31 October 2023

QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023

HIGHLIGHTS

MAKUUTU RARE EARTHS PROJECT, UGANDA

- **Uganda's Government Minister for Energy and Mineral Development, announced her support for the licensing and development of Makuutu from the stage at Africa Down Under Mining Conference;**
- **DRA Global appointed to review Makuutu's Definitive Feasibility Study (DFS), examine opportunities for further cost efficiencies, time savings, and scale, and advise on the Makuutu Demonstration Plant program value optimisation to support the Final Investment Decision (FID);**
- **Phase 5 Rotary Air Blast (RAB) Tranche 1 and 2 assays on Exploration Licence (EL) 00147, EL00257 and RL00007 confirming clay-hosted rare earth intersections in 69 of 76 drill holes; and**
- **Phase 5 diamond infill drilling continued at Retention Licence (RL) 00007, aiming to increase resource classification to Indicated Resource, completed post end of the quarter.**

IONIC TECHNOLOGIES

- **Landmark partnership agreements executed with Ford Technologies Limited (Ford), Less Common Metals Limited (LCM), and British Geological Survey (BGS) to create a UK rare earth supply chain from recycled magnets;**
- **Support to Ionic Technologies, Ford and LCM partnership via a £1 million UK government grant, with Ionic Technologies announced as the major beneficiary and lead collaborator in the focus on delivering the UK's first domestic sourcing of separated high purity magnet rare earth oxides (REOs);**
- **Additional £1 million grant funding awarded to Ionic Technologies, in collaboration with the British Geological Survey, for a feasibility study into the construction and supply side dynamics of a magnet rare earth recycling plant in the UK;**

- **The funding is part of the UK Government's circular critical materials supply chains (CLIMATES) program; and**
- **The move is an important step towards sovereignty for the UK, in developing market leading technology and building a supportive pathway for Ionic Technologies to commercialise the first magnet recycling facility in Belfast to feed escalating supply chain appetite for circular economy magnet REOs.**

CORPORATE SUPPLY CHAIN PARTNERSHIPS STRENGTHENED

- **Engagement continues with government stakeholders and potential strategic partners interested in the unique appeal of the Makuutu basket of magnet and heavy rare earths as well as separated magnet rare earth oxides (REO) from Ionic Technologies to feed new emerging supply chains.**

Ionic Rare Earths Limited ("IonicRE" or "The Company") (ASX: IXR) is pleased to provide its Quarterly Report for the period ending **30 September 2023**.

This report includes development activities at the Makuutu Rare Earths Project ("Makuutu" or "the Project") in Uganda, and at the Company's 100% owned magnet recycling subsidiary in the UK, Ionic Technologies International Limited ("Ionic Technologies").

Significantly, the September quarter culminated in the achievement of several significant milestones across both Makuutu and Ionic Technologies, accelerating IonicRE to fulfil its strategic objective to support western economies secure critical rare elements of magnet and heavy rare earth oxides for the new economy. IonicRE's innovative technology and patented processes will accelerate mining, refining and recycling of these elements critical for energy transition, advanced manufacturing, and defence programs.

Makuutu Rare Earths Project (60% IonicRE)

Makuutu currently ranks amongst the world's largest and most advanced ionic adsorption clay (IAC) deposits, and as such, a globally strategic resource for near term, low capital development and long-term security of magnet and heavy rare earth oxide (HREO) supply.

Makuutu comprises six licences (see Figure 1) covering approximately 300 km^2 located 120 km east of Kampala in Uganda. The deposit stretching 37km end to end, is situated near existing infrastructure and has the potential to provide western customers with a strategic alternative supply of heavy rare earths to support the growth of advanced manufacturing and industries critical to achieve net-zero carbon initiatives for 50 years and beyond.

Makuutu is being developed by Rwenzori Rare Metals Limited ("RRM"), a Ugandan private company which owns 100% of the Makuutu Project. IonicRE is a 60% owner of RRM with the first right over the remaining 40%. The Company continues discussions with partners on a transaction to increase ownership.

