

21 April 2023

## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2023

### Key Points

- Maiden Zinc-Copper-Silver Inferred Mineral Resource Estimate (MRE) of **7.0 Mt @ 1.8% Zn, 0.5% Cu, 5.0g/t Ag (2.9% ZnEq)** at a 2.0% ZnEq cut-off for **200,000 ZnEq tonnes (130,000t Zn, 30,000t Cu, 1.1Moz Ag)** announced for the Altair Prospect.
- Updated Gum Creek gold resource estimate on track to be completed in the second quarter of 2023, with maiden MRE's expected for the Hyperno, Deep South, Heron, Wedge, Eagles Peak, Fangio, Kearrys, Hawk and Melbourne Bitter prospects.
- Melbourne Bitter prospecting licence containing numerous historic workings located immediately along strike of the Company's Prospect purchased. The licence has the potential to add open pitable ounces to the Gum Creek MRE and will be drill tested later this year.

Horizon Gold Limited (ASX:HRN) (**Horizon** 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 currently hosts a **Mineral Resource of 1.79 million ounces (Table A)**. The Project covers 663km<sup>2</sup> of contiguous tenure over the highly prospective and underexplored Gum Creek greenstone belt, which contains 37 open pit and three underground gold mines.

### Base Metal MRE and Exploration

During the quarter Horizon reported a maiden Mineral Resource Estimate (MRE) for the Altair Zinc-Copper-Silver deposit located 24 kilometres to the north-northwest of the Gidgee Mill with direct links to the existing Gidgee haul road and the Meekatharra-Yeelirrie Road (Figure 2). Drilling at the prospect during 2022 was completed in order to test several compelling conductivity highs down plunge to the east of previously defined Zn-Cu-Ag mineralisation.

The Altair MRE is **7.0 Mt @ 1.8% Zn, 0.5% Cu, 5.0g/t Ag (2.9% ZnEq) at a 2.0% ZnEq** cut-off for **200,000 ZnEq tonnes (130,000t Zn, 30,000t Cu, 1.1Moz Ag)**, reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 edition) (Figure 3, Table 1)<sup>1</sup>.

<sup>1</sup> Refer to ASX Announcement dated 14 March 2023 titled "Maiden Altair Base Metal Resource and Drilling Results from Altair and Mensa Targets". CPs L Ryan & J Abbott.

