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Crater Gold Mining Limited ABN 75 067 519 779

31 July 2020

QUARTERLY ACTIVITIES REPORT
For the period ended 30 June 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: $0.011
Market Cap: $13.502m
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 declared a National State of Emergency which remains in place to this day, as do the restrictions closing the country's borders. As a result, this has prevented the Company from moving expatriate personnel in and out of PNG. Whilst limited domestic flights have recently been approved the Company has only been able to secure a few humanitarian flights to get much need supplies for the skeleton crew and security personnel currently on site.

Due to the collective impact of these actions and the uncertainty regarding the timing of any recommencement of safe travel in light of the COVID-19 pandemic, all production and exploration activities remain suspended.

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.

POLYMETALLIC PROJECT, NORTH QUEENSLAND

During the Quarter the Company received assays from core samples submitted from two Croydon Polymetallic Project drill holes, DDH A2-010 and DDH A2-011. These holes were drilled in November 2019 to test high priority polymetallic anomalies identified from a prior Spatiotemporal Geochemical Hydrocarbon (SGH) soil sampling program. It was decided to not drill a planned third drill hole (Figure 2) to avoid the risk of the drill rig being "rained in" by the approaching wet season.

While the holes were each planned to be drilled for up to 450m down hole depth, both were terminated early after failing to intersect any sulphide veining. This was despite visual observations that both holes intersected laminated dark grey shale and light grey to grey siltstone and fine grained sandstone lithologies, together with the suggested presence of weak hydrothermal features (veining and vein breccias), both similar to what was encountered in the 2006/2007 drilling programs. The basement was intersected at down hole depths of 126.0m in hole DDH A2-010 and 133.0m in hole DDH A2-011.

Although the presence of a large hydrothermal system at least 2000m (N-S) by up to 1250m (E-W) is now interpreted, significant mineralisation within it currently appears to be restricted to the 1,250m (E-W) by 600m (N-S) area previously drilled in the 2006/2007 drilling programs. Accordingly, future drilling will be directed towards in-fill follow-up of this latter area, including testing for extensions to both the west and to the east of it. While a drilling program was planned to be undertaken in the first half of 2020, commencement was delayed due to restrictions resulting from the current global COVID-19 pandemic.

ASSAY RESULTS FOR DRILL HOLE DDH A2-010

The first drill hole (DDH A2-010) tested a halo peak identified within polymetallic SGH soil anomalies located in the northern zone of a large polymetallic anomaly (Figure 1). The hole was located some 550m north of the previously drilled central zone. The hole was drilled on an azimuth of MGA Grid 040^0 (034^0 magnetic) at an inclination of 70^0 to intersect vertically below the peak of the anomaly. The hole was terminated at 246.8m, having reached a point vertically below the soil anomaly peak without intersecting any sulphide veining. However, visual observations indicate that the entire basement HQ cored from 147.2m to hole end at 240.4m intersected laminated dark grey shales and light grey to grey siltstones and fine-grained sandstones that appear to display weak hydrothermal veining features. A total of 59 one metre interval, half core samples, displaying the best veining were selected from the 99.6m drilled basement interval and were submitted for 35 element Inductively Coupled Plasma (ICP) assay by ALS, Brisbane. This sampling procedure was considered sufficient to determine if there was any significant mineralisation present.

Assay results for DDH A2-010 detected only background values reported for all 35 elements analysed for, except for Mn which averaged an anomalous 0.2% for the samples analysed. It is suspected that the Mn is contained within the hydrothermal veining. Core samples will now be submitted for petrological examination to check this and other features.

ASSAY RESULTS FOR DRILL HOLE DDH A2-011

The second drill hole (DDH A2-011) tested a halo peak identified within a high priority silver-copper SGH soil anomaly located in the northern zone of large silver-copper anomalies (Figure 2). The hole is located some 1,250m NNW of drill hole DDH A2-010 and 1,800m NNW of the previously drilled central zone. The hole was drilled on an azimuth of MGA Grid 040^0 (034^0 magnetic) at an inclination of 70^0 to intersect vertically below the peak of the anomaly. The hole was terminated at 240.4m, having reached a point vertically below the soil anomaly peak without intersecting any sulphide veining. However, visual observations indicate that the entire basement HQ cored from 153.3m to hole end at 240.4m intersected laminated dark grey shales and light grey to grey siltstones and fine-grained sandstones that appear to display weak hydrothermal features. A total of 45 one metre, half core, samples displaying the best veining were selected from the 87.1m basement interval drilled and were submitted for 35 element ICP assay by ALS, Brisbane. This sampling procedure was considered sufficient to determine if there was any significant mineralisation present.

