

## ASX ANNOUNCEMENT

28 October 2021

### About Critical Resources

Critical Resources Limited is a Perth based exploration and development company listed on the Australian Stock Exchange (ASX Code: CRR) and is focused on base metals and critical minerals exploration and project development.

### Project Summary

**Halls Peak Project** (Zinc-Lead- Silver-Copper) - Australia

**Sohar (Block 4 & 5) Project** (Copper) – Oman

*Binding Terms Sheet Signed*

**Mavis Lake Lithium Project** - Canada

### Directors and Management

**Mr Robert Martin** – Chairperson

**Mr Alex Biggs** – Chief Executive Officer

**Mr Jihad Malaeb** – Non-Executive Director

**Mr Michael Leu** – Non-Executive Director

**Mr Jeremy Whybrow** - Non-Executive Director

**Mr Chris Achurch** – Company Secretary

### Capital Structure

#### Shares on Issue:

-1,053,345,302 fully paid ordinary

#### Options on Issue:

-40,000,000 exercisable @\$0.02  
expiring 31 October 2021

-3,334,000 exercisable @\$0.025  
expiring 3 November 2022

-1,300,000 exercisable @\$0.05  
expiring 30 June 2024

-1,300,000 exercisable @\$0.07  
expiring 30 June 2024

-5,000,000 exercisable @\$0.10  
expiring 30 June 2024

#### Performance Rights on Issue

-30,000,000 Director and Company Secretary Performance Rights

-10,000,000 CEO Performance Rights

## SEPTEMBER 2021 QUARTER REVIEW OF OPERATIONS

### ACTIVITIES REPORT FOR THE QUARTER ENDED 30 September 2021

Critical Resources Limited (ASX Code: CRR) (“**Critical**” or the “**Company**”) provides its activities report for the quarter ended 30 September 2021.

### Summary

#### Halls Peak Project - Australia

- Permitting for upcoming drill program continues to advance with drilling set to commence in Q4, 2021
- Appointment of Halls Peak drill contractor ‘DRC Drilling’ for ~4,200m (subsequent to quarter end)

#### Sohar Block 4 and 5 Project – Sultanate of Oman

- Ongoing discussions with the Oman government and mining ministry regarding renewal of Block 4 licence
- Renewal fees quoted by the Minerals Department of Oman are considered onerous and unreasonable. The Company is still in negotiations to reach a beneficial and reasonable outcome
- Block 5 exploration and mining tenements are unaffected by the discussions around Block 4
- Commercial discussions with various parties are ongoing to unlock value of Block 5 assets

#### Subsequent to 30 September 2021

- Canadian high grade Lithium asset binding term sheet signed.

#### Project Generation

- Seeking suitable exploration and development opportunities. The Company continues to assess projects that would be complimentary to its business.



**Halls Peak Project- Australia**

- Permitting for drill program at Halls Peak submitted in August 2021. Permitting relates to the planned drill program at the Gibsons and Sunnyside prospects for ~4,200m.
- Permitting continues to advance with target start date of Q4, 2021.
- Identification of clear, large geophysical targets presents an excellent opportunity for the Company to begin the process of defining a large-scale SEDEX type deposit.
- Appointment of DRC Drilling as contractor to complete upcoming Halls Peak drill program.

**Sohar Block 4 and 5 – Sultanate of Oman**

- The Company continues to discuss with the Minerals Department the latest ground fees that have been calculated for the renewal of Block 4. The Company considers these fees to be onerous and unreasonable. The Company continues to seek a resolution and will update the market in due course.
- Block 5 assets are unaffected by the discussions regarding Block 4.
- The Company's geologists and external consultants are actively completing on ground exploration works. Areas have been delineated for future work programs based on aerial magnetics and ground checking of areas previously unexplored.
- Joint venture and commercialisation opportunities have been evaluated during the current quarter as the Board and Management continue to assess the Company's Oman assets, their economics and the best path forward for any proposed development in this area.
- Block 5 expenditures have been met for the previous year and the next year's exploration program and strategy has been started.
- Prospectivity analysis has been completed on both Block 4 and Block 5 and has yielded a number of promising targets, particularly on Block 5.

**PROJECT SUMMARY****1. HALLS PEAK PROJECT – AUSTRALIA**

The Halls Peak Project comprises granted Exploration Licenses EL 4474 and EL 7679, located in north-eastern NSW and covering an area of about 84km<sup>2</sup>.

The Halls Peak Project area contains several known occurrences of base metals rich in zinc and lead with varying associated levels of copper, silver and gold.

