

**Xtract Resources Plc  
("Xtract" or the "Company")**

**Geological and Geochemical Update on First Hole of Bushranger Copper-Gold Project Phase One  
Drilling Programme**

The Board of Xtract Resources Plc ("Xtract" or the "Company") is pleased to provide information on the preliminary hand-held XRF geochemical measurements undertaken on the first hole of the Racecourse Copper-Gold Deposit drilling programme at the Bushranger exploration project, located in the Lachlan Fold Belt ("LFB") of New South Wales, Australia. Drill hole BRDD-20-001 was completed at an amended total depth of 1,145.6m, with the drill hole intersecting 905m of porphyry-associated copper mineralisation based on analysis by hand-held XRF spectrometer. Drilling of the second hole (BRDD-21-002) of the Phase One drilling programme has commenced.

**Highlights**

- Hole BRDD-20-001 was drilled to investigate the potential to extend the copper-gold mineralisation at the Racecourse deposit to the northwest beyond the previous boundary of the Inferred Mineral Resource
- The drill core from BRDD-20-001 exhibits vein-hosted and disseminated chalcopyrite, pyrrhotite and pyrite mineralisation, and locally quartz-chalcopyrite-pyrrhotite veins, occurring within a volcanic rock package equivalent to that hosting Newcrest's Cadia Valley porphyry Cu-Au deposits
- Preliminary hand-held XRF measurements (to be confirmed with geochemical assays taken from half-core samples, which will also provide gold grades) indicate that copper mineralisation occurs over a downhole width of 905m from 110m downhole depth including:
  - o 40m @ 0.3% Cu from 110m using a 0.2% Cu cut-off
  - o 148m @ 0.3% Cu from 171m using a 0.2% Cu cut-off
  - § Including 30m @ 0.6% Cu from 235m using a 0.3% Cu cut-off
  - o 287m @ 0.3% Cu from 474m using a 0.2% Cu cut-off
  - § Including: 30m @ 0.4% Cu from 517m using a 0.3% Cu cut-off
  - § and: 23m @ 0.5% Cu from 628m using a 0.3% Cu cut-off
  - § and: 39m @ 0.5% Cu from 722m using a 0.3% Cu cut-off

- The copper mineralisation intersected in BRDD-20-001 extends the Racecourse deposit a horizontal distance of approximately 330m past the current limit of the Mineral Resource, more than doubling the strike length of the mineralisation
- The presence of a significant proportion of pyrrhotite associated with copper sulphides (chalcopyrite) at Racecourse suggests the deposit is a reduced copper-gold porphyry deposit - such deposits are known to have higher gold grades in comparison to copper grades
- Samples from drill hole BRDD-20-001 are currently being cut into half core and the first batch will be submitted for geochemical analysis this week
- The second drill hole (BRDD-21-002) to further test the potential northwest extension of the Racecourse Mineral Resource is currently at a depth of 138.1m in hanging-wall black shales, with minor chalcopyrite and pyrrhotite mineralisation visible well above the target zone. Planned total depth is 750m at an angle of -80 degrees

Colin Bird, Executive Chairman said: "We are very pleased with the initial outcome from the first hole of the Phase One Programme at the Racecourse Mineral Resource. Hole BRDD-20-001 has extended the copper mineralisation 330m beyond the current boundary of the Inferred Mineral Resource, which is very encouraging for our objective of significantly increasing the Racecourse Mineral Resource. The data from the handheld XRF indicates that copper mineralisation occurs over a downhole depth of 905m with copper grades ranging from 0.2 to 0.5% Cu. We will now verify the XRF results using traditional geochemical analysis, which will also give us the gold values. However, the initial indications are that the new intersection in hole BRDD-20-001 compares very favourably to recent intersections from Alkane's new Boda discovery, which also occurs within the Lachlan Fold Belt in New South Wales and is located approximately 170km NNW of our Bushranger Project. In the meantime, the second hole of the programme has commenced, and its projected depth is 750m."

Mr Doug Menzies, Consulting Geologist and local expert in porphyry copper-gold deposits within the Lachlan Fold Belt said: "The extensive chalcopyrite-pyrrhotite mineralisation, potassic hydrothermal alteration, and associated geological features such as a transgressive phreatomagmatic breccia, suggest the Racecourse Prospect hosts a large fertile porphyry-related hydrothermal system."

Please see the following web links for the Racecourse Mineral Resource drill hole location plan and long section:

### **Bushranger Project Location Plan**

[http://www.rns-pdf.londonstockexchange.com/rns/8229M\\_1-2021-1-25.pdf](http://www.rns-pdf.londonstockexchange.com/rns/8229M_1-2021-1-25.pdf)

### **Racecourse Prospect Phase 1 and Phase 2 Drill Hole Locations**

[http://www.rns-pdf.londonstockexchange.com/rns/8229M\\_2-2021-1-25.pdf](http://www.rns-pdf.londonstockexchange.com/rns/8229M_2-2021-1-25.pdf)

### **Racecourse Mineral Resource Long Section**

[http://www.rns-pdf.londonstockexchange.com/rns/8229M\\_3-2021-1-25.pdf](http://www.rns-pdf.londonstockexchange.com/rns/8229M_3-2021-1-25.pdf)

### **Phase One Drilling Programme at the Racecourse Mineral Resource - Bushranger Project**

The Phase One drilling programme at the Racecourse Mineral Resource was designed to follow up on the results obtained by Anglo American Exploration Australia Pty Ltd ("Anglo") in 2014 and 2015 (as

announced on 1 June 2020). The objective of the Phase One drilling programme is to continue to extend the highest-grade copper-gold intersections to the northwest, beyond the limits of previous drilling and to investigate the copper-gold zonation within the Racecourse Mineral Resource. The initial phase of drilling will comprise three Priority 1 drill holes for approximately 2,290m. Providing encouraging results are received from the Priority 1 drill holes, a further six Priority 2 holes will potentially be drilled for an additional 3,995m.

