

March 2022 Quarterly Report

ASX Announcement

28/04/2022

Offtake term sheets with LG Energy Solution and Tesla mark key milestones for Kathleen Valley as engineering, permitting and development activities gain momentum

Highlights

Kathleen Valley Lithium Project (LTR: 100%)

Project Development

- Front-end Engineering and Design (FEED) activities continued with a focus on process flowsheet optimisation and the advancement of detailed design for the crushing and milling process areas.
- Procurement packages substantially advanced including the award of a key ~\$10 million contract for the design, fabrication and delivery of a SAG Mill to Metso-Outotec, and multiple long lead items including vehicles and cranes.
- Tender submissions were received during the quarter for key works packages including onshore and offshore logistics and transport, the Kathleen Valley accommodation village and the hybrid solar-wind-gas power station. A review and evaluation of these submissions is progressing.
- Groundwater exploration activities progressed with three successful production bores completed and aquifer testing delivering positive results. Further water exploration planned through 2022.
- Advanced infill grade control drilling program scoped and commenced in April 2022 for both Mt Mann and Kathleen's corner starter pits.
- Strong focus on project and technical team recruitment with multiple key project development and support roles filled.
- Post DFS, FEED and procurement activities will enable the Company to finalise the project capital and operating costs. This will provide the board additional support to conclude the funding discussions with the banks and make its final investment decision currently planned for June 2022.

Environmental, Social and Governance

- Following the release of the Company's inaugural ESG Report in November 2021, the Company has been working towards achieving its key ESG commitments.
- Key activities during the quarter included the start of a self-assessment of the Company's performance against the Initiative for Responsible Mining Assurance (IRMA) Standard, foundational work to support Liontown's Task Force on Climate-Related Financial Disclosures (TCFD) commitments and the engagement of a consultant to undertake decarbonisation pathway.

Permitting and Heritage

- Several key environmental and heritage approvals were submitted during the quarter, with additional approvals to be submitted in Q2, 2022.
- Positive ongoing engagement with the Tjiwarl Traditional Owners continued with all key heritage and environmental applications reviewed by the Tjiwarl prior to their submission to the various regulatory authorities and inclusion of the Tjiwarl in the procurement and tender process.

Offtake

- In January 2022, Liontown executed a binding Offtake Term Sheet with South Korean-based LG Energy Solution, Ltd. (LGES) for the supply of 100,000 dry metric tonnes (DMT) of SC6.0 spodumene concentrate in the first year, increasing to 150,000 DMT per year in subsequent years.
- The Termination date for the binding offtake term sheet with LGES signed in January 2022 was extended to 30 April 2022, to allow the parties additional time to complete negotiations for the definitive full form binding off-take agreement, which are well advanced.
- Liontown also signed a legally binding sales and purchase term sheet with global electric vehicle (EV) manufacturer Tesla for the supply of Lithium Spodumene Concentrate from Kathleen Valley. The initial 5-year term of the agreement is expected to commence in 2024.
- Tesla will purchase 100,000 dry metric tonnes (DMT) in the first year, increasing to 150,000 DMT per year in subsequent years with pricing determined using a formula-based mechanism referencing market prices for lithium hydroxide monohydrate.

Buldanía Lithium Project (LTR: 100%)

- Positive results were received from drilling at the Buldanía Project, located 600km east of Perth. The results have confirmed the potential for incremental extensions at the main Anna lithium deposit and defining multiple new lithium mineralised pegmatites at the Northwest Prospect.
- The potential for incremental extension of the Anna Deposit, together with the lithium mineralisation identified at the Northwest Prospect, reinforces the Buldanía Project as an emerging asset.

Corporate

- The Share Purchase Plan (SPP) announced on 1 December 2021 closed with subscriptions from eligible shareholders totalling A\$12.9 million.
- Financing discussions continue to advance with domestic and international commercial banks, supported by strong Project economics, outstanding ESG credentials, offtake term sheets in place with tier-1 customers for >50% of production and completion of \$450 million institutional placement.
- Cash balances and funds on deposit as at 31 March 2022 of A\$466 million.

Management Overview

Liontown's Managing Director and CEO Tony Ottaviano commented:

"Following the huge achievements last quarter, the March Quarter saw activity levels increase significantly across our business with everyone in our team now working in unison towards achieving our goal – which is to deliver the Kathleen Valley Project for the benefit of all our key stakeholders.

"Our rapidly growing team is working on multiple fronts to move the Project to a Final Investment Decision and the start of construction. Final Engineering and Design work accelerated during the Quarter with a focus on process flowsheet optimisation and detailed design for some key work packages. Procurement packages also advanced with the award of a contract for one of the most important long-lead items, the SAG Mill, and tender submissions received for other key packages.

"Following the release of our maiden ESG Report last quarter, we also focussed our activities in several areas to ensure that we meet all of our ESG commitments and set very high standards in this pivotal area right from the beginning.

"One of the key highlights of the quarter was without question the signing of landmark off-take term sheets with LG Energy Solution and Tesla. As a result of these two agreements, we now have two of the premier companies in the global lithium-ion battery and EV space signed up as foundation customers, marking a huge step towards realising our ambition to become a globally significant provider of battery materials for the clean energy market."

This announcement has been authorised for release by the Board.



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Fast charging towards
a low carbon future

Kathleen Valley Lithium Project

The Kathleen Valley Lithium Project (*Kathleen Valley* or the *Project*) is in Western Australia, ~680km north-east of Perth and ~350km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (**Figure 1**). Liontown commenced work at Kathleen Valley in 2017 and has since defined a world-class Mineral Resource Estimate of **156Mt @ 1.4% Li₂O and 130ppm Ta₂O₅** and completed a Definitive Feasibility Study (DFS) which confirms the potential for a long-life, standalone mining and processing operation.

