30 October 2024

# UPDATE TO ASX ANNOUNCEMENT

Felix Gold Limited (ASX: FXG) (Felix or the Company) refers to its announcement of 23 October titled 'High Grade Antimony Near-Term Production Target Progressed'.

Felix has attached an updated announcement which provides additional disclosures on page 1 (visual estimates) and in relation to the JORC resources outlined in Table 1 on page 4.

***This ASX release was approved for release by the Company Secretary.***

For further information, please contact:
Craig McPherson, Company Secretary
+61 416 010 684 or cosec@felixgold.com.au

# ASX Announcement

30th Oct 2024

# High Grade Antimony Near-Term Production Target Progressed

**Felix Gold Limited (ASX:FXG)** is pleased to announce significant progress toward our goal of commencing antimony production at the historic Scrafford Antimony Mine by the end of 2025. This mine has a rich history of supplying the U.S. with high-grade antimony. Recent milestones include the collection of metallurgical samples, the initiation of metallurgical studies to inform upcoming engineering designs, the commencement of permitting processes with hydrology studies, and the identification of stibnite at surface through trenching, alongside comprehensive sampling and mapping.

## Key Updates:

- **Antimony Mineralization Observed at Historic Scrafford Mine:**
  - Trenching program has exposed mineralization at surface.
  - Historical production grades reached up to **58% Sb**, with total recorded production of 1.079Mkg @ 38.58% Sb.
- **NW Array Prospect Investigation Continues:**
  - Trenching has exposed antimony mineralization on surface in areas where this mineralization had previously been intercepted in shallow drilling (**Fig. 1**)
  - Work ongoing to understand how surface expressions relate to these previous drill intersections, which included:
    - **15.2m @ 5.5% Sb** from 21.3m including **6.1m @ 13% Sb** (23TCRC155)
    - **1.5m @ 26.1% Sb** from 38.1m (23TCRC135)



**Fig. 1:** Stibnite uncovered in trenching at NW Array*

| Sample | East mE | North mN | RL m | Grid | Estimated Stibnite % | Description |
|---|---|---|---|---|---|---|
| NW Array | 461742 | 7208962 | 462 | NAD83 6N | > 10% | Massive stibnite pod within silicified porphyry. Approximately 1m wide and thickness unknown. |

*The photograph in **Fig. 1** shows material uncovered during trenching operations at NW Array. Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. The nature, grade, and economic viability of any mineralization can only be determined through detailed laboratory analysis. Assay results from the trenching program are pending, and the Company will provide updates to the market once these results have been received and interpreted.

- **Metallurgical Sampling Completed**: Samples collected from both Scrafford and NW Array for initial metallurgical studies to inform future exploration and development strategies.
- **Detailed Mapping and Sampling:** Extensive geological mapping and sampling conducted to enhance understanding of mineralization characteristics and structural controls across the 8km Scrafford Shear structural corridor and the 300m+ long Sb trend at NW Array. Assay results are expected in 6-7 weeks.
- **Hydrology Studies Initiated:** Commissioned and commenced hydrology studies at Treasure Creek to support the pending permitting process for potential future development.

**Felix Gold's Executive Director, Joe Webb, commented:**

*"In addition to ongoing work to commercialise our 831koz Inferred gold resources**, our recent focus is advancing the near-term production potential of antimony at Treasure Creek, Alaska, which boast two historic antimony mines that have historically supplied high grade antimony multiple times to the US market. The recent trenching program provided valuable geological data and collected samples for metallurgical studies and assays. These studies are critical, as they directly inform the design of the processing facility, ensuring it is optimized for our unique needs. We're fortunate to build on historical resources and proven flow sheets from the Scrafford Antimony Mine, but with Felix Gold's high-grade antimony discovery at NW Array, additional metallurgical work is required to confirm the suitability of these historical flow sheets for this newly identified mineralized zone. The commencement of hydrology studies is a crucial step in initiating our permitting process. These studies mark an important milestone, as they underpin our aggressive goal to start antimony production at Treasure Creek by the end of 2025."*

