

31 January 2022

# QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2021

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## HIGHLIGHTS

- **Completion of Phase 4 Drill Program**
  - Major milestone reached with infill and extension drill program completed ahead of schedule
  - 8,220 metres of drilling completed (432 holes), targeting a material increase in Measured and Indicated resource at Makuutu
  - Assay results returned for Tranches 2, 3 and 4, with 176 drill holes remaining with results expected near term
- **Exploration License EL00257 awarded, increasing Makuutu Rare Earth Project tenement area to approximately 300 square kilometres**
- **Makuutu Rare Earth Project continues to progress on schedule, with the Environmental and Social Impact Assessment (ESIA) submitted in December**
- **Binding Term Sheet signed for strategic acquisition of Seren Technologies Limited, a UK private company that has developed Rare Earth Element (REE) separation and refining technology using ionic liquids, with potential for near term magnet recycling**

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**Ionic Rare Earths Limited** (ASX: IXR) (“IonicRE” or “the Company”) is pleased to provide its Quarterly Report for the period ending **31 December 2021**, including exploration activities at its 51% owned Makuutu Rare Earths Project (“Makuutu”) in Uganda.

Makuutu is one of the world's largest scale ionic adsorption clay ("IAC") hosted Rare Earth Element ("REE") deposits, located 120 km east of Kampala in Uganda. The Makuutu Mineral Resource Estimate (ASX: 3 March 2021) was announced at 315 Million tonnes at 650 ppm Total Rare Earth Oxide (TREO) with a cut-off grade of 200 parts per million (ppm) TREO minus Cerium Oxide (TREO-CeO<sub>2</sub>).

Ionic Rare Earths Managing Director Mr Tim Harrison commented on the Company's activities during the quarter:

*"We are excited to have reached the major achievement of completing the Phase 4 Drill Program during the quarter and to have received encouraging results. This drilling program we expect will contribute to both materially increasing the MRE confidence plus the overall size at Makuutu, with the increase in the measured and indicated resource base to support the Makuutu Feasibility Study and Mining Licence Application due later this year."*

*"The near surface, thick clay interval assays received for this program so far have provided an excellent start to the new year, and we look forward to reporting the remainder of the results as they are received."*

*"The potential acquisition of Seren Technologies is also the next step in the evolution of IonicRE and movement downstream in the new and emerging rare earths supply chains that will form in coming years. The immediate opportunity to be an early player in permanent magnet recycling also provides IonicRE with near term vertical integration opportunities which in itself is also very compelling."*

#### **Completion of Phase 4 Drill Program**

As previously announced in October 2021, IonicRE, completed its Phase 4 drill campaign ahead of schedule at the Makuutu Project.

The Phase 4 drill program, which is the largest completed to date at the Project and focused predominantly on 100 metre and 200 metre spaced infill drilling on the Makuutu central and eastern zones, has targeted an upgrade of previously classified Inferred resources, with the infill drill density objective being the upgrading of the resource reclassification to Measured and Indicated status. The classification upgrade is targeting a Measured and Indicated Resource exceeding 250 million tonnes as part of the planned Mineral Resource Estimate (MRE), to be updated in Q2 2022.

Additionally, it is expected that the Phase 4 drill program will also permit some of the previously unclassified Exploration Targets identified across the Makuutu central and eastern zone to be converted to a Mineral Resource, providing a potential total increase in the resource at Makuutu (ASX: 3 March 2021). These are notably areas C, E and the central eastern zone which are illustrated in Figure 1.

The Company has received assay data for Tranches 2 (ASX: 25 November 2021), 3 (ASX: 20 December 2021) and 4 results (ASX: 6 January 2022) which were reported during the December quarter and earlier this year. These results follow on from the strong Tranche 1 assays received prior (ASX: 9 September 2021), where they consistently demonstrated rare earth bearing clay and saprolite mineralisation intersections consistent with the initial drilling phases (Phase 1 in 2019 and Phase 2 in 2020) on which the current MRE was based. Figure 2 provides an illustration of the drilling completed within the Phase 4 drill program.

