

## March 2024 Quarterly Activities Report

The following is a summary of the activities conducted by VRX Silica Limited (**VRX or Company**) during the March 2024 quarter at its silica sand projects at Arrowsmith (located 270 km north of Perth), Muchea (located 50 km from Perth) and Boyatup (located 100 km east of Esperance), all situated in Western Australia.

## VRX Silica Sand Resources

VRX is a Western Australian based pure-play silica sand exploration and development company with five high-value, advanced, very long-term silica sand projects in Western Australia, a Tier 1 mining region.

The Company has multi-decade scale contiguous sand deposits on granted Mining Leases with secure tenure and a combined 1.4Bn tonne Mineral Resource of 99.6% to 99.9% SiO<sub>2</sub> grade silica sand.<sup>1</sup>

The Company and its management team is based in Western Australia, as are its five large scale, high-grade and low impurity silica sand projects. Each project can be run independently and supply high-grade silica sand to many diverse markets.



Figure 1: VRX Projects Locations

## Applications of Silica Sand

Silica sand is the most-used commodity on the planet after air and water. It is the main ingredient in all types of **glassmaking**, including specialty solar panel and high-tech glass.

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<sup>1</sup> See Resources and Reserves Table

The glass manufacturing industry demand is increasing at a rate of 5-6% per year, or about 8-10 million tonnes pa. Around 47% of the world's glass is manufactured in Asia.

Silica sand is an essential component of the **foundry** and casting industries. The largest foundry industry is in Korea where it dominates the industry particularly for large marine components. Arrowsmith North can produce three grades of sought after foundry sand. Large samples have been sent to Korean and Japanese foundry companies and foundry sand suppliers who have confirmed that the samples meet their rigorous requirements.

Silica sand is also the main ingredient in concrete and is the largest user of available supplies and a primary reason for depleted resources in Asia including silica sand reserves that may be beneficiated to glassmaking and foundry quality.

Silica sand is a finite resource that is rapidly being exhausted and the Asia-Pacific region is currently experiencing **increasing demand** at a time of a **global supply shortfall**.

## Environmental Approvals Process

On 31 October 2023, VRX provided an update on its application for environmental approval at Arrowsmith North (**Proposal**). The update noted that VRX had submitted its Response to Submissions (**RtS**) document for review by the State Environmental Protection Authority (**EPA**).

The EPA has collated comments from all relevant State Government departments and the Commonwealth Department of Climate Change, Energy, the Environment and Water (**DCCEEW**). The EPA had provided informal preliminary feedback 18 January 2024, and the Company lodged a response to address these comments.

Subsequent to the end of the quarter, the Company received formal comments on the RtS from the EPA and DCCEEW. As is standard procedure, the Company is required to update its RtS document to consider the formal comments provided by the EPA.

Subject to review and acceptance of the updated RtS by the EPA, the EPA will prepare an assessment report recommending whether the Proposal should be approved by the Western Australian Environment Minister and provide recommended conditions.

## High Grade Silica Flour Testwork

In the previous quarter the Company announced that it had airfreighted a 1,000kg sample of selected Muchea silica sand to a specialist testwork laboratory in Germany, to undertake comminution testing to determine the yield and quality of silica flour that can be produced from the raw material selected from the Muchea Silica Sand Project. This testwork follows the grant to VRX of \$2 million in matched funding under the Investment Attraction Fund (**IAF**), part of the State Government's Diversify WA initiative, a collaboration between government, industry and the community supporting the WA Government's focus on creating secure, quality jobs, growing and diversifying the economy and attracting new investment.

The testwork program followed a typical flow sheet of ball mill grinding followed by air classification and sizing to produce the specific particle size required by LCD glass manufacturers. The target specification, provided by VRX, conforms to the requirements of major producers of LCD screens in Asia.

The testing resulted in determining two critical outcomes; the bond work index (BWI) required to reduce the particle size of the Muchea sand feed to that required for the product specification, and the preferred product yield.

