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# ASX Announcement

19 January 2021

ASX: PWN  
FSE: 4IP

## DECEMBER 2020 – QUARTERLY REPORT

### Highlights

#### TECHNOLOGY PLATFORM

- aMES® Technology
  - Successful commissioning of state-of-the-art aMES® pilot plant.
  - Completion of the Karinga Lake Potash Project (KLPP) PFS, highlighting significant performance advantages of the aMES® technology.
  - The KLPP-PFS and the new aMES® pilot plant are supporting discussions with prospective clients, to commercialise the process technology platform.
- iBC® Technology
  - Recent testwork on CSG project derived brine, has demonstrated significant operational, financial and sustainability advantages of the iBC® technology.
- Other
  - Significant progress in leveraging the technology platform, to support existing and emerging business development initiatives, including in the development of several proposals, predominantly for major energy and mining companies.
  - Acquired IP portfolio and strengthened collaboration with Victoria University.
  - Trade mark registration for both aMES® and iBC® awarded by IP Australia.

#### CORPORATE

- Ongoing investor engagement through a series of presentations and webinars.
- Strong balance sheet with \$2.62 million in cash and \$2.40 million in marketable securities (34.3 million shares in Davenport Resources, ASX: DAV, plus options).
- Reported cash balance at end of quarter, excludes grant funds and anticipated R&D tax incentive rebate of \$0.235 million for FY20.
- Commenced incubation of synergistic new corporate development initiative.

Parkway Minerals NL (ASX: **PWN**) (“**Parkway Minerals**” or the “**Company**”) is pleased to report its activities for the quarter ending 31 December 2020.

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## TECHNOLOGY PLATFORM

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The Company continues to make strong progress in building and commercialising a world-class wastewater processing technology portfolio. In addition to the patented iBC<sup>®</sup> and aMES<sup>®</sup> technologies, the Company has recently been offered the rights to certain synergistic technologies, with high-value industrial applications, including the potential destruction of problematic environmental contaminants such as hydrocarbon residues and PFAS.

On [18 November 2020](#), the Company announced the acquisition of several water and wastewater processing related innovations, as well as certain underlying intellectual property (IP) in order to consolidate complete ownership of all IP, as part of an expanded collaboration with Victoria University.

Notwithstanding opportunities to strategically grow the technology portfolio, the Company remains focused on commercialising the core iBC<sup>®</sup> and aMES<sup>®</sup> technologies. The Company was recently granted the registered trade mark for both these technologies, by IP Australia.

>> Additional details about the recently granted trade marks is described in the section, *Activities Subsequent to Reporting Period*.

### iBC<sup>®</sup> Technology

The iBC<sup>®</sup> technology, provides the opportunity to pre-treat complex brines, particularly from the coal-seam gas (CSG) industry, in order to enable further downstream processing, to reduce wastewater volumes and recover valuable chemical products. During the quarter, ongoing technology optimisation studies identified an additional processing advantage of the iBC<sup>®</sup> technology, which had not previously been recognised. As this innovation is believed to be highly novel, the Company is exploring opportunities for potentially patenting this process, as it is likely to have broader applications for processing wastewater from the global oil and gas industry. This anticipated patenting process may allow the company to further expand IP protection of the technology through a patent “evergreening” process.

### Business Development

As outlined in recent updates, the Company is exploring the potential application of the iBC<sup>®</sup> technology with a number of major CSG industry participants.

One of the more advanced investigative studies performed during the quarter, involved iBC<sup>®</sup> based pre-treatment of a CSG derived wastewater sample supplied by a major CSG project operator. Preliminary findings indicated, a wastewater volume reduction of greater than 90% was achievable, with the subsequent integration of the aMES<sup>®</sup> technology, potentially providing a highly desirable, zero-liquid discharge (ZLD) solution for the client. Whilst the *annual net benefit*<sup>1</sup> to the client was initially estimated to be in the order of \$4 – 5 million; when taking actual (realistic) disposal costs into account (as provided by the client) – the recurring net benefit to the client is expected to be almost an order of magnitude larger, at over \$40 million, annually, highlighting the scale of the opportunities being evaluated by the Company.

Discussions are also continuing with other major CSG industry participants, in order to perform brine characterisation studies, incorporating piloting with the iBC<sup>®</sup> technology. Internal technoeconomic evaluations performed by the Company on several Australian projects, highlight significant opportunities for applying the Company’s suite of technologies, to address these increasingly pressing challenges.

