

31 January 2024

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## Quarterly Activities Report: Strategic asset sale to underpin exploration across leading portfolio of green technology metals projects

- **Term Sheet secured for the sale of Godolphin’s 100%-owned Lewis Ponds project for a total cash consideration of \$11m – deposit secured with first payment \$2.95m payment expected in the March 2024 quarter**
- **The quantum of the all-cash sale for Lewis Ponds reflects the inherent value of the base metals projects developed by Godolphin, and provides the Company with major balance sheet strength to advance its critical minerals focused exploration strategy**
- **Commencement of Phase-2 metallurgical test work on samples from the Narraburra Rare Earth Project at the Australian Nuclear Science and Technology Organisation (“ANSTO”)**
- **Receipt of HyLogger spectral results from 31 diamond cored drill holes (GNBDD001 through GNBDD031) from Narraburra – The initiative was undertaken by the Geological Survey of NSW and provides Godolphin with a much greater understanding of the project’s geological characteristics**
- **Granting of a new exploration licence (EL 9601) Cambrai for a three-year term, immediately adjacent to Narraburra, with the potential to host north-west extensions of Narraburra REE mineralisation**
- **Additional exploration licence application (ELA 6677) submitted for ground to the north, east and south of Narraburra, which has the potential to host northern extensions of the REE mineralisation defined on the Narraburra Project, as well as other base metals**
- **Receipt of drill results from the Goodrich, Cyclops and Yeoval East projects – part of Godolphin’s 100%-owned Yeoval project in central West NSW – which confirm near surface, high-grade copper mineralization**

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Godolphin Resources Limited (ASX: GRL) (“**Godolphin**” or the “**Company**”) is pleased to provide an update on activities undertaken during the three-month period ended 31 December 2023 (the “quarter”). During the quarter, the Company continued to focus on the ongoing exploration and development of its key assets and securing additional ground to bolster its foothold of highly-prospective critical minerals assets in the central west NSW region, while also undertaking a number of corporate initiatives to divest non-core projects, which will provide substantial non-dilutive funding.

### Management commentary:

**Managing Director Ms Jeneta Owens said:** “Throughout the quarter, Godolphin achieved a number of milestones that streamlined the Company’s focus on green technology metals projects. These were highlighted by the agreement with Minerals Pty Ltd for them to acquire the Lewis Ponds and Mt Bulga projects for a total of \$11m in cash. The proposed asset sale will provide the Company with exceptional financial flexibility, while also reducing costs associated with holding non-core assets.”

“Further, the Company’s ongoing focus on high-demand, green metals was culminated in the ongoing work on the Narraburra project, which has led to a greater understanding of the project, as well as its low cost development potential. Additional work at Narraburra is underway, with further metallurgical testing in progress and exploration drilling to increase the known JORC resource scheduled for early this year. As our tenement package around Narraburra expands further, the Company will also pursue exploration initiatives to unlock additional value for shareholders.”



## Corporate:

### Term sheet secured to sell Lewis Ponds and Mt Bulga for \$11m:

Highlighting the Company's ongoing focus on critical minerals projects, Godolphin executed a term sheet for the sale of all shares in its wholly owned subsidiary TriAusMin Pty Ltd, the holder of the Company's 100%-owned Lewis Ponds project (EL 5583), to Minerals Pty Ltd, an Australian private company. The sale will also include the Mt Bulga project (EL 8966), which is wholly contained within the Lewis Ponds tenement.

The sale consideration totals \$11m in cash and is payable in five instalments, including an initial upfront payment of \$2.95m, which is anticipated within ten days of Minerals Pty Ltd executing a binding Share Sale and Purchase Agreement. Funding will be deployed towards the advancement of the Company's green technology metal assets, focusing on the Narraburra Rare Earth Element ("REE") Project ("Narraburra" or "the Project") and surrounding tenements.

The Company has received a \$50,000 non-refundable deposit from Minerals Pty Ltd and will continue to provide updates as the agreement advances. If definitive agreements have not been signed by 16 February 2024, and no new agreement is entered into, the term sheet may be terminated by either party.

The proposed sale is anticipated to provide Godolphin with exceptional financial flexibility for the ongoing development of its key assets, while reducing the Company's requirements for future dilutive funding. Further, the divestment of non-core assets will focus Godolphin's exploration programs and cements the Company's ongoing commitment to its critical minerals projects.

