



ASX Release
31 July 2019

ABN
44 009 157 439

Hawthorn Resources Limited
Level 2, 90 William Street
Melbourne VIC 3000
Australia
Tel: +61 3 9605 5950
Fax: +61 3 9605 5999
Email:
info@hawthornresources.com
www.hawthornresources.com

Directors

Mr. Mark Gregory Kerr
(Chairman / Managing Director)

Dr David Tyrwhitt
(Non Exec. Director)

Mr. Christopher Corrigan
(Non Exec. Director)

Mr. Li, Yijie
(Non Exec. Director)

Mr. Liao, Yongzhong
(Non Exec. Director)

Mr. Liu, Zhensheng
(Non Exec. Director)

Senior Management

Mr. William Lloyd
(Operations Manager)

Mr. Mourice Garbutt
(Company Secretary)

Mr Tony Amato
(CFO)

ASX Symbol: HAW

Hawthorn Resources Limited June 2019 Quarterly Report

VALE – IAN MOODY

MOODY, Ian William (BSC (HONS), MAUSIMM)

Sadly, our colleague of the past twelve years passed away suddenly at home on Thursday 11 July 2019.

Ian, as Exploration Manager, brought with him more than 20 years of experience as a geologist in a range of commodities including gold, base and bulk metals and diamonds in Australia and overseas. Ian significantly and immeasurably contributed to the successes of Hawthorn Resources Limited's exploration activities in Western Australia with the development of the Trouser Legs Gold Mine and the discovery and evaluation of the gold resources at Box Well and Deep South.

In addition, Ian's work at Mt Bevan contributed greatly to the exploration, evaluation and establishment of the existing haematite and magnetite indicated and inferred iron ore resources.



“...the next exploration horizon...”

MINE DEVELOPMENT & PRODUCTION – TROUSER LEGS MINE

(A) Recovered Gold ounces finalized:

- *Ore Parcel 12 – 28,180 tonnes processed – 1,815 gold ounces recovered.*
- *Ore Parcel 13 – 21,693 tonnes processed – 1,313 gold ounces recovered.*

(B) Gold ounces recovered pending:

- *Ore Parcel 14 – 27,798 dry tonnes processed – Final recovered gold ounces pending*
- *Ore Parcel 15 – 39,402 dry tonnes processed – Final recovered gold ounces pending.*

(C) Haulage:

- *Ore Parcel 16.- hauling commenced in June and was completed on 18 July – total Wet tonnes hauled approx. 43,839 tonnes – recovery details pending.*

(D) Mining

346,054 BCM of waste and ore was mined from the deposit,

110,822 tonnes of ore was delivered to the minesite ROM pad

NEAR MINE EXPLORATION

- *Grade control drilling completed at Coles satellite pit with mining to be undertaken during the September quarter.*
- *Progression of study work on underground resource at Pinjin*

SALE OF MINING LEASES AND EXPLORATION TENEMENTS

- *In April Hawthorn Resources Limited announced the sale of its interests in 18 tenements in the Box Well and Deep South project areas for a consideration of \$ 13.5 Million Australian Dollars.*
- *The sale of the tenement interests was completed on 5 June.*

EXPLORATION

As announced in the March 2019 Quarterly Activities Report with the Agreement to sell its interests in the 18 Box Well / Deep South tenements, work undertaken during the quarter on these project areas ahead of settlement on 5 June was of a care and maintenance nature.

The Company's mining, development and exploration programs following the disposal of its interests in the 18 Box Well / Deep South tenements are now primarily focused on the underground resources at the Trouser Legs JV and the Mt Bevan and Mt Alexander tenements held in the JV with Legacy Iron Ore Limited.

The Company is also evaluating a number of other development opportunities.

