

QUARTERLY ACTIVITIES REPORT

QUARTER ENDED 31 DECEMBER 2019

Chesser Resources Limited ("Chesser" or the "Company", ASX:CHZ) is pleased to present its Quarterly Activities Report for the three months ended 31 December 2019. The Company's primary focus during the reporting period continued to be the advancement of its Diamba Sud gold Project in Senegal.

HIGHLIGHTS

- Diamond drilling at Area A has enhanced the Company's understanding of the mineralisation and deposit style at the Northern Arc target and the Company now believes it has potentially discovered a major hydrothermal system that is analogous to the styles observed along the Senegal-Mali Shear Zone (**SMSZ**) (such as the Goukoto-Loulo complex, Fekola and Sadiola).
- Subsequent to the end of the Quarter, first assay results for the drill holes completed prior to 31 December were received confirming the high-grade gold discovery at Diamba Sud. Select significant intersections included¹:
 - Hole DSDD01 confirmed the high-grade nature and style of mineralisation, with potential structural control. Select significant intersections from hole DSDD01 included;
 - **4m at 9.36 g/t gold** from 14m, in saprolite, including
 - **2m at 18.20 g/t gold** from 14m and
 - **16m at 8.51 g/t gold** from 86m, in fresh rock, including
 - **10m at 13.11 g/t gold** from 86m
 - Results from other altered sections of the hole are pending. Step-out holes at Area A extend the gold mineralisation up-dip and along strike for at least 300m with partial assay results from three DD and full results from 12 reverse circulation (RC). Selected significant intersections include;
 - Hole DSDD02 - 50m step out south (partial results):
 - **14m at 5.18 g/t gold** from 0m, including
 - **4m at 15.44 g/t gold** from 8m
 - **6m at 5.11 g/t gold** from 90m, including
 - **3m at 6.76 g/t gold** from 93m
 - Hole DSDD04 - 50m step out north (partial results):
 - **6m at 4.91 g/t gold** from 70m, including
 - **3m at 7.11 g/t gold** from 70m

¹ Refer ASX Announcement dated 21 January 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

- **5m at 3.75 g/t gold** from 83m, including
 - **1m at 11.40 g/t gold** from 86m
 - Hole DSR115 – 200m step out south:
 - **10m at 3.41 g/t gold** from 78m
 - **4m at 13.28 g/t gold** from 103m, including
 - **2m at 24.43 g/t gold** from 103m
- Survey results received from the dipole-dipole induced polarisation (DDIP) traverse indicated that the Area A discovery identified by previously completed RC drilling may be more extensive, both along strike and at depth, where it was untested.
- Survey results received from the gradient array induced polarisation (GAIP) survey completed over the Northern Arc and Western Flank in Area D suggested that the previously interpreted NNE-trending mineralised fault is related to a prominent resistivity low.
- In November, the Company commenced the Phase 3 drill program comprising at least 2,000m of DD and 2,500m of RC drilling focussed on the Area A and adjoining Area D targets and aiming to confirm the controls and potential extensions to the previously reported high-grade intersections.
- At 31 December, a total of nine diamond drill holes (DD) for 1,281 metres and 18 reverse circulation (RC) drill holes for 1,824 metres had been completed, with assays pending from six RC holes and nine DD holes (partial assays received for four holes).
 - Diamond drilling at Area A had intersected pyrite in strongly altered and often brecciated felsic intrusive that appears to be the host of high-grade gold mineralisation previously intersected in Area A RC drilling, with zones generally conforming with the Company's interpretation of easterly dipping mineralised zones.
 - Two diamond holes had been completed at Area D, intersecting faulted structures with signs of alteration and sulphides (pyrite).
- The Company will be completing detailed geological interpretation of the drill core, RC chips and assay data from the Phase 3 drilling program and recommence drilling as soon as possible.

PHASE 3 DRILLING PROGRAM**Area A**

Wide-spaced RC drilling completed in previous drilling programs by Chesser encountered significant gold mineralisation associated with interpreted east-dipping zones at Area A within the Northern Arc discovery.

The induced polarisation (IP) geophysical survey and auger geochemical results indicated that the discovery may be more extensive, both along strike and at depth, where it was untested.

DD and RC drilling is planned to be completed in the Phase 3 drilling program. This commenced during the December quarter to test these mineralised zones for potential repetitions and continuity along strike and down dip to down-hole depths ranging from 100m to 175m.

During the December quarter, four DD holes were successfully completed in the central part of Area A where previous RC drilling had intersected thick and relatively high-grade gold mineralisation in fresh rock. The holes were drilled at a 50m north-south spacing, with the first DD hole (DSDD001) twinning a previous RC hole (DSRC092). Three of the DD holes intersected significant gold mineralisation from assay results received subsequent to the end of the December quarter, with further results pending from several sections in these holes.

The first diamond hole (DSDD001) twinned the previously reported significant RC intersection of 14m at 9.53g/t gold² in hole DSRC092 on Line 1429610N (Figures 1 and 4). The DD hole returned:

- **4m at 9.36 g/t gold** from 14m downhole in saprolite, including
 - **2m at 18.20 g/t gold** from 14m and
- **16m at 8.51 g/t gold** from 86m in fresh rock, including
 - **10m at 13.11 g/t gold** from 86m

This zone corresponds to the main zone of mineralisation intersected in the RC hole. The gold mineralisation in the main zone is associated with albite-carbonate-silica alteration with coarse pyrite, seen both as open space and fracture fill, as well as disseminated agglomerations. This is interpreted as shear hosted mineralisation, possibly representing a feeder structure for the mineralisation observed in sedimentary units exhibiting strong-intense alteration, brecciation and strong foliation in places.

