

29 October 2021

SEPTEMBER 2021 QUARTERLY ACTIVITIES REPORT

- Review of historic data at Lewis Ponds reveals highly prospective multi-element anomalies – strong potential for mineralisation to extend outside previously estimated Mineral Resource:
 - **6.2Mt @ 2.0g/t gold, 80g/t silver, 2.7% zinc, 1.6% lead & 0.2% copper**
 - Targeted 4-hole reverse circulation (RC) percussion drilling program at Lewis Ponds intersects sulphides in all holes, occurrences of chalcopyrite observed in the drill chips from the most northern hole
 - Leading consultant engaged to review trace element geochemical data reported from soil samples collected at Turrawonga prospect within the Copper Hill East Project
 - Preparations completed for 11 RC drill program at Gundagai – includes drill testing at Emu Gold mine area, Mantons and Johnson’s Hill Prospects
 - Exploration licence application submitted to the NSW Government for ELA6333 adjacent to the Company’s EL5583 Lewis Ponds exploration licence
 - Appointment of three specialist Lachlan Fold Belt exploration geologists to optimise the value of Godolphin’s portfolio of projects
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Godolphin Resources Limited (ASX: GRL) (“**Godolphin**” or the “**Company**”) is pleased to provide the following report on its activities for the quarter ending 30 September 2021 (the “quarter”). The Company made significant operational and corporate progress during the period, including the ongoing review of historical exploration data, the commencement of reverse circulation percussion (RC) drilling and the appointment of a leading exploration team to progress Godolphin’s multi-discovery strategy.

MANAGEMENT COMMENTARY

Managing Director, Jeneta Owens said: “Godolphin achieved a significant amount during the September quarter, which has laid a promising foundation for the coming months. Pleasingly, the Company considerably strengthened its exploration team with the appointment of three new geologists with extensive expertise across mining operations within the Lachlan Fold Belt.

“Recent appointments have assisted the Company in its comprehensive review of historical data and previous work undertaken across the project suite. Godolphin has now built an extensive understanding of projects and have a defined plan which has the potential to result in multiple discoveries.

“We have multiple target generation and drill programs current or designed and will release results from both the Lewis Ponds and Gundagai drill programs as assays are received and interpreted.”

OPERATIONAL OVERVIEW

Lewis Ponds Project

A review of historical data within the Lewis Ponds EL5583 was undertaken during the quarter, which identified several highly prospective multi-element (gold-copper-lead-zinc) anomalies in rock chip and soil geochemical data.

Assay results received from a program of sampling historic drill core from Lewis Ponds highlighted the potential for mineralisation to extend outside of the previously estimated Mineral Resource Estimate (MRE) of **6.2Mt @ 2.0g/t Au, 80g/t Ag, 2.7% Zn, 1.6% Pb & 0.2% Cu** (refer ASX announcement: 2 February 2021). The results indicated that the Mt Lindsay and Mt Shorter Prospects in the north and Williams Prospect in the south both have the potential to host significant mineralisation with drill ready targets.

