

28 July 2021

# QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2021

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## HIGHLIGHTS

- **Scoping Study demonstrates potential for sustainable, long-life, critical and heavy rare earth supply**
  - **Feasibility Study underway with the Appointment of Mincore**
  - **Reconnaissance drill program to test for extension potential at Makuutu completed**
  - **Infill drilling to substantially increase Indicated Resource base at Makuutu Commenced**
  - **Milestone non-binding MOU signed with subsidiary of rare earth giant Chinalco, China Rare Earths Jiangsu, to accelerate mine development and production of the Makuutu Rare Earth Project**
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Ionic Rare Earths Limited (ASX: IXR) (“IonicRE” or “the Company”) is pleased to provide its Quarterly Report for the period ending 30 June 2021, including exploration and development activities at its 51% owned Makuutu Rare Earths Project (“Makuutu”) in Uganda.

Makuutu is one of the world's largest scale ionic adsorption clay (IAC) hosted Rare Earth Element (REE) deposits, located 120 km east of Kampala in Uganda. The Makuutu Mineral Resource Estimate (ASX: 3 March 2021) was announced as being 315 Million tonnes at 650 ppm Total Rare Earth Oxide (TREO) with a cut-off grade of 200 parts per million (ppm) TREO minus Cerium Oxide (CeO<sub>2</sub>).

Ionic Rare Earths Managing Director Mr Tim Harrison commented on the Company’s activities during the quarter:

*“This quarter has been significant for the Company with the completion of the Scoping Study at the Makuutu Project and the appointment of Mincore to deliver a Feasibility Study. The Scoping Study’s positive results demonstrate the potential of the Makuutu Project to be a long-life, low capex development that has the capacity to produce critical and heavy rare earth into a period of forecast heightened demand globally.”*

*“Completion of the Phase 3 RAB drilling program was extremely positive and gives the Company numerous targets for future exploration, in addition, the commencement of the Phase 4 drill program, which will be the largest program undertaken by the Company to date, will also substantially increase the Indicated Resource Base at Makuutu, further supporting the Feasibility Study.”*

*“The non-binding MOU with China Rare Earths Jiangsu and validation from such a respected leader in the rare earth industry provides the Company with tremendous confidence moving forward that we have a project of strategic significance. Collaborative work programs have advanced, and we will continue to look at ways to accelerate the development of the Project.”*

## **Completion of Scoping Study**

The Scoping Study of the Makuutu Rare Earths Project was completed successfully during the quarter (ASX: 29 April 2021). The Scoping Study outcomes demonstrate the potential for Makuutu to become a sustainable, long-life, low capital development cost REE project, supplying critical rare earth oxide (CREO<sup>1</sup>) and heavy rare earth oxide (HREO<sup>2</sup>) to global markets, and generating strong financial returns while also delivering significant social and economic benefits for the local communities in Uganda.

The Scoping Study was completed by IonicRE with input from a group of leading independent consultants. The Base Case Scoping Study considers open pit mining over an initial 11-year mine life, with the IAC run of mine (ROM) feed to a modular heap leach plant where the REO is recovered from the IAC mineralisation via salt desorption to produce a mixed rare earth carbonate (MREC) product. The Base Case assumes the first module will process 2.5Mtpa ROM and produce approximately 800 tpa rare earth oxide (REO) equivalent product. Additionally, the Base Case then assumes given the low-cost capital modular development approach, additional modules will be added in years 2, 4, 6 and 9 to increase the plant throughput up to 12.5Mtpa by year 10.

Key Scoping Study Highlights:

Base Case – 11 Year mine life based on Indicated Mineral Resources

- The Base Case study delivers a Life of Mine (LOM) EBITDA ~ A\$1.71 billion (US\$1.28 billion<sup>3</sup>), Free Cash Flow (post tax) ~ A\$1.02 billion (US\$766 million), NPV<sub>8</sub> (post-tax) ~ A\$428 million (US\$321 million) and an IRR (post-tax) ~ 38%.
- Production of mixed rare earth carbonate via a modular heap leach salt desorption processing plant.
- First module is 2.5Mtpa, with additional modules added in years 2, 4, 6 and 9 increasing total ROM throughput to 12.5Mtpa.
- REO anticipated production capacity increases from ~ 800 tpa REO equivalent (Year 1) up to ~ 3800 tpa REO equivalent in year 11, with basket containing ~ 73% CREO+HREO which is one of the most balanced baskets of projects being developed.

