ASX ANNOUNCEMENT 30 APRIL 2019

QUARTERLY ACTIVITIES REPORT FOR MARCH QUARTER 2019

COMPANY DETAILS

LITHIUM AUSTRALIA NL
ABN: 29 126 129 413
ASX CODE: LIT & LITCE

PRINCIPAL AND REGISTERED OFFICE
Level 1, 675 Murray Street
West Perth WA 6005

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POSTAL ADDRESS
PO Box 1088
West Perth WA 6872

CORPORATE INFORMATION
(29 April 2019)
466 M Ordinary Shares
170 M Listed Partly Paid Shares
45 M Unlisted Options
36 M Performance Rights
5 M Convertible Notes

BOARD OF DIRECTORS
George Bauk
(Non-executive Chairman)
Adrian Griffin
(Managing Director)
Bryan Dixon
(Non-executive Director)

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**CLOSING THE LOOP ON THE ENERGY METAL CYCLE:
LITHIUM AUSTRALIA TAKES EQUITY POSITION IN BATTERY RECYCLING COMPANY ENVIROSTREAM AUSTRALIA PTY LTD, WHICH HOLDS THE NETWORK COLLECTION KEY.
QUARTERLY REPORT FOR MARCH 2019**

HIGHLIGHTS

Raw materials

- At Lithium Australia's Medcalf prospect at Lake Johnston WA, an exploration programme undertaken in January 2019 confirms the presence of spodumene pegmatite swarms very low in deleterious elements.
- Lithium Australia completes aerial survey at its Youanmi lithium project and continues exploration.
- Lithium Australia commences a pre-feasibility study for the Sadisdorf lithium project (Germany), to investigate the viability of producing cathode materials for lithium-ion batteries.

Lithium chemicals

- Lithium Australia advises it aims to progress to a continuous pilot plant for its 100%-owned LieNA® process, which offers an alternative to conventional spodumene refining.
- Lithium phosphate refining represents a superior process flow for the production of lithium-ion battery cathode materials.

Lithium-ion batteries

VSPC awaits commercial evaluation of cathode material it sent to China, Japan and India.

SUBSEQUENT EVENTS

Recycling

Battery recycling made easy: Lithium Australia and Envirostream Australia form recycling alliance.

MEDIA CONTACTS

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DEVELOPMENT STRATEGY

Lithium Australia NL (ASX: LIT) has advanced its aim of developing an integrated business that capitalises on all major sectors of the lithium supply chain – and in so doing closes the loop on the energy metal cycle.

Key elements of the Company's strategy include the following.

- Sourcing appropriate raw materials.
- Advancing its 100%-owned SiLeach® and LieNA ® technologies, both of which are capable of converting mine waste to lithium chemicals.
- Employing its VSPC technology to convert lithium chemicals into lithium-ion battery cathode materials of superior quality.
- Advancing its recycling technology to recover valuable metals, including lithium and cobalt, from spent batteries, protecting the environment in the process.

Lithium Australia's growing resource base complements its developing processing technologies, in that the latter can breathe new life into stranded assets. A prime example of this is the Sadisdorf deposit in Germany (an abandoned tin mine), in which the tin mineralisation is associated with lithium micas that, prior to the advent of SiLeach®, were of no commercial value. The SiLeach® process, which is capable of recovering lithium from these micas, adds significant value to this asset.

During the quarter, production of cathode materials, a lucrative element in the lithium-ion battery production cycle, continued at the Company's 100%-owned VSPC pilot plant, located in Brisbane. Samples of cathode powder produced there are currently being evaluated by international battery manufacturers.

By integrating its SiLeach® and VSPC processes, Lithium Australia aims to establish a pathway from mine waste to lithium-ion battery manufacture. In the December 2018 quarter, **Lithium Australia achieved a world first by creating a lithium-ion battery from waste rock; the performance of that battery compared very favourably with those manufactured using battery-grade lithium carbonate.**

LITHIUM CHEMICALS

SiLeach® pilot plant – Generation 3, the next step

Lithium Australia completed a successful pilot-plant run at its Generation 2 SiLeach® facility, with that run achieving overall lithium recoveries of around 90%. The data generated was used in the design of the Generation 3 pilot plant, which is scheduled to be constructed at ANSTO's minerals facility in Lucas Heights, New South Wales in 2019. That plant will be assembled using commercial components, in order to demonstrate its scalability, as well as the veracity of the SiLeach® process for commercial production of lithium chemicals. A key discovery during the Generation 2 run was that recovering lithium as a phosphate, rather than carbonate or hydroxide, produced a number of process advantages. The lithium phosphate can be easily refined to improve its purity and is a superior form of lithium chemical for the synthesis of lithium iron phosphate (LFP) cathode materials.

LieNA® pilot plant – the pre-cursor to Generation 1

Lithium Australia advised during the quarter that it will progress to a continuous pilot plant for its 100%-owned LieNA® process, which offers an alternative to conventional spodumene refining. Recently, the Company completed preliminary R&D on the process at ANSTO; this was supported by a conceptual engineering assessment on the applicability of the LieNA® flowsheet to spodumene feed material.

