

QUARTERLY ACTIVITIES REPORT

For the period ended 30 September 2023



27 October 2023

Activities Report for the Quarter Ended 30 September 2023

HIGHLIGHTS

Mount Squires Project

- Extension of high-grade heavy rare earth mineralisation at the Duchess Prospect
- Significant results from the Reverse Circulation (RC) drilling program include:
 - **27m @ 0.70% TREO from 42m Including 12m @ 1.15% TREO** from 55m (MSRC0003) (1,662ppm Nd₂O₃, 404ppm Pr₆O₁₁, 325ppm Dy₂O₃, 54ppm Tb₄O₇)
 - **12m @ 0.81% TREO from 68m Including 6m @ 1.15% TREO** from 12m (MSRC0006) (1,946ppm Nd₂O₃, 455ppm Pr₆O₁₁, 296ppm Dy₂O₃, 51ppm Tb₄O₇)
- Mineralogical study indicates rare earth elements (REE) mineralisation hosted predominantly in monazite, a common REE ore mineral, with positive implications for metallurgical testing
- Sighter metallurgical program commenced on Duchess REE mineralisation
- Sienna and Auburn drilling confirms prospective mafic rocks that host BHP's Nabel-Bebo deposits extend for 12km into Mount Squires Project
- Evaluating additional Ni-Cu targets under transported cover

Yarawindah Brook Project

- Lithium potential at Yarawindah Brook Project under review given conceptual setting similar to Greenbushes deposit
- Regional lithium potential highlighted by recent Sociedad Química y Minera de Chile (SQM) farm-in nearby
- Lithium pathfinder anomalies immediately identified in surface geochemistry, up to ten times background, supports structural model and lithium potential
- Lithium exploration accelerated with ongoing soil geochemistry and mapping coverage with the objective to define lithium, caesium, and tantalum (LCT) pegmatite drill targets
- Generation of new near-surface PGE-Ni-Cu targets, coincident EM and soil anomalies on the Brassica Shear Zone and at the Balansa prospect area

Corporate

- Appointment of Mr Greg Miles to Managing Director and Mr Justin Tremain as Non-Executive Chairman

Caspin Resources Limited (ASX: CPN) ("Caspin" or the "Company") is pleased to report on corporate and exploration activities during the September 2023 Quarter.

Caspin Resources Limited
ABN 33 641 813 587

📍 Ground Floor, 675 Murray Street
West Perth WA 6005, Australia

✉ PO Box 558, West Perth WA 6872

www.caspin.com.au
ASX Code: **CPN**

E admin@caspin.com.au
T +61 8 6373 2000

Mount Squires Project (100%)

Duchess Rare Earth discovery extended

The primary goal of the drill program at the Duchess Prospect was to step out and extend REE mineralisation from the initial discovery in drillhole MSAC0141 (**46m @ 0.71% TREO including 22m @ 1.25% TREO**). The Company drilled a pattern of 9 holes on approximately 100m centres stepping out from MSAC0141, particularly focussing on apparent geological contacts and faults that may control mineralisation (Figures 1&2). An additional 3 holes (MSRC0008-MSRC0010) were drilled to the southeast at Duchess East which has coincident base metal and REE mineralisation.

The program successfully identified broad extensions of mineralisation such as 27m @ 0.70% TREO including a higher-grade zone of **12m @ 1.15% TREO** comprising 1,662ppm neodymium (Nd_2O_3), 404ppm praseodymium (Pr_6O_{11}), 325ppm dysprosium (Dy_2O_3) and 54ppm terbium (Tb_4O_7) in MSRC0003 and 12m @ 0.81% TREO including a higher-grade zone of **6m @ 1.15% TREO** comprising 1,946ppm Nd_2O_3 , 455ppm Pr_6O_{11} , 296ppm Dy_2O_3 and 51ppm Tb_4O_7 in MSRC0006. Drill hole MSRC0024 returned the highest-grade intersection on the project to date with a peak result of **2m @ 2.03% TREO** comprising 2,712ppm Nd_2O_3 , 728ppm Pr_6O_{11} , 432ppm Dy_2O_3 , 72ppm Tb_4O_7 from 126m, within a broader envelope of 17m @ 0.41% TREO from 117m. This is also one of the best heavy REE (HREE) intersections at the prospect as well, which typically averages a HREE ratio to TREO of >30% and as high as 70%.

Deleterious elements such as uranium and thorium are low, averaging less than 20ppm and 10ppm respectively.

The Company has confirmed that mineralisation is a volcanic-hosted, hydrothermal-style with mineralisation deposited along faults and lithological contacts. These faults and contacts have provided pathways for hydrothermal fluids to mobilise REEs which have then been deposited at points of rheological contrast such as the volcanoclastic-rhyolite contact.

This primary mineralisation has the potential to be enriched through secondary weathering processes, with many of the significant intercepts occurring in weakly weathered rock or saprock.

