



ASX Code : CAY

31 July 2019

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**DIRECTORS &  
MANAGEMENT**

David Netherway  
*Chairman*

Phillip Gallagher  
*Managing Director*

Emmanuel Correia  
*Non-executive Director*

Steven Zaninovich  
*Non-executive Director*

John Lewis  
*Company Secretary*

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**CANYON RESOURCES  
LIMITED**

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ACN 140 087 261  
ABN 13 140 087 261

## **ACTIVITIES REPORT FOR THE QUARTER ENDED 30 June 2019**

### **HIGHLIGHTS:**

- **Progress on Minim Martap rail link:**
  - **Cameroon Government Feasibility Study examining Kribi Port link completed**
  - **1<sup>st</sup> stage upgrade to existing Camrail rail line to transport commercial bauxite tonnages (25-tonne axle loads) completed**
  - **Cameroon Government calls for tenders to manage an upgrade of Camrail's existing rail line and construction of the Kribi Port extension**
  - **Canyon appoints Cameroonian rail engineer to lead discussion with government and rail operators**
- **\$4,000,000 capital raise completed**
- **Minim Martap drilling returns further very high-grade, low contaminant results**
- **Drilling increases depth of mineralisation, up to 100% deeper than previous holes**
- **Drilling intersections from surface include:**
  - **6m at 58.19% Al<sub>2</sub>O<sub>3</sub> & 0.92% SiO<sub>2</sub> (total)**
  - **9m at 55.95% Al<sub>2</sub>O<sub>3</sub> and 2.76% SiO<sub>2</sub> (total)**
  - **9m at 54.81% Al<sub>2</sub>O<sub>3</sub> and 1.87% SiO<sub>2</sub> (total)**
  - **10m at 54.57% Al<sub>2</sub>O<sub>3</sub> and 3.33% SiO<sub>2</sub> (total)**
- **Highly experienced Project Manager James Durrant joins Canyon.**

**Canyon Resources Ltd** (ASX: CAY) (Canyon) is pleased to report on activities at its projects including the Minim Martap Bauxite Project in Cameroon, central Africa, for the quarter ended 30 June 2019.

Canyon would also like to report that subsequent to the end of the Quarter, on 23 July 2019, it announced a Capital Raising of \$4.0 million at \$0.16 per share. Canyon issued 25.0 million shares to sophisticated and professional investors pursuant to this capital raising.

The capital raising is intended to support the pre-feasibility study (PFS) of the project and maintain activities on the project site.

Phil Gallagher, Canyon Resources Managing Director said:

*“We are very pleased to have finished the quarter in a strong position both with the project and financially. We have recorded significant drilling results and a PFS team is being prepared”.*

## **MINIM MARTAP PROJECT**

### **Drilling and Assays**

During the Quarter, Canyon reported very positive assays from its aircore drilling campaign on the Beatrice Plateau at the Minim Martap Bauxite Project in Cameroon, demonstrating the project’s thick, high-grade bauxite from surface.

The drilling programs aim was to increase the scale, grade and categorisation of the existing project resource (550 Mt averaging 45.5% total  $\text{Al}_2\text{O}_3$  and total 2.06%  $\text{SiO}_2$ , JORC 2012)<sup>1</sup> and then test new and previously untested bauxite plateaux to add additional high-grade tonnage.

The 250m x 250m drilling grid completed on the Beatrice plateau using Canyon’s air core drill rig recorded substantial high-grade mineralised holes which are significantly deeper than the current resource, sometimes up to twice the depth.

The Beatrice plateau has previously reported an inferred (JORC 2012) resource of 38.5 million tonnes at 50.76%  $\text{Al}_2\text{O}_3$  and 2.69%  $\text{SiO}_2$  (total)<sup>2</sup>. The assay results received from Canyon’s current drill program generally achieved higher grades, lower silica and deeper mineralised profiles than this previous resource. The current drilling program extended the depth to an average of 12 metres and a maximum of 17 metres, indicating that the aircore rig is far more effective at penetrating the bauxite plateaux than auger drilling rigs used previously.

