



ASX Announcement | 28 April 2023

## MARCH 2023 QUARTERLY REPORT

GCX Metals Limited (“GCX” or “Company”) is pleased to present its quarterly report for the quarter ending 31 March 2023. Highlights during and since the quarter include:

### Highlights

- Commenced reverse circulation (“RC”) drilling at the Onslow Copper Gold Project (“Project”) to test the high priority, newly identified shallow electromagnetic (“EM”) conductors for potential sulphide hosted mineralisation in the southern portion of the Project (Figure 3).
- Completed a regional geochemical survey at the Project which generated and confirmed several large-scale iron oxide copper gold ore deposits (“IOCG”) and volcanic-hosted massive sulfide (“VHMS”) targets that warrant further exploration.
- Completed a ground-based tenement wide gravity survey to compliment the identified large scale magnetic features in the north of the Project. The gravity survey aims to identify coincident gravity, geochemical and EM anomalies that have the potential to host IOCG style mineralisation. Results are currently being interpreted.
- Awarded a Exploration Incentive Scheme (“EIS”) co-funded drilling refund of up to \$204,050 for planned diamond (“DD”) drilling on the Project to test three IOCG targets in the northern portion of the Project.



*Figure 1: Drilling at the Onslow Copper Gold Project*

## Onslow Copper Gold Project

The Onslow Copper Gold Project (Figure 2) is located in the northwestern extension of the Capricorn Orogen and is considered prospective for gold and copper, lead and zinc. Nearby 1990's historic exploration identified the potential for banded-iron-formation hosted gold and iron-oxide hosted copper-gold mineralisation.

The Project covers 567km<sup>2</sup> and comprises three tenements. The Company owns 100% of granted licence E08/3311 (121km<sup>2</sup>) and 80% of granted licence E08/3197 (188km<sup>2</sup>). The Company has also applied for E08/3462, comprising a further 258km<sup>2</sup> of prospective ground located adjacent to E08/3311.

Historical drilling on the tenements was almost exclusively focussed on the cover sequence in the search for pisolitic iron mineralisation and hence the proterozoic basement is considered to be essentially untested. A recent review of historic airborne electromagnetic surveys confirmed several anomalies that have never been drill tested.

