

QUARTERLY ACTIVITIES REPORT

FOR THE 3 MONTHS ENDED 31 DECEMBER 2022

Highlights

- Octava listed on the Australian Securities Exchange 16 September 2022 and immediately commenced exploration at its key Talga Lithium Project in the search for lithium bearing pegmatites.
- Field reconnaissance has identified a number of priority pegmatite targets, with visible indications of lithium mineralisation, including a large (1.5km) pegmatite at the Pinnacle Well Prospect.
- pXRF lithium Index results of approximately 2,000 soil samples confirmed a number of priority targets at Talga. Assays results are expected shortly.
- Drilling planned to commence in the March quarter.
- Octava Minerals and Future Metals have entered into an agreement, subsequent to the end of the quarter, providing Future Metals with a right to earn up to 70% interest in the Panton North and Copernicus North tenements, with Octava free-carried through to a decision to mine. Future Metals must spend a minimum of \$2m on exploration and development over the next four years. Octava will also receive approximately \$600,000 worth of shares in Future Metals.

Commenting on the exploration activities of the Company during the Quarter ended 30 December 2022, Managing Director, Mr Bevan Wakelam stated: *Since listing at the end of September 2022, Octava is rapidly progressing a systematic exploration program over the highly prospective Talga Lithium project, where there has been very little previous exploration for lithium. During the quarter field reconnaissance confirmed a number of priority pegmatite targets in and around Pinnacle Well with visible indications of lithium, which we plan to drill test in Q1-23. The Pilbara is a world class lithium exploration region and hosts some of the world's largest, high quality hard rock lithium deposits, including the nearby Archer lithium deposit. We look forward to building shareholder value through continued targeted exploration in this exciting region."*



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Board Members
Clayton Dodd - Chairman
Damon O'Meara – Non-Executive Director
Bevan Wakelam – Managing Director / CEO

Projects
East Pilbara (Talga) – lithium & gold
East Kimberley – nickel & PGM's
Yallalong – gold & nickel

Review of Operations

East Pilbara (Talga)

During the quarter, Octava actively explored its Talga Lithium Project, continuing to focus on the Pinnacle Well prospect, where lithium mineralisation in geology analogous to that of the Archer lithium deposit (18Mt @ 1% Li₂O held by ASX:GL1), located 10km to the southwest, was previously recorded.

To fast-track exploration over the large 211km² tenement holding, a total of 2000 soil samples were collected and screened by pXRF unit, involving a specialised Li-index developed by Portable Spectral Solutions. The pXRF provides a proxy for Li content via correlation with a suite of elements that are resolvable by pXRF and calibrated against certified reference materials. Samples have since been submitted for laboratory analysis.

The pXRF lithium Index results for the soil samples are displayed in Figure 1 below and identify a large area of elevated results around, and to the north of the Pinnacle Well prospect. This area measures over 1.5km in length and width. A number of additional elevated Li-Index results are also identified within the broader Talga project area. Large areas of the project remain untested by any lithium geochemistry.

