

# AUSTRALIAN SILICA QUARTZ GROUP LIMITED

## Diamond Drill Hole in Progress at Quartz Hill MGSi Project



- Australian Silica Quartz Group Limited advises that it has commenced drilling a single diamond drill hole within the Quartz Hill Mineral Resource to provide samples for metallurgical test work.
- The Quartz Hill MGSi Project, located 300km northwest of Townsville in Far North Queensland, contains the 17.3Mt MGSi quartz at 99.04% SiO<sub>2</sub> JORC 2012 resource.
- Subject to further detailed quality testing and feasibility work, the Quartz Hill resource may be able to support Quinbrook's proposed multibillion dollar state-of-the-art polysilicon manufacturing facility to be located at the Lansdown Eco-Industrial Precinct in Townsville Queensland.
- As part of the Quartz Hill MGSi Project Scoping Study ASQ have elected to conduct metallurgical test work to gather more detailed information required to characterise the expected quartz lump product.
- The hole is being drilled by DDH1 Drilling Pty Ltd in the larger diameter PQ core size to a planned depth of 100m and will twin RC hole ASQQHRC010.
- Test work on the samples generated includes crushing, screening, pressure washing, scrubbing and ore sorting.
- This work programme is fully funded from the July 2023 Quinbrook contribution to ASQ's exploration costs.



Figure 1 - Diamond Drilling commencing at Quartz Hill

18 July 2024

**ASX Code: ASQ**  
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Australian Silica Quartz Group ('ASQ' ASX:ASQ) is exploring the Quartz Hill Metallurgical Grade Silicon ('MGSi') Project under a Project Development Heads of Agreement with Private Energy Partners Pty Ltd, a wholly owned affiliate of Quinbrook Infrastructure Partners ('Quinbrook').

Quinbrook is a 'value add' investment manager with a specialist focus on the energy transformation, across low carbon and renewable energy supply, storage, grid stability, data centre, industrial and supply chain decarbonisation and related assets and businesses.

In 2023 Quinbrook was conditionally allocated a 200 hectare portion of the Lansdown Eco-Industrial Precinct on which it proposes to develop and build a multibillion dollar state-of-the-art polysilicon manufacturing facility, powered by a large-scale solar and battery storage project it plans to build on land adjacent to Lansdown (Lansdown Eco-Industrial Precinct (townsville.qld.gov.au)).

ASQ received \$1 million from Quinbrook in return for the exclusive right to purchase 10 million tonnes of MGSi Quartz from the mine gate at Quartz Hill at a 10% discount to the prevailing MGSi Quartz market price or such price that would constitute a fair market return to ASQ (whichever is the greater).

Quartz Hill is located on EPM 26702 (ASQ 100%) 10km north of the town of Mount Surprise which is accessed by the Gulf Development Road, 200km southwest of Cairns and 290km northwest of Townsville in North Queensland (Figure 2).