The intense foliation and brecciation seen (Figure 2) is interpreted to align with a possible fault/shear structure passing through DSDD02 and DSR088, indicating a potential northwest striking fault dipping steeply to the east. This structure is a significant exploration target, given the grades encountered on it to date and its role as a possible feeder structure for fluids. The host lithologies are mainly polymictic sedimentary breccias with intense hydrothermal brecciation and frequent strong foliation. Strongly altered intrusives were also noted on some margins of the alteration.

² For prior drilling results cited in this Quarterly Report, refer to ASX announcements 22 February 2018, 28 May 2018 and 27 August 2018 and 25 March 2019 for details of exploration results for the Diamba Sud auger drilling program. Refer 25 March 2019, 10 April 2019, 6 May 2019 and 14 May 2019 ASX announcements for details of the 2019 RC Phase 1 drill results, 26 August 2019 and 3 September 2019 ASX announcements for Phase 2 results and 3 April 2017 ASX announcement for details of 2016 drill results. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

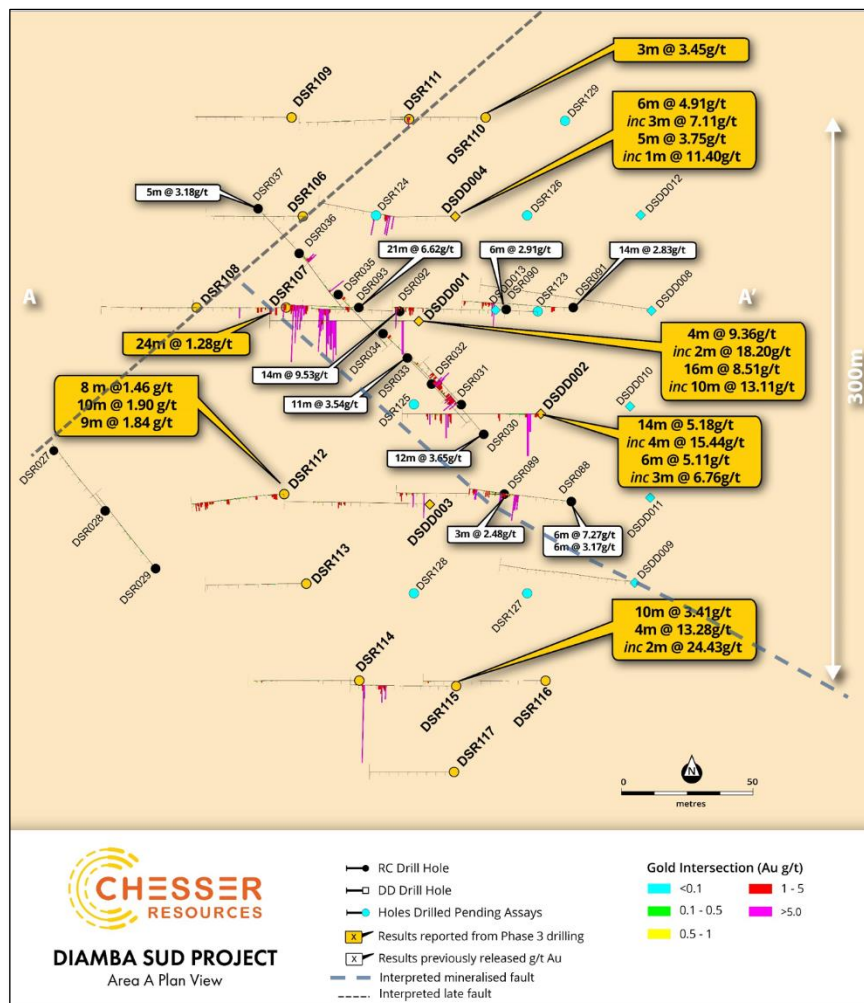


Figure 1: Northern Arc target: Area A discovery showing location of previous drilling, selected significant intersections, interpreted structures, Phase 3 holes completed and partially reported after Quarter end, and holes pending assays.



Figure 2: Hole DSDD001 (85.96 to 90.40m) showing hydrothermal brecciation, strong alteration with foliation parallel/veinlets of coarse pyrite-quartz-carbonate infill and coarse disseminated pyrite. Complete interval returned 16m at 8.51g/t gold

The mineralisation has marked similarities to that seen at the nearby, world-class, Goukoto-Loulo mining complex adjoining the prolific SMSZ (Figure 3).

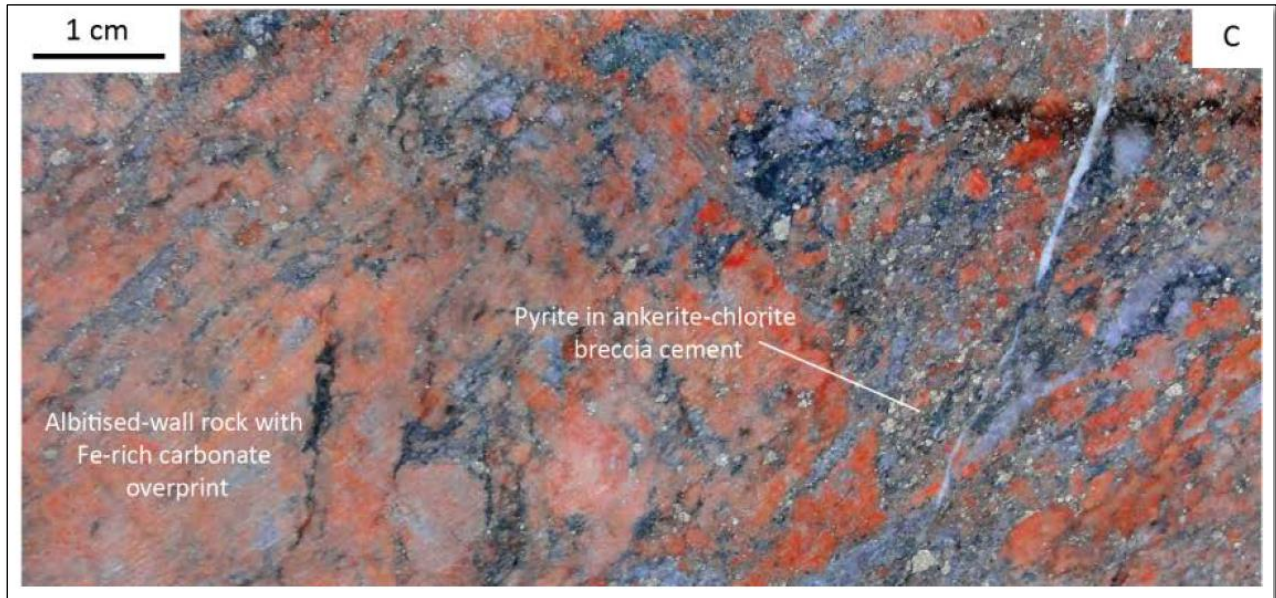


Figure 3: Goukoto alteration and mineralisation, exhibiting strong similarities to Area A.³

Assay results from the remainder of the hole are pending, including a number of zones of less intense alteration.

On the same section line, 1429610N, RC hole DSR107 successfully intersected the up-dip expression of the main mineralised zone in saprolite from 10m to 34m downhole, returning **24m at 1.28 g/t gold**. No sample recovery was recorded between 12m and 16m due to voids within the saprolite zone (grade of 0 g/t gold assigned to this interval) (Figures 1 and 4). This intersection also supports the previous interpretation of an easterly dip to the mineralisation.

³ Tectonic setting and metallogensis in the South-Eastern Kédougou-Kéniéba Inlier: Our current understanding. James Lambert-Smith with: D. M. Lawrence, A. Rocholl, W. Müller, A. Boyce & P. J. Treloar

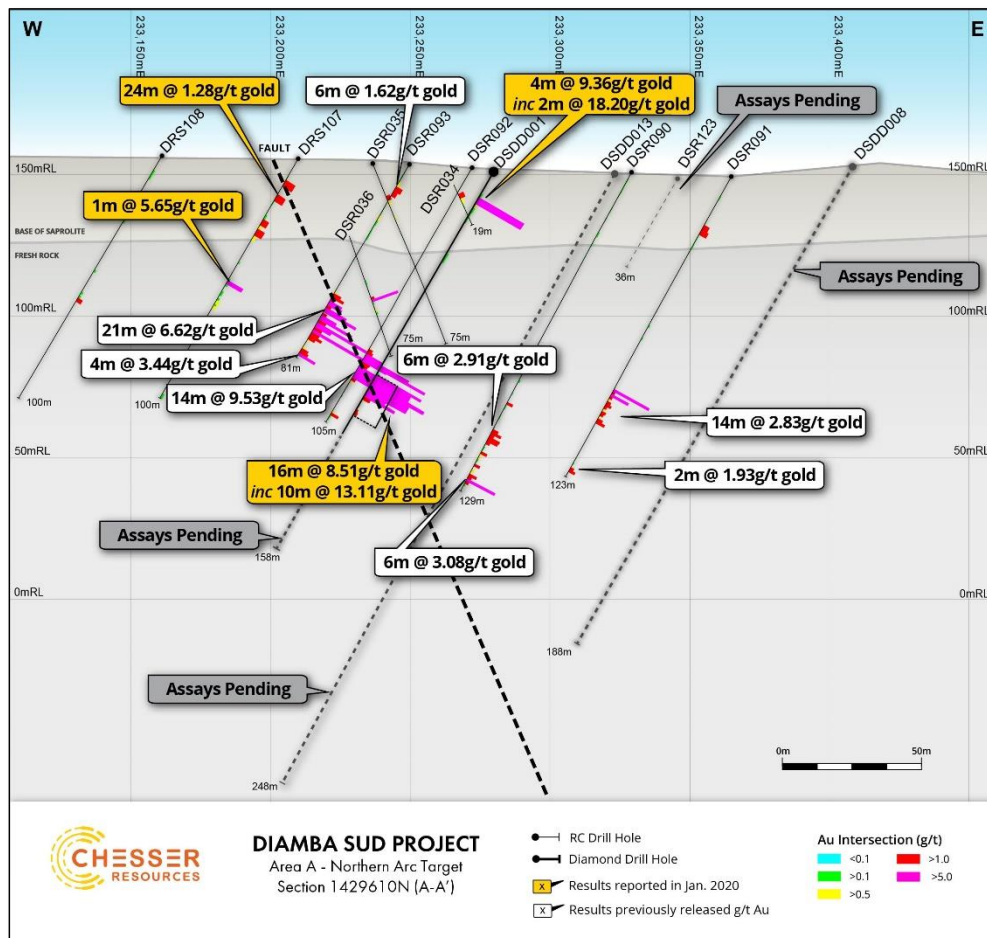


Figure 4: Northern Arc target: Section 1429610N looking north, showing select significant drill intersections and location of NW striking fault, considered to represent a feeder structure for the mineralisation seen in sedimentary units.

Step out holes 50m south

DD hole DSDD002 intersected a high-grade zone in laterite/saprolite from surface, returning:

- **14m at 5.18 g/t gold** from 0m, including
 - **4m at 15.44 g/t gold** from 8m.

Results from an intensely altered and brecciated zone in fresh rock similar to that seen in DSDD001 returned:

- **6m at 5.11 g/t gold** from 90m, including
 - **3m at 6.76 g/t gold** from 93m.

Other alteration zones in fresh rock returned **3m at 3.04 g/t gold** from 99m, and **5m at 2.09 g/t gold** from 111m.

Step out holes 100m south

RC hole DSR112 returned multiple gold intercepts within granite, including **8m at 1.46 g/t gold** from 6m (saprolite), **4m at 2.05 g/t gold** from 60m (fresh rock), **10m at 1.90 g/t gold** from 78m (fresh rock) and **9m at 1.84 g/t gold** from 90m (fresh rock).

DD hole DSDD003, drilled to the east of DSR112, intersected three wide albite-carbonate alteration zones in fresh rock from 84m to 103m, 111m to 120m and 131m to 151m. The gold mineralisation was generally low-grade with **2m at 1.39 g/t gold** returned from 86m and **4m at 1.59 g/t gold** from 90m, with further assays pending.

Step out holes 200m south

RC hole DSR115 successfully intersected two wide zones of albite-carbonate altered breccia, returning:

- **10m at 3.41 g/t gold** from 78m, and
- **4m at 13.28 g/t gold** from 103m, including
 - **2m at 24.43g/t gold** from 103m

Potential extensions of this mineralisation to the south remain only partially tested with one hole (DSR117, Figure 1) that didn't intersect any gold mineralisation.

Step out holes 50m north

DD hole DSDD004 intersected four wide albite-carbonate alteration zones with gold mineralisation returned from two of these zones including:

- **6m at 4.91 g/t gold** from 70m, and
- **5m at 3.75 g/t gold** from 83m, including
 - **1m at 11.40 g/t gold** from 86m

Assay results from the remainder of the hole, including the two other alteration zones, are pending. Hole DSR106, drilled 80m to the west of DSDD004, did not intersect the host lithologies seen in other holes, indicating a potential fault in this area that has possibly truncated the mineralised zones in the northwest.

Step out holes 100m north

A further three step-out RC holes were drilled 100m north of Line 1429610N with hole DSR110 returning **3m at 3.45 g/t gold** from 82m downhole. Holes DSR109 and DSR111 intersected the same lithologies as DSR106 to the southwest, supporting interpreted faulting of the mineralisation. Further drilling and interpretation are required to determine the strike of this faulting, but it appears to be northeast, coinciding with the geophysical survey results⁴.

The DD and RC holes completed to date at Area A **have confirmed extensive high-grade gold mineralisation associated with intense albite-carbonate-silica alteration, pyrite mineralisation and hydrothermal brecciation**. These are typical characteristics seen in world class deposits adjacent to the Senegal-Mali shear zone, such as Barrick's Goukoto-Loulo mine complex (Figures 2 and 9).

A detailed geological interpretation of the drill core, RC chips and assay data is ongoing.

⁴ Refer to ASX announcement on 14 October 2019 for results of geophysical survey. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

Area D

Drilling at Area D will focus on confirming the significant gold intersections recently reported from an interpreted NNE-trending mineralised fault; including;

- **8m at 3.48g/t gold** from 34m⁵, and
- **53m at 2.61g/t gold** from 57m, including
 - **17m at 4.97g/t gold** from 59m⁶ (Figure 4).

The IP survey suggests this fault structure is related to a prominent resistivity low (Figure 1), which is being targeted in the Phase 3 drilling program.

DIAMBA SUD – EXPLORATION ACTIVITIES**IP SURVEYS**

During the December quarter the Company announced the results from a dipole-dipole induced polarisation geophysical survey (DDIP) and a gradient array induced polarisation geophysical survey (GAIP) undertaken over the Northern Arc and Western Flank targets within its flagship Diamba Sud Project, located in eastern Senegal (Figure 5).

Dipole-Dipole IP (DDIP) Survey

Two 500m-long traverses were surveyed through the central portion of the Area A discovery within the Northern Arc Target geochemical anomaly (Figure 6).

The high-grade drill intersections recently reported from the Area A discovery appear to correlate with a moderate, east-plunging chargeability response coincident to high resistivity features interpreted as an intrusive, providing a compelling target to extend this potentially wide zone of mineralisation.

The two marked resistivity highs at moderate depth (NAR1 and NAR2, Figure 2) are interpreted as granodioritic intrusives of the Birimian Faleme Group (Figure 9), supporting the Company's assumption that the Northern Arc target is prospective for contact-related mineralisation in a pressure shadow setting. The Phase 2 drilling appears to confirm this interpretation, with stacked potassic altered pyritic zones observed correlating to a possible contact zone. This suggests that there are significant areas at the intrusive contact, and within the intrusive, for potential extensions to the existing discovery area and/or identifying new mineralised areas, such as the chargeability anomaly to the west of NAR1 associated with the deeper NAR2 (Figure 6).

⁵ Refer to ASX announcement 25 March 2019. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

⁶ Refer to ASX announcement 3 Sept 2019. The Company is not aware of any new information or data that materially affects the information contained in that announcement

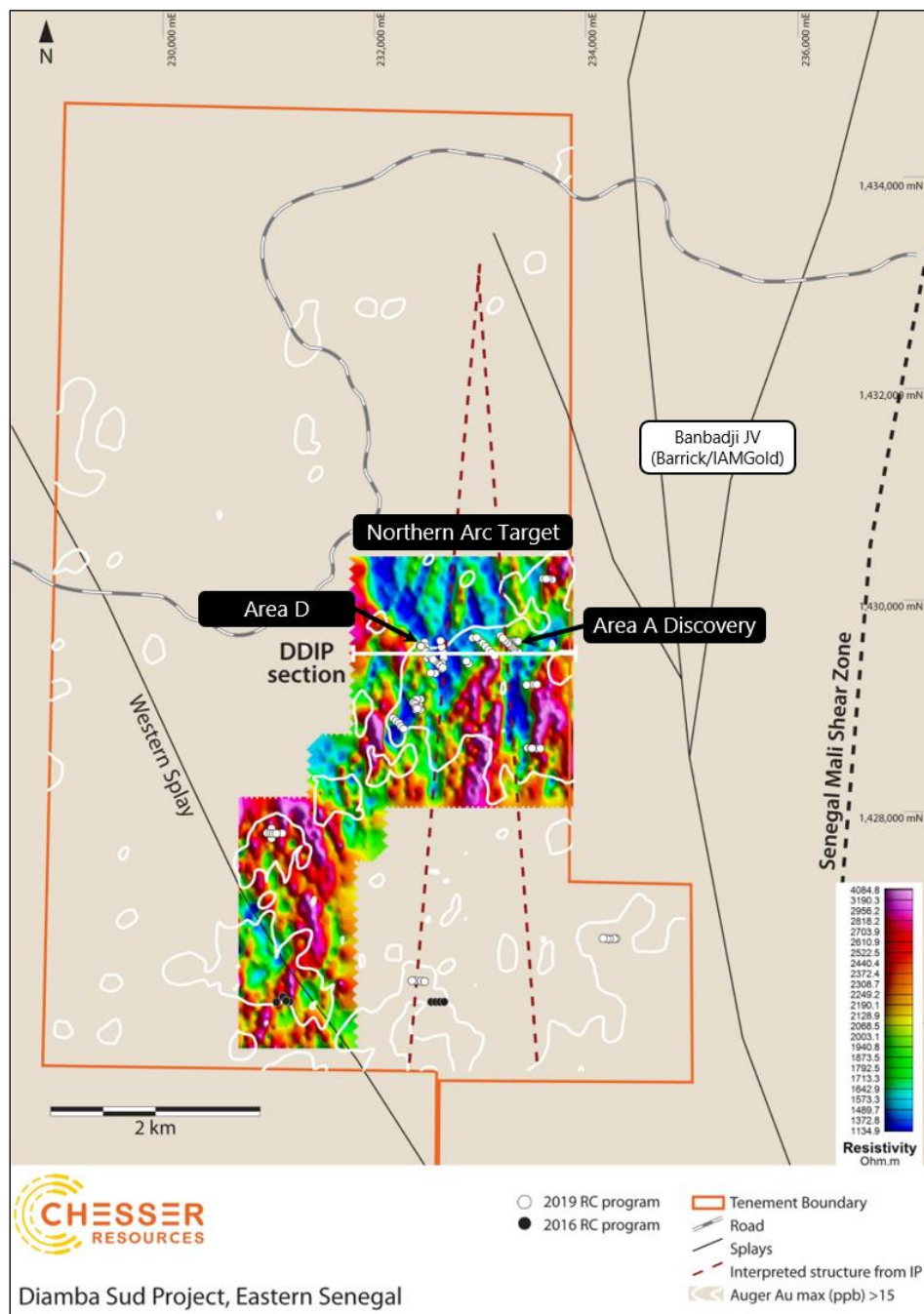


Figure 5: Diamba Sud Project showing location of drilling, IP survey locations showing resistivity and interpreted structures overlaid by gold >15ppb auger geochemistry⁷.

⁷ Refer to ASX announcements 22 February 2018, 28 May 2018 and 27 August 2018 and 25 March 2019 for details of exploration results for the Diamba Sud auger drilling program. Refer 25 March 2019, 10 April 2019, 6 May 2019 and 14 May 2019 ASX announcements for details of the 2019 RC Phase 1 drill results, 26 August 2019 and 3 September 2019 ASX announcements for Phase 2 results and 3 April 2017 ASX announcement for details of 2016 drill results. The Company is not aware of any new information or data that materially affects the information contained in those announcements.