## Rare Earth Projects

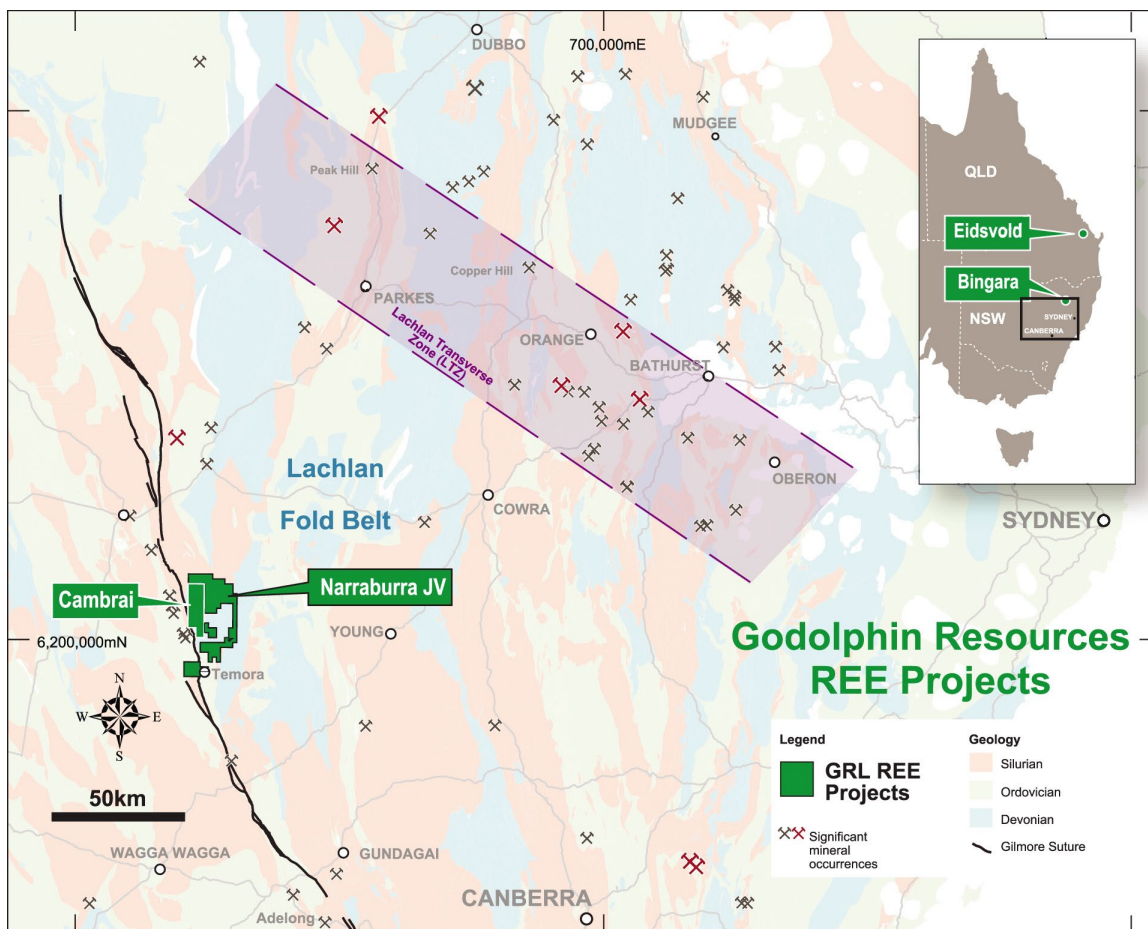


Figure 1: Location of REE focussed tenements in NSW and Qld



### Narraburra Rare Earth Project:

#### Phase 2 metallurgical testing commencement and initial results received:

Godolphin commenced the second phase of metallurgical test work on samples from Narraburra with the Australian Nuclear Science and Technology Organisation (“ANSTO”), an industry leader in researching leaching characteristics of Rare Earth deposits.

Narraburra hosts a Mineral Resource Estimate (MRE) of 94.9 million tonnes at 739ppm TREO<sup>1</sup>, which includes a higher-grade component of 20 million tonnes at 1,079ppm TREO in accordance with JORC (2012) (refer ASX: GRL announcement: 19 April 2023).

18 samples were selected for the second phase of metallurgical test work, with the entire program including three individual one metre samples and 15 composite samples of up to six metres, which are more representative of potential mining intervals for the project.

The three one metre samples underwent desorption testing at pH 4 and the composite samples will undergo leach testing at pH 2 using ammonium sulphate reagent at both 30°C and 50°C.

Additional tests are underway as a part of the larger metallurgical program, including size fraction analysis to determine if REEs are present in a particular size fraction which may provide an option to upgrade the material by simple cost effective screening before bulk leaching.

The leaching program was designed to test for leachability down the weathered profile and across the defined mineral resource area, to better understand Narraburra’s metallurgy for input into future mining studies. At this stage, the Company has received the leach test results by ammonium sulphate at pH2 and 30°C.

In summary, initial results showed recoveries of up to 71% of total REE, which included recoveries of up to 75% for key magnet REEs, including Pr (75%), Nd (82%), Tb (74%), and Dy (73%).

The kinetics data shows that the leach processes were continuing at the end of the 24-hour test, with potential for further recoveries at longer residence times.

Testing has outlined that the REEs are leachable under relatively mild conditions, especially in samples where the weathering processes appear to have concentrated them at levels above the average grade for the mineral resource. The conditions tested to date are not optimised for extraction of the REEs, with opportunities to improve leach rates and ultimate recoveries.

The desorption testing of the samples indicated that there is only a small component of the REE present that is amenable to recovery by this method. Recoveries were below 20%, with recoveries of magnet REEs below 10%. Godolphin does not anticipate undertaking any further testwork using the desorption method.

A full summary of data is included in the Company’s ASX announcement dated 13 December 2023 and additional results will be reported early in CY2024.

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<sup>1</sup> TREO or Total Rare Earth Oxide: La<sub>2</sub>O<sub>3</sub> + CeO<sub>2</sub> + Pr<sub>6</sub>O<sub>11</sub> + Nd<sub>2</sub>O<sub>3</sub> + Sm<sub>2</sub>O<sub>3</sub> + Eu<sub>2</sub>O<sub>3</sub> + Gd<sub>2</sub>O<sub>3</sub> + Tb<sub>4</sub>O<sub>7</sub> + Dy<sub>2</sub>O<sub>3</sub> + Ho<sub>2</sub>O<sub>3</sub> + Er<sub>2</sub>O<sub>3</sub> + Tm<sub>2</sub>O<sub>3</sub> + Yb<sub>2</sub>O<sub>3</sub> + Lu<sub>2</sub>O<sub>3</sub> + Y<sub>2</sub>O<sub>3</sub>.

