

## QUARTERLY ACTIVITIES REPORT

### Quarter Ended 31 March 2021

**Lotus Resources Limited (ASX: LOT, OTCQB:LTSRF) (Lotus or the Company)** is pleased to provide its quarterly activities report for the quarter ended 31 March 2021.

#### HIGHLIGHTS

- **Lotus announced its intention to acquire the additional 20% of the Kayelekera Uranium Project. This will see the Company's ownership increase to 85%. The remaining 15% is held by the Government of Malawi**
  - Under the terms agreed, Lotus will issue 226.4 million Lotus shares to Kayelekera Resources Pty Ltd as consideration for the acquisition of KRPL's interest in Lily Resources Pty Ltd, the incorporated joint venture between Lotus and Kayelekera Resources Pty Ltd
  - A shareholder meeting to approve the Transaction will take place during 2Q21.
- **Commencement of technical studies to assess operating cost reduction initiatives that will form part of the Feasibility Study**
  - Technical studies, including a power assessment study, ore sorting, acid recovery and tailings facility assessment, are under way
- **Discovery of high-grade rare earth oxide (REO) mineralisation up to 16% total REO and 3.4% critical REO at Milenje Hills Prospect, located 2km from the Kayelekera Uranium Mine**
- **Engagement of Environmental, Social and Governance (ESG) consultant to assist in related performance measurement, reporting methods and communication strategies**
- **Listing for trade on the OTC Exchange is expected to be completed imminently – aims to increase shareholder diversity as well as global market awareness**
- **The Company appointed Mr Keith Bowes as Managing Director – Mr Bowes has over 25 years' experience and is a highly regarded mining executive, with extensive experience in metallurgy, project development, capital markets and operations**
- **The Company also appointed Mr Michael Bowen as Non-Executive Chairman and Mr Mark Hanlon as a Non-Executive Director**
- **As at 31 March 2021, Lotus had cash of \$29.9 million (unaudited), inclusive of both restricted and unrestricted cash**
  - The Company completed a \$12.5m capital raising during the Quarter through the placement of 100 million shares at \$0.125 per share
- **Secondary listing on the OTCQB Exchange to drive North American investor interest**



## ACQUISITION OF MINORITY INTEREST

During the Quarter, the Company reached agreement with Kayelekera Resources Pty Ltd (**KRPL**) to exercise its right to acquire an additional 20% of the Kayelekera Uranium Project (**Buy-Out Right**), the completion of which will see the Company's interest in Kayelekera increase to 85%. The remaining 15% is held by the Government of Malawi.

Exercise of the Buy-Out Right follows a recommendation from an independent committee of the Lotus Board (**Committee**) that was formed to manage the implementation of the exercise of the Buy-Out Right.

Based on independent advice provided to the Committee, the Company will issue 226.4 million shares to KRPL as consideration for the acquisition of KRPL's 20% interest (**Consideration Shares**). The issue of the Consideration Shares is subject to the approval of Lotus shareholders, with the shareholder meeting expected to take place during June.

## COMMENCEMENT OF TECHNICAL STUDIES PRIOR TO FEASIBILITY STUDY

Prior to commencing work on a Feasibility Study in 2H21, the Company has initiated a number of technical studies. Each study will investigate a key area identified from the Scoping Study that has the potential to reduce operating costs. These studies include the following:

### Ore Sorting

Ore sorting technology has the potential to not only increase the uranium grades in plant feed, but to also reject high acid consuming gangue minerals (e.g. calcites) from the feed, thereby reducing reagent consumptions and costs.

A testwork program has commenced in Perth, with samples previously collected from the Kayelekera Mine (**Kayelekera**). The initial work will include proof-of-concept ore sorting testwork with a well-known equipment supplier of the technology. Samples produced from the work will be characterised with upgrade ratios, leaching characteristic etc. Assuming a successful outcome, additional representative samples from site, that include all possible feed types, will be sent to Perth for further testing.

