ASX Announcement

KGL RESOURCES

Level 5, 167 Eagle Street
Brisbane QLD 4000
Australia
kglresources.com.au

Quarterly Activities Report
Period Ended 31 December 2022

20 January 2023

- **Jervois project development activities**
  - KGL recently announced (10/11/22) the results of the Jervois Copper Project Feasibility Study ("FS") which confirms the project is technically robust and financially viable.[1] This is a major milestone for the Company and its stakeholders.
  - The FS delivers an extended mine life of 11.75 years with an average grade of resource of over 2% to achieve a NPV of A$241 million and an IRR of 20.7%. Assuming an incentive price "to meet forecast market demand" of US$5.90/lb (US$13,000 per metric tonne) increases the NPV to A$701 million and IRR to 40.1% demonstrating the project is highly leveraged to anticipated "incentive pricing" adjustments in the market.
  - Workstreams, pre-Financial Investment Decision (FID), will be focused on growing the resource, operating cost optimisation and risk management, with the goal of commencing construction in 2023, subject to FID and favorable market conditions.
- **Resource development activities**
  - The latest JORC Resource update supporting the FS reflects a 25% increase in Ore Reserves to 11.7 Mt at 2.1% Cu, 0.29 g/t Au and 29.8% g/t Ag when compared to the Dec 2020 PFS.
  - Jervois represents one of the **highest-grade** undeveloped copper projects in Australia.[2]
  - Exploration of near mine extensions recently produced outstanding results at Rockface with high-grade, thick Cu intersected 120 metres below previous drilling and at Marshall Deeps with high grade Cu intersected >200 metres in a southerly direction from previous drill holes demonstrating exploration potential.
  - Given **anticipation of higher incentive prices for copper** in the medium term, based on forecast copper demand under the clean energy transition, the 2023 exploration program will be focused on expanding the resource and extending the mine life of this high-grade project.
- **Corporate**
  - Current cash & cash equivalent as at 31 December was $14.6M.
  - Key operational appointments to continue
- **Robust long-term outlook for copper**

---

[1] Assumes a Cu price of US$4.23/lb (Bloomberg Consensus 2025) supported by Wood Mackenzie's long term incentive price for copper of US$4.25/lb.
[2] Evolution Capital. Equity Research Report – 6 June 2022.

Jervois Project Development Activities

KGL has made significant progress along the road to becoming an Australian copper producer.

Despite the difficult inflationary environment, global uncertainties and other challenges experienced over the last couple of years including extended access restrictions to site during COVID lockdowns, KGL recently announced (10/11/22) the results of the Jervois Copper Project Feasibility Study ("FS") which confirms the project is technically robust and financially viable at the Bloomberg Consensus Price for copper in 2025 of US$4.23/lb which is supported by Wood Mackenzie's long term incentive price for copper of US$4.25/lb. This is a major milestone for the Company and its stakeholders.

The FS delivers an extended mine life of 11.75 years with an average grade of resource of over 2% to achieve a NPV of A$241 million and an IRR of 20.7%. Assuming an incentive price "to meet forecast market demand" of US$5.90/lb (US$13,000 per metric tonne) increases the NPV to A$701 Mn and IRR to 40.1%.

KGL's 2023 drilling program will be focused on the potential to add considerable value from growing the high-grade resource, extending the mine life and in anticipation of higher incentive prices for copper going forward.

Simultaneously, KGL is progressing work streams pre-FID to progress financing options for the Project, including:

- Competitive tendering of contracts
- Ongoing mine plan optimisation, incorporating any improvements in throughput and mine life
- Detailed work on infrastructure planning and early works

Having completed the FS recently which demonstrates the project is technically robust and financially viable, the greatest risk in developing new projects successfully today remains **the ability to deliver on development timelines and delivery outcomes** given the current uncertainties and challenges associated with the effects of the global pandemic, strong inflationary pressures, labour shortages, ongoing supply chain disruptions, rising energy prices and the war in Ukraine. Rising interest rates are also adding to uncertainties in the macroeconomic environment.

The recently announced changes in China's zero-COVID policy and domestic policies to support the economy should help to reduce some of these uncertainties over time.

