

29 April 2024

## ASX ANNOUNCEMENT

# Permits Granted with Diamond Drilling to Commence at Chenene Lithium Project, Tanzania

## HIGHLIGHTS

- Permit granted and maiden drill program to commence to test multiple high-priority lithium targets.
- Drilling contractor engaged with the drill rig set to mobilise to site within the next 7 to 10 days.
- Final stages of negotiating an agreement with a reputable geological company in South Africa to oversee the onsite drilling program.
- Four prime exploration targets have been identified, with pegmatite rock chips assayed upto 1.08% Li<sub>2</sub>O in Target 1<sup>1</sup>.
- 1 • Drilling will be for an initial 8 holes, with potential to expand the program based on drill core visuals and assay results.
- Drill results expected before the conclusion of the initial 60-day due diligence period, following Cassius Mining receiving all necessary governmental and regulatory approvals to permit drilling.
- AustChina entered an Exclusive Binding Heads of Agreement to undertake due diligence to ascertain if they wish to move forward and acquire the 4 licences from Cassius Mining.

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**Chief Executive Officer, Andrew Fogg, commented:** “We are very pleased that Cassius Mining has received the government and regulatory approvals to permit drilling and with a drill contractor now engaged, we expect the rig to be mobilized to site within the week. With four defined targets with rock chip samples up to 1.08% Li<sub>2</sub>O, we look forward to putting holes in the ground with the aim of providing further confirmation of lithium mineralisation.”

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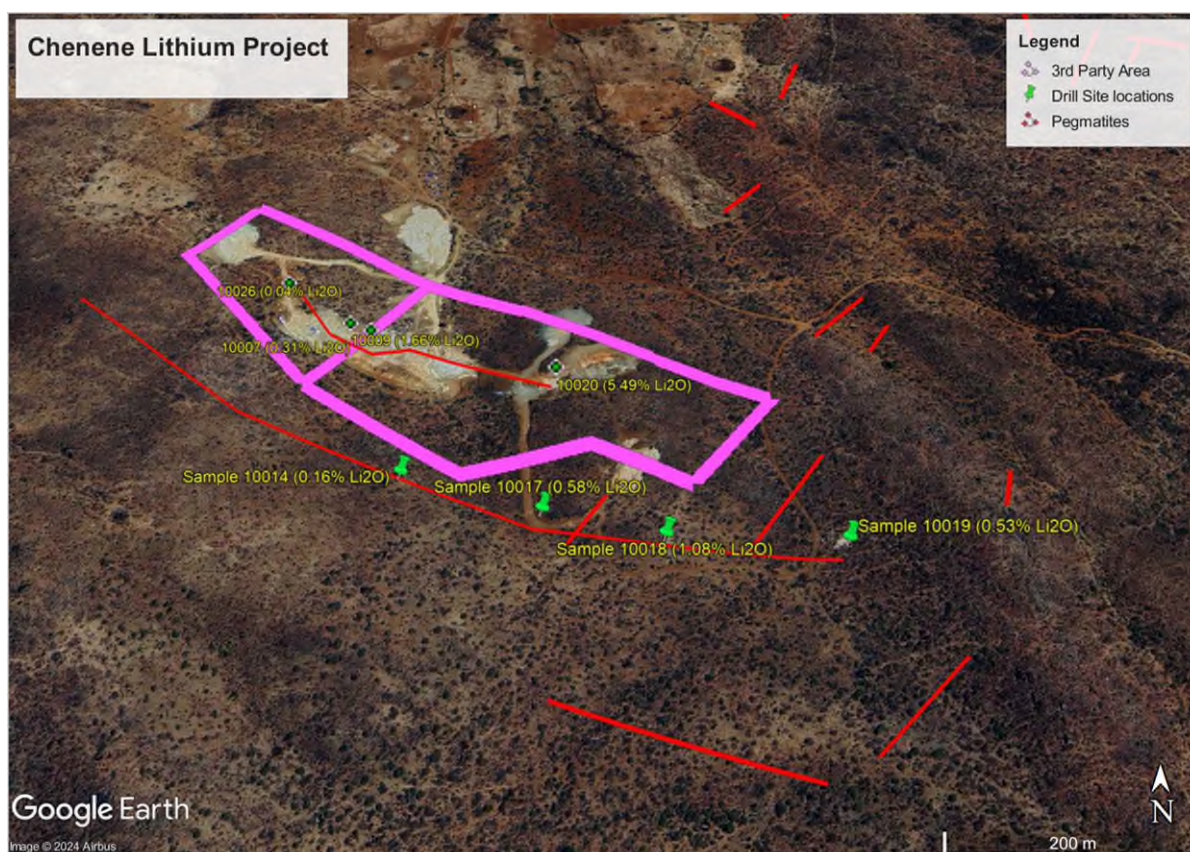
## OVERVIEW

AustChina Holdings Limited (**ASX:AUH**) (“AUH”, the “Company” or “AustChina”) is pleased to announce the imminent commencement of drilling to test multiple high-priority lithium targets at the Chenene Lithium Project in Tanzania, following Casius Mining receiving all necessary governmental and regulatory approvals to permit drilling.

