



ASX: AR3

11 October 2024

Quarterly Activities Report

For the three months ended 30 September 2024

Highlights

Koppamurra Rare Earths Project

- Metallurgical test work affirms low capex development pathway for Koppamurra; Ongoing heap leach test work shows recoveries for Magnet Rare Earths, ranging from 29% to 74% across various ore conditions and locations within the Koppamurra Project area (*ASX 8 July 2024*).
- Significant Resource Expansion at Koppamurra: Mineral Resource estimate increased by 27% to 236 million tonnes (Mt) at 748 ppm TREO¹ as compared to 186 million tonnes at 712 ppm TREO previously².

Uranium Projects

- Acquisition of uranium tenements completed and permits in place for imminent commencement of uranium exploration drill program.
- Strategic acquisition of the **Overland Uranium Project (Overland)** in South Australia, completed (*ASX 3 September 2024*).
 - Comprises EL 7001 and EL 7003 located in the Murray Basin, South Australia totalling ~2,000km².
 - Additional EL 7005 granted, increasing total project area to ~3,000km².
- Received SA Government Departmental approvals for Exploration Program for Environment Protection and Rehabilitation (EPEPR) applications at Overland (*ASX 25 September 2024*):
 - Facilitates early access to high-priority drill targets across the substantial ~3,000km² project area.
 - Applications in train allowing access to further high priority targets in 2025.
- Inaugural drill program, for approximately 5,000m of Air Core drilling, on track to begin mid-October 2024.
- Consistent with AR3's strategic focus on an expanded clean energy transition metals portfolio, the Company applied for additional exploration licenses prospective for uranium;
 - **Triggs Bore prospect**: spanning 250 km² with historical drilling intersecting indications of uranium mineralisation within Eyre Formation sediments, host of the Four Mile and Honeymoon uranium deposits (*ASX 16 July 2024*).
 - **Hamilton Creek prospect**: covers 200 km² in the Callabonna Sub-basin targeting the anomalous downhole gamma response detected in previous drilling, indicating potential uranium mineralisation (*ASX 23 July 2024*).

Corporate

- Maintained strong cash position of \$5.624M as of 30 September 2024; further strengthened by \$707k R&D cash refund received in October 2024.
- Annual Report released 24 September 2024.
- Engage with this announcement at the AR3 [investor hub](#).

¹ Total Rare Earth Oxide (TREO)

² ASX 19 September 2023 "84% increase in Resource confirms Koppamurra as a world-scale ionic clay-hosted rare earths Province"

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Executive Summary

Australian Rare Earths Limited (ASX: AR3) is pleased to provide an update on progress made during the quarter ended 30 September 2024.

AR3 has achieved significant milestones in its exploration and development projects, with a strong focus on building a robust portfolio of high-quality energy transition assets.

Koppamurra Rare Earths Project

The Koppamurra Project achieved significant growth in the September quarter, with a 27% increase in its Mineral Resource estimate and a 70% boost in higher-grade subsets. The current Mineral Resource estimate now sits at **236 million tonnes (Mt) at 748 ppm TREO**, including 68 Mt grading at over 1000 ppm TREO (ASX 30 September 2024).

Infill drilling has identified thicker, higher-grade mineralised areas, and the Project's geographic extent has expanded to include 25 million tonnes of additional resources to the north of the main resource area. With mineralisation open to the north and south, Koppamurra demonstrates strong potential for both continued resource growth and a long-life production profile.

AR3 continues to advance a high-grade progressive heap leach and rapid rehabilitation development pathway at Koppamurra. This approach aligns with AR3's commitment to developing a sustainable alternative supply of rare earths essential for the clean energy transition.

Portfolio expansion with addition of Uranium prospects

AR3 made significant steps in expanding its clean energy transition metals portfolio with the addition of three Uranium projects in the September 2024 quarter. The Company successfully acquired Valrico Resources Pty Ltd, securing 100% ownership of the Overland Uranium Project and subsequently further expanded its landholding to ~3,000km². Government approvals were obtained for exploration activities, paving the way for the first drill campaign, which is on-track to commence in mid-October 2024.

The inaugural drill campaign at Overland is targeting sedimentary-hosted uranium deposits amenable to In-situ recovery (ISR) extraction. Overland's geological conditions, including permeable pathways and reductants, are favourable for uranium mineralisation.

AR3 has applied for additional exploration licenses prospective for uranium at Triggs Bore and Hamilton Creek.

Financial Position

AR3 has maintained a strong cash position over the September quarter, supporting the Company's capacity to drive the development of its key projects and thereby generate value for shareholders.

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Operational Review

Koppamurra Rare Earths Project

Metallurgical Test work Validates Low-Cost Development Pathway

Ongoing metallurgical testing at AR3’s Koppamurra Project continues to reinforce the potential for a low-capex development pathway. Recent heap leach trials have demonstrated consistently strong recoveries for Magnet Rare Earths, with extraction rates ranging from 29% to 74% across a range of ore conditions and locations within the project area. Notably, these results were achieved within significantly shorter timeframes compared to traditional heap leaching processes, enhancing confidence in AR3’s strategy of employing short-term heaps adjacent to mine pits for faster rehabilitation.

The scalability of this approach is underscored by a successful 4-meter column test, which showed promising physical and chemical characteristics, supporting the potential for increasing heap heights to commercially viable levels. In addition, the low ratio of impurities to rare earth content in the leach solution continues to validate the potential economic viability of heap leaching as a cost-effective and sustainable extraction method for the project.

AR3’s collaboration with the Australian Nuclear Science and Technology Organisation (ANSTO) on process flowsheet development further supports the optimisation of this innovative strategy.

Figures 1 and 2 below show rare earth recoveries from the latest column tests at ANSTO and the composite sample locations for the test work respectively.

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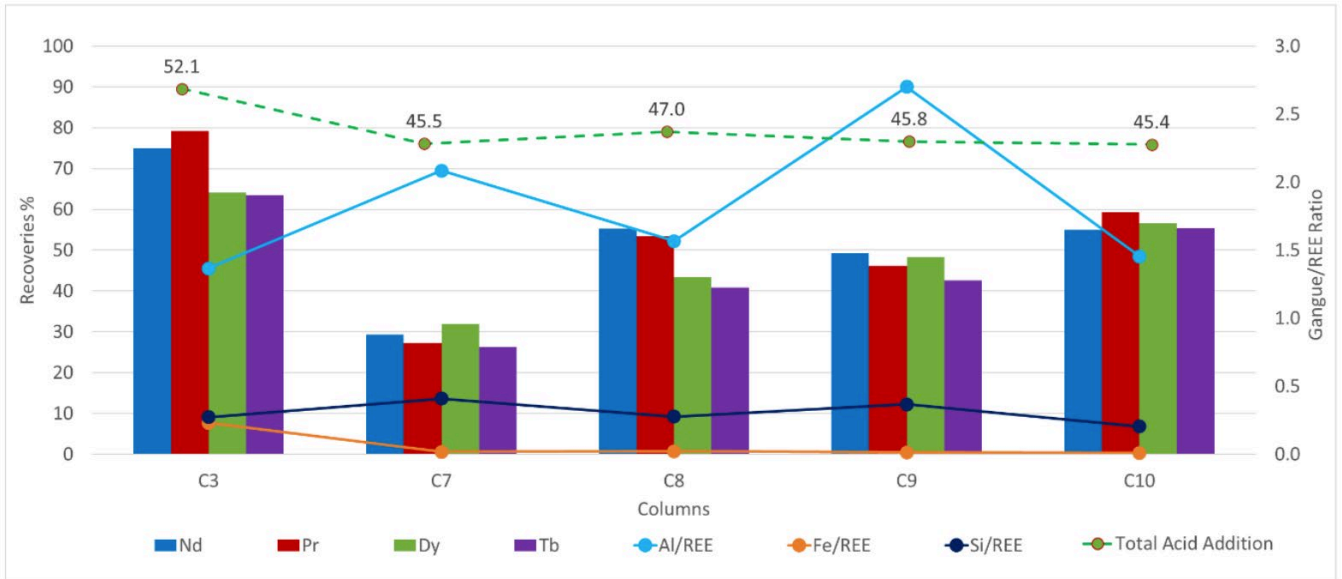