The Company has submitted permitting approvals this quarter following a significant data review from the previous quarter which involved a reinterpretation of geophysical data that has yielded clear targets for exploration drilling. A drill program has been designed for both the Gibsons (~2,500m) and Sunnyside (~1,700m) prospects.

Permitting continues to advance well and as planned with drilling set to commence in Q4 of 2021.



### Project Highlights

- Excellent exploration drilling targets at both Gibsons and Sunnyside prospects.
- Project located in New England Fold Belt, a prolific mineral rich region.
- Previous historic mining and exploration has returned high-grade massive sulphides.
- Exploration conducted historically to a maximum of 150m below surface – deeper potential remains untested.

## **2. SOHAR COPPER PROJECT (Block 4 and Block 5) – OMAN**

### Project Highlights

- The Company holds 100% of Savannah's subsidiary, Savannah Resources B.V., which via its subsidiaries has a 51% interest in Block 4 (granted Exploration Licence), a 65% interest in Block 5 (granted Exploration Licence and 2 Mining Lease applications) and a 70% interest in two Exploration Licence applications near Block 10 to the West of Blocks 4 and 5.
- The Projects cover 1,006 km<sup>2</sup> of the copper-rich Ophiolite belt, proven to host clusters of relatively high grade VHMS copper deposits. Ores within these deposits are metallurgically simple and contain gold and silver credits.
- Measured, Indicated and Inferred Mineral Resources (2012 JORC) of 0.82Mt at 3.4% Cu (including a high-grade zone of approximately 0.5Mt at 4.5% Cu) are in two deposits within Block 5. Contained metal is reported at 28,000 tonnes of Copper, 5,900 ounces of Gold and 220,000 ounces of Silver (Table 1-3).

## **3. TSHIMPALA PROJECT – MALAWI**

No work was completed on the project during the quarter.

## **4. KITOTOLO-KATAMBA PROJECT – DEMOCRATIC REPUBLIC OF CONGO**

No work was completed on the project during the quarter.

## **5. KANUKA PROJECT – DEMOCRATIC REPUBLIC OF CONGO**

No work was completed on the project during the quarter.

## **6. PROJECT GENERATION**

Project generation continues to advance, with several new project opportunities reviewed during the quarter (evidenced by the signing of the binding terms sheet for the acquisition of the Mavis Lake Lithium Project in Canada). The Company will continue to assess any projects that would be complimentary to its business.



## **7. CORPORATE AND FINANCE**

### **Cash at Bank**

Cash at bank at 30 September 2021 - \$915k

### **Shares on Issue**

Fully paid ordinary shares on issue totalled 1,053,345,302 at 30 September 2021

### **Options on Issue**

*As at 30 September 2021, options on issue were:*

- 40,000,000 exercisable at \$0.02; expiring 31 October 2021
- 3,334,000 exercisable at \$0.025; expiring 3 November 2022
- 1,300,000 exercisable at \$0.05; expiring 30 June 2024
- 1,300,000 exercisable at \$0.07; expiring 30 June 2024
- 5,000,000 exercisable at \$0.10; expiring 30 June 2024

### **Performance Rights on Issue**

*As at 30 September 2021, performance rights on issue were:*

- 30,000,000 Director and Company Secretary Performance Rights
- 10,000,000 CEO Performance Rights

## **8. MATERIAL EVENTS SUBSEQUENT TO THE END OF QUARTER**

Binding Terms Sheet to acquire the Mavis Lake lithium project in Canada was executed as announced to the market on 25 October 2021. In conjunction with, and as a condition to completion of the acquisition, and subject to shareholder approval of the acquisition, the Company proposes to conduct a capital raising, issuing shares under a placement to professional and sophisticated investors to raise \$4 million before costs.

Additionally, \$666,667 had been received from applicants regarding the Company's \$0.02 options, expiring 31 October 2021(outlined above), as at 28 October 2021. The Company anticipates additional funds will be received in the coming days, up until expiry. The Company will update the market in due course.



## GUIDANCE NOTE 23 DISCLOSURES

### Details of mining exploration activities

Details of exploration activities during the quarter are set out above.

The \$214,000 amount of exploration and evaluation expenditure capitalised is comprised of expenditure relating to geological staff salaries, tenement administration and maintenance, exploration programme generation/administration, site surveying, geophysical data reprocessing, drill program preparation and pre-work and geological interpretation work.

### Details of mining production and development activities

No production and development activities were undertaken during the quarter.

### Details of tenement activities

The tenement schedule included on the following page shows all holdings and any change for the Company and its subsidiaries.

### Details of related party payments

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$92,000, comprising Directors fees.