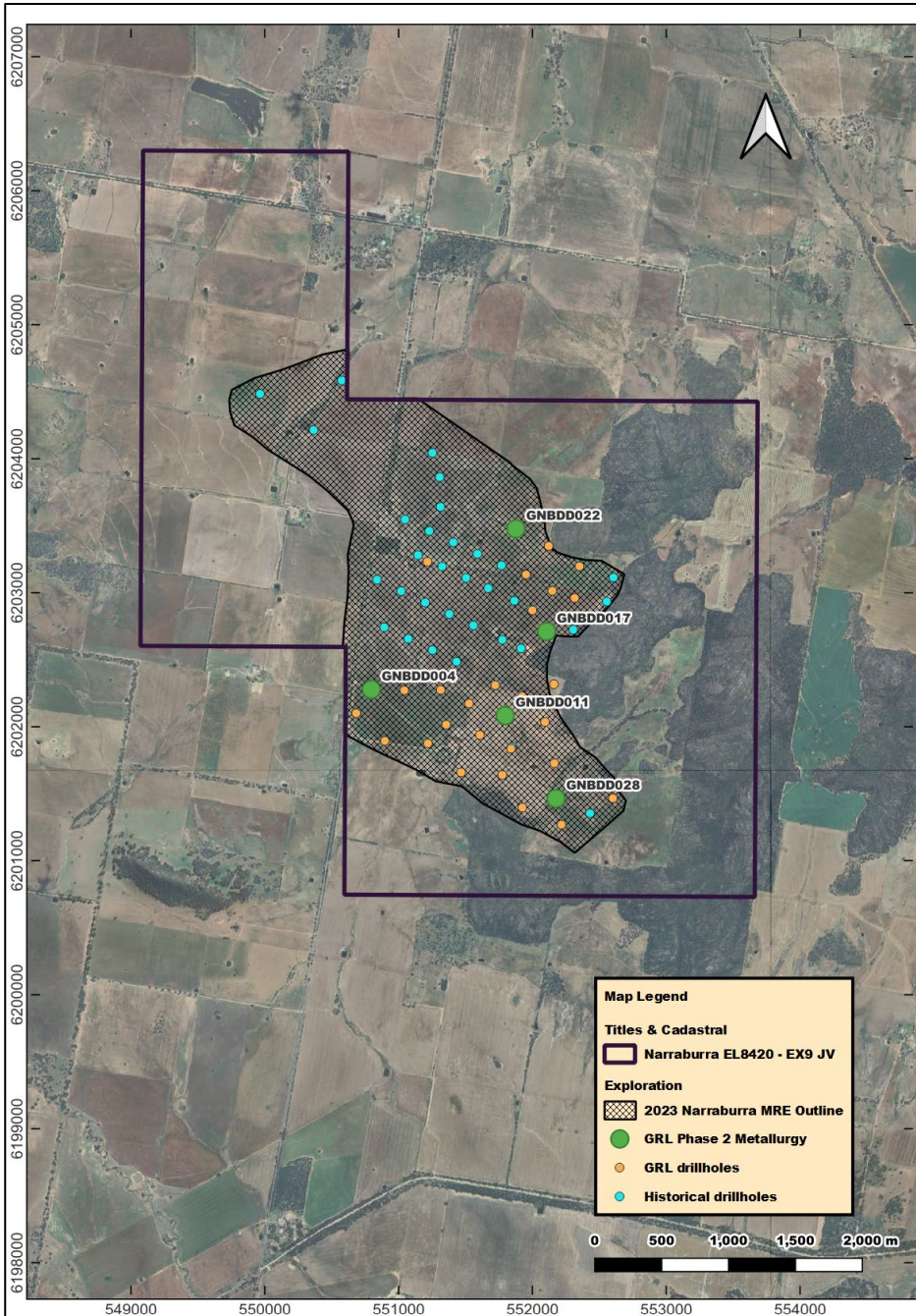


Figure 2: Location of the drillholes selected for Phase 2 metallurgical testing at the Narraburra Project

[QEMSCAN mineralogy results received from ANSTO from initial leachability testwork:](#)

Godolphin reported QEMSCAN mineralogy results from the six initial metallurgical samples sent to ANSTO during its initial round of leach testing earlier in 2023 (refer the Company’s ASX announcement: 5 April 2023).

Quantitative evaluation of minerals by scanning electron microscopy (QEMSCAN) is an automated mineralogy and petrography system providing quantitative analysis of minerals. QEMSCAN utilises a scanning electron microscope (SEM), four X-ray detectors and a software package to allow discrimination of minerals, without reliance on visual judgments. It can undertake 12,000 mineral analyses per minute and also can be used to assess the mineralogy of a sample which may assist in streamlining metallurgical processes.

The samples utilised in QEMSCAN testing were crushed to particle sizes of <300 microns and a representative portion of each sample was mixed with similarly sized particles of graphite to ensure good separation of the sample particles



for examination. Each sample and graphite blend were then impregnated with epoxy resin to form a resin block with a polished surface for examination by SEM/QEMSCAN.

Results indicated that the most abundant REE-bearing minerals, including lanthanite-Nd; cerite-Ce; and microcrystalline REE's; occur with albite, K-feldspar, kaolinite, smectites and quartz, indicating an association with the kaolinite clay saprolite zone and the underlying weathered rock interval saprock.

Liberation statistics also showed that most abundant REE-bearing minerals including lanthanite-Nd; cerite-Ce; and the microcrystalline REEs, are relatively moderately liberated, thus confirming the ready leachability and processing of the kaolinite ionic adsorption clay zone.

The least abundant REE-bearing minerals, monazite and xenotime are generally poorly liberated which may indicate lower levels of uranium and thorium during leaching, another positive outcome for potential development.

### HyLogger spectral results unlock deeper understanding of Narraburra's distribution of REE mineralisation:

In November 2023, Godolphin received HyLogger spectral results from 31 diamond cored drill holes (GNBDD001 through GNBDD031) drilled at Narraburra. The initiative was undertaken by the Geological Survey of NSW at the organisation's WB Clarke Geoscience Centre in Londonderry and provides the Company with a much greater understanding of the project's geological make up.

The spectral reflectance and absorption characteristics of the drill core is measured using spectrometers with various ranges, which are primarily sensitive to iron oxides (in the visible or near infrared or VNIR, hydroxide (clay), carbonate and sulphate minerals (in the shortwave infrared or SWIR) and anhydrous minerals, such as quartz and feldspars, pyroxenes, as well as carbonates, sulphates and some hydrous minerals (in the thermal infrared or TIR).

Specific mineralogy is determined using automated and manually assisted methods controlled using reference libraries of standard mineral spectral characteristics and spectral shapes. Spectral logging is completed at a nominal pixel resolution of 10 x 10 mm, where the pixel comprises a mineral mixture and generally not a single mineral grain.

Data was then uploaded to a geological database and cross-referenced with imported TREO assay data in ppm. TREO values for all sample intervals were calculated from assay results by summing the rare earth elements Cerium (Ce), Dysprosium (Dy), Erbium (Er), Europium (Eu), Gadolinium (Gd), Holmium (Ho), Lanthanum (La), Lutetium (Lu), Neodymium (Nd), Praseodymium (Pr), Samarium (Sm), Terbium (Tb), Thulium (Tm), Yttrium (Y) and Ytterbium (Yb). Oxide conversion factors have been applied to all results reported in the Company's ASX announcement dated 27 November 2023.