The DFS examined the establishment of an initial 2.5Mtpa mining and whole-of-ore flotation (WOF) processing operation delivering an annual steady state 511ktpa of spodumene concentrate at a grade of 6% Li₂O (SC6.0) and 428tpa of 30% tantalum concentrate (inclusive off-site upgrade) at full production.

Production will expand to 4Mtpa during Year 6, allowing production to scale-up to a peak production of over 700Ktpa of SC6.0 and 587tpa of 30% tantalum concentrate.

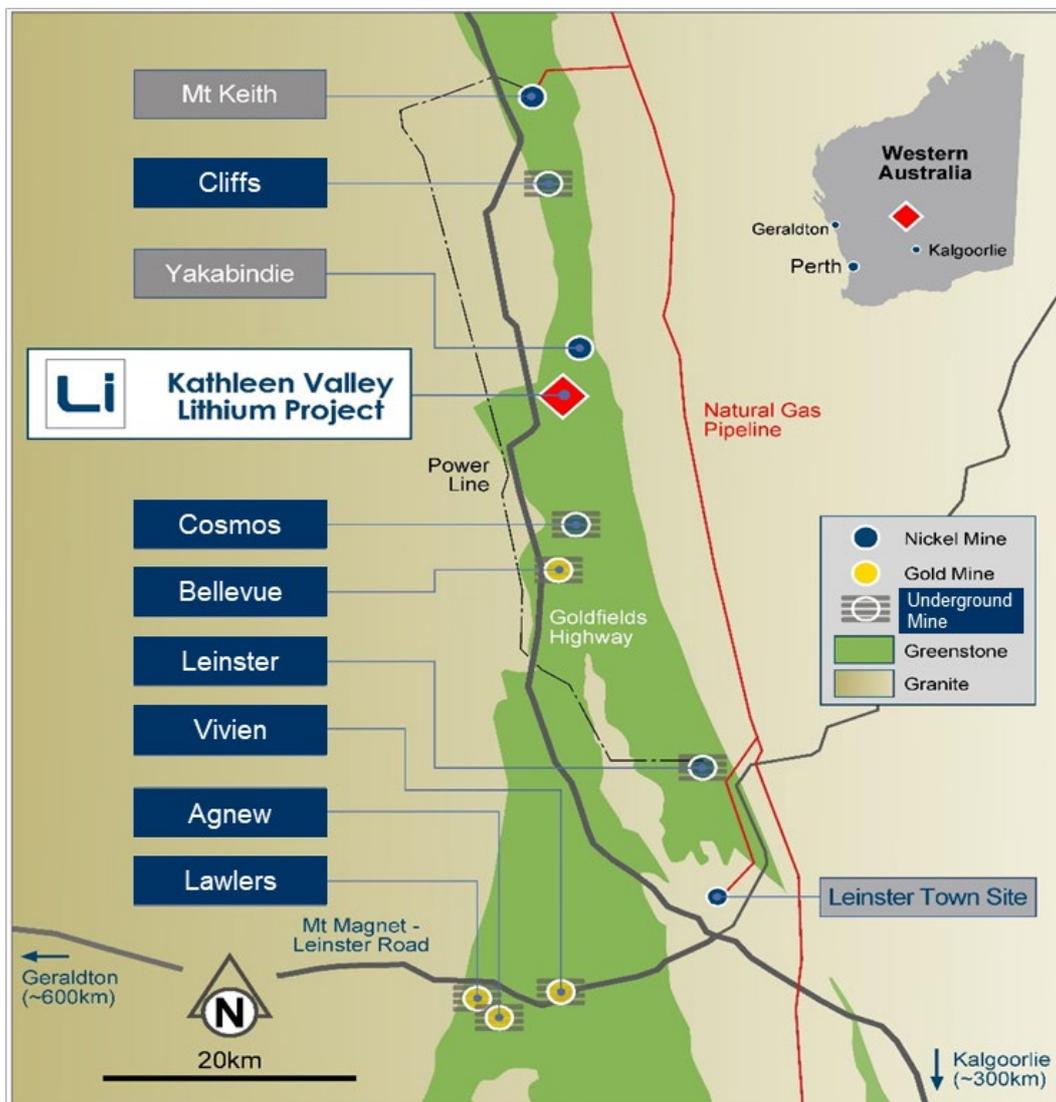


Figure 1: Kathleen Valley Lithium Project - Location and Geology Plan

Project Team

A large focus on people continued in Q1 2022 to develop and ramp up the Kathleen Valley Project with a number of senior roles filled, including:

- General Manager Project Development
- General Manager Mining Operation Readiness
- Principal Mining Engineer
- ESG Manager
- Safety Manager

Recruitment remains a high priority and is considered a pillar for the successful development of the Project.

Mining

The open pit contract and mining schedules were compiled during the March Quarter and issued for tender in April 2022. Focus has now shifted to the underground mine schedule and tender documentation.

A detailed open pit 35,000m+ grade-control infill drilling program was developed in the quarter and drilling has commenced post reporting period to support future mining activities and ensure ore dilution is minimised and ore cleanliness is maximised.

Front End Engineering Design

Following completion of the DFS in November 2021, Liontown commenced front end engineering design to further optimise engineering and confirm the scope and duty of key long-lead items, such as the SAG Mill. Detailed engineering and design for the Project continues, with key elements progressed during the March Quarter including:

- Process flowsheet optimisation. The following key design upgrades have been made:
 - Reconfiguration of ore crushing area to improve overall comminution process control;
 - Significantly increased capacity of crushed ore storage, enhancing overall operability and reliability;
 - Reconfiguration of tantalum beneficiation circuit to maximise recovery;
 - Incorporation of latest technologies for process monitoring and concentrate quality control; and
 - Tailings and concentrate testwork to further optimise circuit robustness.
- Advanced detailed design for the crushing and milling processing areas (refer **Figure 2** and **Figure 3**).

