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Crater Gold Mining Limited ABN 75 067 519 779

29 January 2021

QUARTERLY ACTIVITIES REPORT
For the period ended 31st December 2020

About Crater Gold Mining Ltd
ASX CODE: CGN

Crater Gold Mining Limited ("Crater Gold" or the "Company") is focussed on the exploration of its highly prospective Crater Mountain Gold Project in Papua New Guinea (PNG), which includes two gold resources and evidence of potential copper-gold porphyry mineralisation. The Company is also exploring at the A2 Polymetallic and Golden Gate Graphite projects at Croydon in Queensland, Australia

Capital Structure

Share Price: $0.025
Market Cap: $30.69m
Shares on Issue: 1,227,495,867

Board of Directors

Sam Chan
Non-Executive Chairman

Russ Parker
Managing Director

Thomas Fermanis
Deputy Chairman

Lawrence Lee
Non-Executive Director

Desmond Sun
Non-Executive Director

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DEVELOPMENTS DURING THE QUARTER

CRATER MOUNTAIN GOLD PROJECT

PAPUA NEW GUINEA

The Company continues to take appropriate precautions and actions to protect our staff and business operations, including precautions as advised and suggested by the World Health Organization, the Australian Government and the Government of Papua New Guinea (PNG).

First and foremost, our priority is the health, safety and wellbeing of our staff and the people of the communities in which we operate and as such, the Company is actively monitoring the COVID-19 situation and its potential impacts on these groups.

Due to continual spread of the COVID-19 virus, the PNG Government put in place travel restrictions, both domestic and international, as well as a quarantine program for international arrivals, which remains in place to this day. This combined with reduction in flight connections into PNG has hampered the Company's ability to move expatriate personnel in and out of PNG. Whilst recent changes have re-opened domestic travel in PNG, the impact of the Covid-19 pandemic is still being felt in the area where the Company operates, with many of the logistics providers remaining closed, or offering limited services.

Due to the ongoing nature of these factors and their impact on our ability to access our operations reliably on an ongoing basis, all production and exploration activities continue to remain suspended at present.

In the meantime, the Company remains focused on the renewal process of ML510 and is working closely with the Mineral Resources Authority (MRA) to secure a new ten (10) year mining licence, in addition to working in parallel for the renewal and grant of exploration licenses at the Company's Crater Mountain Gold Project.

POLYMETALLIC PROJECT, NORTH QUEENSLAND

HIGH INDIUM ASSAYS IN DRILL CORE

- **INDIUM ASSAYS UP TO 190 ppm**
- **HIGH SILVER ASSAYS UP TO 2250 g/t ALSO OBTAINED**

During the quarter the Company announced that very high Indium assays up to 190.0 ppm were obtained from the re-assay of six (6) selected intervals from three drill holes previously drilled at Anomaly A2 in 2006/2007 at the Company's Polymetallic Project in North Qld *("High Indium Assays in Drill Core for Polymetallic Project" dated 9 November 2020*). A very high silver value of 2,250 g/t (0.225%) was also obtained from a 0.75m interval from hole DDH A2-008 (361.85-362.60m).

Indium (In) is a rare metal that is used in semiconductor industry applications such as LCD displays, solar panels, microchips and emerging green energy photovoltaic cell technologies. Indium is important in many cutting-edge tech applications, including: transparent conductive coating to glass substrates (such as flat panel displays), semiconductors, light-emitting diodes (LEDs), laser diodes, alkaline batteries, cryogenics, ultra-high vacuum applications, alloys, solders, nuclear control rods and a variety of electrical components.

In view of this encouraging result, indium will now be routinely assayed for by Australian Laboratory Services (ALS) using their ME-MS61 method for all upcoming drilling programs in the Polymetallic Project area.

The rationale for the check assaying was based on the known association of anomalous indium (often together with Ga and Ge) in zinc, tin and copper polymetallic mineralisation similar to that intersected at Anomaly A2.

