

ASX ANNOUNCEMENT

29 JULY 2022

JUNE 2022 QUARTERLY ACTIVITIES REPORT

Sunstone Metals (ASX:STM) is an ASX listed mineral exploration company with high-quality gold and copper assets in Ecuador.

Sunstone's assets are the Bramaderos Gold-Copper Project and El Palmar Copper-Gold Project.

The Sunstone team has a track record of discovery and generating significant share price increase.

ASX Code:	STM
Issued Shares:	2.57bn
Share Price:	\$0.045 (30/06/22)
Market Cap:	\$116m
Cash Balance:	\$24.0m
COPP B & other shares:	\$1.7m
Total funding:	\$25.7m

Directors

Graham Ascough - Chairman

Malcolm Norris – CEO & MD

Stephen Stroud – NED

Key Management

Ray Robinson – GM Studies and Technical Services

Dr Bruce Rohrlach – GM Geology

Gavin Leicht – CFO & Company Secretary

Operations Highlights

Bramaderos Gold-Copper Project, Ecuador (Sunstone 87.5%)

- Drilling has continued during the quarter for total drilled meters of 4,872 meters with 3 diamond drill rigs.
- The Brama-Alba target is a gold-copper porphyry deposit with significant vertical extent, and with an upper gold zone locally containing visible gold.
- The results of drilling at the Brama-Alba target have returned grades and widths in line with, or better than, other porphyry gold-copper deposits, extending the mineralised area to at least 1.1km long and open to the east and west
- Results from drill holes BMDD014 – 018 and 022 – 025 were reported during the quarter and have delivered significant, consistent gold-copper intervals greater than 300m, with higher-grade sub-intervals
- Strong potential exists for the Brama-Alba deposit to extend significantly to adjacent targets Melonal and Playas

El Palmar Copper-Gold Project, Ecuador (Sunstone 70%, to acquire 100%)

- Drilling for the quarter totalled 2,329 meters with 1 diamond drill rig
- The El Palmar magnetic complex has a vertical extent exceeding 1.2km, and drilling is primarily testing the upper 500m of this complex. Deeper drill targets are also being developed.
- Strong assays received from holes EPDD007 through 017;
- Drilling is defining higher copper grade domains at >0.2% copper and > 0.35g/t gold (e.g. EPDD013: 69.0m at 0.39g/t gold and 0.23% copper from 29m and 17: 121m at 0.46g/t gold and 0.22% copper from 73m)
- Immense upside remaining, with drilling to date limited to the south-eastern portion of the main target area; The western and northern portions remain largely untested

Corporate Highlights

- A\$24 million in cash at 30 June 2022
- A\$22.4 million capital raising before fees via placement and SPP completed in April and May.

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EXPLORATION AND DEVELOPMENT ACTIVITIES

Bramaderos Gold-Copper Project

The Bramaderos Project is ideally located immediately adjacent to the Pan American highway in southern Ecuador (Figures 1 and 2), and within reasonable distance of available hydroelectric power, supporting the economics of potential development opportunities. The project has gentle topography with an average elevation of around 1,100m above sea level and is also supported by nearby commercial airports and significant population centres like the city of Loja, and the project has strong community support.

Sunstone currently has 3 rigs operating at Bramaderos.

The Alba gold-copper porphyry discovery (Figure 3) at Bramaderos hosts grades in line with or better than those seen in many gold-copper porphyries around the world. The system is consistently well mineralised with local higher grades of a significant scale which now measures at least 300m in diameter and a vertical extent exceeding 400m (see ASX announcement dated 17th March 2022).

Assay results from Alba during the quarter include (see ASX announcement dated 27th April 2022):

- 345.5m at 0.37g/t gold and 0.13% copper from 82.5m in BMDD022 including;
 - 24m at 0.70g/t gold and 0.18% copper from 306m
- 397m at 0.30g/t gold and 0.10% copper from 102m in BMDD025 including;
 - 22m at 0.61g/t gold and 0.14% copper from 159m,
- BMDD024 intersected a gold zone of 2.8m at 1.21g/t gold located 350m from the previously reported upper gold zone in BMDD012 (7m at 27g/t) hence expanding this target area

Results from hole BMDD022 now include the extension of the original hole which ended in mineralisation (see ASX announcement dated 7th March 2022). The extension added an additional 106m down-hole of gold-copper mineralised rock. The hole was drilled at a low angle and therefore has significantly broadened the gold-copper porphyry deposit near surface (see Figure 4).

Drill hole BMDD024 intersected a narrow massive sulphide zone which also contained gold, suggesting potential for high-grade roots of epithermal veins also over-printing porphyry mineralisation in the area.

BMDD025 was drilled below hole BMDD023 (which intersected 84.2m at 0.51g/t gold and 0.16% copper from 183m, within 222.4m at 0.37g/t gold and 0.13% copper from 76.4m). BMDD025 has added nearly 200m of additional vertical extent to this well-mineralised system. Drill hole BMDD027 has further tested this vertical extent a further 100-250m below BMDD025 on this section (assays pending).

The results from holes BMDD014 through 018 at the Brama target (see ASX announcement dated 1st June 2022) clearly show that higher grade mineralisation occurs in sub-domains within the larger 1.1km long Brama-Alba system, and that these higher-grade domains extend to surface (Figure 6). The potential for Brama to host a substantial gold-copper porphyry system is being reinforced with ongoing drilling. There is also potential for this system to extend significantly to adjacent targets Melonal and Playas (Figure 7). These areas are expected to be drill tested in 2022.

Significant results from Brama during the quarter include (see ASX announcement dated 1st June 2022):

- 221.6m at 0.43g/t gold, 0.11% copper, from surface in BMDD014
- 93.3m at 0.55g/t gold and 0.08% copper from surface in BMDD015, including
 - 24m at 0.86g/t gold, 0.10% copper, from surface
- 84m at 0.5g/t gold, 0.16% copper from surface in BMDD017
- 57m at 0.74g/t gold, 0.23% copper from 30m in BMDD018

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Drill holes BMDD014, 15 and 16 were drilled from the collar of hole BMDD008, towards the east, southeast, and south-southwest respectively. BMDD014 and 15 were drilled to test higher grade intrusive breccias previously drilled in hole BMDD008 and 008W1, which intersected 505.1m at 0.43g/t gold, 0.1% copper from surface, including 84.3m at 0.80g/t gold, 0.11% copper from 179.7m. The majority of mineralisation in drill hole BMDD016 is also hosted in syn-mineral intrusion breccias.

Drill hole BMDD017 was drilled at the eastern end of the Brama porphyry system and drilled towards the southeast. It intersected a sequence of alternating syn-mineral diorite, late hornblende-quartz diorite, and minor intrusive breccia, with the upper 84m being well mineralised. The bottom 200m drilled mainly syn-mineral diorite with disseminated and vein hosted chalcopyrite, bornite and trace covellite and chalcocite. The bottom 5.6m of hole BMDD017 is well mineralised and this hole will be extended to test the deep mineralised zone. Four drill holes have been planned to test eastern extensions of the deposit and to test an undrilled magnetic target at depth just east of Brama.

Drill hole BMDD018 was drilled between holes BMDD004 and BMDD017, at a shallow angle, and tested an interpreted domain of higher-grade mineralised porphyry near surface. This zone was intersected in the upper 84m of the drill hole and was then disrupted by post-mineral dykes, and then passed into early host quartz diorite towards the southwest, consistent with other drill holes. The vertical extent of the higher-grade zone remains poorly tested and will be followed-up.

