VARISCAN MINES

ASX Code: VAR
ACN: 003 254 395
Issued Shares: 213m
Listed Options: 29.7m
Unlisted Options: 13m
Performance Rights: 2.5m

At 31 December 2020
Cash Balance: $1.87M

Directors
Dr Foo Fatt Kah
Stewart Dickson
Michael Moore
Dr Susan Vearncombe

Company Secretary
Mark Pitts

Top Shareholders
Slipstream Resources Investments Pty Ltd
Citicorp Nominees Pty Limited
Delphi Untemehmensberatung
Effective Investments Pty Ltd
SL Hisbanibal
Lightning Jack Pty Ltd
Wainidiva Pty Ltd

Top 20 Shareholders: 62.5%

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HIGHLIGHTS

- **Integration of the 3D underground laser survey at San Jose-Novales mine with historical drilling database confirms unmined positive historical drilling intersections remaining.**
- **The 3D survey of stopes, workings and mine development confirms the wide lateral and vertical extent of mineralization (past and present) within the mine.**
- **Among the results is the presence of potentially mineralised, unmined material surrounding the stopes in the centre of the mine**
- **Extensive mine development amenable for future production scenarios.**
- **Underground drilling programme at the San Jose-Novales Mine successfully intersected mineralisation in new area near the mine portal.**
- **Five drillholes completed (total 103.7m) with drilling on-going.**
- **Three of five holes drilled intersected sulphide mineralisation consistent with high-grade zones observed in mined stopes.**
- **Drilling to test potential extensions of mineralisation along N-S strike of existing stopes continuing as planned.**
- **Assays from 6 in-situ whole rock samples taken in the vicinity of future drill target areas returned results between 7.6% to 31.2% Zn.**
- **Rock samples provide trace geochemical profile for vectoring exploration and drill planning.**

Underground channel sampling campaign completed, currently awaiting further assay results. **Managing Director and CEO of Variscan, Stewart Dickson, said,**

"The last quarter was busy and productive. Most importantly we commenced underground drilling at the San Jose-Novales Mine which is currently ongoing. Additionally, we have completed supplementary exploration activities which continue to reiterate the very high zinc grades at the Novales-Udias Project.

It is clear that there is a lot more to this project that we originally envisaged. Variscan has demonstrated the camp-scale potential of the asset and has the key building blocks established to enable quick and low-cost development; high grade mineralisation, existing infrastructure, granted mining licences, land access agreed and proximity to potential markets are all in place,

With underground drilling continuing and surface drilling planned we expect to make significant progress in executing our strategy".

OPERATIONS

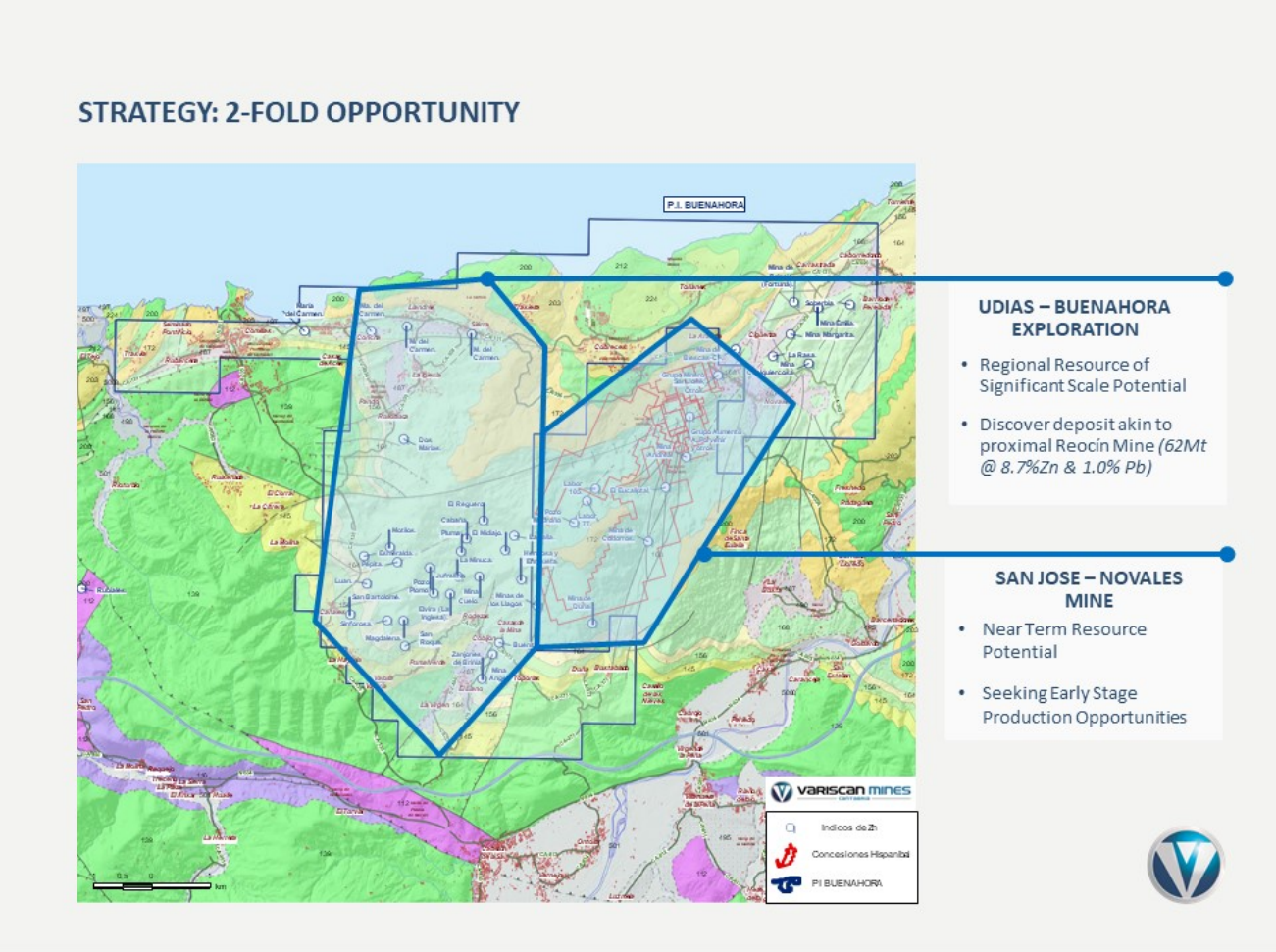
SPAIN – NOVALES-UDIAS ZINC PROJECT

Strategy

Variscan has a clear strategy to execute the 2-fold opportunity that the Novales-Udias project presents:

1. Seek near term zinc production opportunities at the San Jose–Novales Mine
2. Define a regionally significant mineral resource similar in size and grade to the former producing and proximal Reocín Mine

