

## SEPTEMBER 2023 QUARTERLY ACTIVITIES REPORT

### Highlights

#### Dividend

- On 18 July 2023 the Company paid a special dividend of \$0.10 per share fully franked at 30%.

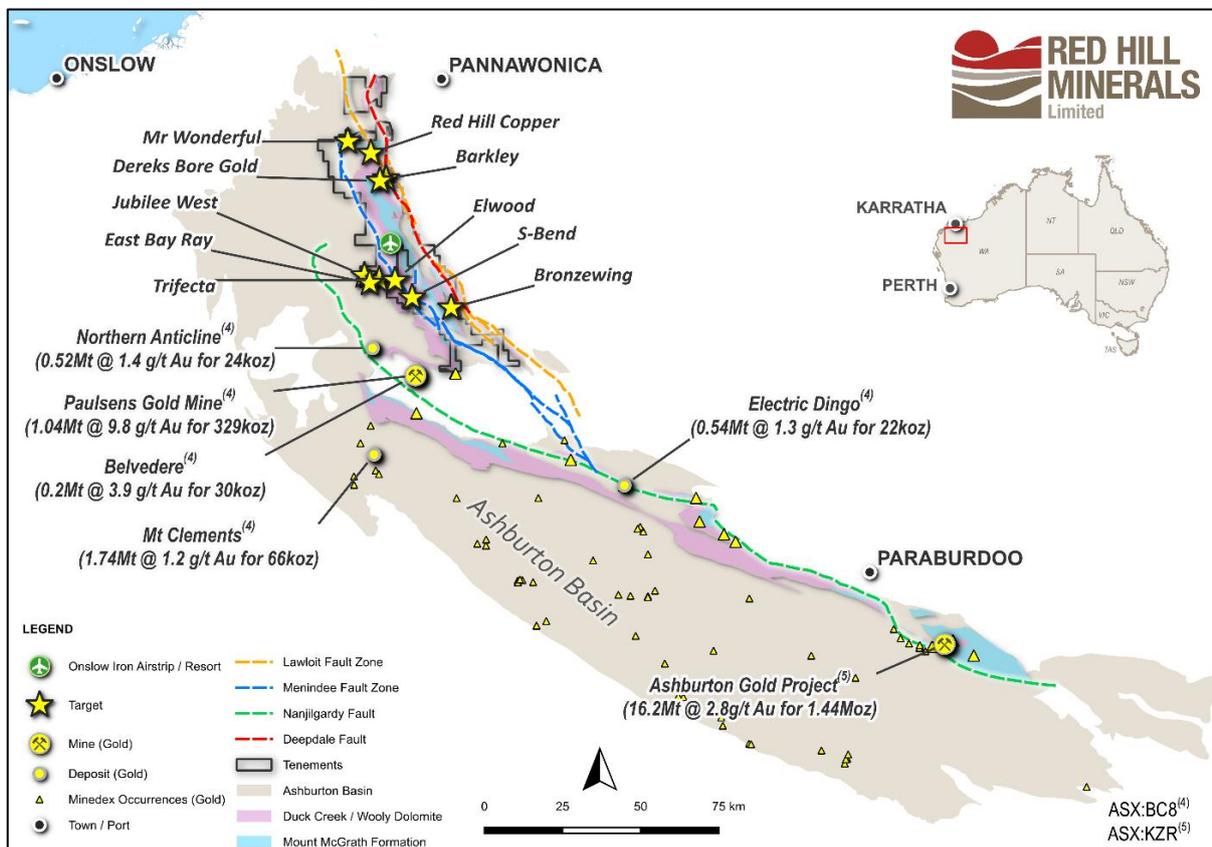
#### Onslow Iron Project

- Drill and blast operations commenced at the Ken's Bore mine site, clearing and earthworks started on the private haul road and construction at the port is well progressed<sup>1</sup>.
- The first-ore-on-ship delivery target date of June 2024 remains, which will trigger the second \$200M payment and commencement of the ongoing 0.75% royalty to Red Hill Minerals Limited<sup>2</sup>.

#### Exploration - The West Pilbara Gold and Base Metal Project (Figure 1)

- Assays received<sup>3</sup> from RC drilling at the Barkley Gold target with the best results:
  - 4 metres at 3.7 grams per tonne gold from 90 to 94 metres including;
  - 2 metres at 6.4 grams per tonne gold from 91 to 93 metres in 23BKRC005.
- The significant gold intersection in 23BKRC005 is interpreted to be associated with a steeply South West dipping fault related to the regional scale Deepdale Fault and mineralisation remains open.
- 2,135 soil samples collected using the UltraFine (UFF) method at high priority VTEM target areas.

**Figure 1: Red Hill Minerals Location Plan.**



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## **Corporate**

The Company's cash balance as at 30 September 2023 was \$31.46m.

### **The West Pilbara Gold and Base Metal Project**

The West Pilbara Project covers a contiguous area of 1,600 square kilometres located within the Ashburton Basin adjacent to the western margin of the Hamersley Basin (Figure 1). The Company retains 100% of the rights to all minerals, other than iron ore, over the Red Hill Iron Ore Joint Venture (RHIOJV) tenements which are listed in Note 1 of the attached Tenement Schedule. While exploration of the tenement package has predominantly focused on iron ore, the Company considers the area to have potential to contain significant gold (Au) and base/battery metal mineralisation. The Company is focused on systematically exploring the project using the latest exploration techniques.

In 2022 a 5,905 line-km VTEM MAX airborne survey, using 200m line spacing, was completed over the northern half of the West Pilbara Project area<sup>6</sup> (Figure 2). By combining this data with Electromagnetic (EM) data previously collected over the southern portion of the tenements, the Company now has full airborne EM coverage across the entire project area. Final results from the VTEM survey have been integrated into the Company's datasets and reviewed internally to identify a number of gold and base metal targets and prioritise them against previously identified EM targets.

During the quarter surface geochemical sampling over priority blind VTEM targets continued with 2,135 ultrafine soil samples collected (Figure 2) and submitted for assaying with results expected to be received next quarter. Ground truthing, mapping and rock chip sampling of VTEM target areas continued, and remains ongoing.

VTEM plate modelling continued on priority targets in preparation for drilling and an Exploration Incentive Scheme (EIS) application for co-funding to drill test selected VTEM plates was submitted to the Department of Mines, Industry Regulation and Safety. Subsequent to quarter end, a co-funding grant of up to \$180k was awarded to the Company.

Ethnographic heritage surveys were completed at the S-Bend and Bronzewing base metal targets with drilling planned at S-Bend commencing in November.

Additional archaeological and ethnographic heritage surveys scheduled for the September quarter to provide access to new and previously untested targets were delayed due to Traditional Owner availability. The Native Title Group has committed to rescheduling and prioritising our surveys early next year. Ethnographic surveys are pending for a total of 16 priority target areas.