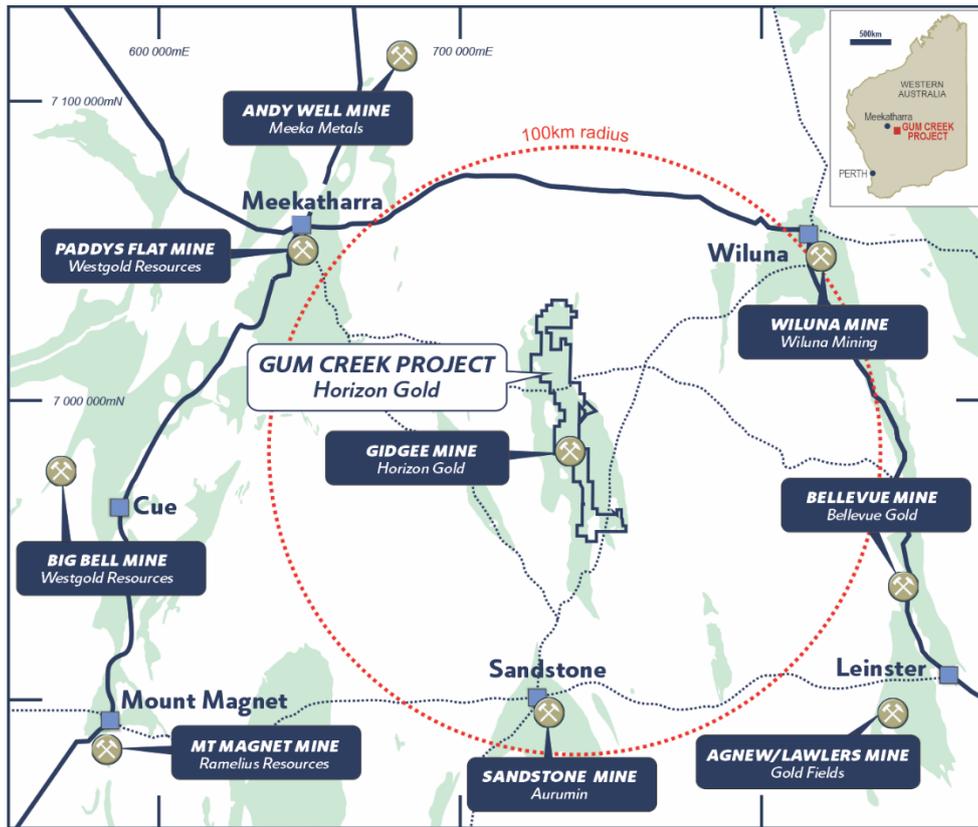


Figure 1: Gum Creek Gold Project and Surrounding Gold Operations

**Table 1: Altair Inferred Mineral Resource as at 14 March 2023 (Zinc Equivalent % cut off)**

Cut-off ZnEq %	Total Tonnes & Grade					Total Metal Content			
	Mt	ZnEq %	Zn %	Cu %	Ag g/t	ZnEq (Kt)	Zn (Kt)	Cu (Kt)	Ag (Moz)
1.5	11.9	2.3	1.5	0.3	4.5	270	180	40	1.7
2.0	7.0	2.9	1.8	0.5	5.0	200	130	30	1.1
2.5	4.3	3.3	2.1	0.5	5.4	140	90	20	0.8

Note: The metal equivalent calculation formula is  $ZnEq \% = Zn (\%) + 2.78 \times Cu (\%) + 0.018 \times Ag (g/t)$  using metal prices of A\$4,500/t Zn, A\$12,500/t Cu and A\$30/oz Ag. Based on preliminary metallurgical studies, recoveries used were 90% for Zn, 90% for Cu, and 75% for Ag. In Horizon's opinion all elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold. Rounding errors are apparent.

