

Quarterly Activities Report December 2022

31 January 2023

PILBARA LITHIUM AND RARE-EARTH PROJECTS, WESTERN AUSTRALIA

- **Exploration commenced on the Pilbara Lithium projects.**
 - Soil sampling completed over Fig Tree, Ant Hill and Camel Creek, with over 200 samples collected with assay results pending.
 - Hyperspectral evaluation of the Pilbara Lithium projects tenements completed with the acquisition of ASTER (Advanced spaceborne thermal emission and reflection radiometer) and Sentinel satellite data with:
 - 104 anomalies identified on the South Wodgina project tenements requiring on-ground investigations; and
 - 115 anomalies identified on Figtree, Carmel Creek and Ant Hill project tenements requiring on-ground investigation.
 - South Wodgina Lithium Project contains high priority exploration targets, with known lithium at Mt Francisco adjacent to the north-west corner of the South Wodgina Lithium EL. Entry to conduct on ground exploration anticipated Q2 2023, following permitting.

PLOMOSAS, MEXICO

- **Plomosas zinc concentrate offtake agreement extended for 2023.**
- **Production significantly reduced by cumulative impact of supply chain and contractor issues:**
 - 2,765 tonnes ore mined.
 - 2,358 tonnes of ore processed at 11.4% zinc, 5.5% lead and 45.5g/t silver.
 - Payable metal sold, 193 tonnes of zinc and 46 tonnes of lead in concentrate.
- **Realised zinc price of \$1.34/lb for the quarter, \$1.52/lb YTD.**
- **Cash costs/lb high due to disrupted production:**
 - C1 cash cost of payable zinc sold \$1.97/lb for quarter, \$1.92/lb YTD.
- **Closing cash of US\$0.852 million, decrease from the prior quarter of US\$1.192 million.**

All references in this report are to US\$, unless otherwise stated.

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Consolidated Zinc Limited (CZL:ASX or “the Company”) presents its December 2022 quarterly activities report.

PILBARA LITHIUM PROJECTS – PILBARA, WESTERN AUSTRALIA

Consolidated Zinc owns 100% of four granted Exploration Licenses (“EL”) and one EL Application (“ELA”) in the Pilbara totalling approximately 1,000km², which are prospective for lithium and Rear Earth mineralisation and are located near two of the world's largest spodumene lithium deposits/mines and other significant deposits (ASX: PLS – Pilgangoora, MIN – Wodgina and GL1- Archer Project).

Exploration activities commenced during the quarter, with a comprehensive surface reconnaissance program at the Marble Bar projects and a non-invasive hyperspectral evaluation of the South Wodgina and Marble Bar projects completed.

Surface Reconnaissance

Marble Bar Projects

Consolidated Zinc’s exploration program commenced on 22nd September 2022 at the Camel Creek /Ant Hill licenses, followed by the Fig Tree license.

Due to a lack of relief (elevation difference) across the Camel Creek /Ant Hill/Fig Tree licences and hence lack of significant outcrops, a systematic stream sediment sampling was initiated to determine areas for more detailed follow-up. A total of 209 samples were collected and have been delivered to the laboratory. Results from the analysis of samples are expected in about 6 weeks.

South Wodgina Projects

The Company’s two South Wodgina licences are located on the Yandeyarra Native Reserve, entry and consent for mine permissions must be received from the traditional owners Kariyarra Aboriginal Council (KAC) prior to the commencement of ground exploration. Heritage Agreements have already been signed. Discussions are ongoing with KAC and are expected to be finalised at the next meeting of the KAC council scheduled for mid-year 2023.

After the permits are approved by the KAC they must be approved by the Minister for Mines and the Minister for Aboriginal Affairs before CZL can commence evaluating the tenements.

Hyperspectral Evaluation

A hyperspectral evaluation of the Pilbara tenements was initiated with the acquisition of ASTER (Advanced Spaceborne Thermal Emission and Reflection Radiometer) and Sentinel satellite data to assist in discriminating areas for on-ground exploration.

Hyperspectral images allow efficient early desktop mapping of rock units and alteration minerals, potentially associated with mineral deposits.

South Wodgina Projects

The hyperspectral analysis completed over the South Wodgina has identified 49 and 55 anomalies on E45/5973 and E45/5974 respectively (Figure 1). Some of these pre-targets are over 3,000m long.