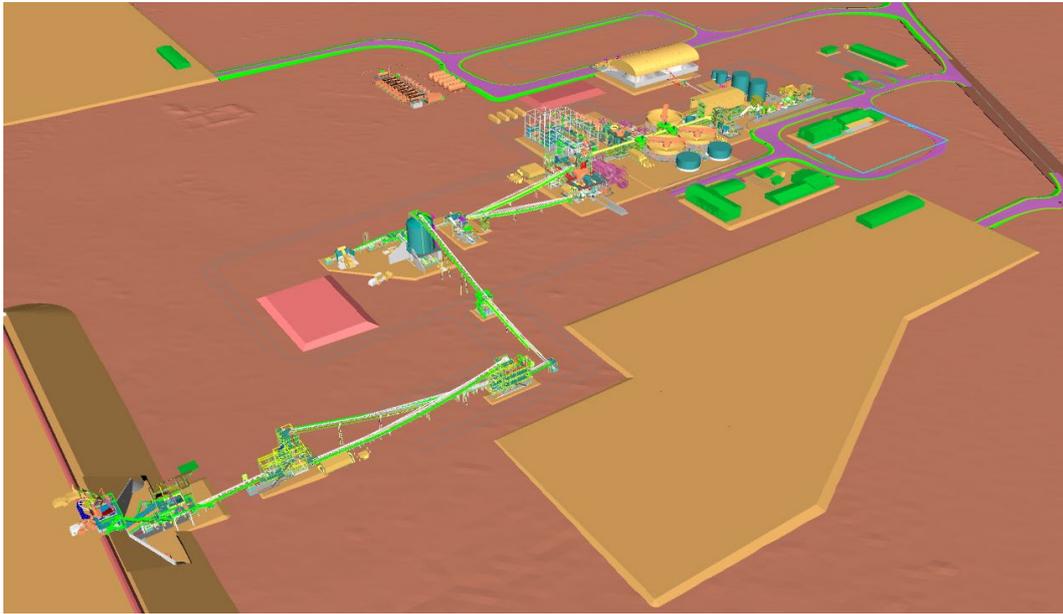


Figure 2: Revised Process Plant layout incorporating closed circuit crushing and large fine ore bin

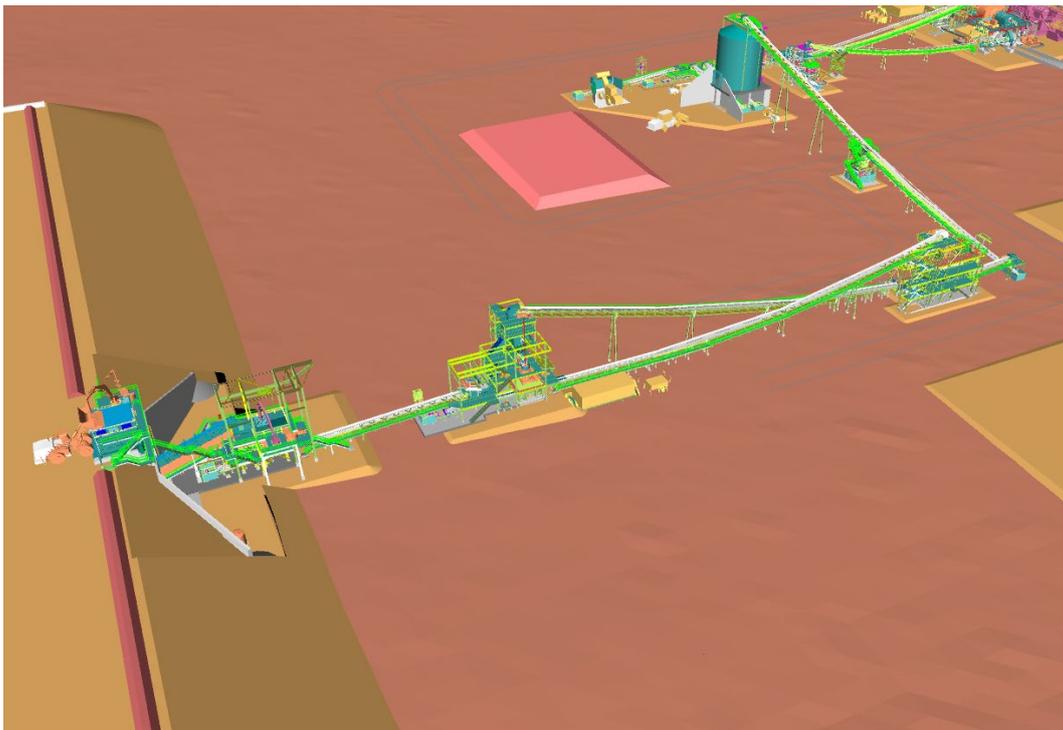


Figure 3: Revised secondary crushing and screening area incorporating lower steel heights and sacrificial conveyor on primary crushing area

Procurement Packages (Equipment)

In January 2022, Liontown awarded a key contract to Metso-Outotec for the design, fabrication and delivery of a Semi Autogenous Grinding (SAG) Mill for Kathleen Valley. The SAG Mill is one of several critical long-lead items identified for early award and represents the largest single piece of equipment required to be purchased for the Project by size, value and lead time. Engineering for this package is progressing and the schedule is on track.

The contract, which has a value of ~A\$10 million and is in accordance with DFS estimates, is for the design, fabrication and delivery of a 7.9m (26') diameter and 4.4m effective grinding length 5.5MW SAG mill.

This is inclusive of all lining, lubrication, cooling, electrical and mechanical drive systems necessary for installation and commissioning. The SAG mill will accommodate both base production of 2.5Mtpa and the planned expansion to 4Mtpa in Year 6 of the mine plan. **Figure 4** shows an example of an installed Metso-Outotec Premier™ SAG mill that is similar to the SAG mill ordered by Liontown.



