

Quarterly Report

For the period ended
30 September 2022

Mineral Resource estimate up 20 per cent to 481Mt
BFS works slowed

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ASX: HIO

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PRODUCT

Highlights

Hawsons Iron Project

- The 2021-22 drilling campaign delivers a 20 per cent increase in the Hawsons Iron Project's Mineral Resource estimate to 481 million tonnes (Mt) including 54 Mt in the highest confidence Measured category.
- The South Australian Government declares the Hawsons Iron Project an Impact Assessed Major Project.
- Experienced mining executive Paul Cassano appointed as Project Director with responsibility for leading the Bankable Feasibility Study (BFS) to completion.
- Framework established to embed the Company's ESG strategy into the BFS to ensure sustainable design and aligned procurement values.
- Landholder relations team appointed in South Australia and meetings commenced with landholders on the 390km underground slurry pipeline route.

- Process engineering and test work advanced, mine pit-shell design progressed and power and water assessments nearing completion.

Announcements subsequent to the end of the Quarter.

- On 17 October, the company announced that escalating global costs and deteriorating economic conditions had necessitated a slowdown decision for the Hawsons Iron Project Bankable Feasibility Study (BFS).
- The decision affirmed that the BFS would not be completed by the end of December 2022, allowing the company to carefully examine escalating capital expenditure costs and all options to progress the project.

Corporate

- Experienced high-calibre resources industry professional the Hon Tony McGrady, AM, appointed as a Non-Executive Director to replace retiring Director Mr Jon Parker.
- Citigroup Global Markets Australia Pty Ltd (Citi) engaged as Strategic Advisory Partner to assist the Company in assessing strategic partnering opportunities in the development of the Hawsons Iron Project.
- Strategic Starlight Investment Company Pty Ltd buyout transaction completed to secure 100 per cent control and beneficial ownership of the Hawsons Iron Project.
- Hawsons receives \$5.56 million via an equity draw down from LDA Capital Limited under the terms of its strategic \$200 million Put Option Agreement with the US-based financier.
- Corporate Relations activities were maintained during the period, including presentations by Managing Director Bryan Granzien to the Brisbane Mining Club and the 18th Global Maintenance Upper Spencer Gulf Conference and Trade Expo.
- The Company confirmed that it had been made party to proceedings by Pure Metals whereby Pure Metals claims that it suffered loss resulting from the sale of Hawsons

Shares. The Company stated that any claim by Pure Metals against the Company is baseless, without merit and misplaced. The Company will vigorously defend the action.

- Net cash used to fund activities during the quarter was \$3.083 million, with cash reserves at the end of the quarter standing at \$4.845 million.

Announcements subsequent to the end of the Quarter.

- On October 17 the Board took the prudent and responsible decision to slow the pace of the BFS to preserve capital, given mounting global cost pressures and restricted access to equity markets.
- The company announced its Annual General Meeting (AGM) to take place on Tuesday 15 November 2022.
- The AGM Notice of Meeting and Explanatory Memorandum were issued to Shareholders on 14 October 2022.
- Resolutions will be put to shareholders at the AGM to reset the company's equity-raising placement capacity with its capacity to raise additional capital during the next 12 months contingent on the passage of those resolutions.



Hawsons Iron Project

Hawsons Iron Ltd's focus during the quarter remained on completing the Bankable Feasibility Study (BFS) to support the development of its proposed, high-grade Hawsons Iron Project near Broken Hill, NSW.

On 30 September 2022, the Company announced the completion of the project's updated Mineral Resource estimate after the inclusion of outstanding sample assay data captured during the 2021-22 infill drilling program.

Despite the challenges posed by COVID-19, wet weather on site and laboratory bottlenecks, a 20 per cent increase in the estimate to 481 million tonnes was achieved.

Importantly, this included a maiden 54 Mt of Measured and 190 Mt of Indicated Resources required to support future reserve estimation and project debt financing.

