

**Liontown closes-in on Kathleen Valley Definitive Feasibility Study and completes successful demerger and \$30 million IPO of Minerals 260**

**HIGHLIGHTS**

**KATHLEEN VALLEY LITHIUM PROJECT (Western Australia: 100%)**

- Continued strong progress with the Kathleen Valley Definitive Feasibility Study (DFS), which is now in its final stages and scheduled for release this December Quarter. Key focus work streams during the Quarter included:
  - Mine schedule optimisation with a significantly greater underground ore focus, decreasing the surface footprint/waste dumps.
  - Progressing all key environmental site-based studies and investigations.
  - Assessing technology to minimise Scope 1 and Scope 2 emissions.
  - Large-volume metallurgical test work to DFS level, including locked-cycle flotation test work.
  - Receiving and adjudicating bids and proposals for key equipment and mining services
  - Design of a revised, simpler processing flowsheet, namely in the crushing and milling areas.
  - Optimisation work to further improve base nameplate throughput above 2Mtpa, with a clear strategy to further expand capacity.
- Establishment of a pilot plant to produce 1 tonne of 6% Li<sub>2</sub>O concentrate, to be used for customer pre-qualification and downstream refining test work.

**BULDANIA LITHIUM PROJECT (Western Australia: 100%)**

- Drilling commenced to test recently identified targets for lithium and related metals adjacent to the existing Anna lithium deposit.
- Mining Lease Application lodged over the Anna deposit.

**CORPORATE**

- Landmark \$52m capital raising completed in July to accelerate growth and development programs at Kathleen Valley, optimise project economics, and drive new growth horizons.
- Royalty termination deed executed with Ramelius Resources (ASX: RMS), under which Liontown paid \$30.25 million to terminate the Kathleen Valley royalty held by Ramelius.
- The demerger of Liontown's non-lithium exploration assets in the Julimar Province of WA was completed via Minerals 260 Limited (ASX: MI6), which undertook a highly successful \$30 million IPO and listed on the ASX on 12 October 2021.
- Liontown was included in the benchmark S&P ASX 300 Index of the Australian Securities Exchange, effective from 20 September 2021, reflecting the substantial increase in its market capitalisation, daily trading volumes and the depth of its share register.
- Subsequent to quarter end, highly-regarded company director Ms Jennifer Morris OAM agreed to join the Company's Board and seek election as an independent Non-Executive Director at the Annual General Meeting.



Drill rig at Kathleen Valley

**INVESTMENT HIGHLIGHTS**

- One of the largest high-grade, hard rock lithium deposits in the world (156Mt).
- 100%-owned resource and full off-take optionality preserved.
- Kathleen Valley DFS on track for completion in Q4 2021, underpinning Liontown's ambition to become a world-class battery materials producer.
- Successful demerger and \$30m IPO of Minerals 260 (ASX: MI6) completed during the Quarter.