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In March 2023, the Company finalised the initial Mining Licence Application (MLA) for the Stage 1 development of the Makuutu Project, over Retention Licence (RL) 1693 (application TN03834). The Project has substantial scope for future growth, and increasing geopolitical importance, to underpin the establishment of western sources for new magnet and heavy rare earths production.

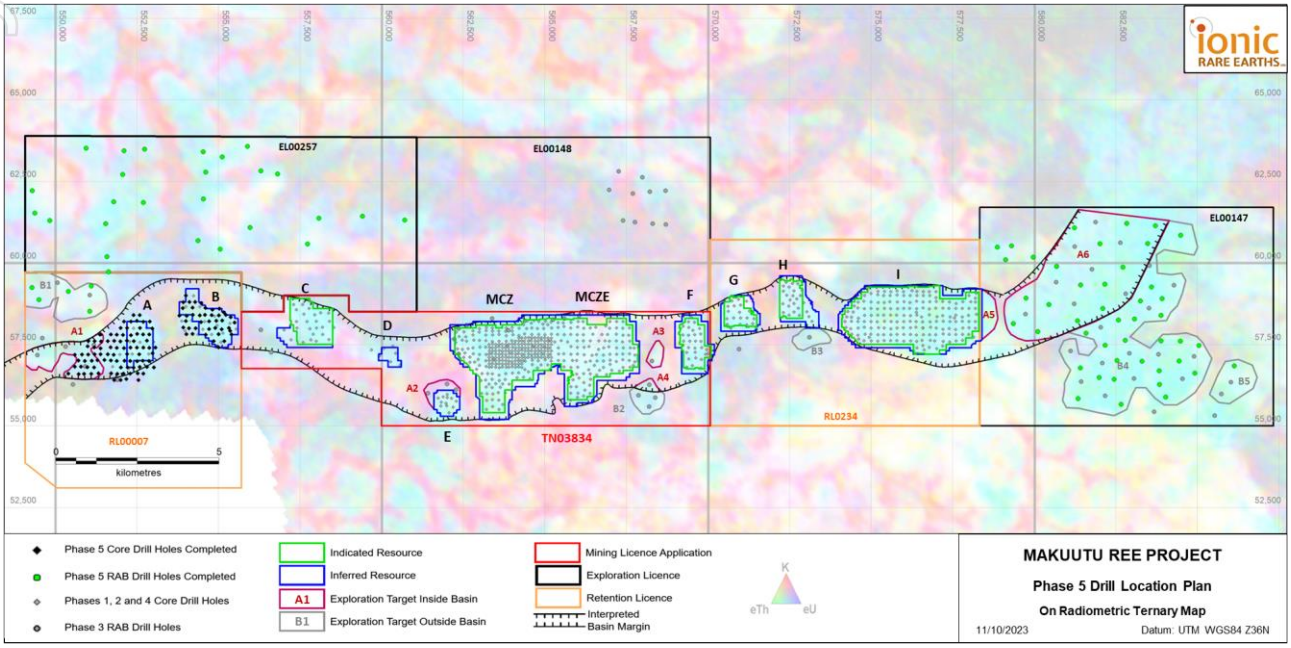

Figure 1: Makuutu Project tenements, including TN03834 (MLA area for RL 1693) shown with red border.

Makuutu MLA Status Update

During the quarter, the Ugandan Government approved and gazetted its updated Mining and Minerals (Licencing) Regulations 2023. This was an important precursor to the grant of the Makuutu MLA. In September, the MLA was signed and gazetted early October in Uganda paving the way for the formal issuance the of Mining Licence.

Subsequent to the end of the quarter, the Company, via RRM, received notice from the Ugandan Directorate of Geological Survey and Mines (DGSM) that Large Scale Mining License TN03834 has been Approved for Granting (ASX: 20 October 2023).

The approval to grant the mining licence follows a clear framework for mineral development in Uganda, and the submission of documentation which was reviewed and approved by Ugandan DGSM. This approval paves the way for the formal issuance the of Mining Licence once the first annual fees have been paid and land access to the RL1693 has been verified by the Ugandan department.

