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QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 31 MARCH 2023

- Drilling has been completed at the Sugarloaf Graphite Prospect on the Eyre Peninsula, South Australia
- The strike (length) of drilled graphite mineralisation at the Sugarloaf Graphite Prospect has doubled from 2km to over 4km
- An additional 2.3km of graphite mineralisation has been drilled across the southern end of the prospect with visual graphite intersections up to 60m thick
- 17 holes were drilled for a total of 1,594m with final assay results expected in the next 4 weeks
- The drill rig has now moved 20km north, to the Lacroma Graphite Prospect, and commenced a 10,000m drill program
- Landowner approvals obtained, allowing iTech to extend drilling through the cropping season and aim for resource definition
- Government approvals also received for further drilling

iTech Minerals Ltd (ASX: ITM, iTech or Company) is pleased to present its Quarterly Activities Report for the period ended 31 March 2023.

Sugarloaf Graphite Prospect Drilling Program

The reverse circulation (RC) drill program consisted of 17 drill holes designed to test the southern extent of a 4.5km electromagnetic anomaly at the Sugarloaf Graphite Prospect (Figure 1). The northern 2km area had been drill tested by Archer Materials Ltd between 2008 and 2012. The current round of drilling by iTech has confirmed the full 4.5km extent of the Electromagnetic (EM) anomaly is caused by graphite mineralisation. The visual estimates of mineralisation indicate that the drilling intersected multiple intervals of graphite mineralisation over the additional 2.3km of strike in the southern half of the prospect (ASX Release on 23 March 2023, Drilling doubles the length of the Sugarloaf Graphite Prospect). Samples have been submitted for geochemical analysis with results expected in the next 4 weeks.

Lacroma Graphite Prospect Drilling Program

iTech has commenced drilling at the Lacroma Graphite Prospect. The program will drill over 10,000m of reverse circulation drill holes across the Central Lacroma drill target to test both the length and width of a 6km long Airborne Electromagnetic (AEM) anomaly (ASX Release on 5 April 2023, Major drill program underway at the Lacroma Graphite Prospect). Due to the extensive nature of the drill program, it would have likely impacted on the normal cropping activities of the landowners, with crops due to be sown in May, however iTech has negotiated access to the land over the Central Lacroma Drill Target through the cropping season and into next year. This will allow the Company to continue the drilling program to define an inferred Mineral Resource if results are successful. iTech has also been granted an ongoing EPEPR (Exploration Program for Environmental Protection and Rehabilitation), from the government, to undertake infill drilling to determine an inferred resource. With both requirements secured, the Company is well placed to successfully execute one of the largest graphite exploration programs on the Eyre Peninsula in recent years.