KGL will seek to develop risk mitigation strategies within our project implementation plan that address uncertainties around input pricing, supply chain disruptions and the availability of labour which may impact on our ability to meet development timelines and complete construction on time.

KGL Executive Chairman Denis Wood commented: "I'm pleased we have been able to complete the FS for the Jervois Copper project and grow the high-grade resource during difficult conditions. However, the conditions for developing projects remain challenging today. KGL will focus on growing the resource and progressing the development pathway including the adoption of appropriate risk mitigation strategies in the project delivery.

Resource Development Activities

A significant amount of time in 2022 was spent infill drilling to complete the FS.

The current total Measured, Indicated and Inferred mineral resource (Sep 2022) is 23.80 million tonnes at 2.02% copper, 25.3 g/t silver and 0.25 g/t gold, containing 481,200 tonnes copper, 19.34 million ounces silver and 189,600 ounces of gold. Contained copper resources reflected in Reward/Marshall, Rockface and Bellbird represent 50.7%, 22.5% and 26.8% respectively.

The Proven and Probable Ore Reserves supporting the FS reflects a 25% increase to 11.7 Mt at 2.1% Cu, 0.29 g/t Au and 29.8% g/t Ag when compared to the Dec 2020 PFS.

Jervois Project drilling activities for 2022 were finalised on 4th December. During the quarter 3,628 metres were drilled in 9 completed holes. For calendar year 2022, a grand total of 25,044 metres in 73 holes were completed.

During the quarter DHEM surveys were caried out on 11 holes.

KGL is awaiting the results of the remaining assays on its most recent exploration drilling program for potential near mine extensions and the analysis of Downhole-Electromagnetic (DHEM) surveys completed prior to year-end.

In addition to completing the infill drilling to support the FS, KGL was also able to identify exciting opportunities to grow the high-grade copper resource at Jervois as part of a broader program in 2023.

KGL previously announced (27 September 2022) results at its high-grade Rockface deposit with a high-grade, thick intercept, 120 metres down dip from previous drilling results.

KJCD556 intersected the Rockface North lode in a position predicted by the DHEM modelling. The hole drilled a 12.38m (estimated true thickness) zone of massive, semi-massive and stringer sulphides comprised mainly of chalcopyrite (copper-iron-sulphide) and pyrite (iron-sulphide).

Assays revealed a strong copper-silver-gold intersection in KJCD556 summarised as follows[3]:

- 12.38m[i] @ 2.60% Cu, 23.8 g/t Ag, 0.34 g/t Au from 978.26m including
- 8.74m @ 3.20% Cu, 29.7 g/t Ag, 0.42 g/t Au from 978.26m including
- 5.75m @ 3.86% Cu, 34.4 g/t Ag, 0.51 g/t Au from 978.26m including
- 4.70m @ 4.26% Cu, 35.3 g/t Ag, 0.59 g/t Au from 979.41m

Drillhole KJCD556 confirmed continuity of the high-grade zone and the strong DHEM conductor continues and remains open at depth.

KGL previously announced (28 July 2022) assay results Reward Marshall Deeps from hole KJCD529:

- 3.65m[2] @ 1.55% Cu, 17.7 g/t Ag, 0.11 g/t Au from 750.5m and:
- 4.42m @ 2.21% Cu, 19.9 g/t Ag, 0.14 g/t Au from 763.2m

Based on geophysical analysis (IP and gravity), an additional hole (KJCD557) was designed and recently drilled as a significant, >200 metre, step-out in a southerly direction from previous drill holes (Figure 1).

On 19 January 2023, KGL announced hole KJCD557 succeeded in testing for extensions of copper mineralization previously drilled at Marshall Deeps lode, located at the southern end of the Reward Deposit.

KJCD557 intersected 2 zones of copper mineralisation. The west zone is high grade and is associated with interpreted strong DHEM conductors. The east zone is wider and carries lower grade copper, but higher gold assays (up to 1.058 g/t Au over 1m) and is also associated with DHEM conductors (Figure 2).

