

## **QUARTERLY ACTIVITIES REPORT**

### **FOR THE 3 MONTHS ENDED 31 MARCH 2023**

#### **Highlights**

- **Anomalous lithium assay results received from soil and rock chip sampling confirming the large ~1.5km<sup>2</sup> lithium target at the Pinnacle Well prospect.**
- **Drilling of the Pinnacle Well lithium prospect to commence in the coming quarter, Q2-23.**
- **Field reconnaissance has identified a new lithium prospect at Talga named Nimerry Prospect, located 3km east of the Pinnacle Well lithium Prospect. Multiple pegmatites have been identified at Nimerry in a granite - greenstone contact area.**
- **During the quarter Octava Minerals and Future Metals entered into an agreement providing Future Metals with a right to earn up to a 70% interest in the Panton North and Copernicus North tenements by Future Metals sole funding a minimum of A\$2m of exploration and development over the next four years. Thereafter, Octava will be free carried through to a decision to mine.**

Commenting on the exploration activities of the Company during the Quarter ended 31 March 2023, Managing Director, Mr Bevan Wakelam stated: *“Octava has continued its focussed lithium exploration program at Talga in the Pilbara. There are a number of pegmatites recording anomalous lithium results in and around the Pinnacle Well prospect which we are looking forward to drilling in Q2-23. We will continue to build shareholder value through targeted exploration in this exciting region.”*



**Figure 1. Granite / greenstone contact area at Talga.**



## Review of Operations

### East Pilbara (Talga)

During the quarter, Octava continued field reconnaissance work at its Talga Lithium Project, continuing to focus on the Pinnacle Well prospect, where lithium mineralisation in geology is analogous to that of the Archer lithium deposit (18Mt @ 1% Li<sub>2</sub>O) held by Global Lithium Resources Limited (ASX:GL1), located 10km to the southwest. Typical of the Pilbara wet season, heavy rainfall and recent cyclonic weather conditions restricted access to some of the lithium targets at Talga.

The company received assay results from the initial soil sampling program (2001 samples) and rock chip sampling (39 samples) with results confirming the large 1.5km<sup>2</sup> lithium anomaly previously identified at Pinnacle Well using pXRF Li analysis of the soil samples. A significant number of assay results were in excess of 100ppm lithium with a maximum value of 203ppm lithium. (refer ASX announcement 15 February 2023)

Considering the mobility of lithium in the weathered environment, these results are highly encouraging. Figure 2 shows the location of lithium soil samples at Pinnacle Well.

