



**ASX Announcement**  
29 April 2021

## Reports for the 1 January 2021 to 31 March 2021 Quarter

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### Activities Report for the quarter ended 31 March 2021

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#### Highlights

- Drilling of 29 holes for 2,112.57 metres completed at the Tabocal, Central, Adelar, Daniel and Cupuaçu prospects (fig. 1,2).
  - Consistent results of 3.42g/t rhodium obtained from 5 separate tests.
  - Three tonne sample for pilot plant testing delivered to the São Paulo state research institute, IPT on 19 January 2021.
  - Continued development and enhancement of the Company's analytical and extraction techniques for gold and PGM's not recoverable by conventional methods.
  - Sale of the 3% royalty the Company held over production from the Chapada Project in the Brazilian state of Tocantins. Cash proceeds to be used for working capital requirements.
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BBX Minerals Limited (ASX: BBX) (**BBX** or the **Company**) is pleased to provide below details of its activities during the quarter ended 31 March 2021. The key activities were focused on the continued development and enhancement of the Company's analytical and extraction techniques for gold and PGM's at the Três Estados and Ema projects. Furthermore, the Company completed a total of 29 holes for 2,112.57 metres of its planned 2,500m diamond drilling program.

BBX continues to operate in Brazil on a restricted basis during the ongoing Covid-19 epidemic. Strong controls remain in place to protect BBX's employees, their families, and the local community where BBX operates.

#### Exploration

As announced on 20 January 2021, BBX received encouraging results from additional analytical test work conducted in conjunction with IPT in Sao Paulo, Brazil.

As previously announced (see media release of 15 December 2020), BBX has detected the presence of multiple platinum group metals ("PGM's") in a concentrate derived from acid leaching of a surface bulk sample of mafic intrusive from the Ema project. Five lead buttons produced from fusion of this concentrate, from five separate tests of the same bulk sample, were submitted to IPT for analysis by ICP-MS. The tests revealed the presence of consistent and highly significant levels of rhodium (Rh) in all five samples (mean of 3.42 g/t Rh), in addition to an average of 44.19 g/t silver (see table 1).

As announced on 7 April 2021, a total of 29 holes for 2,112.57 metres has been completed at the Tabocal, Central, Adelar, Daniel and Capuaçu prospects (fig. 1,2), leaving one hole to be completed to finalise the planned Três Estados program. Most of the drilling took place during the March quarter.

#### Metallurgical test work and engineering design

As announced on 20 January 2021, the three tonne bulk sample for mineral characterisation and pilot plant testing was delivered to IPT on 19 January and test work commenced immediately. In parallel, BBX is continuing to fine tune its hydrometallurgical extraction process at its facility in greater Rio de Janeiro in conjunction with its Belo Horizonte-based consultants.

On 17 March 2021 BBX reported that the three-tonne bulk testing program at IPT was proceeding on schedule.

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**Directors**  
André Douchane  
Michael Schmullian  
Will Dix

## Financial Position

The Company ended the quarter in a strong cash position of \$2.21 million. Moreover, as of 31 March 2021, the Company has 10.1 million available under its financing facilities. Cash inflows included proceeds from the Put Option Agreement with LDA Capital and proceeds from the sale of the 3% royalty the Company held over production of the Chapada project. It also includes proceeds from the exercise of unlisted options.

Payments for exploration during the period totalled \$620k. This amount was capitalised.

Payments to related parties (Directors) and their associates totalled \$55k.

The Company continues to operate a very lean organisational structure with strong focus on cashflow.

## Corporate

Mr Ramon Soares was appointed to the role of Chief Financial Officer effective 1 March 2021. The appointment is a full-time role, positioned in Perth, Western Australia.

On 8 March 2021, the Company announced it had accepted an offer of USD1 million from Engegold Mineração Ltda for the purchase of the 3% royalty the Company holds over production from the Chapada Project (Project) in the Brazilian state of Tocantins.

Rio Gameleira Prospecção e Geologia Ltda (50:50 AngloGoldAshanti and IAMGold) retains an underlying royalty entitlement of 2.1% over the Project, payable by BBX, which the Company may purchase for AUD768,627.50. BBX has entered into discussions with the shareholders of Rio Gameleira regarding a renegotiation of the buyout terms, including the possibility of payment in BBX Shares.

## Subsequent Events

On 7 April 2021, the Company provided an update of its current drilling activities at Três Estados, Amazonas, Brazil, and its metallurgical testing program. Refer to the announcement for further details.