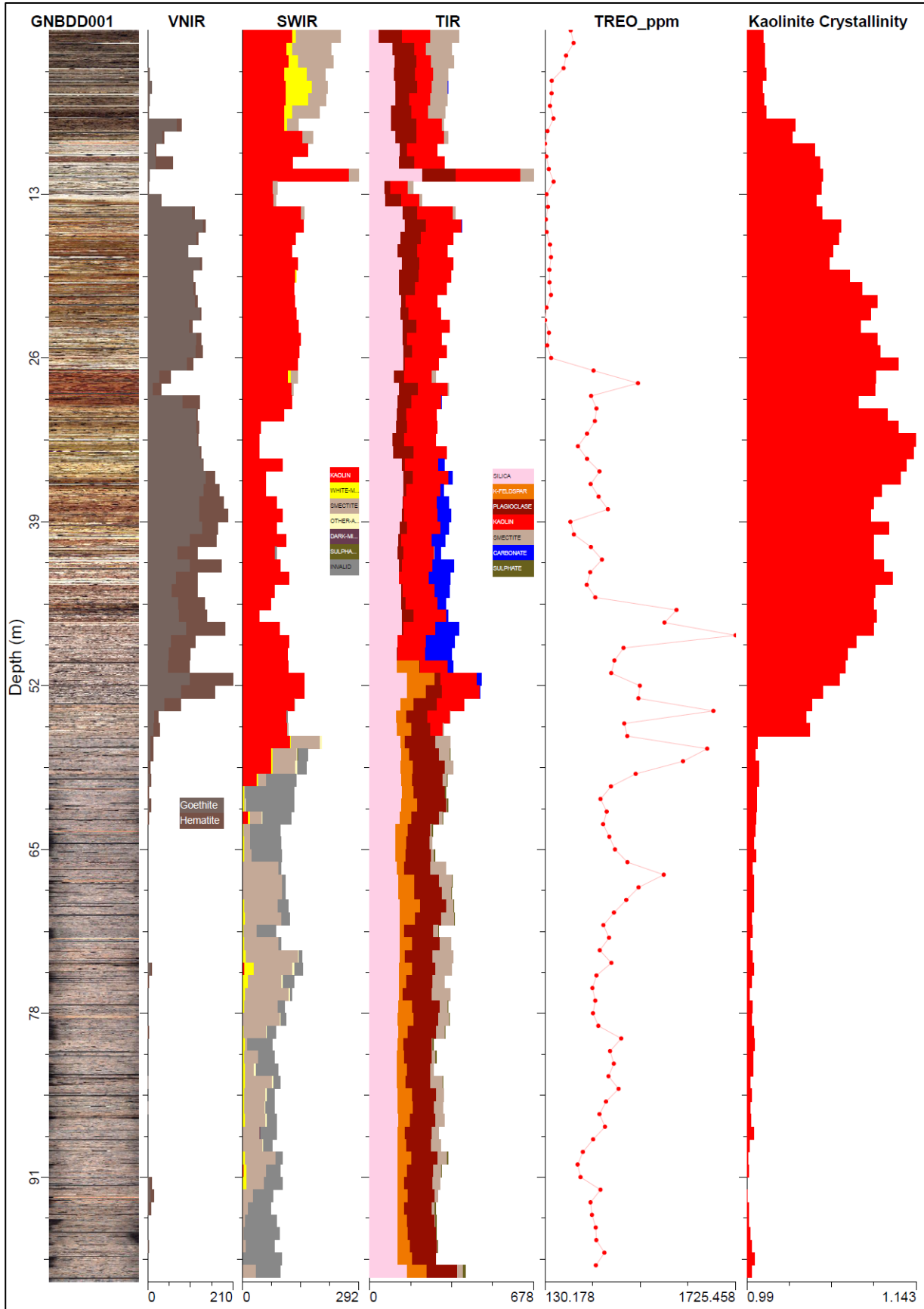


Figure 3: Strip log of drill hole GNBDD001 showing SWIR, TIR and TREO with highest TREO values at the kaolin – plagioclase transition zone



Grant of Exploration Licence 9601 – Cambrai, which is immediately adjacent to Narraburra:

The Company was granted a new exploration licence (EL 9601) for a three-year term by the NSW Government’s Department of Industry and Investment. The new licence, named Cambrai, is located immediately adjacent to the Company’s Narraburra project.

Cambrai comprises 40 units over 112km<sup>2</sup> and has the potential to host any north-western extension of the Narraburra project’s mineralisation. Historical exploration is limited and was only focused on porphyry style Cu-Au deposit models. In the north of the tenement is a historic tin mine, Kalms Mine, with reports from publicly available data of a small open pit and minor shafts.

The Company is currently undertaking an extensive data review and compilation process for EL 9601, in conjunction with exploration planning for testing of the Devonian A-type Thanowring granite of the Narraburra suite in the south of the licence area. Initial exploration plans will include preliminary surface sampling and consideration of geophysical techniques that may assist in defining drill targets.

