

ASX Announcement

28 April 2023

ASX:
S3N

QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2023

SensOre (ASX: S3N) aims to become the top performing global minerals technology company through deployment of big data, artificial intelligence (AI)/machine learning technologies and geoscience expertise

Highlights

- Quarterly invoices (revenue from sales and services, and grants) \$1.13m in Q3 FY2023
- Total Contract Value (TCV) \$2.50m steady from \$2.56m in Q2
- Technology - automation and productisation of SimClust, AGLADS and Cauchy Downward Continuation (CDC), commercial application commenced
- Services milestones achieved:
 - Accelerated data cube extensions in New South Wales (NSW) and South Australia (SA), delivery on track for Q4 FY2023. Strong interest for targeting.
 - Commenced \$350,000 project with Barton Gold on the Central Gawler (SA)
 - Significant software sales in China, India and East Timor
 - Completed geochemical and geophysical data services in multiple states, including in the Isa domain in Queensland
 - Completed multiple geochemical and geophysical data and integrated targeting services for Lithium and Nickel in WA and Northern Territory
- Exploration:
 - **Lithium R&D** – awarded \$322,000 NSW grant to pilot new lithium exploration approaches
 - **Lithium targets** – ramping up of fieldwork and progressed evaluation and negotiation of additional joint ventures in WA.
- Corporate – appointed Atrico corporate growth advisors
- Cash balance at 31 March 2023 \$1.12m, impacted timing of payments



Figure 1: SensOre marketing at the Australasian Geoscience Exploration Conference AEGC (Brisbane) March 2023

SensOre (ASX:S3N) is pleased to present its quarterly activities report for the period ending March 2023.

Contracts and Financial Results

Cash receipts from customers during the quarter were \$1.05m, a decrease of 6% from Q2 FY2023. Q3 is impacted by seasonality (summer holiday season) and timing of payments. Billings and subsequently cash receipts vary month by month and quarter by quarter due to the anniversary dates of key contracts and the timing of services revenue in reaching project milestones. With closing trade receivables of \$0.79m at the end of the quarter, cash receipts related to this will be received next quarter. Invoices raised during the quarter were \$1.13m, down 18% over the prior quarter mainly due to the seasonality impact.

Total Contract Value (TCV) decreased slightly by 2% compared to Q2 FY2023, on a net basis after depletion, with TCV of \$2.50m this quarter compared to \$2.56m previous quarter. TCV is the remaining value of current contracts. It depletes monthly, as the remaining term of the contract reduces. Several larger contracts were signed with clients and work commenced during the March quarter for delivery in coming quarters.

