

Corporate Directory

ASX Code: POS

Shares on Issue: 2,638M

Market Cap: ≈\$142M

Cash and investments at 30 September 2019
\$56.5M

Board of Directors

Non-Executive Chairman

Geoffrey Brayshaw

Non-Executive Directors

Felicity Gooding

Karl Paganin

Interim CEO

David Riekie

CFO & Joint Company Secretary

Brendan Shalders

Joint Company Secretary

Eryn Kestel

Key Shareholders

Black Mountain Metals: 19.8%

Squadron Resources: 17.1%

Key Operating Nickel Assets (100%)

Black Swan/Silver Swan

Lake Johnston

Windarra

Principal & Registered Office

Unit 8 Churchill Court

331-335 Hay Street

Subiaco 6008

Western Australia

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QUARTERLY REPORT

30 SEPTEMBER 2019

HIGHLIGHTS

SILVER SWAN RESOURCE UPGRADE

- JORC 2012 INDICATED Restart Resource more than doubled to 10,130 tonnes of nickel metal at a grade of 9.4% Ni
- JORC 2012 Indicated + Inferred Resource increased 30% to 16,030 tonnes of nickel metal at a grade of 9.5% Ni
- Life of Mine (LOM) schedule set to increase based upon the 30% growth in the Indicated Resource, higher grade and increased continuity of massive sulphide mineralisation

BLACK SWAN RC DRILLING

- 2,500m underground RC Drilling trial below the Black Swan open pit progressed well, with eight holes (~50% of program) completed to date
- Innovative RC Drill technique being used for the current program is a first for nickel exploration in Australia, and offers potential for Research and Development status and support

CORPORATE & MARKET

- Key management appointments made with David Riekie joining the Company as Interim CEO, and Brendan Shalders as CFO and Joint Company Secretary
- Strong nickel price growth over the September quarter continue to support the restart plan for nickel mining operations at Silver Swan and Black Swan

Poseidon Nickel Limited (ASX: POS, “the Company”) is pleased to report on its activities for the September Quarter 2019.

SILVER SWAN RESOURCE UPGRADE

During the quarter the Company announced a 30% increase in the JORC 2012 compliant Silver Swan Indicated and Inferred Resource Estimate, recently prepared by Optiro Pty Ltd (Optiro). The current total Silver Swan Resource stands at 168,000t @ 9.5%Ni for a total of 16,030 nickel tonnes. The estimate was classified in accordance with the JORC 2012 Code and has been reported above a 4.5% nickel cut-off as presented in Table 1.

Table 1 - Silver Swan Resource Estimate - August 2019

Area	Silver Swan Resource - August 2019											
	Indicated				Inferred				Total			
	kt	Ni %	As ppm	Ni metal (t)	kt	Ni %	As ppm	Ni metal (t)	kt	Ni %	As ppm	Ni metal (t)
Tundra-Mute	68	9.2	3,200	6,260	59	9.8	3,290	5,800	127	9.5	3,240	12,060
Peking Duck	26	9.7	2,520	2,560	1.2	8.8	4,330	100	27	9.7	2,590	2,660
Fledgling-Canard	12	9.9	2,100	1,160	0				12	9.9	2,100	1,160
Goose	1.7	9.0	3,180	150	0				1.7	9.0	3,180	150
Total resource	108	9.4	2,910	10,130	61	9.7	3,310	5,900	168	9.5	3,060	16,030

Totals may not sum correctly due to rounding

The impressive growth in the Indicated and Inferred Resource Estimate has resulted in the doubling (107%) of tonnes, an improved nickel grade and a 112% increase in contained nickel metal from 2015.

There has been a 28% reduction of tonnes and an 8% increase in the nickel grade in the Inferred category, resulting in a reduction of 22% of contained nickel metal due to the conversion of these to the indicated category.

Importantly, the doubling of the Indicated Resource is expected to positively impact the work currently being undertaken on the Silver Swan Reserve and LOM schedule.

