



HIGHLIGHTS

ASX Code: VAR
 ACN: 003 254 395
 Issued Shares: 267m
 Unlisted Options: 31.0m
 Performance Rights: 2.5m

At 31 December 2022
 Cash Balance: \$0.66M

Directors

Anthony Wehby
 Stewart Dickson
 Michael Moore
 Mr Nicholas Farr-Jones AM
 Dr Frank Bierlein

Company Secretary

Mark Pitts

Top Shareholders

Citicorp Nominees
 Slipstream Resources
 Delphi
 FELDI Limited
 SL Hisbanibal
 Lightning Jack Pty Ltd
 Effective Investments Pty Ltd

Top 20 Shareholders: 58.54%

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Buenahora exploration license Phase 1 drilling assay results released in early CY23

- Post Quarter's end, Variscan Mines issued positive assay results from surface and underground diamond drilling, and channel sampling programmes
- Confirmation provided that the Pepita and Jufresno historic mines and their surrounds host high-grade zinc-dominant, mineralisation, with true thicknesses attaining up to 20m

Selected surface and underground diamond drilling results from Buenahora

- JDDT-02 (u/g hole): 16.05m @ 5.84% Zn + 1.21% Pb
- JDDT-03 (u/g hole): 10.00m @ 7.46% Zn + 0.81% Pb
- JDDT-01 (u/g hole): 3.30 m @ 14.66% Zn + 6.47% Pb
- PEDDT-02 (u/g hole): 3.95m @ 8.61% Zn + 0.65% Pb
- SB-04 (surface hole): 1.80m @ 11.10% Zn + 2.02% Pb
- PEDDT-07 (u/g hole): 2.00m @ 7.83% Zn + 0.64% Pb
- SB-14 (surface hole): 1.50m @ 3.10% Zn + 0.02% Pb

San Jose drilling programme update provided in early CY23

- Variscan Mines also announced during the post-reporting period that encouraging visual zinc mineralisation have been recorded in two surface, diamond drill holes located c. 1,200m north-east along strike of the San Jose Mine stopes ¹
- Core logging indicates that the drilling has intersected major intervals in excess of 20m and containing continuous high-grade zinc mineralization
- Assay results are pending and should be available shortly.

Board strengthened with new appointments

- In October 2022, Variscan announced the immediate appointment of two new Non-Executive Directors:
 - Dr Frank Bierlein, a geologist with 30 years of experience as a consultant, researcher/lecturer and industry professional
 - Mr Anthony Wehby, a respected Corporate Finance Specialist and listed company director with over 50 years of executive and non-executive experience.
- Mr Wehby was subsequently appointed as Variscan's new Non-Executive Chairman at the conclusion of the Company's FY22 AGM, held on 30 November 2022.

¹Further to the observations noted above and the details provided in the announcement and in accordance with the Australian Institute of Geoscientists "AIG" guidance, Variscan wishes to advise that, in spite of its familiarity with mineralisation at San Jose, visual estimates of mineralisation should, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding potential impurities or deleterious physical properties relevant to valuations of some mineral commodities.

Variscan Mines Limited (“Variscan” or the “Company” or the “Group”) (ASX:VAR) is pleased to provide its Appendix 5B for the quarter ended 31 December 2022 along with the following operational update.

OPERATIONS REVIEW

Variscan’s exploration/development strategy progresses during the December 2022 quarter

Variscan successfully progressed all its planned exploration initiatives in the December 2022 quarter, with the main focus being the drilling campaign over the Buenahora exploration licence area located in Cantabria, northern Spain.

Step-out drilling at San Jose Mine intersects strong zinc mineralisation

After quarter’s end, Variscan Mines announced that encouraging visual zinc mineralisation had been identified from drilling activities at San Jose. Three holes (totalling 322.12m) stepping-out approximately 1,200m to the north-east and along strike of the San Jose Mine stopes were drilled. Initial core logging indicates two diamond drillholes have intersected in excess of 20m of continuous zinc mineralization that appear to be a continuation of the same mineral system. Assay results from these holes are pending and should be available shortly. (refer Note 1)