The results indicated that further development of the process is warranted. During the next stage of R&D, already begun at ANSTO, final product synthesis, refining and the recycling of reagents will be examined. This work, which is scheduled to continue throughout 2019, aims to confirm the technical criteria required to commit to a pilot-plant programme.

LITHIUM-ION BATTERIES

VSPC cathode materials

VSPC Ltd, a wholly owned subsidiary of Lithium Australia, is based in Brisbane, Queensland. Comprising a comprehensive pilot plant and advanced laboratory and testing facilities, VSPC uses proprietary technology to create advanced cathode materials – a lucrative element in the battery production cycle – to produce lithium-ion batteries of superior quality.

The VSPC process begins with the cathode metals in solution, from which cathode nanoparticles are precipitated to produce the nanopowders used in the manufacture of lithium-ion batteries. Producing the metal solutions can involve the integration of SiLeach®-generated lithium phosphate (see above), thereby eliminating the need for the lithium carbonate or hydroxide conventionally used in the production of lithium-ion batteries. This has the potential to remove a number of steps in the battery manufacturing process and so reduce costs. Lithium Australia is currently investigating such seamless production of cathode materials from hard-rock minerals.

During the quarter, the production of cathode materials at VSPC was ongoing. Currently, international battery manufacturers in China, Japan and India are evaluating samples of the VSPC cathode powder.

RAW MATERIALS

Exploration activities for the quarter

At present, Lithium Australia's preferred supply model is to obtain lithium mica from the waste streams (historical dumps and tailings) or discharge from currently operating mines; however, other supply opportunities are also being evaluated.

Sadisdorf lithium project, Germany

During the quarter, Lithium Australia commenced a pre-feasibility study (PFS) of the Sadisdorf lithium project, in order to investigate the viability of producing cathode materials for lithium-ion batteries from that location. As part of that PFS, samples collected from Sadisdorf will be used as feedstock for the SiLeach® Generation 3 continuous pilot plant.

Medcalf lithium prospect, Western Australia

In 2018 Lithium Australia identified lithium pegmatite swarms at the Medcalf prospect, part of its Lake Johnston project (Figure 1). Medcalf lies within the highly lithium-prospective Yilgarn Craton, which is attracting investment from some of the world's largest lithium companies – it hosts the major lithium deposits at Earl Grey (Kidman Resources and SQM), Mt Marion (NeoMetals, Gangfeng and Mineral Resources) and Mt Catlin (Galaxy).

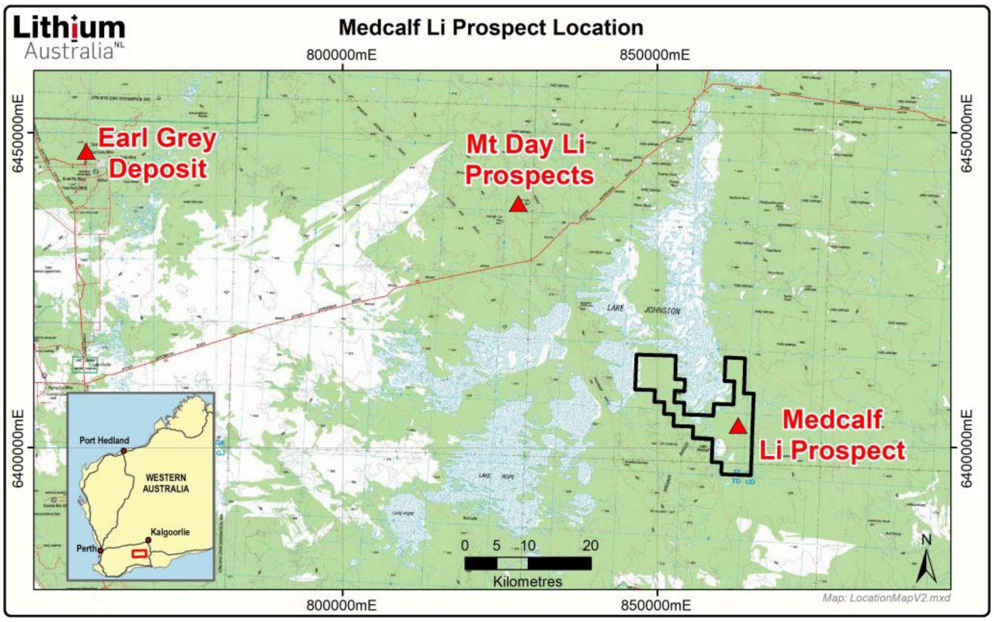

Figure 1 – location of Medcalf lithium prospect.

Fieldwork undertaken at Medcalf in January 2019 [(see ASX announcement 5 February 2019)]() confirmed that the outcrop of a spodumene-enriched pegmatite swarm is 450 metres (m) long and 100 m wide, trending in a northwest-southeast direction (Figure 2).

