



Montem Resources

Montem Resources Limited

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ASX Announcement

28 January 2022

Montem Resources December 2021 Quarterly Activities Report

HIGHLIGHTS

- Montem progresses Tent Mountain Renewable Energy Complex (TM-REX) towards development.
- The TM-REX study evaluates 320 MW Pumped Hydro Energy Storage (PHES), 100 MW Green Hydrogen Electrolyser and 100 MW Wind Farm (offsite)
- Montem establishes Energy Transition Steering Committee to drive development of TM-REX.
- TM-REX steering committee chaired by the former Chairman of the Alberta Electricity System Operator (AESO), and experienced Canadian power industry executive Will Bridge.
- Over the course of 2022, the Steering Committee will move the TM-REX through front-end engineering and design (FEED)
- Successful A\$3 million placement to advance the TM-REX feasibility studies and for working capital
- Montem has applied for C\$5 million in Federal funding from Canada's Clean Fuels Program to advance TM-REX feasibility studies

Tent Mountain Renewable Energy Complex (TM-REX)

During the quarter, Montem Resources Limited (ASX: MR1) ("**Montem**" or the "**Company**") continued to progress its Tent Mountain Renewable Energy Complex ("**TM-REX**") towards development.

Montem's decision to evaluate the transition of Tent Mountain, located in Alberta, Canada, to become a renewable energy complex followed separate independent expert studies in 2019 and 2021 which demonstrated the project's strong viability to host a renewable energy complex which will include:

- 320 MW Pumped Hydro Energy Storage ("**PHES**");
- 100 MW Green Hydrogen Electrolyser; and
- 100 MW Wind Farm (offsite).

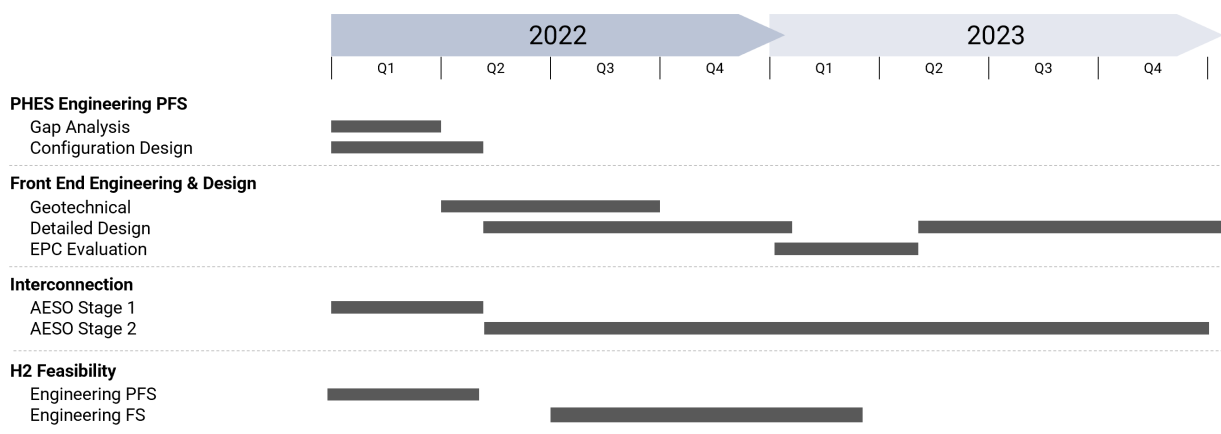
Tent Mountain has inherent advantages for hosting a large renewable energy complex. The Company is aiming to repurpose existing assets at Tent Mountain which include a 300m drop (or average hydraulic "head") between two large water reservoirs that were formed during previous mining operations and are predominantly located on land owned by Montem. The site is near Alberta's high voltage electricity grid, has great existing infrastructure to support development, is adjacent to rail, gas pipelines and the interprovincial Highway 3, and there is space to develop a green hydrogen plant.