The BWI has been determined at 23.7kw/t, with a product yield of 44.1%. These figures are consistent with VRX expectations for this level of study. The BWI now allows VRX to determine

a pilot plant scaled list of equipment' and basic layouts, and VRX will employ a local engineering company to design and construct the pilot plant. Once operational, the pilot plant will be fine-tuned to provide the required specification and an expectation of an increase in product yield.

On 8 January 2024 VRX announced preliminary results of the testwork were largely in line with VRX's expectations and determined that Muchea silica sand is suitable for producing high grade silica flour for the rapidly expanding LCD glass market.

All testing material and products have been returned to VRX for elemental testing to determine they conform to product specification for key elements, in particular iron. It is not expected that the precursor sand has been significantly changed as all media used in testing was ceramic. Samples of the final products will be sent to the major silica flour customers in Asia to confirm they conform to their specifications. The overground fines, or "by-product", will also be marketed in Asia and in local industries such as fibreglass, paint and epoxy filler applications.

These research and development activities, which start with the production of silica flour, will ultimately result in high value downstream processing opportunities that will maximise the value of VRX's world-class high-quality Muchea Silica Sand Project.

Subsequent to the end of the quarter VRX announced assay results for the high-grade silica flour produced from Muchea (see below).

## VDT Trials

In the previous quarter VRX applied to undertake trials of its vegetation direct transfer (VDT) mining method and this was approved by the Department of Energy, Mines, Industry Regulation and Safety and Commonwealth and State environmental authorities for Arrowsmith North and Muchea.

The Company commissioned fabrication of a modified front-end loader bucket that can be hitched to a Cat 980 loader. This was completed during the quarter – see Figure 1.

The trial will allow VRX to test alternative approaches to height of mulching prior to VDT and different depths of excavation by VDT. It will also validate the design of the bucket to enable the best possible rehabilitation outcome.



Figure 2: Modified front-end loader bucket for VDT mining method

## Arrowsmith North Updated BFS

On 6 March 2024 VRX announced details of its updated Bankable Feasibility Study (**Updated BFS**) at Arrowsmith North, leading the development of the Company's five silica sand projects.

The initial BFS prepared in August 2019<sup>2</sup> (**2019 BFS**) has been updated following detailed engineering with all capital and operating components recently re-tendered.

The updated BFS confirms that the Arrowsmith North project maintains robust economic metrics that will potentially supply up to four silica sand products for a growing Asian market.

The capex update incorporates final engineered equipment and supporting infrastructure as well as the purchase of offset land required to finalise the approvals process. The operating cost update is based on budgeted estimates by noted contractors and incorporates VRX's unique VDT rehabilitation methodology.

Arrowsmith North remains a World-class silica sand project with a Proved and Probable Ore Reserve of 221Mt @ 99.6% SiO<sub>2</sub><sup>3</sup>, and a potential mine life in excess of 100 years.

<sup>2</sup> ASX Announcement of 28 August 2019, *Arrowsmith North BFS and Maiden Ore Reserve*

<sup>3</sup> See Resources and Reserves Table

### Key Outcomes from Updated BFS

Post Tax, ungeared NPV <sub>10</sub>	\$166,700,000
Post Tax, ungeared IRR	35%
Payback period (yrs) (post tax) (ramp up rate)	4.4
Exchange Rate US\$/A\$	\$0.66
Life of Mine (yrs) (BFS Study)	25
EBIT	\$965,000,000
Total Sales (25 years) no escalation	\$2,691,000,000
Life of Mine C1 costs, FOB Geraldton (inc Royalties)	\$31.43
Cashflow after finance and tax	\$650,000,000
Capex (2 mtpa)	\$66,787,100
Capex contingency (inc)	20%
Life of Mine C1 costs, FOB Geraldton (inc Royalties)	\$31.43
Tonnes Processed (million tonnes) (BFS Study)	52
Probable Reserves (million tonnes) @ 99.7% SiO <sub>2</sub>	221
Reserve life (yrs)	111
JORC Resources (million tonnes)	512

Capital expenditure has increased materially since the 2019 BFS, however this remains modest with an approx. 4.4 year payback. The increase is largely driven by:

- a significant change to the process circuit from gravity spirals to attritioning and Hydrofloat™ that will produce superior products but has a higher initial capital cost component;
- a significant rise in steel, concrete and construction labour costs for the processing plant, with prices for fabricated steel having doubled since 2019;
- additional costs associated with power reticulation, flotation reagent storage and additional supporting infrastructure for administration and laboratory services;
- additional costs for the construction of the road and designed and approved Brand Highway intersection, and
- purchase of Offset land to conform with State Offsets Policy guidelines.

