CENTRAL PETROLEUM LIMITED
ABN 72 083 254 308
ASX:CTP

Central Petroleum

Activities Report and ASX Appendix 5B

REVIEW OF OPERATIONS FOR THE QUARTER ENDED 30 SEPTEMBER 2021

"With an array of exploration and appraisal activities to pursue, this is a period of implementation which we look forward to delivering over the next year."

Central Petroleum MD and CEO, Leon Devaney

Highlights

- **Cash balance** at the end of the September quarter (the quarter) was $23.8 million, compared to the $37.2 million balance at 30 June 2021, reflecting:
    - $7.8 million of capital expenditure, being primarily the costs of the Mereenie Development Program, which includes four well recompletions (undertaken in the previous quarter) and drilling of two new production wells.
    - Ongoing exploration activity ($6.8 million expended) including the acquisition of long lead items for the forthcoming two well exploration program in the Amadeus Basin and drilling and completion costs for the Range CSG pilot completed in the previous quarter.
    - $3.6 million net cash flow from operations (before exploration and finance costs).
    - Principal repayments under debt facilities of $1.0 million. Pre-sale gas deliveries totalled 437 TJ, and 184 TJ of previously over-lifted gas was returned.
- **Net Debt** was $43.6 million at 30 September, up from $31.1 million at the end of June due to the cash investments in new exploration and production wells during the quarter.
    - Net debt subsequently dropped to $14.6 million on 1 October, following a $29 million loan repayment from the proceeds of the partial sell-down of Central's interests in its Amadeus Basin producing assets.
- **Sales volumes** were steady at 2.58 PJe (Petajoule equivalent), consistent with the 2.57 PJe sold in the June quarter.
- **Sales revenues** were up slightly at $15.9 million for the quarter, almost 3% higher than the preceding quarter.
    - **Unit sales price** across the portfolio increased by 2.3% to an average of $6.15/GJe, up from $6.01/GJe in the June quarter, reflecting strong demand from higher-priced gas contracts and higher oil pricing.
- **Range Gas Project Pilot testing** – Testing continued on the three-well pilot, with interference testing confirming connectivity between the wells. Two step-out pilot wells are scheduled to be drilled in the December quarter.
- **Mereenie Development Program completed** – the second of two new production wells at Mereenie (WM28) was drilled and brought online in September. In addition, sustained gas flows were recorded from the shallower Stairway Sandstone interval during drilling, increasing the potential for additional reserves to be added with future appraisal.
- **Asset sale** – On 1 October, subsequent to the end of the quarter, Central completed the sale of 50% of its interests in the Mereenie, Palm Valley and Dingo fields to New Zealand Oil & Gas Limited (NZOG) and Cue Energy Resources Limited (Cue) for consideration valued at circa $85 million. A book profit of circa $35 million is expected and the proceeds will fund a significant program of development and exploration in those fields and facilitated the repayment of $30m of debt around the completion date.

Investor and Media Inquiries
Greg Bourke: +61 04 7831 8702
Sarah Morgan: +61 04 2166 4969
info@centralpetroleum.com.au
Level 7, 369 Ann Street
Brisbane, Qld 4000, Australia

Message from Managing Director and CEO

We have started the new financial year with a solid quarter operationally and are well advanced with implementing our strategies for growth.

At Mereenie, we completed two new production wells and expect the increased field capacity to be reflected in gas sales in the next quarter. We continue to see strong demand and pricing for gas and we are actively marketing the increased production capacity into fixed-term gas contracts.

The Mereenie drilling program also provided encouraging appraisal results, with sustained gas flows observed from the shallower Stairway Sandstone interval at WM28 as we drilled towards our deeper primary production targets. There is currently 108 PJ (100% JV) of 2C contingent gas resource booked in the Stairway, and with further appraisal through horizontal drilling, this could be an opportunity to substantially increase the 2P gas reserves attached to this reservoir.

We have also completed the 50% sale of our Amadeus Basin producing assets, welcoming New Zealand Oil & Gas Limited (NZOG) and Cue Energy Resources Limited (Cue) as new joint venture partners on 1 October. The asset sale is a milestone for the company, crystallising an expected book profit of circa $35 million from assets acquired six years ago.

The asset sale will fund $40 million of our share of selected exploration and development costs in the Amadeus Basin, supporting over $100 million of gross investment into our joint ventures in the next two years.