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Montem’s focus is to complete the front-end engineering and design (“FEED”) over the next 18 months, culminating in engineering, procurement, and construction (“EPC”) tender evaluation in H1 2023. In parallel, the team will commence the Alberta Electric System Operator (“AESO”) stage gate process to establish a connection to the Alberta electricity transmission system (the grid). Project activities over the next two years are projected below:

TM-REX: Overview of project schedule



- Feasibility studies are underway for the TM-PHES and the Green Hydrogen production facility
- Montem and the Piikani Nation are progressing commercial discussion on wind power

Tent Mountain Energy Transition Steering Committee

In October 2021, Montem announced the establishment of a Steering Committee, chaired by experienced Canadian power industry executive Will Bridge to drive the development of the TM-REX.

The Steering Committee is comprised of:

- Will Bridge: Committee Chair;
- Andrew Keeping, Boost Energy: Committee Member; Market and Economic Advisor; Project Manager;
- Robert Bell: Committee Member; Executive Sponsor
- Peter Doyle: Committee Member; Strategy and Corporate Governance.

The Steering Committee is overseeing various work streams to drive the FEED project phase. These workstreams are being undertaken by a team of Montem appointed experts. This team of advisors includes:

- Novel Power: Engineering;
- GHD: Green Hydrogen Production Facility;
- Yellow Bike Solutions: Environment and Permitting; and
- Golder: Indigenous Consultation and Engagement.



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Next steps

Montem is working to complete the final configuration design for the PHES, building on the 2019 and 2021 studies. This step includes a gap analysis on the design configuration which will provide more detail on the major components of the energy complex and the interconnection to the grid.

FEED work will focus on a detailed geotechnical evaluation, leveraging the existing geotechnical data collected during the Tent Mountain Mine Redevelopment Project Feasibility Study. It will also focus on the detailed site-specific design required for the reservoirs, penstocks and the powerhouse, as well as the routing for the powerlines.

Connection to Alberta's electricity grid is a project requirement to enable distribution of the power produced by the PHES, and to draw the power required to recharge the PHES (battery storage). The interconnection process is managed by AESO and regulated by the Alberta Utilities Commission ("**AUC**").

Montem is working with the AESO protocols to complete Stage 1 of the interconnection process which establishes the project's scope and plan to connect to the grid. Stage 2 of the interconnection process, which is expected to be completed by the end of 2022, is the assessment stage which includes completing an engineering study on the interconnection and a facilities design. Montem will then initiate Stage 3 of the interconnection process which involves the preparation of the application to the AUC.

GHD will undertake detailed analysis of the Green Hydrogen electrolyser element of the TM-REX. This work will include final site selection and investigate the likely technology Montem will employ at the H2 production facility. GHD has identified three potential offtake markets for the green hydrogen, and Montem will undertake initial commercial discussions with these potential partners.

Tent Mountain Mine Redevelopment Project

On 29 November 2021, the Company received approval for additional exploration drilling at Tent Mountain. This will facilitate further bulk sampling for customer trials.

On 25 November 2021, the Impact Assessment Agency of Canada ("**IAAC**") began a review of the Tent Mountain Mine Redevelopment Project, by accepting Montem's Initial Project Description ("**IPD**") submission. This was the first step in the IAAC Federal review process, which was followed by a 20-day public review period.

The IPD and details on the IAAC review process can be viewed here: <https://iaac-aeic.gc.ca/050/evaluations/proj/81436>

On 29 December 2021, IAAC provided the Company with a high-level summary of the issues submitted during the IPD 20-day public review period. The next step is for Montem to address the issues raised in a Detailed Project Description ("**DPD**"), something the Company is working toward completing in 2022.



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The Company continues work on two parallel strategies for developing Tent Mountain, one being the restart of the coal mine, and the other being the transition to a renewable energy complex. In the near term, Montem will continue to minimize expenditure on the Tent Mountain Mine Redevelopment Project, while still advancing the Project through the Federal and Provincial permitting processes. At the same time, we are advancing plans for TM-REX to better understand the projects potential. Once we have a similar level of knowledge on each project we will assess which Tent Mountain development pathway to pursue.