A significant number of results received in the assays from the Beatrice Plateau drilling demonstrated very high-grade bauxite, at greater than 50%  $\text{Al}_2\text{O}_3$  and less than 2.5% total  $\text{SiO}_2$ , including hole BE-19-0040 which averages 14 metres at 56.47%  $\text{Al}_2\text{O}_3$  and 1.72%  $\text{SiO}_2$  including 5 metres at 62.06%  $\text{Al}_2\text{O}_3$  and 0.66%  $\text{SiO}_2$ .

Results received were consistent with the Company’s view that the Minim Martap Project will be a Tier 1 high-grade, low contaminant bauxite project.

Canyon’s Managing Director Mr Phillip Gallagher said, *“The assay results have validated the Company’s view that the Minim Martap Project is a very high-grade low contaminant bauxite deposit. It’s exciting that our drilling rig has consistently drilled holes substantially deeper than the depth of resources previously reported on the bauxite plateaux, with higher grades.*

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<sup>1</sup> Previously announced on 20 September 2018

<sup>2</sup> Previously announced on 20 September 2018.

*We are confident that we will be able to increase the scale and grade of the existing resource and will soon commence work on the untouched large southern bauxite plateaux identified by our recent LiDAR survey<sup>3</sup>, which identified 70 new target bauxite plateaux.”*

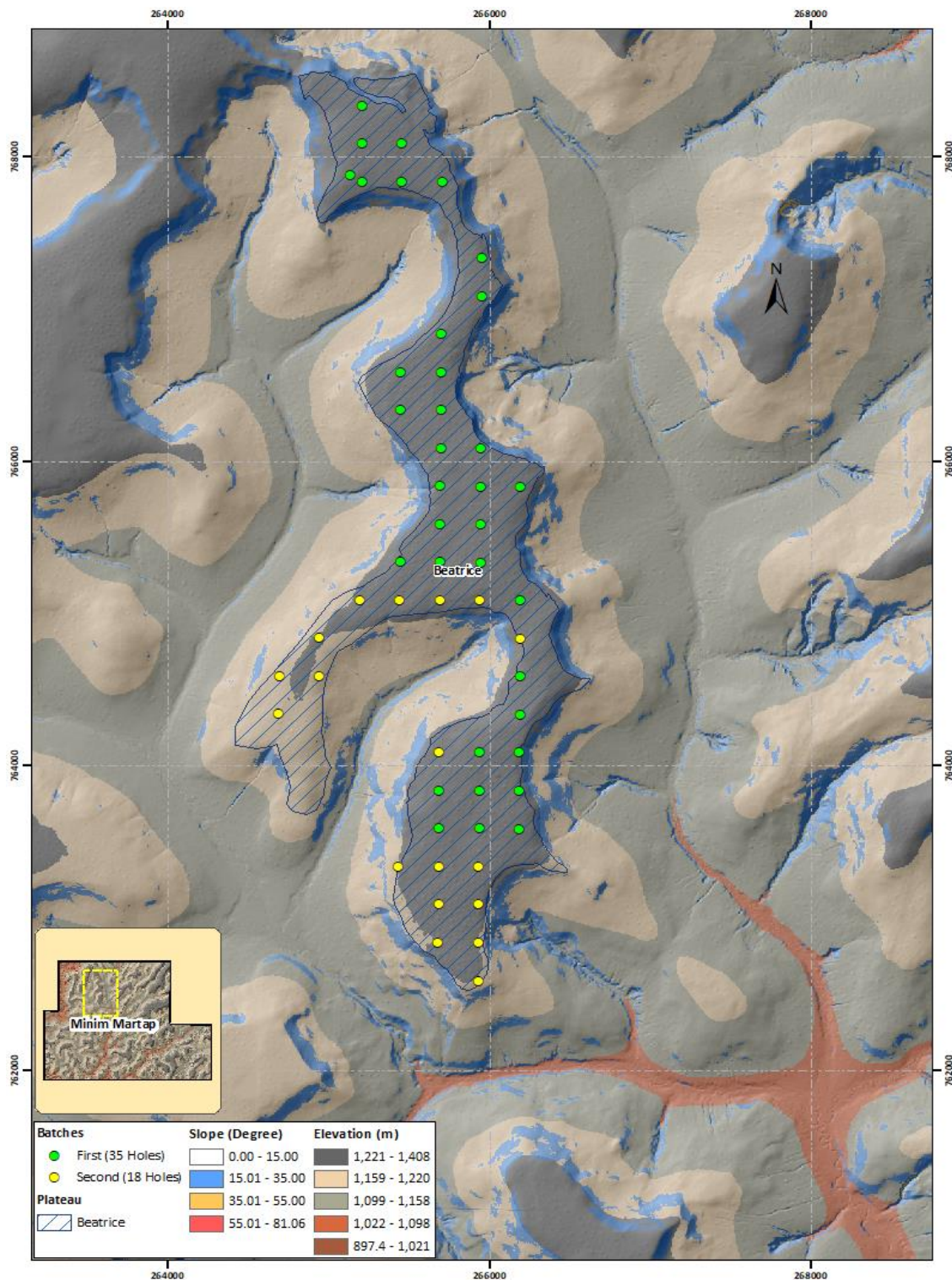
Certain holes reported high silica numbers at surface due to the silicified laterite cap. In addition, an objective of the drilling campaign was to define the floor of the bauxite ore body. In certain holes the transition into the basal clay rich bauxite and the underlying saprolite of the granitic basement has been recorded by the higher silica.

