

Stellar Resources

ASX Announcement



23 January 2020

Report for the Quarter ended 31 December 2019

Highlights

- Scoping Study completed in October confirms attractive economics for the Heemskirk Tin Project located near Zeehan in Tasmania:
 - Low pre-production capital cost of ~A\$57m to develop a 350ktpa underground mine and tin concentrate production facility
 - Annual average tin in concentrate production of ~2,200t at an average concentrate grade of 49% tin over an initial mine life of 11 years
 - Attractive All-In Sustaining Cost (AISC) of approximately US\$13,100/t of tin - comparable to the neighbouring Renison Tin mine (\$16,900 / t tin for the 12 months to September 2019 as per Metals X Limited September 2019 Quarterly Report), placing Heemskirk in the lower half of industry costs
 - Pre-tax NPV_{10%} of ~ A\$83m (post-tax ~A\$71m), IRR of ~45% and capital paid back in ~ 3 years to an accuracy of ±35%
- Early tin production potential identified at the Razorback satellite project:
 - Exploration Target defined in July
 - Re-development of the Razorback mine identified as a potential source of early tin production and cash flow for Stellar

Corporate

- Completion of a \$540,000 placement led by Taylor Collison in December via the issue of 60 million new fully paid ordinary shares at an issue price of 0.9 cents per share. Subscribers received 1 unlisted option exercisable at 1.5 cents on or before 24 December 2022 for every 2 placement shares subscribed for.
- In December 2019 Stellar appointed Mr Simon O'Loughlin and Mr Simon Taylor as Non-Executive Directors of the company and accepted resignations from its Managing Director, Mr Peter Blight and its Chairman, Mr Phil Harman.
- Cash balance of \$749,000 as at 31 December 2019 – expenditure from operating activities for the quarter was \$216,000.
- Discussions continued to be progressed during the quarter with several large corporates which have expressed interest in the Heemskirk Tin Project.
- Appointment Simon O'Loughlin as Chairman subsequent to the end of the Quarter.

About Stellar:

Stellar Resources (SRZ) is an exploration and development company with assets in Tasmania. The company is advancing its high-grade Heemskirk Tin Project, located near Zeehan in Tasmania, and plans to become Australia's second largest producer of tin.

Capital Structure

Shares: 442,714,441
Share Price (SRZ): A\$0.010
Listed Options: 59,142,857
Option Price (SRZO): A\$0.001
Unlisted Options: 37,000,000

Commodity

Tin Price: US\$17,320/t
Exchange Rate US\$ 0.68

Main Shareholders

European Investors 16.5%
Capetown SA 14.1%

Board & Management

Simon O'Loughlin
Non-Executive Director
Simon Taylor
Non-Executive Director
Thomas Whiting
Non-Executive Director
Gary Fietz
Non-Executive Director

Melanie Leydin
Company Secretary

ASX Code: SRZ

ABN 96 108 758 961
Level 17, 530 Collins Street
Melbourne Victoria 3000
Australia

Telephone +61 3 9692 7222
Facsimile +61 3 9077 9233



HEEMSKIRK TIN PROJECT SCOPING STUDY

Introduction

During the quarter, Stellar announced the results of its scoping study for the development of the Queen Hill, Severn and St Dizier tin deposits (see Figure 1) referred to as the Heemskirk Tin Scoping Study.

There are several other assets in Stellar's tin portfolio that were not included in the scoping study that are listed below:

- **Montana and Oonah** inferred tin resources immediately to the east and north of Queen Hill
- **Deeper resources at Severn** – inferred resources below the underground mining plan
- **Razorback** – satellite project located 8km east of Zeehan - includes an exploration target below the historical Razorback open pit mine
- **Large exploration potential** with multiple tin targets and historical metal mines in the Montana Flats and Mount Razorback ELs.

Stellar's projects have an enviable location within the well-established mining district on the West Coast of Tasmania with a competitive market for services, mining and processing inputs and labour, access to nearby water and power, and to the port of Burnie 150km to the north for export of concentrate.



