Annual Technical Report Benmara Project EL31287

Titleholder	Cedar Resources Pty Ltd
Operator	Cedar Resources Pty Ltd
Tenement Agent	AMETS
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Summary

This Annual Technical Report for the Benmara Project EL31287 covers work carried out during the period 13/12/2019 – 12/12/2020.

Exploration activities during the period have involved:

- Continuation of assessment of historical and recently collected data
- Identification of empirical and conceptual targets
- Plan to farm out the project with ASX listed entity
- Planning of further work, largely soil sampling and anomaly ground truthing
- No on-ground work took place

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1 INTRODUCTION

This report outlines the work conducted within EL31287 (Benmara Project) for the year ending 12/12/2020. The Project covers the western portion of the Palaeo-Mesoproterozoic Murphy Province in the Northern Territory near the Queensland border, Figure 1. The faulted southern boundary of the Murphy Province hosts the Walford Creek Deposit (73Mt@1.43%Cu Equiv) along strike to the east. This project area is semi remote but easily accessed and has historically attracted the attention of the "big" explorers, including Rio Tinto, BHP, Afmeco, Ashton and MIM, targeting base metals, gold, diamonds and uranium.

Field work completed by Cedar has identified a number of large base metal and gold anomalies that require field follow-up as a priority.

The main attractions of the project area are:

1. Targets are identified for immediate ground follow-up with evidence of mineralisation
2. The targets are large and underexplored/unexplored – potential for large deposits
3. Multi – commodity aspects of the project
4. Much of the Project (and main targets) are easily accessed
5. Shallow (<20m) cover - conventional low cost exploration techniques can be utilised
6. The project is on Pastoral Lease with many targets under shallow flat black soil plains – limited chance of significant heritage/environmental issues

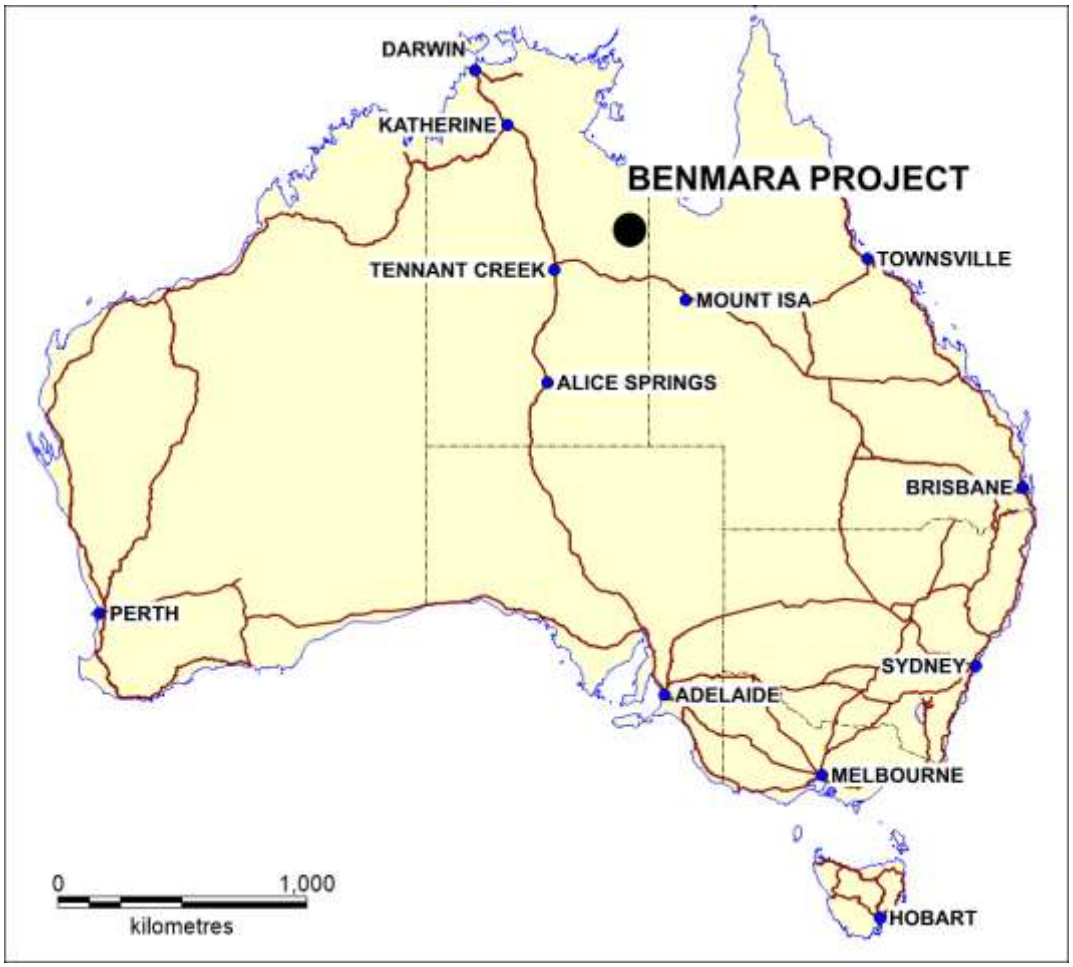

Figure 1: Location Map

2 TENEMENT

The tenements EL31287 covers 314 km^2 of pastoral land during the reporting period and is held by Cedar Resources Pty Ltd. In October 2018, EL31287 was reduced to 96 blocks.

EL Number	Number Blocks	Area (sqkm)	Grant Date
31287	193 (Reduced to 96)	630 (314)	13/12/2016

