

JUNE 2022 QUARTERLY ACTIVITIES REPORT

Highlights – Copalquin Gold-Silver, Mexico

- Exploration activities continued at the Copalquin Mining District, Mexico with diamond drilling and taking advantage of the dry season to progress mapping and soil sampling programmes
- Drilling peripheral to the maiden JORC MRE (529koz AuEq)¹ area at El Refugio was completed 1km west and along trend at El Gallo intercepting high-grade gold and silver veins within 8 - 16 metre wide and shallow mineralised zones. Further drilling down dip and along strike is scheduled to develop this westerly target area
 - 0.54m @ 4.48 g/t gold, 412 g/t silver from 21.37m, (CDH-127), plus 1.00m @ 2.69 g/t gold, 179 g/t silver from 25.50m,
 - 2.00m @ 2.55 g/t gold, 184 g/t silver from 50.0m, (CDH-128), including 1.00m @ 4.72 g/t gold, 326 g/t silver from 51.0m, plus 1.00m @ 1.64 g/t gold, 5.0 g/t silver from 43.0m
- During the quarter drilling commenced at El Refugio, aiming to fill gaps in the maiden MRE area and target the projected location of the main upwelling feeder zone for this high-grade deposit. Drill results from this drilling received and reported in July 2022 after the quarter end
 - 5.67m @ 4.37 g/t gold, 174 g/t silver from 331.33m, (CDH-137), including 1.67m @ 9.64 g/t gold, 399 g/t silver from 331.33m, plus 1.00m @ 1.68 g/t gold, 67.2 g/t silver from 367.0m, plus 1.00m @ 1.27 g/t gold, 46.1 g/t silver from 370.0m
 - 0.50m @ 2.13 g/t gold, 118 g/t silver from 368.5m, (CDH-136), plus 0.60m @ 0.66 g/t gold, 42.8 g/t silver from 375.5m, plus 0.50m @ 0.39 g/t gold, 45.4 g/t silver from 377.9m, plus 0.90m @ 1.04 g/t gold, 11.3 g/t silver from 431.85m
 - 5.83m @ 15.7 g/t gold, 474 g/t silver from 91.77m, (CDH-140), including 1.81m @ 45.5 g/t gold, 1,387 g/t silver from 93.77m
 - 5.49m @ 2.54 g/t gold, 23.8 g/t silver from 292.51m, (CDH-141), including 1.00m @ 7.09 g/t gold, 60.5 g/t silver from 292.51m, and including 1.00m @ 4.04 g/t gold, 20.2 g/t silver from 297.00m,
 - 4.00m @ 1.35 g/t gold, 47.6 g/t silver from 276.00m, plus 2.00m @ 0.82 g/t gold, 27.7 g/t silver from 317.00m, plus 2.00m @ 0.98 g/t gold, 30.5 g/t silver from 325.00m, plus 1.00m @ 0.94 g/t gold, 22.8 g/t silver from 331.00m, plus 1.80m @ 1.67 g/t gold, 54.8 g/t silver from 292.51m
- Mapping and sampling at El Jabali and Las Brujas returned excellent results elevating these two targets in the district rankings for future drilling

DIRECTORS

John Skeet – Managing Director & CEO
Garry Thomas – Non-Executive Director
Stephen Layton – Non-Executive Director
Claire Newstead-Sinclair – Company Secretary

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- First line of drill holes at the La Montura target returned anomalous gold and silver values from this recently identified broad 700m long quartz vein structure east of Los Reyes
- Continued exploration work in the middle section of the district confirms a 5.5km long E – W corridor of gold-silver mineralisation from El Gallo to La Constanca including the Refugio-La Soledad MRE area.

Highlights – Corporate

- A\$3.5M was raised (before costs) through a share placement in April 2022.
- At end of the June quarter, the Company has total cash of A\$2.3M and remains funded to continue exploration activities in the district and prepare for the next campaign of drilling at the El Refugio-La Soledad resource area upon receipt of assays and assessment of the recently completed drill campaign (July 2022).
- Mexican value added tax (VAT) refunds continued throughout the quarter with a total of ~A\$75k received. Eleven months of 2021 VAT have now been refunded and one month from 2022. Refunds of ~A\$800k are pending from the Mexican tax office with good expectation for receipt of these refunds.
- The Company continues with its community relations in the Copalquin district via support of three district schools and environmental activities/education.
- Amendments have been agreed with the Copalquin mining concession vendor to extend the purchase option period by 3 years until August 2026. Having invested over US\$8m in direct exploration costs on the concessions, Mithril via its Mexican subsidiary now holds 50% interest in the mining concessions and can purchase 100% by paying USD10m in cash, shares or a combination of both to the vendor at any time up to August 2026. (see announcement for details 25 Nov 2019 [Transformative high-grade gold silver project acquisition](#))

Mithril Resources Ltd (ASX: MTH) (**Mithril** or the **Company**) is pleased to provide a quarterly update for the period ending 30 June 2022, for activities at its 100% optioned Copalquin Gold Silver Project in Mexico where a maiden 529koz gold equivalent¹ high-grade gold-silver JORC resource has been defined at El Refugio-La Soledad (see ASX Announcement 17 November 2021).

Mithril Managing Director and CEO, John Skeet, commented:

“Exploration work in this high-grade gold-silver district continues to deliver results that highlight the significance of the El Refugio hydrothermal system first identified in 2020. Drilling at El Refugio and peripheral to the maiden resource area identifies this as a major upwelling feeder zone in the district with drill core observations providing indications of significant additional depth potential. Next quarter, relogging of drill core together and data from the recently completed drill campaign will drive the next stage of drilling at El Refugio and La Soledad. Study work is continuing to optimise a future development in the Copalquin District.”

