

QUARTERLY REPORT

Quarter ended 31 March 2022

ASX: CUF

ASX Announcement - 27 April 2022

CuFe Ltd (ASX: **CUF**) (**CuFe** or the **Company**) is pleased to provide its Quarterly Activities Report and Appendix 5B for the three-month period ended 31 March 2022.

HIGHLIGHTS

- Mining operations (drill and blast, load and haul) re-commenced in early January following the drawdown of run of mine stock at site and an improved iron ore market, with ramp up to full production achieved over the quarter;
- Haulage and processing rates have increased month on month in the quarter, with operations returning to the rates achieved prior to slowing down in the back end of the December quarter in response to the decline in iron ore price experienced in the December quarter;
- Two cargoes exported inside the quarter have reinforced the high grade / high value nature of the product with both cargoes achieving positive pricing outcomes with an average price for the quarter of USD140 / wmt FOB, with the March shipment provisionally priced based on the April forward price;
- Rising iron ore price has enabled a reset of hedge positions, with 295,000dmt hedged for the period April – December 2022, comprising 140,000 dmt of swaps averaging USD151 / dmt and 155,000 dmt of collars with an average floor price of USD123 and an average ceiling price of USD162, all basis the 62% Fe index, with lump premium additional to this. 75,000 dmt of lump premium hedges have also been entered at an average rate of USD0.37 / dmtu;
- The Mining Management Plan (MMP) for the infill drilling program at the Orlando copper project at Tennant Creek was approved and various key studies that are instrumental for future mining approvals have been completed; and
- Yarram ground magnetic survey undertaken to assist in targeting work for upcoming drill program - Results from the brief drilling program conducted pre the wet season were received post quarter end.

OPERATIONS

JWD IRON ORE PROJECT (Western Australia, CUF 60%)

Against the backdrop of an improving iron ore market, the focus of operations for the JWD Iron Ore Project (**JWD, JWD Project**) in this quarter has been on recommencement and ramp-up of mining (drill and blast, load and haul), and in parallel increasing both processing and haulage capacity.

Key points for the quarter include:

- Part cargo of 30,000t (100%) completed loading on 27 January, followed by a full cargo of approximately 60,000t that completed loading on the 19 March;
- Mining operations (drill and blast, load and haul) re-commenced, with ramp up to full production achieved in the quarter including record Total Material Movement in March 2022;
- Additional haulage contractor introduced, increasing the rate of haulage to port;
- Post the successful trial of a higher payload 60m quad road train (reported in the previous quarter), the Company this quarter continued to work with key stakeholders on the next steps (including necessary approvals) required to commence the introduction of 60m road trains to the fleet. Post the quarter end, the Company executed an agreement with Main Roads WA related to an intersection upgrade. This important milestone will facilitate contractors being able to submit permit applications for the use of 60m road trains on the haul route between the mine and the port in Geraldton.
- Crushing and screening circuit has been changed out, resulting in a larger jaw crusher and sizing screen to support improved reliability and an increase in processing capacity for JWD; and
- Iron Ore prices have continued to firm over the quarter, with 62% index prices increasing from USD119/dmt at the end of December to USD158 at the end of March. JWD, being a producer of high-grade lump, has further benefited from an increase in lump premiums from 20c per dry metric tonne unit (**dmtu**) for September to 31c per dmtu at the end of March.



Figure 1: JWD Pit and Waste Dump March 2022

Operations Summary

Production Summary (100%)	Measure	Q2 FY22	Q3 FY22	Var (%)
Total material moved	BCM	21,634	203,443	840%
Ore mined	wmt	47,427	200,888	324%
Ore processed	wmt	102,677	135,250	32%
Ore hauled to port	wmt	79,643	80,894	2%
Ore shipped	wmt	119,804	89,328	(25%)
Inventory				
ROM	wmt	58,316	123,684	112%
Site Finished Product	wmt	4,688	17,462	272%
Port	wmt	21,633	13,199	(39%)
Revenue (FOB)	US\$/wmt	100.56	139.89	39%
Revenue (FOB)	A\$/wmt	138.78	195.26	41%
Hedging Gains / (losses)	A\$/wmt	65.53	(18.91)	(129%)
Total Revenue	A\$/wmt	204.31	176.35	(14%)
C1 Costs (\$/wmt Shipped)	A\$/wmt	130.92	144.56	(10%)
C1 Costs (\$/wmt by Activity)	A\$/wmt	119.48	136.36	(14%)

