

27 October 2022

## Quarterly Activity Report 30 September 2022

### Assets and Activities Overview

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#### Highlights

- **Review of conceptual targets**

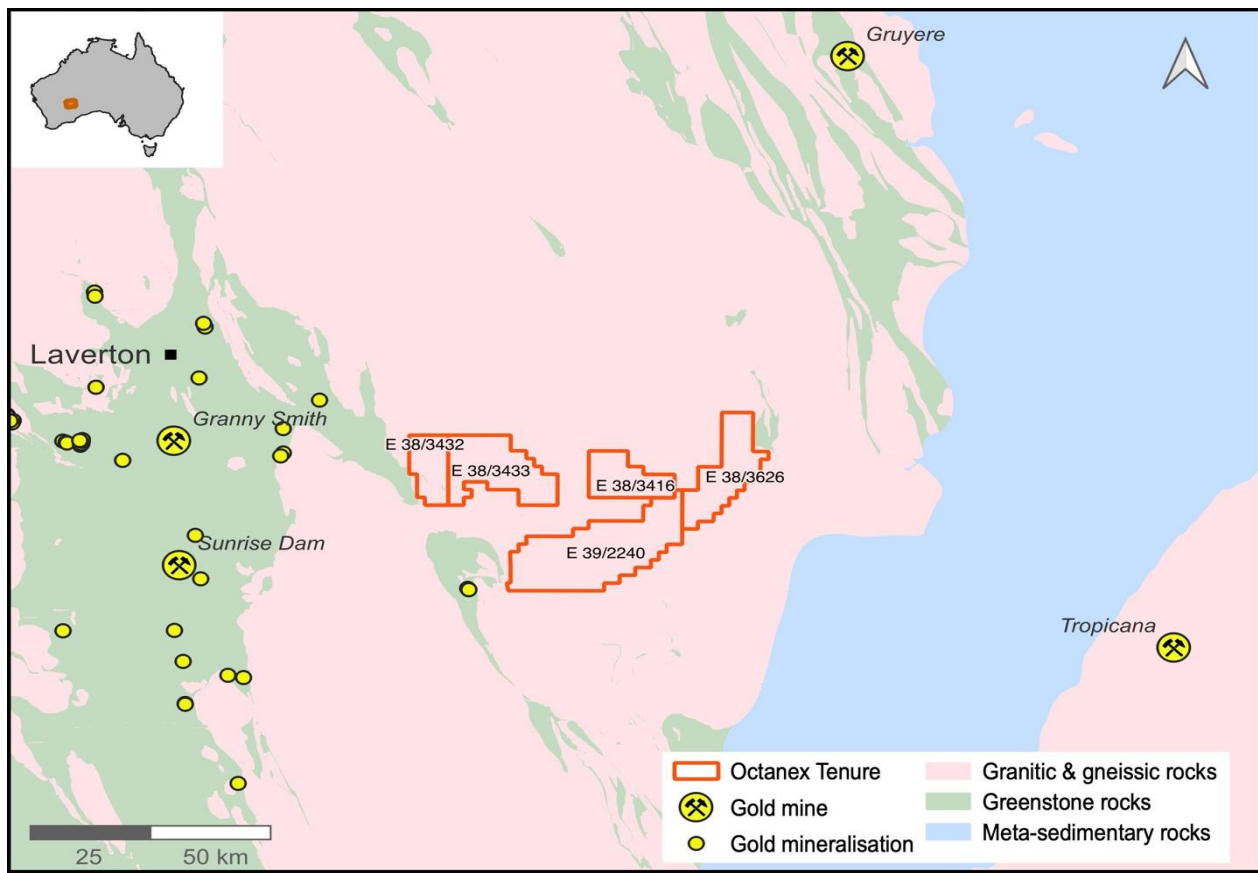
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With belief in the potential for large gold deposits to be discovered beneath cover, and encouraged by discoveries at Gruyere and Tropicana, Octanex has pursued a gold-focused exploration program in the Burtville Terrane of Western Australia.

The company conducted several wide-spaced lag sampling programs with the objective of defining structural targets for subsequent infill geochemistry drilling.

