

Quarterly Activities & Cash Flow Report Period Ended 31 March 2023

Quarter Highlights

- Q1FY23 cash receipts from customers of \$912k, a 107% increase on Q4FY22 and above full year FY22 customer receipts of \$707k.
- Operational delivery on the infield OZ Minerals core scanning and study integration contract.
- Solution delivery into active projects including OZ Minerals and other laboratory-based projects.
- Data-science and geo-science team continues to ramp-up output and data products to power Orexplore solutions across the mining value chain including strong advances across ore sorting, sample optimisation, and geo-technical products.
- Deep customer engagement in the South American region and an advancing pipeline definition across the Australian, European, and South American regions.
- Speed increases of over 600% were delivered in the new dual-energy CT system that will power field deployments of the Company's ore sorting solution that is moving through advanced development and into initial commercial testing.
- Increasing engagement and laboratory commercial scanning from multiple critical minerals customers.
- Cash balance as at 31 March 2023 of \$4.79 million (no debt) with continued focus on financial discipline.

Perth, Australia; 28 April 2023 – Orexplore Technologies Limited (**ASX: OXT**) (“Orexplora” or the “Company”), a mineral scanning technology company focusing on the global mining and metals sector, is pleased to provide its Quarterly Activities and Cash Flow Report for the quarter ended 31 March 2023. (“Q1FY23”)

Commenting on the quarter, Orexplore’s Managing Director Brett Giroud, said:

“Orexplora has positioned itself strategically to help our customers generate new value across their operations, corporate study and acquisition processes from our transformational technology platform. We have built a world-class team, that our customers are recognising and choosing because we are demonstrating that we are a one stop shop from scan-to-value.”

“Our internal capability and capacity continues to mature and advance with an accelerating focus on extracting value from our proprietary and unique data sets generated by our Geocore GX10® platform through our data-geoscience team. We are unique in our technology and its application across the mining value chain.”



“This quarter delivered a record level of revenue from our operations, and strong pipeline growth across the regions as the Company continued to remain focused on the market adoption of our technology.”

Quarter Activities

Operations

Operations across the quarter continued through the Perth and Stockholm laboratories and the Company’s major OZ Minerals field deployment in South Australia.

The OZ Minerals’ field team ramped up production levels significantly from the prior period through operating 24 hours a day and the positive impacts from increasing process, team experience and delivery performance.

Safety remained a focus on site with the ongoing use of digital safety tools and processes, and a continuous improvement approach was supported through capturing detailed tasks and productivity metrics for analysis.



Figure 1 - OZ Minerals operations

Integration of the data flows from the field-deployed GeoCore X10® units into the main study processes and systems continued across the period. Working in close partnership with the OZ Minerals study geologists, geo-metallurgists and mining engineers, the Orexplore team continued to connect information flows into existing geological and modelling systems, further demonstrating the new and unique power of the platform to challenge prior understandings of orebody knowledge and recoverability.

By mapping density, mineralisation, elements, geo-metallurgical testing, and multiple other new data sets into these platforms in addition to the use of the Orexplore Insight® platform, the broader OZ minerals study and exploration team’s levels of engagement and use of the platform increased significantly across the period, including some rapid scanning of fresh exploration drill core.





Figure 2 - GeoCore X10^(R) rapid deployment single unit system

Commercial core scanning from multiple customers in the Perth and Stockholm laboratories continued through the period, with a strong emerging focus on the platform's capabilities to deliver unique results from critical minerals core and samples focused on ore sorting, assay proxies and potential grade control and other solutions.

The Company's data-geoscience team ramped up their delivery into operational projects and development of data products that underpin the Company's solution suite. Advances across functionality and performance of multiple data products were delivered in addition to tailoring data streams for connection to standard industry packages for use by customers.

Orexplore's engineering team supported operations through pro-active maintenance and a small amount of reactive maintenance during the period to respond to faults. Overall, the level of system stability, performance and reliability during the period on the main OZ Minerals deployment continued to demonstrate high levels.

Sales and Pipeline

The sales team identified further opportunities for site-based Annual Recurring Revenue (ARR) style deployments into operating mines with a strong focus across South America, and also advanced relationships and the sales process across a selection of targeted Tier-1 customers and their core-farms and operating mines.

The team continued to progress their Australian and African sourced core scanning and customer solution development processes during the period. This included ongoing commercial laboratory-based scanning as part of a combined sell/demonstrate process with repeat scanning projects from Tier-1 and other clients occurring across a mixture of base, precious and critical minerals from global locations.

Scanning of commercial laboratory-based critical minerals core and samples occurred in the Perth laboratory with highly promising initial results pointing towards the technologies potential advantages for use within this high growth sector.



