

MARCH 2024 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- **Black Rock secured the key approvals for the US\$113m Term Loan for Mahenge, which, subject to documentation, is expected to comprise:**
 - **US\$59.6m from The Development Bank of Southern Africa (DBSA); and**
 - **US\$53.4m from the Industrial Development Corporation of South Africa (IDC)**
- **Black Rock also secured the key approvals for US\$40m in additional debt facilities from Tanzanian lender CRDB Bank (CRDB). Subject to documentation, the ancillary debt facilities are expected to comprise:**
 - **US\$20m Working Capital Facility; and**
 - **US\$20m Cost Overrun Facility**
- **Firm commitments received for A\$10.0m at A\$0.065 per share in a well-supported placement to new and existing institutional and sophisticated investors.**
- **A\$2.9m cash at bank at 31 March 2024, excluding proceeds from the A\$10m placement received subsequent to quarter end**

Tanzanian graphite developer Black Rock Mining Limited (ASX: BKT) (Black Rock or the Company) is pleased to provide an update on activities at its Mahenge Graphite Project (**Mahenge or the Project**) in Tanzania for the quarter ending 31 March 2024 (the **Quarter**).

Approvals in place for US\$153m in loan facilities from DBSA, IDC and CRDB

On 14 March 2024, Black Rock announced the IDC loan approval for US\$53.4m which together with the US\$59.6m senior loan approved previously by DBSA (announced on 2 November 2023) is expected to form the US\$113m Term Loan for Mahenge. The loan terms remain subject to documentation of final agreements, but the loan tenor is expected to be seven years and the interest rate will be based on the Secured Overnight Financing Rate (**SOFR**) plus a margin.

On 18 March 2024, the Company announced the key approvals for an additional US\$40m in loan facilities from Tanzanian lender CRDB, comprising a US\$20m working capital facility and a US\$20m cost overrun facility. Several other Tanzanian lenders have also expressed interest in participating in these facilities but are yet to receive credit approval and discussions are ongoing. The Company also confirmed it now has the key approvals in place for the US\$153m in debt facilities required to develop Mahenge.

Working with its debt finance advisor, ICA Partners, Black Rock has begun the process to document full form facility agreements confirming the final structure of the Mahenge project debt package. Such facilities are expected to contain terms and conditions usual for facilities of this type, but there is no guarantee of the conditions potential lenders may seek to impose, or that facility agreements will ultimately be entered into.

Ultimately, funding for the Project to reach production will require both debt and equity. As announced on 4 September 2023, Black Rock has signed an MOU with its Strategic Alliance Partner, POSCO International Corporation (**POSCO**) for a potential cornerstone equity position in Black Rock of up to US\$40m and final approvals for this investment are expected near term. Numerous meetings and briefings were undertaken with other potential equity investors during the quarter. The Company is targeting first production from Module 1 in 2026.

About The Development Bank of Southern Africa (DBSA)

The Development Bank of Southern Africa is one of the leading African Development Finance Institutions, wholly owned by the Government of South Africa. The DBSA has a mandate to accelerate sustainable socio-economic development in South Africa, the Southern African Development Community (**SADC**) and the wider Sub-Saharan Africa by driving financial and non-financial investments in the social and economic infrastructure sectors.

About The Industrial Development Corporation of South Africa (IDC)

The Industrial Development Corporation of South Africa is a state-owned institution that provides financial support to promote economic growth and development in South Africa. IDC funds viable businesses to enhance industrial capacity and contribute to the economic growth of South Africa and the African continent. IDC emphasizes on labour-intensive industrialization, whether it is created directly through its funding of companies or by enabling downstream activities. IDC supports businesses to drive key development outcomes that ultimately lead to equitable economic growth, creating and sustaining jobs.

About CRDB Bank (CRDB)

CRDB Bank Plc is a commercial bank in Tanzania established in 1996. It is licensed by the Bank of Tanzania, the central bank and national banking regulator and was listed on the Dar es Salaam Stock Exchange in June 2009. CRDB Bank is also the largest commercial bank in Tanzania.

