



## ASX RELEASE | 31 January 2022 | ASX: AON DECEMBER 2021 QUARTERLY REPORT

Apollo Minerals Limited (Apollo Minerals or Company) is pleased to present its quarterly report for the period ending 31 December 2021. The Company's focus is on its Kroussou zinc-lead project in Gabon (Kroussou) where results to date support the potential for multiple zones of large-scale, shallow, flat-lying, broad mineralisation.

Highlights during and subsequent to the quarter included:

- Major discoveries at Dikaki and Niamabimbou, two of 18 prospects at Kroussou, continue to grow with confirmed thick, shallow, zinc-lead sulphide mineralisation extensions including:

### Dikaki

- 20.9m @ 2.6% Zn+Pb from 32.4m
  - including 6.2m @ 5.3% Zn+Pb from 47.1m; and 2m @ 5.3% Zn+Pb from 32.4m
- 18.9m @ 2.2% Zn+Pb from 1.2m
  - including 5m @ 5.0% Zn+Pb from 1.2m
  - open 400m to the south, untested 530m along trend to the west-southwest.
- 17.3m @ 2.4% Zn+Pb from 37.2m
  - including 4.9m @ 3.2% Zn+Pb from 37.8m; and 6.4m @ 2.9% Zn+Pb from 48.2m
- 20.0m @ 2.0% Zn+Pb from 13.5m
  - including 9.3m @ 2.4% Zn+Pb from 13.5m
  - open 320m to the south and >2km along trend to the east.

Results demonstrate the potential of the eastern and central Dikaki zones merging. New drill holes display significantly higher endowment (up to seven times) when compared to nearby historical drilling (which was typically only partially sampled) – highlighting strong upside potential of the whole Dikaki system.

### Niamabimbou

The first ever drilling at an emerging new discovery with 9km open trend. Significant intercepts from 6 holes received include:

- 19.9m @ 1.6% Zn+Pb from 8.0m
  - including 5.7m @ 3.0% Zn+Pb from 22.2m
- 19.9m @ 1.6% Zn+Pb from 13.5m;
  - including 4.5m @ 2.8% Zn+Pb from 27.4m
- Average depth to first mineralisation at both prospects has been less than 10m.
- Renewal of the Company's Licence covering Kroussou for an additional three years.
- Successful completion of A\$7.2m placement to institutional, sophisticated and high net worth investors, supported by Sprott Capital Partners LP who acted as financial advisor.
- 2022 Drilling to recommence at Dikaki shortly - further news flow and results from exploration programs undertaken during 2021 are expected in the coming weeks.

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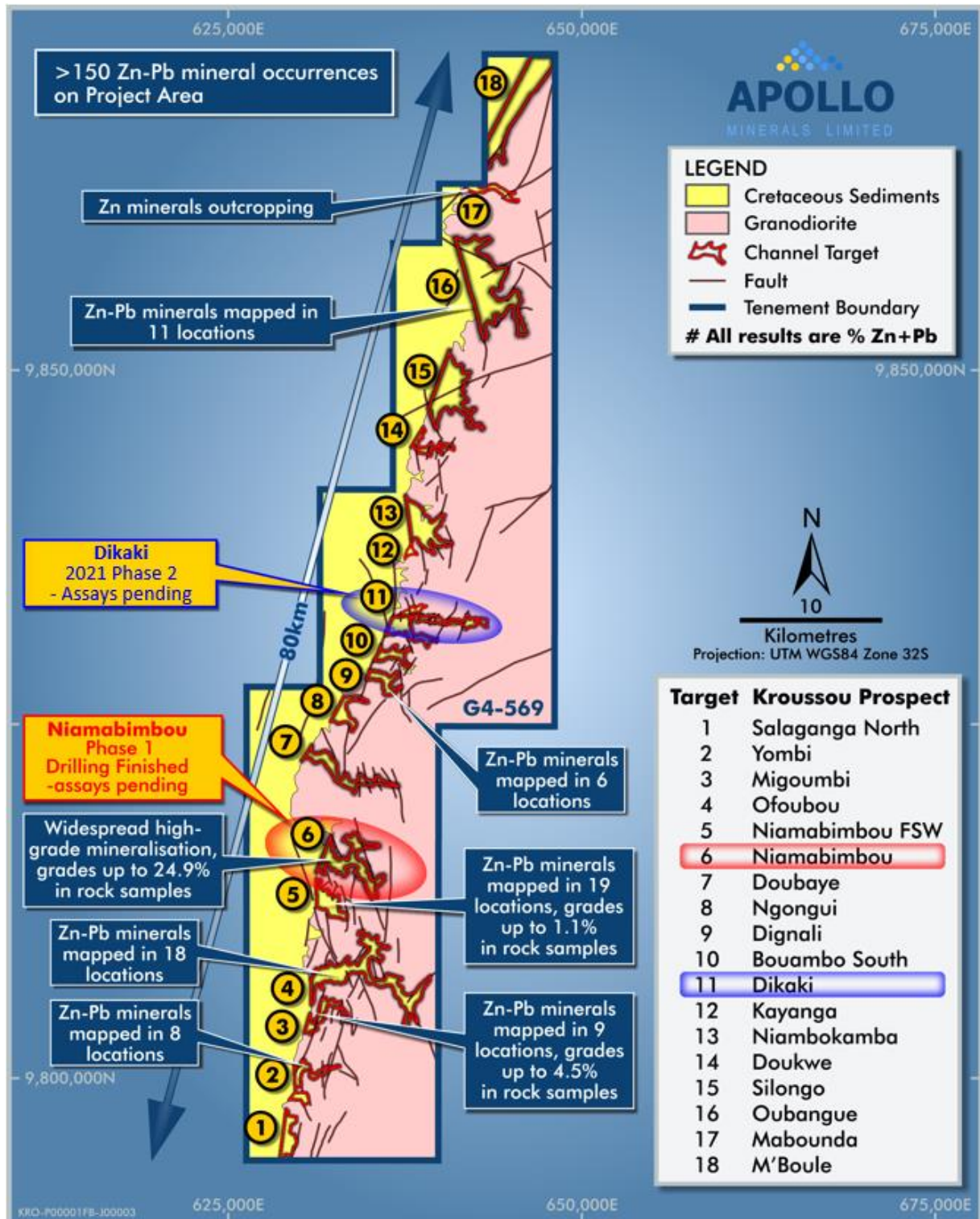


