

27 January 2022

## ACTIVITIES REPORT – DECEMBER QUARTER 2021

### HIGHLIGHTS

- ◆ **VR8 secures and completes strategic placement at \$0.104c with JSE listed Raubex Group Ltd, which is a South African infrastructure development, mining services and materials supply group. Placement was done at significant premium in return for arms-length mining services agreement. Cash raised provides full funding through DFS up to final investment decision.**
- ◆ **DFS design and various in-depth studies at final stage**
- ◆ **ESG technology is being developed completely independent of VR8's flagship Salt Roast Process and all Intellectual Property (IP) has been transferred into newly registered JV Company (TCM-VR).**

Vanadium Resources Ltd (ASX: VR8) (the **Company** or **VR8**) is focused on the development of the Steelpoortdrift Vanadium Project through feasibility studies with the aim of constructing one of the largest Vanadium mines in the world. Together with VR8's integrated ESG Strategy, the Joint Development Agreement (**JDA**) with DRA Global Ltd subsidiary, Senergy Africa (Pty) Ltd (**Senergy**), sets VR8 up to be a low-cost Vanadium and environmentally responsible producer, with the prospect of also having a minimal carbon footprint.

The Company is pleased to provide the following activities report that outlines the progress made during the Quarter.

### STRATEGIC PLACEMENT & MINING SERVICES AGREEMENT

VR8 secured and completed a \$4.6m (44,230,769 ordinary shares) strategic placement with Raubex Pty Ltd (**Raubex**), a wholly owned subsidiary of JSE listed Raubex Group Ltd, which is a South African infrastructure development, mining services and materials supply group. The placement price of \$0.104 per share represented 64% premium to the 30-day VWAP.

As result of the placement, VR8 is fully funded to complete the Definitive Feasibility Study (**DFS**) at Steelpoortdrift up to Final Investment Decision (**FID**) and entered into an arm-length mining services agreement with Raubex's wholly owned contract mining subsidiary SPH Kundalila (Pty) Ltd (**SPH**).

## MINING SERVICES AGREEMENT

The Mining Services Agreement allows SPH to provide open-cast mining by excavation and ancillary services such as drilling, blasting, hauling (ROM and waste), stockpile management and backfilling for the duration of the life of mine of the Steelpoortdrift Vanadium Project completed in accordance with its DFS.

The services will be rendered at arm's length terms i.e., at generally accepted market related commercial terms applicable to open cast mining and materials handling operations operated by public companies in South Africa, and at a consideration that will be commensurate with a Bills of Quantities and Rates LOM

("Bills of Quantities") that was proposed by SPH during the Pre-Feasibility Study ("PFS") as part of a competitive bidding process. The Mining Services Agreement will be modified from time to time during every 36-month contract cycle in accordance with a basket of indices applicable to the mining industry in South Africa.

The agreement includes the following additional terms:

- In the event of a take-over offer being received by VanRes, or by VR8, which includes a condition that the Mining Services Agreement be terminated, then SPH must agree to termination subject to the offeror purchasing, at market related cost, from SPH all movable plant, equipment and machinery SPH acquired to render the Services, and the offeror paying for the costs of any fixed infrastructure installed by SPH plus a cancellation fee equal to 20% of the NPV of the mining contract.
- If VanRes is (or at least two directors of VanRes are) of the view, in its sole and unfettered discretion, that the consideration for the Mining Services Agreement are not on arms-length terms, then and in that event, VanRes has (or the two directors have) the right to refer the calculation of the consideration to an independent expert estimator (agreed to by both parties) for final adjudication and adjustment;
- Working capital expenditure towards mining equipment will be amortised over the lifetime of the mining equipment and only for the period the equipment is used at Steelpoortdrift.
- Payment terms will be 60 days from statement, however, to facilitate start-up of the Steelpoortdrift mining operation, payment can be delayed to up to 90 days, at the prime lending rates in South Africa plus 2%.
- Following a decision by VanRes to develop a mine at Steelpoortdrift, SPH will have the first right of refusal to exclusively conduct the services at the arms-length consideration adapted for inflation (as described above), which right of first refusal must be exercised within the first 3 months from the date a decision to mine has been made by VANRES (to conduct mining operations). This right is renewable every 36-month cycle.