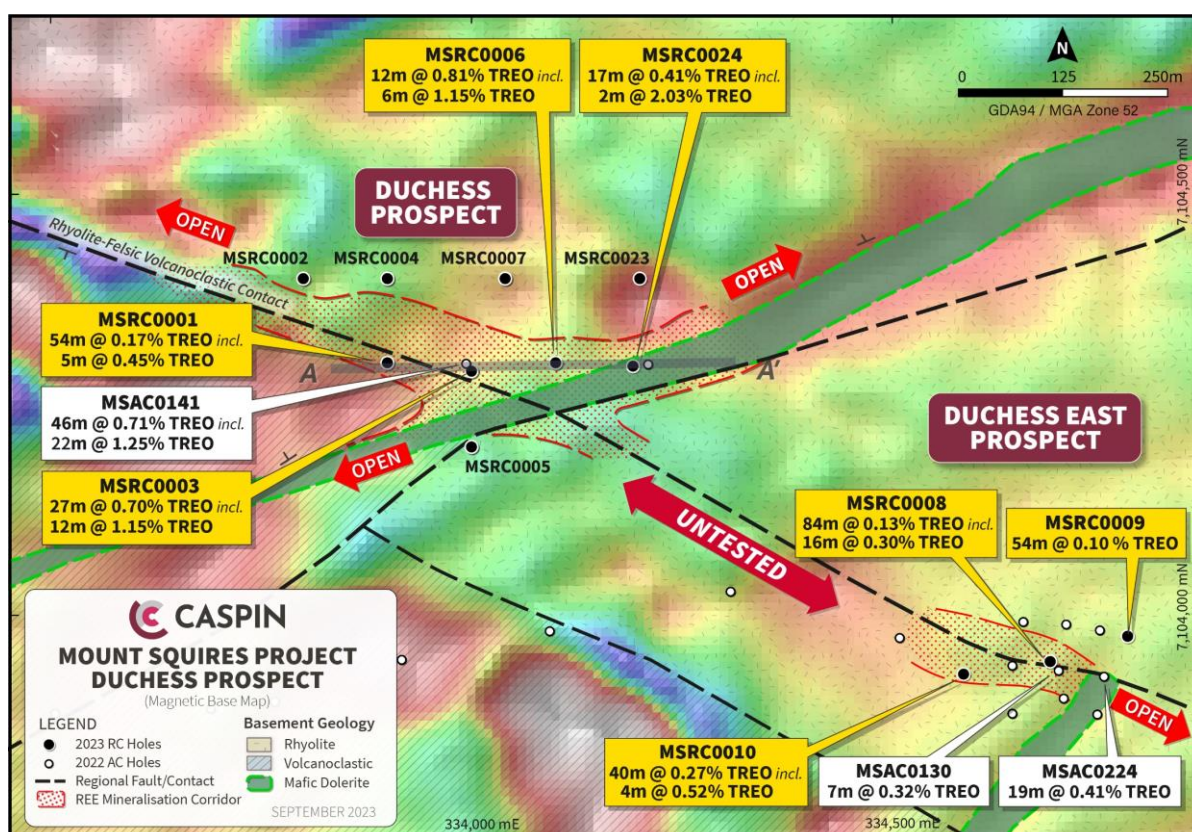


Figure 1. Drill hole locations and significant mineralisation at the Duchess Prospect.

Potential for a large REE system

Mineralisation remains open along both the volcanoclastic-rhyolite and dolerite contacts over at least 1,000m which presents further opportunities for discovery. Some of the Company's earlier aircore drilling is now recognised as being an ineffective test of REE mineralisation, due to a lack of depth penetration.

The source of the REEs is a rhyolite (a felsic volcanic rock), which has high background levels of REE mineralisation, commonly >1,000ppm TREO. Drill hole MSRC0016, drilled to test the Handpump IP geophysical anomaly (see more details below), intersected 276m @ 0.11% TREO in rhyolite rocks and terminated in anomalous mineralisation. This demonstrates the large volume of REEs which can then be concentrated by hydrothermal mineralising systems such as that found at the Duchess Prospect.

The large proportion of heavy rare earth elements (HREE), such as Dy and Tb, is highly significant given the much greater value of these metals compared to light rare earth elements (LREE) such as Nd and Pr. The Company has observed that the proportion of HREE to LREE can vary significantly, ranging from 23% in MSRC0003 up to 73% in MSRC0001. Note the higher grades of Dy and Tb in MSRC0001 are comparable to intersections in MSRC0003 and MSRC0006, despite the overall lower TREO values and are considered just as significant. MSRC0001 terminated in mineralisation >1,000ppm TREO and may need to be extended.

