



# Quarterly Report

for the three months ended  
**31 December 2019**

## Anglo Australian Resources NL

ASX Code: **AAR**  
ACN: 009 159 077

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### Capital Structure (at 30/01/2020)

403,802,935	<b>Ordinary Shares</b>
	<b>Options</b>
29,800,000	(\$0.02, exp. 30/11/20)
10,100,000	(\$0.025, exp 30/11/20)
2,500,000	(\$0.04, exp 30/11/20)
8,950,000	(\$0.08, exp 30/11/20)
3,000,000	(\$0.135, exp 27/11/22)*
* subject to various vesting terms	

### Board Members

**Leigh Warnick**  
Non-Executive Chairman

**Marc Ducler**  
Managing Director

**John Jones AM**  
Non-Executive Director

**Peter Stern**  
Non-Executive Director

**David Varcoe**  
Non-Executive Director



## Summary & Highlights

### EXPLORATION

#### Mandilla Gold Project, Kalgoorlie, WA (100%)

- **Significant exploration programs** completed during the quarter, including 85 Reverse Circulation (RC) drill-holes for 6,331m and one diamond hole for 133m from a 150m RC pre-collar (total down-hole depth of 283m).
- **Large new bedrock gold target** identified at **Mandilla West**, where drilling returned shallow intercepts such as **25m at 2.2g/t Au from 24m** (MSRC047).
- **The bedrock target extends over an ~800m strike length** along the southern extension of the Mandilla West trend, close to the western margin of the syenite intrusion.
- At **Mandilla East**, results including **37m @ 1.64g/t Au from 104m** (MSRC047 and MDRC165) demonstrate the presence of a newly-interpreted mineralised zone which appears to be parallel to the previously interpreted 70m wide zone.
- Mineralisation also identified to the north of Mandilla East, most notably in MSRC061 (**1m @ 1.26 g/t from 38m** and **1m @ 19.37g/t from 44m**), indicating a potential 400m long extension which corresponds to an area of significant gold-in-soil anomalism.
- **Work programs resumed** in early January 2020, with a number of assays outstanding from drilling prior to Christmas. These are expected to be announced in early February.

### CORPORATE

- **New leadership team** appointed following the settlement of legal proceedings involving Anglo and a number of its shareholders and the withdrawal of the s249D notice announced on 31 October.
- After a series of appointments and resignations, the Board now encompasses Mr Leigh Warnick as Non-Executive Chairman, Mr Marc Ducler as Managing Director, and Messrs John Jones, Peter Stern and David Varcoe as Non-Executive Directors.
- 30,598,901 new fully-paid ordinary shares issued, mainly arising from the exercise of options held by Directors.
- Cash at 31 December 2019 of \$0.26 million (with an additional \$0.55 million raised since year-end).



## Details

### EXPLORATION

#### MANDILLA GOLD PROJECT – WA

Anglo Australian – 100%

The Mandilla Gold Project, which is located approximately 75 kilometres south of Kalgoorlie in Western Australia, lies on the western margin of a porphyritic granitic intrusion known as the Mandilla Syenite. The syenite intrudes volcanoclastic sedimentary rocks in the Project area which form part of the Spargoville Group. A map of the Mandilla Gold Project, illustrating key locations and geological features, is shown in Figure 1 below:

