

## ACTIVITIES REPORT – MARCH 2023 QUARTER

### EXPLORATION HIGHLIGHTS

#### Yilgarn Craton (Gindalbie) Gold Project in Western Australia

- Completed broader soil sampling program over four IP targets at Prospect F. Elevated gold results to 0.6 g/t with a multi element geochemical signature from high priority conductive/magnetic Target CGIP 1 that is open to the north.
- Drill testing planned for planned for Q2 2023 guided by the results of the IP survey and surface geochemical survey.

#### Halls Creek Gold Cobalt Nickel and Copper Project in Western Australia.

- Awaiting response from the Kimberley Land Council (KLC) and the Native Title Groups on the work programs proposed for Q3, 2023 dry season .

#### Tennant Creek Gold and Copper Project in Northern Territory

- Progressing access for proposed field program in the Gidyea tenement with the Central Land Council.

#### Limestone Coast Rare Earth Element Project in South Australia

- Scanning with Vanta pXRF unit historic drill holes across the Lameroo Project to measure selected REEs such as Y, La, Ce, Pr and Nd, with Pr and Nd which are used in the manufacture of permanent magnets for use in wind generators and electric vehicles .
- Completed a preliminary drill site inspection in April 2023 which comprised road traverses and has identified 234 drill site locations for Aircore Drilling.

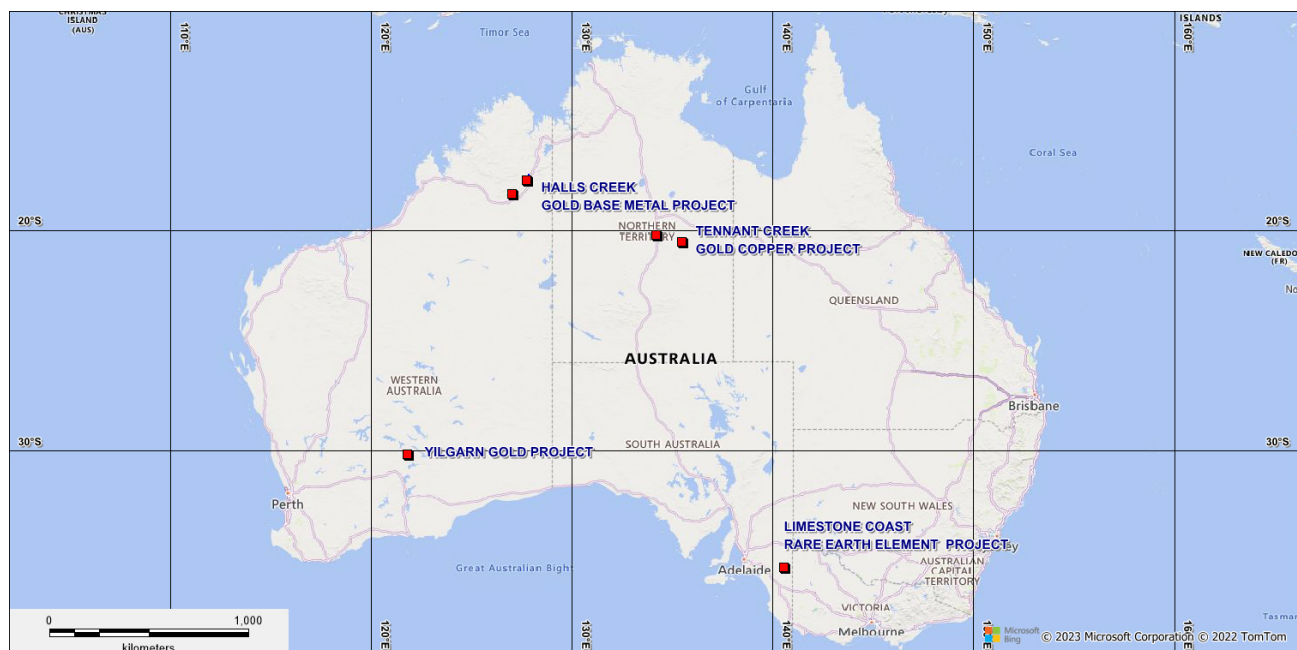
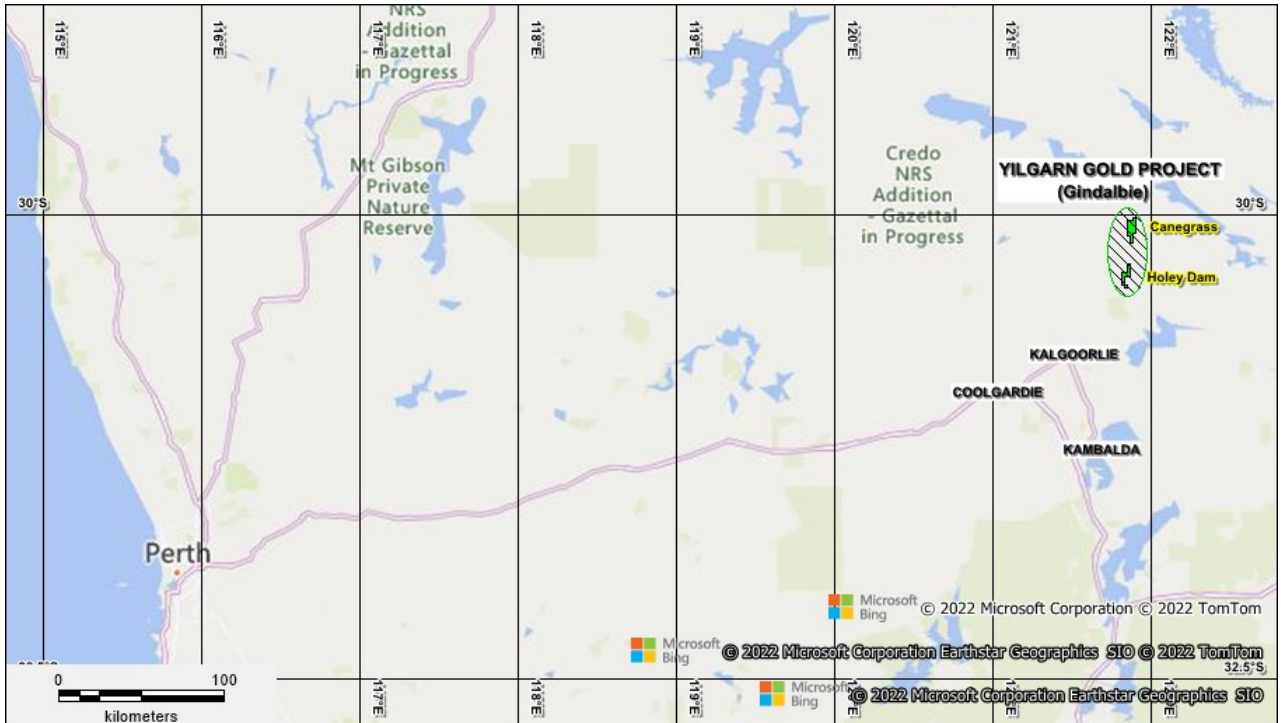
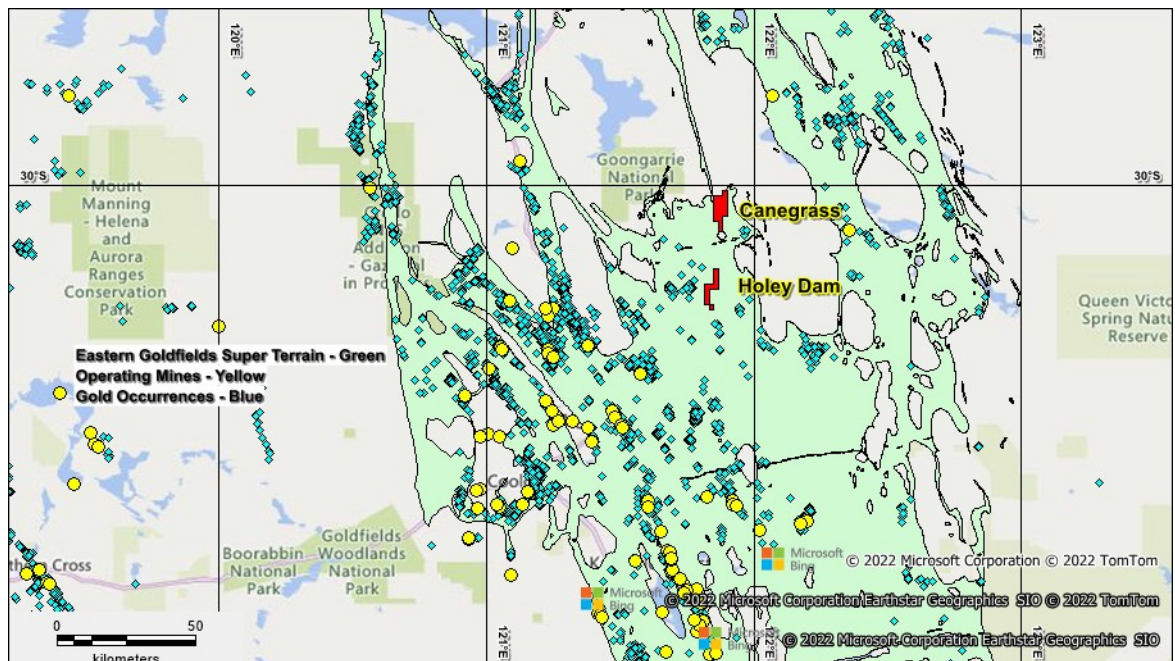


