

31 July 2019

## Quarterly Activities Report June 2019

Marquee Resources Limited (“**Marquee**” or the “**Company**”) (ASX:MQR) is pleased to provide the Quarterly Activities Report for the June 2019 quarter.

### Centenario Lithium Project

During the quarter, Marquee agreed to acquire Centenario Lithium Limited (**CLL**), a company incorporated in Australia, which holds a 30% interest in Lithium Power International Holdings (Argentina) Pty Ltd (**LPIH**). LPIH owns 100% of 7 leases in the Centenario Salar in Northern Argentina. Lithium Power International Ltd (ASX:LPI) (**LPI**) is the holder of the other 70% interest in LPIH.

The Centenario Salar is positioned in the centre of “The Lithium Triangle” in the mining friendly Salta province. The leases cover an area of 68km<sup>2</sup> in the Centenario Lithium Brine Salar over seven adjoining leases. It is located approximately 165km west of the City of Salta which has an international airport, hotels and other facilities (population 535,000).

The Centenario Salar is approximately 60km in length, with a long axis trending north-south with the average surface elevation being 3,900m above sea level. The Project area is a basin surrounded by mountains 500 to 800m in height and as such is a closed drainage system.

The extremely high evaporation rates have caused concentration of elements such as lithium, potassium, sodium and magnesium. The project area’s climate favours the use of solar evaporation in the processing of ore due to arid conditions and intense solar radiation for around 9 months of the year.

Highlights include:

- Geophysical surveys have recently been completed and indicate an extensive brine body throughout the Tenements.
- Currently reviewing drill target points, with a likely drilling program expected early 2H 2019.
- Drilling permits have been received from government agencies.
- The Tenements are located on “Fiscal Lands” which means there is no registered surface owner.
- JV with leading ASX lithium explorer and developer – Lithium Power International (ASX:LPI).

The consideration to Centenario’s vendors is as follows:

- \$25,000 option fee (paid) to conduct 30 days of exclusive Due Diligence;
- 10,075,000 fully paid ordinary shares in the capital of Marquee Resources at a deemed issue price of \$0.10 per share;
- Class A Deferred Shares having a value of A\$1,000,000 and a deemed issue price based on the higher of:  
(i) a 10% discount to the 5 day volume weighted average price of MQR shares traded on the ASX immediately prior to the vesting date up to a maximum value of \$0.25; and (ii) \$0.10. Each Class A

Deferred Share will vest and convert to a share upon the delineation of JORC-compliant Resource of 250,000 tonnes of lithium across the Tenements; and

- Class B Deferred Shares having a value of A\$1,000,000 and a deemed issue price based on the higher of (i) a 10% discount to the 5 day volume weighted average price of the MQR shares traded on the ASX immediately prior to the vesting date to a maximum value of \$0.25; and (ii) \$0.10. Each Class B Deferred Share will vest and convert to a share upon the delineation of JORC-compliant Resource of 500,000 tonnes of lithium across the Tenements.

In conjunction with the acquisition, the Company has received firm commitments to raise \$1,000,000 for the issue of 10,000,000 shares at \$0.10 per share, subject to shareholder approval. See the Company's ASX announcement on 18 July 2019 for further information.

Completion of the Acquisition is subject to certain conditions including Marquee obtaining shareholder approvals and completing due diligence to its absolute satisfaction. On 12 July 2019, post the end of the June Quarter the Company announced that it had completed its Due Diligence and would proceed with the acquisition of Centenario Lithium subject to MQR shareholders approving the transaction. A Notice of Meeting was sent to shareholders on the 12 July 2019 with a meeting to be held on 15 August 2019.

For further detail please refer to the ASX announcement dated 12 June 2019.

### **The Redlings Project**

On the 25<sup>th</sup> June the Company announced that it had agreed to acquire 100% ownership of the Redlings REE Project (E37/1311). The total area of the exploration licence 37/1311 is 39.06km<sup>2</sup> (13 blocks). The Project is located approximately 40Km west of Leonora, and 77Km north of Menzies.

Project highlights include:

- Trench sampling of dyke system identified multiple samples of anomalous REO mineralisation.
- REE values up to 12.8% TREE.
- Detailed magnetic and geochemical surveys have revealed 14 significant REE targets.
- Targets range up to 700m long and 80m in width.
- Anomalies lie on or close to major structural feature.
- Rock chip sampling conducted in 2007 returned the significant results of:
  - Sample 1: 6.74% TREE comprising of 2.9% Ce, 644 ppm Dy, 337 ppm Er, 195 ppm Eu, 878 ppm Gd, 2.04% La, 1.09% Nd, 0.34% Pr, 0.37% Y and 282 ppm Yb.
  - Sample 2: 7.8% TREE comprising of 3.6% Ce, 648 ppm Dy, 331 ppm Er, 207 ppm Eu, 863 ppm Gd, 2.28% La, 1.22% Nd, 0.39% Pr, 0.36% Y and 288 ppm Yb.
- Multiple independent sampling campaigns by several companies confirm the tenor of REO mineralisation at the Project.

