

**ASX ANNOUNCEMENT**

30 April 2024

**QUARTERLY ACTIVITIES REPORT**

FOR THE PERIOD ENDED 31 MARCH 2024

**HIGHLIGHTS FOR QUARTER**

- Updated PFS published for the high-grade Reward Gold Mine
- Purchase of the Morningstar Gravity Gold Plant
- Partially underwritten entitlements issue to raise approximately \$3.68 million.

**PFS HIGHLIGHTS:** at AUD \$3000 /oz

<b>Project Life</b> 2 years of minerals processing activities	<b>Gold Production</b> 49,890 ounces	<b>Gross Revenue</b> \$150 million
<b>Capital Expenditure</b> \$17 million Pre-production	<b>AISC</b> \$1,833 per ounce	<b>Total Employment</b> 70 Full time employees
<b>Free Cashflow</b> \$41 million pre tax	<b>NPV at 7%</b> \$33.3 million pre tax	<b>IRR</b> 110% pre tax

All dollars are Australian Dollars (\$) unless stated otherwise.

**Key Parameters**

- Life of mine pre-tax cash of \$41 million at \$3,000/oz gold price.
- 6-month payback from commencement of gold production
- Average monthly gold production of 2,169 oz over 23 months with 92% gold recovery.
- 26,000 oz of gold produced per year on an annualised basis.
- Mine design based on mechanised mining methods. Long hole open stoping with remotely operated loaders was selected as the primary stoping method.
- Planned processing of 181kt of material at a head grade of 9.3 g/t for 49,890 ounces of gold recovered.
- \$17m of capital required prior to production. Savings achieved in purchase of Morning Star Plant and through deferment of discretionary expenditures where possible.

- Owner operator with a focus on grade not tonnes.
- Only 2 operators required to run the plant on any shift.

### Maiden Ore Reserve

- Probable Ore Reserve of 130kt at 9.7 g/t Au, containing 40,900 ounces of gold.
- Reserve represents 75% of LOM metal production.

### Mineral Resource

- Production schedules and financial estimates are based on Indicated Mineral Resources (~75% of Au) and Inferred Mineral Resources (~25% of Au).
- Combined Mineral Resource Estimate (MRE) for the Reward gold deposit at Hill End stands at 419,000 tonnes at 16.72g/t Au for 225,200oz Au (*VTX Announcement 21 June 2023*)

**Table 1 – Reward Resource Estimate**

Classification	Cut-off	Tonnes	Au (g/t)	Ounces
Indicated	4	141,000	15.54	70,500
Inferred	4	278,000	17.28	154,700
<b>Total</b>	<b>4</b>	<b>419,000</b>	<b>16.72</b>	<b>225,200</b>

- The best platforms for further exploration drilling are from the underground mine due to the rugged terrain of the area (see Figure 1). The proposed development provides access to explore down dip and along strike.
- Mine development provides the best opportunity to efficiently diamond drill, to add to the resource base (size and confidence category), and potentially extend life of mine. (refer Table 3)

### Mineral Processing

The major changes between the new build PFS plant and the re-engineered acquired plant are listed below:

- Flowsheet changes,
  - ✓ 3 stage crushing instead of 2 stages.
  - ✓ Slightly lower nominal throughput rate
  - ✓ Smaller but multiple Gold Centrifuges
  - ✓ Smaller regrind Mill (ML1500 instead of ML3000)
  - ✓ InLine Pressure Jig instead of Spirals
- Water and Power Demand changes
  - ✓ Raw Water demand dropped to 10 m<sup>3</sup>/h from 35 m<sup>3</sup>/h
  - ✓ Installed power has reduced from 688 kW to 365 kW.
- CAPEX changes

- ✓ Lower Capex
- ✓ Refurbishment and re-use of various fixed plant from both the Reward and Morningstar Plants
- OPEX Changes
  - ✓ Power consumption and maintenance requirements have been changed to suit the new flowsheet and throughput.
- Reduced Build Time
- Gold recovery of 92% achieved using gravity separation techniques. No requirement for the use of cyanide or other chemicals.

