elevate uranium
carbon free energy

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# Quarterly Activities Report – March 2023

| |
|---|
| • **2023 Koppies Drill Program Underway** |
| **Two drill rigs continue drilling at Koppies** |
| **One drill rig is being used on in-fill drilling to further confirm the uranium mineralisation envelope** |
| **The second drill rig is undertaking resource drilling of the mineralised envelope** |
| • **Namibian Regional Exploration Program** |
| **Mapping and ground proofing has been carried out at the Capri tenement** |
| **A third drill rig is being sourced to commence regional scout exploration during the June Quarter** |

## *2023 Koppies Drill Program Underway*

During the Quarter the Company continued drilling at Koppies. The number of metres drilled was below plan, as a result of mechanical issues with the drill rigs early in the Quarter. Nevertheless, substantial progress was achieved with 340 holes drilled.

The drilling results received during the Quarter highlighted the following.

- Drilling north of Koppies 2 confirms a continuous connection between Koppies 2 and 3 across a broad area.
- Large areas of continuous mineralisation confirmed south of Koppies 2, through to the southern boundary of the Koppies tenement, connecting with Koppies 4.
- Mineralisation intersected in holes to the southeast and east of Koppies 2, indicating potential for extensions.
- Some previously drilled holes within the resource shells at Koppies 1 and 2 were twinned and drilled deeper than the original resource holes. The twinned holes intersected mineralisation beneath the base of the original holes, indicating potential for additional mineralisation from a deeper drill program (holes up to about 25 metres deep).

- Mineralisation intersected in holes between Koppies 1 and 2 indicates the potential for Koppies 1 and 2 to connect.

Notable intersections from this drilling campaign include:

- KOR1250 5.5 m at 1,121 ppm $eU_3O_8$ from 9.5 m
- KOR1159 2 m at 390 ppm $eU_3O_8$ from 13 m
- KOR1439 4 m at 336 ppm $eU_3O_8$ from 5.5 m
- KOR1177 3 m at 331 ppm $eU_3O_8$ from 21 m
- KOR1289 6 m at 265 ppm $eU_3O_8$ from 12 m
- KOR1440 8.5 m at 252 ppm $eU_3O_8$ from surface
- KOR1253 17.5 m at 240 ppm $eU_3O_8$ from 4.5 m
- KOR1584 4.5 m at 223 ppm $eU_3O_8$ from 6 m
- KOR1251 21 m at 212 ppm $eU_3O_8$ from 1 m
- KOR1228 8 m at 200 ppm $eU_3O_8$ from 14 m

Refer to ASX announcement titled "Koppies Uranium Project – Drilling Update" dated 27 April 2023, for further details of the intersections listed above.

One of the drill rigs is primarily tasked with an in-fill drilling program to confirm the previously defined uranium mineralisation envelope. This program reduces the line spacing from 400 metres down to 200 metres, providing double the drill density to confirm the defined mineralised envelope. The second drill rig is following the first drill rig, tightening the drill spacing to 100 metres by 100 metres, a spacing suitable for resource estimation.

These drilling activities are designed to add to the current inferred JORC resource of 20.3 million pounds $eU_3O_8$ at Koppies 1 and 2.

Figure 1 identifies 866 drill holes for a total of 20,924 metres drilled, from the drilling programs completed to date, which are outside of the Koppies 1 and Koppies 2 JORC mineral resource areas.

