



ASX Announcement

30 October 2023

Quarterly Activities Report – September 2023

Centrex Limited (ASX: CXM) (Centrex or the Company) is pleased to present its Quarterly Exploration and Mining Activities Report for the period to 30 September 2023.

Highlights:

- **Record size shipment of 17,236 tonnes made during the quarter**
- **Binding offtake agreement signed with Ravensdown**
- **Substantial uplift in mining activity made ahead of the anticipated ramp up in production, processing, drying and shipping in CY2024**
- **Transition from contract crushing to owner crushing that will result in significant crushing cost saving of ~60%**
- **Banaba Island agreement executed as part of the Company's strategy to leverage its phosphate expertise within the Asia Pacific**

Report

1. COMPANY OVERVIEW

Centrex Limited's (ASX:CXM) ('Centrex' or 'Company') primary focus for the September quarter was the Ardmore Phosphate Rock Mine ('Ardmore') which is 100% owned by its wholly owned subsidiary, Agriflex Pty Ltd ('Agriflex').

BINDING OFFTAKE AGREEMENT SIGNED WITH RAVENSDOWN

On 3 July 2023, the company announced that its wholly owned subsidiary, Agriflex Pty Ltd, had entered into a binding offtake agreement for the supply of phosphate rock from the Ardmore Phosphate mine with the leading New Zealand based

agricultural company Ravensdown Limited (Ravensdown).

Under the terms of the offtake agreement, Ravensdown has agreed to purchase approximately 15,000 tonnes of phosphate from Ardmore in the first year. The parties will meet within 120 days of the end of each contract year to mutually agree the tonnage for each subsequent contract year.

The supply of the phosphate rock under the Offtake Agreement commenced 1 July 2023 and continue until 31 December 2025. The company has set aside 20% of production at the Ardmore to fulfill its projected allocation under the Offtake Agreement.

COMPANY UPDATE AND FUTURE OUTLOOK

On 27 July, the Company presented a company update for the 2023/24 financial year.

As a result of the phosphate sale success during the 2023 financial year and to meet market demand, the company has continued progressing its planned expansion of the Ardmore's operational capacity.

The Company is targeting up to 440,000 tonnes for the 2024 calendar year, subject to the completion of financing that currently remains on track for completion. In light of the projected increase in production, the Company is currently in discussions with the Company's offtake partners.

Key to Centrex's ability to produce these quantities is the construction of appropriate infrastructure to enable the processing, drying and storage of phosphate rock. This required infrastructure will be sourced from within Australia, the total cost of which is anticipated to be at the lower end of the A\$28m to A\$40m range that has been provided. Once funding is complete, the Company intends to complete a 9-month construction program to complete the Stage 1.5 program. This is anticipated to increase total annual capacity to 625,000 tonnes by December 2024. This includes a new tails storage facility, camp upgrade, brine ponds and additional drying pads. All environmental and mining approvals are in place to achieve this expansion.

The Company is firmly of the opinion that the mining & logistics operations at Ardmore, as part of the stage 1.5 expansion, will yield substantial benefits in terms of production uplift and economies of scale. These anticipated benefits are especially attractive to the Company considering the relatively modest capital investment required.

Based on having a year's worth of production data and the internal modelling completed to date, post Stage 1.5 construction, the Company perceives the operating cost of production per tonne will range from \$160-\$180 AUD and includes the anticipated cost of logistics (FOB Townsville basis). The production forecast, Stage 1.5 Capital expenditure

and projected operation cost is subject to funding which is currently on track for completion.

In its first year of production, Centrex's wholly owned subsidiary Agriflex Pty Ltd sold 73,644 tonnes of beneficiated phosphate rock. Excluding the four trial shipments, the Company averaged AUD\$402 (USD \$271 at a A\$0.6735 average RBA exchange rate) per tonne of beneficiated rock through sales negotiations with its customers. This is a pleasing result given that shipments did not meet the preferred commercial minimum size (15,000 tonnes) until May 2023.

The Company is pleased that it has achieved exceptional safety performance on site with a zero lost time injury frequency rate (85,867 man hours worked). The Company believes this is a testament to not only the operating experience of staff on-site but also to the Company's high standards of systems and procedures.

IPL Dispute -

As announced in May 2023, the Company received the binding determination for the extension fee and has paid the \$700K settlement in the June quarter.