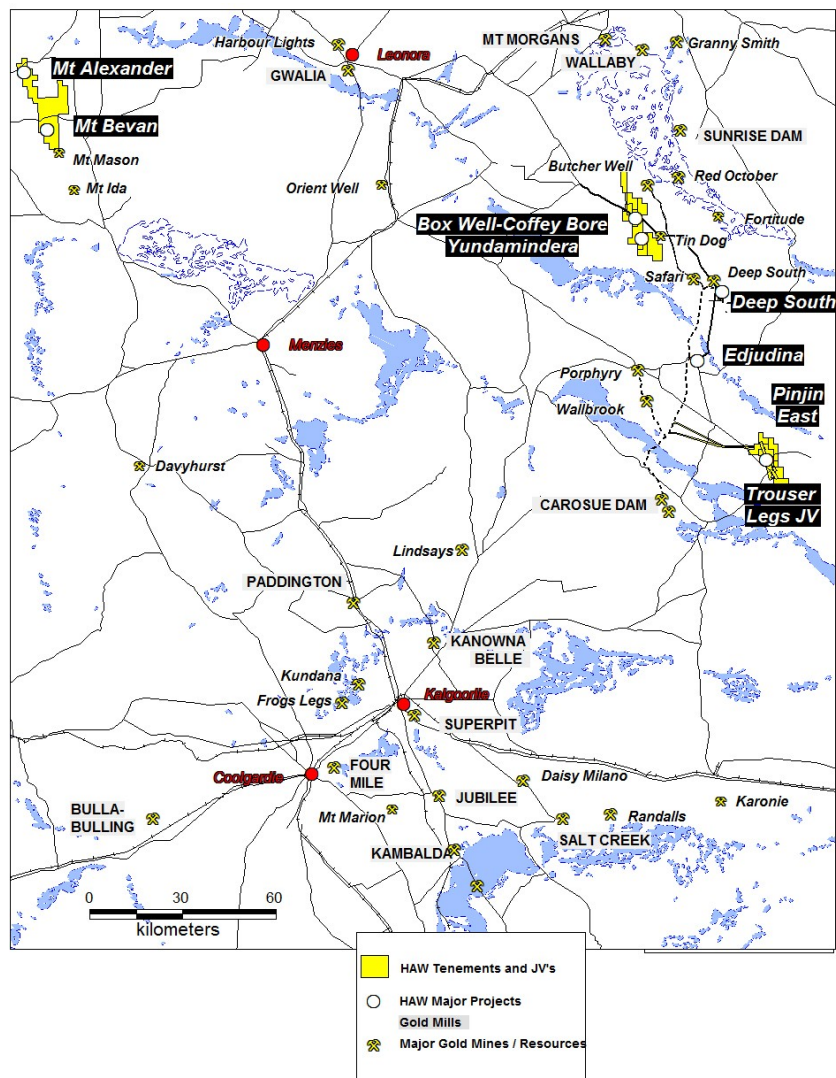


Figure 1. Eastern Goldfields, Western Australia – Project Locations

GOLD

Trouser Legs Gold Mine

During the June 2019 quarter, Hawthorn Resources Limited, as both a participant and Joint Venture Manager, continued mining of the **Trouser Legs Gold Mine**, with the pit base now extending to a depth of over 70m from surface. Scoping studies completed during the June quarter indicate that a viable underground gold project exists, with further drilling to occur from the base of the open pit before progression to a Preliminary Feasibility Study.

Yundamindera (Box Well) and Deep South Project Areas

With the Agreement to sell these tenement interests the work undertaken during the June 2019 quarter up to Settlement on 5 June was of a care and maintenance nature.

Mining and Production

Trouser Legs Gold Mine

(Trouser Legs Mining JV) - Hawthorn Resources 70%, Gel Resources 30%

Mining and gold production continued during the June 2019 Quarter at the ***Trouser Legs Gold Mine***.



Figure 2. Trouser Legs Gold Mine – Looking North – June 2019

The Project area, 140 km north east of Kalgoorlie and 35 kilometres to the east of the Carosue Dam Mill of Saracen Mineral Holdings Limited, is a contributory Joint Venture with ***Gel Resources Pty Ltd***.

Gold ore mined at the ***Trouser Legs Mine*** continued to be hauled to the Carosue Dam Mill (operated by Saracen Gold Mines Pty Ltd).

Mining during the June Quarter was primarily in the Stage 3 portion of the planned pit design with planned western wall cutback mining and final ramp construction limiting the volume of ore available. Ore from the higher grade portions of the Stage 2 and 3 Pits is now being mined and has reached the depth of 320 m RL; see Figures 2 and 3



Figure 3. Trousers Legs Gold Mine – Looking West – 322.5 m Level – Stage 3 cutback.

During the June 2019 quarter mining operations have continued with:

Ore mining activities producing:

- **346,054 BCM** (March: 413,139 BCM) of waste and ore was mined from the deposit,
- **110,822 tonnes** (March: 66,732 tonnes) of ore was delivered to the minesite ROM pad,
- **50,861 tonnes** (March: 17,120 tonnes) of ore was delivered to the minesite Low Grade stockpile.

Gold grades and recoveries continue to remain at schedule.

- **Ore Parcel #12 (28,180 tonnes) returned 1,815 ounces of gold at 2.07 g/t Au with 96.57% gold recovery. Parcel gold price - \$ 1,847 88 AUD / ounce**
- **Ore Parcel #13 (21,693 tonnes) returned 1,313 ounces of gold at 1.98 g/t Au with 95.89% gold recovery. Parcel gold price - \$ 1,809 05 AUD / ounce**
- **Ore Parcel #14 (27,798 tonnes) final gold grade and recovery pending. Parcel gold price - \$ 1,848.57 AUD / ounce**
- **Ore Parcel #15 (39,402 tonnes) final gold grade and recovery pending. Parcel gold price - \$ 1,957 33D AUD / ounce**

**Note gold grades and recoveries reported above are as payable and follow grade top-cutting and recovery deductions as per the Ore Purchase Agreement with Saracen Gold Mines Pty Ltd.*

The planned cutback of waste and ore to the west of the Stage 1 and 2 pit is now complete and will, provide access to oreblocks at and below the 320 m RL (+/- 55 metres below natural surface)

Mining continues to refine the structural and geological framework that controls mineralisation within the Trousers Legs Gold Mine, with detailed structural interpretation undertaken during the quarter.

Near Mine Exploration

Trouser Legs Gold Mine

(Trouser Legs Mining JV) - Hawthorn Resources 70%, Gel Resources 30%

A close spaced drilling program has been undertaken at moderate depths on sections beyond and beneath the south end of the current final **Trouser Legs Mine** design. This drilling has been carried out to assess further mining potential of known high gold grade lodes in either an expanded open cut pit or a potential underground mine development.

Trouser Legs Gold Mine

Trade off studies between open pit and underground mining methods confirmed that underground development is the preferred pathway for development of the remaining identified resource. A final round of drilling is scheduled to occur at the completion of open pit mining, allowing finalization of the PFS study.

Study work into the use of laser and optical ore sorting methods for the upgrading of low grade stockpiles and potentially higher grade underground ore was also commenced.

Coles Prospect

(Trouser Legs Mining JV) - Hawthorn Resources 70%, Gel Resources 30%

Infill grade control drilling was undertaken during the quarter in preparation for mining of the satellite pit during the September quarter of 2019.

Joint Ventures

Mount Bevan Iron Ore / Base Metals Project

(Hawthorn 40%, Legacy 60% and managing)

The **Mount Bevan Project**, comprising Exploration Licence 29/510, is located approximately 100 km west of Leonora in the central Yilgarn region of Western Australia.

Iron Ore

Several substantial BIF horizons have been identified within the tenement, the westernmost of these horizons hosts the **Mt Bevan Indicated Magnetite Resource** of **322Mt @ 34.7% Fe** within a larger **Inferred Magnetite Resource** of **1,117 Mt @ 34.9% Fe**. In addition, the northern extension of the Jupiter Mines Limited ("Jupiter") **Mt Mason Resource DSO Haematite Resource (9.4Mt @ 57.6% Fe)** extends into the Joint Venture tenement.

Base Metals

During previous quarterly results of RC drilling program carried out over magnetic anomalies on the Joint Venture tenement were announced.

Legacy Iron Ore Limited, as Manager, has commenced a RC drilling program testing magnetic targets very close to the St George Mining (ASX: SGQ) tenement areas adjacent to and adjoining the Joint Ventures northern tenement boundaries. The drilling program is expected to be completed in August with the results announced by the Manager by end of the quarter.

CORPORATE

Board of Directors

Membership –the composition of the Board of Directors is unchanged

Issued Securities – ASX Limited securities code: “HAW”

The number of ordinary fully paid shares on issue and quoted on the official lists of the ASX as at 30 June 2019 was unchanged at 326,615,613 fully paid ordinary shares.

As at 30 June 2019 the Top 20 Shareholdings, as set out below, held 249,483,166 shares (March 2019: 252,292,102 shares) being 76.39 per cent of the number of shares on issue (March 2019: 77.24 per cent):

FENG HUA MINING INVESTMENT HOLDING (HK) LIMITED		120,788,101	36.98
BELFORT INVESTMENT ADVISORS LIMITED		56,095,028	17.17
LEGACY IRON ORE LIMITED		12,575,000	3.85
MARK GREGORY KERR	& ASSOCIATES	11,100,456	3.40
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		10,382,908	3.18
MR BRIAN THORNTON		5,861,879	1.79
YELRIF INVESTMENTS PTY LIMITED	<PENSION FUND A/C>	5,500,000	1.68
MR VICTOR LORUSSO		4,127,529	1.26
DR MARK THEO BLOCH		3,835,000	1.17
MR WILLIAM DONALD LLOYD		2,376,166	0.73
YELRIF INVESTMENTS PTY LIMITED		2,000,002	0.61
MR MICHAEL ROBERT WELLARD		2,000,000	0.61
AUSTIC ENTERPRISES PTY LTD		2,000,000	0.61
MR SHIJUN CHEN		1,922,295	0.59
MR MARK ANDREW MITCHELL & MRS LINDA JOAN MITCHELL	<M & L MITCHELL S/F A/C>	1,800,000	0.55
MR LUKE MARGOCSY		1,791,861	0.55
MR NICHOLAS ANDREOU		1,426,256	0.44
MR TONY DOMENIC AMATO		1,346,254	0.41
MS JANET ELIZABETH WELLARD		1,328,319	0.41
KRISHNAJIPITALE PTY LTD	<KRISHNAJI PITALE S/F A/C>	1,226,112	0.38

Funding/Cash Balance/Working Capital

As at 30 June 2019 the Company held “clear” funds-on-hand of A\$15.97 million (March 2019: A\$9.56 million) and Working Capital of A\$14.88 million (March 2019: A\$2.44 million).

