

**ASX ANNOUNCEMENT**

Heavy Rare Earths Limited (ASX:HRE)  
30 January 2023

## **DECEMBER 2022 QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B**

- **438-hole rare earth exploration and resource expansion drilling program at Cowalinya complete with thick sequences of clay-rich saprolite intersected across the project area**
- **Assays from initial 53 holes deliver coherent zones of rare earth mineralisation**
- **Total rare earth assays of up to 2255 ppm TREO returned**
- **Particle size (metallurgical) analysis reveals up to 90% of rare earths hosted in -25 µm size fraction in as low as 21% of bulk saprolite feed**
- **Rare earth grade increase of up to 299% in -25 µm size fraction**
- **Re-assaying of samples from 2021 Cowalinya resource drilling delivers an average increase of 3.8% in total rare earths**
- **Acquisition of additional exploration tenements in the Cowalinya project**
- **Well-funded to progress with company objectives and exploration activities**

Heavy Rare Earths Limited (“**HRE**” or “**the Company**”) is pleased to announce its December 2022 quarterly activities report for the second quarter since listing on the Australian Securities Exchange (ASX).

HRE’s key exploration project is Cowalinya in the Norseman-Esperance region of Western Australia. This is a clay-hosted rare earth project with a JORC Inferred Resource of 28 Mt @ 625 ppm TREO<sup>1</sup> and a desirable rare earth composition where 25% are the valuable magnet rare earths and 23% the strategic heavy rare earths.

### **Cowalinya Rare Earth Project, Western Australia**

#### ***Analytical (Re-Assay) Program***

During the quarter the Company announced results from 729 two-metre composites from 102 air core holes drilled at Cowalinya in 2021 which were re-assayed by Lithium Borate Fusion/ICP-MS (*refer to ASX announcements 4 and 26 October 2022*).

The program delivered a length-weighted average grade in total rare earth oxides (“TREO”) of 856 ppm for samples where the original analytical work by 4-Acid Digest/ICP-MS (on largely four-metre composites) returned assays above 300 ppm TREO-CeO<sub>2</sub>, the cut-off grade for the project’s Inferred Mineral Resources.

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<sup>1</sup> Table 5.1 of Appendix 7 (Cowalinya Resource Report) of the Independent Geologist’s Report contained in HRE’s IPO Prospectus.

This represents a 3.8% increase in grade over the original assays which average 825 ppm in contrast to the more modest resource grade of 625 ppm that includes significant dilution in the grade estimate.

The results from the Analytical (Re-Assay) Program confirm routine two-metre sample compositing for assay by Lithium Borate Fusion/ICP-MS as the basis for future grade estimation of rare earth mineralisation from the Company's ongoing resource exploration and expansion program at Cowalinya.

### ***Resource Exploration and Expansion Drilling Program***

During the quarter the Company completed its 438-hole resource exploration and expansion drilling program at Cowalinya, and announced assays from the first 53, or 12%, of the holes (*refer to ASX announcement 1 December 2022*).

These 53 vertical air core holes, drilled on 200 metre centres to depths of between 7 and 52 metres, were amongst the first 92 holes drilled in the current program along five north-south and east-west lines up to 4.2 kilometres long. These drill lines were designed to explore for thick developments of clay-rich mineralised saprolite on the Company's E63/1972 tenement primarily to the south and south-east, but also immediately east and west, of the Cowalinya South rare earth deposit, and be used to guide subsequent grid-based resource expansion drilling. Their locations were determined using a combination of publicly available airborne electromagnetic and magnetic, and digital elevation model data.

Drilling by HRE successfully intersected saprolite along all five exploration drill traverses. Saprolite averages 17.1 metres thick along these traverses which compares with 17.7 metres for the Cowalinya resource. In the subsequent 207 air core holes which were drilled on 200 x 400 metre centres mainly to the west and south of the Cowalinya South resource, the average thickness of saprolite increases by 29.8% to 22.2 metres.

