

29 July 2022

## **QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2022**

### **Key Points**

- Updated Gum Creek Mineral Resource Estimate (MRE) of **36.83Mt @ 1.51g/t Au for 1.79Moz** represents a **433,100oz (32%) increase** in Indicated and Inferred contained gold when compared with the February 2021 MRE at a **discovery cost of less than A\$14/oz**.
- **Free milling portion of the MRE is 29.24Mt @ 1.26g/t Au for 1.19Moz**, representing over 66% of the total resource ounces and a **46% increase to the 2021 MRE free milling gold ounces**.
- MRE includes nine maiden mineral resource estimates.
- **Indicated ounces represent 64% of the total MRE.**
- **All resource areas remain open along strike and at depth and show strong potential for additional resource growth with further drilling.**
- A major drill program aimed at significantly increasing the global MRE and crystallising the outstanding potential of the underexplored Gum Creek greenstone belt is well underway, with results pending.

### **Corporate**

- Rights Issue undertaken, raising \$6.0 million, with funds being used to undertake multiple drilling programs on priority targets at Gum Creek, and to provide general working capital.
- \$5.4 million of funds loaned to Zeta Resources Limited as part of the Company's capital management strategy to accrue interest at a rate of 5% per annum.

Horizon Gold Limited (ASX:HRN) (**Horizon Gold** or the **Company**) is focussed on progressing its exploration and development activities at the 100%-owned Gum Creek Gold Project (**Gum Creek** or the **Project**) located in the Mid-West Region of Western Australia (Figure 1). Gum Creek has historically produced more than 1 million ounces of gold and hosts a recently upgraded **Mineral Resource of 1.79 million ounces (Table A)**. The Project covers 663km<sup>2</sup> of contiguous tenure over the highly prospective, underexplored Gum Creek greenstone belt, and contains 37 open pit mines and three underground mines.

