

## ACTIVITIES REPORT – JUNE 2023 QUARTER

### EXPLORATION HIGHLIGHTS

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

- <sup>2</sup>Rock sampling results have been received for the March Quarter broader soil sampling program over four IP targets.
  - Elevated soil gold trend to 11.9 ppb associated with linear magnetic high and IP target CGIP 1 which is open to the north.
  - Elevated Rare Earth Element (“REE”) response associated with Target CGIP 4 and adjacent to the Emu Fault.
  - Drill testing planned for the quarter guided by the results of the 2022 IP survey and March 2023 surface geochemical survey commenced in July delayed by drill rig unavailability.

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

- No field activities could be conducted during the 2023 dry season due to the lack of responses from relevant Native Title Groups on the presented work programs on the projects with the exception of E80/5112 (Black and Glidden).

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

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

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

- Completed pXRF scanning of 11 historic drill holes within the Lameroo Project for selected battery REEs Y, La, Ce, Pr and Nd. 21 samples have been sent to ALS laboratory for full REE analyses and results are awaited.

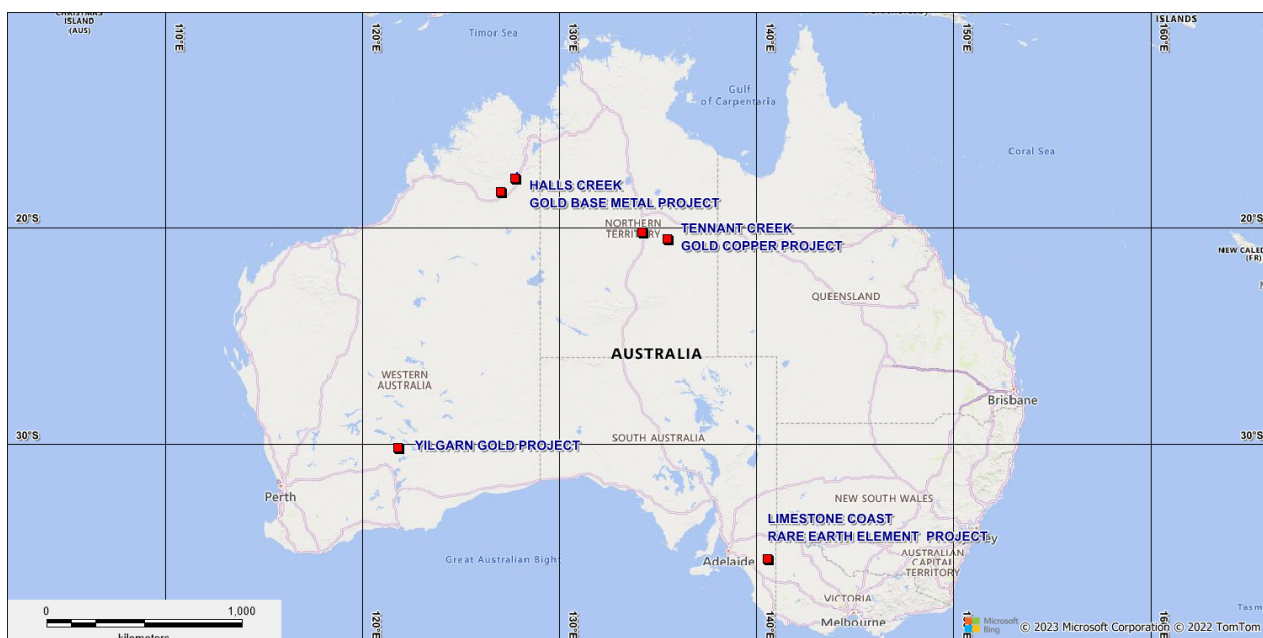
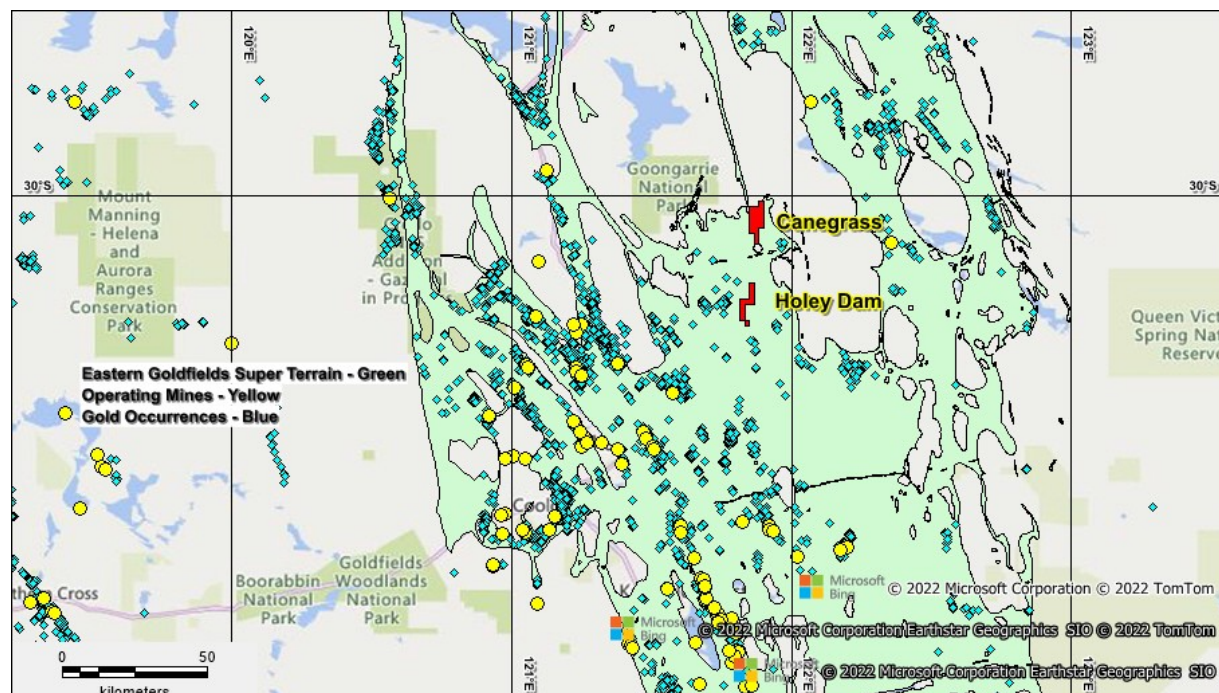


