

# QUARTERLY ACTIVITIES REPORT

## PERIOD ENDED 30 SEPTEMBER 2022

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Australian-based gold exploration and mining company Polymetals Resources Ltd (**ASX: POL, Polymetals** or the **Company**) is pleased to provide its Quarterly Activities Report for the quarter ended 30<sup>th</sup> September 2022 (**Quarter**).

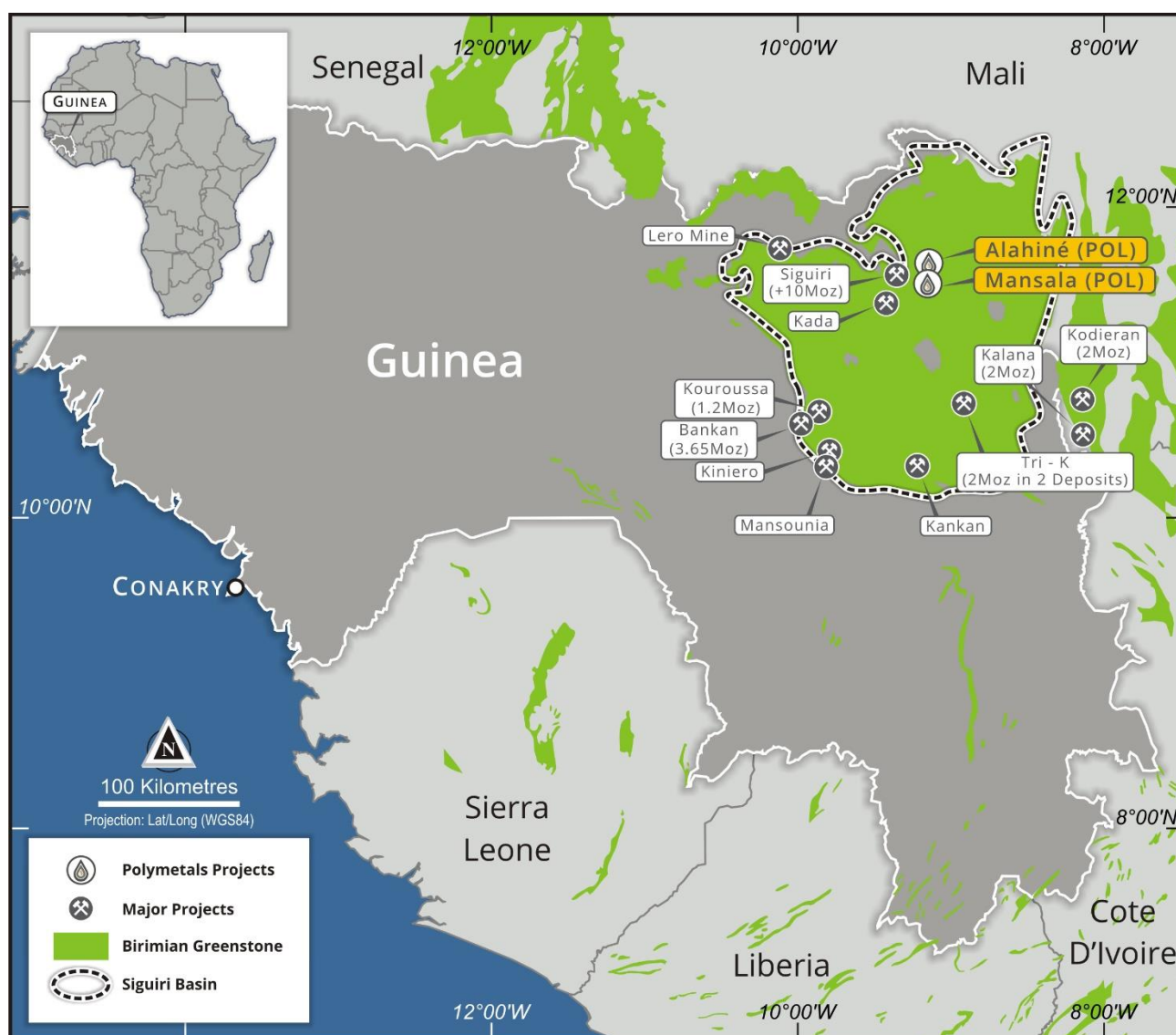
### KEY HIGHLIGHTS

- RC drilling assay results received for the Alahiné Gold Project in Guinea, with numerous higher grade zones intersected and a number of broad zones of strong, shallow gold mineralisation
- Key gold intersections reported from Alahiné include:
  - AH22RC164:  
**16m @ 3.01 g/t Au** from 62m, including:  
**7m @ 5.78 g/t Au** from 71m
  - AH22RC165:  
**4m @ 10.62 g/t Au** from 8m
  - AH22RC148:  
**15m @ 1.33 g/t Au** from 7m, including:  
**4m @ 3.77 g/t Au** from 14m
  - AH22RC139:  
**16m @ 1.15 g/t Au** from 12m, including:  
**3m @ 4.14 g/t Au** from 14m
  - AH22RC162:  
**10m @ 1.93 g/t Au** from 19m
  - AH22RC163:  
**11m @ 1.08 g/t Au** from 81m
- Airborne magnetic survey identifies multiple high-priority targets at Alahiné and Mansala Gold Projects
- POL commenced high level review of a potential opportunity in Australia, as part of its diversification strategy
- Experienced geologist Alistair Barton appointed as Non-Executive Director

## GUINEA EXPLORATION

Polymetals is focussed on exploring two licences within Guinea's Siguiri Basin which hosts several large active gold mining operations and is notable for its significant and widespread gold anomalism.

The Exploration Licences, known as Alahiné (64.2km<sup>2</sup>) and Mansala (48.2km<sup>2</sup>), host prolific historic and current small scale gold production conducted by artisanal miners confirming the extensive gold endowment of the area.



**Figure 1:** Regional West African gold deposits relative to the Company's Exploration Licences

## **ALAHINÉ GOLD PROJECT DELIVERS 16M @ 3.01 G/T GOLD**

During the quarter, Polymetals Resources announced that highly encouraging assay results have been received from the Phase 3 drilling program at its Alahiné Gold Project, located in Guinea's Siguiri Basin, West Africa.

The objective of Polymetals' efforts at Alahiné is to discover "Siguiri-style" mineralisation akin to the AngloGold Ashanti (ASX:AGG, NYSE:AU) >10Moz Siguiri Gold Mine, located 37km west of the Alahiné licence.

The Company recently completed the Alahiné Phase 3 drilling program, which comprised 74 Reverse Circulation (RC) drill holes on 17 traverse lines for a total of 6,385m. Drilling commenced 14 June 2022 and was completed 5 July 2022.

The drilling program was conducted by OreSearch Drilling, with an average hole depth of 85m and the deepest hole being 150m. Samples were submitted for fire assay at the SGS laboratory in Bamako, Mali.