Drill hole BMDD026 was drilled from the collar of hole BMDD008, towards the west to test an area of magnetic targets that are located between Brama and Alba.

Drilling at the Bramaderos project will continue throughout 2022 and be spread across several target areas. At Brama it is expected that 1 drill rig will continue drilling at least 5 holes for a total of ~2,000m. At Alba, at least 6 holes are planned for a total of ~2,400m. Drilling will also be undertaken at Limon (commenced during June) and complete at least 6 holes for ~3,500m. Planning for drilling is also underway at Melonal (located southwest of Alba) where at least one hole for ~500m is expected.

The drilling programs at Brama-Alba will form the basis for an initial Mineral Resource Estimate (MRE). The goal of this MRE is to establish an initial resource estimate that can then be expanded as exploration continues at Brama-Alba and the other nearby targets such as Limon, Playas, and Melonal. The Brama-Alba system is currently at least 1,100m x 400m lateral dimension and has a vertical extent of at least 400m. Mineralisation grade is variable within this envelope with discrete higher-grade sub-vertical domains are enclosed within broader mineralised diorite.

Drilling at Limon is targeting chargeability and conductivity anomalies defined in the recently completed Spartan MT and Orion DCIP surveys, and geological follow-up to previously drilled high-sulphidation mineralisation which returned 59.6m at 0.16% copper, including 13.3m at 0.43% copper and 0.11g/t gold (see ASX announcement 15th October 2019), and stockwork veining in surface trenches which returned 97.6m at 0.71g/t gold and 0.23% copper (see ASX announcement 29th May 2018).

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El Palmar Porphyry Copper-Gold Project

Sunstone has made a significant discovery at the highly prospective El Palmar gold-copper porphyry project, located in northern Ecuador, 60km north-west of Ecuador's capital Quito (Figures 1 and 10). Travel time to site from Quito is approximately 3 hours. The property sits on the regionally significant Toachi Fault Zone, in the vicinity of the 1Bt Llorimagua copper-molybdenum porphyry deposit, and in the same regional structural belt that hosts the 2.6Bt Alpala copper-gold porphyry deposit within the Cascabel project (Figure 10)(see ASX announcement dated 12th August 2020). Sunstone is acquiring 100% of the El Palmar project and currently holds 70% under the Staged Acquisition Agreement signed on 12th August 2020.

The El Palmar results reported during the quarter comprise all assays from drill holes EPDD007 through to EPDD017. Significant intercepts include (ASX Announcements 25th May and 29th June 2022):

- 204.5m at 0.39g/t gold and 0.18% copper from 25.5m in EPDD017 including;
 - 121m at 0.46g/t gold and 0.22% copper from 73m
- 211.0m at 0.36g/t gold and 0.15% copper from 198m in EPDD0015 including;
 - 35m at 0.49g/t gold and 0.18% copper from 225m
- 104.6m at 0.45g/t gold and 0.15% copper from 15m in EPDD014 including;
 - 49.8m at 0.67g/t gold and 0.12% copper from 24m
- 69.0m at 0.39g/t gold and 0.23% copper from 29m in EPDD013
- 153.4m at 0.47g/t gold and 0.10% copper from surface in EPDD012 including;
 - 33m at 0.92g/t gold and 0.16% copper from 88m
- 243.9m at 0.43g/t gold and 0.12% copper from 13.1m in EPDD011 including;
 - 58m at 0.64g/t gold and 0.13% copper from 95m
- 165.9m at 0.58g/t gold and 0.15% copper from 19.1m in EPDD010 including;
 - 78m at 0.79g/t gold and 0.17% copper from 95m
- 167.0m at 0.57g/t gold and 0.14% copper from 112m in EPDD008
- 162.1m at 0.38g/t gold and 0.13% copper from 10.15m in EPDD007

These results at El Palmar continued to expand the area of known mineralisation and reveal significant higher-grade zones of >0.2% copper and 0.35g/t gold that should deliver a highly attractive gold-equivalent result once metallurgical results are in hand.

The results demonstrate that El Palmar now has substantial scale and grades which are in line with those seen in many of the world's high-profile porphyry deposits, including those nearby such as the 2.66Bt Alpala copper-gold deposit grading 0.25g/t gold and 0.37% copper, and the 0.53Bt Tandayama-America deposit grading 0.19g/t gold and 0.24% copper, within the Cascabel project (see www.solgold.com.au for MRE details).

The intersections at El Palmar are primarily in the upper 500m zone of the eastern sector of the main El Palmar target (Figure 8), and holes EPDD009 and 016, which drilled deeper into the El Palmar system are in the central sector of El Palmar.

Drill hole EPDD007 targeted the area below the high-grade mineralisation in EPDD002, and defined continuity of mineralisation at depth below and north of EPDD002. Drill hole EPDD008 drilled above strong mineralisation in EPDD001 and defined continuity of mineralisation from EPDD001 northward to surface. Drill hole EPDD010 drilled over and to the south of EPDD002, 006 and 007, and also defined continuity of mineralisation both above and south of EPDD002. Drill hole EPDD011 drilled to the north and into a previously undrilled area (Figure 9). This hole was drilled at a shallow angle of -35° and as such has defined a broad mineralised zone which will now be explored to depth. Drill hole EPDD012 drilled deeper and tested the margin position of the deeper porphyry target. It intersected strongly mineralised intervals in shallow domains and several intervals between 673.5m and 1087m of anomalous gold, copper, molybdenum, lead and zinc. Hole EPDD013 drilled a well mineralised gold and copper interval in the upper 100m of the southern portion of the main El Palmar

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target and was extended towards the SE satellite target but is interpreted to have passed along the edge of that target at depth and intersected 0.11g/t gold and 0.07% copper from 402m to 461.1m. The SE satellite target has outcropping stockwork and grades on average 0.33g/t gold and 0.12% copper from surface rock chip sampling over a strike length of 60m.

Drill hole EPDD009 was drilled to test a deep magnetic anomaly below and west of the two shallower mineralised zones in EPDD004, but the hole deviated and lifted so that it passed over the upper section of the anomaly (Figure 8). Nevertheless, EPDD009 intersected 513m @ 0.17m Au, 0.09% Cu from 225m, including 68m at 0.14g/t gold and 0.1% copper within a syn-mineral bi-modal quartz diorite body. The broad interval of 513m of anomalous gold and copper comprises two of these syn-mineral intrusives and the intervening mineralised wallrock.

Drill hole EPDD016 was drilled to test a sub-vertical magnetic anomaly in the north-west area of the El Palmar target. The drillhole intersected two phases of diorite with variable veining, and traces of chalcopyrite and molybdenite to the end of hole at 974m. The mineralisation graded up to 0.78g/t gold with anomalous copper at 840m, and 0.3g/t gold and 0.23% copper at 740m. These narrow intervals sit below broader highly anomalous intervals of 77m at 0.29g/t gold and 0.14% copper from 549m within a bi-modal quartz diorite, similar to the mineralised intrusions in BMDD009.

Geological modelling of the El Palmar system is suggesting a steep northerly plunge to the group of intrusives that host, and are coeval with, the gold-copper mineralisation. This interpretation, which is evolving based on 3-D modelling of drill hole logs and assays, is guiding the location of future drill holes.