Figure 1: Kroussou Project displaying 18 key prospects over more than 80km of prospective strike length.



## DRILL PROGRAMS AT DIKAKI AND NIAMABIMBOU

Exploration drilling at Kroussou to date has focussed on the Dikaki prospect (**Dikaki**) and newly discovered Niamabimbou prospect (**Niamabimbou**), two of 18 prospects at the Company's Kroussou province-scale zinc-lead project in Gabon.

### ***Dikaki – An Emerging Zinc-Lead Discovery***

The phased drilling program at Dikaki (Figures 1, 2 and 3) was completed during the quarter, consisting of 58 holes for 3,000m with assay results received from 46 holes to date.

Dikaki is situated at the centre of the Kroussou project area and represents one of four prospects with historic drilling activity. Apollo Minerals' diamond drilling within the eastern and central zones at Dikaki was designed to test for the presence of mineralisation near historic exploration conducted by the French Bureau de Recherches Géologiques et Minières ("BRGM"). Historic drilling completed by BRGM at Dikaki identified a variety of mineralisation styles, but the holes were either not sampled or only character-sampled (i.e. only select visually identifiable intervals were sampled, often ending in significant mineralisation).

Assay results from Dikaki continue to display the **potential for a large-scale, shallow, flat-lying, broad mineralised system** with the most recent results during the quarter demonstrating that the thick shallow system is open along strike 340m to the east; where shallow high-grade mineralisation had been intersected by recent drilling. The mineralisation is shallow (2-30m from surface) and up to 40m thick (estimated true thickness) and consists of **sulphide minerals** (predominantly sphalerite and galena – Figure 4); this geometry of mineralisation is interpreted to be favourable to potential shallow, open-pit mining scenarios.

The main Dikaki system is **over 6.8km long, averages 400m wide** and is now interpreted to have potential to be mineralised across the whole channel width, with **average accumulated mineralised thickness of 20m** from recent drilling.

Significant, high grade intercepts from Dikaki to date include:

- 11.3m @ 3.4% Zn+Pb from 9.0m
  - *including 7.8m @ 4.1% Zn+Pb from 11.5m*
- 32m @ 3.1% Zn+Pb from 4.0m
  - *including 13.5m @ 5.3% Zn+Pb from 12.8m*
- 18.7m @ 2.8% Zn+Pb from 5.5m
  - *including 9.5m @ 4.6 % Zn+Pb from 7.9m*
- 20.9m @ 2.6% Zn+Pb from 32.4m
  - *including 6.2m @ 5.3% Zn+Pb from 47.1m; and 2m @ 5.3% Zn+Pb from 32.4m*
- 10.5m @ 2.5% Zn+Pb from 15.6m
  - *including 3.9m @ 4.0% Zn+Pb from 21.0m*
- 33.0m @ 2.4% Zn+Pb from 34.0m
  - *including 14.0m @ 4.0% Zn+Pb from 34.0m*
- 40m @ 2.2% Zn+Pb from 3.2m
  - *including 12m @ 4.1% Zn+Pb from 17.0m and 4m @ 3.1% Zn+Pb from 38.0m*
- 38.2m @ 2.1% Zn+Pb from 20.0m
  - *including 12m @ 4.1% Zn+Pb from 28.0m*
- 23.2m @ 2.4% Zn+Pb from 36.1m
  - *including 10.9m @ 3.1% Zn+Pb from 39.9m*



