KINETIKO ENERGY LTD

ASX Announcement
28 April 2023

QUARTERLY ACTIVITIES REPORT ENDING 31 MARCH 2023

HIGHLIGHTS

- **Health, Safety and Environment**

  No accidents, injuries or environmental incidents have been reported during this period.

  All field operations begin with daily safety meetings.

  A customized safety reporting system is being developed.

- **South African Strategic Investor Funding**

  The **Industrial Development Corporation of South Africa (IDC)** advanced first funds towards its JV with Afro Energy to develop gas fields to produce gas for industrial, commercial, transportation or power generation applications. IDC advanced R16,300,000 (~A$1.367m) as part of its R70,000,000 (~A$5.873m) commitment into its joint venture with Afro Energy (Pty) Ltd (Afro Energy), the proposed 100% subsidiary of Kinetiko. IDC is a wholly owned subsidiary of the South African government mandated to promote economic growth and industrial development in South Africa.

- **South African Development & Supply Partnerships**

  Kinetiko executed a Memorandum of Understanding (MOU) with **FFS Refiners** to finalise a Gas Supply Agreement. FFS Refiners is a leading supplier of industrial heating fuels in South Africa and is seeking to supplement its industrial fuels business with the supply of liquified natural gas (LNG). Kinetiko and FFS Refiners intend to develop a proof-of-concept gas production trial, that if successful can be scaled into a long-term supply arrangement. The MOU provides for the potential of FFS Refiners to purchase natural gas produced pursuant to a binding Gas Supply Agreement.

  Kinetiko executed a Letter of Intent (LOI) with **Grüner Energy**, a South African owner and operator of energy assets in Africa, to conclude a gas development and supply agreement. Kinetiko and Grüner Energy intend to co-fund the development of a proof-of-concept gas production trial, that if successful, can be scaled. The LOI provides for Grüner Energy to purchase natural gas produced for the gas development and supply agreement.

  Commercial relationships, such as those with FFS Refiners and Grüner Energy, are integral to the Company's business model of establishing interest in local JV partners to co-develop and co-fund gas production fields in South Africa. These relationships have the potential of accelerating the exploration vision with funding support.

  Moreover, the identification of potential offtakers such as FFS Refiners and Grüner Energy for gas produced by Kinetiko is significant to the potential growth of Company's gas reserves. This strengthens the market opportunities for Kinetiko's significant contingent gas resource.

  Finally, the independent certification of gas reserves and the ability of Kinetiko to increase its gas reserves will depend on the ability of the Company to establish that there is a credible market for gas produced in what is projected to be a number of producing gas fields.

- **Drilling Operations**

Significant results from gas desorption testing from **Core Well 270-03C** achieved gas content of over 10m^3/t and rising. Wireline logging results established 153.5m of sandstone pay zones, with coal seams of combined 5.75m thickness encountered. First well where reservoir quality sandstone in the glacial Dwyka formation (below 561m) has been observed. The Core well is situated only a few kilometres from South Africa's largest gas pipeline.

Core Well 270-05C intersected significant gassy zones in targeted deeper carbonaceous geology. The core well is approximately 10kms from South Africa's largest gas pipeline. Ongoing exploration success supports potential for large scale production.

Drilling of **Core Hole 270-06C** intersected strong gassy sediments in targeted carbonaceous geology extending the potential contiguous gassy sandstone geology south from core well 271-23C by approximately 64km.

Wireline logging results established 147m of gassy sandstone pay in the vertical profile, being even greater than that reported in the previous Majuba core well (~131m). Strong results from gas desorption testing from core hole 270-06C achieving gas content of nearly 7m^3/t and rising.

- **Corporate**

Kinetiko contracted **SLR Consulting** (SLR), global leaders in environmental and advisory solutions, to lead the process for a Production Right application being submitted. The process includes, inter alia, studies in air quality, hydrogeology, surface environment and community engagements. The same Consultants will lead the re-application process for Block ER320, which previously stalled due to regulatory conflicts, now cleared, adding another 2,383km2 to the total area under rights, with the concurrent potential of increasing the 2C TCF resource count considerably.

Kinetiko will proceed with the **Restructure of Afro Energy** (Pty) Ltd (Afro Energy). However, as a result of the Waiver Application not being approved by the ASX, the Company will be required to reconvene a meeting of its Shareholders to refresh the Restructure approvals. This will require the Company to issue a subsequent notice of meeting with an updated Independent Experts Report.

The Company is in the process of preparing the subsequent notice of meeting and intends to dispatch it to Shareholders shortly, which will contain further information for Shareholders in relation to the Restructure.

- **Cash**

As at 31 March 2023 the Company is in a strong cash position with **$4.642m in Cash** and has a further **$3.046m in Cash** through its incorporated special purpose vehicle named Afro Gas Development SA (Pty) Ltd, being **$1.678m** (R20,000,000) in funds advanced through Afro Energy as per 5B 2.1(a) and **$1.367m**(R16,300,000) advanced by the IDC.

INTRODUCTION

Energy exploration company Kinetiko Energy Limited (ASX:KKO) (“**Kinetiko**” or “**Company**”) is pleased to report on corporate developments and operational activities at its Mpumalanga projects and adjacent exploration rights in South Africa during the March 2023 quarter. The activities are conducted through Afro Energy (Pty) Ltd (“**Afro Energy**”) on closure of the merger, a 100% subsidiary of the Company.

