

# QUARTERLY ACTIVITIES REPORT

## FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Red Hawk Mining Limited (ASX: **RHK**) (**Red Hawk** or **the Company**) is pleased to provide its activities report for the Quarter ended 30 September 2023.

**■** *The Red Hawk team has made enormous progress this Quarter as we focus on developing high quality DSO resources at the Blacksmith Project, with an emphasis on speed to market and lowering upfront capital. We have added considerable iron ore development experience to our team as we continue our rapid progress towards production, targeted for 2025.*

*The completion of the 3Mtpa DSO Scoping Study is a major milestone, highlighting the low upfront capital requirement and robust economics of the Blacksmith Project.*

*The announcement of the DSO Mineral Resource Estimate for the Delta and Paragon deposits in September (100.1Mt at 60.1% Fe) demonstrated the Project's ample resources to deliver a saleable product in the current iron ore market. This was followed by an increase to the Mineral Resource Estimate to the Champion and Blackjack deposits, taking the total Blacksmith DSO resource base to over 170Mt of iron ore. These resources will form the basis of the Pre-Feasibility Study which commenced immediately after the Scoping Study was finalised, and is expected to be released in 1Q 2024.*



**RED HAWK'S MANAGING DIRECTOR,  
STEVEN MICHAEL**



### HIGHLIGHTS

- Change of name to Red Hawk Mining following shareholder approval (+98% vote in favour).
- Completion of geological re-interpretation at the Delta and Paragon deposits results in a DSO Mineral Resource Estimate of 100Mt at a grade of 60.1% Fe, with 96% classified as Indicated.
- Scoping Study successfully completed, demonstrating the viability of a 3Mtpa DSO project incorporating the Delta and Paragon deposits at the 100%-owned Blacksmith Iron Ore Project.
- Mineral Resource Estimate at Champion and Blackjack deposits increases total Blacksmith DSO Mineral Resource to 174Mt at a grade of 60.0% Fe.
- \$6.3 million entitlement offer launched, providing eligible shareholders with the opportunity to continue to participate in the Company's growth.