Figure 2: Project Location Plan

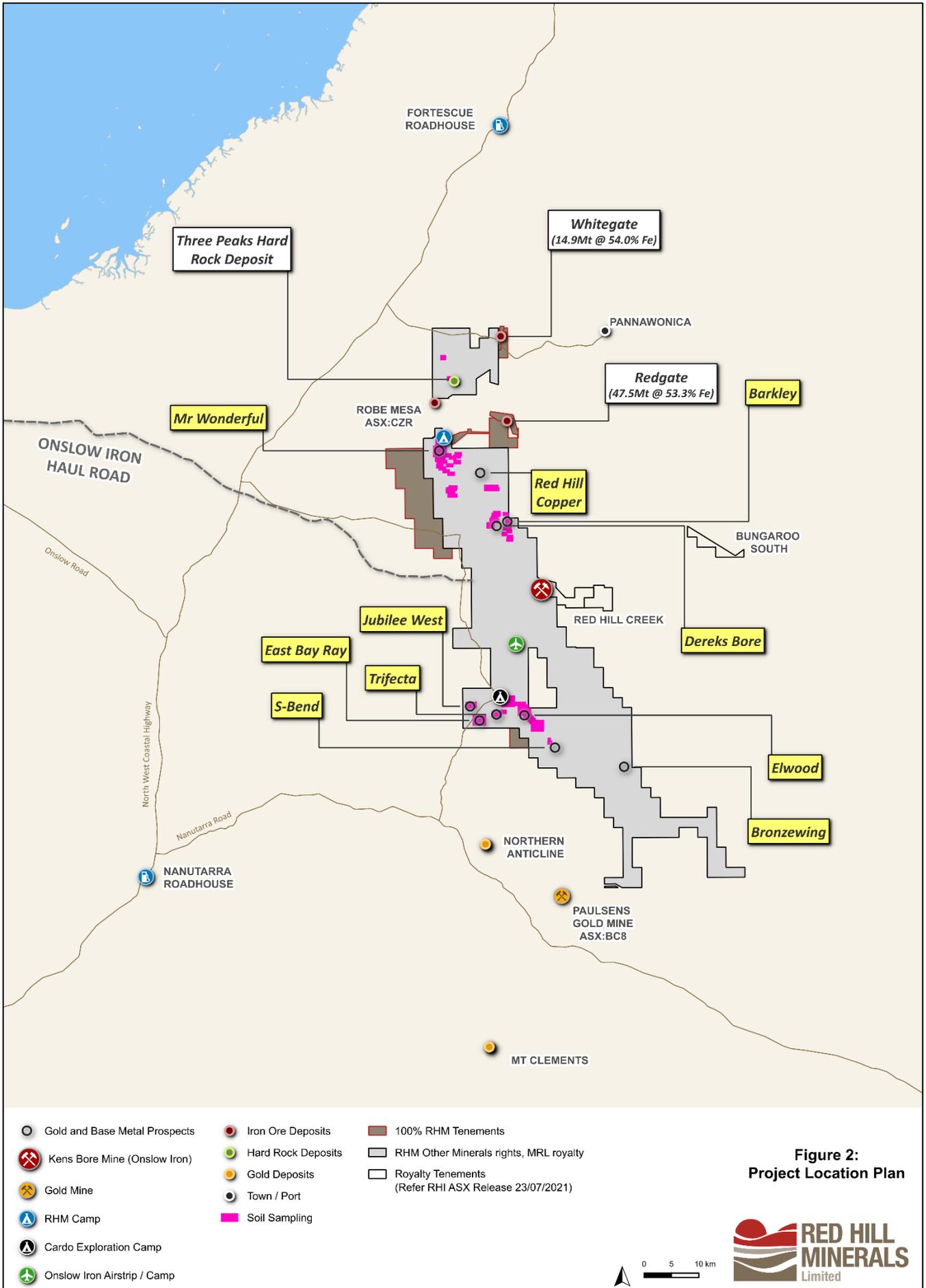


Figure 2: Project Location Plan



**Barkley (Gold and Base Metals):** The Barkley gold target is located proximal to the major North West trending Deepdale Fault which separates stratigraphy of the Hammersley and Ashburton Basins (Figure 1).

The target area was defined by a series of VTEM anomalies and significant historic gold and copper drilling results which include<sup>7</sup>:

- 2 metres at 1.4 grams per tonne gold from 31 metres in SRC004,
- 1 metre at 1.6 grams per tonne gold from 13 metres in SRC005, and
- 4 metres at 0.12% copper from 12 metres in SRC006.

During the quarter assays were received from two RC holes totalling 400 metres (23BKRC004 and 23BKRC005) which were drilled to follow up and test for potential depth extensions of the anomalous gold in historical drilling results from SRC004 and SRC005 (Figure 3, Figure 4 and Figure 5).

Hole 23BKRC004 intersected 1 metre at 0.9 grams per tonne gold from 77 to 78 metres and 1 metre at 0.5 grams per tonne gold from 83 to 84 metres, associated with weak silica-pyrite alteration in unoxidized black siltstones of the Mt McGrath Formation<sup>3</sup> (Figure 3, Figure 4 and Figure 5).

Hole 23BKRC005 intersected 3 metres at 1.8 grams per tonne gold from 19 to 22 metres in a supergene zone, and 4 metres at 3.7 grams per tonne gold from 90 to 94 metres (including 2 metres at 6.4 grams per tonne gold from 91 to 93 metres) in moderate silica-pyrite alteration in unoxidized black siltstones of the Mt McGrath Formation<sup>3</sup> (Figure 3, Figure 4 and Figure 5). The lower mineralised zone is interpreted to be related to a steeply South West dipping fault related to the major North West striking Deepdale Fault.

A follow up RC drilling program is planned in November 2023 consisting of 5 holes for approximately 750m, to test mineralisation associated with the interpreted fault over a strike length of approximately 750m.

During the Quarter 241 UFF soil samples were collected to extend geochemical coverage to the north and south of the anomalous drilling to assist with drill targeting in 2024 (Figure 4).

**Figure 3: The Barkley Gold Target.**

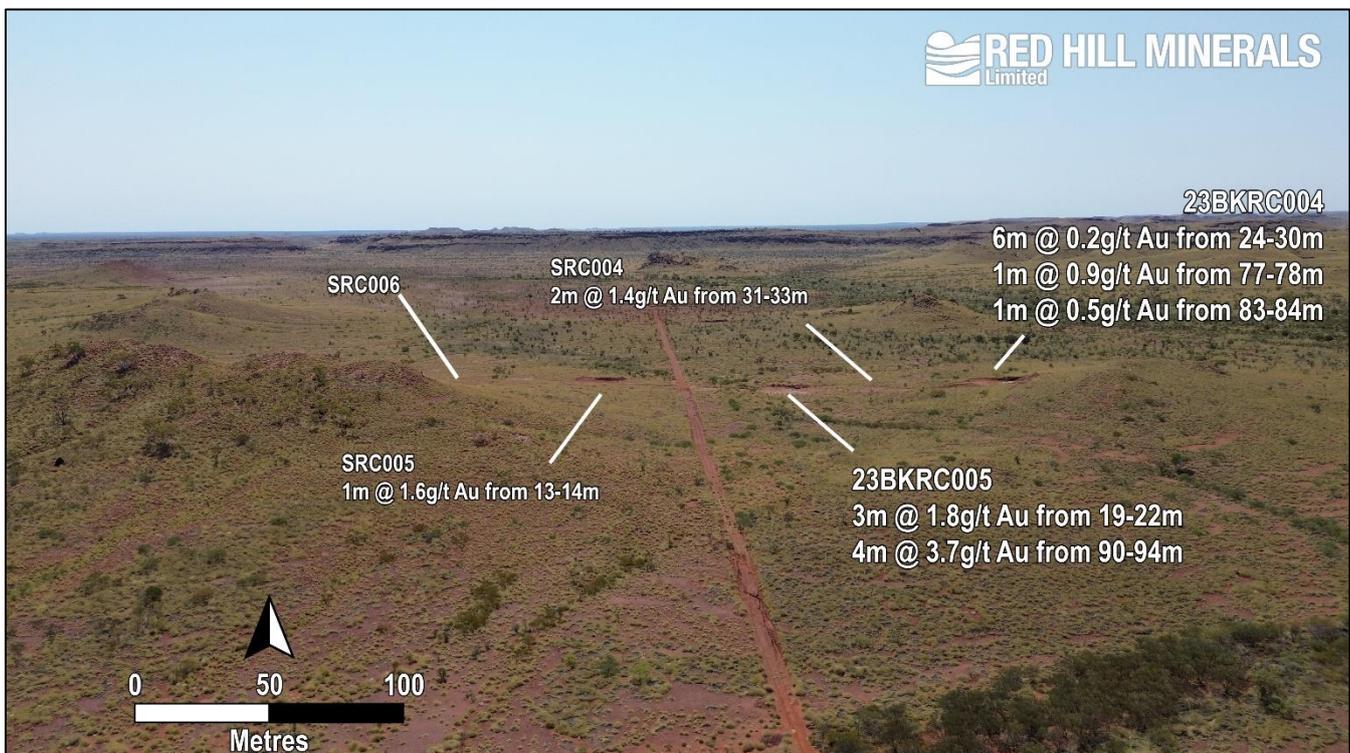


Figure 4: Gold Results from RC Drilling and UFF Soil Sample Locations at the Barkley Target.