### Power Study

Power for the site is currently sourced from diesel generators, at a cost of US\$0.28 - 0.32/kWh based on the current diesel price. Significant reductions in power costs could be achieved by connecting the site to the national grid and the Company has commenced discussions with ESCOM, the Malawian electricity supply company, to evaluate this option.

In addition, a solar-battery option is being considered, specifically for providing power to the camp facilities, as well as the option to recover power from the onsite acid plant by retrofitting a steam turbine. This is considered to be an attractive option, as up to 2MW of power (approximately 25% of total demand) could be recovered from the acid plant at minimal cost.



### Acid recovery

The Company is investigating means by which the quantity of acid recovered from the resin elution process could be increased in order to either reduce the production of fresh acid (and reduce costs) or enable an increase in plant throughput to consume the additional acid.

### Tailings Storage Facility

The original production schedule from the Scoping Study showed that a second tailings storage facility (**TSF**) would be required after approximately five years of production. Options to defer the timing of the construction of the second TSF are under review, including using the depleted pit as a disposal area for tailings, which could eliminate the need for a second TSF, thereby reducing all-in-sustaining-costs.

### RARE EARTHS AND RUTILE EXPLORATION

Exploration activities, including geophysics, mapping, and trenching at the Milenje Hills Prospect (**Milenje Hills**), located 2km from Kayelekera, has identified material with up to 1.6 % total REO grades (average 8% from 22 mineralised samples), and critical REOs of up to 3.4% grade (Dy, Eu, Nd, Pr, Tb, Y oxides, average 1.6% across the 22 mineralised samples)<sup>1</sup>.

A new program of geophysical survey work was carried out at Milenje Hills which identified a number of large anomalies which represent sizeable magnetic bodies close to surface. 3D modelling work generated 29 magnetic bodies with depths up to 450m and thicknesses varying from 2m to 54m. Priority targets from these were then selected for a surface trenching program.

A total of 17 trenches across an area of approximately 3km of strike were completed, all of which were logged for geology and radiometrics, with channel samples collected at 1m spacing along the length of the trench (see Image 1).

A summary of the assay results is shown below in Tables 1 and 2. A full table of results for all samples collected and assayed from the trenches was reported in ASX announcement dated 1<sup>st</sup> February 2021.

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<sup>1</sup> ASX announcement 1<sup>st</sup> February 2021





Image 1: Logging trenches

**Table 1: Channel Samples (highlights) with REO & TiO<sub>2</sub> analysis (%) - Microgranites**

Sample ID	Trench #	Length (m)	TiO <sub>2</sub>	Critical REO (+Y)	TREO (+Y)	NdPr Oxide	NdPr/TREO ratio
13419	MTR16	1 – 2 m	3.30	1.14	5.55	1.09	0.20
13420	MTR16	2 – 3 m	3.30	1.31	6.24	1.25	0.20
13421	MTR17A	0 - 1 m	0.33	0.31	2.27	0.29	0.13
13422	MTR17A	1 – 2 m	0.82	1.15	8.48	1.10	0.13
13423	MTR17A	2 - 3 m	4.30	2.56	14.32	2.47	0.17
13424	MTR17A	3 - 4 m	1.17	1.17	6.91	1.13	0.16
13425	MTR17A	4 – 5 m	1.42	1.77	9.79	1.70	0.17
<b>Average</b>		<b>7</b>	<b>2.09</b>	<b>1.34</b>	<b>7.65</b>	<b>1.29</b>	<b>0.17</b>
Note: 'Critical' REO have been defined here as Neodymium (Nd), Europium (Eu), Terbium (Tb), Dysprosium (Dy), Yttrium (Y), and Praseodymium (Pr)							





