

26 April 2024

# Quarterly Activities Report

## For the period ending 31 March 2024

### Highlights

#### *Salazar Critical Minerals Project (WA):*

- West Cobar continues to advance the Salazar Critical Minerals Project towards development
- JORC Mineral Resource Estimates at the Newmont and O'Connor deposits are:
  - **Rare earths** - JORC (2012) Total Mineral Resource **190Mt of 1172 ppm TREO**<sup>1</sup>.
  - **Titanium dioxide**<sup>2</sup> - Inferred Mineral Resource (JORC 2012) **29 Mt of 5.0% TiO<sub>2</sub>**. *Included both within and outside of Newmont TREO Mineral Resource*
  - **Alumina**<sup>2</sup> - Inferred Mineral Resource (JORC 2012) **4 Mt at 29.6% Al<sub>2</sub>O<sub>3</sub>** potential for (HPA) feedstock. *Included both within and outside of Newmont TREO Mineral Resource*
- **Scandium**<sup>3</sup> – the Newmont deposit contains significant scandium values. Testwork indicates leaching at atmospheric pressure is possible
- Testwork shows high grade ilmenite concentrates can be produced from Salazar with concentrate grades up to 48.5% TiO<sub>2</sub> attained in sighter testwork <sup>4</sup>
- The conceptual flowsheet which the Company is developing benefits from complementary revenue streams of ilmenite, REE and scandium <sup>5</sup>
- A major Exploration Target update was delineated for the REE and TiO<sub>2</sub> mineralisation on the Salazar tenements <sup>6</sup>
- Aircore drilling programs to extend REE and Ti resources are planned to commence during Q2 2024

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<sup>1</sup> WC1 announcement to ASX, 9 August 2023, 'Salazar Clay-REE Resource Quadruples'.

<sup>2</sup> WC1 announcement to ASX, 27 September 2023, 'Significant Co-Product Resources add Value to Newmont REE'.

<sup>3</sup> WC1 announcement to ASX, 6 March 2024, 'High grade scandium at Salazar'

<sup>4</sup> WC1 announcement to ASX, 6 February 2024, 'Positive results from Salazar Ti Characterisation'.

<sup>5</sup> WC1 announcement to ASX, 22 February 2024, 'Salazar flowsheet'.

<sup>6</sup> WC1 announcement to ASX, 22 January 2024, 'Salazar Exploration Target update'.

## Summary

West Cobar Metals Limited (ASX:WC1) (“West Cobar” or “the Company”) is pleased to provide an update on progress made during the Quarter ended 31 March 2024 at the company’s flagship Salazar Critical Minerals Project in Western Australia, and its lithium and copper exploration activities in Australia and the USA.

West Cobar is focused on advancing the Newmont REE-TiO<sub>2</sub>-Scandium-Alumina deposit by developing feasible extraction process flowsheets for the key commodities through ongoing metallurgical testwork. The Exploration Targets for the Salazar Project were revised and increased. An Aircore drilling program, designed to increase the Salazar resource base and test for further scandium mineralization, will commence during Q2 2024.

## Salazar Project

The Salazar Project (including both the Newmont and O’Connor deposits) is situated in the Esperance district, approximately 120km north-east of the township of Esperance and all tenements are located on non-agricultural undeveloped state land (Figure 1).

