

30 July 2021

QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE QUARTER ENDING 30 JUNE 2021

The Board of European Lithium Limited (ASX: **EUR**, FRA: **PF8**) (the **Company**) is pleased to present its activities report and Appendix 5B for the three months ending 30 June 2021.

SUMMARY OF KEY UPDATES

- Acquisition of interest in Jadar's Austrian Lithium assets.
- E47/4144 is progressing through the WA Mining Act regulatory application process.
- COVID-19 pandemic and government enforced rules related to international travel in particular, continues to impact operations and force EUR to observe closely any changes in government restrictions in Europe, Austria specifically and Australia.
- Due to the Company's strict COVID safe rules and other mitigation measures, no COVID-19 incidents or cases were reported by staff and contractors since March 2020. The Company has continued Austrian operations noting that COVID-19 rules have been eased during Q2/2021 within the European Union.
- ECM AT GmbH, the 100% owned subsidiary of European Lithium Limited, has reached an access agreement with Glock Gut- und Forstverwaltung who is the landowner of ECM's mining and exploration licenses.
- 2nd drill rig has been mobilised in Q2/2021 to fast-track the drilling program.
- The Company continued drilling with 2 drill rigs and has completed a total of 11 holes and 2 holes for a total of 5200m.
- Dorfner/Anzaplan has completed 1st locked cycle test and commenced the 2nd out of four to ensure high level of QA/QC. Final report will be published once results are received and processed.
- EUR has engaged, through a letter of intent (LOI), with a research group from University of Graz, to develop a cluster with lithium hydroxide (LiOH) to be additionally produced from recycled Lithium-Ion-Batteries helping to ensure green targets for the battery industry are met.
- GREENPEG (EU-funded) supported infield and underground work continues.

CORPORATE MATTERS

Jadar Acquisition

On 11 May 2021, the Company announced that it had entered into a Collaboration Agreement with Jadar Resources Limited (ASX: JDR) (**Jadar**) and an agreement to acquire a 20% interest in

Jadar's Austrian Lithium assets from their JV partner (**Jadar Acquisition**).

Jadar holds an 80% interest in Subsidiary Jadar Lithium GmbH (Jadar Lithium), the holder of the Weinebene and Eastern Alps Projects which lies 20km to the east of the Company's Wolfsberg Project. Jadar has waived its first right of refusal over the remaining 20% interest in Jadar Lithium, allowing Exchange Minerals Limited (EML) to sell their 20% interest to the Company for a consideration of \$125,000 cash and 6,666,666 fully paid ordinary shares in the capital of the Company with a half attaching option exercisable at \$0.075 each on or before 31 July 2022.

Winance Financing Facility

The Company previously announced that it had secured a A\$10 million finance facility with Winance Investment LLC (**Winance**) (refer ASX Announcement 31 July 2019).

On 5 March 2020, the Company announced that it had agreed to draw down A\$2 million (2,000 convertible notes) under the Winance facility (**Tranche 2**).

During the quarter, there were no conversion of convertible notes from Tranche 2. At 30 June 2021, there were 300 convertible notes remaining from the Tranche 2 drawdown.

VSE Exchange

During the quarter, the Company announced its intention to withdraw from the Company's ordinary shares from trading on the Vienna Stock Exchange (**VSE**). Trading of the Company's shares on the VSE ceased on 28 May 2021.

Listing of Options

On 22 April 2021, the Company advised that it has listed 110,500,000 options on the ASX under the code EUROA. The options have an exercise price of \$0.075 each and an expiry date of 19 April 2024.

FMA Fine

On 17 June 2021, the Company confirmed that it had received a fine from the Austrian Financial Market Authority as a result of statements made by Stefan Muller in his capacity as a Director of the Company during an interview in Austria in May 2019. The statements were not authorised and were inconsistent with the Company's contemporaneous announcements to ASX. Stefan Muller resigned as a director of the Company on 4 March 2020.

Capital Movements

During the quarter, the Company issued the following securities:

- 19 April 2021 – 1,400,000 shares, 10,000,000 unlisted options (\$0.15 each expiring 30 November 2021) and 110,500,000 unlisted options (\$0.075 each expiring 19 April 2024 as approved at the Company's general meeting of shareholders held on 16 April 2021 in respect to resolutions 2, 3, 9, 10 and 11.
- 12 May 2021 – 6,666,666 shares and 3,333,333 unlisted options (\$0.075 each expiring 31 July 2022) issued pursuant to the Jadar Acquisition.