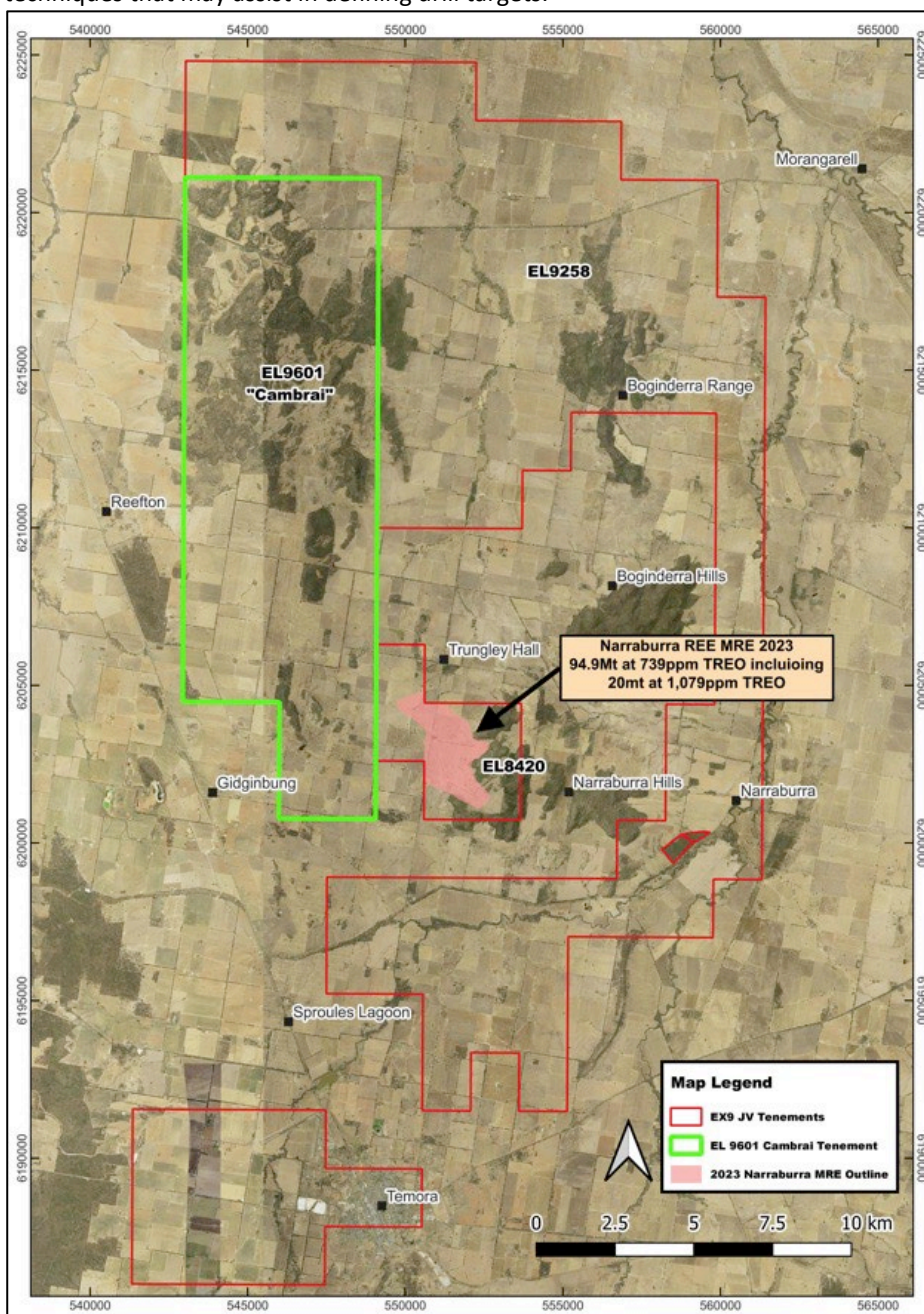


Figure 4: Location map of newly granted EL 9601



## ASX ANNOUNCEMENT

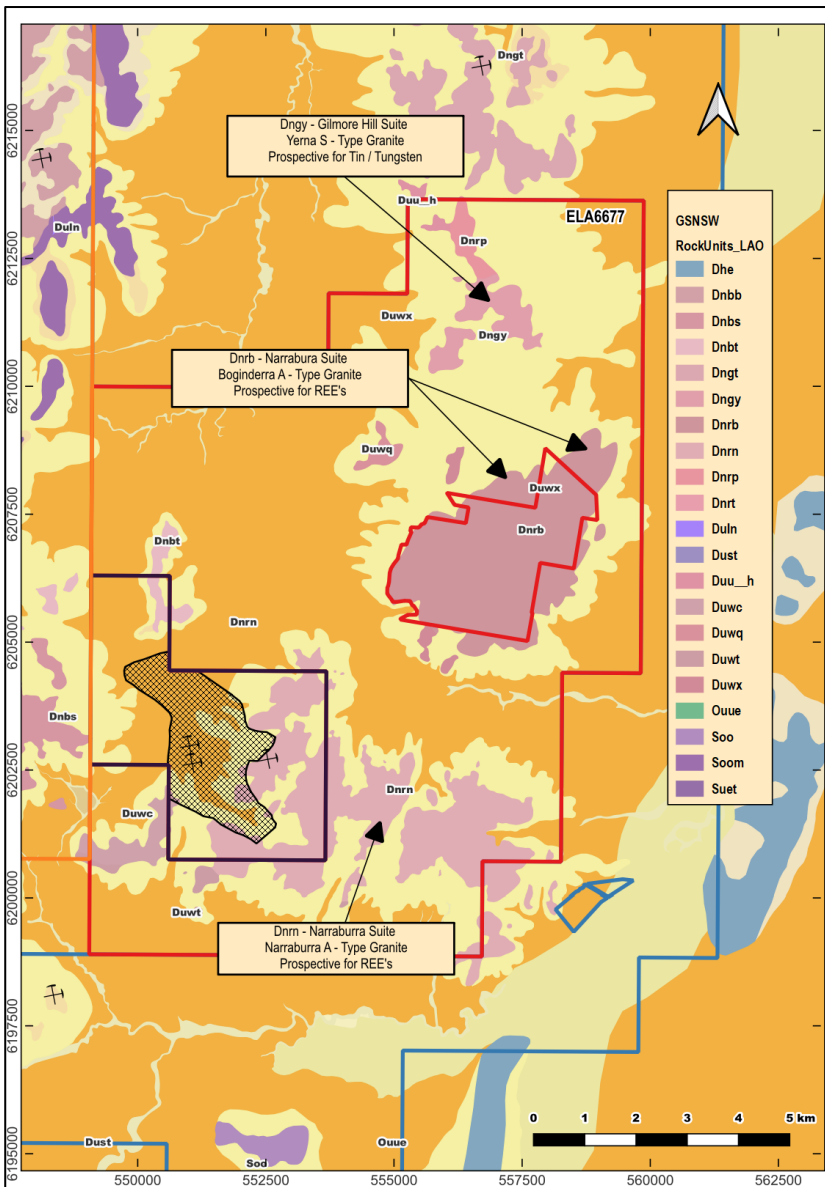
### Additional exploration licence application to significantly bolster foothold:

The Company applied for Exploration Licence Application (ELA) 6677 with the NSW Government’s Department of Industry and Investment for a term of 3-years. ELA 6677 is named ‘Trungley’ and surrounds the Narraburra Project to the north, east and south, and has the potential to host northern extensions of the REE mineralisation defined on the Narraburra Project, as well as other base metals.

Trungley comprises over 39 units for a total of 110km<sup>2</sup> and hosts three different types of Devonian aged granites and Cenozoic sediments. The Devonian aged fractionated, peralkaline, A-type Narraburra Granite of the Narraburra Suite, which hosts the current Narraburra REE Project, covers the southern portion of ELA 6677 and has the potential to host clay style REE mineralisation similar to the Narraburra deposit.

Previous exploration at Trungley is limited but was focused on REE’s from weathered granites in mineral sands in paleochannels with various REE targets identified from historic rock chip samples. ELA 6677 is a valuable addition to Godolphin’s REE and critical mineral portfolio.

The Company will provide additional updates as the application is granted and exploration commences.



**Figure 5: Regional geology map highlighting extents of prospective granites and associated weathered cover across ELA 6677**





Copper, Gold and Base Metals Projects:

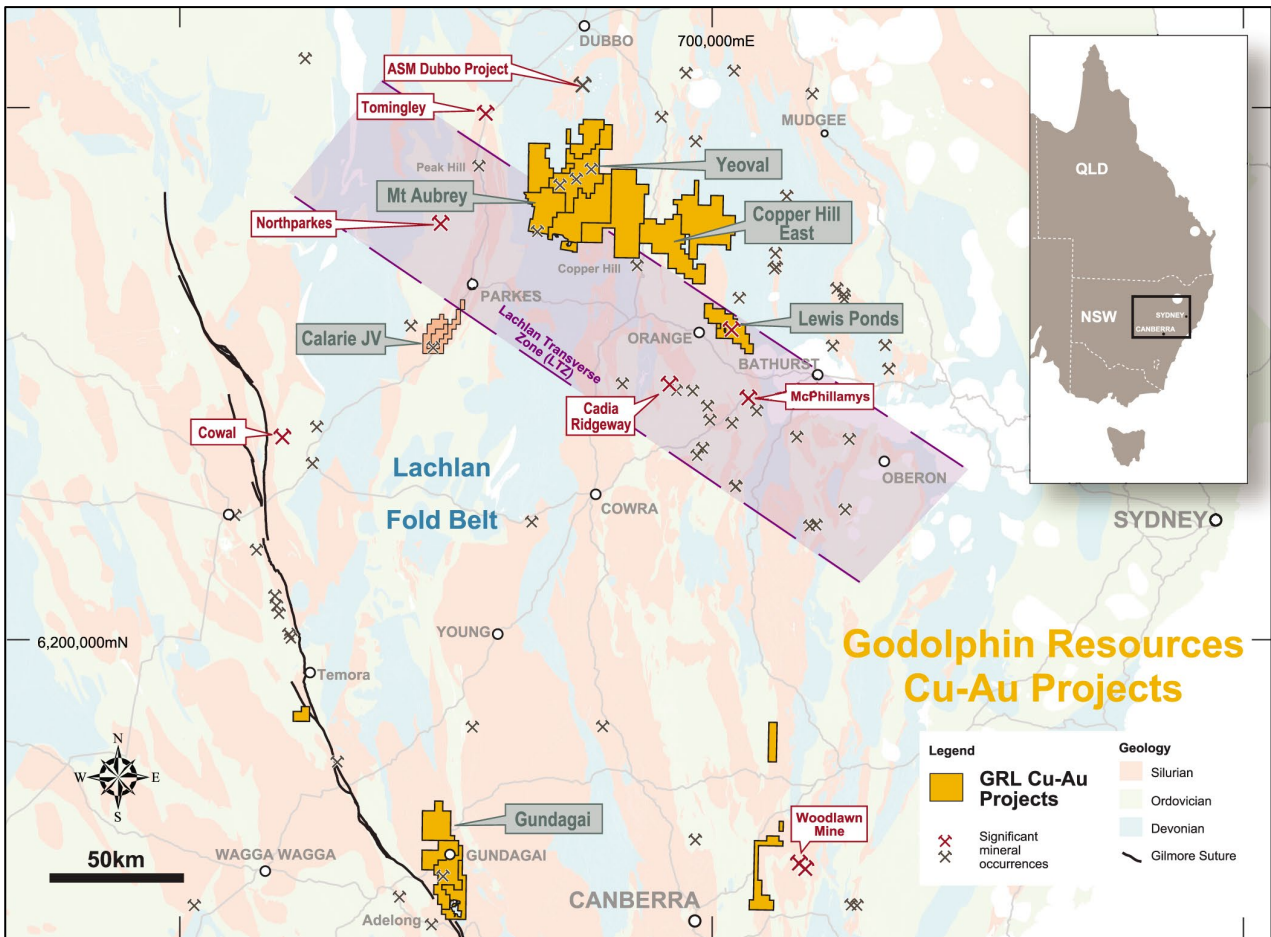


Figure 6: Location of Gold, Copper and Base Metals focussed tenements in NSW.

Goodrich Prospect:

**High-grade copper mineralisation intersected from recently completed diamond core program:**

Godolphin reported pleasing results from a two-hole diamond drill program, which confirmed near surface, high-grade copper mineralisation at the Company’s prospective Goodrich Prospect. The tenement (EL 4243) is part of the Company’s 100%-owned Yeoval project in central West NSW.

Diamond drilling intersected two styles of mineralisation, which included broad zones of disseminated Cu-Au mineralisation and narrow high-grade vein-hosted Cu +/- Au-Ag-Mo.

Drillhole GGDD001 extended the known vertical extent of Cu mineralisation by approximately 30m, as well as the strike length of the mineralisation by approximately 60m to the south-east of the historic Goodrich mine and associated drilling areas.

Higher copper grades were encountered in veins of QMC material and imply extensions to the known breccia hosted mineralisation further down-dip as identified in historical drilling undertaken in 1999. Disseminated and vein hosted copper and gold mineralisation in GGDD001 is generally observed in grey, variably altered porphyritic granodiorite rock, with abundant pyrite that contains intervals of highly altered pink albitised feldspar granodiorite, overprinting the earlier mineralised rocks.



Best intersections in GDD001 were:

- 91m @ 0.18% Cu and 0.15 g/t Au from 152m to 243m, including:
  - 8m @ 1.02% Cu and 0.79 g/t Au from 152m to 160m
  - 2.55m @ 1.47% Cu and 1.83 g/t Au from 216m to 218.55m

Drillhole GGDD002a identified a broader zone of shallower disseminated sulphide mineralisation further to the south-east of the historic Goodrich mine approximately 100m outside previously identified mineralisation. Sulphide mineralisation is generally of the disseminated style, again within grey, variably altered porphyritic granodiorite rock. The high-grade Mo mineralisation is associated with an interpreted fault breccia with pervasive chloritic/epidote alteration. Best intersections in GGDD002a included:

- 80m @ 0.10% Cu and 0.13 g/t Au from 57.8m to 138m, including
  - 6m @ 0.32% Cu and 0.36g/t Au from 131m to 137m
  - 1m @ 0.69% Cu and 1.04 g/t Au from 84m to 85m

A detailed review of all drillhole and assay information, as well as geological modelling, is currently underway to gain a better understanding of the nature and extent of the Cu mineralisation to the southeast and the higher grade QMC Cu +/- Au-Ag-Mo mineralisation within the breccia zone underlying the historic mining area and historical drilling. The aim of which will be to identify the potential for economically extractable mineralisation at Goodrich.