## 9. SCHEDULE OF MINERAL TENEMENTS AS AT 30 SEPTEMBER 2021

Licence No.	Project / Location	Acquired Interest during quarter	Disposed interest during quarter	Interest at end of Quarter
EL 4474	Halls Peak, NSW	-	-	100%
EL 7679	Halls Peak, NSW	-	-	59.5%
PE 13247 <sup>(1)</sup>	Kitotolo, DRC	-	-	70%
PR 12453 <sup>(1)</sup>	Kitotolo, DRC	-	-	70%
PE 13082 <sup>(2)</sup>	Kanuka, DRC	-	-	51%
PR 4100 <sup>(2)</sup>	Kanuka, DRC	-	-	51%
EPL 479	Tshimpala, Malawi	-	-	51% <sup>(3)</sup>
EPL 483	Tshimpala, Malawi	-	-	51% <sup>(3)</sup>
EPL 484	Tshimpala, Malawi	-	-	51% <sup>(3)</sup>
AML 0029	Tshimpala, Malawi	-	-	51% <sup>(3)</sup>
Block 5	Oman	-	-	65%
Block 4	Oman	-	-	51%

(1) legal transfer of the tenements has been affected; official recording of tenements in DRC Mines Department system has not yet occurred

(2) tenements are held by joint venture partner, with Critical having a 51% joint venture interest in the Lithium rights only

(3) tenement at risk of vendor take-back under the terms of share sale and purchase agreement