## Our Next Steps Include:

1. Complete analysis of trenching samples and report assay results
2. Advance metallurgical studies on recently collected samples
3. Commence engineering scoping studies
4. Progress hydrology studies and initiate other environmental baseline studies as required for permitting
5. Continue to progress the potential for near-term antimony production

**Cautionary Statement:**

Historical exploration in this announcement referencing Siak Tan, L. J. Manning 1973 and viz Tan 1973, and Berger 1993, are reported for informational purposes only and do not comply with the current JORC Code 2012. These results have not been independently verified by Felix Gold and should not be relied upon as an accurate representation of the mineralization potential. The Company intends to conduct its own exploration and metallurgical testwork programs to verify and potentially extend these historical results.

## Strategy to Assess Near-Term Production

Exceptional high-grade antimony assay results at Treasure Creek across multiple prospects complement our credential of having one of Alaska's largest past production antimony mines. Work is ongoing to assess the viability of near-term, stand-alone, high-grade and low-capex antimony production. Unlike lower-grade antimony often associated with larger gold systems, the high-grade antimony at Treasure Creek—exemplified by the Scrafford Antimony Mine, with historical production grades up to 58% Sb—presents a unique opportunity for near-term production.

The historical use of simple gravity separation at the Scrafford Mine aligns well with our goal of low-capex production. Our upcoming metallurgical test work will build upon this historical knowledge, aiming to design a modern, cost-effective processing solution that maintains the simplicity and efficiency demonstrated in past operations. This approach could significantly reduce technical risks and capital expenditure associated with more complex processing techniques.

Felix Gold is set to announce several initiatives aimed at achieving near-term production. The strategic location of our antimony assets in the U.S., combined with the metal's critical importance to national security, opens up multiple opportunities for government funding and support to advance the production potential of our Treasure Creek assets.

## Treasure Creek Antimony History and Potential

Treasure Creek hosts a large-scale gold-antimony system with high-grade antimony mineralization identified in multiple locations, including:

- The historic Scrafford Antimony Mine and Goodwin Antimony Mine
- The 8 km Scrafford Shear structural corridor including East Scrafford
- Eastgate, Redline and Redline West Prospects
- Vein 2, Vein 4, and NW Array

This widespread mineralization highlights the extensive potential for multiple high-grade feeder zones to support near-term high-grade production initiatives.

### Historical Significance and Geological Features

The Treasure Creek Project, located approximately 20 minutes from Fairbanks, Alaska, encompasses the historic Scrafford Antimony Mine. Operating intermittently from 1915 to 1977, the Scrafford Antimony Mine achieved remarkably high antimony production grades ranging from 38% to 58% Sb, (total production from available records 1.079Mkg @ 38.58%) establishing itself as the second-largest antimony producer in Alaska and the largest in Fairbanks.

Historically, the Scrafford Mine employed a simple and effective gravity separation circuit for processing antimony ore. This straightforward method was successful even with older tailings, demonstrating the amenability of the ore to cost-effective processing techniques. The historical success of this simple method suggests potential for implementing a relatively uncomplicated and economical processing plant for future operations.

The Scrafford deposit is situated along a prominent fault zone extending over more than 8km and varying in thickness from 5.5 to 32 meters and dips 55° to 60° south. The deposit's hanging wall comprises unaltered grey quartz muscovite biotite schist, while the footwall is highly oxidized, sheared, and argillic-altered.

Siak Tan and L. J. Manning believed that the antimony deposits that they worked on at the Scrafford mine area are similar to deposits in the Hsikwanshan district in mainland China, which was, at one time, one of the largest producers of antimony in the world (Tan, 1973). Both the Scrafford system and Hsikwanshan deposits are localized in vein-faults cutting siliceous schist and quartzite near the crest of an anticline. Ore reserves at the main Hsikwanshan deposit contained, in the early 1970s, about 1.0 million tons of antimony metal in ore averaging 6.0% antimony.