During the quarter, The Hon Dr Ruth Nankabirwa Ssentamu, the Ugandan Government Minister for Energy and Mineral Development, expressed her support for the licensing and development of Makuutu and the award of the mining licence from the stage at Africa Down Under (ADU) Mining Conference in Perth (ASX: 11 September 2023), following which IonicRE Managing Director Tim Harrison met with Minister Ssentamu and Australia's Minister for Resources, Madeleine King at the conference.

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The Minister Ssentamu reiterated her support for Makuutu and agreed that the Project was one of the world's best rare earths resources, reaffirming Uganda's commitment to the development of its mining sector, in line with the Mining and Minerals Act 2022, and its 2040 Vision.

The public acknowledgement of the Minister's support for Makuutu under the new mining framework, was welcome and cemented the project with flagship status.

Australia's Minister for Resources, Madeleine King, also spoke highly of the partnership between Australia and Uganda represented by Makuutu. Minister King noted that the abundance of natural resources in African nations that help to produce critical clean energy technologies presents "great opportunities for Australia and Uganda to work together across international borders".

DRA Global Appointed to Support Advancement of Makuutu

During the quarter, DRA Global, was appointed to review Makuutu's Stage 1 Definitive Feasibility Study (DFS) (ASX: 20 March 2023), examining opportunities for further cost efficiencies, time savings, and scale, and advise on the Makuutu Demonstration Plant program value optimisation to support the Final Investment Decision (FID).

DRA Global is an international multi-disciplinary engineering, project delivery and operations management group focused on the mining, minerals, and metals industry and has a strong track record spanning four decades in Africa across a range of commodities, with deep expertise in the mining, minerals, and metals processing industries, as well as related infrastructure such as, water, and energy solutions.

DRA has assembled a strong team from South Africa, based in the Johannesburg office, who will work closely with IonicRE's Chief Operating Officer, Dr Tommie van der Walt. Dr Van der Walt has worked with DRA Global on several African projects including the US$2 Billion Ahafo Mega-project in Ghana.

Demonstration Plant Progress

During the quarter, significant progress was made on the Makuutu Demonstration Plant. At the Makuutu Technical Facility, earthworks has been completed, the facility shed fabricated and delivered to site, and the erection of the technical facility has commenced. Foundation formwork was completed along with concrete footings to support the structure erection.

The Makuutu Demonstration Plant follows a phased approach to de-risk the Project development, to validate test work and provide the strong basis for grade control, mine design, material handling, metallurgical reconciliation, and construction while maximising Stage 1 DFS results.

An update on site progress was provided post end of the quarter (ASX: 18 October 2023).

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Figure 2: Removal of the topsoil layer across the Demonstration Plant facility area.

Figure 3: Makuutu Technical Facility frame structure erected.

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Phase 5 Drilling Program

During the quarter, the Phase 5 Rotary Air Blast (RAB) drill program Tranche 1 (ASX: 4 September 2023) and post end of quarter, Tranche 2 (ASX: 2 October 2023) assays on Exploration Licence (EL) 00147, EL00257 and RL00007 confirmed clay-hosted rare earth intersections in 69 of 76 drill holes (refer Figure 4).