**Table 2: Channel Samples (highlights) with REO & TiO<sub>2</sub> analysis (%) - Pegmatites**

Sample ID	Trench #	Length (m)	TiO <sub>2</sub>	Critical REO (+Y)	TREO (+Y)	NdPr Oxide	NdPr/TREO ratio
13449	MTR24B	2 – 3 m	4.24	2.31	10.85	2.21	0.20
13450	MTR24A	3 – 4 m	3.74	1.86	8.80	1.79	0.20
13451	MTR24A	4 – 5 m	3.22	1.86	8.88	1.78	0.20
13452	MTR24A	6 – 7 m	2.45	1.05	4.96	0.99	0.20
13456	MTR24A	2 – 3 m	3.59	1.70	8.24	1.64	0.20
13457	MTR24A	5 – 6 m	1.42	0.17	0.80	0.16	0.19
13458	MTR24B	3 – 4 m	4.97	2.39	10.99	2.28	0.21
13460	MTR25A	2 – 3 m	0.98	1.45	6.88	1.39	0.20
13461	MTR25A	3 – 4 m	1.07	1.56	7.41	1.50	0.20
13463	MTR25A	4 – 5 m	3.09	2.64	13.55	2.56	0.19
13464	MTR25A	5 – 6 m	3.09	1.26	5.71	1.20	0.21
13469	MTR26	5 – 6 m	4.35	1.76	8.76	1.71	0.19
13470	MTR26	6 – 7 m	4.89	0.61	5.93	0.58	0.10
13471	MTR26	7 – 8 m	7.04	3.40	15.79	3.30	0.21
13492	MTR24B	2 – 3 m	2.69	0.91	4.10	0.88	0.21
<b>Average</b>		<b>15</b>	<b>3.39</b>	<b>1.66</b>	<b>8.11</b>	<b>1.60</b>	<b>0.19</b>
Note: 'Critical' REO have been defined here as Neodymium (Nd), Europium (Eu), Terbium (Tb), Dysprosium (Dy), Yttrium (Y), and Praseodymium (Pr)							

## Next Steps

The Company will commence further exploration work on these Rare Earth targets later in 2Q21, including an inaugural drill program. Prior to this the Company plans to complete a 5,000 metre RC drill program to test up to six near mine uranium targets.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company has number of ongoing initiatives regarding ESG, as it aims to further develop its ESG profile and associated reporting. To assist the Company with these initiatives, Futureproof Consulting, an independent expert in the area of ESG, has been engaged.

ESG initiatives on site that are currently ongoing include:

- Financial support to local schools through payment of teacher salaries
- Support to local clinics
- Maximising local content for ongoing site purchases
- Working with local communities and government concerning a Community Development Agreement that will come into effect on Kayelekera coming back online
- Reductions in diesel fuel consumption onsite



info@lotusresources.com.au  
lotusresources.com.au



TEL +61 892782441  
ABN: 38 119 992 175



Lvl 1, 1202 Hay St, West Perth WA 6005  
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## CORPORATE

### Cash at the end of the Quarter

As at 31 March 2021, Lotus had cash of \$29.9 million (unaudited), inclusive of both restricted and unrestricted cash.

### \$12.5M Capital Raising

The Company completed the placement of 100 million shares at \$0.125 per share to raise \$12.5 million (before costs). The Placement was supported by both new and existing shareholders in Australia and North America.

### Appointment of Managing Director and Non-Executive Directors

During the Quarter, the Company appointed Mr Keith Bowes as Managing Director. Mr Bowes has over 25 years' experience and is a highly regarded mining executive, with extensive experience in metallurgy, project development, capital markets and operations. Mr Bowes succeeded Mr Eduard Smirnov, who resigned to pursue other interests.

In addition, Mr Michael Bowen was appointed as Non-Executive Chairman, and Mr Mark Hanlon as a Non-Executive Director.

Mr Bowen holds a Bachelor of Laws, Jurisprudence and Commerce from the University of Western Australia. He has been admitted as a barrister and solicitor of the Supreme Court of Western Australia since 1979 and is also admitted as a solicitor of the High Court of Australia. He is a Certified Public Accountant and member of the Australian Society of Accountants.

Mr Hanlon has over fifteen years of experience in the resources and resource services sector and over ten years' experience in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining, mining services, electricity distribution, electronics contract manufacturing, paper and packaging and insurance.

Mr John Sibley and Mr Stuart McKenzie have stepped down from the Board, with Mr McKenzie remaining as Company Secretary.