We have advanced preparations, including the procurement of long lead items for two new exploration wells to be funded by the asset sale, with drilling of the first well scheduled to start by the end of this year. Exploration success at Palm Valley and Dingo could more than replace Central's divested reserves, all within the footprint of our established production infrastructure.

Net debt after the completion of the sale transaction and resulting debt repayment is $14.6 million on a cash balance of $23.8 million.

Testing has continued throughout the quarter at our three-well Range CSG pilot in the Surat Basin and we have committed to accelerating the data acquisition by drilling two additional step-out pilot wells before the end of the year. We are currently targeting a final investment decision in early 2023.

Planning for seismic acquisition at Zevon is well advanced, with a test seismic line scheduled to be acquired in the December quarter. We are also making progress with our Southern Amadeus Basin exploration program, with planning for a Dukas exploration well progressing and commencement of Dukas drilling possible by late 2022 or early 2023. In addition, we continue to engage the market in discussions for a farmout of Central's Southern Amadeus Basin permits and Zevon, aiming to accelerate sub-salt exploration for helium, hydrogen and hydrocarbons.

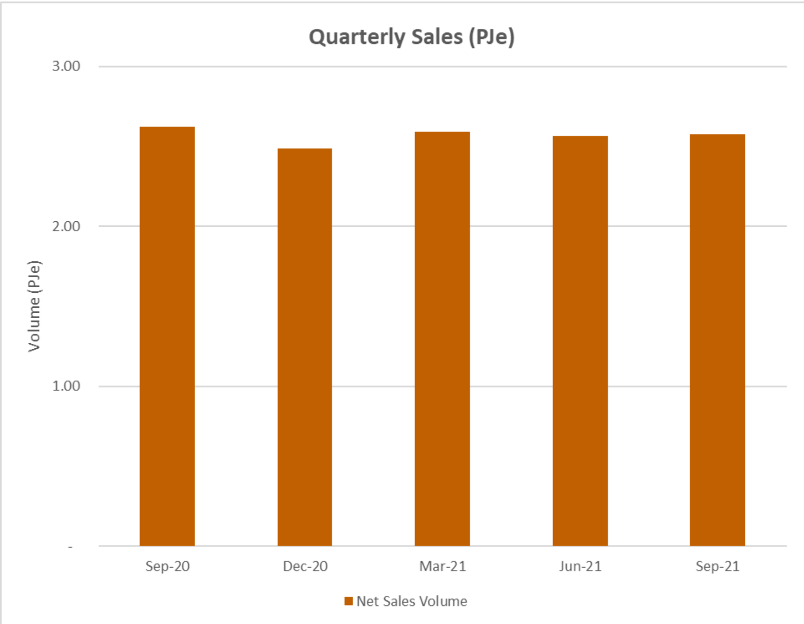
While our cash flows and revenues will be lower from next quarter following the recent asset sale, we have a solid program of exploration and appraisal activities underway. This is an active period of strategy implementation for the Company which we look forward to delivering over the next year.

Leon Devaney
Managing Director and Chief Executive Officer

Production Activities

SALES VOLUMES

Sales volumes were steady at 2.58 PJe for the quarter, (including 0.18 PJ of overlift repayment gas).



The Mereenie and Palm Valley fields were producing at close to capacity through the quarter and firm long-term gas supply contracts accounted for 99% of September quarter volumes.

The first of two new production wells was brought online at Mereenie late in the quarter. When all new and recompleted wells have been brought online and fully cleaned-up, approximately 10TJ/d (gross JV) should have been added to wellhead capacity at Mereenie across the campaign, supporting Central's ability to market new gas sale agreements. These increases are partially offset by ongoing natural field decline over the same period.

Central's operating results from 1 October 2021 will reflect a reduced share of production following completion of the sale of 50% of its interests in the producing fields to NZOG and Cue.

SALES REVENUE

Total sales revenue in the September quarter was $15.9 million, 2.8% higher than the $15.4 million recorded in the preceding quarter, reflecting ongoing strong demand from higher-priced contracts and a firmer oil price.

Sales revenue		**FY2021**	**FY2022**
Product	**Unit**	**Q4**	**Q1**
Gas	$'000	13,796	**13,921**
Crude and Condensate	$'000	1,630	**1,931**
Total Sales Revenue	**$'000**	15,426	**15,852**
Revenue per unit	$/GJe	$6.01	**$6.15**

Central's revenues from 1 October 2021 will reflect a reduced share of production following completion of the sale of 50% of its interests in the producing fields to NZOG and Cue.