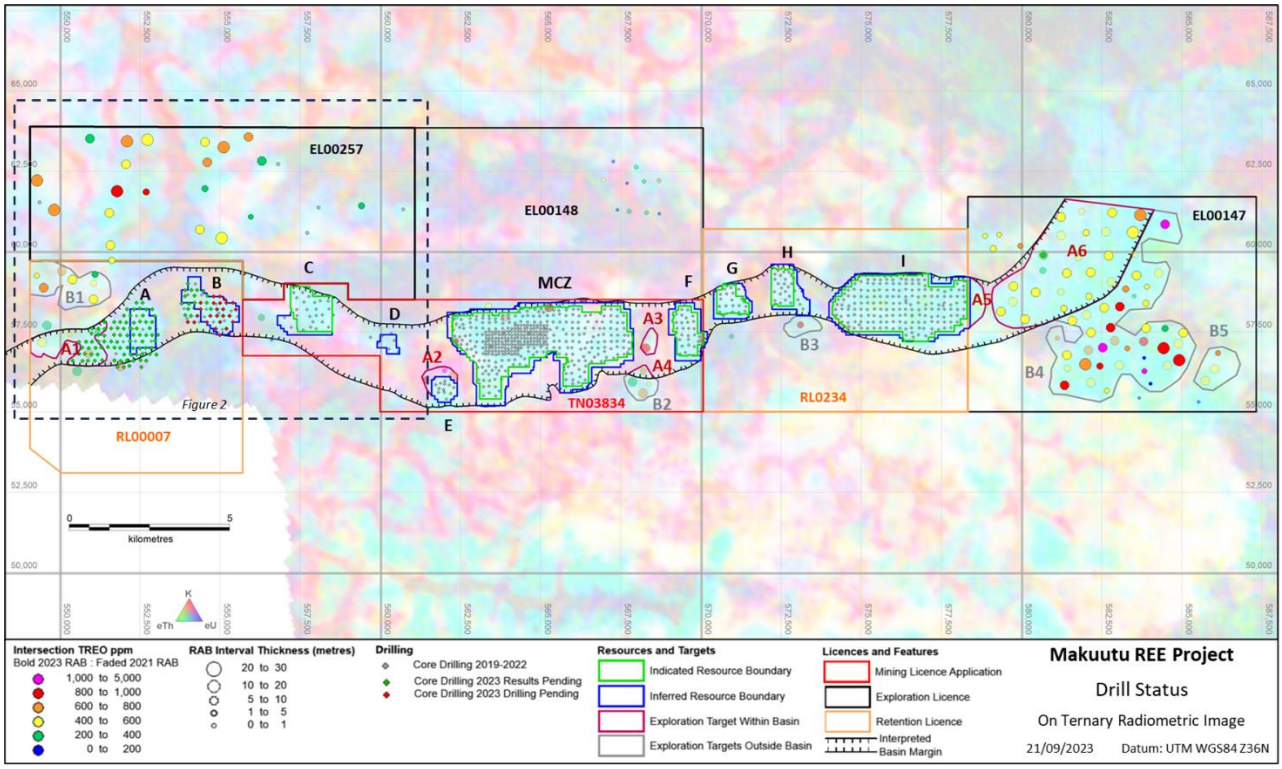

Figure 4: Makuutu phase 5 RAB results showing intersections across EL00147 (eastern tenement) and new maiden drilling on EL00257 (northwestern tenement).

Tranche 1 results reported 43 holes of the 45 holes drilled on EL00147 recording intervals of regolith hosted rare earth mineralisation above the 2022 Mineral Resource Estimate (MRE) cut-off grade of 200 ppm TREO-CeO_2. (ASX: 3 May 2022).

A selection of the best intervals are provided below;

- 3 metres at 1,337 ppm TREO from 13 metres in RRMRB083;
- 10 metres at 1,029 ppm TREO from 5 metres in RRMRB079;
- 11 metres at 1,013 ppm TREO from 6 metres in RRMRB105;
- 7 metres at 974 ppm TREO from 6 metres in RRMRB078; and
- 24 metres at 967ppm TREO from 4 metres in RRMRB086;

The Phase 5 RAB Tranche 1 assay results further validate the enormous potential of EL00147 by having identified some of the highest-grade intervals drilled at this exploration target, located at the eastern end of the extensive licence holding at Makuutu.

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The Phase 5 drilling on EL00147 was previously tested with 1-kilometre spaced RAB holes in 2021. The aim of the 2023 program was to decrease the hole spacing to approximately 500 metre spaced holes and determine broad trends and zonation of mineralisation.

Post end of the quarter, the Tranche 2 RAB results assays received on EL 00257 and Retention Licence (RL) 00007. The tranche 2 drill assays represented the maiden drilling on EL00257 which is a highly prospective area the Company, via RRM, secured in October 2021. The initial drilling results were very successful, reporting clay-hosted rare earth intersections achieved in 26 of 31 drill holes, including;

- 8 metres at 975 ppm TREO from 7 metres in RRMRB117;
- 20 metres at 865 ppm TREO from 6 metres in RRMRB115;
- 20 metres at 789 ppm TREO from 4 metres in RRMRB116;
- 24 metres at 781 ppm TREO from 4 metres in RRMRB129; and
- 20 metres at 756 ppm TREO from 4 metres in RRMRB120.

