

QUARTERLY ACTIVITIES REPORT

SEPTEMBER 2023

Anax Metals Limited – “leading the way in ESG innovation while advancing mineral project development”

Highlights of the Quarter

- ▲ Extensive Pegmatites identified at Whim Creek and Louden’s Patch being assessed for lithium prospectivity
- ▲ Heap leach scoping study enhances Whim Creek Project economics
- ▲ Final Regulatory approvals for the Whim Creek Copper Project received
- ▲ Farm-In and Joint Venture at Mount Short

Lithium Exploration - Whim Creek Project (ANX 80% - DVP 20%)

Anax Metals Limited (ASX: **ANX**, Anax, or the **Company**) is advancing its flagship Whim Creek Copper-Zinc JV Project (the **Project**) located in the booming Pilbara region of Western Australia.

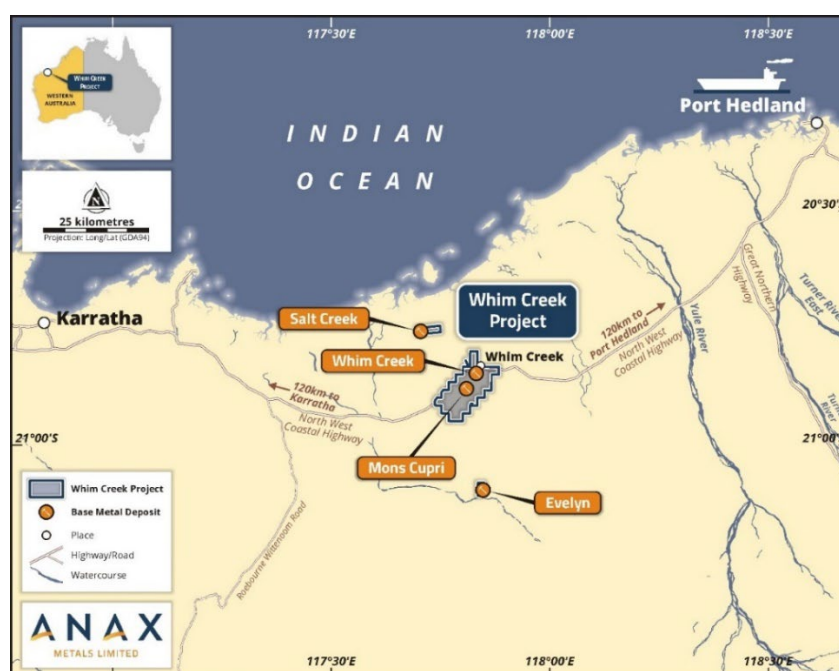


Figure 1: Whim Creek Project Location in the Pilbara Region of Western Australia

During the Quarter, Anax undertook regional geological mapping at 1:5,000 scale at the **Whim Maar Prospect**.⁷ Reconnaissance exploration in June 2023 was followed with systematic mapping and sampling in July and August 2023, which confirmed that pegmatites were far more extensive than had been historically mapped (**Figure 2**). Outcropping pegmatites consist primarily of quartz-feldspar cores, some with entrained wall rock xenoliths. Lithium bearing minerals, such as spodumene, are evident, though rare at surface due to the extensively weathered terrain.