Figure 1: Location of Stellar's Tin Tenements around Zeehan, Tasmania

Stellar released the details of its Heemskirk Tin Scoping Study in ASX announcement "Heemskirk Tin Scoping Study Confirms Attractive Economics" on 1st October 2019. A summary of the study conclusions follows and should be read with reference to the detailed disclosure and cautionary statements included in the 1st October 2019 release.

The Heemskirk Tin Project Scoping Study has been undertaken for the purpose of ascertaining whether a business case can be made to proceed to more definitive studies on the viability of the Heemskirk Tin Project. It is a preliminary technical and economic study of potential project viability based on low level technical and economic assessments that are not sufficient to support the estimation of ore reserves. Further exploration and evaluation work and appropriate studies are required before Stellar will be in a position to estimate any ore reserves or to provide any assurance of an economic development case.

Project Outline

The Heemskirk Tin Project Scoping Study is based on development of an underground mine, processing plant, tailings storage facility and surface infrastructure to mine ~ 350ktpa ore at a LOM head grade of ~ 0.95% tin from the Queen Hill and Severn tin deposits (2 of the 4 Heemskirk deposits) over a 10 year mine-life. The project also includes open-pit mining of the St Dizier satellite tin deposit and trucking of ore to the Heemskirk processing plant during year 11 of the mine plan. The processing plant is expected to produce ~ 4,500 tpa of concentrate containing ~ 2,200tpa of tin. As in the case of the neighbouring Renison tin mine, the plan calls for trucking of concentrate 150km to the north via a sealed road to the Port of Burnie for export to smelters in Asia.

Preliminary Mining Schedule

A study of mining the Queen Hill and Severn deposits based on the updated May 2019 Heemskirk mineral resource estimate (see ASX announcement dated 16 May 2019 “Updated Heemskirk Resource Increases Indicated Category and Confidence in the Project”) was recently completed by technical consultants, Mining One. Mining One have previously undertaken mining studies on the Heemskirk deposits in 2014 and 2016 and a number of inputs developed from these previous studies were modified and optimized to suit revised stoping areas in the 2019 mining study (see Figure 2).