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**ASX:** RHK

**ABN:** 46 091 118 044

**No. of shares on issue:** 168,848,577

**Substantial Shareholders:**

TIO (NZ) Limited 59.46%

OJC Investments (Australia) Pty Ltd 20.76%

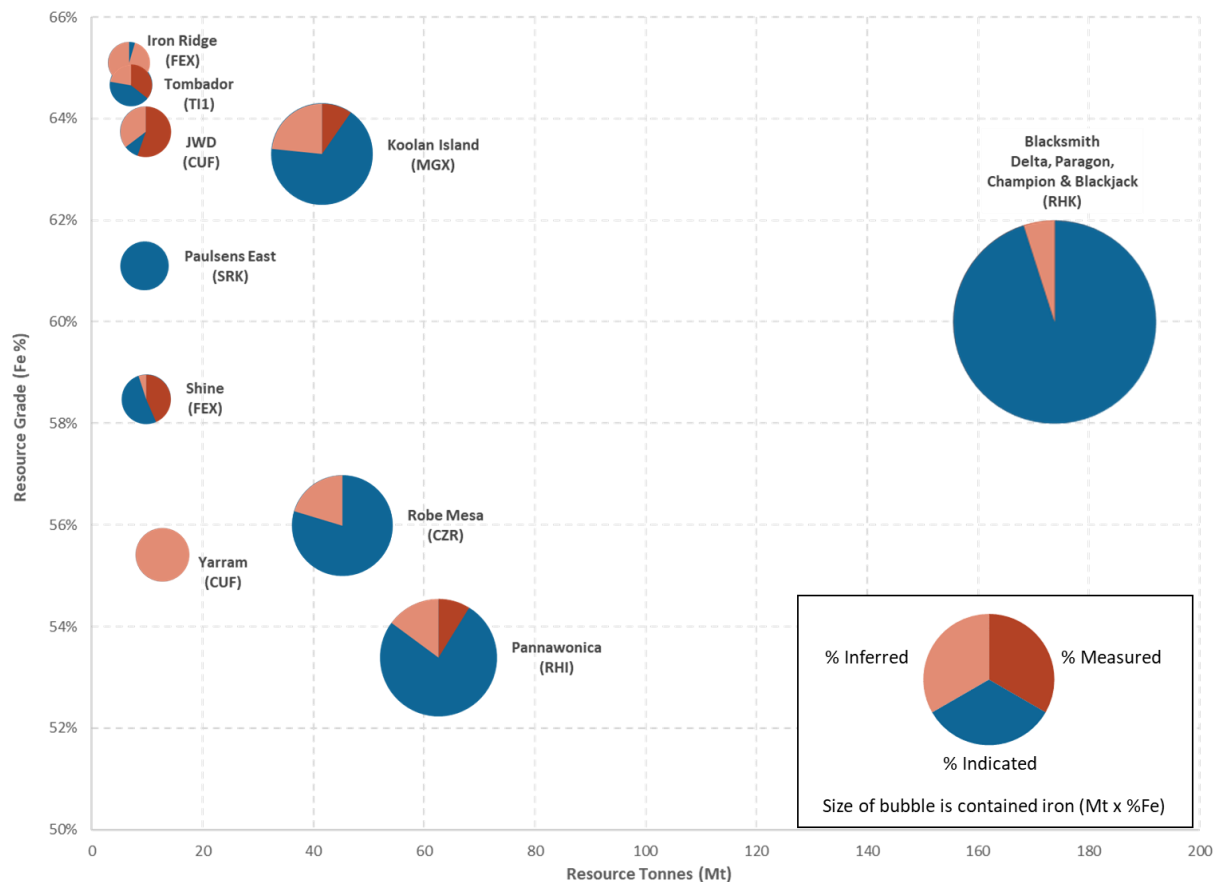
## Blacksmith Project

### Mineral Resource Estimates

The Blacksmith Project consists of seven shallow deposits: Ajax, Badger, Blackjack, Champion, Delta, Eagle and Paragon. The Project is underpinned by a substantial deposit knowledge base, including over 200,000m of historical drilling, assays, geological modelling, metallurgical testwork and geophysical data. This knowledge base has been re-interpreted by CSA Global to improve the geological characterisation and lithological domaining of the deposits.

On 6 September 2023, Red Hawk announced a Direct Shipping Ore (**DSO**) Mineral Resource Estimate (**MRE**) of 100.3Mt at a grade of 60.1% Fe for the Delta and Paragon deposits. This MRE formed the basis of the Blacksmith Scoping Study released in early October. After the end of the reporting period, on 16 October 2023, a further MRE for the Blacksmith Project was announced for the Champion and Blackjack deposits, increasing the total DSO MRE to 173.8Mt at a grade of 60.0% Fe. This expanded resource will form the basis of the Pre-Feasibility Study (**PFS**), which commenced immediately after the Scoping Study was finalised.

The increased MRE confirms the Blacksmith Project as one of the largest undeveloped hematite/goethite resources in the Pilbara wholly owned by an ASX-listed junior iron ore company. With an average resource grade of 60.0% Fe, the Blacksmith deposits have the potential to produce a DSO iron ore product saleable in the current market without the need for beneficiation or upgrading.



See notes on page 8.

**Figure 1: Iron ore resources for selected ASX-listed companies (excludes magnetite resources)**

The addition of the Champion and Blackjack Mineral Resources increased the total Blacksmith Mineral Resource to 173.8Mt grading 60.0% Fe. Importantly, 95% of the MRE is in the Indicated category with 5% in the Inferred category. Table 1 below shows the total Blacksmith DSO Mineral Resource Estimate, with the following tables showing MRE by individual deposit and classification.

