ASX ANNOUNCEMENT

31 July 2023 | ASX:FHE; OTCQB: FRHYF

QUARTERLY ACTIVITY REPORT
Quarter ending 30 June 2023

Frontier Energy Limited (ASX: FHE; OTCQB: FRHYF) (**Frontier** or the **Company**) is pleased to provide its quarterly activity report for the quarter ending 30 June 2023.

HIGHLIGHTS

- **The Company has identified a clear offtake pathway for its green hydrogen, via green hydrogen-fuelled (dual fuel) peaking plant**
    - *Existing markets where hydrogen can replace carbon emitting fuel sources are the most likely first adopters of green hydrogen; energy storage and power generation in a green hydrogen-fuelled (dual fuel) peaking plant presents a near term market opportunity*
    - *The $2 billion Federal Government 'Hydrogen Headstart' program will significantly accelerate the Australian hydrogen industry. Frontier will provide a submission to the consultation process in August.*
- **Frontier and AGIG signed a Collaboration Agreement to work together on the possible injection of green hydrogen into a section of the Dampier to Bunbury Natural Gas Pipeline (DBNGP)**
    - *Injection of hydrogen into the DBNGP is subject to legislative approvals and hydrogen offtake agreements*
- **Waroona Energy Inc (TSXV: WHE) (Waroona Energy) commenced trading on the TSXV during the quarter. Frontier is the major shareholder with a 20% interest.**
    - *Waroona Energy's project is adjacent to Frontier's Bristol Springs Project, and the two companies have a Collaboration Agreement in place*
    - *During the quarter, Waroona Energy commenced a study to assess a hydrogen-fuelled (dual fuel) peaking plant of 100MW minimum size*
- **The wholesale electricity market (WEM) recorded unprecedented high prices during the quarter. The average wholesale price was above $100/MWh in the June quarter, and peak period power prices were far above $200/MWh**
    - *The South West Interconnected System (SWIS) is increasingly relying on renewable sources to supply the growing demand for electricity*
- **The Smart Energy Council, through Zero Carbon Hydrogen Australia, Australia's peak renewable energy industry body, provided Pre-Certification under the Zero Carbon Certification Scheme for the Company's Bristol Springs Renewable Energy Project**
    - *The pre-certification aligns to the Federal Government commitment to implement the Guarantee of Origin (GO) Certificate scheme*
    - *The Project is one of only three in Australia to achieve this pre-certification*
    - *Pre-certification is crucial for offtakers and project financiers*
- **As at 30 June 2023, Frontier had cash of $8.8m (unaudited, excl Waroona Energy cash)**
    - *Shareholders approved Executive Chairman Grant Davey's participation in the October 2022 placement at the Company's AGM in May.*
    - *Mr Davey participated in the ~$10m Placement by investing ~$1m*

Smart Energy Council provides Pre-Certification for the Zero Carbon Certification Scheme

The Smart Energy Council has completed pre-certification for the Zero Carbon Certification Scheme at the Company's Bristol Springs Renewable Energy Project (**Project**). The pre-certification aligns to the Federal Government commitment to implement the Guarantee of Origin (GO) Certificate scheme.

This is a major milestone as it gives assurance to all stakeholders, including shareholders, financiers and offtakers, that the production process will deliver zero carbon hydrogen, or green hydrogen. The Project is one of only three in Australia to achieve this pre-certification

Point Advisory, an ERM Group company, was engaged by the Smart Energy Council on behalf of Frontier, to undertake a limited assurance validation engagement of the Project.

Frontier released the results of the Preliminary Feasibility Study (PFS) for the Project on 4 August 20221 and subsequently released the results of the Definitive Feasibility Study (DFS) on 20 March 20232. These two studies formed the basis of the information assessed by Point Advisory as part of its validation.

The validation tested whether any of the assumptions forming the basis of the PFS (as further refined by the DFS) were unreasonable. After completing its review, Point Advisory's limited assurance conclusion was that nothing had come to its attention to indicate those assumptions were unreasonable.

The pre-certification audit provides an assessment of any and all direct and indirect greenhouse gas emissions associated with the production and storage of the renewable hydrogen at the Project's facilities, excluding the emissions related to the construction material of the facility.

This includes an assessment and confirmation that 100% renewable electricity is being used by the Project to make renewable hydrogen. This assessment corresponds to the requirements for renewable energy under the Renewable Energy Target, as legislated by the Federal Government.