Figure 1: Kaili Resources Project Location

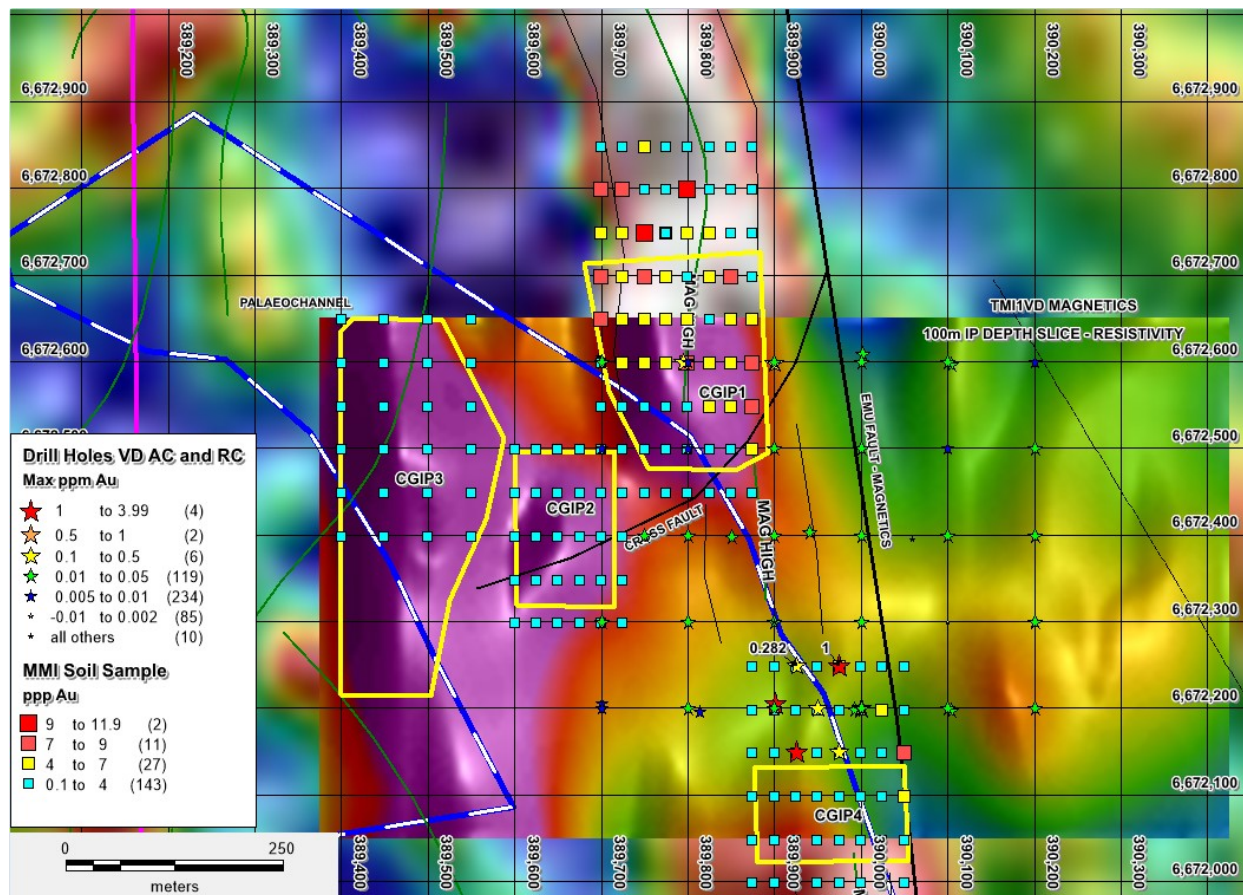
**Yilgarn (Gindalbie) Gold Exploration Project – Western Australia**  
**Canegrass E31/1113 and Holey Dam E27/550**  
**Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd**



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



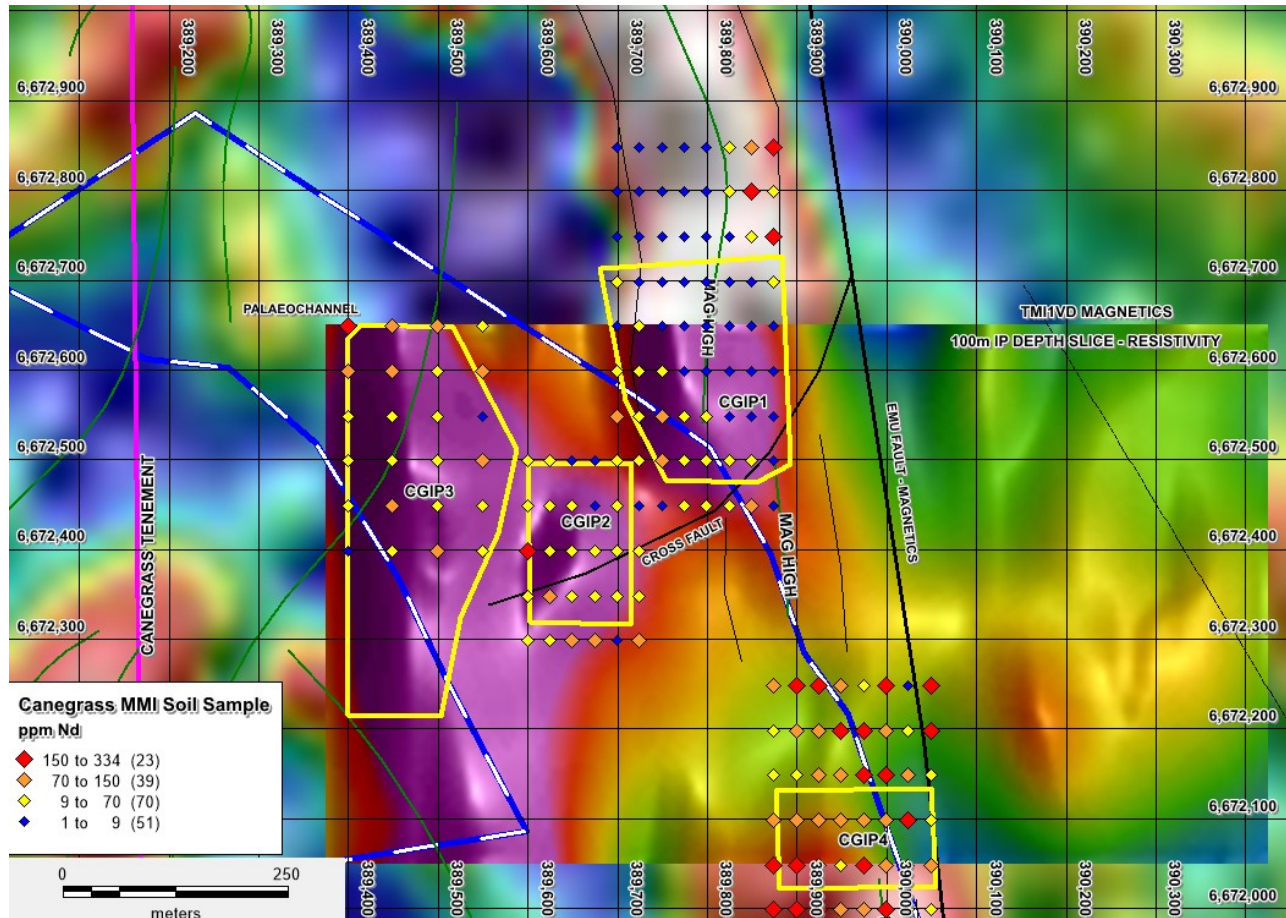
**Figure 3: Eastern Goldfields Super Terrain and Operating Mines**



**Figure 4: Canegrass MMI Soil Survey – Au ppb**

A grid-based soil sampling program employing the Mobile Metal Ion (MMI) technique that commenced in the March 2023 Quarter was completed in April 2023 at the Canegrass Project E31/1113. A total of 183 samples have been collected across Targets CGIP 1 to CGIP 4 (**Figure 4**) which were the subject of Induced Polarisation survey in December 2022<sup>1</sup>.