[3] Intersections are Estimated True Thickness unless otherwise stated

KJCD557 West Zone:

- 2.00m[4] @ 4.32% Cu, 19.7 g/t Ag, 0.11 g/t Au from 661.0m

KJCD557 East Zone:

- 9.00m[4] @ 0.72% Cu, 15.7 g/t Ag, 0.53 g/t Au from 700.0m

Executive Chairman Denis Wood commented, "The results in KJCD557 are encouraging for the potential discovery of additional resources at Marshall Deeps. As can be seen from the long projection, Marshall Deeps would be readily accessible from the currently planned underground mine development.

"It is also pleasing to see the impressive results of KJCD556 and KJCD557 confirm the geophysical modelling and further demonstrates the validity of DHEM as a methodology to focus and prioritise resource drilling in multiple locations across the Jervois exploration tenements.

"The potential along strike and at depth for additional mineralisation at >2% copper and at minable thicknesses is clearly demonstrated by the drilling at Marshall Deeps, at the southern end of Reward and at Rockface."

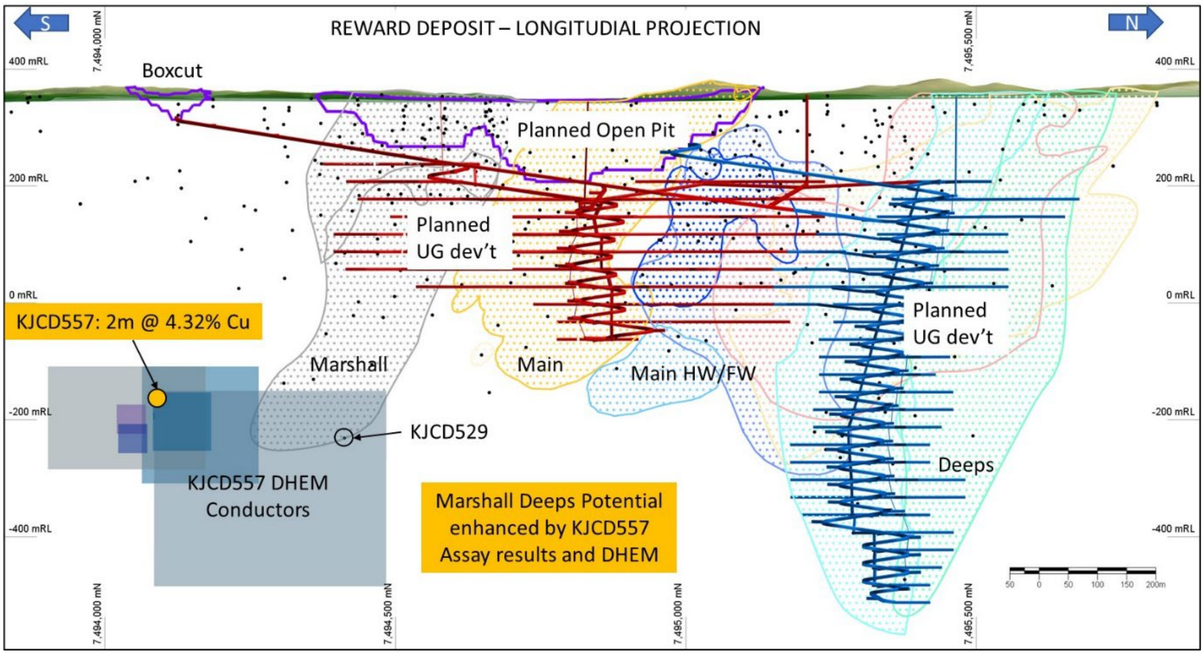

Figure 1: Reward Deposit Longitudinal Projection - High-grade assays and DHEM conductors in KJCD557 enhance the potential for additional mineral resources at Marshall Deeps. Reward lodes (named coloured shapes, drillhole pierce points (black dots) planned mine development (open pit and underground) are shown.

---

[4] Down-hole Drilled Thickness. Orientation of the mineralised structure Estimated True Thickness are to be determined on completion of closer-spaced, follow-up drilling programs.

