

## September 2023 Quarterly Activities Report

### Key Points

- Mt Boppy gold production gained strong momentum during Quarter with Sales revenue of \$6.5m including \$3.86m in September alone.
- Quarterly gold sales of 2,118oz (& 11,887oz Ag).
- Production well ahead of sales with 2,762oz Au and >13koz Ag produced plus a further 1,260oz Au in circuit at Sept 30, worth ~\$3.75m.
- Average grade of material screened was ~1.7g/t Au.
- Gold recoveries increased at rate of ~20% per month over the Quarter: July 780oz; Aug 904oz; and Sept 1,078oz.
- Gold recoveries for October will be >1,300oz Au.
- Exploration drilling at the Pipeline Ridge prospect has been prioritised commencing in January 2024.
- Mt Boppy JORC Resource update announced in August<sup>1</sup> with a further upgrade expected in the March Quarter.
- At the Taranaki VTM Project, Manuka continues to await the re-granting of EPA's environmental consents.

Dennis Karp, Manuka's Executive Chairman noted: *"The Company is now realising the benefits of the Mt Boppy gold bearing, screening program and gold production in October has continued to grow. The Company expects a substantially stronger December Quarter in terms of both production and operating cash flow. The continuation of the Mt Boppy*

<sup>1</sup> ASX release 24 August 2023

screening program and its forecast profitability will provide a sound base for Manuka to thrive and more aggressively explore its array of identified opportunities.”

## Overview of the September Quarter 2023

### ***Mt Boppy***

The September Quarter was the first full quarter for the Mt Boppy screening program. A total of 114,214 of Mt Boppy waste and dumps were screened in the September Quarter, generating 77,990t of <8mm material and 6,139t of 8-20mm material (with the balance going to waste). Weather conditions were favourable throughout the quarter with any weather induced downtime allowing for plant maintenance, so that plant availability was not unduly impacted. Record daily mill throughput of 1,636t (total product) was achieved during September.

Production at the Wonawinta plant for the quarter was 66,987t at an average head grade of ~1.7g/t. A highly experienced processing manager (Dieter Englehardt) was hired during the period which has resulted in improved plant performance in certain areas already. The company is currently developing a plant operating strategy (campaign style operations) which should result in a significant decrease in operating costs whilst not impacting monthly processing rates. The board will review the final plan and its potential implementation over the next month.

A new larger McCloskey screen (R230) was mobilised at site and commissioned in mid-September. This screen has a 50% larger surface area than the original screen resulting in greater feed and product tonnes being achieved.

Gold poured during the period was 2,118oz with a further 1,260oz of gold in the circuit as at the end of September.

### ***Operating Summary***

<b><i>Summary</i></b>		<b><i>Sept Quarter</i></b>	<b><i>Financial Year (YTD)</i></b>
<b>Tonnes Milled</b>	<b>t</b>	<b>66,987</b>	<b>66,987</b>
<b>Gold in Circuit (30-09-23)</b>	<b>oz</b>	<b>1260</b>	<b>1260</b>
<b>Gold Recovered</b>	<b>oz</b>	<b>2762</b>	<b>2762</b>
<b>Gold Sold</b>	<b>oz</b>	<b>2118</b>	<b>2118</b>
<b>Silver Sold</b>	<b>oz</b>	<b>11,887</b>	<b>11,887</b>
<b>Gold Recoveries</b>		<b>76.5%</b>	<b>76.5%</b>
<b>Revenues</b>	<b>AUD \$'000</b>	<b>6,539</b>	<b>6,539</b>

### ***Taranaki VTM Project***

Manuka's wholly owned subsidiary, Trans-Tasman Resources Limited (TTR), was granted Mineral Mining Permit MMP55581 located 22km to 36km offshore in New Zealand's South Taranaki Bight (STB) in 2014. In 2017 the NZ Environmental Protection Authority (EPA) granted the environmental marine and marine discharge consents (Consents) to operate. The grant of these Consents was then subject to third party legal challenge. Judgments in the High Court in 2018, the Court of Appeal in 2020 and particularly the Supreme Court (SC) in 2021<sup>2</sup> identified apparent information deficits, summarised the legal deficiencies of the EPA's Decision Making Committee's (DMC) Consents grant and the legal framework for the DMC to address when the grants are reconsidered.