The Silver Swan Mineral Resource Estimate has been classified in accordance with the guidelines of The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). The Mineral Resource classifications can be seen in Figure 1.

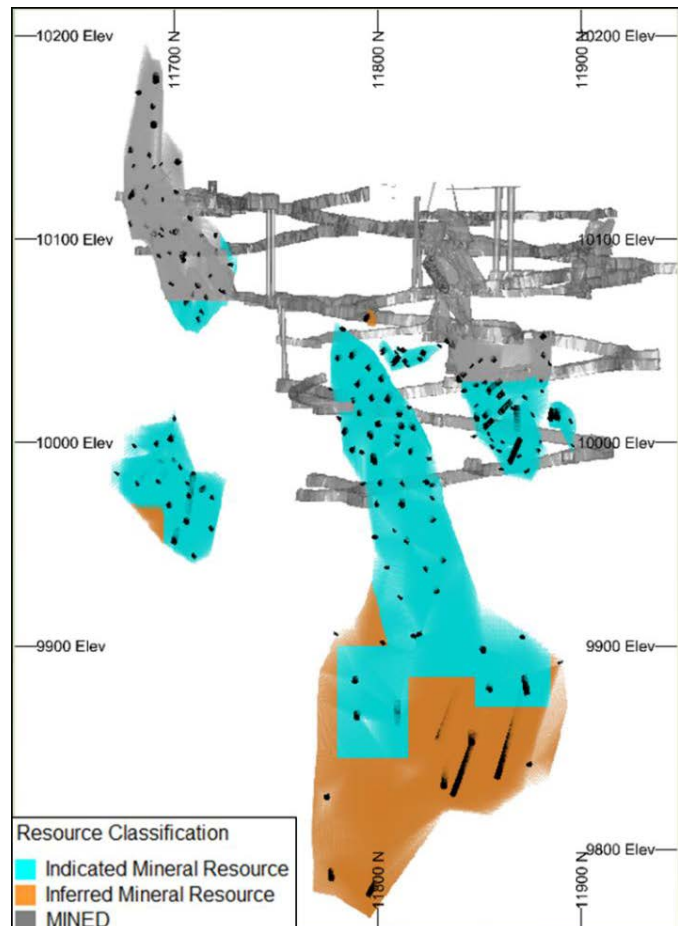


Figure 1 - Silver Swan 2019 Resource

BLACK SWAN RC DRILLING TRIAL

Poseidon successfully commissioned in August a 2,500m underground RC drilling program from the Gosling Access Drive, 200m below the Black Swan open pit. The program has been designed with a research and development focus, and is utilising a Cubex 5200, track mounted long-hole rig supplied by Metres Down Under, with gyro survey support and development from Downhole Surveys.

Earlier this year Poseidon successfully located high-grade blebby disseminated sulphides 900m below the Black Swan open pit. The aim of that particular program was to provide information on the continuation of the Black Swan mineralisation at depth and to obtain core for metallurgical testing. Hole PBSD001A intersected 223m @ 1.02% nickel in an interpreted hangingwall position of the deposit (see ASX announcement 6 May 2019 "Successful Phase 1 Drilling Under Black Swan Open Pit").

Aided with these historical drilling results (from both surface and underground into the Black Swan Deposit below the open pit) Poseidon was able to establish the potential for geological continuity of mineralisation from the base of the current pit to the new intersections 900m below (Figure 2).