Figure 4: Example of installed Metso-Outotec Premier™ SAG Mill similar to the SAG mill ordered.

Orders were also placed during the quarter for equipment including wet vibrating screens, vibrating grizzly, vibrating wet and dry screens plus vibratory feeders.

In addition to the orders placed, 24 equipment packages were tendered during the period, with Liontown targeting the award of all key equipment packages over the next three months to maintain schedule and meet its target of first production of lithium concentrate in Q2, 2024.

A new 90t mobile crane was purchased from available stock and a 22T crane ordered for delivery in 2023. Twenty two light-vehicles were also ordered in line with the current long-lead time of vehicles worldwide.

Contracts

Tender submissions were received during the period for key contract packages including:

- Onshore and offshore logistics/transport for delivery of equipment packages to the Kathleen Valley site;
- Kathleen Valley accommodation village, including accommodation units, kitchen/dining and administration facilities; and
- Hybrid power station, including 13.8 MW solar PV, 18 MW wind turbines, 15MWh battery energy storage system and 20+ MW gas engine power plant.

Review and evaluation of these submissions is progressing in line with schedule requirements with all expected to be awarded in Q2, 2022.

Key tenders to be issued in the next period include bulk earthworks, concrete works, fabrication, open pit mining (issued post reporting period) and concentrate haulage.

Groundwater Exploration

During the quarter, Liontown progressed groundwater exploration activities for Kathleen Valley with the completion of four exploration bores. Three of the four bores produced good air lift yields and were converted into production bores for the future operation. All three successful production bores intersected large geological faults and/or fracture zones and aquifer testing of the production bores was completed in February 2022 with strong yields and good quality water intersected.

Multiple further sites on the Company's tenements and regional targets have been identified for further water exploration with water exploration a high priority for the Project and is expected to continue through 2022/ 2023.

Environmental, Social and Governance

Having released its inaugural Environmental, Social and Governance (ESG) Report in November 2021, Liontown has been working toward achieving its commitments:

- The Company has commenced a self-assessment of its performance against the Initiative for Responsible Mining Assurance (IRMA) Standard. IRMA provides a third-party certification and verification against a comprehensive standard which includes environmental and social responsibility, business integrity and planning for positive legacies;
- Foundational work is underway to support Liontown's Task Force on Climate-Related Financial Disclosures (TCFD) commitments; and
- Decarbonisation analysis will commence in the June quarter to support Liontown's net zero aspirations and strategy development.

Environmental Permitting

Key Environmental and Heritage approvals submitted during the quarter to support the development of the Project included:

- Section 18;
- Native Vegetation Clearing Permit;
- Mining Proposal and Mine Closure Plan; and
- Works Approval.

Outstanding applications, including the 5C Licence for water extraction and the Application to Construct or Install an Apparatus for the Treatment of Sewage Recycled Water Management Plan, will be submitted in the June Quarter.

Native Title and Heritage

Post the signing the Native Title Agreement in November 2021, Liontown and Tjiwarl have continued to build a respectful and collaborative relationship. Liontown has worked closely with the Tjiwarl throughout the design phase to ensure culturally significant sites are protected and where disturbance is unavoidable a Section 18 approval has been sought.

All key environmental permits and heritage applications have been reviewed by the Tjiwarl prior to submission to the various regulatory authorities with input included in submissions.

The large majority of key heritage surveys have already been undertaken to support the Native Title Agreement for the development of the Kathleen Valley Project and further works are being undertaken in compliance with the Cultural Heritage Management Plan (CHMP). It is anticipated that the remaining survey efforts will be completed in Q2, 2022 prior to construction commencing.

Offtake

Liontown's offtake strategy for Kathleen Valley is targeting large foundation agreements whilst retaining some capacity to sell into the rapidly growing spot market. The Company has received very strong interest from a range of parties in long-term offtake from the Kathleen Valley Lithium Project.

During the quarter, Liontown executed its first two binding off-take term sheets with one of the world's premier battery manufacturers, LG Energy Solution, Ltd. (LGES) and with leading electric vehicle manufacturer Tesla.

The agreement with South Korean-based LGES is for the supply of up to 150,000 dry metric tonnes (DMT) per annum of spodumene concentrate produced at Kathleen Valley expected to commence in 2024, representing approximately one-third of the Project's start-up SC6.0 production capacity of ~500ktpa.

LGES is a global leader in delivering advanced lithium-ion batteries for electric vehicles (EVs), mobility & IT applications and energy storage systems (ESS) and is continuing to rapidly expand its business amid growing demand for lithium-ion batteries from the EV sector globally.

Liontown and LGES are in the closing stages of negotiations for the definitive full form binding offtake agreement, which is well advanced.

The Agreement with Tesla is for the supply of up to 150,000 dry metric tonnes (DMT) per annum of spodumene concentrate to be produced at Kathleen Valley.

Liontown and Tesla are now working together to complete the negotiation and execution of detailed definitive agreements which must be completed and executed by 30 May 2022 unless extended by mutual agreement.

Together the arrangements with LGES and Tesla mean that more than half of Liontown's planned production is now covered by long-term agreements with high-quality customers. Liontown continues to progress negotiations with other potential Tier-1 global customers which would complement its off-take strategy.

COVID-19

Liontown is committed to maintaining a safe environment for its employees, contractors, visitors and the communities in which it works. The Company has implemented a range of measures in response to Covid-19 to ensure the health and safety of its people and to enable the continuation of its activities without interruption where possible.

Liontown continues to monitor Government advice in relation to Covid-19 to update existing protocols. Whilst the Company's activities are currently largely office based, plans are being developed for the commencement of construction at Kathleen Valley later in the year and increases in the size of its workforce.

Buldanía

Liontown has been actively exploring the Buldanía Project since early 2018 after acquiring 100% of the rights to lithium and related metals from Avoca Resources Pty Ltd (a wholly-owned subsidiary of Karora Resources).

