

26 April 2022

## ASX ANNOUNCEMENT

### March 2022 Quarterly Activity Report

The following is a summary of the activities conducted by VRX Silica Limited (**VRX** or **Company**) during the March 2022 quarter at its silica sand projects at Arrowsmith North, Arrowsmith Central (located 270 km north of Perth), Muchea (located 50 km from Perth) and Boyatup (located 100 km east of Esperance), all situated in Western Australia.

#### VRX Silica Sand Resources

VRX is a Western Australian based pure-play silica sand exploration company with four high-value, advanced, very long-term silica sand projects in Western Australia, a Tier 1 mining region.

The Company has multi-decade scale contiguous sand deposits on granted Mining Leases with secure tenure and a combined +1bn tonne Mineral Resource of 99.6% to 99.9% SiO<sub>2</sub> grade silica sand.

The Company and its management team is WA based as are its four large scale, high-grade and low impurity silica sand projects. Each project can be run independently and supply high-grade silica sand to many diverse markets.

#### Applications of Silica Sand

Silica sand is the most-used commodity on the planet after air and water. It is the main ingredient in all types of **glassmaking**, including specialty solar panel and high-tech glass. The glass manufacturing industry demand is increasing at a rate of 5-6% per year, or about 8-10 million tonnes pa. Around 47% of the world's glass is made in Asia.

Silica sand is an essential component of the **foundry** and casting industries. The largest foundry industry is in Korea where it dominates the industry particularly for large marine components.

Silica sand is also the main ingredient in concrete.

Silica sand is a finite resource that is rapidly being exhausted and the Asia-Pacific region is currently experiencing **increasing demand** at a time of a **global supply shortfall**.

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#### **ASX: VRX**

##### **Capital Structure**

*Shares on Issue:*

*558.4 million*

*Unlisted Options:*

*35.3 million*

##### **Corporate Directory**

**Paul Boyatzis**

*Non-Executive  
Chairman*

**Bruce Maluish**

*Managing Director*

**Peter Pawlowitsch**

*Non-Executive Director*

**David Welch**

*Non-Executive Director*

**Ian Hobson**

*Company Secretary*

##### **Silica Sand Projects**

*Arrowsmith Silica Sand  
Projects, 270km north  
of Perth, WA.*

*Muchea Silica Sand  
Project, 50km north of  
Perth, WA.*

*Boyatup Silica Sand  
Project, 100km east of  
Esperance, WA.*

*The Company is actively  
assessing other silica  
sand projects in  
Australia.*

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## A Project development pipeline to ensure a disciplined, staged development of world-class assets

The Arrowsmith North silica sand project will lead a staggered and disciplined development program, followed by Muchea and Arrowsmith Central.

VRX has the most-developed ASX listed company silica sand projects in Australia with planning, Aboriginal heritage and environmental studies well advanced having commenced in 2017.

Mining Leases are granted over all three projects as well as various Miscellaneous Licences for access with permitting and infrastructure preparations well-advanced.

The scale of the projects provides for a long-term opportunity for **silica sand export** and potential for **glass manufacturing and downstream industries** in Western Australia.

### Arrowsmith North

The mining and processing operation is relatively simple and low impact with long-term production expected to commence initially at Arrowsmith North on the 223Mt Ore Reserve @ **99.7% SiO<sub>2</sub>**, subject to final environmental approvals.

A revised capital estimate is currently underway on a tailored 2Mtpa processing plant with a unique patented process circuit.

Process circuit design and detailed engineering has been designed following an extensive metallurgical testing regime. A bulk testwork programs has been undertaken during the March 2022 quarter with results pending. The program has produced sufficient final product samples which will be sent to an extensive list of potential buyers once confirmation assays have been received.

In addition, a process water bore was successfully drilled to access water from the Yarragadee North deep aquifer.

As part of the application for a 5C Licence to Take Water a test production bore and two monitoring bores, a deep and a shallow, have been drilled and constructed on the Arrowsmith North miscellaneous licence L70/199 by Western Drilling. The bores have been constructed to specifications exceeding the Minimal Construction Requirements for Water Bores in Australia and as specified by the Department of Water and Environmental Regulation.

The test production bore is screened in the confined Yarragadee Formation Unit A aquifer with the screens installed between 320m and 392m depth. The 250mm FRP casing has been cement grouted from 0 – 300m to prevent ingress of water from other parts of the Yarragadee Formation or the superficial aquifer.