Figure 1: Rare earth recoveries for Columns 3, 7, 8, 9 and 10, showing gangue dissolution characteristics (Al / Fe / Si) with respect to ore variability at constant pH. Notable here is the decreased extraction for C7 ore which had greater calcium concentration, aiding in understanding the target ore characteristics for mining

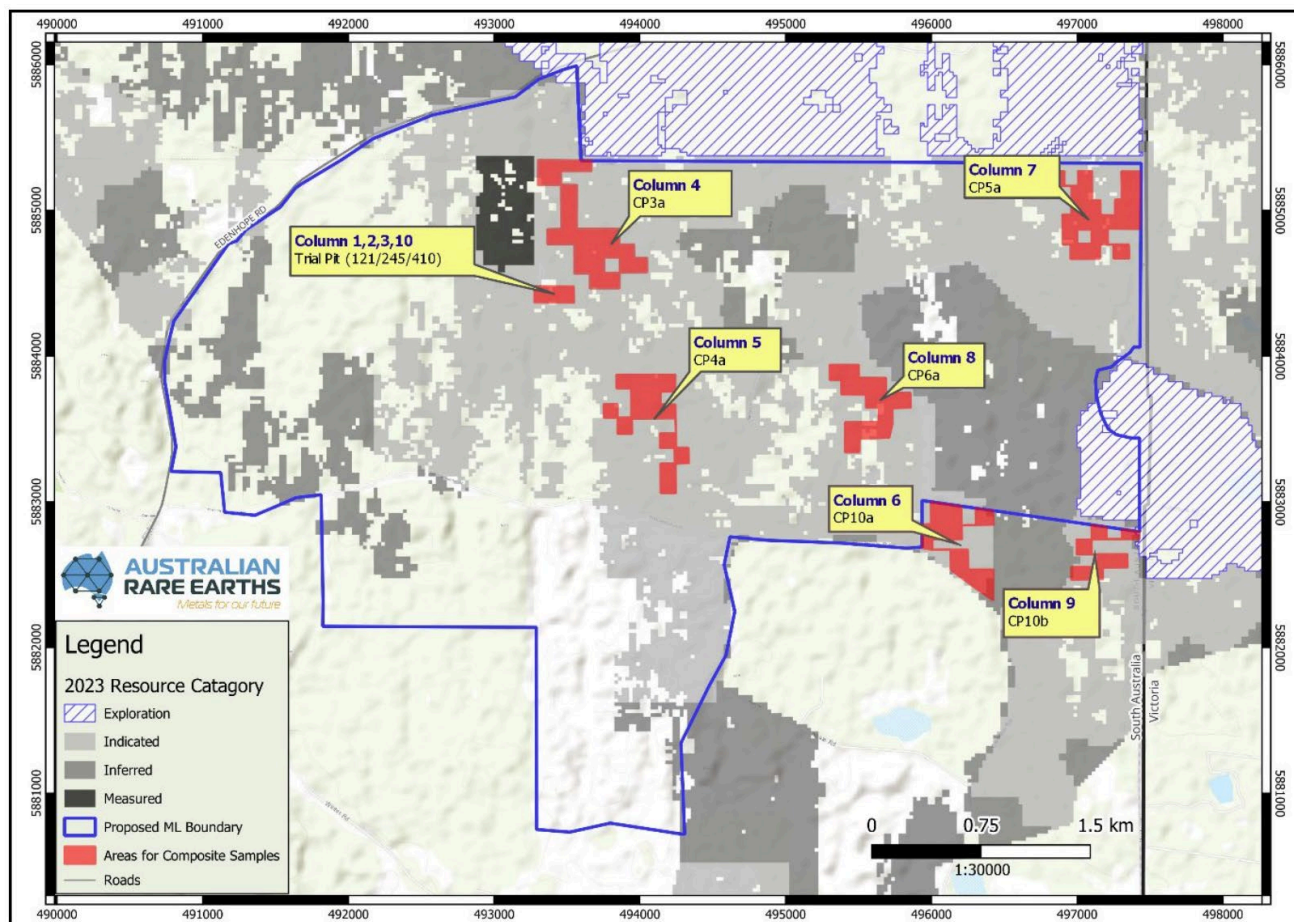


Figure 2: Composite sample locations for Column leach test work, with Column ID's C1 through C6 (blue)

Progressive heap leach, high grade rare earths pathway

Additional drilling, assay results (ASX releases 30 January and 26 February 2024), and resource modelling at Koppamurra have identified a high-grade rare earth subset of the broader Koppamurra resource. These high-grade ore zones, and the application of temporary heap leaching production pathways, are expected to facilitate scalable, efficient production of rare earths with staged satellite developments enhancing the favourable environmental outcomes from a development of this type.

A conceptual project process flowsheet is provided at Figure 3. Some of the design features and resulting advantages for the Koppamurra project with a progressive heap leach pathway compared to a slurry leach are as follows:

Design Features:

- High-grade satellite mine sites with temporary heap pads located at the edge of the satellite mine void;
- Topsoil and overburden material temporarily set aside ready to be placed back in the mine void after rare earths have been harvested from the clay and the clay has been washed – allows rapid and progressive land rehabilitation;
- Water treatment equipment located proximate to the temporary heap pads will facilitate recycling and reuse of water and reagents.

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Design advantages include:

- Potential for a significantly lower capital cost and reduced operating cost project;
- Opportunity to easily expand and scale up production over time across the multi- generational province;
- Enables improved environmentally sustainable characteristics with;
 - Very low water consumption;
 - Reduced power consumption; and
 - Materials handling characteristics will enable environmentally sustainable and rapid, progressive rehabilitation techniques
- Testwork also indicates lower gangue/impurity profile with higher rare earth in solution characteristics through column leach resulting in lower capital and operating cost.