An alternative scenario was developed, incorporating the full Makuutu MRE, which defines the potential for a project life in excess of 27 years with substantial free cashflow generating capacity.

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<sup>1</sup> CREO = Nd, Eu, Tb, Dy and Y.

<sup>2</sup> HREO = Sm, Eu, Gd, Tb, Dy, Ho, Er, Tm, Yb, Lu, Y.

<sup>3</sup> Exchange rate, 1 AUD = 0.75 USD

## Feasibility Study

During the quarter IonicRE commenced the Feasibility Study (FS) and additional in country activities to advance the Makuutu Rare Earths Project. In June, the Board of Ionic Rare Earths Limited awarded Melbourne based Mincore Pty Ltd ("Mincore"), the Engineering Manager role for the completion of the FS (ASX: 28 June 2021).

IonicRE is now working closely with Mincore to complete the process plant and associated non-process infrastructure for Makuutu. Mincore will work with the IonicRE owner's team to compile the FS report, which will be submitted to the Ugandan Directorate of Geological Survey and Mines (DGSM) as part of the Company's submission for a Mining Licence Application (MLA) by October 2022.

Mincore has assembled a competent team to support the IonicRE owners' team, with direct experience in recently completing a heap leach project in elevated rainfall conditions and is also presently working on FEED project activities in Africa. Mincore is expected to be able to significantly assist IonicRE with rapidly advancing the FS activity utilising their extensive African network of specialty service providers.

## Commencement of Infill Drill Program (Phase 4)

In June, IonicRE initiated the Phase 4 drill program at Makuutu (ASX: 15 June 2021), with a second drill rig mobilised later in the month. Subsequent to the end of the quarter, the Company announced that it had completed 55 drill holes (687 metres) (ASX: 5 July 2021). Additionally, the Company remains on track for the mobilisation of the third rig to site at the start of August 2021 in what will be the largest program initiated at Makuutu. The committed program at present stands at 5,700 metres of drilling.

The aim of the Phase 4 drill program is to convert the Inferred Resources on RL 1693 to Indicated and Measured Resource category, plus also converting RL 1693 Exploration Targets to classified resources. These higher classified resources will then be used to underpin the Makuutu Feasibility Study.

Phase 4 infill drilling has initially started near Makuutu Central Zone (MCZ) on RL 1693, specifically prioritising infill drilling to areas immediately adjacent to the existing Indicated Resource area, Central Zone East (CEZ) Inferred, CEZ Unclassified Exploration Target, Central Main Zone Inferred, plus areas F, G and H, as illustrated within Figure 1. The zones represent the highest identified Total Rare Earth Oxide (TREO) grade Inferred and Exploration Target mineralisation at Makuutu.

The Scoping Study was primarily supported by the Project's Indicated Resource which reflected only circa 27% of the total Mineral Resource Estimate. This infill drill program is primarily to increase the Indicated Resource base to support future studies at Makuutu, including the Feasibility Study (FS).

The drill program will focus initially on infill drilling on a 200m grid to support conversion from Inferred Resources to Indicated Resources. An additional allocation of drilling was planned and committed by the end of June which will support further close space drilling with a desire to confirm a portion of Measured Resources for the Feasibility Study.