A deep monitoring bore has a similar construction to the production bore with the grouting and screening over similar intervals. A shallow monitoring bore is screened from 18 – 30m in the superficial aquifer.

The production bore was test pumped to determine hydraulic parameters and specific yields for use in the H3 Hydrogeological Assessment computer model. The test pumping was undertaken to AS2368-1990 by Western Irrigation using their mobile test pumping equipment.

Initial multi-rate testing was carried out to determine a constant rate test rate. The highest rate of 32L/s yielded a maximum drawdown of 6.12m. The constant rate test was carried out

at 30L/s for 1,990 minutes for a maximum drawdown of 6.20m in the pumping bore, 2.71m in the deep observation bore and no movement in the shallow observation bore.

Preliminary assessment of the constant rate test data indicates a transmissivity in excess of 900m<sup>3</sup>/d/m which results in a hydraulic conductivity in excess of 10m/d. The controlled test pumping indicates that the confined Yarragadee Formation Unit A aquifer is capable of yielding the project requirements of 900,000kL per annum. The production bore has been constructed to yield in the order of 1,200,000kl per annum.

Analysis of water samples taken during test pumping has confirmed the water is of acceptable quality for use as process water in VRX's proposed silica sand process plant.

## Arrowsmith North Approvals

During the quarter Environmental Protection Authority of Western Australia (**EPA**) approved the Company's Environmental Scoping Document (**ESD**) for proposed mining activities at its 100% owned Arrowsmith North Silica Sand Project.

The Proposal was referred to EPA services on 17 March 2021 for assessment under Part IV of the Environmental Protection Act 1986. On 24 May 2021 it was determined that the Proposal should be assessed at a Public Environmental Review level of assessment and as a result, an ESD was to be submitted to the EPA for assessment. The ESD was approved on 15 March 2022.

The ESD approval required no amendments to the submitted document which is testament to the process that VRX has undertaken in consultation with the EPA.

EPA approval of the ESD is a significant milestone in the environmental approvals process for Arrowsmith North and provides clarity for the Company on the pathway to development.

The ESD is a precursor to the Environmental Review Document (**ERD**), which is required under the EPA's public environmental review process and will be released for public review. The ESD was prepared according to the procedures in the EPA's *Environmental Impact Assessment* (EIA; Part IV Divisions 1 And 2) Procedures Manual (EPA, 2021b)

Importantly, VRX now has an indicative timetable for full assessment acceptance by the EPA, with a final report for Ministerial environmental approval scheduled for December 2022.

The indicative timetable included the timing for submission of the first draft of the ERD by 15 April 2022. Subsequent to the end of the quarter, VRX submitted the required documentation on 14 April 2022. The ERD is a comprehensive summary of the project environmental setting, the physical elements of the mine and infrastructure, operational elements, the extent of effects on the environment and the proposed rehabilitation and closure plan.

An important feature of the proposed rehabilitation is the use of the unique Vegetation Direct Transfer (VDT) which is estimated to result in the best restoration of the mine area vegetation and habitat.

The VDT methodology can be viewed at:

<https://vrxsilica.com.au/miningandrehabilitationmethodology/>

## Arrowsmith Central

VRX has referred a proposal for the Arrowsmith Central silica sand project to the Federal Department of Water and Environment (**DAWE**) for assessment under the EPBC Act. During the December 2021 quarter, VRX was advised by DAWE it has determined that the Proposal is a Controlled Action and the statutory assessment approach timeframe will await a decision by the WA Government to determine whether an accredited assessment is an appropriate method.

The Arrowsmith Central Proposal was referred to the EPA under s. 38 of the EP Act on 10 September 2021. A notice for further information under s. 38F (1) and (2) of the EP Act was then received on 8 December 2021.

VRX has requested and had approved an extension of time to the end of February 2022 to supply the information requested to incorporate the additional material from the September 2021 detailed flora and vegetation study at Arrowsmith Central.

The revised Proposal was submitted 28 February 2022. The revised referral package replaces the original s.38 referral that was submitted to EPA services on 10 September 2021.

As part of the notice requiring further information, the EPA requested the IBSA submission reference number for any biodiversity surveys that were submitted to support the referral. This information was provided.

## Arrowsmith North and Central Aboriginal Heritage Surveys

Aboriginal heritage surveys have been completed at the Arrowsmith North (Arrowsmith North) and Arrowsmith Central (Arrowsmith Central) Silica Sand Projects.

