

Quarterly Report

For the quarter ending 30 June 2022



mayurresources.com

Highlights



MayurRenewables

Mayur Renewables

- Signed Expression of Interest (EOI) with Santos Limited (ASX:STO) to jointly develop Mayur's portfolio of nature-based forestry carbon credit projects in PNG with negotiations underway to agree binding documentation
- US\$3 million financing facility provided by Santos to fund ongoing detailed feasibility and landholder consent work on the Carbon Projects
- Completed further community visits to the initial carbon project areas in Western Province as part of 'free and prior informed consent' (FPIC) process
- Progressed the feasibility study for the initial project areas to identify the potential carbon credits available and the approach to project design and verification



MayurCement&Lime

Mayur Cement and Lime

- Completed an enhanced and expanded DFS for Phase 1 of Central Cement & Lime Project (CCL) to produce limestone, quicklime & hydrated lime
- Prioritisation of Phase 1 to reduce the near-term capital needs of CCL and provide a pathway to earlier cashflow
- Phase 1 to focus on high-quality lime products for use in a range of industries including future facing minerals
- Phase 1 DFS outputs include a post-tax NPV (8%) of US\$133.5 million and IRR of 24.4%
- Strategic JV equity partner and project financing discussions for CCL are continuing



Ortus Resources

- Completed all pre-IPO activities for proposed IPO of Ortus Resources Limited on the ASX with which to raise capital to bring Orokolo Bay project into production
- IPO on hold due to equity market volatility and renewed interest from parties to fund privately
- Signed binding off take agreement with Shinebest for magnetite product from the Orokolo Bay project
- Site early works progressed at Orokolo Bay under supervision of strategic investor and in-country project delivery partner, HBS



Corporate

- Cash balance at 30 June 2022 of A\$3.1 million.

Mayur Renewables



Mayur Renewables was established to :

- provide projects of sufficient scale to establish standalone carbon and renewables-based opportunities directly addressing the race to decarbonize and achieve net-zero targets by both governments and private industry;
- directly assist Mayur's "nation building projects" in PNG by providing a pathway to net zero through the establishment of renewable energy and carbon offsets projects for its proposed lime and cement business; and
- align and enhance broader ESG commitments and respond to the needs of future downstream building materials customers.



Nature based Carbon forestry offsets



Solar



Geothermal

Mayur Renewables continues to develop its portfolio of carbon credit projects, involving the reclassification, protection and preservation of highly biodiverse threatened rainforest with a plan to generate high-quality nature-based forest carbon offsets.

EOI executed with Santos

An Expression of Interest (EOI) was signed with Santos Limited to jointly develop Mayur's portfolio of nature-based carbon offsets projects in PNG.

The Carbon Projects focus on preserving 1.4 million hectares of pristine and biodiverse rainforest in PNG through avoided deforestation.

Negotiations are underway with Santos to agree binding documentation for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence.

In addition to the above, a US\$3 million financing facility has been provided by Santos to fund ongoing detailed feasibility and landholder consent work on the Carbon Projects.

Santos has a long and active history in PNG with a significant investment in the PNG LNG mega project and the development of the Papua LNG and P'nyang projects.

Carbon Forestry Permits

As announced on 21 July 2022, Mayur received a notice from the PNG Forest Authority (PNGFA) that timber permit carbon concessions have been cancelled. Mayur has obtained legal advice and will be vigorously challenging the notices through applicable legal processes. Mayur shall continue its carbon offset projects in all the areas covered by its legally binding agreements as it already has Landowner consent, Local Governor written support and Climate Change Development Authority approval.

Mayur is also continuing with its feasibility work to understand the number of credits available in the project areas together with the most appropriate carbon verification methodology that will be subject to independent audit.

Further Community Awareness Trip Completed

As a follow up to the initial trip conducted earlier in the year, Mayur conducted another field trip to the 3 carbon project areas located in Western Province covering approximately 800,000 hectares to conduct community awareness as part of the FPIC (free and prior informed consent) process.