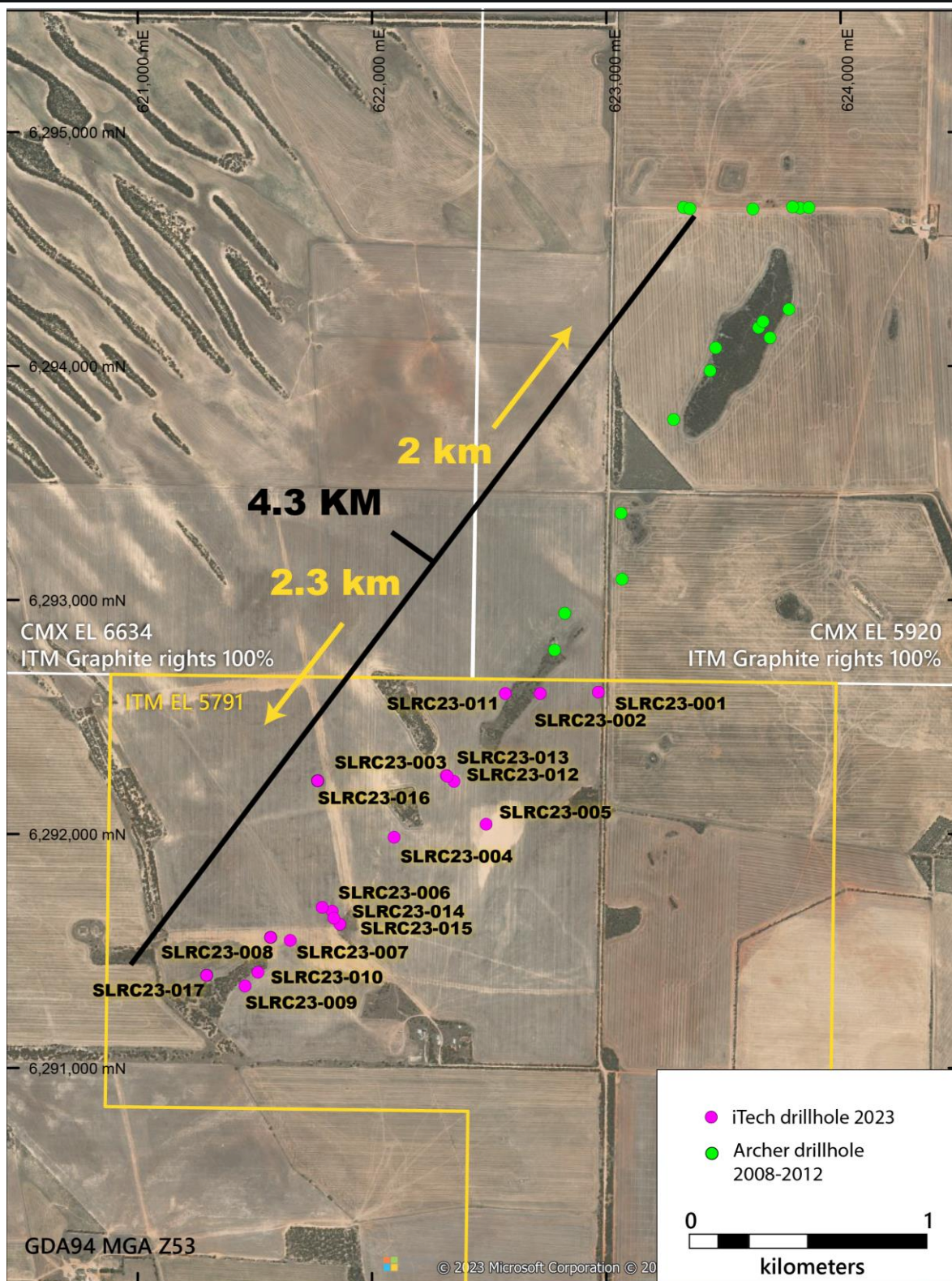


Figure 1. Drill collar plan of the Sugarloaf Graphite Prospect showing historical graphite drilling undertaken by Archer Materials (ASX: AXE) over the northern part of the prospect, between 2008-2012, and the recently completed drilling by iTech Minerals, in the southern half.