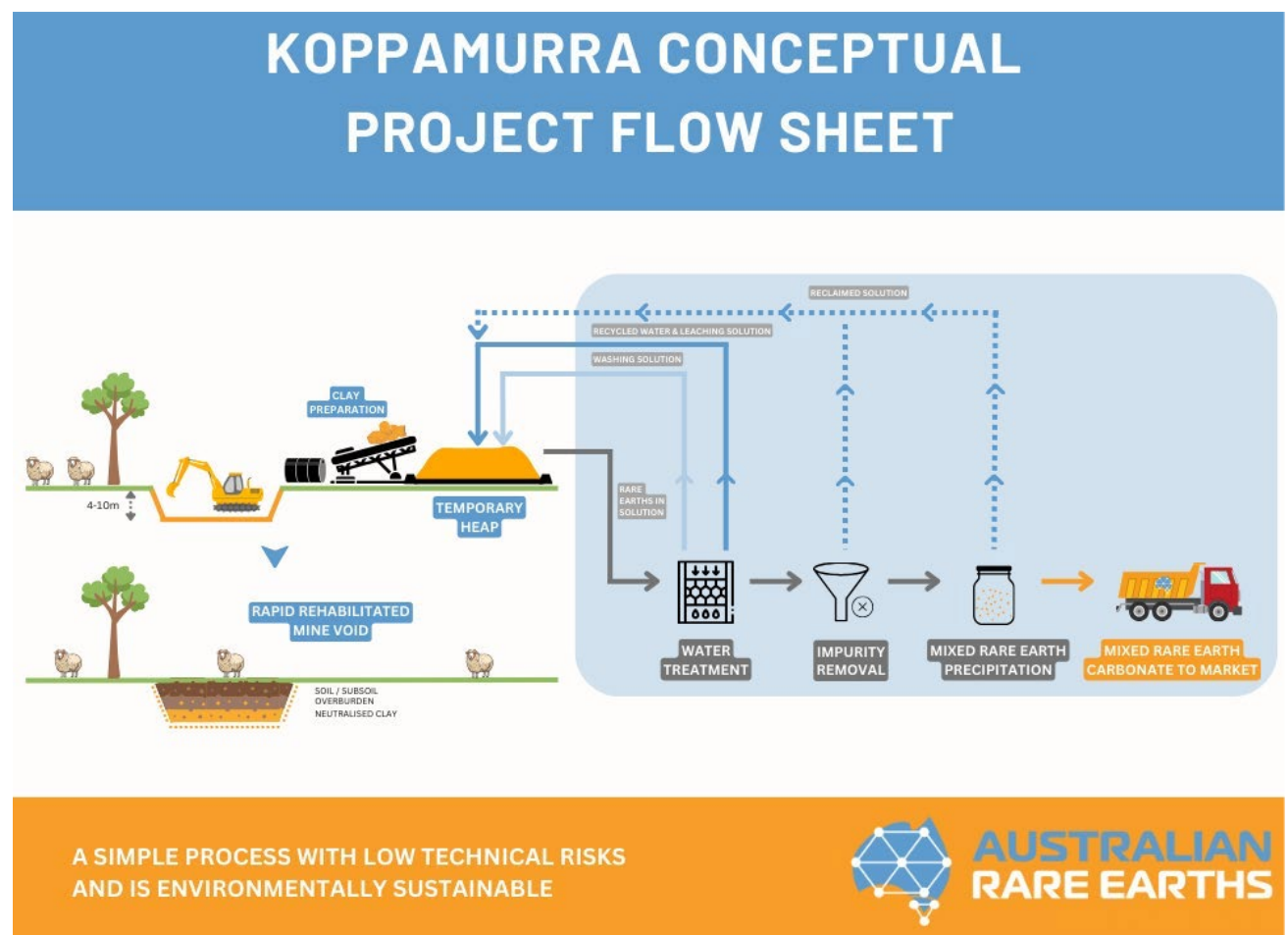


Figure 3: Koppamurra conceptual project flow sheet

Mineral Resource Estimate

During the quarter, AR3 significantly expanded its Koppamurra Mineral Resource estimate with a 27% increase in the MRE and a 70% boost in the higher-grade subsets (ASX 30 September 2024).

The updated Mineral Resource estimate incorporates results from the drilling program conducted between October and December 2023. The overall program added 8,742m (694 holes) to the existing 55,979 m (5,283 holes) drilled for the previous Mineral Resource estimate announced September 2023 (ASX 19 September 2023).

With the additional drilling and applying industry-standard geological interpretation methods, the total Mineral Resource estimate across the Koppamurra Project area has increased by 27% to 236 Mt, with an average TREO grade of 748 ppm. This includes 113 Mt categorised as Measured and Indicated resources - a 14% increase to these higher confidence resource classifications relative to the September 2023 Mineral Resource estimate.

The updated September 2024 Koppamurra Mineral Resource estimate is set out in Table 1 and the resource categories are shown in Figures 5 and 6. This Resource has been reported using a cut-off grade of 325 ppm TREO-CeO₂.

| Koppamurra Mineral Resource estimate – September 2024 | | | | | | | | | | |
|---|------------|------------|---------------------------------|--------|--------------------------------|--------|--------------------------------|--------|--------------------------------|--------|
| JORC Category | Tonnes Mt | TREO ppm | Magnet Rare Earths | | | | | | | |
| | | | Pr ₆ O ₁₁ | | Nd ₂ O ₃ | | Tb ₄ O ₇ | | Dy ₂ O ₃ | |
| | | | ppm | % TREO | ppm | % TREO | ppm | % TREO | ppm | % TREO |
| Measured | 0.7 | 813 | 37 | 4.6 | 140 | 17.3 | 3.8 | 0.5 | 21 | 2.6 |
| Indicated | 112 | 750 | 34 | 4.6 | 132 | 17.6 | 3.6 | 0.5 | 20 | 2.7 |
| Inferred | 123 | 747 | 35 | 4.6 | 132 | 17.6 | 3.4 | 0.5 | 19 | 2.6 |
| Total | 236 | 748 | 35 | 4.6 | 132 | 17.6 | 3.5 | 0.5 | 20 | 2.6 |

Table 1: Koppamurra Mineral Resource estimate September 2024 - Rounding may cause differences in the last significant figure

A summary of the Koppamurra Mineral Resource estimate’s over time, demonstrating the progressive increase in resource, is provided in Figure 4. The steady increase reflects the success of AR3’s ongoing exploration work and strategic drilling programs leading to more accurate modeling and Mineral Resource estimates.

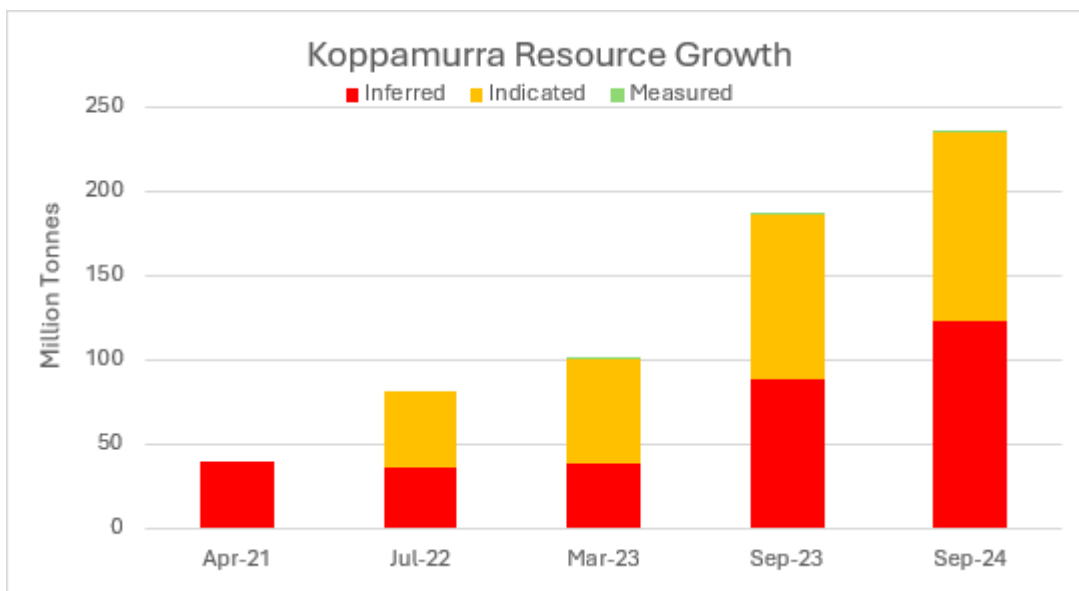


Figure 4: Koppamurra Mineral Resource progression

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Exploration Target Estimate

The Exploration Target across the entire Koppamurra project has increased the lower range of the Exploration Target, which now spans from 500 Mt to 3.2 Bt with average grades ranging from 520 ppm to 780 ppm TREO, marking an improvement from the previous range of 330 Mt to 3.1 Bt. The potential quantity and grade of the Exploration Target is conceptual in nature, as there has been insufficient exploration undertaken to date to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The updated September 2024 Exploration Target estimate is set out in Table 2 below and shown in Figure 6. Exploration Target has been reported using a cut-off grade range of 225 ppm and 425 ppm TREO-CeO2.