### **Cautionary Statement**

- *The production target and forecast financial information referred to in this announcement comprise Indicated Mineral Resources (~75%) and Inferred Mineral Resources (~25%). There is a lower level of geological confidence associated with the Inferred Mineral Resource and there is no certainty that further exploration work will result in an upgrade to an Indicated Mineral Resource or that the production target will be achieved.*
- *The study documented in this announcement is considered to have a +/-25% PFS level of accuracy.*
- *The Pre- Feasibility Study referred to in this announcement is based on a JORC Mineral resources Estimate (Refer ASX Release: Vertex Reward Gold Resource Upgrade estimate 21 June 2023) the Ore Reserves and Mineral resource estimate underpinning the PFS have been prepared by Competent Persons in accordance with the 2012 JORC Code.*
- *The Company advises that the Probable Ore Reserve provides 76% of the total milled tonnage and 75% of the total contained gold metal. The production target referred to is based on Mineral Resource estimates which are classified as Indicated (76.6%) and Inferred (23.4%)*
- *The Pre-Feasibility Study is based on the material assumptions outlined below. These include assumptions about the availability of funding. While Vertex considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Pre-Feasibility Study will be achieved. To achieve the range of outcomes indicated in the Pre-feasibility Study, funding in the order of \$22 million will likely be required. Investors should note that there is no certainty that Vertex will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Vertex's existing shares. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Pre-Feasibility Study.*

## **PURCHASE OF GEKKO GRAVITY GOLD PLANT:**

- Vertex acquired the Gekko Gravity Gold plant located at the Morningstar Gold Mine Victoria.
- Vertex will replace the existing 30ktpa gravity plant with the purchase of a Gekko gravity concentration processing plant with potential to process up to 20 tph with some minor additions.
- The Gekko plant is ideally suited to the free milling high grade Reward gold ore which has a unique high level of gravity gold concentration.
- The acquisition moves the planned gold bar production forward 6 months.
- The acquisition for the whole plant which is designed to be unbolted and reinstated for AUD \$620,000 plus GST
- Vertex can confirm the average feed grade to the trial processing of the stockpiles at the Hill End Gravity gold plant was 2 g/t. The processing was suspended before Christmas with the view that the stockpiles will have a greater economic outcome when processed through a higher throughput plant. The stockpiles will provide the first feed to the new plant prior to the high-grade feed from Reward coming online. The plant was only run on limited days.
- Planned plant throughput of 110 ktpa is optimised to match underground production schedule.
- Capital expenditure to procure, refurbish, transport and re-build the processing plant of \$3.6 million.

### **Benefits of the new plant include.**

- New plant will be able to treat up 120ktpa – existing plant 30ktpa
- Fully Automated
- Only requires 2 operators- thus much lower operating costs.
- Full monitoring, including density, flows, mass and sampling.
- Rigid gold security
- Can be monitored remotely.
- Gekko Systems backed.
- Full spare parts support
- Ergonomic design
- State of the Art safety systems
- Lower power usage
- Circa \$5m saving on a new build.
- Moves gold production forward 6 months compared to the new build in the PFS
- Provides the opportunity to process stockpiles economically while we develop the underground.

Gekko are world leaders in the manufacture of gold processing plants and machinery with their plants boasting small footprints and low environmental impact. An added attraction to Vertex is that the Australian-made Gekko plant is modular, providing for scalability and ease of modification.

## **RIGHTS ISSUE:**

- On 19 March 2024, Vertex announced that the Company is undertaking an underwritten non-renounceable entitlements issue (**Entitlement Offer**) to raise approximately \$3.68 million.
- As announced - \$0.7 million of acceptances under the Entitlement Offer had already been committed by substantial shareholders in the form of convertible short-term loan funding, with a further \$1.80 million being fully underwritten by CPS Capital.
- Funds raised from the Entitlement Offer will primarily be used to fund the mobilisation, refurbishment, and installation of the recently purchased Gekko Gravity gold plant and advance steps to production of gold from the Reward high-grade underground gold mine.
- Under the Entitlement offer, three (3) shares will be offered for every five (5) shares owned on the record date at a cost of \$0.08 per share (“Rights Issue”). One (1) free attaching option (Attaching Option) will be issued for every 3 shares subscribed for. The Attaching Options will have an exercise price of 15c per share and an expiry of 17 July 2027.
- **The Entitlement Offer closes at 5pm (WST) on 1 May 2024.**
- Shareholders with queries regarding their holdings, eligibility for the Offer and receipt of their Offer acceptance documentation (including requests to receive documents electronically) are encouraged in the first instance to contact the Company’s share registry service provider, Automic Group by telephone on 1300 288 664 (within Australia) or +61 (0) 2 9698 5414 (International) or by email at [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au).
- For any queries regarding the Company and the Offers, please contact Harley McKinnirey Head of Investor Relations at Vested Equities on 07 55 555 015.