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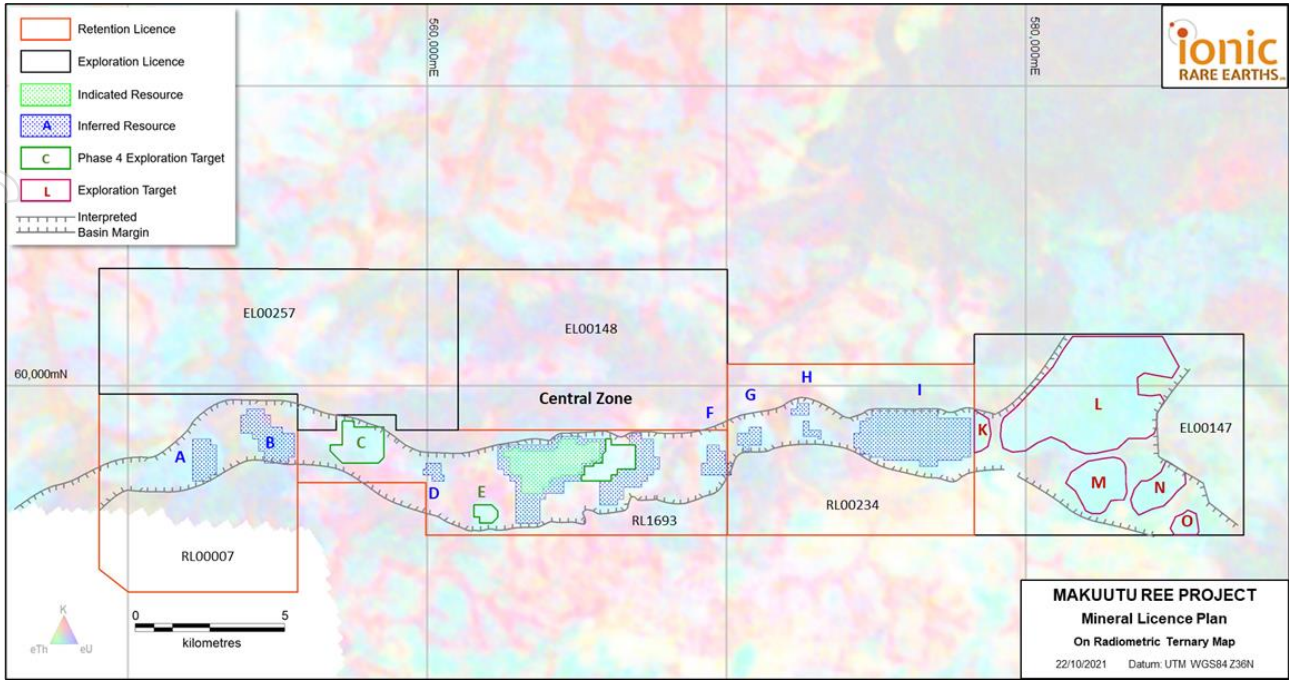


Figure 1: Makuutu Rare Earths Project with current MRE areas and exploration targets across the 37-kilometre-long mineralisation trend. Also illustrated is the recently approved EL00257 (northwest).