**Table 1: Delta deposit MRE (57.5% Fe cut-off)**

JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	83.9	60.2	0.090	4.81	3.17	5.11
Inferred	3.9	59.9	0.103	4.12	2.61	6.81
<b>Total</b>	<b>87.8</b>	<b>60.1</b>	<b>0.090</b>	<b>4.78</b>	<b>3.14</b>	<b>5.18</b>

**Table 2: Paragon deposit MRE (57.5% Fe cut-off)**

JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	12.2	60.0	0.094	4.03	2.79	6.21
Inferred	0.4	58.8	0.090	4.10	1.82	8.85
<b>Total</b>	<b>12.5</b>	<b>60.0</b>	<b>0.093</b>	<b>4.04</b>	<b>2.76</b>	<b>6.28</b>

**Table 3: Champion deposit MRE (57.5% Fe cut-off)**

JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	37.8	59.8	0.081	5.42	3.45	4.59
Inferred	0.4	59.6	0.088	5.87	2.76	4.88
<b>Total</b>	<b>38.2</b>	<b>59.8</b>	<b>0.081</b>	<b>5.42</b>	<b>3.44</b>	<b>4.60</b>

**Table 4: Blackjack deposit MRE (57.5% Fe cut-off)**

JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	31.4	60.0	0.076	5.95	3.34	4.02
Inferred	3.9	59.8	0.109	3.83	2.10	7.83
<b>Total</b>	<b>35.3</b>	<b>60.0</b>	<b>0.079</b>	<b>5.71</b>	<b>3.20</b>	<b>4.44</b>

**Table 5: Total Blacksmith DSO MRE (57.5% Fe cut-off)**

JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	165.2	60.0	0.085	5.11	3.24	4.86
Inferred	8.6	59.8	0.102	4.12	2.54	6.98
<b>Total</b>	<b>173.8</b>	<b>60.0</b>	<b>0.086</b>	<b>5.06</b>	<b>3.20</b>	<b>4.97</b>

See notes on page 8.

## Geology

The potentially economic mineralisation types reported comprise canga (hematite) and Dales Gorge Member hardcap (goethite), with minor contribution from detrital materials. These lithologies have an in-situ iron mineralisation suitable for processing by Pilbara standard dry crush and screen practices to produce a DSO product.

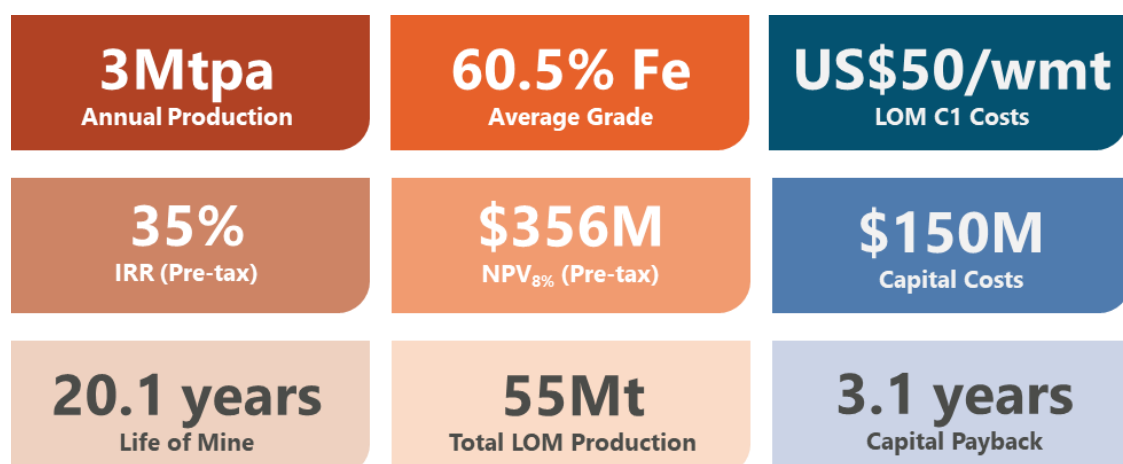
The hematite dominant canga is the highest iron grade unit within the detritals stratigraphy and represents approximately 66Mt of the total 174Mt MRE (38%). This unit is typically a competent, cemented basal detrital unit occurring above the bedrock. It generally has an iron content above 60% Fe, although can be as high as 65% Fe. The Dales Gorge Member mineralisation underlies the canga and is predominantly goethite with minor hematite and is extensive across the Delta, Paragon, Champion and Blackjack deposits. The iron mineralisation grades between 55% to 62% Fe. The Dales Gorge Member comprises approximately 70Mt of the total 174Mt MRE (40%).