Table 1: Tenement Schedule

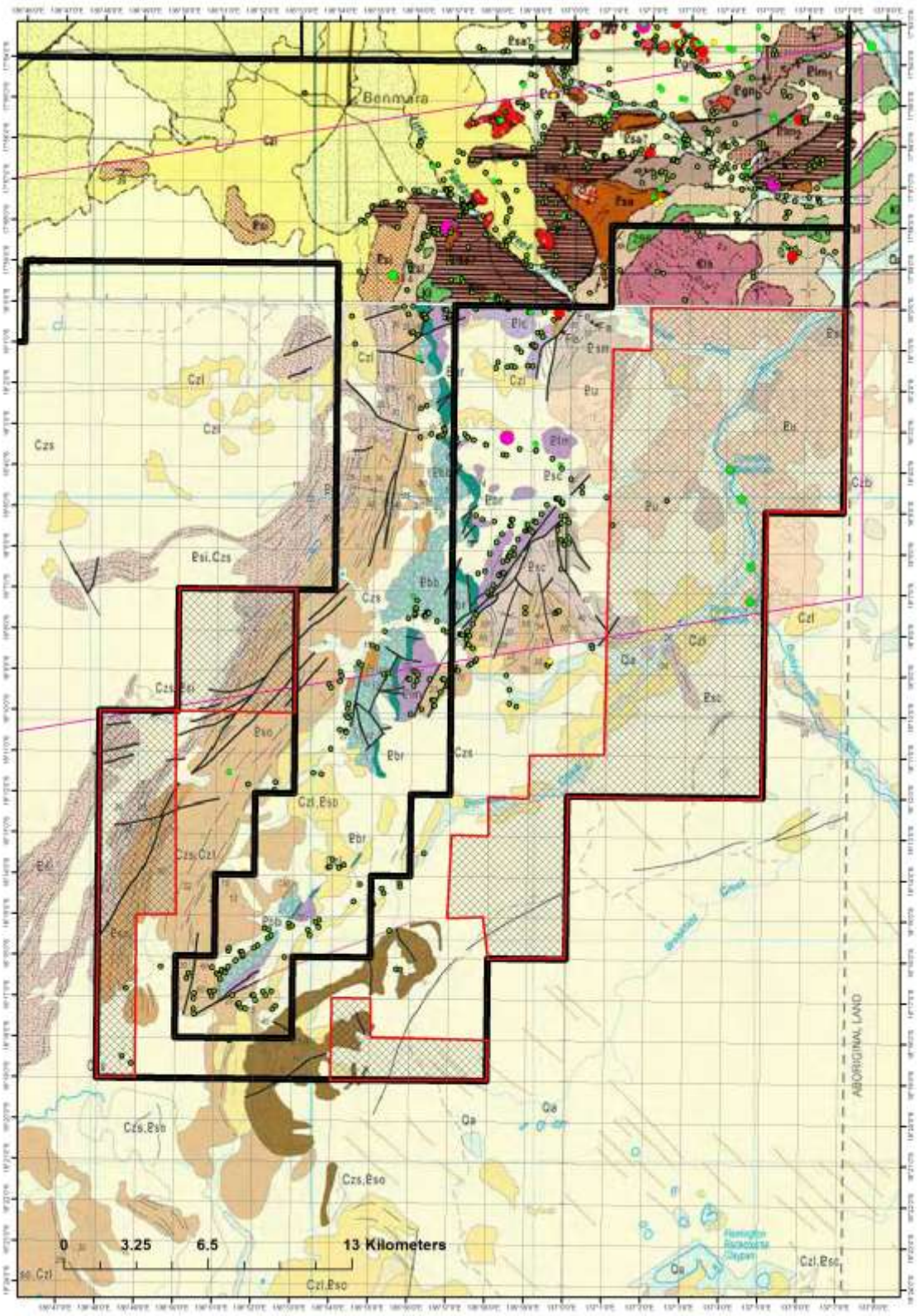

Figure 2: EL31287 showing area relinquished in October 2018 (hatched area) on published geology.

3 LOCATION AND ACCESS

The Benmara project is semi-remote, lying on the boundary between the Barkly Tableland and the coastal Savannah of the Gulf of Carpentaria, Northern Territory (Figure 1; Figure 3). The large mining service centre of Mount Isa lies 400 km to the southeast and Tennant Creek lies around 330 km to the southwest. Other smaller service centres are Borroloola and Burketown, 200 km to the west and east respectively. The project lies within the pastoral properties of Benmara and Creswell Downs, subject to Native Title legislation. Access is via all-weather gravel roads used for cattle transport, and then well-maintained station tracks. Access otherwise within the tenements is via cross-country 4WD vehicle. The area is seasonally inaccessible due to rain and wet ground, with work possible between April and November in most years.

Much of the project area is flat, featureless and vegetated only by grasses and therefore is easy to traverse, but the eastern half is more heavily vegetated with moderately uneven terrain. The pastoral properties are well-maintained with good infrastructure, enabling relatively simple exploration operations. Geological exposures are limited, particularly in the west of the project, but are only thinly covered. Benmara's featureless surface and thinly-covered geology is therefore a distinct advantage for exploration and any future development.

4 GEOLOGICAL SETTING

The Benmara Project comprises the western end of the exposed east-west-trending Murphy Tectonic Ridge ("Inlier"), which marks the south-eastern margin of the McArthur Basin and northern edge of the time-equivalent South Nicholson Basin (Figure 3). The oldest rocks of the inlier are ~1900 Ma Murphy Metamorphics, comprising green-schist facies metasedimentary and meta-volcanic rocks, including BIF and carbonaceous schists. These are overlain by the felsic Cliffdale Volcanics and intruded by fractionated comagmatic intrusions of ~1850 Ma Nicholson Granite. Along each edge of the Murphy Inlier, these basement rocks are unconformably overlain by moderately-dipping belts of sandstone and basalt, belonging to the basal part of the McArthur Basin (north) and South Nicholson Basin (south). The McArthur Basin within The Project is covered by a thin veneer of Mesozoic aged Carpentaria Basin sediments. These Palaeo- to Mesoproterozoic basins comprise a 12km thick unmetamorphosed sedimentary succession containing dolostone, sandstone and shale units with minor felsic and mafic volcanics. They are both highly endowed with world-class base-metal deposits and are now the subject of intensifying exploration for hydrocarbons. Within or nearby to the project there are a number of important prospects (1):

- Gold, copper and uranium occurrences are widespread in the Murphy Metamorphics and Westmoreland Conglomerate to the east. Detrital gold and uraninite have been recorded in the conglomerate. These provide abundant "smoke" for a large hydrothermal mineral system operating in the region. Only a limited amount of historic work has been focussed on the base metal and gold endowment of the project as most has concentrated on uranium and diamond exploration.
- The Walford Creek Deposit (Aeon Metals Ltd - www.aeonmetals.com.au/projects/#walfordcreek) lies 120 km to the east in western Queensland (Figure 3). This large stratiform pyrite-hosted base metal deposit was discovered by WMC in the 1980s. While is primarily a Zn-Pb-Cu-Ag deposit, in recent times it has been recast as a Copper project with a JORC resource of 73Mt at 0.4% Cu, 0.85% Pb, 0.85% Zn, 813ppm Co and 23 g/t Ag. Importantly for Cedar, the Walford Creek deposit lies along the fertile Fish River Fault that continues westward into the Benmara Project, and is tracked by numerous base metal and uranium occurrences to the east of the Project area and untested geochemical anomalies and EM conductors within the Project. Clearly this is a deep-rooted structure that is prospective for various styles of mineralisation, including giant SEDEX deposits.
- The Westmoreland uranium project lies 120 km to the northeast in the same belt of rocks, Figure 3. This prospect comprises a number of individual deposits (inc Redtree, Junnagunna and Huarabagoo) that occur along the Redtree dyke that intrudes the basal sandstones of the McArthur Basin. Laramide have published indicated resources - 8.0 Mt @ 0.088% U308, for 7100 t U308 plus inferred resources - 16.0 Mt @ 0.094% U308, for 14 800 t U308.
- Uranium occurrences at "Anomalies 30" and "4901" that occur in iron-rich rocks within the Murphy Metamorphics 2 km east of the tenement, the magnetic trends of which continue into the Project.
- Uranium prospect at "Anomaly 1" or "Mines Branch", is located within the Project. This was discovered by the Mines Administration Branch during follow up of airborne radiometrics by surface prospecting and was subsequently drilled and found to be associated with dilated faulted contact between the Murphy Metamorphics and Nicholson Granite. Rockchip samples of float at Anomaly 1 by Mines Adminstration Branch returned U308 grades up to 0.74%.

- The nearby Eva uranium-gold prospect/mine was discovered and drilled by BHP in 1958 and was later re-investigated by Nupower Resources in 2009. It contains a small published resource of 535,000 t ore at 0.12% U3O8 for 650 t U3O8, and 102,000 t ore at 3.77 g/t Au for 12,300 oz Au. Although too small and isolated for development, it demonstrates the potential for high-grade basement-hosted mineralisation, and a close genetic association between gold and uranium in the region.
- The enigmatic Coanjula diamond prospect lies 10 km west of the Project, along the same structure (Fish River Fault system). This is a complex geological association of micro-diamondiferous and barren intrusives, breccias, volcaniclastics and sediments of various ages (but mostly ~1850Ma) that is widely interpreted as the source of the largest surface microdiamond accumulation in Australia. No macrodiamonds have been found during the various exploration phases by a number of companies including Ashton, Aberfoyle and Stockdale.