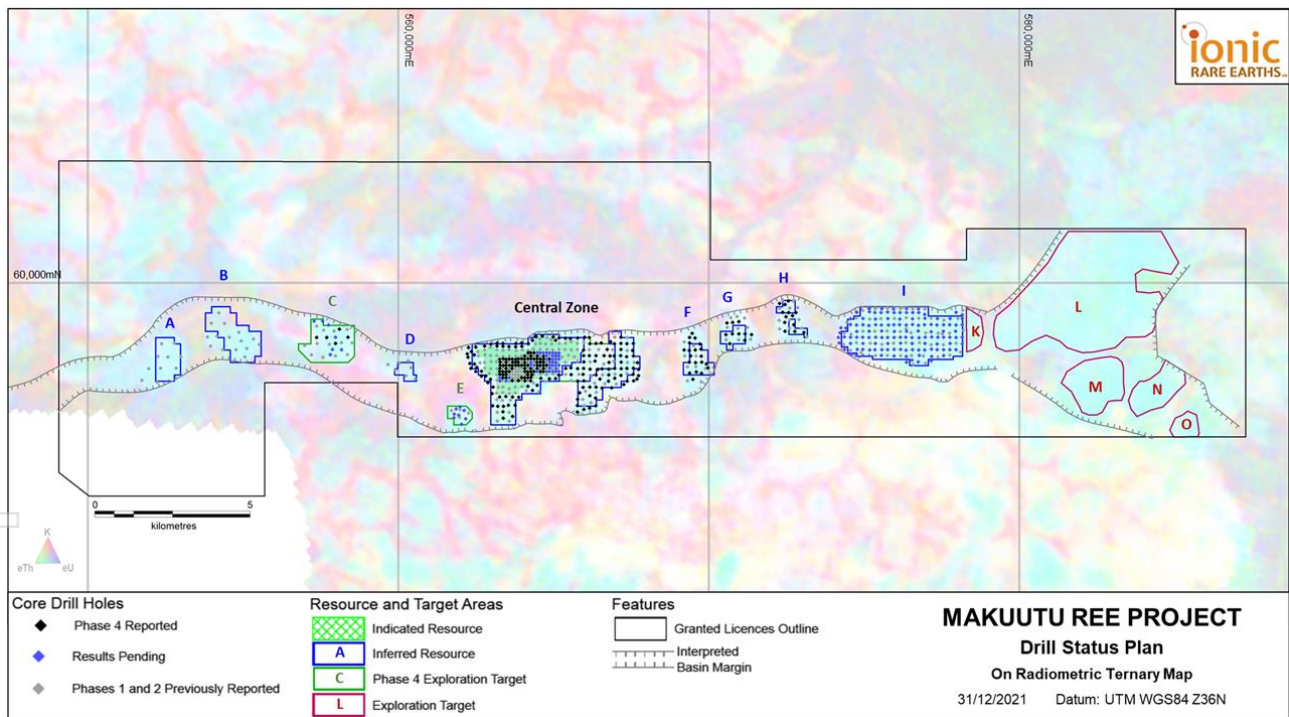


Figure 2: Makuutu resource and exploration target areas illustrated with Phase 4 core drilling completed in 2021, with Phase 4 reported holes shown in black, and Phase 4 drill holes with assays pending shown in blue.

The Company is awaiting the remaining Phase 4 assay results, which cover the remaining 176 holes drilled as part of the program, which we expect to be reported over the next 6 weeks.

## Tranche 2 Assay Results

Drill assay results for the Tranche 2 submission consisted of 60 drill holes, including RRMDD326 and RRMDD331 to 389. All holes were drilled to infill the current Makuutu Central Zone East MRE area on a 200-metre spacing, aimed at increasing grade estimation confidence from Inferred to Indicated resource classification. Additionally, a number of holes were included to assist in converting the Makuutu Central Eastern Zone (CEZ) Exploration Target to a classified resource.

All 60 holes reported in Tranche 2 results delivered clay and saprolite mineralisation intersections above the cut-off grade of 200 ppm TREO-CeO<sub>2</sub>, consistent with the initial drilling phases (Phases 1 and 2) and the current MRE. Notable thick, high-grade and near surface intervals reported assay results include (ASX: 25 November 2021):

- RRMDD373 21.0 metres at 1,040 ppm TREO from 3.7 metres
- RRMDD381 17.2 metres at 1,021 ppm TREO from 4.3 metres
- RRMDD340 13.9 metres at 1,043 ppm TREO from 2.8 metres
- RRMDD363 16.4 metres at 960 ppm TREO from 3.3 metres
- RRMDD360 12.3 metres at 1,054 ppm TREO from 7.3 metres
- RRMDD335 10.3 metres at 1,078 ppm TREO from 2.3 metres
- RRMDD386 15.0 metres at 1,156 ppm TREO from 2.1 metres
- RRMDD385 25.3 metres at 815 ppm TREO from 4.6 metres
- RRMDD362 24.0 metres at 779 ppm TREO from 2.4 metres

## Tranche 3 Assay Results

Drill assay results for the Tranche 3 submission consisted of 71 drill holes, including RRMDD390 to 460. The holes reported were located within the inferred and indicated MRE and to define extensions to the MRE in the Makuutu Central Zone (MCZ) and areas F and G.

All 71 holes delivered clay and saprolite mineralisation intervals above the cut-off grade of 200 ppm TREO-CeO<sub>2</sub>, consistent with the initial drilling phases and the current MRE.