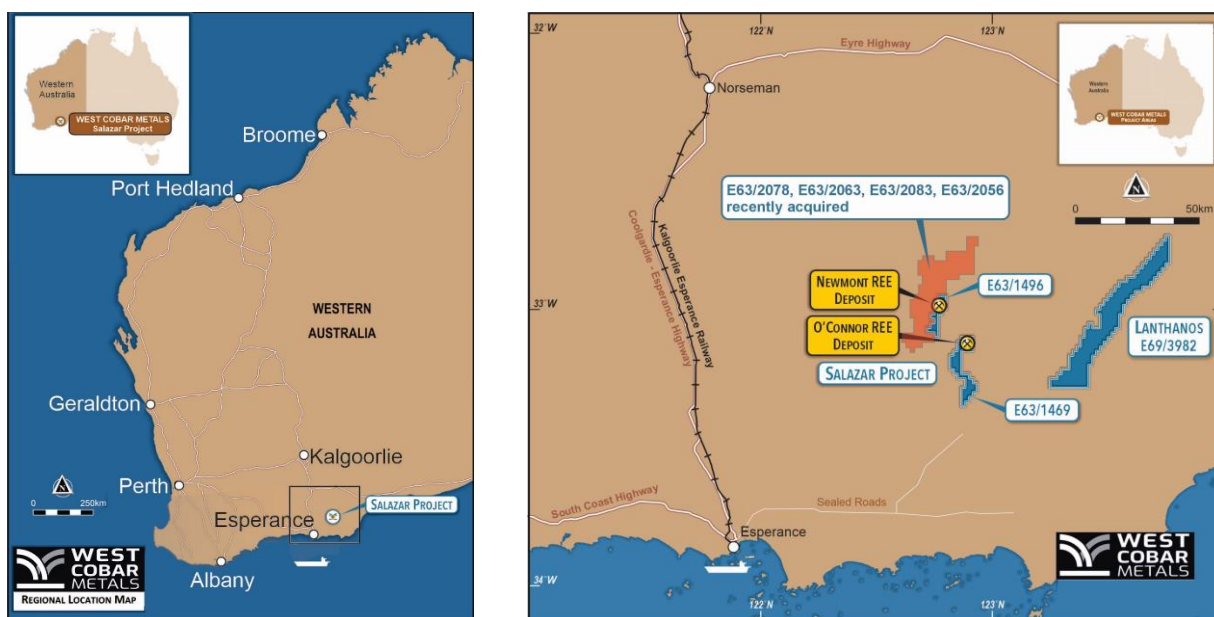


Figure 1: Location of the Salazar REE project and tenements,

### Newmont

West Cobar’s cornerstone rare earth element and co-product deposit at Newmont consists of saprolite clay host rock overlying bedrock amphibolite and is a unique deposit in the region due to a number of factors:

- The Newmont REE, TiO<sub>2</sub> and Al<sub>2</sub>O<sub>3</sub> resources are comparatively high grade
- Newmont contains high grade scandium and gallium
- Successful beneficiation tests have shown excellent upgrade potential
- High content of valuable heavy rare earths dysprosium and terbium
- Low content of deleterious radioactive minerals uranium and thorium, thereby improving processing options
- Shallow, thick saprolite (clay) hosted mineralisation amenable to low cost mining

### Exploration Targets

West Cobar has established a revised Exploration Target (inclusive of existing Indicated and Inferred Mineral Resources) of 800Mt to 1250Mt of 1050ppm to 1350ppm TREO, and 101Mt to 154Mt of 4.6% to 5.4% TiO<sub>2</sub>.<sup>7</sup>

*The Salazar Project Exploration Targets are conceptual in nature based on reasonable grounds and assumptions described in West Cobar Metals' announcement to the ASX of 22 January 2024, 'Salazar Exploration Target update'. There has been insufficient exploration to estimate a Mineral Resource from these exploration targets and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

Cut-off (TREO ppm)	Deposit	Category	Tonnes (Mt)	TREO <sup>8</sup> (ppm)	Pr <sub>6</sub> O <sub>11</sub> ppm	Nd <sub>2</sub> O <sub>3</sub> ppm	Dy <sub>2</sub> O <sub>3</sub> ppm	Tb <sub>4</sub> O <sub>7</sub> ppm	
600	Newmont	Indicated + Inferred Mineral Resources	83	1117	48	192	33	5.6	
		Exploration Target	110 to 210	1000 to 1200	43 to 52	173 to 209	30 to 36	5 to 6	
	O'Connor	Inferred Mineral Resources	107	1216	61	195	11	2.3	
		Exploration Target	500 to 850	1100 to 1300	55 to 67	175 to 215	10 to 12	2 to 3	
	<b>TOTAL Indicated &amp; Inferred Mineral Resources + Exploration Targets</b>			<b>800 to 1250</b>	<b>1050 to 1350</b>	<b>53 to 62</b>	<b>179 to 209</b>	<b>15 to 17</b>	<b>3 to 4</b>

Table 1: Salazar Project REEs – Summary of Resources and Exploration Targets at 600ppm TREO cut-off

<sup>7</sup> WC1 announcement to ASX, 22 January 2024, 'Salazar Exploration Target update'.