The sales team utilised the solutions developed from the Australian operations and data-geoscience teams to successfully advance targeted customer engagements within the European region across the period.

Driving industry adoption through new solutions

Market adoption of the Company's technology platform is achieved through a combination of meeting industry pain points and delivering transformational new products and functionality to create value for customers.

Development across the solution suite and deployment of active solutions on operational projects including the OZ Minerals deployment continued across the period including new customer driven functionality.

The platform's capability to rapidly identify and analyse a broad range of critical minerals was further tested across the period through validating solution requirements with multiple customers.

The Company's solutions are each comprised of one or more data products created by ingesting data from the Geocore X10® units and then undergoing processing and modelling. These data products are being plugged into standard industry geological and mining packages where required on active projects such as OZ Minerals. They are also being further developed to advance the individual User Interface's / Experience's (UI/UX) through the Orexplore Insight® platform.

R2R (Resource to Reserve) acceleration – the OZ Minerals project is rapidly refining and validating Orexplore's R2R suite of value propositions, including smart domaining, RQD, and others, and their connectivity to standard geological and mining software packages. By scanning the core available on site and branching out into scanning fresh drill campaign core also, Orexplore is demonstrating the ability of the technology to “put geology back into the deposit”. No longer limited to only grade-based models, the study team can model and visualise structural controls on mineralisation plus fundamental orebody information.

Led by Dr Stephen Coward, the integration of these unique new data products into the OZ Minerals study processes is being recognised as a potentially transformational step-change in the way deposits are assessed by connecting rapid field-based core analysis into the planning and design of mines. The impact of these improved processes permeates not only the orebody knowledge and recoverability of the study team, but fundamentally the CAPEX and OPEX requirements across the life of mine, and hence the overall techno-economics of deposits.

Sample optimisation – costs, delays, and emerging industry focus on sustainability is resulting in industry pressure to optimise site-based sampling processes where possible. Orexplore's sample optimisation “Smart Sampler” solution was further developed as a data product across the period in order to position the platform to capture value from this current industry “pain-point”.

Project economics - ore sorting – deposit scale sortability is an important emerging capability being demanded to support assessing the economics of complex and



sometimes marginal orebodies. A step change in the processing speed of the underlying systems powering this emerging solution was achieved through the period in preparation for future potential field deployments.

Critical minerals – the development team continued to scan commercial core within the Company’s Perth based laboratory across the period. This supported developing solutions targeted to the high-growth critical minerals sector. Ore sorting, grade control and mineral characterisation capabilities and associated data products all moved forward significantly during the quarter in close collaboration with customers.

Research and development

Orexplore’s Swedish R&D heritage is an important continuous driver of short-term and medium-term value generation and strategic growth for the Company. As a “deep tech” business that generates its own directly-sensed data sets, it is important the business continues to invest in its ability to develop its hardware platform and sensing devices. Whilst many other “geo/data-science only” companies rely on the provision of data sets from other companies and institutions, Orexplore controls the full vertical from sensing to decision support, thereby strategically positioning the business to maximise customer and company value creation over time.

Across the period, Orexplore made significant further advances in the core engine geo-modelling systems from the prior period, including training in operations of its Neural Network system and testing of other modelling results against traditional assay and other quantitative methods.

Speed increases of over 600% were delivered in the new dual-energy CT system that will power field deployments of the Company’s ore sorting solution that is moving through advanced development and into initial commercial testing. In-house developed sensor projects were additionally moved forward through the period.

Work continued to add new functionality into the Orexplore Insight® software platform including language translation, customer requested features, and capabilities to support the growing suite of available solutions.

Corporate & Financial

The Company’s appendix 4C for the quarter ending 31 March 2023 is attached. As at quarter-end, cash holdings were A\$4.79 million with no debt.

Total revenue from customers for Q1FY23 rose to \$821k - an increase of 22.5% over the result from Q4FY22 of \$670k. Cash receipts from customers for the quarter were \$912k as compared with \$441k for Q4FY22 – this represents an increase of 107% over the previous quarter.

Net cash operating outflows for the quarter under review totalled \$1.89 million. This included payments made of \$199k in relation to research and development projects which were capitalised as development costs in the previous financial year and included in investment cashflows. Payments of staff costs remain the largest operating cost of the





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Company and comprise 52% of gross operating cash outflows for Q1FY23. The increase in staff costs as compared with previous quarters is largely related to employment of on-site field technicians at the Company's Kalkaroo project underway for Oz Minerals Limited as reflected in larger revenues during the quarter.

Total investing activity outflows for Q1FY23 were \$337k to support the increase in operating capacity of the Company.

An appropriate balance between expenditure to expand the Company's product offering, grow new sales and introduce suitable operating capacity, against available financial resources remains a key focus of management as it seeks to maintain strong financial discipline across the Company.