The SC referred the Consents back to the EPA for reconsideration by its DMC on five narrowly defined points of law. The new DMC reconvened in March 2023<sup>3</sup> and requested TTR provide expert evidence to satisfy the SC's ruling on information deficits. In May and August 2023 TTR provided the expert evidence to the DMC to satisfy the SC's requirements and legal tests to reissue the Consents. These expert reports concluded the proposed VTM mineral recovery in STB will avoid material harm, will favour caution and environmental protection in relation to the effects of the proposed mining operations and resulting sedimentation on biota in the STB including no adverse ecological effects on marine mammals and seabirds. Accordingly, there are no aspects of TTR's 2017 environmental Consents that are an impediment to having them re-approved by the reconvened DMC<sup>4</sup>.

In parallel with this formal EPA engagement process, TTR intends to commission additional metallurgical test work to optimise the flowsheet for processing of the VTM concentrate (including the recovery of vanadium and titanium) during 2023 and 2024 and undertake marketing (and related) studies building on work completed during the Pre-Feasibility Study (PFS).

Globally VTM titanomagnetite iron sands are in strong demand as feed for electric arc furnaces (EAF) to produce low carbon "green steel". EAF steel making burns 50% less coal, reduces emissions by more than 45% in the steel making process and sets the platform for meeting net zero goals by 2050. Vanadium, apart from its widespread and increasing application as a steel alloying element to strengthen steel, is rapidly building demand as an electrolyte in vanadium redox flow batteries (VRFB) which are fast becoming the preferred IP for large grid-scale high-capacity battery stations to store renewable energy due to their longevity and fire safety characteristics, ahead of all competing technologies.

Australia is now building its first 850Mw, with 1,680Mwh capacity, VRFB Waratah Super Battery at the former Munmorah coal fired power station in NSW to drive Australia's transition to a low carbon economy.

With concerns over the sovereign security of vanadium supply from key producing nations China (comprising 55% of global production), Russia (20% of global production), Brazil (15%) and South Africa (10%), vanadium now has "critical mineral" status in Australia, USA

<sup>2</sup> Judgement delivered 30 September 2021

<sup>3</sup> Refer EPA Public consultation disclosures at [www.epa.govt.nz/public-consultations/in-progress/trans-tasman-resources-limited-2016/](http://www.epa.govt.nz/public-consultations/in-progress/trans-tasman-resources-limited-2016/)

<sup>4</sup> Refer ASX announcement 1 August 2022

and the EU. The demand for VTM concentrate for EAF low carbon green steel production together with the rapidly growing demand underpinning rising prices for vanadium, suggests the potential of our Taranaki VTM Project, hosting one of the largest known vanadium resources in the world with 1.6Mt contained  $V_2O_5$  metal, will attract the competitive capital investment and metal producer offtake interest required to develop the project.

The Taranaki VTM Project, when in production with an estimated annual production of 10,000 tonnes of vanadium metal, will make Manuka one of the leading vanadium producers in the world and propel NZ into the third largest producer of the metal after China and Russia.

## Resource Growth and Exploration Outlook

The Company's geological team has continued to implement the exploration work programmes established from the Q1 2023 Strategic Review. The MKR Resource Triangle (Fig. 1) shows the current classification of the exploration targets, and those highlighted on which work was undertaken during Q2 and Q3 2023.

