

27 July 2023

**Andromeda Metals Limited**

ABN: 75 061 503 375

**Corporate details:**

ASX Code: ADN

Cash (30 June 2023): \$15.3m

Issued Capital:

3,110,270,932 ordinary shares

24,760,000 unlisted options

18,596,711 performance rights

**Directors:****Mick Wilkes**

Non-Executive Chair

**Bob Katsioularis**

CEO & Managing Director

**James Marsh**

Executive Director, Sales & Marketing

**Melissa Holzberger**

Non-Executive Director

**Austen Perrin**

Non-Executive Director

**Company Secretary**

**Sarah Clarke**

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## Quarterly Activities Report – June 2023

Andromeda Metals Limited (ASX: **ADN**) (**Andromeda**, the **Company**) is pleased to report steady progress in advancing The Great White Project (**TGWP** or **The Project**) during the quarter ended 30 June 2023.

**HIGHLIGHTS****Permitting**

- EPA Works approval granted by the Environment Protection Authority (EPA) of South Australia.

**Operations**

- Progress in the procurement of long-lead items, with 3 of 6 items now on order

**Commercial**

- Renewed focused on prioritised opportunities in high value-in-use segments
- Update on Offtake and Term Sheet agreements:
  - Binding Offtake Agreement signed with Plantan Yamada Co Ltd for 25,000 tonnes into the Japanese market;
  - Term Sheet signed with Foshan Gaoming Xing-Yuan Machinery Co. Ltd for 120,000 tonnes of kaolin products into the Chinese market; and,
  - Subsequent to the quarter, receipt of a Letter of Intent from IberoClays SLU for exclusive distribution of 15,000-20,000 tonnes per annum (tpa), to the Mediterranean region with pre-payments for all quarterly orders confirmed by 30 September 2025.

**Technical**

- International benchmarking tests conducted by IberoClays, which confirmed Great White CRM™ as a market leading product.

**Corporate**

- Completion of Investment Memorandum and Bankable Feasibility Study (BFS) made available to debt-only investors.

**CEO and Managing Director, Bob Katsioularis, said:** “We made significant progress in advancing The Great White Project during the quarter, with our focused approach of targeting high value-in-use segments where our premium products are highly valued.”

## **Discussion**

Andromeda reports the following activities, which were undertaken during the quarter ended 30 June 2023.

### **Permitting**

Following the approval of the Program for Environment Protection and Rehabilitation in March 2023, during the period Andromeda was granted EPA Works approval by the Environment Protection Authority (EPA) of South Australia.

Progression to the construction phase is dependent on the lodgment of the Environmental Bond & payment into the Native Vegetation Fund, with early-stage earthworks planned to commence in early October 2023, subject to a final investment decision (FID) being made.

### **Operations**

Activities for the progression of the TGWP during the quarter included work undertaken on the BFS and Updated Definitive Feasibility Study (**UDFS**), the upgrade of the Streaky Bay Pilot Plant and front-end engineering design.

The Company also continued to progress with the procurement of long-lead items, in line with its aim of targeting October 2024 for the first shipment of product from TGWP.

To date the following long-lead items have been ordered – Dryer, Thickener and Drum washer – with all remaining long-lead items (Filter press, Filter cake feeder and Noodler) anticipated to be ordered in the coming weeks.

During the quarter, a reset of operations at the Streaky Bay Pilot Plant was undertaken, with the aim of enabling the production of large-scale samples to support expected requests by potential customers, following the Great White CRM™ and Great White HRM™ validation testing and trial activities mentioned previously.

During the quarter, the Company announced the Research Agreement related to the Carbon Capture and Conversion (CC&C) Project with the University of Newcastle was terminated, by mutual agreement<sup>1</sup>. Importantly, the termination of the Research Agreement does not mean termination of the CC&C Project, with Andromeda retaining the right to progress the CC&C Project at its discretion.

### **Commercial**

Following Bob Katsioularis' commencement as Chief Executive Officer at the beginning of the quarter, a strategic review of the Company's positioning and Business Strategy was undertaken. The review's aim was to accelerate the development of TGWP, through optimising the Company's focus on the emerging market-to-mine opportunities driven by the increasing scarcity of high-quality kaolin in global markets.

To support new and ongoing commercial discussions, Andromeda has developed a program of market and potential customer engagement, including the following activities:

- European trip to meet with potential strategic partners and attendance at the European Coatings Show in Nuremberg, Germany, by Bob Katsioularis & James Marsh in late-Mar/Apr.
- Chinese ceramics industry visit by James Marsh, Executive Director, Sales & Marketing (6 – 18 May).
- Ceramics China 2023 exhibition attended by James Marsh, Executive Director, Sales & Marketing (19-23 June).
- Trip to Spain to visit key producers and potential customers by Marie Sexton, Manager, Business Development (26-30 June).

