



TAITON RESOURCES
LIMITED

ASX: T88

QUARTERLY ACTIVITIES REPORT

31st January 2025

Highlights

- **Acquisition of 24.28 Ha land at Kingsgate Project**
- **Field exploration at Kingsgate Project and Encouraging Results from Quartz Samples with SiO₂ % up to 99.99% and impurities <100 ppm**
- **Capital Raising and Shares/Options Issue**

Taiton Resources Limited (**ASX: T88, Taiton** or “**the Company**”) is pleased to provide a summary of activities completed during the Quarter ended 31st December 2024.

Kingsgate Project – New South Wales

During the quarter, the Company completed the acquisition of 24.28 Ha of land (**Hammond Land**) known as Lot 100 Tablelands Road, Red Range, New South Wales for \$237,500. The Hammond Land is located within EL9636 on which was the site of the trial mining pit conducted by Auzex Resources Limited (**Auzex**) in 2008. Located within the Hammond Land are at least 19 known quartz pipes of which some were used by Auzex as part of their trial mining for molybdenum, bismuth and high purity quartz.

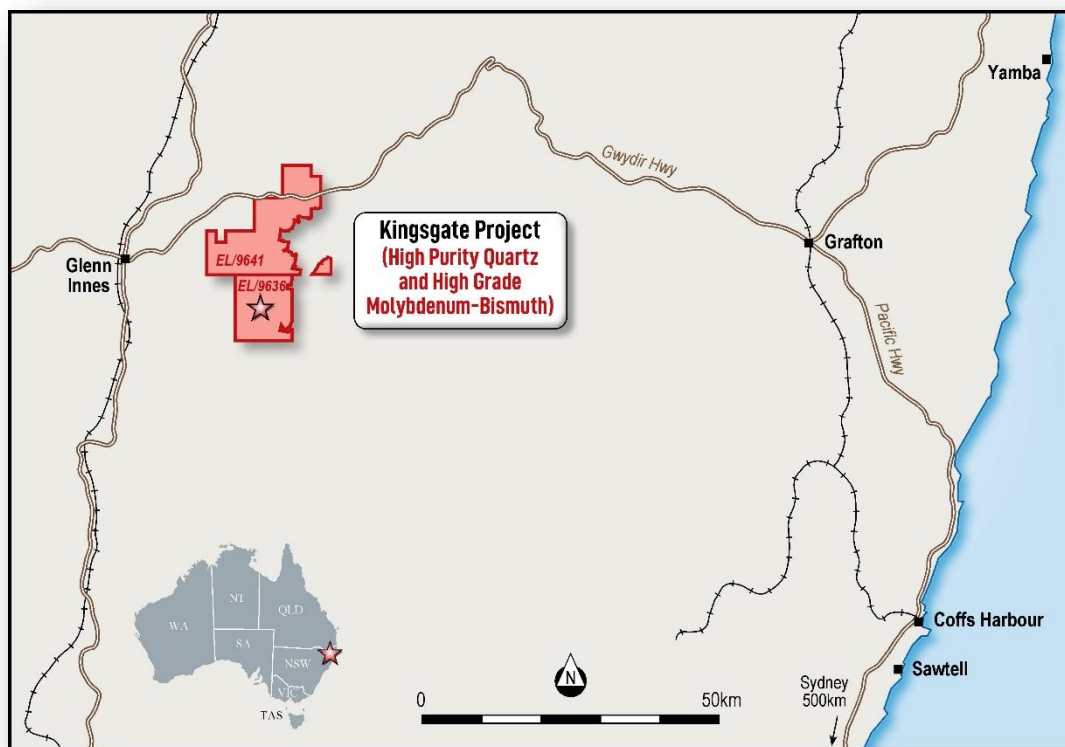


Figure 1. Location of the Kingsgate Project

During the purchase of the Hammond Land, Taiton personnel had the opportunity to collect eleven float samples representing material from proximal quartz pipes, as shown in Figure 2. These samples were submitted without chemical wash or beneficiation to Labwest in Perth, Western Australia for high purity analysis.

The initial results were encouraging with SiO₂ ranging from 99.53 % to 99.99 % SiO₂ with impurities ranging from 99 ppm to 4,100 ppm as shown in Table 1.

