

# BUILDING ON DORADO SUCCESS

ASX:CVN



## Managing Director's Comments

### QUARTER HIGHLIGHTS

- **Dorado development project pre-FEED stage close to completion.**
- **Keraudren 3D seismic acquisition enhances follow-up exploration targets.**
- **Greater confidence over Apus, Petrus and Kepler prospects.**
- **Strong cash balance of A\$111.3 million.**

During the quarter, Carnarvon and the Dorado Joint Venture continued the forward momentum towards the development of the landmark Dorado field.

The Dorado project is close to finalising the pre-Front End Engineering Design ("pre-FEED") phase as the Joint Venture works towards formally commencing FEED.

The current pre-FEED work involves the commercial and technical evaluation of the FPSO and wellhead platform tenders.

These are important steps towards sanctioning the project for development after its initial discovery in 2018 and appraisal in 2019.

Importantly, the Dorado pre-FEED process has been able to maintain its progress in a safe manner, despite the current COVID-19 related restrictions, as the joint venture works closely with potential contractors for the development.

Surrounding the Dorado field, Carnarvon holds a commanding equity position over the greater Bedout sub-basin area. Within this large and underexplored region there are a large number of high value prospects which the Company is assessing.

The newly acquired and processed Keraudren 3D seismic has provided a very high-quality data set which has illuminated prospects near the Dorado field in addition to providing higher quality data over the planned Dorado development area.

In particular, the Apus, Pavo, Petrus and Kepler prospects have been a recent focus of the Keraudren 3D interpretation. The primary reservoirs of these targets are similar to those which have proven successful in the Dorado field and their scale and proximity to Dorado means that they could provide tie-back opportunities to the Dorado facilities; or could be developed as standalone projects.

Options to drill a number of these high impact prospects are being advanced with a commitment to a rig being subject to business conditions.

The Buffalo project work also continued during the quarter, most particularly around early preparations for drilling. Encouragingly, a number of parties have re-engaged in the farm out process following a pause during the COVID-19 downturn.

Carnarvon ended the quarter with a robust cash balance of A\$111.3m. This reflects a modest outflow for the quarter whilst continuing the progress on the Company's major projects.

## Dorado Development

(Carnarvon 20%; Santos is the Operator)

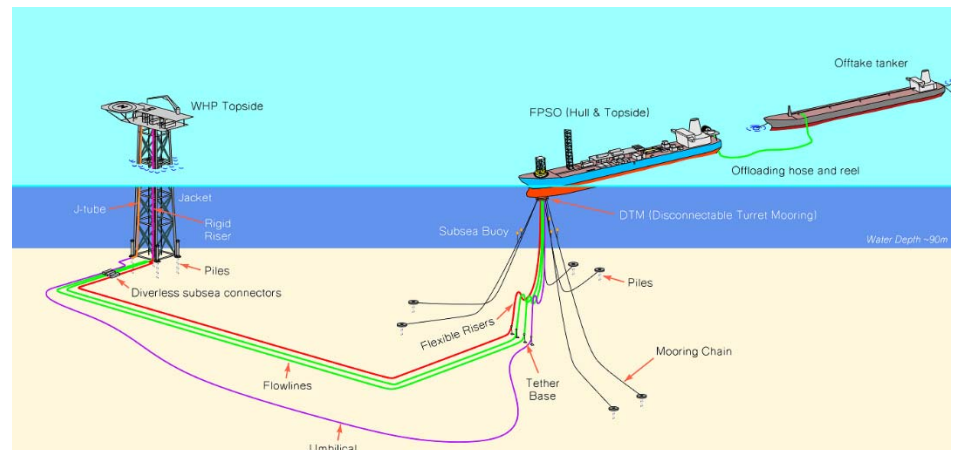
During the quarter, a significant portion of the pre-Front End Engineering Design ("pre-FEED") work was completed, particularly for the well head platform ("WHP") and Floating Production, Storage and Offloading ("FPSO"). Further progress had also been made on the sub-surface work, including the declaration of a Location over the Dorado field.