## DEFINITIVE FEASIBILITY STUDY (DFS) PROGRESS

The DFS is a natural progression of the Pre-Feasibility Study (“PFS”) recently completed<sup>1</sup> with the aim to produce a high purity (>98% V<sub>2</sub>O<sub>5</sub>) vanadium product from primary Run of Mine mineralised material. The Company has appointed a highly qualified team of engineering and consulting firms who have extensive experience in their various fields as contributors to the final DFS design, some of whom have been intimately involved with the completion of the PFS.

The DFS is progressing within budget and on time (*refer to ASX announcement 01 December 2021: Update on DFS progress*) with the following activities completed:

1. All major contractors and engineering consultancies have been appointed and orders placed with all required workstreams progressing.
2. Two box cut pits have been located and designed for the purpose of collecting a composite 100 ton bulk sample from the two main mineralised zones. SPH have been appointed to conduct the trial mining of these pits, including collection of the mineralised material. Final regulatory permitting has been completed for these pits with all legal appointments having been made and equipment is currently being mobilised to site, with the target date for commencement of trial mining being end January 2022. Bulk samples collected will be used for Pilot Plant campaigns through Multotec (OEM magnetic separator supplier), as well as Mintek (Salt Roast R&D laboratory).
3. Specialist studies required for final environmental permitting, as well as updating of existing permits have commenced and will continue over a 6 month period in order to span over both wet and dry seasons.
4. Plant, waste dump and pit locations have been finalised with geotechnical borehole and trench positions identified and pegged in the field. Geotechnical drilling and sampling will commence end January 2022 with a 2 month work program planned.
5. Engineering designs and equipment sizing is progressing on time and within budget for the Concentrator, Salt Roast plant and waste facilities.

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<sup>1</sup> Refer to ASX Announcement 22 June 2021. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply.

## ESG TECHNOLOGY DEVELOPMENT

Following the acquisition of an integrated ESG processing technology (Refer ASX announcement 1 April 2021: *VR8 to acquire integrated ESG processing technology by way of an earn-in JV, and capital raising*), the JV company (TCM-VR) has successfully been registered in the Republic of Ireland (reg no 699830). This forms part of the earn in agreement, whereby the Company can acquire up to a 74% interest in an ESG integrated extraction, processing, refining and manufacturing technology developed by TCM Research Ltd (TCM), that innovatively utilises existing processing methodologies to produce battery grade Vanadium Pentoxide and high-end Vanadium products, including other products arising from the Steelpoortdrift Ore such as Iron, Titanium, Silicon and Aluminium, which are not currently extracted using conventional processing methods.

The ESG technology development is being conducted *completely independent of the current mine design* and will not impact the current process design costs or timelines. The technology is being developed with the view of it being an additional revenue stream supplementary to the base design, to unlock additional value from by-products such as Titanium and Iron present in the concentrates.

All the Intellectual Property (IP) has been transferred into the newly registered JV company and a Preliminary Feasibility Study (PFS) has commenced. For the purpose of the PFS, international multi-disciplinary engineering group Resonant Nuteq (<https://www.resonant.co.za/>) has been selected as the preferred engineering support contractor. Resonant Nuteq experience includes:

- multi-disciplinary engineering business active in the metals, minerals, chemicals, oil & gas and infrastructure sectors.
- ISO 9001:2015 certified
- Offices and workshop in Pretoria, South Africa, manufacturing/fabrication in Johannesburg and Queensland Australia (manufacture equipment: furnaces, gas cleaning, industrial fans, etc.)

Support for major tasks that will be performed during the pre-feasibility study phase are:

- Value engineering studies;
- Development of the plant concepts/philosophies;
- Relevant safety assessments like HAZOP studies;
- Independent evaluation of CAPEX and OPEX, including EPC costs.