## Mineralization and Deposit Type

Mineralization at the Scrafford Antimony Mine consists of massive stibnite lenses near the hanging wall and stockwork-style quartz veinlets accompanied by disseminated arsenopyrite and stibnite in the footwall. Total production from available records of 1.079Mkg @ 38.58% Sb.

The nature of the mineralization at Scrafford, characterized by massive stibnite lenses and stockwork-style quartz veinlets, potentially lends itself to simple processing methods. This is consistent with the historical success of gravity separation techniques used at the mine, suggesting that future operations could benefit from similarly straightforward and cost-effective processing solutions.

The gold-stibnite-quartz veins that occur in the Scrafford antimony-gold deposit, strongly resemble the gold antimony deposit type (U.S. Geological Survey deposit model 36C) described by Berger (1993). These deposits are characterized by the presence of stibnite, berthierite, high fineness gold, and aurostibite hosted in metamorphosed, quartz-carbonate-bearing, compressive shear zones within low-grade, greenschist facies metamorphic rocks.

| Deposit | Criteria | Tonnes | g/t Au | Ounces |
|---|---|---|---|---|
| **Grant Mine** | **Open Pit**<br>< 125m & > 0.3 g/t Au | 5,124,800 | 1.38 | 227,900 |
| | **Underground**<br>>125m & > 2.0 g/t Au | 682,300 | 6.2 | 136,100 |
| **NW Array** | **Open Pit**<br>< 125m & > 0.25 g/t Au | 25,000,000 | 0.58 | 467,000 |
| **Total Inferred** | | **30,800,000** | **0.84** | **831,000**** |

**Table 1:** Felix Gold Ltd Fairbanks Gold District Inferred Mineral Resources (JORC 2012)
Refer ASX Announcement 20 June 2024**

**FXG confirms it is not aware of any new information or data that materially affects the information in the 20 June 2024 ASX Announcement and also confirms that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