Note: All numbers are on a 100% JV basis, Cufe share 60%

Key points:

- Substantial cash invested in rebuilding inventory across the value chain following the recommencement of mining activities

- Shipped tonnes were down on the prior quarter as operations were slowed during the December quarter due to the rapid fall in iron ore prices, limiting material available for sale in the March quarter
- Realised FOB pricing of US\$139.89/wmt FOB basis compares favourably to prices reported by other West Australian iron ore producers for the quarter and represents a premium to the 62% index price
- A provisional hedge loss occurred via the mark to market of the April hedge position versus the April forward price, the final position will be known once the April price is finalised. All hedge positions from May onwards are set at substantially higher price levels than April and are presently “in the money” on a provisional basis, with 140,000dmt of swaps averaging USD151/dmt and 155,000dmt of collars with an average floor price of USD123 and an average ceiling price of USD162
- C1 Cost per tonne Shipped were negatively impacted by lower sales volumes increasing unit costs as a result of less fixed cost dilution. The C1 Cost by Activity increase was driven predominantly by increased haulage costs resulting from higher fuel prices and higher contractor profit share (haulage rates linked to realised iron ore sales price), two separate wet weather events within the quarter that increased road maintenance costs, and one-off costs associated with changing out the crushing and screening plant. Costs are expected to reduce over coming quarter as full production rates are achieved.

DEVELOPMENT AND EXPLORATION PROJECTS

The Company holds, or has rights or interests in, various tenements prospective for iron ore, gold and base metals located in Western Australia and the Northern Territory. The Company’s main focus is its iron ore assets in Western Australia (JWD Iron Ore Project) and the Northern Territory (Yarram Iron Ore Project), and development of the recently acquired Tennant Creek Copper Project in the Northern Territory. The remaining projects are all subject to various joint venture agreements for which the Company does not have operational control.

Yarram Mining Rights (Northern Territory)

The Company holds a 50% interest in Gold Valley Iron and Manganese Pty Ltd, the owner of the iron ore rights over the Yarram project, located some 110km from Darwin Port.

A short drilling program was commenced at Yarram in the December quarter before being shut-down by adverse drilling conditions following the early arrival of the wet season. Results from the holes drilled were expected to be received in the March quarter but delays at the laboratory, predominately attributable to Covid, delayed the results being received until post quarter end.

During the quarter the company undertook a ground based gravity geophysics survey over a portion of the Yarram tenure to assist in further refining exploration targets for recommencement of drilling in the dry season, with the results of the survey also received after quarter end. See the Company’s ASX announcement dated 27 April 2022 for details of results of the drilling and gravity geophysics survey.

Tennant Creek Mining Rights (Northern Territory)

The Company reported in its December Quarterly the completion of a deal to acquire a 60% interest in copper / gold assets at Tennant Creek in the Northern Territory from Gecko Mining Company Pty Ltd.

Work associated with the approvals process has continued this quarter along with certain packages of work related to delivering a pre-feasibility study (**PFS**) at the end of December 2022 centered around an open pit cut-back to the existing Orlando open pit:

- A geological review of the existing drillhole information and existing core located at Tennant Creek was completed to define a preliminary infill drilling program. Relevant core located at Tennant Creek was sorted in preparation for transfer to Perth. Post the quarter end the core has now been received in Perth and a review will be undertaken by the Geotechnical and Metallurgical consultants to ascertain what additional core may be required as part of the planned infill drilling program;
- The Mining Management Plan (MMP), required for the drilling program, was submitted and approved in the March quarter;
- The Company submitted an AAPA application for the drilling program in December 2021. The desktop review component of this process is now complete with the remaining fieldwork component waiting on government departmental resources and traditional owners to become available;
- Wet season surface water sampling is now complete;
- Flora and fauna surveys have now been completed;
- A groundwater assessment, important to both the approvals process and operational considerations for the project, commenced in March with the appointment of SLR Consulting; and
- A scoping study level of assessment has been commissioned with Tetrattech Coffey to look at various options for tailings storage.



Figure 2: Existing Orlando Copper / Gold pit

Bryah Basin Joint Venture Projects - CUF 20% rights

CUF, via its wholly owned subsidiary Jackson Minerals Pty Limited (**Jackson Minerals**), has a 20% interest in tenements in the highly prospective Bryah Basin proximal to Sandfire Resources NL (**SFR**) Doolgunna Project and DeGrussa copper gold mine. The Bryah Basin Project tenements are subject to joint ventures and farm-ins with Billabong Gold Pty Ltd (**Billabong**), Alchemy Resources (Three Rivers) Ltd (**ALY**), Auris Minerals Ltd (**AUR**) and SFR. SFR is currently actively exploring the area.

