

# Quarterly Activities Report for the period ended 30 September 2022

28 October 2022



## Highlights

- Multiple new exploration targets identified for sulphide-rich (Ni, Cu, Au, Co & PGM) zones outside of the already significant 6.9Moz PdEq Mineral Resource Estimate
- Targets identified following a detailed prospectivity review of Panton's existing geological data, supported by a review by Ni-Cu-PGE expert Dr Jon Hronsky of Western Mining Services
- Detailed ground-based gravity and electromagnetic ("EM") surveys commenced to assist in drill hole planning to test Ni-Cu-PGE sulphide targets
- Approved Programme of Works ("POW") and drilling contractor secured for an initial ~3,000m drill programme, which commenced in October 2022
- A\$6 million raised (before expenses) from existing and new Australian and international institutional and sophisticated investors via a \$5m Placement and \$1m Share Purchase Plan
- Subsequent to the quarter end, a further £0.5 million (~A\$0.9 million) raised (before expenses) via a placement to a number of UK based High Net Worth Investors

Future Metals NL ("**Future Metals**" or the "**Company**", ASX | AIM: FME), a platinum group metals (PGM) focused company, is pleased to provide its Quarterly Activities and Cashflow Report for the quarter ended 30 September 2022.

Future Metals is the 100% owner of the Panton PGM-Nickel (Ni) Project ("**Panton Project**", or "**Project**"), located 60km north of the town of Halls Creek in the eastern Kimberley region of Western Australia, a tier one mining jurisdiction.

The Project is situated on three granted mining licences and lies just 1km off the Great North Highway which accesses the Port of Wyndham (Figure 1).

The Panton Project hosts an independent JORC Code (2012) Mineral Resource Estimate ("**MRE**"), as announced on 22 June 2022, of 129Mt @ 1.20g/t PGM<sub>3E</sub>, 0.19% Ni, 0.04% Cu and 154ppm Co (1.66g/t PdEq) at a cut-off grade of 0.90g/t PdEq for contained metal of 5.0Moz PGM<sub>3E</sub>, 239kt Ni, 48kt Cu and 20kt Co (6.9Moz PdEq) (refer to page 11 for palladium equivalent (PdEq) calculation).

## BOARD & MANAGEMENT

Mr Justin Tremain  
Non-Executive Director

Mr Allan Mulligan  
Non-Executive Director

Ms Elizabeth Henson  
Non-Executive Director

Mr Robert Mosig  
Non-Executive Director

Mr Shane Hibbird  
Consulting Geologist

Mr Jardee Kininmonth  
Managing Director & CEO

Mr Tom O'Rourke  
Company Secretary & CFO

Mr Brian Talbot  
Operational & Technical Lead Advisor

Mr Andrew Shepherd  
GM – Project Development

Dr Jon Hronsky  
Senior Exploration Advisor

## CAPITAL STRUCTURE

Market Cap  
**\$40.7m**

Share Price  
\$0.115c 25 Oct 2022

Enterprise Value  
**\$33.1m**

Cash  
**\$7.6m** 30 Sep 2022

The MRE includes a high-grade reef of 25Mt @ 3.57g/t PGM<sub>3E</sub>, 0.24% Ni, 0.07% Cu and 192ppm Co (3.86g/t PdEq) for contained metal of 2.9Moz PGM<sub>3E</sub>, 60kt Ni, 18kt Cu and 5kt Co (3.2Moz PdEq).

PGM-Ni mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive which is a 12km long and 3km wide, south-west plunging synclinal intrusion. PGM mineralisation is hosted within a series of stratiform chromite reefs as well as a surrounding zone of mineralised dunite within the ultramafic package.

