

# QUARTERLY ACTIVITIES REPORT

## JUNE 2023

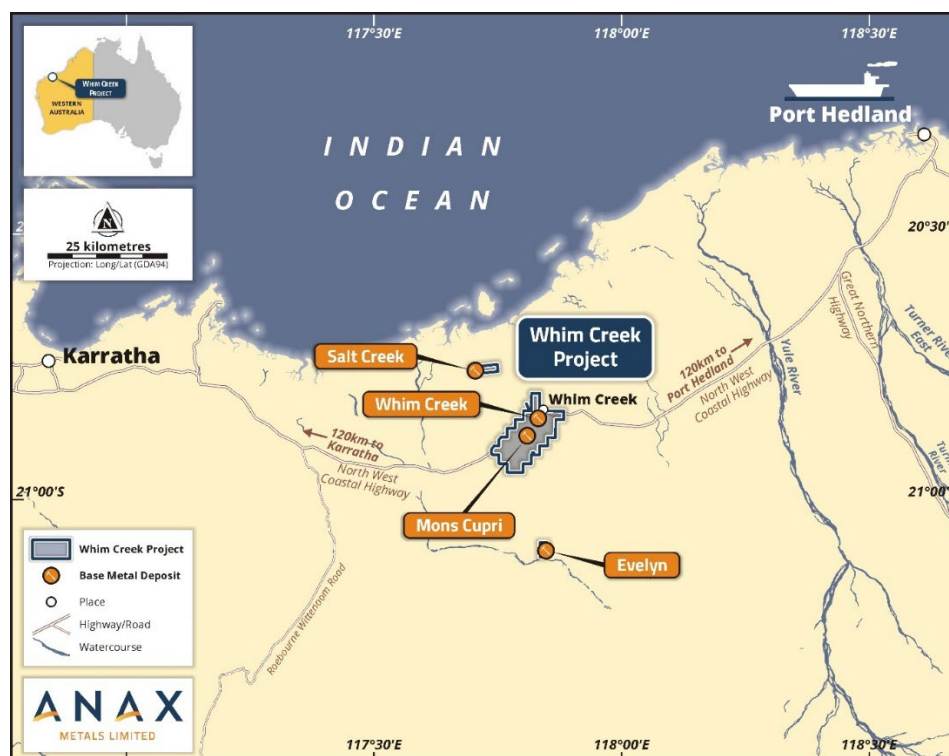
*Anax Metals Limited – “leading the way in ESG innovation while advancing mineral project development”*

### Highlights of the Quarter

- ▲ Bioleaching success with up to 80% Copper and 90% Zinc extraction <sup>3</sup>
- ▲ EPN lifted and Works Approval granted to enable immediate Whim Creek development <sup>4,5</sup>
- ▲ Spodumene in Pegmatites at Whim Creek <sup>1</sup>
- ▲ New Lithium and Gold at Loudens Patch <sup>1</sup>

### Whim Creek Project Joint Venture (ANX 80% - DVP 20%)

Anax Metals Limited (ASX: **ANX**, Anax, or the **Company**) is advancing its flagship Whim Creek Copper-Zinc JV Project (the **Project**) located in the booming Pilbara region of Western Australia.



**Figure 1: Whim Creek Project Location in the Pilbara Region of Western Australia**

## Definitive Feasibility Study

The Whim Creek Definitive Feasibility Study (**DFS**) was published early in the Quarter, highlighting Anax's sustainability initiatives which maximise the existing infrastructure and the outstanding attributes of the Project.<sup>6</sup>

- ▲ **Generating cash of \$340 million (M)** over an **initial 8-year mine life**, free cashflow is anticipated to grow as further Resources (currently **10.99 Mt**) are converted to Reserves (currently **4.55Mt**).
- ▲ **Free cash improved by 17%** on the Scoping Study base case of \$291M,<sup>10</sup> while the pre-production **Capex** was kept to a minimum at **\$71M**, including **underground mining at Salt Creek and Evelyn**.<sup>6</sup>
- ▲ **Working capital of \$14M**, to generate **55,000t concentrate per year** by ore sorting to feed high-grade ore to a **modular plant** designed to expand and accommodate both onsite and potential offsite supply.<sup>6</sup>
- ▲ **Pre-tax NPV (7%) of \$224M** and an **IRR of 54%** based on conservative forecast metal prices, exchange rates, capital and operating costs.<sup>6</sup>

