

AUSTRALIAN SILICA QUARTZ GROUP LIMITED

SEPTEMBER 2023 QUARTERLY REPORT



HIGHLIGHTS

HIGH PURITY QUARTZ PROJECTS (QLD & WA)

- ASQ entered a MOU with Private Energy Partners Pty Ltd ('PEP') (a wholly owned affiliate of Quinbrook Infrastructure Partners) to complete exploration at Quartz Hill and progress to a Scoping Study and mining lease application.
- ASQ have received \$1m from PEP to fund this work in return for offtake of up to 10Mt Quartz at a 10% discount to the market price.
- 14 hole, 1,498m Reverse Circulation (RC) drilling program completed at Quartz Hill with encouraging quartz intersections.
- Lab results pending and Mineral Resource Estimation to follow.

KOOLYANOBING METALS PROJECT (KMP)

- Ground EM surveying completed with three well defined, late time, fixed loop electromagnetic conductors identified.
- Drill testing of conductors VC4, VC5 and Island Gossan will commence when heritage clearance requirements have been completed.
- Initial soil sampling over a small portion of the exploration targets has returned several gold anomalies with peak value of 88ppb Au along 6km of the Golden Wishbone Gold Trend.

JULIMAR ASQ DEVEX 50/50 JV - NICKEL COPPER PGE's

- Joint Venture partner DevEx have defined thick and extensive differentiated mafic-ultramafic intrusive rocks over a strike length of 12km located on ASQ's E70/3405, between Chalice Mining Ltd's (ASX: CHN) Julimar discovery to the south and Caspin Resources Ltd's (ASX: CPN) Yarawindah Brook Project to the north.
- The extent of the mafic/ultramafic intrusion, together with confirmation of Fe-Ni-Cu sulphide in drilling, supports the potential for the intrusion to host significant concentrations of Ni-Cu-PGE mineralisation.
- DevEx have given notice the Stage 1 Earn In Expenditure of \$3m has been incurred. ASQ have elected to contribute to the project funding to maintain their 50% interest.

SOUTH STIRLING NICKEL COPPER PROJECT

- ASQ believes the Project has the potential for Ni/Cu magmatic sulphide mineralisation associated with mafic-ultramafic intrusions emplaced into granulite facies country rocks.
- Aircore hole SS001 confirms the previous anomalous historic drillhole result and extends the thickness of the anomaly with **12m from 26m @ 0.70% Ni and 0.06% Cu**, within; **21m from 21m @ 0.58% Ni and 0.06% Cu**
- Land access is currently being sought in priority areas.

FINANCIAL

- Cash at bank at 30 September 2023 was \$3.33m. The Company has no debt and additional assets including two unencumbered rural properties in the Bindoon area of Western Australia valued at \$2.26m.

26 October 2023

ASX Code: ASQ
AUSTRALIAN SILICA QUARTZ
GROUP LTD
ABN: 72 119 699 982

DIRECTORS:

Robert Nash
Non Executive Chairman
Luke Atkins
Non Executive Director
Neil Lithgow
Non Executive Director
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Non Executive Director

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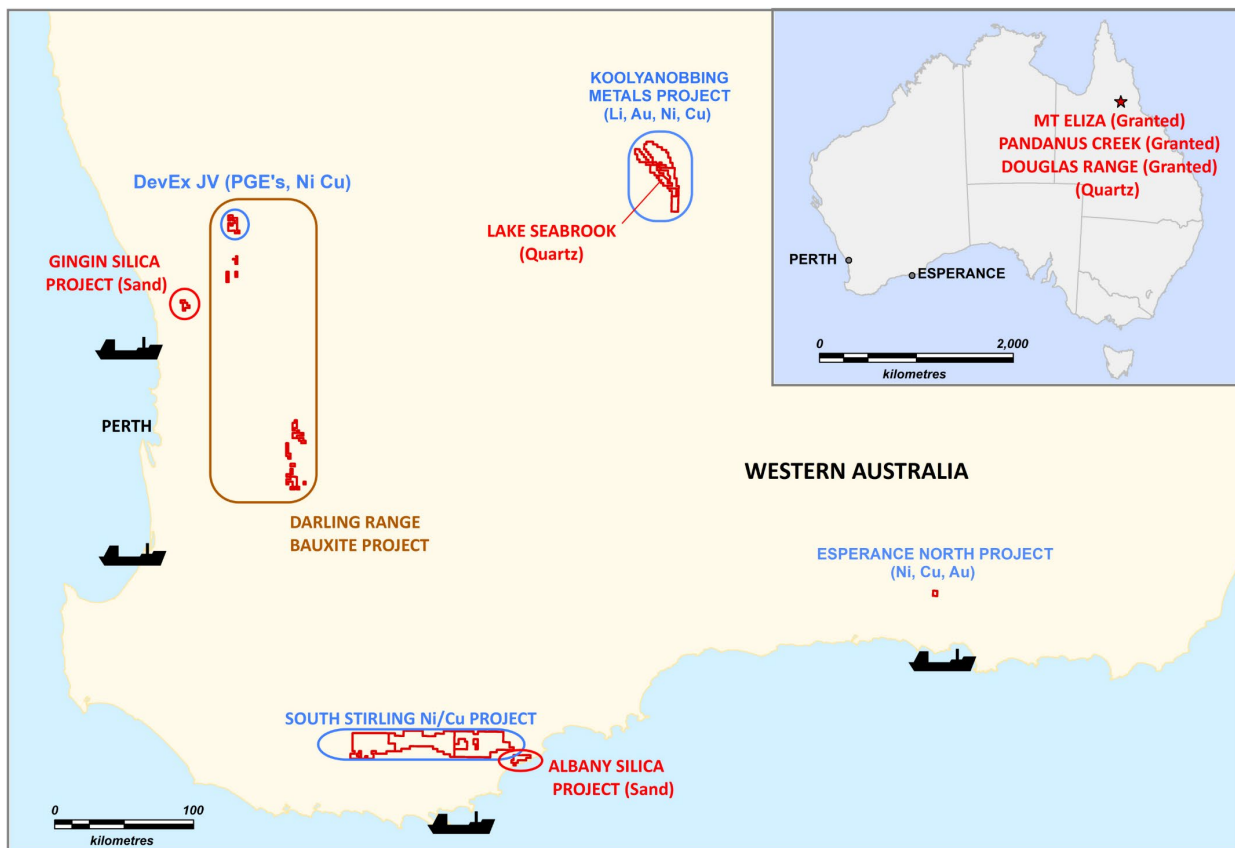


Figure 1: ASQ Project Locations

HIGH PURITY SILICA – HARDROCK QUARTZ PROJECTS (QLD and WA)

The Company has one granted exploration licence in Western Australia and three granted exploration permits in Far North Queensland with known quartz occurrences with the potential to contain silica products ranging from metallurgical grade to high purity silica. These leases cover 286km² in total.

Testwork of rock chip samples from the Western Australian Lake Seabrook Project has returned grades of 99.98% SiO₂ and ASQ's Far North Queensland rock chip sampling on granted tenements has returned results up to 99.99% SiO₂ after acid washing (ASQ (2021). *Hardrock High Purity Quartz and Silica Update – Revised*. ASX Release 15 December 2021).

Quartz Hill Metallurgical Grade Quartz Project (QLD)

ASQ has entered a Memorandum of Understanding with Private Energy Partners Pty Ltd ('PEP'). PEP being the wholly owned affiliate of Quinbrook Infrastructure Partners.

ASQ has received from PEP \$1m as a contribution to the work to be undertaken and PEP will in return receive the offtake of up to 10Mt MGSi Quartz (Metallurgical Grade Silicon Quartz Lump feedstock) from the mine gate at 10% discount to the prevailing MGSi Quartz market price or such price that would constitute a fair market return to ASQ (whichever is the greater).

ASQ will use the funds received to:

- undertake an exploration drilling programme at Quartz Hill with the aim of establishing JORC 2012 MGSi Quartz mineral resource of at least 10Mt;
- complete a Scoping Study; and
- apply for a mining lease.



