

Quarterly Activities Report for the Period Ending 31 December 2022

OPERATIONAL HIGHLIGHTS

- Tombola remains confident in its overall strategy, and on track to become a significant Australian gold producer, despite the recent disruption to production at the GAM plant.
- Mining activities continued at the Company's two operating mines, Comstock and Shamrock, with the first material being delivered from the Mt Freda Run of Mine pad plant for crushing and processing.
- Gold processing commenced during the quarter, following the refurbishment of the GAM plant. However just prior to Christmas, a problem was encountered within the crushing circuit at the GAM Plant.
- Advanced to 100% ownership of the Golden Mile Project, substantially increasing Tombola's share of the planned production of Golden Mile material.
- Agreement with Ilwella Pty Ltd, and \$500,000 received, for the pre-sale of the first 200 ounces of gold to be produced, a key milestone in the pursuit to become a gold producer.
- Further significant gold intercepts delivered at the Mt Scheelite Gold Project, indicating the potential to increase gold production across the Company's portfolio.

CORPORATE HIGHLIGHTS

- Appointment of Mr Trevor Coombe as an Executive Director, fulfilling the duties of a Chief Operating Officer.
- Successful capital raisings via a private placement to raise \$3.45m, and a Share Purchase Plan (SPP) raising \$1.12m.

Commenting on the Quarter, Tombola Chairman and CEO, Byron Miles, commented:

"The December 2022 Quarter was a key period for the Company, with Tombola laying a solid foundation for 2023, as we remain confident in our overall strategy, and on track to become a significant Australian gold producer.

Following the refurbishment of the GAM Plant, Tombola commenced gold processing in December 2022, however the Company experienced a fault with the original crushing circuit, as announced. Arrangements are in place for a new crusher to be mobilised to site to recommence crushing, which will enable the GAM plant to recommence operations. Importantly, the project fundamentals remain unchanged.

Unfortunately, the fault with the crusher was out of the Company's control, with the Tombola management team working tirelessly over the holiday period to find a solution to facilitate the recommencement of processing. Our efforts were hindered by a number of convergent factors, however we are very pleased to have found a solution and look forward to recommencing operations shortly.

During the Quarter, mining continued at both Comstock and Shamrock, and the Company achieved a major milestone with first material from Comstock and Shamrock being delivered from the Mt Freda Run of Mine pad plant for crushing and processing.

The Company also advanced to 100% ownership of the Golden Mile, significantly increasing its planned future revenue share of Golden Mile materials.

Tombola continued to achieve exploration success during the December Quarter, with significant gold intercepts delivered at the Mt Scheelite Gold Project, and we look forward to further advancing our exploration projects over the coming year."

Tombola Gold Ltd (**ASX:TBA**) ("**Tombola**", or the "**Company**"), a company focussed on near-term gold production in Cloncurry, Queensland, is pleased to provide an overview of the Company's activities for the period ending 31 December 2022 ("**Quarter**", "**Reporting Period**").

OPERATIONAL

Commencement of Gold Processing

During the Quarter, Tombola announced the achievement of a significant milestone with the commencement of gold processing. Mining activities continued during the Quarter at the Company's two operating mines, Comstock and Shamrock, with the first material delivered from the Mt Freda Run of Mine pad plant to the Great Australian Mine ("GAM") plant for crushing and processing. By 30 November 2022, the Company had hauled an initial 20,000 tonnes of ore to the GAM plant.

This followed the October 2022 agreement for the short-term lease of the Great Australian Mine ("GAM") plant from True North Copper Pty Ltd.

In December 2022, the Company experienced a fault within the crushing circuit at the GAM plant. As outlined in the Company's ASX release dated 20 January 2023, its efforts to rectify the issue encountered with the original crushing circuit were hampered by a number of convergent factors including the non-availability of spare parts, the shut-down of most businesses for the Christmas period, and the State Government moratorium on heavy vehicle movements on Queensland Roads over the holiday period.

Advance to 100% Ownership of Golden Mile

During the Reporting Period, the Company advanced to 100% ownership of the Golden Mile Project ("Golden Mile") in Cloncurry, Queensland, increasing its ownership from 93%, via successful negotiations with ASX-listed Aeris Resources Ltd (ASX: AIS).

Mining at Golden Mile commenced during the Quarter, and will continue to play a key role in Tombola's strategy of becoming a significant Australian gold producer.

Golden Mile contains the following gold resource to JORC standard, which is now 100% owned by the Company.

Deposit	Indicated			Inferred			Total			Cut Off Au g/t
	Tonnes	Au g/t	Oz	Tonnes	Au g/t	Au Oz	Tonnes	Au g/t	Au Oz	
Golden Mile	65,000	3.15	6,600	607,000	1.62	31,600	672,000	1.76	38,200	0.5

Discrepancies may occur due to rounding.