Overview of the Zero Carbon Certification Scheme (the "Scheme")

The Scheme was launched in December 2020 by the Smart Energy Council. It is an industry-led 'Guarantee of Origin' style scheme, which will help accelerate the development and deployment of renewable hydrogen, green ammonia and green metals in Australia and around the world. The WA Government is a founding partner of the Scheme which now has 15 Founding Partners and international advisors.

[1] *ASX Announcement – 4 August 2022*

[2] *ASX Announcement – 20 March 2023*

The Scheme will certify all renewable hydrogen, green ammonia or green metal has been made from renewable energy sources and provide an embedded carbon rating. It will operate as a tracking system ensuring the product quality and the greenhouse gas emissions (if any) associated with its production.

Collaboration Agreement Signed with AGIG

Frontier and AGIG have signed a Collaboration Agreement to work together to make joint submissions to the relevant WA Government departments in relation to the possible injection of hydrogen into the Mainline South section of the DBNGP.

AGIG is the owner of the DBNGP, the major gas pipeline connecting the North West Shelf gas fields near Dampier with markets principally located in the South West of Western Australia, terminating at Bunbury.

AGIG completed a positive Feasibility Study[3] in 2022 assessing the injection of hydrogen into the DBNGP. This Study found the pipeline adjacent to the Project (Mainline South) is already capable of injecting up to 9% hydrogen without any major modifications. The WA Government has set a goal of up to 10% hydrogen being blended with natural gas across the State's gas network[4].

Both Mainline South and its associated lateral pipelines are "immediate candidates" for accepting hydrogen, subject to installation of some supplementary gas analysis equipment and reconfiguration of flow computers, supervisory control and data acquisition system and gas accounting systems.

Stage One of the Project would account for less than 1% hydrogen to the DBNGP based on an average minimum daily flow.

Federal and State governments have begun the process of amending national gas laws and regulations to bring hydrogen blends, biomethane and other renewable gases under the national gas regulatory framework. The expectation is that all amendments will be completed in late 2023 or early 2024. Additional legislative amendments and approvals will be required in Western Australia to allow the injection of any quantity of hydrogen into a gas transmission or distribution system.

Subject to obtaining the necessary approvals and licences, AGIG and Frontier propose to enter discussions as to the type of arrangements that may be put in place to allow injection of an agreed percentage of hydrogen into the DBNGP. Those arrangements may include a FEED Study for the injection facility and hydrogen blending station.

[3] *https://www.agig.com.au/western-australian-feasibility-study*

[4] *https://www.wa.gov.au/system/files/2020-12/Western%20Australian%20Renewable%20Hydrogen%20Roadmap%20-%20November%202020.pdf*

Figure 1: DBNGP connection point

The DBNGP is WA's most significant gas transmission asset and provides natural gas to the State. A possible connection point to the DBNGP is located less than 0.3km from the proposed hydrogen plant location, where the DBNGP branches off to provide gas to Alcoa's Wagerup Alumina Refinery.