¹ see Table in ‘About Copalquin Gold Silver Project’ for JORC MRE details

COPALQUIN DISTRICT, MEXICO

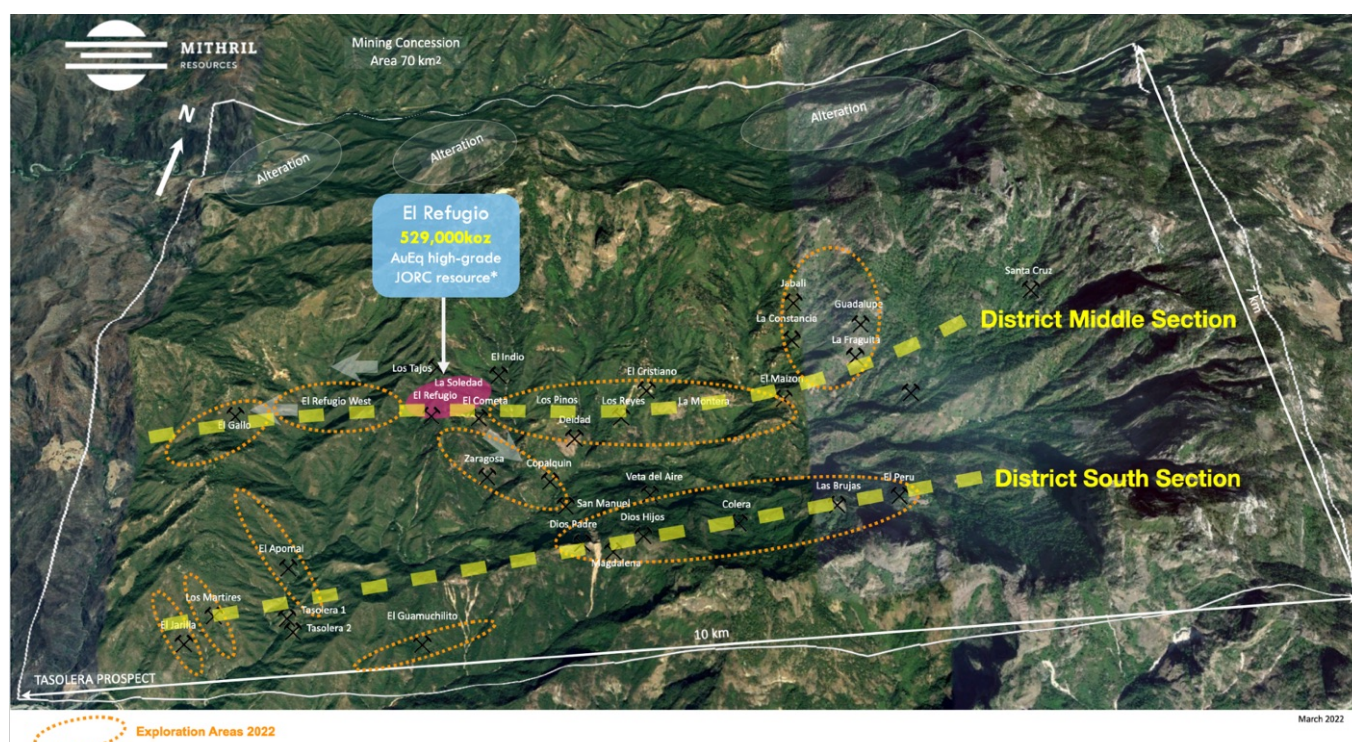


Figure 1 – Copalquin 70km2 concession area showing exploration target areas and District long section locations shown in Figure 2 and Figure 12

During the June quarter, Mithril continued to advance its exploration work in the Copalquin District, successfully expanding its drill targets and the district's resource potential. *(ASX Announcement 5 May 2022)*

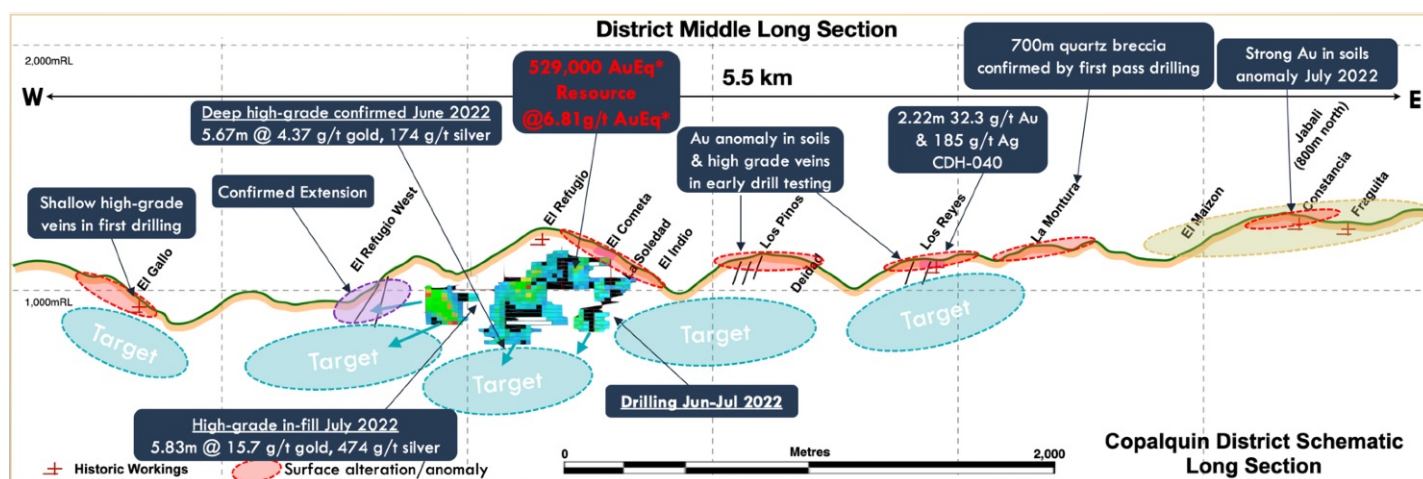


Figure 2- Schematic long section of the Copalquin District middle mineralised trend which includes the maiden JORC resource at El Refugio/La Soledad.

Drilling at El Gallo

The first diamond core drilling at the El Gallo target 1 km west of the El Refugio resource has produced multiple shallow intercepts with high-grade gold and silver mineralisation. (Refer to Figure 3 below.) Of particular note is the silver sulphide ginguro banding coincident with high-grade silver assay values. The drilling follows soil sampling and mapping, that identified El Gallo as a high-priority drill target. These excellent first round drill results support further drilling along strike and deeper as we develop this target.

- **0.54m @ 4.48 g/t gold, 412 g/t silver** from 21.37m, (**CDH-127**), plus
1.00m @ 2.69 g/t gold, 179 g/t silver from 25.50m,
- **2.00m @ 2.55 g/t gold, 184 g/t silver** from 50.0m, (**CDH-128**), including
1.00m @ 4.72 g/t gold, 326 g/t silver from 51.0m, plus
1.00m @ 1.64 g/t gold, 5.0 g/t silver from 43.0m

This area of the district and to the east and north, feature high-grade gold and silver at El Refugio, La Soledad, Los Pinos, Los Reyes and now at El Gallo. As can be seen in Figure 2 above, there is widespread gold and silver now proven over a large part of the district.

