

Mayur Resources Limited
Quarterly Activities and Cash Flow Report
(Quarter Ending 30 June 2023)

31 July 2023

Highlights:

- **Project level financing & construction commencement for Central Lime Project:**
 - Central Lime Project (CLP): Equity investor has completed due diligence and expecting to finalise agreements during this quarter;
 - Debt financier discussions have advanced to investment committee stage (pending equity funding announcement);
 - Construction commenced with groundbreaking ceremony held last month attended by a number of PNG Government dignitaries – all supporting the CLP;
 - Construction commenced at the CLP with early stage funding secured via a capital raise in May 2023 totalling \$5.25 million to be applied towards construction development works and other company activities; and
 - Potential EBITDA from initial phase of the CLP to generate annual EBITDA in excess of US\$25 million (AU\$37.5 million). **

Mayur Resources Managing Director, Paul Mulder, commented:

“After many years of preparatory work, we have begun our transition from exploration to development and production. Construction has now commenced at the CLP and we expect to materially advance financing arrangements for the project with counterparties of significant repute during this quarter.”

Project Updates

Mayur Central Lime Project

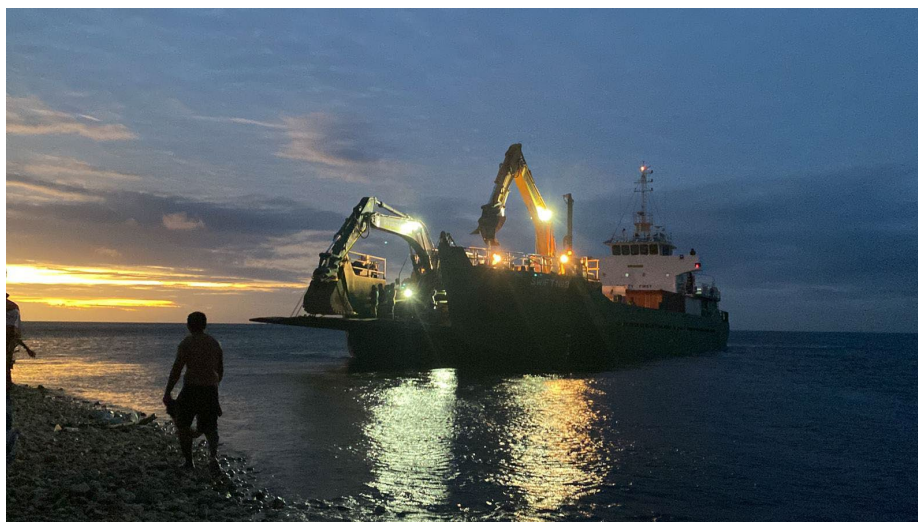
Construction Pioneering Works

During the quarter Mayur commenced pioneering and site enabling construction works at CLP in the Central Province of Papua New Guinea.

Construction crew, mobile machinery, and building materials arrived at the site by barge in the month of June. Mayur’s dual objective is continue with further bulk sample test pits for end user customers, and construction commencement to build for the Quicklime Kiln facility with a pioneer wharf and associated site enabling works. Mayur is working with the MRA and Chief Inspector of Mines to progress these works. Equipment mobilised included two 30 tonne excavators, a 6WD all terrain truck, a D7 dozer, drill rig, and service truck.

An official groundbreaking ceremony was held on 29 June 2023, which was attended by a number of dignitaries including the Local Member Hon Keith Iduhu, Ward Councillor Kaia Podi, as well as local Clan Head village representatives.

During the ceremony, the Hon Keith Iduhu member for Hiri – Koiari commented on the significant benefits that Mayur's CCL project had for the domestic economy as an import replacement downstream processing business whilst also adding that it was critical to be pro business but also have at the forefront the betterment of living standards and benefits for local Landowners. Hon Keith Iduhu said "Whilst the construction commences for the CCL jetty, I have asked the PNG Government in the coming weeks to convene the Consultative Forum enabling the finalisation of the benefit sharing for Landowners, Provincial Government and District and the PNG State."



