

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

| | |
|------------------------------------|--|
| CANNINDAH RESOURCES LIMITED | |
| ABN | Quarter ended ("current quarter") |
| 35 108 146 694 | 31 MARCH 2019 |

| 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 | - | 7 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (68) | (303) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (52) | (132) |
| (e) administration and corporate costs | (100) | (221) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | 5 |
| 1.5 Interest and other costs of finance paid | (23) | (83) |
| 1.6 Income taxes paid | - | - |
| 1.7 Research and development refunds | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (243) | (727) |

| | | |
|--|---|---|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) other non-current assets | - | - |

Mining exploration entity and oil and gas exploration entity quarterly report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | - | - |
| | (b) tenements (see item 10) | - | - |
| | (c) investments | | |
| | (d) 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 | - | - |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | 200 | 611 |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | | |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (2) | (31) |
| 3.5 | Proceeds from borrowings | 62 | 185 |
| 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 | 260 | 765 |

| | | | |
|------------|--|-----------|-----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 31 | 10 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (243) | (727) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 260 | 765 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 48 | 48 |

| 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 | 48 | 31 |
| 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) | 48 | 31 |

| 6. Payments to directors of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | 78 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Includes salary paid to Executive Chairman and rent, administration and IT services provided by associated entities of a Director.

| 7. Payments to related entities of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

Mining exploration entity and oil and gas exploration entity quarterly report

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | 3,700 | 3,596 |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other – Loan from sophisticated investor | 185 | 185 |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |

The loan from Aquis Finance Pty Ltd has a facility limit of \$3.7 million, is secured and attracts an interest rate of 15% per annum which is capitalised into the loan up to the facility limit. On 29 June 2018, the Company announced that the term of the loan had been extended to 20 May 2019 on the same terms and conditions as the original loan. The lender has now agreed to a further extension of 6 months on an interest free basis. Aquis Finance further requested that a variation document be completed to allow for them to convert the debt to equity in the company (refer to the Quarterly Activities Report for further information).

The \$185,000 loan comprises two short term loan facilities. The repayment of the first facility of \$35,200 was made on 1 April 2019. The second facility of \$150,000 is repayable on 13 June 2019.

| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Exploration and evaluation | 100 |
| 9.2 Development | |
| 9.3 Production | |
| 9.4 Staff costs | 50 |
| 9.5 Administration and corporate costs | 100 |
| 9.6 Other (provide details if material) | |
| 9.7 Total estimated cash outflows | 250 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|--|---------------------------|---|-----------------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | | Nil | | |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | | Nil | | |

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.

Sign here:



Company Secretary

Date: 30 April 2019

Print name: Garry Gill

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

CANNINDAH RESOURCES LIMITED
QUARTERLY REPORT
QUARTER ENDED 31 MARCH 2019
TENEMENT TABLE

| TENEMENT TYPE | TENEMENT NUMBER | PROJECT NAME | LOCATION |
|---------------|-----------------|-------------------------|------------|
| EPM | 14524 | Barrimoon | Queensland |
| EPM | 15261 | Mt Cannindah 2 | Queensland |
| ML | 3201 | Mt Cannindah | Queensland |
| ML | 3202 | Mt Cannindah | Queensland |
| ML | 3203 | Mt Cannindah | Queensland |
| ML | 3204 | Mt Cannindah Extended 1 | Queensland |
| ML | 3205 | Mt Cannindah Extended 2 | Queensland |
| ML | 3206 | Mt Cannindah Extended 3 | Queensland |
| ML | 3207 | Mt Cannindah Extended 4 | Queensland |
| ML | 3208 | Mt Cannindah Extended 5 | Queensland |
| ML | 3209 | Mt Cannindah Extended 6 | Queensland |
| ML | 1442 | Piccadilly | Queensland |
| EPM | 16198 | Piccadilly | Queensland |
| EPM | 18322 | Piccadilly | Queensland |

The Piccadilly mining lease and EPM's are held by Piccadilly Gold Mines Holdings Limited. On 15 September 2017, Cannindah Resources Limited announced that it had signed an Earn-In Agreement with Piccadilly Gold Mine Holdings Limited under which the Company could earn in to a total interest of 75% of the Piccadilly Project. At 31 March 2019, the Company had completed the first phase of the earn-in and on completion of the second phase will gain the right to 25% of the project. At 31 March, the Company's registered ownership interest in the Piccadilly mining lease and EPM's was nil.

All other tenements are 100% owned with no farm in / farm out arrangements in existence at the end of the quarter and at the date of this statement.