The results clearly show an elevated Au in soil trend associated with a linear aeromagnetic anomaly and an IP conductive anomaly. The IP anomaly is open to the north along the gold in soil/magnetic trend. A rock sample returned an Au results of 0.6 g/t<sup>2</sup> (**Figure 6**). In addition, an area of elevated REE results is associated with target CGIP 4 (**Figure 5**) adjacent to the regionally significant Emu Fault with Nd to 334 ppb, Ce to 389 ppb and Y to 360 ppb. A 1,170 m RC drill program commenced on 10 July 2023 to test Targets CGIP 1, CGIP 2 and CGIP 4 in addition to two holes within the Holey Dam tenement.



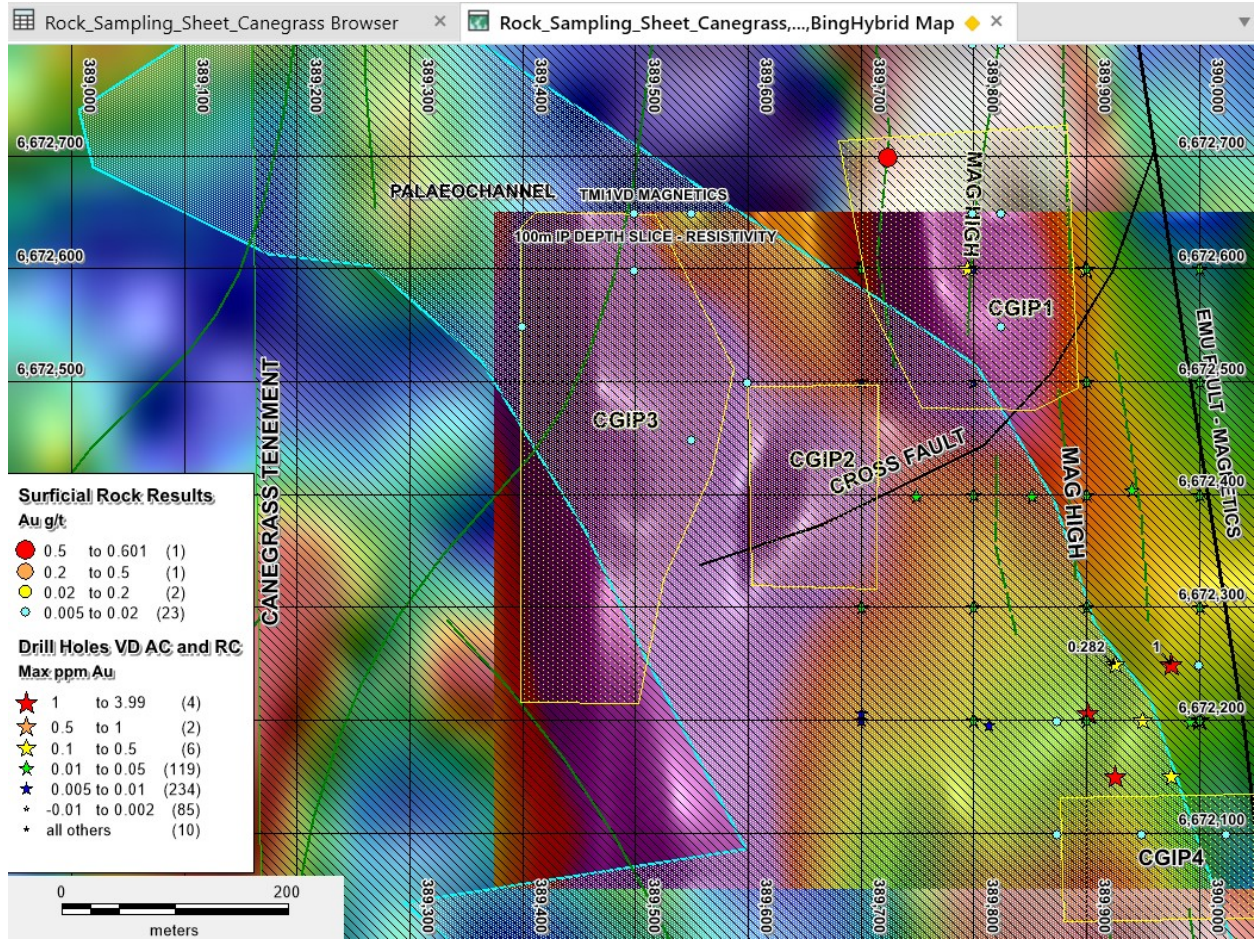
**Figure 5:** Canegrass MMI Soil Survey showing elevated REE response of Target CGIP4

## Background

The December 2022 IP survey area is traversed by a NW-SE paleochannel (**Figures 6 and 7**) which from observations during the 2022 RC drilling is generally < 15 m thick and is the prime reason the MMI technique has been chosen for the soil sampling. A distinctive N-S magnetic high can be seen in **Figure 6** 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>1</sup>. The drilling area is associated with a break on the magnetic trend and coincides with chlorite/silica altered basalt/amphibolite.

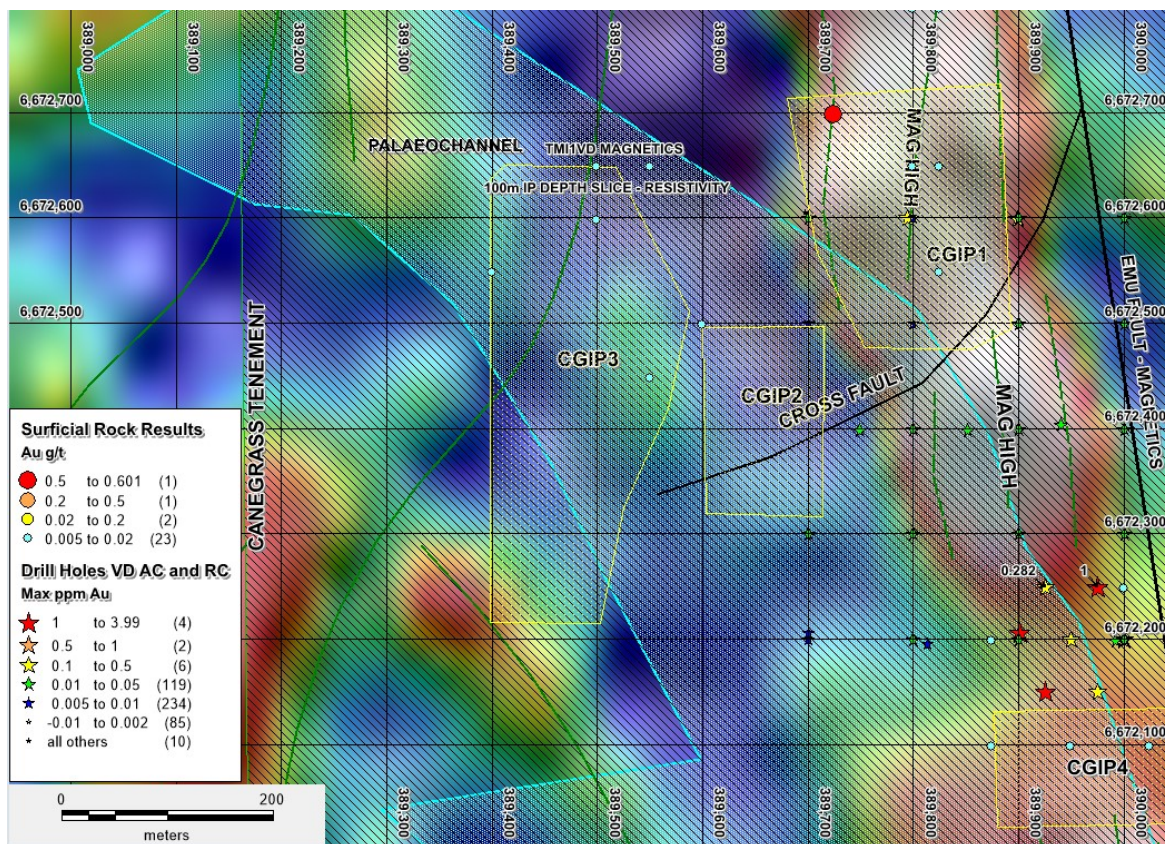
The 2022 IP survey (**Figure 7**) highlighted a number of conductive target (CGIP 1 to CGIP 3) with CGIP 1 being the highest priority target and located adjacent to the paleochannel. The recently completed rock and soil sampling located a small area of sub crop adjacent to the paleochannel in CGIP 1 and two samples returned assays of 0.6 and 0.25 g/t Au<sup>2</sup> with the former associated with a brecciated mafic volcanic. (**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.



