

ASX ANNOUNCEMENT

ANDROMEDA METALS LTD (Andromeda, ASX: ADN)



27 April 2023

Quarterly Activities Report – March 2023

Andromeda Metals Limited

ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash (31 March 2023):

\$19.6m

Issued Capital:

3,110,270,932 ordinary shares

24,760,000 unlisted options

18,596,711 performance rights

Directors:

Mick Wilkes

Non-Executive Chair

Bob Katsioularis

CEO & Managing Director

James Marsh

Executive Director, Sales & Marketing

Melissa Holzberger

Non-Executive Director

Austen Perrin

Non-Executive Director

Company Secretary

Sarah Clarke

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Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) is pleased to report steady progress in advancing its flagship Great White Project (**GWP**) and its other projects and new product opportunities during the quarter ended 31 March 2023.

Highlights

Great White Project – significant milestone achieved

- Approval of the Program for Environment Protection and Rehabilitation (PEPR) was received from South Australia's Department for Energy and Mining (DEM).
- Permits the processing of up to 300,000 tonnes per annum (tpa) of ore, producing up to a nominal 150,000 tpa of halloysite-kaolin products.
- Independent study of Great White HRM™ details positive benefits as a cost-effective solution to decarbonise concrete.

Research and Development (R&D)

- Progressed R&D activities to produce 'critical mineral' HPA based on an innovative process flowsheet.

Minerals Exploration

- Completed broad spaced drilling program (12 holes for 337m) targeting kaolin that complements the Great White Deposit.

Corporate

- Funding requirements are currently under consideration, which may include a range of debt and equity mix options.
- Commencement of Bob Katsioularis as CEO and Managing Director and Sarah Clarke as General Counsel & Company Secretary

Newly appointed CEO and Managing Director, Bob Katsioularis, said: "With regulatory approval for the Great White Project now locked-in, we are progressing discussions to secure the funding required and offtake agreements to underpin development and future expansion."

Discussion

Andromeda reports continued steady progress in advancing its flagship GWP and other projects and new product opportunities during the quarter ended 31 March 2023.

Great White Project

Marketing

During the quarter, the lifting of international travel restrictions related to the COVID pandemic enabled the Company to expand its global marketing efforts.

This enabled face-to-face negotiations to be progressed and the commencement of discussions with new prospective offtake partners.

A range of meetings were held across Japan, Hong Kong, China, Spain, Germany, Greece and the United Kingdom. Valuable insights and introductions were gained through attending the CEVISAMA International Ceramics & Bathroom Exhibition in Valencia, Spain and the European Coatings Show in Nuremberg, Germany, both being the premier events in their respective market segments.

In supporting the product marketing efforts, halloysite-kaolin product samples from GWP continued to be processed at the Streaky Bay pilot plant (SBPP) and distributed globally to existing and prospective offtake partners.

An independent concrete decarbonisation study (Study) was published, and made publicly available¹, which found that use of Great White HRM™ as an admixture offers a cost-effective solution to decarbonise concrete.

The Study² detailed the following benefits of using Great White HRM™ in concrete:

- Over 7% reduction in Global Warming Potential³ for standard commercial concrete mix designs of 32MPa and 40MPa.
- By comparison, the Global Cement and Concrete Association (GCCA) is targeting an 11% reduction by altering the mix design of concrete as part of their "Road Map to Net Zero 2050"⁴.
- 1kg of Great White HRM™ per m³ of concrete required.
- Potential cost savings of between \$2/m³ and \$3/m³ depending on concrete mix design.
- Concrete properties are materially unaffected.
- The total global (excluding China) market for Great White HRM™ based on the concrete grades tested is over 1.8 billionm³ of concrete per annum.
- Great White HRM™ is a refined kaolin product that is certified for use in concrete under Australian Standards⁵(AS 1478.1 – 2000).

¹ Available on Andromeda's website at: www.andromet.com.au/investors/asx-releases

² The Study is an independent study and as such, Andromeda Metals Ltd does not warrant the accuracy, reliability or completeness, or the opinions and conclusions, of the study. Regard should be had to the assumptions and qualifications on which the Study is based.