Mobilisation Barge arriving at Kido Village (CLP)

Development Financing for Quicklime Project

During the quarter, Mayur continued finalising negotiations for the provision of all required equity funding for the CLP, which will be at the asset level, thus minimising dilution at the listed parent level.

The Company anticipates finalisation of equity financing arrangements in this Q3 CY2023, and has also advanced debt financing discussions to an investment committee stage. Completion of the debt financing will be subject to announcement of the equity funding component being secured. During the quarter, follow up site visits, and meetings with key government and community stakeholders have been held by Mayur.

When completed, phase one of the CLP will generate annual EBITDAs in excess of US\$25 million (AU\$37.5 million).
**

Strong Team Engaged for Pioneering and Construction Works

During the quarter, Mayur commenced recruitment of a highly skilled construction and development team to support the CLP Pioneering Works and on-going construction activities, including Mr Musje Werror (currently a Non-Executive Director of Santos Limited and former Managing Director of Ok Tedi Mining Limited), Mr Komai Sau (highly experienced mining site manager and mining engineer), and Mr Siga Rogo (highly experienced construction manager). Further appointments will be announced when the market is updated on progress regarding its strategic equity investor.

Community Engagement

The Company and Project remains fully supported by the local community and has been working closely with leaders on understanding their future needs and concerns in preparation for the project MOA discussions.



Mayur On-Site Team at Ground Breaking Ceremony (CLP)



Quicklime Project pioneering works laydown area (CLP)



Quicklime Project pioneering works laydown area (CLP)



Commencement of Pioneering Construction Works (CLP)

Orokolo Bay Iron and Industrial Sands Project

Development of Orokolo Bay Project

During the quarter, Mayur executives spent a material time abroad including a 10 day visit by Mayur as part of working with development partners on the construction and mining arrangements associated with the project. The arrangements include contributing the required development financing (circa US\$ 30 million) for the Orokolo Bay Project. As previously announced whilst Financial Investment Decision has been reached by the Mayur Board for this project, the Company continues to finalise the optimal structure(s) with its prospective partners.

Funding for this project is also expected to be at the asset level, rather than the listed parent level.

Orokolo Bay Project Site Works

Community engagement has continued to have the project construction ready. Historical land ownership issues between the Ere-Kilavi and Huruta villages were resolved during the quarter.

Community engagement

The Company has worked closely with community leaders in finalising agreements for future mining areas and a peace celebration was held between two key land holder groups.

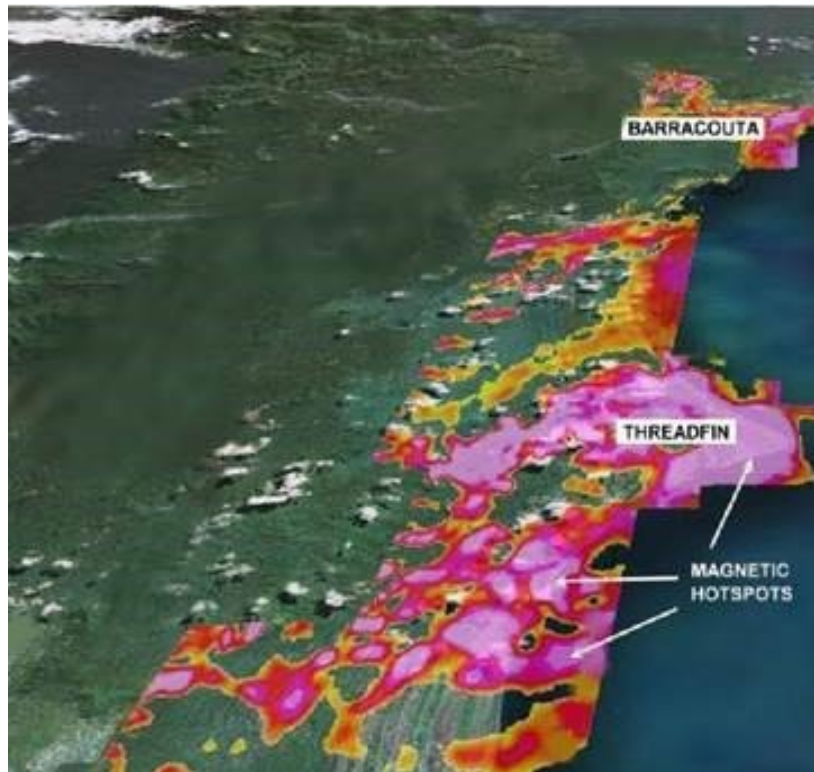
Vanadium Titanium Mineral Sands Project at Amazon Bay

