



QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 JUNE 2023

Prospect Resources Ltd (ASX: PSC, FRA:5E8) (**Prospect** or **the Company**) is pleased to report on its activities undertaken during the June 2023 quarter.

Highlights

Kesya Rare Earths Project, Zambia

- Acquired the rights to a 51% interest in the Kesya Rare Earths Project (**Kesya**) in southern Zambia through execution of an Option Agreement with Antler Gold Inc.
- Kesya offers outstanding prospectivity to deliver a significant new rare earths discovery, expanding Prospect's battery minerals focus in Africa.
- A maiden 1,500m diamond drilling programme testing subsurface expression of the mapped and sampled rare earth mineralisation at Kesya is anticipated to commence in Q3 2023.

Step Aside Lithium Project, Zimbabwe

- Phase 2 diamond drilling completed at Step Aside.
- Promising assay results have generated encouraging extensional intersections of high-grade lithium mineralisation.
- Lithium-in-soil geochemical sampling indicates further potential "blind" mineralisation.
- Phase 3 drilling programme commenced post end of quarter; designed to target strike and depth extensions of the defined lithium mineralisation and scout-drill key soil anomalies.

Omaruru Lithium Project, Namibia

- Phase 1 drilling completed; 27-hole RC programme for 1,839 metres.
- Designed to target strike and depth extensions at Brockmans, depth extension at Karlsbrunn, and test key regional soil anomaly targets.
- Completion of drilling has resulted in satisfaction of Prospect's initial earn-in agreement, bringing interim Omaruru ownership stake to 40%.

Corporate

- At 30 June 2023, Prospect held A\$26.2 million cash and zero debt.

Prospect Managing Director and CEO, Sam Hosack, commented:

"We are delighted to have ended the June Quarter with the expansion of our critical minerals asset portfolio via the option we have acquired over the Kesya REE Project. Well located in southern Zambia, Kesya hosts excellent infrastructure and a potential world-class rare earth enriched carbonatite system that has historically returned significant values of neodymium and

praseodymium. We are excited with the significant potential Kesya offers in the possible delivery of a new, high-value rare earths discovery.

“The exploration activities at our two lithium exploration assets have continued to progress. The recently completed Phase 2 diamond drilling programme at Step Aside has identified encouraging extensions of high-grade lithium mineralisation across several of the core pegmatites. These results have informed our Phase 3 drilling, which commenced in July. Prospect has also completed its Phase 1 drilling program at Omaruru, which targeted extensions at Karlsbrunn and Brockmans, and first-pass testing of key regional soil anomaly targets.

“We remain well-funded to pursue our ongoing and planned future exploration and drilling activities, holding strong cash reserves of approximately A\$26.2 million at quarter end.

“With three prospective critical mineral projects in different stages of development, we look forward to updating shareholders as we continue to advance our broader strategic objectives in the battery and electrification minerals sector in Africa.”

Project Development

Kesya Rare Earths Project (Namibia); right to earn up to 51% PSC

The Kesya Rare Earths Project (**Kesya REE Project**, **Kesya** or the **Project**) comprises a single Large-Scale Exploration Licence (LEL) application covering just over 1,053 hectares. It is located near the town of Kafue in southern Zambia, which is approximately 90 km via a sealed road from the Zambian capital, Lusaka.

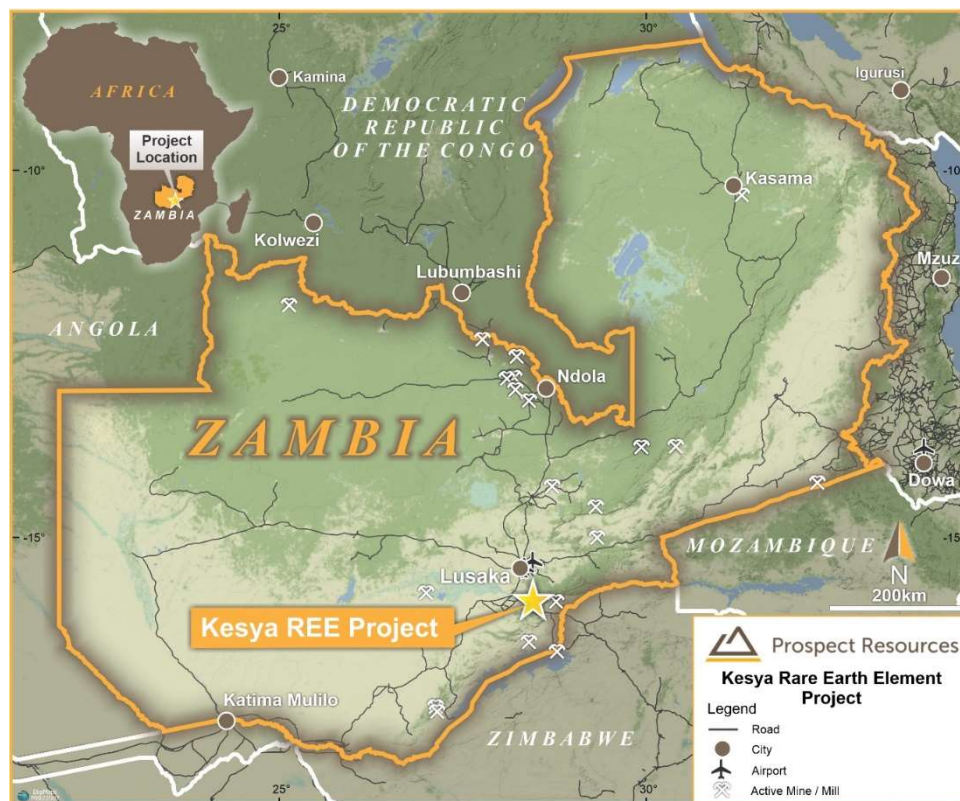


Figure 1: Location Map for the Kesya REE Project in Zambia

Previous geological mapping and surface sampling has identified a large, rare earth-enriched carbonatite intrusion. Antler Gold Inc. undertook two mapping and sampling campaigns at Kesya in

2021, which involved reconnaissance work across the carbonatite complex and the collection of 51 rock chip samples of surface materials identified as being part of the intrusive system.

The rock chip samples proved to be strongly and consistently mineralised with REE, with an average of 1,280 ppm (0.13%) total rare earth oxide (TREO) content, peaking at 6,559 ppm (0.66%) TREO.

Encouragingly, these chip samples also show a consistently high content of neodymium oxide and praseodymium oxide – key primary materials in the manufacture of strong permanent magnets for powerful motors, used in such devices as large, wind turbines, increasingly utilised in the global renewable energy sector. Neodymium and praseodymium oxides average 29% of the TREO content (basket) of the rock chip samples collected from Kesya (Figure 2).

