

28 October 2022

ASX ANNOUNCEMENT

## September 2022 Quarterly Activity Report

The following is a summary of the activities conducted by VRX Silica Limited (**VRX** or **Company**) during the September 2022 quarter at its silica sand projects at Arrowsmith North, Arrowsmith Central (located 270 km north of Perth), Muchea (located 50 km from Perth) and Boyatup (located 100 km east of Esperance), all situated in Western Australia.

### VRX Silica Sand Resources

VRX is a Western Australian based pure-play silica sand exploration and development company with four high-value, advanced, very long-term silica sand projects in Western Australia, a Tier 1 mining region.

The Company has multi-decade scale contiguous sand deposits on granted Mining Leases with secure tenure and a combined +1.1Bn tonne Mineral Resource<sup>1</sup> of 99.6% to 99.9% SiO<sub>2</sub> grade silica sand.

The Company and its management team is WA based as are its four large scale, high-grade and low impurity silica sand projects. Each project can be run independently and supply high-grade silica sand to many diverse markets.

### Applications of Silica Sand

Silica sand is the most-used commodity on the planet after air and water. It is the main ingredient in all types of **glassmaking**, including specialty solar panel and high-tech glass. The glass manufacturing industry demand is increasing at a rate of 5-6% per year, or about 8-10 million tonnes pa. Around 47% of the world's glass is manufactured in Asia.

Silica sand is an essential component of the **foundry** and casting industries. The largest foundry industry is in Korea where it dominates the industry particularly for large marine components.

Silica sand is also the main ingredient in concrete.

Silica sand is a finite resource that is rapidly being exhausted and the Asia-Pacific region is currently experiencing **increasing demand** at a time of a **global supply shortfall**.

### A Project development pipeline to ensure a disciplined, staged development of world-class assets

The Arrowsmith North silica sand project (**Arrowsmith North**) will lead a staggered and disciplined development program, followed by the Muchea silica sand project (**Muchea**) and Arrowsmith Central (**Arrowsmith Central**) silica sand project.

VRX has the most-developed ASX listed company silica sand projects in Australia with planning, Aboriginal heritage, environmental approvals, metallurgical testwork studies and plant engineering well advanced having commenced in 2017.

Mining Leases are granted over these three projects as well as various Miscellaneous Licences for access with permitting and infrastructure preparations well-advanced.

<sup>1</sup> See table at page 13

The scale of the projects provides for a long-term opportunity for **silica sand export** and potential for **glass manufacturing and downstream industries** in Western Australia.

### Arrowsmith North

The mining and processing operation is relatively simple and low impact with long-term production expected to commence initially at Arrowsmith North on the **223Mt** Probable Ore Reserve @ **99.7% SiO<sub>2</sub>** in 2023, subject to final environmental approvals.

A revised capital estimate is currently underway on a tailored 2Mtpa processing plant with a unique patented custom process circuit.

The results of additional bulk testwork programs undertaken during the March and June 2022 quarters were received in August 2022. These programs produced sufficient final product for the large samples (50-60kg) required for glassmaking furnace testing and foundry resin coating testing. The samples have been forwarded to an extensive list of potential buyers.

The Company has identified long-lead items and has commenced the specification and production of tender documentation of processing equipment for the plant in preparation for the procurement process in order to enable a timely construction program following a decision to mine at Arrowsmith North.

### Engineering

The Company has undertaken significant steps to finalise the processing circuit design to produce multiple products and to finalise the detailed engineering required for construction.

The final design phase is progressing to shop detailing of all disciplines - steelwork, mechanicals, pipework, electrical, air, etc.

The execution schedule has been recently updated with revised lead times for major equipment. Well-documented supply-side constraints, including the continued application of COVID lockdowns in China, is affecting equipment delivery globally, and there is little certainty with quoted lead times. Specification and tendering of long lead time equipment is essentially complete and is now waiting on VRX final approval to commence procurement of these major items.

### Process Water

A process water bore was successfully drilled to access water from the Yarragadee North deep aquifer with aquifer testing to supply data for an abstraction licence application for 0.9GL of water. Monitoring boreholes for the borefield have been completed. The plant has been designed to operate predominately with recycled water.

