

ASX: ANX

31 JANUARY 2024

# QUARTERLY ACTIVITIES REPORT

## DECEMBER 2023

*Anax Metals Limited – “consolidating base metals production in the Pilbara”*

### Highlights of the Quarter

- ▲ **Project funding and consolidation opportunities advancing**
- ▲ **Regional mapping and soil sampling completed at Whim Creek Dome**
- ▲ **Extensive pegmatites intersected in drilling at Mount Short JV**
- ▲ **\$1.8M raised in Entitlement Offer**
- ▲ **\$2.7M raised following the end of the Quarter**

### Project Development – Whim Creek Project (ANX 80% - DVP 20%)

Anax Metals Ltd (**Anax** or **Company**) continues to advance its flagship Whim Creek Copper-Zinc JV Project (the **Project**) located in the Pilbara region of Western Australia (Figure 1).

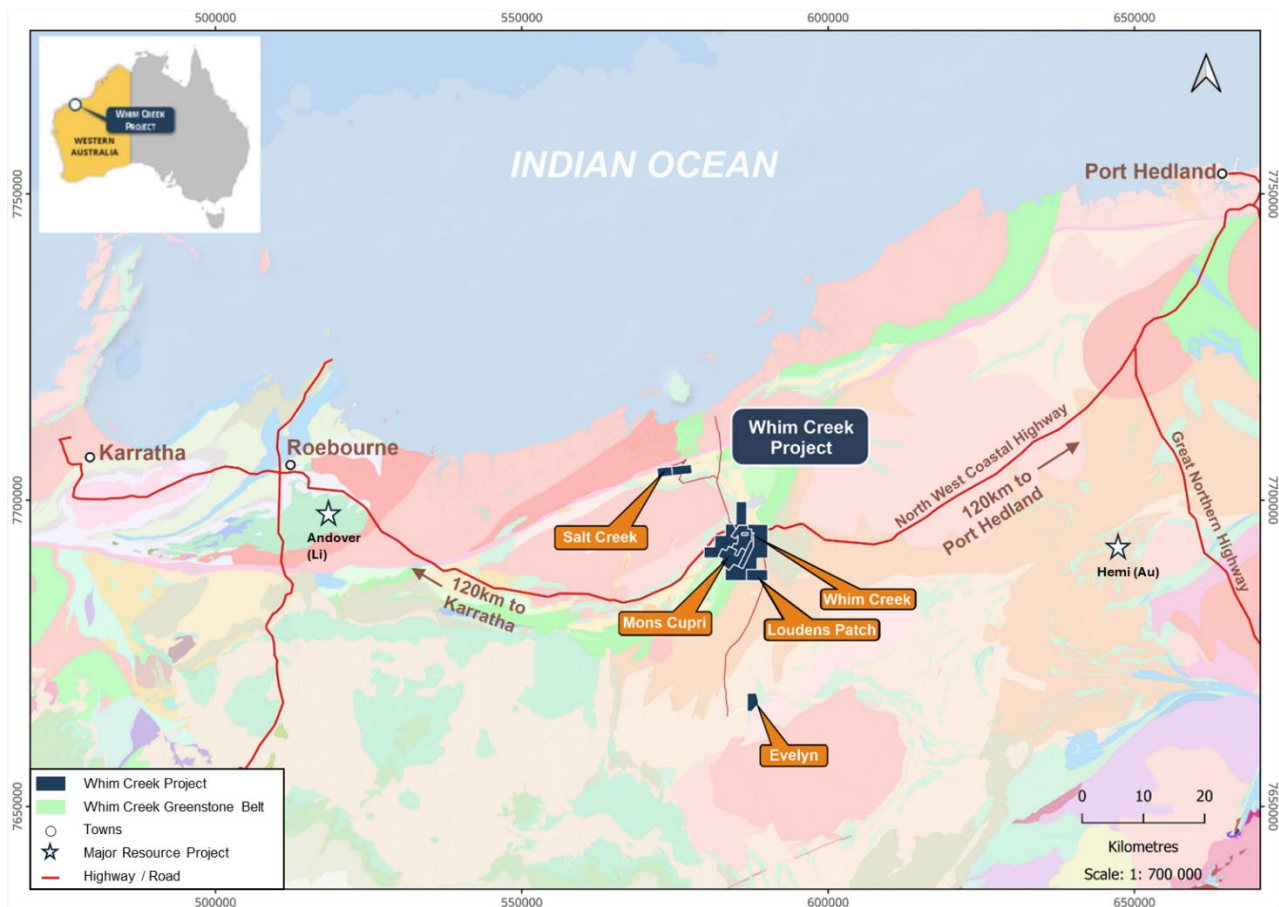
### Project Finance

Anax is currently engaged with a number of commodity traders and investment funds with a view to securing financing for the development of the Whim Creek Project. Technical due diligence has been undertaken by these groups, and the Company expects to materially progress the Project funding discussions in the coming months.

