

Appendix 5B

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

Name of entity

MINCOR RESOURCES NL

ABN

42 072 745 692

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers <i>Proceeds from BHP for nickel concentrate on ore deliveries up to August 2022 (less processing and freight charges).</i>		11,571	11,571
1.2 Payments for			
(a) exploration & evaluation		(3,322)	(3,322)
(b) development		-	-
(c) production		(15,494)	(15,494)
(d) staff costs		(1,802)	(1,802)
(e) administration and corporate costs		(1,086)	(1,086)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		218	218
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) <i>Includes net proceeds of \$5.9 million from settlement of the short-term quotational period (QP) hedging with BNP Paribas for 932 nickel tonnes at an average price of \$37,717/t.</i>		5,534	5,534
1.9 Net cash from / (used in) operating activities		(4,381)	(4,381)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) tenements		-	-
(c) property, plant and equipment		(5,714)	(5,714)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets <i>Mine properties in development</i>	(13,691)	(13,691)
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	(19,405)	(19,405)

3.	Cash flows from financing activities		
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	-	-
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) <i>Includes lease payments and interest paid on borrowings</i>	(447)	(447)
3.10	Net cash from / (used in) financing activities	(447)	(447)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	79,060	79,060
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,381)	(4,381)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(19,405)	(19,405)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(447)	(447)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	54,827	54,827

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	213	238
5.2	Call deposits	54,129	78,398
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	485	424
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	54,827	79,060

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 *	720
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><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></p> <p>* Amounts shown in item 6.1 relate to salaries/ fees (including superannuation) paid to directors during the quarter, as well as FY22 short-term incentive bonus and leave entitlement paid on resignation of previous Managing Director, Mr David Southam.</p>		

7. Financing facilities <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>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	30,000	30,000										
7.2 Credit standby arrangements	-	-										
7.3 Other (please specify)	485	424										
7.4 Total financing facilities	30,485	30,424										
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.												
<p>The Company has a bond and credit card facility financed through Commonwealth Bank of Australia with a limit of \$484,986. This facility is denominated in Australian dollars and is secured against cash deposits of the same amount shown as restricted cash in Item 5.4 of this report. An annual performance bond fee is charged at market rates. No amounts are payable under these facilities, other than the annual fee, unless the consolidated entity does not adhere to the terms of the agreements guaranteed.</p> <p>The Company has a A\$30 million Revolving Credit Facility (“RCF”) with BNP Paribas. Key terms of the RCF are as follows:</p> <table><tr><td>Amount</td><td>A\$30 million</td></tr><tr><td>Tenor</td><td>September 2023. The term may be extended for two further periods at each annual review date.</td></tr><tr><td>Interest rate</td><td>Based on current markets, the interest rate remains consistent with the Project Finance Facility¹.</td></tr><tr><td>Mandatory Hedging</td><td>In April 2021, as required under the Project Finance Facility¹, the Company completed the mandatory hedge program with the execution of forward contracts for 4,666 nickel tonnes at an average price (after bank margin) of between A\$21,000/t and A\$22,000/t, over the period September 2022 to February 2024. At 30 September 2022, 4,359 nickel tonnes remain outstanding under the program.</td></tr><tr><td>Conditions and warranties</td><td>Customary for a revolving facility of this nature.</td></tr></table>			Amount	A\$30 million	Tenor	September 2023. The term may be extended for two further periods at each annual review date.	Interest rate	Based on current markets, the interest rate remains consistent with the Project Finance Facility ¹ .	Mandatory Hedging	In April 2021, as required under the Project Finance Facility ¹ , the Company completed the mandatory hedge program with the execution of forward contracts for 4,666 nickel tonnes at an average price (after bank margin) of between A\$21,000/t and A\$22,000/t, over the period September 2022 to February 2024. At 30 September 2022, 4,359 nickel tonnes remain outstanding under the program.	Conditions and warranties	Customary for a revolving facility of this nature.
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¹ Please refer to ASX Announcement on 17 September 2020 for further details.												

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(4,381)
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)	(4,381)
8.4 Cash and cash equivalents at quarter end (item 4.6)	54,827
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	54,827
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	13
<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: Not applicable.	
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: Not applicable.	
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: Not applicable.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

28 October 2022

Date:

BOARD OF MINCOR RESOURCES NL

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

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

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.