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<sup>1</sup> The “annual net benefit” described above is based on internal preliminary technoeconomic assessments (revenues + savings – costs), is indicative only, will change materially as subsequent evaluations are progressed and should not be relied upon for any purpose. These amounts do not reflect any form of guidance.

## aMES<sup>®</sup> Technology

The aMES<sup>®</sup> technology enables the processing of concentrated feedstocks including brine solutions, to recover a range of valuable compounds, reagents and fresh water.

### Karinga Lakes Potash Project – Pre-Feasibility Study (KLPP-PFS)

On [5 November 2020](#), the Company announced the completion of the KLPP-PFS, based on the aMES<sup>®</sup> technology, with the PFS jointly developed by Parkway Minerals and Worley, under a Global Strategic Cooperation Agreement announced on [8 May 2020](#).

The KLPP-PFS enabled the Company to demonstrate the significant advantages of the aMES<sup>®</sup> technology, as well as support strategic capability development.

>> Additional information about the Karinga Lakes Potash Project, including the PFS, is outlined in the *Projects* section, below.

### aMES<sup>®</sup> Pilot Plant

Initial commissioning of the new, state-of-art aMES<sup>®</sup> pilot plant commenced in mid-December 2020, and was recently completed, successfully. Additional commissioning related activities resumed in mid-January 2021, as part of a broader process piloting campaign. The planned commissioning campaign will incorporate potassium enriched mixed salts from the KLPP. Subsequent testwork involving the aMES<sup>®</sup> pilot plant, will also include feedstock from third-party projects, providing the Company with an important process demonstration, optimisation and validation capability, an essential requirement for successful commercialisation of the aMES<sup>®</sup> technology.

### Business Development

During the quarter, the Company remained focused on achieving the key priorities of the corporate strategy, including completion of the KLPP-PFS, construction and commissioning of the new aMES<sup>®</sup> pilot plant and associated capability development. Towards the end of the quarter (immediately after completion of the KLPP-PFS), the Company revisited a number of opportunities, including several significant projects which have previously undergone aMES<sup>®</sup> based piloting studies, but could not be advanced at the time. As outlined in the [01 December 2020](#) presentation (*slide 23*), the Company was able to perform a range of technoeconomic studies and finalise a number of proposals, which have been warmly received by the prospective clients. Whilst the indicative findings of these studies are illustrative only, they serve to highlight the scale of the opportunities the Company is seeking to address. Discussions with these parties resumed in early 2021, in an effort to determine a suitable pathway to further advance collaborative discussions towards commercial arrangements.

## Capability Development

### Capability Development

The Company continued to make significant progress in building the Brine Processing Technology Platform (refer *Figure 1*), including in relation to:

- Expanding In-House Engineering Capabilities – the Parkway Minerals process engineering team continues to build significant process simulation and technoeconomic modelling capabilities, enabling more efficient development, optimisation and evaluation of a range of process flowsheets incorporating aMES<sup>®</sup>

technology. These practical capabilities provide Parkway Minerals with a strong foundation from which to develop effective *Brine Processing as a Solution™* offerings.

- **Commercialisation & EPC Support** – global engineering company, Worley, continues to assist Parkway Minerals with the commercialisation of the aMES® technology, by providing strategic and business development support as well as the provision of engineering, procurement and construction (EPC) related support.
- **Strategic Alignment** – collaboration with key partners including ongoing vendor qualification (OEM's) and engagement with specialist partners important in the successful commercialisation of the iBC® and aMES® technologies, is ongoing. Significant progress has been made in aligning these technologies with high-quality vendors which would be necessary to deliver a high-quality solution. Several potential strategic partnership opportunities are currently under active evaluation.
- **Technology Platform** – Parkway Minerals has successfully combined a range of key capabilities, including those outlined above, to strategically develop an innovative brine processing technology platform (refer *Figure 1*).



**Figure 1: Building a Brine Processing Technology Platform**

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## PROJECTS

### Karinga Lakes Potash Project (KLPP)

Parkway Minerals currently holds an equity interest in a single mining exploration project, the Karinga Lakes Potash Project (KLPP). During the quarter no substantive mining exploration activities occurred in relation to this project.