### Consolidation

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 is very encouraged by strong engagement from a number of companies with base metal Projects located in the region interested in processing sulphide, oxide and/or transitional ore at the Whim Creek Project. During the quarter, the Company has substantially advanced discussions and looks forward to updating the market once agreements have been formalised.



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

## Permitting

All major regulatory approvals to enable development of the Project have been received.

## Lithium Exploration - Whim Creek Project (ANX 80% - DVP 20%)

During the Quarter, Anax carried out regional mapping and gridded soil sampling at the Whim Creek Dome Prospect.<sup>1</sup> Regional mapping and rock chip sampling have so far focused on known lithium anomalies with little coverage of the central Whim Creek Dome area. A total of 869 soil samples were collected at a spacing of 100m x 100m. Even numbered samples were submitted for analysis by the UltraFine+™ method and odd numbered samples were retained for infill analysis. Additional soil samples from the Whim Maar area, in proximity to historically mapped pegmatites, have also been collected and submitted for analysis.<sup>1</sup>

The results are expected to be finalised in the first quarter of 2024 and will assist with refining drill targets. Heritage surveys are awaited, following which Programme of Work (**POW**) applications will be submitted for drilling and/or trenching.

## Mount Short Joint Venture (ANX 100%, WML Earning 70%)

In August 2023, Anax Metals Limited (ASX: **ANX**, Anax, or the **Company**) announced that it had executed a Farm-in and Joint Venture (**JV**) agreement with Woomera Mining Ltd (ASX: **WML**).<sup>2</sup>

The Mt Short Project covers 64km<sup>2</sup> of the Archean Ravensthorpe Greenstone Belt and surrounding granites and is located approximately 13 km north of Allkem's Mount Cattlin lithium mine. Historical drilling has focused on nickel, with a number of drill holes intersecting pegmatites, though not analysed for lithium.

### Principal Agreement Terms:<sup>2</sup>

- WML must spend \$150,000 within nine months of signing the agreement.
- If WML elects to continue with the project after meeting the minimum commitment, it shall pay Anax a cash payment of \$50,000.
- WML may earn a 70% interest by funding expenditure of \$1.5m over three years.
- Anax may then elect to contribute or reduce to a 20% interest free carried to a Decision to Mine.
- If WML makes a decision to mine, Anax may contribute its 20% or reduce to a 1.5% royalty.

During the quarter, WML successfully completed auger and Reverse Circulation (**RC**) drilling at Mount Short, which targeted historical pegmatite intercepts that had not previously been evaluated for lithium.<sup>3</sup> A total of 7 RC holes were completed for 877 m with **pegmatites intersected in 5 of the holes** with a total of **213 m of pegmatite logged**.<sup>3</sup> Samples were submitted for geochemical analysis, and the full set of results are expected in late February 2024. Following the end of the quarter, WML announced that it received laboratory results for the first two holes with no significant lithium mineralisation intersected.<sup>4</sup>

WML completed a further four RC holes at Mount Short in January 2024, **with an additional 83.5 m of pegmatites** intersected in **two of the four** holes drilled. Assays for these holes are pending.<sup>4</sup>

A total of 1,523 auger samples have been collected over a 400 x 50 m spacing where there has been no previous exploration or assaying for lithium, and assay results are expected in February 2024.<sup>4</sup>

## 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 project used machine learning to enhance the value of data generated from the UltraFine+™ process.

The Whim Creek UltraFine+ soil sampling results were included in the project and the machine learning results are expected to generate new targets for exploration, particularly at Whim Maar where there is extensive alluvial cover. The results are soon to be 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 conducting 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 has contributed to research publications 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/>).

## Compliance

For the purpose of Listing Rule 5.3.1, during the Quarter, the Company confirms it spent \$840,390 on its exploration, site upgrade and feasibility activities, of which \$791,914 are related to the Whim Creek project. The total spend for Whim Creek comprised \$400,652 on-site maintenance and consumables; \$75,499 expenditure on environmental monitoring; \$170,046 expenditure on feasibility studies and permitting and \$145,717 expenditure on direct exploration and tenure.

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 \$138,515 in directors' fees was paid in the Quarter (inclusive of \$13,727 statutory superannuation). Payments to related parties of the Company and their associates during the Quarter totalled \$43,887 (including \$3,990 GST), comprising \$9,900 (including \$900 GST) paid to Holihox Pty Ltd (a related party of Mr Phillip Jackson) for corporate consulting services; \$4,400 (including \$400 GST) to Philuchna Pty Ltd (a related party of Phil Warren) for corporate advisory services and \$29,587 (including \$2,690 GST) paid to Grange Consulting Group Pty Ltd (a related party of Phil Warren) for company secretarial services. These amounts are included at Item 6 of the attached Appendix 5B. There were no balances owed to related parties on 31 December 2023.