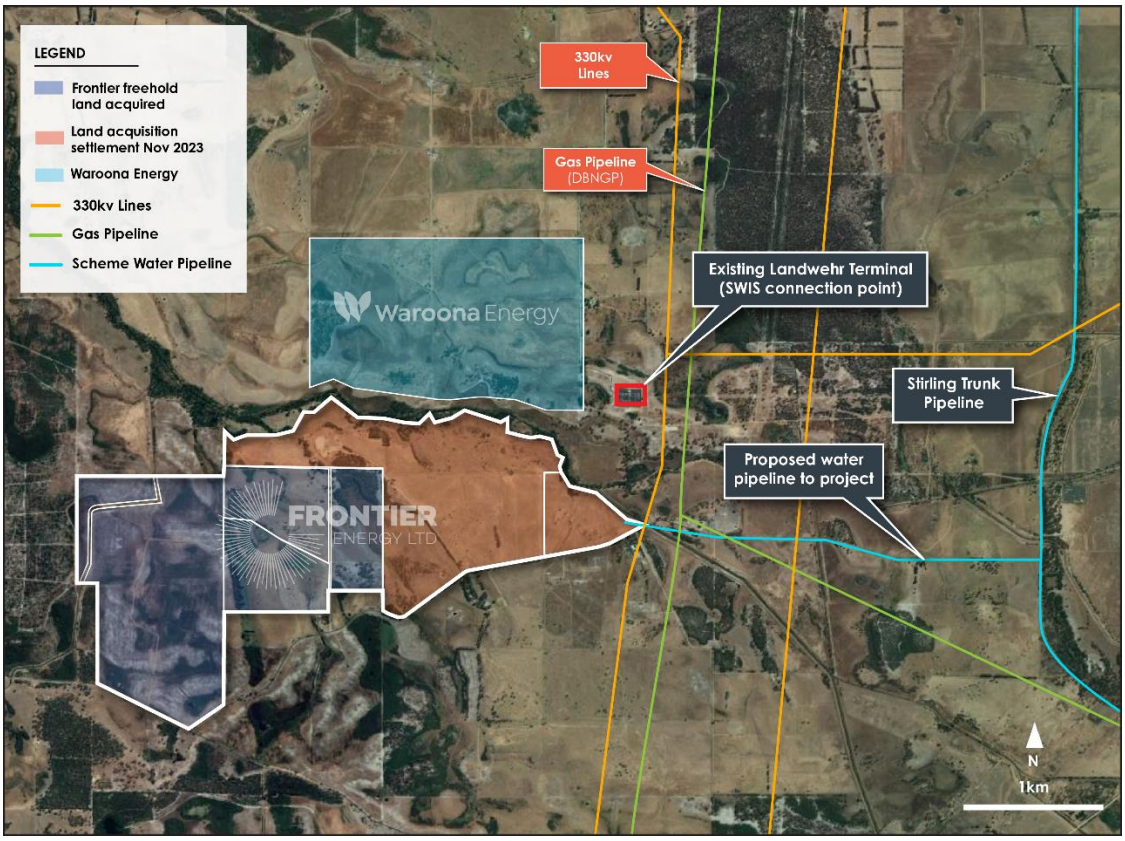

Figure 2: Map of the Project's location and relation to the DBNGP

Frontier has identified a clear offtake pathway for its green hydrogen, a green hydrogen-fuelled (dual fuel) Peaking Plant

Frontier has identified multiple potential offtake pathways[5] for the Project's green hydrogen, as illustrated in Figure 3 below. Existing markets where hydrogen can replace current carbon emitting fuel sources, which require no technological advancements, mass adoption or legislative changes, are the most likely first adopters/consumers of green hydrogen.

Energy storage and power generation in a green hydrogen-fuelled (dual fuel) peaking plant provides a near term market opportunity, given maturity of the technology and the well-established market for electricity generation.

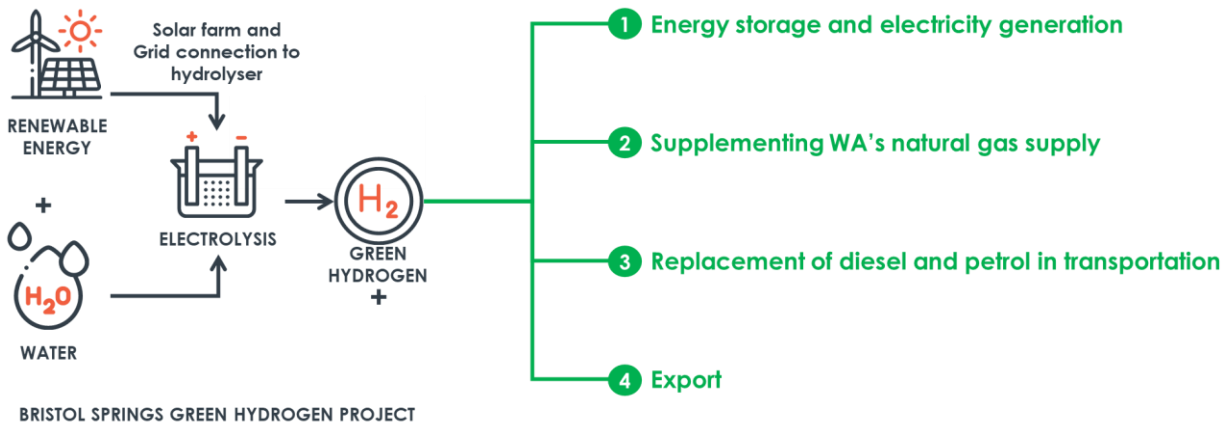

Figure 3 – Multiple offtake pathways for Bristol Springs green hydrogen

Energy storage and power generation

This is arguably the most mature pathway for early hydrogen consumption, given peaking plants are not new technology. The power generation sector has been identified by the WA Government as an early consumer of hydrogen, with the Government proposing a renewable hydrogen target of 1% for electricity generation in the SWIS.