**Mr Jardee Kininmonth, Managing Director and Chief Executive Officer of Future Metals, commented on the quarter:**

*"Activities during the September quarter have provided a solid foundation for Future Metals to end the 2022 calendar year on a very high note.*

*Our prospectivity review undertaken at Panton during the period identified multiple new exploration targets and highlighted this Project's prospectivity for Ni-Cu-PGE sulphide discoveries, and we are pleased that our new drill programme is now underway following completion of that review.*

*Additional targets will be generated over the coming weeks on the back of the EM survey team covering the entire basal contact and the Keel Zone, as well as from the completion of the gravity and magnetics modelling.*

*In parallel to the exploration activities we have been busy progressing a scoping study on the existing MRE and completing test work programmes in ore sorting, physical separation and flotation, as well as preliminary investigations into hydrometallurgical processing routes.*

*During the reporting period we were pleased to have secured nearly \$7 million in additional funding via two separate Placements and an oversubscribed Share Purchase Plan.*

*We thank our investors for their support in Future Metals and we look forward to delivering positive results from this next phase of exploration at the Panton Project."*



**Figure 1 | Panton PGM Project Location**

## Operational Activities

### High grade Ni-Cu-PGE sulphides confirmed at Panton

During the reporting period, Future Metals announced it had identified multiple exploration targets prospective for sulphide accumulations at the Panton Project.

These targets have been identified from a geological prospectivity review where significant sulphide-rich (PGM, Cu, Au, Ni, Co) intercepts and electromagnetic conductors have been identified, supported by intrusion-scale geological analysis.

Additionally, the Company reported shallow, wide PGM and base metals assay results from the exploration drill holes at the 'Northern Anomaly'.

The Northern Anomaly sits within the 'Lower Zone' towards the basal contact of the Panton intrusion and further validates the prospectivity of the untested basal contact. Assay results have been received from four holes recently drilled into the Lower Zone.

The Lower Zone is the lowest portion of the stratigraphy, closest to the feeder conduit of the intrusion where sulphides containing base metals, gold and PGM are most likely to accumulate during emplacement. The geometry and structure of the Panton intrusion is such that a large portion of this Lower Zone is exposed from surface enabling the potential for discovering sulphide-rich zones at relatively shallow depths along the basal contact ('Basal Contact Zone') and the fold of the syncline ('Keel Zone').

The Lower Zone is seen as highly prospective for large accumulations of sulphide-rich mineralisation, supported by:

- high-grade base metal (Ni, Cu, Co) and gold intercepts uncovered in historical drilling, associated with local sulphide-rich lenses
- highly anomalous base metals and gold throughout entire zone (eg 522m @ 0.94g/t PdEq<sup>2</sup> (0.34g/t PGM<sub>3E2</sub> & 0.23% Ni & 0.016% Co) from 100m (PS260)
- numerous late time airborne EM conductors
- intrusion-scale geological analysis

Trends in metal distribution and thickness variations in lithological units support the potential for a highly mineralised 'Keel Zone' or 'Feeder Conduit' to have developed at depth.

Recently acquired airborne EM data has identified multiple strong EM conductors within the Main and Lower Zones, as well as in the southern portion of the project, which may represent massive sulphide bodies that have not been previously recognised at Panton ('Southern Conductors').

Mineralisation at Panton is interpreted to have formed from both a primary emplacement event and a secondary hydrothermal event, which remobilised mineralisation into shear zones, creating further potential for accumulation of sulphide rich mineralisation.

Multiple high grade base metal and gold sulphide intercepts & EM conductors within and near the Main Zone support this observation.

Following a review of all drill data for zones evidencing increased concentration of sulphides the Company has identified the following high-grade intercepts:

#### Lower Zone

- 19m @ 0.51g/t PGM<sub>3E</sub> & 0.49% Ni & 0.28% Cu & 0.022% Co from 88m (PS158) including:
  - 3m @ 0.81g/t PGM<sub>3E</sub> & 1.16% Ni & 0.66% Cu & 0.053% Co from 88m

- 1m @ 0.67g/t PGM<sub>3E</sub> & 0.46% Ni & 1.57% Cu & 0.022% Co from 95m
- 2m @ 1.09g/t PGM<sub>3E</sub> & 1.01% Ni & 0.22% Cu & 0.044% Co 104m

