

QUARTERLY ACTIVITIES REPORT
For the period ended 31 December 2022

About Crater Gold Mining Ltd
ASX CODE: CGN

Crater Gold Mining Limited ("Crater Gold" or "the Company") is focussed on the exploration of its highly prospective Crater Mountain Gold Project in Papua New Guinea (PNG), which includes two gold resources and evidence of potential copper-gold porphyry mineralisation. The Company is also exploring at the A2 Polymetallic and Golden Gate Graphite and Gold projects at Croydon in Queensland, Australia.

Capital Structure

Share Price: \$0.017
Market Cap: \$21.06m
Shares on Issue: 1,239,027,862

Board of Directors

Sam Chan
Non-Executive Chairman

Russ Parker
Managing Director

Thomas Fermanis
Deputy Chairman

Lawrence Lee
Non-Executive Director

Desmond Sun
Non-Executive Director

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DEVELOPMENTS DURING THE QUARTER

CROYDON PROJECTS, NORTH QUEENSLAND

Summary

- **Initial Drilling Program completed at Croydon targeting graphite and gold**
- **EM survey identifies Priority Targets at Croydon & Polymetallic Projects**

The Company announced on 8 December 2022 that the initial RC drilling program, targeting anomalies identified by the airborne electromagnetic (EM) survey, was completed (refer to ASX announcement released 8 December 2022 titled "*Initial Drilling Program Completed at Croydon, North Queensland*", ASX announcement released 5 October 2022 titled "*Preliminary HEM results identify high priority targets at the Croydon Project, Nth Qld*" and ASX announcement released 10 October 2022 titled "*Initial test drilling programme at Croydon, North Queensland to commence early November 2022*").

A large number of high priority, strong linear, anomalies were identified in the HEM survey at Croydon. Additionally, more localised discrete, moderate to weak, anomalies were also identified. While most are expected to be due to strongly graphite mineralisation, some may be associated with sulphitic gold bearing quartz reefs or gold bearing quartz reefs closely associated with graphite.

Targets that were tested in the drilling campaign included anomalies S1-South, S4-North and S7 (Figure 1). Eight (8) holes targeting a potential shallow gold bearing alluvial area were drilled in the S1-South area (Figure 2). Two (2) holes targeting graphite were also drilled in the S1-South area. Three (3) holes were drilled in the S4-North area and three (3) holes were drilled on the S7 area. A total of five (5) holes were drilled to test areas of old shaft developments in areas of possible undercover extensions of the Golden Gate Gold Prospect. Although abundant graphite bearing mullock was noted at these shafts, it is expected that they were only developed for gold mineralisation.

Samples were dispatched for assay. Analytical results are expected in February.

The Company plans to undertake further RC drilling in combination with diamond core drilling in March/April 2023 after the end of the wet season.

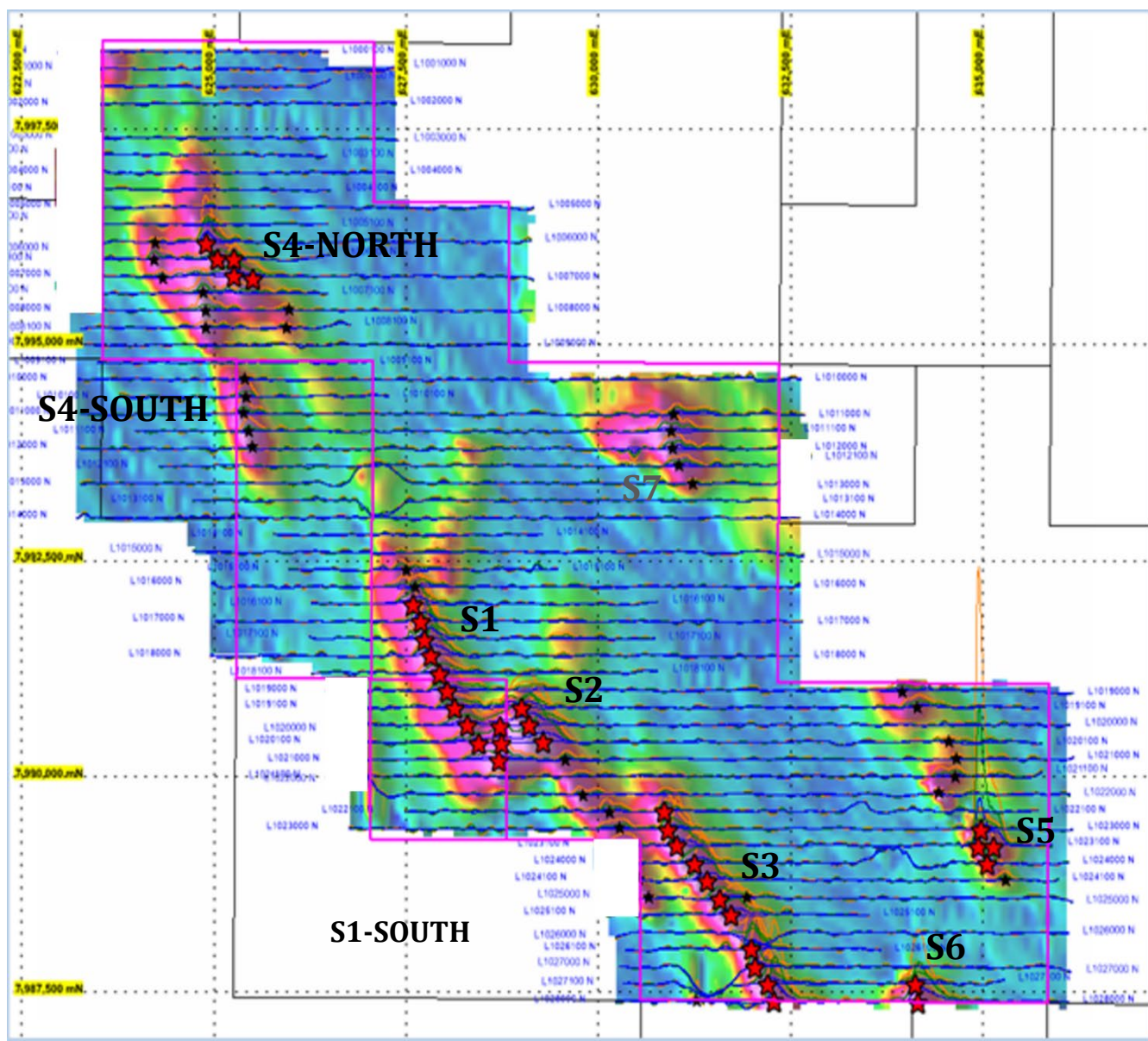


Figure 1: Location of EM Anomalies S1, S2, S3, S4-North, S4-South, S5, S6 and S7



Figure 2: RC drill rig at Anomaly S1 south

On 5 October 2022, the Company announced preliminary results from the recently completed XCITE Helicopter Electromagnetic and Magnetic Survey (HEM) flown over its gold-graphite tenements, EPMs 8795 and 18616 (refer ASX announcement released 5 October 2022 titled “*Preliminary HEM results identify high priority targets at the Croydon Project, Nth QLD*”). Preliminary plots presented in here in Figures 3, 4 and 5 are as follows (see Figure 6 for locations within the tenements):

Figure 3: Early channel – CH10BZ

Figure 4: Mid channel – CH15BZ

Figure 5: Late channel – CH20BZ

There are numerous strong anomalies defined, together with additional moderate to weak strength anomalies. The red stars on the figures indicate the strongest /higher priority anomalies, with the black stars indicating the additional moderate to weak anomalies.

