

ASX Announcement

24 January 2023

QUARTERLY REPORT

For the period ended 31 December 2022

ASX Code: MAN

Capital Structure

Ordinary Shares: 552,499,920
Current Share Price: 4.3c
Market Capitalisation: \$23M
Cash: \$17.19M (at 31/12/22)
Debt: Nil

Directors

Lloyd Flint
Chairman/Company Secretary

James Allchurch
Managing Director

Roger Fitzhardinge
Non-Executive Director

Contact Details

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mandrakeresources.com.au

Highlights

Opportunities

- **Mandrake at an advanced stage of project generative work focusing on battery metals. The market will be updated with any material developments**

- **Approx cash position of \$17.19M**

Berinka Gold-Copper Project

- **Results received from recent RC and diamond drilling. Hole FBRC013 returned:**
 - **6m @ 2.3g/t Au and 0.34% Cu from 5m including;**
 - **3m @ 3.8 g/t Au and 0.35% Cu from 7m**
 - **1m @ 7.3g/t from 164m**
- **High-grade Au/Cu mineralization identified along 2km strike**

Assessment of New Opportunities

Mandrake Resources Limited's (ASX: MAN) (Mandrake or the Company) focus during the quarter ending 31 December 2022 was the continued organic development of project opportunities in the battery metals space. The Company will update the market with any material developments.

Exploration Activities - Berinka Pine Creek Gold-Copper Project

During the quarter ending 31 December 2022, Mandrake received results from the recent drilling programme targeting high-grade gold and copper mineralisation at the 100%-owned Berinka Pine Creek Gold Project in the Northern Territory.

Mandrake drilled a total of 11 holes for 1,131m which comprised 1,047m of RC drilling plus an 84m diamond tail of NQ2 core at FBRD014. RC sampling primarily comprised 4m composites with individual metre samples subsequently analysed across mineralised intervals.

Gold-Copper Results

FBRC013 was drilled at Terry's Gap to test along strike from mineralisation intersected during the 2020 RC drilling campaign. Strong oxide gold-copper mineralisation associated with weathered quartz veining and silica alteration was intersected near the top of the hole

from 4m, returning 6m @ 2.3 g/t Au and 0.34% Cu which included 3m @ 3.8 g/t Au and 0.35% Cu from 7m.

Several zones of strong alteration and veining were mostly related to rafts of sheared gabbro and quartz/pyrite veining within the Ti-tree Granophyre host rock. The interval 164-165m assayed 7.3 g/t Au.

FBRD014 intersected an intense zone of carbonate crackle veining and brecciation from 88m to 110m which was clearly evident in diamond core. Results from the core included 3m @ 0.27g/t Au from 96m.

Drilling to date has defined gold mineralisation over a strike length of greater than 2km between Vegetation Anomaly and Terry's Prospect. Most of this area is under cover and there is insufficient drilling to enable a complete understanding of the extent of higher-grade zones or their controlling structures.