Notable thick, high-grade and near surface intervals reported within Tranche 3 included (ASX: 20 December 2021):

- RRMDD447 11.7 metres at 1,437 ppm TREO from 4.5 metres
- RRMDD446 12.0 metres at 1,468 ppm TREO from 4.5 metres
- RRMDD449 8.1 metres at 1,413 ppm TREO from 7.5 metres
- RRMDD456 12.3 metres at 1,268 ppm TREO from 3.2 metres
- RRMDD444 11.4 metres at 1,223 ppm TREO from 8.0 metres
- RRMDD457 16.4 metres at 1,210 ppm TREO from 2.0 metres
- RRMDD454 14.4 metres at 1,187 ppm TREO from 5.1 metres
- RRMDD394 13.2 metres at 1,184 ppm TREO from 2.7 metres
- RRMDD432 6.7 metres at 1,174 ppm TREO from 3.4 metres
- RRMDD390 16.2 metres at 1,128 ppm TREO from 3.8 metres
- RRMDD443 12.0 metres at 1,060 ppm TREO from 4.1 metres



## Tranche 4 Results

Post-quarter, the Company reported Tranche 4 assay results (ASX: 6 January 2022). Tranche 4 results were received for a further 75 drill holes. All 75 holes delivered clay and saprolite mineralisation intervals above the cut-off grade of 200 ppm TREO-CeO<sub>2</sub>, consistent with the initial drilling phases and the current MRE.

The Tranche 4 results included the thickest rare earth element (REE) bearing clay mineralisation encountered today at Makuutu, with two intervals exceeding 28 metres thick.

Notable thick, high-grade and near surface intervals reported within Tranche 4 included:

- RRMDD539 8.9 metres at 1,476 ppm TREO from 4.3 metres
- RRMDD477 13.5 metres at 1,432 ppm TREO from 3.5 metres
- RRMDD518 16.5 metres at 1,424 ppm TREO from 5.4 metres
- RRMDD514 8.7 metres at 1,336 ppm TREO from 12.3 metres
- RRMDD533 9.6 metres at 1,296 ppm TREO from 3.1 metres
- RRMDD520 28.5 metres at 1,250 ppm TREO from 2.9 metres
- RRMDD523 16.4 metres at 1,229 ppm TREO from 4.1 metres
- RRMDD521 18.6 metres at 1,200 ppm TREO from 4.7 metres
- RRMDD534 13.8 metres at 1,185 ppm TREO from 3.0 metres
- RRMDD517 15.1 metres at 1,175 ppm TREO from 5.4 metres
- RRMDD535 15.2 metres at 1,171 ppm TREO from 4.3 metres
- RRMDD513 16.3 metres at 1,126 ppm TREO from 2.9 metres
- RRMDD532 15.3 metres at 1,105 ppm TREO from 4.2 metres
- RRMDD488 22.1 metres at 1,080 ppm TREO from 4.9 metres
- RRMDD467 20.1 metres at 1,077 ppm TREO from 5.8 metres
- RRMDD546 10.3 metres at 1,076 ppm TREO from 3.9 metres

## New Exploration Licence 00257 Approved at Makuutu

As announced on 26 October 2021, the Ugandan Department of Geological Survey and Mines ("DGSM") provided advice to the Company's 51% owned Ugandan subsidiary Rwenzori Rare Metals Limited ("Rwenzori" or "RRM") that the application for Exploration Licence 00257, located adjacent and to the northwest of the Makuutu MRE and illustrated in Figure 1, was granted.

Earlier in 2021, as part of the Phase 3 Rotary Air Blast (RAB) drill program (ASX: 20 July 2021), IonicRE reported assay results showing thick clay intervals more than 2 kilometres north and west of the basin margin. The REE mineralised intercepts reported in that area may present an opportunity for further REE mineralisation to exist to the northwest, and outside of the current basin margin trend. Given the significance of those results, the Company applied for the new 56 square kilometre EL.

EL00257 was granted for three (3) years and will provide the Company with additional new greenfield exploration potential at Makuutu. The addition of EL00257 now increases the total tenement area of Makuutu to approximately 300 square kilometres.

The Company will review potential for an initial field-based program at EL00257 in 2022, prior to potential broad spaced RAB drilling to confirm the likely priority for additional exploration programs

in the future. The Company already has the highly prospective EL00147, which as part of the Phase 3 RAB drill program returned thick REE mineralised clay zones in numerous holes drilled on the tenement. Of the 25 holes drilled on EL00147, 23 returned REE grades above the current MRE cut-off providing significant scope for material extension of project life at Makuutu.

### **Makuutu Rare Earth Project Update**

Progress continued on the Makuutu Rare Earth Project over the December quarter with increased activity across the engineering and field-based programs to support the Company's plans of submitting a Mining Licence Application (MLA) on or before 31 October 2022.

The Feasibility Study engineering is progressing on schedule along with various other programs underway, including the geotechnical and hydrogeology programs nearing completion in Uganda.