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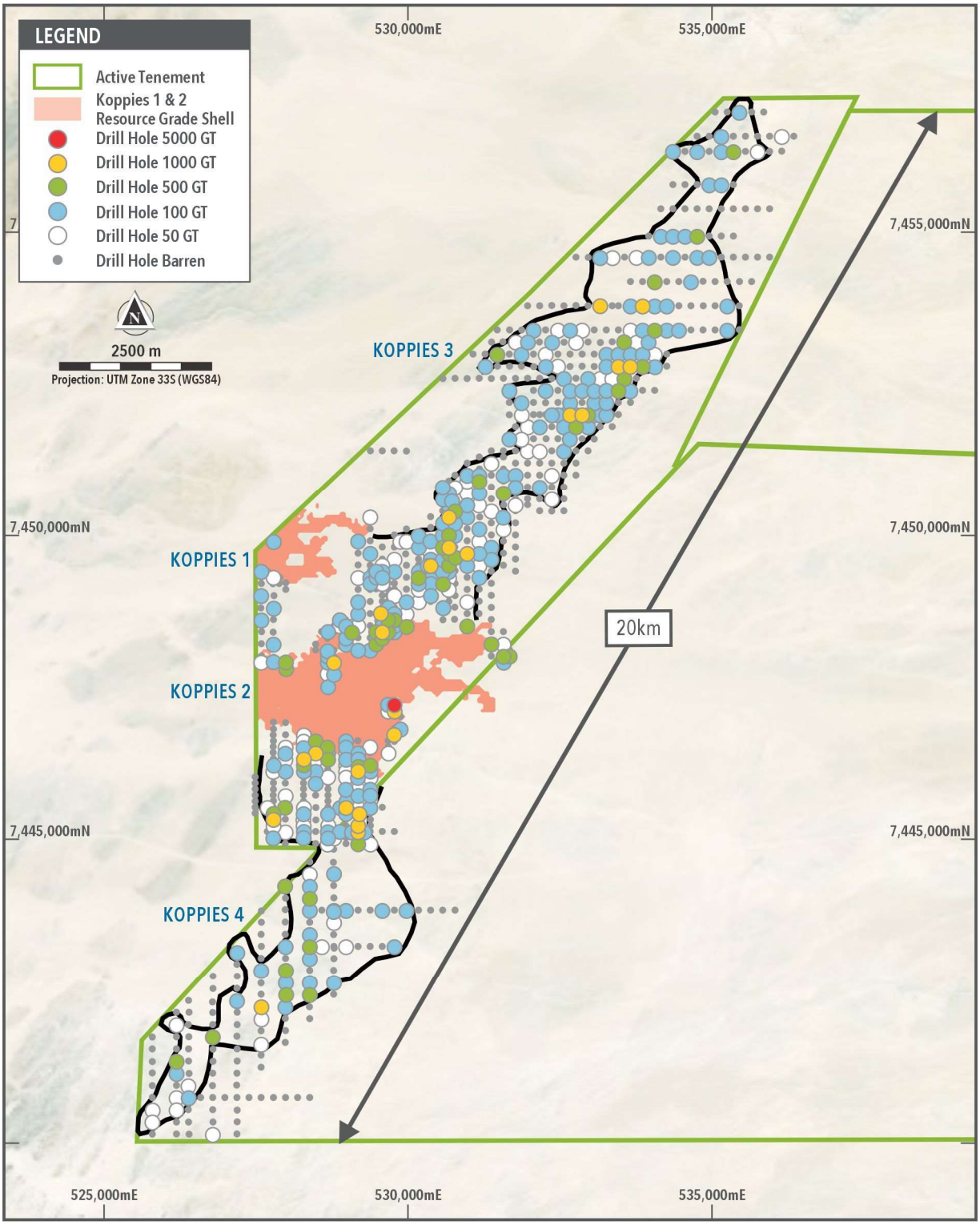
**Figure 1 Koppies Drill Hole Locations and Grade Thickness Map**




Grade thickness ("GT") values represent ppm $eU_3O_8$ grade multiplied by interval thickness (in metres).

The drill rig working at Koppies 4 is shown in Figure 2 (note that Koppies 4 is located on the adjoining tenement EPL 7279 (known as "Ganab West")). The proximity of Koppies to the Company's other tenements in the Namib area is shown in Figure 3, with the proximity of Koppies to the Company's other Namibian tenements in Figure 4.