## Corporate

### Equity Raisings

On 27 September 2023, the Company announced a non-renounceable pro-rata entitlement offer to eligible shareholders to raise up to \$4,991,020 before costs <sup>5</sup> (**Entitlement Offer**).

The Entitlement Offer was undertaken on the basis of 1 new share for every 3 existing shares held on the record date of 5.00pm on 5 October 2023, at an issue price of \$0.035 plus one free

attaching unquoted option for every 2 new shares subscribed for, with a strike price of \$0.06 and expiry date of 31 December 2025.

The Entitlement Offer also provided for eligible shareholders and other investors to apply for any shortfall shares existing after all valid entitlement take-up (**Shortfall Offer**).

Further details of Anax’s intended use of funds was provided in the prospectus announced by the Company on Friday, 29 September 2023 <sup>6</sup> (the **Prospectus**).

The Entitlement Offer closed on 2 November 2023, and 51,013,717 new shares (and 25,506,811 options) were issued on 9 November 2023, raising additional funding of \$1,785,480 before costs.

At 31 December 2023, Anax had **480,917,634** fully paid ordinary shares on issue.

Following the end of the Quarter, the Company announced that it received firm commitments to raise \$2.1 million (before costs) from institutional, sophisticated and professional investors at an issue price of \$0.02 per share (“Placement”), with a one for two free attaching unlisted option exercisable at \$0.06 and expiring on 31 December 2025 (subject to shareholder approval). In addition, the Company’s major shareholder, Jetosea Pty Ltd, has agreed to increase its current unsecured loan by \$600,000.<sup>7</sup>

## Options

On 27 October 2023, 30,983,333 unlisted options expired without vesting, and were cancelled.<sup>8</sup> On 9 November 2023, as stated above, 25,506,811 options with a strike price of \$0.06 and expiry date of 31 December 2025<sup>9</sup> were issued to shareholders who had participated in the Entitlement Offer.

**Table 1: Unlisted options on issue on 31 December 2023**

	Number	Strike price	Expiry date	No. holders	Vested (Yes/No)	Vesting date
<b>6</b>	2,000,000	\$0.105	26 May 2024	1	Yes	26 May 2022
<b>9</b>	15,000,000	\$0.080	13 Dec 2024	1	Yes	Immediately
<b>10</b>	15,000,000	\$0.120	13 Dec 2025	1	Yes	Immediately
<b>11</b>	10,000,000	\$0.100	30 Jun 2026	1	Yes	Immediately
<b>12</b>	25,506,811	\$0.06	31 Dec 2025	234	Yes	Immediately
<b>TOTAL</b>	<b>67,506,811</b>					

## Performance rights

During the quarter 4,000,000 performance rights previously issued to employees became fully vested as all vesting conditions were satisfied.

**Table 2: Performance Rights on issue at 31 December 2023**

<i>Tranche</i>	<i>No of Performance Rights</i>	<i>Vesting Condition to convert into one share in the Company per Performance Right</i>	<i>Expiry Date</i>	<i>Vested (Yes/No)</i>	<i>Date fully vested</i>
<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	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>ANXPERF3</b>	6,000,000	Individual milestones set for each employee in accordance with terms of the Employee share plan.	31 Dec 2024	No	
<b>ANXPERF3</b>	4,000,000	Individual milestones set for each employee in accordance with terms of the Employee share plan.	31 Dec 2024	Yes	31 Dec 2023
<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>ANXPRB</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 31 December 2023, Anax held **\$1,820,788** in available cash. This excludes proceeds from the Placement and loan agreement announced after the end of the quarter.



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. *Lithium Anomalous Zones Confirmed at Whim Creek, 18 September 2023*
2. *Anax enters Farm-In and Joint Venture Agreement at Mt Short, 14 Aug 2023*
3. *Thick Pegmatites Intersected at Ravensthorpe, 20 Dec 2023*
4. *Completion of RC Drilling Program at Ravensthorpe, 17 Jan 2024*
5. *\$5.0M Non-renounceable Entitlement Offer, 27 September 2023*
6. *Prospectus – Entitlement Offer, 29 September 2023*
7. *\$2.7 Million Raised through Placement and Loan, 29 January 2024*
8. *Notification of cessation of securities, 30 October 2023*
9. *Entitlement Offer Closes, 9 November 2023*

