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27 OCTOBER 2022

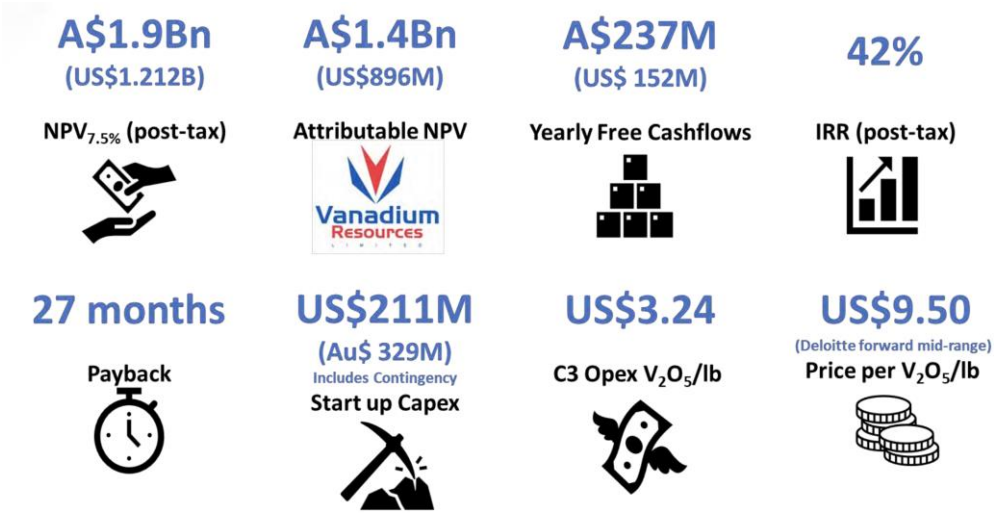
ACTIVITIES REPORT – SEPTEMBER QUARTER 2022

HIGHLIGHTS

- **Company subsidiary Vanadium Resources (Pty) Ltd ("VanRes") entered into an Option Agreement to acquire 135 hectares of Property for planned Salt Roast Plant**
- **HCF appointed as debt funding advisor to assist the Company with arranging debt finance for the development of the Steelpoortdrift Vanadium Project**

POST QUARTER HIGHLIGHTS

- Definitive Feasibility Study[1] ("**DFS**") and updated Mineral Resource and Ore Reserve estimates released for the Steelpoortdrift ("**SPD**") Project



*Values might slightly differ due to rounding. US$/AUD Exchange Rate 1/10/22.

Cautionary Statement LR 5.16.4 *There is a low level of geological confidence associated with the inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that production target itself will be realised.*

- Mineral Resources now amounts to 680Mt (2.7% increase) at 0.70% vanadium pentoxide ("**V_2O_5**") at a cut-off grade of 0.45% V_2O_5 – the Measured Mineral Resources increased by 58% to 145Mt at 0.72% V_2O_5

[1] Refer to ASX Announcement dated 4 October 2022 *" DFS Delivers A$1.9BN NPV Confirming World Class Steelpoortdrift Vanadium Project"*

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POST QUARTER HIGHLIGHTS - CONTINUED

- Ore Reserves total 76.86Mt at 0.72% V_2O_5 with 30.23Mt of Proven Ore Reserves at 0.70% V_2O_5 and 46.62Mt of Probable Ore Reserves at 0.72% V_2O_5
- Additional LOM of up to 67 years readily available in the designed open pits within a low environmental and social impact inclusion zone, and Life of Mineral Resource in open pit is +180 years at current throughput rates

VANADIUM RESOURCES LIMITED (ASX: VR8; DAX: TR3) ("VR8" or "THE COMPANY"), the developer of the SPD Project in Limpopo, South Africa, is pleased to provide the following activities reporting the significant achievements of critical path items completed during and subsequent to the quarter.

ACQUISITION OF PROPERTY TO LOCATE SALT ROAST FACILITY

As announced on the 19 August 2022[2], VanRes, entered into an option agreement to acquire a 135-hectare industrial site **("SRL Site")** located within a 15km radius of the Steelpoortdrift mine **(Steelpoortdrift Mine Site)** and within the world-renowned mining hub of Steelpoort in the Eastern Bushveld Igneous Complex (see Figure 1 below).