Figure 1: Kaili Resources Project Location

**Yilgarn (Gindalbie) Gold Project – Western Australia**  
**Canegrass E31/1113 and Holey Dam E27/550**  
 Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd



**Figure 2: Kaili Resources Yilgarn Gold Tenement Locations**



**Figure 3: Eastern Goldfields Super Terrain and Operating Mines**

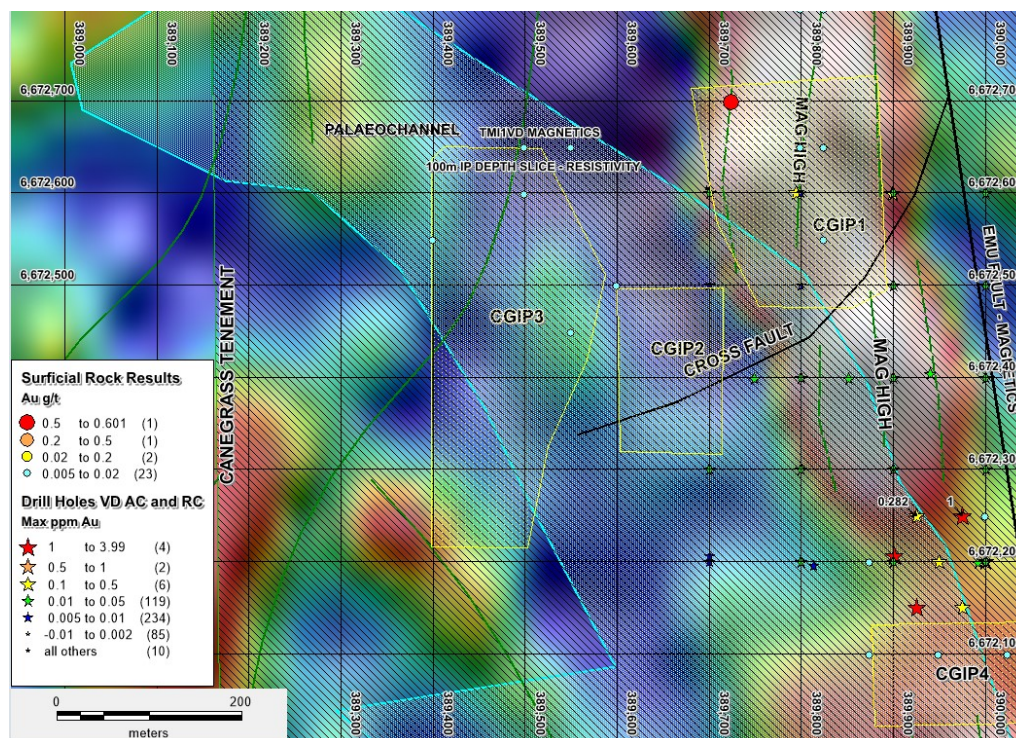
Following a review of the results of the Canegrass IP Survey that was completed in December 2022<sup>1</sup>, four areas were chosen for field geochemical evaluation prior to RC drill testing proposed for Q3 2023. **Figure 4** shows the 4 target areas CGIP 1 to 4.

The December 2022 IP survey area is traversed by a NW-SE paleochannel (**Figures 4 and 5**) which from the 2022 RC drilling is generally < 15m thick and is the prime reason the MMI technique was chosen for the soil sampling. A distinctive N-S magnetic high can be seen in **Figure 4** and runs parallel to the regionally significant Emu Fault that separates a dominantly mafic igneous terrain to the west and a dominantly felsic igneous domain to the east.

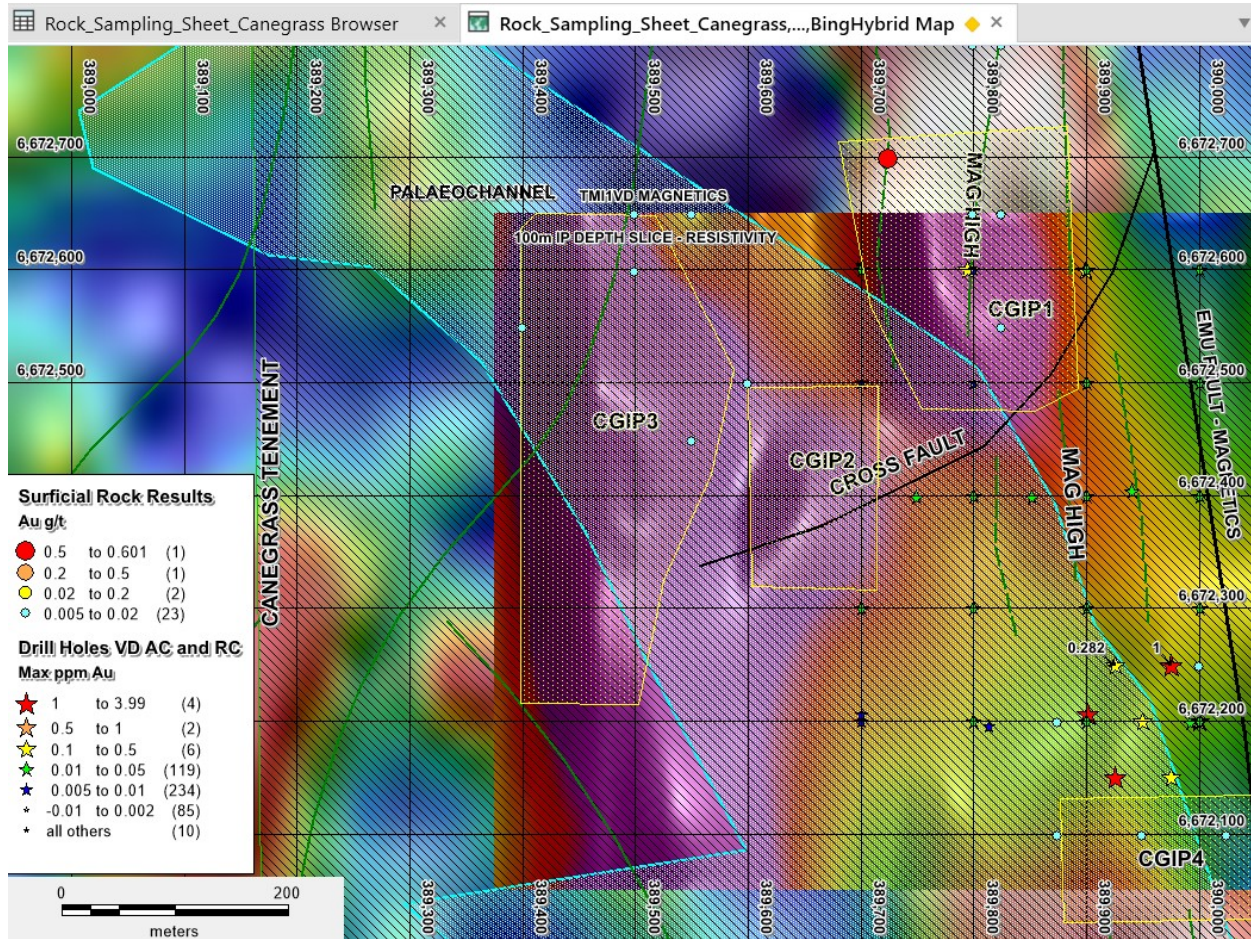
Exploration to date has highlighted an area of anomalous gold in RC drilling to 1m @ 3.96 g/t<sup>2</sup>. The drilling area is associated with a break on the magnetic trend and coincides with chlorite/silica altered basalt/amphibolite.

The December 2022 IP survey (**Figure 5**) highlighted a number of conductive target (CGIP 1 to 3) with CGIP 1 being the highest priority target and located adjacent to the paleochannel.

The April 2023 completed rock and soil sampling located a small area of sub crop adjacent to the paleochannel in CGIP 1 and two rock samples returned assays of **0.6 g/t<sup>3</sup>** and **0.25 g/t<sup>3</sup>** Au with the former associated with a brecciated mafic volcanic. See **Photo 1** with local vein quartz. Target CGIP 1 is coincident with the N-S magnetic high and was collected outside the IP survey and associated with the magnetic high. Results of the soil samples are awaited.



