



QUARTERLY ACTIVITIES REPORT

for the three months ended 30 June 2024
(figures are unaudited and in A\$ except where stated)

31 July 2024

June 2024 Quarter Highlights

During the quarter ending 30 June 2024 (**June Quarter**), **Xanadu Mines Ltd (Xanadu or the Company)** progressed its Kharmagtai Copper and Gold Project (**Kharmagtai**) Pre-Feasibility Study (**PFS**) and reported encouraging exploration results at its 100% owned Red Mountain Copper and Gold Project (**Red Mountain**), where drilling focused on near surface copper and gold targets. Importantly these outcomes were again achieved with no Lost Time Injuries or any significant safety or environmental incidents reported.

At Kharmagtai, metallurgical studies advanced with Eriez HydroFloat test-work, which evaluates coarse ore flotation, demonstrating excellent results for one of the key uplift scenarios in the Kharmagtai Scoping Study.¹ This has potential to improve upfront process efficiency, producing a coarse reject of up to ~44% by mass for the main mineralised sulphide orebody².

Looking forward to funding the development of Kharmagtai beyond PFS, the Company appointed Bacchus Capital as its strategic and project funding adviser.³

Exploration drilling progressed at the Red Mountain Project in the June Quarter, with approximately 4,880m of exploration diamond drilling completed across four prospects at the Red Mountain Project.⁴ Initial results encountered significant, shallow copper and gold mineralisation warranting further evaluation and follow up drilling.

Following completion of the long form JV agreement at Sant Tolgoi in July 2024, exploration activity will commence at Xanadu's third project in the September Quarter, with field teams getting onto the ground for the first phase of work.

The Company successfully completed and released its third annual Sustainability Report,⁵ further improving our disclosures and demonstrating our long-term commitment to Mongolia. We believe that Kharmagtai will play an integral role in the world's solution to the looming copper supply gap amid efforts to electrify the global economy.

¹ ASX/TSX Announcement 8 April 2022 – Scoping Study Kharmagtai Copper-Gold Project

² ASX/TSX Announcement 10 May 2024 – Kharmagtai Coarse Ore Flotation Test Results Update

³ ASX/TSX Announcement 18 April 2024 - Bacchus Capital Engaged as Strategic & Project Funding Adviser

⁴ ASX/TSX Announcement 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain

⁵ ASX/TSX Announcement 21 May 2024 – Sustainability Report

Kharmagtai Copper-Gold Project

- PFS on track for successful delivery, in September 2024, of a globally significant copper-gold mine with strong project economics, supported by a Maiden Ore Reserve.

Red Mountain Project

- Approximately 4,880m of discovery-focused diamond drilling completed across four prospects, encountered significant, shallow mineralisation warranting near term follow-up. Best intersections include:
 - **EPITHERMAL GOLD EXTENSIONS AT TARGET 33**
 - **41m @ 1.07g/t Au** from 34m (OUDDH128)
Including **5m @ 2.67g/t Au** from 38m
And **6m @ 2.28g/t Au** from 58m
 - **29m @ 0.54g/t Au** from 4m
Including **4.1m @ 1.39g/t Au** from 18m (OUDDH130)
 - **MAIDEN DRILLING FOR HIGH GRADE COPPER SULPHIDE LODES AT NOWIE**
 - **8m @ 1% Cu and 0.12g/t Au** from 267m (OUDDH134)
 - **14m @ 0.75% Cu and 0.26g/t Au** from 113m (OUDDH136)
 - **COPPER GOLD PORPHYRY EXTENSIONS AT 2 PROSPECTS**
 - **4m @ 0.85% Cu and 1.52g/t Au** from 186m (OUDDH132)
 - **9.5m @ 0.47% Cu and 0.21g/t Au** from 110.3m (OUDDH137)

Corporate

- Bacchus Capital Advisers Limited (**Bacchus**) appointed as strategic and project funding adviser for the Kharmagtai Copper-Gold Project.
- Subsequent to the Quarter, Xanadu signed the Sant Tolgoi long form JV agreement per its January 2024 term sheet⁶, enabling exploration activities to commence as planned in the September Quarter.
- Published Xanadu's third annual Sustainability Report for CY2023.
- Annual General Meeting⁷ held on 23 May 2024 with all resolutions passed.
- Kharmagtai PFS and Discovery Exploration funded by US\$35M from the Khuiten JV with Zijin Mining Group; with US\$3.2 million in cash on 30 June 2024.
- Xanadu is well-funded, with A\$5.2 million in cash on 30 June 2024 and a continued slow burn rate as operator fees are paid by the Kharmagtai project.

⁶ ASX/TSX Announcement 22 January 2024 – Xanadu Enters Into New Magmatic Copper and Nickel Sulphide Project

⁷ ASX/TSX Announcement 23 May 2024 – Results of Annual General Meeting

Executive Chairman & Managing Director, Colin Moorhead, said:

"In the June quarter of 2024, Xanadu Mines continued to make significant strides on multiple fronts of our three-horizon strategy.

"Our efforts on the Kharmagtai Project have been particularly noteworthy, with the Pre-Feasibility Study advancing toward a planned publication in the third quarter. The focus during the quarter has been on mining and process engineering and design bringing together the physicals that will drive capital and operating cost estimates for the project. Several upside opportunities also continued to be evaluated including but not limited to the Eriez HydroFloat test work, which has yielded excellent results and could potentially improve upfront processing efficiencies and reinforcing the potential of this key uplift scenario.

"Our exploration activities at the Red Mountain Project have been promising. During the quarter, we completed approximately 4,880 meters of discovery-focused diamond drilling across four prospects. The initial results, which encountered significant shallow copper and gold mineralisation, are very encouraging.

"In addition to these operational successes, we are proud to have released our third annual Sustainability Report, which highlights our ongoing commitment to sustainable practices and our long-term dedication to Mongolia. We firmly believe that the Kharmagtai Project will play an integral role in addressing the looming copper supply gap as the world continues its efforts to electrify the global economy.

As we move forward, the appointment of Bacchus Capital as our strategic and project funding adviser will be instrumental in advancing the Kharmagtai Project beyond the Pre-Feasibility Study stage."

Strategic Horizon 1 – Kharmagtai Copper-Gold Project

During the June Quarter, the Company continued to aggressively progress both the PFS and Discovery Exploration at Kharmagtai Copper-Gold Project, which is funded by US\$35 million from the JV with Zijin. Xanadu is operator of the joint venture during the PFS delivery period of 18 months, after which Zijin will become operator for final engineering, construction, and operations delivery.

Study Update

- On track for successful delivery, in August 2024, of a globally significant copper-gold mine with strong project economics, supported by a Maiden Ore Reserve.
- PFS metals production increased versus Scoping Study⁸ based on higher process plant throughput, underpinned by the 2023 Mineral Resource Update plus mining, process and infrastructure studies nearing completion. Stage 1 throughput will be 20-26Mtpa (Scoping Study 15Mtpa) and Stage 2 will duplicate the plant to 40-52Mtpa (Scoping Study 30Mtpa).
- Water drilling and pump testing concluded in July 2024, with modelling and analysis are now underway to determine sufficiency for Stage 1 requirements and forward works plans to meet full project demand including Stage 2 expansion.
- Metallurgy program is enhanced with additional studies for carbon in leach (CIL) and dilution cleaner technology to maximise gold recovery and concentrate grade, targeting imminent completion.

⁸ ASX/TSX Announcement 6 April 2022 – Scoping Study Kharmagtai Copper-Gold Project

- Independent PFS review by Enthalpy to be presented to the Khuiten JV in early August 2024.
- Significant progress on Mongolian permitting plans, including a Mongolian Resource submitted for registration, detailed environmental studies completed in July 2024, and the Mongolia Feasibility Study underway and aligned to PFS. Expanded community and government engagement is underway to support the approvals process for Mongolian investment agreement and full-scale construction.
- Maiden Ore Reserve will be published which incorporates PFS work as well as additional drilling since November 2023.
- Xanadu is assessing multiple opportunities to fund Xanadu's share of the project into Feasibility. This includes international debt providers, investment funds, potential trader customers and royalty streaming companies.
- Copper and gold prices are driving growing interest. As set out in the 2022 Scoping Study table of sensitivities⁹, at current spot prices of US\$4.25/lb Cu and US\$2,200/oz Au, the 2022 base case economics would uplift materially, increasing NPV by approximately US\$440M to >US\$1B. (Scoping Study US\$630M NPV at US\$4.0/lb Cu and US\$1,700/oz Au).
- Please refer to **Appendix 3** for a more detailed update on the Kharmagtai PFS.