### **POL Confirms Strike Continuity**

The Phase 3 drilling program at Alahiné focussed on confirming the strike continuity and down-dip extent of mineralised intersections reported from previous drilling programs. In addition, the program aimed to extend mineralisation to the south, along strike of the known mineralised areas.

Gold is associated with quartz-carbonate-pyrite veins and veinlets within zones of moderately silica-carbonate altered Birimian metasedimentary rocks. In addition to the quartz vein hosted gold, broad intervals of felsic intrusive-hosted narrow quartz veins are mineralised with the gold associated with fine grained disseminated pyrite. Mineralisation appears to boudinage (swell and pinch) along strike and remain open at depth in the southern half of the mineralised zone.

The drilling intersected mineralisation on infill drill traverses along strike, down-dip and up-dip of follow-up previous drill holes, as shown in Figures 2-4. Drilling has also successfully demonstrated continuity of mineralisation over a strike length of 1700m.



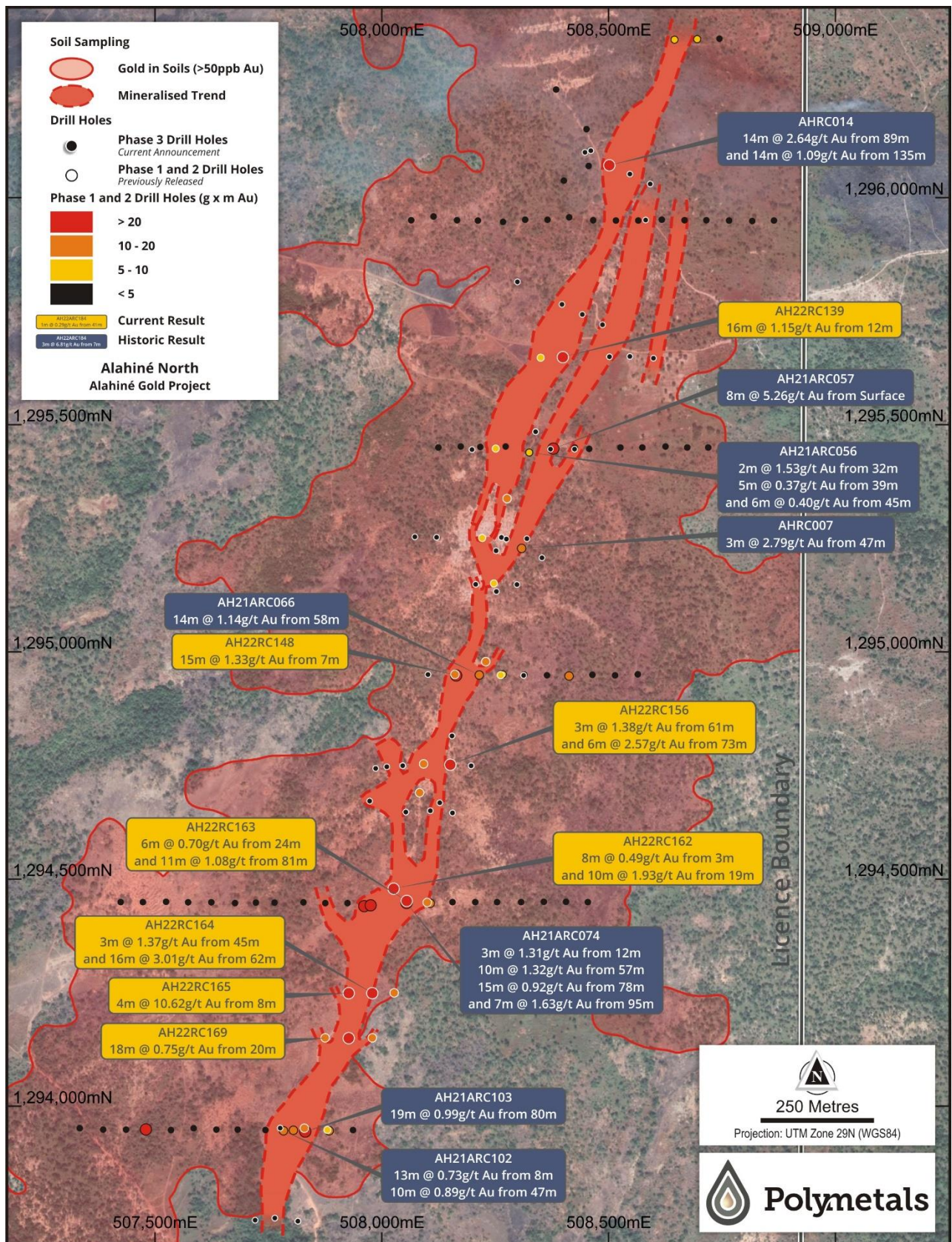
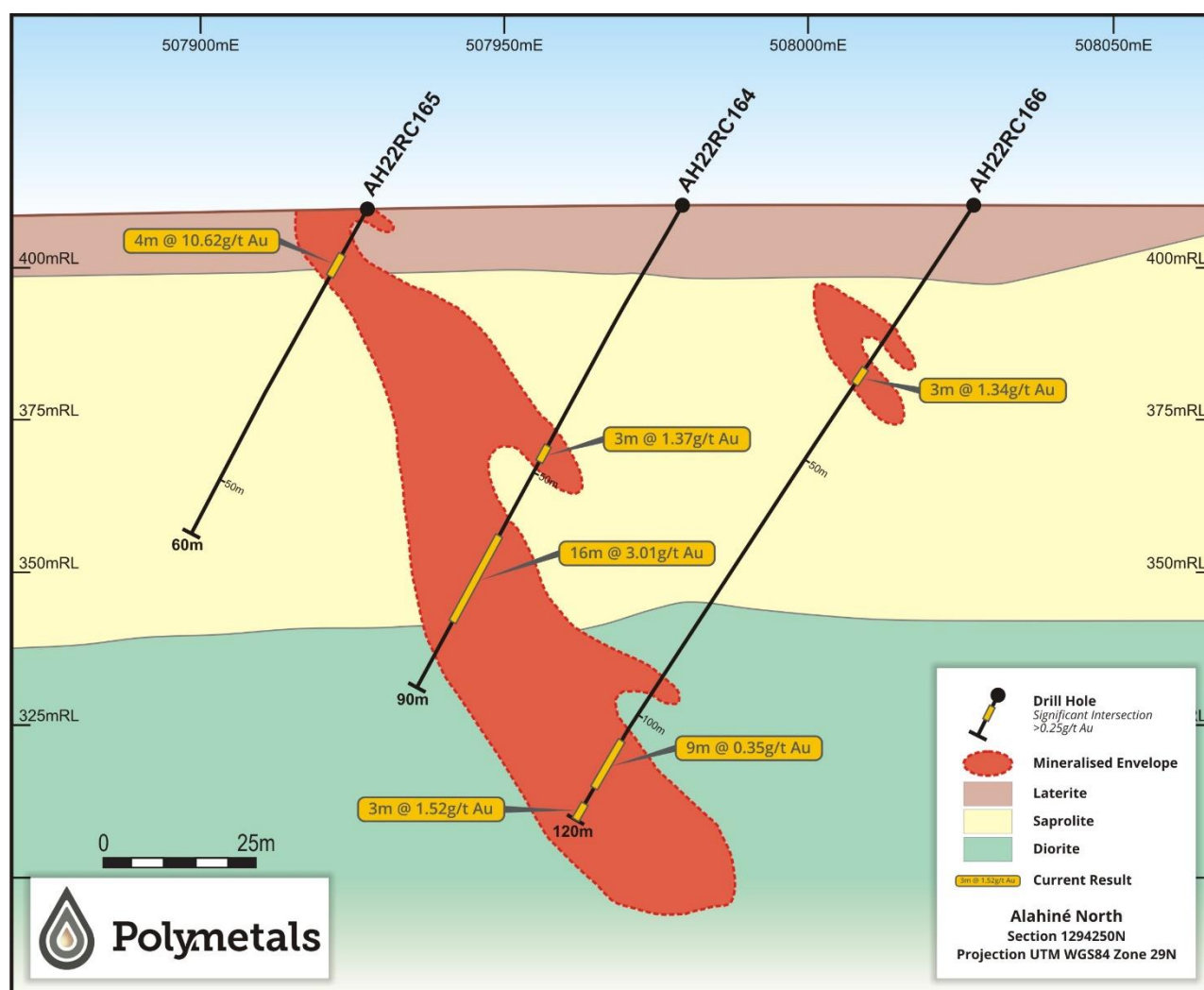


