

28th July 2022

QUARTERLY ACTIVITIES REPORT for the period ended 30th June 2022

JUNE QUARTER HIGHLIGHTS

- Eight high priority copper ground EM and drill targets defined at Whitbarrow, Redlands, and Lunns Dam Projects from Airborne Electromagnetic survey.
- Commencement of Ground EM to refine these targets for drill testing.
- Auger drilling completed at Swansons prospect (Recovery Project) extends gold plus pathfinder lag (rock) sampling target.
- Auger drilling at Lunns Dam Project has defined two copper targets.
- Strong cash position of \$4.64m to fund ongoing exploration and further potential acquisition(s)

Parabellum Resources Limited (ASX:PBL) ('Parabellum', or 'the Company'), is pleased to update shareholders on its exploration programs during the June 2022 quarter.

The Redlands/Whitbarrow, Recovery and Lunns Dam Projects in the Tottenham-Girilambone district comprises four granted exploration licenses covering approx. 690km²; and the Obley Project in the Yeoval district comprises one granted exploration license covering approx. 180km² (Figure 1).

Parabellum Non-Executive Director, Peter Ruse commented: *"The Board of PBL is pleased that the Airborne Electro Magnetic survey achieved its objective defining a number of high-quality targets. This will enable PBL to enact a focused exploration program of target delineation and refinement (using Ground EM) before drill testing some targets in Q3 CY22."*



Figure 1: PBL Project Location (Source PBL 4th October 2021)



Figure 2: PBL Auger Drilling program – Lunns Dam (Source PBL 25th July 2021)

Airborne EM program & Interpretation

The defined strategy of Parabellum is to target massive sulphide (Besshi-type) copper mineralisation in rocks of the Girilambone Group in Western NSW, and copper/gold skarn mineralisation around an intrusive complex with known copper mineralisation in Central NSW.

UTS Geophysics completed a heli-borne VTEM Max survey over four areas within PBL projects totaling approximately 2,000 line km (~380 km²) late March 2022 (Figure 2). The survey focused on areas within each project considered to have high potential for the discovery of massive copper sulphides.

Interpretation of the preliminary Airborne Electromagnetics (“EM”) data identified a number of anomalies. Field review of these anomalies was undertaken during the quarter in order to screen potential cultural (e.g. man-made) effects that produce false anomalies. This work, in conjunction with interpretation of the final Airborne EM data, has enabled eight high ranking targets to be prioritized for ground EM surveying. The ground EM surveying will enable accurate modeling of the anomalies to facilitate effective drill targeting.

Whitbarrow/Redlands Projects (EL8852 / EL9188)

Airborne EM completed over the Whitbarrow/Redlands Project areas has delineated six high ranking EM anomalies – W1, W2, R2, R3, Miandetta and Redlands. Follow up ground EM has been designed and is scheduled to be completed in late July / early August with drill testing planned for late Q3 / early Q4 CY2022.

The Miandetta and Redlands EM anomalies are co-incident with the Miandetta Ni-Co-Cu and Redlands Cu prospects respectively. The W2 anomaly is co-incident with a large east-west trend magnetic anomaly interpreted to represent a mafic/ultramafic intrusion.