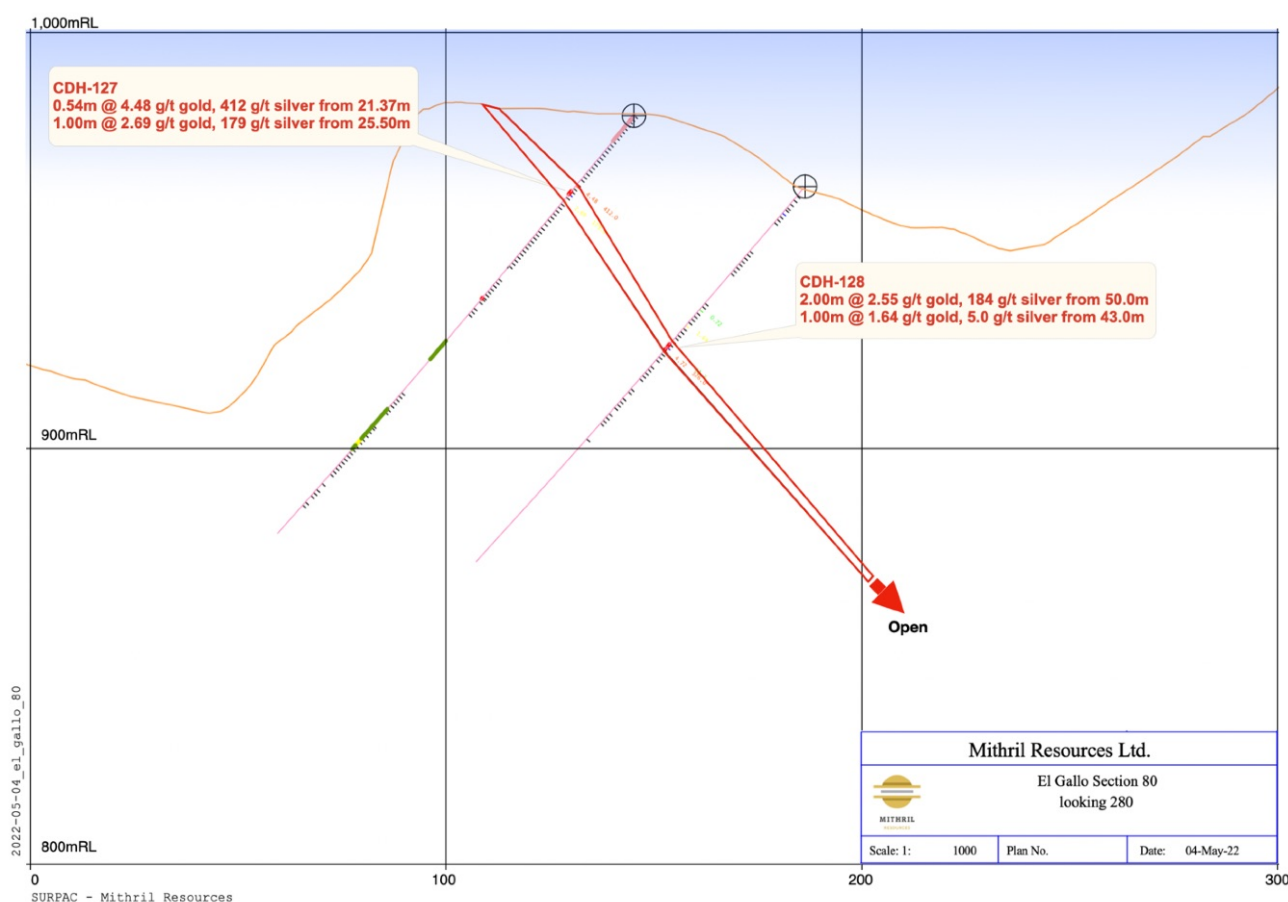


Figure 3 - Cross Section El Gallo for first drilling - shallow high grade intercepts directing us to drill deeper on the structure

Post end of the June quarter, the Company provided additional exploration results completed during the quarter. ([ASX Announcement 5 July 2022](#)) and ([ASX Announcement 27 July 2022](#))

El Refugio Drilling May-June 2022

Drilling recommenced at El Refugio in May 2022 with a program of six deep holes, three drilled from a location slightly oblique to the main structure, in order to reduce the length of the drill holes to reach the targeted depth. Assays have been received for all drill holes. The program successfully achieved the objective of locating the main structure and confirming high-grade gold and silver on the western side of the El Refugio resource area while providing additional

information for the location of the upwelling feeder zone. The previously reported intercept in hole CDH-137 of **5.67m @ 4.37 g/t gold, 174g/t silver** from 331.33m, (CDH-137), including **1.67m @ 9.64 g/t gold, 399 g/t silver** from 331.33 plus **1.00m @ 1.68 g/t gold, 67.2 g/t silver** from 367.0m and **1.00m @ 1.27 g/t gold, 46.1 g/t silver** from 370.0m filled a gap down dip on section 560 and drill hole CDH-136 confirms the downdip extension with some further high-grade gold and silver mineralisation and multiple intercepts.

The first drill holes on section 800 are reported with exceptional high-grade gold and silver intercepts in this western side of the El Refugio resource area with **5.83m @ 15.7 g/t gold, 474 g/t silver** from 91.77m, (CDH-140), including **1.81m @ 45.5 g/t gold, 1,387 g/t silver** from 93.77m down dip of hole CDH-139 (Figure 6). This supports the high-grade previously intercepted 40m west by drill hole CDH-094 with **18.87m @ 9.67g/t gold, 279g/t silver**.

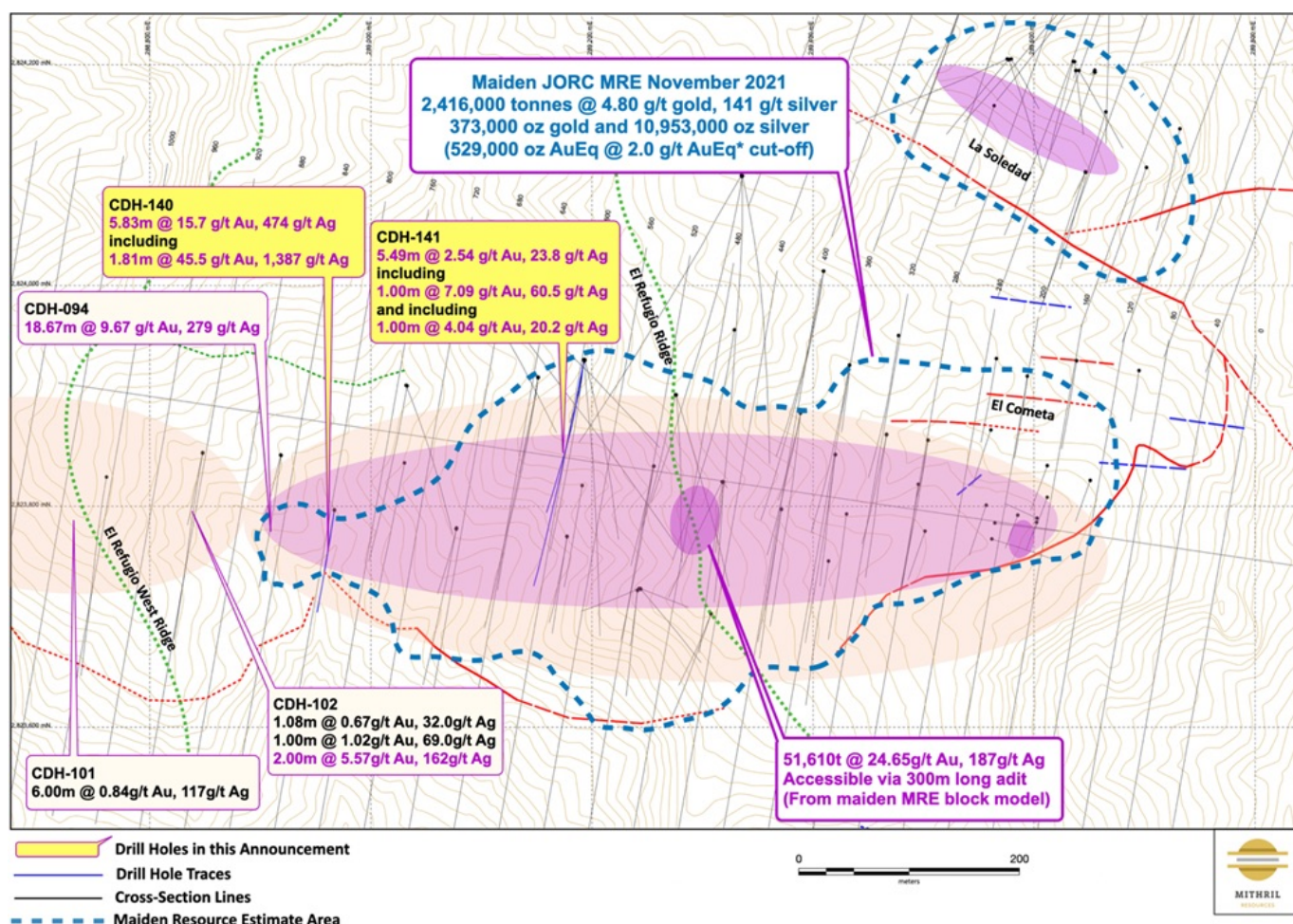


Figure 4 – Plan view at El Refugio – La Soledad showing the maiden JORC MRE area, drill traces and section lines with the locations of the drill intercepts for drill holes CDH-140 and CDH-141 reported in [ASX Announcement 27 July 2022](#)