Work by Liontown initially focused on the spodumene-bearing Anna pegmatite, partially delineated by previous nickel and gold explorers, with drilling by the Company subsequently defining a maiden Indicated and Inferred Mineral Resource Estimate (MRE) of 15Mt @ 1.0% Li₂O, containing 140,000t of Li₂O.

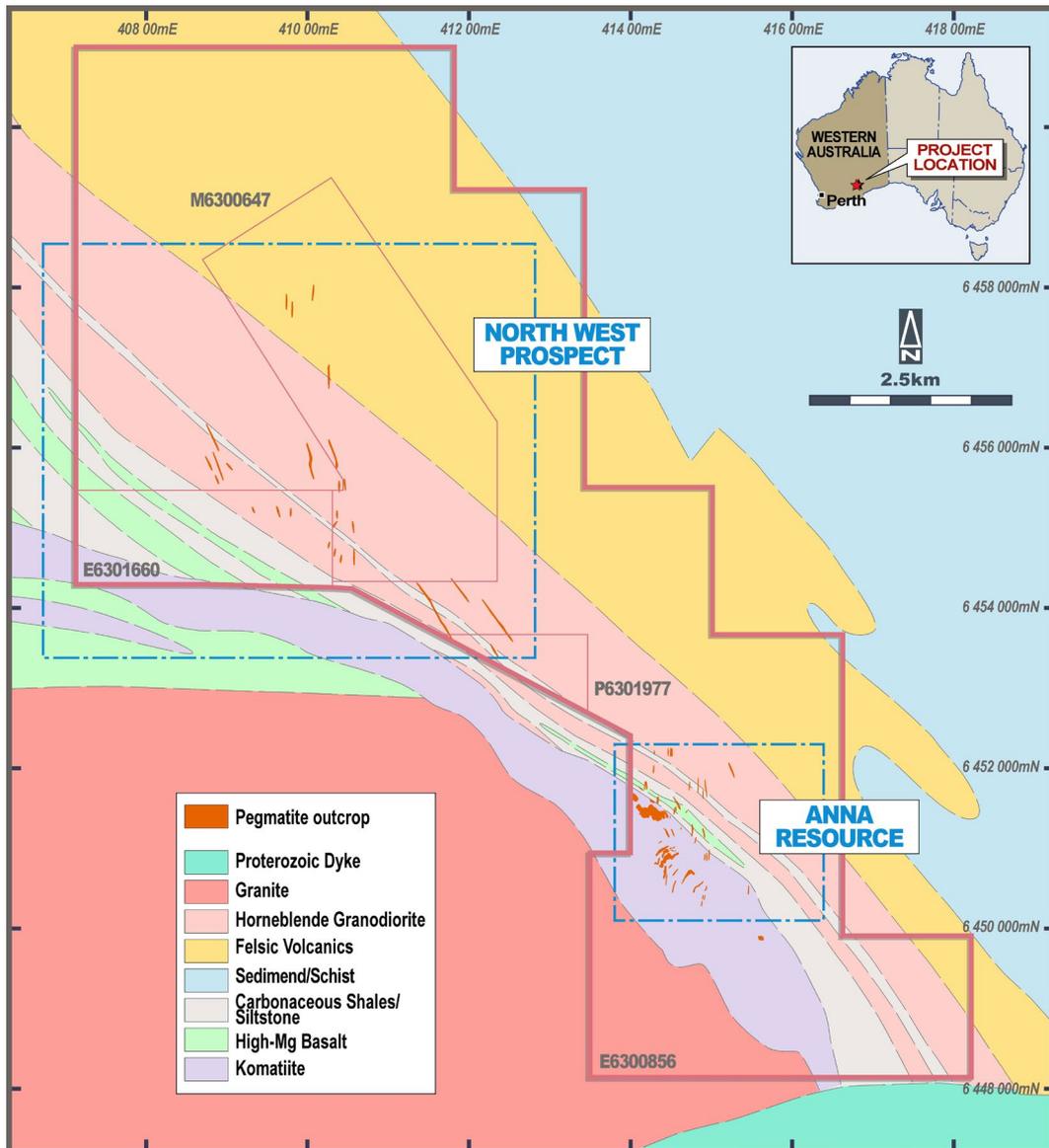


Figure 5: Buldanía Lithium Project: local geology interpretation.

During the Quarter, Liontown released the results of a drilling program at Buldania (ASX Announcement 21 March 2022), which comprised 42 reverse circulation (RC) drill holes (BDRC0179-0220) for a total of 6,338m, designed to test multiple targets including:

- Shallow extensions to the Anna Deposit, particularly “up-dip”;
- Regional geochemical/geological targets within the north-west part of the project (“Northwest Prospect”); and
- Multi-element soil anomalies extending north-east from the Anna Deposit.

Anna Deposit Extensions

The latest drilling program was designed to test for extensions to the Anna deposit and focused LTR up-dip of the resource model on the eastern side, where there had been limited previous drilling (**Figure 6**). The drilling has defined a semi-continuous zone of new lithium mineralisation over a strike length of approximately 150m and approximately 300m of dip extent. The down-hole thickness of the mineralisation varies between 3 and 21m with the true thickness estimated to be 80% to 100% of the down-hole thickness.

The drilling in the new area of mineralisation remains relatively wide spaced at approximately 100m by 40m with in-fill drilling required to determine the continuity of the zone.

Importantly, the mineralisation is located near surface and is adjacent to and outside the current Mineral Resource model. Further drilling is planned prior to updating the Anna Mineral Resource Estimate. Deeper, higher-grade intersections (such as 17m at 1.7% Li₂O from 176m, in hole BDRC0160 drilled in 2019) also remain open at Anna and a review of these targets is in progress prior to committing to further drill testing.