#### Overview (KLPP, 15% interest, earning 40%)

The KLPP in the Northern Territory, is a JV between Verdant Minerals and Consolidated Potash Corporation Pty Ltd (CPC, a wholly owned subsidiary of the Company). CPC acquired an initial 15% interest in the KLPP by completing a scoping study in February 2019. On 11 May 2020, Parkway Minerals announced the commencement of a pre-feasibility study (PFS) on the project, based on the strategic application of the aMES® technology.

On [05 November 2020](#), the Company announced completion of the KLPP-PFS. Based on the completion of the PFS, and the near-term activities, the Company anticipates satisfying the earn-in requirements to have acquired a 40% working interest in the project, without making significant further investment.

#### Key Findings of the KLPP-PFS

- The KLPP-PFS confirms the KLPP as a potentially attractive producer of high-quality, soluble grade, sulphate of potash (SOP) targeting key horticulture markets.
- Innovative aMES® based flow sheet demonstrates potential (major improvement over scoping study), even for a relatively small-scale operation targeting annual SOP production of 40,000 tonnes, over an initial mine life of 20 years.
- aMES® based development concept demonstrates highly efficient use of water.
- **KEY FINANCIAL METRICS**
  - Initial capital cost (CAPEX) of \$80.0 million, inclusive of all non-process infrastructure and indirect costs (which includes a contingency of \$6.7 million).
  - Production cost (OPEX) of \$293/tonne of SOP, ex-mine gate.
  - Strong cash generation potential, with estimated EBITDA margin of 54.4%, resulting in annual EBITDA of \$18.6 million.
  - Ungeared development of the KLPP would result in:
    - Project payback in approximately 5.5 years from first SOP production.
    - Post-Tax NPV<sub>8%</sub> of \$80.15 million with an IRR of 20.4%.
- Significant additional opportunities to improve the financial performance of the project were identified, particularly in relation to non-process infrastructure.
- KLPP-PFS prepared by owners' team, supported by leading industry consultants, with Worley as study manager, through existing Global Strategic Cooperation Agreement.

#### Tenement Rationalisation

As announced previously, the operator of the KLPP, Verdant Minerals is currently undertaking a tenement rationalisation process focused on holding essentially a similar project area, by consolidating exploration tenure from 7, to 3 contiguous licences, therefore simplifying

dealings with relevant stakeholders as well as potentially reducing holding costs. Parkway Minerals has been advised by the operator that the Northern Territory Government's intention to rely on the expedited procedure for assessing the grant of the new exploration licences has been objected to by the Central Land Council (CLC) as a result of a Native Title Claim. The Tribunal dealing with the matter has asked the parties, namely the Northern Territory Government and the CLC to provide certain supporting information. Discussions between the respective parties continued during the quarter.

## Mineral Resources

The Mineral Resource Estimate underpinning the KLPP-PFS is summarised in *Figure 2*.

Lake	Mineralisation Contained in Drainable Porosity	Indicated Mineral Resource contained in Total Porosity that meets reasonable prospects of economic extraction	Production
	Potassium Tonnage	Potassium Tonnage	Potassium Tonnage
	(kt)	(kt)	(kT)
Lakes included in the mine plan (x8)			
<b>Sub Total</b>	<b>300</b>	<b>580</b>	<b>430</b>
Remaining Lakes (x16)			
<b>Sub total</b>	<b>220</b>	<b>430</b>	
<b>Totals</b>	<b>520</b>	<b>1000</b>	<b>430</b>

**Figure 2:** KLPP Mineral Resource Estimate - Resource Utilisation in Mine Plan

The Mineral Resource estimate underpinning the production targets in this announcement were prepared by a competent person in accordance with the requirements of the JORC Code 2012.

## COMPETENT PERSONS STATEMENT

The information in this announcement that relates to Exploration Results and Mineral Resources for the Karinga Lakes Potash Project is based on, and fairly represents, information compiled by Mr Ben Jeuken, who is a member of the Australian Institute of Mining and Metallurgy and a member of the International Association of Hydrogeologists. Mr Jeuken is employed by Groundwater Science Pty Ltd, an independent consulting company. Mr Jeuken has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are 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 Jeuken consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Parkway Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated [5 November 2020](#). Parkway Minerals 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.

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## CORPORATE

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### Funding

During the quarter, the Company experienced increased cash outflows (in line with budget and guidance), largely as a result of expenditures associated with the KLPP-PFS, and to a lesser extent, the construction of the aMES<sup>®</sup> pilot plant. These expenditures have been finalised during the quarter and will not extend into a subsequent reporting period.

