

31 October 2024

QUARTERLY ACTIVITIES REPORT – SEPTEMBER 2024

HIGHLIGHTS

- ◆ Execution of partly-binding MOU with China Energy International Group, a subsidiary of energy conglomerate China Energy Engineering Corporation, to negotiate EPC-F services.
- ◆ The EPC-F relationship with China Energy is expected to lead to further collaboration, which could accelerate the Company's ambitions in downstream specialist vanadium alloy markets and with respect to renewable energy storage.
- ◆ Completion of a comprehensive internal review of Steelpoortdrift Vanadium Project's Definitive Feasibility Study, leveraging in-house technical expertise to streamline operations and optimise the Project's long-term performance.
- ◆ Strategic decision to relocate the Salt Roast Leach Plant to the Mine and Concentrator site, generating operational efficiencies and eliminating duplicate capital costs.
- ◆ Decoupling of Concentrator and SRL Plant construction to provide potential for early concentrate sales, accelerating cashflow.
- ◆ VR8 continues to engage in a range of early-stage and advanced discussions with potential offtake partners and strategic equity investors, which, collectively, contemplate a broad spectrum of potential value-add scenarios at Steelpoortdrift.

POST-QUARTER HIGHLIGHTS

- ◆ Integrated Environmental Authorisation for the Mine and Concentrator at Steelpoortdrift received from the Department of Mineral Resources and Energy. Amendment to be filed due to proposed relocation of Concentrator.
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Vanadium Resources Limited (ASX: VR8; DAX: TR3) (the “Company”) (ASX: VR8, DAX: TR3) is pleased to provide an update on its activities for the September 2024 quarter (the “Quarter”).

OVERVIEW

Significant strategic and operational progress was made at the Steelpoortdrift Vanadium Project (the “Project”) in South Africa during the Quarter.

On the strategic front, the Company executed a partly-binding Memorandum of Understanding (“MOU”) with China Energy International Group Co. Limited (“CEIG”)¹, a subsidiary of China Energy Engineering Corporation (“CEEC”), a large Chinese State-Owned Enterprise and energy conglomerate. The MOU establishes an exclusive agreement to negotiate the provision of Engineering, Procurement, Construction, and Financing (“EPC-F”) services for the development of the Project, including the construction of a solar plant and other associated infrastructure.

Since the completion of the MOU, the Company and CEIG have worked collaboratively towards placing CEIG in a position to submit a development proposal for the Project. The joint development of the Project in partnership with CEIG would be transformational for the Company and, consequently, justified the early termination of the competitive EPC tender process that was previously in place.

Under the terms of the MOU, the parties have up to six months to execute a binding EPC contract. While a successful outcome under the MOU cannot be guaranteed, the Company is optimistic about achieving a positive result.

Additionally during the Quarter, the Company completed a comprehensive internal review (“Review”) of the Project’s Definitive Feasibility Study (“DFS”)². The purpose of the Review was to leverage the Company’s significant in-house technical expertise to identify opportunities for streamlining operations and optimising the Project’s long-term performance. The Review was overseen by the Company’s highly experienced management team, including General Manager: Operations, Alex Oehmen, and Project Manager, Leon Repsold, both of whom possess extensive experience in managing vanadium operations similar to those of the Project.

Significantly, the Review has supported the Company’s strategic decision to relocate the Salt Roast Leach (“SRL”) Plant to the Mine and Concentrator site, thereby consolidating the Project in a single location. The relocation of the SRL will eliminate the need for multiple duplicate capital items and the need for transporting concentrate between sites. Additionally, the Review has led to the decoupling of the construction of the Concentrator and the SRL Plant, which will enable the potential sale of concentrate during the construction phase of the SRL. Community support has also been a major contributing factor in consolidating the SRL Plant, Mine and Concentrator at one site.

The Review also identified numerous other technical improvements for the Project, all of which were outlined in greater detail in the Company’s recent announcement³.

Operationally, during the Quarter, the Company received approvals for the Water Use Licence (“WUL”) at Steelpoortdrift from the Department of Water and Sanitation (“DWS”), another critical milestone towards

¹ Refer to ASX Announcement, 16 September 2024, “China Energy International Group and VR8 To Exclusively Negotiate EPCF Opportunities”

² Refer to ASX Announcement, 4 October 2022, “DFS delivers A\$1.9Bn NPV confirming World Class Project”

³ For an in-depth overview of the internal review, refer to ASX Announcement, 13 September 2024, “Steelpoortdrift Vanadium Project Update: OPEX Reductions, Early Cashflow and Improved Funding Dynamics”

the approval and development of the Project. Since the end of the Quarter, the Department of Mineral Resources and Energy (“DMRE”) has granted the Integrated Environmental Authorisation (“IEA”) for the Mine and Concentrator.