No targets for aircore / RAB drilling were defined, despite a number of campaigns. It was decided to undertake a strategic review of the acreage which resulted in a significant downgrade of prospectivity over of a large portion of the tenement package. As a result we relinquished approximately 70% of our tenement package.

The remaining project areas cover high level conceptual targets identified during the strategic review based on geophysical, geochemical and geological datasets. Work continues to investigate and critically review the conceptual targets identified in the remaining permits.



**Figure 1.** *Octanex current tenure area*

To assist with this objective, geochemistry data has been compiled from historical open-file reports across and nearby to the tenement areas as well as the results from our previous reconnaissance and lag sampling campaigns.

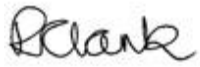
## REFERENCES

Further details relating to the information provided in this release can be found in the following Octanex ASX announcements:

- 26 July 2022 East Yilgarn Projects Update
- 12 August 2021 Sefton Lag Sampling Confirms Gold Mineralisation
- 27 April 2021 Sefton Project Exploration Update – Corrected.



The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement.



**Rae Clark**  
Director  
27 October 2022

**For more information**

Rae Clark  
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### Additional Information Required by Listing Rules 5.3.3 and 5.4.3

#### Mineral Tenements held/applied for at the date of this report and their location

Tenement	Octanex interest	Tenement status	Size Km2
<b>Sefton Project</b>			
E 38/3416	80%	Granted	150
E 38/3432	80%	Granted	120
E 38/3433	80%	Granted	267
<b>Hope Campbell Project</b>			
E 38/3626	100%	Granted	228
E 39/2240	100%	Granted	478

#### Tenements acquired during the quarter

Nil.

#### Tenements disposed of during the quarter

Nil.

#### Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

Octanex's Sefton Project tenements were applied for pursuant to an agreement with Mr Christopher Reindler. Under the terms of the agreement Octanex had earned an 80% interest by satisfying exploration expenditures.

### Additional Information Required by Listing Rule 5.3.5

#### Payments to related parties during the quarter included in Appendix 5B – Quarterly Cash Flow Report

Payments were made to directors and their associates during the quarter totalling approximately \$201,000. Payments were for office costs, contracted services including geological services and corporate work.



## Appendix 5B

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

Name of entity

OCTANEX LIMITED

ABN

61 005 632 315

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	162	162
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(106)	(106)
	(e) administration and corporate costs	(215)	(215)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash used in operating activities</b>	<b>(159)</b>	<b>(159)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	(20)	(20)
	(c) property, plant and equipment		
	(d) exploration & evaluation	(3)	(3)
	(e) investments		
	(f) other non-current assets		

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 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	<b>Net cash used in investing activities</b>	<b>(23)</b>	<b>(23)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	200	200
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	<b>Net cash from financing activities</b>	<b>200</b>	<b>200</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	41	41
4.2	Net cash used in operating activities (item 1.9 above)	(159)	(159)
4.3	Net cash used in investing activities (item 2.6 above)	(23)	(23)
4.4	Net cash from financing activities (item 3.10 above)	200	200

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	<b>Cash and cash equivalents at end of period</b>	<b>59</b>	<b>59</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	59	41
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>59</b>	<b>41</b>

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	188
6.2	Aggregate amount of payments to related parties and their associates included in item 2	13
<i>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.</i>		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	725	450
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	725	450
7.5	<b>Unused financing facilities available at quarter end</b>		275
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.  Octanex has extended its Line of Credit Facility with Australis Finance Pty Ltd effective 30 June 2022. The facility limit has been increased to \$725,000 with an interest rate of 8%p.a and maturity date of 31 December 2022. The facility is unsecured.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(159)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(162)
8.4	Cash and cash equivalents at quarter end (item 4.6)	59
8.5	Unused finance facilities available at quarter end (item 7.5)	275
8.6	Total available funding (item 8.4 + item 8.5)	334
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.1
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	




## Compliance statement

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

27 October 2022

Date: .....



Authorised by: .....

Robert Wright – Company Secretary

Released with authority of the Board

## Notes

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