For personal use only

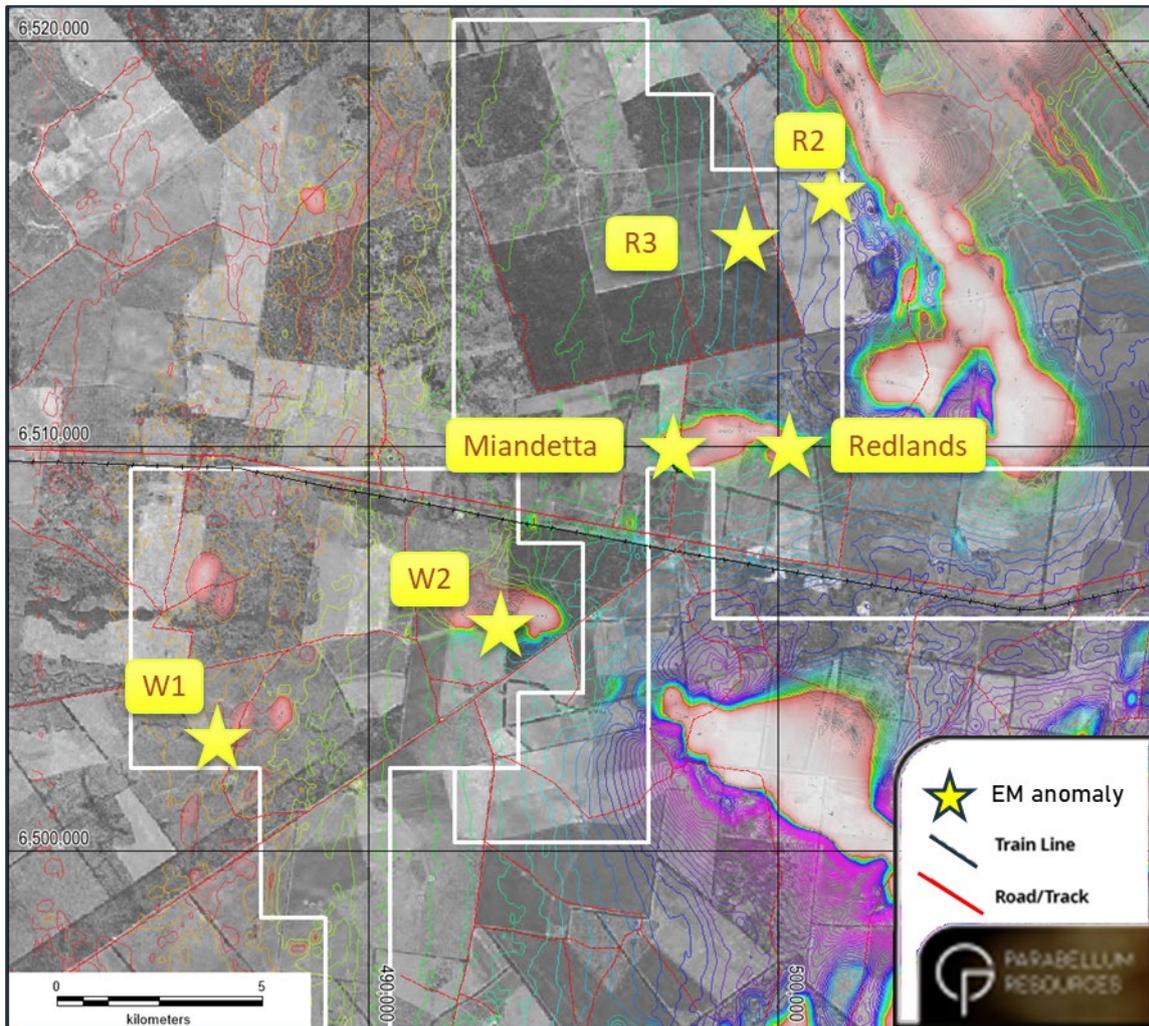


Figure 3: Whitbarrow/Redlands Project – AEM anomalies overlain on Magnetic contours.

(Source PBL 25th July 2022)

Obley Project (EL 8846)

Field review of two preliminary airborne EM anomalies downgraded these potential targets.

Follow up soil sampling of the three coherent Copper mineralisation pathfinder anomalies – Antimony (Sb) & Molybdenum (Mo) proximal to Coppermine Gully & Arsenic/Bismuth/Tin (As/Bi/Sn) at Naroo – has recently been completed (Figure 4). Approximately 300 samples were collected as part of this program and analytical results are expected late Q3 CY2022.

