

## SEPTEMBER 2023 QUARTERLY REPORT

Sovereign Metals Limited (**Company or Sovereign**) (ASX:SVM & AIM:SVML) is pleased to provide its quarterly report for the period ended 30 September 2023.

### HIGHLIGHTS

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#### Pre-Feasibility Study confirms Kasiya's market leading position in Two Critical Raw Materials

- **Natural Rutile – the highest-grade, purest, natural titanium feedstock**
  - The world's largest rutile deposit
  - Positioned to become the **world's largest rutile producer** at 222kt per annum
  - Natural rutile facing major global supply deficit over the next 5 years
- **Natural Graphite – a key component of an electric vehicle (EV) battery**
  - The world's second largest flake graphite deposit
  - Potentially one of the **world's largest natural graphite producers** outside of China at 244kt per annum
  - **China recently announces graphite export restrictions** at a time when the anode graphite market is moving into deficit with demand rapidly growing in the lithium-ion battery and EV sectors
- **Compelling project economics with significant upside potential:**
  - Post-tax NPV<sub>8</sub> of US\$1,605m and post-tax IRR of 28%
  - Average EBITDA of US\$415m per annum
  - Initial Probable Ore Reserves declared of 538Mt, representing **only 30% of the total Mineral Resource**
  - **Substantial production rate and mine life upside exists** as the PFS modelling was limited to only 25 years
- **Forecast cash operating costs of US\$404/t of product would position Kasiya as the lowest cost producer of rutile and graphite globally**

#### Rio Tinto invests \$40.6m to become a 15% Strategic Investor

- **Rio Tinto made an investment of A\$40.6 million** in Sovereign resulting in an **initial 15% shareholding** plus options to increase their position to potentially 19.99%\* within 12 months
- Rio Tinto's investment represents a **significant step towards unlocking a major new supply of low-CO<sub>2</sub>-footprint natural rutile and flake graphite**
- Under the Investment Agreement, Rio Tinto will provide assistance and advice on technical and marketing aspects of Kasiya including with respect to Sovereign's graphite co-product, with a primary focus on spherical purified graphite for the lithium-ion battery anode market
- The Company is formally establishing the Technical Committee with Rio Tinto following release of the PFS

- **Industry redefining best in class social & environmental advantages**
  - Extremely low CO<sub>2</sub>-footprint operation incorporating climate-smart attributes including hydro-mining with renewables power solution
  - Lifecycle CO<sub>2</sub> emissions expected to be lowest in class versus existing and planned operations and versus alternative synthetic products
  - Low-impact operation with mineralisation at surface, zero-strip ratio, low reagent usage, simple process flowsheet and progressive land rehabilitation
- **The Company advancing into an optimisation phase prior to moving to the Definitive Feasibility Study (DFS) with the Company's strategic investor, Rio Tinto**

### Key Management Appointments to Drive Project Optimisation and Development at Kasiya

- Appointment of experienced African based mining executive, Mr Frank Eagar, as the new Managing Director and CEO
- Existing Managing Director Dr Julian Stephens has transitioned to Non-Executive Director
- Key technical appointments of experienced African engineering, social and environmental teams to work on project optimisation and advancing the development of the Kasiya Project

### Strong Support from the Government of Malawi:

- Government of Malawi has applauded the timely investment by Rio Tinto and marked it as a milestone towards realising the country's aspirations of growing the mining sector as a priority industry
- PFS demonstrates Kasiya's potential to provide significant socio-economic benefits for Malawi including fiscal returns, job creation, skills transfer and sustainable community development initiatives
- With mining being one of the key pillars for growth under Malawi's economic development strategy (Agriculture, Tourism, Mining - ATM Policy) and the potential for Kasiya to be a project of national significance, the Government has constituted an Inter-ministerial Project Development Committee to work alongside the Company to assist in the permitting process

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#### ENQUIRIES

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*\* Based on ordinary shares on issue at the time of investment*

## RIO TINTO INVESTS \$40.6M TO BECOME A 15% STRATEGIC INVESTOR

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Sovereign completed a A\$40.6 million strategic investment by Rio Tinto Mining and Exploration Limited (**Rio Tinto**) to advance Sovereign's world-class Kasiya Rutile-Graphite Project in Malawi.