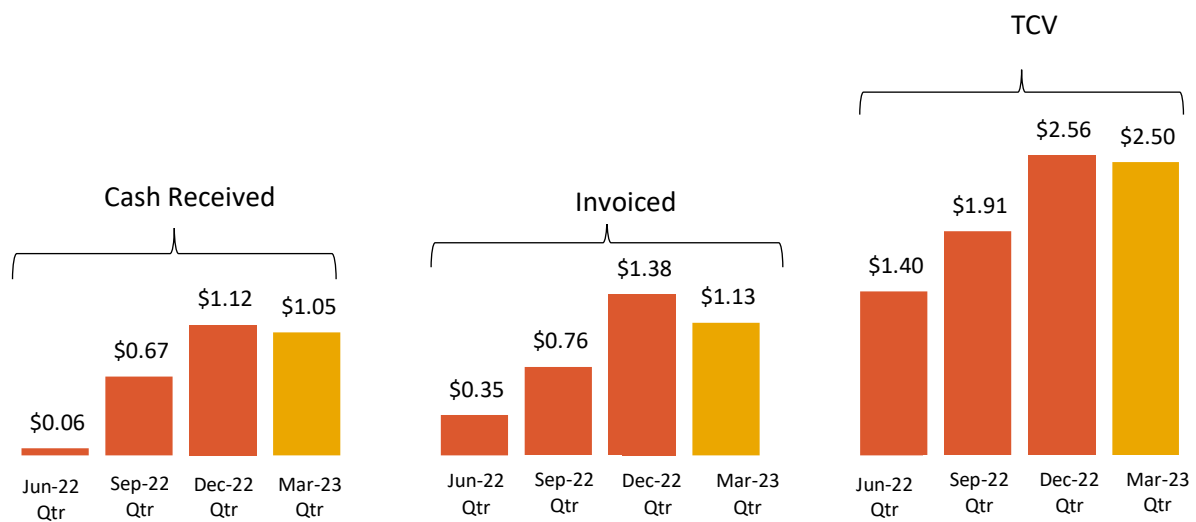


Figure 2: SensOre Financials by Quarter

Technology

SensOre's technology applies advances in AI and machine learning to large geoscience datasets to increase discovery rates, reduce exploration costs and minimise the environmental footprint of exploration.

Productisation of Key Products

SensOre continued customer trials of its data platform solution for client engagements and a broader customer base to deliver seamless continental geoscience data. A general product rollout and the release candidate model are scheduled for deployment in Q2 CY2023.

SensOre completed productisation and commercial application of key geochemistry and geophysics tools SimClust, AGLADS and Cauchy Downward Continuation (CDC) in the March quarter. Multiclass AGLADS predictions have now been evaluated and used for marketing demonstrations. New interactive reports for client engagements now embedded in project delivery to assist clients in evaluation of customer focused targeting services.

Accelerated Australian data cube expansion

As part of offering continental-wide targeting services from an Australia-wide data cube, SensOre and Intrepid have accelerated the data cube development, expanding the WA data cube to South Australia and New South Wales. Further expansion in the NT, Queensland and Victoria is scheduled for the remainder of 2023. Extensive compilation, cleaning and levelling of geoscience data prior to ingestion in the data cube by SensOre represents significant 'value adding' to publicly available data in the state and continental data cube(s).

The New South Wales data cube compilation and the program of data ingestion of publicly available geophysics, geochemistry and geology transformation has been accelerated for delivery in Q4 FY2023. Strong expressions of interest were received from potential New South Wales clients through new business development activity.

In South Australia the data cube compilation and data ingestion has been accelerated in parallel with New South Wales for delivery in Q4 FY2023. The South Australia program of data ingestion of geochemistry and geology transformation, adding to the existing enhanced geophysical data compilation has been accelerated. Strong expressions of interest were received from potential South Australia clients for gold and base metal data and targeting activity.

Services

SensOre works with several exploration and mining companies to offer AI-enhanced products and services. In doing so, SensOre aims to renew exploration pipelines and optimise exploration and discovery for its clients and partners.

SensOre completed several projects for major and mid-tier mining groups, the content of which is confidential at this stage. There was a significant increase in services business development activity in the quarter.

Exploration

SensOre has built a tenement portfolio of wholly owned and joint ventured SensOre Group projects in Western Australia. SensOre adopts a 'project generator' model, acquiring and exploring multiple targets and, where required, amplifying its reach by sharing exploration costs through joint ventures.¹

Safety and environment

SensOre conducted field exploration activity with no reportable ESG related incidents in the quarter.

Lithium targets

SensOre initiated early, first pass field activities at Gecko North, Montague, Kalgoorlie South and Bowgarder Well as part of SensOre's Exploration AI Ventures collaboration with Deutsche Rohstoff.

In New South Wales, SensOre was awarded grant funding to examine the potential of new AI/ML approaches to geochemistry and radiometric data to improve lithium and critical minerals exploration effectiveness.

Other targets

Tea Well, Grace

SensOre relinquished several projects as part of its review of first pass greenfield exploration. Although key geological area selection criteria were met, the projects did not meet technical and economic Key Decision

¹ The Company's wholly owned and joint venture tenements remain in good standing at quarter-end. Other than as outlined in this announcement including Annexure 1, SensOre has not disposed of any tenements during the quarter. Further details regarding SensOre Group tenements, including project locations, are set out in Annexure 1. Refer to the Independent Technical Assessment Report (ITAR) (Appendix A to the SensOre Prospectus released by ASX on 9 February 2022) for further SensOre Group project information. Other than as announced to the ASX in this and previous quarterly reports SensOre confirms that it is not aware of any new information or data that materially affects the SensOre Group project information included in the ITAR.

