

ASX ANNOUNCEMENT

ANDROMEDA METALS LTD (Andromeda, ASX: ADN)



Andromeda

29 April 2022

Andromeda Metals Limited

ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash (31st Mar 2022): \$35.5m

Issued Capital:

3,104,235,099 ordinary shares

70,300,000 unlisted options

27,833,325 performance rights

Directors:

Mick Wilkes

Non-Executive Chair

James Marsh

Managing Director

Joe Ranford

Operations Director

Andrew Shearer

Non-Executive Director

Melissa Holzberger

Non-Executive Director

Company Secretary:

Andrea Betti

Contact details:

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Quarterly Activities Report – March 2022

Highlights

Acquisition of Minotaur completed

- Andromeda Metals Limited acquisition of Minotaur Exploration Limited complete, creating a leading Australian kaolin/halloysite and technology company by consolidating ownership of the Great White Kaolin Project and Natural Nanotech into Andromeda

Great White Kaolin Project

- Definitive Feasibility Study (DFS) completed and announced 6th April.
- High margin cashflows, with pre-tax net present value (NPV)₈ of AUD 613m, Internal Rate of Return (IRR) of 36%.
- Updated Ore Reserve Estimate containing 15.1Mt

Exploration Update

- Maiden Tiger Kaolin Resource 100% Indicated Resource of 12.1Mt of bright white kaolinized granite.

Corporate

- Appointment of Mr Mick Wilkes as Independent Non-Executive Chair, effective 6 April 2022.
- Cash at the end of March was \$35,506,783.

*The Board and management of Andromeda Metals Limited (**ASX: ADN, Andromeda, the Company**) is pleased to provide a summary of the Company's activities for the quarter ended 31 March 2022.*

Managing Director, James Marsh commented, "The March quarter has seen the achievement of another major milestone for the Great White Kaolin Project with finalisation of the DFS. The DFS demonstrates that the Project has the potential to become a globally significant supplier of high value kaolin products to international ceramic, paint and other specialised markets. The focus is now on completing the Program for Environmental Protection and Rehabilitation, advancing our project design and development plans for stage 1, finalising land access and continuing to penetrate markets for our high value products.

The completion of the Minotaur acquisition enables the consolidation of 100% ownership of the Great White Project and the Natural Nanotech Project into a single entity, providing Andromeda with full development optionality."

Operations Update

Great White Kaolin Project Background

The Great White Kaolin Project (GWKP, the Project) comprises four Exploration Licences east of Streaky Bay on the Eyre Peninsula (**Figure 1**). High quality halloysite-kaolin occurrences exist extensively across the Great White Kaolin Project area making this a region of global significance for the mineral and capable of supporting a considerable long-life mining operation. The Project includes Great White, Hammerhead and Tiger Deposits as well as several additional exploration targets: Manta and Bronze Whaler.

Andromeda also holds a 100% interest in the Mount Hope Kaolin Project which is located approximately 160 km southeast of Great White and is earning into the Eyre Kaolin Project.