Rio Tinto subscribed for 83.5 million new fully paid ordinary shares (**Shares**) in Sovereign at a price of A\$0.486 per Share for aggregate proceeds of A\$40.6 million. Rio Tinto's subscription price reflected a 10% premium to the 45-day volume weighted average price on the ASX as at close on 14 July 2023 and resulted in Rio Tinto holding approximately 15% of the ordinary shares of the Company.

The subscription also involved Rio Tinto being granted options to acquire 34.5 million further Shares in Sovereign by 21 July 2024 which could result in Rio Tinto's shareholding in the Company potentially increasing up to 19.99%\*.

Under the Investment Agreement, Rio Tinto will provide assistance and advice on technical and marketing aspects of Kasiya including with respect to Sovereign's graphite co-product, with a primary focus on spherical purified graphite for the lithium-ion battery anode market. It has also been agreed with Rio Tinto that if Sovereign is raising debt finance for the development of the Project, Sovereign and Rio Tinto will negotiate, in good faith, financing arrangements in order to put in place an acceptable mine construction funding package.

## KASIYA – AN INDUSTRY-LEADING CRITICAL MINERALS PROJECT

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The PFS confirmed Kasiya as a potential major critical minerals project with an extremely low CO<sub>2</sub>-footprint delivering major volumes of natural rutile and graphite while generating significant economic returns.

Kasiya, located in central Malawi, is the **largest natural rutile deposit and second largest flake graphite deposit in the world**. Sovereign is aiming to develop a **low-CO<sub>2</sub> and sustainable operation** to supply highly sought-after natural rutile and graphite to global markets.

Results of the PFS demonstrated Kasiya's potential to become the **world's largest rutile producer** at 222kt per annum and **one of the world's largest natural graphite producers** outside of China at 244kt per annum based on an initial 25 year life-of-mine (**LOM**).

Kasiya's PFS modelling was limited to only 25 years meaning **substantial production rate and mine life upside exists**, with an initial Probable Ore Reserves declared of 538Mt, **only representing 30% of the total Mineral Resource**.

### Highly Compelling Economics

The PFS delivered compelling economics with a post-tax NPV8 of US\$1.6 Billion and post-tax IRR of 28%. This long-life, multi-generational operation was modelled to initially generate over US\$16 Billions of revenue and provide an average annual EBITDA of US\$415 Million per annum.

Kasiya has an average life-of-mine FOB (Nacala) operating cost of US\$404 per tonne of product produced (rutile plus graphite) positioning it as the **lowest cost producer of rutile and graphite globally**.

Kasiya's low operating costs are achieved through deposit size and grade, zero strip ratio from surface, location and excellent existing operational infrastructure. Kasiya is strategically located in close proximity to Malawi's capital city Lilongwe, providing access to a skilled workforce and industrial services.

Products will be exported to global markets via the deep water port of Nacala along the existing Nacala Logistics Rail Corridor (**NLC**). This existing infrastructure provides significant capital cost savings for Kasiya compared to many other undeveloped minerals projects.

*\* Based on ordinary shares on issue at the time of investment*

The capital to first production is US\$597 Million which increased from the Expanded Scoping Study released in June 2022. This is primarily due to bringing forward capital items previously planned for Stage 2 including a rail spur, full-scale water dam, integrated power and optimised graphite production, as well as generally enhanced engineering plus global cost inflation.

### Industry-Redefining Environmental and Social Advantages

Kasiya has the potential to provide two products that both have very favourable low carbon in-use advantages. Kasiya has a geological benefit with both natural graphite and rutile hosted in soft, friable saprolite material at surface that can be mined, beneficiated, and purified with a considerably lower lifecycle carbon footprint than hard-rock operations or synthetic graphite and synthetic rutile production.

The lifecycle CO<sub>2</sub> emissions for Kasiya's two products are expected to be the lowest in class versus existing and planned operations and versus alternative synthetic products.