<sup>8</sup> TREO = 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>

Cut-off (Ti %)	Category	Mt	Ti %	TiO <sub>2</sub> %	TREO ppm	FeO %
2%	Total Inferred Mineral Resource	29	3.0	5.0	942	12.0
	Exploration Target	72 to 125	2.8 to 3.2	4.6 to 5.4	900 to 1000	10 to 13.5
	<b>Total Inferred Mineral Resources + Exploration Target</b>	<b>101 to 154</b>	<b>2.8 to 3.2</b>	<b>4.6 to 5.4</b>	<b>900 to 1000</b>	<b>10 to 13.5</b>

Table 2: Salazar Project Titanium Dioxide – Summary of Resources and Exploration Targets at 2% Ti cut-off

The additional information derived from drilling during 2022/2023 and the acquisition of exploration licences adjacent to the Newmont deposit allow the updated Exploration Target to reflect more fully the potential of West Cobar’s groundholding (Figure 2).

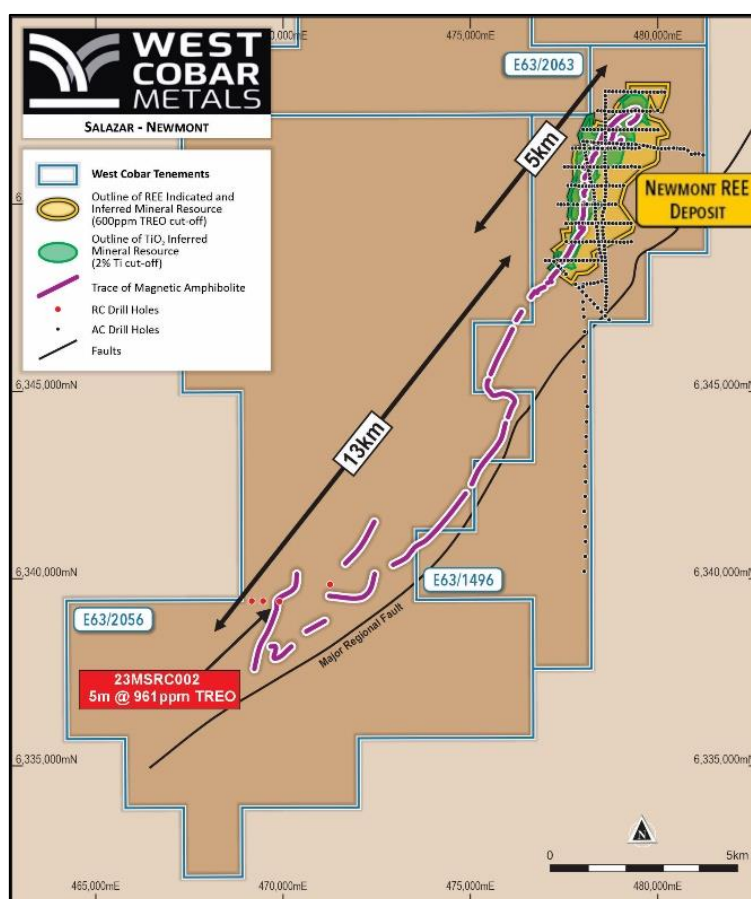


Figure 2.: Newmont – extent of REE and TiO<sub>2</sub> Exploration Target

## Scandium

Testwork results from the Newmont deposit show high scandium leach recovery of up to 81.2% at atmospheric pressure.<sup>9</sup> This contrasts with some other laterite hosted scandium deposits where high pressure autoclaves would be required for the acid leach process with high processing costs.

Scandium is widespread throughout the clays at Newmont including intersections<sup>3</sup> of:

- SAC358, 13m of 207ppm Sc from 9m,
  - Includes 3m of 423ppm Sc from 10m
- SAC391, 11m of 184ppm Sc from 6m
- SZA070, 8m of 139ppm Sc from 23m
- SZA111, 10m of 166ppm Sc from 12m

Scandium may be produced from the same flowsheet designed for the extraction of rare earth elements and titanium dioxide. There are very few sources of scandium supply globally. It is predominantly used for enhancing the characteristics of aluminium alloys and in solid oxide fuel cells. In what may be perceived as an indication of the growing strategic interest in the metal, Rio Tinto Ltd recently purchased the Owendale scandium deposit in NSW<sup>9</sup> and has established a dedicated scandium business unit ([www.elementnorth21.com](http://www.elementnorth21.com)).