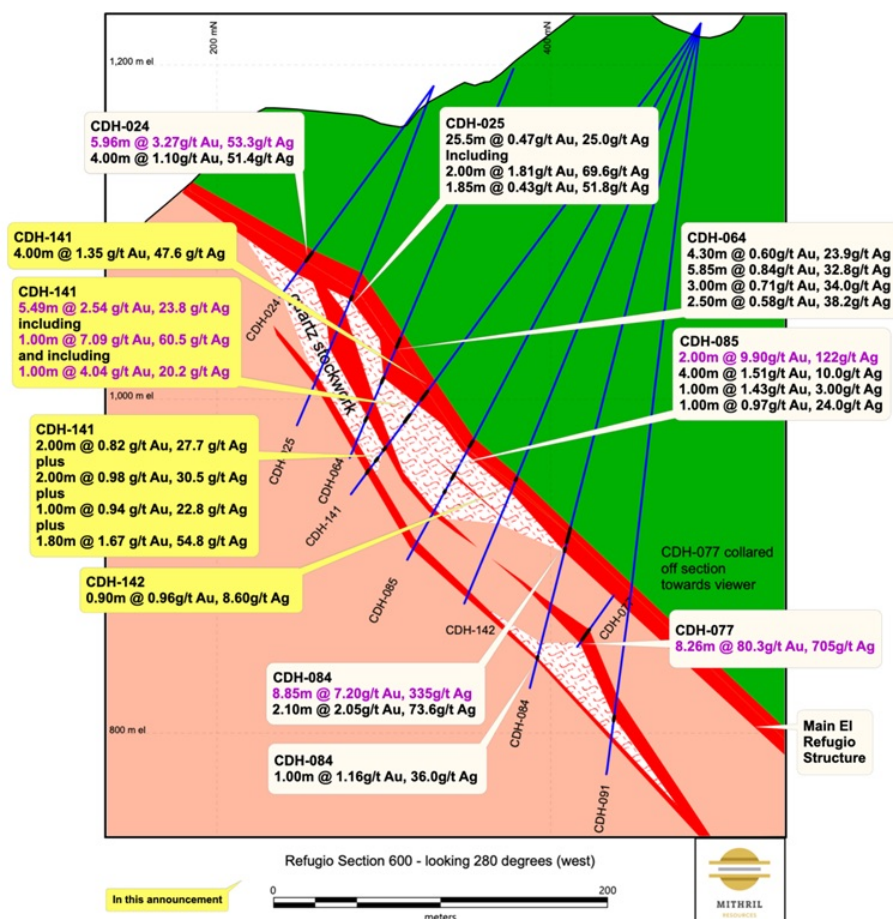


Figure 5 – Cross section 600 showing the well developed El Refugio structure which hosts multiple gold-silver bearing veins including very high-grade grades

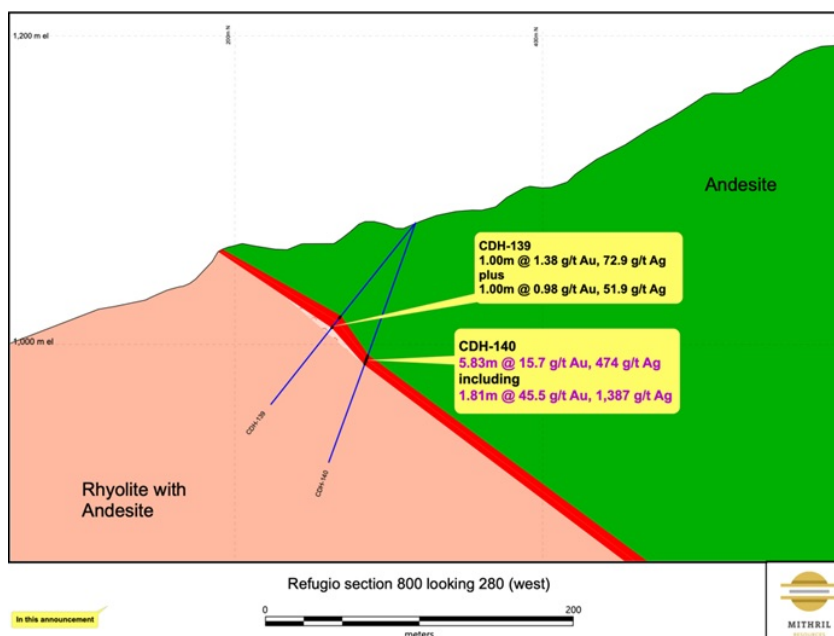


Figure 6 - Cross section 800 where the first drill holes have been completed at the western side of the El Refugio resource area with very high-grade gold and silver developing down dip and one section east of the high-grade CDH-094 intercept.

El Refugio Drilling June-July 2022

A drill programme has recently been completed on the eastern side of El Refugio targeting deep and near to where the main El Refugio upwelling zone is projected.

Core from the most recent holes have the first observed occurrences of platy quartz after calcite, a texture indicative of boiling and gold deposition. Late amethyst is also observed filling what was open space at the time of mineralization. This texture is indicative of boiling. Visible silver minerals are commonly observed in the mineralized veins. All drill core samples have been dispatched for assay.