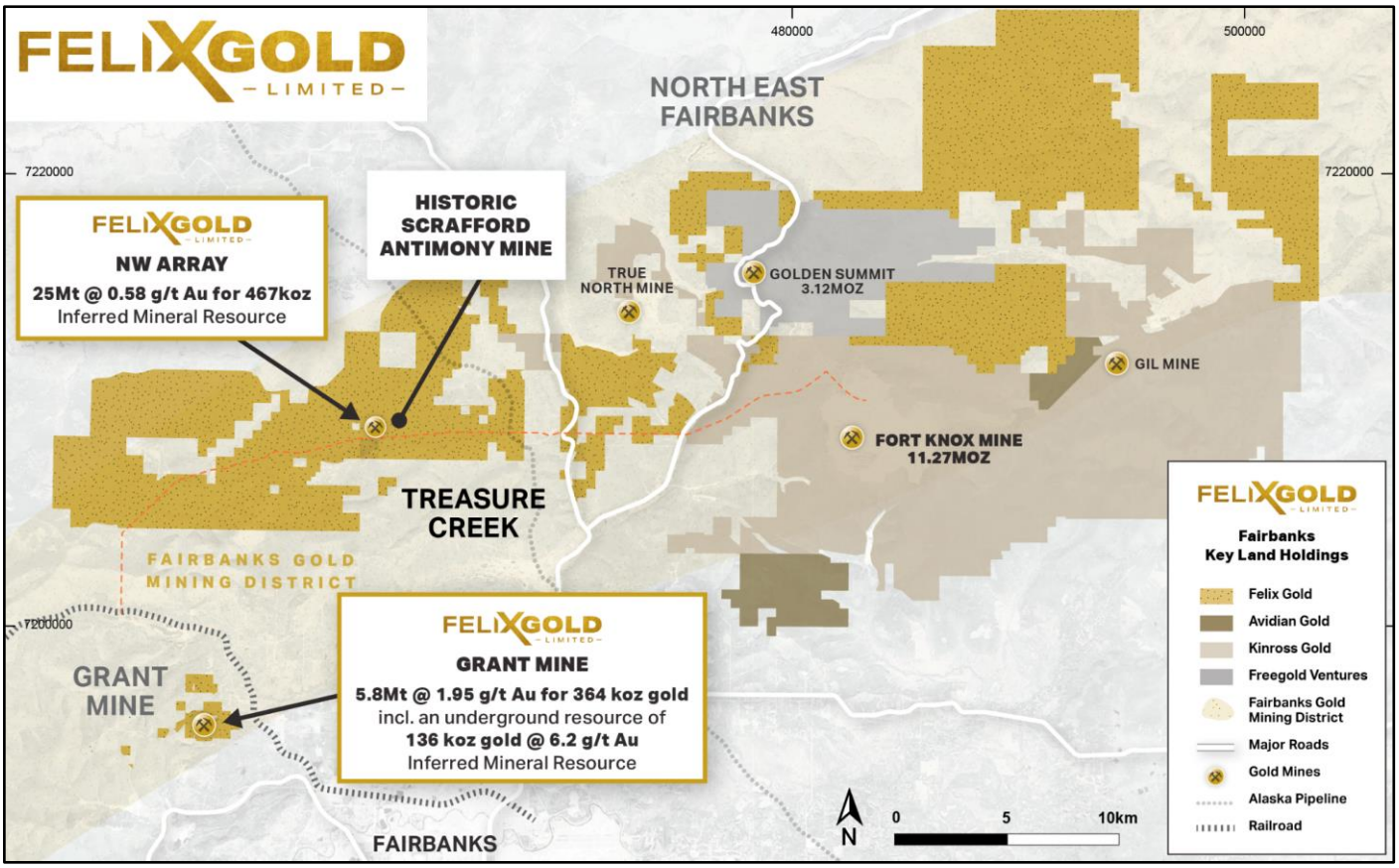


**Fig. 2** Scrafford Antimony Mine within Treasure Creek

**Key historical antimony average production grades from the Scrafford Mine include*:**

- 1915-1918 and 1926-1927: **58% Sb**
- 1933-1934: **56% Sb**
- 1970: **58% Sb**
- 1971: **14% Sb**
- 1977: **45% Sb**

*Note: Total production from available records 1.079Mkg @ 38.58%

**Antimony assay results from re-assaying of 2022 and 2023 drilling for antimony include:**

- 22TCRC071: **3.0m @ 14.24% Sb** from 7.62m
- 23TCRC155: **15.2m @ 5.5% Sb** from 21.3m including **6.1m @ 13% Sb**
- 23TCRC135: **1.5m @ 26.1% Sb** from 38.1m
- 23TCRC176: **6.1m @ 7.7% Sb** from 3m

