

FAR NORTHERN RESOURCES QUARTERLY JUNE REPORT 2024

Activities Report June Quarter 2024

- Far Northern Resources listed on the ASX raising \$4.165M
- FNR acquired 100% of Premier Mining and Bridge Creek Mining
- Exploration began at Bridge Creek in the NT
- Geophysical survey conducted over the Empire ML.
- Significant IP anomalies identified over Empire ML.
- Desk-top work uncovers los prospect at Bridge Creek in the NT.

During the June quarter 2024 Far Northern Resources Ltd (ASX:FNR) successfully raised \$4.16 million and was accepted to admission to the official list of the Australian Stock Exchange (ASX). Shares in FNR started trading on the 12th of April 2024. The Initial Public Offering (IPO) raised \$4,165,000 through the issue of 20,825,000 shares at an issue price of \$0.20. The total undiluted shares on issue at the date of listing was 70,961,135 with FNR having a Market Capitalisation of \$14,192,227 and an Enterprise Value (EV) of \$10,027,227.

FNR has accumulated an exciting package of tenements in the Northern Territory and Queensland that are highly prospective for gold and copper. Exploration commenced in the Northern Territory and North Queensland at the Empire project.

Exploration Activities

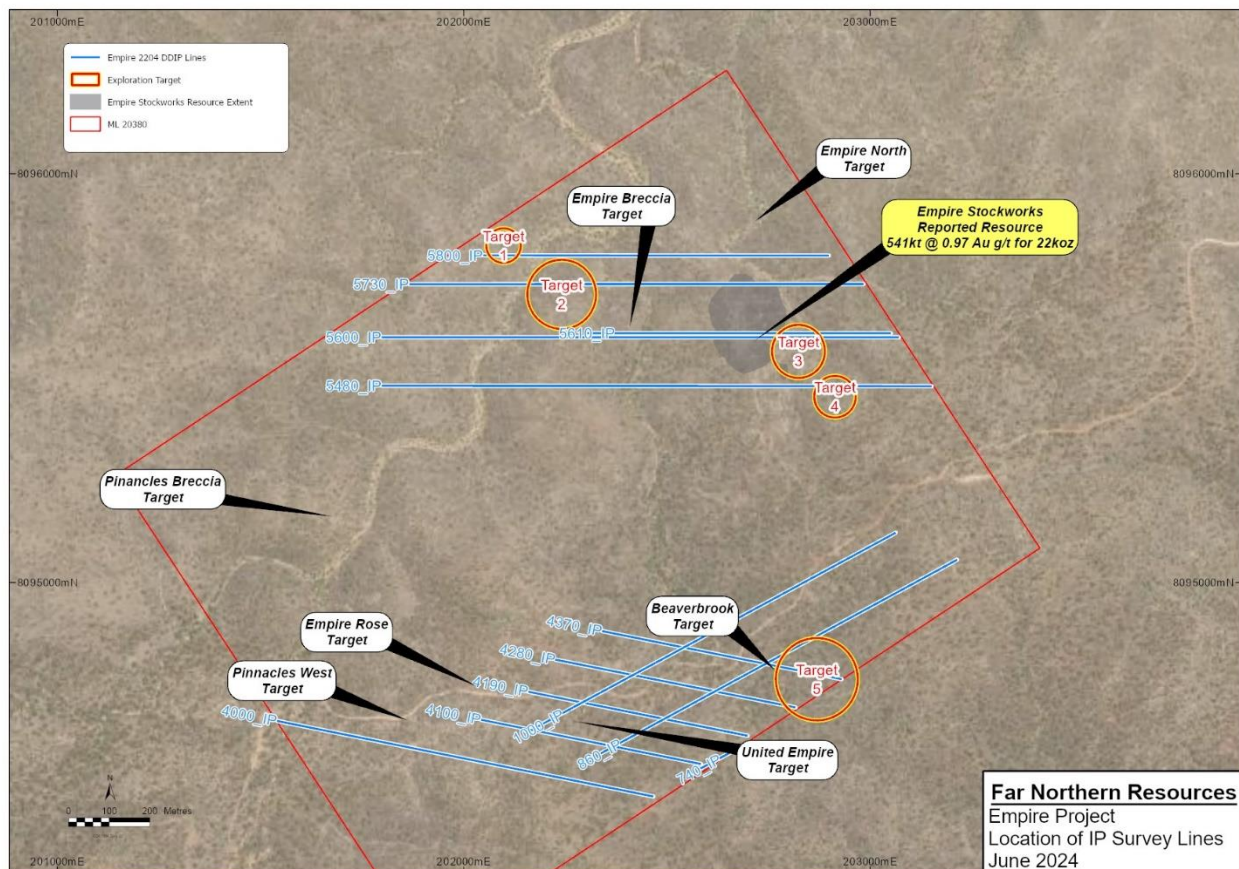
Empire Copper Gold Project

FNR completed the Pole Dipole Induced Polarisation (PDIP) geophysical survey covering the Empire Mining Lease (ML20380) in Far North Queensland.

