

29 April 2022

quarterly

MARCH 2022 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Alaska Range Project, Alaska

- Results from the 2021 exploration program at the high-grade Caribou Dome Copper Project were announced:
 - Highlighted thick zones of massive sulphide mineralisation of up to 14.8% copper with significant silver credits.
 - The copper grades were higher than predicted by the block model used for the existing mineral resource estimate.
 - The results also confirmed the deposit is open at depth and along strike from these high-grade zones.
- Given the extremely positive findings from the 2021 program, PolarX commenced a review of the resource model to determine a follow-up drilling campaign in 2022, to extend the known mineralisation.

Humboldt Range Project, Nevada

- Announced highly anomalous gold and silver values in 6 of 11 channel sample traverses, at the Star Canyon prospect, which cover a cumulative length of >275m perpendicular to the estimated >645m strike length of altered and mineralised volcanic rocks:
 - Channel 1: 54m @ 17.3g/t Ag and 0.22g/t Au
 - Channel 2: 72m @ 11.7g/t Ag and 0.21g/t Au
 - Channel 3: 175m @ 2.2g/t Ag and 0.13g/t Au
 - Channel 4: 48m @ 11.4g/t Ag and 0.18g/t Au
 - Channel 10: 6.8m @ 4.1g/t Ag and 0.12g/t Au
 - Channel 11: 7.7m @ 1.5g/t Ag and 0.19g/t Au
- This area is the Black Canyon claim block's best-known target for large-tonnage, low to moderate grade gold-silver mineralisation.
- A program of RC percussion drilling has commenced at Star Canyon, with ten holes to an average depth of 150m scheduled for drilling over a 2-week period.
- The drill rig will then move south to drill a further ten holes at the Fourth of July claim block, testing multiple targets for gold-silver mineralisation.

ALASKA RANGE COPPER PROJECT

During the March 2022 quarter, PolarX Limited (ASX: PXX) announced the assay results from its 2021 exploration program at the high-grade Caribou Dome Copper Project within its Alaska Range Project.

PolarX drilled four holes at Caribou Dome in August/September 2021 to provide samples of copper mineralisation for metallurgical test work (Figures 1 to 4). The holes were drilled into zones of copper mineralisation hosted in massive to semi-massive sulphides with locations exactly as predicted by the resource block model used for resource estimation in April 2017. The infill drilling returned extremely high-grade assays in multiple thick zones of massive sulphides, demonstrating the outstanding quality of the Mineral Resource and therefore the development potential.

	From	To	Down-Hole Interval (m)	Est. True Thickness (m)	Cu %	Ag ppm
CD21-001	25.28	35.05	9.77	6.45	6.8	7.8
and	45.16	64.25	19.09	12.60	7.0	11.2
including	45.16	54.1	8.94	5.90	10.0	16.0
including	50.12	54.1	3.98	2.63	14.8	24.0
and	58.4	64.25	5.85	3.86	6.8	10.9
CD21-002	12.07	20.73	8.66	5.89	0.3	1.1
and	43.6	56.85	13.25	9.01	0.4	0.5
CD21-003	26	36.71	10.71	7.50	7.4	15.4

Evaluation of the results also found that the very high-grade mineralisation has not been closed off at depth or along strike. The potential for down-dip extensions of known mineralisation is shown in the cross-section in Figure 4, where the mineralisation remains open below two lenses of copper sulphides which assayed 19.1m @ 7.0% Cu + 11.2g/t Ag, and 5.7m @ 7.3% Cu + 7.5g/t Ag. These intersections also remain open along strike to the east (Figure 1).

The Company is undertaking a full review of the resource model and the planned exploration program at the Alaska Range Project in 2022 will comprise additional core drilling at the Caribou Dome copper deposit to identify extensions to the mineralisation along strike and down-dip from the high-grade intersections announced during the March quarter.

During the quarter the Company also continued to progress technical studies on the Alaska Range Project, which comprise:

- Metallurgical test work evaluating processing options for the Zackly gold-copper-silver mineralisation and the potential for co-processing with Caribou Dome copper mineralisation; and
- Scoping study which is evaluating combined mining and processing of Caribou Dome and Zackly mineralisation to help determine minimum resource size required for a viable project. The study is anticipated to be completed in Q2 2022.

