

ASX ANNOUNCEMENT

31 January 2023

QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2022

Kairos accelerating exploration at highly promising Roe Hills lithium anomalies

Successful sampling program highlights new targets close to the prospective Black Cat anomaly; Mining Lease Applications lodged at 1.1Moz Mt York Gold Project

Highlights

Lithium Projects

- Significant results from lithium exploration across Kairos' Pilbara (Mt York) and Goldfields (Roe Hills) projects; Mt York is next to Pilbara Minerals' (ASX: PLS) Pilgangoora Project and Roe Hills is along strike from Global Lithium's (ASX: GL1) Manna lithium project
- Mt York: Lucky Sump drilling results report extremely high tantalum values with 7m @ 605 ppm Ta from 49m including 1m @ 2,143 ppm Ta from 53m (KMYC216) confirming it is within a prospective LCT pegmatite field
- Roe Hills: New lithium targets in addition to the Black Cat Prospect reported from large-scale soil sampling; Infill 6,000 soil sample survey underway
- The new targets include the Crystal Palace Li-soil anomaly, which is coincident with a new pegmatite zone

Mt York Gold Project, Pilbara

- Technical team focussed on further, significant resource growth at Mt York with initial step-out drilling programme of 47 drill holes for 11,039m completed – results pending
- Mining Lease Applications (2) submitted to Department of Mines, Industry Regulation and Safety (DMIRS)
- Exploration Camp construction progressing

Cash

- Cash position of \$2.621m at 31 December 2022

Kairos Managing Director, Dr Peter Turner said: **“The strong emphasis we placed on lithium exploration during the quarter has paid dividends, with the identification of highly prospective anomalies at Roe Hills in WA’s Eastern Goldfields.**

“These new anomalies complement our existing Black Cat Prospect, which is a large, combined lithium-caesium-beryllium anomaly that will be one of many lithium soil anomalies we aim to drill in this rapidly-growing lithium province.

“Roe Hills clearly has immense lithium potential and will be a key focus of our exploration strategy this quarter.

“We will also continue our push to grow the 1.1Moz resource at our Mt York Gold Project in the Pilbara, where we just recorded another milestone by lodging two Mining Lease Applications, signalling our intention to drive the project forward to mining against the backdrop of higher gold pricing”.

ROE HILLS LITHIUM PROJECT (100% KAI)

During the quarter, KAI identified at least seven new lithium targets at its large, 100%-owned Roe Hills Project.

Roe Hills is 100km east of Kalgoorlie, WA and is nestled within a new spodumene-bearing pegmatite province hosting the Manna Li-Ta project (**Figure 1**).

More than 3,500 samples were collected from 20cm depths, sieved to -80 mesh and sent to Intertek for aqua regia digest and low-level multi-element and gold analysis by ICP-MS (AR25-MS53).

The lithium anomalies are generally coincident with beryllium, caesium, gallium, rubidium, and tin which are elements associated with fractionated granites and pegmatites, especially highly-fractionated lithium-caesium-tantalum (LCT) pegmatites.

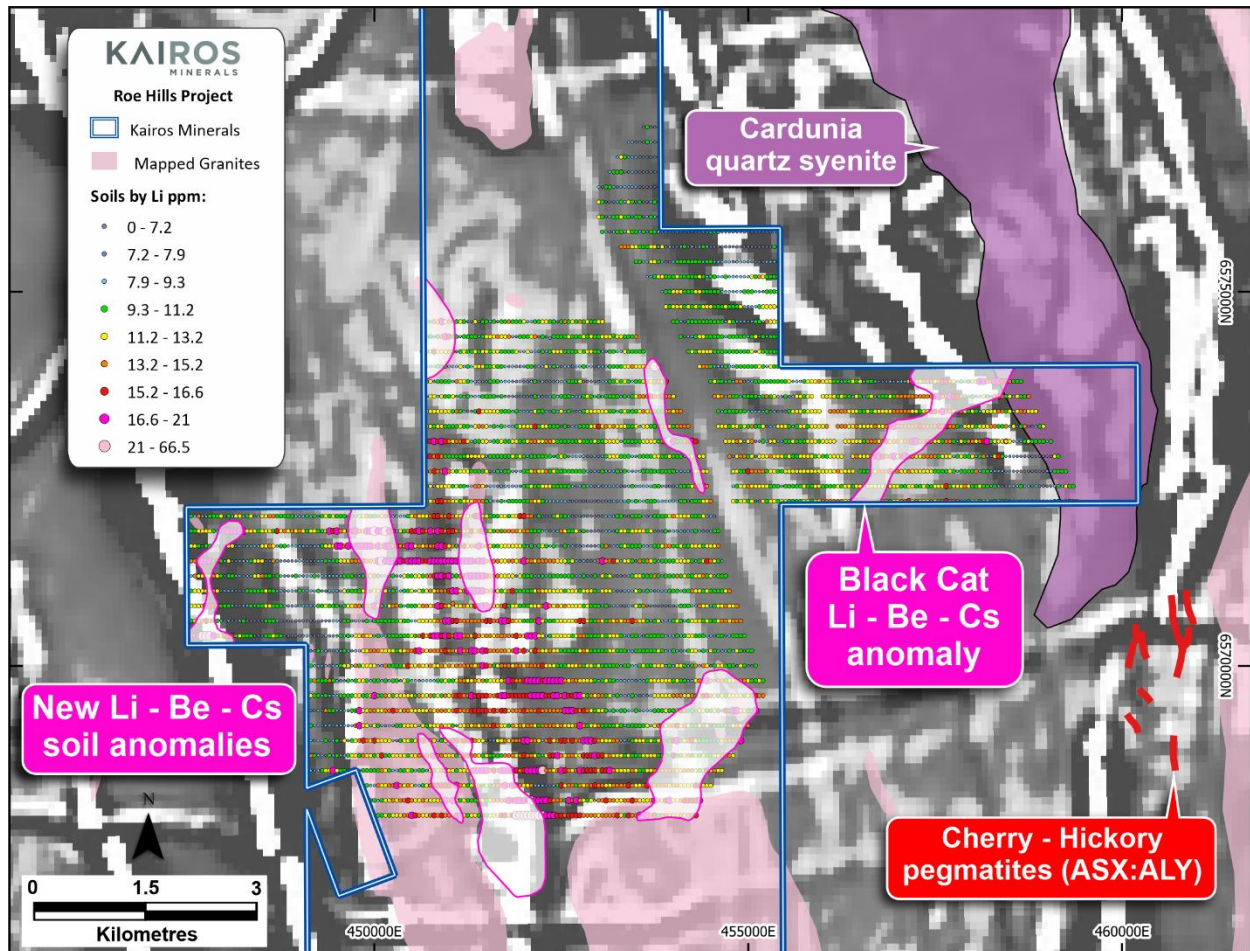


Figure 1. Lithium soil anomalies (pink polygons) considered to be *in-situ* soil anomalies associated with the margins of granitoid bodies. The other anomalous Li values are captured in drainage channels and at this stage are thought to be transported. New soil programmes will be completed to the north and south of these results – see **Figure 2**.

Kairos' Black Cat Li-Cs-Rb-Be anomaly (see ASX release dated 15 February 2022) has been partially cleared for drilling but complete soil sampling of the northern half of the Roe Hills tenements (**Figures 2, 3 & 4**), focussing around the margins of multiple granites where lithium deposits are often found, will be completed over coming months before drilling of multiple targets is planned.

