

Quarterly Activity Report for the Period Ending 31 March 2022

- Flow testing of the Walyering-5 well commenced at Talon's 45% owned Walyering Convention Gas Project located in the Perth Basin, with initial flow rates exceeding expectations
- Second Well confirmed for the Walyering gas field with drilling commenced
- Maiden drilling campaign commences at the Gurvantes XXXV CSG Project, with the first drill hole, Snow Leopard-1, intersecting gassy coal seams
- Experienced energy sector executive, Colby Hauser, appointed Talon's new Managing Director/CEO

Talon Energy Ltd ("Talon" or "Company") is pleased to provide its Quarterly Activity Report for the quarter ending 31 March 2022.

Talon's Managing Director, Colby Hauser, commented: *"The March Quarter has been a period of exciting exploration and appraisal activities, with work at the Walyering and Gurvantes XXXV projects accelerating during the period. Activities currently underway at both projects are expected to result in an upgrade to the Company's Resource categorisation at these projects, with the Company also expecting to book its Maiden Gas Reserve at the Walyering Project in the Perth Basin given the successful flow testing of Walyering-5 currently underway."*

The Joint Venture's confidence at Walyering has resulted in both Talon and Strike Energy agreeing to drill a second well, Walyering-6, at the Project which commenced drilling in April."

PERTH BASIN, WESTERN AUSTRALIA

EP447: Walyering Convention Gas Project (45%), Strike Energy Limited (STX) (55%)

Subsequent to the gas discovery in December of last year by the Walyering-5 well, reservoir appraisal work continued during the March Quarter to prove up commercial quantities of gas as Talon, and its Joint Venture Partner at Walyering, Strike Energy Limited, undertook key field appraisal and development activities in order to progress the Project to commercial production as soon as possible.

Following preparatory work undertaken over the March Quarter, the Joint Venture is currently flow testing the intersected 4 reservoirs with the aim of determining both the commerciality of these reservoirs and upgrading of the Project's existing Prospective Resource to the Contingent category, and further, allow Talon to book its Maiden Gas Reserve. RISC Advisory has been engaged to undertake an independent assessment of the Walyering Gas Field's Reserves and Resource inventory.

Flow test results to date have been excellent and have exceeded expectations. The interim test results are set out in Table 1 below and are subject to adjustment once bottom hole gauges are retrieved at the end of the full testing program.



Figure 1 - flaring gas at surface on during D Sand testing

Table 1: Interim Walyering-5 flow test results

Reservoir	Interval Top TVDss (-m)	Average Porosity (%)	Perf interval (m)	Estimated Reservoir Pressure (psi)	Instantaneous Peak Rate (mmscfd)	Stabilised Rate (mmscfd)	Choke Setting	FWHP (psi)	Length of Test (hrs)
D Sand	3,212	13.9	18	4,655	13	10	48/64	813	>24
C Sand	3,154	16.4	10	4,850	32	27	48/64	2083	>24
B Sand	3,045	14.5	23	n/a	33	Yet to be finalised			
A Sand	2,969	17.3	Yet to be tested						

To date, flow test rates are indicative of good hydrocarbon saturation and reservoir quality. Gas quality is excellent with minimal impurities, with light oil quality liquids (34-45 API) and condensate gas ratio of ~4-6bbls/mmscf.

Walyering-6

As part of its strategy to commercialise the Walyering gas field the Joint Venture partners have commenced drilling a second well, Walyering-6, on EP447, north of the successful Walyering-5 well utilising Ensign 970, the same rig which drilled the Walyering-5 well.

The well is currently drilling ahead, with a planned total depth of 3,054m MD and is expected to intersect the A and D sands as seen in the Walyering-5 well.

Development Activities

The Walyering gas field is located proximate to the existing Parmelia Gas Pipeline (**PGP**), which transmits gas from the Perth Basin to a range of end users. Preliminary gas sampling results to date indicate that gas from the intersected reservoirs is within specifications for the Parmelia Gas Pipeline and is therefore expected to require minimal processing before entering the pipeline.