Metallurgical Testwork

The Company completed Eriez HydroFloat test work, during the quarter, for evaluating coarse ore flotation, which demonstrated excellent results for one of the key uplift scenarios defined in the Kharmagtai Scoping Study. It effectively improved upfront processing efficiencies, producing a coarse reject of up to ~44% by mass for the main mineralised sulphide orebody.¹⁰

Results indicate that use of Eriez HydroFloat for Kharmagtai ore achieved a high recovery while rejecting coarse, barren ore and provides sufficient encouragement to conduct further studies. Since the comminution circuit is the major source of energy consumption, investigating ways to reduce this through a coarser grind warrants further work. This will take the form of mineralogical studies to determine the liberation of sulphides at coarser grinds, followed by further pilot testing on new samples, as they become available. The next step for coarse ore flotation is PFS process flow sheet modelling and engineering design by DRA, the engineering firm leading process design and engineering for the study.

Coarse ore flotation is a subset of the broader Kharmagtai metallurgical testwork program.

The comprehensive metallurgy program during the Pre-Feasibility Study includes comminution and flotation properties of the mineralisation and alteration styles at Kharmagtai to determine the optimum flowsheet and generate inputs for engineering design. This will also generate data to inform the copper and gold recovery models, and allow operating costs estimates to be calculated. Concentrate samples will also be generated for marketing studies as part of the broader metallurgy program.

⁹ ASX/TSX Announcement 6 April 2022 – Scoping Study Kharmagtai Copper-Gold Project (pages 41 and 44)

¹⁰ ASX/TSX Announcement 10 May 2024 – Kharmagtai Coarse Ore Flotation Test Results Update

Strategic Horizon 2 – World Class Discovery

Red Mountain Exploration Drilling

Approximately 4,880m of diamond drilling was designed to test and has successfully encountered shallow high-grade gold and copper-gold targets across the Red Mountain Lease (Figure 2)¹¹. Each prospect drill-tested was targeting the following mineralisation:

- Shallow epithermal gold at Target 33,
- High-grade copper sulphide lodes at Target 10, and
- Shallow copper-gold porphyry mineralisation at Nowie and Bavuu.
- Meters originally designed for Stockwork were reallocated to Target 33 during the program, following the highly encouraging initial results achieved

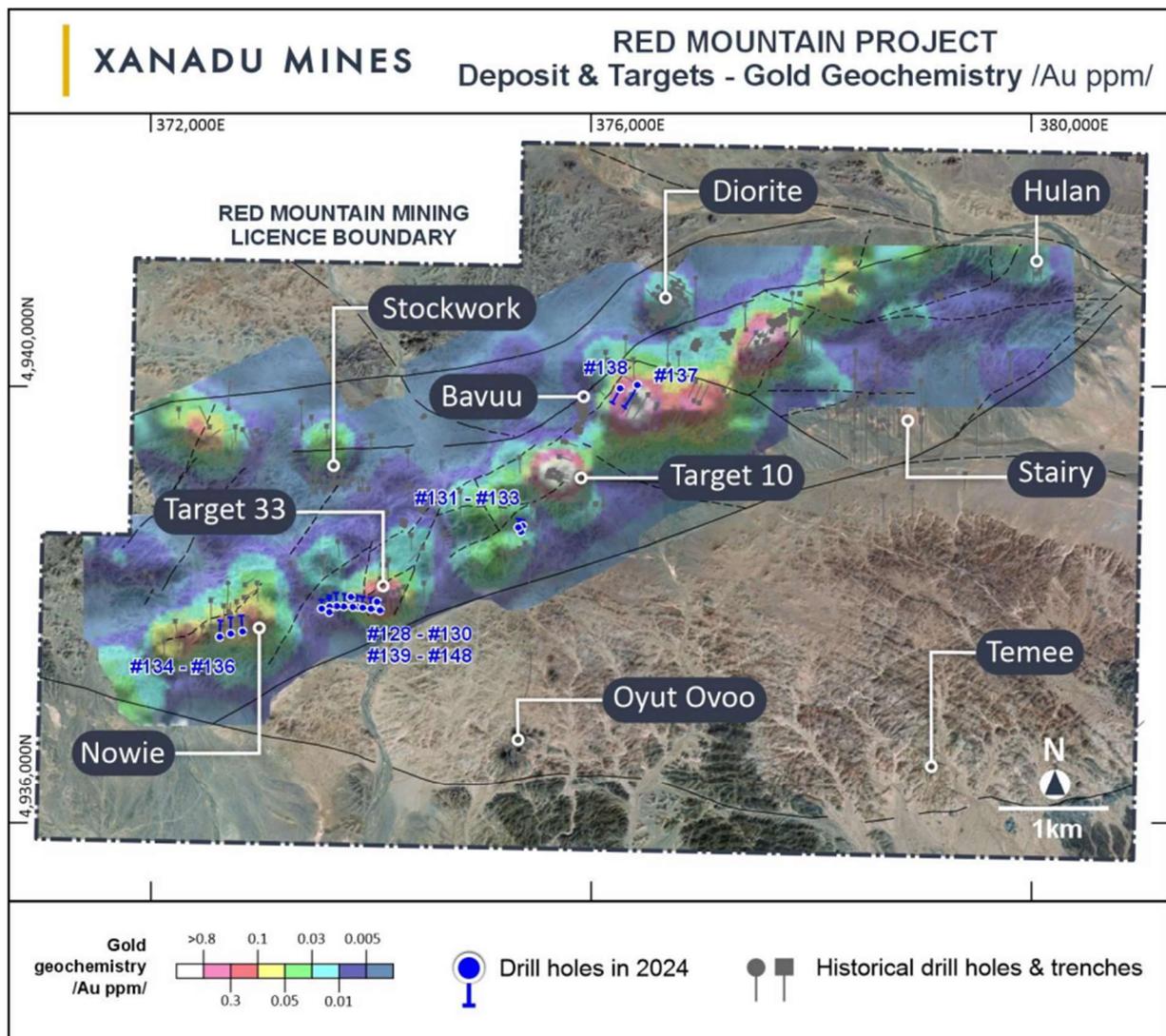


Figure 1: The Red Mountain Mining Lease with drill holes and target locations.

¹¹ ASX/TSX Announcement 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain

Target 33 Epithermal Gold

Drilling at the Target 33 Prospect (Figure 3) comprised thirteen shallow holes targeting the gold surface expression from previous drilling and trenching¹².

Drilling encountered multiple broad zones of gold mineralisation associated with the main east-west trending intrusive and some narrow higher-grade associated with cross cutting epithermal mineralisation. OUDDH128 was drilled targeting previous shallow RC drill holes with the object of identifying the geological features hosting gold mineralisation. It returned several broad intersections of epithermal gold rich mineralisation, at shallow depths:

- **41m @ 1.07g/t Au** from 34m
 - Including **13m @ 1.74g/t Au** from 34m
 - Including **5m @ 2.67g/t Au** from 38m
 - And **17m @ 1.06g/t Au** from 58m
 - Including **6m @ 2.28g/t Au** from 58m

OUDDH130 was drilled 200m along strike from OUDDH128 and returned broader zones of shallow gold mineralisation.

- **142m @ 0.32g/t Au** from 4m
 - Including **29m @ 0.54g/t Au** from 4m
 - Including **4.1m @ 1.39g/t Au** from 18m
 - And **16.2m @ 0.65g/t Au** from 51.8m
 - And **5.1m @ 0.55g/t Au** from 95m

Nowie Copper Copper-Gold Porphyry

Drilling at the Nowie Prospect comprised three holes targeting the surface expression of copper-gold porphyry stockwork¹⁰.