Figure 1. Location of surface drilling near the San Jose Mine in Novales

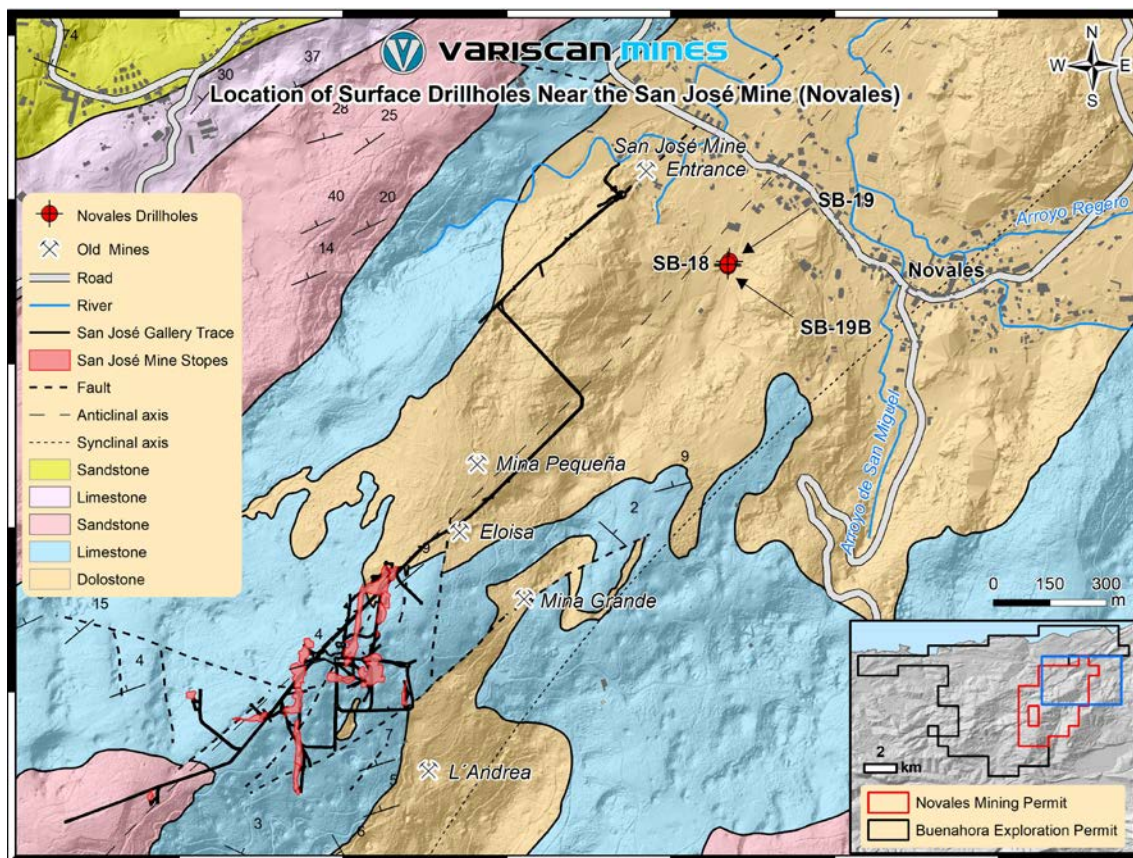


Figure 2. Richly mineralised (sphalerite) drillcore from Drillhole SB-18 step-out from the San Jose Mine (refer note ¹)



¹Further to the observations noted above and the details provided in the announcement and in accordance with the Australian Institute of Geoscientists “AIG” guidance, Variscan wishes to advise that, in spite of its familiarity with mineralisation at San Jose, visual estimates of mineralisation should, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding potential impurities or deleterious physical properties relevant to valuations of some mineral commodities.

Phase 1 Drilling Results at Buenahora Exploration Licence

Also after the end of the December 2022 quarter, the Company released assay results from drilling over the Buenahora License area.

The surface and underground diamond drilling focussed on the area between the historic (artisanal) Pepita and Jufresno mines, and was supplemented by vertical channel sampling at various levels of the Pepita Mine. Overall, surface diamond drilling comprised 17 holes (totalling 1,556.50m) together with underground core drilling, which comprised eight holes (totalling 115.25m) at the Pepita Mine and three holes (totalling 31.60m) at the Jufresno Mine. A total of 19 vertical channel samples were collected at 14 locations spanning all 5 levels of the historic Pepita Mine, in the process effectively covering most of the mine’s footprint.