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<sup>1</sup> Refer ADN ASX dated 28 April 2023 titled *Carbon Capture and Conversion Project Update*.

To further support commercial negotiations, during the quarter Andromeda commissioned a series of product validation testing and trial activities, some of which remain ongoing, to determine the best value-in-use opportunities for:

- **Great White CRM™** – testing and analysis for use in porcelain and ceramic large format tiles and glazes:
  - o International benchmarking tests conducted by IberoClays, which confirmed Great White CRM™ as a market leading product; and
  - o A four-stage technical evaluation and formulation at pilot plant level program conducted by the Instituto de Tecnología Cerámica (**ITC**), located at the University of Castellón in Spain.
- **Great White HRM™** – end-user technical validation trials for use as additive to decarbonise concrete, with cement suppliers and concrete manufacturers.

All the above validation testing and analysis, other than the Great White CRM™ Pilot Trial, is expected to be included in the UDFS currently underway and due for release mid-August.

During the period, Andromeda made the following changes to agreements underpinning the development of TGWP:

- Binding Offtake Agreement signed with Plantan Yamada Co Ltd<sup>2</sup> for 25,000 tonnes of Great White KCM™90 over the first three years of production into the Japanese ceramics market;
- Term Sheet signed with Foshan Gaoming Xing-Yuan Machinery Co. Ltd<sup>3</sup> for 120,000 tonnes of kaolin products over the first five years of production for the Chinese market, with parties agreeing to enter into a long form Offtake and Marketing Agreement, incorporating additional provisions customary for an offtake and marketing arrangement, by no later than 30 September 2023;
- Cancellation of offtake terms sheet with Asia Materials Resources Ltd<sup>4</sup> for 23,500-38,500 tonnes of Great White KCM™90 over the first 3 years of production; and
- Termination of offtake agreement with Jiangsu Mineral Sources International Trading Co, Ltd<sup>5</sup> for 70,000 tonnes (+/-10%) of Great White PRM™90 for coatings and polymer markets during Stage 4 of TGWP's planned development.

Additionally, subsequent to the quarter, Andromeda received a:

- Letter of Intent from IberoClays SLU<sup>6</sup> (**IberoClays**) for exclusive distribution to the Mediterranean region (covering Spain, France, Italy, Portugal, Morocco, Egypt and Turkey) of 15,000-20,000 tpa, with pre-payments for all orders confirmed each quarter until 30 September 2025. A binding agreement is anticipated to be finalised by the end of October 2023, and include an initial 3-year term, with an evergreen provision thereafter.

## **Regional Minerals Exploration**

With the Company focused on developing the Great White Deposit, regional exploration has been minimised.

### **TGWP – Regional exploration (Andromeda 100%)**

Andromeda continued to explore for kaolin with properties that complement those of the Great White Deposit.

### **Eyre Kaolin Project**

#### **(Andromeda farming in under Stage 1 to earn a 51% interest by expending \$750,000 by November 2024)**

The Company awaits the results from follow-up drilling conducted at two kaolin prospects, Chairlift (EL 6664) and Halfpipe (EL 6665), on the Eyre Kaolin Project.

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<sup>2</sup> Refer ADN ASX dated 8 June 2023 titled *Binding Offtake Agreement signed for Japanese market*.

<sup>3</sup> Refer ADN ASX dated 7 June 2023 titled *Term Sheet signed for significant quantities of kaolin products for Chinese market*.

<sup>4</sup> Refer ADN ASX dated 1 June 2023 titled *Cancellation of offtake with Asia Materials Resources Ltd*.

<sup>5</sup> Refer ADN ASX dated 30 June 2023 titled *Termination of offtake with Jiangsu Minerals Sources International Trading Co, Ltd*.

<sup>6</sup> Refer ADN ASX dated 10 July 2023 titled *Letter of Intent received from IberoClays for exclusive distribution to the Mediterranean region*.



## **Metals Projects**

Andromeda's strategic focus remains on developing our portfolio of halloysite-kaolin projects. Accordingly, the Company continues to seek opportunities to realise maximum shareholder value for our gold and copper assets while minimising the cost and management time incurred.

### **Moonta Copper Gold Project (Andromeda partial farm-out 100%)**

Andromeda continued to review the Moonta Copper Gold Project, utilising existing drilling results to assess the in-situ recovery potential of 100% Andromeda-held copper prospects, in association with joint venture partner Environmental Metals Recovery Pty Ltd.

