

QUARTERLY REPORT

Quarter ended 31 December 2023

ASX: CUF

ASX Announcement – 31 January 2024

CuFe Ltd (ASX: **CUF**) (**CuFe** or the **Company**) is pleased to provide its Quarterly Activities Report and Appendix 5B for the three-month period ended 31 December 2023.

HIGHLIGHTS

- Record quarterly sales iron ore sales of 181,785 wmt from JWD
- Changed crushing and screening contractor at JWD to improve operational efficiency and output
- Built JWD hedge book to 420,000dmt maturing over Cal 2024 to take advantage of stronger Fe prices
- Yarram geotechnical and metallurgical test work program nearing completion
- North Dam lithium and rare earths drill planning and approvals progressing well with Program of Work approved post quarter end
- Entered agreement to acquire additional tenure in the North Dam region via acquisition of M15/1841
- Applied for additional ground in the highly prospective West Arunta region

CuFe Executive Director Mark Hancock commented on the quarter: “It’s been pleasing to continue to grow our export volumes from JWD to record levels, assisted by increased export of stockpiled fines material which became economic with improved iron ore prices.

We have had some challenges with crushing and screening plant performance over the quarter and made the decision to change providers, which has caused some disruption to production late in the quarter and into early January as we have installed and commissioned the new plant. Post completion of commissioning, improved daily throughput rates have been achieved which should assist in increasing export volumes moving forward.

In the previous December Quarters of 2021 and 2022 we had to suspend operations at JWD due to low iron ore prices so it’s been pleasing to see a significant increase in iron ore prices over the December 2023 quarter. While this has resulted in some hedge losses, as we had previously fixed prices at levels below where the index ultimately averaged, we have a consistent strategy to hedge pricing to provide certainty of outcome and we believe the new hedge positions entered during this period of elevated pricing will serve us well in the future.

On the exploration front we have continued to make good progress at our lithium / rare earths project at North Dam where we have now received government approval to drill and at the exciting West Arunta region where we expanded our footprint via two new tenement applications.”

OPERATIONS

JWD IRON ORE PROJECT (Western Australia, CUF 100%)

Operations Summary Metrics

Production Summary (100%)	Measure	Q1 FY24	Q2 FY24	Var (%)
Total material moved	BCM	247,706	360,306	45%
Ore mined	wmt	239,047	165,530	(31%)
Ore processed	wmt	228,550	151,985	(34%)
Ore hauled to port	wmt	160,640	170,286	6%
Ore shipped	wmt	160,402	181,784	13%
Lump	wmt	141,912	94,312	(34%)
Fines	wmt	18,489	87,472	373%
Inventory				
ROM	wmt	105,182	118,727	13%
Site Finished Product	wmt	17,759	4,128	(77%)
Port	wmt	27,556	16,497	(40%)
Revenue (FOB)	US\$/wmt	107.31	109.62	2%
Revenue (FOB) Lump	US\$/wmt	109.91	124.45	13%
Revenue (FOB) Fines	US\$/wmt	87.32	93.63	7%
Revenue (FOB)	A\$/wmt	162.40	162.72	0%
Realised Hedging (loss)/ gain	A\$/wmt	(3.54)	(-19.16)	(441%)
Total Revenue	A\$/wmt	158.86	143.57	(10%)
C1 Costs (\$/wmt by Activity)	A\$/wmt	118.75	143.49	(20%)
C1 Costs (\$/wmt Shipped)	A\$/wmt	130.80	130.64	0%

Note: All numbers (unaudited)

Key points:

- Decrease in ore mining and crushing production volumes driven by higher strip ratio and performance issues with the crushing and screen plant. The crushing contractor was replaced during the quarter which has seen a significant improvement in performance during January. Haulage volumes were higher than the previous quarter driven by increased haulage of fines product.

The C1 Cost (A\$/wmt Shipped) for the quarter is in line compared to the September quarter, primarily as a result of increased fines sales whose mining and crushing costs have been previously attributed to lump production. The C1 cost by activity has seen a substantial increase driven primarily by higher mining strip ratio due to mining focusing on necessary waste movements whilst the crush and screen plant was under performing, fixed cost dilution over reduced mining and processing tonnes and increased rise and fall driven by higher weighted average fuel price during the quarter under review. The mining strip ratio going forward will reduce and fuel price has seen a marked reduction late in the quarter.