A strong cluster of high priority anomalies are defined in the Golden Gate Graphite Project area. Graphite is particularly conductive and commonly well defined in HEM surveys. Many of the anomalies are represented as extensive linear type conductive units with a

well-defined easterly dip. There is also possible evidence for the presence of more localised thicker fold-type/pipe-like conductors.

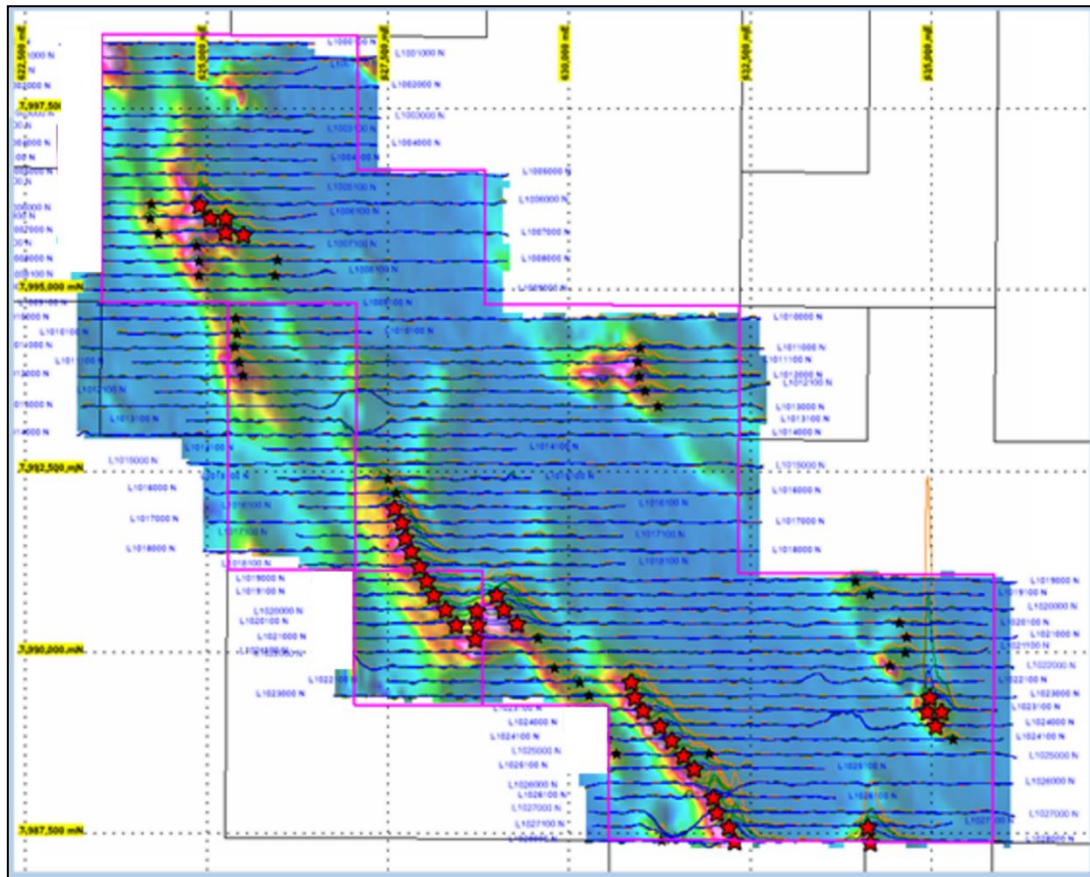


Figure 3: XCITE Preliminary Imagery – Early Channels CH10BZ with Stacked Profiling and Anomalism

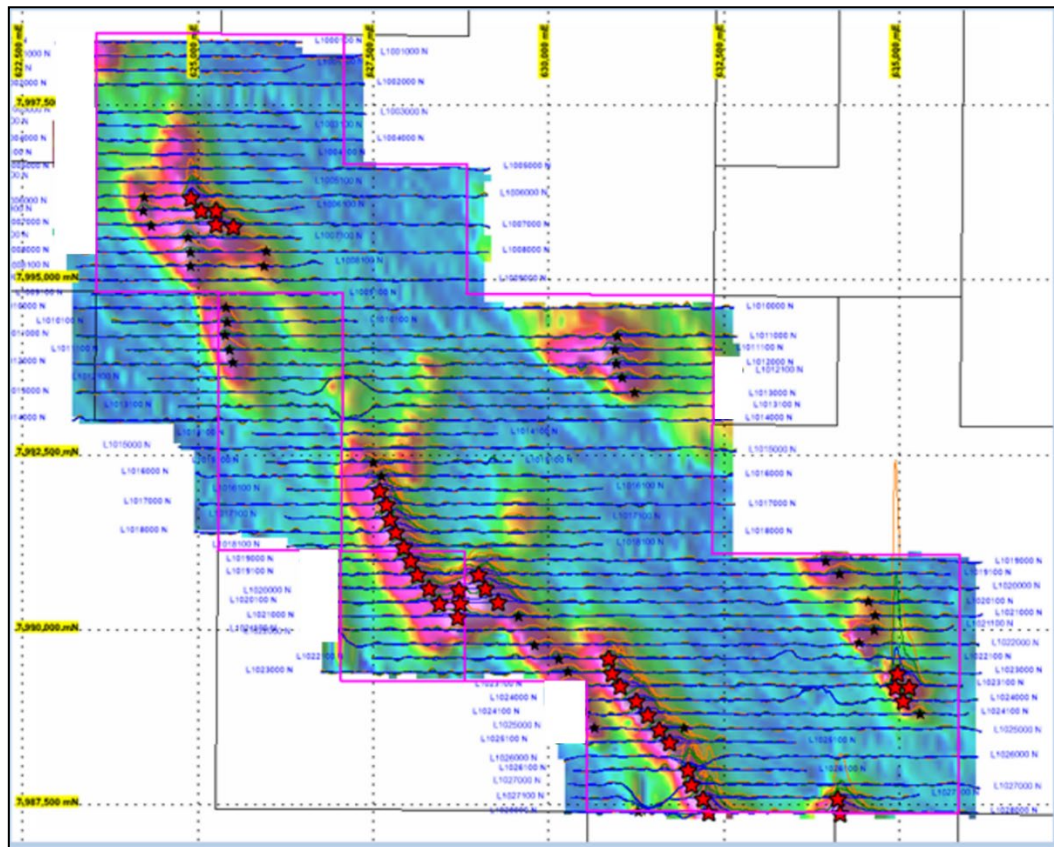


Figure 4: XCITE Preliminary Imagery – Mid Channels CH15BZ with Stacked Profiling and Anomalism