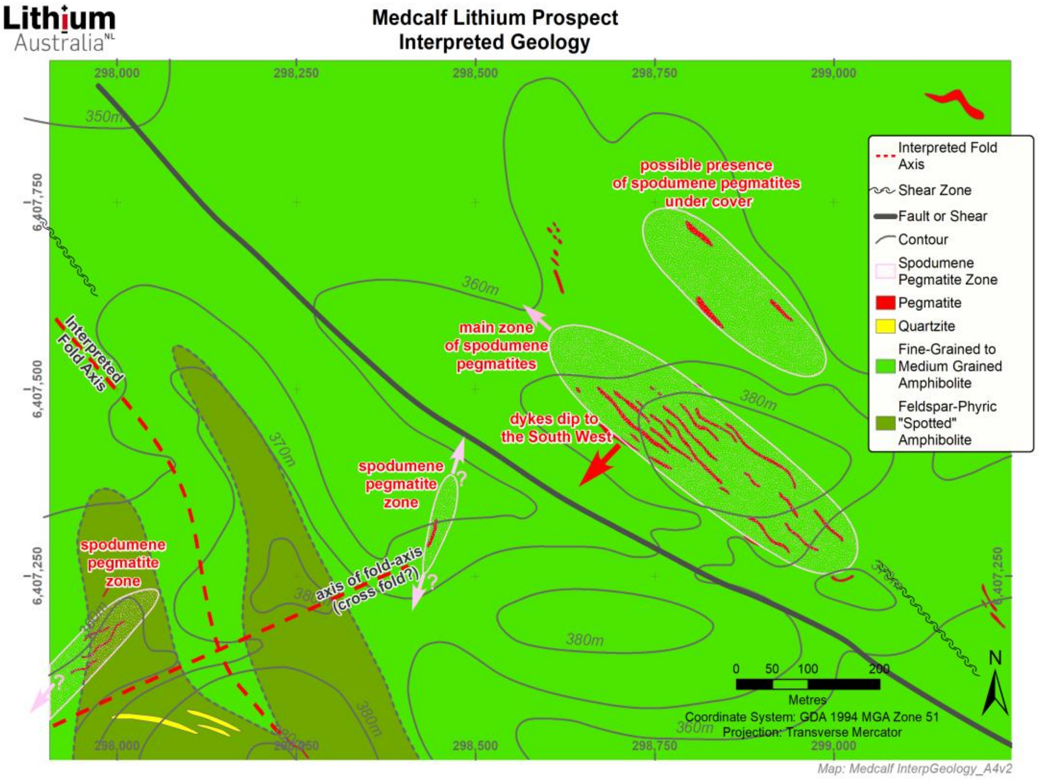

Figure 2 – Medcalf interpreted geology.

That fieldwork included a geochemical soil-sampling programme over an area 1300 m by 700 m, centred on the outcropping pegmatites. Soil assay results for lithium (Li) are highly elevated, with only 30% of the assay results being less than 100 parts per million (ppm) Li (Figure 3).

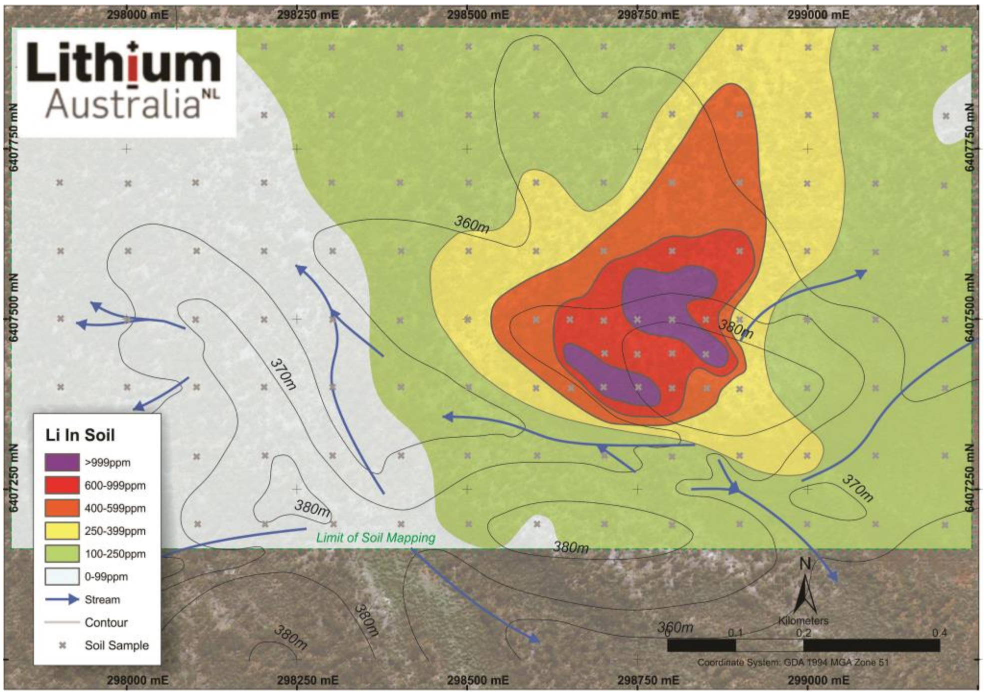

Figure 3 – Medcalf lithium soil anomaly.