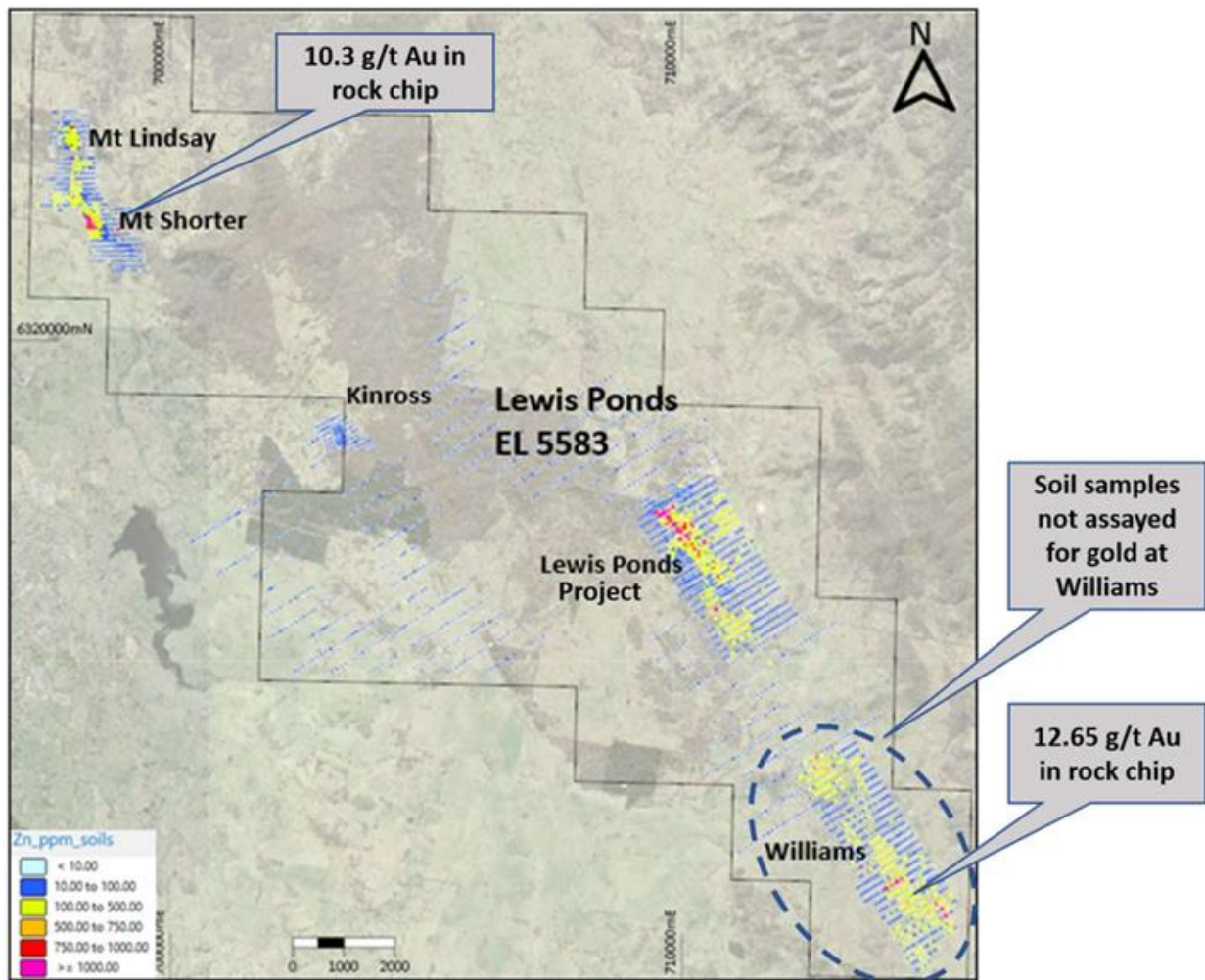


Figure 1: Overview of EL5583, showing the location of Mt Lindsay/Mt Shorten to the north and Williams Prospect area to the south of the Lewis Ponds project

The Williams Prospect displayed multi-element anomalies (Au+As, Zn, Pb, Ag+Cu) in both the rock chip and soil geochemistry. Mineral occurrences at site have been previously described as largely stratabound veins

and stacked semi-massive sulphide lenses. The area occurs within a regional magnetic low feature, which has similarities to Lewis Ponds and the McPhillamy's 2.3m oz gold mine.

The highest result in rock chip samples was 12.65g/t Au and is associated with copper, zinc, lead, arsenic and silver soil anomalies over 1,000m x 250m in area. Godolphin is now completing an infill multi-element soil geochemical sampling program at the Williams Prospect to further define the geochemical anomaly ahead of drill testing. Landholder access discussions are currently progressing well with an update expected in the near term.

The northern prospects Mt Lindsay and Mt Shorter display similar multi-element (Au+As+Cu+Zn+Ag+Pb) anomalies in both the rock chip and soil geochemistry which coincide with a magnetic high interpreted from a low-level helicopter magnetic survey completed in 2010.

The highest historic gold result in rock chip samples was 10.3g/t Au in the Mt Shorter area. The highest gold in soils was an exceptional 4,690ppb coincident with anomalous copper, zinc, lead, arsenic and silver, forming a coherent anomaly 215m x 200m in area. Surface geological mapping of the prospect and a program of infill multi-element soil samples will be completed to assist in drill hole design.