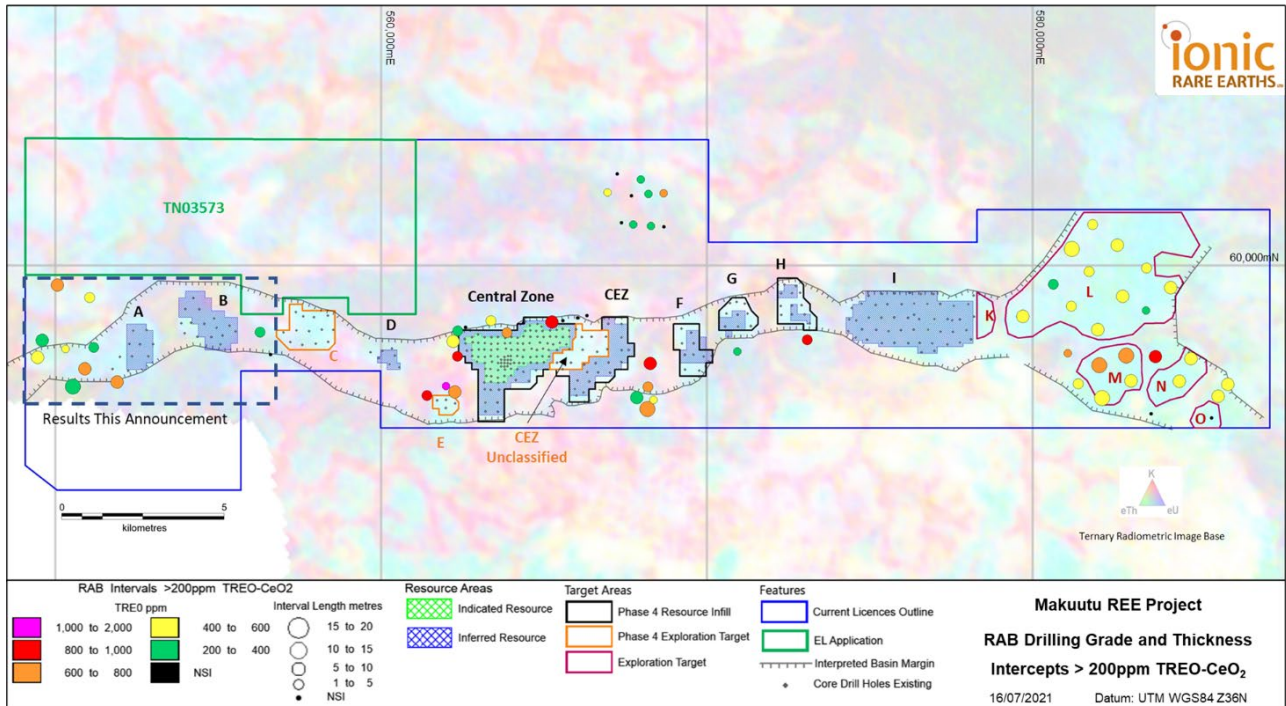


Figure 1: Drill program status plan showing completed drill holes (up to Phase 3) covering the Makuutu Rare Earths Project with the MRE and target areas, and the new EL application TN03573 to northwest of existing Project tenements.

### Completed RAB Reconnaissance Drill Program (Phase 3)

The 67-hole, (1,206 metres) Rotary Air Blast (RAB) Phase 3 drill program was completed with samples reported post the end of the quarter (ASX: 14 July 2021 and 20 July 2021). The aim of the program was to test for rare earth element (REE) endowment and origin in;

- Identified exploration targets within the interpreted mineralised sedimentary basin;
- Radiometric responses outside the interpreted basin;
- Previously untested or subdued radiometric targets; and
- Areas identified as potential infrastructure sites.

The Makuutu eastern area (EL00147) was interpreted from airborne magnetic and radiometric surveys to be the continuation of the sedimentary basin that hosts the Makuutu resource. Exploration targets K to O were identified for broad spaced, approximately 1-kilometre, RAB holes to test the REE endowment, mineralisation host and underlying rock types. A total of 25 holes were drilled in this area. 23 of 25 holes intersected clay or saprolite hosted REE mineralisation.

In a major positive development for the Project, REE bearing clay mineralisation has been intersected in between previously targeted areas identified by the eU/eTh radiometric responses that indicate a laterite hardcap is present at surface. The drilling has shown that the hardcap is buried by over 1 metre of soil in some areas and the targeting eU/eTh radiometric response obscured. These results indicate new areas for follow up exploration that were previously not tested due to the lack of, or subdued, radiometric eU/eTh response.

Mineralisation in the regolith potentially derived from, and underlain by, rocks outside the mineralised basin have also been intersected in the RAB drilling. The Company will progress a selection of these samples through salt desorption testwork to confirm the proportion of ionic adsorbed rare earth content prior to confirming a plan for further drilling these targets.

The Phase 3 program is illustrated in Figure 1, shows the completed program over all 5 tenements at Makuutu with several targets evaluated.

Additionally, the Phase 3 results have indicated potential extension of the REE hosted IAC clay mineralisation to the northwest of the project area. Based upon the results, post end of the quarter, Rwenzori Rare Metals Limited (RRM), the 51% owned Ugandan subsidiary of IonicRE, and 100% owner of the Makuutu Rare Earths Project has subsequently applied for additional exploration licence area at TN03573 (ASX: 20 July 2021).

### **Covid-19 Update in Uganda**

On Sunday 6th June 2021, the Ugandan Government announced a number of measures to be implemented across Uganda to assist the nation manage its second wave of Covid-19.