The operation was engineered to achieve an extremely low CO<sub>2</sub>-footprint incorporating climate-smart attributes including hydro-mining with a renewables power solution. Based off a low-impact operation with mineralisation at surface, zero-strip ratio, low reagent usage, simple process flowsheet and progressive land rehabilitation

### Strong market fundamentals

Natural rutile is the purest, highest-grade natural form of TiO<sub>2</sub> and is the preferred technical feedstock in manufacturing titanium pigment and producing titanium metal. Natural rutile is a genuinely scarce commodity with no other large rutile dominant deposits having been discovered in the last half century.

The market for natural rutile is already in supply deficit and is forecast to widen further considerably in the next 5 years.

The rutile price adopted in the PFS's financial model is based on TZMI's real 2023 price forecast and apportioned to volumes sold into the two defined markets (bagged welding at 25% premium to the bulk pigment market). The LOM average price applied was US\$1,484 per tonne FOB Nacala. Currently, producers including Iluka Resources have reported even higher rutile sales prices of US\$1,908 per tonne in the last quarter (Quarter ended 30 September 2023).

Flake graphite has been identified as a critical and strategic material due to its essential applications in the aerospace and energy sectors, and due to its role as the primary anode component in lithium-ion batteries. Natural graphite market moving into deficit as **demand rapidly grows** in the lithium-ion battery and EV sectors.

Leading EV producer Tesla Inc.'s (Tesla) "Master Plan 3" outlines its proposed path to reach a sustainable global energy economy through end-use electrification and sustainable electricity generation and storage. In the plan, Tesla suggests that the world would need to produce 10.5Mt of graphite per year and estimates US\$104 Billion of new graphite mining investment is required to achieve its target (source: Tesla Master Plan 3 (April 2023)).

Kasiya's graphite holds a distinct advantage due to its low cost and CO<sub>2</sub>-footprint. Industry's interaction with supply chain participants indicates the progression towards higher proportions of natural graphite use in battery anodes will be supported by its lower cost and superior environmental credentials. The environmental footprint of EVs will become an increasingly important market consideration as EV penetration accelerates, noting that synthetic graphite has a carbon footprint orders of magnitude higher than flake graphite. Synthetic graphite is made from needle coke through the high energy intensive refining of oil and coal.

## KEY MANAGEMENT APPOINTMENTS TO DRIVE PROJECT OPTIMISATION

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Effective from 20 October 2023, the Company appointed Mr Frank Eagar as Managing Director and Chief Executive Officer (**CEO**). Dr Julian Stephens, has transitioned to a Non-Executive Director of Sovereign, remaining as a consultant assisting and supporting the incoming technical and management team.

Mr Eagar has over 20 years' experience in the financing, permitting, development and operation of mining projects with a strong focus in southern Africa.

Mr Eagar is a Chartered Accountant who has gained extensive corporate, commercial and technical experience in the mining sector throughout his career. Mr Eagar has previously held a number of senior executive positions in the resources sector, more recently with African mining focused private equity firm AMED Funds, which included acting as Chief Financial Officer (**CFO**) for AMED's controlled company, Central Copper Resources PLC (**Central Copper**).

Prior to Central Copper, Mr Eagar was the CEO (and prior to that the CFO) of Baobab Steel Limited (**Baobab**) another AMED controlled company, where he managed the completion of a DFS and a joint venture with the World Bank's IFC to procure strategic investors and raise project finance for Baobab's US\$1 Billion, fully permitted, integrated 500ktpa Steel and Vanadium Project in Mozambique.

Mr Eagar joined Sovereign in December 2022 as General Manager in Malawi, where he has already expanded the team with a focus on Malawian nationals, developed strong relationships with Government and demonstrated a clear understanding of the Kasiya Project and its development landscape.

Sovereign has also made several key technical appointments as the Company transitions into project optimisation and development of the Kasiya Project and is poised to become a significant supplier of natural rutile and graphite. These key appointments bring a strong track record of successful large-scale project development and operations management, as well as extensive experience in southern Africa.

These management changes come at an important time for the Company as it transitions from the PFS into the next phase of project optimisation, community and stakeholder engagements and ultimately the completion of a DFS.