Reconnaissance field work for all the project areas has been initiated. This will allow the identification of lithium bearing pegmatites. Drill Targets will be developed and followed up as rapidly as possible, to enable Heritage Surveys to be conducted and on ground exploration to commence when the weather permits safe access. Reconnaissance outcrop rock chip sampling is being undertaken, inspecting suspected areas of mineralisation and aiming to assess and prioritize the possible lithium tenor/grade of the outcrops.

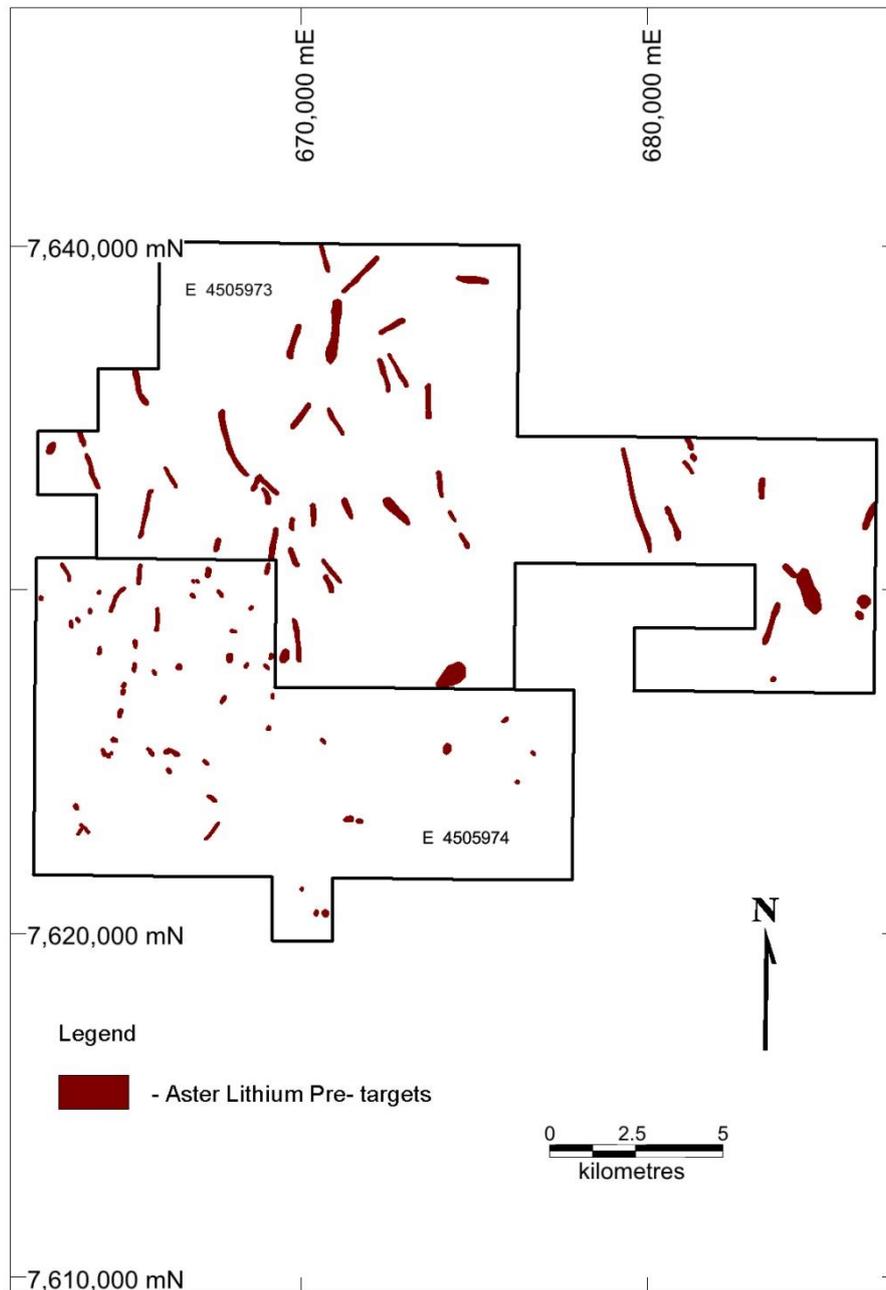


Figure 1: South Wodgina Project Hyperspectral Pre-targets

Marble Bar Projects

The hyperspectral analysis completed over the Camel Creek and Ant Hill EL's and interpreted 74 anomalies, that are being evaluated, with ground truthing +/- rock outcrop and soil sampling.