CORPORATE

Financial Position

Cash available at the end of the March 2022 quarter was \$9.3m.

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totaled \$162,885. The Company advises that \$112,500 of this relates to Director fees. Refer to the Remuneration Report in the Annual Report for further details on director remuneration. An amount of \$150 was paid to Cyclone Metals Limited (a company of which Mr Tony Sage is a director) for reimbursement of general corporate expenses attributable to CUF. An amount of \$1,485 was paid to European Lithium Limited (a company of which Mr Tony Sage is a director) for reimbursement of general corporate expenses attributable to CUF. An amount of \$48,750 was paid to Okewood Pty Ltd (a company of which Mr Tony Sage is a director) for office rent expense (\$18,750) and for reimbursement of Covid 19 test kits purchased in bulk (\$30,000). These amounts are included at Item 6.1 of the Appendix 5B.

Expenditure on mining exploration activities

In accordance with ASX Listing Rule 5.3.1, the Company advises its exploration and evaluation expenditure during the March 2022 quarter totaled \$282k. This amount is included at Item 1.2(a) of the Appendix 5B. Key expenditure this quarter in respect of the Yarram Project and Tennant Creek Project included payments to geological and technical consultants, environmental, drilling, tenement rents and rates, and tenement management costs. Refer to Projects overview section above for details of exploration activities conducted during the quarter.

Expenditure on mining production and development activities

In accordance with ASX Listing Rule 5.3.2, the Company advises its mining production and development expenditure during the March 2022 quarter totaled \$5,834k (CUF's net share) in respect of the JWD Project. This amount is included at Items 1.2(b) and 1.2(c) of the Appendix 5B. Key expenditure this quarter related to mining contractor costs, haulage costs, port costs, royalties attached to two shipments completed in the March 2022 quarter. Refer to Projects overview section above for details of development activities conducted during the quarter.

Securities

There were no movements in shares during the March 2022 quarter.


Movements in options during the March 2022 quarter were as follows:

- 3,000,000 unlisted options at \$0.025 expired on 31 March 2022.

Announcement released with authority of the CuFe Board of Directors.

For further information please contact:

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Important Notice

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

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

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities in the Company. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision. By reviewing or retaining this announcement, you acknowledge and represent that you have read, understood and accepted the terms of this important notice.

Competent Person Statement

The information in this report is compiled and collected by Mr Olaf Frederickson, who is a Member of the Australasian Institute of Geoscientists. Mr Frederickson has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves (JORC Code 2012). Mr Frederickson consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Schedule of tenement interests of the Company and its subsidiary entities as at 31 March 2022 (including details of tenements acquired and disposed of during the quarter)

Tenement reference	Project & Location	Acquired Interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter	Notes
M53/971-I	Wiluna West – Western Australia	-	-	60%	1
M53/972-I	Wiluna West – Western Australia	-	-	60%	1
M53/1018-I	Wiluna West – Western Australia	-	-	60%	1
M53/1078-I	Wiluna West – Western Australia	-	-	60%	1
L53/115	Wiluna West – Western Australia	-	-	60%	1
L53/146	Wiluna West – Western Australia	-	-	60%	1
MLN1163	Yarram – Northern Territory	-	-	50%	2
ELR125	Yarram – Northern Territory	-	-	50%	2
ELR146	Yarram – Northern Territory	-	-	50%	2
EL 26595	Tennant Creek – Northern Territory	-	-	60%	3
EL 28777	Tennant Creek – Northern Territory	-	-	60%	3
EL 28913	Tennant Creek – Northern Territory	-	-	60%	3
EL 29012	Tennant Creek – Northern Territory	-	-	60%	3
EL 29488	Tennant Creek – Northern Territory	-	-	60%	3
EL 30488	Tennant Creek – Northern Territory	-	-	60%	3
EL 30614	Tennant Creek – Northern Territory	-	-	60%	3
EL 31249	Tennant Creek – Northern Territory	-	-	60%	3
EL 32001	Tennant Creek – Northern Territory	-	-	60%	3
ML 23969	Tennant Creek – Northern Territory	-	-	60%	3
ML 29917	Tennant Creek – Northern Territory	-	-	60%	3
ML 29919	Tennant Creek – Northern Territory	-	-	60%	3
ML 30714	Tennant Creek – Northern Territory	-	-	60%	3
ML 30745	Tennant Creek – Northern Territory	-	-	60%	3
ML 30783	Tennant Creek – Northern Territory	-	-	60%	3
ML 30873	Tennant Creek – Northern Territory	-	-	60%	3
ML 31021	Tennant Creek – Northern Territory	-	-	60%	3
ML 31023	Tennant Creek – Northern Territory	-	-	60%	3
MLC 21	Tennant Creek – Northern Territory	-	-	60%	3
MLC 323	Tennant Creek – Northern Territory	-	-	60%	3
MLC 324	Tennant Creek – Northern Territory	-	-	60%	3
MLC 325	Tennant Creek – Northern Territory	-	-	60%	3
MLC 326	Tennant Creek – Northern Territory	-	-	60%	3
MLC 327	Tennant Creek – Northern Territory	-	-	60%	3
MLC 506	Tennant Creek – Northern Territory	-	-	60%	3

