ASX ANNOUNCEMENT 31 JANUARY 2024

QUARTERLY ACTIVITIES REPORT

Period ending 31 December 2023

HIGHLIGHTS

Merger with Technology Metals Australia Limited

- Scheme of arrangement approved under which Australian Vanadium Limited (ASX: AVL, the Company or AVL) will acquire 100% of the shares on issue of Technology Metals Australia Limited (ASX: TMT).
- Combination of AVL and TMT creates a leading Australian vanadium developer through the consolidation of two adjoining projects across one orebody, realising synergies through a single integrated project.
- Scheme of arrangement is expected to be implemented on 1 February 2024.

Australian Vanadium Project

- The Company continues to progress activities to develop the Australian Vanadium Project including:
  - Miscellaneous licence granted for haulage road and water pipeline.
  - Extension of MOU with Neometals for collaboration on purchase of a vanadium and iron concentrate and co-location of shared infrastructure.
  - Permitting activities at processing plant location progressed.

Vanadium in energy storage

- Construction of AVL's first vanadium electrolyte manufacturing facility has been completed in Western Australia without injury.
- The facility is capable of producing annual quantities of high purity electrolyte equivalent to 33MWh of battery energy storage capacity.
- AVL vanadium electrolyte production will deliver local Australian manufactured product into a growing demand market and allows for qualification of AVL material with battery manufacturers.
- Facility opened by the Hon. Madeleine King MP in January 2024.
- Vanadium flow battery (VFB) purchased by Horizon Power arrived in Australia, with factory acceptance testing to be undertaken by AVL's wholly owned subsidiary, VSUN Energy Pty Ltd (VSUN Energy), in conjunction with Horizon Power.
- VSUN Energy has progressed its first prototype VFB targeting residential applications.

Corporate

- No lost time injuries or reportable environmental incidents were recorded during the quarter.
- Cash position of $24.6 million as at 31 December 2023, including restricted cash of $0.4 million.

For personal use only

Australian Vanadium Limited
Level 2, 50 Kings Park Road
West Perth, WA 6005

Phone: +61 8 9321 5594
Fax: +61 8 6268 2699
Email: info@australianvanadium.com.au

ASX: AVL
FRA: JT7.F
OTCQB: ATVVF
ABN: 90 116 221 740

For personal use only

Management Comment

CEO, Graham Arvidson comments, *"During the quarter, AVL continued its momentum across a range of activities, including the merger with Technology Metals Australia, advancement of the Australian Vanadium Project, construction of our vanadium electrolyte facility and our VSUN Energy vanadium flow battery initiatives.*

The consolidation of the Australian Vanadium Project's contiguous orebody provides a unique opportunity for a project of increased global significance and unencumbered development potential. We anticipate completion of the merger on 1 February 2024 and look forward to welcoming our new shareholders.

The completion of the construction of AVL's first vanadium electrolyte manufacturing facility was a major milestone for the Company and we were pleased to successfully and safely execute another segment of our 'pit to battery' strategy. The facility's construction demonstrates AVL's technical and project management abilities which will underpin the development of the larger Australian Vanadium Project. We were grateful to the Hon. Madeleine King MP for opening the facility with us and to all the other attendees at the event for their support."

Activities for the quarter ended 31 December 2023 for the Company are as follows:

MERGER WITH TECHNOLOGY METALS AUSTRALIA

On 25 September 2023, AVL and TMT announced a proposed merger under which AVL will acquire 100% of the shares in TMT via a scheme of arrangement (Scheme).[1] Following the end of the quarter, the Scheme was approved by TMT shareholders on 16 January 2024,[2] was approved by the Supreme Court of Western Australia on 19 January 2024[3] and became effective on 22 January 2024.[4] The Scheme is due to be implemented on 1 February 2024.[3]

The merger will provide the Company with several key benefits including:

- the logical combination of two adjacent projects across one orebody, providing a unique opportunity to realise operational and corporate synergies through a single integrated project, with the potential to unlock significant optimisation benefits;
- creating a leading Australian vanadium developer with a world-class asset of scale, located in Western Australia, a Tier-1 mining jurisdiction;
- the combined group will have a strengthened financial position and is expected to see significant improvement in its ability to raise equity finance, secure project financing and provide access to