**Table 1 Highlight drill intersections<sup>4</sup>**

Hole ID	From (m)	To (m)	Length (m )	av Al <sub>2</sub> O <sub>3</sub>	av SiO <sub>2</sub> (total)
BE-18-0001	1	13	12	52.64%	4.07%
BE-18-0002	0	9	9	52.22%	2.62%
BE-18-0003	0	7	7	52.22%	2.06%
BE-18-0004	0	11	11	53.63%	2.15%
BE-18-0005	0	10	10	52.40%	6.04%
BE-18-0007	1	12	11	52.81%	2.12%
BE-18-0013	1	7	6	52.58%	2.64%
BE-19-0016	3	13	10	52.19%	1.14%
BE-19-0018	2	10	8	53.35%	2.93%
BE-19-0019	3	10	7	51.00%	3.85%
BE-19-0021	0	12	12	54.01%	1.89%
BE-19-0023	1	12	11	53.14%	2.22%
BE-19-0024	0	8	8	54.39%	1.85%
BE-19-0025	0	7	7	49.25%	3.23%
BE-19-0026	0	11	11	52.83%	2.17%
BE-19-0027	0	10	10	54.57%	3.33%
BE-19-0029	0	6	6	54.50%	3.02%
BE-19-0030	0	9	9	55.95%	2.76%
BE-19-0031	0	6	6	58.19%	0.92%
BE-19-0032	1	9	8	53.36%	3.05%
BE-19-0034	0	9	9	51.98%	1.99%
BE-19-0035	0	12	12	55.92%	1.03%
BE-19-0036	0	8	8	50.95%	3.15%
BE-19-0037	0	9	9	53.11%	2.47%
BE-19-0040	1	15	14	56.47%	1.72%
<b>Inc.</b>	6	11	5	<b>62.06%</b>	<b>0.66%</b>
BE-19-0042	0	15	15	53.61%	1.67%
BE-19-0045	1	8	7	53.31%	1.88%
BE-19-0046	1	9	8	51.53%	2.63%
BE-19-0047	1	11	10	51.66%	2.82%
BE-19-0048	1	8	7	51.52%	2.66%
BE-19-0049	1	13	12	51.22%	3.46%
BE-19-0050	0	9	9	50.61%	3.67%
BE-19-0051	1	14	13	53.61%	1.49%
BE-19-0052	0	9	9	54.81%	1.87%

<sup>3</sup> Previously announced on 11 April 2019

<sup>4</sup> Previously announced on 17 April and 24 May 2019



**Figure 1: Drill collar location on Beatrice Plateau**

Subsequent to the end of the Quarter, Canyon released details of the assays from the Agnes plateau. The results continued to confirm the very high-grade, low contaminant mineralization similar to the results from the previous drilling at the Beatrice plateau

Canyon's Chief Geologist Dr Alexander Shaw said, *"The drilling results from the Agnes plateau were very pleasing and confirm that Canyon's drilling which may contribute to the improvement of the scale and grade of the Minim Martap resource. A number of holes were stopped in high grade material due to wet drilling conditions which prevented further penetration using the air-core rig. An assessment will be made, in the future, as to whether additional drilling will be required on the Agnes plateau in order to better define the base of mineralisation"*



Canyon is awaiting assays from the Raymonde and Gregorine plateaux. Drilling on the project is ongoing and will continue through 2019.