Anax anticipates becoming a **near-term, independent, ESG-focused copper producer** in the Pilbara region, where established infrastructure – mine plant, roads, airports and seaports (see Figure 1) – limit the Capex outlay, and a gas spur pipeline is in place to fuel a very cost-effective onsite power station, which may be supplemented with renewable energy in future DFS updates.<sup>6</sup>

Anglo American Royalty Agreement includes a project funding package of \$20M in pre-production capital.<sup>10</sup>

## Environmental, Social and Governance (ESG)

The DFS demonstrates the value of ore sorting and associated technologies, for environmental, social and governance (ESG) benefits:

**Environmental** – ore sorting reduces the quantity of ore to be processed by up to 50%, thereby reducing power usage, water usage, chemical reagent consumption, and leaving reduced in-pit tailings.<sup>6</sup>

**Social** - The DFS has included provision for a stand-alone mine camp as part of the pre-production Capex. However, Anax is determined to work with the Ngarluma Aboriginal Corporation (NAC) on refurbishing their iconic Whim Creek Hotel. Anax has secured grant funding and is co-funding the restoration of the hotel, which was damaged by Cyclone Veronica in 2019. The hotel historically supported a mine camp, refurbishment of which could generate a steady income for the Ngarluma Group. The hotel restoration in collaboration with NAC demonstrates Anax's commitment to supporting local industry and community involvement.

**Governance** –The DFS demonstrates Anax’s commitment to operate to the highest standards, to meet and exceed regulatory requirements and recent regulatory approvals attest to Anax’s diligence.

## Regulatory Approvals

The Department of Water and Environmental Regulation (**DWER**) has granted **Works Approval** under the Environmental Protection Act 1986, to enable crushing, sorting and agglomeration and the heap leach and SX-EW infrastructure are permitted for refurbishment.<sup>8</sup> Most recently, Works Approval has been granted for construction of the concentrator and in-pit tailings storage facility.<sup>5</sup>

Anax has worked tirelessly to ensure that all conditions and requirements of the Environmental Protection Notice (EPN), issued in 2019 to the former project owners and managers, were completed to the highest standards. **DWER officially lifted the EPN in May 2023**,<sup>4</sup> and ongoing site monitoring is managed under the Works Approval commitments.<sup>5</sup>

The Department of Mines, Industry Regulation and Safety (DMIRS) approved the Stage-One Mining Proposal (Mons Cupri Open Pit) during Q4, 2022, and the Stage-Two application continues under DMIRS’ review, including Whim Creek open pit mining, concentrator plant, and in-pit tailings storage.<sup>8</sup> Underground mining will form part of the Stage 3 Mining Proposal in due course.

## Bioleaching

The DFS did not include the proposed bacterial leaching of low-grade primary sulphide ore, inoculated with bacteria native to Whim Creek, at the existing heap leach facility to produce copper cathode and zinc sulphate. Successful bio-leaching column test work achieved up to **80% copper extraction and 90% zinc extraction** within a 9-month test period.<sup>3</sup> Up to **70% copper extraction and 83% zinc extraction was achieved after just 5 months**.<sup>3</sup> Further test work is underway using larger columns.

These exceptional results suggest that a greater proportion of the ore would be economically processed via bioleaching on the heap and only the high-grade ore would be processed via the concentrator. Copper cathode and zinc sulphate– the finished products of bioleaching (and solvent extraction-electrowinning (SX-EW) in the case of copper) - incur a lower royalty (2.5%) than copper and zinc concentrates (5%). The DFS is currently being updated with a Bioleaching Scoping Study to determine the optimal volume and grade of ore directed to bioleaching.<sup>3</sup>