Following the decision to relocate the SRL plant to Steelpoortdrift, the Company has commenced the process of securing new approvals and amending existing approvals, including an amendment to the IEA for the Mine and Concentrator to allow for a small relocation of the Concentrator.

Finally, the Company’s overarching funding process for the Project has continued to advance during the Quarter. As previously announced⁴, the Company has engaged the services of a European bank, which will conduct site visits for due diligence purposes with independent technical consultants. Potential financing from the Company’s EPC-F partner, CEIG, if secured, is anticipated to run in parallel with and to complement the Company’s existing debt funding processes.

STEELPOORTDRIFT VANADIUM PROJECT

Engineering, Procurement, Construction & Financing (EPC-F) Developments

As previously announced⁵, the Company had implemented a competitive tender process for the EPC for the Project, but had retained the strategic flexibility for early termination if it was considered advantageous to do so. During the Quarter, the Company ultimately opted to terminate the competitive tender process after entering into an MOU with CEIG for the Project’s EPC-F.

The Company considered the decision to engage with CEIG advantageous due to multiple factors, including:

- **CEIG’s strong in-country presence in South Africa**, which will facilitate smoother mine development and ensure the Project benefits from local expertise and competitive cost structures.
- **CEIG’s specific expertise in developing infrastructure and renewable energy projects**, including the Mooi Plaats 283MWdc PV power plant, which will be the largest in South Africa.
- **Alignment with the Company’s strategic shift** toward targeting high-growth, high-margin markets, such as Vanadium Flow Batteries (“VFBs”). The partnership also complements the Company’s recent decision to pivot toward producing higher-purity 99.5% vanadium pentoxide (“V₂O₅”), which has already been incorporated into the Project’s Front End Engineering Design (“FEED”)⁶.
- **Flexibility to decouple the Project’s revenue profile away from the Chinese steel sector**, with the potential to allocate up to 100% of its vanadium output to renewable energy initiatives if it is advantageous to do so.
- **Strengthening of the relationship through the MOU with CEIG and CEEC**, which may accelerate the Company’s downstream ambitions, including the potential to manufacture Ammonium Metavanadate, Vanadium Electrolyte, Vanadium Nitride, Ferrovandium, and Ilmenite. As

⁴ Refer to ASX Announcements, 16 September 2024, “China Energy International Group and VR8 To Exclusively Negotiate EPCF Opportunities” and 31 July 2024, “Quarterly Activities Report – June 2024”

⁵ Refer to ASX Announcement, 31 July 2024, “Quarterly Activities Report – June 2024”

⁶ Refer to ASX Announcements, 17 June 2024, “Steelpoortdrift Vanadium Project Update” and 13 September 2024, “Steelpoortdrift Vanadium Project Update: OPEX Reductions, Early Cashflow and Improved Funding Dynamics”

previously announced⁷, the Company remains committed to vertical integration to capture greater value within the vanadium supply chain. The Company considers CEIG and CEEC to be Tier-1 parties, which have the potential to unlock the latent value of its vast Steelpoortdrift JORC Resource⁸.

Valleyspring, the Company's project manager, is collaborating with CEIG and continues to provide support in overall project execution.

Additional Project Development Workstreams

During the Quarter, the Company commenced, progressed or completed the following additional workstreams:

- **Power:** The Company has been working through the ESKOM grid connection process and progressing discussions with several groups for the design and development of complete power solutions for the Project.
- **Fencing:** On-site excavation work has been completed in preparation for the installation of a boundary fence around the Steelpoortdrift mine site.
- **Ropeway:** Further investigations into the development of a potential ropeway between the concentrator and SRL plant have been terminated following the consolidation of the Project in a single location.

Environmental Authorisation & Water Use Licence Applications

During the Quarter, the Company made progress with respect to the following applications:

- **Mine and Concentrator**

The final Environmental Impact Assessment ("EIA") and Environmental Management Program Report ("EMPR") for the Steelpoortdrift Mine and Concentrator site were submitted to the DMRE in Q4 CY2023, following a period of public review and comment. Following the Quarter end, the Company received the Integrated Environmental Authorisation. Further details are set out under the heading "Post Quarter" below.