## STRONG GOVERNMENT SUPPORT

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The Malawian government identifies mining as one of the sectors that could potentially generate higher economic growth for the country. The country has several significant mineral resources that could be sustainably mined to contribute to Malawi's economic goals.

Kasiya has the potential to deliver significant social and economic benefits for Malawi including fiscal returns, job creation, skills transfer and sustainable community development initiatives.

The Government of Malawi strongly supports Sovereign and its development of the Kasiya project. Malawi's Minister of Mines and Minerals, The Honourable Monica Chang'anamuno, publicly applauded the timely investment by Rio Tinto and marked it as a milestone towards realising the country's aspirations of growing the mining industry as promoted in the Malawi Vision 2063, which isolates mining as a priority industry.

With mining being one of the key pillars for growth under Malawi's economic development strategy (Agriculture, Tourism, Mining - ATM Policy) and the potential for Kasiya to be a project of national significance, the Government has constituted an Inter-ministerial Project Development Committee to work alongside the Company to assist in the permitting processes.

## Competent Person Statement

The information in this announcement that relates to the Mineral Resource Estimate is extracted from an announcement dated 5 April 2023 entitled 'Kasiya Indicated Resource Increased by over 80%' which is available to view at [www.sovereignmetals.com.au](http://www.sovereignmetals.com.au) and is based on, and fairly represents information compiled by Mr Richard Stockwell, a Competent Person, who is a fellow of the Australian Institute of Geoscientists (AIG). Mr Stockwell is a principal of Placer Consulting Pty Ltd, an independent consulting company. The original announcement is available to view on [www.sovereignmetals.com.au](http://www.sovereignmetals.com.au). Sovereign confirms that a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this announcement have not been materially changed from the original announcement.

The information in this announcement that relates to Production Targets, Ore Reserves, Processing, Infrastructure and Capital Operating Costs, Metallurgy (rutile and graphite) is extracted from an announcement dated 28 September 2023 entitled 'Kasiya Pre-Feasibility Study Results' which is available to view at [www.sovereignmetals.com.au](http://www.sovereignmetals.com.au). Sovereign confirms that: a) it is not aware of any new information or data that materially affects the information included in the original announcement; b) all material assumptions and technical parameters underpinning the Production Target, and related forecast financial information derived from the Production Target included in the original announcement continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this presentation have not been materially modified from the Announcement.

Ore Reserve for the Kasiya Deposit						
Classification	Tonnes (Mt)	Rutile Grade (%)	Contained Rutile (Mt)	Graphite Grade (TGC) (%)	Contained Graphite (Mt)	RutEq. Grade* (%)
Proved	-	-	-	-	-	-
Probable	538	1.03%	5.5	1.66%	8.9	2.00%
<b>Total</b>	<b>538</b>	<b>1.03%</b>	<b>5.5</b>	<b>1.66%</b>	<b>8.9</b>	<b>2.00%</b>

\* RutEq. Formula: Rutile Grade x Recovery (100%) x Rutile Price (US\$1,484/t) + Graphite Grade x Recovery (67.5%) x Graphite Price (US\$1,290/t) / Rutile Price (US\$1,484/t). All assumptions are taken from this Study \*\* Any minor summation inconsistencies are due to rounding

## Forward Looking Statement

This release may include forward-looking statements, which may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on Sovereign's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Sovereign, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. Sovereign makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

## Authorisation Statement

This announcement has been approved and authorised for release by the Company's Managing Director and CEO, Frank Eagar.

## APPENDIX 1: RELATED PARTY PAYMENTS

During the quarter ended 30 September 2023, the Company made payments of \$295,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, director fees, superannuation and bonuses (\$127,000)), business development services (\$46,000) and provision of serviced office facilities, company secretarial services and administration services (\$122,000).

