



June 2023 Quarterly Report

LCL Resources (ASX: LCL) (LCL or the Company) is pleased to provide an overview of activities completed in the June 2023 quarter. Key activities centred around the maiden drilling program at the Kusi gold-copper skarn target in PNG. Small surface programs were also conducted at other sites within the PNG portfolio.

The AGM for the 2022 Financial Year was held early in the quarter, during which shareholders resolved to change the Company name from Los Cerros Limited to LCL Resources Limited. The catalyst for the name change and re-brand was the current exploration focus on PNG assets secured in November 2022.

Near the end of the quarter the Company announced a binding Tenement Sales Agreement (**Agreement**) with Munga River Limited (**Munga**), a private PNG exploration company, to acquire 100% ownership of EL2566 adjoining the Company's Veri Veri Nickel Project to the east. In July the Company announced early field success at the Veri Veri Project including finding the likely source of high grade nickel sulphide float.

The Company ended the quarter with \$5.8M cash and 794,304,460 shares on issue.

Great start to Kusi drilling

The Company's maiden drilling program at Kusi, part of the 100% owned Ono Project in Papua New Guinea commenced in March with results from the first four diamond holes released during the quarter. Of particular interest is the spectacular results from KU23DD004 and KU23DD005 (the latter announced in July), (Figure 1 and 2). Drill results included¹:

76.4m @ 1.34g/t from 106.9m including 15.2m @ 4.45g/t Au from 138.2m in KU23DD001

39.8m @ 1.85g/t Au from 143.2m, including 13.6m @ 3.14g/t Au from 169.4m in KU23DD002

7.3m @ 2.25g/t Au from 160.7m and 11m @ 4.36g/t Au from 182m in KU23DD003

52m @ 3.65g/t Au from 164m including 6.68m @ 10.91g/t Au from 171.75m and 7.5m @ 14.87g/t Au from 191.7m in KU23DD004

77.9m @ 1.53g/t Au from 118.1m, including 56m @ 1.97g/t Au from 124m and 12.2m @ 5.15g/t Au, 2.5% Zn from 270.3m in KU23DD005 (announced in July).

29m @ 1.35g/t Au from 135m and 3.2m @ 6.14g/t Au from 202m and 3m @ 3.6g/t Au from 226m in KU23DD006 (announced in July)

89m @ 0.39g/t Au from 124m including 5.5m at 1.75g/t Au from 205.8m in KU23DD007 (announced in July)

LCL's maiden Kusi drilling program have now delivered numerous intercepts exceeding >50gram-metres (gm) Au (metal factor) with an additional three historic holes of compelling metal factors (Figure 3). These results, combined with trenching, rock chip sampling, soil sampling, and mapping, thus far define a 600m north-south zone of skarn mineralisation.

¹ Refer to ASX announcements 24 April 2023 (KU23DD001), 18 May 2023 (KU23DD002 to '04), 5 July 2023 (KU23DD005) & 25 July 2023 (KU23DD006 to '07) for more information. The Company confirms that it is not aware of new information that affects the information contained in the original announcements.

Drilling remains ongoing as part of an initial 3,000m program and will include further step out drilling at Kusi and initial drill testing of Leah's Lode, a second skarn target <1km NE of the current drilling area (Figure 1).

Target delineation field work confirms potential scale of Kusi

The objective of the surface sampling and mapping program was to gauge the potential scale of the skarn style mineralisation in surrounding areas of minimal outcrop, steep topography and dense vegetation (Figure 1).

The southern field program delivered very encouraging trench results including **4m @ 16.7g/t Au** in trench 24 and **2.4m @ 4.7g/t Au** in trench 19². Both of these trenches were excavated in steeply dipping terrane which prevented completion of trenching across the entire thickness of the target Upper Limestone. In trench 24 the highest sampled interval of 1m grading 59g/t Au was from the southern end of the trench. Additional individual rock chip from limited outcrops in this region delivered: **47.8g/t Au, 6.7% Cu and 1.3% Zn; 74g/t Au; 13.8g/t Au; and 33g/t Au**. The nearby trench 1 delivered **20m @ 3.84g/t Au**

Limited scout trenching targeting the northern area intersected phyllite, interpreted to lie above the Upper Limestone, with associated silicification returning **13m @ 0.7g/t Au** in trench 18 and **10m @ 0.45g/t Au** in trench 6. The mineralisation in both trenches remains open in all directions. Results at this first northern area field campaign, ~1km from current drilling, have confirmed the modelled widespread distribution of gold anomalism.

