



DISCOVERY alaska

27 April 2022

QUARTERLY ACTIVITIES REPORT MARCH 2022

Discovery Alaska Limited (ASX: DAF) ("the Company") is an Australian based mineral exploration company with a 100% interest in the Chulitna Project in Alaska, USA.

The Company provides the following update for the Quarter;

Exploration Activities

Chulitna Project (Alaska) (100% interest)

The Company continued works to progress activities at the Chulitna Project in Alaska, including:

- Preparing for geophysical surveying works at the Partin Creek prospect.
- Reviewing historical data from the Coal Creek prospect.
- The Project contains multiple prospect targets for varying commodities, including gold, silver, tin, copper & base metals.

The Chulitna Project comprises 308 State mining claims covering 199.4km², is located on State of Alaska public lands, and is not subject to any Native Title claims, native lands, or native claimant groups. The project lies approximately 250km north of Anchorage and close to the major Parks Highway, which runs mostly parallel to the State owned Alaska railroad.

Partin Creek Prospect

The Company completed a field exploration program at the Partin Creek prospect in 2021, comprising the collection of 253 samples (167 rock samples and 86 talus fines samples) and geological mapping works.

The rock sample results achieved up to 73.9g/t Au, 1500g/t Ag and 21.1% Cu. Other significant rock sample analysis results included 30g/t Au, 28.7g/t Au, 477g/t Ag, 414g/t Ag, 2.63% Cu and 2.62% Cu. The talus fines (soil) sample results achieved up to 7.18g/t Au and 12.25g/t Ag.

The main exploration program objective was achieved, with current results replicating the known gold occurrences at the Partin Creek prospect and expanding the prospective area to the northeast and southwest - targeting a robust and coherent gold system with considerable strike length.

The Company was encouraged by the exploration sampling results achieved at the Partin Creek prospect during the initial phase of work, and is now preparing the next stage follow up



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works with the aim to identify priority sites for subsequent potential drilling works. These works include aerial magnetic and radiometric surveying, targeting the identified mineralised skarns and to assist with delineating structures, alteration and lithology at the anomalous areas identified from the sampling program.

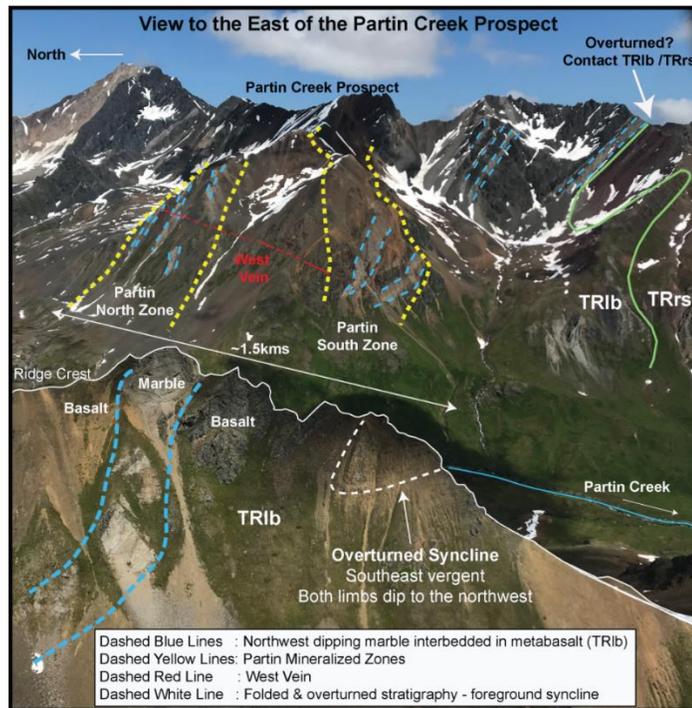


Figure 1. Chulitna Project – Partin Creek Prospect Overview

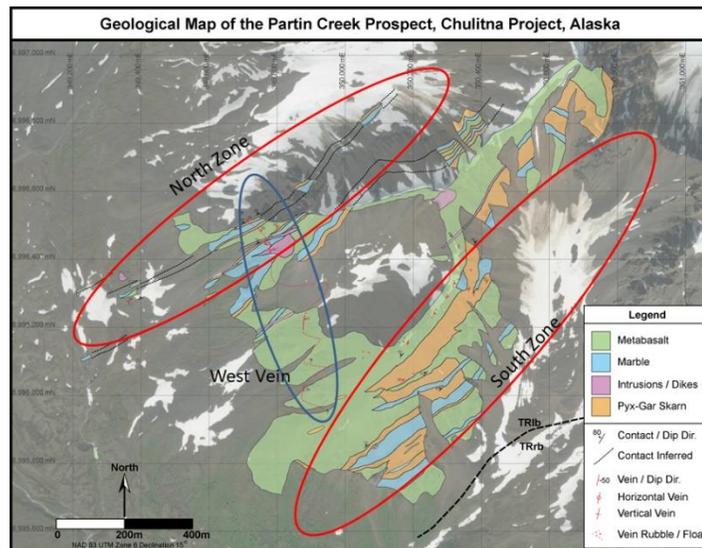


Figure 2. Chulitna Project – Partin Creek Prospect Geology





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Coal Creek Prospect

The Coal Creek prospect contains historical works, including a 2015 NI 43-101 Report (prepared for Strongbow Exploration Inc.) comprising a "Technical Report on the Coal Creek Tin-Silver Exploration Target". This report included selected historical drilling and associated assay data, and a conceptual exploration target estimate.

