

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

Sihayo Gold Limited

ABN

77 009 241 374

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,749)	(3,070)
(b) development	-	-
(c) production	-	-
(d) staff costs	(449)	(788)
(e) administration and corporate costs	(522)	(610)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (payment audit tax of subsidiary)	(17)	(17)
1.9 Net cash from / (used in) operating activities	(2,738)	(4,487)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(9)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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)	(9)

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	(28)	(78)
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 (payment from buyback shares)	(419)	(419)
3.10 Net cash from / (used in) financing activities	(447)	(497)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	4,456	6,257
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,738)	(4,487)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3)	(9)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(447)	(497)
4.5 Effect of movement in exchange rates on cash held	31	35
4.6 Cash and cash equivalents at end of period	1,299	1,299

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	1,272	4,429
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (term deposit)	27	27
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,299	4,456

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
142
-

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
-
-

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	\$5,243,829	\$5,243,829
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.		

The Company has entered several loan agreements with PT Saratoga Investama Sedaya Tbk, Asian Metal Mining Developments Limited, Provident Minerals Pte Ltd. and Goldstar Mining Asia Resources (L) Berhad. All loan facility are fully drawn at the previous quarter with total facility amount of \$5,243,829, charged by interest rate of 10% per annum and classified as unsecured loan. The lenders have agreed to extend the maturity date of the loans from 31 December 2019 to 30 June 2020. The Company is discussing interim funding with its current lenders to complete near-term project milestones.

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	2,000
9.2	Development	-
9.3	Production	-
9.4	Staff costs	250
9.5	Administration and corporate costs	150
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	2,400

The Company has reduced the scale of its operations at the Sihayo project since the completion of the infill drilling program on 31 December 2019. Operating costs are expected to be significantly lower over the March Quarter due to reductions in manpower, fuel, drilling consumables and logistics. The Company has allowed for the unpaid costs of completing the drilling program and ongoing expenses for professional services to complete the resource modelling, supporting technical studies and working capital.

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				
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: 31/1/20

Print name:

David NOLAN

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.

SUMMARY OF TENEMENTS HELD BY THE GROUP

Project Name	Tenement Date	Approval Date	Expiry	Area	Equity %
OROPA INDIAN RESOURCES INDIA					
Block D-7		22.01.00	N/A	4,600km ²	9 ⁽¹⁾
PT SORIKMAS MINING INDONESIA					
Pungkut	96PK0042	31.05.96	N/A	66,200ha	75
SIHAYO GOLD LIMITED WESTERN AUSTRALIA					
Mt. Keith	M53/490	11.06.04	10.06.25	582ha	0 ⁽²⁾
	M53/491	11.06.04	10.06.25	621ha	0 ⁽²⁾
EXCELSIOR RESOURCES PTY LTD					
Mulgabbie	ML28/364	25.03.09	24.03.30	54.3ha	0 ⁽²⁾
PL28/1078	22.09.08	21.09.12		98.0ha	0 ⁽²⁾
PL28/1079	22.09.08	21.09.12		143.7ha	0 ⁽²⁾
PL28/1080	22.09.08	21.09.12		140.7ha	0 ⁽²⁾
PL28/1081	22.09.08	21.09.12		191.4ha	0 ⁽²⁾
PL28/1082	22.09.08	21.09.12		120.0ha	0 ⁽²⁾
Gullewa	M59/394				200.0

NOTES

- (1) Option to increase interest to 18%
(2) 2% net smelter royalty