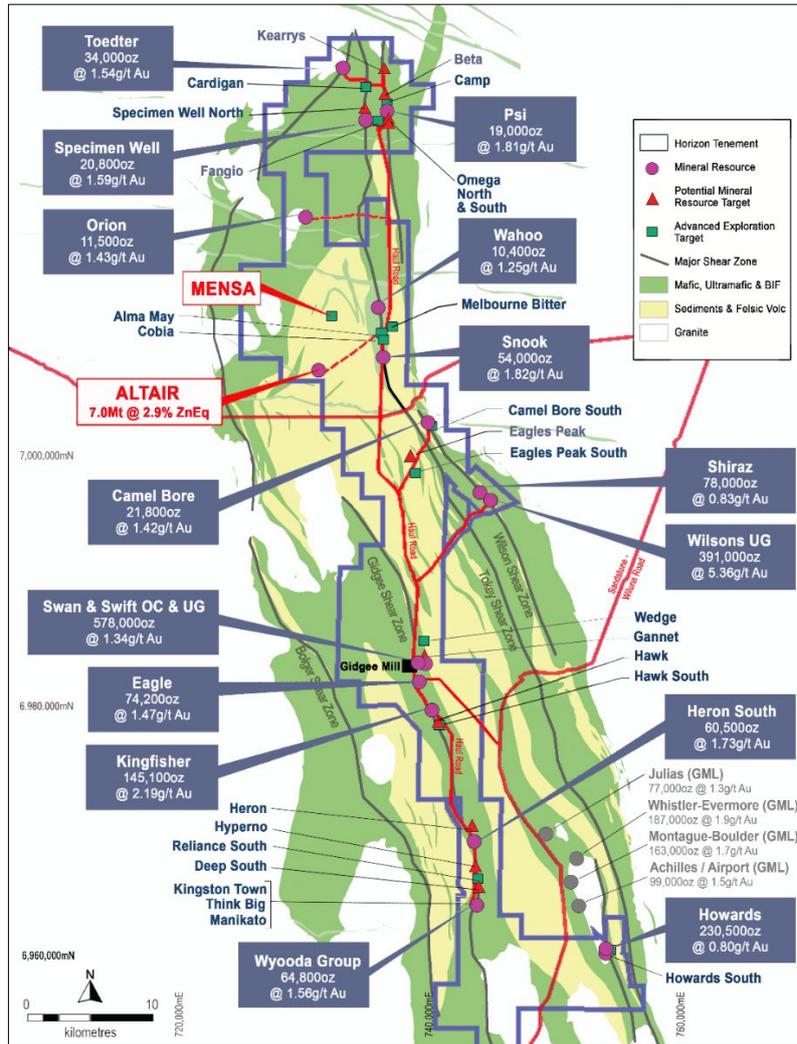


Figure 2: Gum Creek Gold Project showing the Altair deposit and Mensa Prospect, existing gold resources<sup>2</sup>, and exploration targets over simplified geology.

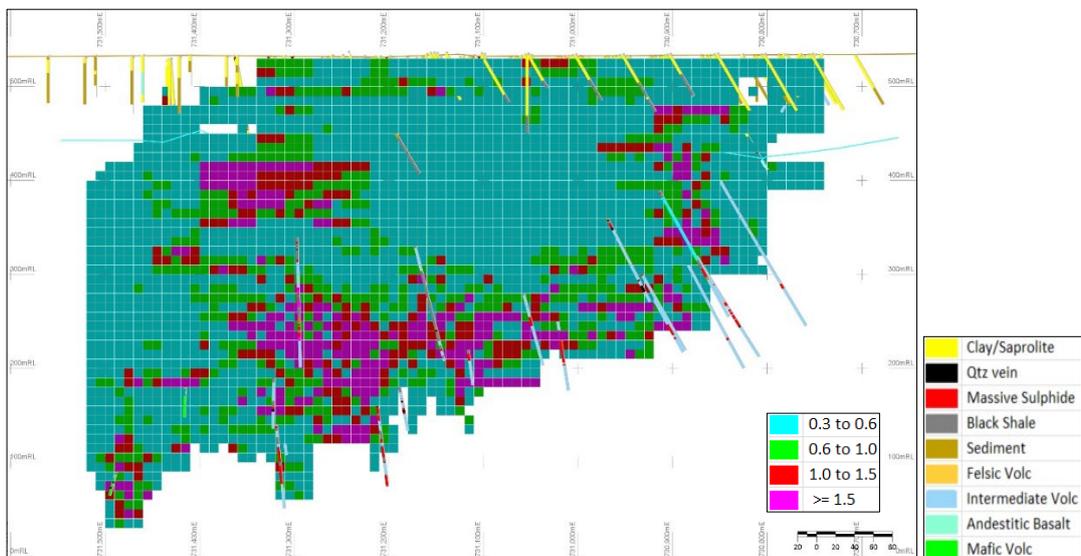


Figure 3: Altair resource block model coloured by ZnEq (%) – long section looking south.

<sup>2</sup> Refer to Horizon Gold Ltd ASX Announcement dated 25 July 2022 titled “32% Increase in Resources at Gum Creek Gold Project” to which the Company confirms there has been no changes.

RC and diamond drilling designed to test modelled electromagnetic conductor plates located down-plunge of previous significant intercepts at Altair, including **55m @ 3.3% Zn, 0.5% Cu, 9.4g/t Ag** from 184m<sup>3</sup>, returned the following significant intercepts (Figures 4, 5 & 6):

- **154m @ 0.5% Zn, 0.1% Cu, 1.1g/t Ag** from 168m including **8m @ 3.0% Zn, 0.5% Cu, 7.6g/t Ag** from 224m (ALRC009D)
- **43m @ 0.7% Zn, 0.1% Cu, 1.9g/t Ag** from 485m including **11m @ 1.5% Zn, 0.2% Cu, 3.8g/t Ag** from 514m (ALRC009D)
- **24m @ 0.6% Cu, 4.6g/t Ag** from 70m (ALRC009D)
- **29m @ 0.8% Zn, 0.1% Cu, 2.4g/t Ag** from 369m including **9m @ 1.9% Zn, 0.3% Cu, 6.0g/t Ag** from 389m (ALDD023)
- **14m @ 1.6% Zn, 0.3% Cu, 4.6g/t Ag** from 177m (ALDD023)