Two more comprehensive archaeological and ethnographic surveys over proposed mining and critical infrastructure areas were completed over the past four months with representatives of the Yamatji Southern Regional Corporation (**YSRC**) and SandS CRM personnel.

Advice received by the Company from YSRC confirms that all proposed long-term mining and associated infrastructure areas are clear for the stated works to proceed. These areas include the 360ha Arrowsmith North mine disturbance envelope, allowing for 30 years of mining, and 485ha of the Arrowsmith Central mine disturbance envelope that will allow for 20 years of mining

In addition to the heritage surveys, the YSRC and SandS CRM consultants assisted VRX in further understanding the presence of conservation significant fauna identified by the Company's fauna consultants. The YSRC and SandS CRM consultants were aware of VRX's Native Fauna Manual and asked to identify those species, or significant others not referenced in the Company's manual, that they had encountered during the survey. The Company is pleased to report that no priority fauna was identified during the survey, with this outcome to be included in VRX's submissions for regulatory approvals.

In addition to the successful review and assessment by YSRC and SandS CRM consultants of the Company's Native Fauna Manual, this exercise will help support the future Ranger Program to be developed by VRX in consultation with YSRC.

## Muchea

Development of the Muchea silica sand project will follow once production has commenced at Arrowsmith North.

Muchea will have access to established infrastructure such as grid power, is adjacent to the Brand Highway and the underutilised railway which connects to the Kwinana Port (approx. 100km).

Gas pipelines run adjacent to the Muchea silica sand project and water will be accessed from the Yaragadee deep aquifer.

The Company has had many overseas enquiries for Muchea silica sand and believes that the consistent production of such high-grade silica sand with a low iron content will be in high demand as raw material for the manufacture of premium ultra-clear cover glass production, particularly for the burgeoning solar panel manufacturing industry. This interest continued throughout the March 2022 quarter.

In July 2021, VRX commissioned Mattiske consulting to undertake a detailed springtime flora and vegetation study on the priority area in the north of the Muchea silica sand project area. This is in addition to a 2017 desktop survey and a field survey in spring 2018. The survey area included 884ha of proposed mining area and proposed access routes.

During the quarter, VRX received a comprehensive flora and vegetation assessment of the 2021 survey area which includes:

1. An assessment of the area, at a suitable scale that allows the vegetation communities to be delineated, including replicate survey sites in similar vegetation types to enable statistical analysis of flora species data;
2. The collection and identification of the vascular plant species present in both the survey sites and opportunistically in order for a more complete assessment of the flora in the survey to be made;
3. A review of the conservation status of the vascular plant species recorded by reference to current literature and listings by the Department of Biodiversity, Conservation and Attractions (DBCA) and plant collections held at the Western Australian State Herbarium (WAH), and listed by Department of Agriculture, Water and the Environment (DAWE)(2019b) under the EPBC Act;
4. Collation and analysis of data and comparison with local and regional datasets and analyses;
5. Definition and mapping of the vegetation communities, Floristic Community Types (FCTs) and Site-Vegetation Types (SVTs) in the survey area;
6. Definition and mapping of the location of any Threatened or Priority flora and any Threatened or Priority Ecological Communities located within the survey area;
7. Definition of any management issues related to flora and vegetation values; and
8. Provision of recommendations on the local and regional significance of the vegetation communities

In combination with previous detailed fauna survey reports the detail in this report will allow VRX to select areas of mining that will have the least impact to the environment and habitats.

## Boyatup

VRX conducted a 206 hole, 312m, 400m x 800m spaced air core drill program at its Boyatup Silica Sand Project, located approximately 100km east of Esperance, Western Australia.

Results of early work undertaken by VRX and the previous tenement holder indicated in-situ sand grades up to 99.7% SiO<sub>2</sub> with potential to produce a very low Fe<sub>2</sub>O<sub>3</sub> product.

Drilling took 9 days with assay results to follow in late April 2022. This drilling campaign is anticipated to enable a maiden mineral resource to be estimated. Drilling will also produce bulk material for metallurgical testwork to determine the product quality that the project can produce.

The drilling was undertaken pursuant to a program of work, or POW, approved by the Department of Mining, Industry and Regulation and Safety of Western Australia.

A heritage (site avoidance) survey undertaken by the Esperance Tjaltjraak Native Title Aboriginal Corporation (ETNTAC) cleared the area for the drill program.