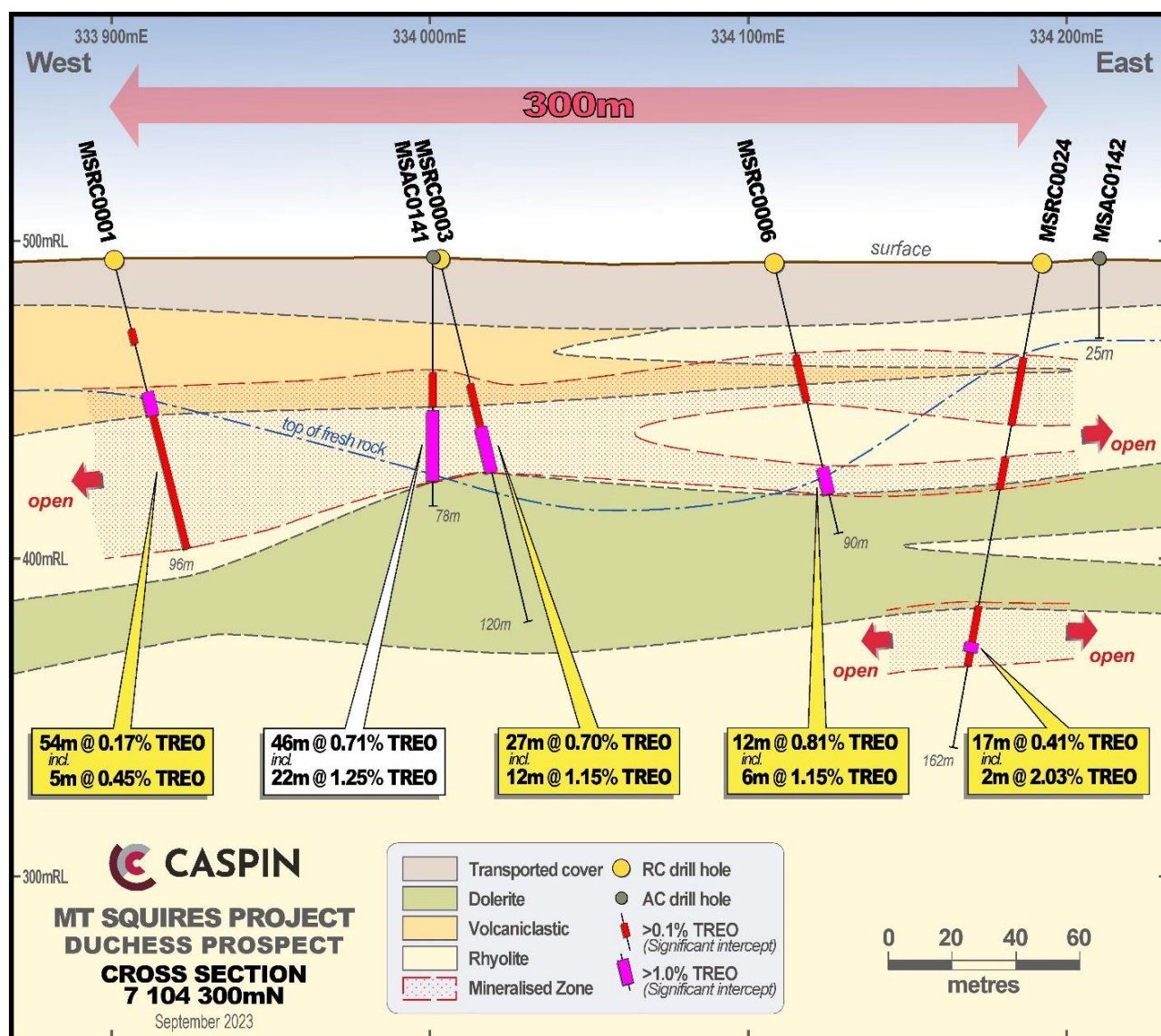


Figure 2. Cross section at Duchess East with mineralised intercepts.

Reconnaissance drilling in this program has tested several geochemical base and precious metal targets beyond the Duchess and Handpump Prospects, over a strike of greater than 20km (Figure 3). These holes have all intersected anomalous grades of REE (>1,000pm TREO); all hosted in rhyolite and felsic volcanoclastic rocks with a best result of 12m @ 0.16% TREO in MSRC0021. This demonstrates the potential to target REE deposits across a large area in suitable structural settings.

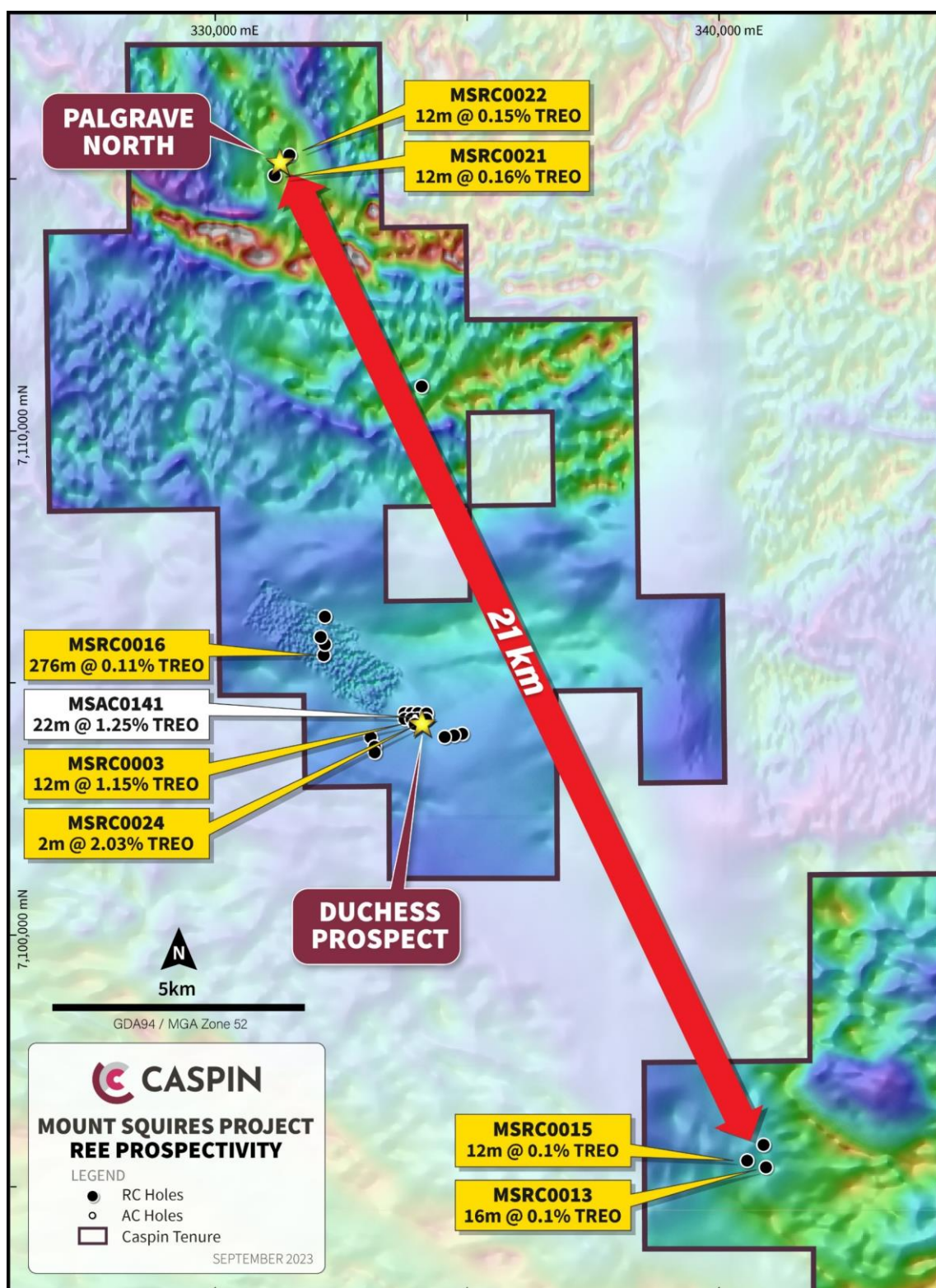


Figure 3. Drill plan of RC drilling at Mount Squires highlighting anomalous REE mineralisation on the western half of the project.