| Koppamurra Exploration Target - September 2024 | | | | | | | | | | | |
|--|------------------|------------------|---------------------------------|----------------|--------------------------------|--------------|--------------------------------|----------------|--------------------------------|----------------|--|
| Exploration Target | Tonnes Mt | TREO ppm | Magnet Rare Earths | | | | | | | | |
| | | | Pr ₆ O ₁₁ | | Nd ₂ O ₃ | | Tb ₄ O ₇ | | Dy ₂ O ₃ | | |
| | | | ppm | % TREO | ppm | % TREO | ppm | % TREO | ppm | % TREO | |
| Total | 500-3,200 | 520 - 780 | 20 - 40 | 3.8-5.1 | 90 - 140 | 17-18 | 3 - 4 | 0.5-0.6 | 10 - 20 | 1.9-2.6 | |

Table 2 – Koppamurra Exploration Target September 2024

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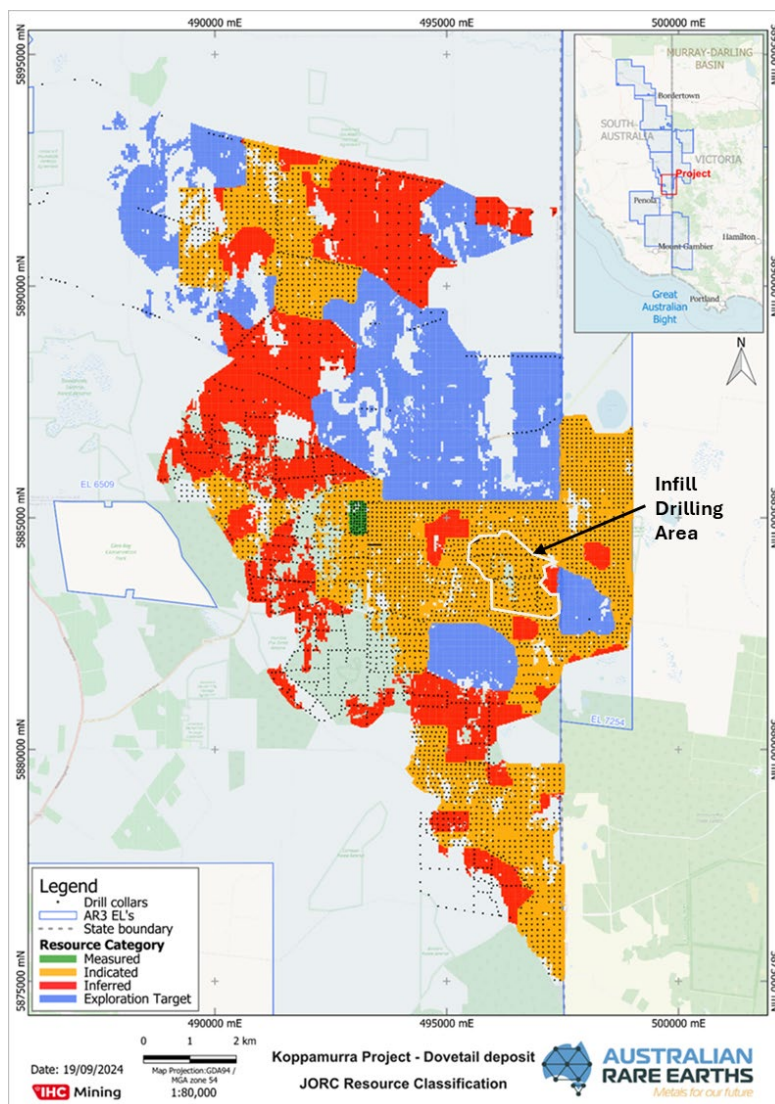


Figure 5: JORC Mineral Resource Categories for the Southern Koppamurra (Dovetail) Resource Area. Infill drilling area shown in white outline

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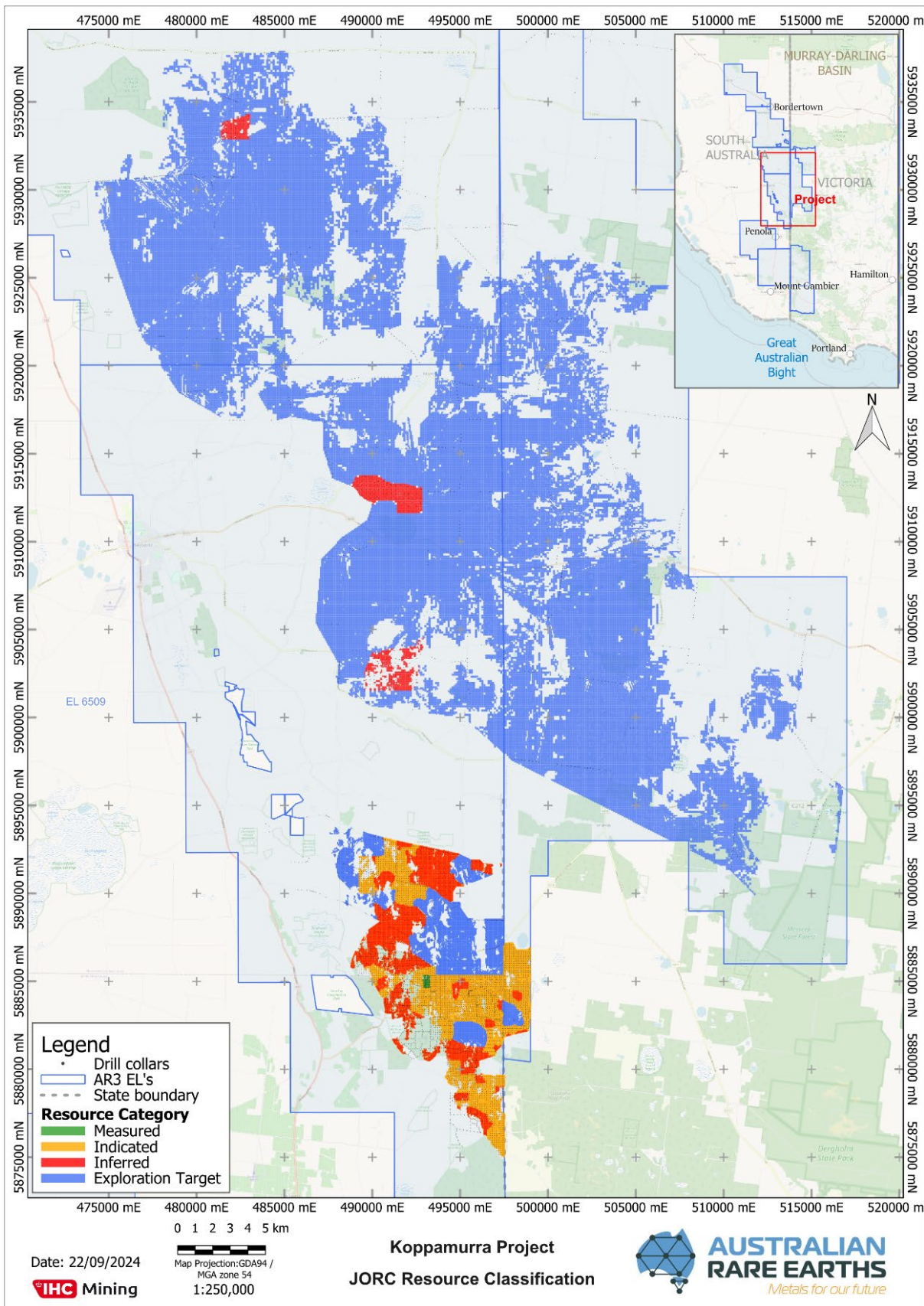