The survey was designed to test first the extent of the porphyry discovered at depth beneath Empire North from the latest drilling by FNR. Secondly, to help delineate the area to the south over the copper gold projects that were highlighted by airborne magnetic survey and the recent

rock chips reported in April (ASX Announcement 15/04/2024). The key focus of the PDIP survey was to better define the structural controls of the Mining Lease taking into consideration the magnetic low anomalies, the two breccia pipes and the historic mine shafts and pits at Empire South. (Fig 1)

FIGURE 1: LOCATION OF IP SURVEY LINES AND TARGET AREAS. EMPIRE



Previous exploration activity at Empire including drilling and soil geochemistry prove a very strong geochemical signature in the associate elements of Au-Ag-Bi-Cu-Mo-Sb-W typical of copper-gold porphyry systems. So far drilling has focussed only on the stockworks where an open pit mineable resource has been defined.

The survey data has confirmed three new large and two smaller chargeability anomalies associated with the magnetics (Fig 2) and has allowed FNR's technical team to locate and plan new drill targets within the project area ahead of the planned drilling in July this year.

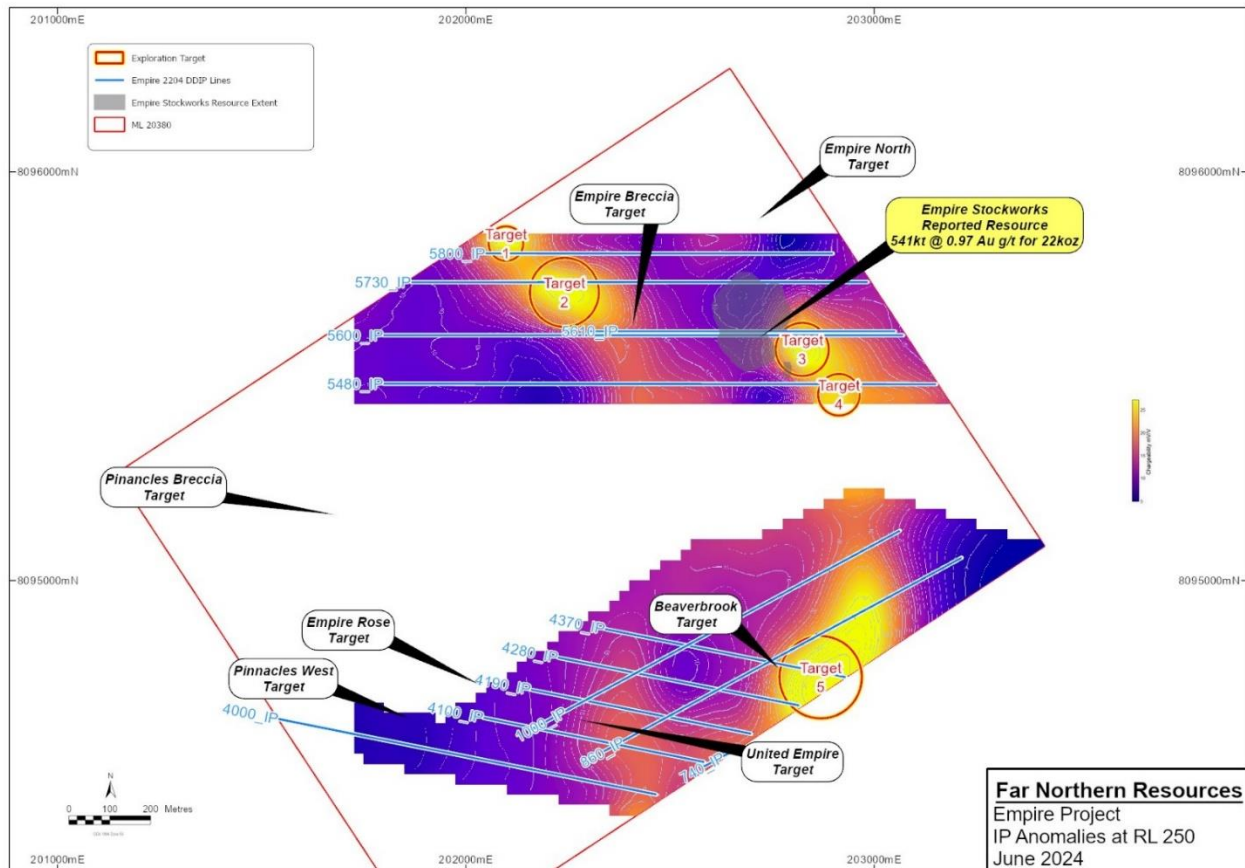


FIGURE 2: IP CHARGEABILITY ANOMALIES AT AN MRL OF 250 (SURFACE IS APPROXIMATELY ~315RL)

Total expenditure for the June 2024 quarter on the Empire copper gold project was \$148,309.