The Company has engaged a drilling contractor with the drill rig set to mobilise to site within the next 7 – 10 days. Recognising the importance of local expertise, AustChina is in the final stages of negotiating an agreement with a reputable geological company in South Africa to oversee the onsite drilling program.

The drilling program will be for an initial 8 holes targeting four prime exploration targets which have identified, with pegmatite rock chips assayed upto 1.08%  $\text{Li}_2\text{O}$  in Target 1<sup>1</sup>. Based on visuals of the core and assay results, there is the opportunity to expand the program by continuing holes to a greater depth and also to increase the total number of holes to be drilled.

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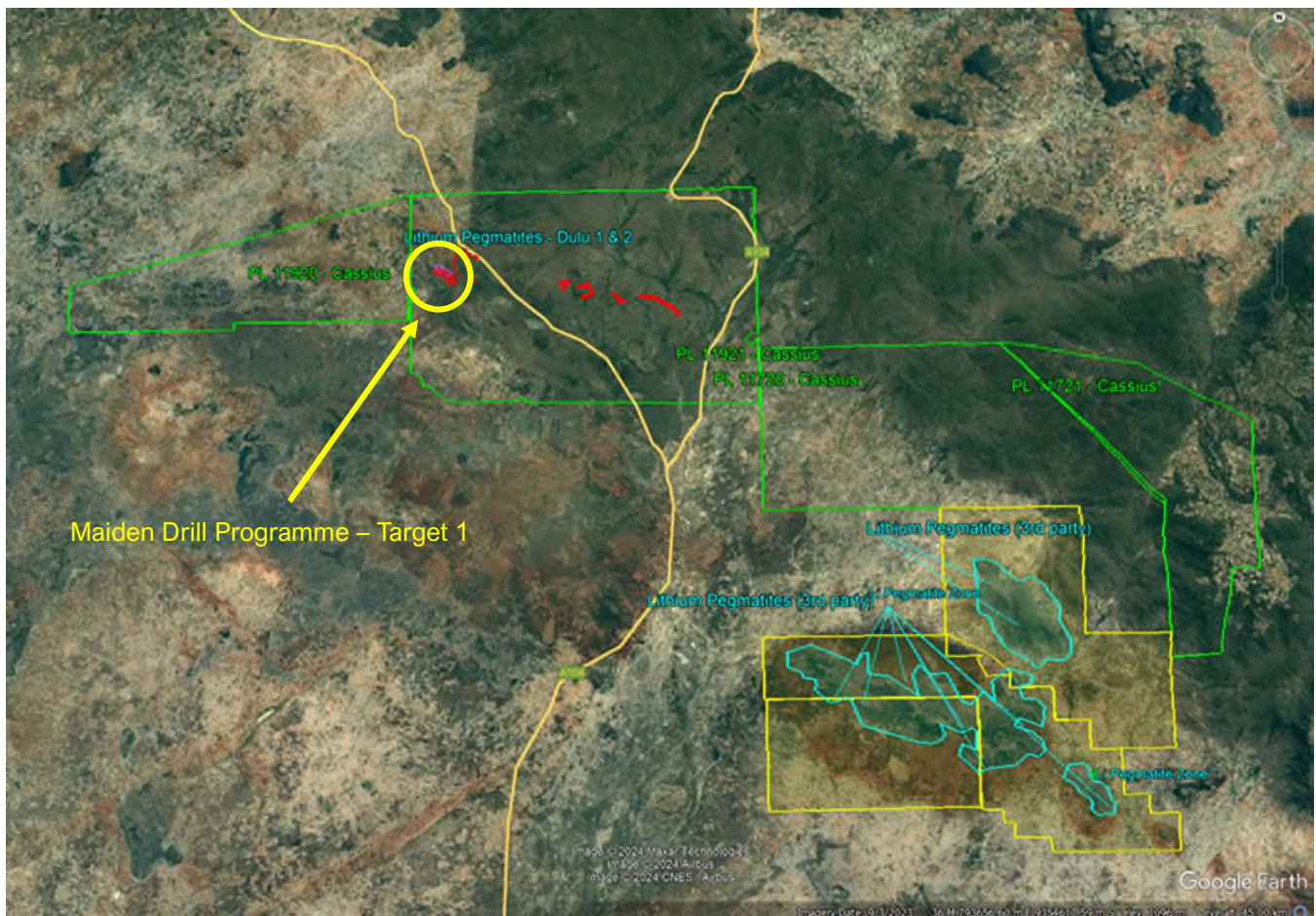
**Figure 1: The initial four targets to be drilled with pegmatite rock chip assays up to 1.08%  $\text{Li}_2\text{O}$  <sup>1</sup>.**

As per Figure 1 above, the green pins and lithium grades represent the Company’s drill targets, whereas the grades within the pink boundary represent results from the adjacent property, PL11921 which fully encloses a 0.14 km<sup>2</sup> third party Mining Licence.