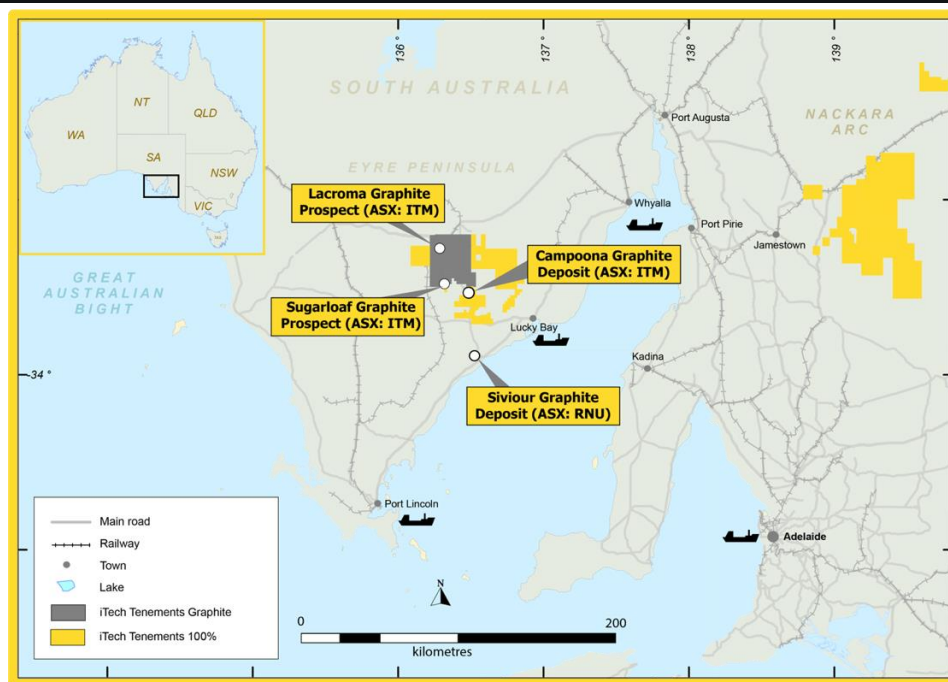


Figure 2. Location of iTech's Graphite Deposits and Prospects – Eyre Peninsula, South Australia

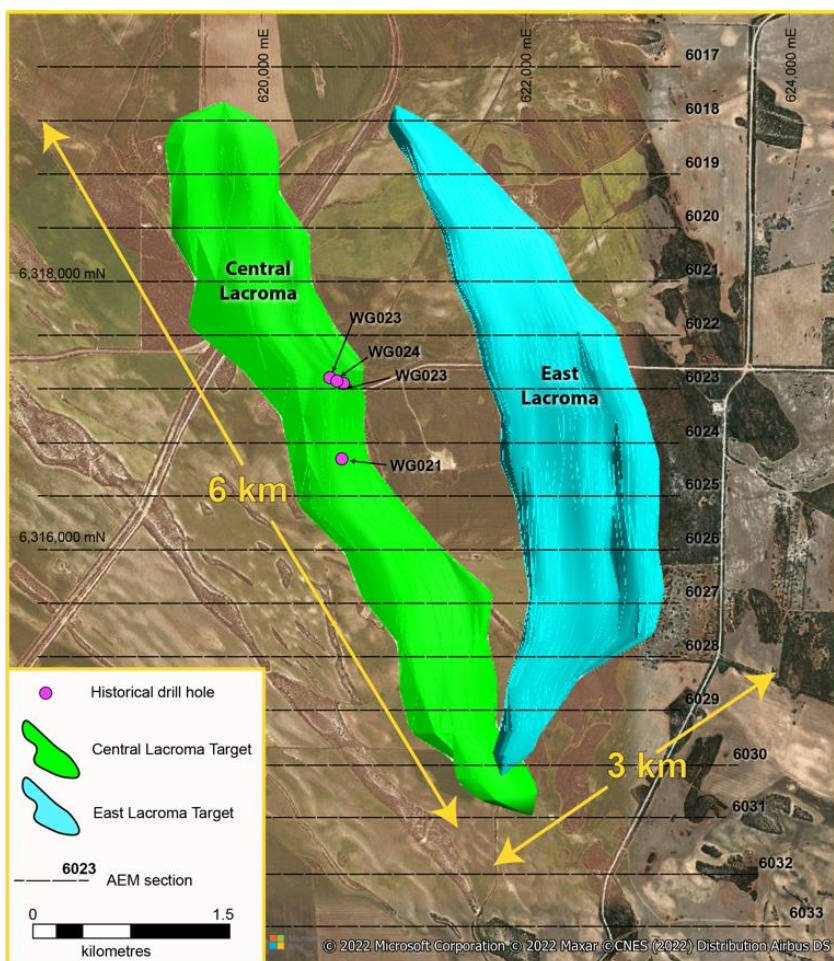


Figure 3. Plan view of the Lacroma Graphite Prospect – Eyre Peninsula, South Australia

Corporate

Attached to this report is the Company's Appendix 5B setting out iTech's cash flow statement for the quarter. The significant reportable outflows during the quarter include:

- \$507,000 spent in relation to exploration activities primarily related to the drilling programs at the Company's Eyre Peninsula graphite projects; and
- \$85,000 in payments to related parties. These payments relate to payment of director fees to executive and non-executive directors.