Peaking Plants are designed to firm baseload power in the electricity market and operate during periods of high-level demand for electricity or shortfalls of electricity supply. Peaking Plants are a mature technology, with multiple Peaking Plants already in operation throughout the world including Western Australia.

Peaking Plants provide important balancing services as the world switches towards renewable energy solutions where weather conditions, i.e.. lack of wind or sun, prevent output. Peaking Plants address this imbalance and reduce stress on the electricity grid, by providing power stability to potentially avoid blackouts and maintain the security of electricity supply.

[5] *ASX Announcement 20 June*

Developing a green hydrogen-fuelled (dual fuel) peaking plant allows the Company to benefit from increased electricity pricing during peak demand periods, as well as allow for hydrogen to be blended with natural gas and converted into electricity.

By developing a green hydrogen-fuelled (dual fuel) peaking plant, Frontier can create its own hydrogen offtake and therefore does not require a hydrogen offtake agreement with a third party to achieve a final investment decision and commence construction.

Frontier is exceptionally well positioned, as it has secured a connection to the SWIS at Landwehr Terminal, located less than 1km from the Project. Frontier has secured access to a bay at this terminal - no further access is available to third parties without significant additional capex being spent on infrastructure and associated time to have this infrastructure built. Frontier is also well placed to procure natural gas for the peaking plant, as the DBNGP passes within 0.3km of the Project.

Given the transition to net zero being undertaken in Australia and WA, Frontier believes it will be more challenging to build and connect a natural gas peaking plant onto any electricity network in Australia, without a clear and defined pathway for decarbonisation (such as using renewable hydrogen as a fuel, as Frontier is planning to do).

Supplementing natural gas

The DBNGP is WA's most significant gas transmission asset, transporting gas supplied into the domestic market under WA's Domestic Gas Reservation Policy. The commercial opportunities for Frontier to sell green hydrogen gas into the DBNGP include:

- Injecting green hydrogen into the Mainline South section of the pipeline and blending with natural gas used for domestic gas consumption;
- Selling green hydrogen to an LNG exporter with a domestic gas obligation in WA, to enable the LNG exporter to supplement its domestic gas supply with green hydrogen and thereby satisfying its domestic gas obligation; and enabling the producer to export an equivalent amount of higher priced LNG; or
- Selling green hydrogen to a nearby industrial user located downstream from the Project for use in its industrial processes as a partial replacement of natural gas or as feedstock.

The close proximity of the DBNGP to the Project, in a section of the pipeline ready for injection, with an access point located only ~0.3km from the proposed Bristol Springs hydrogen plant, is a significant advantage.

Prior to the potential injection of hydrogen into the DBNGP amending petroleum legislation to support hydrogen, as well as any approvals to substitute hydrogen as a domestic gas offset is required. The WA Government is well advanced with this process, however, has not provided guidance on the expected timing for the legislation to pass.

In addition, for any potential offtake partner, greater understanding on the timing and structure of the Hydrogen Headstart funding is required. Frontier will provide a submission to the Government's consultation process in August.

Replacement of diesel and petrol in transportation

Hydrogen can be used as fuel to power Fuel Cell Electric Vehicles (FCEV) including cars, buses, trucks, and trains. FCEVs are more efficient than conventional internal combustion engine vehicles and produce no harmful tailpipe emissions. The advantages of hydrogen powered vehicles compared to battery electric vehicles include faster refuelling times and the ability to travel longer distances carrying larger loads before refuelling.

Refuelling hydrogen cars, buses and trucks requires a network of refuelling stations, similar to the existing petrol station network. Refuelling station technology and FCEV technology is maturing, with stations and fleets being rolled out globally.

Frontier continues working towards establishing a green hydrogen refuelling station in central Perth which will contribute towards facilitating the uptake of hydrogen in WA. It is expected to be the first publicly available green hydrogen refuelling station in the State. Frontier anticipates the finalisation of the location and commencement of construction of the first hydrogen refuelling station in 2H 2023. The Company will make further announcements regarding this initial location, as well as the long term roll out strategy, as agreements are finalised.

Hydrogen Export

Export of hydrogen would require liquification of hydrogen or converting it into ammonia using existing chemical processes and exporting by ship. Proximity to export ports is required and in this regard, Frontier is well positioned relative to both Kwinana and Bunbury.

Frontier continues to engage with potential exporters, who are showing interest in pursuing this opportunity. Given the need for significant capital investment in liquefaction plants, terminals and hydrogen to ammonia conversion plants, as well as regulatory change to enable gas transmission in the DBNGP and gas networks to supply export ports, Frontier views this as a longer-term opportunity. However, this may be accelerated if Government mandates for green hydrogen export are accelerated.