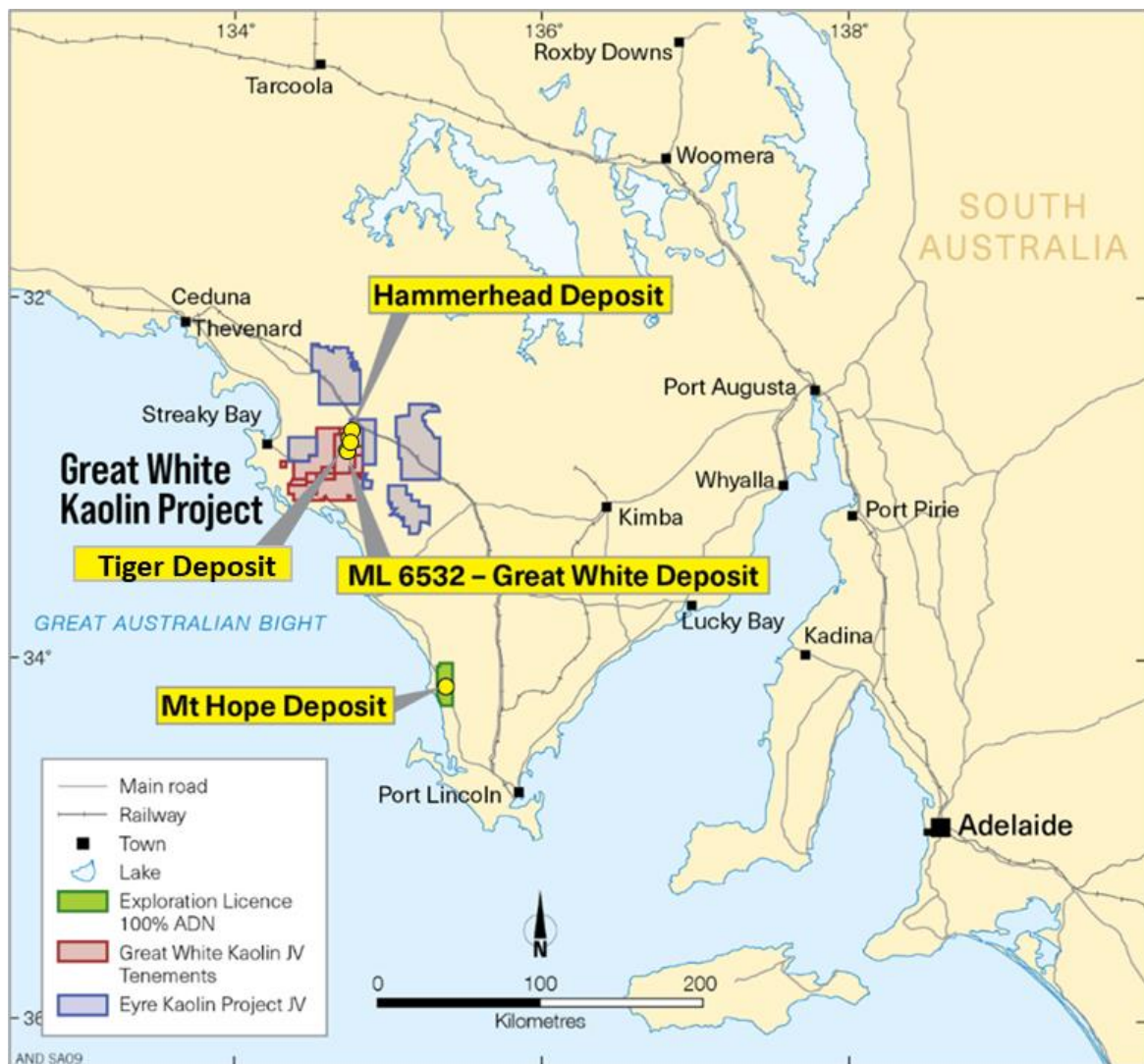


Figure 1 - Project Location Plan

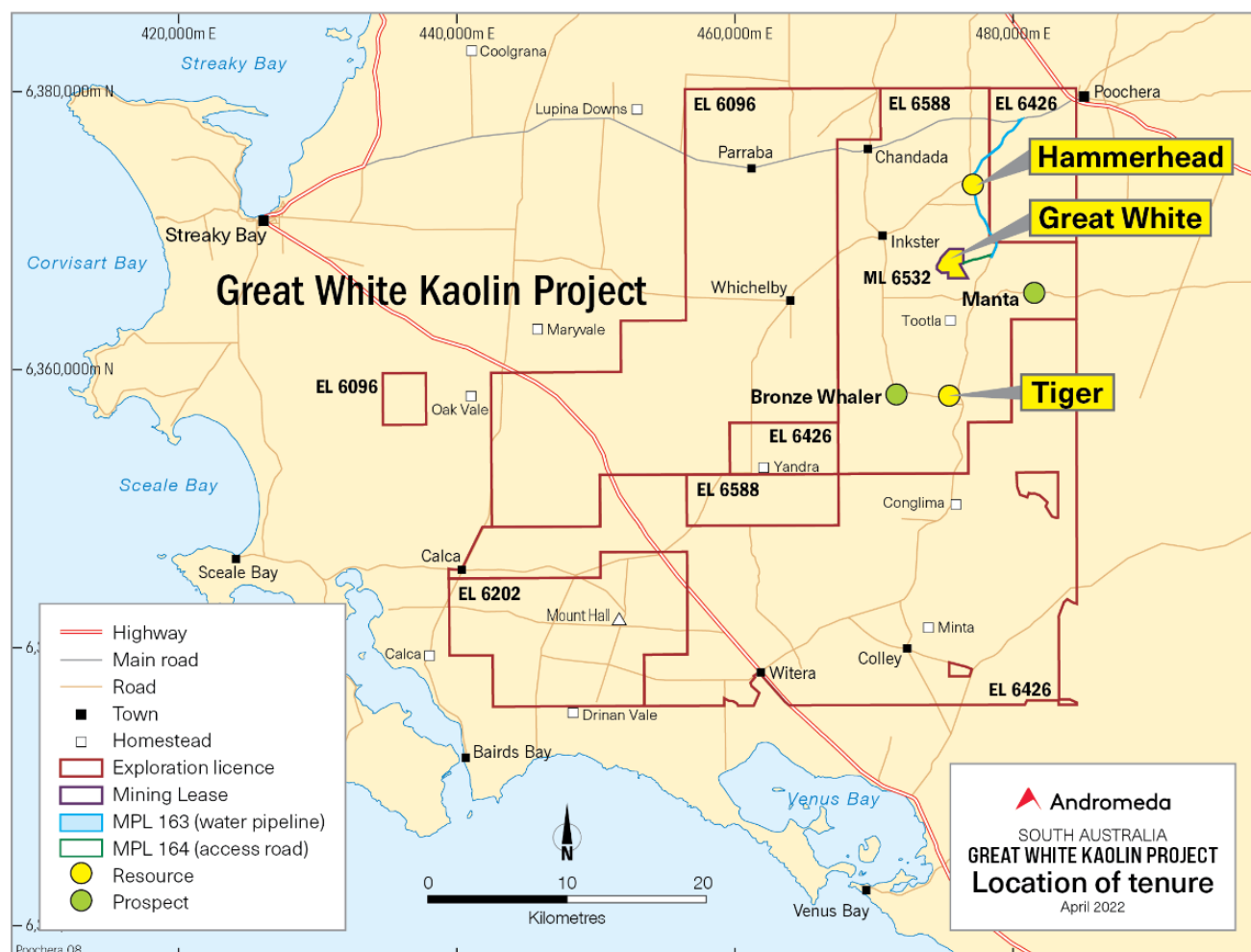


Figure 2 - Great White Project

Definitive Feasibility Study (DFS) Released

Subsequent to the end of the quarter, on 6 April 2022, the Company completed the DFS and released it to the market (refer ADN ASX announcement dated 6 April 2022 "Great White Kaolin Project – Definitive Feasibility Study"). The DFS for the Project was prepared by Andromeda Metals Ltd (Andromeda) and a team of experienced specialist consultants. The DFS reflects the latest information on the Project, including marketing agreements and price forecasts. Technical research, including results from metallurgical test work, and confirmatory pilot plant batches have been included to inform the engineering design, project execution and financial modelling.

The DFS scope of work was to prepare a definitive level assessment of the Project, prepared to an accuracy level of +/-15% guided by the requirements of the Australian Institute of Mining and Metallurgy (AusIMM) guidelines (AusIMM 2012. Cost Estimation Handbook. 2nd Edition, Monograph 27. The Australian Institute of Mining and Metallurgy).

Capital and operating cost estimates were developed by Andromeda and supported by supplier provided prices on defined scope of works supporting the staged execution strategy. The DFS varies from the June 2020 Prefeasibility Study (PFS) with the removal of direct shipping ore (DSO) and focussed on higher quality products.

