



March 2023 Quarterly Activities Report

Highlights:

- Ongoing review of Redcastle Gold Project including independent analysis
- Infill auger soil sampling results received – analysis underway
- Identification and assessment of additional complementary mineral asset opportunities

Redcastle Resources Ltd (**Redcastle** or **Company**) is pleased to present its Quarterly Report for the period ending 31 March 2023.

As foreshadowed in the Chairmans Letter dated 12 December, 2022 (**Chairmans Letter**), during the quarter the Company appointed an independent expert who has carried out a review of the Redcastle Gold Project and its associated data. The report has been submitted to the board for its further consideration to assist in decision making around the allocation of further resources to the Redcastle Gold Project including the Queen Alexandra and Redcastle Reef prospects. With the assistance of independent experts, the Company is investigating the various options for commercialising value at the Redcastle Gold Project.



Photo 1: Queen Alexandra historic workings



Photo 2: Redcastle Reef historic workings

In December 2022, an infill auger geochemical soils sampling program was completed to complement the comprehensive broad spaced program across the bulk of the project area. Previous results highlighted extensive gold anomalism within the Redcastle Mining Centre tenement M39/318 highlighting a gold in soils anomaly some 1.7km in length. Several discrete targets were defined in the initial program being observed in the South West and North West of the project area on tenements P39/5814 and P39/5815 with broad based anomalism in the Eastern and North Eastern area within P39/5573 (See Figure 1 and ASX release dated 15th August 2022).

Following a laboratory delay, the Company has now received the results and is assessing and collating the results prior to release to the market.

NEW OPPORTUNITIES

During the quarter the Company continued to focus on the identification of potential new mineral asset opportunities. The board reviewed numerous proposals across a range of mineral commodities and in various jurisdictions. While advanced negotiations and due diligence were carried out on one project in particular, ultimately, the board formed the view that none of the opportunities presented were compelling enough to proceed particularly from a valuation perspective. The Company continues to actively seek and assess new opportunities and remains well placed to act on the appropriate opportunity whenever it arises.



CORPORATE

Mr Trevor Dixon stepped down from his role as Technical Director and moved to Non-executive Director of the Company. Mr Dixon will consult to the Company in respect of the Redcastle Gold Project on an as required basis.

CASH POSITION

At the end of the quarter, the Company had cash reserves of approximately \$2.263 million. The Appendix 5B report attached to this report contains the Company's cash flow statement for the quarter.

The Company provides the following information pursuant to ASX Listing Rule requirements:

ASX Listing Rule 5.3.1

Exploration and Evaluation expenditure during the quarter was \$48k. This was mainly spent on the geochemical sampling program.

ASX Listing Rule 5.3.2

There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3

The following table sets out the tenement information reported as required by ASX Listing Rule 5.3.3.

The Tenements cover a prospective area (1,088ha) surrounding the locality of the historical Redcastle Mining Centre within the Mt Morgans District of the Mt Margaret Mineral Field of WA approximately 60km east of Leonora and 60km west of Laverton in the North-Eastern Goldfields.

Tenement Id	Status	Area (ha)	Expiry Date
M 39/318	Live	106	15/09/2036
P 39/5184	Live	54	15/12/2019*
M 39/1140	Pending	54	-
P 39/5307	Live	155	05/02/2022*
M39/1155	Pending	155	-
M39/1149	Pending	58	-
P 39/5568	Live	151	17/04/2024
P 39/5573	Live	123	18/04/2024
P 39/5814	Live	197	07/02/2026
P 39/5815	Live	172	07/02/2026
P 39/5858	Live	57	01/07/2026
P 39/6185	Live	15	30/06/2025

*Notwithstanding these expiry dates, the prospecting licences remain valid due to the fact that the Company's relevant mining lease application covers the area of the prospecting licences



1. The mining tenement interests acquired during the quarter and their location
See table above.
2. Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter
Not applicable.
3. Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter
Not applicable.