## Scoping Study

On [9 October 2023](#), Red Hawk released the results of a Scoping Study on a 3Mtpa DSO project at the Blacksmith Project. The Scoping Study is based on the following project attributes:

- DSO Mineral Resource at the Delta and Paragon deposits of 100.3Mt at 60.1% Fe (using a 57.5% Fe cut-off grade).
- Establishment of several shallow open pits, commencing in mid-2025, producing 55Mt of ore at an average grade of 60.5% Fe over a twenty year mine life.
- Over 98% of the overall material in the production schedule is currently classified as an Indicated resource, while less than 2% is Inferred.
- Construction and operation of a standard "Pilbara" crushing and screening plant with a nominal capacity of 3Mtpa.
- Initial production of 1.2Mt in Year 1, ramping up to 3Mtpa from Year 3 onwards.
- Product grade of 62% Fe in Years 1 and 2, followed by 60.5% Fe for the life of mine (utilising 55% of the Delta and Paragon mineral resource), with deleterious elements within market accepted limits.
- Iron ore product to be transported by public roads to Port Hedland and exported via the Utah Point bulk handling facility.

The key highlights of the Scoping Study include:



**Figure 2: Blacksmith DSO Scoping Study Key Metrics**

The Project is well progressed in securing access to land and having primary approvals in place to enable an expedient pathway to approval of ground disturbance and construction activities. The Company has previously progressed alternative project options and the tenure, access agreements, approvals and permits have been maintained. They now form the basis for Red Hawk to secure a 3Mtpa DSO operation at the Blacksmith Project.

The Scoping Study detailed a mine plan developed by Oreology, with DSO produced by crushing and screening with no additional beneficiation or upgrade processing.

#### *Haulage strategy*

Red Hawk is developing an optimal road train haulage strategy for the Blacksmith Project which minimises upfront capital expenditure and operational cost whilst complying with all regulatory requirements. Selection of the optimal road haulage strategy involved:

- Review of existing approved Restricted Access Vehicle (RAV) configurations along the route from Blacksmith to the Utah Point bulk handling facility (Utah Point) at Port Hedland,
- Evaluating conceptual design detail and costing for various options including supporting infrastructure requirements and road upgrades,
- Engagement with stakeholders including Main Roads Western Australia (MRWA) to identify requirements for permits and approvals, and
- Evaluating operational and maintenance strategies.

The route from Blacksmith to Utah Point travels from Blacksmith to the Manuwarra Red Dog Highway via a 23km unsealed private haul road. Product is trucked to Karratha via the Manuwarra Red Dog Highway and then along the North West Coastal Highway to Utah Point. The total one-way travel distance is 446km.

#### **Next steps**

Following completion of the Scoping Study, Red Hawk has immediately commenced a PFS and additional site works to facilitate the rapid development of the Blacksmith Project. Over the coming months, Red Hawk plans to:

- Complete additional drilling and geotechnical works to convert a portion of the Delta MRE to a Measured Resource classification.
- Undertake a PFS to consolidate and validate the Scoping Study project economics.
- Develop conceptual pit shells and production schedules for Champion and Blackjack for incorporation into the PFS.
- Engage with Project critical contractors to acquire market pricing and develop the commercial relationships to underpin the execution and operation of the Project.
- Continue liaising with Main Roads Western Australia and the Pilbara Ports Authority to enable the transport and export of the DSO product.