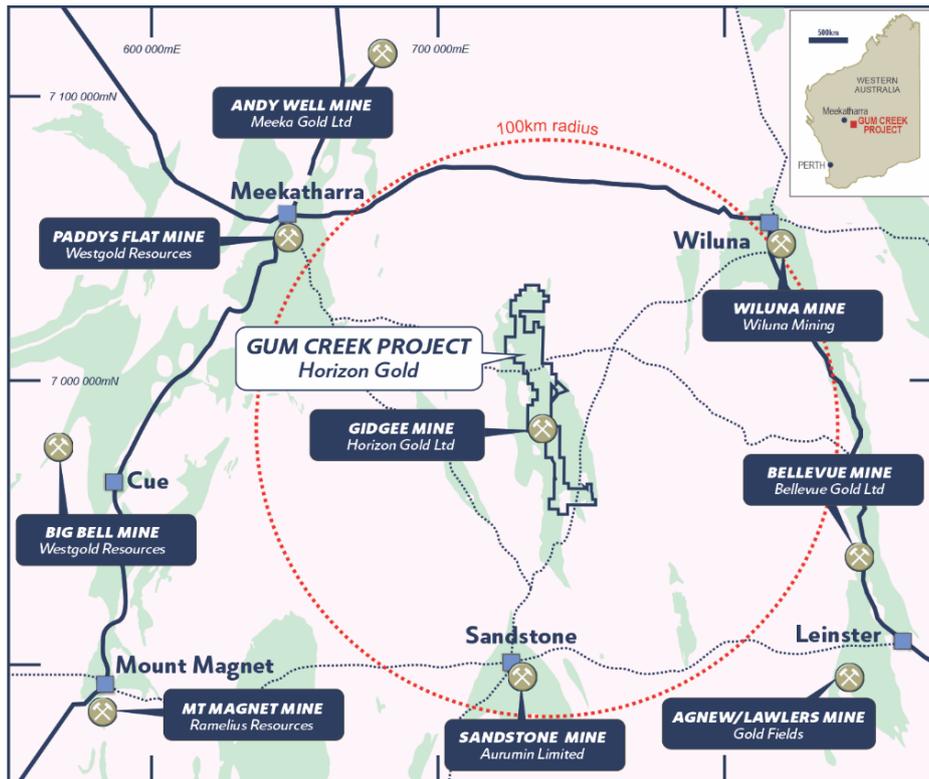


Figure 1: Gum Creek Gold Project and Surrounding Gold Operations

During the quarter Horizon commenced a major follow up drill program aimed at further increasing the global MRE and highlighting the outstanding potential of the underexplored Gum Creek greenstone belt. One hundred and fourteen RC holes for 15,096m have been completed at nine prospects throughout the Project including the Altair and Mensa zinc-copper targets, and the Eagle, Kingfisher, Hawk, Shiraz, Heron, Heron South, Hyperno and Deep South gold targets (Figure 2). Two RC holes at the Altair Zn-Cu Prospect were precollars to diamond core “tails”, which are currently being drilled. RC precollars were also completed at the Eagle and Kingfisher prospects, with planned diamond drilling expected to further advance geological interpretations, enhance the Company’s understanding of the controls on gold mineralisation, and extend and define the controls on zinc-copper mineralisation at Altair.

An updated Gum Creek MRE was also undertaken during the quarter. The MRE includes updates to the Swan/Swift, Howards, Heron South, Specimen Well, and Kingfisher deposits, and maiden MRE’s for the Kingston Town, Manikato, Think Big, Orion, Snook, Camel Bore, Psi, Eagle, and Wahoo prospects. A summary of the updated MRE is detailed in Table A below.