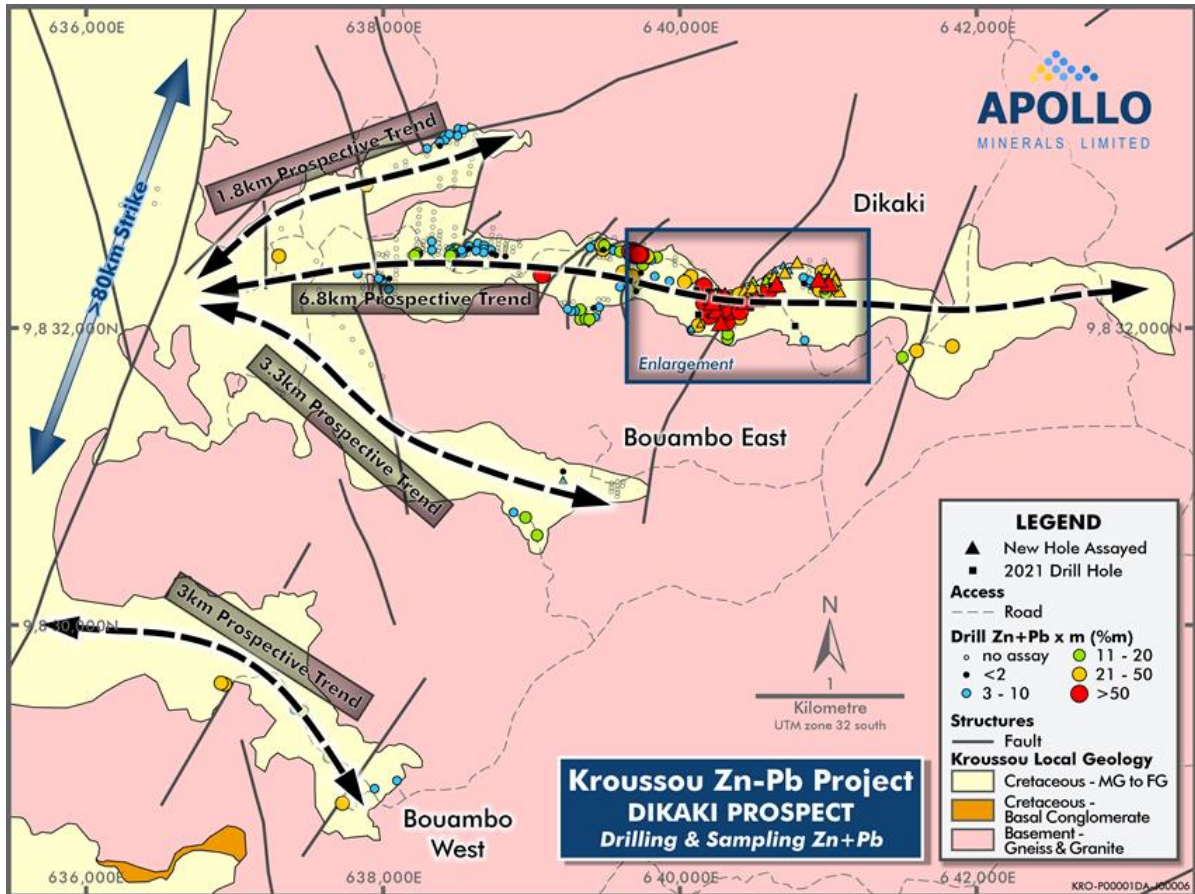


Figure 2: Displaying the broader Dikaki/Bouambo systems and significant trend potential.