**This report has been authorised for release to ASX by the Board of Directors.**

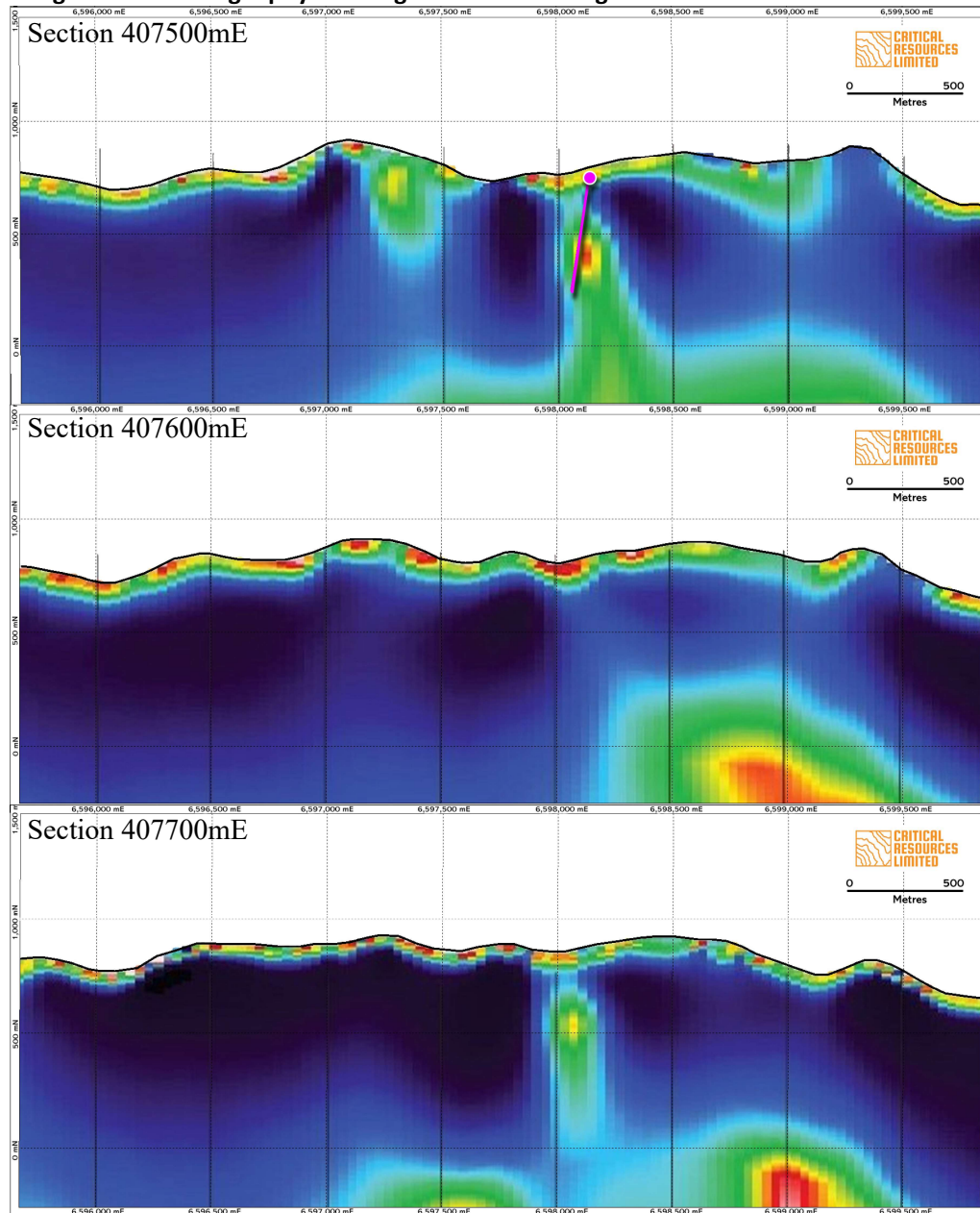
**ENDS**







**Figure 3: Gibsons geophysical targets demonstrating three sections at 100m intervals**





**Figure 4: Sunnyside geophysical targets and planned drill holes**

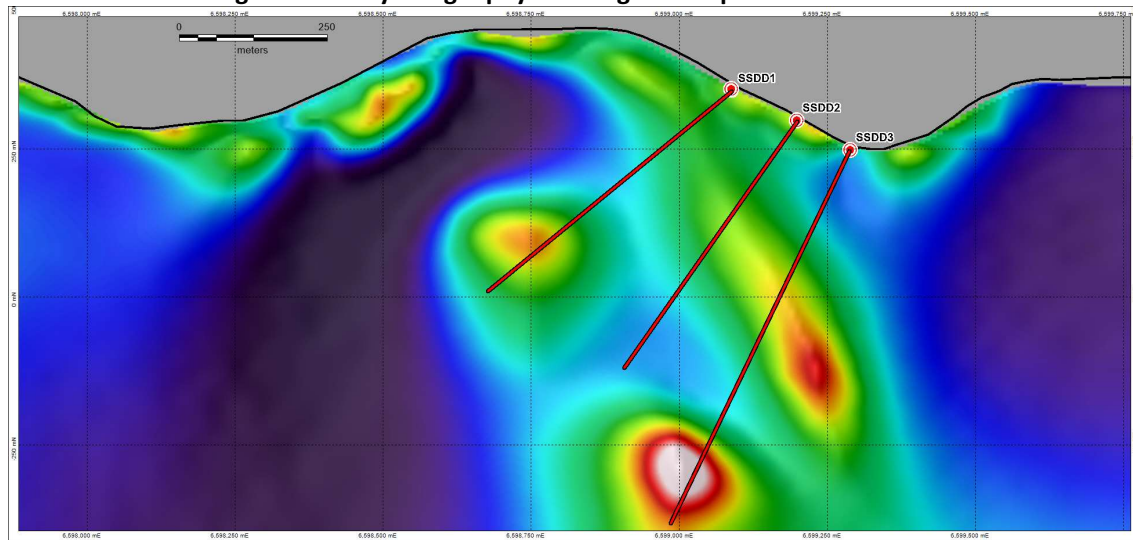
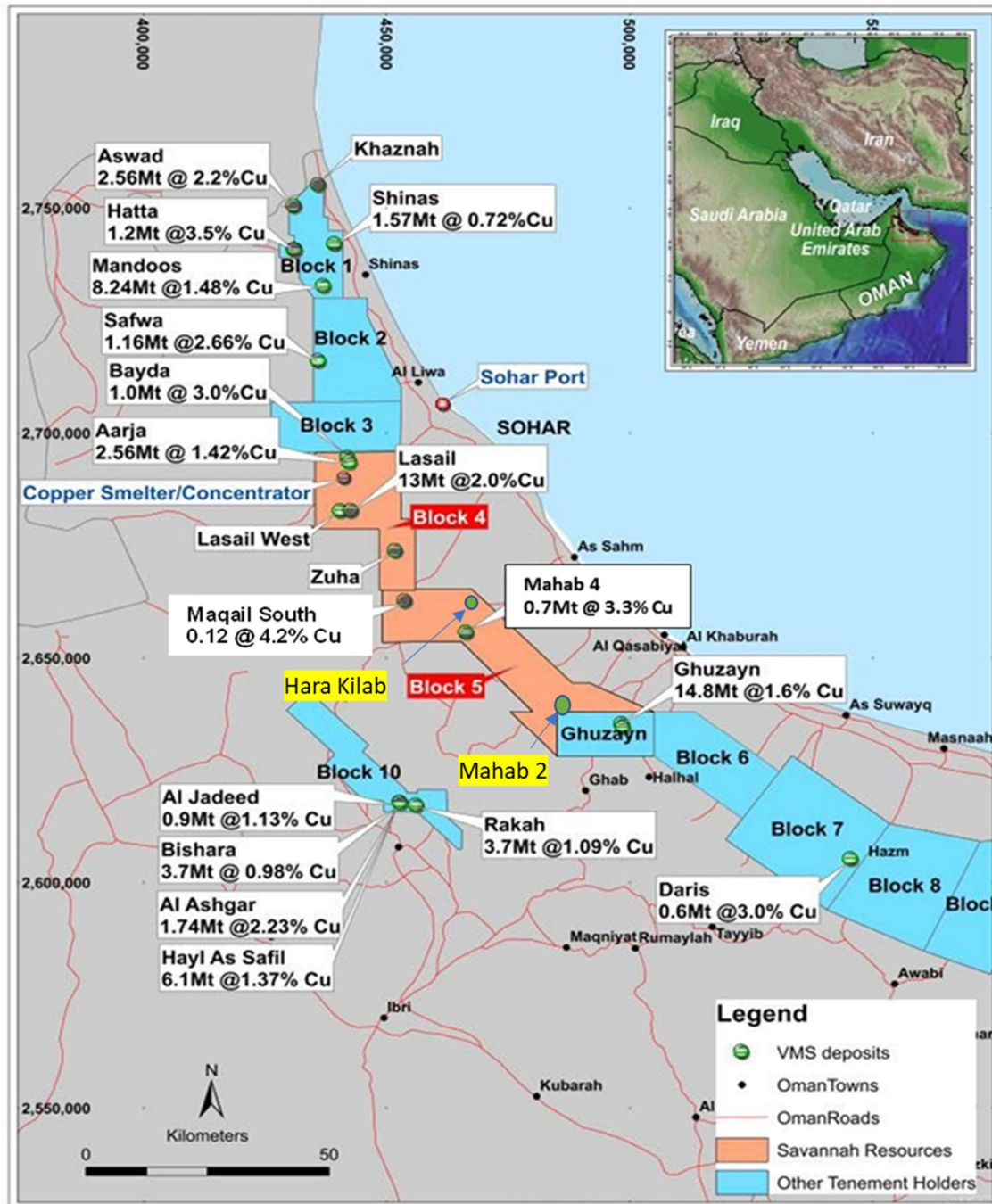