Information was provided on carbon offsets and the benefits this can bring to the community. This included explaining the range of positive outcomes of preserving the forests in their living state (rather than allowing them to be destroyed via logging or clearing) for PNG, the landowners and the forest communities.

Refer to next page for photos of the July 2022 field trip.

Mayur Renewables team conducting community awareness to Mayur's project areas in Western Province (July 2022)



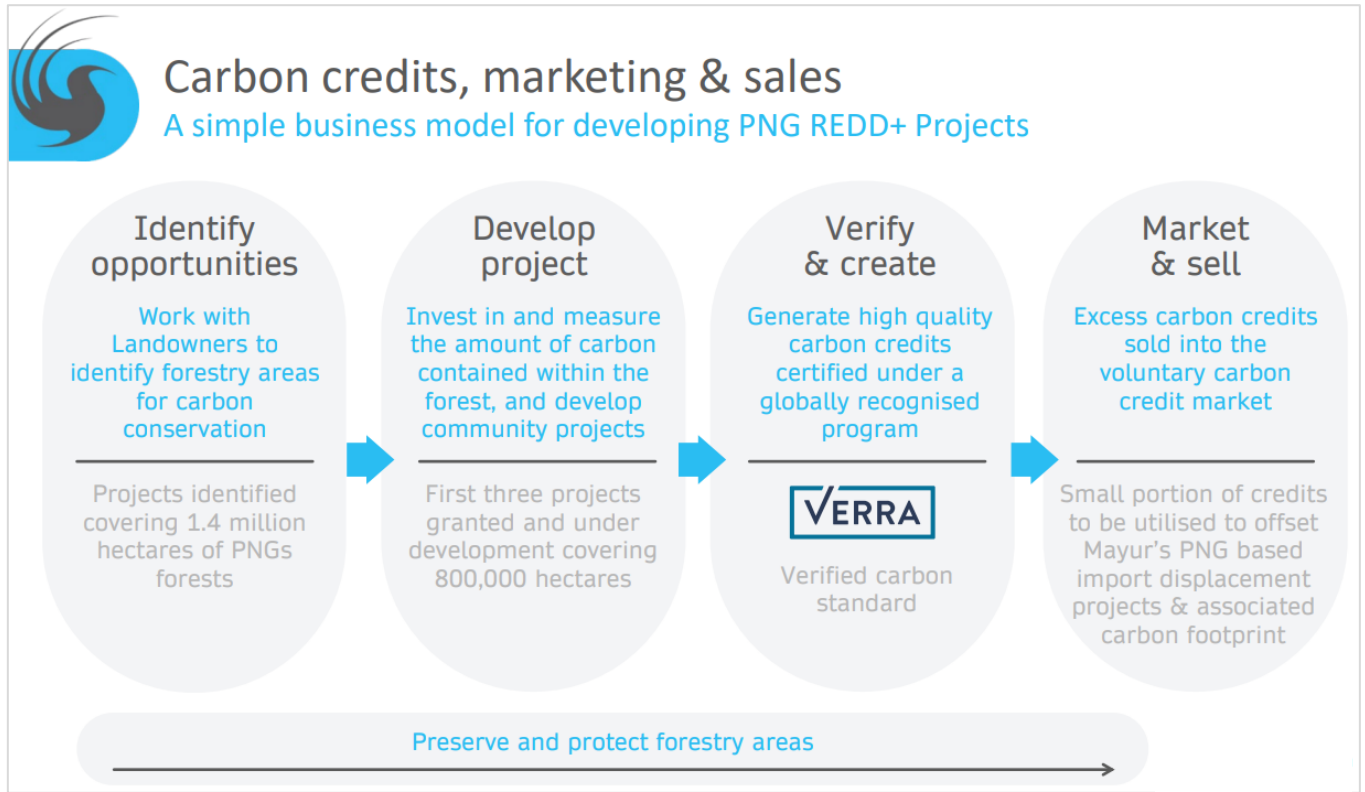
Mayur team travelled via light aircraft to access the remote communities in Westrn Province (July 2022)



