

QUARTERLY ACTIVITIES REPORT

PERIOD ENDING 30 SEPTEMBER 2019

HIGHLIGHTS

- **Concluded a \$9.7 million capital raise through underwriting of existing unlisted options with a strong uptake from current shareholders**
- **Now fully funded to deliver priorities of Financial Investment Decision (FID) for Cement and Lime project, Coal Resource drilling and Orokolo Bay pilot plant establishment and commissioning for first production**
- **Project funding activities for Cement and Lime project significantly advanced with identification and engagement of interested parties for both equity and debt**
- **Orokolo Bay Mineral Sands Project further progressed with initial engineering program complete, and site establishment works expected during Dec 2019 quarter**
- **Board assessing strategic proposals regarding a potential standalone listing of copper and gold assets**
- **Annual General Meeting scheduled for 29 November 2019**

CENTRAL CEMENT & LIME (CCL) PROJECT

- Submitted a Mining Lease (ML) application in early July following completion of surveying and marking out of ML boundary
- Progression of ML continuing with completion of the ML Wardens Hearing and strong ongoing support by Mineral Resources Authority (MRA) and local communities
- Completed land mapping within ML boundary and continued our community engagement program. This has included clan and landowner meetings focused on understanding community concerns and the contents of the project benefits package
- Considerable progress achieved on the project financing process with advisors Morgans/KPMG having identified and engaged with parties interested equity and debt funding for the project
- Developed a suite of project funding collateral including teasers, information memorandums, marketing analysis and other materials as part of the due diligence process

- Ongoing activities to seek product offtake both in PNG and Australia for the clinker, cement and quicklime products
- Undertook several site visits in PNG with potential investor and product offtake parties

OROKOLO BAY PROJECT & INDUSTRIAL SANDS PORTFOLIO

- Orokolo Bay bulk sample pilot plant:
 - Front-end engineering detail design for the 400tph unit completed.
 - Joint venture partner, China Titanium Resources Holdings, have identified suitable Chinese suppliers. First equipment orders are being prepared under the terms of the existing earn in agreement¹
 - Mobilisation and early construction PNG based service providers have been identified and final contract negotiations are in progress
 - Commenced recruitment of key national staff for the bulk sampling operation
 - Landowner negotiations are in final stages of completion
 - Plan to begin bulk sample phase operations in Q1CY2020 subject to receipt of final project approvals
- Orokolo Bay definitive feasibility study (DFS):
 - The infill drilling program and laboratory test work for the definitive feasibility study has been completed. The results are currently undergoing review by our in-house geology team in preparation for the upgraded JORC compliant resource statement
- Ongoing compilation and review of historical data and preparation of an Information Memorandum for the Amazon Bay Vanadium Titano-magnetite sands project (EL2556) as part of the development strategy to define a potential large-scale vanadium-bearing resource – this includes review of historic drilling and re-interpretation of airborne geophysical data

POWER GENERATION

- Briefed several newly appointed PNG Government Ministers on the Lae Enviro Energy Park (EEP) with the project being well received. The project now has a significant level of support from NEC Ministers and submission of the project to the NEC for approval is anticipated in the near future
- Re-engagement with EPC Contractors to refine and short list bids for the Lae EEP project with the project attracting significant interest and competition from international companies with expertise in designing and delivering smaller CFBC boiler design power stations

¹ Refer to ASX release dated 7 January 2019 for terms of the arrangement with CTRH to earn up to 49% in the Industrial sands portfolio

COAL EXPLORATION PROJECTS

- Purchased portable drill rigs for more detailed outcrop definition drilling at the Depot Creek project (in Gulf Province) with the program commencing in October, drilling to a maximum of 30m depth, to confirm continuity of the mapped coal seams
- Expansion of drilling program including down dip drilling and geophysical logging for a program of up to forty holes to commence in the December Quarter
- Specialist coal consultants selected to provide site geological and technical support during the drilling programs, together with full resource modeling and reporting once the results are received