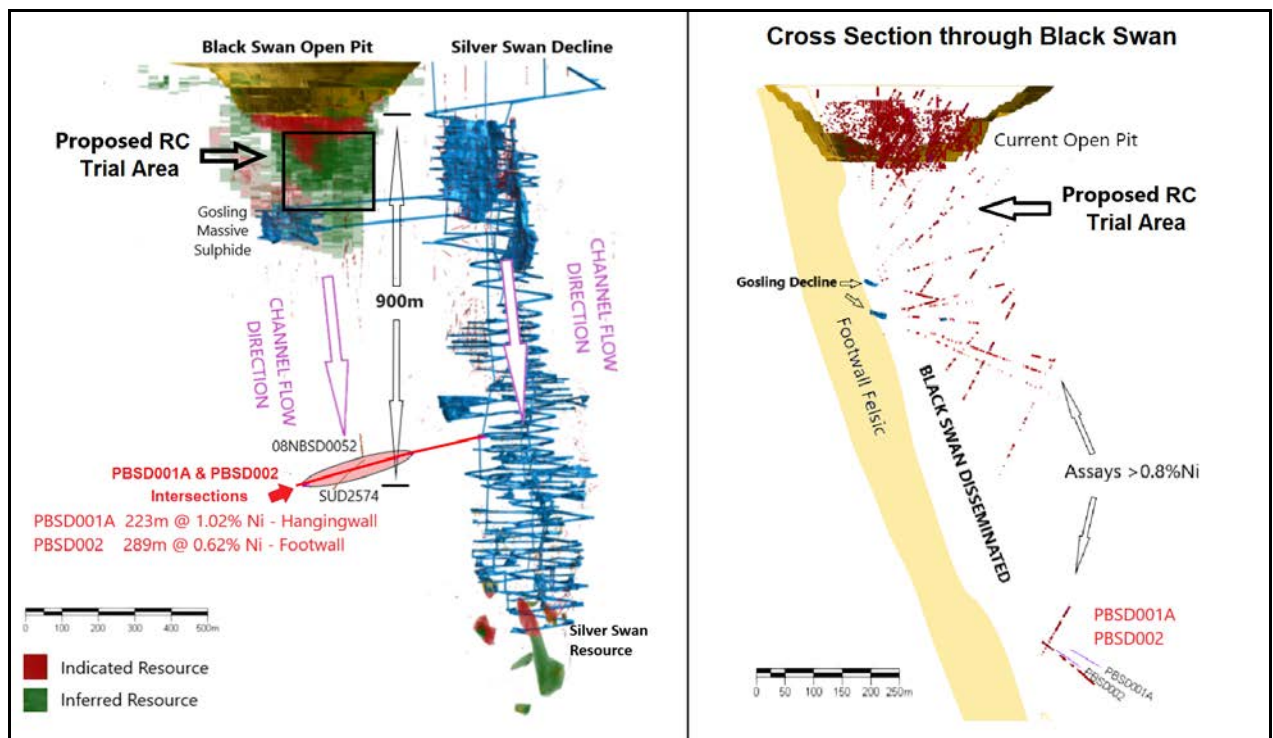


Figure 2 - Deep diamond intercepts in relation to historical drilling and the Black Swan open pit. The RC trial area lies directly below the open pit.

The drilling technique utilises a traditional long-hole drill rig coupled with RC in-the-hole hammers (ITH), and a purpose-built air and water injection technology to run an underground RC system (see Figure 3). The 1.5m RC rods are custom made and the sample is collected in a purpose-built rotary cone splitter (see Figure 4). The hole diameter yields a 650% increase in sample size from traditional NQ2 sized core.



Figure 3- Underground RC drill rig in use



Figure 4- Purpose built underground RC rotary splitter

To date, eight underground drill-holes have been completed with no sample dilution and no sample loss as the system can be fully flushed between samples. A maximum drill depth of 174m has been achieved and a maximum drill rate of 109m in a 10-hour shift. Estimated drill costs are half that of a diamond hole of the same length, and the drill rates are much faster. In addition, the 140mm hole is of adequate size to alleviate statistical variation seen in sample results from traditional NQ2 core (50mm diameter), meaning that less holes will be required to test mineralisation with higher confidence in the results.

WINDARRA NICKEL PROJECT

The Mt Windarra underground mine and its associated infrastructure remained on care and maintenance.

The Company is expecting to commence RC drilling at the Crazy Diamond prospect, located 2km North of the Cerberus Deposit discovered in 2008, during the December quarter. A drilling campaign by Poseidon in 2011 aimed at the prospective base of the Windarra Ultramafic also discovered additional mineralisation between the top of the Windarra Ultramafic and the base of the Upper Ultramafic. The shallow RC drilling will follow up soil anomalies located along this trend (see Figure 5).