### Upcoming General Meeting

The Company will hold a general meeting to among other things, seek shareholder approval of the exercise of the Buy-Out Right and issue of the Consideration Shares, the issue of the Director Shares and the issue of unquoted options to directors (**General Meeting**). The General Meeting is expected to be held in June 2021.

### Secondary Listing on the OTC Exchange

Post Quarter end, the Company completed the process for listing on the OTCQB® (**OTC**) market in the United States and Lotus shares commenced trading on the OTC on 28 April 2021. OTC is an established trading platform, operated by OTC Markets Group in New York, providing live-market trading in companies which hold primary listings in other markets.



info@lotusresources.com.au  
lotusresources.com.au



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Trading of Lotus shares on the OTC is aimed at enhancing the visibility and accessibility of the Company to North American investors, with the listing allowing potential North American investors to both trade and settle during US trading hours in US dollars.

### Payments to Related Parties

Mr Grant Davey, who is a Non-Executive Director of the Company is a director and shareholder of Matador Capital Pty Ltd (**Matador Capital**). The Company makes payments to Matador Capital under a Shared Services Agreement in which Matador Capital provides office space, general office services, bookkeeping services and technical exploration and geological staff to the Company. The services provided by Matador Capital are recovered from the Company on a cost-plus basis and for the March Quarter were \$40,000 (unaudited).

Payments to all directors for directors' fees in the March Quarter were \$391,00. Of this amount, \$255,000 was paid to former Managing Director Mr Eduard Smirnov, as a termination payment in accordance with his employment contract.

### TENEMENT INTERESTS

The Company's tenement interests are shown in Table 3.

**Table 3. Tenement interests as at 31 March 2021**

Tenement	Ownership	Project	Location
ML 0152/2007 - Kayelekera	100%	Kayelekera	Malawi
EPL418 - Chilumba <sup>1</sup>	100%	Kayelekera	Malawi
EPL489 - Nthalire <sup>1</sup>	100%	Kayelekera	Malawi
EPL502 - Juma-Miwanga <sup>1</sup>	100%	Kayelekera	Malawi
EPL417 - Rukuru <sup>1</sup>	100%	Kayelekera	Malawi
EPL225 - Mapambo <sup>2</sup>	100%	Kayelekera	Malawi
EL 8641 - Bulbodney	100%	Hylea	NSW, Australia
EL 8801 - Hylea/Bulbodney	100%	Hylea	NSW, Australia
EL 8520 - Hylea	100%	Hylea	NSW, Australia

1. A term extension is currently being processed.
2. Expired 11 December 2020, currently under application.

For further information, contact:

#### Keith Bowes

Managing Director  
 T: T: +61 (08) 9278 2441

#### Adam Kiley

Business Development  
 T: +61 (08) 9278 2441

This Quarterly Report has been authorised for release by the Board.



info@lotusresources.com.au  
 lotusresources.com.au



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## REFERENCE TO PREVIOUS ASX ANNOUNCEMENTS

In relation to the Restart Study announced on 21 October 2020, the Company confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

In relation to the exploration results included in this announcement, the dates of which are referenced, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.



[info@lotusresources.com.au](mailto:info@lotusresources.com.au)  
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## ABOUT LOTUS RESOURCES

On completion of the acquisition of Kayelekera's interest in Lily Resources Pty Ltd, Lotus will own an 85% interest in the Kayelekera Uranium Project in Malawi. The Project hosts a current resource of 37.5Mlbs U<sub>3</sub>O<sub>8</sub> (see Table 4), and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Scoping Study<sup>2</sup> which demonstrated that Kayelekera can support a viable long-term operation and has the potential to be one of the first uranium projects to recommence production.