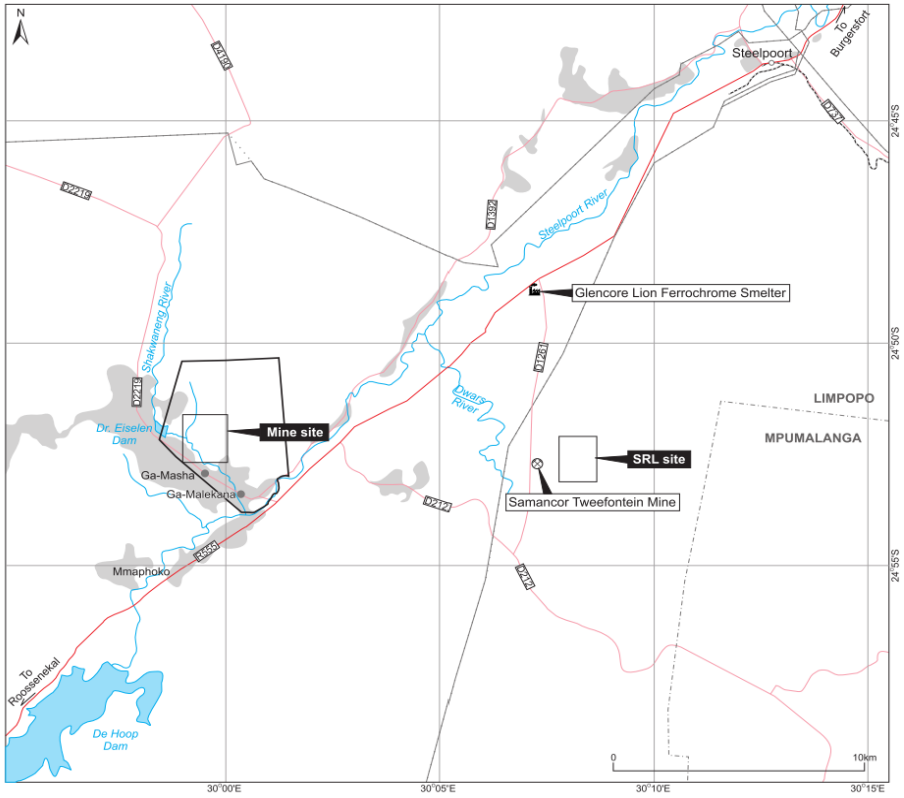

Figure 1: Location of Steelpoortdrift Mine Site and the SRL site in relation to local infrastructure.

[2] Refer to ASX Announcement dated 19 August 2022 "*Acquisition of Property to locate salt roast facility*"

The SRL Site is situated near existing chrome and platinum mining operations within the municipal boundaries of Tubatse-Steelpoort. By road, the SRL site is located approximately 22km from the Steelpoortdrift Mine Site. The SRL site is planned to serve as the location of the proposed Salt Roast Plant ("**SRL Plant**") which is ideally located within close proximity to planned mining operations and within easy reach of excellent infrastructure.

With this transaction, the Company will be able to leverage the optionality presented by having two sites of operation and, thereby, extract optimum operational, environmental, financing, and social efficiencies for its planned businesses: One focussed on mining and initial beneficiation and the other on extraction, refining and industrial production.

Option Agreement

VanRes entered into an option agreement with Kadoma Investments Pty Ltd ("**Kadoma**") in terms of which VanRes is to hold the option to purchase a portion of portion 15 of the Farm Tweetfontein, Limpopo, South Africa, for a total consideration of ZAR33.5M (approximately A$2.9M).

The Option Agreement is conditional upon:

a) VanRes procuring sufficient construction funding for the SPD Project;
b) All environmental, heritage and any other permissions required in terms of all applicable laws having been obtained by VanRes; and
c) Kadoma has procured the rezoning in accordance with the relevant zoning by-laws to rezone the SRL site to be used for the purposes of processing and refining of Vanadium, Titanium, and Iron bearing materials to produce high purity metal products.

The option granted in terms of the Option Agreement will remain in place until 30 September 2023.

Third-Party Solar and Water Treatment Facilities

Kadoma is planning to construct a water-treatment facility and solar plant adjacent to the SRL Site, which is intended to serve the SRL Site and existing mining operations in the area.

d) The water-treatment facility will consist of a water storage and purification system utilising water harvested from boreholes situated close by and water supplied via a pipeline located next to the Samancor-Tweefontein Mine (see Figure2) from the Lebalelo-Olifants-River Water Scheme. This facility is expected to provide the SRL Site with water resources at beneficial costs. In addition, Kadoma plans to recover grey and stormwater from the SRL Site and other local mines to process in a purification plant located next to the SRL Site.
e) The utility scale PV Plant will be located next to the SRL Site and will provide green energy to the surrounding mines and the SRL Site. The PV plant is expected to be constructed in a modular fashion

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with uniquely designed fixed-tilt ground mount structures and will be commissioned in modules of 2 Mega Watt peak ("**MWp**") each.