**The Reward gold mine is well placed for a simple start-up:**

- The new processing plant will be constructed adjacent to the underground mine portal (640 Level) and the Company plans to increase throughput up to 110 ktpa.
- The 640 Level extends into the resource and stripping and refurbishment of this development is required.
- Second egress in place with existing ladder way from 640 Level to surface.
- Some underground fleet and utility services are already owned by Vertex.
- Mining Licence and DA in place for the processing plant, stockpile processing and the underground mining.
- Permitted residue storage has the capacity for the commencement of operations.
- The New plant will be utilising the existing services and infrastructure:
  - ✓ Gold Room
  - ✓ Water systems
  - ✓ Power generation
  - ✓ Offices
  - ✓ Change Rooms
  - ✓ Workshop
  - ✓ Storeroom
  - ✓ Crib Room
  - ✓ Jaw Crusher
  - ✓ Access Roads
  - ✓ Security System

**Table 2: Global Mineral Resource estimate for the Hill End & Hargraves Gold Project**

Hill End Project Mineral Resource Estimate				
Deposit	Classification	Tonnes (kt)	Grade Au (g/t)	Contained Au (koz)
Reward Gold Mine	Indicated	141	15.5	71
	Inferred	278	17.3	155
<b>Sub Total</b>		<b>419</b>	<b>16.7</b>	<b>225</b>
Hargraves Project	Indicated	1,109	2.7	97
	Inferred	1,210	2.1	80
<b>Sub Total</b>		<b>2,319</b>	<b>2.4</b>	<b>178</b>
Red Hill Project	Indicated	413	1.4	19
	Inferred	1,063	1.8	61



Vertex Minerals Ltd Quarterly Activities Report – March 2024

<b>Sub Total</b>		<b>1,476</b>	<b>1.7</b>	<b>80</b>
<b>Project Total</b>				
	Indicated	1,663	3.5	187
	Inferred	2,551	3.6	296
<b>Grand Total</b>		<b>4,214</b>	<b>3.6</b>	<b>483</b>

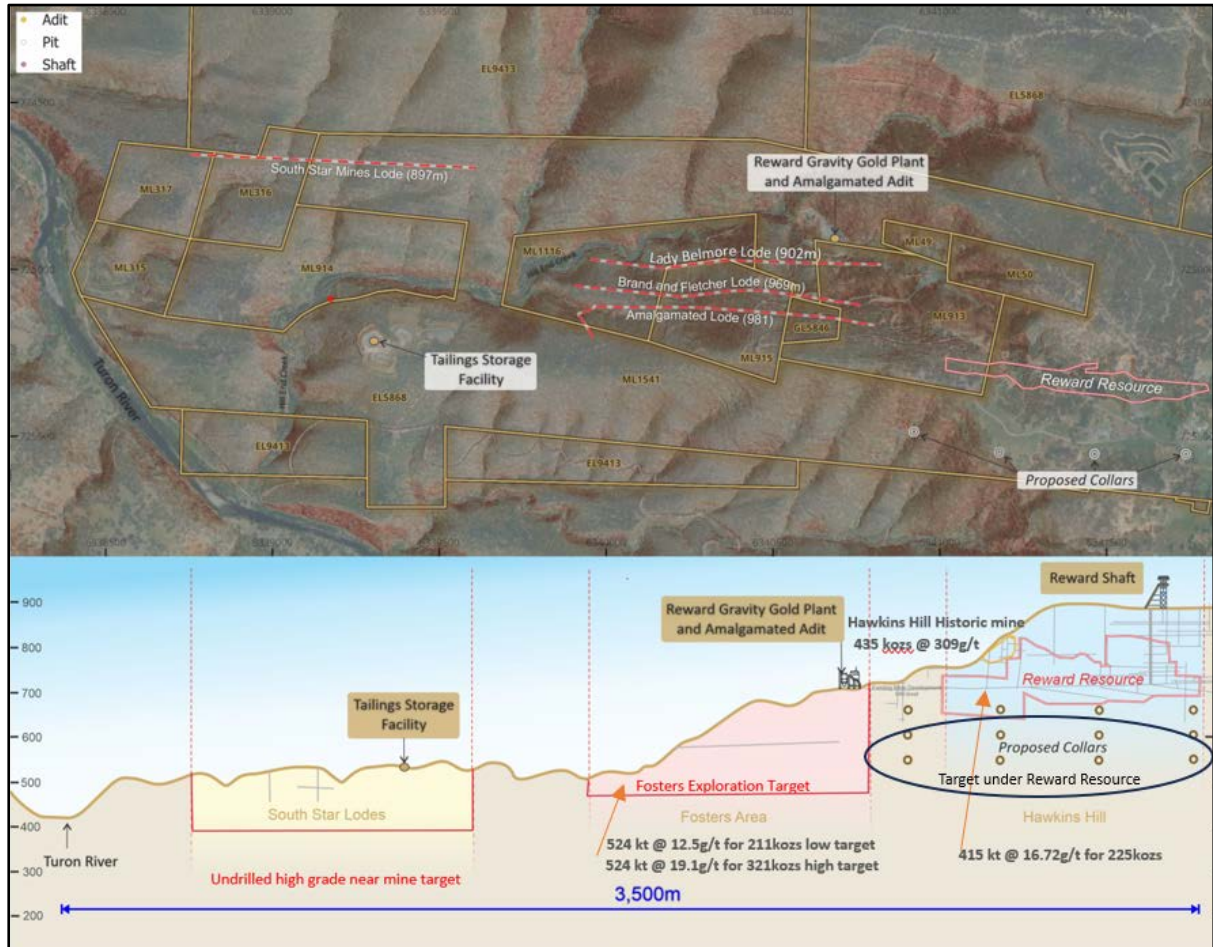
<sup>1</sup> Stockpile results referred to in ASX Announcement 27<sup>th</sup> of April 2023

