

# ASX ANNOUNCEMENT



14 April 2023

## March 2023 Quarterly Activities Report

### Highlights:

#### Anthill Copper Operation

- **Improved Operating Cashflow** – Copper sales of 2,818 tonnes in the March quarter generated outstanding net revenue of A\$35.55 million (up +17% QoQ) and operating cash flow of A\$13.6 million (up +158% QoQ).
- **Production** – Production for Q1 2023 averaged 30.7 tonnes/day (up 14% QoQ) of copper at an AISC (all-in sustaining cost) of US\$2.79/lb sold (down -24% QoQ) despite February being a short month and more than 1,000mm of cumulative rainfall in the quarter.
- **Improve outlook** – Thiess continues to exceed the daily mining target, despite extreme weather conditions in the quarter. Mining recommenced in the Anthill West mine as the weather conditions are improving, and processing is already at a steady state with plant efficiency of +90%.

#### Corporate

- On 31 March 2023, Austral Resources held A\$6.1 million in cash at bank.
- Total operating site costs, for Q1 2023, including mining, processing, and maintenance, were A\$21.9 million (down -12% QoQ).
- Wingate senior secured debt reduced to A\$21.1 million.
- Thiess repaid A\$8.18 million for Q1 2023, and total payables at 60 days for other suppliers reduced to A\$8.9 million.

#### Growth<sup>(1)</sup>

- The board believes that the development of Lady Colleen will be transformational, offering the potential to increase annual production combined with the existing production from Anthill to over 25,000 tonnes per annum in copper cathode and concentrate, placing Austral in a unique position to its peers and materially extending Austral's existing mine life.



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- Initial production rate of ~44,000 tonnes over 3.5 years and mine life are expected to improve through further drilling and processing optimisation.
- Lady Colleen is on a granted Mining Lease (ML 90170) and is located only ~1km away from Austral's processing facility.
- In March 2023, CSA commenced cutback studies on previously mined high-grade pits at Austral copper operations (Lady Annie, Brenda East, Brenda West, Mt. Clarke, and Flying Horse) to potentially add 7,000 tonnes of additional copper production (increasing Austral oxide production by 60% between in 2024 and 2025).

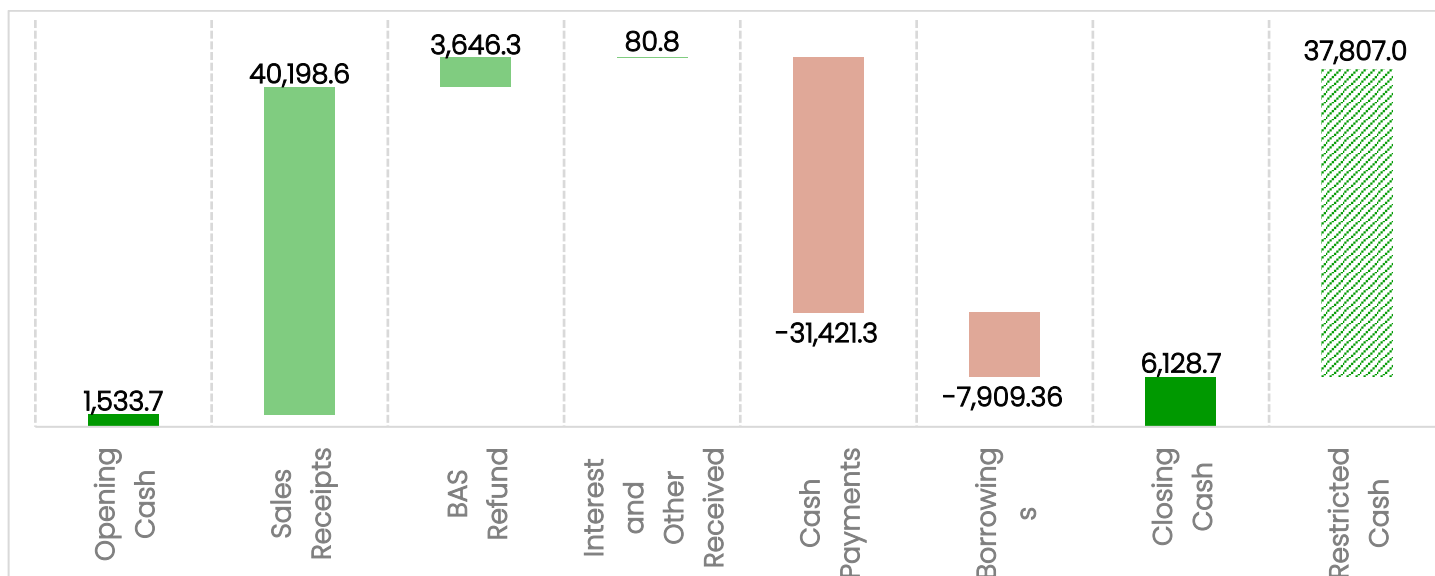
(1) See Scoping Study ASX release 15 February 2023.

## Exploration

- **Anthill** – Drilling results from the 2022 campaign demonstrated the potential to host economic mineralisation. These targets will be further drill tested in 2023.
- **Lady Colleen** – Focusing on exploring untested extensions to Lady Colleen's high-grade mineralised core and development drilling.
- **Regional Copper Oxide** – Unlocking regional copper oxide potential with 10 highest priority prospects, including Drifter returning >16% Cu from surface rock-chip samples.