SOUTH AFRICAN INVESTMENT AND DEVELOPMENT & SUPPLY PARTNERSHIPS

- ### IDC Funding to Prime Joint Venture Development

  Afro Energy executed a joint development agreement and supporting agreements to jointly develop commercial gas production in the Amersfoort region within Exploration Right 12/3/271. The investment and development will be conducted through an incorporated special purpose vehicle named Afro Gas Development SA (Pty) Ltd (**AGDSA Project**). (See ASX Announcement dated 4 April 2022).

  The gas field development will be undertaken in two phases. The first will be the development of approximately 10 wells and the construction of a gas terminal with gas treatment and processing plant, metering station and pipeline gathering system. The second phase will comprise the commencement of gas production from existing wells and the development of a further approximately 10 wells along with the maintenance and expansion of facilities as required.

  The ADGSA Project is budgeted to cost approximately R155m which will be contributed 45% (R70m) by the IDC and 55% (R85m) by Afro Energy. The contributions are to be made by shareholder loans repayable from ADGSA Project gas production revenues. Afro Energy has advanced R20,000,000 (AUD $1.678m) as part of its contribution for its 55% ownership of the joint venture. The IDC has matched this with R16,300,000 deposited into the SPV account.

  The IDC has the first right to participate for up to 45% equity investment in any further special purpose vehicles relating to further gas production blocks up to a total of 60 wells.

- ### Memorandum Of Understanding (MOU) Executed With FFS Refiners To Co-Develop Gas Production Field

  FFS Refiners Proprietary Limited (**FFS Refiners**) is a South African based company and leading supplier of industrial heating fuels for thermal applications. FFS Refiners is also a significant producer of wood preservatives in South Africa and the only re-refiner of base oils within Southern Africa. The company further supplies marine fuels and operates liquid bulk storage facilities in ports and inland. FFS Refiners is well positioned to transition its industrial fuels business into the supply of LNG as a transition fuel to assist customers and local industry in lowering their carbon footprint of energy procurement in Southern Africa.

Commercial Intent

The Parties have executed the MOU with the purpose of ultimately negotiating and concluding within six months a formal, binding Gas Supply Agreement (Gas Supply Agreement) between Kinetiko and FFS Refiners whereby Kinetiko agrees to explore, drill and extract natural gas within South Africa and FFS Refiners intends to purchase such natural gas, in order to enable it to produce and distribute LNG.

The parties intend a first phase consisting of a proof-of-concept trial (POC) for Kinetiko to collect and dehydrate natural gas (DNG) for supply to FFS Refiners at required specifications in order to produce LNG. Should the POC phase meet the objectives of the parties the second phase intent is to increase the volumes of natural gas over a long-term supply period.

The Gas Supply Agreement shall consider but not be limited to the following material matters:

- KKO obtaining the necessary production permits
- Natural Gas Specifications
- DNG volumes
- Supply Period
- DNG Price
- Delivery
- DNG Prepayment Amount

- **Letter Of Intent (LOI) Executed with Gruner To Co-Develop Gas Production Field**

Gruner Energy Proprietary Limited (**Gruner Energy**) is a South African incorporated company and a developer, builder owner and operator of sustainable energy assets in emerging African markets. Gruner Energy's focus is the African continent, monetising regional gas resources using natural and biogas as a transitional fuel.

Gruner Energy's mission statement is "On-site, off-grid, uninterrupted, cost-effective clean energy". The company manages various modalities in providing energy solutions from natural resource to end user. These include distributing energy generation systems and energy supply and modular LNG processing, production and supply.

Commercial Intent

The Parties have executed the LOI with the purpose of ultimately negotiating and concluding within six months a formal, binding Gas Development and Supply Agreement (Gas Supply Agreement) between Kinetiko and Gruner Energy whereby Kinetiko agrees to explore, drill and extract natural gas within South Africa and Gruner Energy intends to assist develop production of natural gas and purchase such natural gas.

The Gas Supply Agreement shall consider but not be limited to the following material matters:

- Natural Gas Specification
- Dry Natural Gas Volumes
- Parties' Funding Commitments
- Gas Supply Period
- Dry Natural Gas Price
- Gas Delivery

EXPLORATION UPDATE

- ### Core Well 270-03C

Core well 270-03C, spudded on 24 January 2023 and approximately 7 km from the South Africa's largest gas pipeline the Lily pipeline, is undergoing gas desorption testing and wireline logging results indicating strong potential for gas field development (Figure 2).

Gas Testing Results 270-03C

Ten coal samples are continuing to desorb in test canisters with one now over 10m^3/tonne and rising after one month. Coals of combined 5.75m thickness continue to be desorption tested.

Such a high content is caused by proximity to a dolerite dyke, which was hot, molten rock when it intruded the sedimentary section. The intense heat altered the amount of gas the coal can hold in an adsorbed state, increases the amount of gas coals which will add to the production from the primary sandstone reservoirs. This anomaly has been observed in a number of wells completed on the project.

The strong gas-effect crossover of the density and neutron porosity curves (red shading Figure 1) between 288 to 574m adds up to 153.5m in combined gassy sandstone thickness. This does not include sandy zones with a weak effect or zones less than 1m thick, which may also contribute gas in a producing well.