Andromeda Metals Ltd believes that the value of its products to customers will be determined by various factors including the industry, use and location of the customer.

³ Global warming potential (GWP) is a value that allows direct comparison of the impact of different greenhouse gases in the atmosphere by comparing how much energy one tonne of a gas will absorb compared to one tonne of carbon dioxide (Australian Government Clean Energy Regulator).

⁴ Concrete Future – The GCCA 2050 Cement and Concrete Industry Roadmap for Net Zero Concrete, Global Cement and Concrete Association, October 2021.

⁵ Chemical admixtures for concrete, mortars and grout.

PEPR Approved by SA's DEM

In March, the Company achieved a significant milestone, being approval of the PEPR, enabling Andromeda to progress with its staged development of the GWP.

Approval of the PEPR by DEM permits the processing of up to 300,000 tonnes per annum (tpa) of ore, producing up to a nominal 150,000 tpa of halloysite-kaolin products from the GWP.

The PEPR includes environmental management plans for the GWP and details how Andromeda has proposed to comply with the Mining Lease conditions attached to ML 6532 and MPL 164.

DEM also confirmed that before any operations on the Mining Lease can commence, Andromeda must lodge a bond of \$3.79 million to cover the rehabilitation liability along with approximately \$665,000 for the Significant Environmental Benefit (SEB) into the Native Vegetation Fund.

By limiting the scope of the PEPR to the first stage of the project and the processing limit of 300,000 tpa, the Company significantly reduced the up-front cost of these items. The submission of a further PEPR will be required for subsequent expansion beyond this processing limit.

The Company anticipates receiving minor secondary approvals, such as EPA Works Approval, which are not required prior to the commencement of construction.

With the PEPR now approved, progression to the construction phase of the development of GWP is dependent on payments of both amounts for the environmental bond and the Native Vegetation Fund, the securing of required funding and a Final Investment Decision (FID) being made.

Project engineering and delivery

While awaiting the approval of the PEPR, Andromeda progressed the staged, scalable approach to developing the GWP, and ramped-up its preparedness to deliver the project.

Front End Engineering Design (FEED) and supporting construction plans for the Stage 1A were developed in readiness to progress with early-stage site preparation works.

The procurement of Stage 1A long lead items is continuing and the Company is preparing for the delivery of long lead items to align with construction plans.

Research and Development

To leverage the large, high-quality halloysite-kaolin resources underpinning the GWP, the Company conducts research and development into new emerging product and nanotechnology opportunities.

During the period, the Company continued to apply its structured Business Development Framework for the assessment and staged progression of targeted new product opportunities, including the critical mineral high purity alumina (HPA) and the GWP halloysite-based nanomaterials.

Ongoing research and development activities to produce HPA based on an innovative process flowsheet to produce both HPA and Smelter Grade Alumina, were progressed.

Andromeda continued to fund research projects at the Global Innovative Centre for Advanced Nanomaterials, University of Newcastle, into industry applications for GWP halloysite based nanomaterials.

Regional Minerals Exploration

GWP – Regional exploration (Andromeda 100%)

Andromeda continues to actively explore for kaolin with properties that complement those of the Great White Deposit with broad spaced drilling (12 holes for 337m) undertaken on EL 6202 and EL 6426.

Eyre Kaolin Project

(Andromeda farming in under Stage 1 to earn a 51% interest by expending \$750,000 by November 2024)

During the quarter, the Company conducted follow-up drilling at two kaolin prospects on the Eyre Kaolin Project defined in 2022, Chairlift and Halfpipe.

At the Chairlift prospect, located on tenement EL 6664, additional drilling was conducted to further delineate a defined Exploration Target. At the Halfpipe prospect, a total of 24 aircore holes for 1,173m were drilled. Most analyses were received, except for the brightness test results. The analyses identified a minimum of 20% halloysite in 12 drillholes.