The drill core samples selected for assay were from holes drilled in the 2006/2007 drilling program. This involved intervals from three (3) holes, namely DDH A2-001 (4 samples), DDH A2-006 (1 sample) and DDH A2-008 (1 sample). Specifically, the re-assaying was undertaken to mainly check for the presence of indium (In), and to a lesser extent gallium (Ga) and germanium (Ge), that were not included in the previous assaying undertaken.

Samples were selected from available Croydon Polymetallic Project half core. Where possible, the intervals selected either matched, or closely matched, intervals that were previously assayed. Samples with expected Zn grades of high (26-29%), medium (16%) and low (1.2%) based on previous assay results were selected to check if indium contents, if detected, can be corelated to Zinc grades. The samples were submitted to ALS for their ME-MS61, 48 element scan, assay procedure. A summary of the assays obtained for the targeted elements and others are provided in Table 1 (not all over-range elements have been tested for actual levels present as these are provided in the previous assay results).

The check assays have provided encouragement with very anomalous values of up to 190 ppm obtained for Indium, with the higher values associated with the higher Zn assays.

Table 1: Previous assay data (2006/2007) and check assays targeting Indium, Gallium and Germanium (October 2020)
(* signifies no previous assay for the actual interval specified)

PREVIOUS ASSAY DATA (2006/2007)												NEW CHECK ASSAY DATA (October 2020)										
HOLE ID	**FROM (m)**	**TO (m)**	***INT (m)***	**Zn**	**Ag**	**Cu**	**Pb**	**Sn**	**As**	**Sb**	**Cd**	**Zn**	**Ag**	**Cu**	**Pb**	**Sn**	**In**	**Ga**	**Ge**	**Cd**	**Sb**	**As**
A2-001	175.40	176.13	*0.73*	**26.48%**	565g/t	0.82%	1.77%	1.60%	1.12%	1.30%	0.16%	**25.9%**	578g/t	0.87%	1.77%	>0.05%	**158.0ppm**	**39.6 ppm**	0.15 ppm	>0.1%	0.854%	>1.0%
A2-001	212.93	213.58	*0.65*	**26.70%**	279g/t	0.65%	0.65%	0.76%	0.15%	0.02%	0.17%	**25.8%**	244g/t	0.60%	0.31%	>0.05%	**153.5ppm**	**41.5 ppm**	0.14 ppm	>0.1%	456ppm	0.312%
A2-001	410.00	410.50	*0.50*	**29.40%**	372g/t	1.13%	19.0ppm	1.16%	0.29%	70 ppm	0.08%	**29.6%**	368g/t	1.03%	262.0ppm	>0.05%	**190.0ppm**	**38.2ppm**	0.14 ppm	>0.1%	238ppm	0.443%
A2-001	410.50	411.15	*0.65*	**1.20%**	52.7g/t	0.21%	10.0ppm	0.15%	0.45%	0.02%	0.18%	**1.68%**	73g/t	0.26%	187.0ppm	>0.05%	**13.55ppm**	**4.78 ppm**	0.23 ppm	>0.1%	322ppm	0.924%
A2-006	420.00	420.40	*0.40*	*	*	*	*	*	*	*	*	**28.3%**	364g/t	1.13%	93.0 ppm	>0.05%	**142.0ppm**	**46.5 ppm**	0.20 ppm	>0.1%	178.5ppm	0.189%
A2-008	361.85	362.60	*0.75*	*	*	*	*	*	*	*	*	**16.0%**	**2,250g/t**	2.01%	2.01%	>0.05%	**92.9ppm**	**30.8 ppm**	0.23 ppm	>0.1%	>1.0%	>1.0%

Mining of indium is extracted mainly as a by-product of zinc processing and to a lesser degree as a by-product of copper, tin and polymetallic processing. This serves to reduce the processing costs of these metals. The indium content in tin-bearing polymetallic type ore deposits is usually less than100 ppm, although some can contain higher levels (USGS Professional Paper 1802-H, 2017).