The Company remains well funded with a cash balance of \$2.62 million at 31 December 2020. In addition to the cash balance at quarter end, the Company holds an additional ~\$2.4 million in marketable securities (shares and options in Davenport Resources), and a range of other non-dilutive funding sources outlined below, ensuring Parkway Minerals is well funded to execute the CY2021 business plan.

### Strategic Placement

During the quarter, the Company successfully conducted a placement to sophisticated and professional investors, raising gross proceeds of \$1,604,280, through the issuance of 178,253,330 new fully paid ordinary shares at an issue price of \$0.009. Allotment of the placement shares was made pursuant to the Company's *ASX Listing Rule 7.1* capacity.

### Termination of Acuity Capital Facility

During the quarter, the Company utilised the existing Controlled Placement Agreement (CPA) with Acuity Capital, to raise an additional \$36,000, without issuing additional shares. The Company subsequently terminated the CPA, without incurring any costs.

### Grant Funds

The Company (through AWT & CPC subsidiaries), has historically had a strong track-record in securing a range of grants to subsidise the costs of performing innovative research and development (R&D) and associated commercialisation activities. To date, the company has been successful in all innovation and technology related grant application it has applied for, including a number of highly competitive and prestigious Australian Research Council (ARC) grants.

The majority of KLPP-PFS related tasks performed at Victoria University, including the installation, commissioning and testing of a state-of-the-art aMES<sup>®</sup> pilot plant, is being funded by a previously awarded ARC supported grant. Subsequent to quarter-end, the Company secured additional grant funding, as outlined in the *Activities Subsequent to Reporting Period* section, below.

Ongoing R&D related activities involving the iBC<sup>®</sup> technology continue to be supported by an Innovations Connections Grant, awarded in June 2020.

Parkway Minerals acknowledges the financial support of the Australian Government.

### R&D Rebate

Given the ongoing research and development activities being performed and/or funded by the Company, the Company anticipates receiving an Australian Government research and development tax incentive (R&DTI) payment by way of a refundable tax offset in the order of \$235,000 for FY20. The application was finalised during the quarter, with a refund anticipated in the March 2021 quarter.

## Cash on Hand

At 31 December 2020, the company had \$2.62 million in cash reserves and approximately \$2.40 million in marketable securities.

## Investments

### Strategic Investment – Davenport Resources (ASX: DAV)

Parkway Minerals owns 34,267,700 shares in Davenport Resources (ASX: DAV), representing approximately 15.97% of the issued capital of Davenport Resources (as of the date of this report). Davenport Resources is an ASX listed junior mining company which has assembled a portfolio of advanced potash projects in Germany, which collectively represent one of the largest undeveloped potash resource inventories in Western Europe. Given the globally significant scale of the potash resource delineated by Davenport Resources in an existing potash producing region, Parkway Minerals believes there is an opportunity for Davenport Resources to create and unlock substantial value.

## Investor Relations

The Company has recently rejuvenated the Parkway Minerals website to reflect the increased importance on commercialising a world-class technology portfolio to provide long-term sustainable solutions for processing complex brines, in the energy, mining and wastewater industries. Additional details including recent news and interviews with the managing director, are also available at the Parkway Minerals [website](#).

On [01 Dec 2020](#), the Company release an updated corporate presentation providing details of recent achievements, the corporate strategy and how the Company is partnering with leading industry participants to provide, BPaaS – Brine Processing as a Solution™.

Following the 2020 Annual General Meeting held on 23 December 2020, the managing director of the Company, Bahay Ozcakmak, provided a corporate update [presentation](#).

## IRMA

The Company recently became a member of IRMA, the *Initiative for Responsible Mining Assurance*. IRMA has developed a comprehensive global standard for measuring and reporting on environmental, social and corporate governance (ESG) related factors, with the standard increasingly being supported and adopted by major mining industry stakeholders. The Company believes it is important to signal to all stakeholders the intention to not only uphold, but provide leadership in relation to the ESG standards, particularly in terms of improved environmental compliance, where the Company's suite of technologies, can play a significant role in achieving better outcomes, for all stakeholders.

## Other Items

During the quarter, \$224,000 was spent on exploration and evaluation (mostly in relation to the KLPP-PFS), \$195,000 in staff costs and \$108,000 in administration and related corporate costs. Additional details are provided in the attached *Appendix 5B*.