The swarm comprises at least 20 individual pegmatite dykes, all dipping towards the southwest. Individual dykes range from about 20 m to 120 m in length and 1 m to 5m in thickness. Most of the spodumene-bearing pegmatites in the area investigated, which are part of a pegmatite swarm centred upon 'Bontempelli Hill', are the source of the prominent lithium-in-soil anomaly (Figure 3 and Appendix 1 in ASX Release dated 15 April 2019). However, the lithium-in-soli anomaly northeast of the hill may be due in part to the presence of underlying spodumene-bearing pegmatites.

Rock-chip sampling of the pegmatite outcrops indicated that these were primarily spodumene-bearing rock. In all, 20 samples were collected. Results, which are presented in Table 1 below, include those from samples collected in 2018 and reported previously. See ASX Release dated 15 April 2019 which includes soil sample assay results and the JORC Code 2012 Edition Table 1 Report.

The recently completed field work makes it possible to estimate a conceptual Exploration Target for the dyke swarm. This Exploration Target, a target based upon the potential quantity and quality of mineralisation present, is in the range of ***5 million tonnes (Mt) to 8 Mt @ 0.8% lithium oxide (Li_2O) to 1.2% Li_2O.*** The Exploration Target reported herein is not a JORC-compliant Mineral Resource – the potential quantity and grade are conceptual in nature, there having been insufficient exploration to determine a Mineral Resource. At this stage, there is no certainty that further exploration work will result in the determination of a Mineral Resource. The size potential of the Exploration Target is based upon the geological mapping of the outcropping pegmatites, and the lithium geochemical soil anomaly, with the dyke swarm interpreted to potentially strike over a length of 300 m to 500 m. The pegmatites have a potential down-dip extent of 200 m; at least 10 of the dykes identified have an average thickness of 3 m.

A bulk density value of 2.7 was assumed for the pegmatites. The grade potential is based upon 10 rock-chip samples of spodumene-bearing rock taken in the recent field programme, which averaged 3.6% Li_2O. Based on field observations, approximately one third of each pegmatite is spodumene-bearing, giving a potential grade range of up to 1.2% Li_2O.

Drilling to test this target is warranted. A fence of reverse-cycle drill holes is proposed across the main outcropping area of spodumene-bearing pegmatites, which is also approximately coincident with the lithium geochemical soil anomaly. Approvals will be sought from the appropriate authorities, with drilling expected to commence in Q4, 2019.

Table 1 – Assays of samples from spodumene-bearing pegmatites.

SAMPLE I.D.	Easting (mE)	Northing (mN)	Li_2O (%)	Rb (ppm)	Cs (ppm)	Ta (ppm)
MB1	299672	6407479	BLD	3106	42	1
ME1	298925	6407396	0.011	5705	71	72
ME2	298777	6407449	0.379	6761	97	45
ME3	298764	6407465	4.166	392	8	85
ME4	298765	6407463	4.775	604	13	94
ME5	298765	6407463	7.150	220	8	27
ME6	298773	6407458	3.126	916	19	61
ME7	298765	6407480	3.068	499	30	57
MR1	299655	6407484	0.002	2250	29	7
MR2	299666	6407504	BLD	1906	45	15
MR3	299677	6407545	0.009	783	12	20
MR4	299562	6407525	BLD	2563	36	4
MR5	298710	6407460	2.752	1249	23	131
MR6	298767	6407442	3.158	78	5	123
MR7	298756	6407437	2.235	2190	42	173
MR8	298730	6407468	5.128	250	10	133
MR9	298809	6407449	2.775	1023	30	18
MR10	297956	6407134	1.509	1025	45	157
MR11	298440	6407304	2.543	1504	33	181
MR12	298900	6407410	4.745	175	7	55

Rb = rubidium, Cs = cesium, Ta = tantalum

Youanmi lithium project, Western Australia

On 2 October 2018 Lithium Australia announced it had signed an option to acquire the prospective Youanmi lithium/vanadium project, located in the Murchison District in Western Australia (Figure 4).

The project, consisting of three exploration licences in the Archean Yilgarn Block, is approximately 450 kilometres (km) northeast of Perth. It hosts abundant lithium pegmatites intruding layered mafic rocks, with the latter also hosting vanadium-rich magnetite horizons. The pegmatites are strongly fractioned, with the dominant lithium mineral being lepidolite (a lithium mica). Initial work at Youanmi has revealed occurrences of lepidolite-bearing pegmatites in a belt over a strike length of almost 3 km and a width of at least 200 m. Rock sampling has confirmed lithium values of up to 4.2% Li_2O, as well as anomalous caesium and tantalum values.

Recent field reconnaissance at, and detailed mapping of, Youanmi by Lithium Australia have so far confirmed the presence of lepidolite-bearing pegmatites at surface over a strike length of 2.5 km. The pegmatites occur as clusters, with individual pegmatite outcrops up to 400 m long and 50 m wide on surface.

Outcropping pegmatites in the south occur in a north-south trending hill 900 m long and 500 m wide, situated 700 m northwest of West Bore. That hill is a sequence of layered mafic rocks intruded by pegmatite dykes to form a complex anastomosing array. Orientation of the pegmatites varies from shallow to steeply east-dipping.

