



**SCORPION
MINERALS**
LIMITED

ASX ANNOUNCEMENT

28 January 2021

ACTIVITIES REPORT FOR THE QUARTER ENDED 31 DECEMBER 2020

Scorpion Minerals Limited (ASX:SCN) (“the Company”) provides the following review of activities for the quarter ended 31 December 2020.

PHAROS GOLD and BASE METALS PROJECT ***Murchison, WA***

The Company has recently purchased tenement E20/948 and has an Option to Acquire 100% of E20/953 from Element 25 (**ASX:E25**); both of which form the basis for the Pharos Project (refer Figures 1 & 2) covering 384 km² of prospective ground contiguous with 58 km² of granted SCN tenure (E20/931) containing the Mount Mulcahy copper-zinc volcanic-hosted massive sulphide (VMS) deposit. The Company has recently applied for E20/962 west of E20/953.

E20/948 Discussion

During the quarter the Company announced additional high grade near-surface gold mineralisation intersected at Cap Lamp Prospect during Phase 2 reverse circulation (RC) drilling:

- **5m @ 8.28 g/t Au from 9m** including 1m @ 22.9 g/t Au from 9m
- **3m @ 2.72 g/t Au from 18m**

These results (refer Figures 4 & 5) are both down-dip of near surface channel samples in workings that returned **5m @ 2.11 g/t Au** (see ASX release dated 9 July 2020). The drilling results follow on from **7m @ 8.33 g/t Au** from 4m (including **3m @ 18.0 g/t Au** from 4m) previously reported from Lantern Prospect, some 3km to the NW of Cap Lamp (refer Figure 3). Mineralisation intercepted at Cap Lamp is open north–south along strike and across strike and dip to the west.

Both results at Lantern and Cap Lamp confirm the presence of significantly mineralised shear zones and quartz veins are likely hosted within the highly prospective mafic quartz dolerite unit that is interpreted to extend from Cap Lamp in the east to the Atlanta Prospect in the west, a distance of about 9km (refer Figure 2).

Phase One drilling comprised 28 RC holes totalling 2,482m drilling to a maximum depth of 174m across seven separate prospects within E20/948, completed in September 2020 (refer Figure 3). In October, to take advantage of drill rig availability, the Company announced it had brought forward its planned second Phase RC drilling, which allowed for an additional 2,500m of follow up exploration.

BOARD OF DIRECTORS

Ms Bronwyn Barnes
Non-Executive Director

Mr Craig Hall
Non-Executive Director

Ms Carol New
*Non-Executive Director,
Joint Company Secretary*

Ms Kate Stoney
Joint Company Secretary

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Phase Two drilling consisted of 21 holes completed for 2,008m of drilling and included additional drilling at Cap Lamp, Lantern, Candle, Salt Flat and Oliver's Patch; and initial drilling across workings at Terry's South and north of Maguires Reward (refer Figure 3).

Both Phases were a reconnaissance test of each target with at least one drill fence designed to confirm mineralisation, structural setting and geometry. Apart from Cap Lamp, Oliver's Flat, Maguires North and Terry's South, all prospects were blind targets beneath shallow cover in deeply weathered terrain.

Samples from Phase 2 were submitted to the laboratory requesting *aqua regia* digestion in an effort to expedite results and geological understanding from an expanded assay suite (most notably arsenic content), with anomalous gold samples to be re-analysed by fire assay.

The Company is now in receipt of first pass submitted sample results for Phase One drilling, and most of the results from Phase Two drilling. Drilling results received are discussed below. Full results are outlined in Table 2. Results on further sampling, plus check and umpire assaying for the programme were unavailable at the time of writing.

Cap Lamp Prospect Drilling Discussion

The Cap Lamp Prospect consists of a line of shallow workings (<5m depth) oriented NNE-SSW covering some 150m of strike (refer Figure 4). A compilation of historical Rotary Air Blast (RAB) drilling results and soil geochemical sampling confirms the mineralised trend. Channel sampling of west-dipping veining in the only easily accessible surface working returned multiple high-grade values with an approximate average value of 2.1 g/t Au over approximately 5m length, with a maximum value of 7.5 g/t Au returned from the north face of the working in a one metre wide quartz vein.

Eight holes (CLRC001-008) for 532m were completed on four 40m spaced sections in Phase 1 drilling, along with a deeper drill traverse 80m further south, east of the line of workings. A single hole for 30m (CLRC009) on the northern section was completed in Phase 2.

A significant result of **5m @ 8.28 g/t Au** from 9m was returned in CLRC009, which is open to the north and west (refer Figures 3, 4 & 5). A down-dip result of **3m @ 2.72 g/t Au** was returned from CLRC005, and near-surface mineralisation was noted in CLRC006 further west (refer Figures 4 & 5).

Further drilling will be completed to define the extent of the mineralisation down-dip and along strike. Possible faulted repetitions to the west will also be tested by extension of the existing drill fences. Some variability in lab duplicates from the current programme was noted and is being assessed for "nugget effect" by umpire assaying, as well as field resampling.