During the period Godolphin recommenced drilling at Lewis Ponds with a targeted four hole RC drilling program of the near surface Quarry Lode. Located to the northwest of the current MRE, Quarry Lode has been intercepted at depth in previous drilling and it is interpreted that it also occurs near the surface and in an undrilled area to the north.



Figure 2: RC drill rig located on the first hole of the Quarry Lode drill program at the Lewis Ponds Project

The completed RC drill program intersected sulphides in all holes, with some occurrences of chalcopyrite observed in the drill chips from the most northern hole. Multi-element assay results are expected soon.

Hole ID	Drill Type	Lease ID	MGA55 Easting	MGA55 Northing	MGA_RL	Dip	Azi	End Hole Depth (m)
GLPRC008	RC	EL5583	709559	6316626	855	-60°	244°	130
GLPRC009	RC	EL5583	709574	6316614	855	-62°	214°	110
GLPRC010	RC	EL5583	709614	6316559	847	-60°	214°	96
GLPRC011	RC	EL5583	709663	6316497	847	-55°	214°	80

Table 1: Drill hole details of the Quarry Lode RC drill program



Figure 3: Plotted drill traces from the Quarry Lode drilling program at Lewis Ponds

Copper Hill East

A specialist Lachlan Ford Belt (LFB) consultant reviewed trace element geochemical data reported from soil samples collected at the Company’s Turrawonga Prospect within the Copper Hill East Project. The consultant worked to identify potential vectors, using these in conjunction with the interpretation satellite-derived spectral maps, to aid in the follow-up drill hole design scheduled for early 2022.

Gundagai North and South

Preparations were completed for the 11 RC drill program at Gundagai during the quarter. The Gundagai North (EL8586) drilling plan includes drill testing the historically worked Emu Gold mine area, where recent assay results from rock chips included grades of up to 386g/t and 320g/t Au from two separate samples with visible

gold (refer ASX announcement: 17 February 2020). The Company will complete further drill holes to test two additional prospects within the exploration licences: Mantons and Johnson’s Hill Prospects (refer figure 4).

All the drill pads have been prepared and community consultation has been completed. Subsequent to the end of the period, drilling commenced (refer ASX announcement: 21 October 2021). Godolphin will provide ongoing updates and assay results as available.