The average depth of these sandstone reservoirs is 150m deeper than the Korhaan production wells to the north. This added depth should increase the pressure and volume of gas flow in future production wells in this new area, relative to the Korhaan area.

This is the first hole where the Company has seen reservoir quality sandstone in the glacial Dwyka Formation (below 561m). It has always been poorly sorted and tight in the other wells, but adds a deep additional pay zone in this area.

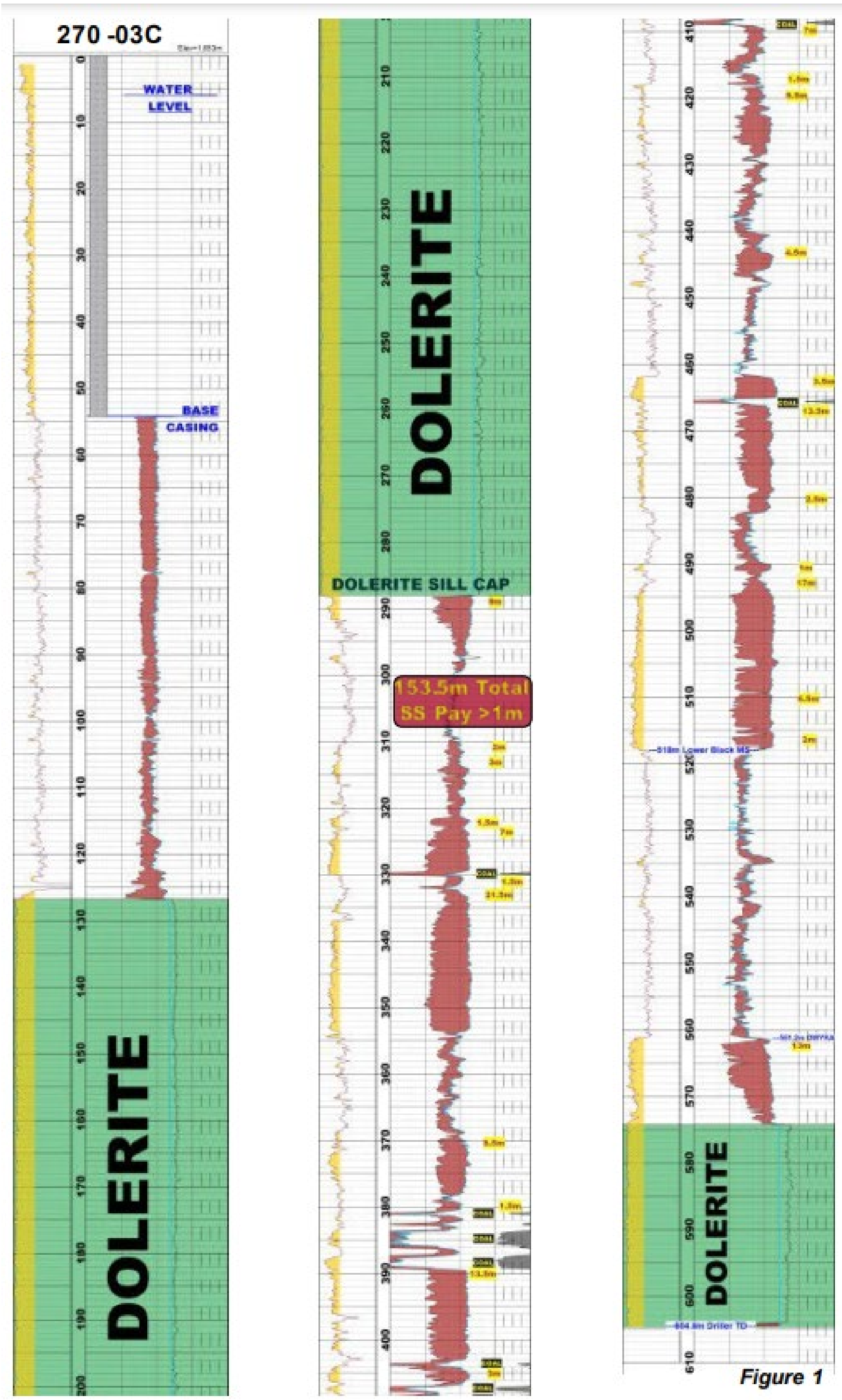

Figure 1: Core well 270-03C wire line logging results illustrating 153.5m gas pay zone