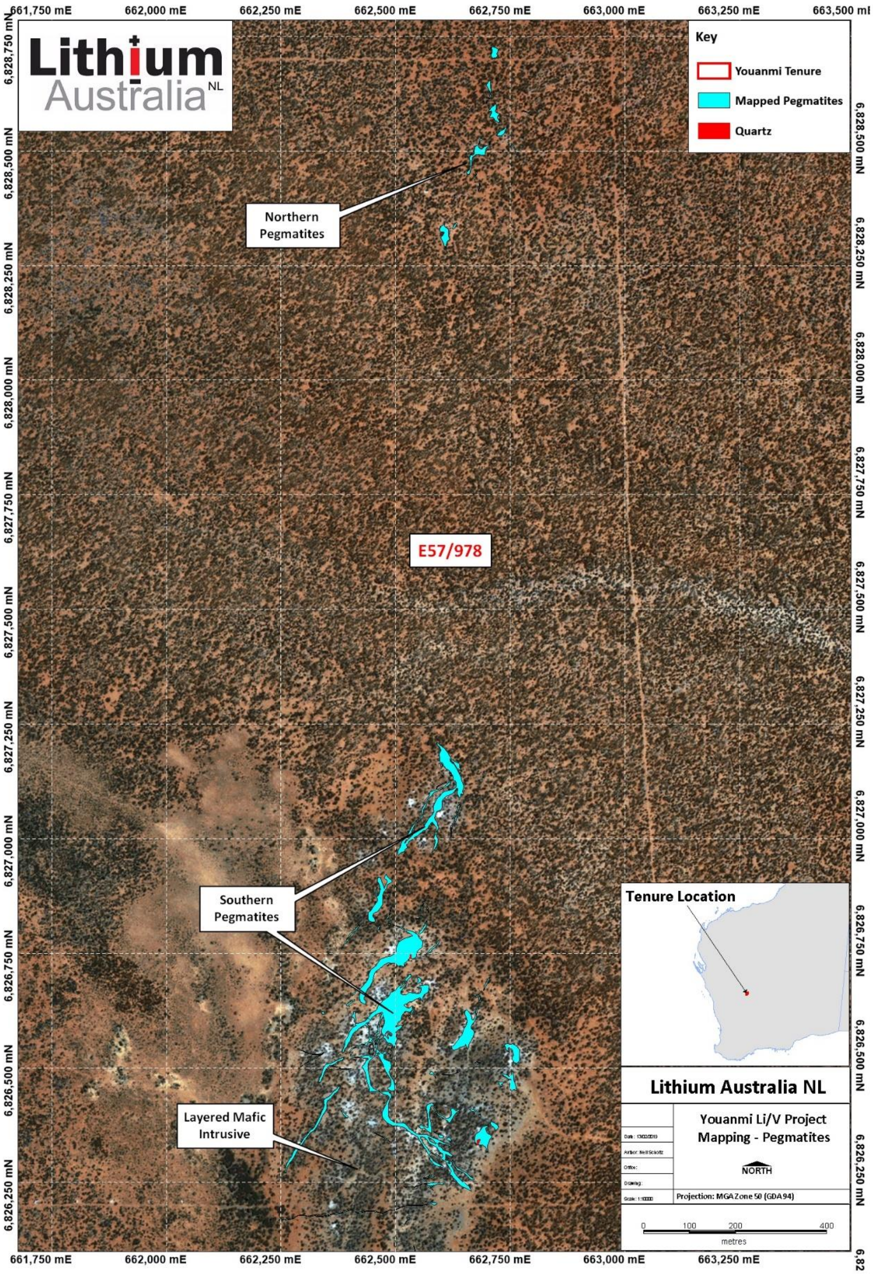

Figure 4. Mapped Youanmi pegmatites.

Adjacent to the hill on its northern side, a lepidolite-bearing pegmatite occurs over a strike length of at least 300 m, with a surface outcrop width of at least 25 m. The pegmatite has a generally north-south trend, with dipping moderate to steep towards the east. About 1 km further north, another cluster of lepidolite-bearing pegmatites outcrops within a sheetwash plain. The outcrops occur over a strike length of 600 m and a width of 200 m.

Figure 4 shows the extent of the lepidolite-bearing pegmatites discovered and mapped to date. Detailed mapping of the pegmatites and pegmatite dykes was carried out on a scale of 1:1000. The pegmatites consist of quartz-feldspar-mica and range from fine-grained to very coarse. While lepidolite is common in the pegmatites, field observations indicate that it ranges between ~5% and 35% in certain zones (Figure 5). (NB: the lepidolite content is a visual estimate and does not necessarily indicate high lithium values.)