Figure 5: Oman Tenement Location Plan





**Table 1: Mahab 4 Mineral Resource Estimate 0.5% Cu Cut-off**

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
<b>Oxide Domain*</b>							
Measured							
Indicated	22,000	0.2	1.4	14	40	1,000	10,000
Inferred							
<b>Total Oxide</b>	<b>22,000</b>	<b>0.2</b>	<b>1.4</b>	<b>14</b>	<b>40</b>	<b>1,000</b>	<b>10,000</b>
<b>Supergene Domain</b>							
Measured							
Indicated	11,000	14.8	1.1	41	1,700	400	15,000
Inferred							
<b>Total Supergene</b>	<b>11,000</b>	<b>14.8</b>	<b>1.1</b>	<b>41</b>	<b>1,700</b>	<b>400</b>	<b>15,000</b>
<b>Massive Sulphide Domain</b>							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	60,000	4.6	0.3	15	2,800	600	29,000
Inferred							
<b>Total Massive Sulphide</b>	<b>367,000</b>	<b>5.2</b>	<b>0.3</b>	<b>15</b>	<b>19,100</b>	<b>3,600</b>	<b>172,000</b>
<b>Disseminated Domain</b>							
Measured							
Indicated	64,000	0.6	0.05	2	400	100	4,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
<b>Total Disseminated</b>	<b>297,000</b>	<b>0.7</b>	<b>0.03</b>	<b>1</b>	<b>2,000</b>	<b>300</b>	<b>10,000</b>
<b>All Domains</b>							
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	157,000	3.1	0.4	11	4,900	2,100	58,000
Inferred	234,000	0.7	0.2	1	1,700	200	6,000
<b>Total Mahab 4 Deposit</b>	<b>698,000</b>	<b>3.3</b>	<b>0.2</b>	<b>9</b>	<b>22,800</b>	<b>5,300</b>	<b>207,000</b>

\* Oxide reported at 0.5 ppm Au Cut-off

**Table 2: Maqail South Mineral Resource Estimate 0.5% Cu Cut-off**

Domain	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
<b>Massive Sulphide Domain</b>							
Measured							
Indicated	121,000	4.2	0.2	3	5,100	600	13,000
Inferred							
<b>Total Maqail South Deposit</b>	<b>121,000</b>	<b>4.2</b>	<b>0.2</b>	<b>3</b>	<b>5,100</b>	<b>600</b>	<b>13,000</b>