The hyperspectral data associated with the two Wodgina EL's and the Fig Tree application will now be evaluated to assist in discriminating areas for on-ground exploration that will be initiated once relevant access permits and the EL are granted.

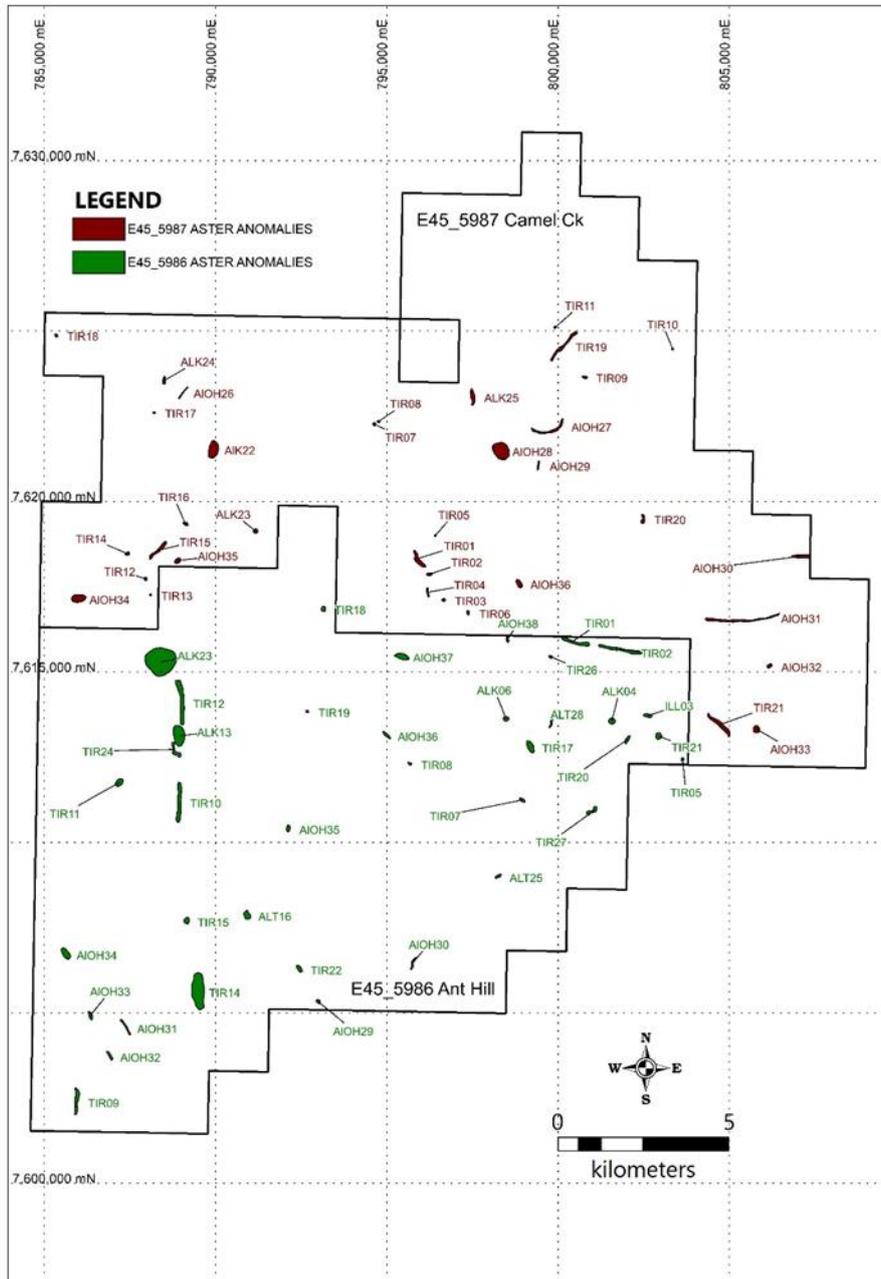


Figure 2: Ant Hill E45-5986 and Camel Creek E45-5987 hyperspectral anomalies.