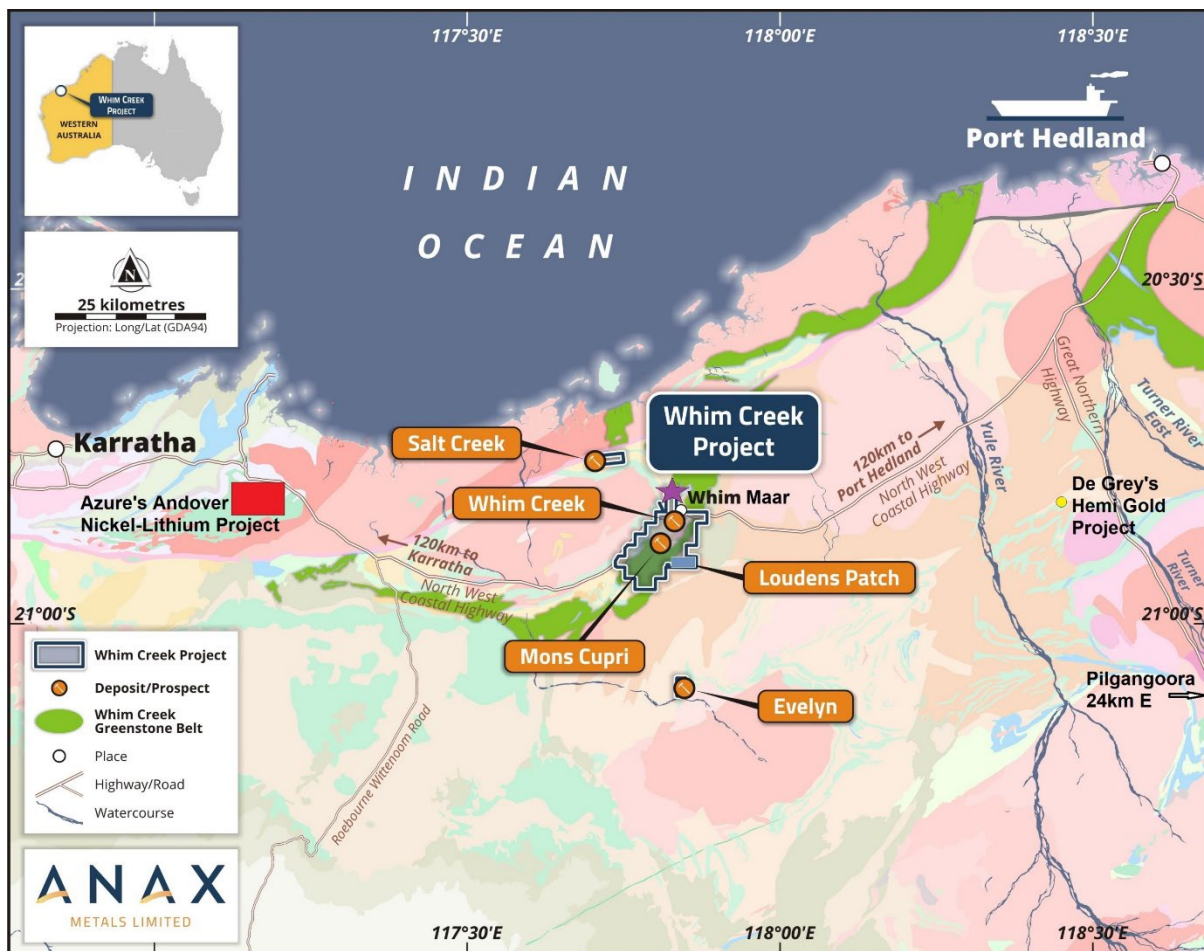
## Whim Creek Exploration

The Pilbara region is proving to be a significant mineral field for lithium as demonstrated by Azure Minerals’ Andover Project, located 70km due west of Whim Creek. At Andover and

elsewhere, pegmatites intrude the igneous layered mafic intrusive complexes of the Pilbara Archean granite-greenstones, potentially scavenging lithium from the host rock.