The initial Dorado development is planned to consist of a 16-slot WHP with a FPSO vessel handling oil production and gas injection, with up to ten wells considered in the base case development concept.

A Location declaration over the Dorado field was approved by the regulatory authorities during the quarter, another important step in relation to necessary legislated requirements to progress to first oil.

The legislated requirements before production can commence at the Dorado field are for a petroleum Production License to be granted and a Field Development Plan ("FDP") to be accepted by the Joint Authority. Four graticular blocks have been declared as the location for the Dorado discovery, noting that in this particular location, offshore of Western Australia, a graticular block has an area of approximately 81 km<sup>2</sup>.

The declaration of a Location is the necessary first step before applying for a Production License. A Location provides the mechanism for transition from an exploration permit to a Production License following the discovery of petroleum. An application for a Production License can be made up to two years after a Location is declared, and this application is currently in progress.



**Proposed Dorado Field Development Layout**

An FDP can be submitted at any time after a Production License application is made. The Operator has also progressed the FDP over the past few months.

The Dorado field was initially identified using the Capreolus 3D seismic dataset, acquired in 2015. Sub-surface modelling using this dataset was completed during the quarter which supports delivery of initial production rates of 75,000 to 100,000 barrels of liquids per day. This outcome is also supported by the exploration and appraisal well results over the field.

The Keraudren 3D survey was acquired in mid-2019 using source-over-streamer technology, which had not previously been conducted in Australia utilising a single vessel. This technology has resulted in a seismic dataset that is better able to delineate the Dorado and nearby reservoirs.

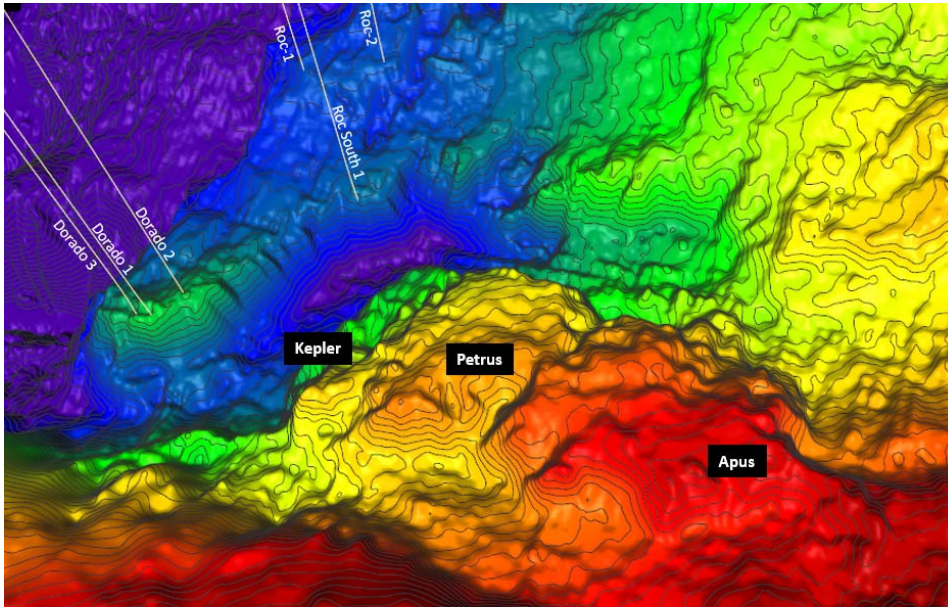
The interpretation for the Dorado field based on the Keraudren 3D has shown a clear imaging uplift over the previous dataset and will now be used to fine-tune the Dorado sub-surface modelling. This will form the basis for the Final Investment Decision (FID) subsurface model. The new data has not significantly changed the subsurface interpretation, with the field

development plan, initial rates and recoverable volume expected to be similar to the current interpretation.