Sighter REE metallurgical test work to be undertaken by ANSTO.

The Company has been encouraged by REE results recently returned from the Duchess Prospect, particularly the high proportion of heavy REEs, notably dysprosium and terbium (see ASX announcement of 21 August 2023 and 13 September 2023). Limited mineralogy work has recognised mineralisation is mostly hosted by monazite and lesser xenotime, common REE ore minerals.

The Company has engaged the Australian Nuclear Science and Technology Organisation (ANSTO) to complete preliminary metallurgical test work to evaluate the potential to create chemical or mineralogical concentrates from mineralisation at Duchess. This is an important step in determining the economic viability of REE deposits and will assist with exploration targeting of the many forms of mineralisation observed to date. The Company believes the large-scale, heavy rare earth prospectivity is a unique opportunity amongst Australian peers and is pursuing potential partnerships whilst allowing the Company to continue exploring base and precious metal opportunities.

Ni-Cu prospective host rocks strike over 12km into Mount Squires Project

The Company drilled 9 reconnaissance RC holes across the Sienna and Auburn Prospects which were defined by anomalous levels of nickel, copper and PGE values in soil geochemistry and, additionally in the case of Sienna, copper mineralisation in surface rock chips (Figure 4).

Drilling intersected various mafic units typical of the intrusive complexes found in the region, such as those that host the Nebo-Babel deposits. Drilling encountered anomalous values of copper (up to 1,100ppm) and PGEs (up to 100ppm 3E). These values mimic the soil geochemistry anomalies, which is explained by the very shallow weathering profile at both prospects. The source of surface copper mineralisation grading 10.5% at the Sienna prospect remains largely unexplained, with only weak anomalism up to 673ppm Cu intercepted in drillhole MSRC0029, which targeted a basement source of this mineralisation.

The Company is looking at additional, and often more subtle, soil anomalies within the greater area of transported cover along the 12km intrusive trend. Parts of this trend have only been sampled on very broad 800m x 200m centres. The Company is also looking at where this mafic intrusive trend is covered by deep palaeochannels and has not been tested by geochemical or geophysical surveys.



RC drilling at the Sienna Prospect along the West Musgrave Corridor, Mount Squires.

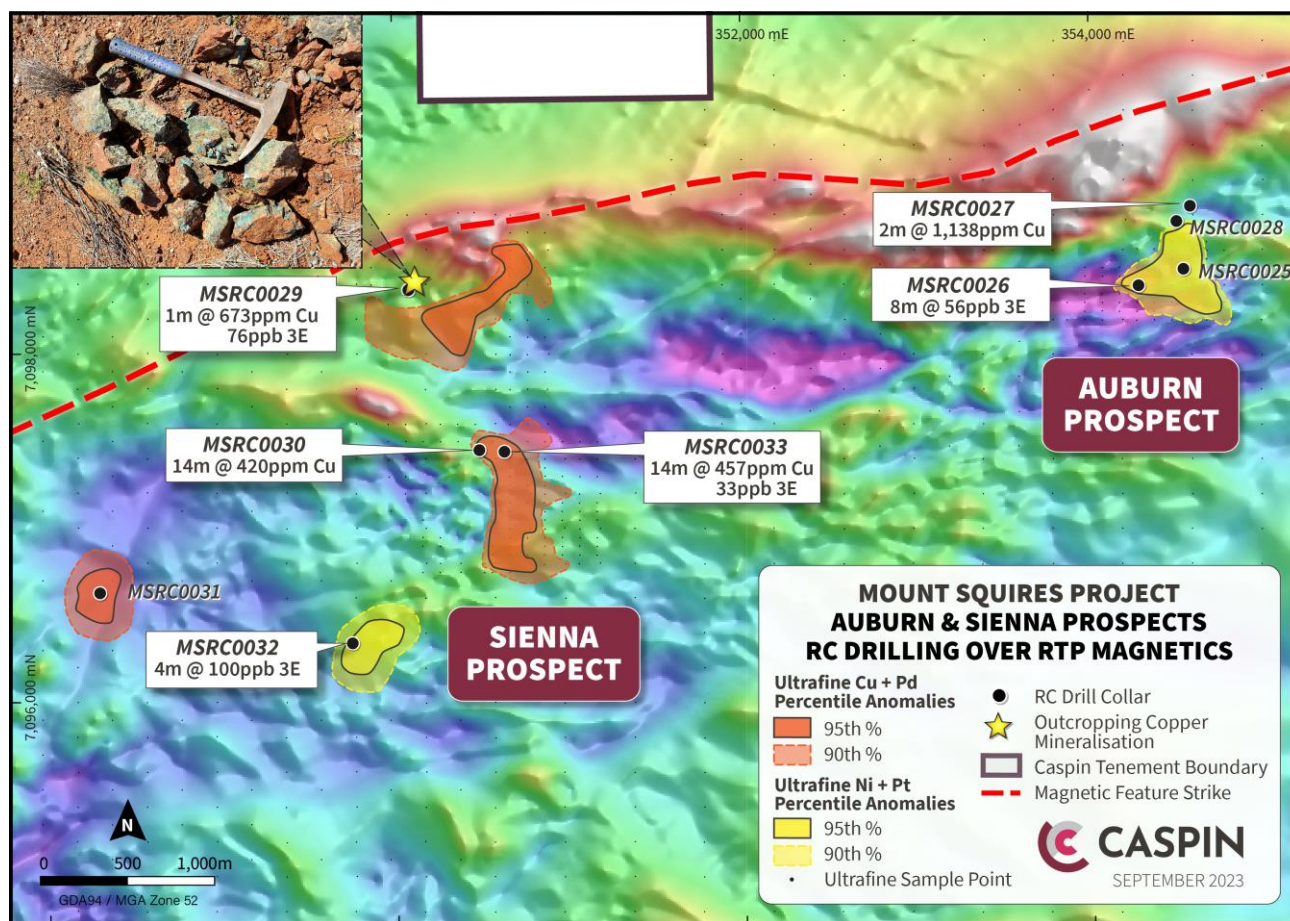


Figure 4. Sienna - Auburn Prospects and drilling results.