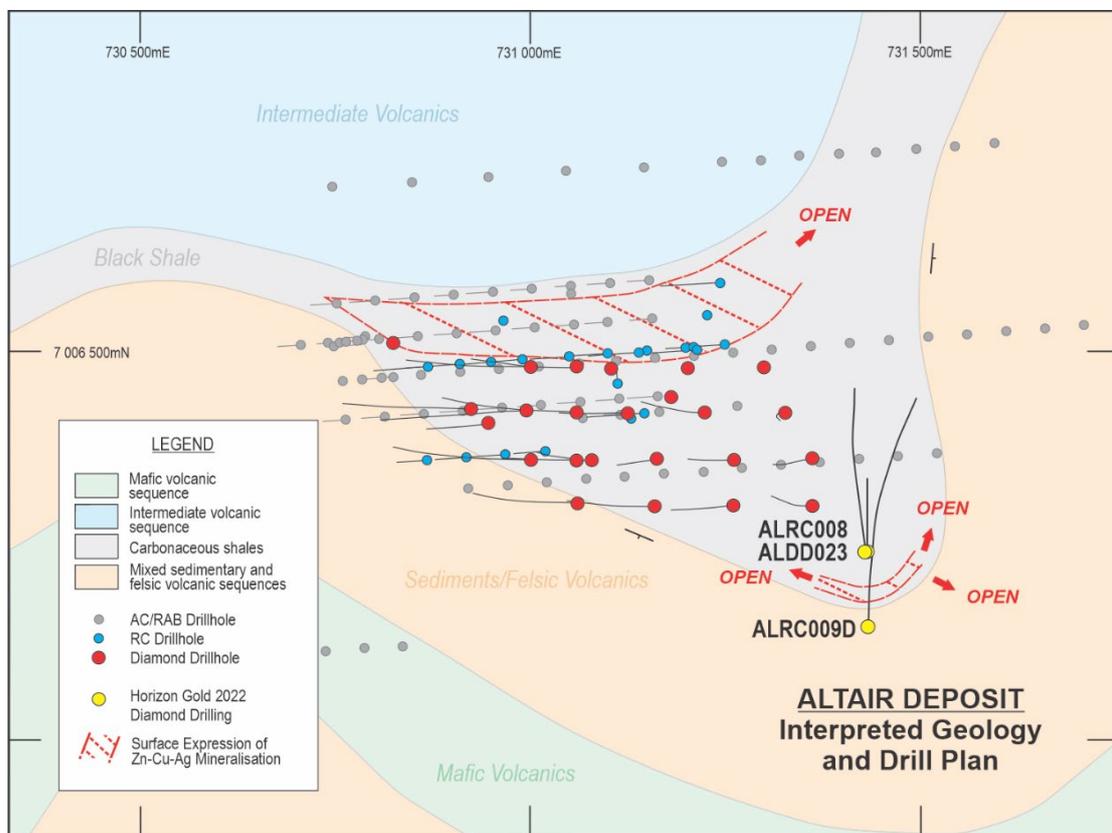


Figure 4: Altair Deposit drill hole location plan showing hole type, drill hole trace and interpreted geology.

<sup>3</sup> Refer to Horizon Gold Ltd ASX Announcement dated 2 April 2019 titled "Additional Broad Zn-Cu mineralisation intercepted at Altair" Appendix 2. CPs J Hicks & M Demmer.

