

METALLICA MINERALS LIMITED | ASX:MLM

QUARTERLY REPORT

MARCH 2022



CAPE
FLATTERY
SILICA

ASX RELEASE

31 March 2022 Quarterly Report

20 April 2022

Metallica Minerals is an Australian development company focussed on delivering high purity silica sand to a diversified global customer-base.

ASX: MLM

Metallica Minerals Limited (ASX: MLM) (“Metallica”, “the Company”) is pleased to present its activities report for the quarterly period ending 31 March 2022.

Directors

| | |
|---------------|-------------------------------|
| Theo Psaros | Executive Chairman |
| Brad Sampson | Non-Executive Director |
| Mark Bojanjac | Non-Executive Director |

Senior Management

| | |
|----------------|---|
| Scott Waddell | CFO & Company Secretary |
| Nicholas Villa | General Manager, Cape Flattery Silica Sand Project |

CORPORATE AS AT 31 MARCH 2022

Issued Capital

665,926,366 Ordinary Shares
172,287,835 Listed Options
8,160,000 Unlisted Options

Shareholders

1,428 shareholders
Top 20 shareholders hold 56.5%

Largest Shareholders

Ilwella Pty Ltd – 22.6%
Spartag AG – 9.7%
Dostal Nominees Pty Ltd – 6.1%

Cash Balance

As at 31/03/2022, MLM’s cash balance was approximately \$6.9m

Website

metallicaminerals.com.au



A short video presentation on our Cape Flattery Project is available on our website.

KEY EVENTS

Pre-Feasibility Study completed for Cape Flattery Silica Project showing an NPV⁸ of \$290 million before tax (see table 1)

Maiden Reserve of 46Mt high purity silica sand resource (see table 2)

Project of Regional Significance status granted for the Cape Flattery Silica Project

\$3,035,000 capital raising successfully completed during the past quarter

\$6.9 million in cash is available at quarter end, with no debt.



DEVELOPMENT & EXPLORATION

CAPE FLATTERY SILICA SANDS

MLM
Interest
100%

The Cape Flattery Silica Project is adjacent to the world class Cape Flattery Silica Sand mining and shipping operation owned by Mitsubishi. The Project is within the designated Cape Flattery Port area.

During the March 2022 quarter, the Cape Flattery Silica Project was granted a Project of Regional Significance status by the Department of Regional Development, Manufacturing and Water (DRDMW). This means that the Project is eligible to apply for, but is not guaranteed, a water entitlement from the 25,000 megalitres of unallocated water held in the strategic reserve for the Water Plan (*Cape York*) 2019.

PRE-FEASIBILITY STUDY

The Pre-Feasibility Study (PFS) for the Cape Flattery Silica Project was announced to the ASX on 21 March 2022.

The highlights of the PFS are listed below;

- » Cape Flattery Silica Sand Project's (CFS) Pre-Feasibility Study (PFS) confirms the Project can be a long-life silica sand project producing high-quality silica sand for the booming Asia-Pacific glass manufacturing markets supplying the solar panel industry.
- » The PFS returns Net Present Value (NPV⁸, pre-tax) of A\$290 million (M), Internal Rate of Return (IRR) of 34.9% and life of Project cash revenue of A\$2,127M. This compares with the Updated Scoping Study (10 November 2021) which had an NPV⁸ of A\$253M.

- » The Capital Cost of the CFS Project is estimated to be \$79M (including a 15% contingency of \$10M) with a payback period from commencement of production of 3.9 years. All production is based on the Maiden Ore Reserve (refer table 2 - Ore reserves).
- » The Maiden Ore Reserve of 46 million tonnes (Mt) @ 99.18% SiO₂ (within a Mineral Resource of 53.5Mt @ 99.19% SiO₂, refer to table 3 - Mineral Resource) is exploited over a 25 year Project life producing saleable product of 1.35Mt per annum.
- » Sensitivity and scenario analysis demonstrate the Project is financially robust and can maintain a positive Net Present Value (NPV) through stress-testing of the various scenarios.
- » Both the sand extraction area and the industry standard processing facility will have a small footprint and low environmental impact.
- » A purpose-built jetty is planned to be constructed (subject to Development Approval (DA)) to allow barge loading and transhipping operations. This infrastructure, importantly, is located within the Port Limit of Cape Flattery.
- » Development of CFS will deliver employment, apprenticeship and training opportunities to the Hope Vale and Cooktown communities, particularly the local indigenous communities.
- » CFS will contribute to delivery of the Queensland Government's commitment to the development of new economy minerals in Far North Queensland.