Photos of the Wawoi Falls located in Mayur's project areas – home to some of PNG's most pristine rainforest (July 2022)



Mayur Renewables - carbon credit project development plan:



Mayur Renewables - alignment with ESG principles:



Carbon credits, marketing & sales
Environmentally and socially responsible business goals and objectives

1. Establish high-quality, independently verified carbon credits
2. Apply small portion of carbon credits to Mayur Resources' projects in PNG, enabling production of net-zero carbon products from commencement of production (not 2030 or 2050)
3. Market and sell surplus credits into the international market
4. **Return majority of carbon credit revenues to local Landowners**
5. Further revenue to flow to PNG Government bodies and agencies to deliver social projects to improve the lives of forest-based communities
6. Provide Landowners and PNG with a far superior financial, social, and environmental alternative/outcome to commercial logging
7. Protect PNG's rainforests and biodiversity for future generations

Above extracted from Mayur Renewables Carbon credits and renewable energy presentation released on 20 June 2022.

Mayur Cement and Lime

Central Cement & Lime Project



The proposed Central Cement and Lime Project (CCL) is a vertically integrated manufacturing facility with the ability to meet 100% of PNG's cement, clinker and quicklime requirements, displacing imports into PNG, and to penetrate nearby export markets in Australia and the South Pacific. The co-located quarry, plant site and deep draft wharf will enable very low operating costs. CCL is also seeking to become Asia Pacific's first carbon-neutral Cement and Lime producer.

DFS for Quicklime production facilities (CCL Phase 1)

Prioritised and expanded 400ktpa quicklime/hydrated lime plant (doubling the 200ktpa capacity from the 2019 DFS), and additional 500ktpa of raw limestone production with wharf and associated infrastructure. The Updated DFS for CCL Phase 1 demonstrates that project phasing yields:

- A significantly lower upfront capital requirement;
- High economic viability;
- Rapid delivery of quicklime product into an escalating price and demand environment; and
- A swifter pathway to cashflow generation.

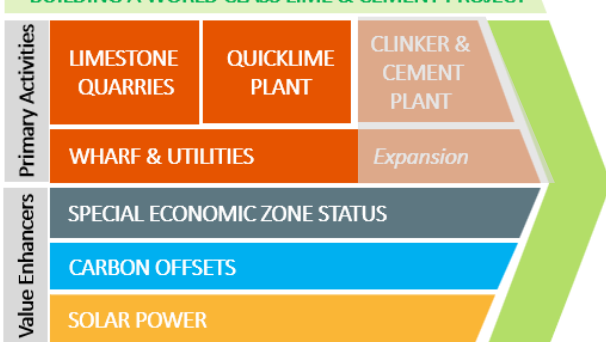
For more information refer to ASX release dated 26 July 2022.



Quicklime DFS – CCL Phase 1 - Key Highlights

- Construction of twin-kiln 1,200 tonne per day combined manufacturing capacity
- Annual production of 400 kt quicklime and hydrated lime plus 500 kt raw limestone
- Planned production from Phase 1 supported by various arrangements with high quality offtake customers
- Scaled infrastructure for Phase 1 includes wharf, power station and access road
- Capital cost estimate of US\$91.03 million
- Attractive CCL Phase 1 projected economics:
 - Post-tax revenue US\$1,518 million and EBITDA US\$771 million over 30-year project life
 - Post-tax NPV (8%) US\$133.5 million and IRR of 24.4%
- Special Economic Zone (SEZ) status granted providing a range of tax and fiscal incentives
- Mining Lease and Environment permit granted with support from State and Provincial Government
- Enhanced social attributes with community projects and engagement well advanced
- Dual fuel kiln design adopted to enable lower emissions and mitigate fuel risk exposure
- Hybrid power station - future option to provide up to 40% of electrical load via renewable solar generation
- Access to nature-based carbon offsets (originated from within PNG via Mayur Renewables) to offset hard-to-avoid emissions and provide customers with net zero products from CCL
- CCL Phase 2 targeting 1.65 Mtpa clinker and 907.5 ktpa cement grinding capacity to proceed subsequently