On 29 December 2021, the Alberta Coal Policy Committee (“**Committee**”) confirmed both the engagement and final reports, with recommendations, pertaining to their review of the Alberta Coal Policy, were completed and submitted to the Alberta Minister of Energy. Currently, the Alberta government is reviewing the reports, with an aim of announcing the Committee’s findings in the near future. While Montem has been able to continue work on their primary assets located on Category 4 land (the Tent Mountain Mine, and the Chinook Project) during the Coal Policy review process, the Company eagerly awaits the release of the Committee’s findings and recommendations to provide clarity surrounding coal project development in Alberta.

Chinook Project

Planning is ongoing for the proposed 2022 Chinook Project exploration program. Exploration at Chinook in 2022 will once again focus on the Chinook Vicary area of the Project. The Chinook Project is located within Category 4 lands of the Alberta Coal Policy and resultingly has been unaffected by the ongoing Alberta Coal Policy review process.

Corporate

Capital Raising

In December 2021, the Company announced the successful completion of an approximately A\$3 million placement via the issue of 55.6 million shares at A\$0.051 per share (“**Placement**”). Petra Capital Pty Limited acted as sole lead manager and sole bookrunner to the Placement.

Montem raised A\$2,986,015 in gross proceeds via a Placement, being the Company’s remaining placement capacity, at an issue price of A\$0.051 per share (“**Placement Price**”). The Placement Price of A\$0.051 per share was a 13.6% discount to the last close price and a 21.8% discount to the 15-day VWAP of the Company’s shares (both calculated over the period ending 15 December 2021).

The Company issued 55,608,150 new shares in connection with the Placement to date (under ASX Listing Rule 7.1 and Listing Rule 7.1A). The Placement settled on or around 23 December 2021 with shares issued on 24 December 2021. In addition, the Company will issue 2,941,176 shares (\$150,000) to Chairman Mark Lichtenberg, or his associate(s), subject to Shareholder Approval at a General Meeting to be held 16 February 2022.



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ASX Announcement

Montem will use the funds raised from the Placement to advance feasibility studies for the TM-REX and working capital. TM-REX feasibility studies will potentially receive additional funding from a C\$5 million grant under application from Canada's Clean Fuels Fund, expected to be awarded in Q1 2022. During the quarter ended 31 December 2021, the Company incurred \$306,000 on initial set-up and consulting work related to feasibility studies for the TM-REX, which are recognised in section 1.8 of the Appendix 5B.

Montem held **A\$ 3,803,754** cash as of 31 December 2021.

Impairment review

Montem has undertaken a review as of 31 December 2021 of the carrying value of its exploration and evaluation assets in accordance with the Group's accounting policies and accounting standards. As a result, we will recognise an impairment charge for the Tent Mountain Project of \$10.3 million¹ with our FY2021 financial results. This charge reflects the ongoing uncertainty around the outcome of the Federal Impact Assessment on the Tent Mountain Project being undertaken by the Impact Assessment Agency of Canada as previously announced on 29 June 2021.

Payments to directors and related parties

In the attached Appendix 5B, the figure of \$177,000 – as disclosed in section 6.1 – relates to all fees, salaries and superannuation paid to Montem's Directors for the quarter ended 31 December 2021.

Other

In January 2021 Montem entered into an option agreement to purchase land to facilitate rail loading for the Tent Mountain Mine restart. With the option expiring on 4 January 2022, Montem chose not to proceed with the land purchase at this time. Montem continues to lease land adjacent to CP's track sufficient in size to contain the designed train load out for Tent Mountain.

¹ As at the date of this announcement, Company's financial statements yet to be audited and final impairment losses may vary subject to audit.