Points (KDPs) and were removed from the portfolio. This approach of rapid testing of targets and a focus on demonstrated fertility and economic results is industry best practice and fundamental to SensOre's exploration portfolio management approach.

Corporate

Gold Road

SensOre restructured its collaboration with Gold Road (following Gold Road's acquisition of DGO Gold in 2022) and issued 800,000 new shares to Gold Road, increasing Gold Road's interest in S3N.

Atrico

SensOre appointed Atrico as technology company advisors to support its growth initiatives.

Finance

Cash at bank at 31 March 2023 was \$1.12m including term deposits of \$0.1m being held as security over the Company's office leases in the form of bank guarantees. The Company entered an R&D refund debt finance facility for \$0.32m to smooth cashflows. SensOre Group (inclusive Intrepid Geophysics) received \$1.8m in R&D refund from FY 2022 and anticipates similar in Q1 FY23 based on the Company's R&D plan.

Use of IPO funds

In section 7.1.3 of the Prospectus, the Company provided a proposed use of funds statement based on a target subscription of \$10.0 million. The table below shows an amended use of funds based on the actual gross proceeds raised from the IPO (as foreshadowed in section 7.1.3 of the Prospectus) and the amount of funds expended from the date of admission to the ASX to quarter-end, being 11 February 2022 to 31 March 2023:

| | Allocated amounts ¹ A\$ | Utilised amounts A\$ | Comments |
|---------------------------------------|---------------------------------------|-------------------------|---------------------------|
| Sources of funds | | | |
| Existing cash reserves | 1,578,856 | 1,578,856 | |
| Gross proceeds from IPO | 7,484,255 | 7,484,255 | |
| Anticipated R&D Tax incentive refunds | 1,800,912 | 1,867,315 | See note 1 |
| Uses of funds | | | |
| Net exploration expenditure | (4,314,794) | (3,450,484) | See note 2 |
| Technology & Services | (3,518,890) | (3,256,562) | See note 3 |
| Corporate administration | (1,830,649) | (2,395,042) | |
| Expenses of the offer | (996,055) | (1,014,300) | In line with expectations |
| Working capital | (203,635) | 302,396 | |
| Funds outstanding | - | 1,116,435 | |

- The proposed sources and use of funds outlined in the above table is a statement of intentions as at the date of the Prospectus. As with any budget, intervening events and new circumstances (including the need to adapt to a changing competitive environment, the outcome of exploration programs, the level of demand for the Company's products and services, regulatory developments and market and general economic conditions) have the potential to affect the manner in which funds are ultimately applied. Further, the above expenditure assumes contributions from partners (based on existing partner funding arrangements) that may not eventuate as anticipated. Consequently, the Board reserves its right to alter the way funds are applied.

Commentary on use of IPO funds

Note 1: R&D Tax incentives are received from the Australian government on an annual basis following lodgement of the Company's consolidated tax return in July/August of each year.

Note 2: Following completion of the IPO, exploration activities ramped up to complete drilling programs, test SensOre Group AI-targets and meet the Company's various joint venture and regulatory tenement commitments. Exploration expenditure may vary in subsequent quarters depending on program amendments, project acquisition and relinquishment activities, drill campaign timing and exploration outcomes.

Note 3: Following completion of the IPO, the Company ramped up activities in both technology development and client exploration services in Q1-Q3 2022. These costs were higher over this period than originally estimated but are anticipated to be lower in the future as these tasks reach completion. These higher costs are expected to be offset by technology and exploration service revenue. Also included in Technology and & Services is the acquisition of Intrepid Geophysics completed in the 2022 September quarter.