**Figure 4: Targets CGIP1 to 4 with surface rock sample sites on TMI 1VD Magnetics**



**Figure 5: Targets CGIP 1 to 4 with surface rock sample sites on 100m depth slice IP chargeability**



**Photo 1: CGRC045—0.6g/t Au with elevated Ba(220ppm),Cr(245ppm),Mn(1,060ppm),P(1,000ppm)and Sr(577ppm)**

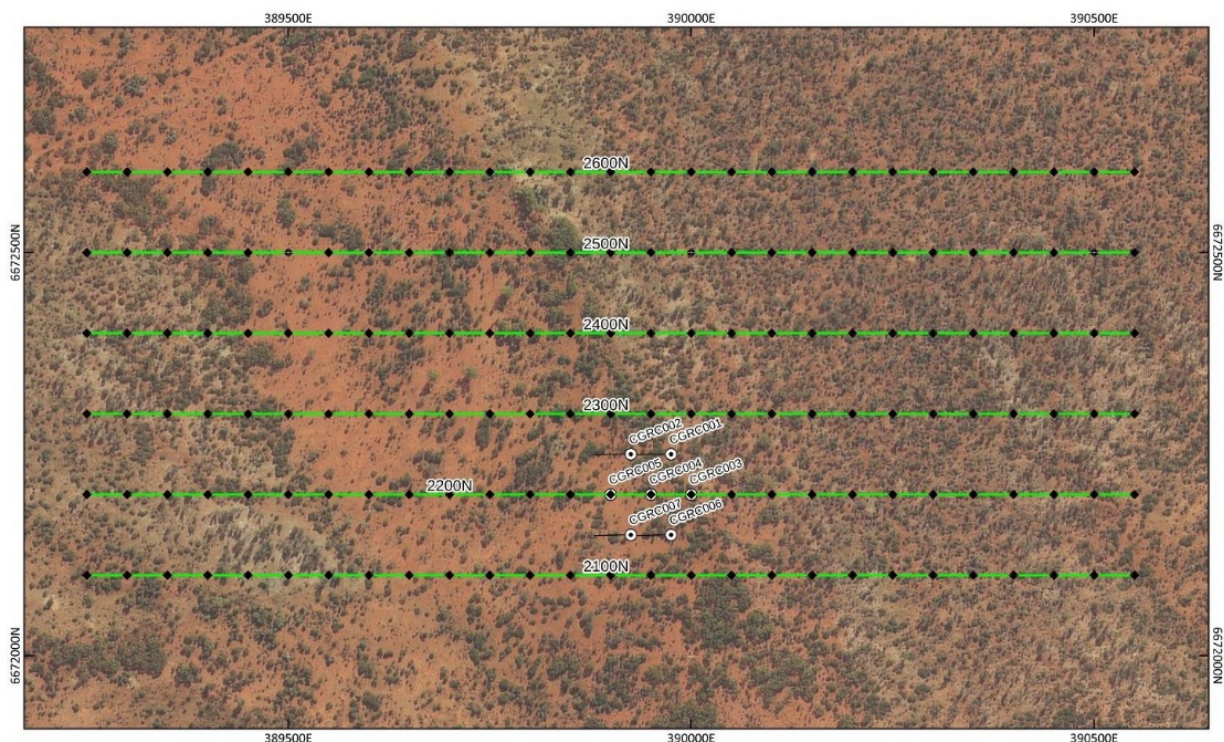
(See ASX Announcements of <sup>19</sup> December 2022, <sup>23</sup> December 2020 and <sup>35</sup> April 2023. In accordance with Listing Rule 5.23 the Company reports that it is not aware of any new information or data that materially affects the information included in those announcements)

## Background

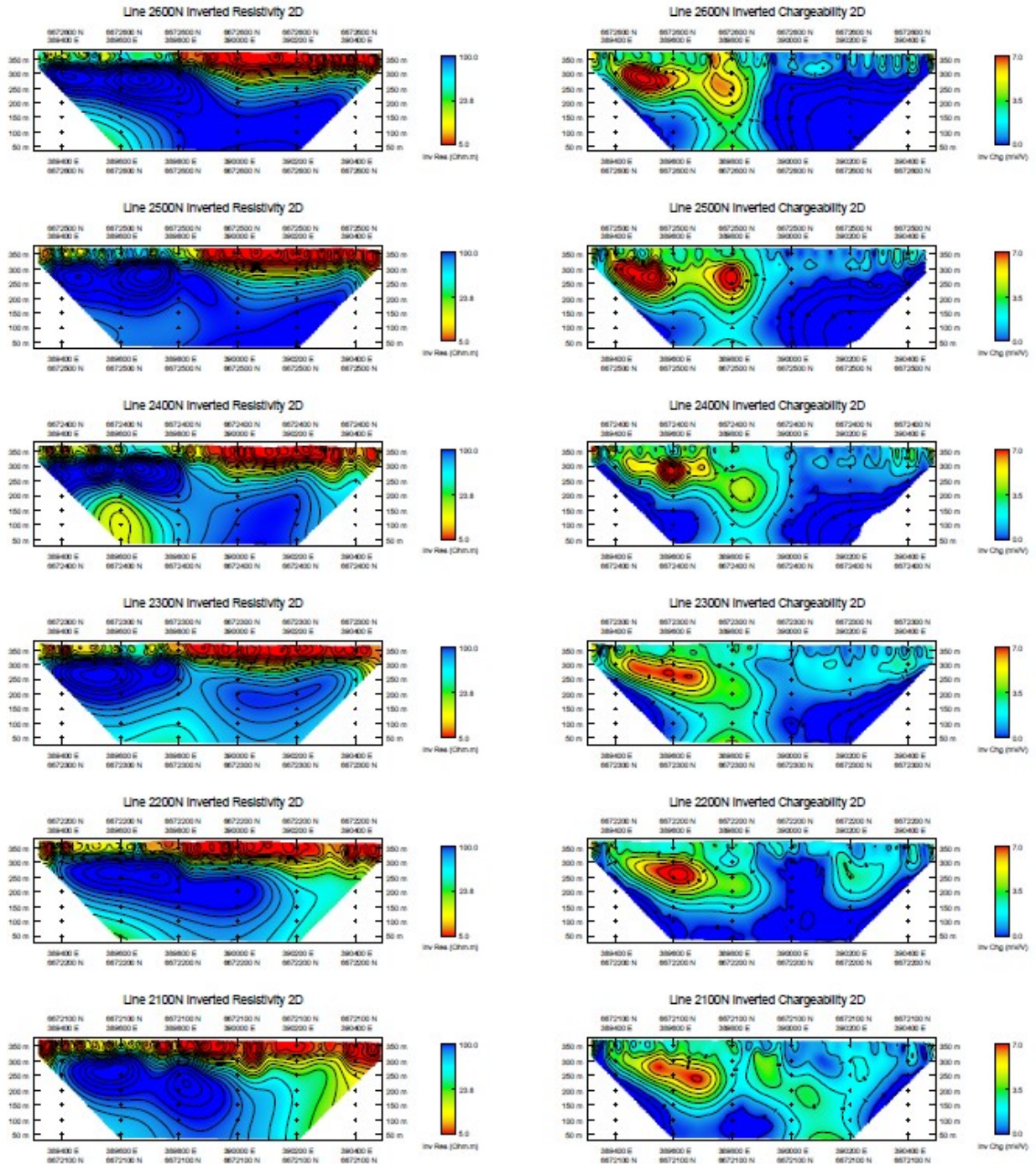
### Canegrass 2022 IP Survey

An IP survey (**Figure 6**) was completed in an area of low magnetics that corresponds to elevated gold in drilling to 1m @ 3.96 g/t<sup>2</sup> Au and also to be associated with silica and chlorite altered basalt. The Canegrass IP survey was completed by Moombarriga Geoscience in November 2022 with interpretation completed in December 2022. Equipment used included a Search-Ex WB30 transmitter and a SmarTem 24 receiver system. Receiving electrodes were standard non-polarising porous pots and transmitter electrodes were buried steel plates or stakes. The survey consisted of six EW lines, each 1.3 km long. Line spacing was 100 m.

The most significant chargeable anomaly (high chargeability response designated by warm colours in **Figure 7**) is located on lines 2600 to 2400 centred on 389800E. This chargeable anomaly is spatially associated with a linear N-S magnetic high that was the focus of the 2022 RC drilling. There is a chargeable anomaly on most lines between 389400 to 389600E and has been interpreted by the consultant geophysicist as a “lithological target”. This anomaly is in an area of no drilling so several field traverses have been completed during the April 2023 sampling survey to see if there are any geological or regolith surface expressions for this anomaly. It is likely this target will be drill tested to confirm the nature of the anomaly. There is a weak chargeability feature 100 m south of the 2022 RC drilling that will be investigated further. RC drilling is planned for the end of Q2 2023.