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ASX Announcement

Use of Funds Statement

The current quarter is covered by the Use of Funds Statement outlined in the Prospectus dated 31 July 2020. A summary of expenditure to date is outlined below:

	Per Prospectus	Actual expenditure to 31 December 2021
	Total (million \$)	Total (million \$)
Tent Mtn: Strategic land purchase (Tent Mtn rail)	2.64	0.29
Tent Mtn: Port reservation fee	1.20	0.60
Tent Mtn: permitting (enviro monitoring and liaison)	0.63	3.80
Tent Mtn: pre-production drilling (pit definition & bulk sample)	0.89	0.31
Chinook: exploration, PEA study and environmental work	0.83	1.78
General and administrative expenses	1.72	4.60
Offer costs (broker fees; IPO preparation)	0.83	0.78
Total expenditures in the period	8.74	12.15

In general, spending for the quarter was in line with expectations. The planned asset purchase of land for the Tent Mountain Mine rail loadout was deferred for 12 months from January 2021 to January 2022, and the Option to purchase this land has lapsed.

Expenditures on the Tent Mountain Mine permitting was higher than forecast. This trend has continued throughout 2021, as the project moved into the final stages of provincial permitting. Montem also spent additionally on Tent Mountain Mine permitting due to negotiating with federal agencies, which required the extensive use of legal and other advisors. General and administrative expenses include direct overheads such as legal and other professional charges related to regulatory applications, stakeholder relations and Indigenous Peoples engagement associated with Tent Mountain Mine permitting. Due to the indirect nature of these expenses, they are recognised as general and administrative expenses in the financial statements. As the process to avoid federal designation for review of the Tent Mountain project has reached its conclusions, we expect general and administrative expenses (due to permitting) will significantly decrease in the following quarters.

The Chinook Project exploration and permitting is more than forecast due to extra drilling undertaken, in preparation of the Scoping Study release in 2021. Additional regulatory work including extensive liaison with regulatory agencies, and multiple field excursion by Indigenous groups was undertaken. Additionally, the optimisation of the Chinook Scoping Study was conducted during the period.

Expenditure on the Tent Mountain Renewable Energy Complex is captured in "General" in the preceding Quarter but will be separated in future reporting.

For further information on the Company, our assets and development plans, please visit our website: www.montem-resources.com

Additionally, view Investor Presentations which have been lodged with the ASX.



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This ASX release was authorised on behalf of the Board of Directors by Peter Doyle, Managing Director and CEO.

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About Montem Resources

Montem Resources (ASX: MR1) is a steelmaking coal and renewable energy development company that owns and leases coal tenements and freehold land in the Canadian provinces of Alberta and British Columbia. The Company's objective is to become the operator of steelmaking coal mines and renewable energy developments in Canada by developing its projects in the Crowsnest Pass. The Company is planning an integrated mining complex in the Crowsnest Pass, focusing on low-cost development of open-cut operations that leverage central infrastructure. The first component of this objective is to re-establish mining at the Tent Mountain Mine.

Montem completed a Definitive Feasibility Study on the Tent Mountain Mine in 2020, and advanced the regulatory process to re-start the mine. In 2021, the project was designated for Federal review by the Impact Assessment Agency of Canada, and the Company continues to seek approval to re-start the mine. In light of delays to the mine re-start, Montem identified alternate opportunities for Tent Mountain, including transitioning the project to a renewable energy complex ("TM-REX"), employing an onsite pump hydro energy storage facility, an offsite wind power facility, and onsite production of green hydrogen. The Company is progressing studies to support development of the TM-REX, including a feasibility study.

Montem is also progressing the Chinook Project which covers historical steelmaking coal mines that previously exported hard coking coal to Japanese steel mills. The Chinook Project has the potential to produce multiple open-cut hard coking coal mines, and the Company plans to explore, define and develop these mines.

