



# QUARTERLY ACTIVITIES AND CASHFLOW REPORT

**ASX RELEASE: 30 October 2023**

## HIGHLIGHTS

### JAMES BAY LITHIUM PROJECTS

- Resource Base completed the acquisition of the highly-prospective Wali and Ernst lake lithium projects, James Bay Lithium District, Québec
- The projects are in close proximity to Patriot Battery Metals (ASX:PMT) (Wali project, ~16km east) and Winsome Resources (ASX:WR1) (Ernst Lake project, ~13km south)
  - The Wali project covers an area of 100 mineral claims (51.12km<sup>2</sup>)
  - The Ernst Lake project covers an area of 109 mineral claims (56.31km<sup>2</sup>)
- Abundant pegmatitic outcrops have been identified and mapped over both the Wali and Ernst Lake projects, with strike lengths of up to 1.6km long and widths up to 700m wide
- 84 prioritised rock-chip samples have been sent to ALS Laboratories in Val-d'Or, Quebec for analysis with more pending dispatch
- Highly encouraging clustered outcrops with connected strike, have been mapped and analysed warranting further follow-up

### MITRE HILL REE PROJECT

- Samples from the Mitre Hill rare earth project, host to an Inferred JORC 2012 21 million tonnes resource @767 ppm TREO, have undergone lab testing to assess its amenability to leaching. The excellent results in leach adsorption testwork has confirmed the Mitre Hill resource is of an Ionic nature
- The Company is currently in the process of engagement with landowners and DEECA (Department of Energy, Environment and Climate Action) to obtain approvals for the next phase of drilling at Mitre Hill
- Resource Base is aligned with environmental consulting group Rivertech and geological resource consultants IHC mining to maximise the progression of the project in line with environmental best practice and state legislative requirements
- Drilling is expected to commence later in 2023 however, is dependent on the Victorian state government approval process

### CORPORATE

- Cash at 30 September of ~\$1.147 million

## James Bay Lithium Projects

On 1 May 2023, the Company announced that it has completed the acquisition of the Wali and Ernst Lake Lithium Projects, located in the prolific James Bay Lithium District in northern west-central Québec, Canada (**Acquisition**) (**James Bay Projects**). Details of the Acquisition are set out in the announcement dated 24 February 2023.

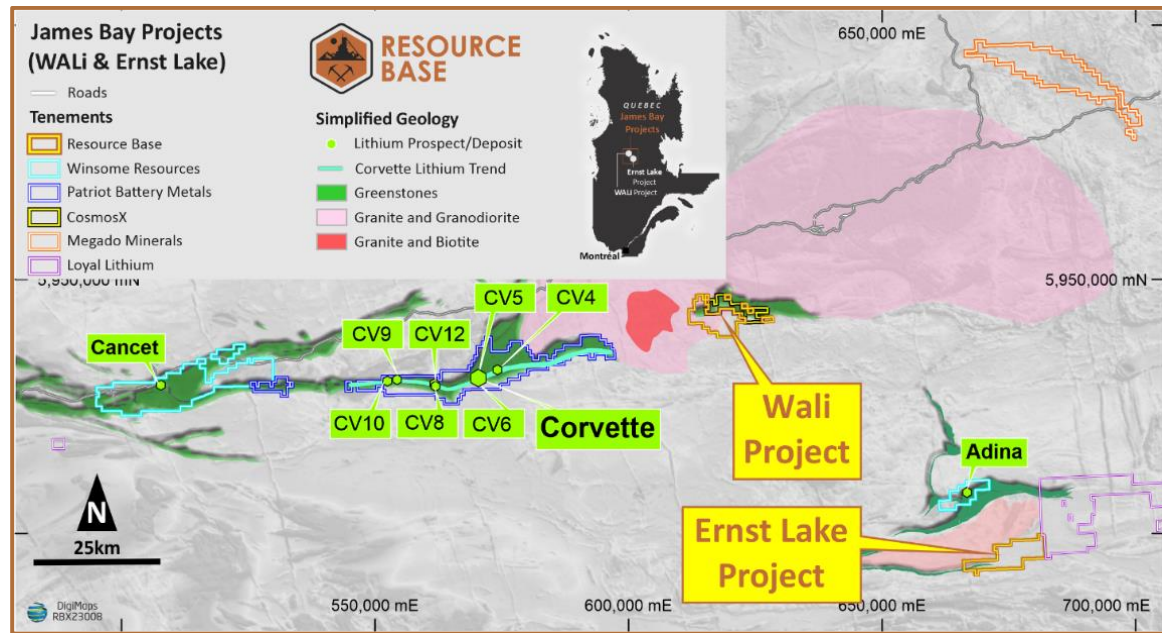


Figure 1: Location of the Wali and Ernst Lake Lithium projects James Bay Lithium Region over simplified geology

## Wali Lithium Project Overview

The Wali Lithium Project comprises 100 mineral claims totalling 5,112 hectares (51.12 Km<sup>2</sup>) located in the James Bay Region of northern west-central Québec. The Wali Project is located in the LaGrande sub-province of the Superior Province, ~16km east of Patriot Battery Metals (ASX:PMT) Corvette prospect. The Property sits along the volcanic belt and encompasses various intrusive suites including the lithium pegmatite prospective source rocks of the Vieux Comptoir Granitic Suite which have been mapped on the property.

Regionally, the Vieux Comptoir Granitic Suite is known to host K-feldspar granite phases in pegmatite form which may host an abundance of spodumene. Wali is underlain by the source rock (Vieux Comptoir suite) which would have injected pegmatite dykes into those greenstone rocks in the region.

Geologically, the greenstone within the Wali Project is interpreted to be a 'dismembered' section of the same greenstone belt that hosts Patriot's CV5 discovery.

## Ernst Lake Lithium Project Overview

The Ernst Lake Lithium Project comprises 109 mineral claims totaling 5,631.72 hectares (56.31 Km<sup>2</sup>), located in the James Bay Region of northern west-central Québec.

The Ernst Lake Project is located directly along the Trieste formation like recent lithium discoveries made by Winsome Resources Limited (ASX: WR1) on its Adina project. The Project is located just 13km south of the Adina Project partly within the same greenstone belt which is prospective for lithium with over 10km of strike.

## Summer Field Work Program

During the quarter, the Company provided an update on the on ground field activities at the James Bay Lithium projects. Resource Base has identified an abundant number of outcropping pegmatites and boulders over both projects with as at 30<sup>th</sup> September a total of 14 days in the field. One of the significant finds within the first pass on-ground exploration is a topographic high along strike from the Corvette discovery (ASX:PMT) with encouraging potassium to rubidium ratios returned from a handheld XRF, indicating lithium bearing pegmatites may be present.

The in-country team has also discovered various cross-cutting structures over the glacial dispersion of the known North-East to South-West geological trend with numerous clusters of pegmatites.

## Wali Project

The Wali project has uncovered various prospective zones of up to 1.6km strike length of pegmatitic outcrops, with 40 rock chips from pegmatites sent to the lab to be assayed from the first eight (8) days on the project.





The total strike length of the dykes paired with the magnetic data (See ASX announcement “High-Priority Targets Identified at Wali Lithium Project”) suggests structural complexity over various strike directions, abutting the greenstone and granite contact (see Figure 3).

### Ernst Lake Project

The Ernst Lake project has exposed numerous pegmatites and outcrop-boulders in the first six (6) days on the project. A distinctive trend has been mapped hosting 44 pegmatitic outcrops within the metasediment and greenstone host of the Trieste Belt. The South-West to North-East system within the incumbent glacial trend has recorded fertile pegmatites of interest with the discoveries extending from the north to the southern strike of the Ernst Lake claim.



Photo 1: Topographic high with multiple outcropping pegmatites along the circa 1.6km strike (see Figure 2) \*



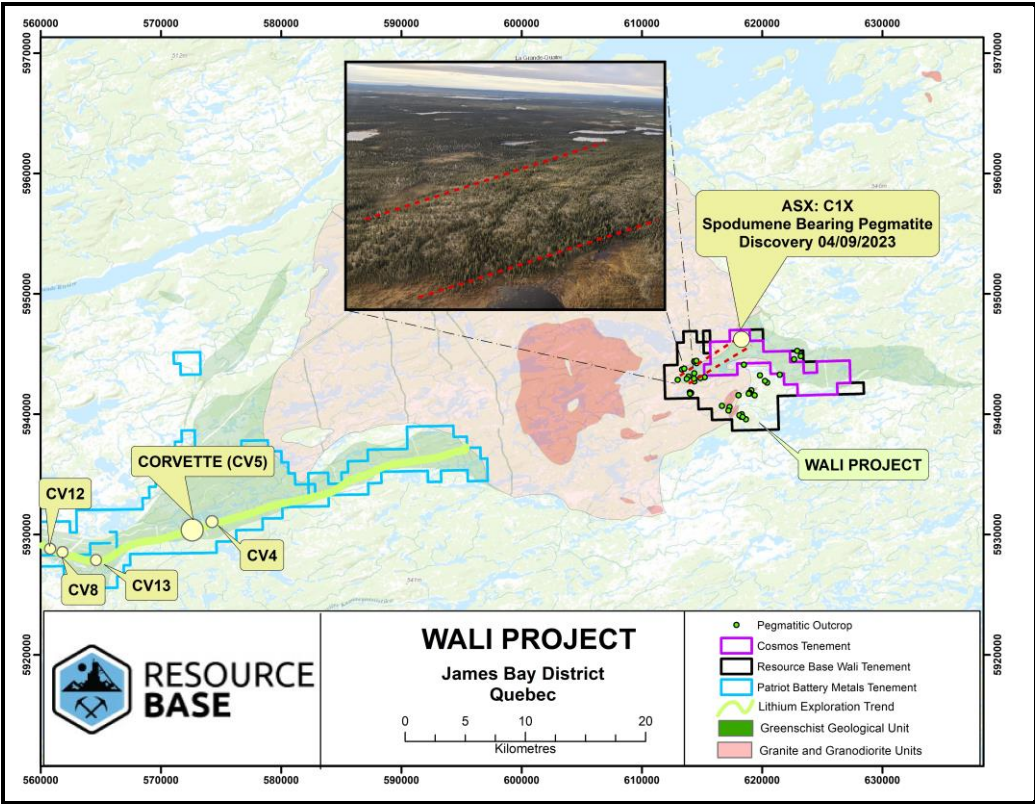


Figure 2: Visible pegmatites recorded on the Wali Project with inset Topographic high+

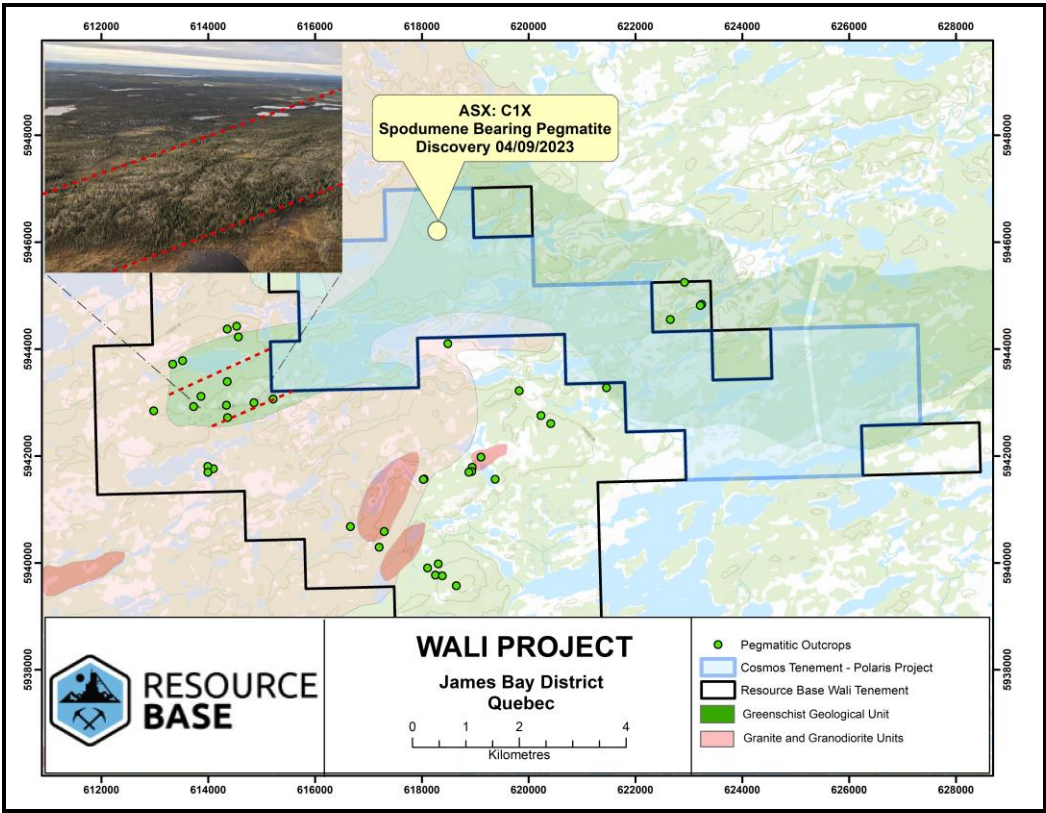


Figure 3: Visible pegmatites and outcrops sampled on the Wali Project to date. Topographic high location within the greenstone contact (inset photo) shown via red dashed/broken trend line+

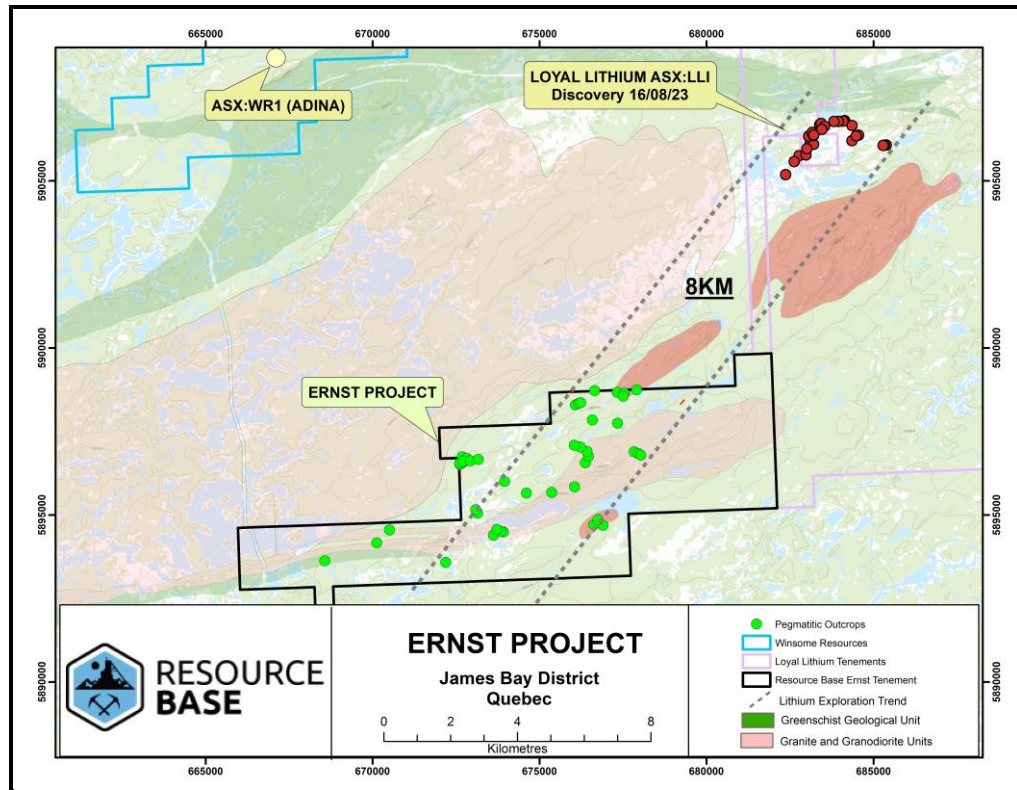


Figure 4: Visible pegmatites discovered and mapped along strike from the Loyal Lithium discovery

## Mitre Hill REE Project

The Company believes the Murray Basin has the potential to be a globally significant REE precinct.

The Mitre Hill Project tenements are highly prospective for clay hosted Rare Earth Elements (REE) within the southern margin of the Murray Basin on the South Australia / Victoria border. Drilling results have confirmed the occurrence of shallow mineralisation across the two tenements drilled so far.

The **maiden JORC Inferred Mineral Resource estimate of 21 Mt @ 767 ppm TREO** consists of thick zones of near-surface mineralisation. Significantly, the existing resource has the potential to substantially grow in size and scale as the Mineral Resource estimate only incorporates a portion of the identified Exploration Target drilled to date. The Company has also completed significant aircore drilling in Exploration Lease EL7646 located approximately six (6) km east of EL7647 however is not included in this Mineral Resource estimate.

Resource Base has estimated an **Exploration Target at EL007647 of 13 Mt – 34 Mt at 630-830 ppm TREO** (refer ASX announcement 3 February 2023 and 5 October 2023).

## Metallurgical Testwork

During the quarter the Company announced the results of its preliminary metallurgical testwork for the Mitre Hill REE Project which confirmed the ionic nature of the deposit and therefore potential for conventional separation.

Two (2) assayed holes were randomly selected from within the mineralised envelope and test-work supervised and conducted by Strategic Metallurgy laboratories in Perth, Western Australia. The aim of this initial phase of testwork was to broadly understand the metallurgical and processing requirements to recover rare earths from the Mitre Hill project. Simple bottle-roll leaching tests were undertaken under standard desorption conditions of 1.25 M (166gpl lixiviant concentration) using ammonium sulfate as the lixiviant, at pH 3.0, adjusted by addition of sulfuric acid, and left overnight for circa 16 hours.





Clay-hosted REE deposits have advantages over hard rock deposits as they typically contain a higher proportion of magnet earth elements, within generally, shallow hosted deposits. Processing of ionic deposits is a more simplistic process, as the acid separates the minerals with the rare earths remaining within the adsorbed segment, creating superior mining economics.

### Drill Program Planning

The Company is currently in the process of engagement with landowners and DEECA (Department of Energy, Environment and Climate Action) to obtain approvals for the next phase of drilling at Mitre Hill, which seeks to expand and upgrade the current JORC inferred mineral resource estimate of 21 Mt @ 767 ppm TREO.

Resource Base is aligned with environmental consulting group Rivertech and geological resource consultants IHC mining to maximise the progression of the project in line with environmental best practice and state legislative requirements.

Drilling is expected to commence later in 2023 however, is dependent on the Victorian state government approval process.

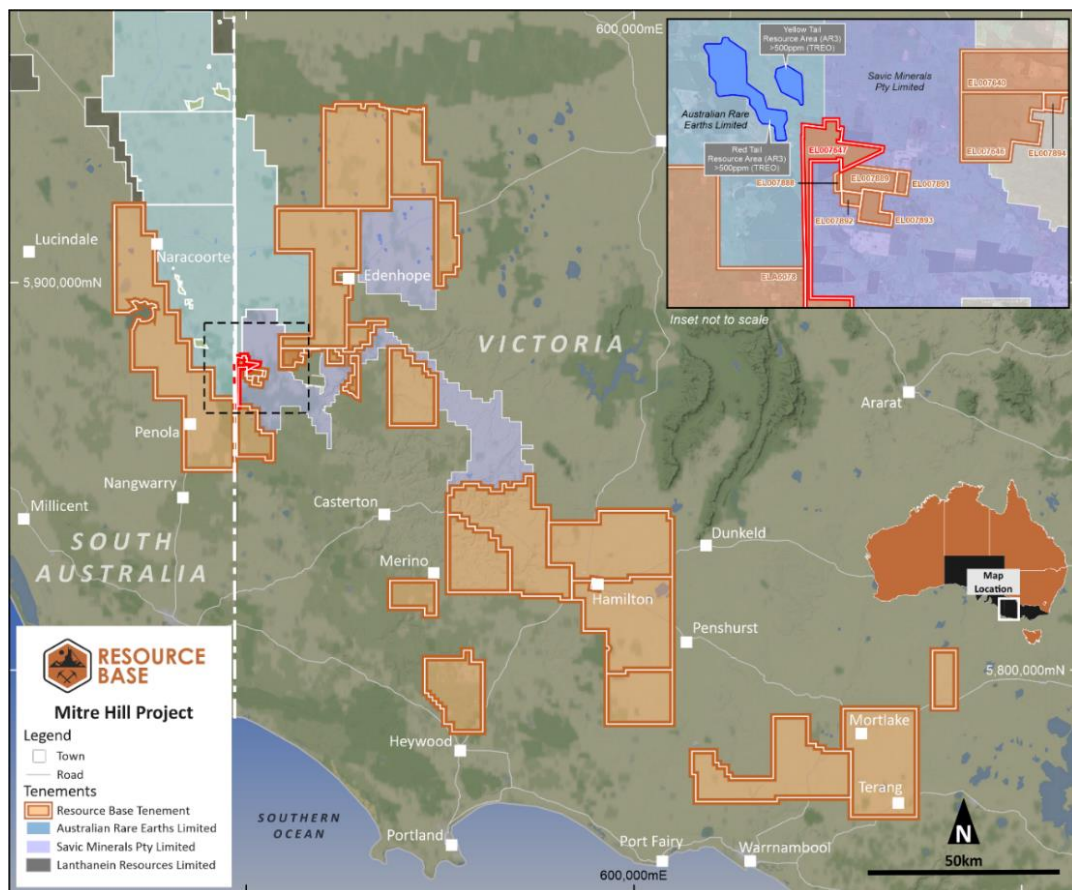


Figure 5: Mitre Hill REE Project tenement location.

### Black Range Project

During the quarter, the Company advised that while the Company had consulted extensively with the Victorian Regulators and its tenement manager, the Company has been unable to satisfy the necessary geological evidence required to allow the granting of a RL over the Black Range tenement in an outcome which was flagged as a key risk in the prospectus at the time of re-admission. While there are avenues to explore opportunities to reapply for the tenements, this lengthy process is not in-line with the Company's current corporate focus.



## Corporate & Administration

### Escrow expiry

On 15 July 2023, 8,614,655 ordinary shares were released from escrow.

### Cash Position

The Company has cash reserves as at 30 September 2023 of \$1,147,000.

### Statement of Commitments

The current quarter is covered by the Statement of Commitments outlined in the Prospectus dated 7 May 2021 and the Short form Prospectus dated 1 October 2021.

A summary of expenditure to date is outlined below:

	Prospectus	Spend to Date	SepQtr
<i>Black Range Project</i>			
Preliminary in Ground Exploration Activities	100,000	80,435	-
Geophysics	400,000	273,145	-
Drilling and Sampling	2,215,000	444,650	-
Assays	210,000	18,421	-
Project Management	200,000	240,245	-
<i>Mitre Hill Project</i>			
Assembly of geological database and sampling of historic drill core	100,000	34,587	-
Drilling & further sampling	233,000	547,426	-
Mineralogical and metallurgical test work	195,000	46,868	11,914
Project Management	150,000	291,378	12,503
<i>Corporate</i>			
M&A	250,000	386,398	-
Administration & Corporate Costs & Working Capital	1,450,000	2,485,460	167,419
Remuneration to Directors	300,000	505,999	72,150
Repayment of Debt	475,000	475,000	-
Expenses of the Offer	772,000	889,753	-
Capital Equipment Purchase <sup>1</sup>	-	311,667	-
Tenement Applications <sup>2</sup>	-	247,263	-
<b>Total</b>	<b>7,050,000</b>	<b>7,081,492</b>	<b>263,986</b>

#### 1. Capital Equipment Purchases

Includes the purchase of the drill rig including modifications, ancillary support equipment for the rig and XRF analyser.