Other

The Appendix 5B for the quarter ended 31 March 2023 provides an overview of the Company's financial activities. Exploration expenditure (including both capitalised and non-capitalised exploration expenditure) totalled \$0.22m and included direct drilling costs of SensOre Group exploration campaigns. Technology development costs of \$1.33m were incurred in relation to development of the technology platform and the continued expansion of the Company's Data Cube. Other cash outflows included corporate staff costs of \$0.53m and corporate and administration costs of \$0.37m offset by receipts from clients and grants of \$1.07m.

Payments to related parties of SensOre included in cash flows from operating activities amounted to \$0.16m as per item 6.1 of Appendix 5B. No payments were made to associates of related parties. Non-executive director fees paid during the quarter ended 31 March 2023 were \$23,333.

Capital structure

The Company's capital structure as at quarter end is set out below:

| Class | Number |
|---|------------|
| Fully paid ordinary shares ¹ | 69,984,586 |
| Broker Options ¹ | 2,068,410 |
| Advisor Options ¹ | 2,000,000 |
| Performance Rights ^{1,2} | 4,692,439 |

1. For further information see Pre quotation disclosure announced to the ASX 9 February 2022.

As announced on 5 January 2023, 118,500 ordinary fully paid shares were issued on the same date (not included in the total balance as issued in the following quarter).

As announced on 5 January 2023, 2,000,000 advisor/performance rights were issued on the same date (not included in the total balance as issued in the following quarter).

As announced on 24 March 2023, SensOre has agreed to acquire Gold Road Resources' 40% minority interest in YEV for 800,000 SensOre shares.

2. In accordance with its Long-Term Incentive Plan and as foreshadowed in the Prospectus, the Company offered performance rights to executives and employees with an effective grant date of 20 October 2022 of 257,648 performance to Richard Taylor and 200,965 performance rights to Robbie Rowe.

Upcoming Activity and Milestones¹

SensOre has a busy period of activity ahead across its Technology, Services and Exploration divisions, as summarised below:

| Technology | Period |
|--|---------|
| SensOre Data platform commercial release | Q2 CY23 |
| Data platform expansion all states | Q4 CY23 |
| Cauchy Downward Continuation cloud migration | Q2 CY23 |
| Services | |
| Completion of South Australia targeting generation | Q2 CY23 |
| Barton Gold, Central Gawler Au Phase 2 | Q3 CY23 |
| Multiple commodity and multi-client targeting in Western Australia | Q2 CY23 |
| NSW lithium field tests | Q2 CY23 |
| Exploration | |
| Lithium field studies WA (EXAI Deutsche Rohstoff) | Q2 CY23 |
| Auralia geophysics acquisition | Q2 CY23 |

1. Activities and milestones as well as corresponding periods are subject to change.

This announcement was approved and authorised for release by the Board of Directors of SensOre Ltd.

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About SensOre

SensOre aims to become the top performing minerals targeting company in the world through the deployment of AI and machine learning (ML) technologies, specifically its Discriminant Predictive Targeting® (DPT®) workflow. SensOre collects all available geological information in a terrane and places it in a multidimensional hypercube or data cube. SensOre's big data approach allows DPT predictive analytics to accurately predict known endowment and generate targets for further discovery.

The SensOre Group has built a tenement portfolio of highly prospective, wholly-owned and joint ventured technology metals tenement packages located in Western Australia. As the capacity of SensOre's AI technologies expand to new terranes and a broader range of commodities, the Company anticipates that new targets will be identified and acquired in Australia and internationally.

SensOre's DPT technology has been developed over many years and involves the application of new computer assisted statistical approaches and ML techniques across the workflow of mineral exploration. The workflow includes data acquisition, data processing, ML training, ML prediction and analysis through DPT. SensOre has acquired numerous data sets and used these to generate mineral system targets. Targets have been analysed and vetted by SensOre's experienced exploration geoscientists. Publicly available data in the form of geophysics, surface geochemical, drilling and geological layers and derivatives have been compiled into a massive data cube covering much of Western Australia. SensOre believes that the combination of big data and ML techniques will provide the next generation of exploration discovery.