For personal use only

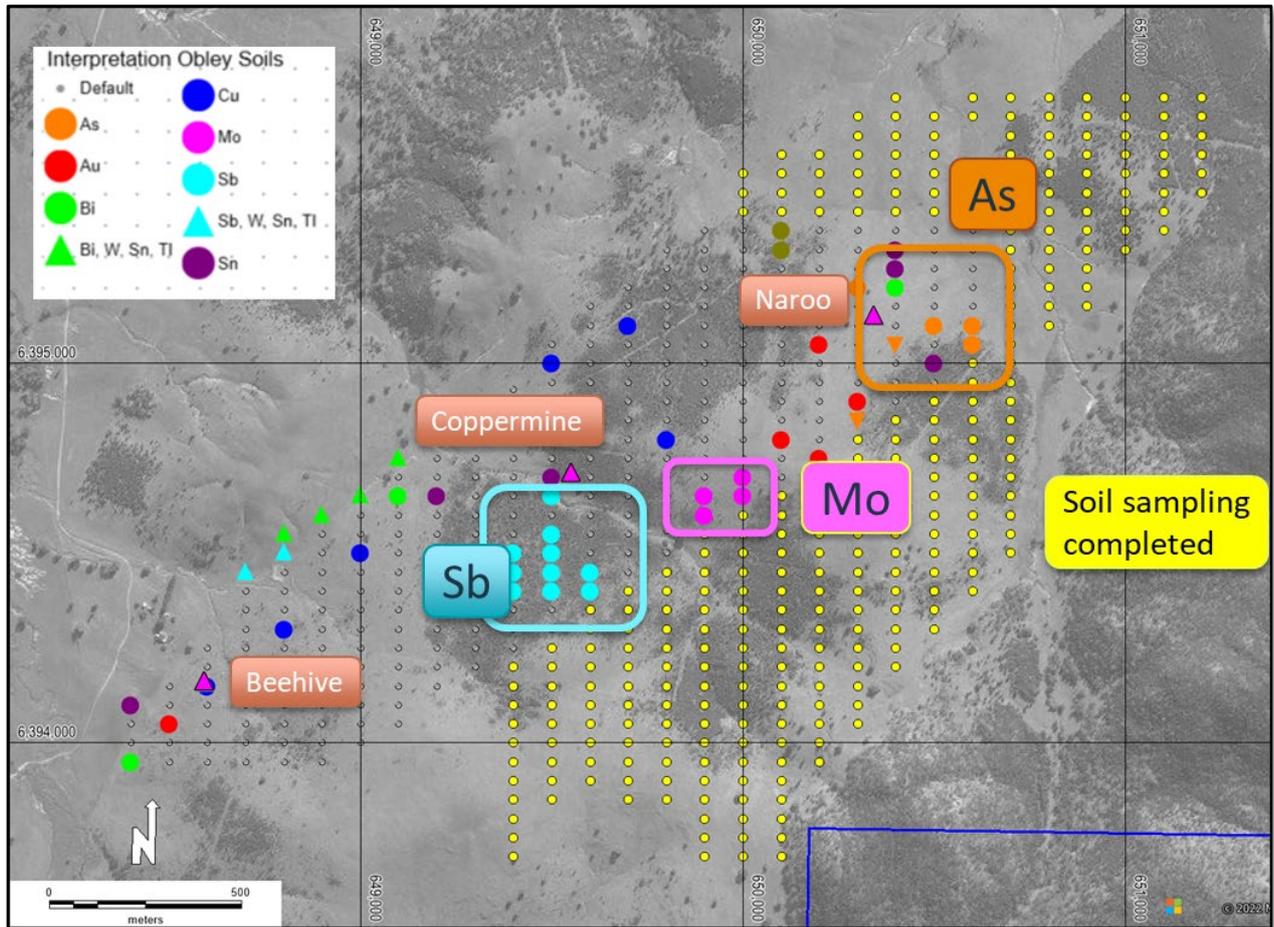


Figure 4: Obley Project – Soil Sampling (Source PBL 25th July 2022)

Lunns Dam Project (EL 8847)

Airborne EM completed over the Lunns Dam Project area has delineated two high ranking anomalies - L1 and L4. Follow up ground EM has been designed and is scheduled to be completed in August with drill testing planned for late Q3 / early Q4 CY2022.

Auger sampling has defined two Copper plus pathfinder anomalies (Figure 5). The southern anomaly is open to the south-west. PBL plan to drill test these targets in Q4 CY2022.