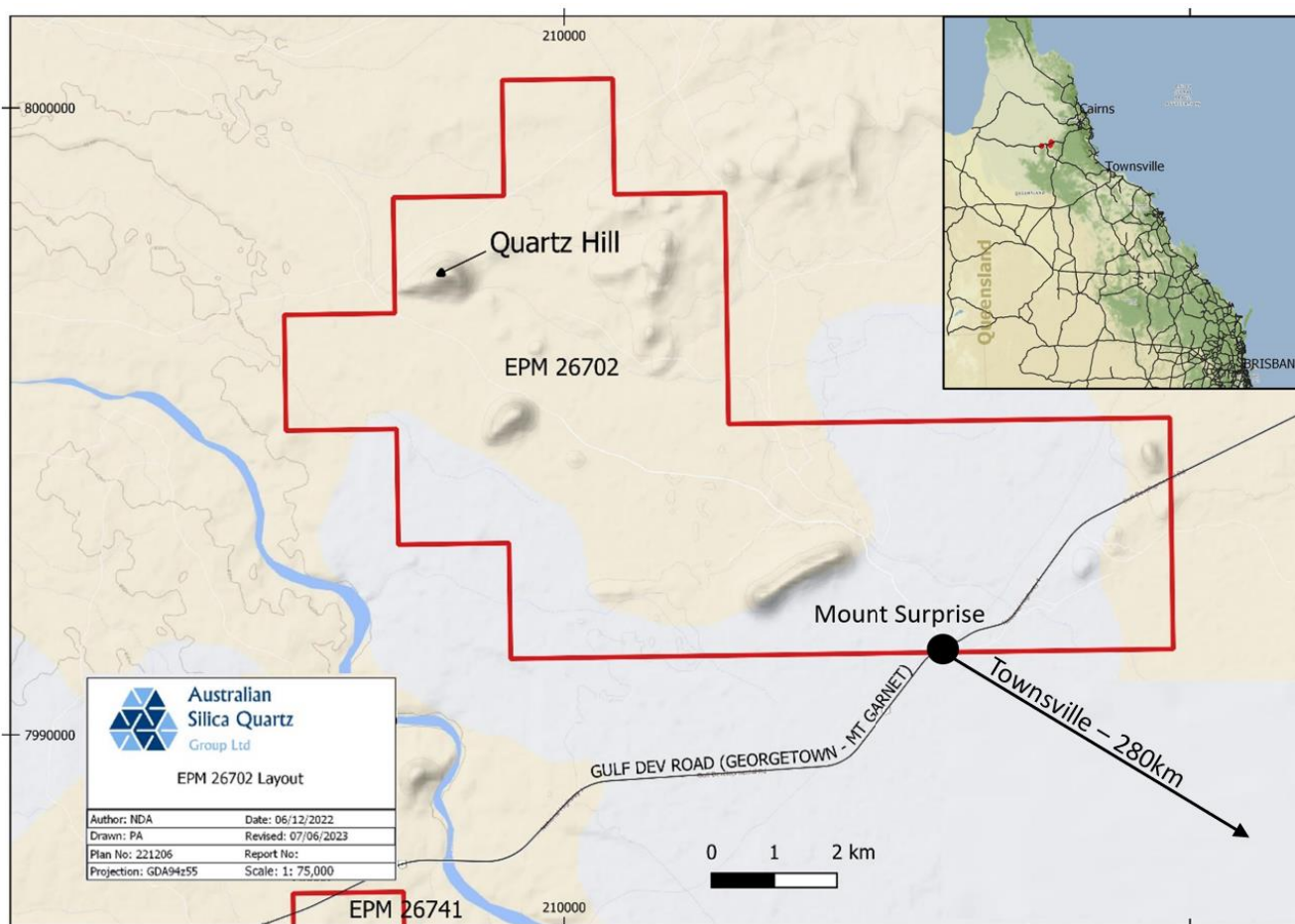


Figure 2: Quartz Hill MGSi Quartz Project Locality and Tenement Plan

In December 2023 ASQ reported the Quartz Hill Mineral Resource Estimate of 17.3Mt total MGSi quartz with 99.04% SiO<sub>2</sub> in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

Table 1: 2023 Quartz Hill Mineral Resource Estimate

<b>Quartz Hill MGSi Deposit</b>									
<b>December 2023 Mineral Resource Estimate (98% SiO<sub>2</sub> Cut-off)</b>									
<b>Class</b>	<b>Total Mineral Resource</b>								
	<b>Tonnage Mt</b>	<b>SiO<sub>2</sub> %</b>	<b>Al<sub>2</sub>O<sub>3</sub> %</b>	<b>CaO %</b>	<b>Fe<sub>2</sub>O<sub>3</sub> %</b>	<b>MgO %</b>	<b>Na<sub>2</sub>O %</b>	<b>TiO<sub>2</sub> %</b>	<b>∑Oxides %</b>
Indicated	7.6	99.09	0.67	0.005	0.16	0.008	0.02	0.03	0.91
Inferred	9.7	99.00	0.73	0.009	0.17	0.012	0.03	0.03	1.00
<b>Total</b>	<b>17.3</b>	<b>99.04</b>	<b>0.70</b>	<b>0.007</b>	<b>0.17</b>	<b>0.010</b>	<b>0.03</b>	<b>0.03</b>	<b>0.96</b>

*Note:*

All Mineral Resources figures reported in the table above represent estimates at December 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).