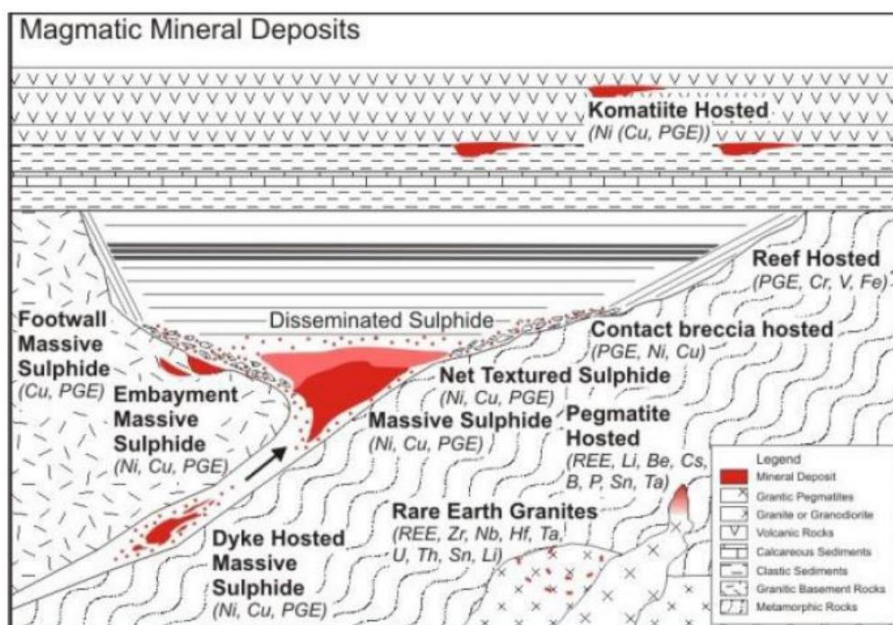
#### Main Zone

- 4m @ 2.18g/t Au & 1.18% Ni & 1.05% Cu from 242.5m (PS053) including:
  - 1m @ 6.80g/t Au & 0.62% Ni & 2.05% Cu from 242.5m (PS053)
  - 2m @ 0.92g/t Au & 1.93% Ni & 0.76% Cu from 243.5m (PS053)
- 1m @ 23.04g/t Au & 0.20% Ni & 0.03% Cu from 35m (PS083)
- 1m @ 1.78g/t Au & 0.19% Ni & 1.42% Cu from 5m (PS180)
- 2m @ 0.14g/t PGM<sub>3E</sub> & 0.09% Ni & 0.73% Cu & 0.012% Co from 28m (PS269)
- 1m @ 0.72 g/t PGM<sub>3E</sub> & 0.16% Ni & 1.02% Cu & 0.023% Co from 20m (PS128)

Notable new and historical intercepts from the Lower Zone, which are not included in the MRE, include (unconstrained 0.5PdEq cut-off):

- 522m @ 0.94g/t PdEq (0.34g/t PGM<sub>3E</sub> & 0.23% Ni & 0.016% Co) from 100m (PS260)
- 166.4m @ 0.92g/t PdEq (0.35g/t PGM<sub>3E</sub> & 0.22% Ni & 0.015% Co) from 2m (PS406)
- 120m @ 1.12g/t PdEq (0.46g/t PGM<sub>3E</sub> & 0.26% Ni & 0.013% Co) from 0m (PS158)
- 108m @ 1.13g/t PdEq (0.59g/t PGM<sub>3E</sub> & 0.23% Ni & 0.013% Co) from 0m (PS160)
- 122.9m @ 1.07g/t PdEq (0.67g/t PGM<sub>3E</sub> & 0.17% Ni & 0.015% Co) from 121m (PS029)

A scoping study on the existing MRE, examining different project development scenarios has commenced and the Company is aiming to release an update on this study to market by the end of 2022.



**Figure 2 | Generic Model of Mineral Deposition in Layered Mafic-Ultramafic Intrusions (Earth Science Australia)**

### **Panton ground geophysics underway, drilling scheduled for commencement**

In September 2022, Future Metals provided an update to the market on ground-based geophysical surveys at Panton, as well as plans for its upcoming initial ~3,000m drilling programme.

The Company commenced ground geophysical surveys (gravity and EM) to improve the definition of known conductive bodies identified from airborne surveys; and to map the structure of the Panton intrusion at depth.

Data from these surveys will refine the planned drill programme targeting sulphide mineralisation, with a contractor secured to mobilise to site in early October 2022 (see December Quarter Activities section of this report).

The exploration program is being undertaken in parallel to the ongoing scoping study and metallurgical testwork program underway on the existing 6.9Moz PdEq resource.