Subsequent to the end of the quarter, the Company announced assays from the remaining 39 air core holes along the five exploration traverses (*refer to ASX announcement 3 January 2023*). These assays, when combined with those from the first 53 holes, demonstrate that coherent zones of saprolite-hosted rare earth mineralisation are apparent up to 4.2 kilometres away from the Cowalinya South deposit. The widest of these mineralised zones, defined by 11 consecutive 200 metre-spaced holes located west of the deposit along drill section A-B on Figure 1, now exceeds 2 kilometres, with mineralisation open to the west of hole AC201. A second zone of mineralisation at least 600 metres wide is present on the same drill section and possibly represents part of an easterly/south-easterly extension to the Cowalinya South resource<sup>2</sup>. Confirmation of this extension awaits assays from a number of holes north and south of AC178-AC181 and east of AC110-AC112.

Table 1 lists rare earth assays for all mineralised intercepts in the 92 reported holes (AC110-181, AC186-205) where their grade-thickness exceeds the average grade-thickness of the mineralised horizon in the Cowalinya deposit (~9 metres thick @ 624 ppm TREO<sup>3</sup>).

<sup>2</sup> Table 5.1 of Appendix 7 (Cowalinya Resource Report) of the Independent Geologist's Report contained in HRE's IPO Prospectus.

<sup>3</sup> Page 19 of Independent Geologist's Report contained in HRE's IPO Prospectus.

**Table 1: Mineralised saprolite intervals from current drilling that exceed the average grade-thickness of the mineralised horizon in the Cowalinya deposit.**