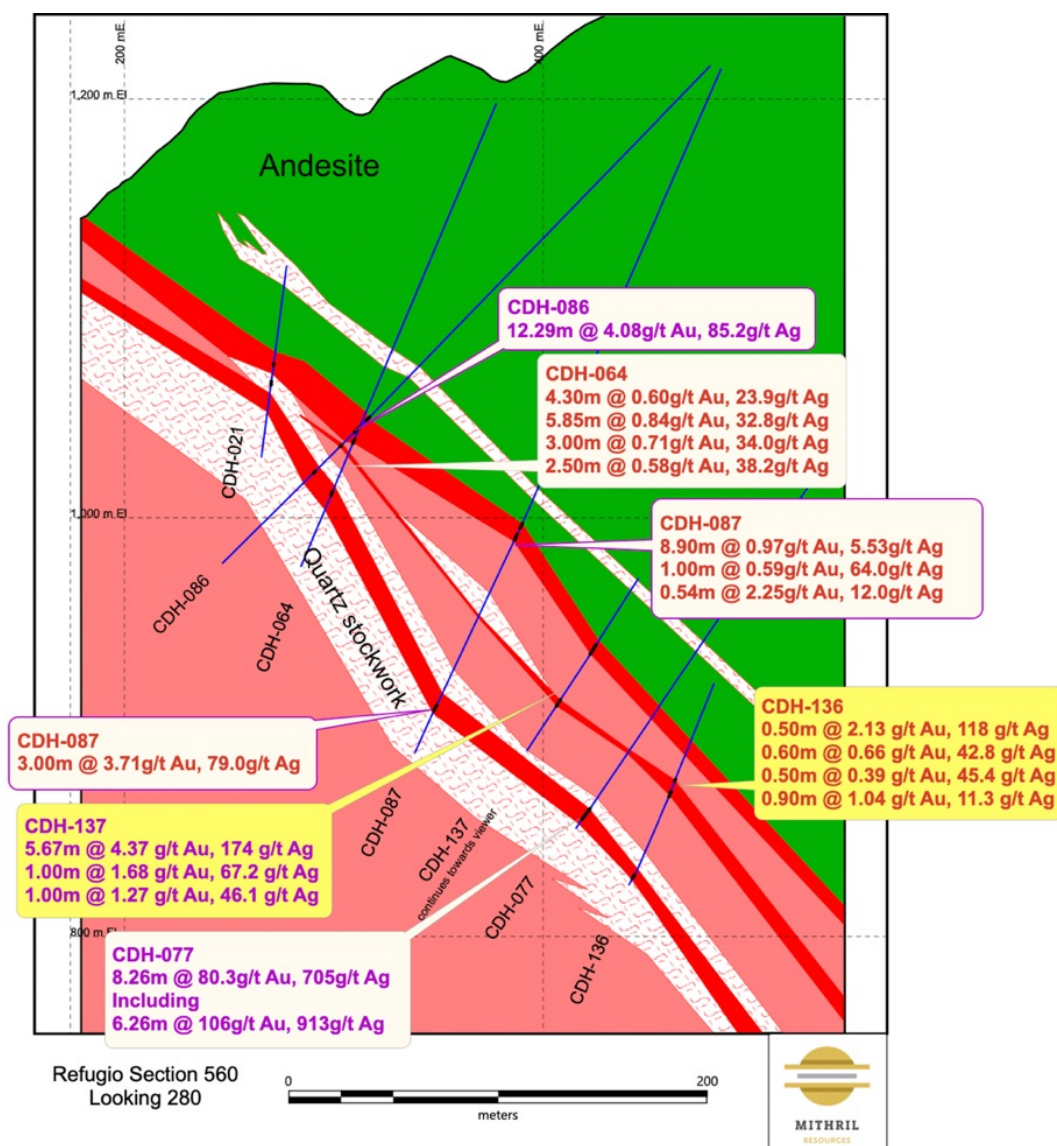


Figure 7 – Cross section on the western side of the El Refugio upwelling zone where deeper gold and silver mineralisation and geological observations confirm the considerable depth potential of the El Refugio hydrothermal system.

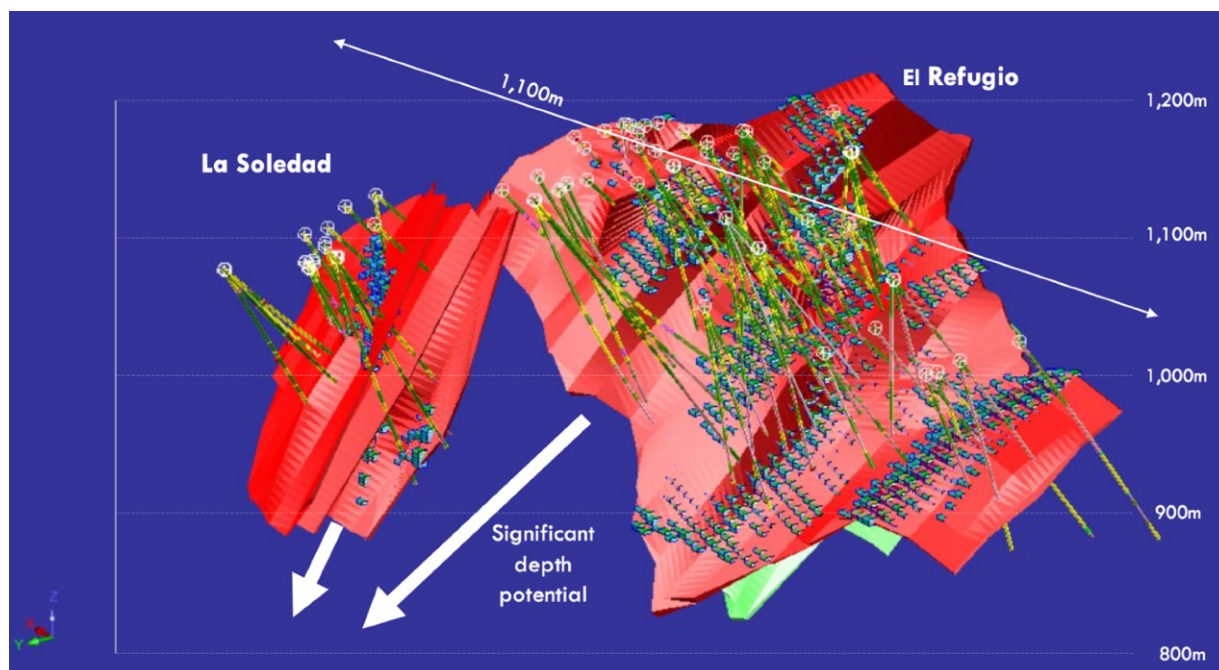


Figure 8 - Oblique long section showing the La Soledad and El Refugio vein models with drill hole traces and resource block model Scale and elevations are approximate

Figure 8 above shows an oblique view of the La Soledad-El Refugio vein and block models with traces of drill holes to date. Recent drill logs and results show significant depth potential of this major system and also indicate the general location of the El Refugio upwelling feeder zone and this is consistent with the epithermal gold-silver model shown in the Figure 9 below.

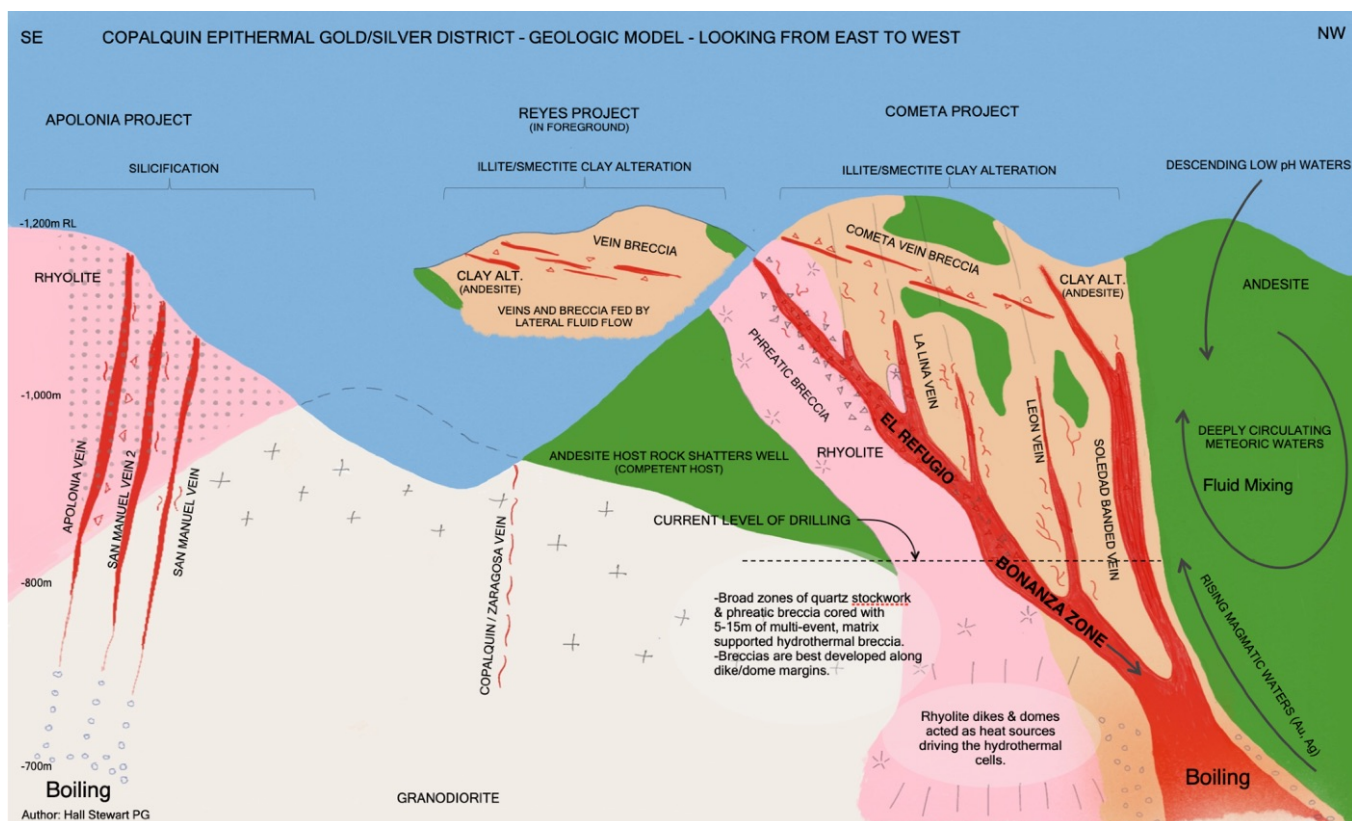


Figure 9 - Copalquin District Geologic Model for epithermal gold/silver - geologic model (author: Hall Stewart PG, Chief Geologist)