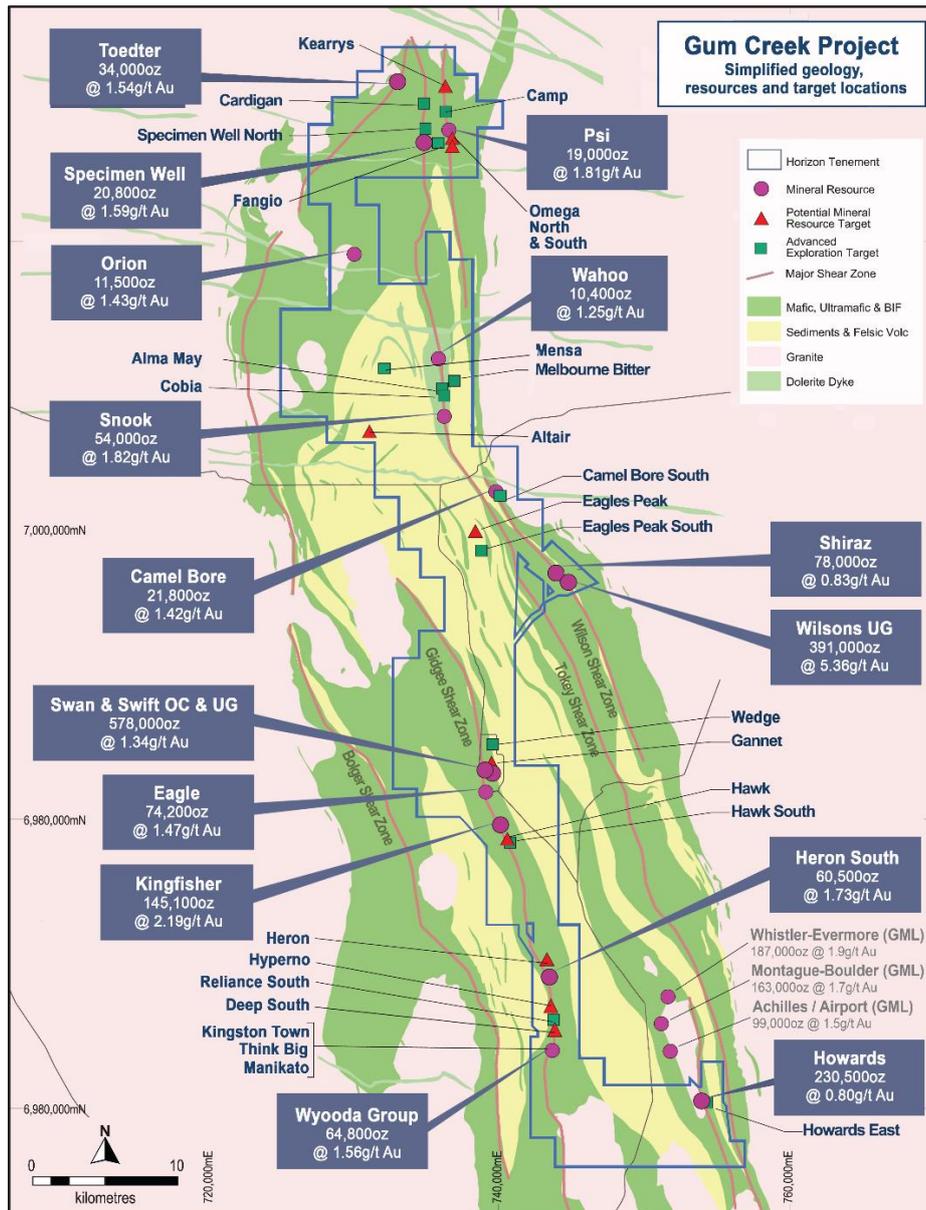


Figure 2: Gum Creek Gold Project tenement plan showing current mineral resources and exploration targets over regional geology.

## Gum Creek Mineral Resource Estimate

Following 34,700 metres of infill and extension reverse circulation (RC) and diamond drilling undertaken at 16 priority targets in 2021, a revised total MRE of **36.83Mt @ 1.51g/t Au for 1.79Moz gold<sup>1</sup>** has been completed for the Gum Creek Gold Project, including Indicated and Inferred resource classifications in accordance with the JORC Code (2012 edition), with all resources located within granted mining leases. The updated MRE represents a **433,100oz (32%) increase** in Indicated and Inferred gold when compared with the February 2021 MRE<sup>2</sup> at a **discovery cost of less than A\$14/oz<sup>3</sup>**.

<sup>1</sup> Refer to Horizon Gold Ltd ASX announcement titled "32% Increase in Resources at Gum Creek Gold Project" dated 25 July 2022. CP's R.Maddocks, J.Abbott, S.Carras, L.Ryan.

<sup>2</sup> Refer to Horizon Gold Ltd ASX announcement titled "Gum Creek Gold Project Resource Update" dated 12 February 2021. CP S.Carras.

<sup>3</sup> Discovery cost has been calculated as the total capitalised exploration and evaluation expenditure for 2021 and Q1 2022 (since the previous resource update in February 2021) divided by the resource ounces added over the same period.

The revised Gum Creek MRE is summarised in Table A, and broken down by material type and metallurgical categories in Tables B and C. The free milling portion of the updated MRE is **29.24Mt @ 1.26g/t Au for 1.19Moz, representing over 66% of the global resource ounces and a 46% increase to the 2021 MRE free milling gold ounces.** Table D compares the current and previous MRE's by resource category, and all resources are located in Figure 2.

