

Appendix 5B

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

Name of entity

Ardiden Limited

ABN

82 110 884 252

Quarter ended ("current quarter")

30 June 2021

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	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(113)	(406)
(e) administration and corporate costs	(116)	(649)
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 – Option receipt	200	200
1.9 Net cash from / (used in) operating activities	(29)	(855)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(14)	(32)
(d) exploration & evaluation	(724)	(4,127)
(e) investments	-	(72)
(f) other non-current assets	-	-

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	(738)	(4,231)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,556
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	572
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(297)
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	-	4,831
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,954	1,505
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(29)	(855)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(738)	(4,231)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	4,831
4.5 Effect of movement in exchange rates on cash held	52	(11)
4.6 Cash and cash equivalents at end of period	1,239	1,239

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	1,239	1,954
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)	1,239	1,954
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		47
6.2 Aggregate amount of payments to related parties and their associates included in item 2		49
<i>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.</i>		

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	N/A	N/A
7.2 Credit standby arrangements	N/A	N/A
7.3 Other (please specify)	N/A	N/A
7.4 Total financing facilities	Nil	Nil
7.5 Unused financing facilities available at quarter end		Nil
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.		

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8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(29)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(724)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(753)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,239
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,239
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.64
<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?	
Yes	

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?

The Company requires additional funding to meet its business objectives and intends to secure such funding from sources including, but not limited to:

- As previously advised to the ASX (6 May 2021, 23 June 2021 and 27 July 2021), the agreement with Green Technology Metals (formerly known as Great Northern Lithium) to buy up to 80% of ADV's lithium portfolio was exercised and form a Joint Venture.

Total consideration for the up to 80% stake is staged payments of A\$9.2m is as follows:

- A\$200,000 cash for GTM's exclusive due diligence period (received during the quarter);
- **A\$1,500,000 cash Consideration Payment** at receipt of Ardiden shareholder approval;
- **A\$4,000,000 payment** at GTM receiving a conditional admission letter from ASX, or by no later than 6 months after the **Consideration Payment**, comprising:
 - **A\$1,750,000 in cash**; and
 - An additional **\$2,250,000 instalment** (cash or shares at GTM's election, the latter of which is subject to ASX Conditional Admission and any required escrow), to earn a **51%** interest in the Lithium tenements.
- **A\$3,500,000 final instalment** (cash or shares at GTM's election, with any share issue subject to ASX listing and any required escrow) payable before the earlier of 12 months after GTM is listed on the ASX, or 18 months from payment of the Consideration Payment. A further 29% interest in the Lithium tenements is transferred at this stage taking GTM's total interest in the tenements to 80%.
- Reduction of administration costs and overheads.
- Further equity raisings. Ardiden has demonstrated track record of successfully raising cash via share placements and share purchase plans, to fund its operations. It has capacity under the ASX Listing Rules and has a mandate in place with a significant broker which have successfully supported the Company in historical capital raisings. It is expected that the Company will undertake future capital raising activity, which it expects will be successful in meeting its cash requirements to ensure drilling will continue with little disruption.

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?

Yes. The Company expects to continue its operations and meet its objectives, if not through the measures outlined in a) and b) above, then by a capital raising.

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

Compliance statement

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

Date: 29 July 2021

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

Notes

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