
EL 8580	Calarie Central	100%	Live	2
ML 0739	Calarie Lachlan Mine	100%	Live	2
EL 8061	Gundagai South	100%	Live	
EL 8586	Gundagai North	100%	Live	
EL 8889	Gundagai	100%	Live	
EL8998	Gadara	100%	Live	
EL9243	Goodrich	100%	Live	
EL9333	Kinross	100%	Live	
EL9337	Sebastopol	100%	Live	
EL9370	Gurrundah	100%	Live	
EL9371	Kingsburgh	100%	Live	

During the quarter ended 30 September 2022, the Company did not acquire, or disposed of, any mining tenement; and did not enter into any farm-in or farm-out agreement.

Note 1: A finder's fee is payable to David Timms on EL5583 sale transaction or production commencement (A\$2M cap).

Note 2: EL8555, EL8580 & ML0739 are subject to farm in agreements between GRL & Orange Minerals Pty Ltd as announced on 18 December 2020. At the date of this report GRL's interest in the tenements remains at 100%.

**Exploration Expenditure Summary**

During the quarter ended 30 September 2022, Godolphin's cash expenditure for exploration & evaluation totalled A\$444,000¹ and consisted of:

	Current Quarter A\$000	Year to Date (3 Months) A\$000
Drilling and sample storage	(249)	(249)
Direct Salaries	(124)	(124)
Tenement rental	(24)	(24)
Shed Lease	(18)	(18)
Laboratory costs	(37)	(37)
Consulting fees	(12)	(12)
Security deposit refund	20	20
	(444)	(444)

There were no mining production and development activities during the quarter ended 30 September 2022.

Payments to related parties of the entity and their associates

The amount included in section 6.1 of the Appendix 5B cash payments of A\$119,213, an aggregate amount of payments to related parties and their associates being remuneration for directors' fees (A\$32,194) and salaries (A\$87,019).

<<ENDS>>

This market announcement has been authorised for release to the market by the Board of Godolphin Resources Limited.

For further information regarding Godolphin, please visit <https://godolphinresources.com.au/>

or contact:

Jeneta Owens
Managing Director
+61 417 344 658

jowens@godolphinresources.com.au

Henry Jordan
Six Degrees Investor Relations
+61 431 271 538

Henry.jordan@sdir.com.au

¹ Refer Item 2.1(d) of Godolphin's Appendix 5B Mining exploration entity or oil and gas exploration entity quarterly cash flow report to 30 September 2022.



About Godolphin Resources

Godolphin Resources (ASX: GRL) is an ASX listed resources company, with 100% controlled Australian-based Projects in the Lachlan Fold Belt (“LFB”) NSW, a world-class gold-copper and REE province. Currently the Company’s tenements cover 3,200km² of highly prospective ground focussed on the Lachlan Transverse Zone, one of the key structures which controlled the formation of copper and gold deposits within the LFB. Additional prospectivity attributes of GRL tenure include the McPhillamy’s gold hosting Godolphin Fault and the Boda gold-copper hosting Molong Volcanic Belt.

Godolphin is exploring for structurally hosted, epithermal gold and base-metal deposits and large, gold-copper Cadia style porphyry deposits and is pleased to announce a re-focus of exploration efforts for unlocking the potential of its East Lachlan tenement holdings, including increasing the mineral resource of its advanced Lewis Ponds Project. Reinvigoration of the exploration efforts across the tenement package is the key to discovery and represents a transformational stage for the Company and its shareholders.

COMPLIANCE STATEMENT The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms Jeneta Owens, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Owens is the Managing Director, shareholder and full-time employee of Godolphin Resources Limited. Ms Owens has 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, Mineral Resources and Ore Reserves. Ms Owens consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Information in this announcement is extracted from reports lodged as market announcements referred to above and available on the Company’s website www.godolphinresources.com.au.

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the original market announcements.

Appendix 5B

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

Name of entity

Godolphin Resources Limited

ABN

13 633 779 950

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(101)	(101)
	(e) administration and corporate costs	(151)	(151)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	Net cash from / (used in) operating activities	(249)	(249)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(11)	(11)
(d) exploration & evaluation (if capitalised) ¹	(444)	(444)
(e) investments	-	-
(f) other non-current assets	-	-
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)	-	-
2.6 Net cash from / (used in) investing activities	(455)	(455)

¹ Consists of:

Drilling and sample storage	(249)	(249)
Direct Salaries	(124)	(124)
Tenement rental	(24)	(24)
Shed Lease	(18)	(18)
Laboratory costs	(37)	(37)
Consulting fees	(12)	(12)
Security deposit refund	20	20
	(444)	(444)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,909	2,909
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	(99)	(99)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,810	2,810
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,621	1,621
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(249)	(249)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(455)	(455)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,810	2,810
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,727	3,727

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	1,457	951
5.2	Call deposits	2,270	670
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,727	1,621

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	119 ²
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		
	Not applicable		

² Consists of Directors' fees (\$32,194) and salaries (\$87,019).

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(249)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(444)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(693)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,727
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,727
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.38
<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: Not applicable	
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: Not applicable	
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: Not applicable	
<i>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.</i>	

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: 19 October 2022

Authorised by the Board
(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.