BUILDING A WORLD CLASS LIME & CEMENT PROJECT



- ▶ Fully permitted - PNG's first vertically integrated clinker, cement and quick lime project
- ▶ Large Mineral Resource (382 million tonnes, JORC) on coast with zero strip ratio
- ▶ All facilities to be co-located adjacent to a dedicated deep draft wharf
- ▶ Low Cost Production, high quality lime and cement products with offtake support
- ▶ Provides CCL with fiscal incentives to compete with other similar SEZs in Asia
- ▶ Provides CCL with a pathway to net zero via nature-based offsets from PNG
- ▶ Provides CCL with a renewable power source to replace fossil fuels

■ CCL Phase 1 ■ CCL Phase 2



Ortus Resources Spin Out

Orokolo Bay Iron & Industrial Sands Project

The Orokolo Bay Iron and Industrial Sands Project in PNG is set to produce a number of products including titanomagnetite, construction sands and a zircon-rich valuable heavy mineral concentrate. The Orokolo Bay Project has been significantly de-risked with the Mining Lease granted and strategic delivery partners secured (HBS)

Ortus Resources – capital raising for Orokolo Bay Project

All activities were completed for the proposed spin-out of Ortus Resources, including the appointment of key advisors, receipt of in-principle approval from the ASX and the compilation of the Prospectus.

Notwithstanding the current equity market volatility, the strategic rationale for the spin-out to raise the remaining capital to bring the project into production remains valid. However, several alternate capital development options are being assessed, including the IPO should market conditions meet the company’s expectation.

The project financials were refreshed with the project expected to deliver an NPV (10%) of US\$131 million, generating LOM EBIT of US\$24 million (A\$32 million) p.a.

For more information refer ASX release dated 4 April 2022.

Magnetite offtake signed (announced 6 July 2022)

A binding offtake agreement was signed with titanium pellet producer Qingdao Shinebest for the sale of vanadium titanomagnetite (magnetite) product.

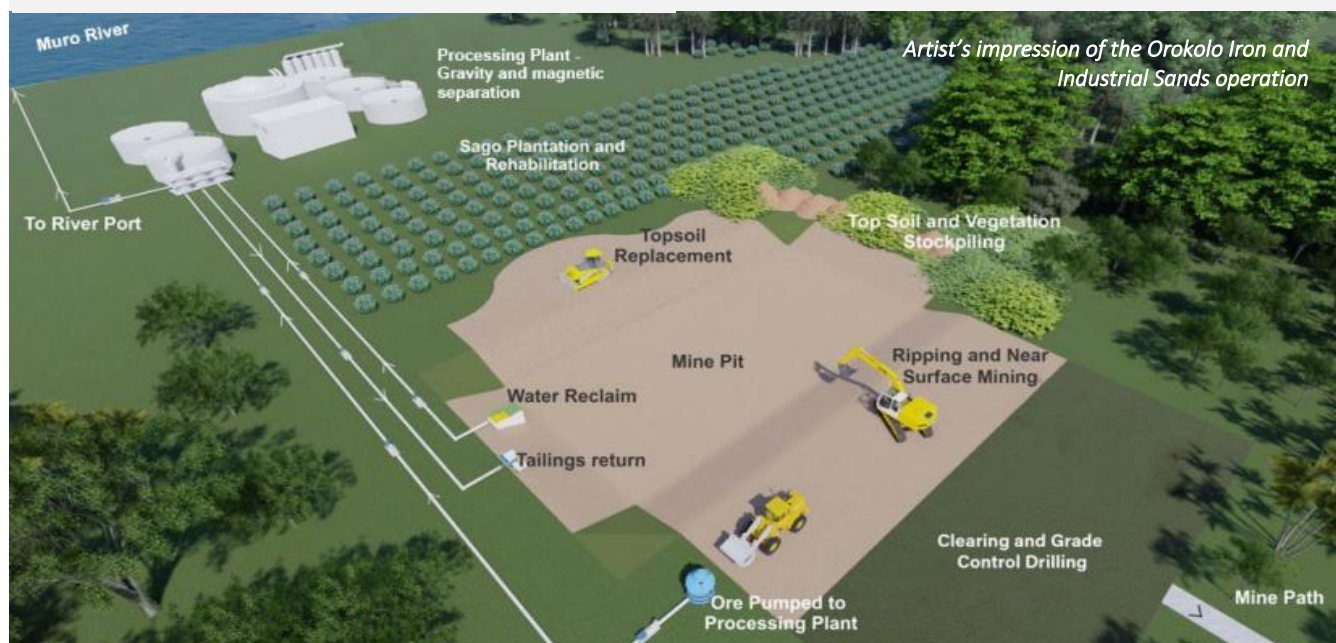
Offtake covers 300,000 tonnes per annum for a 3-year period, with an option to extend for a further year, at market linked pricing. Complements magnetite offtake term sheet executed with a leading Japanese trading house in December 2021. Order book confirms an important enabling pillar for the development and financing of the Orokolo Bay project.