At the end of the March 2023 quarter, the Company had cash at bank of \$7.82 million following fund raising activities in December 2022.

Pursuant to ASX listing rule 5.3.4, the Company advises the proposed use of funds contained in section 2.4 of iTech's Replacement Prospectus in comparison to the actual use of funds following admission to the official list of the ASX – reportable to the September 2023 quarter. The expenditure is materially in line with the IPO prospectus.

Use of funds	Prospectus use of funds (\$'000)	Actual (\$'000) to 31 Mar-23	Remaining balance (\$'000)
Funds raised (incl cash reserves)	7,651	7,651	-
Additional fund raising (net)	-	6,138	6,138
Cash movement from prospectus pro-forma (31 May 2021) to 30 June 2021	-	71	(71)
Lead manager	580	596	(16)
Expenses of the offer	354	332	22
Exploration	5,002	3,618	1,384
Corporate overheads, remuneration and other management expenses	1,301	1,224	77
Plant and equipment	30	127	(97)
Reserve	384	-	384
Total expenditure	7,651	5,968	1,683
Cash as at 31 March 2023			7,821

Additional net funds of \$6.14 million were raised in the December 2022 quarter with exploration expenditure projected to increase over coming quarters related to the current graphite exploration program. The corporate expenditure is also expected to utilise the reserve and be in excess of the prospectus use of funds in line with increased activities.



Tenement table

Tenement Number	Project Area	% Interest Held at end of quarter
South Australia		
EL 6363	Eyre Peninsula	100%
EL 6478	Eyre Peninsula	100%
EL 5870	Eyre Peninsula	100%
EL 5791	Eyre Peninsula	100%
EL 6647	Eyre Peninsula	100%
EL 5920	Eyre Peninsula	100% Graphite Rights
EL 6634	Eyre Peninsula	100% Graphite Rights
EL 5794	Nackara Arc	100%
EL 6000	Nackara Arc	100%
EL 6160	Nackara Arc	100%
EL 6351	Nackara Arc	100%
EL 6354	Nackara Arc	100%
EL 6287	Nackara Arc	100%
EL 6637	Nackara Arc	100%
EL 6605	Nackara Arc	100%
EL 6616	Nackara Arc	100%
EL 6676	Nackara Arc	100%
EL 6609	Billa Kalina	100%
EL 6732	Pidinga	100%
ML 6470	Campoona Graphite	100%
MPL 150	Campoona Graphite	100%
MPL 151	Campoona Graphite	100%
New South Wales		
EPM 8871	Crowie Creek	100%

There have been no changes to tenements during the quarter.

iTech confirms that the Company is not aware of any new information or data that materially affects the results cross referenced in this announcement.

For further information please contact the authorising officer Michael Schwarz:

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Appendix 5B

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

Name of entity

iTech Minerals Ltd

ABN

41 648 219 050

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(82)	(220)
	(e) administration and corporate costs	(109)	(480)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	60	73
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	(131)	(627)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1)	(16)
	(d) exploration & evaluation	(507)	(2,238)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(508)	(2,254)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,500
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	(17)	(362)
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	(17)	6,138

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,477	4,564
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(131)	(627)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(508)	(2,254)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(17)	6,138

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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,821	7,821

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	1,732	1,377
5.2	Call deposits	6,089	7,100
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)	7,821	8,477

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	37
6.2	Aggregate amount of payments to related parties and their associates included in item 2	48
<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

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)	(131)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(507)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(638)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,821
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	7,821
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	12.3
<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		

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: N/A

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: 12 April 2023

Authorised by: By the board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.