The Keraudren 3D dataset has also enabled clear definition of follow-up potential to the Dorado field, as depicted in the following section (Bedout exploration).

Work also continued on the drilling and completion requirements, with well conceptual designs now complete. The design allows for effective reservoir management and the ability to optimise production from the multiple reservoirs.

Bids were received for the design, construction and installation of the WHP. The WHP is designed to sit in around 90 metre water depth and has the capacity for 16 slots, allowing for additional wells and future field tie-ins. Technical and commercial evaluations of the invited tender bids are currently underway.



Map of top Caley/TR15 with well locations and significant prospects in the Bedout Sub-basin

The WHP is connected to the FPSO via production flowlines and risers to handle the oil and gas. The WHP will not normally be manned in order to reduce operational expenditure, which means utilities such as power, control and communication will be provided via umbilical from the FPSO to the WHP. Pre-FEED work on the flowlines and umbilical is also nearing completion.

The pre-FEED competition for the FPSO is also well advanced, with the Joint Venture in the final stages of evaluation of a preferred contractor. The FPSO has sufficient gas compression capacity to facilitate gas reinjection to enhance oil recovery. The FPSO is also designed to be disconnectable in the event of approaching cyclones, as is the case with other FPSO's across the North West Shelf.

Given the identification of additional prospects, flexibility is retained in the selected concept to allow for additional wells to be drilled from the WHP or subsea tieback of other discoveries in the basin.

At the end of quarter, good progress is being made towards the commencement of FEED and a Final Investment Decision ("FID") in 2021, subject to business conditions.

### Bedout Exploration

(Carnarvon 20%-30%; Santos is the Operator)

Carnarvon has progressed its interpretation of the new Keraudren 3D seismic, which was originally acquired in 2019. The new data has vastly improved the quality of the prospect interpretation around Dorado.

Carnarvon's interpretation to date has focused on the Apus, Petrus and Kepler prospects. These prospects were previously covered by the Bilby 2D data and the current interpretation on the new 3D data now provides a higher level of confidence over these targets.

Following the interpretation work by Carnarvon, the Apus, Petrus and Kepler prospects are estimated to contain 235 million, 46 million and 12 million barrels of oil respectively (Gross, Pmean), plus associated gas (refer to ASX announcement on 17 September 2020).

The primary reservoirs of these targets are similar to those that have proven successful in the Dorado field, including the prolific Caley reservoir. There is also further prospectivity upside interpreted in the previously untested Dumont member at these locations.

The current fast-tracked version of the Keraudren 3D seismic has successfully delivered a very high-quality data set which is currently being merged with the existing Capreolus 3D data. The final merged data set is expected to be received before the end of the 2020 calendar year.

Carnarvon plans to further assess these prospects along with the numerous additional prospects which have been identified near the Dorado field and within the Company's considerable acreage across the prolific new Bedout Sub-basin region.

Operations for exploration drilling are also being advanced, recognising that a decision to commit to a drilling rig will be subject to an assessment of business conditions at the time.

## Buffalo Project Timor-Leste

(Carnarvon 100% and operator)

Carnarvon continued its studies to assess the Triassic prospectivity and source rock potential within the Buffalo project. The primary purpose of the studies is to refine the follow-up potential to the Buffalo oil field re-development project.

Following Carnarvon's discovery in the Dorado project, there is now compelling evidence for working Triassic petroleum systems across the North West Shelf of Australia and within the Timor Sea. The comprehensive geochemistry study aims to provide identification of an active Triassic petroleum system and to de-risk the charge concepts for these Triassic targets.

The standout prospect and a focus of the studies is the Buffalo Deep prospect, which lies below the Buffalo oil field. However, there is also additional prospects within both the Timor-Leste area and the adjacent WA-523-P permit, held by Carnarvon in Australian waters which would be high graded if a working petroleum system is established.