### Power Supply

A number of gas wellheads are in close proximity to the project area. The Company is evaluating the potential and costs to establish a power supply from locally produced LNG.

### Logistics

Arrowsmith North has access to established infrastructure such as the unused rail line (from Eneabba to Geraldton) which runs adjacent to the Arrowsmith project tenements. The Company is in discussions to finalise its logistics plans with Mid West Ports Authority (for export of silica sand product from Geraldton Port) and with the rail owner, Arc Infrastructure (for transport to port and a dedicated train unloader at the Geraldton Port in the medium to long term).

The Company has access to the adjacent Brand Highway and a 100% detailed road intersection plan has been submitted to Main Roads for approval to enable road transport of silica sand product in the short term.

### *Approvals*

VRX has conducted extensive environmental studies over the Company's silica sand projects over a number of seasons in anticipation of requirements of the State and Federal environmental regulation authorities to undertake approvals assessments. These surveys commenced shortly after the tenements were acquired and the number and extent of these surveys have expanded following further consultation with these authorities. The Company has initially concentrated on gaining approval for development of the Arrowsmith North project.

VRX has received confirmation from the Commonwealth Department of Agriculture, Water and the Environment (**DWER**) for accredited approval under the Environment Protection and Biodiversity Conservation Act 1999 (**EPBC Act**). Accreditation of the Environmental Protection Authority of Western Australia's (**EPA**) assessment processes means that the Commonwealth can rely on environmental assessments undertaken by the EPA for the purpose of its approval decisions under the EPBC Act on proposals that are likely to have a significant impact on a matter of national environmental significance. If the EPA assesses a proposal at the level of Public Environmental Review (**PER**), as is the case for Arrowsmith North, separate assessment by the Commonwealth is not required.

The Environmental Scoping Document was lodged with the EPA in September 2021 and approved in April 2022.

During May 2022 the Company lodged the Environmental Review Document (**ERD**) with the EPA for Arrowsmith North. The ERD document is required under the EPA's public environmental review process and will be released for public review following the review by the EPA and other relevant authorities. The ERD was prepared according to the procedures in the EPA's *Environmental Impact Assessment* (EIA; Part IV Divisions 1 And 2) Procedures Manual (EPA, 2021b). The ERD is a comprehensive summary of the project environmental setting, the physical elements of the mine and infrastructure, operational elements, the extent of effects on the environment and the proposed rehabilitation and closure plan. The Company received a request from the EPA for further information on 4 July 2022 and the response was submitted on 12 July 2022. The Company awaits EPA confirmation that the document will be released for public review.

The indicative timetable for the development of Arrowsmith North anticipates final EPA approval in December 2022, with the six-month construction phase scheduled to commence in January 2023 subject to Ministerial Consent.

An important feature of the EPA Proposal is the proposed rehabilitation method to use the unique VDT method which is estimated to result in the best restoration of the mine area vegetation and habitat.

The VDT methodology can be viewed at:

<https://vrxsilica.com.au/miningandrehabilitationmethodology/>

### *Key Plant Equipment*

VRX has previously announced the start of project capital expenditure for its Arrowsmith North processing plant, with the purchase of two major items of sand processing capital equipment.

With the support of specialist engineering consultancy ProjX, VRX purchased locally a 3m diameter x 8m long RCR-designed feed trommel and a 3.6 x 8.5m Schenck "banana" vibrating



screen. This equipment has been stripped and assessed for refurbishment by Bunbury based workshops.



**Figure 1: Feed trommel barrel and surge bin**



**Figure 2: Feed trommel support and base**

The banana screen has undergone strip, non-destructive testing and refurbishment by the OEM (Original Equipment Manufacturer) and after painting the work is complete.



**Figure 3: Refurbished Schenck banana screen**

VRX will continue to pursue other lead time and cost-saving opportunities to capitalise on its first-mover advantage in Western Australia's emerging silica sand sector, at a time when there is fast-rising global demand for high-quality, responsibly sourced silica sand volumes.