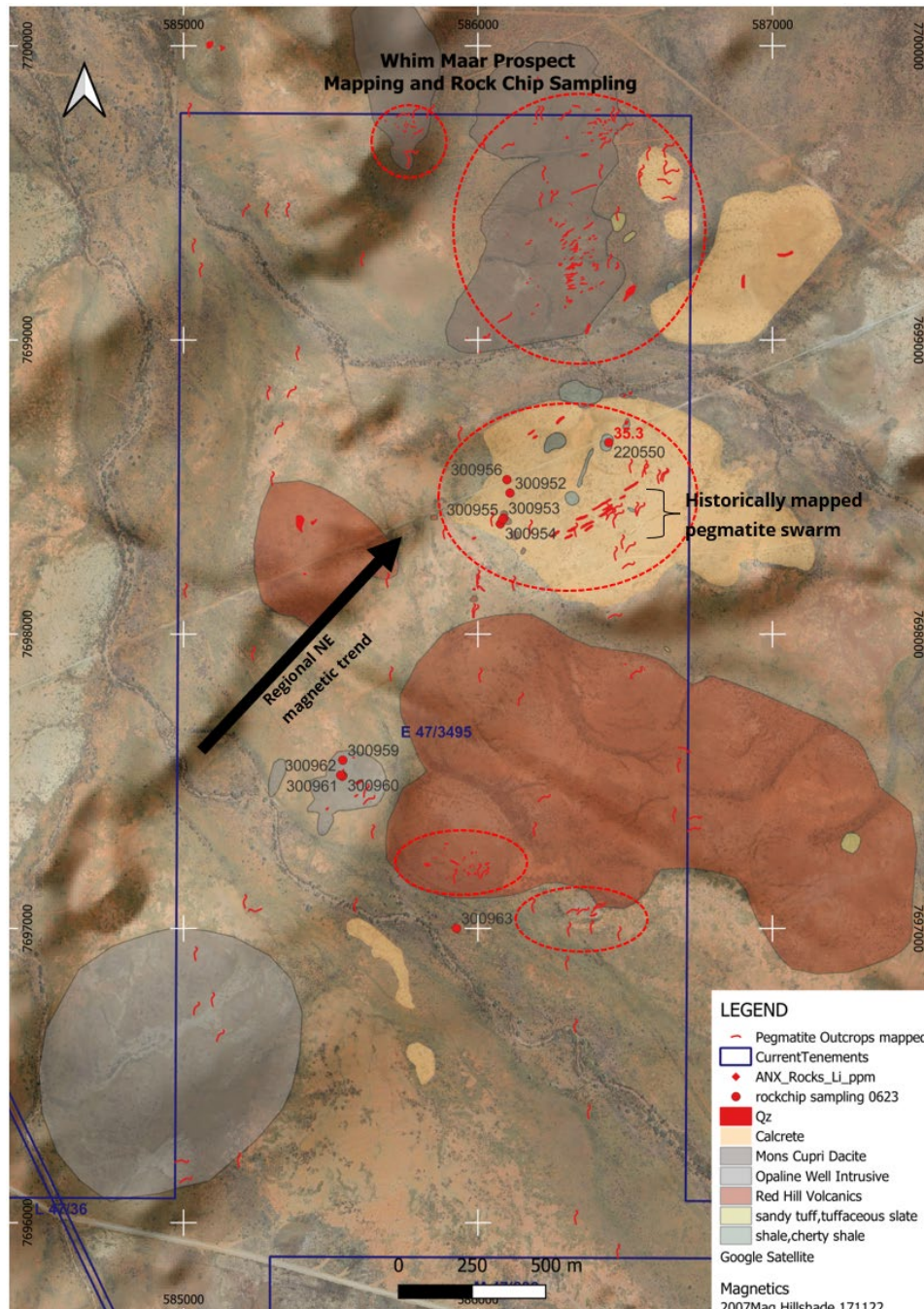


Figure 2: Mapping and sampling at Whim Maar Prospect over GSWA Geology

Mapping identified two large pegmatite swarms up to 0.6km² in area, within the northeast quadrant of the Whim Maar Prospect, coinciding with layered mafic intrusive host rock and magnetic lows which follow the regional northeasterly trend (**Figure 2**). Pegmatites outcrop as low-lying quartz domes and boulders, occurring in swarms, typically following the regional northeast trend. Spodumene and other lithium bearing minerals, were noted in numerous pegmatites during mapping.

Early rock chip and soil sampling results received in September 2023⁹ confirmed cohesive in-situ lithium anomalism up to 72ppm in soils over 600m at Whim Maar. Further UltraFine+™ soil sampling and rock chip sampling is ongoing at Whim Maar with a view to defining potential targets for drilling and trenching, once heritage clearance is in place.



Figure 3: Lithium bearing minerals in pegmatite samples from Whim Maar Prospect. (301158 -potential green coloured spodumene minerals. Li =20ppm; 301188 - relict spodumene textures evident. Li =38ppm)^{7,9}

High resolution satellite image interpretation in Q2 and Q3, 2023 identified **extensive swarms of outcropping pegmatites at the underexplored Whim Creek Dome**,⁹ some of which coincide with known lithium soil anomalies. Pegmatites generally follow the regional northeast structural direction and are not obscured by sheetwash cover or calcrete at this location.