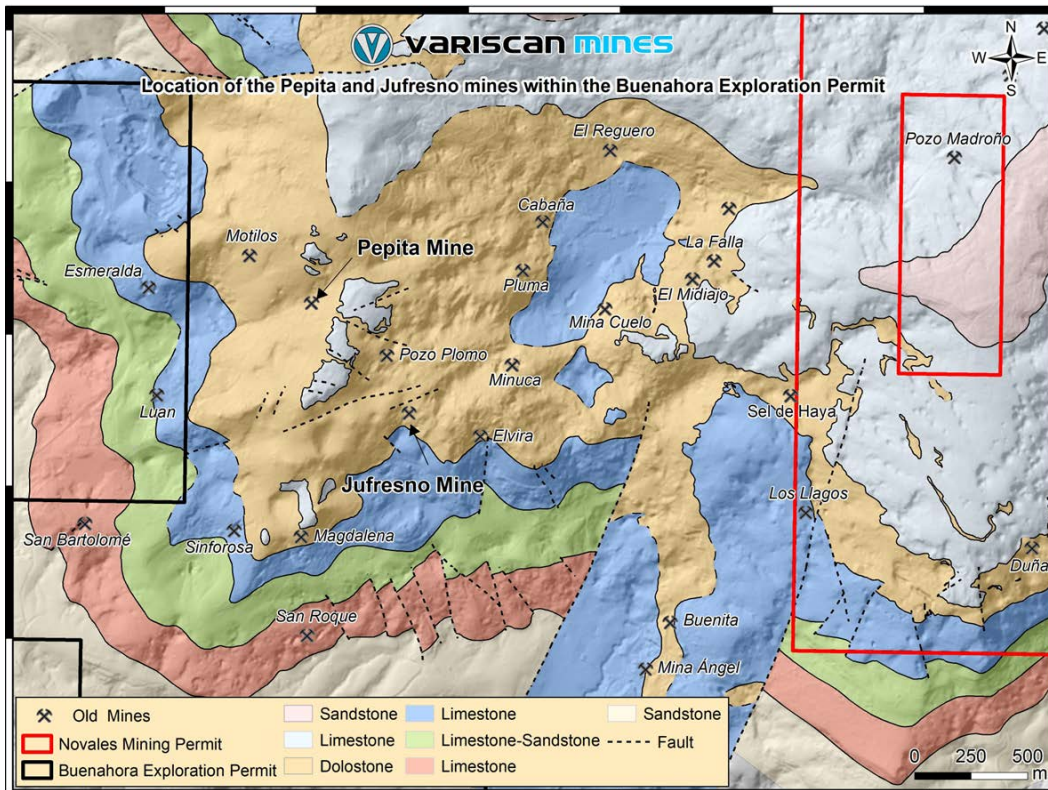
Selected surface and underground diamond drilling results from the Buenahora

- **JDDT-02 (u/g hole): 16.05m @ 5.84% Zn + 1.21% Pb**
- **JDDT-03 (u/g hole): 10.00m @ 7.46% Zn + 0.81% Pb**
- **JDDT-01 (u/g hole): 3.30 m @ 14.66% Zn + 6.47% Pb**
- **PEDDT-02 (u/g hole): 3.95m @ 8.61% Zn + 0.65% Pb**
- **SB-04 (surface hole): 1.80m @ 11.10% Zn + 2.02% Pb**
- **PEDDT-07 (u/g hole): 2.00m @ 7.83% Zn + 0.64% Pb**
- **SB-14 (surface hole): 1.50m @ 3.10% Zn + 0.02% Pb**

Selected channel sample results from the historic Pepita mine, Buenahora permit

- **PC7-PC8:** 3.10m @ 17.21% Zn + 1.35% Pb
- **PC-17:** 2.20m @ 10.80% Zn + 1.99% Pb
- **PC-12:** 1.60m @ 14.75% Zn + 3.35% Pb

Figure 3. Map of the Buenahora exploration permit, highlighting the location of the Pepita and Jufresno historic mines, where most of Phase 1 of exploration drilling was concentrated.



Key Findings:

- Confirmation that the Pepita and Jufresno historic mines and their vicinity host high-grade, zinc-dominant, mineralisation, with true thickness extents reaching up to 20m.
- The style of mineralisation at the Buenahora historic mines varies from stratiform to open-space fill, breccia-hosted and vein-like, and is spatially less regular than that from the San Jose mine, making for more complex surface drill targeting.
- Six of the surface drill holes tested five distinct IP anomalies, occurring in the vicinity of the historic mines. Although zinc mineralisation was intersected in most holes, it was generally modest in grade. The relative paucity of associated galena and iron sulphides makes the zinc-dominant orebodies poorly chargeable. Because of this, follow-up drill targeting probably needs to rely more on structural interpretations focusing on feeder structures and favourable lithology and stratigraphy as the vectors to ore.
- The Buenahora exploration licence remains prospective, as evidenced by drill results reported, albeit more complex than the San Jose Mine and surrounding areas.

Figure 4. Location of surface and underground drilling at the historic Pepita and Jufresno mines, showing selected assay results.