Figure 3: Quartz Hill MGSi Quartz Project Locality and Tenement Plan

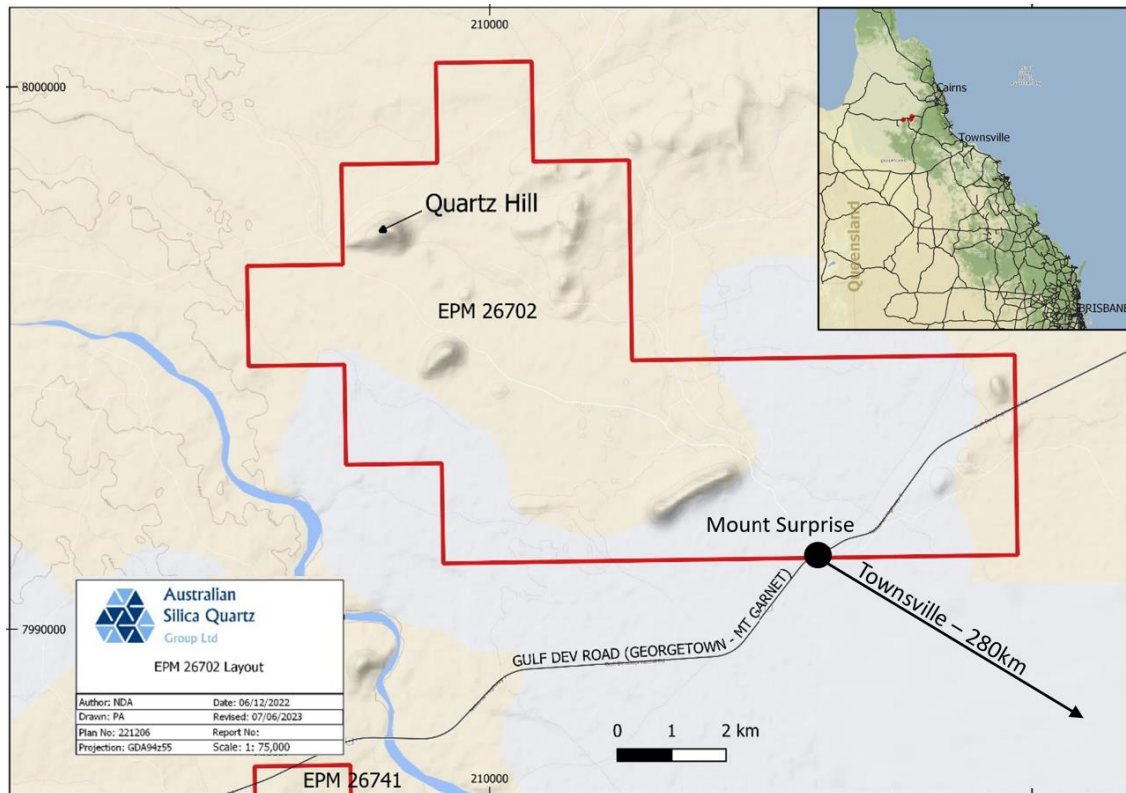


Figure 4: Outcropping Quartz at the Quartz Hill MGSi Project

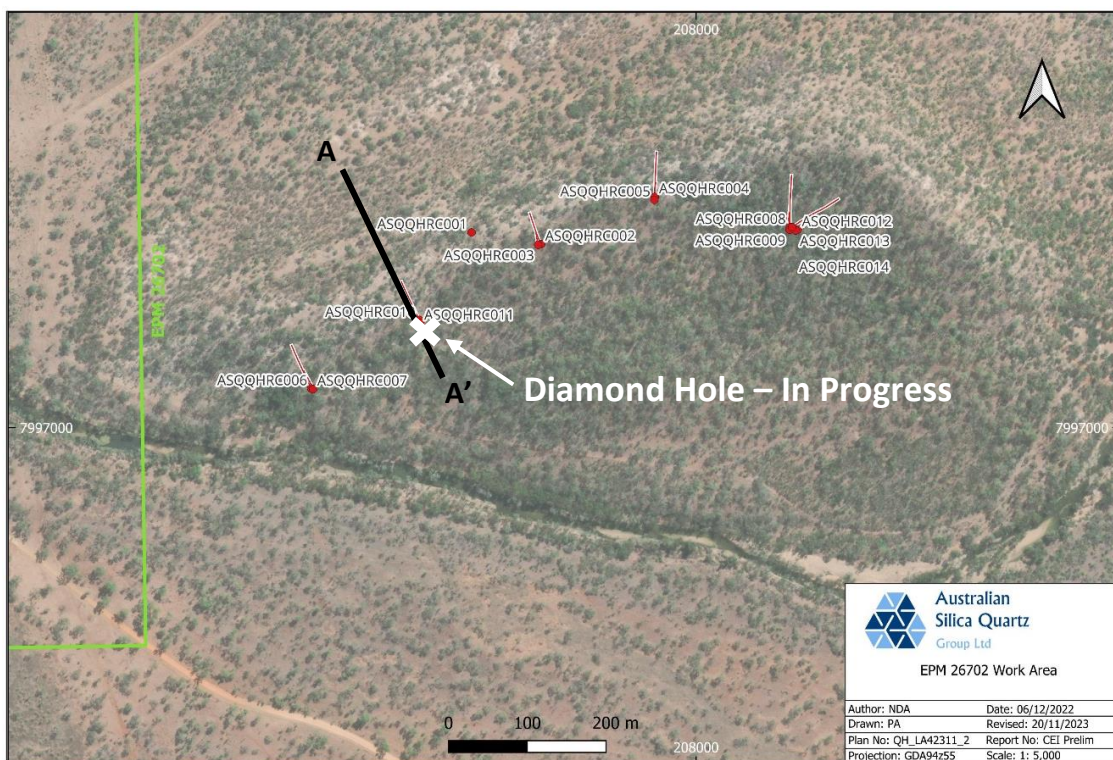


Figure 5: Quartz Hill MGSi Quartz Resource Outline and RC Drill Hole Locations with in-progress Diamond Drill Hole location