Table 1: Quartz rock chip sample results

Sample ID	SiO2 %	Al ppm	Ti ppm	Na ppm	K ppm	Li ppm	Ca ppm	Fe ppm	P ppm	Total*
KGR 0003-P001	99.87	634	10	46	208	48	8	242	3	1200
KGR 0004-P002	99.57	413	19	75	192	8	46	152	2	907
KGR 0005-P003	99.94	280	12	38	40	14	17	62	2	465
KGR 0005-P004	99.96	243	13	39	31	16	10	65	2	419
KGR 0003-P005	99.92	356	17	95	102	22	43	149	3	787
Driveway D-001	99.53	2500	16	13	916	6	11	640	2	4103
Driveway D-002	99.99	49	4	11	6	8	3	17	1	99
Driveway D-003	99.94	242	24	116	70	11	17	82	2	564
Driveway D-004	99.94	199	17	84	45	7	7	52	3	412
KGR0005 D-005	99.97	161	11	37	24	16	3	33	1	285
KGR0004 P001-D006	99.91	311	17	52	117	11	35	81	2	627

***Note Boron (B) was not analysed due to preliminary assessment and requiring a variation on the crucible used.**

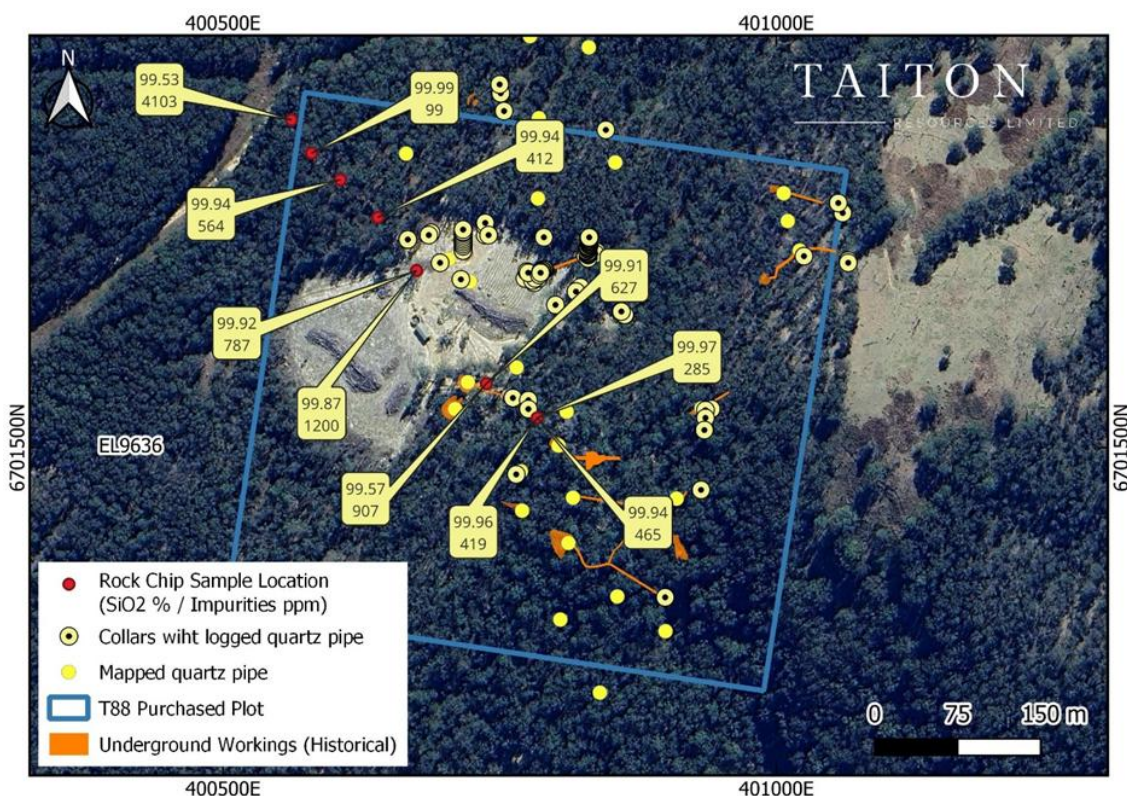


Figure 2. Rock chip sample locations showing SiO2 and selected impurities within the Kingsgate mining centre



The project area encompasses multiple quartz pipes situated along the margins and roof of the Red Range Microleucogranite (Hladky and Wilkins, 1987; Plimer and Elliott, 1979). These quartz pipes are thought to represent the final product of granite differentiation.

