



ASX ANNOUNCEMENT

31 July 2023

ASX Code: MDX

ABN: 28 106 866 442

Key Projects

Meekatharra	Gold
Mt Forrest	Iron/Gold
Mt Lucky	Gold

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Investor Enquiries

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ACTIVITIES FOR QUARTER ENDED 30 JUNE 2023

- \$2.5M successfully raised for working capital purposes.
- PFS commenced, in conjunction with AGIG, on developing shared infrastructure to transport magnetite ore from the Mid-West of WA to the coast.
- Norton satisfies Second Earning Condition to increase their shareholding interest in the Mt Forrest Iron Project to 35.0%.
- Norton issues Withdrawal Notice and will not proceed to completion of the Third Earning Condition.

MT LUCKY GOLD PROJECT (MDX 100%)

The Mt Lucky Gold Project (**Mt Lucky**), tenement E38/3336, lies within the Mt Margaret Mineral Field of the north-eastern Goldfields of Western Australia (Laverton Greenstone Belt), approximately 7 km east of the Granny Smith gold mine (plant capacity 3.5 Mtpa) and 12 km southeast of Laverton. The ground has widespread gold anomalism and artisanal-scale gold workings.

The Company considers Mt Lucky as a desirable gold exploration project with fieldwork undertaken in the previous quarter. Heritage surveying of the tenement was completed in June and drill planning is currently underway with field work scheduled to be completed during Q3 2023.

MEEKATHARRA GOLD PROJECT (MDX 100%)

As previously announced on 20 April 2022, geophysical processing of the high-resolution sub-audio magnetic (**SAM**) ground survey in combination with additional geological and drilling information for the project area was completed by Southern Geoscience.

A revised geological interpretation along with the structural framework has identified several new exploration targets. A total of 18 targets were identified, and later in this quarter completed an aircore drill program focussing on the 5 highest ranked targets.

A 23 hole, 2,187 metre aircore drill programme was completed at the project. The programme was targeted at five of the SAM conductors and designed to identify any large scale alteration, structural deformation or pathfinder element anomalism that might be indicative of the presence of a bedrock gold mineralisation system. Assay results are being received and interpretations of the results are currently being completed.

MT FORREST IRON PROJECT (MDX 65.0%)

The Mt Forrest Iron Project is operated via a joint venture between Mindax, Yilgiron Pty Ltd (**Yilgiron**), and Norton Gold Fields Pty Ltd (**Norton**) pursuant to a shareholders agreement dated 22 July 2021 (**SHA**). As announced by the Company on 26 May 2023, Yilgiron notified Mindax and Norton (together, the **Shareholders**) that the Second Earning Condition, as defined in the SHA, has been satisfied. This notification to the Shareholders crystallises the variation of the rights of 290 non-voting B Class Shares, in the capital of Yilgiron, currently held by Norton, to voting shares with the same terms as ordinary shares in Yilgiron and Norton's shareholding interest in Yilgiron has increased to 35.0% from 19.9%.

The Second Earning Condition was satisfied by the provision of a final report complying with the JORC Code issued to Yilgiron that identifies an Indicated Mineral Resource of at least 380 million tonnes of magnetite at 32.6% Fe. A copy of that report, compiled by SRK, was attached to the ASX announcement dated 26 May 2023, and included an Indicated Mineral Resource of 422 Mt @33.37% and Inferred Mineral Resource of 599 Mt @ 33.59% Fe (refer Table 1 below).

Table 1: Mt Forrest Mineral Resource as of 25 November 2022 (18% MR cut-off grade)

Category	Domain	Tonnes	In Situ			Concentrate					
			HFe	HSiO ₂	MR	con	con	con	con	con	con
			Fe	SiO ₂	Al ₂ O ₃	P	S	LOI			
		Mt	%	%	%	%	%	%	%	%	%
Indicated	MF1	114.54	34.48	44.05	40.04	65.01	8.49	0.16	0.02	0.11	-2.59
	MF2	240.09	33.83	46.56	42.08	65.52	8.33	0.07	0.02	0.16	-2.63
	MF6	67.73	32.47	48.12	41.43	61.64	13.49	0.06	0.03	0.41	-2.27
	Total	422.37	33.79	46.13	41.42	64.76	9.20	0.09	0.02	0.18	-2.56
Inferred	MF1	142.75	33.75	44.97	42.01	64.83	8.95	0.15	0.02	0.10	-2.74
	MF2	250.40	34.31	45.34	44.33	64.80	9.18	0.10	0.02	0.16	-2.65
	MF6	206.25	32.62	47.93	42.51	61.97	13.07	0.06	0.03	0.44	-2.30
	Total	599.40	33.59	46.14	43.15	63.85	10.45	0.10	0.02	0.24	-2.55

As announced by Mindax on 1 June 2023, Norton issued a withdrawal notice to Mindax and Yilgiron. Under the Withdrawal Notice, Norton has advised it will not proceed to completion of the Third Earning Condition under the SHA, being the delivery of a Pre-Feasibility Study (PFS).