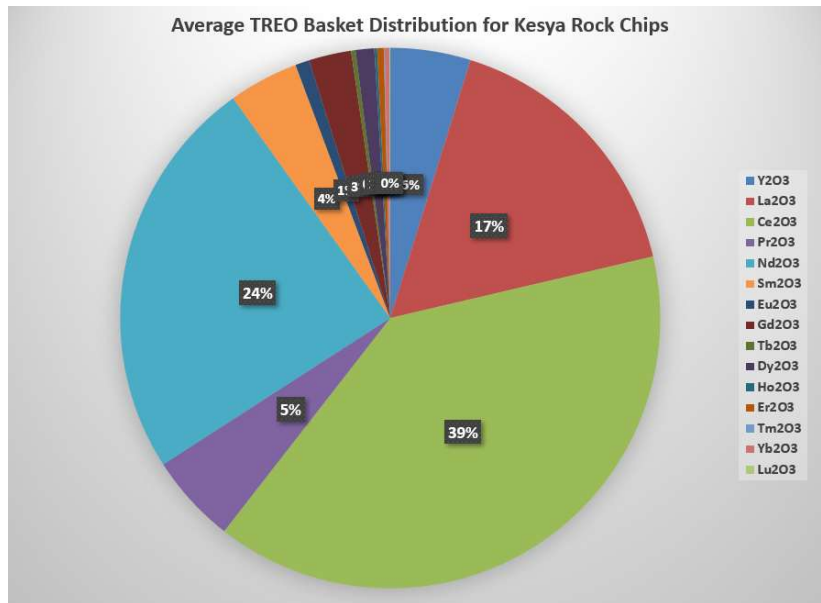


Figure 2: Average grades of individual REOs from rock sampling at Kesya

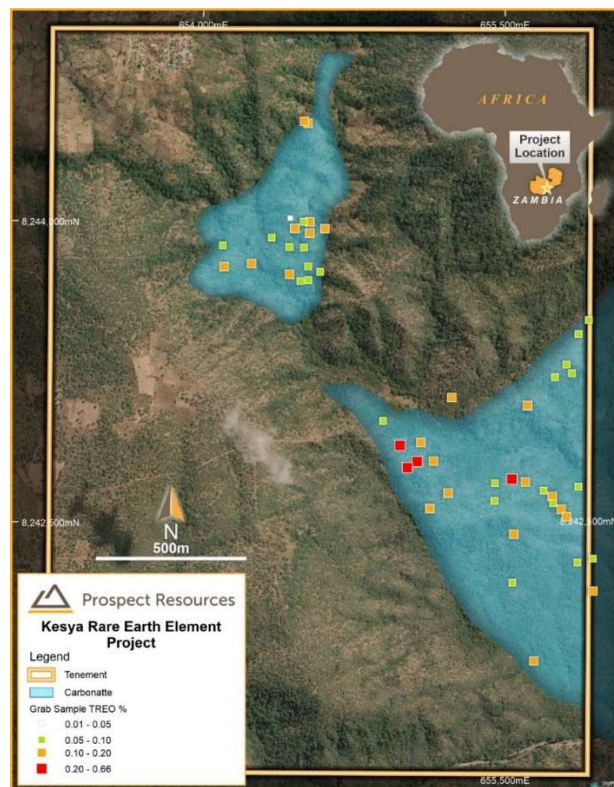


Figure 3: Map of Kesya Tenement and rock chip sample results showing TREO%

Option Agreement with Antler

On 15 May 2023, Prospect announced it had grown its battery minerals presence in sub-Saharan Africa after executing an Option Agreement with Antler Exploration Zambia Limited, being a subsidiary of Antler Gold Inc. (ANTL.TSXV) (Antler), pursuant to which, subject to satisfaction of conditions precedent, Prospect will have the right to earn a 51% interest in Kesya. Under the Option Agreement, Prospect can earn a call option to acquire a 51% interest in Kesya under a two-phased earn-in arrangement totalling US\$3.05 million, which includes consideration payments to Antler and in-ground project expenditure.

Prospect disbursed an initial cash payment of US\$50,000 to Antler on signing. Following satisfaction of the conditions precedent under Phase 1, Prospect will pay Antler a further US\$100,000 in cash, and commits to spend US\$350,000 on the Project within one year (subject to certain extensions permitted under the agreement). Prospect will also pay Antler US\$500,000 in Prospect scrip at the completion of Phase 1 (the value of the scrip will be set at the price of Prospect shares as at the time of signing, based on previous 10-day VWAP).

After completion of Phase 1, Prospect can, if it wishes, elect to proceed to Phase 2 or terminate the Option Agreement (and in this case Prospect will hold no interest in Kesya). If Prospect proceeds to Phase 2, it will pay Antler a further US\$150,000 in cash and US\$500,000 in Prospect scrip (the value of the scrip will be set at the price of Prospect shares as at the time of election to proceed to Phase 2, based on previous 10-day VWAP), and it will have the right, but not the obligation, to spend a further US\$750,000 on Kesya within one year from completion of Phase 1 (subject to certain extensions permitted under the agreement).

Completion of Phase 2 will see Prospect obtain a call option to acquire 51% of shares in Antler Exploration Zambia Limited (which will hold a 100% interest in Kesya) if Prospect elects to exercise the option within 30 days after completion of Phase 2 it must make a final payment to Antler of US\$150,000 cash and US\$500,000 in Prospect scrip (the value of the scrip will be set at the price of Prospect shares as at the time of the exercise of the call option, based on previous 10-day VWAP). Prospect will consult with Antler in relation to the work programme and budget but will ultimately determine and manage all exploration activities in relation to the Project.

Upon completion of the acquisition, Antler Exploration Zambia Limited will be governed by a shareholders agreement. Prospect and Antler have agreed on the key principles of the Shareholder Agreement, with a full form Shareholder Agreement to be entered into in due course. Under the proposed Shareholders Agreement, each of Prospect and Antler will grant each other a pre-emptive right in relation to the shares it holds in Antler Exploration Zambia Limited.

Further development funds are to be contributed by both parties on a pro-rata basis. If a party does not contribute its pro rata share, its shareholding will be diluted via a prescribed formula. Neither party can be diluted below a 15% interest, from which point such interest shall be free-carried through to the completion of a JORC-Code reportable or NI 43-101 compliant Feasibility Study.

Proposed Exploration Programme

Prospect has designed a first-pass diamond drilling programme at the Project to evaluate the continuity of the identified surface REE mineralisation to depth.

Subject to satisfaction of conditions precedent, Prospect proposes that the first phase of exploration at Kesya should be to prioritise establishing suitable access into the Project region and to facilitate

development and construction of pads for scout drilling programmes over higher grade REE mineralisation noted from surface sampling.

The current work plan is to complete 20 drill holes for approximately 1,500 metres of diamond drilling (see Figure 4), supported by a suitable portable drilling rig (or similar), pending all environmental and statutory approvals.