Orokolo Bay Project – site works

Construction works at the Orokolo Bay site has been put on hold, and remains under the supervision of HBS as the strategic investor and in-country project delivery partner

Strategic rationale

- ✓ Logical separation of Mayur Iron from Mayur’s Renewables and Industrials businesses, allowing shareholders to gain separate exposure to different verticals
- ✓ Provides an appropriate structure to focus on bringing the construction-ready Orokolo Bay project into first production and cash flow generation
- ✓ Unlock value potential for Mayur Iron which is currently being under appreciated by the market inside Mayur Resources
- ✓ Enables Mayur Resources shareholders to continue to participate in the growth of Mayur Iron through a well-financed standalone entity





Corporate

Mayur's cash balance at 30 June 2022 stood at A\$3.1 million.

A total of A\$0.889 million was spent on exploration and development activities in the quarter, predominantly relating to the Central Cement and Lime Project, the Orokolo Bay Iron and Industrial Sands Project, and the nature-based forestry carbon credit projects. An outline of these activities is included elsewhere in this report.

During the quarter, the company made payments totalling approximately A\$0.156 million to related parties representing remuneration paid to Directors.

In relation to Mayur's approximate 43% holding in Adyton Resources Corporation (Adyton), Mayur has decided to put on hold its previously announced decision to undertake an in-specie distribution of its shareholding in Adyton to Mayur Resources shareholders. Given the prevailing low share price of Adyton over recent months, and consequent low market capitalisation of Adyton, Mayur is of the view that greater value will be derived by continuing to hold this shareholding in Adyton as a larger, more substantial block of shares.

Although Mayur fundamentally believes that Adyton's current share price does not reflect in any way the underlying asset and project value of Adyton, Mayur Directors have considered the carrying value of its investment in Adyton, and advise that it is intending to impair the carrying value of its investment in Adyton as at 30 June 2022, based on the prevailing share price as at 30 June 2022, resulting in an impairment loss for the financial year ended 30 June 2022 of approximately A\$9.2 million.

Tenement Interests

As at 30 June 2022 the Company had interests in the Exploration Licences (EL) as listed in Table 1, all located in Papua New Guinea. In addition to this the Company holds 100% of Mining Lease (ML) 526 for the CCL Project and ML 541 for the Orokolo Bay project

Table 2 shows the ELs held by Adyton Resources Corporation (TSXV: ADY) with MRL retaining a 43% ownership in Adyton Resources.

Table 3 details the Forestry Carbon Concession Permits granted to Mayur Renewables.