A gravity survey was completed at the end of the September quarter and a ground electromagnetic EM survey is now progressing. In addition to following up targets from previous airborne surveying, this ground EM survey will also cover the lower series ultramafics in the northern portion of the tenement which were excluded from the prior airborne survey.

It is expected that these surveys will generate new anomalies that will warrant drill testing. The Company is being supported by Terra Resources and Southern Geoscience Consultants on its geophysical programs.



**Figure 3 | Gravity surveyor standing on the northern boundary of Panton looking north-east**

## December Quarter Activities

### Drilling set to commence at Panton

Subsequent to the end of the reporting period, Future Metals announced that its new drill program at the Panton Project was set to commence imminently, with a diamond drill rig having arrived on site and initial targets were identified from historical drilling, as well as a ground-based EM survey.

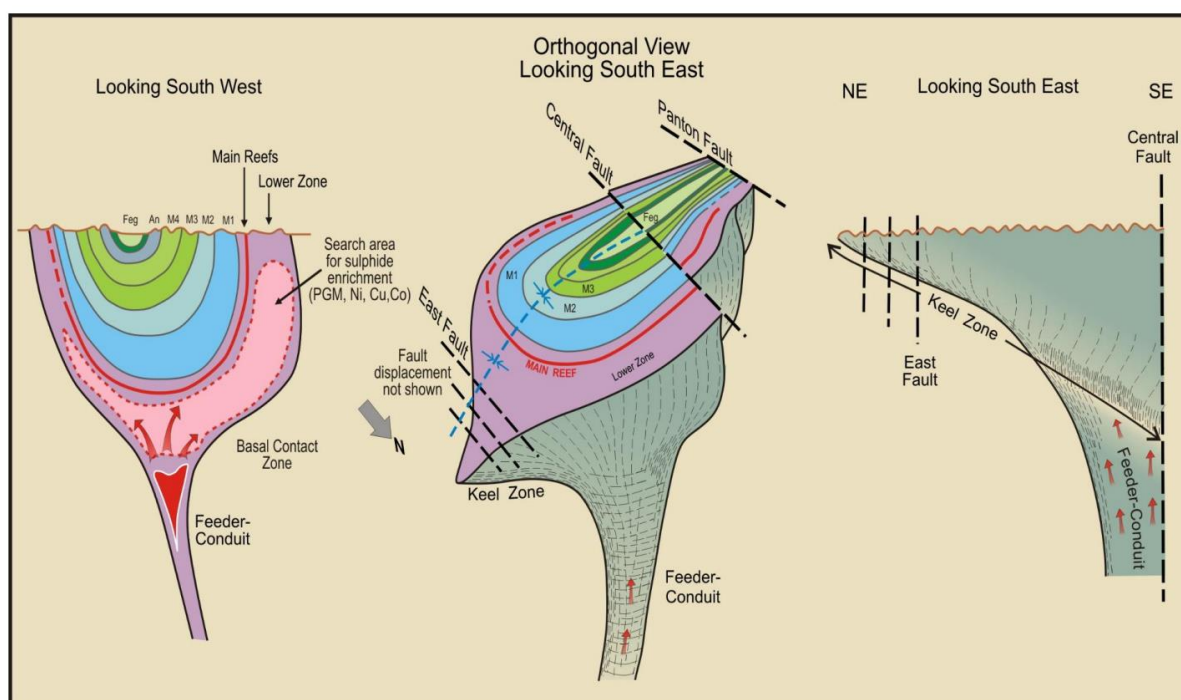
The Company completed a detailed archaeological and ethnographic heritage survey over areas requiring new access tracks and pads, and obtained clearance from the Traditional Owners of the lands where Panton is situated, the Malarngowem people.

Several targets have been generated from both the initial ground-based EM surveys and historical drilling where high-grade base metals and sulphur have been intercepted previously. Initial pad clearing has been completed in anticipation of the drill rig's arrival.

The EM survey is progressing across the entire Lower Zone to identify any strong conductors across the basal contact and in the Keel Zone (Figure 4).

Data acquired from the gravity survey completed at the end of September 2022 is being modelled in combination with the existing aeromagnetic data to produce a 3D model and assist with structural interpretations at depth.