MLC 69	Tennant Creek – Northern Territory	-	-	60%	3
MLC 70	Tennant Creek – Northern Territory	-	-	60%	3
MLC 78	Tennant Creek – Northern Territory	-	-	60%	3
MLC 85	Tennant Creek – Northern Territory	-	-	60%	3
MLC 86	Tennant Creek – Northern Territory	-	-	60%	3
MLC 87	Tennant Creek – Northern Territory	-	-	60%	3
MLC 88	Tennant Creek – Northern Territory	-	-	60%	3
MLC 89	Tennant Creek – Northern Territory	-	-	60%	3
MLC 90	Tennant Creek – Northern Territory	-	-	60%	3
MLC 96	Tennant Creek – Northern Territory	-	-	60%	3
MLC 97	Tennant Creek – Northern Territory	-	-	60%	3
E52/1668	Peak Hill - Western Australia	-	-	20%	4
E52/1678	Peak Hill - Western Australia	-	-	20%	4
E52/1722	Peak Hill - Western Australia	-	-	20%	5
E52/1730	Peak Hill - Western Australia	-	-	20%	4
P52/1538	Peak Hill - Western Australia	-	-	20%	4
P52/1539	Peak Hill - Western Australia	-	-	20%	4
P52/1494	Forrest - Western Australia	-	-	20%	6
P52/1495	Forrest - Western Australia	-	-	20%	6
P52/1496	Forrest - Western Australia	-	-	20%	6
E29/640	Mt Ida – Western Australia	-	-	100%	7
M29/2	Mt Ida – Western Australia	-	-	100%	7
M29/165	Mt Ida – Western Australia	-	-	100%	7
M29/422	Mt Ida – Western Australia	-	-	100%	7

NOTES:

- 1 CUF (via Wiluna FE Pty Ltd) holds a 60% interest in the Mining Rights Agreement over the Wiluna West JWD deposit (iron ore rights).
- 2 CUF (via Yarram FE Pty Ltd) holds a 50% interest in Gold Valley Iron and Manganese Pty Ltd, the owner of the iron ore rights over the Yarram Project.
- 3 CUF (via CuFe Tennant Creek Pty Ltd) holds a 60% interest in copper / gold assets at the Tennant Creek Project in the Northern Territory from Gecko Mining Company Pty Ltd (**GMC**). CUF and GMC have formed an unincorporated joint venture in respect of the Tennant Creek Project tenements. CUF is the manager of the joint venture. CUF will pay the first \$10,000,000 of joint venture expenditure incurred.
- 4 Billabong (Operator), ALY and SFR hold various mineral rights under various earn in agreements for an 80% interest in the tenements. CUF (via Jackson Minerals) holds the remaining 20% interest in all minerals free carried to decision to mine.
- 5 SFR (Operator) and ALY hold various mineral rights for an 80% interest in the tenement. CUF (via Jackson Minerals) holds the remaining 20% interest in all minerals free carried to decision to mine.
- 6 AUR (Operator) holds an 80% interest in all minerals. CUF (via Jackson Minerals) holds the remaining 20% interest in all minerals free carried to decision to mine.
- 7 CUF holds 100% interest in iron ore rights over the Mt Ida Project tenements via the Mt Ida Iron Ore Rights Sale Agreement.

The mining tenements with beneficial interest held in farm-in/farm-out agreements at the end of each quarter (including details of beneficial interests acquired and disposed of during the quarter).