Figure 1. Novales-Udias Project Opportunities



Survey & Geospatial Development

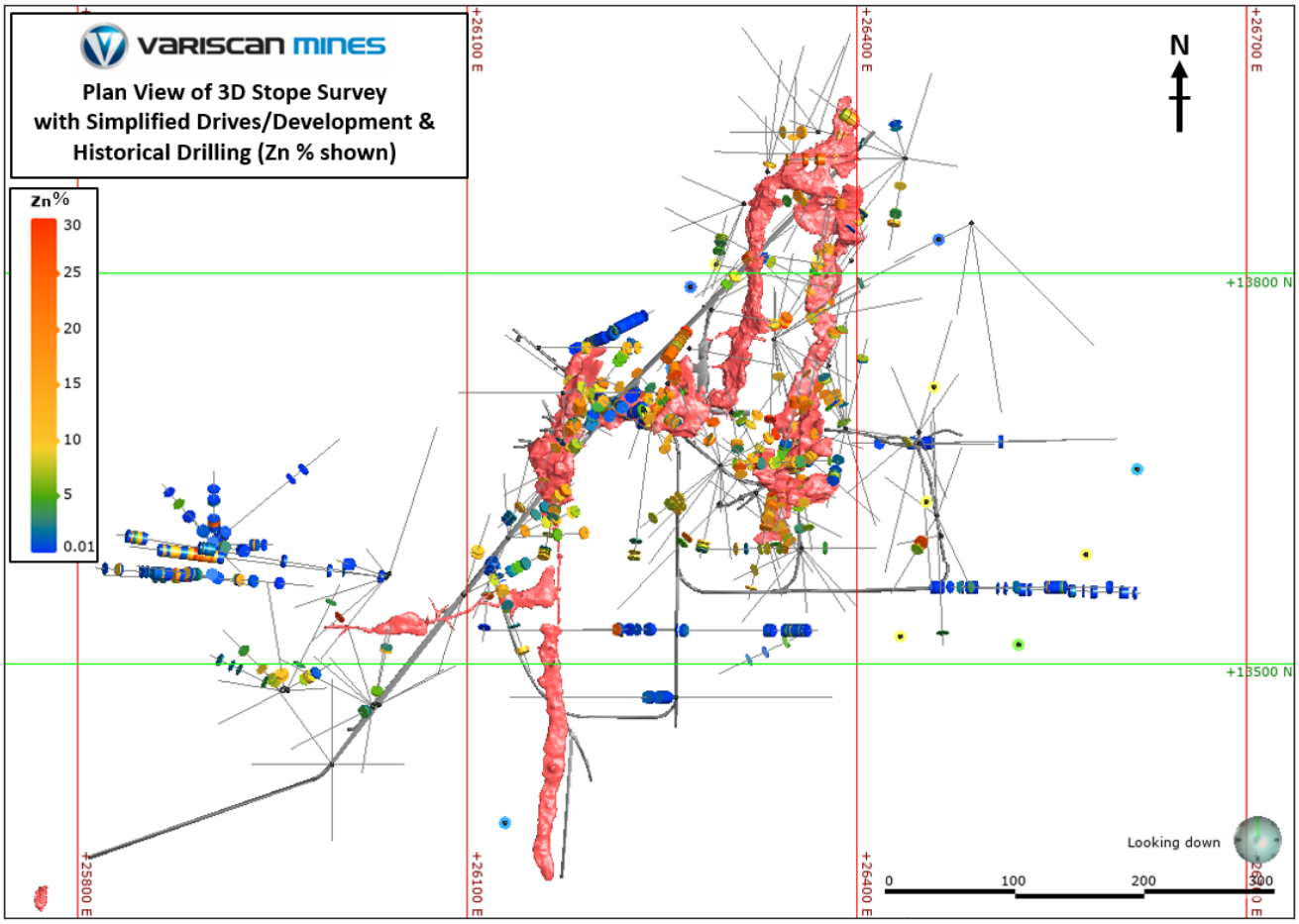
The 3D laser survey was conducted by 3DMSI Limited. The survey utilised a combination of traditional precision surveying, mobile mapping for contextual 3D surveying and high-resolution laser scanning to create accurate sealed mesh data that has been used to produce a 3D model of the main workings of the mine.

The survey covered the major historical works areas and exceeded 2,500 metres, resulting in a preliminary estimation of greater than 180,000 m^3 having been extracted from the San Jose-Novales Mine[1]. For the future, there are further areas to potentially survey on-trend. The area directly to the southwest of the San Jose mine (2.7km length) is devoid of exploratory work apart from sporadic historical surface drillholes and the evidence of historical underground workings extending far as the De Dûna underground workings in the southern part of the Buenahora permit.

3D Underground Laser Survey Results

During the quarter, the Company announced the results of the 3D laser survey and its integration with the significant historical dataset of 426 underground drillhole collars, for approximately 29,902m and 102 surface drillhole collars, totalling approximately 18,870m.

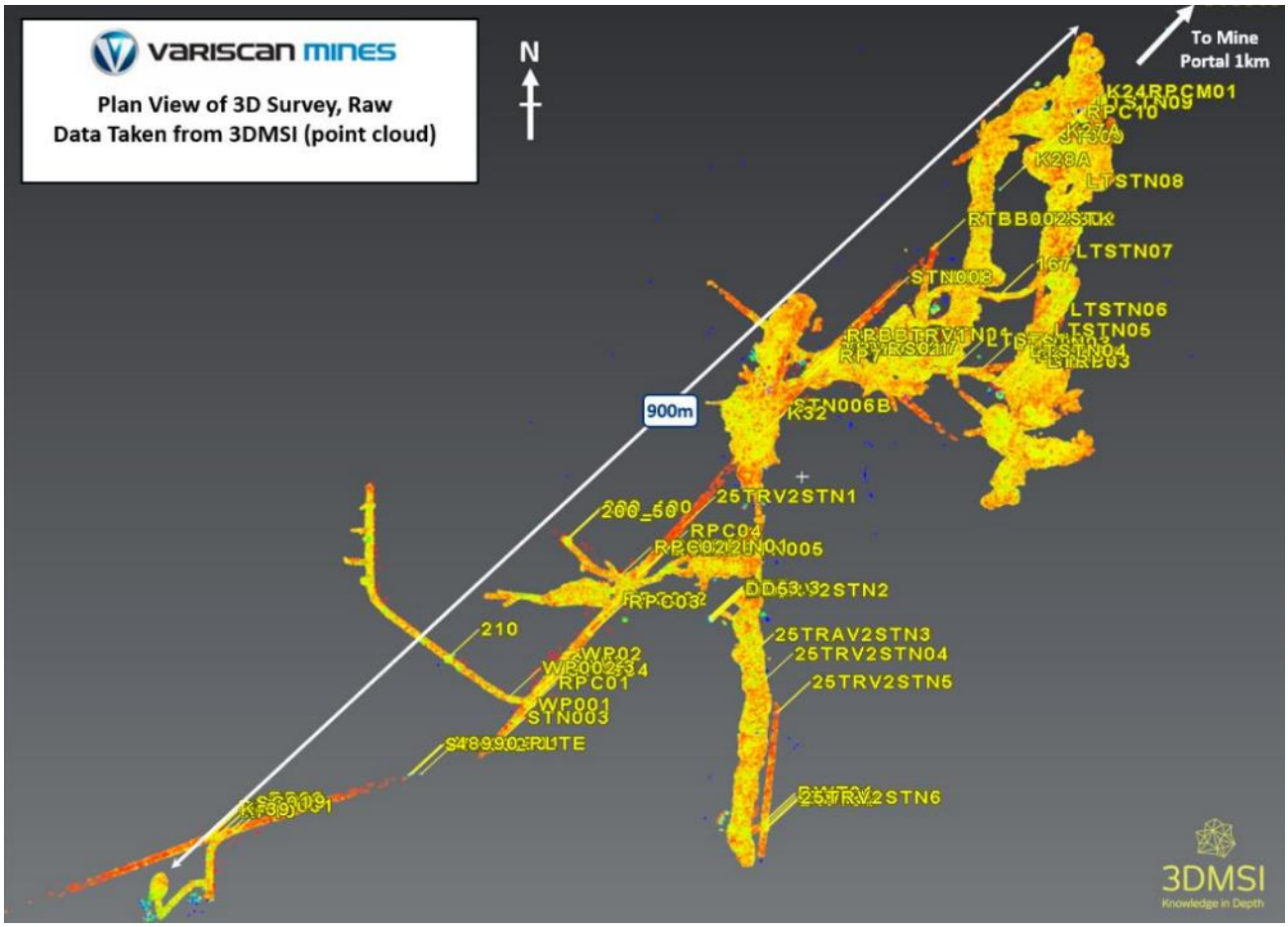
Figure 2. Plan view integrating 3D stope Survey (red wireframes), survey of drives and mine development (grey), historical drilling (% Zn grade shown along drill traces)



[1] This volume is indicative of what was surveyed. Some areas were inaccessible and therefore omitted from this volumetric calculation.