Federal Government announced 'Hydrogen Headstart'

The 2023-24 Australian Federal Budget allocated $2bn of revenue support funding to be made available under the 'Hydrogen Headstart' program[6] aimed at bridging the gap between the market price of hydrogen and the production cost of green hydrogen (an analogue is the US Inflation Reduction Act which provides up to US$3/kg subsidy for green hydrogen production).

This is a major tailwind for the Australian green hydrogen industry in the medium to long term, and Frontier is encouraged that this signals only the start of significant further Government support.

The Department of Climate Change, Energy, Environment and Water (**DCCEEW**), in conjunction with the Australian Renewable Energy Agency (**ARENA**), will jointly run the program with the aim of writing the program guidelines for the funding process during the remainder of this year.

[6] *See ASX announcement 12 May 2023 – Australian Budget 2023/24 - Hydrogen Headstart*

Frontier understands that following finalisation of the guidelines, EOIs for Hydrogen Headstart funding are to open in early 2024, to be formally allocated by end 2024, for funding to commence 2026-27. Frontier is currently engaging with DCCEEW/ARENA's industry consultation process and will provide a submission in August.

Waroona Energy commences trading on TSXV

Waroona Energy commenced trading on the Toronto Venture Stock Exchange (the "TSXV") during the quarter. Frontier controls 147.6 million shares in Waroona Energy, representing 20% of its issued capital. At the current share price of C$0.06 this values the Company's holding at approximately A$10m.

Waroona Energy is in a strong financial position following its recent C$9 million capital raising completed at C$0.06 per share, with a cash balance at the end of the quarter of approximately C$11m. Waroona Energy owns two assets, the Waroona Renewable Energy Project ("Waroona Project") and the Superior Lake Zinc Project.

The Waroona Project is an advanced stage solar development asset located 120 km south of Perth in Western Australia. The Project is situated on 300 hectares of flat, cleared land and has forecast energy generation capacity of 241MW.

Like the Bristol Springs Project, the Waroona Project is located near major infrastructure critical for the production and dispatch of both renewable electricity and green hydrogen.

The Superior Lake Project is located approximately 200km east of Thunder Bay in the province of Ontario, Canada, and is an advanced stage development asset surrounded by substantial existing infrastructure. The Superior Lake Project ranks as one of the highest-grade zinc projects in North America.

Collaboration Agreement with Waroona Energy

The Waroona Project is adjacent to Frontier's Bristol Springs Green Hydrogen Project. Both projects share the benefits of nearby infrastructure for green hydrogen production and supply. Given the shared boundaries of the projects, the groups have entered a collaboration agreement to allow for:

- Shared discussions with stakeholders;
- Shared services and shared IP (through Study works); and
- Long term potential for capital cost savings through shared infrastructure.

Hydrogen Fuelled (Dual Fuel) Peaking Plant Study commences

Waroona Energy has commenced a Study to assess a minimum 100 MW hydrogen fuelled (dual fuel) peaking power facility at the Waroona Project site. The Study will be completed with the assistance of Frontier under the existing Collaboration Agreement between the companies.

The peaking plant will source renewable hydrogen produced from direct solar energy generated at Frontier's Bristol Springs Renewable Energy Project and / or Waroona Project. Back-up natural gas fuel will sourced via the DBNGP.

Waroona Energy selected a number of highly experience engineering groups to tender for project design, and GHD was appointed after quarter end. GHD's scope includes:

- Technology assessment of current peaking plant technologies based on a minimum of a 100 MW capacity. This assessment will include:
  - Peaking Plant technology selection
  - Gas storage facility concept design
  - Assessment of EPC costs and performance of selected technology
- Capital and operating cost estimate based on the recommended technology
- Preliminary Hazard Assessment
- Energy Market Review with revenue streams identified
- Emissions assessment
- Permitting and approvals strategy

This Study is expected to be completed in late 2023.

Electricity Market Update

As outlined in a previous announcement[7] by the Company, the Wholesale Energy Market ('WEM') consists of a market for electricity, as well as Reserve Capacity Credits.

In the market for electricity, record prices were observed in the quarter, accelerating the increasing price trend that has been in place since Q4 2021, to average above $100/MWh for the quarter.