Metallurgical diagnostic and sighter leach tests were completed by Bureau Veritas Minerals (Amdel) and Nagrom.<sup>10</sup> A total of 165 micro leaches were completed using SAC1 12-24m as the test composite. The leach programs were initially established to assess REE and alumina leach characteristics. Scandium was analysed at each stage as part of the total assay suite.

The range of parameters tested to identify the optimum leach conditions during these tests included lixiviants, leach times, pulp density, leach temperature with variations across all parameters.

The optimum conditions were determined to be:

- Lixiviant: 30% HCl
- Pulp Density: 20% solids
- Leach temperature: 95°C
- Pressure: Atmospheric
- Leach time: 24 hrs with no agitation

At the optimal leach conditions sample SAC1 12-24m (-0.075µm) yielded a total scandium recovery to solution of 81.2%.

The historical leach tests show that Newmont scandium is readily leached at atmospheric

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<sup>9</sup> WC1 announcement to ASX, 24 July 2023, 'Excellent Rare Earth Metallurgical Recoveries Achieved at Salazar'

<sup>10</sup> PGM announcement to ASX, 23 April 2023

pressures and whilst a range of temperatures and lixivants have been tested, relatively low temperatures achieved good results.

Sizing analyses by Nagrom on scandium enriched (102ppm Sc) saprolite in SAC1 12-24m at Newmont shows enrichment of scandium (113ppm Sc) in the finer fractions (<75µm).

Scandium processing could form part of the overall Salazar Project process flowsheet (as per Figure 3) which would provide an integrated processing flowsheet recovering TiO<sub>2</sub>, REEs and scandium.

#### REE and TiO<sub>2</sub> metallurgical testwork

West Cobar has obtained positive results from recent works on the metallurgical characterisation of the Newmont Deposit<sup>3</sup>, which shows that an ilmenite concentrate can likely be produced.<sup>4</sup> Works over the coming months will assess the Ti production potential at a broader scale across the Newmont deposit and seek to refine the process flowsheet and product characteristics.

Importantly, the ilmenite concentrate was generated by the relatively simple and standard industry processes of size classification, heavy liquid separation and magnetic separation. Further testing will take place to determine the expected commercial value and applications of the ilmenite, taking into account its mineralogy and composition.

By removing the Ti rich material, the remaining material is a far cleaner feed for the REE stream. Options for this stream include leaching, to create a mixed rare earth carbonate product, with additional potential extraction of the very high value scandium.

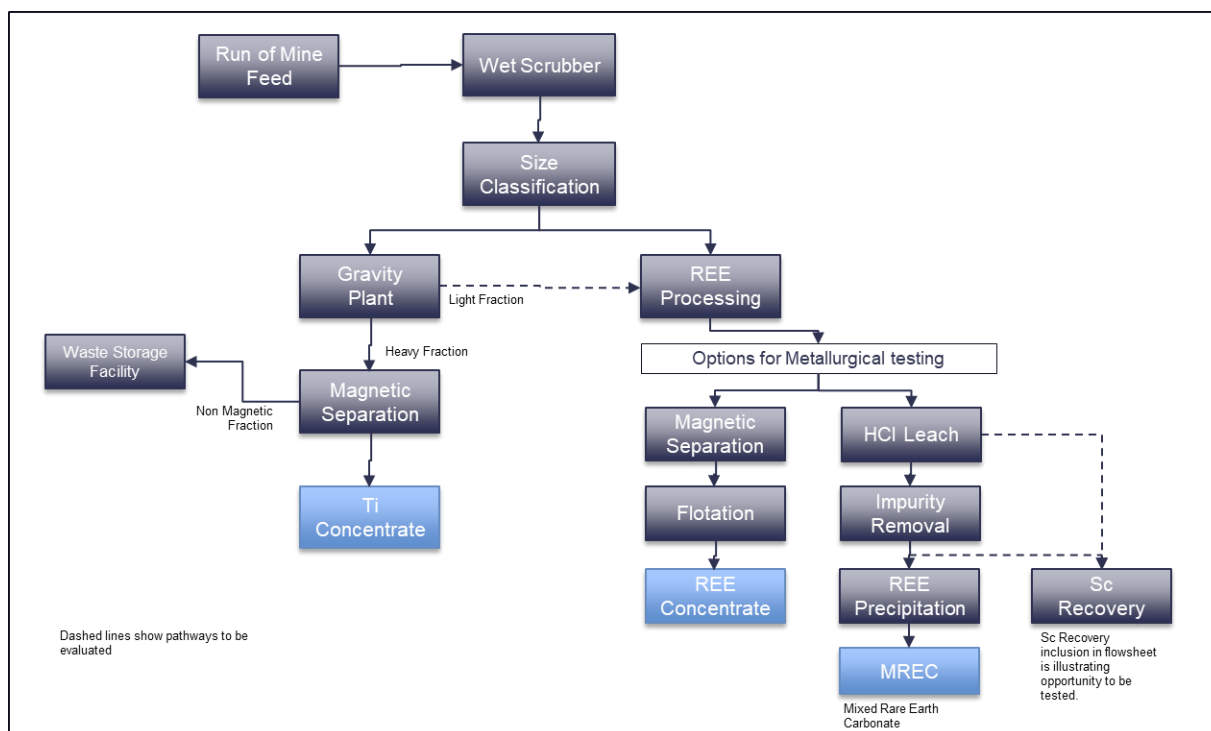
Current project development activities are focused on validating the conceptual flowsheet<sup>11</sup> (Figure 3) and outlining the pathway to development inclusive of mining, process engineering, utilities, site services and approvals.