Most striking among the results is the presence of potentially mineralised, unmined material surrounding the stopes in the centre of the San Jose-Novales mine. Some outer zones still appear to have mineralisation in-situ, specifically in the southwestern area of the mine, and other areas have potentially mineralised zones along strike extensions. In several areas of the mine outside of the surveyed stopes exist high-grade intersections from historical drilling. These provide drill target areas in addition to seeking extensions of mined stopes on north-south parallel structures.

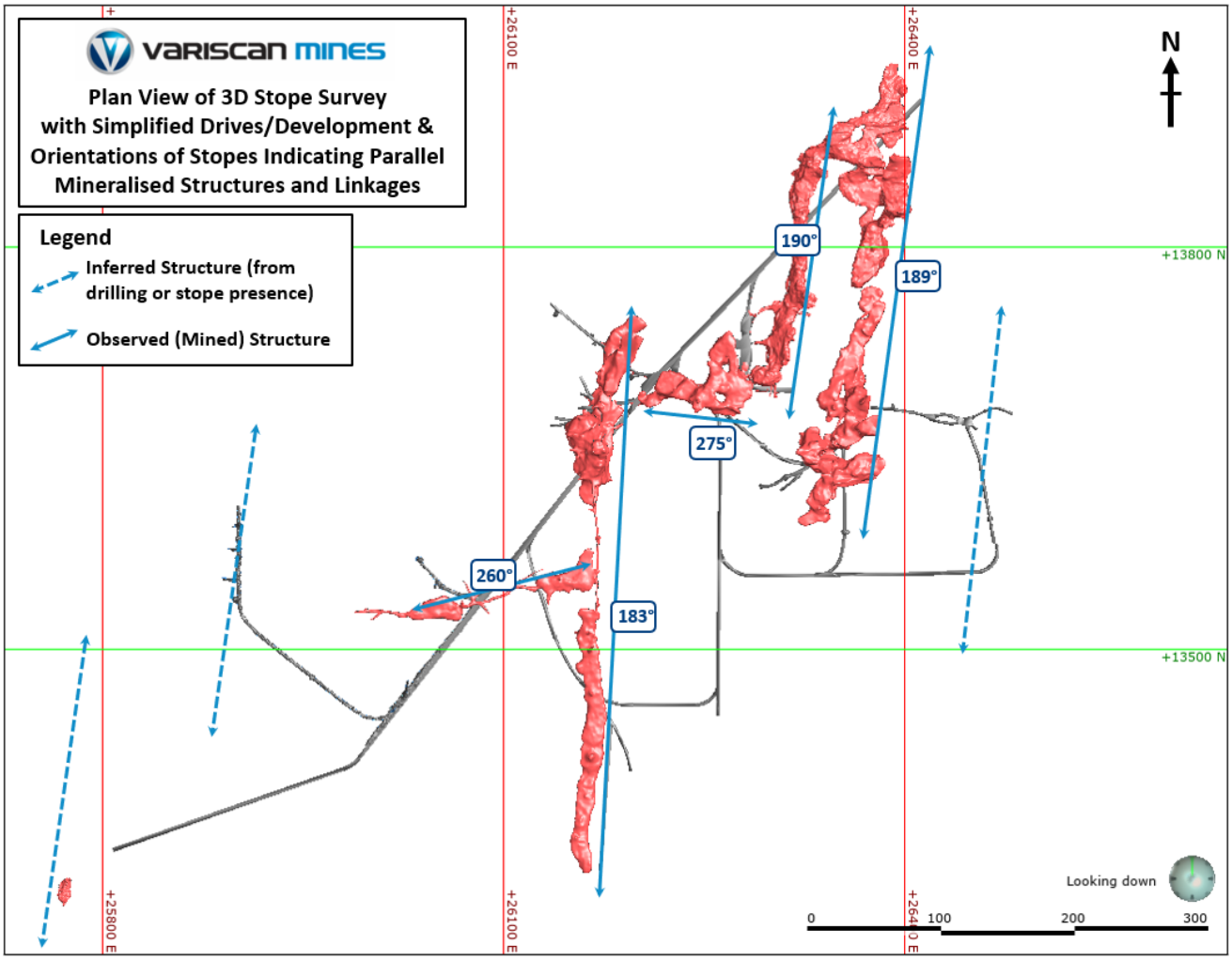
Figure 3. 3D Survey (raw point cloud data) showing the San Jose mined stopes, galleries, and mine development



Drill target areas identified

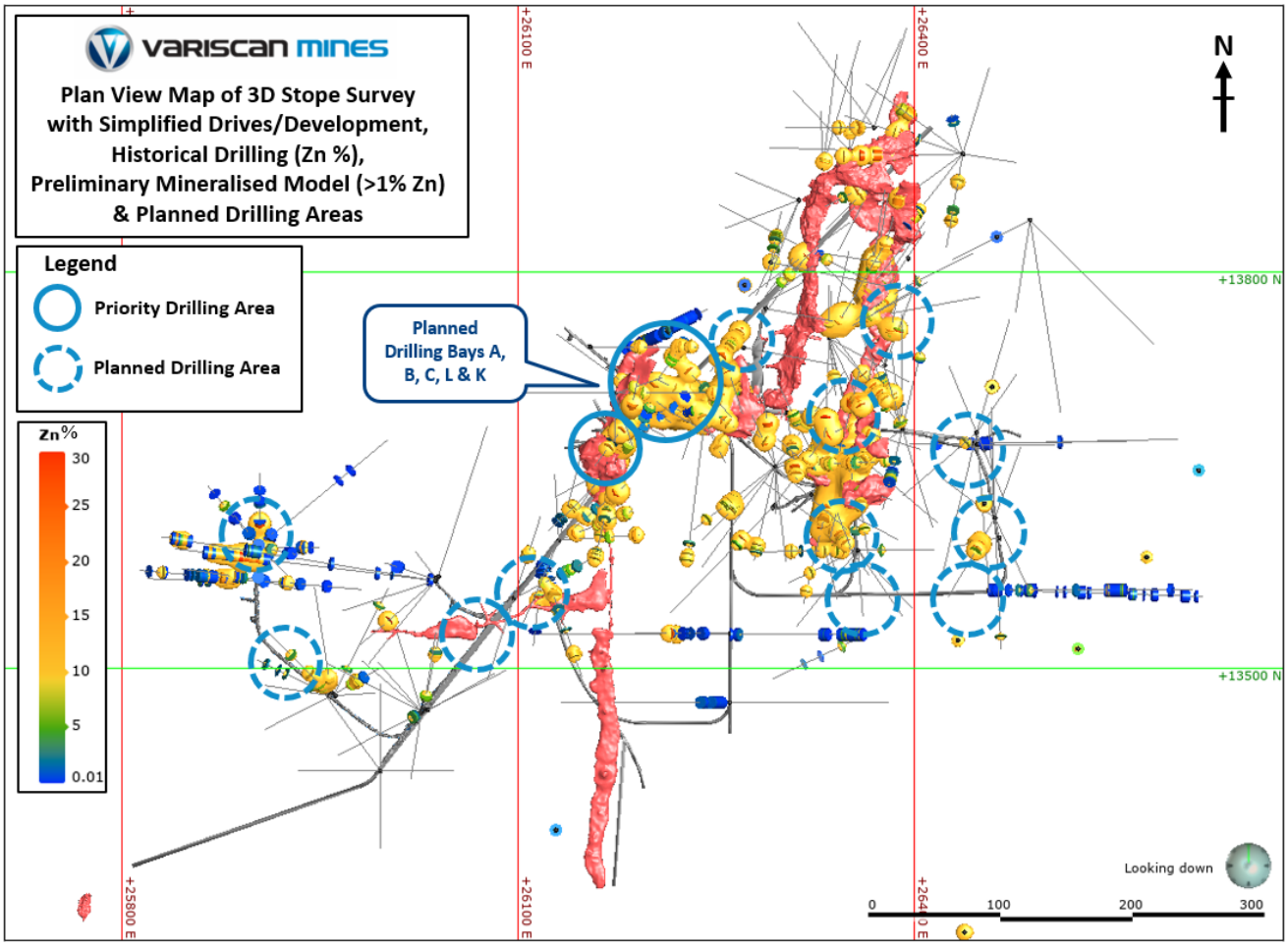
The survey of existing stopes indicates clear N-S parallel structures (see Figure 4). The stopes appear as conjugate (parallel) structures that are oblique to the primary orientation of the regional structures of 020°, 040° and 140°. The southern and northern extremities of stopes and the E-W linkage structures are considered as prospective for potential mineralised strike extensions.