Handpump and Duchess gold targets

The Company tested several prospective gold targets during the drill program. Four holes were drilled at the Handpump Prospect, including two deep holes testing a coincident Induced Polarisation (IP) and circular magnetic anomalies, potentially mapping an intrusive related gold system. These two holes were co-funded by the WA government Exploration Incentive Scheme.

The IP anomaly was found to be associated with a sulphidic zone, as interpreted, but comprised only barren pyrite. The circular magnetic anomaly is now recognised as a dolerite unit that does not breach the surface, and which is unlikely to be a source of gold mineralisation.

The program also targeted extensions of gold mineralisation in historical drilling. The Handpump Prospect is structurally complex with apparent post-mineralisation fault offsets. This has been proven with hole MSRC0018 targeting one such offset, intersecting a broad zone of low-level gold (16m @ 0.30g/t Au from 60m) within the target zone. The down dip and plunge extensions of mineralisation at Handpump remain open at relatively shallow depths and can now be targeted with greater confidence in this structural setting.

Two further holes were drilled at the Duchess West Prospect, testing for extensions to gold mineralisation intersected in earlier aircore drilling and rock chip samples. Despite encountering prospective quartz breccias, the earlier gold results were unable to be repeated, suggesting either highly “nuggety” gold or that the drilling orientation was sub-optimal to the dip of mineralisation. Interpretation of results is continuing.

Yarawindah Brook Project (80%)

Evaluating lithium potential at Yarawindah Brook

The world's largest LCT (Lithium-Caesium-Tantalum) pegmatite deposit is the Greenbushes mine (360Mt @ 1.5% LiO₂; IGO Ltd ASX Announcement 21 January 2022), just three hours drive south of Perth. The Yarawindah Brook Project sits within the same geological terrane as Greenbushes; the Southwest Yilgarn, which is defined by Neoproterozoic greenstone packages intruded by felsic granitic rocks. Also of relevance is SQM's (NYSE: SQM) recently announced farm in agreement with Tambourah Metals Ltd (ASX: TMB) to explore for LCT pegmatites on neighbouring tenements to Yarawindah. SQM are one of the largest producers of lithium in the world, headquartered in Chile, and recently invested in Azure Minerals Ltd (ASX: AZS) prior to their major lithium discovery at Andover.

Limited historical exploration in the area (see below for more detail) has highlighted the local presence of source granites and potential "quartz-albite" dykes. Yilgarn LCT pegmatite deposits are strongly associated with Low-calcium (Ca) granites, both spatially and in terms of age (Sweetapple, 2017), providing a source of metals such as lithium, tin and tantalum. A review of GSWA, historical exploration and Caspin geochemical data has revealed the presence of extensive Low-Ca granites (Cassidy et al., 2002) across the Yarawindah Brook Project (Figure 5). These granites are bound by numerous northwest trending shear zones and later east-west striking faults which may provide fluid pathways for mineralisation to be deposited in the surrounding greenstone package (comprised of variable metasediments, mafic-ultramafic intrusions and amphibolite).

Caspin has collected over 5,000 soils samples across the project with initial analysis highlighting a strong LCT pegmatite elemental association (Figure 6), especially to the west of the Brassica Shear Zone. The Company has created a "LCT pegmatite index" by combining important lithium pathfinder elements together. **Peak individual soil values include 80ppm Li, 61ppm Nb, 24ppm Sn, 12ppm Ta and 102ppm W, representing two to ten times background levels.** Soil geochemistry is supplemented with extensive geophysical, radiometric and remote sensing datasets.

Caspin continues to identify and advance priority exploration areas for the upcoming Yarawindah summer field season. These priority areas are based on the conceptual model where LCT pegmatites derived from Low-Ca granites are emplaced into amphibolite facies metasedimentary greenstone packages along major regional shear zones and/or fold features.

Historical exploration for LCT pegmatites

It was not until the discovery of Julimar in 2020 (Chalice Mining Ltd) that the northern SW Yilgarn region saw widespread and systematic exploration for commodities other than bauxite and vanadium. A notable exception is Greenbushes Ltd who briefly explored a small area directly west of Yarrabrook Hill for pegmatite hosted tin and tantalum (Sn-Ta) in 1986. They mapped a suite of patchy granites which they categorised as "tin-granites" and a suite of younger granitic quartz-albite dykes and aplites (fine-grained intrusions commonly associated with LCT pegmatites) across the area. Lithium received little to no attention as an element of exploration interest at this time, outside of the immediate Greenbushes Mine area, some 300km to the South. Greenbushes Ltd did not assay the rock chip samples it collected for Li (only Sn, Ta, W, Nb, Au, Ba and Sr). Peak individual values from this rock chipping were 45ppm Sn, 120ppm Nb, 13ppm W and 16ppm Ta (Final Report; A18534). Feldspar and similar-appearing minerals (potentially including spodumene) were typically lumped together and categorised as "albite" during this work. Most granitic rock samples from the area were described petrographically as quartz and albite (typically tabular and lath shaped). Collectively, these results are suggestive of the presence of LCT-type granitoids in the project area.

In 2006, Pathfinder Exploration Pty Ltd (Pathfinder) completed the next relevant exploration in the area, targeting tin anomalism in soil data. They completed a 315-hole Auger program at an average spacing of 80m x 200m over a limited 4.4km² area. The holes averaged just 2.6m depth which was generally enough to break through the thin layer of laterite and soil that dominates the area. This same transported cover restricted the Greenbushes Ltd geologists who could only sample areas of patchy outcropping rock (note that any spodumene

would be preferentially weathered to clay in the near surface environment). Most holes intersected weathered granite and microgranite, but Pathfinder did not assay for Li (only Sn, Ta, Nb, W, Cu, Pb, Zn, Ni, Co, Cr, Ba, Cs and Be). Peak individual values from auger drilling include 250ppm Nb, 160ppm W, 80ppm Sn, 50ppm Ta, and 197ppm Cu (Annual Report; A73214), generally five to ten times background levels.