Forward looking statements

This ASX Announcement may contain forward looking statements, which may be identified by words such as "may", "could", "believes", "estimates", "expects" or "intends" and other similar words that connote risks and uncertainties. Certain statements, beliefs, and opinions contained in this ASX Announcement, in particular those regarding the possible or assumed future financial or other performance, industry growth or other trend projections are only predictions and subject to inherent risks and uncertainties. Except as required by law, and only to the extent so required, neither the Company, its Directors nor any other person gives any assurance that the results, performance or achievements expressed or implied by any forward looking statements contained in this ASX Announcement will actually occur and investors are cautioned not to place undue reliance on such forward looking statements. Any forward looking statements are subject to various risk factors, many of which are beyond the control of the Company and its Directors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. The Company has no intention to update or revise any 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 ASX Announcement, except where required by law.



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Appendix A: Tenement List

PART I - Alberta Freehold Tenements		
Prospect Area	Land Title Certificate Number	Hectares
Tent Mountain Mine	181 088 180	8.1
Tent Mountain Mine	181 088 180 +13	32.6
Tent Mountain Mine	181 088 180 +14	16.3
Tent Mountain Mine	181 088 180 +15	32.6
Tent Mountain Mine	181 088 180 +16	8.1
Tent Mountain Mine	181 088 180 +17	48.9
Tent Mountain Mine	181 088 180 +18	8.1
Tent Mountain Mine	181 088 180 +19	24.3
Tent Mountain Mine	181 088 180 +20	64.7
Tent Mountain Mine	181 088 180 +21	16.2
Tent Mountain Mine	181 090 692	24.3
Tent Mountain Mine	181 090 692 +1	2.3
Tent Mountain Mine	181 090 692 +2	8.0
Tent Mountain Mine	181 090 692 +3	12.2
Tent Mountain Mine	181 090 692 +4	56.7
Tent Mountain Mine	181 090 692 +5	16.2
Tent Mountain Mine	181 090 692 +6	32.6
Tent Mountain Mine	181 090 692 +7	8.1
Tent Mountain Mine	181 090 692 +8	64.7
Tent Mountain Mine	181 090 692 +9	16.3
Tent Mountain Mine	181 090 692 +10	32.6
Tent Mountain Mine	181 090 692 +11	8.1
Tent Mountain Mine	181 090 692 +12	48.9
Tent Mountain Mine	181 090 692 +13	8.1
Chinook Project	181 088 180 +1	36.4
Chinook Project	181 088 180 +2	129.5
Chinook Project	181 088 180 +3	28.3
Chinook Project	181 088 180 +4	12.1
Chinook Project	181 088 180 +5	16.2
Chinook Project	181 088 180 +6	165.9
Chinook Project	181 088 180 +7	131.5
Chinook Project	181 088 180 +8	129.5



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PART I - Alberta Freehold Tenements		
Prospect Area	Land Title Certificate Number	Hectares
Chinook Project	181 088 180 +9	129.5
Chinook Project	181 088 180 +10	248.3
Chinook Project	181 088 180 +11	259.0
Chinook Project	181 088 180 +12	12.1
Chinook Project	181 088 180 +22	129.5
Chinook Project	181 088 180 +23	129.5
Chinook Project	181 088 180 +24	129.5
Chinook Project	181 088 180 +25	129.5
Chinook Project	181 088 180 +26	52.6
Chinook Project	181 088 180 +27	259.0
Chinook Project	181 088 180 +28	259.0
Chinook Project	181 088 180 +29	259.0
Chinook Project	181 088 180 +30	129.5
Chinook Project	181 088 180 +31	257.0
Chinook Project	181 088 180 +32	129.5
Chinook Project	181 088 180 +33	129.5
Chinook Project	181 088 180 +34	129.5

PART II - BC Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	389283	153.0

PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	1320090097	92.6
Tent Mountain Mine	1320090092	48.0
Tent Mountain Mine	1320090093	56.6
Tent Mountain Mine	1320090094	149.2
Tent Mountain Mine	1320090095	38.5
Tent Mountain Mine	1320090096	102.2
Tent Mountain Mine	1320100052	310.5