<sup>2</sup>VTX ASX announcement 3<sup>rd</sup> of January 2024

<sup>3</sup>VTX ASX announcement 4<sup>th</sup> of December 2023

<sup>4</sup>VTX ASX announcement 29<sup>th</sup> of August 2023

<sup>5</sup>VTX ASX announcement 5<sup>th</sup> of July 2023



**Figure 1 Showing Reward Resource, Fosters Exploration target and the South Star lodes. All of which can potentially provide feed to the Hill End Gravity plant.**

**Cautionary Statement**

*The Exploration Target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource under the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code” (JORC 2012). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.*

**STRATEGIC FOCUS**

**Clear Strategy set for Hill End:**

1. To install a circa 120ktpa Gravity Gold plant in Q1/2 2024
2. To commence gold production from from existing stockpiles
3. Initiate mining development in the high-grade Reward Mine in 2024
4. To be Australia’s most prominent high grade gold miner
5. To drill and add high grade gold to the global Hill End gold inventory, from the large-scale gold system/s within the Hill End Corridor.
6. To take the existing resources and near surface mineralisation to production utilising gravity gold recovery methods.
7. Earn a robust Safety, Environmental, Social and Governance (ESG) reputation.
8. Build shareholder value.





**Figure 2 Hill End Underground Mine Infrastructure**

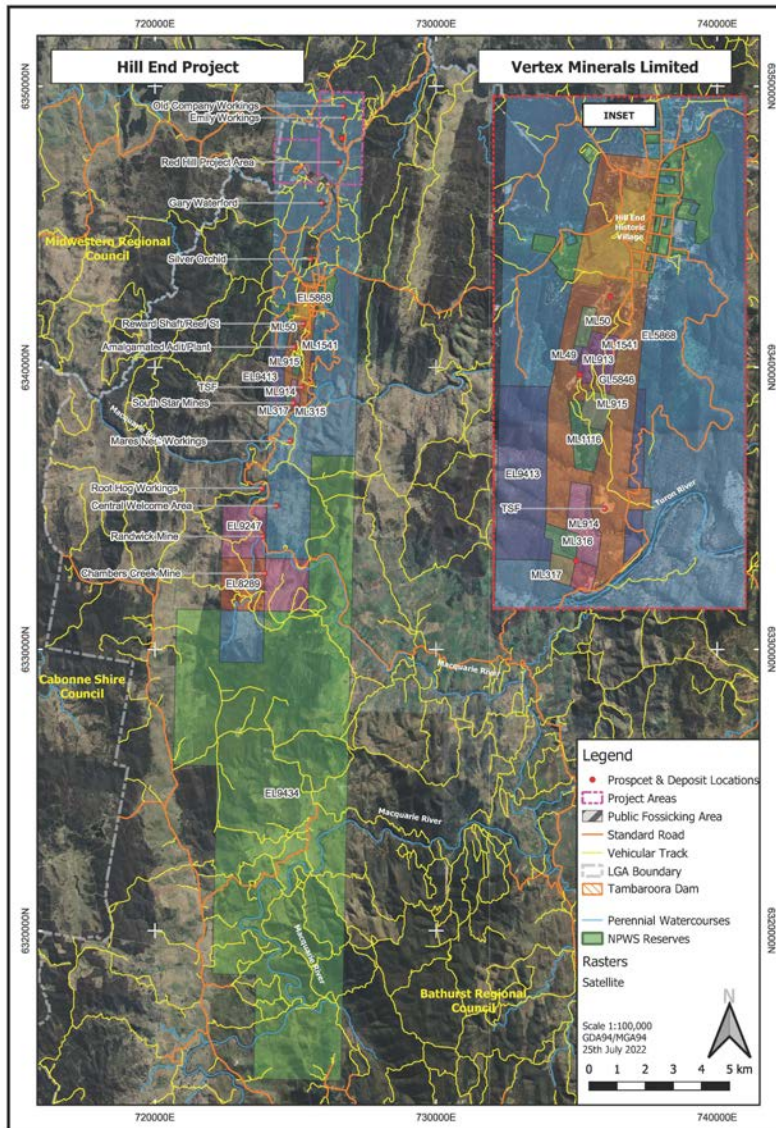


Figure 3 Location of the Hill End Tenements in NSW

## ENVIRONMENTAL AND SUSTAINABLE MINING

- Gravity Recoverable Gold
- Low Capex and Low Operating cost
- Minimal grind 200 to 500 micron
- Potential renewable energy – Wind – pump storage
- Benign tails – potential commercial sand
- Benign waste
- Low water usage
- Re usable water
- No chemicals – no cyanide
- 23 fine gold

**CORPORATE & FINANCIAL**

As at 31 March, 2024, the Company held A\$461,116 in cash.

Vertex’s expenditure during the Quarter was as follows:

Item	A\$ ('000s)
<b>Cash Balance at beginning of Quarter</b>	<b>551</b>
Sale of gold	18