At the conclusion of the Scoping Study, PEP, at its election, may fund a Definitive Feasibility Study on the MGSi Project. PEP, at its election, may then enter into a Binding Offtake Agreement to purchase 10Mt MGSi Quartz over a period not exceeding 31 years. (ASQ (2023). *Hard Rock Silica Quartz - Queensland Projects Update*. ASX Release 28 April 2023, *Hard Rock Silica Quartz - Queensland Projects Clarification*. ASX Release 2 May 2023, *ASQ finalises exclusive rights to 10Mt Quartz Offtake*. ASX Release 7 July 2023, and ASQ receives \$1 million for Quartz Hill Development. ASX Release 12 July 2023)

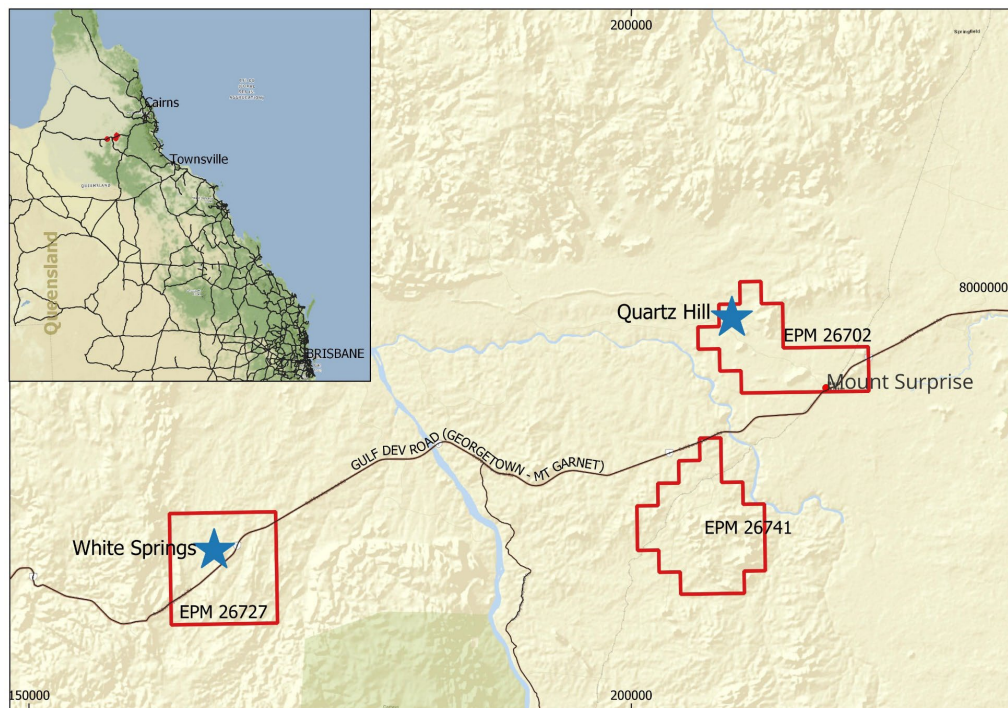


Figure 2: ASQ Queensland Hardrock Quartz Projects – Location Map

During the September quarter ASQ completed an RC drilling program at Quartz Hill consisting of 14 holes for 1,498m designed to form the basis of a Mineral Resource Estimate. The geometry of quartz encountered during drilling was consistent with the ASQ interpretation based on the quartz at surface. All samples have been delivered to SGS laboratories in Townsville Queensland for analysis. The mineral Resource Estimate is expected to be reported during the 2023 December Quarter.



RC Drilling completed at Quartz Hill, Queensland during the September 2023 Quarter

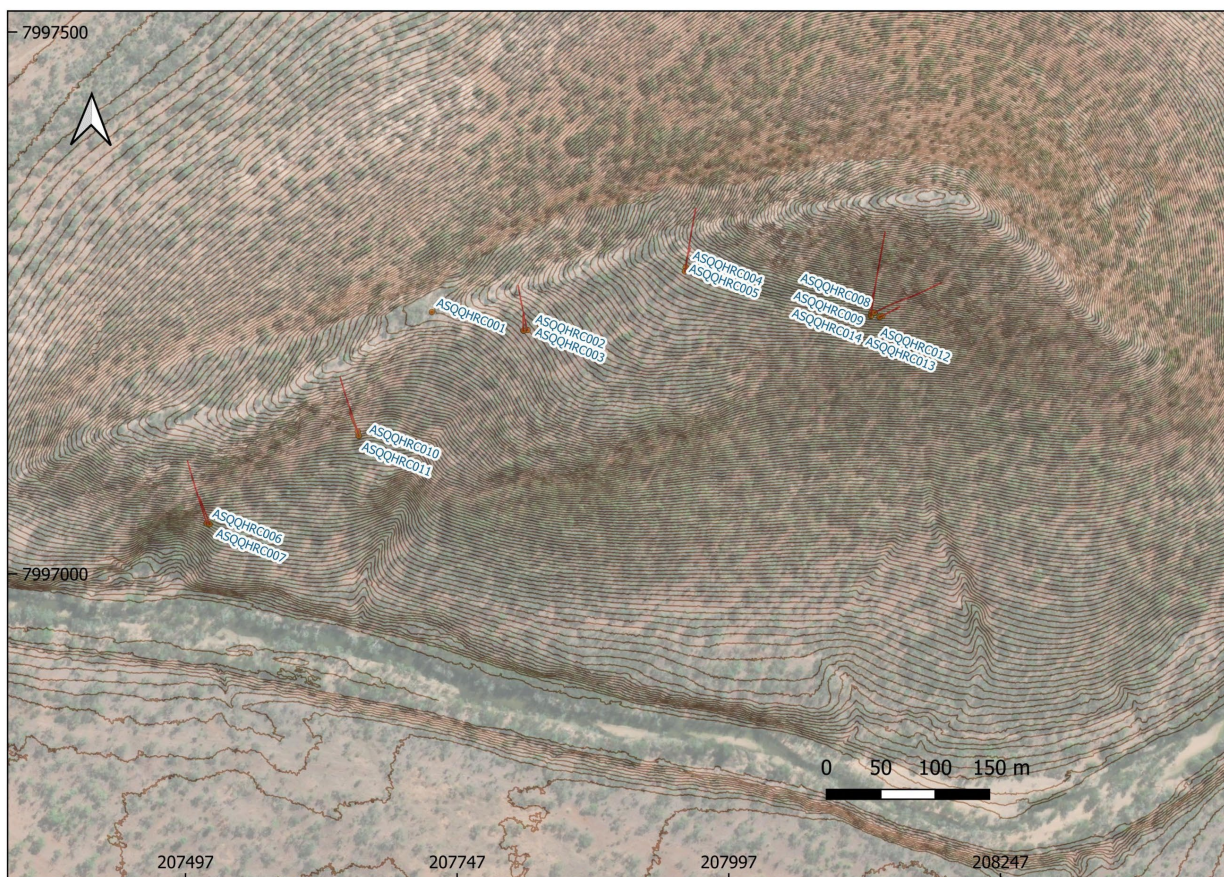


Figure 3: Quartz Hill 2023 RC Drill Holes

A Research and Development program has been underway utilising samples collected from the Company's tenement package. The program involves comparing innovative processing techniques with conventional methods with the aim of producing a high purity product ("HPQ") from ASQ's existing prospects. Testwork to date indicates the innovative processing flowsheet developed by ASQ's HPQ R&D program compares favourably to conventional processing methodology (ASQ (2021). *Hardrock High Purity Quartz and Silica Update – Revised*. ASX Release 15 December 2021). Recent work has focused on the fine tuning of the process parameters and on the commercialisation of the process flowsheet to make it suited to large scale industrial production.

White Springs High Purity Quartz Project (QLD)

Rock chip samples taken by the Company at the White Springs Location have returned silica assays to 99.98% SiO₂ demonstrating potential for high purity silica products. Drill testing of the occurrence was planned for 2023 to test ASQ's interpretation that the outcropping quartz "blows" are near vertical pipes originating from a larger body of quartz at depth. A cultural heritage survey undertaken during the previous quarter has identified the need for further detailed cultural heritage investigation. ASQ is in the process of progressing heritage work at White Springs.