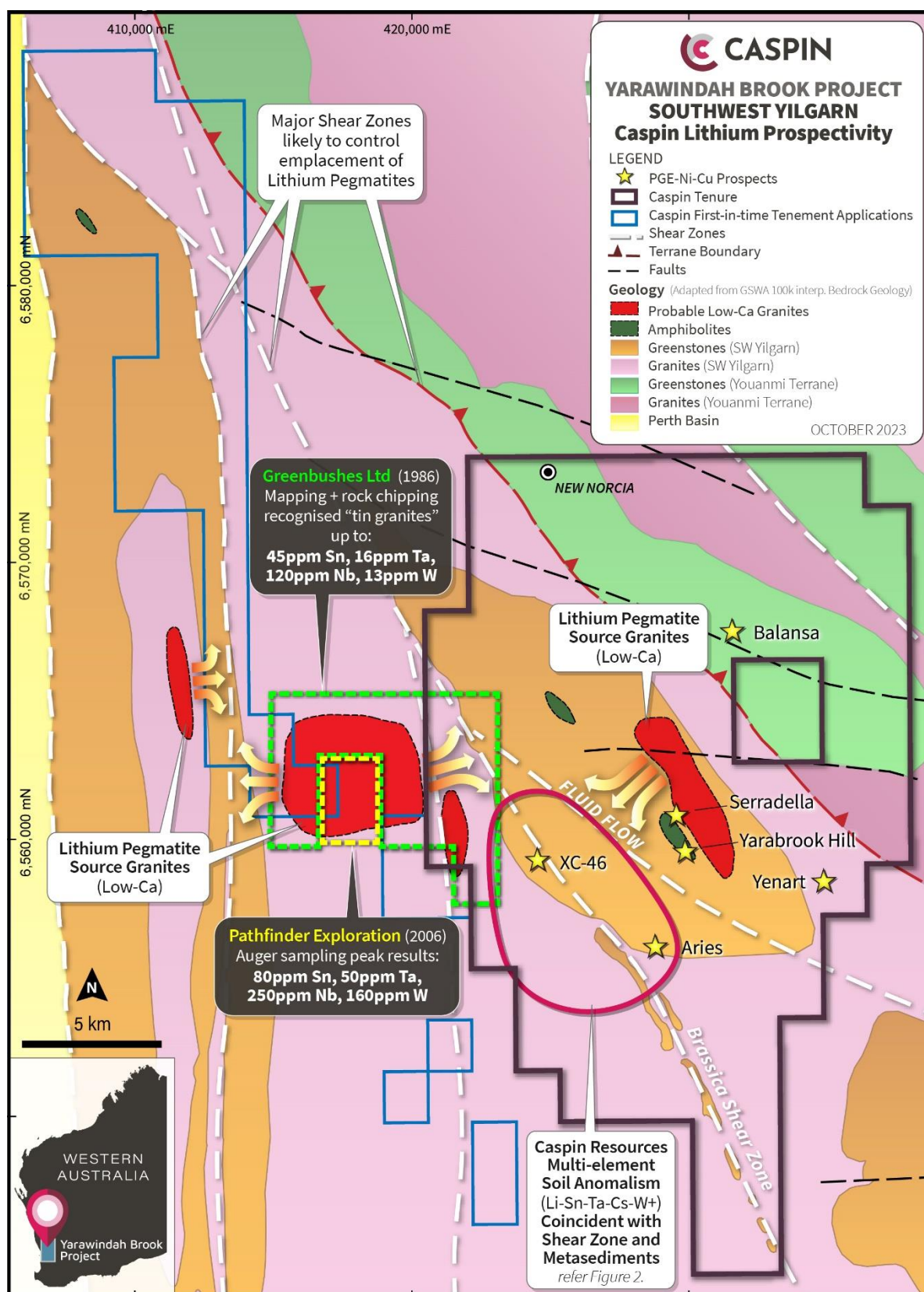


Figure 5. Conceptual lithium mineralisation model, structural and stratigraphic setting of Yarawindah Brook.