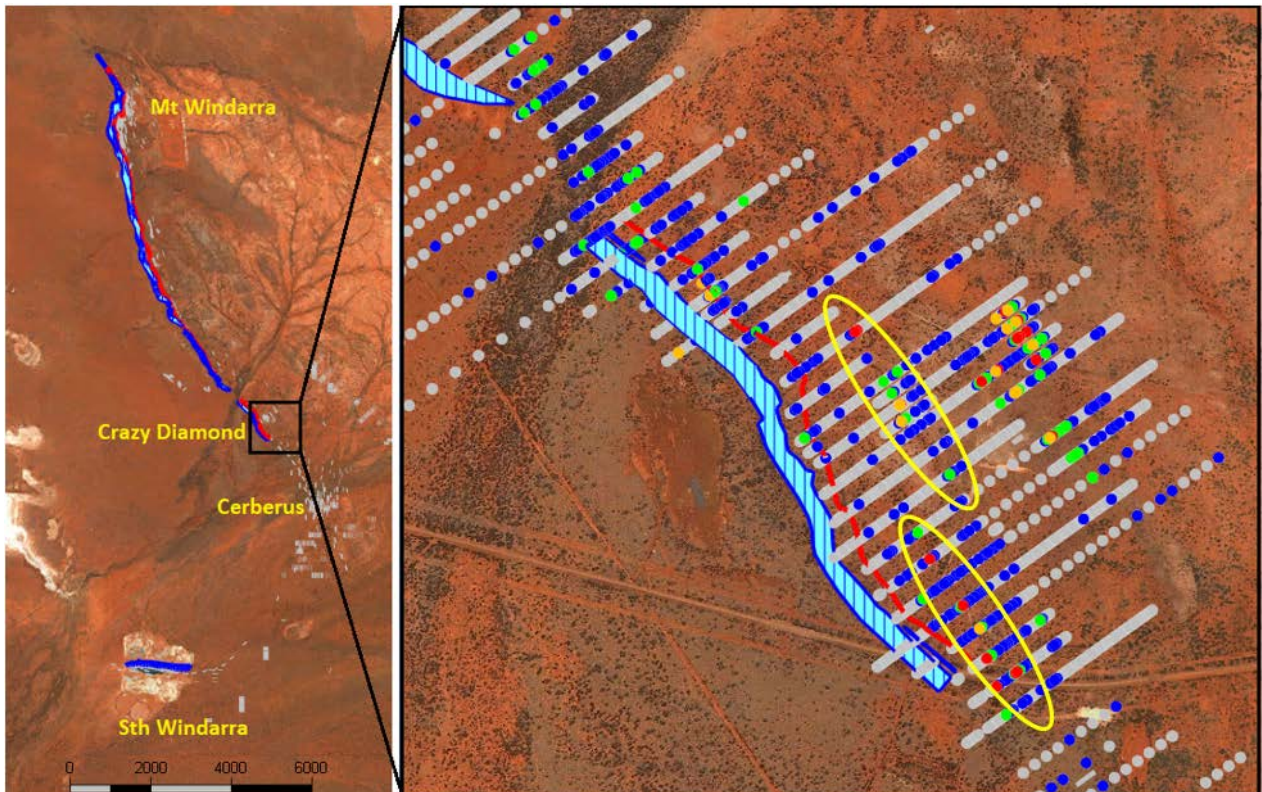


Figure 5- Location of the Crazy Diamond Prospect showing soil anomalies along the base of the Upper Ultramafic

The process of the termination of the Poseidon Nickel Agreement Act progressed and is expected to provide clarity to the Company's revised obligations and opportunities. The Department of Jobs, Tourism, Science and Innovation (DJTSI) is still in the process of finalising the termination documents for consideration.

LAKE JOHNSTON OPERATIONS

Lake Johnston Operations remain on care and maintenance. A geochemical exploration campaign was completed during the quarter to the south of Maggie Hays and results are expected in the December quarter.