Figures 3 and 4 show renders of the proposed operating plant and surrounding area.

Capex also includes a 20% contingency, notwithstanding the recent re-tendering of supplied capital components. This reflects the Company's conservative approach to pricing when modelling the financial metrics for the project. In efforts to reduce the capex, the Company continues to seek out second-hand equipment for refurbishment and to-date has sourced a feed trommel and final screen, with significant cost-savings as compared to new equipment.

Operating expenditure has increased marginally from the 2019 BFS.

Sale prices for silica sand products have been left unchanged towards the lower end of the range of estimates provided for in the 2019 BFS, despite the growing market for silica sand products in Asia and upward pricing pressures. Again, this reflects the Company's conservative approach to pricing when modelling the financial metrics for the project as well as providing an additional contingency.



Figure 3: An aerial view render of the proposed Arrowsmith North processing plant and facilities



Figure 4: Close up render of proposed processing plant at Arrowsmith North

The Updated BFS also incorporates production from upgraded Reserves following a new Mineral Resource Estimate completed in November 2022<sup>3</sup>. This followed a program of close

<sup>3</sup> ASX Announcement of 11 November 2022, *Arrowsmith North Mineral Resource and Ore Reserve Update*.

spaced grade control drill holes to increase the confidence in the early mining stages with approximately 6 years of initial production from Proved Reserves.

A summary of Arrowsmith North Proved and Probable Reserves is set out in Table 1.

### Arrowsmith North Ore Reserves - as at 11/11/2022

Classification	Foundry Product	Glass Product	Process Rejects	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %
Proved	AFS20			0.8	99.5	0.25	0.07	0.05	0.1
	AFS35	NF500		3.9	99.5	0.5	0.06	0.05	0.1
	AFS55			2.7	99.2	0.5	0.1	0.05	0.1
			Local	1.8					
<b>Proved Ore Reserve</b>				<b>9.2</b>	<b>Million Tonnes</b>				
Probable	AFS20			24.2	99.5	0.25	0.07	0.05	0.1
	AFS35	NF500		102.5	99.5	0.5	0.06	0.05	0.1
	AFS55			51.1	99.2	0.5	0.1	0.05	0.1
			Local	34.1					
<b>Probable Ore Reserve</b>				<b>212</b>	<b>Million Tonnes</b>				
<b>Arrowsmith North Ore Reserve</b>				<b>221</b>	<b>Million Tonnes</b>				

Table 1: Arrowsmith North Ore Reserves as at 11 November 2022

The Updated BFS can be viewed on the Company's website at: <https://vrxsilica.com.au/resources/reports/>.

### Key points and assumptions

The Updated BFS is based on only 25 years production from a considerable +100 year mine life.

Key economic assumptions for the BFS are as follows:

<b>Currency</b>	Australian dollars <i>Sales contracts in Asia for silica sand are invariably based on \$US and a A\$0.66 exchange rate has been applied</i>
<b>Project life</b>	25 years Total probable Ore Reserve is well in-excess of this time period, however the model is conservatively restricted to 25 years
<b>Depreciation</b>	15% rate on capital
<b>Corporate tax rate</b>	27% on taxable profit
<b>Production</b>	Steady state of production from Proven Ore Reserves for 6 years and Probable Ore Reserves over the remaining life of mine. The production rate for the first 2 years at 1 million tonnes per year and thereafter at 2 million tonnes per year <i>The Company has currently non-binding Terms and Conditions for offtake of 200,000 tonnes per year of Arrowsmith North products and expects further interest once the environmental approvals have been finalised.</i>
<b>Shares on Issue</b>	583,319,725
<b>NPV estimation discount rates</b>	Standard financial modelling conducted at a 10% discount rate.

