Cerberus Resources Pty Ltd

EL31784
Terrys Find Project

Annual report for the period:
21 September 2021 to 20 September 2022

Target Commodities: Gold, Base Metals

Lake Mackay SF5211 and Mount Doreen SF5212 (1:250,000)
Nicker 4953 and Vaughan 5053 (1:100,000)

Prepared by Cerberus Resources Pty Ltd
20 November 2022

Abstract

- EL31784 (Project) is located approximately ~375km WNW of Alice Springs.

- Cerberus is assessing the potential of the Project for hydrothermal Au-Ag and Cu-Pb-Zn deposits, and alluvial Au deposits.

- Three main prospects (named Alpha, Bravo and Charlie) are located to the W and WNW of Terry's Pit. The prospects are spatially associated with WNW striking linear ASTER anomalies.

- Au anomalism at Alpha and Bravo prospects is accompanied by Fe-residual enrichments of Ag and As, but Alpha also shows local enrichments of Bi, Pb and Zn, which are not observed at Bravo and Charlie.

- Prominent untested Fe-residual anomalies for Ag, As, Co and Pb located ~1.5km ESE of Alpha require follow-up assessment.

- A total of 29 sub-blocks were voluntarily relinquished from the Project on during 2021. A further 3 sub-blocks were relinquished from the Project during 2022, leaving 4 retained sub-blocks.

Contents

1. Introduction

EL31784 (Project) is located ~375km WNW of Alice Springs (Figure 1). The Project is located on Mount Doreen Station (NT Portion 1947 - Perpetual Crown Lease 1035). Access from Alice Springs is northwest via the Tanami Highway for approximately 350km to the Mt Doreen turn off and then on tracks along the Treuer Range and station tracks for another 90km. All maps in this report are shown using the GDA94 Geographic datum or in MGA94 using the Zone 52 projection.

2. Tenure

EL31784 was granted for a 6-year period commencing on 21 September 2018, and originally covered 36 sub-blocks (Figure 2; Table 1).

A total of 29 sub-blocks were voluntarily relinquished from the Project during 2021 in response to the COVID-19 pandemic.

A further 3 sub-blocks were relinquished from the Project during 2022, leaving 4 retained sub-blocks covering only the most important prospects and anomalies.

3. Geology

The Project is situated on the 1:250,000 Lake Mackay (SF5211) and Mount Doreen (SF5212) map sheets, and is considered prospective for hydrothermal gold and base metal deposits. It falls within the Arunta region, a Proterozoic domain covering a large part of central Australia. The geology of the Arunta region is complex and involved successive depositional, magmatic, metamorphic and tectonic events. The area has little outcrop and contains extensive sandy cover with sand dunes.

The general area surrounding the Project comprises two distinct tectonic elements; the Neoproterozoic-Palaeozoic Centralian Superbasin and the Palaeoproterozoic Aileron Province, which forms the basement to the Centralian Basin. The oldest units of the Aileron Province comprise a succession of deformed and metamorphosed, interbedded sandstone, siltstone and mudstone, which are considered part of the Lander Group. Rocks of the Lander Group have been metamorphosed from lower greenschist to granulite facies, with amphibolite to granulite facies locally present. SHRIMP U-Pb zircon analyses undertaken on granulite-facies metapelites suggest that the main tectono-thermal event took place at ~1806Ma.

The bedrock geology of EL31784 is dominated by greenschist facies meta-pelites and sandstones, along with dolerite sills Amphibolite-granulite facies quartzites, schists and gneisses are developed along the northern margin. Nicker Bed quartzite, schist, meta-siltstone, felsic volcanic and volcaniclastic rock are present in the southern portion of the tenement. The eastern portions

of the Project are underlain by Palaeoproterozoic and Mesoproterozoic granitoids.

Terry's Find prospect, originally discovered in 1932, is hosted by upper greenschist to lower amphibolite facies Lander Group metasediments, comprising mainly pelite, with minor psammite, chert, carbonaceous shale and dolerite outcrops. The rocks display a prominent east-west schistosity.