As noted in the table, various Exploration Licences are under renewal, and are progressing in accordance with the regulatory processes as prescribed by the PNG Mining Act.

The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licence not being granted in the ordinary course of business.

	EL number	Province	Commodity Focus	MRL Ownership	Area Km ²
1	2150	Gulf	Industrial mineral sands	100%	256
2	2304*	Gulf	Industrial mineral sands	100%	256
3	2305*	Gulf	Industrial mineral sands	100%	256
4	2556	Central	Industrial mineral sands	100%	694
5	2695	Western	Industrial mineral sands	100%	2070
6	1875*	Gulf	Thermal energy	100%	256
7	1876*	Gulf	Thermal energy	100%	256
8	2599*	Gulf	Thermal energy	100%	48
9	2303*	Central	Limestone	100%	256

Table 1 - Exploration Licences (*EL under renewal)

	EL number	Province	Commodity Focus	MRL Indirect Interest	Area Km ²
1	2096*	New Ireland	Copper / gold	43%	95
2	2594	Manus	Copper / gold	43%	259
3	2546*	Milne Bay	Copper / gold	43%	38
5	2549*	Milne Bay	Copper / gold	43%	102
6	2572*	Milne Bay	Copper / gold	43%	126

Table 2 - Exploration Licences held by Adyton Resources Corporation in which MRL has an indirect interest through its 43% ownership interest in Adyton Resources Corporation (*EL under renewal)

	Forestry Permit Number	Province	Commodity Focus	MRL Ownership	Area Hectares
1	FCCTP 1-01	Western	Carbon	100%	268,786
2	FCCTP 1-02	Western	Carbon	100%	265,907
3	FCCTP 1-03	Western	Carbon	100%	257,962

Table 3 – Forestry Carbon Concession & Trading Permits held by Mayur Renewables issued under the Forestry Act 1991

Company Profile

Mayur Resources Limited is an ASX-listed company focused on the development of natural resources and renewable energy in Papua New Guinea. The maturation of Mayur’s diversified asset portfolio, which spans iron and industrial sands, lime and cement, nature-based carbon offsets and renewable energy, provides exposure to growing international markets and will contribute to nation-building and job creation in a country which has lagged the pace of development compared to many of its Asian peers, but is now poised to experience a significant growth trajectory.

Directors:

- Independent Non-Executive Chairman – Charles Fear
- Managing Director - Paul Mulder
- Executive Director - Tim Crossley
- Independent Non-Executive Director – Chris Indermaur
- Independent Non-Executive Director – Hubert Namani
- Independent Non-Executive Director - Wee Choo Peng

ASX Code: MRL

Company Secretary (Australia):

Kerry Parker
Phone: +61 7 3157 4400

Ordinary shares: 241,543,663 (30 June 2022)