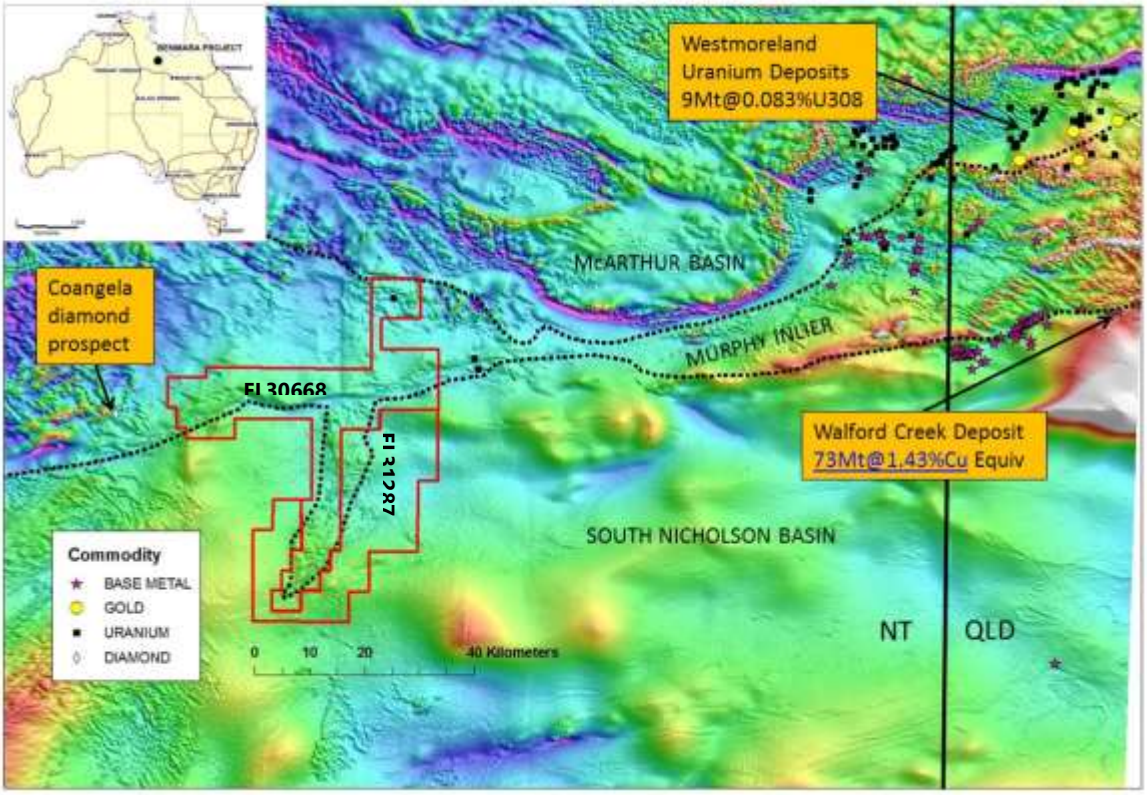

Figure 3: Benmara Project (red) as it stood in early 2019, with main geological division (dot line), prospects/deposits on TMI magnetic image

The most notable geophysical features of the Benmara project are the intense east west trending magnetic "tram lines" (Figure 3). The main ~east-west set has a number of important attributes: (i) it coincides with BIF and many mineral occurrences (copper/lead/zinc and

uranium) occurrences to the east (including the Walford Creek Deposit); (ii) it marks a significant structural corridor of the Murphy Tectonic Ridge (Fish River Fault system) and; (iii) it coincides roughly with the unconformity between Murphy Inlier and McArthur/South Nicholson Basin. In addition, the magmatic complex associated with the Coanjula diamond prospect lies immediately to the north of this trend, suggesting this structure is its source/conduit. The Company believes this is a fundamental structure and is a highly fertile corridor for copper and uranium mineralisation, as the unconformity style deposits of the Athabasca and Alligator Rivers uranium provinces are closely associated with similar long-lived structures.

The ~north-south magnetic linear that cuts through the project (Figure 3) correlates with mafic volcanics of the South Nicholson Basin, where they are in contact with the Cliffdale Volcanics. This is interpreted to be a reverse-sense structure that juxtaposes reduced and oxidised rocks, a setting that may have gold (and/or uranium) implications. In support of this, stream sediment data compiled by Cedar Resources indicates a number of coherent gold in stream geochemical anomalies (to 34 ppb Au) in the area that have not been followed up to date.

BHP acquired wide spaced (1000m spaced N-S lines) GEOTEM over much of the Project in the 1990s. They identified three conductors to follow up on the Project (BW 5-7) that coincided with the magnetic tram tracks discussed above. BHP interpreted these anomalies to be on the faulted southern contact of the Murphy Metamorphics and anomaly BW 6 (Cedar target BC02) was followed up with a line of ground TEM with a conductor being identified at <65m depth. As the model of the anomaly did not fit the sediment-hosted style of base metal mineralisation they were looking for no drilling of any conductors took place. These targets are discussed in more detail in section 6.

5 PREVIOUS EXPLORATION

Much of the historic work has focussed on diamond and uranium exploration with only minimal work focussed on gold and base metals. With the exception of the drilling for uranium in the far NE of the project all other drillholes were Ashton targeting kimberlite pipes. A summary of previous work is included as Table 2. A complete review of all historic work has been completed by The Company and has included the compilation of all available historic geochemical and drilling data through compiling of the existing digital and georeferencing and keypunching non-digital data and results, Figure 4. This has work has generated a number of high priority targets worthy of ground follow-up including drill targets identified from the reprocessed and interpreted 1km spaced BHP GEOTEM lines and magnetic data flown over the project area.