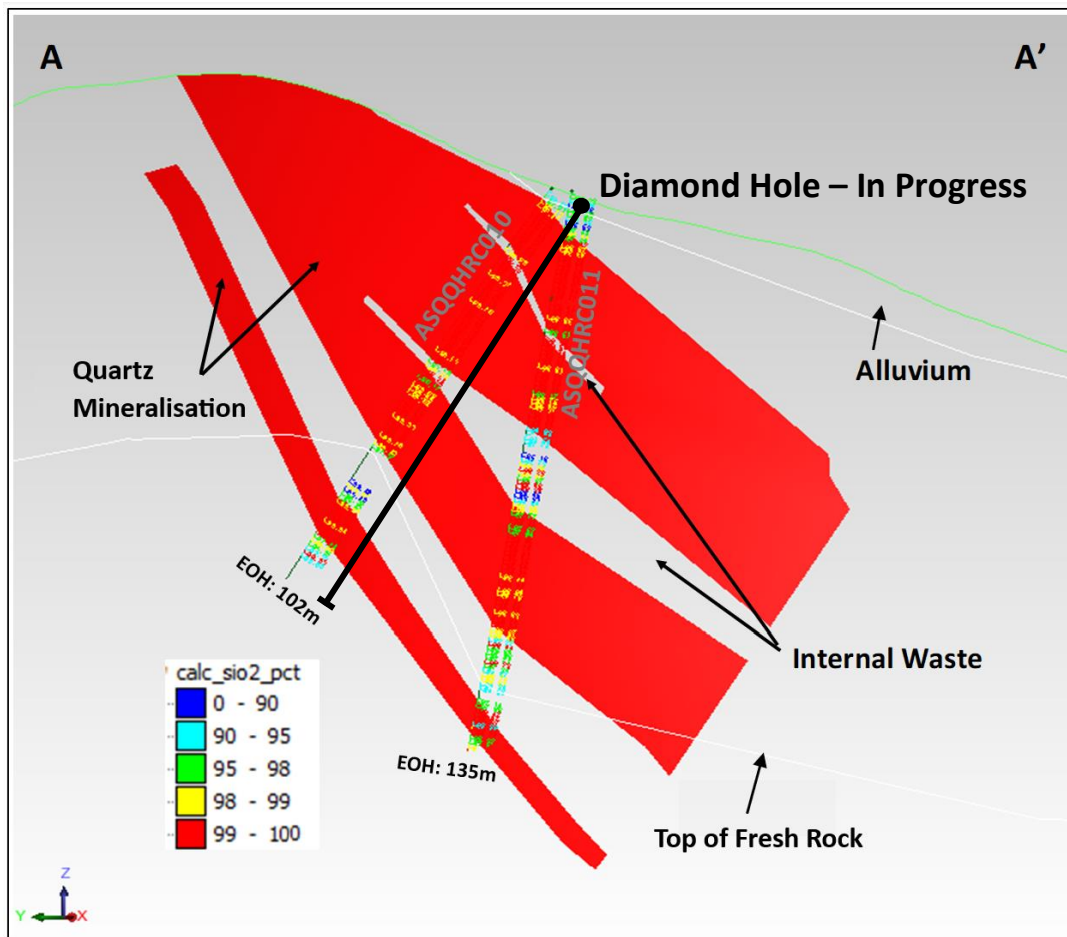


Figure 6: Cross Section of Quartz Hill Wireframes – Section A-A' showing proposed diamond drill hole

High grade quartz is required by the solar silicon manufacturing industry as a precursor feedstock for the production of MGSI. ASQ is working with Quinbrook to assess Quartz Hill as a source of MGSI feedstock. Quinbrook is a 'value add' investment manager with a specialist focus on the energy transformation, across low carbon and renewable energy supply, storage, grid stability, data centre, industrial and supply chain decarbonisation and related assets and businesses. Quinbrook was recently conditionally allocated a 200 hectare portion of the Lansdown Eco-Industrial Precinct on which it proposes to develop and build a multibillion dollar state-of-the-art polysilicon manufacturing facility, powered by a large-scale solar and battery storage project it plans to build on land adjacent to Lansdown.

In addition, high-purity Silica is a raw ingredient used for semiconductors in electronics, computer processors, crucibles for manufacture of monocrystalline silicon, optical fibres, high performance ceramics and specialty glass applications. High purity silica is most likely to be produced from deposits of very chemically clean hard rock quartz.

## **This announcement has been approved for release by the Board**

Please refer to the following announcements for further details on the Quartz Hill MGSi Quartz Project and related exploration results:

<b>Release Date</b>	<b>Announcement Title</b>
12 Dec 2023	MAIDEN 17MT JORC RESOURCE AT 99.04% SIO <sub>2</sub> AT QUARTZ HILL
17 Aug 2023	DRILLING COMMENCES AT QUEENSLAND QUARTZ PROJECT
12 Jul 2023	ASQ RECEIVES \$1 MILLION FOR QUARTZ HILL DEVELOPMENT