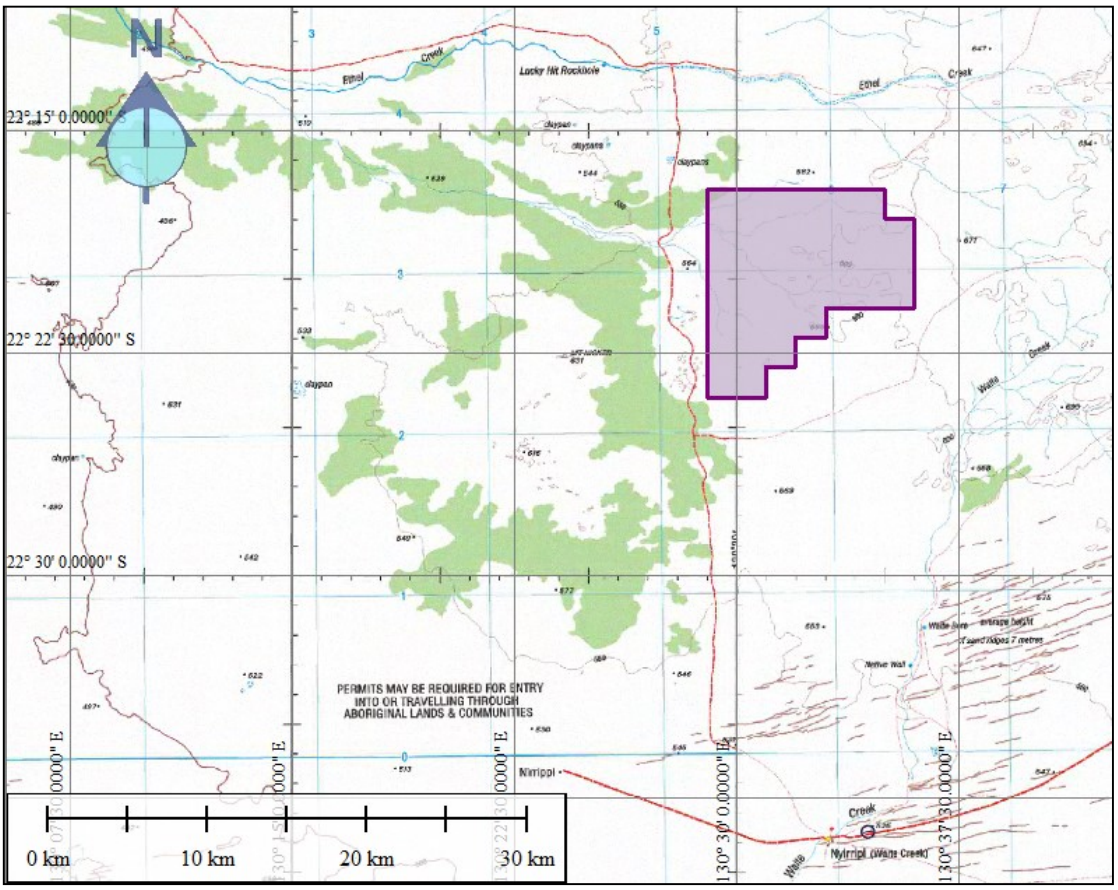

Figure 1: *Location map (GDA94 Geographic).*

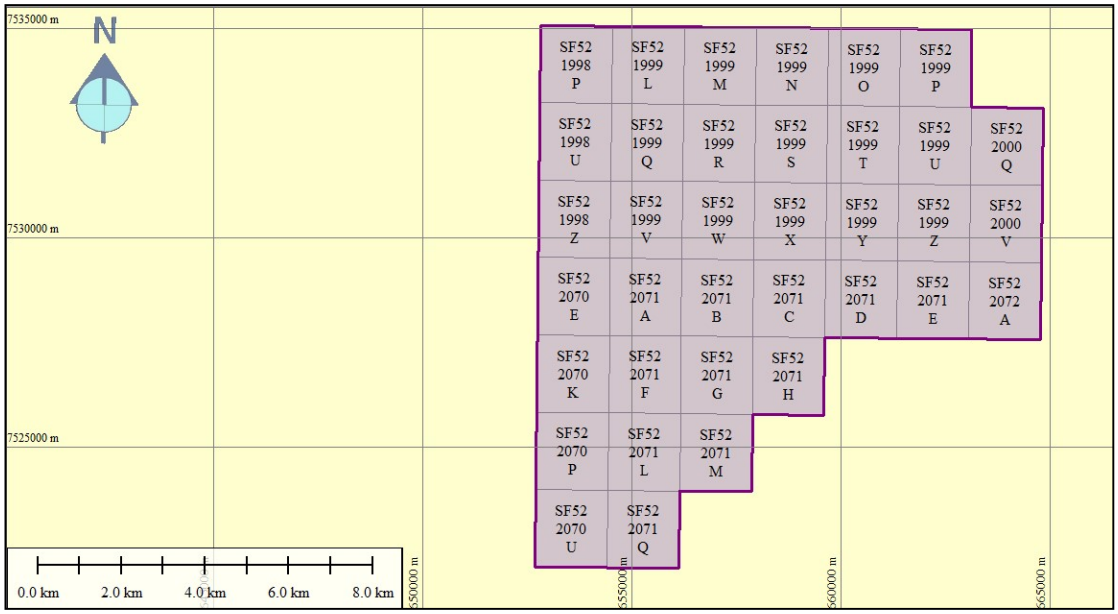

Figure 2: *Tenement map (MGA94 Zone 52).*

***Table 1**: Sub-Block List*

	BLOCK	GRID_ID	BIM	SUB_BLOCK
1	2070	SF522070	SF52	U
2	2071	SF522071	SF52	Q
3	2070	SF522070	SF52	E
4	2071	SF522071	SF52	A
5	2071	SF522071	SF52	B
6	2071	SF522071	SF52	C
7	2071	SF522071	SF52	D
8	2071	SF522071	SF52	E
9	2072	SF522072	SF52	A
10	2070	SF522070	SF52	K
11	2071	SF522071	SF52	F
12	2071	SF522071	SF52	G
13	2071	SF522071	SF52	H
14	2070	SF522070	SF52	P
15	2071	SF522071	SF52	L
16	2071	SF522071	SF52	M
17	1998	SF521998	SF52	Z
18	1999	SF521999	SF52	V
19	1999	SF521999	SF52	W
20	1999	SF521999	SF52	X
21	1999	SF521999	SF52	Y
22	1999	SF521999	SF52	Z
23	2000	SF522000	SF52	V
24	1998	SF521998	SF52	P
25	1999	SF521999	SF52	L
26	1999	SF521999	SF52	M
27	1999	SF521999	SF52	N
28	1999	SF521999	SF52	O
29	1999	SF521999	SF52	P
30	1998	SF521998	SF52	U
31	1999	SF521999	SF52	Q
32	1999	SF521999	SF52	R
33	1999	SF521999	SF52	S
34	1999	SF521999	SF52	T
35	1999	SF521999	SF52	U
36	2000	SF522000	SF52	Q

4. Exploration history

The general area of the Project contains a number of important gold +/- base-metal soil, lag and BLEG anomalies, including those at the Dodger, Rocklands, Whakatipu, Tekapo, Terry's Find and Eildon Prospects.

Previous exploration has included soil and rock chip sampling, mapping, structural analysis, geophysical surveys, and limited drilling.

Tanami Gold focused exploration on the areas around Terry's Find. They undertook rock chip and lag sampling, which identified a strong arsenic anomaly along strike from Terry's Find. Follow-up vacuum and RAB drilling programs located weak gold and arsenic anomalies in transported gravels, but not much anomalism in the underlying weathered bedrock, suggesting that the anomaly may be transported.

The most recent exploration in the Project was undertaken by ABM Resources in joint venture with Independence Group. Independence completed a wide-spaced soil sampling program, mainly at nominal 800m x 800m grid spacing. In-fill sampling was undertaken in certain areas at nominal 200m x 200m, 100m x 100m and 40m x 20m spacing.

5. Summary of work undertaken

Cerberus has assessed the geological and mineralisation potential of the Project area. This included reviews of open-file company reports and other public domain documents (ASX announcements, company annual reports and presentations), as well as geological papers outlining historical exploration activities. Relevant surface geochemical sampling results were compiled, assessed and interpreted. Other publicly available regional-scale infrastructure, physiography, geophysical, Landsat, SPOT and ASTER datasets provided by the NT Geological Survey, CSIRO and Geoscience Australia were also acquired and interpreted. The assessment work covered the entire Project area so no exploration index map is provided in this report.