Assay results for DDH A2-011 also detected only background values reported for all 35 elements analysed for. Results for Mn averaged only 0.05% for the samples analysed compared to the higher 0.20% average obtained from hole DDH A2-010. It is suspected that the Mn is contained within the weaker hydrothermal veining. Core samples will now be submitted for petrological examination to check this and other features.

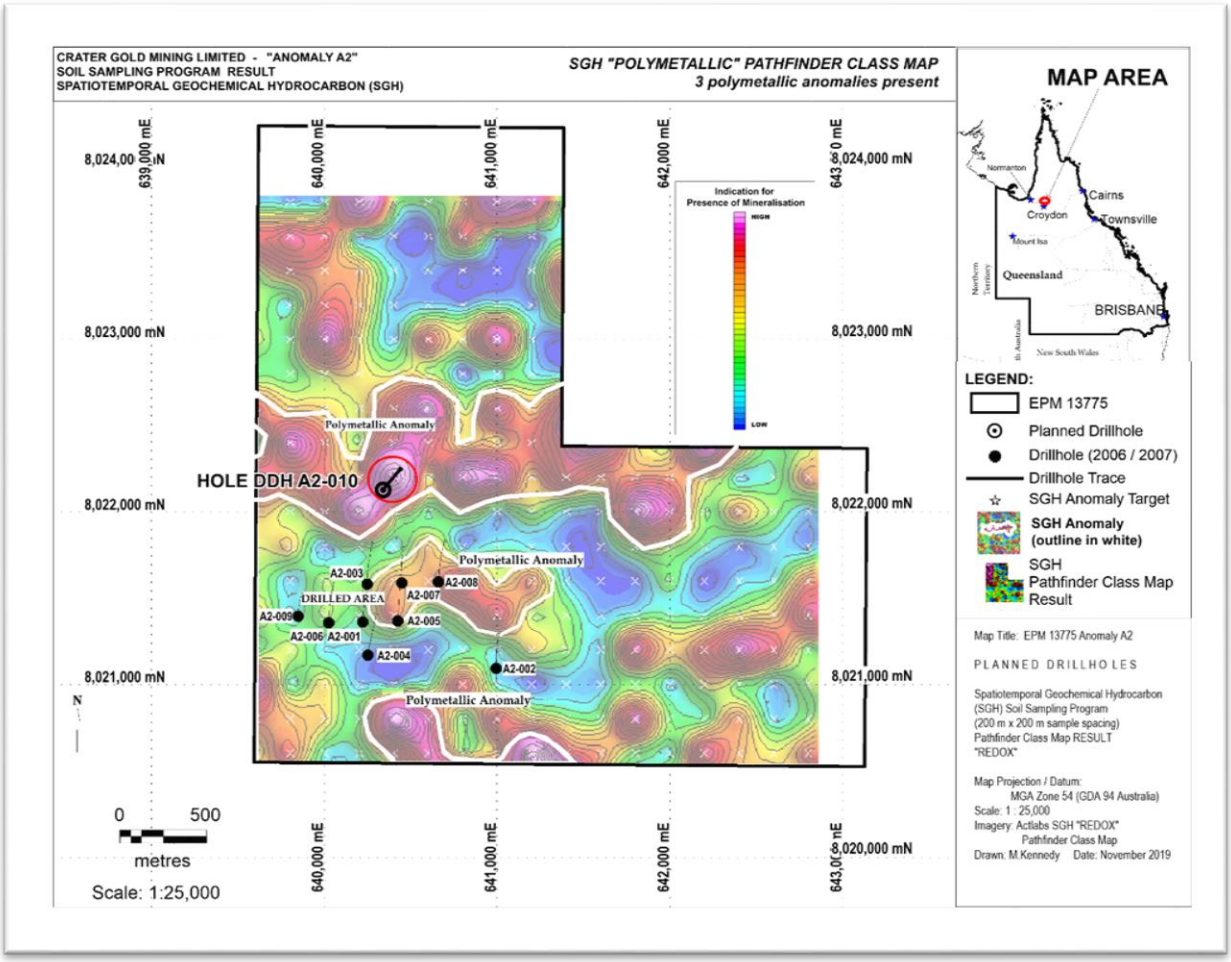

Figure 1: Location of Polymetallic Project Drill Hole DDH A2-010

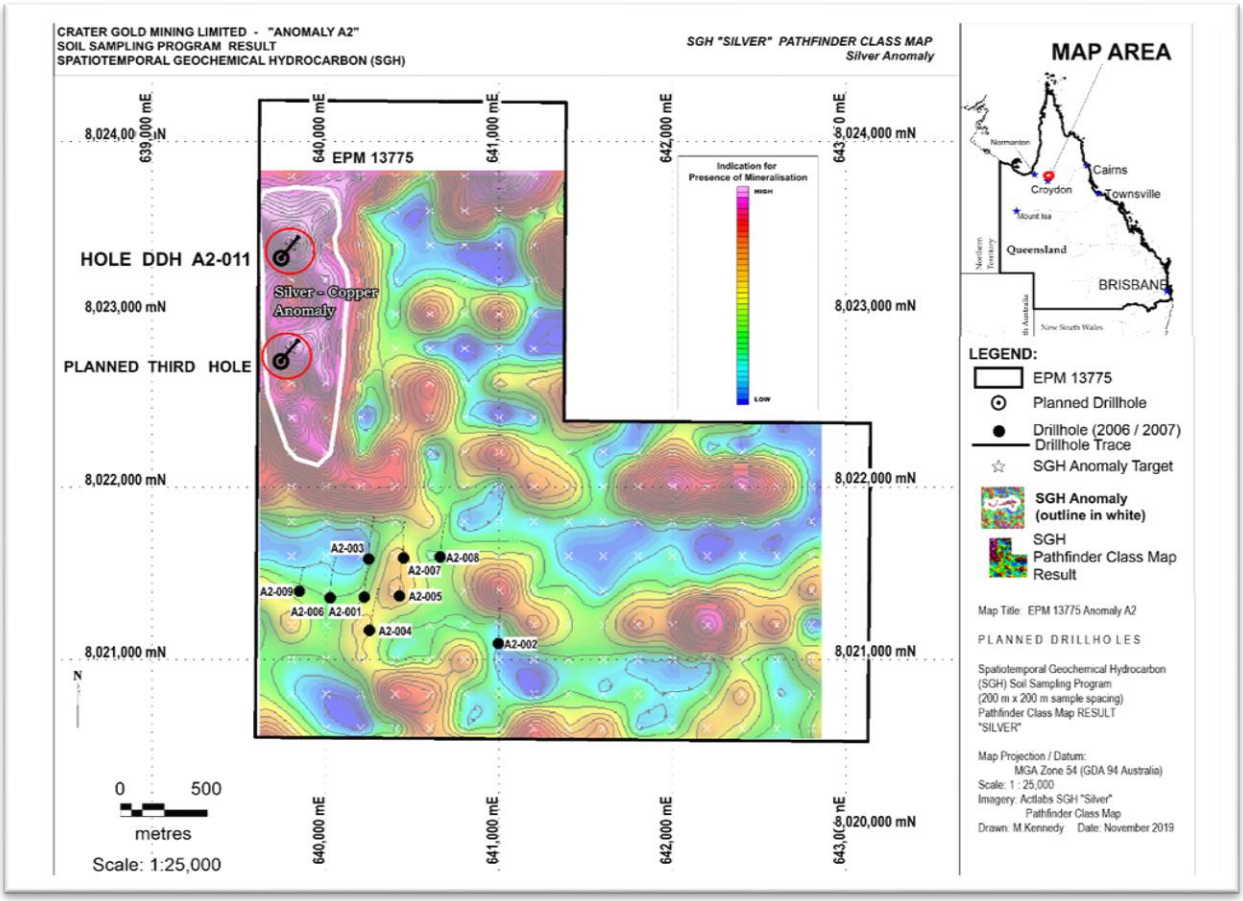

Figure 2: Location of Polymetallic Project Drill Hole DDH A2-011

FUTURE DRILLING

The results obtained from the drilling program have raised doubts that the SGH soil sampling technique is suitable for delineating sub-surface polymetallic mineralisation in this licence area. However, further technical evaluation of this will be undertaken. Data from previous exploration techniques including aeromagnetics, ground magnetics and IP surveying that have been used at the A2 Polymetallic Project will also be re-evaluated.

As a consequence the Company will now drill test for extensions of the encouraging intersections obtained from the 2006/2007 drilling programs. The future program will in-fill drill the existing intersections and also include drill testing to the east and west of the discovery area.

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, defining 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 A (as reported in previous ASX Announcement: ASX:CGN "Drilling Commences at the Croydon Polymetallic Project, North Queensland", dated 7 November 2012).

