



## SEPTEMBER 2023 QUARTERLY ACTIVITIES REPORT

Surefire Resources NL (Surefire, or the **Company**) is pleased to report on its activities for the quarter ending 30 September 2023.

### VICTORY BORE PROJECT



Figure 1 Location map of Victory Bore Project

The Victory Bore Project encompasses Critical Minerals Vanadium and High Purity Alumina along with other commodity opportunities from downstream processing.

The project is located in the Mid-West of Western Australia approximately 530km north of Perth (refer Figure 1 above).

Victory Bore is currently in Pre-Feasibility Study (**PFS**) status, and being undertaken by METS and Snowden-Optiro. The PFS is progressing on schedule and is due for completion by the end of November 2023.

## High Purity Alumina (HPA)

Surefire has initiated a separate study on the potential for production of High Purity Alumina (HPA) from the host rock at the Victory Bore Vanadium project.

Initial test results completed by Lava Blue (refer ASX announcement 25 July 2023) has produced 4N (99.99%) HPA.

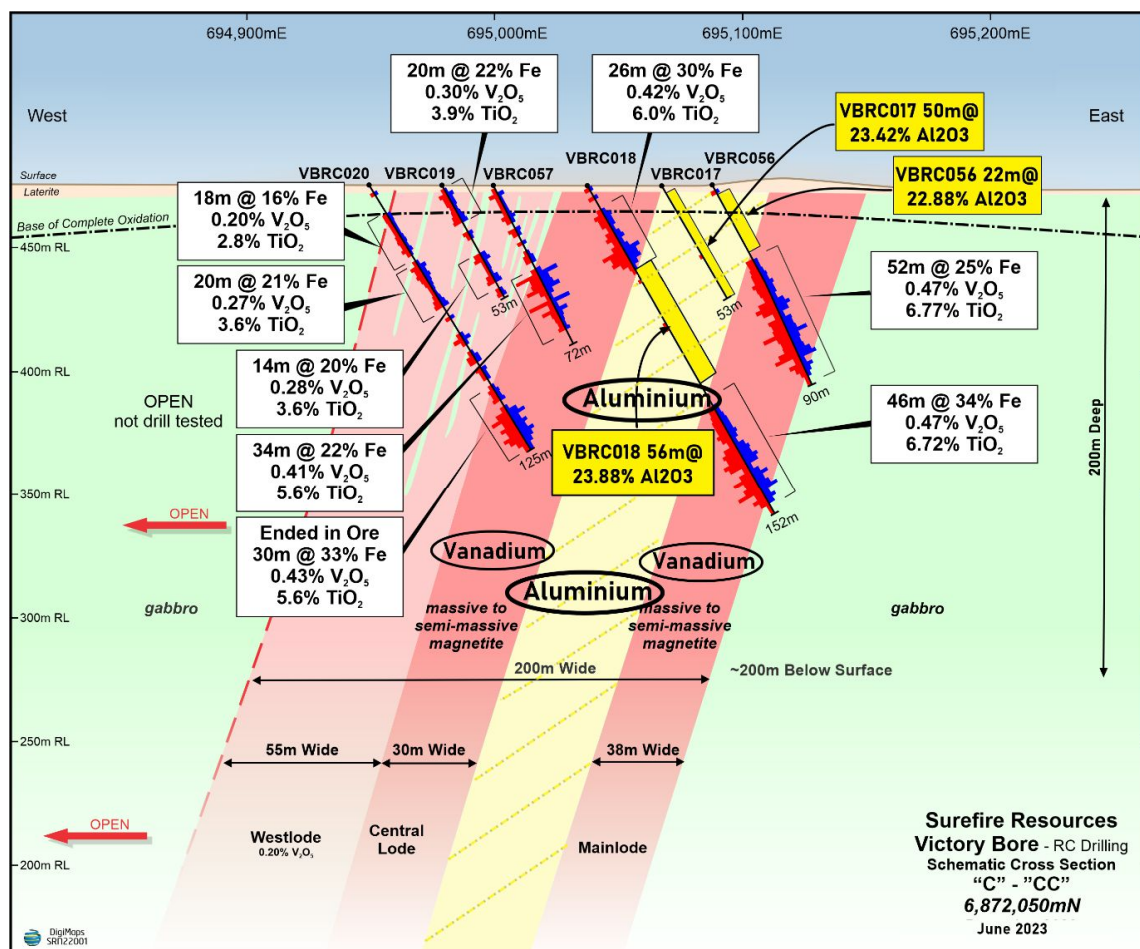


Figure 2 Victory Vanadium Cross Section 6.873,050mN displaying, a mineralised width 200m, drilling assay results for  $V_2O_5$ ,  $Ti_2O_3$  Fe &  $Al_2O_3$ . The Aluminium resource is shown in yellow & the Vanadium resource is shown in red.

## Development plan and downstream Processing

During the quarter the Company executed a Memorandum of Understanding (MOU) with the Ministry of Investment, Kingdom of Saudi Arabia (MISA), for mineral processing opportunities of high-grade ore from its 100% owned Victory Bore Vanadium and High Purity Alumina project (refer ASX announcement on 16 August 2023).

The Company plans to produce the following products (with approximate price per tonne) from its high quality magnetite feed stock, all of which are in demand in Kingdom of Saudi Arabia (KSA) : **Vanadium Pentoxide** (USD\$16,500/t), **Ferro-Vanadium** (USD\$26,700/t), **High Purity Vanadium for Vanadium Electrolyte** (USD\$20,900/t), **Titanium Oxide slag** (USD\$657/t), **Pig-Iron** (USD\$412/t) and **Hematite Pigment** (USD\$450/t).