**Figure 6:** Targets CGIP 1 to CGIP 4 with surface rock sample sites on TMI 1VD Magnetics



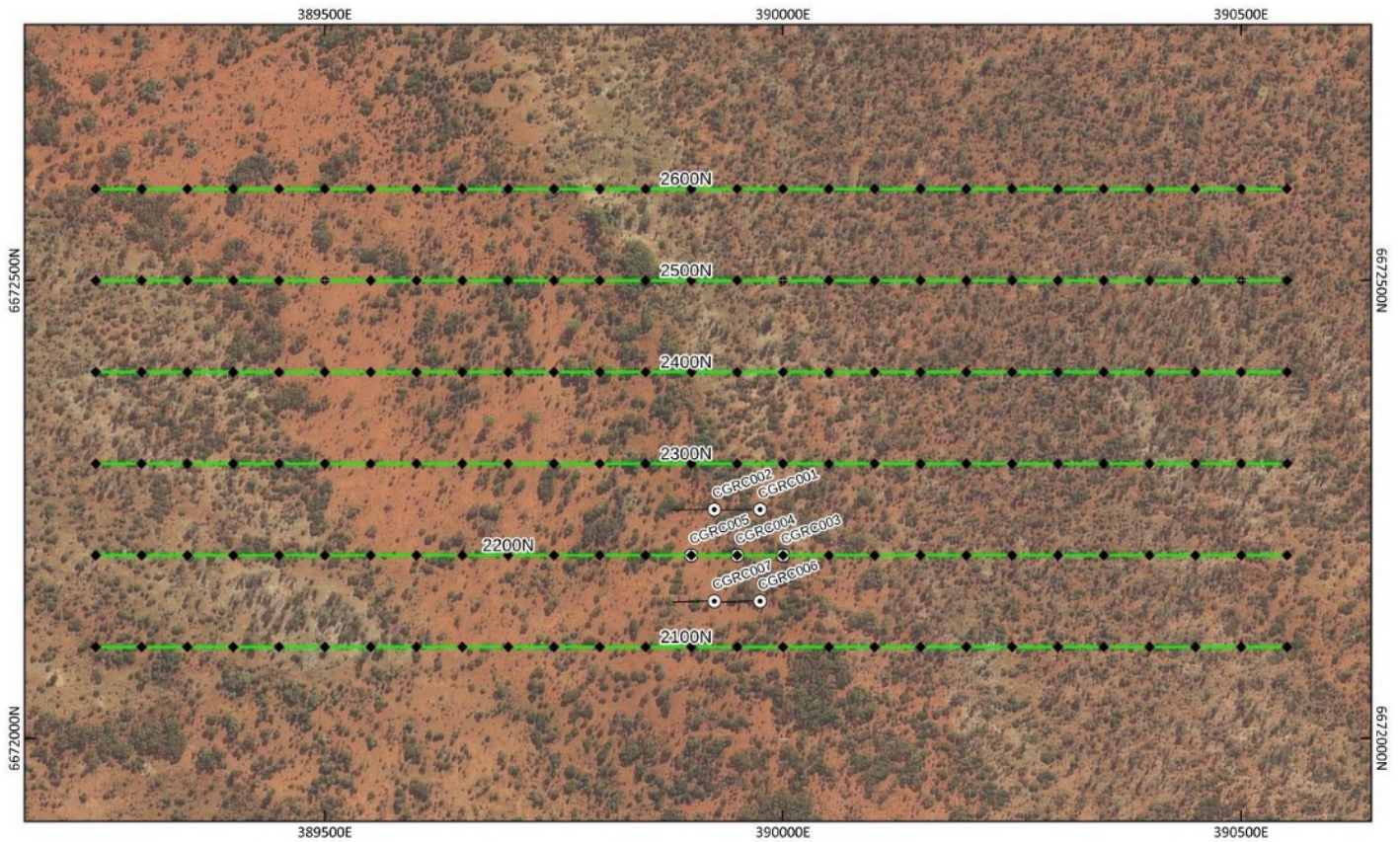
**Photo 1:** CGRC045–0.6 g/t Au  
 with elevated Ba (220 ppm),Cr (245 ppm),Mn (1,060 ppm),P (1,000 ppm) and Sr (577 ppm)