[1] See ASX announcement dated 25 September 2023 *'AVL and TMT agree A$217 million Merger'* and *'AVL increased scheme consideration to Best and Final Proposal' dated 12 December 2023*
[2] See ASX announcement dated 16 January 2024 *'Technology Metals Australia Ltd – Results of Scheme Meeting'*
[3] See ASX announcement dated 19 January 2024 *'Court Approves Scheme of Arrangement'*
[4] See ASX announcement dated 22 January 2024 *'Scheme of Arrangement becomes Effective'*

government, export credit agencies and private sector financing to support project development ambitions;

- increased offtake partner and strategic investor appeal, improved capital market profile, greater scale, improved liquidity and a stronger balance sheet to position the combined group well for the next phase of development activities; and
- opportunity to leverage compelling market fundamentals and improved investor sentiment.

During the quarter, the working group established post the initial merger announcement on 25 September 2023[1] continued to assess the optimal development and processing pathway for the combined asset, with the intention to deliver greater shareholder return.

THE AUSTRALIAN VANADIUM PROJECT

During the quarter the Company continued to progress activities aimed at developing the Australian Vanadium Project (Project) which is located approximately 43km south of Meekatharra in Western Australia.

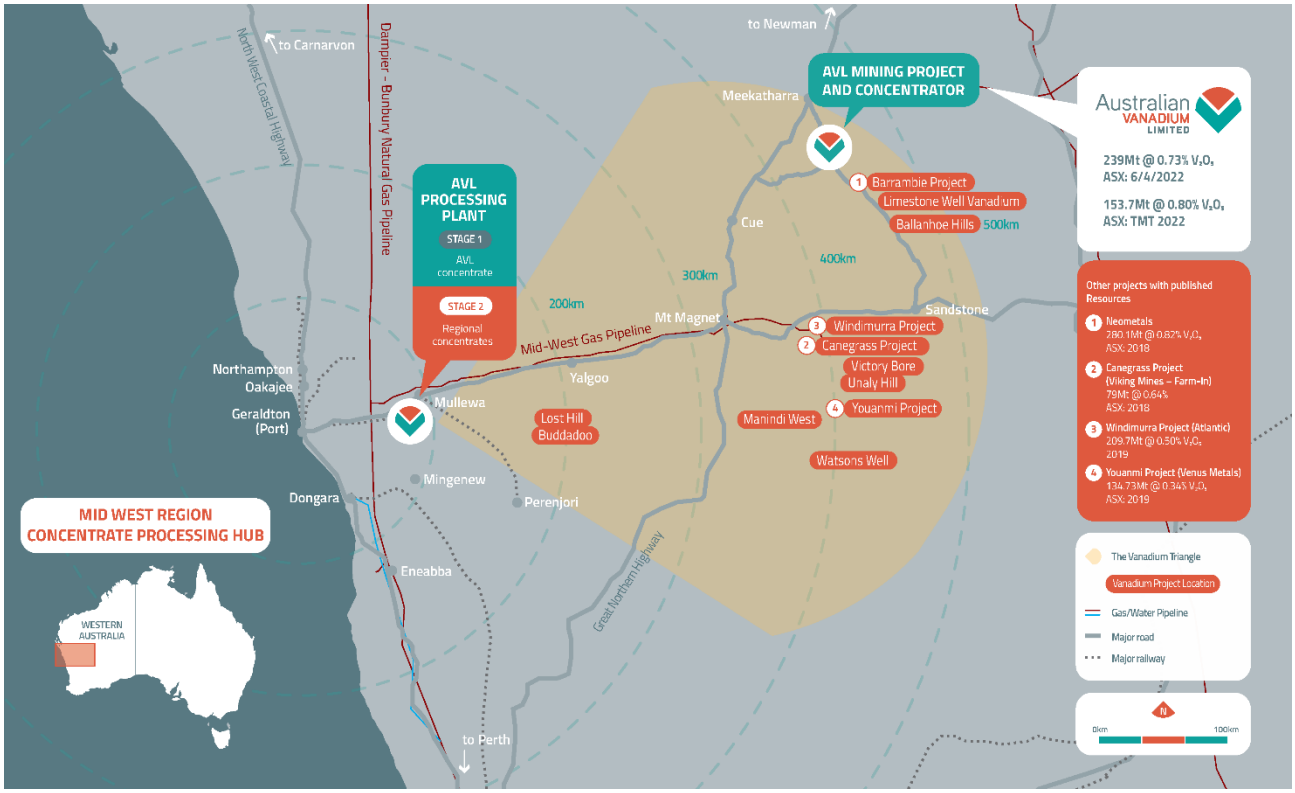

Figure 1 - Australian Vanadium Project location and strategic processing hub concept

AVL's application for Miscellaneous Licence ML51/116 was granted by the Government of Western Australia's Department of Energy, Mines, Industry Regulation and Safety on 22 December 2023. The licence has been granted for the purpose of building a road from the Great Northern Highway to the Project, along with a water pipeline for water supply from the neighbouring Westgold Resources Limited (ASX: WGX) Reedy's pit.

For personal use only

For personal use only

AVL finalised the competitive Early Contractor Involvement (ECI) phase scope with Primero Group Ltd and GR Engineering Services Ltd for the engineering, procurement and construction (EPC) of the Gabanintha crushing, milling and beneficiation (CMB) plant and associated infrastructure.

During the quarter, AVL pursued ongoing optimisation testwork on its grate kiln design, focusing on simplification and improved heat rate, while maintaining or improving leach extraction and improving energy efficiency, thereby reducing gas consumption.