Following receipt of a new dispute notice from Incitec Pivot Fertilisers (IPF), the parties are now in negotiation regarding the correct interpretation of the provisions in the Royalty Deed that determines the amount of the royalty. The royalty amount has been paid by the Company except for the amount in dispute of approximately \$105,000. The Company is hopeful of determining the correct interpretation with IPF in the near term.

Future Opportunities - Phosphorus/Phosphoric Acid/Dicalcium Phosphate

The Company continues to explore other uses for its phosphate rock for the purposes of maximising total sales margins by capitalising on small but high-value markets. Ardmore's relatively high grade and low impurity levels appear to provide a natural competitive advantage in the production of phosphorus, high purity phosphoric acid and dicalcium Phosphate. High purity phosphoric acid is

key ingredient in Lithium Iron Phosphate Batteries. Should the Company proceed with any of these developments, it will most likely take the form of a joint venture to enable a rapid and efficient pathway to market.

Oxley -

Oxley is a rare high grade potassic feldspar deposit close to an existing port (125km) and other infrastructure such as gas, power, roads and rail.

Based on recent testwork at laboratory scale (extraction of potassium from Oxley potassic feldspar via a hydrothermal hydroxide leach process path), the Company continues to work towards demonstrating that the Oxley Project has the potential to be a significant long term producer of potassium carbonate (and associated products). Planned test work for the next 6 months is aimed at further investigating the process pathway including tuning reaction kinetics, reagent quantities, and development of a process flow-sheet as the basis for engineering estimates. Once the test work is complete, the Company expects to move towards a full scoping and pre-feasibility study subject to funding. The pre-feasibility study is expected to take 18 months. Due to Oxley's advantageous proximity to port, rail and infrastructure, the Company believes that Oxley will likely prove to have significant capital and operating cost advantages when compared to its peers within Australia.

Exploration and New Project Development -

The Company continues to consider all options for its existing Goulburn exploration project. Options under consideration include a further drilling program, potential farm out/join venture exploration opportunities and outright sale. A data room has been established for the Goulburn exploration project to facilitate interested parties.

The Company continues to evaluate and develop new exploration and project development opportunities. It prioritises exploration targets and project opportunities that have natural synergies with its existing projects or where it believes its in-house

expertise can provide a competitive advantage. The Company's geographical focus is Australia and the Asia Pacific Region.

AGREEMENT SIGNED AS FIRST STEP TOWARDS THE COMMENCEMENT OF EXPLORATION ON BANABA ISLAND

On the 16 August the Company announced that it had entered into a binding agreement with the Rabi Council of Leaders, the appointed representative of the official traditional owners of Banaba Island ('Banaba'), to explore the feasibility of mining the remanent phosphate rock on the Pacific island of Banaba.

If the project proceeds, Centrex's plans include the expected delivery of extensive rehabilitation projects and initiatives to improve environmental and socio-economic conditions on the island which were impacted by previous mining activity.

The Banaba Project is part of Centrex's wider strategy to add additional low capital and operating cost production within the Asia-Pacific region whilst also utilising its existing and extensive technical and marketing expertise in phosphate. It is for this reason that the Company considers the Banaba Project to be a complimentary addition to its Ardmere Rock Phosphate project in Queensland. The Company believes that it will be able to conduct its preliminary investigations in to the feasibility of mining and rehabilitating Banaba at minimal cost.

Phosphate Mining on Banaba -

Banaba (formerly known as Ocean Island) is a solitary raised coral island west of the Gilbert Island chain and 298 km east of Nauru. It is part of the Republic of Kiribati. It has an area of 6.0 km², and the highest point on the island is 81 metres.

Banaba, like other islands of the Pacific, has a long history of phosphate mining. Phosphate mining on the island began in 1900 and continued until 1979, when the British Phosphate Commissioners (BPC) - an Australian, British and New Zealand Governments jointly- owned company - ceased mining operations.

An estimated 21Mt was mined during this period at grades of circa 38% P₂O₅. Records indicate that practically the whole of the island was covered with a deposit of phosphate, sometimes as much as 25 metres thick, but usually less than 15 metres thick. The phosphate filled troughs between dolomite pinnacles, and mining was discontinued before the base of the troughs was reached.

Technical Commentary -

From the time of cessation of mining through to 1989, Banaba has had a number of assessments completed on the remaining phosphate resource potential. Similar to Nauru, it was observed that two main types of phosphate, “incoherent” and “coherent” occurred. The incoherent phosphate consisted of pisolitic and oolitic grains, together with larger angular or rounded fragments, up to 25 mm in diameter, and fine dust.