Exploration drilling at Buldania

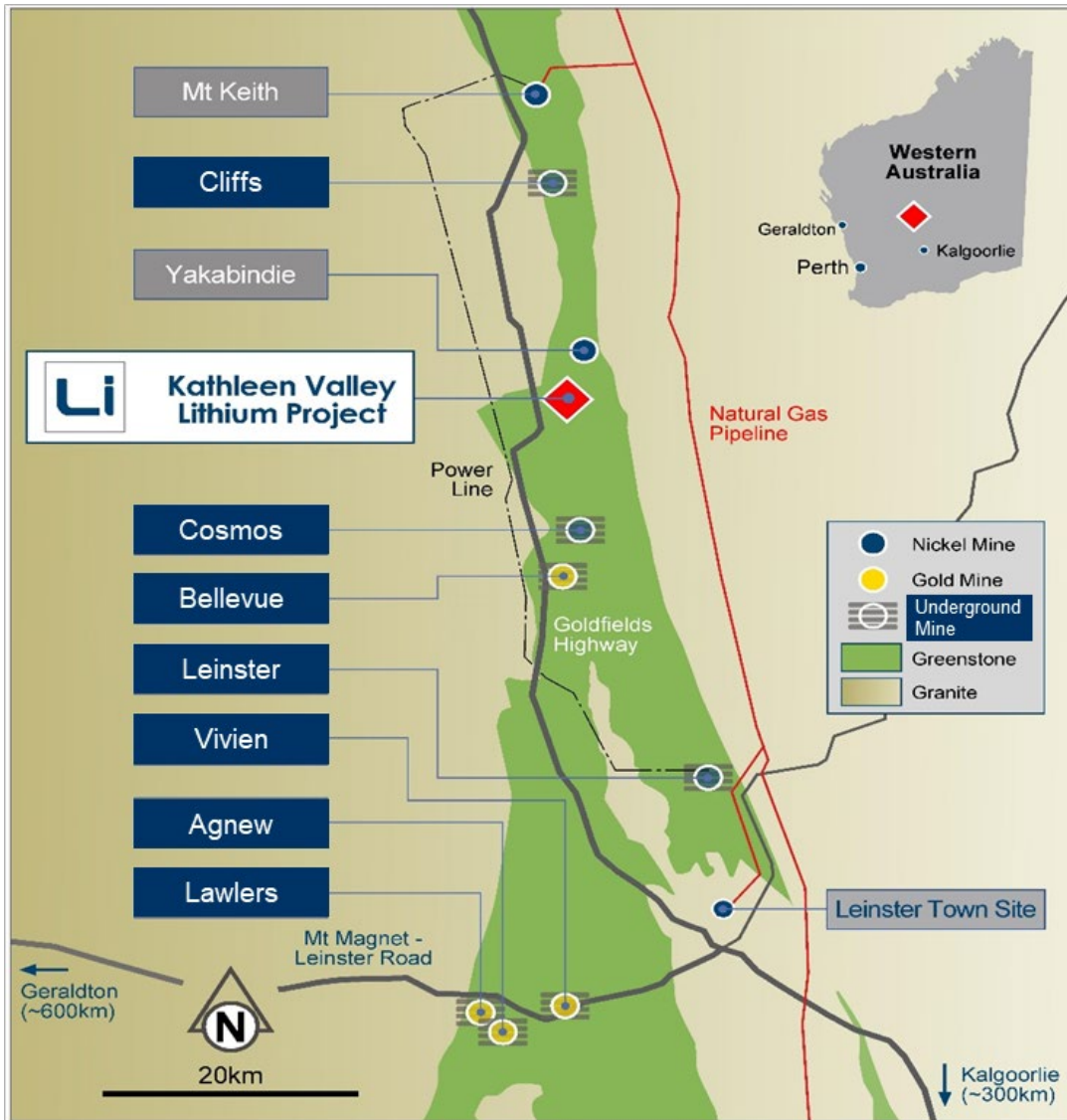
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**PROJECTS**

**1. Kathleen Valley Lithium Project, WA (Liontown: 100%)**

The Kathleen Valley Project is in Western Australia, ~680km north-east of Perth and ~350km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (**Figure 1**). Liontown commenced work at Kathleen Valley in 2017 and has since defined a world-class Mineral Resource Estimate of **156Mt @ 1.4% Li<sub>2</sub>O and 130ppm Ta<sub>2</sub>O<sub>5</sub>** and completed a Pre-Feasibility Study (PFS) which confirms the potential for a long-life, standalone mining and processing operation.

Kathleen Valley now represents the only large (>40 Mt) pre-development phase hard rock lithium deposit in the developed world with 100% off-take optionality.



**Figure 1: Kathleen Valley Lithium Project – Location and Geology Plan.**

**Definitive Feasibility Study (DFS) Update**

During the quarter, work continued on the DFS, which is now in its final stages and is expected to be released in this December quarter.

The principal focus of the DFS is to build on the Pre-Feasibility Study (PFS) completed in October 2020.