**Figure 6:** Completed Canegrass IP survey DDIP lines and RC drill collars.



**Figure 7: IP Cross Sections 6672600N to 6672300N – Resistivity left and Chargeability right.**

### Canegrass 2022 RC Drilling

A 612 m drilling program comprising seven (7) Reverse Circulation (RC) holes has been completed in February 2022 within the Canegrass tenement. Elevated gold intersections >0.25 g/t Au were obtained in most drill holes with the southern-most line having 4 m composite intersections of 0.6 g/t Au and 0.5 g/t Au in addition to other intersection to 1 m @ 1.4 g/t Au.

Significant gold intervals are as follows<sup>4</sup>:

**CGRC001**

3 m @ 0.6 g/t 51-53 m including 1 m @ 1.0 g/t 51-52 m

**CGRC003**

3 m @ 0.38 g/t 69-71 m

**CGRC004**

1 m @ 0.32 g/t 62-63 m

**CGRC006**

4 m @ 0.52 g/t (4 m composite to be split into 1 m samples)

**CGRC007**

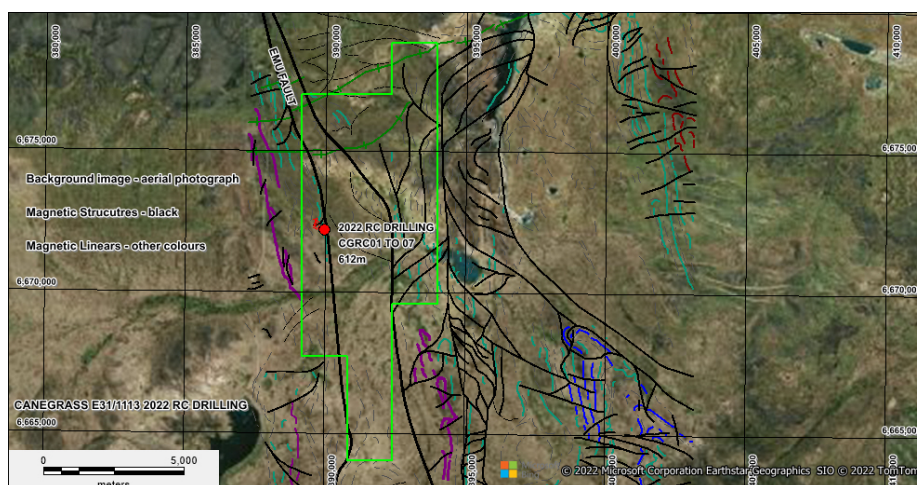
4 m @ 0.6 g/t (4 m composite to be split into 1m samples)

1 m @ 0.54 g/t 73-74 m

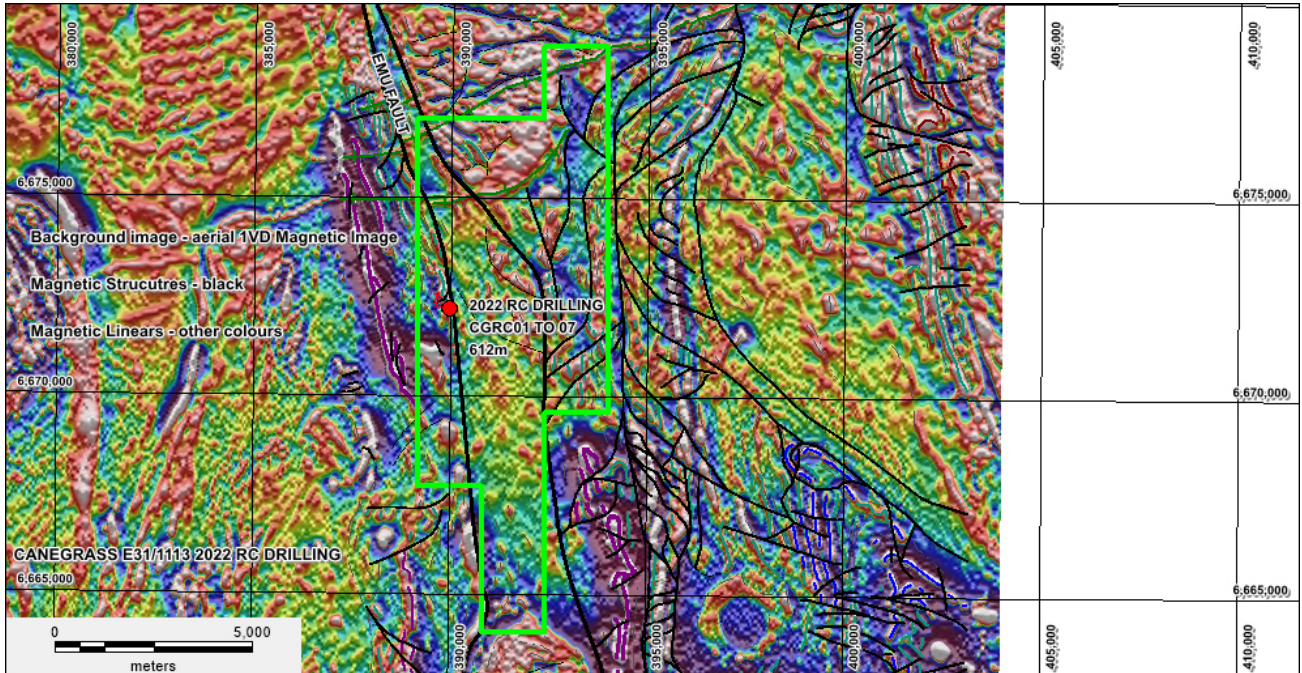
1 m @ 1.4 g/t 77-78 m

<sup>4</sup> See ASX Announcement of 4 April 2022. In accordance with Listing Rule 5.23 the Company is not aware of any new information or data that materially affects the information included in these announcements.

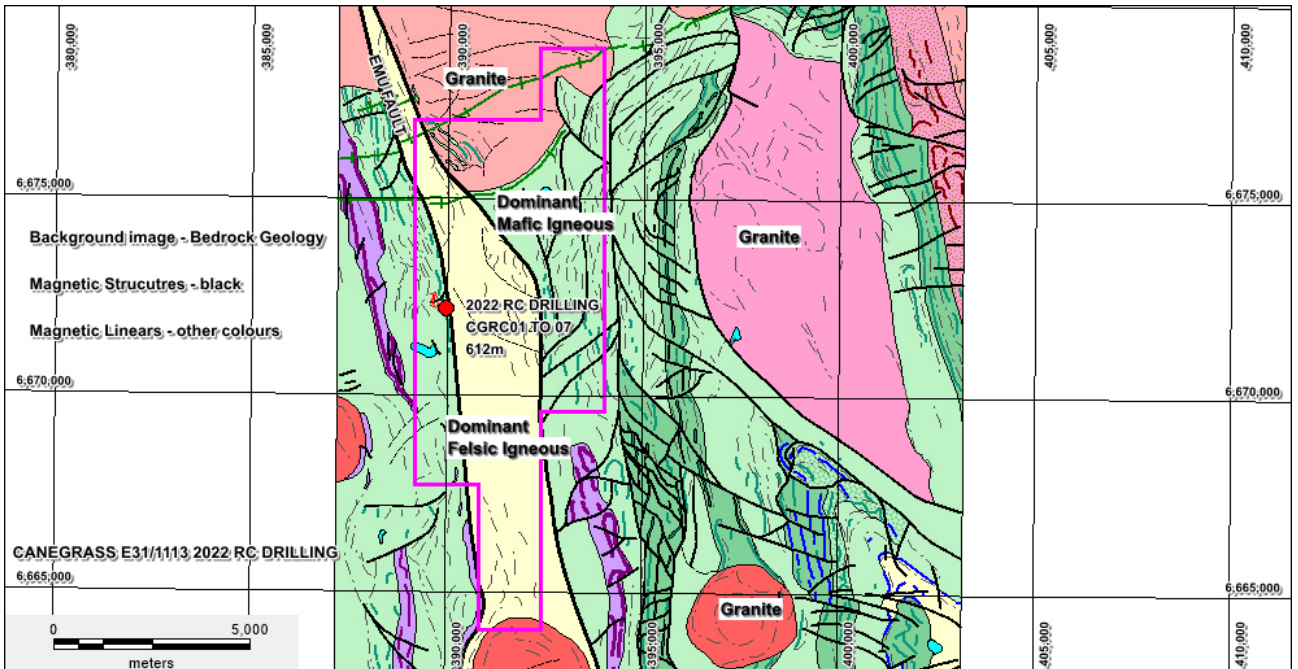
The planned program was for 90 m per hole for a total of 630 m. However, hole CGRC004 was terminated at 72 m due to a high percentage of clay that could not be drilled. That hole was at an adequate depth to test the target given that all the other drill holes reached their planned depth of 90 m. The RC drilling was a follow up program to the 2020 Aircore drilling program that intersected 1 m @ 3.96 g/t Au<sup>2</sup> on the most southern line in hole CGAC025 that had the same collar as CGRC005 with the holes drilled at 90 degrees and 270 degrees respectively.