On 18 April 2019 the Company announced to the ASX that it had entered into a binding Asset Sale and Purchase Agreement with Saracen Mineral Holdings Limited (ASX: SAR) and its subsidiary Saracen Gold Mines Pty Ltd (Agreement).

The Agreement provided for the sale of Hawthorn’s interests in Box Well and Deep South mining leases along with exploration tenements totaling 18 tenements and leases (Assets) for a consideration of A\$13.5 million payable in cash.

The sale, which was subject to the usual conditions precedent for such a transaction including due diligence by SAR, was completed and settled on 5 June 2019; refer ASX release 5 June 2019.

Mining Tenements

(a) June 2019 quarterly movements:

For full details of the movements in Mining Tenement interests during the period and held as at 30 June 2019 refer to the schedules attached to the Appendix 5B Report accompanying this Quarterly Activities Report.

(b) Sale of Mining Leases and Exploration Tenements:

See comment above under **Funding/Cash Balance/Working Capital**.



Mourice Garbutt Company Secretary

The information in this report that relates to the Mineral Reserve estimation is based on information compiled by Mr William Lloyd, a Competent Person who is a Member of Australasian Institute of Mining and Metallurgy. Mr Lloyd is employed by BM Geological Services. Mr Lloyd has been engaged as an external independent consultant by Hawthorn Resource Limited. Mr Lloyd has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Lloyd consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Moody, a member of the Australasian Institute of Mining and Metallurgy and a full time consultant geologist with First Principle Mineral Exploration Company Pty Ltd. Mr Moody has sufficient experience as a geologist which is relevant to the style of mineralization and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Moody consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 3

JORC Code, 2012 Edition – Trouser Legs Mine – South Depth Extension RC and Core Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> There has been a Senior Geologist managing the drilling for the Manager for the duration of the program. As per this report <ul style="list-style-type: none"> Reverse circulation (RC) = 32 drill holes and 3 Precollars / 6813 metres Diamond Core (HQ) = 4 Holes / 662 metres All RC holes were sampled in 1m intervals from a rotating splitter. Diamond Core is as yet unsampled Sampling technique discussed over page in sub sampling technique section.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC is 5.5 inch hammer drilling Diamond Core is HQ
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Assessment of RC recovery is by visual means. Recovery is good there is no known relationship between recovery and mineralisation grade in holes. Diamond Core is logged with any core loss noted in logsheets No effect between recovery and grade has been detected
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate 	<ul style="list-style-type: none"> Chip samples have been geologically logged for all relevant geological and some structural data. Logging for this program

Criteria	JORC Code explanation	Commentary
	<p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>has been digitally captured, and are capable of being included in a Mineral Resource Estimation. Chips are retained in chip trays</p> <ul style="list-style-type: none"> • Every metre is individually logged • Holes have been digitally logged on site and uploaded into the main database on a weekly basis. • Diamond Core logging for lithology, geotechnical and structural elements is ongoing at site
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Holes were split using a rotary splitter. • All samples were dry. At rod changes the cyclone and splitter are cleaned using compressed air. • If water is encountered between rod changes splitter and cyclone are again cleaned using compressed air. • Individual metres spoil piles are dumped in lines of 30. • Each Individual metre samples weigh approximately 25 kg with individual 1 metre splits from splitter of 2.5-3.5 kg obtained and sent for assay. • Shallow portions of RC drillholes and Precollars are composited into 4 metre samples for submission. If anomalous results are returned individual 1 metre samples are submitted • CRM standards and blanks duplicates submitted with assays
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Samples are assayed by Fire Assay, 30 g charge at ALS , Kalgoorlie (TL18001-TL18008). Samples from dillholes TL18009 onwards are assayed by Bureau Veritas, Kalgoorlie via a 50g charge Fire Assay • 3 different gold grade CRM standards, duplicates and blanks have been submitted at a rate of approximately 6 (3 CRMs, 2 duplicates, 1 Blank) / 100 samples. • Analysis on individual standards is ongoing with each standard inserted performing reasonably well with no major variance observed. • No distinct or systemic bias has been detected