KOOLYANOBING METALS PROJECT (KMP)

The Koolyanobbing Metals Project (KMP) comprises lease areas of 405km² granted tenure and 91km² in application overlying portions of the Koolyanobbing Shear Zone and Koolyanobbing Greenstone Belt (ASQ (2022). *ASQ Acquires Li/Au/Ni/Cu Ground*. ASX Release 11 August 2022).

ASQ considers the KMP underexplored and prospective for gold, high purity silica in hardrock quartz, nickel, lithium, and copper. Preliminary target generation has been completed, identifying numerous gold, nickel and copper targets for follow-up.

Late Time Ground EM Conductors Identified

Ground based fixed loop electromagnetic (FLEM) surveys across a number of targets have been finalised and have identified three well defined, late time, fixed loop electromagnetic conductors.

Two conductors, VC4 and VC5, lie within an interpreted mafic/ultramafic volcanic sequence in the underexplored Koolyanobbing Greenstone Belt and are located parallel to and only slightly offset from a 1.5km section of surface gold anomalism within the Golden Wishbone gold trend with values to 0.4ppm Au. The third conductor, Island Gossan Conductor lies within a felsic volcanic unit, in a sequence of banded iron and metamorphosed mafic rocks. Island Gossan Conductor modelled geometry and orientation is consistent with mapped outcropping gossanous material suggesting near surface potential supported by surface historical rock chip values up to 1150ppm Cu and 0.04ppm Au.

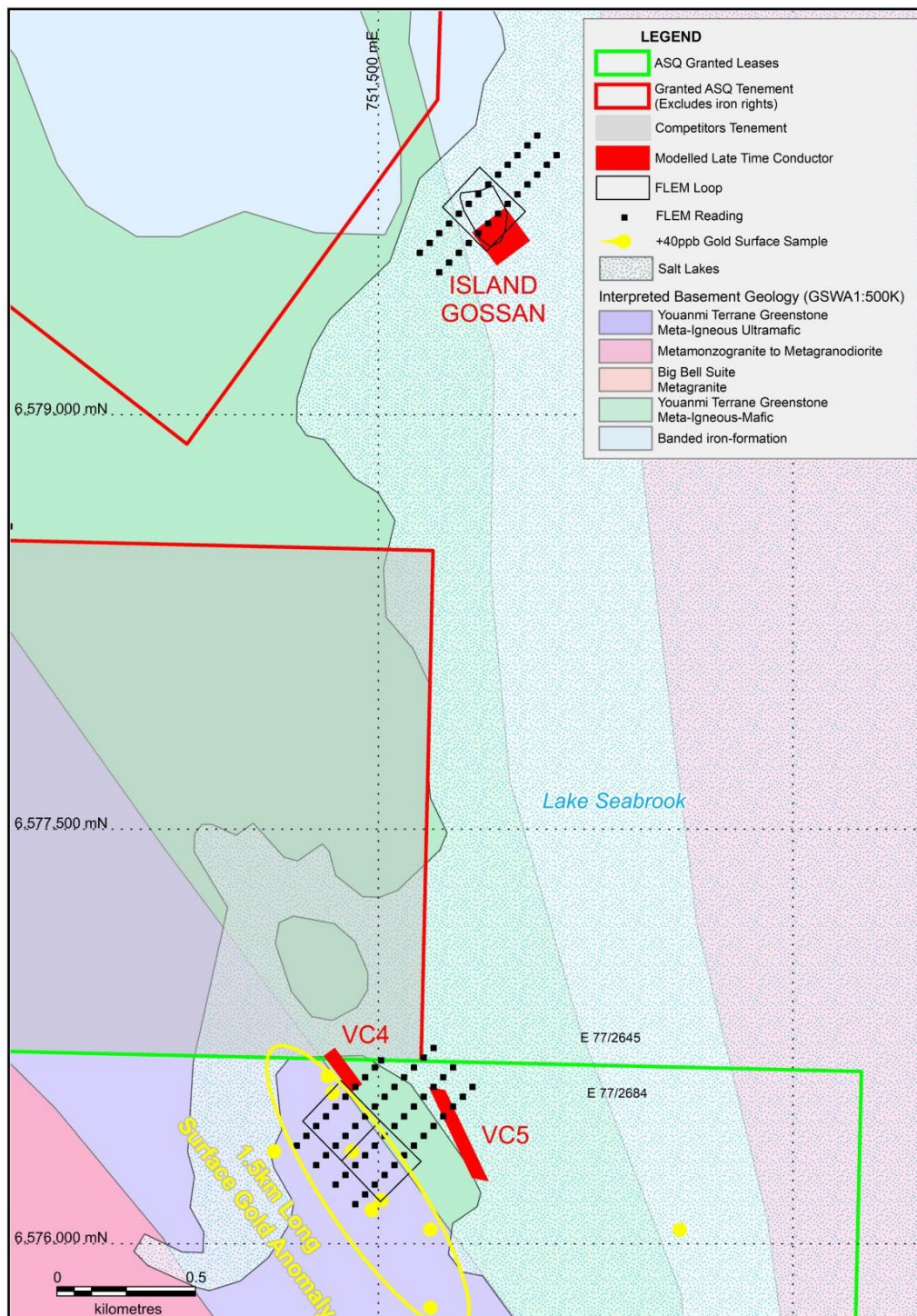


Figure 4: Identified Island Gossan, VC4 & VC5 FLEM late-time conductors

Each of the three conductors demonstrate all the consulting geophysicist's target ranking criteria for high priority drill targets. ASQ considers the targets prospective for gold, nickel, and copper. Drill testing is planned immediately following heritage clearances which have been delayed by the introduction of the new WA's new Aboriginal Cultural Heritage Act 2021. ASQ aims to complete preliminary drilling in the coming summer field season. (ASQ (2023). *Ground EM survey identifies three late time conductors at the Koolyanobbing Metals Project*. ASX Release 7 March 2023).

Gold in Soil Anomalies

Soil sampling was completed late in 2022 across the Golden Wishbone Gold Trend, an area of strong gold anomalism that includes the historic small scale gold mining recorded at the Golden Wishbone Shaft in the late 1930's with 204 ounces produced at an average grade of 18g/t and no modern exploration recorded.

Results from these samples are highly encouraging. ASQ considers background gold in soils to be 1-4ppb with anything over 10ppb Au anomalous. Of the 373 samples assayed, 53 returned results of 10ppb Au or greater and 16 samples had greater than 25ppb Au with a peak result of 88ppb Au (ASQ (2022). *Extensive Gold in Soils Anomalies Detected*. ASX Release 7 December 2022).

Gold exploration within the KMP leases is expected to continue into 2024.