MEREENIE OIL AND GAS FIELD (OL4 AND OL5) – NORTHERN TERRITORY

CTP - 25% interest (and Operator), Macquarie Mereenie Pty Ltd - 50%, New Zealand Oil & Gas Ltd - 17.5%, Cue Energy Resources Ltd - 7.5% *(Interests from 1 October 2021)*

Mereenie's production benefitted from the contribution from the four wells which had been recompleted in the previous quarter to access producing zones previously behind casing. Gross gas sales from the field averaged 31 TJ/day across the quarter, slightly higher than the June quarter's 30.8 TJ/d.

The sales capacity of the Mereenie field was approximately 35 TJ/d (100% JV) at the end of the quarter. Incremental increases are expected once both of the new production wells and the recompleted wells are further cleaned-up and optimised. The additions from the development campaign are expected to be approximately 10 TJ/d and will be partly offset by ongoing natural field decline.

Mereenie Development Program

Two new crestal production wells were completed during the quarter. WM27 was drilled to 1,367m and due to localised hole instability in the Pacoota-3 interval, was completed for production from the shallower Pacoota-1 interval. The second well, WM28, was successfully drilled to a depth of 1,332m and completed as a selective dual zone gas producer, accessing both the Pacoota-1 and Pacoota-3 intervals. WM28 was brought online in late September. At the time of this report, WM27 was continuing to clean-up.

Good gas flows measured from the Stairway Sandstone

While drilling the WM28 production well, virgin reservoir pressures and sustained flow rates were observed from a 34 metre vertical intersection of the Upper Stairway Sandstone. A rig flow test of the Upper Stairway maintained a production rate of 0.6 mmscfd over a period of 50 minutes with minimal decline observed. The well continued flowing at similar rates for 19 hours while drilling ahead before penetrating the next productive interval in the Pacoota-1 sandstone. Whilst the Stairway is typically considered to be tight, the presence of natural fractures provides sufficient permeability which can be exploited through deviated or horizontal drilling techniques (as occurs in the Pacoota at Palm Valley).

The successful flow test in the Upper Stairway provides a good indication of the presence of open natural fractures at WM28. This is consistent with fracture modelling which indicates a high likelihood of natural fractures (predominantly vertical) in the crestal region of the Mereenie field. Significant flows obtained while drilling through the Stairway have also been recorded in prior development wells, indicating there could be extensive portions of the Stairway amenable to commercial production with horizontal wells. Further Stairway appraisal would target those areas with evidence of good flows (such as WM28) to reduce the risk of encountering mineralised fractures, as was the case in the prior Lower Stairway appraisal well, WM26.

There is currently 108 PJ of 2C contingent resource booked in the Stairway (27 PJ net to Central). Further appraisal of the Stairway using horizontal drilling techniques to better access the vertical fracture network could deliver significantly higher flow rates and convert this resource into reserves.

PALM VALLEY (OL3) – NORTHERN TERRITORY

CTP - 50% interest, New Zealand Oil & Gas Ltd - 35%, Cue Energy Resources Ltd - 15%
(Interests from 1 October 2021)

The Palm Valley field produced at an average of 7.4 TJ/d over the quarter, down from 7.9 TJ/d in the June quarter due to natural field decline.

Sales capacity was approximately 7.2 TJ/d at the end of the quarter.

The Palm Valley Deep exploration well will also serve as an appraisal well for the currently producing formation should the Deep exploration target not be successful. If this appraisal well is successful in a way consistent with the Palm Valley 13 well, Palm Valley field production would be increased toward its facility capacity of circa 15 TJ/d.