### LIDAR

During the Quarter, the company completed a detailed review of the LiDAR (light imaging, detection and ranging) and high resolution ortho-photographic survey of the entire Minim Martap Project area. The LiDAR data has been processed into a highly accurate and detailed digital elevation model (DEM) .

The DEM provided significant geomorphological insight and has identified the exact size, location and elevation of more than 70 additional plateaux to those already included in the existing bauxite resource on the Minim Martap, Makan and Ngaoundal permits. These plateaux represent >65% of all the plateaux surface area identified at the target elevation on the three permits.

Sampling and field mapping was used in conjunction with spatial analysis of the LiDAR data to confirm the relationship between elevation, geomorphology and the grade of Al<sub>2</sub>O<sub>3</sub>, level of SiO<sub>2</sub> contaminant and the thickness of the bauxite on a particular plateau.

Canyon determined from the LiDAR survey data that the currently defined bauxite resource on the Minim Martap Project is situated within just 35% of the available plateaux surface area identified on the Project at the desired elevation. To date plateaux investigated at this elevation have consistently contained 7m-15m thick high-grade low contaminant bauxite.

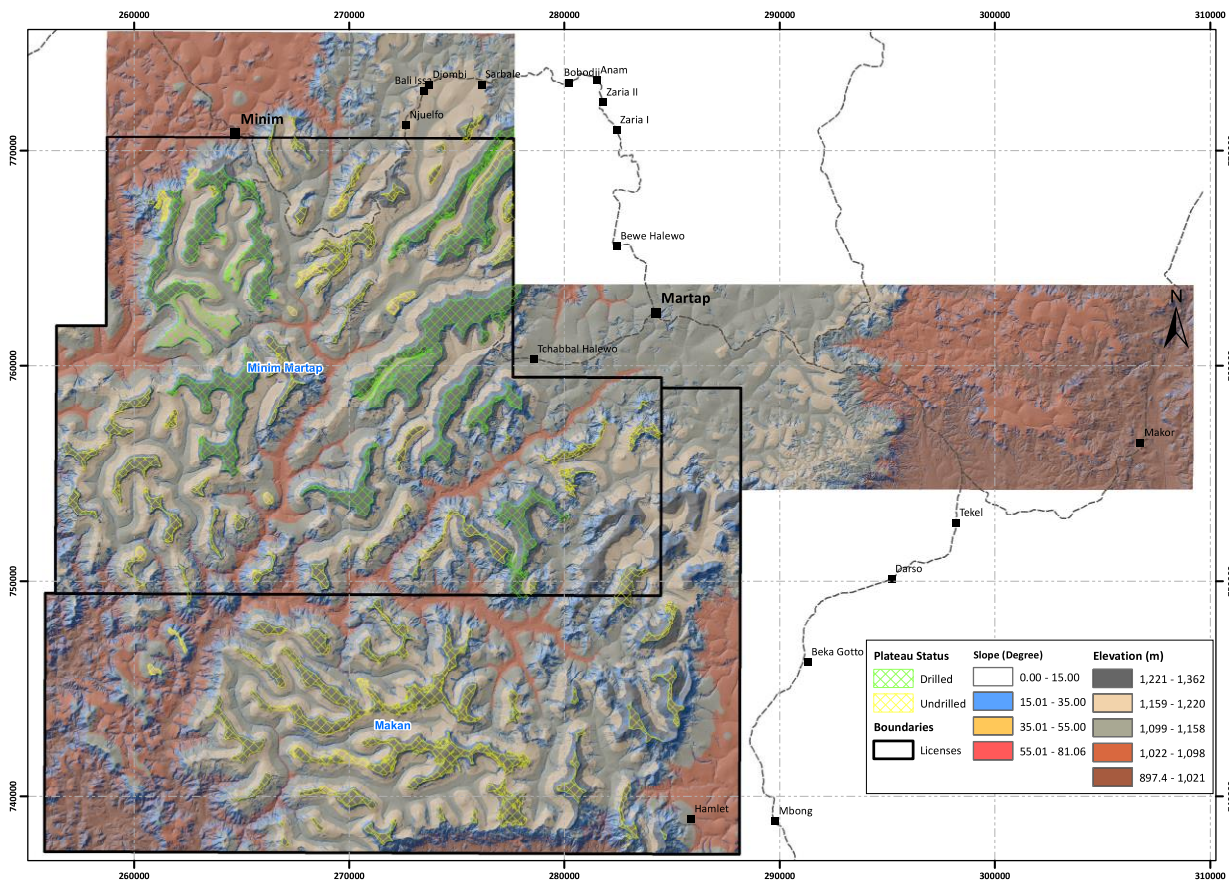


Figure 2: Digital Elevation Model (DEM) highlighting drilled and undrilled plateaux on the Minim Martap and Makan permits. All the highlighted permits are within the similar elevation range as the existing high-grade bauxite plateaux.

Canyon’s Chief Geologist Alexander Shaw said, “The LIDAR survey has confirmed the existence of more than 70 untested plateaux within the project area that have the same characteristics as the previously drilled bauxite plateaux. The additional plateaux represent a 185% increase in the identified surface area at the same elevation as the 14 plateaux which comprise the current resource. The characteristics of the new plateaux are identical to those already tested, so the Company has a high level of confidence that it will be able to expand the Minim Martap resource appropriately.

The images and data from the survey are being used to target high priority exploration areas for future drilling and to design access routes into those areas. This will ensure that we will be targeting the largest and most prospective plateaux across the Project area.”