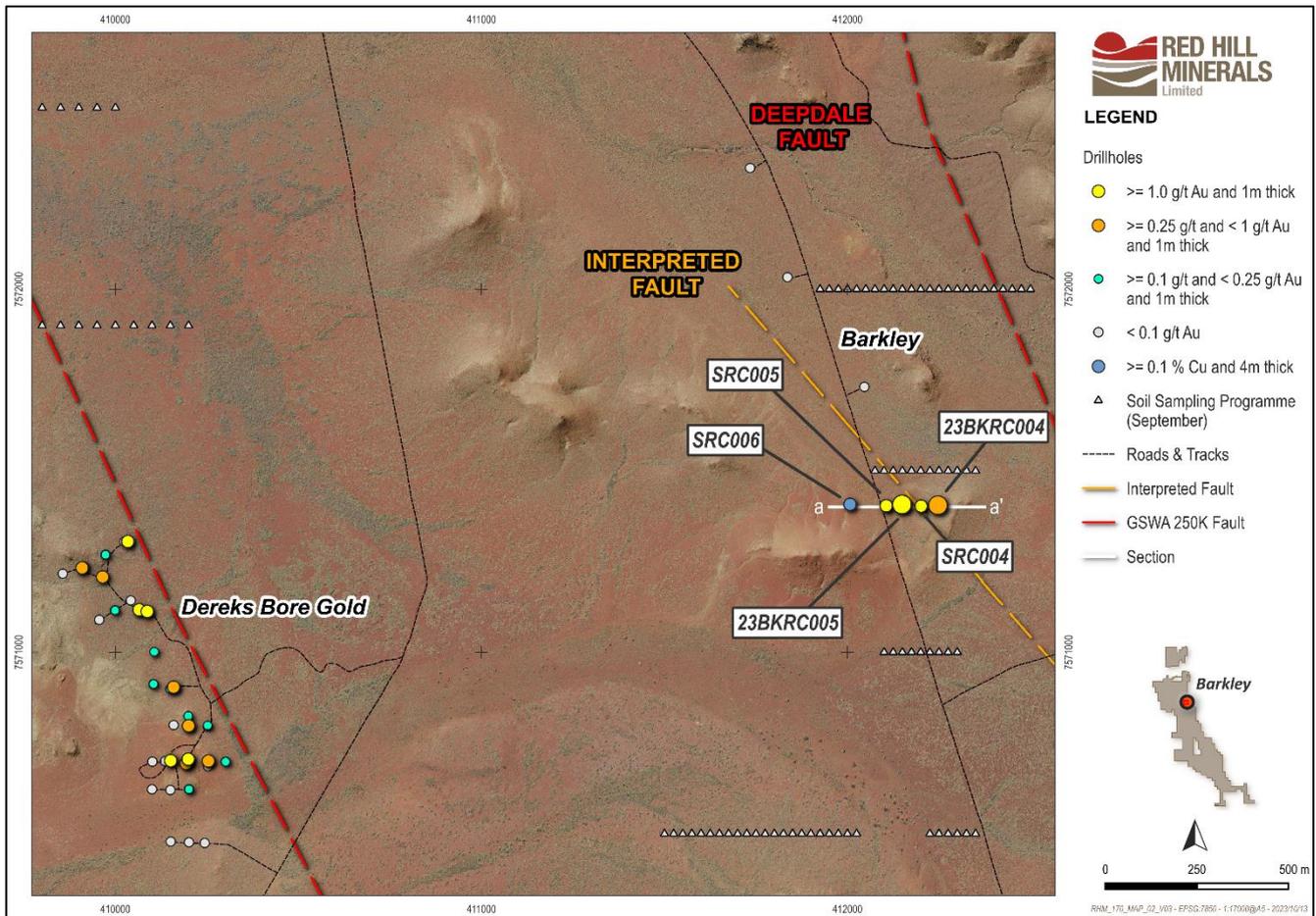
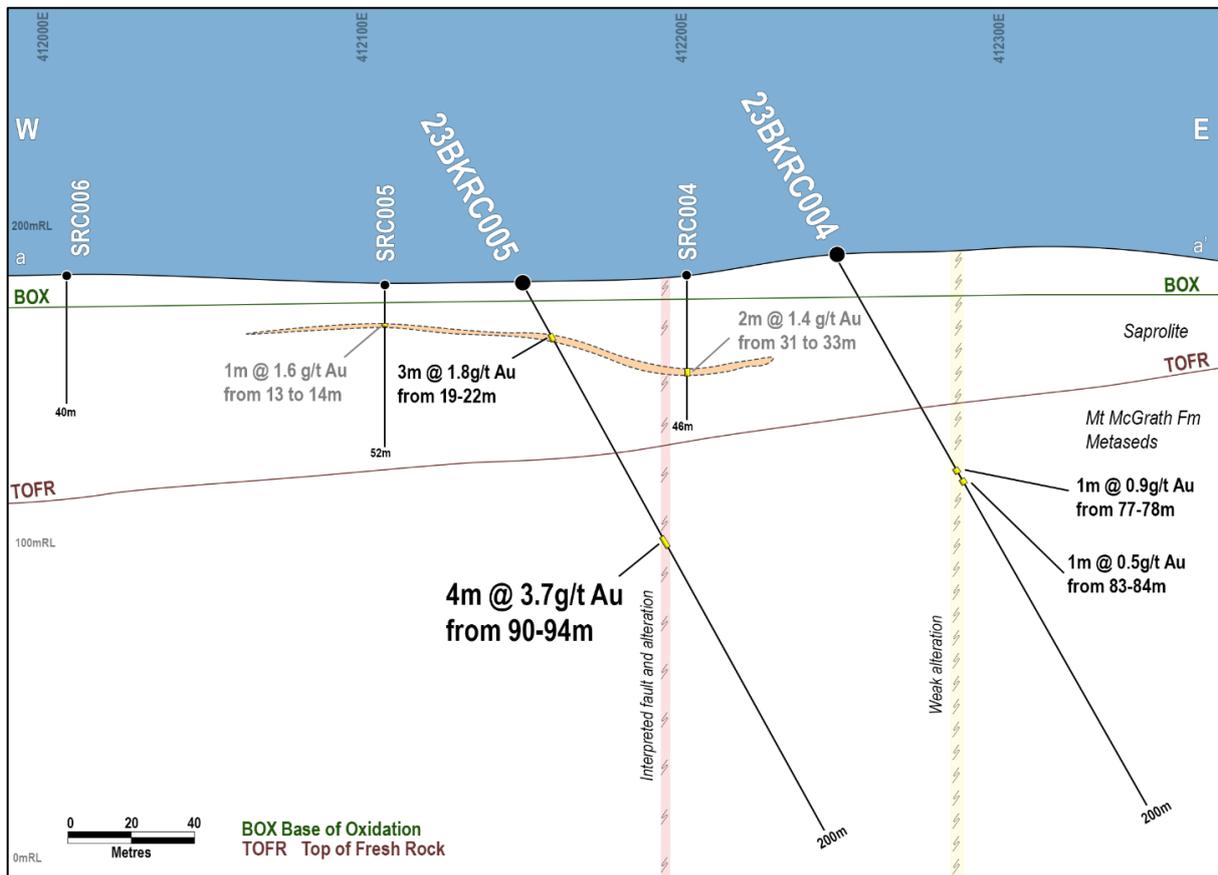


Figure 5: Geological Cross Section (a-a') at the Barkley Prospect (Looking North).