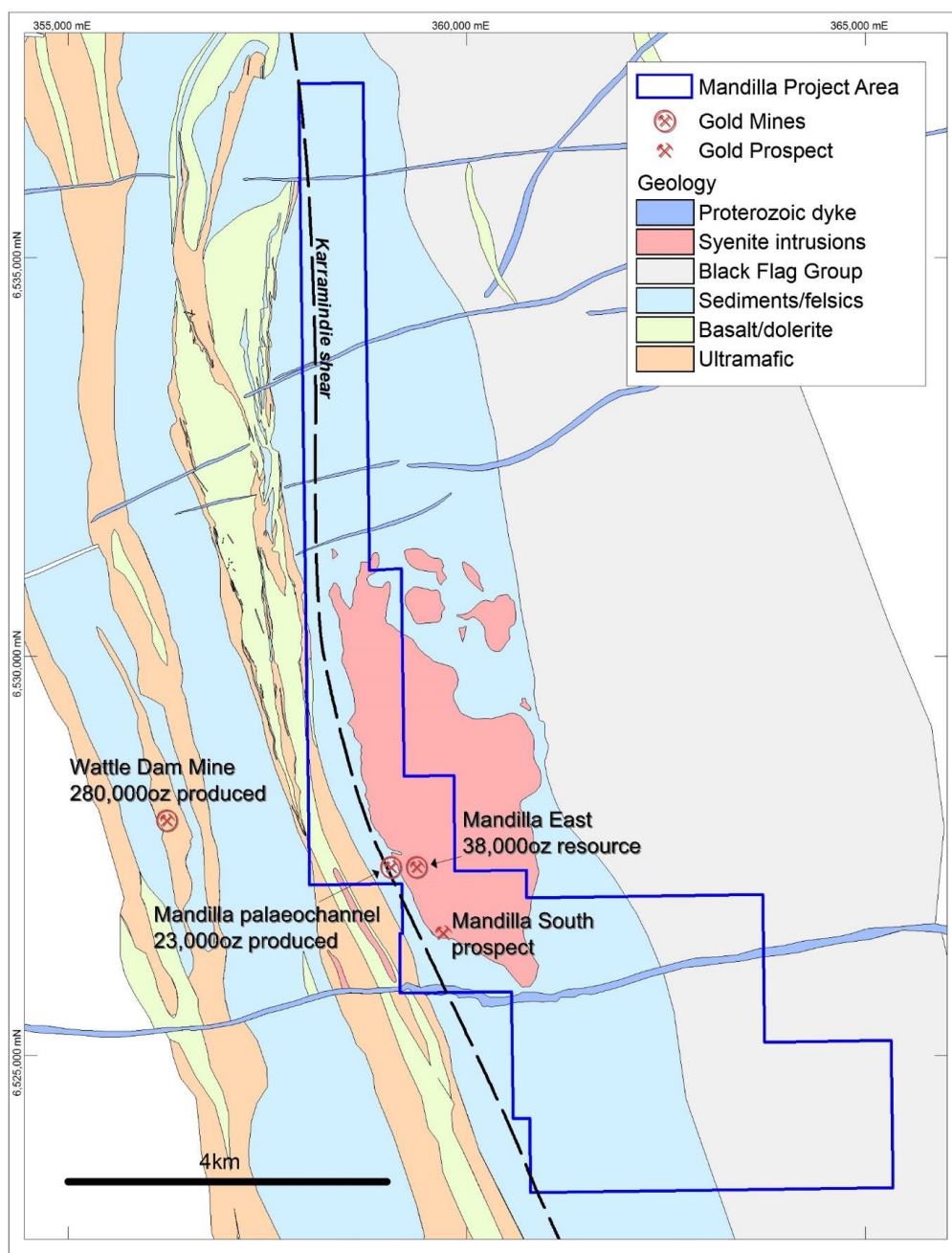


Figure 1: Map of Mandilla Project illustrating key locations and geological features.

Over the period 2006 to 2007, Anglo Australian mined approximately 23,000 ounces of gold at a recovered grade of approximately 7.5g/t Au from two shallow open pits (less than 20m deep) at Mandilla West, targeting paleochannel gold deposits (alluvial gold in ancient streams). The gold was likely sourced from in-situ mineralized quartz vein deposits located nearby.



At Mandilla South, Anglo Australian has previously identified a 2km long mineralised trend with peak gold values exceeding 5g/t Au over a strike length of approximately 300m. Bedrock gold mineralisation is also known to be present.

During the quarter, the Company progressed substantial exploration activity at Mandilla.

A program of Reverse Circulation ("RC") drilling continued during the quarter, with the objective of expanding the potential mineralisation to a greater depth.

In October 2019, the Company completed a campaign involving the drilling of 55 shallow RC holes for 2,235 metres. The programme was designed to penetrate a short distance into fresh rock to test various extensional targets at Mandilla, with the objective of expanding the overall footprint of significant mineralisation.

The average depth of these holes was 41m. Assay results from all holes were reported in the ASX release dated 12 December 2019.

RC drilling at Mandilla East and South continued with in-fill drilling to a 40m x 40m and 40m x 80m spacing respectively with a total of 30 holes completed for 4,096m. This included three pre-collars, of which one of the planned diamond tails was completed for 132.9m of HQ (hole depth 282.9m). The diamond holes were planned to test the down-plunge continuity of Mandilla East.

Assay results up to and including the November drilling campaign were also reported in the ASX release dated 12 December 2019. This included the three pre-collars from the latest December drilling. Assay results for the remaining 16 RC holes drilled in December are awaited and will be reported once all results are received and interpreted.

Total drilling for the quarter consisted of 85 RC holes for 6,331 metres with an average hole depth of 74 metres and one diamond hole for 132.9m of HQ core. Drilling was suspended before Christmas due to bush fires in the area requiring evacuation from the project.

Drilling will re-commence during the first quarter of 2020.