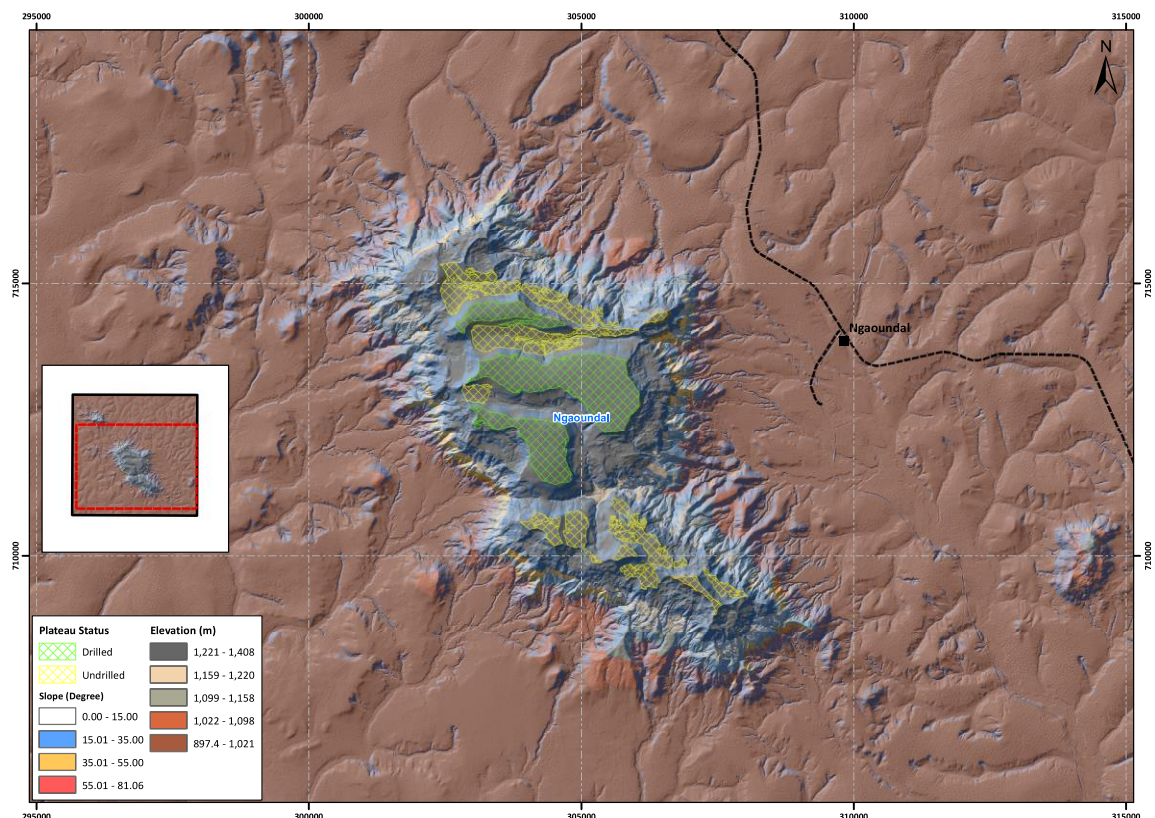


Figure 3: Digital Elevation Model (DEM) highlighting drilled and undrilled plateaux on the Ngaoundal permits. All the highlighted permits are within the similar elevation range as the existing high-grade bauxite plateaux.

The LiDAR survey data and high resolution images are also utilised for detailed Environmental and Social studies, in particular village locations throughout the permits and population distribution.

## **Rail Feasibility Study**

An Independent Feasibility Study for the construction of a rail line from Edea to Kribi Port, was completed during the Quarter for the Government of Cameroon by Studi International. Studi International is an African-based international engineering firm with offices in France and more than ten African countries.

The Feasibility Study focussed on a long-term solution for Cameroon's rail infrastructure linking different parts of the country to the existing rail and ports.

Canyon engaged with Studi International to gain an insight into the study and the technical aspects of the proposed rail upgrade and development process. Canyon and Mota-Engil Africa are working together to apply the outcomes of this study to the requirements for Minim Martap.

Mota-Engil is a multinational company with operations focused on construction and infrastructure management in the segments of Engineering and Construction, Environment and Services, Transport Concessions, Energy and Mining. Mota-Engil is listed on the Euronext Lisbon stock exchange, being part of the main index of the Portuguese stock exchange (PSI 20), with a share capital of approx. €237 million.