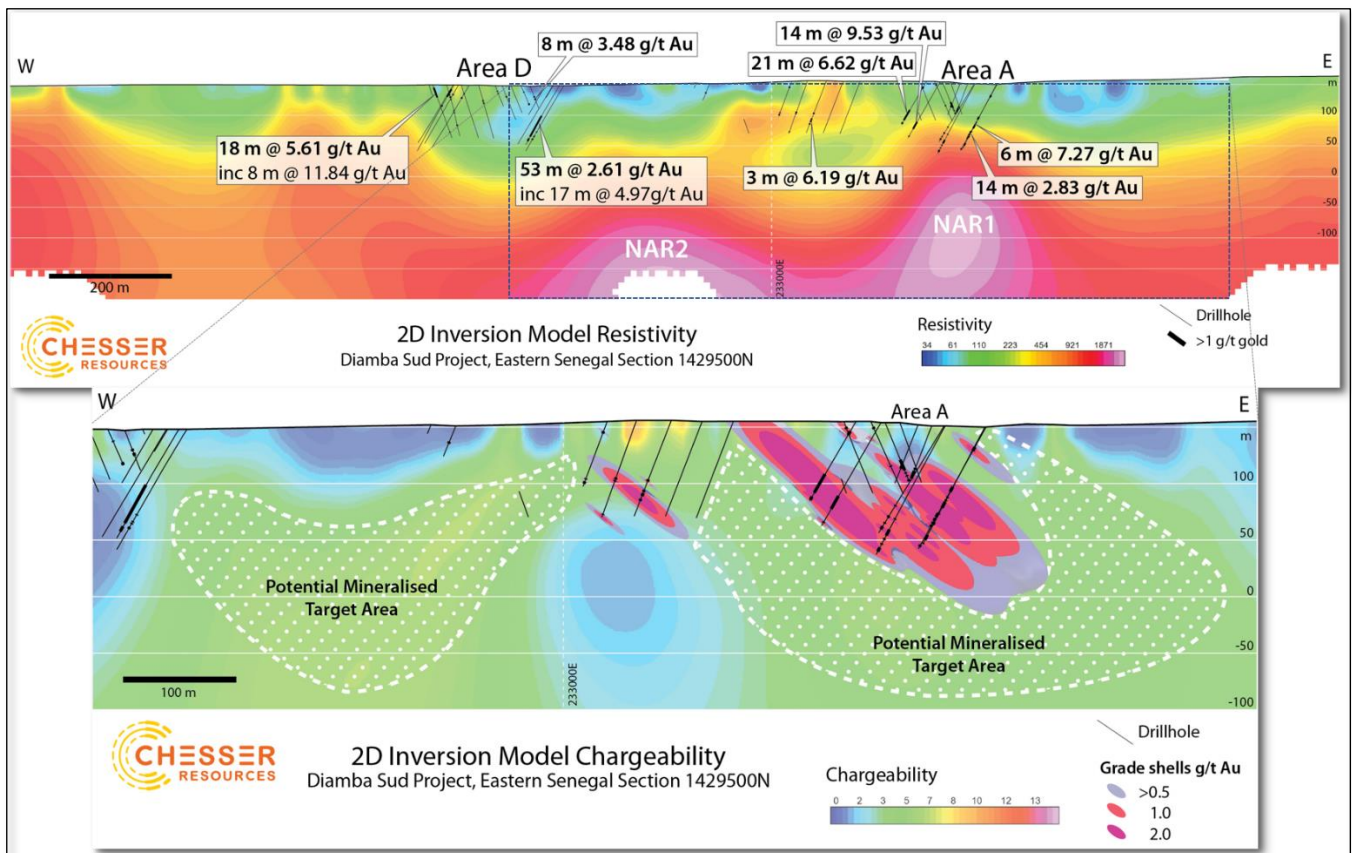


Figure 6: DDIP resistivity and chargeability section across Northern Arc showing RC drilling from the Phase 1 and Phase 2 RC drilling programs, selected significant intercepts and resistivity high features NA1 and NAR2, interpreted as granodioritic intrusive and coincident chargeability anomalies.

Gradient Array IP (GAIP) Survey

A total of four areas were surveyed, covering the Western Flank (Block 3) and Northern Arc (Blocks 1 and 2) targets, and a small interlinking area (Block 4) (Figure 5). The GAIP resistivity survey over the Northern Arc Target highlighted two prominent, north-trending linear features interpreted as potential fault or shear structures extending through the Area A discovery and Area D (Figures 5 and 7).

The presence and north strike of the interpreted structure extending through the Area A discovery is considered highly encouraging due to its potential role as a conduit for mineralising fluids and its proximity to the significant gold mineralisation recently reported. Northerly trending structures are the dominant control features associated with mineralisation at the Tier 1 mines on the Mali side of the Senegal-Mali-Shear-Zone (SMSZ) [Fekola, Goukoto, part of the Loulo deposit and Sadiola].

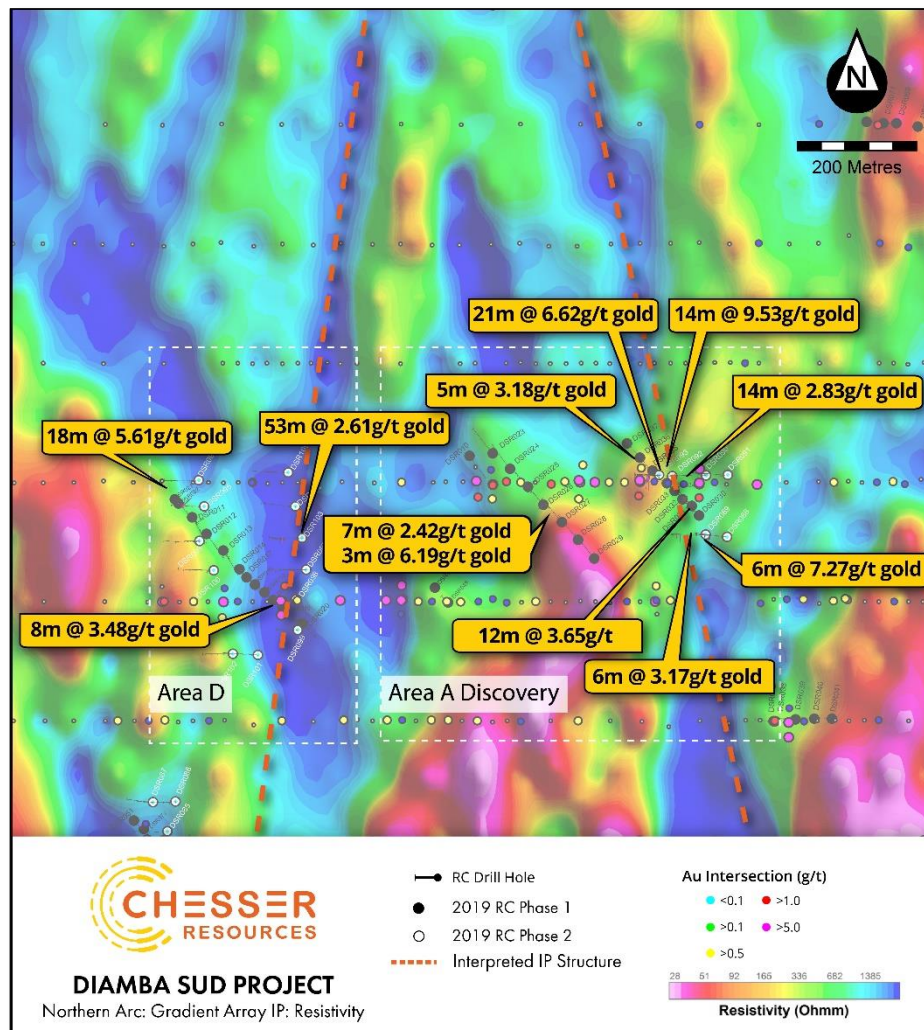


Figure 7: Northern Arc Target: GAIP resistivity image with interpreted structures (dashed orange lines), selected significant intersections from the Phase 1 & 2 drilling programs and gold auger geochemistry⁸.

A second subparallel structure interpreted from the GAIP resistivity survey to the immediate west is considered to be related to the significant gold mineralisation encountered at Area D from the Phase 1 and Phase 2 drilling programs. The interpreted structure aligns with the intersections reported from the Southern Arc area drilled in Phase 1, approximately 3km to the south (Figure 5).