Table 1: Summary of key outcomes – Pre-feasibility study (A\$ — Australian dollars)

| Key Financial Metrics | Unit | Total |
|---------------------------------------|---------------|--------------|
| NPV - pre-tax (8%) | A\$M | 290.1 |
| IRR - pre-tax | % | 34.9 |
| NPV - post tax | A\$M | 189.3 |
| IRR - post tax | % | 27.1 |
| Payback (start of production) | Years | 3.9 |
| Initial Capital Expenditure (CapEx) | A\$M | 79.4 |
| Life of Mine (LOM) CapEx | A\$M | 113.9 |
| Average annual revenue | A\$M | 85.1 |
| LOM revenue | A\$M | 2,127 |
| Average annual OpEx | A\$M | 46.4 |
| LOM OpEx | A\$M | 1,159 |
| Average annual EBITDA | A\$M | 38.1 |
| LOM EBITDA | A\$M | 952 |
| C1 OpEx (FOB) | A\$/t product | 33.77 |
| Average silica sand price (US\$47.50) | A\$/t (FOB) | 63.63 |

| Key Sand Extraction & Processing Metrics | Unit | Total |
|---|--------------|--------------|
| Mineral Resources (see Table 3) | Tonnes M | 53.5 |
| Ore Reserve (see Table 2) | Tonnes M | 46 |
| LOM | Years | 25 |
| Sand mined & processed | LOM Tonnes M | 45 |
| Silica sand production | LOM Tonnes M | 33.4 |
| Plant operating capacity | Mtpa | 1.8 |
| Plant yield | % | 75 |
| Silica product sold | Mtpa | 1.35 |

Notes

- » The PFS Financial Model assumes 100% equity funding with no gearing. Financing the Project will be further explored in the DFS process.
- » All figures are presented in Australian dollars, unadjusted for inflation.
- » Assumed exchange rates USD/AUD of approximately \$0.75.
- » The plant is designed to process 1.8Mtpa.
- » The CapEx estimate includes a contingency of \$9.6M (15%).
- » Production is assumed to commence approximately 13 months after the first drawdown of capital.
- » The Probable Ore Reserve and Measured and Indicated Mineral Resource underpinning the above production assumption targets has been prepared by a Competent Person in accordance with the requirements of the JORC Code 2012 (refer Table 2 - Ore Reserves; and Table 3 - Mineral Resources).

The results from the PFS demonstrate a strong financial case and the Company's Board has approved commencement of a Definitive Feasibility Study (DFS) in Q2 2022 (See ASX release 21 March 2022: "Cape Flattery Silica PFS Confirms Excellent Economics and Maiden Ore Reserve").

MAIDEN ORE RESERVE

The Maiden Ore Reserve was completed in March 2022 by Ausrocks Pty Ltd. The Ore Reserve of 46Mt at 99.18% SiO₂ represents 86% of the Mineral Resource of 53.5Mt at 99.19% SiO₂ (see Tables 2 & 3).

The Mineral Resource of 53.5Mt has resulted from drilling campaigns in December 2020 and August 2021. Drilling completed in December 2021 (see ASX release 23 February 2022) has not been assessed for inclusion in the Resource and Reserve.

Table 2: Maiden Ore Reserve

| Ore Reserve Category | Tonnage Mt | SiO ₂ % | Fe ₂ O ₃ % | TiO ₂ % | Al ₂ O ₃ % | LOI % | Waste Mt | Silica Sand Mm ³ |
|----------------------|------------|--------------------|----------------------------------|--------------------|----------------------------------|-------|----------|-----------------------------|
| Probable Reserve | 46 | 99.18 | 0.12 | 0.14 | 0.11 | 0.19 | 2.6 | 28.76 |