The price of indium is somewhat volatile (reaching around US$700 per kilogram in 2014) but is currently quoted at between US$100 to US$200 per kilogram. It is predicted that the price by 2031 will increase up to around US$650 per kilogram. World production of indium as a mined by-product is currently around 800 to 1,000 tonnes per annum and with advances in indium recovery, is predicted to rise to around 1,400 tonnes per annum by 2031. Similar amounts of indium are also recovered from indium bearing waste, and to a lesser extent, end-of-life products. Global in-ground indium reserves and resources are estimated to be in the order of 50,000 tonnes with just under half of this being in China. China currently accounts for about half of global production (*The Availability of Indium: The Present, Medium Term and Long Term, Subcontract Report NREL/SR-6A20-62409, Colorado School of Mines, October 2015*).

One of the world's largest indium resources occurs at the Mount Pleasant mine in New Brunswick, Canada, within a granite related tin-bearing polymetallic deposit. The occurrence, in which the Company does not have any commercial interest, has very similar geology and mineralisation to that identified at Anomaly A2 and in compliance with Canadian NI-43-101 (as reported in *The Availability of Indium, October 2015, p37*) has an estimated indicated resource of 12.4 million tonnes averaging 0.38% tin, 0.86% zinc and 64 ppm indium plus an estimated inferred resource of 2.8 million tonnes averaging 0.30% tin, 1.13% zinc and 70 ppm indium.

PREVIOUS EXPLORATION AT THE CROYDON A2 POLYMETALLIC PROJECT

The A2 project is defined by a 1.5km x 1.0km complex aeromagnetic feature, characterised by a small magnetically reversed circular low shrouded by a doughnut shaped high immediately to its north, east and west. Nine (9) diamond drill holes for a total of 4,400.6m have been drilled and have intersected laminated shale basement rocks under 115m of Mesozoic cover sediments. Narrow vein style polymetallic stockwork mineralization was intersected throughout the basement rocks in all drill holes to the end of hole depths of up to 536.6m, with mineralisation open-ended in all holes at hole end. This defined a large hydrothermal system at least 1250m long and 600m wide. Within this large zone are intersections of wider massive sulphide polymetallic veins up to 13m downhole lengths with values of Zn up to 10.13%, Ag up to 672 g/t, Sn up to 0.69%, Pb up to 2.1% and Cu up to 0.57%. Details of significant mineralised intersections of 2.0m down hole lengths or greater, are listed in Table 2 (as reported in previous ASX Announcement: ASX:CGN "*Drilling Commences at the Croydon Polymetallic Project, North Queensland*", dated 7 November 2012).

Table 2. Significant Sulphide Mineralized Drill Hole Intercepts of 2.0m or Greater From 2006/2007 Programs at Anomaly A2

Hole #	Intercept	Width	Zn	Ag	Au	Sn	Cu	Pb
	(m)	(m)	%	ppm	ppm	%	%	%
A2-001	129.5 - 133	3.5		91.8		0.15		
	142.8 - 146	3.2	3.59	68.6		0.24		
	151 - 153	2.0	1.34	27.5		0.15		
	175.4 - 177.7	2.3	10.13	209.6		0.69	0.32	0.57
	211 - 222	11.0	6.33	66.9		0.34	0.13	
	409 - 414	5.0	8.00	180.0	0.05	0.58	0.57	
A2-002	449 - 453	4.0	0.12	16.1			0.42	
A2-003	175 - 178	3.0	1.02	45.5				0.50
	318 - 320	2.0	1.20	19.8				
	414 - 416	4.0	0.95	10.2				
A2-004	351 - 353	2.0	3.24	32.7		0.12		
A2-005	154 - 161	7.0	1.47	88.0		0.55	0.19	0.45
	201 - 203	2.0	0.62	98.2		Tr	0.29	0.62
	230 - 232	2.0	9.00	109.0		0.39	0.29	
	291 - 297	6.0	1.84	13.0				
A2-006	283 - 286	3.0	1.77	63.0		0.27		0.60
	305 - 315	10.0	2.30	144.0		0.39	0.29	
	418 - 422	4.0	6.93	69.0		0.57	0.22	
	425 - 437	12.0	4.59	56.5		0.42	0.20	
A2-007	211 - 213	2.0	3.18	37.4		0.18		
	285 - 287	2.0	1.02	40.9		0.36		
	391 - 397	6.0	2.72	285.7		0.45	0.43	0.87
	414 - 422	8.0	0.58	17.9		0.14		
A2-008	359 - 363	4.0	3.09	416.6		0.63	0.42	0.63
A2-009	230 - 233	3.0	1.25	120.0				0.55
	247 - 249	2.0	3.12	300.3				1.50
	261 - 263	2.0	1.85	672.0				2.10
	293 - 295	2.0	2.45	109.0		0.30		0.09
	300 - 313	13.0	1.60	95.0		0.05		0.25
	418 - 423.7	5.7	0.48	36.4		Tr		0.27