RARE EARTHS PROJECTS – GASCOYNE, WESTERN AUSTRALIA

Wandagee

The Wandagee Project is located approximately 150km northeast of Carnarvon and 45km east of the Minilya Bridge Roadhouse, in the Gascoyne Region of Western Australia. The Wandagee Project consists of one EL (E09/2499) covering an area of ~400km². The EL is prospective for Rare-earth, Zinc-Lead-Silver/Copper-Lead-Silver base metals and has limited exploration undertaken in the past.

No field exploration activities were undertaken during the quarter on Wandagee. Document review and development of the historical data for the area with respect to mining has been undertaken and will be part of the ongoing search for historical mining and exploration in the Licences.

Health, Safety and Environment

During the quarter there were zero lost time injuries and no reportable environmental incidents.

AUSTRALIA EXPLORATION EXPENDITURE

During the quarter, exploration activities and expenditure related to the Pilbara Lithium projects with \$0.110 million focused on the Pilbara licences.

OPERATIONS - PLOMOSAS MINE, CHIHUAHUA STATE, MEXICO (100% OWNED)

Mining

During the quarter 2,765 tonnes hauled to the surface at Plomosas. The quarter started well with production at budgeted levels, however mining was significantly reduced, then halted due to the failure of a dewatering pump preventing access to stopes through November and December 2022.

The dewatering pump repairs took significantly longer than expected due to a series of supply chain issues for the supply pump and ancillary equipment, followed by contractor equipment issues prior to and during installation. The usual contractor for pump removal and installation was not available and the second contractor's crane was not suitable for the task of removing the 350Hp pump replacing the impellers and reinstalling the pump. During the delays the water level rose to a level of 905mRL that limited access to key high production stopes at 880mRL. At the date of this announcement, the water level has been reduced to 892mRL and access to the high grade 880mRL stopes is expected in March.

Processing

During the quarter, 2,358 tonnes of ore was processed through the Plomosas Plant, at 11.4% Zinc, 5.5% lead and 45.4g/t silver. Recovery of zinc-to-zinc concentrate was 68.7% (Q3 2022: 68.2%) with 31.3% (Q3 2022: 29.9%) recovery of lead-to-lead concentrate.

At the end of the quarter, all concentrate inventory stockpiles were sold with 232 tonnes of ROM ore available for processing.

Operating Costs

The quarterly C1 cash operating cost was \$1.97 per payable pound of zinc sold, a 17% increase from Q3 2022 (\$1.68/lb).

Due to the lower than planned production rate and high proportion of fixed operating costs at Plomosas, the unit operating cost were higher than budgeted. Cost reduction measures were implemented to reduce operating costs; however, these reductions were partly offset by the repairs to the dewatering pumps which were treated as an operating cost under the Company's accounting policies.

TABLE 1. QUARTER ENDED 31 DECEMBER 2022 PRODUCTION STATISTICS

			Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022 YEAR
MINED	Ore	MT	3,041	6,545	6,695	2,765	19,046
	Waste	MT	140	353	694	745	1,932
	Development	Metres	86	90	255	144	575
ORE PROCESSED	Ore	MT	3,207	6,889	6,540	2,358	18,994
	Zinc	%	9.8%	12.1%	12.5%	11.4%	11.6%
	Lead	%	4.5%	6.5%	6.3%	5.5%	5.8%
	Silver	Grams/t	28.3	42.5	37.6	45.5	36.2
SALES	Payable Zinc	MT	200	413	485	193	1,291
	Payable Lead	MT	42	119	129	46	336
	Payable Silver	Oz	194	1,196	1,710	404	3,504
C1 CASH COST PER PAYABLE ZINC SOLD	Mining, Processing & G&A	\$/lb payable Zinc sold	\$2.11	\$2.08	\$1.58	\$2.00	\$1.85
	Treatment & Transport Charges	\$/lb payable Zinc sold	\$0.17	\$0.29	\$0.33	\$0.26	\$0.31
	By Product Credits	\$/lb payable Zinc sold	\$(0.22)	\$(0.25)	\$(0.23)	\$(0.29)	\$(0.24)
	C1 Cash Cost	\$/lb payable Zinc sold	\$2.06	\$2.12	\$1.68	\$1.97	\$1.92

Concentrate Sales

276 tonnes of zinc concentrate, and 131 tonnes of lead concentrate were sold in the quarter.

At the end of the quarter, all zinc and lead concentrate inventory was sold.

The realised zinc price for the quarter was \$1.34/lb (2022 Year \$1.52/lb), inclusive of provisional and final pricing adjustments up to 31 December 2022.

