

QUARTERLY REPORT

ASX Release 30th October 2024

September 2024

Cyclone Metals Limited (ASX: CLE) (**Cyclone** or the **Company**) is focused on developing Iron Bear, its 100% owned Iron Ore Project, located in the Labrador Trough region of Canada. The Company also has investments in several exploration and mining projects, providing exposure to gold, lithium, and copper (*refer to Annexure 2*) which include shares in listed ASX entities valued at \$3.4m as at the date of this announcement.

Quarterly Activities to end of September 2024

1. Pellet Production in Pilot Plant at COREM, Quebec

During Q3 2024, Cyclone commenced a pilot production run of Direct Reduction (DR) grade pellets at COREM's facility in Quebec City. The production program was designed to produce pellets using Iron Bear Direct Reduction concentrate as a feed, and then to evaluate the metallisation and physical properties of the produced pellets.

The pilot plant testing program evaluated four distinct chemical compositions for the DR pellets, combining Iron Bear DR concentrate with varying proportions of bentonite and limestone. The pellet production process is based on two-stage approach: initial green ball formation utilising rotating cylinder technology, followed by firing in a pot grate furnace with controlled heated air flow.

Initial test results have demonstrated promising outcomes, with compression strength (CCS) measurements of 486-438 kg/pellet comfortably exceeding typical industry requirements (230-250 kg/pellet). The Linder test results showed a %-3.15mm of 1.0%, outperforming the target of <2.0%, while achieving a metallisation ratio of 96.6%. Additional COREM r180 testing achieved a metallisation ratio of 99.1% which is excellent.



Figure 1: Paul Vermeulen, GM Technical, with the first DR pellets at Corem, Quebec

| IRON BEAR PELLETS | | B2/B6 |
|-------------------------|---------------------------------|-------|
| Fired Pellets Chemistry | % Fe _{tot} | 67.5 |
| | % FeO | 0.3 |
| | %SiO ₂ | 1.6 |
| | %Al ₂ O ₃ | <0.1 |
| | %CaO / %SiO ₂ | 0.41 |
| | %MgO | 0.1 |
| Compression (kg/pel.) | Avg | 462 |
| | Std | 85 |
| | % -140 | 0.0 |
| | % -90 | 0.0 |
| Mini-Tumble | % -0.5 mm | 1.5 |
| Porosity | % | 25.4 |
| Satmagan | % | <0.2 |
| COREM R180 | % red. | 99.1 |
| | CSAR (kg/pel.) | 151 |
| Linder | %-3.15mm | 1.0 |
| | CSAR (kg/pel.) | 41 |
| | % Met. ⁺ | 96.6 |

Table 1: Primary results from DR pellet testing

DR pellets are required for low-carbon steel production through the DRI (Direct Reduced Iron) process. The DRI steel making process uses natural gas as a reductant rather than coal. Typically DRI steel making produces only half the carbon footprint of coal-based steel making processes (Blast Furnaces) which represent approximately 70% of all steel production worldwide. For this reason, there are a large number of DRI-EAF steel making units being built in locations where natural gas is available.

Global DRI-EAF steel based production reached 136 Mt in 2023, with industry projections indicating additional Direct Reduction Steel capacity of over 100 Mta by 2030. This expansion is expected to require an additional 148 Mta of direct reduction pellets by 2030, driven by the implementation of carbon reduction policies, particularly the Carbon Border Adjustment Mechanism (CBAM) in Europe between 2026 and 2035.

The current market environment for DR pellets presents an opportunity for the Company, with typical market premiums of USD 63.5/t versus the 62% Fe reference index, against typical pelletising conversion costs of approximately USD 15/t. The ongoing test work positions Cyclone to potentially join an exclusive group of global DR pellet producers, which currently includes only four major players in the seaborne market: Vale, IOC, LKAB, and Samarco.

2. Field Geological Surveys

In Q3 2024, Cyclone executed two comprehensive field geological surveys during July and August. These surveys built upon the desktop studies completed by Resource Potentials Pty Ltd and Burnt Shirt Pty Ltd in Q1 2024, providing physical validation of previously identified geophysical targets.