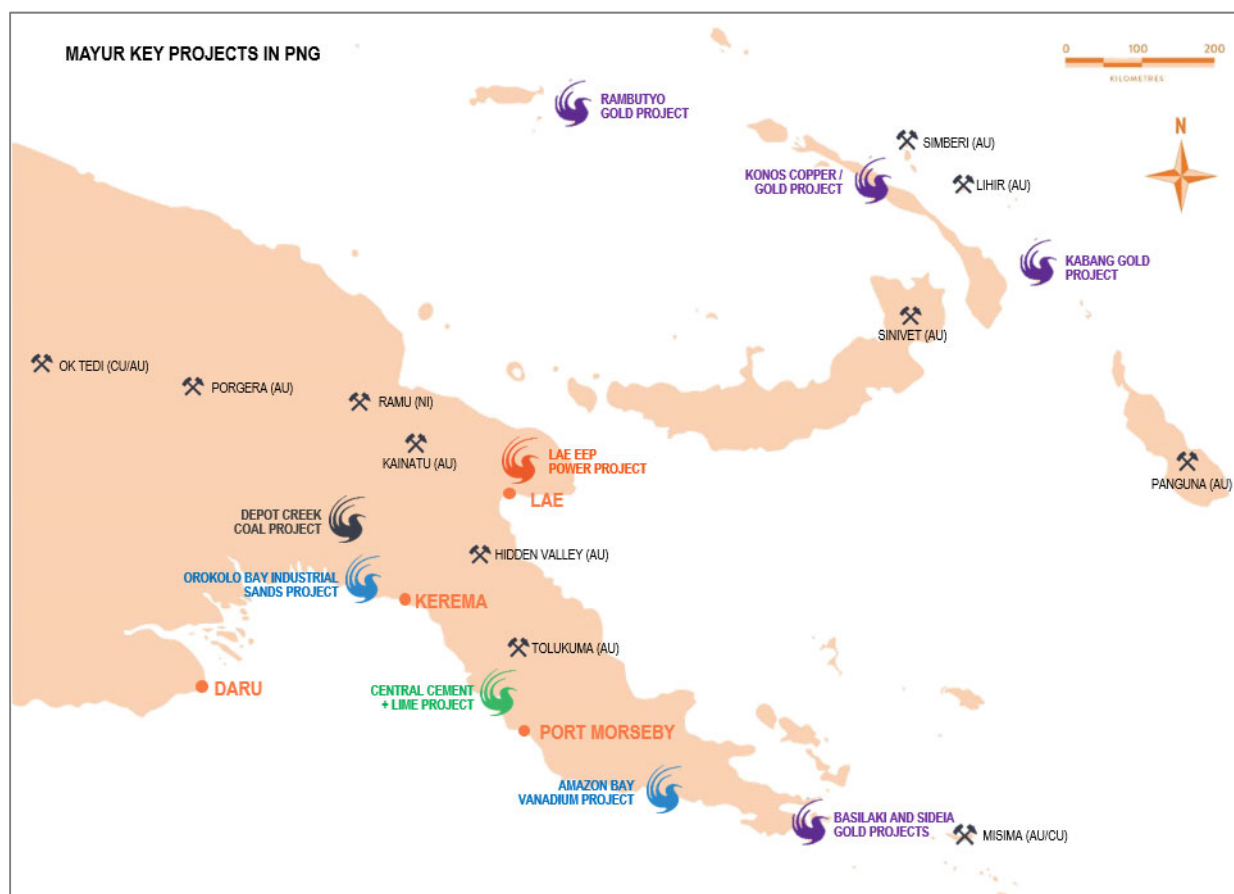
COPPER & GOLD EXPLORATION PORTFOLIO

- Expressions of interest for a potential in specie distribution via separate listing of copper / gold assets being assessed by Mayur Board
- Basilaki and Sideia (EL2095) - geophysics data from the Sideia aeromagnetic and radiometric survey is being inversion modelled by external consultants with outputs to be incorporated into the geological model and confirm the next phase of drilling activity
- Konos (EL2591) - a regional geochemical sampling program was completed in September over the potential porphyry / skarn target area, and samples are currently being processed for assay at ALS Laboratories in Brisbane. Samples collected included rock chips, stream sediment and ridge and spur soil samples
- Feni (EL2096) – discussions in progress with the Mineral Resources Authority to schedule a Wardens Hearing as part of the ongoing tenement renewal process. Previously collected data is being assessed and compiled to feed into the next phase of the work program / drill hole planning
- Rambutyo (EL2594) – planning for a field mapping and surface sampling program across the island targeting a greenfield porphyry gold and possible collapsed caldera deposit at two major intersecting geological structures. Data compilation, assessment and area ranking is ongoing

CORPORATE

- Completed the capital raising as announced on 3 July 2019 that included:
 - Placement to institutional, experienced, sophisticated and professional investors raising \$1.5 million; and
 - repayment of loans outstanding to the Company for 1.5 million loan funded shares totalling \$600,000
- The above, plus the completion of the underwritten Unlisted Options offer as announced on 8 October 2019 equates to a total \$9.7 million in funding for the Company and provides a strong funding buffer to enable the continued development of the project portfolio in PNG²
- Cash at bank totaled \$8.66 million as at 30 September 2019

PROJECTS MAP



² Refer to ASX release dated 8 October 2019 - Completion of the Underwritten Unlisted Options Offer

TENEMENT INTERESTS

As at 30 September 2019 the Company had interests in the tenements as listed in Table 1, all located in Papua New Guinea.

In addition to the tenements listed in table 1, six EL's continue to progress through the statutory assessment and renewal process (EL 2150, 2267, 2268, 2297, 2095, 2096) as prescribed by the PNG Mining Act.