Together with the prospect of recovery of water and the provision of green energy, the SRL Site is expected to gain developmental sustainability credits and, consequently, expanded funding opportunities.



Figure 2: SRL site in relation to local infrastructure.

FINANCE ADVISOR APPOINTED

As announced on the 22 August 2022[3] HCF International Advisors Ltd ("**HCF**") was appointed as the Company's financial adviser to assist in the raising of project financing for the development of the SPD Project.

HCF is a leading independent corporate finance advisory boutique based in London, UK with a primary focus on the mining and metals sector and a strong history of securing funding for projects in Africa. HCF

[3] Refer to ASX Announcement dated 22 June 2022 "*Leading Global Finance Advisor Appointed Ahead of DFS Completion*"

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provides strategic and financial advice to companies across the complete life cycle of a project on securing funding to bring projects through to operations. Established in 2003, HCF has developed a reputation for successfully executing transactions in emerging markets across commodities, with a deep understanding of political risk mitigation. HCF is comprised of professionals who have extensive financing and technical experience as well as expertise in the funding of critical minerals projects.

POST QUARTER – DFS AND MINERAL RESOURCE UPDATE

As announced on the 4 October 2022[1], the Company completed and reported the results of a DFS for the SPD project. ***The key highlights reported in the DFS included***:

- Project NPV[4]:
  - 100% Ownership Post Tax $NPV_{7.5\%}$ US$1.212B (A$1.9B);
  - 73.95% Ownership Post Tax $NPV_{7.5\%}$ US$896M (A$1.4B);
- Financial Metrics[3]:
  - LOM EBITDA: US$5.2B;
  - Average Annual Free Cash Flow from Commencement: US$152M;
  - IRR (post-tax): 42%;
  - OPEX (C3): US$3.24/lb (current V2O5 Price Europe = US$7.20);
  - Pre-Production CAPEX: US$211M (includes contingency);
  - Expansion Capex: US$188M planned during years 3-5 of operation and funded through free cash flow;
  - Payback: 27 months;
- Financial model conducted on a 100% equity basis utilising a concentrator and the conventional SRL process;
- Cash Flows attributable only to V_2O_5 flake sales, excluding potential titanium dioxide concentrate production and other potential ore credits;
- Additional LOM of up to 67 years readily available in the designed open pits within a low environmental and social impact inclusion zone;
- Life of Mineral Resource in open pit is +180 years at current throughput rates;
- 96% of 25 year LOM classified as Proven and Probable Ore Reserves. Exclusion of Inferred Mineral Resources decrease the $NPV_{7.5\%}$ marginally to US$1.14Bn and the IRR to 41%;
- Pilot plant test work yielded an average global recovery (concentrator plus SRL plant recovery to final flake) of 82.4%, with maximum potential global recoveries of 84.6% achievable;
- Final flake product grades are projected to be +98.0% V_2O_5 with the potential to produce a >99.0% V_2O_5 product through the conventional SRL process;
- Sensitivity analysis was conducted and indicated a robust project at a range of downsides (break-even points) such as at flake prices up to US$4.60/lb V_2O_5 or at an increase in Opex >150%; and

[4] Values might differ due to rounding. US$/A$ exchange rate as at 1 October 2022.

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- Renewable energy solar power plant expected to reduce carbon emissions and carbon tax by 34%; and
- A number of initiatives have been identified during the DFS to further improve costs and processing efficiencies and also includes target drilling areas for further expanding the Mineral Resource.

In addition to the publication of DFS results, updated Mineral Resource and Ore Reserve statements were also released and are included in Appendices 1 and 2[5].

Key highlights of the updated Resources and Reserves included:

- The Mineral Resources now amount to 680Mt (2.7% increase) averaging 0.70% V_2O_5 at a cut-off grade of 0.45% V_2O_5 . The Measured Mineral Resources increased by 58% to 145Mt averaging 0.72% V_2O_5 ;
- The Ore Reserves total 76.86Mt at an average grade of 0.72% V_2O_5 with 30.23Mt of Proved Ore Reserves at an average grade of 0.70% V_2O_5 and 46.62Mt of Probable Ore Reserves at an average grade of 0.72% V_2O_5 ; and
- Geological Model identified potential target areas for future infill drilling down dip from current Resource to further expand deposit.

CORPORATE

During the quarter the Company lodged the Annual Report for the year ended 30 June 2022.

SUMMARY OF EXPENDITURE

During the Quarter, a total of $812,947 was spent on activities related to the exploration and development of the SPD Project, primarily spent on the DFS. The Company did not incur any expenditure for mining production activities during the Quarter.