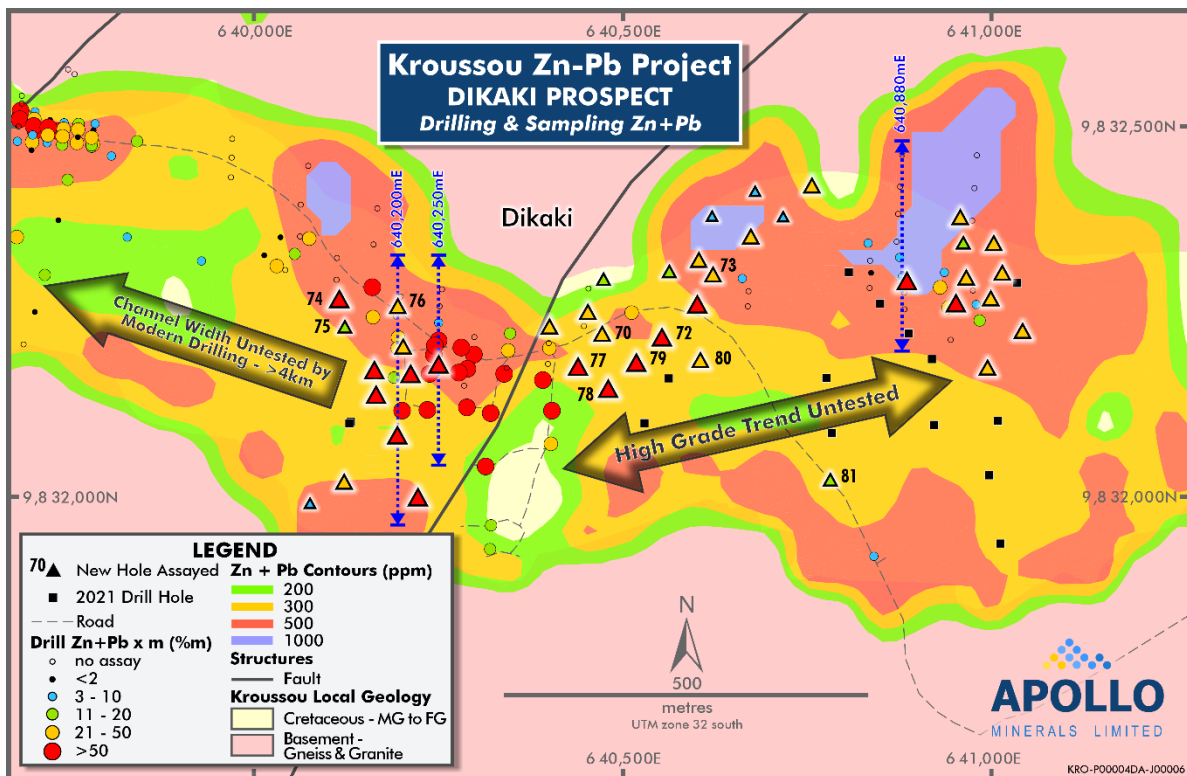


Figure 3: Central Dikaki prospect displaying recent results and location of outstanding holes from 2021 drilling.



**Figure 4: Sulphide mineralisation styles seen at Dikaki and surrounding area.** Top Left: Disseminated coarse galena/sphalerite within sandstone/conglomerate unit (DKDD078); Top Middle: Concentric textured sphalerite and coarse galena within a breccia unit (DKDD001); Top Right: Galena and sphalerite within a breccia unit (BOD004); Bottom Left: Coarse textured galena, sphalerite and marcasite within the basal carbonate unit (DKDD013); Bottom Right: Outcrop of carbonate hosted galena and sphalerite.

### Niamabimbou – A Further Zinc-Lead Discovery

The Niamabimbou prospect (Figures 1, 5 and 6) represents a new emerging discovery, with Apollo Minerals completing the first ever drilling over the system in the quarter. **Mineralisation is open along a 9km trend** throughout Niamabimbou, comprising three distinct sections of prospective trend.

A total of 40 holes for 2,200m have been completed with assay results received from 6 holes to date. Results of the first six holes from the maiden program at Niamabimbou successfully demonstrated **shallow, thick sulphide mineralisation** (Figure 7) with the average depth to mineralisation of less than 7m from surface. Significant intercepts include:

- 19.9m @ 1.6% Zn+Pb from 8.0m
  - including 5.7m @ 3.0% Zn+Pb from 22.2m
- 19.9m @ 1.6% Zn+Pb from 13.5m
  - including 4.5m @ 2.8% Zn+Pb from 27.4m.