OUDDH134 was drilled on the western end of Nowie targeting outcropping stockwork and copper oxides at surface. OUDDH134 returned several broad intercepts of copper and gold and several narrower (4 - 8m) intervals of higher-grade copper:

- **120m @ 0.14% Cu and 0.12g/t Au (0.20% CuEq)** from 1m
 - Including **24m @ 0.26% Cu and 0.22g/t Au (0.37% CuEq)** from 5m
 - And **45m @ 0.27% Cu and 0.15g/t Au (0.35% CuEq)** from 139m
 - Including **4m @ 0.75% Cu and 0.55g/t Au (1.03% CuEq)** from 141m
 - And **8m @ 1.00% Cu and 0.12g/t Au (1.06% CuEq)** from 267m

OUDDH136 was drilled on the eastern end of Nowie targeting outcropping stockwork and previous trench results. OUDDH136 returned an encouraging zone grading up to 0.75% Cu

¹² ASX/TSX Announcement 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain

- **10m @ 0.37% Cu and 0.16g/t Au (0.46% CuEq)** from 78m
And **14m @ 0.75% Cu and 0.26g/t Au (0.88% CuEq)** from 113m

Target 10 Copper Gold Porphyry

Drilling at Target 10 focused on expanding the very high-grade copper intercept drilled in 2017. Three close spaced (25m) holes were designed to determine the orientation of the high-grade copper vein¹³. One of these holes, OUDDH132 intercepted the target zone, returning broad zones of mineralisation:

- **109.8m @ 0.25% Cu and 0.23g/t Au (0.37% CuEq)** from 140.2m
Including **10m @ 0.61% Cu and 0.88g/t Au (1.06% CuEq)** from 184m
Including **4m @ 0.85% Cu and 1.52g/t Au (1.62% CuEq)** from 186m

Bavuu Copper-Gold Porphyry

Two diamond drill holes were completed at Bavuu Porphyry Prospect to expand on previous drilling and trenching results¹¹.

OUDDH137 was drilled as 100m step-out to the east relative to previous drill hole OURC032, returning broad zones of low-grade mineralisation:

- **49m @ 0.15% Cu and 0.11g/t Au** from 109m
Including **9.5m @ 0.47% Cu and 0.21g/t Au** from 110.3m
And **143m @ 0.10% Cu and 0.10g/t Au** from 235m

OUDDH138 was drilled 100m west and along strike from OURC032, returning similar width and tenor of mineralisation as OUDDH137:

- **137m @ 0.1% Cu and 0.13g/t Au** from 76m

Corporate Activity

During the Quarter, Xanadu released its third annual Sustainability Report for CY2023 and held its Annual General Meeting.

Sustainability Report

On 21 May 2024, Xanadu issued its third annual Sustainability Report for CY2023, highlighting Xanadu's commitment to responsible and transparent ESG. This report further expanded disclosure and continued Xanadu's ESG journey to be a leader in sustainable exploration.

Annual General Meeting

Xanadu's Annual General Meeting (AGM) was held on 23 May 2024 with resolutions including the following:¹⁴

- Re-election of Director Tony Peason

¹³ ASX/TSX Announcement 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain

¹⁴ ASX/TSX Announcement 23 May 2024 – Results of Annual General Meeting

- Remuneration Report
- Grant of Options to Colin Moorhead
- Grant of Options to Ganbayar Lkhagvasuren
- Grant of Options to Michele Muscillo
- Grant of Options to Tony Pearson
- Proportional Takeover Provisions

ASX Announcements

This June 2024 Quarterly Activities Report contains information reported in accordance with the 2012 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012)* in the following announcements.

18-Apr-24	Bacchus Engaged as Strategic & Project Funding Adviser
10-May-24	Kharmagtai Coarse Ore Flotation Test Results Update
21-May-24	Sustainability Report
23-May-24	Results of Annual General Meeting
21-Jun-24	Near Surface Copper & Gold Results at Red Mountain

September 2024 Quarter Planned Activities

Key activities planned during the quarter ending 30 September 2024 (**June Quarter**) include:

- Strategic Horizon 1 – Kharmagtai PFS
 - Completion of PFS technical studies and reporting
 - Completion of PFS independent reviews
 - Presentation of PFS results to Khuiten Metals JV
 - Publication of PFS results
 - Publication of Maiden Ore Reserve
 - Transition of Khuiten JV Operatorship to Zijin Mining
- Strategic Horizon 2 - Discovery
 - Next phase of exploration at Red Mountain
- Strategic Horizon 3 – Portfolio Expansion
 - Commencement of Exploration at Sant Tolgoi

Results of Operations

	Quarter Ended				
	30 Jun 2024 \$'000	31 Mar 2024 \$'000	31 Dec 2023 \$'000	30 Sep 2023 \$'000	30 Jun 2023 \$'000
Kharmagtai (Khuiten JV)					
Gross Exploration Expenditure ^a	4,209	2,883	7,839 ^g	10,515	8,360
<i>Drill metres</i> ^{b,c}	601	3,283	12,677	29,388	28,032
Red Mountain					
Gross Exploration Expenditure ^a	929	317	69	90	32
<i>Drill metres</i> ^{b,c}	3,726	1,220	-	-	-
Exploration expenditures capitalised ^{a,d}	929	317	69	90	32
Corporate general and administration	1,466	1,148	2,184 ^e	1,365	2,712 ^e
Less JV Operator Overhead recovery ^f	<u>(1,036)</u>	<u>(825)</u>	<u>(891)</u>	<u>(970)</u>	<u>(1,001)</u>
Net Corporate general and administration	430	323	1,293	395	1,712

- Includes all forms of exploration such as diamond drilling, trenching, hydrology drilling, geophysics, assays and related costs.
- Reflects invoiced metres paid during the quarter under drilling contract. Physical metres drilled during the quarter may vary due to invoice timing.
- Excludes metres related to horizontal trenching, hydrological drilling, and shallow geotechnical investigation.
- Excludes Kharmagtai (Khuiten JV) Gross exploration expenditure no longer consolidated in the Company's results.
- Includes tranche 1 of success fee of AUD\$753k paid to Jeffries in April 2023 and following tranche 2 AUD\$750 accrued Dec 2023, paid April 2024 in relation to completion of Khuiten JV with Zijin.
- As operator of Khuiten JV, the operator overheads are recoverable in accordance with the Shareholders Joint Venture Agreement

Financial

Capital Structure

On 30 June 2024, the Company had 1,716,006,009 fully paid ordinary shares and 151,860,000 options over ordinary shares on issue and approximately A\$5.2 million in cash. The Khuiten JV, which controls the Kharmagtai project, had US\$3.2 million in cash available to progress the Kharmagtai PFS to completion.

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai. Xanadu is the Operator of a 50-50 JV with Zijin Mining Group in Khuiten Metals Pte Ltd, which controls 76.5% Kharmagtai.



Figure 7: Location of Xanadu Projects in the South Gobi region of Mongolia

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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This Announcement was authorised for release by Xanadu's Board of Directors.

APPENDIX 1: STATEMENTS AND DISCLAIMERS

MINERAL RESOURCES AND ORE RESERVES REPORTING REQUIREMENTS

The JORC Code, 2012 sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this Announcement has been presented in accordance with the JORC Code, 2012.

MINERAL RESOURCES AND ORE RESERVES

There were no updates to Mineral Resource Estimates for Kharmagtai during the Quarter. Please refer to the most recent announcement for the current Mineral Resource.¹⁵ There are no reported Ore Reserves.

MINING ACTIVITIES

There were no mine production or development activities during the Quarter.

LIST OF TENEMENTS

Xanadu held licenses for the following tenements during the Quarter. No new farm-in or farm-out agreements were entered into during the quarter.