Drilling at La Montura

La Montura is a recently discovered drill target along the District Middle Trend and features a 700m wide quartz vein at the surface and a gold in soils anomaly over this area. The first round of drilling returned anomalous gold and silver values. Further work required to assess this structure for future exploration drilling.

Soil Sampling Results – Constancia Area

Results from the soil sampling program at the La Constancia area on the eastern end of the Copalquin District Middle Section are given below in Figure 14. The results highlight gold in soils values which are generally consistent with mapped surface veins and historic workings (shown in black on the map below). These results support further work to progress the area for exploration drilling in the future.

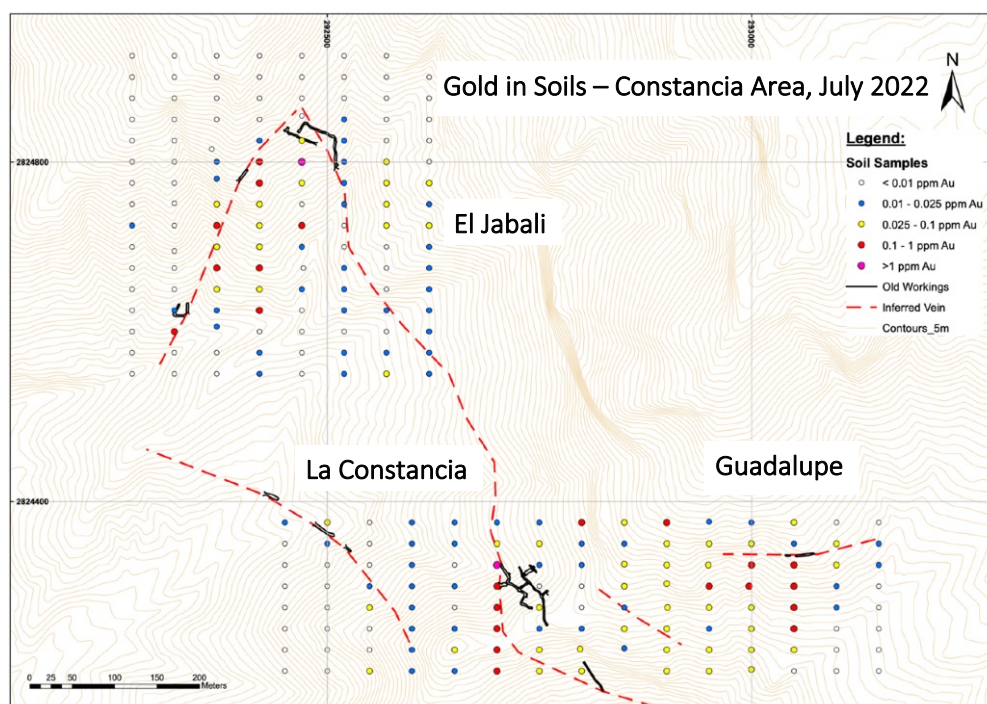


Figure 10 - Gold in soils sampling map for the La Constancia area at the eastern end of the Copalquin District Middle Section, see Figure 2 for location



Figure 11 – Left, inside level 2 of the El Jabali historic mine workings. Right, quartz amethyst inside the wall of the workings.

District South Section

The Las Brujas-El Peru target is drill ready following positive results from the rock chip sampling program from within the historic mine working and the soils sampling program that revealed a good gold and silver anomaly. The historic mine workings at Las Brujas and at El Peru are connected by a 500m long surface trace of quartz vein.

Mapping and rock chip sampling of a north-south oriented structure at El Guamuchilito has been completed. Aerial drone surveying was completed in June.

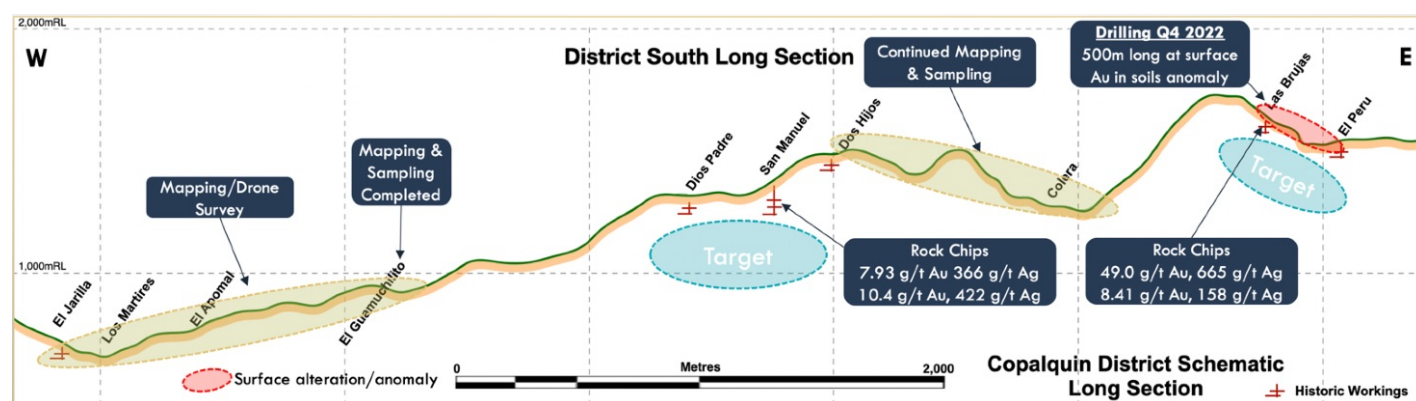


Figure 12 – Schematic long section of the southern part of the Copalquin District.

Scoping Study Work

Work is progressing to assess the first stage development options to optimally exploit the high-grade El Refugio resource. Recent drilling has been spaced across the strike of the mineralized zone to infill strategic areas. There are options to reduce the mine development meterage and to take advantage of topography and high-grade zones within the El Cometa-El Refugio resource on the eastern side of the deposit to potentially produce attractive development economics including low initial capital requirements and short payback period.



Figure 13 – Mithril Managing Director John Skeet, Chief Geologist Hall Stewart, Geologist Luis Angel and a Mithril Field Assistant on their way to El Jabalí historic workings, 800m north of Constanca (May 2022)

Mithril's relationship with the local community

Mithril has developed excellent relations with the communities that live in the Copalquin district. The majority of Mithril's employees are from these communities. The Company supports three local schools at La Maquina, Los Reyes and El Platano and helps promote environmental awareness and support for children's education.