The Company has had positive progress meetings with MISA and was recently introduced to the Royal Commission for Jubail and Yanbu (**RCJY**). The **RCJY** is an autonomous organization of the Kingdom of Saudi Arabia (**KSA**) to promote and manage the industrial city hubs for the mining and mineral resource industry. At the last meeting, the **RCJY** have proposed to Surefire that a suitable location for its downstream Vanadium processing operation would be in the **Ras Al-Khair** industrial region.

Ras Al-Khair is a fully serviced industrial town and port, and forms part of the KSA's plans for diversification of its economy. Suitable land size is available for Surefire's proposed processing operation and the land is also advantageously serviced with existing regional infrastructure, utilities and logistics which will greatly reduce the upfront capital cost.

These include:

- Ras AL Khair Industrial hub
- Proximity to King Fahd International Airport
- Proximity to Industrial city of Al Jubail and the city of Damman.



Figure 3: Location of Ras Al-Khair industrial hub, KSA.





Fig 4: Ras Al-KhairPort is already operational and there is an existing Port Expansion Plan

### Offtake and Offshore Discussions

The Company is progressing discussions with interested parties and will provide an update when any agreements are reached.

### Hydrogeological Assessment

During the quarter Surefire Resources engaged specialist hydrological and environmental consultants “Rockwater” to conduct a Hydrological Assessment of the Victory Bore Project’s proposed mining operation.

The report made the following conclusions, all of which are an excellent outcome for Surefire’s Victory Bore Vanadium Project:

- **Dewatering rates of the proposed open pit are predicted to be low.**
- **Impacts of any dewatering are predicted to be localised and do not extend to existing station bores or wells.**
- **Significantly there are no known groundwater dependant ecosystems that will be impacted.**

This positive assessment is another step forward in Surefire meeting its’ permitting and regulatory requirements as it progresses the project’s Pre-Feasibility Study and development plans.

## YIDBY GOLD PROJECT

### Metallurgical test work

Surefire, has initiated a rigorous follow program of column leach test work on the Yidby Project Gold Ore. This follow up work program is also being completed by ALS Metallurgical Division.