**Figure 3: Geotechnical drilling underway at Makuutu.**

In December, the Environmental and Social Impact Assessment (ESIA) was submitted to the Ugandan National Environmental Management Authority (NEMA) with initial feedback expected later this quarter.

Community engagement activities have also increased in Uganda with several community sessions held across the Project area. The in-country Rwenzori team has been increased to support continued further engagement of local stakeholders, plus the initiated Resettlement Action Plan ("RAP") which will be required as part of the MLA later in 2022.





Figure 4: Community engagement sessions held across the Makuutu Project area.

### Acquisition of rare earth separation and magnet recycling technology

As announced in December, the Company entered into a binding Term Sheet ("Term Sheet") for the acquisition of 100% of Seren Technologies Limited ("SerenTech"), a UK private company with unique and leading-edge rare earth separation technology.

SerenTech has an exclusive "patent and know-how" licence from Queens University Belfast, allowing it to develop and commercialise technology relating to Multifunctional Amide Ionic Liquids for Separation of Rare Earth metals ("MAIL"). SerenTech has also developed further know-how in this area and lodged a further four global patents, providing a pipeline of opportunities in which to deploy the technology.

The technology uses Multifunctional Amide Ionic Liquids (MAIL) for separation and refining of REE, which includes the full contingent of the proposed basket from Makuutu; consisting of the lanthanides series, Lanthanum (La), to Lutetium (Lu), plus Scandium (Sc) and Yttrium (Y). Separated and refined products to high purity above 99.99% REO grades have been demonstrated at pilot scale by SerenTech in two key applications;

- Mining ore concentrate: the pilot scale plant has processed concentrate received from supply chain stake holders and achieved separation of REEs; and
- Permanent magnet (Neodymium-Iron-Boron, NdFeB) recycling: the pilot scale plant has processed spent permanent magnets received from supply chain stake holders and achieved extraction of 100% recycled rare earth oxides at purity 99.99% plus.

The technology has application potential to other critical raw materials.

The acquisition of SerenTech delivers IonicRE an immediate rare earth separation and refining capability to target high purity products. Most attractive is the demonstrated capability to recycle NdFeB magnets via extraction of the individual REE content to produce high purity REO products, which we expect will provide a step change to magnet recycling appeal globally.

Details of the Acquisition Terms have previously been reported (ASX: 8 December 2021) and it is expected that the Due Diligence Period will be completed by early March 2022 with completion of the proposed acquisition likely to follow in Quarter 2, 2022

