

## 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

De Grey Mining Limited

### ABN

65 094 206 292

### Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5	20
1.2 Payments for		
(a) exploration & evaluation	(1,949)	(7,330)
(b) development	-	-
(c) production	-	-
(d) staff costs	(501)	(1,955)
(e) administration and corporate costs	(222)	(1,066)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	23
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (EIS Grant, Data IP)	150	157
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,511)</b>	<b>(10,151)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(291)
(b) tenements	-	(10)
(c) investments	-	-
(d) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal or option of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10) – lag gravel rights	700	700
	(c) investments	-	94
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Additional Deposit – Indee Gold Pty Ltd	-	(700)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>697</b>	<b>(207)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	4,750
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	45	6,086
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(151)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(151)	(151)
3.8	Dividends paid	-	-
3.9	Other (cost of share issues)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(106)</b>	<b>10,534</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 quarter/year	3,244	1,148
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,511)	(10,151)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	697	(207)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(106)	10,534
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period<sup>1</sup></b>	<b>1,324</b>	<b>1,324</b>

<sup>1</sup> On 24 July 2019 and subsequent to the end of the quarter, the Company announced the completion of a \$3.017 Million placement (before issue costs). At the date of this report, a fully underwritten \$19 Million entitlement offer (before issue costs) was also in progress and scheduled to be completed by 15 August 2019.

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<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	828	164
5.2 Call deposits	433	3,017
5.3 Bank overdrafts	-	-
5.4 Term deposits	63	63
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,324</b>	<b>3,244</b>

**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

<b>Current quarter \$A'000</b>
134
-

Director salaries, consulting fees and superannuation

**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

<b>Current quarter \$A'000</b>
-
-

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
-	-
-	-
-	-

- 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.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation (includes pre-feasibility)	2,250
9.2 Development	-
9.3 Production	-
9.4 Staff costs (including those directly attributable to exploration activities)	450
9.5 Administration and corporate costs	250
9.6 Other	-
<b>9.7 Total estimated cash outflows</b>	<b>2,950<sup>1</sup></b>

<sup>1</sup> Refer to 4.6 – with respect to capital raising completed subsequent to the end of the June 2019 quarter and the fully underwritten entitlement offer in progress as at the date of this report.

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E52/2215, Western Australia - Surrendered	Beyondie Project	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

### 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: 31 July 2019

**Company Secretary**

Print name: **Craig Nelmes**

### 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.