As a result of these measures, RRM has received approvals from local and national government bodies to continue with field exploration activity including mobilisation of the drill crews to site. RRM is also implementing a high level of operational hygiene controls and Standard Operating Procedures (SOPs) on site to limit the potential for transmission of Covid-19 and to limit risk to our local stakeholders.

The Company continues to monitor the situation in Uganda.

### **MOU with China Rare Earths Jiangsu**

During the quarter, the IonicRE signed a non-binding Memorandum of Understanding (MOU) with Aluminium Corporation of China (“Chinalco”) subsidiary, China Rare Metals and Rare Earth (Jiangsu) Co., Ltd (“CREJ”) in relation to the development of Makuutu (ASX: 7 April 2021).

Highlights of the MOU include:

1. IonicRE and CREJ have agreed to use their reasonable endeavours to strategically cooperate to accelerate Makuutu mine development and production for mutual benefit; as well as
2. Potential for future investment in IonicRE, and/or the Makuutu Rare Earths Project directly, and/or off-take agreements, as agreed by the parties, for rare earth product produced by IonicRE.

Chinalco is the world's largest market capitalised rare earth miner and separator, with numerous dedicated subsidiaries operating in mining and rare earth separation, including the Heavy Rare Earth Element (HREE) rich ionic adsorption clay (IAC) mines in Guangdong and Guangxi Provinces and a number of REE separation plants in Jiangsu Province. Most of the global Rare Earth Oxides (REO) produced globally are initially processed and separated within China. Therefore, it is of strategic importance to IonicRE, to have successfully negotiated this MOU and welcomes CREJ as a potential cornerstone project partner.

CREJ have completed an extensive due diligence review over the preceding twelve (12) months on Makuutu, in conjunction with numerous meetings between the IonicRE executive team and CREJ. In our view this demonstrates the Makuutu Rare Earth Project is not only a high quality REE project, but a key globally strategic critical and heavy REE resource.

The initial due diligence completed by CREJ on key areas relating to Makuutu included the following:

- Project geology, drilling results and Mineral Resource Estimation;
- Preliminary metallurgical test work review;
- Review of product quality and integration into existing REE separation operations;
- Review of Ugandan Mining Act and Regulations;

- Review of Ugandan Corporate Business Regulations and Taxation Code, pertinent to the Mining Industry;
- Review of Ugandan National Environmental Act;
- Review of local infrastructure; and
- Review of political and country risk.

The terms of the MOU are non-binding except for the provisions relating to exclusivity, confidentiality, jurisdiction and dispute resolution, interpretation and notices.

IonicRE has granted CREJ exclusivity to progress discussions on strategic cooperation to accelerate Makuutu to production, investment within IonicRE or offtake discussions, for the term of 12 months. The exclusivity may be terminated by either Party by giving 14 business days written notice. During the period of exclusivity, IonicRE undertakes to not solicit new potential counterparties in relation to the objectives of the MOU.

Notwithstanding the exclusivity arrangements with CREJ, IonicRE has maintained the right to continue discussions with other potential counterparties that had already commenced.

### Corporate

During the quarter, the company expended approximately \$730,000 on the exploration activities reported above.

Payments to related parties of the entity and their associates totaled \$151,000 and consisted of \$63,400 Director fees, \$5,000 in superannuation related to Director fees and \$82,600 Executive Service fees.

### Mineral Concessions Held

IonicRE is pleased to advise the following information, pursuant to ASX Listing Rule 5.3.3, for the quarter ended 31 March 2021 and to the date of this announcement.

1. No mineral exploration tenements were acquired or disposed of during the period;
2. Mineral exploration tenements held are set out below:

Common concession name	Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
RL1693	Uganda	Owned	51%	51%*
EL1766	Uganda	Owned	51%	51%*
RL00007	Uganda	Owned	51%	51%*
EL00147	Uganda	Owned	51%	51%*
EL00148	Uganda	Owned	51%	51%*

\* IonicRE may earn up to a 60% interest

3. No farm-in or farm-out agreements were entered into during the period.

## End Notes

The information contained in this announcement related to the Company's activities are extracted from, or were set out in, the following ASX announcements which are referred to in this Quarterly Activities Report:

- (ASX: IXR) 1 April 2021: Makuutu Phase 3 Exploration Drilling Update
- (ASX: IXR) 29 April 2021: Makuutu Delivers Positive Scoping Study and Demonstrates Potential to Develop a Sustainable, Long-Life, Critical and Heavy Rare Earth Supply
- (ASX: IXR) 5 May 2021: Phase 4 Resource Drilling Program to Commence at Makuutu
- (ASX: IXR) 15 June 2021: Makuutu Phase 4 Drill Program Commenced with 3 Rigs to be Mobilised
- (ASX: IXR) 28 June 2021: IonicRE Appoints Mincore for Makuutu Feasibility Study
- (ASX: IXR) 5 July 2021: Makuutu Phase 4 Drilling Program Update
- (ASX: IXR) 14 July 2021: Drill Results Confirm Major Extension Potential at Makuutu
- (ASX: IXR) 20 July 2021: Phase 3 Drilling at Makuutu Continues to Deliver

Authorised for release by the Board.

**For enquiries, contact:** Tim Harrison  
Managing Director  
+61 8 9481 2555

## About Makuutu Rare Earths Project

The Makuutu Rare Earths Project is an ionic adsorption clay ("IAC") hosted Rare Earth Element ("REE") deposit located 120 km east of Kampala in Uganda and is well serviced by existing high quality infrastructure including roads, rail, power infrastructure and cell communications. The installed infrastructure is illustrated in Figure 2.

The Company will move to 60% ownership of Makuutu on the completion of the Feasibility Study and has a pre-emptive right over the remaining 40% stake in the Project.

The deposit stretches 37 km in length and has demonstrated potential for a long life, low-cost capital source of critical and heavy rare earths. These IAC deposits are prevalent in southern China which have been the source of the world's lowest cost critical and heavy REE production, however these deposits are gradually being exhausted and Makuutu represents one of only a handful of such deposits outside of southern China.

The Makuutu deposit is shallow, with less than 3 m of cover over a 9 m average thickness clay and saprolite zone which results in low-cost bulk mining methods with low strip ratio. A maximum thickness of 19.5 m has been identified at Makuutu. Processing is via simple acidified salt desorption heap leaching, breaking the chemical ionic bond which washes the rare earths (in a chemical form) from the ore into a pregnant leach solution ("PLS"). The PLS is concentrated up using membrane technology, from which the rare earths are precipitated as a mixed rare earth carbonate product; a product which attracts both a higher payability and achieves a high basket price due to the dominant high value critical and heavy rare earths which make up over 70% of the product basket.

The Project has the potential of generating a high margin product with an operation life exceeding 27 years. The Project is also prospective for a low-cost Scandium co-product.