## Financial Performance:

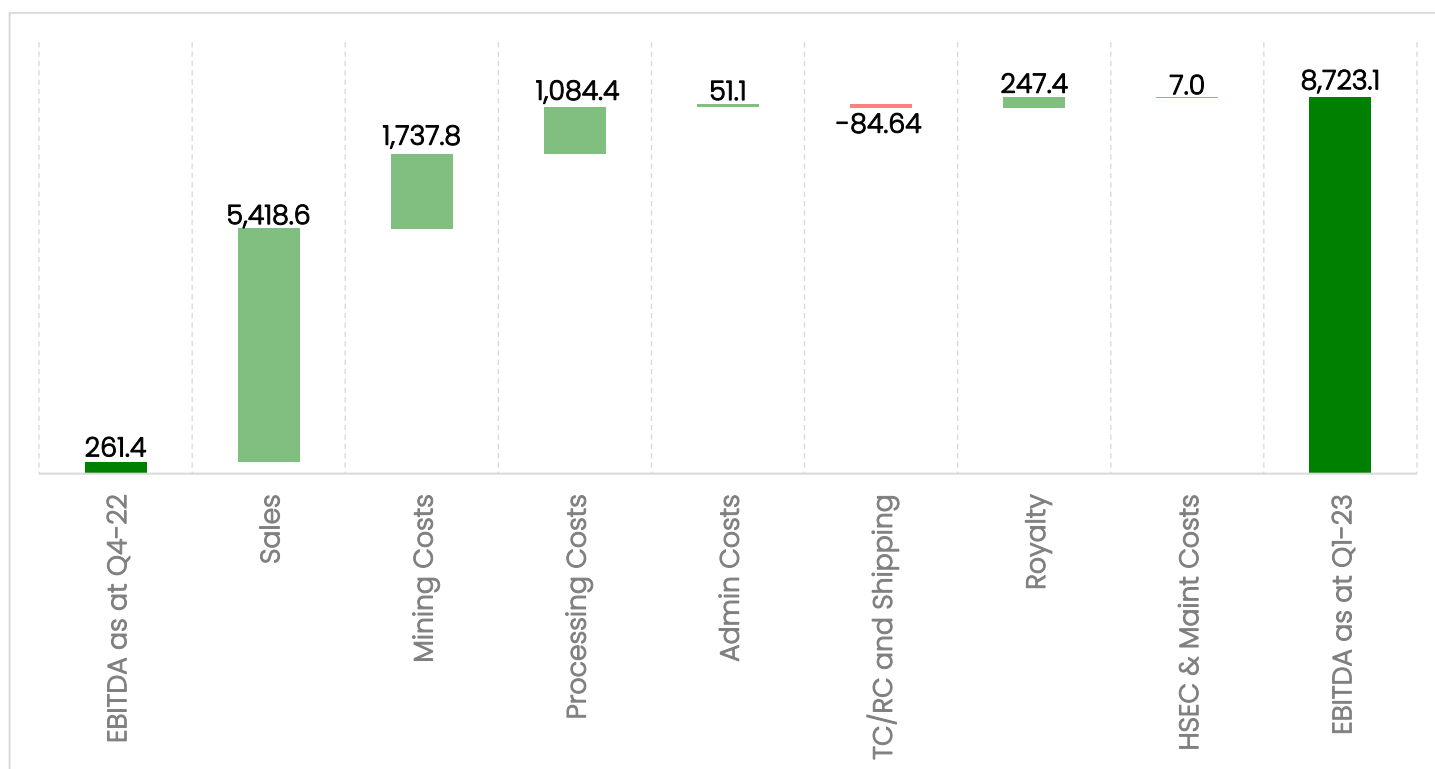
### March Quarter 2023 Cash Movements (A\$'000)



Cash Payments include cash payments for operating and investing activities (incl. exploration)

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## EBITDA Waterfall (A\$'000)



- During the March 2023 quarter, the Company generated outstanding net revenue of A\$35.5 million, with an average copper price of A\$12,601/t (average realised copper price for the Quarter rose by 3% QoQ (Quarter on Quarter), offset by the appreciated Australian dollar against the US dollar).
- Record high EBITDA of A\$8.7 million with an EBITDA margin of +24.5% (increased by A\$8.5 million against the December-2022 Quarter), which is driven by:
  - Sales Revenue - Higher copper sales (up +18% QOQ) coupled with increased production (up +6% QOQ).
  - Declined C1 costs - Total Mining, Processing, Admin (site G&A) and TC/RC & Shipping Costs were A\$24.3 million (down -10% QOQ), while TC/RC & Shipping Costs increased marginally to A\$0.7 million for the Quarter.
  - Reduced Royalty and HSEC & Maintenance costs - Total royalty and HSEC & Maintenance costs decreased to A\$1.1 million and A\$0.5 million respectively.
- Net interest and fees of A\$1.6 million incurred during the Quarter.



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- Growth capex & exploration costs declined to A\$0.7 million (down -69% QoQ) – Contracted exploration activities due to extreme weather conditions in the Quarter.

## Revenue and Cost Metrics

|  | UNIT                | DEC 2022 QTR | MAR 2023 QTR |
|--|---------------------|--------------|--------------|
| Copper Sold                                  | t                   | 2,392.97     | 2,818.58     |
| Achieved Copper Price                        | A\$/t               | 12,577.82    | 12,601.02    |
| Achieved Copper Price                        | A\$/lb              | 5.71         | 5.72         |
| Achieved Copper Price <sup>(1)</sup>         | US\$/lb             | 3.83         | 3.83         |
| <b>Cost Summary</b>                          |                     |              |              |
| Mining Costs                                 | A\$/lb Sold         | 2.72         | 2.03         |
| Processing Costs                             | A\$/lb Sold         | 1.91         | 1.45         |
| Admin Costs (Site G&A)                       | A\$/lb Sold         | 0.36         | 0.33         |
| TC/RC and Shipping Costs                     | A\$/lb Sold         | 0.11         | 0.11         |
| <b>CI Cash Costs</b>                         | <b>A\$/lb Sold</b>  | <b>5.10</b>  | <b>3.92</b>  |
| Royalty                                      | A\$/lb Sold         | 0.26         | 0.18         |
| HSEC & Maintenance Costs                     | A\$/lb Sold         | 0.09         | 0.07         |
| <b>All-in Sustaining Costs</b>               | <b>A\$/lb Sold</b>  | <b>5.45</b>  | <b>4.17</b>  |
| <b>All-in Sustaining Costs<sup>(1)</sup></b> | <b>US\$/lb Sold</b> | <b>3.65</b>  | <b>2.79</b>  |
| All-in Capital <sup>(2)</sup>                | A\$/lb Sold         | 0.80         | 0.51         |
| <b>All-in Costs</b>                          | <b>A\$/lb Sold</b>  | <b>6.25</b>  | <b>4.68</b>  |
| <b>All-in Costs<sup>(1)</sup></b>            | <b>US\$/lb Sold</b> | <b>4.19</b>  | <b>3.14</b>  |