Figure 4. 3D Survey of San Jose mined areas, stopes, galleries, and mine development with orientations of elongate structures and inferred zones annotated (stopes in red and drives in grey)



By combining the drilling database, the 3D mine survey, and the preliminary mineralised model, Variscan has identified 24 potential drilling bays underground, these areas are shown in Figure 5.

Figure 5. Potential drill target areas (blue) at San Jose – Novales Mine shown with preliminary mineralised model (yellow) >1% Zn with the mined-out stope survey (red) and drives (grey)



The creation of the preliminary mineralised model (>1% Zn and >3% Zn) has been integrated with the 3D survey of existing stopes. These initial volumes are shown in Figure 5 (in yellow) and indicate that even with historical data alone, there are potential areas of in-situ mineralisation outside of the survey of historical workings and stopes2. This model indicates that there is mineralisation along strike to the north and south of elongated stopes. Furthermore, this model demonstrates potential mineralisation along the near vertical structure plane both above and below existing stopes, further supporting the presence of structurally controlled Pb-Zn mineralisation at San Jose-Novales.

Additionally, the geospatial information generated from the 3D survey when combined with the historical drillhole database has been valuable for:

- the development of drill targets to test in-situ mineralisation and potential extensions to known mineralisation;
- mitigating geospatial risk in the exploration and evaluation phases; and
- informing the geological context of the deposit.

2 The mineralised model (>1% Zn) has not been created in accordance with the JORC code, thus any volumes from these generated solids are not reported within this document. This model requires additional geological data to support and reflect the inherent geological nature and structural control on mineralisation at the San Jose-Novales mine.

High Grade Results From Underground Drilling

Variscan modified the underground drilling programme due to climatic and logistical matters and have successfully drilled near the San Jose Mine portal testing a significant historical soil geochemistry anomaly, indicating a series of N-S trending mineralised corridors. Variscan can confirm strong visible mineralisation has been intersected in some of the drillholes completed in this area. (Figure 6).

Figure 6. Map showing Q4 2020 drillholes completed near the mine entrance showing visible mineralisation.

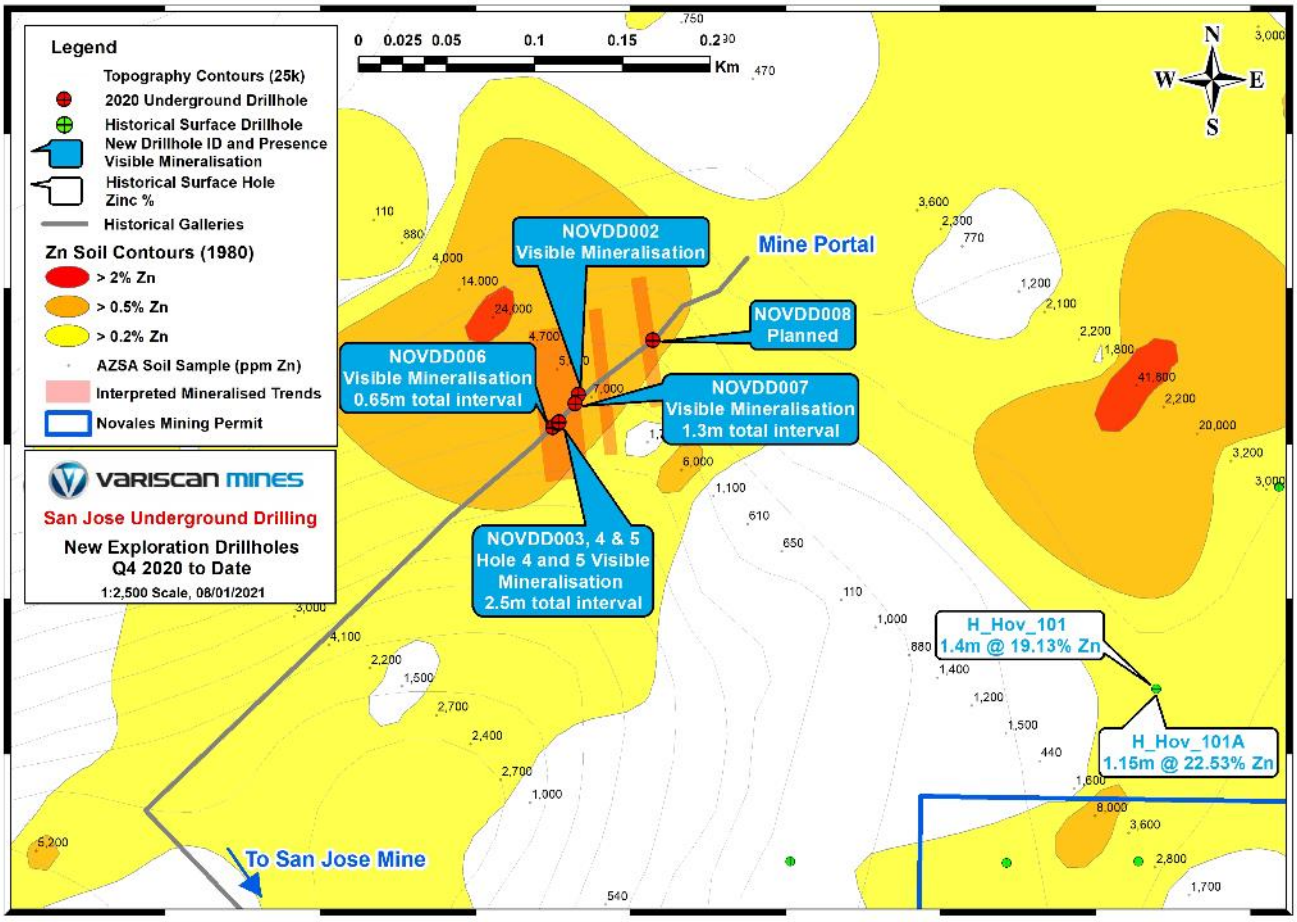


Figure 7. Map of NE of San Jose mine showing historical (AZSA) soil geochemical anomaly near mine portal with Q4 2020 drillholes and N-S interpreted trends.