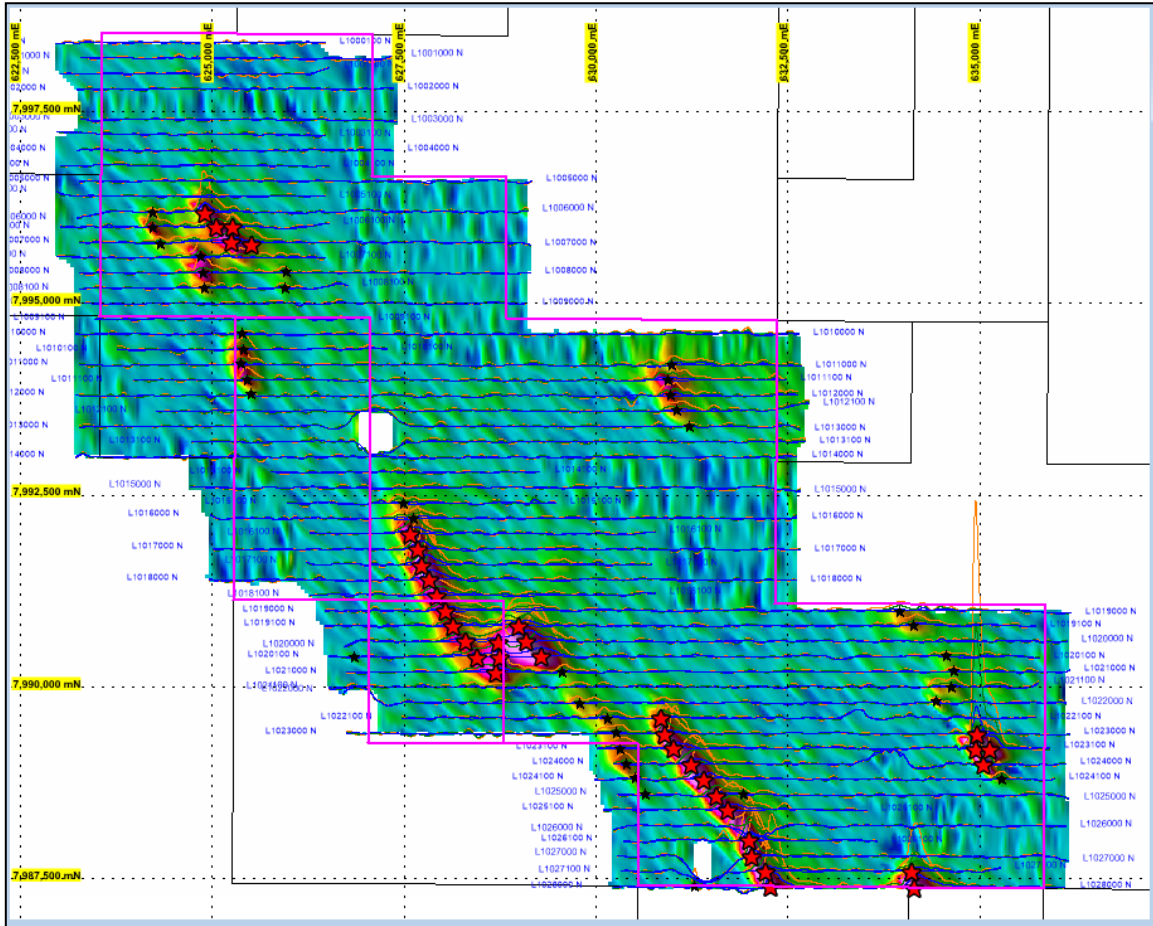


Figure 5: XCITE Preliminary Imagery – Late Channels CH20BZ with Stacked Profiling and Anomalism

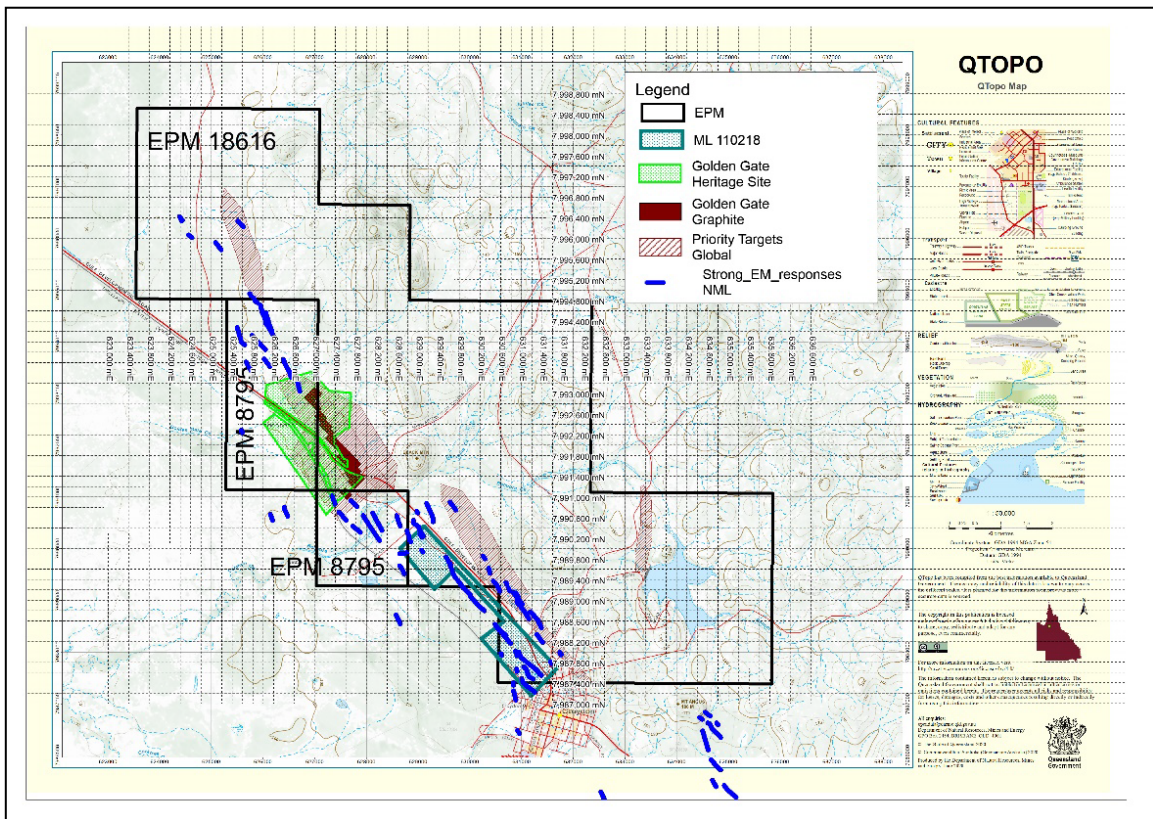


Figure 6: Area covered by Figures 3, 4 and 5

On 8 November 2022, the Company announced results from the completed Electromagnetic and Magnetic Survey (EM) flown over its polymetallic tenement EPM16002 (refer ASX Announcement released 8 November 2022 titled “*Priority HEM Targets Identified in EPM 16002 – North Queensland*”).