- The cost of diesel, labour and consumables have experienced significant escalation from the Company's initial assumptions. Diesel price has increased by \$0.21/l compared to the previous quarter which lead to an increase in haulage costs, offset by greater utilisation of larger trucks.

- A new port contract was entered with Fenix during the quarter which allows export of certain third-party tonnes under the CuFe contract, thus allowing CuFe to reduce its port unit costs and blend material with complimentary products to reduce the time taken to build a saleable parcel of ore, improving the working capital cycle.
- Shipped tonnes for the quarter are 13% higher compared with the September Quarter driven by increased sales for fines (+68k tonnes) offset by decrease lump sales (-48k tonnes), additional fines sales were made from current stockpiles during the Quarter to compensate for lower lump production driven by performance issues with the crushing and screening plant.
- Realised pricing of US\$110/wmt FOB basis, up 2% on the prior quarter due to an increase in the benchmark price, which was up 13% quarter on quarter (USD129DMT basis 62% Fe for the December Quarter compared to USD114DMT for the September Quarter) partially offset by the larger percentage of lower value fines sales.
- A net accounting hedge loss was realised for the quarter of A\$19.16/wmt driven by a significant increase in iron ore pricing over the quarter. For cashflow purposes, the settlement of the December loss occurred after quarter end.
- A total of 420,000 dmt of hedges are in place at the date of this report covering the period January 2024 to December 2024. This represents approximately half of the anticipated sales volume for that period. The hedge book comprises 330,000dmt of swaps with an average strike price of USD125/dmt and 90,000dmt put/call options with an average floor of US\$110/dmt and average cap of US\$132/dmt.

DEVELOPMENT AND EXPLORATION PROJECTS

Yarram Mining Rights (Northern Territory)

The Company holds a 50% interest in Gold Valley Iron and Manganese Pty Ltd, the owner of the iron ore rights over the Yarram project, located some 110km from Darwin Port.

Over the quarter activity on the Yarram Project was centered the analysis and processing of geotechnical and metallurgical data from the recent PQ drill program.

Geotechnical test work and analysis by Bastion Geotechnical Consultants is complete and has calculated geotechnical design parameters for both the Kraken and Captain Morgan pits to a level of certainty sufficient for pre-feasibility level studies. This workstream is the first of this nature for the Yarram Project and will importantly inform pit optimisation and pit design work in the current study. Key findings of this work include:

- Bench face Angles of between 40 and 55 degrees
- Inter- ramp slope angles of between 30 and 45 degrees
- Bench height ranging from 5 to 20m

Metallurgical test work results have been incrementally received over the December Quarter. These have been slower than expected with high loads on the laboratories involved from other clients. Final lump and fines chemistry and drop tower results are expected during the March quarter but to date key findings include:

- Relatively low UCS and CWI indicating favorable crushing and comminution properties
- Generation of a lump product with favorable physical characteristics

Both the geotechnical design parameters and the metallurgy results will inform an update to pit optimisations and a PFS level of accuracy Life of Mine plan. This will enable development options to be assessed and next steps for the project established.

Yilgarn Lithium - Western Australia

Over the December Quarter preparation for a maiden drill program at North Dam has progressed. Target areas have been defined (refer to ASX release dated 20 December 2023) and a flora survey was undertaken early November 2023 by Botanica. The flora survey was successful and did not record any threatened or protected species across the drill target areas. The survey was submitted to DEMIRS as part of applying for a program of works (POW) and on 10 January 2024 the POW was approved permitting the execution of the program.

CuFe commenced engagement with the Marlinyu Ghoorlie Native Title Group and a draft heritage Protection Agreement was drafted. Further consultation and meetings are scheduled for February 2024 in aim of completing an agreement for further exploration.

Further geological mapping and rock chip sampling over the December Quarter has now covered approximately 75% of E15/1495. The recent work identified additional pegmatites and anomalous Li₂O (>300ppm) and extended to extent of REE occurrences (>300 ppm TREO).