Environmental desktop studies over the area have commenced with databases from the Department of Biodiversity Conservation and Attractions (DBCA) received to review regional data on:

1. Priority flora
2. Priority ecological communities
3. Threatened ecological communities; and
4. Significant fauna.

## Hydrogen Supply

During the quarter, VRX signed a non-binding memorandum of understanding (**MOU**) with Xodus Group Pty Ltd (**Xodus**) to explore the future supply of renewable hydrogen to the Company's silica sand projects as well as to potential, nearby glass-manufacturing facilities to enable the production of net-zero glass.

Given the high quality and volume of silica sand at both Arrowsmith and Muchea and the close proximity to energy infrastructure at both locations, VRX is exploring – in consultation with the Western Australian Government and significant international industry players – the potential for the development of glass-manufacturing facilities to take advantage of this tremendous opportunity.

Glass manufacturing requires considerable energy inputs. The supply of renewable hydrogen to power such glass-manufacturing facilities could potentially lead to the production of world leading net-zero glass.

The MOU with Xodus establishes a platform for strategic confidential communication and future co-operation between the parties. It contemplates the sharing of information with a view to a future offtake of between 9,000 tonnes to 11,000 tonnes of hydrogen per annum, which is adequate to supply a substantial glass-making facility.

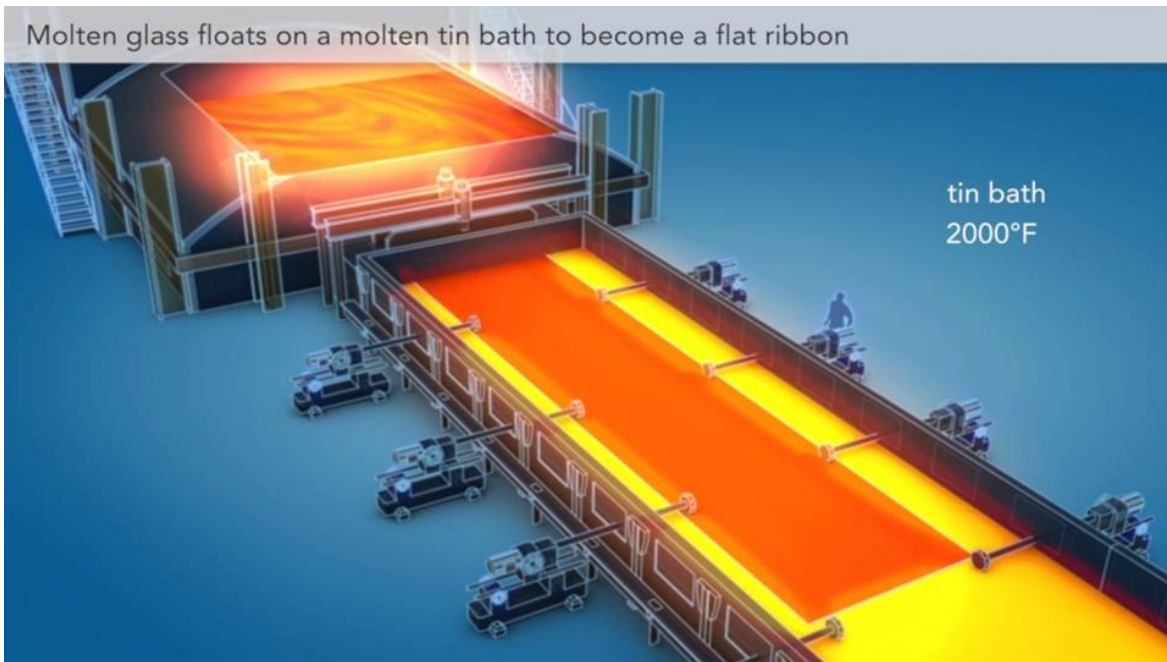


Figure 1. Glass production float process

Research into replacing natural gas with hydrogen to power glass-manufacturing plants is well advanced. Nippon Sheet Glass (NSG Group) recently announced that it had successfully manufactured architectural glass at its facility in the UK in a world-first trial that used hydrogen (<https://www.nsg.com/en/media/ir-updates/announcements-2021/ag-production-powered-by-hydrogen>).

### Potential for Glass Manufacturing in Western Australia

Both Arrowsmith and Muchea locations have substantial Mineral Resources that comprise high-quality silica sand suitable to manufacture glass, with Muchea in particular suitable for solar panel glass.