The Column Leach test work has a duration of 70 days however the entire work program takes approximately 8 months to complete. Column leach preparation and post column leach analysis includes activities as shown below:

- **Head assay analysis**, the analysis was conducted using XRF, bottle roll & Photon assay techniques)
- **Crush size analysis**, using bottle roll to obtain the optimum size for the column test. Surefire have chosen an P100 / 8mm crush size.
- **Percolation analysis**. Surefire Yidby samples displayed no slumping and will require no agglomeration.
- **The Column Leaching**. A 70 day leach test program
- **A rigorous conclusive assay of the remaining tailings**. Surefire has opted at assay the column leach tails using photon assay. The current column leach test work program will provide information to support a commercial cyanide leaching operation. This test work is proceeding well, final results are expected by the end November 2023.

## PERENJORI HIGH GRADE MAGNETITE PROJECT

The Perenjori Magnetite project is in the infrastructure-rich Mid-West mining district of Western Australia, with rail links within 14km and a high voltage transmission line nearby the Project (Refer Figure 6).

The project is well positioned to deliver high-grade iron concentrates into next-generation zero-carbon steel plants. The project is significantly closer to the coast than other Western Australian magnetite projects, with a rail distance to the port of Geraldton of 219km.

Metallurgical test-work, completed by previous owners Quest Minerals Ltd (see ASX release 26 February 2013), recovered 66% to 70% Fe concentrate grades from the relatively coarse and favourable grind size of 75  $\mu\text{m}$ , with  $\text{SiO}_2$  averaging 4.9% and less than 0.2%  $\text{Al}_2\text{O}_3$ . A premium grade feed will be suitable for blast furnace pellet production or as a Direct Reduction Iron (**DRI**) feed.

### Environmental Survey and Permitting

A comprehensive flora and fauna survey was completed last quarter which identified some Threatened Ecological Communities (**TEC**). These will need to be considered with an offset plan prior to future work.

The Company has engaged Aurora Environmental consultants to assess the recent environmental survey results and aid with development of pathway options.

The process with Aurora is an interactive one whereby Aurora has provided an initial report that requires some finalisation prior to moving onto the next step of obtaining EPA approval.

