

22 December 2022

ASX ANNOUNCEMENT

AustChina Holdings Limited 2023 Exploration Activities

The Blackall Coal project currently contains 1.3 billion tonnes JORC coal resource made up of 30 million tonnes in Indicated coal resource and the remainder Inferred coal resource (ASX : 16 June 2020 “Updated Coal Resource Statement for Blackall Project”).

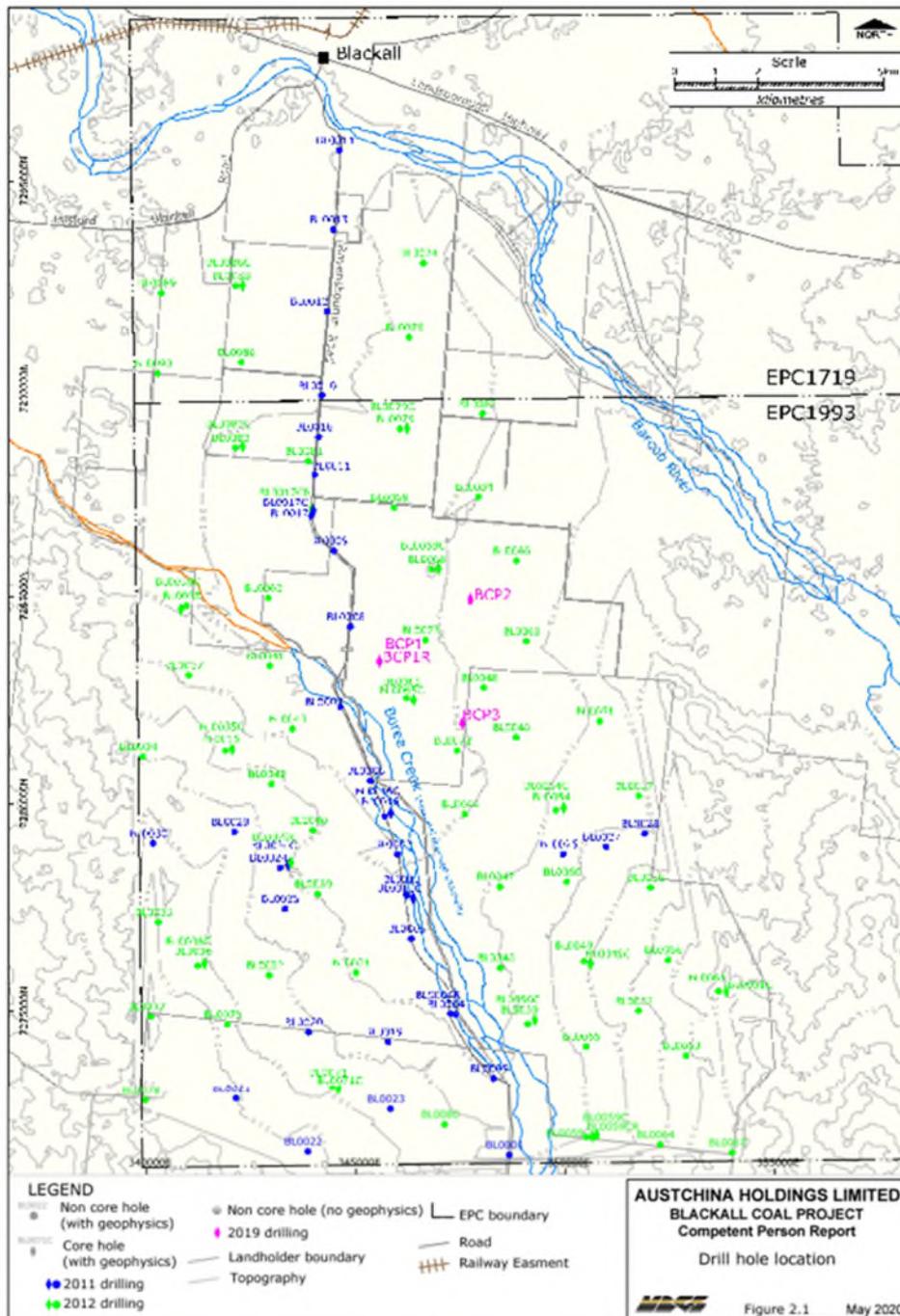


Figure 1 shows the current drill hole locations for the project.

EPCs 1719 and 1993 fall within a DoR Approved Project area. This means that the exploration outcomes for the project must meet the intent of the combined outcomes of the agreed Work Programmes for the EPCs.

AustChina is pleased to outline its exploration programme for 2023 for its Blackall Coal Project (EPCs 1719 and 1993) in Queensland. The programme aligns with the outcomes in the 5-year work programmes for the EPCs agreed with the Queensland Department of Resources (DoR) for the current tenure periods.

The review of the geological database is in preparation for a mining scoping study which will evaluate conceptual mining methods for the deposit to identify and optimise mining operation options for the project. Options range between bulk coal seam mining (requiring a higher level of subsequent coal preparation capital and operating costs) to selective seam mining (requiring lower subsequent coal preparation capital and operating costs but necessitating higher mining costs). The mining conceptual study will also consider potential mine output levels to reflect product utilisation options AUH is considering.

Resource upgrade planning will incorporate the results of the mining scoping study which will assist in designing a drilling programme in Q3 2023 to upgrade the current JORC resource data for the project.

The programme will provide infill drilling within the existing drilling grid over an area to be identified during the mining scoping study. Drilling will include coring of target seam horizons, and geophysical logging to ensure conformity with recommendations for compliance with the JORC code.

Laboratory analysis is planned to continue to year's end ahead of a JORC resource upgrade anticipated in Q1 2024.

AustChina Holdings Limited - Blackall Coal Project Exploration Activities 2023												
	2023											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review of geological database												
Mining scoping study												
Resource upgrade planning												
Drilling programme on site												
Coal quality testing												

At the appropriate times, tenders will be sought for the respective components of the 2023 exploration programme.

Yours faithfully

Daniel Chan - Chairman

Authorised for release by Chairman of the Board

Further information:

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