



12 December 2023

ASX ANNOUNCEMENT

COMPANY AND PROJECTS UPDATE

Parabellum Resources Limited (ASX:PBL) (**Parabellum** or the **Company**) provides the following update in respect of its mineral exploration interests and operations.

Khotgor Rare Earths Project – Mongolia

As detailed in the Company's ASX announcement dated 31 July 2023:

- in January 2023, the Company completed its subscription for 30% of the issued share capital of Tamarise Limited (**Tamarise**); and
- in February 2023, Tamarise exercised its exclusive option (**Option**) to acquire 80% of the Khotgor Rare Earths Project in Mongolia (**Khotgor Project**) via the payment of the Option exercise price of US\$15 million (**Exercise Price**), with such payment required to be made on or before 31 July 2023 (having been extended from 22 May 2023).

The date for payment of the Exercise Price was subsequently extended to allow discussions between Tamarise and other stakeholders in the Project to be concluded and enable Tamarise to continue financing discussions with third parties in respect to the Exercise Price.

Tamarise has informed the Company that, due to the current challenging capital market conditions, it was unable to raise the requisite funds or obtain financing to fund the payment of the Exercise Price and accordingly the Option to acquire the Khotgor Project has lapsed.

The Company is not aware of any liabilities, penalties, potential liabilities or potential disputes arising out of Tamarise's non-payment of the Exercise Price (noting that the Company is not a party to the Option arrangements).

As a result of the lapsing of the Option, Tamarise, and by extension the Company, will no longer have an interest in the Khotgor Project, therefore will be ceasing all activities in respect to the Khotgor Project and the Company will write-off the carrying value of its investment in Tamarise (being A\$3.9 million).

Redlands Project and other associated projects – New South Wales, Australia

As detailed in the Company's ASX announcement dated 14 November 2023, the Company received results from its maiden drilling program at the Miandetta-Redlands Ni-Co prospect, New South Wales completed last month, including the following results from Phase 1 Air core drill testing of Miandetta-Redlands Ni-Co prospect:

- RAC013 32m @ 1.05% Ni, 0.07% Co from 2m
- RAC017 20m @ 0.82% Ni, 0.05% Co from 4m

- RAC019 8m @ 0.86% Ni, 0.05% Co from 6m

Having regard to the Phase 1 drilling results, the Company intends to continue exploration and development of its Miandetta-Redlands prospect along with its other New South Wales-based assets (together, the **NSW Projects**), the Recovery and Lunns Dam Project.

The Company intends to progress Phase 2 drilling activities in Quarter 1 2024 pursuant to a detailed twelve-month work program and budget of approximately \$635,000 for the Miandetta-Redlands prospect, which includes the following activities (subject to assessment of staged exploration results):

- planned drilling activities to further re-evaluate high Ni/Co values (approximately \$300,000);
- preliminary laboratory metallurgical testwork on drill samples (approximately \$80,000);
- preliminary modelling of Ni/Co assay data (approximately \$30,000); and
- consultants and overheads (approximately \$225,000).

Additional Matters

Parabellum will prioritise exploration opportunities at its NSW Projects, and after concluding its indirect interest in the Khotgor Project, the Company aims to evaluate new corporate and asset acquisition opportunities in the resource sector that align with its current mineral exploration projects. These new potential corporate and asset acquisition opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. As at the date of this announcement, the Company has not identified any such opportunities.

This announcement has been approved for release by the Board.

ENDS.

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ABOUT PARABELLUM RESOURCES LIMITED (PBL)

PBL is an ASX listed mineral exploration company committed to increasing shareholder wealth through the acquisition, exploration, and development of mineral resource projects. PBL holds 100% interest in 4 projects situated in a highly prospective region in New South Wales, Australia. PBL's existing project portfolio offers exposure to nickel, cobalt, copper and gold.



COMPETENT PERSONS STATEMENT

The exploration results reported in this announcement have been previously prepared and disclosed by the Company in accordance with the JORC Code on 14 November 2023 in the announcement titled "Significant Near Surface Nickel-Cobalt Mineralisation Intersected at Redlands Project", for which the consent of the Competent Person, Mark Arundell, was obtained. The Company confirms that it is not aware of any new information or data that materially affects the information included in, and the form and context in which the Competent Persons' findings are presented have not been materially modified from, the original market release.

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