As a result of Norton's decision, the 502 C Class Shares in the capital of the Company were cancelled for nil consideration and the earning period under the SHA has expired. Norton's shareholding interest in Yilgiron will remain at 35.0%.

While the issue of the Withdrawal Notice does not amend the terms of the SHA, as a consequence, Mindax will have greater control over appointments to the board of Yilgiron. With 65% shareholding interest in Yilgiron (i.e., above the 50% threshold set out in the SHA), Mindax is entitled to the greater of three directors or the total number that may be appointed by all other shareholders plus two. Norton is entitled to one director. Norton will be reducing its representation on the Yilgiron Board accordingly.

Mindax will now review further development opportunities for Mt Forrest, including (subject to the SHA) seeking alternative joint venture partners to assist with development.

MT FORREST SHARED INFRASTRUCTURE - AUSTRALIAN GAS INFRASTRUCTURE GROUP (MDX 100%)

On 9 November 2022 the Company announced the execution of a heads of agreement (HOA) with AGI Operations Pty Ltd (a company within the Australian Gas Infrastructure Group of companies) (AGIG) to understand the commercial viability of development of infrastructure, including power and water, for the export of iron ore in the form of magnetite, from the Mid-West Region of Western Australia.

The parties agreed to commission Verbrec Limited to prepare studies in three phases: Phase one is a Scoping Study (Scoping Study); phase two is a Pre-Feasibility Study (PFS) on the viability of developing infrastructure which will allow Yilgiron, and other miners in the Mid-West, to transport magnetite ore to port and to be loaded onto a ship for export. Phase three will be a Detailed Feasibility Study.

The Scoping Study was completed and received during the March 2023 quarter. Following a review of the Scoping Study, Mindax and AGIG agreed to proceed with, and have commenced during the June 2023 quarter, the PFS.

The PFS is being carried out and project managed by Verbrec supported by key discipline engineers, sub-consultants and suppliers, including representatives of AGIG Operations and AGIG Commercial. AGIG will contribute additional labour and services on an in-kind basis to support the PFS. Mindax will contribute a further \$1.8 million to the PFS.

The PFS's objective is to develop a cost model, targeting capital and operating cost estimates to +/- 25% accuracy, to verify whether or not the business case to develop the infrastructure is both robust and resilient.

The PFS is anticipated to be completed towards the end of the September 2023 quarter.

TENURE

A total of 9 tenements covering more than 70 km² were held as at 30 June 2023. A list of the tenements and their locations are detailed in Annexure "A".

CORPORATE

The Company continues to review project acquisition opportunities and to date the Company has not proceeded to acquire any further projects. Reviews are ongoing and will continue during the coming quarters.

On 19 April 2023, the Company successfully raised \$2.5 million (before fees) through the placement of 50,000,000 fully paid ordinary shares at 5 cents per share to parties unrelated to the Company. The placement provides the Company with additional working capital and was completed utilising the Company's existing placement capacity according to ASX Listing Rule 7.1. Additionally, a further 2,500,000 fully paid ordinary shares were issued in satisfaction of fees totalling \$125,000.

On 23 June 2023, the Company entered into an agreement with Mr Yueguang Huang, an unrelated individual, to introduce parties to the Company to raise up to \$6.6 million on a best-endeavours basis through the issue of fully paid ordinary shares in the capital of the Company at an issue price per share to be not less than 80% of the volume weighted average price of the Company's ordinary shares traded on ASX over the 25 trading days immediately before the issue price is agreed. As at the date of this report, no commitments or funds have been received in relation to this capital raising endeavour.

In addition to this Mr Huang has also been engaged to assist the Company in identifying development partners for the Mt Forrest Iron Project ("Transaction"). If the Company announces or enters into an agreement in respect of a Transaction that is subsequently completed, inclusive of all required regulatory approvals, Mr. Huang will be remunerated as follows:

- a) For the first A\$25,000,000 of the Transaction value, Mindax will pay the Huang Team a success fee of 5% of the Transaction value (paid in cash or with MDX securities, determined by the board of directors of Mindax). For the amount of the Transaction value in excess of A\$25,000,000, a success fee of 3% (paid in cash or with MDX stock, determined by the board of directors of Mindax): and,
- b) Issue the Huang Team (or its nominee) 100,000,000 unlisted options in the capital of Mindax with an exercise price of A\$0.09 per share, expiring 12 months after the successful completion of the Transaction, subject to all regulatory approvals, if any.

Mr Huang has been engaged in various business activities throughout his career, mainly in the international trading of wine and spirits, as well as working with others to develop small iron ore projects. Currently, his international trading business is being developed in Sanming, Xiamen, Zhangzhou and other cities in China. His iron ore business is also in operation continuously over his career. In the process of doing business, he has accumulated vast practical experience with relevant experience to assist the Company in its endeavours, particularly around project negotiation, market development and expansion. .