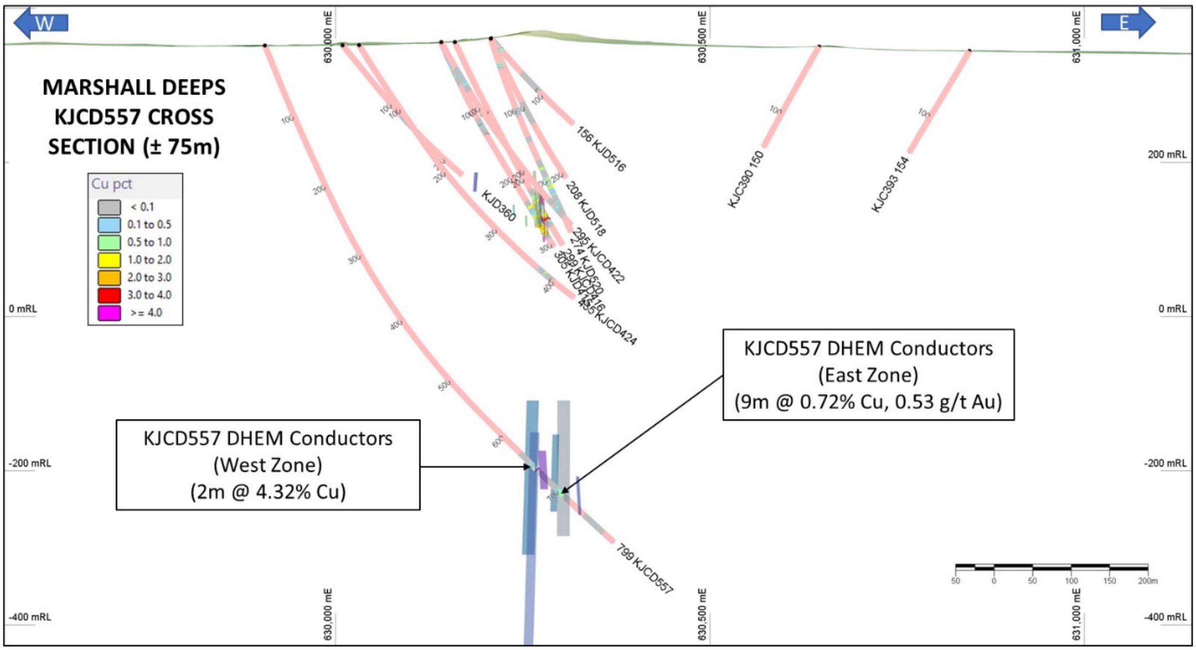

Figure 2: Cross Section through Marshall Deeps hole KJCD557 showing the DHEM conductors associated with both the west and east zones of mineralisation.

Corporate

Current cash & cash equivalent as at 31 December 2022 was $14.6M.

Copper Market

The copper price peaked in March 2022 at an all-time high of US$5.0395 / lb (US$11,110 a metric ton). Copper and other base metal commodities prices have since adjusted downwards reflecting concerns about the global macroeconomic environment. This is despite a long-term structural deficit in the copper market forecast to commence in 2025 driven by global decarbonisation targets for achieving net zero emissions by 2050 and the expectation of industry supply challenges. Many analysts believe copper prices are well below the level required to incentivize new production.

The clean energy transition is changing the dynamics of the copper market from a traditionally highly cyclical commodity to a scarce critical metal for the electrification of the global economy representing a structural change in demand similar to what happened with the increase in demand for iron ore created by China urbanization. As happened with the iron ore market where pricing increased 5 fold, we can expect to see a significant increase in the cost curve for new supply to meet new demand as we transition to a low carbon economy with market price adjustments to reflect the scarcity in new supply.

Analysts at consultancy Wood Mackenzie (”WM”) , recently published ‘The drive for decarbonization’ (28 September 2022) forecasting demand for copper to more than double by 2050 under their accelerated energy transition 1.5-degree scenario (AET-1.5) growing from 28.8 Mt in 2020 to 68.5 Mt by 2050, representing a growth rate of 2.9% per annum, with electric vehicles and the grid key demand drivers. They note that “Building electric cars and trucks, transmission lines, solar and wind farms will turbocharge demand for the metal over the next 20 years, amounting to the equivalent of 60 per cent of the current market size.