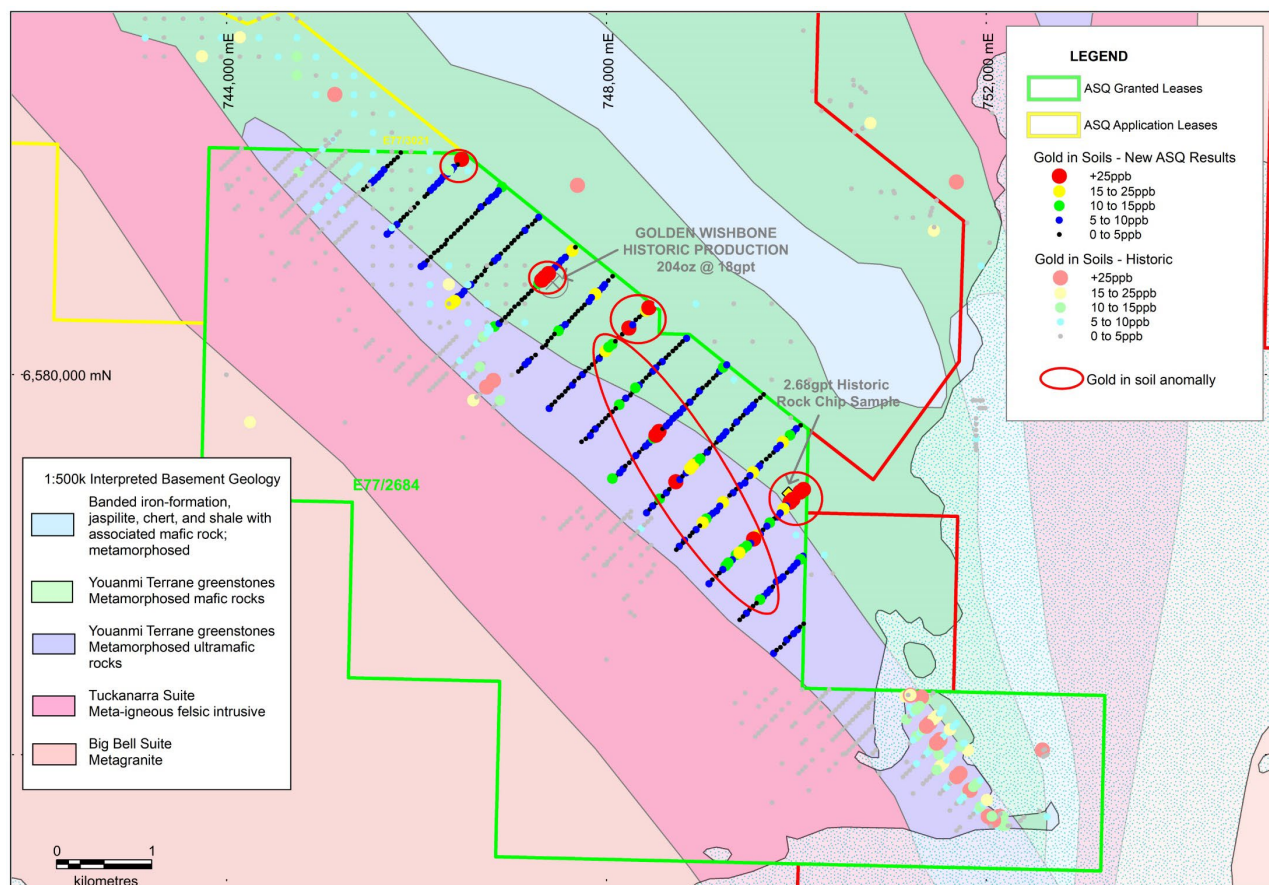


Figure 5: Golden Wishbone Soil Sampling Results

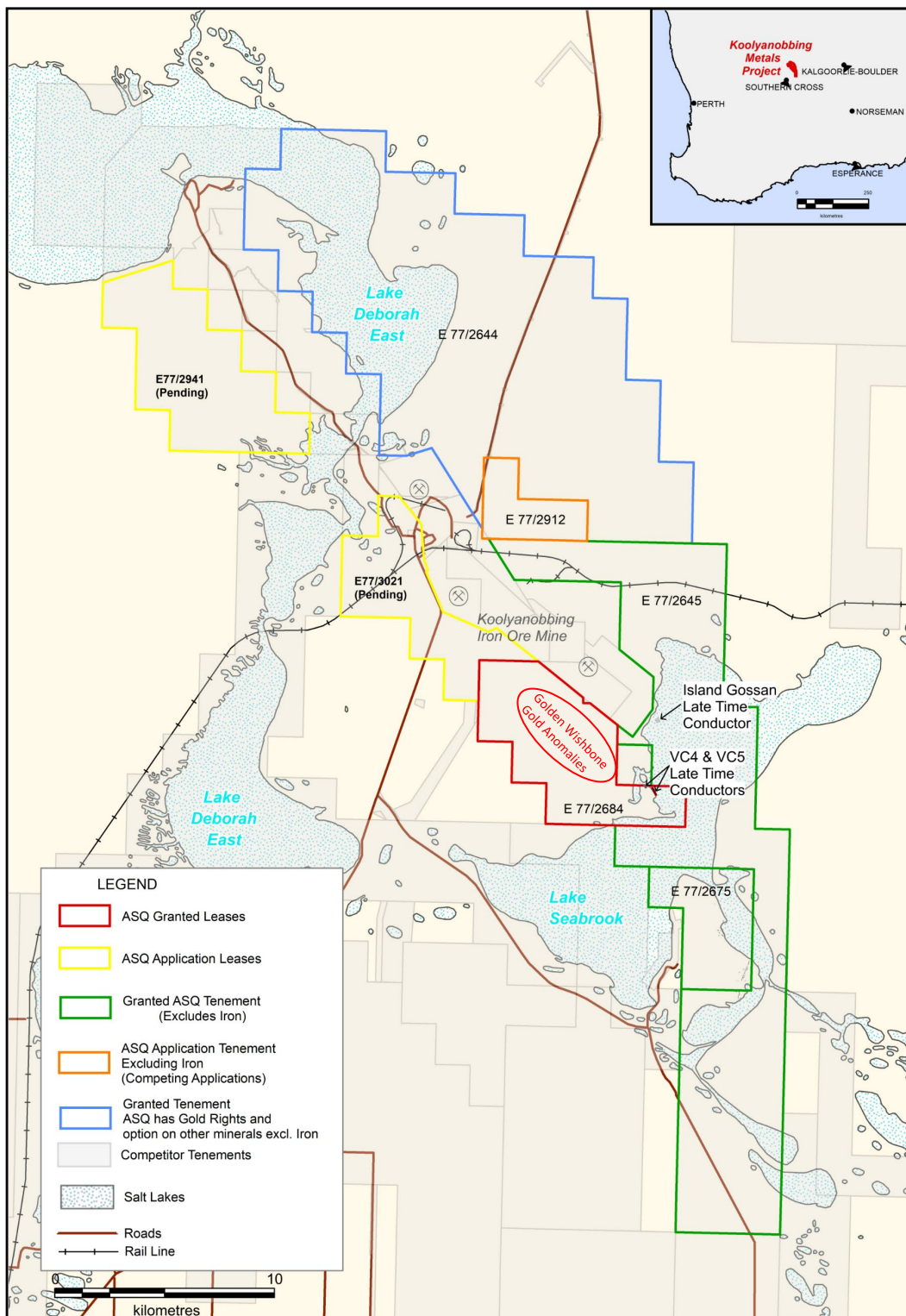


Figure 6: KMP Tenements with ASQ gold anomaly area and the Late Time FLEM Conductors

JULIMAR ASQ/DEVEX JOINT VENTURE - NICKEL COPPER PGE'S

DevEx Resources Limited ("DevEx", ASX: DEV) is currently exploring the western half of the Sovereign mafic-ultramafic intrusion (E70/3405) under an Earn-In Agreement with ASQ. DevEx has been earning-in to the non-bauxite rights of the tenement by an initial spend of \$3m to earn a 50%. Pursuant to the Earn-In Agreement DevEx gave ASQ written notice during the quarter advising the Stage 1 Earn In Exploration Expenditure of not less than \$3m on E70/3405 had been incurred. ASQ has now elected to

contribute to further exploration to maintain its 50% interest (ASQ (2020). *ASQ Reaches Agreement for Exploration Funding of its Tenement in Julimar Region, WA.* ASX Release 1 June 2020).

E70/3405 and the Sovereign magnetic complex is located along strike from the globally significant Chalice Mining Ltd (ASX: CHN) nickel-copper-platinum group elements (Ni-Cu-PGE) 30km long Julimar Complex discovery to the south and the Caspin Resources Ltd (ASX:CPN) Yarawindah Brook Ni-Cu-PGE project to the north.