The Phase One drilling programme commenced on 16 December 2020 and the first drill hole of the Phase One Programme (BRDD-20-001) was completed at a total depth of 1,145.65m on 23 January 2021. Substantial copper mineralisation was first intersected in the hole at a downhole depth of 110m and copper mineralisation continued to a depth of 1,015m.

The close association of pyrrhotite with the chalcopyrite copper mineralisation, suggest the Racecourse Mineral Resource is a reduced copper-gold porphyry deposit, in contrast to the oxidised porphyry copper-gold deposits, which are more common throughout the Lachlan Fold Belt in New South Wales. Reduced copper-gold porphyry deposits are known to have a higher proportion of gold in comparison to copper.

Hand-held XRF readings of the copper mineralisation were taken on the basis of three readings per one metre interval along the entire length of drill hole BRDD-20-001. The XRF results give an indication of the grade of the copper mineralisation intersected in the drill hole. However, the XRF results will need to be confirmed with traditional geochemical assays taken from half core samples. Laboratory geochemical testing will also include gold assaying, as the gold content cannot be accurately established by the XRF instrument. Core from drill hole BRDD-20-001 is currently being split into half core samples and the first shipments of samples will be dispatched to the geochemical laboratory this week.

The preliminary hand-held XRF measurements of the copper mineralisation in drill hole BRDD-20-001 (XRF results to be confirmed with geochemical assays taken from half core samples) indicate that copper mineralisation occurs over a downhole width of 905m from 110m downhole depth including:

- o 40m @ 0.3% Cu from 110m using a 0.2% Cu cut-off
- o 148m @ 0.3% Cu from 171m using a 0.2% Cu cut-off
- § Including 30m @ 0.6% Cu from 235m using a 0.3% Cu cut-off
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- § and: 23m @ 0.5% Cu from 628m using a 0.3% Cu cut-off
- § and: 39m @ 0.5% Cu from 722m using a 0.3% Cu cut-off

The 905m intersection of copper mineralisation in drill hole BRDD-20-001 extends for 330m along strike to the northwest beyond the current limit of the Racecourse Inferred Mineral Resource, suggesting that there is potential to significantly increase the Resource.

The second drill hole (BRDD-21-002) of the Phase One drill programme to further test the potential northwest extension of the Racecourse Mineral Resource is currently at a depth of 138.1m in hanging-wall black shales, with minor chalcopyrite and pyrrhotite mineralisation visible well above the target zone. Planned total depth is 750m at an angle of -80 degrees.

Further information is available from the Company's website which details the company's project portfolio as well as a copy of this announcement: [www.xtractresources.com](http://www.xtractresources.com)

This announcement contains inside information for the purposes of Article 7 of EU Regulation No. 596/2014 on market abuse. The person who arranged for the release of this announcement on behalf of the Company was Colin Bird, Director.

### **Enquiries:**

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### **Qualified Person:**

Information in this announcement relating to the exploration works has been reviewed by Edward (Ed) Slowey, BSc, PGeo, a consultant to Xtract. Mr Slowey is a graduate geologist with more than 40 years' relevant experience in mineral exploration and mining, a founder member of the Institute of Geologists of Ireland and is a Qualified Person under the AIM rules. Mr Slowey has reviewed and approved the geological content of this announcement.

### **Qualified Person:**

In accordance with AIM Note for Mining and Oil & Gas Companies, June 2009 ("Guidance Note"), Colin Bird, CC.ENG, FIMMM, South African and UK Certified Mine Manager and Director of Xtract Resources plc, with more than 40 years' experience mainly in hard rock mining, is the qualified person as defined in the Guidance Note of the London Stock Exchange, who has reviewed the technical information contained in this press release.

### **TECHNICAL GLOSSARY**

The following is a summary of technical terms:

"alteration zone"	A zone exhibiting change in mineralogical composition of a rock commonly brought about by reactions with hydrothermal solutions
"Au"	Gold
"breccia"	Rock fragmented into angular components
"chalcopyrite"	A copper-iron sulphide mineral, CuFeS <sub>2</sub> , often found in copper ores
"Cu"	Copper
"exploration"	Method by which ore deposits are evaluated
"hanging-wall"	The mass of rock above a fault vein or bed of mineralization
"hydrothermal alteration"	Descriptive of rock alteration caused by hot magmatic emanations rich in water
"Inferred Mineral Resource"	That part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
"JORC Code"	Australasian Institute of Mining and Metallurgy Joint Ore Reserves Committee code on mineral resources and ore reserves
"mineralisation"	Process of formation and concentration of elements and their chemical compounds within a mass or body of rock
"porphyry"	A deposit of disseminated copper minerals in or around a large body of intrusive rock
"pyrite"	Iron sulphide mineral, FeS <sub>2</sub>
"pyrrhotite"	An iron sulphide mineral, Fe <sub>1-X</sub> S, often magnetic
"reduced"	Chemical reaction in which the oxidation state of a rock is decreased
"volcanic"	Descriptive of rocks originating from volcanic activity
"XRF Spectrometer"	Instrument to determine the chemistry of a sample by measuring the fluorescent (or secondary) X-ray emitted from a sample when it is excited by a primary X-ray source

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