About POSCO

POSCO Holdings Inc is a large South Korean steel conglomerate with a market capitalisation of over US\$24bn with a large and growing battery materials business. POSCO Holdings Inc's 60%-owned battery business is called POSCO Future M Co., Ltd (previously known as POSCO Chemical). POSCO Future M Co., Ltd produces both cathodes and anodes and in 2022 was the world's largest anode producer outside China. POSCO Future M Co., Ltd plans to grow its anode business from 82ktpa in 2022 to 370ktpa by 2030. POSCO International Corporation is South Korea's largest trading company, is 71%-owned by POSCO Holdings Inc and is responsible for securing raw materials for the group.

Successful A\$10.0m Placement to Institutional and Sophisticated Investors

On 27 March 2024, Black Rock confirmed that it had received firm commitments to raise A\$10.0m at A\$0.065 per share in a well-supported placement to new and existing institutional and sophisticated investors (**Placement**).

Proceeds from the Placement will be used for final Mahenge preparations ahead of the Final Investment Decision (**FID**), including loan and contract documentation and for general corporate purposes.

Placement Details

The Company received firm commitments for a placement of A\$10.0m at A\$0.065 per share. Approximately 154m shares will be issued under the placement, (109,747,240 under ASX Listing Rule 7.1A and 44,098,194 under Listing rule 7.1). The Placement shares, which were issued on 4 April 2024, rank equally with the Company's existing fully paid ordinary shares.

The Placement issue price of A\$0.065 per share represented:

- 20.7% discount to the closing price of Black Rock's shares on 22 March 2024; and
- 17.8% discount to the 10-day volume weighted average price

Contract Documentation and Early Works

The Company is working on updating its project contracts which will need to be finalised in parallel with loan documentation. As contemplated in the eDFS update released on ASX on 10 October 2022, the construction period for the Mahenge project is expected to be 20 months. Pre-construction early works previously contemplated to be undertaken prior to FID are now expected to commence at FID, increasing the time to first production to 24 months from FID. The Company expects first production in 2026, subject to timing of FID.

Projected October 2022 capital costs of US\$225m¹ are exclusive of financing costs and reserve account conditions.

Update on the Partner Process

In parallel with loan and contract documentation, the Company is also advancing other financing options, including potentially bringing in a partner at the project level as a less dilutive option than equity.

While there can be no guarantee an outcome will be achieved in the partner process, Black Rock has been encouraged by the level of interest received to date and a significant number of interested parties have signed confidentiality agreements to assess potential investment.

¹ Includes US\$182m for Module 1 capex + US\$33m for power line + US\$10m for early works. Forecast Capex has been classified as a Class 2 estimate with accuracy of ±10% as defined by AACE.



Tanzania Local Activities

On 25 February 2024, Tanzania's Deputy Prime Minister and Minister of Energy, Dr. Doto Biteko, announced the operational commencement of the 2,115MW Julius Nyerere Hydropower Plant (JNHPP)².

The 2.1GW Julius Nyere Hydropower Plant – Now Operational



Source: <https://www.tanzaniainvest.com/energy/julius-nyerere-hydropower-project-commences-operations>

The first turbine at JNHPP is expected to add 235 megawatts to the Tanzanian national grid and significantly improve the country's electricity supply with potential to reduce shortages by over 85%.

JNHPP was funded by the Government of Tanzania at a cost of 6.55 trillion Tanzanian Shillings (~US\$2.7bn). Prior to the commissioning of JNHPP, grid power in Tanzania was ~40% hydroelectricity / ~60% gas-fired power. Once JNHPP is running at full capacity the percentage of grid power made up by hydroelectricity is expected to increase to up to 60-70%, which will make the Black Rock's Mahenge graphite products some of the lowest carbon emissions per tonne in the world.

On 6 April 2024, the press reported that the government is set to activate the second turbine at JNHPP by the end of April 2024³.