Project Name	Tenement Name	Beneficial Ownership Start of Quarter	Beneficial Ownership End of Quarter	Location
Red Mountain	Red Mountain	100%	100%	Mongolia, Dornogobi province, Saikhandulaan soum
Kharmagtai	Kharmagtai	38.25% ¹⁶	38.25%	Mongolia, Umnugobi province, Tsogttsetsii soum

COMPETENT PERSON STATEMENTS

The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Robert Spiers, who is responsible for the Mineral Resource Estimate. Mr Spiers is a full time Principal Geologist employed by Spiers Geological Consultants (SGC) and is a Member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code, 2012. Mr Spiers consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to exploration results is based on information compiled by Dr Andrew Stewart, who is responsible for the exploration data, comments on exploration target sizes, QA/QC and geological interpretation and information. Australasian Institute of Geoscientists and is a Member of the Australasian Institute of Geoscientists, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Competent Person as defined in the JORC Code, 2012 and the *National Instrument 43-101*. Dr Stewart consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

¹⁵ ASX/TSX Announcement 8 December 2023 – Kharmagtai Mineral Resource grows by 13% CuEq; including >25% increase in higher-grade core

¹⁶ 38.25% represents 50% of Khuiten Metals via the Khuiten JV with Zijin. Khuiten Metals controls Kharmagtai and holds 76.5% of the Kharmagtai mining lease.

The information in this Announcement that relates to metallurgy and metallurgical test work has been reviewed by Graham Brock, BSc (Eng), ARSM. Mr Brock is not an employee of the Company but is employed as a contract consultant. Mr Brock is a Fellow of the Australasian Institute of Mining and Metallurgy; he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent as defined in the 2012 Edition of the *Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves* and the *National Instrument 43-101*. Mr Brock consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this Announcement that relates to mining and project management has been reviewed by Julien Lawrence, BEng (Mining Hons 1), MS (Project Management). Mr Lawrence is not an employee of the Company but is employed as a contract consultant. Mr Lawrence is a Fellow of the Australian Institute of Mining and Metallurgy and has sufficient experience with the style of mining and type of deposit under consideration, and to the activities undertaken, to qualify as a competent as defined in the 2012 Edition of the *Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves* and the *National Instrument 43-101*. Mr Lawrence consents to the inclusion in this report of the contained technical information in the form and context as it appears.

RELATED PARTIES

As set out in section 6.1 of the attached Appendix 5B, *Mining exploration entity or oil and gas exploration entity quarterly cash flow report*, payments made to related parties and their associates was approx. \$396,000 in the Quarter. The amounts relate to salary, superannuation and bonus payments to Directors; legal fees paid to HopgoodGanim Lawyers (a company associated with Xanadu Non-Executive Director Michele Muscillo) for legal services; rent paid to Xanadu Executive Director Ganbayar Lkhagvasuren in relation to Xanadu's Ulaanbaatar office; and rent fees paid to Colin Moorhead & Associates (a company associated with Xanadu's Executive Chairman and Managing Director, Colin Moorhead) in relation to a share of Xanadu's Melbourne office.

COPPER EQUIVALENT CALCULATIONS

The copper equivalent (**eCu, CuEq**) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage with a metallurgical recovery factor applied.

Copper equivalent grade values were calculated using the formula: $CuEq = Cu + Au * 0.60049 * 0.86667$.

Where Cu - copper grade (%); Au - gold grade (g/t); 0.60049 - conversion factor (gold to copper); 0.86667 - relative recovery of gold to copper (86.67%).

The copper equivalent formula was based on the following parameters (prices are in USD): Copper price 3.4 \$/lb; Gold price 1400 \$/oz; Copper recovery 90%; Gold recovery 78%; Relative recovery of gold to copper = $78\% / 90\% = 86.67\%$.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (**ASX**) and Toronto Stock Exchange (**TSX**). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All 'forward-looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein.

For further information, please visit the Xanadu Mines web site www.xanadumines.com.

APPENDIX 2: TABLES

For original announcement, please refer to 21 June 2024 – Near Surface Copper & Gold Results at Red Mountain.

Table 1: Drill hole collar details from the quarter (KH prefix = Kharmagtai, OU prefix = Red Mountain, excludes drill holes completed in the prior quarter, excludes hydrological drilling.)

Hole ID	Prospect	East	North	RL	Azimuth (°)	Inc (°)	Depth (m)
OUDDH128	Target 33	374056	4937968	1058	0	-60	200.0
OUDDH129	Target 33	374003	4937969	1047	0	-60	200.0
OUDDH130	Target 33	373883	4937987	1061	0	-60	200.0
OUDDH131	Target 10	375380	4938728	1072	0	-70	150.0
OUDDH132	Target 10	375364	4938674	1071	0	-70	250.0
OUDDH133	Target 10	375340	4938714	1071	0	-70	220.0
OUDDH134	Nowie	372630	4937712	1072	0	-60	300.0
OUDDH135	Nowie	372729	4937741	1058	0	-60	300.5
OUDDH136	Nowie	372837	4937761	1058	0	-60	300.5
OUDDH137	Bavuu	376421	4940018	1084	205	-60	450.0
OUDDH138	Bavuu	376264	4939987	1087	205	-60	303.5
OUDDH139	Target 33	373928	4937979	1050	0	-60	200.0
OUDDH140	Target 33	373838	4937986	1051	0	-60	200.0
OUDDH141	Target 33	374085	4937954	1057	0	60	162.5
OUDDH142	Target 33	373755	4937990	1057	0	-60	221.6
OUDDH143	Target 33	373693	4937993	1057	0	-60	234.5
OUDDH144	Target 33	373627	4937989	1057	0	-60	200.0
OUDDH145	Target 33	374057	4938034	1060	180	-60	191.5
OUDDH146	Target 33	373821	4938077	1060	180	-60	200.0
OUDDH147	Target 33	373555	4937970	1052	0	-60	160.0
OUDDH148	Target 33	373625	4937938	1051	0	-60	244.0

Table 2: Significant drill results from the quarter (KH prefix = Kharmagtai, OU prefix = Red Mountain, excludes drill holes completed in the prior quarter, excludes hydrological drilling.)

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	CuEq (%)	AuEq (g/t)
OUDDH128	Target 33	6	10	4	0.84	0.24	0.67	1.30
	<i>and</i>	34	75	41	1.07	0.15	0.69	1.35
	<i>including</i>	34	47	13	1.74	0.03	0.91	1.79
	<i>including</i>	38	43	5	2.67	0.01	1.38	2.70
	<i>including</i>	58	75	17	1.06	0.31	0.85	1.67
	<i>including</i>	58	64	6	2.28	0.57	1.74	3.40
	<i>and</i>	111	115	4	0.76	0.01	0.39	0.77
	<i>and</i>	170	176	6	0.49	0.05	0.30	0.58
OUDDH129	Target 33	18	34	16	0.37	0.03	0.22	0.44
	<i>including</i>	28	32	4	0.98	0.01	0.51	1.00
	<i>and</i>	98	104	6	0.52	0.00	0.27	0.53
OUDDH130	Target 33	4	146	142	0.32	0.06	0.22	0.43
	<i>including</i>	4	33	29	0.54	0.06	0.34	0.66
	<i>including</i>	18	22.1	4.1	1.39	0.05	0.77	1.50
	<i>including</i>	51.8	68	16.2	0.65	0.08	0.41	0.80
	<i>including</i>	95	100.1	5.1	0.55	0.04	0.32	0.63
	<i>and</i>	157	167	10	0.13	0.11	0.17	0.34
OUDDH131	Target 10	<i>No significant intercepts</i>						
OUDDH132	Target 10	140.2	250	109.8	0.23	0.25	0.37	0.73
	<i>including</i>	146	207	61	0.30	0.32	0.48	0.93
	<i>including</i>	154	166	12	0.24	0.28	0.41	0.79
	<i>including</i>	184	194	10	0.88	0.61	1.06	2.07
	<i>including</i>	186	190	4	1.52	0.85	1.62	3.17
	<i>including</i>	220	226	6	0.19	0.25	0.34	0.67
	<i>including</i>	245	250	5	0.29	0.35	0.50	0.97
OUDDH133	Target 10	49	56	7	0.27	0.01	0.15	0.29
	<i>and</i>	153	171	18	0.06	0.15	0.18	0.35
	<i>and</i>	181	220	39	0.11	0.19	0.25	0.48