Figure 2: Alahiné North – Plan view of drill holes and prominent NNE mineralised zone.

Section 1,294,250N (Figure 3) was drilled to test continuity along strike between two previously drilled gold mineralised sections spaced 500m apart. Results show continuity of mineralisation along strike and down dip with end of hole mineralisation in AH22RC166, indicating the mineralisation is open at depth to a vertical distance of +100m.

The key intercepts within section 1,294,250N are as follows:

- AH22RC164
  - 3m @ 1.37 g/t Au from 45m; and
  - **16m @ 3.01 g/t Au** from 62m; and
- AH22RC165
  - **4m @ 10.62 g/t Au** from 8m.

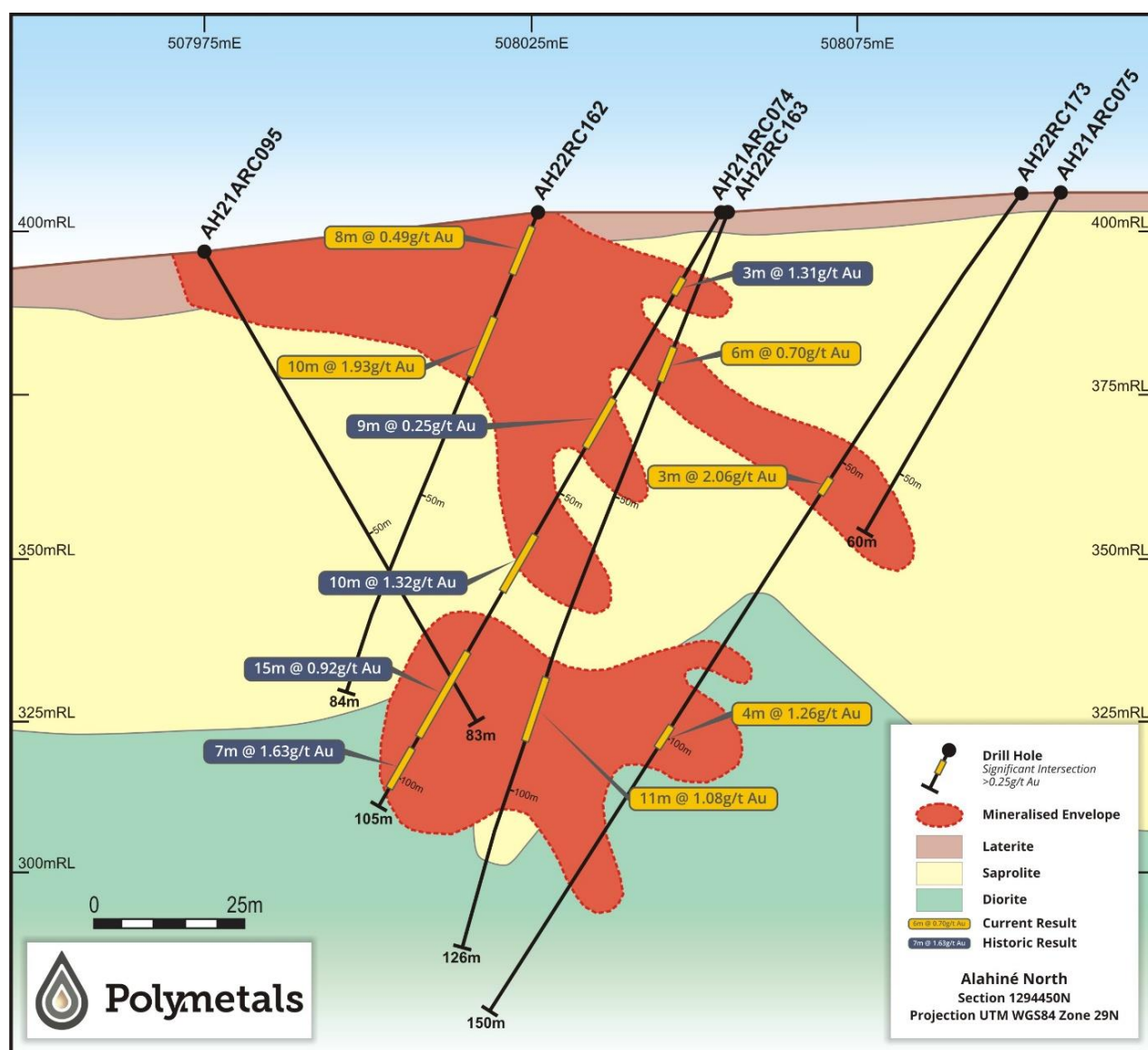


**Figure 3:** Section 1294250N – Infill drilling from previous drilling campaigns delivering 16m @ 3.01 g/t Au.



Drill holes in Section 1,294,450N (Figure 4) tested up-dip and down-dip and along strike continuity of previously intersected gold mineralisation. Results in AH22RC162 show two zones of mineralisation which are the near surface expression of gold mineralisation intersected in previous hole AH21ARC074.