Carnarvon also continued to progress its operational readiness to ensure it (or an incoming operating partner) has the appropriate systems required for the development, drilling and production of the Buffalo oil field. The continued progression of these workflows will enable the Buffalo project to proceed expeditiously once market conditions improve and COVID-19 related restrictions and safety issues have been eased.

The Carnarvon farmout process for this project also continued. The introduction of a partner will be relevant in Carnarvon's funding strategy as the Company moves towards the development of both the Dorado and Buffalo fields.

## Outtrim Project – WA-155-P

(Carnarvon 70% and operator)

During the quarter, Carnarvon continued its seismic mapping and geotechnical workflows, with a particular focus on the Palmerston prospect.

The Palmerston prospect, which is located in the north-east Graticular block of the permit, is a fault bounded late Triassic structure which sits on the eastern side of the Alpha Arch.

This late Triassic play has been successful in the Gorgon field, and there are several sub-economic discoveries on the Alpha Arch which have proved a working petroleum system in the region. Palmerston has the potential to contain over 500 metres of Jurassic Shales over the top of the structure, which differentiates the prospect from those on the Alpha Arch to the west. These shales could act as an excellent seal for any hydrocarbons trapped in the Triassic structure.

Carnarvon is still evaluating the prospective resource but a discovery at Palmerston could be used as backfill gas for the LNG projects in the area or tied into the domestic gas system either as a standalone project or additional gas to an already producing offshore domestic gas field.

Carnarvon believes there to be significant gas potential in this area of the Southern Carnarvon Basin and will continue to develop its prospects in the coming quarter.

## Labyrinth Project – WA- 521-P

(Carnarvon 100% and operator)

During the quarter, Carnarvon commenced a review of the interpretive well reports for the nearby Anhalt-1 and Hannover South-1 wells. This well data recently became open file and available to the Company.

Anhalt-1 and Hannover South-1 were the first wells to test the stratigraphy nearby the Labyrinth permit. Their results will be incorporated into Carnarvon's knowledge of the greater Triassic plays.

The analysis from the well reports could also potentially upgrade and de-risk the presence of source rock for the Labyrinth targets. The analysis will also refine the location of the proposed 2D cubed seismic project which has effectively been deferred to allow for this analysis.

The focus of the Labyrinth project is the standout Ivory prospect which could target dual reservoirs with one well. The first target is the Mid-Jurassic Lower Depuch Formation which is proven to be an excellent quality reservoir. The secondary target is in the early Jurassic Upper Bedout Formation which also has the potential to have excellent reservoir quality as encountered in the sands in the Roc-2 well at this depth.

Carnarvon plans to continue its farmout process for the Labyrinth opportunity, with the work program variation allowing a potential farm-in party more time to evaluate the project's prospectivity.

## Condor & Eagle Projects

### – AC/P62 & AC/P63

(Carnarvon 100% and operator)

The third phase of the Cygnus 3D data will be available towards the end of 2020.

Carnarvon's work in the Vulcan Sub-basin has been greatly enhanced by the utilisation of the high-quality Cygnus 3D survey, earlier phases of which were completed by Polarcus in 2016 and 2018. The third phase of this Cygnus data will cover a 317 km<sup>2</sup> region of the Condor permit which has historically only been covered by 2D seismic.

The technical work on the 2D seismic data so far has shown the possibilities for Cretaceous, Jurassic, Triassic and Permian fault blocks in this area which the new 3D seismic will illuminate. At these levels there is also great potential for these targets to be oil charged.

To date the most significant target in the area covered by the new Cygnus data is the Moa prospect. Moa is a new late Permian carbonate reef oil prospect of 132 km<sup>2</sup> and is associated with at least four other leads. Moa is a new play type for the North West Shelf of Australia, offering great potential for a large resource.

Within the Eagle permit, Carnarvon is currently in the process of reprocessing the early Onia 3D data over the small area within the permit which does not contain the modern Cygnus 3D Seismic. This improved data will then be merged with the Cygnus data.