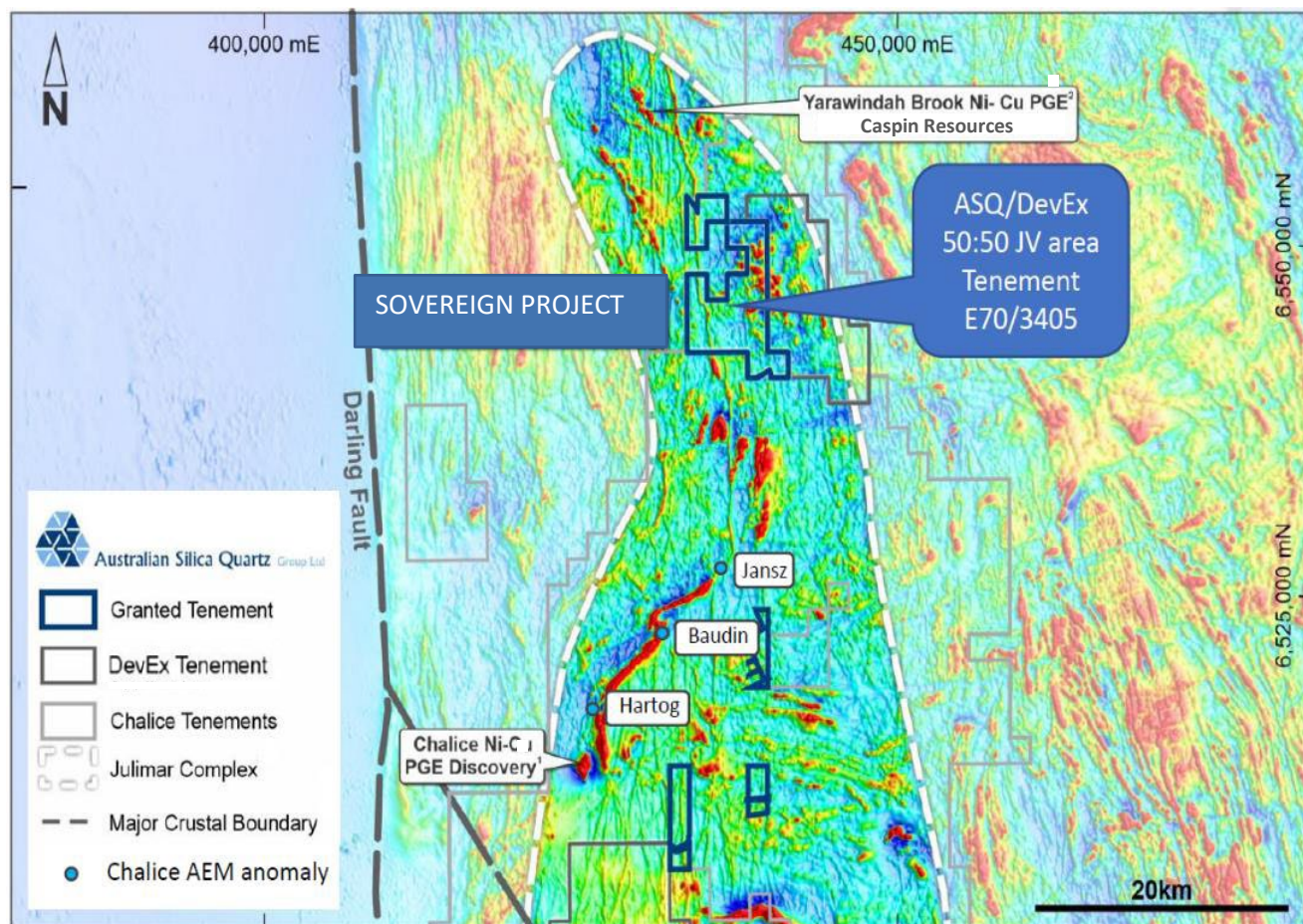


Figure 7: Julimar Complex Sovereign Project with existing Ni-Cu-PGE discoveries on Aeromagnetic RTP image

Three reconnaissance diamond holes completed in 2021 demonstrate a thick sequence of differentiated mafic-ultramafic intrusive rocks extending over the full length of the project. Within this diamond program, several zones of disseminated (low grade) Ni-Cu sulphide mineralisation, together with signs of assimilation of the surrounding country, provide an indication of the potential for the intrusion to host concentrations of Ni-Cu-PGE mineralization.

Field activities are on hold pending completion of the annual harvest season. Discussions between ASQ and DevEx are in progress to determine the exploration plan going forward.

SILICA SAND PROJECTS – GINGIN & ALBANY

The Gingin Silica Sand Project consists of one application exploration licence located 20km north of Perth, the Albany Silica Sand Project consists of one granted exploration licence 80 km east of the Port of Albany.

Albany White Hill Silica Sand Project

The Company has completed a Mineral Resource Estimate on a property 70km east of Albany totalling 11.6 Mt with >99.9% SiO₂ and <50 ppm Fe₂O₃ and extends over a strike length of 1,650m and has a maximum width of 1,565m (ASQ (2021). *Maiden High Grade, Low Iron, Silica Sand Resource.* ASX Release 28 January 2021).

Metallurgical testwork results indicate the silica sand is readily processed by conventional washing and gravity separation to produce a very high-grade silica sand product that has potential for industries such as general and specialty glass making including solar panel cover glass and optical glass (ASQ (2021). *Maiden High Grade, Low Iron, Silica Sand Resource*. ASX Release 28 January 2021).

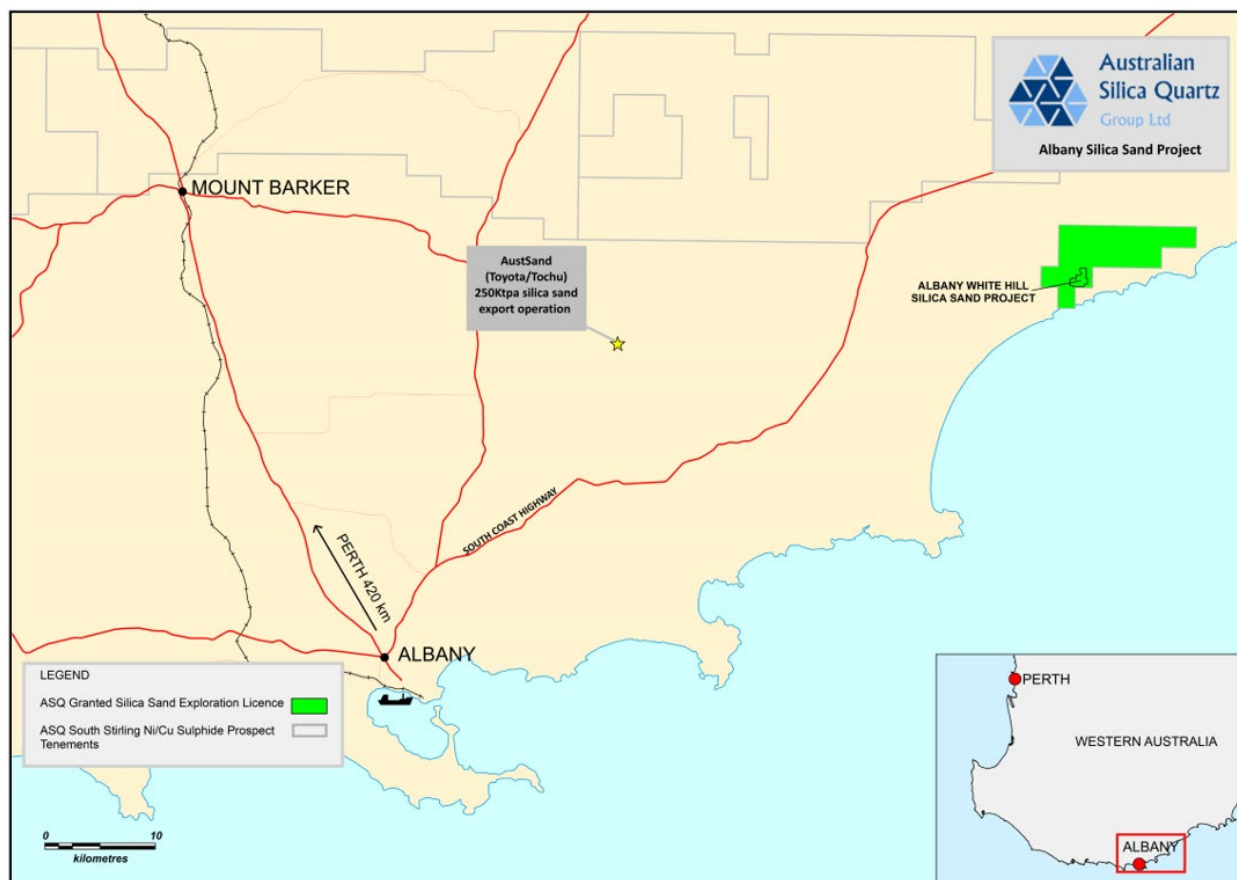


Figure 8: Location of the Albany White Hill Silica Sand Project on E70/5262 east of Albany. ASQ South Stirling Ni-Cu Sulphide tenements shown for context. Other holder tenements not shown.