## Canegrass Project

The Canegrass Project became subject to a Farm-in Agreement (**Canegrass FIA**) with a subsidiary of Viking Mines Limited (ASX: VKA) (**Viking**) on 30 September 2022. Under the Canegrass FIA, Viking can earn up to a 99% interest in the Canegrass tenements by spending \$4 million on exploration and making payments to the Company of \$1.25 million over 54 months (from 30 November 2022). Viking has continued its exploration activities over the Canegrass Project targeting battery minerals, including vanadium.

On 16 August 2023, Viking announced that it had completed Stage 1 of the FIA after reaching the commitment of \$1 million on exploration expenditure on the Canegrass tenements. Red Hawk received a cash payment of \$225k due on completion of Stage 1 and consequently Viking now holds a 25% interest in the Canegrass Project.

## Corporate

### Financial

As at 30 September 2023, the Company held \$3.1 million in cash. No substantive direct exploration activities were undertaken by the Company on the Blacksmith or Canegrass Projects during the Quarter. The Company's main activities during the September Quarter focussed on progressing the Blacksmith Scoping Study, conducting heritage clearance surveys and environmental programs.

### Related party transactions

The Company notes that during the Quarter, a total of \$542k was paid to related parties, including Directors and their associates.

During the Quarter, \$21.3k was paid to TIO (NZ) Limited, the major shareholder of Red Hawk, for director services provided by Mr Rob Foster. Mr Michael Wolley, a nominee director of TIO (NZ) Limited was paid \$21.3k directly for his services. \$21.3k was paid to Ms Amy Jiang, a nominee director of the Company's second largest shareholder, OCJ Investments (Australia) Pty Ltd. Red Hawk's Managing Director, Steven Michael, and independent directors, Ms Cheryl Edwardes and Messrs Daniel Harris and James Gurry, received a combined \$208.4k.

In addition, communication fees of \$34.3k and financial modelling fees of \$105k were paid to FTI Consulting (Australia) Pty Ltd, a company that employs Ms Edwardes. \$20k was paid to PAC Partners, a company that employs Mr James Gurry, for advisory services.

\$110k was paid for the acquisition of vehicles and equipment from BBI Group Pty Ltd, a company owned by TIO (NZ) Limited.

### Entitlement Offer

Subsequent to the end of the Quarter, on [23 October 2023](#), Red Hawk announced an equity raising via a non-renounceable entitlement offer on the basis of one new share for every twelve shares held at 5.00pm (AWST) on Thursday, 26 October 2023, to raise up to \$6.3 million (before costs). The offer will be undertaken at an offer price of \$0.45 per new share, which represents a:

- 28% discount to the last close price prior to announcement of the offer of \$0.625; and
- 30% discount to the 15 day VWAP prior to announcement of the offer of \$0.640.

Funds raised under the entitlement offer will be used to advance the Blacksmith Project, including metallurgical testwork, completion of a pre-feasibility study, and permitting, general working capital and costs of the offer and an unmarketable parcel buy-back (refer below for details).

The Company's two major shareholders have committed to take up their full entitlements totalling \$5.1 million (80.2% of the offer) conditional on there being no material adverse event at any time prior to their subscription. The offer is expected to open on Tuesday, 31 October 2023 and close at 5.00pm (AWST) on Wednesday, 22 November 2023.

### **Unmarketable parcel buy-back**

The Company also announced on 23 October 23 that it is undertaking a buy-back for shareholders with holdings of less than \$500 (**Unmarketable Parcel**). The buy-back will assist Unmarketable Parcel holders to sell their shares without paying any brokerage or handling fees. The Company also expects to reduce administrative costs associated with maintaining a large number of very small shareholdings.

### **Annual General Meeting**

The Annual General Meeting of Shareholders will take place at 10:00am (AWST) on Tuesday, 21 November 2023 at the Melaleuca Room, Central Park Conference Centre, 152-158 St Georges Terrace, Perth. The Notice of Meeting was lodged with the ASX on [23 October 2023](#).