**Figure 8: Aerial Imagery with tenure, aeromagnetic structures and RC drilling**



**Figure 9: Aeromagnetic Image with tenure, aeromagnetic structures and RC drilling**



**Figure 10: Bedrock Geology with tenure, aeromagnetic structures and RC drilling**





**Figure 11: RC Drill Collars with significant gold intersections**

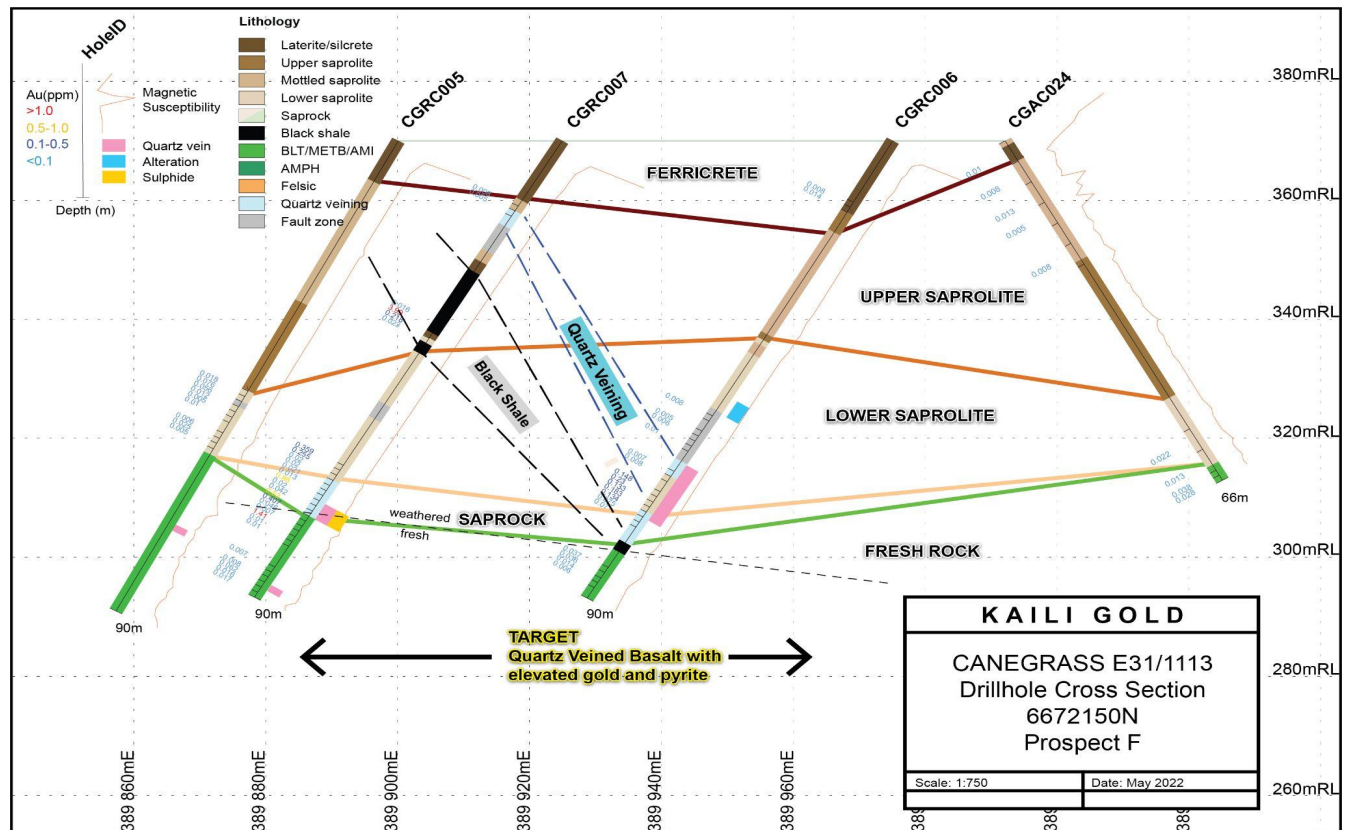
Northing_GDA94_Zone51	Easting_GDA94_Zone51	Prospect	Hole ID	Tenement	Drill Type	Depth m	Inclination	Azimuth(magnetic)
6672250	389975	CG_F	CGRC001	Canegrass EPM 31 1113	RC	90	-60	270
6672250	389925	CG_F	CGRC002	Canegrass EPM 31 1113	RC	90	-60	270
6672200	390000	CG_F	CGRC003	Canegrass EPM 31 1113	RC	72	-60	270
6672200	389950	CG_F	CGRC004	Canegrass EPM 31 1113	RC	90	-60	270
6672200	389900	CG_F	CGRC005	Canegrass EPM 31 1113	RC	90	-60	270
6672150	389975	CG_F	CGRC006	Canegrass EPM 31 1113	RC	90	-60	270
6672150	389925	CG_F	CGRC007	Canegrass EPM 31 1113	RC	90	-60	270
						<b>612</b>		

**Table 1: RC Drill Collars**

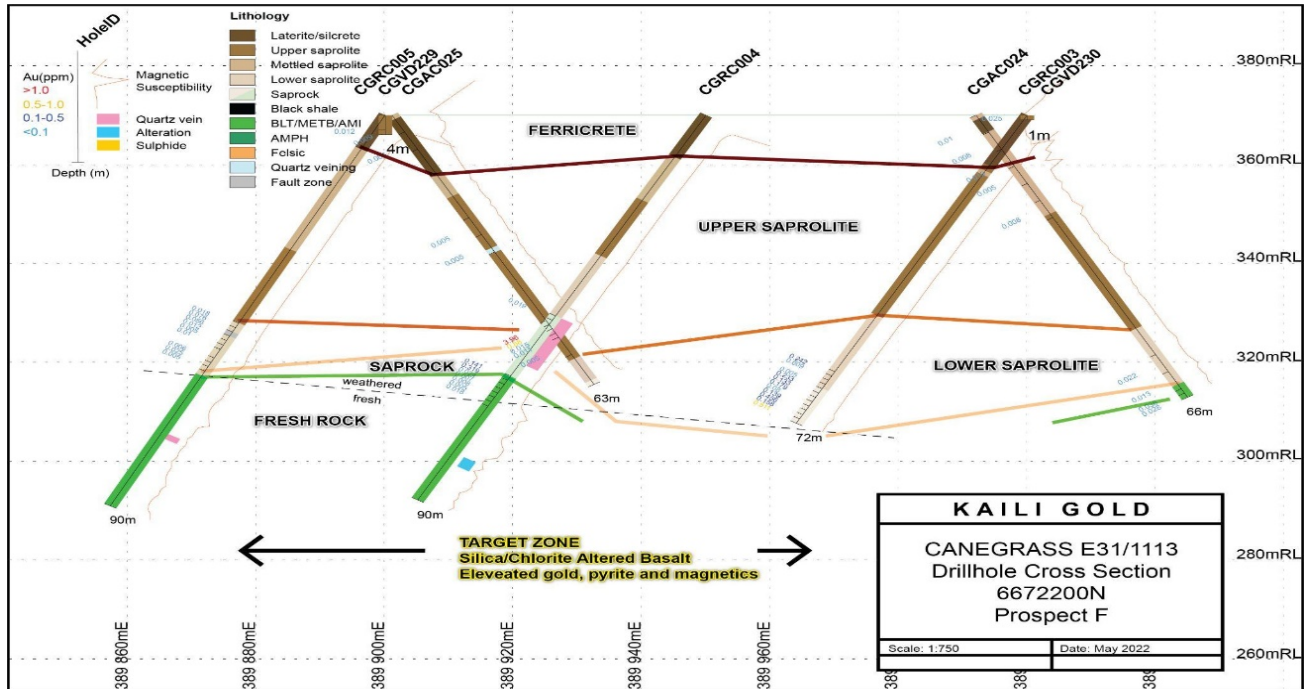
The Canegrass area was targeted originally by the Company as comprising extensive mafic volcanics and intrusives with an associated regionally significant structure – Emu Fault which is associated with gold mineralisation to the north at the historic Gindalbie Mining Centre. The location of the 2022 RC drilling (**Figure 11 and Table 1**) program is a follow up to the 2020 Aircore Drilling Program which highlighted Area F as an area with elevated gold in the aircore drilling. Southern Geoscience compiled all available open file geophysical data and merged/processed the data. This was followed by an interpretation of structural elements and magnetic lineaments (**Figure 9**). The final phase of the interpretation was to construct a bedrock interpretation of the tenement as shown in **Figure 10**. The interpretation is that the Emu Fault defines the contact between mafic (green) and felsic (yellow) intrusive/extrusive rocks with the prime exploration focus being the mafic dominant lithologies to the west of the Emu Fault. The 2020 Aircore drilling intersected 1 m @

3.96 g/t Au<sup>2</sup> in hole CGAC025 located on the southern-most drill traverses in the Area F grid -6672000mN. The March 2022 RC program comprising 7 holes was aimed to test the gold anomalous southern line in addition to drilling 50 m to the north (6672250mN) and south (6672150N) **Figure 11**, Section 6672250 is **Figure 12** and section 6672200 is **Figure 13**.