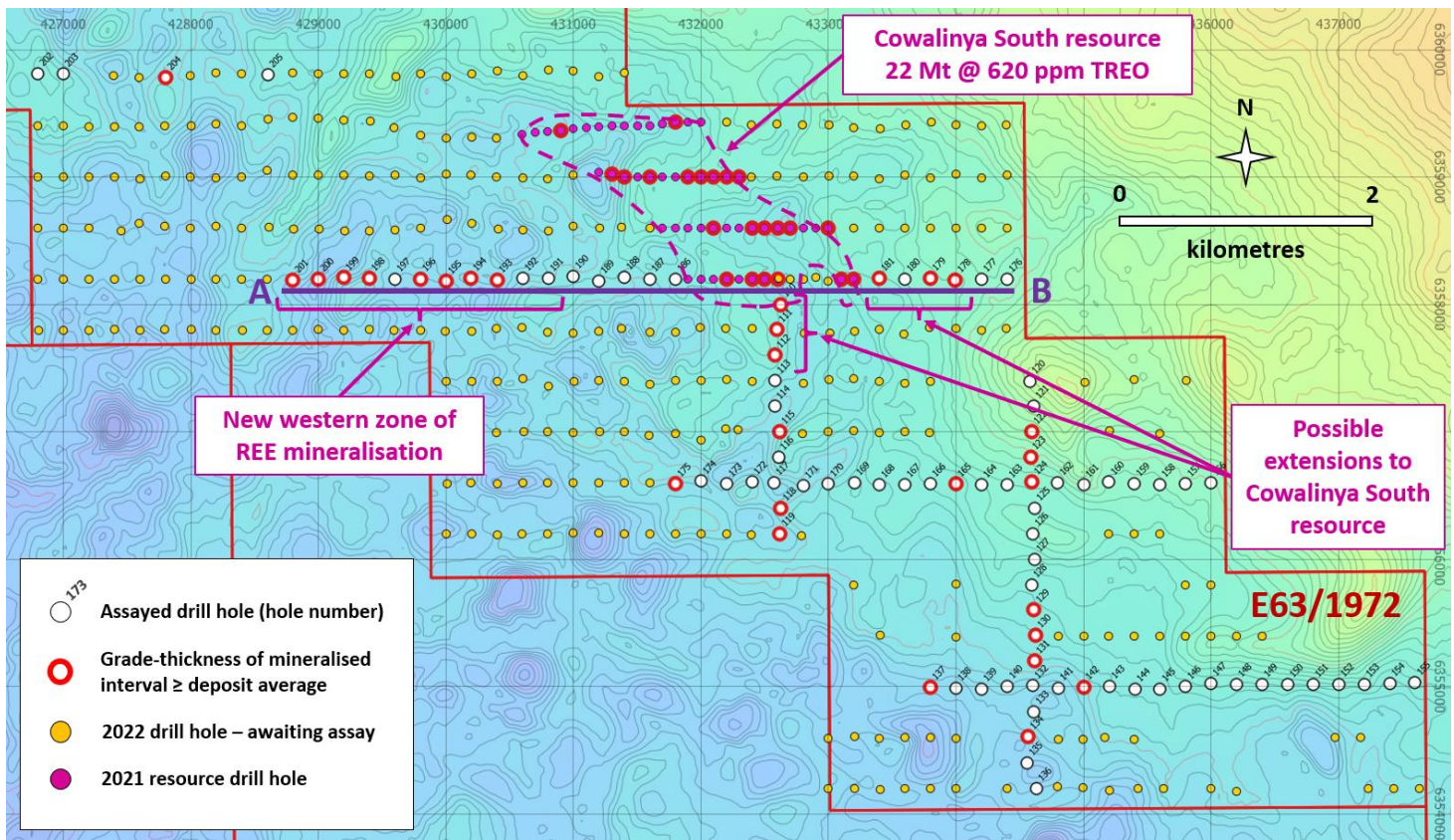
HOLE NO.	FROM (m)	TO (m)	INTERVAL (m)	TREO (ppm)	Magnet REOs/TREO
AC110	18	29	11	826	26.2%
AC111	16	30	14	712	27.9%
AC112	19	29	10	663	29.2%
AC115	22	29	7	1042	27.1%
AC118	19	35	16	396	22.0%
AC119	16	25	9	673	22.9%
AC122	16	21	5	1258	27.6%
AC123	15	18	3	1000	25.0%
AC124	14	30	16	539	22.5%
AC129	15	25	10	740	22.5%
AC130	18	38	20	726	22.4%
AC134	6	18	12	632	19.4%
AC137	15	29	14	758	26.3%
AC142	14	25	11	768	25.9%
AC165	23	35	12	500	23.5%
AC175	22	44	22	576	21.8%
AC178	28	40	12	563	26.0%
AC179	14	36	22	665	24.8%
AC181	15	26	11	745	27.3%
AC193	20	40	20	448	24.3%
AC194	20	28	8	727	24.1%
AC195	15	30	15	541	21.3%
AC196	19	37	18	631	23.2%
AC198	35	45	10	640	19.8%
AC199	21	35	14	412	25.4%
AC200	20	26	6	1862	25.8%
AC201	22	40	18	710	22.2%
AC204	15	33	18	473	25.7%

TREO =  $La_2O_3 + CeO_2 + Pr_6O_{11} + Nd_2O_3 + Sm_2O_3 + Eu_2O_3 + Gd_2O_3 + Tb_4O_7 + Dy_2O_3 + Ho_2O_3 + Er_2O_3 + Tm_2O_3 + Yb_2O_3 + Lu_2O_3 + Y_2O_3$   
Magnet REOs =  $Pr_6O_{11} + Nd_2O_3 + Tb_4O_7 + Dy_2O_3$



**Figure 1: Plan view of Cowalinya air core drilling in south-east portion of E63/1972 showing emerging zones of REE mineralisation.**

Background image: Landgate digital elevation model.