During the Quarter, Anax conducted reconnaissance exploration and rock chip sampling to investigate the lithium potential of the tenement package. UltraFine+™ soil sampling, a proven lithium exploration technique, had generated multiple lithium anomalies, in places associated with layered mafic intrusive complexes.<sup>1</sup>

At Whim Creek, the Opaline Well Intrusive Complex bounds the tenements to the west while the Loudens Volcanics bound the tenements to the east. These layered mafic intrusive complexes are known to be nickel and platinum mineralised in places, though underexplored. Pegmatites occur sporadically at Whim Creek, typically following the regional Northeast structural direction, and have a low topographic profile, being highly weathered at surface. North of Whim Creek mine, the tenure has had limited exploration due to lack of outcrop, though quartz pegmatites were noted by Texasgulf in 1976. Anax's soil sampling had not extended across this area, named Whim Maar prospect. In June 2023, spodumene was found in and around the pegmatite outcrops at Whim Maar and rock chip samples are currently under analysis at LabWest. No results are available as yet.<sup>1</sup>



**Figure 2: GSWA Regional Pilbara Archean granite-greenstones. Whim Maar is to the north of Whim Creek. Loudens Patch is located adjacent and to the east of the Whim Creek Project<sup>1</sup>**

## Anax's 100%-Owned Exploration Tenure

During the Quarter, further rock chip sampling and infill soil sample analysis confirmed gold (up to **0.5g/t** in rock chips) and lithium anomalism (up to 143ppm in rock chips) at **Loudens Patch Project** (E47/4281), which lies adjacent to the east of Whim Creek Project.<sup>1</sup> The lithium anomalism was found to be associated with low lying quartz pegmatite outcrops showing entrained schistose wall rock, similar to observed pegmatite mineralisation at Andover, though spodumene has not yet been identified. Further mapping, soil and rock chip sampling is underway to determine the strike extents of the lithium and gold occurrences.<sup>1</sup>

During the Quarter, Anax obtained the historical drill sample pulps for the **Mount Short Project** (E74/651) from previous owners. Reanalysis of drill chips will generate a broad suite of elements, including rare earths and lithium, lacking from historical exploration. Historical drill logs show stacked pegmatites were intersected and lithium pegmatite exploration prevails on neighbouring tenure. Rare earths dominate Anax's own surface sample results, suggesting that the 20km long magnetic anomaly, which GSWA mapped as Bandalup Fm ultramafic komatiites, could be rich in heavy rare earths. The area is deeply weathered with no surface outcrop, which bodes well for rare earths but necessitates an auger drilling programme to penetrate the agricultural disturbance once access is granted.

Anax has advanced a potential JV partnership over the Mount Short Project with a local explorer to take this highly prospective project forward. An ASX announcement will follow a successful agreement.

## Research and Development

Anax participates in collaborative research and development projects which drive innovation in sustainable mining practices.

**CSIRO UltraFine+™ Research and Development Project** has recently concluded. The method used machine learning to enhance the value of data generated from the UltraFine+™ process. The results of the Whim Creek UltraFine+ soil sampling programme have been generated and await further interpretation. The Whim Creek dataset will contribute to a Pilbara-wide machine learning dataset to provide greater understanding of the mineralising systems of the Pilbara Region. The results will remain confidential until published by CSIRO.

Anax is contributing to the **Future Battery Industries Cooperative Research Centre (FBICRC)**, alongside other members, including BHP, IGO, Lynas Corporation and Lithium Australia. The FBICRC's Process Legacy Project is carrying out multiple tests using a bulk sample from the Whim Creek heap leach. This work remains confidential to the FBICRC.

Anax is a member of the **International Copper Association of Australia (ICAA)** and during the Quarter has contributed to technical discussions on Minerals Processing to inform the research publication in the series - Roadmap To Zero Emission Copper Mine of the Future (Roadmap to

Zero - <https://copper.com.au/about/projects/roadmap-to-zero/zero-emission-copper-mine-of-the-future-roadmap/>).

## Advanced Project Procurement Plan

The location of the Whim Creek Project makes it an ideal **central processing hub** for other advanced mineral deposits in the Pilbara that would otherwise remain uneconomic due to size or permitting limitations. Anax continues to liaise with neighbouring project holders to highlight this opportunity.