### **Change of Company name to Red Hawk Mining**

On [7 August 2023](#), the Company changed its name from Flinders Mines Limited to Red Hawk Mining Limited and shares began trading under the new ASX code '**RHK**'. As part of the rebranding the Company also announced the launch of its new website [www.redhawkmining.com.au](http://www.redhawkmining.com.au)



### **Steven Michael**

Managing Director and CEO  
Red Hawk Mining Limited

*This ASX announcement was authorised by the Board of Red Hawk Mining Limited.*

For further information please contact:

**Investors and Shareholders**  
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**Managing Director and CEO**  
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**Notes:****1. Mineral Resource Estimate (Tables 1 to 5)**

- Due to effects of rounding, totals may not represent the sum of all components.
- Tonnages are rounded to the nearest 0.1 million tonnes and grades are shown to two significant figures.
- Reporting criteria are: Indicated and Inferred material (RESCAT=2 or RESCAT=3), Fe >57.5%, Zone=2, Zone=3, Zone=4 or Zone=5.

**2. Iron ore resources for selected ASX-listed companies (Figure 1)**

- JWD and Yarram – CuFe Limited (ASX: CUF): 2023 Annual Report (ASX announcement 28/09/2023)
- Iron Ridge and Shine – Fenix Resources Limited (ASX: FEX): 2023 Annual Report (ASX announcement 29/08/23)
- Tombador – Tombador Iron Limited (ASX: TI1): Financial Report for 6 Months to December 2022 (ASX announcement 31/03/2022)
- Robe Mesa – CZR Resources Ltd (ASX: CZR): 2023 Annual Report (ASX announcement 22/09/2023)
- Koolan Island – Mount Gibson Iron Limited (ASX: MGX): Mineral Resources and Ore Reserves Statement 2023 (ASX announcement 28/09/23)
- Pannawonica – Red Hill Minerals Limited (ASX: RHI): 2023 Annual Report (ASX announcement 21/09/2023)
- Paulsens East – Strike Resources Limited (ASX:SRK): Significant Upgrade of JORC Resource (ASX announcement 04/09/2019)

**Disclaimer:**

This announcement includes forward-looking statements within the prevailing regulatory laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of words such as “aim”, “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “targets”, “outlook” and “guidance”, or other similar words and may include, without limitation, statements regarding estimated reserves and resources, certain plans, strategies, aspirations and objectives of management, anticipated production, study or construction dates, expected costs, cash flow or production outputs and anticipated productive lives of projects and mines. Such statements are subject to prospective risks and uncertainties and may cause actual developments to differ materially from the reported results.

The forward-looking statements in this announcement were prepared based on the present intentions of the current Red Hawk board and management team, numerous assumptions concerning current conditions and future events, as well as the business environment where Red Hawk conducts business. Red Hawk has no obligation to guarantee that the valid information presented will bring the specific results as expected.

**Competent Person’s Statement:**

The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin and Mr Mark Pudovskis. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Mark Pudovskis is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaron Meakin and Mr Mark Pudovskis have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

With respect to previously reported Mineral Resources, the Company confirms that the form and context in which the results are presented and all material assumptions and technical parameters underpinning the estimates (including the production targets and forecast financial information derived from the production targets) in the original market announcements continue to apply and have not materially changed from the original announcements and that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original announcements *DSO Mineral Resource Estimate – Delta and Paragon Deposits* on 6 September 2023 and *Blacksmith Project DSO Scoping Study* on 9 October 2023.