A recent study by S&P Global forecasts an **acceleration** of refined copper demand doubling from **25.0 Mt in 2020** to about **50 Mt by 2035** as growing demand for renewable energy, electricity infrastructure and electric vehicles increases alongside global carbon reduction targets, “an expansion that current trends or projects in the feasibility stage of development are incapable of meeting”.

A number of countries have accelerated efforts to transition their economies to clean energy with a renewed focus on energy independence since the Russian invasion of Ukraine and broader efforts to improve the security of supply chains as they pursue strategies to bring manufacturing closer to home.

As demand from the energy transition begins to accelerate over the next few years, we are facing significant supply challenges arising from a combination of factors including declining grades and reserves from existing mines, a lack of new discoveries despite increased exploration budgets and an extended approval process of on average 16 years from discovery to production.

Glencore plc’s CEO, Gary Nagle, recently stated that **a “huge” copper shortage will impact global supply between now and 2030**. Speaking to Bloomberg recently, Nagle referenced estimates of a **cumulative gap between projected demand and supply of 50 million tons between 2022 and 2030**. Nagle said that while some people were assuming that the industry would lift supplies as it had in previous cycles to meet a forecast increase in demand driven by the energy transition, “this time it is going to be a bit different.” Nagle believes that the combined forces of copper miners globally will not be enough to make up the shortfall soon enough to avoid an international copper supply deficit and that investors are not yet pricing in the inevitable. He also states that Glencore will not bring new copper production online until pricing reflects the severe market deficit. Nagle said that Glencore will wait to lift its own output of the metal until the world is “screaming” for it. “We want to see that deficit,” he said.[5]

Goldman Sachs is forecasting the largest deficit ever in the copper market by the middle of this decade, saying that the severe imbalances building up in the market may not be resolvable at current price levels. Copper will be crucial in achieving decarbonization and replacing oil with renewable energy sources, and right now, the market is facing a supply crunch that could boost the price to US$15,000 a metric ton in 2025 (October 1, 2022).

A recent study by Goldman Sachs(“GS”) of 50 projects that will account for most new supply over the next five years found that the price needed to bring new projects online had risen by 30% in the past four years because of higher costs and required returns and delays. They state that the average incentive price – the amount required to generate a 15% return – now stands at US$9,000 a metric ton. But the price needed to bring on enough copper to meet future demand is projected at US$13,000.[6]

GS recently updated their forecasts for deficits to commence in 2023 not 2025. Nicholas Snowdon, metals strategist at GS noted that “the sequential increase in policy targets and commitments to green transition, alongside a minimal supply response so far... have resulted in earlier and larger open-ended deficit conditions that essentially are already here, not beginning at some point in the future.”[7]

[5] Glencore Says This Time Is Different for Coming Copper Shortage. By Jack Farchy (Bloomberg, 7 December 2022).

[6] Goldman Sachs. Copper Top Projects 2022. A Deficit on the Horizon. (1 September 2022)

[7] Extremely’ tight market to fuel record copper prices next year. By Alex Gluyas (AFR, 7 December 2022)

KGL's Executive Chairman Denis Wood commented:

> "I'm excited by the outlook for substantially higher incentive pricing for copper to incentivise the development of new copper mines to meet burgeoning demand under the proposed energy transition to Net Zero by 2050. Copper is critical to the electrification of the global economy.
>
> Recent events have seen an acceleration in this trend driven by the growth in renewable energy and electric vehicles and concerns regarding energy independence.
>
> "Despite the challenging near-term environment, KGL, with a fully licensed high-grade copper project and a focus on growing the high-grade resource at Jervois, is well positioned to benefit from the anticipated higher incentive prices required to address the chronic shortfall in copper expected to occur in the 2nd half of this decade. Doubling the grade of the Jervois Copper project since 2015 has positioned the project well in an environment of strong inflationary pressures, high fuel costs and labour shortages, achieving maximum operational efficiency which will be important to achieving long term sustainability and minimizing KGL's carbon footprint.
>
> "I expect these key initiatives to significantly improve the inherent value of the high-grade Jervois copper project and for this value to be better reflected in the market price for KGL shares as the market begins to recognize the expected chronic shortfall in supply to meet the demand for copper under the global energy transition over the near to medium term.
>
> "Since announcing the results of our FS in November last year, we have received considerable interest in our project from a range of investors, lenders, trading companies and smelters.
>
> "With the expectation of chronic shortfalls in copper supply over the next decade or more, it's certainly an exciting time to be developing a high-grade copper project in a Tier One country such as Australia."