The engineering study is progressing well and to date the mass balance has been updated based on the information provided, with metallurgical testwork results conducted by TCM Research. The mass balance is dynamic and plant parameters can be altered resulting in an automated update thereof.

The first drafts of the Block Flow Diagram have been reviewed and the Design Basis Document encompassing the entire engineering scope for the Process Plant and all its supporting systems required

for full operations have been compiled. The preliminary plant systems identified are defined in the System Breakdown Structure with the plant and supporting systems to be automated as far as practically possible. A preliminary hazard review has been successfully completed to identify safety, health and environmental aspects of the materials in the process to provide information for compiling an environmental impact assessment (HAZOP 1) .

Initial metallurgical test work has been conducted on concentrates produced from the Steelpoortdrift project with promising results reported (*refer to ASX announcement 16 November 2021: Update on ESG Technology development as well as announcement dated 24 November 2021: Additional Information*) which included amongst other findings that:

- Iron and Vanadium extraction rates in excess of 95% could be achieved during the first stage of the process
- High Titanium and Aluminium extraction rates were achieved, indicating potential for selective extraction of these elements in a second processing step
- Carbon Monoxide (CO) can be used exclusively as the process reductant, which is highly beneficial as no solid Carbon is required and allows for Carbon Dioxide (CO<sub>2</sub>) emissions recycling; reusing Carbon Monoxide (CO) and utilizing the Oxygen (O<sub>2</sub>) in later process stages for the production of High Purity Oxides

The aim of the metallurgical testwork program is to confirm parameters for the technological development of a two-stage process for extraction of Vanadium, Iron and other value metals using concentrates produced and obtained from the Steelpoortdrift Project in South Africa or other sources if applicable. Current development of the Steelpoortdrift project will continue on the basis of the Salt Roast process as reported previously (ASX announcement 22 June 2021: Steelpoortdrift PFS delivers superior results) whilst the ESG technology is being developed separately.

## **CORPORATE**

On 11 October 2021, the Company completed a strategic placement to raise \$4.6m dollars, further details are noted above.

During the quarter the Company issued 8,041,667 fully paid ordinary shares at \$0.053 per share pursuant to the exercise of unlisted options to raise ~\$426,000

During the quarter 5,000,000 Class B Performance Rights vested on satisfaction of the following vesting condition, a strategic investor (being a person or entity) investing not less than AUD\$4.5m into the Company at price per share of not less than \$0.08 per share. 1,000,000 of the Class B Performance Rights were converted to fully paid ordinary shares during the quarter.

## **SUMMARY OF EXPENDITURE**

During the Quarter, a total of \$398,693 was spent on activities related to the exploration and development of the Steelpoortdrift Vanadium Project, which total amount is made up of \$273,693 spent by Vanadium Resources (Pty) Ltd and \$125,000 by the Company. The Company did not incur any expenditure for mining production activities during the Quarter.

Payments totaling approximately \$19,200 were made to related parties of the Company with respect to the Quarter, being director and consulting fees (see section 6.1 and 6.2 of the Accompanying 5B).

*This announcement has been authorised for release by the directors of Vanadium Resources Limited.*

### **For and on behalf of the board:**

Kyla Garic

Company Secretary

## APPENDIX 1 – MINERAL RESOURCE ESTIMATE

There were no material changes to the Company's Mineral Resource statement in the reporting period ending 31 December 2021. The Resource statement as reported previously is as follows:

Table 1: Mineral Resource Estimate (as at 31 July 2020)

