

## June 2020 Quarterly Activities Report

Musgrave Minerals Ltd is an Australian focused gold and base metal exploration company with plans to grow through the discovery and development of gold and base metal resources.

**ASX Code:**            **MGV**  
**Issued Shares:**    **471M**  
**Cash Balance:**    **\$9.1M**  
**ABN:**                 **12 143 890 671**

### Directors

Graham Ascough  
Robert Waugh  
Kelly Ross  
John Percival

### Top Shareholders

HSBC Nominees Ltd  
Westminex Group  
Jetosea Pty Ltd  
Evolution Mining Ltd

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## Highlights

### Cue Gold Project

#### Break of Day

- A large RC and diamond drilling program commenced at the new high-grade Starlight gold discovery with key focus on a resource estimate update in late Q3, 2020
- The Starlight mineralisation has been identified over a strike length of 100m and remains open down dip
- Significant intercepts include:
  - 14m @ 191.1g/t Au from 4m, including;
    - 3m @ 884.7g/t Au from 5m
  - 31m @ 44.8g/t Au from 37m including;
    - 6m @ 228.0g/t Au from 38m
  - 12m @ 109.4g/t Au from 40m including;
    - 4m @ 326.8g/t Au from 40m
  - 77m @ 13.3g/t Au from 7m
  - 60m @ 13.1g/t Au from 77m
  - 68m @ 5.9g/t Au from 21m
  - 22m @ 21.0g/t Au from 2m
  - 16m @ 13.7g/t Au from 18m
  - 6m @ 32.3g/t Au from 61m
- A southern extension to the Twilight lode at Break of Day was also intersected with 20MODD007 returning 0.7m @ 34.1g/t Au

#### White Light Discovery

- A parallel gold lode (White Light) was discovered 75m south of Starlight and returned intercepts over a strike of 100m including:
  - 6m @ 48.2g/t Au from 211m
  - 3.8m @ 40.5g/t Au from 100.2m
  - 6m @ 5.4g/t Au from 111m

#### Evolution JV

- Strong regolith gold halos identified in regional aircore drilling as part of the Evolution Mining Ltd Earn-in and Exploration Joint Venture on Lake Austin
- Phase 2 follow-up drilling has commenced

### Corporate

- During the quarter, Musgrave sold 7.5 million Legend Mining Limited shares and exercised 10 million options for a net gain of \$634k cash and a retained holding of 12.5 million Legend shares
- An oversubscribed share placement was completed in late April raising \$6 million before costs

### Introduction

Musgrave Minerals Ltd (ASX: MGV) (“Musgrave” or “the Company”) is an Australian resources company focused on gold exploration and development at the Cue Project in the Murchison Province of Western Australia (Figures 1 and 2).

At Cue, the total project gold resources (Indicated and Inferred) are 6.45Mt @ 3.0g/t Au for 613koz Au following a significant resource update at Lena in February 2020 (see MGV ASX announcement dated 17 February 2020, “Lena Resource Update”).

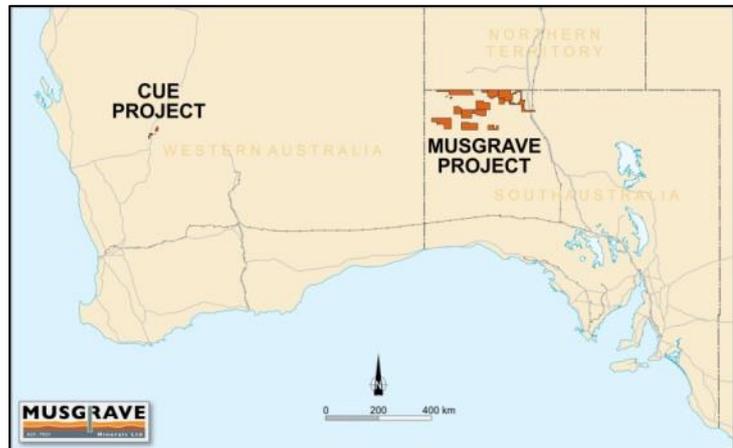


Figure 1: Musgrave Minerals' project location map

The Lena Mineral Resource estimate is currently 868Kt @ 7.1g/t Au for 199koz contained gold. Break of Day, located approximately 130m east of Lena hosts a Resource estimate of 868Kt @ 7.1g/t Au for 199koz Au. Both are located on the Company's 100% owned ground at its flagship Cue Gold Project.

The Starlight and White Light lodes at Break of Day are recent discoveries, held 100% by Musgrave, and not included in the resource estimate.

The new high-grade Starlight link-lode discovery at Break of Day has been the focus of a significant drilling campaign during the quarter. The drilling campaign also led to the discovery of the new White Light lode approximately 75m south of Starlight. Both lodes have a strike length of approximately 100m and are open down dip. Drilling is ongoing and will deliver a resource update in late Q3, 2020.

Musgrave also holds tenements in the Musgrave Province of South Australia (Figure 1).