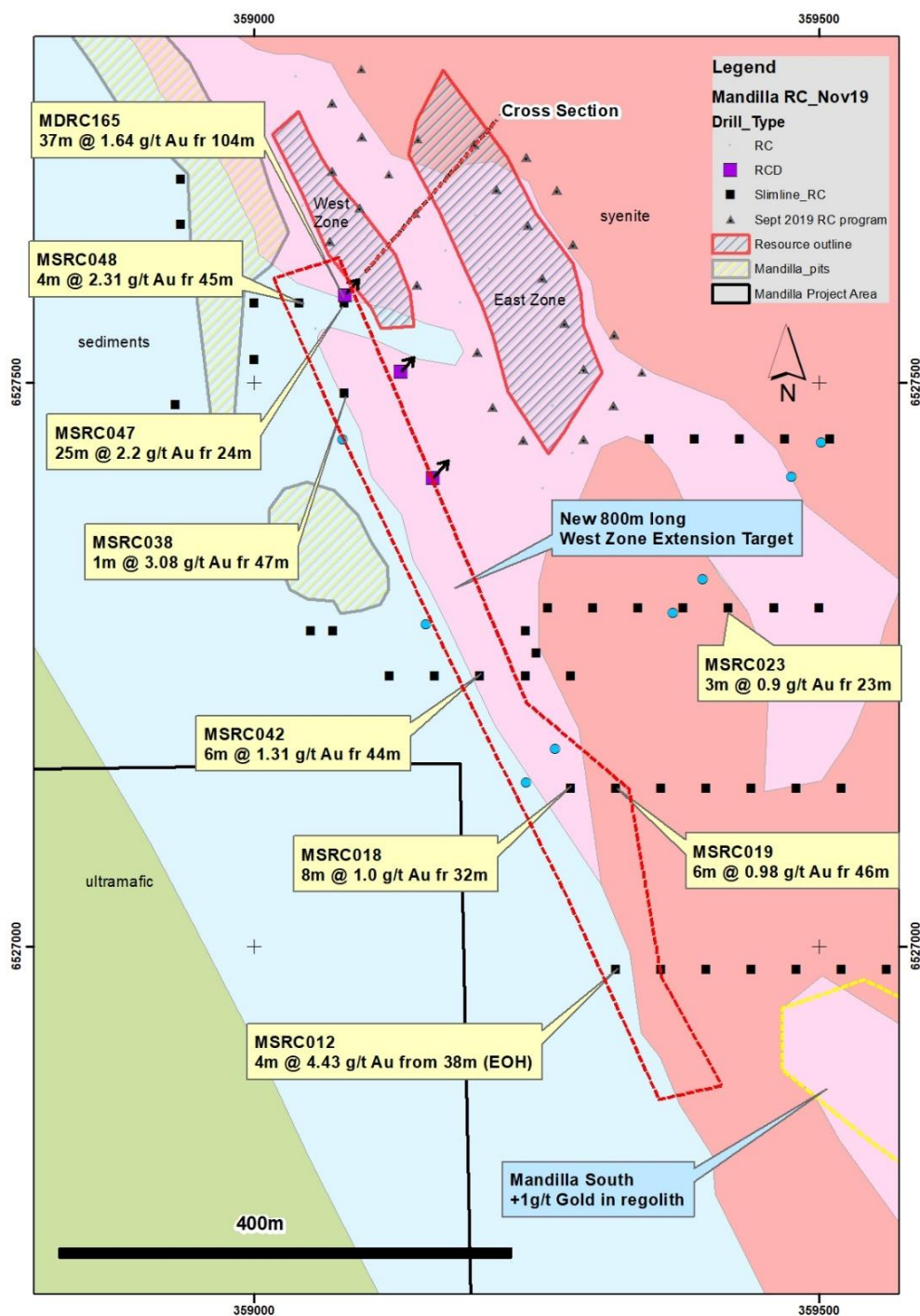
### **Mandilla West**

The majority of the shallow drilling campaign was located at an area designated Mandilla West, to test the previously undrilled western margin along the contact with the syenite intrusion.

Significant intersections included:

- MSRC047 – 25m @ 2.2g/t Au from 24m
- MSRC048 – 4m @ 2.31g/t Au from 45m
- MSRC012 – 4m @ 4.43g/t Au from 38m to EOH

A map illustrating Mandilla West, identifying the shallow drill-hole locations and assay results, is shown in Figure 2.

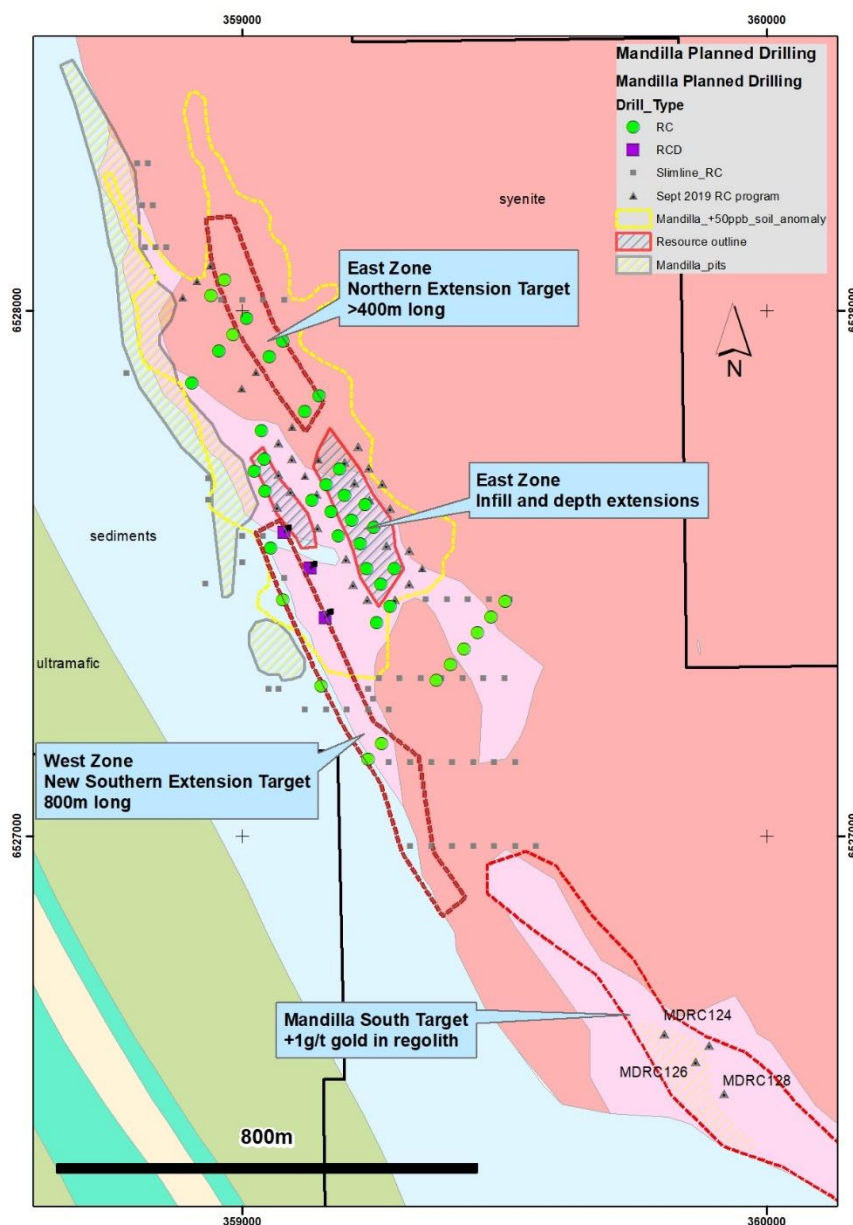


**Figure 2: Map of Mandilla West, identifying drill-hole locations and assay results.**

As highlighted by the red dashed line, a significant new bedrock target has been defined along the southern continuation of the Mandilla West trend over a strike length of at least 800m, close to the western margin of the syenite intrusion.

The expanded 800m Western Zone trend adds an important new dimension to the Mandilla gold system, which will be assessed with deeper bedrock drilling commencing early in 2020. If Mandilla West and Mandilla South are subsequently determined to be the same structure, this can potentially extend the mineralisation to over four kilometres.