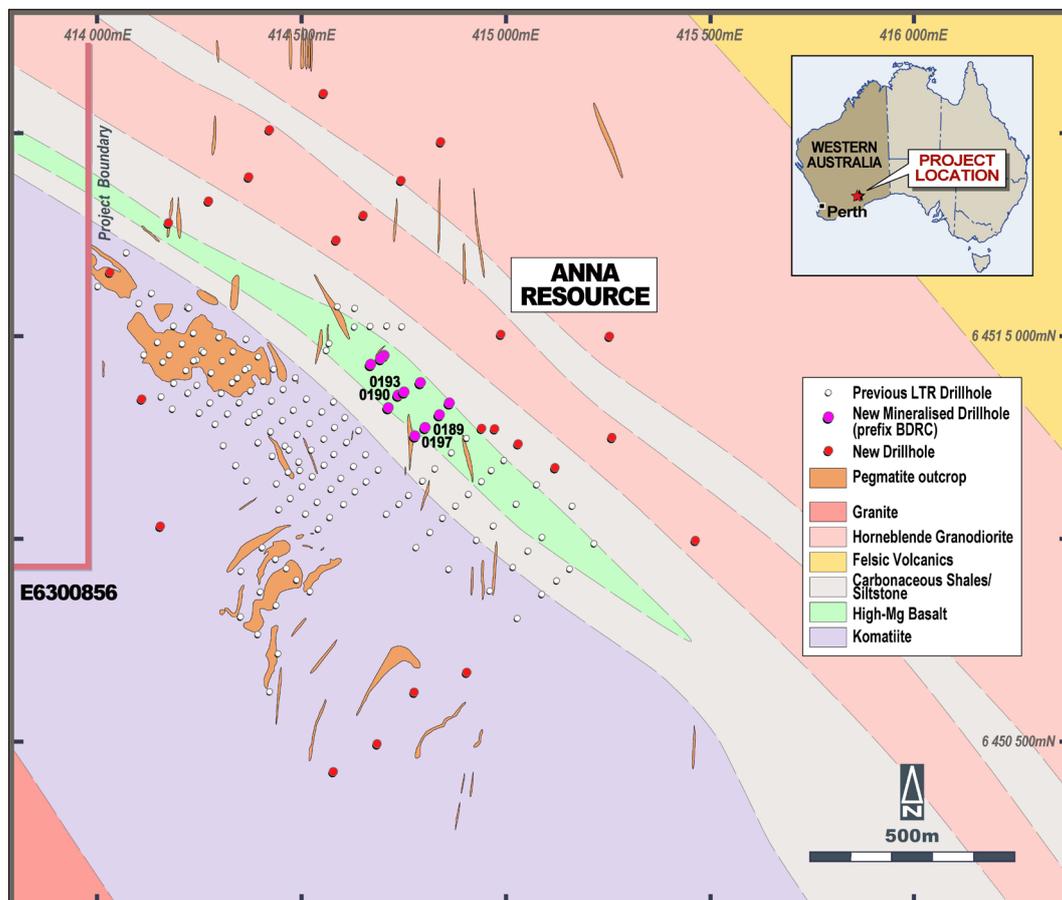


Figure 6: Buldania Project: Anna Deposit –geology interpretation with pegmatite outcrop and drilling.

Northwest (NW) Prospect

Previous mapping and sampling by Liontown defined numerous spodumene-bearing pegmatites in outcrop approximately 5km north-west of the Anna deposit. Prior to the recent drill program, Liontown had only completed a single phase of RC drilling at the Northwest Prospect with several encouraging intersections.

The latest drilling at the NW Prospect was designed to test geochemical and rock chip anomalies and to follow-up or extend the mineralisation intersected in the initial drill program (Figure 7).

Multiple spodumene-bearing pegmatites have now been intersected over a strike length of 800m in this area with the mineralisation open in all directions. Further drilling is planned to determine the size and continuity of the mineralised pegmatites, particularly those in the south where a north-south trending mineralised zone is interpreted (Figure 8).