The field program resulted in the identification of multiple outcrops corresponding to previously detected magnetic and gravity highs. Of particular interest was the extensive magnetite outcrops outside the current Inferred and Indicated Mineral Resource region.

Rock chip samples from these newly identified outcrops have been collected and dispatched to COREM for detailed mineralogical and sighter test work. Results from this analysis will guide the prioritisation of future exploration targets.

These surveys will be used to fine tune drilling targets for 2025.

Figure 2: Rock outcrop, CLE 2024



3. Core Sample Selection for Phase 4 Metallurgical Test Work

The Company has successfully completed the selection and transportation of 18 tonnes of drill cores to COREM's facility in Quebec City for Phase 4 of the metallurgical test work program. The samples have been carefully selected to represent the full life of mine profile.



Figure 3: Selected core trays for Phase 4

The Phase 4 program has been designed to refine the parameters of the pilot plant produce additional bulk samples of BF and DR concentrate. This material will generate bulk samples of 200-400kg for potential steel client testing, supporting product validation processes with prospective customers.

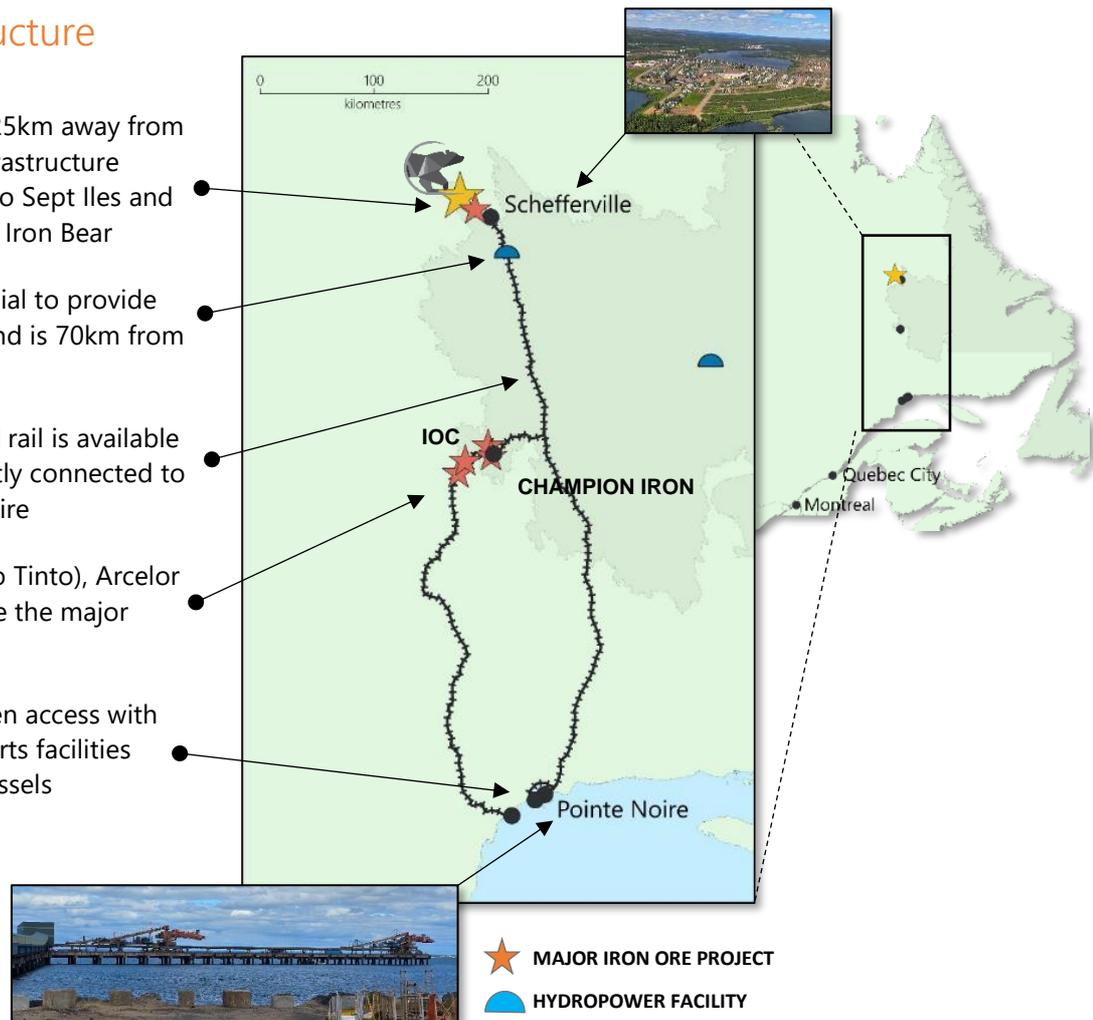
The Company plans to produce bulk samples of DR pellets for evaluation by potential customers, particularly targeting low carbon steel production applications for European steel makers addressing CBAM requirements. This testing program may form the basis for future off-take agreement discussions, which could commence by Q3 2025. Portions of the current test work will inform the pre-feasibility study/FEL2 for the proposed pellet plant(s).