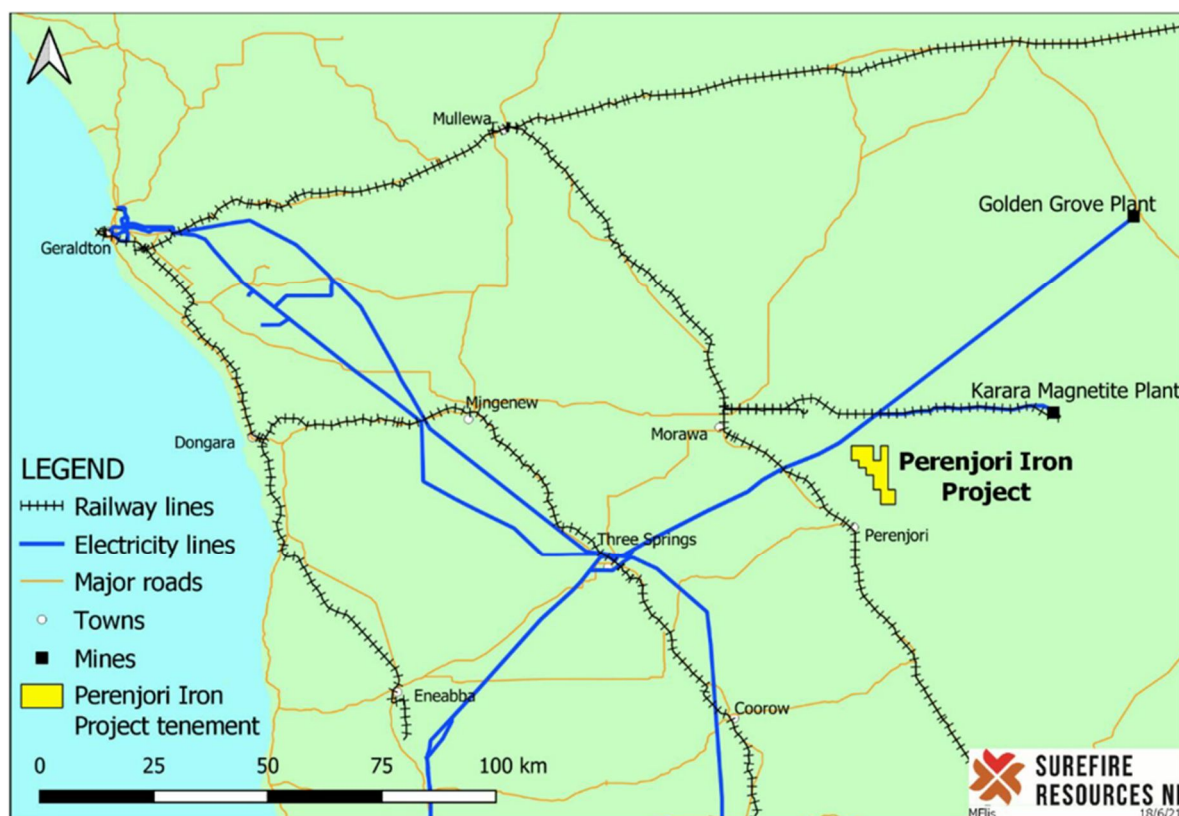


Figure 6 Surefire Resources High Grade Perenjori Iron Magnetite Project. Ideally located with power, Rail, Road access and close (200km) to the Port of Geraldton.

The Company has plans for the next stage of drilling to expand the current JORC resource and provide samples for rigorous metallurgical test work however those plans awaiting the appropriate EPA approval.

This project is also being introduced to other Saudi Companies via MISA, as Perenjori can provide a ready feedstock of “green iron” for the large infrastructure projects currently being undertaken in KSA.

#### KOOLINE SILVER-LEAD PROJECT

The Kooline Base Metals Project in the Ashburton region of Western Australia covers 240km<sup>2</sup> and 50km of strike of prospective lead-silver and copper mineralisation. Sampling results (ASX release 14 September 2022) confirm the high-grade tenor of the lead (14% - 16.2%) and silver (up to 55g/t) mineralisation.

Following on from a detailed review of structure, geochemical results, and previous site visit rock sample assays. A ground exploration follow-up program is planned for next quarter. This will include soil sampling, and possibly geophysics (Ground EM) to locate targets for a drilling program.

Review of the VTEM airborne electromagnetic conductor survey tenement E08/2373 was reassessed. There are 3 strong targets that require follow up sampling as shown on figure 7 below.

The targets are as follows:

1. **The Mt Conspicuous AEM target.** At over 600m in strike length the VTEM anomaly lies within a structural corridor that contains the historic Mt Conspicuous Mine. The VTEM anomaly comes to the surface and dips at an expected -60 degrees to the south-east and appears to be lying within bedding of the peelites.
2. **The Fine Cotton, Northerly & Phar Lap anomaly.** A large anomaly of 2km strike.
3. **Target 3.** A 3km strike length subsurface VTEM anomaly that comes to the surface in the northern portion of tenement E08/2373.