EM Anomaly 5.4, located within Anomaly A5 prospect in EPM 16002, is considered to be a priority target as it is co-incident with the A5 aeromagnetic anomaly and SGH soil sampling Cu-Ag-Au anomalism.

In addition, several other EM targets have been identified, including weaker strength anomalies at A5 (EM targets 5.2 and 5.5) and A3 (EM target 3.1) aeromagnetic anomaly areas. The blue crosses on Figures 8 and 11 indicate the strongest targets, with the green crosses indicating additional moderate to weak EM anomalies.

Aeromagnetic Anomaly A5

Anomaly A5 was previously identified by a Queensland Government Aeromagnetic survey. The anomaly is a, discrete, almost circular aeromagnetic low, approximately 30 nT in amplitude, 800m in diameter and located in the central western side of the EPM block (Figures 7 and 8). It occurs immediately SW of a larger aeromagnetic anomaly complex (hosting EM Anomaly 5.1) that is elongated NW-SE, is about 20km in length and about 10km in width. EM Anomaly 5.4 was also investigated by Spatiotemporal Geochemical Hydrocarbon (SGH) soil sampling. This indicated co-incident polymetallic-silver-copper anomalism which was partly overlapped by gold anomalism all of which directly overlies the central part of the main (western) A5 aeromagnetic low (Figure 9) which is a reversed magnetic high feature (refer to ASX Announcement released 12 June 2018 titled “*Gold and Silver-Copper-Polymetallic Anomalies Identified from SGH Soil Sampling at the A5 Anomaly Prospect, North Qld*”). This has provided encouragement not only from the co-incident anomalism but also from past drilling by the Company at Anomaly A2 (EPM 13775) which intersected polymetallic mineralisation that is also associated with a magnetic low (a reversed previous magnetic high).

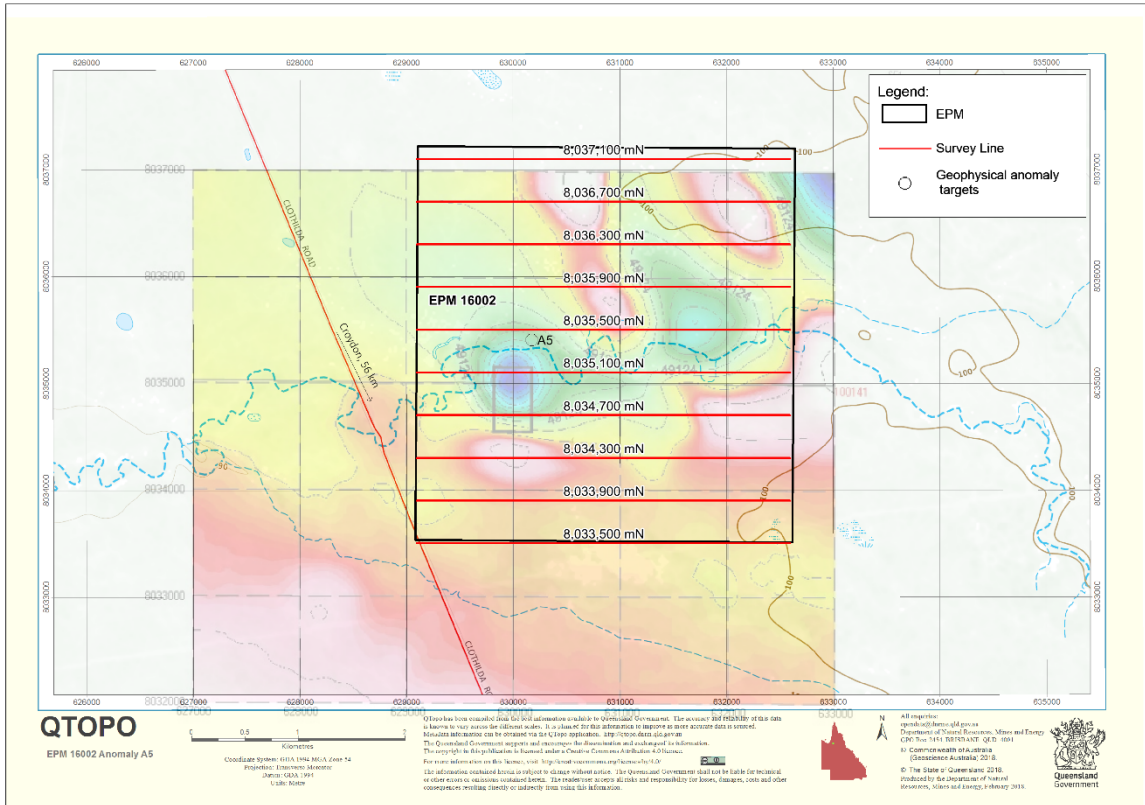


Figure 7: Aeromagnetic Anomaly A5. HEM survey flight lines shown.