CuFe entered an agreement to purchase M15/1841 that is positioned within E15/1495 and forms part of a prospective drill target area. The transaction involved the purchase price of \$50k and a 1% sales royalty on material sourced from the lease. Completion is expected to be completed in the March quarter. The long form documents for the previously announced mineral rights swap for M15/1893 are still to be executed.

A soil sampling program is planned for February 2024 that will extend and infill gaps in the historical Ramelius Resources results. This style of program is proving successful with neighboring lithium explorers and has the potential to help define lithium concentrations at depth that are masked by either surface weathering and or cover. The survey and results will be complete prior to the drill program and will help improve the resolution of target areas.

West Arunta

During the December Quarter CuFe increased its landholding in the West Arunta Region applying for an additional 170km² of tenure, being E80/5950 and E80/5990. The tenements are immediately adjacent the LYN's Stansmore Project and cover several magnetic anomalies that show some similarities to recent carbonatite / Niobium discoveries in the region.

Southern Geoscience have been engaged to undertake a geophysical interpretation across the project area and are scheduled to deliver findings in February 2024.

CuFe is working with the Ngururra Group and Central Desert Native Title Services in establishing a Land Access Agreement for Exploration and Prospecting which will enable the commencement of initial exploration within the tenements.

Tambourah Lithium - Western Australia

The Tambourah Lithium tenure, P45/3601, was extended for a three year period during the quarter. Limited work was undertaken on this project during the reporting period.

Tennant Creek Copper Project (Northern Territory)

No work was performed on the project during the quarter, with the next area of focus to be reviewing and prioritising exploration drill targets identified by the previous operator, Evolution Mining.

Bryah Basin Joint Venture Projects - CUF 20% rights

CUF, via its wholly owned subsidiary Jackson Minerals Pty Limited (**Jackson Minerals**), has a 20% interest in tenements in the Bryah Basin. The Bryah Basin Project tenements are subject to joint ventures and farm-ins with Billabong Gold Pty Ltd (**Billabong**), Alchemy Resources (Three Rivers) Ltd (**ALY**), Auris Minerals Ltd (**AUR**). No activity has been reported by the operators over the period.

CORPORATE

Annual General Meeting

The Company's Annual General Meeting (**AGM**) was held on 29 November 2023. All resolutions put to shareholders were passed via a poll.

Financial Position

Cash available at the end of the December 2023 quarter was \$7.52m.

Payments to Related Parties and their Associates

In accordance with ASX Listing Rule 5.3.5, payments to related parties of the Company and their associates during the quarter totaled \$891,850.

Included at item 6.1 of the Appendix 5B is an amount of \$391,850 relating to operating activities. The Company advises that \$95,000 of this relates to Director fees. Refer to the Remuneration Report in the Annual Report for further details on director remuneration. An amount of \$20,764 was paid to Okewood Pty Ltd (a company of which Mr Tony Sage is a director) for office rent expense. An amount of \$12,565 was paid to Cyclone Metals Ltd (a company of which Mr Tony Sage is a director) for recharged storage rental and IT costs. An amount of \$263,521 was paid to the Gold Valley Group¹ for royalty payments.

Included at item 6.2 of the Appendix 5B is an amount of \$500,000 relating to investing activities. This amount relates to payment of deferred consideration to the Gold Valley Group¹ pursuant to the JWD Restructure Transaction.

Expenditure on mining exploration activities

In accordance with ASX Listing Rule 5.3.1, the Company advises its exploration and evaluation expenditure during the December 2023 quarter totaled \$350,000. This amount is included at Item 1.2(a) of the Appendix 5B. Refer to Projects overview section above for details of exploration activities conducted during the quarter.

Expenditure on mining production and development activities

In accordance with ASX Listing Rule 5.3.2, the Company advises its mining production and development expenditure during the December 2023 quarter totaled \$27,875k in respect of the JWD Project. This amount is included at Items 1.2(b) and 1.2(c) of the Appendix 5B. Key expenditure this quarter related to mining contractor costs, haulage costs, port costs, royalties attached to the shipments completed in the December 2023 quarter and inventory built at the mine and port. Refer to Operations overview section above for details of production activities conducted during the quarter.