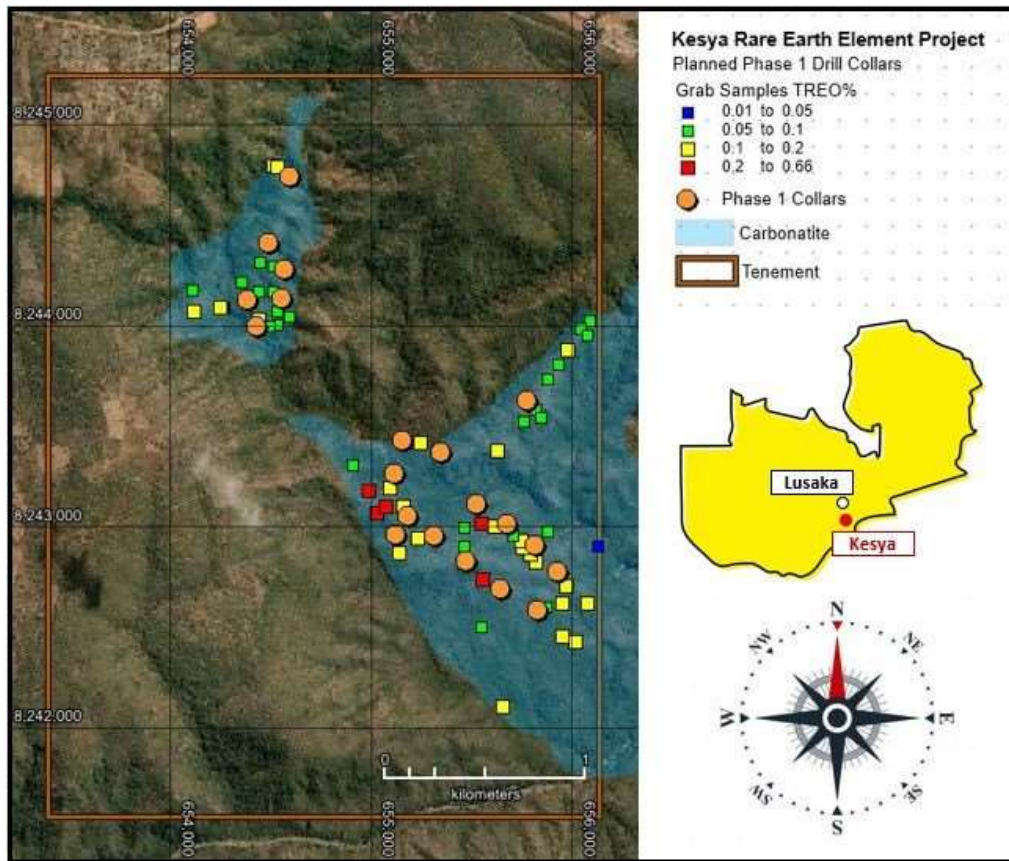


Figure 4: Location Map for the Kesya REE Project with proposed diamond drill target areas

Step Aside Lithium Project (Zimbabwe); 100% PSC

Prospect's 100%-owned Step Aside Lithium Project is located within the Archaean Harare Greenstone Belt, approximately 35 km east of Zimbabwe's capital city Harare, with the claim covering approximately 100 hectares (see Figure 5). Step Aside is 8 km north of the Arcadia Lithium Project, which was discovered by Prospect and holds a Mineral Resource estimate of 72.7 million tonnes grading 1.02% Li₂O. The Arcadia asset was sold to Huayou Cobalt by Prospect in mid-2022 for approximately US\$422 million cash.

The Step Aside Project consists of a folded sequence of meta-sediments of the Gwebi and Mapfeni Members, of the Passford Formation. These meta-sediments are intruded by north trending pegmatites, dolerites and quartz veins of the Mashonaland Suite, which make up the youngest rocks found within the Harare Greenstone Belt.

Broadly, six visible mineralised pegmatites (denoted "A" to "F") have been identified within meta-dolerite host rocks at Step Aside. Individual pegmatites, geologically mapped at surface, are all generally parallel to one another, striking roughly north-south with dips of 60-75° to the west geologically mapped at surface. Pegmatite A on the eastern side and Pegmatite D to the west are

the widest, measuring 5-15m thick and 4-20m thick, respectively. The strike lengths of the A, B, C, D, E and F pegmatite outcrops at surface, are between 50m and 120m long (see Figure 6).

Observations made previously by Prospect during drilling at Arcadia show that several parallel narrow pegmatites can coalesce into thicker pegmatites down dip, indicating the potential that parallel pegmatites outcropping at Step Aside could cojoin to form a comprehensive, lithium mineralised pegmatite system at depth. Bifurcating pegmatites have also been noted from drilling at Step Aside, which might also indicate emplacement of the pegmatite deposits during a period of active faulting in the region (the Mashonganyika Fault Zone).



Figure 5: Locality Map of Step Aside Lithium Project, within 8km north of Arcadia

Completion of Phase 2 Diamond Drilling Programme

On 1 May 2023, Prospect announced the completion of the Phase 2 diamond drilling programme, comprising a total of 20 drill holes for approximately 2,221 metres, targeting strike and dip extensions of Pegmatites A, B, D, E and F.

The Phase 2 programme followed on from the successful Phase 1 maiden programme of mixed RC and diamond drilling completed last year (refer Prospect ASX Announcement dated 20 October 2022), which outlined extensive, consistent, steep dipping, spodumene-dominated lithium mineralisation in all pegmatites targeted. The goal of the second phase programme was to extend the defined lithium mineralisation at Step Aside both along strike and down dip – which was successfully achieved.

High-grade lithium identified from promising assay results

Throughout the quarter, Prospect received promising Phase 2 assay results which generated encouraging extensional intersections of high-grade mineralisation across the target pegmatites (see Figure 7).

Pegmatite D has been extended along strike and down dip, Pegmatite B has thickened at depth and Pegmatite E has generated significant drill intersections of high-grade lithium mineralisation. All these deposits demand significant follow-up drilling in the next phase of exploration at Step Aside.

These results are complemented by coherent 'blind' lithium anomalies in recent regional soil geochemical sampling programmes, which are described later in this release.

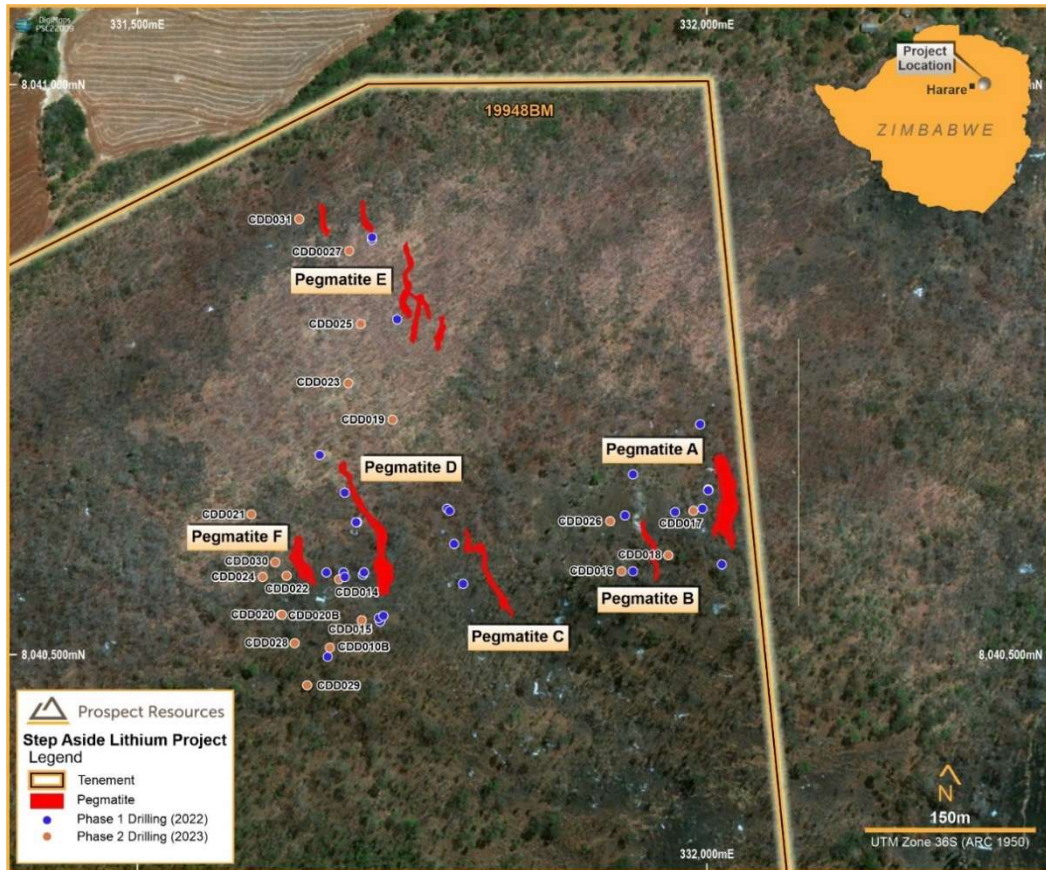


Figure 6: 2023 drill hole collar plan for Step Aside with mineralised lithium pegmatite outcrops