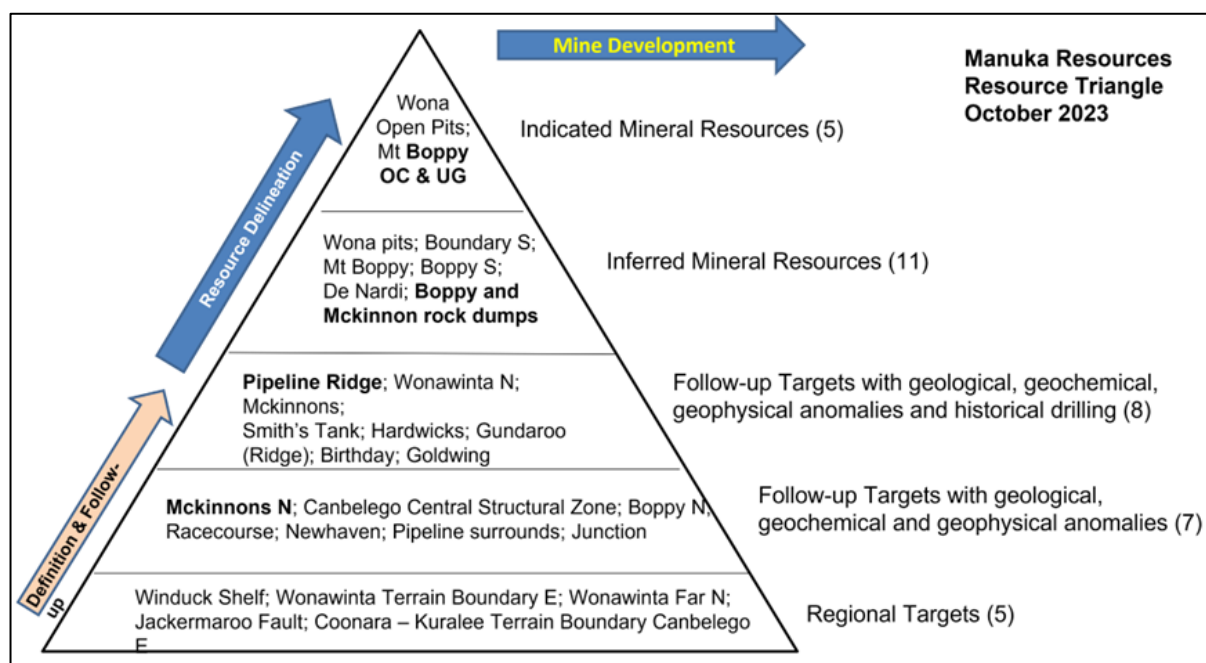


Figure 1

The resource base at Mt Boppy outside of the in-pit resources continues to expand. This has been achieved through continued bulk sampling of the Mt Boppy Main Waste dump material and screening into a sub 10mm fraction, which comprise approximately 40-50% by mass. The Mt Boppy waste dump is estimated to contain approximately 3.92 Mt of variably mineralised waste rock and old tailings material. Of this, between 1.6-1.9Mt is targeted as a screened product. Systematic excavation and screening of the Main Waste dump is steadily building incremental (currently over 216kt) screened product resources that are viable to truck to the Wonawinta plant. This material will be processed after completion of current mining of the Mt Boppy ROM pad and rock dump during the December Quarter.

Bulk sampling of the McKinnons low grade rock dumps has continued intermittently during the quarter and are planned to be completed during the December quarter.

MKR Mineral resources at Mt Boppy were updated during the quarter to include the rock dump and tailings evaluations and are summarised in Table 1.

MT Boppy Mineral Resource Classification			22-Aug-23		
Summary Mt Boppy In Situ Resources	Type	Resource Classification	Insitu Mineral Resources		
			Kt	Au g/t	Au Oz
Hard Rock	Open cut & below	Measured	107	5.25	18.0
		Indicated	158	4.86	24.7
		M & I	265	5.01	42.7
		Inferred	127	2.59	10.6
		Subtotal	392	4.23	53.3
Rock Dumps	Rock dumps in situ	Indicated	479	1.78	27.5
		Inferred	890	1.42	40.6
		Subtotal	1,369	1.55	68.1
Tailings	Tailings in situ	Inferred	753	1.34	32.4
		Subtotal	753	1.34	32.4
Grand Total		Measured	107	5.25	18.0
		Indicated	637	2.55	52.2
		Total M & I	744	2.93	70.2
		Inferred	1,770	1.47	83.6
		Total Mineral Resources	2,515	1.90	153.8