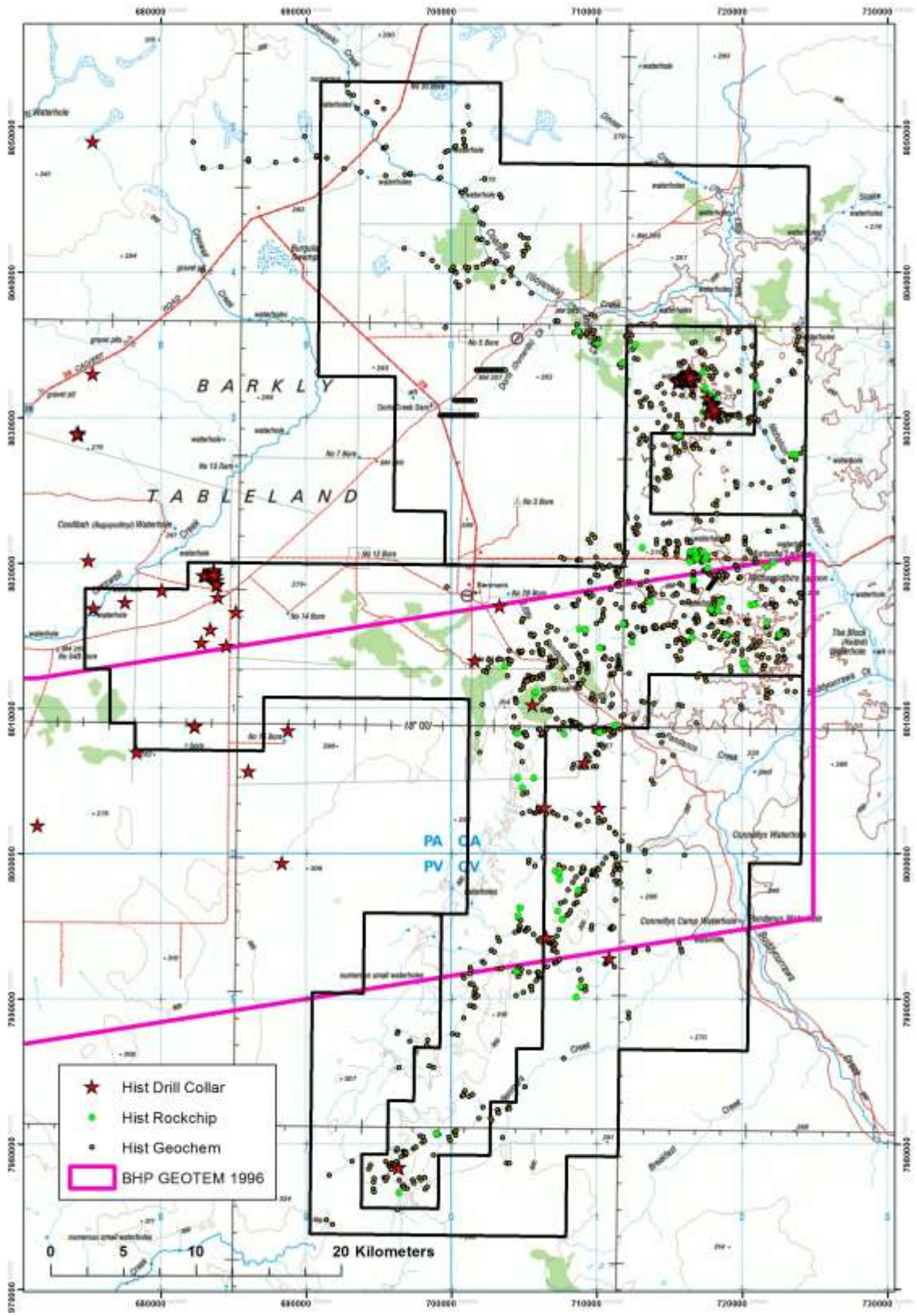

Figure 4: Benmara project showing historical work and sample points compiled Cedar into digital format.

TENNUM	company	commodity	exploration_done	tenement overlap	relevance	comments	COMPANY_REPORTS
EL 6836	Carpentria Gold	Au	rchip/sseds	100	M	105 sseds low levels base metal	CR1991-0354
EL 7223	MIM Ashton	diamonds	RAB loams DD aerial mag soils lags	100	L	several microdiamonds + indicators	CR1992-0093,CR1993-0151,CR1993-0330,CR1994-0232,CR1994-0362, CR1995-0245,CR1995-0370,CR1996-0234,CR1996-0441,CR1997-0203,CR1998-0250,CR1999-0239
EL 7851	Ashton	BM Au	sseds	100	L	not prospective	CR1994-0039
EL 8997	BHP	BM sed h	mag ground EM AEM (Look)	5	M	PROTEM sounding survey to investigate the electric	CR1996-0239,CR1997-0260,CR1997-0325
EL 9989	int. earthscan Plenty Min	alterati	landsat thematic mapper	adj	L	Structural geological and mineral alteration interpretation from Landsat TM satellite data	CR2002-0391
EL 22994	De Beers	diamonds	sseds	10	L	results were non kimberlitic	CR2003-0482
EL 4360	Ashton aberf. AOG	diamonds	DD RAB sseds mag	95	L	indicators and Micros.ultra basic intr.	CR1985-0030,CR1985-0266,CR1986-0305,CR1987-0219,CR1989-0265,CR1989-0288, CR1989-0289,CR1989-0678
EL 4352	Ashton Aberf. AOG	diamonds	RAB,BCL,	5	L	microdiamonds,barren intrusive pipes	CR1984-0236,CR1985-0289,CR1987-0006,CR1987-0218,CR1989-0266,CR1989-0288, CR1989-0289,CR1989-0654
AP 3401	Esso		no work,desktop	30	L		CR1973-0103
AP 1897	IMC development	phosporous	RC, radiometrics?	100	M	primary targets in the Georgina Basin for phosphorite are the margins and basement highs of the Earl	CR1968-0030,CR1968-0033,CR1969-0062,CR1970-0035,CR1970-0038

EL 2232	Amoco	Cu Pb Zn Mc Riv	geochem.looking McRiv grph seds	adj	M	bdry Dun & Sth Nic.Murphy, meta volcanics,ferrug lateritised Fe ridges. Bouger gravity target	CR1981-0033
EL 1427	Mines Administration	U rollfront	drilling 3xholes	adj	H	follow up U anom in water bores. Concl no sig results	CR1978-0138,CR1980-0118
EL 2111	Afmeco	U base metals		60	H	followed up several anoms.results dicouraging.	CR1980-0194,CR1981-0123
EL 1339	Otter	sed U	13 holes.900 m	90	H	murphy met. follow up U in water bores.concl wrong stratig.for sed U	CR1978-0038
EL 1235	Mines Admin.	U, Base metals	ground rad,drilling, perc,	5	H	All radioactivity so far detected is due to hematized fault breccias. Radioactivity is due to the pr	CR1977-0095,CR1979-0009,CR1980-0143
EL 4359	Ashton,Aust diamonds	diamonds	RAB loam costean	adj	H	alluvial micros macros .worth a look for radiometrics	CR1985-0029,CR1985-0244,CR1986-0304,CR1987-0220,CR1989-0267,CR1989-0288, CR1989-0289,CR1989-0700,CR1989-0715,CR1995-0022,CR1996-0453

Table 2: Summary of Previous work

6 EXPLORATION CARRIED OUT

6.1 Work Completed – 2015-2016

Work completed by Cedar included a brief field visit to the area in September 2015 (last reporting period) to meet the landholder and assess station track access. In addition to this a complete review of historic work and an open file AAPA sacred site search was completed. A number of high priority base metal targets were generated for field follow-up. These are summarised in Figure 5

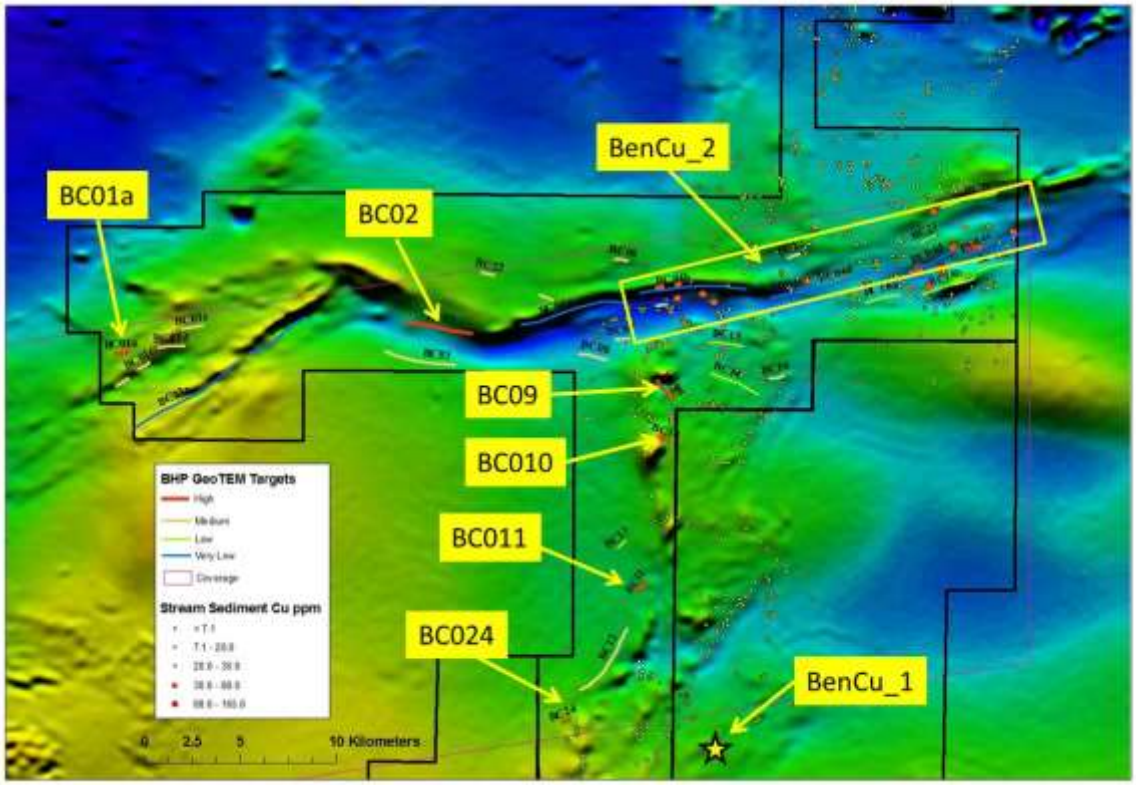

Figure 5: Base metal (Cu+-Zn, Pb) targets on TMI magnetic image.