**Table 6: Tenement Schedule for the quarter ending 30 September 2023**

Tenement no.	Status	Tenement name	Grant/ Application date	Expiry date	Area (sq km)	Registered holder/Applicant	Interest
<b>Blacksmith Project</b>							
M47/1451	Granted	Blacksmith ML	26/03/2012	25/03/2033	111.6	PIOP Mine Co Pty Ltd	100%
R47/21	Granted	Anvil	30/01/2020	29/01/2028	44.4	PIOP Mine Co Pty Ltd	100%
L47/728	Granted	PIOP Airstrip	29/05/2015	28/05/2036	3.0	PIOP Mine Co Pty Ltd	100%
L47/730	Granted	PIOP Village	29/05/2015	28/05/2036	0.1	PIOP Mine Co Pty Ltd	100%
L47/731	Granted	Northern Road	18/11/2019	17/11/2040	4.9	PIOP Mine Co Pty Ltd	100%
L47/734	Granted	Southern Road	29/05/2015	28/05/2036	4.2	PIOP Mine Co Pty Ltd	100%
L47/1116	Pending	Access Rd	18/05/2023	-	11.99	PIOP Mine Co Pty Ltd	100%
L47/1117	Pending	Access Rd	18/05/2023	-	7.07	PIOP Mine Co Pty Ltd	100%
L47/1118	Pending	Access Rd	18/05/2023	-	3.6	PIOP Mine Co Pty Ltd	100%
L47/1119	Pending	Access Rd	18/05/2023	-	7.33	PIOP Mine Co Pty Ltd	100%
L47/1120	Pending	Access Rd	18/05/2023	-	5.13	PIOP Mine Co Pty Ltd	100%
L47/1121	Pending	Access Rd	18/05/2023	-	7.91	PIOP Mine Co Pty Ltd	100%
L47/1122	Pending	Access Rd	18/05/2023	-	7.98	PIOP Mine Co Pty Ltd	100%
<b>Canegrass Project<sup>1</sup></b>							
E58/232	Granted	Boulder Well	29/07/2002	28/07/2024	16.1	Flinders Canegrass Pty Ltd	100%
E58/236	Granted	Challa	22/03/2002	21/03/2024	12.7	Flinders Canegrass Pty Ltd	100%
E58/282	Granted	Honey Pot	3/05/2007	2/05/2024	24.2	Flinders Canegrass Pty Ltd	100%
E58/520	Granted	Waramboo	14/09/2017	13/09/2027	3.1	Flinders Canegrass Pty Ltd	100%
E58/521	Granted	Waramboo	14/09/2017	13/09/2027	15.1	Flinders Canegrass Pty Ltd	100%
E58/522	Granted	Waramboo	14/09/2017	13/09/2027	24.1	Flinders Canegrass Pty Ltd	100%

<sup>1</sup> Red Hawk has entered into a Farm-in Agreement (FIA) with Viking Critical Minerals Pty Ltd, a wholly owned subsidiary of Viking Mines Limited (ASX: VKA) for all minerals on the Canegrass tenements. Pursuant to the FIA, Red Hawk will also receive cash payments from Viking as each earn-in stage is completed. Ultimately Viking has the right, but not the obligation, to acquire Canegrass.

## ABOUT RED HAWK MINING

Red Hawk Mining (ASX:RHK) is focussed on developing its 100%-owned Blacksmith Iron Ore Project in the Pilbara region of Western Australia. The Pilbara hosts many world-class iron ore mines and is the world's largest producing region of seaborne iron ore. With its close proximity to major iron ore markets, including China, Japan, South Korea and India, iron ore exports from the Pilbara exceeded 750 million tonnes in 2022.

## BLACKSMITH PROJECT

The Blacksmith Project is located approximately 70km north-west of Tom Price and is surrounded by many major iron ore projects and significant associated road, rail and power infrastructure. The Project, containing mining lease M47/1451, has the potential to be a long-term supplier of iron ore to global steelmakers.