During the quarter, a trial electro-seismic survey was undertaken at the Alford West Project site that successfully mapped out the highly saline ground water and deep weathering (typically 100 to 300m below surface) associated with the copper mineralisation.

### **Wudinna Gold Project (Andromeda farm-out 25%)**

During the quarter, joint venture partner Cobra Resources plc (**Cobra**) earned a 75% interest in the Wudinna Gold Project by sole funding \$5 million on expenditure within a 6 year period.

Cobra announced further gold results from a 20-hole, 2,466m Reverse Circulation ("RC") drilling program aimed at expanding existing gold and rare earth resources, and that is had also completed a dual purpose, 95-hole regional Aircore ("AC") drilling program.

### **Drummond Epithermal Gold Project (Andromeda 100%)**

During the quarter, Drummond Epithermal Gold Project continued to be held 100% by Andromeda pending the sale to Rush Resources Limited.

## **Corporate**

The Company continued to prudently manage costs during the period. Cash and cash equivalents at the end of the quarter were \$15,301k, a decrease of \$4,281k from the previous quarter's closing balance of \$19,582k. This included a total of \$810k for payments related to long-lead items and research activities.

During the quarter, net funds used in operating activities were \$1,854k. Net funds used in investing activities were \$2,372k. Net funds used in financing activities were \$55k.

Exploration and Evaluation Expenditure during the quarter was \$1,667k. Full details of exploration and evaluation activity during the Quarter are set out in this report, including activities for the progression of the TGWP set out above.

There were no substantive mining production and development activities during the quarter.

Payments to related parties of the Company and their associates during the quarter were \$226k, consisting of executive director salaries and non-executive director fees.

During the quarter, a favourable Private Ruling from the Australian Taxation Office (ATO) was received. The ruling relates to the historical tax losses of Minotaur Exploration Limited (Minotaur), following its acquisition by Andromeda. The Private Ruling confirms that \$21.8 million of historic carried forward tax losses of Minotaur, can be transferred, and utilised by Andromeda subject to the normal tax rules related to carry forward losses.

Following the \$117 million upfront tax deduction previously announced<sup>7</sup>, also related to Andromeda's acquisition of Minotaur, this brings the total of Andromeda's carried forward tax losses to \$191 million, further reducing tax payable by Andromeda on future profits, subject to the normal tax rules related to carry forward losses.

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<sup>7</sup> Refer ADN ASX dated 31 October 2022 titled *Quarterly Activities Report – September 2022*

Subsequent to the end of the quarter, Andromeda is due to receive a refund of \$1.2 million from the Australian Tax Office for the FY22 Income Tax Return. The refund is related to research & development incentives for activity conducted during the 2022 financial year.

### **Funding**

Capital costs for the initial Stage 1A Processing Plant continue to be anticipated at \$55 million, which includes the cost of project infrastructure that will support future expansions.

The Company continued to progress the consideration of its future capital and operational funding requirements, with financing arrangements under consideration including a range of debt and equity mix options.

To support the securing of debt funding, during the period an Investment Memorandum and Bankable Feasibility Study (BFS) were completed and made available, together with other supporting information, to a number of debt-only financiers.

The Company also progressed the development of an UDFS, which is anticipated to be released mid-August and will support discussions with potential cornerstone/strategic investment partners. To keep investors informed of progress, a series of presentations, both in-person and online, were given during June and July across Sydney, Melbourne and at the Noosa Mining Conference.

The Company anticipates updating the market on its preferred funding arrangements following the release of the UDFS.

*This ASX announcement has been approved for release by the Board of Directors of Andromeda Metals Limited.*

**For more information about the Company and its projects, please visit our website, [www.andromet.com.au](http://www.andromet.com.au) or contact:**

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### **Forward Looking Statements**

This document contains or may contain certain "forward-looking statements" and comments about future events, that are based on Andromeda management's beliefs, assumptions and expectations and on information currently available to management as at the date of this document. Often, but not always, forward-looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "plan", "believes", "estimate", "anticipate", "outlook", and "guidance", or similar expressions, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and production potential, estimates of future Mineral Resources and Ore Reserves.

Where Andromeda expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and on a reasonable basis.

Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements to differ materially from future results, performances or achievements expressed, projected or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. Such risks and factors include, but are not limited to: changes in exchange rate assumptions; changes in product pricing assumptions; major changes in mine plans and/or resources; changes in equipment life or capability; emergence of previously underestimated technical challenges; increased costs and demand for production inputs; and environmental or social factors which may affect a licence to operate, including political risk.