The quartz pipes have recorded dimensions with widths reaching up to 8 meters and thicknesses up to 10 meters based on historical drilling data by Auzex. Historical underground mining targeted these pipes over strike lengths exceeding 100 meters (Figure 2).

Following the completion of the acquisition of the Hammond Land, Taiton undertook a field exploration at the Hammond Land and the surrounding area and collected more samples for assay.





Lake Barlee Project – Western Australia

In the quarter, the Company relinquished its tenement holdings in Lake Barlee Gold (E77/2700, E57/1158, E77/2715 & E57/1168) measuring 668.7 sq km to focus on its existing projects in SA and NSW.



CORPORATE

As at 31st December 2024, Taiton has 74,457,378 shares on issue, 13,443,779 unlisted options and 6,000,000 unlisted performance rights. Cash at bank totalled \$175K.

During the quarter, the Company completed a placement of a total of 1,447,834 shares at 15c per share with 482,611 free options to raise \$217,175. (Refer ASX releases dated 13 December 2024 and 22 October 2024). The Company also issued 5,800,000 new options under the Company Employee Incentive Plan to replace 5,600,000 options which expired during the quarter.

In addition, the Company issued 500,000 lender options to a company related to a director for providing a \$1M loan facility to the Company. No further shares or options were issued during the December Quarter 2024.

The Company also entered into an unsecured loan facility agreement with AsiaPacific Businesslink Sdn Bhd, a company related to a director of the Company to provide a loan facility based on the following terms:

Loan Facility Limit	\$1,000,000
Tenure	1 year from 1 st drawdown (unless extended)
Interest Rate	15% per annum, compounded monthly
Repayment	Bullet repayment of interest and principal at maturity (or early repayment at option of the Company)
Establishment Fee	(a) 500,000 unlisted options exercisable at \$0.20 per share and expires on 30 June 2027. (b) \$25,000 upon first drawdown

ASX Additional Information**Summary of expenditure items within Appendix 5B**

A summary of the expenditure and related party payments is set out below:

- 1.2(d) Staff costs of \$75K relate to director fees and consulting services, and CFO salary including superannuation.
- 1.2(e) Administration and corporate costs of \$109K relate mainly to costs for and associated with compliance costs (ASIC, ASX and share registry), audit, consulting fees, legal fees, investor relations, promotion & marketing, office costs, insurance, rental, web hosting, IT, and travel.
- 1.8 Other costs of \$37K relate to project consulting fees (\$22K) and new tenement application fees (\$15K).
- 2.1(d) Exploration & evaluation costs of \$132K relate mainly to payments to Geologists for work activities, Tenement rents, consulting services, Fieldwork & supplies, Field travel, Native Title land access agreement fee, Geochemical surveys, Laboratory analysis, and Land access negotiations.
- 2.1(f) Settlement balance of \$222K was paid on the purchase of a property in NSW on the Kingsgate project.
- 3.1 Receipt of funds of \$90K from share placement for issue of shares.
- 6.1 Payments to related parties relate to director fees and consulting services (\$59.5K), and payment for media digital content, production, and promotion services (\$7.5K) to an entity associated with the Executive director.
- 6.2 Payments to related parties relate to director consulting services (\$12K) included in exploration & evaluation costs.

There were no mine production or development activities during the quarter.

Use of Funds (Listing Rule 5.3.4)

The Table below sets out a comparison of actual expenditure in the Use of Funds against estimated expenditure in the IPO prospectus dated 23 September 2022 and explanation of any material variances. The Company was admitted to the official list of the ASX on 14 December 2022 with official quotation occurring 19 December 2022 and as such, the quarterly report for the period ended 31 December 2024 is covered by the Use of Funds Statement included in the Company's IPO prospectus and shown below as Year 1 and Year 2.

The analysis represents a comparison of the Company's actual expenditure to 31 December 2024, with a small overlap in the periods, against the estimated expenditure in the Use of Funds Statement.