Mining consultant Australian Mine Design and Development (AMDAD) prepared the mine pit-shell designs for the expanded 20 Mtpa project which would then determine the pathway for converting sufficient Mineral Resources to economically mineable Ore Reserves.

Experienced mining executive Paul Cassano was appointed on 8 September 2022, as Project Director with responsibility for the Bankable Feasibility Study (BFS).

Our team of leading international consultants progressed work on all aspects of the BFS during the quarter. A framework was also established to embed the Company's ESG strategy into the BFS to ensure sustainable design and aligned procurement values.

Work included port facility design, metallurgical test work and process engineering to optimise the plant design, water supply sourcing, tailings storage layout and design, EIS studies and assessments, and stakeholder engagement on site at Broken Hill, at Myponie Point and along the proposed 390km pipeline route.

Incite Energy was appointed to optimise the energy supply solution for the proposed mine and associated processing plant and pumping facilities, maximising the use of renewable energy.

On 5 September 2022, the Company was pleased to announce the South Australian Government had declared the Hawsons

Iron Project an Impact Assessed Major Project subject to a state-run process and determination of assessment requirements towards Environmental Impact Statement (EIS) obligations.

This declaration, mirroring those of the Commonwealth and NSW governments, reflects the importance and scale of the Hawsons Iron Project within South Australia and potential as the global steel industry aggressively pursues pathways to decarbonize.

Green Steel

In a new report, "Pedal to the Metal", research and consultancy firm Wood McKenzie underlined the importance of high-grade iron ore products to emissions reduction in the carbon intensive steelmaking industry.

"Under our 1.5° C Accelerated Energy Transition Scenario (AET-1.5), which is broadly aligned with the most ambitious goal of the Paris Climate Agreement, the decarbonisation of the iron and steel industry by 2050 will require US\$1.4 trillion of investment," the report concluded.

The Wood Mackenzie report says the Hawsons Iron Project would be critical if Australia is to compete in a 1.5° C world and contribute to decarbonisation in steel manufacturing globally.

Wood McKenzie notes that portfolio diversification towards high-grade ore mines, the divestment of polluting and low-grade mines, and investments in beneficiation and floatation will be at the heart of miners' strategy to stay relevant.

Announcements subsequent to the end of the quarter.

Subsequent to the end of the quarter, on 17 October, the company announced that escalating global costs and deteriorating economic conditions had necessitated a slowdown decision for the Hawsons Iron Project BFS.

The decision affirmed that the BFS would not be completed by the end of December 2022, allowing the company to carefully examine escalating capital expenditure costs and all options to progress the project, reflective of deteriorating world conditions.

Corporate

On 29 September 2022, Hawsons announced the Hon Tony McGrady had accepted an invitation to join the Board as a Non-Executive Director of the Company, filling a vacancy created by the simultaneous retirement of Mr Jon Parker.

As a former Queensland Minister for Mines and Energy and Mayor of Mount Isa, Mr McGrady brings to Hawsons exceptional government relations and stakeholder management experience gained during a long and distinguished career in politics and public service.

On 2 September 2022, the Company announced the engagement of Citigroup Global Markets Australia Pty Ltd (Citi) as its Strategic Advisory Partner to assist in assessing strategic partnering opportunities in the development of the Hawsons Iron Project.

Our plan to produce high-grade magnetite concentrate represents a unique ESG opportunity to play an important role in decarbonising the global steel industry, within which Citi has strong client relationships.

Earlier in the year, the Company seized an opportunity to gain 100 per cent control of the Hawsons Iron Project by purchasing Starlight Investment Company Pty Ltd's minority 6.037 per cent Joint Venture stake for \$10 million.

On 25 August 2022, Hawsons announced the receipt of \$5.56 million to help finance the Starlight transaction via an equity draw down, after issuing a capital Call Notice to LDA Capital Limited under the terms of its strategic \$200 million Put Option Agreement with the US-based financier.