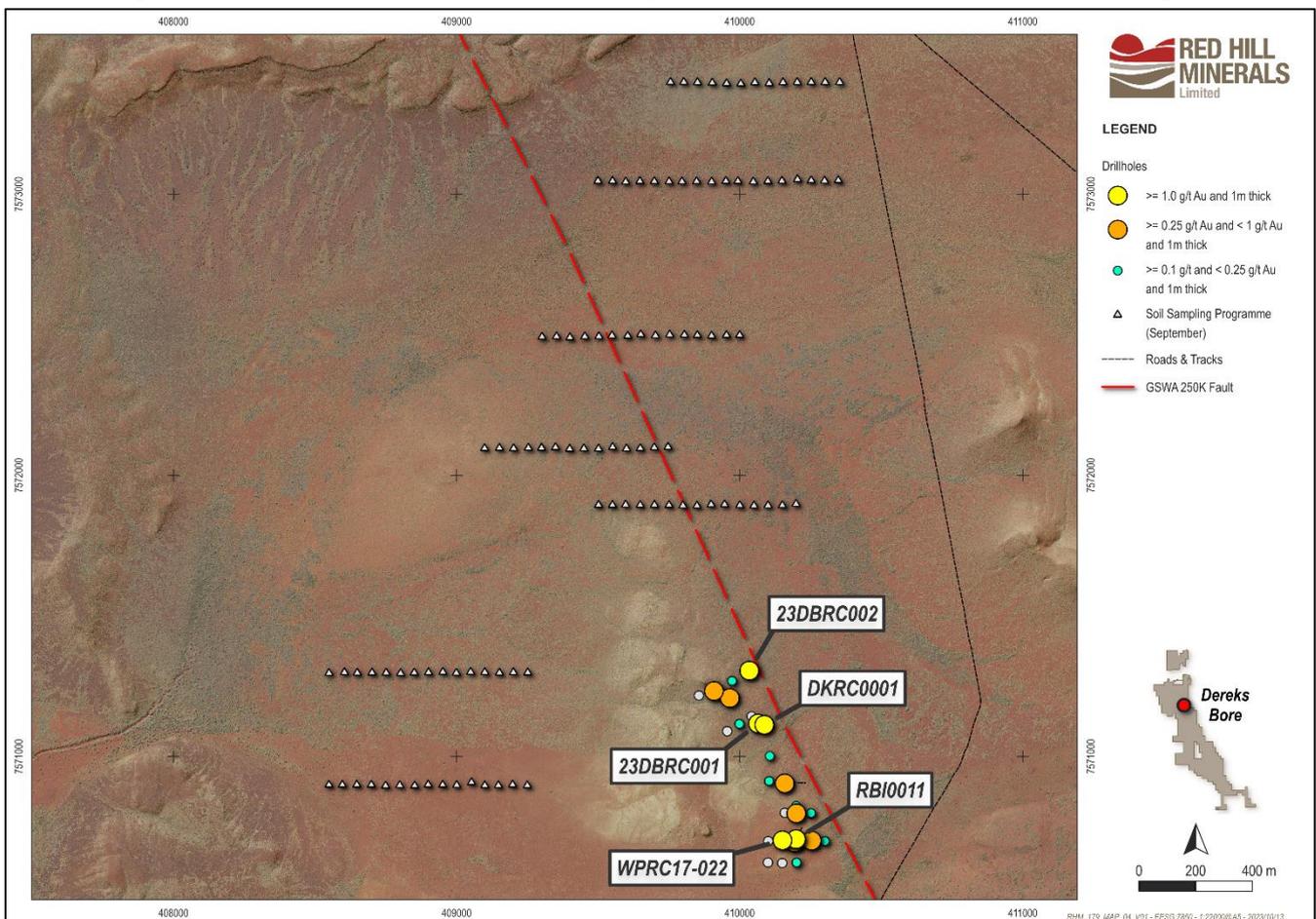
**Dereks Bore (Gold):** The Dereks Bore Target has a 1.3 kilometre strike length defined by a series of >10ppb gold soil anomalies, at or near a NNW faulted contact between the Duck Creek Dolomite and the Mt McGrath Formation. Drilling to date has tested approximately 600 metres of strike along a steep gravity gradient that defines the interpreted NNW fault (Figure 6). Drilling intersected chert, shales, and basalt with encouraging silicification and vein related pyrite observed throughout. Historical intercepts<sup>7,8</sup> (>1 metre at 1.0 gram per tonne gold) include:

- 1 metre at 1.0 grams per tonne gold from 38 metres in 23DBRC001,
- 2 metres at 1.5 grams per tonne gold from 48 metres in 23DBRC001,
- 2 metres at 2.2 grams per tonne gold from 84 metres in 23DBRC002,
- 2 metres at 2.0 grams per tonne gold from 58 metres in DKRC0001,
- 2 metres at 1.3 grams per tonne gold from 82 metres in DKRC0001,
- 8 metres at 1.1 grams per tonne gold from surface in WPRC17-022, and
- 2 metres at 1.0 grams per tonne gold from surface in RBI0011.

Work to date confirms mineralisation identified in the historical drilling is open down dip and along strike to the NNW for a further 600 metres. Heritage surveys are in progress to allow follow up drilling along this zone in 2024.

During the Quarter 106 UFF soil samples were collected to extend geochemical coverage over VTEM anomalies to the west and north of the drilled area at Dereks Bore with assays expected in the next quarter (Figure 6).

**Figure 6: Location Plan of the UFF Soil Sample Locations at the Dereks Bore Gold Target.**



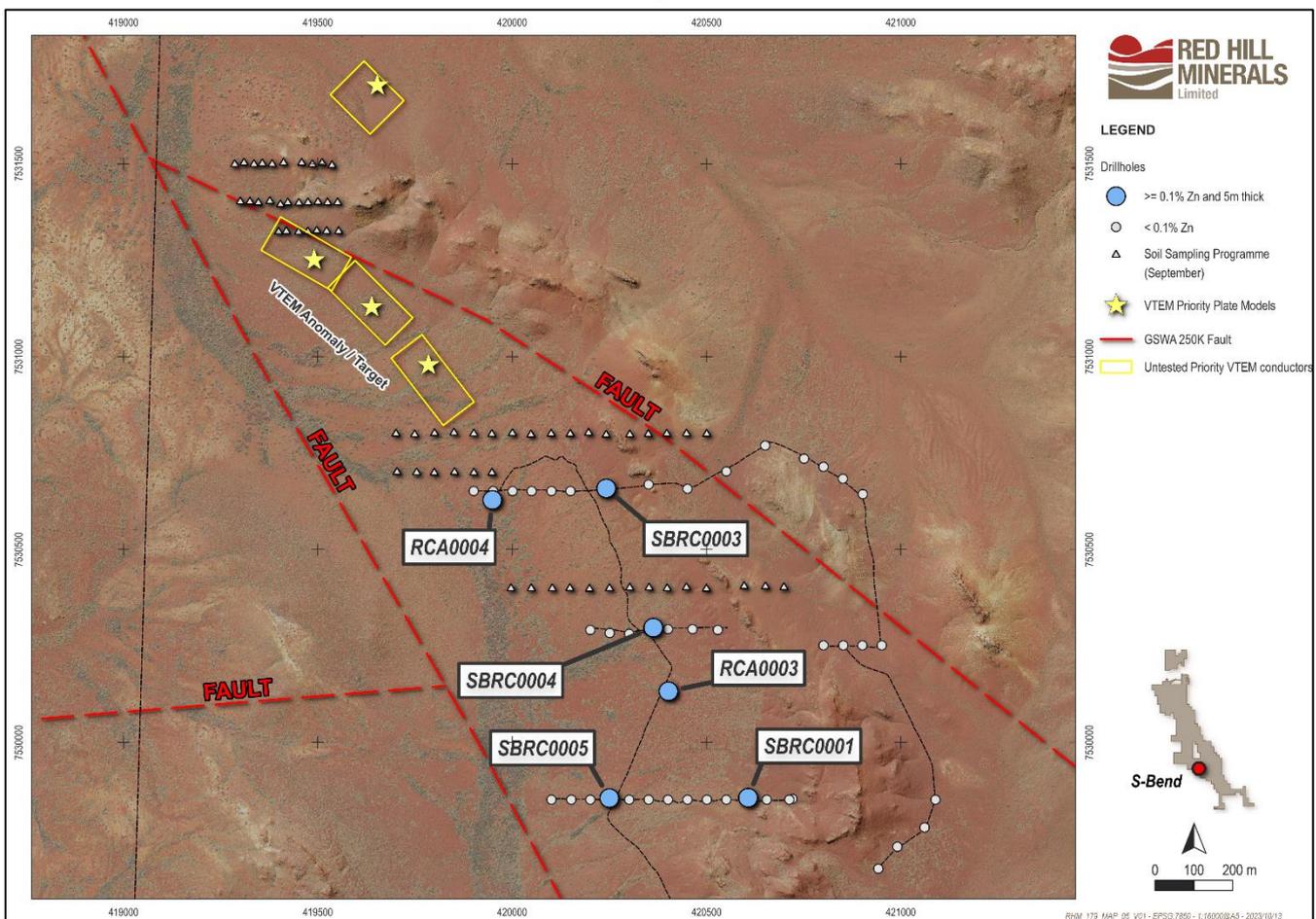
**S-Bend (Base Metals):** The S-Bend Target is defined by a zinc-in-soil anomaly and anomalous zinc assays in drilling, which appear to be related to mineralisation developed in a fault-bound wedge of the Mt McGrath Formation and the Wooly Dolomite. Historic anomalous drillhole intercepts include<sup>7</sup>:

- 20 metres at 0.15% copper, 0.63% lead and 0.24% zinc from 40 metres in SBRC001,
- 5 metres at 0.65% zinc from 80 metres in RCA0003,
- 85 metres at 0.13% zinc including 5 metres at 0.52% zinc from 90 metres in RCA0004,
- 10 metres at 0.29% zinc from 40 metres in SBRC0003,
- 10 metres at 1.32% zinc from 50 metres in SBRC0004, and
- 8 metres at 0.19% zinc from 96 metres in SBRC0005.

The 2022 VTEM survey identified a high priority target (VT4) located approximately 735 metres North West of the northernmost historical drill line under shallow alluvial cover.

During the quarter UFF 65 soil samples were collected to the north of the VTEM anomalies and across regional faults. An ethnographic heritage survey was completed in preparation for RC drilling. An RC program of four holes for approximately 900m is planned in November 2023 to test the VTEM target shown below in Figure 7.

**Figure 7: Location Plan of the Priority 1 VTEM Anomalies and UFF Soil Sample Locations at the S-Bend Target.**



**Mr Wonderful (Gold and Base Metals):** The Mr Wonderful Prospect is defined by a cluster of undercover VTEM targets over a strike length of approximately 7.3 kilometres, associated with faulted contacts between the Wooly and Ashburton Formations. Priority anomalies were modelled to provide plate models for drill targeting.

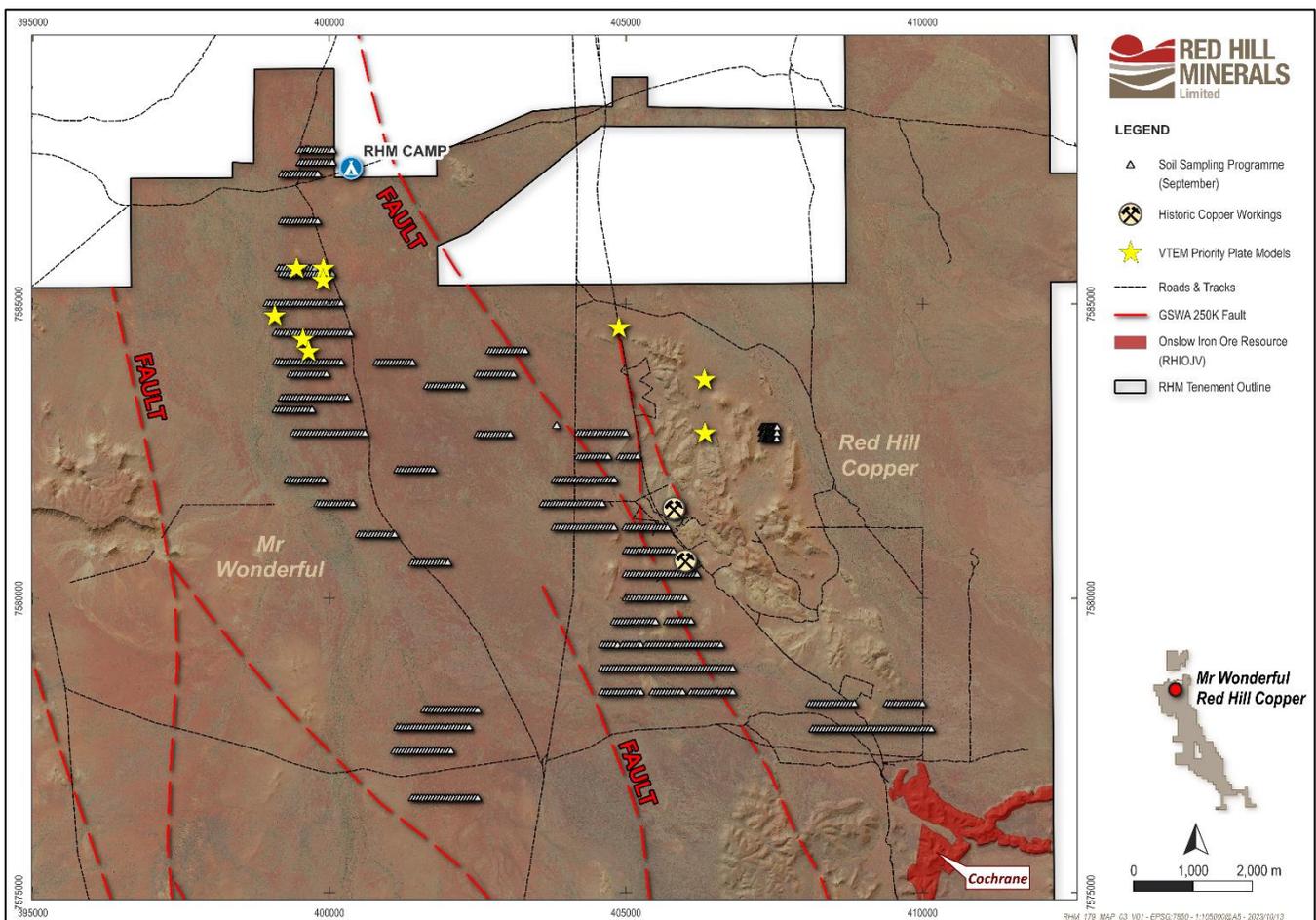
Initial wide spaced UFF soil sampling was completed over the priority VTEM anomalies and defined a 1 kilometre long North East oriented gold in soil anomaly coincident with a sinusoid and faulted magnetic high interpreted as a Proterozoic dolerite dyke.

During the quarter 375 infill and extension UFF soil samples were collected over the gold in soil anomaly, and over other VTEM anomalies within the prospect area, with assays from samples expected next quarter (Figure 8). A ground EM survey will also be completed over modelled VTEM plates in the next quarter to refine drill targets for 2024.

An Exploration Incentive Scheme (EIS) application for up to \$180k of co-funding to drill test these VTEM plates was submitted to the Department of Mines, Industry Regulation and Safety. Subsequent to quarter end this grant was awarded to the Company.