The high quality and substantial volumes of silica sand at both projects lend themselves to the potential for development of nearby glass-manufacturing facilities. This potential has attracted the interest of the Western Australian Government and international glass manufacturers and could deliver potentially billions of dollars in foreign investment into the State.

As well as high quality and volumes of silica sand, glass manufacturing requires substantial energy inputs. VRX is further exploring the potential for the supply of renewable hydrogen to power glass manufacturing facilities to produce net-zero glass.

VRX believes it is the right time and Muchea is the right place for WA to maximise its economic advantages of a very long-life high-grade silica sand supply and WA domestic gas reserves, together with rapidly developing hydrogen projects in the Mid-West, for a high-tech ultra-clear glass production capability at Muchea.

During the March 2022 quarter, VRX continued its consultation with the WA State Government to attract foreign and local investment into the development of world-class glass manufacturing and downstream processing industries in Western Australia.

## Environmental, Social and Governance – ESG

VRX continues to deliver on its ESG responsibilities aligned to the UN's Sustainable Development Goals and published its maiden report in the 2021 Annual Report. This report will be updated during the June 2022 quarter for inclusion in the 2022 Annual Report.

### Metallurgical Testwork R&D

During April 2022, VRX has lodged registration for an R&D Tax Incentive Application for the year ending June 2021 with AusIndustry.

The claim is for costs incurred for the R&D work undertaken by VRX and its consultants in the core development of a new process route for high grade silica sand which includes the recovery and testing of metallurgical composite samples, preparation and analytical testwork to determine a process circuit design and subsequent engineering.

The claim period will extend to following years that R&D will be undertaken.

## Corporate

During the quarter the Company announced that Ian Hobson has replaced John Geary as Company Secretary, effective 1 January 2022. Mr Geary has remained with the Company, undertaking a variety of other roles.

## ASX Listing Rule 5.3 disclosures

Details of mining exploration activities:

Payments for exploration & evaluation under operating activities of \$60,000 related mainly to tenement rents.

Payments for exploration & evaluation under investing activities of \$403,000 consists mainly of processing plant engineering design and related metallurgical test work and environmental surveys and approvals costs.

There were no substantive mining production and development activities during the quarter.

### Details of tenement activities:

During the quarter, the following tenements were granted:

None

During the quarter, the following tenements were applied for:

Mining Lease M70/1414



### Details of related party payments:

The aggregate amount of payments to related parties and their associates of \$144,000 shown at paragraph 6.1 of the attached Appendix 5B represents directors' fees and salaries paid during the quarter.

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The information in this document that relates to the estimation and reporting of the Mineral Resource and Ore Reserves for the Arrowsmith North, Arrowsmith Central and Muchea Silica Sand Projects is extracted from releases to ASX on 28 August 2019, 17 September 2019 and 18 October 2019, respectively. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

This report has been authorised for release to ASX by the Board of Directors.

### Further information:

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## Interests in Mining Tenements (Western Australia)

### Arrowsmith Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4986	Granted	100%	-	-	100%
E70/4987	Granted	100%	-	-	100%
E70/5027	Granted	100%	-	-	100%
E70/5109	Granted	100%	-	-	100%
E70/5197	Granted	100%	-	-	100%
E70/5817	Granted	100%	-	-	100%
M/1389	Granted	100%	-	-	100%
M/1392	Granted	100%	-	-	100%
L70/198	Granted	100%	-	-	100%
L70/199	Granted	100%	-	-	100%
L70/202	Granted	100%	-	-	100%
L70/203	Granted	100%	-	-	100%
L70/208	Granted	100%	-	-	100%
L70/230	Granted	100%	-	-	100%
L70/229	Application	-	-	-	-
G70/264	Application	-	-	-	-
G70/265	Application	-	-	-	-
G70/266	Application	-	-	-	-

### Muceha Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E70/4886	Granted	100%	-	-	100%
E70/5157	Granted	100%	-	-	100%
E70/5548	Granted	100%	-	-	100%
E70/5651	Application	-	-	-	-
M70/1390	Granted	100%	-	-	100%
M70/1414	Application	-	-	-	-
L70/200	Granted	100%	-	-	100%
L70/204	Granted	100%	-	-	100%
L70/205	Application	-	-	-	-
L70/206	Granted	100%	-	-	100%

### Boyatup Project – Silica Sand

Tenement	Status	Interest at beginning of quarter	Interests relinquished, reduced or lapsed	Interests acquired or increased	Interest at end of quarter
E69/3560	Granted	100%	-	-	100%
E69/3668	Granted	100%	-	-	100%

## About VRX Silica

VRX Silica Ltd (ASX: VRX) is developing world-class, high-grade silica sand projects in Western Australia.