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Significant intersections have been assessed by Mine Geology staff at the Trouser Legs Gold Mine Onsite geologist data verified by Exploration Manager Laboratory data is supplied electronically to site and headoffice Project data is currently stored at the head office of the company and in onsite laptops and on the Trouser Legs Mine server. Each system is backed up on a regular schedule. Geological logging is entered by technical staff and reviewed for correctness. Samples for assay are collected from drillsite and upon collection are transported in Bulka bags to the laboratory for assay Initial assays of >0.40 g/t Au are requested for duplicate assay
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> The grid is GDA 94 Zone 51. All collars have been surveyed by registered surveyors using a DGPS as part of mine site surveying Surface land form is generally flat and surveyed drillholes have been incorporated into a topographic surface.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Drill holes were drilled on fences 20-30 metres apart, with between 2 and 4 holes in each section. Holes are designed to intersect ore lodes at regular vertical depths sufficient to be used in and Ore Resource Estimation Several Drill holes were arranged as a "fan" at increasingly steep angles to intersect target lodes at regular downhole depths where pit constraints dictate Drilling is designed to update Mineral Resource in this area No compositing applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The drilling is at varying dips between -45 and - 65 ° drilled towards 240-250°. Orientations are at or within 10 degrees to the interpreted right angle of the strike of mineralisation. Dip of mineralisation is believed to be at greater than 60-70° to the E or ENE.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> It is understood that there is no bias introduced by the drilling direction.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> All RC samples submitted to the laboratory are collected directly from the splitter with the sample bag tied. During sample collection for all holes a staff member is always present. Samples are delivered to the laboratory in batches via a dedicated transport company.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> There have been no external audits or reviews of sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> The drilling was carried out on granted M31/79 with a PoW and Mining Approval in place. The tenement is in a 70:30 contributory JV with Gel Resources There are no known issues and the tenements are in good standing at this time
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Significant exploration has been undertaken by other parties. The data has been reviewed for both location and grade distribution. To date the post 2011 and the pre 2011 data grade distribution is almost identical. A selection of pre 2011 drillholes have been surveyed in the current coordinate system and are located correctly. Aurifex/Newmont/Amoco/Picon/Little River drilled 14,150 m RC, 438 m DD, 4,572 m percussion and 398.3 m of channel samples pre-1999 Gutnick Resources NL drilled 23,566 m RC and 912.7 m DD between 1999 and 2008

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Mineralization occurs in a broad shear bound alteration zone within a felsic schist unit that dips west from 55 to 70 degrees and ranges from 20 to 100 m in width. Individual gold lodes are interpreted to dip from 38 to 80 degrees towards the east and occurs in a number of fairly discrete packages, stacked above each other, broadly similar to a ladder vein system. Gold mineralization appears to be related to thin quartz veins which vary in thickness from 2 mm to 80 cm but occur in sub parallel groups. A small pit mined during the mid to late 1980's provides good exposure for mapping mineralized veins. Many veins can be followed 30 to 50 m along strike with more prominent veins being followed for up to 120m. • Mining of the deposit has commenced and vein orientation maps are being produced
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • All drillholes drilled in the period have been reported in Appendix 1. All significant assays (> 5.0 gram x metres) have been reported in the body of the report. • Holes with no significant assay results are reported as such.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values</i> 	<ul style="list-style-type: none"> • As per Table 1 in the attached release • There has been no top-cutting applied

Criteria	JORC Code explanation	Commentary
	<i>should be clearly stated.</i>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Down hole lengths reported – true widths are estimated at approximately 60-80% of downhole reported width
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Refer to Figures 2 – 5 of the report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Not applicable as all results of > 5 gram metres are reported
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Drillholes have all gyroscopically surveyed at 5 m intervals by contract firm ABIMS. • Approximately 25 holes were surveyed by a downhole OTV camera system. These images are being used to assess the structural orientation of lodes.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Follow up RC drilling and Core drilling will be undertaken if warranted

Appendix 4

JORC Code, 2012 Edition – Coffey Bore RC and Yundamindera Project Aircore Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Coffey Bore RC</p> <ul style="list-style-type: none"> There has been a Senior Geologist managing the drilling for the duration of the program. As per this report <ul style="list-style-type: none"> Reverse circulation (RC) = 18 drill holes for 1146 metres All RC holes were sampled in 1m intervals from a rotating splitter. Sampling technique discussed over page in sub sampling technique section. <p>Yundamindera Project Aircore</p> <ul style="list-style-type: none"> There has been a Senior Geologist managing the drilling for the duration of the program Holes drilled to refusal or overlapping cover in a fence All holes were sampled via a scoop as 4 metre composite samples
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC is 5.5 inch hammer drilling Aircore is 4 inch bit
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Assessment of RC recovery is by visual means. Recovery is good there is no known relationship between recovery and mineralisation grade in holes. No effect between recovery and grade has been detected Aircore recovery dependent weathering status of the rock and volume of water encountered