The Walyering Project presents a low capital and fast to market development opportunity for the Joint Venture due to the following factors:

1. Proximity to the PGP which links the Walyering to WA's industrial gas market
2. Gas composition within PGP specification
3. Reservoir pressure measured (D Sands) at 5x operating pressure of PGP
4. Analysed gas samples indicate very low impurities (H₂S, Nitrogen & CO₂)
5. Location of gas field on freehold farming land

In addition to its proximity to the PGP, the simple profile of the Walyering gas accumulation is expected to result in low capital expenditure required for downstream infrastructure between the wellhead and PGP tie in. The Joint Venture has awarded the front-end engineering and detailed design contract for the facilities at Walyering to Momentum Engineering. These facilities will be designed for up to 30mmscf/d, which the Operator, Strike, estimates may produce up to 36TJ/d (**up to 16.2TJ/d net to Talon**) and have liquids storage and offloading capacity for up to 1,400bbls.

Condor (option to acquire 100%)

The Condor Structure has been mapped by Talon as the Perth Basin's largest, untested wet gas structure within conventional Jurassic reservoirs.

During 2021, Talon completed an Airborne Electromagnetic, Transient Pulse (**AEM-PTP**) survey over the Condor Structure on SPA-0081, and which extends into EP494 in the Perth Basin, and owned by the Macallum Group Limited

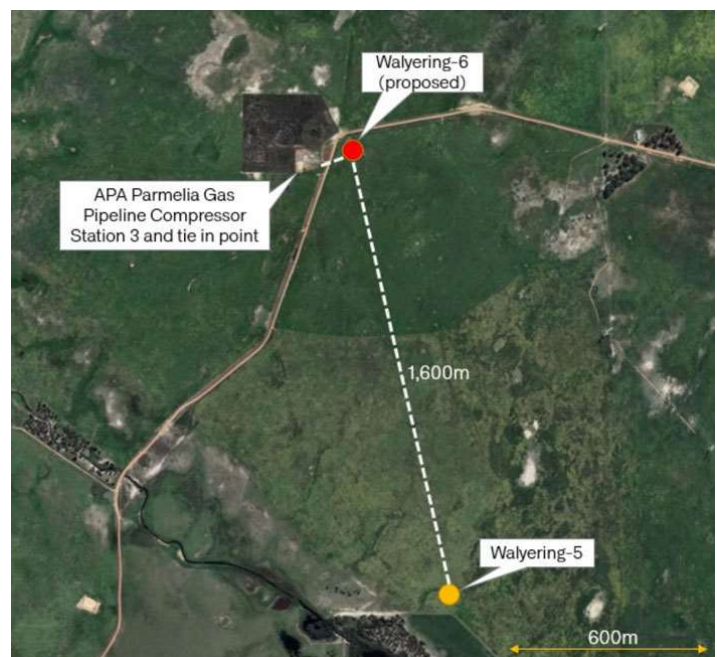


Figure 2 - Proposed location of Walyering-6 and pipeline tie in

(MGL). The Company will use the data acquired during the AEM-PTP survey to better delineate the Condor Structure, and to help plan the next stage of exploration work for the Prospect. The acquisition of the AEM-PTP survey satisfied the work program requirement for SPA-0081, and provides Talon with an option to convert, in due course, to a longer tenure Exploration Permit, with Talon continuing to work alongside MGL in this regard. Over the March Quarter, Talon and MGL progressed with planning for an initial Geochem survey over the Condor area, which would be the precursor for a broader seismic acquisition program.

Table 3: Condor Structure Resource estimate

Condor Structure Un-risked Prospective Resource Talon – 100%						
	Low (P90)		Best (P50)		High(P10)	
	Condensate (MMbbl)	Gas (Bcf)	Condensate (MMbbl)	Gas (Bcf)	Condensate (MMbbl)	Gas (Bcf)
EP494	9.5	202	20.2	408	39	710

Cautionary Statement: The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. For more information on the above Prospective Resources, refer to ASX announcement dated 17 March 2021. Talon confirms that it is not aware of any new information or data that materially affects the information contained in that Announcement and that all material assumptions and technical parameters underpinning the estimates contained in that Announcement have not materially changed.

The success of the recently drilled Walyering-5 well at the Walyering Gas Project on EP447 is expected to have positive implications for Condor, with both plays targeting conventional Jurassic age reservoirs. In Talon's view, the success at Walyering-5 has resulted in a material upgrade to the Resource potential of Condor. Of significance for Condor, the reservoirs could be up to 1,500m shallower than at Walyering with the beneficial effect being both improved reservoir quality and reduced drilling and completion costs. Condor's moderate drill costs, expected low CO₂ and proximity to key transport and pipeline infrastructure, mean that it is ideally placed for commercial development in the event of exploration success.