The Company is reviewing and assessing historical data from the Coal Creek prospect to determine the most effective pathway to determining the prospectivity at Coal Creek.

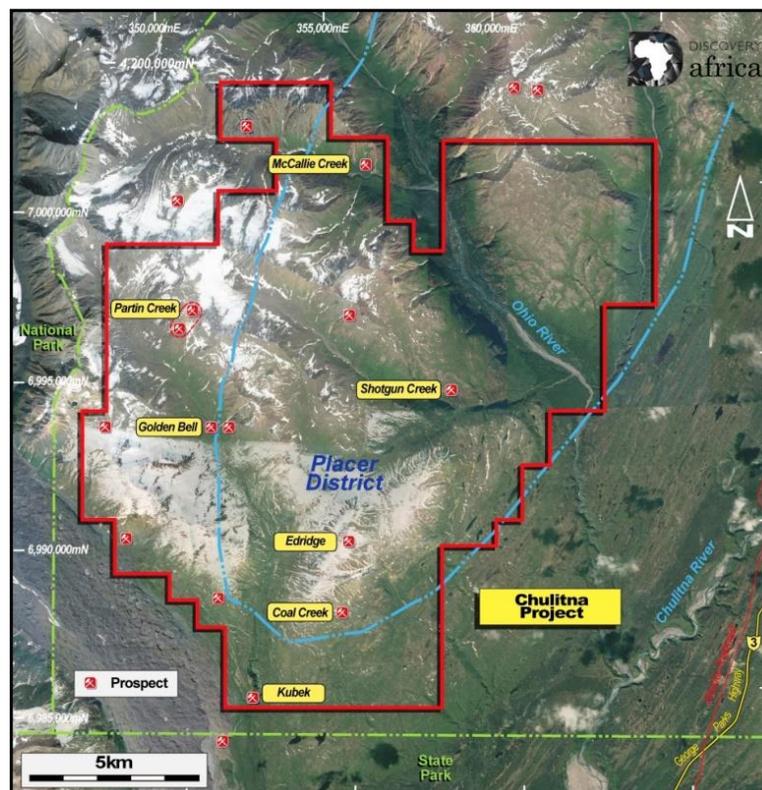


Figure 3. Chulitna Project – Location map with prospect targets

New Project Opportunities

The Company will continue working to identify and review other new projects that may complement the Company's current activities.

Covid-19

The Company continues to take appropriate safety measures and actions to protect our staff and business operations, including precautions advised and regulated by the Australian



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Government. First and foremost, our priority is the health, safety and wellbeing of our staff, partners and community, and as such, the Company is actively monitoring the Covid-19 situation.

Corporate

The Company is in a strong financial position with cash reserves of ~\$1.76 million (as at 31 March 2022), and will maintain prudent financial management.

Additional ASX Disclosure Information

ASX Listing Rule 5.3.1: Costs incurred on exploration and evaluation at the Chulitna Project were approximately \$55,000 during the quarter.

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5: As outlined in the attached Appendix 5B (section 6.1), during the quarter, the Company paid Director's fees of approximately \$29,000.

Schedule of Tenements

The schedule of tenements held by the Company at the end of the Quarter is shown below.

Mining Tenement	Location	Beneficial Percentage held
ADL734566 (Chulitna 1) - ADL734873 (Chulitna 308)	Alaska, USA	100%

ENDS

This announcement has been authorised by the Board of Directors of Discovery Alaska Limited.

For further information:

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Reference to Previous ASX/TSX Releases:

This document refers to the following previous ASX/TSX releases:

3 November 2021 - Chulitna Project - Sampling Results up to 73.9g/t Au & 1500g/t Ag

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Ragusa confirms that the form



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and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person's Statement

The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvella. Mr Zuvella is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient experience that 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 Zuvella is a Director of Discovery Africa Ltd and consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from the Chulitna Project.

The 2021 Chulitna Project exploration program includes a Quality Control/Quality Assurance (QA/QC) program overseen by Jesse C. Grady, MSc, CPG-11592. Mr Grady is a Qualified Person as defined by NI 43-101. Mr Grady has prepared and approved the technical information contained within this announcement.

Forward Looking Statements: Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

ABOUT DISCOVERY ALASKA LIMITED

Discovery Alaska Limited (ASX: DAF) is an Australian company with a 100% interest in the Chulitna Project in Alaska, USA.

The Company has an experienced board and management team with a history of exploration, operational and corporate success.

DAF leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximize shareholder value through development of our assets.

Discovery Alaska Limited

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DISCOVERY ALASKA LIMITED

ABN

50 147 324 847

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(29)	(117)
(e) administration and corporate costs	(40)	(125)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Others - Net GST (paid) / refunded	-	3
1.9 Net cash from / (used in) operating activities	(69)	(239)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(55)	(211)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(55)	(211)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	640
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	640
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,885	1,569
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(69)	(239)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(55)	(211)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	640

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	1	3
4.6	Cash and cash equivalents at end of period	1,762	1,762

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,762	1,885
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,762	1,885

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	29
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Director's remuneration for the period of 1 January 2022 to 31 March 2022 paid during the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	N/A	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(69)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(55)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(124)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,762
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,762
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	14.20
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2022

Authorised by the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.