This work will inform the Company's understanding of the sub-surface architecture at Panton, aiding in generating additional drill targets. Drilling is expected to run until late December 2022, weather permitting.



**Figure 4 | 3D Exploration Model - Lower Zone, Basal Contact and Keel Zone**

### **UK Placement completed**

In early October 2022, Future Metals announced it had completed a Placement of £500,000 (A\$872,296 at the time of completion) before expenses with a number of High Net Worth Investors in the United Kingdom ("**UK Placement**").

The terms are materially the same as the recently completed A\$5.0 million Placement and A\$1.0 million Share Purchase Plan (SPP), both of which were completed during the reporting period (see Corporate section of this report).

The rationale behind the UK Placement was to increase liquidity of the Company's securities on AIM and help improve market presence in the UK, where there has long been an active interest in PGM companies.

The Company also engaged a UK-based investor relations firm Flowcomms Limited to assist in raising the profile of the Company in the UK market.

## Corporate

### **A\$6m raised from Placement and Share Purchase Plan**

During the reporting period, Future Metals announced it had completed a equity placement of 40.0 million new fully paid ordinary shares in the Company at a price of \$0.125 per share to raise \$5.0 million (before expenses) ("**Placement**").

The Placement received strong support from existing and new Australian and international institutional and sophisticated investors.

In conjunction with the Placement, Future Metals offered eligible shareholders the opportunity to participate in a SPP on the same terms as the Placement to raise up to an additional \$0.5m (before expenses).

However, after receiving significant interest, the SPP was increased to raise up to \$1 million.

Together with the Placement announced on 17 August 2022, the Company raised a total of A\$6 million (before expenses) under the capital raising comprising the Placement and Share Purchase Plan.

Net proceeds from the Placement and the SPP are being utilised on exploration activities to test Panton's significant Ni-Cu-PGE sulphide potential and progress a Scoping Study based on the existing PGM resource, as well as ongoing metallurgical test work and for general working capital.

### **Personnel changes**

During the September 2022 quarter, Future Metals Non-Executive Director Aaron Bertolatti stepped down from the Board following the orderly transition of responsibilities to Chief Financial Officer and Company Secretary Tom O'Rourke.

Meanwhile, the Company was also pleased to report that it had retained the services of Ni-Cu-PGE expert, Dr Jon Hronsky, as the Company's Senior Exploration Advisor.

Dr Hronsky's previous review of the Panton geological model highlighted the significant exploration potential at Panton, outside of the existing resource area, particularly in the untested lower portion of the stratigraphy, towards the basal contact, as presented previously in the Company's announcement dated 27 July 2022.

### **Financial commentary**

The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 September 2022 provides an overview of the Company's financial activities.

The Company held approx. A\$7.6 million in cash at the end of the September Quarter, with a further A\$0.9 million raised subsequently through the UK Placement. The Company raised A\$6m before expenses during the reporting period, as detailed above, on the ASX and AIM during the quarter.

Expenditure on exploration during the quarter amounted to approximately A\$650k. Payments for administration and corporate costs amounted to approximately A\$641k. This included payments to related parties and their associates of A\$120k, comprising Director fees and remuneration (including superannuation). Significant annual corporate expenses paid during the quarter include insurance renewals (A\$48k), ASX listing fee (A\$40k) and audit cost (A\$20k).

## Statement of Commitments

The September quarter is covered by the Statement of Commitments outlined in the Company's ASX Prospectus dated 18 May 2021. A summary of expenditure to date is outlined in the table below.