In addition to the base metal targets a number of gold targets were also generated through the review of previous work. These targets are shown in Figure 6. The gold targets identified at BenAu_1 and BenAu_2 are intriguing as there is no obvious geological/lithological reason for these anomalies. However the author does note that these anomalies lie on the base of the South Nicholson Basin and may potentially represent a Witwatersrand analogy.

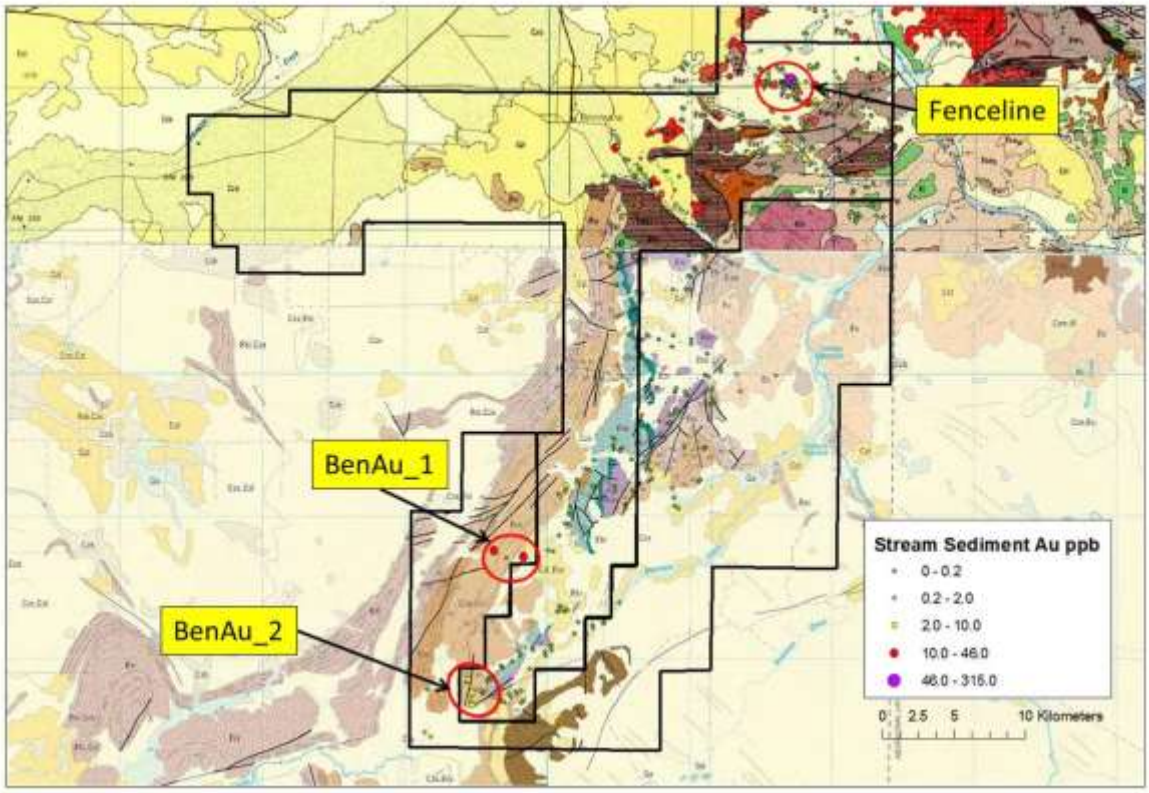

Figure 6: Gold Targets on published 250K geology map.

6.2 Work Completed – 2016-2017

In addition to further compilation and interpreting of data a significant soil sampling program was completed over the project. This soil sampling program was completed over targets BC02 (BHP GeoTEM anomaly and BenCu_2 and involved the collection and analysis of 932 samples. These samples were collected by Euro Exploration in July 2017. In addition, a small stream sediment sampling program was also completed by Euro during the same period. A total of 53 samples were collected. The sample locations are found in Figure 7 and the programs are described below.

6.2.1 Soil Sampling

Samples were sieved to -2mm (~200gm) and collected on a 400x200 or 800x200m grid using quad bikes. Samples were then submitted for analysis at ALS laboratories in Adelaide. All samples were analysed using the ME-ICP61 (4 acid digest) and a suit of 33 elements were reported. In addition to this samples were assayed for gold using the Au-ICP21 technique. All results are contained in Appendix 1.

The results of this soil sampling program has produced some compelling base metal targets for further follow-up work. These include large coincident Cu-Cu-Zn-Pb anomalies with distinct E-W orientation, parallel to some major structures that can be seen in the regional magnetics, Figures 8 – 11.