**Table 4. Kayelekera Mineral Resource Estimate – March 2020<sup>3</sup>**

Category	Mt	Grade (U <sub>3</sub> O <sub>8</sub> ppm)	U <sub>3</sub> O <sub>8</sub> (M kg)	U <sub>3</sub> O <sub>8</sub> (M lbs)
<b>Measured</b>	0.7	1,010	0.7	1.5
<b>Measured – RoM Stockpile<sup>4</sup></b>	1.6	760	1.2	2.6
<b>Indicated</b>	18.7	660	12.3	27.1
<b>Inferred</b>	3.7	590	2.2	4.8
<b>Total</b>	<b>24.6</b>	<b>660</b>	<b>16.3</b>	<b>36.0</b>
<b>Inferred – LG Stockpiles<sup>5</sup></b>	2.4	290	0.7	1.5
<b>Total All Materials</b>	<b>27.1</b>	<b>630</b>	<b>17.0</b>	<b>37.5</b>

For more information, visit [www.lotusresources.com.au](http://www.lotusresources.com.au)

<sup>2</sup> See ASX announcement 20 October 2020. Lotus confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

<sup>3</sup> See ASX announcement dated 26 March 2020. Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 26 March 2020 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in that announcement continue to apply and have not materially changed.

<sup>4</sup> RoM stockpile has been mined and are located near mill facility.

<sup>5</sup> Medium-grade stockpiles have been mined and placed on the medium-grade stockpile and are considered potentially feasible for blending or beneficiation, with studies planned to further assess this optionality.



## Appendix 5B

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

Name of entity

Lotus Resources Limited

ABN

38 119 992 175

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	(92)
	(b) care & maintenance	(916)	(2,674)
	(c) development	-	-
	(d) production	-	-
	(e) staff costs	(432) <sup>1</sup>	(788)
	(f) administration and corporate costs	(367)	(1,146)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and incentives	-	62
1.8	Other (Business development activities)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,714)</b>	<b>(4,634)</b>

<sup>1</sup>Of the amount included in Directors' fees is a termination payment of \$255k to former Director Mr Eduard Smirnov in accordance with his contract.

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(2)
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	58
	(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>-</b>	<b>56</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	12,500	17,323
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	2,057	4,775
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,284)	(1,299)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>13,273</b>	<b>20,799</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	19,576	16,497
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,714)	(4,634)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	56
4.4	Net cash from / (used in) financing activities (item 3.10 above)	13,273	20,799

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(1,195)	(2,778)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>29,940</b>	<b>29,940</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	125	6,592
5.2	Call deposits	16,692	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	13,123 <sup>2</sup>	12,984 <sup>1</sup>
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>29,940</b>	<b>19,576</b>

<sup>2</sup> The Company acquired a \$10 million USD (AUD\$13.1 million) cash backed environmental performance bond as part of the acquisition of the Kayelekera Uranium project. This is restricted cash that cannot be used to fund operations whilst the environmental performance bond is in place.

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

<b>Current quarter \$A'000</b>
431
-

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

Payments to all Directors for Directors' fees (March quarter: \$391k). Of the amount included in Directors' fees is a termination payment of \$255k to former Director Mr Eduard Smirnov in accordance with his contract.

Mr Grant Davey, who is a Non-Executive Director of the Company is a Director and shareholder of Matador Capital Pty Ltd (Matador Capital). The Company makes payments to Matador Capital under a Shared Services Agreement in which Matador Capital provides office space, general office services, bookkeeping services and technical exploration and geological staff to the Company. The services provided by Matador Capital are recovered from the Company on a cost-plus basis (December quarter \$40k).

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

**7. Financing facilities**

*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.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

-

- 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)	(1,714)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,714)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	29,940 <sup>2</sup>
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	29,940 <sup>2</sup>
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	17.5 <sup>3</sup>

<sup>2</sup> The Company acquired a \$10 million USD (AUD\$13.1 million) cash backed environmental performance bond as part of the acquisition of the Kayelekera Uranium project. This is restricted cash that cannot be used to fund operations whilst the environmental performance bond is in place.

<sup>3</sup> With the exclusion of the \$10 million USD environmental performance bond (restricted cash) the Company has estimated 9.8 quarters of funding available.

- 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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?

N/A

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?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A



## **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: 30 April 2021.....

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.