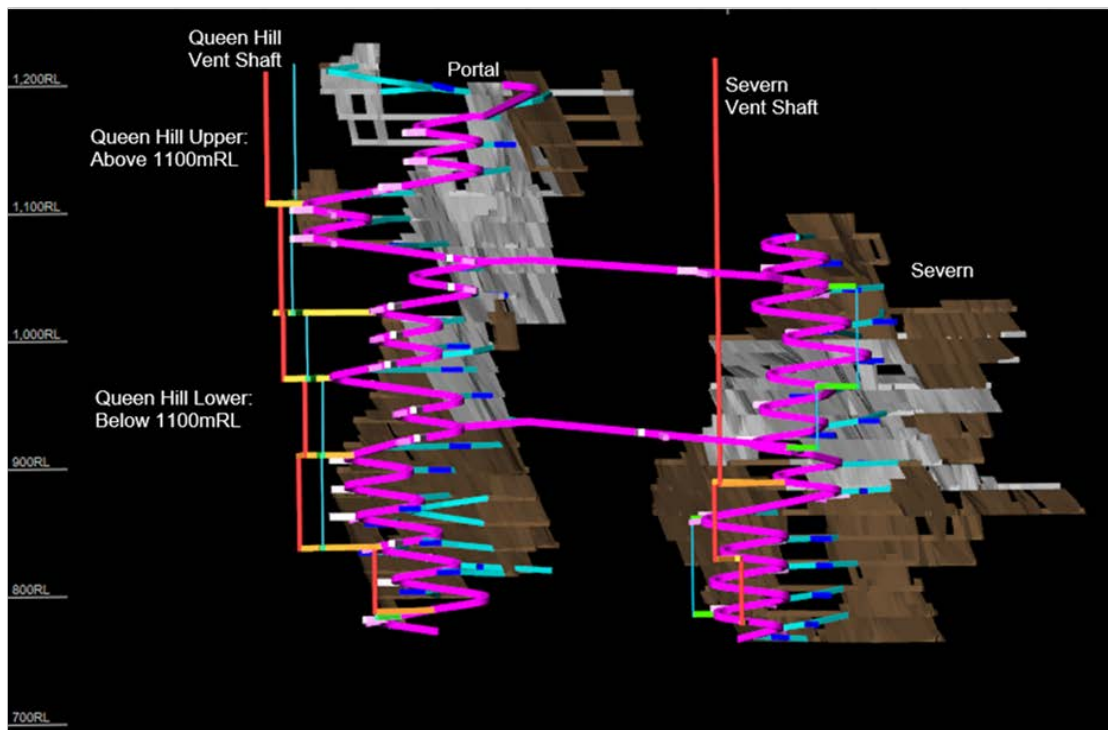


Figure 2: Conceptual Heemskirk Mine Design Showing Stopes based on Indicated Mineral Resource (Grey) and Inferred Mineral Resource (Brown)

The preliminary mining schedule for Queen Hill and Severn includes total mineral resources of 3.29Mt @ 0.95% Sn after application of mining dilution and recovery factors and mining cut-off grades. Figure 3 shows that for the first 5 years of production and most of year 6, ore is mined from indicated resources. Also, tin head grades during the early years are generally higher than later in the schedule. Mining of indicated resources from the St Dizier satellite deposit has also been included in the final year (year 11) of the preliminary mining schedule. Indicated resources represent 58% of total ore mined over the 11 year life of the project.

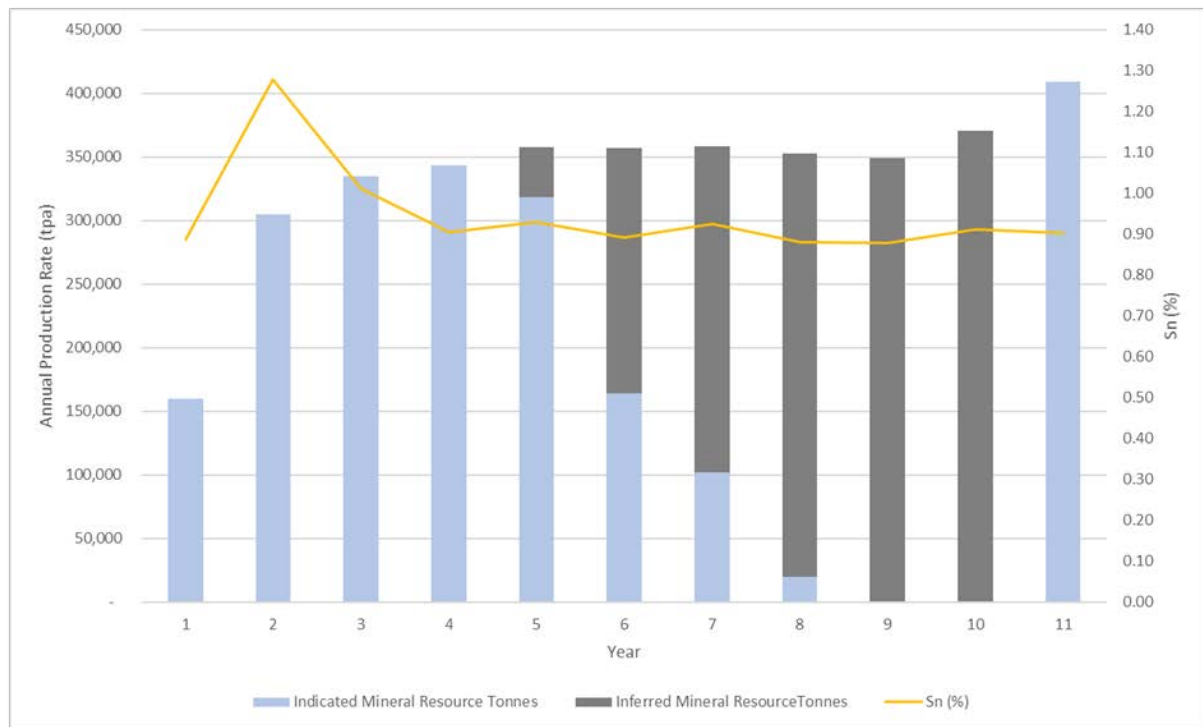


Figure 3: Heemskirk Tin Project – Preliminary Production Schedule by Resource Category

Processing Plant and Surface Infrastructure

In July 2016, engineering consultants, Mincore, completed plant layout, typical equipment drawings and a +/-35% capital cost estimate for a 200ktpa Heemskirk Processing Plant and Surface Infrastructure based on a modified version of the Renison Tin processing flow sheet. Modifications to the flow sheet reflect metallurgical test results from programs conducted by ALS Metallurgical Laboratory in Burnie between 2010 and 2015 with oversight and analysis by Worley.