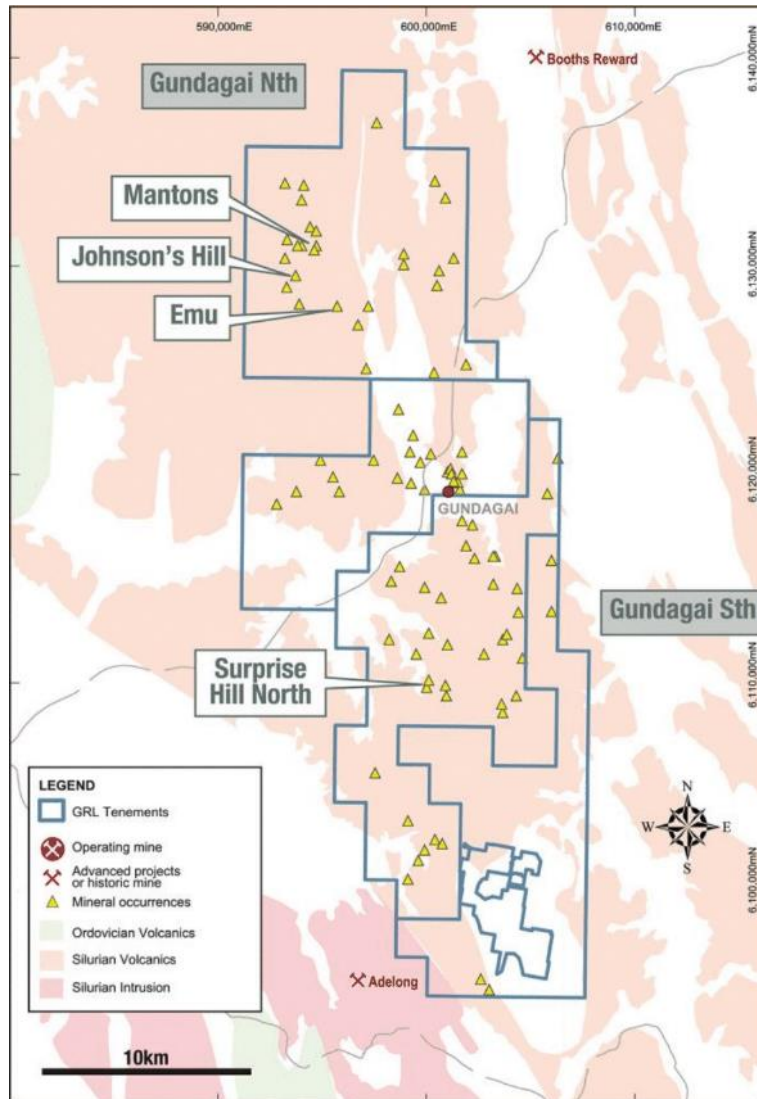


Figure 4: Gundagai North and South tenement

Exploration licence application ELA6333

During the quarter, an area became available adjacent to the Company’s EL5583 Lewis Ponds exploration licence. An exploration licence application (ELA) was submitted to the NSW Government, Regional NSW Department. The ELA area is one unit in size and is important as it adjacent to an area containing strong gold in soils results and historical gold workings that are devoid of recent drilling. The ELA fills in the area below Mt Shorter and Mt Lindsay gold targets, in the north of EL5583. The work program will allow for additional soil sampling to aid in identifying targets for RC drill testing.

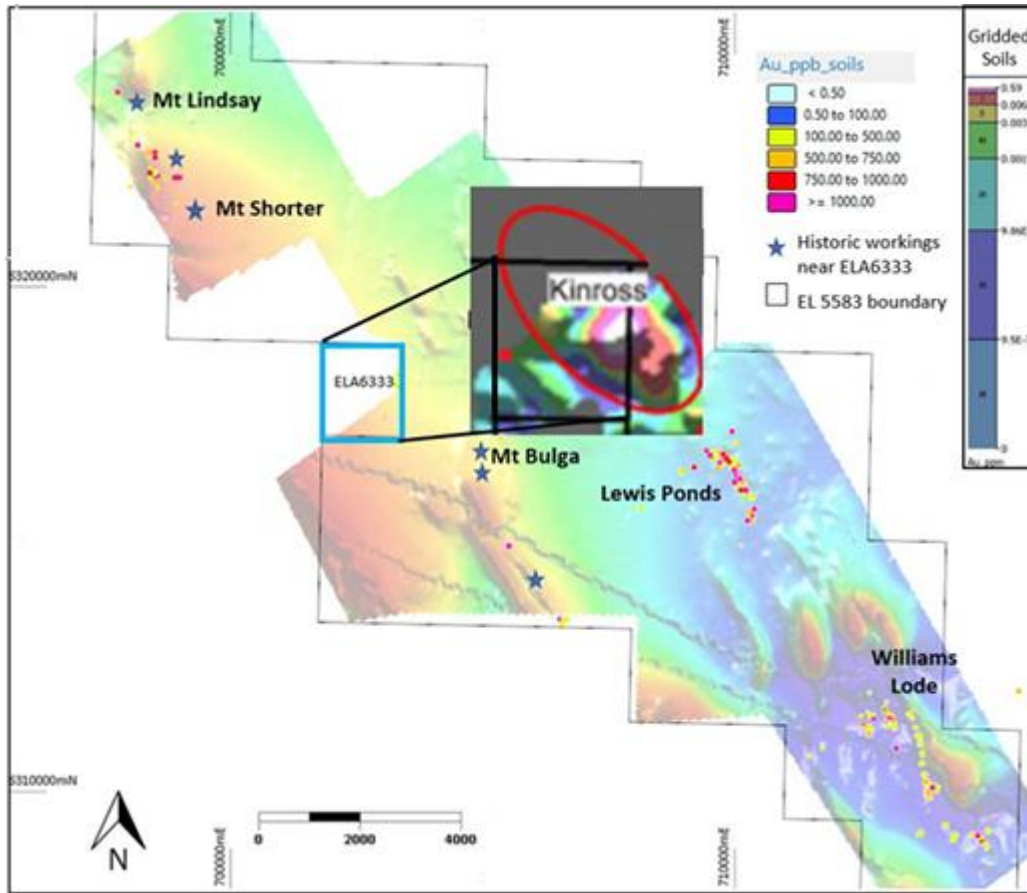


Figure 5: Location of ELA6333 adjacent to the Lewis Ponds tenement EL5583, showing Au ppb soil samples plotted on gridded Au ppm soil image over the Lewis Ponds tenement.