Anax also continues to identify and pursue projects that are amenable to the integration of smart ore sorting technology and forge strategic partnerships to facilitate their development.

## Compliance

For the purpose of Listing Rule 5.3.1, during the Quarter, the Company confirms it spent \$972,469 on its exploration, site upgrade and feasibility activities, of which \$925,515 related to the Whim Creek project. The total spend for Whim Creek comprised \$287,384 on-site maintenance and consumables; \$38,677 expenditure on environmental monitoring; \$351,800 expenditure on feasibility studies and permitting; \$167,830 expenditure on direct exploration and tenure; and \$79,824 in scoping the Whim Creek Hotel site refurbishment.

For the purpose of Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities during the Quarter by the Company or its subsidiaries.

For the purpose of Listing Rule 5.3.5, the company confirms that \$152,957 in directors' fees was paid in the Quarter (inclusive of \$13,709 statutory superannuation). Payments to related parties of the Company and their associates during the Quarter totalled \$74,543 (including \$8,026 GST), comprising \$9,900 (including \$900 GST) paid to Holihox Pty Ltd (a related party of Mr Phillip Jackson) for corporate consulting; \$25,902 (including \$2,354 GST) paid to Nexus Bonum Pty Ltd (a related party of Geoff Laing) for technical consulting fees; and \$37,234 (including \$3,265 GST) paid to Grange Consulting Pty Ltd (a related party of Phil Warren) for company secretarial and corporate advisory services. These amounts are included at Item 6 of the attached Appendix 5B. A further \$3,897 (including \$354 GST) was owed from related parties as at 30 June 2023.

## Corporate

### Share Capital

On 30 June 2023, Anax had a total of 409,394,827 fully paid ordinary shares on issue, with no movements during the quarter.

## Options

A Variation to the Loan Note Agreement<sup>9</sup> between Anax and its major shareholder, Jetosea Pty Ltd (Jetosea), was agreed to extend the initial repayment date from 12 to 24 months.<sup>2</sup> This Variation included 10 million new options issued to Jetosea, exercisable at \$0.10, three years from the date of issue.<sup>2</sup>

**Table 1: Unlisted options on issue on 30 June 2023**

Code	Number	Strike price	Expiry date	No. holders	Vested (Yes/No)	Vesting date
3	28,483,333	\$0.045	28 Oct 2023	20	Yes	27 Oct 2021, Escrowed
4	3,000,000	\$0.045	28 Oct 2023	3	Yes	27 Oct 2021
6	2,000,000	\$0.105	28 May 2024	1	Yes	26 May 2022
9	15,000,000	\$0.080	13 Dec 2024	1	Yes	Immediately
10	15,000,000	\$0.120	13 Dec 2025	1	Yes	Immediately
11	10,000,000	\$0.100	30 Jun 2025	1	Yes	Immediately
<b>TOTAL</b>	<b>73,483,333</b>					

## Performance rights

There were no movements during the Quarter.

**Table 2: Performance Rights on issue at 30 June 2023**

Tranche	No of Performance Rights	Vesting Condition to convert into one share in the Company per Performance Right	Expiry Date	Vested (Yes/No)	Comment
<b>Class B*</b>	2,600,000	The 20-day VWAP of the Company's Shares reaching 300% of the Public Offer Price (being \$0.090) prior to the Expiry Date	2 years from grant date	Yes	Vesting condition met 15 June 2021
<b>Class C</b>	4,500,000	The 20-day VWAP of the Company's Shares reaching 450% of the Public Offer Price (being \$0.135) prior to the Expiry Date	2 years from grant date	No	N/A
<b>ANXPER F3</b>	10,000,000	Individual milestones set for each employee in accordance with terms of the Employee share plan approved by shareholders on x date	31 Dec 2024	No	

Tranche	No of Performance Rights	Vesting Condition to convert into one share in the Company per Performance Right	Expiry Date	Vested (Yes/No)	Comment
<b>ANXPRA</b>	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.14 prior to the Expiry Date	18 May 2024	No	
<b>ANXPB</b>	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.18 prior to the Expiry Date	18 May 2024	No	
<b>ANXPRC</b>	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.23 prior to the Expiry Date	18 May 2024	No	
<b>TOTAL</b>	<b>20,100,000</b>				

On 30 June 2023, Anax held **\$1,710,295** in available cash.