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	CuEq (%)	AuEq (g/t)
<i>including</i>		185	193	8	0.16	0.36	0.44	0.87
<i>including</i>		209	219	10	0.21	0.27	0.37	0.73
OUDDH134	Nowie	1	121	120	0.12	0.14	0.20	0.39
<i>including</i>		5	29	24	0.22	0.26	0.37	0.72
<i>including</i>		89	101	12	0.11	0.12	0.18	0.35
<i>including</i>		113	119	6	0.46	0.33	0.57	1.11
<i>and</i>		139	184	45	0.15	0.27	0.35	0.67
<i>including</i>		139	182	43	0.15	0.27	0.35	0.68
<i>and</i>		141	145	4	0.55	0.75	1.03	2.01
<i>and</i>		229	237	8	0.12	0.26	0.32	0.62
<i>and</i>		267	275	8	0.12	1.00	1.06	2.08
<i>including</i>		268	275	7	0.14	1.12	1.19	2.32
<i>including</i>		268	272	4	0.21	1.77	1.87	3.66
OUDDH135	Nowie	6	44	38	0.10	0.13	0.18	0.35
<i>including</i>		26	40	14	0.16	0.20	0.28	0.55
<i>and</i>		54	87.2	33.2	0.21	0.18	0.29	0.56
<i>including</i>		54	64	10	0.35	0.25	0.43	0.85
<i>including</i>		78	87.2	9.2	0.19	0.24	0.33	0.65
<i>and</i>		103	107	4	0.27	0.39	0.53	1.03
<i>and</i>		179	186.5	7.5	0.06	0.09	0.13	0.25
OUDDH136	Nowie	78	88	10	0.16	0.37	0.46	0.89
<i>and</i>		113	127	14	0.26	0.75	0.88	1.72
<i>including</i>		113	125	12	0.28	0.82	0.96	1.88
<i>including</i>		113	123	10	0.26	0.83	0.96	1.88
<i>and</i>		171.2	189	17.8	0.08	0.13	0.17	0.33
OUDDH137	Bavuu	0	4	4	0.12	0.06	0.12	0.23
<i>and</i>		109	158	49	0.11	0.15	0.20	0.40
<i>including</i>		110.3	119.8	9.5	0.21	0.47	0.58	1.13
<i>and</i>		235	378	143	0.10	0.10	0.15	0.28
<i>including</i>		249	261	12	0.14	0.14	0.21	0.41

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	CuEq (%)	AuEq (g/t)
<i>including</i>		295	303	8	0.14	0.15	0.22	0.43
<i>and</i>		404	412	8	0.09	0.15	0.20	0.39
OUDDH138	Bavuu	76	213	137	0.13	0.10	0.16	0.31
<i>including</i>		188	198	10	0.25	0.23	0.36	0.70
<i>and</i>		236.4	242.4	6	0.09	0.09	0.13	0.26
<i>and</i>		263	267	4	0.10	0.09	0.14	0.28
<i>and</i>		287	303.5	16.5	0.11	0.18	0.23	0.46
<i>including</i>		291	295.1	4.1	0.22	0.24	0.36	0.69
OUDDH139	Target 33	37	41	4	0.67	0.05	0.39	0.76
<i>and</i>		62	66	4	0.20	0.01	0.11	0.21
OUDDH140	Target 33	12.5	56	43.5	0.19	0.05	0.15	0.30
<i>and</i>		68	107	39	0.11	0.04	0.10	0.19
<i>and</i>		129	160	31	0.14	0.10	0.17	0.33
OUDDH141	Target 33	15	19	4	0.19	0.05	0.15	0.29
<i>and</i>		51	57	6	0.06	0.16	0.19	0.37
<i>and</i>		90	104	14	0.42	0.01	0.22	0.44
<i>including</i>		94	102	8	0.58	0.01	0.30	0.59
<i>and</i>		142	156	14	0.16	0.06	0.14	0.28
OUDDH142	Target 33	1	5	4	0.12	0.13	0.19	0.37
<i>and</i>		19	31	12	0.12	0.06	0.12	0.24
<i>and</i>		65	69	4	0.41	0.03	0.24	0.46
<i>and</i>		101	136	35	0.13	0.09	0.15	0.30
<i>including</i>		107	115	8	0.20	0.16	0.26	0.51
<i>and</i>		146	208	62	0.11	0.11	0.17	0.32
<i>including</i>		198	202	4	0.29	0.28	0.42	0.82
OUDDH143	Target 33	0	8	8	0.16	0.06	0.15	0.29
<i>and</i>		17.8	102	84.2	0.07	0.07	0.10	0.20
<i>and</i>		112	122	10	0.09	0.11	0.16	0.31
<i>and</i>		132	138	6	0.07	0.15	0.19	0.37
<i>and</i>		148	174	26	0.11	0.08	0.13	0.26

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	CuEq (%)	AuEq (g/t)
OUDDH144	Target 33	12	126	114	0.11	0.12	0.18	0.35
	<i>including</i>	37.93	50	12.07	0.36	0.32	0.50	0.99
	<i>including</i>	37.93	48	10.07	0.35	0.33	0.51	0.99
	<i>including</i>	60	72.9	12.9	0.14	0.17	0.24	0.46
OUDDH145	Target 33	0.4	33.5	33.1	0.35	0.03	0.20	0.40
	<i>and</i>	54	62.6	8.6	0.21	0.07	0.18	0.36
OUDDH146	Target 33	1.5	14	12.5	0.80	0.10	0.51	1.00
	<i>and</i>	24	83	59	0.28	0.07	0.21	0.41
	<i>including</i>	49	73	24	0.52	0.11	0.37	0.73
OUDDH147	Target 33	47	60	13	0.28	0.13	0.28	0.54
	<i>including</i>	49	60	11	0.30	0.14	0.30	0.58
	<i>and</i>	99	125	26	0.10	0.05	0.11	0.21
OUDDH148	Target 33	19	30.5	11.5	0.19	0.13	0.22	0.44
	<i>and</i>	154	160	6	0.45	0.01	0.24	0.47

APPENDIX 3: KHARMAGTAI PFS UPDATE

PFS versus Scoping Study

The PFS will deliver a larger and more robust project based on the updated 2023 Mineral Resource, which increased in situ tonnes at approximately the same grade and increased the scale of higher-grade zones by 25% to 125Mt.¹⁷ The larger resource optimises at a higher throughput, delivering potential for a larger scale of annual metal production.

Mine Design & Engineering

Mine optimisation was completed with Whittle Consulting following >270 Prober runs to explore different mine and throughput configurations. The optimised theoretical mine plan was then handed over to Mining Plus for detailed technical design and Life of Mine (**LOM**) schedule optimisation, which is currently underway.

Geotechnical investigation and design are now complete, with varying pit wall configurations by zone provided to Mining Plus for final design work. Additional mine hydrogeological investigation is underway in parallel to increase confidence levels.

The ultimate pit shell designs have now been designed by Mining Plus, and pit shell staging is now underway, using guidance from Whittle strategic mine plan and schedule.

Contract mining has been selected for the PFS base case, using hybrid electric drive mobile equipment. To support the operating cost assumptions, capital inputs are being reviewed by Zijin and other advisers to consider both western and Chinese suppliers of equipment and mining services.

¹⁷ ASX/TSX Announcement 8 December 2023 – Kharmagtai Mineral Resource grows by 13% CuEq; including >25% increase in higher-grade core

A JORC compliant Maiden Ore Reserve will be delivered as part of this work.

