

Quarterly Activities Report -September 2019

ASX RELEASE

31st October 2019

ASX: PEC

CORPORATE DIRECTORY

Non-Executive Chairman

Julian Babarczy

Managing Director

Robert Benussi

Executive Director & Company Secretary

George Karafotias

Projects

Beharra Silica Sands Project,
Sargon Silica Sands Project,
Eneabba Silica Sands Project &
Eneabba North Silica Sands
Project

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Corporate

Perpetual Resources Limited (ASX: PEC) during the quarter continued to evaluate and assess a number of resource projects that may add value to the company, with focus on the silica sand industry. During this quarter both the Sargon (E/70/5227) and the Eneabba (E70/5220) tenements were successfully granted.

The company also acquired the Eneabba North Silica Sands Project (ELA70/5250) on September 24th taking the total ground position secured in the region to 128km². (Figure 1).

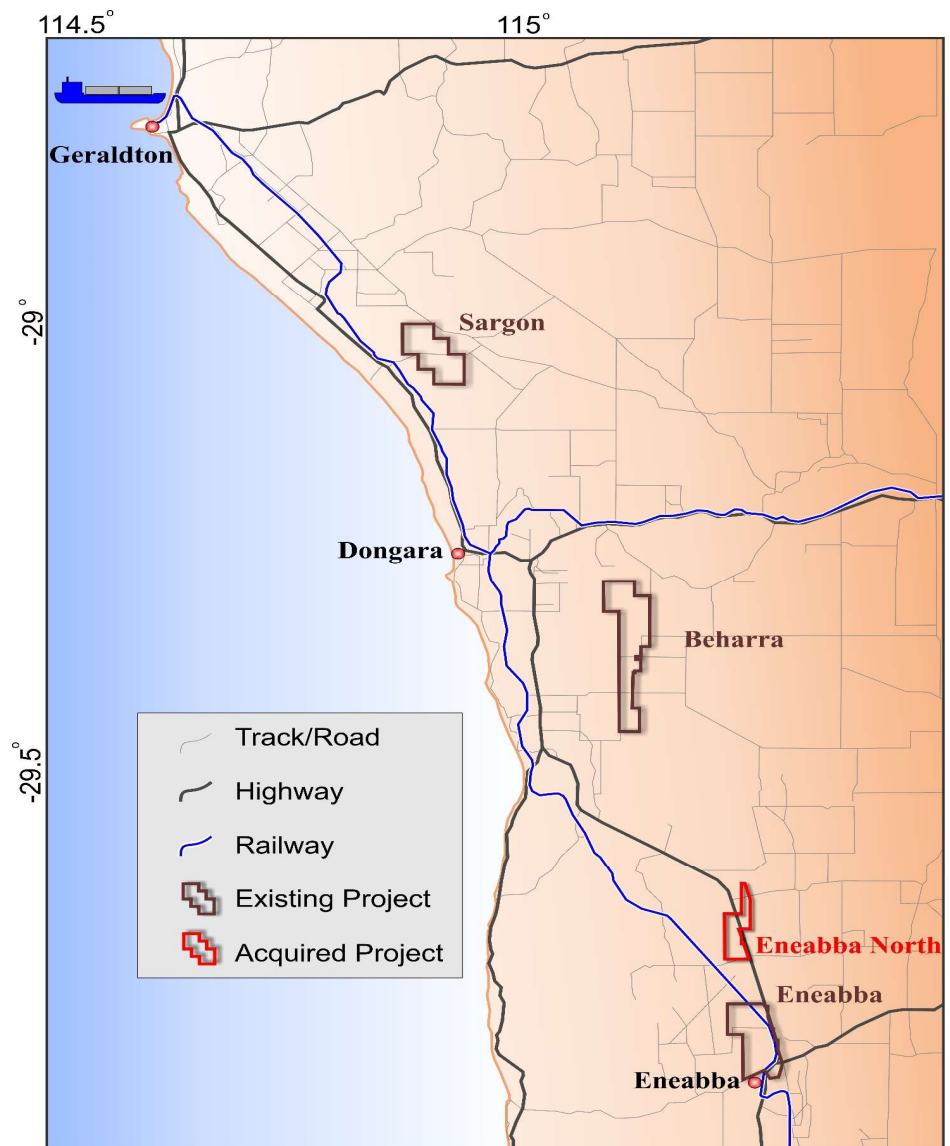


Figure 1: Silica Sands Portfolio Location Plan

Eneabba North Silica Sands Project

- Located directly to the east of VRX Silica's Arrowsmith Central Project (Figure.2)
- The Brand Highway traverses the central portion of the tenure
- Priority target defined to the west of Brand Highway
- Auger drilling program commenced to define extent and specifications of silica sands