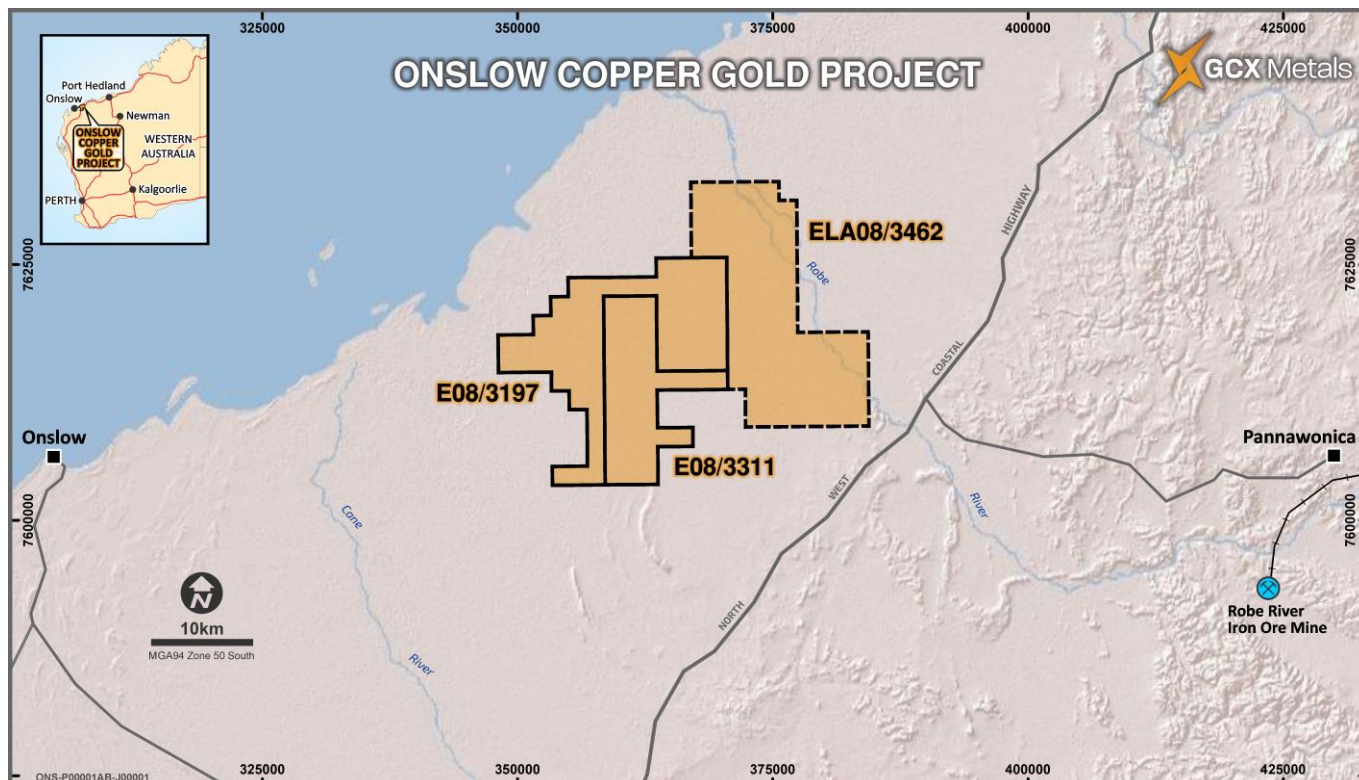


Figure 2: Onslow Copper Gold Project tenement location plan

## RC Drill Program

Subsequent to the end of the quarter, the Company commenced its maiden RC drill program at the Onslow Copper Gold Project. The program will test the high priority, newly identified shallow EM conductors for potential sulphide hosted mineralisation in the southern portion of the Project. Four RC holes have been specifically designed to effectively test the high-priority conductors. Drilling can be extended if needed to ensure an effective program is achieved.

## Regional Geochemical Sampling

During the quarter, the Company announced the results of a tenement wide geochemical survey over the Project which generated and confirmed several large-scale IOCG and VHMS targets that warrant further exploration. A total of 16 IOCG/VHMS targets were defined. A number of the spatially large subtle anomalies sit in geophysically interesting areas that in conjunction with the magnetic and gravity data provide several large-scale targets suitable for drill testing. Given the estimated cover (40-400m), the results are considered encouraging.

The targets located over the significant northern magnetic features will be the initial focus. It is worth noting the presence of several geochemical anomalies in areas located away from the known magnetic targets. The recently completed gravity survey may assist in deciding whether to follow up these unexpected anomalies. Basement sediments that are estimated to range between 40-400m deep, with shallow modern alluvial/colluvial material located at surface.



## Regional Gravity Survey

Subsequent to the end of the quarter, the Company completed a ground-based tenement wide gravity survey on 800m x 800m spacing with 400m x 400m infill in areas of interest. The results of the survey are intended to refine drill-targeting process for the large-scale IOCG/magnetic features in the north of the Project. The gravity survey is also designed to identify coincident gravity, geochemical and EM anomalies that have the potential to host VHMS style mineralisation in the south. Results are currently being interpreted.

## EIS Co-Funding Application

Subsequent to the end of the quarter, the Company was notified of its successful application for Round 27 funding under the Co-Funded Exploration Drilling Program of the Western Australian Government's EIS.

The Company applied for co-funding to test three large scale coincident geochemical and magnetic targets with DD drilling in the northern portion of the Project that could be associated with IOCG style mineralisation (Figure 3). The EIS allows the Company to apply for a total refund of \$204,050 from up to 50% of incurred direct drilling costs, including mobilisation charges, subject to signing a Funding Agreement.

The Company is finalising its plans for the proposed DD drill program, which is expected to commence in the second half of 2023.