6. Conclusion and recommendations

Assessment of surface sampling datasets over the Project and adjoining areas has highlighted elevated Au, Ag, As, Bi, Co, Pb and Zn responses at several locations, including at the Alpha, Bravo and Charlie prospects. In order to minimise regolith effects, log transformed, levelled values were regressed against Fe to calculate residual values at each sample location using ioGAS software (the calculated Fe predicted and residual values for each element are included in Appendix1).

The gridded images show that surface geochemical anomalism follows a distinct WNW-ESE trend across the Project, (e.g. Figures 3 to 9; the gridded colours in the plots are relative to the full geochemical ranges recorded in the general Mount Doreen area follows: blues - 80th percentile; green - 90th percentile; yellow - 95th percentile; red - 98th percentile; pink - 98th to 100 percentile). This trend is spatially associated with the WNW-striking linear ASTER anomalies noted previously in the last Annual Report.

Some key observations include:

1) Au anomalism at Alpha and Bravo is accompanied by Fe-residual enrichments of Ag and As;
2) Alpha prospect also shows local Fe-residual enrichments of Bi, Pb and Zn, but these are not observed at Bravo and Charlie; and
3) Prominent untested Fe-residual anomalies of Ag, As, Co and Pb are located ~1.5km ESE of Alpha.

The potential for the Project area to contain significant Au mineralisation W, NW and SE of Terry's Find appears to be significant. Further work will be undertaken to assess the significance of the anomalies identified to date.

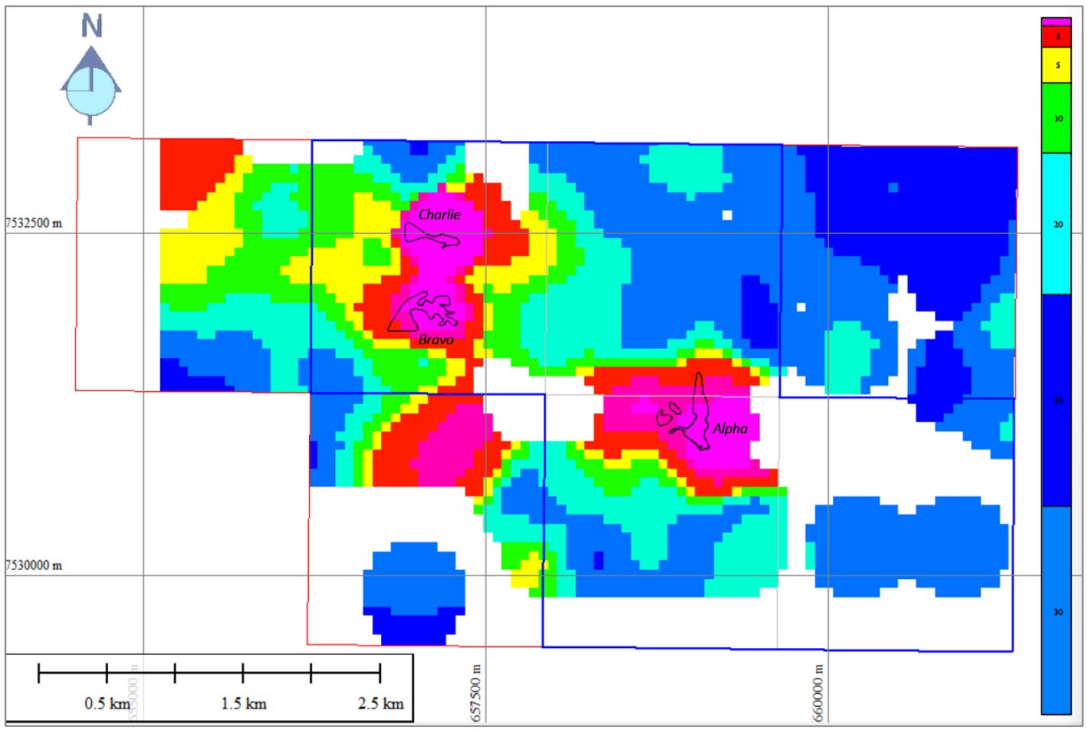

Figure 3: *Imaged residual soil sampling responses for Au regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