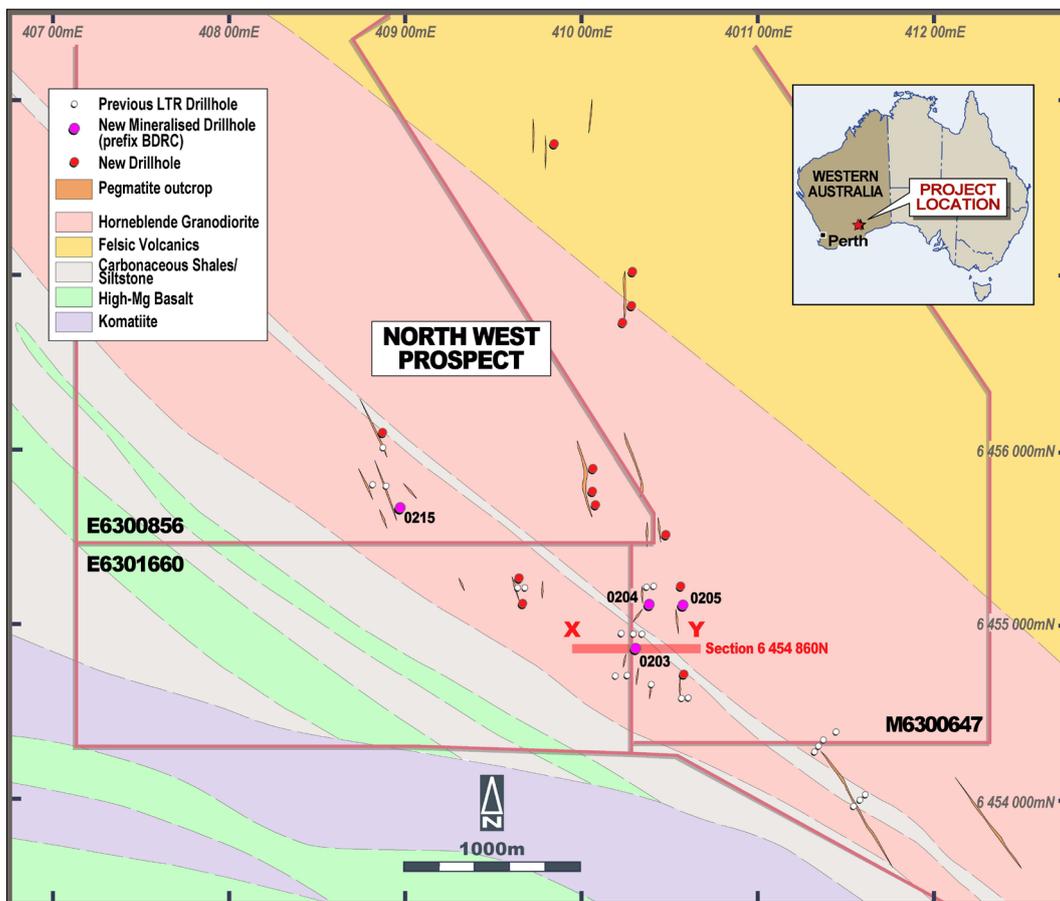


Figure 7: Buldania Project: Northwest Prospect – geology interpretation with pegmatite outcrop & drilling.

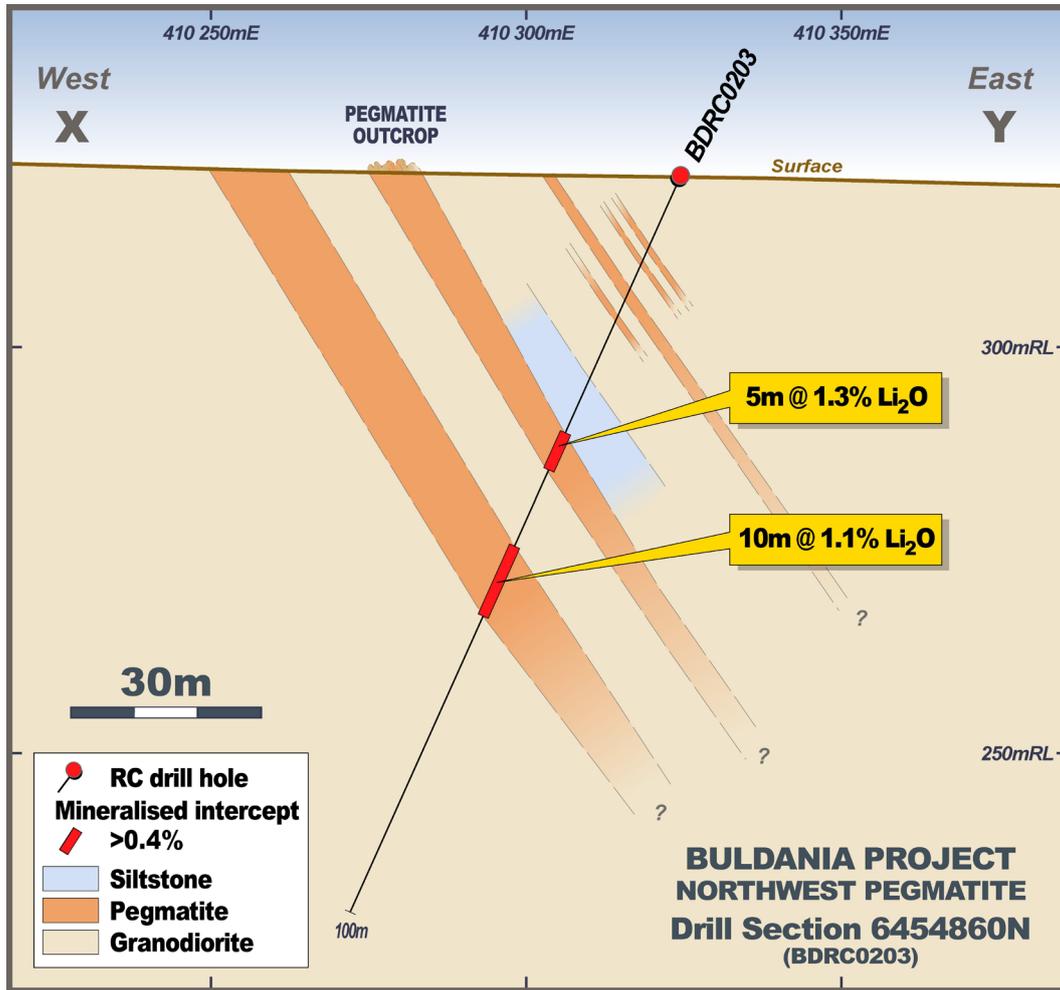


Figure 8: Buldania Project: BDR0203 Northwest Prospect geological cross-section with lithium mineralised pegmatites.

Tenement Schedules and expenditure

In accordance with ASX Listing Rule 5.3, please refer to Appendix 2 for a listing of tenements. During the Quarter the Company spent \$1,435,000 on exploration and evaluation activities (YTD: \$38,247,000 including \$30,250,000 for Kathleen Valley royalty cancellation payment) and \$2,119,000 on administration costs (YTD: \$5,276,000).

Payments reported in Appendix 5B, Section 6.1, relate to Directors' fees, consulting fees and salaries paid to Director related parties and amounts paid to Minerals 260 for transfer of employee leave entitlements.

Corporate

Share Purchase Plan

In December 2021, Liontown successfully completed a fully underwritten A\$450 million institutional placement of approximately 272.7 million new fully paid ordinary shares to new and existing investors at an offer price of A\$1.65 per New Share (Placement). In addition to the Placement, the Company also announced a Share Purchase Plan (SPP) at the same price as the Placement.

The SPP closed in January 2022 with subscriptions from eligible shareholders totalling A\$12.9 million.

