ASX Announcement

31 October 2022

Larvotto Resources Quarterly Activities Report for the period ending 30 September 2022

Highlights

- Two distinct, robust rare earth element (REE) anomalies identified at the Eyre Project, Western Australia with total REE values of up to 1,693ppm TREO
- FLEM geophysical survey defines targets for follow up at Mt Norcott Prospect within Eyre Project including targets coincident with well-defined Ni / Cu soil geochemical anomaly
- Drilling commenced at Mt Isa Copper Project, Queensland with activities to focus on the high priority Blue Star, Gospel and Portal Creek targets, results awaited
- Post quarter, LRV reported a significant lithium soil geochemical anomaly associated with outcropping pegmatite has been identified at the Merivale Prospect in the Eyre Project
- Post quarter, $3.4M Royalty, Equity and Offtake Agreement (REO Agreement) signed with Canadian-based Lithium Royalty Corp (LRC) and Waratah Capital's Electrification and Decarbonization Fund AIE LP to advance lithium strategy at Eyre Project
- Post quarter, LRV completed a $2M placement with funds to be used for further exploration activities including drilling at Mt Isa Copper Project and Ohakuri Gold Project
- Post quarter, Geophysical survey commenced at the Ohakuri Gold Project, New Zealand with program to refine gold feeder zone targets prior to drilling

Larvotto Resources Limited (**ASX: LRV**, **TGAT: K6X**, '**Larvotto**' or 'the **Company**') is pleased to provide shareholders with the following Quarterly Activities Report for the quarter ending September 2022 (Period or Quarter).

The Company is exploring for copper in Queensland, gold in New Zealand and multi-metals and lithium in Western Australia after listing on the ASX in December 2021. Exploration programs are underway at Larvotto's projects in each jurisdiction.

Mt Isa

Drilling Commences at Mt Isa Prospect

During the quarter, Larvotto announced that drilling at the high-priority Blue Star, Gospel and Portal Creek targets at the Mt Isa Project in Queensland commenced (*Figure* 1) and results are pending following the completion of the program during the quarter.

These priority targets were delineated from a geophysical Fixed Loop Ground Electromagnetic survey (FLEM) that Larvotto conducted earlier this year, which identified multiple zones of near surface mineralisation across the wider Mt Isa Project.

DDH1 has undertaken the drill program for Larvotto. The drill program comprised a combination of Reverse Circulation (RC) and diamond drilling, and results are still pending.

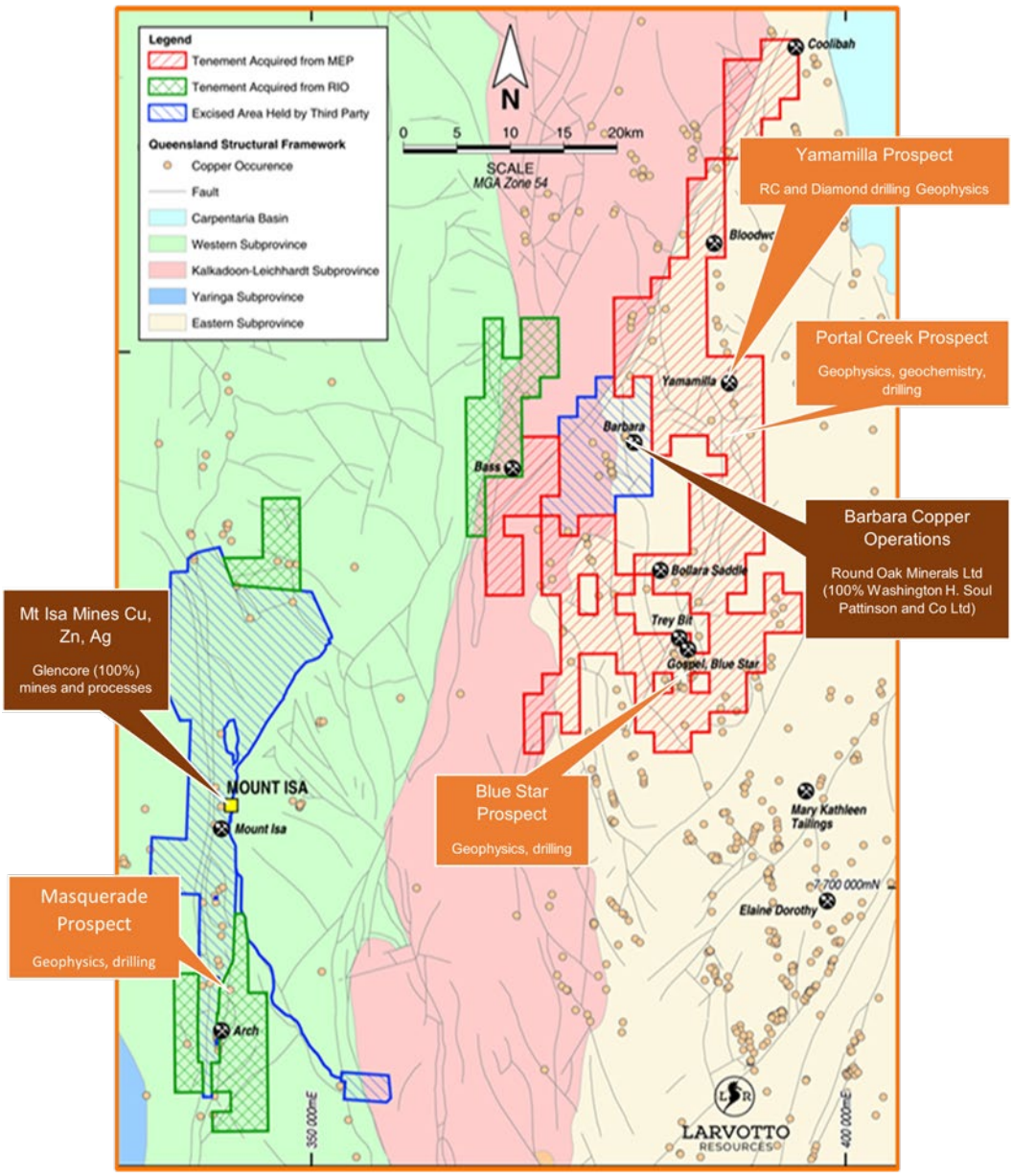


Figure 1: Mt Isa Tenement Location Map

Eyre Cu, Au, PGE, Ni, Li

Lithium Anomaly Identified

Post quarter, Larvotto advised it has defined a broad lithium geochemical anomaly at its Merivale Prospect, located in the Eyre Project in the Eastern Goldfields, Western Australia. Larvotto's exploration licences cover 692km^2 of ground located 25km east of Norseman that is prospective for nickel, cobalt, copper, lithium and gold. The potential of the ground has been recently highlighted by the success of Liontown

Resources Ltd (**ASX: LTR, 'Liontown'**) for its lithium potential and Galileo Mining Ltd (**ASX:GAL, 'Galileo Mining**') for its nickel and PGE potential.

The Merivale anomaly was generated from Larvotto's geochemical soil program undertaken earlier this year, which was designed to test the prospective rock units that extend south from Liontown's Buldania deposit, located just to the north (*Figure* 2). These rock units had also been identified by an AngloGold Australia regional auger geochemical program, undertaken between 2009 and 2013, as containing anomalous lithium results. The main anomaly is currently defined over an area 4km long and 1m wide with a maximum lithium value of 126ppm Li, which is 5 times background levels. The anomaly trend also extends a further 2km north and 1km south. A central higher value core which appears aligned with a cross cutting structure as shown in Figure 3, is over 1km long.

Geological mapping undertaken during the Company's survey highlighted the presence of small pegmatite outcrops and broader areas of pegmatite float within the surface soil horizon, the float material deemed to have been locally transported. The area is predominantly covered by transported soils and this was expected to result in lower order and broader geochemical anomalies due to potential contamination. For this reason, the preferred method of analysis was to use the latest pLIBS (Laser-Induced Breakdown Spectroscopy) technology to augment standard analytical techniques. The pLIBS, is a pulse laser which samples a 50micron window of the finely sieved sample, allowing selective analysis to determine if any pegmatite within the sample was lithium mineralised. The method successfully identified a cohesive, large, low order lithium anomaly with a higher tenor core. The anomaly coincides with ultramafic and granite gneiss rocks that geophysics clearly identify extending north into the nearby Liontown Buldania deposit as shown in Figure 2.

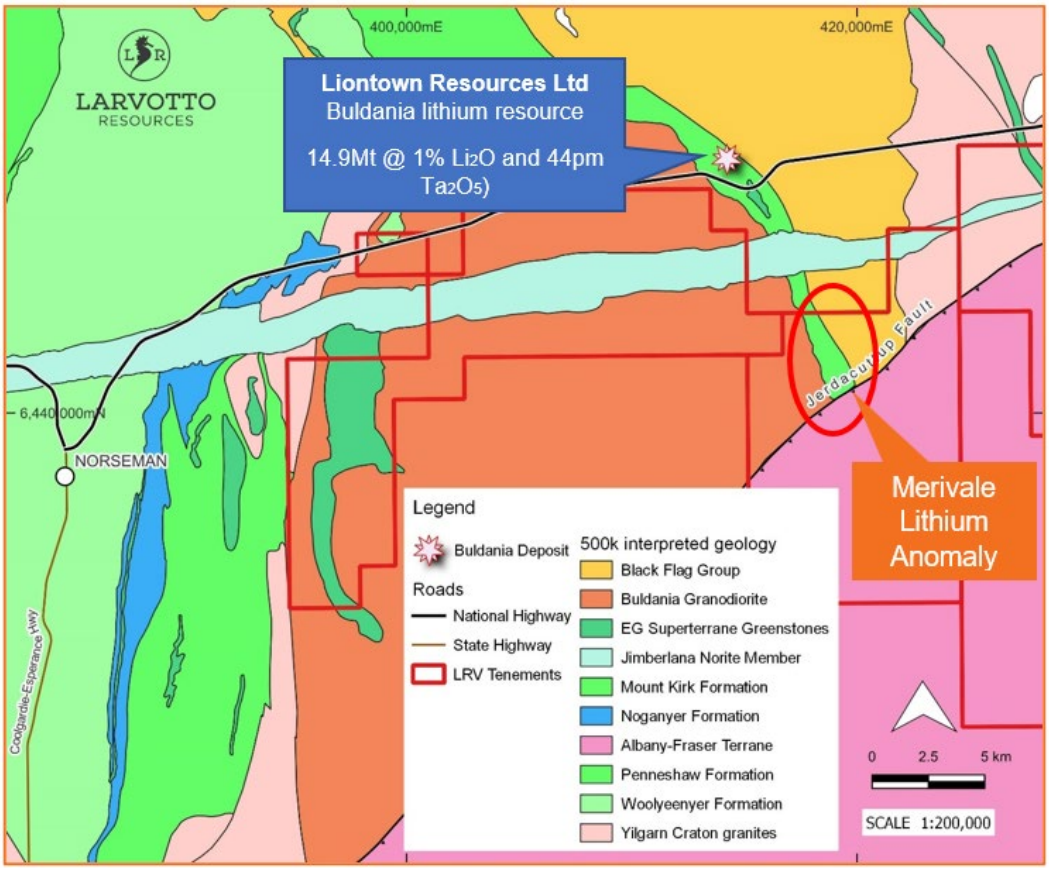


Figure 2 Prospect location map, geology and nearby projects

The lithium anomaly is generally associated with the lower magnetic areas (blues and greens) within the prospect area as shown in Figure 3. Cross-cutting late stage east-west orientated rocks also dissect the prospect. Ultramafic rock units and magnetic highs are highlighted.