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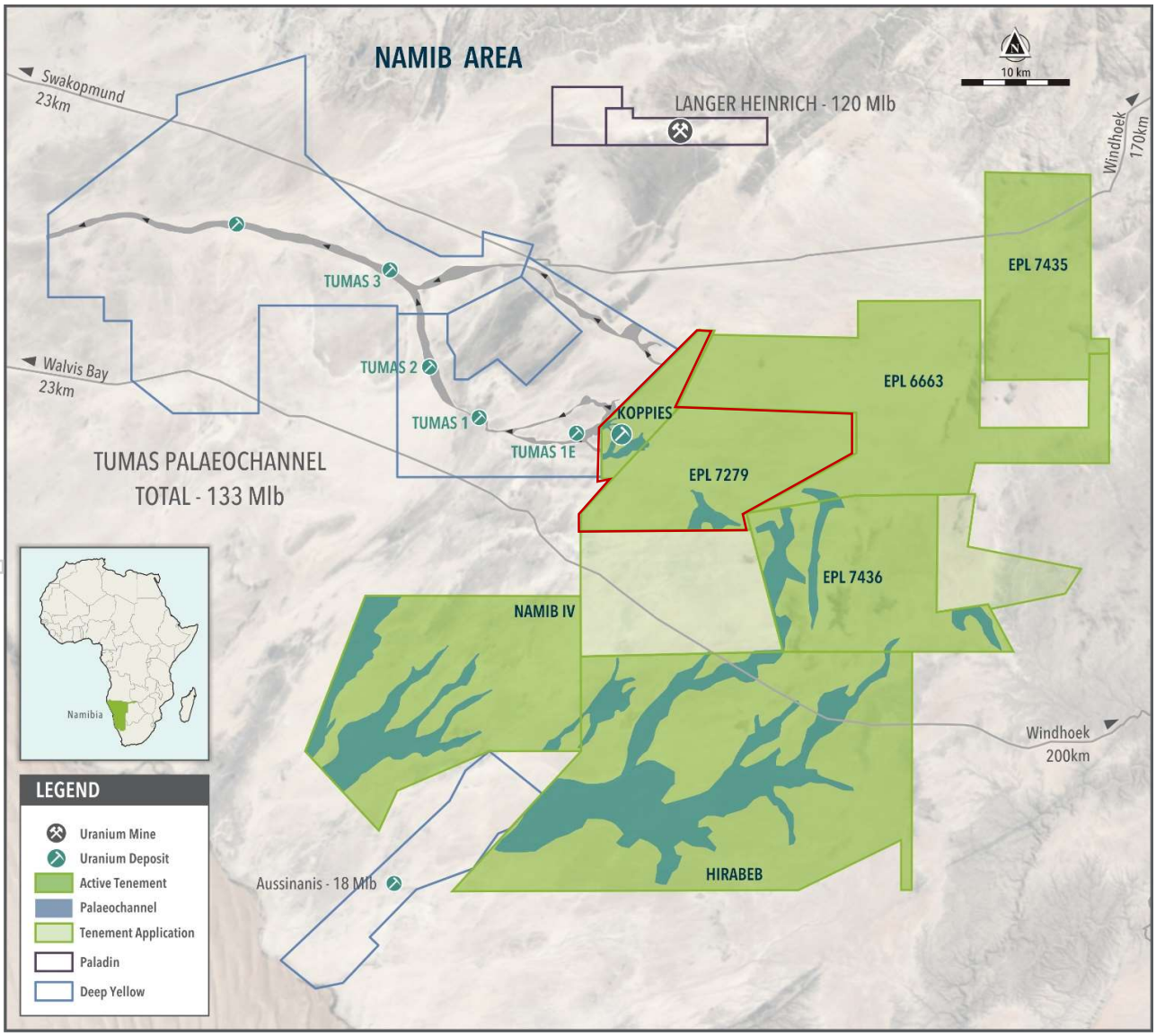
**Figure 2 Drilling at Koppies 4**