The Cameroon government called for tenders to manage the railway infrastructure and develop models for possible Public-Private Partnership financing and operation of the rail line. The tender aims to finalise the financial model for operating the existing Camrail upgraded rail line as well as an extension to the Kribi Port and other potential rail infrastructure. Canyon Managing Director Phillip Gallagher said, *"It's pleasing to see the Cameroon Government progressing its rail network to a level that will potentially provide the infrastructure required for Canyon to transport bauxite product from our globally significant project at Minim Martap to the Kribi Port."*

*"We will continue to work with the Cameroon government and Camrail to ensure the best possible outcome for the rail network, as it is an important piece in unlocking the potential of our Tier 1 bauxite resource at Minim Martap."*

## **Rail Upgrade**

The Cameroon rail operator, Camrail confirmed that the first stage of the rail line upgrade from Douala to Belabo had been completed, increasing rail capacity to 25-tonne axle loads. Mota-Engil concluded the rail line has the capacity to transport commercial bauxite tonnages from Minim Martap to the Port. The upgraded portion of the line is approximately 50% of the total rail line to be utilised by Minim Martap.

The Rail Upgrade is part of the Cameroon government's ongoing efforts to improve the country's existing railway and to construct new rail infrastructure. This is consistent with the President of Cameroon's vision to develop Cameroon as a more industrialised nation.

## **Appointment of Cameroonian Rail Consultant**

As a result of the acceleration of work completed by the Cameroonian government, Canyon engaged Mr Joseph Aouda, a highly credentialed Cameroonian rail project manager and rail engineer, to assist in discussions with local rail operators and the Government.

Mr Aouda was recently the Railway Infrastructure Director of a private company located in Benin, where he managed railway construction in Benin, construction work on the Abidjan – Ouagadougou rail line and feasibility studies of rail links between Benin and Nigeria.