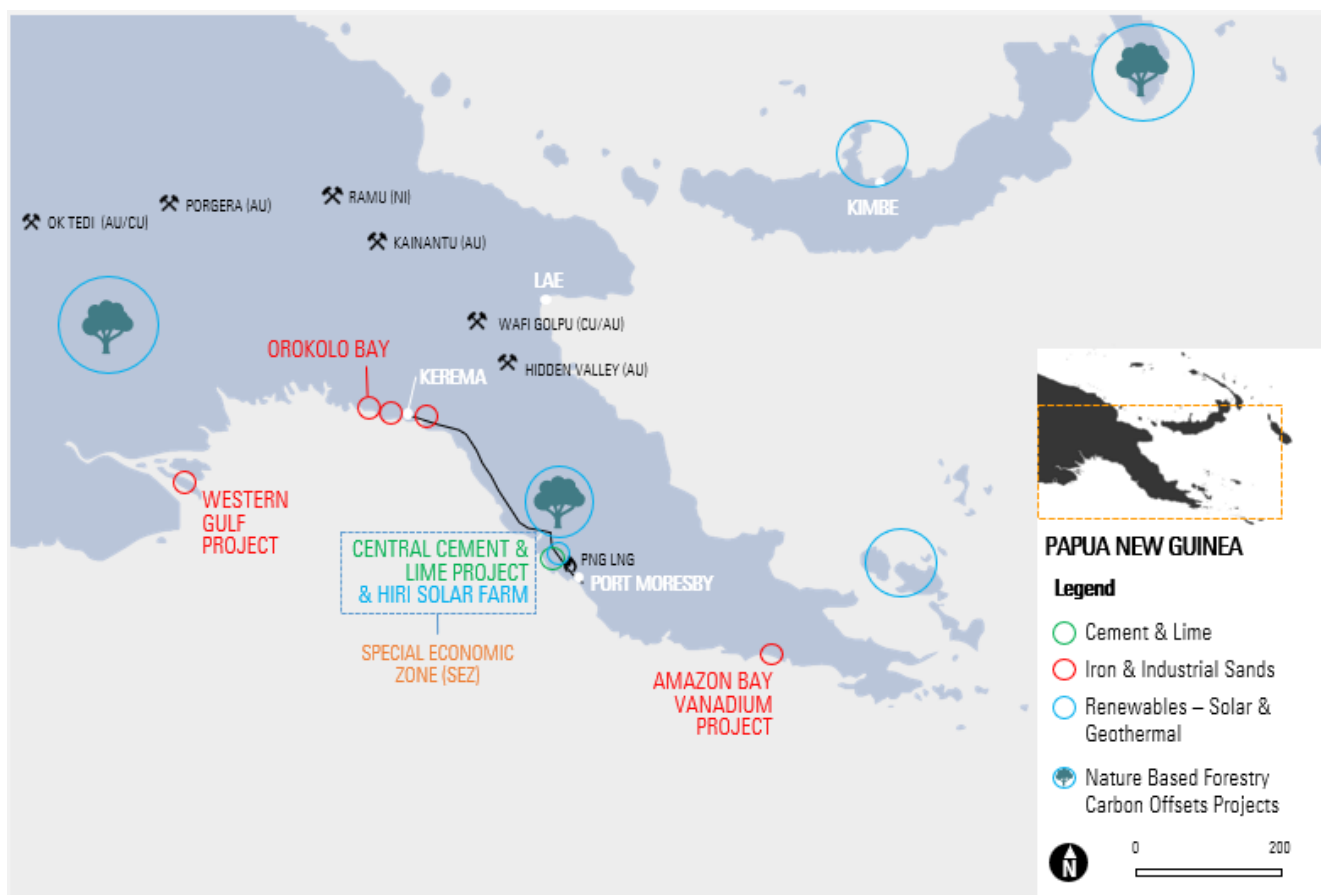
Office locations:

Australia (principal administrative office):
Level 7, 300 Adelaide St, Brisbane, Qld 4000
Phone +61 7 3157 4400

Singapore (registered address):

80 Robinson Road, #02-00
Singapore 068898

Website: www.mayurresources.com



Disclaimer

Competent Person's Statement

Statements contained in this announcement relating to Mineral Resources and Ore Reserves estimates for the **Central Cement and Lime Project** are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Geoscientists. Mr. Huntley has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which this Ore Reserves Estimate prepared for the Central Cement and Lime Project appears.

Statements contained in this announcement relating to Ore Reserves for the **Orokolo Bay Iron and Industrial Sands Project** Western Area are based on, and fairly represents, information and supporting documentation prepared by Mr Troy Lowien, a Member of The Australasian Institute of Mining and Metallurgy. Mr Lowien qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Lowien is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Lowien takes responsibility for the form and context in which this Ore Reserves Estimate prepared for the Orokolo Bay Project Western Area appears.

Forward-Looking Statements

All statements other than statements of historical fact included in this Announcement including, without limitation, statements regarding future plans or objectives of Mayur Resources Ltd are forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are no guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

Mayur Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law and existing stock exchange listing requirements.