The successful Phase 5 RAB drill program will be used for an updated Exploration Target expected later in Q4 2023, supported by metallurgical test work initiated on samples from the Phase 5 RAB program including the maiden results for EL00257. The current Exploration Target (ASX: 1 June 2022) does not include any potential for EL00257.

Post end of the quarter, the Phase 5 drill program was completed with infill drill program at Makuutu on RL 00007 completed with 128 holes drilled for 2,501 metres. The first batch of infill drilling results are expected to be received this quarter and culminate in an increased classification on the Mineral Resources Estimate (MRE) for areas A and B (refer to Figure 4) as part of the larger existing Makuutu MRE in Q1 2024.

Ionic Technologies (100% IonicRE)

Further advances were made in the September quarter at Ionic Technologies, with the official opening of the Belfast Technical Facility in conjunction with a public announcement on the successful funding and collaboration agreement the Company has secured as part of the UK Climates Program.

Since its founding in 2015, as a spinout from Queens University Belfast (QUB), Ionic Technologies has developed processes for the separation and recovery of rare earths from mining ore concentrates and waste permanent magnets.

The technology developed is a step up from conventional processes in efficient, non-hazardous, and economically viable processing with minimal environmental footprint.

Ionic Technologies has demonstrated capability to achieve near complete extraction of rare earths from spent magnets and waste (swarf) to a recovery of high value magnet REO product quality exceeding 99.9% REO.

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Ionic Technologies now has “first mover” advantage in the industrial elemental extraction of separated REOs from spent magnets and waste, enabling near term magnet REO production capability to satisfy growing demand from the energy transition, advanced manufacturing, and defence.

Our proprietary technology provides a universal method for the recovery of high purity REOs from lower quality and variable grade magnets, to be used in the manufacture of modern high-performance and high specification permanent magnets required to support substantial growth in both EV and wind turbine deployment.