## Arrowsmith Central

Arrowsmith Central is the second of the Company's silica sand projects under development.

### *Approvals*

Arrowsmith Central Silica Sand Project (**Arrowsmith Central**) has moved to the next stage of the environmental approval process with the EPA.

On 20 June 2022 the Company lodged an Environmental Scoping Document (**ESD**) which details the environmental studies that are required to inform the assessment of the project. Lodgement of the ESD is a fundamental step in the EPA administration procedures to inform the Environmental Impact Assessment of Arrowsmith Central. The Company is confident the project has addressed the Environmental Principles, Factors and Objectives of the guidelines for assessment.

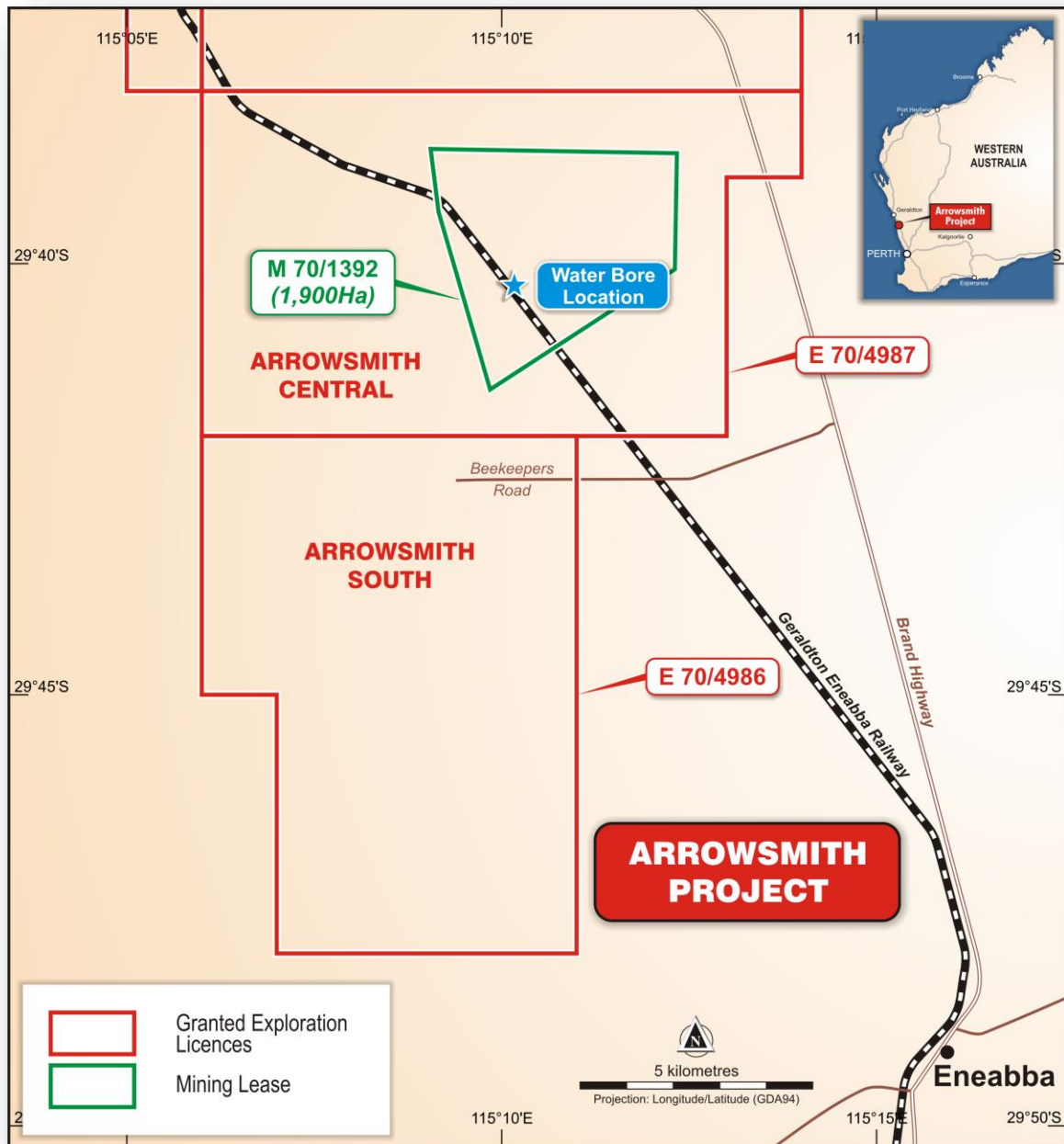
The Company is waiting on the EPA response.