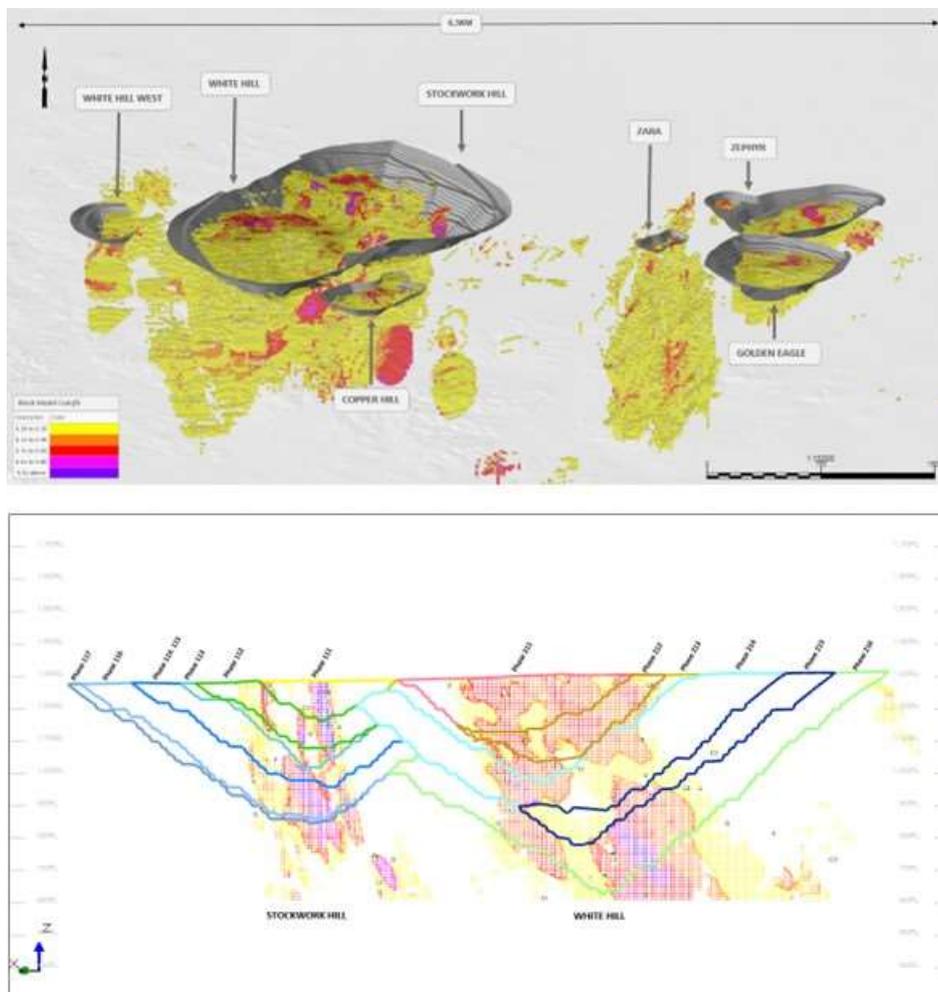


Figure 8. PFS Ultimate Pit Shells Overlaid to Current Resource

Process Design and Engineering

Plant configuration has been selected with 2x 20MW SABC circuits in Stage 1 and a duplication with 2x 20MW SABC circuits in Stage 2. Each stage has a throughput range of 20-26 Mtpa based on varying feed hardness, with lower average hardness material scheduled earlier in the mine life. The sulphide circuits then continue with gravity gold recovery, a single stage rougher, regrind, and three stages of cleaning.

The DRA design team is reviewing modular options for both stages which would potentially allow phasing with each of the stages or a single installation depending on project inputs and economic conditions. Stage 2 is planned to commence in years 8-9 to allow sufficient time to secure expanded water extraction rights and allowing for several years of strong cash generation post payback of Stage 1 capital.

PFS design and drawings are nearing completion, with space left in the plant design for potential upgrades including CIL and Jameson cells. The CIL is under consideration to recover gold from cleaner tailings and from gold-rich and low-copper oxide material which will produce additional gold dore beyond that produced through the upfront gravity

circuit. Meanwhile the Jameson cells could be incorporated into the cleaner circuit to improve concentrate grade. Both uplift options are pending final metallurgical testwork which will be completed in the near term.

Capital equipment lists are finished, and Xanadu is collaborating closely with Zijin and other technical advisers to review and consider both western and Chinese suppliers for key pieces of equipment, as well as assumptions for EPCM costing, to ensure Kharmagtai’s value is maximised.

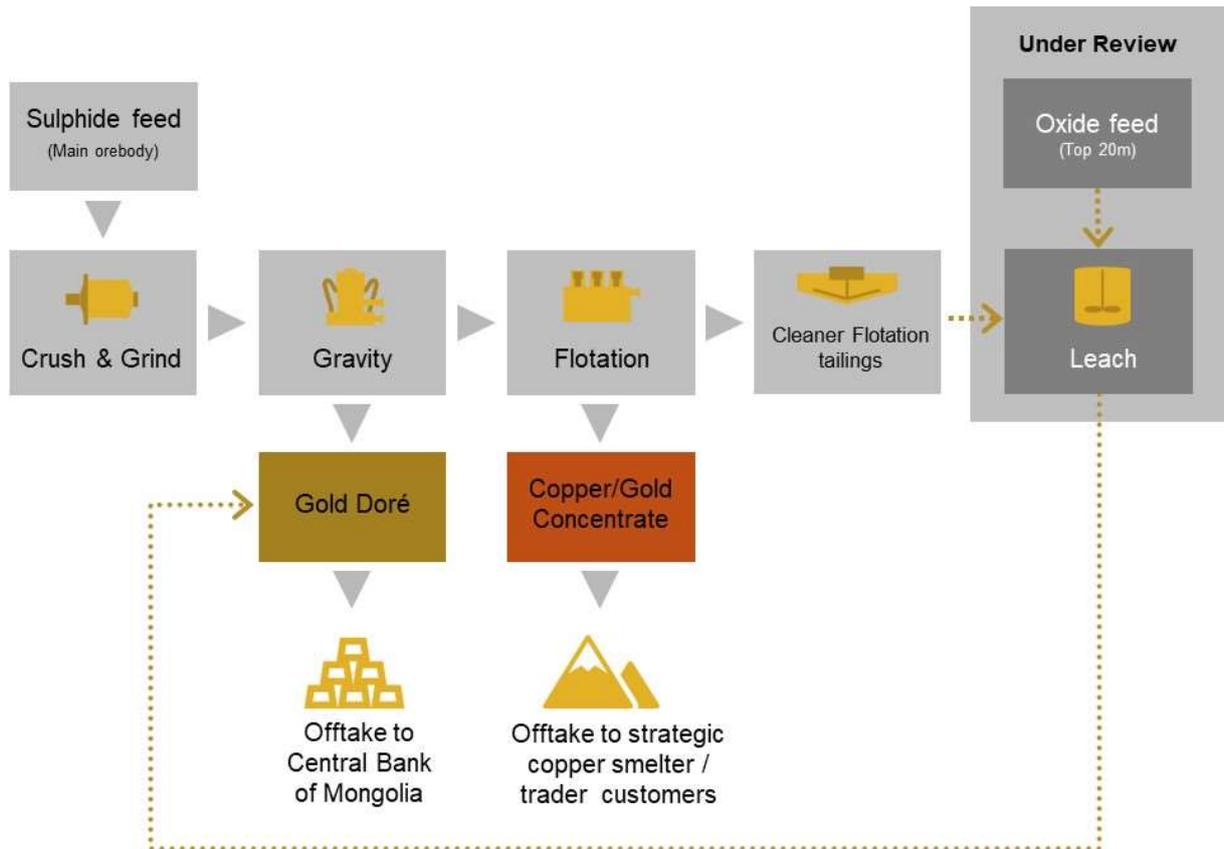


Figure 9. PFS Process Flowsheet ^{18,19,20}

Following a preliminary study, a bulk heap leach design for oxide may require additional technical and commercial work to firm up to PFS standard. This includes testwork to optimise acid consumption during the copper leach stage and commercial work to determine a viable path to generate or purchase acid in the Mongolian market. Xanadu believes these uncertainties will be resolved in future studies and that an oxide heap leach represents potential material upside for Kharmagtai.

¹⁸ Oxide is primarily in the top 20m from surface. Additional surface oxide material resides outside 2023 MRE, representing upside for future leach circuit. (~3.5 to 4.5Mt treatable higher-grade gold, lower-grade copper oxide inventory classified as pre-strip & ascribed negative value in Scoping Study).

¹⁹ Test work nearing completion for CIL on cleaner tails and higher-gold grade oxidised material, as well as bulk oxide heap leach

²⁰ Gold doré sales to Central bank of Mongolia attract taxation benefits, and price received is based on Mongolia spot price

Water

Industrial ground water is present in the Gobi in the form of deep artesian basins, with some similarity to the water sources that drive the mining industry in Western Australia. These are currently being utilised on an industrial scale to run significant mining operations such as Oyu Tolgoi copper mine and Tavan Tolgoi coal mine.