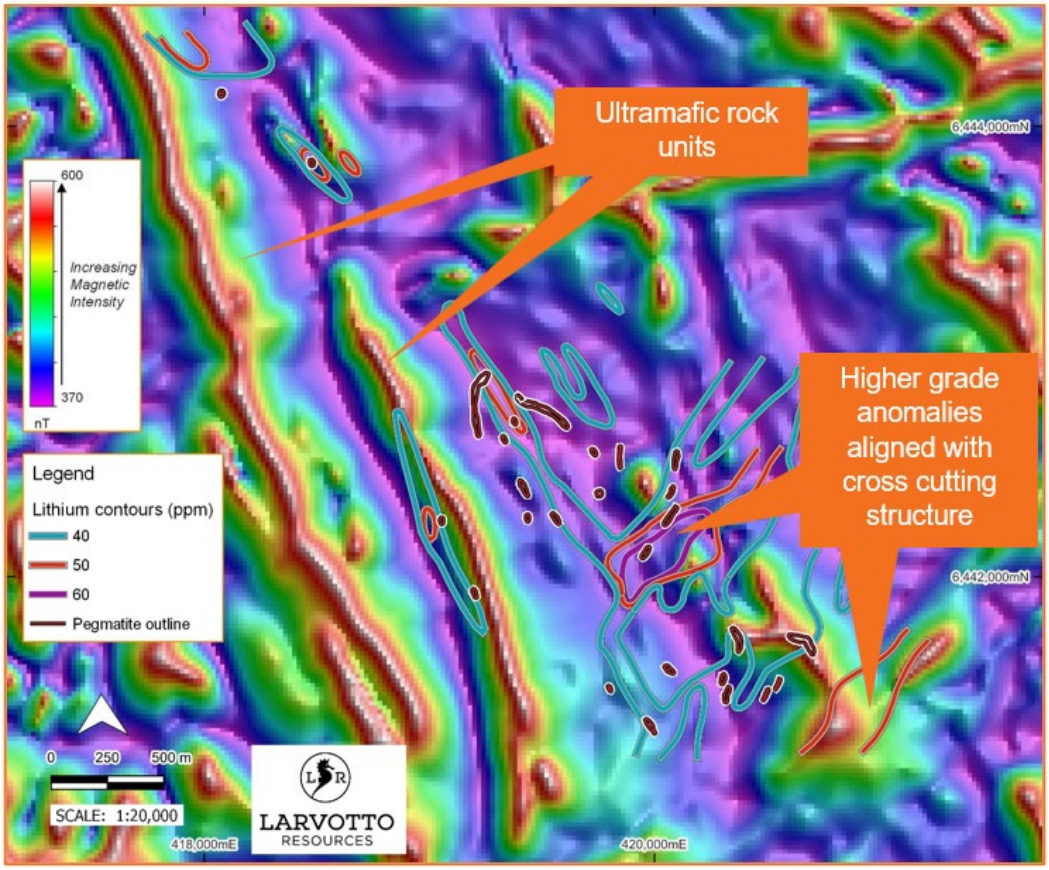


Figure 3 Merivale lithium anomaly contours over airborne magnetics

Several of the magnetic highs in Figure 3 probably represent ultramafic units that have not been surface mapped due to the veneer of transported soils, and this also suggests considerably more complex geology than mapping would indicate. Pegmatite outcrop and float mapping undertaken by Larvotto during the geochemical survey have been overlaid over the surface mapping.

Government geological mapping agrees with field observations that highlight the soil horizons are predominantly transported (*Figure 4)* and would be expected to result in a generally broader, lower tenor anomaly. Given this, there is still excellent correlation between the lithium anomalies, airborne magnetics and known mineralised areas to the north. It is expected that drilling will be required to accurately delineate the pegmatite units due to the effect of the covering soils, but the target area has been greatly reduced by the geochemical survey.

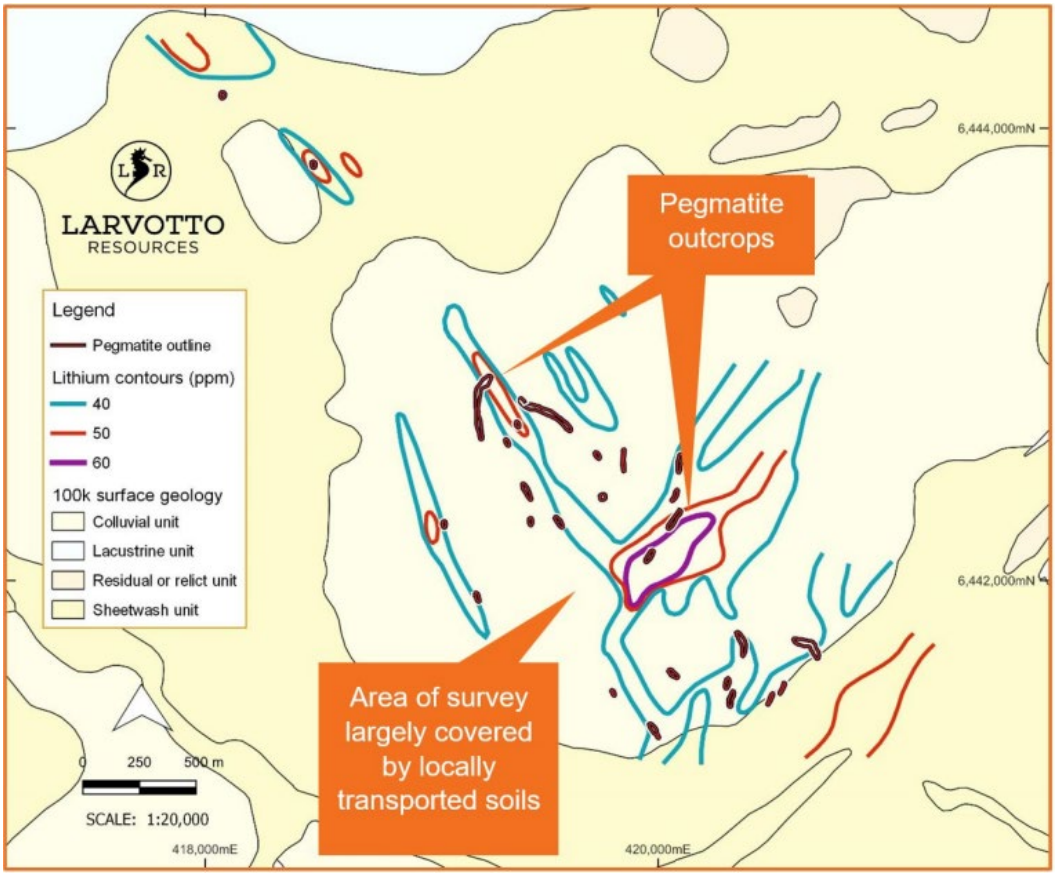


Figure 4 Merivale lithium anomaly contours over 1:250k government mapped surface geology

Rare Earth Anomalies Identified

Larvotto announced that two distinct rare earth element (REE) anomalies have been identified at the Eyre Project (*Figure* 5). The Company reports that the anomalies have been derived from two different sources. Firstly, the Northern Anomaly was identified through analysis of near surface soil samples taken as part of a wider lithium geochemical survey carried out by Larvotto. Whereas the Southern Anomaly was identified from the Company's re-evaluation of historic results from an AngloGold Australia (AngloGold) auger survey, which was conducted over a large area which included some of the Eyre Project between 2009 and 2013.

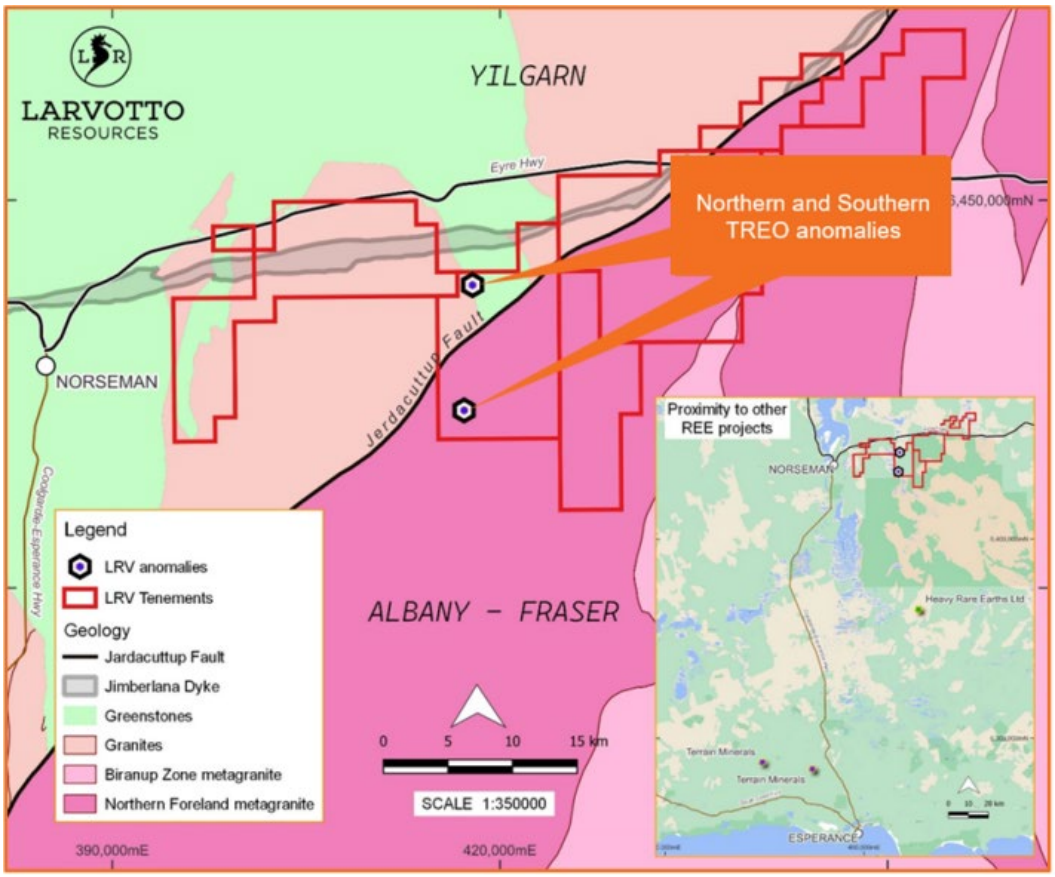


Figure 5 Prospect location map, geology and nearby REE projects

Northern TREO (Total Rare Earth Oxide) Anomaly

The Northern Anomaly closely tracks the western boundary of a high magnetic unit, thought to be comprised of ultramafic rocks. Values of up to 171ppm TREO are recorded within a robust >120ppm TREO anomaly that is 1.8km long.