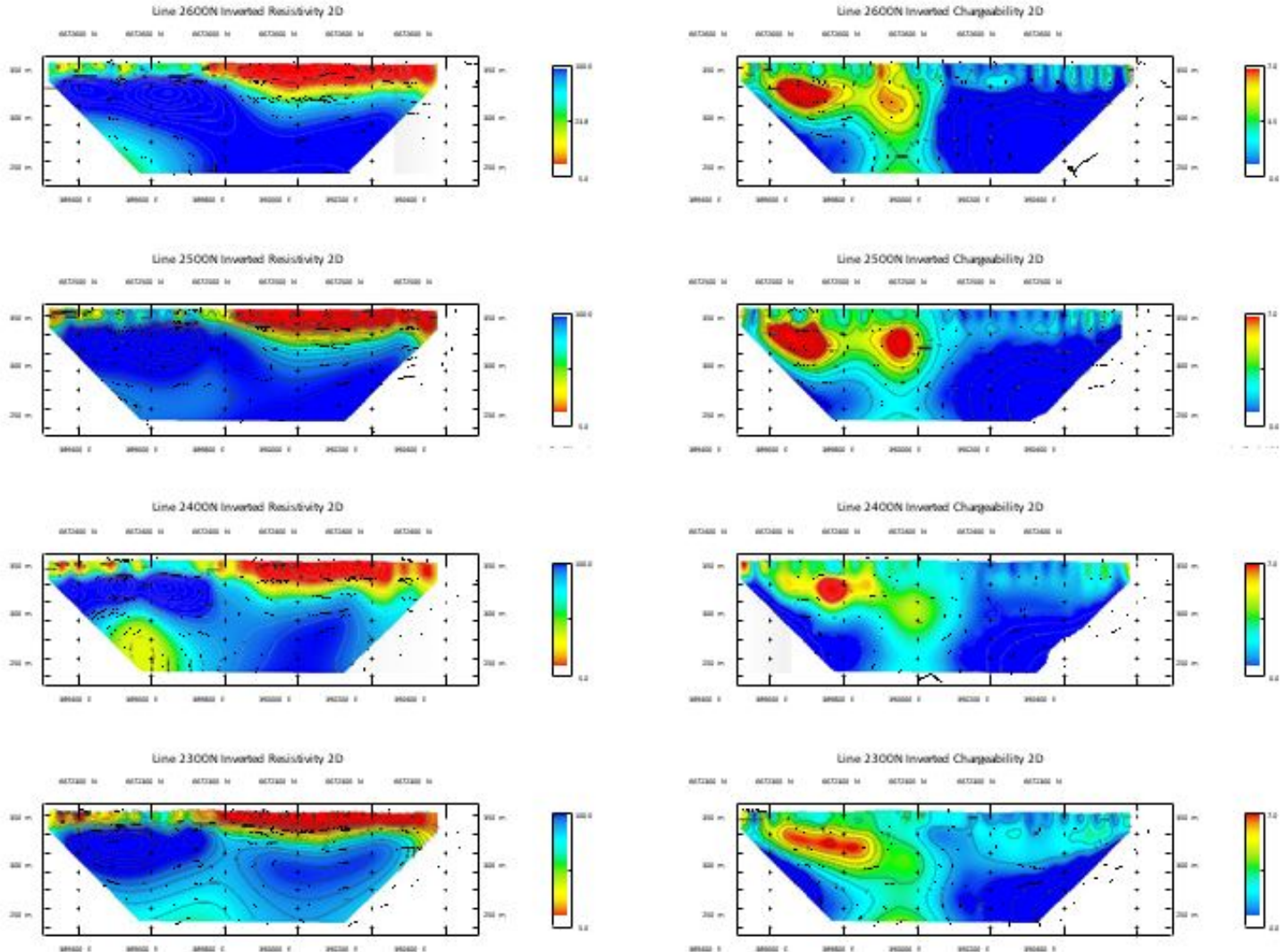
**Figure 7:** Targets CGIP1 to 4 with surface rock sample sites on 100m depth slice IP chargeability

An IP survey (**Figure 8**) was completed in December 2022 in an area of low magnetics that corresponds to elevated gold in drilling to 1 m @ 3.96 g/t Au<sup>1</sup> and also to be associated with silica and chlorite altered basalt. The Canegrass IP survey was completed by Moombarriga Geoscience in November 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 9**) 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 since been completed to identify any geological or regolith surface expressions for this anomaly. There is a weak chargeability feature 100 m south of the 2022 RC drilling that will be investigated further. RC drilling had been planned for the June 2023 Quarter, but commenced on 10 July 2023 due to rig delay.



**Figure 8:** Completed Canegrass IP survey DDIP lines and RC drill collars.



**Figure 9:** IP Cross Sections 6672600N to 6672300N – Resistivity left and Chargeability right.





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**Halls Creek – Gold/Cobalt/Copper/Nickel Exploration Projects - Western Australia**

**Black and Glidden E 80/5112, Carrington E 80/5113, Sandy Creek E 80/5114, and Wild Dog E80/5115**

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

In prior quarter, the Company has submitted work programs for the four tenements to the Kimberley Land Council (KLC) for review with the Native Title Groups. Apart from a meeting at Halls Creek with Traditional Owners relating to Black and Glidden E80/5112 there has been no response from Native Title groups for the other 3 projects. Consequently there is insufficient time to organise travel by helicopter for proposed site surveys as may be required by the Traditional Owners before the end of the dry season. No field activities have therefore been possible during this 2023 dry season.

**Background**

Perth based remote sensing consultancy Earthscan processed Landsat and ASTER satellite imagery to delineated 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 10**).

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.

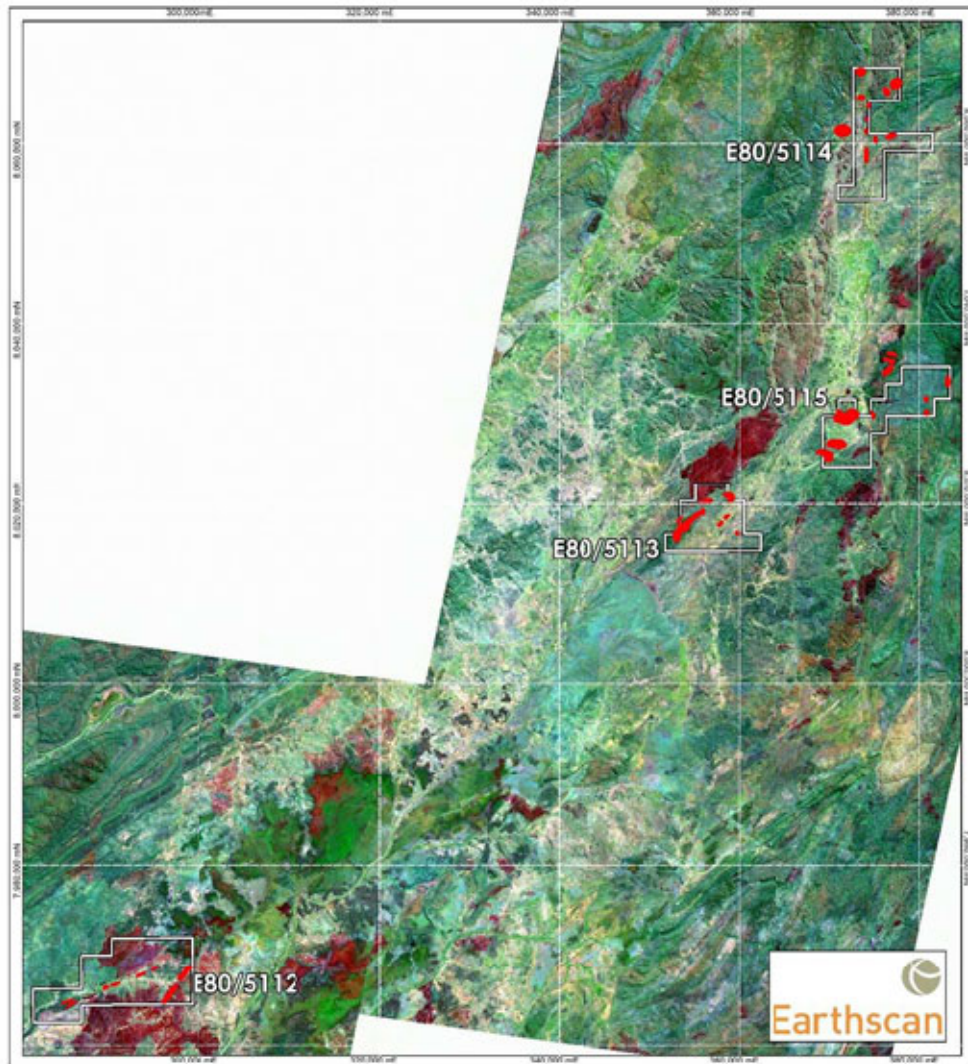
- alunite/pyrophyllite
- kaolinite group minerals
- illite group minerals

*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 90 m resolution of the data and the high noise levels.