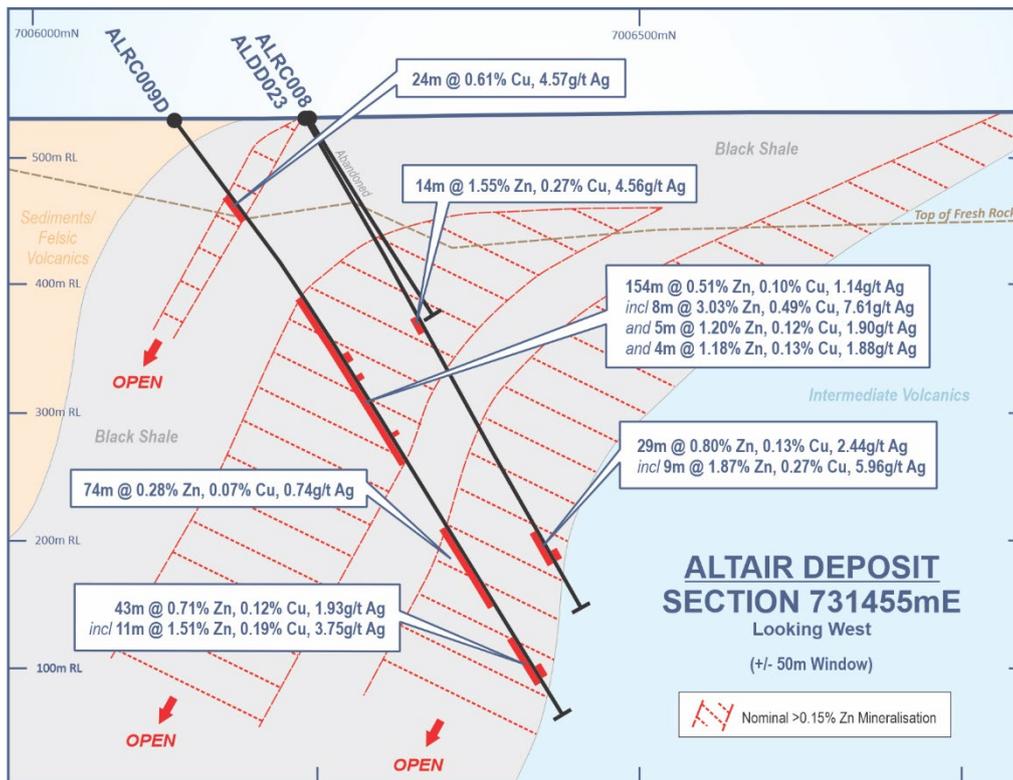


Figure 5: Altair Prospect cross section showing interpreted geology and significant intercepts.

Zn-Cu-Ag+/-Au mineralisation at Altair is best developed towards the base of a black shale unit located between altered intermediate and felsic volcanic units and has a current strike of around 750m. Mineralisation is coincident with anomalous multi-element surface geochemistry, magnetic highs and electromagnetic conductivity highs, and remains open down plunge to the east and along strike to the north.

Three initial RC holes designed to test electromagnetic conductors, coincident elevated magnetics and anomalous geochemistry at the Mensa Prospect, located approximately 5km along strike to the north of the Altair Prospect, returned the following intercepts (Figure 6):

- **35m @ 0.3% Zn, 0.1% Cu, 1.1g/t Ag** from 261m (MERC002)
- **57m @ 0.2% Zn, 0.1% Cu, 0.8g/t Ag** from 176m (MERC001)
- **11m @ 0.2% Zn, 0.1% Cu, 1.1g/t Ag** from 241m (MERC003)

The drilling has confirmed the geochemically anomalous nature of the black shale and volcanic units, and the interpreted geological setting at Mensa to be that of a VMS environment similar to that at Altair, with the potential for the target stratigraphy hosting the Altair mineralisation to extend to the Mensa Prospect.

Evidence to support the VMS interpretation at the Altair and Mensa prospects includes:

- black shale and volcanic depositional environment;
- semi-massive sulphides present in shale units;
- extensive chlorite-silica alteration and pyrite development in footwall intermediate to mafic volcanic units;
- lack of Pb mineralisation; and
- anomalous geochemical pathfinder elements characteristic of VMS systems (elevated Ba, Mo, Sn).

The host rock and electrical conductors at Altair and Mensa cover more than five kilometres of strike, with several prospective zones containing coincident anomalous surface geochemistry, strong electrical conductors and magnetic highs (Figure 6). The area exhibits the geological and geochemical hallmarks of a polymetallic VMS system, and could potentially form part of a district-scale VMS camp similar to the Teutonic Bore group of deposits.