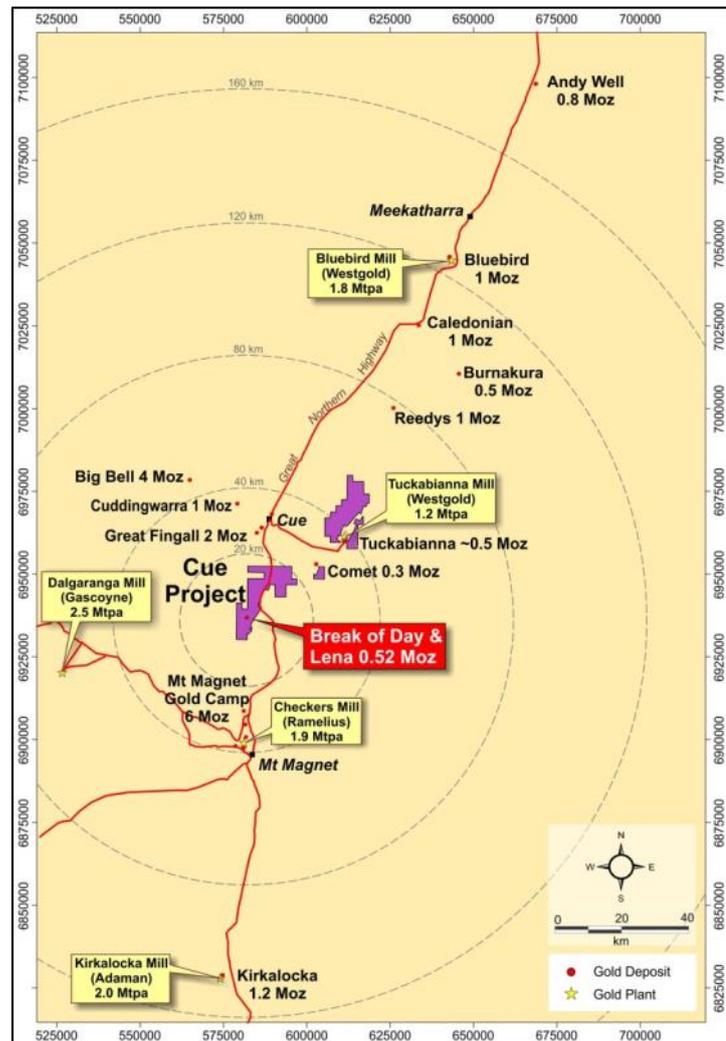


Figure 2: Cue Project location plan



## Corporate

At the end of the June 2020 quarter, the Company held \$9.1 million in cash.

On 2 April 2020 Cyprum Metals Ltd (“Cyprum”) informed the Company that Cyprum had earned their 80% interest in the base metal rights to the northern Cue tenure. Musgrave retains 100% of the gold rights and a 20% interest in the non-gold rights that is free carried to completion of a definitive feasibility study.

The Company undertook a capital raising in April 2020, raising \$6 million (before costs) through the placement of 57.1 million shares to corporate, institutional and professional and sophisticated investors. The funds were raised for drilling of the new Starlight discovery and other gold targets on the Cue Project and for working capital purposes (see *MGV ASX announcement dated 27 April 2020*).

There have been a number of changes to the Company’s unlisted options with some expiring and some being exercised. 1.9 million unlisted options were exercised during the quarter raising \$209,732. At 30 June 2020 the Company’s capital structure comprised:

- 464,742,285 fully paid ordinary shares (ASX: MGV); and
- 21,650,000 unlisted options at various exercise prices and expiry dates

The Quarterly Cashflow Report (Appendix 5B) for the period ending 30 June 2020 provides an overview of the Company’s financial activities. Cash exploration expenditure for the reporting period was \$307,000 with the majority of drilling costs from the current exploration programs due to be paid next quarter. Corporate and other expenditure amounted to \$173,000. The total amount paid to the Managing Director and Non-executive Directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$116,000 and includes salary, Directors’ fees and superannuation.

## Investments

During the quarter Musgrave sold 7.5 million shares in Legend Mining Ltd (“Legend”) and used part of the proceeds to exercise 10 million Legend options at 4c/option and added a net \$634,000 to its cash position. The Company now holds 12.5 million shares in Legend currently valued at approximately \$1.6 million.

Musgrave holds 1,308,750 ordinary shares in Cyprum Metals Ltd currently valued at approximately \$230,000 (See *MGV ASX announcement dated 19 February 2019, “Earn-in Joint Venture to Advance Base Metal Exploration at Cue”*).

## Response to COVID-19

Musgrave is continuing to review the ongoing situation relating to the COVID-19 pandemic and the implications for the health and wellbeing of our employees, contractors and stakeholders.

The Company has been pro-active with respect to its response to COVID-19 and has developed operational procedures and plans in line with official health advice and government directives. Musgrave will continue to operate within these guidelines and will adapt its procedures as required.

The Company remains an active explorer and will continue to advance the Cue Gold Project.