Table 1

Other work programmes that have been progressed include,

- Completion of the design of deeper diamond drilling to test and potentially establish incremental resources at Mt. Boppy;
- Continued geological modelling and assessment of historic drilling data of the Pipeline Ridge base metal – gold deposit, assessment of available diamond core. The initial drilling programme is now scheduled for early 2024;
- Post a tender process a drilling contractor has been appointed for the Pipeline Ridge and Mt Boppy Deeps drilling programmes;
- Completion of a detailed regional geophysics synthesis of the Wonawinta ML and exploration tenements, including conducting a merged data reinterpretation of all available magnetic data and a revised IP interpretation for the McKinnons gold prospect; and
- Continued analysis and reorganisation of the Company's extensive drilling and geochemical sampling database.

Drill programmes for 2024 have been scoped in-line with prioritisation of the targets on Figure 1 with encouraging engagement with local drilling contractors for these activities. Exploration of the Pipeline Ridge prospect and Mt Boppy mine deeps drilling are priority targets, and these activities are expected to start during Q1 2024.

### Cashflow and Hedging

Manuka reported Operating cash flow for the Quarter of (\$2.0) million. (It is worthwhile noting that Net Revenue for September alone was \$3.825m while unaudited Operating Costs on a per month basis range between A\$2.8-2.9m). Gold in circuit as at the end of the Quarter was 1260oz gold (this is gold recovered in the Wonawinta circuit but not yet sold).

The Company did not have any open hedge contracts as at 30 September 2023.

The principal amount outstanding at Quarter end to the Company's senior secured lender, TransAsia Private Capital (TA) was US\$8.0 million. During the quarter the Company negotiated an extension of the facility and this amount is due in a single repayment on 30 September 2024.

Total borrowings as at 30 September 2023 were A\$28.7 million. Unused facilities available at Quarter end were A\$664,000 and the cash balance was \$155,251. Furthermore, there was another A\$3.4 million equivalent of gold in circuit.

In accordance with ASX Listing Rule 5.3.3, during the quarter, the Company made cash payments of \$0.174 million to related parties and their associates (refer items 6.1 and 6.2 of the Appendix 5B). This was the aggregate amount paid to the directors including salary, directors' fees, consulting fees and superannuation.

### ***Mining Exploration Activities***

In accordance with ASX Listing Rule 5.3.1 cash outflows for the quarter in relation to exploration and evaluation activities were \$0.282 million (refer Item 2.1(d) of the Appendix 5B) and predominantly comprised expenditure on:

- Continued bulk sampling of gold mineralised material continued at Mt Boppy on both the ROM and Main waste dump. This sampling will be used to generate a resource report for these areas in the current quarter. Initial bulk sampling also commenced on the former McKinnons gold mine waste dump;
- Assessment of the deeper mineralisation in the Mt Boppy orebody continued along with further inspection of historic drill core. Several deep boreholes are planned for the current quarter to build on the current known resource; and
- Further geophysical analysis resulted in all Canbelego historic magnetic data being merged into a single database, reprocessed and filtered. A number of untested geophysical targets emerged from this study and will be progressed in the next two quarters.

### ***Mining Development Activities***

In accordance with ASX Listing Rule 5.3.2 cash outflows for the quarter in relation to mining development activities were \$67,000 (refer items 1.2(b) and 2.1(f) of the Appendix 5B). These outflows relate to continued screening activities and mobile equipment at Mt Boppy.

## **Mining Production Activities**

In accordance with ASX Listing Rule 5.3.2 cash outflows for the quarter in relation to mining production activities were \$4.60 million (refer Item 1.2(c) of the Appendix 5B) and comprised the following:

Crushing contractors	\$0.84 million
Hauling contractors	\$0.54 million
Processing	\$3.22 million

## **Mining Tenements**

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2023.

**Wonawinta Silver Project** tenements are located approximately 90 kilometres to the south of Cobar, NSW, and comprises one (1) granted mining lease and seven (7) granted exploration licences as below, plus processing plant and associated infrastructure.