The Arrowsmith North and Arrowsmith Central Silica Sand Projects, 270km north of Perth, comprise five granted exploration licences and two granted mining leases. Bankable feasibility studies for both projects have demonstrated exceptional financial metrics.

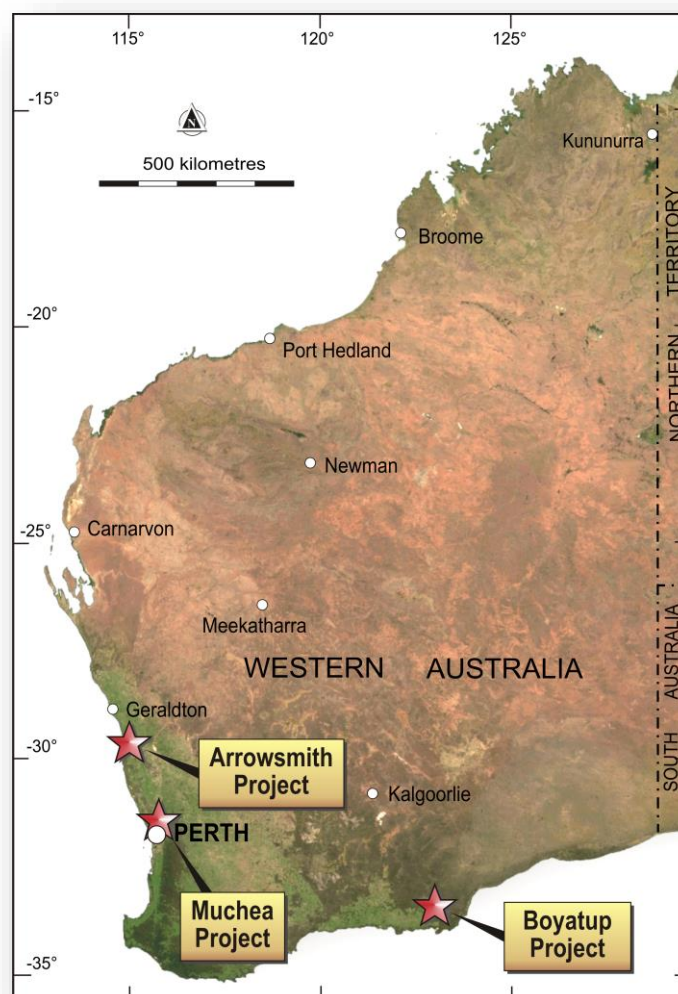
The Muchea Silica Sand Project, 50km north of Perth, comprises two granted and one under-application exploration licences as well as one granted mining lease. Muchea is a world-class project with high-purity silica sand in situ. A bankable feasibility study has demonstrated outstanding financial metrics.

The Boyatup Silica Sand Project, 100km east of Esperance, comprises two adjacent granted exploration licences. Initial indications are that this project can complement the Arrowsmith and Muchea projects and add to the range of silica products VRX Silica may be capable of producing.

## Proven Management

VRX Silica's Board and Leadership Team have extensive experience in mineral exploration and mine development-to-production and in the management of publicly listed mining and exploration companies.

## Silica Sand Projects Locations



## Appendix 5B

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

Name of entity

VRX SILICA LTD

ABN

59 142 014 873

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(60)	(220)
(b) development	-	-
(c) production	-	-
(d) staff costs	(225)	(575)
(e) administration and corporate costs	(194)	(1,148)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	12
1.5 Interest and other costs of finance paid (on lease liability)	(2)	(7)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(478)</b>	<b>(1,938)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(227)	(330)
(d) exploration & evaluation	(403)	(1,871)
(e) investments	-	-
(f) other non-current assets	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(630)</b>	<b>(2,201)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	4,438
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 (repayment of lease liability)	(17)	(50)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(17)</b>	<b>4,388</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	11,816	10,442
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(478)	(1,938)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(630)	(2,201)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(17)	4,388

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>10,691</b>	<b>10,691</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,677	6,805
5.2	Call deposits	5,014	5,011
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>10,691</b>	<b>11,816</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	144
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.*

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>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 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(478)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(403)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(881)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,691
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,691
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	12
<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: Not applicable	
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: Not applicable	

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

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: Not applicable

*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: .....26 April 2022.....

Authorised 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.