Securities

There were no movements in shares on issue during the December 2023 quarter.

¹ Gold Valley Group refers to the substantial shareholder group consisting of Gold Valley Iron Ore Pty Ltd, Goldvalley Brown Stone Pty Ltd, Gecko Mining Company Pty Ltd, LSG Resources Pty Ltd, and Yuzheng Xie.

Movements in options during the December 2023 quarter were as follows:

- 15,000,000 unlisted options exercisable at \$0.019 and expiring 29 November 2025 were issued to a director following receipt of shareholder approval at the AGM;
- 5,000,000 unlisted options exercisable at \$0.035 expired on 12 October 2023;
- 70,000,000 listed options (ASX:CUFO) exercisable at \$0.06 expired on 24 November 2023; and
- 1,000,000 unlisted options exercisable at \$0.02 lapsed on 31 December 2023.

Announcement released with authority of the CuFe Board of Directors.

For further information please contact:

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Important Notice

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which the Company operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside the Company's control.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of the Company, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities in the Company. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision. By reviewing or retaining this announcement, you acknowledge and represent that you have read, understood and accepted the terms of this important notice.

Competent Person Statement

The information in this report is compiled and collected by Mr Matthew Ramsden, who is a Member of the Australasian Institute of Geoscientists. Mr Ramsden has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves (JORC Code 2012). Mr Ramsden consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Schedule of tenement interests of the Company and its subsidiary entities as at 31 December 2023 (including details of tenements acquired and disposed of during the quarter).

Tenement reference	Project & Location	Acquired Interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter	Notes
M53/971-I	Wiluna West – Western Australia	-	-	100%	1
M53/972-I	Wiluna West – Western Australia	-	-	100%	1
M53/1018-I	Wiluna West – Western Australia	-	-	100%	1
M53/1078-I	Wiluna West – Western Australia	-	-	100%	1
L53/115	Wiluna West – Western Australia	-	-	100%	1
L53/146	Wiluna West – Western Australia	-	-	100%	1
MLN1163	Yarram – Northern Territory	-	-	50%	2
ELR125	Yarram – Northern Territory	-	-	50%	2
ELR146	Yarram – Northern Territory	-	-	50%	2
EL 26595	Tennant Creek – Northern Territory	-	-	55%	3
EL 28777	Tennant Creek – Northern Territory	-	-	55%	3
EL 28913	Tennant Creek – Northern Territory	-	-	55%	3
EL 29012	Tennant Creek – Northern Territory	-	-	55%	3
EL 29488	Tennant Creek – Northern Territory	-	-	55%	3
EL 30488	Tennant Creek – Northern Territory	-	-	55%	3
EL 30614	Tennant Creek – Northern Territory	-	-	55%	3
EL 31249	Tennant Creek – Northern Territory	-	-	55%	3
EL 32001	Tennant Creek – Northern Territory	-	-	55%	3
ML 23969	Tennant Creek – Northern Territory	-	-	55%	3
ML 29917	Tennant Creek – Northern Territory	-	-	55%	3
ML 29919	Tennant Creek – Northern Territory	-	-	55%	3
ML 30714	Tennant Creek – Northern Territory	-	-	55%	3
ML 30745	Tennant Creek – Northern Territory	-	-	55%	3
ML 30783	Tennant Creek – Northern Territory	-	-	55%	3
ML 30873	Tennant Creek – Northern Territory	-	-	55%	3
ML 31021	Tennant Creek – Northern Territory	-	-	55%	3
ML 31023	Tennant Creek – Northern Territory	-	-	55%	3
MLC 21	Tennant Creek – Northern Territory	-	-	55%	3
MLC 323	Tennant Creek – Northern Territory	-	-	55%	3
MLC 324	Tennant Creek – Northern Territory	-	-	55%	3
MLC 325	Tennant Creek – Northern Territory	-	-	55%	3
MLC 326	Tennant Creek – Northern Territory	-	-	55%	3
MLC 327	Tennant Creek – Northern Territory	-	-	55%	3
MLC 506	Tennant Creek – Northern Territory	-	-	55%	3
MLC 69	Tennant Creek – Northern Territory	-	-	55%	3
MLC 70	Tennant Creek – Northern Territory	-	-	55%	3
MLC 78	Tennant Creek – Northern Territory	-	-	55%	3