A key advantage of this flowsheet is the optionality it provides in regards to phasing and costs of development. For example, a relatively low capex phase 1 development could focus on the ilmenite production initially with further rare earth element (and potentially scandium) processing capacity added after operations begin - thereby creating an incremental pathway to a project of significant scale.

*No forecast is made of whether the Salazar Project will be feasible, whether it can be funded or developed or whether minerals production may occur or to what degree.*

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<sup>11</sup> WC1 announcement to ASX, 6 February 2024, 'Positive results from Salazar Ti Characterisation'.



**Figure 3: Conceptual Process Testwork Flowsheet**

### Next Steps

Evaluation efforts are now focused on determining the potential for a relatively low cost phased development – ie determining the possibility of the ilmenite concentrate as an initial product, followed by further processing to recover the scandium and REE products.

The key objectives of the near-term work program are to:

- Define the project conceptual flowsheets for processing
- Understand the indicative costs and project economics
- Develop a timeline and framework for approvals
- Develop a timeline for development to first product

Samples for testwork will be collected from existing stored drill hole samples, composited and submitted to laboratories which specialize in the areas of HMS magnetic separation, flotation and leaching of rare earths, scandium and HPA.

Heritage surveys will be carried out in Q2, followed by Aircore drilling to test the extensions of the REE and TiO<sub>2</sub> Indicated and Inferred Mineral Resource and the high grade scandium mineralisation at the Newmont deposit to the SSW (Figure 4), and to conduct infill drilling at O'Connor to establish additional REE Inferred Mineral Resources (Figure 5).