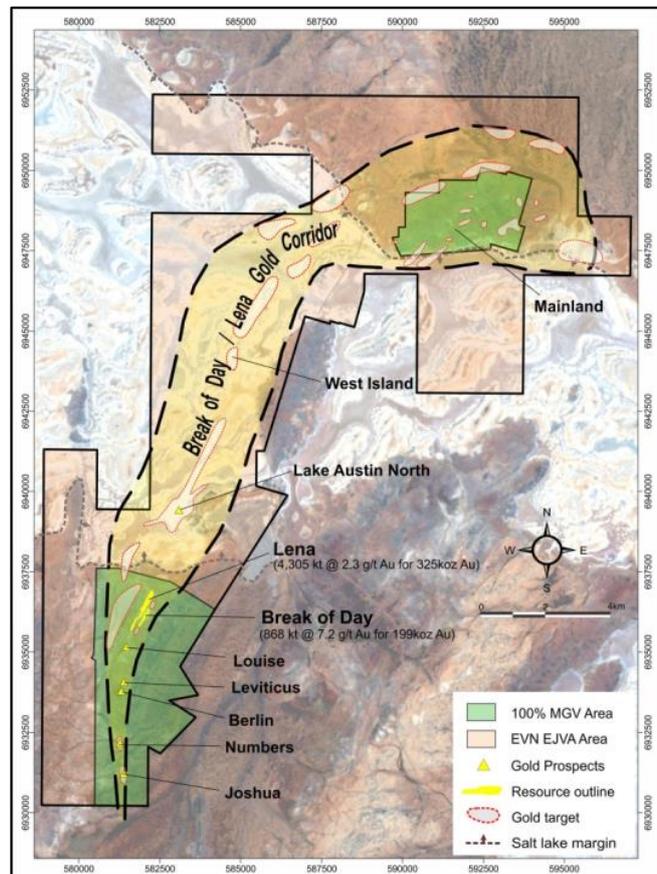


Figure 3: Plan showing Cue prospect locations

## Exploration Activities

### Cue Project

During the quarter the Company focused on RC and diamond drilling of the new Starlight and White Light gold discoveries at Break of Day and completed the Phase 1 regional aircore drilling program on Lake Austin under the Evolution Joint Venture.

### Break of Day

#### Starlight

The Company commenced a large RC and diamond drilling program at Break of Day during the quarter with the aim of delivering an updated JORC resource estimate for Break of Day that will include Starlight by late Q3, 2020. The drilling has successfully defined the Starlight lode over a strike length of approximately 100m with the deepest intersect to date at 275 vertical metres (*Figures 4 and 5*). The Starlight lode remains open at depth.

Significant RC intercepts from the Starlight lode, reported during the quarter include:

- 14m @ 191.1g/t Au from 4m (20MORC068) including;
  - 3m @ 884.7g/t Au from 5m including;
    - 1m @ 2,518.8g/t Au from 6m
- 77m @ 13.3g/t Au from 7m (20MORC058) including;
  - 8m @ 99.0g/t Au from 7m and
  - 4m @ 45.5g/t Au from 38m and
  - 3m @ 11.5g/t Au from 81m
- 68m @ 5.9g/t Au from 21m (20MORC057) including;
  - 8m @ 48.5g/t Au from 21m
- 60m @ 13.1g/t Au from 77m (20MORC031) including;
  - 3m @ 90.9g/t Au from 77m and
  - 21m @ 23.79g/t Au from 106m
- 48m @ 4.4g/t Au from 30m (20MORC032) including;
  - 6m @ 29.1g/t Au from 77m
- 31m @ 44.8g/t Au from 37m (20MORC037) including;
  - 6m @ 228.0g/t Au from 38m
- 22m @ 5.8g/t Au from 15m (20MORC067) including;
  - 3m @ 26.2g/t Au from 31m
- 22m @ 21.0g/t Au from 2m (20MORC036)
- 12m @ 109.4g/t Au from 40m (20MORC033) including;
  - 4m @ 326.8g/t Au from 40m
- 9m @ 16.5g/t Au from 225m (20MORC029)
- 9m @ 10.7g/t Au from 52m (20MORC055)
- 6m @ 35.8g/t Au from 131m (20MORC040)
- 6m @ 32.3g/t Au from 61m (20MORC061)
- 5m @ 14.3g/t Au from 90m (20MORC064)
- 5m @ 7.2g/t Au from 230m (20MORC048)
- 6m @ 6.8g/t Au from 170m (20MORC034)
- 6m @ 5.3g/t Au from 232m (20MORC063)
- 4m @ 48.2g/t Au from 85m (20MORC038)
- 2m @ 37.7g/t Au from 74m (20MORC028)

Diamond drilling at Starlight has returned the following significant intercepts:

- 16m @ 13.7g/t Au from 18m (20MODD008) including;
  - 4m @ 40.8g/t Au from 18m and
  - 9m @ 6.1g/t Au from 25m
- 0.5m @ 25.4g/t Au from 269.5m (20MODD007)
- 1.0m @ 13.8g/t Au from 320m (20MODD005) confirming the continuity of the mineralisation at depth

(see MGV ASX announcements dated 3 June 2020, 9 June 2020, 29 June 2020, 6 July 2020 and 28 July 2020).

Note: these intercepts are not included in the current JORC resource estimate.

Further RC and diamond drilling at Starlight and White Light is ongoing.