FINANCIAL

As at 30 September 2019, the Company had cash and cash equivalents of \$56.5 million. \$12,000 has been classified as investments based on the accounting treatment of this current asset and due to the term deposit having a maturity in excess of 3 months.

Estimated expenditure for the next quarter is \$4.1 million, of which \$0.6 million relates to exploration and \$1.4 million to the previously announced underground escapeway and processing plant safety works.

CORPORATE

Poseidon’s Managing Director and CEO, Rob Dennis retired from his position effective from 30 August 2019, and David Riekie was appointed Interim CEO whilst the Company finalises a full-time replacement. David has worked alongside both Rob and the Board for the past 6 months and is well positioned to drive the Company’s current activities and future endeavours.

Mr Brendan Shalders commenced as Chief Financial Officer and Joint Company Secretary on 9 September 2019.

MARKET INFORMATION



The nickel price increased significantly over the quarter from US\$12,266 on 1 July 2019 to US\$17,219 at 30 September 2019. The price has held close to or above \$8.00/lb since late August 2019.

LME stockpiles continued to decline closing the quarter close to 158,000t, a fall of circa 6,500t from the previous quarter. *Source: LME Website*

David Riekie
Interim CEO

28 October 2019

About Poseidon Nickel Limited

Poseidon Nickel Limited (ASX: POS, "Poseidon"), is a West Australian focussed nickel company that owns three previously operating Nickel Sulphide mines: Windarra, Black Swan/Silver Swan and Lake Johnston. These 100% owned assets collectively had an operating capacity of 3.6mtpa (Lake Johnston 1.5mtpa; Black Swan 2.1mta). The processing facilities at Lake Johnston and Black Swan have been maintained through company managed, care and maintenance programs.

Poseidon released an upgrade to the resource at the Silver Swan deposit on 5th August 2019.

Poseidon is currently undertaking a number of de-risking and restart safety works and similar initiatives at and around Black Swan.

Poseidon has continued to explore at Lake Johnston, with recent diamond drilling at the Abi Rose prospect. These exploration results were released to ASX on 22 October 2018 and 21 November 2018.

Windarra has a number of near mine exploration projects including the extension of the original Windarra deposit, Cerberus, South Windarra and Woodline Well.

The current Resource Statement below shows a combined Nickel resource of 395,530 tonnes of Nickel (which should be read with the Competent Person statements below).

MINERAL RESOURCE STATEMENT

Table 1: Nickel Projects Mineral Resource Statement

Nickel Sulphide Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY												
			INDICATED			INFERRED			TOTAL						
			Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
BLACK SWAN PROJECT															
Black Swan	2012	0.40%	9,600	0.68	65,000	21,100	0.54	114,000	30,700	0.58	179,000	0.01	4,200	NA	-
Silver Swan	2012	4.50%	52	9.19	4,800	84	9.01	7,600	136	9.08	12,400	0.17	250	0.45	600
LAKE JOHNSTON PROJECT															
Maggie Hays	2012	0.80%	2,600	1.60	41,900	900	1.17	10,100	3,500	1.49	52,000	0.05	1,800	0.10	3,400
WINDARRA PROJECT															
Mt Windarra	2012	0.90%	922	1.56	14,000	3,436	1.66	57,500	4,358	1.64	71,500	0.03	1,200	0.13	5,700
South Windarra	2004	0.80%	772	0.98	8,000	-	-	-	772	0.98	8,000	NA	-	NA	-
Cerberus	2004	0.75%	2,773	1.25	35,000	1,778	1.91	34,000	4,551	1.51	69,000	NA	-	0.08	3,600
TOTAL															
Total Ni, Co, Cu Resources	2004 & 2012		16,720	1.01	168,700	27,300	0.82	223,200	44,020	0.89	391,900	0.05	7,450	0.10	13,300

Note: totals may not sum exactly due to rounding. NA = information Not Available from reported resource model. The Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.