DINGO GAS FIELD (L7) AND DINGO PIPELINE (PL30) – NORTHERN TERRITORY

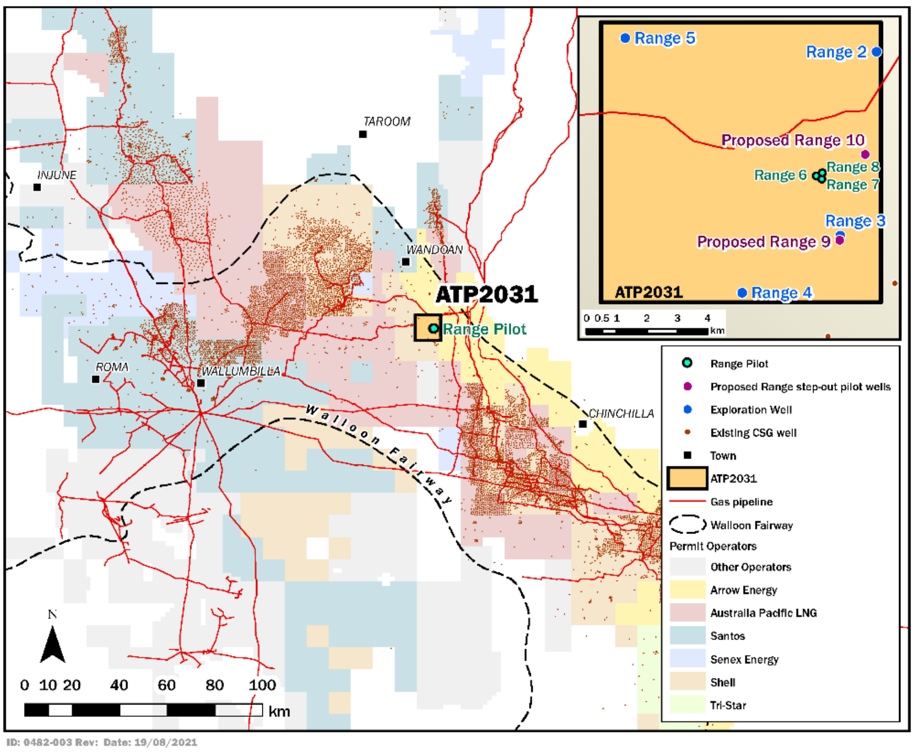
CTP - 50% interest, New Zealand Oil & Gas Ltd - 35%, Cue Energy Resources Ltd - 15%
(Interests from 1 October 2021)

The Dingo gas field supplies gas directly to the Owen Springs Power Station in Alice Springs. Customer nominations over the quarter were relatively consistent with those in the prior quarter, up 2.8% to an average of 3.8 TJ/d. The daily contract volume of 4.4 TJ/d is subject to take-or-pay provisions under which Central is paid annually in January for the previous calendar year's shortfall.

Appraisal Activities

RANGE GAS PROJECT (ATP 2031) – QUEENSLAND

CTP - 50% interest, Incitec Pivot Queensland Gas Pty Ltd ("Incitec") - 50% interest



Testing of the three well Range pilot continued through the quarter, gathering production data to support a final investment decision ("FID"). The pilot is intended to provide key information regarding reservoir productivity (initially via water rates), gas desorption (when gas is first produced), zonal contribution (how much each coal seam is contributing) and the initial production profiles of gas and water ramp up.

Gas breakthrough was observed immediately upon commencement of pumping in June, earlier than expected, indicating the presence of coals that are fully saturated with gas. The pilot wells are currently undergoing interference testing, which currently indicates good communication between wells.

To accelerate technical understanding of water and gas production profiles for FID, the pilot will be expanded with two new step-out wells (Range 9 and 10) which are currently scheduled for this December quarter. The new pilot step-out wells will be spaced at a greater distance apart than the original pilot wells and tied into the existing water tank.

In parallel with the pilot activities, applications for key State and Federal approvals are progressing for the planned full field development. Proposals have been received from several established infrastructure providers for provision of gas processing facilities for the full field development. The Range joint venture is currently targeting a final investment decision in early 2023.

Business Development

SELL-DOWN OF AMADEUS BASIN PRODUCING ASSETS

On 1 October 2021, Central completed the sale of 50% of Central's current working interest in its Amadeus Basin production assets to entities controlled by New Zealand Oil and Gas Limited ("NZOG") and Cue Energy Resources Limited ("Cue") (together, the "NZOG Entities") (the "Transaction").

The assets sold under the Transaction consist of 50% of Central's interests in its producing assets in the Northern Territory, namely, the Mereenie Oil and Gas Field (OL 4/5) ("Mereenie"); Palm Valley Gas Field (OL3) ("Palm Valley"); and Dingo Gas Field (L7) ("Dingo") (together, the "Production Assets").

The transaction had an effective date of 1 July 2020, with completion adjustment for net cash flows generated between the effective date and the completion date (1 October 2021).