**Table A: Gum Creek Mineral Resources as at 25 July 2022**

Resource	Resource Date	Cut-off grade (g/t Au)	Indicated			Inferred			Total		
			Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)	Tonnes	Au (g/t)	Gold (oz)
Swan/Swift OC	Jul-22	0.4	9,980,000	1.09	349,500	2,735,000	0.96	84,600	12,715,000	1.06	434,100
Swan UG	Jul-22	2.5/3.0*	301,000	6.91	66,900	226,000	7.10	51,600	527,000	6.99	118,500
Swift UG	Jul-22	3.0	-	-	-	138,000	5.72	25,400	138,000	5.72	25,400
Wilsons UG	Jul-13	1.0	2,131,000	5.33	365,000	136,000	5.95	26,000	2,267,000	5.36	391,000
Howards	Jul-22	0.4	7,556,000	0.82	199,100	1,359,000	0.72	31,400	8,915,000	0.80	230,500
Kingfisher	Jul-22	0.8	318,000	1.91	19,500	1,745,000	2.24	125,600	2,063,000	2.19	145,100
Shiraz	Jul-13	0.4	2,477,000	0.84	67,200	439,500	0.76	10,800	2,916,500	0.83	78,000
Eagle	Jul-22	0.8	184,000	2.08	12,300	1,390,000	1.39	61,900	1,574,000	1.47	74,200
Wyooda**	Jul-22	0.8	430,000	1.56	21,600	862,000	1.56	43,200	1,292,000	1.56	64,800
Heron South	Jul-22	0.8	280,000	1.58	14,200	807,000	1.78	46,300	1,087,000	1.73	60,500
Snook	Jul-22	0.8	75,000	2.57	6,200	846,000	1.76	47,800	921,000	1.82	54,000
Toedter	Aug-16	0.5	-	-	-	688,800	1.54	34,000	688,800	1.54	34,000
Camel Bore	Jul-22	0.8	379,000	1.47	17,900	100,000	1.21	3,900	479,000	1.42	21,800
Specimen Well	Jul-22	0.8	-	-	-	408,000	1.59	20,800	408,000	1.59	20,800
Psi	Jul-22	0.8	100,000	2.08	6,700	226,000	1.69	12,300	326,000	1.81	19,000
Orion	Jul-22	0.8	69,000	1.49	3,300	182,000	1.40	8,200	251,000	1.43	11,500
Wahoo	Jul-22	0.8	-	-	-	258,000	1.25	10,400	258,000	1.25	10,400
<b>Total</b>			<b>24,280,000</b>	<b>1.47</b>	<b>1,149,400</b>	<b>12,546,300</b>	<b>1.60</b>	<b>644,200</b>	<b>36,826,300</b>	<b>1.51</b>	<b>1,793,600</b>

\* cut-off grades are 2.5g/t Au for Swan Underground (UG) Indicated, and 3.0g/t Au for Swan UG Inferred.

\*\* Wyooda includes the Kingston Town, Think Big and Manikato resources which are within 600m and 200m of each other respectively.

Note: Rounding errors are apparent.

**Table B: Gum Creek Mineral Resources by Material Type as at 25 July 2022**

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
<b>Oxide</b>	4,689,000	1.14	172,300	2,423,300	1.31	102,400	7,112,300	1.20	274,700
<b>Transition</b>	4,609,000	1.05	156,000	1,520,000	1.13	55,100	6,129,000	1.07	211,100
<b>Fresh</b>	14,982,000	1.70	821,100	8,603,000	1.76	486,700	23,585,000	1.72	1,307,800
<b>Total</b>	<b>24,280,000</b>	<b>1.47</b>	<b>1,149,400</b>	<b>12,546,300</b>	<b>1.60</b>	<b>644,200</b>	<b>36,826,300</b>	<b>1.51</b>	<b>1,793,600</b>

Note: Rounding errors are apparent.

**Table C: Gum Creek Mineral Resources by Metallurgical Category as at 25 July 2022**

Material Type	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
<b>Free Milling</b>	19,334,000	1.12	694,400	9,904,300	1.54	491,300	29,238,300	1.26	1,185,700
<b>Refractory</b>	4,946,000	2.86	455,000	2,642,000	1.80	152,900	7,588,000	2.49	607,900
<b>Total</b>	<b>24,280,000</b>	<b>1.47</b>	<b>1,149,400</b>	<b>12,546,300</b>	<b>1.60</b>	<b>644,200</b>	<b>36,826,300</b>	<b>1.51</b>	<b>1,793,600</b>

Notes: Rounding errors are apparent. Preliminary metallurgical testwork indicates oxide mineralisation at all deposits is free milling, transition mineralisation from Swan/Swift, Howards, Kingfisher, Eagle, Wyooda, Toedter, Specimen Well, Orion and Wahoo is free milling, and fresh mineralisation from Swan/Swift, Howards, Kingfisher, Eagle, Toedter, Orion and Wahoo is free milling. Transition and fresh mineralisation from Wyooda, Heron South, Snook, Camel Bore, Specimen Well, and Psi is variably refractory (refer to JORC Table 1).