Table 3: Mineral Resource for the Cape Flattery Silica Project

| Resource Category | Silica Sand Mt | SiO ₂ % | Fe ₂ O ₃ % | TiO ₂ % | LOI % | Al ₂ O ₃ % | Density t/m ³ | Silica Sand Mm ³ |
|-------------------|----------------|--------------------|----------------------------------|--------------------|-------------|----------------------------------|--------------------------|-----------------------------|
| Measured | 9.55 | 99.29 | 0.10 | 0.13 | 0.18 | 0.08 | 1.6 | 5.97 |
| Indicated | 38.25 | 99.15 | 0.13 | 0.14 | 0.19 | 0.12 | 1.6 | 23.91 |
| Inferred | 5.66 | 99.26 | 0.11 | 0.11 | 0.18 | 0.16 | 1.6 | 3.54 |
| Total | 53.46 | 99.19 | 0.12 | 0.14 | 0.19 | 0.12 | 1.6 | 33.41 |

The Mineral Resource Estimate has been reported in accordance with the JORC Code 2012. A cut-off grade 98.5% has been defined based on the surrounding data. These results show there is good potential to produce a premium grade silica product using standard processing techniques (See ASX release 21 March 2022: "Cape Flattery Silica PFS Confirms Excellent Economics and Maiden Ore Reserve").

TRADITIONAL LANDOWNER UPDATE

The formal process of negotiation with the Traditional Landowners from the Dingaal and Nguurruumungu clans for future mining operations is underway. During the quarter, three meetings were held with the nominated representatives from the Dingaal and Nguurruumungu clans attending. The negotiation process is progressing well and we continue to have positive interactions with our Native Title groups.

NEXT PHASE OF METALLURGICAL TESTING

Metallurgical test work is still underway on additional targeted bulk samples sourced from the exploration drilling program which was completed in August 2021. This test work will primarily focus on white sand with lower Fe₂O₃ levels. Previous metallurgy testing was undertaken on blended samples sand that had an SiO₂ level of greater than 98.5%. The testing of white sand samples will allow further engagement with potential offtake partners.

This work has been delayed primarily due to workloads with test facilities prior to the Christmas/New Year break and key staff being impacted directly and indirectly from the impact of COVID-19 cases.

Samples have also been requested and sent to prospective offtake partners for their evaluation of the silica sand extracted from recent drilling programs.

Sand is the world's most consumed raw material after water and an essential ingredient to our everyday lives. Yet, the world is facing a shortage — and climate scientists say it constitutes one of the greatest sustainability challenges of the 21st century.

For construction alone the world consumes roughly 40 - 50 billion tons of sand on an annual basis. That's enough to build a wall of 27 meters high by 27m wide that wraps around the planet every year.

The global rate of sand use which tripled over the past two decades partially as a result of surging urbanisation - far exceeds the natural rate at which sand is being replenished by the weathering of rocks by wind and water.

Sand is the worlds most consumed raw material after water and an essential ingredient to our everyday lives.

Source: A sand shortage? The world is running out of a crucial — but under-appreciated — commodity <https://www.cnbc.com/2021/03/05/sand-shortage-the-world-is-running-out-of-a-crucial-commodity.html>

According to industry research firm IMARC Group, high-purity silica sands are becoming more sought after, with the global market growing at a compound annual growth rate (CAGR) of around 6% between 2010 and 2017. In 2017, a total of 188 Mt of silica sand was produced globally.

This growth has been driven by silica sand's applications across a broad range of industries including glass-making, foundry casting, water filtration, chemicals and metals, hydraulic fracturing and an increasing number of hi-tech products, including solar panels. For example, in the global glass-making industry, one of the major consumers of high-purity silica has experienced significant growth recently from the construction and automotive industries. IMARC also estimated the global silica sand market could grow from US\$8 billion to US\$20 billion in 2024.

Uses of Silica Sands

Silica Sands is quartz that over time, through the work of water and wind, has been broken down into tiny particles. The purity of Silica Sands varies from location to location due to environmental factors and as a result high purity sand is much sort after by end users.

The use of Silica Sands varies greatly but is used in production of Glass products; Architectural, Smartphones, Tablets, Automotive, Fiberglass, Solar Panels. Building products; Quarts surfaces, Roofing Shingles. Foundry Sand; Automotive and Manufacturing, Into Foundry Sand markets Fillers and Extenders, Chemicals and Construction Sands.

