December 2023 Quarterly Activities Report

HIGHLIGHTS

WEST ARUNTA PROJECT

- The Pokali diamond drilling program was deferred until February 2024 due to unfavourable weather conditions.
- 178 rock-chip samples were collected from site reconnaissance programs, with following highlights:
    - KWRK070 returned **0.29% TREO[1],** confirming the presence of carbonatite related rare earth element ("**REE**") mineralisation at Pokali North.
    - KWRK120 (**16.69% Cu**), KWRK075 (**9.23% Cu),** KWRK118 (**7.55% Cu**) continued to demonstrate widespread high-grade copper mineralisation over the 4km long Pokali IOCG Prospect area.
    - Portable x-ray florescence ('**pXRF**') analysis of a selection of rock-chip samples highlighted two apparent REE trends, with best total rare earth element ('**TREE**') results of **0.48% TREE** (KWRK094), **0.43% TREE** (KWRK104) and **0.25% TREE** (KWRK107).

SOUTH TELFER PROJECT

- Over 3,500m (17 holes) of reverse circulation ("**RC**") drilling completed at Mammoth and Westin.
- Wide zones of gold mineralisation confirm developing system '**Westin**'.
- Significant intersections (≥ 1.0g/t Au) at Westin included:
    - 23STRC034: **2m @ 1.19g/t Au** from 123m downhole; within a mineralised zone of 19m @ 0.31g/t Au, 810ppm As & 45ppm Bi from 112m.
    - 23STRC049: **1m @ 1.51g/t Au** from 125m downhole; within a mineralised zone of 10m @ 0.38g/t Au & 552ppm As from 125m.
- Gold-arsenic trends at Mammoth and Westin that occur coincident with key structural trends, warrant further investigation.

CORPORATE

- Subsequent to the quarter, the Company completed an oversubscribed Placement to raise $1.43M (before costs).
- Cash balance at the end of the quarter (prior to the $1.435M Placement) was **$1.054M**.

[1] *'TREO' is an acronym for Total Rare Earth Oxides, representing a combined group of 16 elements (La, Ce, Pr, Nd, Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu, Y, Sc)*

Rincon Resources Limited (ASX: RCR) (**“Rincon”** or the **“Company”**) is pleased to provide a report on its activities for the quarter ended 31 December 2023.

Rincon has 100% interest in three exploration assets in Western Australia that are highly prospective for copper, gold, REE’s and critical metals required for the energy transition; these are the South Telfer Project, West Arunta Project and Laverton Project.

Each asset has previously been subject to historical exploration which has identified prospective mineral systems that warrant further exploration. The Company’s aim is to create value for its shareholders by advancing its assets through the application of technically sound, methodical and systematic exploration programs to test, discover, and delineate economic resources.

WEST ARUNTA PROJECT

Diamond Drilling

The Company mobilised to West Arunta in December to commence its diamond drilling program at Pokali. Unfortunately, due to the on-set of the wet season and the unpredictability of grass fires, safety was paramount, and the program was abandoned. The diamond drilling program will recommence from late February 2024.

Rock-chip Sampling & Mapping

Site reconnaissance and rock-chip sampling continued throughout the period, with over 100 additional samples collected.

Preliminary portable x-ray florescence (‘pXRF’) analysis highlighted two anomalous Rare Earth Element (‘REE’) trends within and proximal to the Tin-Tungsten system at Pokali North. Best pXRF Total Rare Earth Element (‘TREE’) results in rock-chip samples included:

- KWRK094 – **0.48% TREE**
- KWRK104 – **0.43% TREE**, and
- KWRK107 – **0.25% TREE**

The results have now highlighted two apparent REE trends (‘Trend-1’ and ‘Trend-2’) (refer to Figure 2). Trend-1 extends southeast of Pokali North, where rockchip KWRK070 (0.29% TREO), and Trend-2, a new anomalous trend, is located southwest of Pokali North.

SOUTH TELFER PROJECT

Mammoth Drilling Program

In November, the Company completed a 3,559m, 17-hole RC drilling program at its Mammoth Target and Westin Prospect at the South Telfer Project with two aims; first, test the Mammoth Target for brecciated and stockwork-style gold-copper mineralisation associated with an intrusive dolerite body (‘Mammoth Dolerite’) and interacting structures, and secondly, follow-up an historic drillhole WSA08039, which intercepted 8m @ 3.85g/t Au from 84m at Westin, about 700m southwest of the Mammoth Target (refer to Figure 1).