The RC sections were interpreted as shown in **Figures 12 and 13**. The surface layer comprises ferricrete and silcrete that grades downwards into upper saprolite (usually mottled), lower saprolite and saprock as fresh bedrock is approached. The ferricrete is magnetic comprising maghemite. All holes intersected basalt or variations of a mafic extrusive rock and in some cases the basalt was altered (silica and chlorite) with local quartz veins and trace to 5% disseminate pyrite.

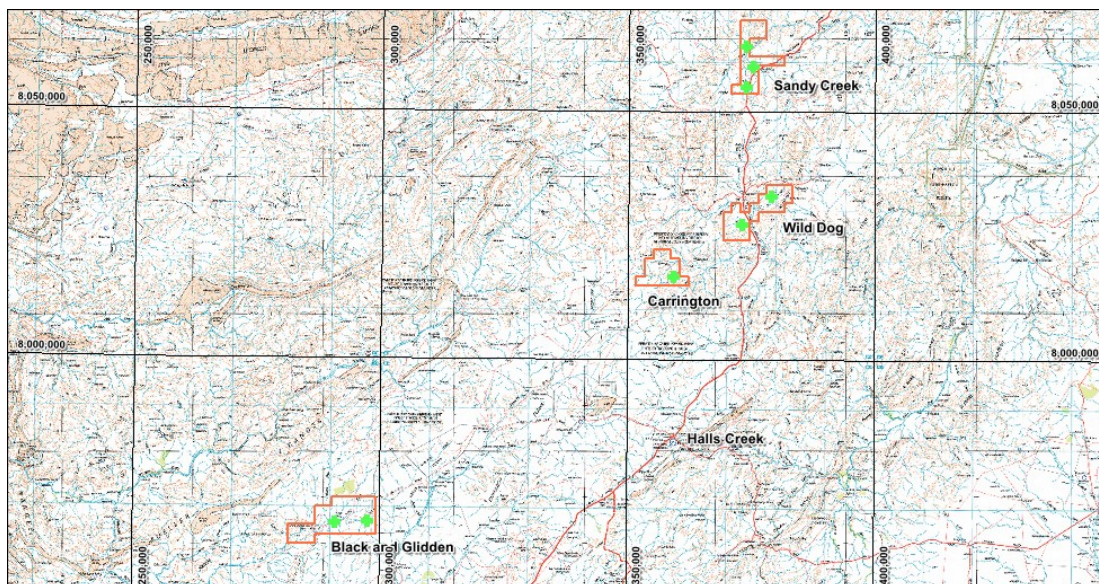


**Figure 12: RC Interpreted Drill Cross Section 6672150N**



**Figure 13: RC Interpreted Drill Cross Section 6672200N**

**Halls Creek – Gold/Cobalt/Copper/Nickel Exploration Projects - Western Australia**  
 Black and Glidden E 80/5112, Carrington E80/5113, Sandy Creek E80/5114 and Wild Dog E80/5115  
 Held 100% by wholly owned subsidiary Kaili Iron Pty Ltd.



**Figure 14: Halls Creek Project locations showing the 2021 soil sampling grids in green.**

The Company is waiting for the Kimberley Land Council to complete its review of the proposed work programs planned for the dry season in Quarter 3, 2023. The Company has been reviewing the targets to be tested and preparing the logistics of the proposed helicopter assisted exploration program.

### **Background**

Perth based remote sensing consultancy Earthscan processed Landsat and ASTER satellite imagery to delineate alteration minerals (original mineralogy that has been altered by potentially mineralised hydrothermal fluids) that will form the basis of exploration targets for the Halls Creek Project (**Figure 15**)

Minerals of exploration interest that produce recognizable spectral patterns in ASTER imagery are epithermal clay minerals. There are three groups of alteration minerals that produce absorptions in SWIR bands 5, 6 and 7, i.e.

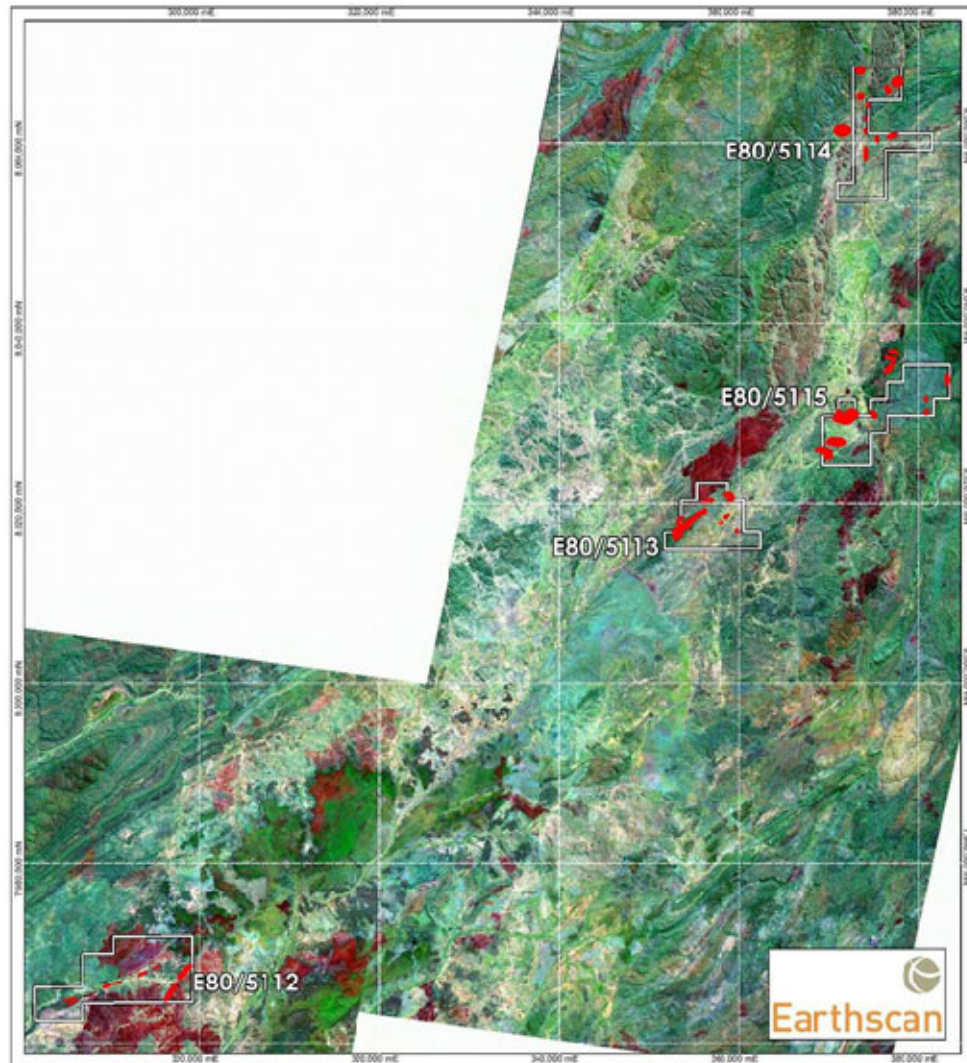
- alunite/pyrophyllite
- kaolinite group minerals
- illite group minerals

*Iron oxides:* Ferric iron is predicted with a  $b2/b1$  ratio. This method is not as definitive as a Landsat  $b3/b1$  ratio but works sufficiently well. Ferrous iron is predicted using the ratio of  $(b5/b3) + (b1/b2)$ .

*Silica:* The only method of estimating silica is with the TIR data, and this is difficult because of the 90m resolution of the data and the high noise levels.

Propylitic alteration is characterized by epidote, chlorite, actinolite and carbonate minerals all of which produce absorption in band 8 of the ASTER SWIR data. Definition of this absorption is not helped by the crosstalk problem however the best estimator of the absorption is the Relative Band Depth estimator  $(b7+b9)/B8$ .

Additional background information on the geology of the region and licence areas is contained in the Activities Report released to ASX on 30 January 2023.