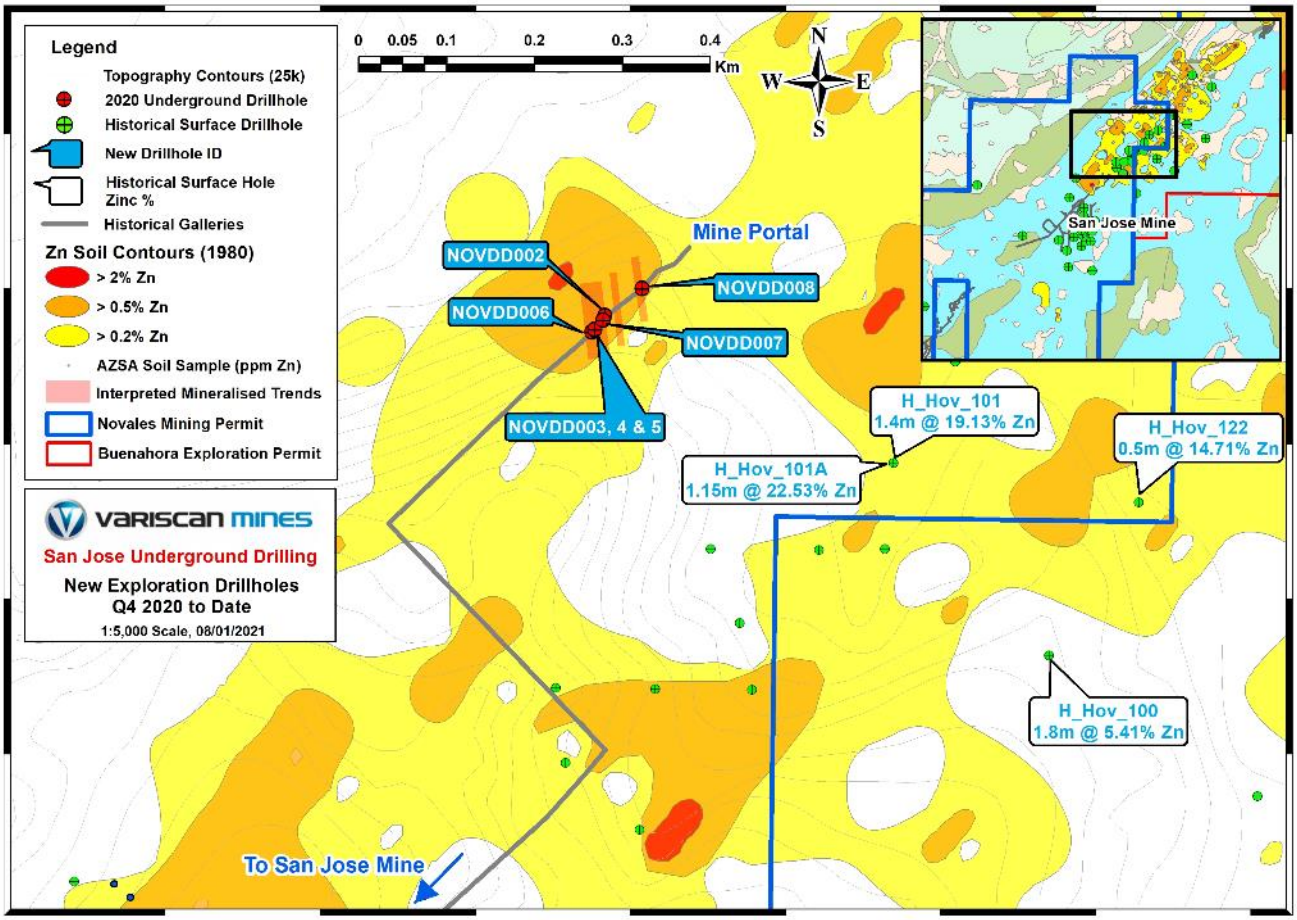


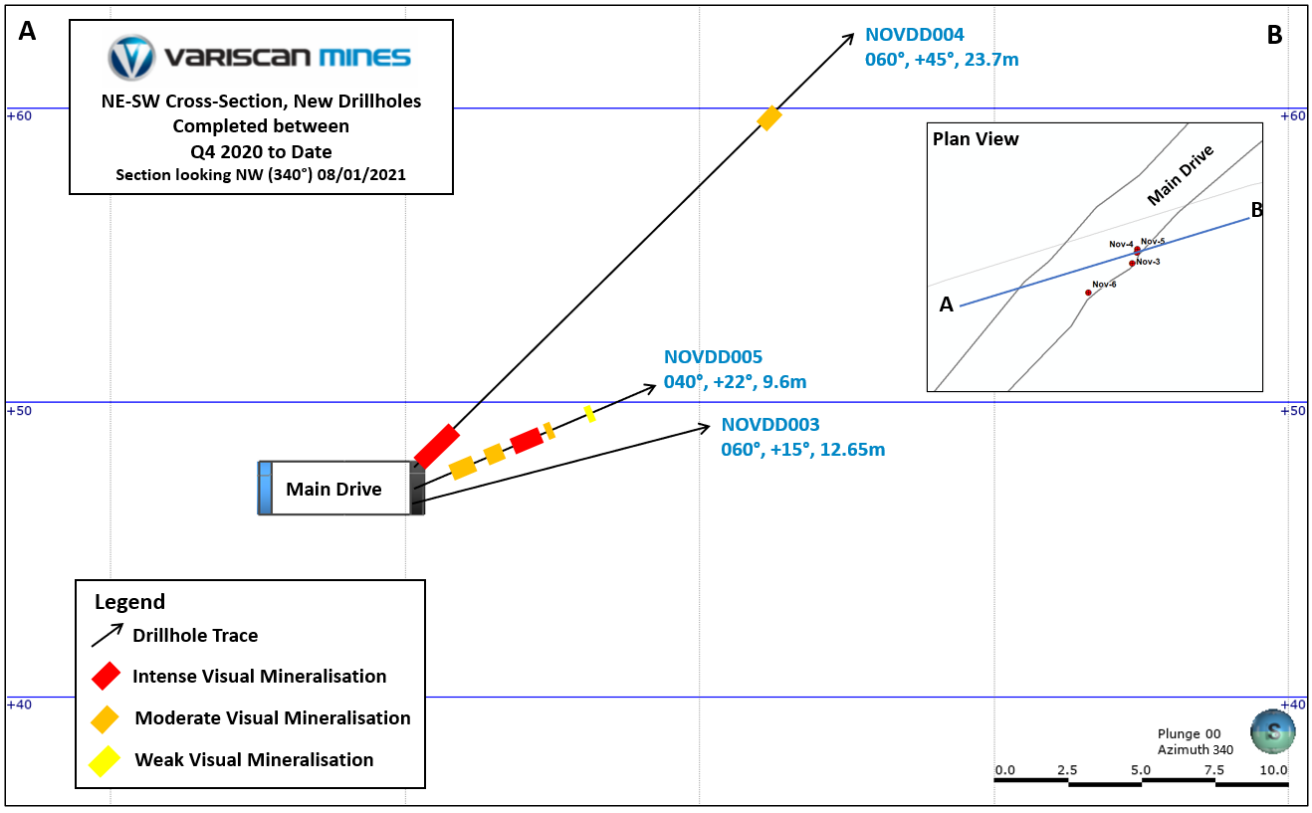
Image 1. Photograph of high-grade sphalerite (zinc) mineralisation from hole NOVDD004 (0 – 1.5m), core diameter 41mm, located near mine entrance.