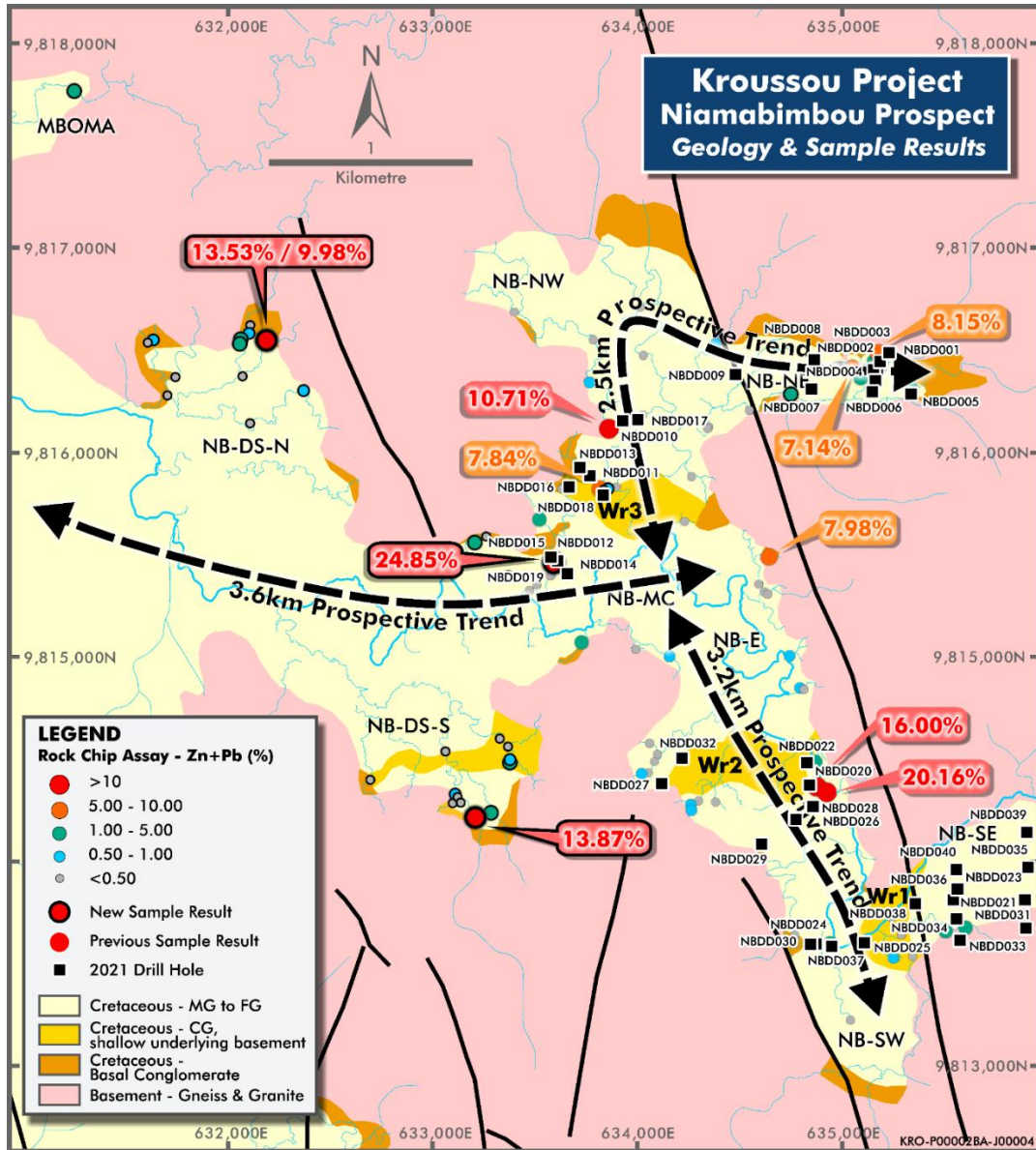


Figure 5: Location of drilling at Niamabimbou and 9km of prospective trends.

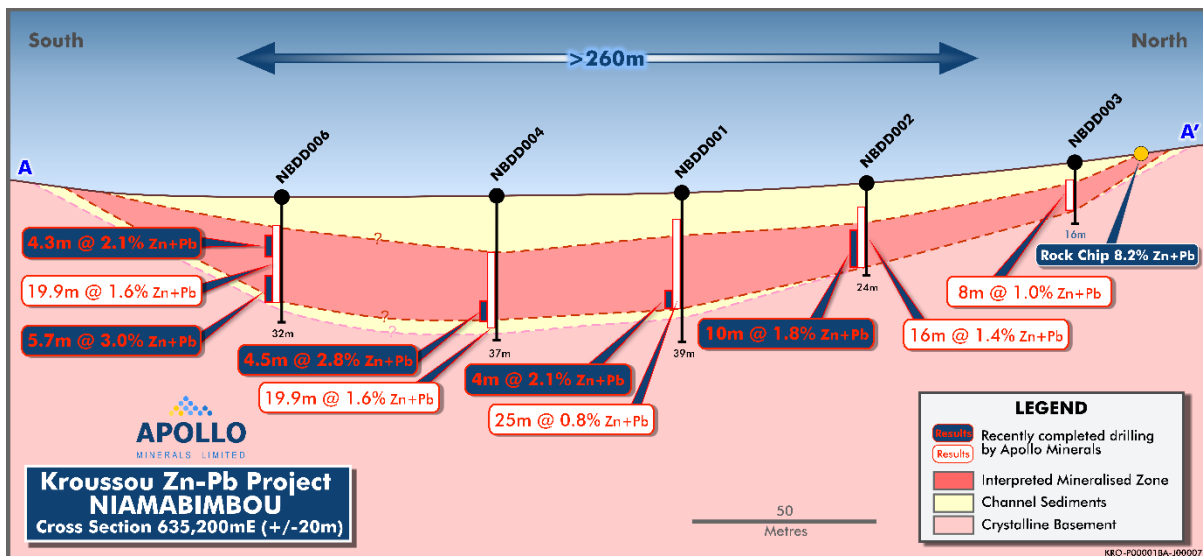


Figure 6: Niamabimbou drilling displaying shallow mineralisation.



**Figure 7 – Examples of mineralisation styles being encountered at Niamabimbou.** Top Left: Coarse galena (lead sulphide) vein in NBDD018 within a dolostone at 34m; Top Right: Disseminated galena and sphalerite (zinc sulphide) in sandstone (8% galena + sphalerite logged) in NBDD006 at 24m; Bottom Left: Sphalerite (schalenblende style) and galena in NBDD016 at 23.5m; Bottom Right: Sphalerite, galena and marcasite in sandstone within NBD014 at 18m.