Administration and Corporate Costs	(280)
Exploration and Evaluation	(297) <sup>1</sup>
Acquisition of property, plant and equipment	(655)
Proceeds from issue of shares (net of costs)	732
Proceeds for borrowings	410
Repayment of borrowings	(18)
<b>Cash Balance at End of Quarter</b>	<b>\$461</b>

During the quarter, the Company made payments of \$123,100 to related parties in relation to Directors’ fees and consulting fees for both technical and management services.

<sup>1</sup> Exploration & Evaluation expenditure during the quarter related primarily to Technical Studies for the Reward Gold Mine, Tenement rents and holding costs and site costs.

**Appendix 1 – Additional ASX Information**

**Listing Rule 5.3.4 Use of funds**

VTX was admitted to trading on the ASX on 12 January 2022. The 31 March 2024 quarter is included in a period covered by a Use of Funds statement in a prospectus lodged with ASX under Listing Rule 1.a, condition 3. A comparison of the Company’s expenditure against the estimated Use of Funds statement is set out below as required under Listing Rule 5.3.4.

<b>Expenditure item</b>	<b>Note</b>	<b>Use of Funds (2 years) \$</b>	<b>Actual to 31 March 2024 (excluding GST) \$</b>	<b>Variance \$</b>
Exploration at the projects	1	2,420,000	3,093,004	673,004
Cash reimbursement to project vendors		617,759	617,759	-
Expenses of the offer	2	650,000	795,065	145,065
Administration costs	1	1,060,000	1,871,955	811,955
Department of Regional NSW – bonds transfer		185,000	185,000	-
Working capital	3	887,241	243,998	(643,243)
		<b>5,820,000</b>	<b>6,806,782</b>	<b>986,782</b>

Note:

1. The Use of Funds statement covers a 2-year period whereas current actual expenditure covers the period since incorporation. Expenditure items are budgeted to be incurred over the full 2 year period with expenditure on exploration at the projects only occurring post listing.
2. Legal fees, shareholder engagement and administration fees were higher than anticipated in the offer.
3. VTX has concentrated exploration activities to date at the projects included in the prospectus.