MLC 85	Tennant Creek – Northern Territory	-	-	55%	3
MLC 86	Tennant Creek – Northern Territory	-	-	55%	3
MLC 87	Tennant Creek – Northern Territory	-	-	55%	3
MLC 88	Tennant Creek – Northern Territory	-	-	55%	3
MLC 89	Tennant Creek – Northern Territory	-	-	55%	3
MLC 90	Tennant Creek – Northern Territory	-	-	55%	3
MLC 96	Tennant Creek – Northern Territory	-	-	55%	3
MLC 97	Tennant Creek – Northern Territory	-	-	55%	3
E52/1668	Peak Hill - Western Australia	-	-	20%	4
E52/1678	Peak Hill - Western Australia	-	-	20%	4
E52/1730	Peak Hill - Western Australia	-	-	20%	4
P52/1538	Peak Hill - Western Australia	-	-	20%	4
P52/1539	Peak Hill - Western Australia	-	-	20%	4
E52/4236	Forrest - Western Australia	-	-	20%	5
E51/1033-I	Morck Well – Western Australia	-	-	20%	5
E52/1613-I	Morck Well – Western Australia	-	-	20%	5
E52/1672-I	Morck Well – Western Australia	-	-	20%	5
E29/640	Mt Ida – Western Australia	-	-	100%	6
M29/2	Mt Ida – Western Australia	-	-	100%	6
M29/165	Mt Ida – Western Australia	-	-	100%	6
M29/422	Mt Ida – Western Australia	-	-	100%	6
E15/1495	East Yilgarn – Western Australia	-	-	100%	7
M15/1841	East Yilgarn – Western Australia	-	-	-	8
M15/1893*	East Yilgarn – Western Australia	-	-	100%	9
P45/3061	Pilbara – Western Australia	-	-	100%	10
E80/5925*	Kimberley – Western Australia	-	-	100%	10
E80/5950*	Kimberley – Western Australia	-	-	100%	10
E80/5990*	Kimberley – Western Australia	100%	-	100%	10

* Pending Application

NOTES:

- 1 CUF (via Wiluna FE Pty Ltd) holds a 100% interest in the Mining Rights Agreement over the Wiluna West JWD deposit (iron ore rights).
- 2 CUF (via Yarram FE Pty Ltd) holds a 50% interest in Gold Valley Iron and Manganese Pty Ltd, the owner of the iron ore rights over the Yarram Project.
- 3 CUF (via CuFe Tennant Creek Pty Ltd) holds a 55% interest in copper / gold assets at the Tennant Creek Project in the Northern Territory from Gecko Mining Company Pty Ltd (**GMC**). CUF and GMC have formed an unincorporated joint venture in respect of the Tennant Creek Project tenements. CUF is the manager of the joint venture. CUF will pay the first \$10,000,000 of joint venture expenditure incurred.
- 4 Billabong (Operator), ALY and SFR hold various mineral rights under various earn in agreements for an 80% interest in the tenements. CUF (via Jackson Minerals) holds the remaining 20% interest in all minerals free carried to decision to mine.
- 5 SFR (Operator) and ALY hold various mineral rights for an 80% interest in the tenement. CUF (via Jackson Minerals) holds the remaining 20% interest in all minerals free carried to decision to mine.

- | | |
|----|--|
| 6 | CUF holds 100% interest in iron ore rights over the Mt Ida tenements via the Mt Ida Iron Ore Rights Sale Agreement. |
| 7 | CUF holds 100% interest in the tenement. A milestone payment of \$300,000 is payable if production occurs, and a 1% gross sales royalty. James Karl Mansen as trustee for Wildcard (WA) Pty Ltd retains rights to gemstones, Rosa Management Pty Ltd holds rights to gold. |
| 8 | CuFe has entered an agreement to purchase M15/1841. Completion is expected to be completed in the March quarter. Upon completion, CUF will hold a 100% interest in the tenement and Anthony Paterson Stehn will hold a 1% gross sales royalty and retains rights to gemstones. |
| 9 | CUF holds 100% interest in lithium and rare earth related mineral rights. |
| 10 | CUF holds 100% interest in the tenements including all mineral rights. |