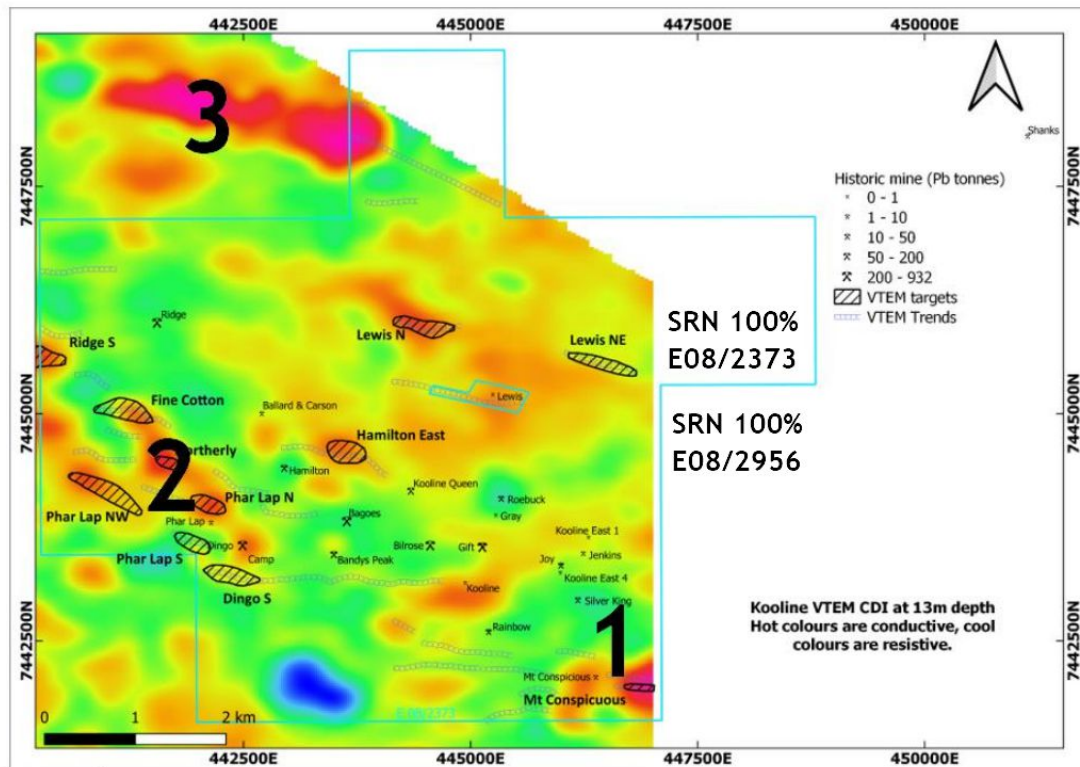


Figure 7 E08/2373 Kooline. Depth slice of the VTEM CDI inversion model 13m beneath the surface. GDA94 MGA Zone 50



## **CORPORATE ACTIVITIES**

### **International Mining and Resources Conference (IMARC)**

The Company's Managing Director, Paul Burton and Executive Chairman, Vladimir Nikolaenko will be meeting both **MISA** and **RCJY** representatives in Sydney at the forthcoming IMARC conference on 31 October – 2 November 2023.

### **ASX ADDITIONAL INFORMATION – Guidance Note 23 Disclosures**

Surefire provides the following information pursuant to ASX Listing Rule requirements:

1. ASX Listing Rule 5.3.1 - Exploration and Evaluation Expenditure during the quarter was \$361K. Full details of exploration activities during the quarter are set out in this report;
2. ASX Listing Rule 5.3.2 - There was no substantive mining production and development activities during the quarter;
3. ASX Listing Rule 5.3.3 – Details of mining tenements acquired or disposed of during the quarter, and held at the end of the quarter are set out in this report; and
4. ASX Listing Rule 5.3.5 - Payments to related parties of the Company and their associates during the quarter: \$102K. The Company advises that this relates to remuneration of Directors for executive chairman and managing director consultancy, and directorial services, all paid to director related entities.

**Authorised for release to ASX by Paul Burton, Managing Director.**

Inquiries: Paul Burton Managing Director +61 8 6331 6330

## **QUALIFYING STATEMENTS**

### **Competent Person Statement:**

The details contained in this report that pertain to an exploration target result are based upon information compiled by Mr Marcus Flis, an independent consultant to Surefire Resources NL. Mr Flis is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Flis consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

The information in this report that relates to exploration results has been reviewed, compiled, and fairly represented by Mr Horst Prumm, a Member of the Australian Institute of Mining and Metallurgy ('AusIMM') and the Australian Institute of Geoscience ('AIG') and a fulltime employee of Prumm Corporation Pty Ltd. Mr Prumm has sufficient experience relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Prumm consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Victory Bore Vanadium and Aluminium mineral resource estimation is based on work completed by Mr. Stephen Hyland, a Competent Person and



Fellow of the AusIMM. Mr. Hyland is Principal Consultant Geologist with Hyland Geological and Mining Consultants (HGMC), who is a Fellow of the Australian Institute of Mining and Metallurgy and holds relevant qualifications and experience as a qualified person for public reporting according to the JORC Code in Australia. Mr Hyland is also a Qualified Person under the rules and requirements of the