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ASX Announcement

PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	1321080198	120.0
Tent Mountain Mine	1321080199	64.0
Tent Mountain Mine	1321080200	64.0
Tent Mountain Mine	1321080201	210.4
Chinook Project	1320120105	128.0
Chinook Project	1321020120	80.0
Chinook Project	1321020121	160.0
Chinook Project	1321020122	128.0
Chinook Project	1321020123	128.0
Chinook Project	1321020124	176.0
Chinook Project	1321050136	128.0
Chinook Project	1321050137	256.0
Chinook Project	1321050139	224.0
Chinook Project	1321050140	64.0
Chinook Project	1321080191	16.0
Chinook Project	1321080193	48.0
Chinook Project	1321080194	64.0
Chinook Project	1321080195	64.0
Chinook Project	1321080196	64.0
Chinook Project	1321080197	64.0
Chinook Project	1306120432	64.0
Chinook Project	1306120433	64.0
Chinook Project	1306120434	32.0
Chinook Project	1307040479	64.0
Chinook Project	1307040480	16.0
Chinook Project	1307060454	160.0
Chinook Project	1307100753	128.0
Chinook Project	1307110904	32.0
Chinook Project	1307110905	32.0
Chinook Project	1307110906	48.0
Chinook Project	1307110907	256.0
Chinook Project	1308050910	90.7
Chinook Project	1308090609	51.2
Chinook Project	1311010588	48.0



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PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Chinook Project	1311010589	64.0
Chinook Project	1311010590	64.0
Chinook Project	1311080653	128.0
Chinook Project	1311080654	32.0
Chinook Project	1311080655	64.0
Chinook Project	1311120668	112.0
Chinook Project	1311120669	65.7
Chinook Project	1312040484	64.0
Chinook Project	1312100464	880.0
Chinook Project	1312100465	384.0
Chinook Project	1314030394	48.0
Chinook Project	1316020095	96.0
Chinook Project	1316020154	144.0
Chinook Project	1316050179	128.0
Chinook Project	1316120147	32.0
Chinook Project	1316120148	128.0
Chinook Project	1316120149	128.0
Chinook Project	1316120150	64.0
Chinook Project	1316120151	192.0
Chinook Project	1316120152	64.0
Chinook Project	1316120155	128.0
Chinook Project	1317080314	128.0
Chinook Project	1320050132	140.0
4-Stack / Chinook Project (see Note below)	1321050141	128.0
4-Stack / Chinook Project (see Note below)	1321050143	256.0
4-Stack	1321050138	128.0
4-Stack	1321050142	256.0
4-Stack	1316120153	64.0
4-Stack	1316120154	69.2
4-Stack	1316120156	128.0
4-Stack	1316120157	128.0
4-Stack	1317090268	128.0
4-Stack	1317090269	352.0
4-Stack	1317090279	351.0



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PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
4-Stack	1317090280	150.0
Isola	1307070578	128.0
Isola	1307070579	240.0
Isola	1307070580	128.0
Isola	1319090188	656.0
Isola	1319090191	608.0
Isola	1319090192	1,024.0
Isola	1319090193	893.8
Isola	1319090194	796.8
Isola	1319090195	357.6
Oldman	1317090270	96.0
Oldman	1317090271	192.0
Oldman	1317090272	192.0
Oldman	1317090273	32.0
Oldman	1317090274	256.0
Oldman	1317090275	256.0

Note

Leases 1321050141 and 1321050143 are located partially within the Chinook Project and partially within 4-Stack.

The total area of Lease 1321050141 is approximately 128 hectares with approximately 65 hectares lying within the Chinook Project and the remainder in 4-Stack.

The total area of Lease 1321050143 is approximately 256 hectares with approximately 128 hectares lying within the Chinook Project and the remainder in 4-Stack.

Alberta Leasehold Tenements have a 15 year term after which time they require renewal. Upon renewal, a new Coal Lease number is issued for the tenement but there is no change to the physical disposition of the tenement.

Appendix 5B

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

Name of entity

MONTEM RESOURCES LIMITED

ABN

87 623 236 831

Quarter ended ("current quarter")

31 December 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	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(279)	(1,075)
(e) administration and corporate costs	(778)	(1,939)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material) *	(306)	(306)
1.9 Net cash from / (used in) operating activities	(1,363)	(3,320)
* The Company incurred \$306,000 on initial set-up and consulting work related to feasibility studies for the Tent Mountain Renewable Energy Complex (TM-REX) development.		