The DFS focussed on several products:

- Great White KCM™90, a semi-refined high-quality kaolin concentrate for sale for direct use, further refinement by other parties or to upgrade their inventory.
- Great White HRM™, a refined kaolin for sale for use as an additive in the concrete industry and other associated applications.
- Great White CRM™, a refined, dried, bagged product for use by end-users in the ceramics market.
- Great White PRM™, a refined, dried, and bagged product for use by end-users in coatings and polymers markets.

The Project is proposed in four production stages. The staged capital costs were developed in conjunction with independent and highly reputable consultant/contractor firms with experience to support the value-add concept of the DFS. The change was driven primarily by volatility in transport costs, the benefit of having in-house quality control and the improved value of refined kaolin products, issues that have significantly moved since the onset of the Covid-19 pandemic. The DFS scenario was driven by value adding, controlling risk through reduced capital exposure in the initial start-up phase, and providing a quality product to maximise the value of the Mineral Resource.

The DFS provides for the development of the Project based on foundation products to establish and build the market and customer base.

GWKP Key Indicators:

Parameter		Life of mine (Total)
Plant feed (nominal)	dry metric tonnes (dmt)	300,000 (years 1-5) 600,000 (years 6-28)
Production (nominal)	Great White HRM™ (dmt)	260,000
	Great White KCM™90 (dmt)	246,000
	Great White PRM™ (dmt)	336,000
	Great White CRM™ (dmt)	6,400,000
Weighted average product sale price (AUD/dmt)		653
Life of mine (years)		28
Strip ratio		2.3
Start-up capital (Stage One)		93.8
Sustaining capital (AUD million)		26.0
Revenue (AUD million)		4,706
EBITDA ¹ (AUD million)		2,283
Pre-tax cashflow (AUD million)		2,050
NPV ₈ (before tax) (AUD million)		613
IRR (% before tax)		36
Payback period (years) ²		5.9

¹ Earnings before interest, taxes, depreciation and amortisation

² Includes payback of initial AUD 93.8 million as well as the further plant upgrades within that time

Updated Great White Ore Reserve

An updated Ore Reserve Estimate containing 15.1Mt with an average Brightness 84 (R457) and 0.5% Fe₂O₃ was released with the DFS announcement (refer ADN ASX announcement dated 6 April 2022 "Great White Kaolin Project – Definitive Feasibility Study"). The Ore Reserve comprises of 34% Proved Reserve and 66% Probable Reserve.

Maiden Tiger Kaolin Resource

The maiden Tiger Mineral Resource Estimate of 12.1Mt containing 7.2Mt of kaolin (<45 µm) was announced (refer ADN ASX announcement dated 23 March "Maiden Tiger Kaolin Resource and Regional Rare Earth Element Potential"). The Tiger Kaolin Deposit is part of the Great White Kaolin Project, located on the Eyre Peninsula of South Australia, approximately 10km to the south of the Great White Deposit (Figure 2) and further demonstrates the GWKP's potential to become a world class producer of kaolin.

The regional prospectivity for rare earth elements (REEs) is to be assessed following the potential identification of ionic adsorption clay REEs in association with the halloysite kaolin at Bronze Whaler. Assays from the Bronze Whaler prospect returned elevated Total Rare Earth Oxides (TREO) as exemplified by TW19AC001 which returned from 10m, 18m @ 1752ppm TREO in the <45µm fraction including 5m @ 2256ppm TREO, refer ADN ASX announcement dated 23 March 2022 "Maiden Tiger Resource and Regional Rare Earth Element Potential").

During the quarter Wudinna Project's joint venture partner Cobra Resources PLC also identified anomalous REE mineralisation in the saprolitic clays that overlie new gold intercepts at the Clarke prospects that included 33m at 1.03g/t gold from 65m and 20m at 1.5g/t gold from 88m (refer ADN ASX announcement dated 8 February 2022 "Clarke – Rare Earth Identified Directly Above Gold Mineralisation").