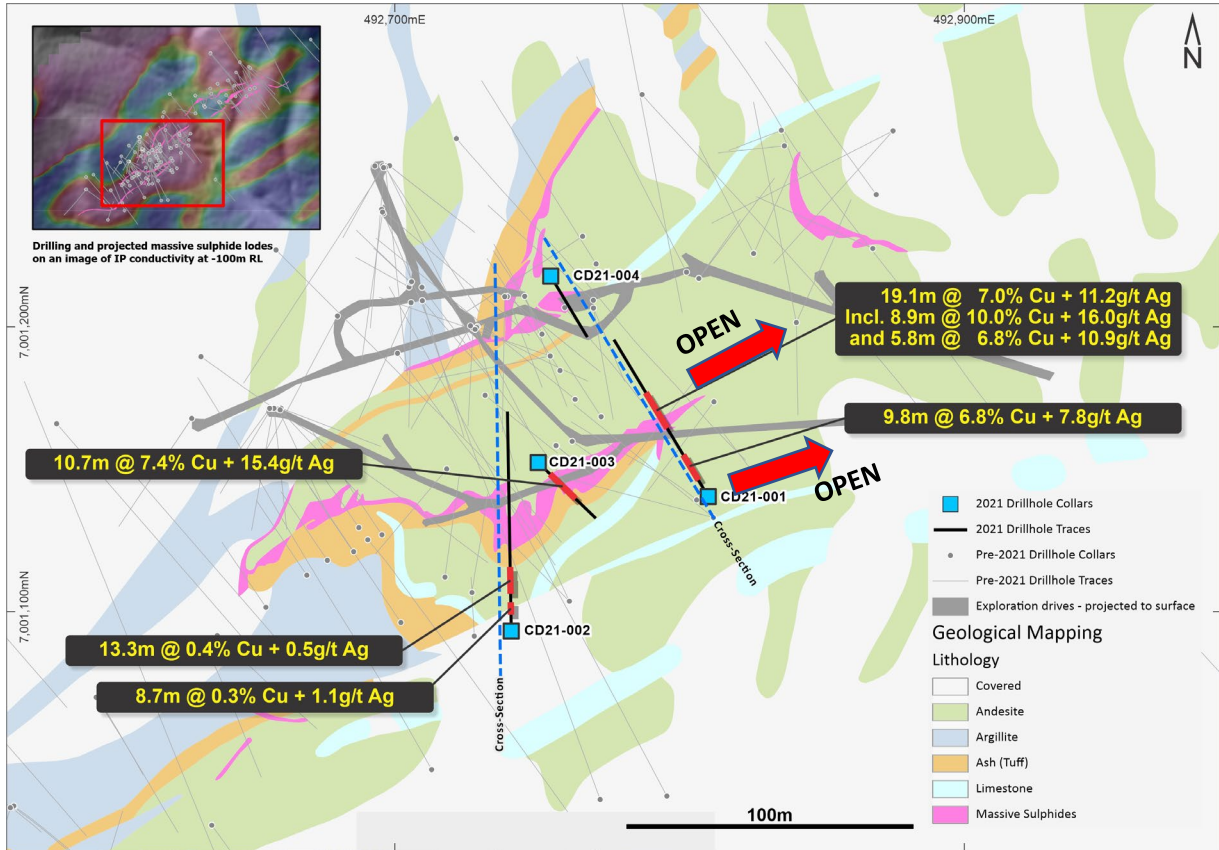


Figure 1 Plan view showing recent assays and location of drill holes into the mineral resource estimate block model at Caribou Dome and along-strike upside potential.

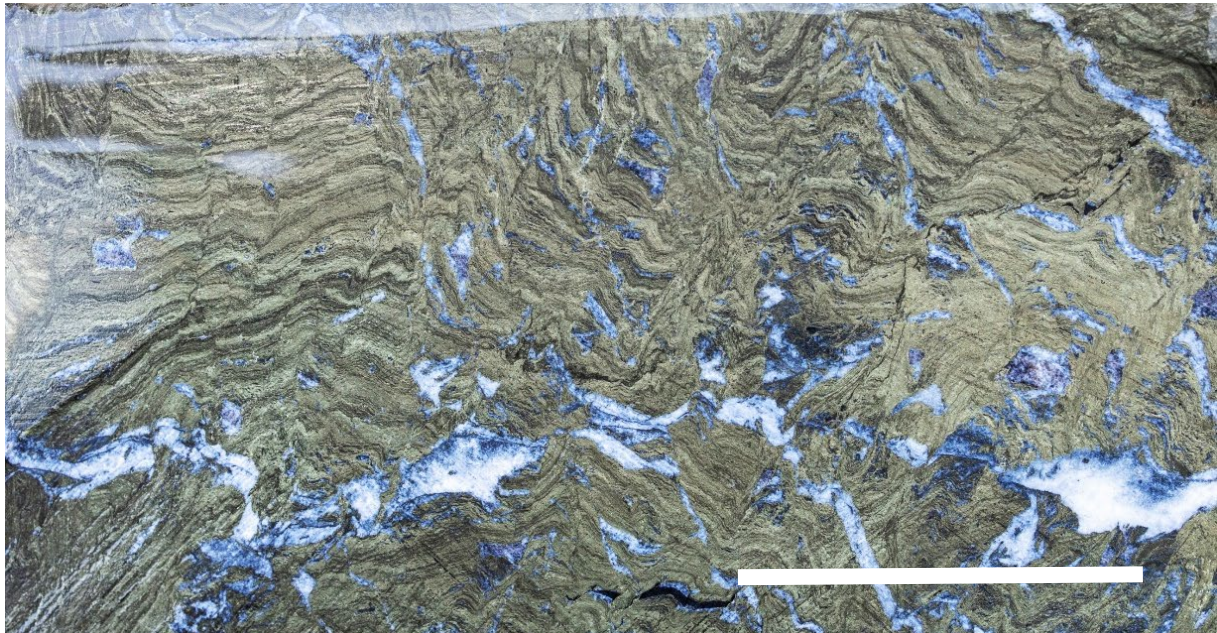


Figure 2 Finely laminated massive sulphides with 11.4% Cu and 23.4g/t Ag at 28.2m, CD21-003. Scale bar = 5cm.