With critical minerals and support of battery metals continuing to gather pace, Mayur Resources is increasing its focus on its Amazon Bay deposit which has high bearing Titanium and Vanadium content in mineral sands located on the coast. Further exploration is being undertaken to support the several hundred historical auger holes drilled at a time when there was less focus on critical minerals such as Vanadium and Titanium.

Further detailed metallurgical testing will be conducted to build off the METS concept study that was completed for Mayur Resources. METS carried out the development design and feasibility works for ASX TNG project. The strong attraction for the Company to this Vanadium and Titanium deposit is; it is not remotely located; is not in a hard rock form; is not inland, but rather a fine heavy mineral sand at surface on the coast with attractive vanadium and titanium levels, complimented by deep draft sheltered shoal access. Historically, previous developers over a decade ago originally were considering the project as an iron ore project rather than a potentially high bearing Vanadium and Titanium mineral sands project.

The follow up assay work aims to cross validate the mineral content and concentrations of Heavy Minerals (HM) and Very Heavy Minerals (VHM) present in the samples with particular focus on Vanadium and Titanium content. The assay results will provide valuable information on the grade and quality of mineralization, helping to confirm the presence of valuable minerals such as Vanadium, Rutile, Ilmenite, Zircon, Titanium and other rare earth elements. The results will also contribute to establishing a more comprehensive understanding of the deposit style, which can be applied across the Exploration License area to guide future exploration efforts.

By conducting such works, Mayur will gain crucial insights into the economic viability and potential of these deposits, advancing our exploration strategy, as it will provide critical data to inform mining and development plans for the Threadfin and Barracouta ore deposits in the Amazon Bay Mineral Sands project.



Amazon South Aeromagnetics (oblique view)

Mayur Renewables

Carbon Forestry Permits

Mayur has continued its carbon offset projects in all of the areas covered by its legally binding agreements as it already has strong Landowner support, signed Landowner consent, Local Governor written support and Climate Change Development Authority approval. Mayur in particular takes comfort from the knowledge that landowners have supported Mayur and also have an injunction on PNG Forest Authority from issuing logging permits over the pristine area of the Kamulo Doso area.

At the time of writing, the Court has also ordered various PNG governmental authorities to comply with numerous orders, including that there be no further logging permits issued in Papua New Guinea while such orders remain in place. The next court hearing date is scheduled for 11 October 2023.

Corporate Overview

Mayur's cash balance at 30 June 2023 stood at A\$4.127 million.

A total of A\$1.127 million was spent on exploration and development activities during the quarter, predominantly relating to the Central Lime Project, the Orokolo Bay Iron and Industrial Sands Project, and the nature-based forestry carbon credit projects. An outline of these activities is included earlier in this report.

During the quarter, the company made payments totalling approximately A\$0.181 million to related parties representing remuneration paid to Directors.

Additional Financing in April 2023

On 12 April 2023, Mayur announced the conversion of 5,000,000 unlisted options with a strike price of \$0.15 into CDIs, raising equity capital of \$750,000.