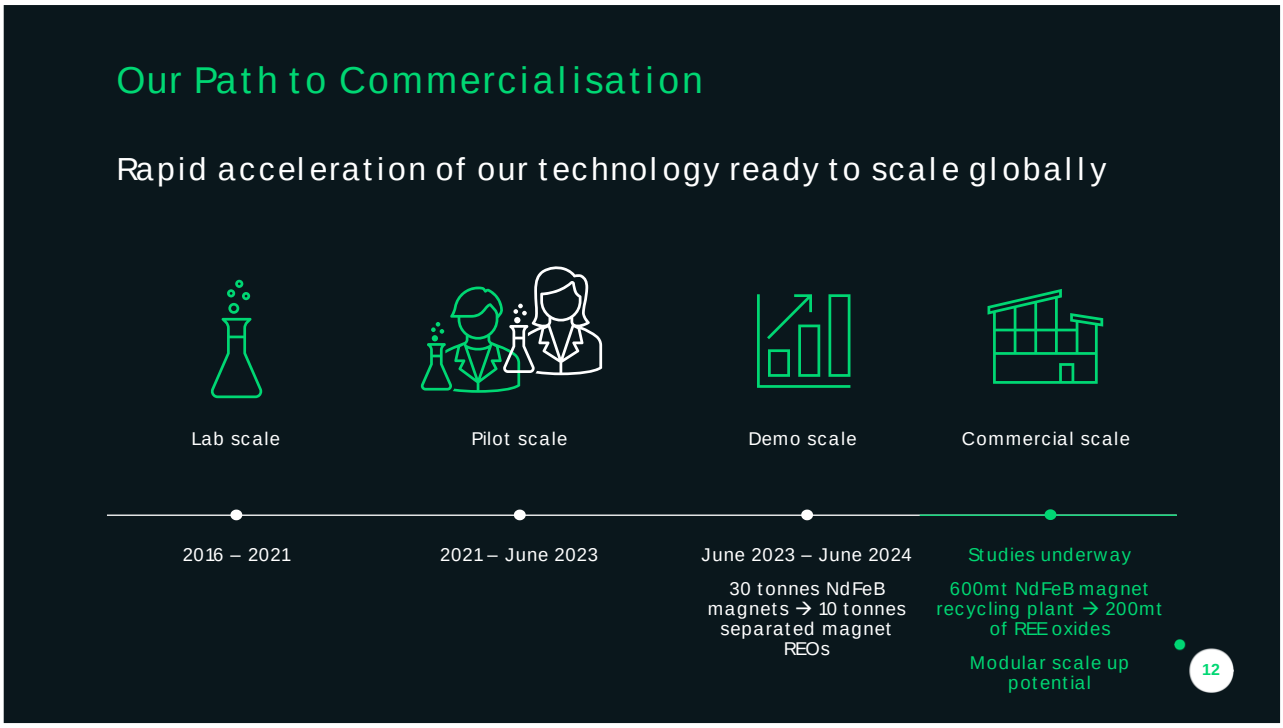

Figure 5: Ionic Technologies path to production.

Collaboration Agreements announced with Innovate UK’s CLIMATES Program

On 12 September 2023, Ionic Technologies announced successful grant funding submissions centred on two CLIMATES projects:

1. in partnership with Less Common Metals (LCM) and Ford Technologies, Ionic Technologies will develop a traceable, circular supply chain of rare-earths for application in EV motors within the UK, and
2. in partnership with the British Geological Survey, Ionic Technologies will complete a feasibility study of a commercial magnet recycling plant in Belfast.

The UK’s innovation agency, Innovate UK, announced the significant grant awards where Ionic Technologies was the major recipient from CLIMATES funding.

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Grant 1 – The EV Permanent Magnet Circular Supply Chain

Ionic Technologies, Ford Technologies (Ford) and Less Common Metals (LCM) will establish a demonstration circular supply chain for Rare Earth Elements (REEs) in the UK, by utilising innovative technologies to create high specification magnets containing 100% recycled REEs for use in Electrical Vehicles (EVs).

Ionic Technologies has demonstrated patented technology at the Demonstration Plant in Belfast producing high purity rare earth oxides (REOs) at a rate of 10 tonnes per annum. At 99.5% purity or higher, the REOs produced are suitable for use in high specification magnets for EVs and other technology contributing towards the UK's NetZero ambitions.

The high purity secondary source elements from Ionic Technologies' world leading recycling technology developments will be used to produce high purity, separated and traceable rare earths from end-of-life magnets and swarf, for supply to LCM for alloy production to be converted to NdFeB magnets for ultimate use by Ford in electric vehicle (EV) production;

LCM is a world leader in the manufacture and supply of complex alloy systems and metals including those based on rare earths. LCM produces alloys made from REOs, which are supplied to permanent magnet production companies worldwide. A sub-contract magnet producer will be used to manufacture multiple magnet types which meet Ford's specifications.

Grant 2 – A feasibility study into the construction and supply side dynamics of a magnet rare earth recycling plant in the UK

Ionic Technologies and British Geological Survey (BGS) is seeking to establish of a secure supply of rare earths for the UK, through the implementation of an advanced study into the REE ecosystem within the country and the feasibility of a first-of-kind commercial REO production facility in Belfast.

The UK Government wants to create market depth, economic development and accelerate the move towards a net-zero tomorrow.

The project will expand on the existing BGS material stocks and flows model for rare earths, with new, pertinent data on wind turbines, EVs and other vehicles, all containing significant REE content which could be recycled within the UK.

With this information, Ionic Technologies will be able to specify a commercial facility, capable of receiving and processing end-of-life or waste magnet material through a plant designed using Ionic Technologies' patented technology to produce REOs with purity of 99.5%+ quality.

REOs of this quality are used in the production of high specification magnets, utilised in EVs and defence applications as well as technology such as wind turbines.

In addition to a significant expansion of publicly owned data on the REE eco-system in the UK, the project will also equip Ionic Technologies with technical data to create a source of REOs that would provide the UK with a secure, sovereign supply of REOs independent of geo-political influence and supply chain insecurity.