**Table D: Gum Creek Mineral Resources February 2021 / July 2022 Comparison**

Resource Category	2021 Gum Creek MRE			2022 Gum Creek MRE			Variance		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
<b>Indicated</b>	13,932,000	2.2	986,000	24,280,000	1.47	1,149,400	74%	-33%	17%
<b>Inferred</b>	4,654,000	2.5	374,500	12,546,300	1.60	644,200	170%	-36%	72%
<b>Total</b>	<b>18,586,000</b>	<b>2.3</b>	<b>1,360,500</b>	<b>36,826,300</b>	<b>1.51</b>	<b>1,793,600</b>	<b>98%</b>	<b>-34%</b>	<b>32%</b>

Note: Rounding errors are apparent.

## Altair and Mensa Zn-Cu Prospects

The Altair and Mensa prospects are located within a conductive sedimentary sequence, which forms a large open fold, extending over five kilometres from Altair to Mensa. Both targets exhibit the geological and geochemical hallmarks of a major polymetallic VMS / SEDEX system and could potentially form part of a district-scale VMS camp similar to the Teutonic Bore group of deposits (Figure 3).

During the quarter two RC precollars (402m) were completed for diamond core “tails” at the Altair Prospect. This diamond drilling is designed to test the strong gravity and conductor plates modelled at depth beneath and down plunge of the currently defined Altair Zn-Cu-Ag mineralisation. Diamond drilling has commenced and all assay results are pending.

Three RC holes (892m) were also completed at the Mensa Prospect with each hole testing modelled electromagnetic conductor plates that are coincident with elevated magnetics and anomalous geochemistry (Figure 3). All results are pending.

Downhole electromagnetic surveying is planned at the completion of the Altair and Mensa drilling to help identify possible late time off-hole conductive anomalies that may represent further base metal drill targets.

## Future Work

Horizon has Programs of Work approved for the 10,000m of RC and diamond drilling yet to be completed in the 2022 drill program, targeting shallow oxide and high-grade depth extensions to new and existing high priority gold targets at Think Big, Howards, Wedge, Eagles Peak, Fangio, Kearrys, Specimen Well, and Melbourne Bitter. The 25,000m 2022 drilling campaign is designed to further increase the current **1.79Moz @ 1.5g/t Au** Gum Creek global MRE (Table A).

Metallurgical sampling, sighter testwork and further resource estimation work will commence as assay results for the nine potential maiden resource areas are received, however after 9 weeks since the commencement of drilling all assay results are still pending.