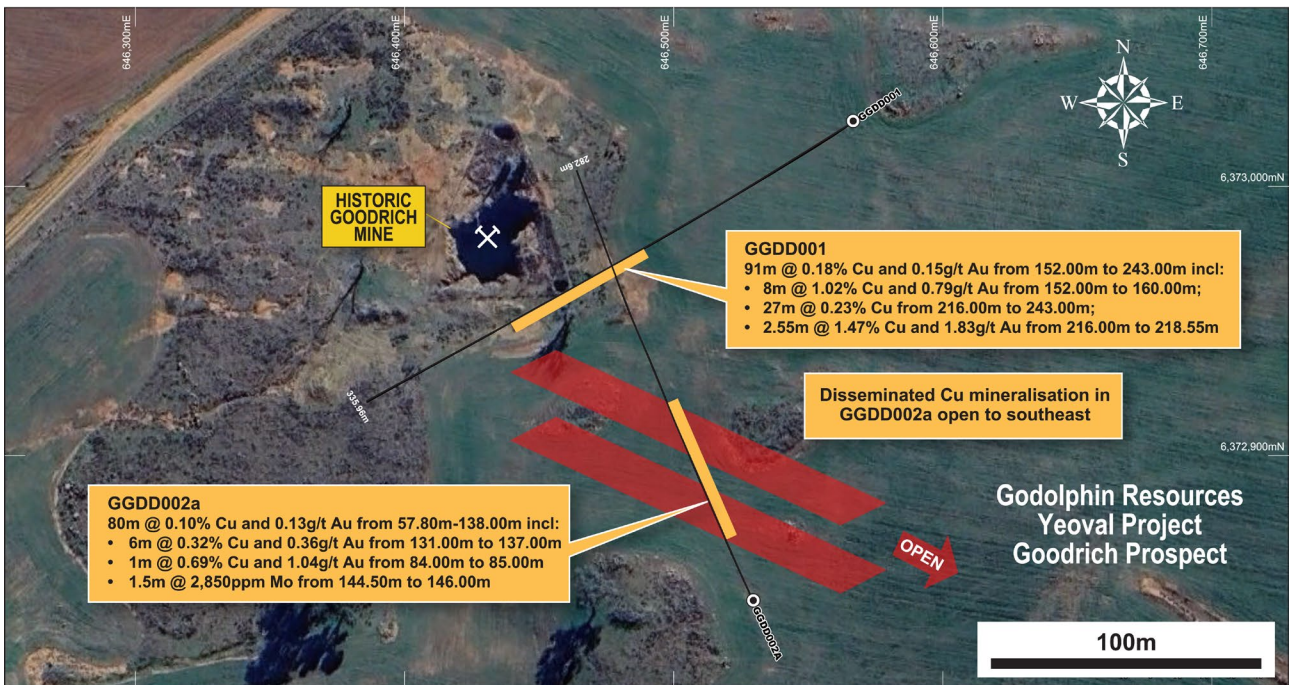


Figure 7. Location of recently completed diamond drillholes GGDD001 and GGDD002a with reported intersections at Goodrich Prospect

## Cyclops and Yeoval East:

### 2,400 Reverse Circulation (RC) drill program:

During the quarter, Godolphin undertook a drill program at its highly prospective Cyclops and Yeoval East prospects. Both Cyclops and Yeoval East are located on tenement EL8538 and are part of the Company's 100% owned Yeoval Project.

The area hosts various mineralisation styles including Porphyry Au-Cu associated with Devonian calc-alkaline intrusions at the Yeoval and Yeoval East prospects. The Cyclops prospect hosts extensive quartz magnetite chalcopyrite pods associated with intersecting NW-NNW structures. Drilling follows a detailed review of historical exploration by other



companies and recent fieldwork undertaken by Godolphin which has provided a much greater understanding of the mineralised structures.

The Cyclops program comprised eight holes for a total of 1,624m, and results were highlighted by drill hole GYVRC005 which recorded 18m @ 0.41% Cu from 32m, including 6m @ 1.21% Cu from 32-38m, and 0.03 g/t Au from 34-36m. One drillhole was completed at Yeoval East, with slightly elevated copper identified in a shallow hypogene zone due to weathering.

In addition to its drill programs, Godolphin completed mapping and rock chip sampling at the Vaughans Ridge prospect which identified the potential for skarn style gold and base metal mineralisation with a large strike extent of gossanous silica, iron oxide and pyrite. Based on the highly prospective geology observed at Vaughans Ridge, the Company has identified multiple targets for follow-up exploration activities. The rock chip samples have been submitted for analysis and Godolphin is awaiting results from the rock chip sampling program, which are expected early in CY2024.

**Mining Exploration Tenements:**

At 31 December 2023, the Company held the following exploration and mining licences.

Tenure	Location	Company’s Beneficial Interest		Status
		At 30 September 2023	At 31 December 2023	
EL 5583 <sup>2,3</sup>	Lewis Ponds	100%	100%	Live
EL 8061	Gundagai South	100%	100%	Live
EL 8420 <sup>4</sup>	Narraburra	0%	0%	Live
EL 8532	Mt Aubrey	100%	100%	Live
EL 8538	Yeoval	100%	100%	Live
EL 8555 <sup>5</sup>	Calarie	49%	49%	Live
EL 8556	Copper Hill East	100%	100%	Live
EL 8580 <sup>6</sup>	Calarie Central	49%	49%	Live
EL 8586	Gundagai North	100%	100%	Live
EL 8889	Gundagai	100%	100%	Live
EL 8890	Cumnock	100%	100%	Live
EL 8962	Obley North	100%	100%	Live

<sup>2</sup> There is a contingent liability in respect of a finder’s fee payable to the Estate of David Timms on EL5583 sale transaction or production commencement (capped at \$2,000,000). Refer Note A18 of the Company’s June 2023 Annual Report lodged 28 September 2023 (ASX: GRL) for further details.

<sup>3</sup> As the Company announced on 20 December 2023 and 21 December 2023, the Company entered into a term sheet agreement to sell its Lewis Ponds (EL 5583) and Mt Bulga (EL 8966) tenements for \$11,000,000 cash payable by instalments. Refer ASX: GRL announcements on 20 December 2023 “Godolphin to Sell Lewis Ponds and Mt Bulga for \$11 million and 21 December 2023 “Term Sheet Supplementary Announcement”.

<sup>4</sup> EL8420 & EL9258 are subject to farm in agreements between the Company & EX9 Pty Ltd, as announced on 2 March 2022 (ASX: GRL “Godolphin Farm-in on Advanced Rare Earth Element Project”). Under the agreement terms, Godolphin has the right to progress to 51% beneficial ownership with \$1m exploration spend. At 31 December 2023, the Company had no beneficial interest in tenements EL8420 & EL9258. As the Company announced on 22 January 2024 “Godolphin Secures 51% Interest at Narraburra Rare Earths”, since 31 December 2023 the Company has earned 51% of EL8420 & EL9258.

<sup>5</sup> EL8555, EL8580 & ML0739 are subject to farm in agreements between the Company & Orange Minerals NL (ASX: OMX) as announced on 18 December 2020. At 31 December 2023 the Company’s beneficial interest in tenements EL8555, EL8580 & ML0739 was 49%. (Refer ASX: OMX announcement dated 7 June 2023).

<sup>6</sup> Refer footnote 5.