The information in this report that relates to metallurgical results has been reviewed, compiled, and fairly represented by Mr Damian Connelly, a Member of the Australian Institute of Mining and Metallurgy ('AusIMM') and the Australian Institute of Geoscience ('AIG') and a fulltime employee of METS engineers. Mr Connelly has sufficient experience in the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Connelly consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

**Cautionary Statement:**

The Exploration Target referred to in this announcement, being conceptual in nature, takes no account of geological complexity, possible mining method or metallurgical recovery factors. The Exploration Target was estimated to provide an assessment of the potential scale of the exploration and the Perenjori Iron Project and to inform the Company prior to a decision to proceed with additional resource definition work and more advanced and definitive studies.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or Reserves.

**No New Information or Data:**

SRN confirms that it is not aware of any new information or data that materially affects the information included in previous market announcements and, in the case of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

**Forward Looking Statements:**

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.

**APPENDIX 1**  
**TENEMENT HOLDINGS AT 30 September 2023**

PROJECT	LEASE	NAME	LOCALITY	LEASE STATUS
<b>YIDBY GOLD PROJECT</b>	E59/2426	Nynghan	WA	Granted
	E59/2390	Yalgoo	WA	Granted
	E59/2444	Yidby Hill	WA	Granted
	E59/2845	Yidby	WA	In Application
<b>NORTH PERENJORI</b>	E70/5575	Kadji	WA	Granted
	E59/2446	Perenjori 2	WA	Granted
<b>August</b>	E70/5573	Pinjarrah Hill	WA	Surrendered
<b>SOUTH PERENJORI</b>	E70/5311	Southwest	WA	Granted
	E70/6402	White Pointer	WA	Granted
	E70/5572	Fitzroy	WA	Granted
<b>UNALY HILL</b>	E57/1068	Unaly Hill	WA	EOT Granted
<b>VICTORY BORE</b>	E57/1036	Victory Bore	WA	M Application
<b>KOOLINE</b>	E08/2373	Kooline-Wyloo	WA	EOT in Application
	E08/2956	Kooline	WA	Granted
<b>MT FARMER</b>	E59/2843	Mt Farmer	WA	In Application
<b>BLUE MOON PROJECT</b>	E59/2846	Blue Moon	WA	In Application
	E59/2850	Super Moon	WA	In Application
	E59/2851	Blood Moon	WA	In Application
	E59/2852	Harvest Moon	WA	In Application

## Appendix 5B

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

Name of entity

SUREFIRE RESOURCES NL

ABN:

48 083 274 024

Quarter ended ("Current Quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(361)	(361)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(253)	(253)
	(e) administration and corporate costs	(168)	(168)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
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>(779)</b>	<b>(779)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(61)	(61)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 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>(61)</b>	<b>(61)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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 and conversion of partly paid shares into fully paid shares	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</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	1,488	1,488
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(779)	(779)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(61)	(61)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 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>648</b>	<b>648</b>

<b>5. 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	34	48
5.2 Call deposits	596	1,422
5.3 Bank overdrafts	-	-
5.4 Other (provide details) Office rental bond	18	18
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>648</b>	<b>1,488</b>

<b>6. 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	102
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>	

<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)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(779)
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)	(779)
8.4	Cash and cash equivalents at quarter end (item 4.6)	648
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	648
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.83
<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: SRN expects that it will continue to have negative operating cash flows as is usual for mining exploration entities, but expenditures on discretionary exploration expenses will be curtailed as needed, dependent on available cash resources.		
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: SRN is currently in discussions and having regard to its record of raising funds as and when required, these negotiations are expected to result in additional capital being raised. The Company has entered into a Controlled Placement Agreement with Acuity Capital (refer September 2018 quarterly report) which as yet has not been actioned. A total of 20 million ASX:SRN shares could be placed at market to activate the facility.		
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: SRN expects to be able to continue its operations and meet its business objectives based on its responses to 8.8.1 and 8.8.2 above.		
<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

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

**Date:** 31 October 2023

**Authorised by:** Rudolf Tieleman – Company Secretary  
(Name of body or officer authorising release – see note 4)

### Notes

- 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

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

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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.