Figure 6: Entire Koppamurra Resource areas and Categories including southern (Dovetail) and northern (Francis) Resource Areas. Note the Inferred resource categories defined in the northern Francis Resource Areas are exclusively where infill drilling has been conducted

Uranium Prospects

Strategic Expansion of Clean Energy Transition Metals Portfolio: Overland Uranium Project

In line with AR3's strategic objective of expanding its clean energy transition metals portfolio, the Company has significantly broadened its strategic footprint with the addition of three highly prospective uranium projects.

During the Quarter, AR3 acquired a 100% interest in the Overland Uranium Project through the acquisition of Valrico Resources Pty Ltd (ASX 3 September 2024). The project encompasses Exploration Licences EL7001, EL7003 and EL7005, covering a combined area of approximately 3,000 km² within the Murray Basin, South Australia.

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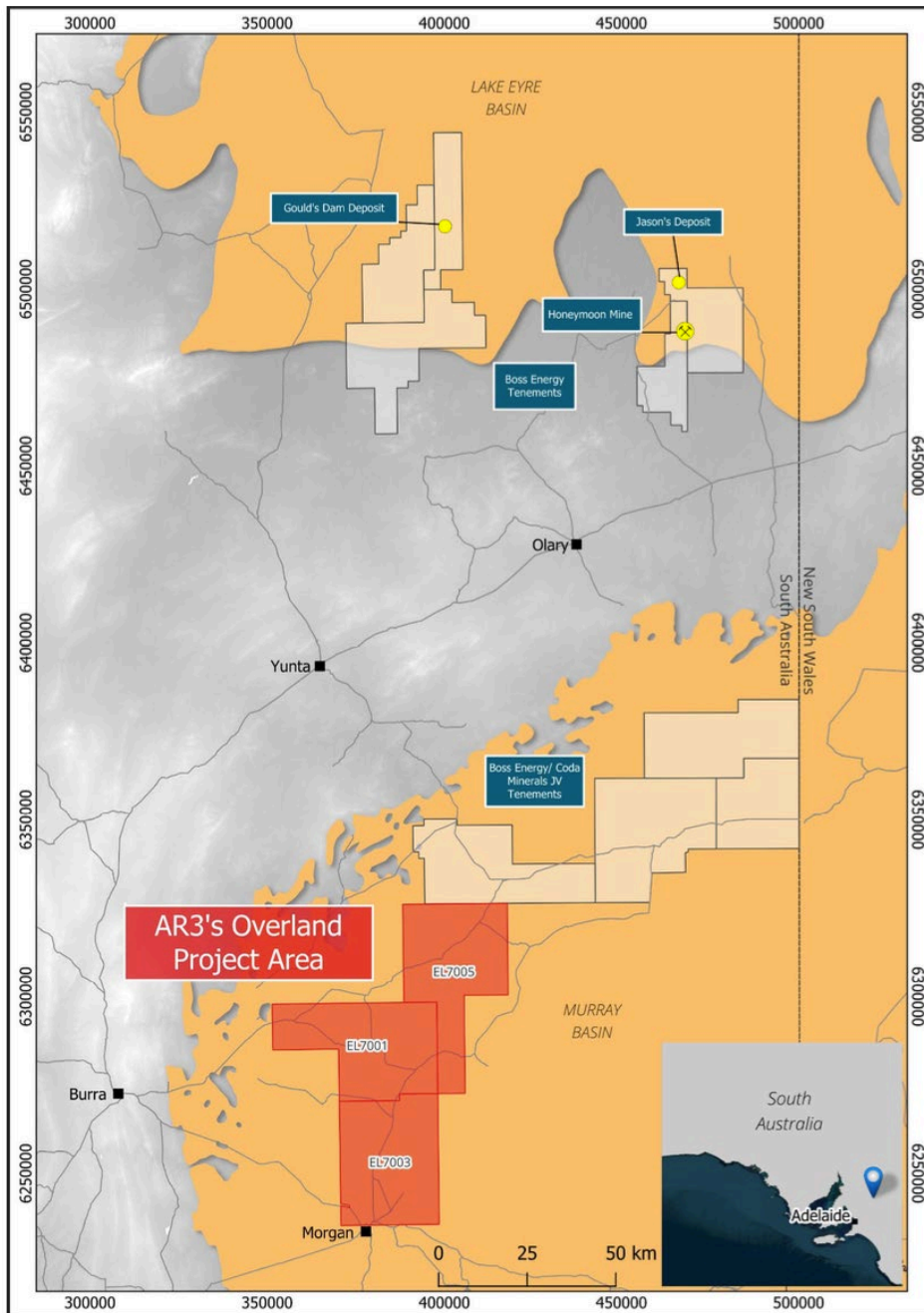


Figure 7: Overland Project area

Multiple high-priority exploration targets have been identified in the Overland Project, with a particular focus on paleochannel sediments within the Renmark Group. These sediments are considered geologically analogous to those hosting Boss Energy's uranium operations in the Eyre Formation.

Background: Overland – Sedimentary Hosted Uranium Prospectivity

Three key characteristics are required for the deposition of sedimentary hosted uranium deposits:

- a source rock that releases uranium in solution,
- a permeable sediment pathway for the uranium-bearing solution to travel into a host basin and
- A reductant (a trap) to cause the uranium to precipitate out of solution and concentrate it in a deposit.

All three key characteristics are present in AR3's Overland Project area. Prospective horizons of Murray Basin sediments, the Renmark Group, have been identified which have the key ingredients for ISR amenable uranium deposits at Overland.