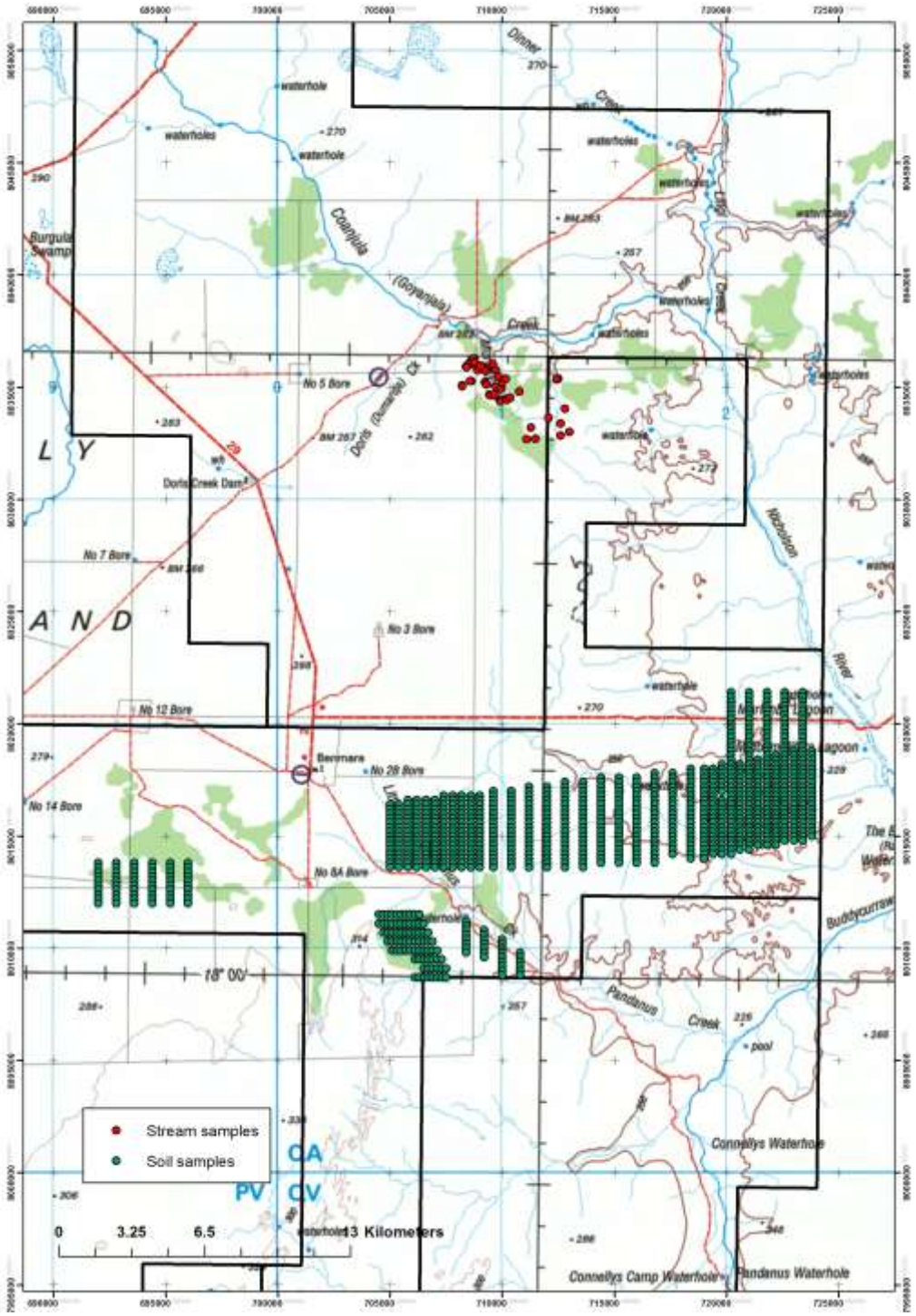

Figure 7: Sample location Plan on 250K topographic map.

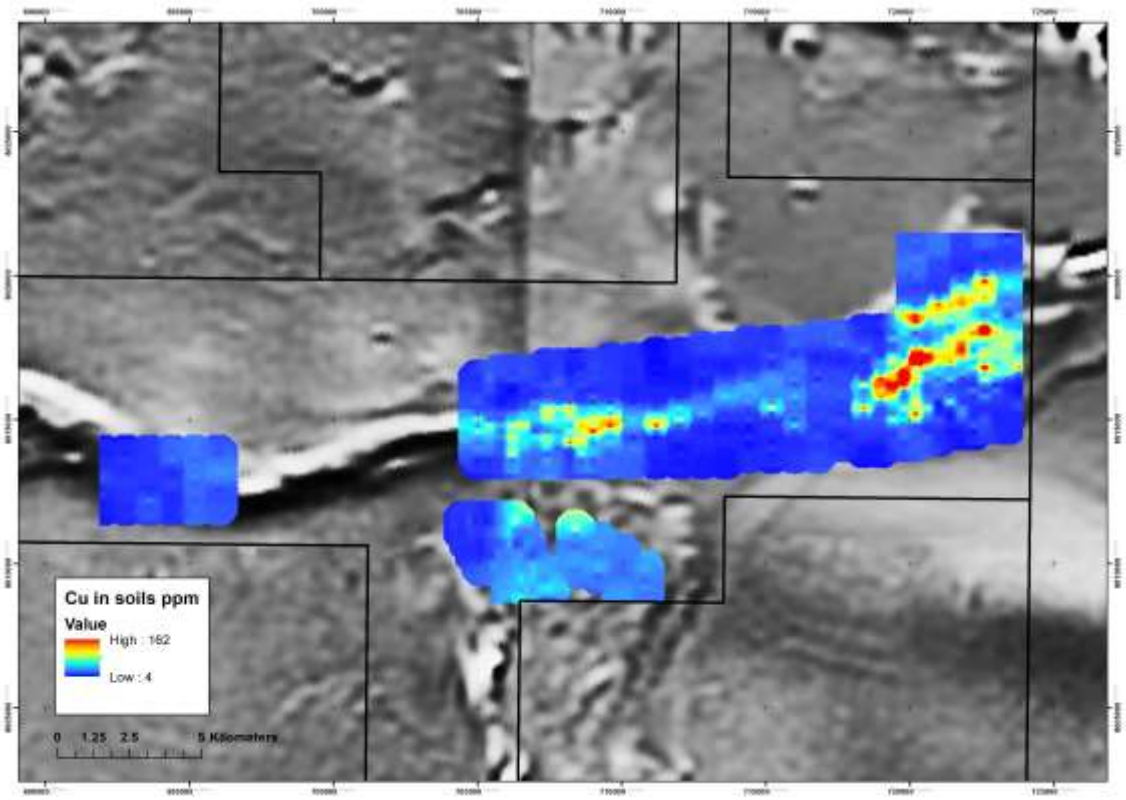

Figure 8: Copper in soils on Regional magnetics.

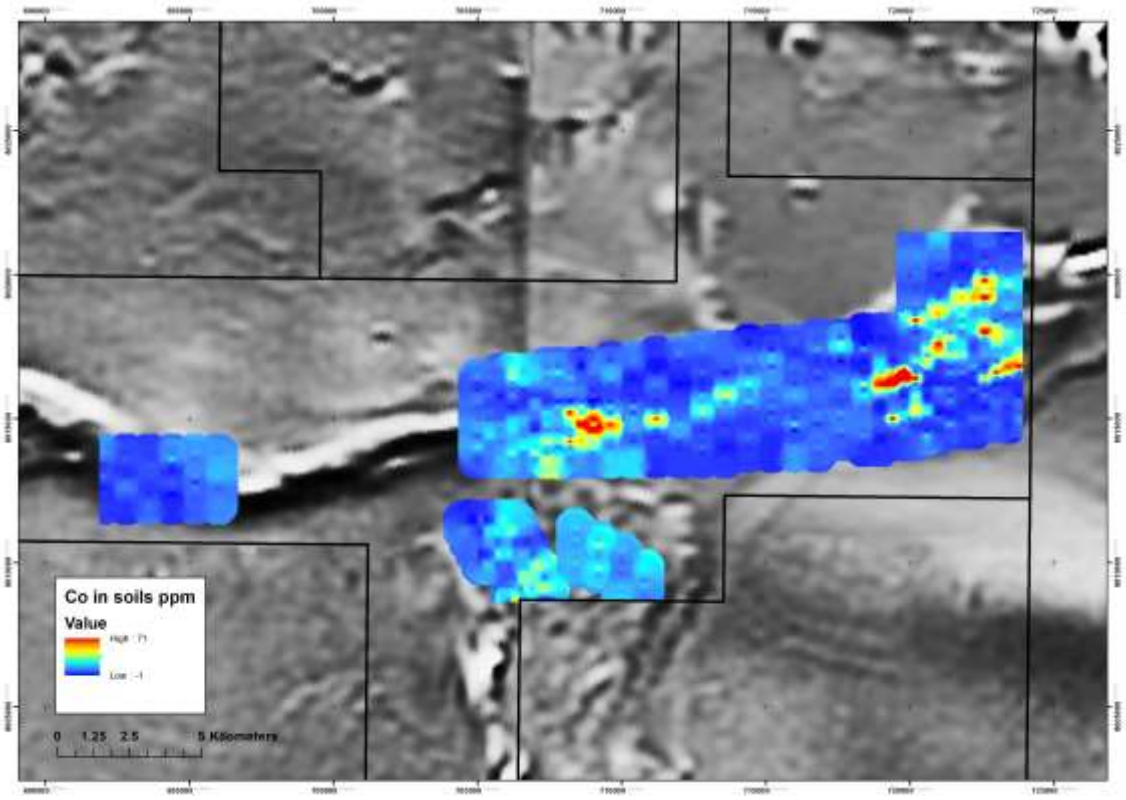

Figure 9: Cobalt in soils on Regional magnetics.