Activities either completed during the Quarter or well-advanced include:

- Mine schedule optimisation with significantly greater underground ore focus, decreasing the surface footprint/waste dumps;
- Progressing all key environmental site-based studies and investigations;
- Assessing technology to minimise Scope 1 and Scope 2 emissions;
- Large-volume metallurgical test work to DFS level including locked-cycle flotation test work;
- Design of a revised, simpler processing flowsheet, namely in the crushing and milling areas;
- Receiving and evaluating proposals and bids for key equipment and mining services to help finalise capital and operating cost estimates;
- Optimisation work to further improve base nameplate throughput above 2Mtpa, with a clear strategy to further expand capacity;
- Establishment of a pilot plant to produce 1 tonne of 6% Li<sub>2</sub>O concentrate, to be used for customer pre-qualification and downstream refining test work. The Company will provide an update on the progress of the pilot plant shortly; and
- Acceleration of the design schedule to meet the market – targeting a 3-year development timeline.

### **Environmental Social Governance (ESG)**

During the quarter, Liontown continued to progress a detailed review of Liontown's ESG policies and how they apply to the Kathleen Valley Project, with a focus on returning a positive financial outcome while at the same time:

- Minimising carbon emissions, water usage and land disturbance;
- Engaging meaningfully with the Traditional Owners and other local stakeholders; and
- Ensuring corporate governance is consistent with industry best practices.

Liontown aspires to achieving net zero and is currently assessing different pathways to achieve this goal. Key elements of the Company's Net Zero goal include:

- Best-in-class Scope 1 and 2 emissions and reduced impact on local surroundings due to its underground mining approach;
- Implementing a minimum 50% renewable energy target to reduce Scope 2 emissions;
- Designing the underground operations to be electrification ready to allow easy adoption of truck and underground equipment technology once proven; and
- Minimising water usage through recycling.

The Company is reviewing internationally recognised benchmarking standards which can be applied to ensure transparent assessment and reporting in line with the ESG guidelines. Liontown's inaugural Sustainability Report is scheduled for release during this December quarter.

Positive and constructive discussions with the Traditional Owners continued during the Quarter in respect of a Native Title Agreement for the Kathleen Valley Project.

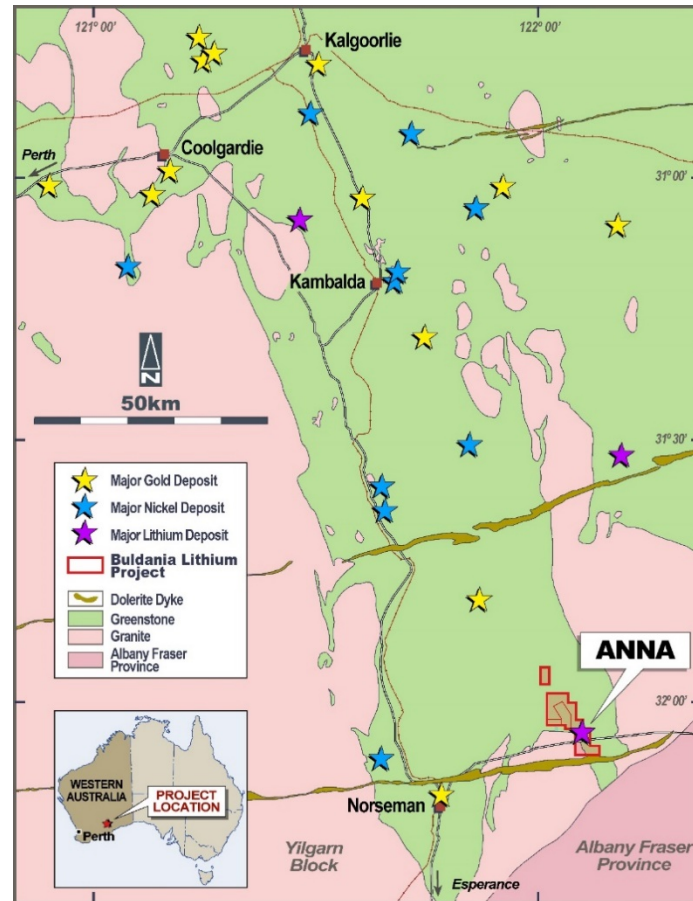
### **Upcoming work programs**

Following the scheduled completion of the Kathleen Valley DFS, Liontown's primary objectives in the coming year at Kathleen Valley are:

- Committing to longer lead items and processes as soon as possible to enable production to begin within 3 years;
- Securing off-take agreements from a diverse suite of tier-1 customers across the battery value chain;
- Securing the optimal funding mix;
- Completing the Front-End Engineering Design (FEED) and reaching a Final Investment Decision (FID);
- Progressing approvals in line with Project development milestones;
- Commencing early project works; and
- Continuing to value-add through profitable growth, including pursuing the downstream processing opportunity.