Accordingly, on 1 October 2021 Central received consideration consisting of:

- $30 million in cash, which was net of the completion adjustment and shared transaction costs and including reimbursement of $9 million of costs already incurred by Central on activities which are to be carried by NZOG and Cue.
- A carry of $31 million ($40 million less $9 million already expended and reimbursed above) of Central's share of costs for the completion of the upcoming exploration program and other future development and appraisal activities relating to the Production Assets.
- $20.2 million (book value) of obligations assumed by NZOG and Cue to supply up to 4 PJ of gas under the existing pre-sale and accumulated 'take-or-pay' balances. Central has previously received cash payments from both the pre-sale and take-or-pay arrangements.

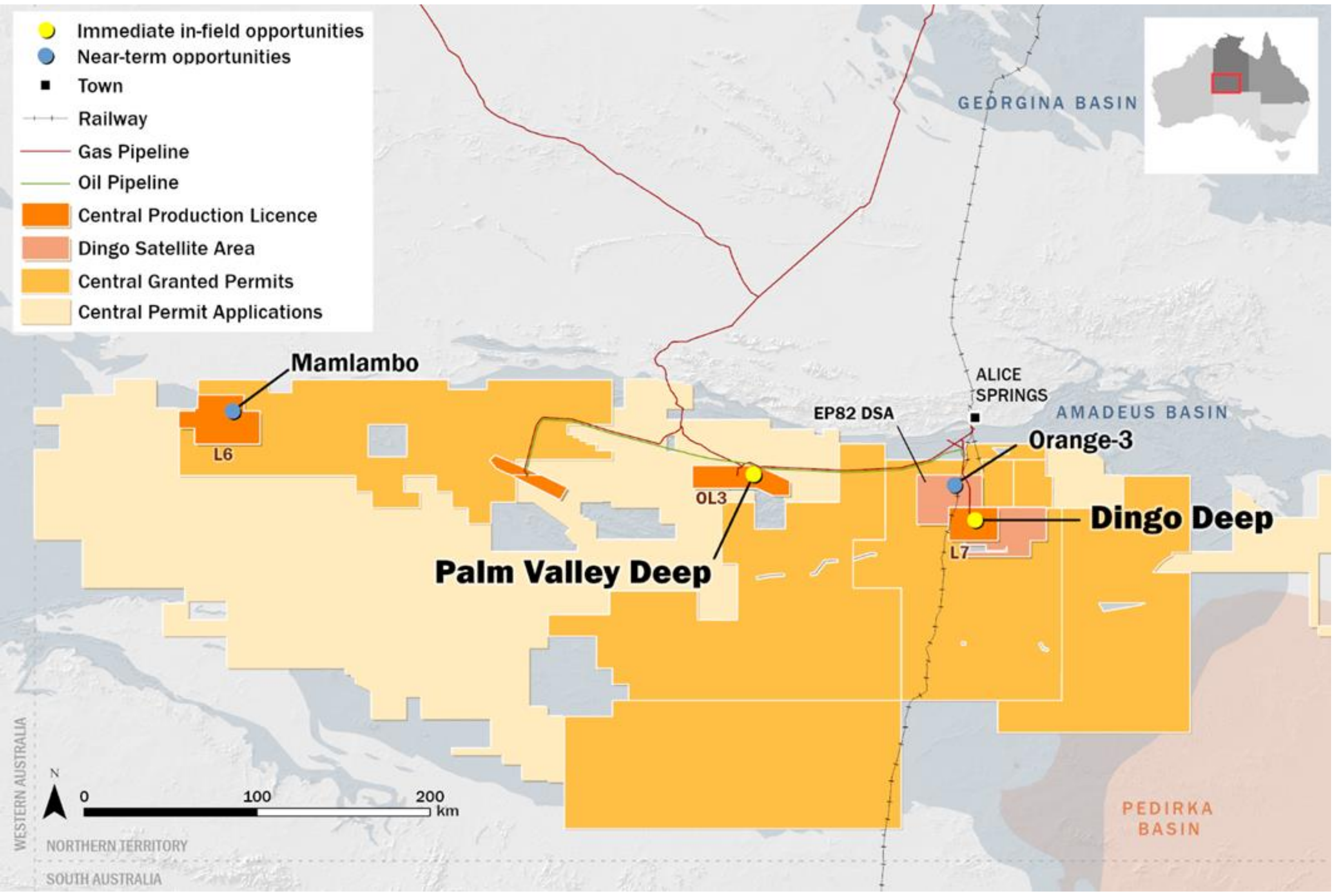
Central expects to recognise a book profit of circa $35 million on the transaction.