The Activity Report for the March 2021 quarter was approved by the Board for ASX release.

## For more information:

**André Douchane**

CEO

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## Competent Person Statement

The information in this report that relates to analytical test results of gold mineralisation in the Apuí region in Brazil is based on information compiled by Mr. Antonio de Castro, BSc (Hons), MAusIMM, CREA, who acts as BBX's Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda. Mr. de Castro has sufficient experience which is relevant to the type of deposit under consideration and to the reporting of exploration results and analytical and metallurgical test work to qualify as a competent person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Castro consents to the report being issued in the form and context in which it appears.

CREA/RJ:02526-6D

AusIMM:230624

## About BBX Minerals Ltd

*BBX Minerals Limited is a mineral exploration and technology company listed on the Australian Securities Exchange. Its major focus is Brazil, mainly in the southern Amazon, a region BBX believes is vastly underexplored with high potential for the discovery of world class gold and precious metal deposits.*

*BBX's key assets are the Juma East, Três Estados and Ema Gold Projects in the Apuí region, Amazonas State. The Company has 37km<sup>2</sup> of exploration tenements within the Colider Group, a prospective geological environment for gold, PGM and base metal deposits. The region is under-explored and has the potential to provide BBX with a pipeline of high-growth, greenfields precious metal discoveries.*

## Current Tenement Interests

<u>All Tenements Owned by BBX Minerals Ltd</u>	<u>Area (Ha)</u>	<u>Percentage ownership</u>
DNPM Permit Number 880.107/08 Location Brazil (Ema)	9,839.91	100% Exploration Licence
DNPM Permit 880.184/16 Location Brazil (Ema)	9,034	100% Exploration Licence
DNPM Permit Number 880.090.08 Location Brazil (Tres Estados)	8,172.25	100% Exploration Licence
DNPM Permit Number 880.186/2014 Location Brazil (Juma East)	6,998	100% Exploration Licence

		<b>Rh (g/t)</b>	<b>Ag (g/t)</b>
Test 1	A	3.35	38.76
	B	3.39	36.65
	C	3.70	36.43
	Mean	<b>3.48</b>	<b>37.28</b>
Test 2	A	3.53	36.88
	B	3.70	45.45
	C	3.40	69.22
	Mean	<b>3.54</b>	<b>50.52</b>
Test 3	A	3.47	63.21
	B	3.47	34.90
	C	3.25	67.24
	Mean	<b>3.40</b>	<b>55.11</b>
Test 4	A	3.27	39.75
	B	3.42	87.21
	C	3.41	40.25
	Mean	<b>3.36</b>	<b>55.74</b>
Test 5	A	3.24	19.35
	B	3.42	20.64
	C	3.33	26.98
	Mean	<b>3.33</b>	<b>22.32</b>
<b>Overall mean</b>		<b>3.42</b>	<b>44.19</b>