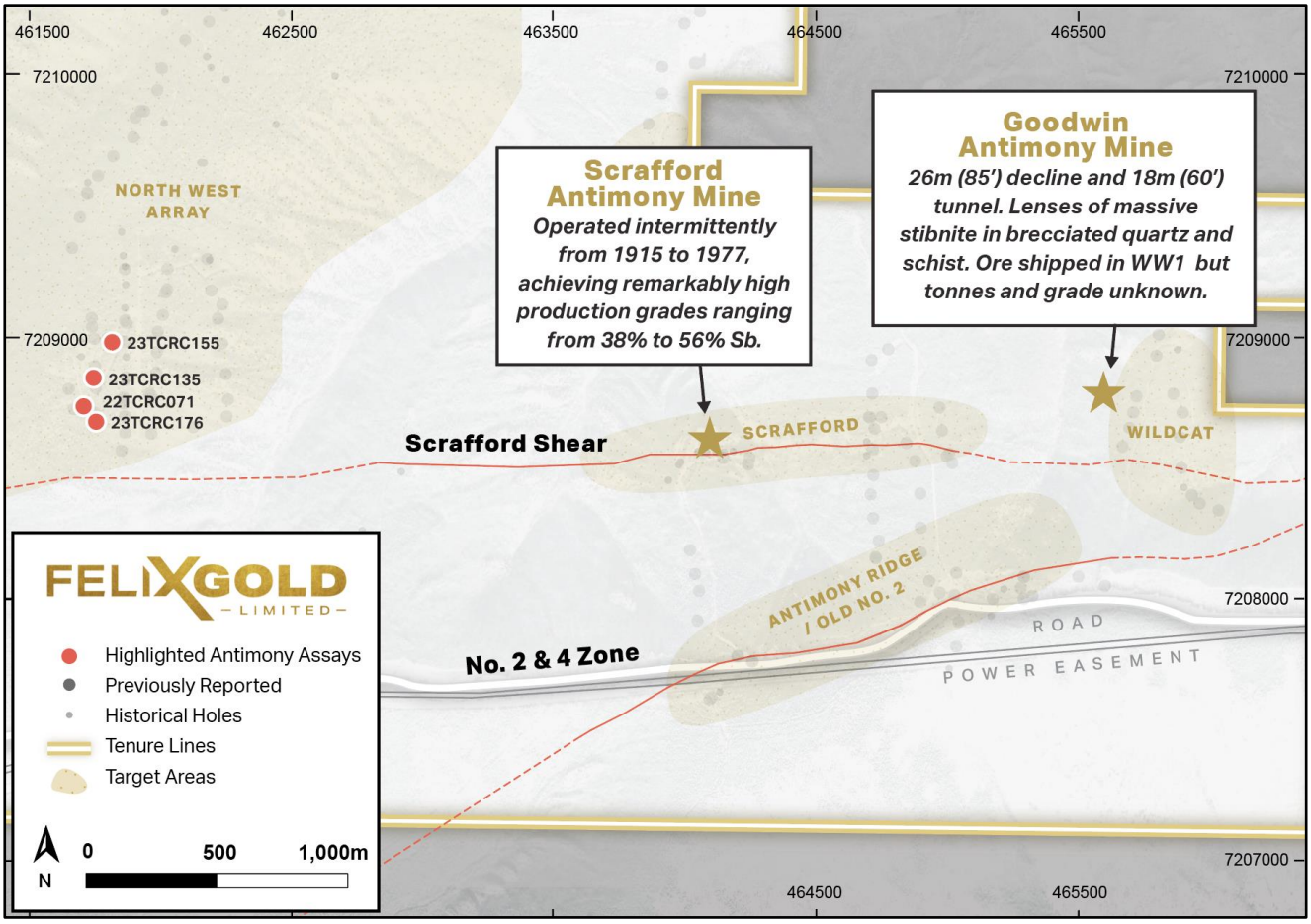


**Fig. 3** Scrafford Antimony Mine ~2.5km from NW Array within Treasure Creek

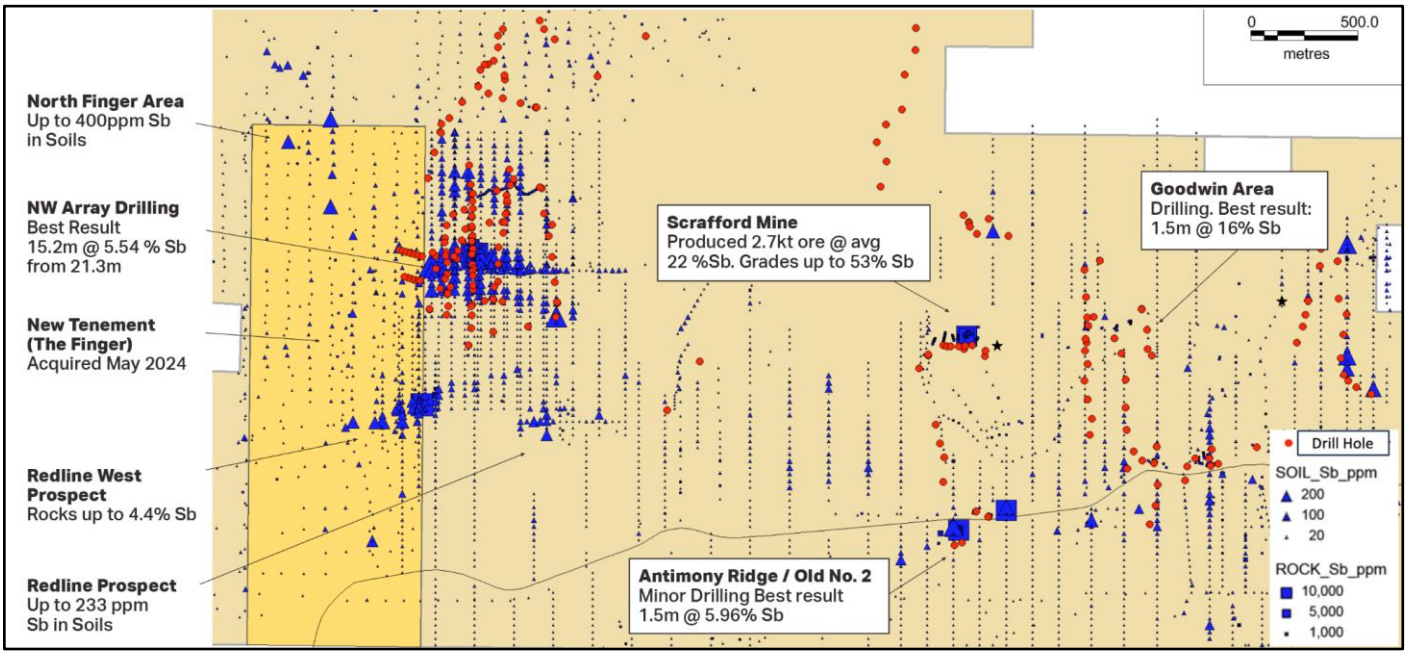


**Fig. 4** Sb in Soils and Rocks with Drill Collars around the Scrafford Sb Mine

## Strategic Importance of Antimony

Antimony is recognized as a critical mineral by the U.S. due to its vital roles in:

1. **Defence Applications:** Essential for military equipment and ammunition
2. **Flame Retardants:** Crucial for fire safety in various materials
3. **Energy Storage:** Key component in batteries
4. **High-Tech Industries:** Used in semiconductors and fibre optics
5. **Medical Equipment:** Important for certain medical devices

With no domestic antimony production, the U.S. relies heavily on imports, primarily from China, which controls the majority of the market and has recently halted its antimony exports. This vulnerability has drawn attention at the highest levels of the U.S. government. As Sen. Joni Ernst emphasized, "America's defence in the modern era increasingly demands the use of critical minerals, making it more essential by the day for our nation to have a sufficient stockpile of and reliable access to these materials."

Recognizing this urgency, the U.S. Senate National Defense Authorization Act includes $1 billion in funding to support the Defense Logistics Agency's acquisition of critical defence materials, including antimony, for the National Defense Stockpile. The U.S. Government is actively seeking to ramp up domestic production.

These initiatives complement the +US$350billion funding through the Inflation Reduction Act (IRA) which supports the security of supply chain initiatives, particularly in the context of clean energy and critical minerals. The IRA includes several provisions that aim to strengthen U.S. supply chains and reduce dependence on foreign sources for key materials and technologies.

Felix Gold aims to address this strategic need by developing domestic antimony resources, aligning with U.S. initiatives to secure critical minerals. This strategy positions Felix Gold to meet growing demand in defence, technology, and emerging sectors while maximizing shareholder value and contributing to U.S. mineral security.