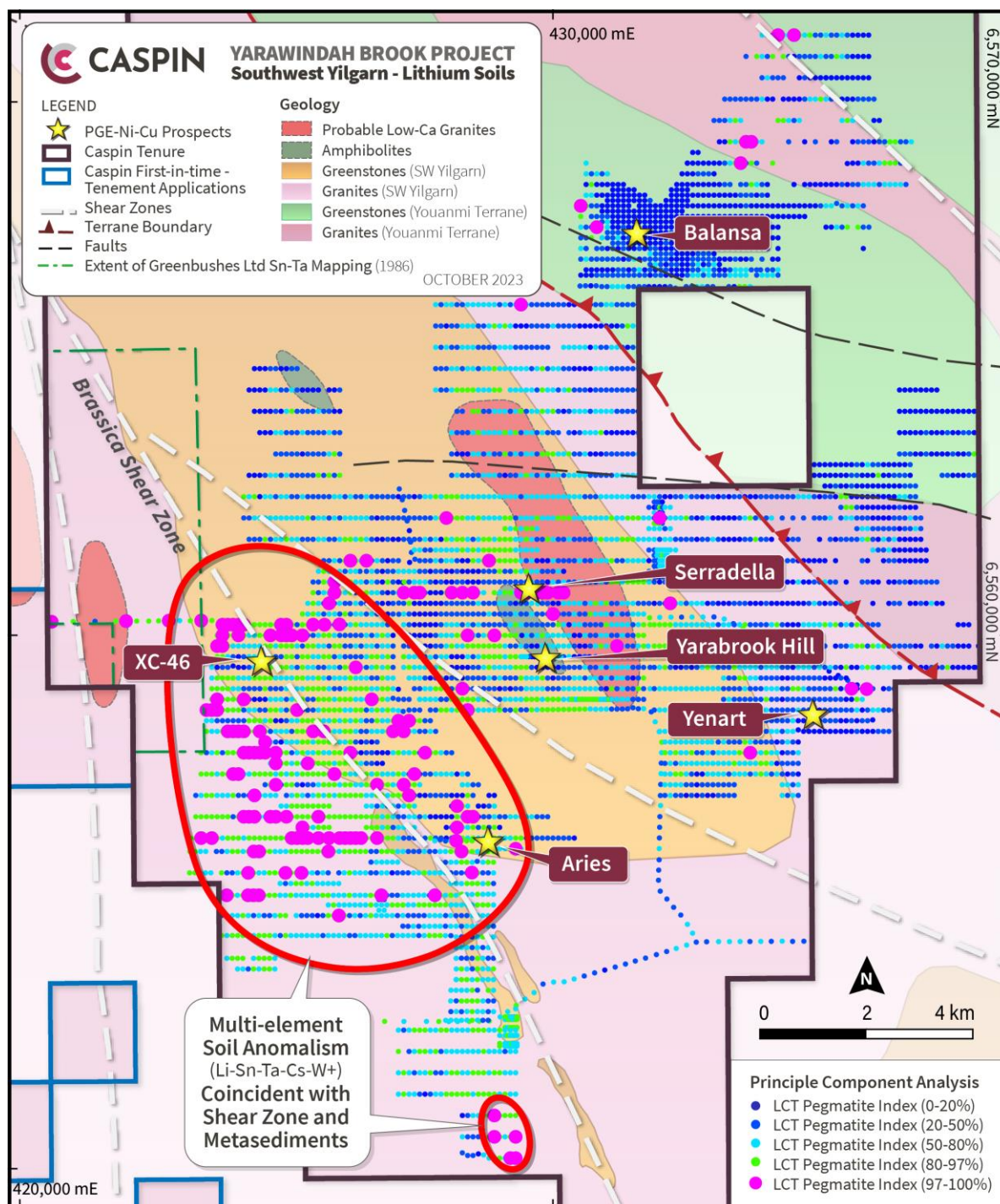


Figure 6. LCT Pegmatite Index. Derived by Principal Components Analysis (PCA) of all Caspin soil geochemical data. Average correlation coefficient of 0.63 between Li-Nb-W-Sn-Ta.

Near surface PGE-Ni-Cu targets

In parallel with the lithium review work, the Company continues to evaluate new, shallow PGE-Ni-Cu targets at Yarrowindah Brook. The Peridotite Lode within the Serradella Prospect remains a high priority for the Company, particularly the EM conductors that align with the strike of the peridotite lode and a northeast striking fault that terminates the Yarabrook Intrusion (See ASX announcement of 21 March 2023). The Company is also planning further reconnaissance work at the Balansa Prospect (See ASX announcement of 12 July 2023) and Brassica Shear Zone during the coming summer season. Balansa appears to be a PGE mineralised mafic-ultramafic intrusive, striking over 1,300m. The Brassica Shear Zone has long been a conceptual target for the Company as

it likely represents the structurally offset continuation of the Julimar stratigraphic position. Ongoing desktop reviews of existing and historical data have generated numerous high priority targets, all with coincident geochemical, electromagnetic, magnetic and gravity anomalies.

Corporate

Cashflow for the Quarter

Attached to this report is the Appendix 5B containing Company's cashflow statement for the September 2023 quarter. The cash outflows for the Quarter included \$1.13 million incurred on exploration and evaluation expenditure, which was primarily associated with the costs relating to drilling activities at Mount Squires and Yarawindah Brook. There were \$194,000 of administration and corporate costs paid during the Quarter, and as disclosed on section 6 of Appendix 5B, \$70,000 payments were made to related parties, including the Directors and their associates pursuant to existing director fee agreements for Executive and Non-Executive Directors, and additional geological consulting services provided by Non-Executive Director Jon Hronsky.

As at 30 September 2023, the Company had available cash of approximately A\$2.83 million and no debt.

Board changes

Following the resignation of Mr Cliff Lawrenson as Non-Executive Chair, the Company has appointed Mr Justin Tremain to Non-Executive Chair and Mr Greg Miles as Managing Director. The Company thanks Mr Lawrenson for his efforts and service to the Company, his guidance during its IPO and ASX listing process and first two and a half years as a listed company.

The Company looks forward to an exciting future with its highly credentialed board and management team.

Outlook

Reflecting on this year's programs at Mount Squires, we have made excellent progress on several fronts. The testing of the Sienna and Auburn Prospects has shown that the mapped intrusions are prospective for nickel and copper mineralisation. These two prospects were the most obvious targets from Caspin's geochemistry program, however, there remain many other more subtle anomalies, particularly under transported cover, that need to be assessed in light of the new data obtained from recent drilling. Exploring for nickel and copper will remain our core focus given the obvious prospectivity of the region.

The REE opportunity continues to impress. Rare earths are generally not rare, but heavy rare earth projects in Australia certainly are and we think this is an important point of difference for



Caspin Geology team on the ground at Mount Squires.

Caspin at Mount Squires. If the current metallurgical test work of Duchess Prospect mineralisation demonstrates viability for REE concentrates, we believe this will elevate our project above the pack in this highly competitive sector. Even more exciting is recognising the incredibly large area that is potentially prospective for REE mineralisation that hasn't received any meaningful exploration.

As we come towards the end of the field season at Mount Squires, desk-top work will continue through the summer season and particularly planning of follow-up programs in 2024. There are a number of targets that we were either unable to test, or only partially tested, in the recent program. We remain bullish on the Regal Gold Prospect at the southern end of the project and the Redwood Copper Prospect in the One Tree Hill area to the east.