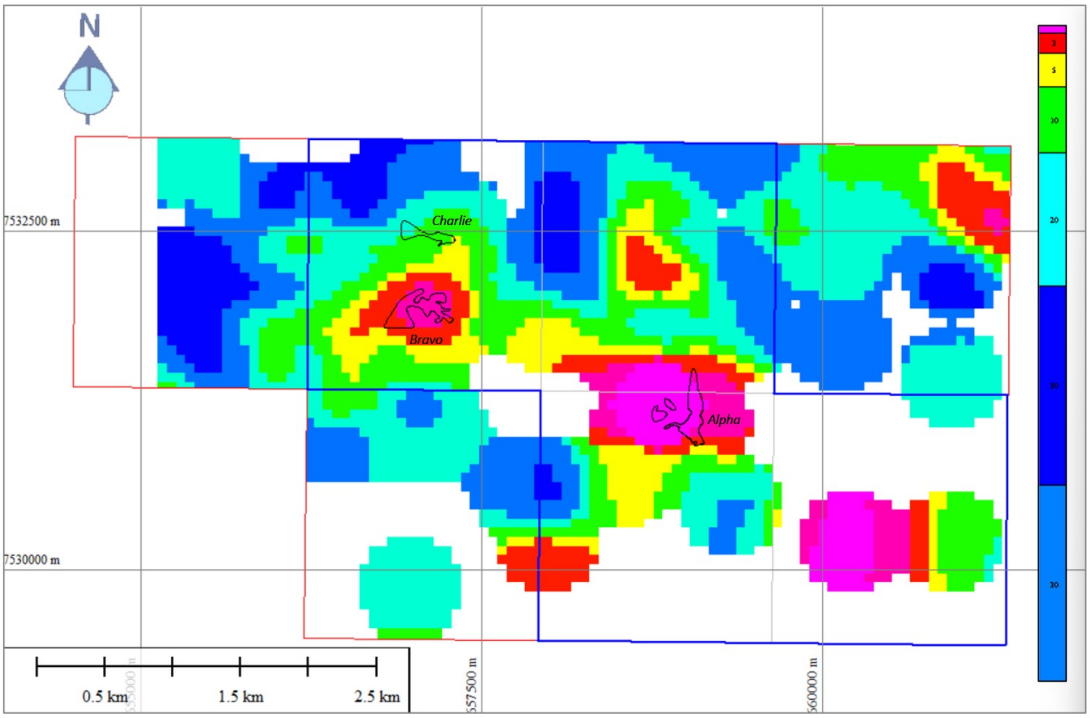

Figure 4: *Imaged residual soil sampling responses for Ag regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