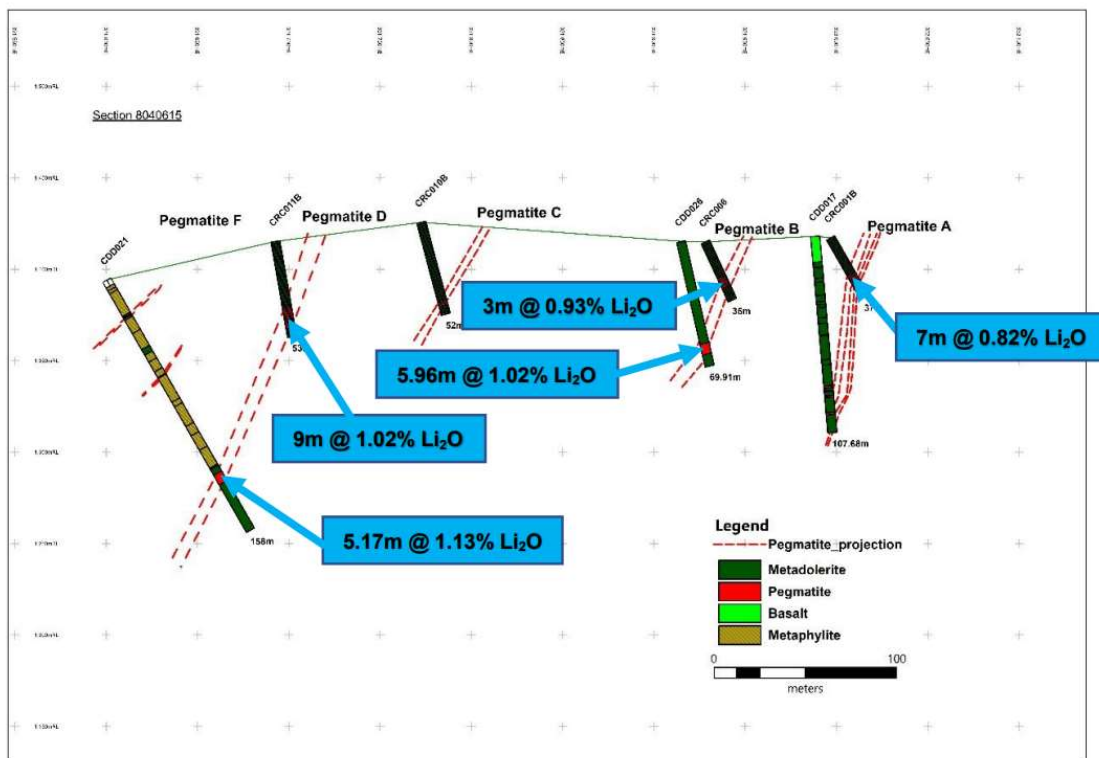


Figure 7: Cross section through Step Aside Project deposits looking north (8040615mN)

Pegmatite D

Pegmatite D was targeted by six diamond drill holes during the Phase 2 programme. All holes intersected lithium mineralisation in the targeted positions. Drilling to date has confirmed that the pegmatite dips at between 60° to 75° to the west, steeper than was mapped at surface (40°-45°). Mineralisation has now been identified over a lateral extent of 160m strike and is open both down dip and along strike to the south.

Best results returned for Pegmatite D during the Phase 2 drilling included:

- 5.96m @ 1.08% Li₂O from 100.27m (CDD014);
- 5.17m @ 1.13% Li₂O from 120.83m (CDD021);
- 2.89m @ 1.57% Li₂O from 120.63m (CDD030);
- 5.13m @ 0.85% Li₂O from 52.4m (CDD015); and
- 1.41m @ 1.46% Li₂O from 138.0m (CDD029).

Additional drilling for Pegmatite D is being designed, and the area south of CDD029 has yet to be targeted. Recent regional soil geochemistry in that area shows coherent and anomalous lithium in surface sampling and therefore, a potential extension of the defined mineralisation in that general direction along strike.

Pegmatite E

Five diamond drill holes targeted Pegmatite E in the Phase 2 programme, which is located at the far north-eastern end of the Step Aside licence. Whilst drill holes CDD019 and CDD023 are now interpreted to have been drilled too far to the west of the interpreted southerly strike of the deposit, the remaining three holes generated multiple intersections of moderate to wide zones of high-grade lithium mineralisation, that in places exceeded 1.5% Li₂O, and in the case of CDD031, exceeded 2.5% Li₂O. The Pegmatite E deposits are complex, bifurcating in places, but the overall tenor of the lithium grades are very favourable and located close to surface. In addition, the dip of the mineralised zones defined, appears to be shallower than elsewhere at Step Aside.

Best results returned for Pegmatite E included:

- 6.28m @ 1.09% Li₂O from 67.52m (CDD031), including 1.14m @ 2.63% Li₂O from 70.55m;
- 3.49m @ 1.59% Li₂O from 67.96m (CDD025);
- 3.82m @ 1.04% Li₂O from 55.66m (CDD025); and
- 3.09m @ 1.01% Li₂O from 26.63m (CDD027).

Follow up drilling as part of the upcoming Phase 3 drilling programme will target the Pegmatite E system further to the south and east (to infill the gaps missed by CDD019 and CDD023) and the north, where strong drilling intersections and anomalous lithium-in-soil geochemical anomalies

indicate additional prospectivity. Figures 8 – 9 show a simple cross section and long section through the Pegmatite E system with the associated drilling intersections.