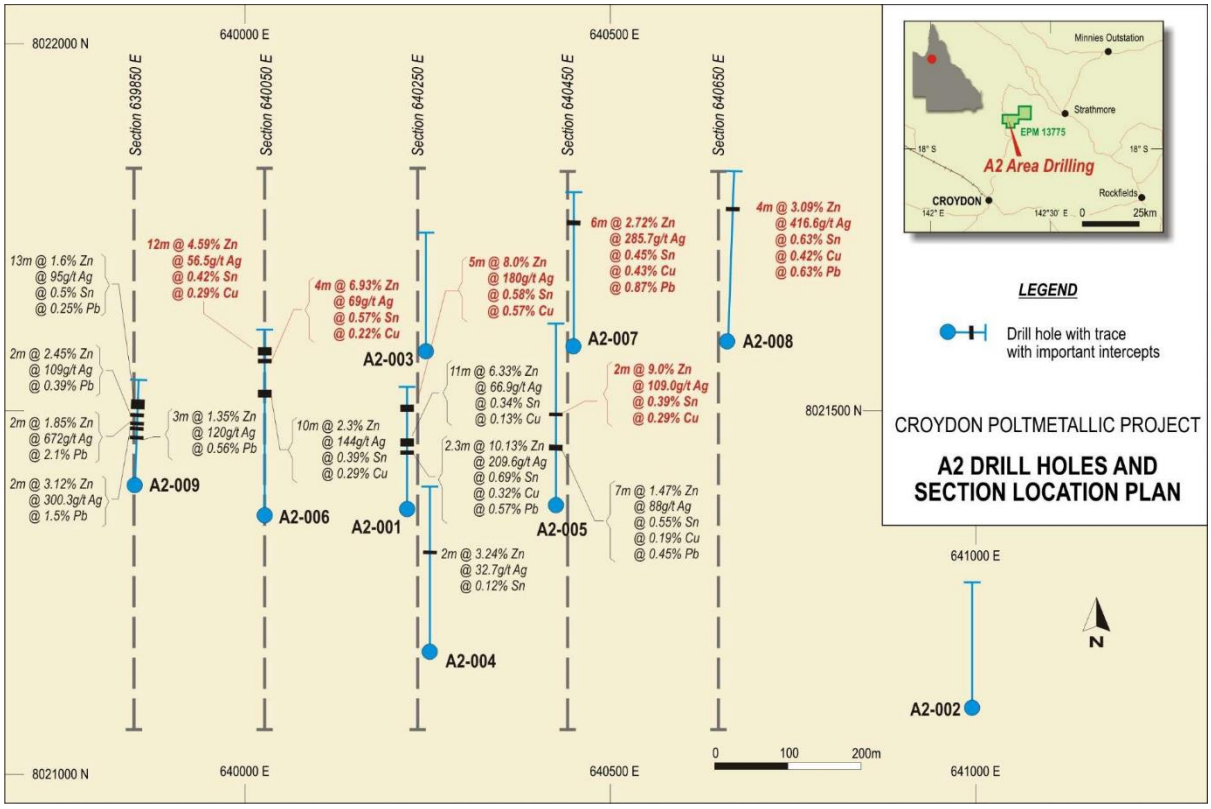
(Widths in Table A are down hole lengths and are not true widths)

Plan locations of the intersections are shown on Figure 3 (as reported in previous ASX Announcement ASX:CGN "*Polymetallic-Tin Massive Sulphide Drill Intercepts Show Potential for Discovery of Significant Mineral Deposits at Croydon, QLD*" dated 28 February 2012).