Soil sampling is also rapidly progressing and providing definition to additional targets within the concession in preparation for drill testing. Porphyry targets have been defined to the southeast near the Toachi fault, and also immediately northeast of the main El Palmar target. Both of these regions exhibit geochemical signatures typical of the alteration caps that lie above porphyry systems. Soil sampling is now progressing to the north and covering multiple areas of outcropping epithermal gold mineralisation, including where historical surface rock chip sampling yielded an 85m-long (and open) zone from which 101 surface samples averaged 1.2 g/t Au, 25 g/t Ag and 0.16% Cu, with peak values for these elements being 6.47 g/t Au, 225g/t Ag and 0.78% Cu.

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Verde Chico Project

As announced on 21st June 2022, Sunstone has signed a Letter of Intent to acquire the Verde Chico Project, located to the west of Sunstone's El Palmar gold-copper porphyry discovery in northern Ecuador, through a Staged Acquisition Agreement from the Verde Chico Group. The Verde Chico project quadruples Sunstone's land position in this prospective belt in northern Ecuador to 3,672ha (Figures 1 and 10).

The Verde Chico project was explored by the Rio Tinto group (then called RTZ) in 1992-1995, and by Canadian junior Balaclava Mines in 1998. No exploration has been undertaken on the land since 1998. The historical exploration identified a 1.1km-long gold-in-soil anomaly that is open to the north and south, and which includes several high-grade gold-bearing veins at surface and wide lower grade zones of gold mineralisation in some drill holes. A total of 12 trenches for 683m were opened and sampled following mineralised structures. A total of 28 drill holes for 4,436m were drilled by RTZ and Balaclava. The area of initial effective exploration only covers approximately 10% of the concession.

Historical exploration comprised regional stream sediment sampling, soil sampling, limited geophysics (CSAMT), trench sampling, and diamond drilling. The soil sampling by Rio Tinto defined a >1.1km long gold-in-soil anomaly, coincident with a CSAMT resistivity anomaly. This area was drilled at several locations and returned significant intervals of gold mineralisation including 68.5m at 1.05g/t gold from surface in hole RVC-08, including 1m at 11.3g/t gold from 40.5m.

Corporate

Financial Commentary

The Company's unaudited cash position for 30 June 2022 was A\$24 million. The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 June 2022 provides an overview of the Company's financial activities.

During the quarter, Sunstone completed a Placement to raise \$20 million at a price of \$0.067 with 298,507,463 ordinary shares being issued (ASX announcement 13 April 2022). In addition, an SPP was completed on 13 May 2022 raising an additional \$2.44 million at the same issue price with 36,417,976 shares issued.

Exploration expenditure for the reporting period was \$5.8 million primarily related to the El Palmar and Bramaderos Projects with four drill rigs now operating across both projects.

Corporate and other expenditure (including property, plant, and equipment) amounted to \$526,000. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$123,000 and includes salary, superannuation, and directors' fees.

During the June quarter, Sunstone sold 1,890,814 shares in Copperstone Resources AB at an average price of 1.2 SEK per share for ~A\$0.3 million.

Sunstone held 10,595,878 shares in Copperstone Resources at 30 June 2022, valued at ~A\$1.4 million (0.958 SEK per share).

As at 30 June 2022, the 871,803 shares held in Canadian Securities Exchange-listed United Lithium Corp. (CSE: ULTH), were valued at approximately A\$182,000 (CAD 0.19 per share), while the 81,690,362 shares held in ASX listed NewPeak Metals Ltd were valued at approximately A\$81,690 (A\$0.001 per share).

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Shareholder Information

During the June quarter Sunstone completed a Placement to raise \$20 million at a price of \$0.067 with 298,507,463 ordinary shares being issued. In addition, an SPP was completed in May raising an additional \$2.44 million at the same issue price with 36,417,976 shares issued.

As at 30 June 2022, the Company had 2,574,446,418 fully paid ordinary shares on issue and 3,968 shareholders.

Notes Specific – June 2022 Quarter ASX Announcements

The following announcements, which relate to information in this Quarterly Report, were lodged with the ASX. Further details (including JORC 2012 Code Reporting Tables, where applicable) for the results summarised above can be found in the announcements:

El Palmar drilling expands gold-copper discovery	29/06/2022
Sunstone expands land position near El Palmar discovery	21/06/2022
Investor Presentation - Resource Rising Stars Conference	07/06/2022
Brama-Alba, Large and with higher-grade zones	01/06/2022
El Palmar gold-copper project delivering scale and grade	25/05/2022
Completion of Security Purchase Plan	13/05/2022
Strong assays expand Alba gold-copper porphyry discovery	27/04/2022
Completion of Placement	22/04/2022
Successful Placement and Intention to Offer SPP	13/04/2022

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Figure 1: Location of the El Palmar project in northern Ecuador, the Verde Chico project nearby, and the Bramaderos Project in southern Ecuador.

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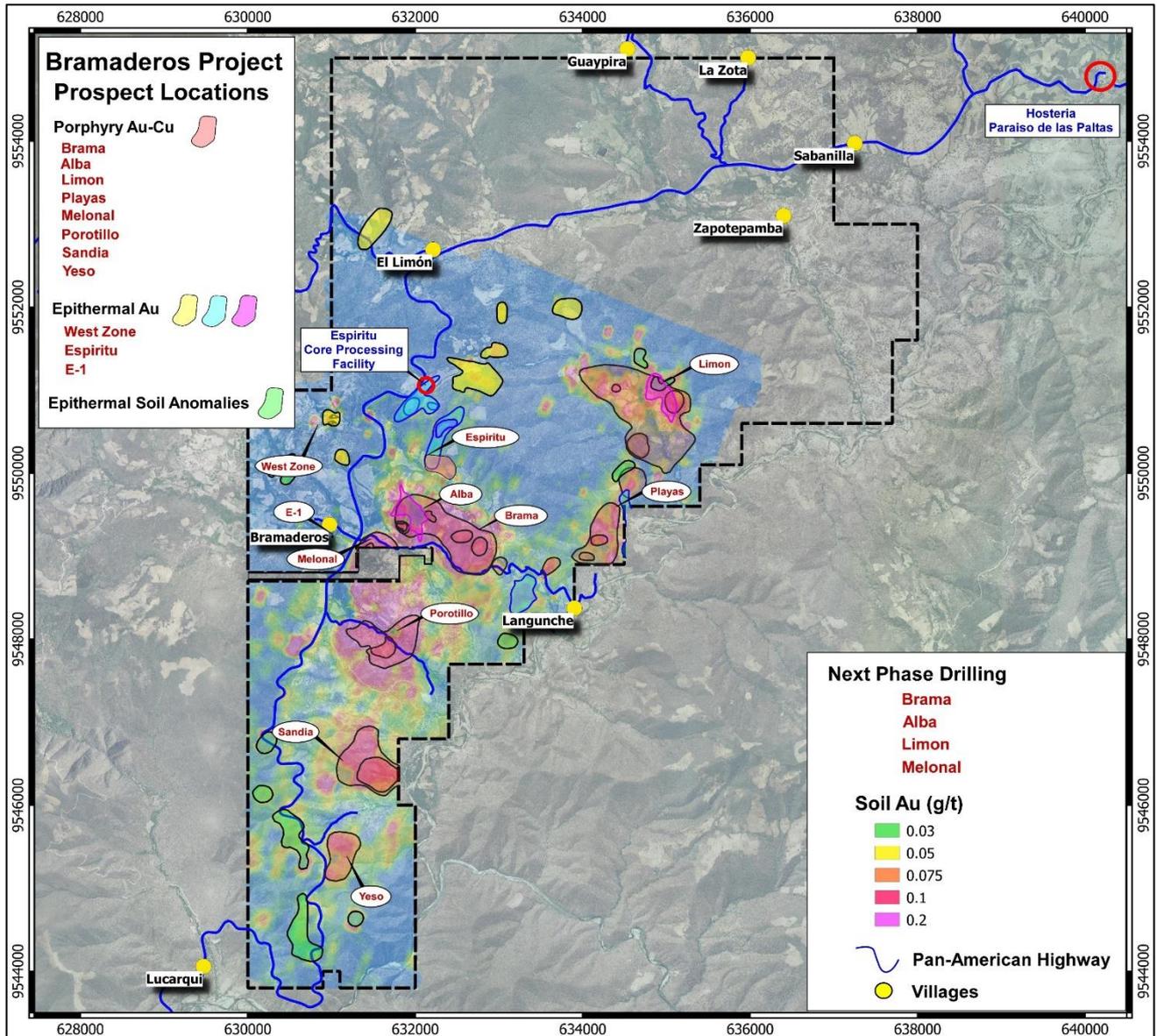