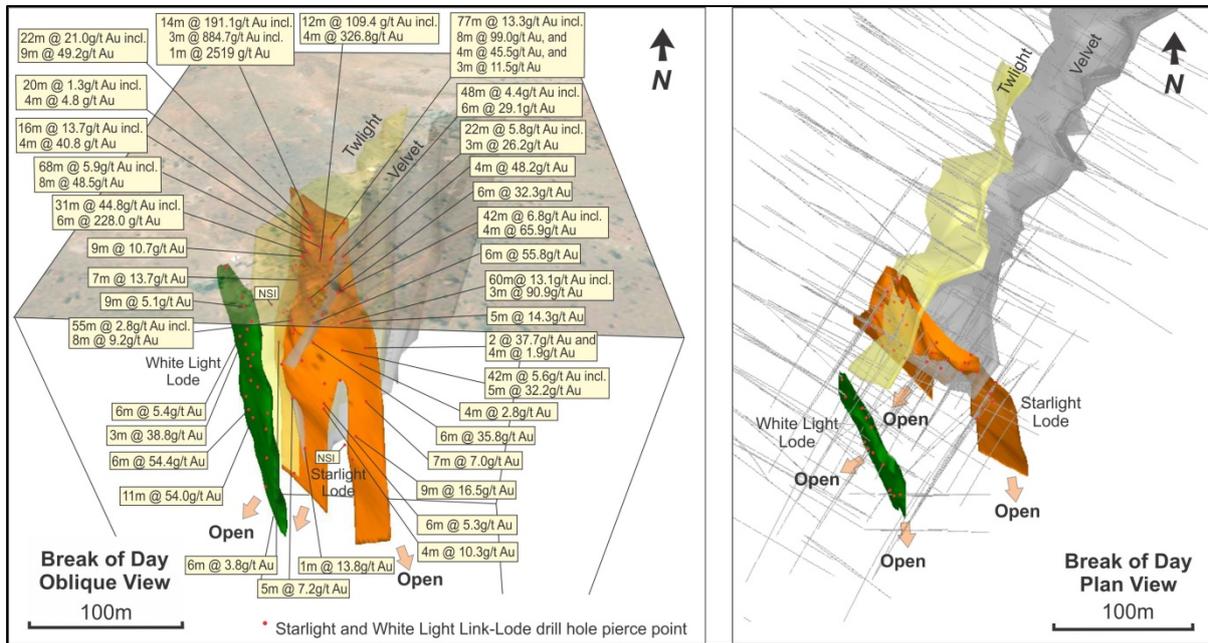


Figure 4: Schematic 3D model showing Starlight and White Light lodes at Break of Day, Cue Project

### White Light

Drilling has identified a second high-grade gold lode, 75m to the south and parallel to the Starlight lode (Figure 5). This new lode named “White Light” has been confirmed in RC and diamond drilling with new intercepts aligning with a number of historical isolated gold intersections over a strike extent of more than 100m.

New intercepts include:

- 6m @ 48.2g/t Au from 211m (20MORC050)
- 6m @ 5.4g/t Au from 111m (20MORC048)
- 9m @ 5.1g/t Au from 21m (20MORC004)
- 3.8m @ 40.5g/t Au from 100.2m (20MODD007) including;
  - 0.75m @ 203.3g/t Au from 100.2m
  - 1m @ 22.6g/t Au from 115m (20MORC048)

(see MGV ASX announcements dated 29 June 2020 and 28 July 2020).

Additional high-grade mineralisation, also outside the existing Break of Day resource boundary, was intercepted south of the existing resource on the Twilight Lode. Significant intercepts include:

- 0.7m @ 34.1g/t Au from 65.1m (20MODD007)

(see MGV ASX announcement dated 28 July 2020)

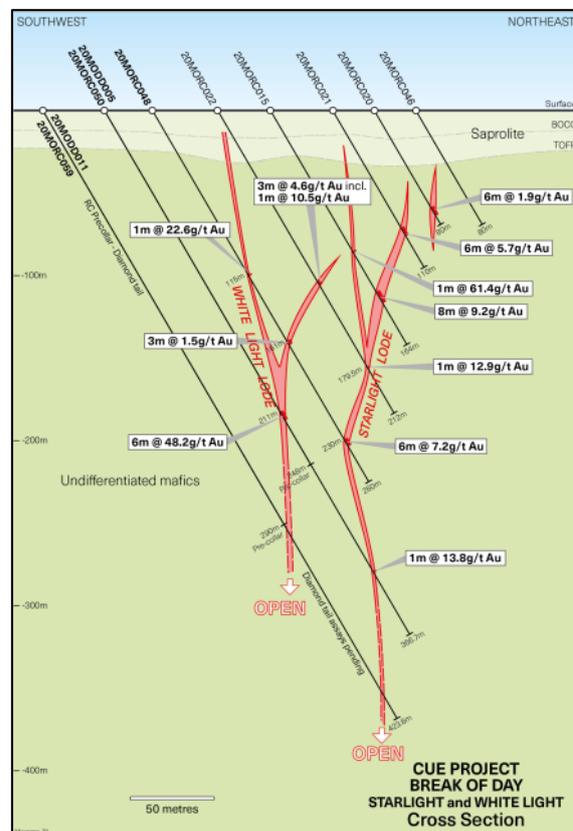


Figure 5: Cross section showing Starlight and White Light lodes at Break of Day, Cue Project