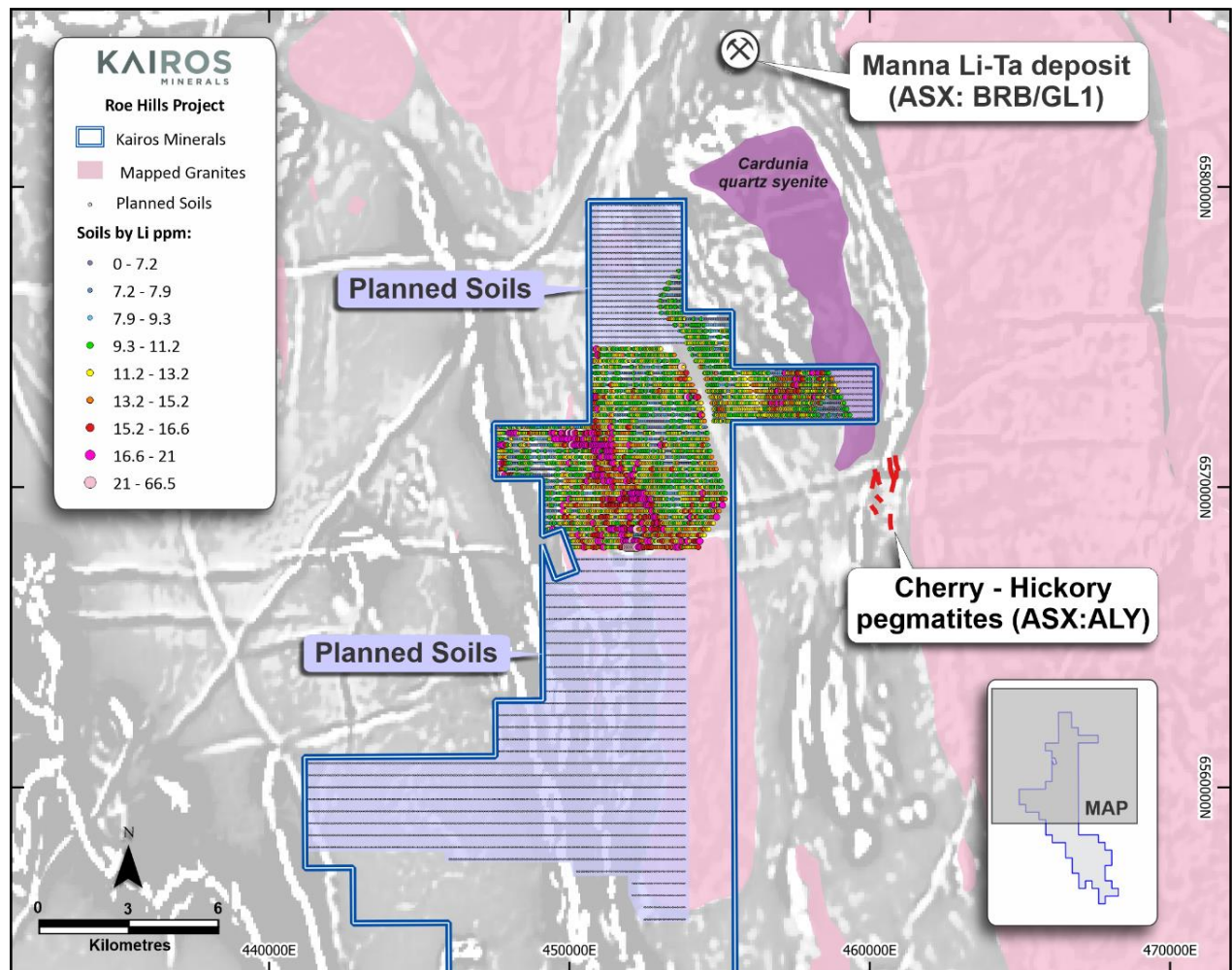


Figure 2. Additional planned soil sampling north and south of the existing programme.

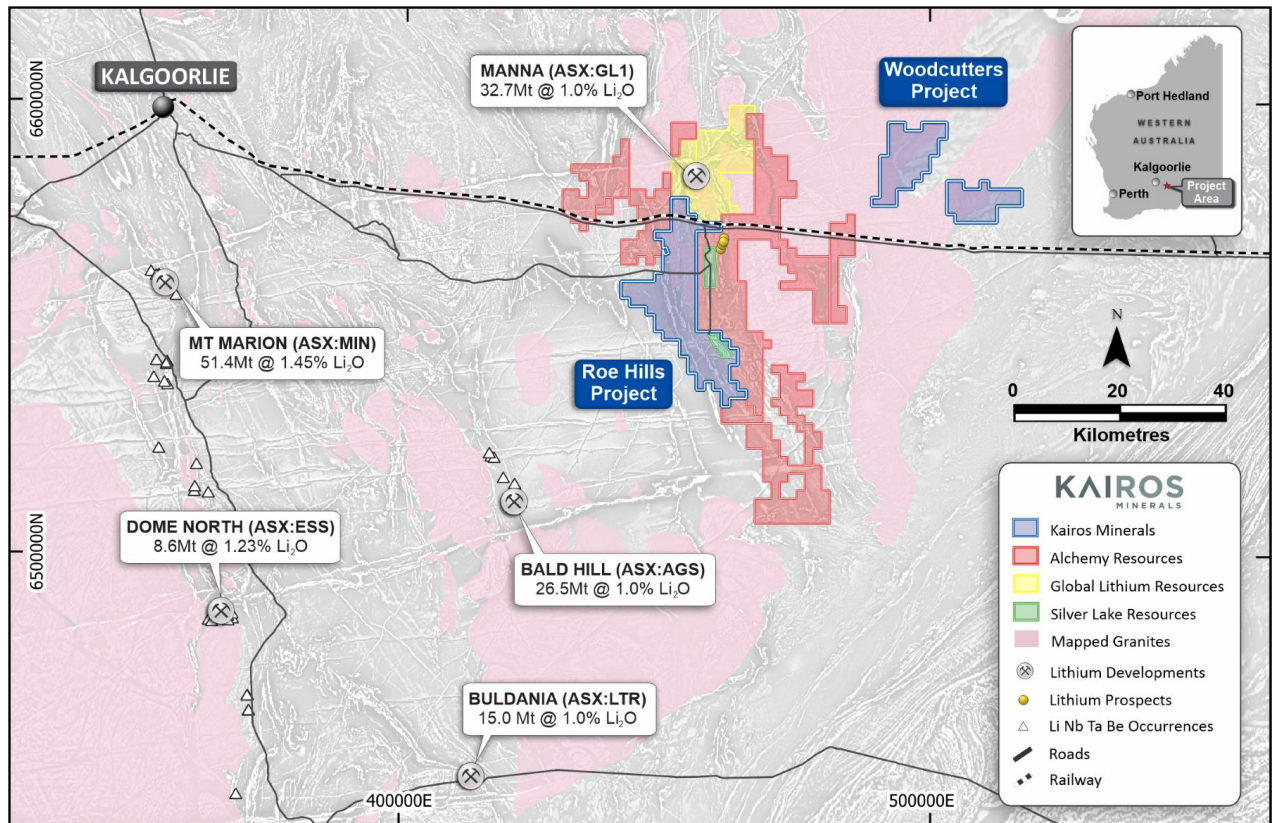


Figure 3. Kairos' Gold & Lithium Projects over the Roe Hills area overlain on a magnetic image highlighting interpreted granites. Lithium mines and advanced projects with resources are shown.