Competent person's statement

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Robert Rowe, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and is a Registered Professional Geoscientist in the field of Mineral Exploration with the Australian Institute of Geoscientists. Mr Rowe is a full-time employee and the Chief Operating Officer of SensOre. Mr Rowe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*. Mr Rowe consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward-looking statements

This announcement contains or may contain certain 'forward-looking statements' and comments about future events, including in relation to SensOre's business, plans and strategies and expected trends in the industry in which SensOre currently operates. Forward-looking statements involve inherent risks, assumptions and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Forward looking statements are based on SensOre's good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. A number of important factors could cause SensOre's actual results to differ materially from the plans, objectives, expectations, estimates, targets and intentions expressed in such forward-looking statements, and many of these factors are beyond SensOre's control. Forward-looking statements may prove to be incorrect, and circumstances may change, and the contents of this announcement may become outdated as a result. SensOre does not give any assurance that the assumptions will prove to be correct. Readers should note that any past performance is given for illustrative purposes only and should not be relied on as (and is not) an indication of the Company's views on its future financial performance or condition. Past performance of the Company cannot be relied on as an indicator of (and provides no guidance as to) future performance including future share price performance. Except as required by law or regulation, SensOre undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Nothing in this announcement should be construed as either an offer to sell or a solicitation to buy or sell SensOre securities.

Annexure 1

SensOre Group Tenements

| Project | Holder | Tenement | Status | Location (Shire) | Interest at Qtr-end | Change during Quarter / Farm-in Interest |
|--------------------------------|--|--------------------|-------------|-------------------------------|---------------------|---|
| 8 Mile Well | SensOre Yilgarn Ventures Pty Ltd (SYV) | E37/1420 | Granted | Leonora | 100 | |
| | | P37/9436 | Granted | Leonora | 100 | |
| | | P37/9437 | Granted | Leonora | 100 | |
| | | P37/9438 | Granted | Leonora | 100 | |
| | | P37/9439 | Granted | Leonora | 100 | |
| | | P37/9442 | Granted | Leonora | 100 | |
| | | P37/9443 | Granted | Leonora | 100 | |
| | | P37/9444 | Granted | Leonora | 100 | |
| | | P37/9445 | Granted | Leonora | 100 | |
| | | P37/9446 | Granted | Leonora | 100 | |
| Auralia | CGM (WA) Pty Ltd | E69/3636 | Granted | Kalgoorlie-Boulder | 0 | Earn-in interest: 70% Further details in S3N 2022 Annual Report. |
| | | E69/3637 | Granted | Kalgoorlie-Boulder Menzies | 0 | |
| | | E69/3700 | Granted | Kalgoorlie-Boulder | 0 | |
| Balagundi ¹ | Third Party Individual ² | M25/173 | Granted | Kalgoorlie-Boulder | 0 | Farm-in Interest: 80% Further details in S3N 2022 Annual Report. |
| | | P25/2356 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2392 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2397 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2398 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2448 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2617 | Granted | Kalgoorlie-Boulder | 0 | |
| | | P25/2692 | Granted | Kalgoorlie-Boulder | 0 | |
| M25/375 | Application ³ | Kalgoorlie-Boulder | 0 | | | |
| Boo Boo Well | Pilbara Exploration Ventures Pty Ltd (PEV) | E53/2255 | Application | Wiluna | 100 | Application date 17 August 2022. |
| Boodanoo | SYV | E59/2368 | Granted | Murchison/Yalgoon | 100 | |
| Central Balagundi ¹ | GoldEarth Enterprises Pty Ltd | M25/359 | Granted | Kalgoorlie-Boulder | 0 | Farm-in Interest: 80% Further details in S3N 2022 Annual Report. |