## 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 Ore Reserves and Mineral Resources Statement is based on and fairly represents information and supporting documentation prepared by competent and qualified independent external professionals and reviewed by the Company's technical staff. The Ore Reserves and Mineral Resources Statement have been approved by Andrew McDonald, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr McDonald is a permanent employee and shareholder of Anax Metals Limited. Mr McDonald has consented to the inclusion of the Statement in the form and context in which it appears in this report.*

*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 information in this report that relates to the Mineral Resource for Mons Cupri was first reported by the Company in accordance with Listing Rule 5.8 in the Company's prospectus dated 18 September 2020 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the prospectus and that all material assumptions and technical parameters underpinning the estimate in the prospectus continue to apply and have not materially changed.*

*The information in this report that relates to the Mineral Resource for Whim Creek was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 25 May 2021 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.*

*The information in this report that relates to the Mineral Resource for Salt Creek was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 12 September 2022 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.*

*The information in this report that relates to the Mineral Resource for Evelyn was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 4 October 2022 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.*

*The information in this report that relates to the Ore Reserves was first reported by the Company in accordance with Listing Rule 5.9 in the ASX Release of 3 April 2023 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.*

**Table 3: Whim Creek Project Global Copper Dominant Mineral Resource Estimates**

Deposit	Classification	kTonnes	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	470	2.47	3.97	0.29	42	1.00
	Inferred	120	2.84	3.62	0.20	37	0.92
<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>			<i>Cu t</i>	<i>Zn t</i>	<i>Pb t</i>	<i>Ag oz</i>	<i>Au oz</i>
			<b>112,000</b>	<b>69,000</b>	<b>18,000</b>	<b>4,330,000</b>	<b>43,700</b>

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

**Table 4: Whim Creek Project Global Zinc Dominant Mineral Resource Estimates**

Deposit	Classification	kTonnes	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 ≥ 2.50%	Measured	-	-	-	-	-	-
	Indicated	770	0.58	9.91	2.97	73	0.39
	Inferred	225	0.53	5.70	1.88	31	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>			<i>Cu t</i>	<i>Zn t</i>	<i>Pb t</i>	<i>Ag oz</i>	<i>Au oz</i>
			<b>7,000</b>	<b>118,000</b>	<b>36,000</b>	<b>2,790,000</b>	<b>12,600</b>

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

**Table 5: Whim Creek Project Ore Reserve**

Classification	Deposit	Mine Type	Ore Mt	Cu %	Zn %	Pb %	Ag ppm	Au ppm
Proven	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>
Probable	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>
Totals	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>

Note: The Mineral Resource estimates are inclusive of 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
<b>Mount Short</b>	E74/651	Live	Phillips River Mineral Field	100%
<b>Loudens Patch</b>	E47/4281	Live	Pilbara	100%
<b>Whim Creek</b>	L47/0036	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/236	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/237	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/238	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/323	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/324	Live	Pilbara	80%
<b>Whim Creek</b>	M 47/443	Live	Pilbara	80%
<b>Whim Creek</b>	E 47/3495	Live	Pilbara	80%
<b>Liberty Indee</b>	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")

31 DECEMBER 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(32)	(50)
(b) development		
(c) production		
(d) staff costs	(287)	(573)
(e) administration and corporate costs	(130)	(257)
1.3 Dividends received (see note 3)	3	3
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(52)	(91)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		-
1.8 Other (provide details if material)	(11)	31
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(509)</b>	<b>(937)</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	-	-
(c) property, plant and equipment	(5)	(11)
(d) exploration & evaluation	(808)	(1,570)
(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 (6 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) <sup>2</sup>	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(813)</b>	<b>(1,581)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,767	2,868
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	23
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(101)	(156)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(36)	(72)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) <sup>2</sup>	(18)	(35)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,612</b>	<b>2,628</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	1,531	1,711
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(509)	(937)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(813)	(1,581)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,612	2,628

## 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 (6 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>1,821</b>	<b>1,821</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	114	1,534
5.2	Call deposits	1,707	-
5.3	Bank overdrafts	-	-
5.4	Other (Credit card)	-	(3)
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,821</b>	<b>1,531</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	182
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.*

Item 6.1 includes \$124,788 directors' fees, \$13,727 statutory superannuation; \$39,897 (ex GST) in consulting fees to related entities, and \$3,990 GST. On 31 December 2023, there was an additional \$4,000 plus GST in outstanding payments to related parties.



## 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.</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)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</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)	(509)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(808)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,317)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,821
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,821
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.38
<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?	
Yes.	
On 29 January 2024, the Company announced that it received firm commitments to raise \$2.1m (before costs) from institutional, sophisticated and professional investors. In addition, the Company secured an additional \$600,000 through a loan agreement with the Company's major shareholder.	

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


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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.

*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 JANUARY 2024.....

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.