## Payments to Related Parties

As outlined in the attached Appendix 5B (section 6.1), during the quarter approximately \$116,000 in payments were made to related parties and their associates for director salaries, consultancy fees, superannuation and other related costs.



## Tenement Interests

As at 31 December 2020 Parkway Minerals held the following tenements:

### Australian Projects – Karinga Lakes Potash Project

Tenement ID	Location	State	Interest
ELRA/32206	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32207	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32208	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32209	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32210	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32211	Karinga Lakes	NT	15% <sup>(1)</sup>
ELRA/32212	Karinga Lakes	NT	15% <sup>(1)</sup>
ELA/32249	Karinga Lakes	NT	15% <sup>(1)</sup>
ELA/32250	Karinga Lakes	NT	15% <sup>(1)</sup>
ELA/32251	Karinga Lakes	NT	15% <sup>(1)</sup>

(1) ELRA indicates an Exploration Licence Retention Area, whereas ELA indicates an Exploration Licence Application. See note above, under heading *Karinga Lakes Potash Project* with respect to ongoing tenement rationalisation process.

## Activities Subsequent to Reporting Period

### Business Development

The Company has recently acquired a lease over an integrated office and warehouse complex covering ~1,000m<sup>2</sup> in inner Melbourne. The Company is also actively recruiting a number of experienced personnel to fill key Melbourne based roles, which together with the new office and warehouse facilities, will support both existing and additional business priorities. Further details regarding these initiatives are expected to be provided during the March 2021 quarter.

### Intellectual Property

On 11 January 2021, the Company was advised by IP Australia that:

- The trade mark application by Activated Water Technologies Pty Ltd (AWT) to register *aMES* as a trade mark, has been successful. On this basis, the Company will now refer to the underlying technology through the registered trade mark *aMES*® (trade mark number: 2093133).
- The trade mark application by Parkway Process Technologies Pty Ltd to register *iBC* as a trade mark, has been successful. On this basis, the Company will now refer to the underlying technology through the registered trade mark *iBC*® (trade mark number: 2093140).

Successfully securing registered trade marks for the Company's core process technologies, represents another important step in the IP protection and commercialisation process.

## Grant Funding

On 13 January 2021, a subsidiary of the Company, AWT secured further funding under the Australian Research Council Industrial Transformation Hub for Energy-Efficient Separation (IH170100009). The additional funding consists of:

- \$103,000, from the Australian Research Council (ARC)
- \$75,000, from Victoria University (cash component)
- \$140,472, from Victoria University (in-kind component)
- \$147,576, cash commitment from AWT to unlock above funding.

These grant funds will continue to support the ongoing commercialisation of the aMES<sup>®</sup> technology. The Company acknowledges and appreciates the ongoing support of Victoria University and the Australian Government through the Australian Research Council.

On behalf of Parkway Minerals NL.



**Bahay Ozcakmak**

Managing Director

**The attached Appendix 5B has been authorised for release by Bahay Ozcakmak (MD) and Robert Van der Laan (CFO).**

## Additional Information

For further information contact:

**Bahay Ozcakmak**

Managing Director

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## aMES<sup>®</sup> Technology

The *activated Mineral Extraction System*, or **aMES<sup>®</sup>** is an innovative process technology that enables the treatment of concentrated brine solutions to recover a range of valuable compounds, reagents and fresh water. The technology utilises a proprietary multi-staged process incorporating novel membrane technology and is based on proprietary IP, incorporating patents, expertise and know-how acquired over more than a decade of intense process development.

### **Advantages of the aMES<sup>®</sup> technology include:**

- improvements in mineral recovery and product quality,
- opportunity for substantial project capex & opex savings,
- efficient use of energy and produces pure water as a by-product, and
- improved project footprint and environmental sustainability.

Ongoing collaboration with a number of brine project developers and operators has confirmed there are many applications where the aMES<sup>®</sup> technology has the potential to deliver substantial value by enhancing existing flowsheets, in order to improve overall project performance.

### **Additional Information**

[www.parkwayminerals.com.au/ames-technology](http://www.parkwayminerals.com.au/ames-technology)

## iBC<sup>®</sup> Technology

The *integrated Brine Causticization*, or **iBC<sup>®</sup>** is a patented process technology that simultaneously removes common impurities from waste brine streams and converts sodium carbonates and bicarbonates commonly found in coal seam gas (CSG) brines, into more soluble sodium hydroxide.

