

Quarterly Activities Report

Three months ended 30 June 2021

Superior Lake Resources Limited (ASX: SUP) (“Superior Lake” or the “Company”) is pleased to provide its quarterly activities report for the quarter ended 30 June 2021.

Project Acquisition Strategy

Having completed the divestment of its Superior Lake Zinc Project to TSX Venture Exchange (“TSXV”) listed company Metallum Resources Inc. (TSXV: MZN), the Company continued to progress its project acquisition strategy, which entails consideration of various potential opportunities, including the acquisition of exploration properties and production assets.

The Company has been investigating opportunities in the North American uranium sector and post Quarter end, the Company reached agreement with Sachem Cove on the extension of the exclusivity option with Premier Uranium LLC (“Premier”) to 30 September 2021. This extension was granted for no additional consideration.¹

Premier owns the rights to two highly prospective uranium projects, which are strategically located close to existing and historical uranium operations within the major uranium producing states of Wyoming and Utah in the USA.²

Premier is 100% owned by leading global uranium investor Sachem Cove Partners LLC (“Sachem Cove”), a uranium/nuclear energy dedicated fund led by respected uranium investor Mike Alkin. As part of the extension, the Company has agreed to offer Sachem Cove the first right of refusal to participate as a cornerstone financier in relation to any acquisition of North American uranium assets.

In addition to the Premier transaction, the Company continues to investigate other opportunities in the resources and energy sectors.

Corporate

Cash

As at 30 June 2021, the Company had cash of \$1.2 million.

Annual General Meeting

The Company held its annual general meeting on Wednesday 26 May 2021, at which all resolutions put to shareholders were passed.

¹ Investors are cautioned that the grant of exclusivity to conduct due diligence does not provide the Company with a binding right to acquire an interest in either of Premier’s projects and there is a risk that the transaction may not proceed.

² For more information on the uranium assets that are the subject of the exclusivity agreement, see ASX announcement 16 June 2020.



Payments to Related Parties

During the Quarter, payments to directors were \$46,000, all of which comprised directors' fees.

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 administration services, accounting 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 (June quarter \$47,000 unaudited).

Information required under ASX Listing Rule 5.3.3

Pursuant to completion of the disposal of the Superior Lake Zinc Project, the Company does not currently hold any tenements.

Authorised for release by the Board of Directors.

To learn more about the Company, please visit www.superiorlake.com.au, or contact:

Grant Davey Executive Director +61 8 6117 0479

Appendix 5B

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

Name of entity

Superior Lake Resources Limited

ABN

64 139 522 553

Quarter ended ("current quarter")

30 June 2021

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	-	(69)
(b) development	-	-
(c) production	-	-
(d) staff costs	(72)	(136)
(e) administration and corporate costs	(35)	(166)
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 incentives	-	-
1.8 Other (Business development activities)	(11)	(78)
1.9 Net cash from / (used in) operating activities	(118)	(449)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	(349)	(400)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(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 (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	989	989
	(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	640	589

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	175
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	-	-
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	-	175

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	615	822
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(118)	(449)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	640	589
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	175

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	20	20
4.6	Cash and cash equivalents at end of period	1,157	1,157

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	1,157	615
5.2	Call deposits	-	-
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)	1,157	615

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	93
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Payments to all Directors for Directors' fees: \$46,000.

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 costs, accounting 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: \$47,000.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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 Total financing facilities	-	-
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)	(118)
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)	(118)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,157
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,157
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	9.8
<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?	
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?	
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?	
<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: 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.