This announcement has been approved for release by the Directors of KGL Resources Limited.

Tenements

Tenement Number	Location	Beneficial Holding
ML 30180	Jervois Project, Northern Territory	100%
ML 30182	Jervois Project, Northern Territory	100%
ML 30829	Jervois Project, Northern Territory	100%
EL 25429	Jervois Project, Northern Territory	100%
EL 30242	Mt Cornish, Northern Territory	100%
EL 28340	Yambah, Northern Territory	100%
EL 28271	Yambah, Northern Territory	100%
EL 28082	Unca Creek, Northern Territory	100%
ML 32277	Lucy Creek Borefield, Northern Territory	100%

Mining Tenements Acquired/Granted and Disposed during the quarter*	Location	Beneficial Holding
Nil		

Tenements subject to farm-in or farm-out agreements	Location	Beneficial Holding
Nil		

Tenements subject to farm-in or farm-out agreements acquired or disposed of during the quarter	Location	Beneficial Holding
Nil		

Related Party Payments
As reported in the quarterly cash flow report part 6.1, amounts paid to related parties of $314k consist of directors' fees and expenses for the quarter, including a one-off payment of $195k to the Executive Chairman for back-pay (disclosed in KGL's ASX release dated 28 October 2022). Amounts reported in part 6.2 of $50k are additional fees, paid at arm's length market rates, to a non-executive director for feasibility study consulting. This work completed in the December 2022 quarter and no further fees under this arrangement are payable.

KGL RESOURCES

Competent Person Statement

The Jervois Resources information were first released to the market on 14/09/2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Resource			Material	Grade			Metal		
	Area	Category	Mt	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)
Open Cut Potential > 0.5 % Cu	Reward	Indicated	3.84	1.80	39.4	0.31	69.06	4.86	38.2
		Inferred	0.65	0.92	9.2	0.07	5.95	0.19	1.5
	Bellbird	Measured	1.23	2.53	15.1	0.14	31.18	0.60	5.6
		Indicated	1.26	1.45	9.1	0.17	18.23	0.37	6.8
		Inferred	1.02	1.24	10.6	0.12	12.67	0.35	4.0
	Sub Total		**8.00**	**1.71**	**24.8**	**0.22**	**137.09**	**6.37**	**56.1**
Underground Potential > 1 % Cu	Reward	Indicated	4.78	2.12	42.6	0.45	101.61	6.55	69.2
		Inferred	4.32	1.56	19.6	0.20	67.29	2.72	27.8
	Bellbird	Indicated	0.33	2.33	19.8	0.14	7.78	0.21	1.5
		Inferred	2.84	2.09	12.3	0.11	59.15	1.12	9.7
	Rockface	Indicated	2.80	3.37	21.4	0.23	94.31	1.93	21.1
		Inferred	0.73	1.92	19.0	0.18	13.97	0.45	4.2
	Sub Total		**15.80**	**2.18**	**25.5**	**0.26**	**344.11**	**12.98**	**133.5**
Total			**23.80**	**2.02**	**25.3**	**0.25**	**481.20**	**19.34**	**189.6**

* Due to rounding to appropriate significant figures, minor discrepancies may occur, tonnages are dry metric tonnes