<b>Capital cost</b>	Based on estimates $\pm 10\%$ from engineering companies with extensive experience in sand separation	
<b>Operating costs</b>	A\$31.56 C1 costs, including royalties <i>Based on first principles and current rates for equipment</i>	
<b>Sales revenue</b>	US\$38-43 per dry metric tonne dependent on product type, product quality, contract terms and quantity <i>Revenue is constant, based on current prices and ignores any projected growth in prices</i>	
<b>Maximum debt</b>	A\$55 million	
<b>Borrowing rates</b>	12%	
<b>Accounts receivable</b>	30 days	
<b>Accounts payable</b>	30 days	
<b>Plant maintenance</b>	2% of capital cost per year	
<b>Environmental bond</b>	Substituted by the WA Department of Mines, Industry Regulation and Safety's "Mining Rehabilitation Fund"	
<b>Capex contingency</b>	20%	
<b>Yield</b>	AFS 20 Foundry sand	11%
	AFS 35 Foundry sand	48%
	AFS 55 Foundry sand	24%
	<i>(AFS35 and AFS55 can be combined and sold as glass sand)</i>	
	<i>Yields are based on multiple bulk testwork programs <math>\pm 3\%</math></i>	

## Corporate

There was no corporate activity during the March quarter.

## Events Subsequent to the End of the Quarter

### Capital Raising

On 10 April 2024 VRX announced a renounceable pro-rata entitlement issue to eligible shareholders on the basis of one new fully paid ordinary share in the Company (**New Shares**) for every 13 Shares held on the record date, at \$0.07 per New Share, together with one free attaching option (**Attaching Option**) for every two New Shares subscribed for and issued with an exercise price of \$0.18 each and expiring on 31 August 2025, to raise up to approx. \$3.14 million (before expenses) (**Entitlement Offer**).

Canaccord Genuity (Australia) Limited (AFSL 234666) has been appointed as lead manager and underwriter to the Entitlement Offer. The Entitlement Offer is partially underwritten to the amount of \$2.6 million by Canaccord.

The proceeds of the Entitlement Offer will be applied towards the Company's Muchea project, Arrowsmith North project, VDT trials and environmental follow-up, working capital and expenses of the Entitlement Offer.



## Assay Results for High-Grade Silica Flour

On 22 April 2024 VRX announced the assay results for the high-grade silica flour produced from Muchea.

Table 2 sets out these results.

	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %
Silica Flour	99.9	0.09	0.01	0.01	0.03

Table 2: Assay Results

The Company has received a number of enquiries for silica flour products and samples have been dispatched to a select number of potential customers in Asia.

## ASX Listing Rule 5.3 Disclosures

### *Details of mining exploration activities:*

Payments for exploration & evaluation under operating activities of \$18K related mainly to tenement rents.

Payments for exploration & evaluation under investing activities of \$277K consists mainly of environmental surveys and approvals costs, and drilling assays.

There were no substantive mining production and development activities during the quarter.

### *Details of tenement activities:*

During the quarter, Exploration Licence E70/6504 was granted.

### *Details of related party payments:*

The aggregate amount of payments to related parties and their associates of \$152K represents directors' fees and salaries paid during the quarter.