Interestingly, the highest values of the survey are located at the western-most end of the sample lines. These lines will therefore need to be extended to fully delineate the size of the anomaly.

The soil samples were collected from just below the surface and sieved to less than 2mm before analysis. As the samples are taken from near surface and the area has a thick weathering layer, lower order anomalies would be expected at this phase of exploration. The high TREO values extend over 10 sample lines and closely track the western edge of the ultramafic unit forming a discrete anomaly as shown in Figure 6.

The Northern Anomaly sits just north of the Albany-Fraser Belt northern boundary that transects the Project area from the northeast to the southwest. The Jerdacuttup Fault separates the Yilgarn from the Albany-Fraser belt of rocks.

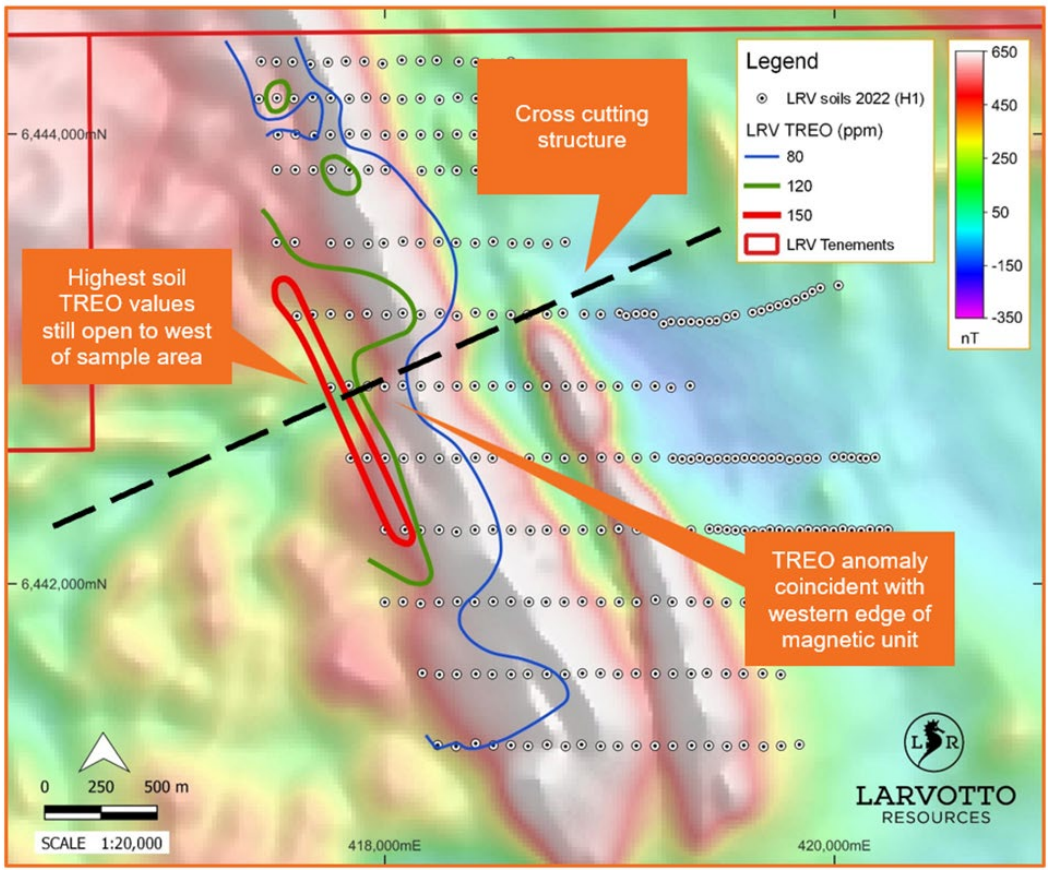


Figure 6 Northern TREO anomaly contours over airborne magnetics

Southern TREO Anomaly

The Southern Anomaly sits within the Albany-Fraser Belt, just south of the contact with the Yilgarn Block. A peak value of 1,693ppm TREO was recorded within a 1.8km long, >400ppm TREO anomaly, which is surrounded by a significantly larger >100ppm TREO anomaly (*Figure* 7).

The anomaly was generated from a historic auger geochemistry program which was primarily targeting gold, undertaken in several phases over a very wide area between Norseman and Esperance between 2009 and 2013 by AngloGold. The AngloGold auger data was also initially used to delineate the lithium anomaly at Larvotto's Merivale Lithium Prospect. The publicly available data has also generated many of the TREO anomalies being explored by various companies in the Norseman-Esperance area.

As the samples were collected by auger drilling, they have passed through the surface soils and higher values and a tighter anomaly would be expected when compared to the surface soil sampling undertaken to delineate the Northern Anomaly.

The Southern Anomaly is also associated with the western margin of a strong thorium radiometrics anomaly as is evident in Figure 8. The thorium radiometrics response increases in intensity to the west, reaching a maximum under the REE anomaly.