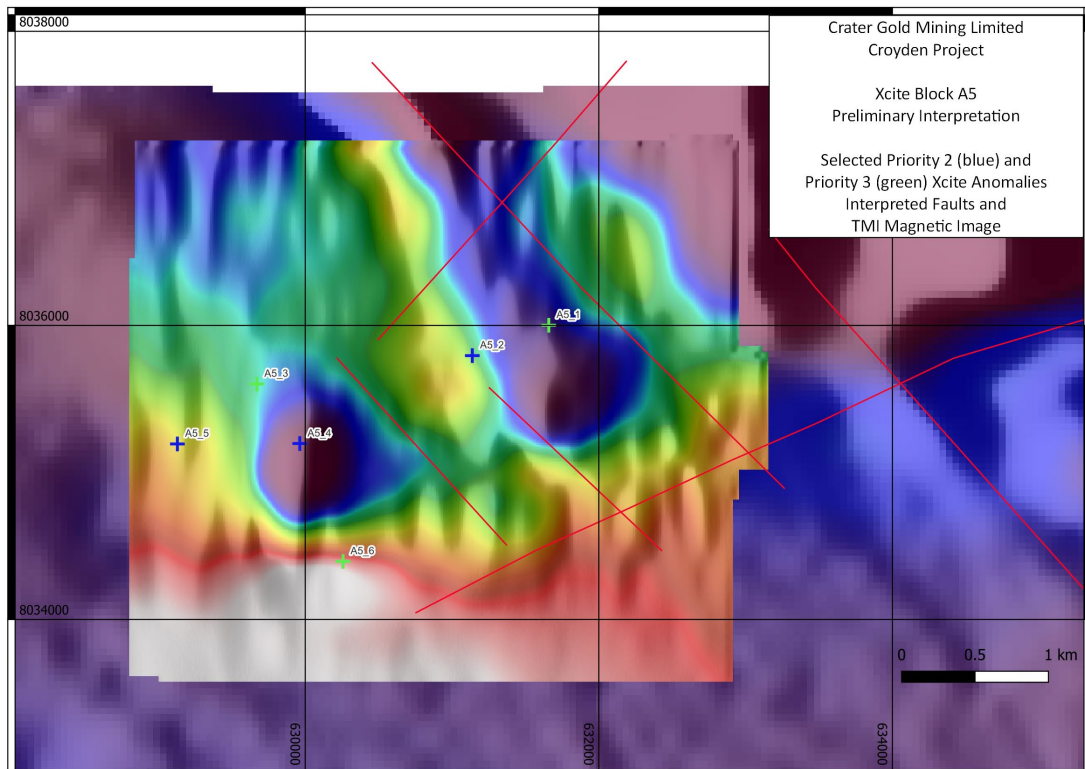


Figure 8: Aeromagnetic Anomaly A5 with EM anomalies A5.1 to A5.6. EM anomaly A5.1 is located within the eastern magnetic low and EM anomaly A5.4 within the western magnetic low

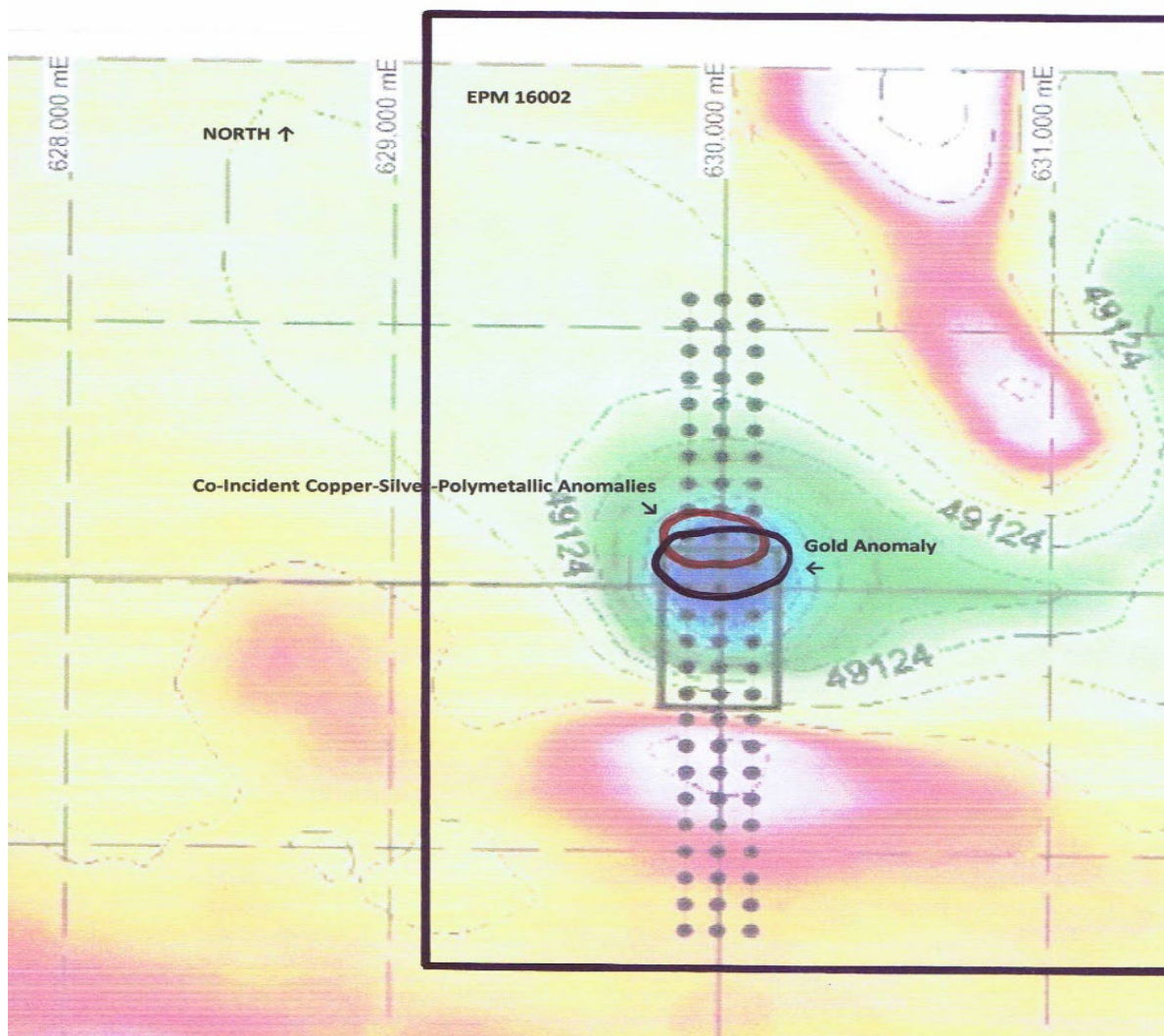


Figure 9: SGH soil Cu-Ag anomalism co-incident with Au anomalism located within the western aeromagnetic low

Aeromagnetic Anomaly A3

Aeromagnetic anomaly A3 is a discrete, almost circular magnetic low, of approximately 20nT amplitude and around 1500m in diameter. It is possibly part of, or at least associated with, relatively subtle, WNW and NW trending positive linear anomalies that are more apparent further to the SE. It appears from the data that the anomaly is caused by a body with reversed remanent magnetisation. The depths below ground surface to the main possible sources range from 170 to 245m.

Figure 10 shows the 4 sub-block tenement area of EPM 16002 that covers Anomaly A3. An EM Anomaly, A3.1, has been identified within A3 which is co-incident with the magnetic low (Figure 11). This co-incidence is considered to be of particular interest.