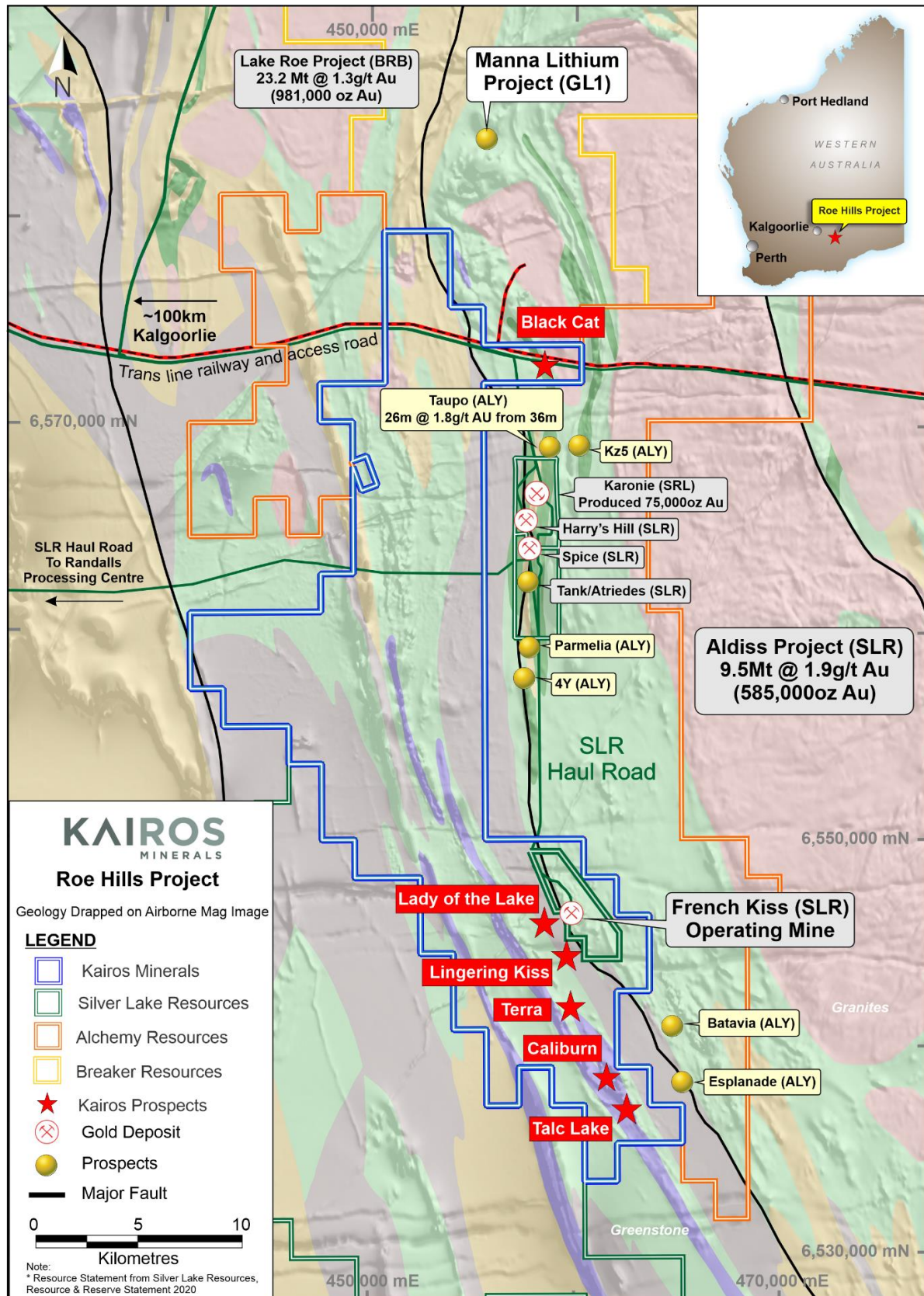


Figure 4. Kairo's Gold & Lithium Projects over the Roe Hills area overlain on a simplified geological-magnetic image highlighting interpreted granites.

Subsequent to the end of the quarter, Kairos reported the first 572 results of a 6,000 sample deep soil sampling at the northern half of the Roe Hills Project.

The programme uncovered two 400m long lithium anomalies which collectively have been labelled the '**Crystal Palace Prospect**'. This prospect sits in the north-east corner of the Roe Hills tenements 5km along-strike to the SW of Global Lithium's (ASX:GL1) 32.7 Mt @ 1.0% Li₂O Manna lithium-tantalum deposit (**Figures 5 & 6**).

The Crystal Palace prospect is coincident with mapped, multiple pegmatites that strike northeast or northwest. The mapped pegmatites are 2m to 10m+ wide, are extremely coarse-grained and contain green feldspars (amazonite-microcline), quartz, white mica, biotite and white feldspars (**Figure 7**). At this stage it is unknown if lithium minerals occur within these pegmatites but rock samples have been submitted for chemical analysis. Further exploration, especially drilling, will determine the source of the surface lithium.

The new soils programme is collecting a deeper soil sample using a Kanga post-hole configuration with samples collected from a nominal 1m depth. The sampling procedure is very low-impact and ensures no contamination from surface effects and increases the possibility of collecting a quality geochemical sample that is more likely to avoid highly-transported surface alluvium. Samples are sieved to -80 mesh and sent to Intertek for 4-acid digest and low-level multi-element and gold analysis by ICP-MS (4A-MS48).

On completion of the deep soils programme in H1 2023, RC drilling will be planned over all significant anomalies including Black Cat and Crystal Palace.

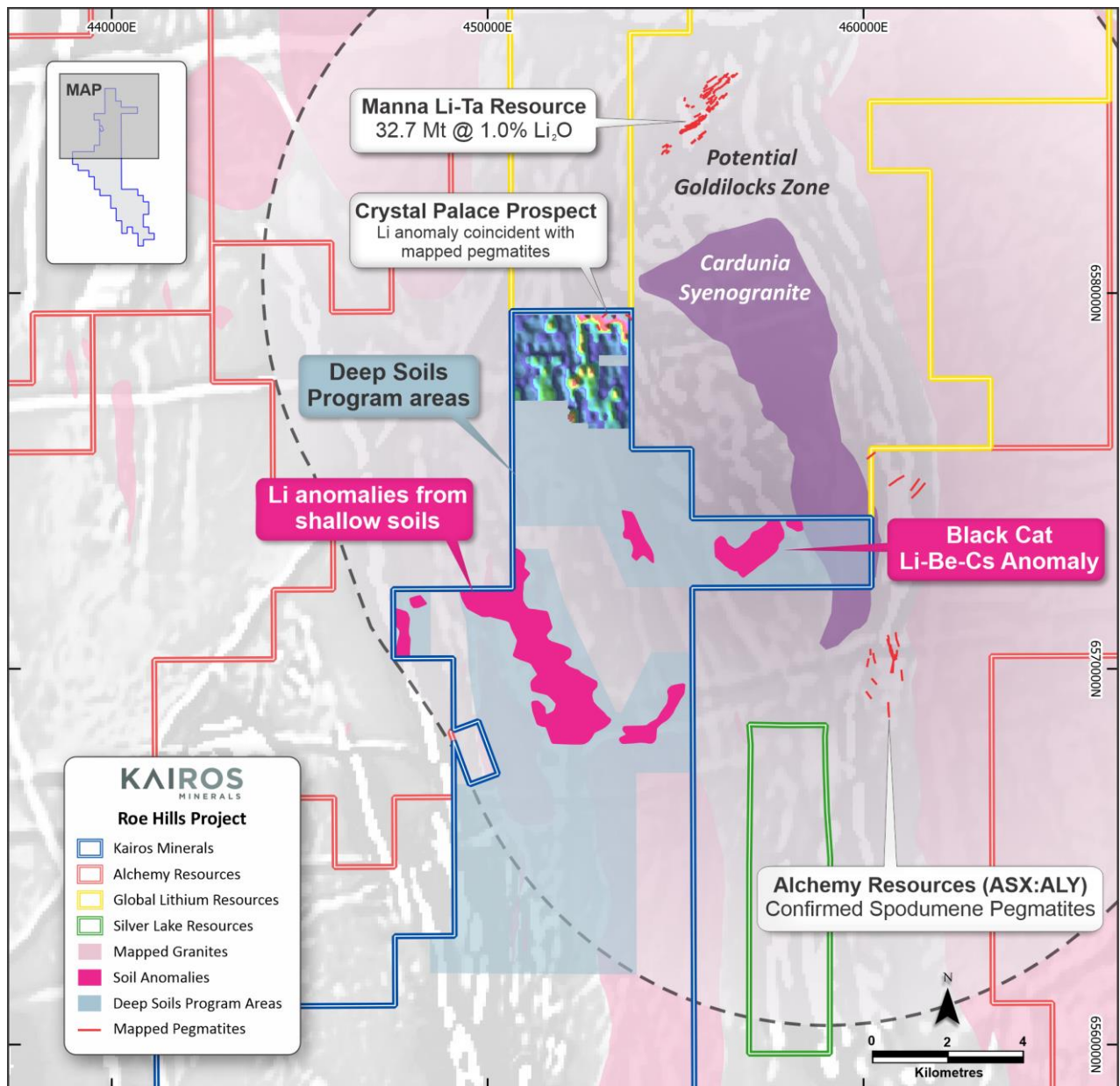


Figure 5. Kairos lithium anomalies at the northern half of the Roe Hills project (see **Figure 6** for more detail) showing the position of Manna Li-Ta deposit and Alchemy Resources' Cherry-Hickory pegmatites. The planned new deep soil sampling areas are shown in grey.