Originally published in the TBA ASX Release of 3 June 2020

Confirmed Potential at Mt Scheelite

On 21 November 2022, Tombola announced continued positive results from the Company's initial drilling program at the Mt Scheelite Target, within the highly prospective Golden Mile Complex in Cloncurry, Queensland.

One Diamond hole was drilled as the last drill hole in initial exploration program, to confirm the significant results from the recently completed RC drilling program and to provide drill core for further analysis and testing.

Key Intercept from MS22DD001:

- 15m @ 6.96 g/t Au from 28m, including
 - 6m @ 7.41 g/t Au from 28m
 - 5m @ 11.20 g/t Au from 37.5m, including
 - 2.5m @ 15.54 g/t Au from 40m

The results confirm the potential for Mt Scheelite to ultimately feed into the forecast gold production schedule.

Agreement to Generate First Cash Flow

During the Quarter, Tombola announced that it had achieved a significant milestone by reaching agreement with Ilwella Pty Ltd, one of the Company's shareholders, for the pre-sale of the first 200 ounces of gold to be produced. The Company received cash of approximately \$500,000 as a result of the pre-purchase transaction.

CORPORATE

Successful Capital Raising

In November 2022, Tombola announced that the Company had successfully raised \$3.45m via a private placement to new and existing institutional and sophisticated investors at \$0.026 per share.

In order to provide shareholders who did not take part in the private placement offer with an opportunity to invest at the Placement Issue Price, the Company undertook a fully underwritten Share Purchase Plan (SPP) to registered shareholders, raising a total of \$1.12m.

Board Changes

On 21 October 2022, Tombola announced the resignation of Mr Samuel Kennedy from the Board, replaced by Mr Trevor Coombe, who has previously been a Director of the Company. Mr Coombe was appointed as an Executive Director, undertaking the duties and responsibilities associated with a Chief Operating Officer.

Mr Coombe was previously Managing Director of Young Australia Mines Limited, and Norske Hydro's Head of Global Alumina and Smelter Growth for the Oceania Region. Norske Hydro is one of the major global integrated aluminium producers and Mr Coombe served in these roles for a period of over 13 years. Prior to entering the aluminium industry, Mr Coombe was involved in the mining industry for over 30 years, including as CEO of Savage Resources' coal mining operation at Liddell Mine in the Hunter Valley, and General Manager of Pasminco's silver-lead-zinc-gold-copper mining operations at Rosebery, Tasmania.

This announcement was authorised by the Board of Directors.

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About Tombola Gold Ltd

Tombola Gold (ASX:TBA) is a new Australian gold producer, with mining underway and expansion in progress as the Company fast tracks to first cash flow in 2022.

The Company's previously published Scoping Studies indicate potential for profitable operation (ASX Release - Scoping Study Propels Gold Projects Towards Production – 26 July 2021).

The Mt Freda Complex consists of several gold mines including the Mt Freda Gold Project (TBA 80%) and Golden Mile Project, which are in close proximity to core infrastructure in the area including roads and power, with the Company already advanced in constructing its own gold processing plant on site. Tombola has a well-defined expansion strategy of utilising near-term gold cashflows to drive resource expansion with LOM extensions and exploration focus.

The Company also holds the Burra Project located in South Australia, a world class copper, gold and REE target, with a strategic tenement holding in a world-class domain.

Competent Person's Statement

Information in this Announcement is compiled and reviewed by Mr. Rod Watt, who is an Executive Director of the Company and Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Watt has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Watt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

The materials may include forward looking statements. Forward looking statements inherently involve subjective judgement, and analysis and are subject to significant uncertainties, risks, and contingencies, many of which are outside the control of, and may be unknown to, the company. Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on forward looking statements. Any forward-looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, the company does not undertake any obligation to publicly update or revise any of the forward-looking statements, changes in events, conditions or circumstances on which any statement is based.

APPENDIX - TOMBOLA TENEMENT SCHEDULE

Tenement	Project Name	Holder	Tombola Beneficial Interest (%)	Grant Date	Expiry Date	Area (EPM km ²) (ML ha)	Status
EPM 14163	White Range #2	QMC Exploration Pty Ltd	80	19/10/2004	18/10/2022	17	Granted
EPM 14475	White Range #4	Spinifex Mines Pty Ltd	80	27/06/2005	26/06/2025	36	Granted
EPM 15858	Sunny Mount	QMC Exploration Pty Ltd	80	23/10/2008	22/10/2026	17	Granted
EPM 18286	Elder Creek	QMC Exploration Pty Ltd	80	14/01/2013	13/01/2022	10	Renewal lodged
EPM 27763	Mt Freda West	Ausmex Resources Pty Ltd	80	23/9/2021	23/9/2026	85	Granted
ML 2517	Answer	Tombola Gold Limited	100	01/12/1973	30/11/2025	8.09	Granted
ML 2541	Belgium	Tombola Gold Limited	100	01/02/1974	31/01/2031	4.05	Granted
ML 2549	The Trump	Tombola Gold Limited	100	01/02/1974	31/01/2031	12.14	Granted
ML 2741	Mt Freda	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	3.80	Granted
ML 2742	Evening Star	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	8.09	Granted
ML 2750	Evening Star North Extd	Spinifex Mines Pty Ltd	80	26/01/1989	31/01/2028	5.14	Granted
ML 2752	Mt Freda Extd	Spinifex Mines Pty Ltd	80	23/02/1989	29/02/2028	116.48	Granted
ML 2763	Evening Star North	Spinifex Mines Pty Ltd	80	08/06/1989	30/06/2028	8.00	Granted
ML 100201	Golden Mile	Ausmex Resources Pty Ltd	93.72	27/07/2021	27/07/2031	116	Granted