**TENEMENT INFORMATION (LISTING RULE 5.3.3)**

Tenements acquired or disposed during the Quarter

N/A

Mining tenements held at the end of the Quarter

Tenement	Project	Status	Area	LOCATION
EL 5868	Hill End	Current	16 Units	NSW
EL 6996	Hargraves	Current	6 Units	NSW
EL 8289	Hill End	Current	1 Unit	NSW
EL 9247	Hill End	Current	2 Units	NSW
EL 9413	Hill End	Current	1 Unit	NSW
EL 9434	Hill End	Current	30 Units	NSW
EL 9485	Hill End	Current	1 Unit	NSW
EL 9564	Hill End	Current	2 Unites	NSW
GL 5846	Hill End	Current	2.044 ha	NSW
ML 49	Hill End	Renewal Pending	1.618 ha	NSW
ML 50	Hill End	Renewal Pending	3.02 ha	NSW
ML 315	Hill End	Renewal Pending	6.671 ha	NSW
ML 316	Hill End	Renewal Pending	8.846 ha	NSW
ML 317	Hill End	Renewal Pending	7 ha	NSW
ML 913	Hill End	Current	22 ha	NSW
ML 914	Hill End	Current	21.69 ha	NSW
ML 915	Hill End	Current	13.27 ha	NSW
ML 1116	Hill End	Current	15.71 ha	NSW
ML 1541	Hill End	Current	279.2 ha	NSW
EPL 12008	Hill End	Issued	-	-
E77/2651	Pride of Elvire	Current	51km2	WA
E 63/2058	Taylors Rock	Current	57km2	WA
E63/2400	Lake Johnstone	Application	96km2	WA
EPL 12008	Hill End	Issued	-	-

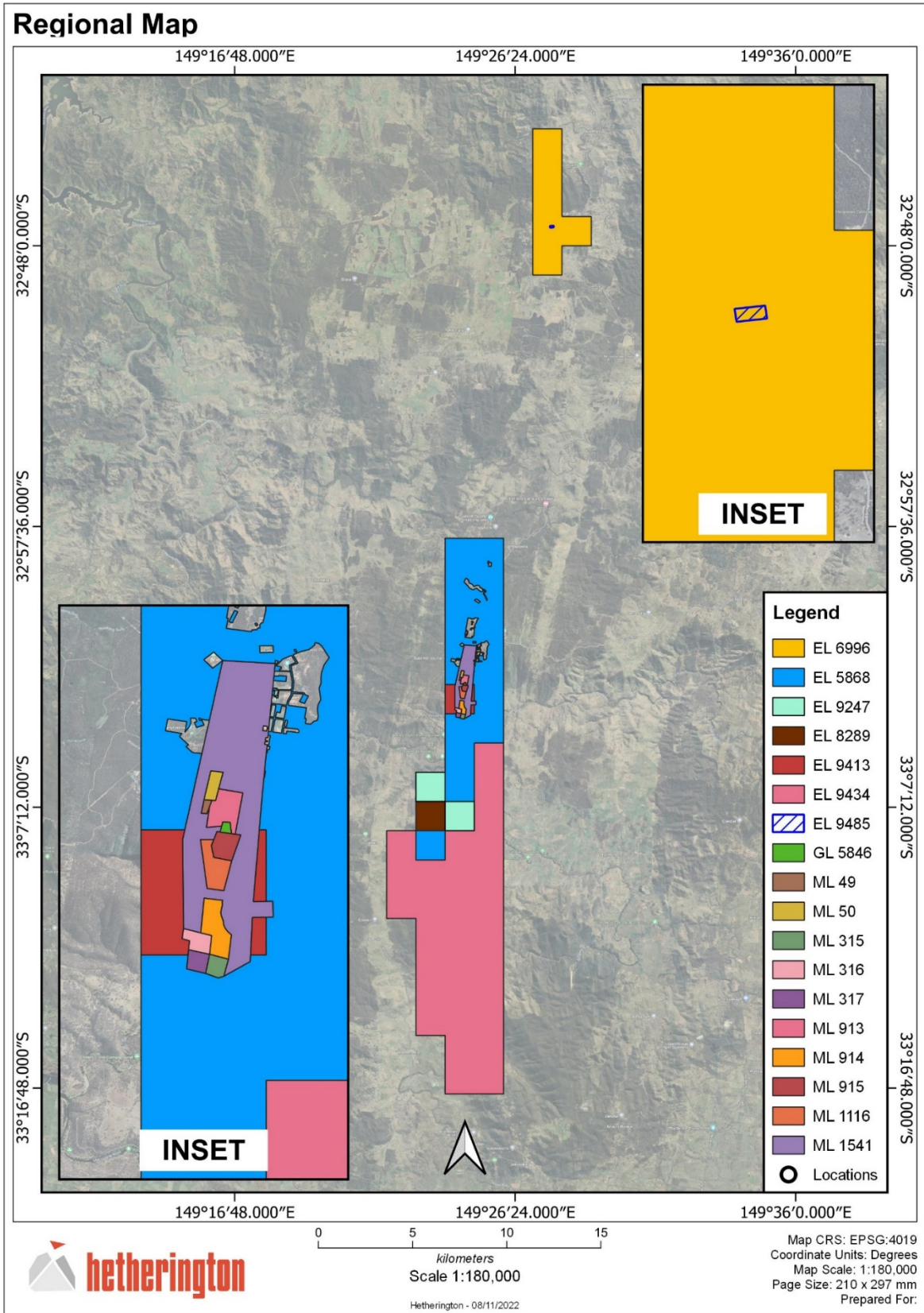
Interests may be held directly by the Company, a subsidiary, or contractually.