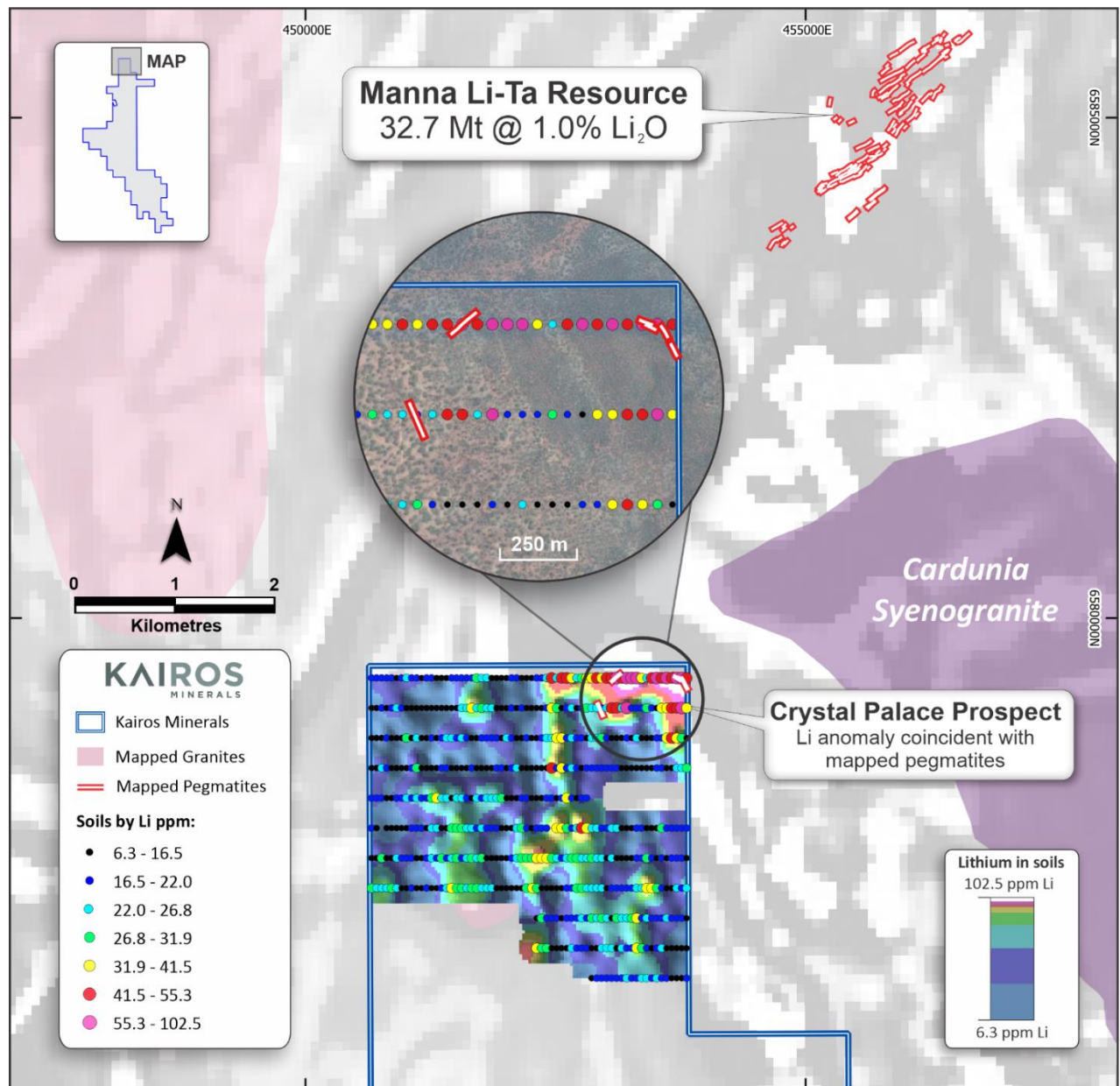


Figure 6. Deep soil geochemical results over the Crystal Palace Prospect over a black & white magnetic image. Location of the Manna Li-Ta deposit shown.



Figure 7. Amazonite-microcline-bearing coarse-grained quartz, white mica + biotite mica pegmatite at Crystal Palace Prospect. Unknown if spodumene minerals are present.

MT YORK LITHIUM PROJECT (100% KAI)

Results for all 18 RC holes drilled at the Lucky Sump Prospect were reported during the quarter.

Lucky Sump Prospect is considered prospective for Lithium-Caesium-Tantalum or LCT pegmatites and gold mineralisation.

The drilling results from these eighteen holes indicate very high tantalum values in the thickest intersected pegmatite in hole KMYC216 immediately under Lucky Sump where spodumene-bearing pegmatite samples grading up to 1.91% Li₂O were previously sampled and reported¹ from surface.

The tantalum values were extraordinarily high (**Figure 9**). The best result was **7m @ 605 ppm Ta from 49m** including **1m @ 2,143 ppm Ta** from 53m in KMYC216 with corresponding lithium values of 7m @ 146 ppm Li (0.03% Li₂O). KMYC216 was drilled

¹ KAI press announcement dated 1 August 2022 entitled 'High-grade lithium assays confirm significance of spodumene-bearing pegmatite'

below Lucky Sump where the discovery was made of five surface rock chip samples that returned values of 1.91%, 1.56%, 0.58%, 0.16% and 0.04% Li_2O^1 . The relatively low lithium values in KMYC216 can be explained by internal zonation within the LCT pegmatite(s) that have been intersected at depth.

Further pegmatites have been mapped northwest of Lucky Sump towards Zakanaka and the northern licence will be mapped in the 2023 field season where the re-processed soil geochemistry shows a number of high-priority lithium targets which may correspond to spodumene-bearing pegmatites only 1km to the east of the Pilgangoora Lithium Mine (**see Figures 8 & 10**). Drill-testing of any new pegmatites is envisaged at the end of H1, 2023.

Kairos selected intervals in the drilling for multi-element analysis including lithium and associated elements plus gold and has selected other single metre or 4m-composite intervals for gold only (no multi-elements). The rationale behind this is that there is the possibility of drilling rare metal pegmatites that may contain lithium, tantalum and other valuable elements and also the possibility of drilling gold zones that may be characterised by high sulphide contents, alteration minerals and/or quartz veining as Lucky Sump is so close to the Mt York Gold Project. For both targets (lithium + associated; gold) different sample intervals are likely to be selected.

The drilling at Lucky Sump highlighted the potential of the area to hold potential for gold mineralisation as well as LCT pegmatites.

Interestingly, several significant gold values (**1m @ 2.18 g/t Au** from 122m in KMYC213; **1m @ 2.66 g/t Au** from 66m in KMYC214 & **12m @ 0.46 g/t Au** from 140m in KMYC226) (see **Table 2**) were reported adjacent to pegmatites raising the possibility that Lucky Sump is not only prospective for Lithium-Caesium-Tantalum (LCT) pegmatites but also gold in extensional zones close to the Mt York Gold Project that is close by (**Figure 9**).