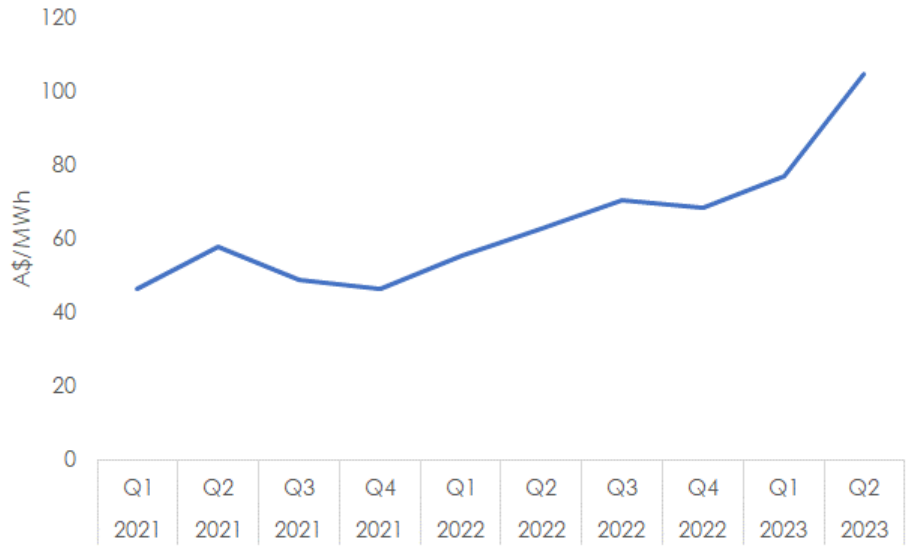

Figure 4 – WEM quarterly price, 2021 to present[8]

[7] *See ASX announcement 20 June 2023*

[8] *https://opennem.org.au/energy/wem/*

Wholesale market pricing fluctuates significantly over time, driven by the demand fluctuations at certain times of day and in certain seasons, as well as the availability of renewable power (i.e. when the sun shines and the wind blows).

Figure 4 compares the most recent quarter's electricity prices to previous June quarters (to remove seasonality effects), as well as the March 2023 quarter (to demonstrate the most recent trend).

Figure 4 shows clearly that the record prices in the June 2023 quarter are driven both by peak time pricing, which reached $150/MWh during the morning peak and above $200/MWh during the afternoon peak - both unprecedented levels; as well as increased pricing in off-peak times, as prices did not dip below $60/MWh in any single half hour interval during the quarter, again unprecedented.

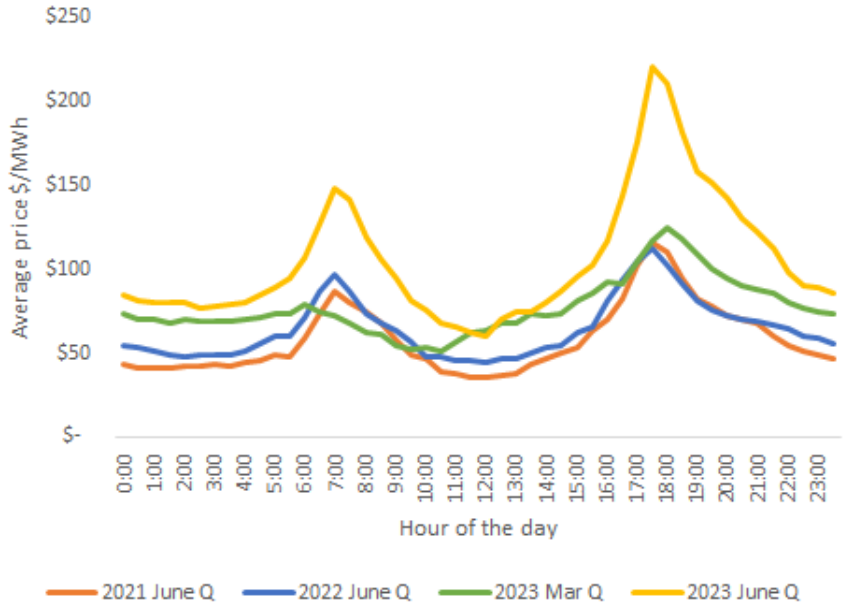

Figure 5 – Average quarterly wholesale power price ($/MWh), in each half hour interval[9]

The Company's strategy is to deliver renewable generation capacity from the Project's 114MW solar farm (Stage 1), that can be converted into green hydrogen which in turn can feed the peaking plant, which supplies electricity when required at peak times. Any excess solar electricity can be sold directly into the WEM during peak or off-peak times.