Three of the five holes drilled include visibly intense mineralisation (NOVDD004, 5 & 7) with NOVDD002 exhibiting moderate visual mineralisation, with weak mineralisation (carbonate veins) visible in all five holes. Mineralisation style is visually consistent with sulphide rich carbonate hosted (Mississippi Valley Type) lenses observed in mined stopes in the San Jose Mine, see Image 1. Logging and sampling of drill core is underway. Table 1 sets out the details of drillhole orientations.

Table 1. Drillhole orientation, depth, visually mineralised intersections and status (refer ASX announcement 12 January 2021).

Hole ID	Azimuth (Deg)	Dip (Deg)	Length	Visual Mineralisation (weak to intense)	Hole Status
NOVDD001	268	78	13.7	-	Completed
NOVDD002	250	20	21.5	6.0 - 6.65m	Completed
NOVDD003	060	15	12.65	-	Completed
NOVDD004	082	45	23.7	0 - 1.55m, 19.92 – 20.5, 21.12 - 21.5m	Completed
NOVDD005	040	22	9.6	2.4 - 3.5m, 3.96 - 4.72m, 4.87 - 5.05m, 5.23 - 6m, 6.65 - 6.9m	Completed
NOVDD006	140	45	5.35	1.35 - 2m	Completed
NOVDD007	200	80	35	0 - 1.3m	In progress (17.2m)
NOVDD008	200	80	35	-	Planned

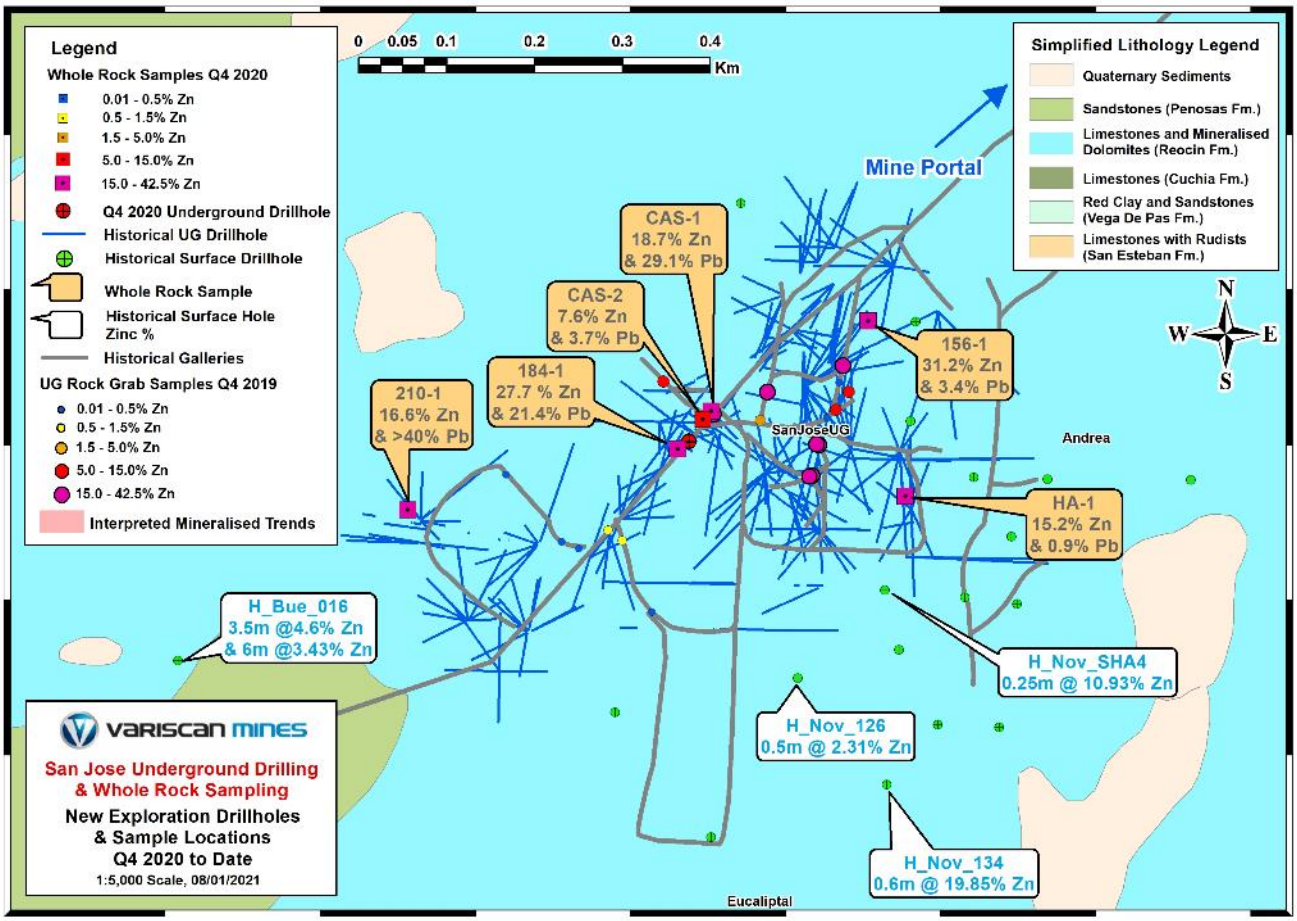
Figure 8. NE-SW cross-section near mine portal showing selected drillholes NOVDD003, 004 and 005 with visually mineralised intersections.



Whole Rock Samples

In December 2020, six in-situ rock samples were taken at various locations underground from mineralised wall rock within stopes at San Jose (see Figure 9).