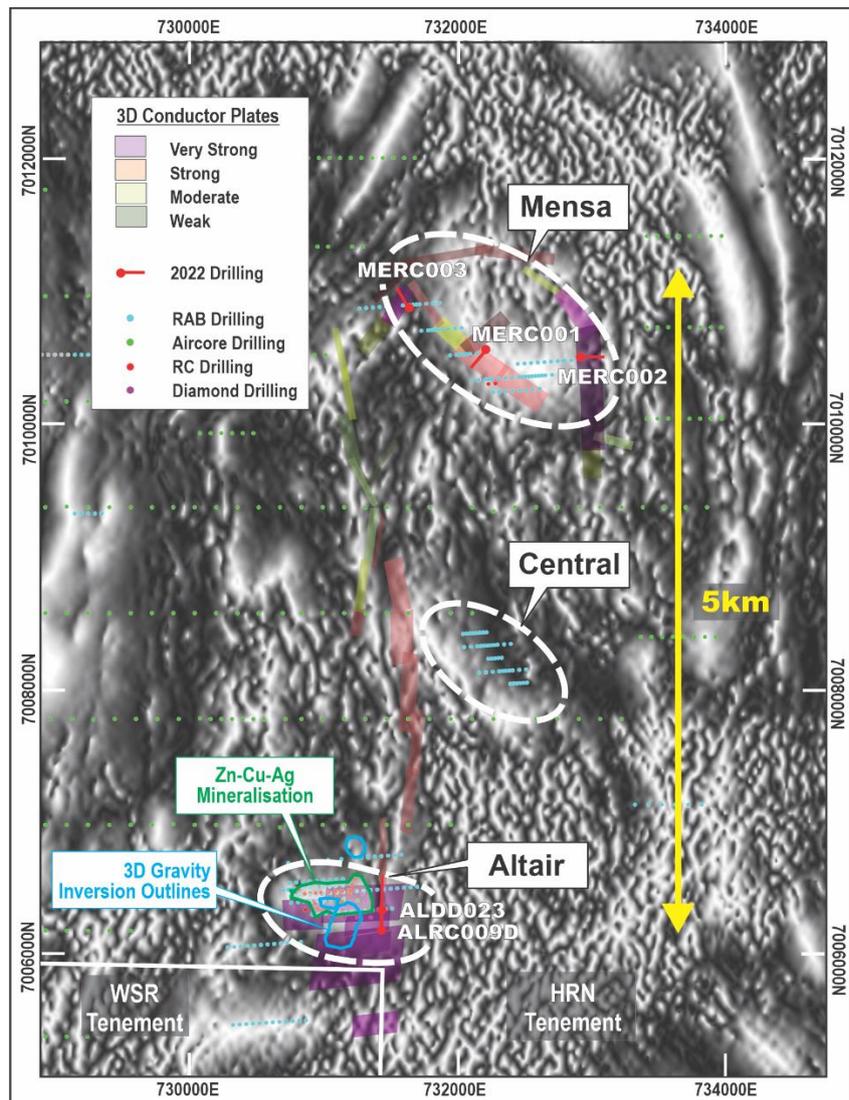


Figure 3: Altair- Mensa: modelled 3D conductor plates, historic drillhole collars and 2022 drilling (red) over a greyscale derivative aeromagnetic image.

## Corporate

### Renounceable Entitlement Issue

On 28 April 2022, the Company announced a one for 5.2 Renounceable Entitlement Issue (“the Issue”) at \$0.35 per share, to raise approximately \$7,200,000.

The Company received acceptances in respect to 17,013,023 shares, representing a 83% take up of the Issue. Total funds of approximately \$5,954,558 was received during the quarter. The Directors are still considering whether to place the shortfall of approximately \$1,226,574 representing 3,504,497 shares.

The new shares in relation to the Issue were allotted on 7 June 2021.

### Capital Management

As part of the Company’s capital management strategy, Horizon agreed to deposit surplus cash funds of \$5,400,000 with Zeta Resources Limited (**Zeta**) (the Company's largest shareholder, holding 72.2%)



as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum.

The \$5,400,000 deposit funds are temporarily surplus to the Company's cash requirements and are to be recalled as needed for the Company's ongoing exploration programs over the next ~12 months. The short-term loans enable the Company to earn a significantly higher interest rate on these surplus cash funds compared to the interest rate earned on bank term deposits. At quarter end the full \$5,400,000 remained on deposit with Zeta.

All funds previously lent to Zeta as per the Company's 4 June 2021 ASX Announcement titled "Capital Management" have been repaid in full, including interest, so the only outstanding balance from Zeta going forward, is that as described above.

### **Additional ASX Listing Rule Disclosures**

As required by ASX Listing Rule 5.3, the Company advises it spent \$1,016,000 on exploration and evaluation activities during the quarter. The expenditure is predominantly related to costs associated with diamond and RC drilling at various prospects across the Project, associated metallurgical, geological and mineral resource estimation consulting services, and ongoing tenement rents and rates. There was no mining development or production activities conducted during the quarter.

The total amount paid to directors of the entity and their related parties and associates (Section 6 of Appendix 5B) was \$88,000, encompassing the Executive Director's salary, Non-Executive Directors' fees and associated superannuation and \$11,000 relating to geological drafting and administration services.

As at 30 June 2022, Horizon had \$211,000 cash at hand in addition to \$5,416,000 on short term loan to Zeta.

### **Mining Tenements**

Exploration licence application E57/1177 was granted during the quarter. The tenement covers 20.5km<sup>2</sup> of very prospective greenstones 6km along strike to the south of Horizon's Wyooda group of gold resources. Data compilation has commenced.

The status of the Company's mining tenements as at 30 June 2022 are detailed in Appendix 1.