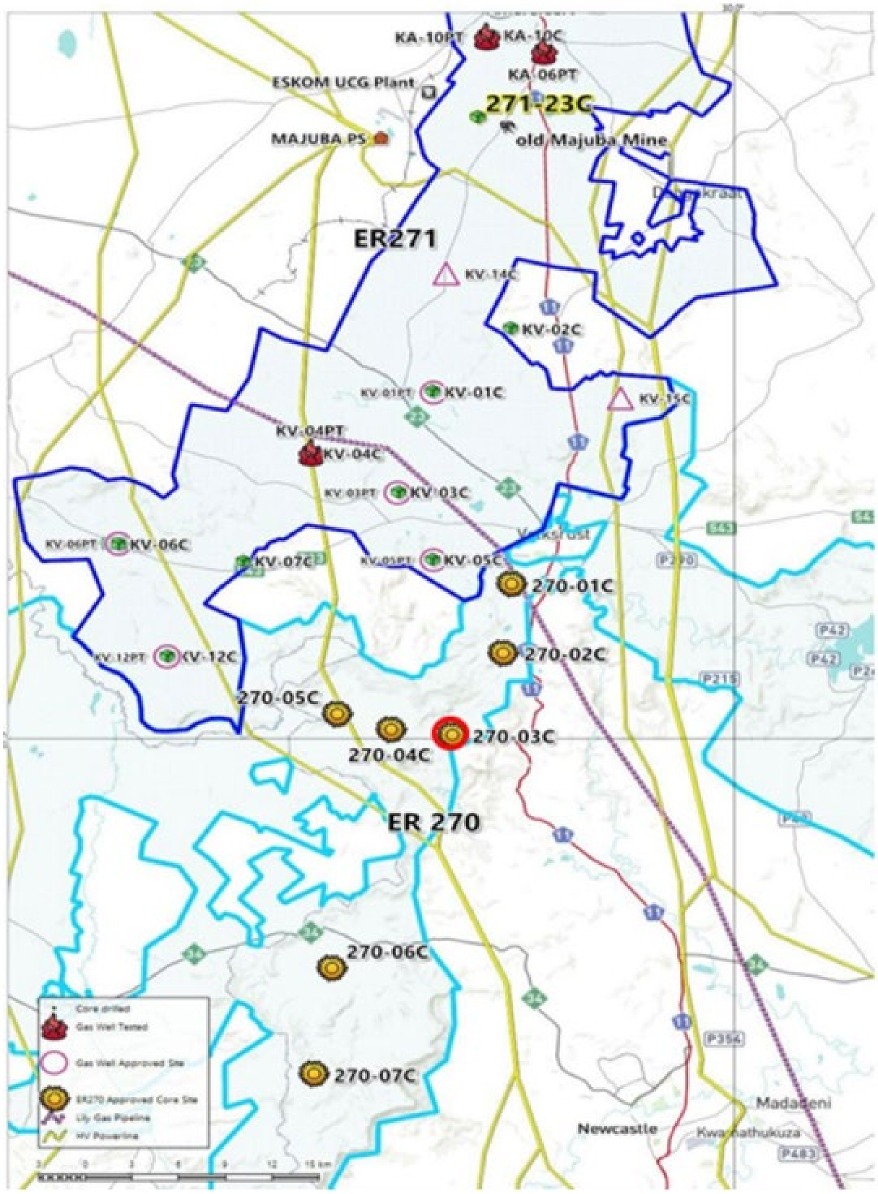

Figure 2: Location 270-03C in ER 270

- ## Core Well 270-05C

Core well 270-05C, spudded in March 2023, is approximately 10kms from South Africa's largest gas pipeline, the Lily Pipeline, which feeds the industries of the KwaZulu-Natal midlands and coastal cities. The core hole started encountering intermittent gassy zones from a depth of 175m with strong visible gas emissions observed from core samples at depths below 220m with drilling continuing. (Figure 3)

Gas Intersects

Core well 270-05C is currently coring at below 550m meters having drilled through anticipated stratigraphy and into unexpected deeper dolerites. Initial gas indications were encountered as shallow as 40m until top of first dolerite cap at 68m. Then again from 175m gas was significantly observed from zones within the cores until a second dolerite layer was encountered from 287m to 487m. As at the date of this report the Company was still drilling through sediments below the deep dolerites and could expect a similar recurrence of igneous and sedimentary sequences towards the terminal depth.

The Company is aware, from aeromagnetic and gravimetry surveys, that the dolerite sill undulates and, in some cases like this one, creates multiple caps. However, recent and historic drilling gives the Company confidence that thicker cumulative sills can mean a combination of shallow and deeper sands and therefore the terminal depth (and potential associated gas pay cut in the profile) of this core hole could be similar to recent core holes (270-03C - 158m of gas-bearing sediments) with a similar terminal depth.

Figure 3: Core well 270-05C visible gas emissions observed from representative core samples at depths between 175-287m

Ongoing Exploration Success

The Company has now encountered significant gassy intersects on all three of its recent core wells drilled in exploration right 270. These core well sites were strategically selected to optimise the potential to interface with existing energy infrastructure and regional gas off takers. The consistent favourable exploration results have grown the Company's confidence that the regional geology surrounding the three core wells is consistent and has the potential to host multiple production well clusters (Figure 4).