## 2. Buldania Lithium Project, WA (Liontown: 100%)

The Buldania Project is located in the Eastern Goldfields, approximately 600km east of Perth and 200km north of the regional port of Esperance (**Figure 2**). Historical mapping and exploration delineated a large spodumene-bearing pegmatite swarm that had not been previously assessed for lithium or associated rare metals. Drilling by Liontown has defined a maiden Mineral Resource Estimate of ~15Mt @ 1% Li<sub>2</sub>O at the Anna pegmatite (**Figure 4**).



**Figure 2: Buldania Project – Location and Regional Geology.**

During the June 2021 Quarter, Liontown completed a soil sampling program at Buldania comprising 1,391 samples collected on a 200 x 50m pattern, which was designed to identify new drill targets with the potential to expand the resource base.

The soil sampling defined three new, SW/NE trending soil anomalies adjacent to the Anna MRE area (**Figure 3**).

The definition of multiple, parallel soil anomalies is consistent with the geological setting of the Anna mineralisation, which is hosted by a series of stacked, shallowly south-east dipping, SW/NE striking pegmatites. The soil anomalies may indicate strike extensions or repeats of the Anna pegmatites into areas largely obscured by residual soils and dense vegetation.

The next phase of exploration at Buldania commenced during the September Quarter, comprising:

- Ground truthing of the soil anomalies, including geological mapping;
- Extension of soil sampling to the north-east of the existing anomalies; and
- Planning of follow-up drilling.

Exploration drilling commenced in September, and at the end of the quarter Liontown had completed 11 RC holes (BDRC0169-0178) for 2,237m. Initial results are expected to be received from the Laboratory in the December Quarter.

The drilling is designed to test for lateral extensions outside of the current resource area, initially with wide spaced scout drill holes. More focused drilling may then ensue in any newly located areas of mineralisation.

Exploration at Buldania provides the Company with the opportunity for significant organic growth within its 100%-owned, West Australian-based lithium Resource base, which also includes the world-class Kathleen Valley Project.