**This ASX announcement was authorised for release by the Horizon Board.**

**For further information contact:**

**Leigh Ryan**  
**Managing Director**  
**+61 8 9336 3388**



**Competent Persons Statement:**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Leigh Ryan, who is a member of The Australasian Institute of Geoscientists. Mr Ryan is the Managing Director of Horizon Gold Limited and holds shares and options in the Company, Mr Ryan 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 as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ryan consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.*

**No New Information or Data:**

*This announcement contains references to Mineral Resource estimates, all of which have been cross referenced to previous market announcements. The Company confirms that it is not aware of any additional information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.*

**Forward Looking Statements:**

*This ASX announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to metals price volatility, currency fluctuations, as well as political and operational risks and governmental regulation and judicial outcomes.*

**APPENDIX 1:**

**(a) Horizon Group Mining Tenements held as at 30 June 2022**

Lease	Location	Area of Interest	Status	Expiry Date	Holder	Horizon's Interest	Mineral Rights
E51/1538	Gidgee	Gum Creek	Granted	03-Feb-24	GUM CREEK	100%	All
E51/1844	Gidgee	Gum Creek	Granted	22-Jan-23	GUM CREEK	100%	All
E51/2027	Gidgee	Gum Creek	Granted	09-Sep-26	GUM CREEK	100%	All
E51/2028	Gidgee	Gum Creek	Granted	09-Sep-26	GUM CREEK	100%	All
E53/1725	Gidgee	Gum Creek	Granted	03-Jul-23	GUM CREEK	100%	All
E53/1955	Gidgee	Gum Creek	Granted	18-Jan-23	GUM CREEK	100%	All
E57/1093	Gidgee	Gum Creek	Granted	14-Jan-24	GUM CREEK	100%	All
E57/1100	Gidgee	Gum Creek	Granted	21-Jan-24	GUM CREEK	100%	All
E57/1104	Gidgee	Gum Creek	Granted	09-Jun-24	GUM CREEK	100%	All
E57/1105	Gidgee	Gum Creek	Granted	01-May-24	GUM CREEK	100%	All
L51/93	Gidgee	Gum Creek	Granted	24-Nov-34	GUM CREEK	100%	Infrastructure
L53/46	Gidgee	Gum Creek	Granted	28-Feb-25	GUM CREEK	100%	Infrastructure
L53/47	Gidgee	Gum Creek	Granted	26-Sep-25	GUM CREEK	100%	Infrastructure
L53/95	Gidgee	Gum Creek	Granted	13-Dec-23	GUM CREEK	100%	Infrastructure
L53/96	Gidgee	Gum Creek	Granted	13-Dec-23	GUM CREEK	100%	Infrastructure
L53/116	Gidgee	Gum Creek	Granted	30-Jul-23	GUM CREEK	100%	Infrastructure
L53/199	Gidgee	Gum Creek	Granted	29-Jul-36	GUM CREEK	100%	Infrastructure
L57/20	Gidgee	Gum Creek	Granted	20-Jun-23	GUM CREEK	100%	Infrastructure
L57/44	Gidgee	Gum Creek	Granted	12-Jun-33	GUM CREEK	100%	Infrastructure
L57/47	Gidgee	Gum Creek	Granted	13-Aug-34	GUM CREEK	100%	Infrastructure
M51/104	Gidgee	Gum Creek	Granted	11-May-29	GUM CREEK	100%	All
M51/105	Gidgee	Gum Creek	Granted	09-May-31	GUM CREEK	100%	All
M51/157	Gidgee	Gum Creek	Granted	09-Mar-30	GUM CREEK	100%	All
M51/185	Gidgee	Gum Creek	Granted	18-Feb-30	GUM CREEK	100%	All
M51/186	Gidgee	Gum Creek	Granted	18-Feb-30	GUM CREEK	100%	All
M51/290	Gidgee	Gum Creek	Granted	09-May-31	GUM CREEK	100%	All
M51/410	Gidgee	Gum Creek	Granted	10-Mar-34	GUM CREEK	100%	All
M51/458	Gidgee	Gum Creek	Granted	09-Feb-35	GUM CREEK	100%	All
M53/10	Gidgee	Gum Creek	Granted	24-Nov-25	GUM CREEK	100%	All
M53/11	Gidgee	Gum Creek	Granted	24-Nov-25	GUM CREEK	100%	All
M53/105	Gidgee	Gum Creek	Granted	29-Aug-30	GUM CREEK	100%	All
M53/153	Gidgee	Gum Creek	Granted	28-Jun-32	GUM CREEK	100%	All
M53/251	Gidgee	Gum Creek	Granted	02-Sep-34	GUM CREEK	100%	All
M53/500	Gidgee	Gum Creek	Granted	21-May-42	GUM CREEK	100%	All
M53/716	Gidgee	Gum Creek	Granted	07-Sep-40	GUM CREEK	100%	All
M53/904	Gidgee	Gum Creek	Granted	28-Sep-42	GUM CREEK	100%	All
M53/988	Gidgee	Gum Creek	Granted	12-Mar-24	GUM CREEK	100%	All
M57/634	Gidgee	Gum Creek	Granted	14-Jul-35	GUM CREEK	100%	All
M57/635	Gidgee	Gum Creek	Granted	01-Sep-35	GUM CREEK	100%	All
E53/2162	Gidgee	Gum Creek	Granted	07-Feb-27	GUM CREEK	100%	All
E53/2168	Gidgee	Gum Creek	Granted	01-Mar-27	GUM CREEK	100%	All
E57/1177	Gidgee	Gum Creek	Granted	30-Jun-27	GUM CREEK	100%	All