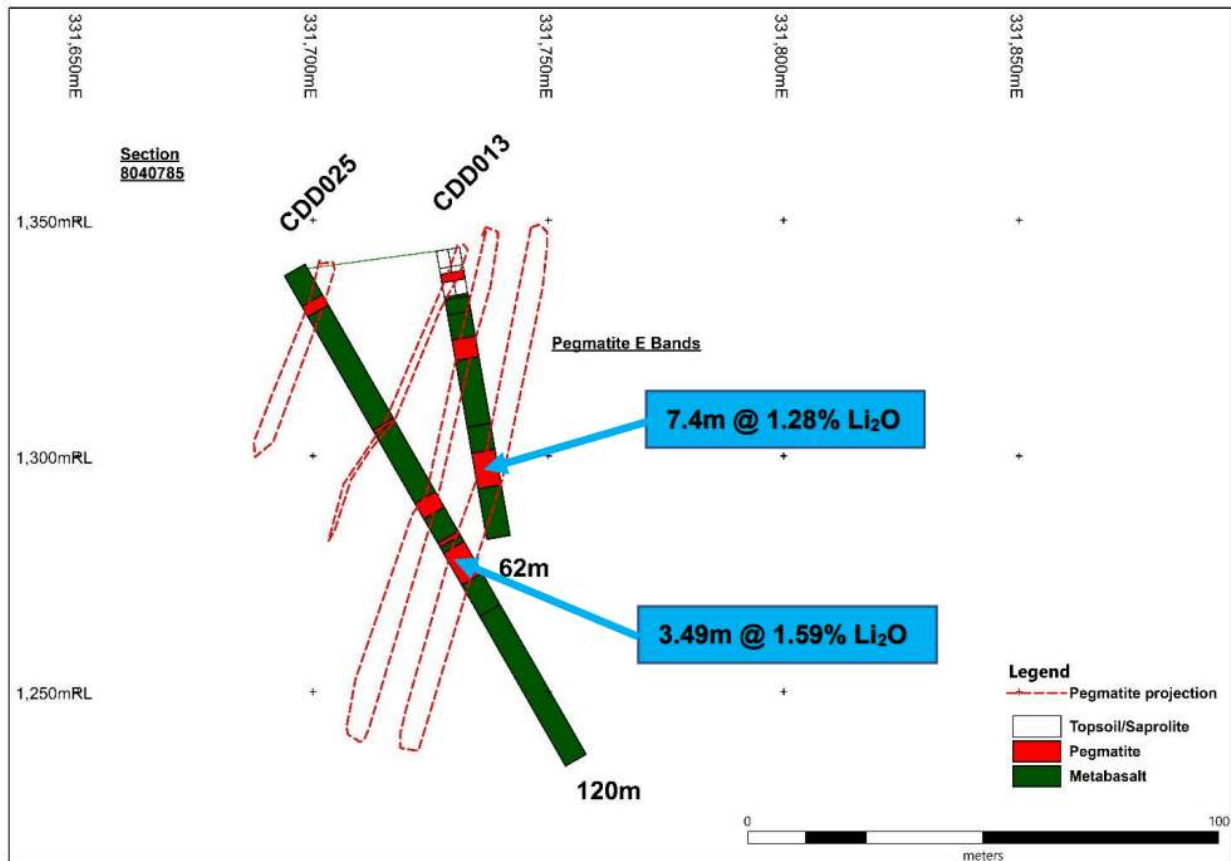


Figure 8: Cross section through the Pegmatite E deposit looking north (8040785mN)

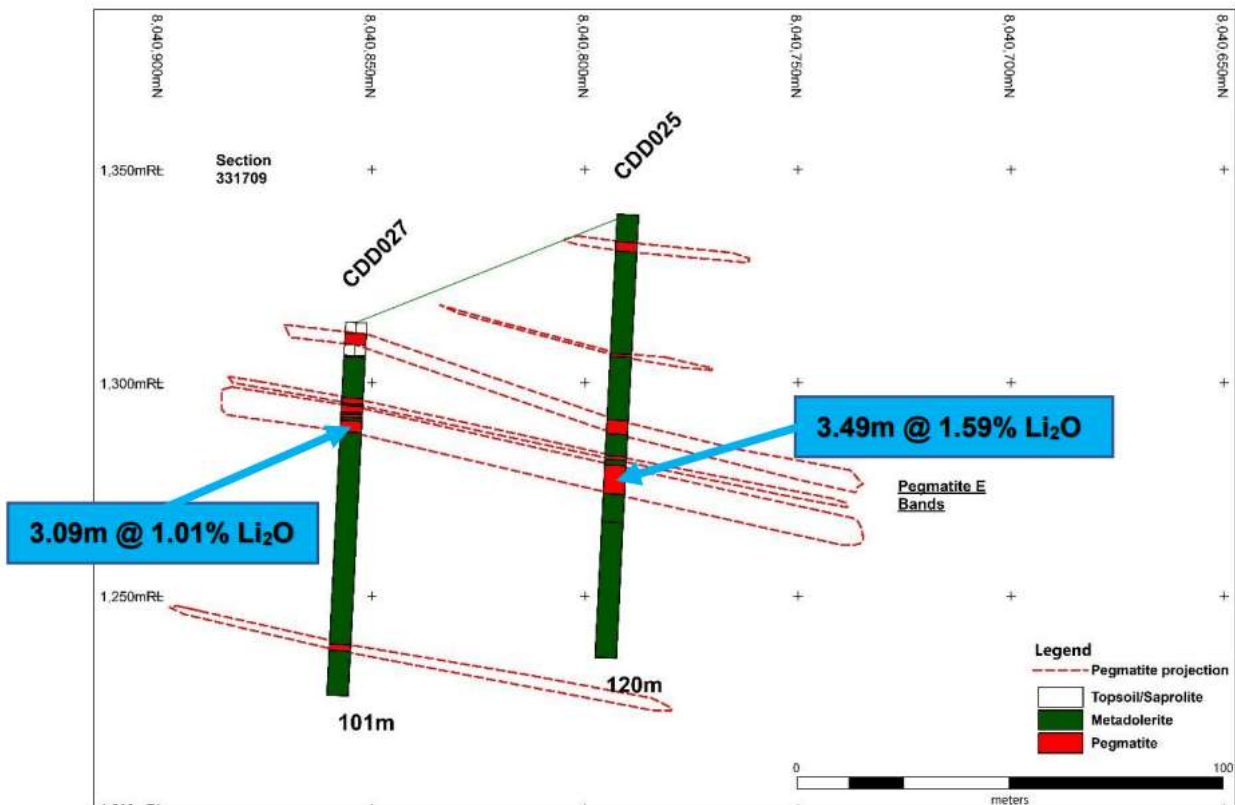


Figure 9: Cross section through the Pegmatite E deposit looking east (331709mE)

Pegmatite B

The Phase 1 drilling programme at Step Aside returned shallow, but relatively modest, narrow intersections of lower grade lithium mineralisation from two RC holes completed directly west of the outcrop for Pegmatite B (refer Prospect ASX Announcement dated 20 October 2022). These holes returned 3m @ 0.74% Li₂O from 37m (CRC005) and 3m @ 0.93% Li₂O from 22m (CRC006) respectively. A third hole (CRC007) from the Phase 1 programme was drilled too far to the east and missed the potential northern extension of Pegmatite B. The Phase 2 programme stepped the drilling back under the initial intersections, with very pleasing results returned from both diamond holes completed.

Results returned for Pegmatite B were:

- 5.96m @ 1.02% Li₂O from 57.27m (CDD026); and
- 5.13m @ 0.34% Li₂O from 82.0m (CDD016).

The widths of these two intersections are very encouraging, showing an apparent thickening of the pegmatite body with depth, compared to the Phase 1 RC drilling results, and returning a strong tenor intercept within CDD026. Figure 10 shows a long section through Pegmatite B and new high-grade intersection in CDD026.