Farm-in or Farm-out Agreements entered into during the Quarter

N/A

Beneficial Percentage Interests Held in Farm-in or Farm-out agreements at the end of the Quarter

N/A



**ABOUT VERTEX**

**Hill End NSW:**

- 14km of Continuous gold lode
- Gold recovers to gravity at +90%
- Most of the line of lode only mined to the water table
- The Hill End Gold project consists of 10 mining leases & 4 Exploration licenses located in the core of the Hill End Trough on the eastern Lachlan Fold Belt.
- The area was first recognised as a gold centre in 1851 with a number of mining operations established over the following 50 years
- Modern exploration has not been completed and a program of multi-element and alteration mapping has been planned to better map out the zones of high-grade mineralisation.
- Recent completion of a full geological review of the Hill End Gold Project and an updated geological model - expected to underpin a new exploration campaign
- Largest Gold Specimen ever to be found globally found at Hill End
- Gravity Plant on site
- Fully permitted Gravity processing licence

Hill End Project Mineral Resource Estimate				
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Red Hill Project	Indicated	413	1.4	19
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<b>Sub Total</b>		<b>1,476</b>	<b>1.7</b>	<b>80</b>
<b>Project Total</b>	Indicated	1,663	3.5	187
	Inferred	2,551	3.6	296
<b>Grand Total</b>		<b>4,214</b>	<b>3.6</b>	<b>483</b>

Reward Gold Mine: 2.0g/t reporting cutoff grade

Hargraves: 0.8 g/t reporting cutoff grade (ASX Announcement 29 May 2020).

Red Hill: 0.5 g/t per block, ordinary kriging grade interpolation, classified mineral Resources Limited to 160mRL below surface. (ASX Announcement November 2015)

**Hargraves NSW:**

- Hargraves Gold project is located approximately 25km south of the town of Mudgee.
- The goldfield is 4 x 10 km with numerous mineralised structures with little modern exploration.
- An updated mineral resource in accordance with JORC 2012 Code was completed by SRK Consulting (Australasia) Pty Ltd (SRK).
- The Board will prioritise the development of this project by updating PFS, permitting and further drilling to increase resources.

**Taylor Rock WA:**

- The Taylor Rock Project is located 80km WSW of Norseman in the Southern Goldfields region of Western Australia
- The project has both Gold and Nickel potential, interesting historical intercepts include:
  - 12NLJC0005: 2m @ **0.795% Ni from 202m**
  - 12NLJC004: 2m @ **0.636% Ni from 250m**
  - 10NLJC0132: 37m @ **0.477% Ni from 205m**
    - ✓ Including 1m @ **1.02% Ni from 212m**
    - ✓ 1m @ **0.835% Ni from 206m**
    - ✓ 1m @ **0.822% Ni from 209m**
    - ✓ 1m @ **0.766% Ni from 205m**
  - LJPR0084: 3m @ **0.649% Ni from 15m**
  - LJPA0145:
    - ✓ 1m @ **45.4g/t Au from 44m**
    - ✓ 3m @ **9.84g/t Au from 42m**

**Pride of Elvire WA:**

- The tenements surround the Mt. Elvire homestead approximately 210km north of Southern Cross in Western Australia.
- Encouraging historical gold results include:

Significant Historical Intercepts from Drilling for Gold:

- ME 30: **10m @ 23.2g/t Au from 17m**
- ME 22: **2.45m @ 9.29g/t Au from 0m**
- ME 31: **1m @ 144g/t Au from 15m**
- ME 21: **2.14m @ 1.77g/t Au from 0m**

Significant Historical Rock chip results:

- 6754220mN, 757460mE: **215.3g/t Au**
- 6754220mN, 757460mE: **179.7g/t Au**
- 6759560mN, 757500mE: **43g/t Au**
- 6759700mN, 757300mE: **30g/t Au**
- 6756500mN, 757120mE: **24.4g/t Au**
- 6759560mN, 757500mE: **14.5g/t Au**
- 6756500mN, 757120mE: **5.42g/t Au**
- 6756500mN, 757120mE: **3.33g/t Au**

To learn more, please visit: [www.vertexminerals.com](http://www.vertexminerals.com)

Stay up to date with the latest news by connecting with VTX on LinkedIn and [Twitter](#).