## APPENDIX 2: SUMMARY OF MINING TENEMENTS

As at 30 September 2023, the Company had an interest in the following tenements:

Licence	Holding Entity	Interest	Type	Licence Renewal Date	Expiry Term Date <sup>1</sup>	Licence Area (km <sup>2</sup> )	Status
EL0609	MML	100%	Exploration	25/09/2024	25/09/2028	440.5	Granted
EL0582	SSL	100%	Exploration	15/09/2023 <sup>2</sup>	15/09/2027	285.0	Granted
EL0492	SSL	100%	Exploration	29/01/2025	29/01/2025	935.4	Granted
EL0528	SSL	100%	Exploration	27/11/2023	27/11/2025	16.2	Granted
EL0545	SSL	100%	Exploration	12/05/2024	12/05/2026	53.2	Granted
EL0561	SSL	100%	Exploration	15/09/2023 <sup>2</sup>	15/09/2027	124.0	Granted
EL0657	SSL	100%	Exploration	3/10/2025	3/10/2029	2.3	Granted

### Notes:

SSL: Sovereign Services Limited, MML: McCourt Mining Limited & NGX Exploration Limited

<sup>1</sup> An exploration licence (EL) covering a preliminary period in accordance with the Malawi Mines and Minerals Act (No 8. Of 2019) (Mines Act) is granted for a period not exceeding three (3) years. Thereafter two successive periods of renewal may be granted, but each must not exceed two (2) years. This means that an EL has a potential life span of seven (7) years. ELs that have come to the end of their term can be converted by the EL holder into a retention licence (RL) for a term of up to 5 years subject to meeting certain criteria.

<sup>2</sup> The Company submitted an extension application for EL0582 and EL0561 prior to the renewal date in accordance with the Mines Act .

As previously announced by the Company, the Government of Malawi has introduced a new Mines and Minerals Bill (2023) (New Bill) which has been passed by the Malawian Parliament and received Presidential Assent, however, it awaits publication in the Malawi Gazette before coming into full force. The New Bill will replace the current Mines Act. The New Bill introduces amendments to improve transparency and governance of the mining industry in Malawi. Sovereign notes the following updates in the New Bill which may affect the Company in the future: (i) ELs will now be granted for an initial period of 5 years with the ability to extend by 3 years on two occasions (total 11 years); (ii) the Malawian Government maintains a right to free equity ownership for large-scale mining licences but the New Bill proposes to remove the automatic free government equity ownership with the right to be a negotiation matter; and (iii) A new Mining and Regulatory Authority will be responsible for implementing the objectives of the New Bill.

## APPENDIX 3: MINING EXPLORATION EXPENDITURES

During the quarter, the Company made the following payments in relation to mining exploration activities:

Activity	A\$'000
Drilling	(60)
Assaying and Metallurgical Test-work	(59)
Studies and Reserve/Resource Estimation	(1,111)
Tenement Rents and Rates	(19)
Malawi Operations - Site Office, Personnel, Field Supplies, Equipment, Vehicles and Travel	(625)
<b>Total as reported in Appendix 5B</b>	<b>(1,874)</b>

There were no mining or production activities and expenses incurred during the quarter ended 30 September 2023.

## Appendix 5B

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

Name of entity

Sovereign Metals Limited

ABN

71 120 833 427

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. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,874)	(1,874)
(b) development	-	-
(c) production	-	-
(d) staff costs	(327)	(327)
(e) administration and corporate costs	(513)	(513)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	72	72
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8.1 Other – NGX Demerger Costs	(25)	(25)
1.8 Other – Business Development	(271)	(271)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,938)</b>	<b>(2,938)</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	-	-
(d) exploration & evaluation	-	-
(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 \$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	34	34
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>34</b>	<b>34</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	40,598	40,598
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	(239)	(239)
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>40,359</b>	<b>40,359</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	<b>5,564</b>	<b>5,564</b>
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,938)	(2,938)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	34	34
4.4	Net cash from / (used in) financing activities (item 3.10 above)	40,359	40,359

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

<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	2	2
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>43,021</b>	<b>43,021</b>

<b>5.</b>	<b>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	189	176
5.2	Call deposits	42,832	5,388
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>43,021</b>	<b>5,564</b>

<b>6.</b>	<b>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	295
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 amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 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.	-	

<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)	(2,938)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,938)
8.4 Cash and cash equivalents at quarter end (item 4.6)	<b>43,021</b>
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	<b>43,021</b>
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>&gt;10</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>	
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: Not applicable	
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: Not applicable	
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: Not applicable	
<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: 31 October 2023

Authorised by: Company Secretary  
(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.