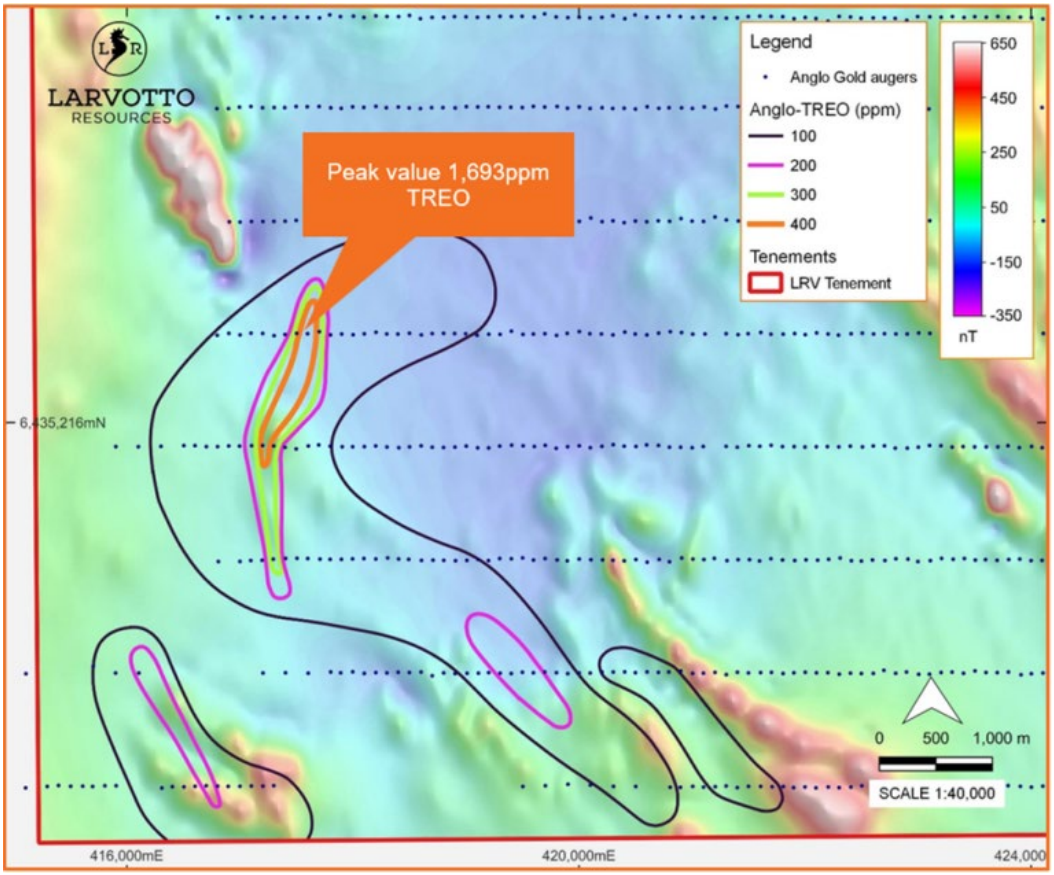


Figure 7 Southern TREO anomaly contours over airborne magnetics

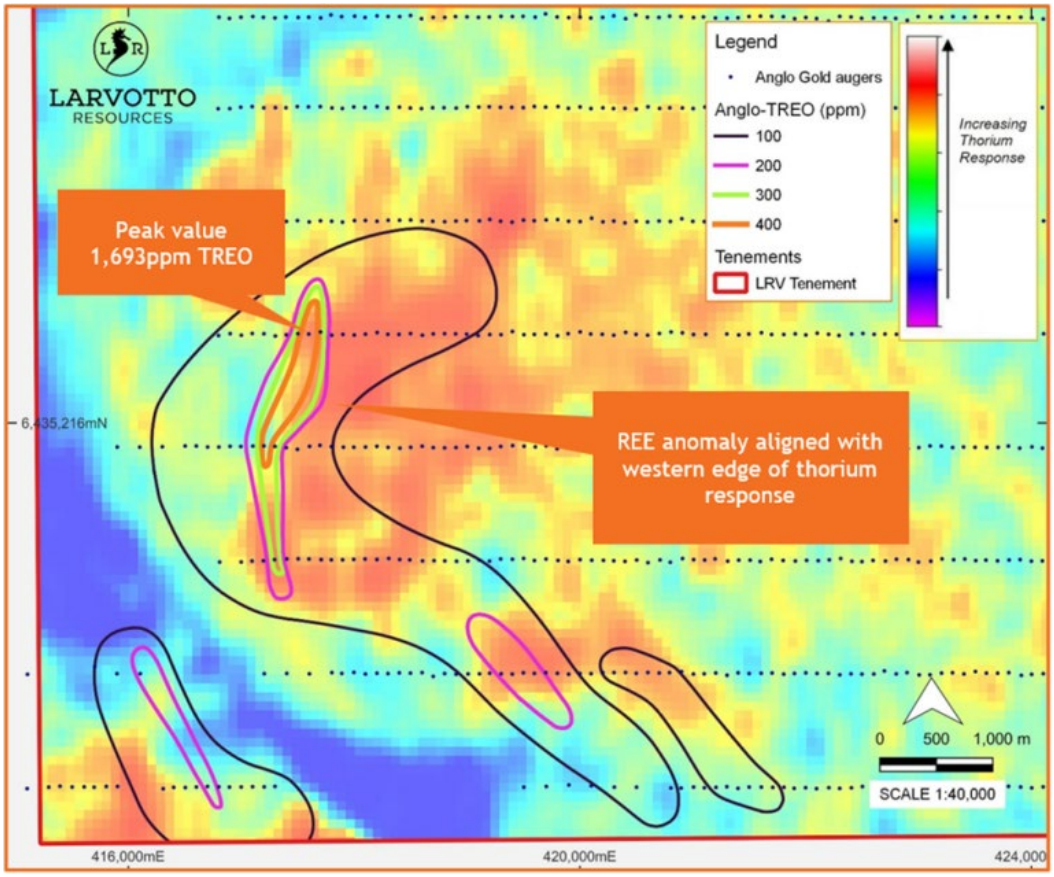


Figure 8 TREO southern anomaly over thorium radiometrics

An expanded view of the Southern Anomaly TREO contours, projected onto satellite radiometrics is provided in Figures 9-12. These images provide a more regional view that highlight the intensity of the Thorium and coincident Uranium anomaly compared to background. The K-Th image displays a ratio between Potassium and Thorium and produces a very discrete low that tracks the broader TREO contours extremely well.

The images also highlight that the anomaly is located on the western side of large circular intrusive feature that is very evident in the Thorium radiometrics and the K-Th-U radiometrics which are also draped over surface topography. Within the larger intrusive a smaller more discrete later stage intrusive is also evident.

The Southern Anomaly is located within the Albany Fraser Terrain that is becoming extremely active for REE exploration. Several companies within the region have recently identified REE mineralisation that indicate the area is prospective for rare earth minerals.

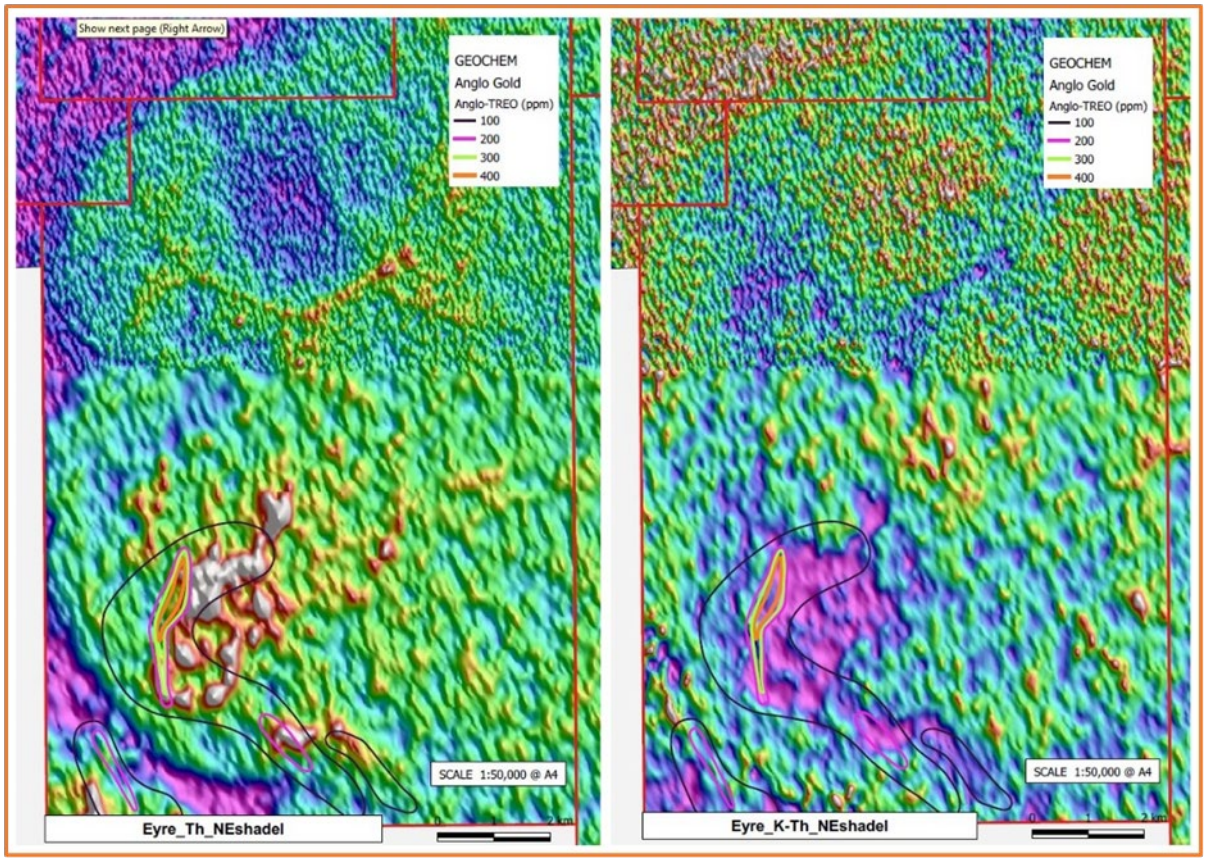


Figure 9 Uranium (U)

Figure 10 Potassium-Thorium (K-Th)

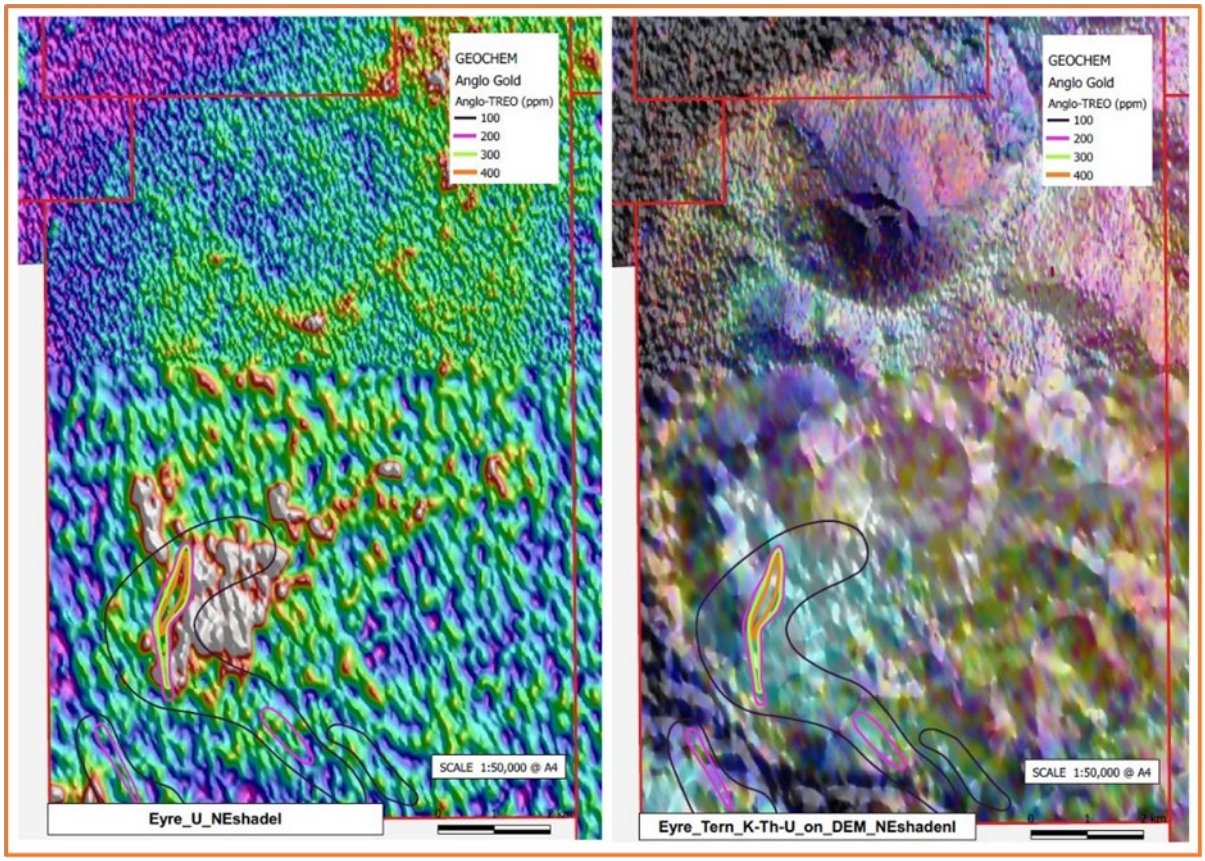


Figure 11 Thorium (Th)

Figure 12 K–Th-U over topography

The next step for Larvotto is to complete an infill auger program to further delineate the anomalies prior to RAB drilling.

New Nickel and Copper Anomaly Discovered

Earlier in the quarter, Larvotto announced further encouraging nickel and copper results from the geochemical soil survey which has been undertaken this year at the Mt Norcott prospect at the Eyre Project. Larvotto has continually expanded the geochemical survey to provide coverage over the entire Eyre Project. Further results will be released as they become available. The survey area has greatly expanded the initial soil geochemical program undertaken at Eyre (*ASX Release: Eyre Project delivers Excellent Early Results in WA. June 9, 2022*). That survey tested historic work undertaken by Newmont in the 1970s. The results confirmed excellent nickel and copper values in soils and due to better survey control corrected the location of the earlier anomaly. The current survey greatly expanded the first Larvotto geochemical survey and forms part of the ongoing larger geochemical program that will test the entire Eyre project area.