The renewal process is proceeding in accordance with the established regulatory processes in PNG. The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licences not being granted in the ordinary course of business.

	EL nr	Province	Commodity focus	Ownership at end of quarter	Km ²
1	2095*	Milne Bay	Copper / Gold	100%	75
2	2096*	New Ireland	Copper / Gold	100%	95
3	2594	Manus	Copper / Gold	100%	522
4	2591	New Ireland	Copper / Gold	100%	252
5	2150*	Gulf	Industrial Mineral Sands	100%^	307
6	2266	Gulf	Industrial Mineral Sands	100%^	634
7	2267*	Gulf	Industrial Mineral Sands	100%^	1,279
8	2268*	Gulf	Industrial Mineral Sands	100%^	1,279
9	2269	Western	Industrial Mineral Sands	100%^	638
10	2297*	Gulf	Industrial Mineral Sands	100%^	1,279
11	2304	Gulf	Industrial Mineral Sands	100%^	269
12	2305	Gulf	Industrial Mineral Sands	100%^	259
13	2556	Milne Bay	Industrial Mineral Sands	100%^	1,408
14	2303	Central	Limestone	100%	256
15	1873	Gulf	Coal	100%	256
16	1874	Gulf	Coal	100%	256
17	1875	Gulf	Coal	100%	314
18	1876	Gulf	Coal	100%	317

Table 1 - Exploration Licence list (*ELs currently under renewal; ^all industrial mineral sands ELs are subject to the JV farm in deal with CTRH)

ABOUT MAYUR RESOURCES

ASX Code: MRL

Directors:

Rob Neale
(Chairman)
Paul Mulder
(Managing Director)
Tim Crossley
(Executive Director)
Frank Terranova
(Non-Executive Director)
Lu Kee Hong
(Non-Executive Director)

Company Secretary (Australia):

Jonathan Hart
Phone: +61 413 890 032

Ordinary shares:

176.9 million (30 Sept 2019)

Office locations:

Australia
(principal administrative office):
Level 7, 300 Adelaide St,
Brisbane, Qld 4000
Phone +61 7 3157 4400

Singapore (registered address):
80 Robinson Road, #02-00
Singapore 068898

Website:

www.mayurresources.com

ARBN 619 770 277

Mayur Resources is an ASX-listed company focused on the development of natural resources in Papua New Guinea. The maturation of Mayur's diversified asset portfolio, which spans industrial minerals, power generation, coal, copper and gold, will contribute to nation-building and job creation in a country experiencing a significant growth trajectory. Mayur's unique portfolio of projects, many in close proximity to world-class producing mines, are located on or near to the coast enabling ease of access for development and future seaborne markets once in operation.