A sample of AVL's vanadium concentrate arrived at Metso's York laboratory in Q4 2023 and is undergoing further testing which is focused on further improving processing plant performance.

Permitting activities for the Company's proposed processing plant site at Tenindewa, near Geraldton were progressed, including:

- A scheme amendment provided to the City of Greater Geraldton in December is currently under review, with expected advertisement in February 2024.
- Development approval submitted to the State Development Assessment Unit (SDAU) in December is being progressed for advertising.

During the quarter, management visited several potential customers and steel mills in China to further advance offtake opportunities for AVL's FeTi coproduct. The visit was effective in advancing offtake discussions with target customers toward binding offtake.

In January 2023,[5] AVL signed a term sheet with Neometals Limited (ASX: NMT and AIM: NMT) to investigate opportunities for:

- AVL to purchase and further process the co-product vanadium and iron concentrate generated from Neometals' Barrambie Project; and
- AVL and Neometals to co-locate and/or share infrastructure near AVL's processing plant site.

On 19 October 2023, AVL and NMT agreed to extend the term for the investigation to 23 October 2024.

AVL continues to be active in the communities of Meekatharra, Mullewa and Geraldton. During the quarter AVL sponsored, attended and supported the Pollinators NextGen Entrepreneurs Competition in Geraldton. AVL is proud to support NextGen as they help communities build knowledge and understanding of science, technology, engineering and mathematics (STEM). The Company also sponsored the Midwest Charity Begins at Home gala. Over the past 15 years the charity has raised over $2.6 million to support families facing medical challenges. They offer support to people from across the Mid West region, including Meekatharra.

[5] See ASX announcement dated 25 January 2023 *'Critical Minerals Collaboration Signed with Neometals'*

For personal use only

VANADIUM IN ENERGY STORAGE

Vanadium electrolyte manufacturing facility construction complete

One of the key components of a vanadium flow battery (VFB) is vanadium electrolyte, which is used to store electrochemical energy. The majority of a $3.69 million Australian Government Modern Manufacturing Initiative grant,[6] awarded to AVL has been used to build a vanadium electrolyte manufacturing facility in Wangara, a suburb north of Perth city.[7] The facility has annual capacity to produce quantities of high purity electrolyte equivalent to 33MWh of battery energy storage capacity.