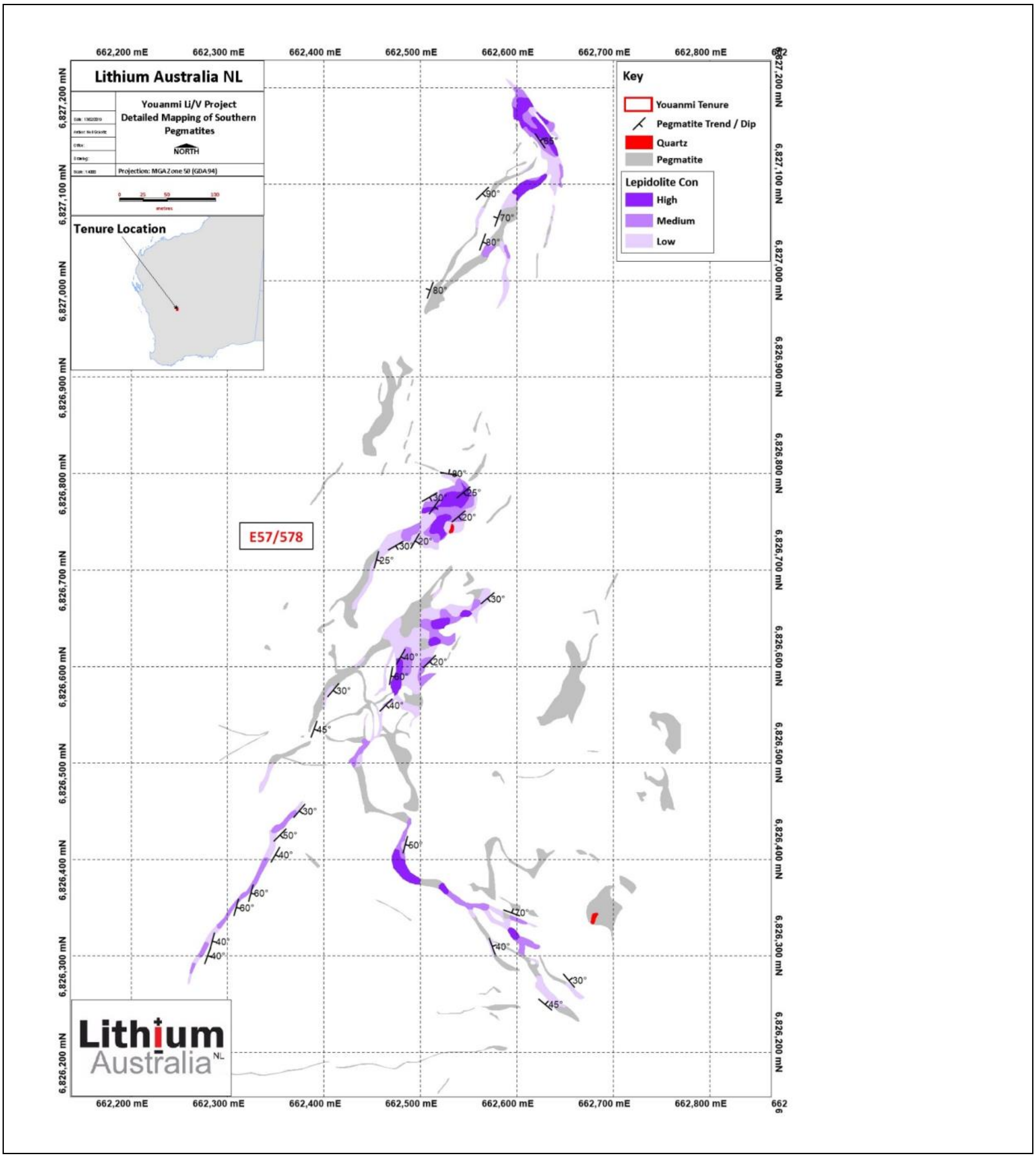

Figure 5. Detailed mapping of southern Youanmi pegmatites – lepidolite content was visually mapped and ranked as low, medium or high.

Since much of the area surrounding the known pegmatite locations is covered by sheetwash, it is likely that the occurrence of lithium pegmatites is far more extensive that the few outcrops currently mapped. Information acquired during Lithium Australia's recently completed high-resolution aerial geophysical survey (see ASX announcement dated 18 February 2019) will be used, in conjunction with the detailed mapping and previous geochemical results, to define drill targets for lithium mineralisation.

Other opportunities

Lithium Australia continues to explore opportunities in tantalum, tungsten, cobalt-manganese, graphite and rare-earth metals, with a view to directing further exploration efforts on currently held ground, and is considering the acquisition of other quality Australian and overseas properties.

RECYCLING

Lithium Australia recognises Victorian-based Envirostream Australia Pty Ltd (Envirostream) as the national leader in the primary reprocessing of lithium-ion batteries. At present, Envirostream operates the only facility in Australia for shredding such batteries, producing a powder containing critical metals that is then exported for refining.

Meanwhile, Lithium Australia is developing a hydrometallurgical flow sheet for the processing of powders of this type, in order to extract the chemicals (nickel, cobalt, manganese and lithium compounds) required to regenerate battery cathodes, with simultaneous recovery of graphite from the battery anodes.

The joint venture between Lithium Australia and Envirostream is designed to combine the key competencies of both companies. The funds Lithium Australia provides will allow Envirostream to expand its battery-shredding facilities and other operations, thereby ensuring that critical metals recovered from recycled batteries remain under Australian control to the point of sale.