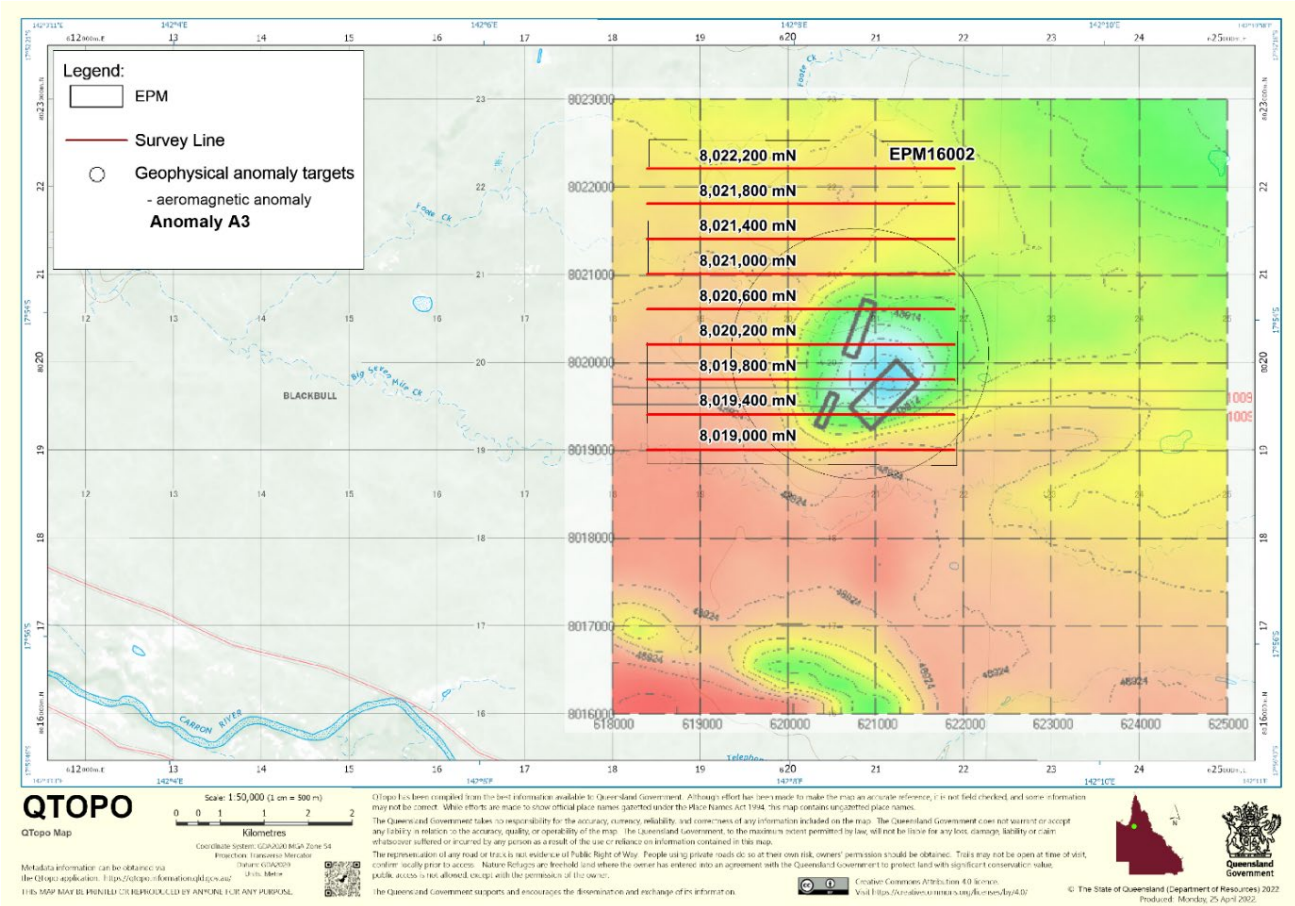


Figure 10: Aeromagnetic Anomaly A3 located within a 4 sub-block segment of EPM 16002 (the rectangular shapes are associated with magnetic data modelling). HEM survey flight lines shown.

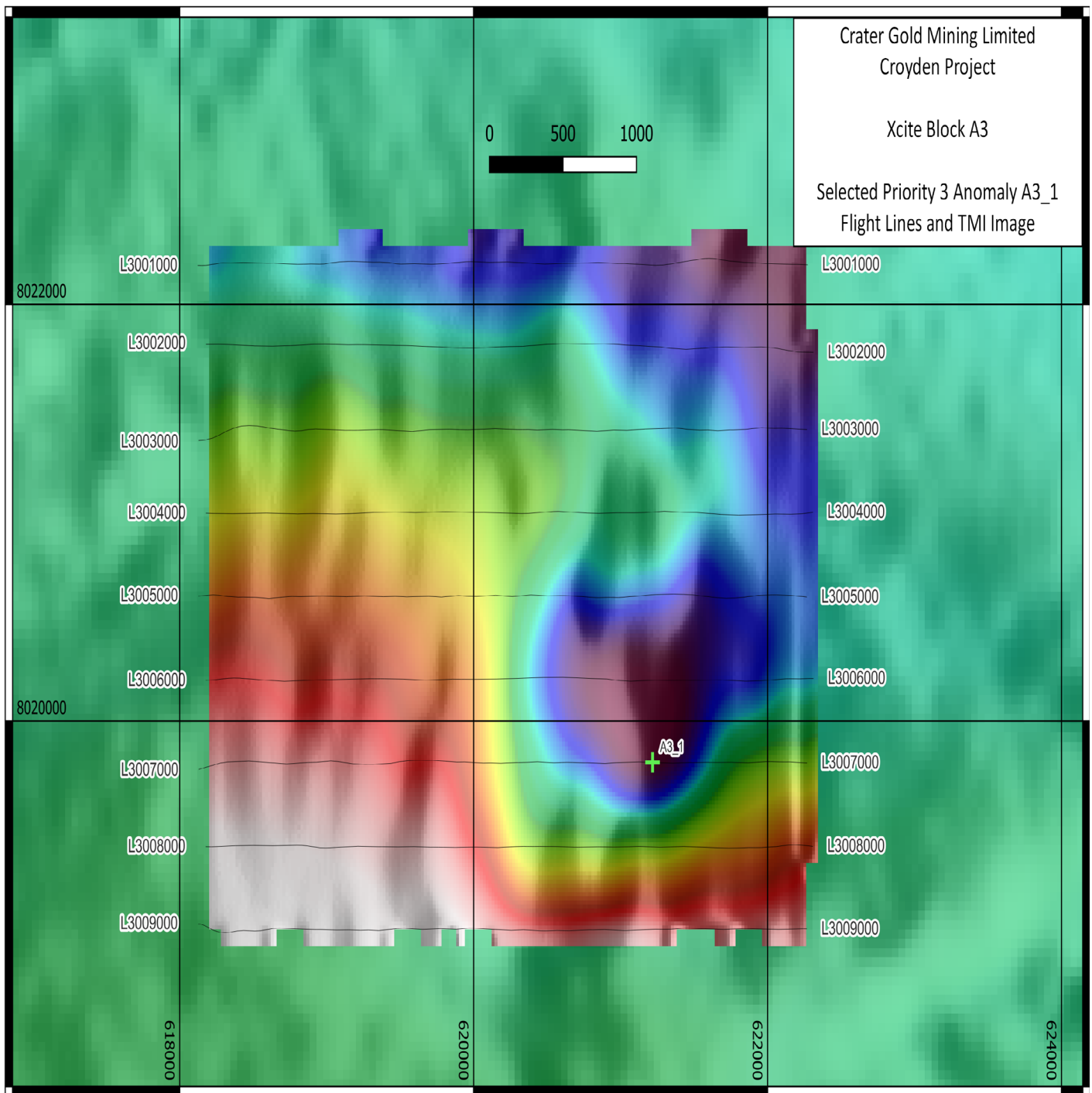


Figure 11: Aeromagnetic Anomaly A3. EM Anomaly A3.1 is co-incident with the aeromagnetic low.