CORPORATE OVERVIEW

Significantly strengthened exploration team

During the period, Godolphin advised it had appointed a new exploration team based in Orange to optimise the value of its project portfolio. This highlights the continued efforts of the Company to put in place an industry leading exploration team to achieve the strategic goals set out by the company.

Each member of the exploration team has extensive experience and a strong understanding of the Lachlan Ford Belt. Appointments to the Company’s exploration team included:

Melissa Morgan – Senior Exploration Geologist

Ms Morgan is a copper-gold porphyry systems specialist. Over the last 20 years, she has worked in resource development and orebody definition for large Australian mining companies. Since 2007, Melissa was a member of the orebody knowledge team at Newcrest’s Cadia Mine, where she worked on special projects and trained a team of geologists.

Melissa will be focused on progressing the Company’s exploration strategy at the Yeoval, Mt Aubrey and Obley Projects aiming to identify the next large ore deposit in the Lachlan Fold Belt.

Paul Flitcroft – Exploration Geologist

Mr Flitcroft is an experienced exploration geologist, with extensive expertise in Volcanic Associated Massive Sulphide (VAMS) deposit types. Paul has 15 years' experience in regional mapping and surveying, along with gold and base metals exploration with a more recent focus on the Eastern Lachlan Fold Belt. Paul has worked on a number of projects in NSW including the Dargues Reef Gold Mine, Hera Gold Mine, Discovery Ridge Gold Project and most recently Regis' McPhillamy's Gold Project.

Paul will be focused on exploration initiatives at the Company's Lewis Ponds, Copper Hill East and Gundagai gold projects.

Melinda Deacon – Exploration Geologist

Ms Deacon has worked on some of the largest hard rock mines and advanced projects in Central West NSW, including both Northparkes and Cadia, so gaining a strong understanding of the geological environments and deposit types of the Lachlan Fold Belt, including porphyry copper-gold mineralisation styles in the Central West NSW.

Melinda has also worked alongside the exploration team at the McPhillamy's gold project near Blayney and will assist the Company in all exploration activities across GRL's project suite.

Financial overview

The cash balance as at 30 September 2021 was \$4.17m, which provides Godolphin with considerable financial flexibility to progress its multi-discovery strategy across its project suite.

Statement of Commitments

	Revised Estimate (as announced 16 December 2019)	2020 FY	2021 FY	Sep 2021 QTR	Total	Variance
	\$000	\$000	\$000	\$000	\$000	\$000
IPO December 2019						
IPO Costs and cost repayable under the Loan agreement	1,000	1,241	-	-	1,241	(241)
Corporate, management after listing	1,270	534	1,257	377	2,168	(898)
Explorations, drilling, assays, supervision	4,567	627	2,269	153	3,049	1,518
Modelling, resource estimate, reporting	90	38	96	34	168	(78)
Tenement holding costs	70	179	104	7	290	(220)
Contingency for exploration, new targets	484	-	-	-	-	484
	7,481	2,619	3,726	571	6,916	565
Cash Placement 2020						
Capital raising costs	-	-	220	1	221	(221)
	7,481	2,619	3,946	572	7,137	344

Godolphin Resources Limited Tenement Schedule as at 30 September 2021

Tenure	Location	Godolphin Interest	Status	Note
EL 5583	Lewis Ponds	100%	Live	1
EL 8323	Ophir	100%	Live	2
EL 8556	Copper Hill East	100%	Live	
EL 8966	Mt Bulga	100%	Live	
EL 8901	Caledonian	100%	Live	
EL 8532	Mt Aubrey	100%	Live	
EL 8538	Yeoval	100%	Live	
EL 8964	Yallundry	100%	Live	
EL 8963	Obley West	100%	Live	
EL 8962	Obley North	100%	Live	
EL 8890	Cumnock	100%	Live	
EL 8554	Wisemans Creek	100%	Live	2
EL 8555	Calarie	100%	Live	2
EL 8580	Calarie Central	100%	Live	2
ML 0739	Calarie Lachlan Mine	100%	Live	2
EL 8061	Gundagai South	100%	Live	
EL 8586	Gundagai North	100%	Live	
EL 8889	Gundagai	100%	Live	
EL8998	Gadara	100%	Live	
EL9243	Goodrich	100%	Live	

Note 1: A finder's fee is payable to David Timms on EL5583 sale transaction or production commencement (\$2M cap).