Source: www.imarcgroup.com/silica-sand-manufacturing-plant

Research shows just one kilogram of polysilicon - a refined material made from silica - saves more than 7,000kg of CO₂ emissions during the lifetime of a solar panel and increasing the development of solar panels could reduce CO₂ emissions by 21% by 2050.

CLERMONT COPPER-GOLD

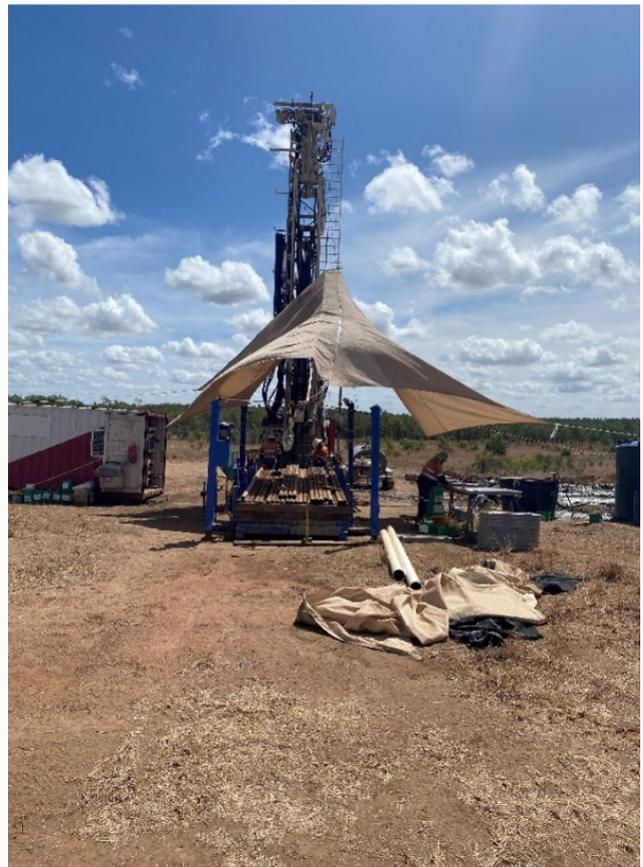
On 3 August 2021 the Company announced it had signed a Memorandum of Understanding (MoU) with Diatreme Resources for a potential Joint Venture on the Clermont Copper Gold Project which comprises of EPM 17968.

The Key terms of the JV MoU are:

- » MLM will invest a minimum of \$300,000 by no later than 29 April 2022 and will then earn a 25% interest in the project.
- » Should MLM commit to continue to invest in the JV, after investing a further \$700,000, MLM will hold a 51% interest in the project.
- » MLM will then have the right to invest a further \$1m in the JV and will then hold 75% of the project.
- » The JV partners will then be entitled to contribute further funding to the project in proportion to the 75% (MLM) and 25% (DRX) holdings.

Drilling at the Clermont Copper Gold target commenced in early March 2022. The first hole (RDD019) was drilled to a depth of 530m.

Drilling on the second hole has commenced, and is expected to be finished by the end of April. Half of the core drill samples for RDD019 are at ALS in Brisbane undergoing sample prep and the first batch of assay results is expected back in mid Q2 2022.



CORPORATE

On 16 February 2022 a Placement of \$3,035,000 to new and existing shareholders at a share price of 3.1 cents was completed. The placement introduced a new institutional investor, SPARTA AG as part of the Deutsche Balaton Group who purchased shares to the value of \$2M.

Cornerstone shareholders, Ilwella Pty Ltd and Dostal Group also subscribed for shares in the Placement. The three entities will also receive 1 option for every 2 new shares at A\$0.06 strike price ranking *pari passu* with the existing options issued in April 2021.

An Extraordinary General Meeting was held on 8 April 2022 where all resolutions were passed on a poll.

COVID-19

The Company continues to follow recommendations from Queensland Health and the Australian Government to provide a COVID-19 safe workplace. During the Quarter the Company has made a number of changes to planned business trips due to COVID-19 outbreaks in the remote indigenous populations of Cooktown and Hope Vale.

Metallica remains committed to following the guidelines released by the Queensland Government.

FINANCIAL & CASHFLOW UPDATE

The half year audited accounts for the Company were lodged on 10 February 2022.