**Figure 3 Location of the Koppies Project**



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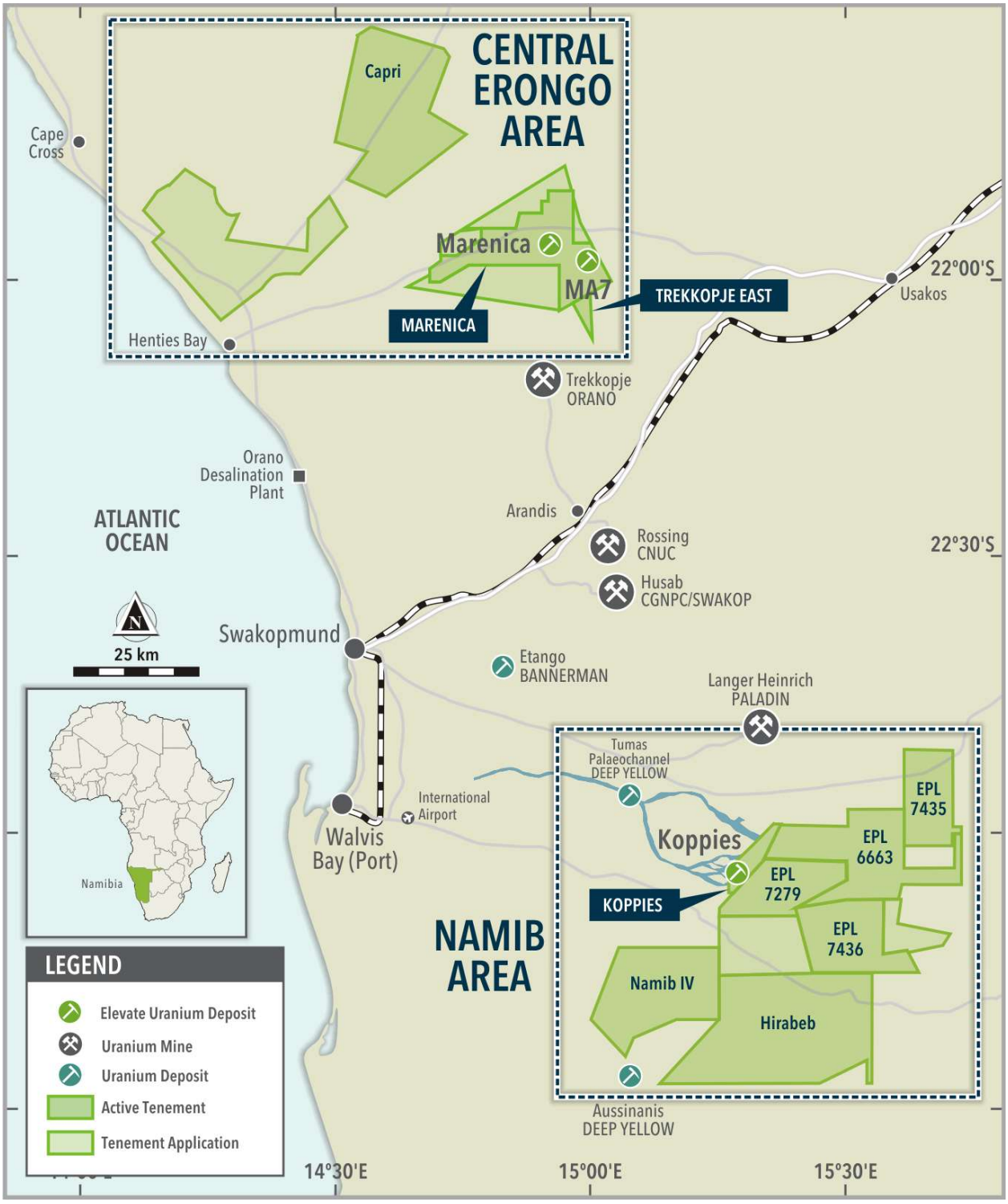
## *Regional Exploration Namibia*

Regional exploration during the Quarter included mapping prospective areas of the Capri tenement and ground proofing ahead of exploration drilling programs planned for later in the year.

A third drill rig is being sourced and will be used on regional exploration targets on the Company's large tenement position. The third drill rig is expected to commence operation during the June Quarter.

**Figure 4 Location of Koppies and Ganab West with respect to Elevate Uranium's Namibian tenements**



## *Expenditure*

During the Quarter, the Group incurred exploration expenditure of $627,613.

## *Payments to Related Parties*

During the Quarter, the Company paid directors' fees plus superannuation to the non-executive directors and salary plus superannuation to the managing director, which totalled $121,391.

## *Authorisation*

This report was authorised for release by the Board of Elevate Uranium Ltd.