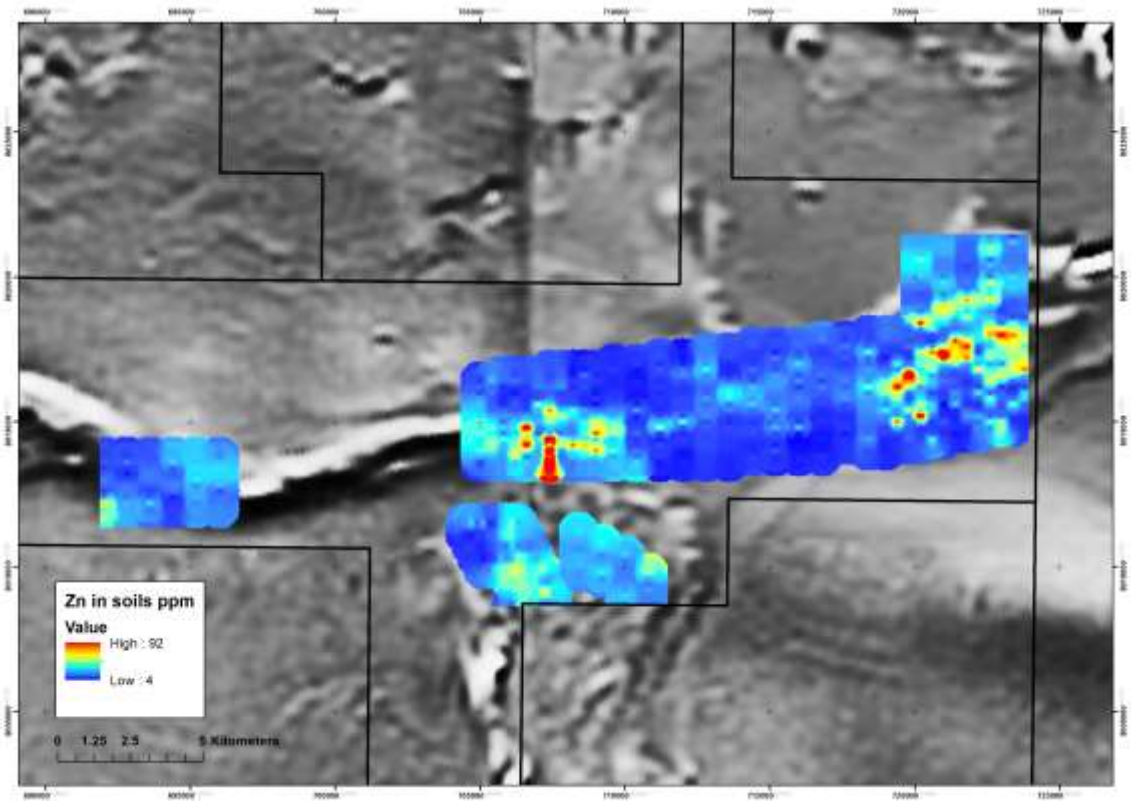

Figure 10: Zinc in soils on Regional magnetics.

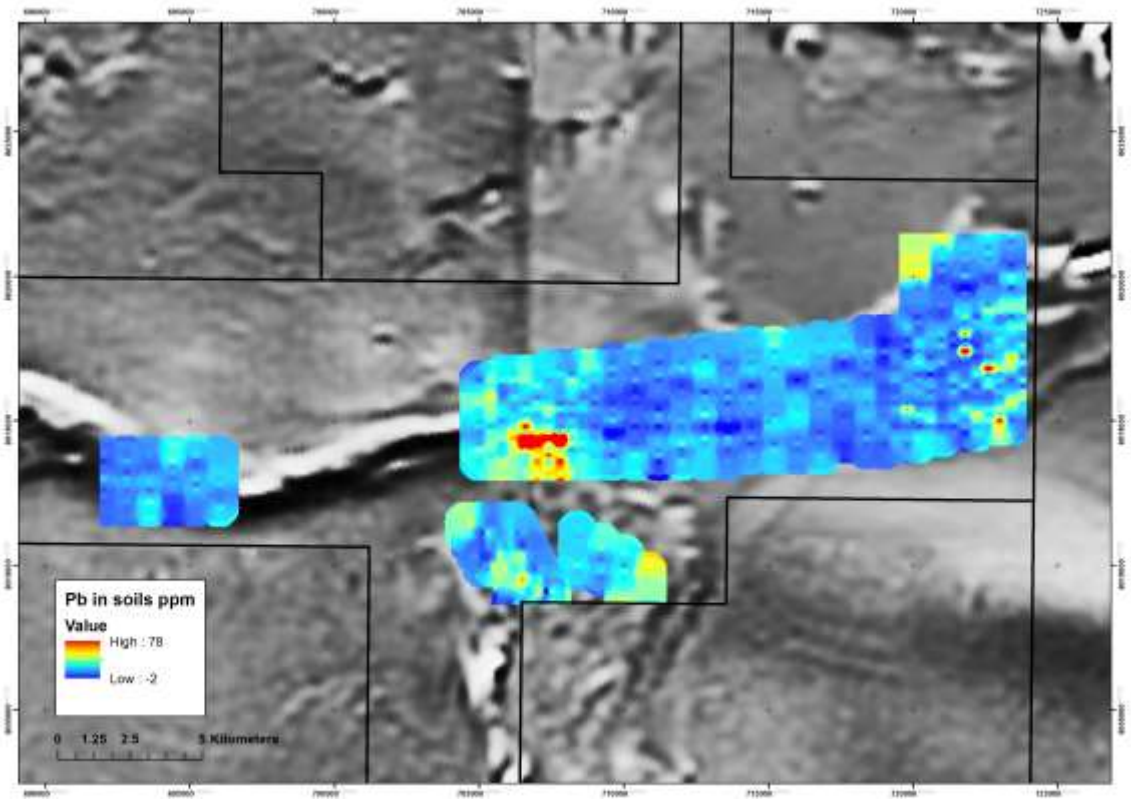

Figure 11: Lead in soils on Regional magnetics.

6.2.2 Stream Sediment Sampling

Samples sites were predetermined in the office using up to date google earth imagery with the aim to confirm base metal anomalies identified in historic stream sediment sampling. Field crews would go to the site and then select a suitable trap site for the smaple to be taken. 52 Samples were collected and sieved to -2mm (~200gm) and collected using quad bikes. Samples were then submitted for analysis at ALS laboratories in Adelaide. All samples were analysed using the ME-ICP61 (4 acid digest) and a suit of 33 elements were reported. In addition to this samples were assayed for gold using the Au-ICP21 technique. All results are contained in Appendix 1.

Of the samples collected eight were collected on EL30668 and the remaining 44 were collected on ELA31558 which is yet to be granted and not part of the reporting group. However, for ease of reporting these results are included in this report.

The results of this program confirm the base metal anomalies in the historic stream sediment results (in particular copper and cobalt) and these anomalies require further work, Figures 12 and 13.