**Red Hill Copper (Gold and Base Metals):** The Red Hill Copper Prospect is located approximately 7 kilometres to the North West of the Dereks Bore Prospect and covers prospective faulted contacts between the Ashburton, Mt McGrath and Wooly Dolomite. The prospect was defined by a series of VTEM anomalies and during the quarter 433 wide spaced UFF soil samples were collected over anomalies with assays expected next quarter (Figure 8).

**Figure 8: Location Plan of the UFF Soil Sampling Locations and VTEM Plate Models at the Mr Wonderful and Red Hill Copper Prospects.**



**Jubilee West (Gold and Base Metals):** The Jubilee West Target is defined by VTEM anomalies and associated gold and base metal anomalies in soils. A further 153 UFF soil samples were collected during the quarter to extend the geochemical coverage of the target area with assays expected in the next quarter. A ground EM survey will also be completed in the next quarter to refine drill targets for 2024.

**Bronzewing (Base Metals):** The Bronzewing Prospect is defined by multi-element soil anomalism which is interpreted to be associated with a NNW-SSE trending structural corridor with faulting re-introducing Mount McGrath and Woolly Formation. During the quarter an ethnographic heritage survey was completed which will allow access into the prospect to facilitate ground reconnaissance, mapping and infill soil sampling prior to RC drill planning.

**Elwood (Gold and Base Metals):** The Elwood Prospect is located approximately 2 kilometres to the North West of the S-Bend Prospect and covers 6.2 kilometres of prospective faulted contacts between the Duck Creek Dolomite and June Hill Volcanics. The prospect area was partially covered by the 2022 VTEM survey that outlined several priority anomalies, and first pass wide spaced soil sampling defined zinc in soil anomalies.

During the quarter 385 infill and extension UFF soil samples were collected, with assays from samples expected next quarter (Figure 9). A ground EM survey will also be completed over a priority modelled VTEM plate in the next quarter to refine drill targets for 2024.

**East Bay Ray (Gold and Base Metals):** The East Bay Ray Target is located east of the Mount Stuart Road and is defined by priority VTEM anomalies and a nearby North West striking gold in soil anomaly over a length of 1.2 kilometres that is associated with a major North West normal fault within rocks of the Ashburton Formation.

During the quarter a further 229 infill and extension UFF soil samples were collected over the soil anomaly to refine the target with assays expected next quarter. A ground EM survey will also be completed over modelled VTEM plates in the next quarter to refine drill targets for 2024.

**Trifecta (Gold and Base Metals):** The Trifecta Prospect is located approximately 3 kilometres to the East of the East Bay Ray Prospect and covers prospective stratigraphy of the Ashburton Formation. The prospect was defined by a series of priority VTEM anomalies that were modelled to provide plate models for drill targeting.

During the quarter 148 wide spaced UFF soil samples were collected over the priority VTEM anomalies and assays from samples are expected next quarter.

**Figure 9: UFF Soil Sampling at the Elwood Gold and Base Metal Target.**



## **Onslow Iron Project (RHIOJV Update)**

Mineral Resources Limited (MinRes, ASX:MIN) is progressing the Onslow Iron Project which is designed to be a 30+ year project at a 35 Mtpa export rate and comprising a new mine, processing plant, airport, accommodation resorts, sealed 150km private haul road, port, marine infrastructure and transshipping vessel fleet.

During the quarter MinRes released<sup>9</sup> an updated Mineral Resource of 394Mt at 56.4% Fe and Ore Reserves of 207 Mt at 58.1% Fe for the Ken's Bore Channel Iron Deposit (CID). Ken's Bore is one of several deposits owned by the Red Hill Iron Ore Joint Venture.

Other key project updates and developments during the quarter reported to the ASX by MinRes include<sup>1</sup>:

- **Private haul road:** Section 38 major environmental approval was received on 3 July. Clearing and earth works commenced on multiple work fronts along the 150km haul road corridor.
- **Ken's Bore mine site:** Clearing and earth works at Ken's Bore are well advanced (Figure 10). The first blast took place in July and pit development works are being addressed by the load and haul fleet on site.
- **Construction camp:** The Onslow 300-room construction village was completed and is fully occupied.
- **Road trains:** The procurement of the autonomous road train fleet and associated systems continued. The construction of the truck maintenance facility is well advanced.
- **Port:** The transshipping jetty progressed with dolphins and conveyor infrastructure installed. Construction of the product storage shed and truck unloading facility were a key focus area over the last quarter and are well advanced.
- **Transhippers:** Fit out of the second transhipper, Coolabah, is progressing well. The keel of the third transhipper, Montebello, has been laid (Figure 10).
- **Infill drilling:** continued at the Upper Cane, Kens Bore and Cardo Bore East Channel Iron Deposits with a total 13,503m of RC and 1,138m of diamond core drilled.
- **Ore-on-ship delivery target:** first-ore-on-ship delivery target of June 2024 remains.

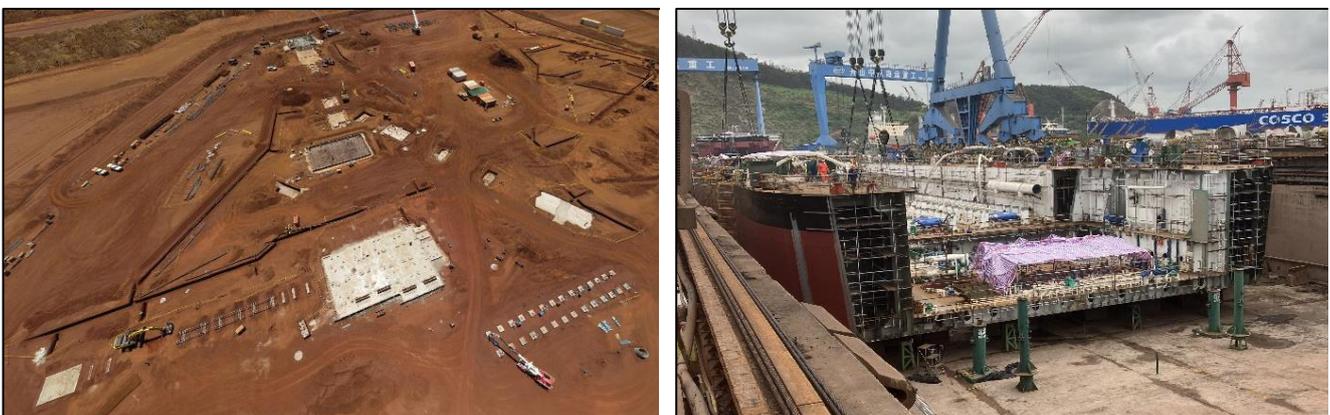
The final \$200 million payment from MinRes for the sale of the Company's Red Hill Iron Ore Joint Venture (RHIOJV) interest is due when the first commercial shipment of iron ore extracted from the RHIOJV tenements, departs port<sup>2</sup>.

From that time, Red Hill Minerals will begin to receive 0.75% FOB royalty streams from the project.

These royalty streams will be sourced from:

- i) production from the RHIOJV tenements,
- ii) production during the first 10 years only from the APIJV owned Upper Red Hill Creek tenement, and
- iii) production from the MinRes owned Bungaroo South tenement.