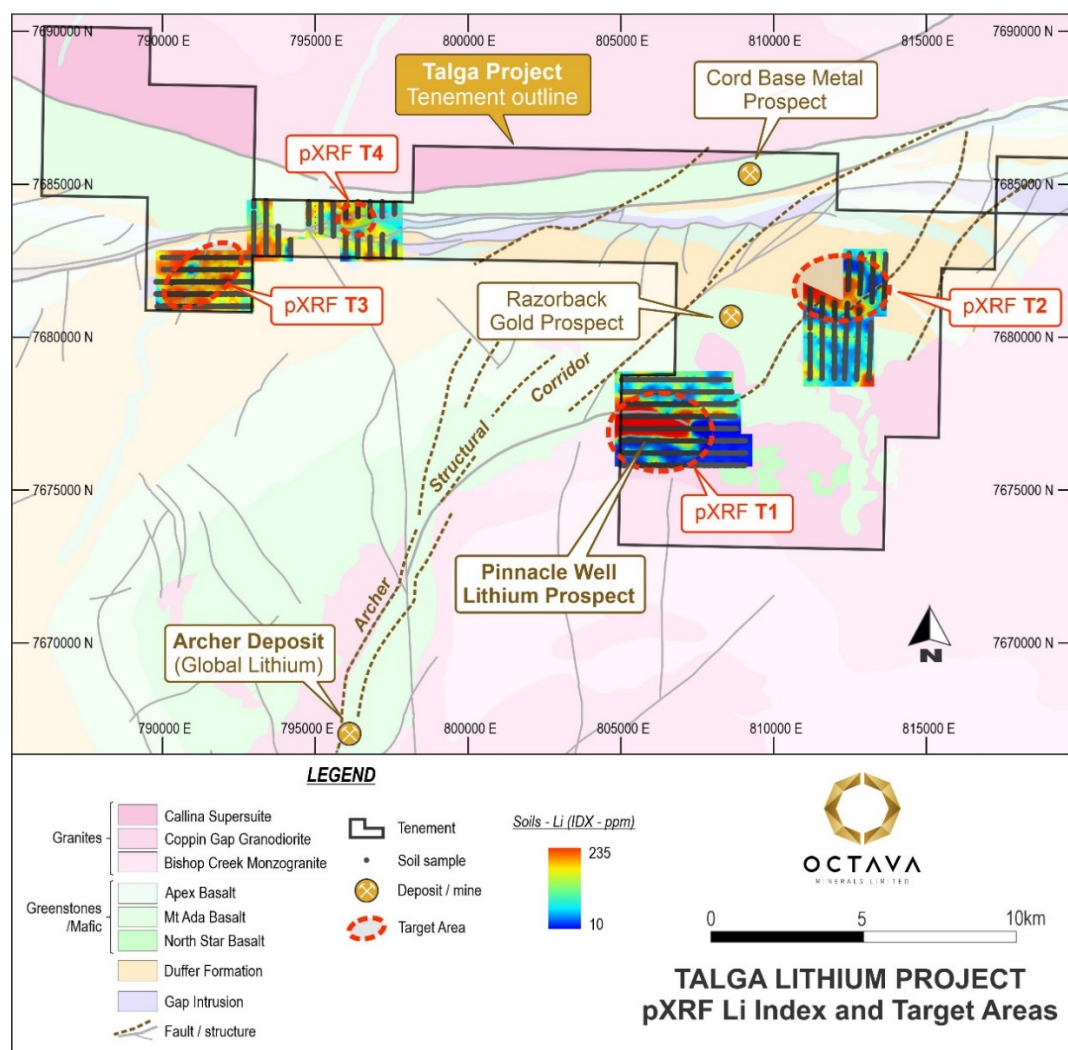


Figure 1. Results of pXRF analysis of soil samples at Talga lithium.

Field reconnaissance has also identified a further number of priority pegmatite targets, with visible indications of lithium mineralisation. Geological mapping has confirmed pegmatites at Talga within geology similar to that of the Archer lithium deposit (18Mt @ 1.0% Li₂O ASX:GL1), located 10km to the southwest.

The location of the initial priority targets are displayed in Figure 2 below, which shows a map of the Lithium target locations.

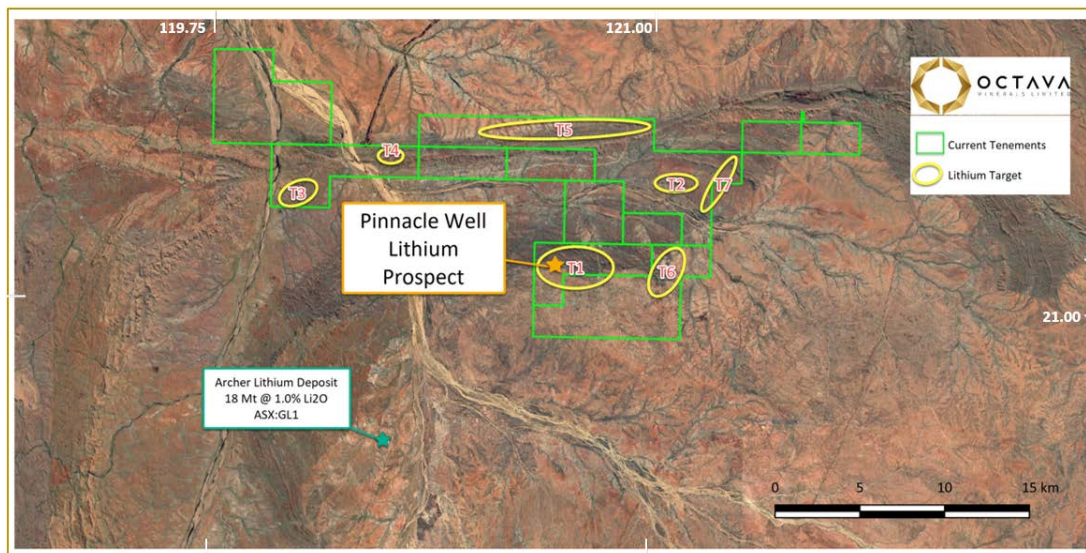


Figure 2. Talga Lithium project tenement location map with priority targets.