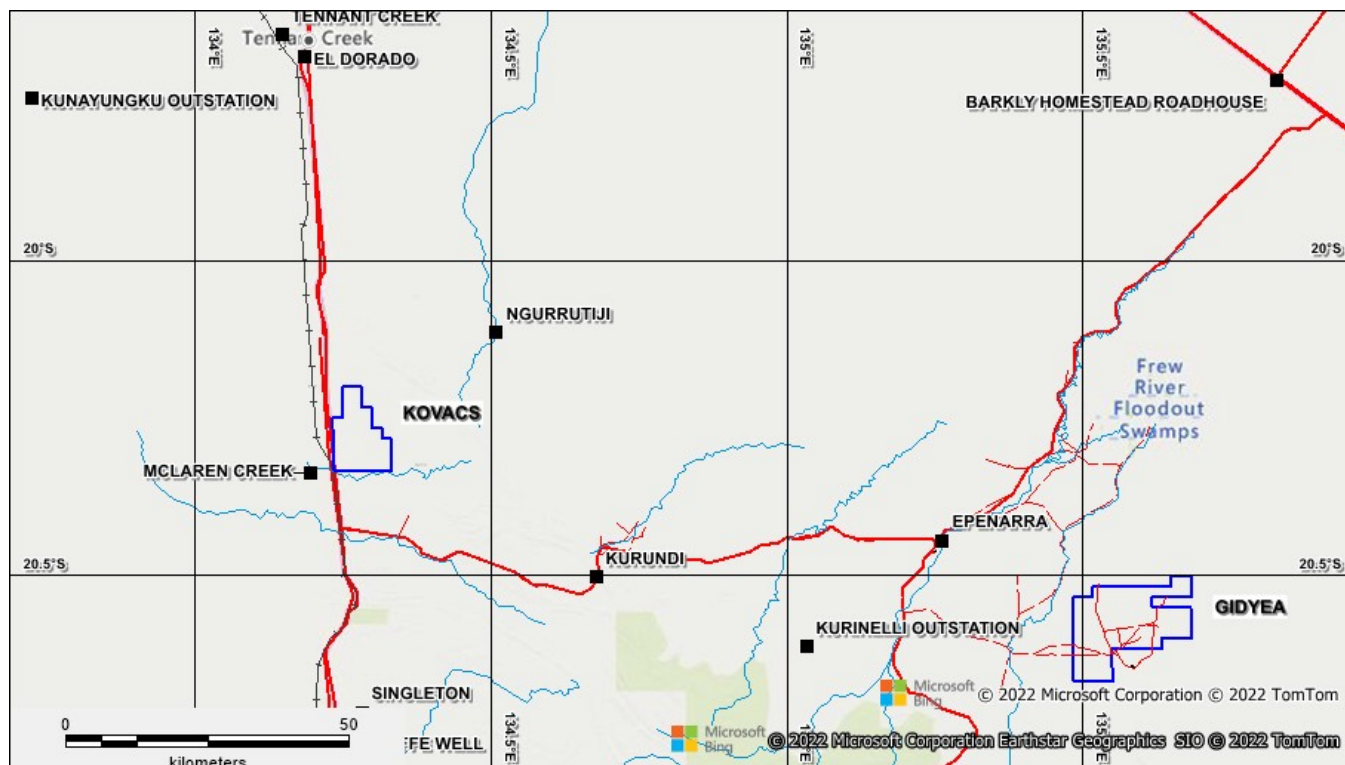


**ASTER TARGETS  
OVER ASTER BANDS 731**

**GDA 94 - MGA52  
August 2022**

**Figure 15: ASTER Scenes used for the Remote Sensing Study and the alteration targets in red.**

**Tennant Creek – Gold and Copper Exploration Projects - Northern Territory**  
**Gidyea EL32665 and Kovacs ELA 32666**  
*Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd.*



**Figure 16: Regional Tenement Location SE of Tennant Creek – Kovacs ELA 32666 and Gidyea EL 32665**

In February 2021, the Group applied for two Exploration Licences (ELs) registered as ELA 32666 and ELA 32665 located to the south and south east of Tennant Creek (**Figure 16**) . Gidyea EL 32665 has been granted in September 2021 for a 6 year period to 14 September 2027. Grant of the tenement under Kovacs ELA 32666 is awaited.

The Company has submitted detailed work programs to the Central Land Council (CLC) for review. The Company has also presented its work program at a meeting of the Native Title Parties in Tennant Creek on 26 October 2022 whereby its exploration plans for Kovacs ELA 32666 were outlined in detail for consideration. Following the meeting the CLC has presented a budget of costs for their involvement to satisfy the Native Title Parties requirements and the Company is assessing those requirements. The Company may commence field exploration within EL 32665 when an Authority Certificate has been finalised with the CLC. The initial exploration will involve a general geological reconnaissance of the tenement involving surface geochemical exploration.

Background information on the historic production and geology of the region is contained in the Activities Report released to ASX on 30 January 2023.

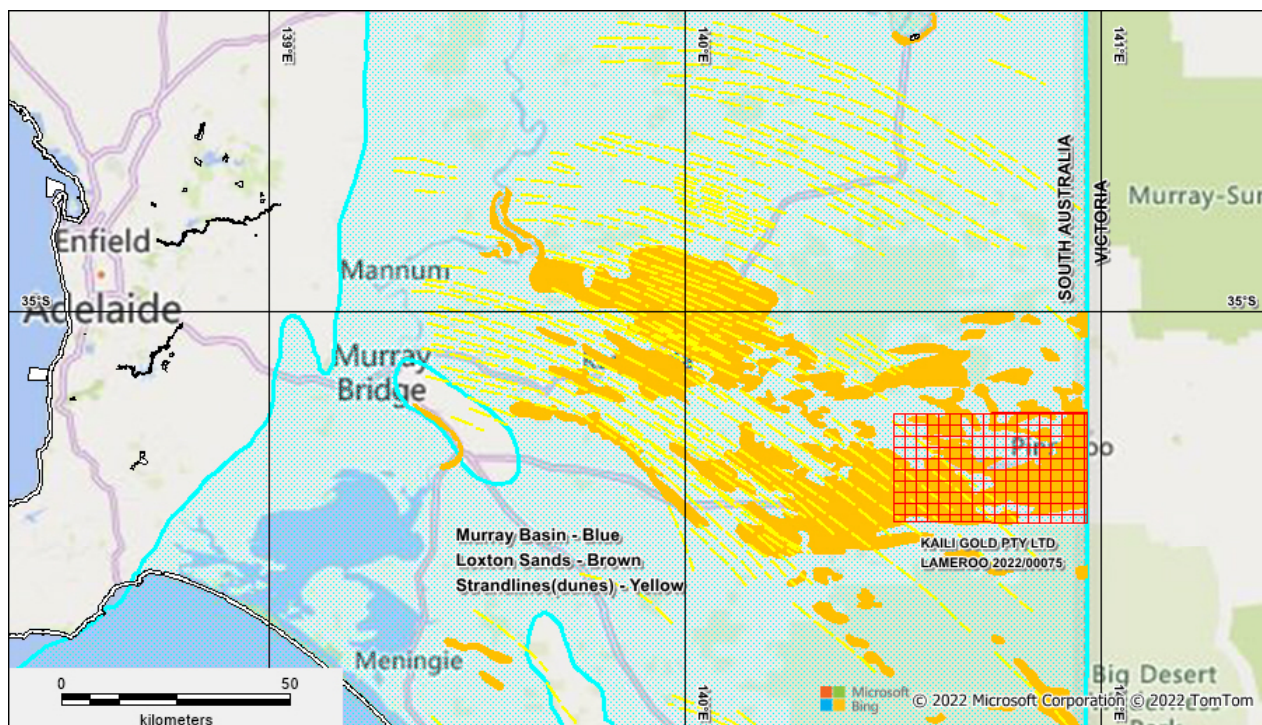
**Limestone Coast – Rare Earth Element Exploration - South Australia**  
**Lameroo EL 6856**

***Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd.***

Lameroo EL 6856 was granted in the last quarter for 6 years to 18 October 2028 and covers an area of approximately 991 km<sup>2</sup> within the Loxton Sands in the Murray Basin in South Australia (**Figure 17**).