This Quarterly Report is authorised for release by the Board.

### For Enquiries

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### References

The information provided in this report was summarised from the following Anax Announcements to the ASX:

1. *Spodumene in Pegmatites at Whim Creek, Gold at Loudens Patch, 4 July 2023*
2. *Loan Agreement Variation, 29 June 2023*
3. *Bioreaching Success to Boost Whim Creek Metal Production, 18 June 2023*
4. *Whim Creek Environmental Protection Notice Lifted, 18 May 2023*
5. *Whim Creek Copper Project Works Approval Granted, 1 June 2023*
6. *Whim Creek Definitive Feasibility Study, 3 April 2023*
7. *Whim Creek Definitive Feasibility Study Presentation, 3 April 2023*
8. *Quarterly Activities/Appendix 5B Cash Flow Report, 18 April 2023*
9. *Loan Agreement, 7 December 2022*
10. *Anax signs Whim Creek Royalty Agreement with Anglo American, 4 June 2021*

## Competent Persons' Statement

*The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Ms Wendy Beets. Ms Beets is a full-time employee and shareholder of Anax Metals Ltd and member of the Australian Institute of Geoscientists. Ms Beets has sufficient experience of relevance to the style of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Beets consents to the inclusion in this report of the matters based on information in the form and context in which they appear.*

*The information in this report that relates to Mineral Resources for the Whim Creek Project is based on and fairly represents information compiled by Mr Andrew McDonald (an employee and shareholder of Anax Metals Ltd) and Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd). Mr McDonald is a member of the Australian Institute of Geoscientists and Mr Barnes is a member of both the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. Mr McDonald and Mr Barnes have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr McDonald is the Competent Person for the database (including all drilling information and mined depletion), the geological and mineralisation models and completed site visits. Mr Barnes is the Competent Person for the geological and mineralisation models, construction of the 3-D resource models and the estimation. Mr McDonald and Mr Barnes consent to the inclusion in this report of the matters based on information in the form and context in which they appear.*

*The information in the report that relates to production targets and forecast financial information derived from production targets is summarised from the ASX announcements as referenced. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the original announcement continue to apply and have not materially changed.'*

## JORC 2012 Resources and Reserves

*The Ore Reserve for the Whim Creek Project was first reported in accordance with ASX Listing Rule 5.9 in the DFS of 3 April 2023. The Mineral Resource estimates for Mons Cupri and Salt Creek were first announced by Develop Global Ltd (formerly Venturex Resources Ltd) in accordance with ASX Listing Rule 5.8 in its announcement of 23 March 2018 and reported by Anax in its recompliance prospectus released on 18 September 2020. The Mineral Resource estimate for Whim Creek was first reported by Anax in accordance with ASX Listing Rule 5.8 in its announcement of 25 May 2021. The Mineral Resource estimate for Evelyn was first reported by Anax in accordance with ASX Listing Rule 5.8 in its announcement of 17 January 2022 and subsequently updated in the Company's announcement dated*

*4 October 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Reserve estimates in the previous announcements continue to apply and have not materially changed.*