Within the coherent phosphate deposit, three distinct varieties were described. The first was described as fragmental, and consisted mainly of blocks of phosphatised limestone irregularly distributed through the incoherent phosphate. The second variety described was dolomite pinnacles that had been partly or wholly converted to phosphate. The third variety occurred as finely laminated masses, as a cementing ingredient, as a coating on phosphatised limestone, and as a lining in cavities within the un-phosphatised limestone.

It is the remnant incoherent phosphate in the troughs that is of primary interest to Centrex.

Centrex’s immediate exploration plans include satellite remote sensing of Banaba to determine areas of high phosphate concentrations. If the remote sensing work is encouraging, Centrex will undertake an Aerial Light Detection and Ranging (LiDAR) survey of Banaba to create an accurate topographic model of the island. This would be followed by exploratory drilling to prepare a feasibility study which will ultimately inform an investment decision in approximately 18 months’ time.

Centrex’s team is well qualified to deliver on mining and remediation activity on Banaba due to many of

its senior managers and staff having considerable experience operating in the Central Pacific, including Robert Mencil’s experience as CEO of the Republic of Nauru’s RONPHOS Corporation, which successfully developed and trialled secondary mining and rehabilitation solutions.

The Company notes that it does not intend to allocate significant expenditure on the Banaba Project in the short to medium term while it progresses its ramp up of the Stage 1.5 Project at the Company’s flagship Ardmore Phosphate Project.

About Rabi Council of Leaders -

The Rabi Council of Leaders is the municipal body administering Rabi Island in Fiji and established by the Banaban Settlement Act 1970.

The Rabi Council is currently under the management of the Rabi Administrator. The Council has its main office in the Fijian capital, Suva.

Key Terms of Agreement -

All development on Banaba will be undertaken in accordance with the laws of Kiribati and with extensive consultation with, and participation by, traditional Banaban landowners to ensure mutually beneficial outcomes.

By official agreement from the Rabi Council of Leaders, the Rabi Council have granted approval to the Company’s proposed exploration program on Banaba Island.

The approval also contains certain obligations on the Company in carrying out exploration works including, use of Rabi’s people as part of the labour force for exploration (including providing training), Rabi Council to monitor the exploratory works as well as certain other reporting obligations.

Next Steps -

Centrex’s next step is to finalise and enter into an exploration agreement with the Kiribati Government, which is the final agreement required to move forward with exploration and secure tenure on the

island, although the Company notes that the agreement with the traditional owners is considered to be the most challenging agreement to secure and a significant step towards the re-commencement of mining on Banaba.

The Company will work with the Rabi Administrator (who incidentally is also a member of the Kiribati parliament) to progress the Exploration Agreement with the Kiribati Government. The Company will provide updates to the market on any developments in relation to this agreement.

RESPONSE TO MEDIA ARTICLE

On the 30 August, the company announced a response to the ABC news article referencing the Rabi Council of Leaders Administrator stating that he intends placing the recently signed agreement on hold whilst he further consults with the Banaba community (refer ASX Announcement 16 August 2023). Centrex has not received any formal advice in this regard but is happy to follow the direction and guidance of the Rabi Council of Leaders, including any future request for additional time to consult. The Company will keep the market informed on any further developments in accordance with its disclosure obligations.

CENTREX SUCCESSFULLY COMPLETES \$4.25M PLACEMENT AND LAUNCHES SHARE PURCHASE PLAN

On the 23 August the Company announced that it had received firm commitments for a placement of approximately 47.2m shares to institutional, sophisticated and professional investors (the Placement) at an issue price of 9 cents per share to raise \$4.25 million. The Placement was well supported by existing and new institutional, sophisticated and professional investors. In conjunction with the Placement, Eligible Shareholders were able to apply for up to \$30,000 worth of shares each, raising \$181,500 from participating shareholders under a share purchase plan (SPP Offer). The placement and SPP offer raised a total of \$4,431,500 before costs.

Taylor Collison Limited acted as sole lead manager to the Placement.

ARDMORE OPERATIONS UPDATES

On the 30 August & 18 September, the Company provided production & sales updates for the Ardmore Mine, 100% owned by its wholly owned subsidiary, Agriflex Pty Ltd. On 30 August, the Company announced that it was on schedule to produce over 50,000 tonnes of concentrate for the first 6 months of this financial year. Subject to shipping schedules, the Company still expects to export approximately 50,000 tonnes of beneficiated concentrates during this period and another 50,000 tonnes for the March 2024 quarter.