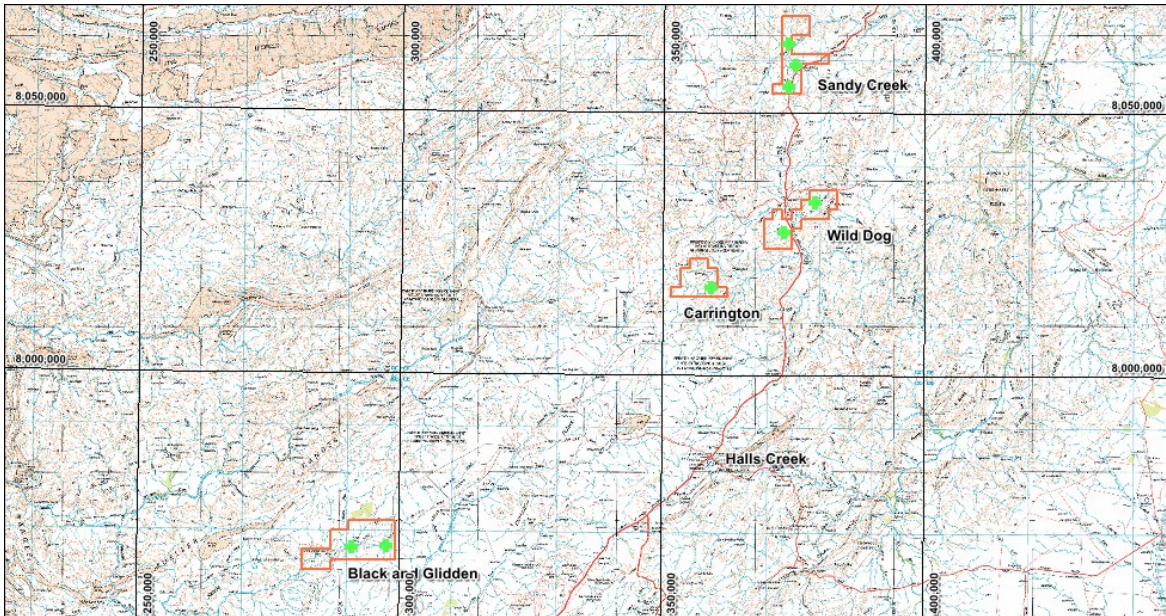
Propylitic alteration is characterized by epidote, chlorite, actinolite and carbonate minerals all of which produce absorption in band 8 of the ASTER SWIR data. Definition of this absorption is not helped by the crosstalk problem however the best estimator of the absorption is the Relative Band Depth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



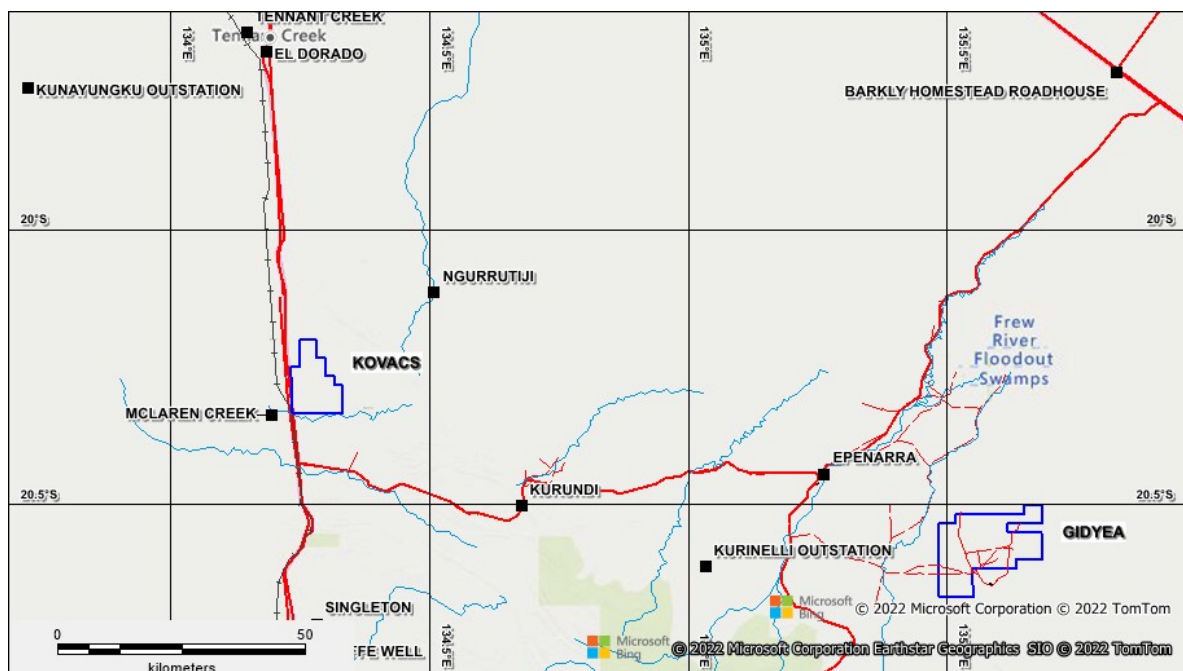
**ASTER TARGETS**  
**OVER ASTER BANDS 731**  
**GDA 94 - MGA52**  
**August 2022**

*Figure 10: ASTER Scenes used for the Remote Sensing Study and the alteration targets in red.*



*Figure 11: Halls Creek Project showing the 2021 soil sampling grids in green.*

**Tennant Creek – Gold and Copper Exploration Projects - Northern Territory**  
**Gidyea EL 32665 and Kovacs ELA 32666**  
*Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd.*



