

# QUARTERLY REPORT

Quarter ended 31 March 2023

ASX: EUR



ASX Announcement – 5 April 2023

The Board of European Lithium Limited (ASX: **EUR**, FRA: **PF8**, OTC: **EULIF**) (the **Company**) is pleased to present its activities report and Appendix 5B for the three months ending 31 March 2023.

## SUMMARY OF KEY UPDATES

- Definitive Feasibility Study (**DFS**) results for the Wolfsberg Lithium Project (**Wolfsberg Project**) were reported during the quarter at the conclusion of comprehensive technical and financial planning work by lead consultant DRA Global (**DRA**).
- The DFS demonstrates that the Wolfsberg Project is well positioned to become a leading producer of battery grade lithium hydroxide in Europe, and set to deliver high returns, leveraging low operating costs, and benefiting from a lithium market which is anticipated to be in structural undersupply during most of the life of mine.
- Dorfner Anzaplan (**Dorfner**) continues to work on optimizing the concentrator flow to increase spodumene concentrate levels with the aim to reduce energy consumption.
- The application lodged for an exploration drilling program in Zone 2 awaits Austrian mining authority approval.
- EUR continues to collaborate with a research group from University of Graz to develop local production of lithium hydroxide from recycled Lithium-Ion batteries.
- GREENPEG (EU-funded) supported infield and underground work continues.
- The Company entered into a non-binding Memorandum of Understanding with Obeikan Investment Group to build and operate a hydroxide plant in Saudi Arabia for the Wolfsberg Lithium Project.
- E47/4144 located in the northwest of Australia continues to progress through the WA Mining Act regulatory application process.
- Initial desktop evaluation work was conducted on granted tenement E45/4534 at Munni Munni South.
- EUR advance towards completion of business combination with Sizzle Acquisition Corp. that at conclusion will own the Wolfsberg Project via a newly-formed company, "Critical Metals Corp." which is expected to be listed on NASDAQ.
- EUR agrees revised terms for the proposed acquisition of European Lithium Ukraine LLC (formerly, Petro Consulting), a Ukrainian company that is applying for special permits to extract and process lithium from two lithium projects (Shevchenkivske and Dobra) located in Ukraine.
- EUR execute a binding heads of agreement with 2743718 Ontario Inc. to acquire 100% of the Bretstein-Lachtal Project, Klementkogel Project and the Wildbachgraben Project (together, **Austrian Lithium Projects**) located in the Styria mining district of Austria.



## CORPORATE MATTERS

### NASDAQ Merger

On 26 October 2022, the Company announced that it has entered into a business combination agreement with Sizzle Acquisition Corp., a US special purpose acquisition company listed on NASDAQ (NASDAQ:SZZL) (**Sizzle**), pursuant to which EUR will combine its wholly owned Wolfsberg Lithium Project (**Wolfsberg Project**) with Sizzle via a newly-formed, lithium exploration and development company named "Critical Metals Corp." (**CRML**) which is expected to be listed on NASDAQ (**Transaction**).

On 23 December 2022, the Company advised that the Form F-4 Registration Statement had been filed with the U.S. Securities and Exchange Commission (**SEC**) in connection with the Transaction.

On 3 February 2022, the Company announced that Sizzle received approval at a special meeting of its shareholders to extend the date by which it must consummate the Transaction by no later than the 8 August 2023. Following this meeting, Sizzle filed the Form 8-K with the SEC confirming stockholders holding 11,076,703 shares had exercised their right to redeem their shares resulting in approximately US\$114.3 million (approximately US \$10.32 per public share) will be removed from the Sizzle trust account to pay such holders and approximately US\$45.6 million will remain in the Sizzle trust account following the redemptions.

On 14 February 2023, CRML lodged with the SEC Form F-4 Amendment No. 1 addressing the comments received from the SEC in respect to the F-4 Registration Statement.

On 29 March 2023, CRML lodged with the SEC Form F-4 Amendment No. 2 addressing the second round of comments received from the SEC in respect to the F-4 Registration Statement.