### Acquisition of Exploration Tenements

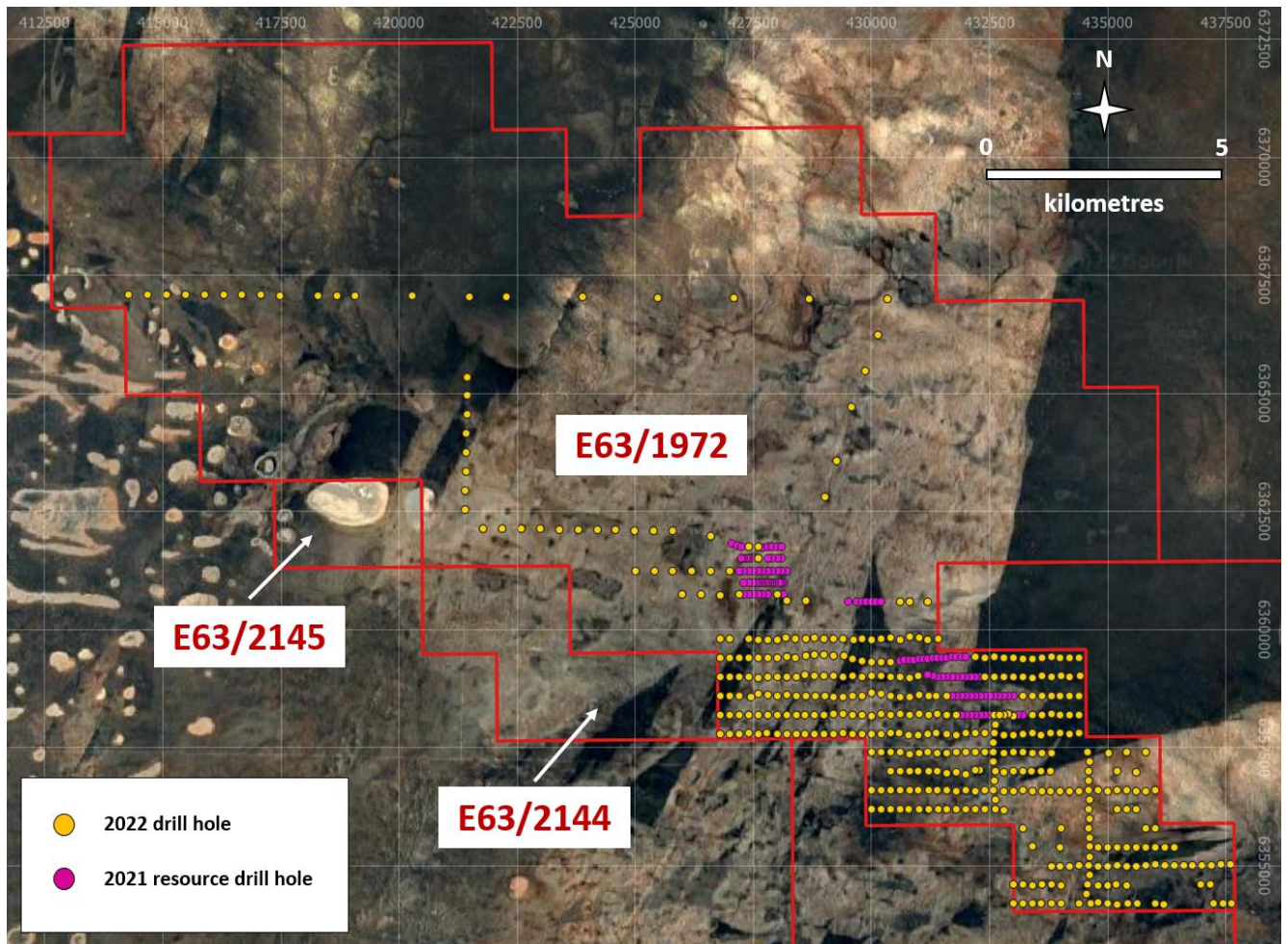
During the quarter the Company acquired two granted exploration licences, E63/2144 and E63/2145, from Future Metals Group Pty. Ltd. (refer to ASX announcement 3 January 2023). These are located immediately south-west of and contiguous with its Cowalinya tenement E63/1972 (Figure 2). Their combined size is approximately 20 km<sup>2</sup> (c.f., E63/1972 224 km<sup>2</sup>). Both tenements are on unallocated crown land and neither has been targeted for rare earths in previous exploration.

Drilling by HRE suggests there is strong potential for thick developments of saprolite-hosted rare earth mineralisation to continue westwards from E63/1972 into E63/2144.