Figure 9. Map of San Jose Mine with locations of whole rock samples



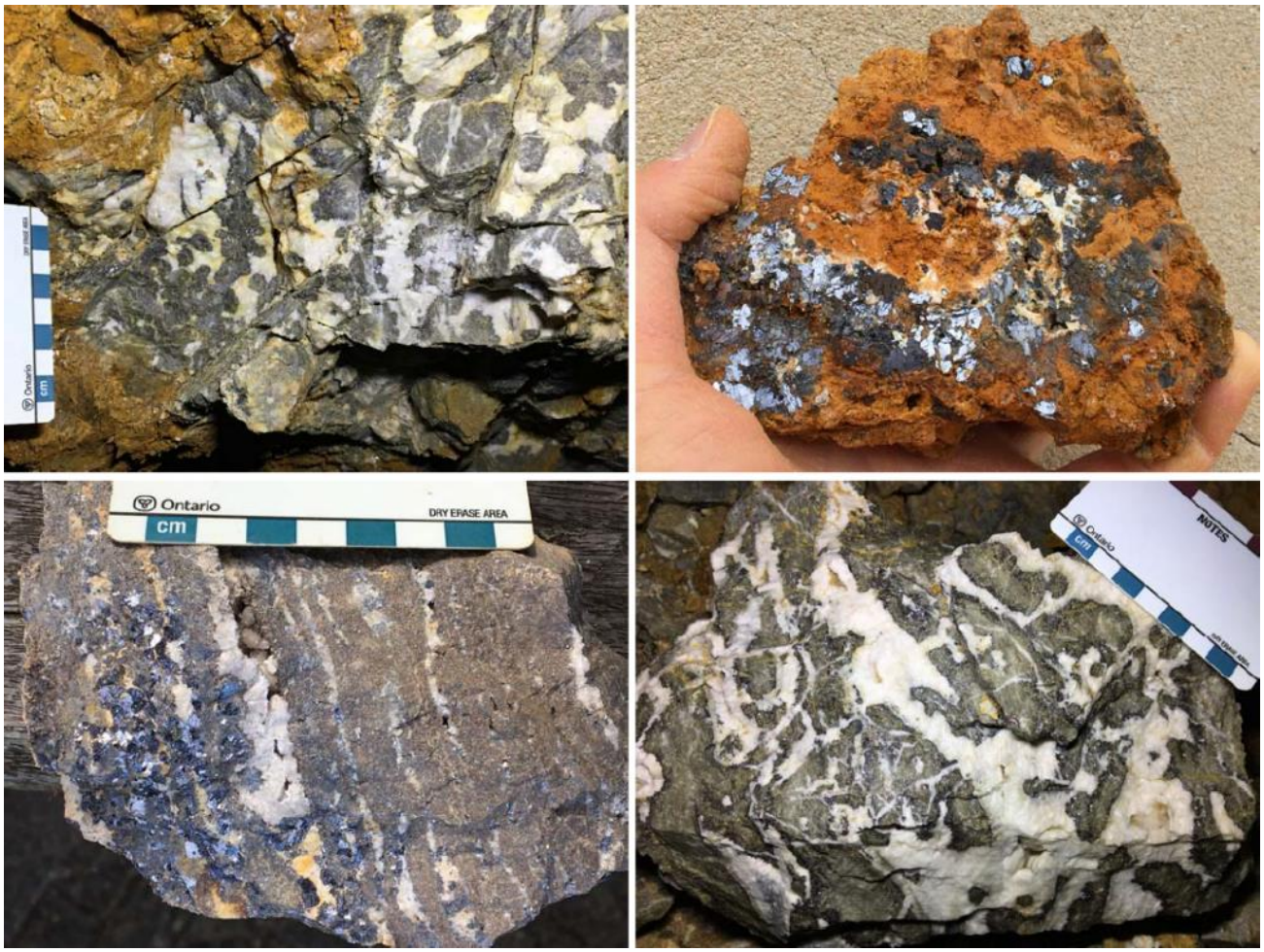
The whole rock samples taken were texturally and mineralogically varied mineralised material on mined stope faces. These will provide a full element suite (geochemical profile) for the mineralisation at San Jose. The results of these samples (see Table 2) provide Variscan with useful background trace element analyses which can be used as a guide to determine alteration changes and assist as a vector for mineralisation during ongoing exploration.

The results of these rock sample analyses are shown in Table 2 and images of four of the samples are shown in Image 2.

Table 2. Whole rock sample assay results for Pb and Zn (refer ASX announcement 12 January 2021).

Sample ID	Description	Zn (%)	Pb (%)
HA-1	Hoyo Alto zinc ore	15.2	-
210-1	Orebody 210 Pb-rich ore	16.6	>40
156-1	Orebody 156 zinc ore (part - replacement type)	31.2	3.4
CAS-1	La Caseta area Pb-rich ore	18.7	29.1
CAS-2	La Caseta area Fe-rich ore	7.6	3.7
184-1	Orebody 184 zinc-lead ore (replacement type)	27.7	21.4

Image 2. Whole rock sample photographs, clockwise HA-1, 210-1, 156-1 and 184-1.



Next Steps

The Company's immediate focus is progressing with underground drilling at the San Jose Mine.

Key activities include:

- Drilling has recommenced to complete holes near mine entrance and then move the rig further into mine to test extensive N-S mineralised corridors;
- Reporting channel sampling assay results; and
- Surface drilling permitting applications.

Project Summary

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30km southwest from the regional capital, Santander. The project is centred around the former producing Novales underground mine with a large surrounding area of exploration opportunities which include a number of satellite underground and surface workings and areas of zinc anomalism identified from recent and historic geochemical surveys which include anomalies up to 2km long and close to 1km wide and up to 17% Zn (refer ASX announcement dated 29 July 2019).

Image 3. San Jose – Novales Mine Aerial View

Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of 68.3 km^2(including several granted mining tenements)
- Regional exploration potential for another discovery analogous to Reocin (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb[3, 4])
- Novales Mine is within trucking distance (~ 80km) from the Asturias zinc smelter
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as ~7% Zn[5]
- Simple mineralogy of sphalerite – galena – calamine
- Ore is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade 'bolsas' (ore bags) commonly 10-20% Zn and in some instances +30% Zn[6]
- Assay results of recent targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb[7]
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

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3 Velasco, F., Herrero, J.M., Yusta, I., Alonso, J.A., Seebold, I. and Leach, D., 2003 - Geology and Geochemistry of the Reocin Zinc-Lead Deposit, Basque-Cantabrian Basin, Northern Spain: in Econ. Geol. v.98, pp. 1371-1396.

4 Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not completed sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012.

5 Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

6 Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

7 Refer to ASX Announcement of 19 December 2019

Figure 8. Novales-Udias Project is strategically located in a former mining district

CHILE – ROSARIO COPPER PROJECT

The Rosario Project is located approximately 120 kilometres by road east of the port city of Chanaral in the Atacama Region of northern Chile. Chile is proven mining jurisdiction and is the largest producer of copper globally. The Rosario project lies about 20 kilometres north of the El Salvador mine (owned by Codelco). It is one of the country's larger copper operations, within a region of dense mining activity (all scales) and good copper endowment.

The Rosario project comprises three granted exploitation concessions, Rosario 6, Rosario 7 and Salvadora, one granted mineral exploration licence (Abandonara) and an exploration concession under application (Rosario 101). These concessions cover two outcropping copper trends (Zones A and B) over a combined strike length of approximately 6 kilometres.

As a result of the impact of the continuing worldwide COVID-19 epidemic, no significant activites were conducted on the Rosario Copper project during the Quarter.

AUSTRALIA

The Company continues to hold minority interests in a number of areas of eastern and central Australia. No specific activities were undertaken by the Company on these areas during the quarter.

FINANCIAL & CORPORATE

CASH

Cash at bank at 31 December 2020 was $1.87 million.

SUMMARY OF EXPENDITURE ON EXPLORATION ACTIVITIES

For the December 2020 quarter, the Group spent $253,000 on exploration activities, substantively all of which related to the Group's Spanish zinc projects. These exploration activities related to:

- Underground 3D survey conducted on the Novales Mine;
- Underground Drilling programme;
- Soil geochemistry, rock chip sampling and analysis;
- Technical consulting fees;
- Geological mapping;
- Tenement administration, reporting and management; and
- Directly-attributable corporate overheads and administration costs.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

SHARE CAPITAL

The total number of shares on issue at the end of the quarter was 212,982,024.

During the quarter, the Company issued 2,888,473 Ordinary Fully Paid shares to Directors and a former Director of the Company in lieu of fees, as approved by the Company's shareholders at the Annual General Meeting held on 26 November 2020.

The Company also issued incentive securities in the form of 2,500,000 performance rights and 12,000,000 unlisted options, exercisable at various prices between 5.5 and 8 cents per share ($0.055 - $0.08) on or before 30 November 2023. These incentive securities, issued during the Quarter, were also approved by Shareholders at the Company's 2020 Annual General Meeting.