Further detailed geochemical work to reveal metal and pathfinder element zonation / patterns, and spectral measurements to identify alteration minerals to determine vectors to a potential hydrothermal feeder vent at the centre of the VMS system, is required at both Altair and Mensa prior to conducting additional drilling.

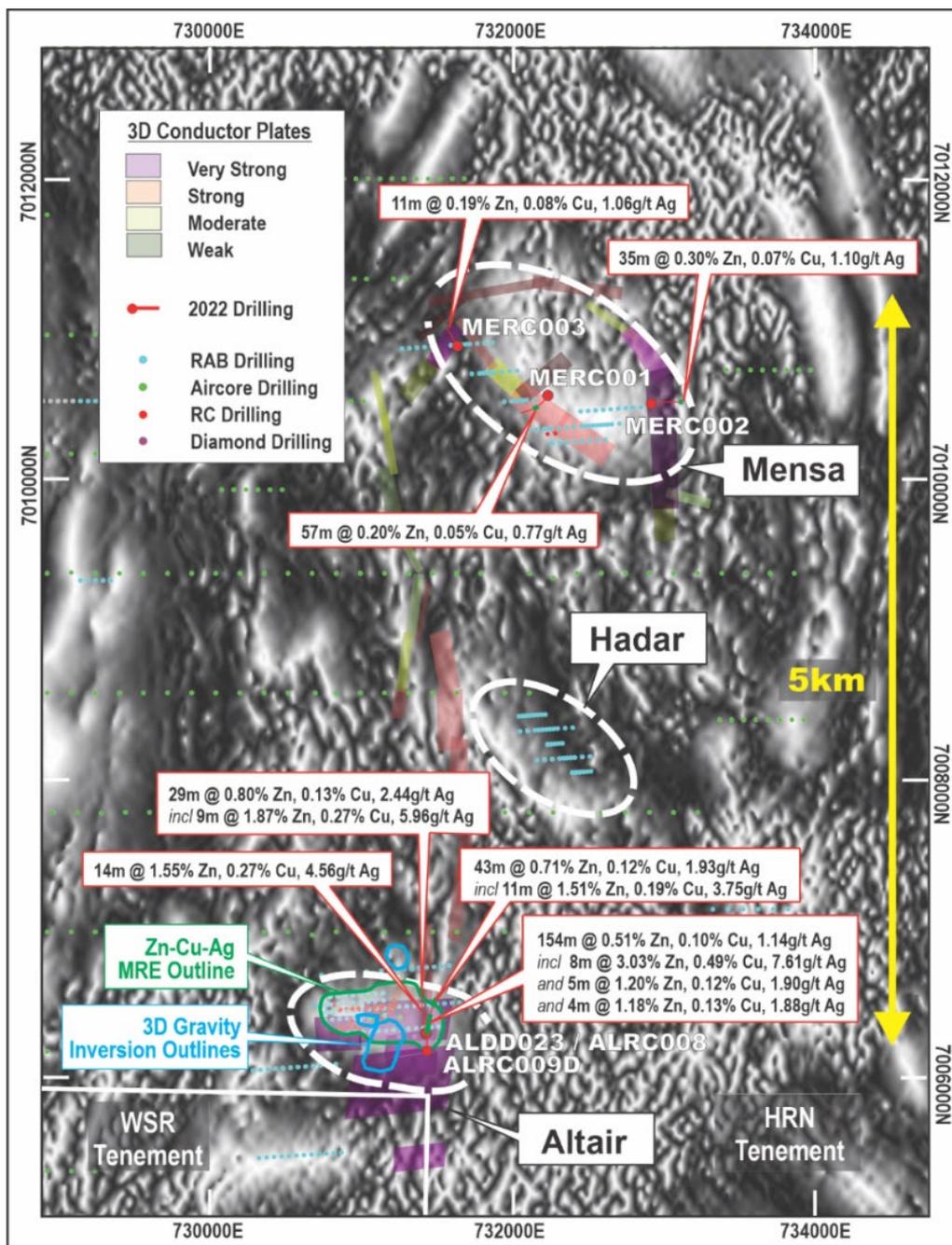


Figure 6: Modelled 3D conductor plates, historic drillhole collars (coloured by hole type), and recent drill holes (large red dots) over a greyscale derivative aeromagnetic image.