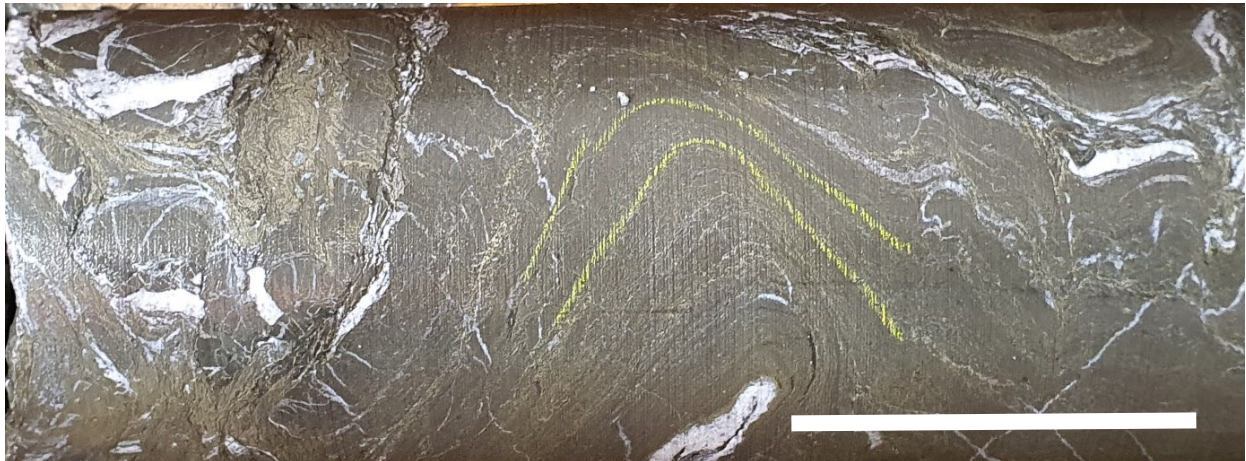


Figure 3 CD21-001 at down-hole depth of 47.5m. Very fine-grained massive pyrite and chalcopyrite with soft sediment folding and slumping. This interval assayed 9.3% Cu and 15.2g/t Ag. Scale bar approx. 5cm.

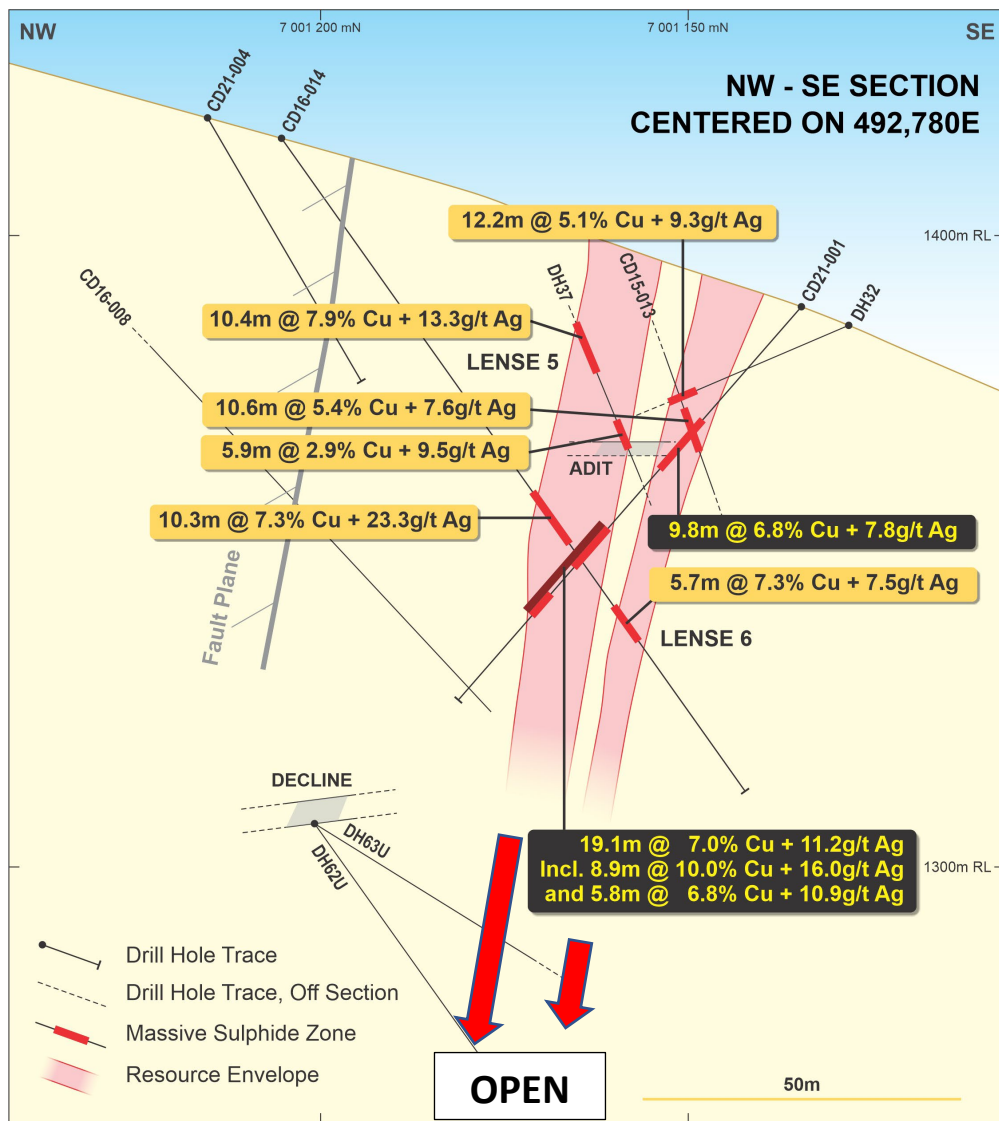


Figure 4 Drill cross section showing multiple high-grade copper intersections in CD21-001 and down-dip upside potential.

Project Overview

The Caribou Dome Project (Figure 5) is located approximately 250km northeast of Anchorage in Alaska, USA. It is readily accessible by road – the Denali Highway passes within 20km of the Project and from there a purpose-built road provides direct access to the historic underground exploration development at the Project.