Iron Bear Project Highlights

- 1 **Asset located in Canada**, less than 25km from an **open access heavy haul railway** connected to an **open access iron ore export port**
- 2 **World class 100% owned** Iron ore mineral resource of **16.6 billion tonnes @ 29.3 Fe%** (Inferred 14.51 billion tonnes and Indicated 2.15 billion tonnes JORC 2012 compliant) (refer ASX announcement 11th April 2024)
- 3 **Pilot Plant** production of **high quality DR¹ grade concentrate grading 71,3% Fe and 1.1% SiO₂** with high yields due to an exceptional low impurity ore body (refer ASX announcement 23rd April 2024)
- 4 **Production of strategic low carbon DR pellets** with excellent physical and metallisation properties and ultra-low deleterious elements (refer ASX announcement 12th October 2024)
- 5 Rapid project development plan with **bulk samples of DR and BF concentrates** available for steel mill clients in Q4 2024 and **DR and BF pellets** in Q2 2025
- 6 Cyclone's development plan is **focused on establishing an asset-based JV** with a Tier 1 miner or steel producer, in order to bring the Iron Bear project to Decision to Mine and provide the CAPEX

Access and Infrastructure

- ✓ Schefferville is located 25km away from Iron Bear with good infrastructure including direct flights to Sept Iles and is connected by road to Iron Bear
- ✓ Menihek has the potential to provide low-cost hydropower and is 70km from Iron Bear
- ✓ Open access heavy haul rail is available 25km away and is directly connected to Sept-Iles and Pointe Noire
- ✓ Champion Iron, IOC (Rio Tinto), Arcelor Mittal and Tata Steel are the major producers in the region
- ✓ Pointe Noire port is open access with extensive Iron Ore exports facilities suitable for Capesize vessels