Mining Tenements

The tenement schedule as at 31st March 2022 is at the end of this Quarterly Activities Report.

Proponent Acceptance Deed signed with Esperance Tjaltjraak Native Title Aboriginal Corporation (ETNTAC) to satisfy condition 19 the grant of Dundas exploration Licence 63/2089 (Circle Valley).

Wudinna Gold Project tenement EL 6262 (Acraman) surrendered in agreement with JV partner.

There were no other acquisitions or disposals of tenements during the quarter.

Corporate

Andromeda and Minotaur Combination Completed

Following the joint announcement of the combination in November 2021 (via an off-market takeover), critical conditions of Andromeda's takeover offer were satisfied, including a minimum acceptance of 90%. Andromeda announced (refer ADN ASX announcement dated 25 February 2022 "Andromeda to proceed to compulsory acquisition of Minotaur Exploration Limited") its intention to proceed to compulsorily acquire any remaining Minotaur shares that were not accepted into its takeover offer.

Consideration associated with the acquisition of Minotaur, in the form of fully paid ordinary shares in Andromeda, were issued in two separate tranches during the quarter as follows:

- 4th March 2022, 571,675,752 fully paid ordinary shares for those minotaur shareholders that accepted the takeover offer; and
- 29th March 2022, 48,832,301 issued as part of the Compulsory Acquisition process.

The completion of the acquisition of 100% of Minotaur Exploration Limited (Minotaur) shares was announced (refer ADN ASX announcement dated 30 March 2022 "*Andromeda Completes Compulsory Acquisition of Minotaur Exploration Limited*"). The completion of this transaction and consolidating 100% ownership of the Great White Kaolin Project (GWKP) and Natural Nanotech into a single entity provides Andromeda full development optionality. It simplifies the ownership and streamlines the management of the GWKP as the Company progresses towards financing, development, and construction.

Subsequent to the end of the quarter, on the 4th of April, the Company announced a change to its Registered Office and principal place of business to Level 10, 431 King William Street, Adelaide.

Finance Update

Cash and cash equivalents at the end of the quarter were \$35,507k, which was a decrease of \$7,309k from the previous quarters closing balance of \$42,816k. Net funds used in operating activities were \$1,476k and funds used in investing activities \$5,833k (Property Plant & Equipment \$819k, Exploration and Evaluation Expenditure of \$1,688k and Other \$3,326K related to the acquisition of Minotaur). Cash flows relating to the acquisition of Minotaur was made up of Cash advanced to Minotaur for funding operating expenses of \$1,754k, cash advanced to Minotaur to fund the seed capital for the breakaway of Demetallica \$1,525k and acquisition success fees of \$1,663k partially offset by the net cash balance of Minotaur of \$1,616k at the date of acquisition by Andromeda.

Exploration and Evaluation Expenditure during the Quarter was \$1,688,000. Full details of exploration activity during the Quarter are set out in this report.

There were no substantive mining production and development activities during the Quarter

Payments to related parties of the Company and their associates during the Quarter of \$210,000, including director's fees, and consulting fees.

Board Changes

On the 20th of January, Mr Rhoderick Grivas resigned as Chair and Non-Executive director. At that time Non-Executive Director Melissa Holzberger assumed the role of Acting Chair from that date, pending the appointment of a permanent Chair.

Subsequent to the end of the quarter, on the 6th of April, Mr Mick Wilkes was appointed to the role of Independent Non-Executive Chair. Mr Wilkes is an experienced mining executive and company director with more than 35 years of broad international mining experience coupled with a successful track record of leading the development and operation of greenfield mines.

Mr Wilkes is currently a Non-Executive of Kingston Resources Limited (ASX: KSN), Non-Executive Director of Matador Mining Ltd (ASX: MZZ), Non-Executive Director of Dacian Gold Ltd (ASX: DCN) and a member of the Sustainable Minerals Institute's Advisory Board of the University of Queensland. He was previously the Chair of the Governance Committee and a member of the Administration Committee of the World Gold Council.