|                                                  | <b>Proposed Use of Funds</b><br>13 June 2021 to 13 June 2023<br>\$ | <b>Actual</b><br>(13 June 2021 to<br>30 September 2022)<br>\$ |
|--------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------|
| <b>Exploration &amp; development expenditure</b> |                                                                    |                                                               |
| Panton Option consideration                      | 3,000,000                                                          | 3,000,000                                                     |
| Estimated duty liability                         | 1,755,495                                                          | 560,415                                                       |
| Drilling of extensions                           | 2,000,000                                                          | 3,108,174                                                     |
| Metallurgical testwork                           | 500,000                                                            | 264,498                                                       |
| Process design, mining and development studies   | 1,000,000                                                          | 230,778                                                       |
| Other technical studies                          | 500,000                                                            | -                                                             |
| Assessment of complementary assets or projects   | 500,000                                                            | -                                                             |
| <b>SUB-TOTAL</b>                                 | <b>9,255,495</b>                                                   | <b>7,163,865</b>                                              |
| Estimated cash expenses of the Australian Offers | 1,077,834                                                          | 1,164,174                                                     |
| Estimated cash costs for readmission to AIM      | 1,124,334                                                          | 910,800                                                       |
| Administration costs                             | 2,000,000                                                          | 2,928,878                                                     |
| Working Capital                                  | 768,200                                                            | 44,241                                                        |
| <b>TOTAL</b>                                     | <b>14,225,863</b>                                                  | <b>12,211,958</b>                                             |

For additional information please refer to ASX Announcements covered in this report:

27 July 2022 - High grade Ni-Cu-PGE sulphides confirmed at Panton

1 August 2022 – Director Resignation

17 August 2022 – Placement and Share Purchase Plan

22 August 2022 – Letter to Shareholders Share Purchase Plan and Option Offer

12 September 2022 - Share Purchase Plan Results

15 September 2022 - Panton Ground Geophysics Underway & Drilling Set to Commence

11 October 2022 - Drilling Commences at Panton

For further information, please contact:

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### Competent Person's Statement:

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Shane Hibbird, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Hibbird is the Company's Exploration Manager and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Hibbird consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on, and fairly represents, information compiled by Mr Brian Wolfe, who is a Member of the Australian Institute of Geoscientists. Mr Wolfe an external consultant to the Company and is a full time employee of International Resource Solutions Pty Ltd, a specialist geoscience consultancy. Mr Wolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Wolfe consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

The information in this announcement that relates to Metallurgical Results is based on, and fairly represents, information compiled by Mr Brian Talbot, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Talbot is a full-time employee of R-Tek Group Pty Ltd (R-Tek) a specialist metallurgical consultancy. Mr Talbot has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Talbot consents to the inclusion in this announcement of the matters based upon his information in the form and context in which it appears.

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as is forms part of United Kingdom domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended.*

### Notes to Editors

About Platinum Group Metals (PGMs) PGMs are a group of six precious metals being Platinum (Pt), palladium (Pd), iridium (Ir), osmium (Os), rhodium (Rh), and ruthenium (Ru).

Exceptionally rare, they have similar physical and chemical properties and tend to occur, in varying proportions, together in the same geological deposit. The usefulness of PGMs is determined by their unique and specific shared chemical and physical properties.

PGMs have many desirable properties and as such have a wide variety of applications. Most notably, they are used as autocatalysts (pollution control devices for ICE vehicles), but are also used in jewellery, electronics, hydrogen production / purification and in hydrogen fuel cells.

The unique properties of PGMs help convert harmful exhaust pollutant emissions to harmless compounds, improving air quality and thereby enhancing health and wellbeing.

## Appendix One | Exploration and Mining Permits

### Changes during the September Quarter

| Project                                 | Location | Tenement | Interest at beginning of Quarter | Interest at end of Quarter |
|-----------------------------------------|----------|----------|----------------------------------|----------------------------|
| No changes during the September Quarter |          |          |                                  |                            |

### Farm-In / Farm Out Agreement changes during the September Quarter

| Joint Venture                               | Project | Location | Tenement | Interest at beginning of Quarter | Interest at end of Quarter |
|---------------------------------------------|---------|----------|----------|----------------------------------|----------------------------|
| The Company has no Joint Venture Agreements |         |          |          |                                  |                            |

### Interests in Mining & Exploration Permits & Joint Ventures at 30 September 2022

| Project               | Location          | Tenement | Area               | Interest at end of Quarter |
|-----------------------|-------------------|----------|--------------------|----------------------------|
| Panton PGM-Ni Project | Western Australia | M80/103  | 8.6km <sup>2</sup> | 100%                       |
|                       |                   | M80/104  | 5.7km <sup>2</sup> | 100%                       |
|                       |                   | M80/105  | 8.3km <sup>2</sup> | 100%                       |

### Palladium Equivalent (PdEq)

Based on metallurgical test work completed on Panton samples, all quoted elements included in the metal equivalent calculation (palladium, platinum, gold, nickel, copper and cobalt) have a reasonable potential of being ultimately recovered and sold.