Geological age dating indicates an age of Upper Proterozoic (560 Million Years) for the host basement rocks and a Permian age (285-284 Million Years) for the mineralization. It is encouraging to note that the latter age is very similar to the age of many of the world's major ore deposits and in particular, important Queensland deposits, including the Herberton tin-tungsten province to the east, the Cracow Gold (~291 Million Years), Mount Leyshon Gold (~290 Million Years) and Mount Chalmers Copper-Gold (~277 Million Years) deposits.

Mineral zonation is evident with some holes displaying a dominant association of Zn-Ag-Sn with minor Cu-Pb and others displaying a dominant Zn-Cu association. The presence of tin (mainly cassiterite with some stannite) suggests a granitic association and the association with massive pyrrhotite draws a striking comparison with the large world class underground tin deposit previously mined at Rennison in Tasmania.

Figure 1 - Massive Sulphide Drill Hole Intersections at the A2 Anomaly.



The tabulated intercepts represent the down hole length (not apparent true widths) of massive sulphide zones and were selected based on a minimum intercept width of 2m with up to a maximum of 1m of internal dilution. The intercept metal assays were calculated using a weighted average, whereby the summation of the individual sample assay result is multiplied by the sample width then divided by the summation of the intercept length. Each sample is of half core and sample lengths varied from 0.4m to 1.3m, but the majority of samples were 1.0m in length.

GOLDEN GATE GRAPHITE PROJECT, CROYDON, NTH QLD

No active exploration activity was undertaken on the graphite project during the quarter, due to limitations from the outbreak of the COVID-19 pandemic. Encouraging test work undertaken in 2019 indicated that follow up testing, which would include optimisation of flotation work, optimisation of grind size and optimisation of the caustic bake purification step. These activities have been placed on hold pending the outcome of the COVID-19 pandemic.

STATUTORY COMPLIANCE AND REPORTING

For the status on all tenements, please refer to the tenement schedule on the following page.

FINANCE AND ACTIVITIES

During the quarter the Company spent $6K on compliance exploration activities.

During the quarter the Company spent $111K on care and maintenance costs primarily related to the Company's Crater Mountain HGZ mine. There were no production activities or costs in the quarter with the mine on care and maintenance from COVID-19 shutdown.

As outlined in the attached Appendix 5B (section 6) during the quarter approximately $58K in payments was made to related parties and their associates for director salaries and superannuation

This Quarterly Activities Report has been authorised for release by the Board of Crater Gold Mining Ltd.

For further information contact:
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COMPETENT PERSON STATEMENT

The information contained in this report relating to exploration activities at Croydon is based on and fairly represents information and supporting documentation prepared by Mr Ken Chapple or by appropriately qualified company and consultant personnel and reviewed by Mr Chapple, who is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward Looking Statements

This Announcement may contain forward looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward- looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable at the time made but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. You should therefore not place undue reliance on forward-looking statements

Schedule of Crater Gold Mining Limited tenements:

Particulars	Project Name	Registered Holder	% Owned	Status	Expiry	Area (Km^2)
EPM 8795	Croydon	CGN	100	Granted	6/09/2022	29.6
EPM 13775	Wallabadah	CGN	100	Granted	5/03/2023	16
EPM 16002	Foote Creek	CGN	100	Granted	30/01/2023	28.8
EPM 18616	Black Mountain	CGN	100	Granted	18/06/2023	57.6
EPM 26749	Wallabadah Extended	CGN	100	Granted	11/04/2024	115.2
EL 1115	Crater Mountain	Anomaly Ltd[1]	100	Renewal lodged	25/09/2018	41
ELA 2643	Crater Mountain	Anomaly Ltd[1]	100	Application lodged	Oct 2019	68
ELA 2644	Crater Mountain	Anomaly Ltd[1]	100	Application lodged	Oct 2019	78
ML 510	Crater Mountain	Anomaly Ltd[1]	100	Renewal lodged	4/11/2019	1.58

[1] Anomaly Limited is CGN's 100% owned PNG subsidiary

There were no tenements acquired or disposed of during the quarter.

The Company has no Farm-in or Farm-out arrangements.