Metals Projects

Andromeda's strategic focus remains on developing our portfolio of halloysite-kaolin projects. Accordingly, the Company continues to seek opportunities to realise maximum shareholder value for our gold and copper assets while minimising the cost and management time incurred.

Moonta Copper Gold Project (Andromeda partial farm-out 100%)

Andromeda continued to review the Moonta Copper Gold Project, utilising existing drilling results to assess the in-situ recovery potential of 100% Andromeda-held copper prospects, in association with joint venture partner Environmental Metals Recovery Pty Ltd (EMR).

During the quarter, EMR's parent, EnviroCopper Limited (ECL), undertook two Ambient Noise Tomography (ANT) surveys over a portion of the Alford West project area using ExoSphere by Fleet Space. The survey delineated a "trough" like structure that correlates well with the deep weathering associated with the defined oxide copper-gold mineralisation. ECL intends to integrate the subsurface ANT results with information with existing drillhole data to prioritise exploration drill targets with potential for oxide copper-gold mineralisation.

Wudinna Gold Project (Andromeda farm-out 25%)

During the quarter, Heads of Agreement partner Cobra Resources PLC (Cobra) completed the analysis of results from drilling undertaken in June 2022 and the re-analysis of historic drill holes for rare earth elements.

In January, a maiden Rare Earth Elements JORC Mineral Resource Estimate of 20.9 Mt at 658 ppm Total Rare Earth Oxides (TREO) was announced by Cobra⁶, near the 94,000oz Baggy Green gold deposit.

Prior to the end of the quarter, Cobra announced⁷ the completion of 20 Reverse Circulation (RC) drillholes for 2,466m across Barns, White Tank and Clarke prospects, with assays sent for laboratory analysis.

Additionally, a 6,000m Aircore (AC) drilling program was commenced, aimed at expanding both REE and gold JORC resources at the Barns East, Boland and Thompson prospects.

Cobra has now earned a 75% interest in the Wudinna Gold Project by sole funding \$5million on expenditure within a 6 year period.

⁶ Refer to Cobra Resources PLC LSE announcement dated 9 January 2023 titled *Wudinna Project Update – Maiden Rare Earth Resource Estimate – Unique and Unconstrained*

⁷ Refer to Cobra Resources PLC LSE announcement dated 30 March 2023 titled *Wudinna Project Update – Completion of RC Drilling & Commencement of AC Drilling*

Drummond Epithermal Gold Project (Andromeda 100%)

To realise maximum shareholder value for the Drummond Epithermal Gold Project (Drummond), the Company has entered into an agreement for the sale of Drummond to Rush Resources Limited (Rush) for approximately \$250,000 worth of fully paid ordinary shares in Rush.

The agreement is subject to the following remaining conditions precedent:

- completion of financial, legal and technical due diligence by Rush,
- Rush undertaking a capital raising and receiving valid applications for at least \$4,000,000 worth of shares, and
- The ASX provides in-principle conditional approval for Rush's admission to the official list of the ASX and the quotation of its shares.

Rush has made the following progress in meeting these conditions:

- confirmed completion of its financial, legal and technical due diligence, and
- received in-principle conditional approval for Rush's admission to the official list of the ASX for the quotation of its shares.

Rush is making progress toward meeting the final condition and is currently planning for the release of the prospectus and initial public offering (IPO) capital raising.

Completion of the transaction is anticipated to occur five business days after the date on which all the above conditions are either satisfied or waived.

Corporate

Issued capital

During the quarter, the following changes to issued capital occurred:

- On 3 February 2023, 262,500 Ordinary shares were issued, subject to a voluntary escrow period, following the conversion of a similar number of Performance rights.
- On 10 February 2023, 65,000 Performance rights lapsed, due to the conditions having not been, or became incapable of being, satisfied.
- On 3 March 2023, 1,400,000 Unlisted options lapsed, due to the conditions having not been satisfied.
- On 3 March 2023, 1,920,364 Performance rights lapsed, due to the conditions having not been, or became incapable of being, satisfied.