The program successfully confirmed the presence of what the Company believes could be a significant gold system at Westin. Multiple zones of anomalous gold mineralisation highlighted at least three potential sub-vertical gold-bearing structures that remain open down-dip and along strike. Significant intercepts from Westin include:

- 23STRC034: **2m @ 1.19g/t Au** from 123m downhole; within a mineralised zone of **19m @ 0.31g/t Au, 810ppm As & 45ppm Bi** from 112m, and
- 23STRC049: **1m @ 1.51g/t Au** from 125m downhole; within a mineralised zone of **10m @ 0.38g/t Au & 552ppm As** from 125m.

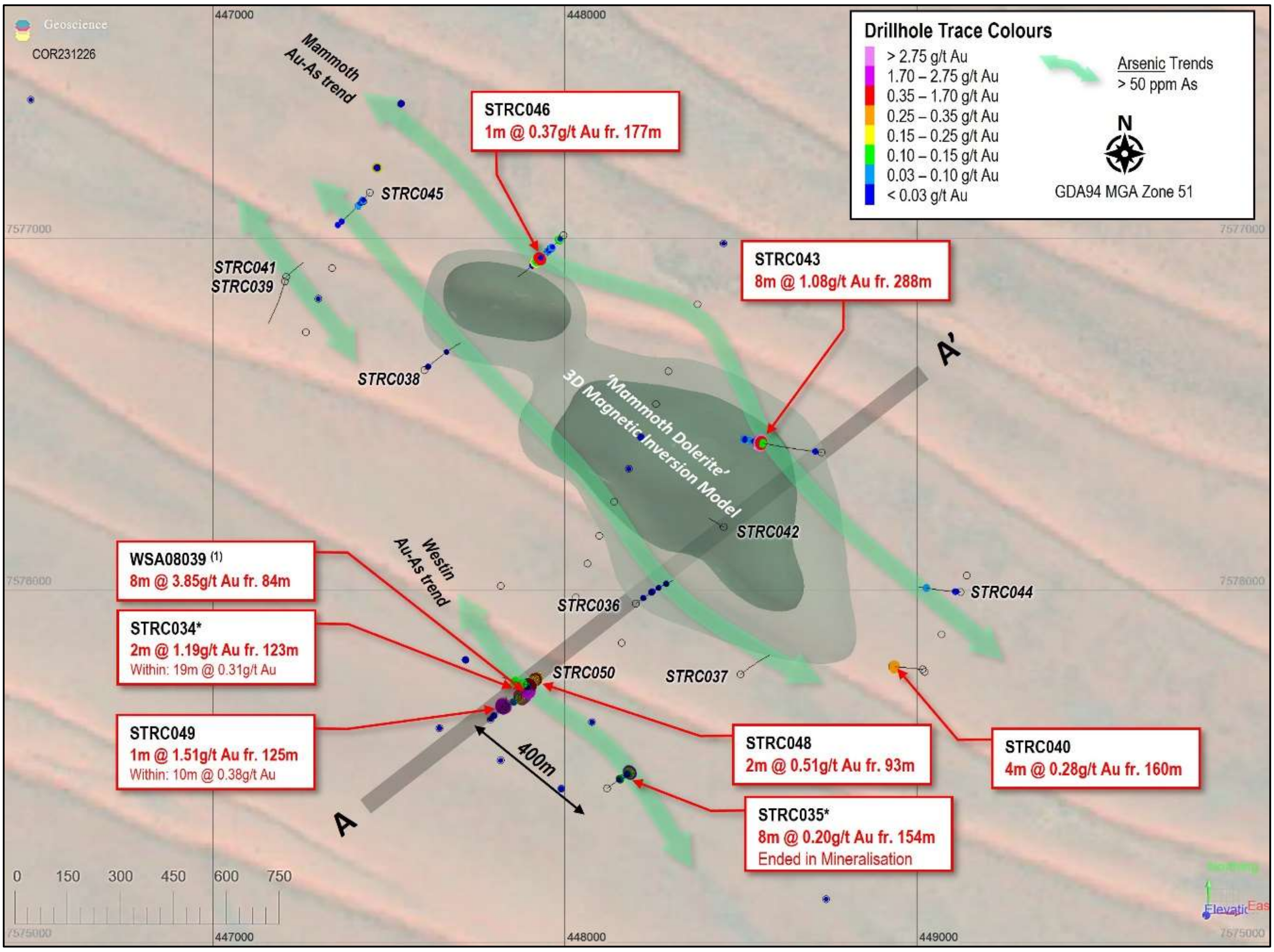

Figure 1 - Plan View of Mammoth drilling program, showing 'Mammoth Target', the 'Westin Prospect', and drillhole gold anomalism. Anomalous gold-arsenic trends highlighted key structural zones interpreted to control gold mineralisation.