A review of the water requirements for the plant was undertaken in light of the design changes. Following this, the final phase of the Water Use Licence Application ("WULA") process was submitted to the Department of Water and Sanitation in April 2024. The DWS provide a 90-day timeline for a final decision to be made following application which set the targeted for completion by the end of Q3 CY2024. The WULA was approved by the DMRE and the Water Use Licence granted for Steelpoortdrift as announced on 8 August 2024⁹. The relocation of the Concentrator will not affect the validity of the WUL.

⁷ Refer to ASX Announcement, 16 September 2024, "China Energy International Group and VR8 To Exclusively Negotiate EPCF Opportunities"

⁸ Refer to Appendix 1 – Mineral Resource Estimate.

⁹ Refer to ASX Announcement, 8 August 2024 "Steelpoortdrift Water Use License Application Approved"

- **SRL**

The SRL plant and its related activities, now to be at Steelpoortdrift, will need an IEA and WULA. A scoping process and EIA process will be required for the application and the anticipated timing for this process is estimated to be between 10 to 12 months. The majority of the engineering work has already been undertaken for the SRL plant and is expected to be readily incorporated on to the Steelpoortdrift site. The remaining detailed engineering work required for the relocation of the SRL plant to the Steelpoortdrift site is expected to commence in Q1 CY2025. As a result of all of the above changes, the SRL site will be able to start construction as soon as the IEA and WUL have been granted.

Social and Labour Plan, Community Engagement & Re-Zoning Applications

The Company submitted a revised Social and Labour Plan (“SLP”) in Q2 CY2024 in response to a directive received from the DMRE, which included several proposed changes to the scope of the SLP. During the Quarter, a further directive was received from the DMRE. The Company worked with its consultants to address the issues raised by the DMRE and an updated SLP will be submitted shortly.

Several rezoning applications are in progress to ensure the site areas are appropriately zoned for the activities that will take place including mining, concentrating and potentially installing a photovoltaic (“PV”) solar plant and a VFB unit. A number of these applications were made in September 2023, with feedback provided in December 2023 requesting revisions to some of the applications. Re-submission and approval of some of the applications has occurred, and the Company continues to work with the relevant stakeholders, as well as the municipal and provincial authorities to ensure that all of the criteria for the remaining rezoning approvals are met. The grant of the IEA for the Mine and Concentrator, which was received following the Quarter end, will assist with finalising a number of these applications.

OFFTAKE AND FINANCING

Offtake and Strategic Equity

During the Quarter, the Company continued to cultivate interest with respect to its offtake and strategic equity process, following the three MOUs for offtake which were entered into during Q2 CY2024, namely with ‘Hexiang’¹⁰, ‘Enerflow’¹¹ and ‘Zhongxin’¹². Collectively, these MOUs represent more than 100% of Phase 1 production for the Project. The Company remains in discussion with a range of parties across China, Japan, Korea, North America and Europe. Each of these discussions vary in terms of advancement, the likelihood of positive outcomes, and whether they involve equity, offtake or other value-add initiatives for Steelpoortdrift.

Demand for the Company’s vanadium offtake continues to remain strong, which the Company believes is attributable to the anticipated significant growth of VFB installations in China¹³, as well as the recent implementation of compulsory new rebar standards¹⁴. The Company will give preference for offtake based on the favourability of any proposed funding mechanisms, strategic equity for construction and/or other value-add considerations by potential partners.

¹⁰ See ASX Announcement, 11 April 2024, “Off-take MOU with large Vanadium nitride producer”

¹¹ See ASX Announcement, 30 April 2024, “Additional MOU offtake signed with major VFB Producer”

¹² See ASX Announcement, 13 May 2024, “Over 100% of Phase 1 Production subject to Offtake MOUs”

¹³ <https://vanitec.org/latest-from-vanitec/article/china-sees-surge-in-100mwh-vanadium-flow-battery-energy-storage-projects>

¹⁴ <https://vanitec.org/latest-from-vanitec/article/chinese-vanadium-steel-rebar-standard-becomes-mandatory-25-september-2024>

Debt Financing

The Company has continued to advance discussions regarding the debt funding requirements for the Project. The MOU with CEIG includes the potential for facilitating financing for the Project. CEIG has been incorporated into the Company's debt funding process, which continues to be managed by HCF International Advisers. Further, technical due diligence, including site visits, by a major European Bank will be undertaken in the next few months. The Company has consistently received feedback that the Project's projected lowest quartile operating costs being a significant positive aspect, which allows for robust cashflows with sufficient interest coverage irrespective of the vanadium price cycle.

CORPORATE

Annual Report to Shareholders & Appendix 4G

The Company's Annual Report was released on 25 September 2024.