The Transaction was approved by EUR shareholders on 20 January 2023. Closing of the Transaction is subject to a number of conditions precedents including approval of Sizzle shareholders, the declaration in the future of the F-4 as effective under the U.S. securities laws, and other customary requirements.

Upon the closing of the Transaction, EUR will be issued US\$750 million worth of ordinary shares in CRML. It is anticipated that the Transaction will complete in the second quarter of 2023, subject to the satisfaction or waiver of the conditions precedent to closing of the Transaction as outlined above.

### Obeikan

On 13 January 2023, the Company entered into a non-binding Memorandum of Understanding (**MOU**) with Obeikan Investment Group (**Obeikan**) to build and operate a hydroxide plant in Saudi Arabia for its Wolfsberg Project.

Under the MOU, the Company and Obeikan will work together to negotiate suitable commercial terms for the construction and operation of a hydroxide plant in Saudi Arabia.

### Shareholder Meeting

On 20 January 2023, the Company held its annual general meeting (**AGM**) of shareholders. All resolutions were carried at the AGM.

## Capital Movements

On 9 March 2023, the Company issued 40,000,000 ordinary shares upon the conversion of performance rights.

## Appendix 5B Quarterly Report and Statement of Cash Flows

The ASX Appendix 5B quarterly report is attached to and lodged with this report. The Company's Appendix 5B Quarterly Report covers the 3-month period from 1 January 2023 to 31 March 2023.

Exploration and evaluation expenditure during the quarter was \$1,493k, associated with the advancement of the Wolfsberg Project. Administration and corporate expenditure during the quarter was \$682k which comprised Director fees (\$172k), administration and corporate costs (\$265k), promotion and marketing expenses (\$200k) and overseas listing expenses (\$45k). Investing activities during the quarter was an investment in an unlisted entity which holds an exploitation permit for rare earths in Greenland (\$1,125k) and expenses in relation to the merger Transaction (\$282k). In accordance with the terms in the business combination agreement pursuant to the Transaction, the Company will be reimbursed for expenses incurred upon the successful completion of the Transaction.

## Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totalled \$180k. This amount comprises Director fees (\$172k) and payments to Director-related parties for office occupancy costs (\$8k).

## EXPLORATION AND DEVELOPMENT ACTIVITIES

### Austria

### WOLFSBERG LITHIUM PROJECT

#### Definitive Feasibility Study (DFS)

On 8 March 2023, the Company released its final DFS results for the Wolfsberg Project. These were prepared to international standards with Mineral Resource and Ore Reserve estimates prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the **JORC Code, 2012**) guidelines, as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

The DFS shows an average (steady state) mine production rate of 780 kt/a, peaking at 840 kt/a over the Life of Mine (**LOM**) which is based on an Ore Reserve of 11.5 Mt, mined over approximately 15 years. The Project will comprise two integrated operations, a mining and processing operation to produce a lithium concentrate (spodumene), and a hydrometallurgical plant to convert the spodumene into battery grade LHM. The hydrometallurgical plant is planned to produce approximately 8.8 kt/a LHM with a total production of approximately 129 kt of LHM over the LOM.

The financial results of the DFS are set out in the table below:

Description	Unit	Results
Net Present Value (post tax, 6% WACC <sup>1</sup> )	US\$ million	1,504
Capital Cost Estimate (nominal)	US\$ million	873
Internal Rate of Return (IRR)	%	33.30
LHM Production	t/a	8,800
LHM OPEX	US\$/t LHM	19,409
LHM OPEX after by-product credits	US\$ /t LHM	17,016
Life of Mine Plan (LOMP) period	years	14.6
LHM sales price <sup>2</sup> in 2025	US\$/t LHM	48,600
Ore Reserve Estimate <sup>3&amp;4</sup>	Million tonnes	11.48
	% Li <sub>2</sub> O	0.64%

The Company also reported its JORC Code, 2012 compliant ore reserves as following:

Classification	Cut-Off Grade (CoG) (% Li <sub>2</sub> O)	Ore Tonnes (kt)	Grade (% Li <sub>2</sub> O)	Content (t Li <sub>2</sub> O)
<b>Proved</b>				
Amphibolite Hosted Pegmatites	0.30	2,913	0.67	19,577
Mica schist Hosted Pegmatites	0.32 to 0.45	800	0.82	6,525
<b>Sub-total Proved</b>		<b>3,713</b>	<b>0.70</b>	<b>26,103</b>
<b>Probable</b>				
Amphibolite Hosted Pegmatites	0.30	3,285	0.54	17,688
Mica schist Hosted Pegmatites	0.32 to 0.45	4,485	0.65	29,146
<b>Sub-total Probable</b>		<b>7,770</b>	<b>0.60</b>	<b>46,834</b>
<b>Proved + Probable</b>				
Amphibolite Hosted Pegmatite	0.30	6,198	0.60	37,265
Mica schist Hosted Pegmatites	0.32 to 0.45	5,285	0.67	35,671
<b>Total Ore Reserve</b>		<b>11,483</b>	<b>0.64</b>	<b>72,937</b>

During the quarter, the Company's independent metallurgic consultants, Dorfner, continued work on optimizing the concentrator flow to increase the spodumene concentrate levels with the aim to reduce energy consumption for all further processing.

## Drilling

No additional drilling took place during Q1/2023.

In an effort to increase the Wolfsberg Project's resource base, in Q4/2022 the Company completed planning for the Zone 2 exploration drilling program. An application for approval of the program was lodged at the mining authority. During the quarter the Company was advised by the mining authority that prior to receiving the approval a public hearing will be conducted, which is expected to occur in Q2/2023.

<sup>1</sup> WACC : Weighted Average Cost of Capital. This is determined by the split of debt and equity related to the BMW offtake agreement.

<sup>2</sup> The projected LHM sales price is USD 48600/t in 2025 which represents a 39% discount to the latest LHM spot prices DDP Antwerp reported by Fastmarkets in February 2023 (USD 79500 /t). Price then increases with CPI (~2%) over LOMP.

<sup>3</sup> Reported in accordance with the 2012 JORC code guidelines, statement by SRK Consulting (UK) Ltd, Effective Date July 01, 2022

<sup>4</sup> Includes 32.3% Proved Ore Reserves and 67.7% Probable Ore Reserves classified in accordance with the JORC Code guidelines

## Hydrogeology

The Company continued its hydrogeology monitoring program during Q1/2023, collecting the data and interpretations.

All hydrogeological data continues to be stored and secured within the Company's database.

The preparation work by SRK, and the geological consultant, GEO Unterweissacher GmbH (**GEO Unterweissacher**), continues to ensure in-hole hydrogeological test work has been completed appropriately and can continue in the future.

Data from the above activities is fed into a water measuring database from which an annual report is produced.

## Environmental

During Q1/2023, the Company continued work with Hasslinger & Nagele in Vienna (**Hasslinger**) on the application process which is to be lodged with the relevant authorities. Hasslinger's engagement includes facilitation of numerous discussions with municipal, state and federal authorities to introduce the project rollout and the integration of the DFS findings into the environmental approvals process.

Monitoring of water flows and quality from the mine is continuing.

## Product Marketing

The strategy for the Company remains unchanged and focuses on the supply of lithium hydroxide to the nascent lithium battery plants of Europe. During the quarter, the Company signed the LTA with European auto manufacturer BMW AG (**BMW**) to secure EUR's first long term offtake of battery grade lithium hydroxide. EUR and BMW are now engaged in a long term partnership.

## Horizon 2020

In Q1/2023, the Company's 100% owned subsidiary, ECM Lithium AT GmbH (**ECM**), continued work on the infield and underground geophysical survey program for which reporting is required in respect to ECM's participation in the European Union funded Horizon 2020 - GREENPEG project.

The Company continued to work proactively in the already approved and funded Horizon 2020 LithRef program.

Continued participation shows the Company's abilities and eligibility to contribute with EU-level support to the sustainable supply of battery grade lithium, sourced and produced in Europe.

## COVID-19

During the quarter, Europe experienced fluctuating infection rates. European restrictions are not lifted and may continue to impact the Company's operational activities at its Wolfsberg Project. The Company continues to monitor and address the changing circumstances with suitable COVID-19 measures implemented.