Lithium Australia is continuing its research into the chemical processing of both alkaline and lithium-ion batteries and aims to complete the design of its flow sheet for the hydrometallurgical recovery of metals from the latter battery types later this year.

It is anticipated that the Lithium Australia/Envirostream joint venture will create new jobs, including employment opportunities in the battery industry not previously available within Australia.

CORPORATE

The Arena Investors, LP convertible note facility described in the ASX release dated 1 March 2018 has been terminated; the facility will be converted or repaid in the current quarter.

Lithium Australia will continue to evaluate financing options that complement its strategic agenda and update the market as appropriate.

CONCLUSION

Lithium Australia aspires to 'close the loop' on the energy metal cycle by ensuring an ethical and sustainable supply of those metals to the battery industry. To that end, the Company has not only assembled a portfolio of lithium projects and alliances but also developed hydrometallurgical extraction processes designed to convert *all* lithium silicates (including mine waste) to lithium chemicals. Subsequently, those chemicals will be used to produce advanced components for the lithium-ion battery industry. The final step in closing the loop involves recycling spent batteries and e-waste to recover the energy metals within. Through this unity of resources and innovation, Lithium Australia seeks to vertically integrate lithium extraction and processing.

Competent Persons' Statement: Medcalf lithium prospect

The information contained in the report that relates to Exploration Results, together with any related assessments and interpretations, is based on information compiled by Mr Peter Spitalny on behalf of Mr Adrian Griffin, Managing Director of Lithium Australia NL. Mr Spitalny is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration, and to the activity he has undertaken, to qualify as a Competent Person. Mr Griffin is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation under consideration, and to the activity being reported, to qualify as a Competent Person as defined under the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.* Mr Griffin consents to the inclusion in the report of the matters based on Mr Spitalny's data in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information in this report and such information is based on the information compiled on behalf of Mr Griffin.

Competent Person's Statement – Youanmi lithium prospect

The information in this report that relates to exploration results, together with any related assessments and interpretations, is based on information compiled by Mr Adrian Griffin on behalf of Lithium Australia NL. Mr Griffin is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration, and to the activity undertaken, to qualify as a Competent Person, as defined in the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 edition)*. Mr Griffin consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Lithium Australia is not aware of any new information or data that materially affects that contained herein.

Forward-looking statements

This report contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties beyond the Company's ability to control or predict, which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

Details of mining tenements as at quarter ended 31 March 2019

ASX Listing Rule 5.3.3

Tenement ID	Name	Location	State	Interest
E09/2168	Yinnietharra	Gascoyne	WA	100%
E09/2191	Thomas River	Gascoyne	WA	100%
E09/2200	Mount James 2	Gascoyne	WA	100%
E09/2201	Mount James 1	Gascoyne	WA	100%
E09/2203	Mount James 3	Gascoyne	WA	100%
E27/562	Gindalbie	Gindalbie	WA	100%
E45/4660	Hillside 3	Pilbara	WA	100%
E45/4766	Moolyella	Pilbara	WA	100%
E57/978	Youanmi	Murchison	WA	100%
E57/1049	Youanmi	Murchison	WA	100%
E57/1056	Youanmi	Murchison	WA	100%
E63/1777	Lake Johnson	Dundas	WA	100%
E63/1805	Mt Day	Dundas	WA	100%
E63/1806	Mt Day A	Dundas	WA	100%
E63/1807	Mt Day B	Dundas	WA	100%
E63/1808	Mt Day C	Dundas	WA	100%
E63/1809	Lake Johnson	Dundas	WA	100%
E63/1866	Lake Johnson	Dundas	WA	100%
E63/1870	Lake Johnson	Dundas	WA	100%
E63/1903	Lake Johnson	Dundas	WA	100%
E70/4690	Greenbushes	Greenbushes	WA	100%
E70/4777	Greenbushes	Greenbushes	WA	100%
E70/4778	Greenbushes	Greenbushes	WA	100%
E70/4788	Greenbushes	Greenbushes	WA	100%
E70/4789	Greenbushes	Greenbushes	WA	100%
E70/4888	Greenbushes A	Greenbushes	WA	100%
E70/4889	Greenbushes B	Greenbushes	WA	100%
E70/4890	Greenbushes C	Greenbushes	WA	100%
E70/5023	Bridgetown	Stanifer	WA	100%
E70/5024	Boyup Brook	Stanifer	WA	100%
E70/5024	Boyup Brook	Stanifer	WA	100%
E70/5025	Boyup Brook	Stanifer	WA	100%
E70/5032	Manjimup	Stanifer	WA	100%
E70/5036	Nannup	Stanifer	WA	100%
E70/5047	Nannup	Stanifer	WA	100%