**Table 3: Whim Creek Project Global Copper Dominant Mineral Resource Estimates <sup>6</sup>**

Deposit	Classification	k Tonnes	Cu %	Zn %	Pb %	Ag ppm	Au ppm
<b>Mons Cupri</b> (Cu ≥ 0.4%)	Measured	990	1.62	1.42	0.61	38	0.28
	Indicated	3,130	0.84	0.47	0.20	16	0.09
	Inferred	400	0.60	0.22	0.10	10	0.03
<b>Salt Creek</b> (Cu ≥ 0.8% & Zn < 2.5%)	Measured	-	-	-	-	-	-
	Indicated	1,070	2.03	0.23	0.03	4	0.08
	Inferred	650	1.25	0.28	0.04	4	0.05
<b>Whim Creek</b> (Cu ≥ 0.4%)	Measured	-	-	-	-	-	-
	Indicated	1,750	1.10	0.63	0.16	6	0.04
	Inferred	660	0.56	0.17	0.08	2	0.02
<b>Evelyn</b> (No Cut-off)	Measured	-	-	-	-	-	-
	Indicated	440	2.40	3.89	0.30	40	0.95
	Inferred	110	1.31	1.80	0.14	15	0.19
<b>COMBINED</b>	Measured	990	1.62	1.42	0.61	38	0.28
	Indicated	6,420	1.23	0.73	0.17	13	0.14
	Inferred	1,830	0.96	0.44	0.08	7	0.09
<b>TOTAL Cu Resources</b>		<b>9,240</b>	<b>1.22</b>	<b>0.75</b>	<b>0.20</b>	<b>15</b>	<b>0.15</b>
<b>Contained T/Oz</b>			<b>Cu T</b>	<b>Zn T</b>	<b>Pb T</b>	<b>Ag oz</b>	<b>Au oz</b>
			112,000	69,000	18,000	4,330,000	43,700

Note: The reported Mineral Resource estimates are inclusive of the Ore Reserves in Table 5. Appropriate rounding applied.

**Table 4: Whim Creek Project Global Zinc Dominant Mineral Resource Estimates <sup>6</sup>**  
(various cut-offs used)

Deposit	Classification	k Tonnes	Cu %	Zn %	Pb %	Ag ppm	Au ppm
<b>Mons Cupri</b> (Zn ≥ 2.0% & Cu < 0.4%)	Measured	70	0.16	4.56	1.79	53	0.23
	Indicated	340	0.09	3.56	1.01	38	0.07
	Inferred	150	0.08	4.84	1.96	27	0.04
<b>Salt Creek</b> (Zn ≥ 2.5%)	Measured	-	-	-	-	-	-
	Indicated	770	0.58	9.91	2.97	73.16	0.39
	Inferred	255	0.53	5.70	1.88	31.43	0.14
<b>Whim Creek</b> (Zn ≥ 2.0% & Cu < 0.4%)	Measured	-	-	-	-	-	-
	Indicated	120	0.12	3.22	0.44	12	0.08
	Inferred	45	0.13	2.46	0.40	9	0.04
<b>COMBINED</b>	Measured	70	0.16	4.56	1.79	53	0.23
	Indicated	1,230	0.40	7.55	2.20	58	0.27
	Inferred	450	0.34	5.07	1.75	27	0.10
<b>TOTAL Zn Resources</b>		<b>1,750</b>	<b>0.37</b>	<b>6.75</b>	<b>2.05</b>	<b>50</b>	<b>0.22</b>
<b>Contained T/Oz</b>			<b>Cu T</b>	<b>Zn T</b>	<b>Pb T</b>	<b>Ag oz</b>	<b>Au oz</b>
			7,000	118,000	36,000	2,790,000	12,600

Note: The reported Mineral Resource estimates are inclusive of the Ore Reserves in Table 5. Appropriate rounding applied.

**Table 5: Whim Creek Project Global Ore Reserve Summary <sup>6</sup>**

Classification	Deposit	Mine Type	Ore Mt	Cu %	Zn %	Pb %	Ag ppm	Au ppm
<b>Proven</b>	Mons Cupri	Open Pit	1.06	1.46	1.58	0.68	38	0.28
	<b>Sub-total</b>		<b>1.06</b>	<b>1.46</b>	<b>1.58</b>	<b>0.68</b>	<b>38</b>	<b>0.28</b>
<b>Probable</b>	Mons Cupri	Open Pit	1.49	0.83	1.08	0.47	23	0.14
	Whim Creek	Open Pit	0.72	1.54	1.14	0.15	7	0.06
	Evelyn	Underground	0.50	2.11	3.32	0.22	34	0.88
	Salt Creek	Underground	0.79	1.57	6	1.83	48	0.27
	<b>Sub-total</b>		<b>3.49</b>	<b>1.32</b>	<b>2.52</b>	<b>0.67</b>	<b>27</b>	<b>0.26</b>
<b>Total</b>	Mons Cupri	Open Pit	2.55	1.09	1.29	0.56	29	0.20
	Whim Creek	Open Pit	0.72	1.54	1.14	0.15	7	0.06
	Evelyn	Underground	0.50	2.11	3.32	0.22	34	0.88
	Salt Creek	Underground	0.79	1.57	6.00	1.83	48	0.27
<b>Total Proven and Probable Reserves*</b>			<b>4.55</b>	<b>1.36</b>	<b>2.30</b>	<b>0.68</b>	<b>29</b>	<b>0.26</b>