² Source: <https://www.tanzaniainvest.com/energy/julius-nyerere-hydropower-project-commences-operations>

³ Source: <https://www.thecitizen.co.tz/tanzania/news/national/tanzania-to-activate-second-turbine-at-julius-nyerere-hydropower-plant-by-end-of-april-4581022>



Investor Relations

Black Rock attended and/or presented at several mining conferences and events during the March 2024 quarter including:

- The MST African Mining & Energy Forum 30 January 2024
- The 121 and Indaba Mining Conferences in Cape Town 5-8 February 2024



Photo 1 – Black Rock Mining CEO John de Vries presenting at 121 in Cape Town in Feb 2024



Photo 2 – Black Rock Mining CEO John de Vries presenting on a graphite panel discussion at Indaba with General Motors and Syrah Resources



Photo 3 – Black Rock Mining CEO John de Vries presenting on a Tanzania panel discussion at Mining Indaba



Photo 4 – Black Rock Mining CEO John de Vries after winning the Mining Indaba Investment Battlefield Competition (Source: Paydirt)

Black Rock has also committed to attending and/or presenting at the following upcoming events/conferences:

- Presentation & Q&A with Sharecafe, 5 April 2024⁴
- Interview with Pitt Street research, 5 April 2024⁵
- The Africa Down Under (ADU) Mining Conference in Perth, 4-6 Sept 2024

⁴ Video of this presentation and Q&A session available here: https://youtu.be/u1vIIBAn_DE?si=eZgnhRPGwa0imINl

⁵ Video of this interview available here: <https://www.youtube.com/watch?v=0rbq70yQkO8>

Graphite Market Outlook and Prices

In late 2023, the graphite market underwent a potentially major structural change with the Chinese Government announcing export restrictions to both natural graphite products and synthetic graphite products, with exporters requiring a permit from 1 December 2023.

The charts below show the China export figures since the new export permitting rules came into effect. The China graphite export data for January and February 2024 was delayed until late March 2024, but shows:

- Limited natural graphite fines and coarse flake exports
- Spherical purified graphite exports were 25-40% of the 2023 monthly average
- Active Anode Material (AAM) exports normalised to 2023 average monthly levels in February 2024

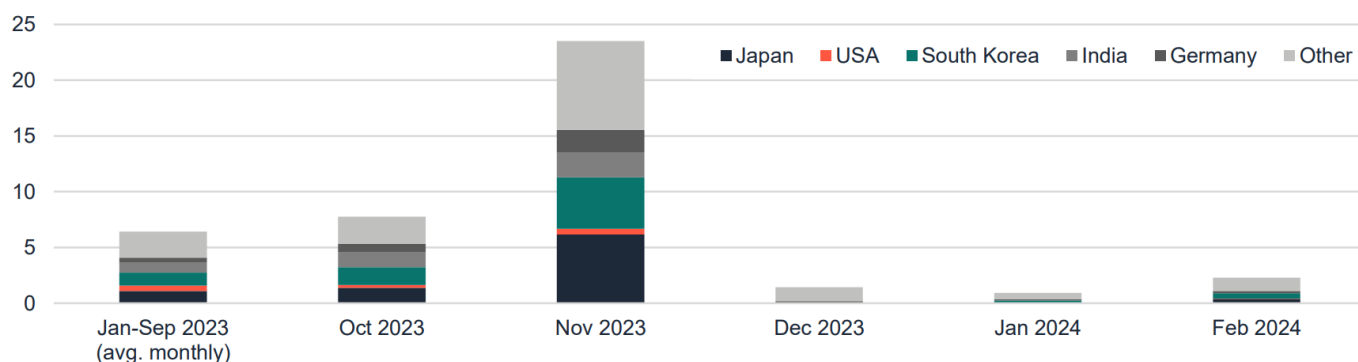


Figure 1: China natural graphite exports (kt)¹.