Down-dip extent of mineralisation in hole AH21ARC074 was successfully identified in hole AH22RC163 showing mineralisation to be open at depth. Gold mineralisation can be traced to about 100m below the surface. Holes drilled on 310° Grid azimuth were planned due to mapping of artisanal pits identifying a SE dip direction for the surrounding rocks. A 310° azimuth (perpendicular to bedding) hole was drilled on this section to determine which of the two drilling directions would be most appropriate for future programs.



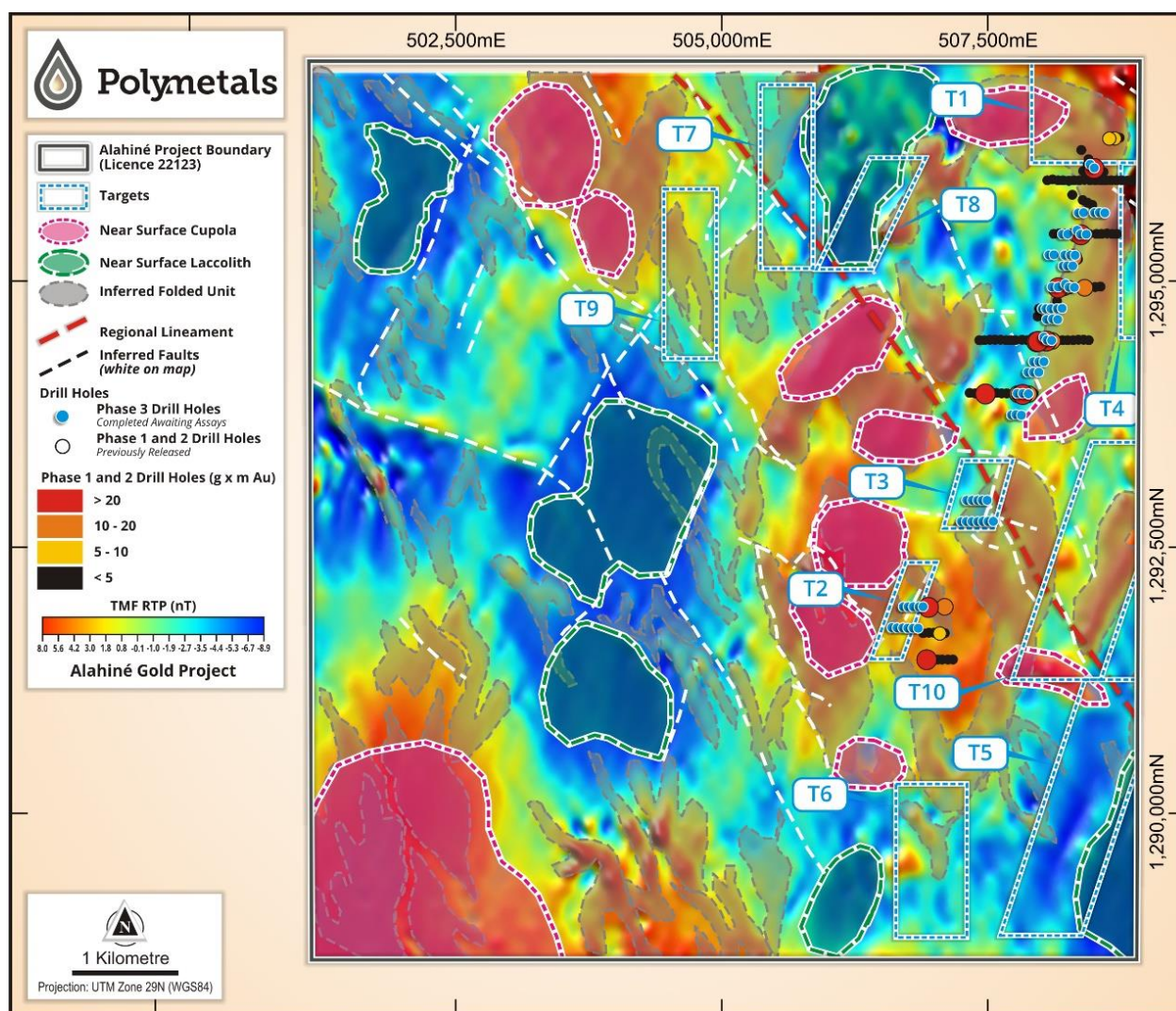
**Figure 4:** Section 1294450N - Testing down-dip continuity of previous drill intercepts and azimuth investigation. Please note: AH22RC162 and AH22RC163 were drilled at an azimuth of 310° to determine the most appropriate drilling direction for future programs.

## Multiple High-Priority Targets Identified at Alahiné Gold Project

Polymetals announced that its 700-line kilometre airborne magnetic survey completed at the Alahiné Gold Project identified ten (10) targets. The Company was able to include two (2) of the high priority targets identified in the Aeromagnetic survey in the Phase 3 drill program as a result of timely receipt of the survey results.

The airborne magnetic survey at Alahiné was conducted by AeroPhysX in May 2022 on 100m-line spacings. The objective of the survey was to provide detailed data to determine the structural controls of mineralisation and information on the nature and disposition of host rocks currently obscured by lateritic cover.

Images of processed aeromagnetic data show magnetic lineaments, as well as lithological and structural features that may have controlled the localisation of the known gold mineralisation.



**Figure 5:** Alahiné Gold Project – Aeromagnetic map showing key faults, lineaments, major structural features and high-priority geophysical targets

**Notable Geological Features**

The Alahiné licence encompasses complex geology, as is highlighted by the aeromagnetic data. Two particularly notable NNW-oriented features can be discerned. One extends across the NE corner of the tenement and in Figure 5 where it represented as a pecked brown line. This feature parallels the prominent NNW trending magnetic fabric shown in the Reduced to the Pole ("RTP") TMF imagery and mirrors current drainage. It could be a major crustal suture.

The second structural feature is less well defined. It parallels the major suture, some 700m to the west, but is defined by a number of interpreted discontinuous faults. The feature widens to the south and dies out towards the southern boundary of the tenement. Drainage capture by this feature is less pronounced.

The corridor between the two structures appears to be a zone of weakness into which several interpreted cupolas have intruded. Interestingly, a second structural corridor trending NNE and paralleling a second (older) magnetic fabric can also be inferred. This also is the locus of intrusion, with four small, interpreted cusps aligned along it. Targets T1, T2 and T3 are situated within this corridor. Note that cupolas, or high level intrusions, are identified in RTP total magnetic field imagery as near surface magnetic bodies. Zones of alteration surrounding these bodies are considered to be prospective terrain.

It is observed that many of the elevated soil-gold assays and the major NNE trend they define coincide with the perimeters of interpreted folded magnetic units. This correlation may signify that particular contact zones between Siguiri Basin sediments of contrasting competencies and permeability have allowed the ingress of Au-mineralising fluids and subsequent vein formation. Such fluids may be of an igneous origin, or could be basinal fluids mobilised by the Eburnean metamorphic events.