As previously announced, the Company completed a major shipment of 17,263 tonnes on the 13 September 2023. The Company is pleased to note that this was the Company's largest single shipment made to date. Another major shipment of 20,000 tonnes is scheduled for early November and currently remains on track.

Production and Sale Update –

In readiness for increased production levels next year, the company has moved to increase mining rates onsite. As of 1 October 23, for the next four months the Company expects to mine 30,000 tonnes of ore per month before again further increasing mining rates. To facilitate this increase the Company has entered into a 12 month contract extension with its existing earth moving contractor.

Following a comprehensive tender process, the company will transition from contract crushing to owner crushing. The company has entered into a financing lease agreement to purchase a new \$4.4 million crushing and screening circuit to produce up to 275tph of -4mm feed for its beneficiation plant. Once commissioned in October 23, the new crushing circuit is expected to reduce total crushing costs by 60%.

CY2024 Offtake -

The Company notes that of the 440,000 tonnes of product that is expected to be produced in CY2024 (subject to financing), 290,000 tonnes of this product has been allocated to existing offtake partners. As a result, the Company is expected to account for a larger percentage of the feedstock used by its offtake partners in their respective operations. The Company's offtake partners have attributed this increase in feedstock percentage to several factors, including the favourable geographic proximity of the Company's supply, strong ESG credentials, robust corporate governance as an ASX-listed company, and Australia's political stability compared to other phosphate-producing countries.

Of the remaining 150,000 tonnes not yet covered under non-binding production allocation for CY2024, the Company continues to engage in advanced discussions with other potential offtake partners as well as Samsung who is an existing strategic partner of the Company. Consequently, the Company believes it will be able to enter into further sales agreements in due course. The Company will continue to keep the market updated in accordance with its continuous disclosure obligations.

Debt Funding -

The Company continues to make further progress with its debt finance with a number of parties reviewing information in the Company's data room. As previously stated, the Company will consider all forms of funding available to minimise dilution while also ensuring the timely availability of capital necessary to complete the Stage 1.5 Phase expansion. In respect to its financing requirements, the Company continues to run a competitive process to ensure the best outcome is achieved for shareholders. The Company will continue to keep the market updated in accordance with its continuous disclosure obligations.

APPOINTMENT OF COMPANY SECRETARY

On the 7 September the Company announced that John Santich has been appointed as Company

Secretary of the Company. Dr Santich will replace Mr. Jonathan Lindh who has resigned to concentrate on his private legal practice. Dr Santich is a lawyer and engineer with many years' experience in the mining industry having held company positions at board, secretarial and management levels. He was previously company secretary of Centrex from March 2020 to March 2021.

CONVERSION OF PERFORMANCE RIGHTS

On the 18 September the Company advised that it had converted 7,088,461 unlisted CXMAP Performance Rights ("Performance Rights") into a total of 7,088,461 ordinary shares ("Shares") to a number of participants in the Company's Performance Rights Plan including Managing Director Robert Mencil, after the satisfaction of the relevant vesting conditions applicable to those Performance Rights.

DATE OF ANNUAL GENERAL MEETING AND CLOSING DATE FOR DIRECTORS' NOMINATIONS

On the 25 September the company announced the 2023 Annual General Meeting and Closing Date for Director Nominations will be held on Wednesday, 29 November 2023.

On the 29 September the Company released its annual report.

2. ARDMORE PHOSPHATE ROCK MINE, QLD

Mining and Crushing

During the quarter 58,761 tonnes of ore and 73,667 tonnes of waste were mined for a total of 132,428 tonnes. This includes 37,691 tonnes of ore mined in the month of September in readiness for increased production rates.

Crushing achieved 45,674 t for the quarter.

Closing stockpile levels at the end of September were 31,580 tonnes of mined ore and 3,296 tonnes of crushed ore.

Processing and Drying

During the quarter, 42,895 tonnes of ore was processed through the beneficiation plant producing 29,186 tonnes of beneficiated phosphate.

A total of 28,299 tonnes of product was dried and harvested. At the end of September, the drying pads contained 14,871 tonnes of beneficiated ore.

17,263t tonnes was shipped.

Closing inventory in the logistics chain at the 30 September totals 13,506 tonnes in 557 containers.

Beneficiated Phosphate Rock Sales

During the quarter, the Company shipped a total of 17,263 tonnes of ore via the Port of Townsville.

During the next quarter, subject to shipping schedules, to the Company expects to sell 40,000 tonnes of beneficiated phosphate rock. Its next planned shipment is 20,000 tonnes in early November.