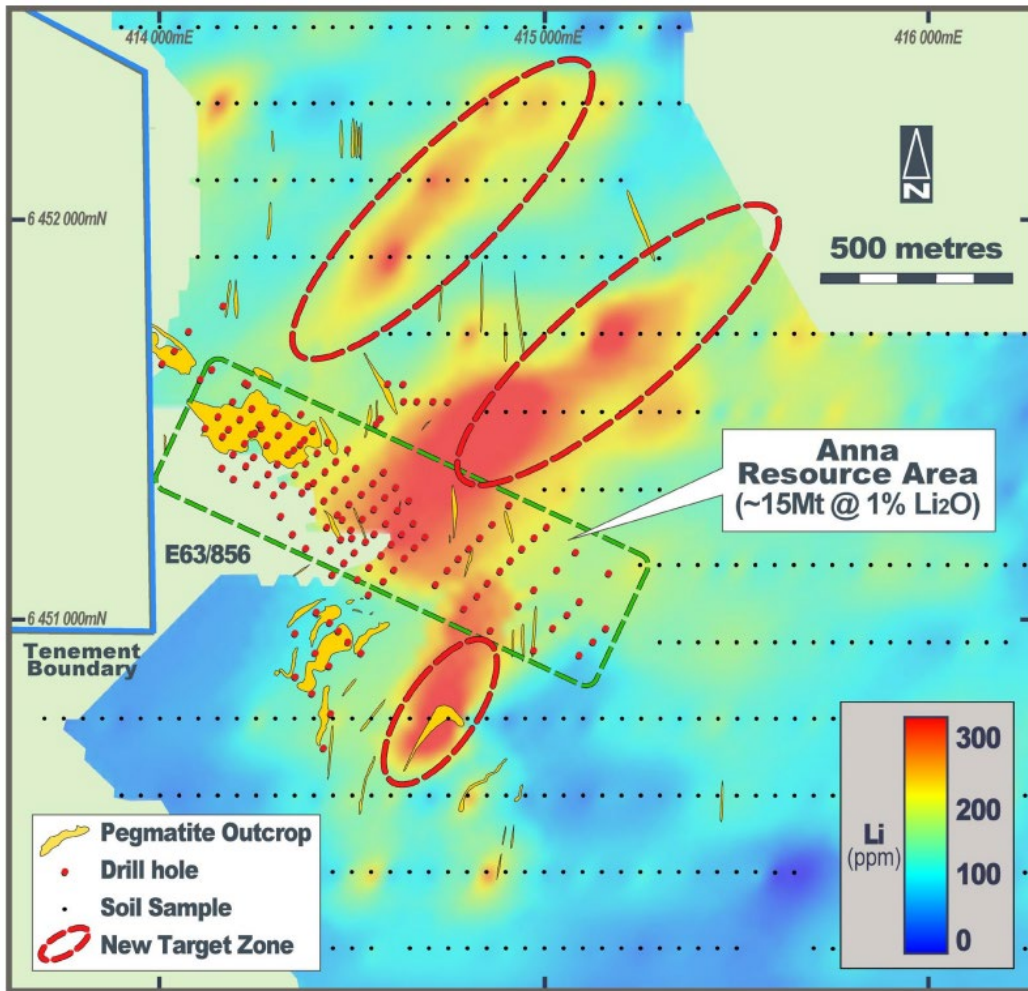


Figure 3: Buldania Lithium Project: Image showing lithium-in-soil results

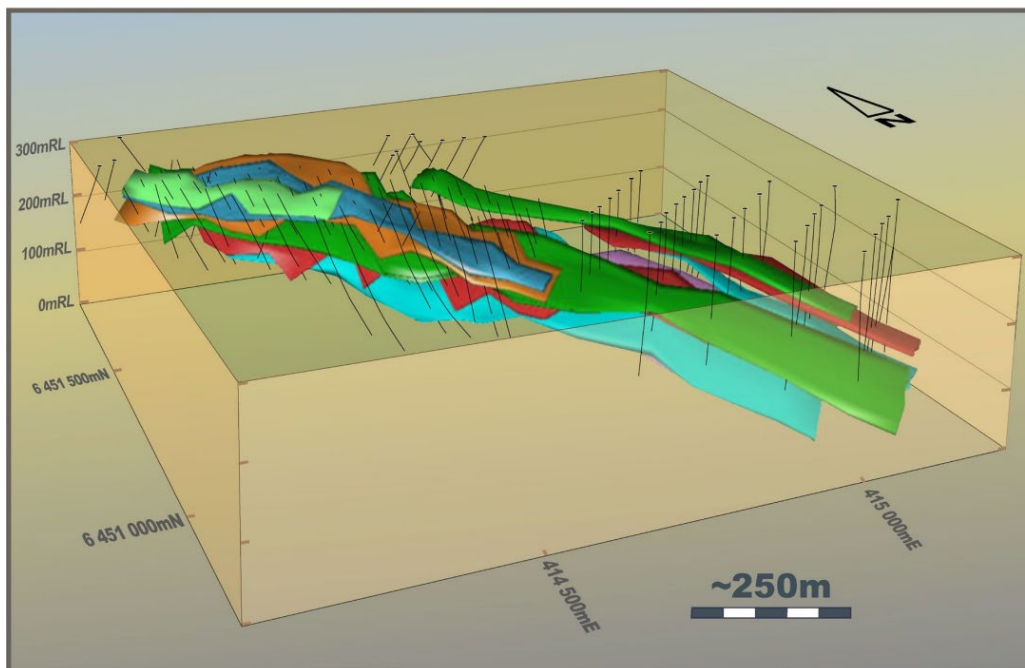


Figure 4: Anna Deposit 3D view (looking north-east) of resource definition drill holes and mineralised pegmatites.