Farm-in/out Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter	Notes
E51/1033-I	Morck Well – Western Australia	-	-	20%	1, 2, 3
E52/1613-I	Morck Well – Western Australia	-	-	20%	1, 2, 3
E52/1672-I	Morck Well – Western Australia	-	-	20%	1, 2, 3
NOTES:					
1	AUR (Operator) hold 80% in all minerals and CUF (via Jackson Minerals Pty Ltd) holds 20% interest in all minerals.				
2	AUR to pay PepinNini Robinson Range Pty Ltd a 0.8% gross revenue royalty from the sale or disposal of iron ore.				
3	Sandfire Farm-in: Subject to a Farm-in Letter Agreement between SFR, AUR and CUF. If SFR makes a Discovery on the tenements and a JV is formed then the interests in the tenements will be 70% SFR, 24% AUR and 6% CUF. Full details of the agreement are described in the AUR ASX announcement dated 27 February 2018.				

Appendix 5B

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

Name of entity

CuFe Ltd

ABN

31 112 731 638

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8,932	18,445
1.2 Payments for		
(a) exploration & evaluation	(282)	(869)
(b) development	(121)	(780)
(c) production	(5,713)	(16,499)
(d) staff costs	(365)	(1,214)
(e) administration and corporate costs	(340)	(2,811)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	26
1.5 Interest and other costs of finance paid	(111)	(336)
1.6 Income taxes paid	-	(79)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material):		
(a) Funds transferred to security deposit	-	(180)
(b) Funds transferred to restricted cash	-	(360)
(c) Reimbursement of funds from JV partner	220	720
1.9 Net cash from / (used in) operating activities	2,222	(3,937)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(110)	(3,601)
(c) property, plant and equipment	-	(4)
(d) exploration & evaluation	-	-
(e) investments	-	-

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 (9 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	575
	(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):		
	(i) Refund previous cash payment to acquire additional 9% interest in JWD Project (settled in shares)	-	1,000
	(ii) Refund of previous cash consideration advanced on decision to mine (settled in shares)	-	250
	(iii) JWD JV right to mine payment	-	(1,080)
2.6	Net cash from / (used in) investing activities	(110)	(2,860)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	355
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(408)
3.5	Proceeds from borrowings	-	6,117
3.6	Repayment of borrowings	(1,456)	(5,598)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material):		
	(i) Cash flows from hedging transactions closed	675	4,818
3.10	Net cash from / (used in) financing activities	(781)	10,284

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 (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,000	5,831
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,222	(3,937)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(110)	(2,860)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(781)	10,284
4.5	Effect of movement in exchange rates on cash held	(13)	-
4.6	Cash and cash equivalents at end of period	9,318	9,318

Note:

As detailed in the Company's 2021 Annual Report, the Wiluna Iron Joint Venture is accounted for as a joint operation and therefore, CUF Group has accounted for its share of assets, liabilities and expenses of the joint venture on a proportionate basis. Cashflows reported in this Appendix 5B are similarly reported on this proportionate basis. CUF holds a 60% interest in the Wiluna Iron Joint Venture.

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	9,318	8,000
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,318	8,000

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	163
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

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	556 ^(a)	556 ^(a)
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	2,403 ^(b)	-(^b)
7.4 Total financing facilities	2,959	556
7.5 Unused financing facilities available at quarter end		2,403
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.		
<p>(a) As previously advised via announcement dated 27 July 2021, the Company established a USD7.5m prepayment finance facility for the JWD JV to assist in working capital management through its ramp up phase. At 31 March 2022, USD6.75m of this facility has been repaid.</p> <p>The amount shown at item 7.1 reflects the AUD-equivalent of CUF's 60% share of the loan amount drawn down including accrued interest.</p> <p>(b) As announced 12 January 2022, the agreement with Glencore has been restructured to allow further drawdowns of up to USD3m against stock held at port, to assist the Company in management of working capital as required as Operator of the JWD JV.</p> <p>The amount shown at item 7.3 reflects the AUD-equivalent of CUF's 60% share of the further drawdown facility available. This facility has not been drawn down at 31 March 2022.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	2,222
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	2,222
8.4 Cash and cash equivalents at quarter end (item 4.6)	9,318
8.5 Unused finance facilities available at quarter end (item 7.5)	2,403
8.6 Total available funding (item 8.4 + item 8.5)	11,722
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<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	

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

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2022

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.