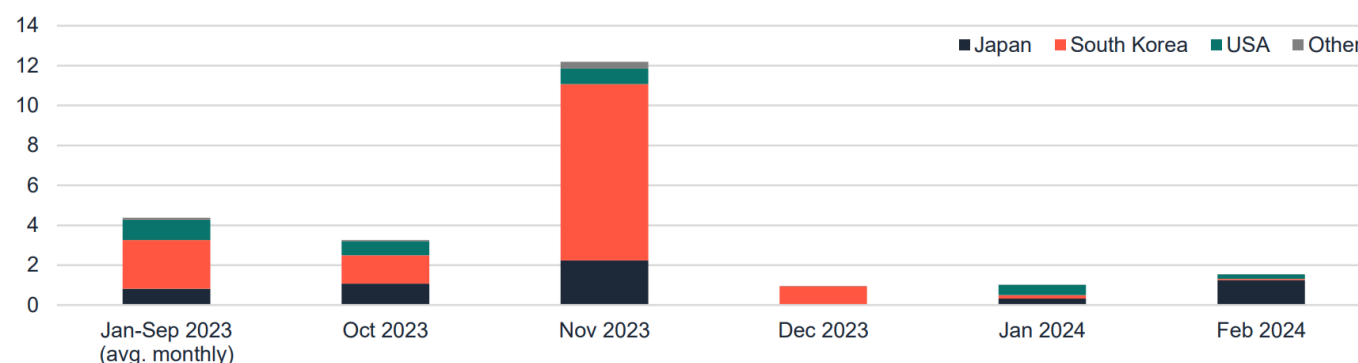


Figure 2: China spherical graphite exports (kt)¹.

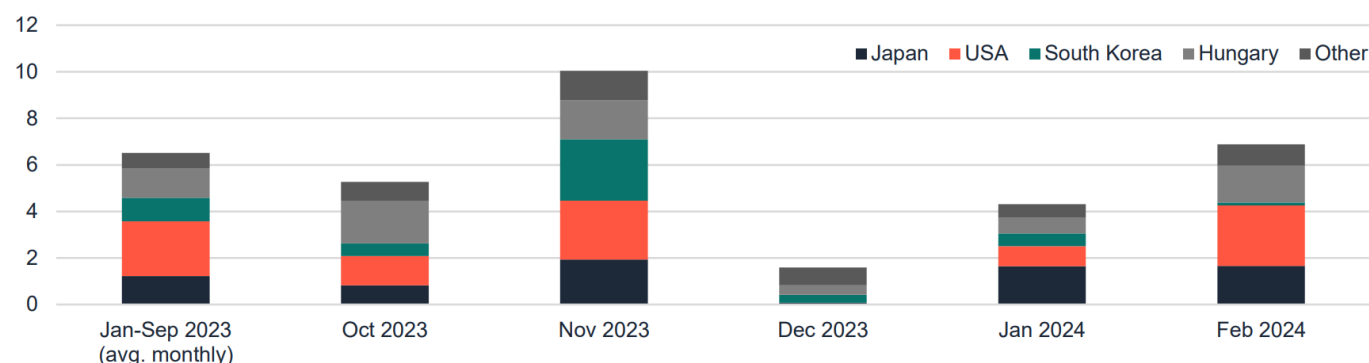


Figure 3: China natural graphite AAM exports (kt)¹.

Source: Syrah Resources, 8 April 2024. Datamyne and Chinese customs data. Natural graphite includes high purity and expandable graphite.