Appendix 5B Quarterly Report and Statement of Cash Flows

The ASX Appendix 5B quarterly report is attached to and lodged with this report. The Company's

Appendix 5B Quarterly Report covers the 3-month period from 1 April 2021 to 30 June 2021.

Exploration and evaluation expenditure during the quarter was \$1,623k, associated with the advancement of the Wolfsberg lithium project. In addition, administration and corporate expenditure during the quarter was \$528k which comprised Director fees (\$166k), administration and corporate costs (\$282k) and promotion and marketing expenses (\$80k). Investing activities expenditure during the quarter was \$196k comprising Jadar Acquisition costs (\$125k) and applications for some Western Australian tenements (\$71k).

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totalled \$174k. This amount comprises Director fees (\$166k) and payments to Director-related parties for office occupancy costs (\$8k).

EXPLORATION AND DEVELOPMENT ACTIVITIES

Wolfsberg Lithium Project

COVID-19

Various challenges for commodity markets continued in Q2/2021 due to the impact of the COVID-19 pandemic. Although the situation improved to some extent, high uncertainty remains with governments, companies and individuals required to follow recommendations to help in controlling the rate of infection at a global scale. In Europe during the quarter there was some easing of restrictions as vaccination rates improved and incident number declined, however, Australian international border restrictions were tightened specifically reducing returning traveller numbers and domestic lockdowns impacted the Company directly. In Europe restrictions have eased for individuals that can prove they are fully vaccinated, have successfully recovered and show antibodies to the virus, or can show they are negative when continuously tested. This has supported the Company's operational activities at its Wolfsberg Lithium project (**Wolfsberg Project**) in Q2/2021, however, with infection rates increasing at the end of the European summer, exacerbated by new variants of the virus, it is expected that governments will re-tighten restrictions. The Company is continuously addressing the changing circumstances with suitable measures including COVID-19 safe rules and safe operating procedures. It hasn't recorded any COVID-19 incidents or cases since the start of the pandemic in March 2020.

Glock Settlement

In Q2/2021 an agreement was reached to bring all legal disputes to an end between ECM Lithium AT GmbH, EUR's 100% subsidiary in Austria and the operating group company of European Lithium in Carinthia, and Glock Gut- und Forstverwaltung GmbH as the owner of the properties to which the mining licenses and the exploration licenses of ECM Lithium AT GmbH relate and where exploration activities are taking place and lithium-bearing ore shall be mined in the future.

In this context, an external expert clarified that there was never a risk to the groundwater and spring water of nearby communities in Styria, as the lithium deposit is located on the other side of the Koralpe and therefore there are no adverse effects from mining.

Drilling

In Q2/2021, the Company mobilised a 2nd drill rig to fast track the ambitious drilling program for deep holes (>300m in depth) in excess of 8,000m in total during Q3/2021. Both drill rigs completed 11 drill holes and progressed to hole No. 12 and 13 at the end of Q2/2021, achieving a total of 5,200m in length. Supervising consultants have progressed exploration activities especially geological work, including additional geotechnical mapping of the drill core, as well as assays at the Company's external lab in Ireland. All data is being collected into a common database to update the geological block-model at the end of the drilling campaign to upgrade and increase JORC compliant resource as anticipated.



Figure 1: Drill Rig 1 - in operation



Figure 2: Drill Rig II - in operation

As some of the Company's contractors are not based in Austria, the Company took preventive measures in advance to avoid potential delays in Q2/2021 due to differing regulations and restrictions during the COVID-19 pandemic period. The Company is pleased to advise that since March 2020 no staff and/or contractors have tested positive for COVID-19 which demonstrate the effectiveness of the Company's preventive health and safety measures.

Definitive Feasibility Study (DFS)

The Company has continued the Phase 2 resource drilling program in Zone 1 as an essential part of the DFS and completed 11 drill holes with ore body penetration as expected and beyond. The Company published an interim announcement on 3 June 2021 (subsequently amended on 17 June 2021) showing pegmatite intersections with the current drilling program encountered up to 1.91m of true thickness with up to 2.4% Li₂O as a significant achievement.