Tenure	Location	Company's Beneficial Interest		Status
		At 30 September 2023	At 31 December 2023	
EL 8963	Obley West	100%	100%	Live
EL 8964	Yallundry	100%	100%	Live
EL 8966 <sup>7</sup>	Mt Bulga	100%	100%	Live
EL 8998	Gadara	100%	100%	Live
EL 9243	Goodrich	100%	100%	Live
EL 9258 <sup>8</sup>	Temora	0%	0%	Live
EL 9333 <sup>9</sup>	Kinross	100%	0%	Live
EL 9337 <sup>10</sup>	Sebastopol	100%	0%	Live
EL 9370	Gurrundah	100%	100%	Live
EL 9371 <sup>11</sup>	Kingsburgh	100%	0%	Live
ML 0739 <sup>12</sup>	Calarie Lachlan Mine	49%	49%	Live
EL 9506	Bingara	100%	100%	Live
EL 9601	Cambrai	0%	100%	Live
ELA 6677	Trungley	0%	100%	Awaiting approval
ELA 6687	Breakfast Creek	0%	100%	Awaiting approval
ELA 6695	Elsmore	0%	100%	Awaiting approval
EPM28668	Eidsvold	100%	100%	Live

**Exploration Expenditure Summary:**

During the quarter ended 31 December 2023, Godolphin's cash expenditure for exploration & evaluation totalled A\$849,000 and consists of drilling and sample storage (\$545,000), salaries (\$90,000), laboratory costs (\$167,000) and other costs (\$47,000). Full details of exploration activities are included in this report.

There were no mining production and development activities during the quarter ended 31 December 2023.

**Payments to related parties of the entity and their associates:**

The amount included in section 6.1 of the Appendix 5B cash payments of \$153,128, an aggregate amount of payments to related parties and their associates being remuneration for (\$37,463, including \$5,550 paid during the December 2023 quarter and owed at 30 September 2023), salaries (\$112,665), fieldwork consultancy fee (\$3,000).

<<ENDS>>

This market announcement has been authorised for release to the market by the Board of Godolphin Resources Limited.

For further information regarding Godolphin, please visit <https://godolphinresources.com.au/> or contact:

<sup>7</sup> Refer footnote 3.

<sup>8</sup> Refer footnote 4.

<sup>9</sup> The Company's beneficial interest in the tenement was cancelled during the December 2023 quarter. The Company assessed the prospectivity and considered the land access requirements and deemed the tenement not a good exploration target, nor business development opportunity for the Company.

<sup>10</sup> Refer footnote 9.

<sup>11</sup> Refer footnote 9.

<sup>12</sup> Refer footnote 5.



## ASX ANNOUNCEMENT

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### About Godolphin Resources

Godolphin Resources (ASX: GRL) is an ASX listed resources company, with 100% controlled Australian-based projects in the Lachlan Fold Belt ("LFB") NSW, a world-class gold-copper province and Queensland. A strategic focus on critical minerals and green metals through ongoing exploration and development in central west NSW. Currently the Company's tenements cover over 3,400km<sup>2</sup> of highly prospective ground focussed on the Lachlan Fold Belt, a highly regarded province for the discovery of Rare Earth Elements, Copper, Gold and Base Metal deposits. Additional prospectivity attributes of GRL tenure include the McPhillamys gold hosting Godolphin Fault and the Boda gold-copper hosting Molong Volcanic Belt. Godolphin is exploring for clay hosted REE's in both NSW and QLD, structurally hosted & epithermal gold, base-metal deposits and large, gold-copper Cadia style porphyry deposits in the Lachlan Fold Belt. Systematic exploration efforts across the tenement package is the key to discovery and represents a growth period for the Company and its shareholders.

**COMPLIANCE STATEMENT** The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms Jeneta Owens, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Owens is the Managing Director, full-time employee, Shareholder and Optionholder of Godolphin Resources Limited. Ms Owens 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. Ms Owens consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Information in this announcement is extracted from reports lodged as market announcements referred to above and available on the Company's website [www.godolphinresources.com.au](http://www.godolphinresources.com.au). The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

## Appendix 5B

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

Name of entity

Godolphin Resources Limited

ABN

13 633 779 950

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter	Year to date (6 months)
	\$A'000	\$A'000
<b>1. Cash flows from operating activities</b>	-	-
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed) <sup>1</sup>	(849)	(1,315)
(b) development	-	-
(c) production	-	-
(d) staff costs – administration and corporate	(142)	(282)
(e) administration and corporate costs	(317)	(522)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	16
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,298)</b>	<b>(2,103)</b>
<b>2. Cash flows from investing activities</b>	-	-
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-

<sup>1</sup> Item 1.2(a) Costs for the December 2023 quarter consist of drilling and sample storage (\$545,000), salaries (\$90,000), laboratory costs (\$167,000) and other costs (\$47,000)

Consolidated statement of cash flows	Current quarter	Year to date (6 months)
	\$A'000	\$A'000
(c) property, plant and equipment	-	(25)
(d) exploration & evaluation (if capitalised)	-	-
(e) investments	-	-
(f) other non-current assets	-	-
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):	-	-
– non-refundable deposit received	50	50
– security bonds refunded	15	10
<b>2.6 Net cash from / (used in) investing activities</b>	<b>65</b>	<b>35</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,137
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	-	(116)
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 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>2,021</b>

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
<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	2,428	1,242
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,298)	(2,103)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	65	35
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,021
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,195</b>	<b>1,195</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	575	1,008
5.2	Call deposits	620	1,420
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>1,195</b>	<b>2,428</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	153 <sup>2</sup>
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

<sup>2</sup> Consists of directors' fees (\$37,463, including \$5,550 paid during the December 2023 quarter and owed at 30 September 2023), salaries and superannuation (\$112,665), fieldwork consultancy fee (\$3,000).



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7. <b>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)	-	-
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.	<div style="border: 1px solid black; padding: 5px;"> <p>Not applicable</p> </div>	

8. <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)	(1,298)
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)	(1,298)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,195
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,195
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>0.9</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?	
<p>Answer: <i>No. The Company expects that net cash used in operating activities for the March 2024 quarter will be lower.</i></p>	
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>Answer: <i>Yes. As the Company announced on 20 December 2023 and 21 December 2023,<sup>3</sup> the Company entered into a term sheet agreement to sell its Lewis Ponds and Mt Bulga tenements for \$11,000,000 cash payable by instalments. The first instalment of \$2,950,000 is expected to be received during the March 2024 quarter.</i></p> <p><i>The Board continually monitor the Company's cash position with its planned exploration programs.</i></p>	

<sup>3</sup> Refer ASX: GRL announcements on 20 December 2023 "Godolphin to Sell Lewis Ponds and Mt Bulga for \$11 million and 21 December 2023 "Term Sheet Supplementary Announcement".

## 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: *Yes, based on planning exploration programs in line with the Company's cash position.*

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 January 2024

### 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.