Tenement ID	Name	Location	State	Interest
E70/5198	Mt Lawrence	Mt Lawrence	WA	100%
E74/0543	Ravensthorpe	Ravensthorpe	WA	100%
E77/2279	Lake Seabrook	Yilgarn	WA	100%
E77/2484	Lake Seabrook	Yilgarn	WA	100%
ELA30897	Angers	Bynoe	NT	100%
EL 5960	Vivonne Sa	Kangaroo Island	SA	100%
EL 6212	Dudley 1 Sa	Kangaroo Island	SA	100%
EL 6213	Dudley 2 Sa	Kangaroo Island	SA	100%
EPM 26252	Cape York 1	Cape York	QLD	100%
EPM 26253	Cape York 2	Cape York	QLD	100%
EPM 26254	Cape York 3	Cape York	QLD	100%
EPM 26255	Cape York 4	Cape York	QLD	100%
EPM 26257	Cape York 5	Cape York	QLD	100%
EPM 26395	Amber 3	Amber	QLD	100%
EPM 26733	Croydon	Croydon	QLD	100%
M15/1809	Coolgardie	Coolgardie	WA	80%[4]
P15/5574	Coolgardie	Coolgardie	WA	80%[4]
P15/5575	Coolgardie	Coolgardie	WA	80%[4]
P15/5576	Coolgardie	Coolgardie	WA	80%[4]
P15/5625	Coolgardie	Coolgardie	WA	80%[4]
P15/5626	Coolgardie	Coolgardie	WA	80%[4]
P15/5629	Coolgardie	Coolgardie	WA	80%[4]
P15/5738	Coolgardie	Coolgardie	WA	80%[4]
P15/5739	Coolgardie	Coolgardie	WA	80%[4]
P15/5740	Coolgardie	Coolgardie	WA	80%[4]
P15/5741	Coolgardie	Coolgardie	WA	80%[4]
P15/5742	Coolgardie	Coolgardie	WA	80%[4]
P15/5743	Coolgardie	Coolgardie	WA	80%[4]
P15/5749	Coolgardie	Coolgardie	WA	80%[4]

[4] Coolgardie Rare Metals Venture

International Projects	Location	Interest
Electra Lithium Project (Tecolote, Tule, Agua Fria Concessions)	Mexico	54% [5]
Sadisdorf Project, Saxony	Germany	100%
Hegelshoehe Project Saxony	Germany	100%
Eichigt Project, Saxony	Germany	100%

[5] Electra Joint Venture - TSXV listed Infinite Lithium Corp (previously Alix Resources)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity	
Lithium Australia NL	
ABN	Quarter ended ('current quarter')
29 126 129 413	31 March 2019

Consolidated statement of cash flows			Current quarter $A'000	Year to date (9 months) $A'000
1.	Cash flows from operating activities			
1.1	Receipts from customers		–	–
1.2	Payments for			
	(a)	exploration and evaluation	(553)	(1,968)
	(b)	development	(413)	(1,183)
	(c)	production	–	–
	(d)	staff costs	(578)	(1,521)
	(e)	administration and corporate costs	(587)	(1,931)
1.3	Dividends received (see note 3)		–	–
1.4	Interest received		18	126
1.5	Interest and other costs of finance paid		(550)	(569)
1.6	Income taxes paid		–	–
1.7	Research and development refunds		1,531	1,531
1.8	Other (provide details if material)		-	-
1.9	Net cash from/(used in) operating activities		(1,132)	(5,515)

2.	Cash flows from investing activities			
2.1	Payments to acquire:			
	(a)	property, plant and equipment	(48)	(372)
	(b)	tenements (see item 10)	–	–
	(c)	investments	–	(89)
	(d)	other non-current assets	(660)	(3,390)
2.2	Proceeds from the disposal of:			
	(a)	property, plant and equipment	–	–
	(b)	tenements (see item 10)	–	–
	(c)	investments	5	67
	(d)	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		(703)	(3,784)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	–	–
3.2	Proceeds from issue of convertible notes	–	–
3.3	Proceeds from exercise of share options	–	–

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
3.4	Transaction costs related to issues of shares, convertible notes or options	–	–
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	–	–
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	10,950	18,429
4.2	Net cash from/(used in) operating activities (item 1.9 above)	(1,132)	(5,515)
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(703)	(3,784)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	–	–
4.5	Effect of movement in exchange rates on cash held	18	3
4.6	Cash and cash equivalents at end of period	9,133	9,133

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	863	752
5.2	Call deposits	2,770	7,698
5.3	Bank overdrafts	–	–
5.4	Other (Term Deposit)	5,500	2,500
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,133	10,950

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	131
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	–
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	–
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	–
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8.	**Financing facilities available** Add notes as necessary for an understanding of the position	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
8.1	Loan facilities	–	–
8.2	Credit standby arrangements	–	–
8.3	Other (LITCEs)	42,462	–

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

LITCE – Current outstanding amounts on LITCE – 25 cent contributing shares

9.	Estimated cash outflows for next quarter	$A'000
9.1	Exploration and evaluation	1,195
9.2	Development	892
9.3	Production	–
9.4	Staff costs	568
9.5	Administration and corporate costs	454
9.6	Other (provide details if material)	
9.7	Total estimated cash outflows	3,109

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter (%)	Interest at end of quarter (%)
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	P15/5519	Expired	100	0
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

COMPLIANCE STATEMENT

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

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

Sign here: 'Barry Woodhouse' Date: 30 April 2019
(~~Director/~~Company secretary)

Print name: Barry Woodhouse

Notes

1. The quarterly report provides a basis for informing the market on how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by the 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.