Payments totaling approximately $35,045 were made to related parties of the Company with respect to the Quarter, being director and consulting fees (see section 6.1 and 6.2 of the Accompanying 5B).

This announcement has been authorised for release by the directors of Vanadium Resources Limited.

For and on behalf of the board:

Kyla Garic

Company Secretary
VANADIUM RESOURCES LIMITED
contact@vr8.global

[5] Refer to ASX Announcement dated 04 October 2022 "*VR8 Updates Mineral Resource and Ore Reserve*"

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APPENDIX 1 – MINERAL RESOURCE ESTIMATE – UPDATED

There were no material changes to the Company's Mineral Resource statement in the reporting period ending 30 September 2022. The Resource statement as reported on the 4 October 2022 was updated and is as follows:

Table 1: Mineral Resource Estimate (as at 30 April 2022)

CLASSIFICATION	VOLUME (m^3)	QUANTITY (Mt)	QUALITY (% V_2O_5 In-situ)	CONTAINED V_2O_5 (Mt)	QUALITY (% Fe_2O In-Situ)	CONTAINED Fe_2O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	**205.93**	**680.13**	**0.70**	**4.74**	**22.76**	**154.80**

Source: Sound Mining, 2022
Notes:

- Stated at a cut-off grade of 0.45% V_2O_5;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 73.95%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

The previous mineral resource statement is presented in Table 2, as at 31 July 2020.

Table 1: Mineral Resources as at 31 July 2020

CLASSIFICATION	VOLUME (m^3)	QUANTITY (Mt)	QUALITY (% V_2O_5 In-situ)	CONTAINED V_2O_5 (Mt)	QUALITY (% Fe_2O In-Situ)	CONTAINED Fe_2O (Mt)
Measured	27.52	92.29	0.77	0.71	24.03	22.18
Indicated	84.49	284.44	0.78	2.22	24.55	69.83
Inferred	84.52	285.32	0.77	2.20	24.87	70.96
Total Mineral Resource	**196.52**	**662.05**	**0.77**	**5.10**	**24.62**	**163.00**

Source: Mining Plus, 2020
Note: at a cut-off grade of 0.45% V_2O_5

The differences between the successive Mineral Resource estimates is presented in table 3. As noted in the market annoucmenet dated 4 October 2022, the differences in the 2022 Mineral Resource may be attributed to the following:

- smaller area with lower extrapolation distances used. The previous Mineral Resource extended beyond the Mining Right boundary whilst the current Mineral Resource has allowed a 50m boundary to the Mining Right Boundary;
- geological model based upon assay results not mineralised zones, which has resulted in a lower average grade and increase tonnage. Metallurgical testwork results indicate that vanadium can be recovered from gabbros because they are magnetic; and
- inclusion of additional drilling into the geological model allowing for an increase in the tonnage reporting to Measured Resources.

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Table 2: Differences between successive Mineral Resources estimates

	30 JULY 2020			30 APRIL 2022			DIFFERENCE		
RESOURCE CATEGORY	TONNAGE (Mt)	IN SITU GRADE (V_2O_5 %)	CONT'D V_2O_5 (Mt)	TONNAGE (Mt)	IN SITU GRADE (V_2O_5 %)	CONT'D V_2O_5 (Mt)	TONNAGE (Mt)	IN SITU GRADE (V_2O_5 %)	CONT'D V_2O_5 (Mt)
Measured	92.29	0.77	0.71	145.45	0.72	1.05	**37%**	**-7%**	**32%**
Indicated	284.43	0.78	2.22	327.29	0.70	2.29	**13%**	**-11%**	**3%**
Inferred	285.32	0.77	2.20	207.37	0.68	1.40	**-38%**	**-14%**	**-57%**
TOTAL / AVE	**662.04**	**0.77**	**5.13**	**680.11**	**0.70**	**4.74**	**3%**	**-11%**	**-8%**

The change in Total Mining Resource is not considered as being material by the CP.

APPENDIX 2 – ORE RESERVE – UPDATED

The updated Ore Reserve statement as at 30 September 2022 (Table 3) is underpinned by the DFS work which was prepared to an accuracy of -10% to +20%, based on Class 3 level estimates, as specified by the Association for the Advancement of Cost Engineering ("**AACE**"). The reader is referred to ASX Announcement of 4 October 2022: "*DFS delivers A$1.9bn NPV confirming world class Steelpoortdrift vanadium project*" It contains a Life of Mine (LoM) plan with suitable cost estimates for the complete mining and processing operation designed to produce the required Flake product.