**NEXT STEPS AT ALAHINÉ****Further analysis of Auger drill samples**

Trace element abundances including pathfinder elements such as As, Ag, Sb, Mo, Cr, Te and W will be measured by portable X-ray Fluorescence (pXRF) for all bottom-of-hole samples collected during previous drilling programs conducted on the Alahiné licence. Anomalous abundances of some or all of these elements may signal the presence of mineralisation at depth, in which case, further follow-up will be undertaken.

**Geological Mapping Programme**

Further detailed geological mapping of all workings and tenement geology will be carried out to better understand the identified structure and intrusive cupolas identified or interpreted as described above. Once this work, together with a review of all other geological, geochemical and geophysical data and information is completed, a drill programme to best target mineralised or potential mineralised zones will be planned.



**Drill program planning**

An initial and limited programme of diamond drilling (including the use of RC drill collars) will be carried out to assess the geological structures and cupolas as defined in the section above.

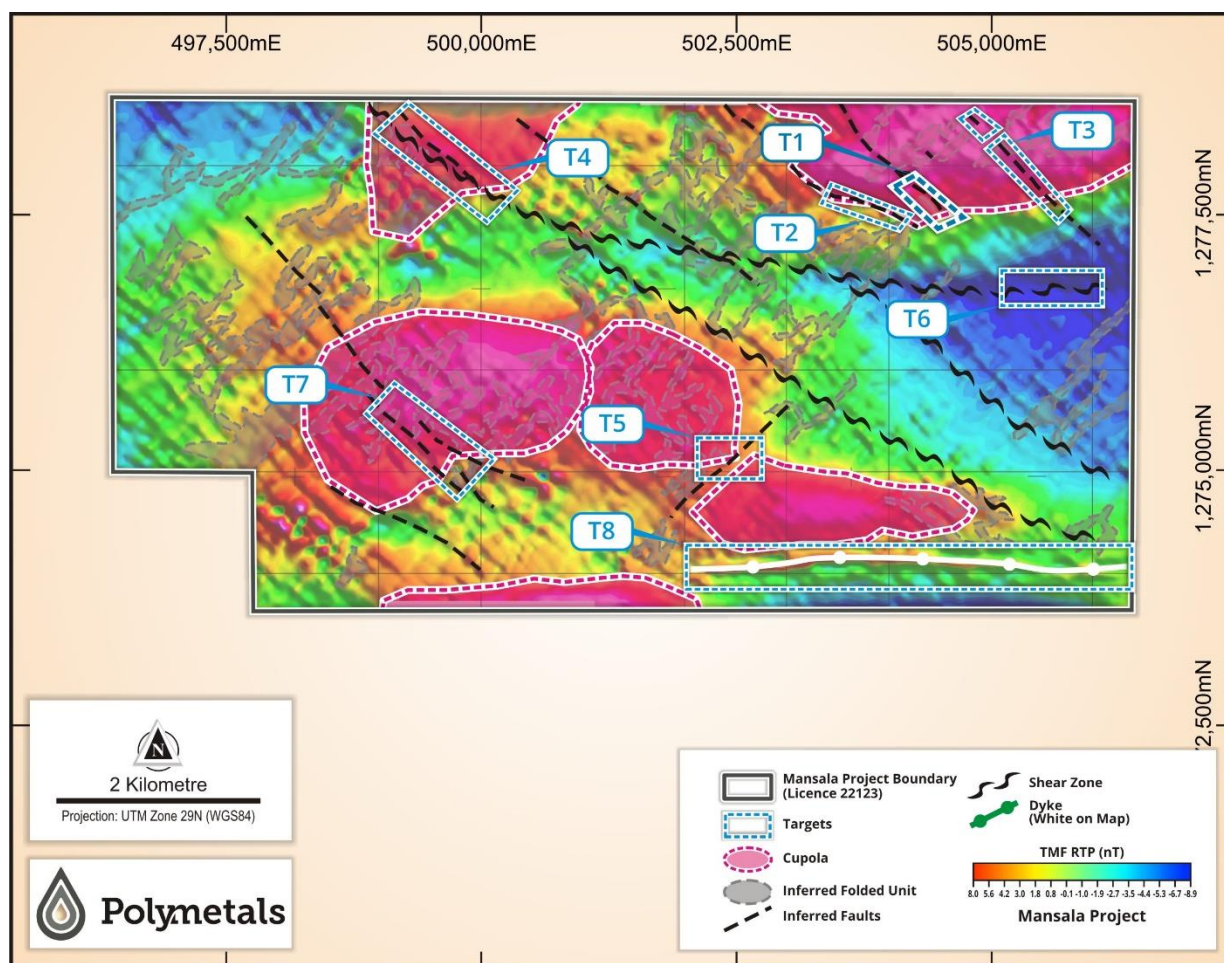
Based on the results above, closer spaced and better targeted drilling is planned to delineate potentially economically mineable zones. Also, the Alahiné permit encompasses several interpreted high level intrusives that lie within a structural corridor defined by two major parallel faults trending NNW to NW. These targets remain untested by drilling and are considered to be highly prospective for identifying additional zones of mineralisation in all directions of the tested mineralised structure.

**MULTIPLE TARGETS IDENTIFIED AT MANSALA GOLD PROJECT****Mansala Airborne Magnetic Survey**

Polymetals announced that it identified eight (8) targets in the completed 500-line kilometre airborne magnetic survey with the Company's Mansala Gold Project.

The airborne magnetic survey at Mansala was conducted by AeroPhysX in June 2022 on 100m-line spacings. The objective of the approximately 500-line km survey was to provide detailed data to determine the structural controls of mineralisation and information on the nature and disposition of host rocks currently obscured by lateritic cover.

Images of processed aeromagnetic data show NW - NNW and NE - NNE magnetic lineaments pattern, as well as lithological and structural features that may have controlled the localisation of the known gold mineralisation. Another key structural feature identified is the intense folding with axial planes along NNW and NNE directions that may influence mineralisation.