**Table 3: Total Mineral Resource Estimate 0.5% Cu Cut-off**

Classification	Tonnes t	Cu %	Au ppm	Ag ppm	Cu tonnes	Au Ounces	Ag Ounces
Measured	307,000	5.3	0.3	14	16,300	3,000	143,000
Indicated	279,000	3.6	0.3	8	10,000	2,700	70,000
Inferred	234,000	0.7	0.02	1	1,700	200	6,000
<b>Total Project</b>	<b>819,000</b>	<b>3.4</b>	<b>0.2</b>	<b>8</b>	<b>28,000</b>	<b>5,900</b>	<b>220,000</b>



**Table 4: Significant Copper Assay Results - Oman**

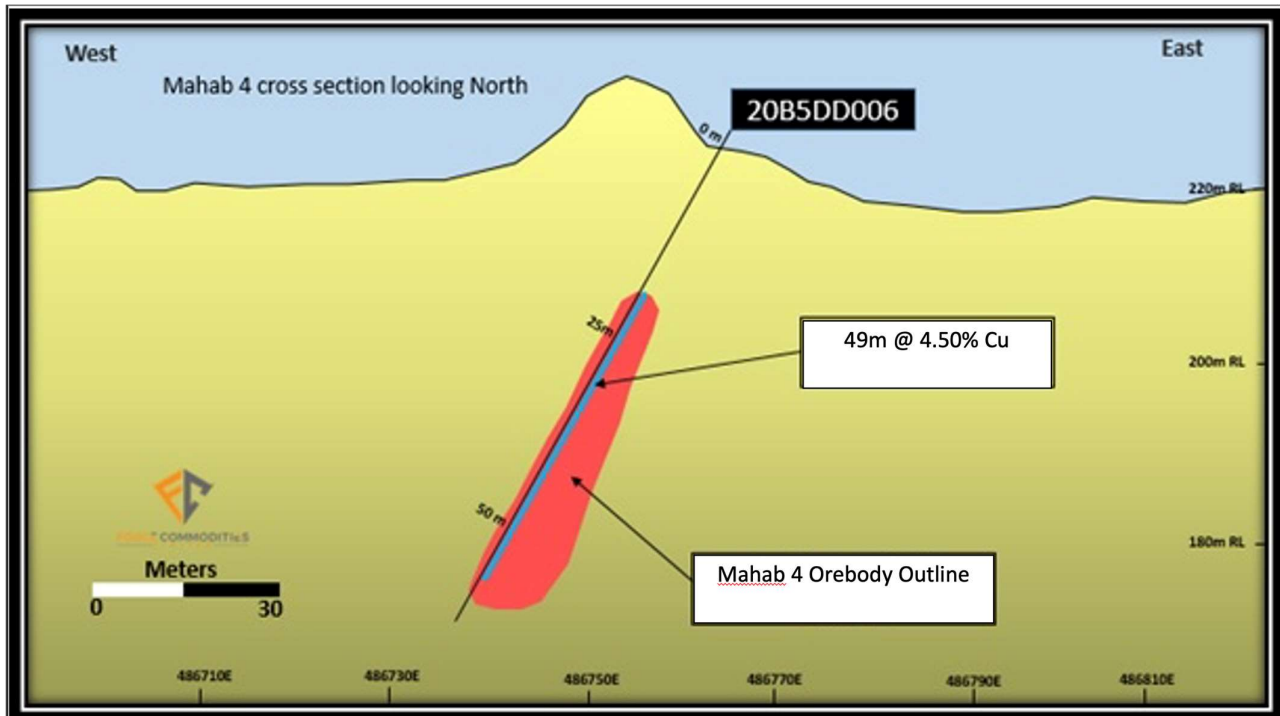
Hole Id	Prospect	Northing	Easting	RL	Dip	Azimuth	EOH	From	To	Interval	Grade	Cu Sulphide
		(mN)	(mE)	(ASL)	(Degrees)	(Degrees)	(m)	(m)	(m)	(m)	(%Cu)	(Type)
20B5DD001	Mahab 4	2656158	468753	226	-61	250	42	25	31.8	6.8	3.44	Massive
							including	25	27	2	8.08	Massive
								35.65	41	5.35	3.43	Massive
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132	24	37	13	5.6	Massive
							including	25	27	2	15.7	Massive
							and	35	37	2	9.11	Massive
								37	60	23	0.79	Disseminated
								78	124	46	0.99	Disseminated
20B5DD002	Hara kilab	2659947	464563	214	-90	0	50	18	26.3	8.3	1.34	Massive
20B5DD004	Hara kilab	2659938	464559	214	-70	360	41.5	19	26	7	1.26	Massive
								21.7	23	1.3	2.28	Massive
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70	29	65.4	36.4	2.80	Massive
								46	56	10	4.80	Massive
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5	11	60	49	4.50	Massive
							including	19.2	53	33.8	6.10	Massive
20B5DD007	Mahab 4	2656361	468755	219	-60	240	150.00	Not Sampled				
20B5DD008	Mahab 4	2659864	464765	214	-90	0	60.00	Not Sampled				
20B5DD009	Hara kilab	2659931	464569	214	-70	350	42	5	7	2	2.30	Massive
								19	27	8	3.40	Massive
20B5DD010	Hara kilab	2659913	464541	214	-70	35	62.7	No Significant Assays				
20B5DD011	Hara kilab	2659934	464538.8	214	-70	35	44.7	22	23	1	1.26	Massive
								34	35	1	1.25	Massive
20B5DD012	Hara kilab	2659954	464532	214	-70	35	35.7	21	28.9	7.9	1.39	Disseminated
							including	23	25	2	2.39	Massive
20B5DD013	Hara kilab	2569931	464505	214	-70	35	55	No Significant Assays				
20B5DD014	Hara kilab	2659960	464490	214	-70	35	44.7	15	17	2	0.56	Disseminated
								28.45	29.2	0.75	0.92	Disseminated
20B5DD015	Hara kilab	2659968	464472.4	214	-70	35	44.7	No Significant Assays				