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<p>Coffey Bore RC</p> <ul style="list-style-type: none"> Chip samples have been geologically logged for all relevant geological and some structural data. Logging for this program has been digitally captured, and are capable of being included in a Mineral Resource Estimation. Chips are retained in chip trays Every metre is individually logged Holes have been digitally logged on site and uploaded into the main database on a weekly basis. <p>Aircore Drilling</p> <ul style="list-style-type: none"> Holes are logged on a composite basis – several holes have been chip trayed
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Coffey Bore RC</p> <ul style="list-style-type: none"> Holes were split using a rotary splitter. 99% of samples were dry. At rod changes the cyclone and splitter are cleaned using compressed air. If water is encountered between rod changes splitter and cyclone are again cleaned using compressed air. Individual metres spoil piles are dumped in lines of 30. Each Individual metre samples weigh approximately 25 kg with individual 1 metre splits from splitter of 2.5-3.5 kg obtained and sent for assay. RC drillholes are composited into 4 metre samples for submission. If anomalous results are returned individual 1 metre samples are submitted CRM standards and blanks duplicates submitted with assays at a rate of 4 /100 samples <p>Aircore Drilling</p> <ul style="list-style-type: none"> Samples were collected in buckets directly from the cyclone and dumped on the ground A single scoop (representative) of each sample pile was take +/- 750 g / metre and composited ot a four metre sample

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> No resampling has been undertaken 2 CRM standards / 100 samples inserted
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>Coffey Bore</p> <ul style="list-style-type: none"> Samples are assayed by Fire Assay, by BureauVeritas, Kalgoorlie via a 40g charge Fire Assay 3 different gold grade CRM standards, duplicates and blanks have been submitted at a rate of approximately 4 / 100 samples. Analysis on individual standards is ongoing with each standard inserted performing reasonably well with no major variance observed. No distinct or systemic bias has been detected <p>Aircore Drilling</p> <ul style="list-style-type: none"> Samples are assayed via Low-level gold 1 ppb DL at Ultratrace Perth Samples have been analysed by Firing a 40 gm (approx) portion of the sample. Elements determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<p>Coffey Bore and Aircore Drilling</p> <ul style="list-style-type: none"> Onsite geologist data verified by Exploration Manager Laboratory data is supplied electronically to site and head office Project data is currently stored at the head office of the company and in onsite laptops of field personnel. Each system is backed up on a regular schedule. Geological logging is entered by technical staff and reviewed for correctness. Samples for assay are collected from drillsite and upon collection are transported in Bulka bags to the laboratory for assay
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	<ul style="list-style-type: none"> The grid is GDA 94 Zone 51. All collars have been surveyed by a cycling GPS. Survey

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>pickups are pending</p> <ul style="list-style-type: none"> • Surface land form is generally flat and surveyed drillholes have been incorporated into a topographic surface.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<p>Coffey Bore</p> <ul style="list-style-type: none"> • Drill holes were drilled on fences 40-50 metres apart to obtain effective drill coverage of 25 – 30 metres along strike , • Between 2 and 4 holes in each section. Holes are designed to intersect ore lodes at regular vertical depths sufficient to be used in and Mineral Resource Estimation • Drilling is designed to obtain Mineral Resource in this area • No compositing applied <p>Aircore Drilling</p> <ul style="list-style-type: none"> • Drill fences at 300 – 800 metre line spacing • Holes at a nominal 40 metre spacing along drill fence • Data not appropriate for a Mineral Resource Estimate
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<p>Coffey Bore</p> <ul style="list-style-type: none"> • The drilling is at -60 ° drilled towards 270°. Orientations are at or within 10 -20 degrees to the interpreted right angle of the strike of mineralisation. Dip of mineralisation is believed to be at approximately 45-55° to the ENE. • It is understood that there is no bias introduced by the drilling direction. <p>Aircore Drilling</p> <ul style="list-style-type: none"> • All holes are drilled at -60 ° drilled towards 270°. Orientations are at or within 10 -20 degrees to the interpreted right angle of the strike of mineralisation. Dip of mineralisation is believed to be at greater than 55 - 65° to the ENE
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • All RC samples submitted to the laboratory are collected directly from the splitter with the sample bag tied. During sample collection for all holes a staff member is always present. Samples are delivered to the laboratory in batches via a