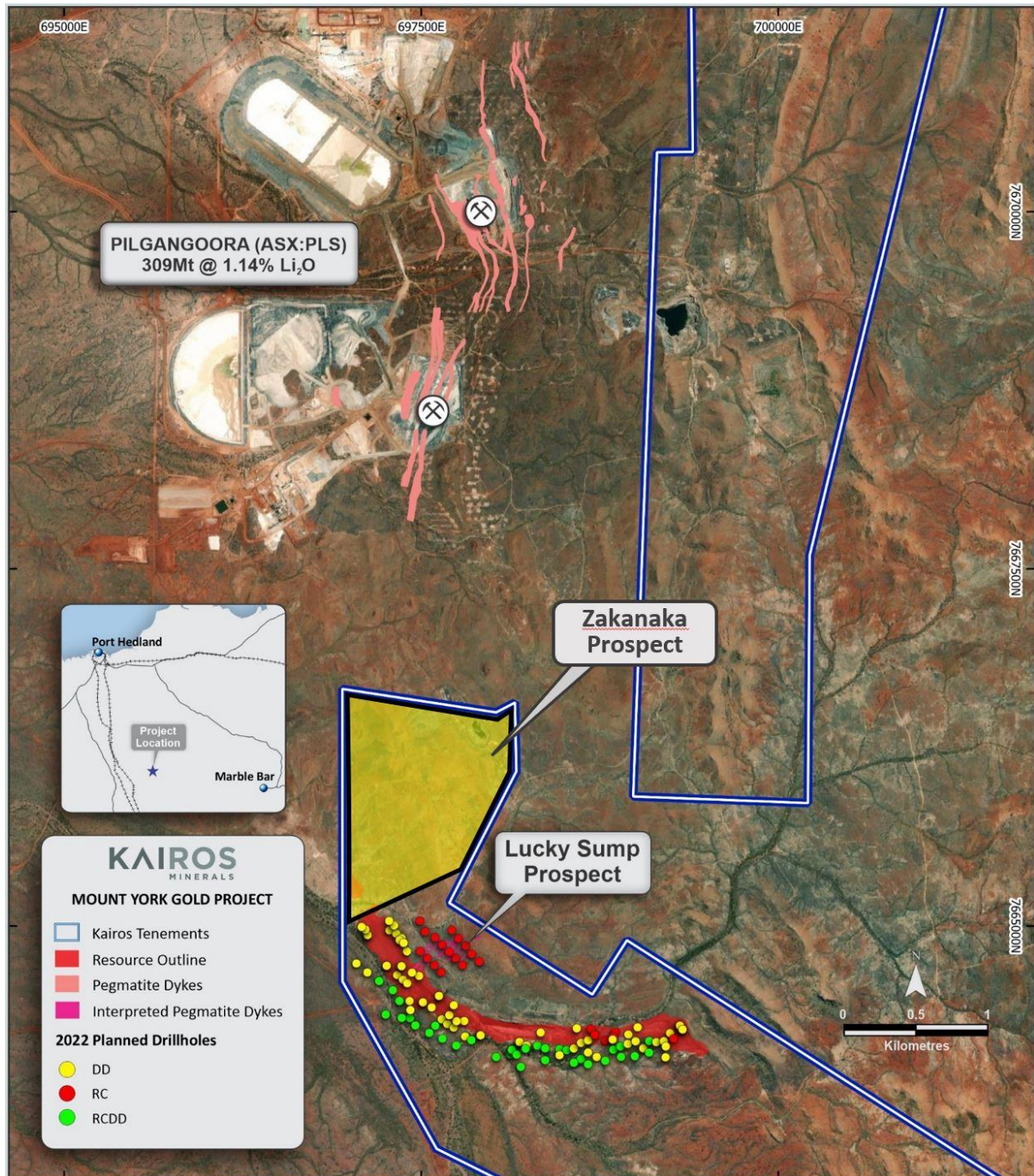


Figure 8. Lucky Sump and Zakanaka Prospect locations in relation to Pilbara Minerals' Pilgangoora's Lithium-Tantalum Mine and the Mt York Gold Project (red polygon is the Main Trend gold mineralisation).

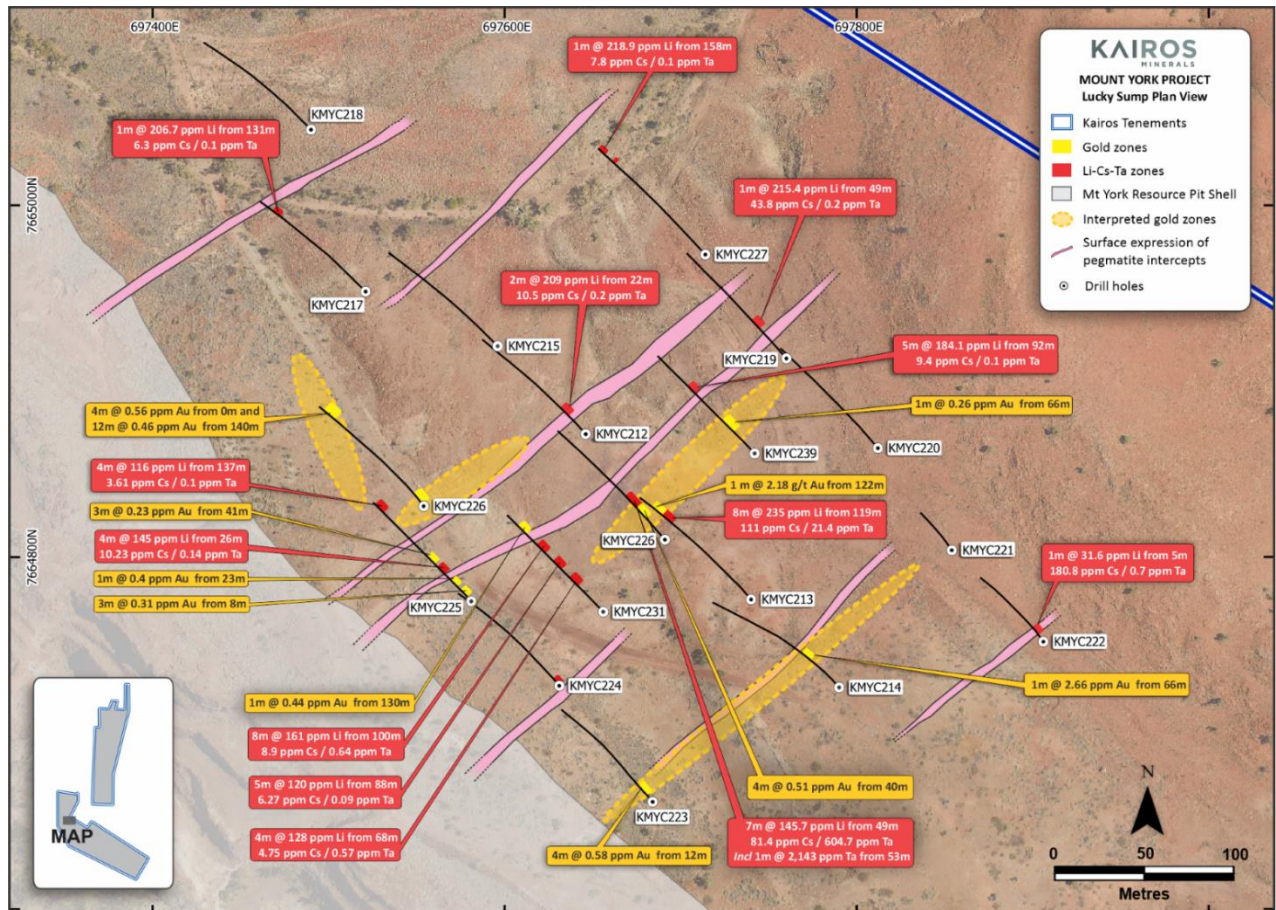


Figure 9. Lucky Sump best drill results on a plan map showing lithium-tantalum and gold intercepts from all 18 RC drill holes.