ASX Listing Rule 5.3.5

The following table sets out the information as required by ASX Listing Rule 5.3.5 regarding payments to related parties of the entity and their associates:

Related Party	Amount	Description
Directors	\$46,050	Director Fees
Director Related Entities	\$20,000	Consulting Fees
Mirador Corporate	\$34,275	Company Secretarial and Financial Management Fees

ASX Listing Rule 5.3.4

The table below illustrates the expenditure comparison against the 'use of funds table' in the Prospectus dated 21 September 2021.

Allocation of Funds	Use of Funds for 24 Months (20.12.21)	Use of Funds Pro-Rata to 31.03.23	Actuals (20.12.21 to 31.03.23)	Variance	Note
Opening Cash	352,574	-	214,808	137,767	1
Proceeds from the Offer	4,500,000	-	4,500,000	-	-
Total	4,852,574	-	4,714,808	137,767	
Project Exploration	2,221,000	1,417,789	1,087,760	330,029	2
Administrative Costs	1,000,000	638,356	930,679	(292,323)	3
Working Capital	1,091,574	696,813	-	696,813	4
Expenses of the Offer	540,000	540,000	571,460	(31,460)	5
Total	4,852,574	3,292,958	2,589,899	703,060	

Note 1

Actual Opening Cash represents existing cash held by the Company on 20 December 2021. The variance is due to the expenses of the Offer (ASX, ASIC, legal, independent geologist report, and audit investigating accounting fees) paid before the capital raising.



Note 2

Project Exploration includes the expenditures from the listing date 20 December 2021 to 31 December 2022, approximately 466 days, against the proposed use of funds which has been budgeted over a 2 year period according to the Prospectus.

Project Exploration details are as follows:

Use of Funds	Maximum Subscription (\$)	Actual amount spent (\$) in the quarter ended 31 March 2023	Actual amount spent (A\$) year to date
Wages/Salaries/Contractors	300,000	17,247	208,565
Data compilation	70,000	-	-
Geological/Geophysical interpretation	40,000	-	-
Soil Geochemical Survey	100,000	-	51,484
Follow up RAB/AC drilling	185,000	-	-
Follow up RC drilling	550,000	-	649,915
Assays	120,000	25,762	115,038
Metallurgical test work	10,000	-	-
Field supplies and support	25,000	2,978	22,236
Tenement costs	100,000	2,363	27,223
Equipment and consumables	40,000	-	13,300
Heritage and Environment	15,000	-	-
Administration costs	25,000	-	-
Rehabilitation costs	50,000	-	-
Additional Project Acquisitions	500,000	-	-
Contingency	91,000	-	-
Total	2,221,000	48,349	1,087,760

Note 3

The variance is due to the fact that post re-compliance the Company made a payment of \$167,660 for unbudgeted



accumulated invoices (comprising of share registry fees of \$6,831, accounting and secretary services of \$34,650, legal fees of \$93,201, audit fees of \$26,570, and ASX fees of \$6,219) and corporate advisory fees (a total \$145,000 over 12 months) which arrangement was entered into after the listing and therefore not budgeted when the Prospectus was lodged.

Note 4

According to the Prospectus, working capital provides for additional capital to be used for additional exploration following the planned exploration programs or grant of additional tenements applied for by the Company and investment in new mineral exploration projects not yet identified by the Directors, including due diligence costs incurred in consideration of such projects. The Company has not incurred or allocated any such costs to this category.

Note 5

The cost of the Offer exceeded budgeted expenditures, primarily due to additional legal fees.

This announcement has been approved for release to ASX by the Board of Redcastle Resources Ltd

COMPETENT PERSON

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Matthew Sullivan, a Competent Person and consultant of the company who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Matthew Sullivan 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Sullivan consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.' The Company is not aware of any new information or data that materially affects the information included in the above

Appendix 5B

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

Name of entity

Redcastle Resources Limited

ABN

57 096 781 716

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(102)	(422)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	16
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	(95)	(406)

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	(48)	(555)
	(e) investments	-	-
	(f) other non-current assets	-	-

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 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	(48)	(555)

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	-	-
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 (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,406	3,224
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(95)	(407)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(48)	(555)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,263	2,263

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	2,263	2,406
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,263	2,406

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	(100)
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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(95)
8.2	Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(48)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(144)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,263
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,263
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	16
	<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

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: 27 April 2023

Authorised by: The Board of Redcastle Resources Limited
(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.