Category	V <sub>2</sub> O <sub>5</sub> Range (%)	Volume (M m <sup>3</sup> )	Quantity (Mt)	V <sub>2</sub> O <sub>5</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)
Measured	0.45* to 0.90	20.3	66.0	0.59	19.98
	>0.90	7.2	26.3	1.22	34.20
	<b>Sub-total</b>	<b>27.5</b>	<b>92.3</b>	<b>0.77</b>	<b>24.03</b>
Indicated	0.45* to 0.90	61.8	201.2	0.59	20.21
	>0.90	22.7	83.2	1.24	35.06
	<b>Sub-total</b>	<b>84.5</b>	<b>284.4</b>	<b>0.78</b>	<b>24.55</b>
Inferred	0.45* to 0.90	63.2	206.9	0.60	20.96
	>0.90	21.3	78.4	1.22	35.18
	<b>Sub-total</b>	<b>84.5</b>	<b>285.3</b>	<b>0.77</b>	<b>24.87</b>
Total (0.45 to 0.90)		145.3	474.1	0.59	20.51
Total (>0.90)		51.2	187.9	1.23	34.99
<b>Total</b>		<b>196.5</b>	<b>662.0</b>	<b>0.77</b>	<b>24.62</b>

Source: Mining Plus, Steelpoortdrift Vanadium Project Mineral Resource Estimate Report, July 2020  
Note: \*0.45% V<sub>2</sub>O<sub>5</sub> being the Mineral Resource cut-off grade as declared by the Mining Plus Competent Person

## APPENDIX 2 – ORE RESERVE

Ore Reserves as at 30 June 2021									
Material Type	Proved			Probable			Total		
	Quantity (Mt)	Grade (%)	Vanadium Content (Mt)	Quantity (Mt)	Grade (%)	Vanadium Content (Mt)	Quantity (Mt)	Grade (%)	Vanadium Content (Mt)
HG RoM Material	15.57	1.01%	0.16	24.68	0.93%	0.23	40.25	0.96%	0.39
MG RoM Material	15.60	0.51%	0.08	18.00	0.50%	0.09	33.60	0.50%	0.17
<b>Total Mineral Reserve</b>	<b>31.17</b>	<b>0.76%</b>	<b>0.24</b>	<b>42.68</b>	<b>0.75%</b>	<b>0.32</b>	<b>73.85</b>	<b>0.73%</b>	<b>0.56</b>

Source: Sound Mining, 2021

### Notes

- Ore Reserve Statement is stated at a price of USD6.00/lb as at 30 June 2021.
- Quantity and grade measurements are reported at the delivery to plant in metric units (Mt) and head grade, both of which are rounded to two decimal places.
- Approximately 6.91Mt of MG RoM at an average grade of 0.50% V<sub>2</sub>O<sub>5</sub> remains untreated within the stockpile over the LoM. The CP has excluded this material from the Ore Reserve Statement.
- Apparent computational errors are due to rounding and are not considered significant.
- Losses that could occur as a result of transportation of content or flake are considered to be negligible for the purpose of the maiden Ore Reserve Statement.
- Vanadium Resources currently has an ownership of 50% of the Project (will be increased to 73.95% ownership pending final S11 governmental approval, with no further consideration payable by VR8 for the additional 23.95%).
- No account of concentrate or flake loss during transportation was taken into consideration. However, this was deemed to be immaterial in the context of the viability of the Ore Reserve as stated.
- Inferred Mineral Resource material has not been included in the Ore Reserve Estimate.

### APPENDIX 3

#### TENEMENT TABLE: ASX LISTING RULE 5.3.3

#### MINING TENEMENT INTERESTS HELD AT THE END OF THE QUARTER AND THEIR LOCATION

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	AREA IN km <sup>2</sup>	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
<b>Pilbara Region, Western Australia</b>						
Quartz Bore	E47/3352	VMS Resources Pty Ltd	15	Granted	21/12/2021	100%
<b>Limpopo Region, South Africa</b>						
Steelpoortdrift KT365	10095MR	Vanadium Resources (Pty) Ltd	24.6	Granted	04/09/2048	50% Right to own 73.95%

#### The mining tenement interests relinquished during the quarter and their location

Nil.

#### The mining tenement interests acquired during the quarter and their location

Nil.

#### Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Not applicable.

#### Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Nil.