*Figure 12: Regional Tenement Location SE of Tennant Creek – Kovacs and Gidyea*

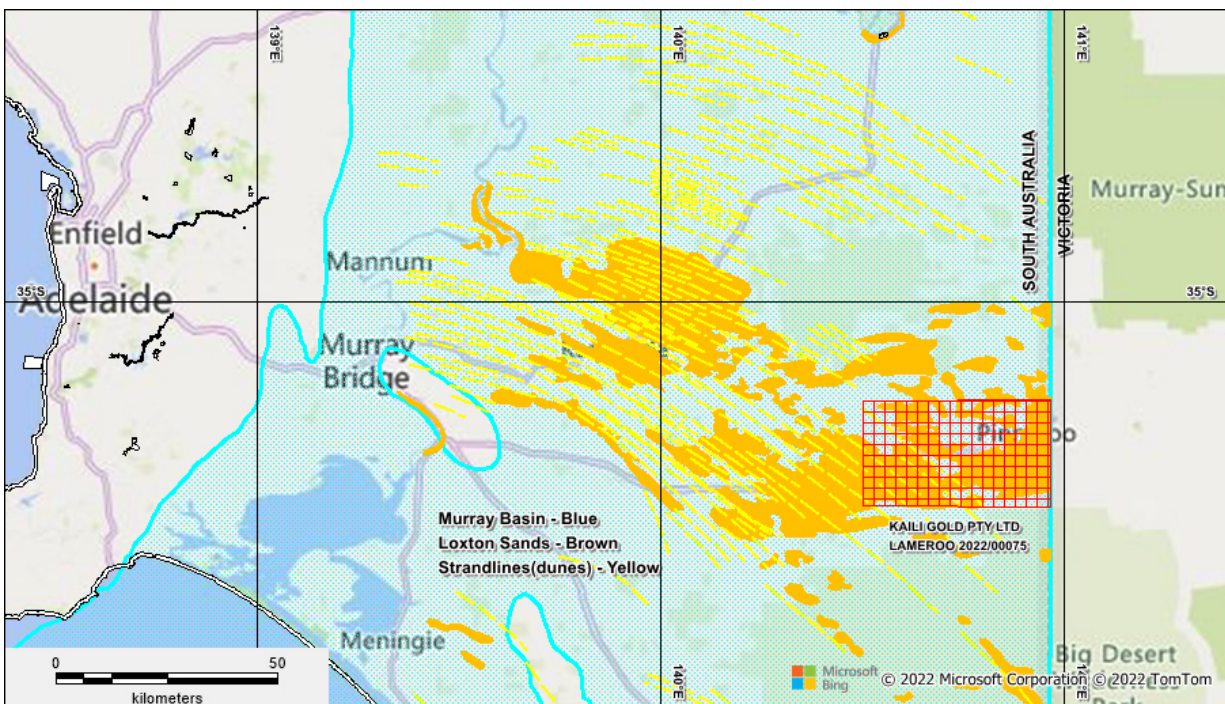
There has been no field-based exploration activity during the quarter as the Company manages the Native Title requirements for access.

In February 2021, the Company applied for two Exploration Licences registered as ELA 32666 and ELA 32665 located to the south and southeast of Tennant Creek (**Figure 12**). EL 32665 Gidyea has been granted in September 2021 for a 6-year period to 14 September 2027. Grant of the tenement under ELA 32666 Kovacs is awaited.

The Company has submitted detailed work programs to the Central Land Council (CLC) for review. The Company's Consultant Geologist attended a meeting of the Native Title Parties in Tennant Creek in October 2022 and presented the exploration plans for consideration. The CLC has presented a budget of costs for their work which is under review by the Company. An Authority Certificate is required from the CLC before field exploration may commence within Gidyea EL 32665. The initial exploration will involve a general geological reconnaissance of the tenement involving surface geochemical sampling.

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

**Limestone Coast – Rare Earth Element Exploration Project - South Australia**  
**Lameroo EL 6856**  
***Held 100% by wholly owned subsidiary Kaili Gold Pty Ltd.***



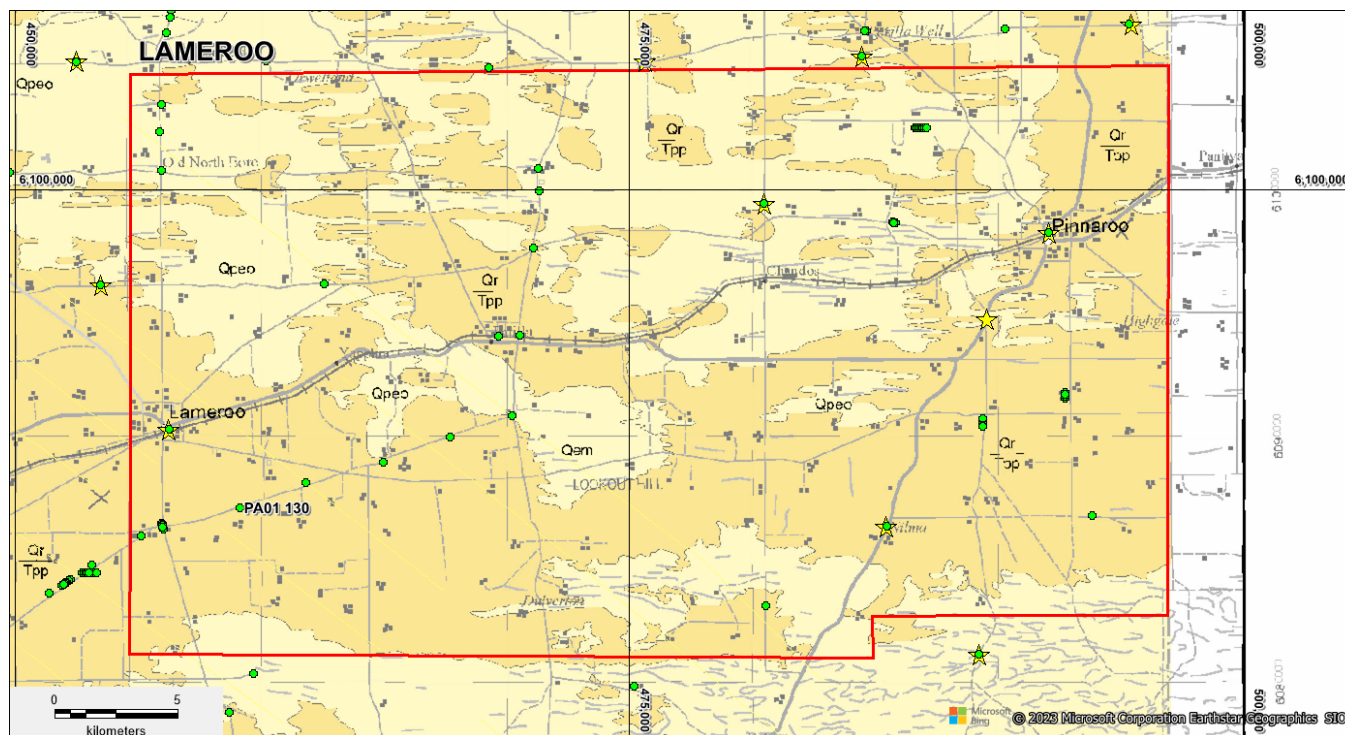
**Figure 13:** Location of Lameroo Rare Earth Exploration Project in Murray Basin South Australia

Lameroo EL 6856 covers an area of 991 km<sup>2</sup> within the Loxton Sands in the Murray Basin in South Australia for exploration of Rare Earth Elements (“REE”).