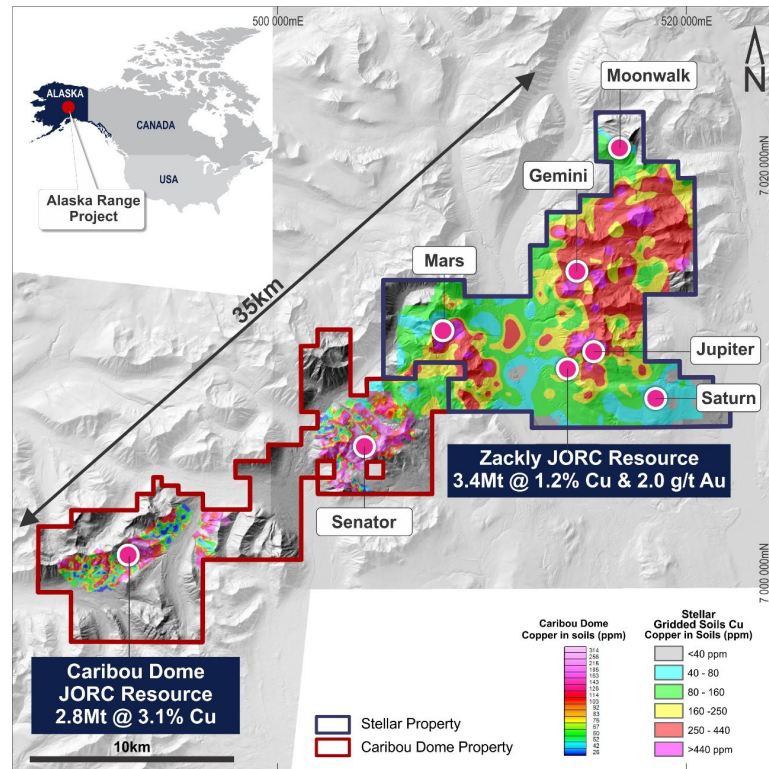


Figure 5 Location Map showing Caribou Dome in the Alaska Range Project

Copper mineralisation was discovered at the Caribou Dome Project in 1963. From 1963-1970 nine lenses of volcanic sediment-hosted copper mineralisation were delineated over approximately 700m of strike. Ninety-five diamond core holes were drilled during this period, from surface and underground.

On 25 February 2015, PolarX secured the right to acquire an 80% interest in the Caribou Dome Project by meeting certain expenditure obligations and annual cash payments. Very limited exploration had been undertaken since 1970, until PolarX secured the rights to explore and develop the project in February 2015. It compiled all historic technical information, prioritised targets arising, completed a ground geophysics (induced polarisation) survey, geochemical soil sampling and two programs of diamond core drilling. This drilling rapidly validated previous work and the Company was able to publish a maiden resource in April 2017 (see Table 1 below).

Table 1. Alaska Range Project Resource Estimates (JORC), 0.5% Cu cut-off grade

	Category	Million Tonnes	Cu %	Au g/t	Ag g/t	Contained Cu (t)	Contained Cu (M lb)	Contained Au (oz)	Contained Ag (oz)
ZACKLY	Inferred	3.4	1.2	2.0	14.0	41,200	91	213,000	1,500,000
CARIBOU	Measured	0.6	3.6	-	-	20,500	45	-	-
DOME	Indicated	0.6	2.2	-	-	13,000	29	-	-
	Inferred	1.6	3.2	-	-	52,300	115	-	-
					TOTAL	127,000	280	213,000	1,500,000

HUMBOLDT RANGE GOLD-SILVER PROJECT, NEVADA

During the March 2022 quarter, the Company announced the following results from its exploration programs undertaken in late 2021, which comprised infill soil and channel sampling within the Black Canyon claim block.

Infill Soil Sampling

The entire Black Canyon claim block was previously sampled on a 200m x 50m grid basis and has been infilled to a 100m x 25m grid over gold/silver anomalous areas (Figure 6):

The infill soil sampling and channel sampling, undertaken in late 2021, was completed at Star Canyon over heavily altered and mineralised volcanic rock outcrops within a very large gold, silver, lead and arsenic in soil geochemical anomaly. Results of these programs and location of the planned RC drill collars are presented below:

- Infill sampling highlighted a very large cohesive gold anomaly in the eastern part of the claims, which extends for over 2300m along strike and approximately 900m across strike at >30ppb gold.
- The infill sampling also highlighted that the large gold anomaly is associated with highly anomalous levels of silver, lead and arsenic, consistent with observations of mineralised samples in the field (Figure 7).
- Within this large multi-element soil geochemical anomaly, the eastern part of Star Canyon contains a coherent gold in soil anomaly which is situated at the break in slope and which measures 645m long x 500m wide at >50ppb Au, before being concealed under thin soils to the north and south.

Channel Sampling

Channel sampling was undertaken across extensive outcropping ridges of intensely silicified and oxidised volcanic rocks hosting multiple quartz vein arrays and old gold-silver workings within the Star Canyon gold anomaly (Figure 8). Results included:

- Highly anomalous gold and silver levels were recorded in six of the eleven channels that were sampled (see Figure 9):

Channel ID	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)
Traverse_1	0	54	54	17.3	0.22
Traverse_2	0	72	72	11.7	0.21
Traverse_3	0	175	175	2.2	0.13
Traverse_4	0	48	48	11.4	0.18
Traverse_5	0	14	14	0.9	0.11
Traverse_6	4.5	21.5	17	1.6	0.08
Traverse_7	0	10	10	0.3	0.01
Traverse_8	0	27	27	0.7	0.03
Traverse_9	0	18	18	1.9	0.09
Traverse_10	0	6.8	6.8	4.1	0.12
Traverse_11	0.3	8	7.7	1.5	0.19

- The anomalous surface channel sampling results are consistently at or above the cut-off grades at the two proximal large-scale mines, confirming their potential commercial significance prior to drilling.

- This area represents the Black Canyon’s best-known target for large tonnage, low to moderate grade gold-silver mineralisation, with drill testing now underway. Drill collar locations are shown in Figure 9.