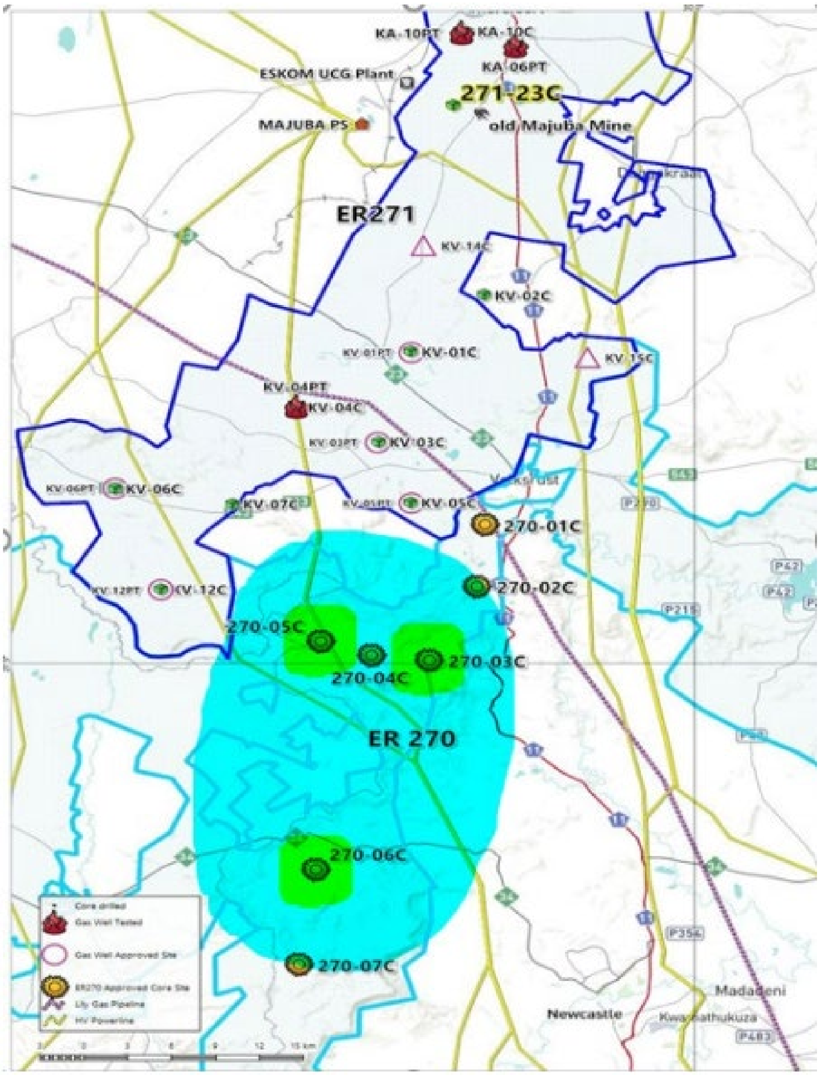

Figure 4: location 270-05C, 270-03C and 270-06C in ER 270

Figure 5: Rigging up on core well location 270-05C

- **Core Well 270-06C**

Core hole 270-06C, spudded on 3 November 2022 in proximity to the gas markets around the steelmaking and manufacturing centre of Newcastle, South Africa and successfully completed in mid-December 2022, has nearly completed gas desorption testing and has wireline logging results that indicate strong potential for gas field development.

Core well 270-06C is approximately 64km south of the successful Majuba core well 271-23C and grows further confidence of the continuity of the intersected strong gassy geology and potential for gas production development through a fairway of approximately 125kms.

Gas Testing Results 270-06C

The geophysical wireline log overlays the density (black) and neutron (blue) curves at depth. The wireline log in Figure 6 shows four (4) major features of the 270-06C exploration hole:

- The dolerite sill cap rock provides a vertical gas seal down to 240m above the sedimentary rock below
- The low natural gamma radiation on the left sides is highlighted yellow to emphasise the sandstone reservoir layers
- On the right sides, the seams of coal are displayed with low density
- And the best feature of all is in the middle, the gas-effect crossover in the sandstones, shaded red, interbedded with carbonaceous layers without the gas effect

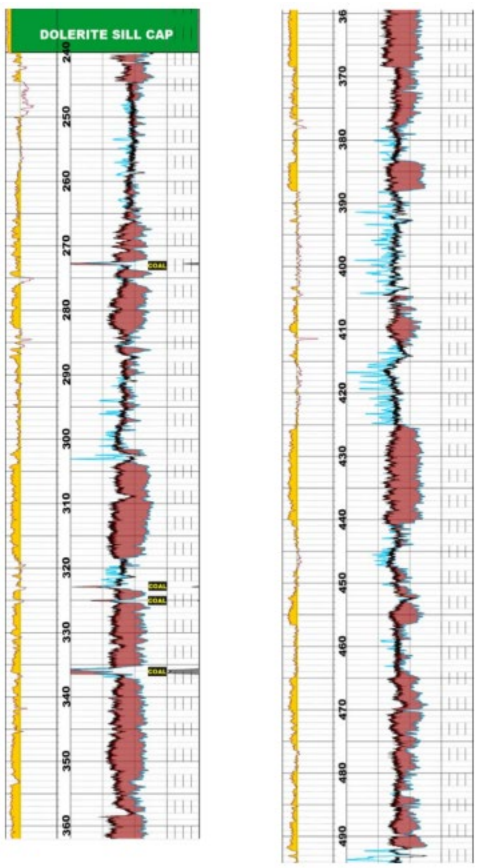

Figure 6: Wireline log results of core hole 270-06C

Below the dolerite, most of the formations are either gas source rock or gas reservoir rock. The curves diverge in the presence of gas-filled porosity (red shading). Between 240-490m, below the dolerite intrusive cap rock, there is about 147m of sandstone which strongly exhibits this gas effect. This was confirmed by observations of residual gas in the core as it came out of the hole (Figure 7 and 8).