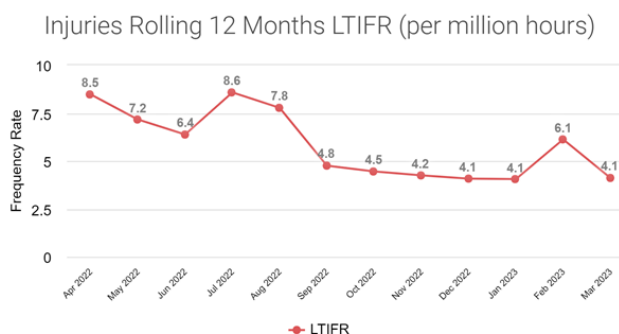
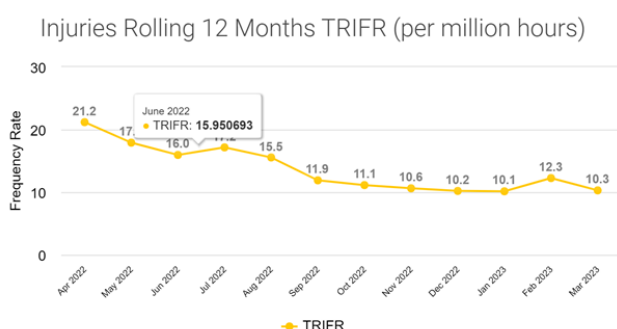
(1) Based on AUD/USD of 0.67 as at 12/04/2023

(2) All-in Capital includes growth capital & exploration costs, financing costs and admin costs (corporate G&A)



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## Environment, Social and Safety



- The 12-month rolling average Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR) for Austral were 10.3 and 4.1 at the end of the Quarter, respectively and this affirms the Company's best-in-class safety culture and practices, with the whole organisation committed to industry-leading safety performance.
- No serious environmental incidents during the Quarter.
- As a part of our commitment to maturing our ESG approach, Austral formed an ESG Committee to oversee our Sustainability and ESG strategy planning for FY2023. With the implementation of high-level internal objectives, Austral aims to improve its overall environmental, social and governance performance by focussing on maturing our ESG programme. This will ensure we are engaging in best practice within the natural resources sector and contributing to a sustainable future within a measurable framework.

## Austral Operation

### Anthill Mine

Despite the severe wet weather event, Thiess continued to perform above plan at the Anthill mine with total material movement for the quarter of 1.24M BCM. At the end of the quarter, total material moved was 10.24M BCM against a target of 10.20M BCM.

The majority of ore was sourced from the West pit, with adverse weather conditions stopping production from the Stage 1 East pit, Thiess moved into East pit stage 2 – not impacted by the wet conditions. A total of 355,361t of ore grading 0.57% Cu containing 2,031t

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of copper metal was mined for the quarter. Project to date mining has yielded 1,663,671t of ore grading 0.91% Cu.

ROM stocks at Anthill at the end of the quarter stood at 107,310t at 0.54% Cu.



*Figure 1. Evaporators form part of Austral's water management.*



*Figure 2. View of the Anthill mine with the ROM pad and waste dump in the foreground*

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## Mt Kelly

The crushing and stacking circuit performed extremely well over the quarter, despite the wet weather event causing significant shortfalls in ore haulage and subsequent ROM stocks. A total of 11 days with no stacking or crushing for the quarter was recorded. The total ore stacked for the quarter was 325,890 dmt at 0.73% Cu against a plan of 460,000 dmt. The cumulative project to date ore stacked totalled 1,415,563 dmt. A major shut down in March to inspect the secondary crusher casing and to replace the manganese lining plus shrink in rotational bushes was also completed. There is a total of 13,432t of Cu metal under irrigation project to date. You can see in the graph below that the slight drop in copper metal stacked during the quarter influenced the total cathode produced. This almost immediate cause-effect reaction will have a lesser impact in subsequent wet seasons as the volume of stacked ore under irrigation increases.

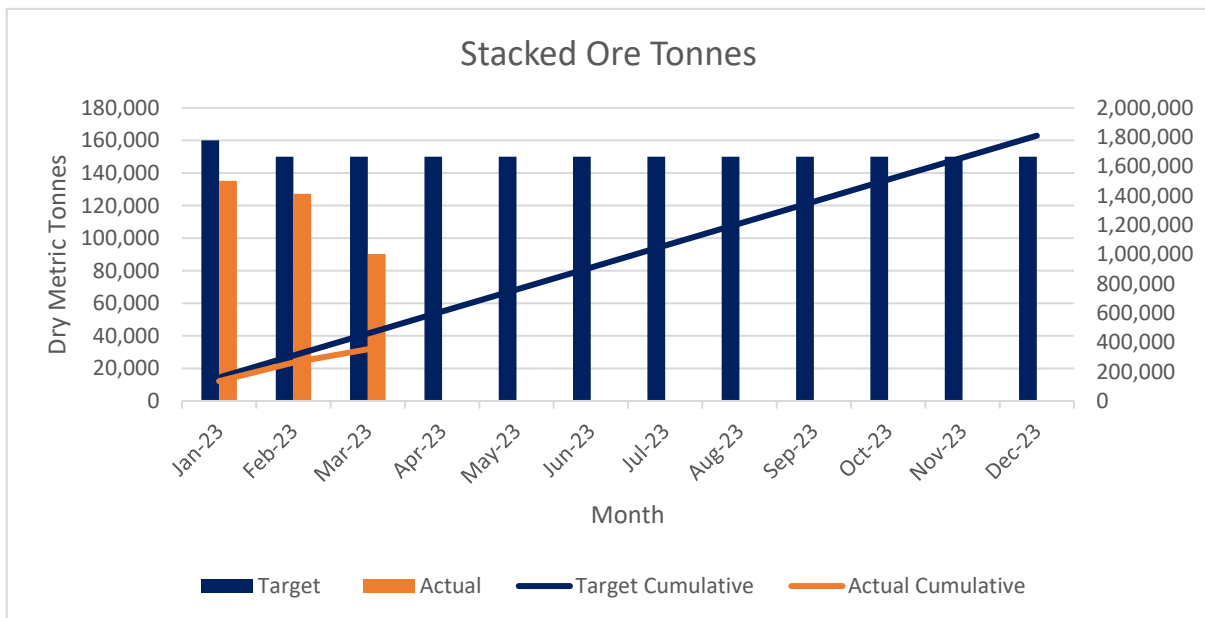
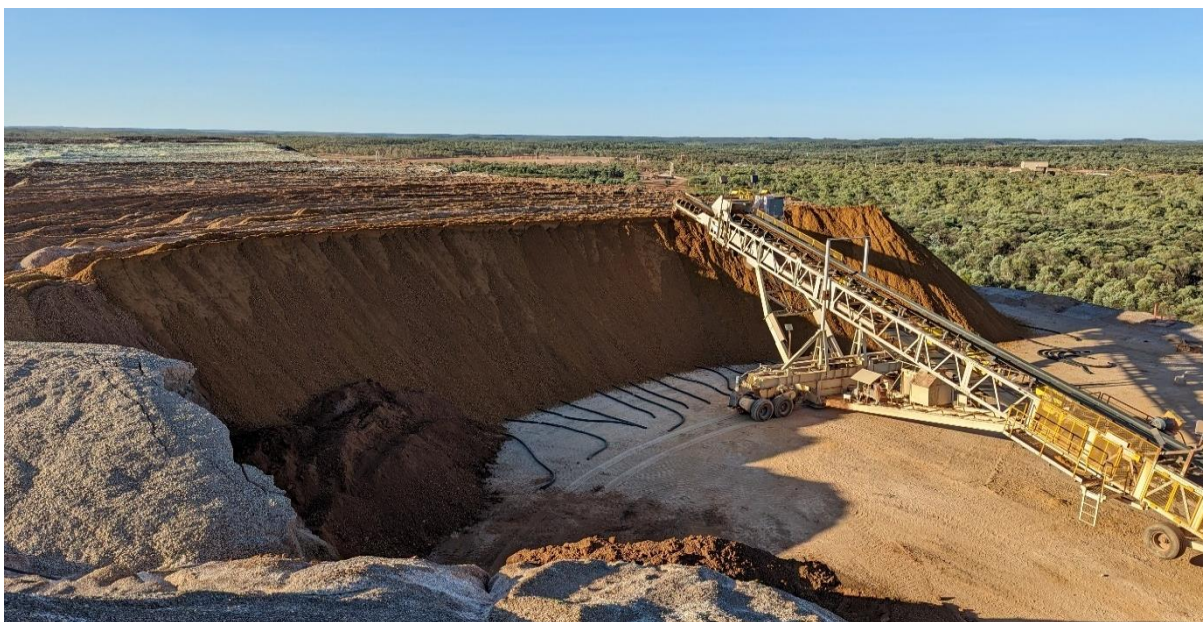