## DIRECTORS

**THE HON. CHERYL EDWARDES AM**  
NON-EXECUTIVE CHAIR

**STEVEN MICHAEL**  
MANAGING DIRECTOR AND CEO

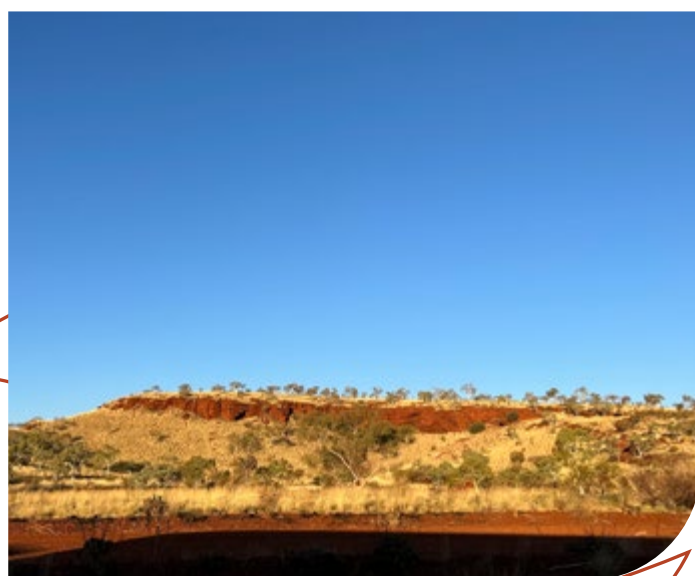
**ROB FOSTER**  
NON-EXECUTIVE DIRECTOR

**JAMES GURRY**  
NON-EXECUTIVE DIRECTOR

**DANIEL HARRIS**  
NON-EXECUTIVE DIRECTOR

**AMY JIANG**  
NON-EXECUTIVE DIRECTOR

**MICHAEL WOLLEY**  
NON-EXECUTIVE DIRECTOR



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**[redhawkmining.com.au](http://redhawkmining.com.au)**

## Appendix 5B

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

Name of entity

RED HAWK MINING LIMITED

ABN

46 091 118 044

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(127)	(127)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(1,139)	(1,139)
	(e) administration and corporate costs	(497)	(497)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	46	46
1.5	Interest and other costs of finance paid	(11)	(11)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,728)</b>	<b>(1,728)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(138)	(138)
	(d) exploration & evaluation (if capitalised)	(1,136)	(1,136)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,274)</b>	<b>(1,274)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

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

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	6,116	6,116
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,728)	(1,728)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,274)	(1,274)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,114</b>	<b>3,114</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,114	6,116
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,114</b>	<b>6,116</b>

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

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	432
6.2	Aggregate amount of payments to related parties and their associates included in item 2	110

*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*

Non-executive Director fees paid to TIO (NZ) Limited for the quarter, the major shareholder of the Flinders Mines Limited, of \$21.3k for Director services provided by Mr Foster. Mr Wolley is no longer an employee of the major shareholder, however, remains as a nominee director and was paid \$21.3k for his services during the quarter.

Non-executive fees paid to Ms Jiang, a nominee of the Company's second largest shareholder, OCJ Investment (Australia) Pty Ltd, of \$21.3k for the quarter.

Director fees paid to the Company's Managing Director, Steven Michael and independent Non-executive Directors, Messrs Harris, Gurry, and Ms Edwardes, of \$208.4k for the quarter.

Communications fees of \$34.3k and \$105.0k for the development of financial models paid to FTI Consulting (Australia) Pty Ltd a company that employs Ms Edwardes.

Financial advisory fees of \$20.0k payable to PAC Partners Pty Ltd a company that employs Mr Gurry.

\$110.0k was paid for the acquisition of vehicles and equipment from BBI Group Pty Ltd a company owned by TIO (NZ) Limited.

7.	Financing facilities <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>	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	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

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

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,728)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(1,136)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(2,864)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,114
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,114
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b> <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>	1.1

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

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: Yes

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: On 23 October 2023, Red Hawk Mining Ltd announced a \$6.3 million entitlement offer. The company believes the capital raising will be completed successfully and has commitments from major shareholders totalling \$5.1 million (80.2% of the offer).

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: Funds raised (refer 8.8.2 above) will be used to advance the Blacksmith Project including general working capital.

## Compliance statement

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

Date: 30 October 2023

Authorised by: Board of Red Hawk Mining Limited  
(Name of body or officer authorising release – see note 4)

## Notes

- 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.
- 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.



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

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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.