There has been a number of north-west trending pegmatites observed at Pinnacle Well that appear to be part of much larger linear features identified from earlier remote sensing work. These linear features can be kilometres in length and are considered by the company to be highly prospective. Company geologists have undertaken field investigation and a number of rock samples have been collected for analysis with results anticipated to be received shortly.

During the quarter Octava successfully completed a Heritage Survey over the Pinnacle Well prospect in collaboration with the Nyamal people. This critical work ensures the land is ready to move to drill testing stage. The company now has all the approvals in place to commence drill testing the priority pegmatite targets. There has been no previous drilling for lithium at the Talga project.

The Company is exploring for the albite - spodumene class of LCT (lithium – caesium – tantalum) rare metal pegmatite, similar to the nearby Archer lithium deposit (ASX:GL1) and Pilgangoora (ASX:PLS) and Wodgina (ASX:MIN) lithium mines.



Figure 3 & 4. NW striking pegmatites at Pinnacle Well.

East Kimberley

The East Kimberley project comprises two 100% owned tenements, the Panton North project (E80/5455) and the Copernicus North project (E80/5459) located in the Halls Creek Orogen, a Tier 1 nickel sulphide – PGM province.

Exploration activities undertaken during the quarter included geological review of previous exploration work.

As mentioned in the Corporate Update below, subsequent to the end of the quarter, Octava entered into a farm-in and JV with Future Metals (FME) over the East Kimberley tenements.

Yallalong

The Yallalong project comprises one granted Exploration Licence, E70/5051 (100% owned), covering an area of approximately 63.4km². During the quarter exploration activities focussed on geological review of previous exploration and initiation of Native Title clearances.

It is planned to conduct initial field reconnaissance at Yallalong in Q1-23. Yallalong is prospective for Ni-PGM-Au-REE mineralisation being located along the Darling fault with similar mafic-ultramafic intrusions identified at the Julimar deposit to the south.

Corporate

- As at the 31 December 2022 the Company had \$4.1m in cash and cash equivalents and no debt.
- Octava is party to a farm-in and joint venture with First AU Limited (ASX:FAU) (FAU) under which Octava can earn up to an 80% interest in the six tenements forming the Talga JV Tenements. Following the reimbursement payment upon listing of \$180,000 to FirstAu, Octava acquired an interest of 10%. As at the 31 December 2022, Octava had incurred expenditure on the Talga JV tenements of approximately \$400,000 and accordingly has subsequently earned the Stage 1 interest of 40.1% for a total interest of 50.1% in the Talga JV Tenements. Octava has also advised FAU of its election to acquire up to 70% of the Talga JV Tenements, being the current stage interest for which OCT is incurring expenditure under the farm-in and joint venture with FAU.

- Octava and Future Metals (ASX:FME) have entered into an agreement, subsequent to the end of the quarter, providing Future Metals with a right to earn up to a 70% interest in the Panton North and Copernicus North tenements, with Octava free-carried through to a decision to mine, by sole funding a minimum of A\$2m of exploration and development over the next four years. Future Metals has issued 3,500,000 shares to Octava (\$400,000 at 11.4 cents) which are escrowed for a period of 12 months from issue. A final payment to Octava of \$200,000 is required to be made in 12 months in cash or shares (at Future Metal's election). Details of the transaction are set out in the announcement 'Exploration JV with Future Metals on East Kimberley Project' released to ASX on 17 January 2023.
- During the Quarter, the Company made payments to related parties of \$118,003 comprised of salary and fees paid to Directors.

Exploration Expenditure

Pursuant to Listing Rule 5.3, the Company incurred expenditure of \$555,000 on exploration and evaluation activities during the quarter. Expenditure as described in this Activities Report primarily related to:

- Field mapping and rock chip sampling at its Talga Lithium Project;
- Soil sampling and pXRF analysis of soil samples for Li index values
- Review and collation of previous exploration work undertaken at its East Kimberley and Yallalong Projects.

There were no mining development or production activities conducted during the Reporting Period the subject of this Activities Report.

Planned Exploration Activities Q1-23

The company's main exploration focus will be the Talga lithium project in the Pilbara. Exploration activities will also commence at the Yallalong project. The Company plans to undertake the following activities in Q1 of 2023:

- Receive final assay results from the soil and rock chip programs completed to date at Pinnacle Well lithium prospect.
- Compile completed mapping and assay results to determine priority lithium targets for drilling in the Pinnacle Well area.
- Complete Hyperspectral survey over Talga project. The Hyperspectral survey generates target maps for minerals related to LCT pegmatites to assist in drill targeting work.
- Commence drilling priority lithium targets at Pinnacle Well.
- Review planned drill locations at Razorback prospect in the Talga Gold project.
- Commence mapping and rock chip sampling of anomalous zones identified at the Yallalong project.

This announcement has been authorised for release by the Board.