Strategy

The Company's strategy is to realise shareholder value exploring its existing projects with the view to potentially delivering new discoveries, continuing to pursue new opportunities, and seeking to amalgamate holdings through acquisition and corporate activity.

Capital Structure

The **current** issued capital of the Company is 2,045,558,780 fully paid ordinary shares, and 37,000,000 unlisted options (exercise price \$0.08, expiring 16 November 2023) on issue.

ASX Additional Information

ASX Listing Rule 5.3.1: Exploration and evaluation expenditure during the quarter was \$620,000 comprising payments associated with the HOA with AGIG, tenement compliance costs and geological consulting costs associated with the Meekatharra, Mt Lucky and Mt Forrest gold projects. In accordance with the Subscription Agreement, Norton Gold is responsible for providing all necessary funds for exploration and evaluation expenditure incurred during the earning period for the Mt Forrest Iron Project.

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities undertaken during the quarter.

ASX Listing Rule 5.3.5: During the quarter, the Company made cash payments totalling \$98,000 to related parties or their associates. This was the aggregate amount paid to the directors including salary, directors' fees, consulting fees and superannuation.

Annexure “A”

Tenements held by the Company at the beginning and end of the quarter

Tenement Number	Project	Locality	Status	Interest at beginning of quarter %	Acquired/ Disposed %	Interest at end of quarter %
M29/257 ⁽¹⁾	Bulga Downs	Mount Forrest - Bulga Downs	Granted	80.1	(15.1)	65.0
M29/258 ⁽¹⁾	Bulga Downs	Mount Forrest - Bulga Downs	Granted	80.1	(15.1)	65.0
M29/314 ⁽¹⁾	Bulga Downs	Mount Forrest	Granted	80.1	(15.1)	65.0
M29/348 ⁽¹⁾	Bulga Downs	Toucan - Bulga Downs	Granted	80.1	(15.1)	65.0
M29/349 ⁽¹⁾	Bulga Downs	Macaw North - Bulga Downs	Granted	80.1	(15.1)	65.0
M29/350 ⁽¹⁾	Bulga Downs	Macaw - Bulga Downs	Granted	80.1	(15.1)	65.0
M29/351 ⁽¹⁾	Bulga Downs	Bulga Downs	Granted	80.1	(15.1)	65.0
E51/1705	Meekatharra	Meekatharra	Granted	100	N/A	100
E38/3336	Mt Lucky	Mt Lucky	Granted	100	N/A	100

- (1) As announced to the ASX on 26 May 2023, in accordance with the Subscription Agreement between Mindax, Yilgiron (holder of the Bulga Downs tenements noted in the table above) and Norton Gold, the Second Earning Condition was satisfied during the June 2023 quarter, whereby Norton Gold acquired an additional 15.1% of Yilgiron's ordinary securities. As announced to the ASX on 1 June 2023, Norton Gold issued a Withdrawal Notice in accordance with the Subscription Agreement and will not proceed to completion of the Third Earning Condition. Norton Gold's shareholding interest in Yilgiron will remain at 35.0%.

End of Announcement

Authorised for release by Benjamin Chow AO – Executive Chair

For further information, contact:

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Competent Person's Statement:

The information in this report that relates to exploration results is extracted from the Company's ASX announcements noted in the text of the announcement which are available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that the form and context in which the competent person's findings are presented have not been materially altered.

The information in this report that relates to Mt Forrest Mineral Resources estimate is extracted from the Company's ASX announcement dated 26 May 2023, which is available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 5B

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

Name of entity

Mindax Limited

ABN

28 106 866 442

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(200)
(b) development	-	-
(c) production	-	-
(d) staff costs	(74)	(236)
(e) administration and corporate costs	(276)	(1,002)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	(42)	(42)
1.9 Net cash from / (used in) operating activities	(392)	(1,480)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	(80)
(c) property, plant and equipment	(3)	(98)
(d) exploration & evaluation	(620)	(785)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
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	(623)	(963)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,500	5,410
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	(10)	(21)
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)	-	-
3.10	Net cash from / (used in) financing activities	2,490	5,389

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,153	1,682
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(392)	(1,480)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(623)	(963)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,490	5,389

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,628	4,628

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	4,628	3,153
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)	4,628	3,153

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	98
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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

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)	(392)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(620)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,012)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,628
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,628
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.6
<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>	
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	
<i>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.</i>	

Compliance statement

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

Date: 31 July 2023

'Signed electronically'

Authorised by: Dennis Wilkins, Company Secretary
(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.
6. By the Company lodging this Appendix 5B, the CEO and CFO declare that the Appendix 5B for the relevant quarter:
 - presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
 - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.