

ASX RELEASE

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ASX: PEC

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Beharra Project - Commencement of PFS Study

Highlights

- *Commencement of a formal PFS at Beharra with completion expected by end December 2020*
- *Appointment of an experienced sand industry Project Manager to oversee the Beharra PFS*

Perpetual Resources Limited (ASX: PEC, “PEC” or “the Company”) is pleased to announce the commencement of a formal Pre-Feasibility Study (“PFS”) at the Beharra Silica Sand Project, in addition to the appointment of Mr. Matt Robbins as Project Manager. The decision to commence a formal project study at Beharra has come in response to the positive Mineral Resource Estimate that was released to the ASX on 22nd July 2020.

The Beharra PFS is designed to prove the economic potential of the Beharra project, prior to a more definitive decision to fund. The PFS will cover all aspects of the potential project, including mining and civil works requirements, processing plant design and analysis, metallurgy, logistics, as well as analysis regarding capital requirements, power, water and environmental aspects. The Company anticipates delivering the results of the Beharra PFS by the end of December 2020.

The appointment of Mr. Matt Robbins is a crucial step in completion of the PFS. Mr. Robbins is a highly experienced mining industry professional, with deep knowledge of sand plant processing and project development, study management and cost estimation and well as sand industry advisory and strategic business development.

Matt is currently Managing Director of Allied Project Developments, a mineral sands specialist consulting firm, with his predecessor firm, Robbins Technology Group having been acquired by IHC Robbins in 2017. IHC Robbins is a specialist service provider to the mineral sands and alluvial mining industry across the world.

PEC's Executive Chairman, Mr Julian Babarczy commented, *"Given the better than expected outcome from our recently announced Mineral Resource Estimate at Beharra, we have moved quickly to commence a detailed PFS study as we rapidly progress our Beharra silica sand project from concept through to reality. To attract an individual of the calibre of Matt Robbins is a pleasing result for Perpetual and should ensure a thorough and focussed PFS is completed. We look forward to updating the market on further Beharra project development milestones in coming months"*.

About Perpetual Resources Limited:

Perpetual Resources Limited (Perpetual) is a focussed explorer of silica sands, aiming to produce high purity silica and construction sands for domestic and international markets.

Perpetual's flagship asset, the Beharra Project is located 300km north of Perth and is 96km south of the port town of Geraldton in Western Australia. Access to the Project from Geraldton (to the north) and Perth (to the South) is via the sealed Brand Highway, thence the Mt Adams unsealed road providing access to the centre of the tenure.





Figure 1: Mt Adams Road (above) & Proximal Rail (below)

Rail is about 10km from the Beharra Project and accessible via the Mt Adams Road, with the rail line potentially providing access directly to the Port of Geraldton. Rail distance from the road access point adjacent to the Beharra Project is approximately 91km. The port of Geraldton is utilised as a bulk materials handling facility and is currently utilised for the export of bulk materials, minerals and concentrates. Grains, copper concentrates, zinc concentrates, nickel concentrates, mineral sands, talc, and iron ore are currently being exported from the port. Extensive heavy mineral sands mining occurs to the south of the Project area, lime sands mining to the west and natural gas production to the south of the Project.

The Beharra Project comprises of a single exploration licence, E70/5221, covering an effective land area of 56.8km². Auger drilling has confirmed the presence of extensive, high purity silica sands. Air core resource definition drilling has been completed and assay results and Mineral Resource estimate are presently awaited.

Silica Sands Market

Silica sands have an extensive range of uses including lower purity and grade applications such as construction sand, proppant sand used in well fracturing, and foundry sand. With increasing purity (>99.5% SiO₂) uses includes glass making including clear glass. Uses for purity >99.8% includes semi-conductor fillers, LCD screens, and optical glass.

This announcement has been approved for release by the Board of Perpetual.

-ENDS-

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