Only two coal zones were thick enough to desorb, from about 273m and 337m. They are still being measured for gas content but are approaching 7 and 5 m³/tonne respectively, and still climbing. The coals are very thin here, but the siltstone and mudstone zones between the sandstones are quite carbonaceous and are the source of most of the gas.

The gassy sandstones in this hole compare very favourably to Kinetiko's other project areas, where test wells have produced commercial rates of gas flow. This proves that the assessed "Sandstone Resource Play" extends much further to the south. Other Resource Plays (CSG and shale gas) target low permeability unconventional reservoirs which require fracking. This project combines traditional sandstone reservoirs, interbedded carbonaceous siltstones and mudstone source rock and the unconventional trapping mechanism of igneous dolerite dykes and sills. This has produced an area of thousands of km² underlain by shallow sandstone gas deposits, tapped by low-cost wells without fracking.

Figure 7 : Core well 270-06C visible gas emissions observed from core sample at depths between 277.75-280.75m

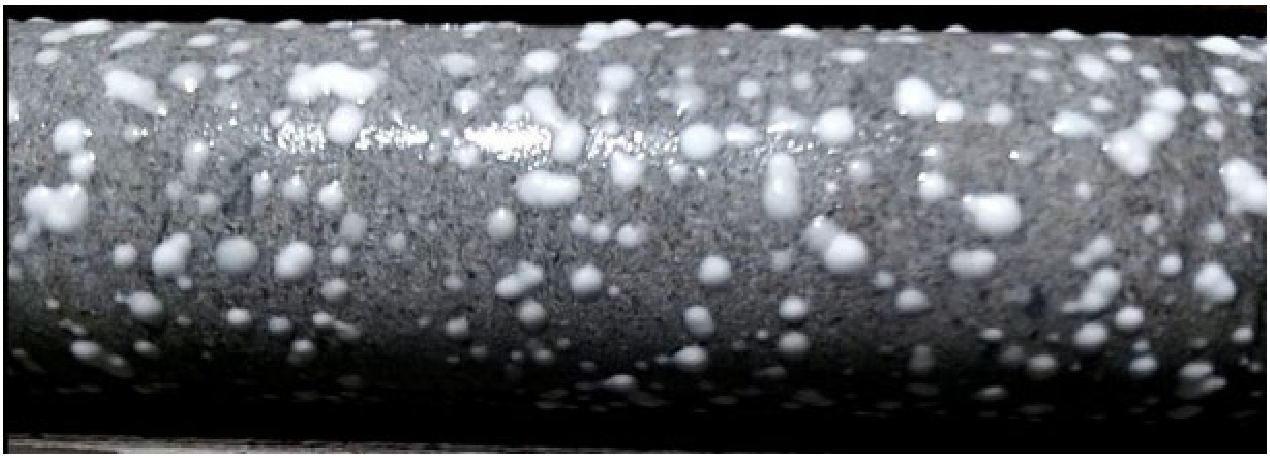

Figure 8: Core well 270-06C visible gas emissions observed from core sample at depths between 409.75-412.75m

- **Significant Exploration Rights Renewed**

Petroleum Agency of South Africa (**PASA**) granted Afro Energy renewals on **Exploration Rights 270 and 272** for a period of two years. The renewals granted by PASA supported the approved work programs Kinetiko has in place to accelerate exploration.

The renewals covering an area of approximately 3,135km2 represent a substantial portion of the Company's current exploration rights and support the majority of the planned exploration activities of 2023 (Figure 9).

PASA also renewed flagship **Exploration Right 271** which covers an area of approximately 1,288km^2 supporting the Company's flagship pilot production site at Amersfoort, the two Liquefied Natural Gas production projects and the planned development of the Industrial Development Corporation of South Africa joint venture program of exploration and production activities over the next 24 months.

Following the Minerals and Petroleum Resources Development Act of 2002, Section 81:(4), under which the Company is entitled to continue with exploration and appraisal operations, the renewal granted is for the first of potentially three (3) renewal periods of two (2) years. The Company has commenced preparation of its application for a Production Right over this exploration right which would be valid for an initial period of 30 years and thereby negate the need to reapply for further renewal periods.

The renewal applications were obliged by law to be accompanied by remapping with a 20% relinquishment of area. This was an anticipated opportunity for the Company to divest itself from inoperable turf, including townlands, wetlands, mountains and canyons. The positive outcome is therefore a more practical and efficient focus on operable geography and a reduced annual Rights tariff.