## Combined 1.4Bn tonne Mineral Resource

### Mineral Resources - as at 09/05/2023

Project	Classification	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %
Muchea	Indicated	29	99.6	0.1	0.0	0.1	0.2
	Inferred	179	99.6	0.1	0.0	0.1	0.2
	<b>Total</b>	<b>208</b>	<b>99.6</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>
Arrowsmith North	Measured	10	95.9	1.9	0.7	0.3	0.7
	Indicated	237	97.7	1.0	0.4	0.2	0.5
	Inferred	266	98.4	0.7	0.3	0.2	0.4
	<b>Total</b>	<b>513</b>	<b>98.0</b>	<b>0.9</b>	<b>0.3</b>	<b>0.2</b>	<b>0.4</b>
Arrowsmith Brand	Inferred	523	97.3	1.4	0.4	0.2	0.6
	<b>Total</b>	<b>523</b>	<b>97.3</b>	<b>1.4</b>	<b>0.4</b>	<b>0.2</b>	<b>0.6</b>
Arrowsmith Central	Indicated	28.2	96.6	1.7	0.4	0.2	0.7
	Inferred	48.3	96.9	1.5	0.4	0.2	0.7
	<b>Total</b>	<b>76.5</b>	<b>96.8</b>	<b>1.5</b>	<b>0.4</b>	<b>0.2</b>	<b>0.7</b>
Boyatup	Inferred	60	67.8	0.8	0.2	0.1	0.9
	<b>Total</b>	<b>60</b>	<b>67.8</b>	<b>0.8</b>	<b>0.2</b>	<b>0.1</b>	<b>0.9</b>

**Total Mineral Resource 1,381 Million Tonnes**

### Ore Reserves - as at 09/05/2023

Project	Classification	Product	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %	
Muchea	Probable	F80	10.2	99.9	0.02	0.008	0.03	0.1	
		F80C	4.25						
		F150	4.25	99.8	0.07	0.015	0.035	0.1	
<b>Muchea Ore Reserve</b>			<b>18.7</b>	<b>Million Tonnes</b>					
Arrowsmith North	Proved	AFS20	0.8	99.5	0.25	0.07	0.05	0.1	
		AFS35	3.9	99.5	0.5	0.06	0.05	0.1	
		AFS55	2.7	99.2	0.5	0.1	0.05	0.1	
		Local	1.8						
	<b>Proved Ore Reserve</b>			<b>9.2</b>	<b>Million Tonnes</b>				
	Probable	AFS20	24.2	99.5	0.25	0.07	0.05	0.1	
		AFS35	102.5	99.5	0.5	0.06	0.05	0.1	
		AFS55	51.1	99.2	0.5	0.1	0.05	0.1	
Local		34.1							
<b>Probable Ore Reserve</b>			<b>212</b>	<b>Million Tonnes</b>					
<b>Arrowsmith North Ore Reserve</b>			<b>221</b>	<b>Million Tonnes</b>					
Arrowsmith Central	Probable	CF400	4.2	99.6	0.25	0.04	0.03	0.1	
		C20	8.4						
		C40	4.2						
		High TiO <sub>2</sub>	2.2			<1%	2%		
<b>Arrowsmith Central Ore Reserve</b>			<b>18.9</b>	<b>Million Tonnes</b>					
<b>Total Ore Reserve</b>			<b>259</b>	<b>Million Tonnes</b>					

## Compliance Statement

The information in this document that relates to the estimation and reporting of the Mineral Resource and Ore Reserves for the Company's silica sands projects is extracted from releases to ASX on 28 August 2019 and 11 November 2022 (Arrowsmith North), 17 September 2019 (Arrowsmith Central), 9 May 2023 (Arrowsmith Brand), 18 October 2019 (Muchea) and Boyatup (18 August 2022). The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

The information in this announcement that relates to the previous exploration results have been cross referenced to the original announcement. The Company is not aware of any new information or data that materially affects the previous exploration results.

The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified.

This quarterly activities report has been approved for release by the Managing Director.

## Interests in Mining Tenements (Western Australia)

### *Arrowsmith Project – Silica Sand*

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4986	Granted	100%	-	-	100%
E70/4987	Granted	100%	-	-	100%
E70/5027	Granted	100%	-	-	100%
E70/5109	Granted	100%	-	-	100%
E70/5197	Granted	100%	-	-	100%
E70/5817	Granted	100%	-	-	100%
M70/1389	Granted	100%	-	-	100%
M70/1392	Granted	100%	-	-	100%
M70/1418	Granted	100%	-	-	100%
L70/198	Granted	100%	-	-	100%
L70/199	Granted	100%	-	-	100%
L70/202	Granted	100%	-	-	100%
L70/203	Granted	100%	-	-	100%
L70/208	Granted	100%	-	-	100%
L70/229	Application	-	-	-	-
L70/230	Granted	100%	-	-	100%
G70/264	Granted	100%	-	-	100%
G70/265	Granted	100%	-	-	100%