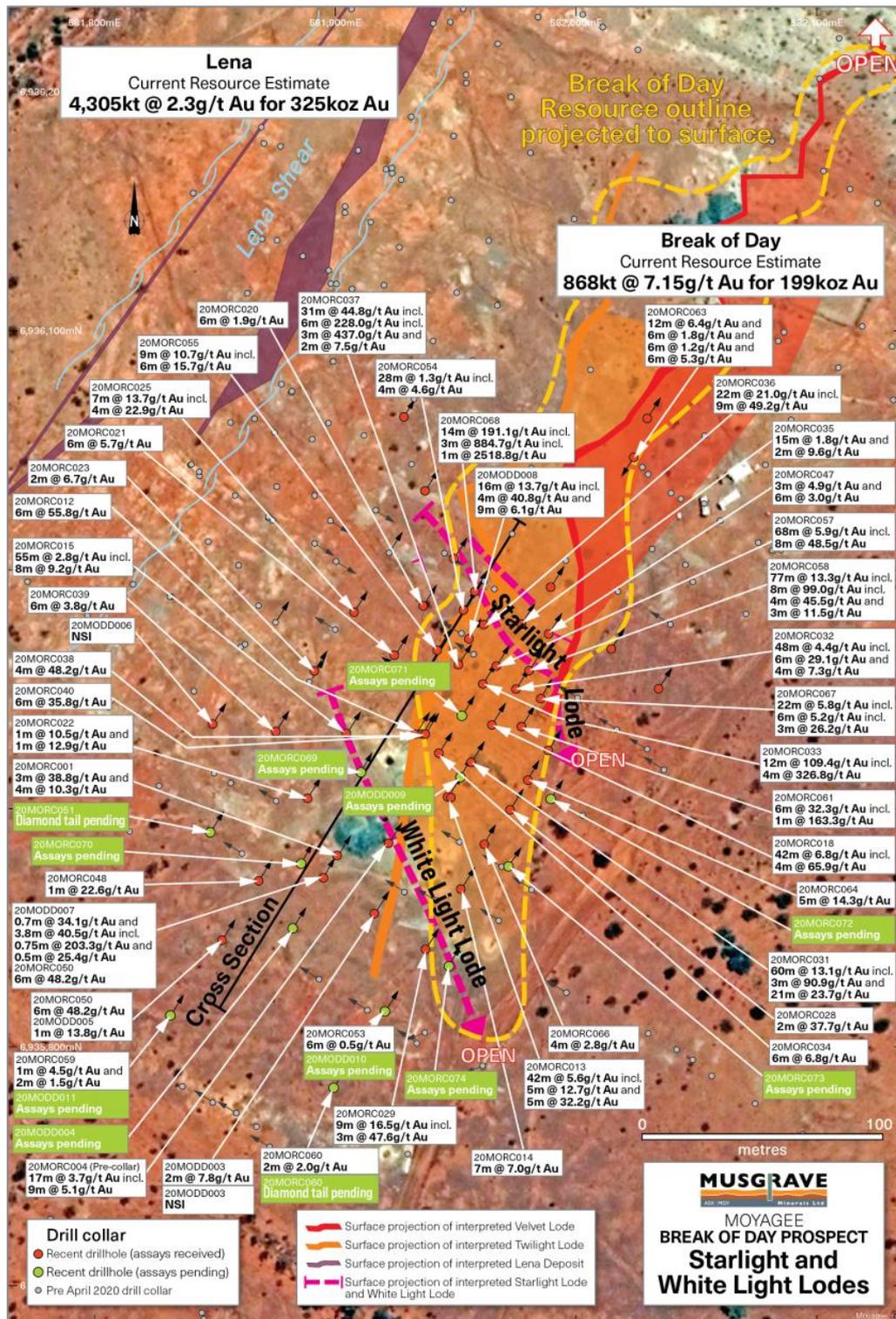


Figure 6: Plan showing location of the Starlight drill collars and assays at Break of Day, Cue Project

### Regional (100% MGV)

Musgrave has identified eighteen regional gold targets that show an analogous setting to Starlight (Figure 7). Drill testing of these new targets will commence in mid-August.

### Lake Austin Region

The Lake Austin area, part of the Evolution Earn-in and Exploration Joint Venture executed in September 2019, is highly prospective for gold and is significantly underexplored. Evolution has committed to a minimum exploration spend of \$4 million over the first two years and can earn a 75% interest in the JV area by sole funding \$18M in exploration. If Evolution does not spend the entire \$18 million within five years, Musgrave will retain 100% ownership (see *MGV ASX announcement dated 17 September 2019*).

Musgrave is managing the exploration in the first two years. The existing gold resources including Lena and Break of Day and the Mainland option area, are excluded from the Evolution Agreement (*Figures 3 and 8*).