Once the Onia and Cygnus have been merged, Carnarvon will have more seamless data set. This will allow for greater inference on the reservoir potential within the project.

The standout target, identified to date on the modern 3D seismic in the Eagle project, is the Toucan prospect in the Jurassic Plover formation. The Jurassic reservoir is well tested along the North West Shelf of Australia and typically features very good porosities and permeabilities within the Vulcan Sub-basin.

Going forward Carnarvon is planning to perform an inversion of the Seismic data over Eagle. The intention of the inversion is to better understand the reservoir distribution and porosities of the targets identified within the project.

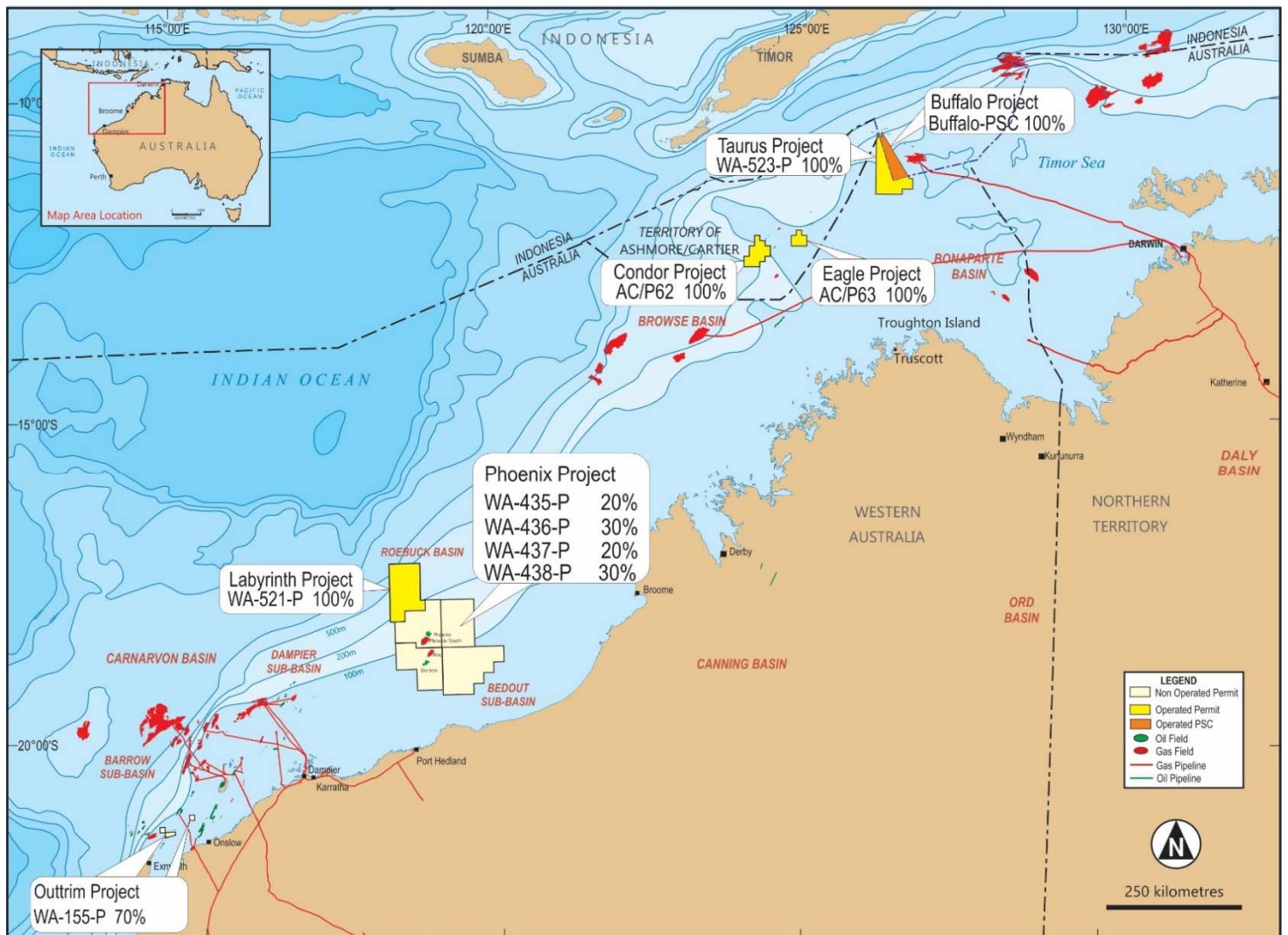
The Condor and Eagle projects cover an area of 2,100 km<sup>2</sup> in the world class oil and gas Vulcan Sub-basin featuring the Montara, Jabiru, Skua and Challis oil fields. The basin is currently experiencing a renaissance which is being driven by new 3D seismic data.