Figure 3. Total ore tonnes stacked on the Mt Kelly leach pad Q1 2023

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*Figure 4. Ore being stacked as Pad 15 is being closed out on Mt Kelly leach pad*



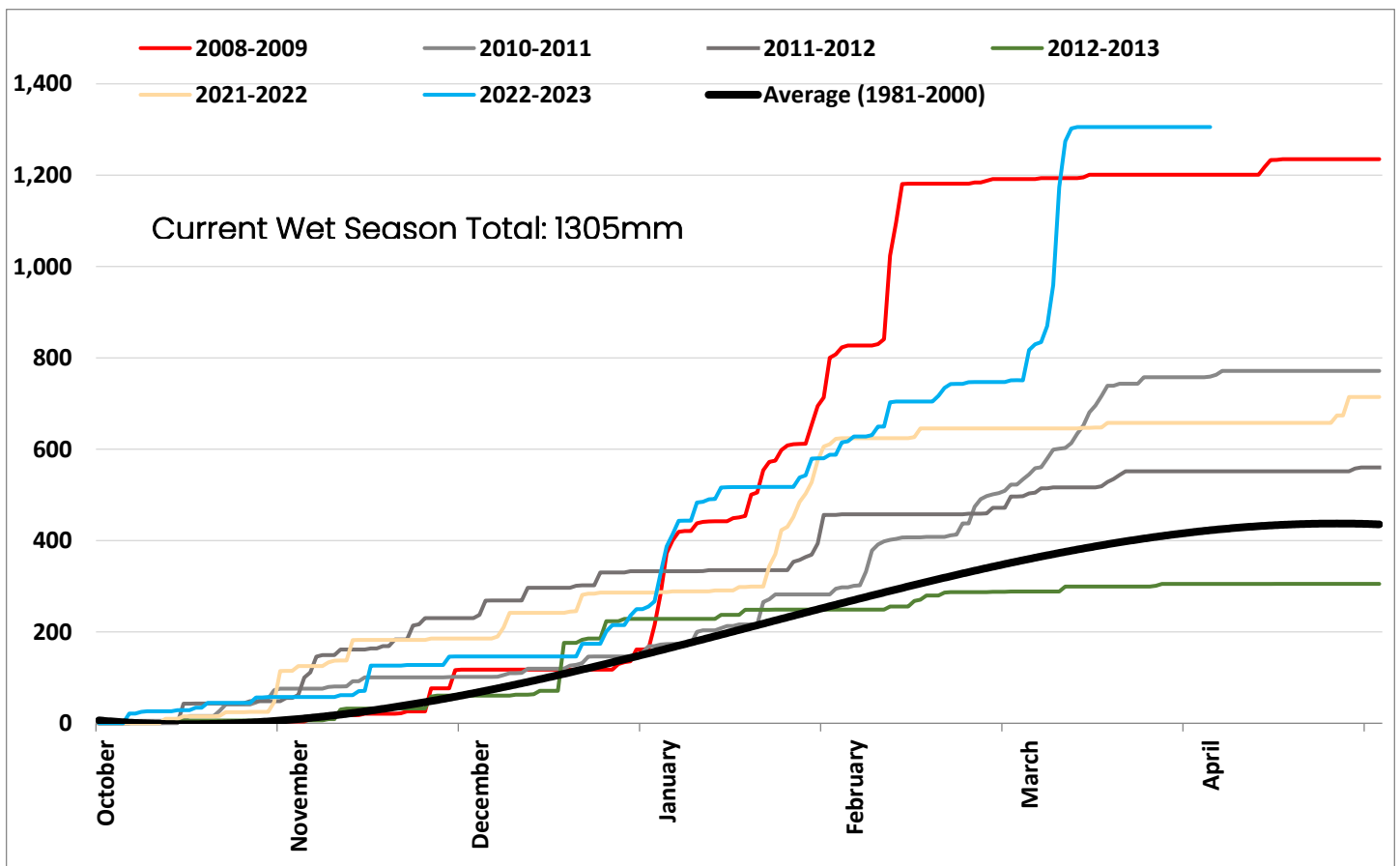
*Figure 5. Copper stripping machine with sample sheets. Samples being sent for assaying*



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## Wet Season Mitigation Strategy

### Wet Season (Oct-Apr) Cumulative Daily Rainfall (LAO Admin) – Rainfall (mm)



As can be seen in the above graph, cumulative daily rainfall reached record levels in 2022-2023 (more than 3 times of the historical average (1981-2000)) due to more than 1,000mm of cumulative rainfall in the quarter.

