

## COMMENCEMENT OF EXPLORATION AT CUMMINS RANGE RARE EARTHS PROJECT

### HIGHLIGHTS

- Passive seismic survey underway to define targets for discovery of additional mineralisation
- Extremely cost effective exploration tool never used at Cummins Range before
- Survey to take place over three weeks
- Results to be incorporated into expanded drilling program

Sagon Resources Limited (ASX:SG1) (“Sagon” or “the Company”) is pleased to advise that exploration has commenced at its 100% owned flagship Cummins Range Rare Earths Projects in the Kimberley Region of Western Australia. The initial phase of exploration is set to comprise an extensive passive seismic survey undertaken by Sagon staff. The site will be accessed via the Great Northern Highway, the Tanami track and established station tracks about 130km south west of Halls Creek.



*Figure 1 - Sagon Head of Exploration assessing the area of the planned Passive Seismic Survey*



*Figure 2 - Example of the good station access roads to Cummins Range*

This method is extremely cost effective and has never been used at Cummins Range before. The survey will better help identify deeply weathered “channels” that accumulate the rare earth minerals as the surface deflates over time as shown in the type cross section.

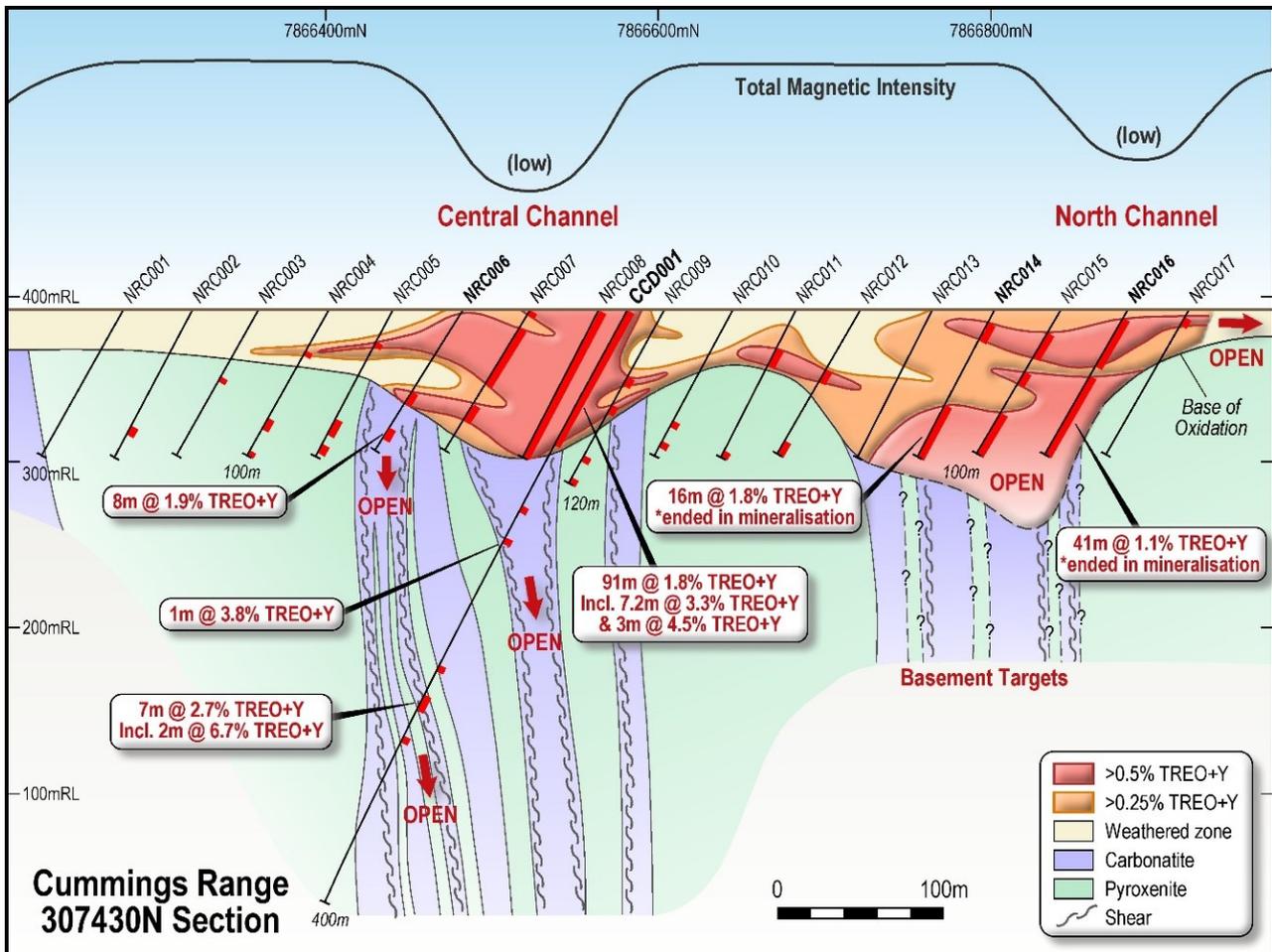


Figure 3: Interpreted cross section across the central portion of the Cummins Range deposit showing the relationship between the bedrock geology, Total Rare Earth Oxides (“TREO”) mineralisation distribution within deeper weather channels and total magnetic intensity response.

The survey will comprise the acquiring of data from up to 1,600 stations across the entire Cummins Range intrusive complex over a period of 3 weeks which will then be sent for compilation and interpretation by leading geophysical consultants, Resource Potentials Pty Ltd. Sagon intends to incorporate the results of this survey into an enlarged exploration program early in 2020.

**For further information, please contact:**

Jeremy Robinson  
Executive Director

#### Competent Person’s Statement

The exploration results included in this announcement were first reported in the Company's ASX announcement titled 'Significant Exploration Potential Confirmed at Cummins Range with 9km of Strike Length Identified' dated 12 November 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcement.