

# Quarterly Activities Report

For the quarter ended 30 September 2023



31 OCTOBER 2023

## MCB PROJECT OBTAINS DMPF APPROVAL

### HIGHLIGHTS

- Approval of MCB Project's Declaration of Mining Project Feasibility
- Issuance of Exploration Permit for the Botilao Copper-Gold Prospect
- Closing cash as at 30 September 2023 of **A\$3.7 million**

Celsius Resources Limited ("**Celsius**" or the "**Company**") (ASX, AIM: CLA) is pleased to provide the following summary of the Company's activities for the quarter ended 30 September 2023.

## PROJECTS

### MAALINAO-CAIGUTAN-BIYOG COPPER-GOLD PROJECT ("MCB PROJECT"), PHILIPPINES (40%)

Makilala Mining Company Inc. ("MMCI"), Celsius' Philippine subsidiary, has progressed its permitting requirements and is preparing for the pre-development phase of the MCB Project in the Cordillera Administrative region, approximately 320km north of Manila.

The MCB Project's Declaration of Mining Project Feasibility (DMPF) was approved on 28 September 2023<sup>1</sup>. This enabled the Company to move forward with obtaining a Mineral Production Sharing Agreement (MPSA) prior to the end of the year with the Philippine National Government, that would allow the development and operation of the MCB Project.

Pertinent requirements have been submitted to the Philippine Mines and Geosciences Bureau for evaluation and approval, including a Three-Year Development/Utilisation Work Program which details the phased approach for the development, construction and operation of the project.

### BOTILAO COPPER-GOLD PROSPECT (40%)

Another tenement was recently awarded under the MMCI portfolio of assets, the Botilao Copper-Gold Prospect, was issued an exploration permit on 7 August 2023<sup>2</sup>. The tenement is located in the Cordillera Administrative Region, southwest of the MCB Project.

Results of the historical exploration work in the area conducted by Lepanto Consolidated Mining, Inc. in the '70s along with the current geological understanding of the MCB Deposit will provide the initial working model for the Botilao Prospect work program.

Exploration works for the initial two-year permit aims to define the extent and distribution of the observed mineralisation along Botilao Creek, which will consist of regional to semi-detailed geochemical sampling and mapping to generate future targets for possible geophysical surveys and eventual diamond drilling activities.

Along with geochemical sampling, mapping of different rock types or lithologies in the area will be conducted to characterise and delineate mineralised or altered zones. Detailed mapping will focus on identified mineralised outcrops to ensure proper understanding of the classification and controls of mineralisation.

The Exploration Work Program will be complemented by an Environmental Work Program which outlines the protection and enhancement activities during the exploration period, as well as a Community Development Program consisting of socio-economic projects which will be identified in consultation with the host community.

The Botilao prospect is envisaged to bring additional value to Celsius' portfolio and complement the MCB Project once developed.

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<sup>1</sup> Refer to ASX announcement dated 28 September 2023

<sup>2</sup> Refer to ASX announcement dated 7 August 2023

## OPUWO COBALT PROJECT, NAMIBIA (95%)

During the quarter, metallurgical test work continued to optimise floatation, roasting and leaching conditions for the Opuwo project. Final results and reports are expected in the next quarter, these results along with additional mine planning work that is being conducted in the Philippines will be used as a basis to evaluate the viability of the project and what additional studies may required with the objective to produce a revised Scoping Study for the Opuwo project during 2024.

The Company continued to engage with the Government of Namibia to advance the renewal of its mineral rights (EPL 4346) which covers the full extent of the Opuwo project. From recent engagement with the Ministry of Mines and Energy, it became evident that all technical assessments for the renewal have been completed and finalisation of renewal of EPL 4346 is a now an act of formalisation, which is anticipated to be completed in the next quarter.

## SAGAY COPPER-GOLD PROJECT, PHILIPPINES (100%)

Celsius Resources' Philippine subsidiary, Tambuli Mining Company, Inc., on the island of Negros, has ramped up activities to complete the remaining commitments under its Exploration, Environmental, and Community Development Programs.

Activities conducted from July to September 2023 focused on the shallow high-grade copper, or the Secondary Supergene Chalcocite Enrichment zone (900SG Domain). This is a logical approach based on the results of the desktop studies and the Maiden Mineral Resource Estimate<sup>3</sup>.

A drilling program was concluded to supplement the data gaps and to increase the resource estimation confidence of the shallow high-grade zone. Eleven diamond drill holes were completed with a total of 824.70 meterage drilled while one (1) hole was abandoned due to the intersection of the shallow water table.

**Table 1. Drilling Summary**

Hole ID	Date Started	Date Finished	Coordinates	Elevation (m)	Azimuth (°)	Dip (°)	Depth (m)	Core Sizes		
								PQ (m)	HQ (m)	NQ (m)
SGY-039	08/07/2023	08/09/2023	542853mE, 1195396mN	123	135	-60	60	0.00 to 60.00 (EOH)	-	-
SGY-040	08/10/2023	08/13/2023	542736mE, 1195313mN	118	135	-60	80	0.00 to 80.00 (EOH)	-	-
SGY-041	08/14/2023	08/14/2023 (abandoned)	542845mE, 1195305mN	117	135	-60	14.2	0.00 to 14.20 (EOH)	-	-
SGY-042	08/15/2023	08/15/2023	542722mE, 1195396mN	115	135	-60	60	0.00 to 60.00 (EOH)	-	-
SGY-043	08/15/2023	08/18/2023	542836mE, 1195244mN	129	135	-60	80	0.00 to 80.00 (EOH)	-	-
SGY-044	08/19/2023	08/21/2023	542664mE, 1195363mN	124	135	-60	80	0.00 to 80.00 (EOH)	-	-
SGY-045	08/19/2023	08/22/2023	542682mE, 1195242mN	150	135	-60	80	0.00 to 80.00 (EOH)	-	-
SGY-046	08/23/2023	08/25/2023	542610mE,	137	135	-60	80	0.00 to 80.00 (EOH)	-	-

<sup>3</sup> Refer to ASX announcement dated 7 November 2022

Hole ID	Date Started	Date Finished	Coordinates	Elevation (m)	Azimuth (°)	Dip (°)	Depth (m)	Core Sizes		
								PQ (m)	HQ (m)	NQ (m)
			1195259mN							
SGY-047	08/23/2023	08/26/2023	542603mE, 1195193mN	126	135	-60	60	0.00 to 60.00 (EOH)	-	-
SGY-048	08/26/2023	08/28/2023	542628mE, 1195117mN	131	135	-60	60	0.00 to 60.00 (EOH)	-	-
SGY-049	08/27/2023	08/29/2023	542665mE, 1195305mN	134	135	-60	90.5	0.00 to 90.50 (EOH)	-	-
SGY-050	08/30/2023	08/31/2023	542771mE, 1195206mN	139	135	-60	80	0.00 to 80.00 (EOH)	-	-

All drill cores were geotechnically and geologically logged. Geochemical core sampling have also been completed and submitted to a laboratory for analysis. Assay results of the shallow drill holes are intended to upgrade the resource estimation of the shallow copper zone. Collection of samples for further metallurgical test works which is ongoing. This is aimed at providing a thorough process flow for the extraction of copper/copper mineral concentrate by means of gravity separation. Results of the analysis will be the basis for the mine plan, process flow sheet, and financial studies which are critical components of the project's viability.

Environmental and Social Studies have been completed that would serve as baseline data for the Environmental Impact Statement for the project which is underway.

In parallel, the Company is also preparing the mandatory requirements for the application of Declaration of Mining Project Feasibility (DMPF) to be submitted within the term of the exploration permit.

## CULLARIN WEST PROJECT, NSW (100%)

The Company is continuing to assess the viability of the opportunity and gauge interest from other possible partners. No development activities were conducted during the quarter.

## CORPORATE AND EXPENDITURE

As announced to ASX on 15th May 2023, Celsius and Silvercorp Metals Inc. ("Silvercorp") entered into a term sheet which outlined the nonbinding key terms upon which, amongst other things, Silvercorp would acquire 100% of the issued capital of Celsius pursuant to a scheme of arrangement ("Scheme"). The term sheet also contemplated an inter-conditional spin-out of the combined Sagay (Philippines) and Opuwo Cobalt (Namibia) projects ("Demerger"). The parties had substantially completed the negotiations with regards to the legally binding agreements for the Scheme and Demerger as contemplated.

However, following initial feedback received by Celsius from its shareholders, the Company had sought to advance discussions with Silvercorp regarding a number of key commercial aspects of the transaction.

The Company announced on 2nd August 2023 that the exclusivity under the term sheet had expired, and at that time Celsius remained committed to advancing the discussions with Silvercorp with a view to executing binding agreements considering the best interests of Celsius shareholders. Since then, discussions with Silvercorp have not eventuated.



## Cash Position

At the end of the quarter, the Company held approximately A\$3.7 million in cash reserves.

## ASX ADDITIONAL INFORMATION

The Company provides the following information pursuant to ASX Listing Rule requirements:

- ASX Listing Rule 5.3.1:  
Approximately A\$572k was spent on exploration expenditure, with \$318k primarily relating to the development of the MCB project.
- ASX Listing Rule 5.3.2:  
The Company confirms that there was no mine production and development activities for the quarter.
- ASX Listing Rule 5.3.5:  
The Company advises that there were A\$380k in payments made to related parties of the Company and their associates during the quarter, for Director and consultancy fees<sup>4</sup>.

### Tenement Table: ASX Listing Rule 5.3.3 Mining tenement interests held at the end of the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
<b>Western Australia</b>					
Cullarin West	EL 8996	Cullarin Metals Pty Ltd	Granted	17/08/2026	100%
<b>Namibia</b>					
	EL 4346*	Gecko Cobalt Holdings	Permit application, pending approval	TBA	95%
<b>Philippines</b>					
Maalinao-Caigutan-Biyog	EP-003-2006-CAR	Makilala Mining Company Inc.	Granted	Waiting for the MPSA Mining permit to be issued.	40%
Colayo	EXPA-073-CAR	Makilala Mining Company Inc.	Granted	29/09/2025	40%
Panaon	EXPA-000127-VIII	PDEP, Inc.	Complying with further permitting requirements	TBA	100%
Sagay	EP-000003-VI	Tambuli Mining Company Inc.	Granted	10/02/2024	100%

<sup>4</sup> The average foreign exchange rates for the quarter ended 30 September 2023 to convert the relevant Philippine Peso (1AUD:36.64PHP) and Namibian Dollar (1AUD:12.22NAD) amounts to Australian Dollars are sourced from <https://exchangerates.org.uk/>

\*Tenement expired on 7 March 2023 and a permit application is pending approval. The tenement remains active until such time that it is renewed by the Ministry of Mines.

It is the Company's view that all permit obligations have been met during the existing permit tenure, and therefore the permit renewal is expected for a period of 2 years.

The Maalinao-Caigutan-Biyog (MCB) project has gained an automatic extension as all documentation has been submitted to the Philippine National Government for the awarding of a MPSA Mining permit.

The mining tenement interests acquired during the quarter and their location:  
Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter:  
Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter:  
Nil.

*This announcement has been authorised by the Board of Directors of Celsius Resources Limited.*

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018.

**For further information contact:**

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## Competent Persons Statement

Information in this report relating to Exploration Results and Mineral Resources for the MCB Project and the Sagay Project is based on information compiled, reviewed and assessed by Mr. Steven Olsen, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Olsen is a consultant to Celsius Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Olsen consents to the inclusion of the data in the form and context in which it appears.

The information in this Report that relates to the estimate of Mineral Resources for the Opuwo Project is based upon, and fairly represents, information and supporting documentation compiled by Mr Kerry Griffin, a Competent Person, who is a Member of the Australian Institute of Geoscientists (AIG). Mr Griffin is a Principal Geology Consultant at Mining Plus Pty Ltd and an independent consultant engaged by Celsius Resources Pty Ltd for this work and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Griffin consents to the inclusion in this announcement of matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource for the MCB<sup>5</sup> Project, the Sagay<sup>6</sup> Project or the Opuwo<sup>7</sup> Project. The Company also confirms that all material assumptions and parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

## Forward Looking Statements

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which the Company operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement.

No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside the Company's control.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of the Company's Directors, employees, advisors, or agents, nor any other person,

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<sup>5</sup> Refer to ASX announcement dated 12 December 2022 for an updated JORC compliant Mineral Resource Estimate.

<sup>6</sup> Refer to ASX announcement dated 7 November 2022 for the Maiden Mineral Resource for Celsius' Sagay Cu-Au Project

<sup>7</sup> Refer to ASX announcement dated 1 July 2021 for the updated Mineral Resource Estimate for the Opuwo Project.

accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.



## Appendix 5B

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

Name of entity

Celsius Resources Limited

ABN

95 009 162 949

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	(318)	(318)
	(e) administration and corporate costs	(854)	(854)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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>(1,172)</b>	<b>(1,172)</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	(3)	(3)
	(d) exploration & evaluation	(572)	(572)
	(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	-	-
	(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>(572)</b>	<b>(572)</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	420	420
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(5)	(5)
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>415</b>	<b>415</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	5,029	5,029
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,172)	(1,172)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(572)	(572)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	415	415

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,693</b>	<b>3,693</b>

<b>5. Reconciliation of cash and cash equivalents</b> 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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	3,693	5,029
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,693</b>	<b>5,029</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	380
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.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,172)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(572)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,744)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,693
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,693
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.12
	<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?	
	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	

## 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?

Answer: N/a

*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: 31<sup>st</sup> October 2023

Authorised by: The Board of Celsius Resources  
Limited.....

(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.