Field mapping of pegmatites is currently underway along with further UltraFine+™ soil sampling to cover the central underexplored area of the Project, (**Figure 4**). This area was not previously

explored due to the absence of VMS prospective geology. 3D modelling and GSWA mapping suggests the Whim Creek Dome, consisting of older Archean volcanics, underlain by layered mafic intrusives.⁹

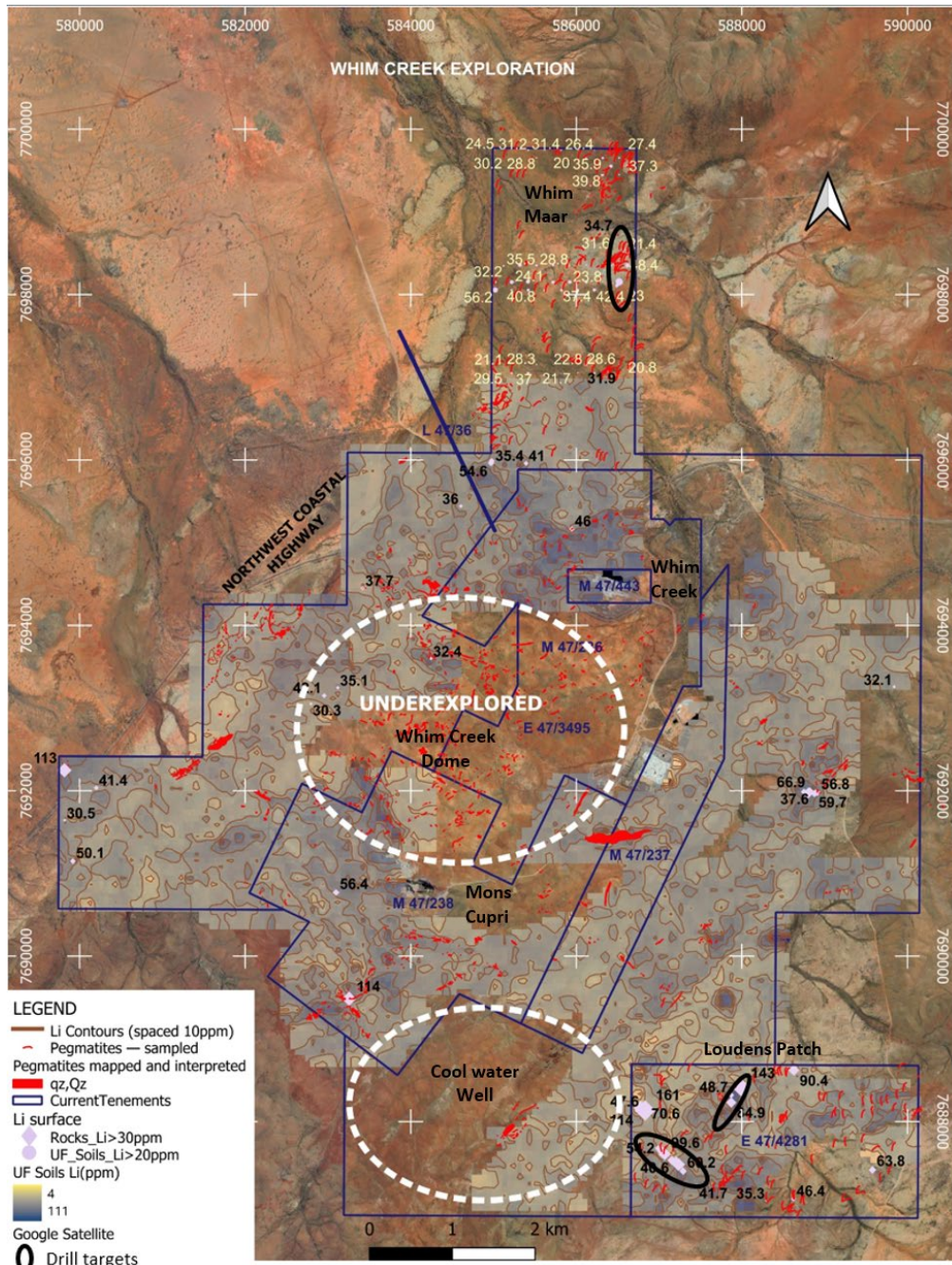


Figure 4: Lithium contours illustrate anomalism across Whim Creek Project. Further soil and rock sampling planned at underexplored areas along with verification of interpreted pegmatites.⁹

Project Development – Whim Creek Project (ANX 80% - DVP 20%)

Heap Leach Scoping Study

In the previous quarter, Anax announced **highly encouraging results from bioleaching test work** undertaken at a prominent research organisation in Bentley, Western Australia.¹⁵ The column leach test work, which achieved copper extraction of 80% and zinc extraction of 90%, formed the basis for the **heap leach scoping study** released in September 2023⁸ that considers processing of oxide, transitional and low-grade sulphide ore using the recently refurbished and fully permitted heap leach infrastructure located at Whim Creek. The heap leach is proposed to operate in parallel with the proposed 400 ktpa concentrator considered in the April 2023 Definitive Feasibility Study (DFS).¹³

The heap leach circuit will produce copper cathode and zinc sulphate and is anticipated to operate for a period of approximately 6 years. The heap leach feed sources are shown in **Table 1**.

Table 1: Heap Leach feed Production Target

Heap Leach Feed Type	Kt	Cu %	Zn %
Secondary Sort Rejects	788	0.34	0.15
IPJ Rejects	300	0.27	0.26
ROM Ore (transitional ore + new sulphide ore + redirected ore)	751	0.94	1.06
Tailings	354	0.35	1.60
Total Heap Leach Feed	2,193	0.54	0.71

Conventional SX-EW will be utilised to produce a copper cathode in conjunction with production of zinc sulphate via solvent extraction (**SX**) and crystallisation. Cathode copper will be produced from the processing of leach solutions in the Solvent Extraction and Electrowinning (**SX-EW**) plant.⁸

Saleable zinc products will be recovered from a zinc sulphate production circuit which will be a new addition to the plant. The zinc circuit will involve neutralisation for iron removal, solvent extraction followed by precipitation of a zinc sulphate product.⁸

The Scoping Study has identified a **heap leach Production Target of 2.19 Mt** of ore at an average grade of **0.54% Cu and 0.71% Zn**. The heap leach operation is anticipated to produce 8,875 tonnes of copper cathode and 13,325 tonnes of zinc as zinc sulphate. Key outcomes from the scoping study and the results from the modelling are shown in **Table 2**.⁸

Table 2: Summary of the combined Whim Creek concentrator and heap leach Project^{*8}

Metric	Concentrator (April 23 DFS)	Heap Leach (Scoping)	Combined Project
Operating Costs (mining, processing, freight and admin)	\$ 628 M	\$ 46 M	\$ 674 M
Operational Cashflow	\$ 451 M	\$ 85 M	\$ 536 M
Free Cashflow (before financing and tax)	\$ 340 M	\$ 71 M	\$ 411 M
IRR	54.3%	n/a	55.3%
Payback	20 months	n/a	23 months
NPV (7%)	\$ 224 M	n/a	\$ 270 M

** Metrics reported on 100% project basis. Anax has an 80% interest in the project and will contribute 80% of costs and receive 80% of financial outcomes.*

Permitting

During the quarter, Anax received approval of the Stage 2 Mining Proposal for the Whim Creek Copper Project from the Department of Mines, Industry Regulation and Safety (**DMIRS**).³ The approved Stage 2 Mining Proposal allows for the commencement of mining from the Whim Creek Pit and the processing of ore from the Mons Cupri and Whim Creek pits through a Conventional Flotation Processing Plant (Concentrator) which will produce separate copper, lead and zinc concentrates. The Mining Proposal also allows for the construction of a three-cell In-Pit Tailings Storage facility (TSF) at the Mons Cupri deposit.

The Stage 2 Mining Proposal supports the previously approved Stage 1 Mining Proposal¹⁴ which allows for the mining of ore from the Mons Cupri Pit, the refurbishment of the existing Heap Leach Facility, the incorporation of ore sorters into the existing crushing infrastructure and the construction of a 120-man accommodation village.

The approval of the Stage 2 Mining Proposal now completes all DMIRS approvals required for the commencement of mining activities at the Whim Creek Copper Project and was **the final major regulatory approval for the Whim Creek site.**³

Mount Short Exploration (ANX 100%)

In August 2023 Anax announced that it executed a Farm-in and Joint Venture agreement with Woomera Mining Ltd (ASX: **WML**)⁶. The Mt Short Project, Exploration License 74/651, covers 64km² of the Archean Ravensthorpe Greenstone Belt and surrounding granites, prospective for polymetallic base metals in volcanogenic massive sulphides (VMS), nickel massive sulphides, lithium pegmatites, rare earth elements and structurally controlled gold. Historical drilling has focused on nickel, with a number of drill holes intersecting pegmatites, though not analysed for lithium⁶. Woomera is currently seeking landowner access to enable redrilling of these pegmatites.

The principal terms of the agreement are⁶:

1. Woomera must spend a minimum of \$150,000 within 12 months of signing the agreement.
2. If Woomera elects to continue with the project after meeting the minimum expenditure, it shall pay Anax a cash payment of \$50,000.
3. Woomera may earn a 70% interest by expenditure of \$1.5m over three years.
4. Anax may then elect to contribute or reduce to a 20% interest free carried to a Decision to Mine.
5. If Woomera makes a decision to mine, Anax may contribute its 20% or reduce to a 1.5% royalty.

Research and Development

Anax participates in collaborative research and development projects which drive innovation in sustainable mining practices.

CSIRO UltraFine+™ Research and Development Project has recently concluded. The project used machine learning to enhance the value of data generated from the UltraFine+™ process. The Whim Creek UltraFine+ soil sampling results have been included in the project and the results of machine learning await further review and interpretation to generate new targets for exploration. The Whim Creek dataset has contributed to the Pilbara-wide machine learning dataset to provide greater understanding of the mineralising systems of the Pilbara Region. The results are soon to be published by CSIRO.¹²

Anax is contributing to the **Future Battery Industries Cooperative Research Centre (FBICRC)**, alongside other members, including BHP, IGO, Lynas Corporation and Lithium Australia. The FBICRC's Process Legacy Project is conducting multiple tests using a bulk sample from the Whim Creek heap leach. This work remains confidential to the FBICRC.¹²

Anax is a member of the **International Copper Association of Australia (ICAA)** and has previously contributed to the research publications in the series – Roadmap To Zero Emission Copper Mine of the Future (Roadmap to Zero – <https://copper.com.au/about/projects/roadmap-to-zero/zero-emission-copper-mine-of-the-future-roadmap/>).¹²

Advanced Project Procurement Plan

The location of the Whim Creek Project makes it an ideal **central processing hub** for other advanced mineral deposits in the Pilbara that would otherwise remain uneconomic due to size or permitting limitations. Anax continues to consult with neighbouring project holders to highlight this opportunity.

Anax also continues to identify and pursue projects that are amenable to the integration of smart ore sorting technology and forge strategic partnerships to facilitate their development.

Compliance

For the purpose of Listing Rule 5.3.1, during the Quarter, the Company confirms it spent \$778,992 on its exploration, site upgrade and feasibility activities, of which \$743,397 related to the Whim Creek project. The total spend for Whim Creek comprised \$192,294 on-site maintenance and consumables; \$49,735 expenditure on environmental monitoring; \$234,799 expenditure on feasibility studies and permitting and \$266,569 expenditure on direct exploration and tenure.

For the purpose of Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities during the Quarter by the Company or its subsidiaries.

For the purpose of Listing Rule 5.3.5, the company confirms that \$118,727 in directors' fees was paid in the Quarter (inclusive of \$11,766 statutory superannuation). Payments to related parties of the Company and their associates during the Quarter totalled \$51,046 (including \$4,650 GST), comprising \$9,900 (including \$900 GST) paid to Holihox Pty Ltd (a related party of Mr Phillip Jackson) for corporate consulting; \$2,824 (including \$257 GST) paid to Nexus Bonum Pty Ltd (a related party of Geoff Laing) for technical consulting fees; and \$38,321 (including \$3,484 GST) paid to Grange Consulting Pty Ltd (a related party of Phil Warren) for company secretarial and corporate advisory services. These amounts are included at Item 6 of the attached Appendix 5B. There were no balances owed to related parties on 30 September 2023.

Corporate

Share Capital

On 8 August 2023, the Company completed a share placement to institutional, sophisticated and professional investors. 20,009,090 fully paid ordinary shares were issued at an issue price of \$0.055, raising \$1.1m to fund further exploration and development activities.⁴

On 8 August 2023, 500,000 shares were issued as a result of 500,000 options with a strike price of \$0.045 being exercised for \$22,500.

On 27 September 2023, Anax announced a non-renounceable pro-rata entitlement offer to eligible shareholders, expected to close in early November 2023, and raise up to approximately \$5,000,000 (before costs)¹⁰.

The entitlement offer is being undertaken on the basis of 1 new share for every 3 existing shares held on the record date of 5.00pm on 5 October 2023, at an issue price of \$0.035. Participants

will also be issued one free attaching unquoted option for every 2 new shares subscribed for, exercisable at \$0.06 each and expiring on 31 December 2025.

Irrevocable commitments totalling approximately \$1.4 million have been received from major shareholder, Jetosea Pty Ltd, and all eligible directors. Further to this, directors Peter Cordin and Philip Waren, and Anax CFO Jenine Owen, have agreed to partially underwrite the entitlement offer by an additional \$220,000 in addition to their collective entitlements. The entitlement offer also provides for eligible shareholders, and other investors, to apply for any shortfall shares that might exist after all valid entitlement take-up.

Funds raised will be applied towards:

- early-stage lithium exploration activities at Whim Maar, Loudens Patch and central prospects;
- progressing product offtake and debt financing activities at the Whim Creek Project;
- progressing project consolidation initiatives within the Pilbara Region
- maintaining mine site operations and environmental monitoring at the Whim Creek Project; and
- general working capital and the costs of the offers.

Further details of Anax's intended use of funds was provided in the Prospectus announced by the Company on Friday, 29 September 2023.¹¹

At the end of the reporting period, the Company had **429,903,917 fully paid ordinary shares on issue.**

Options

On 8 August 2023, 500,000 options with a strike price of \$0.045 were exercised for \$22,500.⁵ The closing share price on the date the new shares were issued was \$0.057.

Table 3: Unlisted options on issue on 30 September 2023

	Number	Strike price	Expiry date	No. holders	Vested (Yes/No)	Vesting date
3	21,983,333	\$0.045	28 Oct 2023	20	Yes	Immediately
4	9,000,000	\$0.045	28 Oct 2023	3	Yes	28 Oct 2021
6	2,000,000	\$0.105	26 May 2024	1	Yes	26 May 2022
9	15,000,000	\$0.080	13 Dec 2024	1	Yes	Immediately
10	15,000,000	\$0.120	13 Dec 2025	1	Yes	Immediately
11	10,000,000	\$0.100	30 Jun 2026	1	Yes	Immediately
TOTAL	72,983,333					

Performance rights

There were no movements during the Quarter.

Table 4: Performance Rights on issue at 30 September 2023

<i>Tranche</i>	<i>No of Performance Rights</i>	<i>Vesting Condition to convert into one share in the Company per Performance Right</i>	<i>Expiry Date</i>	<i>Vested (Yes/No)</i>	<i>Comment</i>
Class B*	2,600,000	The 20-day VWAP of the Company's Shares reaching 300% of the Public Offer Price (being \$0.090) prior to the Expiry Date	2 years from grant date	Yes	Vesting condition met 15 June 2021
Class C	4,500,000	The 20-day VWAP of the Company's Shares reaching 450% of the Public Offer Price (being \$0.135) prior to the Expiry Date	2 years from grant date	No	N/A
ANXPER F3	10,000,000	Individual milestones set for each employee in accordance with terms of the Employee share plan approved by shareholders on x date	31 Dec 2024	No	
ANXPRA	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.14 prior to the Expiry Date	18 May 2024	No	
ANXPRB	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.18 prior to the Expiry Date	18 May 2024	No	
ANXPRC	1,000,000	Continuous employment for a period of 2 years from the grant date and the 20-day VWAP of the Company's Shares reaching a price of \$0.23 prior to the Expiry Date	18 May 2024	No	
TOTAL	20,100,000				

On 30 September 2023, Anax held **\$1,530,909** in available cash.

This Quarterly Report is authorised for release by the Board.

For Enquiries

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References

The information provided in this report was summarised from the following Anax Announcements to the ASX:

1. *Loan Agreement Variation, 29 June 2023*
2. *Spodumene in Pegmatites at Whim Creek, Gold at Loudens Patch, 4 July 2023*
3. *Whim Creek Copper Project Mining Proposal Approved, 1 August 2023*
4. *Capital Raising, 2 August 2023*
5. *Application for quotation of securities – ANX, 8 August 2023*
6. *Anax enters Farm-In and Joint Venture Agreement at Mt Short, 14 Aug 2023*
7. *Update - Pegmatites at Whim Creek Assessed for Lithium, 24 Aug 2023*
8. *Whim Creek Heap Leach Scoping Study, 11 September 2023*
9. *Lithium Zones Confirmed at Whim Creek, 18 September 2023*
10. *\$5.0M Non-renounceable Entitlement Offer, 27 September 2023*
11. *Prospectus – Entitlement Offer, 29 September 2023*
12. *Quarterly Activities/Appendix 5B Cash Flow Report, 31 July, 2023*
13. *Whim Creek definitive Feasibility Study, 3 April 2023*
14. *Whim Creek Copper Permitting and DFS Update, 24 November 2022*
15. *Bioleaching Success to Boost Whim Creek Metal Production, 18 June 2023*

Competent Persons' Statement

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Ms Wendy Beets. Ms Beets is a full-time employee and shareholder of Anax Metals Ltd and member of the Australian Institute of Geoscientists. Ms Beets has sufficient experience of relevance to the style of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms Beets consents to the inclusion in this report of the matters based on information in the form and context in which they appear.

The Ore Reserves and Mineral Resources Statement is based on and fairly represents information and supporting documentation prepared by competent and qualified independent external professionals and reviewed by the Company's technical staff. The Ore Reserves and Mineral Resources Statement have been approved by Andrew McDonald, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr McDonald is a permanent employee and shareholder of Anax Metals Limited. Mr McDonald has consented to the inclusion of the Statement in the form and context in which it appears in this report.

The information in the report that relates to production targets and forecast financial information derived from production targets is summarised from the ASX announcements as referenced. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the original announcement continue to apply and have not materially changed.

JORC 2012 Resources and Reserves

The information in this report that relates to the Mineral Resource for Mons Cupri was first reported by the Company in accordance with Listing Rule 5.8 in the Company's prospectus dated 18 September 2020 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the prospectus and that all material assumptions and technical parameters underpinning the estimate in the prospectus continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resource for Whim Creek was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 25 May 2021 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resource for Salt Creek was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 12 September 2022 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.

The information in this report that relates to the Mineral Resource for Evelyn was first reported by the Company in accordance with Listing Rule 5.8 in the ASX Release of 4 October 2022 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.

The information in this report that relates to the Ore Reserves was first reported by the Company in accordance with Listing Rule 5.9 in the ASX Release of 3 April 2023 and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the original announcement continue to apply and have not materially changed.

Table 5: Whim Creek Project Global Copper Dominant Mineral Resource Estimates

Deposit	Classification	kTonnes	Cu %	Zn %	Pb %	Ag ppm	Au ppm
Mons Cupri (Cu ≥ 0.4%)	Measured	990	1.62	1.42	0.61	38	0.28
	Indicated	3,130	0.84	0.47	0.20	16	0.09
	Inferred	400	0.60	0.22	0.10	10	0.03
Salt Creek (Cu ≥ 0.8% & Zn < 2.5%)	Measured	-	-	-	-	-	-
	Indicated	1,070	2.03	0.23	0.03	4	0.08
	Inferred	650	1.25	0.28	0.04	4	0.05
Whim Creek (Cu ≥ 0.4%)	Measured	-	-	-	-	-	-
	Indicated	1,750	1.10	0.63	0.16	6	0.04
	Inferred	660	0.56	0.17	0.08	2	0.02
Evelyn (No Cut-off)	Measured	-	-	-	-	-	-
	Indicated	470	2.47	3.97	0.29	42	1.00
	Inferred	120	2.84	3.62	0.20	37	0.92
Combined	Measured	990	1.62	1.42	0.61	38	0.28
	Indicated	6,420	1.23	0.73	0.17	13	0.14
	Inferred	1,830	0.96	0.44	0.08	7	0.09
Total Cu Resources		9,240	1.22	0.75	0.20	15	0.15
Contained t/Oz			Cu t	Zn t	Pb t	Ag oz	Au oz
			112,000	69,000	18,000	4,330,000	43,700

Note: The reported Mineral Resource estimates are inclusive of the Ore Reserves. Appropriate rounding applied.

Table 6: Whim Creek Project Global Zinc Dominant Mineral Resource Estimates

Deposit	Classification	kTonnes	Cu %	Zn %	Pb %	Ag ppm	Au ppm
Mons Cupri (Zn ≥ 2.0% & Cu < 0.4%)	Measured	70	0.16	4.56	1.79	53	0.23
	Indicated	340	0.09	3.56	1.01	38	0.07
	Inferred	150	0.08	4.84	1.96	27	0.04
Salt Creek Zn ≥ 2.50%	Measured	-	-	-	-	-	-
	Indicated	770	0.58	9.91	2.97	73	0.39
	Inferred	225	0.53	5.70	1.88	31	0.14
Whim Creek (Zn ≥ 2.0% & Cu < 0.4%)	Measured	-	-	-	-	-	-
	Indicated	120	0.12	3.22	0.44	12	0.08
	Inferred	45	0.13	2.46	0.40	9	0.04
Combined	Measured	70	0.16	4.56	1.79	53	0.23
	Indicated	1,230	0.40	7.55	2.20	58	0.27
	Inferred	450	0.34	5.07	1.75	27	0.10
Total Zn Resources		1,750	0.37	6.75	2.05	50	0.22
Contained t/Oz			Cu t	Zn t	Pb t	Ag oz	Au oz
			7,000	118,000	36,000	2,790,000	12,600

Note: The reported Mineral Resource estimates are inclusive of the Ore Reserves. Appropriate rounding applied.