**Table 5: Significant Gold Assay Results - Oman**

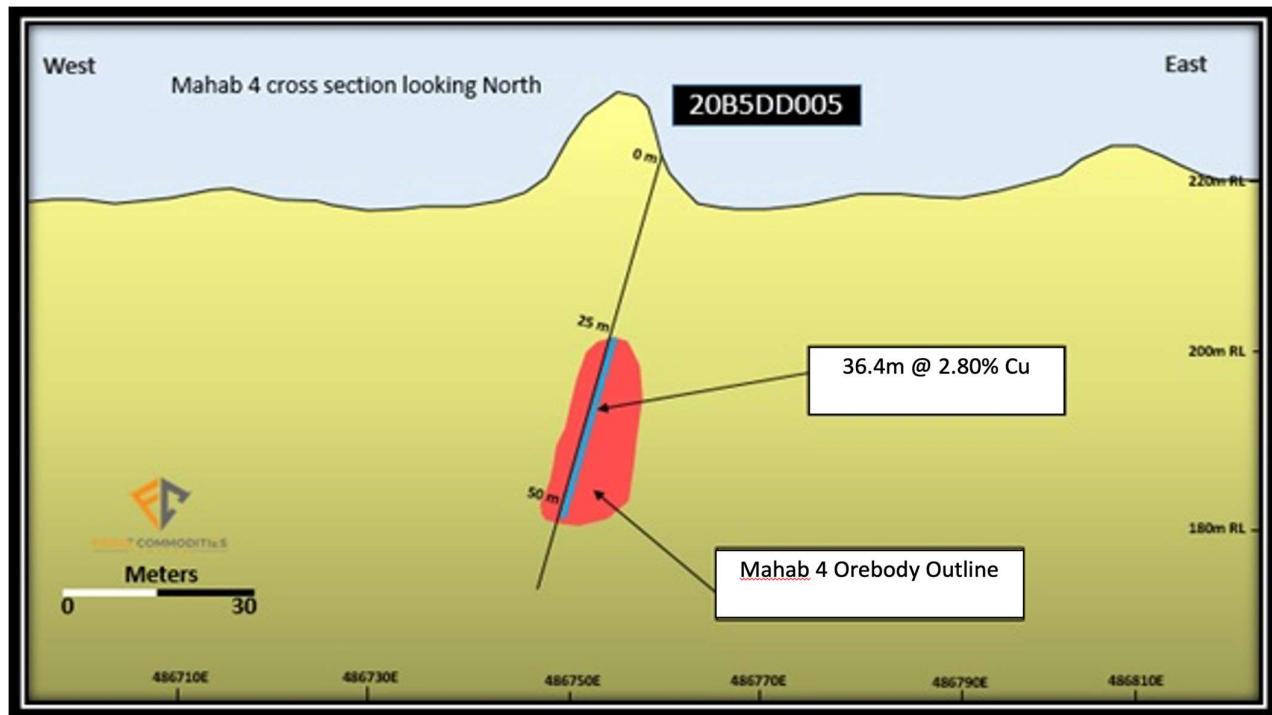
Hole Id	Prospect	Northing	Easting	RL	Dip	Azimuth	EOH	From	To	Interval	Grade
		(mN)	(mE)	(ASL)	(Degrees)	(Degrees)	(m)	(m)	(m)	(m)	g/t Au
20B5DD001R	Mahab 4	2656157	468757	226	-60	250	132	5	37	32	1.05
							including	16	25	9	2.22
20B5DD002	Hara kilab	2659947	464563	214	-90	0	50	No Significant Assays			
20B5DD004	Hara kilab	2659938.039	464559	214	-70	360	41.5	No Significant Assays			
20B5DD005	Mahab 4	2656101	468765	224	-62	216	70	29	65.4	36.4	0.30
20B5DD006	Mahab 4	2656101	468765	224	-66	270	77.5	11	60	49	0.30
20B5DD007	Mahab 4	2656361	468755	219	-60	240	150.00	Not Sampled			
20B5DD008	Mahab 4	2659864	464765	214	-90	0	60.00	Not Sampled			
20B5DD009	Hara kilab	2659931	464569	214	-70	350	40	5	7	2	0.10
								19	27	8	0.10
20B5DD010	Hara kilab	2659913	464541	214	-70	35	62.7	No Significant Assays			
20B5DD011	Hara kilab	2659934	464538.8	214	-70	35	44.7	22	23	1	0.07
								34	35	1	0.05
20B5DD012	Hara kilab	2659954	464532	214	-70	35	35.7	21	28.9	7.9	0.09
							including	23	25	2	0.07
20B5DD013	Hara kilab	2569931	464505	214	-70	35	55	No Significant Assays			
20B5DD014	Hara kilab	2659960	464490	214	-70	35	44.7	15	17	2	0.05
								28.45	29.2	0.75	0.09
20B5DD015	Hara kilab	2659968	464472.4	214	-70	35	44.7	No Significant Assays			