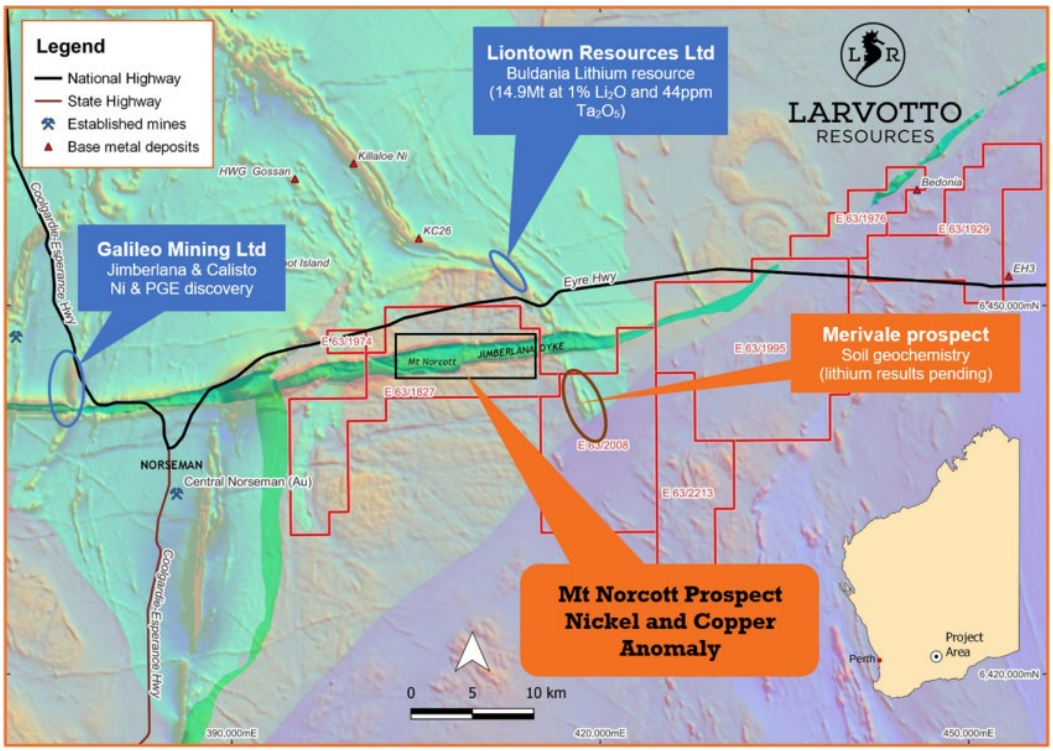


Figure 13 Eyre location map and Mt Norcott soil geochemistry survey location

The Jimberlana Dyke is a large mafic intrusive body that is up to 2.5km in width and has been referred to as analogous to the Great Dyke in Rhodesia. It was explored by Western Mining Corporation in the 1960s and early 1970s and from 1985 to the late 1980s. Newmont explored the Mt Norcott area and confirmed the potential for Ni-Cu-PGE sulphides.

The contoured geochemistry results from the survey for nickel *(Figure 14*) are shown overlaid on local geology. The eastern nickel anomaly is clearly located within the central gabbronorite unit of the Jimberlana Dyke sequence and the high-grade +1000ppm (parts per million) zone is associated with the contact between gabbronorite and the norite unit to its north. The overall anomaly is 4km long with the high-grade core, which is very uniform in concentration and geometry, being 1.2km long.

Three kilometres to the west, a recently discovered nickel and copper anomaly is 2km long and has a central core of greater than 600ppm Ni extending for over 1000m. This anomaly is associated with a pyroxenite rock unit.

In Figure 15, the nickel contours are shown overlying regional airborne magnetics that clearly highlight the high magnetic rock edges and east – west nature of the Jimberlana Dyke. Anomalous copper geochemistry is also intimately associated with the high nickel zones of both anomalies. Peak copper values of up to 650ppm Cu are recorded associated with the nickel results. Norite rocks are associated with some of the world's largest PGE deposits, and they have been found associated with other parts of the Jimberlana Dyke. PGE elements were not sampled as part of the soil geochemical survey, but any PGE's are likely to be associated with nickel and copper sulphides and these will be analysed for as part of a future drill program. Being younger than the surrounding rocks, the dyke cuts through regional geology which is more north-south orientated.

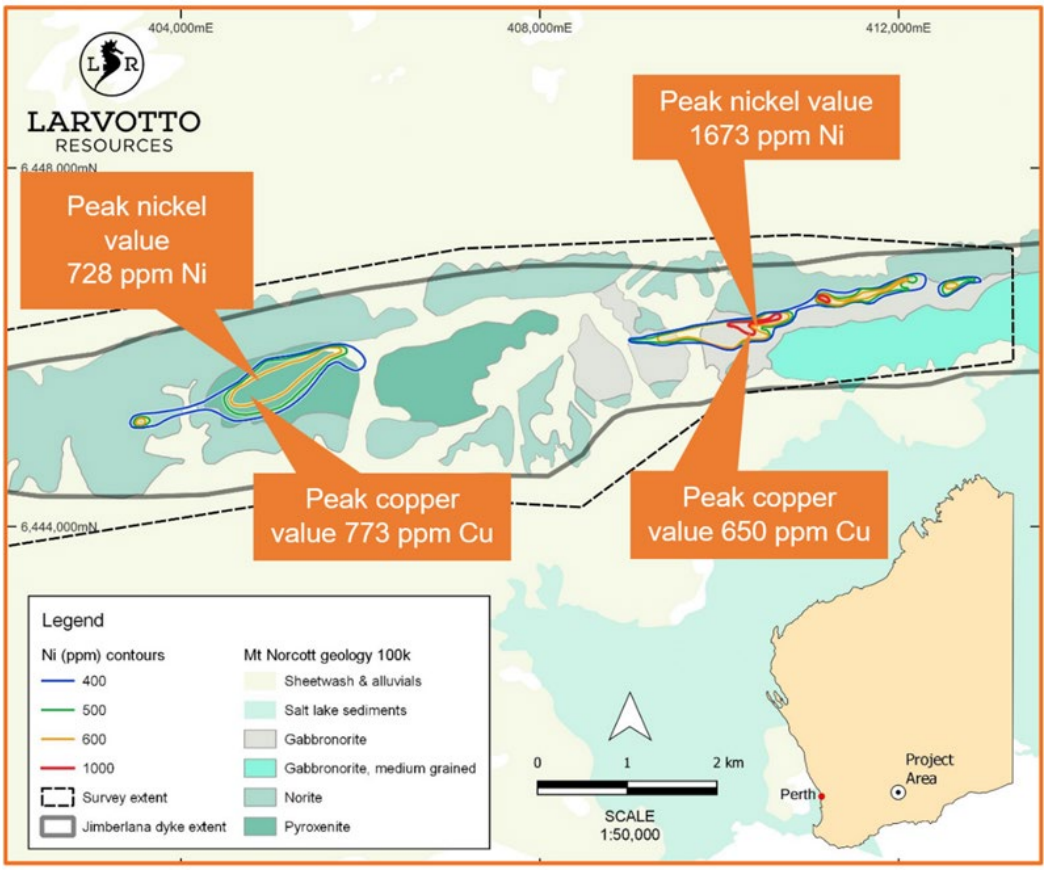


Figure 14 Nickel contours over local geology

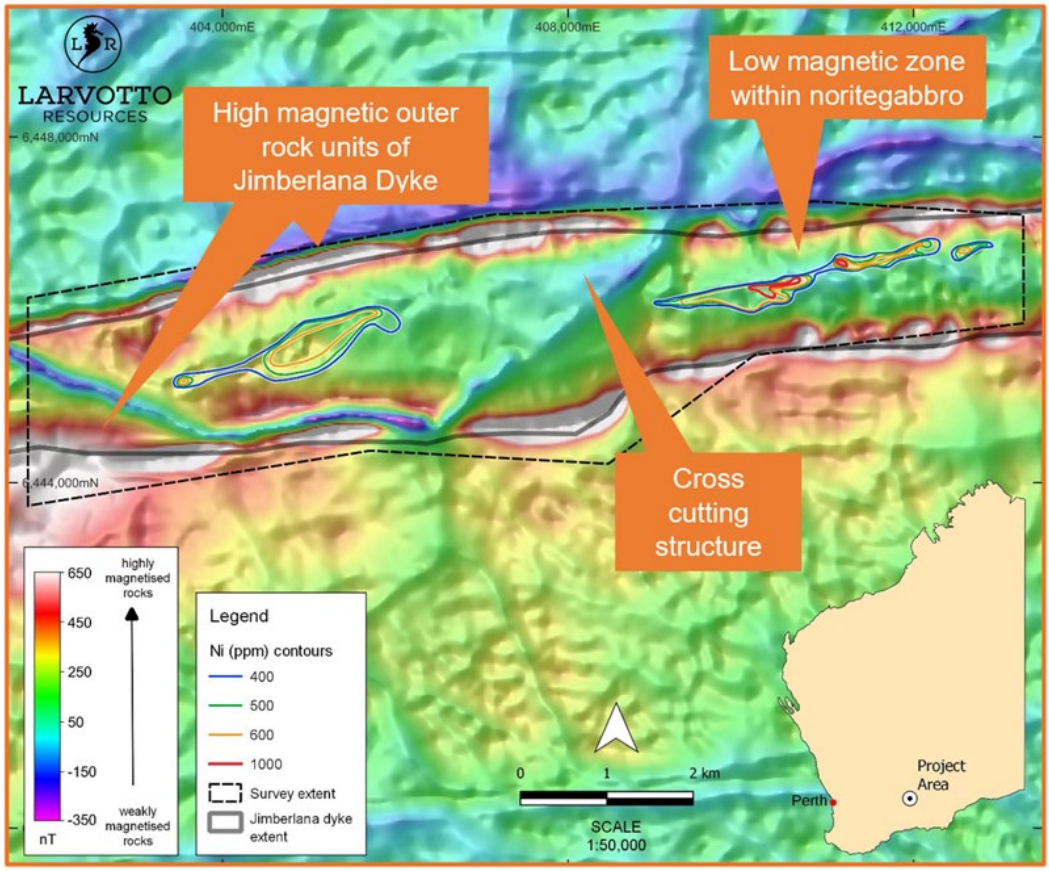


Figure 1516 Nickel contours over regional airborne magnetics

Field mapping confirmed the eastern anomaly is associated with a norite and noritegabbro contact located centrally within the Jimberlana Dyke. Airborne magnetics also reveal oblique structures that cut through the dyke and appear to terminate the geochemical anomalies.

Geophysical Survey Defines Nickel Targets

During the quarter, Larvotto announced the results from a completed Fixed-Loop Time-Domain Electromagnetic (FLTEM) geophysical survey (*Figure 16*) at the Eyre Project. The FLTEM survey was designed to test the strong nickel and copper soil geochemical target.

The FLTEM geophysical anomaly is aligned with the boundary of the two norite rock units that also produced the highest results from the geochemical survey. This association can be seen in Figure 17. Norite rocks are known worldwide to host nickel, copper and PGE mineralisation and contact zones are particularly of interest.

The EM results were not intense but coincide well with higher areas of the nickel soil anomaly and will require follow up with drilling.