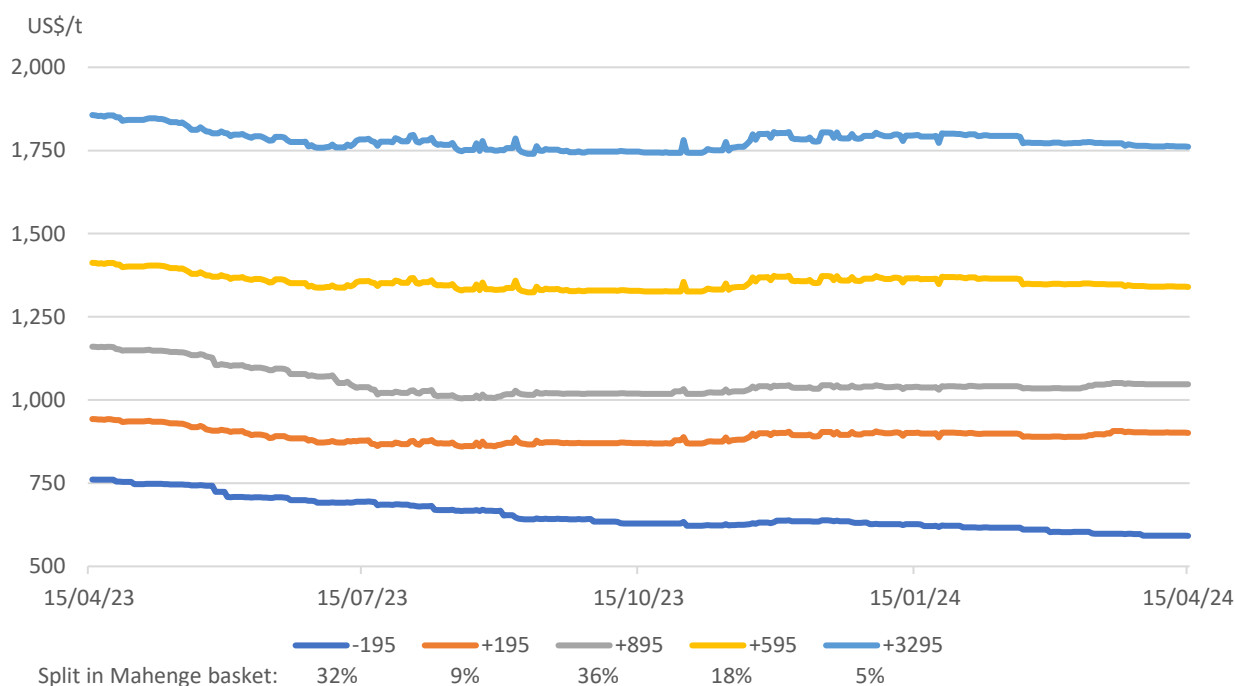
China controls 90-95% of the graphite-containing anodes used in batteries and electric vehicles and the new export restrictions highlight for battery manufacturers and electric vehicle manufacturers just how dominant China is in this crucial component of battery manufacturing.

While there is only three months of available export data since the new permitting restrictions came into effect, the charts on the previous page suggest China is willing to export anode but is limiting exports of both graphite concentrate and Spherical Purified Graphite (SPG). If this trend continues, given ~99% of global SPG capacity is in China, it is likely to become very difficult for ex-China anode manufacturers to source graphite raw materials.

Ex-China battery manufacturers seeking compliance with the Inflation Reduction Act also need to source graphite raw materials from outside China, which may lead to a higher price for ex-China graphite products.