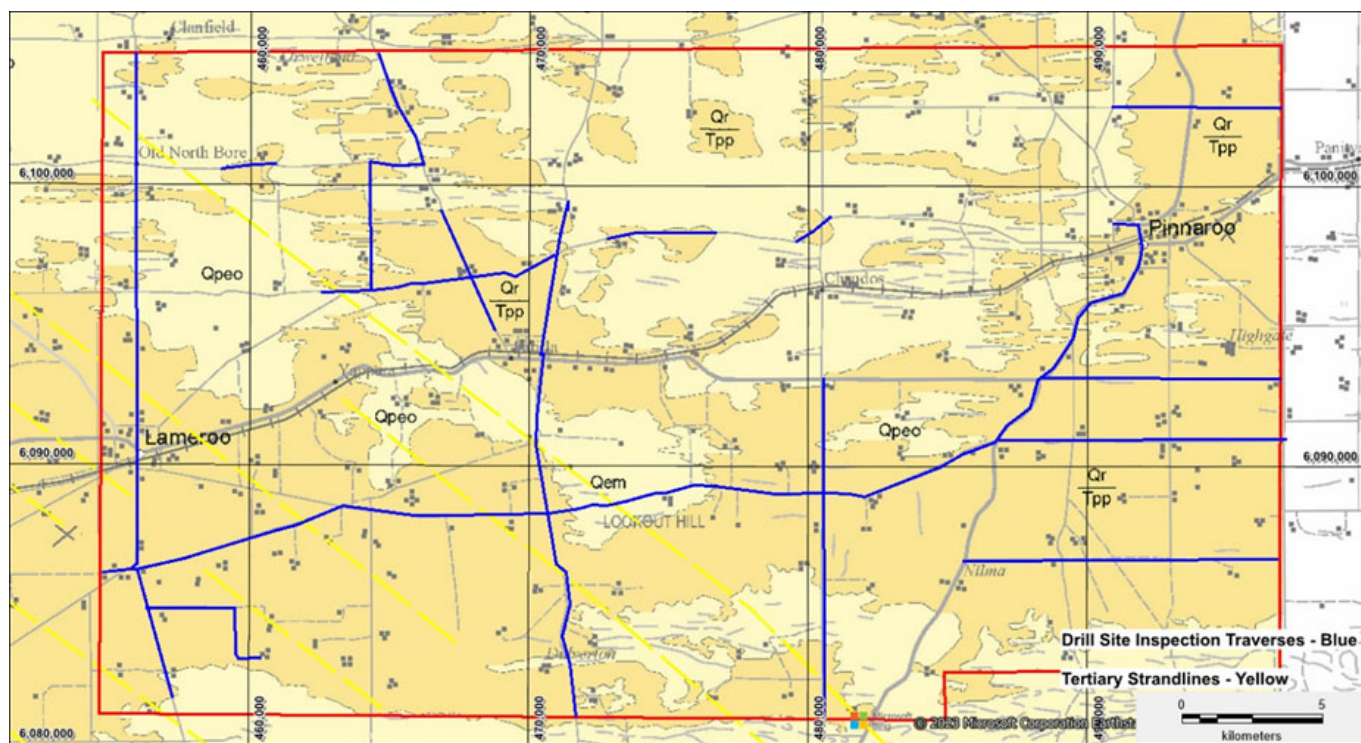
The aim is for exploration of Rare Earth Elements (“REE”) contained within the fine clay fraction of Tertiary (65 to 2.5 Million Years Ago) Strandlines (“ionic clay style of deposit) reportedly existing in the region. Australian Rare Earth (ASX:AR3) has a large exploration area in the region and recently announced after a drilling program an increased JORC inferred mineral resource of 81.4 MT @ 785 ppm TREO (Total Rare Earth Oxides) at their Koppamurra project prospective for ionic clay REE deposit (see AR3’s ASX announcement of 4 July 2022). Several other entities are also exploring for REE in the region.

In April 2023, the Company completed a preliminary drill site inspection within the licence. The inspection comprised road traverses (**Figure 18**) within the licence and has identified 234 drill site locations for Aircore Drilling. In addition, six samples have been collected of fresh outcropping granite and submitted to ALS laboratory for trace elements tests by lithium borate fusion as the granites are potentially the source of REEs found in ionic clays. Challenger Geological Services has been commissioned to scan selected historic drill hole samples held by the SA Government using their Evident (formerly Olympus) M Series Vanta pXRF for a select range of REEs. These pXRF readings would assist in planning the REEs exploration



**17: Location of Lameroo Rare Earth Exploration Project in Murray Basin South Australia**

**Figure**



**Figure 18: Location of Lameroo Drill Site Inspection Traverses with the Target Loxton Sands in Light Brown**

### Technical Releases Since Commencement of March 2023 Quarter

This Quarterly Activities Report contains information extracted from the Company’s ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results can be found in the following announcements lodged on the ASX:

- 30 January 2023 Quarterly Activities/Appendix 5B
- 27 February 2023 Surface Exploration Commences at Canegrass WA
- 8 March 2023 Surface Exploration of IP Targets at Canegrass Completed
- 5 April 2023 Results of Surface Sampling at Canegrass WA
- 20 April 2023 REE Exploration in SA Drill Site Inspection Completed



## LICENCES STATUS

Pursuant to ASX Listing Rule 5.3.3 the Company reports as follows in relation to minerals tenements (**Table 2**) held at the end of the March 2023 quarter and their locations. There has been no change in the tenements position in the March Quarter.

Granted	Tenement	Name	Commodity	Region	Registered Holder	Beneficial Interest	Area	Status
							Km <sup>2</sup>	
30/05/2016	E31/1113	Canegrass	Gold	WA - Yilgarn Craton	Kaili Gold Pty Ltd	100%	50.4	Expiry on 29/05/2026
01/07/2016	E27/550	Holey Dam	Gold	WA - Yilgarn Craton	Kaili Gold Pty Ltd	100%	26.6	Expiry on 30/06/2026
14/09/2021	EL32665	Gidyea	Gold/Base Metals	NT-Warraminga Province	Kaili Gold Pty Ltd	100%	207.2	Expiry on 14/09/2027
31/08/2018	E80/5112	Black and Glidden	Cobalt/Gold/Copper/Nickel	WA - Lamboo Province	Kaili Iron Pty Ltd	100%	104.0	Expiry on 30/08/2023
31/08/2018	E80/5113	Carrington	Cobalt/Gold/Copper/Nickel	WA - Lamboo Province	Kaili Iron Pty Ltd	100%	52.1	Expiry on 30/08/2023
31/08/2018	E80/5114	Sandy Creek	Cobalt/Gold/Copper/Nickel	WA - Lamboo Province	Kaili Iron Pty Ltd	100%	65.3	Expiry on 30/08/2023
31/08/2018	E80/5115	Wild Dog	Cobalt/Gold/Copper/Nickel	WA - Lamboo Province	Kaili Iron Pty Ltd	100%	71.1	Expiry on 30/08/2023
19/10/2022	EL6856	Lameroo	Rare Earth	SA - Murray Basin	Kaili Gold Pty Ltd	100%	991.0	Expiry on 18/10/2028
	ELA32666	Kovacs	Gold/Base Metals	NT-Warraminga Province	Kaili Gold Pty Ltd	100%	271.7	Application submitted 23/02/2021
							Total	1,839.4

**Table 2: Tenements schedule**

## Exploration Expenditure

The expenditure incurred for exploration in the tenements for the quarter was as follows:

	\$
Geology/Geophysics	15,000
Geophysical survey	6,000
Rent, rates and other project management costs	14,000
Total	<u>35,000</u>

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

## Payments To Related Parties of The Entity and Their Associates

The aggregate amount of payments in the Quarter to related parties and their associates included in item 1 (Cash Flows from Operating Activities) reported in item 6.1 of the Appendix 5B Cash Flow Report was \$18,000 for salary and superannuation contribution for the executive director.

### **Competent Person Statement**

*The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.*

### **Forward - Looking Statement**

*This document may include forward - looking statements. Forward - looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential",*

*"should" and similar expressions are forward - looking statements. Although Kaili Resources Limited believes that its expectations reflected in these forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward - looking statements.*

### **Authorised by:**

**Jing Li** - Director

**Long Zhao** - Director/Secretary

**Contact** T: +61 2 9264 6288 E: contact@kailigroup.com.au

27 April 2023

## Appendix 5B

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

Name of entity

KAILI RESOURCES LIMITED

ABN

39 077 559 525

Quarter ended ("current quarter")

31 MARCH 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(18)	(18)
(e) administration and corporate costs	(52)	(52)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (GST, projects)	(1)	(1)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(71)</b>	<b>(71)</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		
(d) exploration & evaluation	(101)	(101)
(e) investments		
(f) other non-current assets		

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		
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(101)</b>	<b>(101)</b>

<b>3. 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		
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	(15)	(15)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(15)</b>	<b>(15)</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	853	853
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(71)	(71)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(101)	(101)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(15)	(15)

Appendix 5B

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	<b>Cash and cash equivalents at end of period</b>	666	666

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	666	853
5.2	Call deposits	-	-
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	666	853

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	18
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><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></p>		

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

7.	<b>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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	3,800	3,788
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	3,800	3,788
7.5	<b>Unused financing facilities available at quarter end</b>		12
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.		
	Yitai Group (Hongkong) Co., Ltd, a related company of the ultimate parent company Inner Mongolia Yitai Investment Co., Limited has confirmed, during the March quarter, an increase in its financial support with interest free and unsecured funds from \$1 million to up to \$1.4 million until 1 April 2024 in addition to the fully drawn loan facility of \$2.4 million maturing on 1 April 2024.		

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(71)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(101)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(172)
8.4	Cash and cash equivalents at quarter end (item 4.6)	666
8.5	Unused finance facilities available at quarter end (item 7.5)	12
8.6	Total available funding (item 8.4 + item 8.5)	678
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.94
	<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	

## 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: 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 2023

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Authorised by: Jing Li, Director

Long Zhao, Director and Secretary

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(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.