Capital Raising in May 2023

On 1 May 2023, Mayur announced that the Company had received funding, comprising \$2.75 million in a placement (the Placement) and \$2.5 million in convertible notes (the Notes), with funding to be primarily applied towards early development works at Mayur's Central Lime Project in parallel with the PNG Government preparing for the Consultative Forum.

The Placement was completed at the then last traded price of \$0.18 per share. The Placement generated significant interest from existing and new institutional investors resulting in a total of \$2.75 million raised including \$1.25 million in additional funding above the \$1.5 million minimum sought. Pursuant to the Placement, the Company issued approximately 15.3 million CDIs (the Placement CDIs). The Placement included an attaching unlisted option exercisable at \$0.30 expiring three years from their date of issue on a 1 option for every 2 Placement CDIs basis (the Placement Options), resulting in the issue of approximately 7.64 million Placement Options.

Under the Notes, a total of 1,696,500 unlisted convertible notes were issued to raise AU\$2,500,000. In connection with the Notes, the Noteholder was issued 1,000,000 collateral CDIs, and 625,000 unlisted options.

General Meeting of Shareholders

A General Meeting of Shareholders will be held on Thursday 10 August 2023. The Notice Of Meeting and Proxy Form was despatched to shareholders on 10 July 2023.

Tenement Interests

As at 30 June 2023 the Company had interests in the Exploration Licences (EL) as listed in Table 1, all located in Papua New Guinea. In addition to this the Company holds 100% of Mining Lease (ML) 526 for the CCL Project and 100% of ML 541 for the Orokolo Bay Project

Table 2 details the Forestry Carbon Concession Permits granted to Mayur Renewables.

As noted in the table, various Exploration Licences are under renewal, and are progressing in accordance with the regulatory processes as prescribed by the PNG Mining Act.

The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licence not being granted in the ordinary course of business.

	EL number	Province	Commodity Focus	MRL Ownership	Area Km ²
1	2150*	Gulf	Industrial mineral sands	100%	256
2	2304*	Gulf	Industrial mineral sands	100%	256
3	2305*	Gulf	Industrial mineral sands	100%	256
4	2556*	Central	Industrial mineral sands	100%	348
5	2695	Western	Industrial mineral sands	100%	2070
6	1875*	Gulf	Thermal energy	100%	256
7	1876*	Gulf	Thermal energy	100%	256
8	2599*	Gulf	Thermal energy	100%	48
9	2303*	Central	Limestone	100%	256

Table 1 - Exploration Licences (*EL under renewal)

	Forestry Permit Number	Province	Commodity Focus	MRL Ownership	Area Hectares
1	FCCTP 1-01	Western	Carbon	100%	268,786
2	FCCTP 1-02	Western	Carbon	100%	265,907
3	FCCTP 1-03	Western	Carbon	100%	257,962

Table 2— Forestry Carbon Concession & Trading Permits held by Mayur Renewables issued under the Forestry Act 1991

This announcement was authorised by the Board of Directors of Mayur Resources Limited.