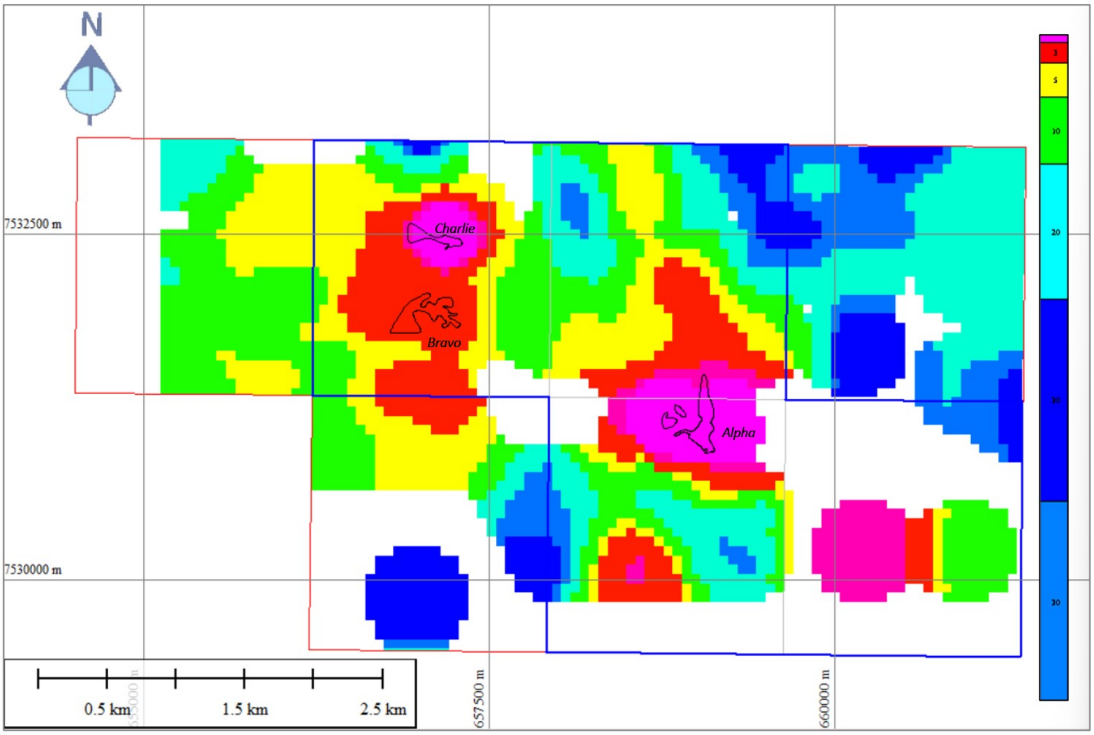

Figure 5: *Imaged residual soil sampling responses for As regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

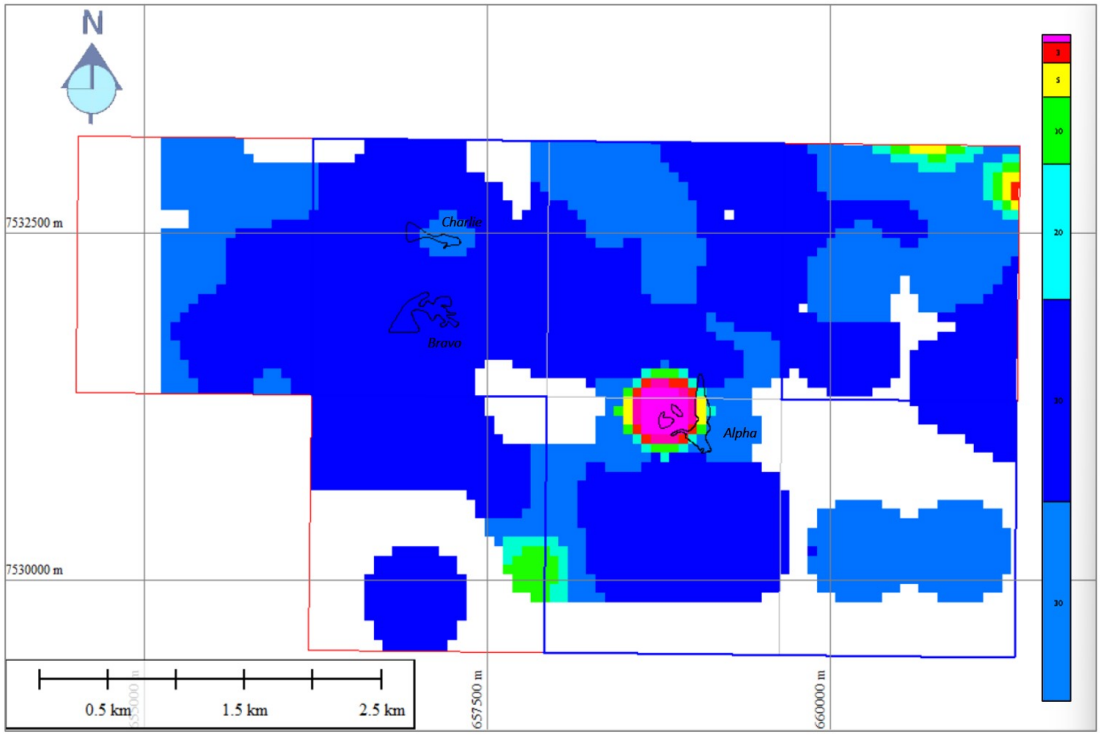

Figure 6: *Imaged residual soil sampling responses for Bi regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