## FUTURE EXPLORATION PROGRAM

Exploration work planned for 2022 at Dikaki, Niamabimbou and the broader Kroussou project include:

- Geophysical surveys to identify and classify new target regions along the entire +80km strike length of prospective geology at Kroussou;
- Surface exploration programs including geological mapping, rock chip and soil sampling to further assess identified prospects and to generate and classify a global exploration target across the broader project area;
- Ranking and prioritisation of exploration targets across the project area based on received exploration data;
- Metallurgical test work over all prospective targets to assess recovery characteristics, concentrate quality, and variability;
- Additional targeted drilling programs aimed at converting exploration targets to JORC compliant resources; and
- Technical studies, including conceptual studies, to assess the viability of a future mining operation.

The Company will undertake the work program based on results as received with a strong commitment to all aspects of sustainable development and responsible mining, with an integrated approach to economic, social, environmental, health and safety management.



## LICENCE RENEWAL

During the quarter, the Company received formal confirmation of the renewal of the Kroussou zinc-lead project exploration licence in Gabon. The '*permis de recherche minière*' G4-569 (**Exploration Licence or Licence**) covers 986.5km<sup>2</sup> and contains the entirety of the Company's flagship Kroussou Project. The Licence has been renewed for an additional three (3) year period through to November 2024.

## ABOUT THE KROUSSOU PROJECT

Kroussou consists of the Prospecting License G4-569 which covers 986.5km<sup>2</sup> in the Ngounié Province of Western Gabon located approximately 220km south-south east of the capital city of Libreville (Figure 1 and 8). Gabon is a mining friendly jurisdiction with a long history of successful and stable extractive industry investment and operation.

Apollo Minerals entered into an Earn-in Agreement in September 2019 subject to which the Company is earning into an 80% interest in the Kroussou Project (see ASX Announcement dated 3 September 2019). The Company has commenced discussions with the various project vendor groups to accelerate and consolidate the Company's ownership interest in the Project. These negotiations are advanced and while an agreement is not yet certain, the Company expects to provide an update during the March quarter.

Kroussou is easily accessible by the major sealed N1 road from Libreville, and well-maintained provincial roads to towns bordering the project. Well-established and wide forestry tracks are present within the project area to the camp and exploration sites.

Historical exploration work at Kroussou identified Zn-Pb mineralisation hosted in Cretaceous sediments within preserved channels lying on unconformable Archaean and Paleoproterozoic basement rocks. Eighteen separate shallow channels with base metal occurrences have been identified along more than 80km of strike length of prospective geology in the project area. The Zn-Pb mineral occurrences represent a province-scale opportunity offering numerous very shallow, near surface base metal targets with multiple opportunities for discovery.

Apollo Minerals completed a maiden drilling campaign in 2021 which returned significant wide Zn-Pb mineralised intercepts from shallow depths at Dikaki and Niamabimbou, two of the 18 channel prospects. The drilling results indicated both a developing discovery at Dikaki and confirmed shallow mineralisation at Niamabimbou. These results validate the province scale, base metal potential of Kroussou. There are multiple opportunities for further discovery of Zn-Pb mineralisation at Kroussou within the remaining untested channels.

The Zn-Pb discoveries made at Kroussou are represented by thick intercepts at shallow depths with geometry that may be favourable to simple low-cost open-pit mining scenarios.

Initial metallurgical test work on the Kroussou Zn-Pb mineralisation has demonstrated the potential for high grade clean concentrates with strong recoveries of both zinc and lead creating expectations for the potential for high payability.

High-level assessment of infrastructure and transport requirements for a future mining operation at Kroussou has indicated the potential for existing capability which will provide the basis for future feasibility study work.





Figure 8: Kroussou Project and nearby transport infrastructure.



## CORPORATE

### *Placement*

During the quarter, the Company completed a placement to institutional, sophisticated and high net worth investors to raise gross proceeds of A\$7.2 million through the issue of 90 million new ordinary shares in the Company at an issue price of A\$0.08 (**Placement**).

The Placement was supported by Sprott Capital Partners LP (**Sprott**) who acted as financial advisor to what is considered by the Company as a highly strategic fundraising. The Company is pleased to have attracted highly credible globally leading investment funds to the share register.

Sprott is a leading North American-based asset management firm with an excellent track record of identifying and funding successful early-stage resource projects. Sprott's decision to support Apollo Minerals is further demonstration of the significance of the zinc and lead discoveries evolving at the Koussou.

Funds raised by the Placement will be used to accelerate exploration activities at Koussou and for general working capital.

### *Capital Position*

As at 31 December 2021, the Company is in a strong financial position with \$6.7 million in cash and has no debt. Additionally, the Company holds 2.3 million ordinary shares in Constellation Resources Limited (ASX: CR1) valued at approximately \$0.43 million.