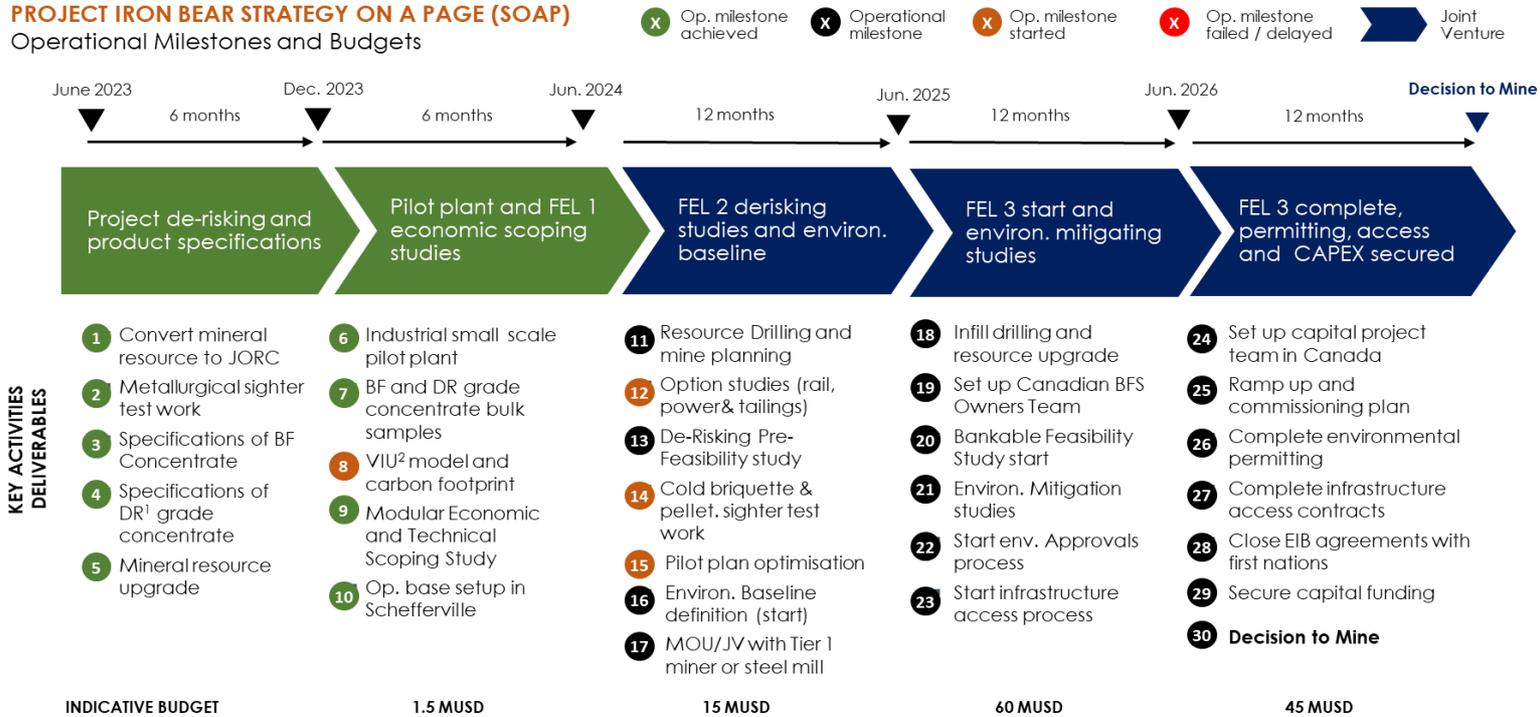


Iron Bear Strategy on a Page

The Iron Bear Leadership team is rolling out an actionable development plan for the Iron Bear Asset with clear milestones and accountabilities summarised below:

PROJECT IRON BEAR STRATEGY ON A PAGE (SOAP)

Operational Milestones and Budgets



1: DR = Direct Reduction refers to the production of high purity magnetite concentrates necessary for Direct Reduction steel processing critical for low carbon steel production

2: VIU = Value in Use which corresponds to modelling economic value of concentrate / pellet for steel mill including carbon footprint

3: Decision to Mine

The Iron Bear Strategy was communicated to shareholders in June 2023. Subsequently, key operational milestones have been delivered within the announced timeframes and budgets. The key highlight was achieving the production of bulk samples of ultra-high-quality magnetite concentrates with high yields. These bulk samples are a key enabler for Cyclone to start negotiating high value offtake agreements with steel mills and/or trading houses.

Moving forward, the next key milestone (17) is to establish a Joint Venture and/or Offtake Agreements with a Tier 1 miner or steel mill. The purpose of this JV will be to fund and develop the Iron Bear Project to Decision To Mine and then provide the resources to support the CAPEX of a large scale, world class mining operation.

Other Assets

Grand Port

Grand Port Limited holds 100% of six projects over a diversified portfolio of gold, copper, nickel and platinum group elements (PGE) assets in New Zealand (Figure 6).