CRATER MOUNTAIN GOLD PROJECT, PAPUA NEW GUINEA

The Company continues to take appropriate precautions and actions to protect our staff and business operations, including precautions as advised and suggested by the World Health Organization, the Australian Government and the Government of Papua New Guinea (PNG).

First and foremost, our priority is the health, safety and wellbeing of our staff and the people of the communities in which we operate and as such, the Company is actively monitoring the COVID-19 situation and its potential impacts on these groups.

Due to continual spread of the COVID-19 virus, the PNG Government put in place travel restrictions, both domestic and international, which remains in place to this day. This combined with reduction in flight connections into PNG has hampered the Company's ability to move expatriate personnel in and out of PNG. Whilst recent changes have reopened domestic travel in PNG, the impact of the COVID-19 pandemic is still being felt in the area where the Company operates, with many of the logistics providers remaining closed, or offering limited services.

Due to the ongoing nature of these factors and their impact on our ability to access our operations reliably on an ongoing basis, all production and exploration activities continue to remain suspended at present.

In the meantime, the Company remains focused on the renewal process of ML510 and is working closely with the Mineral Resources Authority (MRA) to secure a new ten (10) year mining license, in addition to working in parallel for the renewal and grant of exploration licenses at the Company's Crater Mountain Gold Project.

POST QUARTER EVENTS

PRIORITY EM TARGET IDENTIFIED IN EPM 26749 – NORTH QUEENSLAND

HIGHLIGHTS

- **Results received for Electromagnetic Survey (EM) flown over Croydon Polymetallic EPM's 13775 & 26749.**
- **Anomaly W_4, located in EPM 26749 has been identified as a large priority target.**

On 17 January 2023, the Company announced results from Electromagnetic and Magnetic Survey (EM) flown over its polymetallic tenements, EPM 26749 & 13775 (refer ASX announcement released 17 January 2023 titled "*Priority EM Target Identified in EPM 26749 – North Queensland*").

A large priority EM anomaly (W_4) was identified in the western corner of EPM 26749. Three other discrete lower priority anomalies were also identified, one of these (W_3) being located in the centre of EPM 26749, with the other two located in the Anomaly 1 area of EPM 13775 (Figure 12).

Modelling of Anomaly W_4 indicates that the data best fits the presence of one or two shallow dipping plates which can be tested by a 120m vertical hole with expected plate intersections at depths of 71m and 93m. This test hole will be included in the upcoming drilling program due to start in the 2nd quarter of 2023. Previous unsuccessful hole G1-001, sited to test a residual gravity anomaly, lies some 1.2km to the SSE of this new test hole (Figure 13).

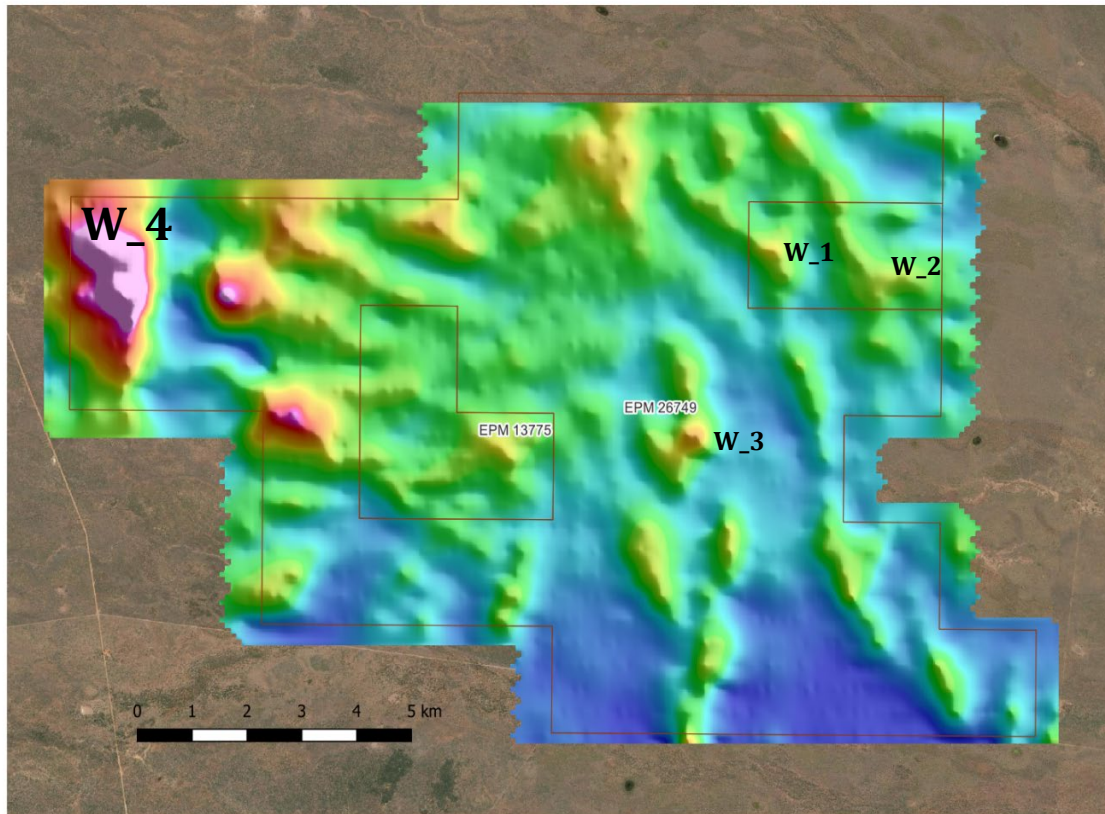


Figure 12: Image showing the large (W_4) EM conductor in the NW corner of EPM 26749 and discrete low priority anomalies W_1, W_2 and W_3. The WNW to N trending pattern of weak linear EM anomalies is related to cover, possibly reflecting faults or geological-trends in the bedrock.