## About Andromeda

Andromeda Metals (ASX: ADN) is an ASX-listed emerging industrial minerals producer. Our vision is to lead the world in the sustainable supply of superior quality industrial minerals.

We see 2023 as a transformational year for Andromeda. Following which we anticipate becoming a globally significant producer of halloysite-kaolin products. Having received all major regulatory approvals, we are progressing towards early-stage construction of Stage 1A Processing Plant, while also advancing funding discussions aimed at enabling a final investment decision (FID) to be made.

From there, we aim to leverage the uniqueness of The Great White Project resources to grow through meeting the growing long-term demand for kaolin, expanding our range of high-margin kaolin-based products and developing many new technologies at the forefront of science, and essential to building a more sustainable future.

Andromeda's kaolin deposits are located in South Australia's Eyre Peninsula, a Tier 1 mining jurisdiction, and contain some of the highest purity kaolin ever discovered. Kaolin has been used in ceramics production for centuries because of its unique properties as a bright white inert mineral with very fine particle size. In addition to ceramics, today, kaolin can be found in a range of everyday products, including ceramic tiles, porcelain tableware, cosmetics, paint, rubber, medicines, paper, pesticides, orthodontics, orthopedics, and plastics. Every modern home and car contains kaolin in some form.

Using a novel flowsheet, we also have the potential to use our high-quality kaolin as a feedstock to produce the critical mineral High Purity Alumina (HPA).

Our large, high-quality deposits also contain a rare form of kaolin called halloysite, a naturally occurring nanotube. Halloysite is highly desirable in some applications where it attracts a premium price. Halloysite-kaolin can be used in emerging high-tech nanotechnologies and applications, such as carbon capture, soil remediation, water purification, hydrogen storage, medicine delivery and renewable energy.

## SUMMARY SCHEDULE OF TENEMENTS AS AT 30 JUNE 2023

Project	Tenement	Tenement Name	Area km <sup>2</sup>	Registered Holder or Applicant	Nature of Company's Interest %
<b>South Australia</b>					
<i>Great White Kaolin Project</i>	ML 6532	Great White	319 ha	Andromeda Industrial Minerals Pty Ltd <sup>1</sup> and Great Southern Kaolin Pty Ltd <sup>2</sup>	AIM 75% GSK 25%
	MPL 163	Water Pipeline MPL	78 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	MPL 164	Access Road MPL	13 ha	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6588	Tootla	372	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6202	Mt Hall	147	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	EL 6426	Mt Cooper	648	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
<i>Wudinna Gold Joint Venture<sup>3</sup></i>	EL 6317	Pinkawillinie	156	Peninsula Resources Ltd <sup>3</sup>	PRL 25% LAM 75%
	EL 6131	Corrobinnie	1303	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 6489	Wudinna Hill	42	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 5953	Minnipa	184	Peninsula Resources Ltd	PRL 25% LAM 75%
	EL 6001	Waddikee Rocks	147	Peninsula Resources Ltd	PRL 25% LAM 75%
<i>Moonta Copper Gold Project<sup>4</sup></i>	EL 5984	Moonta-Wallaroo	713	Peninsula Resources Ltd	100%
	EL 5984	Moonta Porphyry JV	106	Peninsula Resources Ltd	90% - option to acquire 100% from AIC Mines Ltd
<i>Camel Lake Halloysite Project</i>	EL 6128	Camel Lake	455	Andromeda Industrial Minerals Pty Ltd and Great Southern Kaolin Pty Ltd	AIM 75% GSK 25%
	ELA 2019/73	Dromedary	481	Demetallica Operations Pty Ltd <sup>5</sup>	AIM 75% GSK 25%
<i>Eyre Kaolin Project</i>	EL 6663	Aspen	976	Peninsula Exploration Pty Ltd <sup>6</sup>	Peninsula 100%
	EL 6664	Whistler	452	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6665	Hotham	875	Peninsula Exploration Pty Ltd	Peninsula 100%
	EL 6666	Thredbo	496	Peninsula Exploration Pty Ltd	Peninsula 100%
<i>Mt Hope Kaolin Project</i>	EL 6286	Mt Hope	227	Andromeda Industrial Minerals NZ Pty Ltd	100%
<b>Queensland</b>					
<i>Drummond Gold Project</i>	EPM 18090	Glenroy	196	Adelaide Exploration Pty Ltd <sup>7</sup>	100%
	EPM 25660	Gunthorpe	74	Adelaide Exploration Pty Ltd	100%
	EPM 26154	Sandalwood Creek	109	Adelaide Exploration Pty Ltd	100%
	EPM 26155	Mount Wyatt	144	Adelaide Exploration Pty Ltd	100%
	EPM 27501	Packhorse Creek	16	Adelaide Exploration Pty Ltd	100%
<b>Western Australia</b>					
<i>Dundas Project</i>	E 63/2089	Circle Valley	29	Mylo Gold Pty Ltd <sup>8</sup>	100%

1 Andromeda Industrial Minerals Pty Ltd ("AIM") (incorporated 9 August 2018) is a wholly owned subsidiary of Andromeda Metals Ltd.