Table 1: Albany White Sand Hill Silica Sand Deposit January 2021 Inferred Mineral Resource Estimate

Size Fract	Tonnes	Yield	Fe ₂ O ₃	Al ₂ O ₃	TiO ₂	CaO	K ₂ O	Na ₂ O	MgO	ΣOx.	SiO ₂ +LOI
	Mt	(%)	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%
Fine	8.2	70.6	46	145	410	12	16	19	10	0.07	99.93
Coarse	3.4	29.1	43	137	668	6	12	19	3	0.09	99.91

A Scoping Study looking at the suitability of the deposit for development into a 0.5 – 1.0 Mtpa export operation is progressing. Preliminary assessment of metallurgy and process plant design, environmental assessment, water supply, the sand market and port access has given the Company confidence that these aspects of the project are achievable within the expected economic and regulatory constraints.

The transport of the silica sand 15-20km from the deposit to the South Coast Highway for road haulage into the Albany Port is the subject of ongoing further investigation.

ASQ/URBAN RESOURCES BUSINESS VENTURE - SILICA SAND PROJECT

ASQ has entered into a Memorandum of Understanding Terms Sheet (“Terms Sheet”) with C&D Logistics Co., Ltd. (“C&D”) for the offtake and export of silica sand product ASQ-GWSC1.

Chinese company C&D Logistics Co., Ltd. is a subsidiary of *Fortune* Global 500¹ company Xiamen C&D Inc. C&D approached ASQ in 2021 with interest in securing silica sand suitable for supplying the solar glass industry in China.

In 2019 the Company executed a binding terms sheet with Urban to jointly exploit Urban’s Silica Sand deposit located on mining lease M70/326 in Bullsbrook, Western Australia. Urban has operated the mine for the last ten years and produced over 1Mt of sand for the domestic market from the deposit in the last two years. Prior to commencing the exports ASQ and Urban will need to finalise a formal joint venture agreement in accordance with the binding 2019 terms sheet.

ASQ have completed a JORC 2012 Inferred Mineral Resource totalling 10.7 million tonnes on the raw sand at Urban’s Maralla Road tenement M70/326 (ASQ (2020). Marella Road Silica Sand Deposit Maiden Resource. ASX release 23 April 2019 & Silica Sand Testwork. ASX Release 29 January 2020).

ASQ will need to secure bulk export berth access along with near-port stockpile storage facilities. ASQ has been engaged with the relevant Port Authorities over several years as the silica sand project developed and the likelihood of achieving sales agreements increased. Both the Fremantle Port Authority (Kwinana Port) and the Southern Port Authority (Bunbury Port) have recently advised there is no available export capacity (ASQ (2022). *Update on Kwinana Port Access for Silica Sand Export*. ASX Release 28 April 2022).

ASQ and C&D are working together to explore alternative port options.

SOUTH STIRLING NICKEL COPPER PROJECT – ALBANY FRASER BELT, WESTERN AUSTRALIA

ASQ has secured a strategic landholding position in the Biranup Zone of the Albany-Fraser Orogeny located in the south-west of Western Australia in the shires of Plantagenet and the City of Albany (see Figure 8 & 9) following the identification of an anomalous historic drill hole with elevated Ni, Cu and Cr (ASQ (2020). *Exploration Update*. ASX Release 23 September 2020).

The Company considers the project area has the potential for Nickel-Copper magmatic sulphide mineralisation associated with mafic-ultramafic intrusions emplaced into granulite facies country rocks.

The Company twinned the anomalous historic drillhole completed by Iluka Resources Limited (“Iluka”) by way of a single vertical aircore hole SS001 (Figure 6). The Iluka hole (W00324) returned an end of hole assay of 1.5m at 0.79% Ni, 934 ppm Cu from 28.5m. Iluka recorded the rock type as saprolite suggesting fresh basement rocks had not been reached. ASQ’s SS001 was terminated at 52m due to difficult drilling conditions prior to intersecting fresh basement rock.

The encouraging assay results from SS001 include intersections; 12m from 26m @ 0.70% Ni and 0.06% Cu, within 21m from 21m @ 0.59% Ni and 0.05% Cu with maximum recorded values of 9,237ppm (0.92%) Ni from 28-30m and 1,007ppm Cu from 38-42m consistent with the previously reported Iluka result. (ASQ (2022) *South Stirling Ni/Cu Project – Positive Drilling Results*. ASX Release 11 June 2022).

Petrography and mineralogy descriptions of selected drill chips show the mineralisation to occur in nickeliferous siderite with common evidence of concentrations of predominantly weathered Ni/Cu/Fe sulphide minerals. The association of siderite with sulphides is thought to be highly unusual and although the exact style of mineralisation is not known, it is likely the mineralised zone represents transported or

1. The Fortune Global 500, also known as Global 500, is an annual ranking of the top 500 corporations worldwide as measured by revenue. The list is compiled and published annually by Fortune magazine.

in situ material formed within a local structural boundary such as the nearby WSW/ENE orientated major fault mapped by the Geological Survey of Western Australia (Figure 10).

The indication that significant concentrations of nickel and copper are present and may be associated with the numerous linear structures found within the project area is encouraging and potentially points to the faults acting as conduits for the movement of metals from any sulphide rich intrusions present within the basement sequence.

ASQ's drilling was limited to the road reserve due to land access restrictions where it was possible to twin the anomalous Iluka hole. ASQ will continue efforts to establish neighbouring land access in order to further assess this anomaly.

ASQ continues to actively seek joint venture partners for strategic involvement in the South Stirling Project and continues to follow up a number of approaches from major mining companies. With +100km in length of the Albany Fraser Mobile Belt - Biranup Zone secured by +1,600km² of 100% owned tenements, the scale and prospectivity of the Project presents a rare opportunity for a motivated group to get involved for possible Joint Venture of end user securing supply.