Figure 6: Location of Grand Port Projects

Cyclone remains committed to maintaining the Grand Port gold projects in good standing while actively exploring strategic opportunities to maximise the value of these high-potential assets through a joint venture or spin off.

The Company continues to investigate options regarding the divestment or joint venture of this project. In addition, the Company is currently undertaking the required geological field work to maintain the licenses in good standing and is exploring other opportunities to add value to this valuable exploration asset.

Wee MacGregor

Cyclone holds a 20% interest in the Wee Macgregor project which comprises three granted mining licences, ML 2504, ML 2773 and ML 90098. These licences are located approximately 60km southeast of Mt Isa.

Cohiba Minerals Limited (**Cohiba**), through wholly owned subsidiary Cobalt X Pty Ltd, has earned an 80% interest in mining licences ML 2504, ML 2773 and ML 90098 under a Farm-in agreement with Cyclone. The Company retains a 20% interest in the mining licences and a pre-emptive right over the remaining 80%.

Additionally, Cyclone holds a 100% interest in the Lady Ethleen tenement (ML 2771) (**Lady Ethleen**). The Lady Ethleen tenement has been utilised for a trial mining and processing exercise using a newly developed green leach process known as GlyLeach™ (refer ASX announcement 4 October 2020).

During the Quarter Altair completed a surface sampling program at Wee Macgregor. Altair announced “Surface sampling returns exceptional grades of near surface copper and gold at Wee MacGregor demonstrating extension to mineralisation potential and lays the foundation for follow up work programs”, and “Exceptionally wide continuous channel sample of 44m at 1.2% Copper” (refer Altair ASX announcement 17 September 2024 for full details).

Nickol River Gold

The Nickol River Project (NRP) comprises seven granted Mining Leases (M47/87, M47/127, M47/401, M47/421, M47/435, M47/455, M47/577), two Prospecting Licences (P47/1524, P47/1812), and five Miscellaneous Licences (L47/686, L47/687, L47/688, L47/689, L47/565 (application)) (Figure 10).

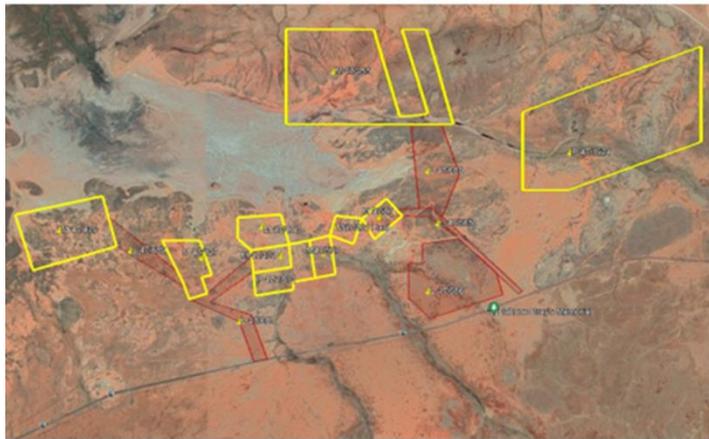


Figure 10: Nickol River Project location and tenements, located 10km east of Karratha in the West Pilbara of Western Australia

The Company continues to investigate options regarding the divestment or joint venture of this project.

Kukuna Project

The Kukuna Iron Ore Project (**Kukuna**) is located 120 km northeast of Freetown in the northwest of Sierra Leone and comprises one exploration licence covering 68km². The licence area is located approximately 70km due north of Marampa. The Kukuna Project remains under care and maintenance.

Corporate Overview

Funding

On 19 July 2024, the Company announced that it had received firm commitments to raise \$1,874,234 before costs via the issue of approximately 2.34 billion fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of 0.08 cents per share together with one free attaching unlisted option (exercise price 0.16 cents each, expiring 30 November 2028) for every two shares issued (**Placement Options**) (**Placement**). The Placement was supported by Directors of the Company for a combined commitment of \$60,000 which is subject to shareholder approval.

On 30 July 2024, the Company completed the issue of 2,267,792,891 fully paid ordinary shares pursuant to the Placement to raise funds of \$1,814k.