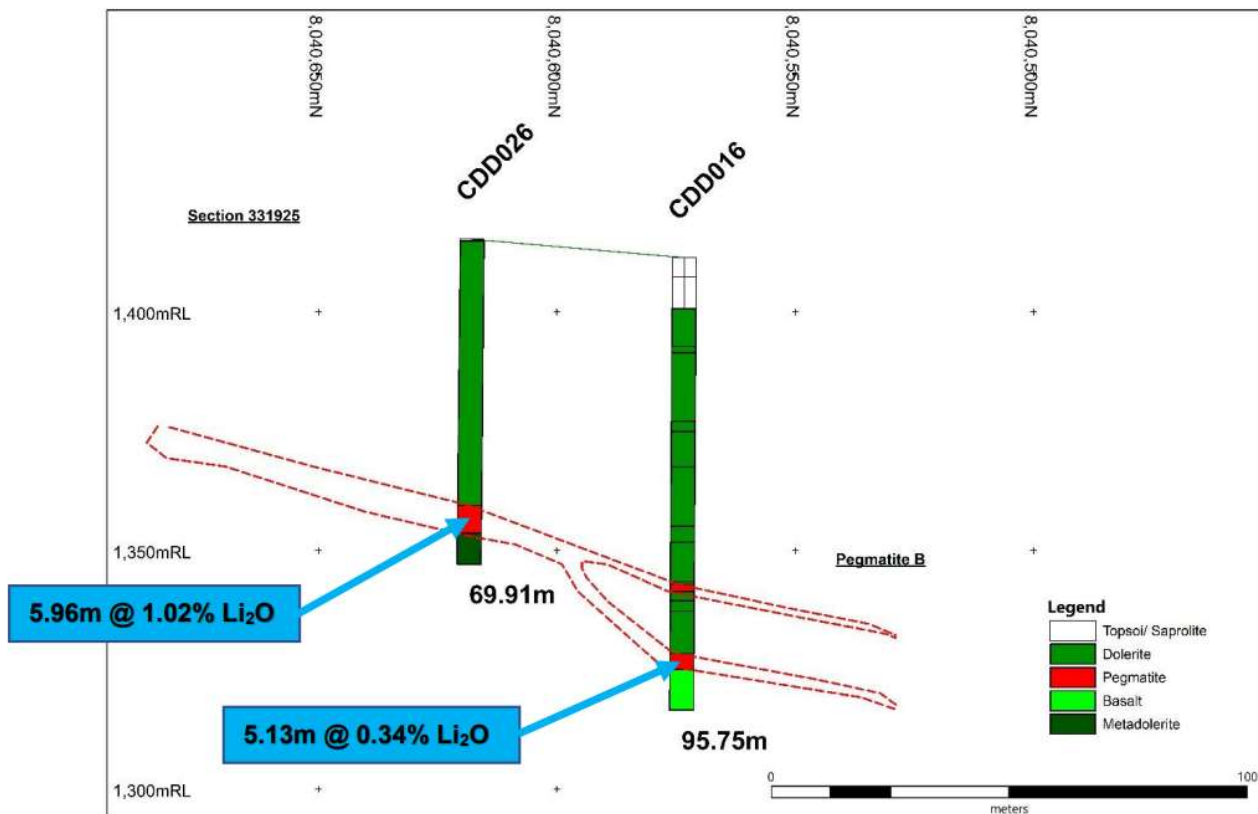


Figure 10: Cross section through the Pegmatite B deposit looking east (331925mE)

Pegmatite F

Nine holes in the Phase 2 programme targeted the Pegmatite F system, directly west of Pegmatite D, with four of these targeting both deposits. Pegmatite F was not targeted during last year's Phase 1 drilling campaign. Whilst the average lithium grade returned from the drilling of Pegmatite F has been in line with the other deposits evaluated at Step Aside, the intersections are narrower and the deposit appears to bifurcate to the north. However, this deposit is interpreted to remain open to the south.

Significant intersections returned from Pegmatite F included:

- 1.74m @ 1.42% Li₂O from 52.7m (CDD020);
- 2.00m @ 1.17% Li₂O from 33.0m (CDD022); and
- 0.87m @ 0.91% Li₂O from 34.2m and 1.11m @ 0.83% Li₂O from 38.28m (CDD030).

Pegmatite F is at the western extremity of the lithium-rich pegmatite swarm defined at Step Aside to date. However, lithium-in-soil geochemical sampling indicates that it may yet further develop and thicken to the south, perhaps even coalescing with Pegmatite D, based on current interpretations.

Geochemical Soil Sampling

Prospect has also received a full set of lithium assay results from its geochemical soil sampling programme undertaken across the Step Aside tenement. These results have strongly indicated the presence of additional lithium mineralisation to the south of the Pegmatite D and F outcrops, and potentially Pegmatite B, and north of Pegmatite E (see Figure 11 for representation of the geochemical soil sampling results).

A coherent, wide, lithium-in-soil anomaly of >200 ppm Li extends for at least another 200m south of the Pegmatite D and F outcrops and is interpreted to represent a "blind" mineralised extension of these deposits undercover. Similarly, a relatively strong anomaly presents up to 150m south of Pegmatite B. The anomaly north of Pegmatite E appears to stretch to the northern limit of the current tenement holding. All these areas represent excellent walk-up drilling targets for the next phase of exploratory work at Step Aside, based on the strength and extent of the lithium soil anomalies and the lack of any subsurface drill testing having taken place in those areas previously.

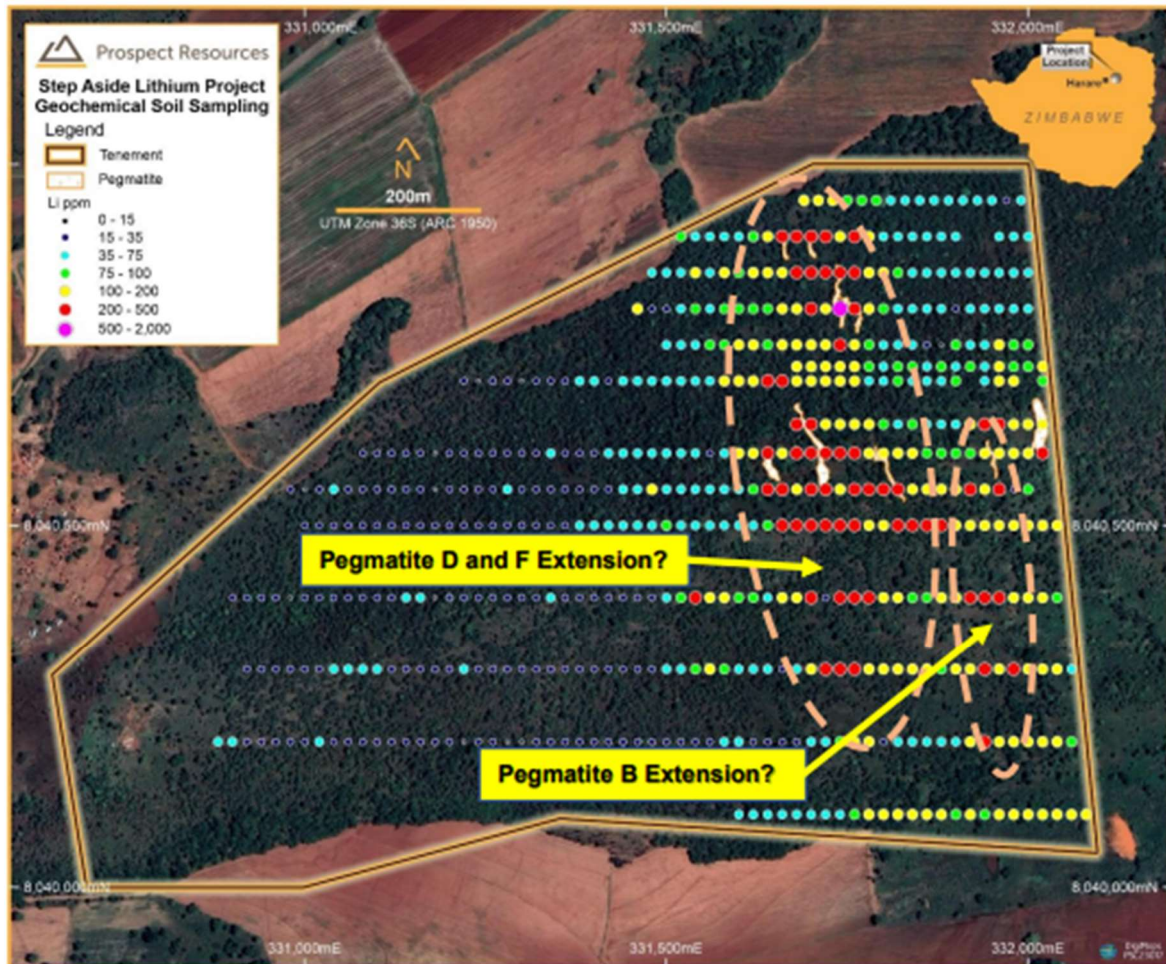


Figure 11: Geochemical soil sampling results showing prospective north-south corridor and areas of lithium prospectivity

Phase 3 drilling programme commenced

The excellent diamond drilling results returned from the recent Phase 2 programme at Step Aside, in addition to the generation of potential southerly extensions to the deposits at Pegmatite B, D and F from the lithium-in-soil geochemical sampling work, indicate that the high-grade spodumene mineralisation defined to date, could extend much further both along strike and down dip.