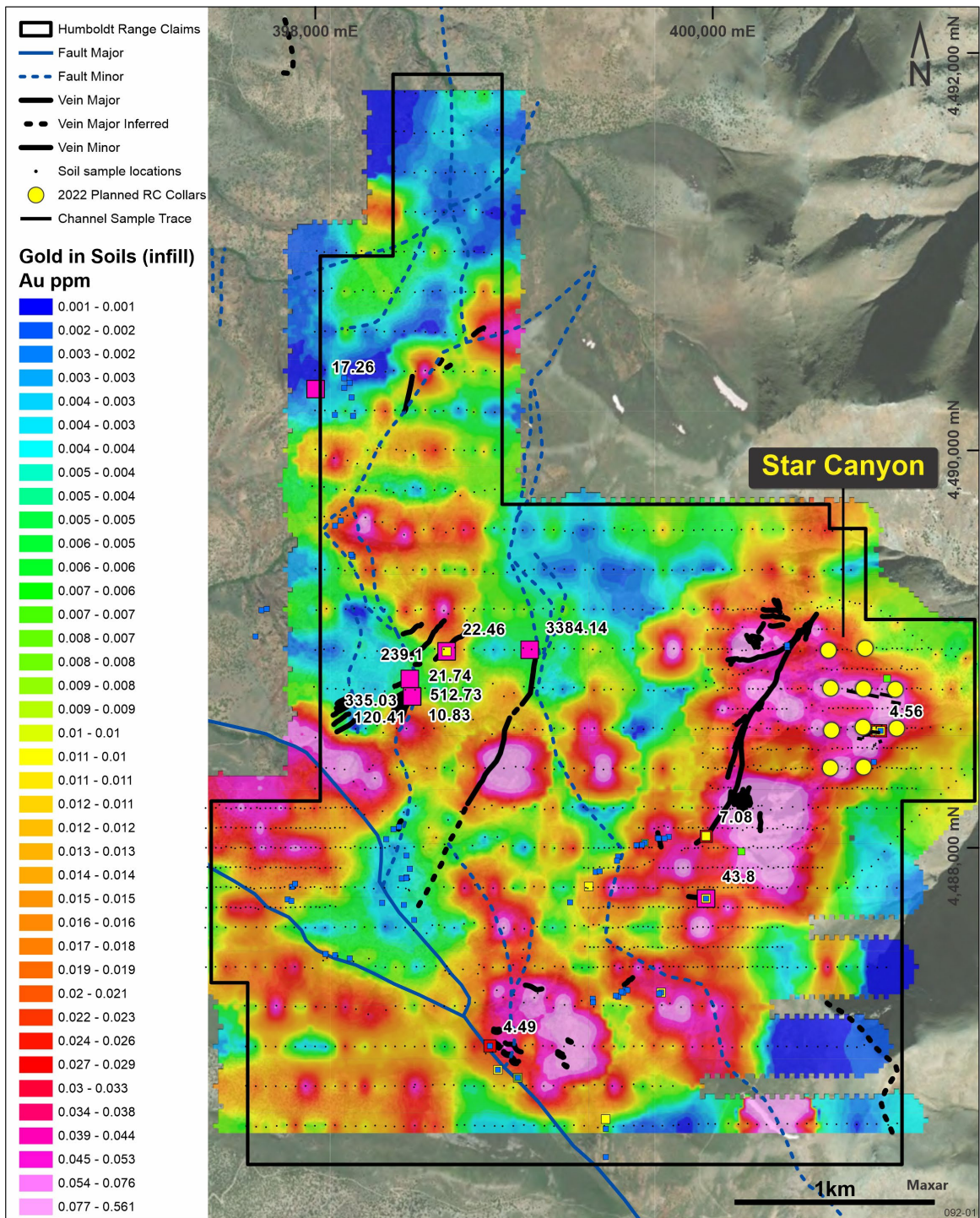


Figure 6 Gridded image of gold in soil sampling overlain with rock-chip sample assays, labelled where >4g/t gold. Location of Channel Samples in Star Canyon shown, along with planned RC drill collar locations.