The Company acquired both licences for a total of \$50,000 in cash consideration.



**Figure 2: Location of HRE tenement acquisitions E63/2144 and E63/2145.**  
Background image: Google Earth.



### **Metallurgical Program**

In 2021 HRE completed leach tests on 40 mineralised saprolite drill samples from three holes (AC16, 28 and 41) at Cowalinya which involved the use of hydrochloric acid (HCl) at different concentrations (2-20% w/w) and at a range of temperatures (20-50°C). This work demonstrated that for Cowalinya material, substantial proportions of rare earths could be brought into solution, averaging approximately 91% of total rare earths (or 88% of the magnet rare earths praseodymium, neodymium, terbium and dysprosium) at 30°C and 5% w/w HCl.<sup>4</sup>

To build on these encouraging results, HRE engaged Perth-based Strategic Metallurgy ("Strategic") to both validate these sighter tests and design and undertake a comprehensive metallurgical program, initially involving particle size analysis as the basis for gangue rejection. This initial work was completed on 13 four- and five-metre composite samples of rare earth-bearing saprolite from 10 drill holes across the Cowalinya South (AC4, 16, 28, 36, 41, 47 and 57) and North (AC69, 89 and 104) deposits (*refer to ASX announcement 13 December 2022*). These samples represent a reasonable first-pass basis for discerning the geo-metallurgical variability of saprolite-hosted rare earth mineralisation across the Cowalinya project.

<sup>4</sup> Page 99 of the Independent Geologist's Report contained in HRE's IPO Prospectus.

Strategic undertook particle size analysis on the saprolite composites to determine the rare earth distribution across a range of size fractions, from +0.5mm (sand size) to -25 µm (silt and clay size). This work is to aid in the design of an upstream process flowsheet that removes gangue from the saprolite. For Cowalinya, that potentially involves the use of a deslime cyclone.

The sizing work by Strategic has shown that, on average:

- 78.5% of the rare earths are confined to the target size fraction of -25 µm (range 66.3%-90.1%)
- The target size fraction comprises 37.2% of the bulk saprolite feed mass (range 20.8%-59.9%)
- The rare earth grade of the target size fraction is 116% higher than the bulk saprolite feed grade (range 23%-299%).

These results are summarised in Table 2 and illustrated in Figures 3 and 4. Importantly, there is also a close correspondence between the distribution of total rare earths (REE) and the valuable magnet rare earths (Pr-Nd-Tb-Dy) in the -25 µm size fraction. This key relationship is highlighted in Figure 3.

HRE's metallurgical program now moves to the next phase of test work by Strategic which is aimed at establishing a suitable leach regime for Cowalinya mineralisation. This phase, which examines leach performance, solution composition, reagent consumption, metal recovery and impurity deportment, has commenced on -25 µm target material isolated during the particle size analysis. Preliminary work by HRE showed that high proportions (89% on a weighted average) of the magnet rare earths can be brought into solution using weak hydrochloric acid.<sup>5</sup>

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<sup>5</sup> Page 99 of the Independent Geologist's Report contained in HRE's IPO Prospectus.