The Company has worked with their DFS-team, based in Europe, South Africa and Canada covering geology, mining and scheduling, ore concentration and metallurgy with conversion as well as structural design work, marketing, financial planning and scheduling covering future CAPEX and OPEX for the operations.

In Q2/2021 Dorfner/Anzaplan completed the 1st and commenced the 2nd locked cycle test as part of the QA/QC process for the metallurgical test work to assess and optimise process lines, flowsheets and layouts. In total there are 4 LCTs required to achieve full confidence in the chemical process lines developed. The Company is expecting to complete the DFS in a timely manner and as efficiently as possible. Although the Company has put strong measures in place to mitigate the risk of delays caused by the COVID-19 pandemic, unexpected delays may still occur that could impact the completion of the DFS.

Hydrogeology

The Company has continued during Q2/2021 with its hydrogeology monitoring program and has integrated the data collection and interpretation into the DFS process.

All hydrogeological data continues to be stored and secured within the Company's database.

The preparation work by SRK, and the geological consultant, GEO Unterweissacher, continues to ensure in-hole hydrogeological test work has been completed appropriately and can continue in the future.

Data from the above activities is fed into a water measuring database from which an annual report is produced.

Environmental

The company commenced environmental base line studies at the area for the compulsory and independent second mine access in Q2/2021.

Monitoring of water flows and quality from the mine is continuous.

Product Marketing

The strategy for the Company remains unchanged and focuses on the supply of lithium hydroxide to the nascent lithium battery plants of Europe. The Company is in discussion with a number of industry players regarding future off-take contracts. Good progress has already been made with potential off-take partners.

Horizon 2020

In Q2/2021, the Company's 100% owned subsidiary ECM Lithium AT GmbH (ECM) continued work on the infield and underground geophysical survey program reporting required in respect to ECM's participation in the European Union funded Horizon 2020 - GREENPEG project.

The Company continued to work proactively in the already approved and funded Horizon 2020 LithRef program.

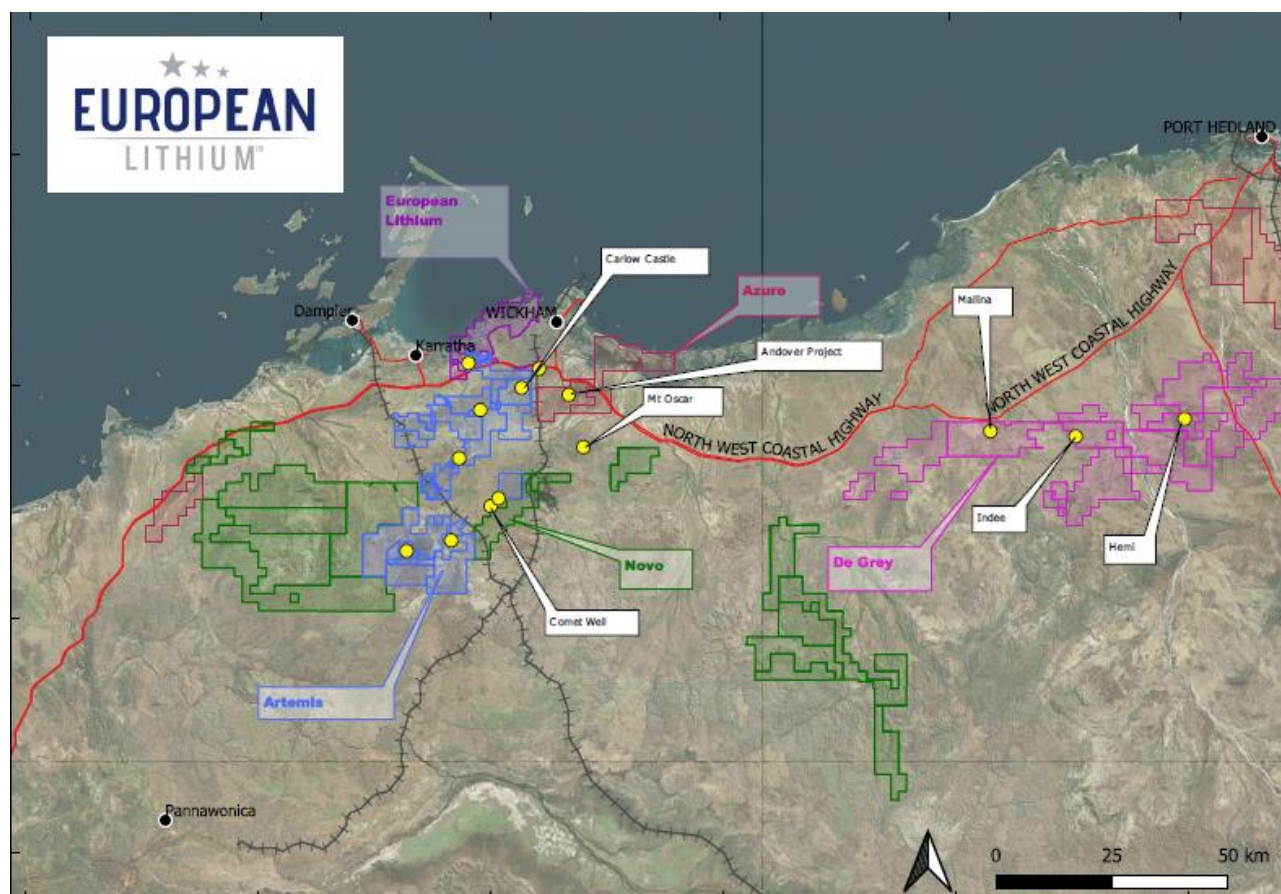
Continued participation shows the Company's abilities and eligibility to contribute with EU-level support to the sustainable supply of battery grade lithium, sourced and produced in Europe.