EP 495 - Ocean Hill (First Right of Refusal)

In addition to Walyering and Condor, Talon also has a Right of First Refusal over an interest in EP495 (currently owned by Strike Energy Ltd, Talon's JV Partner at Walyering), which contains the Ocean Hill conventional Jurassic gas discovery.

Ocean Hill is located approximately 250km north of Perth in the Onshore Perth Basin, in proximity to existing gas transmission pipelines, with a compressor station within 6.5kms from Ocean Hill.

The Cattamarra Coal Measures source rocks have been interpreted to be in the oil and gas bearing window in the Dandaragan Trough. The source rocks have been interpreted as having generated their hydrocarbons during the early Cretaceous period after the disposition of the Yarragadee Formation.

Ocean Hill-1, the only well on EP495, was drilled in 1991 to a total depth of 3,838m. Ocean Hill currently has an existing gross 2C Contingent Resource of 360Bcf (Gas) and 1.18mmbls (Condensate)¹.

Talon and Strike are currently in negotiations regarding a transaction for Talon to farm into EP495. Should a farm-in arrangement be reached, Talon envisages that expenditures on Ocean Hill have the potential to line up with initial cash flows from the Walyering gas field.

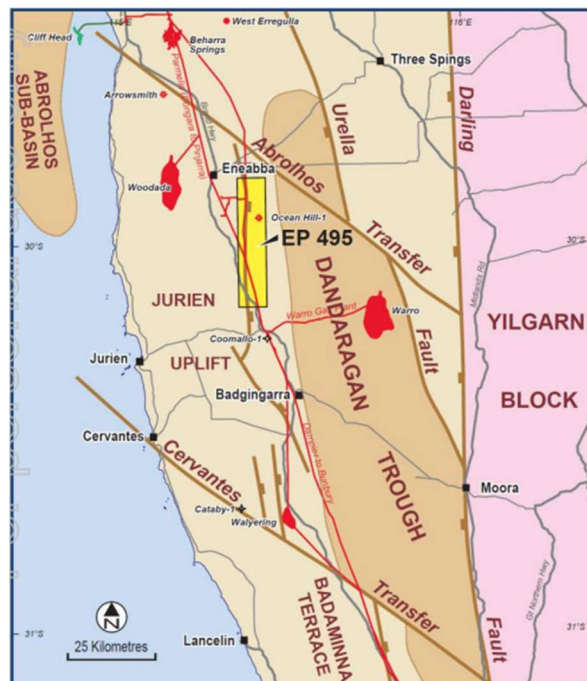


Figure 3. EP495 Ocean Hill

GURVANTES XXXV CSG PROJECT – MONGOLIA (Farming In to a 33% interest)

Talon is party to a Farm-in Agreement with Telmen Resource LLC (**Telmen**) (a wholly owned subsidiary of ASX listed TMK Energy Limited (**TMK**)) to acquire a 33% Participating Interest in the Gurvantes XXXV Production Sharing Agreement (**PSA**).

The Gurvantes XXXV covers a significant area of 8,400km² and is situated in what is considered one of the most prospective coal seam gas basins globally. Gurvantes XXXV is situated less than 20km from the Chinese-Mongolian

1. Refer TPD ASX Announcement dated 24 July 2020 entitled 'Perth Basin Resource Numbers' for more information on the Ocean Hill Contingent Resource. Other than the success seen at the Walyering-5 well, Talon confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning the estimates have not materially changed and continue to apply

border and close to the extensive Northern China gas transmission and distribution network. It is also proximate to several large-scale mining operations with high energy needs. Gurvantes is therefore ideally placed for future gas sales to satisfy both local Mongolian, as well as Chinese, energy requirements.

During the March Quarter approval of the Environmental Impact Assessment by the Mongolian Ministry of Nature, Environment and Tourism facilitated the commencement of drilling activities at Gurvantes XXXV.

The Project's maiden drilling campaign consists of 4 fully tested core holes to be drilled in the western section of the Gurvantes XXXV project area (refer Figure 4.)

Drilling commenced on the first of four coreholes to be drilled in the initial program, 'Snow Leopard-1', on the 15th of March with a target depth of approximately 650 metres. The drill hole will be cored, and the intercepted coal seams will undergo gas desorption and gas adsorption testing to analyse gas content, saturation, and composition.



Figure 4: Gurvantes XXXV proposed drill hold locations

Downhole geophysical surveys and drill stem tests at selected intervals are also planned for the drill hole in order to acquire additional data on the coal seam thickness and characteristics, including permeability. Post the March Quarter, on 11 April 2022, TMK announced that Snow Leopard-1 had intersected 44 metres of gassy coal seam between the depths of 406m to 461m. Preliminary gas desorption results indicate high gas content and gas saturation.