Construction of the facility was undertaken by Western Australian-based engineering company Primero Group (subsidiary of NRW Holdings, ASX: NWH) and was completed without injury and under budget.[8]

The facility utilises proven electrolyte manufacturing technology which is licensed exclusively to AVL in Australia and New Zealand from U.S. Vanadium LLC (USV). Using this technology has greatly reduced the development risk for the facility.

USV will assist with commissioning of the facility, which is anticipated to be completed early in 2024. The vanadium electrolyte produced by the facility will initially be employed in the VFB projects being developed by AVL's wholly owned subsidiary, VSUN Energy, and will allow AVL to qualify its product with key global VFB manufacturers.

Construction of the facility demonstrates AVL's technical capabilities and enables the Company to engage with downstream aspects of the vanadium and VFB markets.

The experience gained from the construction of the facility is anticipated to be of great use in the construction of the Australian Vanadium Project.

Following the end of the quarter, the facility was officially opened by Federal Resources Minister, the Hon. Madeleine King MP, on 17 January 2024. The opening was also attended by the WA State Minister for Mines and Petroleum, the Hon. David Michael MLA; WA State Member for the Mining and Pastoral Region, the Hon. Peter Foster MLC; Federal Member for Durack, the Hon Melissa Price MP; Federal Member for Pearce, Tracey Roberts MP, as well as the US Deputy Consul General, Mr Lu Zhou and the Deputy Mayor of the City of Wanneroo, Mr James Rowe JP.

Attendees from the Northern Australia Infrastructure Fund, Export Finance Australia, Clean Energy Finance Corporation, Energy Policy WA, Horizon Power, Western Power and Synergy were also present, plus a range of industry representatives.

---

[6] See ASX announcement dated 21 July 2021 *'AVL Awarded $3.69M Federal Government Manufacturing Grant'*
[7] See ASX announcement dated 15 March 2023 *'Vanadium Electrolyte Manufacturing Facility Update.'*
[8] See ASX announcement dated 15 December 2023 *'Vanadium Electrolyte Facility Construction Complete'*

For personal use only

Figure 2 – L-R: Anna Sudlow (Non-executive Director); Cliff Lawrenson (Non-executive Chair); Hon. Madeleine King MP; Graham Arvidson (CEO) and Miriam Stanborough AM (Non-executive Director)

Horizon Power VFB purchase for Kununurra

In July 2023, VSUN Energy signed an agreement with Western Australia's regional energy provider, Horizon Power, for the purchase, installation and commissioning of a VFB for a long duration energy storage pilot in regional Western Australia.[9]

The 220kWh VFB has been sourced from leading global VFB manufacturer Invinity Energy Systems plc, which is listed on the London Stock Exchange's AIM market (AIM: IES).

Following the end of the quarter, the battery arrived in Western Australia and factory acceptance testing will now be undertaken in conjunction with Horizon Power.[10]

It is intended that the VFB will be used for Horizon Power's long duration energy storage pilot in Kununurra, with the aim to increase understanding of how this technology can provide long periods of 100% renewable energy supply in regional and remote energy systems across Western Australia.

[9] See ASX announcement dated 28 July 2023 *'Horizon Power Purchases VFB for Long Duration Storage Pilot'*
[10] See ASX announcement dated 8 January 2024 *'Horizon Power Vanadium Flow Battery Arrives in WA'*

For personal use only

Figure 3 - AVL's Chief Safety & People Officer, Ross Jennings and VSUN Energy Manager, Zamien Sumich in front of the Horizon Power VFB

First residential vanadium flow battery – prototype progress

Part of the funding from AVL's $3.69 million Australian Government Modern Manufacturing Initiative grant has been used to support the design and construction of a prototype residential VFB with 5kW of power and 15kWh of stored energy capacity. With the battery's characteristics of flexibility, minimal degradation in performance over a 25-year lifespan and non-flammability, it is a highly desirable product for homeowners looking for an alternative to a lithium-ion solution.

VSUN Energy, assisted by industrial process automation solution provider Improve IO and engineering solution provider Qetra, is building a prototype VFB in Western Australia.