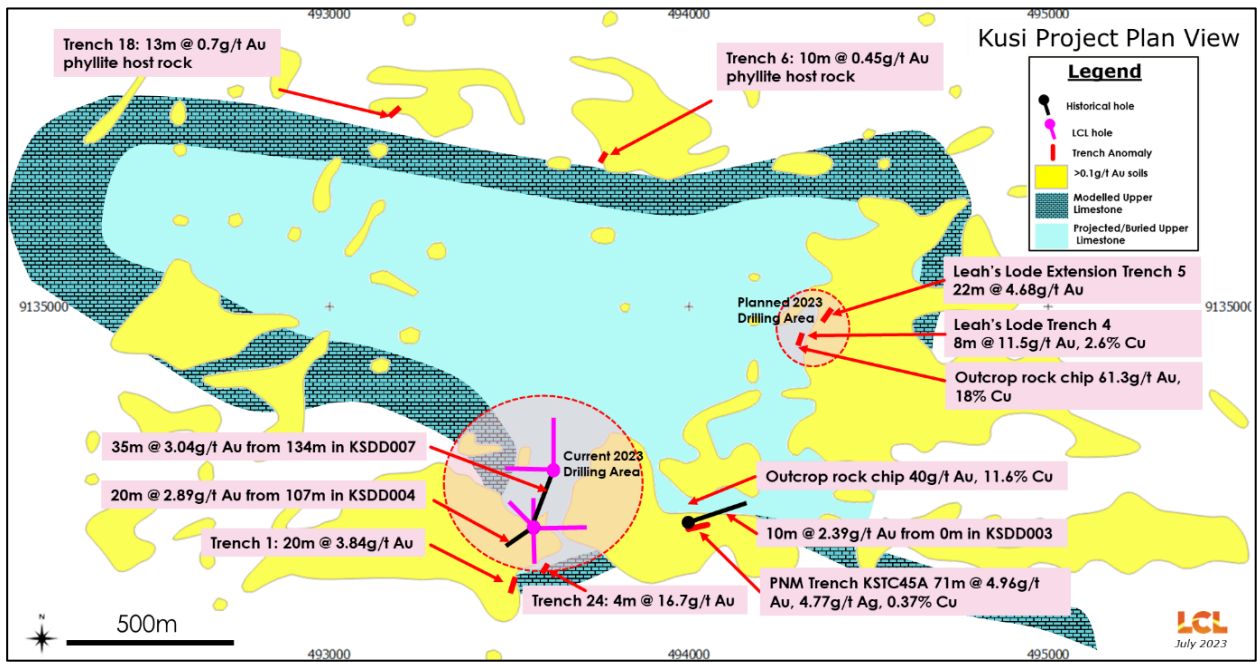


Figure 1: Plan view of Kusi showing location of current and planned drilling areas, gold in soil geochemical anomalies, and modelled "Upper Limestone" skarn unit². See Figure 2 for enlargement of current drilling area.

² Refer to ASX announcements 25 November 2022, 9 May 2023, 16 February 2023 & 9 May 2023. The Company confirms that it is not aware of new information that affects the information contained in the original announcements.

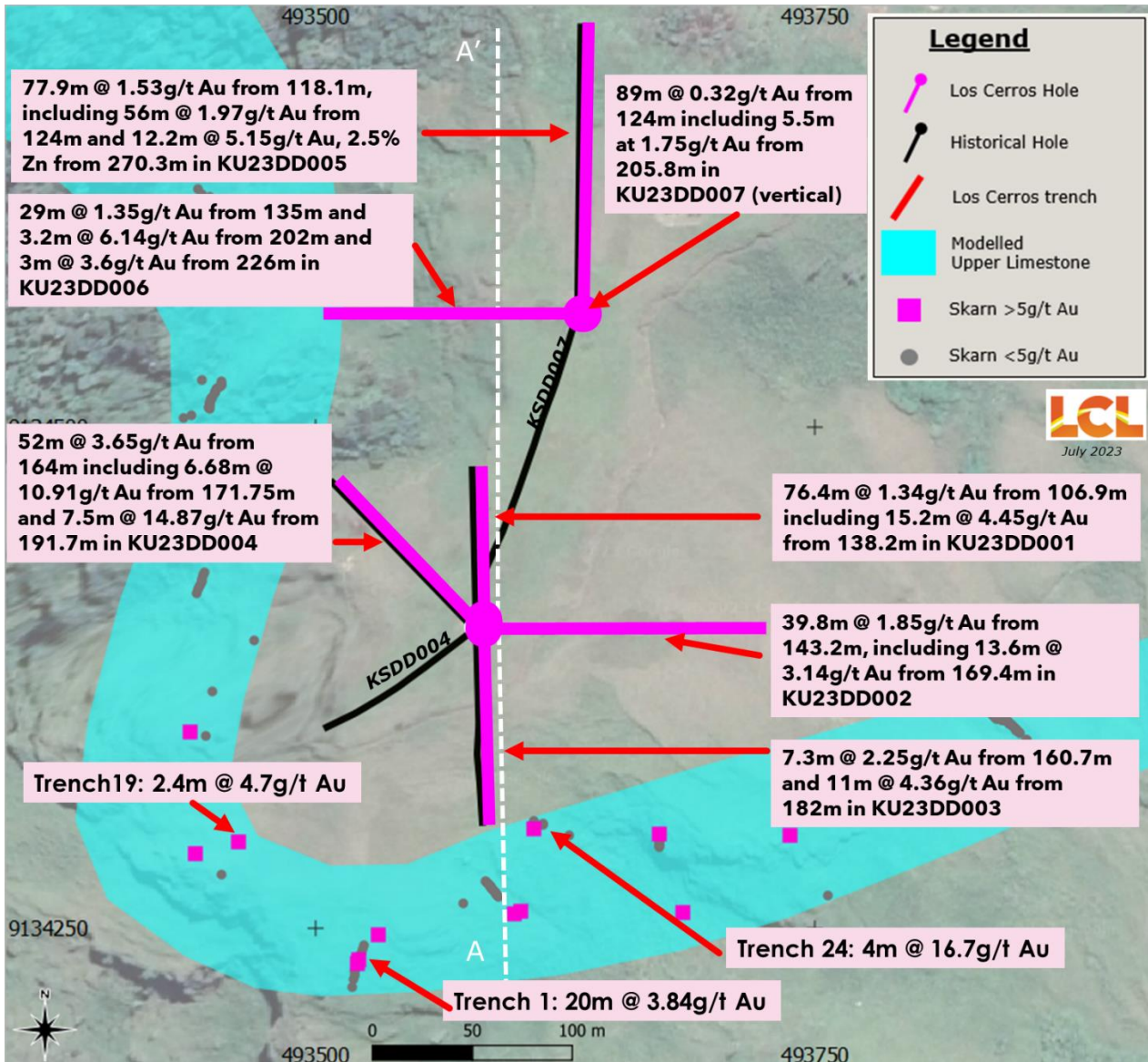


Figure 2: Plan view of reported LCL drill holes, historical drill hole traces, modelled Upper Limestone outcrop and LCL skarn sample locations.^{1,2}

Acquisition expands Veri Veri nickel project. Source of high grade nickel sulphide float found!