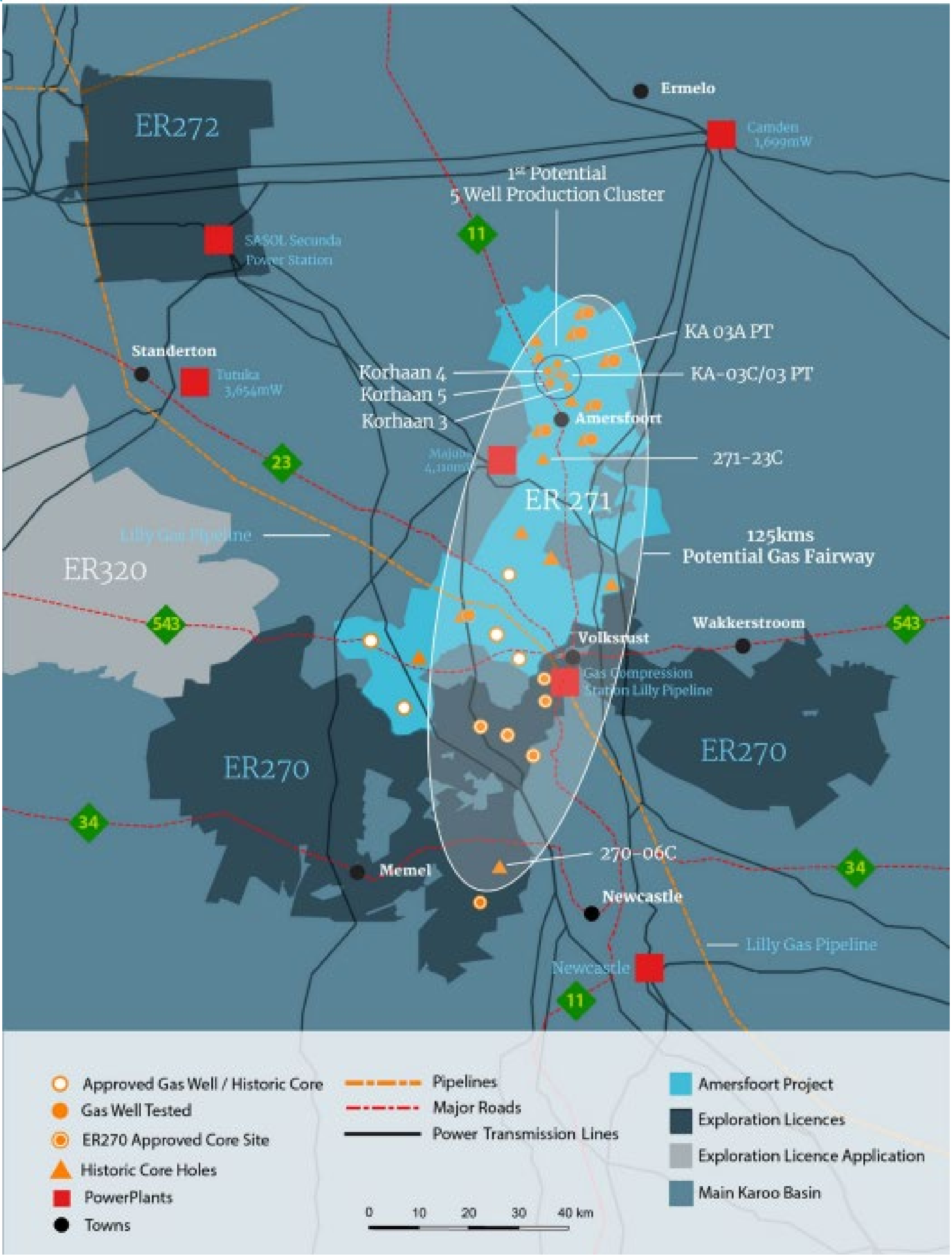

Figure 9: Exploration Right 270, 271 and 272 and exploration activity

GAS PRODUCTION

- **Gas Reserves Certification**

The Company has engaged independent gas certification group **Sproule** to provide an independent evaluation of the gas reserves and/or resources of specific projects within Exploration Right 271. The area of ER 271 is 1,287Km2 with the total exploration rights (and applications) of the Company being 6,015 (post relinquishment). Sproule's engagement to undertake an assessment for certification of maiden gas reserves was progressed to its final stages within November 2022 but due to a re-configuration of the plan for GTP production at Amersfoort with associated number of wells and size of generator unit, the report was suspended pending updated information from the Company and is anticipated to be issued during 2023, with further commercial production projects added. It should be noted that this maiden reserve report was solely focused on the small area being planned for production to the pilot GTP project. We intend to add further projects to the scope of the maiden report, hence the delay in the publication. and the Reserves will be regularly updated with a geological and economic consideration for every subsequent exploration and production project the Company undertakes going forward.

CORPORATE

- **Production Right Application Activities Commenced**

Kinetiko contracted **SLR Consulting (SLR)**, global leaders in environmental and advisory solutions, to lead the process for a Production Right application being submitted. The process includes, inter alia, studies in air quality, hydrogeology, surface environment and community engagements. Due to SLR's experience and long relationship successfully advising the Company, there is confidence the production right can be obtained before the end of the year well inside the estimated timeframe for commercial production commencement. Kinetiko's policy is one of great care towards the environment and local communities where it has already undertaken activities for over a decade.

SLR has also been contracted to lead the re-application of Block ER320. The initial application was submitted in 2016, but stalled for some years due to discrepancies between Government Departments and regulatory changes. All of these issues have now been cleared, but as the Scoping Document expired after two years, a re-application has become the only way to deal with the acquisition of this Rights area. This will add 2,383 km^2 to the asset area under rights and will certainly provide the basis of a significantly increased Resource certification. It is worthy of note that the busiest highway in the country, the N3 between the industrial hub of Johannesburg and the port city of Durban, runs through the middle of this block, providing for early thinking around the construction of LNG stations to supply into the fuel needs of the 12,000 trucks which ply this route daily.