Criteria	JORC Code explanation	Commentary
		dedicated transport company. <ul style="list-style-type: none"> Aircore samples are collected from sample piles and taken to a camp storage prior to despatch
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> There have been no external audits or reviews of sampling techniques and data.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>Coffey Bore</p> <ul style="list-style-type: none"> The drilling was carried out on granted E39/1295 with a PoW and Mining Approval in place. The tenement is in a 80:20 JV with Westgold Resources There are no known issues and the tenements are in good standing at this time <p>Aircore Drilling</p> <ul style="list-style-type: none"> The drilling was carried out on granted E39/1295 with a PoW and Mining Approval in place. The tenement is in a 80:20 JV with Westgold Resources Further drilling was carried out on E39/1673, E39/1292, M39/1112, - all 100% held by Hawthorn under a approved PoW There are no known issues and the tenements are in good standing at this time
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The tenements were soil sampled by AngloGold Australia, WMC, Delta Gold and Gutnick Resources between 1986 – 2006. No further work was carried out on the tenements until Hawthorn obtained the tenement. Targets at Box Well were RAB drilled by Hawthorn in late 2014. Follow-up RC programs were drilled in April, July and November 2015. RC and Diamond Drilling in 2016 established a reported Indicated and Inferred Resource of 130,000 oz of Au Initial RC drilling at Coffey Bore by Hawthorn in 2010 and 2014

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Locally the geology consists of intermediate schists and igneous intrusives adjacent to sediments. Basaltic andesite, felsic volcanics and volcanoclastics trend in a north west- south east direction. The northern tenements are dominated by interbedded undifferentiated sediments and andesite. Differentiated doleritic sills intrude into conglomeritic and polymictic sands stones towards the east of the tenements. Interbedded ultramafic, peridotite-bearing intrusives and dolerite form a distinctive north-west trend in along the west of the tenements. These lithologies can be overlain by Cenozoic ferruginous clay, colluvium and silts. Several significant drainage systems in the licence are associated with alluvium, clay, silt and sand • A key feature of several deposits in the area is the close association of gold mineralisation on the margins of – if not outright hosted by – syenitic porphyries, which has been demonstrated in the Coffey Bore area of Hawthorn's adjoining tenement E39/1295. At Box Well West thin syenite porphyries are known, however the mineralisation appears to within a N-S striking shear zone that has brecciated felsic volcanic lithologies, with latter silicification prominent.
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • All Coffey Bore drillholes drilled in the period have been reported in Appendix 2. Assays are pending for a number of holes however all significant assays at hand to date have been reported in the body of the report in Table2. • Holes with no significant assay results are reported as such. • Aircore holes were essentially carried out for deep geochemical sampling – significant assays are reported in Figure 7

Criteria	JORC Code explanation	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> As per Table 2 in the attached release There has been no top-cutting applied
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Down hole lengths reported – true widths are estimated at approximately 60-80% of downhole reported width
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to Figures 6-7 of the report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable as all results of > 3.0 gram metres are reported if
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> RC Drillholes were surveyed with a multishot camera at a nominal 30m downhole intervals by the drilling company. Aircore hole not surveyed.
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Follow up RC drilling AirCore drilling is recommended

+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

HAWTHORN RESOURCES LIMITED	
ABN	Quarter ended ("current quarter")
44 009 157 439	30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	5,748	43,933
1.2 Payments for		
(a) exploration & evaluation	(455)	(1,088)
(b) development	-	-
(c) production *	(11,687)	(39,541)
(d) staff costs	(108)	(318)
(e) administration and corporate costs	(159)	(707)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	18	59
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – GST refunds/(payments)	153	(356)
Other - JV Partner contributions/(payments)	(600)	(600)
1.9 Net cash from / (used in) operating activities	(7,090)	1,382

* * Includes full payment to Saracen Gold Mines Pty Ltd during the June 2019 Quarter by the Trouser Legs Joint Venture of the \$3.57 million interest-free mill processing concession as announced to the ASX on 12 June 2018.

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	13,500	13,500
	(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	13,500	13,500
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	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,560	1,088
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,090)	1,382
4.3	Net cash from / (used in) investing activities (item 2.6 above)	13,500	13,500
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

+ See chapter 19 for defined terms
1 September 2016

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	15,970	15,970

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	3,920	6,879
5.2	Call deposits	12,050	2,681
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)	15,970	9,560

6. Payments to directors of the entity and their associatesCurrent quarter
\$A'000

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

154

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

Directors fees & salary \$95,516 [for March and June](Previous Quarter \$43,866[for December 2018])

Fully Serviced Office facility rental \$52,250 (Previous Quarter \$52,250)

Company requested Consulting Fees \$6,600 (Previous Quarter \$NIL)

7. Payments to related entities of the entity and their associatesCurrent 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	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
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.		