The Phase 3 program has two key objectives:

- Strike and depth extension testing of the defined Pegmatites B, D and E; and
- Scout exploratory drilling south of the Pegmatite B and D/F deposits in areas with strong, coherent, lithium-in-soil geochemical anomalism (refer Prospect ASX release dated 25 May 2023).

The Phase 3 program is planned to comprise 4,000 - 5,000m of diamond drilling and take approximately 3 months to complete. First assays are expected to be returned from late July.

Omaruru Lithium Project (Namibia); 20% interest, earning to 40%, and potentially up to 85% PSC

The Omaruru Lithium Project, comprising a single Exploration Prospecting Licence EPL 5533 tenement, is centred on the village of Wilhelmstal, east of Karibib in Namibia and covers 175 square kilometres (see Figure 12). The tenement is situated near several mining developments, including

Osino's Twin Hills Gold Project 20 km to the northwest and Lepidico's Karibib Lithium Project, located 10 km to the southwest.

EPL 5533 contains 60 visible outcropping LCT pegmatites, with historical artisanal workings for gemstones common throughout the tenement and considerable prospectivity for the identification of further lithium-enriched deposits occurring below cover in the region.

Prospect held a 20% interest in Omaruru at the start of the June Quarter, via its equivalent shareholding in Richwing Exploration (Pty) Ltd (Richwing), which is 80%-owned by Osino Resources Corp. (OSI.TSXV). Prospect is currently earning a further 20% interest in Richwing (and thus Omaruru) via an investment of US\$1m over a 12-month period (refer Prospect ASX Announcement dated 29 September 2022). Upon completion of the Phase 1 earn-in, Prospect will hold a 40% stake in Richwing, and thus the Omaruru Project.

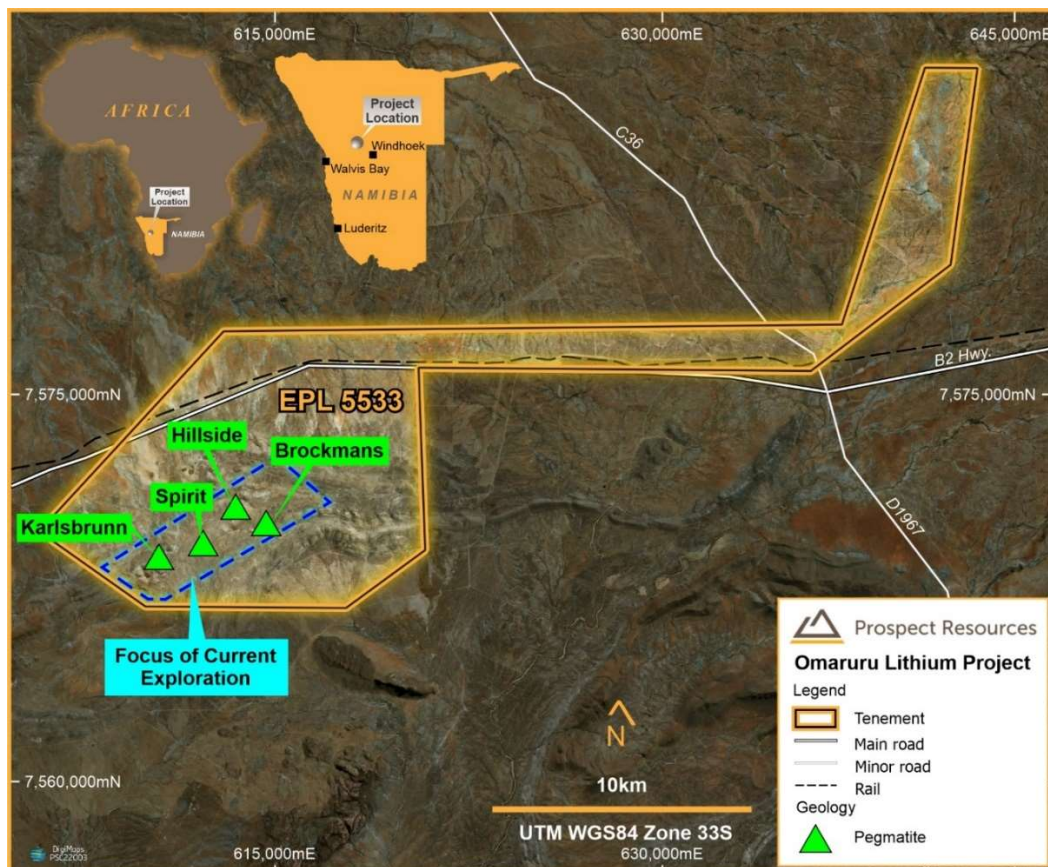


Figure 12: Location of the Omaruru Lithium Project tenement in Namibia

The initial Phase 1 RC drilling program at Omaruru was completed on 14 February 2023. That program involved the drilling of 22 holes for 2,056 metres and also involved initial geophysical and geochemical exploration activities along with a Ground Penetrating Radar (GPR) survey, airborne DTM survey and soil sampling.

The Company completed its detailed exploratory soil geochemical sampling over eight separate grids. This work targeted strike extensions of mapped lithium mineralisation across the licence, including to the northeast of Karlsbrunn, northeast and southwest of Brockmans, southwest of Spirit, southwest of Hillside, southwest of Petalite and adjacent to Bergers prospect. Prospect collected

three 50kg bulk samples of identified lithium mineralisation from the Karlsbrunn, Brockmans and Hillside deposits which underwent early-stage metallurgical test work and evaluation in South Africa.

In addition, in-situ adit sampling was undertaken underground at Karlsbrunn, returning extensive and consistent horizontal intersections of ore grade lithium mineralisation, principally as lepidolite (see ASX announcement dated 26 April 2023).

Drilling recommenced at Omaruru Lithium Project

On 13 June 2023, Prospect recommenced its Phase 1 RC drilling at Omaruru, with a programme focused on follow-up extensional drilling at the Brockmans prospect. Thick, near-surface, shallow-dipping, higher-grade lithium mineralisation was returned at Brockmans (see ASX announcement dated 28 March 2023), which required follow up work.

The expanded Phase 1 programme also encompassed targeted depth extension drilling at the Karlsbrunn prospect. The programme also tested (via first-pass, short-hole, exploratory scout drilling) several high-potential geochemical soil anomaly targets along strike from mapped pegmatites in the region (see ASX announcement dated 26 April 2023).

Completion of the expanded Phase 1 RC drilling programme is expected to result in the satisfaction of Prospect's initial earn-in to a 40% interest in Omaruru. Subsequent to the completion of this initial earn-in, Prospect can then earn a further 11% interest (taking it to majority 51% ownership) via the expenditure of a further US\$560,000 on exploration at Omaruru over the following 12 months. This expanded phase of the RC drilling programme is planned to comprise about 24 RC drillholes for a total of approximately 2,000 metres drilled. All assays are expected to be returned during Q3 2023.