<b>Tenement</b>	<b>Percentage held / earning</b>	<b>Change during Quarter</b>
ML1659	100%	-
EL6482	100%	-
EL7345	100%	-
EL6155	100%	-
EL6302	100%	-
EL7515	100%	-
EL6623	100%	-
EL8498	100%	-

**Mt Boppy Gold Project** tenements are located approximately 45 kilometres east of Cobar, NSW, adjacent to the Barrier Highway. The Project comprises four gold leases, two mining leases, one mining purpose lease and one exploration licence which encompasses the MLs and extends the project area to the south.

<b>Tenement</b>	<b>Percentage held / earning</b>	<b>Change during Quarter</b>
GL3255	100%	-
GL5836	100%	-
GL5848	100%	-
GL5898	100%	-
ML311	100%	-
ML1681	100%	-
MPL240	100%	-
EL5842	100%	-

**Taranaki VTM Iron Sand Project** tenements are located offshore in the South Taranaki Bight of the North Island, New Zealand. Tenements acquired as a result of

the acquisition<sup>5</sup> of TTR comprise one granted mining permit and one granted exploration permit.

<b>Tenement</b>	<b>Percentage held / earning</b>	<b>Change during Quarter</b>
MMP55581	100%	-
MEP54068	100%	-

There were no tenements disposed of during the Quarter.

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<sup>5</sup> ASX disclosure 11 November 2022





**This announcement has been approved for release by the Directors of Manuka Resources Limited.**

**For further information contact:**

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Executive Chairman  
Manuka Resources Limited  
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**Important Information**

This report includes forward-looking statements and comments about future events, including the Company's expectations about the performance of its businesses. Forward-looking words such as "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" or other similar expressions are intended to identify forward-looking statements. Such statements involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, recipients are cautioned to not place undue reliance on any forward-looking statement. Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in this report to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based. No Limited Party or any other person makes any representation, or gives any assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in the report will occur.

## About Manuka Resources Limited

Manuka Resources Limited (ASX: MKR) is an Australian mining and exploration company with key assets located in the Cobar Basin, central west New South Wales. In addition to its recent acquisition of Trans-Tasman Resources Limited owner of the Taranaki VTM Project, it is the 100% owner of two fully permitted mining projects, one gold and one silver, both within the Cobar Basin, which include the following:

- Gold - Mt Boppy Gold mine, 48-person mine camp and neighbouring tenements, hosting an existing open pit mineral resource<sup>6</sup> and combined ROM, waste and tailings material all of which lend themselves to upgrading through screening. The Company has commenced a screening and gold recovery project, processing the product at its Wonawinta plant. It has confidence the gold from these sources can be extracted profitably and over a period of ~3 years. Manuka also awaits the outcome of its forthcoming exploration program to determine as to whether the future for mining any Mt Boppy extensions will be as an underground or open cast mine;
- Silver - Wonawinta silver project, with mine, 84 person mine camp, processing plant and neighbouring tenements. Previously renowned as the largest primary producer of silver in Australia, the mine hosts a significant JORC resource<sup>7</sup>. The Wonawinta processing plant has a nameplate capacity of >850,000 tonnes per year (which the Company now sees expanded to >1.0Mt/yr. The Company has recently completed a plant and metallurgical recovery optimisation.

There exists a number of highly prospective base metals exploration targets on Manuka's ~1,150km<sup>2</sup> tenement package within the Cobar Basin.

The Taranaki VTM Iron Sand Project recently released its maiden vanadium resource<sup>8</sup> which ranks it as one of the largest drilled vanadium projects globally. The Project has a granted mining licence and is in the lowest quartile of the iron ore production cost curve. The Company awaits the reissuance of its Environmental Approval before completing its Bankable Feasibility Study.