2 Great Southern Kaolin Pty Ltd ("GSK") is a wholly owned subsidiary of Andromeda Metals Ltd.

3 Peninsula Resources Ltd ("PRL"), (incorporated 18 May 2007) is a wholly owned subsidiary of Andromeda Metals Ltd. PRL has a farm-out agreement with Lady Alice Mines Pty Ltd ("LAM"), a wholly owned subsidiary of Cobra Resources PLC.

4 Andromeda Metals Ltd has partnered with Environmental Metals Recovery Pty Ltd ("EMR") to form the Moonta ISR Joint Venture.

5 Demetallica Operations Pty Ltd is a wholly owned subsidiary of AIC Mines Ltd. Registered interest is to be transferred to AIM (75%) and GSK (25%) upon grant.

6 Andromeda Industrial Minerals Pty Ltd has partnered with Peninsula Exploration Pty Ltd ("Peninsula") to form the Eyre Kaolin Project.

7 Adelaide Exploration Pty Ltd (incorporated 13 July 2001) is a wholly owned subsidiary of Andromeda Metals Ltd.

8 Mylo Gold Pty Ltd (acquired 21 December 2017) is a wholly owned subsidiary of Andromeda Metals Ltd.

## Appendix 5B

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

Name of entity

<b>ANDROMEDA METALS LIMITED</b>
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ABN

<b>75 061 503 375</b>
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Quarter ended ("current quarter")

30 June 2023
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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<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	(368)	(1,235)
(e) administration, corporate, marketing and R&D costs	(1,950)	(8,336)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	118	382
1.5 Interest and other costs of finance paid	(8)	(27)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	354	354
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,854)</b>	<b>(8,862)</b>



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>2</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(695)	(1,155)
	(d) exploration & evaluation (capitalised)	(1,667)	(7,361)
	(e) investments	-	-
	(f) other non-current assets	(10)	(10)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	33
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other		
	- Government grants, subsidies and tax incentives	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,372)</b>	<b>(8,493)</b>
<b>3</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Lease repayments)	(55)	(197)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(55)</b>	<b>(197)</b>

The reported FY23 year to date cashflow from operating activities and investing activities have been amended for an adjustment to the classification of certain expenditure. This did not result in any change to closing cash, rather an adjustment from net cash used in investing activities to net cash used in operating activities.

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>4</b>	<b>Net increase / (decrease) in cash and cash</b>		
4.1	Cash and cash equivalents at beginning of period	19,582	32,853
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,854)	(8,862)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,372)	(8,493)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(55)	(197)
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>15,301</b>	<b>15,301</b>

<b>5 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	5,301	9,582
5.2	Call deposits	10,000	10,000
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>15,301</b>	<b>19,582</b>

<b>6 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	(215)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(11)

*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.*

The amount at items 6.1 and 6.2 comprises executive director salaries, non-executive director fees and consulting fees paid to directors or related corporations of directors of the Company during the quarter.

7	<b>Financing facilities</b>	<b>Total facility amount at quarter end</b>	<b>Amount drawn at quarter end</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
	<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>\$A'000</b>	<b>\$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (credit card facility)	90	15
7.4	<b>Total financing facilities</b>	<b>90</b>	<b>15</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>75</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.		
<p>The Company has a credit card facility financed through Westpac with a limit of \$90,000. This facility is denominated in Australian dollars and is secured against cash deposits of the same amount shown as restricted cash in Item 5.4 of this report. An annual fee is charged for this facility at market rates. There are no set amounts payable under this facility, other than the annual fee, unless the consolidated entity does not adhere to the terms of the agreements.</p>			

8	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,854)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,667)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,521)
8.4	Cash and cash equivalents at quarter end (item 4.6)	15,301
8.5	Unused finance facilities available at quarter end (item 7.5)	75
8.6	Total available funding (item 8.4 + item 8.5)	15,376
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>4.37</b>
	<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	
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	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

**Compliance statement**

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

Date: .....27 July 2023.....

By the Board

Authorised by: .....

(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.