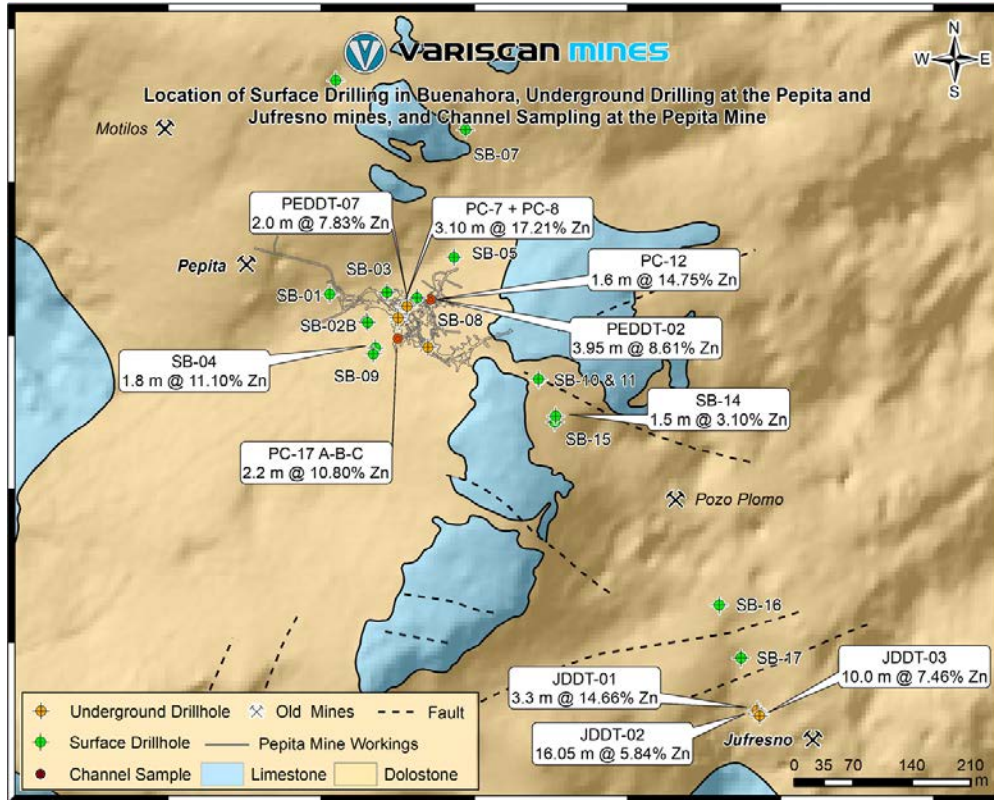
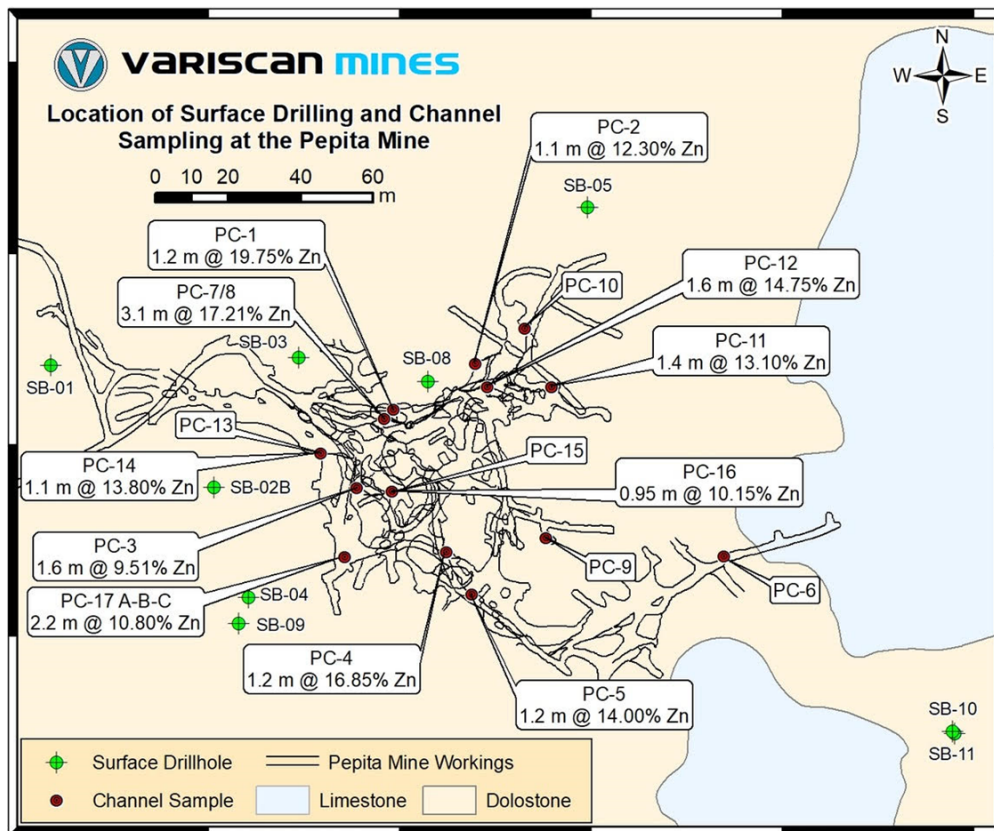


Figure 5. Location of channel samples at the historic Pepita mine, showing selected assay results highlights.