Exploration Activities

Bridge Creek

FNR's Geologist and Chief Executive Officer visited Bridge Creek in May to inspect the site and peg out the upcoming drill program.

A deep dive into historic records was also undertaken at a desk top level. A area was reviewed named **los**. los according to records was discovered and drilled by Western Mining Corporation in 1987 and later by Northern Gold in 1997.

The follow extract was taken from a report by (Glasscock, in 1997).

The los prospect area is located immediately north of the old railway line on the Howley Anticline. The mineralisation at los is contained within Zamu Dolerite, in two zones of quartz filled, sulphide rich shears or faults running parallel to the contact of the Zamu Dolerite and Gerowie Tuff. The nature of the mineralisation within the Zamu Dolerite tends to be pod-like, boudinaged and discontinuous.

The area was identified as anomalous by soil sampling and RAB drilling in 1987 by Western Mining Corporation. The anomaly was then tested by Northern Gold NL in 1994. In all 127 holes have been drilled for a total of 8,112 metres.

A 3D solid model of the Zumu Dolerite and the ore lode was created, and two zones of mineralisation were identified and modelled. A block model was created using Gemcom's PC mine software with block sizes of 2.5 meters x 2.5 meters x 2.5 meters.

A 15g/t Au top Cut was applied to all assays.

The los Prospect is estimated to contain the following mineral resources at a 0.7g/t cut-off grade.

Classification	Tonnes	g/t Au Cut (15)g/t
Measured	396,520	1.55
Indicated	223,340	1.62
Inferred	192,450	1.63
Total	812,310	1.59

The los Prospect Ore Resource Estimate, Northern Gold NL. May 1997 by Mark Glassock Report IOMA97.

There were no substantive mining production or development activities during the June 2024 quarter on the Bridge Creek tenement.

Corporate

ASX Disclosures

ASX Listing Rule 5.3.1

During the quarter, the Company spent \$148,309 on exploration activities focussed mainly on the Empire project in North Queensland, as described above. Cash outflows were made for the Rock Chip sampling activities.

ASX Listing Rule 5.3.4

Indicative use of Funds	Expenditure Since Listing Date	2 Year Use of Funds as per IPO Prospectus in relation to \$4m raised
Exploration Expenditure	148,309	2,403,851
Working Capital	22,500	548,561
Expenses of Offer	281,424	420,431
Repayment of Loan	78,965	78,965
Administration costs	190,478	956,800
Total	721,676	4,408,608

ASX Listing Rule 5.3.5

During the quarter, \$89,725 was paid as Directors Fees and Superannuation, and \$25,000 as Consulting Fees in relation to exploration activities and administration activities.

Tenement Information

Tenement	Project	Status	Holder	Ownership	Grant date	Expiry Date
ML20380	QLD	Granted	Premier Mining	FNR	10/03/2004	30/03/2025
EPM 26473	QLD	Granted	Chillagoe	FNR	02/11/2017	01/11/2027
ML 766	NT	Granted	Bridge Creek	FNR	02/12/1974	31/12/2041
ML 1060	NT	Granted	Bridge Creek	FNR	22/10/1993	31/12/2031
ML 30807	NT	Granted	Bridge Creek	FNR	10/07/2015	09/07/2025

THIS ANNOUNCEMENT HAS BEEN AUTHORISED FOR RELEASE ON THE ASX BY THE COMPANY'S BOARD OF DIRECTORS

For further information regarding Far Northern Resources Limited please visit our website at www.farnorthernresources.com

Competent Person's Statement

The information in this announcement that relates to the Empire Project, is based on information compiled by Mr Christopher Speedy who is a Member of the Australian Institute of Geoscientists. Mr Christopher Speedy is employed by Angora Resources on a full-time basis. Mr Speedy has sufficient experience which 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 Speedy consents to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

BOARD OF DIRECTORS

ROD CORPS - CHAIRMAN

CAMERON WOODROW- CEO

MATTHEW BASHFORD - CFO

Appendix 5B

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

Name of entity

FAR NORTHERN RESOURCES LTD

ABN

89 621 685 701

Quarter ended ("current quarter")

30 JUNE 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(203)	(218)
(b) development	-	-
(c) production	-	-
(d) staff costs	(90)	(215)
(e) administration and corporate costs	(215)	(439)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	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	(502)	(866)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(23)	(23)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(9)	(18)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(32)	(41)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	4,165	4,165
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	(146)	(146)
3.5 Proceeds from borrowings	27	56
3.6 Repayment of borrowings	(27)	(30)
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	4,019	4,045

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	79	426
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(502)	(866)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(32)	(41)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,019	4,045

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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,564	3,564

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	3,564	3,564
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)	3,654	3,564

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 – directors' fees and consultant costs	115
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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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)	(502)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(502)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,564
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,564
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7
<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:	
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:	

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

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:

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 July 2024.....

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.