Black Swan Resource as at 22 July 2014, Silver Swan Resource as at 3 June 2016, Maggie Hays Resource as at 17 March 2015, Mt Windarra, South Windarra and Cerberus Resource as at 30 April 2013

Table 2: Gold Tailings Project Mineral Resource Statement

Gold Tailings Resources	JORC Compliance	Cut Off Grade	MINERAL RESOURCE CATEGORY				
			TOTAL INDICATED				
			Tonnes (Kt)	Au Grade (g/t)	Au (oz)	Ag Grade (g/t)	Ag (oz)
WINDARRA GOLD TAILINGS PROJECT							
Gold Tailings	2004	NA	11,000	0.52	183,000	670,000	
TOTAL							
Total Au Resources	2004		11,000	0.52	183,000	670,000	

Note: totals may not sum exactly due to rounding.

Windarra Gold Tailings Resource as at 30 April 2013.

ORE RESERVE STATEMENT

Table 3: Nickel Projects Ore Reserve Statement

Nickel Sulphide Reserves	JORC Compliance	ORE RESERVE CATEGORY						
		PROBABLE						
		Tonnes (Kt)	Ni% Grade	Ni Metal (t)	Co% Grade	Co Metal (t)	Cu% Grade	Cu Metal (t)
SILVER SWAN PROJECT								
Silver Swan Underground	2012	57	5.79	3,300	0.11	60	0.26	150
Black Swan Open pit	2012	3,370	0.63	21,500	NA	NA	NA	NA
TOTAL								
Total Ni Reserves	2012	3,427	0.72	24,800	0.11	60	0.26	150

Note: Calculations have been rounded to the nearest 10,000 t of ore, 0.01 % Ni grade 100 t Ni metal and 10t of cobalt metal.

Co & Cu grades and metal content for Black Swan require additional modelling prior to estimation. Silver Swan Underground Reserve as at 26 May 2017, Black Swan Open Pit Reserve as at 5 November 2014.

The Company is not aware of any new information or data that materially affects the information in this report and the Resource/Reserve tables above. Such information is based on the information compiled by the Company's Geologists and the Competent Persons as listed below in the Competent Person Statements.

COMPETENT PERSON STATEMENTS:

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled and reviewed by Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists.

The information in this report which relates to the Black Swan Mineral Resource is based on, and fairly represents, information compiled by Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd. The information in this report which relates to the Black Swan Ore Reserve is based on, and fairly represents, information compiled by Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and who is a Members of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Silver Swan Mineral Resource is based on, and fairly represents, information compiled by Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Silver Swan Ore Reserve is based on, and fairly represents, information compiled by Mr Matthew Keenan who is a full-time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report which relates to the Lake Johnston Mineral Resource is based on, and fairly represents, information compiled by Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Andrew Weeks who is a full-time employee of Golder Associates Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report which relates to the Lake Johnston Ore Reserves Project is based on, and fairly represents, information compiled by Mr Matthew Keenan who is a full time employee of Entech Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy.

The information in this report that relates to Mineral Resources at the Windarra Nickel Project and Gold Tailings Project is based on, and fairly represents, information compiled by Mr Steve Warriner, Chief Geologist, who is a full-time employee at Poseidon Nickel, and is a Member of The Australian Institute of Geoscientists and Mr Ian Glacken who is a full time employee of Optiro Pty Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy. The Windarra Project contains Mineral Resources which are reported under JORC 2004 Guidelines as there has been no Material Change or Re-estimation of the Mineral Resource since the introduction of the JORC 2012 Codes. Future estimations will be completed to JORC 2012 Guidelines.

Mr Warriner, Mr Glacken, Mr Weeks, and Mr Keenan all have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Mr Warriner, Mr Glacken, Mr

Weeks, and Mr Keenan have consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

FORWARD LOOKING STATEMENT – INFERRED RESOURCE STATEMENTS:

The Company notes that an Inferred Resource has a lower level of confidence than an Indicated Resource and that the JORC Codes, 2012 advises that to be an Inferred Resource it is reasonable to expect that the majority of the Inferred Resource would be upgraded to an Indicated Resource with continued exploration. Based on advice from relevant competent Persons, the Company has a high degree of confidence that the Inferred Resource for the Silver Swan deposit will upgrade to an Indicated Resource with further exploration work.