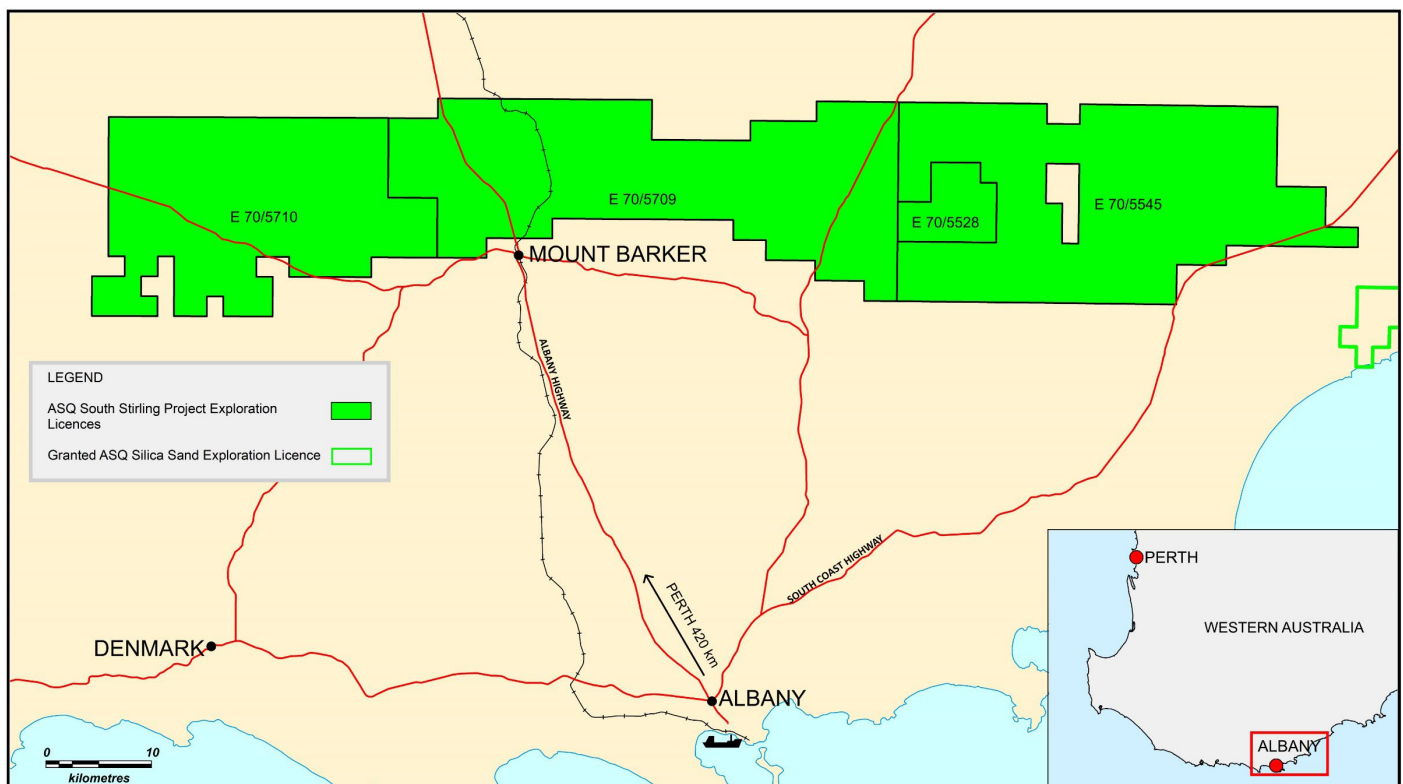


Figure 9: South Stirling Project Location Plan with ASQ silica sand tenements shown for context, (Competitor leases not shown)

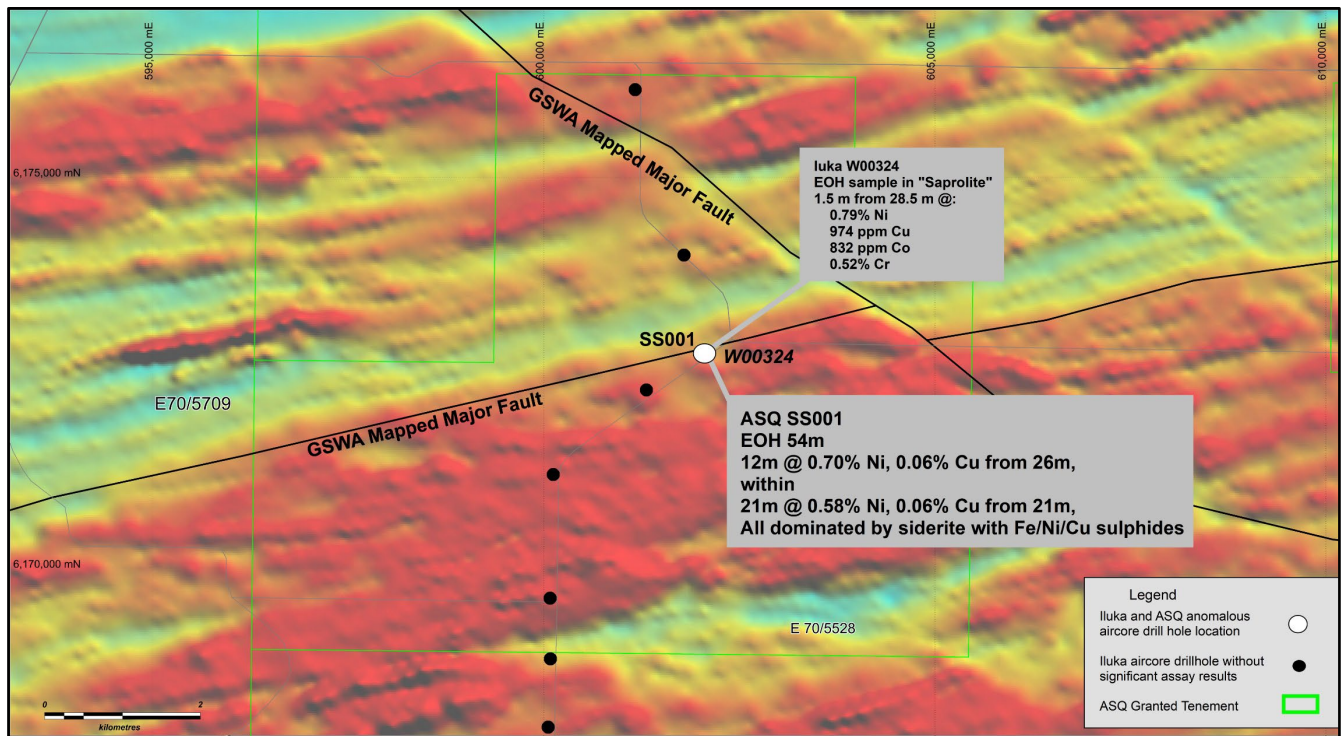


Figure 10: ASQ aircore drill hole SS001 location plan with Historic Iluka drill holes shown on the reduced to pole (RTP) aeromagnetic image (note the mapped Major Faults, locations of these are expected to be approximate)

BAUXITE EXPLORATION ACTIVITIES UNDERTAKEN UNDER THE JOINT VENTURE WITH HD MINING

In 2010 the Company entered into a JV with HD Mining & Investment Pty Ltd (HD Mining) a wholly-owned subsidiary of the Shandong Bureau No1 Institute for Prospecting of Geology & Minerals (Shandong) to explore for bauxite. The JV provides for HD Mining to fund 100% of exploration and feasibility costs for HD Mining to earn:

- (a) a 40% interest in any defined area of exploration on the making a binding commitment by HD Mining to undertake a detailed feasibility study for the commercial mining of the defined area; and
- (b) a further 20% interest in a defined area upon completion of the feasibility study and the making by the JV committee of a decision to commence mining.

The current JV bauxite resource inventory stands at 71.3Mt of Inferred Mineral Resource (refer full detail in the 23 April 2018 Announcement – *48% increase in Bauxite Resource at Ceres Deposit in Darling Range, WA*).

ASQ and HD Mining continue to evaluate the potential for economic development of the Dionysus and the combined Ceres/Athena resource areas (Athena: 36.2Mt, 32.8% available alumina, 2.8% reactive silica, see ASX announcement 15/07/14, Dionysus: 20.3Mt, 32.6% available alumina, 3.4% reactive silica, see ASX announcement 24/03/14, Ceres 21.9Mt, 31.4% available alumina, 3.2% reactive silica (ASQ (2020). *48% increase in Bauxite Resource at Ceres Deposit in Darling Range, WA. ASX Release 23 April 2018*).

