

ASX Announcement

31 October 2019

QUARTERLY REPORT

For the period ended 30 September 2019

ASX Code: MAN

Capital Structure

Ordinary Shares: 266,341,510
Unlisted Options: 185,675,078
Current Share Price: 1.5c
Market Capitalisation: \$4M
Cash: \$3.8
Debt: Nil

Directors

Patrick Burke
Non-Executive Chairman

James Allchurch
Managing Director

Ben Phillips
Non-Executive Director

Stephen Buckley
Company Secretary

Contact Details

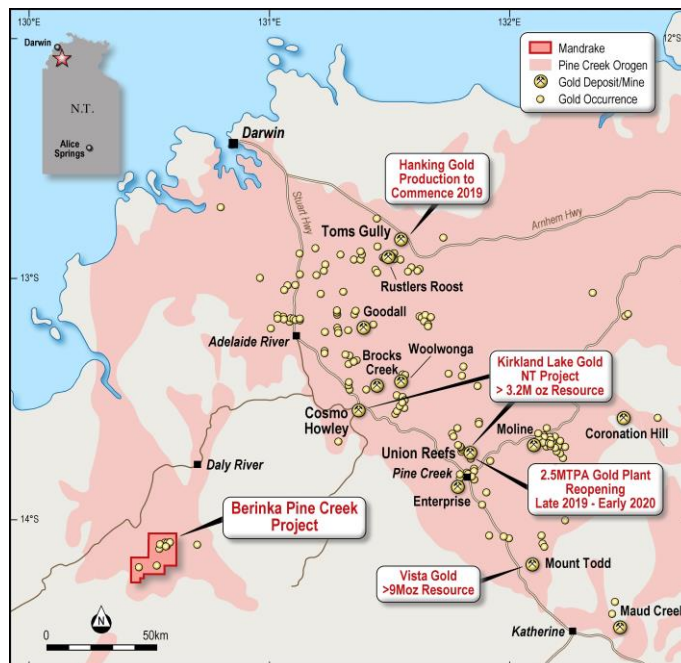
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Australia

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mandrakeresources.com.au

Highlights

- **Successful admission to the ASX following completion of a \$4,527,838 capital raising.**
- **Diamond drill core from previous operator identified in good condition. Four holes, approximately 1,161m of NQ2 core, has been processed.**
- **Identification of the core provides a valuable and inexpensive insight into the structural setting of the Terrys Prospect and provides an opportunity to assay zones prospective for mineralisation.**
- **Limited historical drilling at the project has identified gold mineralisation that remains open at the Terrys Prospect - best intersections include:**
 - **4m @ 6.6g/t from 32m**
 - **6m @ 3.8g/t from 18m**
 - **5m @ 2.6g/t from 30m**
- **Detailed site visit was completed in October 2019 to undertake geological mapping and rock chip sampling.**



Location of Berinka Pine Creek Project

Mandrake Resources Limited (Mandrake) successfully listed on the Australian Securities Exchange (ASX) on 14 August 2019 following the successful raising of \$4,527,838.

Exploration Activities - Berinka Pine Creek Project

Detailed targeting work at Mandrake's 100%-owned 289km² Berinka Pine Creek gold project is well advanced.

Investigations into previous exploration work conducted at the project revealed the existence of 4 diamond drill holes drilled by China Australia Land Resources (CALR) in good condition in a shipping container in a driller's yard in Humpty Doo, approximately 37km from Darwin.

The NQ2 diamond core totals approximately 1,161m and has now been fully processed and logged.



Diamond Drill Core Derived from Terrys Prospect

The identification of the core derived from the Terrys Prospect is fortuitous for Mandrake as it provides, at very low cost to the Company, the opportunity to