In June, the Company announced the execution a binding Tenement Sales Agreement (**Agreement**) with Munga River Limited (**Munga**), a private PNG exploration company, to acquire 100% ownership of EL2566 (Figure 3) adjoining the Company's Veri Veri Nickel Project to the east. The agreement is subject to renewal of EL2566 and transfer of title to LCL. Key elements of the transaction include:

1. Issue of 6,700,617 fully paid LCL ordinary shares to Munga on completion of the transfer of EL2566 to LCL.
2. Grant of a 2% NSR (**Royalty**) to Munga on minerals extracted from EL2566. LCL has the right to purchase the Royalty for a cash payment of AUD\$5 million at any time.



3. Finders' fees comprise a non-refundable payment of AUD\$5,000 to a shareholder of Munga (**Finder**); and a further payment of AUD\$20,000 and the issue of 1,340,123 fully paid LCL ordinary shares to the Finder on completion of the transfer of EL2566 to LCL.

4. LCL may withdraw from the Agreement if completion does not occur within 6 months of signing.

In July, LCL announced the results of Veri Veri reconnaissance field work including finding the source of high grade nickel sulphide float, including boulders up to 1m in diameter. The field work identified a 200m wide corridor which contains numerous serpentinised shear zones containing lenses (**boudins**) of nickel rich sulphides.

The Company is encouraged by the very high grade and frequency of nickel sulphide boudins noted along and across the strike of the corridor, and its potential to yield bulk nickel grades of economic significance (Figure 4). LCL geologists were impressed with "boulder fields" of nickel sulphides and, when random pits/trenches were excavated within the corridor, nickel sulphide bearing outcrops up to **13.38% Ni and 5.35g/t Au³** were found that confirmed surface boulders (boudins) to be *in situ* (Plate 1), and not transported float. LCL outcrop rock chip sampling also confirmed historical rock grab samples, taken by a previous explorer GMX, of up to **19.8% Ni, 8.7g/t Au³**.

The area of interest hosts ultramafic rocks (peridotites, pyroxenites and dunites) of the Papuan Ultramafic Belt (PUB) of southern PNG proximal to the Keveri Fault. In late July the Company announced results of a review of targets within its camp-scale nickel portfolio, including confirmation of an undrilled **7km x 4km stream sediment nickel anomaly at Wedei**, as well as the Iyewe nickel sulphide prospect and multiple additional undrilled nickel stream sediment anomalies prospective for sulphide and lateritic nickel (Figures 3 & 5)⁴.

LCL's Nickel Project now totals 2,400km² of granted licences and pending applications and captures ~100km strike length of the Keveri Fault.

³ See ASX announcement of 20 July 2023. The Company confirms that it is not aware of new information that affects the information contained in the original announcement.

⁴ See ASX announcement of 27 July 2023. The Company confirms that it is not aware of new information that affects the information contained in the original announcement.