Appendix 5B

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

Name of entity

Mayur Resources Ltd

ARBN

619 770 277

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	(398)	(1,462)
(e) administration and corporate costs	(821)	(2,133)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	(123)	(132)
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	(1,342)	(3,725)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(119)
(c) property, plant and equipment	-	(20)
(d) exploration & evaluation	(889)	(4,539)
(e) investments	-	-
(f) other non-current assets	-	-

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	-	-
	(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	(889)	(4,678)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	2,850
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	-	(82)
3.5	Proceeds from borrowings (Santos transaction)	4,322	7,322
3.6	Repayment of borrowings (Tribeca)	(3,000)	(3,000)
3.7	Transaction costs related to loans and borrowings	-	(120)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,522	6,970

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,797	4,539
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,342)	(3,725)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(889)	(4,678)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,522	6,970

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(37)	(55)
4.6	Cash and cash equivalents at end of period	3,051	3,051

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	3,051	3,797
5.2	Call deposits	-	-
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)	3,051	3,797

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	156
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	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify) – Promissory Note	4.322	4.322
7.4 Total financing facilities	4.322	4.322
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.		
<p>On 20 June 2022, Mayur Resources Limited announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX:STO), to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects).</p> <p>Nature-based offsets projects protect, transform or restore land. In this way, nature absorbs more CO2 emissions from the atmosphere. These projects can lead to the marketing, trading and sale of carbon credits.</p> <p>Under the terms of the EOI, Mayur has agreed to provide Santos with an exclusive period of 180 days (Exclusivity Period) during which Santos and Mayur are to negotiate in good faith and if agreed, enter into binding transaction documents (Transaction Documents) to jointly develop Carbon Projects. The Carbon Projects focus on preserving 1.4 million hectares of pristine rainforest in Papua New Guinea through avoided deforestation. Phase 1 development is already being progressed which includes up to 800,000 hectares in the Western Province. The EOI includes a framework for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence.</p> <p>In addition, Santos has provided Mayur with a US\$3 million facility on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects. If the Transaction Documents are not entered before the conclusion of the Exclusivity Period (being 17 December 2022), the Convertible Securities issued under the loan facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025).</p> <p>The facility is non-interest bearing and security has been provided over the Mayur Renewables business.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,342)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(889)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,231)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,051
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,051
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.37
<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?	
<p>During the quarter, the company incurred a number of one-off costs that are not expected to re-occur in subsequent quarters, relating to the advancement of the Orokolo Bay Iron and Industrial Sands Project, the advancement of the nature based forestry carbon credit projects, and costs associated with the proposed Initial Public Offering of Ortus Resources Limited. Normalising these costs, Mayur expects to have sufficient cash holdings for approximately 2.1 quarters.</p>	
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?	
<p>As noted elsewhere in this Quarterly Report, Mayur is in advanced discussions with a number of strategic partners relating to partnering with Mayur on Central Cement and Lime Project, and on the nature based forestry carbon credit projects.</p> <p>On 20 June 2022, Mayur Resources Limited announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX:STO), to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects).</p> <p>Nature-based offsets projects protect, transform or restore land. In this way, nature absorbs more CO2 emissions from the atmosphere. These projects can lead to the marketing, trading and sale of carbon credits.</p> <p>Under the terms of the EOI, Mayur has agreed to provide Santos with an exclusive period of 180 days (Exclusivity Period) during which Santos and Mayur are to negotiate in good faith and if agreed, enter into binding transaction documents (Transaction Documents) to jointly develop Carbon Projects. The Carbon Projects focus on preserving 1.4 million hectares of pristine rainforest in Papua New Guinea through avoided deforestation. Phase 1 development is already being progressed which includes up to 800,000 hectares in the Western Province. The EOI includes a framework for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence.</p>	
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?	
<p>Yes. As noted above, normalising these costs, Mayur expects to have sufficient cash holdings for approximately 2.1 quarters.</p>	
<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.....

Authorised by: **By the Board**.....
(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.