### 3. Toolebuc Vanadium Project, Qld (Liontown: 100%)

*The Toolebuc Vanadium Project is located in NW Queensland, approximately 440km west of Townsville, in a region which hosts a number of large vanadium resources defined as part of previous exploration for hydrocarbons in oil shale. Liontown has five tenements which adjoin existing resources and the Project represents a low-cost entry into vanadium, a commodity that is part of the battery metal suite, critical to the future of energy storage.*

No work was undertaken during the Quarter.

The Company has been seeking to divest the Toolebuc Project via a joint venture or outright sale. Subsequent to the end of the quarter, the Company has reached agreement with Currie Rose Resources Inc. (TSXV - CUI) to dispose of the project in consideration for 12.5 million CUI Shares (with a deemed value of A\$475,000), 4.0 million share purchase warrants at C\$0.10 with a 2 year expiry and a 2% Net Gross Revenue Royalty. The disposal is subject to statutory approvals and conditional upon CUI completing a placement to raise C\$1.1 million.

### 4. Tenement schedules and expenditures

In accordance with ASX Listing Rule 5.3, please refer to Appendix 1 for a listing of tenements. During the Quarter the Company spent \$35,922,000 on exploration and evaluation activities, including \$30.25 million (plus GST) paid to Ramelius Resources Ltd for the termination of a Kathleen Valley royalty, and \$1,248,000 on administration costs.

Payments reported in Appendix 5B, Section 6.1, relate to Directors' fees, consulting fees and salaries paid to Director related parties.

### 5. Corporate

#### Capital Raising

In July 2021, Liontown completed a \$52 million capital raising to accelerate and optimise the development of the Kathleen Valley Project, while also supporting its broader ambition to become a world-class battery materials producer with multiple growth horizons. The strongly supported Placement resulted in the issue of 68.42 million new fully paid ordinary shares at \$0.76 per share to institutional and sophisticated investors.

The capital raising has placed Liontown in a strong position to execute the key elements of its growth and accelerated production strategy. In addition, the proceeds allow Liontown to seek and execute commercial and operating opportunities which optimise the capital and operating costs of the Kathleen Valley Project.

#### Termination of Kathleen Valley Royalty

During the Quarter, Liontown Resources executed a royalty termination deed under which Ramelius Resources Limited (ASX: RMS) agreed to terminate the Kathleen Valley Royalty (KV Royalty) it held over Liontown's Kathleen Valley Project. In consideration for terminating the KV Royalty, Liontown paid Ramelius A\$30.25 million.

The opportunity to remove the financial obligations created by the KV Royalty aligns clearly with Liontown's stated objective of reducing the operating costs of the Project, while also optimising its overall economic profile.

#### Demerger and IPO of Minerals 260

Subsequent to the end of the reporting period, Liontown completed the demerger and Initial Public Offer (IPO) of its Western Australian non-lithium exploration assets, being the Moora, Koojan JV and Dingo Rocks Projects as well as the Yalwest tenement applications.

The demerger was undertaken via newly-incorporated Minerals 260 Limited.

Following receipt of shareholder approval on 22 September 2021, Liontown completed the demerger of Minerals 260 by way of a pro rata in-specie distribution of 160,000,000 fully-paid ordinary shares in Minerals 260. Eligible Liontown Shareholders received 1 Minerals 260 share for every 11.94486 shares held in Liontown Resources on the record date of 28 September 2021.

The Minerals 260 IPO successfully raised \$30 million and closed heavily oversubscribed. Minerals 260 commenced trading on the Australian Securities Exchange on 12 October 2021 under the ASX code "MI6".

Liontown also notes that Mr David Richards formally retired from his position as Liontown's Technical Director and has commenced his new role as Managing Director of Minerals 260 effective 1 October 2021. Mr Richards will remain as a Non-Executive Director of Liontown until the upcoming Annual General Meeting, when he will retire from the Board.

## **S&P ASX 300**

Liontown was included in the benchmark S&P ASX 300 Index of the Australian Securities Exchange, effective from 20 September 2021, reflecting the substantial increase in its market capitalisation, daily trading volumes and the depth of its share register.

