

## JUNE 2021 QUARTERLY REPORT

The Board of Fin Resources Limited (**ASX: FIN**) (**Fin** or the **Company**) is pleased to provide its Quarterly Activities Report for the period ending 30 June 2021, along with the Appendix 5B for the same period.

### Scoping Study Update

Studies are underway to optimise the operational, environmental and economic feasibility of establishing a solar salt operation as a foundation asset underpinning a long-term regional strategy.

The base salt project at the North Onslow Solar Salt Project (NOSSP) is envisaged as a sustainable operation that utilises renewable energy to produce industrial grade salt, via evaporation of seawater using wind and solar energy to achieve a zero-carbon footprint. Several initiatives to further explore and quantify this potential are being included in the current scoping study work, including:

- Sulphate of potash ("SOP") as an additional potential product stream
- The renewable energy potential of the 425km<sup>2</sup> land position,
- Salt/freshwater membrane separation to produce a more concentrated brine
- Downstream products, such as chlor-alkali, hydrogen, ammonia and methanol

### Completion of Acquisition & Board & Management Changes

Fin completed the acquisition of an 80% interest in the NOSSP from North West Solar Salt Pty Ltd and followed shareholder approval at a meeting on June 30, 2021. The 80% interest is held by the Company's wholly owned subsidiary, Crestwood Pty Ltd. Mr Ryan de Franck joined the Company's board as a Non-Executive Director with effect from completion of the acquisition. During the quarter, Fin appointed Mr James Barrie as its Project Director for the NOSSP.

### Scoping Study Update – Consultants Appointed

Specialist consultants were appointed to optimise the environmental, social and economic feasibility of the NOSSP. These included:

- LiDAR acquisition which was completed under budget and to schedule
- Salt field layout optimisation and independent verification of capital costs
- Evaluation of additional renewable products

The results of the specialist consultant reviews will be included in the scoping study update expected in the 3<sup>rd</sup> Quarter of 2021.

### McKenzie Springs Project

During the quarter, Fin completed rehabilitation of the three diamond holes previously drilled at McKenzie Springs. A review of the historic and recent geochemical data has commenced with a particular focus on the area pertaining to the Spring Creek layered intrusion.

Corporate Directory

Non-Executive Director

Jason Bontempo

Non-Executive Director

Simon Mottram

Non-Executive Director

Andrew Radonjic

Non-Executive Director

Ryan de Franck

Company Secretary

Aaron Bertolatti

Registered Office

35 Richardson Street  
West Perth WA 6005

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[www.finresources.com.au](http://www.finresources.com.au)

## Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 June 2021 provides an overview of the Company's financial activities. The Company is in a strong financial position with \$5.0 million in cash at the end of the quarter. This will be sufficient to fund corporate costs for the remainder of 2021 and also facilitate exploration activities at the North Onslow Solar Salt Project.

Expenditure on exploration during the reporting period amounted to A\$106k, and included items such as, surveying services (\$33K) and costs associated with tenement applications (\$20k).

Payments for administration and corporate costs amounted to \$147K and related to costs for and associated with director's fees, insurance and legal fees. The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$40k (refer to Table 1).

**Table 1: Payments to Related Parties of the Entity and their Associates**

Item	Current Quarter (A\$)	Previous Quarter (A\$)
<b>Directors' Remuneration</b>		
Non-Executive Director Fees and Superannuation	24,855	29,855
Company Secretarial and CFO Fees	15,000	15,000
<b>Total payments to related parties of the entity and their associates</b>	<b>39,855</b>	<b>44,855</b>

**Table 2: FIN Resources Limited Tenements**

Tenement	Location	Area	Structure
E80/4808	Western Australia	134km <sup>2</sup>	70%
E20/900	Western Australia	50km <sup>2</sup>	51%
E08/2831	Western Australia	163km <sup>2</sup>	80%
E08/2832	Western Australia	178km <sup>2</sup>	80%
E08/2868	Western Australia	75km <sup>2</sup>	80%
E08/3069	Western Australia	44km <sup>2</sup>	Pending
E08/3070	Western Australia	22km <sup>2</sup>	80%
E08/3071	Western Australia	11km <sup>2</sup>	80%
E08/3354	Western Australia	130km <sup>2</sup>	Pending
E08/3355	Western Australia	315km <sup>2</sup>	Pending

km<sup>2</sup> - Square Kilometres

### Changes during the June 2021 Quarter:

N/A.

**Authorised for release by:** Jason Bontempo - Non-Executive Director

### For further information contact:

Jason Bontempo  
 Non-Executive Director  
 info@finresources.com.au

### **About Fin Resources Limited**

Fin Resources Limited is an ASX listed company (ASX:FIN) focussed on the development of the North Onslow Solar Salt Project (NOSSP). The NOSSP consists of six exploration licences totalling 425 km<sup>2</sup> located in a proven salt production region with ideal climatic conditions to produce high purity salt. The Company is investigating the use of renewable energy in the form of wind and solar energy to create a zero-carbon footprint project and potentially fuel renewable product streams like Hydrogen and other green by products.

The Company's other project, McKenzie Springs, is located within the Kimberley Region of Western Australia, 85km north-east of the township of Halls Creek. The Project covers an area of approximately 134km<sup>2</sup> including identified nickel, copper, cobalt and graphite occurrences. The McKenzie Springs Project is considered prospective for magmatic Ni-Cu sulphide and PGE mineralisation.

## Appendix 5B

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

Name of entity

<b>FIN RESOURCES LIMITED</b>
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ABN

25 009 121 644
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Quarter ended ("current quarter")

30 June 2021
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<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	-	(13)
(e) administration and corporate costs	(147)	(441)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	14
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	10
1.8 Other (provide details if material)	-	41
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(145)</b>	<b>(389)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(106)	(525)
(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 (12 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>(106)</b>	<b>(525)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,557	1,557
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1,020	1,020
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(99)	(99)
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>2,478</b>	<b>2,478</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	2,816	3,479
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(145)	(389)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(106)	(525)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,478	2,478

## 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 (12 months) \$A'000</b>
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>5,043</b>	<b>5,043</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	2,711	486
5.2	Call deposits	2,332	2,330
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>5,043</b>	<b>2,816</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	40
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><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></p> <p>- Directors and Officers Remuneration - \$40k</p>		

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

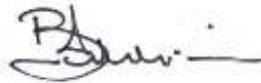
<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available 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>		
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)	(145)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(106)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(251)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,043
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,043
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	20.1
<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: N/A	
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: N/A	
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: N/A	
<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: 30 July 2021



Authorised by: Aaron Bertolatti – Company Secretary

(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.