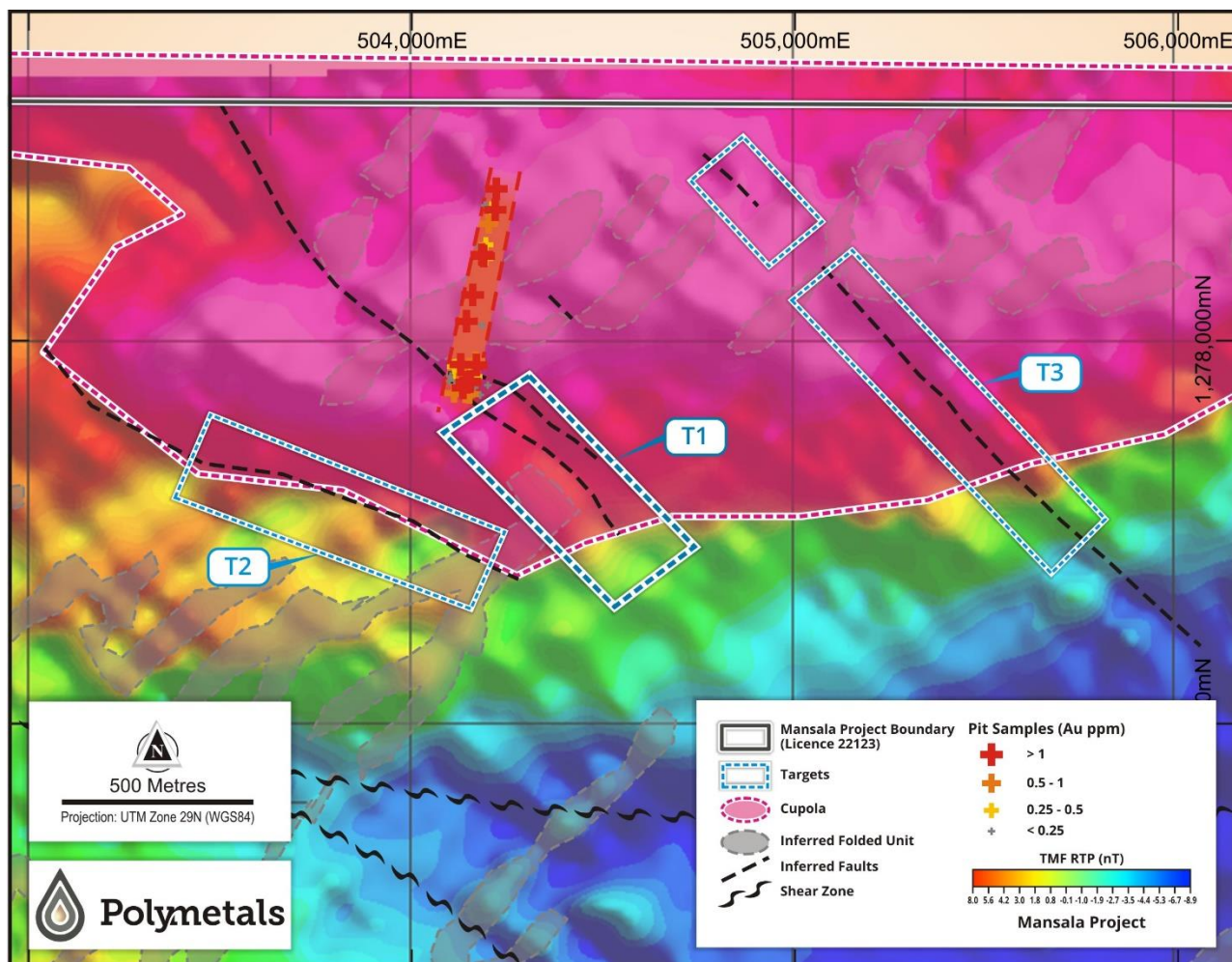


**Figure 6:** Mansala Gold Project – Aeromagnetic map showing interpreted cupolas and major structural features – faults, lineaments, shear zones and high-priority geophysical targets

### High-Priority Geophysical Targets

Two high-priority geophysical targets identified from the airborne magnetic survey at Mansala intersect the known NNE trend of strongly anomalous gold found in artisanal pit sampling in the NE quadrant of the permit (Area F). This makes Area F a highly prospective location to carry out further geological mapping and drill test in the coming field season.

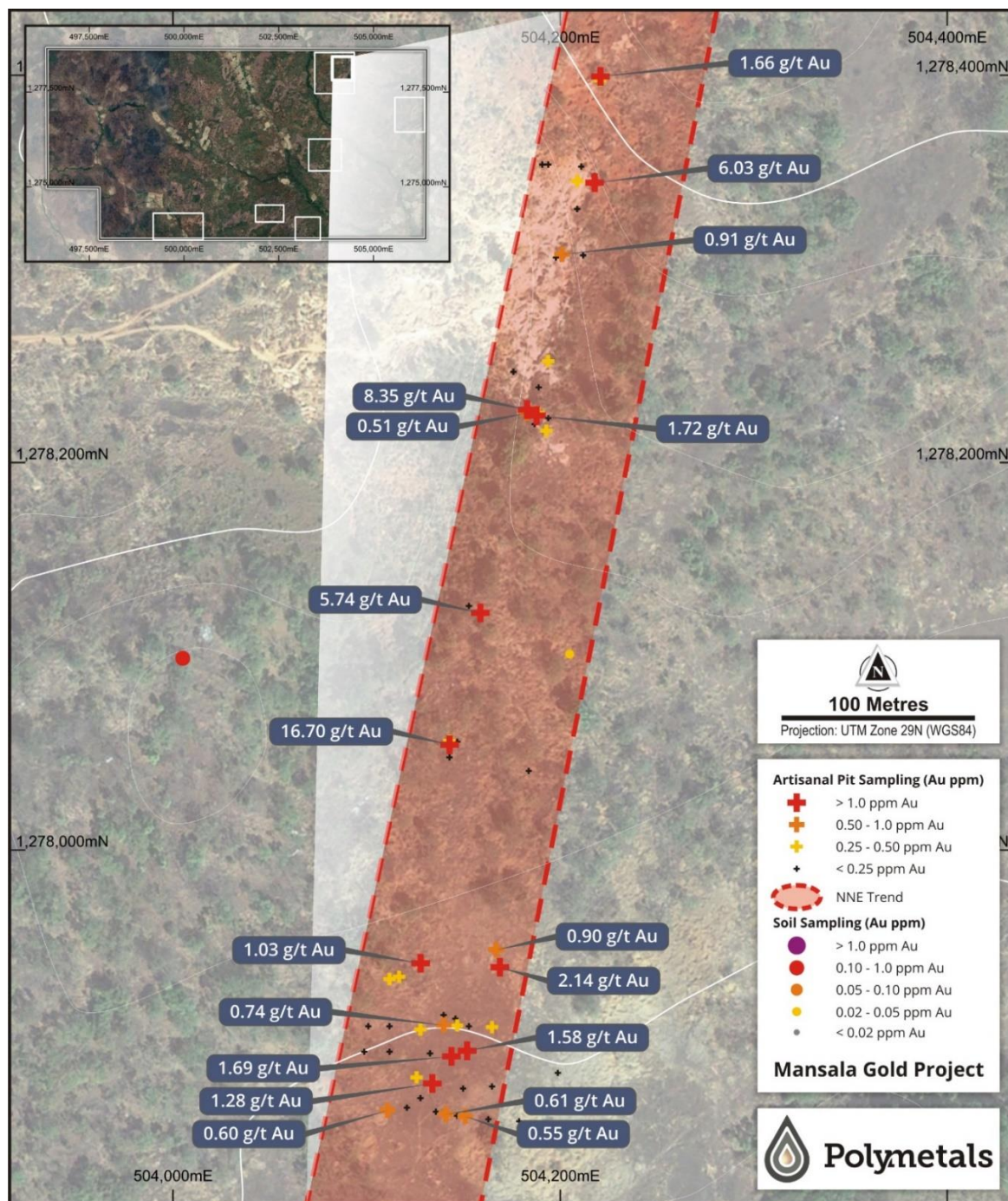
Targets 1 and 2 (“T1” and “T2”) as shown in Figure 7 encompass all relevant mineralisation criteria for a large mineralising system and could be related to a Siguiri-style gold deposit. These targets comprise folds and faults which are proximal to a shear zone, felsic intrusive and structural lineaments that compare well with known deposits in the Siguiri Basin.