Australia

E47/4144

On 23 September 2020, the Company announced that it had secured tenement E47/4144 via ballot under the WA Mining Act.

E47/4144 is progressing through the WA Mining Act regulatory application process. The Company has reached agreement in principle with Robe River Mining Co. Pty Ltd to resolve their objection and anticipates that the agreement will be executed and Robe River objection withdrawn this quarter. The Company is continuing discussions with stakeholders including remaining objector to negotiate access with respect to native title, heritage, and areas of existing or intended infrastructure.



After initial desktop analysis of government data and previous open file statutory reports, the Company has identified several areas of prospectivity within E47/4144 that continue from known gold occurrences in the immediate area.

Previous gold discoveries in the district, particularly in the Nickol River and Weerianna areas are both associated with the Regal formation, the Nickol River formation and the Roebourne Group which are comprised of a series of greenstone mafic/ultramafic volcanics intercalated at times with sedimentary units including various cherts, BIF, clastic sediments, conglomerates and carbonates. Some of these units have undergone some degree of contact and regional metamorphism. There has been significant structural deformation associated with the Shall shear zone and the Regal thrust as well as numerous related splays and faults. Epigenetic gold mineralisation is found in association with shearing and faulting often in contacts between units around the Regal thrust and splay shears in quartz veins within strongly sheared chlorite serpentine schists.

These geological settings occur within E47/4144 as extensions to two known mineralised locations in Weerianna and Nickol River. EUR is planning to target exploration along these trends specifically where they intersect structures such as shears in and around the Regal thrust or crests/troughs of folded units for possible reef style formations. In addition, potential for an extension to the Mt Anketell magnetite deposit exists crossing the south eastern corner of the tenure within the Cleaverville Formation (host to Mt Anketell to the north).

This announcement has been authorised for release to the ASX by the Board of the Company.

Tony Sage

Non-Executive Chairman

Competent Person's Statement

The information in this announcement pertaining to the Wolfsberg Lithium Project, and to which this statement is attached, relates to Project Development and Metallurgical Studies and is based on and fairly represents information and supporting documentation provided by the Company and its Consultants and summarized by Dietrich Wanke who is a Qualified Person and is a Member of the Australian Institution of Mining and Metallurgy (AusIMM) since 2006 with about 30 years' experience in the mining and resource development industry. Dietrich Wanke has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Dietrich Wanke consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting progress on project development and metallurgical results under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).