COMPETENT PERSONS STATEMENT

*Statements contained in this announcement relating to Mineral Resources and Ore Reserves estimates for the **Central Cement and Lime Project** are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Geoscientists. Mr. Huntley has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which this initial Ore Reserves Estimate prepared for the Central Cement and Lime Project appears*

*Statements contained in this announcement relating to Mineral Resource estimates for the **Orokolo Bay Industrial Sands Project and the Feni (Kabang) Gold project** are based on, and fairly represents, information and supporting documentation prepared by Mr. Simon Tear, who is a member of the Australian Institute of Geoscientists. Mr. Tear has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Tear qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Tear is an employee of H&S Consultants Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Tear takes responsibility for the form and context in which the Mineral Resource Estimate prepared for the Orokolo Bay Project and Feni Gold appears.*

*Statements contained in this announcement relating to Mineral Resource estimates for the **Depot Creek Coal Project** are based on, and fairly represents, information and supporting documentation prepared by Mr. Neill Biggs, who is a member of the Australian Institute of Geoscientists. Mr. Biggs has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Biggs qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Biggs is an employee of Resolve Geo Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Biggs takes responsibility for the form and context in which the Mineral Resource Estimate prepared for the Depot Creek Coal Project appears.*

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical fact included in this Announcement including, without limitation, statements regarding future plans or objectives of Mayur Resources Ltd are forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are no guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

Mayur Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law and existing stock exchange listing requirements.

+Rule 5.5

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

MAYUR RESOURCES LTD

ARBN

619 770 277

Quarter ended ("current quarter")

30 SEPT 2019

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	(2,423)	(2,423)
(b) development	-	-
(c) production	-	-
(d) staff costs	(181)	(181)
(e) administration and corporate costs	(610)	(610)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	-	-
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	(3,209)	(3,209)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment	(29)	(29)	
(b) tenements (see item 10)	-	-	
(c) investments	-	-	
(d) other non-current assets	-	-	
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	(29)	(29)	
3. Cash flows from financing activities			
3.1 Proceeds from issues of shares	-	-	
3.2 Proceeds from issue of convertible notes			
3.3 Proceeds from exercise of share options	9,088	9,088	
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-	
3.5 Proceeds from borrowings	-	-	
3.6 Repayment of borrowings (<i>repayment of Loans from Shareholders as disclosed in the Prospectus dated 21 July 2017</i>)	-	-	
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	9,088	9,088	

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,797	2,797
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,209)	(3,209)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(29)	(29)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,088	9,088
4.5	Effect of movement in exchange rates on cash held	11	11
4.6	Cash and cash equivalents at end of period	8,658	8,658

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	8,658	2,797
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,658	2,797

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

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

**Current quarter
\$A'000**

\$132

Nil

6.1 *During the quarter the Company made payments totalling \$132,084 to Directors (comprising \$35,587 paid to Non-Executive Directors and \$96,497 to Executive Directors) as payment of the cash component of Director remuneration for the period 1 Jul 2019 to 30 Sept 2019*

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	\$Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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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	Nil	Nil
8.2	Credit standby arrangements	Nil	Nil
8.3	Other (please specify)	Nil	Nil
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.		

Not applicable

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	1,944
9.2	Development	-
9.3	Production	-
9.4	Staff costs	201
9.5	Administration and corporate costs	387
9.6	Other	-
9.7	Total estimated cash outflows	2,532

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	Nil	N/A	N/A
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil	Nil	N/A	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.

Sign here: 
 (Director/~~Company secretary~~)

Date: 31 October 2019

Print name: Paul Mulder

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.