Use of funds	Proposed \$ in IPO prospectus -Year 1	Proposed \$ in IPO prospectus -Year 2	Total Year 1 & Year 2	Actual expenditure \$ to 31 Dec 2024	Variance under/(over) \$'000
Exploration activities ^{a)}	\$1,900,000	\$2,035,000	\$3,935,000	\$3,570,792	\$364
Administration costs ^{b)}	\$799,000	\$742,000	\$1,541,000	\$2,275,191	\$(734)
Estimated expenses of the Offer ^{c)}	\$1,142,000	0	\$1,142,000	\$927,710	\$214
Working Capital ^{d)}	\$315,000	\$264,000	\$579,000	\$464,313	\$115
Total Funds allocated – Year 1 & Year 2	\$4,156,000	\$3,041,000	\$7,197,000	\$7,238,006	\$(41)

The material variances noted above are as a result of a number of factors, including:

- a) Exploration activities expenditures including plant & equipment purchases are in line with the exploration program and dependent on the progress and timing of regulatory approvals.
- b) The Company has incurred higher than anticipated Administration costs due to higher spending on compliance



- costs, legal and professional costs, travel costs, and investor relations/media promotion costs.
- c) Estimated expenses of the Offer were less than actuals due mainly to less brokerage paid.
 - d) Working Capital includes interest paid on Loan facilities (\$156K) which were fully repaid by the conversion to shares on the Company's admission to the ASX; and costs expended on identifying and reviewing new acquisition opportunities (\$120K), project consulting fees (\$115K), project expenses (\$19K), security deposits (\$20K), and new tenement application fees (\$34K).

It should be noted that as with any budget, the allocation and timing of the use of funds set out in the Table above may change depending on a number of factors, including market conditions, the progress of the Company's exploration and evaluation programs, economic conditions, and regulatory approvals.



Tenements

Registered Holder	Tenement No.	Location	Project	Area (Sq km)	Total (Sq km)	Interest at the end of Quarter
Taiton Resources Limited	EL6658	SA	Highway	972.00		100%
Taiton Resources Limited	EL6706	SA	Highway	160.00		100%
Taiton Resources Limited	EL6784	SA	Highway	884.00		100%
Taiton Resources Limited	EL6857	SA	Highway	914.00		100%
					2,930.0	
Taiton Resources Limited	EL6785	SA	Challenger West	997.00		100%
Taiton Resources Limited	EL7012	SA	Challenger West	861.00		
					1,858.00	
Taiton Resources Limited	EL9636	NSW	Kingsgate	104.70		100%
Taiton Resources Limited	EL9641	NSW	Kingsgate	189.40		100%
					294.1	
					5,082.1	

During the quarter, the Company relinquished all its tenement holdings in Western Australia held by its wholly-owned subsidiary, Lake Barlee Gold Pty Ltd (E77/2700, E57/1158, E77/2715 & E57/1168) measuring 668.7 sq km. The Company also acquired tenement holding in South Australia (EL7012) measuring 861 sq km forming part of the Challenger West Gold project.

Other than the above, there were no mining tenements acquired or disposed of during the quarter.



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ASX: T88

QUARTERLY ACTIVITIES REPORT

This Report has been approved by the Board of Directors of the Company.

For further information, please contact:

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COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Noel Ong, an employee of the Company. Mr Ong is a member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ong consents to the inclusion in this report of the matters based on this information in the form and context in which they appear.

References:

Taiton announcements

- 13/12/2024 Issue Of Shares & Unlisted Options
- 7/11/2024 Land Acquisition and High Purity Quartz Samples Tested
- 10/10/2024 Lapse of Unlisted Options