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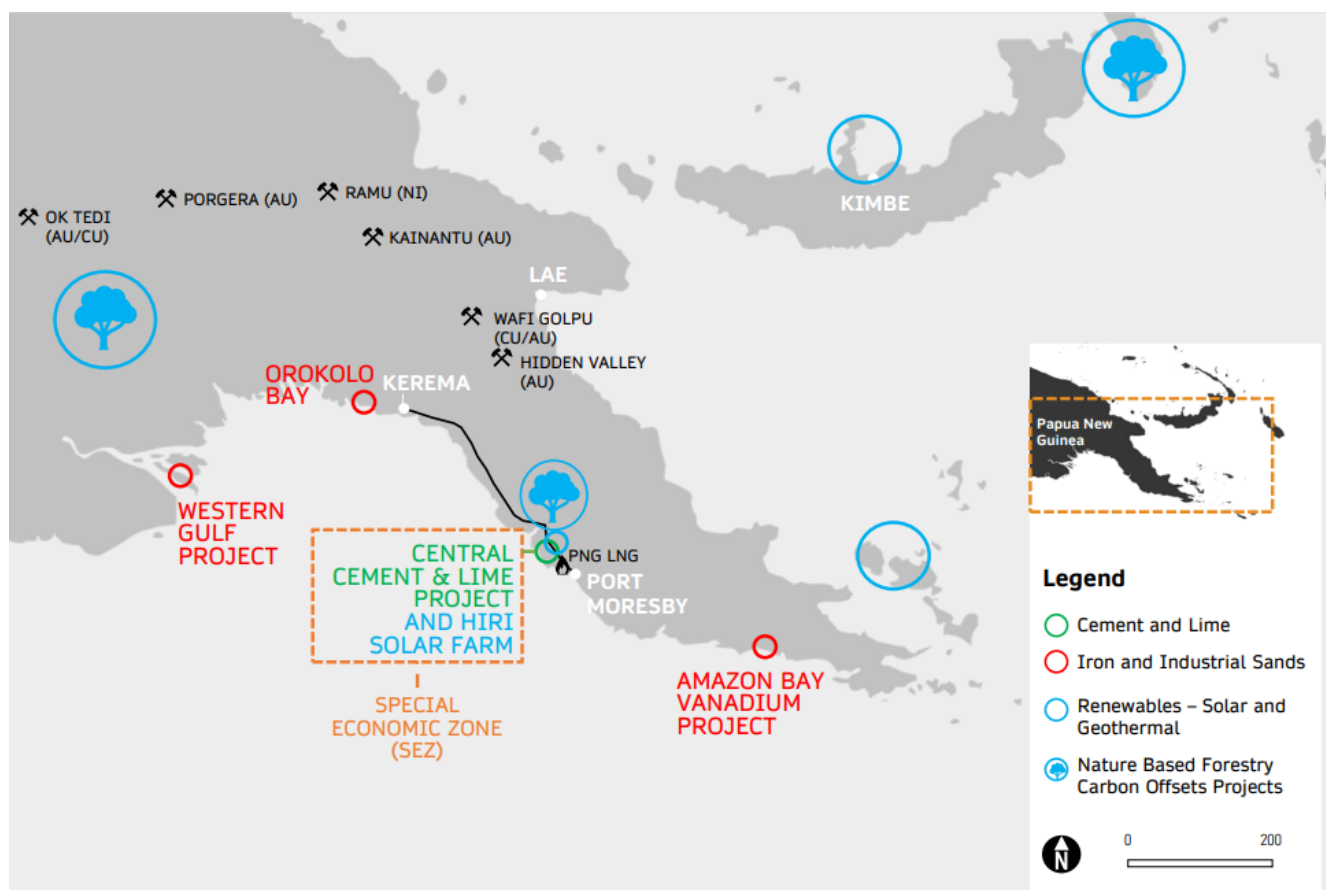
****** refer to ASX Announcement dated 26 July 2022 “Updated DFS For Central Cement and Lime Project”. All material assumptions underlying these production targets and forecasts continue to apply and have not materially changed.

ABOUT MAYUR

Mayur Resources Limited is focused on the development of natural resources and renewable energy in Papua New Guinea. Our diversified asset portfolio spans iron and industrial sands, lime and cement, nature based forestry carbon credits, battery minerals and renewable power generation (geothermal and solar). Mayur also holds a 43% interest in copper gold explorer/developer Adyton Resources, a company listed on the TSX-V (TSXV:ADY).

Mayur’s strategy is to serve PNG and the wider Asia Pacific region’s path to decarbonisation by developing mineral projects that deliver higher quality, lower cost, and targeted “net zero” inputs for the mining and construction industries, as well as constructing a renewable energy portfolio of solar, wind, geothermal, nature based forestry carbon credit estates, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.