**This ASX release was approved for release by the Board.**

**ENDS**

## Enquiries

**Joseph Webb**
*Executive Director*
Felix Gold Limited
Ph: +61 422 955 411
E: joe.webb@felixgold.com.au

**Reach Markets**
*Investor and Media Relations*
Ph: 1300 805 795
E: ir@reachmarkets.com.au

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## About Felix Gold

Felix Gold Limited (ASX: FXG) is an ASX-listed gold and critical minerals discovery business operating in the highly endowed Tintina Gold Province of Alaska in the United States.

Our flagship asset is a substantial landholding in the world-class Fairbanks Gold District, where historical gold production exceeds 16 Moz and historical antimony production shows grades up to 58% Sb from the Scrafford Mine, Alaska's second-largest historical antimony producer. In Fairbanks, our tenements sit within one of the largest gold production centres in the entire Tintina belt and lie in close proximity to both Kinross Gold's Tier 1 gold mine, Fort Knox, and the rapidly growing Freegold Ventures' discovery, Golden Summit. We hold four key projects across over 392 $km^2$ of tenure in the heart of this premier gold and antimony production district.

Felix's key projects are located only 20 minutes from our operational base in the central mining services hub of Fairbanks City, Alaska. This base is a huge advantage for Felix with its existing infrastructure, low-cost power, skilled workforce and long history of gold and antimony production. It allows us to explore year-round and delivers genuine potential development pathways for our assets.

Our key projects are located along the main Fairbanks gold trend and contain dozens of identified prospects, extensive alluvial gold production, large gold-in-soil anomalies and historical drill intercepts which remain wide open and mimic other major deposits in the district. We have multiple walk-up drill targets with evidence of large-scale gold potential. We also possess an existing Mineral Resource at Grant-Ester with significant upside opportunity.

Felix's value proposition is simple: we are striving to be the premier gold and critical minerals exploration business in the Tintina Province through the aggressive pursuit and realisation of Tier 1 gold discoveries.

**Visit the Felix Gold website for more information.**

## Current Disclosure – Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Mark Strizek, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy. Mr. Strizek is a Director of Felix Gold Limited and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is being undertaken 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. Strizek consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr Strizek emphasises that **historical exploration results in this announcement do not comply with the current JORC Code 2012.** The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

## Forward-Looking Statements

Various statements in this release constitute statements relating to intentions, future acts and events. Such statements are generally classified as "forward-looking statements" and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed herein. Words such as "anticipates", "expects", "intends", "plans", "believes",

"seeks", "estimates" and similar expressions are intended to identify forward-looking statements. Felix cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements and references to what events have transpired for other entities, which reflect the view of Felix only as of the date of this release. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Various statements in this release may also be based on the circumstances of other entities. Felix gives no assurance that the anticipated results, performance or achievements expressed or implied in those statements will be achieved. This release details some important factors and risks that could cause the actual results to differ from the forward-looking statements and circumstances of other entities in this release.

## Previous Disclosure – 2012 JORC Code

The information in this release that relates to Exploration Results, Mineral Resources and Exploration Targets for Felix's Fairbanks Gold Projects was extracted from the following ASX Announcements:

- **28 Aug 2024** **High Grade Antimony Assay Results up to 15.99% Sb**
- **20 June 2024** **Maiden NW Array Inferred Mineral Resource**
- **19 Oct 2023** **High Grade Antimony Assays up to 28% Sb**
- **11 Aug 2023** **Assay Results Unveiling Substantial Gold Zones with Continued High-Grade Antimony Enrichment**
- **24 July 2023** **Continuation of Broad Zones of Gold and High-Grade Stibnite from NW Array**
- **17 July 2023** **High-Grade Critical Mineral Discovery at NW Array**
- **9 Dec 2022** **Scrafford Shear Potential Grows and High-Grade Antimony Initiatives Commenced**
- **28 Jan 2022** **Felix Gold Prospectus**

A copy of such announcements is available to view on the Felix Gold Limited website www.felixgold.com.au. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.