Exploration Activities

2021 AMADEUS EXPLORATION PROGRAM – NORTHERN TERRITORY

Preparations for a two-well exploration program scheduled to commence in this December quarter were advanced during the quarter, with the procurement of long-lead items having been completed.

The Palm Valley Deep and Dingo Deep wells will target up to 192 PJ of mean prospective gas resources (96 PJ Central share), testing deeper reservoirs which have produced gas elsewhere in the region. These wells are located within the existing Palm Valley and Dingo fields and, if successful, provide the opportunity for low cost production via tie-in to existing infrastructure.



If the deeper targets are unsuccessful, the wells can be completed in the shallower producing formations as production wells.

DUKAS (EP112) – NORTHERN TERRITORY

CTP interest – 45%, Santos (and Operator) – 55%

Dukas is a gas prospect with multi-TCF potential located approximately 175 km south west of Alice Springs. The Dukas-1 exploration well was suspended at a depth of 3,704m in mid-2019, after encountering hydrocarbon-bearing gas from an over-pressured zone close to the primary target.

In July 2021, Central's interest in the permit increased from 30% to 45% following an election by Santos not to carry $3 million of Central's future costs at Dukas. In October 2021, Santos informed Central that it intended to farm down its interest to 30% and introduce a new joint venture partner, Peak Helium (Amadeus Basin) Pty Ltd, to progress the re-drilling of the Dukas well.

Planning for a Dukas exploration well has progressed during the quarter, with a potential target for the commencement of Dukas drilling by late 2022 or early 2023. In addition, Central continues to engage in discussions for a farmout of certain interests in our Southern Amadeus Basin permits, including EP112, aiming to accelerate sub-salt exploration for helium, hydrogen and hydrocarbons.

EP115, AMADEUS BASIN – NORTHERN TERRITORY

CTP – 100% interest

The Zevon sub-salt lead in EP115 has been defined as a potentially very large closure (circa 1,600 km^2) from seismic and gravity studies and is located in the north-western section of the Amadeus Basin between the Mereenie Oil & Gas Field and the Surprise Oil Field. Regional geological work has focussed on hydrocarbons although the presence of helium and hydrogen within any natural gas encountered could add significant value in the event of a success.

Planning has advanced during the quarter for the acquisition of a 30km experimental seismic line during Q4 CY2021. The aim is to acquire data which can be used to optimise the acquisition parameters for a subsequent larger seismic program (+500km) in 2022 ahead of identifying a potential drilling location. Central is engaging in farmout discussions for EP115 in order to accelerate exploration of the licence area.

Health, Safety and Environment

Central recorded no MTI / LTIs during the quarter and no reportable environmental incidents. The Company's TRIFR (Total Recordable Injury Frequency Rate) at the end of the quarter was zero.

Corporate

CASH POSITION

Drilling activity at Mereenie and procurement for the upcoming Amadeus exploration program resulted in a net cash outflow during the quarter, with cash balances dropping to $23.8 million at the end of the quarter, down from the $37.2 million held at the end of June. The net cash outflow from operations for the quarter was $4.2 million after exploration costs and finance charges, with a further $7.8 million of capital expenditure. Key amounts included:

- Cash receipts from customers during the quarter of $14.9 million.
- Exploration expenditure of $6.8 million, largely for procurement of equipment for the upcoming two well Amadeus exploration program and finalising the costs of the three-well appraisal pilot program at the Range Gas Project.
- Cash production costs of $10.0 million for the current quarter.
- Staff and administration costs of $1.4 million.
- Interest charges of $0.96 million. The debt facility remains efficiently priced (5.52% at quarter end) and tied to the variable BBSY interest rate which remains close to historic low levels.
- Capital expenditure amounted to $7.8 million, reflecting the drilling activity at Mereenie.

Principal repayments under the loan facility totalled $1.0 million during the quarter. The total outstanding loan balance was $65.8 million at quarter end and the balance was subsequently reduced to $36.8 million on 1 October upon completion of the partial asset sale.

Fees, salaries, annual incentives and superannuation contributions paid to Directors during the quarter amount to $0.33 million as disclosed at item 6.1 of the Appendix 5B.

The statement of cash flows for the quarter and financial year to 30 September 2021 are attached to this report at Appendix 5B.