17Figure 13 details the Jimberlana Dyke which is a late stage east-west orientated intrusive unit known to host mineralisation for base metals and PGE, and the FLTEM survey area that surrounds Mt Norcott itself.

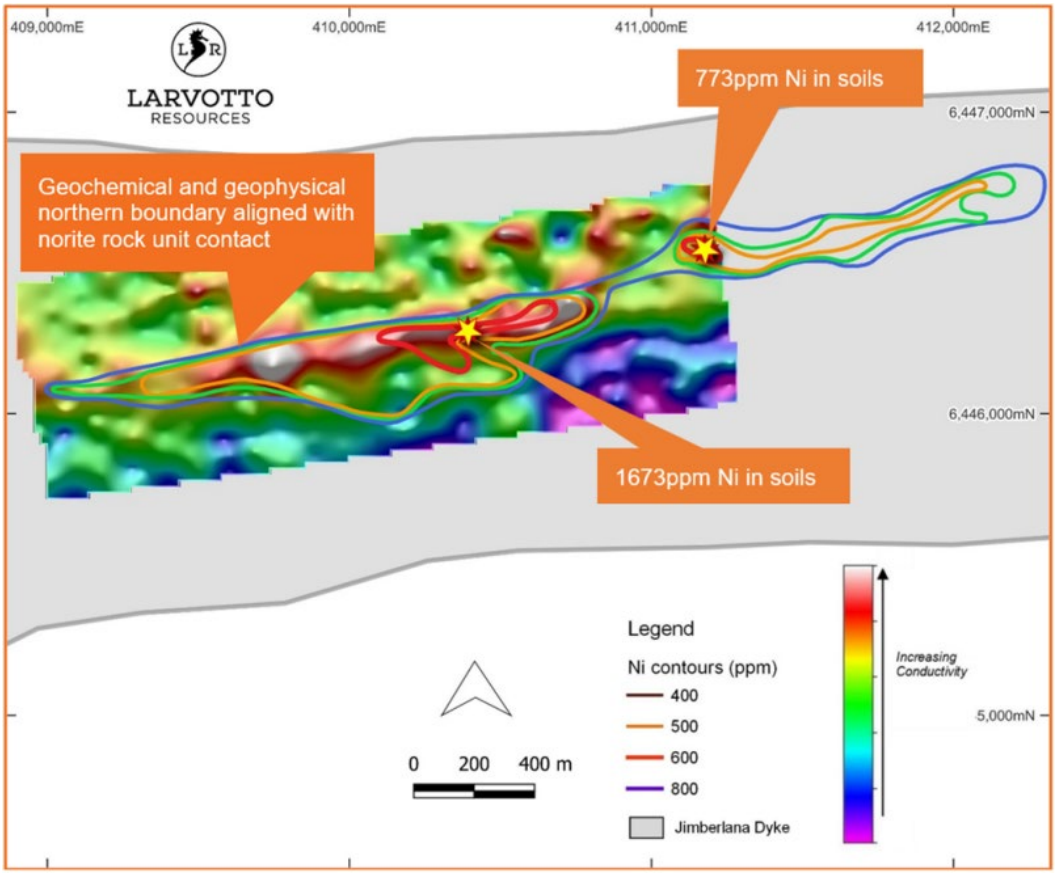


Figure 1618 FLTEM channel-amplitude image (Ch20 X-component) with Ni soil geochemistry contours

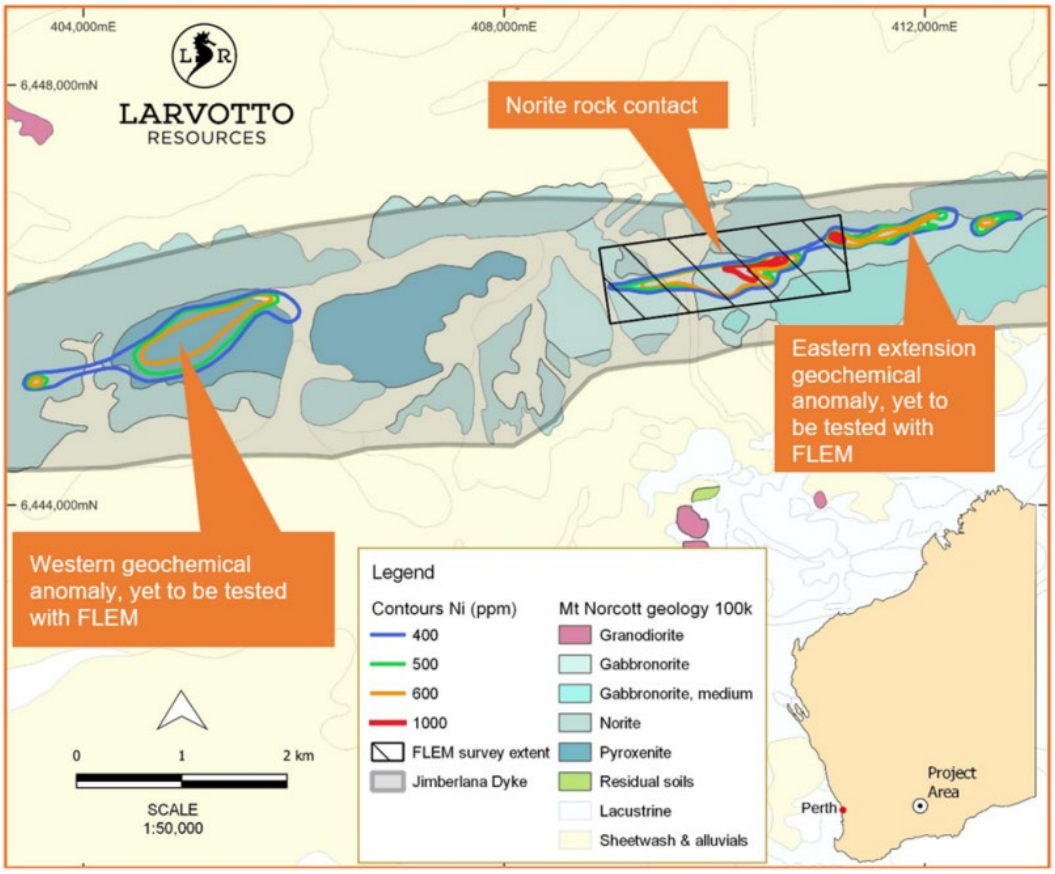


Figure 19 Nickel geochemistry survey results with tested and untested anomaly

Ohakuri Gold Project

Geophysical Survey Commences

Post quarter, Larvotto commenced a combined Electrical Resistivity Tomography (ERT) and Induced Polarisation (IP) geophysical survey at its Ohakuri Gold Project, located in the North Island of New Zealand.

The Ohakuri Gold Project is a partially explored epithermal gold system that lies within the Taupo Volcanic Zone. Previous exploration by several companies dating back to the 1970s has delineated a large, lower-grade zone of gold mineralisation. Significantly, feeder zones that generated this mineralisation were not targeted during these early phases of exploration.

The aim of the current ERT/IP geophysical survey is to both infill and refine the previous broad scale geophysical survey work undertaken at Ohakuri, and to gain more detail at depth regarding the location of the potential Ohakuri and Maleme gold feeder conduits. These gold conduits have potentially provided mineralisation to the very thick zones of lower grade mineralisation that cover an extensive area within the central portion of the Project.

As highlighted previously, historic drilling into this broad scale mineralisation has produced gold hits including:

- **172m @ 0.41g/t Au** **160m @ 0.32g/t Au**
- **215m @ 0.21g/t Au** **170m @ 0.24g/t Au**[1]

[1] Refer ASX: LRV announcement dated 2 December 2021 "Prospectus"

Exploration Rationale

Early exploration at Ohakuri commenced over 40 years ago with rock chip sampling of epithermal rocks identified in the incised creeks and river beds that dissect the area. Only the creeks made for worthwhile sampling as of the majority of the Project area is covered by a veneer of very recent, unmineralised, volcanic ash that obscures the rocks below it. The creeks have cut through the ash layer.

The first phases of drilling were focussed on these creek samples. Drilling was largely orientated to test under the creeks that created the anomaly. Numerous exciting intersections of wide but lower grade gold and silver mineralisation were initially encountered and further drilling over a long period by several companies, expanded the area of interest but work was predominantly focussed on following up the original geochemical targets.

Numerous phases of surface geochemistry were also undertaken over the years using several methods. All of which, in hindsight, suffered from the blanketing effects of the overlying ash layer. Over 10,000m of drilling tested the original area of interest without successfully identifying the conduit of gold mineralisation that created the wide zone of gold mineralisation intercepted in drilling. This can only have come from a deeper source via a mineralising fluid to the surface.

To reset thinking and target deeper and wider areas below the ash layer, the use of geophysics began in 1987. The aim was to identify to the conduit's mineralisation used to move gold from depth to the surface. As these fluids would have been silica (quartz) rich, they should be resistive to electrical current and locating resistive zones was the aim of the surveys. Several methods of geophysics were trialled over selective areas.

The most meaningful was a broad ESCAN survey undertaken in 2007 by Glass Earth Ltd, which revealed the presence of a deep source intrusion that is probably the source of mineralisation, as the exploration model suggested. Later modelling of the ESCAN geophysics by Larvotto, using more modern processing, also identified several potential gold conduits or feeder zones from the deep source to the surface.

The main potential feeder appears to be oblique to the majority of drilling and as only two holes were drilled after the ESCAN survey was conducted, the target was not properly tested. The ESCAN also highlights the majority of the drilling is oblique too and falls outside the broad anomaly and certainly well away from the central core of the geophysical anomaly, especially when the dip feeder zones as indicated by the geophysics is considered (*Figure 18*).