Competent Person's Statement

Statements contained in this announcement relating to Mineral Resources and Ore Reserves estimates for the Central Cement and Lime Project are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Geoscientists. Mr. Huntley has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which this Ore Reserves Estimate prepared for the Central Cement and Lime Project appears.

Statements contained in this announcement relating to Ore Reserves for the Orokolo Bay Iron and Industrial Sands Project Western Area are based on, and fairly represents, information and supporting documentation prepared by Mr Troy Lowien, a Member of The Australasian Institute of Mining and Metallurgy Mr Lowien qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Lowien is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Lowien takes responsibility for the form and context in which this Ore Reserves Estimate prepared for the Orokolo Bay Project Western Area appears.

Forward-Looking Statements

All statements other than statements of historical fact included in this Announcement including, without limitation, statements regarding future plans or objectives of Mayur Resources Ltd are forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are no guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

Mayur Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law and existing stock exchange listing requirements.

Appendix 5B

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

Name of entity

Mayur Resources Ltd

ARBN

619 770 277

Quarter ended ("current quarter")

30 June 2023

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	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(565)	(1,959)
	(e) administration and corporate costs	(797)	(2,038)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(2)	(4)
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	(1,364)	(4,001)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities – Investment in Adyton Resources	-	(167)
	(b) tenements	-	-
	(c) property, plant and equipment	-	(52)
	(d) exploration & evaluation	(1,127)	(4,132)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(1,127)	(4,351)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,500	7,500
3.2	Proceeds from issue of convertible debt securities	2,500	2,500
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(197)	(407)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (Tribeca)	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(15)	(54)
3.10	Net cash from / (used in) financing activities	5,788	9,539

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	939	3,051
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,364)	(4,001)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,127)	(4,351)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,788	9,539

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	(109)	(111)
4.6	Cash and cash equivalents at end of period	4,127	4,127

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	4,127	939
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)	4,127	939

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	181
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.

7. Financing facilities <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>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify) – Santos Facility	4,322	4,322
Other (please specify) – Convertible Notes	2,500	2,500
7.4 Total financing facilities	6,822	6,822
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.		
<u>Santos Facility</u> On 20 June 2022, Mayur Resources Limited announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX:STO), to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects). In addition, Santos has provided Mayur with a US\$3 million facility on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects. If the Transaction Documents are not entered before the conclusion of the Exclusivity Period (being 17 December 2022, subsequently extended to 17 December 2023), the Convertible Securities issued under the loan facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025). The facility is non-interest bearing and security has been provided over the Mayur Renewables business. <u>Convertible Notes</u> On 1 May 2023, Mayur announced the issuance of \$2.5 million in convertible notes (the Notes), with funding to be primarily applied towards early development works at Mayur’s Central Lime Project in parallel with the PNG Government preparing for the Consultative Forum. <u>See attached “Schedule 1” (last page of this document) which provides an overview of the key note terms.</u>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,364)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,127)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,491)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,127
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,127
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.66
<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>		
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>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?</p> <div style="border: 1px solid black; padding: 5px;"> <p>No. Current quarter included settlement of payment of some cost items that had been incurred during the quarter ended 31 March 2023 (cost incurred in March 2023 quarter, but cash settled in June 2023 quarter). When this is taken into account, the Company has approximately 2.2 quarters of available cash on hand as at 30 June 2023.</p> </div> <p>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?</p> <div style="border: 1px solid black; padding: 5px;"> <p>No. Current quarter included settlement of payment of some cost items that had been incurred during the quarter ended 31 March 2023 (cost incurred in March 2023 quarter, but cash settled in June 2023 quarter). When this is taken into account, the Company has approximately 2.2 quarters of available cash on hand as at 30 June 2023.</p> </div> <p>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> <div style="border: 1px solid black; padding: 5px;"> <p>Yes it does. Mayur continues to review and assess its capital raising needs and requirements and the sourcing of such funding on a regular and on-going basis.</p> </div> <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

- 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 July 2023.....

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.