POST QUARTER

ENVIRONMENTAL AUTHORISATION GRANTED FOR STEELPOORTDRIFT MINE AND CONCENTRATOR

The Company has been notified that the DMRE has granted the integrated environmental authorisation (the "IEA") for the Mine and Concentrator at the Project. The grant was subject to a 20-day notification period for all registered interested and affected parties, which has now passed.

As set out above, the planned location of the Concentrator has been amended to allow for more space to lay out the plant, provide greater access area for maintenance once in operation and for seamless integration with the SRL plant. As a result of the relocation of the Concentrator, the Company will be required to file an amendment to the IEA, which will require a Basic Assessment process, expected to take approximately 7 months from inception to the issuance of the IEA.

Summary of Expenditure for the Quarter

During the Quarter, a total of \$695,950 was spent on activities related to the exploration and development of the Steelpoortdrift Vanadium Project. The Company did not incur any expenditure for mining production activities during the Quarter.

Payments totaling approximately \$83,552 were made to related parties of the Company with respect to the Quarter, being director and consulting fees (see section 6.1 and 6.2 of the Accompanying 5B).

Cash Position

As at the end of September 2024 quarter, VR8 and its subsidiaries held total cash and cash equivalents of \$936,605.

This announcement and the attached Appendix 5B Cashflow Report has been authorised for release by the directors of Vanadium Resources Limited.

For and on behalf of the board:

Kyla Garic

Company Secretary

VANADIUM RESOURCES LIMITED

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APPENDIX 1 – MINERAL RESOURCE ESTIMATE

The Mineral Resource statement as reported on 4 October 2022¹⁵ was as follows:

Table 1: Mineral Resource Estimate (as at 30 April 2022)

CLASSIFICATION	VOLUME (M m ³)	QUANTITY (Mt)	QUALITY % V ₂ O ₅ (In-situ)	CONTAINED V ₂ O ₅ (Mt)	QUALITY % Fe ₂ O (In-Situ)	CONTAINED Fe ₂ O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	205.93	680.13	0.70	4.74	22.76	154.80

Source: Sound Mining, 2022

Notes:

- Stated at a cut-off grade of 0.45% V₂O₅;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

APPENDIX 2 – ORE RESERVE

The updated Ore Reserve statement as at 30 September 2022 was as follows:

Table 2: Ore Reserves as at 30 September 2022

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ RoM)	CONTAINED V ₂ O ₅ (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	76.86	0.72%	0.55

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed;
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V₂O₅;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

¹⁵ Refer to ASX Announcement 4 October 2022 "VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project"

APPENDIX 3 - Tenement Table: ASX Listing Rule 5.3.3

Table 3: Mining tenement interests held at the end of the Quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	AREA IN km ²	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Pilbara Region, Western Australia						
Quartz Bore	E47/3352	VMS Resources Pty Ltd	15	Granted	21/12/2026	100%
Limpopo Region, South Africa						
Steelpoortdrift KT365	10095MR	Vanadium Resources (Pty) Ltd	24.6	Granted	04/09/2048	86.49%

Mining tenement interests relinquished or acquired during the Quarter and their location

Nil

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter

Nil

Competent Person's Statement and Compliance Statements

The information in the referenced announcements footnoted in this quarterly report that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

VR8 does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of VR8, its directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by VR8. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Appendix 5B

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

Name of entity

Vanadium Resources Limited

ABN

47 618 307 887

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(171)	(171)
	(e) administration and corporate costs	(123)	(123)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(282)	(282)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(696)	(696)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(696)	(696)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,915	1,915
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(282)	(282)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(696)	(696)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	937	937

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	937	1,915
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	937	1,915

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	(69)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(15)
<p><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></p> <p>6.1 CEO and consulting fees to Directors of A\$68,553</p> <p>6.2 Director and consulting fees to Directors of A\$14,999</p>		

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

7. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
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. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(282)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(696)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(978)
8.4 Cash and cash equivalents at quarter end (item 4.6)	937
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	937
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No. The last quarter involved progressing additional parallel workstreams to advance packages for China Energy to advance negotiations with VR8 on EPC-F, so this will be reduced significantly over the coming quarters.	
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 manages cash flow through regular budgeting and forecasting. The Company will seek to raise additional capital in line with its forecast cash requirements. The Company could seek to raise capital through brokers or through alternative capital raising measures, such as strategic investors, which management has previously demonstrated their ability to do so for the Company.	

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

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. There is sufficient cash available to continue meeting business objectives in the short-term.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024

Authorised by: The board of directors
(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.