### *Muceha Project – Silica Sand*

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4886	Granted	100%	-	-	100%
E70/5157	Granted	100%	-	-	100%
E70/5548	Granted	100%	-	-	100%
E70/5651	Application	-	-	-	-
M70/1390	Granted	100%	-	-	100%
M70/1414	Application	-	-	-	-
L70/200	Granted	100%	-	-	100%
L70/204	Granted	100%	-	-	100%
L70/205	Application	-	-	-	-
L70/206	Granted	100%	-	-	100%

### *Boyatup Project – Silica Sand*

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E69/3560	Granted	100%	-	-	100%
E69/3668	Granted	100%	-	-	100%

### *Dandaragan Project*

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/6501	Granted	100%	-	-	100%
E70/6502	Granted	100%	-	-	100%
E70/6503	Application	-	-	-	-
E70/6504	Granted	-	-	-	100%
E70/6505	Application	-	-	-	-

## About VRX Silica Limited

**VRX Silica Limited (ASX: VRX)** is the most advanced pureplay silica sand company listed on the ASX, developing its 100% owned silica sand projects at Arrowsmith (North, Brand and Central), Muchea and Boyatup in Western Australia.

Silica sand is the most used commodity on the planet after air and water. It is the main ingredient in all types of glassmaking, including specialty solar panel and high-tech glass, and foundry casting. It is a finite resource that is running out, with the Asia-Pacific region experiencing an ever-growing supply shortfall that is driving up prices.

Arrowsmith is located 270km north of Perth. Arrowsmith North boasts a minimum 25-year mine life capable of producing more than 2Mt tonnes per year of high-grade (99.7% SiO<sub>2</sub>)\* silica sand for export to the foundry, container glass and flat glass markets in Asia, with permitting well advanced, and will lead production.

Muchea, located 50km north of Perth, is an ultra-high-grade (99.9% SiO<sub>2</sub>)\* silica sand project capable of producing sand required for ultra-clear glass for solar panels and other high-tech glass applications.

Boyatup, located 100km east of Esperance, is under development and capable of producing sand for the glass market.



\*Information relating to grades are extracted from releases to ASX on 28 August 2019 and 11 November 2022 (Arrowsmith North) and 18 October 2019 (Muchea). The company is not aware of any new information or data that materially affects this information.

## Appendix 5B

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

Name of entity

VRX SILICA LTD

ABN

59 142 014 873

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(18)	(264)
(b) development	-	-
(c) production	-	-
(d) staff costs	(410)	(1,106)
(e) administration and corporate costs	(230)	(1,292)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	23
1.5 Interest and other costs of finance paid (on lease liability)	(6)	(20)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	731
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(660)</b>	<b>(1,928)</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	-	(91)
(d) exploration & evaluation	(277)	(903)
(e) investments	-	-
(f) other non-current assets	-	-

## 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 (9 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 (bonds deposit)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(277)</b>	<b>(994)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,750
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	-	(140)
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 (repayment of lease liability)	(21)	(60)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(21)</b>	<b>2,550</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	2,168	1,582
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(660)	(1,928)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(277)	(994)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(21)	2,550

## 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 (9 months) \$A'000</b>
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>1,210</b>	<b>1,210</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	1,210	2,168
5.2	Call deposits		
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>1,210</b>	<b>2,168</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	152
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.*



## 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)	-	-
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.		

<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)	(660)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(277)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(937)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,210
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,210
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.29
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
The entity expects the current level of net operating cash flows to reduce slightly for the time being.	
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?	
On 10 April 2024, the entity launched a Renounceable Entitlement Offer based on 1 new share for every 13 shares held at \$0.07 per share to raise approximately \$3.14 million (before expenses). The offer is underwritten up to \$2.6 million and expected to be completed by 7 May 2024.	

**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?

Yes, based on the above the entity fully expects to be able to continue its operations and meet its business objectives.

*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: .....23 APRIL 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.