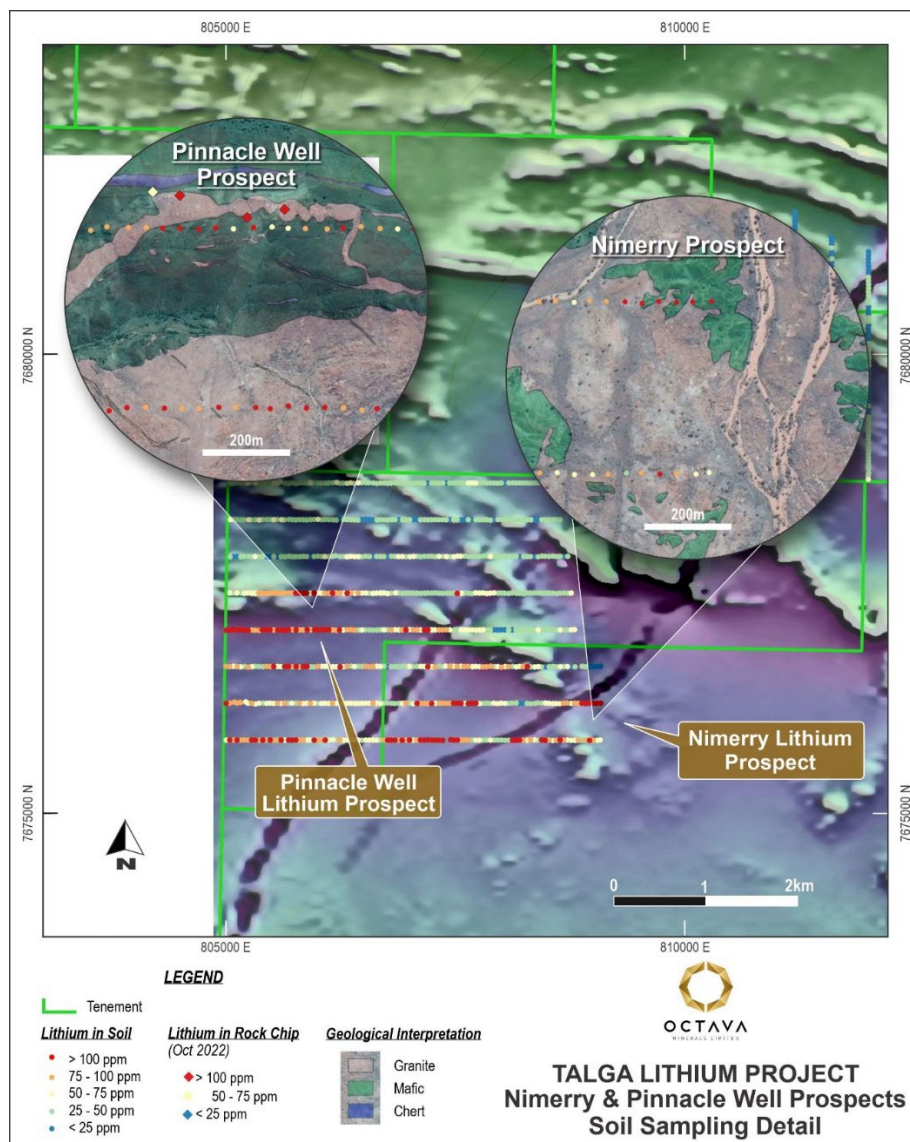


Figure 2. Pinnacle Well and Nimerry lithium prospects at Talga

During the second quarter, Octava will commence a maiden drilling campaign for lithium at the Pinnacle Well lithium prospect. Pinnacle Well has all required approvals in place, including a Heritage Survey clearance undertaken in collaboration with the Nyamal Traditional Owners.

The company is also pleased that field reconnaissance has identified the presence of a new lithium prospect at Talga, named Nimerry, located 3km to the east of the Pinnacle Well lithium prospect.

Multiple pegmatites have been identified at the Nimerry prospect which are hosted within greenstones close to the granite-greenstone contact, which is an important target geology used in the discovery of lithium mineralised pegmatites in the Pilbara. These pegmatite outcrops varied in size, with the largest identified being approximately 30m in width and over 60m in length. Early indications are that Nimerry could be similar in size to Pinnacle Well which stands at 1.5km<sup>2</sup>.



Figure 3. Pegmatite with large feldspar crystals in granite / greenstone contact at Nimerry.

### ***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.

During the quarter, Octava Minerals and Future Metals NL (ASX:FME) entered into an agreement providing Future Metals with a right to earn up to 70% interest in the Panton North and Copernicus North tenements by sole funding a minimum of A\$2m of exploration and development over the next four years. Thereafter Octava is free carried through to a decision to mine.

## **Key terms of the Joint Venture**

Future Metals may earn a 70% interest in both the Panton North and Copernicus Projects by sole funding \$2.0 million over 4 years, with minimum annual cumulative expenditure of:

- By end of Year 1 \$250,000
- By end of Year 2 \$750,000
- By end of Year 3 \$1,250,000
- By end of Year 4 \$2,000,000

They may withdraw at any time subject to paying the deferred consideration.

Octava will be required to contribute to maintain its 30% interest from the point of a 'decision to mine' or dilute to a 1.5% net smelter royalty ("NSR").

Future Metals has the right to apply for a mining lease over a portion of exploration lease for use as part of the development of its adjoining 100% owned Panton PGM-Ni Project.

The joint venture agreement includes customary pre-emptive, drag along and tag along rights.

Future Metals has issued 3,500,000 million shares to Octava (\$400,000 at 11.4 cents) which are escrowed for a period of 12 months. 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).

Recently announced deep drilling by Future Metals at Panton, which adjoins the FME/Octava Joint venture area has returned high grade PGM mineralisation that extends well beyond the current 6.9moz PdEq FME mineral resource estimate.

These results support the Future Metals interpretation, that the previously identified embayment feature ("BC1") on the NW margin is a high priority target.

Drilling by Future Metals is planned for Q2-23 to test the BC1 target, Panton West & North Prospects and Copernicus North, under the Exploration Joint Venture Farm-In with Octava.