Zinc Offtake Agreement

The Company announced Industrias Penoles S.A. de C.V. (“Penoles”) has exercised its option to purchase 100% of the zinc concentrates produced by Minera Latin American Zinc SAPI de CV (“MLAZ”) at Plomosas, for the period 1 January 2023 to 31 December 2023.

Health, Safety and Environment

During the quarter there were zero lost time injuries and no reportable environmental incidents.

The Covid 19 protocols remain embedded in the operating practises and will remain until it is considered safe and appropriate to remove these practises.

CORPORATE

Capital Raising

At a general meeting held on 9th December 2022 approval was received for directors and a major shareholder, Copulos Group to participate in the capital raising that happened in September 2022.

Funds raised from the Placement will be applied towards exploration expenditure at the Pilbara Lithium Project, general working capital and offer costs.

Cash

The Company's closing cash at the end of the quarter was \$0.852 million, a decrease from the prior quarter of \$1.192 million.

Trade Receivables and Payables

The Company's trade receivables due from the sale of zinc and lead concentrates were \$0.052 million (prior quarter \$0.408 million) and VAT refundable of \$0.580 million (prior quarter \$0.653 million).

VAT refunds due continue to be recovered through a combination of cash refunds and offsetting against monthly VAT payable amounts due to the Mexican government. The VAT refunds are denominated in Mexican Peso and revalued monthly to the functional currency of US Dollars.

The estimated sale value of the zinc and lead concentrate stockpiles at the end of the quarter was \$0.000 million due to all concentrates sold (prior quarter \$0.116 million).

Trade payables and accruals at the end of the quarter were \$2.800 million (prior quarter \$3.106 million).

Trade payables includes approximately \$1.221 million invoiced by a former contractor but disputed by the Company, excluding the value of inventory ceased by Ganti and held as a bond by the Mexican Courts.

Payments to Related Parties

During the quarter, payments totalling \$0.102 million were made to directors for salaries, directors fees, superannuation.

Ganti Legal Case

During the quarter, there was no change in the status of the Ganti legal case with the Mexican courts.

This announcement was authorised for issue to the ASX by the Directors of the Company.

For further information please contact:

Brad Marwood
Managing Director
08 6400 6222

ABOUT CONSOLIDATED ZINC

Consolidated Zinc Limited (ASX: CZL) owns 100% interests in the Pilbara Lithium and Wandagee Projects, which comprise approximately 1,400km² in 5 granted exploration licenses (plus 1 exploration licence in application), located in the Pilbara and Gascoyne regions of Western Australia. The Pilbara Projects are highly prospective for lithium and are situated near two of the world's largest hard rock lithium deposits/ mines (ASX: PLS – Pilgangoora & ASX: MIN – Wodgina) and other deposits and occurrences near Marble Bar (ASX: GL1's Archer Project).

The Company also owns 100% of the Plomosas Mine, located 120km from Chihuahua City, Chihuahua State, Mexico. Chihuahua State has a strong mining sector with other large base and precious metal projects in operation. Historical mining at Plomosas (between 1945 and 1974) extracted over 2 million tonnes of ore grading 22% Zn+Pb, plus over 80g/t Ag. Only small -scale mining continued to the present day and the mineralised zones remain open at depth and along strike. The Company recommenced mining at Plomosas and to intends to exploit its potential by mining the high- grade zinc, lead and silver Mineral Resource and through the identification, exploration and exploitation of new zones of mineralisation.

Caution Regarding Forward Looking Statements and Forward-Looking Information:

This report contains forward looking statements and forward-looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of lithium, zinc and lead, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

Except as required by law or regulation (including the ASX Listing Rules), Consolidated Zinc undertakes no obligation to provide any additional or updated information whether because of new information, future events, or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Production Targets:

Production targets referred to in this report are underpinned by estimated Mineral Resources which have been prepared by competent persons in accordance with the requirements of the JORC Code. The production targets in this report are sourced from both Indicated and Inferred Mineral Resources and it should be noted that there is a low 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 that the production target will be realised.