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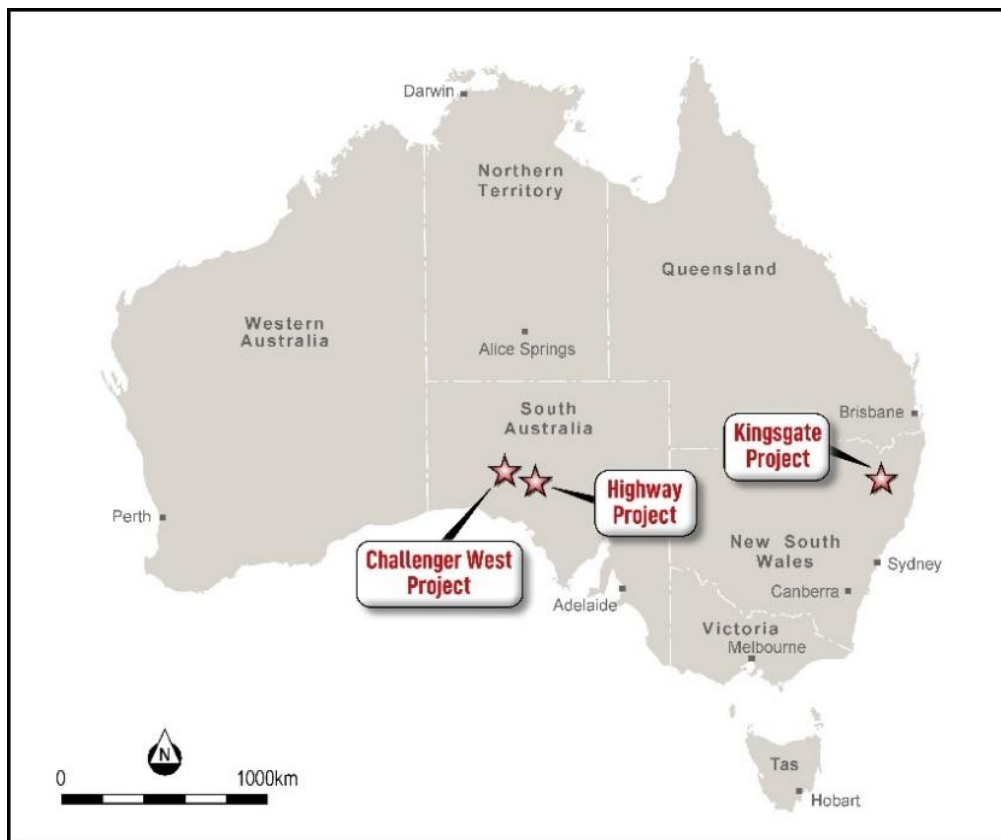
ASX: T88

QUARTERLY ACTIVITIES REPORT

About Taiton Resources Limited

Taiton Resources Limited (ASX: T88) is an early-stage mineral exploration and development company with a portfolio of projects across New South Wales and South Australia, comprising the following:

- a) **Kingsgate High Purity Quartz Project** – total tenement land holding of 294.1 sq km, located in New South Wales;
- b) **Highway Project** – total tenement land holding of 2,930 sq km, located in South Australia; and
- c) **Challenger West Project** – total tenement land holding of 1,858 sq km in South Australia.



Taiton Resources Limited (ASX: T88) project locations.

Appendix 5B

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

Name of entity

Taiton Resources Limited

ABN

41 062 284 084

Quarter ended ("current quarter")

31 December 2024

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		
	(b) development		
	(c) production		
	(d) staff costs	(75)	(216)
	(e) administration and corporate costs	(109)	(201)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	8
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)	(37)	(61)
1.9	Net cash from / (used in) operating activities	(220)	(470)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(1)	(3)
	(d) exploration & evaluation	(132)	(505)
	(e) investments		
	(f) purchase of property-settlement balance	(222)	(246)

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	-	27
	(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	(355)	(727)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	90	217
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	(5)	(5)
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	85	212

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	665	1,160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(220)	(470)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(355)	(727)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	85	212

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

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	175	175

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	175	665
5.2	Call deposits	-	-
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)	175	665

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	67
6.2	Aggregate amount of payments to related parties and their associates included in item 2	12
<i>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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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	1,000	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,000	-
7.5	Unused financing facilities available at quarter end		1,000
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.		
	On 18 October 2024, the Company announced that AsiaPacific Businesslink Sdn Bhd, a substantial shareholder and company related to a director of the Company, Datuk Siak Wei (Chris) Low, had agreed to provide a \$1 million unsecured loan facility to the Company. Tenure is 1 year from first drawdown (unless extended). Interest Rate is at 15% per annum, compounded monthly. Bullet repayment of interest and principal at maturity (or early repayment at option of the Company).		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(220)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(132)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(352)
8.4	Cash and cash equivalents at quarter end (item 4.6)	175
8.5	Unused finance facilities available at quarter end (item 7.5)	1,000
8.6	Total available funding (item 8.4 + item 8.5)	1,175
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.33
	<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: N/A	
	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: N/A	

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: N/A

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 2025.....

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.