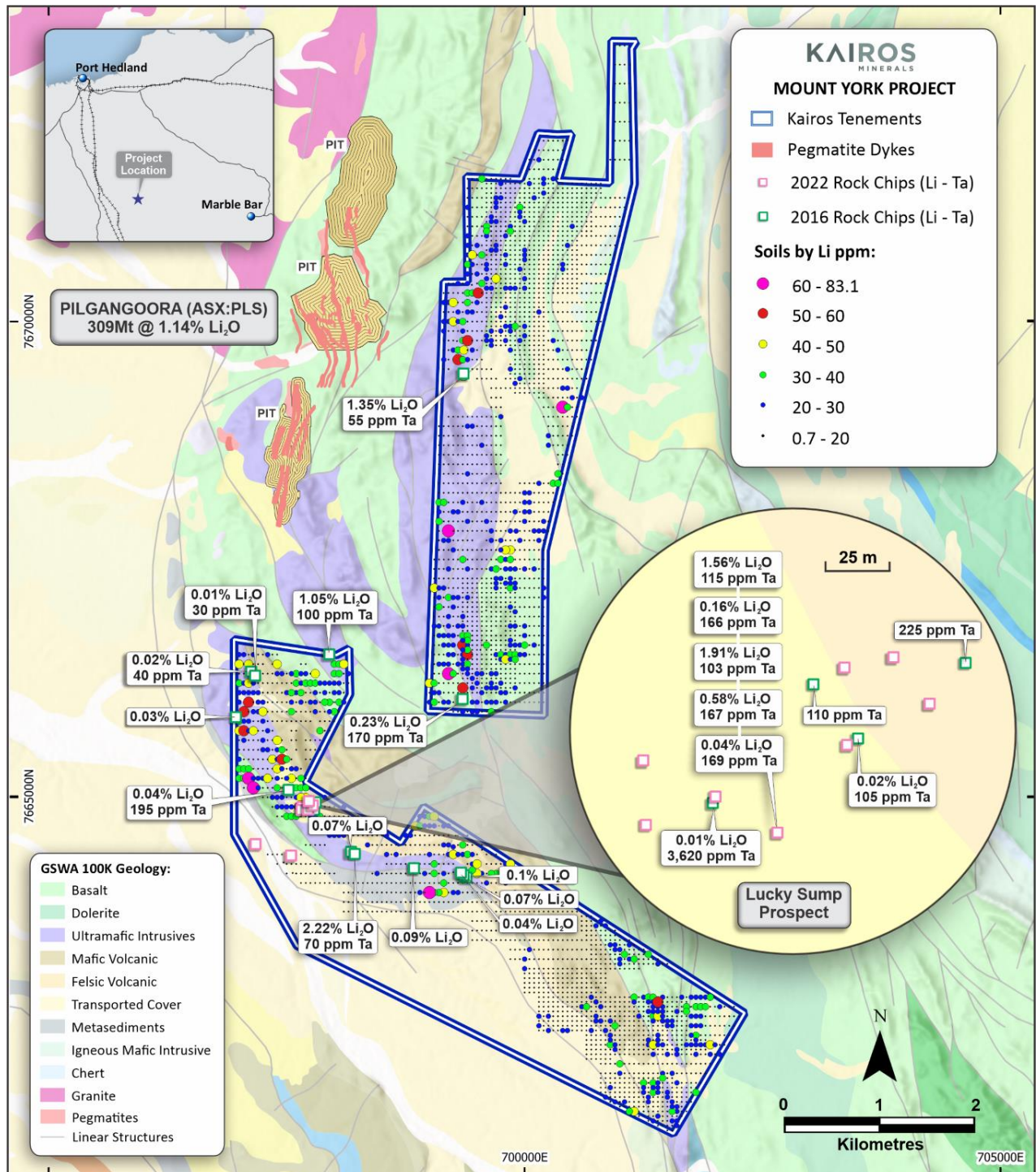


Figure 10. Lithium soil sample results from Kairos 2021 regional sampling program that were previously released for gold only (see release dated 24 September 2021). Rock chip sample results for Lucky Sump (inset) were previously reported to the ASX on 01 August 2022. Regional rock chip sample results were previously reported to the ASX on 07 June 2017.

Mt YORK GOLD PROJECT, PILBARA (KAI: 100%)

During the quarter, 47 drill holes were completed for 11,039m. The drill holes were positioned to focus on 1) resource growth, especially at depth and 2) increased confidence of resource category for the current resource along the Main Trend.

A total of 89 drill holes for approximately 20,000m of drilling were planned at Mt York in July 2022 with just over half completed to date before the onset of summer. Drilling of the remaining holes will be rescheduled once results are received and a thorough review completed of the effectiveness of the 47 holes.

The current Mt York JORC-compliant Mineral Resource Estimate is **28.01 MT @ 1.23 g/t Au for 1,104,000 ounces** (comprising Indicated Resources of 13.93 Mt at 1.3 g/t for 581,000oz and Inferred Resources of 14.08 Mt at 1.15 g/t for 523,000oz)².

The results of the new drilling completed in the quarter are expected this quarter and will be released to the ASX once routine quality control procedures have been completed. The technical team is delighted with progress of the project and await the results with anticipation. The drilling of diamond core holes along the entire Main Trend for the first time in the project's history has added major benefits to understanding the geology of the project.

Mining Lease Applications (MLAs)

The Company, through its wholly-owned subsidiary Mt York Operations Pty Ltd, lodged two Mining Lease Applications (MLAs) for the Mt York Gold Project with Department of Mines, Industry Regulation and Safety (DMIRS) during the quarter. The MLAs are called Mount York North and Mount York South (**Figure 11**) and cover the entire areas of the Company's prospecting licences (and all mineral resources) they replace.

Mining Licence	Prospecting Licence
Mt York North (M45/1307)	P45/2988, P45/2992, P45/2993, P45/2995, P45/2997, P45/2998
Mt York South (M45/1306)	P45/2987, P45/2989, P45/2990, P45/2991, P45/2994, P45/2996
Table 1. Mining Licence Application conversions from Prospecting Licences to Mining Licence.	

² KAI press announcement dated 30 August 2022 entitled 'Gold resource increases 26% to 1.1 Moz'

The MLAs were submitted separately but form part of the same project area. Miscellaneous Licences will be applied for to provide haul road and infrastructure corridors between the two Mining Lease Applications.

The MLAs were accompanied by a Mineralisation Report under Section 74(1)(ca)(ii) and a supporting statement about likely mining operations ('Supporting Statement').

Formal notification of the two MLAs has been received from DMIRS. The grant process is expected to take a minimum of six months.

Figure 11 provides a conceptual outline of the mining operation with the final design layout to be determine during the feasibility study.