## Other Business

The Company continues to develop technical solution to incorporate recycled lithium-ion battery



materials into the flowsheets for final lithium carbonate and LiOH production. Pursuant to a letter of intent, this project is technically supervised by a research group from the University of Graz.

The Company continues to assess its options to assess the Wolfsberg Project eligibility to achieve Carbon Neutrality.

## EV RESOURCES

The Company previously announced that it had entered into a Collaboration Agreement with EV Resources Limited (formerly Jadar Resources Limited) (ASX: EVR) (**EVR**) and an agreement to acquire a 20% interest in EVR's Austrian Lithium assets from their JV partner (**EVR Acquisition**) (refer ASX announcement 11 May 2021).

EVR holds an 80% interest in Subsidiary EV Resources GmbH (previously Jadar Lithium GmbH), the holder of the Weinebene and Eastern Alps Projects which lies 20km to the east of the Company's Wolfsberg Project (refer Figure 1).

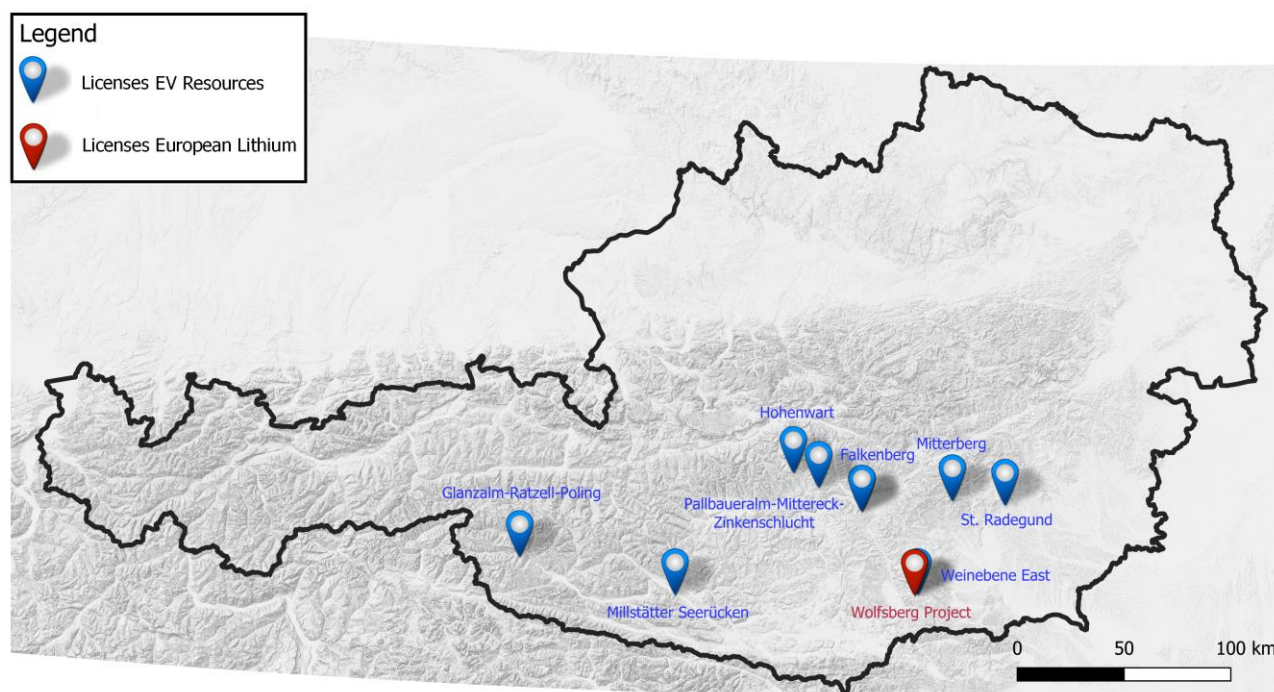


Figure 1 – Weinebene Lithium Project Location

The Technical Advisory Committee established pursuant to the EVR Acquisition, continues to identify the best options to advance the assets and operations.