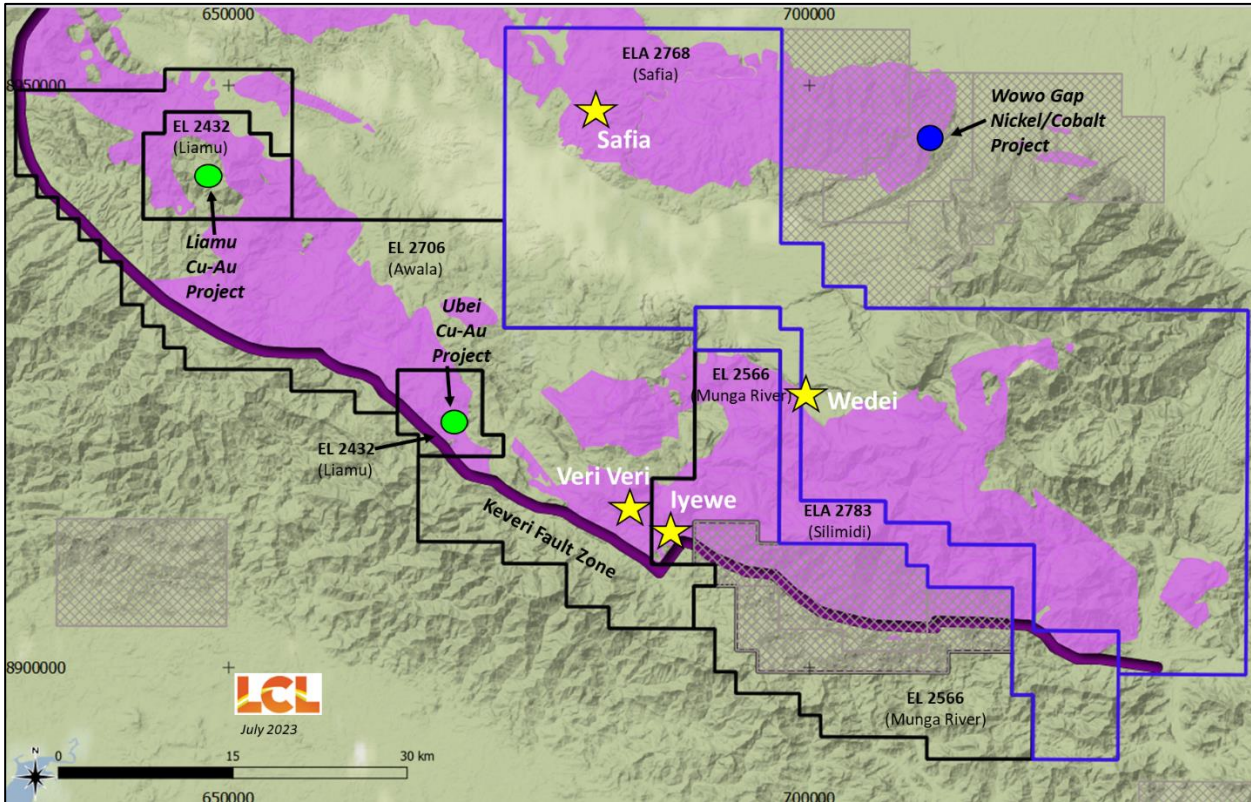


Figure 3: LCL licences (EL) and applications (ELA) capture a large portion of the nickel bearing PUB (purple). The Veri Veri and Iyewe nickel sulphide prospects are located adjacent to the Keveri Fault within the PUB. LCL licences and applications capture 100km of the Keveri Fault and also include the emerging nickel targets at Wedei and Safia.

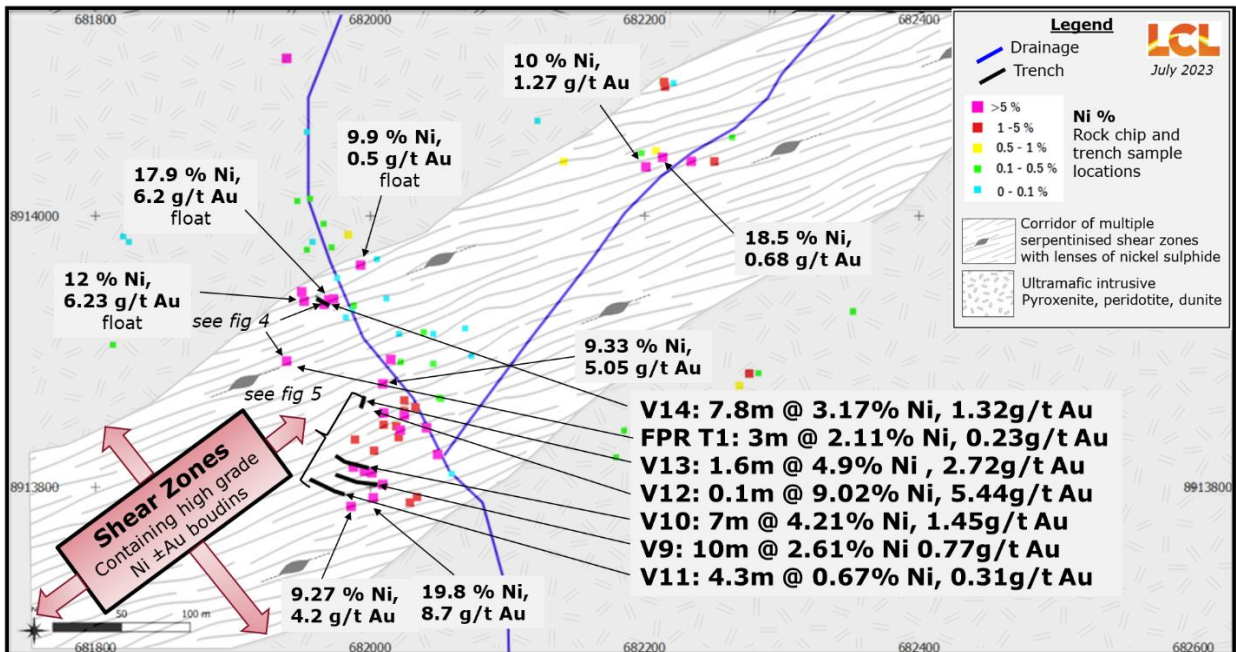


Figure 4: A corridor of shear zones, ~200m wide and open along strike, has been mapped containing boudins of very high-grade Ni ± Au mineralisation. The high grade and volume of boudins, and repetitive nature of the shear zones, provides the potential to 'bulk up' to grades of interest, as evidenced by assays from the numerous trenches across the corridor³.



Plate 1: Examples of in-situ boudins of high grade nickel sulphide exposed in pits/trenches. Plate 1B sample 176019: 13.4% Ni, 5.4g/t Au³ - 10cm x 30cm boudin of nickel sulphide, garnierite, magnetite and trace molybdenite hosted in a shear striking 050 degrees.