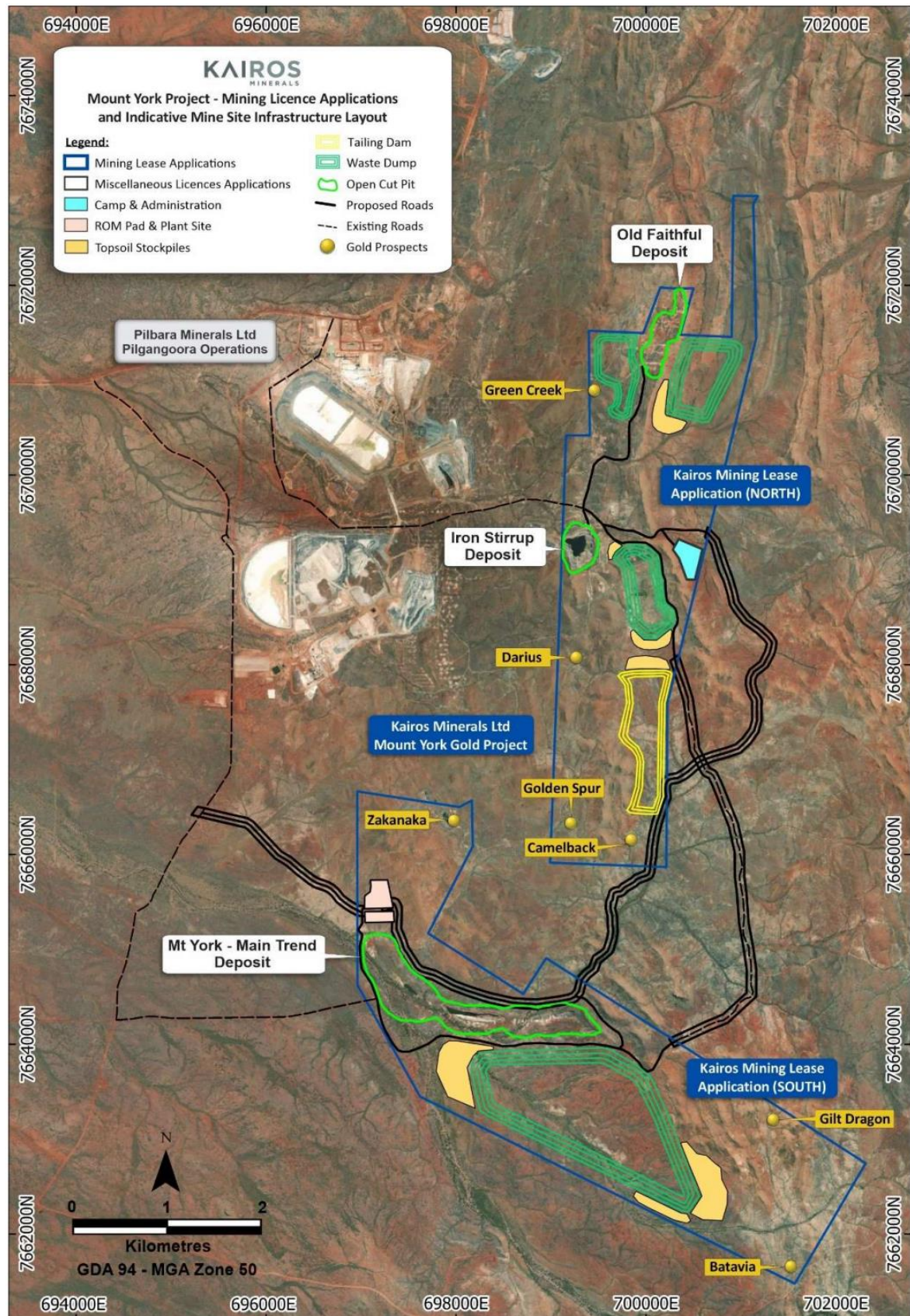


Figure 11. Google Earth image showing the two MLAs and approximate infrastructure corridors.

Mt York Camp Construction

Two 40 ft modified containers have been set in place with concrete footings in preparation for a dome shelter structure to be fitted across the containers. A temporary core yard was constructed as well as two shower-toilet units (**Figure 12**). Construction of the septic system will be completed as soon as Shire approval is given.

All core processing was done on site using a 20 ft, rented core-cutting container.

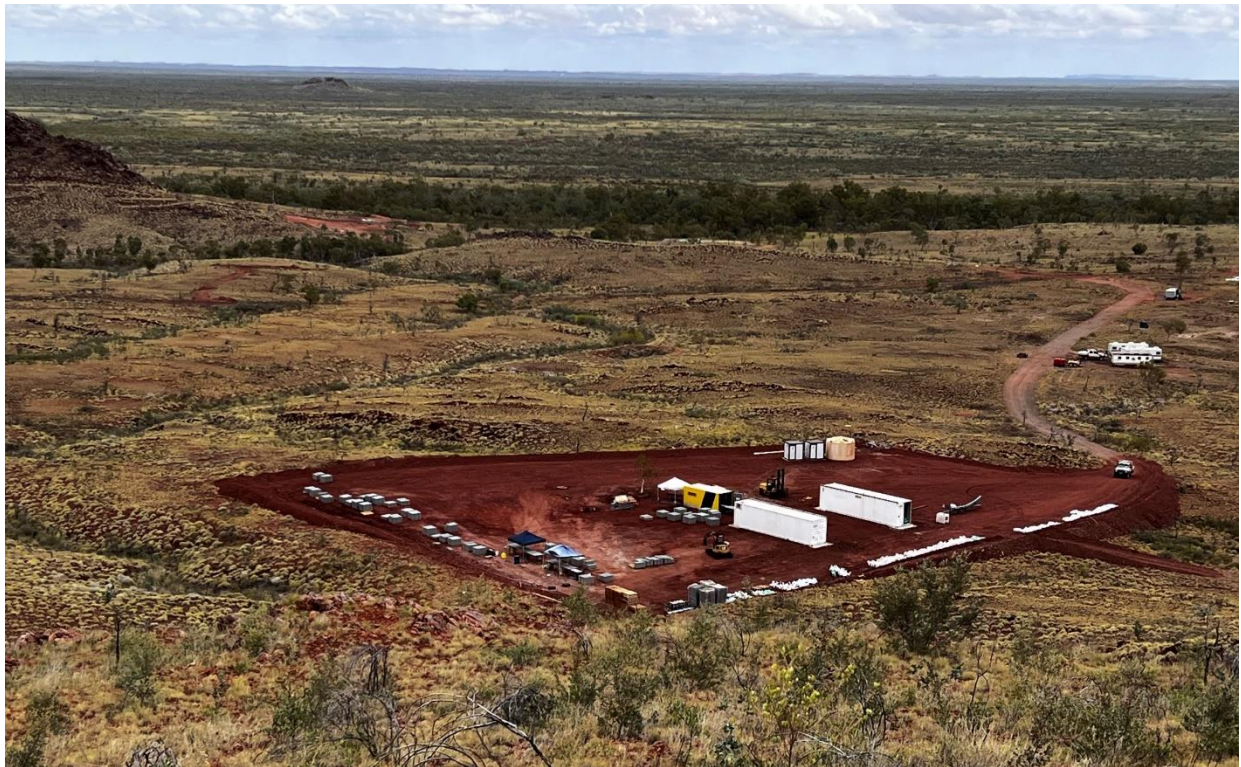


Figure 12. Exploration camp construction underway with levelling and compaction of 70m x 70m area in preparation for dome-sheltered core yard, accommodation, ablution block, workshop and offices. The prominent hill in the background is the western part of the Main Hill deposit. View looking southwest.

REGIONAL PILBARA PROJECTS (KAI: 100%)

Lithium and gold results from the large Croydon project were reported to the ASX on 12 October 2022 in a KAI press announcement entitled 'Major gold and lithium targets identified at Croydon Project, Pilbara WA' and included in the previous KAI Quarterly Report.

No other fieldwork was conducted at Croydon, Wodgina, Sky Well, Lalla Rookh, Rocklea or Kangan (**Figure 13**). Heritage surveys continue at Kangan, Wodgina and Croydon to allow access to the KAI exploration team for purposes of drilling.