Financing

During the Quarter, the Company continued to advance discussions with several domestic and international commercial banks for the balance of the funding requirement to develop the Kathleen Valley Lithium Project. The Company is targeting traditional bank debt on competitive terms from commercial banks, supported by strong project economics, outstanding ESG credentials, offtake term sheets in place with tier-1 customers for >50% of production and completion of the recent \$450 million institutional placement.

Cash Position

At the end of the Quarter, Liontown's cash balance was \$31 million and funds on deposit were \$435 million, totalling \$466 million.

Appendix 1

Competent Person Statements

The Information in this Report that relates to Exploration Results, Mineral Resources and Metallurgical Test Work for the Kathleen Valley Project is extracted from the ASX announcement “Strong progress with Kathleen Valley Definitive Feasibility Study as ongoing work identifies further key project enhancements” released on 8 April 2021 which is available on www.ltresources.com.au.

Kathleen Valley Project – Mineral Resource Estimate as at April 2021

Resource category	Million tonnes	Li ₂ O %	Ta ₂ O ₅ ppm
Measured	20	1.3	145
Indicated	109	1.4	130
Inferred	27	1.3	113
Total	156	1.4	130

- Notes:
- Reported above a Li₂O cut-off grade of 0.55%.
 - Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate.

The Information in this Report that relates to Production Target and DFS for the Kathleen Valley Project is extracted from the ASX announcement “Kathleen Valley DFS confirms Tier-1 global lithium project with outstanding economics and sector-leading sustainability credentials” released on 11 November 2021 which is available on www.ltresources.com.au.

The Information in this Report that relates to Exploration Results for the Buldania Project is extracted from the ASX announcement “Positive Drilling Results Confirm Growth Potential at Buldania Lithium Project, WA” released on 21 March 2022 which is available on www.ltresources.com.au.

The Information in this Report that relates to Mineral Resources for the Buldania Project is extracted from the ASX announcement “Liontown announces maiden Mineral Resource Estimate for its 100%-owned Buldania Lithium Project, WA” released on 8 November 2019 which is available on www.ltresources.com.au.

Anna Deposit, Buldania Project – Mineral Resource as at October 2019

Resource category	Million tonnes	Li ₂ O %
Indicated	9.1	1.0
Inferred	5.9	1.0
Total	15.0	1.0

- Notes:
- Reported above a Li₂O cut-off grade of 0.5%
 - Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcements.

Forward Looking Statement

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

APPENDIX 2

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests		
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - nickel claw back rights retained by other party		
		M36/265				
		M36/459				
		M36/460				
		M36/696	Liontown Resources Limited	100%		
		E36/879	Liontown Resources Limited	100% - all metal rights		
		L36/236	LRL (Aust) Pty Ltd	100%		
		L36/237				
		L36/248		0% - pending application		
		L36/250				
		L36/251				
		L36/255				
		L36/256				
		L53/253				
		L53/254				
		L53/255				
		L53/256				
		G36/52				
		Buldania			E63/856	Avoca Resources Pty Ltd
	P63/1977					
	M63/647					
	M63/676		0% - pending application			
	E63/1660		LRL (Aust) Pty Ltd	100%		
	E63/2165		LRL (Aust) Pty Ltd	0% - pending application		
	Toolebuc ⁽¹⁾	EPM26490	Liontown Resources Limited	100%		
		EPM26491				
		EPM26492				
		EPM26494				
EPM26495						
Monjebup	E70/6042	LBM (Aust) Pty Ltd	0% - pending application			
	E70/6043					
	E70/6044					

Note (1) – Conditional agreement to divest the Toolebuc Project entered during the December 2021 Quarter.

2. Listing of tenements acquired (directly or beneficially) during the quarter:

Nil

3. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter:

Nil

4. Listing of tenements applied for (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Monjebup	E70/6042	LBM (Aust) Pty Ltd	0% - pending application
		E70/6043		
		E70/6044		

Appendix 5B

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

Name of entity

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers ¹	-	858
1.2 Payments for		
(a) exploration & evaluation ²	(1,435)	(38,247)
(b) development	-	-
(c) production	-	-
(d) staff costs	(1,045)	(2,695)
(e) administration and corporate costs	(1,074)	(2,581)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	44	86
1.5 Interest and other costs of finance paid	(6)	(14)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material) ³	(396)	(799)
1.9 Net cash from / (used in) operating activities	(3,912)	(43,392)

¹Includes receipts for recharge of costs associated with Minerals 260 demerger, IPO and project expenditure.

²YTD includes payment to Ramelius Resources Limited of \$30.025m for cancellation of a Kathleen Valley royalty.

³Relates to Business Development costs including offtake and financing activities.

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(62)	(327)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets – mine properties in development ⁴	(3,078)	(3,078)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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)*		
	- Minerals 260 demerger and IPO	-	(680)
	- Term deposits (net) ⁵	(145,000)	(435,000)
2.6	Net cash from / (used in) investing activities	(148,140)	(439,085)

⁴ Includes costs associated with the development of the Kathleen Valley Project

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	12,903	514,902
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,993
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(552)	(15,648)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(22)	(49)
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	12,329	501,198

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	170,989	12,545
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,912)	(43,392)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(148,140)	(439,085)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	12,329	501,198
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	31,266	31,266

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	31,266	170,989
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)	31,266	170,989

⁵ **NOTE:** Cash and cash equivalents does not include term deposits totalling \$435 million which have an original investment period over three (3) months.

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	340
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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
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)	(3,912)
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)	(3,912)
8.4 Cash and cash equivalents at quarter end (item 4.6)	31,266
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	31,266
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.99
<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: Not Applicable	
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: Not Applicable	

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: Not Applicable

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 April 2022.....

Authorised by:By the board.....
(Name of body or officer authorising release – see note 4)

Notes

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