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

Table A: Details of Significant Intersections 2m or greater

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 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 and 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.

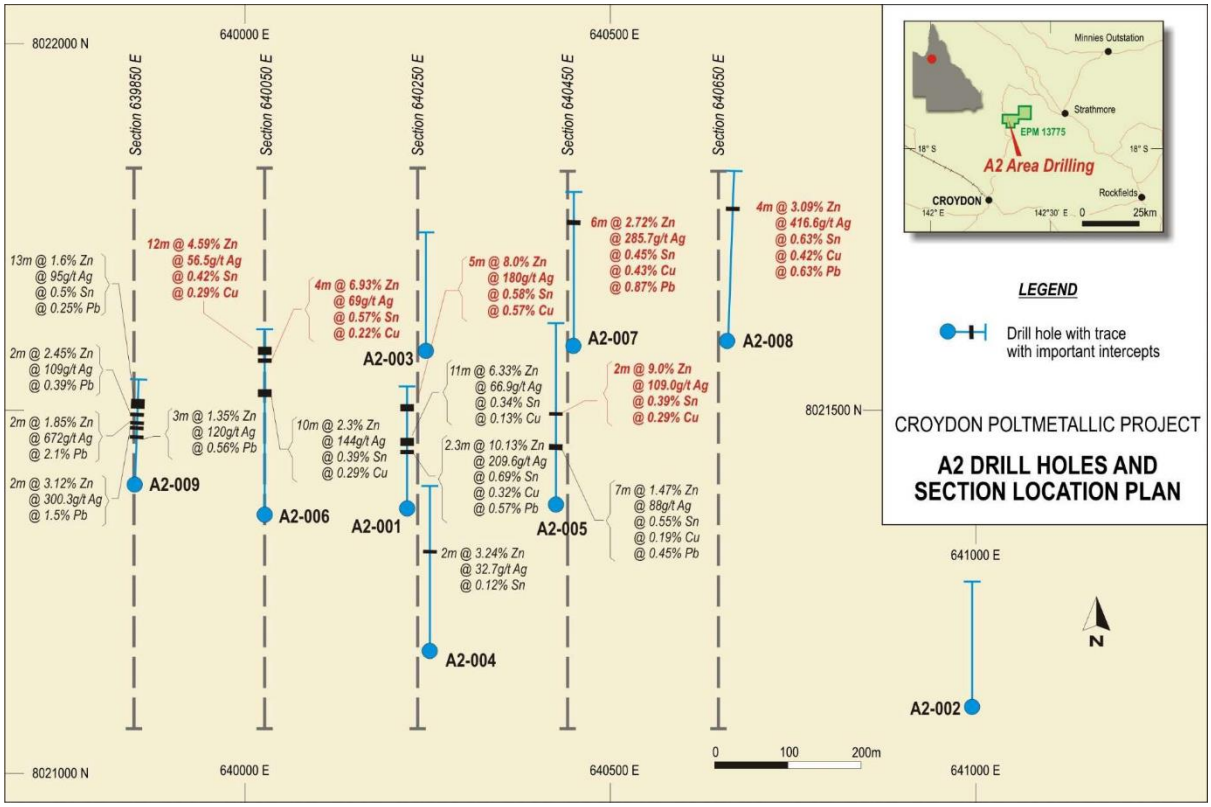

Figure 3 - Massive Sulphide Drill Hole Intersections at the A2 Anomaly.

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

EPM 18616 was renewed for a further three year term during the quarter. For the status on all other tenements, please refer to the tenement schedule on the following page.

FINANCE AND ACTIVITIES

During the quarter the Company spent $21K on compliance exploration activities.

During the quarter the Company spent $223K 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 $40K 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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Managing Director
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Email: info@cratergold.com.au

COMPETENT PERSONS STATEMENT

The information contained in this report relating to exploration activities at the Crater Mountain Gold Project is based on and fairly represents information and supporting documentation prepared by appropriately qualified company personnel and reviewed by Ken 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 the report of matters based on his information in the form and context in which it appears.

The information contained in this report that relates to Exploration Results at the A2 Polymetallic Projects near Croydon, Queensland, is based on information compiled by Ken Chapple, or prepared by appropriately qualified external technical experts and reviewed by him. Mr Chapple is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has been assisting the Company as a technical consultant relating to his areas of expertise. 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 the 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	Renewal lodged	6/09/2020	9.6
EPM 13775	Wallabadah	CGN	100	Renewal lodged	5/03/2020	16
EPM 16002	Foote Creek	CGN	100	Granted	30/01/2021	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.