**Table 2: Summary particle size analysis for the -25µm fraction.**

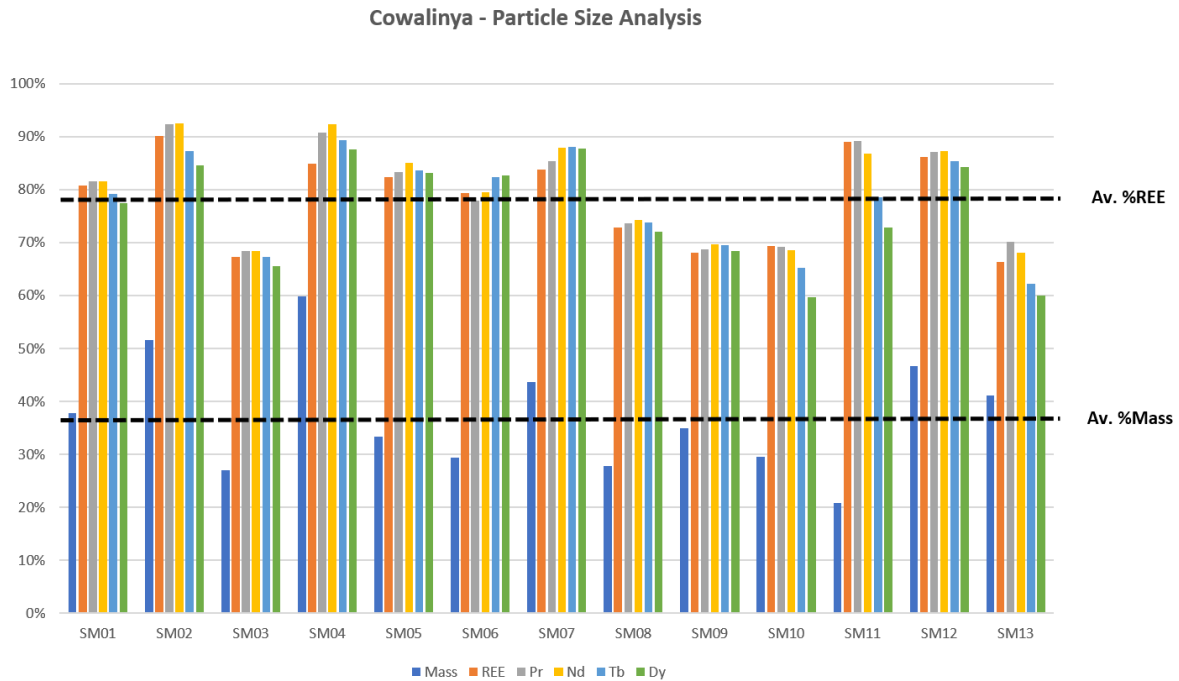
SAMPLE NO.	HOLE NO.	FROM (m)	TO (m)	INTERVAL (m)	LITHOLOGY	TREO HEAD ASSAY (ppm)	-25µm TARGET FRACTION				
							MASS (%)	RARE EARTHS (%)	MAGNET RARE EARTHS (%)	TREO (ppm)	UPGRADE (%)
COWALINYA SOUTH DEPOSIT											
SM01	AC4	24	29	5	Lower Saprolite	1045	37.8%	80.7%	81.1%	2050	96%
SM02	AC16	12	17	5	Upper Saprolite	750	51.6%	90.1%	91.7%	1270	69%
SM03	AC16	24	29	5	Lower Saprolite	1383	27.0%	67.3%	68.1%	3674	165%
SM04	AC28	14	19	5	Upper Saprolite	1280	59.9%	84.8%	91.6%	1575	23%
SM05	AC28	32	37	5	Lower Saprolite	927	33.3%	82.3%	84.5%	2071	124%
SM06	AC36	20	25	5	Lower Saprolite	754	29.4%	79.3%	79.5%	1929	156%
SM07	AC41	11	16	5	Upper Saprolite	938	43.6%	83.8%	87.4%	1662	77%
SM08	AC41	22	27	5	Lower Saprolite	752	27.8%	72.8%	74.0%	1800	139%
SM09	AC47	17	22	5	Lower Saprolite	453	35.0%	68.1%	69.4%	806	78%
SM10	AC57	14	18	4	Upper Saprolite	744	29.5%	69.3%	68.6%	1752	135%
COWALINYA NORTH DEPOSIT											
SM11	AC69	13	18	5	Upper Saprolite	460	20.8%	89.0%	86.9%	1837	299%
SM12	AC89	28	33	5	Lower Saprolite	1376	46.6%	86.1%	86.9%	2642	92%
SM13	AC104	24	29	5	Lower Saprolite	1326	41.1%	66.3%	67.5%	2140	61%
AVERAGE							37.2%	78.5%	79.8%		116%