Carnarvon is currently seeking expressions of interest from potential partners to further these exciting projects.

**Financial Analysis of selected items within Appendix 5B**

Appendix 5B reference	ASX description reference	Carnarvon commentary
1.2 (a)	Exploration and evaluation costs expensed	These costs pertain to work undertaken on projects that are not applicable to an owned permit interest. Typically, these costs relate to regional geological assessments undertaken by Carnarvon's technical team. The current quarter includes annual software and license costs.
1.2 (e)	Administration and corporate costs	This item includes costs for and associated with operating the Company's office, ASX listing fees, insurances, software licences, making corporate presentations and travel. The current quarter includes annual insurance premiums.
1.4	Interest received	Carnarvon holds a significant portion of its cash in term deposits which generate interest income during the year. Interest is recorded in the Appendix 5B when received, namely when term deposits mature. Accordingly, the amount varies each quarter based on the interest rate, the amount on term deposit and the timing of the maturity of the term deposits.
2.1 (d)	Exploration and evaluation costs capitalised	During the quarter, Carnarvon incurred a net outflow of A\$0.3 million on exploration and evaluation activities which primarily related to Dorado pre-FEED workflows.
3.9	Other financing activities	The costs relate to the leasing of the Company's head office are now classified as financing activities under new accounting standards. Under these new standards, leases are recognised on the Company's balance sheet both as a financial liability and a corresponding lease asset. The monthly office lease payments, as a result, are classified as financing activity outflows.
4.5	Effect of movement in exchange rates	<p>A significant strengthening of the average Australian Dollar relative to the US dollar during the quarter resulted in a foreign exchange translation adjustment that decreased the Company's reportable cash holdings by A\$0.6 million.</p> <p>The Company's United States Dollar ("USD") holdings at the end of the quarter were US\$10.1 million and its Australian Dollar ("AUD") holdings were A\$97.1 million. Carnarvon holds a balance between USD and AUD as a natural hedge to committed future expenditures denominated in both USD and AUD. The retention of US dollars influences Carnarvon's reported cash holdings due to AUD / USD exchange rates at each reporting period end.</p>
6.1	Aggregate amount of payments to related parties and their associates	These costs pertain to payments to Directors, most particularly remuneration for the Managing Director and fees for the Company's Non-Executive Directors.
8.0	Future operating activities	For the upcoming quarter, the Company has forecasted A\$1.0-\$1.2 million in costs relating to interpretation and processing of the Keraudren 3D seismic, A\$1.7-\$1.9 million in Dorado pre-FEED and FEED expenditure and A\$1.0-\$1.2 million in corporate costs.