This Reports is authorised for release by the Board of Directors of Andromeda Metals Ltd.

For more information about the Company and its projects, please visit our website www.andromet.com.au or contact:

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Andrea Betti, Company Secretary
Andromeda Metals Ltd
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Competent Persons Statements

Information in that relates to the Great White Kaolin Project and Mt Hope Project has been reviewed by Mr. James Marsh a member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Marsh is an employee of Andromeda Metals Limited who holds shares, options and performance rights in the company and is entitled to participate in Andromeda's employee incentive plan (details of which are included in Andromeda's Annual Remuneration Report) and has sufficient experience, which is relevant to the style of mineralisation, type of deposits and their ore recovery under consideration and to the activity being undertaking to qualify as Competent Person under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). This includes Mr. Marsh attaining over 30 years of experience in kaolin processing and applications. Mr. Marsh consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The data that relates to Mineral Resource Estimates for the Great White Kaolin Project (Great White, Hammerhead and Tiger Deposits) and Mount Hope Kaolin Project are based on information evaluated by Mr Eric Whittaker who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Whittaker is the Chief Geologist of Andromeda Metals Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Whittaker has 30 years of experience in the mining industry. Mr Whittaker consents to the information in the form and context in which it appears. Mr Whittaker holds Performance Rights in the Company and is entitled to participate in Andromeda's employee incentive plan.

The data in this report that relates to Mineral Reserve Estimates for the Great White Deposit is based on information evaluated by Mr John Millbank who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Millbank is the Director of Proactive Mining Solutions Pty Ltd, an independent mining consultancy, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Millbank consents to the information contained in this report being used in the form and context in which it appears. Mr Millbank, or any of the entities he directly controls, has no financial interests in Andromeda Metals Ltd or any of its subsidiaries.

Forward Looking Statements

This document contains or may contain certain "forward-looking statements" and comments about future events that are based on Andromeda management's beliefs, assumptions and expectations and on information currently available to management as at the date of this document. Often, but not always, forward-looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, estimates of future Mineral Resources and Ore Reserves.

Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis.

Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumption and other important factors that could cause the actual results, performances or achievements to differ materially from future results, performances or achievements expressed, projected or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. Such risks and factors include, but are not limited to: changes in exchange rate assumptions; changes in product pricing assumptions; major changes in mine plans and/or resources; changes in equipment life or capability; emergence of previously underestimated technical challenges; increased costs and demand for production inputs; and environmental or social factors which may affect a licence to operate, including political risk.