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>

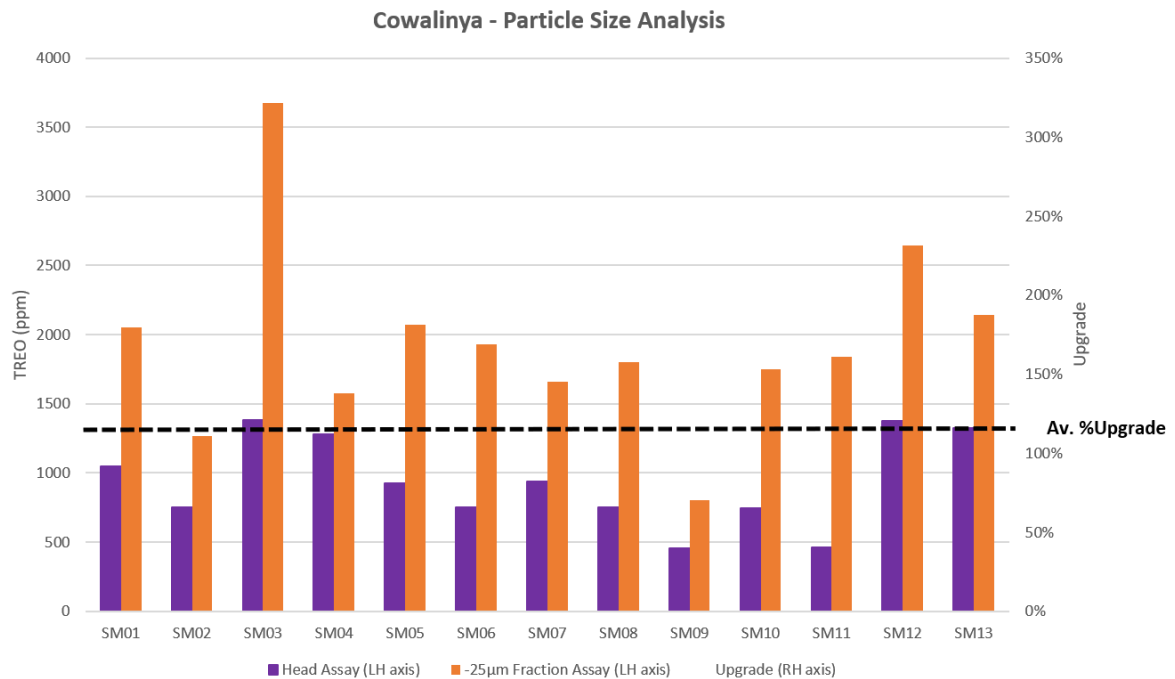
Magnet Rare Earths = Pr<sub>6</sub>O<sub>11</sub>+Nd<sub>2</sub>O<sub>3</sub>+Tb<sub>4</sub>O<sub>7</sub>+Dy<sub>2</sub>O<sub>3</sub>



**Figure 3: Mass and rare earth distribution in -25µm size fraction.**



**Figure 4: Rare earth upgrade in -25µm size fraction.**





## Duke Rare Earth Project, Northern Territory

In late-2021 and early-2022, the Company applied for a 255 km<sup>2</sup> land package 50 kilometres north-west of Tennant Creek in the Northern Territory comprising two exploration tenements EL 33101 and EL 33194. The first of the tenements was granted to HRE by the Northern Territory Government on 2 September 2022. The second was granted subsequent to the end of the quarter on 12 January 2023.

Previous exploration in the area of the tenement package has been undertaken for Tennant Creek-style ironstone hosted Cu-Au-Bi and Olympic Dam-type Cu-U-Au deposits. This is the first time the area will be subject to systematic exploration for rare earths. The exploration model being adopted by HRE is a Browns Range-style breccia-hosted hydrothermal mineralized system potentially related to a regional magmatic event. Exploration will target the unconformity between the Tomkinson (Tomkinson Creek Group) and the Warramunga (Ooradidgee Group) provinces which is present in the application area.

Now that the second licence has been granted, the Company can commence field-based exploration on the licences, where rare earths are expected to be hosted in xenotime, a yttrium phosphate mineral that is enriched in strategically important heavy rare earths such as terbium (Tb) and dysprosium (Dy).