The stated production target is based on the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

Competent Persons' Statement

The information in this report that relates to Plomosas, Mexico, exploration results, data collection and geological interpretation is based on information compiled by Duncan Greenaway (Hons), Mr Greenaway is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Greenaway has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Mr. Greenaway consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Shaun Searle who is a Member of the Australasian Institute of. Mr Searle is a full-time employee of Ashmore Advisory Pty Ltd. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Searle consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Pilbara, Western Australia, exploration results, data collection and geological interpretation is based on information compiled by Mr Richard Simmons. Mr Simmons is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Simmons has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Mr Simmons consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

Appendix 1: Tenement Schedule

The schedule of tenements and concessions held by the Company on 31 December 2022 are detailed in the Table 2 below.

There were no changes to the Mexico and Australia tenements during the quarter.

Table 2 – Tenement schedule						
Lease	Project	Name	Type	Lease Status	Expiry Date	CZL Equity
Mexico						
217641	Plomosas	La Falla	Mining	Granted	05/08/2052	100%
218242	Plomosas	La Verdad	Mining	Granted	16/10/2052	100%
225527	Plomosas	El Olvido	Exploitation	Granted	19/09/2055	100%
224880	Plomosas	Pronto	Exploitation	Granted	20/06/2055	100%
218272	Plomosas	Ripley	Exploitation	Granted	16/10/2052	100%
216882	Plomosas	La México	Exploitation	Granted	04/06/2052	100%
227077	Plomosas	Don Lucas	Exploitation	Granted	03/05/2056	100%
227078	Plomosas	Don Lucas II	Mining	Granted	03/05/2056	100%
227664	Plomosas	Don Lucas III	Mining	Granted	27/07/2056	100%
230175	Plomosas	Don Lucas IV	Mining	Granted	26/07/2057	100%
235942	Plomosas	Don Sabastian	Exploration	Granted	19/04/2060	100%
Australia						
ELA09/2499	Wandagee	Wandagee	Exploration	Granted	01/06/2027	100%
ELA45/5972	Figtree	Figtree	Exploration	Application	-	100%
ELA45/5973	South Wodgina	South Wodgina	Exploration	Granted	03/07/2027	100%
ELA45/5974	South Wodgina	South Wodgina	Exploration	Granted	03/07/2027	100%
ELA45/5986	Ant Hill	Ant Hill	Exploration	Granted	26/05/2027	100%
ELA45/5987	Camel Creek	Camel Creek	Exploration	Granted	26/05/2027	100%

Appendix 5B

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

Name of entity

CONSOLIDATED ZINC LIMITED

ABN

27 118 554 359

Quarter ended ("current quarter")

31 DECEMBER 2022

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	1,497	5,336
1.2	Payments for		
	(a) exploration & evaluation	(100)	(194)
	(b) development	-	-
	(c) production	(1,790)	(6,153)
	(d) staff costs	(177)	(519)
	(e) administration and corporate costs	(70)	(232)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(27)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (VAT refunds and insurance recoveries)	50	220
1.9	Net cash from / (used in) operating activities	(590)	(1,569)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	(123)
	(b) tenements	-	-
	(c) property, plant and equipment	(35)	(56)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(35)	(179)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	289	2,523
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	(8)	(168)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(72)
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	285	2,283

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,192	317
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(590)	(1,569)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(35)	(179)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	285	2,283

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

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	852	852

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 \$US'000	Previous quarter \$US'000
5.1	Bank balances	852	1,192
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	852	1,192

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
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	-

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.

Item 6.1 - payments of executive salaries, superannuation and director fees.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 <i>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.</i>		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(590)
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)	(590)
8.4 Cash and cash equivalents at quarter end (item 4.6)	852
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	852
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.44
<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?	
<p>Ore production was negatively impacted during Q4 2022 due to repairs to dewatering pumps taking significantly longer than expected, resulting in limited or no production for almost 2 months. The water level is now reduced to 892mRL and access to the high-grade stopes at 880mRL is expected in March.</p> <p>The Company's budget forecasts positive cashflow from operations on the recommencement of mining at 892mRL, which happened this week, and future quarters based on the anticipated mining rate, grade, recoveries and commodity prices.</p>	

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

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?

The company has not taken, nor currently proposes to take, any steps to raise further cash to fund operations. However, this is dependent on the timing of cash receipts from future concentrate sales. In the event the Company needs to raise funding, it will consider all options to raise funding including third party funding and equity. It has no reason to believe any steps taken in this regard would not be successful.

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?

The company expects to be able to continue its operations and meet its objectives for reasons outlined in the questions above.

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 January 2023

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

Notes

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