The focus of the 2024 PFS water exploration program led by SRK is to identify water sources near the project for the first stage of operation and lay the technical groundwork for future extraction. This has included geophysics, hydrological drilling, airlift and pump testing in two basins, which is now complete with modelling, analysis, and development of forward works plans for 2025 now underway. The 2024 fieldwork program at the ZUK basin successfully confirmed the presence of a large aquifer as reported in previous studies.²¹ Additional work will be required for registration of production reserves and extraction permits.

The 2025 Feasibility Study program will include drilling and pump testing at additional identified basins as well as commercial discussions with other water license holders to provide expanded water supply for the full term of the mine plan including Stage 2 expansion.



Figure 10. Water Drilling for Kharmagtai

²¹ ASX/TSX Announcement 6 April 2022 – Scoping Study Kharmagtai Copper-Gold Project

Power

Kharmagtai power will be sourced 50-50 from grid and renewable sources, under a study developed by Fujian Power China. The grid connection will be designed to support the full load requirements at Kharmagtai under a long-term, variable offtake agreement, with variability aligned to availability from renewable sources. Grid power may be sourced from Inner Mongolia (China), which also supplies power to the Oyu Tolgoi and Tavan Tolgoi mines. The renewable component will be a combination of dedicated solar and wind supplied built by a third party under a long-term offtake agreement with Kharmagtai, for which potential suppliers have already expressed interest.

Tailings Storage Facility

The Tailings Storage Facility (TSF) will be located in the northeast corner of the tenement for the first 10-15 years of Kharmagtai operation, consistent with start-up of other large mining projects in Mongolia. Subsequent expansion of the TSF off-site will be undertaken following the grant of land use permits, consistent with the intended process at Oyu Tolgoi.

Knight Piesold has determined that tailings will be very low acid forming, and therefore, will not require a synthetic liner, which is expected to reduce capital costs.

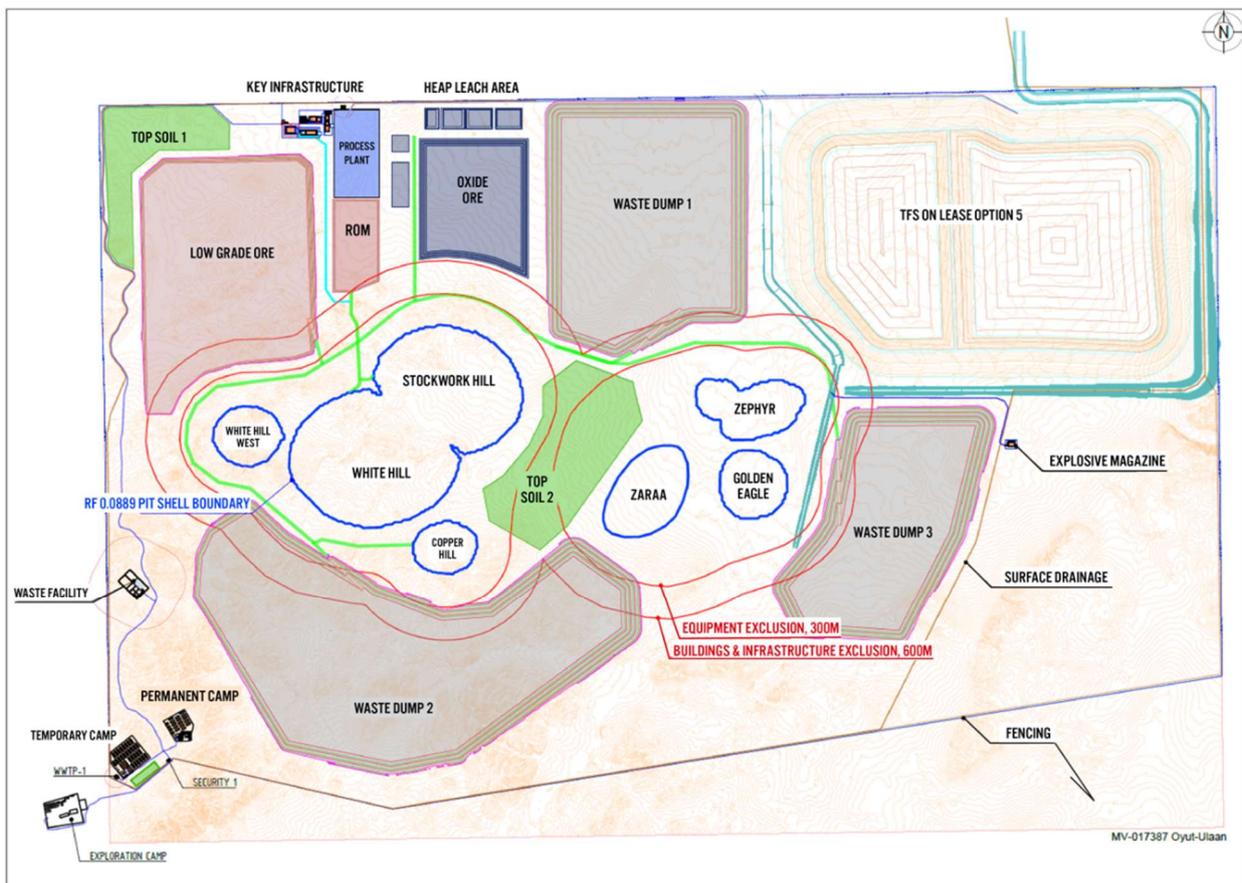


Figure 11. General Arrangement including Tailings Storage Facility

Metallurgy

Metallurgical work currently underway at ALS labs includes Phase 2 variability rougher and cleaner testing, expanded testing of Jameson cells to investigate an improvement in concentrate grade, and testing both cleaner tailings and gold-rich oxide material samples using Carbon In Leach (**CIL**) processing to recover gold. These will be reported in early August 2024.

The Phase 2 locked cycle test-work will increase confidence and confirm grade-recovery relationships in final economic modelling.

The Jameson cell testing will build upon a single sample which indicated potential to increase concentrate grade with minimal impact to recoveries. This will have an important impact to project economics both in terms of concentrate shipping and logistics, as well as payables and revenue generation.

The CIL tests and studies will confirm the cost, input parameters and economics around recovery of gold from cleaner tailings. If implemented, the CIL will be sized to also treat gold-rich oxide material that is mined during pre-strip activities, and a small, shorter life crusher circuit will be added for that oxide material.

Permitting, Regulatory and Stakeholder Engagement

Work for Mongolian Resource, Detailed Environmental Impact Assessment (**DEIA**) and Mongolian Feasibility Study (**TEZU**) is being led by Goldman Project contractors, a Mongolian company with significant experience delivering projects through permitting and regulatory approval stages. The Mongolian Resource has been completed and submitted for approval and registration.

The DEIA data collection and analysis requirements for PFS are nearing completion. Additional studies to be undertaken, including social surveys, will be undertaken during 2025 to deliver a full DEIA report for submission to Mongolian regulatory approval as well as a fully bankable Environmental and Social Impact Assessment (**ESIA**) to international standards.

The TEZU study has commenced and significant work on infrastructure and mine design linked to the Mongolian Resource has been completed. The TEZU study conclude in early 2025, using PFS outcomes to align between international and Mongolian requirements.

The Investment Agreement (**IA**) between Kharmagtai's owners and the Mongolian Government follows Mongolian Resource, DEIA and TEZU registration and approvals. IAs are required for all large Mongolian mining projects, and the Kharmagtai process will be modelled on the IAs for Oyu Tolgoi and Zuuvch Ovoo (which is currently pending approval). The pre-work for this includes additional education and outreach work to familiarise stakeholders with Kharmagtai and the value it will bring to the country and local communities. The IA pre-work program is being developed now for inclusion in the 2025 Feasibility Study program.