Despite extreme weather conditions in the quarter, Thiess continued to exceed daily mining targets and achieved copper production of an average of 30.7 tonnes/day (up 14% QoQ), due to Austral's robust wet season mitigation strategy in place, which includes:

- Heap leach batter and wall maintenance;
- Launder and drain cleaning;
- Inverts on benches, with controlled release points;
- Reinforcement of drainage systems;
- Clearing high production pad drains and settlers of crud;

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- Ensuring the storm ponds and sediment dams are emptied prior to the wet season;
- Ensuring the processing plant remains in operation during the entire wet season; and
- Established emergency protocols to mitigate the risk of flooding and other potential environmental damage.

## Development Projects:

### Lady Colleen

During the Quarter, the Scoping Study prepared by CSA Global (announced on 15 February 2023) demonstrated the viability of constructing an open-cut mine at the Lady Colleen Project. The development of the mine would provide a significant upside on annual production combined with the existing production from Anthill (estimated to be over 25,000 tonnes per annum in Cathode and Concentrate), alongside the ramp-up of the Mt Kelly processing facility.

The scoping study delivered robust project economics for the Lady Colleen Project (100% owned by the Company);

- A substantial NPV<sub>7.5%</sub> of A~60.5M (pre-tax) and IRR of 38.9% (pre-tax) over the life of mine.
  - Total recovered Cu of ~44Kt from both heap leach and flotation processing methods
  - Average payback period of 2.6 years.
  - Total operating cashflows of ~A\$91m (S/S applies Cu price A\$12k/t)<sup>1</sup>
  - CI costs<sup>2</sup> of ~US\$2.78 per lb
- Lady Colleen's current Total Mineral Resource is 3.15MT @ 1.73% Cu, which is part of Austral's current total JORC Resource Estimate of 410kt contained copper<sup>3</sup>.

<sup>1</sup> LME spot as at 8 February 2023 – AUD\$12,930 per tonne

<sup>2</sup> CI costs are direct costs, which include costs incurred in mining and processing (labour, power, reagents, materials) plus local G&A, freight and realisation and selling costs.

<sup>3</sup> ASX Release 31 March 2023

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- Austral plans to follow through on key recommendations coming out of the independent Scoping Study to further improve the economics of the proposed mine, including:
  - 91% of Lady Colleen's Mineral Resource is Indicated. Further drilling aimed at upgrading remaining 9% Inferred Mineral Resources to Indicated Mineral Resources.
  - Exploration targeting the open & untested down plunge and dip strike continuations of the high grade core of Lady Colleen
  - Optimise pit wall angles to minimise waste movement requirements.
  - Progress metallurgical test work to increase level of confidence in recoveries.
  - Ongoing conversion of Mineral Resources into Ore Reserves.

## Exploration:

During the Quarter the Company announced the 2023 Exploration program totalling in excess of A\$7.0M<sup>4</sup>, which if successful, is designed to potentially;

- Increase Inventory >+40kt<sup>5</sup> through Cu Oxides and or Sulphides discovery, with a priority focus on existing ML's within 50 km of the Mt Kelly SX-EW plant.
- Unlock Copper Oxide Potential with the Drifter anomaly boasting 16.05% Cu from surface rock chip samples. Highly prospective targets at Anthill and within the Glencore JV.
- Unleash Copper Sulphide Opportunities with Lady Colleen's high-grade zone, Enterprise reporting a Maiden Mineral Resource, and targets like Flying Horse, Lady Annie, Investigator, and Neptune.

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<sup>4</sup> ASX Release 31 January 2023

<sup>5</sup> ASX Release 6 April 2023

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To enable delivery of these goals, exploration activities planned and budgeted in 2023 include:

- Drilling schedule to commence in late Q1/23 (deferred to early Q2/23 due to extreme weather event) with the budget and drilling schedule based on a single drill rig (Table 1). The number of rigs and drilling schedule may evolve dependent on discovery results achieved. Details and discussion of 16 of these 20 listed prospects (85% of planned drilling) is contained with the ASX release Exploration Update released on 9 November 22 (Figure 6).

|                               |               | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 |
|-------------------------------|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>OXIDE ML</b>               | Drilling, m's |        |        |        |        |        |        |        |        |        |        |        |        |
| Lady Annie (start mid March)  | 2000          |        |        |        |        |        |        |        |        |        |        |        |        |
| Anthill                       | 2000          |        |        |        |        |        |        |        |        |        |        |        |        |
| Mt Kelly                      | 1200          |        |        |        |        |        |        |        |        |        |        |        |        |
| McLeod hill                   | 800           |        |        |        |        |        |        |        |        |        |        |        |        |
| Swagman                       | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| sub-total                     | 6600          |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>SULPHIDE ML</b>            |               |        |        |        |        |        |        |        |        |        |        |        |        |
| Lady Annie                    | 800           |        |        |        |        |        |        |        |        |        |        |        |        |
| Lady Colleen                  | 1600          |        |        |        |        |        |        |        |        |        |        |        |        |
| Flying Horse                  | 400           |        |        |        |        |        |        |        |        |        |        |        |        |
| subtotal                      | 2800          |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>REGIONAL</b>               |               |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>Oxide</b>                  |               |        |        |        |        |        |        |        |        |        |        |        |        |
| Drifter / Kechenaj / Busy Bee | 2000          |        |        |        |        |        |        |        |        |        |        |        |        |
| Python / SE Anthill / Taipan  | 2000          |        |        |        |        |        |        |        |        |        |        |        |        |
| Russell Fault                 | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| Lady Agnes                    | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| New Hope                      | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| Lady Maggie                   | 1200          |        |        |        |        |        |        |        |        |        |        |        |        |
| Galah Syncline                | 1200          |        |        |        |        |        |        |        |        |        |        |        |        |
| Patricia Joy / Mt Wendy       | 1200          |        |        |        |        |        |        |        |        |        |        |        |        |
| Wild Gecko / Barratts Bend    | 1200          |        |        |        |        |        |        |        |        |        |        |        |        |
| Spex                          | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| subtotal                      | 11200         |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>Sulphide</b>               |               |        |        |        |        |        |        |        |        |        |        |        |        |
| Enterprise                    | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| Investigator                  | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| Neptune                       | 600           |        |        |        |        |        |        |        |        |        |        |        |        |
| subtotal                      | 1800          |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>Total drilling meters</b>  | <b>22400</b>  |        |        | 1000   | 3000   | 2600   | 2800   | 3000   | 2800   | 3000   | 3000   | 1200   |        |