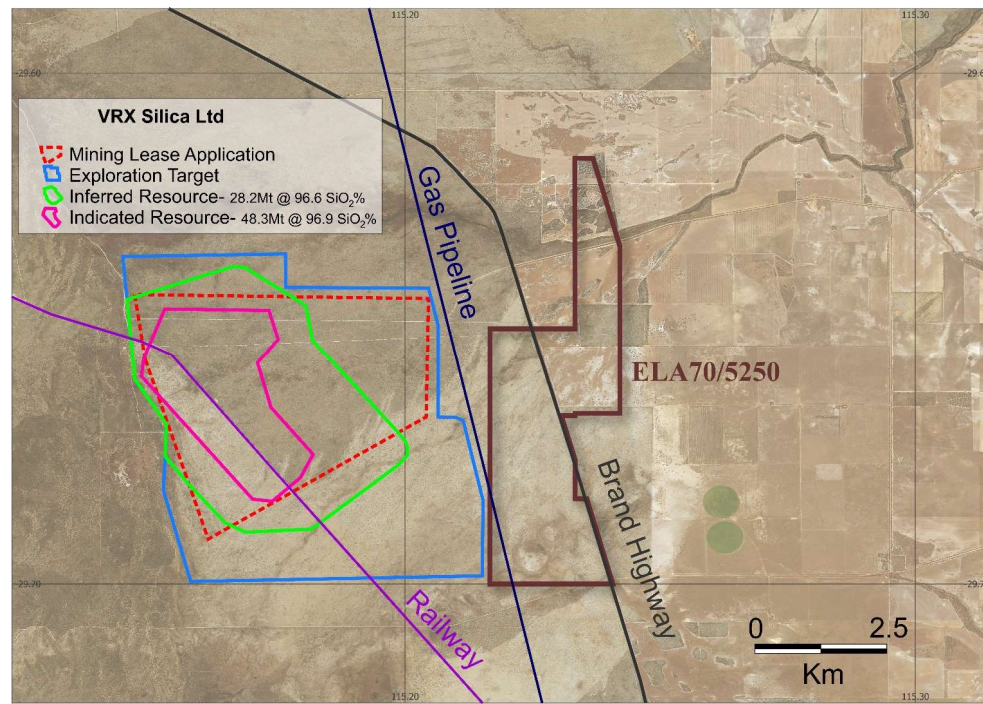


Figure 2: Eneabba North Project Location Plan- ELA70/5250

Exploration

NSW

As reported last quarter there were no NSW exploration activities due to relinquishment of licences by the company. The relinquishment process has now been completed to the satisfaction of the regulators.

Western Australia

During the quarter two additional silica sand licences consisting of Sargon (E/70/5227) and Eneabba (E70/5220) were granted and the acquisition of Eneabba North (ELA70/5250). Current tenement details are indicated in *Table 1*.and *Figure 1*.

The company engaged mineral experts (detailed below) to explore and develop Perpetual's flagship Beharra Silica Sands Project ("Beharra").

Exploration budgeting, planning and permitting is underway to facilitate resource definition drilling across the southern proponent of Beharra. The drilling aims to delineate a maiden mineral resource and provide suitable bulk sample material to perform metallurgical testing.

- *Dr Andrew Scogings (Associate Executive Consultant) and John Graindorge (Principal Consultant) from Snowden Group have been engaged to provide high level strategic advice in terms of exploration planning, program implementation, Mineral Resource estimation and metallurgical test work advice with respect to the Beharra Silica Sands Project.*
- *Dr Andrew Scogings is an internationally recognised industrial minerals expert and will assist with advice on the development of Perpetual Resources' silica sands portfolio*
- *Limestone Park engaged to complete comprehensive assessment of environmental and permitting processes relating to exploration and development of Beharra Project*
- *Exploration planning and budgeting underway*
- *Resource definition drilling to commence upon obtaining requisite approvals*

Work on the Beharra Project consisted of preliminary metallurgical test work to investigate possible purity beneficiation pathways. This work is ongoing.

Preparation for air core resource drilling and further metallurgical and process testing is planned to be undertaken once environmental permitting has been granted.

Table1. Tenement details are indicated in the table below.

Licence	Location	Interest at 30 June 2019	Interest at 30 September 2019	Status	Area km ²
E70/5221	WA	0%	100%	Granted	48.6
E70/5220	WA	0%	100%	Granted	35.3
E70/5227	WA	0%	100%	Granted	30.0
ELA70/5250	WA	0%	0%	Application	14.0

The information in this announcement that relates to the Exploration Results for the Beharra Project and is based on information compiled and fairly represented by Mr. Colin Ross Hastings, who is a Member of the Australian Institute of Mining & Metallurgy and consultant to Perpetual Resources Ltd. Mr. Hastings is also a shareholder of Perpetual Resources Ltd. Mr. Hastings has sufficient experience relevant to the style of mineralisation and type of deposits under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Hastings consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.