At Mammoth, two drillholes (23STRC043 and 046) confirmed the presence gold mineralisation proximal to the northeast contact zone of the Mammoth Dolerite with the potential for additional breccia and stockwork-style gold mineralisation along the contact zone yet to be tested.

An important observation was the presence of strong gold-arsenic trends coincident with the northeast Mammoth Dolerite contact zone, and other similar trends like those observed importantly along strike at the nearby Dolphy and Ironclad deposits (owned by Newmont Mining). These gold-arsenic trends suggest that mineralisation at both Mammoth and Westin may be peripheral to a larger, high-grade zones of gold mineralisation.

The Company is encouraged by the results as they have confirmed the presence of gold mineralisation associated with the targeted structures at both Westin and Mammoth and importantly, have provided sufficient evidence to warrant further investigation and in addition, the gold-pathfinder geochemistry has confirmed we are in a potentially significant mineralised system at Westin.

The fact we have observed similar geology, structures, and alteration like that observed at Dolphy and Ironclad, just 8km northwest along trend, is also telling us we may not be too far away from a new discovery.

The Company will take some time to fully digest and review all the data available to us to determine our next steps.

Hasties Prospect Area

During the period, the Company applied for mining lease (MLA45/1319) over the Hasties Southeast Zone. The mining lease application was applied over existing P45/2929 (due to expire) pursuant to Section 49 of the Western Australian Mining Act. MLA45/1319 has since been recommended for grant and the Company will now enter the process of Native Title negotiations to facilitate the grant of the lease.

Hasties Prospecting Area – Technical Review

A comprehensive technical review of the Hasties Prospect Area was completed with the final report received during the period. The Hasties Prospect Area encompasses four current prospects; Hasties Main Zone, Hasties Southeast Zone, Frenchman's and Kurili Hill, all know to have significant shallow gold and copper mineralisation.

The Company is in the process of developing a revised exploration strategy for Hasties before recommencing activities.