A map illustrating the location of Mandilla West in relation to Mandilla South is shown in Figure 3.



**Figure 3: Map illustrating the location of planned drill holes**  
(RC in green dots and diamond holes in purple squares) are shown. This is discussed in more detail below.

### Mandilla East

The result from MSRC047 (25m @ 2.2g/t Au from 24m), referred to above, is also significant in the context that it represents a new discovery of gold mineralisation to the west of Mandilla East.

Also significant is the assay result from the first pre-collar RC hole drilled, MDRC165, which, like MSRC047, is located to the west of what has until now been interpreted as the western margin of the Mandilla East gold envelope.

Here, MDRC165 returned an assay of 37m @ 1.64g/t Au from 104m down-hole.

A cross-section at Mandilla East (its location shown on Figure 2), identifying the previously interpreted gold envelope as well as new intersections in MSRC047 and MDRC165, is set out in Figure 4 (new results highlighted yellow):



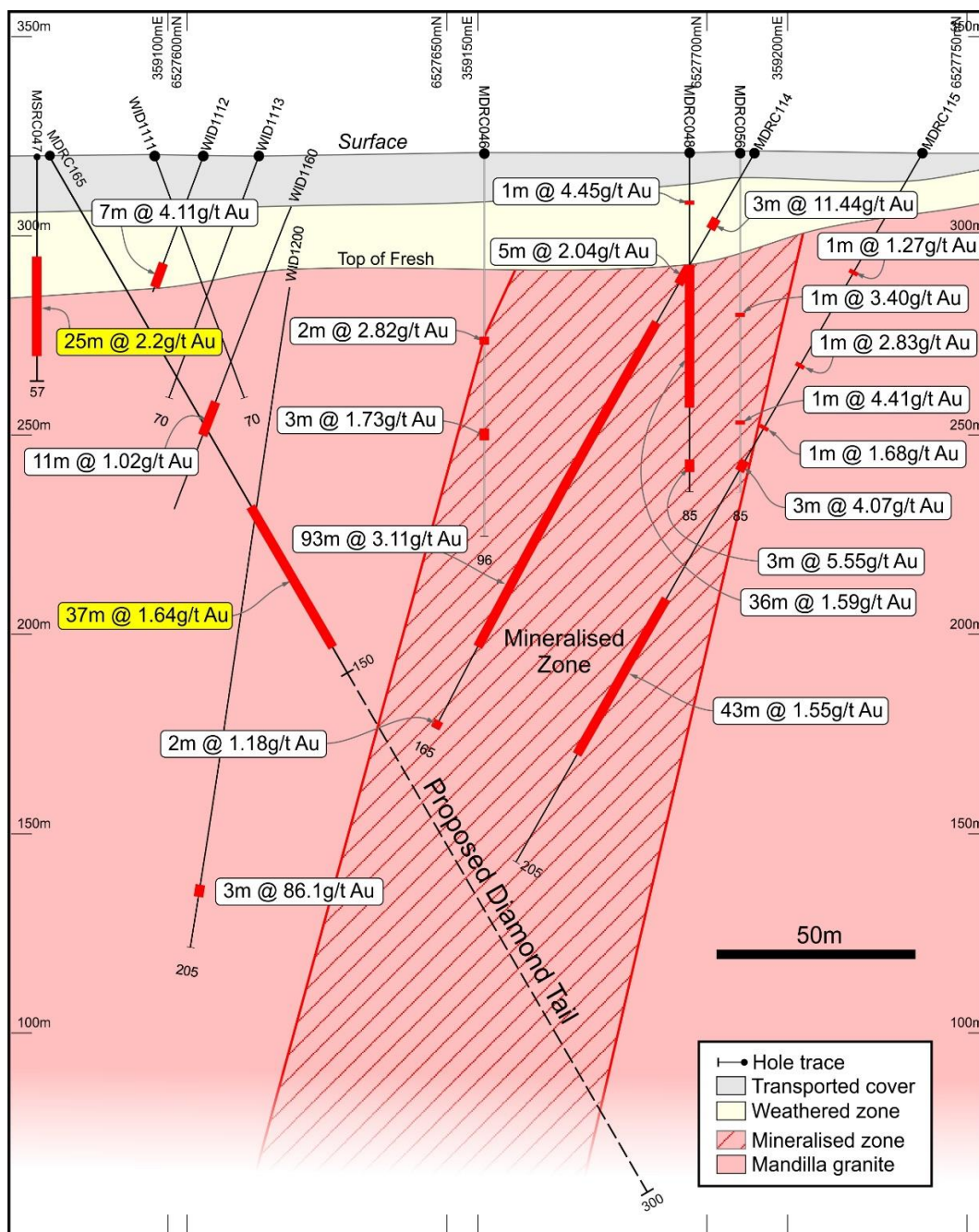


Figure 4: Cross-section at Mandilla East (its location shown on Figure 2), identifying the previously interpreted gold envelope as well as new intersections in MSRC047 and MDRC165 (new results highlighted yellow). The planned RC/diamond tail of MDRC165 is shown.

At this stage it is unclear if the mineralised zone links along a shallower-than-expected dip towards the mineralisation intersected in MDRC114 (93 m @ 3.11 g/t Au) or represents a new zone of mineralisation running parallel to the previously interpreted 70-metre-wide zone.