Table 1. 2023 Drilling schedule over Austral Resources exploration tenure

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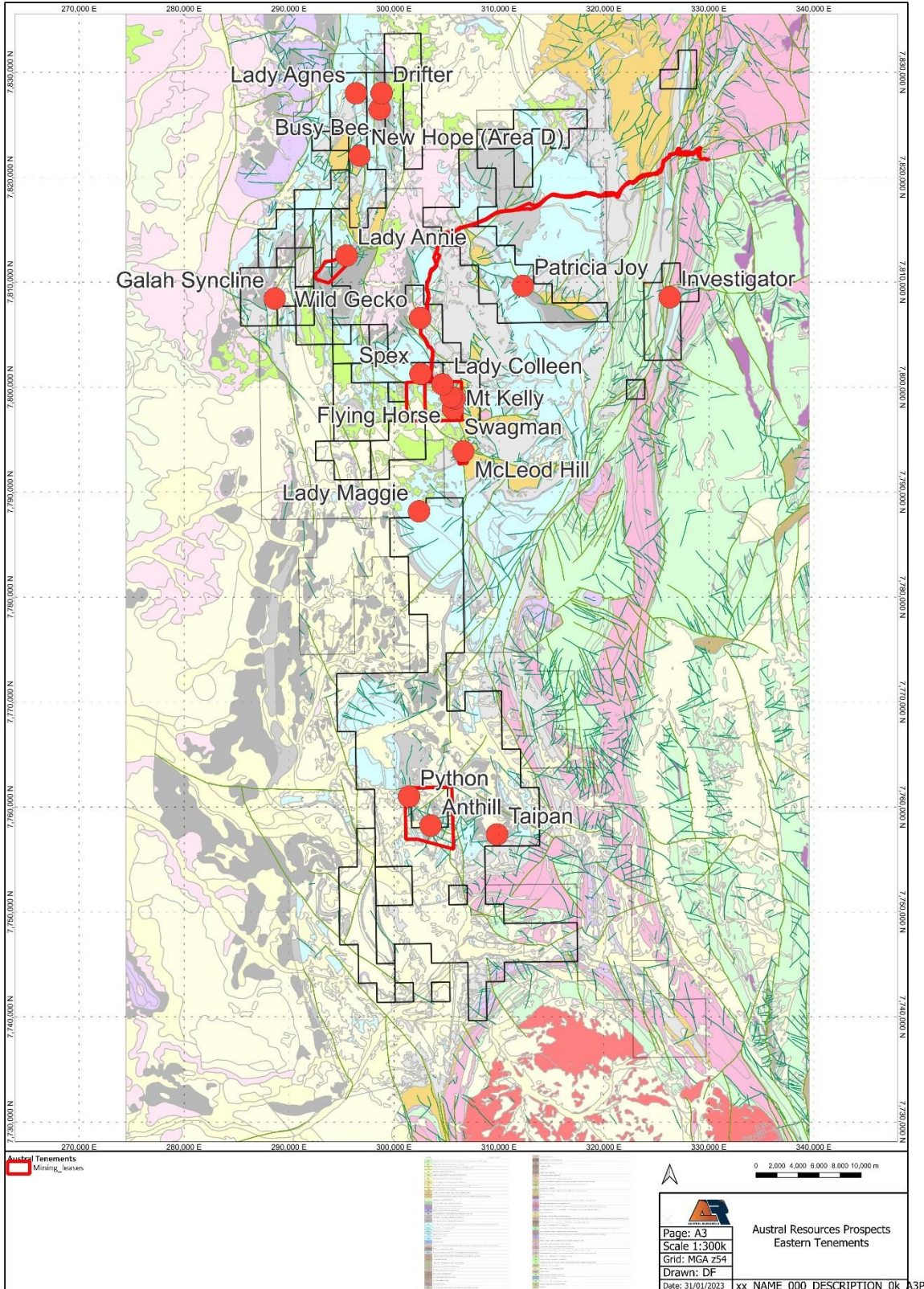


Figure 6. Austral Project and Prospect locations Western Tenement Area

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## Delivery of Austral's Exploration Strategy in 2022.

2023 will leverage and build on the successful 2022 exploration and development program. Highlights from 2022 included;

- At Lady Colleen, completion of the 2022 drilling program and generation of an updated Mineral Resource Estimate (MRE) for Lady Colleen<sup>6</sup>. Results reflected a very successful delivery of the exploration strategy. Austral has announced it is undertaking a Scoping Study to assess the potential of the Lady Colleen Mineral Resource to support an open cut mining project at Mt Kelly.
- At Anthill, 41 reverse circulation holes were completed for a total of 3,412m over October.

Prospects evaluated and drilling achieved during 2022 are detailed in Table 2.

| Prospect              | RC (m)      | Days       | DDH (m)     | Days      |
|-----------------------|-------------|------------|-------------|-----------|
| <b>OXIDE ML</b>       |             |            |             |           |
| Anthill 2.0           | 3412        | 53         |             |           |
| <b>SULPHIDE ML</b>    |             |            |             |           |
| Flying Horse          | 221         | 2          | 497         | 24        |
| Lady Colleen          | 2384        | 23         | 934         | 40        |
| <b>REGIONAL OXIDE</b> |             |            |             |           |
| Dividend              | 933         | 8          |             |           |
| Amy's Pocket          | 2175        | 22         |             |           |
| <b>TOTAL</b>          | <b>9125</b> | <b>108</b> | <b>1431</b> | <b>64</b> |

Table 2. 2022 Drilling achieved over Austral Resources exploration tenure

During 2022, daily RC drilling rates delivered an annualised drilling rate of >30,000m.

## Anthill

At Anthill, 41 reverse circulation holes were completed for a total of 3,412m over October and November 2022 (Figure 7). Results will be reported when all assays have been received and collated. Review of the 2022 drilling results defines a strong continuous trend of Cu-As anomalism (coincidental with fertile structures) forming an envelope with the potential to host economic mineralisation. These targets will be further drill tested in 2023.

<sup>6</sup> ASX release 28 October 2022



*Figure 7. Tulla RC rig TD04 drilling BURC00686 to south of Anthill open pit.*

## **MIM JV**

Regular technical, operational and logistical interaction continued between Austral and Glencore Exploration and Commercial teams. Progress was made in establishing the required land-owner access agreements, cultural heritage clearances and environmental permits. Technical exploration data covering both Austral and MIM tenure were exchanged. The Glencore exploration team visited Austral Anthill Open Pit operation, Exploration core yard and viewed relevant drill core.

Evaluation of the Russell Fault EPM data resulted in further mapping and surface geochemistry being proposed over 6 specific areas, with follow-up drilling contingent on positive results. Significant parts of the Russell Fault EPM have received little or no effective historic exploration for copper oxide and copper sulphide.

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## Other JV's

During the Quarter the Company continued discussions with multiple other mining and exploration companies to progress potential joint venture agreements for portions of the Company's extensive tenure holdings in the Mt Isa district. The Company is also evaluating the potential to joint venture into other companies' tenure holdings, where the opportunity aligns with the Company's exploration strategy.

## Tenure

During the quarter there were no changes to Austral's previously reported tenure holdings (Figure 8). The Company continues to hold 2,147km<sup>2</sup> of highly prospective exploration tenure comprised of 38 EPM's and 2 EPMA's. The Company also holds 15 Mining Leases covering 53km<sup>2</sup>. All tenure held by the company is in good standing.

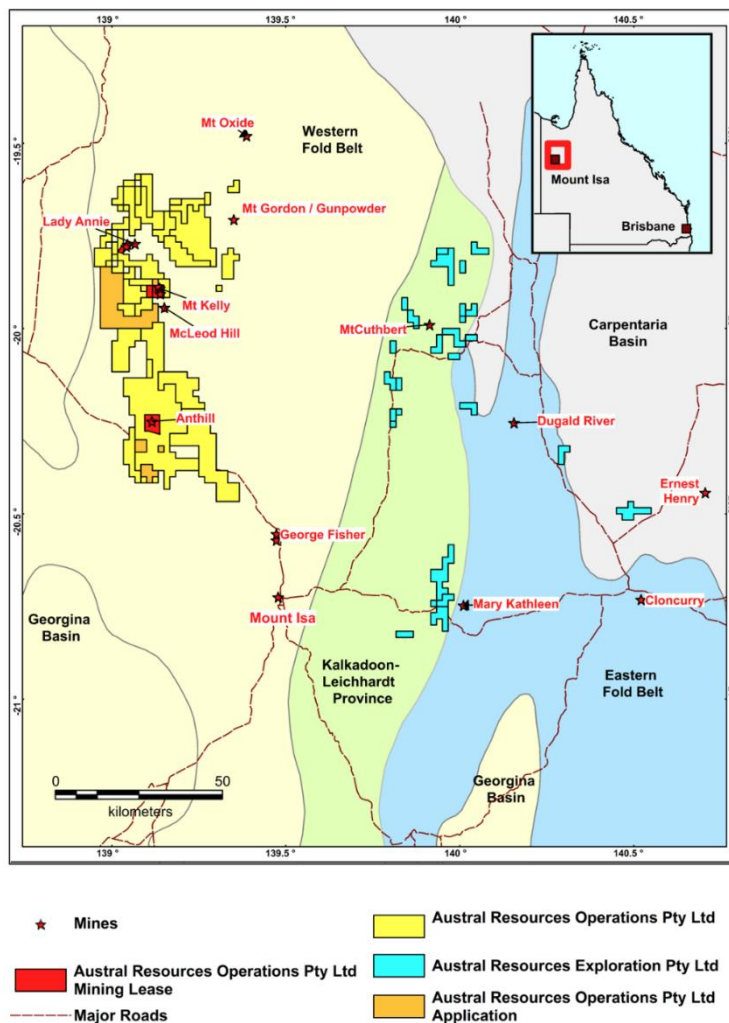


Figure 8. Plan of Austral tenure.



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## **Austral's Exploration manager, Ben Coutts, commented:**

The Exploration team has assembled a program over 2023 that is balanced between the two priorities of both increasing economic mineral inventory on Austral ML's and evaluating regional prospects. Integrated into the 2023 Exploration program is a thorough evaluation of Austral's extensive legacy dataset, and the geology knowledge gained by the exploration team over 2022. The resource development processes applied to Lady Colleen over 2022 with such success will be repeated over other oxide and sulphide development options on Austral ML's in 2023. Austral will continue to engage proactively with our peers evaluating JV opportunities to both monetise Austral tenure, and also gain access to copper prospects currently held by others. I am confident that we have the right ground, the right team and the right focus for discovery in 2023, and look forward to sharing results with the market as our program is executed.

## **Austral's Managing Director and CEO, Dan Jauncey, commented:**

This quarter has been outstanding as our team successfully navigated a challenging environment not only for the Company, but all associated with Austral Resources. With over one metre of rain over the three months, we delivered better-than-expected March quarter results and a great start to 2023. The fact that we continued production and processing is a testament to the team on site, management, contractors, and suppliers. We couldn't have done it without them rolling their sleeves up.

The exploration season has just started for us, in the June quarter Austral will be looking at oxide extensions at Lady Annie and Anthill and also continuing drilling at Lady Colleen, Lady Annie, and Flying Horse. I could not be happier with how things are tracking currently, and this will be another solid quarter with strong news flow.

This announcement is authorised for market release by Managing Director and CEO, Dan Jauncey.

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## FOR FURTHER INFORMATION PLEASE CONTACT:

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## About Austral Resources

Austral Resources Australia Ltd (ASX:ARI) is a copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SX-EW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine which has an Ore Reserve of 5.06Mt at 0.94% Cu. The Company expects to produce 40,000t of copper cathode over a four-year period from mid-2022.

Austral also owns a significant copper inventory with a JORC compliant Mineral Resource Estimate of 60Mt@ 0.7% Cu (420,000t of contained copper) and 2,100km<sup>2</sup> of highly prospective exploration tenure in the heart of the Mt Isa district, a world class copper and base metals province. The Company is implementing an intensive exploration and development program designed to extend the life of mine, increase its resource base and then review options to commercialise its copper resources.

To learn more, please visit: [www.australres.com](http://www.australres.com)

Detailed information that relates to Ore Reserves and Mineral Resource Estimates is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report. This document is available on Austral's website: [www.australres.com](http://www.australres.com) and on the ASX released as "Prospectus" on 1 November 2021 and further updated on 28 October 2022 as "Lady Colleen Grade increases by 200%" and in the Annual Report dated 31 March 2023. The Company confirms that it is not aware of any new information or data that materially affects the exploration results and estimates of Mineral Resources and Ore Reserves as cross referenced in this release and that all material assumptions and technical parameters underpinning the estimates, and forecast financial information derived from these estimates, continue to apply and have not changed.



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## Appendix I. Performance Right Information

Condition 11.5 of Austral's "Conditions of quotation" of the Company following its initial public offering (IPO) requires certain disclosures be made in relation to unquoted KPI based performance rights (Rights) disclosed in the Company's IPO Prospectus.

- Austral has 27,212,412 Performance Rights on issue as at 31 March 2023 (of those issued at IPO).
- During the quarter, no Rights were converted into ordinary shares nor cancelled.
- Each Performance Right converts into one ARI share upon vesting and exercise.

The Rights set out above will vest on satisfaction of the below mentioned performance hurdles:

| #                  | Key Performance Indicator   | Performance Right # | Vesting Date <sup>1</sup> | Expiry Date <sup>2</sup> | Remaining 31 Mar-23 |
|--------------------|---|---------------------|---------------------------|--------------------------|---------------------|
| 1                  | First material ore production from Anthill deposit                                      | 11,134,372          | Vested <sup>3</sup>       | 30 Jun 25                | 289,493             |
| 2                  | Production of 20kt of copper cathode from Anthill Project                               | 4,453,752           | 30 Jun 24                 | 30 Jun 26                | 4,141,989           |
| 3                  | Generate 20kt inferred resource   | 11,134,372          | 30 Jun 25                 | 30 Jun 26                | 10,354,966          |
| 4                  | Share price target of \$0.50  | 8,907,500           | 30 Jun 25                 | 30 Jun 26                | 8,283,975           |
| 5                  | Health Safety Security Environment and Quality (HSSEQ) and Indigenous Affairs – FY 2022 | 2,226,876           | Cancelled                 | n/a                      | -                   |
| 6                  | HSSEQ and Indigenous Affairs – FY 2023  | 2,226,876           | Cancelled                 | n/a                      | -                   |
| 7                  | Generate 20kt inferred resource   | 4,453,752           | 30 Jun 25                 | 30 Jun 26                | 4,141,989           |
| Total <sup>4</sup> |   | 44,537,500          |                           |                          | 27,212,412          |

<sup>1</sup> Unless otherwise specified, the Vesting Date represents the last possible date by which the relevant KPI must be met in order for the relevant Rights to vest.

<sup>2</sup> Expiry date applies where the KPI has been met by the relevant Vesting Date. Where a KPI is not met, the Rights will lapse no later than 3 months after the Vesting Date.

<sup>3</sup> Some of the vested rights have been exercised.

<sup>4</sup> Total Rights on issue at IPO requiring disclosure.

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The table below provides an overview of the Key Performance Indicators.

| No. | KPI   | Overview   |
|-----|---|--|
| 1   | 5,000 tonnes of ore moved from the Anthill deposit within 6 months of commencement of overburden mining at the Anthill Project  | This KPI will be considered satisfied on the movement of 5,000 tonnes of ROM ore from the Anthill pit to the crusher. This is defined as removing overburden and transporting ore from the Anthill pit within 6 months of commencement of overburden mining at the Anthill Project.  |
| 2   | Production of at least 20,000 tonnes of copper cathode.   | This KPI will be considered satisfied if the Company produces 20,000 tonnes of LME grade Copper cathode by the relevant Vesting Date.  |
| 3   | Generate a JORC compliant Inferred Mineral Resource estimate of 20,000t of contained Cu through the exploration programme within 70km of the Mt Kelly processing facility | This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mt Kelly facility.   |
| 4   | Share price target of \$0.50  | This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above \$0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).  |
| 5   | Health, Safety, Security, Environment, Quality (HSSEQ) and Indigenous Affairs – to 30 June 2022   | <p>This KPI will be considered satisfied where both of the following criteria are met during the relevant period:</p> <ol style="list-style-type: none"><li>1. the Company's published Lost Time Injury Frequency Rate (LTIFR) is no more than 10% higher than the twelve-month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports' (adjusted on a pro-rata basis for any period prior to first production at the Anthill Project); and</li><li>2. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counterparty to any indigenous land use</li></ol> |

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agreement (**ILUA**) (including for example the agreements set out in section 12.7 of the Prospectus).

- |   |  |   |
|---|--|---|
| 6 | HSSEQ and Indigenous Affairs – from 1 July 2022 to 30 June 2023  | This KPI will be considered satisfied where both of the following criteria are met during the relevant period: <ol style="list-style-type: none"><li>1. the Company's published LTIFR is no more than 10% higher than the twelve-month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports'; and</li><li>3. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counterparty to any ILUA (including for example the agreements set out in section 12.7 of the Prospectus).</li></ol> |
| 7 | Generate a JORC compliant Inferred Mineral Resource estimate measuring 20,000 tonnes contained Cu in sulphide mineralisation | This KPI represents an exploration target for the exploration team to develop a more detailed exploration work on the sulphides (from existing pits, existing targets and drill a new Mineral Resource so that collectively an Inferred Mineral Resource estimate generating 20,000 tonnes of contained Cu in the sulphides at a cut-off grade of 0.2%.   |

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Terms of the employee incentive plan under which the Rights were issued are listed in the Company's IPO prospectus.