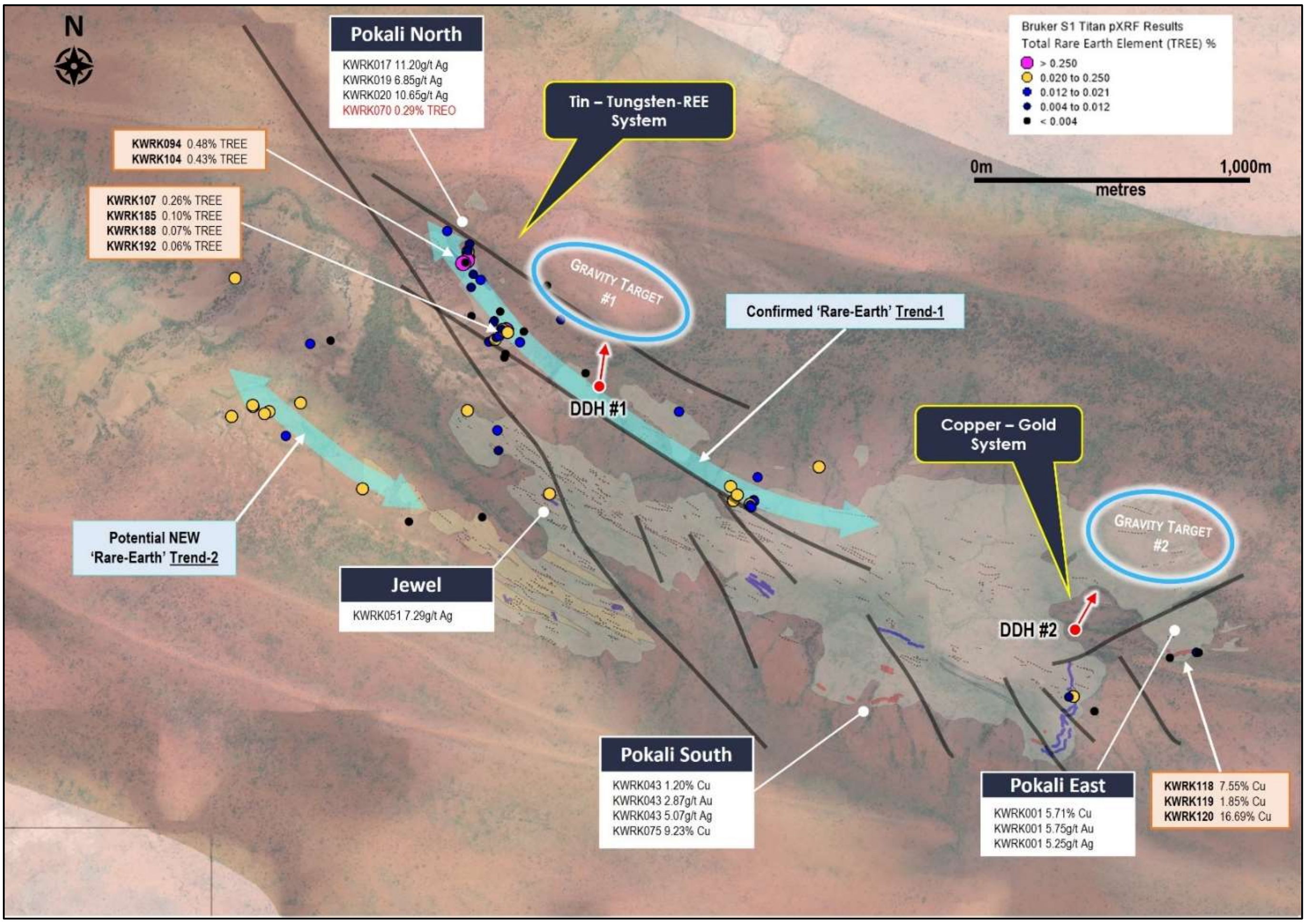

Figure 2 – Pokali IOCG Prospect showing location of planned diamond holes DDH#1 and DDH#2, gravity high targets, previous rock-chip results at Pokali East, North, South and Jewel, and new REE anomalism indicated by recent rock-chip pXRF sampling (Overlying a combined Google Earth and gravity imagery).

CORPORATE

Payments to Related Parties

As outlined in the Appendix 5B for the quarter ending 31 December 2023 (section 6.1 and 6.2), during the quarter approximately $148K in payments were made to related parties and/or their associates as remuneration for the Managing Director (incl. superannuation) and Non-Executive Director fees.

CASH BALANCE

The Company held a cash balance at the end of the quarter of $1.054M, prior to a $1.435M capital raising ("Placement") in January.

Subsequent to the period, the Company completed an oversubscribed Placement to raise $1.435 million (before costs). The Placement was strongly supported by our brokers and corporate advisers, sophisticated and professional investors, and existing shareholders of the Company. Funds raised under the Placement will be applied to advance exploration at Rincon's West Arunta Project.

The Placement was offered at an issue price of $0.033, representing a 10% discount to the 15-day VWAP of $0.037 to 9 January 2024. The Placement was supported by sophisticated and professional investors and existing shareholders of the Company *(refer to ASX: RCR Announcement dated 12 January 2024).*

Following the issue of the new Placement shares, Rincon now has 221,151,364 fully paid ordinary shares on issue.

TENEMENTS

- The Company surrendered E80/5757 and applied for E80/5989 at its West Arunta Project.
- At its Laverton Project, tenement E39/2397 was granted subsequent to the reporting period. The Company also applied for E38/3927.
- Tenements E80/6252 and E80/6254 were granted subsequent to the reporting period.