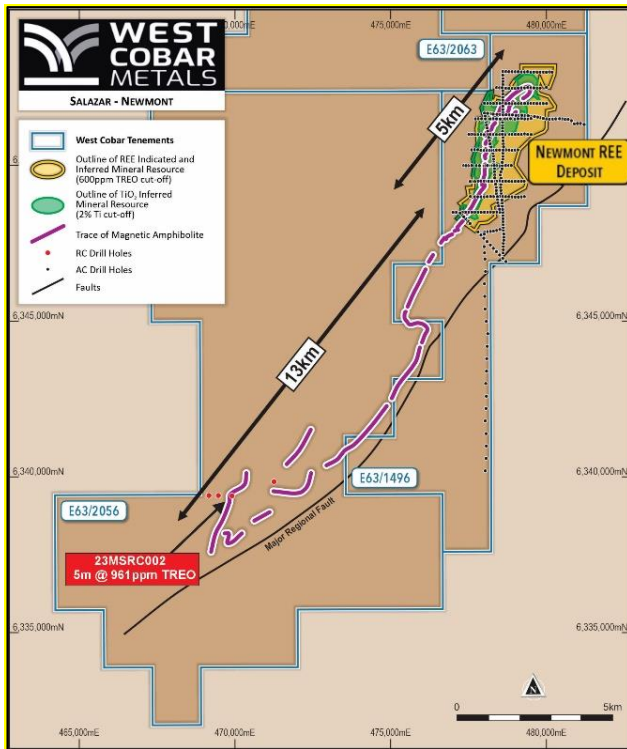


Figure 4.: Newmont – extent of REE and TiO2 Exploration Target

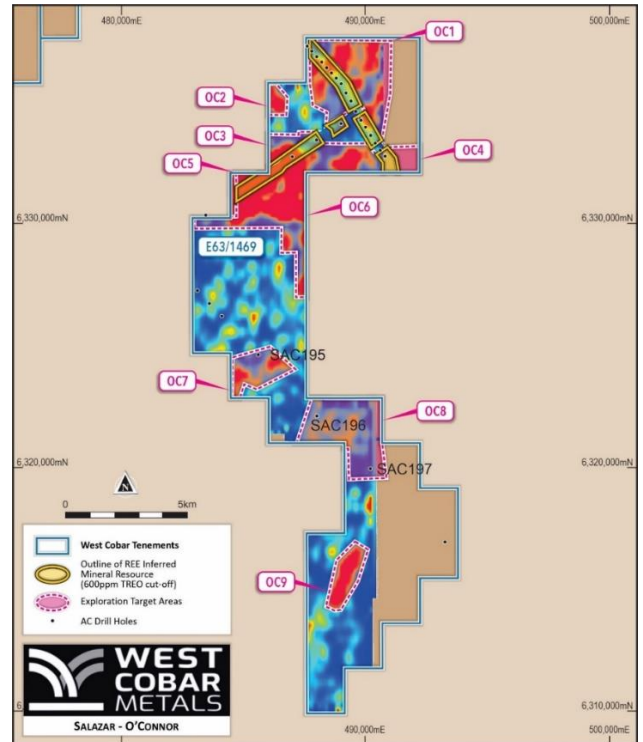


Figure 5.: O'Connor –REE Exploration Target areas, showing existing Inferred Mineral Resource areas, drill holes considered outside the Inferred Mineral Resource areas, and airborne electromagnetic image - relative conductivity.

## Cobar West Projects (NSW)

### Bulla Park Project

Following the drilling of diamond hole BDD08 during Q4 2023, which intersected 146m of 0.16% Cu, 0.03% Sb and 3g/t Ag from 136m, the drill data and geophysical data are being reassessed with a view to identifying possible higher grade areas and to establish further drill targets.

### Cawkers Well Project (ELs 9197 and 9278)

No work was completed during the Quarter.

### Nantilla Project (EL 9179)

No work was completed during the Quarter.



## **Hermit Hill (NT)**

No work was completed during the Quarter.

## **Nevada Lithium Project (USA)**

West Cobar continues to assess prospectivity at its Nevada project to determine next steps.

## **Porphyry North Project (WA)**

Following the assessment of lithium, gold and base metal potential within the Porphyry North Project, E31/942 was surrendered during the quarter.

Next steps are being considered on E31/910.

## Corporate

The Company's Quarterly Cashflow Report (Appendix 5B) follows this activities report. The Company's consolidated cash at hand was \$1.1M as at 31 March 2024 with no debt.

The total amount paid to related parties of the Company and their associates, as per item 6.1 of the Appendix 5B was \$76k for director and consulting fees.

The total amount paid to related parties of the Company and their associates, as per item 6.2 of the Appendix 5B, was \$12k for consulting fees.

On 28 March 2024 the Company announced that Mr Rob Klug had resigned from his position of Non-Executive Director and Chairman of the Company due to other professional commitments. Mr. Mark Bolton, the Company's largest shareholder, was appointed as the Company's Non-Executive Chairman.

The Company also advised that Tranche 2 of the Managing Director's performance rights, as approved at the last AGM, had vested as the condition related to JORC Mineral Resource estimate has been met. Consequently 1,500,000 ordinary shares were issued to Mr. Matt Szwedzicki and/or his nominee.

-ENDS-

This ASX announcement has been approved by the Board of West Cobar Metals Limited.

### Further information:

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### **Forward looking statement**

Certain information in this document refers to the intentions of West Cobar, but these are not intended to be forecasts, forward looking statements or statements about the future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of the events in the future are subject to risk, uncertainties and other actions that may cause West Cobar's actual results, performance or achievements to differ from those referred to in this document. Accordingly, West Cobar and its affiliates and their directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of these events referred to in the document will actually occur as contemplated.