A further three core holes, spaced approximately 3.5km apart, are scheduled to be drilled and tested over a 3-4 month period. With these drill holes continuing to target the highly prospective coal seams identified from existing exploration data and coal mining activities. Data gathered from the core acquired during the drilling program is aimed at upgrading the existing Prospective Resource estimate for Gurvantes XXXV, details of which are set out in the table below.

Gurvantes XXXV Coal Seam Gas Project Gross (100%) Prospective Gas Resources (TCF)

Region	Un-risked Prospective Resource (TCF)			Risked Prospective Resource (TCF)		
	1U (Low)	2U (Best)	3U (High)	1U (Low)	2U (Best)	3U (High)
Prospect Area	1.30	2.02	3.38	1.17	1.82	3.04
Lead Area	6.89	17.94	38.24	1.95	4.14	8.21
Total	8.19	19.96	41.62	3.12	5.96	11.25

Gas volumes are expressed in the table above are in trillion cubic feet (TCF) at standard temperature and pressure basis.

Talon's net (33%) Prospective Gas Resources (TCF)* interest

Region	Un-risked Prospective Resource (TCF)			Risked Prospective Resource (TCF)		
	1U (Low)	2U (Best)	3U (High)	1U (Low)	2U (Best)	3U (High)
Prospect Area	0.43	0.66	1.12	0.39	0.60	1.00
Lead Area	2.28	5.92	12.62	0.64	1.37	2.71
Total	2.71	6.58	13.74	1.03	1.97	3.71

Gas volumes are expressed in the table above are in trillion cubic feet (TCF) at standard temperature and pressure basis.

*Subject to completion of Farmout and transfer of 33% participating interest in Gurvantes XXXV to Talon

Cautionary Statement: The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. For more information on the above Prospective Resources, refer to ASX announcement dated 18 August 2021. Talon confirms that it is not aware of any new information or data that materially effects the information contained in that Announcement and that all material assumptions and technical parameters underpinning the estimates contained in that Announcement have not materially changed.

These preliminary results indicated that the upper coal seam, the shallower of two target zones, had a high gas content, in the order of 7.5m³/t to 12.5m³/t on an as received basis. With visual structural logging of the drill core indicating that the coal seam had a well-developed cleat system (natural fracture network), being a positive indicator of higher permeability of the host formation.

UK North Sea Portfolio

On 11 February 2022 Talon announced that following an internal review of its operations the board had made a decision to exit its portfolio of UK North Sea exploration in order to focus on its more advanced projects located in the Perth Basin and Mongolia.

Post March Quarter, Talon entered into a deal with Finder Exploration Holdings Limited (**Finder**) for the assignment, subject to required regulatory approvals, of a 100% interest in Licence P2527, which contains the White Bear Prospect. Under the terms of the transaction with Finder, Talon will be entitled to receive 12.5% of gross income received by Finder in relation to P2527 (for example, any cash received for farmout or divestment) which converts to a royalty of 3% of Finder's net share of produced petroleum during the production phase.

Corporate

During the March Quarter, with the board's decision to exit its UK portfolio of assets, UK based director, Stephen Jenkins, stepped down from the board on 23 February 2022.

On 3 March 2022, experienced energy sector executive, Mr Colby Hauser, was appointed Managing Director and CEO of Talon. Mr Hauser was previously General Manager, Commercial at Strike Energy Limited, Talon's Joint Venture partner at the Walyering Gas Project located on EP 447 in the Perth Basin.

During the March Quarter Talon received \$930,400 of funding from the exercise of options, with 1,250,000 unexercised options lapsing on 28th of February 2022.

Cash and cash equivalents at the end of the March 2022 quarter was \$3.57M.