Our strategy at Yarawindah Brook will remain on identifying high-grade deposits of PGE, copper and particularly nickel, but pivot slightly towards more near-surface opportunities. The bulk of work at Yarawindah over the past year has been at Yarabrook Hill and Serradella, and whilst opportunities for discovery here remain good, this has been to the detriment of evaluating the rest of the project. A large portion of the project remains unexplored for PGE-Ni-Cu deposits, but highly prospective, as recent work at the Balansa Prospect has shown. There are also targets on the Brassica Shear Zone that require attention during the coming field season.

Equity markets are particularly challenging at present, but the Company's foundations of quality exploration projects, strong technical management and key supportive shareholders provides optimism for the future.

Compliance

For the purpose of Listing Rule 5.3.1, details of the Company's group exploration activities for the quarter, including any material developments or material changes in those activities, and a summary of the expenditure incurred on those activities is set out in the relevant sections above.

For the purpose of Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities during the quarter by the Company or its subsidiaries.

Tenement Summary

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2023. The Company and its subsidiaries did not enter into any new farm-in or farm-out agreements during the quarter.

MINING TENEMENTS HELD				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Mt Squires Project				
E69/3424	WA	Granted	100%	100%
E69/3425	WA	Granted	100%	100%
Yarawindah Brook Project				
E70/4883	WA	Granted	80%	80%
E70/5116	WA	Granted	80%	80%
E70/5166	WA	Granted	80%	80%
E70/5330	WA	Granted	80%	80%
E70/5335	WA	Granted	80%	80%

In addition, the Company's group has applied for the following exploration licence applications, which remain ungranted:

MINING TENEMENTS				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Yarawindah Brook Project				
E70/5701	WA	Application	0%	0%
E70/5374	WA	Application	0%	0%
E70/6230	WA	Application	0%	0%
E70/6231	WA	Application	0%	0%
E70/6543	WA	Application	0%	0%
E70/6544	WA	Application	0%	0%
Mount Squire Project				
E69/4159	WA	Application	0%	0%
E69/4160	WA	Application	0%	0%
E69/4183	WA	Application	0%	0%
E69/4184	WA	Application	0%	0%
E69/4189	WA	Application	0%	0%

This announcement is authorised for release by the Board of Caspin Resources Limited.

-ENDS-

For further information contact:

Greg Miles

Managing Director

admin@caspin.com.au

Tel: +61 8 6373 2000

ABOUT CASPIN

Caspin Resources Limited (ASX Code: **CPN**) is a mineral exploration company based in Perth, Western Australia. Caspin has extensive skills and experience in early-stage exploration and development. The Company is actively exploring the Yarawindah Brook Project in Australia's exciting new PGE-Ni-Cu West Yilgarn province and the Mount Squires Project in the West Musgrave region, one of Australia's last mineral exploration frontiers.

At the Company's flagship Yarawindah Brook Project, recent drilling campaigns at Yarabrook Hill have made new discoveries of PGE, nickel and copper sulphide mineralisation. Meanwhile, the Company continues to bring new targets to drill readiness by collecting geophysical and geochemical data across the project.

At the Mount Squires Project, Caspin has identified a 40+km structural corridor with significant gold mineralisation as well as a 17km extension of the West Musgrave Ni-Cu corridor which hosts the One Tree Hill Prospect and Nebo-Babel Deposits along strike. The Company is conducting further soil sampling, geophysics and reconnaissance drilling along both mineralisation trends.

FOLLOW US

LinkedIn: <https://www.linkedin.com/company/caspin-resources-limited>

Twitter: <https://twitter.com/CaspinRes>



Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Greg Miles, who is an employee of the company. Mr Miles is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Miles consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results information included in this report from previous Company announcements (including drill results extracted from the Company's Prospectus) announced to the ASX on 13 February 2023, 14 February 2023, 14 March 2023, 21 March 2023, 4 May 2023, 23 May 2023, 6 June 2023, 12 July 2023, 21 August 2023, 13 September and 17 October 2023.

Forward Looking Statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. Forward-looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Statements regarding plans with respect to the Company’s mineral properties may also contain forward looking statements.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in exploration and development activities, geological, mining, processing and technical problems, the inability to obtain exploration and mine licenses, permits and other regulatory approvals required in connection with operations, competition for among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of prospectivity and the value of acquisitions; the inability to identify further mineralisation at the Company’s tenements, changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events which could disrupt exploration and development activities, operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of transportation services; the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks and various other risks. There can be no assurance that forward-looking statements will prove to be correct.

Appendix 5B

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

Name of entity

Caspin Resources Limited

ABN

33 641 813 587

Quarter ended ("current quarter")

30 September 2023

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	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,126)	(1,126)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(184)	(184)
	(e) administration and corporate costs	(194)	(194)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	13	13
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST Paid)	-	-
1.9	Net cash from / (used in) operating activities	(1,491)	(1,491)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	100	100
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 – Lease payments	(33)	(33)
3.10	Net cash from / (used in) financing activities	67	67

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,255	4,255
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,491)	(1,491)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	67	67

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,831	2,831

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	2,703	4,127
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Term Deposits	128	128
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,831	4,255

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	68
6.2	Aggregate amount of payments to related parties and their associates included in item 2	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	N/A	N/A
7.2	Credit standby arrangements	N/A	N/A
7.3	Other (please specify)	N/A	N/A
7.4	Total financing facilities	Nil	Nil
7.5	Unused financing facilities available at quarter end		Nil
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)	(1,491)
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)	(1,491)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,830
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,830
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.90
	<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: No, in the September quarter, the exploration expenditure was elevated compared to the usual levels, primarily due to the extensive drilling campaign at Mount Squires. However, the projected exploration expenditure for the December quarter is expected to be lower than that of the previous September quarter.	
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: The Company is considering funding options which will allow it to further progress its projects. The Company believes it will be able to raise further equity, if and as required, as exhibited by the successful completion of a recent placement of \$3.8 million in April 2023 and a Share Purchase Plan of \$2 million in June 2023.	

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

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and to meet its business objectives based on its response to items 1 and 2 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: 27 October 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.