For more information, please contact:

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About Octava Minerals Ltd

Octava Minerals Limited (ASX:OCT) is a Western Australian based green energy metals exploration and development company. The Company has 3 strategically located projects in geographically proven discovery areas, with the key project being the East Pilbara (Talga) lithium project.

Competent Person Statement

Where Octava references previously announced Exploration Results in this report and specifically the information noted in the Prospectus and Supplementary Prospectus released to ASX on 14 September 2022 and the announcement titled “Lithium Targets Enhanced at Talga Lithium Project” released to ASX on 10 November 2022. Octava confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters in those announcements continue to apply and have not materially changed. Octava confirms that the form and context of the respective competent persons’ findings in relation to those reports have not been materially modified from the original market announcements.

Forward looking Statements

This announcement includes certain “forward looking statements”. All statements, other than statements of historical fact, are forward looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update forward looking statements.

Appendix A: Use of Funds

Listing Rule 5.3.4

Comparison of Use of Funds Statement set out in its Prospectus dated 17 June 2022 and actual expenditure for the quarter ended 31 December 2022.

	Notes	Use of Funds* \$'000	Actual to end Dec-22** \$'000
Cash at bank per Prospectus		234	
Cash balance 30 June 2022		-	114
Proceeds from Public Offer		6,000	6,000
Post Public Offer Fund		6,234	6,114
Exploration expenditure		(3,580)	(642)
Directors fees including MD's salary	1	(847)	(229)
General administration costs		(963)	(304)
Expenses of the offer	2	(530)	(506)
Vendor Payments	3	(190)	(200)
Net GST		-	(66)
Total Estimated Expenses		(6,110)	(1,947)
Estimated Cash Remaining		124	
Cash Balance 31 December 2022		-	4,167

Octava listed on the ASX on 16 September 2022

*Use of Funds as per Prospectus dated 17 June 2022 covering a two-year period.'

** Based on Appendix 5B Cash Flow adjusted for GST.

Notes:

1. Includes additional Directors fees of \$72k covering the period from 1 May to date of listing on the ASX as set out in the Prospectus.
2. Expenses of the offer:
Legal and related costs increased due to supplementary Prospectus dated 26 July 2022. Delays in the anticipated listing of the company increased costs of the offer, predominantly legal costs.
3. Additional \$10,000 due to Variation Agreement to extend contract related to the acquisition of Rich Well Resources Pty Ltd to date of listing on the ASX.

Appendix B Tenement Schedule - as at 31 December 2022

Tenement #	Note	Project	Title Holder	Tenement Ownership	State
TALGA					
E45/5815	1	East Pilbara Project	Rich Well Resources Pty Ltd	OCT 100%	WA
E45/5022		East Pilbara Project	Great Sandy Pty Ltd	OCT 100%	WA
TALGA JV					
E45/3679		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
E45/3857		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
E45/4137		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
E45/5595		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
E45/5596		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
E45/5571		East Pilbara Project	First Au Ltd	OCT 10% FAU 90%	WA
EAST KIMBERLEY					
E80/5455	2	East Kimberley Project	Rich Well Resources Pty Ltd	OCT 100%	WA
E80/5459	2	East Kimberley Project	Rich Well Resources Pty Ltd	OCT 100%	WA
YALLALONG					
E70/5051	2	Yallalong Project	Rich Well Resources Pty Ltd	OCT 100%	WA

1. Note 1. Rich Well Resources Pty Ltd is a wholly owned subsidiary of Octava Minerals Ltd.
2. Rich Well Resources Pty Ltd became title holder on 21 December 2022.

Appendix 5B

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

Name of entity

OCTAVA MINERALS LIMITED (ASX: OCT)

ABN

86 644 358 403

Quarter ended ("current quarter")

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	-	-
1.2	Payments for		
	(a) exploration & evaluation	(555)	(738)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(137)	(185)
	(e) administration and corporate costs	(243)	(479)
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-GST Refund	75	78
	Other Payments		-
1.9	Net cash from / (used in) operating activities	(860)	(1,324)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(200)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(200)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,000
	Proceeds from issue of options	-	-
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 & options or convertible debt securities – including GST	-	(423)
3.5	Proceeds from borrowings (Insurance premium funding)	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	5,577

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,027	114
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(860)	(1,324)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(200)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	5,577
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,167	4,167

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	1,667	5,027
5.2	Call deposits	2,500	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,167	5,027

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	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	Not Applicable	
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(860)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(860)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,167
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,167
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.84
<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: Not Applicable		
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: Not Applicable		
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: Not Applicable		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

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

Date: 27 January 2023

Authorised by the Board

(Name of body or officer authorising release – see note 4)

Notes

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