Gold Exploration Progress

Metallurgical sighter testwork, rock density measurements, and the compilation and interpretation of all drilling data, digital terrain models, and mineralisation wireframes has been completed during the quarter and provided to independent resource geologists.

The Company remains on track to report an updated Gum Creek gold resource estimate prior to the end of June 2023, which will include maiden MRE's for the Hyperno, Deep South, Heron, Wedge, Eagles Peak, Fangio, Kearrys, Hawk and Melbourne Bitter prospects.

Pit optimisation work is planned for all updated and maiden gold resources.

A prospecting licence (P53/1702) located immediately along strike of the Company's Melbourne Bitter Prospect was purchased during the quarter (Figure 7). The licence contains numerous historic workings and shafts, and has the potential to add open pitable resource ounces to the Gum Creek MRE in the near term. RC and diamond drilling has been planned and will be completed later this year.

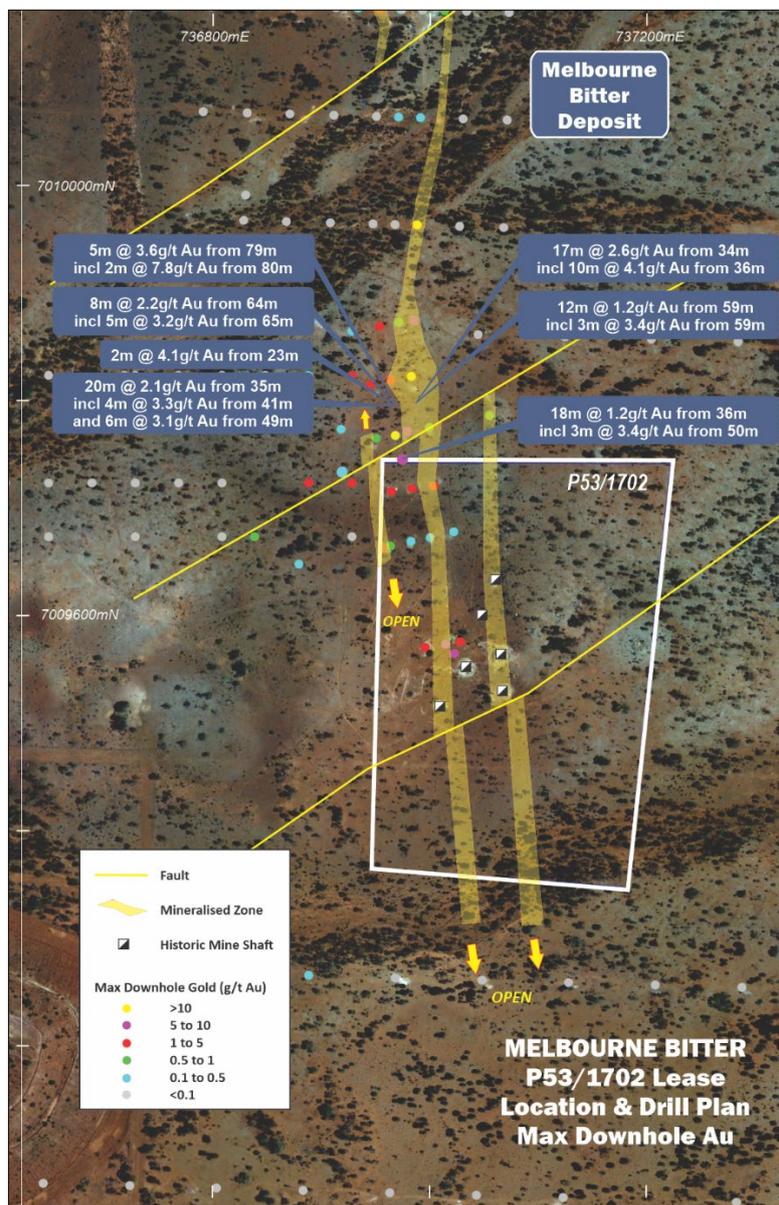


Figure 7: Melbourne Bitter Prospect showing P53/1702 outline, interpreted surface projection of gold mineralisation, drill collars (coloured by max. downhole gold), and 2022 significant drill intercepts over satellite image.