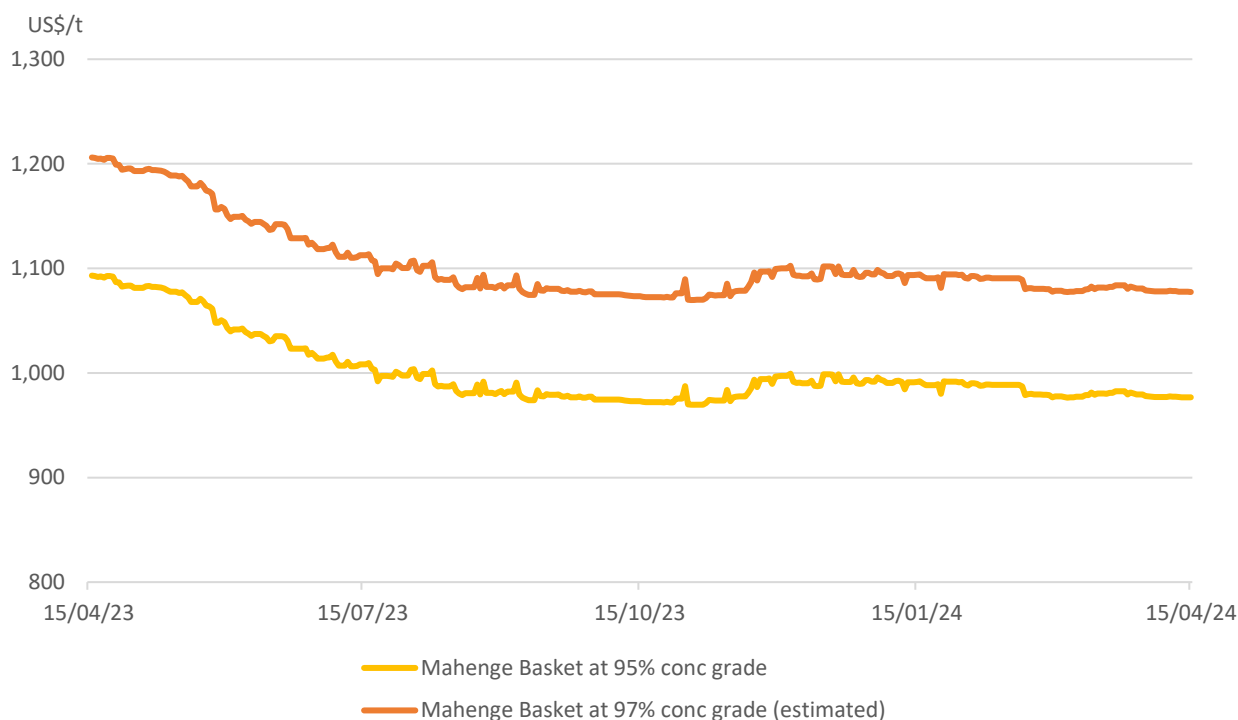
During the first nine months of 2023 both fines and large flake graphite prices drifted lower, however in October 2023 the US\$ prices for some large flake graphite products stabilised and began to recover, as shown in Figure 4 below. During the March 2024 quarter, the -195 price softened further and the +195 and +895 prices improved.

Figure 5 below shows that the basket price for Mahenge's graphite products stabilised in October 2023 and has recovered somewhat from its lows. The impact of the new Chinese graphite export restrictions implemented from 1 December 2023 is difficult to ascertain but the Company believes it is likely to lead to higher graphite prices ex-China.



Source: RefWin, Asian Metals, ICC Sino, Black Rock Mining

Figure 4 - Graphite Prices over last 12-months for Mahenge's five products



Source: RefWin, Asian Metals, ICC Sino, Black Rock Mining

Figure 5 - Graphite Prices over last 12-months for Mahenge's basket

Capital Management

The Company had cash reserves of A\$2.9m and no debt at 31 March 2024. Subsequent to the end of the quarter, the Company received the Placement proceeds of A\$10.0m (before costs).

Payments to, or to an associate of, a related party of the entity during quarter.

During the quarter A\$164,000 was paid to related parties of the Company relating to executive director salary, non-executive director fees and company secretary fee.

Summary of the exploration expenditure incurred during the quarter

	A\$'000
Consulting	278
Site Costs	313
ESIA	170
Tenement Administration	16
Resettlement Action Plan	7
Total	785

Tenement summary

License number	Opening	Additions	Disposals	Closing
PL 10427/2014*	100%	-	-	100%
SML 676/2022*	84%	-	-	84%
PL 12139/2022*	84%	-	-	84%

* Located in the Mahenge region of Tanzania. No farm-in or farm-out agreements were entered into during the quarter.