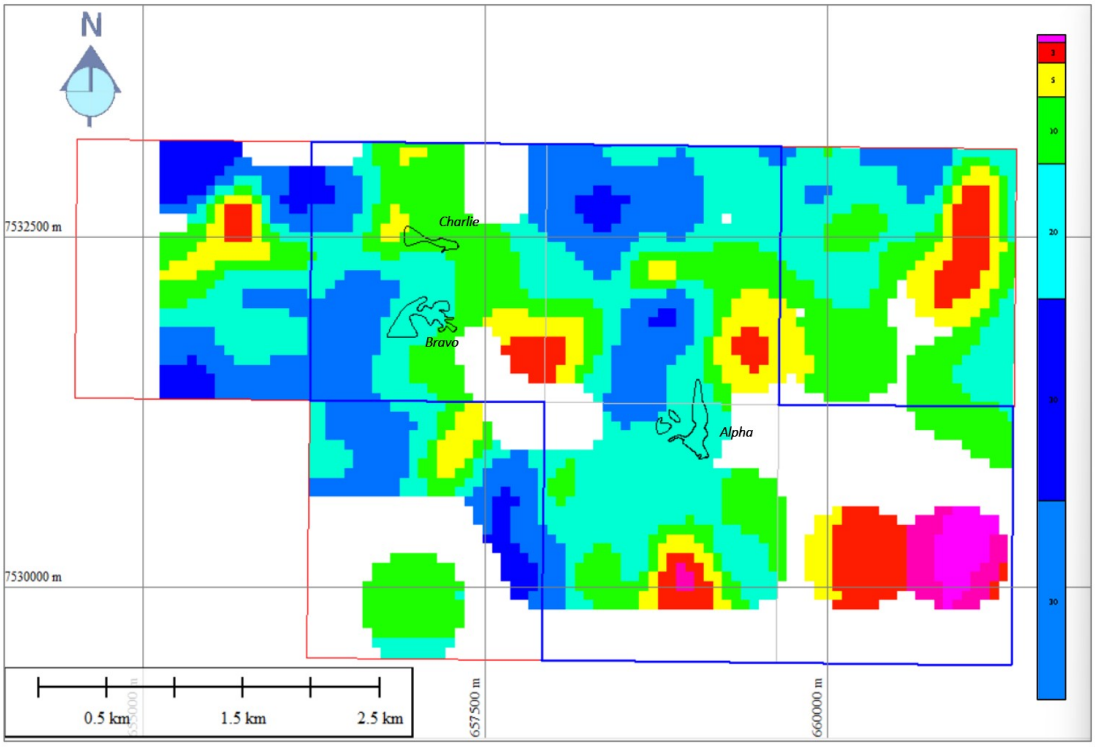

Figure 7: *Imaged residual soil sampling responses for Co regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