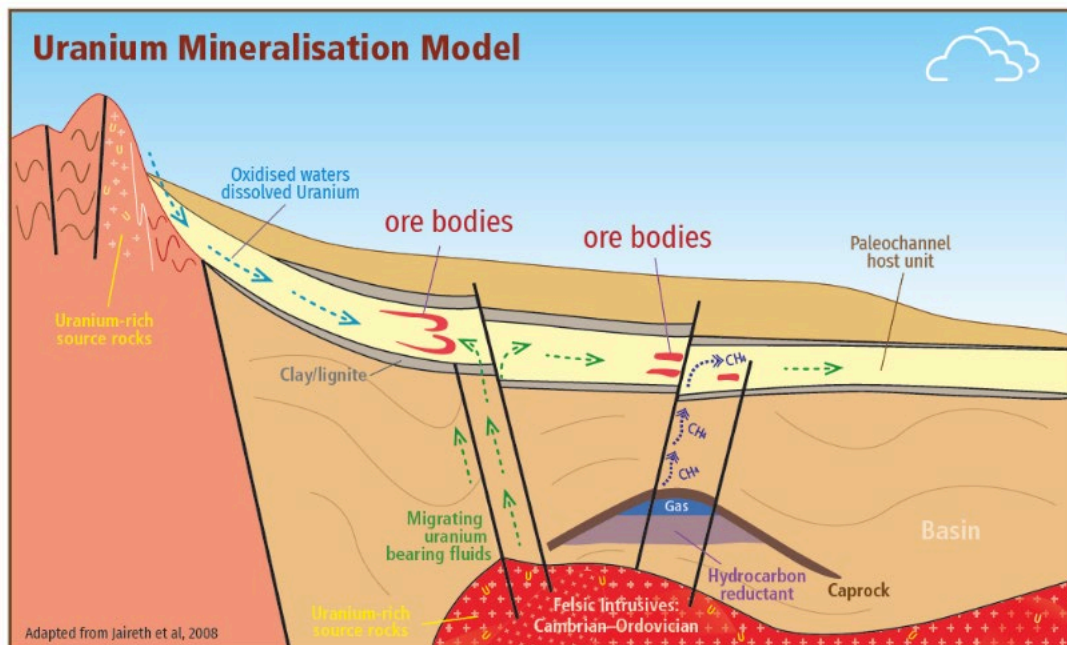


Figure 8: Model of basin-related uranium mineralising systems. A range of uranium depositional sites and deposit styles are represented in this district- to deposit scale mineral systems model

EPEPR Approval

During the quarter, AR3 secured a significant milestone for its Overland Uranium Project with the approval of two Exploration Program for Environment Protection and Rehabilitation (EPEPR) applications by the South Australian Department of Energy and Mining (ASX 16 September 2024).

These approvals pave the way for AR3 to initiate its first drill program, targeting high-priority targets within the project area.

The EPEPR approvals cover a portion of AR3's 100%-owned Exploration Licence EL 7001 and EL 7003. The initial approval for drill testing covers 773km², providing early access to promising targets.

AR3 is strategically approaching regulatory and land access approvals for the entire 3,000km² project area, prioritising high-potential targets in areas with quicker access while addressing land access approvals for other regions in a phased manner.

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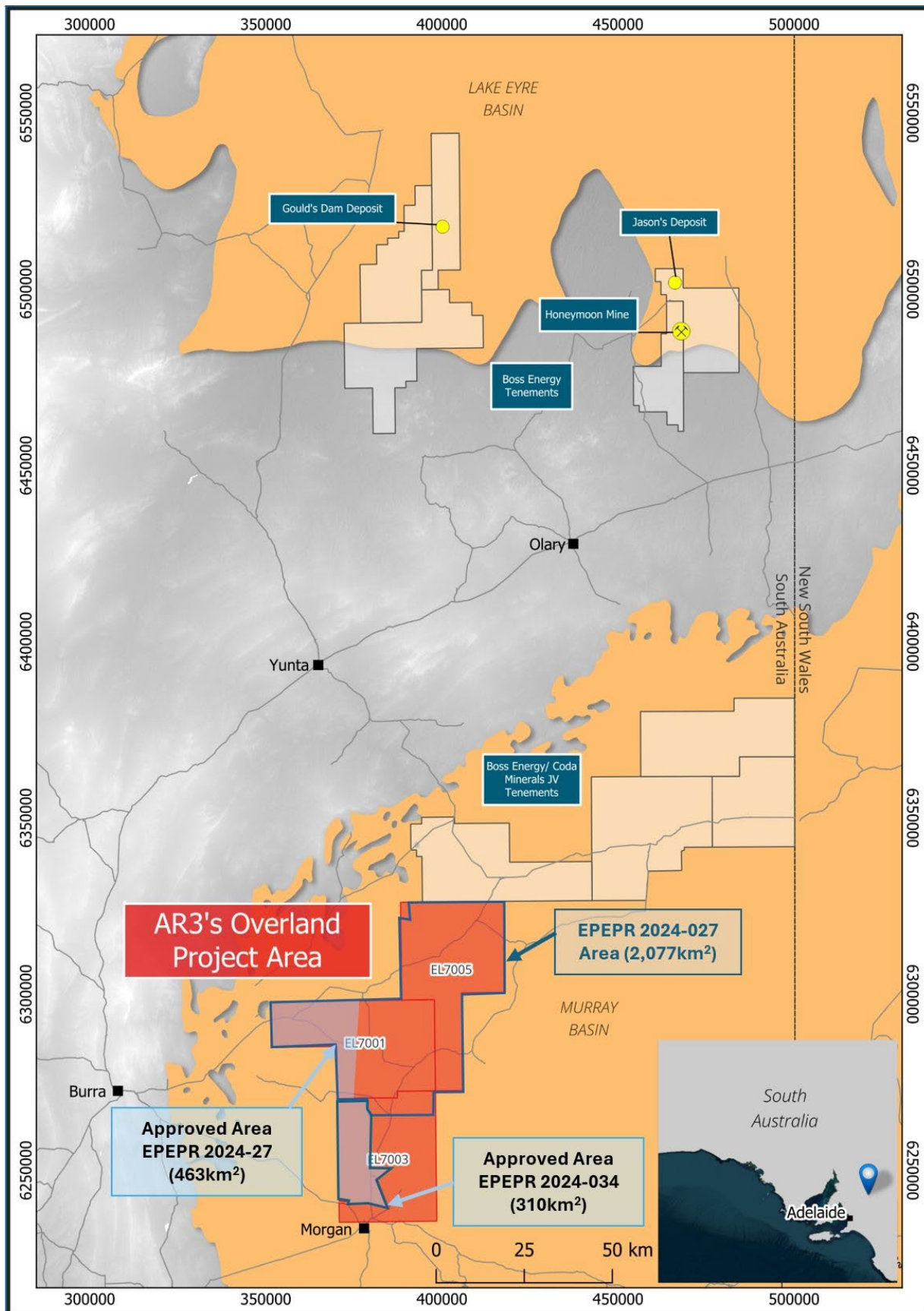


Figure 9: Overland Project area with granted EPEPR approvals

Inaugural Drilling Program at Overland

The Company has contracted Wallis Drilling Pty Ltd and secured a drill rig, which will mobilise to the site in mid-October to commence drilling. The first phase, scheduled to run from mid-October to December 2024, will involve approximately 5,000 meters of Air Core drilling at high-priority targets within ELs 7001 and 7003.

Triggs Bore and Hamilton Creek Prospects

During the quarter, AR3 added the Triggs Bore and Hamilton Creek prospects to its uranium portfolio. The Triggs Bore prospect, spans 250 km² and features historical drilling that intersected uranium mineralisation within the Eyre Formation sediments, similar to the host of the Four Mile and Honeymoon uranium deposits.

The Hamilton Creek prospect, covers 200 km² in the Callabonna Sub-basin and exploration will focus on anomalous downhole gamma responses detected in previous drilling, indicating the potential presence of uranium mineralisation.