## APPENDIX 4 – ESG DASHBOARD

### Vanadium Resources (VR8)

#### ESG Go Quarterly Progress Report

Action
E Explanation
D Development
R Reported
V Verified
A Audited

#### Reporting Period 2 (Oct - Dec 2021)

PRIORITY TIMEFRAME DISCLOSURE MATURITY  
 A1 A2 A3 A4 A5

Category	Item ID	Description	Priority	Timeframe	Year	Disclosure	Maturity A1	Maturity A2	Maturity A3	Maturity A4	Maturity A5
<b>GOVERNANCE</b>	GO-01-A	Setting purpose	-	Q4	2021	D	R	R	R	R	D
	GO-02-A	Governance body composition	-	Q3	2021	D	D	D	D	R	R
	GO-03-A	Material issues impacting stakeholders	-	Q4	2021	D	R	R	D	D	D
	GO-04-A	Anti-corruption practices	-	Q4	2021	D	R	R	D		
	GO-04-B	Mechanisms to protect ethical behaviour	-	Q4	2022	D	R	E			
	GO-05-A	Integrating risk and opportunity into business process	-	Q4	2021	D	D	D	D	D	
<b>PLANET</b>	PL-01-A	GHG emissions	-	H2	2022	D	D				
	PL-01-B	TCFD implementation	-	H2	2022	D					
	PL-02-A	Land use and ecological sensitivity	-	Q2	2022	D	D	D	D	D	D
	PL-03-A	Water consumption	-	Q4	2021	D	D				
<b>PEOPLE</b>	PE-01-A	Diversity and inclusion	-	Q4	2021	D	D	D	D	D	D
	PE-01-B	Pay equality	-	Q4	2021	D	D				
	PE-01-C	Wage level	-	Q4	2021		D				
	PE-01-D	Child, forced or compulsory labour	-	H1	2022	D	D				
	PE-02-A	Health and safety	-	H2	2022	D	D	D			
	PE-03-A	Training provided	-	H2	2022	D	D	D			
<b>PROSPERITY</b>	PR-01-A	Rate of employment	-	H2	2022	D	D				
	PR-01-B	Economic contribution	-	Q3	2021	R	R	R			
	PR-01-C	Financial investment contribution	-	Q3	2021	R	R	R			
	PR-02-A	Total R&D expenses	-	Q3	2021	D	D				
	PR-03-A	Total tax paid	-	Q3	2021	R	R				

### Competent Persons Statement and Compliance Statements

The Company confirms that the information in this announcement that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX on 29 April 2020, 23 September 2020 and 22 June 2021 continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the information that has been included in this announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

### Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 31 July 2020 Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 29 April 2020 (*Mineral Resource Update Confirms Steelpoortdrift's Global Vanadium Standing*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

### Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Maiden Ore Reserves Statement. The Information that has been presented in this report has been extracted from the announcements made being the Pre-Feasibility Report dated 22 June 2021 (*Steelpoortdrift PFS delivers superior results*) and Ore Reserve Statement dated 22 July 2021 (*VR8 declares maiden ore reserve additional information*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

### Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

VR8 does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of VR8, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by VR8. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

## Appendix 5B

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

Name of entity

Vanadium Resources Limited

ABN

47 618 307 887

Quarter ended ("current quarter")

31 December 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(19)	(32)
(e) administration and corporate costs	(97)	(192)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	0	0
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(116)</b>	<b>(224)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(127)	(176)
(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 \$A'000	Year to date (6 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	(1,415)	(1,615)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,542)</b>	<b>(1,791)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,600	4,600
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	501	501
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(22)	(22)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>5,080</b>	<b>5,080</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,446	1,803
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(116)	(224)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,542)	(1,791)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,080	5,080

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,868</b>	<b>4,868</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,868	1,446
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,868</b>	<b>1,446</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(19)
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>		
6.1 Director and consulting fees to Directors of A\$19,200		
6.2 n/a		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>	[ ]	
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	[ ]	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(116)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(127)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(243)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,868
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,868
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	20
<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: 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	

## 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: 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: 27 January 2022

Authorised by: Board of Directors  
(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.