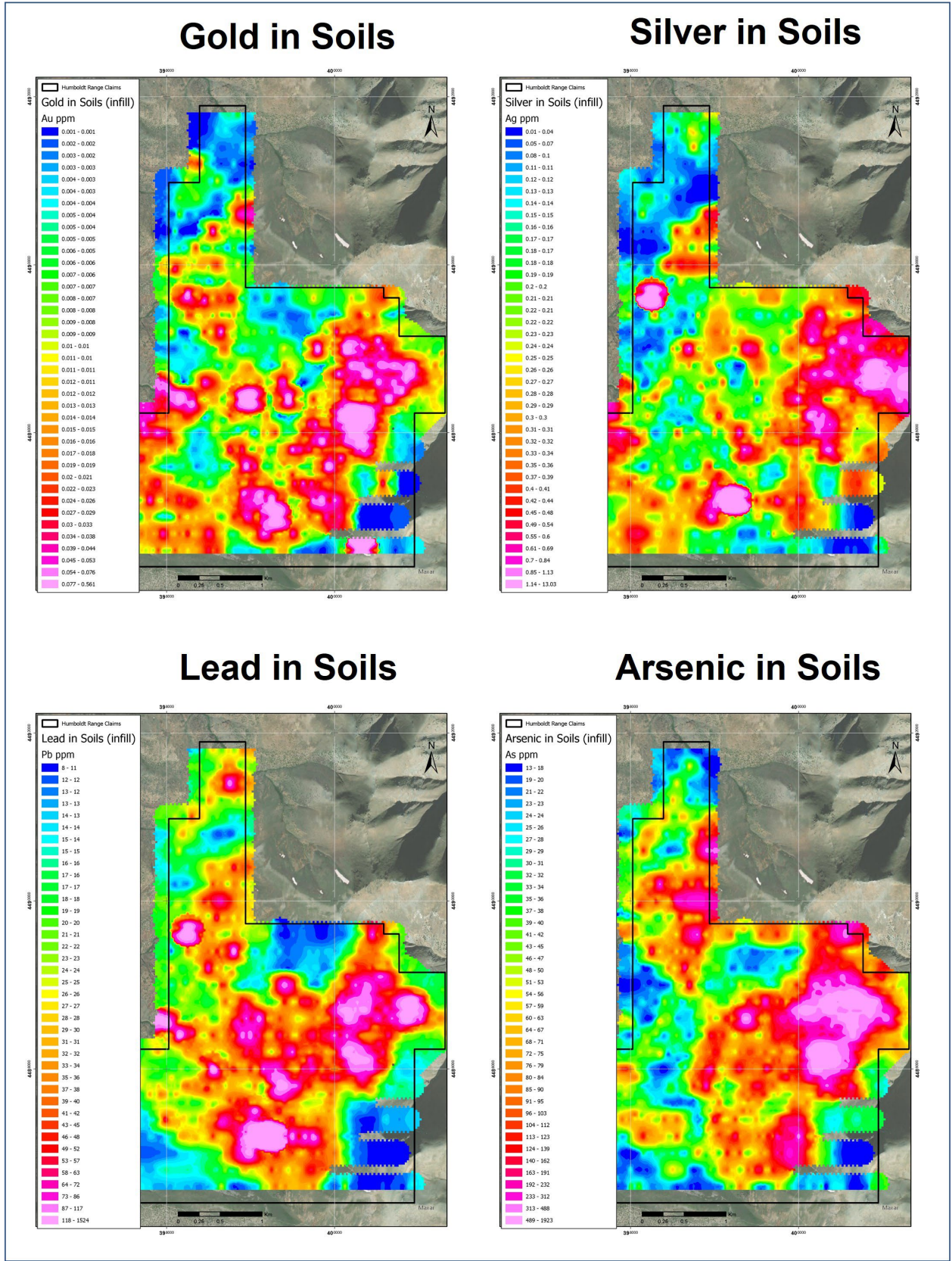


Figure 7. Multi-element geochemical anomalism at Black Canyon claims, Nevada



Figure 8 Intensely veined and altered volcanic rocks associated with gold anomalism exposed in soil sampling and historic gold-silver workings, Star Canyon.

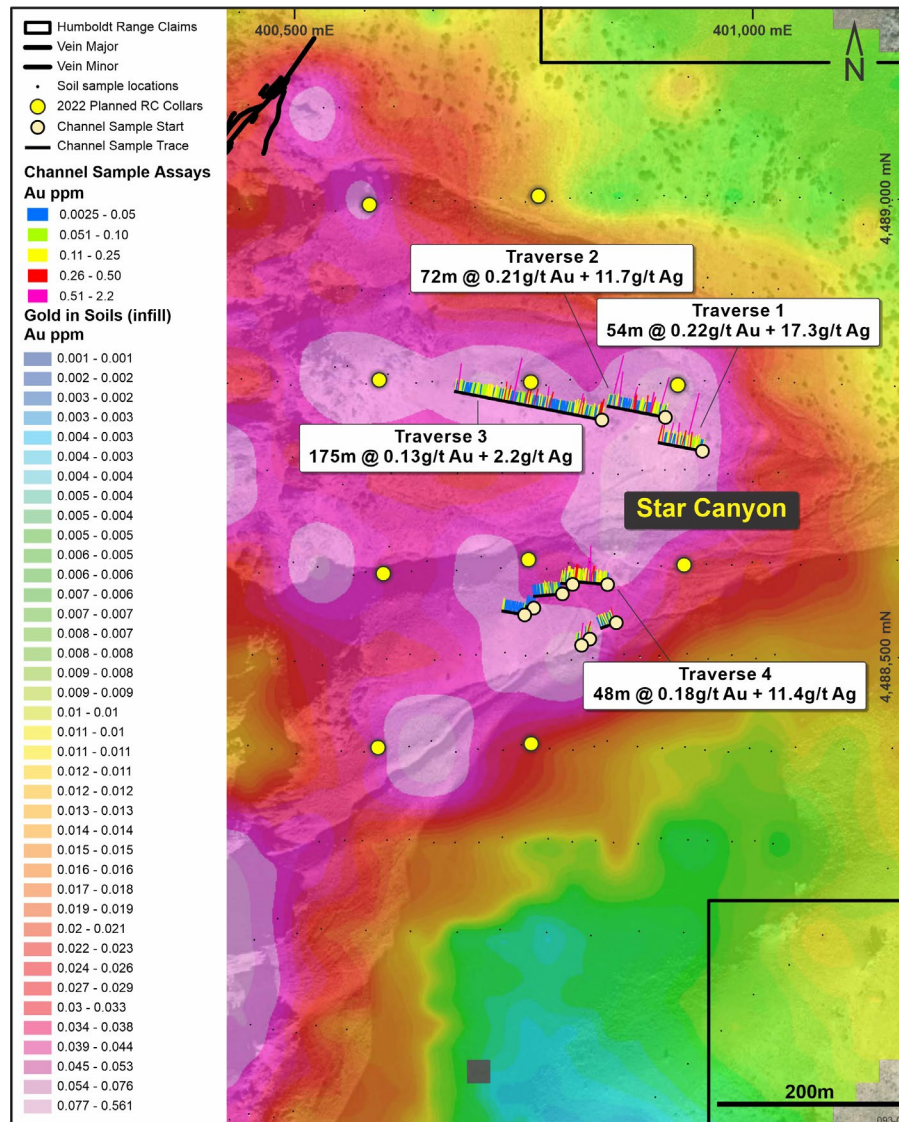


Figure 9 Channel sample assay results across the 645m x 500m +50ppb gold-in-soil anomaly. Planned RC drill collars shown.

Following release of the above results, the Company has now commenced RC percussion drilling on the highly promising gold-silver drill target near the head of Star Canyon in the Black Canyon claims within its Humboldt Range Project in Nevada, USA (Figure 10).

A minimum program of ten holes for 1,500m is planned, followed by a similar program at the nearby Fourth of July claims.



Figure 10 RC percussion drill rig on site drilling the first hole at Star Canyon, Nevada

Humboldt Range Background

The Humboldt Range Project comprises 333 lode mining claims in Nevada in two claim groups: Black Canyon and Fourth of July and is **situated between two large-scale active mines: the Florida Canyon gold mine and the Rochester silver-gold mine** (see Figure 3). Access to the project is straightforward via roads off the I-80 Interstate Highway, which lies less than 15km to the west of the claims.