## AUSTRIAN LITHIUM PROJECTS

On 27 March 2023, the Company announced that it had executed a binding Heads of Agreement with 2743718 Ontario Inc. (**Ontario**), a subsidiary of Richmond Minerals Inc. (TSX-V: RMD) (**Richmond**) (**HOA**), pursuant to which the Company has agreed to acquire 100% of the rights, title and interest in the Bretstein-Lachtal Project, Klementkogel Project and the Wildbachgraben Project (together **Austrian Lithium Projects**) (**Acquisition**).

The Austrian Lithium Projects consist of 245 exploration licenses covering a total area of 114.6 km<sup>2</sup> and are located approximately 80km from the Wolfsberg Lithium Project. The licenses cover ground

that is considered prospective for lithium occurrences in the Styria mining district of Austria (refer Figure 2).



Figure 2 – Austrian Lithium Projects location.

The Austrian Lithium Projects are hosted by comparable, prospective geological units as the Wolfsberg Lithium Project and show a similar vein type mineralisation with spodumene as the main lithium bearing mineral.

Consideration for the Acquisition comprises \$250,000 cash, 2 million shares in EUR and 2 million unlisted options (with an exercise price of \$0.12 each expiring 3 years following the date of issue).

Completion of the Acquisition is conditional upon the completion of due diligence within 3 months, the parties obtaining all necessary shareholder, regulatory and third-party approvals required to complete the Acquisition, the Company incorporating a new Austrian entity, and other conditions considered customary for a transaction of this nature. Subject to satisfaction or waiver of these conditions precedent, settlement is expected to occur on or before 7 July 2023.

## **Australia**

### **E47/4144**

E47/4144 is progressing through the WA Mining Act regulatory application process. The Company is continuing discussions with a stakeholder and remaining objector to negotiate access with respect to areas of existing or intended infrastructure.

### **E47/4534**

Initial desktop evaluation work was conducted on granted tenement E45/4534 at Munni Munni South. A review of previous geology and geophysics has indicated areas with diamond and base metal potential, work will continue to develop these target areas.

## Ukraine

### DOBRA AND SHEVCHENKIVSKE PROJECTS

On 28 February 2023, the Company announced that it had renegotiated the terms under which EUR will acquire European Lithium Ukraine LLC (formerly Petro Consulting LLC) (**European Lithium Ukraine**), a Ukraine incorporated company that is applying (through either court proceedings, public auction and/or production sharing agreement with the Ukraine Government) for 20-year special permits for the extraction and production of lithium at the Shevchenkivske project and Dobra Project in Ukraine (refer figure 2), from Millstone and Company Global DW LLC (**Millstone**)(**Millstone Transaction**).



Figure 3 - Location of the deposit Shevchenkivske and Dobra in Ukraine

### Acquisition Terms

The Company advised the end date to complete the acquisition of European Lithium Ukraine was extended to 2 November 2025.

The acquisition of European Lithium Ukraine, in addition to the conditions set out in the Company's announcement released 4 November 2021, is subject to martial law having been cancelled or terminated in accordance with Ukraine law and European Lithium Ukraine commencing drilling on the Dobra Project.

The consideration to be paid is as follows:

1. Upon the licence for the Dobra Project being granted, 7m EUR shares at an issue price of \$0.10 per share;



2. At completion, EUR shares with a value of A\$17.3m at an issue price of the greater of 80% of the then 20 day VWAP and \$0.095, and A\$45m of performance shares (as set out below); and
3. Upon the grant of the Shevchenkivske Project, EUR shares with a value of A\$2m at an issue price of the greater of 80% of the then 20 day VWAP and \$0.095, and A\$5m of performance shares (as set out below).

## Performance Shares

There is no change to the performance share terms (including the conversion price), save that the number of rights that convert to EUR shares is pro rata between the two projects (refer to announcement released on 28 February 2023 for full details).

## Subscription Agreement

Under the terms of the acquisition announced on 4 November 2021, Millstone agreed to invest A\$20m in EUR of which A\$5m has completed (as ratified and approved by EUR shareholders on 21 January 2022) and A\$15m being conditional upon completion of the acquisition of European Lithium Ukraine by the Company (**Subscription Agreement**).