Figure 2: Location of the Brama-Alba target and the multiple gold-copper porphyry systems within the Bramaderos concession.

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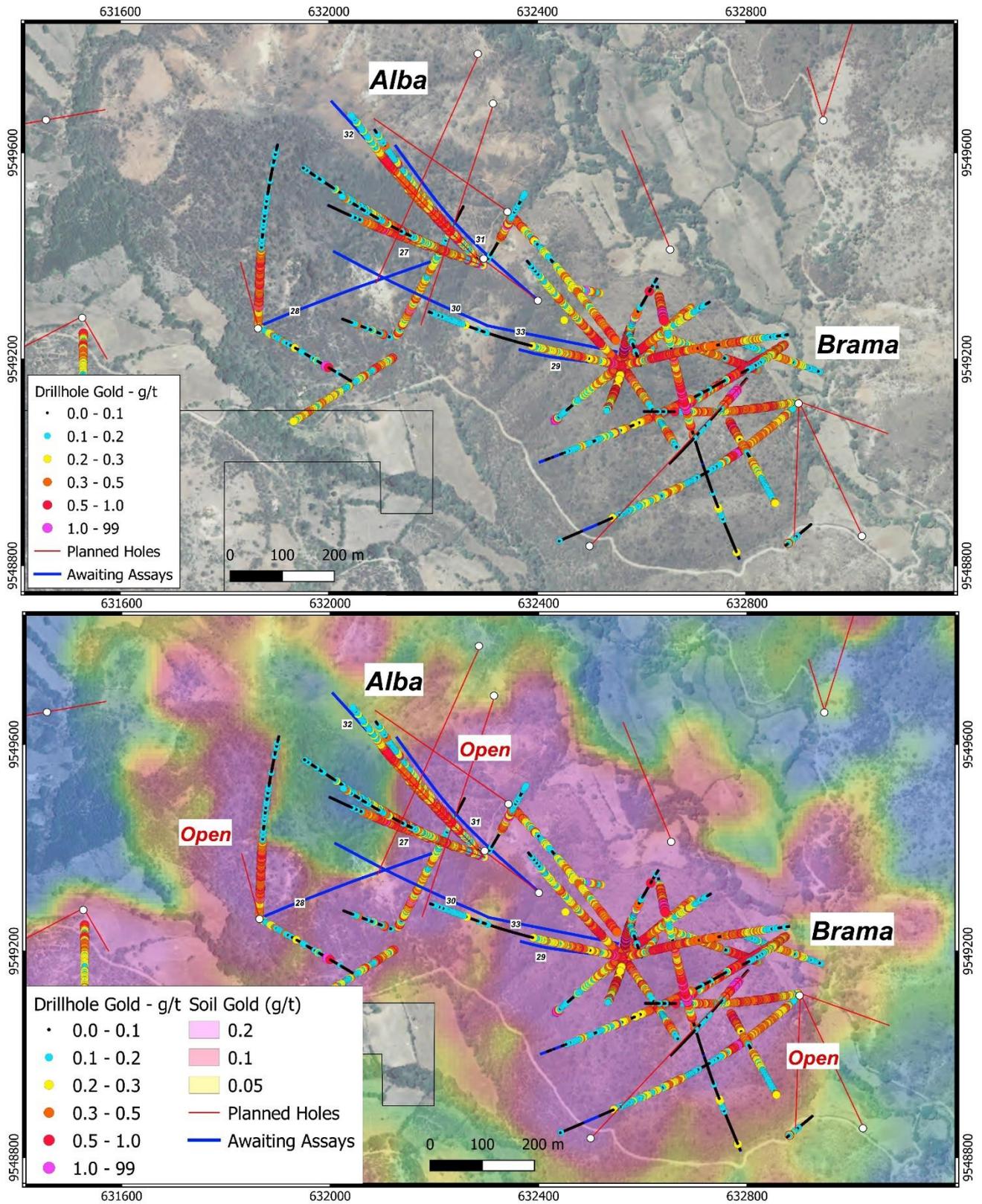


Figure 3: Alba target drill status plan showing the interpreted porphyry gold-copper target zones, T1 to T5, a possible deep magnetic target, and the adjacent Brama porphyry gold-copper system. Drill planning includes testing all targets within the next 3 months.

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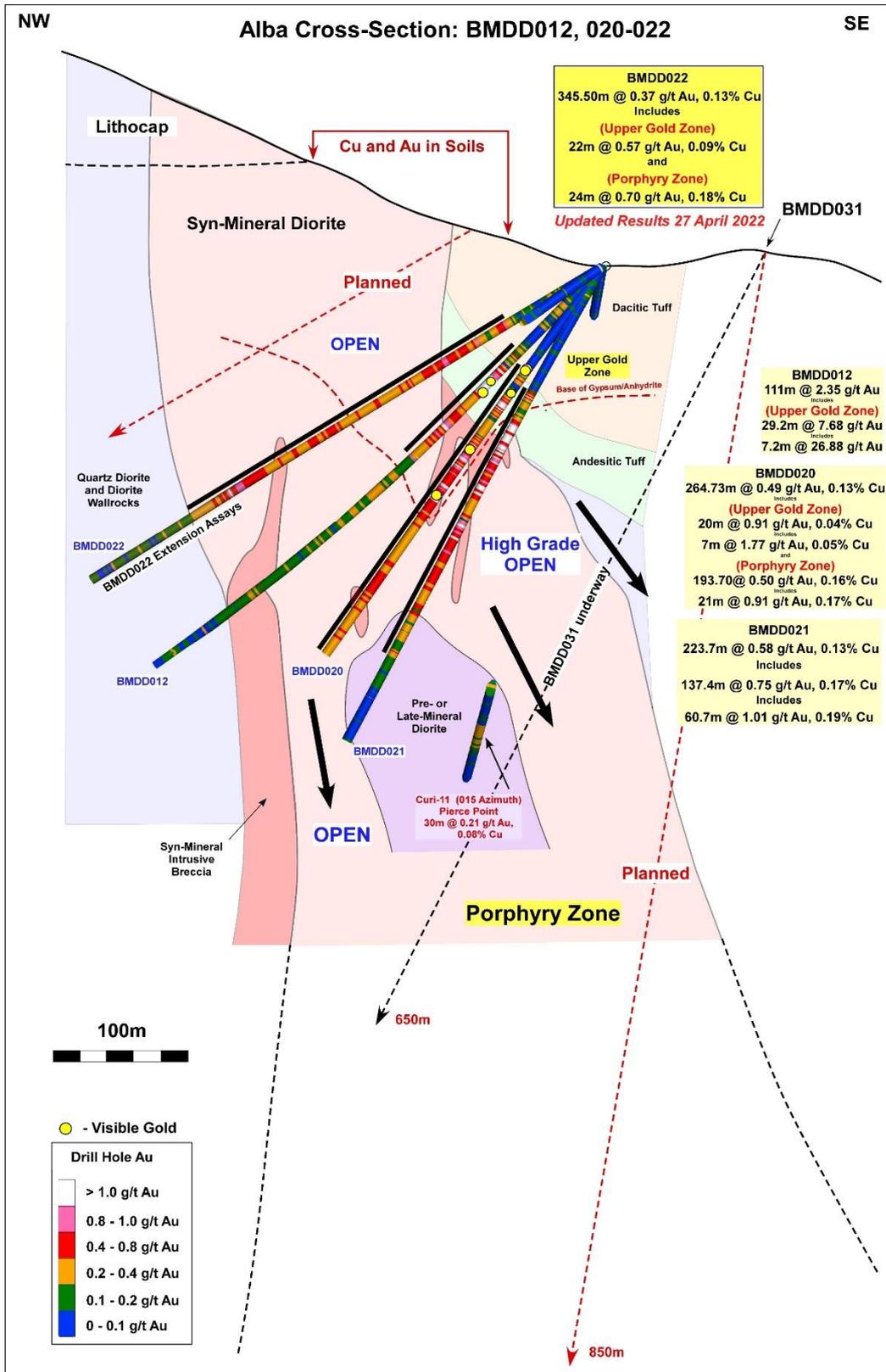