Tenement Status

The mining tenements held at the end of the quarter, acquired and disposed of during the quarter and their location:

Tenement reference	Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at the end of the quarter
104/96	Wolfsberg Project, Austria	-	-	100%
105/96	Wolfsberg Project, Austria	-	-	100%
106/96	Wolfsberg Project, Austria	-	-	100%
107/96	Wolfsberg Project, Austria	-	-	100%
108/96	Wolfsberg Project, Austria	-	-	100%
109/96	Wolfsberg Project, Austria	-	-	100%
110/96	Wolfsberg Project, Austria	-	-	100%
111/96	Wolfsberg Project, Austria	-	-	100%
112/96	Wolfsberg Project, Austria	-	-	100%
113/96	Wolfsberg Project, Austria	-	-	100%
114/96	Wolfsberg Project, Austria	-	-	100%
115/96	Wolfsberg Project, Austria	-	-	100%
116/96	Wolfsberg Project, Austria	-	-	100%
117/96	Wolfsberg Project, Austria	-	-	100%
118/96	Wolfsberg Project, Austria	-	-	100%
119/96	Wolfsberg Project, Austria	-	-	100%
120/96	Wolfsberg Project, Austria	-	-	100%
121/96	Wolfsberg Project, Austria	-	-	100%
122/96	Wolfsberg Project, Austria	-	-	100%
123/96	Wolfsberg Project, Austria	-	-	100%
124/96	Wolfsberg Project, Austria	-	-	100%
125/96	Wolfsberg Project, Austria	-	-	100%
370/11(611/11)	Wolfsberg Project, Austria	-	-	100%
371/11(612/11)	Wolfsberg Project, Austria	-	-	100%
372/11(613/11)	Wolfsberg Project, Austria	-	-	100%
373/11(614/11)	Wolfsberg Project, Austria	-	-	100%
374/11(615/11)	Wolfsberg Project, Austria	-	-	100%
375/11(616/11)	Wolfsberg Project, Austria	-	-	100%
378/11(619/11)	Wolfsberg Project, Austria	-	-	100%
379/11(620/11)	Wolfsberg Project, Austria	-	-	100%
380/11(621/11)	Wolfsberg Project, Austria	-	-	100%
381/11(622/11)	Wolfsberg Project, Austria	-	-	100%
382/11(623/11)	Wolfsberg Project, Austria	-	-	100%
383/11(624/11)	Wolfsberg Project, Austria	-	-	100%
384/11(625/11)	Wolfsberg Project, Austria	-	-	100%
386/11(627/11)	Wolfsberg Project, Austria	-	-	100%
387/11(628/11)	Wolfsberg Project, Austria	-	-	100%

388/11(629/11)	Wolfsberg Project, Austria	-	-	100%
389/11(630/11)	Wolfsberg Project, Austria	-	-	100%
390/11(631/11)	Wolfsberg Project, Austria	-	-	100%
391/11(632/11)	Wolfsberg Project, Austria	-	-	100%
392/11(633/11)	Wolfsberg Project, Austria	-	-	100%
394/11(636/11)	Wolfsberg Project, Austria	-	-	100%
395/11(637/11)	Wolfsberg Project, Austria	-	-	100%
396/11(638/11)	Wolfsberg Project, Austria	-	-	100%
397/11(639/11)	Wolfsberg Project, Austria	-	-	100%
398/11(640/11)	Wolfsberg Project, Austria	-	-	100%
400/11(645/11)	Wolfsberg Project, Austria	-	-	100%
401/11(646/11)	Wolfsberg Project, Austria	-	-	100%
402/11(647/11)	Wolfsberg Project, Austria	-	-	100%
403/11(648/11)	Wolfsberg Project, Austria	-	-	100%
408/11(648/11)	Wolfsberg Project, Austria	-	-	100%
409/11(641/11)	Wolfsberg Project, Austria	-	-	100%
412/11(649/11)	Wolfsberg Project, Austria	-	-	100%
Andreas 1	Wolfsberg Project, Austria	-	-	100%
Andreas 2	Wolfsberg Project, Austria	-	-	100%
Andreas 3	Wolfsberg Project, Austria	-	-	100%
Andreas 4	Wolfsberg Project, Austria	-	-	100%
Andreas 5	Wolfsberg Project, Austria	-	-	100%
Andreas 6	Wolfsberg Project, Austria	-	-	100%
Andreas 7	Wolfsberg Project, Austria	-	-	100%
Andreas 8	Wolfsberg Project, Austria	-	-	100%
Andreas 9	Wolfsberg Project, Austria	-	-	100%
E47/4144 ^{1, 2}	Western Australia	-	-	-
E47/4532 ^{1, 3}	Western Australia	-	-	-
E47/4533 ^{1, 3}	Western Australia	-	-	-
E47/4534 ^{1, 3}	Western Australia	-	-	-
E47/4543 ^{1, 3}	Western Australia	-	-	-
E47/4544 ^{1, 3}	Western Australia	-	-	-
E47/4545 ^{1, 3}	Western Australia	-	-	-
E47/4546 ^{1, 3}	Western Australia	-	-	-