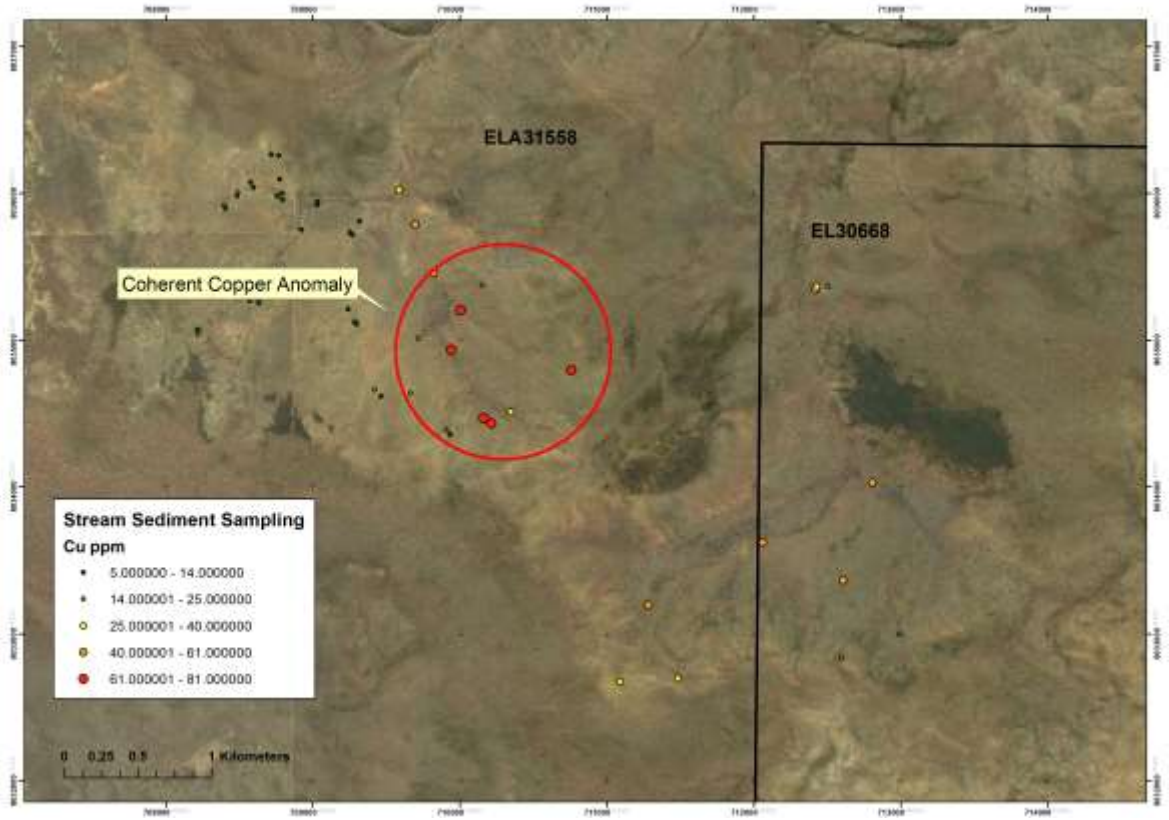

Figure 12: Copper in stream sediment samples on Airphoto Image

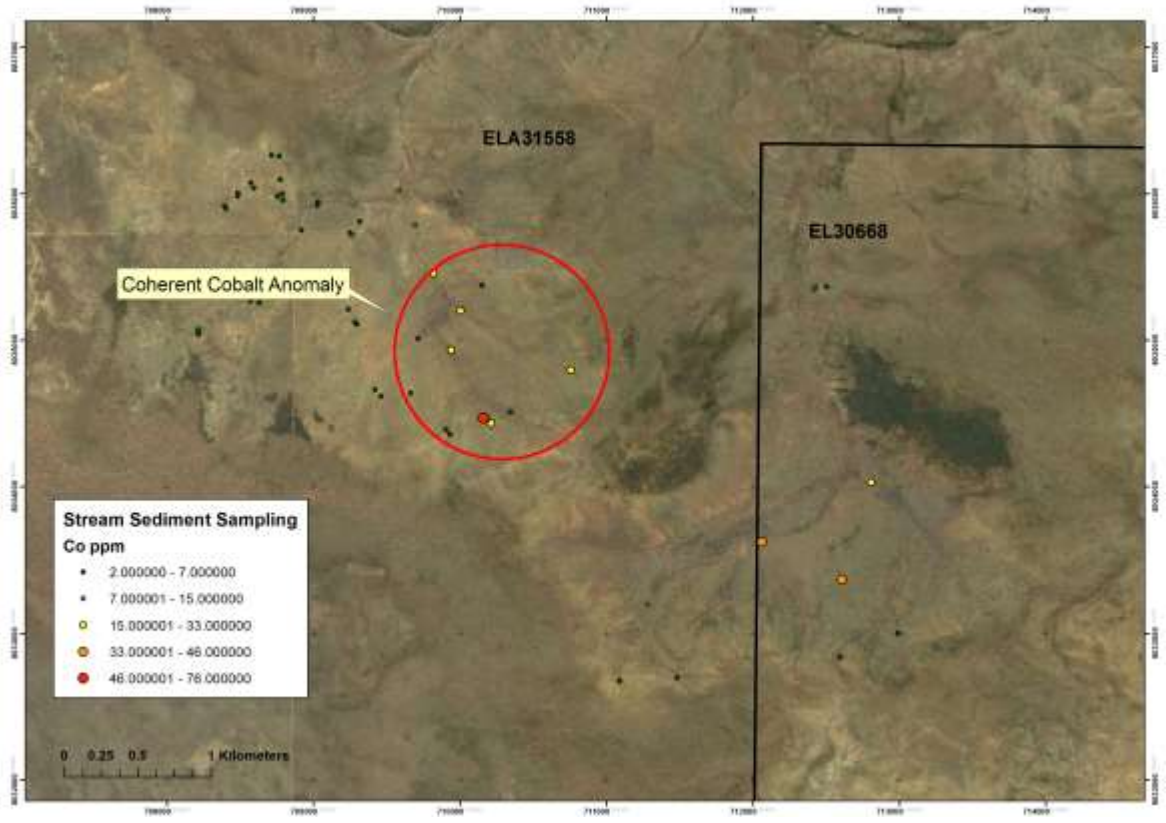

Figure 13: Cobalt in stream sediment samples on Airphoto Image

6.3 Work Completed – 2017-2019

Early in 2018 it was decided to try to get this project on market via an IPO on the ASX. Due to adverse market conditions in mid-2018, after much of the IPO documentation was completed, the decision was made to delay the IPO. As a result of this no field work was completed over the project in the 2016-2017 reporting year. Cedar will continue to work towards getting the project on market in 2021, probably via a farm in.

In October 2018, EL31287 was reduced by 50% as per the requirement at the end of Year 2 for the licence. This reduction does not impact on any of the targets identified by Cedar to date on the Project.

6.4 Work Completed – Current Reporting Year

During the reporting period, Cedar have undertaken further qualitative assessment of surface geochemical data to target new prospects. Beyond existing targets from the previous reporting period, no new targets were forthcoming, but gaps were identified for infill soil sampling in 2020. No on-ground exploration took place.

7 CONCLUSIONS AND RECOMMENDATIONS

The work completed on the project to date has identified a number of high priority base metal and gold geochemical anomalies that require ground follow-up as a priority. The next phase of work at Benmara is to field check and prospect these anomalies to determine the best next step in the exploration process. This may be infill geochemical sampling or ground EM to assist in delineating drill targets.

Cedar has over the course of the last two years attempted to list an exploration company on the ASX or NSX, in conjunction with our immediate neighbours. Unfortunately the market conditions for base metals and uranium, the two principle targets on EL31287, have extraordinarily unfavourable. Cedar considered relinquishing this EL at the end of this term, but has been in discussions with another party who was recently successful in applying for the adjacent ground, formerly held by Cedar, in a conflicted application. This party is confident that have a way forward to raise equity to take the combined tenements forward and meet subsequent expenditure commitments. There are flickers of life in the base metals sector, notably copper.