SCHEDULE OF TENEMENTS AS AT 31 MARCH 2022

Project	Tenement	Tenement Name	Area km ²	Registered Holder or Applicant	Company's Interest %
South Australia					
<i>Great White Kaolin Project</i>	ML 6532	Great White	319 ha	Andromeda Industrial Minerals Pty Ltd ¹ and Great Southern Kaolin Pty Ltd ²	AIM 75% GSK 25%
	MPL 163	Water Pipeline MPL	78 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	MPL 164	Access Road MPL	13 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6588	Tootla	372	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6096	Whichelby	447	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6202	Mt Hall	147	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6426	Mt Cooper	648	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
<i>Wudinna Gold Joint Venture</i>	EL 6317	Pinkawillinie	156	Peninsula Resources Ltd ³	PRL 35% LAM 65%
	EL 6131	Corrobinnie	1303	Peninsula Resources Ltd	PRL 35% LAM 65%
	EL 6489	Wudinna Hill	42	Peninsula Resources Ltd	PRL 35% LAM 65%
	EL 5953	Minnipa	184	Peninsula Resources Ltd	PRL 35% LAM 65%
	EL 6001	Waddikee Rocks	147	Peninsula Resources Ltd	PRL 35% LAM 65%
<i>Moonta Copper Gold Project⁴</i>	EL 5984	Moonta-Wallaroo	713	Peninsula Resources Ltd	100%
	EL 5984	Moonta Porphyry JV	106	Peninsula Resources Ltd	90% - option to acquire 100% from Breakaway Resources Pty Ltd, a wholly owned subsidiary of Minotaur Exploration Ltd
<i>Camel Lake Halloysite Project</i>	EL 6128	Camel Lake	455	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	ELA 2019/73	Dromedary	481	Minotaur Operations Pty Ltd ⁵	AIM 75% GSK 25%
<i>Eyre Kaolin Project</i>	EL 6663	Aspen	976	Peninsula Exploration Pty Ltd ⁶	Peninsula 100%
	EL 6664	Whistler	452	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6665	Hotham	875	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6666	Thredbo	496	Peninsula Exploration Pty Ltd	Peninsula 100%
<i>Mt Hope Kaolin Project</i>	EL 6286	Mt Hope	227	Andromeda Industrial Minerals Pty Ltd	100%
Queensland					
<i>Drummond Gold Project</i>	EPM 18090	Glenroy	196	Adelaide Exploration Pty Ltd ⁷	100%
	EPM 25660	Gunthorpe	74	Adelaide Exploration Pty Ltd	100%
	EPM 26154	Sandalwood Creek	109	Adelaide Exploration Pty Ltd	100%
	EPM 26155	Mount Wyatt	144	Adelaide Exploration Pty Ltd	100%
	EPM 27501	Packhorse Creek	16	Adelaide Exploration Pty Ltd	100%
Western Australia					
<i>Dundas Project</i>	E 63/2089	Circle Valley	29	Mylo Gold Pty Ltd ⁸	100%

1. Andromeda Industrial Minerals Pty Ltd ("AIM"; incorporated 9 August 2018) is a wholly owned subsidiary of Andromeda Metals Ltd.

2. Great Southern Kaolin Pty Ltd ("GSK") is a wholly owned subsidiary of Andromeda Metals Ltd.

3. Peninsula Resources Ltd ("PRL"), (incorporated 18 May 2007) is a wholly owned subsidiary of Andromeda Metals Ltd. PRL has a farm-in agreement with Lady Alice Mines Pty Ltd (LAM), a wholly owned subsidiary of Cobra Resources PLC.

4. Andromeda Metals Ltd has partnered with Environmental Metals Recovery Pty Ltd ("EMR") to form the Moonta ISR Joint Venture.

5. Minotaur Operations Pty Ltd ("MOP") is a wholly owned subsidiary of Minotaur Exploration Ltd. Registered interest is to be transferred to AIM (75%) and GSK (25%) upon grant.

6. Andromeda Industrial Minerals Pty Ltd has a farm in agreement with Peninsula Exploration Pty Ltd (Peninsula) over the Eyre Kaolin Project.

7. Adelaide Exploration Pty Ltd (incorporated 13 July 2001) is a wholly owned subsidiary of Andromeda Metals Ltd.

8. Mylo Gold Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.

Appendix 1 Resources and Reserves

Table 1 Mineral Resources

	Measured Resource				Indicated Resource				Inferred Resource				Total Resources			
	Tonnes (Mt)	PSD <45µm	Kaolinite (%)	Halloysite (%)	Tonnes (Mt)	PSD <45µm	Kaolinite (%)	Halloysite (%)	Tonnes (Mt)	PSD <45µm	Kaolinite (%)	Halloysite (%)	Tonnes (Mt)	PSD <45µm	Kaolinite (%)	Halloysite (%)
Great White ^{1,2,3}	5.7	50.2	39.5	6.9	14.2	51.1	42.0	5.0	14.7	49.3	40.3	4.9	34.6	50.2	40.9	5.3
Hammerhead ^{1,3,4}									51.5	52.6	42.7	6.5	51.5	52.6	42.7	6.5
Mount Hope ^{1,3,5}									18	41.5	33.8	1.4	18	41.5	33.8	1.4
Tiger ^{1,6}					12.1	59.9	56.7						12.1	59.9	56.7	
Total¹	5.7	50.2	39.5	6.9	26.3	55.1	48.8	2.7	84.2	49.7	40.4	5.1	116.2	50.9	42.2	4.7

- Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- ASX 26 November 2020, Updated mineral resource for the Great White Kaolin JV Deposit
- ISO brightness (R457) cut-off of at 75 in the <45µm size fraction
- ASX 29 September 2020, New mineral resource estimate for Hammerhead Halloysite-Kaolin Deposit
- ASX 11 August 2020, New mineral resource for the Mount Hope Kaolin Project
- ASX 23 March 2022, Maiden Tiger Kaolin Resource and Regional Rare Earth Element Potential. Halloysite reported with kaolinite.

Table 2 Ore Reserve – Great White Kaolin Project

Ore Feed Category	Reserve Category	Tonnes (Mt)	Yield		Halloysite (%)	Brightness (R457)	Fe ₂ O ₃ (%)
			Great White PRM™	Great White CRM™			
			(% of whole rock)		(% in -45 µm fraction)		
Great White PRM™ Feed	Proved	0.4	27	18	3	87	0.3
	Probable	1.1	24	16	1	87	0.3
	Subtotal	1.5	25	17	2	87	0.3
Great White CRM™ Feed (Great White KCM™90 & Great White HRM™)	Proved	4.8	-	45	15	84	0.5
	Probable	8.9	-	46	11	83	0.5
	Subtotal	13.7	-	46	12	83	0.5
Total ^{1,2}		15.1	-	-	-	84	0.5

- Figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- ASX 6 April 2022, Great White Kaolin Project - Definitive Feasibility study and Updated Ore Reserve

Appendix 5B

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

Name of entity

ANDROMEDA METALS LIMITED

ABN

75 061 503 375

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(220)	(594)
	(e) administration and corporate costs	(1,277)	(3,131)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	21	24
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)	-	-
1.9	Net cash from / (used in) operating activities	(1,476)	(3,701)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(819)	(875)
	(d) exploration & evaluation (capitalised)	(1,688)	(4,567)
	(e) investments	-	-
	(f) other non-current assets	-	(216)
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		
	- Cash advanced to Minotaur (Seed funding for Demetallica)	(1,525)	(2,000)
	- Cash advanced to Minotaur (Minotaur Operating Expenses)	(1,754)	(1,754)
	- Net Cash balance of acquired entity (Minotaur)	1,616	1,616
	- Fees related to successful acquisition	(1,663)	(1,663)
	- Government grants, subsidies and tax incentives	-	632
2.6	Net cash from / (used in) investing activities	(5,833)	(8,827)
3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	44,770
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	562
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	(2,291)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	43,041

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4	Net increase / (decrease) in cash and cash		
4.1	Cash and cash equivalents at beginning of period	42,816	4,994
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,476)	(3,701)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,833)	(8,827)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	43,041
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	35,507	35,507

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	5,342	5,814
5.2	Call deposits	30,165	37,002
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	35,507	42,816

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	(63)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(147)

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.

The amount at items 6.1 and 6.2 comprises executive director salaries and non-executive director fees and consulting fees paid to directors or related corporations of directors of the Company during the quarter.

7	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (credit card facility)	90	36
7.4	Total financing facilities	90	36
7.5	Unused financing facilities available at quarter end		54
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.		
The Company has a credit card facility financed through Westpac with a limit of \$90,000. This facility is denominated in Australian dollars and is secured against cash deposits of the same amount shown as restricted cash in Item 5.4 of this report. An annual fee is charged for this facility at market rates. There are no set amounts are payable under this facility, other than the annual fee, unless the consolidated entity does not adhere to the terms of the agreements.			

8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,476)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,688)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,164)
8.4	Cash and cash equivalents at quarter end (item 4.6)	35,507
8.5	Unused finance facilities available at quarter end (item 7.5)	54
8.6	Total available funding (item 8.4 + item 8.5)	35,561
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <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>	11.24
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
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2022

Authorised by: 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.