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| Project | Holder | Tenement | Status | Location (Shire) | Interest at Qtr-end | Change during Quarter / Farm-in Interest |
|------------------------------|---|-----------------------|-------------|------------------|---------------------|---|
| | Third Party Individual ² | | | | | |
| Christmas Well | Yilgarn Exploration Ventures Pty Ltd (YEV) ¹ | E37/1371 | Granted | Leonora | 100 | |
| | | P37/9211 | Granted | Leonora | 100 | |
| | | P37/9212 | Granted | Leonora | 100 | |
| | | P37/9213 | Granted | Leonora | 100 | |
| | | P37/9214 | Granted | Leonora | 100 | |
| | | P37/9215 | Granted | Leonora | 100 | |
| | | P37/9216 | Granted | Leonora | 100 | |
| | | P37/9217 | Granted | Leonora | 100 | |
| | | P37/9218 | Granted | Leonora | 100 | |
| | | P37/9219 | Granted | Leonora | 100 | |
| | | E37/1411 | Granted | Leonora | 100 | |
| Desdemona North ¹ | Kin West WA Pty Ltd | E37/1152 | Granted | Leonora | 0 | Farm-in Interest: 75% Further details in S3N 2022 Annual Report. |
| | | E37/1156 | Granted | Leonora | 0 | |
| | | E37/1201 | Granted | Leonora | 0 | |
| | | E37/1326 ⁴ | Granted | Leonora | 0 | |
| | | E40/283 ⁵ | Granted | Leonora Menzies | 0 | |
| | | E37/1203 | Granted | Leonora | 0 | |
| Grace JV ¹ | Great Southern Gypsum Limited | E70/5253 | Granted | Lake Grace | 0 | Withdrawn from JV. JV partner notified 20 March 2023. |
| | | M70/1384 | Granted | Lake Grace | 0 | |
| | | P70/1750 | Granted | Lake Grace | 0 | |
| Grace | SensOre Exploration Holdings Pty Ltd (SEH) | E70/5824 | Granted | Lake Grace | 100 | |
| Jenkins | SensOre Battery Minerals Pty Ltd (SBM) | E69/3986 | Granted | Dundas | 100 | |
| Minigwal | PEV | E39/2356 | Application | Menzies | 100 | Application date 17 August 2022. |
| Mogul Well | SYV | E51/2019 | Granted | Cue/Meekatharra | 100 | |
| Moonera | Nullabor Resources Pty Ltd | E69/3724 | Granted | Dundas | 0 | Farm-in Interest: 80% Further details in S3N 2022 Annual Report. |
| Mt Magnet North ¹ | Third Party Individual ² | E58/525 | Granted | Mt Magnet | 0 | Farm-in Interest: 85% Further details in S3N 2022 Annual Report. |
| North Darlot ¹ | Third Party Individual ² | E37/1220 ⁶ | Granted | Leonora | 0 | Interest: 85% Further details in S3N 2022 Annual Report. |
| Nunyerry | PEV | E47/4744 | Application | Ashburton | 100 | Application date 17 August 2022. |

| Project | Holder | Tenement | Status | Location (Shire) | Interest at Qtr-end | Change during Quarter / Farm-in Interest |
|---------------|------------------|----------|---------|------------------|---------------------|--|
| Tea Well | YEV ¹ | P51/3115 | Granted | Meekatharra | 100 | |
| | | P51/3116 | Granted | Meekatharra | 100 | |
| | | P51/3117 | Granted | Meekatharra | 100 | |
| | | P51/3118 | Granted | Meekatharra | 100 | |
| | | P51/3119 | Granted | Meekatharra | 100 | |
| | | P51/3120 | Granted | Meekatharra | 100 | |
| Tea Well East | SYV | P51/3242 | Granted | Meekatharra | 100 | |
| | | P51/3243 | Granted | Meekatharra | 100 | |
| | | P51/3247 | Granted | Meekatharra | 100 | |
| Scorpion | SBM | E69/3985 | Granted | Dundas | 100 | |

Notes:

1. SensOre Group interest via Yilgarn Exploration Ventures Pty Ltd (YEV) (SensOre 60%, DGO Gold Limited 40%)
2. Third Party Individual is not related to the Company
3. Application to convert existing prospecting licences: P25/2356, P25/2397, P25/2398, P25/2448, P25/2617 and P25/2692
4. Farm-in area: 6 of 33 graticular blocks
5. Farm-in area: 3 of 20 graticular blocks
6. Earn-in area: 21 of 34 graticular blocks

Appendix 5B

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

Name of entity

SensOre Ltd.