Progress on the prototype residential VFB during the quarter was significant and it is anticipated that the prototype will be completed and factory testing undertaken during the first quarter of 2024. The battery is then expected to be installed at a residential property for further testing.

For personal use only

Figure 4 - VSUN Energy prototype residential vanadium flow battery

CORPORATE

Cash and Expenditure

The Company had cash on hand of $24.6 million as at 31 December 2023 (30 September 2023: $32.5 million), including restricted cash of $0.4 million.

Administration and corporate costs (refer to Item 1.1(e)) for the December quarter included merger-related transaction costs of $536k. Staff costs of $1,347k for the December quarter, which reflects staff salaries not capitalised to the Project, included an additional monthly salary payment resulting from a change in the timing of salary payments to align with industry norms of mid-month.

No production and development activities related to the Project were undertaken during the quarter. However, the Company saw production cash outflows of $264k (refer to Item 1.2(c)) associated with the delivery of the Horizon Power contract and the purchase of vanadium oxides for use in the production of vanadium electrolyte at the Company's recently opened manufacturing facility.

Net cash outflow from investing activities of $4,947k in the December quarter mainly related to:

- Construction of the electrolyte plant ($2,792k; refer to Item 2.1(c)); and

- Ongoing work to advance the Project ($2,155k; refer to Item 2.1(d)), which included technical project integration activities, finalisation of the early contractor involvement process related to the CMB plant, further metallurgical test work and engineering, progressing environmental approvals and lodging patent applications.

Related Party Payments

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was $180k, comprising Directors' fees and superannuation.

For further information, please contact:

Graham Arvidson, CEO
+61 8 9321 5594

This announcement has been produced in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

For personal use only

For personal use only

MINERAL RESOURCE

Table 1 - The Australian Vanadium Project Mineral Resource Estimate as at November 2021 by Domain and Resource Classification[11]

Zone	Category	Mt	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	Al_2O_3 %	LOI %
HG	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	27.5	1.10	45.4	12.5	8.5	6.5	2.9
	Inferred	56.8	1.04	44.6	11.9	9.4	6.9	3.3
	Subtotal	**95.6**	**1.07**	**44.7**	**12.2**	**9.1**	**6.8**	**3.2**
LG	Indicated	54.9	0.50	24.9	6.8	27.6	17.1	7.9
	Inferred	73.6	0.48	25.0	6.4	28.7	15.4	6.6
	Subtotal	**128.5**	**0.49**	**24.9**	**6.6**	**28.2**	**16.1**	**7.2**
Transported	Inferred	14.9	0.66	29.0	7.8	24.5	15.1	7.8
	Subtotal	**14.9**	**0.66**	**29.0**	**7.8**	**24.5**	**15.1**	**7.8**
Total	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	82.4	0.70	31.7	8.7	21.2	13.5	6.2
	Inferred	145.3	0.71	33.0	8.7	20.7	12.0	5.4
	Subtotal	**239.0**	**0.73**	**33.1**	**8.9**	**20.4**	**12.3**	**5.6**

Table 2 - The Australian Vanadium Project - Ore Reserve Statement as at April 2022, at a cut-off grade of 0.7% V_2O_5

Ore Reserve	Mt	V_2O_5%	Fe_2O_3%	TiO_2%	SiO_2%	LOI%	V_2O_5 production kt	Ore Reserve	Mt
Proved	10.5	1.11	61.6	12.8	9.5	3.7	70.9	Waste	238.5
Probable	20.4	1.07	63.4	12.2	9.2	3.0	152.9	Total Material	269.4
Total Ore	**30.9**	**1.09**	**62.8**	**12.4**	**9.3**	**3.2**	**223.8**	Strip Ratio	7.7

[11] Using a nominal 0.4% V_2O_5 wireframed cut-off for low grade and nominal 0.7% V_2O_5 wireframed cut-off for high grade (total numbers may not add up due to rounding).