Figure 14 – Mithril Senior Geologist Darcy Garcia is with local schoolchildren celebrating Earth Day. Mithril is actively involved with 3 local schools. (May 2022)

AUSTRALIAN PROJECTS

To ensure the Company maintains its focus on the Copalquin Gold Silver Project, Mithril has exploration partners to farm-in, sole fund and operate exploration activities on its Australian assets. These include:

- Great Boulder Resources (GBR.ASX) at the Lignum Dam Project;
- Auteco Minerals (AUT.ASX) at the Limestone Well Project;
- Carnavale Resources (CAV.ASX) at the Kurnalpi Project; and
- CBH Resources Limited ("CBH") at the Billy Hills Zinc Project.

Having farm-in exploration partners solely fund all exploration costs, ensures that the Mithril tenements are kept in good standing for the duration of the respective partnership agreements with the potential to benefit from prospectivity and exploration upside.

Billy Hills Zinc (Billy Hills)

- Mithril 100%; and
- CBH Resources Limited earning up to 80% interest by completing expenditure of A\$4M over 5 years.
- Native title clearance for the first phase of drilling has been granted, scheduled to commence H2 2022.

Kurnalpi Project (Kurnalpi)

- Mithril 100%; and
- Carnavale Resources earning an initial 80% interest by keeping the tenements in good standing over three years and paying Mithril A\$250,000 cash.

Lignum Dam Project (Lignum)

- Mithril 100%; and
- Great Boulder Resources earning up to 80% by completing expenditure of A\$1M over four years.
- Great Boulder carried out a program of auger geochemical sampling over nickel and gold prospective rock types.

Limestone Well Project (Limestone)

- Mithril 10%, Auteco Minerals 90%
- In October 2021, Mithril announced the execution of a binding term sheet for the sale of 90% interest in the Limestone Well tenements to its farm-in partner, Auteco Minerals for a payment of A\$500,000 in cash. For details of the term sheet please refer to the [*ASX Announcement 12 October 2021*](#)

CORPORATE

In April, the Company completed a A\$3.5m Share Placement (before costs) comprising 350,000,000 new fully paid ordinary shares in the Company at an issue price of 1 cent (\$0.01). Participants received one free attaching option for every two shares subscribed for under the Placement exercisable at 1.5 cents (\$0.015) up to 2 years from date of issue. The capital raising was supported by sophisticated and professional investors. ([ASX Announcement 13 April 2022](#))

Funds raised for continued diamond core drilling in the Copalquin District to expand the high-grade gold-silver maiden JORC resource at El Refugio and drill test targets along strike and continue exploration target development within the Copalquin District.

Amendments have been agreed with the Copalquin mining concession vendor to extend the purchase option period by 3 years until August 2026. Having invested over USD8m in direct exploration costs on the concessions, Mithril via its Mexican subsidiary now holds 50% interest in the mining concessions and can purchase 100% by paying USD10m in cash, shares or a combination of both to the vendor. (see announcement for details 25 Nov 2019 [Transformative high-grade gold silver project acquisition](#))

CASH

Total cash reserves of A\$2.3M and remains funded to continue exploration activities in the district and prepare for the next campaign of drilling at the El Refugio-La Soledad resource area upon receipt of assays and assessment of the recently completed drill campaign (July 2022).

Mexican value added tax (VAT) refunds continued throughout the quarter with a total of ~A\$70k received. Eleven months of 2021 VAT have now been refunded and one month from 2022. Refunds of ~A\$800k are pending from the Mexican tax office with good expectation for receipt of these refunds

RELATED PARTY PAYMENTS

In line with its obligations under ASX Listing Rule 5.3.5, Mithril Resources Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2022, pertain to payments to directors and consultants for fees, salary and superannuation.

ABOUT THE COPALQUIN GOLD SILVER PROJECT

The Copalquin mining district is located in Durango State, Mexico and covers an entire mining district of 70km² containing several dozen historic gold and silver mines and workings, ten of which had notable production. The district is within the Sierra Madre Gold Silver Trend which extends north-south along the western side of Mexico and hosts many world-class gold and silver deposits.

Multiple mineralisation events, young intrusives thought to be system-driving heat sources, widespread alteration together with extensive surface vein exposures and dozens of historic mine workings, identify the Copalquin mining district as a major epithermal centre for Gold and Silver.

Within 15 months of drilling in the Copalquin District, Mithril delivered a maiden JORC mineral resource estimate demonstrating the high-grade gold and silver resource potential for the district. This maiden resource is detailed below.

- **2,416,000 tonnes @ 4.80 g/t gold, 141 g/t silver for 373,000 oz gold plus 10,953,000 oz silver (Total 529,000 oz AuEq*) using a cut-off grade of 2.0 g/t AuEq***
- **28.6% of the resource tonnage is classified as indicated**

	Tonnes (kt)	Tonnes (kt)	Gold (g/t)	Silver (g/t)	Gold Equiv.* (g/t)	Gold (koz)	Silver (koz)	Gold Equiv.* (koz)
El Refugio	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,447	4.63	137.1	6.59	215	6,377	307
La Soledad	Indicated	-	-	-	-	-	-	-
	Inferred	278	4.12	228.2	7.38	37	2,037	66
Total	Indicated	691	5.43	114.2	7.06	121	2,538	157
	Inferred	1,725	4.55	151.7	6.72	252	8,414	372
	TOTAL	2,416	4.80	141	6.81	373	10,953	529

Table 1 - Mineral resource estimate El Refugio – La Soledad using a cut-off grade of 2.0 g/t AuEq*

*AuEq. = gold equivalent calculated using and gold:silver price ratio of 70:1. That is, 70 g/t silver = 1 g/t gold. The metal prices used to determine the 70:1 ratio are the cumulative average prices for 2021: gold USD1,798.34 and silver: USD25.32 (actual is 71:1) from kitco.com

(See ASX Announcement 17 Nov 2022 - [Maiden JORC Resource 529,000 Ounces @ 6.81g/t](#))

Mining study and metallurgical test work supports the development of the El Refugio-La Soledad resource with conventional mining methods indicated as being appropriate and with high gold-silver recovery to produce metal on-site with conventional processing.

Mithril is currently exploring in the Copalquin District to expand the resource footprint in 2022 to demonstrate its multi-million ounce gold and silver potential.

Mithril Resources is earning 100% interest in the Copalquin District mining concessions via a purchase option agreement detailed in ASX announcement dated 25 November 2019.