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Corporate

During the quarter, the company expended approximately $2,720,000 on the exploration and study activities reported above.

Payments to related parties of the entity and their associates totalled $129,000 and consisted of $45,000 Director fees, $9,000 in superannuation related to Director fees and $75,000 Executive Service fees.

Table 1: Makutu Rare Earths Project Tenement Status and Details

Licence ID	Licence Type	Application Date	Granted Date	Expiry / Renewal Date	Area (km^2)
RL00007	Retention	12/12/2022	20/12/2022	26/11/2024	43.38
RL 1693 / TN03834	Retention	01/09/2022	Pending	Pending	43.78
RL00234	Retention	26/06/2021	06/07/2021	05/07/2024	47.03
EL00257	Exploration	15/07/2021	21/10/2021	20/10/2024	55.51
EL00147	Exploration	19/10/2020	28/12/2020	27/12/2023	60.30
EL00148	Exploration	21/10/2020	28/12/2020	27/12/2023	48.15

End Notes

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

- 19 September 2023 DRA Appointed to Progress Makuutu Development
- 12 September 2023 Ionic, Ford and LCM Execute Landmark Recycling Partnership
- 11 September 2023 Ministerial Support for Makuutu Mining Licence Application
- 5 September 2023 Makuutu Rare Earths Project MLA Status Update
- 4 September 2023 Makuutu Rare Earths Project Phase 5 Drill Results
- 28 July 2023 Makuutu Project Update

Authorised for release by the Board.

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Table 2: Makuutu Rare Earth Project Resource Tabulation of REO Reporting Groups at 200ppm TREO-CeO2 Cut-off Grade (ASX: 3 May 2022).

Resource Classification	Tonnes (millions)	TREO (ppm)	TREO-CeO_2 (ppm)	LREO (ppm)	HREO (ppm)	CREO (ppm)	Sc_2O_3 (ppm)
Indicated	404	670	450	500	170	230	30
Inferred	127	540	360	400	140	180	30
Total	532	640	430	480	160	220	30

Notes; Tonnes are dry tonnes rounded to the nearest 1.0Mt.
All ppm rounded from original estimate to the nearest 10 ppm which may lead to differences in averages. TREO = Total Rare Earth Oxide

Table 3: Mineral Resources by Area (ASX: 3 May 2022). RL00007 resource areas shaded blue to comprise basis for infill Phase 5 drill program and potential upgrade to MRE expected Q1 2024.

Classification	Indicated Resource			Inferred Resource			Total Resource		
Area	Tonnes (millions)	TREO (ppm)	TREO-CeO_2 (ppm)	Tonnes (millions)	TREO (ppm)	TREO-CeO_2 (ppm)	Tonnes (millions)	TREO (ppm)	TREO-CeO_2 (ppm)
A				13	580	390	13	580	390
B				26	410	290	26	410	290
C	31	580	400	3	490	350	35	570	400
D				6	560	400	6	560	400
E				18	430	280	18	430	280
Central Zone	151	780	540	12	670	460	163	770	530
Central Zone East	59	750	490	12	650	430	72	730	480
F	18	630	420	7	590	400	25	620	410
G	9	750	500	5	710	450	14	730	480
H	6	800	550	7	680	480	13	740	510
I	129	540	350	19	530	350	148	540	350
Total Resource	**404**	**670**	**450**	**127**	**540**	**360**	**532**	**640**	**430**

Rounding has been applied to 1Mt and 10ppm which may influence averaging calculations.
Highlighted rows providing Indicated Resource Estimate for RL 1693 only, supporting the MLA (TN03834).

About Ionic Rare Earths Ltd

Ionic Rare Earths Limited (ASX: IXR or IonicRE) is set to become a miner, refiner and recycler of sustainable and traceable magnet and heavy rare earths needed to develop net-zero carbon technologies.