Finance

The Company continued to prudently manage costs during the period. Cash and cash equivalents at the end of the quarter were \$19,582k, a decrease of \$4,330k from the previous quarter's closing balance of \$23,912k.

During the quarter, net funds used in operating activities were \$2,068k. Net funds used in investing activities were \$2,214k. Net funds used in financing activities were \$48k.

Exploration and Evaluation Expenditure during the quarter was \$2,085k. Full details of exploration activity during the Quarter are set out in this report.

There were no substantive mining production and development activities during the quarter.

Payments to related parties of the Company and their associates during the quarter were \$192k, consisting of executive director salaries and non-executive director fees.

Funding

Capital costs for the initial Stage 1A Starter Plant are anticipated to be between \$50-60 million, which includes the cost of project infrastructure that will support future expansions.

In addition to the \$19.6 million in cash and cash equivalents held at the end of the period, the Company progressed consideration of its future capital and operational funding requirements. Financing arrangements under consideration have included a range of debt and equity mix options, to support the financing of GWP while also providing flexibility to pursue growth opportunities as they develop.

To support the securing of required funding ahead of a FID being made, the development of a Bankable Feasibility Study (BFS) and an updated Definitive Feasibility Study (uDFS) were progressed.

The Company anticipates updating the market on its preferred funding arrangements in the coming months and remains confident of securing the funding required to support an anticipated FID being made.

Board and Key Management Changes

In January, the Company strengthened executive management capacity and capabilities by announcing the appointment of Robert (Bob) Katsioularis as Chief Executive Officer (CEO) and Managing Director, with James Marsh transiting to Executive Director, Sales and Marketing. The transition occurred smoothly as planned, effective 1 April 2023 (with Mr Katsioularis' directorship taking effect on 27 April 2023).

Also in January, Sarah Clarke commenced her role as General Counsel & Company Secretary.

In March, Michael Zannes resigned as Chief Financial Officer (CFO), to pursue another opportunity in Brisbane where his family resides. To ensure a seamless transition, Non-executive Director, Austen Perrin has been overseeing the Company's finance function while an executive search process to find a replacement is progressed.

This ASX announcement has been approved for release by the Board of Directors of Andromeda Metals Limited.

For more information about the Company and its projects, please visit our website, www.andromet.com.au or contact:

Manager, Investor Relations & Corporate Affairs

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Forward Looking Statements

This document contains or may contain certain "forward-looking statements" and comments about future events, that are based on Andromeda management's beliefs, assumptions and expectations and on information currently available to management as at the date of this document. Often, but not always, forward-looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, estimates of future Mineral Resources and Ore Reserves.

Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis.

Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements to differ materially from future results, performances or achievements expressed, projected or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. Such risks and factors include, but are not limited to: changes in exchange rate assumptions; changes in product pricing assumptions; major changes in mine plans and/or resources; changes in equipment life or capability; emergence of previously underestimated technical challenges; increased costs and demand for production inputs; and environmental or social factors which may affect a licence to operate, including political risk.

Competent Persons Statement

Information in this announcement has been assessed by Mr. James Marsh a member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Marsh is an employee of Andromeda Metals Limited who holds shares, options and performance rights in the company and is entitled to participate in Andromeda's employee incentive plan (details of which are included in Andromeda's Annual Remuneration Report) and has sufficient experience, which is relevant to the style of mineralisation, type of deposits and their ore recovery under consideration and to the activity being undertaking to qualify as Competent Person under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

This includes Mr. Marsh attaining over 30 years of experience in kaolin processing and applications. Mr. Marsh consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The data that relates to exploration results and Mineral Resource Estimates are based on information compiled and evaluated by Mr. Eric Whittaker who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Whittaker is the Chief Geologist of Andromeda Metals Limited 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. Whittaker has over 30 years of experience in the mining industry. Mr. Whittaker consents to the information in the form and context in which it appears.

About Andromeda

Andromeda Metals (ASX: ADN) is an ASX-listed emerging industrial minerals producer. Our vision is to lead the world in the sustainable supply of superior quality industrial minerals and advancement of nanotechnologies.