The Company's holding in CR1 is the result of the successful spin-out listing of Apollo Minerals' former subsidiary company's holding in Fraser Range nickel-copper and gold assets in Western Australia. As part of the Initial Public Offering on the ASX in July 2018, Apollo Minerals' retained 3 million listed options in CR1 exercisable at \$0.20.

## COVID-19 UPDATE

The Company continues to actively evaluate risks to employees and general operational safety and make any required adjustments to maintain safe and secure operations. A range of procedures have been implemented on site to manage COVID-19 safety and enable testing of employees.

A range of protective measures implemented by the Gabon Government in response to COVID-19 remain in place. Gabon has partially reopened its borders, allowing two international flights per airline per week, subject to various entry restrictions. Land and sea borders remain closed, but cargo transportation and essential services are permitted entry with prior authorisation. Travel by air, road, train and boat within Gabon is possible, including public transport, but is subject to certain conditions (e.g. proof of a negative COVID-19 test, passenger limitations, and hygiene requirements). A nationwide curfew of 9pm – 5am each day continues with social gatherings limited to 30 people. The country's state of health emergency is also still in place.

International travellers are currently permitted to travel to Gabon upon meeting certain conditions including returning a negative covid test prior to and on arrival in Gabon.

The Company continues to actively evaluate the situation, with its in-country staff being successful in transiting to and from site in compliance with Gabon's existing COVID-19 guidelines.



## EUROPEAN GOLD AND TUNGSTEN PROJECT (COUFLENS PROJECT)

As previously announced, Apollo Minerals and the French State had lodged coordinated appeals in the Bordeaux Court of Appeals against the decision of the Toulouse Administrative Court on 28 June 2019 to cancel the Couflens exploration permit (**Couflens PER**). The Couflens PER includes the historical high-grade Salau tungsten mine that was owned by the Company's French subsidiary Variscan Mines SAS (**Variscan**).

In June 2020, the Bordeaux Court of Appeals dismissed the appeal, confirming the cancellation of the Couflens PER. In its ruling, the Court of Bordeaux noted that the French State had followed an irregular procedure and did not adequately consult the public prior to granting the Couflens PER. The French State and the Company had contested the decision of the Toulouse Administrative Court on the grounds that the Company had sufficient financial capacity at the time of grant of the Couflens PER.

At the time of the application for the Couflens PER, Apollo Minerals was required to demonstrate to the French State that it had sufficient financial capacity to conduct its planned research activities. The Company provided supporting documentation to the French State in October 2016, to confirm its financial capacity and the permit was subsequently granted to Variscan. Prior to the grant of the Couflens PER, the French State was required to make this supporting documentation available to the public, but it failed to do so. The appeal Court noted that "In view of the interest in the quality and completeness of the information provided on the operator's [Variscan] financial capacity, the public was deprived of a guarantee of full information on this point."

Taking this ruling into account, Apollo Minerals and its French subsidiaries have filed a claim for compensation before the Administrative Court of Toulouse and is awaiting the court's decision. The Company will inform the market of material developments as they occur.

### COMPETENT PERSONS STATEMENT

*The information in this announcement that relates to previous exploration results are extracted from the Company's ASX announcements dated 3 September 2019, 15 January 2021, 30 April 2020, 29 January 2021, 21 July 2021, 30 August 2021, 1 September 2021, 6 October 2021 and 11 November 2021. These announcements are available to view on the Company's website at [www.apollominerals.com](http://www.apollominerals.com). The Company confirms that a) it is not aware of any new information or data that materially affects the information included in the ASX announcements; b) all material assumptions included in the ASX announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this report have not been materially changed from the ASX announcements.*

### FORWARD LOOKING STATEMENTS

*Statements regarding plans with respect to the Company's projects are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.*

*This announcement has been authorised for release by Mr Neil Inwood, Executive Director.*





## Appendix 1: Summary of Mining Tenements

As at 31 December 2021, the Company has an interest in the following projects:

Project Name	Permit Number	Percentage Interest	Status
Kroussou Project, Gabon	G4-569	-( <sup>1</sup> )	Granted
Couflens Project, France	Couflens PER	Nil( <sup>2</sup> )	Cancelled( <sup>2</sup> )

### Notes:

- (<sup>1</sup>) In September 2019, the Company announced that it had entered into an Earn in Agreement (EIA) with Trek to earn-in an interest of up to 80% in the Kroussou project. The Kroussou project comprises one Prospecting Licence (*Permis de Recherche G4-569*) that covers 986.5km<sup>2</sup> in the Ngounié Province, western Gabon. As at 31 December 2021, the Company held no beneficial interest in the Project, other than through the EIA. During the quarter, the subsidiary in Gabon with holds the Kroussou project Prospecting Licence, received formal confirmation of the renewal of the Kroussou zinc-lead project exploration licence in Gabon. The 'permis de recherche minière' G4-569 (Exploration Licence or Licence) covers 986.5km<sup>2</sup> and contains the entirety of the Company's flagship Kroussou Project. The Company's Licence has been renewed for an additional three (3) year period through to November 2024.
- (<sup>2</sup>) In June 2020, the Bordeaux Court of Appeals confirmed the cancellation of the Couflens PER. Taking this ruling into account, Apollo Minerals and its French subsidiaries have submitted a formal claim for compensation through the French courts in relation to damages suffered as a result of the cancellation of the Couflens PER by the Administrative Court of Toulouse.