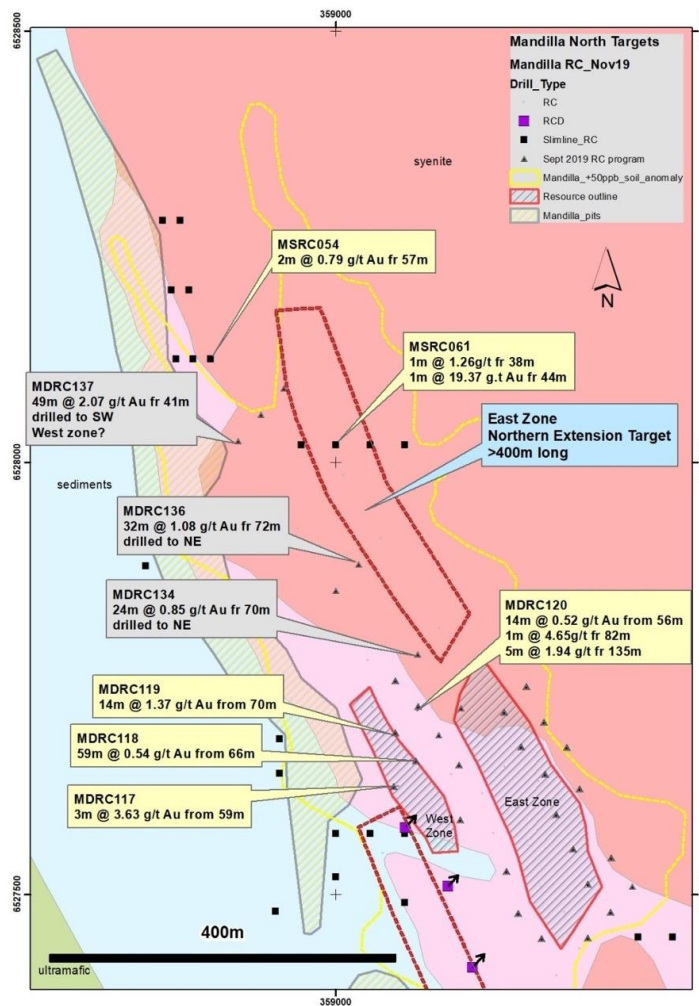
## Mandilla East Extension

The drilling campaign also involved the drilling of holes in the region to the north of Mandilla East, in an area for now referred to as the Mandilla East Extension. Anomalous gold was identified in most holes.

The most significant of these was MSRC061, which returned an assay of 1m @ 1.26g/t Au from 38m and 1m @ 19.37g/t Au from 44m. This hole is located approximately 400m to the north of previously known mineralisation at Mandilla East.

Importantly, the Mandilla East Extension also broadly corresponds to an area of significant gold-in-soil anomalism.

A map illustrating Mandilla East, identifying drill hole locations and assay results, the gold-in-soil anomalism outline and the interpreted new Mandilla East extension, is shown in Figure 5.



**Figure 5: Map illustrating Mandilla East, identifying drill hole locations and assay results, the gold-in-soil anomalism outline and the interpreted new Mandilla East extension.**

The map also shows the location of and intersections from two final RC holes from the Western Zone drilling completed in the September campaign:

- MDRC118 – 59m @ 0.54 g/t Au from 66 m (Western Zone)
- MDRC119 – 14m @ 1.37 g/t Au from 70 m (Western Zone)



## Mandilla South

MDRC124, located centrally with respect to the current two-kilometre-long anomaly, returned assay results of 2m @ 4.57g/t Au from 60m and 6m @ 1.02g/t Au from 91 m.

## Forward Plan

An active exploration program with RC and diamond drilling will re-commence at Mandilla in Quarter 1 2020. Diamond drilling is planned to extend Mandilla East mineralisation to 200m depth below surface. The remaining holes in the RC program will continue with the principal objectives being:

- Testing the northern extension of the Mandilla East Zone over a strike length of some 400m;
- Definition of the Mandilla East mineralisation on 40m x 40m spacing; and
- Initial testing of the new southern extension of the West Zone.

Exploration drilling will be ongoing throughout 2020 as part of a focused campaign to expand the known footprint of the Mandilla gold system.

## CORPORATE

### Issued Capital

During the December Quarter, 30,598,901 fully paid ordinary shares were issued, comprising:

- 2,500,000 fully paid ordinary shares on 16 October 2019, upon the exercise of 2,500,000 unlisted options exercisable at \$0.02, expiring 30 November 2019;
- 19,800,000 fully paid ordinary shares on 25 November 2019, upon the exercise of 19,800,000 unlisted options exercisable at \$0.02, expiring 30 November 2019;
- 7,200,000 fully paid ordinary shares on 25 November 2019, upon the exercise of 7,500,000 unlisted options exercisable at \$0.02, expiring 30 November 2020; and
- 1,098,901 fully paid ordinary shares issued to Olgen Pty Ltd on 13 December 2019 at a deemed issue price of \$0.091 per share as compensation for services performed to the Company.

On 2 December 2019, the Company issued 3,000,000 unlisted options to incoming Director, Mr David John Varcoe. The options have an exercise price of \$0.135 with an expiry date of 27 November 2022. One million options vested immediately, one million vest after 12 months and the remaining one million vest after 24 months.

### Settlement of Legal Matters

On 14 October 2019, Anglo Australian received a notice under section 249D of the Corporations Act 2001 (Cth) requesting the Company call a general meeting of shareholders for the purposes of considering resolutions concerning the composition of the Board. On 31 October, the notice was withdrawn and a new section 249D notice lodged in its stead, again seeking changes to the composition of the Board.

On 28 November 2019, Anglo commenced proceeding number COR 232 of 2019 in the Supreme Court of Western Australia against a number of the Company's shareholders, concerning alleged shareholding irregularities (**Supreme Court Proceedings**).