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**JORC (2012) Inferred Mineral Resource Estimate at 100 ppm Cut-off Grade**

| | Mt | $eU_3O_8$ (ppm) | Mlb |
|---|---|---|---|
| Koppies I | 8.7 | 240 | 4.6 |
| Koppies II | 32.8 | 215 | 15.7 |
| **Total** | **41.4** | **220** | **20.3** |

**Koppies Uranium Resource:**

The Company confirms that the Mineral Resource Estimates for the Koppies 1 and Koppies 2 deposits have not changed since the annual review as disclosed in the 2022 Annual Report. The Company is not aware of any new information, or data, that effects the information in the 2022 Annual Report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

***Competent Persons Statement – General Exploration Sign-Off***

*The information in this announcement as it relates to exploration results, interpretations and conclusions was provided by Ms Asha Rao, who is a Member of both the AusIMM and the Australasian Institute of Geoscientists (AIG). Ms Rao has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person, as defined in the JORC 2012 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Ms Rao consents to the inclusion of this information in the form and context in which it appears.*

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**Annexure A – Tenement Schedule**

## Namibia

| Number | Name | Company | Interest |
|---|---|---|---|
| **Active Licences, subject ongoing periodic renewal** | | | |
| MDRL 3287 | Marenica | Marenica Minerals (Pty) Ltd | 75% |
| EPL 6663 | Arechadamab | Aloe Investments Two Hundred and Forty Seven (Pty) Ltd | 90% |
| EPL 6987 | Koppies | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7278 | Hirabeb | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7279 | Ganab West | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7368 | Trekkopje East | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7435 | Skilderkop | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7436 | Amichab | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7508 | Capri | Marenica Ventures (Pty) Ltd | 100% |
| EPL 7662 | Namib IV | Marenica Ventures (Pty) Ltd | 100% |
| **Licence Applications** | | | |
| EPL 8098 | Autseib | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8728 | Hoasib | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8791 | Marenica North | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8792 | Marenica West | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8795 | Marenica East | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8822 | Ganab South | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8823 | Marenica Central | Marenica Ventures (Pty) Ltd | 100% |
| EPL 8978 | Autseib North | Marenica Ventures (Pty) Ltd | 100% |
| EPL 9045 | Ganab South | Marenica Ventures (Pty) Ltd | 100% |

## Australia

| Number | Name | Status | Company | Interest | State |
|---|---|---|---|---|---|
| **100% Interests, subject ongoing periodic renewal** | | | | | |
| R 38/1 | Thatcher Soak | Granted | Thatcher Soak Pty Ltd | 100% | WA |
| E 04/2297 | Oobagooma | Granted | Jackson Cage Pty Ltd | 100% | WA |
| EL 25758 | Angela | Granted | Jackson Cage Pty Ltd | 100% | NT |
| EL 32400 | Minerva | Granted | Jackson Cage Pty Ltd | 100% | NT |
| EL 25759 | Pamela | Application | Jackson Cage Pty Ltd | 100% | NT |
| **Joint Venture, subject ongoing periodic renewal** | | | | | |
| ELR 41 | Malawiri | Granted | Northern Territory Uranium Pty Ltd | 23.97% | NT |
| ELR 45 | Walbiri | Granted | Northern Territory Uranium Pty Ltd | 22.88% | NT |
| ELR32552 | Bigrlyi | Granted | Northern Territory Uranium Pty Ltd | 20.82% | NT |
| EL 30144 | Dingos Rest South | Granted | Northern Territory Uranium Pty Ltd | 20.82% | NT |
| ELR 31319 | Sundberg | Granted | Northern Territory Uranium Pty Ltd | 20.82% | NT |
| MLN 1952 | Karins | Application | Northern Territory Uranium Pty Ltd | 20.82% | NT |
| EL 1466 | Mount Gilruth | Application | Jackson Cage Pty Ltd | 33.33% | NT |
| EL 3114 | Beatrice South | Application | Jackson Cage Pty Ltd | 33.33% | NT |

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## About Elevate Uranium

Elevate Uranium Ltd (ASX:EL8) (OTCQX:ELVUF) (NSX:EL8) is an Australian Securities Exchange listed company focused on uranium exploration, development and application of its ***U-pgrade™*** beneficiation process.

Elevate Uranium has a portfolio of tenements and projects in Namibia and Australia. which have yielded discoveries and are considered to be suitable for value add through application of the Company's proprietary ***U-pgrade™*** process.