07 Jul 2023	ASQ FINALISES EXCLUSIVE RIGHTS TO 10MT QUARTZ OFFTAKE
02 May 2023	HARD ROCK SILICA QUARTZ - QUEENSLAND PROJECTS CLARIFICATION
27 April 2023	HARDROCK SILICA QUARTZ – QUEENSLAND PROJECTS UPDATE

The Company confirms that it is not aware of any new information or data 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 announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

### **Cautionary Statement**

This announcement and information, opinions or conclusions expressed in the course of this announcement contains forecasts and forward-looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. There are a number of risks, both specific to ASQ, and of a general nature which may affect the future operating and financial performance of ASQ, and the value of an investment in ASQ including and not limited to title risk, renewal risk, economic conditions, stock market fluctuations, commodity demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve estimations, native title risks, cultural heritage risks, foreign currency fluctuations, and mining development, construction and commissioning risk.

### **Competent persons statement – Exploration Results**

The information in this document that relates to exploration results is based on data collected under the supervision of Mr. Nick Algie in his capacity as Exploration Manager for Australian Silica Quartz Group Limited. Mr. Algie is a registered member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience that is relevant to the type of deposit and style of mineralisation under consideration to qualify as a competent person under the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Algie consents to the inclusion of the data in the form and context in which it appears.