Tenement Holdings

In accordance with Listing Rule 5.4.3 Talon provides the following information in relation to its oil and gas tenements:

Oil and Gas tenements held at the end of the quarter:

Project	Location	Tenement/ Blocks	Status	Beneficial Interest
Walyering	Perth Basin	EP447	Granted	45%
Bluestring/White Bear	North Sea	20/2a	Granted	100% ¹
Subject to earn-in conditions				
Gurvantes XXXV	Mongolia		Farming-In	0% ²
Condor	Perth Basin	Blocks 7977, 8049 and 8121(within EP494)/SPA-0081	Acquisition subject to satisfaction of various conditions precedent	0% ³
Ocean Hill	Perth Basin	EP495	Granted	FROR ⁴

1. Talon entered into an agreement with Finder whereby Talon will assign to Finder a 100% interest in 20/2a subject to required regulatory approvals.
2. Talon executed a binding agreement dated 30 January 2021 with Telmen to earn a 33% interest in the Gurvantes XXXV Production Sharing Agreement. At the end of the reporting quarter no interested, other than the contractual earn-in right, had been earned by Talon.
3. In January 2021 Talon entered into a non-binding agreement for the option to acquire 100% of blocks 7977, 8049 and 8121 located within EP494, and SPA-0081 from Macallum Group Limited. This transaction is subject to a number of Conditions Precedent, at Talon's discretion, which had not been satisfied at the end of the Quarter.
4. As part of the Walyering farm-in agreement executed with Strike Resources Limited, Talon also has a first right of refusal over EP495.

During the March Quarter Talon relinquished the following UK North Sea tenements, 12/26a, 12/27a, 19/5a, 28/8a. No additional tenements were acquired or relinquished during the Quarter.

In accordance with Sections 1.2, 6.1 & 6.2 of the December 2021 Quarter Appendix 5B, Talon provides the following information:

Section	Description	\$A'000
1.2	Expenditure for exploration & evaluation, production, staff and administrative corporate costs	1,978
6.1 & 6.2	Payments made to related parties and their associates including Directors fees and corporate costs.	100

--Ends--

This Announcement has been authorised for release by the board of directors.

For further information, please contact:

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Competent Persons Statement (Perth Basin) The information in this report that relates to Prospective Resources as set out in this document related to the **Perth Basin Projects** (Walyering and Condor) is based on information compiled by Mr John Lamberto and Mr John Begg who are geoscientists each with over 30 years of industry experience and both consultants to the Company. This information was subsequently reviewed by Mr David Casey BSc (Hons), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Casey is a director of the Company, with approximately 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE), the Australian Institute of Mining and Metallurgy (AusIMM) and the Petroleum Exploration Society of Australia. The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG) / Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Casey. Mr Casey is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Competent Persons Statement (Gurvantes XXXV): The information in this report that relates to Prospective Resource information for the **Gurvantes XXXV Project** is based on information compiled by Mr. John Hattner, an employee of Netherland, Sewell & Associates Inc, and who is a Qualified Petroleum Reserves and Resources Evaluator (QPRRE). This information was subsequently reviewed by Mr David Casey BSc (Hons), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Casey is a director of the Company, with approximately 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE), the Australian Institute of Mining and Metallurgy (AusIMM) and the Petroleum Exploration Society of Australia. The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers/World Petroleum Council/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Casey. Mr Casey is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Appendix 5B

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

Name of entity

TALON ENERGY LTD (ASX CODE: TPD)

ABN

88 153 229 086

Quarter ended ("current quarter")

31 MARCH 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (expensed)	(1,676)	(1,676)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(128)	(128)
	(e) administration and corporate costs	(174)	(174)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(1,977)	(1,977)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) exploration & evaluation (inc. farm-in)	(2,094)	(2,094)
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(2,094)	(2,094)

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 notes	-	-
3.3	Proceeds from exercise of options	930	930
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(6)	(6)
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 (refund of unmarketable parcel share)	-	-
3.10	Net cash from / (used in) financing activities	924	924

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,715	6,715
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,977)	(1,977)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,094)	(2,094)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	924	924
4.5	Effect of movement in exchange rates on cash held	6	6
4.6	Cash and cash equivalents at end of period	3,574	3,574

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,564	6,705
5.2	Call deposits	10	10
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,574	6,715

6.	Payments to directors 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	100
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		

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

7.	Financing facilities available <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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	Total financial facilities		
7.5	Unused financial 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.		
NIL			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,977)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(2,094)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(4,071)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,574
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,574
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.88

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

- 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: The current quarter included significant cash outflows in relation to farm-in activities at Walyering with the completion of drilling and commencement of flow-testing at Walyering-5, along with the commencement of a four core-hole drill campaign at the Gurvantes XXXV Project, Mongolia.

Results thus far have been positive on all fronts, and the Company will be looking to secure additional funds in the upcoming Quarter to further advance its portfolio of assets.

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

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: Yes the Company undertook a capital raising at the end of April.

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: Yes, based on its current cash balances coupled with answers in 1 and 2 above.

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: 29 April 2022

Authorised by: By the board of directors

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.