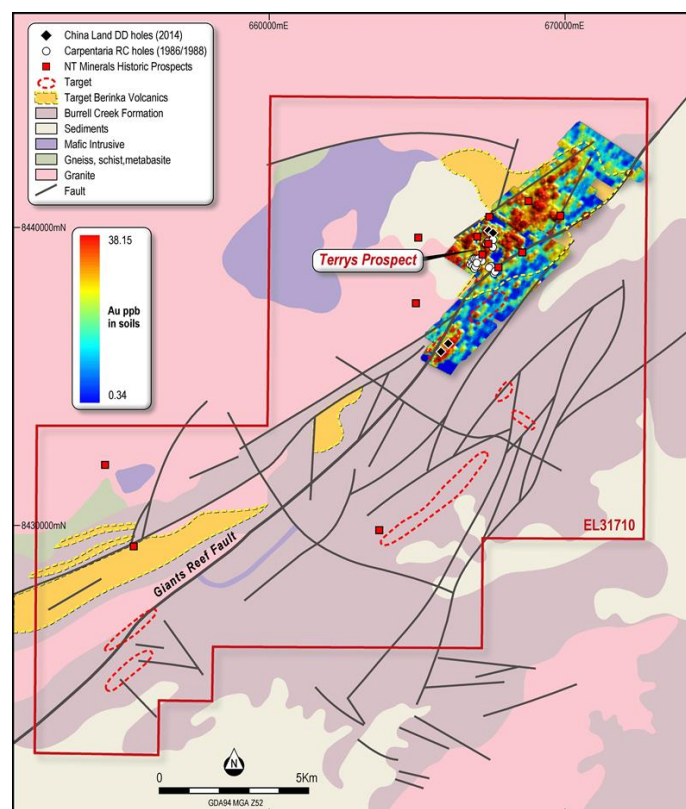
sample and assay various zones prospective for mineralisation as well as generate important structural and lithological information.

Subsequent to the end of the September 2019 quarter a detailed site visit was completed at the Berinka Project to establish access and conduct geological mapping and rock chip sampling.

An application to undertake drilling at the Berinka Pine Creek Project, known as a Mining Management Plan (MMP), was submitted to the Northern Territory Department of Primary Industry and Resources (DPIR) in August 2019.

Berinka Pine Creek Project - Background

Gold mineralisation at the project is associated with >10km strike of poorly tested structurally controlled Berinka Volcanics of the Proterozoic Pine Creek Orogen. Previous reverse circulation (RC) drilling has intersected gold mineralisation associated with sulphide rich veins and is open at depth and along strike at the Terrys prospect with a best intersection of 4m @ 6.56g/t from 32m (TRP-018). A complete list of all historic drill intercepts is contained in the Mandrake Resources prospectus lodged with the ASX on 24 May 2019.



Berinka Pine Creek Project Targeting – Historical Geochem and Drilling

Schedule of Mineral Tenements as at 30 September 2019

Location	Project	Status	Tenement	MAN Interest
NT, Australia	Berinka	Granted	EL31710	100%

About Mandrake Resources

Mandrake is a junior exploration company established with the purpose of exploring and developing gold, nickel, copper and other mineral opportunities. The Company owns a mineral exploration project located in the prolific Pine Creek Orogen of the Northern Territory and is focussed primarily on gold exploration.

For further information visit www.mandrakeresources.com.au

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr James Allchurch, the Managing Director of Mandrake Resources. Mr Allchurch is a Member of the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Allchurch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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

MANDRAKE RESOURCES LIMITED

ABN

60 006 569 124

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	(95)	(95)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(742)*	(742)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
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)	-	-
1.9 Net cash from / (used in) operating activities	(834)	(834)

* Comprising substantially of one off costs associated with the restructuring and re-quotation of the Company on ASX

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	4,790	4,790
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	(265)	(265)
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	4,525	4,525

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	84	84
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(834)	(834)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,525	4,525
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,775	3,775

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	775	84
5.2 Call deposits	3,000	-
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)	3,775	84

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
93
-

Directors fees and salaries paid during the quarter.

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000
243

Comprising substantially of one off costs associated with the restructuring and re-quotation of the Company on ASX

Mining exploration entity and oil and gas exploration entity quarterly report

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 (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.

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9. Estimated cash outflows for next quarter**\$A'000**

9.1 Exploration and evaluation

200

9.2 Development

-

9.3 Production

-

9.4 Staff costs

-

9.5 Administration and corporate costs

100

9.6 Other (provide details if material)

-


9.7 Total estimated cash outflows

300

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	EL31710 Northern Territory	Via acquisition of a 100% subsidiary Focus Exploration PL	0%	100%
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: 
(Company secretary)

Date: 31 October 2019.....

Print name: Stephen Buckley
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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.