The Company is not in a position at this stage to set a definitive timeline for the approval process.



### Process Water

On 6 September 2022 VRX Silica Limited announced the completion of the test holes for 2 production water bores which will be the source of water supply for the proposed processing plant at Arrowsmith Central. The borehole drilling and construction is completed and downhole logging and test pumping is underway to compile the required data for the H3 assessment for the abstraction licence.



**Figure 4: Arrowsmith Central Location showing water bore location**

DWER has accepted the Company's application for an allocation of 900,000 kilolitres.



*Figure 5: Water Bore Rig onsite*

## Muchea

Development of Muchea will follow development at Arrowsmith North.

Muchea will have access to established infrastructure such as grid power and is adjacent to the Brand Highway and the underutilised railway which connects to the Kwinana Port (approx. 100km).

Gas pipelines run adjacent to Muchea and water will be accessed from the Yaragadee deep aquifer.

The Company has had many offtake enquiries for Muchea silica sand from Asian markets and believes that the consistent production of such high-grade silica sand with a low iron content will be in high demand as raw material for the manufacture of predominately premium ultra-clear glass production, particularly for the burgeoning solar panel manufacturing industry. VRX continues to receive these enquiries on a regular basis.

### *Environmental Studies*

Detailed springtime flora and vegetation studies are underway on a selected priority area of 350Ha.

This survey will comply with the requirements of the Environment Protection Authority Environmental Factor Guideline: Flora and Vegetation, and Technical Guidance – Flora and Vegetation Surveys for Environmental Impact Assessment (2016a and 2016b).

The following work will be undertaken:

- a. Updated desktop covering the revised priority area boundary
- b. Field studies covering access routes (North and South).
- c. Field studies including additional 10m x 10m plots in representative areas of communities
- d. Targeted searches on 20m grid line basis (100km of searching)
- e. The relevant results of Root studies undertaken by Matisse with Professor Pate and Jon Dodd will have major species included in the updated report
- f. Finalisation of documents for the EPA assessment associated with flora and vegetation values.

Final report to include both previous survey results and the current survey results from quadrats, targeted searches as well as historical information that relates to the root structure, density and distribution of the key species.

### *Exploration*

A drill program completed 54 holes to produce a two-tonne sample to be used in an additional pilot plant metallurgical test work program.

The program was designed to determine if selective mining and processing of the differentiated layers, identified in previous test work, can produce a higher-purity product, therefore significantly enhancing Muchea's project economics.

The program also generated further samples for testing following overwhelming interest from potential offtake partners.

The drill program at Muchea was undertaken along existing cleared tracks, with an approved Program of Work from the Department of Mines, Industry Regulation and Safety (**DMIRS**).

### **Boyatup**

Results of early work undertaken at Boyatup by VRX and the previous tenement holder indicated in-situ sand grades up to 99.7% SiO<sub>2</sub> with potential to produce a very low Fe<sub>2</sub>O<sub>3</sub> product.

In March 2022 VRX conducted a 206 hole, 312m, 400m x 800m spaced air core drill program at its Boyatup Silica Sand Project which took 9 days to complete.

On August 18, 2022 VRX Silica Limited announced the Mineral Resource Estimate (**MRE**) for its Boyatup Silica Sand Project.

The estimate has utilised a comprehensive collation of assays and Particle Size Distribution (PSD) on the drill samples collected.



The MRE results are shown in Table 1. Summary information is included in the announcement of 18 August 2022 “*Boyatup Silica Sand Project Maiden Mineral Resource*”.