## Project Map



## Project Table

Project	Permit(s)	Operator	Interest held	Interest acquired Q/Q
Phoenix	WA-435-P	Santos	20%	-
Phoenix	WA-436-P	Santos	30%	-
Phoenix	WA-437-P	Santos	20%	-
Phoenix	WA-438-P	Santos	30%	-
Buffalo	TL-SO-T 19-14	Carnarvon Petroleum	100%	-
Taurus	WA-523-P	Carnarvon Petroleum	100%	-
Labyrinth	WA-521-P	Carnarvon Petroleum	100%	-
Condor	AC/P62	Carnarvon Petroleum	100%	-
Eagle	AC/P63	Carnarvon Petroleum	100%	-
Outtrim	WA-155-P	Carnarvon Petroleum	70%	-

Acronym	Definition
Bopd	Barrels of oil per day
Bbls	Barrels of oil
CVN	Carnarvon Petroleum Limited
JV	Joint Venture
Km	Kilometres
Km <sup>2</sup>	Square kilometres
m	Millions
Qtr	Quarter
Q/Q	Quarter on Quarter
Tcf	Trillion cubic feet (gas)
2D	Two dimension seismic data
3D	Three dimensional seismic data
MC3D	Multi-client 3D – seismic data acquired for multiple parties that require licensing
USD	United States of America dollar

## Cautionary Statement

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These prospective resource estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

## Resources

All contingent and prospective resources presented in this report are prepared as at 7 February 2018, 23 April 2018, 15 October 2018, 30 June 2020 and 17 September 2020 (Reference: CVN ASX releases of at 7 February 2018, 23 April 2018, 15 October 2018, 15 July 2019, 27 August 2019 and 17 September 2020). The estimates of contingent and prospective resources included in this announcement have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS and have been prepared using probabilistic methods.

Carnarvon is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates in this presentation continue to apply and have not materially changed.

## Competent Person Statement Information

The Resource estimates outlined in this report were compiled by the Company's Chief Operating Officer, Mr Philip Huizenga, who is a full-time employee of the Company.

Mr Huizenga has over 25 years' experience in petroleum exploration and engineering. Mr Huizenga holds a Bachelor Degree in Engineering, a Masters Degree in Petroleum Engineering and is a member of the Society of Petroleum Engineers. Mr Huizenga is qualified in accordance with ASX Listing Rules and has consented to the form and context in which this statement appears.

## Forward Looking Statements

This document may contain forward-looking information. Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording. Forward-looking information in this document includes, but is not limited to, references to: well drilling programs and

drilling plans, estimates of reserves and potentially recoverable resources, and information on future production and project start-ups. By their very nature, the forward-looking statements contained in this news release require Carnarvon and its management to make assumptions that may not materialize or that may not be accurate. The forward-looking information contained in this news release is subject to known and unknown risks and uncertainties and other factors, which could cause actual results, expectations, achievements or performance to differ materially, including without limitation: imprecision of reserve estimates and estimates of recoverable quantities of oil, changes in project schedules, operating and reservoir performance, the effects of weather and climate change, the results of exploration and development drilling and related activities, demand for oil and gas, commercial negotiations, other technical and economic factors or revisions and other factors, many of which are beyond the control of Carnarvon. Although Carnarvon believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct.



## Appendix 5B

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

Name of entity

CARNARVON PETROLEUM LIMITED

ABN

60 002 688 851

Quarter ended ("current quarter")

30 SEPTEMBER 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(586)	(586)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(281)	(281)
	(e) administration and corporate costs	(646)	(646)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	197	197
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,316)</b>	<b>(1,316)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(19)	(19)
	(d) exploration & evaluation	(303)	(303)
	(e) investments	-	-
	(f) other non-current assets	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(322)</b>	<b>(322)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	(84)	(84)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(84)</b>	<b>(84)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.1	Cash and cash equivalents at beginning of period	113,632	113,632
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,316)	(1,316)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(322)	(322)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(84)	(84)

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(629)	(629)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>111,281</b>	<b>111,281</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	33,605	36,541
5.2	Call deposits	77,676	77,091
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>111,281</b>	<b>113,632</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	284
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,316)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(322)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,638)
8.4 Cash and cash equivalents at quarter end (item 4.6)	111,281
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	111,281
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>67.9</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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	
8.8.2 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	

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

8.8.3 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

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## 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: 26 October 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.