Table 1. EMBH-006 assay results

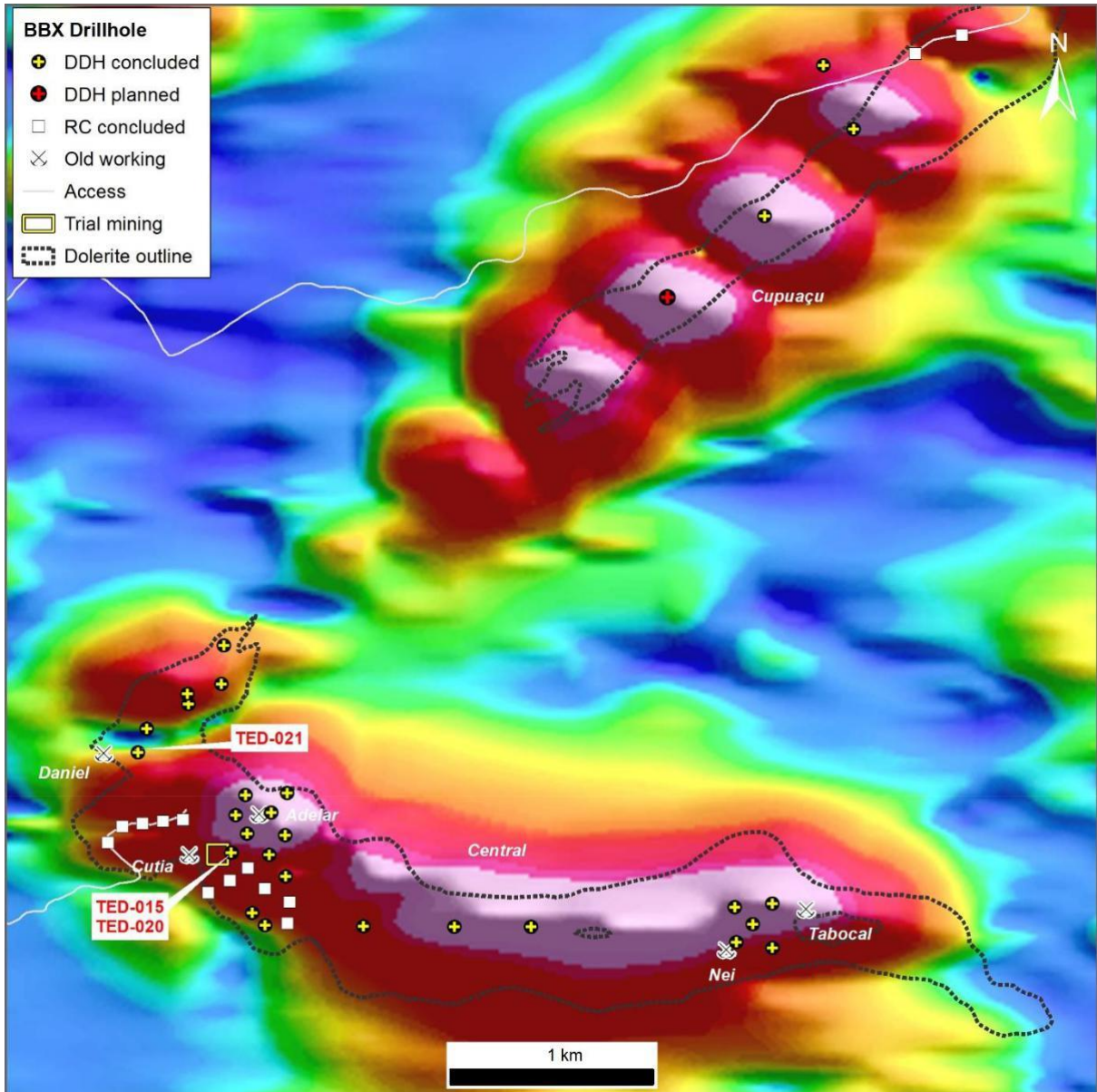


Fig. 1. Três Estados drilling program and regional aero magnetics (analytical signal)