⁸ Refer to ASX announcements 25 March 2019, 10 April 2019, 6 May 2019 and 14 May 2019 ASX announcements for details of the 2019 RC Phase 1 drill results, 26 August 2019 and 3 September 2019 ASX announcements for Phase 2 results. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

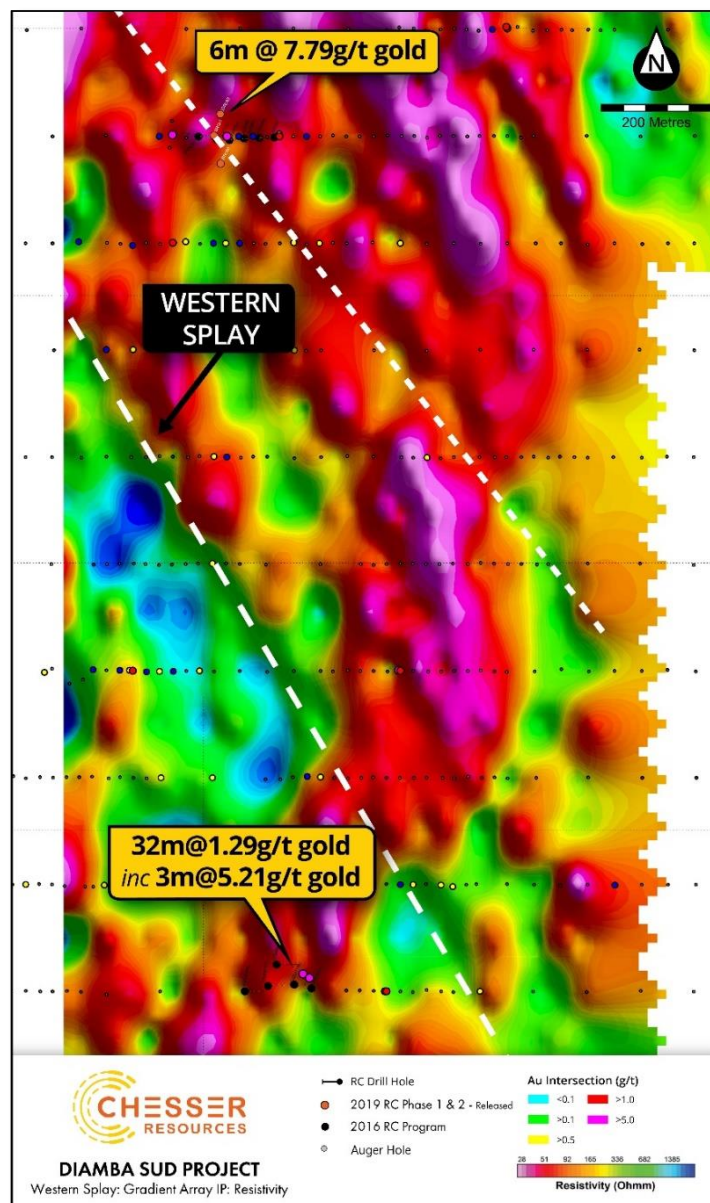


Figure 8: Western Flank Target: GAIP resistivity survey image showing interpreted position of the Western Splay structure and subparallel structure, significant intersections from the previous drill programs and gold geochemistry from auger³.

The GAIP resistivity survey also confirmed the presence of Western Splay structure (Figure 8), previously interpreted from a Government regional aeromagnetic survey. This splay structure extends from the SMSZ, located to the immediate east of the Diamba Sud Project. All the major gold deposits within this prolific Birimian greenstone belt (e.g. Boto, Fekola, Goukoto, Loulo, Yatela and Sadiola) are associated with splay structures extending from the SMSZ.

MARCH QUARTER 2020 – PLANNED ACTIVITY

- Assay results are pending from a further nine DD and six RC holes completed prior to 31 December 2019.
- The drilling program was completed at the end of January, with a further six RC drill holes (709 metres) and four DD drill holes (751 metres).
- Detailed geological interpretation of the drill core, RC chips and assay data from the Phase 3 drilling program is ongoing.
- Commence planning of the next phase of drilling

CORPORATE

- Chesser held cash of approximately \$1.59 million at 31 December 2019.
- During the quarter the Company made payments totalling \$122,000 to related parties and their associates representing Director remuneration.
- During the quarter the Company received \$191,000 from the issue of fully paid ordinary shares including:
 - i. \$35,000 from Director subscriptions on the same terms as the placement completed in September 2019 and pursuant to shareholder approvals obtained at the Company's Annual General Meeting.
 - ii. \$156,000 received on the exercise of options, including \$112,000 received from Directors.

DECEMBER 2019 QUARTER ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- IP survey extends target area at Diamba Sud gold discovery 14 October 2019
- Chesser commences drilling at Diamba Sud discovery 22 November 2019
- Diamba Sud Drilling Update 18 December 2019

In addition, this Quarterly Activities Report includes assay results reported subsequent to the end of the December 2019 Quarter for drill holes completed prior to 31 December 2019 as follows:

- High grade gold discovery confirmed at Diamba Sud 21 January 2020

These announcements are available for viewing on the Company's website **chesserresources.com.au**. Chesser confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

SCHEDULE OF MINING TENEMENTS

As at 31 December 2019, the Company had interest in the following tenements:

TENEMENT	LOCATION	INTEREST
Diamba Sud	Senegal	100%
Diamba Nord	Senegal	100%

-ENDS-

FOR FURTHER INFORMATION PLEASE CONTACT:**Mike Brown**

Managing Director

Email: Mikeb@chesserresources.com.au

Ph: +1 778 822 4345

Stephen Kelly

Company Secretary

Email: Stephenk@chesserresources.com.au

PH: 0415 719 695

COMPETENT PERSON STATEMENT

The information in this presentation that relates to Exploration Results is based on information compiled by geologists employed by Boya SAU (a wholly owned subsidiary of Chesser Resources) and reviewed by Mr Michael Brown, who is a member of the Australian Institute of Geoscientists (MAIG). Mr Brown is the Managing Director of Chesser Resources Limited. Mr Brown is considered to have sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration, and to the activity that he is undertaking to qualify as a Competent person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the 2012 JORC Code). Mr Brown consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. Mr Brown directly holds 1,125,000 fully paid ordinary shares in the Company and has a direct ownership in 3,000,000 unlisted options to acquire ordinary shares in the Company.