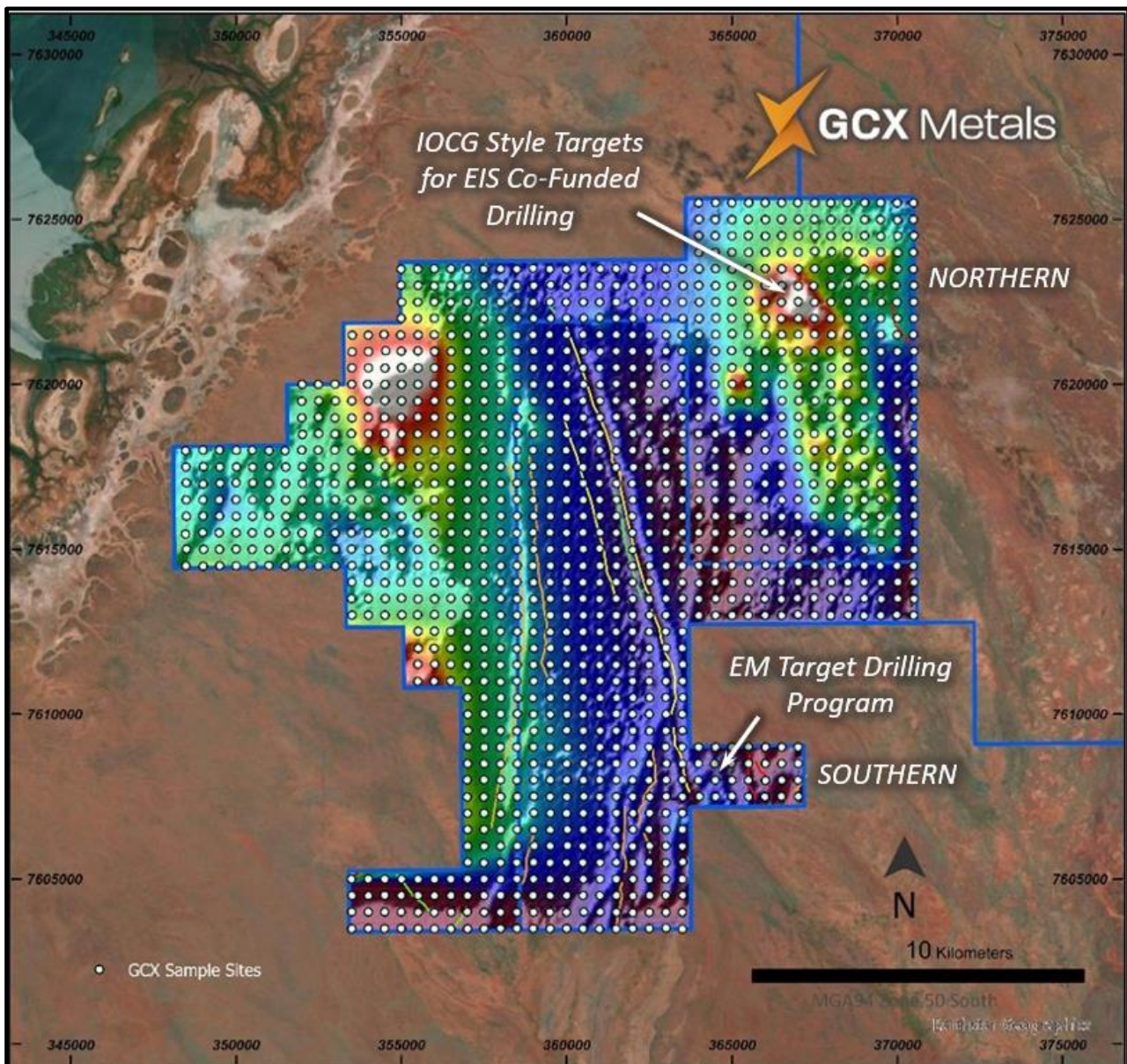


Figure 3: Soil Sample locations over AEM conductors and IOCG magnetic targets

## ASX Additional Information

### Mining exploration tenements

As at 31 March 2023, the Company holds an interest in the following exploration tenements:

Mining exploration project name	Permit Number	Percentage Interest	Status
Onslow Copper Gold Project (Western Australia)	E08/3311	100%	Granted
	E08/3462	100%	Application
	E08/3197	80%	Granted
Other tenements (Western Australia)	E77/3009	100%	Application
	E77/3010	100%	Application
	E77/3011	100%	Application
	E77/3012	100%	Application

### Mining exploration expenditures

During the quarter, the Company made the following payments in relation to mining exploration activities:

Mining exploration activity	A\$000
Geological consultants	32
Tenement rents, rates and management	8
Field supplies, vehicles, travel and other	42
<b>Total</b>	<b>82</b>

There were no mining or production activities or expenses during the quarter.

### Related party payments

During the quarter, the Company made payments of approximately \$70,000 to related parties and their associates, for director's fees, superannuation, company secretarial services and provision of a fully serviced office.

This ASX announcement has been approved in accordance with the Company's published continuous disclosure policy and authorised for release by the Company Secretary, Greg Swan.

For further information, please contact:

#### Greg Swan

Company Secretary

Tel: +61 8 9322 6322

**Competent Persons Statement**

*The information in this report that relates to Exploration Results is based on information compiled by Peter Woodman who is a consultant to GCX and holder of shares and options in GCX. Mr Woodman is a Member of the Australian Institute of Mining and Metallurgy. Mr Woodman has sufficient experience that is relevant to the styles of mineralisation and types 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" (JORC Code). Mr Woodman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**Forward Looking Statements**

*Statements regarding plans with respect to GCX's project are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.*

## Appendix 5B

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

Name of entity

GCX Metals Limited

ABN

44 155 933 010

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter A\$000	Year to date (9 months) A\$000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(82)	(459)
(b) development	-	-
(c) production	-	-
(d) staff costs	(16)	(46)
(e) administration and corporate costs	(92)	(416)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	32	56
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(158)</b>	<b>(865)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(25)
(c) property, plant and equipment:	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-

Consolidated statement of cash flows	Current quarter A\$000	Year to date (9 months) A\$000
(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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	-	<b>(25)</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	852
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	-	(200)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	(400)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	-	<b>252</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	<b>4,055</b>	<b>4,535</b>
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(158)	(865)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(25)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	252
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>3,897</b>	<b>3,897</b>

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	3,897	4,055
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,897</b>	<b>4,055</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
A\$000**

(70)

-

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

**7. Financing facilities**

*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.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify):
- 7.4 **Total financing facilities**

**Total facility  
amount at  
quarter end  
A\$000**

**Amount drawn  
at quarter end  
A\$000**

-

-

-

-

-

-

-

-

**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.



<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)	(158)
8.2 (Payments for exploration & evaluation classified as investment activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(158)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,897
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,897
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>24.7</b>

*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.*

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?

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?

Not applicable.

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?

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 April 2023 .....

Authorised by: Company Secretary .....

(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.