For personal use only

Table 3 - Tenement Schedule

Tenement information as required by Listing Rule 5.3.3 for the quarter ended 31 December 2023

Location	Project	Tenements	Economic Interest	Notes	Change in Quarter %
Western Australia	**The Australian Vanadium Project**	E 51/843	100% Granted[1]		Nil
		E 51/1534	100% Granted[1]		Nil
		E 51/1899	100% Granted		Nil
		E 51/1943	100% Granted		Nil
		E 51/1944	100% Granted		Nil
		E 51/2067		100% on Application	Nil
		L 51/116	100% Granted		100%
		L 51/119		100% on Application	Nil
		L 51/130		100% on Application	Nil
		L 51/131		Withdrawn	100%
		L51/132		100% on Application	Nil
		L51/133		100% on Application	Nil
		M 51/878	100% Granted[1]		Nil
		M 51/897		100% on Application[1]	Nil
		P 51/3073	100% Granted		Nil
		P 51/3074	100% Granted		Nil
		P 51/3075	100% Granted		Nil
		P 51/3076	100% Granted		Nil
		P 51/3248		Withdrawn	100%
		P 51/3298		100% on Application	Nil
Western Australia	**Nowthanna Hill**	M 51/771	100% Granted		Nil
Western Australia	**Peak Hill**	E 52/3349	0.75% NSR Production Royalty		Nil
Western Australia	**Tumblegum South**	M 51/888	0.75% NSR Production Royalty		Nil
Western Australia	**Coates**	E 70/4924-I	100% Granted		Nil
		E 70/5588	100% Granted		Nil
		E 70/5589		100% on Application	Nil

Note 1: Australian Vanadium Limited retains 100% rights in V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore on The Australian Vanadium Project. Bryah Resources Limited holds the Mineral Rights for all minerals except V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore only.

For personal use only

ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rules 5.19 and 5.23

ASX Listing Rule 5.19

The information in this announcement relating to production targets, or forecast financial information derived from a production target, is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.au.

The Company confirms that all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the original market announcement continue to apply and have not materially changed.

ASX Listing Rule 5.23

The information in this announcement relating to exploration results and mineral resource and ore reserve estimates for the Australian Vanadium Project is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. 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 announcement**.**

Forward-Looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of AVL and certain of the plans and objectives of AVL with respect to these items.

These forward-looking statements are not historical facts but rather are based on AVL's current expectations, estimates and projections about the industry in which AVL operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which AVL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of AVL, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

AVL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of AVL only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

AVL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

For personal use only

Appendix 5B

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

Name of entity

AUSTRALIAN VANADIUM LIMITED

ABN	Quarter ended ("current quarter")
90 116 221 740	31 DECEMBER 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	65
1.2	Payments for		
	(a) exploration & evaluation	(38)	(38)
	(b) development	-	-
	(c) production	(264)	(264)
	(d) staff costs	(1,347)	(2,935)
	(e) administration and corporate costs	(1,875)	(5,658)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	193	221
1.5	Interest and other costs of finance paid	(73)	(73)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	436	436
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(2,968)**	**(8,246)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2,792)	(5,514)
	(d) exploration & evaluation	(2,155)	(4,144)
	(e) investments	-	-
	(f) other non-current assets	-	-

For personal use only

For personal use only

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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**	**(4,947)**	**(9,658)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	15,671
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	-	(388)
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)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**15,283**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	32,492	27,198
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,968)	(8,246)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,947)	(9,658)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	15,283

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**24,577**	**24,577**

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 *	4,533	32,103
5.2	Call deposits*	19,655	-
5.3	Bank overdrafts	-	-
5.4	Other (bank guarantee – restricted cash)	389	389
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**24,577**	**32,492**

* Includes $6.7M to be spent on eligible activities as outlined in the Modern Manufacturing Initiative Collaboration Grant Agreement.

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	180
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.

For personal use only

For personal use only

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.		
	n/a		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,968)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,155)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(5,123)
8.4	Cash and cash equivalents at quarter end (item 4.6)	24,577
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	24,577
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	4.80

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?

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?

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?

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: 31 January 2024

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.

For personal use only