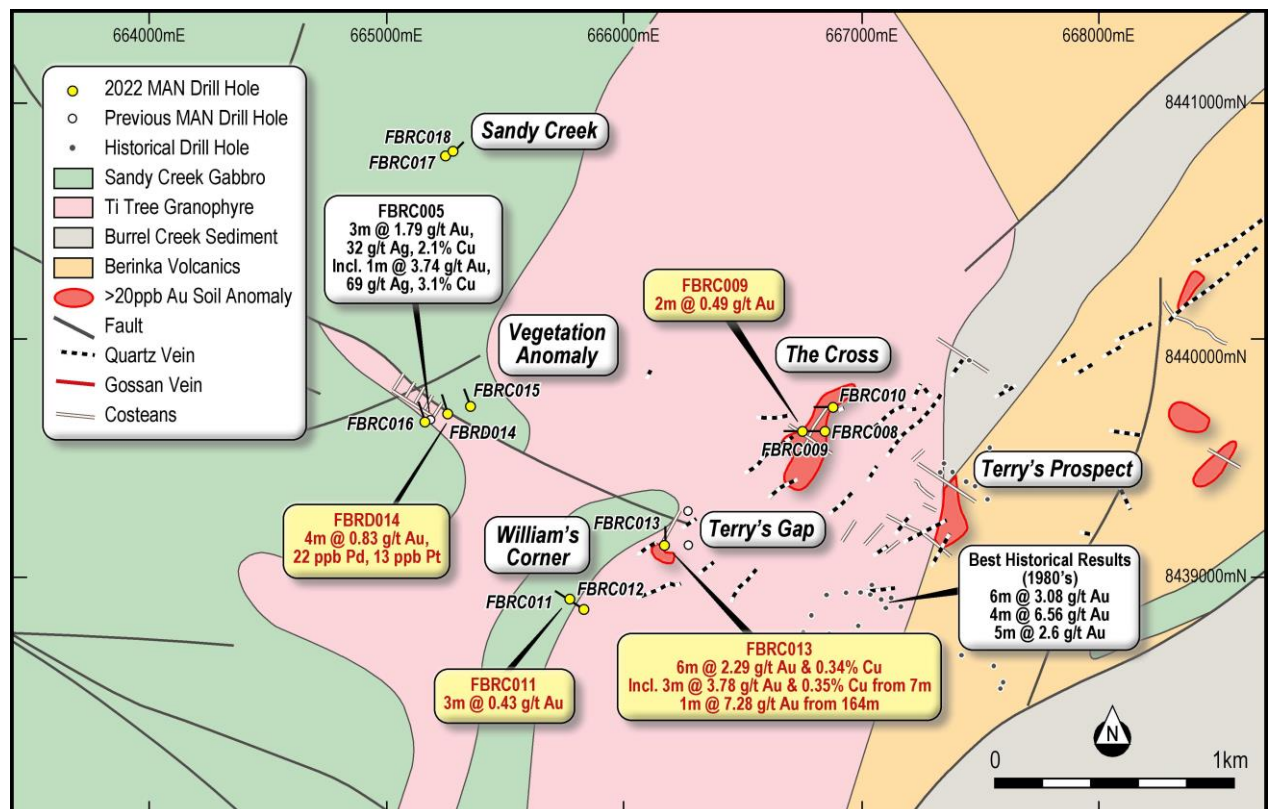


Figure 1: Inferred lithology, drill hole locations and results

Berinka - Brief Exploration History

Carpentaria Exploration (CEC) first explored in the area in 1975 when a reconnaissance visit found quartz veining at what is now known as the Terry's Prospect that assayed 5.5g/t Au.

Over the next six years CEC conducted soil sampling, mapping, gridding, rock chip sampling and ground magnetics. Most of these activities were focused on the Terry's Prospect area which is situated approximately 2km south-east of Vegetation Anomaly.

Importantly, Vegetation Anomaly and Terry's Prospect appear 'connected' by a distinct NW-SE lineament as interpreted from magnetic imagery.

In the mid-1980s CEC drilled 36 RC drill holes totalling 3,014m at Terry's prospect. Best intersections include*:

- 4m @ 6.6g/t from 32m
- 6m @ 3.1g/t from 18m
- 5m @ 2.6g/t from 30m

*A complete list of all historic drill intercepts is contained in the Mandrake Resources prospectus lodged with the ASX on 24 May 2019.