Board renewal process occurs ahead of start of project development phase

In October 2022, Variscan implemented a number of changes to its Board of Directors (see ASX announcement dated 21 October 2022).

The Company has added to its senior leadership team by appointing two new highly regarded Non-executive Directors to its Board of Directors. The two new appointees, both experts in their respective fields, are:

- Dr Frank Bierlein, a geologist with 30 years of experience as a consultant, researcher, lecturer and industry professional, both in Australia and offshore. He is also an experienced public company director. Over his working life, Dr Bierlein has worked or consulted for a number of well-known companies, including QMSD Mining Co Ltd, Qatar Mining, Afmeco Australia, Aveva NC, Newmont Gold, Resolute Mining, Goldfields International, Freeport McMoRan, and the International Atomic Energy Agency. He is currently a Non-executive Director on the Boards of Blackstone Minerals Limited; PNX Metals Limited; Firetail Resources Limited and Impact Minerals Limited. Dr Bierlein's career has seen him work across multiple commodity market segments. He has additionally published and co-authored more than 130 articles in peer reviewed scientific journals.
- Mr Anthony Wehby, a respected Corporate Finance Specialist and former Partner of Price WaterhouseCoopers. He is a long-time listed company director with over 50 years of executive and non-executive experience. This has included a considerable time performing mining industry-related roles. Mr Wehby is currently a Non-executive Director on the Board of listed Asia Pacific gold producer Kingston Resources Ltd. He is also a Non-executive Director on the board of ASX listed Insurance underwriting agency Ensurance Ltd. He was previously Chairman of Tellus Resources Limited, Non-executive Chairman of Aurelia Metals Limited and a Director of Harmony Gold (Aust) Pty Ltd. Mr Wehby also operates a financial consulting practice focussed on strategic advice.

In another Board change, Variscan's long-time Non-executive Chairman, Dr Foo Fatt Kah, stepped down from this role and his position on the Board at the conclusion of the Company's FY22 Annual General Meeting, held on 30 November 2022. Over his 13 years on the Variscan Board, Dr Foo was a key player in the Company's development and strategic direction.

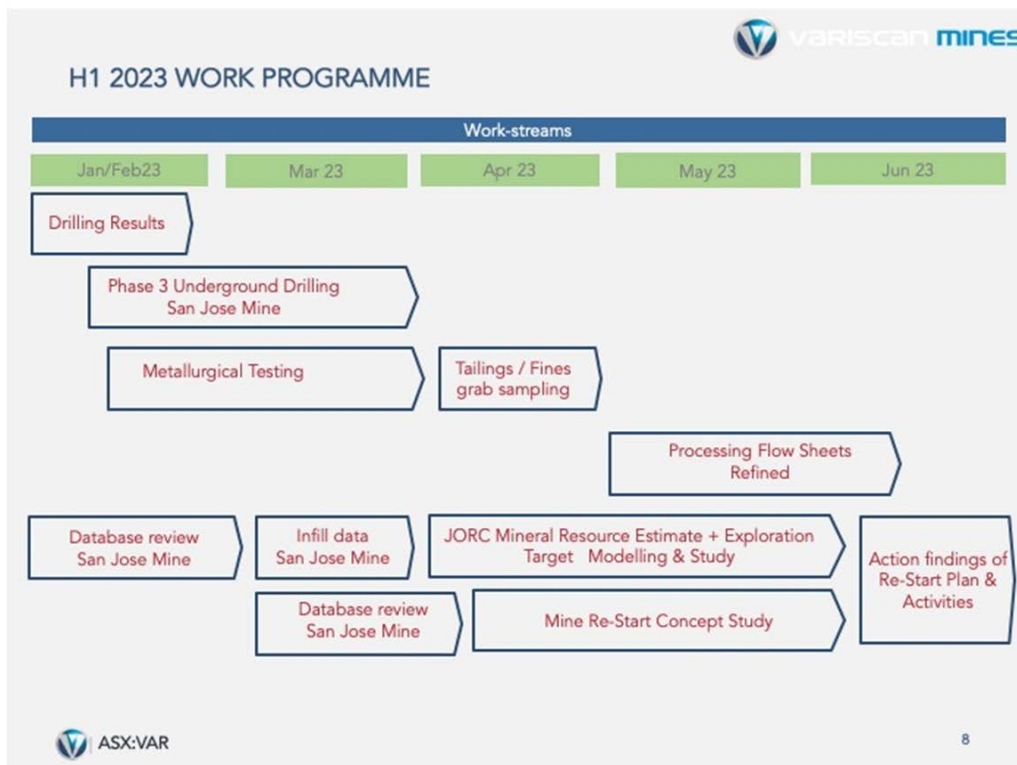
Mr Wehby has subsequently been appointed as Variscan's new Non-executive Chairman.