The Starlight transaction was completed on 21 September 2022 – simplifying ongoing management of the BFS and opening up all avenues for the Company to move forward, including the consideration of strategic joint venture partners.

Shareholder approval will be sought at the upcoming Annual General Meeting to buy back for a nominal amount and cancel 7,485,000 Collateral Shares for which LDA did

not subscribe from the total of 25,000,000 put to LDA through the Call Notice.

On 17 August 2022, Hawsons confirmed being made a party to legal proceedings relating to the sale of 90.8 million shares the Company issued in May 2021 to acquire Pure Metals Pty Ltd's 20.149 per cent joint venture interest in the Hawsons Iron Project.

Following shareholder approval of the transaction in November 2020, a liquidator was appointed to Pure Metal's parent Ample Source International Ltd (ASI), effectively taking a controlling interest in Pure Metals.

Consequently, it was agreed to issue the shares in two tranches rather than one to ensure ASI's liquidator did not acquire a relevant interest in more than 20 per cent of the Company's shares.

Pure Metals claims to have suffered loss from the sale of the shares – a claim the Company considers to be misplaced and without merit and which will be defended vigorously.

Announcements subsequent to the end of the quarter.

On October 17 the Board took the decision to slow the pace of the Hawsons Iron Project BFS to preserve capital, given mounting global cost pressures and restricted access to equity markets.

The company announced its Annual General Meeting (AGM) to take place on Tuesday 15 November 2022, with the AGM Notice of Meeting and Explanatory Memorandum issued to Shareholders on 14 October 2022.

Among the resolutions to be put to shareholders at the AGM are those to reset the company's equity-raising placement capacity. The company's capacity to raise additional capital during the next 12 months will be contingent on the passage of these resolutions.

Cash Activities for the Quarter ending 30 September 2022

Hawsons Iron Ltd held cash of \$4.845 million at the end of the September 2022 quarter. A capital drawdown from the LDA Put Option Agreement yielded \$5.566 million in August 2022. The remaining expenditure is otherwise in line with planned Operating and Investing activities.

Table 1: Quarterly summary of spending activities

	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Operating Activities		
1.2 (d) - Staff Costs	(140)	(140)
1.2 (e) - Administration Costs	(413)	(413)
1.4 - Interest	7	7
Total Operating Activities	(546)	(546)
2. Investing Activities		
2.1 (c) - Plant and Equipment	(3)	(3)
2.1 (d) - Exploration & Evaluation, made up of:		
- Salaries & Wages	(424)	(424)
- EIS & Approvals	(656)	(656)
- Resource Upgrade	(3,028)	(3,028)
- Project maintenance	(22)	(22)
- Marketing	(121)	(121)
- Pilot Plant Testwork	(8)	(8)
-Additional asset purchase	(2,000)	(2,000)
Power supply	(10)	(10)
Engineering & Design	(962)	(962)
- Community & Landowners	(73)	(73)
-Port/pipeline	(694)	(694)
Total Exploration & Evaluation	(7,998)	(7,998)
Total Investing Activities	(8,001)	(8,001)
3. Financing Activities		
3.1 - Proceeds from issue of equity securities	5,566	5,566
3.4 - Transaction Costs ¹	(102)	(102)
Total Financing Activities	5,464	5,464

¹ GRT Lawyers – Corporate Advisory Costs (26k) LDA Capital (14k), ASX Operations (27k), Gilbert + Tobin (35k).



Payments to related parties of the entity and their associates

Total Director wages and fees for the quarter is \$88,211. 65% of Bryan Granzien expense is charged and capitalised within the activities outlined at 2.1 (d). 35% remains at item 6.1 for Bryan Granzien and 100% for the director fees, totalling \$88,211.