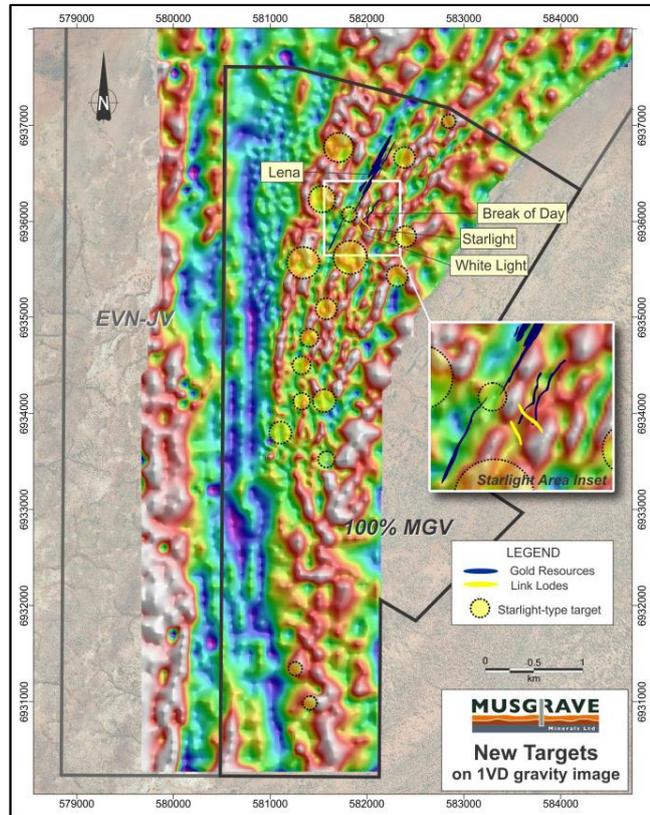
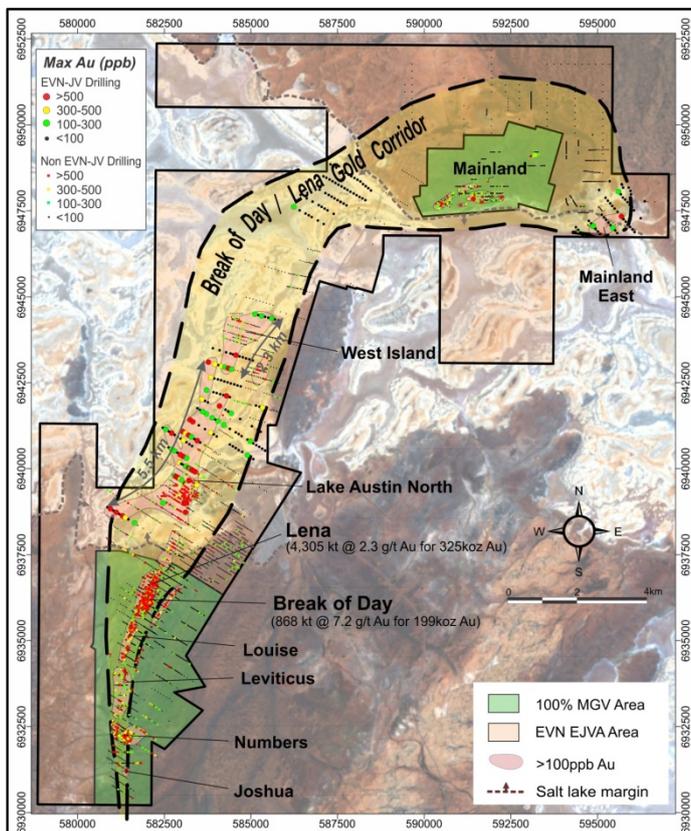


Figure 7: Cross section showing Starlight and White Light lodges at Break of Day, Cue Project



A large regional aircore Phase 1 drilling program was completed over Lake Austin during the quarter, with 249 holes drilled for 22,879m. Assays have been received for all holes with best intercepts including:

- 6m @ 4.2g/t Au from 116m (20MOAC031)
- 9m @ 2.25g/t Au from 136m to EOH (20MOAC041)

(see *MGV ASX announcement dated 5 June 2020*).

The program was successful in identifying multiple high-priority basement gold targets for follow-up drill testing (*Figure 8*).

The Phase 2 follow-up drill program which consists of more than 20,000m of aircore drilling has commenced on Lake Austin.

Figure 8: Location plan showing 2020 EVN JV aircore drill hole locations and includes historical drill holes. Maximum gold in hole is coloured

### Base Metal Exploration

In May 2019, Cyprium Australia Pty Ltd (“Cyprium” or “CYM”) exercised an option to acquire the non-gold rights over the northern base metal tenements (Figure 9) at the Cue Project including the Hollandaire deposit.

Cyprium has earned an 80% interest in the non-gold rights over the northern tenure at Cue including the Hollandaire deposit and a formal joint venture was executed in May 2020. Musgrave will retain 100% of the gold rights and a 20% free-carried interest in the non-gold rights to the completion of a definitive feasibility study.

### Other Projects

The Company currently holds tenement applications in the Musgrave region of South Australia. There was no significant exploration on these non-core tenements during the quarter.