Attached to this report is the Appendix 5B containing Company's cash flow statement for the quarter. The significant cash outflows during the quarter include \$751k spent in relation to expenses for exploration and evaluation. These costs included items for drilling the Cape Flattery Silica project, PFS expenditure, environmental approvals, metallurgical test work and TLO negotiations. There was no expenditure on development for the quarter.

Cash inflows for the quarter were \$3.03M which primarily related to the capital raising plus some minor interest payments.

Metallica ended the March 2022 quarter with \$6.9M in cash and without any debt.

Pursuant to ASX LR4.7C.1 and as outlined in the Appendix 5B, the aggregate amount paid to related parties and their associates of \$88k represents Director fees and the Executive Chairman salary. These payments relate to the existing remuneration agreements for the Executive and Non-Executive Directors.

No performance shares or options were issued to Directors during the quarter.

STAYING CONNECTED

Executive Chairman, Theo Psaros presented at the Brisbane Mining, Energy and Minerals Conference on 23 March 2022, the video of this presentation can be viewed on our website. The Company remains committed to providing regular video updates when significant announcements have been made.

We encourage Shareholders and other interested parties to sign up to our email database to receive updates direct from the Company. This can be done via the Contact Us page on our website. We also encourage shareholders who have a LinkedIn profile to also follow the Metallica Minerals page as updates and media.

JUNE 2022 QUARTER OUTLOOK

Metallica's focus for the June 2022 quarter is to:

- » Commence the Definitive Feasibility for the Cape Flattery Silica Sand project
- » Continue to progress studies on options to build a barge-loading facility to tranship silica sand onto Ocean-Going Vessels
- » Continue environmental studies which are currently underway and submit an Environmental Authority application
- » Progress negotiations and work toward finalising agreements with the Traditional Landowners for future mining operations
- » Continue an assessment on the silica sand market and potential for establishing customer off-take agreements
- » Continue further metallurgical test work on additional bulk samples to be sourced from the July/August and December 2021 drilling program
- » Complete Due Diligence for the Clermont Copper-Gold Project and then decide if a further investment into the Clermont project is warranted, noting that any investment will not impact the progression of MLM's Cape Flattery Silica Sand project towards production.

INTEREST IN MINING TENEMENTS AT THE END OF THE QUARTER

This section provides information required under ASX listing rule 5.3.3 for mineral exploration entities.

| State | Tenement Name | Tenement ID | Status | Location | Interest | Holder |
|-------|----------------------|-------------|---------|---------------|----------|------------------------------|
| QLD | Cape Flattery Silica | EPM 25734 | Granted | Cape Flattery | 100% | Cape Flattery Silica Pty Ltd |

This announcement has been authorised by the Board of Metallica Minerals Limited.

NOTICES

CAPE FLATTERY SILICA SANDS EXPLORATION RESULTS

The information in this report that relates to the Exploration Sampling and Exploration Results is based on information compiled by Mr Patrick Smith, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy.

Mr Smith is the owner and sole Director of PSGS Pty Ltd and is contracted to Metallica Minerals as their Exploration Manager. Mr Smith confirms there is no potential for a conflict of interest in acting as the Competent Person. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

Mr Smith consents to the inclusion of this information in the form and context in which it appears in this release/report.

CAPE FLATTERY SILICA SANDS MINERAL RESOURCE

The information in this report that relates to the Cape Flattery Silica Project - Eastern Resource Area is based on information and modelling carried out by Chris Ainslie, Project Engineer, who is a full-time employee of Ausrocks Pty Ltd and a Member of the Australasian Institute of Mining & Metallurgy.

The work was supervised by Mr Carl Morandy, Mining Engineer who is Managing Director of Ausrocks Pty Ltd and a Member of the Australasian Institute of Mining & Metallurgy and also by Mr Brice Mutton who is a Senior Associate Geologist for Ausrocks Pty Ltd. Mr Mutton is a Fellow of the Australasian Institute of Mining & Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Morandy and Mr Ainslie and Mr Mutton are employed by Ausrocks Pty Ltd who have been engaged by Metallica Minerals Ltd to prepare this independent report, there is no conflict of interest between the parties. Mr Morandy, Mr Ainslie and Mutton consent to the disclosure of information in the form and context in which it appears in this report.

The overall resource work for the Cape Flattery Silica Project - Eastern Resource Area is based on the direction and supervision of Mr Mutton who has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”.