Figure 4: Alba cross section showing drill holes BMDD012, 20, 21, and 22, active hole BMDD031 and 2 additional planned holes.

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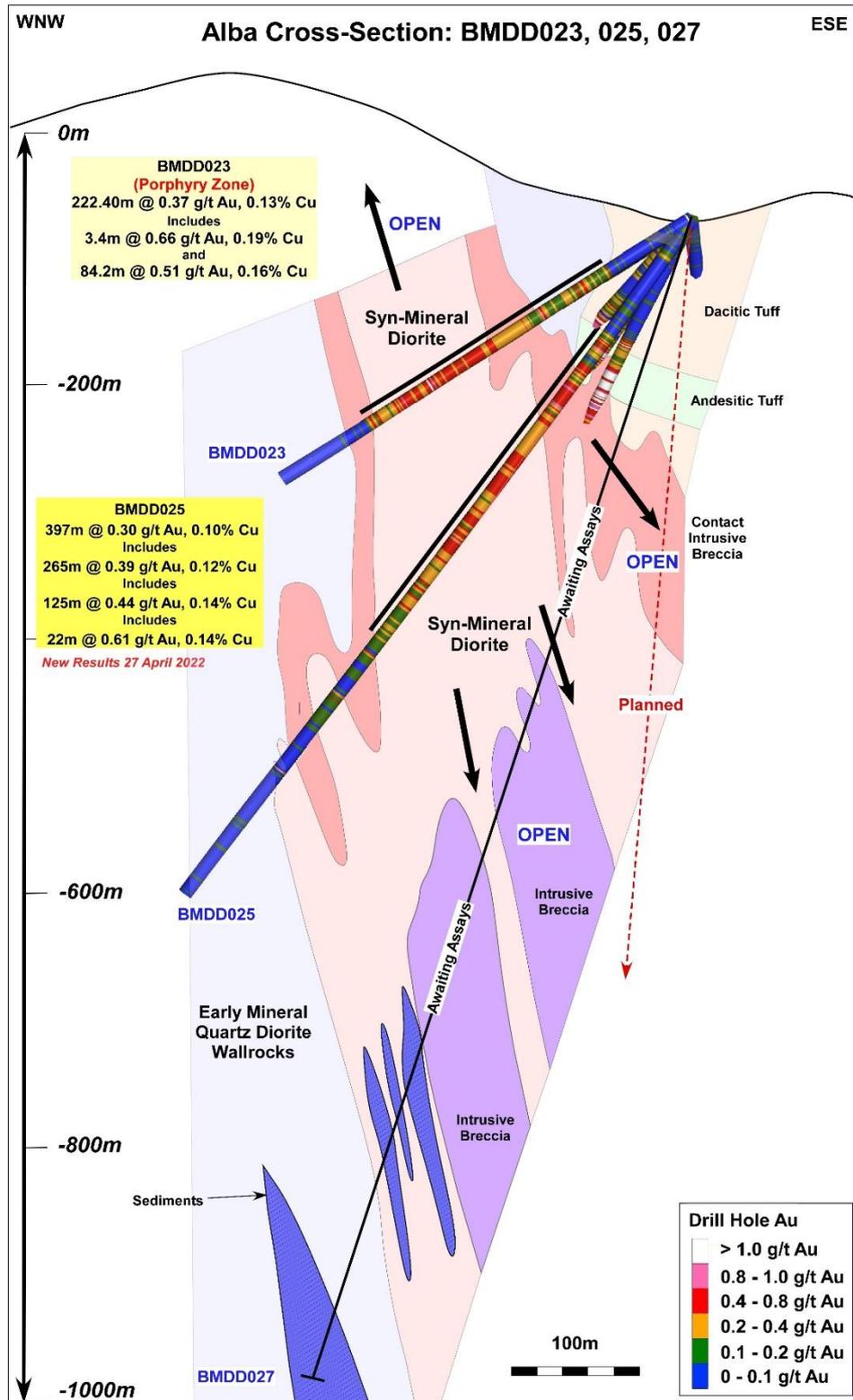


Figure 5: Alba cross section showing holes BMDD023, 23 and 27. This section is located up to 100m to the south of the section in Figure 4.