\* The Mineral Resource estimates in Tables 3 and 4 are inclusive of these Ore Reserves. Appropriate rounding applied.

## Appendix 1

In accordance with Listing Rule 5.3.3. Anax provides the following information in relation to its mining tenements.

### 1. Tenements held at the end of the Quarter and their location:

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Mount Short	E74/651	Live	Phillips River Mineral Field	100%
Loudens Patch	E47/4281	Live	Pilbara	100%
Whim Creek	L47/0036	Live	Pilbara	80%
Whim Creek	M 47/236	Live	Pilbara	80%
Whim Creek	M 47/237	Live	Pilbara	80%
Whim Creek	M 47/238	Live	Pilbara	80%
Whim Creek	M 47/323	Live	Pilbara	80%
Whim Creek	M 47/324	Live	Pilbara	80%
Whim Creek	M 47/443	Live	Pilbara	80%
Whim Creek	E 47/3495	Live	Pilbara	80%
Liberty Indee	M 47/1455	Live	Pilbara	80%

### 2. Tenements acquired during the Quarter and their location: None

### 3. Tenements disposed of during the Quarter and their location: None

## Appendix 5B

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

Name of entity

ANAX METALS LIMITED

ABN

46 106 304 787

Quarter ended ("current quarter")

30 JUNE 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(127)	(234)
(b) development	-	-
(c) production	-	-
(d) staff costs	(297)	(1,254)
(e) administration and corporate costs	(390)	(1,106)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(38)	(75)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives		282
1.8 Other (provide details if material)	9	31
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(842)</b>	<b>(2,354)</b>

1.8 is net GST received.

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(1,398)
(c) property, plant and equipment	-	(26)
(d) exploration & evaluation	(846)	(5,664)
(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 (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments		1,415
	(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) <sup>2</sup>	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(846)</b>	<b>(5,674)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	35
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(46)
3.5	Proceeds from borrowings	115	2,615
3.6	Repayment of borrowings	(48)	(109)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) <sup>2</sup>	(17)	(76)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>50</b>	<b>2,419</b>

<sup>2</sup>Premises Lease payments

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,348	7,319
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(842)	(2,354)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(846)	(5,674)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	50	2,419

## 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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,710</b>	<b>1,710</b>

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	589	2,222
5.2	Call deposits	1,127	1,127
5.3	Bank overdrafts	-	-
5.4	Other (Credit card)	(6)	(1)
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,710</b>	<b>3,348</b>

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	204
6.2	Aggregate amount of payments to related parties and their associates included in item 2	24

*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.*

Item 6.1 includes \$139,248 directors' fees, \$13,709 statutory superannuation (net of GST) and a further \$42,969 (net of GST) in consulting fees to related entities. Item 6.1 also includes GST of \$5,671 on related party transactions. Item 6.2 includes \$23,547 (net of GST) in engineering consulting fees to related entities. There is \$3,543 plus GST still outstanding for payment from related parties at 30 June 2023.



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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>-</b>
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(842)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(846)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	<b>(1,688)</b>
8.4 Cash and cash equivalents at quarter end (item 4.6)	<b>1,710</b>
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	<b>1,710</b>
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>1.0</b>
<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?	
Yes.	
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?	
As announced on 28 July 2023, the securities of Anax have been placed in trading halt pending release of an announcement in respect of a capital raising. The Company believes the capital raising will be completed successfully.	

**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?

Refer 8.8.2 above. The funds raised will be used to progress the delivery of planned strategy.

*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: ....31 July 2023.....

Authorised by: ...The Board.....  
(Name of body or officer authorising release – see note 4)

**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.