We see 2023 as a transformational year for Andromeda. Following which we anticipate becoming a globally significant producer of halloysite-kaolin products. Having received all major regulatory approvals for our flagship the Great White Project (GWP), we are progressing towards early-stage-construction of the Stage 1A Starter Plant. We are also advancing funding discussions aimed at enabling a final investment decision for the GWP to be made.

From there, we aim to leverage the uniqueness of our GWP resources to grow through meeting the increasing long-term demand for kaolin, expand our range of high-margin kaolin-based products and develop new materials for building a more sustainable future.

Andromeda's kaolin deposits are located in South Australia's Eyre Peninsula, a Tier 1 mining jurisdiction, and contain some of the highest purity kaolin ever discovered. Kaolin has been used in ceramics production for centuries because of its unique properties as a bright white inert mineral with very fine particle size. In addition to ceramics, today, kaolin can be found in a range of everyday products, including cosmetics, paint, rubber, medicines, paper, pesticides, orthodontics, orthopedics, and plastics. Every modern home and car contains kaolin in some form.

Using a novel flowsheet, we are also researching using kaolin to produce the critical mineral High-purity Alumina (HPA).

Our large, high-quality deposits also contain a rare form of kaolin called halloysite, a naturally occurring nanotube.. Halloysite-kaolin derived nanomaterials can be used in a range of industry applications, such as carbon capture, soil remediation, water purification, hydrogen storage, medicine delivery and renewable energy.

SUMMARY SCHEDULE OF TENEMENTS AS AT 31 MARCH 2023

Project	Tenement	Tenement Name	Area km ²	Registered Holder or Applicant	Nature of Company's Interest %
South Australia					
<i>Great White Kaolin Project</i>	ML 6532	Great White	319 ha	Andromeda Industrial Minerals Pty Ltd ¹ and Great Southern Kaolin Pty Ltd ²	AIM 75% GSK 25%
	MPL 163	Water Pipeline MPL	78 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	MPL 164	Access Road MPL	13 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6588	Tootla	372	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6202	Mt Hall	147	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6426	Mt Cooper	648	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
<i>Wudinna Gold Joint Venture³</i>	EL 6317	Pinkawillinie	156	Peninsula Resources Ltd ³	PRL 25% LAM 75%
	EL 6131	Corrobinnie	1303	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 6489	Wudinna Hill	42	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 5953	Minnipa	184	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 6001	Waddikee Rocks	147	Peninsula Resources Ltd	PRL 25% LAM 75%
<i>Moonta Copper Gold Project⁴</i>	EL 5984	Moonta-Wallaroo	713	Peninsula Resources Ltd	100%
	EL 5984	Moonta Porphyry JV	106	Peninsula Resources Ltd	90% - option to acquire 100% from Demetallica Ltd
<i>Camel Lake Halloysite Project</i>	EL 6128	Camel Lake	455	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	ELA 2019/73	Dromedary	481	Demetallica Operations Pty Ltd ⁵	AIM 75% GSK 25%
<i>Eyre Kaolin Project</i>	EL 6663	Aspen	976	Peninsula Exploration Pty Ltd ⁶	Peninsula 100%
	EL 6664	Whistler	452	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6665	Hotham	875	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6666	Thredbo	496	Peninsula Exploration Pty Ltd	Peninsula 100%
<i>Mt Hope Kaolin Project</i>	EL 6286	Mt Hope	227	Andromeda Industrial Minerals Pty Ltd	100%
Queensland					
<i>Drummond Gold Project</i>	EPM 18090	Glenroy	196	Adelaide Exploration Pty Ltd ⁷	100%
	EPM 25660	Gunthorpe	74	Adelaide Exploration Pty Ltd	100%
	EPM 26154	Sandalwood Creek	109	Adelaide Exploration Pty Ltd	100%
	EPM 26155	Mount Wyatt	144	Adelaide Exploration Pty Ltd	100%
	EPM 27501	Packhorse Creek	16	Adelaide Exploration Pty Ltd	100%
Western Australia					
<i>Dundas Project</i>	E 63/2089	Circle Valley	29	Mylo Gold Pty Ltd ⁸	100%

1 Andromeda Industrial Minerals Pty Ltd ("AIM") (incorporated 9 August 2018) is a wholly owned subsidiary of Andromeda Metals Ltd.