- **Restructure and Waiver Application Update**

At Kinetiko's AGM on 30 November 2022, Company shareholders approved, among other resolutions, the restructure of Afro Energy (Pty) Ltd (Afro Energy), such that Afro Energy will become a wholly owned subsidiary of the Company and that the shareholders of Badimo Gas (Pty) Ltd (Badimo Shareholders) will become shareholders in the Company (Restructure). The Company received overwhelming Shareholder support of the Restructure at its AGM, with 95% of the votes by Shareholders in favour of approving the respective resolutions relating to the Restructure.

Refer to ASX announcements dated 1 March 2023 and 15 March 2023 discussing the Restructure.

The Company's application for a waiver of Listing Rule 14.7 was submitted with the ASX but was not granted. Refer to ASX announcement dated 1 March 2023 discussing the Application for a Waiver with the ASX.

The Company confirms that it will still be proceeding with the Restructure, however, as a result of the Waiver Application not being approved by the ASX, the Company will be required to reconvene a meeting of its Shareholders to refresh the Restructure approvals. This will require the Company to issue a subsequent notice of meeting with an updated Independent Experts Report.

The Company is in the process of preparing the subsequent notice of meeting and intends to dispatch it to Shareholders shortly, which will contain further information for Shareholders in relation to the Restructure.

INFORMATION REQUIRED BY LISTING RULE 5.4.1

During the Quarter ended March 2023, the Company had cash outflows for exploration and evaluation of $500k. $323k was in relation to the company spudding core wells and logging operations, $86K advanced to the company's drilling contractor to retro fit its requirement for a second rig, $12k relating to environmental impact studies and with $79k relating to other sundry exploration costs.

During the March 2023 quarter, $138k was paid to directors and their associates for directors' fees, company secretarial fees, corporate fees, capital raising fees and legal fees.

TENURE INTEREST as at 31 March 2023:

Tenement reference	Nature of interest
ER320 (TCP 106)	Application for conversion from Technical Cooperation Permit to Exploration Right has had to be re-started, after recent advice from PASA. Application is expected to be started by re-performing the Scoping Document, beginning in Q2 2023.
ER 270	Exploration Right granted on 03 September 2019. Renewal was granted on 16 Feb 2023, valid to 15 Feb 2025.
ER 271	Approval granted by Dept of Mineral Resources (DMR) on 19 August 2021 for consolidation with ER38 and ER56. Renewal was granted on 20 Feb 2023, valid to 19 Feb 2025. Production Right application processes have been started.
ER 272	Exploration Right granted on 21 August 2019. Renewal was granted on 16 Feb 2023, valid to 15 Feb 2025.

Competent Persons and Compliance Statements

Unless otherwise specified information in this report relating to operations, exploration and related technical comments have been compiled by CEO, Mr. Nick de Blocq, who has over 35 years' experience in energy minerals exploration and production, including various executive roles. Mr. de Blocq consents to the inclusion of this information in the form and context in which it appears.

This announcement is available to view on the Company's website www.kinetiko.com.au

The Company confirms that it is not aware of any new information or data that materially affect the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

-ENDS-

For more information visit: www.kinetiko.com.au or contact,

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About Kinetiko Energy and Afro Energy

Kinetiko Energy is an Australian gas explorer focused on advanced shallow conventional gas and coal bed methane (CBM) opportunities in rapidly developing markets in Southern Africa. South Africa has extensive gassy coal basins, extensive energy infrastructure and a growing gas demand, making it an attractive area for investment. The Company has a large potential exploration area, of which approximately 7000km² is granted and being explored.

Afro Energy (Pty) Ltd. was incorporated as a joint venture founded in 2015 by Kinetiko Energy Ltd (49%) and Badimo Gas (Pty) Ltd of South Africa (51%) as a JV company to own 100% of the exploration rights with required BEE (Black Empowerment Endowment) certification, and facilitate South African investment in order to continue to explore, develop, and commercialise gas production.

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Appendix 5B

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

Name of entity

KINETIKO ENERGY LIMITED

ABN	Quarter ended ("current quarter")
45 141 647 529	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	(129)	(383)
	(e)	administration and corporate costs	(208)	(917)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		24	28
1.5	Interest and other costs of finance paid		(1)	(3)
1.6	Income taxes paid		-	-
1.7	Government grants and tax incentives		-	-
1.8	Other – net GST and VAT (paid) / refunded		3	(11)
1.9	**Net cash from / (used in) operating activities**		**(311)**	**(1,286)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities – funds advanced to AGDSA Project	(1,678)	(1,678)
	(b)	tenements	-	-
	(c)	property, plant and equipment	(48)	(126)
	(d)	exploration & evaluation	(500)	(1,326)
	(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	Loans to other entities	(3)	(24)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(2,229)**	**(3,154)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	8,194
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	(2)	(71)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(250)
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**	**(2)**	**7,873**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	7,376	1,347
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(311)	(1,286)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,229)	(3,154)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	7,873

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	(192)	(138)
4.6	**Cash and cash equivalents at end of period**	**4,642**	**4,642**

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	4,642	7,376
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)**	**4,642**	**7,376**

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	138
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.

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.*	**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)	(311)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(500)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(811)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,320
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,320
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	7.79

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?

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: 28 April 2023

Authorised 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.