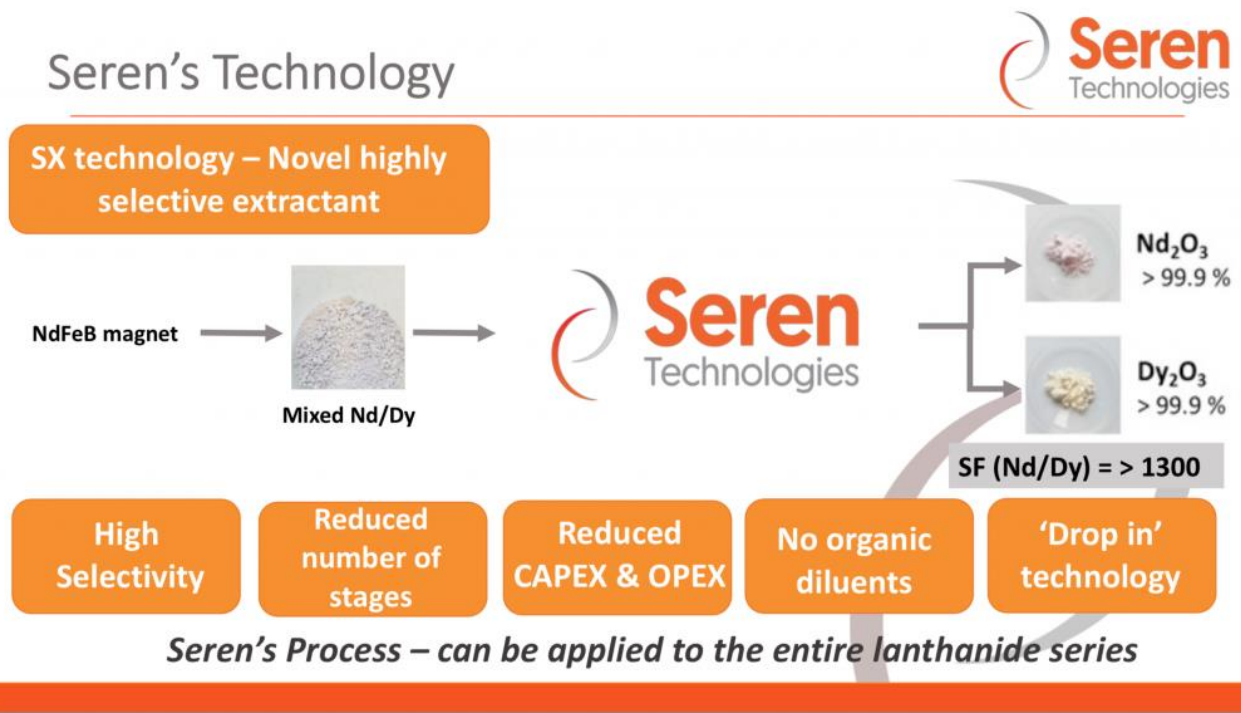


Figure 5: Magnet recycling potential of ionic liquids technology developed by SerenTech.

### Next Steps

Over Q1 2022, the Company aims to have finalised the receipt and reporting of all remaining assays from the Phase 4 drill program with a view to commencing the planned MRE update in April 2022.

Progress will continue on the Makuutu Feasibility Study and Refinery Scoping Study which are aiming for completion Q3 2022.

The due diligence on the acquisition of SerenTech is planned to be completed in early March.

### ASX Additional Information

The Company held its AGM on Wednesday, 24 November 2021. All resolutions put to the meeting passed by poll. Resolutions of the meeting can be found in the Company's ASX announcement dated 24 November 2021.

During the quarter, the company expended approximately \$3,790,000 on the exploration and study activities reported above.



Payments to related parties of the entity and their associates totaled \$222,222 and consisted of \$32,000 Director fees, \$7,000 in superannuation related to Director fees and \$183,000 Executive Service fees.

### Mineral Concessions Held

IonicRE is pleased to advise the following information, pursuant to ASX Listing Rule 5.3.3, for the quarter ended 31 December 2021 and to the date of this announcement.

1. Exploration Licence 00257 was granted on 26 October 2021, no mineral exploration tenements were acquired or disposed of during the period;
2. Mineral exploration tenements held are set out below:

Common concession name	Location	Nature of Interest	Interest at beginning of Quarter	Interest at end of Quarter
RL 1693	Uganda	Owned	51%	51%*
RL00007	Uganda	Owned	51%	51%*
RL00234	Uganda	Owned	51%	51%*
EL00147	Uganda	Owned	51%	51%*
EL00148	Uganda	Owned	51%	51%*
EL00257**	Uganda	Owned	0%	51%*

\* IonicRE may earn up to a 60% interest

\*\* Granted during the Quarter

3. No farm-in or farm-out agreements were entered into during the period.

### End Notes

The information contained in this announcement related to the Company's past exploration results is extracted from, or was set out in, the following ASX announcements which are referred to in this Quarterly Activities Report:

- (ASX: IXR) 6 January 2022: Thickest Intervals to date at Makuutu, Tranche 4 assays excel
- (ASX: IXR) 20 December 2021: Makuutu Phase 4 Drilling Tranche 3 Assay Results
- (ASX: IXR) 8 December 2021: IonicRE acquires Rare Earth Separation and Magnet Recycling Technology
- (ASX: IXR) 25 November 2021: Makuutu Phase 4 Drilling Tranche 2 Assay Results
- (ASX: IXR) 26 October 2021: Exploration Licence 00257 Approved at Makuutu
- (ASX: IXR) 11 October 2021: Phase 4 Drill Program Completed, Exploration Licence TN)3573 Approved for Granting

\*\*\*\*\* ENDS \*\*\*\*\*

Authorised for release by the Board of IonicRE.

**For enquiries, contact:** Tim Harrison  
Managing Director  
+61 8 9481 2555

### About Makuutu Rare Earths Project

The Makuutu Rare Earths Project is an ionic adsorption clay (“IAC”) hosted rare earth element (“REE”) deposit located 120 km east of Kampala in Uganda and is well serviced by existing high quality infrastructure including roads, rail, power infrastructure and cell communications. The installed infrastructure is illustrated in Figure 6.