The Company announced on 23 December 2019 that a settlement agreement had been executed between the Company and a number of its shareholders (the **Settlement Agreement**), involving the following:

- Consent orders for termination of the Supreme Court Proceedings.
- Agreed changes to the composition of the Anglo board (refer below).
- Withdrawal of the section 249D notice.
- Agreement on payment of legal and other costs incurred by the defendants, totalling approximately \$453,000.
- Settlement of the defendants' costs involves a cash payment of \$16,500, with the balance being settled via the issue of Anglo shares at a deemed issue price of 10 cents per share. The issue of these Anglo shares is subject to





shareholder approval and failing shareholder approval, the full amount of \$453,000 must be paid in cash. Notice convening a general meeting to seek shareholder approval was issued on 29 January 2020.

- All parties providing mutual releases and indemnity undertakings to prevent future legal actions on the issues that were the subject of the Supreme Court Proceedings.
- No admissions of liability by any party.

#### Board Composition

Following the execution of the Settlement Agreement, the newly constituted Board of Anglo is as follows:

- Leigh Warnick – Non-Executive Chair (appointed 23 December 2019)
- Marc Ducler – Managing Director (appointed 23 December 2019)
- John Jones – Non-Executive Director
- Peter Stern – Non-Executive Director
- David Varcoe – Non-Executive Director (appointed 28 November 2019)

Other changes to Board Composition during the period included the following:

- Mr John Jones resigned his position as Chairman, in accordance with the terms of the Settlement Agreement.
- Mr Andrew Barclay and Mr Matt Hardisty were appointed as Non-Executive Directors on 13 December 2019. Mr Barclay and Mr Hardisty resigned as directors in accordance with the terms of the Settlement Agreement.
- Mr Graeme Smith resigned as a director, in accordance with the terms of the Settlement Agreement.

#### Management Appointments

As announced on 23 December 2019, Mr Brendon Morton will join the Company as Chief Financial Officer and Company Secretary and Ms Julie Reid will join the Company as Exploration Manager. Both appointments were subject to terms being agreed, which occurred during January 2020.

#### Cash and cash equivalents

As at 31 December 2019, the Company had cash on hand of approximately \$0.26 million.

An additional \$0.55 million has been raised since the end of the quarter.

#### **For further information:**

##### **Investors:**

Marc Ducler  
Managing Director  
Anglo Australian Resources  
+61 8 9382 8822

##### **Media:**

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Read Corporate  
+61 419 929 046



## ABOUT ANGLO AUSTRALIAN RESOURCES

Anglo Australian Resources (ASX:AAR) is a gold-focused exploration company targeting the exploration growth and development of its flagship Mandilla Gold Project, located 75km south of Kalgoorlie in Western Australia.

The Company's current focus is to determine the extent of the gold mineralisation potential, in-fill the known mineralisation corridors, broaden the understanding of the structural controls to the mineralisation and update the Mineral Resource estimate.

Anglo Australian also has significant other tenement interests that will continue to be evaluated. These include:

### Feysville Gold Project (Anglo Australian – 100%)

The Feysville Gold Project is located in Australia's premier gold belt, approximately 14km south of the giant Golden Mile deposit (70Moz) at Kalgoorlie. The belt extends for some 100km along a NNW strike, and takes in major gold deposits at New Celebration (3Moz), some 10km south of Feysville, and the large St Ives field (+15Moz) 30-60km to the south.

Numerous other economic gold deposits have also been discovered within the belt (refer Figure 6).