ABN

16 637 198 531

Quarter ended ("current quarter")

31 March 2023

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | 915 | 2,702 |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (153) | (1,260) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (528) | (1,613) |
| | (e) administration and corporate costs | (369) | (874) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 6 | 17 |
| 1.5 | Interest and other costs of finance paid | - | (4) |
| 1.6 | Income taxes paid | (26) | (195) |
| 1.7 | Government grants and tax incentives | 159 | 2,026 |
| 1.8 | Other (provide details if material) | | |
| | (a) Payment for technology development | (1,331) | (3,046) |
| 1.9 | Net cash from / (used in) operating activities | (1,327) | (2,247) |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | (7) | (33) |
| | (d) exploration & evaluation | (71) | (452) |
| | (e) investments | (14) | (1,019) |
| | (f) other non-current assets | - | - |

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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 (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (92) | (1,504) |

| | | | |
|-------------|--|------------|------------|
| 3. | Cash flows from financing activities | | |
| 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 | 320 | 320 |
| 3.6 | Repayment of borrowings | (9) | (74) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| | (a) Proceeds from investment in Yilgarn Exploration Ventures Pty Ltd by DGO Gold Limited | - | 493 |
| 3.10 | Net cash from / (used in) financing activities | 311 | 739 |

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. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 2,224 | 4,128 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,327) | (2,247) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (92) | (1,504) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 311 | 739 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 1,116 | 1,116 |

| 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 | 1,041 | 2,875 |
| 5.2 | Call deposits | 75 | 53 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 1,116 | 2,928 |

| 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 | 158 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <p><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></p> <p>Payments to related parties and their associates are wages, salaries and associated superannuation for executive directors of the Company.</p> <p>No other payments were made to related parties.</p> | | |

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

| 7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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 | 320 | 320 |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | 320 | 320 |
| 7.5 Unused financing facilities available at quarter end | | - |
| 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>Repayment of borrowings stated in item 3.6 above relates to repayment of insurance premium funding and payment of the Company's operating lease obligations on its corporate offices. Neither of these borrowings represent a 'financing facility available' to SensOre and are therefore not included in items 7.1, 7.2 or 7.3 above.</p> <p>On 24 February 2023, SensOre Ltd executed an R&D Tax Incentive financing arrangement with the RH Capital Finance Co. LLC for \$320,000. The amount of \$320,000 was drawn-down from this facility on 1 March 2023. The facility has a minimum term of at least 91 days, post this period the term will be the earlier of SensOre Ltd deciding to repay the facility or the June 2023 R&D Tax Incentive claim being finalised and funds received from the Australian Taxation Office, as part of the lodgement of SensOre Ltd 2023 Income Tax Return. Interest rate on the facility will be 16% per annum with a \$500 establishment fee.</p> | | |

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

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-----------|--|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (1,327) |
| 8.2 | Payments for exploration & evaluation classified as investing activities (item 2.1(d)) | (71) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (1,398) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 1,116 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 1,116 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.80 |
| | <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: SensOre group expects to continue to have the current level of net operating cash flows. | |
| 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: As disclosed in the quarterly activities report for 31 March 2023, the recent quarterly sales revenue has been impacted by seasonality and timing of payments. The next two quarters are historically the strongest for sales revenue, the company also has trade receivables of \$0.79m at 31 March 2023, with cash receipts to be received in the next quarter. The Company also has ability to finance more of its expected R&D Tax Incentive refund, having financed \$0.320m to date, with an R&D Tax Incentive refund anticipated to similar to prior year of \$1.8m. In addition to the above, the Company also has ability to source further funding if required through potential capital raising. | |
| 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: The Company expects to be able to continue its operations and to meet its business objectives. | |
| | <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: 28 April 2023

Authorised by: By the Disclosure Committee
(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.