Table 1 - Cloncurry Projects, QLD Tenements

Tenement	Project Name	Registered Holder	Tombola Beneficial Int (%)	Grant Date	Expiry Date	Area (km ²)	Status
EL 5881	Burra	Ausmex SA Pty Ltd	100	04/11/2016	03/11/2021	970	Renewal Lodged
EL 6101	Burra East	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	929	Granted
EL 6102	Burra North West	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	990	Granted
EL 6103	Worlds End South	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	986	Granted
EL 6116	Burra Far South	Ausmex SA Pty Ltd	100	02/03/2018	01/03/2023	128	Granted
EL 6158	Riverton	Ausmex SA Pty Ltd	100	22/05/2018	21/05/2023	986	Granted
EL 6201	Worlds End	Ausmex SA Pty Ltd	100	20/07/2018	19/07/2023	818	Granted
EL 6305	Hansborough Area	Ausmex SA Pty Ltd	100	08/02/2019	07/02/2024	190	Granted
EL 6306	Tarlee Area	Ausmex SA Pty Ltd	100	08/02/2019	07/02/2024	199	Granted
EL 6386	PNX Bagot Well	Ausmex SA Pty Ltd	100	05/08/2019	04/08/2024	71	Granted
EL 6430	PNX Washpool	Ausmex SA Pty Ltd	100	10/11/2019	09/11/2024	92	Granted
EL 5874	PNX Burra West	Ausmex SA Pty Ltd	100	25/07/2016	24/07/2021	69	Renewal Lodged
EL 5910	PNX Spalding	Ausmex SA Pty Ltd	100	02/01/2017	1/01/2022	157	Renewal Lodged
EL 5918	PNX Princess Royal	Ausmex SA Pty Ltd	100	23/11/2016	22/11/2021	314	Renewal Lodged
EL 6150	PNX Burra North	Ausmex SA Pty Ltd	100	06/03/2012	05/03/2022	300	Renewal Lodged
EL 6326	PNX Burra Central	Ausmex SA Pty Ltd	100	24/02/2019	23/02/2024	84	Granted
EL 6327	PNX Mongolata	Ausmex SA Pty Ltd	100	10/03/2019	09/03/2024	60	Granted

Table 2 - Burra Project, SA Tenements

Appendix 5B

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

Name of entity

Tombola Gold Limited

ABN

62 148 860 299

Quarter ended ("current quarter")

31 December 2022

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	500	500
1.2	Payments for		
	(a) exploration & evaluation	(303)	(1,230)
	(b) development	-	-
	(c) preliminary production and mining only	(4,433)	(8,256)
	(d) staff costs	-	-
	(e) administration and corporate costs	(383)	(821)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	6
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	95	95
1.8	Fees receivable (refer Financial Report 30 June 2020)	-	-
1.9	Net cash from / (used in) operating activities	(4,521)	(9,706)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(1,073)	(2,414)
	(c) property, plant and equipment	-	(1,060)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets – surety	-	-

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	-	-
	(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	(1,073)	(3,474)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,226	8,537
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	4,226	8,537

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,807	5,082
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,521)	(9,706)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,073)	(3,474)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,226	8,537

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	439	439

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	439	1,807
5.2	Call deposits	-	-
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)	439	1,807

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	186
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>		

The amounts reported in item 6.1 relate to payments made to Directors, including executive and non-executive fees for the quarter.

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

7.	Financing facilities <i>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.</i>	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)	4,521
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	4,521
8.4	Cash and cash equivalents at quarter end (item 4.6)	439
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	439
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.10
	<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?	
	<p>Answer:</p> <p>Yes subsequent to period end the Company obtained a financing facility. An announcement regarding the terms of the facility is pending the finalisation of discussions with ASX.</p>	
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?	
	<p>Answer:</p> <p>Refer 8.8.1, the Company has obtained a financing facility ahead of the Company commencing the generation of cash flows via gold production in Queensland.</p>	

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:

Yes on the basis of the responses outlined above and the anticipation of cashflows generated by the recommencement of gold production.

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.

31 January 2023

Date:

The Board of Directors

Authorised by:
(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.