¹ Application pending

² 100% owned by EUR and 50% beneficially held by EUR, with the remaining 50% held by Wombat Resources Ltd

³ Applied for by John Wally Resources Pty Ltd, a partially owned (50%) subsidiary of EUR

Appendix 5B

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

Name of entity

European Lithium Limited

ABN

45 141 450 624

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,623)	(2,701)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(446)	(2,153)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	16	31
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (promotion and marketing expenses)	(80)	(307)
	Other (overseas listing fees)	(2)	(159)
	Other (arbitration costs)	-	(260)
1.9	Net cash from / (used in) operating activities	(2,135)	(5,549)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(71)	(71)
	(c) property, plant and equipment	(7)	(7)
	(d) exploration & evaluation	-	-
	(e) investments	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(f) other non-current assets	-	-
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 (Jadar Acquisition)	(125)	(125)
2.6	Net cash from / (used in) investing activities	(203)	(203)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	11,136
3.2	Proceeds from issue of convertible debt securities	-	1,000
3.3	Proceeds from exercise of options	-	119
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(688)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(636)
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	-	10,931

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,769	301
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,135)	(5,549)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(203)	(203)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	10,931

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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(8)	(57)
4.6	Cash and cash equivalents at end of period	5,423	5,423

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	5,423	7,769
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)	5,423	7,769

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	174
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments included in item 6.1 relates to payment of director fees (\$165,800) and office occupancy payments to Director related entity (\$8,250).

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

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	10,000,000	4,000,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	10,000,000	4,000,000
7.5	Unused financing facilities available at quarter end		6,000,000
7.6	<p>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> <p>Winance Facility</p> <p>On 31 July 2019, the Company entered into a Convertible Note Agreement with Winance Investment LLC (Winance) of which A\$2.0m (2,000 convertible notes) was drawn down on 20 September 2019 (Tranche 1). As at 30 June 2020, there were nil convertible notes remaining from the Tranche 1 drawdown.</p> <p>The face value of each convertible note is AU\$1,000 and are non-interest bearing. The notes are convertible to a variable number of ordinary shares at the option of the holder of the notes any time after issue. If not converted the notes mature and are repayable twenty-four (24) months after the issue date. The conversion price for each convertible note is the lower of an 8% discount from the lowest VWAP over ten (10) days prior to the conversion date, provided that the conversion price shall not in any case be lower than \$0.04 (revised floor price).</p> <p>Refer to ASX announcement dated 31 July 2019 and notice of meeting dated 28 October 2019 for material terms and conditions.</p> <p>On 5 March 2020, the Company announced that it had agreed to draw down a further A\$2.0m (2,000 convertible notes) under the Winance facility (Tranche 2). As at 30 June 2021 there are 300 convertible notes remaining from the Tranche 2 drawdown.</p> <p>Further drawdowns of A\$6m are at the Company's election available in tranches of A\$1m each upon full conversion of the notes from the previous drawdown, subject to a cooling off period calculated based on the value of the tranche and average trading volumes during the preceding 60-day period and prior approval by EUR's shareholders.</p>		

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,135)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,135)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,423
8.5 Unused finance facilities available at quarter end (item 7.5)	-*
8.6 Total available funding (item 8.4 + item 8.5)	5,423
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.54
<p><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></p> <p>* As outlined above in section 7, further drawdown on the Winance facility is subject to full conversion of the notes from the previous drawdown. As at 30 June 2021, there were 300 convertible notes remaining from the Tranche 2 drawdown.</p>	
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?	
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?	
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?	
<p><i>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.</i></p>	

Compliance statement

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

Date: 30 July 2021

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

Notes

- 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

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

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.