In accordance with ASX listing rule 4.7C.3, payments to related parties of the Company and their associates during the quarter totalled \$153k. These payments are related to the Managing Director's remuneration and Non-executive Directors' fees.

Pursuant to ASX listing rule 4.7C.2, the Company advises the proposed use of funds contained in section 1.7 of Orexplore's Prospectus dated 22 November 2021 in comparison to the actual use of funds following admission of the Company to the official list of the ASX is as follows:

Use of Funds	Estimate for the two years post ASX admission including Priority Offer Funds \$'000	Actual Use since ASX admission to 31 March 2023 \$'000
Business development, sales, and marketing	3,750	1,698
Product and service development (incl. R&D)	6,400	4,760
Operations (site and laboratory)	1,400	1,146
Working capital/corporate expenses	2,974	2,105
Total	14,524	9,709

"Working capital/corporate expenses" actual use of funds includes approximately \$455k of transaction expenses related to the Swick demerger and Priority Offer.

On a cumulative basis since admission to ASX, actual net cash used in the business is 7% higher than indicated in the prospectus proposed use of funds when measured on a straight-line basis and represents 67% of total funds available. The largest variance of actual to proposed use of funds is within the product and service development category due to additional focus on the development of Orexplore solutions, development of new technology and the size of the Company's GeoCoreX10 machine fleet.

Despite these variances in use of funds to date, the key business objectives underlying the expected use of funds remain intact.

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This ASX announcement was authorised for release by the Board of Orexplore Technologies Limited





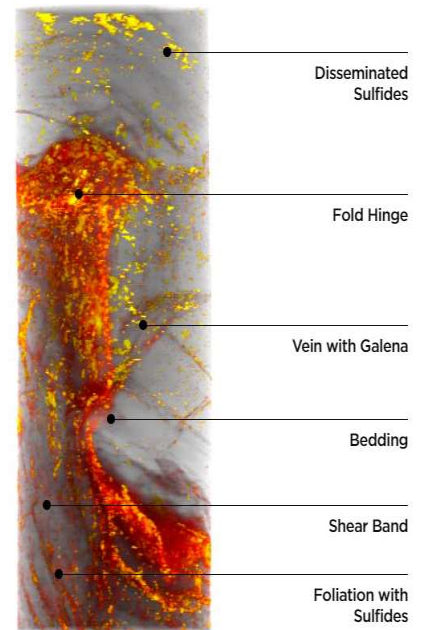
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About Orexplore Technologies

Orexlore Technologies Limited (ASX: OXT) is a globally focused mineral technology business concentrated on advancing the commercialisation of its Technology Platform across the mining value chain within the global metals and mining sector. The Company's Technology Platform consists of the GeoCore GX10® hardware product and Orexplore Insight user interface software, that is continually advancing through its in-house multi-disciplinary research and development team based in Stockholm, Sweden.

Orexlore's first product, the GeoCore X10®, is a transportable X-ray rock mass scanning technology that converts drill core samples into a three-dimensional data set to provide a "through the rock" image of internal structures and texture in addition to elemental detections, and density.

The Company maintains two core-scanning laboratories in Stockholm where it undertakes scanning operations, and in its headquarters in Perth, Western Australia. Orexplore's talented global team includes consulting geologists, engineers, data scientists and physicists, and technology delivery experts. The group continues to advance its solutions through development and delivery of customer Value Propositions powered by its products.



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Disclosure Statement:

These materials include forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks, and contingencies, many of which are outside of the control of, and may be unknown to, the Company. Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not in providing this information undertake any obligation to publicly update or revise any of the forward-looking statements or any change in events, conditions, or circumstances on which any such statement is based.



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Orexplore Technologies Limited

ABN

98 645 505 406

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	912	912
1.2 Payments for		
(a) research and development	(199)	(199)
(b) product manufacturing and operating costs	(555)	(555)
(c) advertising and marketing	(72)	(72)
(d) leased assets	(110)	(110)
(e) staff costs	(1,475)	(1,475)
(f) administration and corporate costs	(434)	(434)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	53	53
1.5 Interest and other costs of finance paid	(14)	(14)
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	(1,894)	(1,894)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(324)	(324)
(d) investments	-	-
(e) intellectual property	(13)	(13)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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	(337)	(337)

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	7,039	7,039
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,894)	(1,894)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(337)	(337)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(19)	(19)
4.6	Cash and cash equivalents at end of period	4,789	4,789

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	4,789	7,039
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)	4,789	7,039

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	153
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,894)
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,789
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,789
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.53
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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	
8.6.2 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	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

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

Date: 28 April 2023

Authorised by: The Board
(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 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 standard applies 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.