## Corporate

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

As required by ASX Listing Rule 5.3, the Company advises it spent \$577,000 on exploration and evaluation activities during the quarter. The expenditure is predominantly related to costs associated with gold and base metal resource estimation work at various prospects across the Project, associated metallurgical and geological 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 \$101,000, encompassing the Executive Director's salary, Non-Executive Directors' fees and associated superannuation and \$9,000 relating to geological drafting and administration services.

As at 31 March 2023, Horizon had \$211,000 cash at hand in addition to \$598,000 on short term loan to Zeta Resources Limited.

### **Mining Tenements**

The status of the Company's mining tenements as at 31 March 2023 are detailed in Appendix 1.

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

**For further information contact:**

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## Horizon Gold Limited Mineral Resources

*Table A: Gum Creek Gold 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: Altair Inferred Base Metal Mineral Resource as at 14 March 2023*

Cut-off ZnEq %	Total Tonnes & Grade					Total Metal Content			
	Mt	ZnEq %	Zn %	Cu %	Ag g/t	ZnEq (Kt)	Zn (Kt)	Cu (Kt)	Ag (Moz)
<b>2.0</b>	<b>7.0</b>	<b>2.9</b>	<b>1.8</b>	<b>0.5</b>	<b>5.0</b>	<b>200</b>	<b>130</b>	<b>30</b>	<b>1.1</b>

Note: The metal equivalent calculation formula is  $ZnEq \% = Zn (\%) + 2.78 \times Cu (\%) + 0.018 \times Ag (g/t)$  using metal prices of A\$4,500/t Zn, A\$12,500/t Cu and A\$30/oz Ag. Based on preliminary metallurgical studies, recoveries used were 90% for Zn, 90% for Cu, and 75% for Ag. Rounding errors are apparent.

### 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 31 March 2023

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
P53/1702	Gidgee	Gum Creek	Granted	30-Sep-23	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) \* Renewal Application submitted

**(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
P53/1702 Gidgee	Purchase Agreement settled and Transfer documents submitted	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")

**31 MARCH 2023**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	14	34
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs (incl for Care & Maint.)	(24)	(132)
	(e) direct site Care & Maint. costs	(1)	(5)
	(f) administration and corporate costs	(45)	(289)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	7
1.5	Interest and other costs of finance paid	-	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (FY 2022 WA State MRF payment)	-	(146)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(54)</b>	<b>(532)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(25)	(25)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(577)	(4,819)
	(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 (9 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	700	4,900
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>98</b>	<b>56</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	517
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	-	(41)
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>-</b>	<b>476</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	167	211
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(54)	(532)

## 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 (9 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	98	56
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	476
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 \$598,000 (Previous Quarter -\$1,287,000) which is on deposit with Zeta Resources Limited and available at call (see Section 7 for more details).

<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	191	147
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>167*</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	101
6.2	Aggregate amount of payments to related parties and their associates included in item 2	9

*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)	598	-
7.4 <b>Total financing facilities</b>	598	-
7.5 <b>Unused financing facilities available at quarter end</b>		598
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.	<p>As part of the Company's capital management strategy the Company has deposited surplus cash funds of \$598,000 (balance as of 31 March 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.</p>	

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)	(54)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(577)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(631)
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)	598
8.6 Total available funding (item 8.4 + item 8.5)	809
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.35
<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: No, the previous quarter's exploration expenditure (\$577,000) included a substantial amount of metallurgical analysis / reporting and mineral resource estimation work, the majority of which has been completed, and as such exploration expenditure will be reduced.	
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: The Company will seek to raise equity funds or undertake borrowings when required. It is expected that the Company will be successful in its future fund-raising activities.	

## 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: The Company expects to continue its operations and meet its business objectives via its existing funds and future fund raising when required.

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: 21 April 2023

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.