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<sup>6</sup> ASX release 29 July 2022

<sup>7</sup> ASX release 1 April 2021

<sup>8</sup> ASX release 1 March 2023

**APPENDIX 5B*****Mining exploration entity or oil and gas exploration entity  
quarterly cash flow report******Name of entity***

Manuka Resources Ltd

***ABN***

80 611 963 225

***Quarter ended ("current quarter")***

30 September 2023

***Consolidated statement of cash flows******Current quarter  
\$A'000******Year to date  
(3 months)  
\$A'000******1. Cash flows from operating activities***

1.1	Receipts from customers	6,539	6,539
1.2	Payments for		
	(a) exploration & evaluation	(4)	(4)
	(b) development	(67)	(67)
	(c) production	(4,598)	(4,598)
	(d) staff costs	(2,480)	(2,480)
	(e) administration and corporate costs	(1,247)	(1,247)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(356)	(356)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	186	186
1.9	<b>Net cash from / (used in) operating activities</b>	<b>(2,028)</b>	<b>(2,028)</b>

***2. Cash flows from investing activities***

2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(561)	(561)
	(d) exploration & evaluation	(282)	(282)
	(e) investments	-	-
	(f) other non-current assets	-	-

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)	(24)	(24)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(866)</b>	<b>(866)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,048	1,048
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	(60)	(60)
3.5	Proceeds from borrowings	3,938	3,938
3.6	Repayment of borrowings	(2,107)	(2,107)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(35)	(35)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2,783</b>	<b>2,783</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	266	266
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,028)	(2,028)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(866)	(866)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,783	2,783
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>156</b>	<b>156</b>

<b>5.</b>	<b><i>Reconciliation of cash and cash equivalents</i></b> <i>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	156	266
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>156</b>	<b>266</b>

<b>6.</b>	<b><i>Payments to related parties of the entity and their associates</i></b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	174
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: 6.1 This is made up of amounts paid to the directors including salary, directors' fees, consulting fees and superannuation.</i>		
<i>Note: 6.2 This is made up of amounts paid to the directors including consulting fees in respect of exploration activities.</i>		

<b>7.</b>	<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	29,375	28,711		
7.2	Credit standby arrangements	-	-		
7.3	Other (please specify)	-	-		
7.4	<b>Total financing facilities</b>	<b>29,375</b>	<b>28,711</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		664		
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>Lender</b>	<b>Facility type</b>	<b>Total Facility</b>	<b>Rate</b>	<b>Maturity</b>
	TransAsia Private Capital Limited	Secured Senior Debt Facility plus interest	15,599	15%	30/09/2024
	ResCap Investments Pty Ltd	Unsecured Working Capital Loan	2,000	16%	30/09/2024
	Variou	Equipment Finance	935	21%	29/04/2025
	Various	Short-term finance	1,183	12%	31/08/2023
					3 year trade finance facility expiring April 2026
	Tennant Metals	Trade Finance stockpile facility	9,657	39%	

<b>8.</b>	<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)	(2,028)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(282)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,310)
8.4	Cash and cash equivalents at quarter end (item 4.6)	156
8.5	Unused finance facilities available at quarter end (item 7.5)	664
8.6	Total available funding (item 8.4 + item 8.5)	<b>815</b>
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.35

*Note: if the entity has reported positive relevant outgoings (i.e. 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.*

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:

The Company has recommenced gold production as announced to the ASX on 14 June 2023 and the first cash inflows from gold sales occurred during July 2023. The Company has increased production over the quarter with a total of 2,117oz of gold sold (of which 1,239 oz of gold was sold during September 2023). October 2023 gold sales are estimated to be ~1,100 oz (gold recoveries will be ~1300oz in October which is highest to date for the screening project). Continued production at this level will mean that the next quarter will achieve positive operating cashflows.

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:

At 30 September 2023 the Company has excess finance facilities available and as noted at 8.8.1 above, the quarter ended 31 December 2023 is expected to achieve positive operating cashflows with production at current levels. In addition, the Company had ~\$4Million of gold in circuit as at 30 September 2023.

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:

With the commencement of gold sales in July 2023 and continued gold production at current levels means that the Company should achieve positive operating cashflows during the quarter ended 31 December 2023.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

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

Date: 30 October 2023

Authorised by: .....  
Toni Gilholme – Company Secretary  
On behalf of the Board of Directors

### 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 – e.g. 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.
6. By the Company lodging this Appendix 5B, the Managing Director and CFO declare that the Appendix 5B for the relevant quarter:
- presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
  - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
  - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.