Ardmore Stage 1.5 Project

The scope of the Stage 1.5 Project is the upgrade of the existing process plant and associated non-processing infrastructure to produce 625,000 tonnes of beneficiated high-grade concentrate per annum. For Stage 1.5, the Company is targeting 125tph (wet) feed run of mine ('ROM') ore.

The front end engineering design has been completed for this project and all necessary approvals are in place.

Ardmore Stage 2 (800ktpa) Project

Work continues developing the Stage 2 (800ktpa) Project.

The Stage 2 scope of work includes securing a Townsville facility. The proposed facility would initially take the form of an administrative, storage, staging and ship loading hub with the benefit of providing future optionality, for example as a location for a potential future processing hub.

The Stage 2 upgrade will also focus on investment in a bulk logistic solution to lower production costs. Discussions and planning for bulk transport solutions are ongoing to ensure optimal and sustainable transport systems for the life of the mine.

Ardmore Ongoing Research and Development

As previously mentioned above, the Company continues to explore other uses for its phosphate rock which includes the production of high purity (technical/food grade) phosphoric acid. Ardmore's relatively high grade and low impurity levels appear to provide a natural competitive advantage in the production of high purity phosphoric acid.

5. OXLEY POTASSIUM FERTILIZER PROJECT, WA

As previously mentioned above, the Company continues to work towards demonstrating that the Oxley Project has the potential to be a significant long-term producer of potassium carbonate (and associated products). Planned test work for the next 12 months is aimed at further investigating the process pathway including tuning reaction kinetics, reagent quantities, and development of a process flow-sheet as the basis for engineering estimates. Once the test work is complete, the Company expects to move towards a full scoping and pre-feasibility study subject to funding. The pre-feasibility study is expected to take 18 months.

6. GOULBURN GOLD-BASE METAL PROJECT, NSW

The Company has two exploration licences EL 7388 Goulburn and EL 7503 Archer located in the east Lachlan Fold Belt.

No exploration work occurred during the June Quarter.

7. EXPENDITURE

The Company maintained a total cash balance of A\$2.840 million as of 30 September 2023.

The total production expenditure by the Company during the Quarter was A\$8.957m, a majority of which was spent on substantive mining production,

crushing and processing at the Ardmore Rock Phosphate project. The production expenditure also includes inventory stockpiles. As at 30th September inventory on hand is represented by :

Mined Ore :	31,580 t
Crushed Ore :	3,296 t
Product Drying* :	14,871 t
Concentrate Product* :	13,506 t

*These stockpiles represent product for the next quarters forecasted shipments

As illustrated above, the Company has invested in developing a stockpile of saleable rock phosphate product, and this product represents a significant form of working capital to the Company. It is expected that building this inventory will assist the Company in meeting its anticipated deliveries to customers as it ramps up mining, production, processing, and sales for Q1 CY2024.

The majority of the \$5.648M in receipts from customers relates to beneficiated phosphate rock. The Company made one 17,263 tonne shipment during the September quarter. Shipments continue to generate free cash for the company which are applied, where possible, to Stage 1.5 Capital investments.

A\$1.415M was spent on development costs relating to Stage 1.5 and long lead items. Including Interim tailings storage facility and camp accommodation expenditure. A\$0.056 million relates to work completed on Oxley and Goulburn and A\$0.057 million relates to other generative projects the Company is exploring.

For the purposes of Item 6.1 of Appendix 5B, the aggregate payments during the Quarter to related parties (totalling \$13,000) were comprised of Consulting Fees, Directors fees plus statutory superannuation.

8. FUTURE QUARTER MILESTONES

- Further development of “Ardmore Stage 1.5 Project”.

9. EXPLORATION AND TENEMENTS

The Company and its wholly owned subsidiaries hold the following tenements and leases as of 30 June 2023:

Queensland (Phosphate)

Ardmore	ML 5542
Ardmore	EPM 26551
Ardmore	EPM 26568
Ardmore	EPM 26841
Duchess	EPM 28684 (Application)

New South Wales (Zinc, Gold, Copper)

Goulburn	EL 7388
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Western Australia (Potash)

Oxley	E70/4318
Oxley	EL70/5976
Oxley	EL70/5977
Oxley	EL70/5978

Northern Territory (Phosphate)

EL	32048 (Application)
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The Company continues to actively pursue other fertiliser and mineral resource opportunities nationally and internationally.

This Quarterly Activities Report and Appendix 5B have been approved for release to the ASX by the Board of Centrex.

Attached are the Appendix 5B Statement of Cash flows for the period from 1st July 2023 to 30 September 2023.