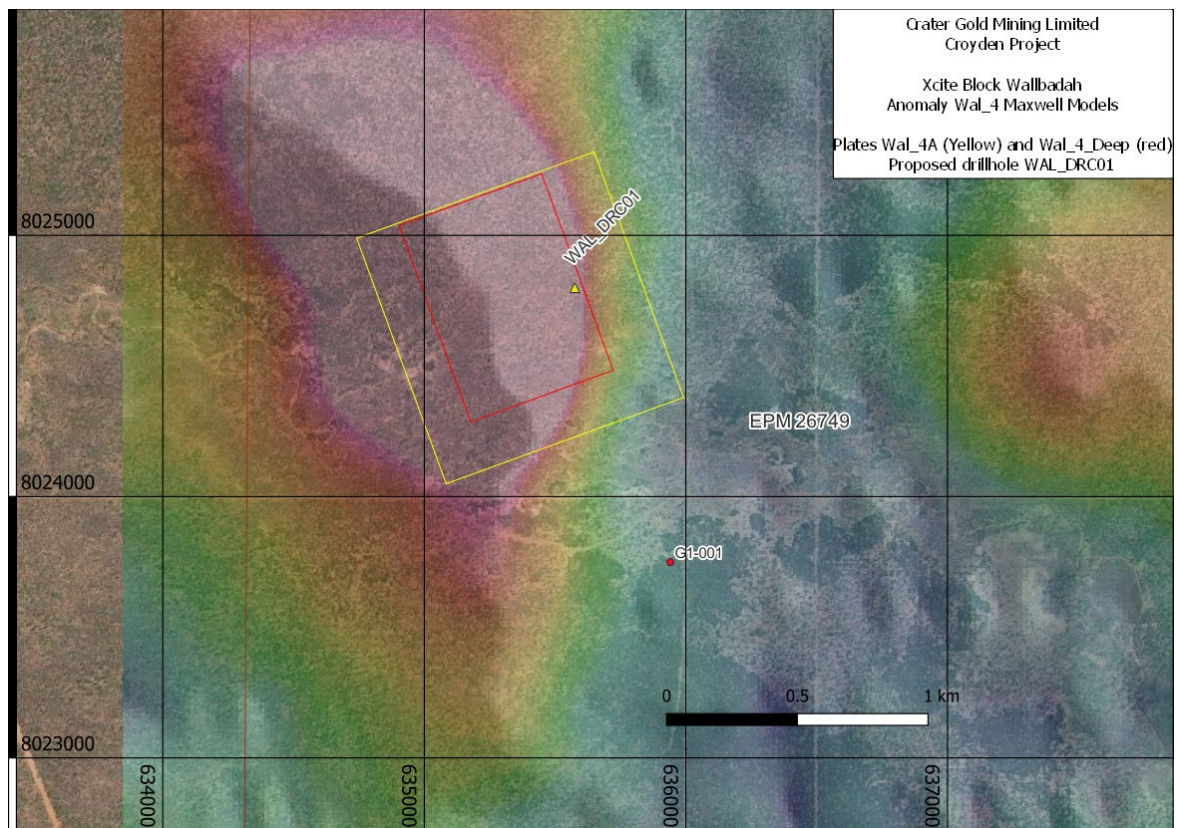


Figure 13: The large Anomaly W_4 shown together with rectangular shaped blocks modelled from the data projected to surface. Drill hole WAL_DRC01 has been selected to test this large anomaly. Previous unsuccessful hole G1-001, sited to test a residual gravity anomaly, lies some 1.2km to the SSE.

STATUTORY COMPLIANCE AND REPORTING

For the status on all tenements, please refer to the tenement schedule.

CORPORATE

On 18 October 2022, Ms Laura Woods was appointed as Joint Company Secretary.

The Company's Annual General Meeting was held on 29 November 2022. All resolutions put to the meeting were passed.

Request for Suspension in Trading

On 9 July 2021, the Company requested a suspension in trading of its securities pending an announcement in respect of a material acquisition (the Acquisition). At that time, it was anticipated an announcement would be made on or prior to 30 September 2021 (the Announcement). Subsequent extensions requested have resulted in a cumulative further extension to the suspension in trading of the Company's securities until 31 December 2022.

On 16 September 2022, the Company announced that it would not proceed with the Acquisition and that the Board is in the process of considering alternative strategies and has made submissions to ASX seeking ASX's confirmation that if the Company implements its proposed alternative strategies (which largely involve continued exploration of the Company's existing assets), that the suspension of trading in the Company's securities will be lifted.

Details regarding the Company's proposed strategies will be announced in due course.

The company has requested an extension to the suspension in trading of its securities until the earlier of the date that it meets the ASX's conditions for lifting of the suspension of trading in the Company's securities or 12 March 2023.

FINANCE AND ACTIVITIES

During the quarter, the Company spent \$149,000 on exploration and development activities on its Croydon Tenements.

There were no production activities or costs at the Company's Crater Mountain project in the quarter, with the mine on care and maintenance from COVID-19 shutdown.

As outlined in the attached Appendix 5B (section 6) during the quarter approximately \$40,000 in payments was made to related parties and their associates for director salaries and superannuation.

This Quarterly Activities Report has been authorised for release by the Board of Crater Gold Mining Ltd.

For further information contact:
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Managing Director
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Email: info@cratergold.com.au

COMPETENT PERSON STATEMENT

The information contained in this report relating to exploration activities at Croydon is based on and fairly represents information and supporting documentation prepared by Mr Ken Chapple or by appropriately qualified company and consultant personnel and reviewed by Mr Chapple, who is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward Looking Statements

This Announcement may contain forward looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward- looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable at the time made but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. You should therefore not place undue reliance on forward-looking statements.

Schedule of Crater Gold Mining Limited tenements:

Particulars	Project Name	Registered Holder	% Owned	Status	Expiry	Area (Km ²)
EPM 8795	Croydon	CGN	100	Renewal lodged	6/09/2022	9.6
EPM 13775	Wallabadah	CGN	100	Renewal lodged	5/03/2023	16
EPM 16002	Foote Creek	CGN	100	Granted	30/01/2024	28.8
EPM 18616	Black Mountain	CGN	100	Granted	18/06/2023	57.6
EPM 26749	Wallabadah Extended	CGN	100	Granted	11/04/2024	115.2
EPM 28600	Black Mt Extended	CGN	100	Application Lodged	N/A	9.6
EL 1115	Crater Mountain	Anomaly Ltd ¹	100	Renewal lodged	25/09/2018	41
ELA 2643	Crater Mountain	Anomaly Ltd ¹	100	Application lodged	Oct 2019	68
ELA 2644	Crater Mountain	Anomaly Ltd ¹	100	Application lodged	Oct 2019	78
ML 510	Crater Mountain	Anomaly Ltd ¹	100	Renewal lodged	4/11/2019	1.58

¹ Anomaly Limited is CGN's 100% owned PNG subsidiary

There were no tenements acquired or disposed of during the quarter.

The Company has no Farm-in or Farm-out arrangements.