Cassius conducted approved sampling within this third-party tenement with rocks chip assayed upto **5.49% Li<sub>2</sub>O with 7,624 ppm Caesium and 4,870 ppm Tantalum**<sup>1</sup> in a pegmatite exposure parallel with a similar outcrop in PL11921. The exposure in the mining licence has strong potential to extend ~150m along strike in both directions, as well as ~100m down dip into the Company’s license.<sup>1</sup>

The 300 sq kilometres of the 4 contiguous licenses is outlined in green in Figure 2 below. Adjoining the licenses to the southeast are 3 independently held lithium focused licenses.

3



**Figure 2: Overview of licenses showing initial drill programme target zone**

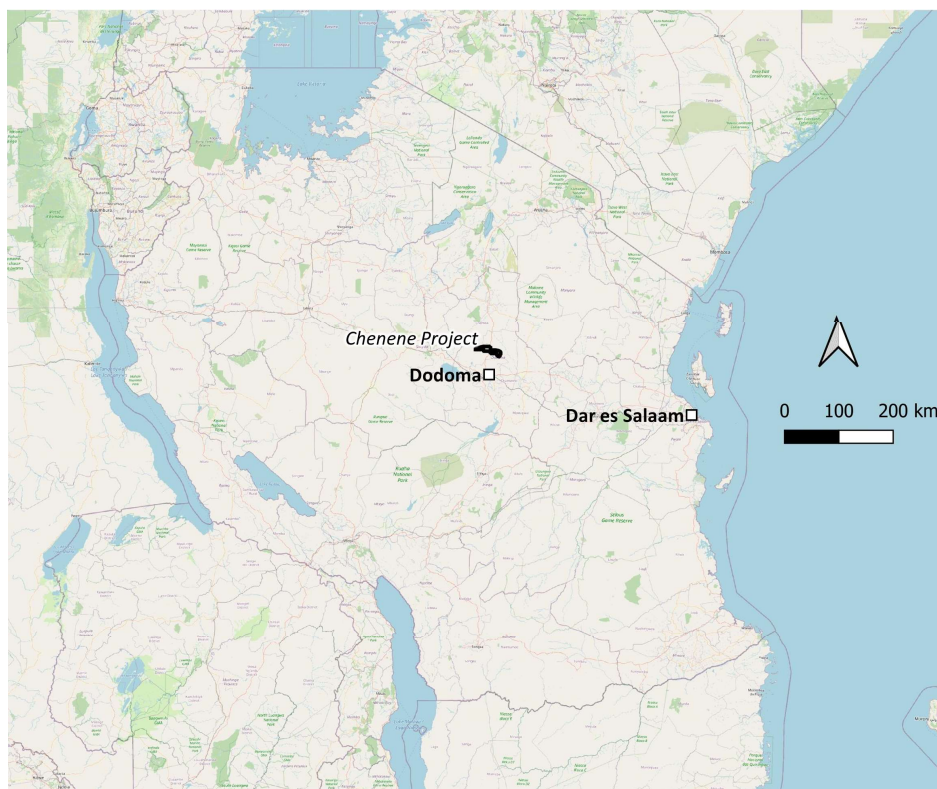
The Company expects drill results to be concluded within the initial 60-day due diligence period following Cassius Mining receiving all necessary governmental and regulatory approvals to permit drilling. The company can, at its option, extend the due diligence period should further works be required.

<sup>1</sup> ASX:CMD Release 16 Feb 2023 – “Chenene Lithium Project – Rock Sample Assays to 1.08% Li<sub>2</sub>O”  
This release includes Competent Persons Statement.

As announced on 7 March 2024, the Company entered a Binding Heads of Agreement with Cassius Mining Limited (**ASX:CMD**) (**Cassius**) and its wholly owned subsidiary Cassius Mining (T) Limited (**CMT**) pursuant to which it has been granted an exclusive and binding option to acquire (**Option**) 100% of the issued capital in CMT, the holder of four prospecting licences which comprise the Chenene Lithium Project.

Based on the results from the maiden drill program, the Company can elect to proceed with the acquisition of the tenements, which would require indicative grades of approximately 1% Li<sub>2</sub>O over a 10-metre intercept.

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**Figure 3: The Location of the Chenene Project  
(40 klms north of Dodoma, capital of Tanzania)**

## Geology

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The main features are the NW-trending Chenene Hills of sheared granite within rolling plains formed mainly of eroded granitic soils. A belt of metamorphosed amphibolite schists and amphibolite gneiss rocks outcrops along the margins of the sheared granites within the Licences, exposed intermittently above granitic soil plains.

**This announcement has been approved for release by the Chairman of the Board**

### For further information

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