Classification	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %
Inferred	60	97.8	0.83	0.23	0.13	0.88
Total	60	97.8	0.83	0.23	0.13	0.88

*\*Note: Interpreted mineralisation is above a basal layer of clay and/or gravel. Depletion zones include the upper 0.3 m excluded for rehabilitation purposes. Only areas with a minimum sand depth of 1m were included. Differences may occur due to rounding.*

**Table 1: Boyatup Mineral Resource**

A comprehensive metallurgical testwork program is planned to determine the specification of the potential products that can be produced from the in-situ sand resource at Boyatup. Initial work suggests that the potential products are different from those from the other VRX silica sand projects, due to the different particle size, shape and quality.

Once the potential products that can be produced are identified a marketing study will be completed to determine the focus to maximise the economic value of the project.

## Geothermal Energy Resources

In January 2022 DMIRS released 21 areas in Western Australia for applications for Geothermal Exploration Permits with a closing date for applications of 21 April 2022.

VRX made a number of applications for permits proximal to the Company’s current Arrowsmith North and Arrowsmith Central silica sand holdings.

The applications were made as part of VRX’s overall green energy intentions as demonstrated by the hydrogen gas MOU signed with XODUS Energy Pty Ltd and embodied in the Company’s ESG statement (see below).

VRX has not received any notification at this stage regarding these applications.

## Environmental, Social and Governance – ESG

VRX committed to a series of Environmental, Social and Governance (**ESG**) initiatives ahead of the release of its FY21 Sustainability Report, the first one to be published by the Company and included in the 2021 Annual Report.

VRX is conscious of its social licence obligations, not only in proactively engaging with the traditional owners and other stakeholders in the region, but also as an emerging global supplier, to join the world movement towards a low-carbon future.

During the quarter, with the assistance of ESG specialist Futureproof Consulting, the Company completed its FY22 Sustainability Report, which was published and included in the 2022 Annual Report, released on 30 September 2022.

With the support of Futureproof, VRX will continue to measure, monitor and report on its sustainability progress as the Company adapts to the growing demands of investors and stakeholders to implement and improve its ESG strategies and reporting practices.

## Metallurgical Testwork R&D

During April 2022, VRX lodged a registration for an R&D Tax Incentive Application with AusIndustry for the year ending June 2021.

The Company will prepare an additional claim for the year ending June 2022.

## Corporate

There was no material corporate activity during the quarter.

## Events Subsequent to the End of the Quarter

### *WA Investment Attraction Fund*

In July 2019 the Western Australian State Government released Diversity WA to provide an economic development framework for the State. It sets out initiatives, actions and strategies that will contribute to achieving its vision for “a strong and diversified economy delivering secure, quality jobs through increased investment across a broad range of industries”. It also identifies priority sectors for strategic development that match Western Australia’s unique strengths with global trends to achieve growth across the economy.

As part of the initiative, successful applicants will be eligible for financial assistance in the form of grants and other incentives, subject to a Financial Assistance Agreement (FAA) from the Investment Attraction Fund.

In May 2022 VRX made a preliminary application under Stage 1 of the scheme (Expressions of Interest) and at the end of August 2022 the Company was shortlisted and invited to progress to Stage 2 and make a detailed application.

The detailed application was lodged on 12 October 2022.

### *Muchea Heritage*

VRX had previously undertaken an Aboriginal Heritage survey in 2019 to clear the initial drilling program area, with representatives of the Whadjuk People accompanying the drill crew.

Subsequent to the end of the quarter, VRX undertook a comprehensive Heritage Site identification survey over a priority area to identify and understand Aboriginal heritage values within the priority area to support future dialogue with Whadjuk people about the proposed mining project.

This 4-day survey was completed in late October and included foot traverses over the 400 Ha area. An Ethnographic survey will follow in early November. The results of the Survey are expected in the December quarter.



**Figure 6: Muchea clearance survey area**



## ASX Listing Rule 5.3 disclosures

### Details of mining exploration activities:

Payments for exploration & evaluation under operating activities of \$72K related mainly to tenement applications and rents. Payments for exploration & evaluation under investing activities of \$1,370K consists mainly of water bore drilling, pads and hydrogeological studies, processing plant engineering design and related metallurgical test work. There were no substantive mining production and development activities during the quarter.