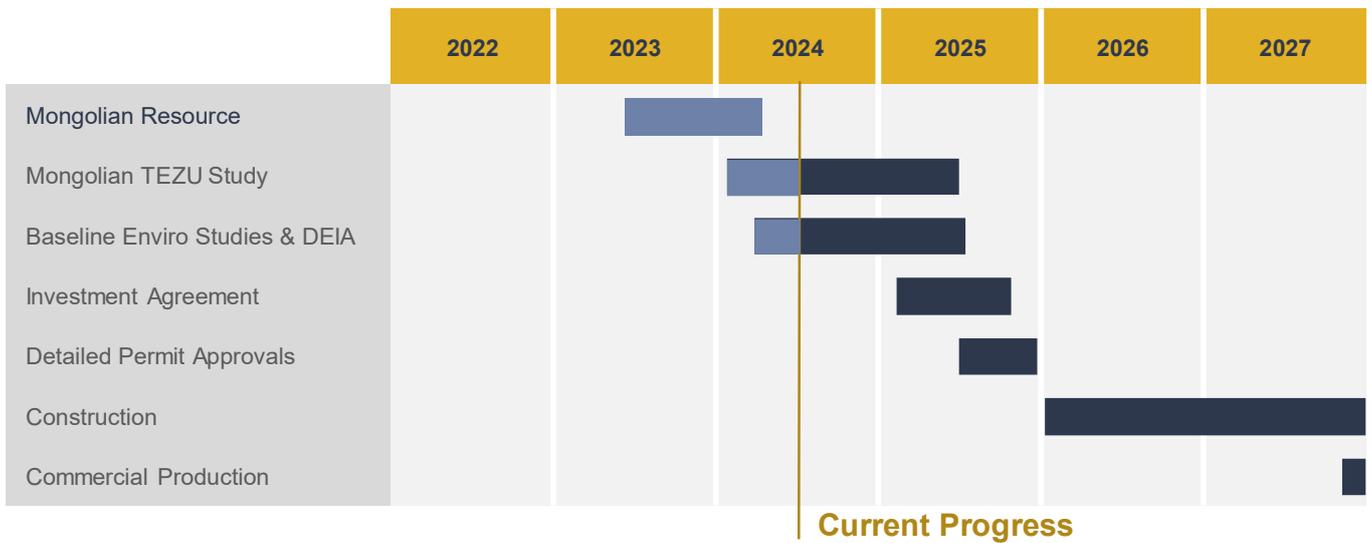


Figure 12. Permitting and Approvals Timeline to Commercial production

Note that commercial production in late 2027 is based on a leaching solution for oxide ore, with main sulphide production coming online in 2028. Bulk oxide heap leach remains an upside scenario and not in the base case, as reported earlier in this announcement. However, a more targeted and potentially lower risk leach solution is under investigation which may still support commercial production in late 2027.

Independent Review

A fully independent review is being undertaken by Enthalpy, informally during the course of the project and formally at its conclusion. Enthalpy will provide a report to the Khuiten Metals JV Board aiming to confirm no fatal flaws at PFS standard and that forward works programs are appropriate to address remaining gaps prior to a construction decision.

Owner’s reviews are also progressing by both Zijin and Xanadu. Like Enthalpy, these are being undertaken progressively during the project and with a final review at project completion.

Next Steps

The bulk of PFS technical work will be completed by the Khuiten Metals JV in the near term, ahead of independent reviews during August 2024. Final financial analysis and detailed reporting will be executed in parallel with the review process.

Public reporting to ASX and TSX of the PFS study outcomes and a JORC compliant Maiden Ore Reserve is anticipated in early September 2024. This will be followed by NI43-101 reports as required under Xanadu’s TSX listing.

Following PFS delivery, the project is expected to gate to Feasibility through 2025. To support a gating decision, the PFS will deliver both a study outcome and a forward works plan for all technical areas, which will be incorporated into a fully detailed Feasibility scope, schedule, budget and project execution plan (**PEP**). These documents will require unanimous approval by JV partners Xanadu and Zijin prior to funding and commencing work. Operatorship will then transfer to Zijin from the start of Feasibility and into Construction.

Ahead of 2025 funding requirements, Xanadu is actively working with its Strategic and Funding Advisor, Bacchus Capital, to source funds for the 2025 Feasibility Study. This process will include the multiple recent inbound queries from capital providers, including international debt providers, investment funds, potential trader customers and royalty streaming companies.

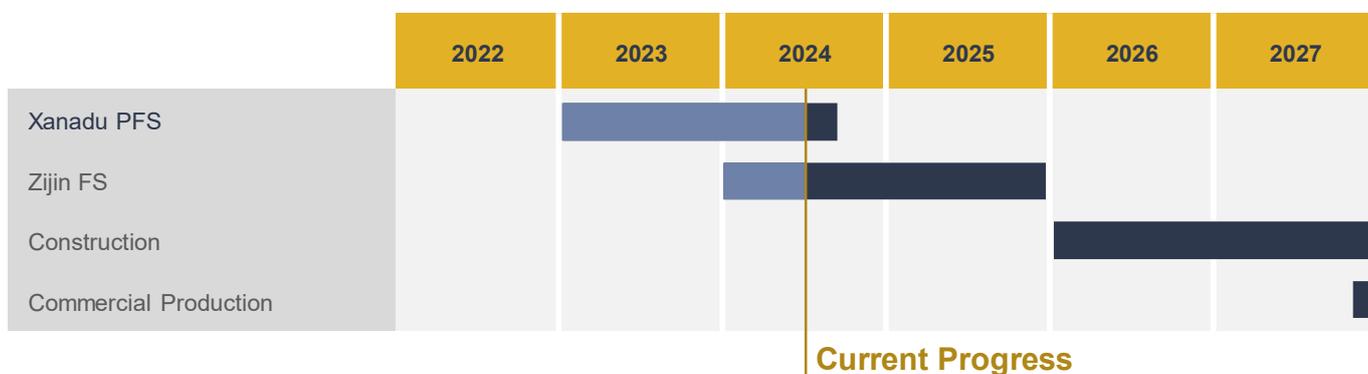


Figure 13. Project Stage Timeline to Commercial Production

Near-Term Kharmagtai News Flow

Xanadu anticipates the following news flow related to Kharmagtai by the end of Q3 CY2024. Note that approval by the Khuiten Metals JV will be required prior announcement of PFS results.

- Aug 2024 – Mineral Resource Estimate Update
- Aug 2024 - Design Drawings
 - Process Plant 3D Detail
 - Mine Staging and Pit Detail
 - Site General Arrangement Detail
- Aug 2024 - Metallurgical Test Results
 - Phase 2 Variability Flotation Rougher and Cleaner
 - Jameson Cells for Concentrate Upgrade
 - CIL on Cleaner Tailings
- Sep 2024 - PFS Study Results
- Sep 2024 - Maiden JORC Ore Reserve
- Oct 2024 - Feasibility Study Plan

Appendix 5B

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

Name of entity

Xanadu Mines Ltd

ABN

92 114 249 026

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(593)	(1,475)
(e) administration and corporate costs	(1,621)	(1,964)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	71	71
1.5 Interest and other costs of finance paid	(6)	(13)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
Operator overhead received from Joint Venture	1,036	1,862
1.9 Net cash from / (used in) operating activities	(1,113)	(1,519)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(61)
(c) property, plant and equipment	-	-

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 (6 months) \$A'000
	(d) exploration & evaluation	(1,235)	(1,307)
	(e) investments	0	-
	(f) other non-current assets	-	-
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	(1,235)	(1,368)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	835
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(14)	(29)
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	(14)	(806)

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

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,577	7,318
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,113)	(1,519)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,235)	(1,368)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	14	806
4.5	Effect of movement in exchange rates on cash held	20	(2)
4.6	Cash and cash equivalents at end of period	5,235	5,235

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	2,663	3,554
5.2	Call deposits	2,572	4,023
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)	5,235	7,577

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	396
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

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 (Motor Vehicle Leases)	164	164
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)	(1,113)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,235)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,348)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,235
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,235
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.23
	<i>Note: if the entity has reported positive relevant outgoings (i.e., 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	

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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: 31 July 2024

Authorised 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 – e.g., 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.