**Competent Persons Statement**

The information in this report that relates to the Reward Mineral Resource estimate is based on information compiled by Mr. Troy Lowien, who is a full-time employee of Groundwork Plus. Mr. Lowien is a member of the Australasian Institute of Mining and Metallurgy (FAusIMM), and has sufficient experience which is relevant to the style of mineralisation and type of deposits 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. Lowien consents to the inclusion of the data contained in relevant resource reports used for this announcement as well as the matters, form and context in which the relevant data appears.

The information in this report that relates to Exploration Results, Exploration Targets and the Hargraves and Red Hill Resource Estimates is based on information compiled by Mr. Roger Jackson. Mr. Jackson is a Director and Shareholder of the Company, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), Fellow of the Australasian Institute of Geoscientists and a Member of Australian Institute of Company Directors. Mr. Jackson has sufficient experience which is relevant to the style of mineralisation and type of deposits 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. Jackson consents to the inclusion of the data contained in relevant resource reports used for this announcement as well as the matters, form and context in which the relevant data appears.

**JORC Compliance Statements**

This website contains references to Mineral Resource estimates, which have been extracted from previous ASX announcements as set out above made by Peak Resources Ltd (ASX:PUA), the parent company of VTX prior to the Company’s separate listing in 2022. For full details of Exploration Results in this release that have been previously announced, refer to those announcements.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the said announcements, and in the case of estimates of Mineral Resources, 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 materially modified from the original market announcements.

**Forward Looking Statements and Important Notice**

This report contains forecasts, projections and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations and estimates and projections and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of Vertex Minerals' control.

Actual results and developments will almost certainly differ materially from those expressed or implied. Vertex Minerals has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this announcement. To the maximum extent permitted by applicable laws, Vertex Minerals makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this report and without prejudice, to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this report.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'R Jackson', is positioned above the printed name.

Roger Jackson  
Executive Chairman  
30 April 2024

## Appendix 5B

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

Name of entity

Vertex Minerals Ltd

ABN

68 650 116 153

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	18	72
1.2 Payments for		
(a) exploration & evaluation	(71)	(130)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(280)	(680)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(3)	(8)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(336)</b>	<b>(746)</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	(655)	(1,431)
(d) exploration & evaluation	(226)	(790)
(e) investments	-	-
(f) other non-current assets	-	-

<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 (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(881)</b>	<b>(2,221)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	800	2,468
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	(68)	(208)
3.5 Proceeds from borrowings	410	607
3.6 Repayment of borrowings	(15)	(35)
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>1,127</b>	<b>2,832</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	551	596
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(336)	(746)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(881)	(2,221)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,127	2,832

## 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>461</b>	<b>461</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	461	551
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>461</b>	<b>551</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	72
6.2	Aggregate amount of payments to related parties and their associates included in item 2	51

*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.*

6.1 Payment of director fees in accordance with disclosed consulting agreements

6.2 Payment to directors of additional consulting fees associated with exploration and evaluation activities on terms consistent with the disclosed consulting agreements.

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

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	216	216
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	391	391
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.		
7.1 \$197,000 loan provided by Caterpillar Financial Australia Limited for a 3 year period at 7.5% per annum, maturing on 15 September 2026. The loan is secured against an item of equipment.		
7.2 \$18,689 loan provided by iQumulate Premium Funding at an effective interest rate of 16.7% per annum for a 10 month period maturing on 31 December 2024 for insurance premiums.		
7.3 The Company has entered into agreements with 2 security holders ahead of the April 2024 entitlement offer. Under the terms of the agreements, funds totalling \$391,709 had been advanced to the Company by quarter end, maturing on the earlier of 90 days and the completion of the entitlement offer. On that date the loan will be either settled through the issue of shares in the Company that the lender has accepted under the entitlement offer or through cash repayment. Interest is accrued at 15% per annum.		

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)	(336)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(226)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(562)
8.4 Cash and cash equivalents at quarter end (item 4.6)	461
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	461
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	(0.82)
<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?	
Yes.	

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

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:

Yes. Vertex is expecting to complete an entitlement offer before 8 May 2024 to raise \$3.68 million before costs

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. The Company's Directors consider that VTX will be able to raise additional funds as required to continue to fund its operations.

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: 30 April 2024

Authorised by: ...Alex Neuling.....  
(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.