2 Great Southern Kaolin Pty Ltd ("GSK") is a wholly owned subsidiary of Andromeda Metals Ltd.

3 Peninsula Resources Ltd ("PRL"), (incorporated 18 May 2007) is a wholly owned subsidiary of Andromeda Metals Ltd. PRL has a farm-out agreement with Lady Alice Mines Pty Ltd ("LAM"), a wholly owned subsidiary of Cobra Resources PLC.

4 Andromeda Metals Ltd has partnered with Environmental Metals Recovery Pty Ltd ("EMR") to form the Moonta ISR Joint Venture.

5 Demetallica Operations Pty Ltd is a wholly owned subsidiary of Demetallica Ltd. Registered interest is to be transferred to AIM (75%) and GSK (25%) upon grant.

6 Andromeda Industrial Minerals Pty Ltd has partnered with Peninsula Exploration Pty Ltd ("Peninsula") to form the Eyre Kaolin Project.

7 Adelaide Exploration Pty Ltd (incorporated 13 July 2001) is a wholly owned subsidiary of Andromeda Metals Ltd.

8 Mylo Gold Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.

Appendix 5B

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

Name of entity

ANDROMEDA METALS LIMITED

ABN

75 061 503 375

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(288)	(868)
(e) administration, corporate and R&D costs	(1,931)	(5,829)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	157	264
1.5 Interest and other costs of finance paid	(6)	(19)
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	(2,068)	(6,452)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(129)	(460)
	(d) exploration & evaluation (capitalised)	(2,085)	(6,250)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	33
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other		
	- Government grants, subsidies and tax incentives	-	-
2.6	Net cash from / (used in) investing activities	(2,214)	(6,677)
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	-	-
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 (Lease repayments)	(48)	(142)
3.10	Net cash from / (used in) financing activities	(48)	(142)
<p>The December 2022 quarterly reported cashflow from investing activities and operating activities have been amended after the finalisation of the Financial Report for the Half-Year ended December 2022. This did not result in any change to closing cash, rather an adjustment from net cash used in operating activities to net cash used in investing activities of \$187k.</p>			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4	Net increase / (decrease) in cash and cash		
4.1	Cash and cash equivalents at beginning of period	23,912	32,853
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,068)	(6,452)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,214)	(6,678)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(48)	(142)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	19,582	19,581

5 Reconciliation of cash and cash equivalents		Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts			
5.1	Bank balances	9,582	8,895
5.2	Call deposits	10,000	15,017
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)	19,582	23,912

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	(113)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(79)

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.

The amount at items 6.1 and 6.2 comprises executive director salaries, non-executive director fees and consulting fees paid to directors or related corporations of directors of the Company during the quarter.

7	Financing facilities	Total facility amount at quarter end	Amount drawn at quarter end
	<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>	\$A'000	\$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (credit card facility)	90	12
7.4	Total financing facilities	90	12
7.5	Unused financing facilities available at quarter end		78
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>The Company has a credit card facility financed through Westpac with a limit of \$90,000. This facility is denominated in Australian dollars and is secured against cash deposits of the same amount shown as restricted cash in Item 5.4 of this report. An annual fee is charged for this facility at market rates. There are no set amounts payable under this facility, other than the annual fee, unless the consolidated entity does not adhere to the terms of the agreements.</p>			

8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,068)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,085)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,153)
8.4	Cash and cash equivalents at quarter end (item 4.6)	19,582
8.5	Unused finance facilities available at quarter end (item 7.5)	78
8.6	Total available funding (item 8.4 + item 8.5)	19,660
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.73
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

Date:27 April 2023.....

By the Board

Authorised by:

(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.