Mincore were re-engaged by Stellar in August 2019 to scale their June 2016 estimate up to a 350ktpa Heemskirk Processing Plant and Surface Infrastructure capital cost estimate which has been used as the basis for the current scoping study.

An illustrative view of the processing plant and surface infrastructure designed by Mincore is shown in Figure 4.

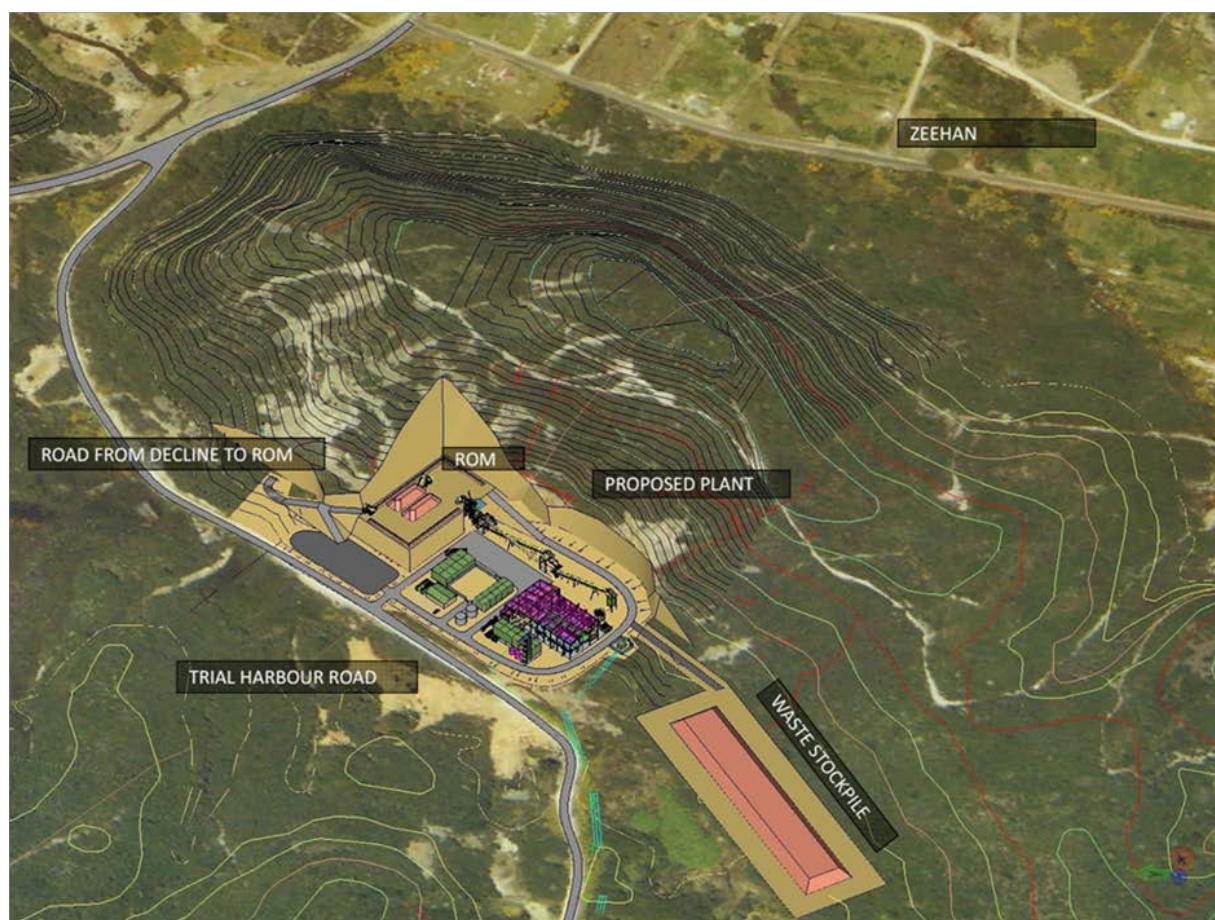


Figure 4: Proposed Heemskirk Tin Processing Plant (Mincore)