### Details of tenement activities:

During the quarter, the following tenements were granted:

General Purpose Leases G70/264, G70/265 & G70/266

During the quarter, the following tenements were applied for:

Mining Lease M70/1418

### Details of related party payments:

The aggregate amount of payments to related parties and their associates at line 6.1 of the attached Appendix 5B of \$139K represents directors' fees and salaries paid during the quarter.

## Combined +1.1Bn tonne Mineral Resource

Project	Classification	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %
Muchea	Indicated	29	99.6	0.09	0.03	0.07	0.22
	Inferred	172	99.6	0.05	0.02	0.10	0.23
	Total	208	99.6	0.06	0.02	0.10	0.23
Arrowsmith North	Indicated	248	97.7	1.00	0.40	0.20	0.50
	Inferred	523	98.2	0.80	0.30	0.20	0.40
	Total	771	98.0	0.86	0.30	0.17	0.41
Arrowsmith Central	Indicated	28.2	96.6	1.70	0.40	0.20	0.70
	Inferred	48.3	96.9	1.50	0.40	0.20	0.70
	Total	76.5	96.8	1.50	0.40	0.20	0.70
Boyatup*	Inferred	60	97.8	0.83	0.23	0.13	0.88
	Total	60	97.8	0.83	0.23	0.13	0.88

**Total Mineral Resource 1,116 Million Tonnes\*\***

\* Boyatup Mineral Resource Estimate announced to ASX on 18 August 2022

\*\* See material assumptions statement at end of document

## Material assumptions for Reserve and Resource reporting

The information in this document that relates to the estimation and reporting of the Mineral Resource and Ore Reserves for the Arrowsmith North, Arrowsmith Central and Muchea Silica Sand Projects, and Boyatup Drilling is extracted from releases to ASX on 28 August 2019, 17 September 2019, 18 October 2019 and 24 March 2022, respectively. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

This quarterly report has been approved for release by the Managing Director.

## Interests in Mining Tenements (Western Australia)

### Arrowsmith Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4986	Granted	100%	-	-	100%
E70/4987	Granted	100%	-	-	100%
E70/5027	Granted	100%	-	-	100%
E70/5109	Granted	100%	-	-	100%
E70/5197	Granted	100%	-	-	100%
E70/5817	Granted	100%	-	-	100%
M70/1389	Granted	100%	-	-	100%
M70/1392	Granted	100%	-	-	100%
M70/1418	Application	100%	-	-	-
L70/198	Granted	100%	-	-	100%
L70/199	Granted	100%	-	-	100%
L70/202	Granted	100%	-	-	100%
L70/203	Granted	100%	-	-	100%
L70/208	Granted	100%	-	-	100%
L70/230	Granted	100%	-	-	100%
L70/229	Application	-	-	-	-
G70/264	Granted	100%	-	-	100%
G70/265	Granted	100%	-	-	100%
G70/266	Granted	100%	-	-	100%

### Muchea Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4886	Granted	100%	-	-	100%
E70/5157	Granted	100%	-	-	100%
E70/5548	Granted	100%	-	-	100%
E70/5651	Application	-	-	-	-
M70/1390	Granted	100%	-	-	100%
M70/1414	Application	-	-	-	-
L70/200	Granted	100%	-	-	100%
L70/204	Granted	100%	-	-	100%
L70/205	Application	-	-	-	-
L70/206	Granted	100%	-	-	100%

### Boyatup Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E69/3560	Granted	100%	-	-	100%
E69/3668	Granted	100%	-	-	100%

## About VRX Silica

VRX Silica Ltd (ASX: VRX) is developing world-class, high-grade silica sand projects in Western Australia.

The Arrowsmith North and Arrowsmith Central Silica Sand Projects, 270km north of Perth, comprise five granted exploration licences and two granted mining leases. Bankable feasibility studies for both projects have demonstrated exceptional financial metrics.