EUR and Millstone have also agreed to vary the terms of the Subscription Agreement as follows:

1. Millstone may elect to subscribe for the third and fourth tranches under the Subscription Agreement;
2. The third tranche of the Subscription Agreement (A\$5m) is conditional upon EUR completing the acquisition of European Lithium Ukraine;
3. The fourth tranche of the subscription amount (A\$5m) (**Tranche 4**) is conditional upon the Dobra Project achieving a positive pre-feasibility study (as defined in the JORC Code 2012) with a pre-tax net present value of no less than US\$240m;
4. Notwithstanding anything else in the Subscription Agreement, the latest date to issue any EUR shares under the Subscription Agreement is the earlier of 5 years and any period required by the Listing Rules; and
5. Millstone has agreed that it and its associates will not vote any Tranche 4 EUR shares issued.

This announcement has been authorised for release to the ASX by the Board of the Company.

**Yours faithfully**  
**European Lithium Limited**

–END–

## COMPETENT PERSON'S STATEMENT

The information in this announcement pertaining to the Wolfsberg Lithium Project, and to which this statement is attached, relates to Project Development and Metallurgical Studies and is based on and fairly represents information and supporting documentation provided by the Company and its Consultants and summarized by Dietrich Wanke who is a Qualified Person and is a Member of the Australian Institution of Mining and Metallurgy (AusIMM) since 2006 with about 30 years' experience in the mining and resource development industry. Dietrich Wanke has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Dietrich Wanke consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting progress on project development and metallurgical results under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).

## Tenement Status

The mining tenements held at the end of the quarter, acquired and disposed of during the quarter and their location:

Tenement reference	Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at the end of the quarter
104/96	Wolfsberg Project, Austria	-	-	100%
105/96	Wolfsberg Project, Austria	-	-	100%
106/96	Wolfsberg Project, Austria	-	-	100%
107/96	Wolfsberg Project, Austria	-	-	100%
108/96	Wolfsberg Project, Austria	-	-	100%
109/96	Wolfsberg Project, Austria	-	-	100%
110/96	Wolfsberg Project, Austria	-	-	100%
111/96	Wolfsberg Project, Austria	-	-	100%
112/96	Wolfsberg Project, Austria	-	-	100%
113/96	Wolfsberg Project, Austria	-	-	100%
114/96	Wolfsberg Project, Austria	-	-	100%
115/96	Wolfsberg Project, Austria	-	-	100%
116/96	Wolfsberg Project, Austria	-	-	100%
117/96	Wolfsberg Project, Austria	-	-	100%
118/96	Wolfsberg Project, Austria	-	-	100%
119/96	Wolfsberg Project, Austria	-	-	100%
120/96	Wolfsberg Project, Austria	-	-	100%
121/96	Wolfsberg Project, Austria	-	-	100%
122/96	Wolfsberg Project, Austria	-	-	100%
123/96	Wolfsberg Project, Austria	-	-	100%
124/96	Wolfsberg Project, Austria	-	-	100%
125/96	Wolfsberg Project, Austria	-	-	100%
370/11(611/11)	Wolfsberg Project, Austria	-	-	100%
371/11(612/11)	Wolfsberg Project, Austria	-	-	100%
372/11(613/11)	Wolfsberg Project, Austria	-	-	100%
373/11(614/11)	Wolfsberg Project, Austria	-	-	100%
374/11(615/11)	Wolfsberg Project, Austria	-	-	100%
375/11(616/11)	Wolfsberg Project, Austria	-	-	100%
378/11(619/11)	Wolfsberg Project, Austria	-	-	100%
379/11(620/11)	Wolfsberg Project, Austria	-	-	100%
380/11(621/11)	Wolfsberg Project, Austria	-	-	100%
381/11(622/11)	Wolfsberg Project, Austria	-	-	100%
382/11(623/11)	Wolfsberg Project, Austria	-	-	100%
383/11(624/11)	Wolfsberg Project, Austria	-	-	100%
384/11(625/11)	Wolfsberg Project, Austria	-	-	100%
386/11(627/11)	Wolfsberg Project, Austria	-	-	100%