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(16)
(d) exploration & evaluation	(7)	(3,363)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	132
	(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) *	-	(713)
2.6	Net cash from / (used in) investing activities	(7)	(3,960)

**Others include \$410,000, a secured facility agreement with a non-related third party, entered into by the Company during the quarter ended 30 September 2021.*

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,836	8,203
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(179)	(458)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(26)	(147)
3.10	Net cash from / (used in) financing activities	2,631	7,598

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,595	3,434
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,363)	(3,320)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(3,959)

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
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,631	7,598
4.5	Effect of movement in exchange rates on cash held	(52)	51
4.6	Cash and cash equivalents at end of period	3,804	3,804

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	3,804	2,595
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)	3,804	2,595

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	177
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)	-	-																																
Canada Emergency Business Account ^(a)	43	43																																
Lease obligations ^(b)	221	221																																
7.4 Total financing facilities	264	264																																
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.																																		
<p>(a) 7.3 - Canada Emergency Business Account:</p> <p>An unsecured, revolving Canadian government sponsored loan. No interest is payable if repaid in full by 31 December 2022 and 25% of the loan balance will be forgiven. Any unpaid balance outstanding after 31 December 2022 will convert to a non-revolving loan and bear interest at 5%.</p> <p>(b) 7.3 – Lease obligations:</p> <table border="1"> <thead> <tr> <th>Lender</th> <th>Interest rate</th> <th>Maturity date</th> <th>Secured/unsecured</th> </tr> </thead> <tbody> <tr> <td>JP Leasing</td> <td>2.9 – 3.5%</td> <td>01-May-22</td> <td>unsecured</td> </tr> <tr> <td>JP Leasing</td> <td>3.50%</td> <td>01-Mar-23</td> <td>unsecured</td> </tr> <tr> <td>JP Leasing</td> <td>3.54%</td> <td>30-Apr-24</td> <td>unsecured</td> </tr> <tr> <td>JP Leasing</td> <td>3.54%</td> <td>30-Apr-24</td> <td>unsecured</td> </tr> <tr> <td>GL Leasing</td> <td>9.90%</td> <td>28-Feb-25</td> <td>unsecured</td> </tr> <tr> <td>GL Leasing</td> <td>8.50%</td> <td>31-Jan-24</td> <td>unsecured</td> </tr> <tr> <td>SCREO II 99 Street LP</td> <td>7.80%</td> <td>30-Nov-22</td> <td>unsecured</td> </tr> </tbody> </table>			Lender	Interest rate	Maturity date	Secured/unsecured	JP Leasing	2.9 – 3.5%	01-May-22	unsecured	JP Leasing	3.50%	01-Mar-23	unsecured	JP Leasing	3.54%	30-Apr-24	unsecured	JP Leasing	3.54%	30-Apr-24	unsecured	GL Leasing	9.90%	28-Feb-25	unsecured	GL Leasing	8.50%	31-Jan-24	unsecured	SCREO II 99 Street LP	7.80%	30-Nov-22	unsecured
Lender	Interest rate	Maturity date	Secured/unsecured																															
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SCREO II 99 Street LP	7.80%	30-Nov-22	unsecured																															
8. Estimated cash available for future operating activities		\$A'000																																
8.1 Net cash from / (used in) operating activities (item 1.9)		(1,363)																																
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(7)																																
8.3 Total relevant outgoings (item 8.1 + item 8.2)		(1,370)																																
8.4 Cash and cash equivalents at quarter end (item 4.6)		3,804																																
8.5 Unused finance facilities available at quarter end (item 7.5)		-																																
8.6 Total available funding (item 8.4 + item 8.5)		3,804																																
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)		2.78																																
<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>																																		

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

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

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

Date: 28 January 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.