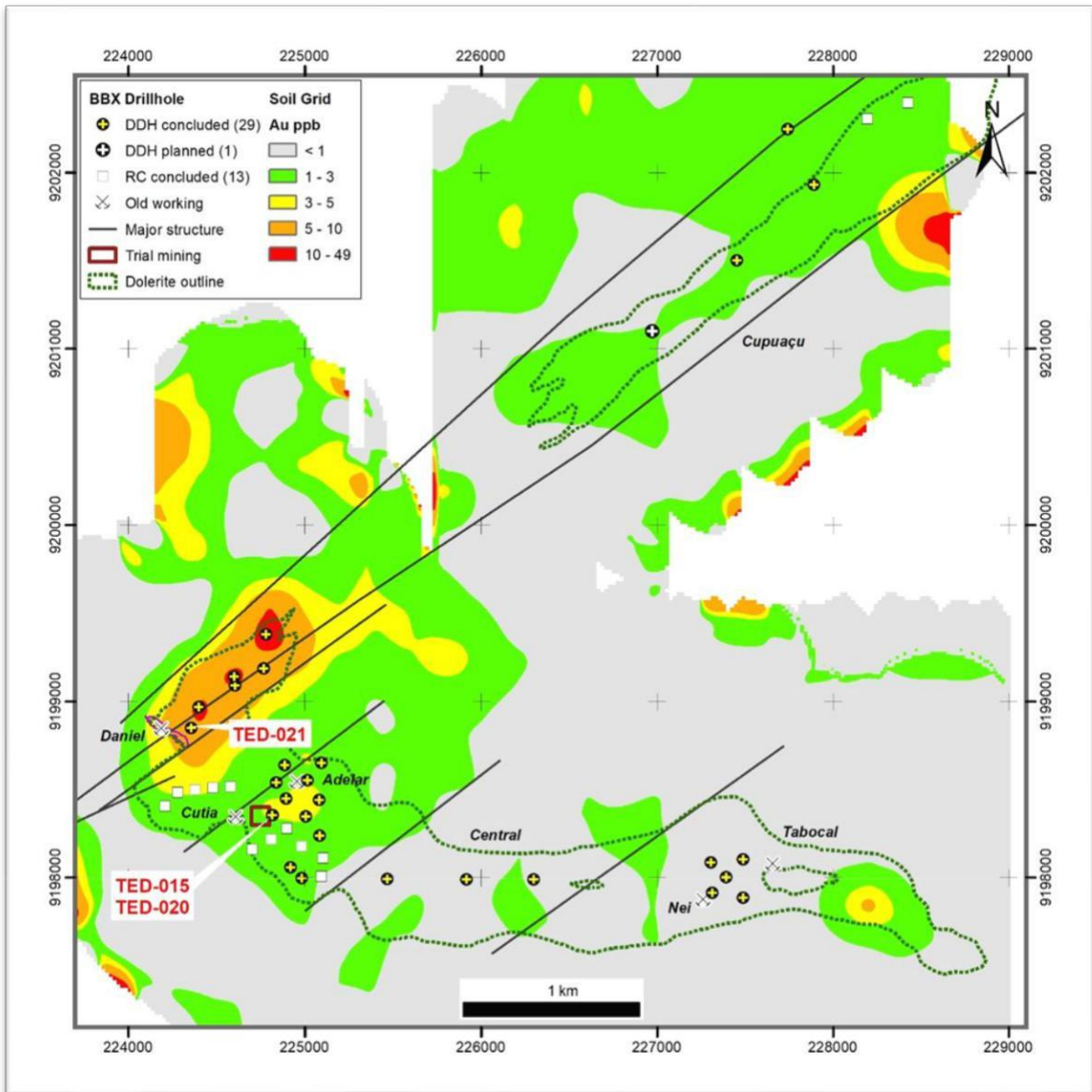


Fig. 2. Três Estados drilling programme and soil geochemistry



## Appendix 5B

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

Name of entity

BBX MINERALS LIMITED

ABN

82 089 221 634

Quarter ended ("current quarter")

31 MARCH 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(73)	(726)
(e) administration and corporate costs	(101)	(366)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(174)</b>	<b>(1,095)</b>

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

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(620)	(1,247)
	(e) investments	-	-
	(f) other non-current assets	-	-
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 (Sale of royalty over production)	437	437
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(183)</b>	<b>(810)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	576	2,433
3.2	Proceeds from issue of convertible debt securities	-	495
3.3	Proceeds from exercise of options	90	1,296
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(203)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>666</b>	<b>4,021</b>

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

<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	1,193	113
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(174)	(1,095)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(183)	(810)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	666	4,021
4.5	Effect of movement in exchange rates on cash held	(11)	(18)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,211</b>	<b>2,211</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,211	1,913
5.2	Call deposits	-	-
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>2,211</b>	<b>1,913</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	55
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter  
\$A'000**

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</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>		
7.1 Loan facilities	40	-
7.2 Credit standby arrangements	6,000	1,495
7.3 Other (please specify)	8,000	2,433
7.4 <b>Total financing facilities</b>	<b>14,040</b>	<b>3,928</b>
7.5 <b>Unused financing facilities available at quarter end</b>		10,112
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.		
<p>Converting loan Facility with Drake Special Solutions LLC at 8% for 24 months – Initial advances \$1.495m with additional advances up to \$6m. Facility repayable by cash or via issue of fully paid ordinary shares subject to shareholder approval.</p> <p>Stand by Equity Put Option facility with LDA Capital LLC totalling \$8m over 3 years priced at 90% of the higher of:</p> <ul style="list-style-type: none"> <li>• VWAP of the Company's shares during the pricing period, adjusted for an adjustment event and</li> <li>• a minimum price set by the Company (MAP)</li> </ul>		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(174)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(620)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(794)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,211
8.5 Unused finance facilities available at quarter end (Item 7.5)	10,112
8.6 Total available funding (Item 8.4 + Item 8.5)	12,323
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>15.52</b>
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	

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


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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.

Authorised by: **The Board of Directors**  
(Name of body or officer authorising release – see note 4)

Date: 29 April 2021.....

### 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.