The Jervois Reserves information were first released to the market on 10/11/2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Open Pit And Underground	Ore Tonnes	Copper Grade	Copper Metal	Gold Grade	Gold Metal	Silver Grade	Silver Metal
Ore Reserves	Mt	%Cu	kt Cu	g/t Au	koz Au	g/t Ag	Moz Ag
Reward Open Pit							
Probable Reserve	2.34	1.73	40.6	0.34	25.7	38.5	2.9
Bellbird Open Pit							
Proven Reserve	1.40	2.07	29.1	0.12	5.2	12.3	0.6
Probable Reserve	0.44	1.12	5.0	0.06	0.9	5.9	0.1
Total Reserves*	**1.84**	**1.84**	**34.0**	**0.10**	**6.1**	**10.8**	**0.6**
Rockface Underground							
Probable Reserve	2.31	3.26	75.3	0.23	17.0	21.3	1.6
Reward Underground							
Probable Reserve	1.82	2.30	41.9	0.64	37.6	30.2	1.8
Marshall Underground							
Probable Reserve	2.98	1.57	46.7	0.23	21.6	43.2	4.1
Bellbird Underground							
Probable Reserve	0.43	1.77	7.7	0.09	1.2	14.2	0.2
Total Reserves	**11.73**	**2.10**	**246.2**	**0.29**	**109.2**	**29.8**	**11.2**

* Bellbird open pit design includes an Inferred tonnage (0.01 Mt) which is included in the Life of Mine schedule. Metal tonnage and grade, but any associated metal content (1.28% Cu, 0.02 g/t Au and 11.1 g/t Ag) associated with the Inferred portion of the orebody has been removed from the stated Ore Reserves for the Bellbird open pit.

The following drill holes were originally reported on the date indicated and using the JORC code specified in the table. Results reported under JORC 2004 have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported.

Hole		Date originally Reported	JORC Reported Under
KJCD	556	27/09/2022	2012
KJCD	529	28/07/2022	2012
KJCD	557	19/01/2022	2012

Forward Looking statements

- This presentation includes certain forward-looking statements. The words “forecast”, “estimate”, “like”, “anticipate”, “project”, “opinion”, “should”, “could”, “may”, “target” and other similar expressions are intended to identify forward looking statements. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding forecast cash flows and potential mineralisation, resources and reserves, exploration results and future expansion plans and development objectives of KGL are forward-looking statements that involve various risks and uncertainties. Although every effort has been made to verify such forward-looking statements, there can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. You should therefore not place undue reliance on such forward-looking statements.
- Statements regarding plans with respect to the Company’s mineral properties may contain forward looking statements. Statements in relation to future matters can only be made where the Company has a reasonable basis for making those statements.

---

i

Appendix 5B

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

Name of entity
KGL Resources Limited

ABN	Quarter ended ("current quarter")
52 082 658 080	31 December 2022

	Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**			
1.1	Receipts from customers – GST receipts		258	592
1.2	Payments for			
	(a)	exploration & evaluation	-	-
	(b)	development	-	-
	(c)	production	-	-
	(d)	staff costs	(464)	(635)
	(e)	administration and corporate costs	(830)	(1,627)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		62	94
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other		-	-
1.8	Other (provide details if material)		-	-
1.9	**Net cash from / (used in) operating activities**		**(974)**	**(1,576)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities	-	-
	(b)	tenements	-	-
	(c)	property, plant and equipment	(38)	(103)
	(d)	exploration & evaluation	(2,421)	(6,755)
	(e)	investments	-	-
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 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 – payment of security deposits	-	-
2.6	**Net cash from / (used in) investing activities**	**(2,459)**	**(6,858)**

3.	**Cash flows from financing activities**		
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)	(77)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings – lease payments	(81)	(163)
3.7	Transaction costs related to loans and borrowings – lease interest	(3)	(8)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(85)**	**(248)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	18,107	23,271
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(974)	(1,576)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,459)	(6,858)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(85)	(248)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**14,589**	**14,589**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	5,587	2,103
5.2	Call deposits	9,002	16,004
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)**	**14,589**	**18,107**

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	314
6.2	Aggregate amount of payments to related parties and their associates included in item 2	50

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** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/a		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(974)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,421)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,395)
8.4	Cash and cash equivalents at quarter end (item 4.6)	14,589
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	14,589
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4.3

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.

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

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

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

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: N/A
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 20 January 2023...

Authorised by: Kylie Anderson on behalf of 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 Managing Director 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.