E = Exploration Licence (WA) M = Mining Lease (WA)

P = Prospecting Licence (WA)

L = Miscellaneous Licence (WA)

Holder: GUM CREEK = Gum Creek Gold Mines Pty Ltd (100% Subsidiary of Horizon Gold Limited)

**(b) Changes of Interest in mining tenements during the quarter**

Tenement Reference and Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
E57/1177 Gidgee	Application Granted	0%	100%

**(c) Farm-in or farm-out changes during the Quarter**

Tenement Reference and Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
Nil			

## Appendix 5B

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

Name of entity

**HORIZON GOLD LIMITED**

ABN

**27 614 175 923**

Quarter ended ("current quarter")

**30 JUNE 2022**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	7	31
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs (incl for Care & Maint.)	(20)	(85)
	(e) direct site Care & Maint. costs	-	(4)
	(f) administration and corporate costs	(178)	(432)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
1.5	Interest and other costs of finance paid	-	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (FY 2021 WA State MRF payment)	-	(146)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(190)</b>	<b>(637)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1)	(18)
	(d) exploration & evaluation (if capitalised)	(1,016)	(5,545)
	(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 (12 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/from other entities		
	- Return of Cash Deposit funds from Zeta Resources Ltd	789	4,593
	- Cash Deposit funds with Zeta Resources Ltd	(5,400)	(5,400)
2.4	Dividends received (see note 3)	-	-
2.5	Other – security deposits paid	-	-
	Other – security deposits received	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(5,628)</b>	<b>(6,370)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,955	5,955
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	(10)	(10)
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>5,945</b>	<b>5,945</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<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	84	1,273
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(190)	(637)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,628)	(6,370)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,945	5,945
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>211*</b>	<b>211*</b>

\* Does not include \$5,416,000 which is on deposit with Zeta Resources Limited and available at call (see Section 7 for more details).

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	191	64
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Term Deposits < 3 months	20	20
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>211*</b>	<b>84*</b>

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	11

*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. <b>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)	5,416	-
7.4 <b>Total financing facilities</b>	5,416	-
7.5 <b>Unused financing facilities available at quarter end</b>		5,416
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.	
	As part of the Company's capital management strategy the Company has deposited surplus cash funds of \$5,416,000 (balance as of 30 June 2022) with Zeta Resources Limited ( <b>Zeta</b> ) (the Company's largest shareholder, holding 72.2%) as short-term loans. The loans are unsecured, repayable on call by the Company and accrue interest at a rate of 5.00% per annum. See ASX Announcement dated 8 June 2022 titled "Capital Management" for more details.	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(190)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,016)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,206)
8.4 Cash and cash equivalents at quarter end (item 4.6)	211
8.5 Unused finance facilities available at quarter end (item 7.5)	5,416
8.6 Total available funding (item 8.4 + item 8.5)	5,627
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	4.67
<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: N/a
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: N/a

---

**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: N/a

*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 July 2022

Authorised by: By the Board

### 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.