## **Board Appointment**

Subsequent to quarter end, highly-regarded company director Ms Jennifer Morris OAM agreed to join the Company's Board and seek election as an independent Non Executive Director at the Annual General Meeting to be held on 24 November 2021.

The appointment will add further experience, independence and diversity to Liontown's Board as it continues on its rapid growth trajectory to become a leading global battery materials producer through the development of its world-class Kathleen Valley Lithium-Tantalum Project in Western Australia.

Ms Morris is an accomplished corporate executive and non-executive director and is currently a non-executive Director of ASX-listed iron ore producer Fortescue Metals Group Ltd (ASX: FMG) and copper producer Sandfire Resources Ltd (ASX: SFR), as well as a Commissioner of the Australian Sports Commission.

## **Cash Position**

At the end of the Quarter, Liontown's cash balance was \$26.5 million.

This announcement has been authorised for release by the Board.

## **TONY OTTAVIANO** **Managing Director**

29 October 2021

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### For More Information:

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## Competent Person Statements

The Information in this Report that relates to Exploration Results, Mineral Resources and Metallurgical Test Work for the Kathleen Valley Project is extracted from the ASX announcement "Strong progress with Kathleen Valley Definitive Feasibility Study as ongoing work identifies further key project enhancements" released on the 8<sup>th</sup> April 2021 which is available on [www.ltresources.com.au](http://www.ltresources.com.au).

### Kathleen Valley Project – Mineral Resource Estimate as at 8 April 2021

Resource category	Million tonnes	Li <sub>2</sub> O % Equiv.	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm
Measured	20	1.44	1.32	145
Indicated	109	1.48	1.37	130
Inferred	27	1.36	1.27	113
<b>Total</b>	<b>156</b>	<b>1.46</b>	<b>1.35</b>	<b>129</b>

Notes:

- Reported above a Li<sub>2</sub>O cut-off grade of 0.55%.
- Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate. Inconsistencies in the totals are due to rounding.
- Li equivalency based on overall recoveries of 50% and 76% respectively for Ta<sub>2</sub>O<sub>5</sub> and Li<sub>2</sub>O based on metallurgical testwork and commodity pricing of US\$69.9/lb for 30% Ta<sub>2</sub>O<sub>5</sub> concentrate and \$739/t for 6% Li<sub>2</sub>O as advised by Liontown.
- Li equivalency based on the following formula:  

$$Li_{2O(eq)} = Li_{2O} + [Ta_{2O_5} \text{ grade} \times (Ta_{2O_5} \text{ price} / Li_{2O} \text{ price} / Li_{2O} \text{ conc grade}) \times (Ta_{2O_5} \text{ recovery} / Li_{2O} \text{ recovery}) \times 2,204 / 10,000]$$
- Liontown's testwork and pre-feasibility studies have shown reasonable prospects for eventual economic extraction and recovery of both lithium and tantalum.

The Information in this Report that relates to Ore Reserves, Production Target and Pre-Feasibility Study (PFS) for the Kathleen Valley Project is extracted from the ASX announcement "Updated Kathleen Valley Pre-Feasibility Study delivers substantial increase in NPV to A\$1.1 billion and mine life to ~40 years" released on 9<sup>th</sup> October 2020 which is available on [www.ltresources.com.au](http://www.ltresources.com.au).

The information in Report that relates to Exploration Results for the Buldania Project is extracted from the ASX announcements "Potential new drill targets defined at Buldania" released on 5<sup>th</sup> July 2021 which is available on [www.ltresources.com.au](http://www.ltresources.com.au).

The Information in this Report that relates to Mineral Resources for the Buldania Project is extracted from the ASX announcement "Liontown announces maiden Mineral Resource Estimate for its 100%-owned Buldania Lithium Project, WA" released on the 8th November 2019 which is available on [www.ltresources.com.au](http://www.ltresources.com.au).

### Anna Deposit, Buldania Project – Mineral Resource Estimate as at 8 November 2019

Resource category	Million tonnes	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm
Indicated	9.1	0.98	45
Inferred	5.9	0.95	42
<b>Total</b>	<b>14.9</b>	<b>0.97</b>	<b>44</b>

Notes:

- Reported above a Li<sub>2</sub>O cut-off grade of 0.5%
- Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate

The Company 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 underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in the relevant market announcements 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 announcements.