**Figure 7:** Mansala Gold Project – Aeromagnetic targets and structural features coincident with Area F mineralised Au trend identified in pit sampling. Detailed Area F mineralised Au trend shown in Figure 3.

The NNE trend of strongly anomalous gold at the high-priority target Area F is on a fault structure in a Cupola and is proximal to a shear zone. The trend of this mineralisation is open to the north and south. It is observed that the centre of gravity of the gold values is at the intersection of major and minor shear zones. It is likely that the mineralisation in auger Area F pit samples has been influenced by one or more of the interpreted geological structures and lithology. Testing of this area by further geological mapping, sampling programmes and drilling will be a top priority during the next field season.





**Figure 8:** Area F: Mansala artisanal pit sampling. Location of area sampled is shown as a yellow rectangle in the inset map of the Mansala licence. White rectangles denote Au-anomalous soil areas tested by auger drilling<sup>1</sup>.

<sup>1</sup> Refer to ASX release dated 05 May 2022 "Exploration Accelerating at Mansala Gold Project"

## **NEXT STEPS AT MANSALA**

### **Further analysis of samples**

For all bottom-of-hole samples collected during previous auger drilling programs and recent soil samples collected on the Mansala licence trace element abundances including pathfinder elements such as As, Ag, Sb, Mo, Cr, Te and W will be measured by portable X-ray Fluorescence (pXRF) Analyser. Anomalous abundances of some or all of these elements may signal the presence of mineralisation at depth, in which case, further follow-up will be undertaken.

### **Planning for the next Field Season**

During the wet season compilation and further refinement of interpretation of all currently available data will be undertaken. Surface geological mapping and sampling and drilling programs for both Alahiné and Mansala tenements will be planned.

## **BUSINESS DEVELOPMENT**

A recent high level review of an Australian polymetallic production asset, currently on care and maintenance, has been undertaken by the Company. The Company has advanced discussions with the mine owner for 100% purchase of the project.

Negotiations in relation to the proposed transaction remain incomplete and subject to:

- due diligence and final Board approval;
- legal documentation;
- consideration to funding of the acquisition, plus working capital and other requirements; and
- regulatory approval, including compliance with Chapter 11 of the Listing Rules (in particular, shareholder approval if required by ASX as well as possible re-compliance of the Company under Chapter 1 of the ASX listing rules).

Further updates on the proposed transaction, including the expected time frame for its completion will be provided when available.

## **CORPORATE**

### **Cash and Proposed Capital Raising**

The Company's cash balance remains positive and all payments to third parties are largely up to date.

Based on a high-level review of its cash requirements and excluding the possible transaction noted above, the Board considers that further funding will be required for the subsequent

exploration activities. Any capital raising will be undertaken using the Company's capacity under Listing Rule 7.1 and 7.1A.

Further details of any proposed capital raising will be communicated to shareholders, as and when they are confirmed.

### **Drilling Company Subscribes for POL Shares**

Polymetals advised that a related entity of contract driller Sahara Natural Resources (Sahara) agreed to subscribe for 1,126,126 fully paid ordinary shares ("Subscription Shares") in the Company, in satisfaction for part payment of its contract drilling fees. Sahara is carrying out the auger drilling work at Polymetals' Alahiné Project in Guinea's Siguiri Basin.

The terms of the Subscription Shares are as follows:

<b>Minimum fees payable to Sahara:</b>	US\$100,000
<b>Conversion rate:</b>	AUD:USD - 0.74
<b>Fees payable in AUD:</b>	135,135
<b>Issue price:</b>	\$0.12
<b>Number of Shares issued:</b>	1,126,126

The payment of the Subscription Shares to Sahara preserves the Company's cash position and strategically aligns Sahara's interests with that of Polymetals.

In addition to the above, under the terms of the subscription agreement, both parties may agree to the further issuance of shares to meet additional drilling costs. Should the parties agree to the issue of additional shares, such issue is to be undertaken on the same terms as those that have been outlined above. The arrangement concludes on 31 December 2022, unless Sahara and the Company agree to extend the arrangement.

### **Director Appointment and Retirement**

Polymetals welcomed experienced geologist Mr Alistair Barton as Non-Executive Director to its Board. Mr Barton, a geologist, brings 45 years of extensive exploration, operational and corporate experience to the Board. His domestic and international commodity experience includes gold, base metals, industrial minerals and rare earths.

Mr Barton has held the positions of Managing Director for ASX-listed Probe Resources, General Manager of Exploration for Barrack Mines, General Manager of Operations for Barrack Mines, Operations Manager for McIlwraith Minerals and various Project Management positions. Mr



Barton has operated his own consultancy practice providing technical and corporate advice to the resources sector, carrying out numerous resource project due diligence studies, feasibility studies and independent experts reports for project funding and developments. He was also a joint venture partner in the Wolfram Camp Mine development in Far North Queensland.

The Company also advises of the retirement of Non-Executive Director Dr Chris Johnston, effective immediately. The Board thanks Dr Johnston for his contribution to the Company, in particular assisting Polymetals with its successful listing in 2021.

### **Details of Annual General Meeting**

Polymetals advised that in accordance with ASX Listing Rule 3.13.1 and clauses 8.1 - 8.2 of its Constitution, its 2022 Annual General Meeting (**2022 AGM**) will be held on Friday 25 November 2022 at 10.00am (AEDT) as a hybrid meeting:

1. at Addisons Lawyers, Level 12, 60 Carrington Street, Sydney, NSW 2000, Australia; and
2. online via Link Market Services 'Virtual Meeting' platform, which is accessible at <https://meetings.linkgroup.com/POL22>

Shareholders will be advised of further details regarding the 2022 AGM in a separate Notice of Meeting, which will be made available on the ASX Announcements Platform and on the Company's website at [www.polymetals.com](http://www.polymetals.com).

### **Cash**

At 30<sup>th</sup> September 2022 Polymetals had cash at bank of \$364,069.

### **Further information to question 8.8 items 1 to 3**

As noted in the responses to item 8.8, the Company's level of expenditure for the 31 December 2022, will be significantly less than that during the 30 September 2022 quarter. This is because that minimal field work will be undertaken during the quarter.