**Figure 6: Makuutu Rare Earths Project Location with major existing infrastructure.**

The deposit stretches 37 km in length and has demonstrated potential for a long life, low-cost capital source of critical and heavy rare earths. These IAC deposits are prevalent in southern China which have been the source of the world’s lowest cost critical and heavy REE production, however these deposits are gradually being exhausted and Makuutu represents one of only a handful of such deposits outside of southern China.

The Makuutu deposit is shallow, with less than 3 m of cover over a 9 m average thickness clay and saprolite zone which results in low-cost bulk mining methods with low strip ratio. A maximum thickness of 28.5 m has been identified at Makuutu. Processing is via simple acidified salt desorption heap leaching, breaking the chemical ionic bond which washes the rare earths (in a chemical form)

from the ore into a pregnant leach solution (“PLS”). The PLS is concentrated up using membrane technology, from which the rare earths are precipitated as a mixed rare earth carbonate product; a product which attracts both a higher payability and achieves a high basket price due to the dominant high value critical and heavy rare earths which make up over 70% of the product basket.

The Project has the potential of generating a high margin product with an operation life exceeding 27 years. The Project is also prospective for a low-cost Scandium co-product.

### **Existing Infrastructure**

One of the Makuutu Rare Earths Project’s competitive advantages is its proximity to existing infrastructure. The Makuutu site is approximately 10km from Highway 109 which is a sealed bitumen road connecting to Kampala, to Kenya and on to the Port of Mombasa. All weather access roads connecting the site to the adjacent sealed bitumen highway are already existing. A rail line lies within 10 kilometres north of the Makuutu site near the town of Iganga. There are four hydroelectric power plants located within 65 km of the project area, with total installed generating capacity of approximately 810 MW, providing an abundant supply of cheap power to the Project.

Water will be sourced at the project by harvesting water from the Makuutu site, given the Project location in a positive rainfall environment, and a net positive process water balance will require membrane processes to be used to process site discharge water for reagent recovery. Excess water management will be a key focus of the Project to ensure environmental standards are met and reagent consumption is minimised.

A workforce of semi-skilled and artisanal workers is available in nearby towns and population centres. The closest major population centre is Iganga, which has a population of 50,000. The town of Mayuge is approximately 10 km from the Project site and the intent is to source local operations staff from the immediate districts and train staff accordingly. The operation is to be staffed by a residential workforce. No fly in – fly out is envisaged, and the number of expatriate staff is intended to be low, and to be phased out over time. Industrial facilities are available in the city of Jinja, approximately 40 km from the Project area. Additional industrial facilities are available on the outskirts of Kampala.

### **Competent Person Statements**

*Information in this report that relates to previously reported Exploration Targets and Exploration Results has been cross-referenced in this report to the date that it was originally reported to ASX. Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.*

*The information in this report that relates to Mineral Resources for the Makuutu Rare Earths deposit was first released to the ASX on 3 March 2021 and is available to view on [www.asx.com.au](http://www.asx.com.au). Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.*



*The information in this report that relates to Scoping Study results and production targets was first released to the ASX on 29 April 2021 and is available to view on [www.asx.com.au](http://www.asx.com.au). Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.*

### **Forward Looking Statements**

*This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward looking statement is based.*

## Appendix 5B

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

Name of entity

**IONIC RARE EARTHS LIMITED**

ABN

**84 083 646 477**

Quarter ended ("current quarter")

**31 December 2021**

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(217)	(604)
(e) administration and corporate costs	(411)	(705)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
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>(628)</b>	<b>(1,308)</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	(6)	(77)
(d) exploration & evaluation capitalised	(1,838)	(3,790)
(e) investments	(211)	(211)
(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	-	-
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>(2,055)</b>	<b>(4,078)</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	180	1,575
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 – reclassify loan to Associate	288	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>468</b>	<b>1,575</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	11,055	11,055
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(680)	(1,308)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,055)	(4,078)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	468	1,575
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>7,244</b>	<b>7,244</b>



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

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	7,211	9,478
5.2 Call deposits	33	33
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,244</b>	<b>9,511</b>

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	222
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>-</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>-</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)	(680)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,838)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,518)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,244
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,244
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>2.9</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: <b>N/A</b>	
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: <b>N/A</b>	
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: <b>N/A</b>	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

### Compliance statement

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

Date: 31 January 2022

Authorised by: Brett Dickson – Company Secretary  
(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.

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

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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.

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