The Company believes it has a reasonable basis for making the forward looking statement in this announcement, including with respect to any production targets, based on the information contained in this announcement and in particular, the JORC Code, 2012 Mineral Resource for Silver Swan as of May 2016, together with independent geotechnical studies, determination of production targets, mine design and scheduling, metallurgical testwork, external commodity price and exchange rate forecasts and worldwide operating cost data.

FORWARD LOOKING STATEMENTS:

This release contains certain forward looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “except”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also forward looking statements

Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility and potential development of the Silver Swan underground mine.

TENEMENTS

Mining Tenements Held as at 30 September 2019

AREAS OF INTEREST	TENEMENTS	ECONOMIC ENTITY'S INTEREST
Western Australia		
Windarra Nickel Assets	MSA 38/261, G38/21, L38/121, L39/184, L38/199, L38/218, L39/221	100%
Windarra South	MSA 38/261, L38/119, L38/122, L38/220	100%
Woodline Well	M39/1075, L39/224	100%
Pool Well	M38/1244, M38/1245, L38/118	100%
Lake Johnston Nickel Assets	E63/1067, G63/0008, G63/0005, L63/0051, L63/0052, L63/0055, L63/0057, M63/0163, M63/0282, M63/0283, M63/0284, M63/0292, M63/0293, M63/0294, M63/0522, M63/0523, M63/0524, E63/1784	100%
Black Swan Nickel Assets	M27/0039, M27/0200, M27/0214, M27/0216, L27/0057, L27/0058, L27/0059, L27/0074, L27/0075, L27/0077, L27/0078, L24/0219, L24/0222, G27/7	100%

E = Exploration Licence M = Mining Lease MSA = Mining Tenement State Act PL = Prospecting Licence
L = Miscellaneous Licence

Mining Tenements Acquired during the September 2019 Quarter

G27/2 at Black Swan was granted during the quarter.

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements during the September 2019 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed of during the September 2019 Quarter

Nil

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

Poseidon Nickel Limited

ABN

60 060 525 206

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(3,228)	(3,228)
(b) development	-	-
(c) production	-	-
(d) staff costs	(262)	(262)
(e) administration and corporate costs	(550)	(550)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	795	795
1.5 Interest and other costs of finance paid	(640)	(640)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	181	181
1.8 Other – sundry income	56	56
1.9 Net cash from / (used in) operating activities	(3,648)	(3,648)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) tenements (see item 10)	-	-
(c) investments (** see item 5)	35,000	35,000
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
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)	-	-
2.6 Net cash from / (used in) investing activities	34,997	34,997

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	-	-
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 (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period (* see item 5)	25,133	25,133
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,648)	(3,648)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	34,997	34,997
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	56,482	56,482

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	1,482	633
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other – Term Deposits < 3 months **	55,000	24,500
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	56,482	25,133

* Cash and cash equivalents at beginning of period / Previous quarter have been adjusted to reflect the classification of term deposits as per the 2019 Annual Report.

** In addition, \$12,000 (previous quarter \$35,012,000 adjusted as above) is held in Term Deposits > 3 months with cash flows included as Investments at Item 2.1(c).

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	142
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	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	US\$17,500	US\$17,500
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.		

Unsecured Convertible Note held by Black Mountain Metals Pty Ltd – interest rate of 5% per annum, denominated in US\$ and repayable on 30 September 2020 with a conversion price of AU\$0.09 per share.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	3,300
9.2 Development	-
9.3 Production	-
9.4 Staff costs	350
9.5 Administration and corporate costs	450
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	4,100

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	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	G27/2 Black Swan	Owned	Nil	100%

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: 

Date: 28 October 2019

Print name: Geoffrey Brayshaw

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.