Leon Devaney
Managing Director and Chief Executive Officer

28 October 2021

This ASX announcement was approved and authorised for release by Leon Devaney, Managing Director and Chief Executive Officer

Annexure 1: Interests in Petroleum Permits and Licences

as at 30 September 2021

PETROLEUM PERMITS AND LICENCES GRANTED

Tenement	Location	Operator	CTP Consolidated Entity		Other JV Participants	
			Registered Legal Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
EP 82 (excl. EP 82 Sub-Blocks)	Amadeus Basin NT	Santos	60	60	Santos QNT Pty Ltd ("Santos")	40
EP 82 Sub-Blocks	Amadeus Basin NT	Central	100	100		
EP 105	Amadeus/Pedirka Basin NT	Santos	60	60	Santos	40
EP 112 [1]	Amadeus Basin NT	Santos	30	45	Santos	55
EP 115 (excl. EP 115 North Mereenie Block)	Amadeus Basin NT	Central	100	100		
EP 115 North Mereenie Block [2]	Amadeus Basin NT	Santos	60	100		
EP 125	Amadeus Basin NT	Santos	30	30	Santos	70
OL 3 (Palm Valley)[3]	Amadeus Basin NT	Central	100	50	NZOG Palm Valley Pty Ltd Cue Palm Valley Pty Ltd	35 15
OL 4 (Mereenie) [3]	Amadeus Basin NT	Central	50	25	Macquarie Mereenie Pty Ltd ("Macquarie Mereenie") NZOG Mereenie Pty Ltd ("NZOG Mereenie") Cue Mereenie Pty Ltd ("Cue Mereenie")	50 17.5 7.5
OL 5 (Mereenie) [3]	Amadeus Basin NT	Central	50	25	Macquarie Mereenie NZOG Mereenie Cue Mereenie	50 17.5 7.5
L 6 (Surprise)	Amadeus Basin NT	Central	100	100		
L 7 (Dingo) [3]	Amadeus Basin NT	Central	100	50	NZOG Dingo Pty Ltd ("NZOG Dingo") Cue Dingo Pty Ltd ("Cue Dingo")	35 15
RL 3 (Ooraminna)	Amadeus Basin NT	Central	100	100		
RL 4 (Ooraminna)	Amadeus Basin NT	Central	100	100		
ATP 909	Georgina Basin QLD	Central	100	100		
ATP 911	Georgina Basin QLD	Central	100	100		
ATP 912	Georgina Basin QLD	Central	100	100		
ATP 2031	Surat Basin QLD	Central	50	50	Incitec Pivot Queensland Gas Pty Ltd	50

PETROLEUM PERMITS AND LICENCES UNDER APPLICATION

Tenement	Location	Operator	CTP Consolidated Entity		Other JV Participants	
			Registered Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
EPA 92	Wiso Basin NT	Central	100	100		
EPA 111	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 120	Amadeus Basin NT	Central	100	100		
EPA 124 [4]	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 129	Wiso Basin NT	Central	100	100		
EPA 130	Pedirka Basin NT	Central	100	100		
EPA 131 [5]	Pedirka Basin NT	Central	100	0		
EPA 132	Georgina Basin NT	Central	100	100		
EPA 133 [6]	Amadeus Basin NT	Central	100	100		
EPA 137	Amadeus Basin NT	Central	100	100		
EPA 147	Amadeus Basin NT	Central	100	100		
EPA 149	Amadeus Basin NT	Central	100	100		

Tenement	Location	Operator	CTP Consolidated Entity Registered Interest (%)	CTP Consolidated Entity Beneficial Interest (%)	Other JV Participants Participant Name	Other JV Participants Beneficial Interest (%)
EPA 152 [4]	Amadeus Basin NT	Central	100	100		
EPA 160	Wiso Basin NT	Central	100	100		
EPA 296	Wiso Basin NT	Central	100	100		

PIPELINE LICENCES

Pipeline Licence	Location	Operator	CTP Consolidated Entity Registered Interest (%)	CTP Consolidated Entity Beneficial Interest (%)	Other JV Participants Participant Name	Other JV Participants Beneficial Interest (%)
PL 2 [3]	Amadeus Basin NT	Central	50	25	Macquarie Mereenie NZOG Mereenie Cue Mereenie	50 17.5 7.5
PL 30 [3]	Amadeus Basin NT	Central	100	50	NZOG Dingo Cue Dingo	35 15

Notes:

1 *As announced on 2 August 2021, Santos did not elect that Central be carried for the first $3 million of Dukas-1 well costs and therefore its interest in EP112 (including Dukas-1 well) will decrease from 70% to 55% (Central's interest in EP112 will increase from 30% to 45%).*

2 *On 12 December 2019 Central received notice from Santos of its intention to withdraw from EP 115 North Mereenie Block effective 31 January 2020.*

3 *On 25 May 2021 Central announced an agreement to sell 50% of its existing interests in Mereenie, Palm Valley and Dingo to subsidiaries of New Zealand Oil & Gas Ltd and Cue Energy Resources Ltd, effective 1 July 2020. The transaction settled on 1 October 2021.*

4 *On 22 March 2018 (in respect of EPA 124) and on 23 March 2018 (in respect of EPA 152) Central received notice from the NT Department of Primary Industry and Resources that EPA 124 and EPA 152, respectively, had been placed in moratorium for a period of 5 years from 6 December 2017 until 6 December 2022.*

5 *This exploration permit application has been disposed. Transfer of the registered interest is awaiting the grant of an exploration permit.*

6 *This exploration permit application was placed into moratorium on 22 October 2015 for a five (5) Year period which ended on 22 October 2020. On 25 February 2021, Central was provided with consent to negotiate the grant of this exploration permit.*

Appendix 5B

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

Name of entity

CENTRAL PETROLEUM LIMITED

ABN	Quarter ended ("current quarter")
72 083 254 308	30 SEPTEMBER 2021

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	14,917	14,917
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(6,835)	(6,835)
	(b) development	–	–
	(c) production and gas purchases	(9,966)	(9,966)
	(d) staff costs	(1,165)	(1,165)
	(e) administration and corporate costs (net of recoveries)	(236)	(236)
1.3	Dividends received (see note 3)	–	–
1.4	Interest received	16	16
1.5	Interest and other costs of finance paid	(956)	(956)
1.6	Income taxes paid	–	–
1.7	Government grants and tax incentives	11	11
1.8	Other (provide details if material)	30	30
1.9	**Net cash from / (used in) operating activities**	**(4,184)**	**(4,184)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	–	–
	(b) tenements	–	–
	(c) property, plant and equipment	(7,800)	(7,800)
	(d) exploration & evaluation (if capitalised)	–	–
	(e) investments	–	–
	(f) other non-current assets	–	–
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 - (lodgement) or redemption of security deposits	(231)	(231)
2.6	**Net cash from / (used in) investing activities**	**(8,031)**	**(8,031)**

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	(1,000)	(1,000)
3.7	Transaction costs related to loans and borrowings	–	–
3.8	Dividends paid	–	–
3.9	Other (principal elements of lease payments)	(197)	(197)
3.10	**Net cash from / (used in) financing activities**	**(1,197)**	**(1,197)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	37,165	37,165
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,184)	(4,184)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8,031)	(8,031)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,197)	(1,197)
4.5	Effect of movement in exchange rates on cash held	–	–
4.6	**Cash and cash equivalents at end of period**	**23,753**	**23,753**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances[1]	23,753	37,164
5.2	Call deposits	–	–
5.3	Bank overdrafts	–	–
5.4	Other (cash on hand)	–	1
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**23,753**	**37,165**

[1] *Includes the Group's share of Joint Venture bank accounts and cash held with Macquarie Bank Limited (Current Quarter $10,362,820, Previous Quarter $11,112,442) to be used for allowable purposes under the Facility Agreement.*

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	330
6.2	Aggregate amount of payments to related parties and their associates included in item 2	–

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

Includes Directors Fees, Salaries, Annual Incentive Award and superannuation contributions.

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	65,809	65,809
7.2	Credit standby arrangements	–	–
7.3	Other (please specify)	–	–
7.4	**Total financing facilities**	65,809	65,809

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.

7.1 – Represents the Macquarie Bank loan facility which is a secured partially amortising term loan maturing 30 September 2022 with quarterly principal and interest repayments. The interest rate at the end of the current quarter is 5.52% (floating interest rate).

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(4,184)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	–
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(4,184)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	23,753
8.5	Unused finance facilities available at quarter end (Item 7.5)	–
8.6	Total available funding (Item 8.4 + Item 8.5)	23,753
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	**5.7**

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

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

Answer: N/A

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

Answer: N/A

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

Answer: N/A

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2021...

Authorised by: Leon Devaney, Managing Director and CEO.............
(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.