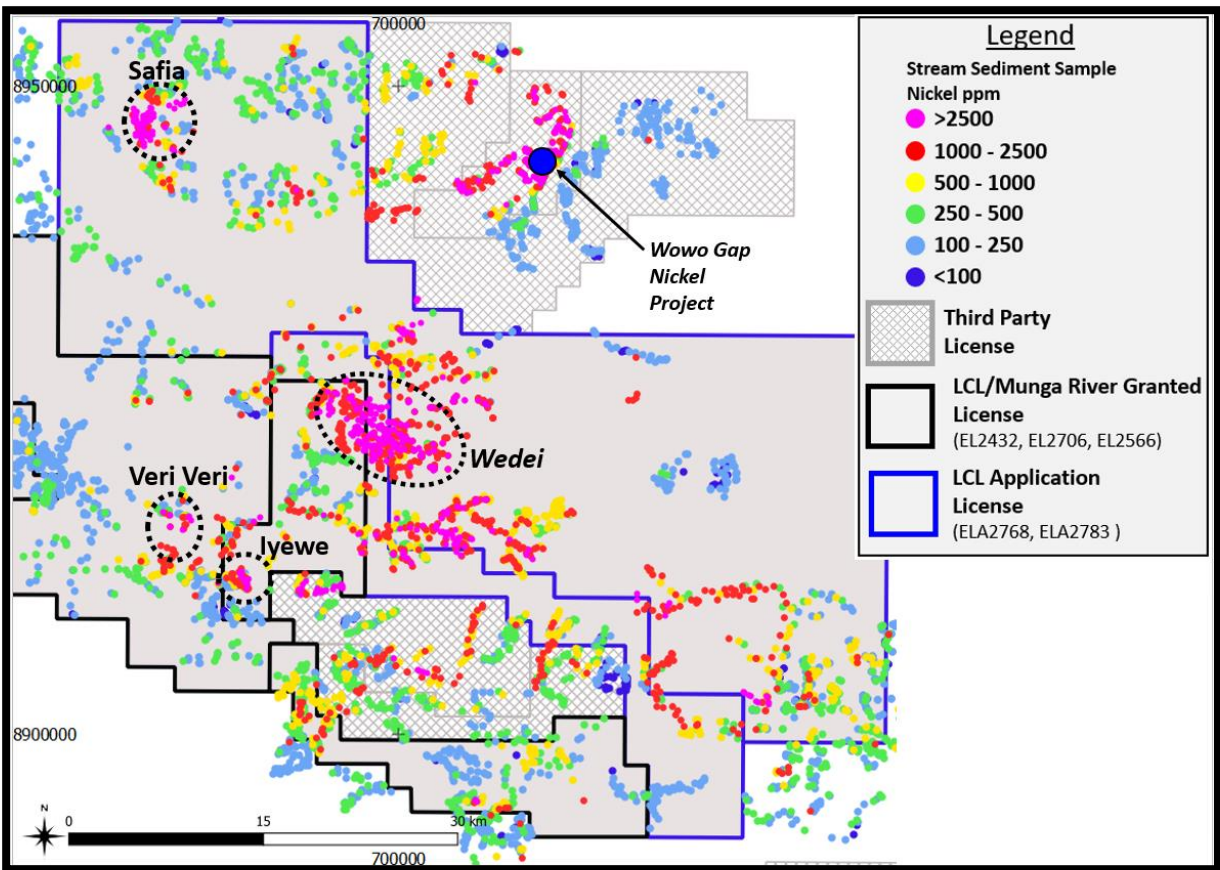


Figure 5: Stream sediment nickel samples, Nickel Project areas and tenure. Data are sourced from the Mineral Resources Authority (MRA) and publicly available reports

Colombia

There were no developments to report on LCL's Colombian gold projects during the quarter. The Company continues to monitor political and policy developments whilst maintaining its assets and relationship with local communities.



The Miraflores Environmental Impact Assessment (EIA), based on the 2017 Miraflores DFS, remains with local authorities for review. The EIA is the final submission ahead of the grant of Miraflores development approvals. The timeline of approval is variable ranging from a minimum 6 months to considerably longer. Miraflores is an advanced sub-section of the 2.6Moz Quinchia Project⁵ with a 457koz Reserve grading 3.3g/t Au⁵ and describing an underground mining operation.

Mineral Resources and Reserves Statement

QUINCHIA GOLD PROJECT - MINERAL RESOURCE ESTIMATE (MRE)					
Quinchia subzone	Resource Category	CUT-OFF	TONNES (Mt)	Au (g/t)	Au (koz)
Tesorito	Inferred	0.5g/t Au	50.0	0.81	1,298
Dosquebradas	Inferred	0.5g/t Au	20.2	0.71	459
Miraflores - U.Ground	Measured + Indicated	1.2g/t Au	9.3	2.82	840
Miraflores - U.Ground	Inferred	1.2g/t Au	0.5	2.36	37
QUINCHIA RESOURCE			80.0	1.02	2,634
<i>Note: Miraflores Resource includes Miraflores Reserve</i>					
MIRAFLORES RESERVE					
CATEGORY	TONNES (Mt)	Au (g/t)	Ag (g/t)	Au (koz)	Ag (koz)
Proved	1.70	2.75	2.20	150	120
Probable	2.62	3.64	3.13	307	264
Total	4.32	3.29	2.77	457	385

The information in this section is drawn from the following ASX releases:

Deposit	Release Date
Miraflores Mineral Resource Estimate and explanatory notes	14 March 2017
Miraflores Ore Reserve Estimate and explanatory notes	17 November 2017
Dosquebradas Mineral Resource Estimate and explanatory notes	25 February 2020
Tesorito Resource Mineral Resource Estimate and explanatory notes	22 March 2022

⁵ Contains a mix of Inferred, Indicated and Measured Resources. Using Tesorito MRE of 1.3Moz @ 0.81 g/t Au. The Miraflores Reserve is included in the Miraflores Resource. Refer ASX announcement dated 14 March 2017 (Miraflores Resource) and 27 November 2017 (Miraflores Reserve) and 25 February 2020 (Dosquebradas Resource) and 22 March 2022 (Tesorito Resource). The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements, and that all material assumptions and technical parameters underpinning the estimates continue to apply.



Corporate and Appendix 5B disclosures

The AGM for the 2022 Financial Year was held early in the quarter, during which shareholders resolved to change the Company name from Los Cerros Limited to LCL Resources Limited. The catalyst for the name change and re-brand was the current exploration focus on, PNG projects secured in November 2022⁶.

During the quarter, the Company was informed that a final decision ruling by the judge concerning the outcome of Prins litigation in Medellin, Colombia is due on 26 January 2024. This concerns litigation brought by a former director and chief executive officer of one of the Company's Colombian subsidiaries for approximately USD 1 million, originating in 2014. The Directors are of the opinion that the claim will be successfully defended and that the risk of the Company facing an unfavourable judgement is unlikely. Should the initial ruling be unfavourable, the Company may appeal the verdict.