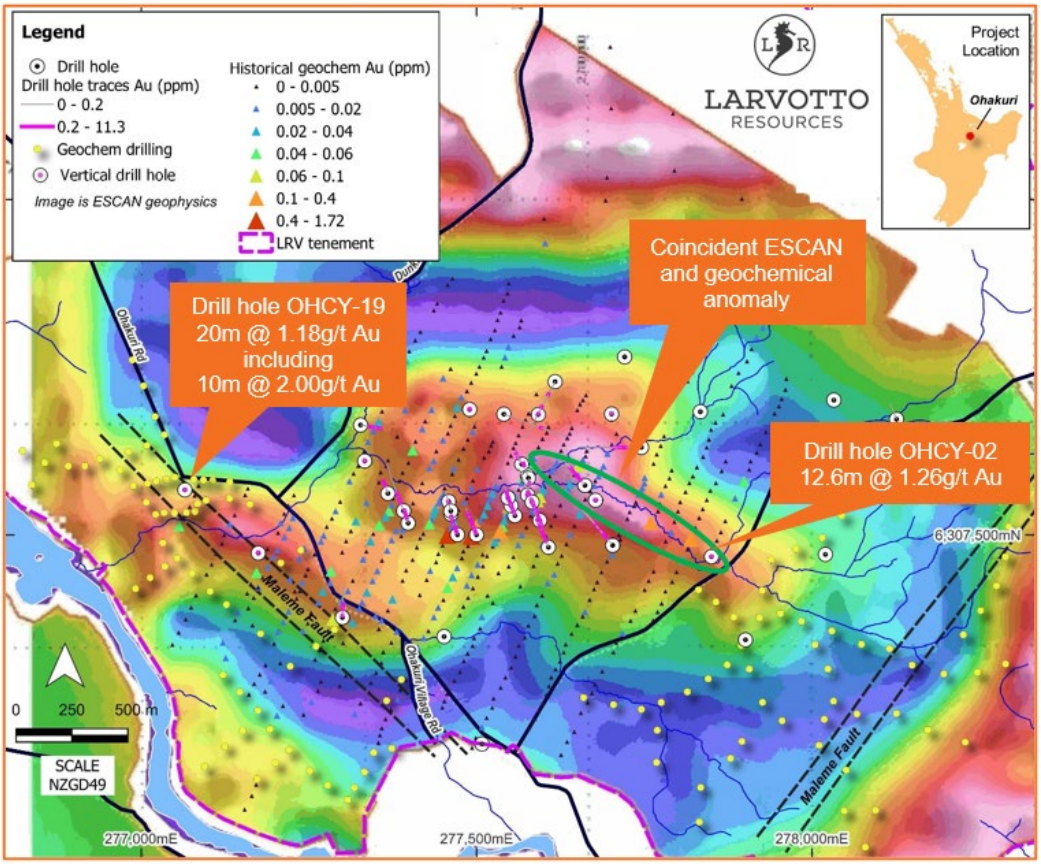
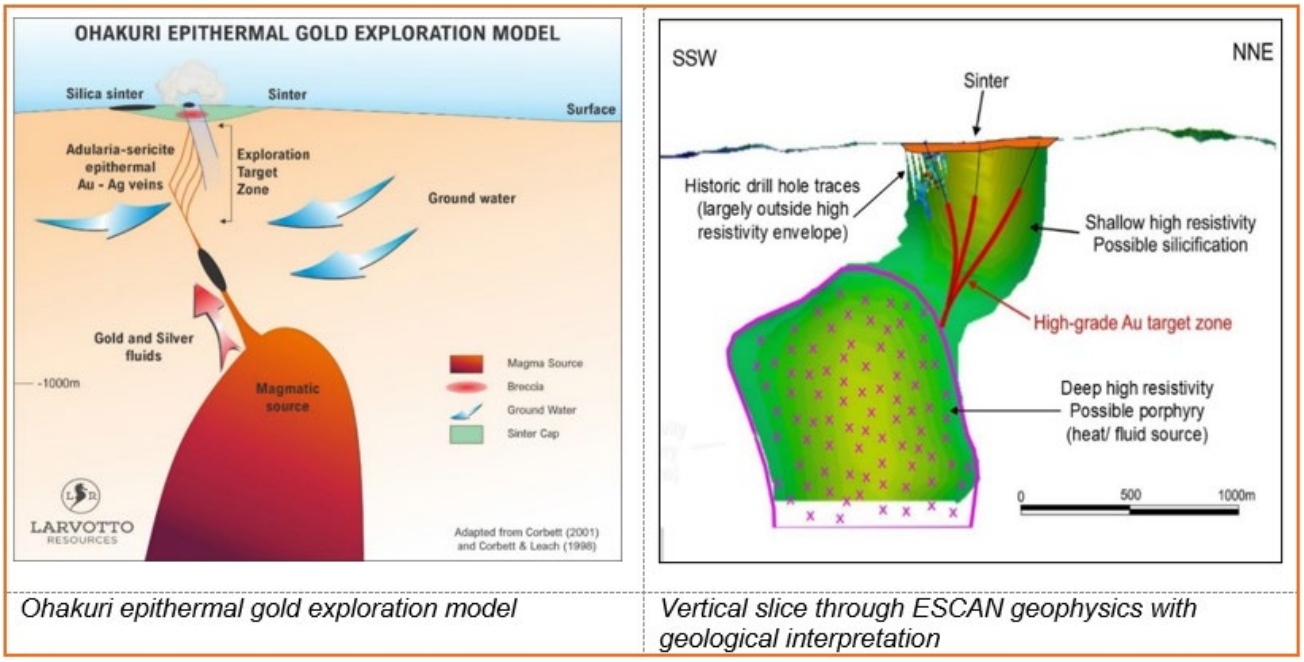


Figure 18 ESCAN geophysics with geochemistry and drilling results to date

Exploration Model

The standard model for epithermal mineralisation is well known and is displayed as Figure 19 (left) with the current geophysical model (right). The deep source and zone of higher resistivity to the surface is evident, as is the location of drilling outside of the target zone.



Ohakuri epithermal gold exploration model

Vertical slice through ESCAN geophysics with geological interpretation

Figure 19 Ohakuri exploration model (left) and a vertical section of ESCAN showing deep source rocks, feeder zones and historical drilling

Historical Geophysical Exploration

A variety of geophysical surveys have previously been conducted at Ohakuri, these include ERT/IP surveys, Controlled Source Audio-frequency Magnetotellurics (**CSAMT**), aero-magnetics, ground magnetics, gradient array resistivity and ESCAN. Some of the earlier surveys, particularly the aeromagnetics and ground-magnetics, were noted to be too widely spaced to produce meaningful information.

Reprocessing of the data from the previous CSAMT, ERT/IP and ESCAN surveys shows a good correlation between these different survey methods. Figure 18 displays the 14-line kilometres of CSAMT survey undertaken by Coeur and the 4.6 line kilometres of ERT/IP survey undertaken by Cyprus. This verifies the near surface lower grade Central Zone gold mineralisation that was identified through the geochemical program and has been the target of much of the deeper drilling already completed. None of the surveys were close spaced enough to define the deeper more vertical mineralising conduits to a level sufficient for drilling to be undertaken. This task is the aim of the current survey.

Current Survey

The current survey by Larvotto is being conducted over a three-week period by a team of geophysicists from Christchurch, NZ, with assistance from an IP specialist based in Perth and equipment from North America.

The survey consists of 9 lines covering 14-line kilometres with a close dipole-dipole spacings of 25m to provide high resolution information. The lines will be orientated obliquely to previous surveys and includes seven NE/SW lines between 1 and 1.5km long, along with two longer ties lines running perpendicular to those.

ERT is a non-invasive, near-surface geophysical method that uses direct current to measure the Earth's resistivity. It can be used to map both shallow and deep subsurface features. It is also possible to measure the ground's ability to retain an electrical charge (electrically induced polarisation, IP). Combining ERT with IP enables characterising any variations in electrical chargeability. Jointly ERT/IP measurements are highly relevant for mineral prospecting.

The aim of this geophysical survey is to provide more definition to the location of the Ohakuri and Maleme gold mineralised feeder zones, which will in turn provide definitive orientations of future drill targets. Previous surveys, although identifying a deep mineralising source, are quite wide spaced and do not provide adequate definition for drill targeting. Larvotto aims to define targets that are potentially higher-grade gold feeder zones as displayed in Figure 19 (right).

Figure 20 below details the location of the central line of IP geophysics (red line) and the open terrain of the area.

Figure 20 Central line of IP Geophysics (red line) and open terrain of the Ohakuri project

To understand more about the incredible violence of the geological formation of the region, please follow this link: https://youtu.be/gAgCnu82RHE.

The information in this report that relates to exploration results is extracted from the Company's following ASX announcement: *2 June 2022 Positive Gold Geochemistry Results in Ohakuri, New Zealand.*

Corporate

Larvotto Secures $3.4M to Advance Lithium Strategy

Larvotto signed a Royalty, Equity and Offtake Agreement (REO Agreement) with Canadian-based Lithium Royalty Corp. (LRC) and Waratah Capital's Electrification and Decarbonization Fund AIE LP (E&D Fund, collectively the Purchaser).

REO Agreement Summary

Binding agreement (subject to satisfaction of conditions precedent) signed with LRC as part of $3.4M, 3-tiered deal:

- $700,000 cash payment by LRC for 1% gross revenue royalty over lithium and all other pegmatite materials (Material);
- $2M cornerstone equity investment and free attaching options; and
- $700,000 cash payment by LRC as consideration for a 20% offtake investment

REO Agreement Details

Under the REO Agreement, the Purchaser has agreed to:

1. acquire a newly created 1% gross revenue royalty payable in relation to any lithium and other pegmatite related minerals extracted or sold by Larvotto from its Eyre Project for $700,000, (Royalty);
2. subscribe for 11,111,111 new ordinary shares (Share) at an issue price of $0.18, plus one (1) free attaching option to raise $2M (Equity Investment); and
3. acquire a 20% life of mine offtake right for lithium in any form including ore, concentrates, sulphates, chemicals and other pegmatite minerals that are located within or mined and other pegmatite related minerals extracted or sold by Larvotto from its Eyre Project for $700,000 (Offtake Investment).

Waratah Capital manages over CAD$4B in assets and is the founding sponsor of Lithium Royalty Corp. (taking $200,000 in the Equity Investment), which holds royalty investments in lithium explorers including Core Lithium (ASX: CXO, $2.2B market cap), and Sayona Mining (ASX: SYA; OTCQB: SYAXF, $2.9B market cap). The remaining $1.8M of the Equity Investment is being taken by Waratah Capital's "Electrification and Decarbonization Fund".

Key Terms of REO Agreement

- Royalty

  The Royalty entitles the Purchaser to receive a 1% Gross Revenue Royalty relating to any lithium and any other pegmatite related minerals extracted, mined and sold by or on behalf of Larvotto from the Eyre Project (E63/1827, E63/1929, E63/1974, E63/1976, E63/2008, application EA63/1995 (subject to grant and transfer to Seller) and application E63/2213 (subject to grant) in Western Australia.

  As consideration for the Royalty, the Purchaser will pay to the Seller:

  1. within 5 business days after the date of execution of the Royalty Agreement, the sum of $350,000; and
  2. on the earlier of completion of the Equity Investment or 30 November 2022, an additional sum of $350,000.

The granting of the Royalty is not conditional on the Equity Investment and Offtake Investment completing.

- Equity Investment and Offtake Investment

  The price of $0.18 per Share under the Equity Investment represents an approximate 10% discount to the 10-day VWAP and last closing price of Larvotto shares on the ASX on Tuesday 4 October 2022.