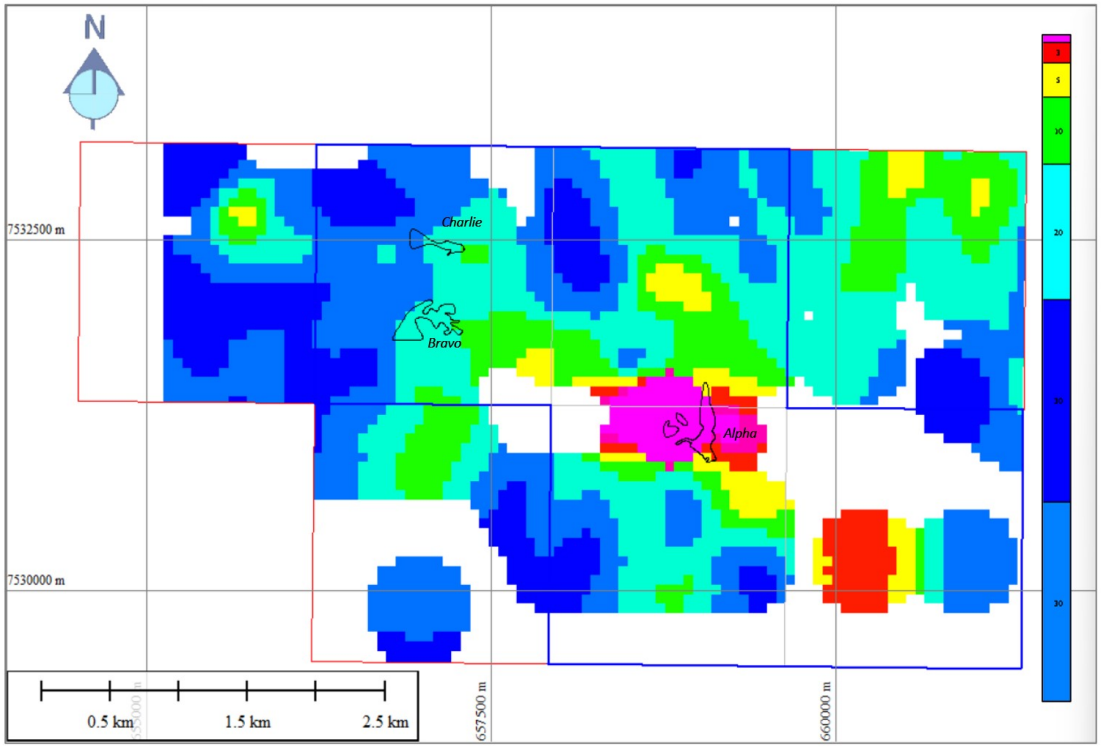

Figure 8: *Imaged residual soil sampling responses for Pb regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

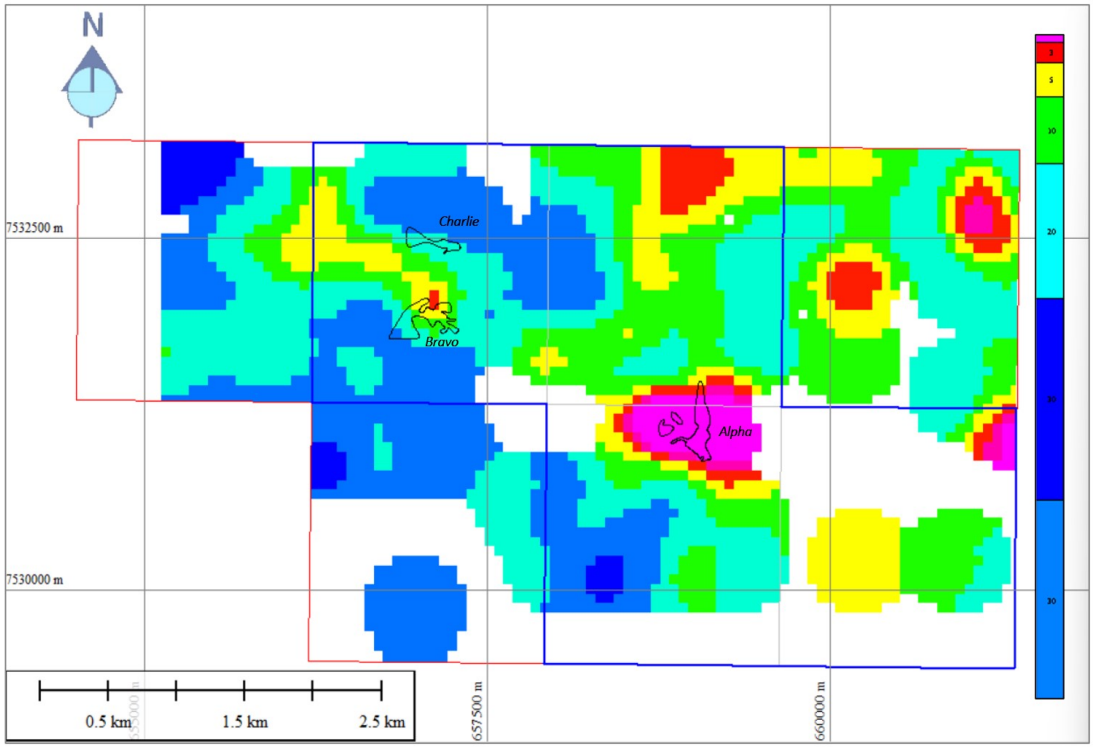

Figure 9: *Imaged residual soil sampling responses for Zn regressed against Fe (MGA94 zone 52). Black outlines show the location of the + 3ppb Au contours at the Alpha, Bravo and Charlie prospects.*

7. Confidentiality Statement

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8. References

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