Pre-production Capital Cost

The Heemskirk Tin pre-production capital cost is estimated to be ~A\$57M. Mine development cost is expected to be relatively low at ~A\$8M due to the rapid 6-month decline development schedule required to support a 350ktpa operation. In addition, the Zeehan location is well serviced by existing and available infrastructure resulting in little additional mine specific infrastructure to connect to existing services.

A breakdown of the Capital Cost estimate is shown in Table 1 (*note: Capital Costs are also stated in US\$ for comparison purposes*). Capital cost estimates use a combination of first principals, quotes and industry benchmarks. The accuracy of the capital cost estimate is up to $\pm 35\%$.

Table 1: Heemskirk Tin Project Capital Cost Summary

	(A\$M)	(US\$M)
Mining	8	6
Processing & Surface Infrastructure	34	24
Tailings	5	4
Working Capital	9	6
Contingency	1.7	1
Total Development Capital Cost	57	40

Economic Evaluation

An economic evaluation of the Heemskirk Tin Project was undertaken by Stellar based on the scoping study input assumptions described in the 1st October 2019 announcement. The base case valuation results are summarized in Table 2. The valuation results have an accuracy of $\pm 35\%$.

Table 2: Heemskirk Tin Project – Summary of Financial Parameters

	Unit	Total LOM
Ore Production	(Mt)	3,695,386
Sn Grade (LOM Ave)	(%)	0.94
Tin Recovery (LOM Ave)	(%)	69.4
Tin Produced	(Tonnes)	24,000
Mine Life	(Yrs)	11
Tin Price	(US\$/t)	20,000
Exchange rate	USD:AUD	0.70
Tin Price	(A\$/t)	28,571
Gross Revenue	(A\$M)	691
Total Operating Costs (AISC)	(A\$M)	454
Total Operating Costs (AISC)	(US\$/t Tin)	13,100
Operating Cash Flow	(A\$M)	237
Operating Margin	(%)	34%
Capital Cost	(A\$M)	57
Net Cash Flow (Pre-Tax)	(A\$M)	180
Pre-Tax NPV_{10%}	(A\$M)	83
Post-Tax NPV_{10%}	(A\$M)	71
IRR (Pre-Tax)	(%)	45
Payback Period	(Yrs)	3.0
Pre-Tax NPV / Capex		1.5

At an All-In Sustaining Cost (AISC) of approximately US\$13,100/t of tin produced over the Life of Mine, the Heemskirk Tin Project Base Case generates an attractive expected operating margin of approximately 34% based on the US\$20,000/t tin price assumed.

The Heemskirk Tin Project Scoping Study has demonstrated attractive economics with a Base Case pre-tax NPV_{10%} of approximately A\$83m, at a tin price of US\$20,000/t, determined to an accuracy of $\pm 35\%$. The pre-tax IRR of the project is approximately 45% and the payback period is approximately 3.0 years which is well within the first 5 years of production from indicated resources. The project has a Base Case post-tax NPV_{10%} of approximately A\$71m as a result of tax shielding from A\$24.2m Stellar group accumulated losses and capital depreciation on the project. A 30% tax rate and depreciation over the life of the project have been assumed.

Capital costs required for the project have been significantly reduced to \$57m from earlier internal estimates and ore production accelerated with mine and process plant production commencing 6 months and concentrate sales 9 months from the start mine development.

Project Funding

To achieve the range of outcomes indicated in the Scoping Study, funding of in the order of A\$57m will likely be required for project development in addition to pre-development funding of approximately A\$8m for exploration to convert the mineral resource to an ore reserve and to complete a Bankable Feasibility Study. Whilst there is no certainty that project development funding will be obtained on satisfactory terms, at the time required, or at all, the Stellar Directors believe that it is reasonable to assume the availability of funding for the development of the Heemskirk Tin Project for the purposes of the Scoping Study.