As a result of the causticization step, the iBC<sup>®</sup> technology produces a purified brine suitable for downstream processing, including with the aMES<sup>®</sup> technology, for the production of various salt products and industrial-grade sodium hydroxide.

### **Additional Information**

<https://www.parkwayminerals.com.au/ibc-technology>

## aMES<sup>®</sup>

### Brine Processing Technology

#### **Key Industries (Applications)**

- Mining natural brine (salt lakes)
- Solution mining brine (potash)
- Refinery & industrial waste brine
- Wastewater treatment brine

#### **Target Products (Produced)**

- Potash (MOP/SOP/KMS)
- Lithium and magnesium salts
- Range of byproducts (B, Br, Ca, Co, Cu, I, Na, Ni, REE, Si, Sr)
- Reagents
- Water

## iBC<sup>®</sup>

### Brine Pre-Treatment Technology

#### **Key Industries (Applications)**

- Oil & gas waste brine (CSG)
- Wastewater treatment brine

#### **Target Products (Produced)**

- Sodium hydroxide concentrate
- Sodium chloride
- Byproducts (Ca, Mg, Si)

## About Parkway Minerals

In October 2019, Parkway Minerals (ASX: PWN) completed a transformational transaction by acquiring an Australian unlisted public company, Consolidated Potash Corporation (CPC). Through CPC, Parkway Minerals acquired a minority interest in the Karinga Lakes Potash Project (KLPP) in NT Australia, as well as a majority interest in the New Mexico Lithium Project (NMLP), in the United States. The CPC transaction, also resulted in Parkway Minerals acquiring the innovative aMES® technology, which has been developed to process a range of challenging brine streams from the mining industry, in order to recover valuable minerals, reagents as well as produce fresh water.

Given the significant market opportunities, Parkway Minerals is focused on commercialising a world-class technology portfolio to provide long-term sustainable solutions for processing complex brines, in the energy, mining and wastewater industries. In order to achieve this objective, Parkway Minerals is partnering with leading industry participants to provide, BPaaS – Brine Processing as a Solution™.

### Strategic Investment

Parkway Minerals holds a strategic investment in Davenport Resources (ASX: DAV), which has successfully delineated a globally significant in-situ potash resource (in excess of 550 million tonnes of contained potash), at its South Harz project in Central Germany. Recently completed scoping studies have delivered excellent technical and economic results and provide Davenport Resources with an attractive opportunity to create and unlock substantial value.

Parkway Minerals is commercialising a world-class technology portfolio to provide long-term sustainable solutions for processing complex brines, in the energy, mining and wastewater industries.

Our mission is to collaborate with leading strategic partners to deliver:

**BPaaS – Brine Processing as a Solution™**

### Forward-Looking Statements

This ASX Release may contain certain “forward-looking statements” which may be based on forward-looking information that are subject to a number of known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those presented here. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. Forward-looking information includes exchange rates; proposed or projected project or transaction timelines; uncertainties and risks associated with the advantages and/or performance of the Company’s projects and/or technologies; uncertainties and risks regarding the estimated capital and operating costs; uncertainties and risks regarding any envisaged timelines in relations to any results, milestones, partnerships, including but not limited to any milestones which may require obtaining approvals from third parties.

For a more detailed discussion of such risks and other factors, see the Company’s other ASX Releases. Readers should not place undue reliance on forward-looking information. The Company does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this ASX Release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

## Appendix 5B

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

Name of entity

Parkway Minerals NL

ABN

62 147 346 334

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (06months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	9	9
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(224)	(592)
(b) development		
(c) production		
(d) staff costs	(195)	(335)
(e) administration and corporate costs	(108)	(300)
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	-	56
1.8 Other (provide details if material)	48	82
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(470)</b>	<b>(1,080)</b>

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

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## 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 (06months) \$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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	<b>(3)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,640	1,798
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Equity Raising Costs)	(97)	(97)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,543</b>	<b>1,701</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,551	2,006
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(470)	(1,080)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,543	1,701

## 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 (06months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,624</b>	<b>2,624</b>

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	2,619	1,546
5.2	Call deposits	5	5
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,624</b>	<b>1,551</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

116

-

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 or oil and gas exploration entity quarterly cash flow report

7. <b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 <b>Total financing facilities</b>		

7.5 <b>Unused financing facilities available at quarter end</b>	
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. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(470)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(470)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,624
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	2,624
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	5.58

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

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:

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:

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:



## 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: 19 January 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.