FORWARD LOOKING STATEMENTS

Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Chesser Resources Limited's planned work at the Company's projects and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.

ABOUT CHESSER RESOURCES

Chesser Resources is an ASX listed exploration company with gold projects located in Senegal, West Africa. Chesser has announced a high-grade gold discovery at its Northern Arc target on its flagship Diamba Sud project. The Company currently holds ~300km² of highly prospective ground in this underexplored world-class gold region. The Company has a corporate office located in Brisbane, Australia and a corporate and technical team based in Dakar, Senegal. The Company currently holds ~300km² of highly prospective ground in this underexplored world-class gold region.

Diamba Sud is the Company's flagship project, covering 53.2km² over the gold-bearing Kedougou-Kenieba Inlier, Diamba Sud consists of two blocks referred to as DS1 in the north and DS2 in the south.

The Project is located ~2km to the west of the Senegal Mali Shear Zone (SMSZ), a major regional structure and host to numerous multimillion-ounce gold deposits including; B2Gold's 7.6Moz Fekola mine, Barrick's 18Moz Loulo-Goukoto complex and IAMGold's Sadiola and Yatela mines. DS1 lies 7km to the west of the 5.5Moz Goukoto mine and to the immediate east of the privately owned 0.5Moz Karakaene mine.

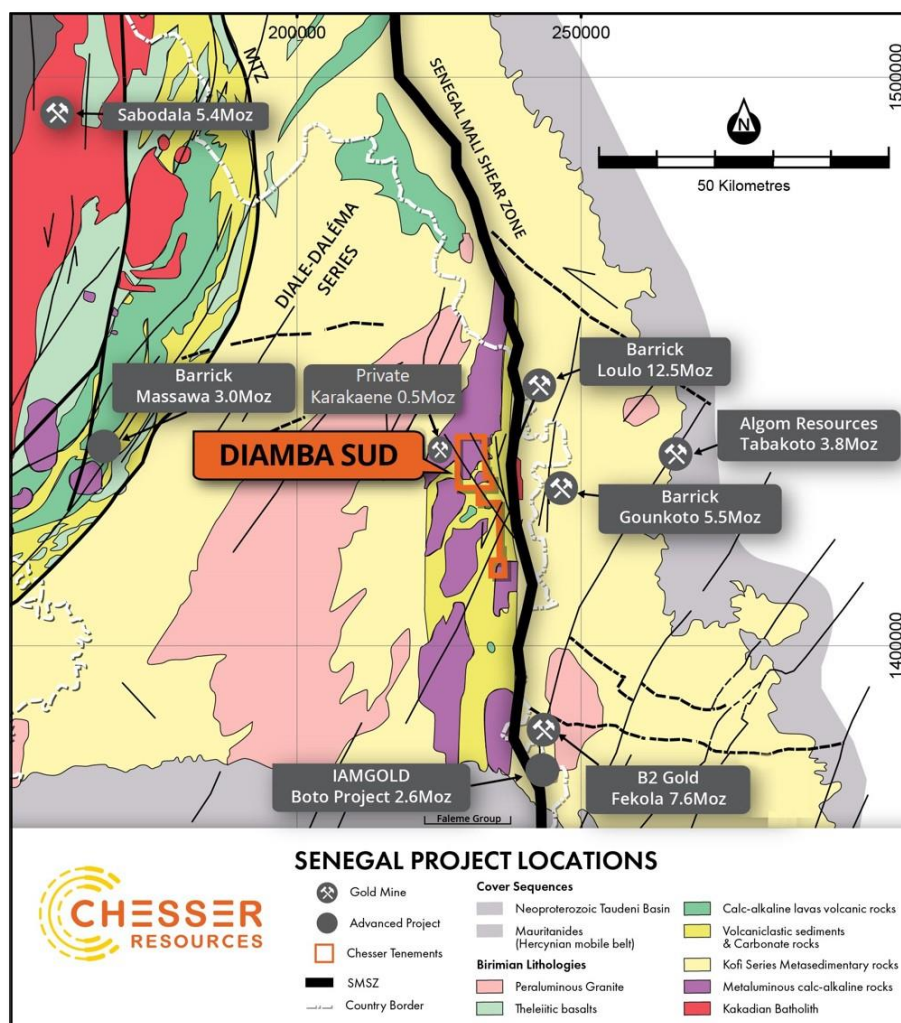


Figure 9: Schematic regional geology of eastern Senegal, showing the Diamba Sud Project and its proximity to both the SMSZ, and the major gold operations and projects on or adjacent to splays off the SMSZ

Appendix 5B

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

Name of entity

CHESSER RESOURCES LIMITED

ABN

14 118 619 042

Quarter ended ("current quarter")

31 DECEMBER 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(122)	(244)
	(e) administration and corporate costs	(144)	(353)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(2)	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(268)	(600)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(101)	(101)
	(d) exploration & evaluation (if capitalised)	(518)	(895)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six 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	(619)	(996)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	35	1,925
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	156	156
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(145)	(145)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	46	1,936

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,431	1,249
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(268)	(600)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(619)	(996)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	46	1,936

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	5
4.6	Cash and cash equivalents at end of period	1,594	1,5924

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	1,594	1,594
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)	1,594	1,594

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
122
-

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 <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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.		
N/a			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(268)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(518)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(786)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,594
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,594
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2.03

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

N/a

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

N/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

N/a

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **31 January 2020**

Authorised by: **By the Board**

(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.