Bryan Granzien Gross Wages	\$31,492
Bryan Granzien Superannuation	\$ 2,406
David Woodall Director Fee	\$17,669
David Woodall Superannuation	\$ 1,838
Paul Cholakos Director Fee	\$16,091
Paul Cholakos Superannuation	\$ 1,312
Jon Parker Director Fee	\$16,091
Jon Parker Superannuation	\$ 1,312
Total	<u>\$88,211</u>

In relation to Listing Rule: 5.3.2 – There were no substantive mining production and development activities during the Quarter.

The statement of cash flows for the quarter and financial year to date are attached to this report at Appendix 5B.



Overview and outlook

Hawsons Iron Ltd announced on 17 October that the Board had decided to slow the pace of work on the Hawsons Iron Project BFS to examine escalating project capital expenditure costs.

A prudent response to conserve capital, the managed project slowdown allows for a thorough analysis of the capital and operating cost estimates presented to date and a strategic review of all options to progress the project, including scaling opportunities.

The challenging economic climate, falling Australian dollar, supply chain cost escalations and restricted access to equity markets have delivered strong headwinds.

As recently announced, while works have slowed and the BFS will not be completed by December 2022, key activities will continue where it is prudent to do so.

The Company is undertaking a strategic review examining all options to progress the project and BFS. This includes optimized mine plan, scale options, material movement and transport alternatives to deliver a right-sized pathway forward targeting lower capital-intensive options.

Discussions are ongoing with potential product off-takers with confirmation of letters of intent demonstrating the strong demand for Hawsons Supergrade® product.

Engagement with mining companies, steel producers and commodity trading houses continue under our agreement with Citi.

Hawsons Iron Ltd tenement schedule 30 September 2022

Licence	Notes	Name	Grant date	Expiry date	Equity	Units	Area – km2
EL6979	1,2	Redan	11/12/2007	11/12/2026	100%	62	180
EL7208	2	Burta	22/09/2008	22/09/2025	100%	100	290
EL7504	2	Little Peak	08/04/2010	08/04/2023	100%	14	41
MLA460	3,4	Hawsons Iron	Under application	Under application	100%	n/a	187

- 1) 1.5% NSR royalty to Perilya Broken Hill Ply Ltd.
- 2) Title to 100% Hawsons Iron Ltd completed.
- 3) MLA made on 18 October 2013. Tenement application subject to unspecified grant date and conditions.
- 4) Application to amend Mining License Application to 100% Hawsons Iron Ltd, in progress.

This report references Mineral Resource information released to the ASX on 26 July, 2022 “Hawsons delivers Mineral Resource upgrade”. This report references Mineral Resource information released to the ASX on 30 September, 2022 “Updated Mineral Resource Estimate”.

The company is not aware of any new information which would materially affect the outcome of the Mineral Resources reported on 26 July and 30 September 2022.

Release authorised by the Board



Corporate directory

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ACN: 095 117 981

Australian Securities Exchange Ltd

ASX Code: HIO Ordinary Shares

Share Registry

Link Market Services Limited
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Contact information

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Company Secretary & Chief Financial Officer
Gregory Khan
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Disclosure

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information evaluated by Mr Simon Tear of H&S Consultants Pty Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience 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 (the "JORC Code"). Mr Tear consents to the inclusion in the report of the Mineral Resources in the form and context in which they appear.



Appendix 5B

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

Name of entity

HAWSONS IRON LIMITED

ABN

63 095 117 981

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$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	(140)	(140)
(e) administration and corporate costs	(413)	(413)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	7
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	(546)	(546)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(3)	(3)
(d) exploration & evaluation	(7,998)	(7,998)
(e) investments		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$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	(8,001)	(8,001)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	5,566	5,566
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	(102)	(102)
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	5,464	5,464

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	7,928	7,928
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(546)	(546)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(8,001)	(8,001)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	5,464	5,464

Appendix 5B

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 \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,845	4,845

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	4,741	7,824
5.2	Call deposits Term deposits for office lease guarantee	104	104
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)	4,845	7,928

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	88
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.