### Additional Information

The table below compares the Company's actual expenditure against the 2-year Use of Funds table contained in the Company's IPO Prospectus dated 5 July 2022:

Use of funds as contained in the Prospectus	2-Year Use of Funds as contained in the Prospectus	Actual amount spent to date
Drilling – exploration & resource upgrade	\$2,340,000	\$995,000
Assaying	\$440,000	\$47,000
Metallurgical process development	\$325,000	\$6,000
Project Studies	\$400,000	-
Duke project exploration (NT)	\$100,000	-
Payment for Cowalinya vendors – exercise of option	\$300,000	\$300,000
Costs of the Offers	\$640,000	\$649,000
Administration & working capital	\$1,455,000	\$618,000
<b>Total</b>	<b>\$6,000,000</b>	<b>\$2,615,000</b>

### Appendix 5B related party payments

Amounts included in section 6.1 of the Appendix 5B relate to Director's fees paid for the December 2022 quarter.

## Interests in Mining Tenements

Below is a summary of the mining tenements held by the Company at the end of the quarter:

Mining Tenement	Location	Beneficial Percentage held	Interest acquired/farm-in or disposed/farm-out during the quarter
E63/1972 – Cowalinya Project	WA, Australia	100%	-
E63/2144 – Cowalinya Project	WA, Australia	100%	100%
E63/2145 – Cowalinya Project	WA, Australia	100%	100%
EL 33101 – Duke Project	NT, Australia	100%	-
EL 33194 – Duke Project	NT, Australia	100%	0% (application)*

\* Tenement application granted subsequent to the end of the quarter.

-- Ends --

This announcement has been approved by the Board of HRE.

### **For more information, please contact:**

#### **Executive Director**

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#### **Media Enquiries**

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### **About Heavy Rare Earths Limited**

Heavy Rare Earths Limited (ASX:HRE) is an Australian rare earth exploration and development company. HRE's key exploration project is Cowalinya, near Norseman in Western Australia. This is a clay-hosted rare earth project with a JORC Inferred Resource of 28 Mt @ 625 ppm TREO and a desirable rare earth composition where 25% are the valuable magnet rare earths and 23% the strategic heavy rare earths.

### **Competent Persons Statement**

The Exploration Results contained in this announcement were compiled by Mr. Richard Brescianini. Mr. Brescianini is a member of the Australian Institute of Geoscientists (AIG). He is a director and full-time employee of Heavy Rare Earths Limited. Mr. Brescianini has more than 35 years' experience in mineral exploration and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 JORC Code.

The Mineral Resources contained in this announcement have been extracted from the Independent Geologist's Report included in the Company's Initial Public Offering (IPO) Prospectus, a copy of which was lodged with the Australian Securities and Investments Commission (ASIC) on 5 July 2022. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resources as contained in the Company's IPO Prospectus. All material assumptions and technical parameters underpinning the Mineral Resources in the Company's IPO Prospectus continue to apply and have not materially changed.

**Heavy Rare Earths Limited (ASX:HRE)**

ACN 648 991 039

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## Appendix 5B

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

Name of entity

HEAVY RARE EARTHS LIMITED

ABN

35 648 991 039

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>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	(30)	(57)
	(e) administration and corporate costs	(259)	(561)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	9	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)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(280)</b>	<b>(606)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(300)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(776)	(1,048)
	(e) investments	-	-
	(f) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 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</b>	<b>Net cash from / (used in) investing activities</b>	<b>(776)</b>	<b>(1,348)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,000
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	-	(649)
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>5,351</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,594	141
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(280)	(606)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(776)	(1,348)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	5,351

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,538</b>	<b>3,538</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	3,538	4,594
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,538</b>	<b>4,594</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	77
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

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

<b>7. Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(280)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(776)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,056)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,538
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,556
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.35
<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: N/A	
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: N/A	
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: N/A	
<i>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.</i>	



## **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 January 2023

Authorised by: The Board of Directors

## **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.