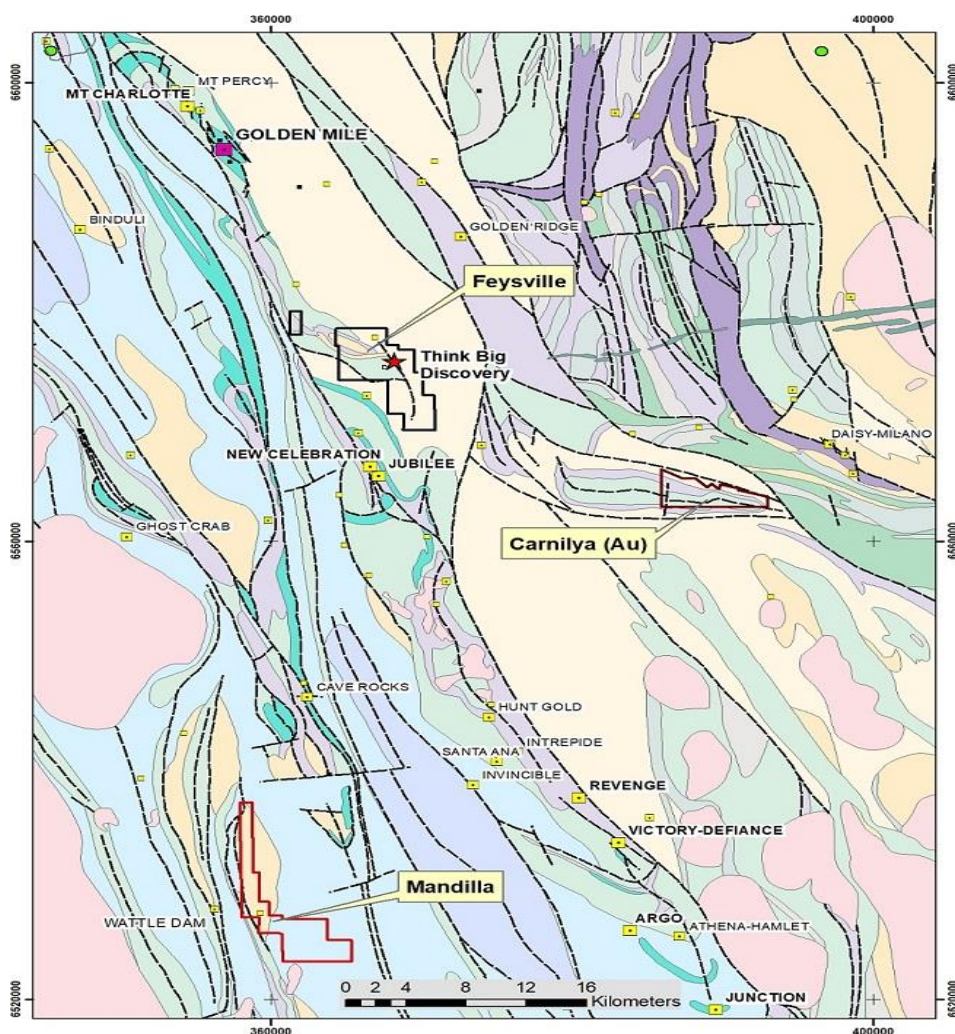


Figure 6: Feysville Gold Project Location Map

In April 2019 Anglo Australian announced a maiden Mineral Resource estimate of 116,100 ounces of gold at a 0.5g/t cut-off (Indicated Mineral Resource estimate of 2,285kt @ 1.3g/t for 95,900 ounces Au and Inferred Mineral Resource estimate of 572kt @ 1.1g/t for 20,200 ounces Au)



Koongie Park Gold and Base Metals Project (Anglo Australian – 100%)

The Koongie Park Project is located 20km to the south-west of Halls Creek in the Eastern Kimberley region of Western Australian, shown in Figure 7.

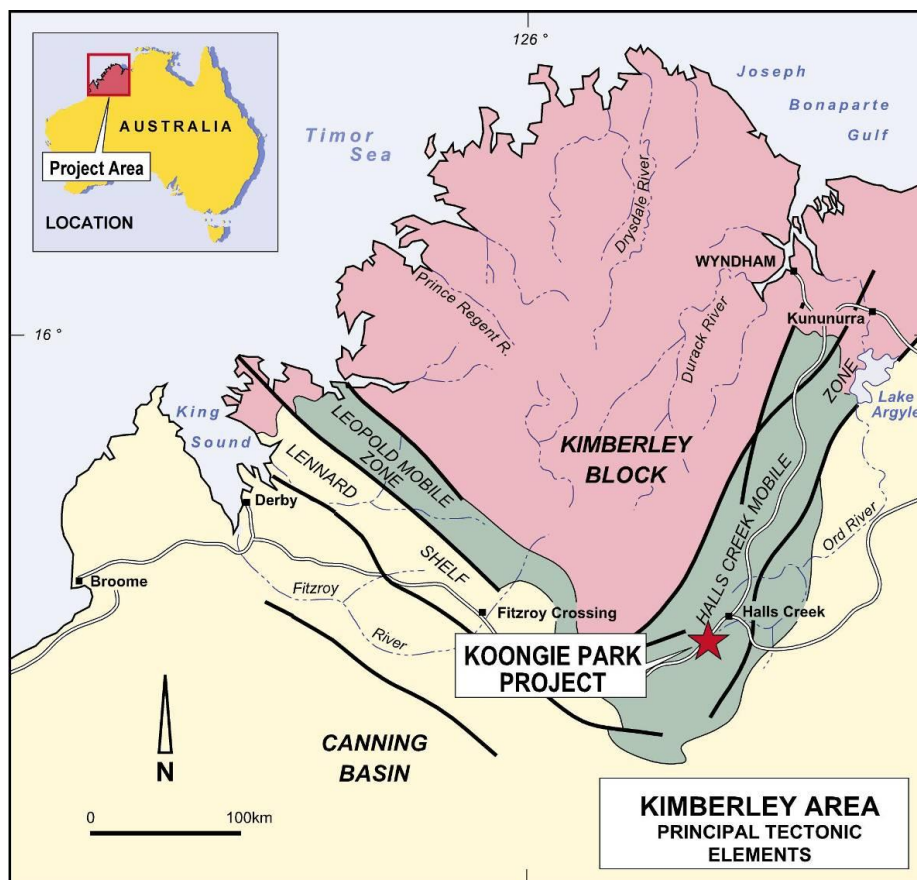


Figure 7: Koongie Park location map.

Anglo Australian holds a substantial ground position, as illustrated in Figure 8.