For personal use only



For personal use only

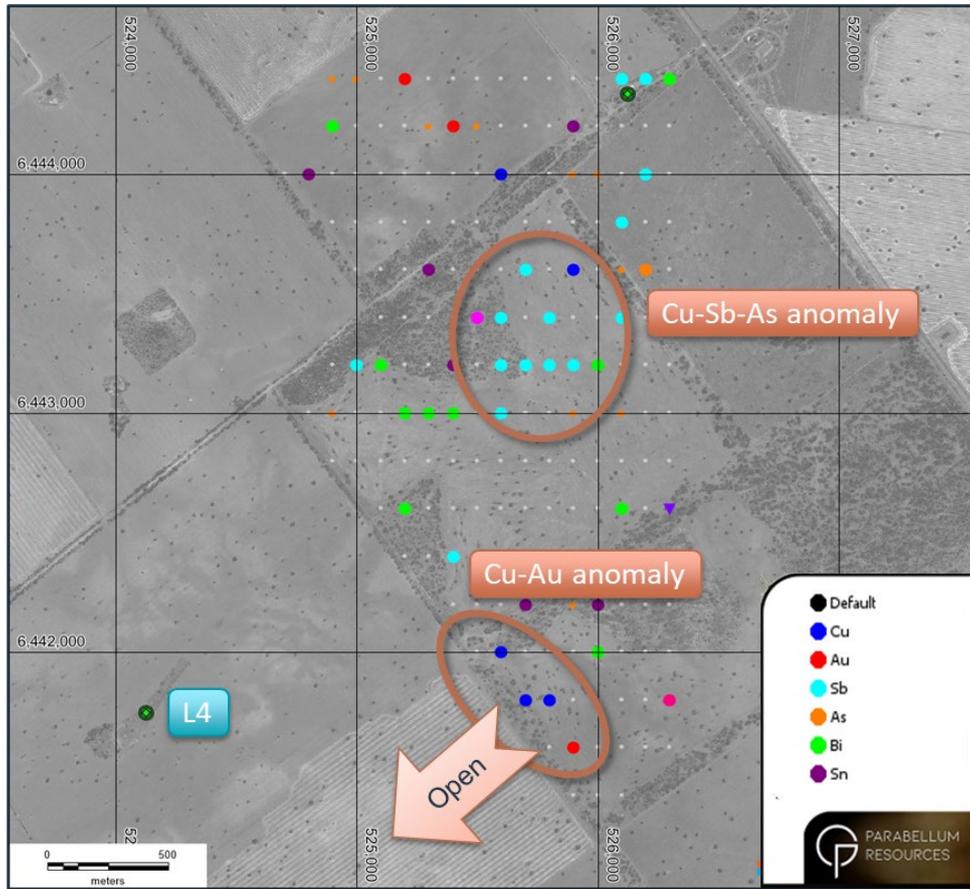


Figure 5 Lunns Dam Project – Swansons Lag/Auger Sampling Results (Source: PBL 25th July 2022)

Recovery Project (EL 918g)

Airborne EM was completed over the historic Recovery Copper mine. No anomaly was defined and thus this prospect has been downgraded.

Auger soil sampling at the Swansons prospect has extended the coherent 600m x 50-100m Gold + pathfinder surface (rock lag) anomaly (Figure 6). PBL plan to drill test this target in Q4 CY2022.

For personal use only

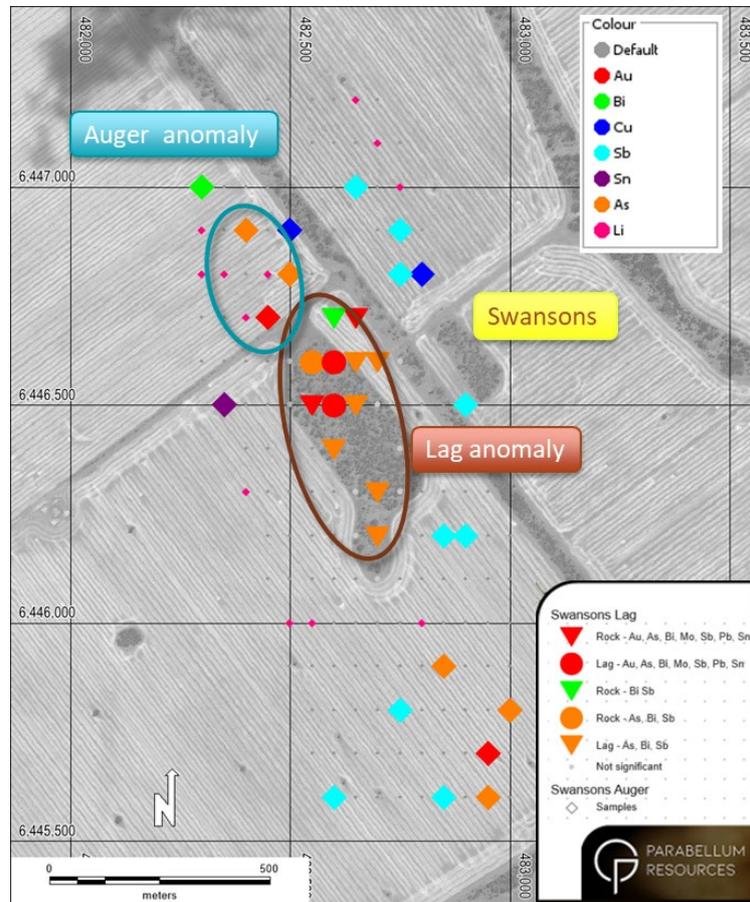


Figure 6 Recovery Project – Swansons Lag/Auger Sampling Results (Source PBL 25th July 2022)