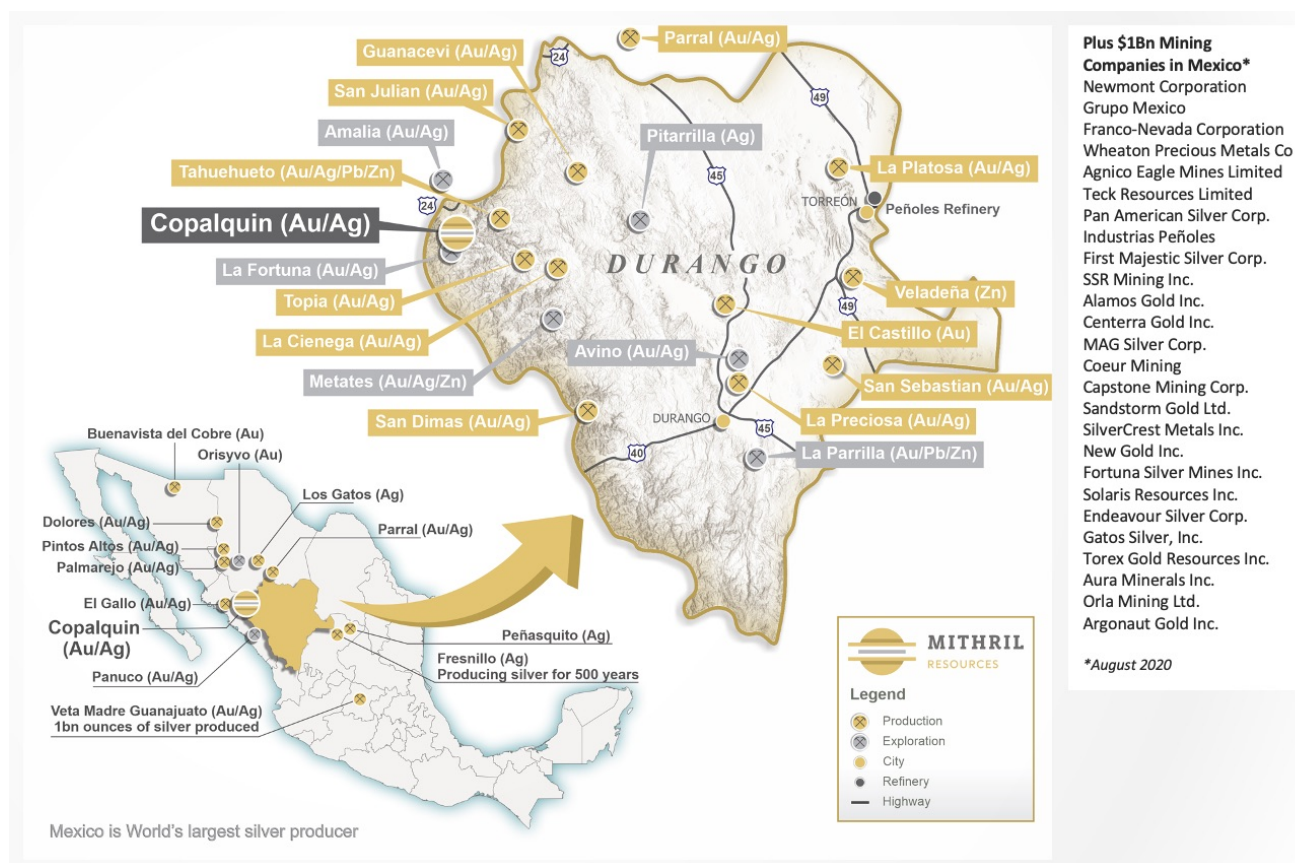


Figure 15 - Copalquin District location map with locations of mining and exploration activity within the state of Durango.

-ENDS-

Released with the authority of the Board.

For further information contact:

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Competent Persons Statement (Streamlined)

This report contains information extracted from previous ASX releases which are referenced in the report. The Company is not aware of any new information or data that materially affects the information included in the original market announcements.

The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Further details and JORC tables for exploration results in this Report are in ASX Releases listed below.

The information in this report that relates to metallurgical test results, mineral processing and project development and study work has been compiled by Mr John Skeet who is Mithril's CEO and Managing Director. Mr Skeet is a Fellow of the Australasian Institute of Mining and Metallurgy. This is a Recognised Professional Organisation (RPO) under the Joint Ore Reserves Committee (JORC) Code.

Mr Skeet has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Skeet consents to the inclusion in this report of the matters based on information in the form and context in which it appears. The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

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27 Jul 2022	<u>Continued High-Grade Drilling At El Refugio, Copalquin</u>
20 Jul 2022	<u>Investor Presentation</u>
05 Jul 2022	<u>Expansive Deep Drilling Success at El Refugio, Copalquin</u>
05 May 2022	<u>Exploration Continues To Expand, Copalquin District, Mexico</u>
13 Apr 2022	<u>MTH Raises A\$3.5m To Expand High Grade Gold-Silver Resources</u>
17 Nov 2021	<u>Maiden JORC Resource 529,000 Ounces @ 6.81g/t</u>
25 Nov 2019	<u>Transformative High-Grade Gold Silver Project Acquisition</u>

Mithril Resources Limited Group

Tenement information

30 June 2022

Australian Interests:

Project	Tenement number	Interest owned %
Kurnalpi Area	E28/2506	100.00
Kurnalpi Area	E28/2567	100.00
Kurnalpi Area	E28/2682	100.00
Kurnalpi Area	E28/2760	100.00
Lignum Dam Area	E27/538	100.00
Lignum Dam Area	E27/582	100.00
Lignum Dam Area	E27/584	100.00
Murchison Area (Limestone Well)	E20/846	10.00
Murchison Area (Limestone Well)	E57/1069	10.00
West Kimberley Area	E04/2497	100.00
West Kimberley Area	E04/2503	100.00
West Kimberley Area	E80/5191	100.00

Mexican Operations:

Mining Concession	Mining Concession title number	Interest owned % [^]
LA SOLEDAD	52033	50.00
EL COMETA	164869	50.00
SAN MANUEL	165451	50.00
COPALQUIN	178014	50.00
EL SOL	236130	50.00
EL CORRAL	236131	50.00

[^]Interest in the Copalquin Mining Concessions, Mexico increased to 50% July 2022

Mithril has an exclusive option to purchase 100% interest in the Copalquin mining concessions by paying US\$10m on or anytime before 7 August 2026 (option has been Agreement extended by 3 years from 2023).

Appendix 5B

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

NAME OF ENTITY

MITHRIL RESOURCES LIMITED

ABN

30 099 883 922

QUARTER ENDED ("CURRENT QUARTER")

30 JUNE 2022

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers			
1.2 Payments for			
(a) exploration & evaluation			
(b) development			
(c) production			
(d) staff costs		(86)	(291)
(e) administration and corporate costs		(125)	(660)
1.3 Dividends received (see note 3)			
1.4 Interest received			2
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		(211)	(949)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements			
(c) property, plant and equipment			
(d) exploration & evaluation		(1,584)	(6,583)
(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 \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements	500	500
	(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	(1,084)	(6,083)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,500	6,800
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	(219)	(417)
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	3,281	6,383
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	285	2,920
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(211)	(949)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,084)	(6,083)

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 (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,281	6,383
4.5	Effect of movement in exchange rates on cash held	1	1
4.6	Cash and cash equivalents at end of period	2,272	2,272

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	1,272	285
5.2	Call deposits	1,000	
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)	2,272	285

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	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Amounts in 6.1 relate to Director fees, salaries and consulting services.

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.

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

7.	FINANCING FACILITIES <i>NOTE: THE TERM "FACILITY" INCLUDES ALL FORMS OF FINANCING ARRANGEMENTS AVAILABLE TO THE ENTITY. ADD NOTES AS NECESSARY FOR AN UNDERSTANDING OF THE SOURCES OF FINANCE AVAILABLE TO THE ENTITY.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(211)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,584)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,795)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,272
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,272
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.27
<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 significant change to net operating cash flows, however the Entity has completed a drill campaign (mid-July 2022) and is currently assessing results as they are received during the September quarter, therefore exploration costs generated during the September quarter will be significantly lower.	
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 funds remaining at the end of the quarter are sufficient to fund on-going operations while the extent of capital raising opportunities and requirements are assessed. The Company has a history of raising funds as required and believes further successful fundraising will be able to be completed.	

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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: In light of the above factors, the Company believes that it has sufficient cash with A\$2.3M to fund its existing activities. The Company's Board and Management is focused on meeting its current objectives and confirms that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.

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: 29 July 2022

Authorised by: 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.