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About Centrex Limited

Centrex Limited is looking to secure Australasia's sustainable agriculture future through the exploration and development of its wholly owned Ardmore Phosphate Project and Oxley Potash Project. The products from both projects are necessary ingredients for global food production and human nutrition. The Centrex Limited fertiliser projects are located near to established energy and transport infrastructure that are necessary for access to established agricultural markets. The Company is also continuing its copper-gold-base metal exploration projects near Goulburn in the Lachlan Fold Belt in New South Wales.

Past and future performance –This Announcement contains forward looking statements. Forward-looking statements generally relate to current expectations, hopes, beliefs, intentions, strategies or productions about future events or Centrex's future financial or operating performance. For example, statements regarding anticipated growth in the industry in which Centrex operates and anticipated growth in demand for Centrex's products and services, projections of Centrex's future financial results and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "pro forma", "may", "should", "could", "would", "might", "plan", "possible", "project", "strive", "budget", "targets", "aims", "outlook", "guidance", "forecast", "expect", "intend", "will", "estimate", "anticipate", "believe", "perceives", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that a statement is not forward-looking. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Centrex. You are cautioned not to place undue reliance on any forward looking statement. Forward looking statements in this Announcement are based on assumptions and contingencies which are subject to change without notice. Actual results, performance or achievements may vary materially from any forward looking statements and the assumptions on which statements are based. The forward looking statements in this Announcement are based on information available to Centrex as at the date of this Announcement and nothing in this Announcement should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. Except as required by law or regulation, Centrex its related bodies corporate and their respective officers, employees and advisers disclaim any obligation or undertaking to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Appendix 5B

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

Name of entity

Centrex Limited

ABN

97 096 298 752

Quarter ended ("current quarter")

30th September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	5,648	5,648
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(47)	(47)
	(b) development	-	-
	(c) production	(8,271)	(8,271)
	(d) staff costs	(408)	(408)
	(e) administration and corporate costs	(1,191)	(1,191)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	18	18
1.5	Interest and other costs of finance paid	(107)	(107)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	Net cash from / (used in) operating activities	(4,358)	(4,358)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) mining development (stage 1.5)	(1,738)	(1,738)
	(b) tenements	-	-
	(c) property, plant and equipment	(578)	(578)
	(d) exploration & evaluation (if capitalised)	(56)	(56)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(2,372)	(2,372)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities	4,434	4,434
3.2	Proceeds from issue of convertible note	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities	(257)	(257)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1,876)	(1,876)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Convertible note interest)	-	-
3.10	Net cash from / (used in) financing activities	2,301	2,301

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,700	6,700
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,358)	(4,358)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,372)	(2,372)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,301	2,301

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(28)	(28)
4.6	Cash and cash equivalents at end of period	2,243	2,243

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	2,243	6,700
5.2 Call deposits	-	-
5.3 Bank overdrafts		
5.4 Other – term deposits (maturity within 90 days)	35	35
5.4 Secured term deposits*	562	562
5.5 Cash and cash equivalents at end of quarter (equal to item 4.6)	2,840	7,297
(*Less 5.4)	(597)	(597)
	2,243	6,700

* Term Deposits held in relation to secured bank guarantees

6. Payments to related parties of the entity and their associates	
6.1 Aggregate amount of payments to related parties and their associates included in item 1 (Includes Directors Fees plus Superannuation)	
6.2 Aggregate amount of payments to related parties and their associates included in item 2	

Current quarter \$A'000
13
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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 <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	5,214	2,110
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	5,214	2,110
7.5 Unused financing facilities available at quarter end		3,104
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.		
Lender: Export Finance Australia Interest Rate: Variable interest rate calculated as the sum of the Base Rate plus a margin (6.20%) and 1.5% Commitment Fee Maturity Date: 15 March 2024 Secured or Unsecured : Secured		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(4,358)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(56)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(4,414)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,243
8.5 Unused finance facilities available at quarter end (Item 7.5)	3,104
8.6 Total available funding (Item 8.4 + Item 8.5)	5,347
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.21
<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:

- 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: The Company expects to convert its inventory stockpiles into operating cash flows. The Company has a sales contract in place and is actively negotiating new contracts on an ongoing basis.

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: Yes. As previously announced, the company is exploring debt funding and will inform the market of any developments in accordance with the continuous disclosure requirements.

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: The Company believes that it can continue its current operations and business objectives for the reasons outlined in questions 1 and 2.

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: 30th September 2023

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.