The Makuutu Rare Earths Project in Uganda, 60% owned by IonicRE, is well-supported by existing tier-one infrastructure and is on track to become a long-life, low Capex, scalable and sustainable supplier of high-value magnet and heavy rare earths oxides (REO). In March 2023, IonicRE announced a positive stage 1 Definitive Feasibility Study (DFS) for the first of six (6) tenements to progress to a Mining Licence Application (MLA) which is pending in Uganda. The Makuutu Stage 1 DFS defined a 35-year life initial project producing a 71% rich magnet and heavy rare earth carbonate (MREC) product basket and the potential for significant potential and scale up through additional tenements.

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Ionic Technologies International Limited ("Ionic Technologies"), a 100% owned UK subsidiary acquired in 2022, has developed processes for the separation and recovery of rare earth elements (REE) from mining ore concentrates and recycled permanent magnets. Ionic Technologies is focusing on the commercialisation of the technology to achieve near complete extraction from end of life / spent magnets and waste (swarf) to high value, separated and traceable magnet rare earth products with grades exceeding 99.9% rare earth oxide (REO). In June 2023, Ionic Technologies announced initial production of high purity magnet REOs from its newly commissioned Demonstration Plant. This technology and operating Demonstration Plant provides first mover advantage in the industrial elemental extraction of REEs from recycling, enabling near term magnet REO production capability to support demand for early-stage alternative supply chains. In September 2023, Ionic Technologies announced with the support of the UK government, collaboration partnerships to build a domestic UK supply chain, from recycled REOs to metals, alloys and magnets and supplying UK based electric vehicles (EV) manufacturing, with potential to replicate across other key markets.

As part of an integrated strategy to create downstream supply chain value, IonicRE is also evaluating the development of its own magnet and heavy rare earth refinery, or hub, to separate the unique and high value magnet and heavy rare earths dominant Makuutu basket into the full spectrum of REOs plus scandium.

This integrated strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to EVs, offshore wind turbines, communication, and key defence initiatives.

IonicRE is a Participant of the UN Global Compact and adheres to its principles-based approach to responsible business.

Competent Persons Statement

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

The information in this report that relates to Mineral Resources for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2022 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

The information in this report that relates to Ore Reserves for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2023 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

The information in this report that relates to Production Targets or forecast financial information derived from production the production target for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2023 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that all material assumptions and technical parameters underpinning the Production Targets or forecast financial estimates in the announcement continue to apply and have not materially changed.

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Forward Looking Statements

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

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Appendix 5B

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

Name of entity

IONIC RARE EARTHS LIMITED

ABN	Quarter ended ("current quarter")
84 083 646 477	**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	-	-
1.2	Payments for		
	(a) exploration & evaluation	(2,720)	(2,720)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(690)	(690)
	(e) administration and corporate costs	(827)	(827)
1.3	Dividends received (see note 3)		
1.4	Interest received	41	41
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	371	371
1.8	Other – IonicTech Operating	(739)	(739)
1.9	**Net cash from / (used in) operating activities**	**(4,564)**	**(4,564)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(324)	(324)
	(d) exploration & evaluation capitalised	-	-
	(e) investments	(600)	(600)
	(f) other non-current assets	(49)	(49)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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**	**(973)**	**(973)**

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	215	215
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – reclassify loan to Associate	-	-
3.10	**Net cash from / (used in) financing activities**	**215**	**215**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	11,117	11,117
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,564)	(4,564)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(973)	(973)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	215	215
4.5	Effect of movement in exchange rates on cash held	(102)	(102)
4.6	**Cash and cash equivalents at end of period**	**5,693**	**5,693**

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	5,513	10,937
5.2	Call deposits	180	180
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)**	**5,693**	**11,117**

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.	129
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
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.		

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,564)
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)	(4,564)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,693
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,693
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**1.25**

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.

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: **No. Significant exploration expenditure at the Makuutu Rare Earths project was finalised by quarter end and no significant exploration expenditure currently planned.**

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: **Yes, the Company has received expressions of interest from several broking houses to raise additional equity funding. In addition, the Company has liquid investments in ASX listed company with a current value >$2.4 million.**

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: **Yes, for reasons stated in 8.8.2 above**

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: 31 October 2023

Authorised by: Brett Dickson – Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

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.