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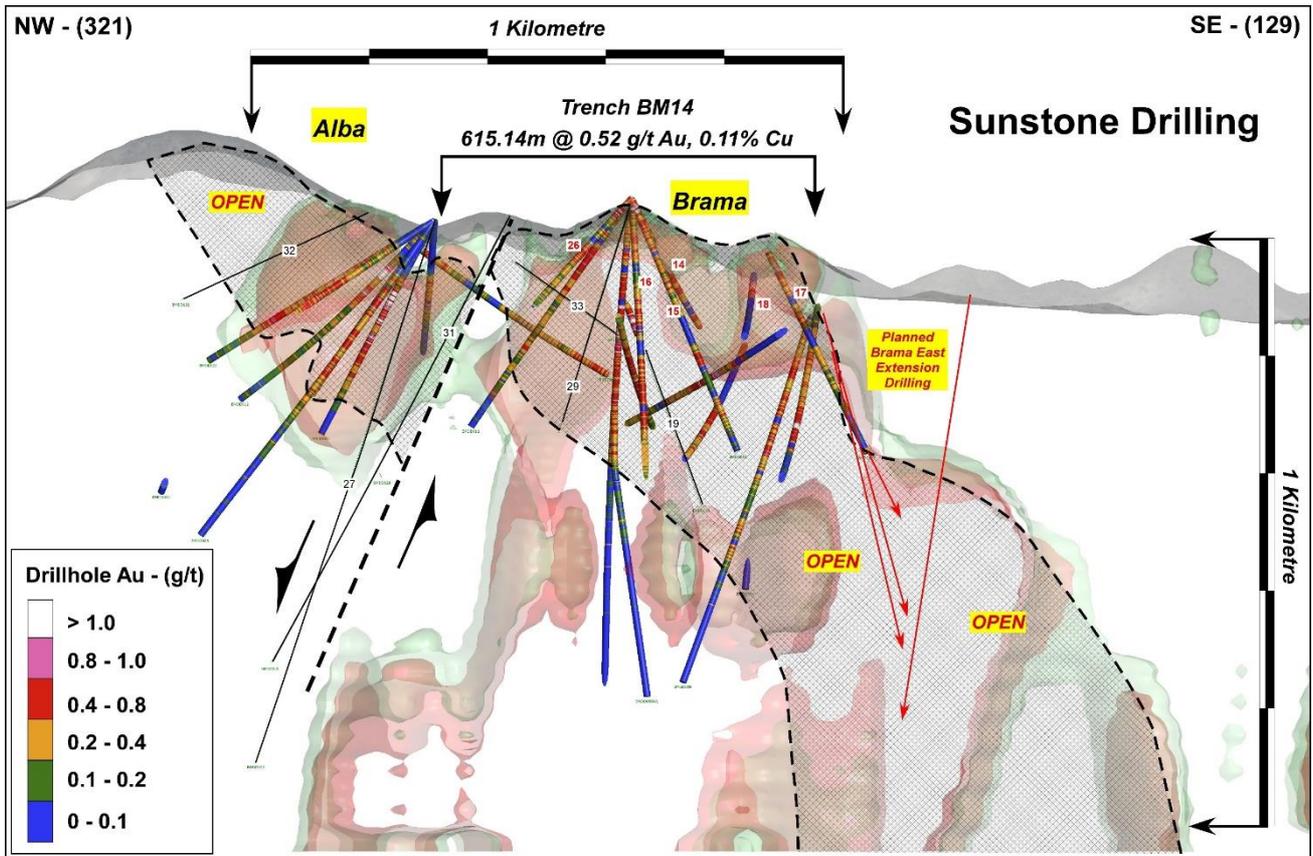


Figure 6: Brama-Alba long section showing current interpreted relationship between Alba and Brama and potential for Brama to extend to the east. This area will be tested with planned drilling as shown.

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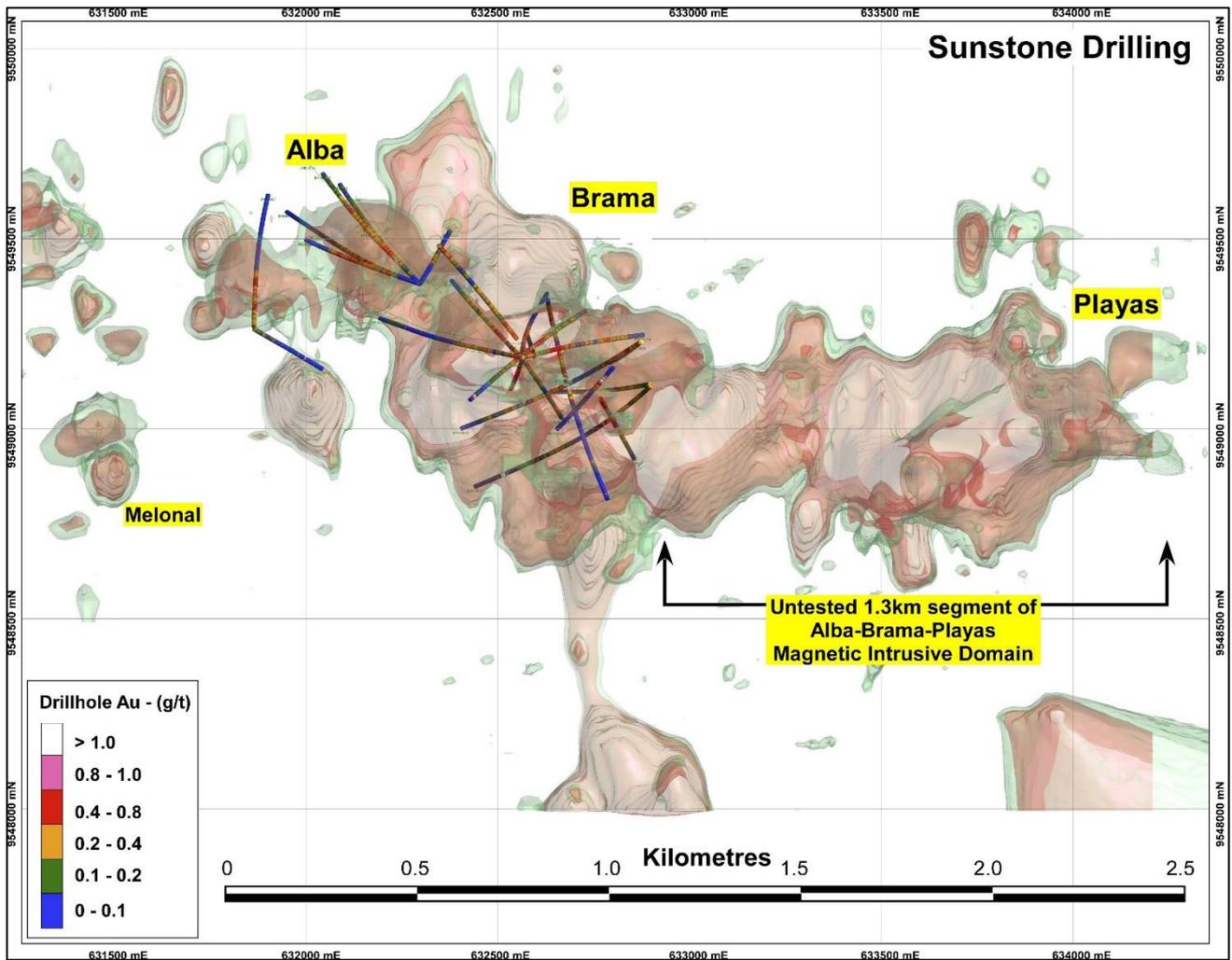


Figure 7: Melonal-Alba-Brama-Playas trend in 3-D magnetics highlighting the potential scale increase to be delivered with more drilling at Bramaderos. The drilling results at Alba and Brama have upgraded the nearby drill targets, and these will see some initial testing during 2022.