Table 7: Whim Creek Project Ore Reserve

Classification	Deposit	Mine Type	Ore Mt	Cu %	Zn %	Pb %	Ag ppm	Au ppm
Proven	Mons Cupri	Open Pit	1.06	1.46	1.58	0.68	38	0.28
	Sub-total		1.06	1.46	1.58	0.68	38	0.28
Probable	Mons Cupri	Open Pit	1.49	0.83	1.08	0.47	23	0.14
	Whim Creek	Open Pit	0.72	1.54	1.14	0.15	7	0.06
	Evelyn	Underground	0.50	2.11	3.32	0.22	34	0.88
	Salt Creek	Underground	0.79	1.57	6	1.83	48	0.27
	Sub-total		3.49	1.32	2.52	0.67	27	0.26
Totals	Mons Cupri	Open Pit	2.55	1.09	1.29	0.56	29	0.20
	Whim Creek	Open Pit	0.72	1.54	1.14	0.15	7	0.06
	Evelyn	Underground	0.50	2.11	3.32	0.22	34	0.88
	Salt Creek	Underground	0.79	1.57	6.00	1.83	48	0.27
Total Proven and Probable Reserves			4.55	1.36	2.30	0.68	29	0.26

Note: The Mineral Resource estimates are inclusive of Ore Reserves. Appropriate rounding applied.

Appendix 1

In accordance with Listing Rule 5.3.3. Anax provides the following information in relation to its mining tenements.

1. Tenements held at the end of the Quarter and their location:

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Mount Short	E74/651	Live	Phillips River Mineral Field	100%
Loudens Patch	E47/4281	Live	Pilbara	100%
Whim Creek	L47/0036	Live	Pilbara	80%
Whim Creek	M 47/236	Live	Pilbara	80%
Whim Creek	M 47/237	Live	Pilbara	80%
Whim Creek	M 47/238	Live	Pilbara	80%
Whim Creek	M 47/323	Live	Pilbara	80%
Whim Creek	M 47/324	Live	Pilbara	80%
Whim Creek	M 47/443	Live	Pilbara	80%
Whim Creek	E 47/3495	Live	Pilbara	80%
Liberty Indee	M 47/1455	Live	Pilbara	80%

2. Tenements acquired during the Quarter and their location: None

3. Tenements disposed of during the Quarter and their location: None

Appendix 5B

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

Name of entity

ANAX METALS LIMITED

ABN

46 106 304 787

Quarter ended ("current quarter")

30 SEPTEMBER 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		
1.2 Payments for		
(a) exploration & evaluation	(18)	(18)
(b) development		
(c) production		
(d) staff costs	(285)	(285)
(e) administration and corporate costs	(127)	(127)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(39)	(39)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	41	41
1.9 Net cash from / (used in) operating activities	(428)	(428)

1.8 is net GST received.

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(6)	(6)
(d) exploration & evaluation	(762)	(762)
(e) investments	-	-
(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 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 (provide details if material) ²	-	-
2.6 Net cash from / (used in) investing activities	(768)	(768)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,101	1,101
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	23	23
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(54)	(54)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(36)	(36)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material) ²	(18)	(18)
3.10 Net cash from / (used in) financing activities	1,016	1,016

²Premises Lease payments

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,711	1,711
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(429)	(429)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(767)	(767)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,016	1,016

Appendix 5B

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,531	1,531

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	1,534	589
5.2	Call deposits	-	1,128
5.3	Bank overdrafts	-	-
5.4	Other (Credit card)	(3)	(6)
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,531	1,711

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	167
6.2	Aggregate amount of payments to related parties and their associates included in item 2	3

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.

Item 6.1 includes \$106,962 directors' fees, \$11,766 statutory superannuation; \$43.838 (ex GST) in consulting fees to related entities, and \$4,640 GST. Item 6.2 includes \$2,568 (net of GST) in engineering consulting fees to related entities. There are no outstanding payments to related parties on 30 September 2023.

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

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(428)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(762)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,190)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,531
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,531
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.29
<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?	
Yes.	
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?	
<p>Yes. On 27 September 2023, the Group announced a non-renounceable pro-rata entitlement offer to eligible shareholders, expected to close in early November 2023, and raise up to approximately \$5,000,000 (before costs).</p> <p>Irrevocable commitments totalling approximately \$1.4 million have been received from major shareholder, Jetosea Pty Ltd, and all eligible directors. Further to this, senior management have agreed to partially underwrite the entitlement offer by \$220,000 in addition to their collective entitlements.</p> <p>The entitlement offer also provides for eligible shareholders, and other investors, to apply for any shortfall shares that might exist after all valid entitlement take-up.</p>	

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

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?

Refer 8.8.2 above. Use of funds from the entitlements issue was provided in the Prospectus announced by the Company on Friday, 29 September 2023.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

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

Date:27 OCTOBER 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 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.