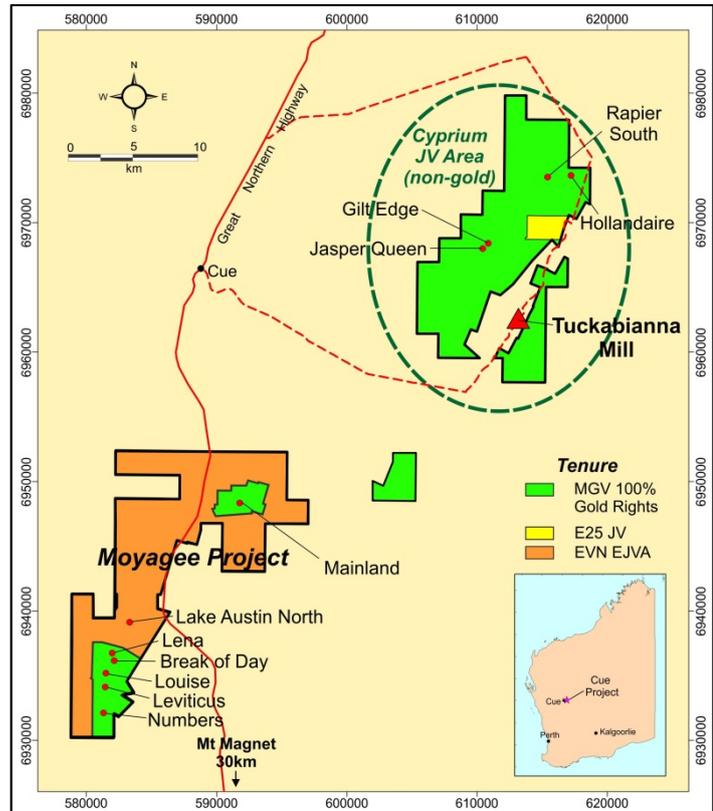


Figure 9: Cue Project location plan and tenure

### Ongoing Exploration

#### Musgrave 100% tenements

- Follow-up RC drilling on the Starlight lode at Break of Day is now 90% complete and is continuing with further assays expected in two-three weeks.
- The diamond drilling program at Starlight to test depth extensions to the mineralisation is continuing with further assays expected in 2-3 weeks.
- Additional drilling on the newly discovered White Light lode at Break of Day is ongoing.
- Additional shallow oxide infill RC drilling at Break of Day on the Twilight and Velvet lodes has commenced.
- A resource update for Break of Day including Starlight and White Light is planned for late Q3, 2020.

#### Evolution JV

- The Phase 2 aircore drilling program testing high-priority gold targets on Lake Austin has commenced.
- A passive seismic survey has commenced to better estimate cover depths over prospective undrilled areas of Lake Austin.

### **Notes Specific – June 2020 Quarter ASX Releases**

Additional details including JORC 2012 reporting tables, where applicable, can be found in the ASX announcements referenced in this report and in the following announcements lodged with the ASX during the quarter:

- 28 July 2020, "Bonanza gold grades continue at Starlight with 3m @ 884.7g/t Au"
- 17 July 2020, "Notice of General Meeting/Proxy Form"
- 16 July 2020, "Company Presentation – Noosa Mining Virtual Conference"
- 6 July 2020, "85m @ 11.6g/t gold intersected near surface at Starlight"
- 29 June 2020, "New gold lode discovered 75m south of Starlight"
- 9 June 2020, "Bonanza near surface hit of 18m @ 179.4g/t gold at Starlight"
- 5 June 2020, "Scout drilling defines large gold targets at Cue, Evolution JV"
- 3 June 2020, "12m @ 112.9g/t Au intersected near surface at Starlight"
- 27 April 2020, "Musgrave raises \$6 million to advance drilling at new high-grade Starlight gold discovery, Cue"
- 22 April 2020, "Quarterly Activities and Cashflow Report"
- 21 April 2020, "High grades confirmed at Starlight"
- 20 April 2020, "Corporate update"
- 1 April 2020, "More High-grade gold at Starlight Link-Lode, Break of Day"

For and on behalf of Musgrave Minerals Ltd.

Rob Waugh  
Managing Director

#### ***Enquiries:***

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#### ***About Musgrave Minerals***

*Musgrave Minerals Limited is an active Australian gold explorer. The Cue Project in the Murchison region of Western Australia is an advanced gold project. Musgrave has had significant exploration success at Cue with the ongoing focus on increasing the gold resources through discovery and extensional drilling to underpin studies that will demonstrate a viable path to near-term development. Musgrave also holds a large exploration tenement package in the Ni-Cu-Co prospective Musgrave Province in South Australia.*

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### **Forward Looking Statements**

*This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Musgrave Minerals Limited's (Musgrave's) current expectations, estimates and projections about the industry in which Musgrave operates, and beliefs and assumptions regarding Musgrave's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Musgrave believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Musgrave and no assurance can be given that actual results will be consistent with these forward-looking statements.*

### **Competent Person's Statement**

#### **Exploration Results**

*The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled and/or thoroughly reviewed by Mr Robert Waugh, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Waugh is Managing Director and a full-time employee of Musgrave Minerals Ltd. Mr Waugh has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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 Waugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