Looking Ahead to the H1 CY23 Workplan

Variscan's immediate focus for H1 of calendar year 2023 includes:

- Publishing assay results from the step-out surface drillholes adjacent to the San Jose Mine
- Delivery of approvals to undertake further surface drilling in and around the San Jose Mine to test promising step-out targets
- Phase 3 underground infill and resource definition drilling at the San Jose Mine
- Finalizing the ongoing comprehensive 3D wireframe model of all historic and present-day drilling at and around the San Jose Mine, comprising circa 900 drill holes
- Establishing and publishing an initial JORC-compliant Mineral Resource estimate for the San Jose Mine
- Reporting a Mine Re-Start Concept Study for the San Jose Mine
- In support of the above activities, the delivery of associated environmental, social and governance ("ESG") initiatives

Figure 7. H1 2023 Workplan for Novales-Udias Project



PROJECT SUMMARIES

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30 kilometres southwest from the regional capital, Santander. The project is centred around the former producing San Jose underground mine with a large surrounding area of exploration opportunities for a number of satellite deposits based on underground and surface workings, our substantial database of some 88,000m of historic drilling and multiple areas of zinc anomalism identified from recent and historic geochemical surveys. Variscan has defined the NE-SW Novales Trend over 9 kilometres with a parallel mineralised trend over at least 3 kilometres of strike.

- Near term zinc production opportunity (subject to positive exploratory work)
- Strategic tenement holding of 68.3 km² (including several granted mining tenements)
- Regional exploration potential for further discoveries analogous to Reocin (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb^{1, 2})
- Novales Mine is within trucking distance (around 80km) of the Asturias zinc smelter
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as around 7% Zn³

1 Velasco, F., Herrero, J.M., Yusta, I., Alonso, J.A., Seebold, I. and Leach, D., 2003 - Geology and Geochemistry of the Reocin Zinc-Lead Deposit, Basque-Cantabrian Basin, Northern Spain: in Econ. Geol. v.98, pp. 1371-1396.

2 Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not completed sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012.

3 Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

- Simple mineralogy of sphalerite – galena – calamine
- Ore lenses are strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super-high grade ‘bolsas’ (ore bags) commonly 10-20% Zn and in some instances +30% Zn⁴
- Assay results of recent targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb⁵
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

SPAIN – GUARAJAZ ZINC-RICH POLYMETALLIC PROJECT

The Guajaraz Project is a prospective brown-field zinc-rich polymetallic opportunity with known mineral occurrences. The project is located in the highly mineralised Central Zone of the Iberian Massif, which ranks as one of the most mineralised geological units globally and represents the internal zone of the prolific European Variscan Orogenic belt.

Variscan believes Guarajaz represents an excellent, de-risked brownfield polymetallic project. Reflective of this belief in the prospectivity of this Project, the Company filed an application with the authorities in Castilla-La Mancha during the year for a 3-year extension of the current exploration licence over the Guarajaz tenement area. Variscan Mines’ local Spanish subsidiary, Variscan La Mancha, has already validly fulfilled the requirements for an extension to the exploration permit, the initial 3 year term of which expired during the year. From the expiry date to the official extension date, the title is valid.

During the quarter, no activity was undertaken by the Company in connection with this project due to the main focus being the drilling campaign over the Novales-Udias project.

CHILE – ROSARIO COPPER PROJECT

The Rosario Project is located approximately 120 kilometres by road east of the port city of Chanaral in the Atacama Region of northern Chile. Chile is a proven mining jurisdiction and is the largest producer of copper globally. The Rosario project lies about 20 kilometres north of the El Salvador mine (owned by Codelco). It is one of the country’s larger copper operations, within a region of dense mining activity (all scales) and good copper endowment.

The Rosario Project comprises three granted exploitation concessions, Rosario 6, Rosario 7 and Salvadora, one granted mineral exploration licence (Abandonara) and an exploration concession under application (Rosario 101). These concessions cover two outcropping copper trends (Zones A and B) over a combined strike length of approximately 6 kilometres.

As a result of the impact of the continuing worldwide COVID-19 pandemic and Variscan’s focus on its highly prospective Spanish zinc projects, no significant activities were conducted on the Rosario Project during the December 2022 quarter.

AUSTRALIA

The Company continues to hold minority interests in a number of areas of eastern and central Australia. No specific activities were undertaken by Variscan in these areas over the past quarter, as the Company focussed on its Spanish zinc projects.