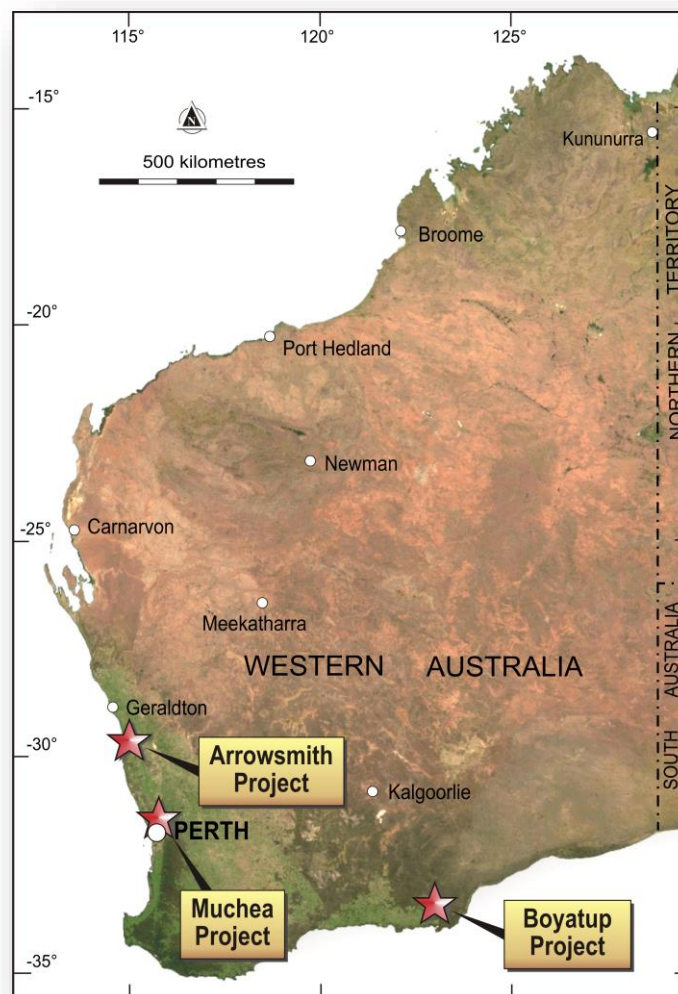
The Muchea Silica Sand Project, 50km north of Perth, comprises two granted and one under-application exploration licences as well as one granted mining lease. Muchea is a world-class project with high-purity silica sand in situ. A bankable feasibility study has demonstrated outstanding financial metrics.

The Boyatup Silica Sand Project, 100km east of Esperance, comprises two adjacent granted exploration licences. Initial indications are that this project can complement the Arrowsmith and Muchea projects and add to the range of silica products VRX Silica may be capable of producing.

## Proven Management

VRX Silica's Board and Leadership Team have extensive experience in mineral exploration and mine development-to-production and in the management of publicly listed mining and exploration companies.

## Silica Sand Projects Locations





## Appendix 5B

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

Name of entity

VRX SILICA LTD

ABN

59 142 014 873

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(72)	(72)
(b) development	-	-
(c) production	-	-
(d) staff costs	(236)	(236)
(e) administration and corporate costs	(525)	(525)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	7
1.5 Interest and other costs of finance paid (on lease liability)	(2)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	198	198
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(630)</b>	<b>(630)</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	(156)	(156)
(d) exploration & evaluation	(1,370)	(1,370)
(e) investments	-	-
(f) other non-current assets	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
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 (bonds deposit)	(89)	(89)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,615)</b>	<b>(1,615)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liability)	(17)	(17)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(17)</b>	<b>(17)</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	9,306	9,306
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(630)	(630)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,615)	(1,615)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(17)	(17)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>7,044</b>	<b>7,044</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	2,021	4,289
5.2	Call deposits	5,023	5,017
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>7,044</b>	<b>9,306</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	139
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*



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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(630)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,370)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,000)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,044
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,044
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.5
<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	

## 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: Not applicable

*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: ...28 October 2022.....

Authorised by: .....The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.