Humboldt Range contains geology consistent with bonanza-style epithermal gold-silver mineralisation and bulk mineable epithermal gold-silver mineralisation, both of which are well known in Nevada.

Widespread narrow vein mineralisation with visible gold occurs within the claims and was historically mined via numerous adits and underground workings between 1865 and the 1927. Mineralisation occurs in swarms of high-grade epithermal quartz veins of varying thickness (reported from 1cm to 3m), either as isolated veins or as broad zones of sheeted/anastomosing veins within zones of intensely altered and mineralised host rocks.

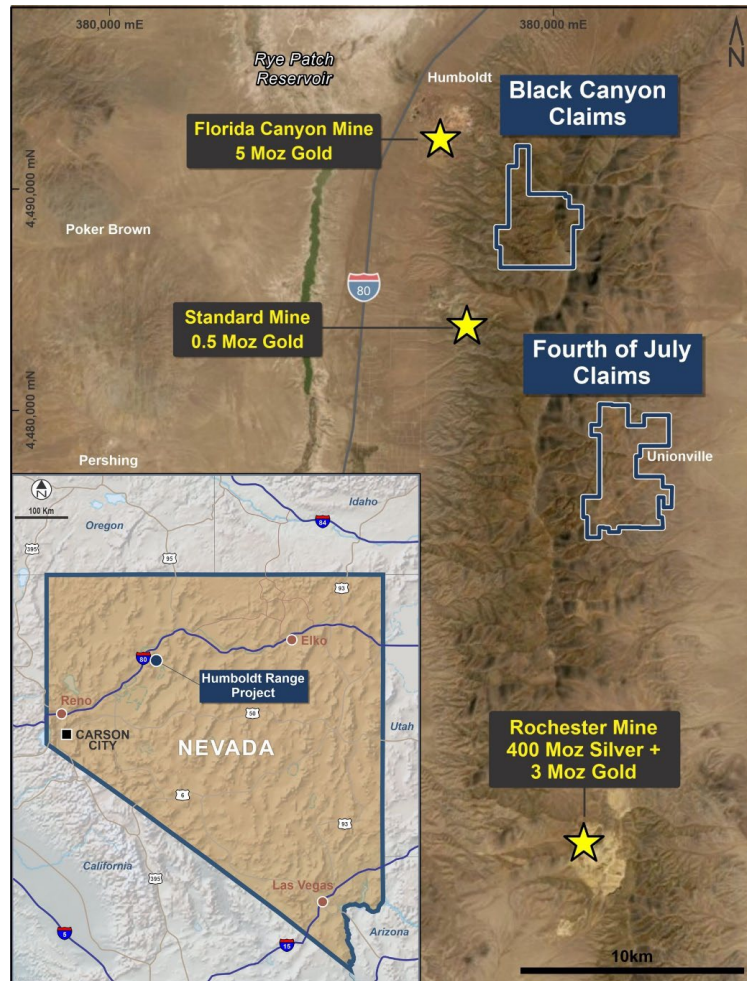


Figure 11. Location map depicting Black Canyon and Fourth of July Claim Blocks, and proximal large-scale gold-silver mining operations.

CORPORATE

As of 31 March 2022, the Company had on issue 715,229,856 shares and 23,000,000 unlisted options, and cash of ~\$570k.

On 31 March 2022, the Company announced a capital raising of approximately \$4.7 million (before costs) through a \$2.51 million placement (**Placement**) and a 1 for 8 non-renounceable rights issue (**Rights Issue**) to eligible shareholders to raise up to an additional \$2.19 million.

On 6 April 2022, the Company completed the Placement, which raised gross proceeds of approximately \$2.51 million pursuant to the issue of 119,599,906 shares (**Placement Shares**) at an issue price of \$0.021 per share. Each Placement Share will include a free attaching option on a 1:2 basis (**Placement Option**). The Placement Options will be exercisable at \$0.03 each and will expire on 6 November 2023. The issue of the Placement Options is subject to shareholder approval on 5 May 2022.

Pursuant to the Rights Issue, eligible shareholders were entitled to subscribe for one new share for every eight existing shares held on the record date, together with a free attaching option on a 1:2 basis and with the same terms as the Placement Options. The Rights Issue closed on 27 April 2022 and results are pending.

The \$685k of exploration and evaluation expenditure capitalised during the quarter predominantly comprised:

- Payments to service providers in relation to the Humboldt Range Project, including (i) channel sampling and soil sampling programs undertaken in late 2021; (ii) assay results; and (ii) preparations for the 2022 drilling program
- Annual vendor payments for the Alaska Range and Humboldt Range Projects
- Permitting activities in relation to the Humboldt Range Project
- Technical consulting fees

The aggregate amount of payments during the quarter to related parties and their associates of \$190k comprised the following:

- Director fees and administrative consulting services (\$87,500)
- Director's technical consulting services (\$102,182)

Authorised for release by the Board.

For further information, please contact the Company directly on +61 8 6465 5500

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ADDITIONAL DISCLOSURE

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code.

Information in this report relating to Exploration results is based on information compiled by Dr Frazer Tabearth (an employee and shareholder of PolarX Limited), who is a member of The Australian Institute of Geoscientists. Dr Tabearth has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Tabearth consents to the inclusion of the data in the form and context in which it appears.

There is information in this report relating to:

- (i) the Mineral Resource Estimate for the Caribou Dome Deposit (Alaska Range Project), which was previously announced on 5 April 2017;
- (ii) the Mineral Resource Estimate for the Zackly Deposit (Alaska Range Project), which was previously announced on 20 March 2018; and
- (iii) exploration results which were previously announced 11 January, 2 February, 3 March 2021, 27 May 2021, 19 August 2021, 15 February 2022, 16 February 2022, 15 March 2022 and 21 April 2022.