⁴ Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

⁵ Refer to ASX Announcement of 19 December 2019

FINANCIAL & CORPORATE

CASH

Cash at bank at the end of the quarter was \$0.662 million. The Company is in advanced negotiations to secure funding for our planned activities.

SUMMARY OF EXPENDITURE ON EXPLORATION ACTIVITIES

For the quarter, the Group spent \$568,000 on exploration activities, substantively all of which related to the Group's Spanish zinc projects. These exploration activities related to:

- Surface drilling programme;
- Technical consulting fees;
- Geological mapping;
- Tenement administration, reporting and management; and
- Directly-attributable corporate overheads and administration costs.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

SHARE CAPITAL

The total number of shares on issue at the end of the quarter was 266,732,024.

Deferred settlement shares

In accordance with the acquisition of the Spanish Zinc projects in 2019, the Company must issue additional shares upon the satisfaction of certain exploration milestones. These milestones are for the definition, in accordance with JORC 2012, of an Inferred Mineral Resource (or greater) of:

Milestone 1: 4 million tonnes at 7% Zn

Milestone 2: 8 million tonnes at 7% Zn

Upon satisfaction of each of these milestones, the Company must issue 27,500,000 ordinary shares to the vendors of Slipstream Spain Pty Ltd and Slipstream Spain 2 Pty Ltd, and 2,426,471 shares to Hispanibal S.L. as the vendor of the "Hispanibal Option", for a total of 59,852,941 Ordinary Shares if both milestones are met.

There is currently no obligation to issue the milestone shares.

OTHER

During the December 2022 quarter, the Company made payments to related parties of \$44,000 represented by remuneration paid to Directors.

The Company's Annual General Meeting was held on 30 November 2022, and all resolutions put to shareholders were well supported.

Variscan Mines Managing Director & CEO Stewart Dickson said:

"We materially progressed our detailed exploration programme for the exciting Novales-Udias Project over the December 2022 quarter."

The whole Variscan team is laser focussed on adding to the high grade zinc mineralisation already identified in multiple zones at the historic San Jose Mine, and more recently at the Buenahora exploration license area, to progress towards potential mine re-start.

We have undertaken a renewal and expansion of our senior leadership team as we continue to advance. I want to take this opportunity to personally welcome Dr Frank Bierlein and Anthony Wehby to the Variscan Board of Directors. I also want to congratulate Anthony on his subsequent appointment as the Company's new Non-executive Chairman. Finally, I want to praise the work of our previous long-time Chairman Dr Foo Fatt Kah. He helped steer the Company through its transformational acquisition of the Spain-based zinc projects, the development of which are today our number-1 priority."

ENDS

Variscan Mines Limited

Stewart Dickson

Managing Director & CEO

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This announcement has been authorised by Mr Stewart Dickson, Managing Director and CEO of Variscan Mines Limited

BACKGROUND

Variscan Mines Limited (ASX:VAR) is a growth-oriented, natural resources company focused on the acquisition, exploration and development of high-quality strategic mineral projects. The Company has compiled a portfolio of high-impact base-metal interests in Spain, Chile, and Australia.

The Company's name is derived from the Variscan orogeny, which was a geologic mountain building event caused by Late Paleozoic continental collision between Euramerica (Laurussia) and Gondwana to form the supercontinent of Pangea.

COMPETENT PERSONS STATEMENT

Where Company refers to exploration results and historical data previously advised to the ASX it confirms that it is not aware of any new information or data that materially affects the information included in previous announcements and all material assumptions and technical parameters disclosed in those announcements continue to apply and have not materially changed.

