

31 October 2019

QUARTERLY ACTIVITIES REPORT FOR SEPTEMBER 2019 QUARTER

CORPORATE

During the quarter, RMA Energy Limited ('RMT'; 'the Company') received a correspondence from the ASX with reference to Listing Rule 12.1. ASX Listing Rule 12.1 provides that the level of an entity's operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the entity's securities and its continued listing. ASX will afford the Company until 17 March 2020 to demonstrate to ASX that it is compliant with Listing Rule 12.1. If the Company does not demonstrate compliance with this rule to ASX's satisfaction by 17 March 2020 ASX may suspend the Company's securities from official quotation.

The Company continues its efforts to seek and review suitable projects and opportunities for potential investment. The Company will advise the market of any developments as appropriate in this regard.

In addition, the Company is also considering a number of restructuring and refinancing alternatives and is discussing these with its major shareholders and a few interested parties with a view to securing the best finance option for all shareholders.

TENEMENTS

Tenement schedule as at 30 September 2019

Tenure No/Location	Prospect	Holder	Ownership	Area (blocks)	Grant date	Expiry date
EPM 15136	Cliffdale Creek	RMA Energy Ltd	100%	47	22/07/2009	21/07/2020
EPM 19736	Macauley	RMA Energy Ltd	100%	17	20/10/2015	19/10/2020

For more information please contact:

Abby Siew
Joint Company Secretary
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About RMA Energy Limited

RMA Energy Limited ("RMA") listed on the Australian Securities Exchange in June 2007, with a suite of tenements in Queensland, Australia that are prospective for coal, gold and base metals.

RMA is 51.34% owned by CREC Resources (Aust) Pty Ltd, a wholly owned subsidiary of China Rail Group Limited, a PRC incorporated company listed on Hong Kong and Shanghai Stock Exchanges.

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

RMA Energy Limited

ABN

79 123 776 652

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(7)	(8)
(b) development	-	-
(c) production	-	-
(d) staff costs	(7)	(19)
(e) administration and corporate costs	(65)	(90)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	-	-
Refund	-	2
1.9 Net cash from / (used in) operating activities	(79)	(115)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) other non-current assets	-	-
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	-	-
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 Loan received	80	120
3.10 Net cash from / (used in) financing activities	80	120

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	28	24
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(79)	(115)
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)	80	120

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	29	29

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	29	28
5.2	Call deposits	-	-
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)	29	28

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**

7

-

Payment for director's fees.

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	200	200
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.		

On 24 November the Company received loan funds of \$410,500 from the Company's major shareholder, CREC Resources (Aust) Pty Ltd ("CREC"). The loan is unsecured and is repayable within 3 years from the date of draw down. Interest accrues on the loan at the rate of 7.20% p.a. from 24 November 2017 (was 6.00% p.a. prior to that).

On 31 March 2016, the Company received further loan funds of \$200,000 from CREC to assist with working capital requirements. The loan term is for 1 year and attracts an interest rate of 5.22% per annum (was 4.35% per annum prior to 31 March 2017). Interest rate is based on the RMB benchmark lending rate as announced by the Bank of China corresponding to the term of borrowing on the borrowing date until maturity date.

On 27 March 2018, the Company entered into a loan agreement for \$200,000 with CREC to assist with working capital requirements. The borrowing is to be drawn in 5 instalments of \$40,000 each. The loan is unsecured and for an initial 12 month term (currently being extended for periods as agreed with CREC from time to time with no specific end date). The Interest rate is based on the RMB benchmark lending rate announced by the Peoples Republic of China corresponding to the term of borrowing on the borrowing date until maturity date. As at 30 September 2019, 5 out of the 5 instalments have been drawn down.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	5
9.2 Development	-
9.3 Production	-
9.4 Staff costs	15
9.5 Administration and corporate costs	30
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows*	50

* The Company is currently negotiating new and extended loan facilities with CREC in order to fund foreseeable future expenditure.

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:*lodged electronically*.....
(Joint Company Secretary)

Date: 31 October 2019

Print name: Abby Siew

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.