## **Yallalong**

The Yallalong project comprises one granted Exploration Licence, E70/5051 (100% owned), covering an area of approximately 63.4km<sup>2</sup>. During the quarter exploration activities focussed on geological review of previous exploration and progression towards execution of a Heritage Survey.

Exploration field reconnaissance will commence at Yallalong in the next quarter, Q2-23. This will be followed by a soil geochemistry survey over identified target areas. Yallalong is prospective for Ni-PGM-Au-REE mineralisation, being located along the Darling fault with similar mafic-ultramafic intrusions identified at the substantial Julimar deposit held by Chalice Mining Limited to the south.

## **Corporate**

- As at the 31 March 2023 the Company had \$3.87m 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%. During the December 2022 quarter, Octava acquired

the Stage 1 interest of 40.1% for a total interest of 50.1% in the Talga JV Tenements. The transfer of Octava's interest in the Talga JV tenements was approved by the WA Department of Mines, Industry Regulation & Safety in the January 2023 quarter. 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.

### **Exploration Expenditure**

Pursuant to Listing Rule 5.3, the Company incurred expenditure of \$153,000 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;
- Review and collation of previous exploration work undertaken at the 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 Q2-23**

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 Q2 of 2023:

- Conduct RC drilling program at the Pinnacle Well lithium prospect at Talga to test identified lithium anomalies.
- Finalise drill targets at the Razorback gold prospect.
- Commence mapping and rock chip sampling of anomalous target zones identified at the Yallalong project.
- Undertake soil geochemistry sampling program over target areas at Yallalong.
- Complete Hyperspectral survey over Talga project. The Hyperspectral survey generates target maps for minerals related to Lithium-Caesium-Tantalum (LCT) pegmatites to assist in current and future drill targeting work.

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 three strategically located projects in geographically proven discovery areas, with the key project being the East Pilbara (Talga) lithium project.

Octava confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves where applicable, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 announcement.

## **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.

## **Competent Person Statement**

Where Octava references previously announced Exploration Results in this report and in addition the information noted in the Prospectus and Supplementary Prospectus released to ASX on 14 September 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.

## 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 March 2023.

	Notes	Use of Funds* \$'000	Actual to end Mar 22** \$'000
Cash at bank per Prospectus		234	
Cash balance 30 June 2022		-	114
Proceeds from Public Offer		6,000	6,000
<b>Post Public Offer Fund</b>		<b>6,234</b>	<b>6,114</b>
Exploration expenditure		(3,580)	(744)
Directors fees including MD's salary	1	(847)	(335)
General administration costs		(963)	(416)
Expenses of the offer	2	(530)	(506)
Vendor Payments	3	(190)	(200)
Interest income		-	23
Net GST		-	(66)
Total Estimated Expenses		(6,110)	(2,244)
Estimated Cash Remaining		124	
Cash Balance 31 March 2023		-	3,870

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 March 2023**

<b>Tenement #</b>	<b>Note</b>	<b>Project</b>	<b>Title Holder</b>	<b>Tenement Ownership</b>	<b>State</b>
<b>TALGA</b>					
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
<b>TALGA JV</b>					
E45/3679		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
E45/3857		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
E45/4137		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
E45/5595		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
E45/5596		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
E45/5571		East Pilbara Project	First Au Ltd	OCT 50.1% FAU 49.9%	WA
<b>EAST KIMBERLEY</b>					
E80/5455		East Kimberley Project	Rich Well Resources Pty Ltd	OCT 100%	WA
E80/5459		East Kimberley Project	Rich Well Resources Pty Ltd	OCT 100%	WA
<b>YALLALONG</b>					
E70/5051		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.



## 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 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(116)	(301)
(e) administration and corporate costs	(135)	(614)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	23	23
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	84	162
Other Payments		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(144)</b>	<b>(730)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(200)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(153)	(891)
(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 (9 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(153)</b>	<b>(1,091)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>5,577</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	4,167	114
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(144)	(730)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(153)	(1,091)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
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	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,870</b>	<b>3,870</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	350	1,667
5.2	Call deposits	3,520	2,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,870</b>	<b>4,167</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	106
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>	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.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(114)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(153)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(297)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,870
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,870
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	13.03
<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: 26 April 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.