LISTING OF TENEMENTS HELD AT 31 DECEMBER 2022

Tenement	Tenement No.	Interest	Joint Venture Details
SPAIN – Note 5			
<u>Cantabria</u>			
Buenahora Fraction 1	IP 16.662-01	100%	
Buenahora Fraction 2	IP 16.662-02	100%	
San José	EC 94	100%	
La Torra	EC 512	100%	
Tres Amigos	EC 1565	100%	
Torpeza	EC 2557	100%	
Andrea	EC5220	100%	
Andrea-demasía a	EC5374	100%	
Es	EC8049	100%	
Dudosa	EC8165	100%	
Cargadoiro	EC11589	100%	
Tres amigos-demasía a	EC11594	100%	
Flor del pueblo	EC12942	100%	
Torpeza-demasía a	EC12952	100%	
Torpeza-3ª demasía a	EC13079	100%	
Torpeza-2ª demasía a	EC13080	100%	
Flor del pueblo-demasía a	EC13154	100%	
Dudosa-demasía a	EC13170	100%	
Andrea-3ª demasía a	EC13175	100%	
Andrea-2ª demasía a	EC13176	100%	
Cargadoiro-demasía a	EC13260	100%	
Ampliación a Matilde	EC13641	100%	
Aumentada	EC14238	100%	
Campitos	EC14554	100%	
Campitos-demasía a	EC14640	100%	
Carmenchu	EC14945	100%	
Amelita	EC14949	100%	
Eloísa	EC14947	100%	
Ampliación a Matilde-demasía a	EC14948	100%	
Cargadoiro 2	EC14954	100%	
Amelita-demasía a	EC14979	100%	
Carmenchu-demasía a	EC14980	100%	
Eloísa-demasía a	EC14981	100%	
Carmenchu-2ª demasía a	EC14982	100%	
6º Aumento a porvenir	EC15672	100%	
Ampliación a Matilde-demasía a	EC13641-10	100%	
Campitos-segunda demasía a	EC14554-20	100%	
Cargadoiro 2- demasía a	EC14954-10	100%	
Carmenchu-tercera demasía a	EC14980-30	100%	
6º Aumento a porvenir-demasía a	EC15672-10	100%	
Torpeza-tercera demasía a	EC2557-30	100%	

Tenement	Tenement No.	Interest	Joint Venture Details
<u>Toledo</u> Guajaraz	IP 4.203	100%	

CHILE

Rosario			
Rosario 6 1-40	0310259624	10.4%	Note 4
Rosario 7 1-60	0310259632	10.4%	Note 4
Rosario 101	03102N2229	10.4%	Note 4
Salvadora	0310231355	10.4%	Note 4
Abandonara	0310248487	10.4%	Note 4

NEW SOUTH WALES

Willyama	EL 8075	0%	Note 1
Hillston	EL 6363	39.2%	Perilya can earn 80%, Eaglehawk 9.8%
Native Dog	EL 8236	0%	Note 1
Woodlawn South	ELs 7257 and 7469	0%	Royalty interest only

SOUTH AUSTRALIA

Junction Dam	EL 5682	0%	Marmota acquired 100% ownership. See Note 2
Callabonna	EL 5360	49%	Red Metal 51%, can earn 70%

FRANCE

St Pierre	PER	100%	
Beaulieu	PER	100%	

EL = Exploration License

PER = Permis Exclusif de Recherche (France)

IP = Investigation Permit (Spain)

EC = Exploration Concession (Spain)

Note 1: Under an agreement with Silver City Minerals Limited, Broken Hill Operations and Eaglehawk Geological Consulting Pty Ltd Variscan has converted its interest in parts of these tenements to a NSR (Net Smelter Return).

Note 2: Marmota has earned 100% of the uranium rights only in EL 5682. Variscan has a 0.5% net profits royalty on production from a uranium mine.

Note 3: The remaining exploration licenses owned by Variscan Mines SAS (excluding the Couflens PER) have been conditionally acquired by a new wholly owned subsidiary, Variscan Mines Europe Limited. Pursuant to the approval for the Subsidiary Sale, the Ministry of Economy and Finance has imposed, without prior consultation, the compulsory relinquishment of the remaining licenses. The Company has approved the relinquishment request and has yet to receive a response. The timetable for the completion of the relinquishment process is unknown.

Note 4: On 1 July 2019 the Company announced it had successfully renegotiated the terms of the existing Option Agreement to provide the Company with a participating interest of 10.4%. The Company can earn up to 90% of the project through payment of amounts totaling approximately US\$2.25 million.

Appendix 5B

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

Name of entity

Variscan Mines Limited

ABN

16 003 254 395

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(4)	(9)
(b) development	-	-
(c) production	-	-
(d) staff costs	(58)	(180)
(e) administration and corporate costs	(103)	(223)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(163)	(408)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(564)	(879)
(e) investments	-	-
(f) other non-current assets	-	-

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 (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(564)	(879)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,385	1,946
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(163)	(408)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(564)	(879)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	3
4.6	Cash and cash equivalents at end of period	662	662

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	662	1,385
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)	662	1,385

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	41
6.2	Aggregate amount of payments to related parties and their associates included in item 2	3
<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.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(163)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(564)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(727)
8.4 Cash and cash equivalents at quarter end (item 4.6)	662
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	662
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.91
<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: The entity does expect to have sufficient funding to meet operating cashflows. Future exploration activity is discretionary and exploration programs will be dependent on available cash.	
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: The Board is reviewing funding requirements and notes that it enjoys the support of its Board and key shareholders. It believes that if and when it resolves to raise additional capital that it will be successful.	

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: Yes, the entity expects that it will be able to continue its operations and meet its business objectives based on the entity's responses in item 8.8.2 above.

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:31 January 2023.....

Authorised by:The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.