Schedule 1 Note Terms:

Number of Notes	1,696,500
Face Value	US\$1.15 per Note
Aggregate Face Value	US\$1,950,975 being the equivalent of A\$2,875,000
Note Currency	The Notes are being held by the Investor in USD such that the Company receives an amount equivalent to A\$2.5 million (\$0.6786 used). Where an amount is to be converted from AUD to USD per the terms of the Notes, the prevailing exchange rate published by the Reserve Bank of Australia at that time is to be applied.
Issue Date	11 May 2023
Maturity	11 November 2024 (18 months)
Collateral Shares	The Company will issue to the Noteholder 1,000,000 Shares on the issue of the Notes, being the Initial Collateral Shares. In the event that the Notes are outstanding on 9 September 2023 (being 121 days following the issue of the Notes) the Company will issue to the Noteholder 2,000,000 Shares, being the Subsequent Collateral Shares. In the event that the Notes are repaid in cash, the Noteholder will pay to the Company the value of the Collateral Shares issued to the Noteholder calculated at a 3% discount to the fifteen day VWAP following such repayment. If the Noteholder converts the Notes into equity, the Noteholder may in their sole discretion apply the Collateral Shares to offset the new Shares that would be required to be issued on such conversion.
Redemption in Cash	The Company may redeem (repay) the Notes at any time in cash. If the Company redeems the Notes in cash on or before 8 September 2023, the Company may do so by repaying the Face Value with no further premium. On or after 9 September 2023, if the Company redeems the Notes, it may do so by repaying the Face Value with a further 10% premium.
Conversion	On or before 8 September 2023, the Noteholder may convert the Notes into Shares at the greater of (a) A\$0.30 per Share; or (b) a 10% discount to the average of the 3 lowest daily VWAPs in the 15 days prior to Conversion. On or after 9 September 2023, the Noteholder may convert the Notes into Shares at a 10% discount to the average of the 3 lowest daily VWAPs in the 15 days prior to Conversion, however the Note cannot be converted at a price lower than \$0.10, being the Floor Price. In effect, during the first 120 days the Notes cannot be converted at a price below A\$0.30 and after the first 120 days cannot be converted at a price below A\$0.10.
Security	The Notes are unsecured.
Negative Covenants	Whilst the Notes are outstanding a number of negative covenants apply to the Company, which the Company considers to be broadly on terms customary for securities of this nature. Refer to Cleansing Statement Prospectus dated 11 May 2023 for further information.
Repayment on New Equity Issuances	In the event that the Company issues or agrees to issue (a) Shares to any person at a per Share price which is less than A\$0.15; (b) options to acquire Shares to any person with an exercise price which is less than A\$0.15; or (c) any debt, equity or equity-linked securities to any person which are convertible into, exchangeable or exercisable for, or include the right to receive Shares or other securities at a fixed price which is less than A\$0.15; then unless waived by the Investor the Company must apply at least 50% of the proceeds from the issue, sale or exercise of those securities towards redeeming the amount outstanding of the Notes.
Events of Default	The Agreement includes events of default which the Company considers to be broadly on terms customary for securities of this nature. Refer to Cleansing Statement Prospectus dated 11 May 2023 for further information.
Floor Price	The Notes may not be converted below \$0.10. In the event that the 15 day VWAP of the Company's Shares is below \$0.10 for a period of 60 continuous days, and following that the Noteholder issues the Company a conversion notice, the Company must pay to the Noteholder in cash an amount equivalent to the delta between the value of the Shares issued by the Company at the \$0.10 floor price, and the market value of those Shares had the Notes been converted without regard to the Floor Price.
Voting Rights	The Notes do not confer any voting rights.
Quotation	The Notes will not be quoted on ASX.
Terms of Initial and Subsequent Options	The Options are issued on terms which the Company considers to be broadly on terms customary for securities of this nature.
Representations and Warranties	The Company has provided the Noteholder with customary representations and warranties.