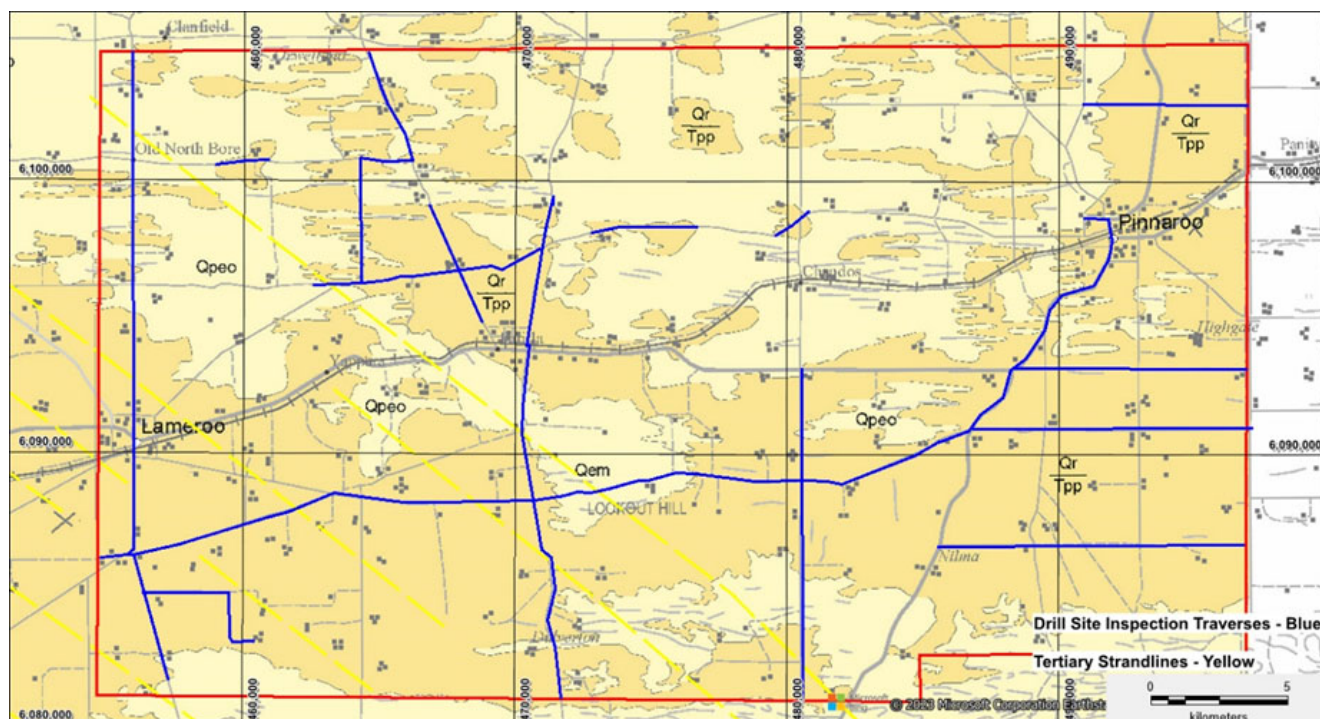
The Company has completed scanning with pXRF of samples from 11 holes historic drill holes (**Figure 22**) within the tenement. As there was a lack of reasonable spread of historic holes across the tenement some holes located just outside the tenement boundary have been included to the scanning program to enable a better assessment of the area. 21 of the scanned samples have been sent to ALS laboratory for assay of REEs. The results are awaited.

**Planned Future Exploration Activities:**

- Finalise review of pXRF and lab sampling of historic drill spoil
- Finalise drill sites to test for REE mineralisation
- Complete phase 1 drilling in FY 2023/2024



**Figure 14:** Lameroo Project showing all historic holes in green and those sampled with the Challenger pXRF instrument in green



*Figure 15: Field traverses within Lameroo drill sites selection*

### **Technical Releases Since Commencement of June 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:

|                             |   |
|-----------------------------|---|
| 5 <sup>th</sup> April 2023  | Results of Surface Sampling at Canegrass WA                 |
| 20 <sup>th</sup> April 2023 | REE Exploration in SA – Drill Site Inspection Completed     |
| 27 <sup>th</sup> April 2023 | Quarterly Activities/Appendix 5B Cash Flow report           |
| 3 <sup>rd</sup> May 2023    | Soil Results from Surface Sampling at Canegrass WA Received |
| 10 <sup>th</sup> July 2023  | RC Drilling Commences at Canegrass and Holey Dam            |

*See ASX Announcements of <sup>19</sup>th December 2022 and <sup>25</sup>th 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 the above announcements.*

## 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 June 2023 quarter and their locations. There has been no change in the tenements position in the June 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             |  |
| Under application | 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: Tenement schedule**

## Exploration Expenditure

The expenditure incurred for exploration in the tenements for the quarter was \$81,000 as follows:

|   |          |
|---|----------|
| - Geology/geophysics                            | \$30,000 |
| - Geophysical survey                            | \$13,000 |
| - Rent, rate and other project management costs | \$38,000 |

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 \$50,000 to the executive director Long Zhao as follows :

|  |          |
|--|----------|
| - Salary and superannuation contribution | \$20,000 |
| - Service fee to an associate            | \$30,000 |



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### **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

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28 July 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")

30 JUNE 2023

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date (6<br>months)<br>\$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   | (20)                       | (38)                                  |
| (e) administration and corporate costs                    | (110)                      | (162)                                 |
| 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)                                 | (9)                        | (10)                                  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(139)</b>               | <b>(210)</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                              | (77)                       | (178)                                 |
| (e) investments   |                            |                                       |
| (f) other non-current assets                              |                            |                                       |

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date (6<br>months)<br>\$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>(77)</b>                | <b>(178)</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        | -        |
| <b>3.10 Net cash from / (used in) financing activities</b>                                  | <b>15</b> | <b>-</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                            | 666   | 853   |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above)             | (139) | (210) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above)             | (77)  | (178) |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above)            | 15    | -     |

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

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date (6<br/>months)<br/>\$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>465</b>                         | <b>465</b>                                     |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>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<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 465                                | 666                                 |
| 5.2        | Call deposits   | -                                  | -                                   |
| 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>465</b>                         | <b>666</b>                          |

| <b>6.</b>  | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|--|---|------------------------------------|
| 6.1  | Aggregate amount of payments to related parties and their associates included in item 1 | 50                                 |
| 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><br><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>  | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
|--|---|--|
| 7.1 Loan facilities  | 4,400   | 3,788  |
| 7.2 Credit standby arrangements  |   |  |
| 7.3 Other (please specify)   |   |  |
| <b>7.4 Total financing facilities</b>  | <b>4,400</b>  | <b>3,788</b>                                   |
| <b>7.5 Unused financing facilities available at quarter end</b>  |   | <b>612</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.                            |   |  |
| <p>Yitai Group (Hongkong) Co., Ltd, a related company of the ultimate parent company Inner Mongolia Yitai Investment Co., Limited has confirmed financial support to the Group undertaking to provide interest free and unsecured funds up to \$2.0 million until 1 April 2025 in addition to the fully drawn loan facility of \$2.4 million maturing on 1 April 2025.</p> |   |  |

| <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)   | (139)          |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (77)           |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (216)          |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 465            |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | 612            |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 1,077          |
| <b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | <b>4.99</b>    |
| <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: 28 July 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.