## Appendix 2: Related Party Payments

During the quarter ended 31 December 2021, the Company made payments of \$113,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, director fees and superannuation).

## Appendix 3: Exploration and Mining Expenditure

During the quarter ended 31 December 2021, the Company made the following payments in relation to exploration activities:

Activity	\$000
Kroussou Earn-in funding	373
Drilling related	322
Consultants – geophysical, logistical, camp set up, etc	319
<b>Total as reported in the Appendix 5B</b>	<b>1,014</b>

There were no mining or production activities and expenses incurred during the quarter ended 31 December 2021.

## Appendix 4: Summary of Performance Shares on Issue

In accordance with ASX Waiver dated 4 May 2017, the Company provides the following information in respect of the Performance Shares on issue which relate to the Couflens PER (refer to note 2 above, which outlines that the licence has been cancelled):

- a) The number of Performance Shares on issue as at 31 December 2021 are:
- 10,000,000 Class A Convertible Performance Shares;
  - 10,000,000 Class B Convertible Performance Shares;
  - 10,000,000 Class C Convertible Performance Shares;
  - 15,000,000 Class D Convertible Performance Shares; and
  - 20,000,000 Class E Convertible Performance Shares.
- b) Each Performance Share will convert into one Share upon the earlier of the satisfaction of the relevant milestone or an Asset Sale of the Couflens PER, on or prior to the Expiry Date (30 June 2022):
- Class A Milestone** means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 25,000 tonne WO<sub>3</sub> at an average grade of not less than 1.0% WO<sub>3</sub> using a cut-off grade of not less than 0.3% WO<sub>3</sub> on the Couflens PER and which is prepared and reported in accordance with the provisions of the JORC Code. For the avoidance of doubt, the referenced tonnes and grade are WO<sub>3</sub> values, not WO<sub>3</sub> equivalent values incorporating by-products credits.
  - Class B Milestone** means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 500,000 troy ounces of gold at an average grade of not less than 0.8 grams per tonne on the Couflens PER and which is prepared and reported in accordance with the provisions of the JORC Code.
  - Class C Milestone** means the release of a comprehensive announcement by the Company to ASX of



- the results of a positive Scoping Study on all or part of the Couflens PER.
- d. **Class D Milestone** means the release of a comprehensive announcement by the Company to ASX of the results of a positive Pre-Feasibility Study on all or part of the Couflens PER.
  - e. **Class E Milestone** means the release of a comprehensive announcement by the Company to ASX of the results of a positive Definitive Feasibility Study on all or part of the Couflens PER.
  - f. **Asset Sale** means the announcement by the Company of any completed direct or indirect sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or part of the Couflens PER, other than to an entity controlled by the Company, provided that the total amount of consideration received by the Company is at least A\$21 million.
  - g. **Expiry Date** means 5.00pm (Perth time) on the date which is 5 years after the date of issue of the Performance Shares (i.e. 30 June 2022).
- c) No Performance Shares were converted or cancelled during the quarter. No vesting conditions were met during the quarter.

## Appendix 5B

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

Name of entity

Apollo Minerals Limited

ABN

96 125 222 924

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<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	(16)	(21)
(e) administration and corporate costs	(250)	(431)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
(a) Business Development	(66)	(106)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(327)</b>	<b>(551)</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	(1,014)	(2,233)
(e) investments	-	(460)
(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	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	104
	(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>(1,014)</b>	<b>(2,589)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,200	7,200
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	(439)	(439)
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>6,761</b>	<b>6,761</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	1,245	3,044
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(327)	(551)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,014)	(2,589)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,761	6,761

## 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 (6 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>6,665</b>	<b>6,665</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	222	1,215
5.2	Call deposits	6,443	30
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>6,665</b>	<b>1,245</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	(13)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(100)

*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. 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) (a) 2.3 million ordinary shares held in Constellation Resources Limited (CR1)	426	-
<b>7.4 Total financing facilities</b>	<b>426</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>426</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.		
At 31 December 2021, the Company held 2.3 million ordinary shares in Constellation Resources Limited.		

<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)	(327)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,014)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	<b>(1,341)</b>
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,665
8.5 Unused finance facilities available at quarter end (item 7.5)	426
8.6 Total available funding (item 8.4 + item 8.5)	<b>7,091</b>
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>5.3</b>
<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: Not applicable.	
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: Not applicable.	
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: Not applicable.	
<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: 31 January 2022

Authorised by: 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.