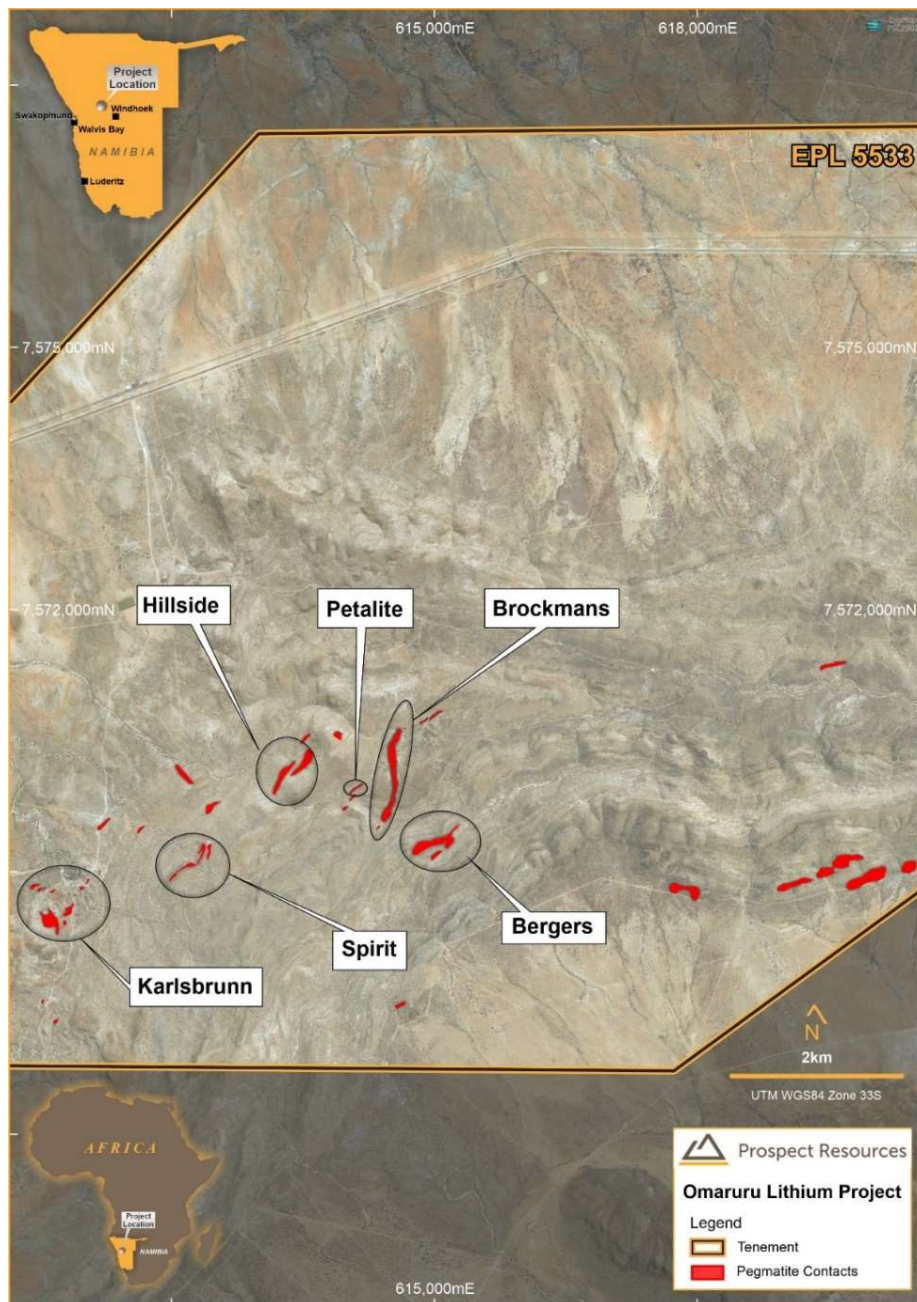


Figure 13: Subset area of the Omaruru Project showing current mapped extent of LCT pegmatites

Corporate

Cash Balance

Prospect finished the quarter with a cash balance of approximately A\$26.2 million and zero debt (excluding typical trade creditors).

Issued Capital

The Company confirms it currently has 462,259,462 ordinary shares on issue and zero options outstanding.

Appendix 5B – Related Party Payments

During the Quarter, the Company made payments of A\$266,000 to related parties and their associates.

This release was authorised by Sam Hosack, Managing Director of Prospect Resources Ltd.

For further information, please contact:

Sam Hosack
Managing Director
shosack@prospectresources.com.au

Ian Goldberg
Chief Financial Officer
igoldberg@prospectresources.com.au

About Prospect Resources Limited (ASX: PSC, FRA:5E8)

Prospect Resources Limited (ASX: PSC, FRA:5E8) is an ASX listed company focussed on the exploration and development of mining projects, specifically battery and electrification minerals, in Zimbabwe and the broader sub-Saharan African region.

Competent Persons Statements

The information in this announcement that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr Roger Tyler, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy and The South African Institute of Mining and Metallurgy. Mr Tyler is the Company's Consultant Geologist. Mr Tyler has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Tyler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Prospect confirms it is not aware of any new information or data which materially affects the information included in the original market announcements. Prospect confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Caution Regarding Forward-Looking Information

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this announcement are in United States currency, unless otherwise stated. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.



APPENDIX A: PROSPECT TENEMENT SCHEDULE

As at 30th June 2023, Prospect Resources Limited has interests in tenements via the following companies:

Eagle Lithium Resources (Private) Ltd – Step Aside Project

Richwing Exploration (Pty) Limited – Omaruru Project

Tenement Type & Number	Tenement Name	Country	Project	Registered Company Name	% Held at End of Quarter	% Acquired During Quarter	% Disposed During Quarter
ME19948BM	Step Aside	Zimbabwe	Step Aside	Eagle Lithium	100%	0%	0%
EPL 5533	Omaruru	Namibia	Omaruru	Richwing Exploration	20%	0%	0%

Appendix 5B

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

Name of entity

PROSPECT RESOURCES LIMITED

ABN

30 124 354 329

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(392)	(867)
(b) development	0	0
(c) production	0	0
(d) staff costs	(1,310)	(3,454)
(e) administration and corporate costs	(180)	(1,159)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	202	956
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives	0	0
1.8 Other (provide details if material)	0	0
1.9 Net cash from / (used in) operating activities	(1,680)	(4,524)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	0	0
(b) tenements	0	0
(c) property, plant and equipment	(44)	(139)
(d) exploration & evaluation (if capitalised)	(337)	(1,744)
development expenditure	0	0
(e) investments	(211)	(1,356)
(f) other non-current assets	0	0

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 (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	0	0
	(b) tenements	0	0
	(c) property, plant and equipment	0	1
	(d) investments	0	0
	(e) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
	Net proceeds from assets held for sale		
	Cash flows for loans to minority interest		
	Interest received		
2.6	Net cash from / (used in) investing activities	(592)	(3,238)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	3,405
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	0	0
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	(365,186)
3.9	Other (return of capital)	0	(78,584)
3.10	Net cash from / (used in) financing activities	0	(440,365)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	28,452	474,288
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,680)	(4,524)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(592)	(3,238)

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 (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	(440,365)
4.5	Effect of movement in exchange rates on cash held	10	29
4.6	Cash and cash equivalents at end of period	26,190	26,190

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	261	455
5.2	Call deposits	24,588	25,420
5.3	Bank overdrafts	0	0
5.4	Other (provide details)		
	US dollars at bank	1,306	2,555
	Zimbabwe dollars at bank	0	3
	Petty cash	35	19
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	26,190	28,452

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**

(266)

0

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

Director fees

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

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	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 Total financing facilities	0	0
7.5 Unused financing facilities available at quarter end		0
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)	(1,680)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(548)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(2,228)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	26,190
8.5 Unused finance facilities available at quarter end (Item 7.5)	0
8.6 Total available funding (Item 8.4 + Item 8.5)	26,190
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	11.75
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:
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
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
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

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: 26 July 2023

Authorised by: Sam Hosack
(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.