Statements contained in this document, including but not limited to those regarding the possible or assumed future costs, performance, dividends, returns, revenue, exchange rates, potential growth of West Cobar, industry growth or other projections and any estimated company earnings are or may be forward looking statements. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. These statements relate to future events and expectations and as such involve known and unknown risks and significant uncertainties, many of which are outside the control of West Cobar. Actual results, performance, actions and developments of West Cobar may differ materially from those expressed or implied by the forward-looking statements in this document.

Such forward-looking statements speak only as of the date of this document. There can be no assurance that actual outcomes will not differ materially from these statements. To the maximum extent permitted by law, West Cobar and any of its affiliates and their directors, officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

### **Competent Person Statement and JORC Information**

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

The Information contained in this announcement is an accurate representation of the available

data and studies for West Cobar's projects.

The information contained in this announcement that relates to the exploration information at West Cobar's projects fairly reflects information compiled by Mr David Pascoe, who is Head of Exploration and Technical Services at West Cobar Metals Limited and a Member of the Australian Institute of Geoscientists. Mr Pascoe has sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking 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'. Mr Pascoe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Resources provided by the Competent Persons in the announcements to the ASX of 9 August 2023 and 27 September 2023 and that all material assumptions and technical parameters underpinning the Ore Resources, continue to apply and have not materially changed.

### Appendix 1 – Tenement Information

Project	State/ Country	Tenement	Tenure type	Change in Interest	WC1 Current Interest
Bulla Park	NSW	EL 8642	Exploration Licence	-	100%
		EL 9195	Exploration Licence	-	100%
		EL 9260	Exploration Licence	-	100%
		EL 9281	Exploration Licence	-	100%
Cawkers Well	NSW	EL 9197	Exploration Licence	-	100%
Nantilla	NSW	EL 9179	Exploration Licence	-	100%
Newmont	WA	E63/1469	Exploration Licence	-	100%
O'Connor	WA	E63/1496	Exploration Licence	-	100%
Lanthanos	WA	E69/3982	Exploration Licence	-	100%
Newmont West	WA	E63/2056	Exploration Licence	-	100%
Newmont West	WA	E63/2083	Exploration Licence	-	100%
Newmont West	WA	E63/2078	Exploration Licence	-	100%
Newmont West	WA	E63/2063	Exploration Licence	-	100%
Porphyry North	WA	E31/910-I	Exploration Licence	-	100%
Porphyry North	WA	E31/942-I	Exploration Licence	-100%	100%
Hermit Hill	NT	EL 33208	Exploration Licence	-	100%
Montezuma Well	Nevada, US	NV 1058 19910-19968	Registered claims	-	100%
Big Smoky Valley	Nevada, US	NV 1058 20148-20330	Registered claims	-	100%

## Appendix 5B

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

Name of entity

West Cobar Metals Limited
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ABN

26 649 994 669
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Quarter ended ("current quarter")

31 March 2024
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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	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(201)	(870)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / refunded	-	-
1.7 Government grants and tax incentives	-	701
1.8 Other (provide details if material)	30	30
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(166)</b>	<b>(117)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(20)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) property, plant and equipment	(8)	(8)
	(d) exploration & evaluation	(613)	(2,065)
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(621)</b>	<b>(2,093)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,030
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	-	(56)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>974</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$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	1,877	2,327
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(166)	(117)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(621)	(2,094)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	974
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>1,090</b>	<b>1,090</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	190	1,427
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposit – 90 days maturity)	900	450
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,090</b>	<b>1,877</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	(76)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(12)
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



7. <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.</i>		
<i>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.		

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)	(166)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(613)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(779)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,090
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,090
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.39
<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: As the Company is an exploration company and not generating any revenue it is expected that it will continue to have negative operating cash flows for the time being. The Company had unusually large expenditure this quarter due to drilling activities in Nevada and at Bulla Park.</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?

Answer: The Company successfully raised \$1.03M from a placement and share purchase plan in late 2023 and is confident it will be able to continue to raise as required upon satisfactory exploration results.

In addition, expenditure will be reduced as no near term exploration is planned at the Nevada project.

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: The Company believes that it is able to continue its current operations and business objectives for the reasons outlined in questions 8.8.1 and 8.8.2.

*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: 26 April 2024

Authorised by: 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.