Metal recoveries used in the palladium equivalent (PdEq) calculations are the midpoint of the range of recoveries for each element based on metallurgical test work undertaken to date at Panton. It should be noted that palladium and platinum grades reported in this announcement are lower than the palladium and platinum grades of samples that were subject to metallurgical test work (grades of other elements are similar).

Metal recoveries used in the palladium equivalent calculations are shown below:

Palladium 80%, Platinum 80%, Gold 70%, Nickel 45%, Copper 67.5% and Cobalt 60%

Metal prices used are also shown below:

Palladium US\$1,700/oz, Platinum US\$1,300/oz, Gold US\$1,700/oz, Nickel US\$18,500/t, Copper US\$9,000/t and Cobalt US\$60,000/t

Metal equivalents were calculated according to the follow formula:

$$\text{PdEq (Palladium Equivalent g/t)} = \text{Pd(g/t)} + 0.76471 \times \text{Pt(g/t)} + 0.875 \times \text{Au(g/t)} + 1.90394 \times \text{Ni(\%)} + 1.38936 \times \text{Cu(\%)} + 8.23 \times \text{Co(\%)}$$

## Appendix 5B

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

Name of entity

Future Metals NL

ABN

99 124 734 961

Quarter ended ("current quarter")

30 September 2022

| Consolidated statement of cash flows<br>(refer Note 1) |                                                       | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|--------------------------------------------------------|-------------------------------------------------------|----------------------------|---------------------------------------|
| <b>1.</b>                                              | <b>Cash flows from operating activities</b>           |                            |                                       |
| 1.1                                                    | Receipts from customers                               | -                          | -                                     |
| 1.2                                                    | Payments for                                          |                            |                                       |
|                                                        | (a) exploration & evaluation                          | -                          | -                                     |
|                                                        | (b) development                                       | -                          | -                                     |
|                                                        | (c) production                                        | -                          | -                                     |
|                                                        | (d) staff costs                                       | -                          | -                                     |
|                                                        | (e) administration and corporate costs                | (641)                      | (641)                                 |
| 1.3                                                    | Dividends received (see note 3)                       | -                          | -                                     |
| 1.4                                                    | Interest received                                     | 13                         | 13                                    |
| 1.5                                                    | Interest and other costs of finance paid              | -                          | -                                     |
| 1.6                                                    | Income taxes paid                                     | -                          | -                                     |
| 1.7                                                    | Government grants and tax incentives                  | -                          | -                                     |
| 1.8                                                    | Other (provide details if material)                   |                            |                                       |
| <b>1.9</b>                                             | <b>Net cash from / (used in) operating activities</b> | <b>(628)</b>               | <b>(628)</b>                          |

|           |                                             |       |       |
|-----------|---------------------------------------------|-------|-------|
| <b>2.</b> | <b>Cash flows from investing activities</b> |       |       |
| 2.1       | Payments to acquire or for:                 |       |       |
|           | (a) entities                                | -     | -     |
|           | (b) tenements                               | -     | -     |
|           | (c) property, plant and equipment           | (42)  | (42)  |
|           | (d) exploration & evaluation                | (650) | (650) |
|           | (e) investments                             | -     | -     |
|           | (f) other non-current assets                | -     | -     |

| <b>Consolidated statement of cash flows</b><br><i>(refer Note 1)</i> |                                                       | <b>Current quarter</b><br><b>\$A'000</b> | <b>Year to date</b><br><b>(3 months)</b><br><b>\$A'000</b> |
|----------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------|------------------------------------------------------------|
| 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                                                 |                                          |                                                            |
| <b>2.6</b>                                                           | <b>Net cash from / (used in) investing activities</b> | <b>(692)</b>                             | <b>(692)</b>                                               |