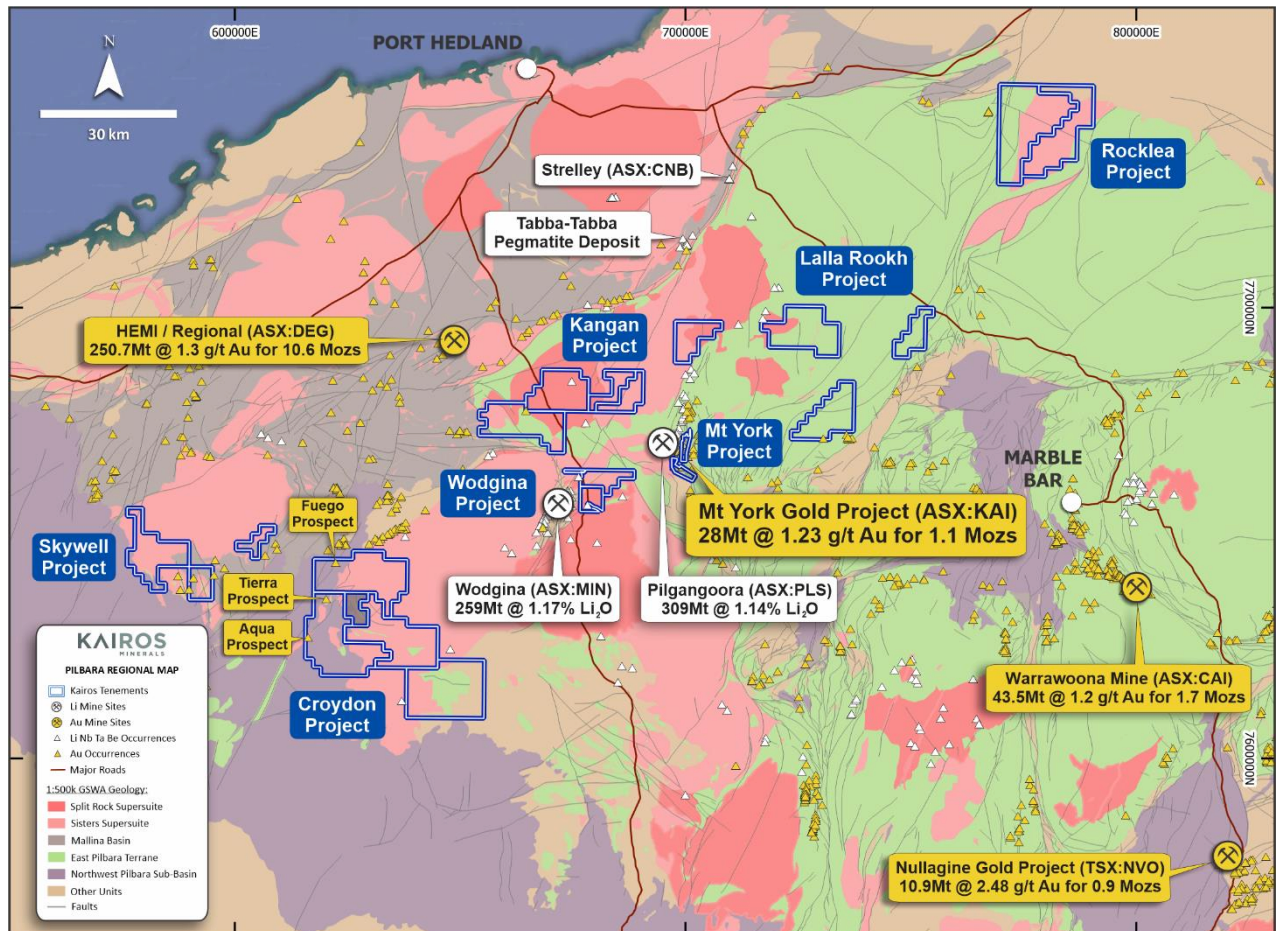


Figure 13. KAI Pilbara Project locations.

Next Steps

- Compilation of RC/DDH sample results for the Mt York Gold Project
- Review of all Mt York Gold Project results in relation to the resource model
- Continuation of the Roe Hills soil collection programme
- Reconnaissance drill planning of Black Cat, Crystal Palace and other lithium targets at Roe Hills
- Review metallurgical samples for Mt York
- Continue camp build at Mt York
- Stakeholder engagement for Mt York, early negotiations with Traditional Owners
- Contract negotiations with consultants for process engineering & geo-metallurgical testwork, environmental and hydrological studies

CORPORATE

At the end of the quarter, the Company held cash and cash equivalents of \$2.621m. Cashflows relating to the quarter included \$2.914m spent on field exploration activities dominated by drilling activities at Mt York.

Subsequent to the end of the quarter, the company received a Research and Development rebate payment of ~\$560k.

For the purposes of section 6 of the Appendix 5B, all payments made to related parties are for directors for fees, salary, superannuation, company secretarial and accounting services provided by director related entities.

About Kairos Minerals

Kairos Minerals (ASX:KAI) owns 100% of the flagship 1.1 Mozs **Mt York Gold Project** that was partially mined by Lynas Gold NL between 1994 and 1998. Kairos has recognized that the resource has significant potential to grow further from its current 1.1 Moz base. Pre-feasibility work will progress rapidly underpinned by the resource expansion work that will collect important information for metallurgical testwork, mining and process engineering to determine viability and optimal pathway to develop a sustainable, long-lived mining project. Current resources at a 0.7 g/t Au cutoff grade are shown in the table below.

Deposit	Indicated			Inferred			Total		
	Tonnes (MT)	Au (g/t)	Ounces (kozs)	Tonnes (MT)	Au (g/t)	Ounces (kozs)	Tonnes (MT)	Au (g/t)	Ounces (kozs)
Main Trend	11.02	1.26	446	12.26	1.15	452	23.27	1.20	899
Iron Stirrup	1.18	1.81	69	0.63	1.66	34	1.81	1.76	102
Old Faithful	1.73	1.19	66	1.19	0.96	38	2.93	1.1	103
Total	13.93	1.30	581	14.08	1.15	523	28.01	1.23	1,104

Kairos has recently discovered spodumene-bearing pegmatites adjacent to the Mt York Gold Project and is evaluating their potential to become part of a value-adding lithium project into the future.

Kairos's 100%-owned Roe Hills Project, located 120km east of Kalgoorlie in WA's Eastern Goldfields, comprises an extensive tenement portfolio where the Company's exploration work has confirmed the potential for significant discoveries of high-grade gold, nickel and cobalt mineralization. Kairos has also discovered a 2,600m long Li-Cs-Rb soil anomaly in an exciting and emerging lithium province that will be drill-tested.

This announcement has been authorised for release by the Board.

Peter Turner
Managing Director

Zane Lewis
Non Executive Director

For Investor Information please contact:

Paul Armstrong – Read Corporate
 0421 619 084

Competent Person Statement:

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled and reviewed by Dr Peter Turner, who is the Managing Director of Kairos Minerals Ltd and who is also a Member of the Australian Institute of Geoscientists (AIG). Dr Turner has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' (the JORC Code 2012). Dr Turner has consented to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Mineral Resources were first reported on 30 August 2022 (Announcement). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcement and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially change.

Tenement Schedule

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Roe Hills	WA	100%			100%
E28/1935					
E28/2117					
E28/2118					
E28/2548					
E28/2585					
P28/1292					
P28/1293					
P28/1294					
P28/1295					
P28/1296					
P28/1297					
P28/1298					
P28/1299					
P28/1300					
E28/2594					
E28/2595					
E28/2696					
E28/2697					
E28/2693	WA	100%		100%	0%
Croydon Project					
E47/3522	WA	100%			100%
E47/3523					
E47/4384					
E47/3385					
Sky Well Project					
E47/3519	WA	100%			100%
E47/3520					
E47/3521					

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Mt York Project					
P45/2987	WA	100%			100%
P45/2988					
P45/2989					
P45/2990					
P45/2991					
P45/2992					
P45/2993					
P45/2994					
P45/2995					
P45/2996					
P45/2997					
P45/2998					
L45/422					
L45/455					
L45/660					
L45/661					
M45/1306	WA	0%	100%		100%
M45/1307					
Wodgina Project					
E45/4715	WA	100%			100%
E45/4780					
Kangan Project					
E45/4740	WA	100%			100%
E45/6160					
E45/6161					
E45/6162					
E45/6351					
E45/6352					
E45/6353					

Project Tenements	Location	Held at the start of the quarter	Acquired during the quarter	Disposed during the quarter	Held at the end of the quarter
Woodcutters Project					
E28/2646	WA	100%			100%
E28/2647					
Lalla Rookh Project					
E45/4741	WA	100%			100%
E45/6145					
E45/6146					
E45/6147					
E45/6309					
E45/6310					
E45/6311					
Rocklea Project					
E45/6148	WA	100%			100%
E45/6149					
E45/6322					
E45/6323					

Appendix 5B

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

Name of entity

Kairos Minerals Limited (ASX: KAI)

ABN

84 006 189 331

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$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	-	-
	(e) administration and corporate costs	(281)	(685)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	388
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(271)	(277)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(33)	(149)
	(d) exploration & evaluation	(2,914)	(3,948)
	(e) investments	-	-
	(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(2,947)	(4,097)

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 (Payment of lease liabilities)	-	-
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	5,839	6,995
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(271)	(277)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,947)	(4,097)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,621	2,621

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	2,611	5,829
5.2	Call deposits	10	10
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)	2,621	5,839

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	139
6.2	Aggregate amount of payments to related parties and their associates included in item 2	35
<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>		

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

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<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>		
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)	(271)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,914)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,185)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,621
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,621
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.8
	<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: No. The Company completed a large drilling program at Mt York in the December quarter. The Company expects a significant reduction in all outgoings over the ensuing quarters while assay results from the drilling at Mt York and deep soil sampling Roe Hills are assessed and analysed.	
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: The company is reviewing exploration programmes over its project base and budgets for 2023 and timing for future capital raisings. Furthermore, subsequent to the end of the quarter the Company received an R&D grant of \$0.56 million.	

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, for the reasons as described in 8.8.2.

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: 31 January 2023.....

Authorised by: Authorised for release by the Board of Directors
(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.