Project	Tenement	Status	Area (km^2)	Comment
West Arunta	E80/5241	Live	126.5	
	E80/5648	Live	9.5	
	E80/5649	Live	41.1	
	E80/5650	Live	15.8	
	ELA80/5761	App	6.3	Recommended for Grant
	ELA80/5989	App	34.7	NEW
Sub-Total	**6**		**234**	
Laverton	E38/2908	Live	22.5	
	E38/3063	Live	2.9	
	E38/3064	Live	2.1	
	E38/3201	Live	1.4	
	E38/3202	Live	3.0	
	E38/3356	Live	7.4	
	E38/3382	Live	9.9	
	E38/3538	Live	20.4	
	E38/3666	Live	5.4	
	E38/3667	Live	3.0	
	E38/3668	Live	2.7	
	E38/3814	Live	2.8	
	ELA38/3852	App		Subject to Ballot
	ELA38/3856	*App*		*Drawn 2nd in Ballot*
	ELA38/3927	App	14.4	NEW
	ELA39/2397	App	57.2	Recommended for Grant
Sub-Total	**16**		**155**	
South Telfer	E45/4336	Live	3.2	
	E45/4568	Live	12.1	
	E45/5359	Live	313.9	
	E45/5363	Live	47.8	
	E45/5364	Live	27.8	
	E45/5501	Live	108.3	
	P45/2929	Live	1.9	S49 Conversion to MLA45/1319
	P45/2983	Live	1.2	
	E45/6163	Live	25.4	
	E45/6252	Live	2.6	Granted 18 January 2024
	E45/6254	Live	6.3	Granted 18 January 2024
	ELA45/6566	App	15.9	Recommended for Grant
	ELA45/6697	App	3.2	NEW
	MLA45/1319	*App*	*n/a*	*NEW (s49 Conversion of P45/2929)*
Sub-Total	**14**		**571**	
Total	**36**		**960**	

END NOTES

The information contained in this announcement related to the Company's current or past exploration results has been extracted from, or was set out in, the following ASX announcements.

- The report released 12 January 2024 – Oversubscribed Placement to Expand West Arunta Drilling
- The report released 03 January 2024 – Drilling Confirms Mineralised System at Westin
- The report released 13 December 2023 – Two REE Trends Identified at West Arunta
- The report released 17 October 2023 – Mammoth Drilling Intersects Significant Mineralisation Zone

Authorised by the Board of Rincon Resources Limited

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Gary Harvey (BSc (App) Geology). Mr Harvey is a member of the Australian Institute of Geoscientists and an employee of the Company. Mr Harvey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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, Mineral Resources and Ore Reserves. Mr Harvey consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Future Performance

This announcement may contain certain forward-looking statements and opinions. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Rincon.

Appendix 5B

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

Name of entity

RINCON RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
54 628 003 538	31 December 2023

	Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		-	-
1.2	Payments for			
	(a)	exploration & evaluation	(12)	(29)
	(b)	development	-	-
	(c)	production	-	-
	(d)	staff costs	(129)	(203)
	(e)	administration and corporate costs	(250)	(346)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		5	6
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Government grants and tax incentives		-	-
1.8	Other (provide details if material)		-	-
1.9	**Net cash from / (used in) operating activities**		**(386)**	**(572)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities	-	-
	(b)	tenements	-	-
	(c)	property, plant and equipment	-	-
	(d)	exploration & evaluation	(1,005)	(1,302)
	(e)	investments	-	-
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
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**	**(1,005)**	**(1,302)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,371	2,817
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	(96)	(117)
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 (*Placement Tranche 2 funds held in trust allotted on 20 October 2023*)	(455)	-
3.10	**Net cash from / (used in) financing activities**	**1,820**	**2,700**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	625	228
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(386)	(572)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,005)	(1,302)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,820	2,700

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period NOTE 1**	**1,054**	**1,054**

NOTE 1: $455K Placement Tranche 2 funds held in trust at September 2023 quarter were allotted 20 October 2023.

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	1,054	170
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (*Placement Tranche 2 funds held in trust at September 2023 quarter were allotted 20 October 2023*)	-	455
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,054**	**625**

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.	113
6.2	Aggregate amount of payments to related parties and their associates included in item 2	35

The payments to directors or their associates in 6.1 and 6.2 include director fees, consulting fees, salaries and superannuation.

7.	**Financing facilities** *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.*	**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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(386)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,005)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,391)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,054
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,054
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	.76

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.

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: Yes

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: Yes, the Company completed a capital raising of $1.43m (before costs) via Placement on 19 January 2024.

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: Yes, The Company expects to be able to continue its operations and meet its objectives for the reasons outlined above.

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.

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: 31 January 2024..

Authorised by: 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.