

31 October 2023

ACTIVITIES REPORT FOR QUARTER ENDED 30th SEPTEMBER 2023

Coal Projects

During the September quarter AustChina (ASX: AustChina Holdings Limited) announced it had completed the drilling phase of its 2023 exploration programme. All four planned cored drill holes were successfully completed and geophysically logged, and the drill rig was demobilised.

The next phase of the programme has commenced with the analysis of the core samples which were delivered to the laboratory for assessment. The initial assay results will be to hand by end October, from which composites will be selected for further stages of testing.

The additional drill holes completed in EPC 1993 as shown in Figure 1 allow for the company to firm up the resource base with an anticipated increase in Indicated Resources (under the JORC Code) by closing the drill hole spacings.

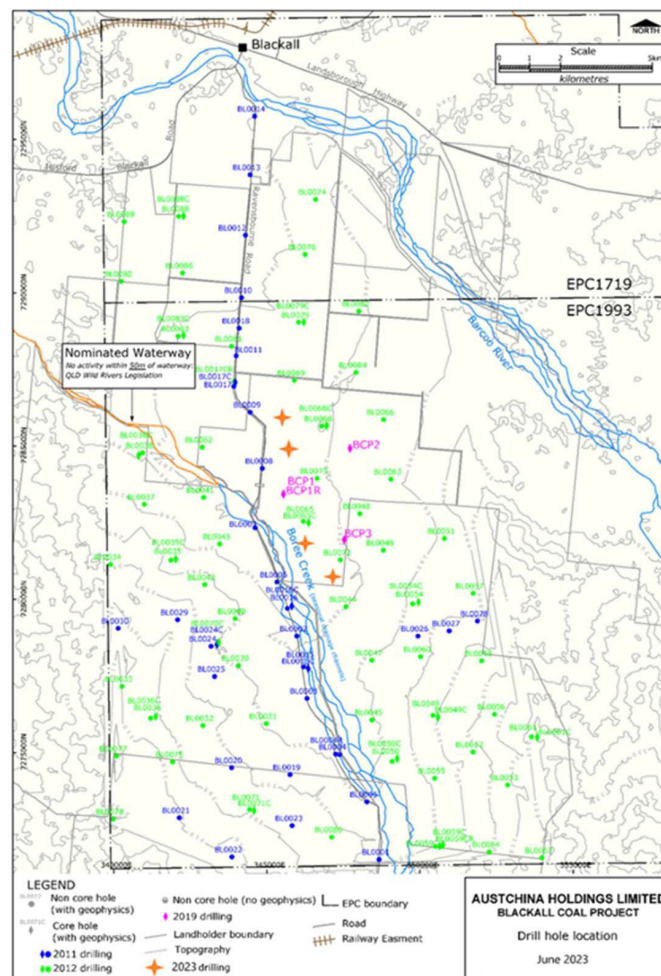


Figure 1: Drill hole location

This will assist any decision for an application for a Mineral Development Licence (a higher level of tenure than an Exploration Permit under the Minerals Resources Act 1989) or a Mining Lease as a step towards development of the tenement. Additional samples will be obtained for evaluating alternative uses for the coal through new processes or technologies other than traditional methods such as use in coal fired power stations.

The company continues to investigate alternative technologies to utilise its coal on-site, including research into these technologies where appropriate.

Tenement Portfolio Update

Tenements held at the end of the quarter and their locations are as follows:

TENEMENT	NAME	HOLDING
EPC 1719	Barcoo River/Blackall	100%
EPC 1993	Blackall South Corner	100%

CORPORATE ACTIVITIES:

Investment in Utilitas

AustChina holds 24.7% of Queensland based bioenergy specialist Utilitas Group Pty Ltd.

Utilitas continues to seek investment and partnerships from the market for its projects in order to enable the deployment of the project pipeline. Utilitas advised the infrastructure scale bio Refinery product offering has been met with positive market engagement.

Investment in Revolver Resources Holdings Limited (ASX: RRR)

Revolver Resources continues exploration of its Osprey and Dianne Copper projects. Drilling of some 1,570m at Dianne project was completed with results providing strong potential evidence of significant gold content. Assay results remain pending.

Strategic targeting continues at the Osprey project. The company has invested in further interpretation works, overlaying new targets with results from detailed logging and sampling programs on historic core samples, ground geophysics programs and detailed conductor plate modelling.

Revolver advise the combined results provide multiple lines of evidence to support and identify a suitable and abundant source of copper. Drilling commenced on select high-priority conductive targets. Assays from this drilling remain pending.ⁱ

AUH continues to see long term potential in the copper sector.

Change of Directors

The company was pleased to announce the appointment of Mena Habib as a Non-executive Director. Mena is an experienced and results-focused executive and business development management professional whose current and recent roles are in the mineral resources industry.

The Company also advised that David Morris has resigned as a director due to other professional commitments. The Board and Management thanked him for his service and wished him all the best for the future.

Payments to Related Parties

A total of \$28,000 was paid to directors and their associates for salaries, director fees and superannuation during the quarter ended 30 September 2023.

Authorised by the Board.

Yours faithfully,

Daniel Chan – Chairman

Further information:

Andrew Fogg – Chief Executive Officer

References:

¹ Revolver Resources Holdings Ltd. ASX: RRR, ASX Release 29 September 2023 Annual Report to Shareholders.

Appendix 5B

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

Name of entity

AUSTCHINA HOLDINGS LIMITED

ABN

20 075 877 075

Quarter ended ("current quarter")

30 SEPTEMBER 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(55)	(55)
(e) administration and corporate costs	(163)	(163)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	7
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):		
Payments for business development	(25)	(25)
Net GST refunds	2	2
1.9 Net cash from / (used in) operating activities	(234)	(234)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	(269)	(269)
(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements (Security Deposits)	-	-
	(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	(269)	(269)
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	-	-
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.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,263	2,263
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(234)	(234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(269)	(269)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,760	1,760

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	31	41
5.2	Call deposits	1,729	2,222
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)	1,760	2,263

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
28
0

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

Payments to directors include accrued salaries, director fees and superannuation guarantee.

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

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.		
Not applicable		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(234)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(269)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(503)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,760
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,760
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.5
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: N/A	
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	
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	

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 October 2023

Authorised by: The Chairman of the Board of Directors
(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.