**Figure 10: Progress of the Kens Bore Crushing Plant and Third Transhipper, Montebello.**



## The Pannawonica Project

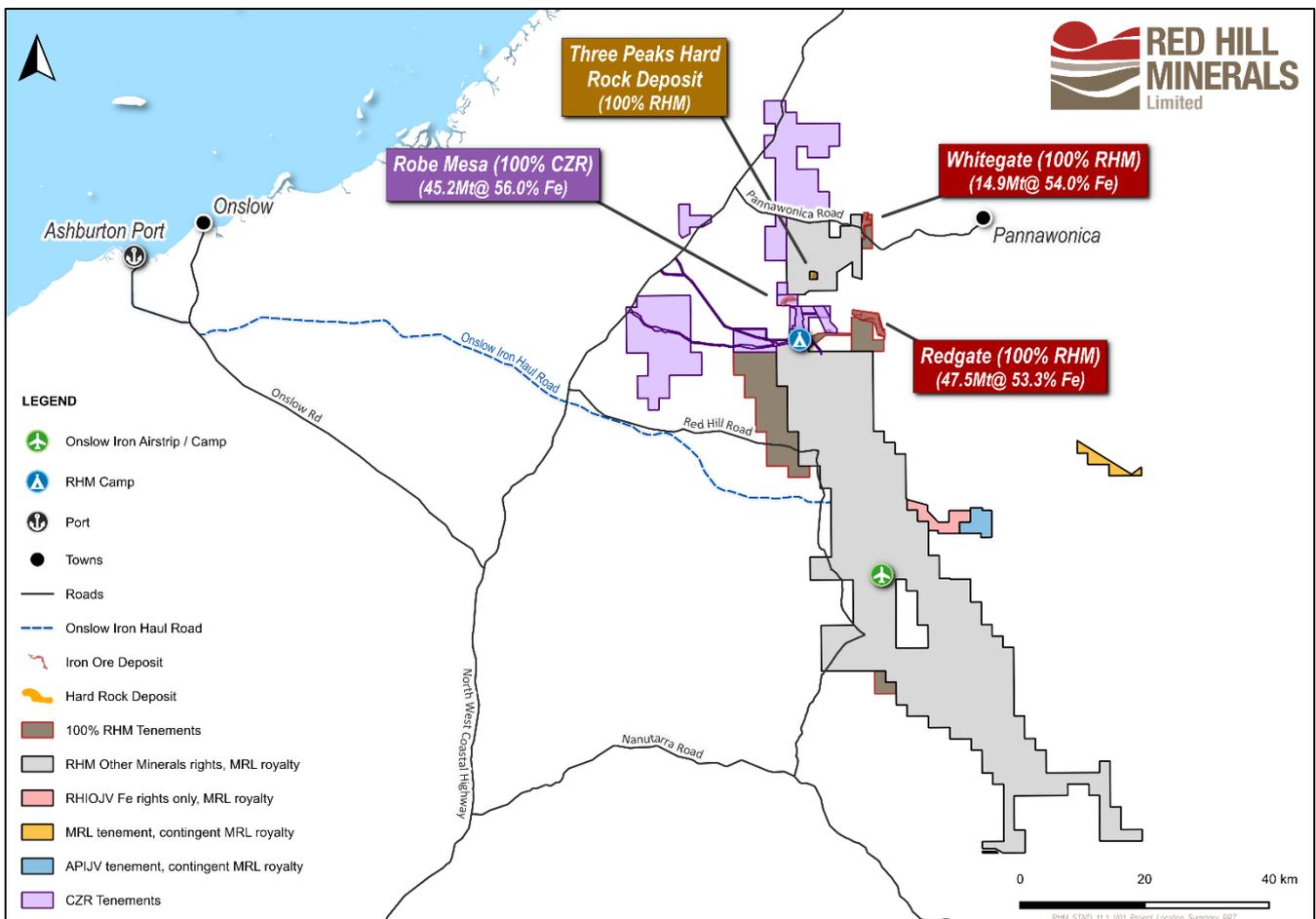
The Pannawonica Project is located north of the West Pilbara project area and comprises the Company's 100% owned Redgate and Whitegate iron ore mining leases. Red Hill Minerals has been working in conjunction with CZR Resources Limited<sup>10</sup> (CZR) to complete baseline environmental surveys covering non-processing infrastructure and potential haul routes that can be utilised for the Company's Pannawonica Project (Figure 11).

The current Ore Reserve Statement for Pannawonica Iron Project<sup>11</sup> is 4.68 million tonnes (Mt) at 56% iron at a 54.5% iron cut-off grade within a total project Mineral Resource<sup>12</sup> of 62.5 million tonnes at 53.4% Iron at a 52% iron block cut-off grade.

During the quarter access negotiations continued for the miscellaneous licence application L08/305 for the proposed haul road corridor that links into CZR's haul route options<sup>13</sup>.

The Company will continue to work with CZR to identify mutually beneficial cost-saving activities.

**Figure 11: Location Plan of The Pannawonica Project, Three Peaks Hard Rock Deposit, CZR's Robe Mesa Project<sup>14</sup> and the Onslow Iron Project (RHIOJV).**



### **Payments to Related Parties**

Payments reported under Section 6.1 of the Appendix 5B Quarterly Cash Flow Report relate to Directors' fees and superannuation.

Authorised by the Board.

**Michael Wall**  
**CHIEF EXECUTIVE OFFICER**

## **Streamline Statement (Listing Rule 5.23.2) – The Pannawonica Project**

Red Hill Minerals Limited is not aware of any new information or data that materially affects the information included in the relevant market announcement and in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## **Competent Person Statement**

The information in this report that relates to exploration activities is based on information compiled by Mr Michael Wall, Chief Executive Officer, Red Hill Minerals Limited who is a Member of the Australian Institute of Mining and Metallurgy. Mr Wall is a full-time employee of Red Hill Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Wall consents to the report being issued in the form and context in which it appears.

## **Forward Looking Statements**

This document may contain certain forward-looking statements which have not been based solely on historical facts but rather on Red Hill Minerals expectations about future events and on a number of assumptions which are subject to significant risks, uncertainties and contingencies many of which are outside the control of Red Hill Minerals and its directors, officers and advisers. Forward-looking statements include, but are not necessarily limited to, statements concerning Red Hill Minerals planned exploration programme, strategies and objectives of management, anticipated dates and expected costs or outputs. When used in this document, words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Due care and attention has been taken in the preparation of this document and although Red Hill Minerals believes that its expectations reflected in any forward looking statements made in this document are reasonable, no assurance can be given that actual results will be consistent with these forward-looking statements. This document should not be relied upon as providing any recommendation or forecast by Red Hill Minerals or its directors, officers or advisers. To the fullest extent permitted by law, no liability, however arising, will be accepted by Red Hill Minerals or its directors, officers or advisers, as a result of any reliance upon any forward looking statement contained in this document.

## **References**

- <sup>1</sup> Refer Mineral Resources ASX Release “Quarterly Exploration and Mining Activities Report July to September 2023 (Q1 FY24)” Announcement dated 25 October 2023.
- <sup>2</sup> Refer Red Hill Minerals ASX Release “Mineral Resources to Acquire Red Hill Iron’s JV Interest” Announcement dated 30 July 2021.
- <sup>3</sup> Refer Red Hill Minerals ASX Release “Gold Mineralisation Intersected at the Barkley Target” Announcement dated 27 September 2023.
- <sup>4</sup> Refer Black Cat Syndicate Limited ASX Release “Robust Restart Plan for Paulsens” Announcement dated 10 July 2023.
- <sup>5</sup> Refer Kalamazoo Resources Limited ASX Release “Independent Mineral Resource Estimate Ashburton Gold Project” Announcement dated 7 February 2023.
- <sup>6</sup> Refer Red Hill Minerals ASX Release “Activities Report for the Quarter Ended 31 December 2022” Announcement dated 30 January 2023.
- <sup>7</sup> Refer Red Hill Minerals ASX Release “Base and Precious Metals Exploration Drilling Results” Announcement dated 20 October 2022.
- <sup>8</sup> Refer Red Hill Minerals ASX Release “RC Drilling Intersects Gold Mineralisation” Announcement dated 20 July 2023.
- <sup>9</sup> Refer Mineral Resources ASX Release “Mineral Resources and Ore Reserves Update” Announcement dated 22 September 2023.
- <sup>10</sup> Refer Red Hill Minerals ASX Release “CZR-RHI to Cooperate on Haul Road and Port Infrastructure” Announcement dated 1 August 2022.
- <sup>11</sup> Refer Red Hill Minerals ASX Release “Pannawonica Iron Ore Project – Ore Reserve Statement Update” Announcement dated 23 July 2021.
- <sup>12</sup> Refer Red Hill Minerals ASX Release “Pannawonica Iron Ore Project: Pre-Feasibility Study Completed With Maiden Ore Reserves” Announcement dated 14 April 2014.
- <sup>13</sup> Refer CZR Resources ASX Release “Robe Mesa DFS Reveals Outstanding Financial Returns” Announcement dated 10 October 2023.
- <sup>14</sup> Refer CZR Resources ASX Release “Robe Mesa Resource Continues to Grow” Announcement dated 12 December 2022.