  At completion of the Equity Investment and Offtake Investment, the Purchaser will invest $2M in ordinary shares of the Seller at an issue price of $0.18 per share. Each share shall carry one option.

Amongst the Conditions Precedent to the deal, Larvotto's shareholders will be asked to consider the Equity Investment at a General Meeting to be convened on or around 30 November 2022. The approval for the 11,111,111 Shares and 11,111,111 will be satisfied under the Listing Rule 7.1.

A summary of the customary Conditions Precedent relating to the Equity Investment and Offtake Investment to be satisfied or waived by the Purchaser by 7 December 2022, are:

- the Purchaser's satisfaction of no undisclosed encumbrances on the Projects (other than third party agreements, including heritage and native title agreements;
- receipt of all necessary third-party consents including any required government approvals;
- the execution of appropriate and agreed documentation.

If the Conditions Precedent have not all been satisfied or waived by the Purchaser by 7 December 2022, either party may terminate this agreement by notice in writing to the other party (except that the rights and obligations of the parties in respect of the purchase of the Royalty shall survive termination.

About Waratah Capital Advisors (Waratah)

Waratah Capital Advisors is the sponsor and investment manager of the Electrification and Decarbonization Fund. The E&D Fund seeks to achieve attractive risk-adjusted returns through investments in battery material, decarbonisation and electric vehicle related opportunities. Waratah is a Toronto-based asset manager that specialises in alternative strategies and manages over CAD$4B in assets from high-net-worth individuals, family offices, foundations, Canadian bank platforms and pension funds.

Larvotto Completes $2M Placement

Larvotto received firm commitments from sophisticated and professional investors for a placement to raise $2,000,000 (before costs) at an issue price of $0.18 per share (Placement). The Placement was well supported by existing shareholders, in addition to new institutional investors.

The Company will allot 11,111,111 ordinary shares (Shares) with each share allocated in the Placement carrying one unlisted option (Option) with a strike price of $0.30 per option for a period of 36 months from issue.

The Placement consists of 2-tranches, with the first tranche (Tranche 1) raising $1,500,000 through the issue of 8,333,333 ordinary shares raised utilising 100% of the Company's 15% available placement capacity under ASX Listing Rules 7.1. The second tranche (Tranche 2) will raise a further $500,000 through the issue of 2,777,778 Shares and will see the issue of the Options.

Tranche 2 is subject to shareholder approval at a General Meeting expected to be convened on or around 30th November 2022.

Aitken Mount Capital Partners is Lead Manager for the Placement and will receive a fee for this service to the Company.

Larvotto plans to use the $2M working capital injection to further exploration activities including drilling at the Mt Isa Copper Project and the Ohakuri Gold Project.

Appointment of Company Secretary and Chief Financial Officer

Ms Suzanne Irwin resigned effective on 21 September 2022 as Company Secretary. Her successor, Mr Matthew Edmondson, was appointed as Company Secretary effective from 21 September 2022.

Mr Edmondson holds a Bachelor of Commerce from the University of Western Australia and is a Chartered Accountant and Chartered Secretary with a breadth of accounting and corporate experience in the last 30 years in Australia and internationally.

The Company appointed Mr Nicholas Longmire as Chief Financial Officer effective from 21 September 2022. Mr Longmire holds a Bachelor of Commerce from Murdoch University and is a Chartered Accountant. Mr Longmire has previously worked as a CFO for ASX-listed and TSXV-listed companies and has worked in senior finance roles for the past 25 years, and in a mining and exploration role in the past 20 years in Australia and internationally.

Summary of Financials for the Quarter

As reported in the attached Appendix 5B, the cash balance was A$2.225 million as at 30 September 2022 (compared to A$3.390 million as at 30 June 2022), representing a net decrease of A$1.165 million for this Quarter.

The Company's cash flow movements for the Quarter are summarised below:

- Net cash used in operational activities – A$0.699 million
- Net cash used in investing activities – A$0.075 million

Payments to related parties of the Company and their associates of $0.107 million as disclosed in section 6 of the Appendix 5B relate to salaries (including superannuation) and fees (excluding GST) paid to directors and their associates, excluding any reimbursements for expenses incurred on behalf of the Company.

Use of Funds Statement

In accordance with ASX Listing Rule 5.3.4, the following comparison table is submitted with respect to the actual expenditure to the end of the Period, against the use of funds statement as outlined in the Prospectus dated 18 October 2021:

Funds available	Per Prospectus	Actual Expenditure to 30 Sept 2022
Exploration at Mt Isa Copper Project (Queensland)	$2,050,000	$977,353
Exploration at Ohakuri Project (NZ)	$1,145,000	$202,368
Exploration at Eyre Project (WA)	$425,000	$272,044
Initial Cash Consideration under Ohakuri Acquisition	$175,000	$175,000
Cash Consideration under Highlands Acquisition	$100,000	$100,000
Expenses of the Public Offer	$668,000	$673,645
Administration and corporate costs	$580,000	$1,043,057
Working capital	$857,000	$111,948
Total	$6,000,000	$3,555,415

Tenement Interests

According to Listing Rule 5.3.3, the Company provides the following information in relation to its mining tenements detailed below in Table 2 were acquired by the company as part of the IPO and listing process. There were no other tenements acquired or disposed of during the quarter, however the company has an option agreement over an additional tenement.

Apart from the application for a new Exploration Licence application for (E 63/2213) for the Eyre Project, there have been no other changes to existing holdings. In accordance with ASX Listing Rule 5.3.3, the following table is submitted with respect to tenements held by the Company and its controlled entities at the end of the Quarter:

Project/Location Tenement Id	Name	Expiry Date	Area (km^2)
Highlands, Qld			
EPM 14281	Yamamilla	6-Jul-2023	57.77
EPM 16197	Blockade	2-Nov-2026	19.23
EPM 17638	Phillips Hill	11-Jun-2023	54.53
EPM 17914	Blockade East Syndicated	10-Sep-2023	32.05
EPM 17947	Blockade East Extension	26-Sep-2026	16.03
EPM 18492	Mt Remarkable Extension	11-Jun-2023	131.65
EPM 19733	Mt Remarkable Consolidated	26-Jun-2026	320.92
Mt Isa, Qld			
EPM 26510	Clone 1	25-Apr-2023	55.19
EPM 26538	Clone 2	22-Apr-2023	68.14
EPM 26798	Barkly 1	10-Apr-2024	48.81
EPM 27023	Bass	12-May-2024	91.10
Eyre, Western Australia			
E 63/1827		11-Oct-2022	147.00
E 63/1929		28-Jul-2024	80.55

Project/Location Tenement Id	Name	Expiry Date	Area (km^2)
E 63/1974		06-Feb-2025	5.55
E 63/1976		20-Feb-2025	33.33
E 63/1995		Pending	186.11
E 63/2008		26-Oct-2025	125.00
E 63/2213		Pending	87.10

Larvotto, and its wholly owned subsidiary Madeleine Exploration Pty Limited, are in a farm-in joint venture agreement with Zedex (the Ohakuri JVA), under which Larvotto may acquire up to an 75% interest in the EP comprising the Ohakuri Project.

Project/Location Tenement Id	Grant Date	Expiry Date	Area (km^2)	Beneficial % interest at the end of the Qtr
Ohakuri, NZ				
EP 60555	19-Dec-2019	18-Dec-2024	25.78	Nil

This announcement was authorised for release by the Board of Larvotto Resources Limited.

Reporting Confirmation

Ohakuri

The information in this report that relates to current exploration results is extracted from the Company's following ASX announcement:

- 18 October 2021 "Prospectus"

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company 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.

Eyre

The information in this report that relates to current exploration results is extracted from the Company's following ASX announcements:

- 28 July 2022 "New Nickel and Copper Anomaly Discovered at Eyre Project"
- 13 September 2022 "Geophysical Survey Defines Nickel Targets at Eyre"
- 27 September 2022 "Rare Earth Element Anomalies Identified Eyre Project"
- 4 October 2022 "Lithium Anomaly Identified at Eyre Project WA"

Mt Isa

The information in this report that relates to current exploration results is extracted from the Company's following ASX announcements:

- 5 May 2022 "High Priority Drill Targe Defined – Copper Cobalt Prospect"

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company 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.

About Larvotto Resources Ltd

Larvotto Resources Limited (ASX:LRV) is actively exploring its portfolio of projects including the large Mt Isa copper, gold, and cobalt project adjacent to Mt Isa townsite in Queensland, an exciting gold exploration project at Ohakuri in New Zealand's North Island and the Eyre multi-metals and lithium project located some 30km east of Norseman in Western Australia. Larvotto's board is a mix of experienced explorers and corporate financiers. Visit www.larvottoresources.com for further information.

Forward Looking Statements

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Larvotto does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward looking information due to the inherent uncertainty thereof.

LARVOTTO RESOURCES LIMITED

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Mr Mark Tomlinson
Non-Executive Chair

Mr Ron Heeks
Managing Director

Ms Anna Nahajski-Staples
Non-Executive Director

Mr Matthew Edmondson
Company Secretary

PROJECTS

Mt Isa Au, Cu, Co
Mt Isa, QLD

Ohakuri Au
New Zealand

Eyre Ni, Au, PGE, Li
Norseman, WA

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Appendix 5B

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

Name of entity	
Larvotto Resources Limited	
ABN	**Quarter ended ("current quarter")**
16 645 596 238	30 September 2022

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(911)	(1,445)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(130)	(388)
	(e) administration and corporate costs	(158)	(394)
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 (provide details if material)	54	84
1.9	**Net cash from / (used in) operating activities**	**(1,145)**	**(2,143)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(20)	(161)
	(d) exploration & evaluation	-	(181)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 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**	**(20)**	**(342)**

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	-	27
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**	**-**	**27**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,390	4,673
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,145)	(2,143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(342)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(0)	27

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(0)	(0)
4.6	**Cash and cash equivalents at end of period**	**2,225**	**2,225**

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	2,225	3,390
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)**	**2,225**	**3,390**

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	80
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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)	(1,145)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,145)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,225
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,225
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**1.9**

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.

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?

Answer: 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?

Answer:

The Company has recently announced that it will receive proceeds of $5.4 million from two separate arrangements:

1. $3.4 million from Lithium Royalty Corporation, a Canadian based fund by way of a royalty, equity investment and offtake agreement; and
2. $2 million from a share placement.

The Company believes the balance of the proceeds will be received, subject to any shareholder approval requirements for the issue of further shares.

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?

Answer: Yes, refer comments in 8.8.2 above

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: 31 October 2022

Authorised by: 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.