## Forward Looking Statement

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.



## APPENDIX 1

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

### 1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - nickel claw back rights retained by other party
		M36/265		
		M36/459		
		M36/460		
		M36/696	Liontown Resources Limited	0% - pending application
		E36/879	Liontown Resources Limited	100% - all metal rights
		E36/1012	LRL (Aust) Pty Ltd	0% - pending application
		L36/236		100%
		L36/237		0% - pending application
		L36/248		
		L36/250		
		L36/251		
		L53/253		
		L53/254		
		L53/255		
	L53/256			
	Buldania	E63/856	Avoca Resources Pty Ltd	100% of rights to lithium and related metals secured by Lithium Rights Agreement
		P63/1977		
		M63/647		
		M63/676		
		E63/1660	LRL (Aust) Pty Ltd	100%
	Toolebuc <sup>(1)</sup>	EPM26490	Liontown Resources Limited	100%
		EPM26491		
		EPM26492		
		EPM26494		
		EPM26495		
	Moora <sup>(2)</sup>	E70/5217	ERL (Aust) Pty Ltd	100%
		E70/5286		
		E70/5287		
	Koojan <sup>(2)</sup>	E70/5312	Coobaloo Minerals Pty Ltd	0% - right to earn 51% secured by Binding Term Sheet
		E70/5337		
E70/5429				
E70/5450				
E70/5515				
E70/5516				
P70/1743				
Dingo Rocks <sup>(2)</sup>	E63/2070	ERL (Aust) Pty Ltd	100% - granted during quarter	
Yalwest <sup>(2)</sup>	E59/2541	ERL (Aust) Pty Ltd	0% - pending application	
	E59/2604			

Note (1) – Conditional agreement to divest the Toolebuc Project entered subsequent to the quarter end.

Note (2) – Projects demerged effective 4 October 2021.

**2. Listing of tenements acquired (directly or beneficially) during the quarter:**

Nil

**3. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter:**

Nil

**4. Listing of tenements applied for (directly or beneficially) during the quarter:**

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	L36/250	LRL (Aust) Pty Ltd	0% - pending application
		L36/251		
		L53/253		
		L53/254		
		L53/255		
		L53/256		
	Yalwest	E59/2604	ERL (Aust) Pty Ltd	0% - pending application

## Appendix 5B

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

Name of entity

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation*	(35,922)	(35,922)
(b) development	-	-
(c) production	-	-
(d) staff costs	(691)	(691)
(e) administration and corporate costs	(557)	(557)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	12
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)**	(291)	(291)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(37,450)</b>	<b>(37,450)</b>

\*Includes payment to Ramelius Resources Limited of \$33.275m (including GST) for cancellation of a Kathleen Valley royalty. GST paid will be refunded in the next quarter.

\*\* Relates to Business Development costs including offtake and financing activities

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(26)	(26)
(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 (3 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)*	(465)	(465)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(491)</b>	<b>(491)</b>

\* Relates to Minerals 260 demerger and related costs

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	51,999	51,999
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1,993	1,993
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2,099)	(2,099)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(15)	(15)
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>51,878</b>	<b>51,878</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	12,545	12,545
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(37,450)	(37,450)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(491)	(491)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	51,878	51,878



## 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 (3 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>26,482</b>	<b>26,482</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	26,482	12,545
5.2	Call deposits	-	-
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>26,482</b>	<b>12,545</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	383
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)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 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)	(37,450)
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)	(37,450)
8.4 Cash and cash equivalents at quarter end (item 4.6)	26,482
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	26,482
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.7
<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: The current quarter included the one-off payment to Ramelius Resources Limited of \$33.275m (including GST) for cancellation of a Kathleen Valley royalty. Excluding the royalty payment, the Estimated quarters of funding available would be 6.3.	
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: Refer to response above at 8.8.1, as the Ramelius Royalty payment was a one-off payment there is no immediate funding requirements.	

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

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: Yes

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.

## 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: .....29 October 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.