**Figure 6: Cross Section of Mahab 4 with completed diamond drill hole 20B5DD006. Orebody in red.**





**Figure 7: Cross Section Mahab 4 with completed diamond drill holes 20B5DD005**



#### **Competent Person Statement**

The Information in this ASX Announcement that relates to Exploration Results is based on information compiled by Mr Jeremy Whybrow, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Whybrow is a full-time employee of Critical Resources Limited. Mr Whybrow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the inclusion in this ASX Announcement of the matters based on his information in the form and context in which it appears.

The Information in this report that relates Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### **JORC Code Compliant Reports**

The information regarding the Mineral Resource is extracted from the report entitled "Force to Acquire High Grade Copper Projects in Oman" created 1 September 2020 and is available to view on [www.criticalresources.com.au](http://www.criticalresources.com.au). The Company 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 estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



**Forward looking statements**

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

**No New Information**

Except where explicitly stated, this announcement contains references to prior exploration results and Mineral Resource estimates, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the results and/or estimates in the relevant market announcement continue to apply and have not materially changed.



## Appendix 5B

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

Name of entity

Critical Resources Limited

ABN

12 145 184 667

Quarter ended ("current quarter")

30 September 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 (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(45)	(106)
	(e) administration and corporate costs	(322)	(703)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	4
1.5	Interest and other costs of finance paid	-	(7)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	(14)	(14)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(380)</b>	<b>(826)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(214)	(846)
	(e) investments	-	-
	(f) other non-current assets	-	-



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>(214)</b>	<b>(846)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	749
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>749</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	1,504	1,847
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(380)	(826)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(214)	(846)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	749



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	(9)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>915</b>	<b>915</b>

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	915	1,504
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>915</b>	<b>1,504</b>

**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

Current quarter \$A'000
82 <sup>1</sup>
10 <sup>1</sup>

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

<sup>1</sup> Payments relate to director and consultancy fees.



<b>7.</b>	<b>Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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)	(380)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(214)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(594)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	915
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	915
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	1.5

- 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?

Answer: Yes

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: Yes. Binding Terms Sheet to acquire the Mavis Lake lithium project in Canada was executed as announced to the market on 25 October 2021. In conjunction with, and as a condition to completion of the acquisition, and subject to shareholder approval of the acquisition, the Company proposes to conduct a capital raising, issuing shares under a placement to professional and sophisticated investors to raise \$4 million before costs.

Additionally, \$666,667 had been received from applicants regarding the Company's \$0.02 options, expiring 31 October 2021 as at 28 October 2021. The Company anticipates additional funds will be received in the coming days, up until expiry. Shares will be allotted in the short term for applicants exercising their options, providing additional liquidity to the Company.

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: Yes. Per above commentary at 8.8 (2)

### 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: ....28 October 2021.....

Authorised by: .....The Board of Directors.....  
(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.