From 2012 to 2014, Mr Aouda was Camrail's Infrastructure Director and was responsible for maintenance and rehabilitation of all rail in Cameroon.



Canyon continues to engage with Mota-Engil Africa regarding the construction of the rail line upgrades and the Kribi Port link. The parties are jointly investigating options to position Mota-Engil Africa to be a key proponent in the financing and construction of the rail line and rail upgrades.



Figure 1: Location map of the Minim Martap & Birsok Bauxite Projects and proximity of Camrail rail line in Cameroon.

### **The Minim Martap Bauxite Project**

The Minim Martap Project is located in the Adamawa region of Cameroon, adjacent to Canyon's existing Birsok Bauxite Project, encompassing two deposits, Ngouandal and Minim Martap, which are located within 25km of each other. The total area of the permits is 1,349 km<sup>2</sup>.

The Project is adjacent to an operating rail line with heavy ore transport capacity with a proposed extension to the Kribi deep-water port which has the ability to direct ship load Panamax size vessels.

The three exploration permits are valid for a three-year period and contain a number of predefined work commitments that are consistent with the Company's development proposal.

Previous work completed by Canyon on the contiguous Birsok Project, sometimes sharing plateaux with the Minim Martap Project, has given the Company a strong understanding of the physical and geochemical characteristics of the local bauxite. The bauxite is generally high alumina, low total & reactive silica, high gibbsite, low boehemite and low in other contaminants. For further information on the Minim Martap Project please refer to the announcement on 24 May 2019.



## **CORPORATE**

### **Appointment of James Durrant as Project Development Manager**

James Durrant, an experienced operations leader, project developer and technical marketing manager joined Canyon as Project Development Manager to lead the development of Canyon's flagship Minim Martap Bauxite Project in Cameroon.

The appointment of Mr Durrant, who has highly relevant industry experience including from BHP and Danakali, was timely to launch Canyon's asset development in Cameroon and to compliment the resource expansion currently underway. Mr Durrant has exceptional experience in bulk mining operational leadership, project development and technical marketing from multiple commodities across various jurisdictions including sub-Saharan Africa.

Mr Durrant brings to the role his operational and corporate leadership experiences from roles in tier 1 operational mining companies and junior mining project development including at Danakali's Colluli Potash Project where he led the technical, social and environmental studies.

During Mr Durrant's 4 year tenure at Danakali the market capitalization of the company grew from \$20m to \$200m and it has a fully permitted and shovel ready project, on the verge of securing US\$200m in project development debt funding.

Mr Durrant compliments the leadership team at Canyon, bringing a wealth of highly relevant and recent industry experiences in bulk commodities, and formal education from leading British engineering faculties including the Camborne School of Mines where he received a Master's in Mining Engineering with Distinction. This followed a Bachelor's degree in Mechanical Engineering at the Royal Military College of Science, Cranfield University.

### **RIU Conference**

In May 2019 Canyons Managing Director Mr Phillip Gallagher presented to an audience of investors at the RIU Resources Round Up Conference in Sydney. A copy of the presentation is included on the company's website.

### **Shares released from Escrow**

In accordance with Listing Rule 3.10A Canyon Resources Limited (Canyon) advises that 15,000,000 fully paid ordinary shares in Canyon (Escrowed Shares) will be released from escrow on Wednesday 3 July 2019 .

The Escrowed Shares have been subject to a voluntary escrow period of six months from their issue as set out in the announcement dated 9 August 2018.

Enquiries:

**PHILLIP GALLAGHER** | Managing Director | Canyon Resources Limited

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## **COMPETENT PERSON'S STATEMENT**

The information in this document that relates to previous exploration results is based upon information from the report titled Minim Martap-Ngaoundal Bauxite Deposit Exploration Program and Resource Assessment by SRK Consulting (Australasia), September 2009 and available data compiled by Dr Alexander Shaw, Chief Geologist of Canyon Resources Ltd. Dr Shaw is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr Shaw consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The Resources information in this document is based on, and fairly represents, data and supporting documentation prepared by, or under the supervision, of Dr Bruce McConachie. Dr McConachie is an Associate Principal Consultant of SRK Consulting (Australasia) Pty Ltd based in Brisbane and has a PhD (Geology) from QUT and is a member of AusIMM, AAPG and SPE. The Resources information was issued with the prior written consent of Dr McConachie in the form and context in which it appears.