Please note that the below estimated cash flows for the upcoming quarter have been prepared specifically excluding the proceeds from the delivery and processing ore from the Trouser Legs Mining Joint Venture mining operations.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	110
9.2 Development	-
9.3 Production *	7,740
9.4 Staff costs	120
9.5 Administration and corporate costs	160
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	8,130

* Revenue expected to be received during the quarter per the signed Ore Sale and Purchasing Agreement – see ASX announcement 27th October, 2017 and 12th June, 2018.

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		See attached		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		See attached		

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: Date: 31/07/2019
(Company secretary)

Print name: MOURICE GARBUTT

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.

HAWTHORN RESOURCES LIMITED
ACN 009 157 439
CHANGES IN INTERESTS IN MINING TENEMENTS

10.1 Interests in Mining Tenements relinquished, reduced or lapsed

Tenement Reference	Nature of Interest [note (4)]	Interest at beginning of quarter	Interest at end of quarter
E 39/1292	Disposal	100%	0%
E 39/1297	Disposal	100%	0%
E 39/1351	Disposal	100%	0%
E 39/1673	Disposal	100%	0%
E 39/1674	Disposal	100%	0%
E 39/1791	Disposal	100%	0%
E 39/1804	Disposal	100%	0%
E 39/1810	Disposal	100%	0%
E 39/1881	Disposal	100%	0%
P 39/5817	Disposal	100%	0%
P 39/5821	Disposal	100%	0%
P 39/5822	Disposal	100%	0%
P 39/5846	Disposal	100%	0%
M 39/1112	Disposal	100%	0%
E 39/1294	Disposal	80%	0%
E 39/1295	Disposal	80%	0%
M 39/1109	Disposal	80%	0%
M 39/1110	Disposal	80%	0%

10.2 Interests in Mining Tenements acquired Or increased

Tenement Reference	Nature of Interest [note (4)]	Interest at beginning of quarter	Interest at end of quarter

Interests in Mining Tenements

Disclosure in accordance with ASX Listing Rule 5.3.3.

Project / Tenement	Location	Interest at beginning of quarter	Interest at end of quarter	Joint Venture Partner / Farm-In Partner / Farm Out Partner
Pinjin East	West Australia			
E 31/760		100%	100%	
E 31/781		100%	100%	
E 31/782		100%	100%	
E 31/783		100%	100%	
E 31/882		100%	100%	
E 31/1049		100%	100%	
E 31/1050		100%	100%	
E 31/1176		100%	100%	
Triumph	West Australia			
M 31/481		100%	100%	
Yundamindera	West Australia			
E 39/1292		100%	0%	
E 39/1297		100%	0%	
E 39/1351		100%	0%	
E 39/1673		100%	0%	
E 39/1674		100%	0%	
E 39/1791		100%	0%	
E 39/1804		100%	0%	
E 39/1810		100%	0%	
E 39/1881		100%	0%	
P 39/5817		100%	0%	
P 39/5821		100%	0%	
P 39/5822		100%	0%	
P 39/5846		100%	0%	
M 39/1112		100%	0%	
Mt Bevan Iron Ore Joint Venture	West Australia			
E 29/510 -I		40%	40%	Legacy Iron Ore Limited
Deep South Edjudina - Pinjin Joint Venture	West Australia			
M 39/1109		80%	0%	Westgold Resources Ltd
M 39/1110		80%	0%	Westgold Resources Ltd
Pinjin – Trouser Legs Joint Venture	West Australia			
G 31/4		70%	70%	GEL Resources
L 31/32		70%	70%	GEL Resources
L 31/65		70%	70%	GEL Resources
L 31/66		70%	70%	GEL Resources
L 31/68		70%	70%	GEL Resources
L 31/69 (A)		0%	0%	GEL Resources
M 31/78		70%	70%	GEL Resources
M 31/79		70%	70%	GEL Resources
M 31/88		70%	70%	GEL Resources

Mining exploration entity and oil and gas exploration entity quarterly report

M 31/113		70%	70%	GEL Resources
M 31/284		70%	70%	GEL Resources
Edjudina - Pinjin Joint Venture	West Australia			
E 31/789		80%	80%	Westgold Resources Ltd
Yundamindera Edjudina - Pinjin Joint Venture	West Australia			
E 39/1294		80%	0%	Westgold Resources Ltd
E 39/1295		80%	0%	Westgold Resources Ltd
Teutonic Bore Royalty *	West Australia			
E 37/902		0%	0%	Jabiru Metals
P 37/7351		0%	0%	Jabiru Metals
	* Royalty up to a maximum of \$1m subject to conditions			