Convertible Note

On 4 July 2024, the Company announced that it had entered into a convertible note agreement with its largest shareholder European Lithium Ltd (ASX: EUR) for \$350,000 (**Convertible Note**). The Convertible Note incurs an interest rate of 10% per annum, has a repayment date of 31 December 2024 and subject to receipt of shareholder approval by no later than 30 November 2024, EUR will have the right to convert the convertible loan note and associated capitalised interest into new ordinary shares, at a conversion price of \$0.0008 per share. If shareholder approval is not received, the Company is required to repay the face value of the note, and associated capitalised interest on the repayment date.

Board Changes

On 19 July 2024, the Company announced the appointment of Mr David Sanders as Non-Executive Director of the Company with effect from 19 July 2024. In addition, Mr Luke Martino was appointed as Non-Executive Director of the Company with effect from 23 July 2024.

Appendix 5B Quarterly Report and Statement of Cash Flows

The ASX Appendix 5B quarterly report is attached to and lodged with this report. The Company's Appendix 5B Quarterly Report covers the 3-month period from 1 July 2024 to 30 September 2024.

During the quarter, exploration and evaluation expenditure was \$1,184k, predominantly associated with work undertaken on the Iron Bear Iron Ore Project, holding costs and tenement compliance costs. Administration and corporate expenditure during the quarter was \$423k.

Financing activities during the quarter included the receipt of \$1,814k from the completion of the Placement. The Company also received funds of \$350k in regard to the Convertible Note.

As at 30 September 2024, the Company had approximately \$649k.

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totalled \$222k related to the payment of Executive Director and Non-Executive Director fees. These amounts are included at item 6.1 of the Appendix 5B. Refer to the Remuneration Report in the 2024 Annual Report for further details on director remuneration.

On 4 July 2024, the Company announced that it had entered into a convertible note agreement with its largest shareholder European Lithium Ltd (ASX: EUR) for \$350,000 (**Convertible Note**). Mr Tony Sage is a director of EUR.

Announcement authorised for release by the Board of Cyclone Metals.

Competent Person Statement

Metallurgy and processing information has been reviewed and compiled by Paul Vermeulen MAusIMM, MAIST, a Director of Vulcan Technologies Pty Ltd, who has sufficient experience which is relevant to the method of processing under consideration 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 Vermeulen consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The Competent Person for the 2024 Mineral Resource estimate is Mr Jeremy Peters FAusIMM CP (Geo, Min), a Director of Burnt Shirt Pty Ltd. The Mineral Resource estimate is stated in accordance with the provisions of the JORC Code (2012). Mr Peters has more than five years' experience in the estimation and reporting of Mineral Resources for iron mineralisation in Australia and overseas, to qualify as a Competent Person as defined in the JORC Code. Mr Peters consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Burnt Shirt has assisted CLE in its development of the Iron Bear Project. Mr Peters has assumed Competent Person responsibility due to his familiarity with the Project.

The Information in this report that relates to New Zealand Exploration Results is based on information compiled by Mr Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is a consultant to the company and holds shares in Cyclone Metals Ltd. Mr Younger has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Younger consents to the inclusion of this information in the form and context in which it appears in this report.

Appendix 1: Tenement Status

The mining tenements held at the end of each quarter, acquired and disposed of during the quarter and their location:

| Tenement reference | Project & Location | Acquired interest during the quarter | Disposed interest during the quarter | Interest at the end of quarter |
|-----------------------------|-----------------------------------|--------------------------------------|--------------------------------------|--------------------------------|
| Kukuna Project - EL 22/2012 | Kukuna – Sierra Leone | - | - | 100% |
| ML 90098 | Wee MacGregor - Queensland | - | - | 20% |
| ML 2504 | Wee MacGregor - Queensland | - | - | 20% |
| ML 2771 | Wee MacGregor - Queensland | - | - | 100% |
| ML 2773 | Wee MacGregor - Queensland | - | - | 20% |
| L47/565 | Nickol River – Western Australia | - | - | 100% |
| L47/686 | Nickol River – Western Australia | - | - | 100% |
| L47/687 | Nickol River – Western Australia | - | - | 100% |
| L47/688 | Nickol River – Western Australia | - | - | 100% |
| L47/689 | Nickol River – Western Australia | - | - | 100% |
| M47/087 | Nickol River – Western Australia | - | - | 100% |
| M47/127 | Nickol River – Western Australia | - | - | 100% |
| M47/401 | Nickol River – Western Australia | - | - | 100% |
| M47/421 | Nickol River – Western Australia | - | - | 100% |
| M47/435 | Nickol River – Western Australia | - | - | 100% |
| M47/455 | Nickol River – Western Australia | - | - | 100% |
| M47/577 | Nickol River – Western Australia | - | - | 100% |
| P47/1524 | Nickol River – Western Australia | - | - | 100% |
| P47/1812 | Nickol River – Western Australia | - | - | 100% |
| EP60671 | Muir's Reef – New Zealand | - | - | 100% |
| PP60709 | Muir's Surrounds – New Zealand | - | - | 100% |
| EP60663 | Mareburn – New Zealand | - | - | 100% |
| PP60700 | Macraes South – New Zealand | - | - | 100% |
| PP60707 | Drybread – New Zealand | - | - | 100% |
| PP60708 | Waikerikeri – New Zealand | - | - | 100% |
| EP61013 | Swampy Hill – New Zealand | - | - | 100% |
| EP60692 | Longwood Range Tops – New Zealand | - | - | 100% |
| Iron Bear | Labrador Trough - Canada | - | - | 100% |

No beneficial interests were lost in farm-out agreements during the quarter.

Appendix 2: Group Structure and Investments

Exploration Projects

Iron Bear Iron Ore Project
CLE - 100%
Canada

Nickol River Project
CLE - 100%
Western Australia

Wee MacGregor Copper Project
CLE - 20%
Qld, Australia

Grand Port Project
CLE - 100%
New Zealand

Kukuna Iron Ore Project
CLE
Sierra Leone

Investments

CuFe Limited (ASX: CUF)
9.93% interest
Iron Ore, copper (Australia)

International Goldfields Limited (Unlisted)
18.82% interest
Gold (Australia / Cote d'Ivoire / Brazil)

European Lithium Limited (ASX: EUR)
4.46% interest
Lithium (Austria)

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Appendix 5B

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

Name of entity

Cyclone Metals Limited

ABN

71 095 047 920

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 | (1,184) | (1,184) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | - | - |
| (e) administration and corporate costs | (423) | (423) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,607) | (1,607) |

| | | |
|--|---|---|
| 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 | - | - |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

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 |
|--------------------------------------|--|----------------------------|---------------------------------------|
| 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 (Settlement of loan in respect to Block 103 acquisition) | - | - |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,814 | 1,814 |
| 3.2 | Proceeds from issue of convertible debt securities | 350 | 350 |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (6) | (6) |
| 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 (legal costs associated with funding options) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 2,158 | 2,158 |

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 98 | 98 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,607) | (1,607) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 2,158 | 2,158 |

| 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 | 649 | 649 |

| 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 | 649 | 98 |
| 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) | 649 | 98 |

| 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 | 222 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

| 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 | | | |

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

| 8. Estimated cash available for future operating activities | \$A'000 |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (1,607) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (1,607) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 649 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 649 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.40 |
| <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. | |
| 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? | |
| Yes. The Company is intending to undertake a pro-rata non-renounceable entitlement offer to eligible shareholders to raise funds of up to \$5.4 million (refer to ASX announcement date 19 July 2024 for further details). | |
| 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 Directors believe that it is reasonably foreseeable that the Company will continue as a going concern based on the following factors: <ul style="list-style-type: none"> ▪ Raising additional funds (as outlined above) ▪ Realisation of certain of the Company's unencumbered financial assets through the sale of its listed shares (if required) | |
| <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 October 2024

Authorised by: 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.