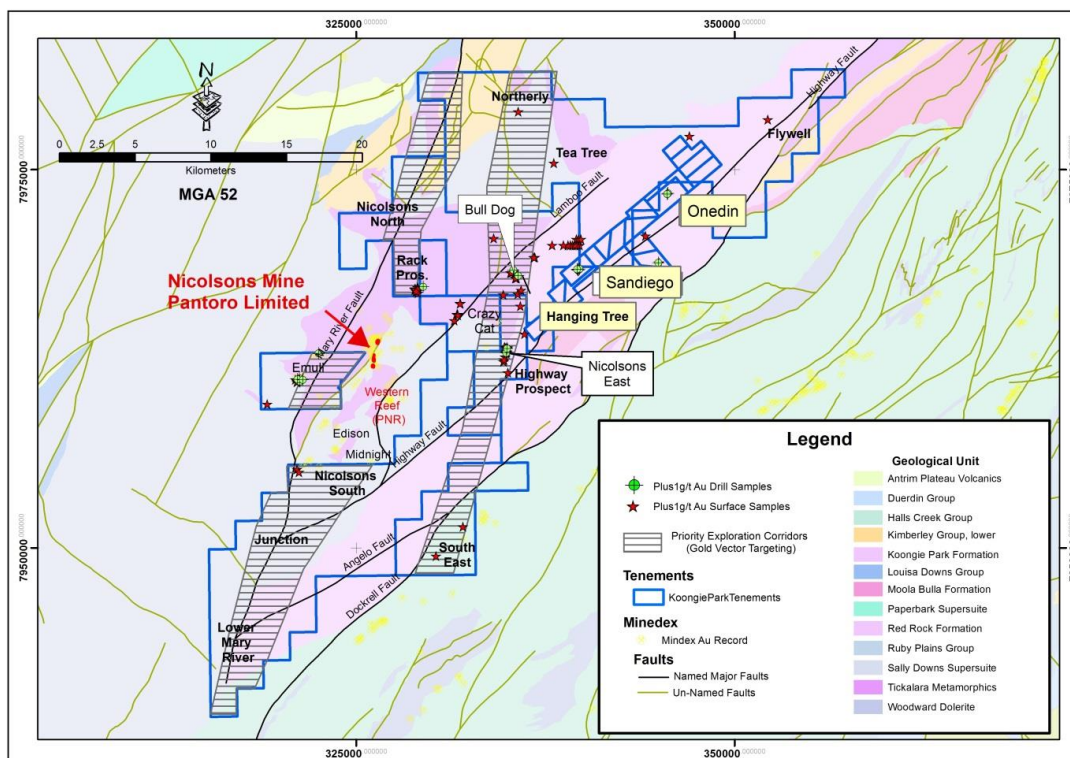


Figure 8: Koongie Park tenement map illustrating key features.



In 2019 Anglo Australian completed a modest exploration programme of 15 RC holes for an aggregate 822m (average depth of approximately 55 metres per hole). This demonstrated gold mineralisation beneath the mapped positions of quartz vein outcrops, with gold assays ranging from weakly gold anomalous to significant grades of 11.27g/t Au over 1 metre.

In November 2010, Anglo Australian announced a Mineral Resource Estimate for the Sandiego Deposit. The Total Indicated and Inferred Mineral Resources are 2Mt @ 2.8% Cu, 1.8% Zn, 0.39g/t Au and 18g/t Ag for the copper lode and 1.57Mt @ 6.8% Zn, 0.2% Cu, 0.16g/t Au, 22g/t Ag for the zinc lode.

The Company has previously announced Mineral Resource estimates of 2.5Mt @ 1.1%Cu, 21g/t Ag 0.3g/t Au from the Onedin copper zone; 1.3Mt @5.4% Zn, 25g/t Ag and 0.25g/t Au from the Onedin zinc zone and 0.65Mt @ 8% Zn, 1.1% Cu, 1.4% Pb, 47g/t Ag and 0.37g/t Au for the copper-zinc zone.





**SCHEDULE OF MINING TENEMENTS (Western Australia)**

Project	Tenement	Company Interest	Title Registered to
Koongie Park	M80/276, 277 E80/4389,4766, E80/4957, 4960 E80/5076, 5087, E80/5127 P80/1802-10 P80/1831-1837	100%	Anglo Australian Resources NL
Feysville	P26/3943 – 3951 P26/4031-4034 P26/4051- 4052 P26/4074 – 4077 P26/4293,4294  P26/4031 – 4034	100%  Option Agreement	Feysville Gold Pty Ltd  R Borrromei
Mandilla	M15/96 M15/633 E15/1404	100% gold rights only 100% gold rights only 100%	Apollo Phoenix Resources Pty Ltd Anglo Australian Resources NL Anglo Australian Resources NL
Carnilya Hill	M26/47 - 49 M26/453	100% gold rights only	Mincor Resources NL
Leonora	E37/1287,1355	100%	Anglo Australian Resources NL



## Compliance Statement

*The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by David Otterman, who is an independent consultant trading as DW Otterman Exploration Consultant.*

*Mr Otterman is a Fellow of The Australasian Institute of Mining and Metallurgy (CP) and a Member of the Australian Institute of Geoscientists (RP Geo).*

*Mr Otterman 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 JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Otterman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Mr Otterman has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. He verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in supporting documentation relating to Exploration Targets and Exploration Results.*

*The information in this announcement that relates to the Indicated Mineral Resource for the Sandiego and Onedin Deposits was first reported in accordance with JORC 2004 on 1 Nov 2010. The company confirms that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.*

*The information in this report that relates to Mineral Resources for the Feysville Gold Project was first reported in accordance with JORC 2012 on 8 Apr 2019 and is based on information compiled by Mr Richard Maddocks, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. The company confirms that all material assumptions and technical parameters underpinning the Resource estimate continue to apply and have not materially changed.*

*Mr Maddocks 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Maddocks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Mr Maddocks is an independent consultant to Anglo Australian Resources.*

## Previously Reported Results

*There is information in this announcement relating to exploration results which were previously announced on 13 Feb 2017, 21 Mar 2018, 15 May 2018, 26 Nov 2018, 8 April 2019, 31 July 2019, 19 September 2019, 16 October 2019, 25 November 2019 and 12 December 2019. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.*

## Appendix 5B

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

Name of entity

ANGLO AUSTRALIAN RESOURCES NL

ABN

24 651 541 976

Quarter ended ("current quarter")

31 DECEMBER 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(724)	(1,299)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(400)	(565)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,124)</b>	<b>(1,863)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,294
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	404	404
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(21)	(21)
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>383</b>	<b>1,677</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	1,005	450
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,124)	(1,863)
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)	383	1,677



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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>264</b>	<b>264</b>

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	221	149
5.2	Call deposits	43	856
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>264</b>	<b>1,005</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter  
\$A'000**

22

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

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

<b>7. Financing facilities</b>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	1,124
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	1,124
8.4 Cash and cash equivalents at quarter end (Item 4.6)	264
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	264
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	0.24
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer:</p> <p>Yes, the Company intends to continue to have the current level of net operating cash flows as a minimum.</p>	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	

Answer:

On 13 January 2020, the Company announced that it had completed a capital raising, to raise \$550,000.

On 29 January 2020, the Company issued a Notice of General Meeting. A number of the resolutions contained within the Notice of General Meeting seek to refresh the Company's placement capacity under ASX Listing Rule 7.1, providing the Company greater flexibility to raise capital.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, for the reasons outlined in section 2 above.

## 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.

30 JANUARY 2020

Date: .....

BY THE BOARD

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.