## MINERAL TENEMENT INFORMATION AS AT 30 SEPTEMBER 2023

### Mining tenements and beneficial interests held at quarter end and their location:

| Tenement   | Location         | Registered Holding |       | Beneficial Interest |       |
|------------|------------------|--------------------|-------|---------------------|-------|
|            |                  | Before             | After | Before              | After |
| E08/1227-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1283-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1289-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1293-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1294-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1295-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1430-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1516-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E08/1537-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E47/1141-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| E47/1693-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| M47/1472-I | West Pilbara, WA | 0%                 |       | Note 1              |       |
| M08/483-I  | West Pilbara, WA | 0%                 |       | Note 1              |       |
| M08/484-I  | West Pilbara, WA | 0%                 |       | Note 1              |       |
| M08/485-I  | West Pilbara, WA | 0%                 |       | Note 1              |       |
| M08/480-I  | West Pilbara, WA | 0%                 |       | Note 2              |       |
| M08/512-I  | West Pilbara, WA | 0%                 |       | Note 2              |       |
| M47/1504-I | West Pilbara, WA | 0%                 |       | Note 2a             |       |
| M47/1464-I | West Pilbara, WA | 0%                 |       | Note 2              |       |
| M08/499-I  | West Pilbara, WA | 100%               |       | Note 3              |       |
| M08/500-I  | West Pilbara, WA | 100%               |       | Note 3              |       |
| M08/501    | West Pilbara, WA | 100%               |       | Note 3              |       |
| M08/505-I  | West Pilbara, WA | 100%               |       | Note 3              |       |
| E08/2729   | West Pilbara, WA | 100%               |       | Note 3              |       |
| E08/2730   | West Pilbara, WA | 100%               |       | Note 3              |       |
| ELA08/3540 | West Pilbara, WA | 100%               |       | Note 3              |       |
| ELA08/3558 | West Pilbara, WA | 100%               |       | Note 3              |       |
| L08/0305   | West Pilbara, WA | 100%               |       | Note 3              |       |

### Mining tenements and beneficial interests acquired during the quarter, and their location:

None

### Mining tenements and beneficial interests disposed of during the quarter, and their location:

| Tenement   | Location         | Registered Holding |       | Beneficial Interest |       |
|------------|------------------|--------------------|-------|---------------------|-------|
|            |                  | Before             | After | Before              | After |
| ELA08/3382 | West Pilbara, WA | 100%               | 0%    | Note 3              | Nil   |

#### Notes:

Note 1: Red Hill Minerals Limited has a 100% interest in all minerals other than iron ore pursuant to the RHIOJV Agreement and an Iron Ore Production Royalty Agreement with Mineral Resources Limited.

Note 2: Iron Ore Production Royalty Agreement with Mineral Resources Limited.

Note 2a: Contingent interest under the Iron Ore Production Royalty Agreement with Mineral Resources Limited.

Note 3: 100%

#### Key:

E: Exploration Licence

ELA: Exploration Licence Application

M: Mining Lease

L: Miscellaneous Licence Application

## Appendix 5B

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

Name of entity

Red Hill Minerals Limited

ABN

44 114 553 392

Quarter ended ("current quarter")

30 September 2023

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(3 months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               | -                                  | -  |
| 1.2 Payments for  |                                    |  |
| (a) exploration & evaluation                              | (90)                               | (90)   |
| (b) development   | -                                  | -  |
| (c) production  | -                                  | -  |
| (d) staff costs   | (115)                              | (115)  |
| (e) administration and corporate costs                    | (342)                              | (342)  |
| 1.3 Dividends received (see note 3)                       | -                                  | -  |
| 1.4 Interest received                                     | 330                                | 330  |
| 1.5 Interest and other costs of finance paid              | (3)                                | (3)  |
| 1.6 Income taxes paid                                     | -                                  | -  |
| 1.7 Government grants and tax incentives                  | -                                  | -  |
| 1.8 Other (provide details if material)                   | 14                                 | 14   |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(206)</b>                       | <b>(206)</b>                                   |

|  |         |         |
|--|---------|---------|
| <b>2. Cash flows from investing activities</b> |         |         |
| 2.1 Payments to acquire or for:                |         |         |
| (a) entities                                   | -       | -       |
| (b) tenements                                  | -       | -       |
| (c) property, plant and equipment              | (3)     | (3)     |
| (d) exploration & evaluation                   | (1,178) | (1,178) |
| (e) investments                                | -       | -       |
| (f) other non-current assets                   | -       | -       |

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

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(3 months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2                                  | Proceeds from the disposal of:  |                            |                                       |
|                                      | (a) entities  | -                          | -                                     |
|                                      | (b) tenements   | -                          | -                                     |
|                                      | (c) property, plant and equipment   | -                          | -                                     |
|                                      | (d) investments   | -                          | -                                     |
|                                      | (e) other non-current assets  | -                          | -                                     |
| 2.3                                  | Cash flows from loans to other entities   | -                          | -                                     |
| 2.4                                  | Dividends received (see note 3)   | -                          | -                                     |
| 2.5                                  | Other:  | -                          | -                                     |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b>                                   | <b>(1,181)</b>             | <b>(1,181)</b>                        |
| <b>3.</b>                            | <b>Cash flows from financing activities</b>   |                            |                                       |
| 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  | (6,383)                    | (6,383)                               |
| 3.9                                  | Other (provide details if material)   | (41)                       | (41)                                  |
| <b>3.10</b>                          | <b>Net cash from / (used in) financing activities</b>                                   | <b>(6,424)</b>             | <b>(6,424)</b>                        |

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

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(3 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| <b>4.</b>                                   | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |                                    |  |
| 4.1   | Cash and cash equivalents at beginning of period                             | 39,272                             | 39,272   |
| 4.2   | Net cash from / (used in) operating activities (item 1.9 above)              | (206)                              | (206)  |
| 4.3   | Net cash from / (used in) investing activities (item 2.6 above)              | (1,181)                            | (1,181)  |
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above)             | (6,424)                            | (6,424)  |
| 4.5   | Effect of movement in exchange rates on cash held                            | -                                  | -  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                            | <b>31,461</b>                      | <b>31,461</b>                                  |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 2,461                              | 10,272                              |
| 5.2        | Call deposits   | -                                  | -                                   |
| 5.3        | Bank overdrafts   | -                                  | -                                   |
| 5.4        | Other: Term deposits  | 29,000                             | 29,000                              |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>31,461</b>                      | <b>39,272</b>                       |

| <b>6.</b>   | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|---|---|------------------------------------|
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 56                                 |
| 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> |   |                                    |

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

| <b>7. Financing facilities</b>  | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>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 <b>Total financing facilities</b>   | -   | -  |
| 7.5 <b>Unused financing facilities available at quarter end</b>   |   | -  |
| 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   |  |

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)   | (206)          |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (1,178)        |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (1,384)        |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 31,461         |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 31,461         |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 22.7           |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?   | 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?              | 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?   | N/A            |
| <i>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.</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: 26 October 2023

Authorised by: The Board of Directors  
(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.