This ASX release was authorised on behalf of the Black Rock Board by:

John de Vries, Managing Director & CEO

For more information:

John de Vries
Chief Executive Officer
Black Rock
 +61 438 356 590
 jdv@blackrockmining.com.au

Steuart McIntyre
GM Corporate Development
Black Rock
 +61 413 555 609
 sm@blackrockmining.com.au

Elvis Jurcevic
Investor Relations
IRX Advisors
 +61 408 268 271
 ej@blackrockmining.com.au

Forward looking statements disclaimer

This announcement contains certain “forward-looking statements” and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “estimate”, “target”, “outlook”, and other similar expressions and include, but are not limited to, the timing, outcome and effects of the financing process. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this release speak only as of the date hereof, are preliminary views and are based on assumptions and contingencies subject to change without notice. Forward-looking statements are provided as a general guide only. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors and may involve significant elements of subjective judgement and assumptions that may cause actual results, performance and achievements to differ. Except as required by law the Company undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.

Competent Person(s) Statement

The information in this report that relates to estimates of Mineral Resources and Ore Reserves has been extracted from the Company's ASX announcement released on 3 February 2022 titled “BKT Confirms 25% increase in Measured Resources.” The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcement continue to apply and have not materially changed.

Production Target

The information in this report that relates to a production target, or forecast financial information derived from a production target has been extracted from the Company's ASX announcement released on 10 October 2022 titled “Black Rock Completes FEED and eDFS Update”. The Company confirms that all material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original announcement continue to apply and have not materially changed.

About Black Rock

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX: **BKT**). The Company has an 84% interest in the world-class Mahenge Graphite Project (**Mahenge**) located in Tanzania. In July 2019 (ASX announcement 25 July 2019), the Company released an enhanced Definitive Feasibility Study (**eDFS**) for Mahenge. Black Rock has obtained all Environmental approvals, Mining Licences and its Resettlement Action Plan.

In June 2020 Black Rock announced a Strategic Alliance with POSCO for the development of Mahenge, including an equity investment of US\$7.5m, followed by an offtake agreement for the fines for Module 1 (32% of volume) plus a US\$10m prepayment facility. POSCO has also signed an MOU for 6ktpa of large flake graphite (7% of volume) increasing POSCO's offtake interest to almost 40% of Module 1. In September 2023, Black Rock signed an MOU with POSCO for Module 2 fines for an equity investment in Black Rock of up to US\$40m or 19.9% (whichever is lower).

In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming a 16% Free Carried Interest shareholding, agreed to consolidate its Mining Licenses into a Special Mining Licence (**SML**). The SML for Mahenge was issued in September 2022.

Black Rock completed a FEED process (Front End Engineering Design) in September 2022, re-estimating the capital and operating costs for Mahenge as part of the eDFS Update¹. The eDFS Update confirmed Mahenge as a robust project with attractive returns. Key project metrics comprise:

- *Tier 1 Scale*: Mahenge has a resource of over 200mt and the 2nd largest graphite reserve globally
- *Modular development approach*: Initial Capex of US\$225m²;
- *1st quartile on the global cost curve*: Adjusted C1 Cash cost of US\$359/t³
- *Attractive projected returns*: Unlevered IRR post-tax, post free carry of 36%⁴
- *Substantial upside potential*: NPV_{10 nominal} post-tax, post free carry of A\$2.1bn or US\$1.4bn⁴

The Company is now construction-ready subject to financing and on 18 March 2024, Black Rock announced approvals for US\$153m in debt facilities with DBSA, IDC and CRDB.

The estimated Ore Reserves and Mineral Resources underpinning the production target has been prepared by competent persons in accordance with the requirements in Appendix 5A (JORC Code).

JORC Compliant Mineral Resource Estimate and Ore Reserve⁵

Ore Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	70.5	8.5	6.0
Total Ore Reserves	70.5	8.5	6.0
Mineral Resources			
- Measured	31.8	8.6	2.7
- Indicated	84.6	7.8	6.6
Total M&I	116.4	8.0	9.3
- Inferred	96.7	7.4	7.2
Total M, I&I	213.1	7.8	16.6



Location of Black Rock's Mahenge Graphite Project in Tanzania

For further information on Black Rock Mining Ltd, please visit www.blackrockmining.com.au

1 Refer market announcement dated 10 October 2022: Black Rock Completes Front End Engineering Design, Reconfirming Mahenge as Tier 1 scale project with compelling projected returns. The Company confirms that all the material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original market announcement continue to apply and have not materially changed.