#### 2. Tenement Applications

Includes the costs associated with submission of applications and advertising.

### Related Party Payments

In line with its obligations under ASX Listing Rule 5.3.5, the Company has advised in the Appendix 5B for the quarter ended 30 September 2023, payments to related parties of the Company totalling \$72,000 pertain to payments to Directors for fees and superannuation.



- ENDS -

This announcement has been authorised by the Board of Resource Base Limited.

For further information please visit our website – [www.resourcebase.com.au](http://www.resourcebase.com.au)



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## Competent Person Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Michael Beven, a consultant to the Company, who is a Member of the Australasian Institute of Geoscientists. Mr Beven has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Beven consents to the inclusion of this information in the form and context in which it appears in this report. Mr Beven does not hold securities in the Company.

The Company first released the exploration results relating to Mitre Hill Project tenement EL007646 on 18 May 2022 and further results were released on 23 August 2022. The Company first released the exploration results relating to Mitre Hill Project tenement EL007647 on 10 October 2022, and further results were release on 24 October 2022. The Company first released the JORC mineral resource estimate on 3 February 2023. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcement.

**Cautionary Statement:** In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. At this stage it is too early for the Company to make a determinative view on the abundances of any of these minerals. These abundances will be determined more accurately through petrography, assay, and XRF analysis. The observed presence of pegmatite does not necessarily equate to lithium mineralisation. It is not possible to estimate the concentration of mineralisation by visual estimation and this will be determined by chemical analysis.

The Company notes that pegmatites contain varying abundances of typical LCT pegmatite non-Li-bearing minerals, predominantly feldspar, quartz, muscovite mica (as a group also referred to as Alpite) and accessory tourmaline. Investors should note that while LCT pegmatites are a known host for accessory lithium bearing minerals such as spodumene, it is also known that this is not a universal association.



## Tenement Schedule as at 30 September 2023

In accordance with ASX Listing Rule 5.3.3, Resource Base Limited provides its list of exploration licenses with its September 2023 quarterly activities report.

Project	Location	Tenements Held At End of Quarter	Tenements Acquired or Disposed of During Quarter	Beneficial Interest at End of Quarter
Mitre Hill Project	Victoria, Australia	EL7646 EL7640 EL7641 EL7647	Held	100%
	South Australia, Australia	EL6708	Held	100%
Black Range Project	Victoria, Australia	EL4590	100%	Nil
Wali Project	Quebec, Canada	100 claims 2662066 to 2662105 and 2668944 to 2668976 and 2671306 to 2671319 and 2672867 to 2672879	Held	100%
Ernst Lake Project	Quebec, Canada	109 claims 2684840 to 2684881 and 2689914 to 2689917 and 2696399 to 2696400 and 2705256 to 2705316	Held	100%

## Appendix 5B

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

Name of entity

RESOURCE BASE LTD

ABN

57 113 385 425

Quarter ended ("current quarter")

30 SEPTEMBER 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(72)	(72)
	(e) administration and corporate costs	(167)	(167)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(234)</b>	<b>(234)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(250)	(250)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	45	45
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(205)</b>	<b>(205)</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	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</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	1,586	1,586
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(234)	(234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(205)	(205)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## 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	<b>Cash and cash equivalents at end of period</b>	<b>1,147</b>	<b>1,147</b>

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	1,147	1,586
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,147</b>	<b>1,586</b>

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	72
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>		

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	<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.		



8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(234)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(250)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(484)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,147
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,147
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b> <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>	2.4
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<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.

30 October 2023

Date: .....

The Board of Resource Base Limited

Authorised by: .....  
(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

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


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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.