Corporate

Cash at the end of the Quarter

At 30 June 2023, Frontier had cash on hand of $8.8m (unaudited, excludes Waroona Energy cash balance).

During the quarter $960,000 was received from the exercise of both 22c and 26c options (all expiring 29 January 2024), and approximately $1.0m was received from Executive Chairman,

[9] *Source: AEMO*

Mr Grant Davey, following shareholder approval for his participation in the October 2022 44c placement at the Company's Annual General Meeting of Shareholders held on 26 May 2023.

In May 2023 the shareholders of Waroona Energy approved the acquisition of Waroona Energy Pty Ltd.

Inaugural Sustainability Report Issued

On 1 June 2023, Frontier issued its inaugural Sustainability Report. It can be accessed at: https://frontierhe.com/sustainability/

The Report has been prepared using the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) as a guide. In addition to Frontier's commitment to deliver sustainable renewable energy solutions, the Company recognises the importance of setting high standards and integrating other sustainability considerations into its decision-making. To guide this, the Company has developed the following sustainability ethos: "We care for our community, environment and all stakeholders by delivering safe, reliable and sustainable clean energy solutions". This statement guides all sustainability activities and provides a clear direction for the company's future.

Annual General Meeting

The Company's Annual General Meeting of Shareholders (AGM) was held on 26 May 2023. All resolutions at the Company's AGM were passed by way of poll. All resolutions were strongly supported with votes in favour recorded of above 96%, highlighting the strong shareholder support for the Company and its strategy.

Payments to Related Parties

During the Quarter, payments to related parties for directors' fees totalled $246,496.

Mr Grant Davey, who is a Director of the Company, is a director and shareholder of Matador Capital Pty Ltd ("Matador Capital"). The Company makes payments to Matador Capital under Shared Services and Office Use Agreements in which Matador Capital provides office space, general office administration services and accounting services to the Company. The services provided by Matador Capital are recovered from the Company on a cost-plus basis and totalled $164,437.

Use of Funds

In relation to the Company's Quarterly Activity Report and Appendix 4C for the quarter ended 30 June 2023, the Company provides a comparison of expenditure against the Use of Funds as set out in the Company's Prospectus dated 12 January 2022 pursuant to Listing Rule 4.7C.2.

Use of funds	Prospectus	Actual spend
Land Options	1,650,000	1,650,000
Lease Fees	220,000	160,000
Solar Feed	265,104	265,104
Generator Model Study	126,500	126,500
Interconnection Works	55,000	54,537
Solar Financing	154,000	-

Solar Offtake	572,000	256,108
Solar Expansion Study	123,750	123,750
Battery Integration Study	74,250	74,250
Wind Integration Study	126,500	126,500
Hydrogen Integration Study	234,850	234,850
Corporate Costs	2,873,220	2,873,220
Transaction Costs	741,630	741,630
Working Capital	783,196	-
TOTAL	**8,000,000**	**6,686,448**

Table 3: Use of funds

The higher level of corporate costs incurred to date compared to the prospectus, which was for a two-year period, reflect significant progress with the BSS Project since re-listing in March 2022, with the Company expanding its Board, undertaking greater than expected investor relations and stakeholder engagement activities and incurring higher than expected compliance costs.

Authorised for release by Frontier Energy's Board of Directors.

To learn more about the Company, please visit www.frontierhe.com, or contact:

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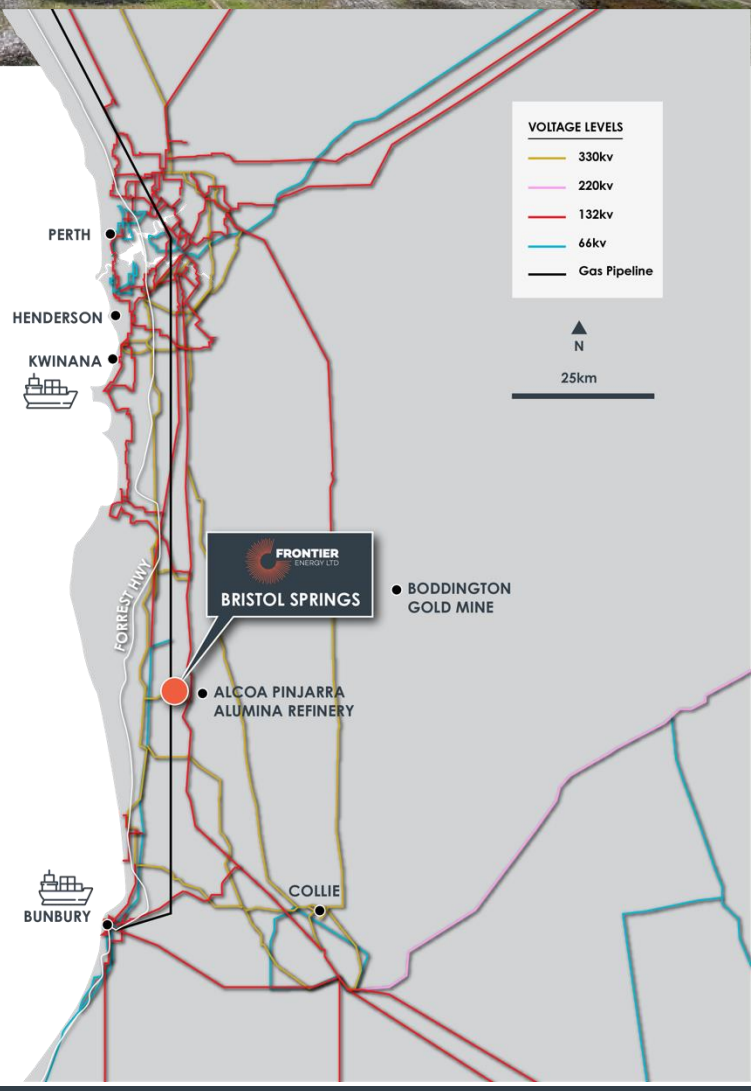
About Frontier Energy

Frontier Energy Ltd (ASX: FHE; OTCQB: FRHYF) is developing the Bristol Springs Green Hydrogen Project (the Project) located 120km from Perth in Western Australia.

The Company recently completed a Definitive Feasibility Study[1] that outlined the Project's potential to be both an earlier mover and one of the lowest cost green hydrogen assets in Australia.

The Project benefits from its unique location surrounded by major infrastructure. This reduces operating and capital costs compared to more remote hydrogen projects, whilst also being surrounded by likely early adopters into the hydrogen industry in the transition from fossil fuels.

[1]ASX Announcement 20th March 2023



Directors and Management

Mr Sam Lee Mohan
Managing Director

Mr Grant Davey
Executive Chairman

Mr Chris Bath
Executive Director

Ms Dixie Marshall
Non-Executive Director

Ms Amanda Reid
Non-Executive Director

Registered Office

Level 20, 140 St Georges Terrace
Perth WA 6000

Share Registry

Automic Registry Services
Level 5, 126 Philip Street
Sydney NSW 2000

For a comprehensive view of information that has been lodged on the ASX online lodgement system and the Company website, please visit asx.com.au and frontierhe.com, respectively.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Frontier Energy Limited	
ABN	**Quarter ended ("current quarter")**
64 139 522 553	30 June 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(196)	(530)
	(f) administration and corporate costs	(786)	(1,265)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	51	115
1.5	Interest and other costs of finance paid	(4)	(8)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Metallum - exploration expenditure)	-	(3)
1.8	Other (Rent received)	2	2
1.8	Other (Study)	(4)	(8)
1.9	**Net cash from / (used in) operating activities**	**(937)**	**(1,697)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	(130)	(334)
	(j) investments	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(k) intellectual property	-	-
	(l) other non-current assets (exploration and evaluation assets)	-	(110)
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	2
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (release of cash on deconsolidation of Waroona Energy Inc.)	(13,441)	(13,441)
2.6	**Net cash from / (used in) investing activities**	**(13,571)**	**(13,883)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,000	1,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	960	960
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(342)	(342)
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 (share subscription receipts (shares not issued)	-	8,637
3.10	Other (lease payments)	4	(42)
3.11	**Net cash from / (used in) financing activities**	**1,622**	**10,213**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	21,040	13,455
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(937)	(1,697)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(13,571)	(13,883)
4.4	Net cash from / (used in) financing activities (item 3.11 above)	1,622	10,213
4.5	Effect of movement in exchange rates on cash held	657	723
4.6	**Cash and cash equivalents at end of period**	**8,811**	**8,811**

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	8,811	21,040
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)**	**8,811**	**21,040**

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	411
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** *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.*	**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)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(937)
8.2	Cash and cash equivalents at quarter end (item 4.6)	8,811
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	8,811
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	9.4

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

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

Answer: Not applicable

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

Answer: Not applicable

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

Answer: Not applicable

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 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: 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 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 standard applies 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.