CORPORATE

Completion of \$540,000 Placement

In December 2019 Stellar completed a \$540,000 placement via the issue of 60 million new fully paid ordinary shares at an issue price of 0.9 cents per share. Subscribers to the Placement received 1 unlisted option exercisable at 1.5 cents on or before 24 December 2022 for every 2 placement shares subscribed for. Shares and options were placed to sophisticated investors pursuant to Chapter 7 of ASX Listing Rules.

The placement was led by Taylor Collison who were paid a fee of 6% of the total raised under the placement in cash, along with 5 million unlisted broker options exercisable at 1.5 cents on or before 24 December 2022, issued under ASX Listing Rule 7.1.

Director Changes

In December 2019 Stellar appointed Mr Simon O'Loughlin and Mr Simon Taylor as Non-Executive Directors of the company and accepted resignations of its Managing Director, Mr Peter Blight and its Chairman, Mr Phil Harman.

The Company is also pleased to announce that subsequent to the end of the quarter, the board appointed Mr Simon O'Loughlin as its Chairman.

Both Messrs O'Loughlin and Taylor participated in the Placement conducted by Taylor Collison and subscribed for 2,700,000 and 4,000,000 fully paid ordinary shares respectively.

Messrs O'Loughlin and Taylor have a strong track record as directors of successful ASX listed resource companies including; Oklo Resources, Chesser Resources and BOD Australia.

Messrs O'Loughlin and Taylor's appointments will strengthen the Company's efforts in identifying new opportunities along with continuing to advance the Heemskirk Tin project.

The Company wishes to thank Mr Blight and Mr Harman for their service and dedication over a long period of time.

TIN MARKET UPDATE

The London Metal Exchange tin price averaged US\$16,680/t over the December quarter 2019, a further 3% decline from the previous quarter and an 13% fall year on year. London Metal Exchange tin prices have however started to improve throughout the December quarter, exceeding US\$17,000/t since mid-December, with the price on 14 January 2020 being US\$17,320/t.

LME tin stocks increased to 7,110t at the end of the December quarter, a 4% increase over stocks at the end of the September quarter and a 227% increase year on year. Shanghai Futures Exchange tin stocks also increased to 6,117t at the end of the December quarter, a 35% increase over stocks at the end of the September quarter and a 28% decrease year on year.

Chinese smelters have continued to reduce production and shut down for maintenance over the December quarter as a result of lower tin prices and reduced imports of tin concentrate into China. The increase in Shanghai Futures Exchange tin stocks over the December quarter is largely due to these Chinese smelter production reductions and maintenance closures.

Tin concentrate supply reductions announced during the quarter by several producers have not yet had time to really have an impact on LME tin prices.