On 3 April, 38,400,000 ordinary LCL shares were issued as the final share issue of an Entitlement Issue undertaken late in the previous quarter.

On 26 June it was announced that commitments to issue 8,040,736 ordinary LCL shares were made by the Company in connection with the proposed Munga River acquisition, contingent on transaction completion.

On 1 July, 5,546,875 options were cancelled on their expiry.

The Company held cash and cash equivalents of \$5.8 million at the end of the quarter.

As outlined in the attached Appendix 5B, during the quarter the Company spent approximately:

- \$2,389K on exploration activities;
- \$115K in payments made to related parties and their associates for director salaries, consultancy fees, superannuation; and
- \$370K on administration and corporate costs.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further enquiries contact:

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Managing Director

LCL Resources Limited

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⁶ See ASX announcement 25 November 2022.



JORC STATEMENTS - COMPETENT PERSONS STATEMENTS

The technical information related to LCL's PNG assets contained in this report that relates to Exploration Results is based on information compiled by Mr John Dobe, who is a Member of the Australasian Institute of Mining and Metallurgy and who is a Geologist employed by LCL on a full-time basis. Mr Dobe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dobe consents to the inclusion in the release of the matters based on the information he has compiled in the form and context in which it appears.

FORWARD LOOKING STATEMENTS This document contains forward looking statements concerning LCL. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on LCL's beliefs, opinions and estimates of LCL as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur.



Mineral Tenements held as at 30 June 2023

Papua New Guinea		
TENEMENT	TITLEHOLDER (1)	STATUS
Ono Project		
EL2665 Ono	FPR	Renewal (3)(4)
EL2681 Kau Creek	FPR	Granted (2)
Imou Project		
EL2548 April River	FPR	Renewal (3)(4)
Liamu Project		
EL2432 Sinua	FPR	Granted (2)
EL2706 Awala	FPR	Granted (2)
EL2768 Safia	FPR	Application (5)
EL2783 Silimidi	FPR	Application (5)
EL2566 Adau	MRL (6)	Renewal (3)(4)
Tauya Project		
EL2673 Tauya	FPR	Granted (2)

- (1) FPR (Footprint Resources Pty Ltd ACN167 751 868) is a 100%-owned subsidiary of LCL. There are no third party royalties, buy backs or other encumbrances over the FPR tenements. Under the 1992 Mining Act, the PNG Government has the right to purchase 30% of any project at the ML Application phase.
- (2) Exploration Licences in PNG are granted for a two year period with no limit on the number of renewals allowed.
- (3) The renewal applications have been lodged for two year extensions.
- (4) The renewal process in PNG consists of the lodgement of a renewal application, nomination of a Warden's Hearing date, conduct of the Warden's Hearing, assessment of the information by the Mineral Advisory Council/MRA prior to referral to the Mining Minister for approval. As this process typically takes 6 to 12 months to complete, it is common for PNG Exploration Licences to be in Renewal status. The MRA requires Explorers to maintain exploration activities throughout the Renewal period.
- (5) EL2768 Safia is an uncontested Application lodged on 3 October 2022. The Warden's Hearing for this licence was conducted on 31 January 2023 and received unanimous support for grant to FPR. The Warden's Hearing for EL2783 Silimidi is scheduled for 11 September 2023. Grant of the licence normally occurs 3 to 6 months post a successful Warden's Hearing.
- (6) LCL has a binding agreement with Munga River Limited (MRL) to acquire 100% of EL2566 subject to successful renewal and transfer of title to LCL.



Quinchia Gold Project, Colombia			
TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)(5)	STAGE
010-87M (4)	MCM	Contribution contract	Exploitation
DLK-142	MCM	Concession	Exploration
DLK-14544X	MCM	Concession	Exploration
FCG-08355X	MCM	Concession	Exploration
FCG-08356X	MCM	Concession	Exploration
FCG-08357X	MCM	Concession	Exploration
FCG-08358X	MCM	Concession	Exploration
FKH-145510X	MCM	Concession	Exploration
GC4-15002X (6)	MCM	Concession	Exploration
GC4-15005X (6)	MCM	Concession	Exploration
GC4-150010X (6)	MCM	Concession	Exploration
TDR-11411	MCM	Application	Exploration
GC4-159 (6)	AGA	Application	Exploration
GC4-15004X (6)	AGA	Application	Exploration
GC4-15006X (6)	AGA	Application	Exploration
GC4-15007X (6)	AGA	Application	Exploration
GC4-15009X (6)	AGA	Application	Exploration
KHL-15421 (6)	AGA	Application	Exploration
OG2-08112	MCM	Application	Exploration
OG2-10591	MCM	Application	Exploration
OG2-8073	MCM	Application	Exploration
502321	MCM	Application	Exploration
502322	MCM	Application	Exploration
505395	MCM	Application	Exploration

(1) All titles are part of the Quinchia Gold Project, Quinchia, Department of Risaralda, Colombia.

(2) MCM (Miraflores Compañía Minera SAS) a 100%-owned subsidiary of North Hill Holdings Group Inc., owned as to 100% by LCL.

(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum 11 years.

(4) 15 year life auto-extended for 15 years. In 2017, LCL applied for an additional extension within the contract term and rights of the Contribution Contract and simultaneously applied to update the contract to a contemporary Concession Contract also within the rights of the Contribution Contract.

(5) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If there was open ground at the time of lodging, a contract for exploration and potential exploration will be offered to the applicant. MCM has a beneficial interest of 100% of the tenement when the application is granted.

(6) AGA (AngloGold Ashanti Colombia SAS). LCL has a 100% beneficial interest in these tenements which are in the process of transfer to MCM.