Financial position and outlook

The Company held \$4.64m in cash at the end of the June 2022 quarter. The PBL board continues to maintain strict cost controls with no large recurring general and administrative (G&A) expenses. Due to the very wet weather in central NSW in May and June, follow up programs (such as ground EM) were delayed. These programs are now due to commence early in Q3CY2022.

The Company continues to screen new opportunities in the resources sector which could demonstrate capacity to add long term shareholder value. The directors believe that our strong cash reserves and solid shareholder base will allow the Company to fund new opportunities in the resources sector.

A summary of the expenditure incurred on exploration activities is set out below. No development or production activities were undertaken during the Quarter.



Appendix 5B reference	ASX description reference	Amount	Company Summary
2.1(d)	Exploration and evaluation (if capitalised)	\$122,000	This item relates to the airborne electromagnetic survey, geophysical consulting, data interpretation and associated costs of the exploration program carried out during the quarter.

The aggregate total of payments to related parties and their associates, is disclosed in item 6.1 of the Appendix 5B pertaining to payments of non-executive directors' fees.

A comparison of the use of funds as set out in the Prospectus and the actual use of funds is set out in the annexure to this announcement.

Mining tenements

The Company confirms that no tenements were acquired or disposed nor was there any change in the Company's interest in the below tenements. The following tenements are held at 30 June 2022:

Tenement	Name	Location	Parabellum Interest
EL 8847	Lunns Dam	NSW	100%
EL 8852	Whitbarrow	NSW	100%
EL 9188	Redlands	NSW	100%
EL 9189	Recovery	NSW	100%
EL 8846	Obley	NSW	100%

This announcement has been approved and authorised by the Board of Parabellum Resources Limited.

ENDS.

For further information please contact:

Peter Ruse
Non-Executive Director
E: info@parabellumresources.com.au

Evy Litopoulos
ResolveIR (Investor Relations)
E: evy@resolveir.com

For personal use only

ABOUT PARABELLUM RESOURCES LIMITED (PBL)

PBL is an ASX listed public mineral exploration company committed to increasing shareholder wealth through the acquisition, exploration and development of mineral resource projects in Australia. PBL's four projects have strong potential in under explored but rapidly emerging highly prospective region in New South Wales, Australia. PBL's project portfolio offers exposure to copper and gold.

COMPETENT PERSONS REPORT

Certain Exploration Results referred to in this announcement were first reported in accordance with ASX Listing Rule 5.7 in the Company's prospectus dated 4 October 2021 (**Prospectus**) and subsequent announcements of 19 January 2022 and 23 March 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus. 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.

The new information in this announcement that relates to geology and exploration results and planning was compiled by Mark Arundell, who is a Member of the Australasian Institute of Geoscientists (AIG) and Exploration Manager of Parabellum Resources Ltd. Mr Arundell has sufficient experience which 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'. Mr Arundell consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears. Mr Arundell holds securities in the Company.

FORWARD LOOKING INFORMATION

Various statements in this announcement 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. The Company gives no assurances that the anticipated results, performance or achievements expressed or implied in these forward-looking statements will be achieved.



Annexure

A comparison of the proposed use of funds set out in the Company's prospectus dated 4 October 2021 against the actual use of funds to date is set out below:

Description	Prospectus disclosure		Actual Expenditure \$	Commentary
	Year 1 (\$)	Year 2 (\$)		
Exploration expenditure	1,500,000	1,698,000	629,318	A.
Directors' fees	156,000	210,000	85,500	
General administration fees	331,000	350,000	158,881	
Future acquisition costs	350,000	375,000	123,101	B.
Expenses of the Offer	605,000	-	589,839	
Working capital	437,500	437,500	-	
Total	3,379,500	3,070,500	1,753,125	

Commentary:

- A. Actual exploration expenditure will vary due to timing of the exploration programs on the various projects which is dependent on weather, access and availability of suppliers. The Company confirms there are no material variances to date between the proposed use and actual use of funds.
- B. Consulting and legal fees associated with identification of new projects, due diligence and exclusivity fees.