Note 2: EL8323, EL8554, EL8555, EL8580 & ML0739 are subject to farm in agreements between GRL & Orange Minerals Pty Ltd as announced on 18 December 2020. At the date of this report GRL's interest in the tenements remains at 100%.

There have been no mining tenements disposed during the Quarter. One exploration Licence, EL9243 was granted during the Quarter.

Exploration licence application ELA6333

During the quarter, an area became available adjacent to the Company’s EL5583 Lewis Ponds. An exploration licence application was lodged.

Exploration Expenditure Summary

During the quarter ended 30 September 2021, Godolphin’s cash expenditure for exploration & evaluation totalled \$195,000¹ and consisted of:

	Current Quarter \$000	Year to Date (3 Months) \$000
Drilling and sample storage	48	48
Direct Salaries	60	60
Tenement rental	7	7
Security Deposits	57	57
Laboratory costs	2	2
Consulting fees	20	20
Other	1	1
	195	195

Payments to related parties of the entity and their associates

The amount included in section 6.1 of the Appendix 5B includes cash payments of \$139,371 for Directors’ fees (\$58,208), salaries (\$80,402) and reimbursement of expenses incurred on behalf of the Company (\$761).

<<ENDS>>

This announcement has been authorised for release by the Board of Godolphin Resources Limited.

For further information regarding Godolphin, please visit godolphinresources.com.au or contact:

Jeneta Owens

Managing Director

+61 417 344 658

jowens@godolphinresources.com.au

Released through: Henry Jordan, Six Degrees Investor Relations, +61 431 271 538

¹ Refer Item 2.1(d) of Godolphin’s Appendix 5B Mining exploration entity or oil and gas exploration entity quarterly cash flow report to 30 September 2021.

About Godolphin Resources

Godolphin Resources (ASX:GRL) is an ASX listed resources company, with 100% controlled Australian-based projects in the Lachlan Fold Belt (“LFB”) NSW, a world-class gold-copper province. Currently the Company’s tenements cover 3,200km² of highly prospective ground focussed on the Lachlan Transverse Zone, one of the key structures which controlled the formation of copper and gold deposits within the LFB, the Godolphin Fault and the Molong Volcanic Belt.

Godolphin is exploring for structurally hosted, epithermal gold and base-metal deposits and large, gold-copper Cadia style porphyry deposits and is pleased to announce a re-focus of exploration efforts for unlocking the potential of its East Lachlan tenement holdings, including increasing the mineral resource of its advanced Lewis Ponds Project. Reinvigoration of the exploration efforts across the tenement package is the key to discovery and represents a transformational stage for the Company and its shareholders.

COMPLIANCE STATEMENT The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms Jeneta Owens, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Owens is the Managing Director and full-time employee of Godolphin Resources Limited. Ms Owens has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Ms Owens consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The Company’s previous market announcements are referred to in this report.

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not been materially modified from the original market announcements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Godolphin Resources Limited

ABN

13 633 779 950

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(89)	(89)
(e) administration and corporate costs	(294)	(294)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other		
1.9 Net cash from / (used in) operating activities	(377)	(377)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised) ¹	(195)	(195)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(195)	(195)

¹ Consists of:

Drilling and sample storage	(48)	(48)
Direct Salaries	(60)	(60)
Tenement rental	(7)	(7)
Security Deposits	(57)	(57)
Laboratory costs	(2)	(2)
Consulting fees	(20)	(20)
Other	(1)	(1)
	(195)	(195)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	(1)	(1)
3.10 Net cash from / (used in) financing activities	(1)	(1)
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	4,747	4,747
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(377)	(377)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(195)	(195)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(1)	(1)
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	4,174	4,174

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,029	609
5.2	Call deposits	3,145	4,138
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,174	4,747

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	139 ²
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Not applicable		

² Consists of Directors' fees (\$58,208), salaries (\$80,402) and reimbursement of expenses incurred on behalf of the Company (\$761).

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(377)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(195)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(572)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,174
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,174
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.30
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not Applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not Applicable	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not Applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.