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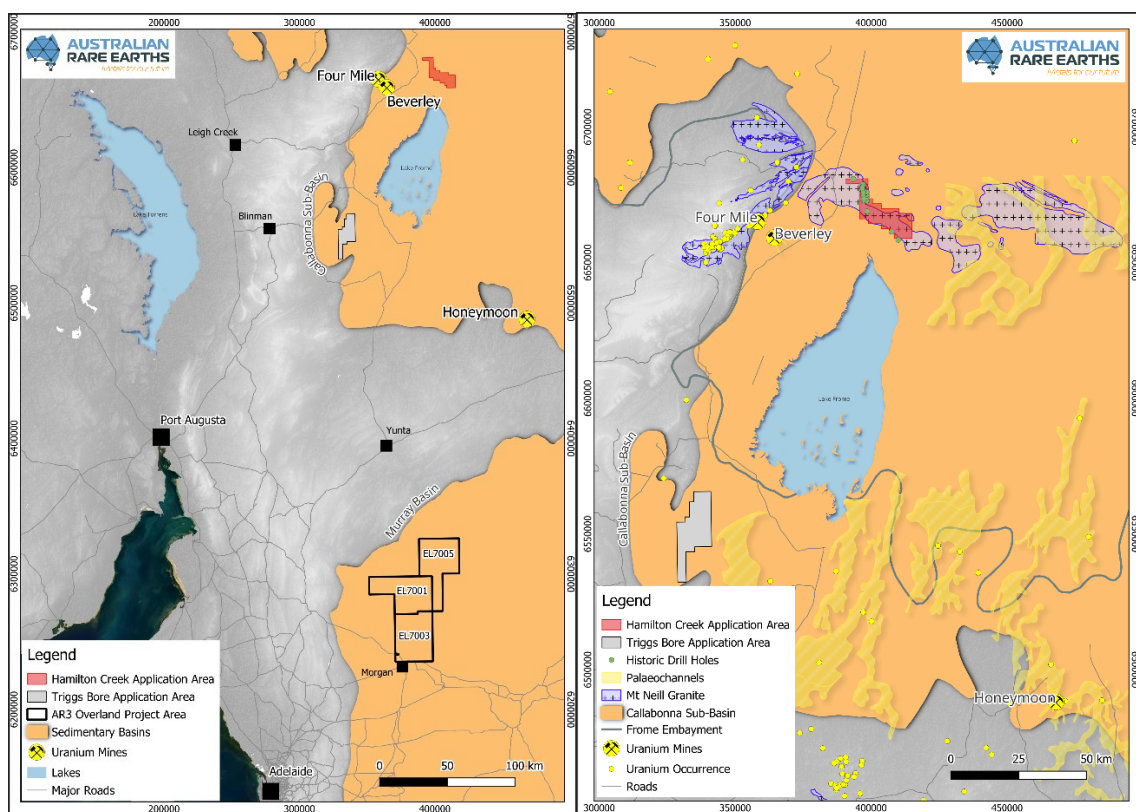


Figure 10: Hamilton Creek ELA relative to the Overland and Triggs Bore Projects (left) and regional geology (right)

Northern Queensland Rare Earths Project

No exploration activities were conducted over the Company's Queensland projects during the reporting period. Tenement application EPM28166 at the Dalrymple Project was granted during the quarter. Applications are currently pending for additional exploration tenure, which will cover new areas including the Forty Mile Scrub, Sandy Tate, and Oaky Valley prospects. These new areas are expected to provide significant opportunities for future exploration and potential resource discoveries.

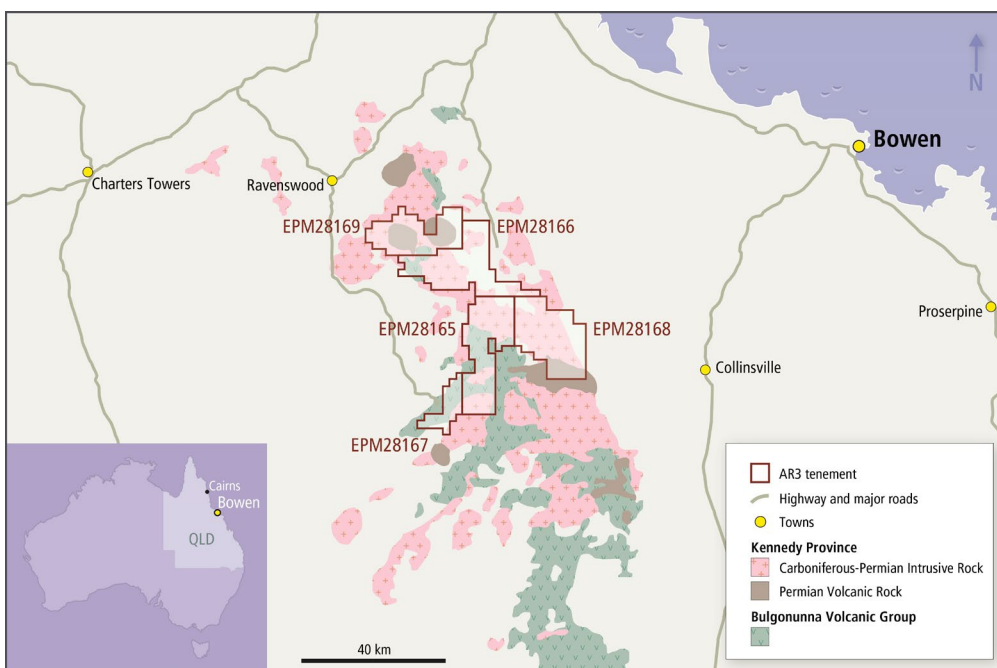


Figure 11: Dalrymple Project Location Plan

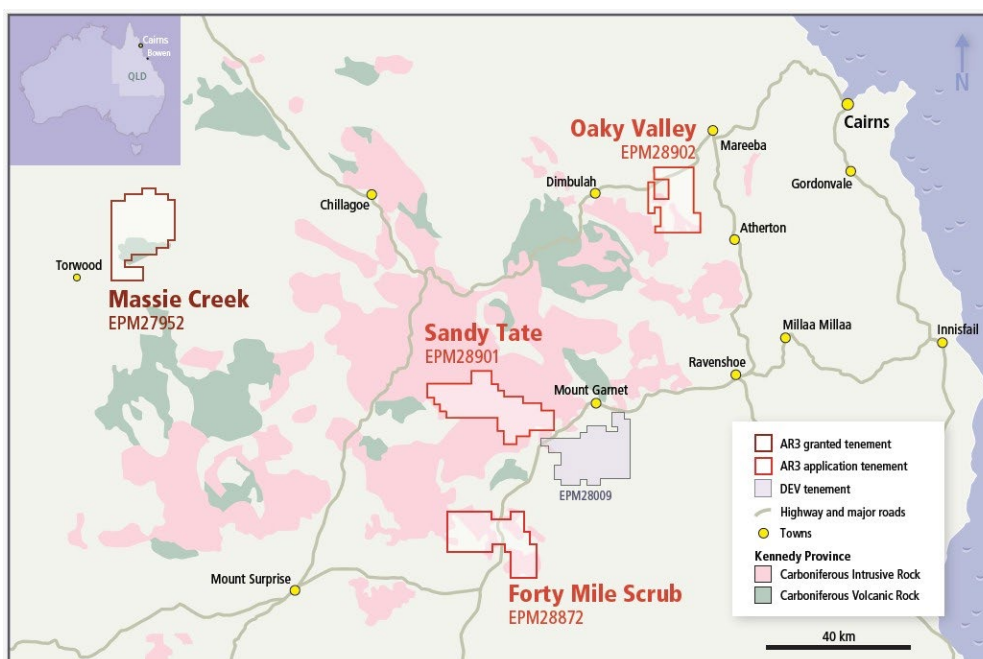


Figure 12: Project locations in Kennedy Province, North Queensland

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Corporate Updates:

Investor Webinars

During the quarter, Managing Director and CEO Travis Beinke held an investor webinar to answer questions from investors via the Company's Investor Hub platform. The recording was released to the ASX on 1 July 2024. The webinar encouraged investors to ask questions and learn more about Australian Rare Earths' progress on the Koppamurra Project, a major deposit of valuable rare earth elements in South Australia and Victoria. Travis also talked about the Company's plans to develop a sustainable supply of metals for clean energy, including the recent addition of the Overland Uranium Project in South Australia (*ASX 21 June and 1 July 2024*).