The Seller's consideration was:

- Payment of \$10,000 in cash.
- Issue of 790,818 fully paid ordinary shares in the capital of MQR.

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Completion of the Redlings Project occurred on 12 July 2019. Further information can be found in the ASX Announcement dated 25 June 2019.

The Company intends to commence exploration activities at the Redlings project shortly and looks forward to updating the market on the progress on this exploration program.

### **Werner Lake Project**

The Company continued to advance its understanding of the Werner Lake Cobalt project and released an update to the metallurgical test work that was completed at the Project during the quarter.

The Company received preliminary information on the QEMSCAN mineralogy study completed by SGS Canada Inc.. The sample was stage crushed to a P80 of 212  $\mu\text{m}$ , screened and combined into four size fractions (+212  $\mu\text{m}$ , -212/+106  $\mu\text{m}$ , -106/+45  $\mu\text{m}$  and -45  $\mu\text{m}$ ) for the QEMSCAN analysis. The sample is comprised of quartz (27.2%), plagioclase (14.6%), garnets (18.8%) and biotite (19.2%) with other gangue minerals including amphibolite/pyroxene, sericite/muscovite chlorite/clays present in minor to trace amounts. Sulphides include cobaltite (0.77%), chalcopyrite (0.58%) and pyrrhotite (0.18%) and pyrite/marcasite (1.0%). Cobaltite liberation is very good for the calculated head at approximately 91%.

See ASX announcement dated 17 April 2019 for further details.

**For further information please contact:**

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**Tenement Schedule (Disclosure per ASX Listing Rule 5.3.3)**

Tenements held at end of the quarter by Marquee Resources and subsidiary companies.

TENEMENT	LOCATION	NAME	INTEREST
CVE 1	Nevada USA	Clayton Valley	100%
CVE 3-4	Nevada USA	Clayton Valley	100%
CVE 8-17	Nevada USA	Clayton Valley	100%
CVE19-75	Nevada USA	Clayton Valley	100%
CVE 81-82	Nevada USA	Clayton Valley	100%
CVE 84	Nevada USA	Clayton Valley	100%
CVE 86-102	Nevada USA	Clayton Valley	100%
CVE 119-126	Nevada USA	Clayton Valley	100%
CVE 143 – 150	Nevada USA	Clayton Valley	100%
4281107-4281110	Kenora, Ontario	Werner Lake East/West	100%
4281483 - 4281484	Kenora, Ontario	Werner Lake East/West	100%
4281331 - 4281333	Kenora, Ontario	Werner Lake East/West	100%
4280791	Kenora, Ontario	Werner Lake East/West	100%
4284407-4284412	Ontario	Skeleton Lake	100%
4284414 - 4284424	Ontario	Skeleton Lake	100%
4284460	Ontario	Skeleton Lake	100%
4284446	Ontario	Skeleton Lake	100%
KRL 98381-83	Kenora, Ontario	Werner Lake	30%
9385-87, 19096/97	Kenora, Ontario	Werner Lake	30%
19107-12	Kenora, Ontario	Werner Lake	30%
29054/55, 29058-76	Kenora, Ontario	Werner Lake	30%
30055 -58, 31229	Kenora, Ontario	Werner Lake	30%
31373/74, 31823-28	Kenora, Ontario	Werner Lake	30%
33170-72, 33175-96	Kenora, Ontario	Werner Lake	30%
33198 -212, 33240	Kenora, Ontario	Werner Lake	30%
33270/1, 33280-84	Kenora, Ontario	Werner Lake	30%
33328-33, 33416	Kenora, Ontario	Werner Lake	30%
33419, 33421-23	Kenora, Ontario	Werner Lake	30%
36272, 33173-4	Kenora, Ontario	Werner Lake	30%
10661	Kenora, Ontario	Werner Lake	30%
12128	Kenora, Ontario	Werner Lake	30%
12246 -12247	Kenora, Ontario	Werner Lake	30%
12501	Kenora, Ontario	Werner Lake	30%
13150 - 13151	Kenora, Ontario	Werner Lake	30%
13283 - 13284	Kenora, Ontario	Werner Lake	30%
13292	Kenora, Ontario	Werner Lake	30%
<b>Total Number of Claims</b>	<b>418</b>		