## **FORWARD LOOKING STATEMENTS**

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Canyon, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'anticipate', "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Canyon that could cause Canyon's actual results to differ materially from the results expressed or anticipated in these statements.

Canyon cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Canyon does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

**Canyon Resources Limited – Interest in Mineral Properties**

Permits	Location	Interest at 31 December 2018	Interest at 31 March 2019
<b><u>MINIM MARTAP PROJECT</u></b>			
<b>Ngaoundal</b>	Cameroon	Own 100%	Own 100%
<b>Minim Martap</b>	Cameroon		
<b>Makan</b>	Cameroon		
<b><u>BIRSOK BAUXITE PROJECT</u></b>			
<b>Birsok</b>	Cameroon	Agreement to earn up to 75%.	Agreement to earn up to 75%.
<b>Mandoum</b>	Cameroon		
<b>Mambal (application)</b>	Cameroon	Agreement to earn up to 75%.	Agreement to earn up to 75%.
<b>Ndjimom (Mayouom Project)</b>	Cameroon	Own 100%	Own 100%
<b><u>TAPARKO NORTH PROJECT</u></b>			
<b>Karga 2</b>	Burkina Faso	Own 100%	Own 100%
<b>Bani</b>	<b>Burkina Faso</b>		
<b>Diobou</b>	Burkina Faso		
<b>Tigou</b>	<b>Burkina Faso</b>	Rights to 100%	Rights to 100%
<b><u>TAO PROJECT</u></b>			
<b>Tao</b>	Burkina Faso	Own 100%	Own 100%
<b><u>PINARELLO PROJECT</u></b>			
<b>Sokarani</b>	Burkina Faso	Own 49% (sale of 51% to Acacia Mining plc)	Own 49% (sale of 51% to Acacia Mining plc)
<b>Niofera</b>	Burkina Faso		
<b>Baniera</b>	Burkina Faso		
<b>Sokarani 2</b>	Burkina Faso		
<b>Soukoura 2</b>	Burkina Faso		
<b><u>KONKOLIKAN PROJECT</u></b>			
<b>Konkolikan</b>	Burkina Faso	Own 49% (sale of 51% to Acacia Mining plc)	Own 49% (sale of 51% to Acacia Mining plc)
<b><u>DEROSA PROJECT</u></b>			
<b>Bompela</b>	Burkina Faso	15% interest in joint venture with Rumble Resources Ltd	15% interest in joint venture with Rumble Resources Ltd
<b>Sapala</b>	Burkina Faso		

## 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

CANYON RESOURCES LIMITED

#### ABN

13 140 087 261

#### Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(962)	(3,681)
(b) development	-	-
(c) production	-	-
(d) staff costs	(545)	(1,864)
(e) administration and corporate costs	(743)	(2,056)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	18	61
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,232)</b>	<b>(7,540)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(163)	(397)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(163)</b>	<b>(397)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	5,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	3,268
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(357)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>7,911</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,614	2,252
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,232)	(7,540)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(163)	(397)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	7,911
4.5	Effect of movement in exchange rates on cash held	(3)	(10)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,216</b>	<b>2,216</b>

5.	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,216	1,114
5.2	Call deposits	-	3,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,216</b>	<b>4,614</b>

6.	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	149
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	

6.1 Payment of Directors Fees

7.	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1     Loan facilities	-	-
8.2     Credit standby arrangements	-	-
8.3     Other (please specify)	-	-
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.		

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1     Exploration and evaluation	2,268
9.2     Development	-
9.3     Production	-
9.4     Staff costs	330
9.5     Administration and corporate costs	139
9.6     Other (provide details if material)	-
<b>9.7     Total estimated cash outflows</b>	<b>2,737</b>

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1    Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
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: .....  
(Director/Company secretary)

Date: 31 July 2019.

Print name: John Lewis.....

**Notes**

1. The quarterly report provides a basis for informing the market 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 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.