Other than as disclosed in those announcements, 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 have not materially changed. The Company also 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 Statements:

Any forward-looking information contained in this report is made as of the date of this report. Except as required under applicable securities legislation, PolarX does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this report is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

LIST OF MINING CLAIMS

Tenement	Location	Licence Details	Ownership	Change in Quarter
Alaska Range Project				
Caribou Dome				
135 State mining claims	Alaska, USA	Caribou 1 – 20 ADL# 563243 - 563262 Copper 1 – 6 ADL# 588461 – 588466 Copper 7 – 11 ADL# 645375 – 645379 CD 1 – 66 ADL# 664859 – 664924 CDS 001 – 038 ADL# 719949 – 719986	Option to acquire 80% interest	Nil
81 State mining claims	Alaska, USA	CD 001 – 040 ADL# 719909 – 719948 CDE-01 – 20 ADL# 722216 – 722235 CDE 26 ADL# 722241 CD 41 – 51 ADL#725113 - 725123 SBX 71 ADL#726910 SBX 74 - 75 ADL#726913 - 726914 SBX 77 - 82 ADL#726916 – 726921	Option to acquire 90%	Nil
Stellar				
231 State mining claims	Alaska, USA	SB 154 – 155 ADL# 704562 – 704563 SB 167 – 168 ADL# 704575 – 704576 ZK 3 – 5 ADL# 704621 – 704623 ZK 14 ADL# 704632 ZK 19 – 21 ADL# 704637 – 704639 Z 1 – 5 ADL# 709427 – 709431 Z 6 – 10 ADL# 711728 – 711732 SB 281 – 283 ADL# 714079 – 714081	100% interest	Nil

Stellar (continued)				
		SB 297 – 299		
		ADL# 714095 – 714097		
		SB 317 – 319		
		ADL# 714115 – 714117		
		SB 346 – 348		
		ADL# 714144 – 714146		
		SB 364 – 368		
		ADL# 714162 – 714166		
		SB 376 – 379		
		ADL# 714174 – 714177		
		SB 389 – 390		
		ADL# 714187 – 714188		
		SB 417		
		ADL# 715392		
		SBA 001 – 066		
		ADL# 721446 – 721511		
		SBX 001 – 070		
		ADL# 724789 – 724858		
		LYKN 1 – 2		
		ADL# 725111 – 725112		
		CDE-21 – 25		
		ADL# 722236 – 722240		
		CDE 27		
		ADL# 722242		
		SBX 72 – 73		
		ADL# 726911 – 726912		
		SBX 76		
		ADL# 726915		
		SBX 83 – 91		
		ADL# 726922 – 726930		
		SBX 92 – 121		
		ADL# 728878 - 728907		

Humboldt Range Project				
318 Federal lode claims	Nevada, USA	FOJ 40, FOJ 42, FOJ 44, FOJ 60, FOJ 62, FOJ 203, FOJ 262, SM 27, SM 29, SM 73-75, SM 103, SM 105, SM 107, SM 109, SM 111, SM 113 -116, SM 133-152, SM 160-163, SM 170-179, SM 198-203, FOJ-249R, FOJ-251R, INCA # 1, INCA # 4-7, SM 3-26, SM 43-72, SM 91-102, SM 104, SM 106, SM 108, SM 110, SM 112, SM 117-126, FOJ 65-68, FOJ 99, FOJ 102, FOJ 104, FOJ 106, FOJ 140, FOJ 142, FOJ 190, FOJ 192, FOJ 194, FOJ 213, FOJ 215, FOJ 217, FOJ 219, FOJ 244, FOJ 250, FOJ 252, FOJ 258-261, FOJ 276, FOJ 278, FOJ 300, FOJ 302, PFJ 01-96, PFJ 97-141	100% interest in a Mineral Lease Agreement to explore, develop and mine the project	Nil
15 Federal lode claims	Nevada, USA	BC 01-15	100% interest in a Mineral Lease Agreement to explore, develop and mine the project	Nil

Appendix 5B

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

Name of entity

PolarX Limited

ABN

161615783

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(15)	(46)
(e) administration and corporate costs	(309)	(1,050)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(324)	(1,096)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(8)
(c) property, plant and equipment	-	(30)
(d) exploration & evaluation	(685)	(3,046)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$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)	-	-
2.6 Net cash from / (used in) investing activities	(685)	(3,084)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,376
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	(23)	(90)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(23)	1,286

4. Net increase / (decrease) in cash and cash equivalents for the period	(1,032)	(2,894)
4.1 Cash and cash equivalents at beginning of period	1,599	3,485
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(324)	(1,096)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(685)	(3,084)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(23)	1,286

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 \$A'000
4.5	Effect of movement in exchange rates on cash held	3	(21)
4.6	Cash and cash equivalents at end of period	570	570

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	570	1,599
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	570	1,599

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	88
6.2	Aggregate amount of payments to related parties and their associates included in item 2	102

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(324)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(685)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,009)
8.4 Cash and cash equivalents at quarter end (item 4.6)	570
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	570
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.56
<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?	
The Company's expects to incur an increased level of net operating cash outflows in the June 2022 quarter, as the planned drill program at the Humboldt Range Project will be undertaken during the quarter.	

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

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?

On 31 March 2022, the Company announced a capital raising of approximately \$4.7 million (before costs) through a placement of approximately 119.6 million shares (**Placement**) and a 1 for 8 non-renounceable rights issue (**Rights Issue**) to eligible shareholders to raise up to an additional \$2.19 million.

On 6 April 2022, the Company completed the Placement which raised gross proceeds of approximately \$2.51 million. The Rights Issue closed on 27 April 2022 and results are pending.

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?

The Company believes it will obtain sufficient funding to continue its operations as detailed in item 8.8.2 above.

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 April 2022.....

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.