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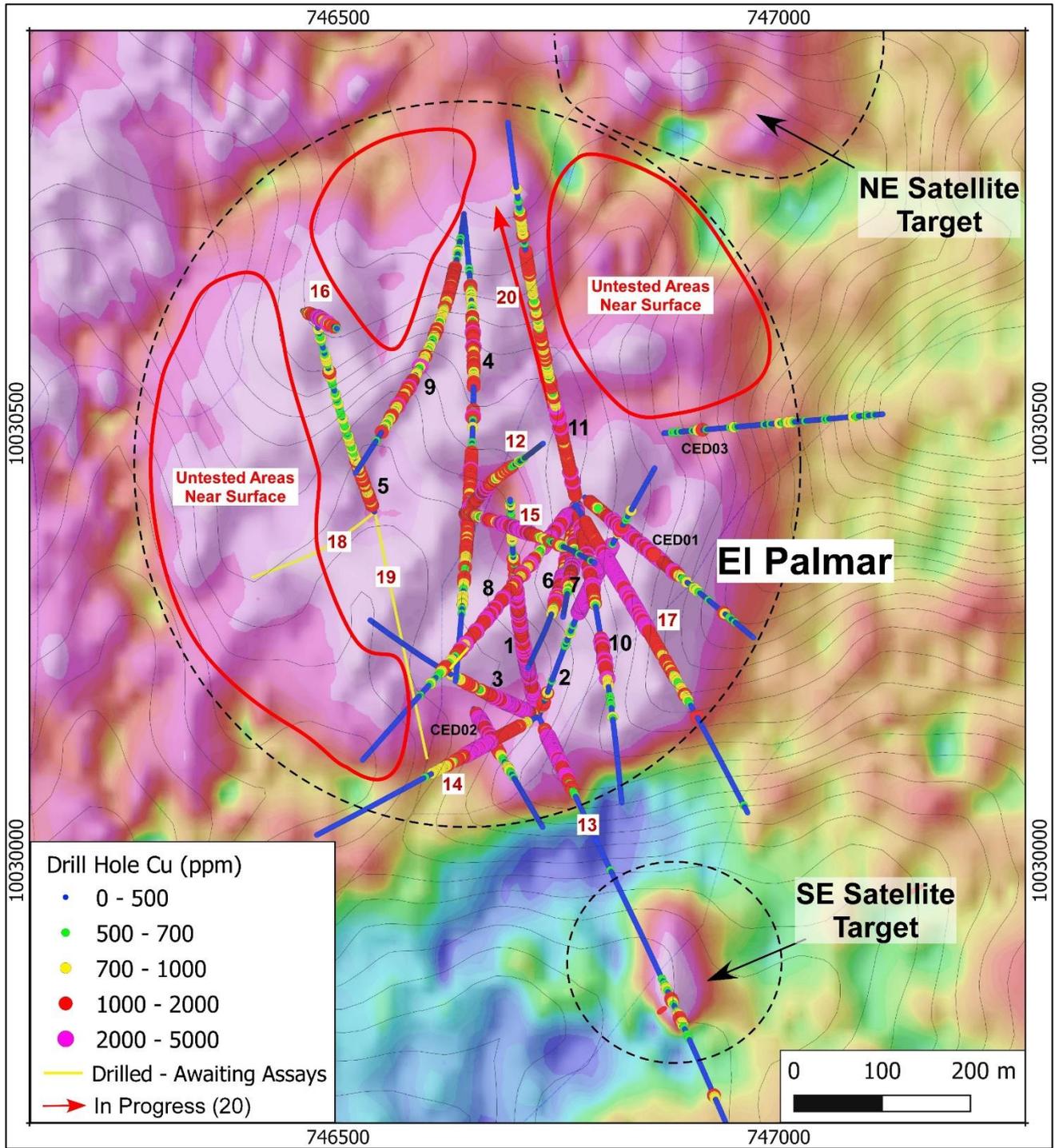


Figure 8: Distribution of copper (shown in ppm; 2000ppm = 0.2%) in drillholes at El Palmar. Assays are pending for holes 18 and 19 (yellow traces) whilst hole 20 (red trace) recently completed.

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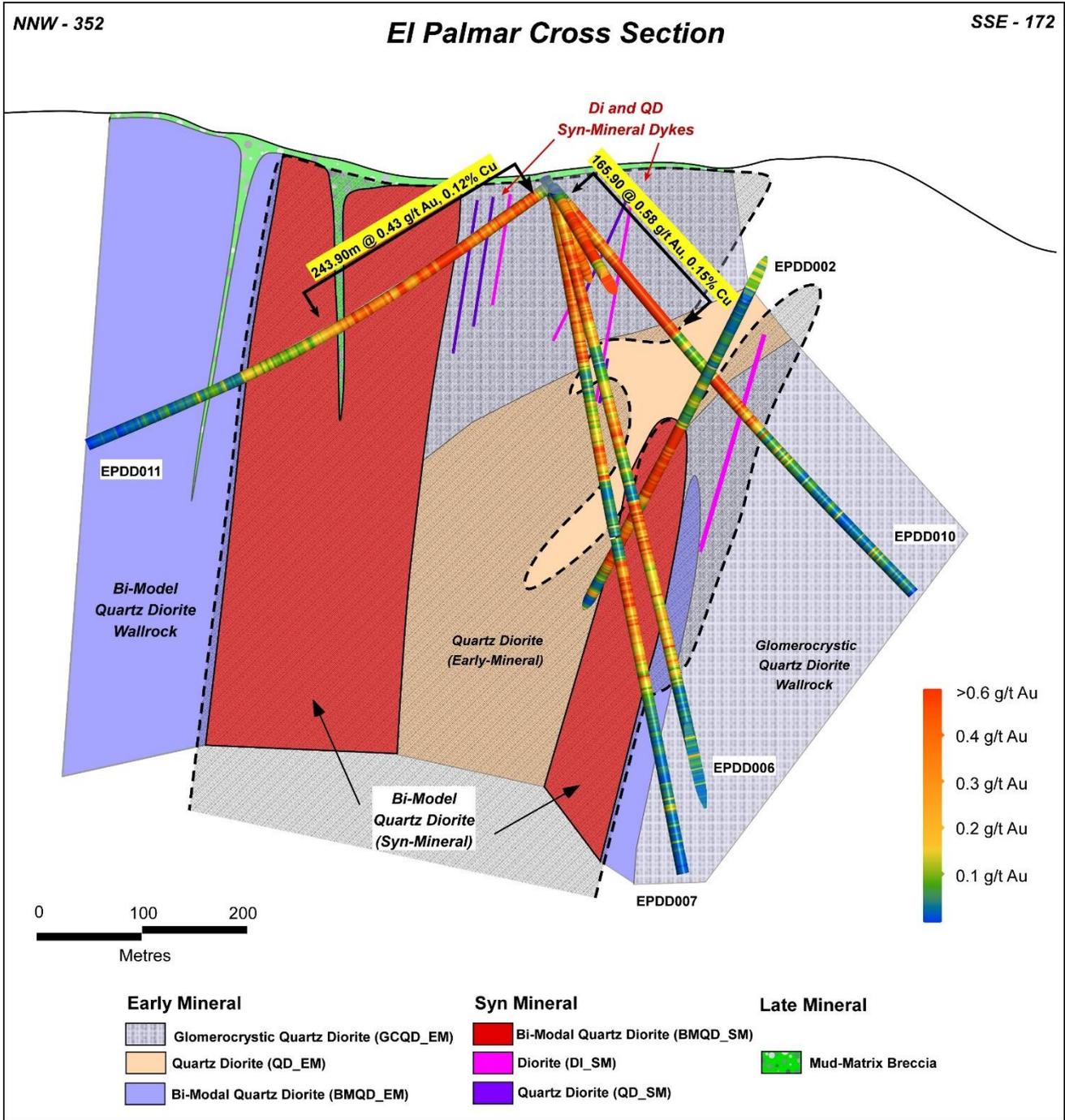


Figure 9: Cross section through holes EPDD002, 006, 007, 010, and 011 showing the lateral extent of mineralisation and the large areas that remain undrilled below EPDD011.