Travis also participated in a live webinar through investor platform, Sharewise, to discuss advancements at both the Overland and Koppamurra Projects (*ASX 16 and 17 July 2024*).

Annual Report

During the quarter, AR3 released its annual report to shareholders (*ASX 24 September 2024*) and shortly after quarter end put a notice out for the Annual General Meeting (*ASX 2 October 2024*).

Events Subsequent to the Reporting Period

The Company received a cash refund of \$707,638 relating to eligible research and development tax credits on 10 October 2024.

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Listing Rule 5.23 Disclosure

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results and/or the estimates of Mineral Resources in this release, and in respect of the estimates of Mineral Resources reported, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed.

List of Tenements

| Tenement | Location | Commodity | Project | Jurisdiction |
|----------|--------------|-------------|----------------|--------------|
| EL6509 | Naracoorte | Rare Earths | Koppamurra | SA |
| EL6613 | Frances | Rare Earths | Koppamurra | SA |
| EL6690 | Keith | Rare Earths | Koppamurra | SA |
| EL6691 | Bordertown | Rare Earths | Koppamurra | SA |
| EL6942 | Wattle Range | Rare Earths | Koppamurra | SA |
| EL6943 | Tarpeena | Rare Earths | Koppamurra | SA |
| EL007254 | Apsley | Rare Earths | Koppamurra | Victoria |
| EL007719 | Minimay | Rare Earths | Koppamurra | Victoria |
| EL008208 | Lake Mundi | Rare Earths | Koppamurra | Victoria |
| EL008254 | Dartmoor | Rare Earths | Koppamurra | Victoria |
| EMP27952 | Massie Creek | Rare Earths | Massie Creek | QLD |
| EMP28169 | Stones Creek | Rare Earths | Dalrymple | QLD |
| EMP28168 | Mt Wickham | Rare Earths | Dalrymple | QLD |
| EMP28165 | Riverside | Rare Earths | Dalrymple | QLD |
| EPM28167 | Burdekin | Rare Earths | Dalrymple | QLD |
| EPM28166 | Dalbeg | Rare Earths | Dalrymple | QLD |
| EL7001 | Warnes | Uranium | Overland | SA |
| EL7003 | Bunying | Uranium | Overland | SA |
| EL7005 | Sturt Vale | Uranium | Overland | SA |
| EL7010 | Wirrealpa | Uranium | Triggs Bore | SA |
| EL7011 | Moolawatana | Uranium | Hamilton Creek | SA |

1 – All tenements are 100% held by AR3

Finance Update

The Company's cash balance at the end of the Quarter was A\$5,624,000.

Capital Structure

Shares on issue: 157,963,745 fully paid ordinary shares.

Options on issue: 29,371,480 unlisted options, comprising:

- 1,600,000 exercisable at \$1.44 and expiring 1 December 2024
- 6,000,000 exercisable at \$0.30 and expiring 25 January 2025
- 8,163,147 exercisable at \$0.57 and expiring 9 May 2025
- 1,000,000 exercisable at \$1.02 and expiring 9 May 2025
- 500,000 exercisable at \$0.57 and expiring 4 July 2025
- 2,000,000 exercisable at \$0.60 and expiring 29 July 2025

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- 1,750,000 exercisable at \$0.50 and expiring on 2 December 2025
- 500,000 exercisable at \$0.47 and expiring on 28 February 2026
- 1,500,000 exercisable at \$0.37 and expiring on 26 November 2026
- 1,500,000 exercisable at \$0.50 and expiring on 26 November 2026
- 1,550,000 exercisable at \$0.50 and expiring on 2 December 2026
- 1,500,000 exercisable at \$0.4739 and expiring on 20 December 2026
- 1,808,333 exercisable at \$0.435 and expiring on 26 November 2027

Appendix 5B Disclosures

AR3's accompanying Appendix 5B (quarterly Cashflow Report) includes an amount in item 6.1 which constitutes executive remuneration and non-executive director fees for the quarter. In item 6.2 of the accompanying Appendix 5B the included amount relates to the 100% acquisition of Valrico Resources Pty Ltd.

During the period, the Company spent approx. \$762,000 on exploration activities, including direct costs associated with the Koppamurra exploration and development programs, which included, drilling, geochemical assays, metallurgical test work. This figure also includes allocation of wages directly attributed to specific exploration and development activities.

The Board of Australian Rare Earths authorised this announcement to be released to the ASX.

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We encourage shareholders and followers to ask any questions here: <https://investorhub.ar3.com.au/>

About Australian Rare Earths Limited

Australian Rare Earths is committed to the timely exploration and development of its 100% owned, flagship Koppamurra Project, located in the new Koppamurra rare earths Province in southeastern South Australia and western Victoria. Koppamurra is a prospective ionic clay hosted rare earth deposit, rich in all the elements required in the manufacture of rare earth permanent magnets which are essential components in electric vehicles, wind turbines and domestic appliances. In addition, AR3 is actively reviewing other potential prospective areas which may also host uranium and ionic clay hosted rare earth deposits throughout Australia.

The Company is focused on executing a growth strategy that aims to position AR3 as an independent and sustainable source of energy transition metals, playing a pivotal role in the global transition to a green economy.

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Appendix 5B

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

Name of entity

Australian Rare Earths Limited

ABN

73 632 645 302

Quarter ended ("current quarter")

30 September 2024

| 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 - <i>net of allocations to capitalised exploration assets</i> | (464) | (464) |
| | (e) administration and corporate costs | (399) | (399) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 79 | 79 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives – R&D Tax incentive | - | - |
| 1.8 | Other (provide details if material) | - | - |
| 1.9 | Net cash from / (used in) operating activities | (784) | (784) |

| | | | |
|-----------|---|-------|-------|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | (570) | (570) |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | (1) | (1) |
| | (d) exploration & evaluation | (762) | (762) |
| | (e) investments | - | - |
| | (f) other non-current | - | - |

| 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 | (1,333) | (1,333) |

| | | | |
|-------------|---|-------------|-------------|
| 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) | (38) | (38) |
| 3.10 | Net cash from / (used in) financing activities | (38) | (38) |

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 7,779 | 7,779 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (784) | (784) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (1,333) | (1,333) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (38) | (38) |

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

| 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 | 5,624 | 5,624 |

| 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 | 5,450 | 7,605 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (Term Deposits) | 174 | 174 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 5,624 | 7,779 |

| 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 <i>* The payments disclosed here relate to fees and salaries paid to all Directors (including Managing Director) during the quarter.</i> | 269 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 <i>*The payment disclosed here relates acquisition costs paid to Valrico Resources Pty Ltd during the quarter.</i> | 570 |

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.

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 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) | (784) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (762) |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (1,546) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 5,624 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 5,624 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 3.64 quarters |
| <i>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.</i> | |
| 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 | |
| <i>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.</i> | |

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:11 OCTOBER 2024.....

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.