Table 3: Ore Reserves as at 30 September 2022

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V_2O_5 RoM)	CONTAINED V_2O_5 (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	**76.86**	**0.72%**	**0.55**

Source: Sound Mining, 2022
Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 is owns 73.95%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed.
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V_2O_5;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

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The previous mineral resource statement is presented in Table 4, as at 30 June 2021.

Table 4: VR8 Ore Reserves as at 30 June 2021

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V_2O_5 RoM)	CONTAINED V_2O_5 (Mt)
Proved Ore Reserves	31.17	0.76%	0.24
Probable Ore Reserves	42.68	0.75%	0.32
Total Ore Reserves	**73.85**	**0.75%**	**0.56**

Source: Sound Mining, 2021

The differences between the previous and current Ore Reserve estimates are presented in Table 5. The differences cannot be reconciled as material changes have taken place to the LOM and associated production schedule when compared to the previous Ore Reserve estimate.

Table 5: Differences between successive Ore Reserve estimates

	30 JUNE 2021			31 AUGUST 2022			DIFFERENCE		
RESOURCE CATEGORY	TONNAGE (Mt)	IN SITU V_2O_5 (%)	CONT'D V_2O_5 (t)	TONNAGE (Mt)	IN SITU V_2O_5 (%)	CONT'D V_2O_5 (kt)	TONNAGE (Mt)	IN SITU V_2O_5 (%)	CONT'D V_2O_5 (Mt)
Proved	31.17	0.76	240.00	30.23	0.70	213.09	**-3%**	**-8%**	**-13%**
Probable	42.68	0.75	320.00	46.62	0.72	337.32	**8%**	**-4%**	**5%**
TOTAL / AVE	**73.85**	**0.77**	**560.00**	**76.86**	**0.70**	**550.41**	**4%**	**-11%**	**-2%**

Source: SMI (2022)(PR/SMS/1131/21)

No material change in contained V_2O_5 occurred with the updated Ore Reserves containing a total of 0.55Mt compared to previously reported value of 0.56Mt.

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APPENDIX 3
TENEMENT TABLE: ASX LISTING RULE 5.3.3

Mining tenement interests held at the end of the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	AREA IN km^2	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Pilbara Region, Western Australia						
Quartz Bore	E47/3352	VMS Resources Pty Ltd	15	Granted	21/12/2026	100%
Limpopo Region, South Africa						
Steelpoortdrift KT365	10095MR	Vanadium Resources (Pty) Ltd	24.6	Granted	04/09/2048	73.95%

Mining tenement interests relinquished or acquired during the quarter and their location

Nil

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Nil

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Competent Persons Statement and Compliance Statements

The information in the referenced announcements 1, 2, 3 and 5 footnoted below that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 04 October 2022 *(VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project)* Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 04 October 2022 *(VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project).* The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

ASX announcements referenced to directly, or in commentary of, this quarterly activities release

[1] ASX: VR8 4 October 2022 DFS Delivers A$1.9BN NPV Confirming World Class Steelpoortdrift Vanadium Project
[2] ASX: VR8 19 August 2022 Acquisition of Property to locate salt roast facility
[3] ASX: VR8 22 June 2022 Leading Global Finance Advisor Appointed ahead of DFS Completion
[5] ASX: VR8 4 October 2022 VR8 Updates Mineral Resource and Ore Reserve

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

VR8 does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of VR8, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by VR8. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

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Appendix 5B

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

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Name of entity	
Vanadium Resources Limited	
ABN	**Quarter ended ("current quarter")**
47 618 307 887	30 September 2022

	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	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(20)	(20)
	(e) administration and corporate costs	(122)	(122)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	9	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(133)**	**(133)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(814)	(814)
	(e) investments	-	-
	(f) other non-current assets	-	-

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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**	**(814)**	**(814)**

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	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	1	1
3.10	**Net cash from / (used in) financing activities**	**1**	**1**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,916	2,916
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(133)	(133)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(814)	(814)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1	1

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,970**	**1,970**

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	**1,970**	2,916
5.2	Call deposits	-	-
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)**	**1,970**	2,916

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	(20)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	(15)

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.

6.1 Director and consulting fees to Directors of A$19,800

6.2 Director and consulting fees to Directors of A$15,245

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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)	(133)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(814)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(947)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,970
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,970
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	(2.1)

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. Increased costs were incurred during this quarter specifically in expense of the planned DFS phase, which was completed at the end of September 2022.

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 manages cash flow through regular budgeting and forecasting. In addition, the Company has demonstrated its ability to secure funds when required and is confident that it will be able to continue to do so.

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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. There is sufficient cash available to continue meeting business objectives in the short-term.

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: 27 October 2022

Authorised by: Board of Directors .....
(Name of body or officer authorising release – see note 4)

Notes

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

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

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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