2 Includes US\$182m for Module 1 capex + US\$33m for power line + US\$10m for early works. Power costs expected to be ~US8c/kWh less a meaningful rebate to recoup the costs of the power line. Forecast Capex has been classified as a Class 2 estimate with accuracy of ±10% as defined by AACE.

3 Adjusted for larger proportion of higher value large flake compared to global peers. Access to low-cost, hydro-dominated grid power is one of BKT's key competitive advantages.

4 Based on Expert Consensus graphite price forecasts, based on the average graphite price forecasts from Benchmark Mineral Intelligence, Fastmarkets and Wood Mackenzie

5 Resource Estimate as released to ASX on 3 February 2022: BKT Confirms 25% increase in Measured Resources and Ore Reserve Estimates as released to ASX on 8 August 2017: BKT delivers Exceptional Optimised PFS. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcements continue to apply and have not materially changed.

Black Rock Mining Ltd
ACN 094 551 336
ASX: BKT

Australia
Level 1, 1 Walker Ave
West Perth WA 6005
Ph: +61 8 6383 6200
E: info@blackrockmining.com.au

Tanzania
Mahenge Resources Ltd
Diamante Building, 3rd Floor,
Wing A, 22 Chole Road, Dar es
Salaam, Tanzania
P.O. Box 11, Mahenge-Ulanga,
Tanzania
E: info@farugraphitecorp.co.tz

Directors
Richard Crookes
John de Vries
Ian Murray

Chairman
Managing Director & CEO
Non-Executive Director

Appendix 5B

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

Name of entity

Black Rock Mining Limited

ABN

59 094 551 336

Quarter ended ("current quarter")

31 March 2024

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	(855)	(2,538)
	(e) administration and corporate costs	(538)	(1,710)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	13	48
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)		
	- Project financing	(77)	(331)
	- Marketing	(8)	(64)
	- Foreign subsidiary costs	(355)	(1,233)
1.9	Net cash from / (used in) operating activities	(1,820)	(5,828)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2)	(30)
	(d) exploration & evaluation	(785)	(5,015)

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Australia
Level 1, 1 Walker Ave
West Perth WA 6005
Ph: +61 8 6383 6200
E: info@blackrockmining.com.au

Tanzania
Mahenge Resources Ltd
Diamante Building, 3rd Floor,
Wing A, 22 Chole Road, Dar es
Salaam, Tanzania
P.O. Box 11, Mahenge-Ulangu,
Tanzania
E: info@farugraphitecorp.co.tz

Directors
Richard Crookes Chairman
John de Vries Managing Director & CEO
Ian Murray Non-Executive Director



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(787)	(5,045)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	220	220
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,799
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(14)
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	220	2,005

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,229	11,694
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,820)	(5,828)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(787)	(5,045)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	220	2,005
4.5	Effect of movement in exchange rates on cash held	40	56
4.6	Cash and cash equivalents at end of period	2,882	2,882

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	689	839
5.2	Call deposits	1,996	4,193
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	- Cash backing credit cards	100	100
	- Cash backing lease	97	97
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,882	5,229

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	164 ¹
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>		
<i>1. Payments relate to executive director salary, non-executive director fees and company secretary fees.</i>		



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 (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)	(1,820)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(785)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,605)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,882
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,882
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.1
	<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: Cash flows for the next quarter are expected to reduce below the current level of net operating cash flows due to reduced expenditure on the environmental studies and the project development as these components of the pre-funding phase are winding down.	



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:

Yes, the Company completed a placement subsequent to quarter end for A\$10 million at \$0.065 per share. Proceeds from the placement will be used for final preparations ahead of the Final Investment Decision for the Mahenge Graphite Project.

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:

Yes, refer to Item 8.8.2 above

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2024

Authorised by:The Board.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg



Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.