Andes Gold Project, Colombia			
TENEMENT (1)	TITLEHOLDER (2)	TYPE OF CONTRACT (3)	STAGE
T5630005 El Culpio	Andes Resources (2.3)	Concession (4)	Exploitation
P8717011 San Pablo	Mineria Integral de Colombia - MININCOL (2.1)	Special Permission (5)	Exploitation
HINC-03-5843	Grupo de Bullet (2.2)	Concession (3)	Exploration
KI7-14021	Frontera (2.2)	Concession (3)	Exploration
18821	Puerto de Oro & Claudia Naranjo Ruiz (2.2)	Application (6)	Exploration
19697	Puerto de Oro (2.2)	Application (6)	Exploration
20982	Colombian Development Corporation (2.2)	Application (6)	Exploration
HD6-08152X	Negocios Mineros (2.2)	Application (6)	Exploration
HD6-086	Negocios Mineros (2.2)	Application (6)	Exploration
PKA-08231	Nacional de Minerales y Metales (2.2)	Application (6)	Exploration
HKU-08011	Leo (2.2)	Application (6)	Exploration
JC4-08003X	Acuario (2.2)	Application (6)	Exploration
JC4-08007X	Acuario (2.2)	Application (6)	Exploration
JC4-08008X	Acuario (2.2)	Application (6)	Exploration
JC4-08004X	Acuario (2.2)	Application (6)	Exploration
JC4-08005X	Acuario (2.2)	Application (6)	Exploration
JC4-08009X	Acuario (2.2)	Application (6)	Exploration
JC4-08006X	Acuario (2.2)	Application (6)	Exploration
JGS-16391	Cholo (2.2)	Application (6)	Exploration
JGS-16394X	Cholo (2.2)	Application (6)	Exploration
JGS-16393X	Cholo (2.2)	Application (6)	Exploration
JII-08221	El Crucero (2.2)	Application (6)	Exploration
JJR-08052X	El Percal (2.2)	Application (6)	Exploration
KCJ-08041	Eros (2.2)	Application (6)	Exploration
KGD-08051	Esquimal (2.2)	Application (6)	Exploration
KGD-08052X	Esquimal (2.2)	Application (6)	Exploration
KI7-14022X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14023X	Sociedad Frontera (2.2)	Application (6)	Exploration
KI7-14024X	Sociedad Frontera (2.2)	Application (6)	Exploration
LJQ-08007	Grupo de Bullet (2.2)	Application (6)	Exploration
OG2-08124	Negocios Mineros (2.2)	Application (6)	Exploration
OG2-08159	Negocios Mineros (2.2)	Application (6)	Exploration



OG2-09375	Minerales OTU (2.2)	Application (6)	Exploration
RHA-08102X	Andes Resources (2.3)	Application (6)	Exploration
TG9-08001	Andes Resources (2.3)	Application (6)	Exploration
TGD-08001	Andes Resources (2.3)	Application (6)	Exploration
TGG-08001	Andes Resources (2.3)	Application (6)	Exploration
TGH-08001	Andes Resources (2.3)	Application (6)	Exploration
TGH-08002X	Andes Resources (2.3)	Application (6)	Exploration
TGI-08001	Andes Resources (2.3)	Application (6)	Exploration
THF-08011	Andes Resources (2.3)	Application (6)	Exploration
TII-08021	Andes Resources (2.3)	Application (6)	Exploration
TJO-08031	Andes Resources (2.3)	Application (6)	Exploration
TLB-08151	Andes Resources (2.3)	Application (6)	Exploration
UA2-10471	Andes Resources (2.3)	Application (6)	Exploration
501061	Andes Resources (2.3)	Application (6)	Exploration
TGG-08002X	Andes Resources (2.3)	Application (6)	Exploration
TGG-08003X	Andes Resources (2.3)	Application (6)	Exploration
TGG-08004X	Andes Resources (2.3)	Application (6)	Exploration
501528	Andes Resources (2.3)	Application (6)	Exploration
501529	Andes Resources (2.3)	Application (6)	Exploration
501530	Andes Resources (2.3)	Application (6)	Exploration
501533	Andes Resources (2.3)	Application (6)	Exploration
501773	Andes Resources (2.3)	Application (6)	Exploration
501814	Andes Resources (2.3)	Application (6)	Exploration
501815	Andes Resources (2.3)	Application (6)	Exploration
502051	Andes Resources (2.3)	Application (6)	Exploration
502585	Andes Resources (2.3)	Application (6)	Exploration
502587	Andes Resources (2.3)	Application (6)	Exploration
502590	Andes Resources (2.3)	Application (6)	Exploration
502729	Andes Resources (2.3)	Application (6)	Exploration
502752	Andes Resources (2.3)	Application (6)	Exploration
503564	Andes Resources (2.3)	Application (6)	Exploration
503894	Andes Resources (2.3)	Application (6)	Exploration
503895	Andes Resources (2.3)	Application (6)	Exploration
504101	Andes Resources (2.3)	Application (6)	Exploration
504102	Andes Resources (2.3)	Application (6)	Exploration
504105	Andes Resources (2.3)	Application (6)	Exploration
504106	Andes Resources (2.3)	Application (6)	Exploration
504107	Andes Resources (2.3)	Application (6)	Exploration
504108	Andes Resources (2.3)	Application (6)	Exploration