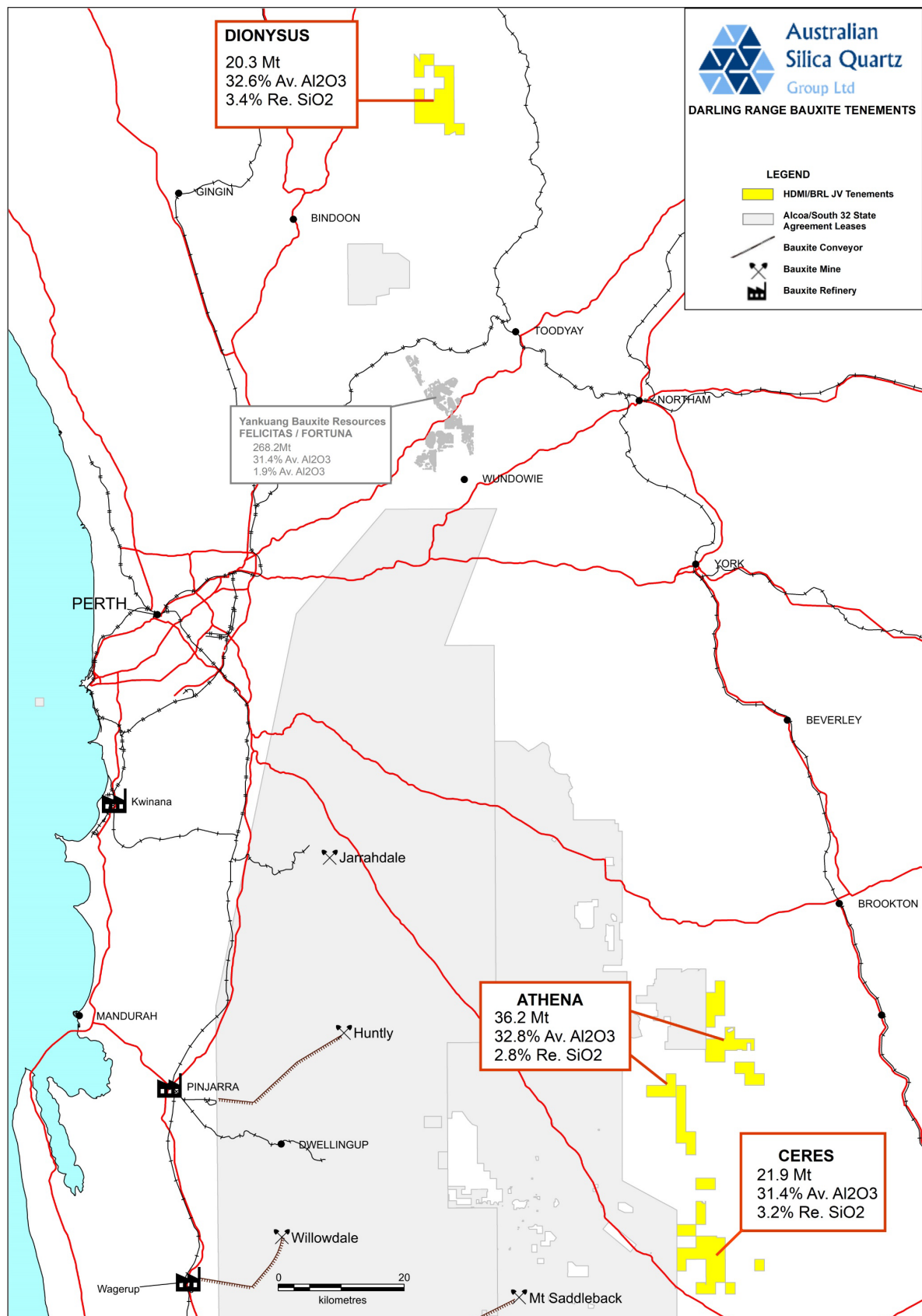


Figure 10: ASQ/HD JV Mining Darling Range bauxite tenement holding and resource locations

CORPORATE

Summary of Expenditures for the Quarter

During the Quarter the Company incurred a total net expenditure from operating activities of \$662k. This was made up of \$592k expended on exploration and evaluation activities, \$254k on administrative and corporate costs, offset by receipts from customers and creditors of \$49k, R&D Refund \$137k, and interest receipts of \$38k. In addition to this there was \$1m received from Private Equity Partners as agreed under the terms of the MOU.

Included in the costs were payments made to Directors of the entity and their associates. These payments were Directors Salaries and Superannuation payments of \$59k, Consulting fees of \$85k, and rental of the Company office of \$13k for the Quarter. All payments were made on an arms length basis.

Further details on Quarterly expenditures are included in the Appendix 5B – Quarterly Cashflow Report attached to this Quarterly Report.

Cash Position and Shareholder Information

Australian Silica Quartz Group is in a strong financial position with significant cash reserves and no debt. At 30 September 2023, the Company held \$3.33 million in cash.

At 30 September 2023, the Company had 1,212 shareholders and 281,660,377 fully paid ordinary shares on issue with the top 20 shareholders holding 63% of the total issued capital. There were no movements in Share Capital during the quarter.

The Company has 8,666,669 Performance Rights on issue at 30 September 2023, following shareholder approval in December 2020. These Performance Rights will convert into 8,666,669 fully paid ordinary shares over the next year if the performance hurdles are achieved. There were no movements in the Performance Rights during the quarter.

Future Operations

The Board will continue to focus on its Silica and Bauxite Projects, the Koolyanobbing Metals Project, the Julimar ASQ/Devex Joint Venture, and the South Stirling Project and seek to enhance the value of these through exploration and development activities.

The Board will continue to manage the Company in the best manner in which to maximise returns to shareholders.



Sam Middlemas, CEO, Australian Silica Quartz Group Ltd

26 October 2023

Competent persons statement

The information in this document that relates to exploration results and mineral resources is based on data collected under the supervision of Mr Nick Algie, in his capacity as Exploration Manager for Australian Silica Quartz Group Limited. Mr Algie is a registered member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience that is relevant to the type of deposit and style of mineralisation under consideration to qualify as a competent person under the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Algie consents to the inclusion of the data in the form and context in which it appears.

SCHEDULE OF MINING TENEMENTS HELD AS AT 30 SEPTEMBER 2023 (all 100% owned)

Tenement	Location/ Tenement Name	Status
E70/3405 (a)	Victoria Plains – Darling Range	Granted
E70/3179 (a)	Congelin – Darling Range	Granted
E70/3180 (a)	Dattening – Darling Range	Granted
E70/3890 (a)	Wandering – Darling Range	Granted
E70/5262	Cheyne	Granted
E70/5528	South Stirling	Granted
E70/5545	South Stirling - East	Granted
E70/5709	Tenterden	Granted
E70/5710	Kwornicup	Granted
E77/2684	Lake Seabrook	Granted
EPM 26702	Mt Eliza	Granted
EPM 26727	Pandanus Creek	Granted
EPM 26741	Douglas Range	Granted
E63/2206	Esperance North	Granted
E70/5144	Warbrook	Application
E77/2941	Lake Deborah	Application
E77/3021	Lake Deborah South	Application

- A) These tenements form the HD Mining & Investments Joint Venture. Under the terms of the Joint Venture, HD Mining is required to fund 100% of all exploration and feasibility costs to earn up to 60% of the bauxite rights. HD Mining is currently working towards obtaining a 40% interest in the bauxite rights on the tenements. This will be triggered if HD Mining enters into a binding commitment to undertake a feasibility study on the tenements. Should HD Mining and ASQ make a decision to mine, HD Mining will earn an additional 20% interest in bauxite rights. ASQ maintains 100% interest in other minerals with DevEx currently earning a 50% interest in the other minerals of E70/3405. At the date of this report ASQ still has 100% interest in bauxite on these tenements.

SCHEDULE OF INTERESTS IN MINING TENEMENTS HELD AS AT 30 JUNE 2023 (non 100% owned)

KOOLYANOBING METALS PROJECT ACQUISITION TENEMENTS AND RIGHTS

Tenement	Location	Current Holder	Holder on Completion of Acquisition	Rights Acquired by ASQ
E77/2644	Yilgarn - Lake Deborah East	Netley	Netley	Gold + Option on all other minerals excluding iron
E77/2645	Yilgarn - Lake Seabrook	Netley	ASQG	All minerals excluding iron
E77/2675	Yilgarn	Netley	ASQG	All minerals excluding iron
E77/2912	Yilgarn (Pending)	Netley	ASQG	All minerals excluding iron



Appendix 5B

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

Name of entity

Australian Silica Quartz Group Ltd

ABN

72 119 699 982

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	49	49
1.2	Payments for		
	(a) exploration & evaluation	(592)	(592)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(254)	(254)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	38	38
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives (R&D Tax Incentive)	137	137
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(622)	(622)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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 (Receipt of fee from Private Energy Partners Pty Ltd as announced on 12 July 2023)	1,000	1,000
2.6	Net cash from / (used in) investing activities	997	997

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
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	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,962	2,962
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(622)	(622)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	997	997
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,337	3,337

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	17	242
5.2 Call deposits	3,320	2,720
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)	3,337	2,962

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	158						
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> Item 6 includes amounts paid to directors as follows: <table> <tr> <td>Salary & Super</td><td style="text-align: right;">59.7k</td></tr> <tr> <td>Consulting fee</td><td style="text-align: right;">85.0k</td></tr> <tr> <td>Rent of premises paid to associates</td><td style="text-align: right;">13.2k</td></tr> </table>		Salary & Super	59.7k	Consulting fee	85.0k	Rent of premises paid to associates	13.2k
Salary & Super	59.7k						
Consulting fee	85.0k						
Rent of premises paid to associates	13.2k						

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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 (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(622)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(622)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,337
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,337
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.4
<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

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: 26 October 2023

Authorised by: 
By the Board

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.