The corresponding JORC 2012 Table 1 is attached to the ASX Release “Revised 40% Increase of the Cape Flattery Resource to 53.5Mt” 21 October 2021.

REFERENCE TO PREVIOUS RELEASES

Scoping Study results were released to the ASX on 18 August 2021 “Scoping Study for Cape Flattery Silica Sand Project” and 10 November 2021 “Cape Flattery Silica Sand Project Production Target” and the results in this announcement are to be read in conjunction with these ASX releases.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements. Metallica confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

FORWARD-LOOKING STATEMENTS

Forward-looking statements are based on assumptions regarding Metallica, business strategies, plans and objectives of the Company for future operations and development and the environment in which Metallica may operate.

Forward-looking statements are based on current views, expectations and beliefs as at the date they are expressed and which are subject to various risks and uncertainties. Actual results, performance or achievements of Metallica could be materially different from those expressed in, or implied by, these forward-looking statements. The forward-looking statements contained in this presentation are not guarantees or assurances of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Metallica, which may cause the actual results, performance or achievements of Metallica to differ materially from those expressed or implied by the forward-looking statements. For example, the factors that are likely to affect the results of Metallica include general economic conditions in Australia and globally; ability for Metallica to fund its activities; exchange rates; production levels or rates; demand for Metallica's products, competition in the markets in which Metallica does and will operate; and the inherent regulatory risks in the businesses of Metallica. Given these uncertainties, readers are cautioned to not place undue reliance on such forward-looking statements.

Appendix 5B

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

Name of entity

Metallica Minerals Limited

ABN

45 076 696 092

Quarter ended ("current quarter")

31 March 2022

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | | 9 |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation (if expensed) | -733 | -2031 |
| | (b) development | | -477 |
| | (c) production | | |
| | (d) staff costs | -141 | -433 |
| | (e) administration and corporate costs | -162 | -549 |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | 3 | 9 |
| 1.5 | Interest and other costs of finance paid | | |
| 1.6 | Income taxes paid | | |
| 1.7 | Government grants and tax incentives | | |
| 1.8 | Other (provide details if material) | | |
| 1.9 | Net cash from / (used in) operating activities | -1,033 | -3,471 |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire: | | |
| | (a) entities | | |
| | (b) tenements | | |
| | (c) property, plant and equipment | -77 | -99 |
| | (d) exploration & evaluation (if capitalised) | | |
| | (e) investments | | |
| | (f) other non-current assets | | |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | | |
| | (b) tenements | | |

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 (9 months) \$A'000 |
|---|------------------------------------|--|
| (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 | -77 | -99 |

| | | |
|---|--------------|--------------|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | 3,035 | 3035 |
| 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 | -75 | -75 |
| 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 | 2,960 | 2,960 |

| | | |
|---|--------------|--------------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 5,072 | 7,532 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | -1,033 | -3,471 |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | -77 | -99 |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above) | 2,960 | 2,960 |
| 4.5 Effect of movement in exchange rates on cash held | | |
| 4.6 Cash and cash equivalents at end of period | 6,921 | 6,921 |

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

| 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 | 2,397 | 547 |
| 5.2 Call deposits | 4,525 | 4,525 |
| 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) | 6,921 | 5,072 |

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1 *
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

89

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

7. Financing facilities

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

**Total facility
amount at quarter
end
\$A'000**
**Amount drawn at
quarter end
\$A'000**
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.

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

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-----------|---|----------------|
| 8.1 | Net cash from / (used in) operating activities (Item 1.9) | -1,033 |
| 8.2 | Capitalised exploration & evaluation (Item 2.1(d)) | 0 |
| 8.3 | Total relevant outgoings (Item 8.1 + Item 8.2) | -1,033 |
| 8.4 | Cash and cash equivalents at quarter end (Item 4.6) | 6,921 |
| 8.5 | Unused finance facilities available at quarter end (Item 7.5) | 0 |
| 8.6 | Total available funding (Item 8.4 + Item 8.5) | 6,921 |
| 8.7 | Estimated quarters of funding available (Item 8.6 divided by Item 8.3) | 7 |

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.

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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

Compliance statement

- 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: 20 April 2022

Authorised by: By the Board of Directors

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*

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

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.