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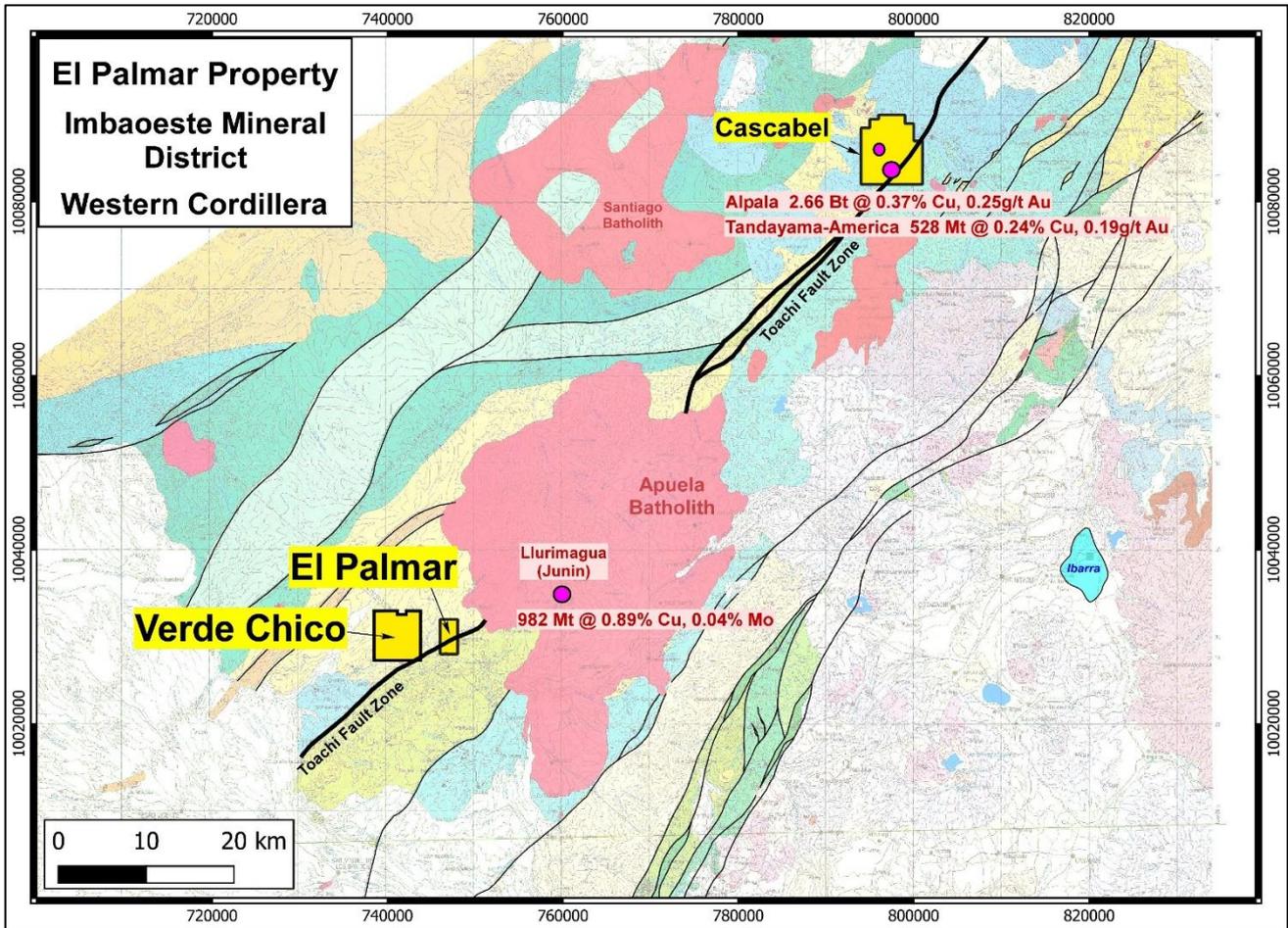


Figure 10: Location of the Verde Chico property relative to El Palmar, and to the Toachi fault zone which is considered important for the localisation of porphyry copper-gold-molybdenum mineralisation in northern Ecuador.

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TENEMENT SCHEDULE

At the end of the quarter, the Company holds the following tenements:

Gold-Copper Tenements – Ecuador

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
La Plata Minerales S.A.	Bramaderos [^]	Loja, Ecuador	Granted	87.5%
Golden Exploration Ecuador S.A.	Los Mandariyacus (El Palmar) [@]	Imbabura, Ecuador	Granted	70%
Compania Minera Verde Chico CIA Ltda	Verde Chico [#]	Imbabura, Ecuador	Granted	0%

[^]Sunstone announced on 7 January 2020 that the terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (TSXV:CGP) had been amended to provide Sunstone with an immediate 87.5% interest and Cornerstone with a loan carried 12.5% interest in La Plata Minerales S.A. (PLAMIN) the holder of the Bramaderos concession.

[@]Sunstone announcement 12 August 2020 regarding a Staged Acquisition Agreement for the El Palmar project. Sunstone has met all the obligations under the Staged Acquisition Agreement to move to 70% ownership, with the transfer of shares occurring during the quarter.

[#]Sunstone announcement 21 June 2022 regarding a Letter of Intent to acquire the Verde Chico Project, located to the west of Sunstone’s El Palmar gold-copper porphyry discovery in northern Ecuador, through a Staged Acquisition Agreement from the Verde Chico Group. The concession is currently being transferred to the Verde Chico Group and the final Staged Acquisition Agreement being drafted.

Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Dr Bruce Rohrlach who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Rohrlach is a full-time employee of Sunstone Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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”. Dr Rohrlach consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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DIRECTORY

SUNSTONE METALS LIMITED
ABN 68 123 184 412

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Stock Exchange Listing

Australian Stock Exchange

ASX Code: STM

Investor Information Contacts:

Mr Gavin Leicht - Company Secretary
Sunstone Metals Limited
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Shareholder Enquiries:

Share registry matters should be directed to:

Computershare Investor Services
Phone: 1300 850 505
Website: www.computershare.com.au

Registered Office:

9 Gardner Close
Milton Queensland 4064
Phone: 07 3368 9888
Fax: 07 3368 9899

Issued capital:

Ordinary shares: 2,574,446,418 (STM)
Unlisted Performance Rights 51,200,000 (STMAS)
Unlisted Options 20,000,000 (STMAL)
(at 30 June 2022)

Directors:

Graham Ascough – Non-Executive Chairman
Malcolm Norris – CEO/Managing Director
Stephen Stroud - Non-Executive Director

Company Secretary:

Gavin Leicht

For further information please visit www.sunstonemetals.com.au or contact:

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Appendix 5B

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

Name of entity

SUNSTONE METALS LIMITED

ABN

68 123 184 412

Quarter ended ("current quarter")

30 JUNE 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		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(371)	(1,656)
(e) administration and corporate costs	(150)	(726)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	17
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	(521)	(2,365)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	0	(1,037)
(c) property, plant and equipment	(5)	(41)
(d) exploration & evaluation	(6,137)	(16,743)
(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 (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements	0	460
	(c) property, plant and equipment		
	(d) investments	323	10,205
	(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	(5,819)	(7,156)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	22,440	22,440
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	(1,104)	(1,104)
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	21,336	21,336
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,001	12,171
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(521)	(2,365)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,819)	(7,156)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	21,336	21,336

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
4.5	Effect of movement in exchange rates on cash held	0	11
4.6	Cash and cash equivalents at end of period	23,997	23,997

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	5,469	7,049
5.2	Call deposits	18,528	1,952
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)	23,997	9,001

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	123
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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

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		0
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)	(521)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(5,819)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(6,340)
8.4 Cash and cash equivalents at quarter end (item 4.6)	23,997
8.5 Unused finance facilities available at quarter end (item 7.5)	0
8.6 Total available funding (item 8.4 + item 8.5)	23,997
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4
<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: N/A	
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: N/A	
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: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 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

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Authorised by: Gavin Leicht – Company Secretary

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(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.