More importantly, the Company has received a letter of support from an entity that is controlled by the Chairman of the Company and major shareholder, Mr David Sproule which is to provide credit of up to \$1 million based on the following terms:

- unsecured;
- can be drawn down at any time by the Company;
- repayment date – the earlier of the next capital raising or 18 months from the first drawn down date; and
- interest rate – 5% compounded monthly and can be capitalised up to and including the term of the loan.

Having regard to the above, the Company considers itself well placed to meet its business objectives and moving forward, particularly in relation to its further exploration activities in Guinea.

## ASX Additional Information

The Company provides the following information pursuant to ASX Listing Rule requirements:

1. **ASX Listing Rule 5.3.1:** Exploration and Evaluation Expenditure spend during the quarter was \$964,772.

Full details of exploration activity during the September 2022 quarter are set out in this report.

Below is the breakdown of the expenditure incurred:

**Table 1:** Breakdown of the expenditure incurred

Property	Nature of expenses	Amount (\$)
<b>Mansala</b>	Wage for people onsite, security and storage	68,504
<b>Mansala</b>	Drilling	50,015
<b>Mansala</b>	Geology and Geophysics	23,104
<b>Alahiné</b>	Wages, security and storage	68,504
<b>Alahiné</b>	Drilling	689,980
<b>Alahiné</b>	Geology and Geophysics	64,665
<b>Total Exploration costs</b>		<b>964,772</b>

2. **ASX Listing Rule 5.3.2:**

The Company confirms that there was no mine production and development activities for the quarter.

3. **ASX Listing Rule 5.3.4:**

The Company provides the following update between its actual expenditure incurred during the quarter to that of the Use of Funds (refer to ASX release dated 25 June 2021 "Updated Use of Funds Table").

**Table 2: Updated Use of Funds Table**

Use of Funds	Estimate of the first 2 years after ASX admission (\$)	Actual to September 2022 Quarter (\$)	Balance Remaining (\$)
Expenditure at Alahiné and Mansala	2,350,000	3,505,248	(1,155,248)
Environmental surveys and consultants	150,000	-	150,000
Guinea operations and logistics	500,000	130,745	369,255
Expenses of the Offer	637,000	489,236	147,764
Administrative Costs	1,845,815	1,021,878	823,937
<b>Total</b>	<b>5,482,815</b>	<b>5,147,107</b>	<b>335,708</b>

<sup>1</sup> Polymetals Use of Funds – ASX Prospectus 25 June 2021 Item 5.6 ‘Proposed Exploration Program and Expenditure’

<sup>2</sup> The variance between the Company’s cash balance contained within its quarterly Appendix 5B compared to the ‘Balance Remaining’ in Table 3 above, reflects the Company’s bank balance prior to its listing on the Australian Securities Exchange (ASX).

4. **ASX Listing Rule 5.3.5:** Payment to related parties of the Company and their associates during the quarter was \$9,800 (GST exclusive) in cash.

The Company advises that this relates to remuneration of Directors only. Please see the Remuneration Report in the Company’s Prospectus for further details on Directors’ Remuneration. Set out below is the following additional information in relation to the cash flow statement:

**Table 3: Director’s remuneration**

Name of Director	Nature of Payment	Amount (\$)
<b>David Sproule</b>	Ongoing Director fees	-
<b>Christopher Johnston<sup>1</sup></b>	Ongoing Director fees	9,800
<b>Alistair Barton</b>	Ongoing Director fees	-
<b>Christopher Schroor</b>	Ongoing Director fees	-
<b>Total</b>		<b>9,800</b>

<sup>1</sup> Resigned on 8 August 2022.



## Tenements

In accordance with Listing Rule 5.3.3, Polymetals provides the following Information concerning its mining tenements.

No applications were made during the quarter by the Company to acquire or surrender its existing licences.

The following table lists the Company's mining tenements held at the end of the quarter, and their location:

**Table 4:** *Polymetals exploration licences*

Project	Exploration Licence	Location	Status	Ownership
Alahiné	EL22123	Republic of Guinea	Application for renewal under process	100%
Mansala	EL22694	Republic of Guinea	Application for renewal under process	100%

## COMPETENT PERSONS STATEMENTS

The information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr William Pountney, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Pountney is a Project Manager of Polymetals Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pountney consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

## FORWARD LOOKING STATEMENT

Certain statements in this document are or maybe "forward-looking statements" and represent Polymetals' intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Polymetals, and which may cause Polymetals'

actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Polymetals does not make any representation or warranty as to the accuracy of such statements or assumptions.

**Authorisation by the Board**

This announcement was authorised for release by the Board of Polymetals Resources Ltd.

**Contact information:****Alex Hanly**

*Chief Executive Officer*

[alex.hanly@polymetals.com](mailto:alex.hanly@polymetals.com)

+61 (0) 448 418 725

**Victoria Humphries / Ben Creagh**

*Media & Investor Relations*

[victoria@nwrcommunications.com.au](mailto:victoria@nwrcommunications.com.au)

[benc@nwrcommunications.com.au](mailto:benc@nwrcommunications.com.au)

+61 (0) 431 151 676 / +61 (0) 417 464 23

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

**Name of entity**

POLYMETALS RESOURCES LTD

**ABN**

73 644 736 247

**Quarter ended ("current quarter")**

September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(108)	(108)
	(e) administration and corporate costs	(66)	(66)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
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)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(173)</b>	<b>(173)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(965)	(965)
	(e) investments	-	-
	(f) other non-current assets	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(965)</b>	<b>(965)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(1)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(1)</b>	<b>(1)</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,504	1,504
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(173)	(173)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(965)	(965)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1)	(1)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>365</b>	<b>365</b>

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	365	504
5.2	Call deposits	-	1,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>365</b>	<b>1,504</b>

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

6.1	Aggregate amount of payments to related parties and their associates included in item 1 (Director Fees)	10
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter  
\$A'000**

**Note :** The above payments to directors reflect fees for services rendered during the current quarter. More information concerning the breakdown of the relevant director payments can be found within the accompanying Quarterly Announcement.

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

<b>7. Financing facilities</b>	<b>Total facility amount at current quarter end \$A'000</b>	<b>Amount drawn amount at previous quarter \$A'000</b>
<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)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		
Not applicable.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(173)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(965)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,138)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	365
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	365
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	0.32

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

- 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. During the quarter, the Company incurred substantial drilling costs. These costs will largely cease for the December 2022 quarter, due to the wet season in Guinea and ability to undertake minimal field work.

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

Answer:

The Company is actively involved in the raising of capital and has secured interest from a number of strategic investors. However, the Company needs to resolve certain compliance and regulatory issues before being able to close any capital raising.



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

**Answer:**

Yes. As noted in point 2 above, the Company is working to resolve its capital raising objectives. In the meantime, the Company's Chairman has provided a credit facility of up to \$1.0 million. Details of the facility is outlined in "Corporate", sub heading "Cash" for further details of the proposed facility.

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

Authorised by: By the Board

#### **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.