Deferred settlement shares

In accordance with the acquisition of the Spanish Zinc projects, the Company must issue additional shares upon the satisfaction of certain exploration milestones. These milestones are for the definition, in accordance with JORC 2012, of an Inferred Mineral Resource (or greater) of:

- Milestone 1: 4 million tonnes at 7% Zn
- Milestone 2: 8 million tonnes at 7% Zn

Upon satisfaction of each of these milestones, the Company must issue 27,500,000 ordinary shares to the vendors of Slipstream Spain Pty Ltd and Slipstream Spain 2 Pty Ltd, and 2,426,471 shares to Hispanibal S.L. as the vendor of the "Hispanibal Option", for a total of 59,852,941 Ordinary Shares if both milestones are met.

There is currently no obligation to issue the milestone shares.

COVID-19

Variscan continues to adopt a proactive and pragmatic approach to the COVID-19 pandemic and will continue to operate in full compliance with the regulations to safe-guard the health of our staff and contractors as well as the local communities. The Company's planned exploration work is continuing as previously advised.

OTHER

During the current Quarter the Company made payments to related parties of $44,000, represented by remuneration paid to Directors.

ENDS

Variscan Mines Limited
Stewart Dickson
Managing Director & CEO
info@variscan.com.au

This announcement has been authorised by Mr Stewart Dickson, Managing Director and CEO of Variscan Mines Limited

BACKGROUND

Variscan Mines Limited (ASX:VAR) is a growth oriented, natural resources company focused on the acquisition, exploration and development of high quality strategic mineral projects. The Company has compiled a portfolio of high-impact base-metal interests in Spain, Chile, and Australia.

The Company's name is derived from the Variscan orogeny, which was a geologic mountain building event caused by Late Paleozoic continental collision between Euramerica (Laurussia) and Gondwana to form the supercontinent of Pangea.

COMPETENT PERSONS STATEMENT

Where Company refers to exploration results and historical data previously advised to the ASX it confirms that it is not aware of any new information or data that materially affects the information included in previous announcements and all material assumptions and technical parameters disclosed in those announcements continue to apply and have not materially changed.

LISTING OF TENEMENTS HELD AT 31 DECEMBER 2020

Tenement	Tenement No.	Interest	Joint Venture Details
SPAIN – Note 5			
Cantabria			
Buenahora Fraction 1	IP 16.662-01	100%	
Buenahora Fraction 2	IP 16.662-02	100%	
San José	EC 94	100%	
La Torra	EC 512	100%	
Tres Amigos	EC 1565	100%	
Torpeza	EC 2557	100%	
Andrea	EC5220	100%	
Andrea-demasía a	EC5374	100%	
Es	EC8049	100%	
Dudosa	EC8165	100%	
Cargadoiro	EC11589	100%	
Tres amigos-demasía a	EC11594	100%	
Flor del pueblo	EC12942	100%	
Torpeza-demasía a	EC12952	100%	
Torpeza-3ª demasía a	EC13079	100%	
Torpeza-2ª demasía a	EC13080	100%	
Flor del pueblo-demasía a	EC13154	100%	
Dudosa-demasía a	EC13170	100%	
Andrea-3ª demasía a	EC13175	100%	
Andrea-2ª demasía a	EC13176	100%	
Cargadoiro-demasía a	EC13260	100%	
Ampliación a Matilde	EC13641	100%	
Aumentada	EC14238	100%	
Campitos	EC14554	100%	
Campitos-demasía a	EC14640	100%	
Carmenchu	EC14945	100%	
Amelita	EC14949	100%	
Eloísa	EC14947	100%	
Ampliación a Matilde-demasía a	EC14948	100%	
Cargadoiro 2	EC14954	100%	
Amelita-demasía a	EC14979	100%	
Carmenchu-demasía a	EC14980	100%	
Eloísa-demasía a	EC14981	100%	
Carmenchu-2ª demasía a	EC14982	100%	
6º Aumento a porvenir	EC15672	100%	
Ampliación a Matilde-demasía a	EC13641-10	100%	
Campitos-segunda demasía a	EC14554-20	100%	
Cargadoiro 2- demasía a	EC14954-10	100%	
Carmenchu-tercera demasía a	EC14980-30	100%	
6º Aumento a porvenir-demasía a	EC15672-10	100%	
Torpeza-tercera demasía a	EC2557-30	100%	

Tenement	Tenement No.	Interest	Joint Venture Details
Toledo			
Guajaraz	IP 4.203	100%	
CHILE			
Rosario			
Rosario 6 1-40	0310259624	10.4%	Note 4
Rosario 7 1-60	0310259632	10.4%	Note 4
Rosario 101	03102N2229	10.4%	Note 4
Salvadora	0310231355	10.4%	Note 4
Abandonara	0310248487	10.4%	Note 4
NEW SOUTH WALES			
Willyama	EL 8075	0%	Note 1
Hillston	EL 6363	39.2%	Perilya can earn 80%, Eaglehawk 9.8%
Native Dog	EL 8236	0%	Note 1
Woodlawn South	ELs 7257 and 7469	0%	Royalty interest only
SOUTH AUSTRALIA			
Junction Dam	EL 5682	0%	Marmota acquired 100% ownership. See Note 2
Callabonna	EL 5360	49%	Red Metal 51%, can earn 70%
FRANCE			
St Pierre	PER	100%	
Beaulieu	PER	100%	

EL = Exploration Licence

PER = Permis Exclusif de Recherche (France)

IP = Investigation Permit (Spain)

EC = Exploration Concession (Spain)

Note 1: Under an agreement with Silver City Minerals Limited, Broken Hill Operations and Eaglehawk Geological Consulting Pty Ltd Variscan has converted its interest in parts of these tenements to a NSR (Net Smelter Return).

Note 2: Marmota has earned 100% of the uranium rights only in EL 5682. Variscan has a 0.5% net profits royalty on production from a uranium mine.

Note 3: The remaining exploration licences owned by Variscan Mines SAS (excluding the Couflens PER) have been conditionally acquired by a new wholly owned subsidiary, Variscan Mines Europe Limited. Pursuant to the approval for the Subsidiary Sale, the Ministry of Economy and Finance has imposed, without prior consultation, the compulsory relinquishment of the remaining licences. The Company has approved the relinquishment request and has yet to receive a response. The timetable for the completion of the relinquishment process is unknown.

Note 4: On 1 July 2019 the Company announced it had successfully renegotiated the terms of the existing Option Agreement to provide the Company with a participating interest of 10.4%. The Company can earn up to 90% of the project through payment of amounts totaling approximately US$2.25 milllion.

Appendix 5B

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

Name of entity	
Variscan Mines Limited	
ABN	**Quarter ended ("current quarter")**
16 003 254 395	31 December 2020

	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		
	(b) development		
	(c) production		
	(d) staff costs	(49)	(118)
	(e) administration and corporate costs	(64)	(99)
1.3	Dividends received (see note 3)		
1.4	Interest received	2	5
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)		
1.9	**Net cash from / (used in) operating activities**	**(111)**	**(212)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(253)	(541)
	(e) investments		
	(f) 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) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments	-	476
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(253)**	**(65)**

3.	**Cash flows from financing activities**		
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)		
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	2,229	2,146
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(111)	(212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(253)	65
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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)
4.6	**Cash and cash equivalents at end of period**	**1,865**	**1,865**

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	763	979
5.2	Call deposits	1,102	1,250
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,865**	**2,229**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	31
6.2	Aggregate amount of payments to related parties and their associates included in item 2	13

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(111)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(253)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(364)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,865
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,865
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	5.12

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.

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: Not applicable

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: Not applicable

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: Not applicable	
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: .....29 January 2021.....

Authorised 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.