|             |                                                                                         |              |              |
|-------------|-----------------------------------------------------------------------------------------|--------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>                                             |              |              |
| 3.1         | Proceeds from issues of equity securities (excluding convertible debt securities)       | 6,000        | 6,000        |
| 3.2         | Proceeds from issue of convertible debt securities                                      | -            | -            |
| 3.3         | Proceeds from exercise of options                                                       | -            | -            |
| 3.4         | Transaction costs related to issues of equity securities or convertible debt securities | (414)        | (414)        |
| 3.5         | Proceeds from borrowings                                                                | -            | -            |
| 3.6         | Repayment of borrowings                                                                 | -            | -            |
| 3.7         | Transaction costs related to loans and borrowings                                       | -            | -            |
| 3.8         | Dividends paid                                                                          | -            | -            |
| 3.9         | Other (provide details if material)                                                     | -            | -            |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>5,586</b> | <b>5,586</b> |

|           |                                                                              |       |       |
|-----------|------------------------------------------------------------------------------|-------|-------|
| <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                             | 3,331 | 3,331 |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (628) | (628) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | (692) | (692) |
| 4.4       | Net cash from / (used in) financing activities (item 3.10 above)             | 5,586 | 5,586 |

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

| <b>Consolidated statement of cash flows</b><br><i>(refer Note 1)</i> |                                                   | <b>Current quarter</b><br><b>\$A'000</b> | <b>Year to date</b><br><b>(3 months)</b><br><b>\$A'000</b> |
|----------------------------------------------------------------------|---------------------------------------------------|------------------------------------------|------------------------------------------------------------|
| 4.5                                                                  | Effect of movement in exchange rates on cash held | -                                        | -                                                          |
| 4.6                                                                  | <b>Cash and cash equivalents at end of period</b> | <b>7,598</b>                             | <b>7,598</b>                                               |

| <b>5.</b> | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter</b><br><b>\$A'000</b> | <b>Previous quarter</b><br><b>\$A'000</b> |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------|
| 5.1       | Bank balances                                                                                                                                                               | 82                                       | 1,007                                     |
| 5.2       | Call deposits                                                                                                                                                               | 7,516                                    | 2,324                                     |
| 5.3       | Bank overdrafts                                                                                                                                                             | -                                        | -                                         |
| 5.4       | Other (provide details)                                                                                                                                                     | -                                        | -                                         |
| 5.5       | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                            | <b>7,598</b>                             | <b>3,331</b>                              |

| <b>6.</b>                                                                                                                                                       | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter</b><br><b>\$A'000</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------|
| 6.1                                                                                                                                                             | Aggregate amount of payments to related parties and their associates included in item 1 | 120                                      |
| 6.2                                                                                                                                                             | Aggregate amount of payments to related parties and their associates included in item 2 | -                                        |
| <i>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.</i> |                                                                                         |                                          |
| - Payment of Directors' Fees and Remuneration                                                                                                                   |                                                                                         |                                          |

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

|                                                                                                                                                                                                                                                                                                                                                 |                                                         |                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------|
| <b>7. Financing facilities</b><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>                                                                                                     | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
| 7.1 Loan facilities                                                                                                                                                                                                                                                                                                                             |                                                         |                                                |
| 7.2 Credit standby arrangements                                                                                                                                                                                                                                                                                                                 |                                                         |                                                |
| 7.3 Other (please specify)                                                                                                                                                                                                                                                                                                                      |                                                         |                                                |
| 7.4 <b>Total financing facilities</b>                                                                                                                                                                                                                                                                                                           |                                                         |                                                |
| 7.5 <b>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)                                                                                                                                                                       | (628)          |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))                                                                                                                                        | (692)          |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)                                                                                                                                                                                  | (1,320)        |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)                                                                                                                                                                             | 7,598          |
| 8.5 Unused finance facilities available at quarter end (item 7.5)                                                                                                                                                                   | -              |
| 8.6 Total available funding (item 8.4 + item 8.5)                                                                                                                                                                                   | 7,598          |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>                                                                                                                                                   | 5.7            |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:                                                                                                                                         |                |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?                                                                                   |                |
| Answer: N/A                                                                                                                                                                                                                         |                |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?              |                |
| Answer: N/A                                                                                                                                                                                                                         |                |
| 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?                                                                                                   |                |
| Answer: N/A                                                                                                                                                                                                                         |                |
| <i>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.</i>                                                                                                                |                |

## **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: 28 October 2022

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.