#### **Mineral Resources**

*The Information in this report that relates to Mineral Resources at Lena is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Mineral Resources at Break of Day is based on information compiled by Mr Aaron Meakin. Mr Meakin is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Meakin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Meakin consents to the disclosure of the information and the Company confirms that the form and context in which the Competent Person's findings are presented, have not been materially modified from the original market announcement.*

*The information in this report that relates to the Hollandaire, Rapier South, Jasper Queen, Gilt Edge, Leviticus and Numbers Mineral Resource and Ore Reserve estimates is extracted from the report created by Silver Lake Resources Limited entitled "Mineral Resources and Ore Reserves Update", 26 August 2016 and is available to view on Silver Lake's website ([www.silverlakeresources.com.au](http://www.silverlakeresources.com.au)) and the ASX ([www.asx.com.au](http://www.asx.com.au)). The Company confirms that it is not aware of any new information or data that materially effects the information included in the original market announcement and, in the case of estimates of Minerals Resources and Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented, have not been materially modified from the original market announcement.*



**Tenement information in accordance with Listing Rule 5.3.3**

As at 30 June 2020

Tenement ID	Project	State	Status	MGV Interest at start of quarter	MGV Interest at end of quarter
E21/129	Cue	WA	Granted	100%	100% (EVN JV)
E21/177	Cue	WA	Granted	100%	100% (EVN JV)
E21/194	Cue	WA	Granted	100%	100% (EVN JV)
E21/200	Cue	WA	Granted	100%	100% (EVN JV)
E21/204	Cue	WA	Granted	100%	100% (EVN JV)
E21/207	Cue	WA	Granted	100%	100% (EVN JV)
E21/208	Cue	WA	Granted	100%	100% (EVN JV)
M21/106	Cue	WA	Granted	100%	100% (EVN JV in part)
M21/107	Cue	WA	Granted	100%	100% (EVN JV)
E21/144	Cue	WA	Granted	100%	100%
P21/757	Cue	WA	Granted	100%	100% (EVN JV)
E58/335	Cue	WA	Granted	100%	100%
E58/507	Cue	WA	Granted	100%	100% (EVN JV)
M58/224	Cue	WA	Granted	100%	100%
M58/225	Cue	WA	Granted	100%	100%
P58/1709	Cue	WA	Granted	100%	100%
P58/1710	Cue	WA	Granted	100%	100%
E20/606	Cue	WA	Granted	100%	20% (100% gold rights)
E20/608	Cue	WA	Granted	100%	20% (100% gold rights)
E20/616	Cue	WA	Granted	100%	20% (100% gold rights)
E20/629	Cue	WA	Granted	100%	20% (100% gold rights)
E20/630	Cue	WA	Granted	100%	20% (100% gold rights)
E20/659	Cue	WA	Granted	90%	10% (100% gold rights)
E20/836	Cue	WA	Granted	100%	20% (100% gold rights)
E20/698	Cue	WA	Granted	100%	20% (100% gold rights)
E20/699	Cue	WA	Granted	100%	20% (100% gold rights)
E20/700	Cue	WA	Granted	100%	20% (100% gold rights)
M20/225	Cue	WA	Granted	100%	20% (100% gold rights)
M20/245	Cue	WA	Granted	100%	20% (100% gold rights)
M20/277	Cue	WA	Granted	100%	20% (100% gold rights)
P20/2279	Cue	WA	Granted	100%	20% (100% gold rights)
L20/57	Cue	WA	Granted	100%	100%
P21/731	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/732	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/735	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/736	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/737	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/739	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)
P21/741	Cue	WA	Granted	0% (MGV Option)	0% (MGV Option)

## Appendix 5B

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

Name of entity

<b>MUSGRAVE MINERALS LIMITED</b>
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ABN

<b>12 143 890 671</b>
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Quarter ended ("current quarter")

<b>30 JUNE 2020</b>
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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	62	192
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(60)	(212)
(e) administration and corporate costs	(113)	(542)
1.3 Dividends received (see note 3)		
1.4 Interest received	11	64
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	50	50
1.8 Other – Net advances from JV partner	(104)	166
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(154)</b>	<b>(282)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(8)
(d) exploration & evaluation (if capitalised)	(307)	(2,097)
(e) investments	(400)	(400)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	1,040	1,040
	(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>333</b>	<b>(1,465)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,000	7,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	209	223
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(387)	(396)
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>5,822</b>	<b>7,372</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	3,122	3,543
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(154)	(282)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	333	(1,465)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,822	7,327

Appendix 5B  
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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>9,123</b>	<b>9,123</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	1,896	896
5.2	Call deposits	7,227	2,226
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>9,123</b>	<b>3,122</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 - Directors' fees, salary payments and superannuation.
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
116
-

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

7. <b>Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(154)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(307)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(461)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	9,123
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	9,123
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	19

- 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:
- 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?

Answer: N/A

- 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: N/A

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

Answer: N/A

**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.

Date: 30 July 2020

Authorised by: The Board  
(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 – e.g. 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.