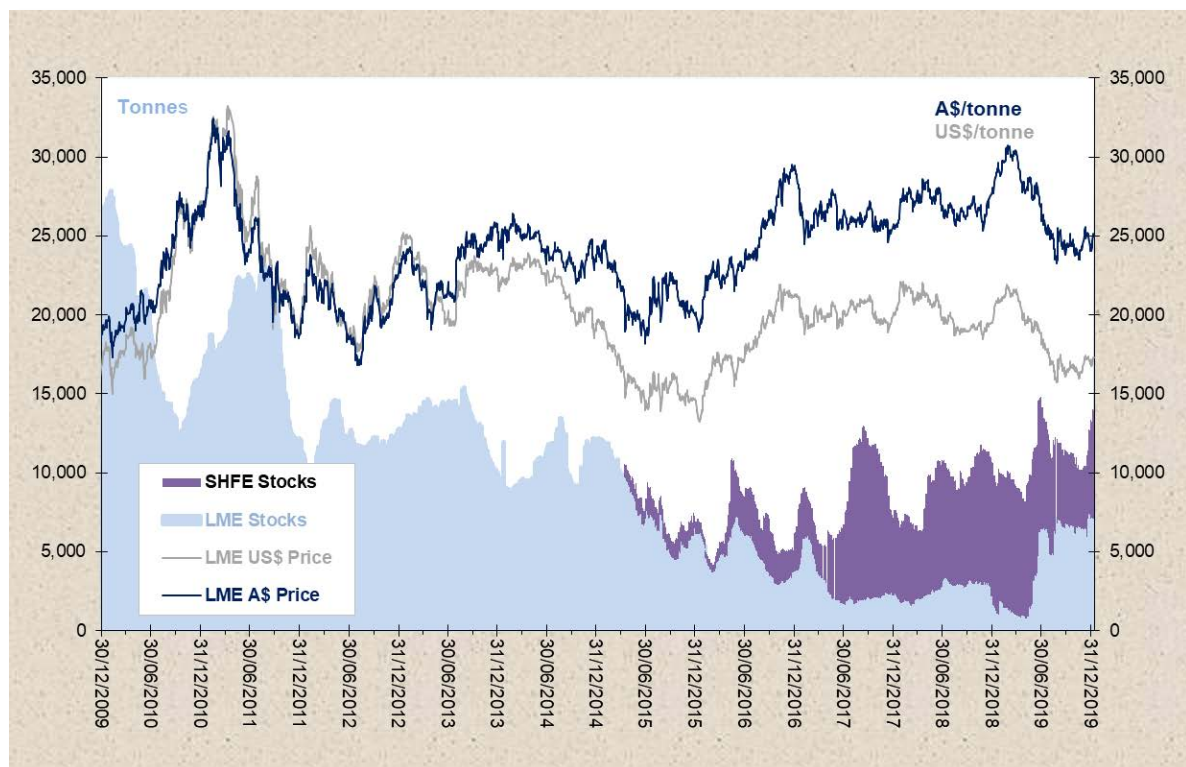


Figure 5: London Metal Exchange tin spot price (US\$/t & A\$/t) and LME & SHFE stocks

- In December, Tasmanian tin miner Metals X announced that it expects tin production from its Renison mine to be approximately 1,000tonnes of tin-in-concentrate lower than previously expected for the first half of 2020. At the same time Metals X expect costs to increase. This is due to delays in commencing production from its higher grade Area 5 and lower grade ore being sourced from the Lower Federal Area and to an increase in the number of pillars required due to geotechnical conditions.
- In January, Chinese tin miner Yinman Mining announced further delays to restart of its Baiyinchagan tin mine which produces 7,000 tonnes of tin-in-concentrate per annum and was closed in February last year due to a major accident killing 21 people. Re-start of the mine is currently under review by the Ximeng Emergency Bureau however this is expected to be a lengthy process and no timeframe has yet been put on when mining may restart.

TENEMENT REGISTER

Project	Licence Number	Tenement	Location	Interest held (%)
Development				
Heemskirk Tin	2023P/M ¹	Zeehan	Tasmania	100%
	RL5/1997			
	2M/2014	Tailings Dam	Tasmania	100%
	2040P/M	Tailings Pipeline	Tasmania	100%
St Dizier	ML10M/2017	St Dizier	Tasmania	100%
Exploration				
Tin	EL11/2017	Razorback	Tasmania	100%
	EL13/2018	Montana Flats	Tasmania	100%
Uranium	EL6350 ²	Midgee	South Australia	100%

¹ ML2023P/M granted over Heemskirk tin deposits; RL5/1997 maintained over private land holdings within ML2023P/M

² EL6350 (formerly EL5426) JV with Samphire Uranium Limited earning 73% on declaring a uranium resource

MINERAL RESOURCE STATEMENTS – HEEMSKIRK TIN PROJECT

Heemskirk Tin Deposits

Classification	Deposit	Tonnage mt	Total Sn %	Contained Sn t	Cassiterite % of total Sn	Cu %	Pb %	Zn %
Indicated	Upper Queen Hill	0.32	1.0	3,230	87	0.2	2.1	1.0
	Lower Queen Hill	0.65	1.4	9,230	97	0.0	0.1	0.1
	Severn	1.15	1.0	11,500	99	0.1	0.0	0.1
	Total Indicated	2.12	1.1	23,960	97	0.1	0.4	0.2
Inferred	Upper Queen Hill	0.11	1.6	1,760	94	0.2	1.9	0.7
	Lower Queen Hill	0.36	1.4	5,040	97	0.0	0.2	0.0
	Severn	2.74	0.9	24,660	99	0.0	0.0	0.0
	Montana	0.68	1.5	10,200	96	0.1	0.7	1.4
	Oonah	0.59	0.9	5,310	36	0.8	0.1	0.1
Total Inferred		4.48	1.0	46,970	90	0.1	0.2	0.3
Total Indicated + Inferred		6.60	1.1	70,930	92	0.1	0.3	0.3