Appendix 5B

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

Name of entity

CuFe Ltd

ABN

31 112 731 638

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows (Unaudited)	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	33,928	51,175
1.2 Payments for		
(a) exploration & evaluation	(350)	(651)
(b) development	(688)	(688)
(c) production	(27,187)	(42,619)
(d) staff costs	(515)	(934)
(e) administration and corporate costs	(338)	(762)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	14	32
1.5 Interest and other costs of finance paid	(131)	(238)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material):		
(a) Funds transferred from security deposit	-	90
(b) Funds transferred to security deposit	(8)	(8)
1.9 Net cash from / (used in) operating activities	4,725	5,397

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) Entities	-	-
(b) Tenements	(10)	(32)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-

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

Consolidated statement of cash flows (Unaudited)	Current quarter \$A'000	Year to date (6 months) \$A'000
(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):		
(a) Cash flows from/(used in) hedging transactions closed	(1,997)	(1,374)
(b) Cash acquired upon completion of Restructure Transaction	-	214
(c) Payment of deferred consideration pursuant to JWD Restructure Transaction	(500)	(500)
(d) Stamp duty paid on JWD acquisition	(314)	(314)
2.6 Net cash from / (used in) investing activities	(2,821)	(2,006)

3. Cash flows from financing activities		
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	4,025	9,671
3.6 Repayment of borrowings	(5,123)	(11,227)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material):	-	-
(a) Short-term loan funding ^{^^}	1,786	1,786
3.10 Net cash from / (used in) financing activities	688	230

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

Consolidated statement of cash flows (Unaudited)		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	4,925	3,896
4.2	Net cash from / (used in) operating activities (item 1.9 above)	4,725	5,397
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,821)	(2,006)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	688	230
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,517	7,517

Note:

^As detailed in the Company's 2023 Annual Report, the Wiluna Iron Joint Venture ('WIJV') has been accounted for as a joint operation and therefore, CUF Group has accounted for its share of assets, liabilities and expenses of the joint venture on a proportionate basis. Until 1 September 2023, CUF held a 60% interest in the Wiluna Iron Joint Venture. Cashflows reported in this Appendix 5B have been similarly reported on this proportionate basis for the relevant period.

On 1 September 2023, the Company completed a Restructure Transaction which included CUF increasing its interest in the Wiluna Iron Project from 60% to 100%. From completion, CUF has moved to consolidation. Post 1 September 2023 cashflows reported in this Appendix 5B have been reported at 100% for the relevant period.

^^Relates to funds received by the Company on behalf of Newcam Minerals Pty Ltd (**Newcam**) for Newcam lump tonnes included on a CuFe shipment which left port 22 December 2023 and for which customer payment was received 29 December 2023. This amount, net of commodity hedging attributable to Newcam, is classified as short-term loan funding at 31 December 2023.

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	7,517	4,925
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)	7,517	4,925

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	392
6.2	Aggregate amount of payments to related parties and their associates included in item 2	500

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		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)		
	(a) Stock finance facility	4,408	-
	(b) Loan facility	-	-
7.4	Total financing facilities	4,408	-
7.5	Unused financing facilities available at quarter end		4,408
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<p>Item 7.3(a):</p> <p>As announced 12 January 2022, the agreement with Glencore has been restructured to allow further drawdowns of up to USD3m against stock held at port, to assist the Company in management of working capital in respect of the JWD Project.</p> <p>The amount shown at item 7.3(a) reflects the AUD-equivalent of further drawdown facility available. Of the USD3m facility, nil has been drawn down at 31 December 2023.</p>		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	4,725
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	4,725
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,517
8.5	Unused finance facilities available at quarter end (item 7.5)	4,408
8.6	Total available funding (item 8.4 + item 8.5)	11,926
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A

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.

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

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

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

Answer: N/A

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

Answer: N/A

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

Answer: N/A

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

Compliance statement

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

Date: 31 January 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.