504115	Andes Resources (2.3)	Application (6)	Exploration
504117	Andes Resources (2.3)	Application (6)	Exploration
504124	Andes Resources (2.3)	Application (6)	Exploration
504126	Andes Resources (2.3)	Application (6)	Exploration
504862	Andes Resources (2.3)	Application (6)	Exploration
504877	Andes Resources (2.3)	Application (6)	Exploration
505582	Andes Resources (2.3)	Application (6)	Exploration
505689	Andes Resources (2.3)	Application (6)	Exploration
505867	Andes Resources (2.3)	Application (6)	Exploration
505927	Andes Resources (2.3)	Application (6)	Exploration
505929	Andes Resources (2.3)	Application (6)	Exploration
506144	Andes Resources (2.3)	Application (6)	Exploration
506162	Andes Resources (2.3)	Application (6)	Exploration
506165	Andes Resources (2.3)	Application (6)	Exploration
506172	Andes Resources (2.3)	Application (6)	Exploration
506173	Andes Resources (2.3)	Application (6)	Exploration
506385	Andes Resources (2.3)	Application (6)	Exploration
506386	Andes Resources (2.3)	Application (6)	Exploration
506389	Andes Resources (2.3)	Application (6)	Exploration
506391	Andes Resources (2.3)	Application (6)	Exploration
506392	Andes Resources (2.3)	Application (6)	Exploration
506393	Andes Resources (2.3)	Application (6)	Exploration
506394	Andes Resources (2.3)	Application (6)	Exploration
506396	Andes Resources (2.3)	Application (6)	Exploration
506397	Andes Resources (2.3)	Application (6)	Exploration
506398	Andes Resources (2.3)	Application (6)	Exploration
506400	Andes Resources (2.3)	Application (6)	Exploration
506401	Andes Resources (2.3)	Application (6)	Exploration
506403	Andes Resources (2.3)	Application (6)	Exploration
506530	Andes Resources (2.3)	Application (6)	Exploration
506531	Andes Resources (2.3)	Application (6)	Exploration
506534	Andes Resources (2.3)	Application (6)	Exploration
506535	Andes Resources (2.3)	Application (6)	Exploration
506913	Andes Resources (2.3)	Application (6)	Exploration
507114	Andes Resources (2.3)	Application (6)	Exploration
507717	Andes Resources (2.3)	Application (6)	Exploration
507718	Andes Resources (2.3)	Application (6)	Exploration
507801	Andes Resources (2.3)	Application (6)	Exploration

(1) All titles are part of the Andes Gold Project, located in Antioquia, Risaralda and Choco, Departments of Colombia. Pursuant to the Interest Transfer Agreement with Bullet Holding Corporation (Bullet), Andes Resources Pty Ltd has a 90% beneficial interest, and Bullet has a 10%



interest. All tenements have been crossed checked against the National Mining Authority Registry (ANNA) and reflect the status reported in ANNA. The Colombian Mining Authority's migration to a new tenement management and cadastre system (ANNA) has generated inconsistencies and issues concerning certain mineral tenement boundaries. In addition, there is uncertainty regarding the application and constitutionality of Presidential Decree 1955/19, the purpose of which was to re-instate certain land rights over free land to qualifying informal miners. The issues are not unique to LCL and have the potential to reduce the footprint of a subset of exploration licence applications within the Company's Andes Gold Project. The Company is monitoring the situation and will keep the market informed of developments.

(2) The Titleholders of the tenements are:

(2.1) Tenements in process of acquisition by Andes Resources EP S.A.S (Andes Resources) where Andes Resources owns 77% of the underling company, Ni Maria J SAS and is earning 100% which will then still be subject to the 10% Bullet holding discussed in (1) above.

(2.2) The titleholders of the applications are various companies associated with Bullet and covered under the Interest Transfer Agreement - see note (1).

(2.3) Andes Resources is a subsidiary company of LCL.

(3) Concessions at Exploration Stage have 3 year life extendable for 2 years to a maximum of 11 years.

(4) Concessions at Exploitation Stage have 30 year life extendable for 30 years. This concession has an area reserved for exploration.

(5) 5 year life extendable for 5 years and the tenement is in process of transformation to Concession contract.

(6) Applications have neither legal liabilities nor certainty that they will be granted in whole or in part. If the ground was open ground at the time of lodging, a contract for exploration and potential exploitation will be offered to the applicant. Andes Resources has a beneficial interest in the tenement when the application is granted.



Appendix 5B

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

Name of entity

LOS CERROS LTD (ASX: LCL)

ABN

43 119 759 349

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs and board remuneration	(258)	(776)
	(e) administration and corporate costs	(370)	(562)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	116	187
1.5	Interest and other costs of finance paid	-	(4)
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	(512)	(1,155)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(2,389)	(3,553)
	(e) investments	-	-
	(f) other non-current assets	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	34	43
	(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	(2,355)	(3,510)

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	(14)	(116)
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 (proceeds from issues of equity securities yet to be allocated)	-	2,212
3.10	Net cash from / (used in) financing activities	(14)	2,096

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,663	8,367
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(512)	(1,155)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,355)	(3,510)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	2,096
4.5	Effect of movement in exchange rates on cash held	(3)	(19)
4.6	Cash and cash equivalents at end of period	5,779	5,779

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	2,779
5.2	Call deposits	-
5.3	Bank overdrafts	-
5.4	Other (term deposits)	3,000
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,779
		8,663

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
	115
6.2	Aggregate amount of payments to related parties and their associates included in item 2
	-

The payments to directors or their associates in 6.1 include directors' salaries and superannuation.

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



8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(512)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,389)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,901)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,779
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,779
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.0
<p><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></p>	
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?	
<p>Answer: Yes, given the Company is an exploration company and not generating any revenue it is expected that it will continue to have negative operating cash flows for the time being.</p>	
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?	
<p>Answer: The Company has been able demonstrate a record of securing funds when required and is confident that it will be to continue to do so upon ongoing satisfactory exploration results.</p>	
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?	
<p>Answer: The Company believes that it is able to continue its current operations and business objectives for the reasons outlined in questions 1 and 2.</p>	
<p><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></p>	



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: 28 July 2023

Authorised 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.