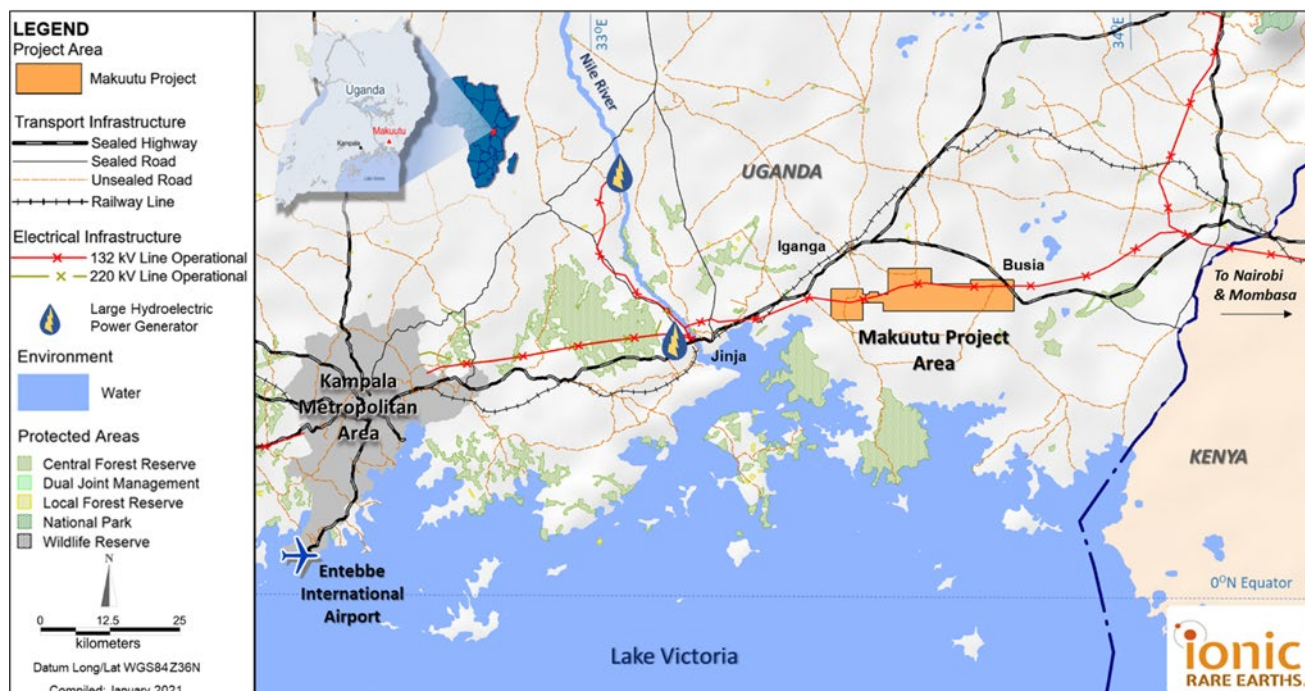


Figure 2: Makuutu Rare Earths Project Location with major existing infrastructure.

## Existing Infrastructure

One of the Makuutu Rare Earths Project's competitive advantages is its proximity to existing infrastructure. The Makuutu site is approximately 10km from Highway 109 which is a sealed bitumen road connecting to Kampala, to Kenya and on to the Port of Mombasa. All weather access roads connecting the site to the adjacent sealed bitumen highway are already existing. A rail line lies within 10 kilometres north of the Makuutu site near the town of Iganga. There are four hydroelectric power plants located within 65 km of the project area, with total installed generating capacity of approximately 810 MW, providing an abundant supply of cheap power to the Project.

Water will be sourced at the project by harvesting water from the Makuutu site, given the Project location in a positive rainfall environment, and a net positive process water balance will require membrane processes to be used to process site discharge water for reagent recovery. Excess water management will be a key focus of the Project to ensure environmental standards are met and reagent consumption is minimised.

A workforce of semi-skilled and artisanal workers is available in nearby towns and population centres. The closest major population centre is Iganga, which has a population of 50,000. The town of Mayuge is approximately 10 km from the Project site and the intent is to source local operations staff from the immediate districts and train staff accordingly. The operation is to be staffed by a residential workforce. No fly in – fly out is envisaged, and the number of expatriate staff is intended to be low, and to be phased out over time. Industrial facilities are available in the city of Jinja, approximately 40 km from the Project area. Additional industrial facilities are available on the outskirts of Kampala.

## Competent Person Statements

*Information in this report that relates to previously reported Exploration Targets and Exploration Results has been cross-referenced in this report to the date that it was originally reported to ASX. Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.*

*The information in this report that relates to Mineral Resources for the Makuutu Rare Earths deposit was first released to the ASX on 3 March 2021 and is available to view on [www.asx.com.au](http://www.asx.com.au). Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.*

## Forward Looking Statements

*This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward looking statements in this document or any changes in events, conditions or circumstances on which any such forward looking statement is based.*

## Appendix 5B

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

Name of entity

<b>IONIC RARE EARTHS LIMITED</b>
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ABN

<b>84 083 646 477</b>
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Quarter ended ("current quarter")

<b>30 JUNE 2021</b>
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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(730)	(2,946)
(b) development	-	-
(c) production	-	-
(d) staff costs	(184)	(575)
(e) administration and corporate costs	(500)	(1,082)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,414)</b>	<b>(4,602)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(24)	(24)
(d) exploration & evaluation	-	-
(e) investments	-	(991)
(f) other non-current assets	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	53
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(24)</b>	<b>(962)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	15,290
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	105	1,405
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,018)
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 – R&D Rebate	214	214
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>319</b>	<b>15,891</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	12,265	830
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,414)	(4,602)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(24)	(962)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	319	15,891
4.5	Effect of movement in exchange rates on cash held	21	10
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>11,167</b>	<b>11,167</b>

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

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	11,128	12,232
5.2	Call deposits	33	33
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>11,161</b>	<b>12,265</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	151
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

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

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,414)
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)	(1,414)
8.4 Cash and cash equivalents at quarter end (item 4.6)	11,167
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	11,167
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>7.9</b>
<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: <b>N/A</b>	
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: <b>N/A</b>	
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: <b>N/A</b>	
<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

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

Date: 28 July 2021

Authorised by: Brett Dickson – Company Secretary  
(Name of body or officer authorising release – see note 4)

### Notes

- 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.
- 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.

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

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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.