387/11(628/11)	Wolfsberg Project, Austria	-	-	100%
388/11(629/11)	Wolfsberg Project, Austria	-	-	100%
389/11(630/11)	Wolfsberg Project, Austria	-	-	100%
390/11(631/11)	Wolfsberg Project, Austria	-	-	100%
391/11(632/11)	Wolfsberg Project, Austria	-	-	100%
392/11(633/11)	Wolfsberg Project, Austria	-	-	100%
394/11(636/11)	Wolfsberg Project, Austria	-	-	100%
395/11(637/11)	Wolfsberg Project, Austria	-	-	100%
396/11(638/11)	Wolfsberg Project, Austria	-	-	100%
397/11(639/11)	Wolfsberg Project, Austria	-	-	100%
398/11(640/11)	Wolfsberg Project, Austria	-	-	100%
400/11(645/11)	Wolfsberg Project, Austria	-	-	100%
401/11(646/11)	Wolfsberg Project, Austria	-	-	100%
402/11(647/11)	Wolfsberg Project, Austria	-	-	100%
403/11(648/11)	Wolfsberg Project, Austria	-	-	100%
408/11(648/11)	Wolfsberg Project, Austria	-	-	100%
409/11(641/11)	Wolfsberg Project, Austria	-	-	100%
412/11(649/11)	Wolfsberg Project, Austria	-	-	100%
Andreas 1	Wolfsberg Project, Austria	-	-	100%
Andreas 2	Wolfsberg Project, Austria	-	-	100%
Andreas 3	Wolfsberg Project, Austria	-	-	100%
Andreas 4	Wolfsberg Project, Austria	-	-	100%
Andreas 5	Wolfsberg Project, Austria	-	-	100%
Andreas 6	Wolfsberg Project, Austria	-	-	100%
Andreas 7	Wolfsberg Project, Austria	-	-	100%
Andreas 8	Wolfsberg Project, Austria	-	-	100%
Andreas 9	Wolfsberg Project, Austria	-	-	100%
Andreas 10	Wolfsberg Project, Austria	-	-	100%
Andreas 11	Wolfsberg Project, Austria	-	-	100%
E47/4144 <sup>1</sup>	Western Australia	-	-	-
E47/4532 <sup>2</sup>	Western Australia	-	-	50%
E47/4534 <sup>2</sup>	Western Australia	-	-	50%
E47/4544 <sup>1,2</sup>	Western Australia	-	-	-
E47/4546 <sup>1,2</sup>	Western Australia	-	-	-
E47/4845 <sup>1,2</sup>	Western Australia	-	-	-
E47/4860 <sup>1,2</sup>	Western Australia	-	-	-

1. Application pending

2. Applied for by John Wally Resources Pty Ltd, a partially owned (50%) subsidiary of EUR

## Appendix 5B

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

Name of entity

European Lithium Limited

ABN

45 141 450 624

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,493)	(3,317)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(437)	(1,650)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	132	379
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (promotion and marketing expenses)	(200)	(304)
	Other (overseas listing fees)	(45)	(196)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(2,043)</b>	<b>(5,088)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(11)
	(c) property, plant and equipment	(15)	(15)
	(d) exploration & evaluation	-	-
	(e) investments	(1,125)	(3,587)
	(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 (9 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 (merger transaction fees)	(282)	(2,829)
	Other (Avebury Nickel)	-	(16)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,422)</b>	<b>(6,458)</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	-	4,091
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	(1,250)
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>-</b>	<b>2,841</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	27,745	33,001
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,043)	(5,088)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,422)	(6,458)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,841

## 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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	6	(10)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>24,286</b>	<b>24,286</b>

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	24,286	27,745
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>24,286</b>	<b>27,745</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	180
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>		

Payments included in item 6.1 relates to payment of director fees (\$172k) and office occupancy payments to Director related entity (\$8k).

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

7.	<b>Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (convertible note facility)	-	-
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.		

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)	(2,043)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,043)
8.4	Cash and cash equivalents at quarter end (item 4.6)	24,286
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	24,286
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	11.89
<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?	
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?	
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?	
<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: 5 April 2023.....

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.