Elevate Uranium has a large tenement position in the globally recognised Erongo uranium province of Namibia, a country with an established and longstanding uranium mining industry. In Namibia, Elevate Uranium has two uranium exploration project areas, being the Namib Uranium Project Area and the Central Erongo Project Area ("CEPA"). At the Marenica Uranium Project (within the CEPA) the Company has a large, inferred uranium resource of 61 million pounds and at the Koppies Uranium Project (within the Namib Uranium Project Area), the Company has an inferred uranium resource of 20.3 million pounds. These project areas are located in the North and South-East of the greater Erongo region, which provides diversity and opportunity to explore a large tenement position.

In Australia, Elevate Uranium has tenements and joint venture interests containing substantial uranium resources. The Angela, Thatcher Soak, Minerva and Oobagooma project areas; and joint venture holdings in the Bigrlyi, Malawiri, Walbiri and Areva joint ventures, in total contain 48 Mlbs of high-grade uranium mineral resources.

## *U-pgrade™ Beneficiation Process*

Elevate Uranium's portfolio of uranium projects in Namibia and Australia, contain uranium mineralisation suitable for processing via its proprietary ***U-pgrade™*** beneficiation process.

A study on the Marenica Uranium Project, indicated that ***U-pgrade™*** can materially lower development and operating costs on calcrete hosted uranium projects.

## *About U-pgrade™*

***U-pgrade™*** is potentially an industry leading and economically transformational beneficiation process for upgrading surficial uranium ores.

This breakthrough process was developed on ore from Elevate Uranium's Marenica Uranium Project in Namibia and subsequently, testwork has been undertaken on ore samples from a number of other uranium resources.

In summary, Elevate Uranium has demonstrated, in bench scale testwork, that the ***U-pgrade™*** beneficiation process;

- Concentrates the uranium by a factor of 50
- Increases Marenica Project ore grade from 93 ppm to ~5,000 ppm $U_3O_8$
- Rejects ~98% of the mass prior to leaching
- Produces a high-grade concentrate in a low mass of ~2% (leach feed)
- Rejects acid consumers
- Potentially reduces operating costs by ~50% and capital costs by ~50% as compared to conventional processing.

Beyond application at the Marenica Uranium Project, Elevate Uranium has determined, through bench scale testing, that calcrete hosted uranium deposits in Namibia and Australia are amongst those that are amenable to the ***U-pgrade™*** process.

# Appendix 5B

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

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Name of entity

Elevate Uranium Ltd

| ABN | Quarter ended ("current quarter") |
|---|---|
| 71 001 666 600 | 31 March 2023 |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (9 months) $A'000 |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (828) | (3,355) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (189) | (514) |
| | (e) administration and corporate costs | (197) | (705) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 89 | 133 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | 41 | 41 |
| 1.8 | Other (R&D Tax Refund) | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **(1,084)** | **(4,400)** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | (70) | (89) |
| | (d) exploration & evaluation | - | - |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

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| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (9 months) $A'000** |
|---|---|---|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| **2.6** | **Net cash from / (used in) investing activities** | **(70)** | **(89)** |

| **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 | - | - |
| 3.9a | Proceeds from issues of equity securities to be allotted | - | - |
| 3.9b | Repayment of lease liabilities | - | - |
| **3.10** | **Net cash from / (used in) financing activities** | **-** | **-** |

| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
|---|---|---|---|
| 4.1 | Cash and cash equivalents at beginning of period | 12,473 | 15,811 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,084) | (4,400) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (70) | (89) |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (9 months) $A'000 |
|---|---|---|---|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |
| 4.5 | Effect of movement in exchange rates on cash held | 2 | (1) |
| **4.6** | **Cash and cash equivalents at end of period** | **11,321** | **11,321** |

| 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 | 11,321 | 12,473 |
| 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)** | **11,321** | **12,473** |

| 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 | 121 |
| 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 description of, and an explanation for, such payments.*

Payment of fees and salary plus superannuation to directors

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| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*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) | (1,084) |
| 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) | (1,084) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 11,321 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 11,321 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | 10.4 |

*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: N/A

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: N/A

| | |
|---|---|
| 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: N/A | |

*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: 28 April 2023

Authorised by: By the Board ...
(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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