1. cassiterite = (total Sn% - soluble Sn%)/total Sn%

2. block cut-off grade of 0.6% tin

3. tonnes rounded to reflect uncertainty of estimate

4. estimates prepared by Resource and Exploration Geology under JORC 2012

St Dizier Tin Deposit

Classification	Tonnage mt	Total Sn %	Contained Sn t	Soluble Sn %	Cassiterite ¹ % of total Sn	WO ₃ %	Fe %	S %
Indicated	1.20	0.69	8,280	0.09	87	0.04	23.70	2.64
Inferred	1.06	0.52	5,512	0.22	58	0.05	22.22	1.81
Total Resource	2.26	0.61	13,786	0.15	75	0.04	23.00	2.25

1. cassiterite = (total Sn% - soluble Sn%)/total Sn%

2. block cut-off grade of 0.3% tin

3. tonnes rounded to reflect uncertainty of estimate

4. estimates prepared by Resource and Exploration Geology under JORC 2012



Tin Tenement Map – Western Tasmania

This announcement is authorised for release to the market by the Board of Directors of Stellar Resources Limited.

For further details please contact:

Gary Fietz
Director
Stellar Resources Limited
Tel: 03 9692 7222
Email: gary@widerange.net.au
or visit our Website at: <http://www.stellarresources.com.au>

Competent Persons Statement

The Information in this report that relates to Mineral Resources was prepared in accordance with the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code), by Tim Callaghan (Principal of Resource and Exploration Geology Pty Ltd), who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"), has a minimum of five years' experience in the estimation, assessment and evaluation of Mineral Resources of this style and is a Competent Person as defined in the JORC Code. This announcement accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context in which it appears. The estimated mineral resources underpinning the production target have been prepared by Tim Callaghan (Principal, Resource and Exploration Geology Pty Ltd), in accordance with the requirements of the JORC Code 2012.

The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr R K Hazeldene (Member of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists) who is an employee of the Company. Mr Hazeldene has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Hazeldene consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.

Forward Looking Statements

This report may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Stellar Resources Limited's planned activities and other statements that are not historical facts. When used in this report, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward-looking statements. Although Stellar Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed. Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Stellar Resources Limited securities.

For more information on specific risks associated with forward looking statements refer to the Key Risks section of the announcements "Heemskirk Tin Scoping Study Confirms Attractive Economics" 1 October 2019 and "St Dizier Tin Mining Lease Granted and Scoping Study Results" 22 January 2019.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

STELLAR RESOURCES LIMITED

ABN

96 108 758 961

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(26)	(110)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(75)	(143)
	(e) administration and corporate costs	(115)	(158)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(216)	(409)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (security deposits)	-	39
2.6	Net cash from / (used in) investing activities	-	39
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	540	540
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	(36)	(36)
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	504	504
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	461	615
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(216)	(409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	39
4.4	Net cash from / (used in) financing activities (item 3.10 above)	504	504

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	749	749

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	709	421
5.2	Call deposits	40	40
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)	749	461

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

75

-

Directors' fees and consulting fees paid during the December 2019 quarter.

7. Payments to related entities of the entity and their associates

- 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

Current quarter
\$A'000

-

-

Nil

8. Financing facilities available

Add notes as necessary for an understanding of the position

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.

Nil

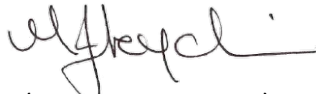
9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	9
9.2 Development	-
9.3 Production	-
9.4 Staff costs	23
9.5 Administration and corporate costs	80
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	112

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	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

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

Sign here:


(Company secretary)

Date: 23 January 2020

Print name: Melanie Leydin

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.