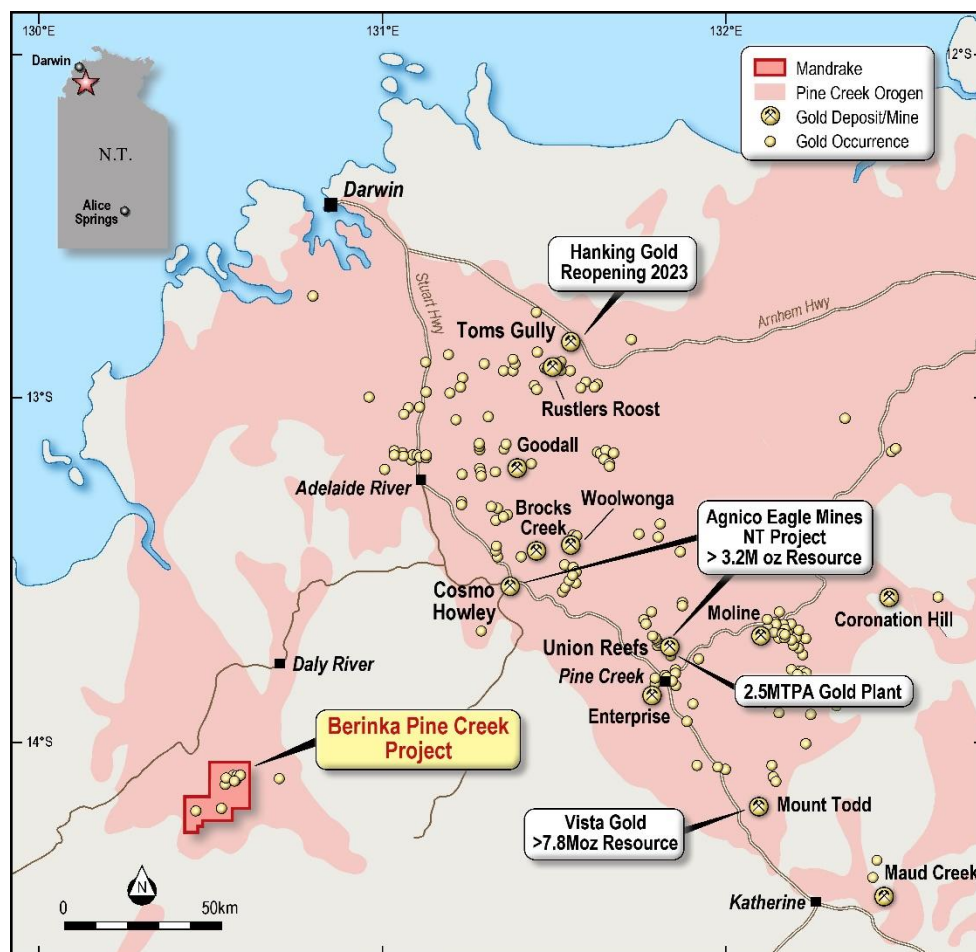


Figure 2: Location of Berinka Pine Creek Project

Corporate

During the December 2022 quarter, Mandrake issued 18,000,000 ordinary fully paid shares on receipt of notice to exercise options at a \$0.03 exercise price (\$540,000) as announced on 23 November 2022. Managing Director James Allchurch exercised 12,000,000 of these options (\$360,000).

As at 31 December 2022, Mandrake had approx. \$17.19M in cash.

Additional ASX Disclosure Information

ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3 - Schedule of Mineral Tenements as at 31 December 2022

Location	Project	Status	Tenement	Interest - start of quarter	Interest -end quarter
NT, Australia	Berinka	Granted	EL31710	100%	100%
WA, Australia	Jimperding	Granted	EL70/5345	100%	100%

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the quarter per Section 6.1 of the Appendix 5B totaled \$101,392:

	Short Term Salary, Fees & Commissions \$	Post Employment Superannuation \$	Other/ Bonus \$	Share-based payments No. ²
James Allchurch	60,996	-	-	20,000,000
Roger Fitzhardinge	15,000	3,796	-	5,000,000
Lloyd Flint ¹	21,600	-	-	5,000,000
Total	97,596	3,796	-	30,000,000

¹ Director fees \$9,000 and financial and secretarial fees of \$11,600.

² Performance rights approved at the 2022 Annual General Meeting and issued 14/12/22.

This announcement has been authorised by the board of directors of Mandrake.

About Mandrake Resources

Mandrake is a junior exploration company established with the purpose of exploring and developing gold, nickel, copper and PGE opportunities. The Company controls 100% of a 140km² exploration licence prospective for PGE-Ni-Cu in the exciting Jimperding Metamorphic Belt, 70km NE of Perth.

Mandrake also owns a mineral exploration project located in the prolific Pine Creek Orogen of the Northern Territory prospective for gold, silver and base metals.

For further information visit www.mandrakeresources.com.au

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr James Allchurch, Managing Director of Mandrake Resources. Mr Allchurch is a Member of the Australian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Allchurch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 5B

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

Name of entity

MANDRAKE RESOURCES LIMITED

ABN

60 006 569 124

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..6.months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(437)	(598)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(99)	(308)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	86	129
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	(450)	(777)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6.months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
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	540	1,716
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4)	(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)	-	-
3.10	Net cash from / (used in) financing activities	536	1,706

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,105	16,262
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(450)	(777)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	536	1,706

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..6.months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	17,192	17,192

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	7,192	7,105
5.2	Call deposits	10,000	10,000
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)	17,192	17,105

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	101
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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)	(450)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(450)
8.4 Cash and cash equivalents at quarter end (item 4.6)	17,192
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	17,192
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	38
<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	
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	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:24 January 2023.....

Authorised by: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.