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

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (Put Option Agreement)	194,434	5,566
7.4 Total financing facilities	194,434	5,566
7.5 Unused financing facilities available at quarter end		194,434
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.		

A\$200 million equity financing Put Option Agreement with United States investment group LDA Capital Limited. The company may access up to A\$200m in equity capital over four years at its sole discretion. Hawsons Iron (HIO) will be entitled to flexibly draw down up to A\$200 million by issuing put options to LDA Capital over the duration of the four-year Agreement.

The Company can draw down funds during the term of the Agreement by issuing ordinary shares of the Company (Shares) for subscription to LDA Capital. The Company may issue call notices to LDA Capital with each call notice being a put option on LDA Capital to subscribe for and pay for those Shares. A Call Notice draws upon the Companies placement capacity which there must be available capacity to initiate a Call Notice on LDA Capital.

On 12 July 2022, the Company submitted a capital Call Notice to LDA Capital Limited (LDA Capital) targeting a \$10,000,000 equity draw-down under the terms of its strategic \$200 million Put Option Agreement with the US-based financier.

Hawsons put 25,000,000 Collateral Shares to LDA Capital. Under the terms of the LDA Facility, Hawsons may, subject to certain conditions precedent, issue call notices to LDA Capital to subscribe for fully paid ordinary shares in Hawsons, up to a maximum of 10 times the average daily number of the Company's shares traded on the ASX during the 15 trading days before the issue of the Call Notice.

The issue price of the Shares is calculated at the completion of the 30-Day pricing period, following the Capital Call Notice as the higher of 90% of the 30-day Volume Weighted Average Price (VWAP) after the issue of the Call Notice, and the 'minimum acceptable price' (as defined in the LDA facility) notified by Hawsons to LDA Capital, in each case subject to adjustments for various factors. LDA has the right to reduce the Proposed Capital Call Shares (Subject to adjustments) by up to 50% or increase the number of Proposed Capital Call Shares by up to 100%. Except for option shares, LDA must not, on any Trading Day during the Pricing Period sell Collateral Shares representing more than 1/30th of the Shares specified in the Capital Call Notice.

The pricing period ended 23 August 2022, with LDA subscribing for 17,515,000 shares (Subscription Shares) of the 25,000,000 shares (Collateral Shares) put to LDA pursuant to the Call Notice for a total of \$5,566,448 at a price per Subscription Share of \$0.3178 (rounded). The Company intends to seek shareholder approval to buy-back for nominal consideration those remaining 7,485,000 Collateral Shares for which LDA has not subscribed, at its Annual General Meeting (AGM).

The Agreement includes unlisted share options under which HIO will issue 71,500,000 options to LDA Capital. The strike price of the options is 125% of the 90-day VWAP at the two-year anniversary of the issue of the options, or if the 90-day VWAP at the two-year anniversary of the issue of the options is at least \$0.55c, then \$0.70c. Each option has an exercise period of four years. Options exercised by LDA Capital will inject up to a further A\$50.05 million in equity capital into HIO.

The Company has agreed to pay an Option Premium Fee (2%) to LDA Capital of A\$4 million payable within 12 months of the date of execution of the Agreement – 50% (A\$2 million) to be in cash and 50% in shares based on 90% of the average VWAP of Shares in the 90-trading day period preceding the 12-month anniversary date from signing of the Agreement. HIO has paid AUD\$21,258 on 16th December and AUD\$14,423 on 24th August 2022 to cover LDA Capital legal costs which were capped at US\$25,000.

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)	(546)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(7,998)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(8,544)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,845
8.5 Unused finance facilities available at quarter end (item 7.5)	194,434
8.6 Total available funding (item 8.4 + item 8.5)	199,279
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	23.32
<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:	
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:	
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:	
<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: ..31 October 2022.....

Authorised 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.