Lantern Prospect Drilling Discussion

The Lantern Prospect includes significant intersects previously recorded by RAB drilling of **12m @ 7.4 g/t Au, including 2m @ 42.4 g/t Au** in RAB hole WLR033; and **16m @ 3.1 g/t Au, including 2m @ 16.8 g/t Au** in RAB hole WOR006.

Drilling was targeting sub-vertical to west dipping structures, oriented NW-SE crosscutting an approximately E-W oriented stratigraphic sequence of dolerite with thin (ca. 1-3m width at surface) intercalated Banded Iron Formation (BIF) horizons. This structural orientation was based on the high-grade results in WLR033 and WOR006 interpreted as being hosted by the same structure.

Six RC holes (LTRC001-006) for 696m were completed on two E-W sections 40m apart as part of Phase One drilling. Drilling defined a significantly weathered profile oxidised to around 75m depth, with primary rock around 10m-15m further down. Quartz veining was intersected throughout the weathering profile hosted by dolerite or its sheared/altered counterparts. Significant mineralised sulphide and veining was developed on sheared contacts between dolerite and intercalated BIF including a deep intersection in LTRC003.

A significant high grade result of **3m @ 18.0 g/t Au** from 4m was returned from drill hole LTRC004, within a larger intercept of **7m @ 8.33 g/t Au** from 4m (using a 0.5 g/t Au lower cut), in proximity to high-grade from the historic intersect of **2m @ 16.8 g/t Au** from 8m in Hole WOR006 (refer Figures 3 & 6).

Phase Two drilling 'scissored' the Phase One drilling to test a possible east-dipping mineralisation control. Seven holes (LTRC007-013) on three 40m sections for 820m advance were completed to a maximum depth of 200m. Initial partial results for three of these holes (LTRC007-009) are available, and reinterpretation of this drilling has resulted in the following observations:

1. The target structure (T1) is now interpreted in an WNW-ESE orientation dipping north at about 70° (refer Figures 6 & 7) and passes through the high-grade intercepts in WOR006 and LTRC004, and potentially passes through the high-grade intercept in WLR033.
2. An additional parallel structure T2 is postulated adjacent to an untested 3,100ppb soil anomaly approximately 150m north of T1 (refer Figure 6).
3. A broad low-grade intercept in historically drilled WLR024 (refer Table 3) was only 4m composite sampled and never re-split at one metre intervals, and appears to support the T1 interpretation (refer Figures 6, 7 & 8).
4. The deep intercept in LTRC003 (6m @ 0.85 g/t AU from 148 to 154m) appears to have intersected T1 about 120m below the surface (Figure 7). This interval was extremely sulphidic, and affected by high water flow and poor sample recovery. Resampling of this interval is being undertaken to check grades.
5. The existing E-W drill fences inefficiently test T1, and follow-up shallow drilling on N-S oriented drill fences is planned, along with proposed future diamond drilling after confirmation of mineralisation. This includes some possible shallow RC drilling as a check on a south-dipping control (refer Figures 7 & 8).

A small RC drilling programme at Lantern targeting T1 was proposed to commence mid-December 2020, but availability of drill rigs for such a small programme was dependent on local availability of rigs completing work for other companies prior to Christmas and heritage monitor availability and could not be conducted. The work is now planned for inclusion as part of a larger drilling programme after further heritage surveys are completed within E20/953 and E20/948 in the first quarter of 2021.

Candle, Beacon and Atlanta Prospect Drilling Discussion

The Beacon and Candle Prospects were highlighted from multiple anomalous rock chip samples to a maximum of 2.79 g/t Au taken from historically unsampled dolerite hosted quartz outcrop-oriented NW-SE. The newly discovered zones at Candle were some 375-475m south of a historical RAB drilling highlight of 4m @ 2.65 g/t Au from 28m to the bottom of hole in WOR008.

The Company drilled six holes (CNRC001-006) for 594m on three sections in Phase 1 drilling, with two holes per section line 100m apart targeting the outcrop in the south, and two holes on a single section targeting mineralisation highlighted by the historical result in WOR008. A further three holes for 370m (CNRC007-009) were completed in Phase 2, with a single hole scissored back on each section against the Phase 1 drilling to better assess the dip of expected mineralisation. All results have been received from Phase 1, and partial results from Phase 2.

At Candle, CNRC002 in the second section intersected 7m of mineralised dolerite from 101m to the end of hole at 108m, including **2m @ 1.34 g/t Au** from 106m (refer Table 2), and hole CNRC009 returning **1m @ 2.08 g/t Au** from 55m in prospective geology in the northernmost section, open to the north and east. The Company is considering the impact of the postulated T1 structural orientation interpreted at Lantern at Candle and other prospects, and further work is planned.

The Beacon Prospect was defined on the back of two anomalous rock chip samples to a maximum value of 0.84 g/t Au earlier this year, and surface nugget distribution in the proximal area. Two RC holes for 200m were drilled 40m apart as an initial test of a larger planned E-W traverse to be extended further to the west. Drilling encountered a variably silicified and veined shear within a strongly carbonate-altered dolerite. The intensity and style of alteration intersected is considered to be proximal to mineralisation.

At Atlanta, 4km west of Beacon, historical reconnaissance drilling returned a composite value of 5m @ 0.69 g/t Au from 15m in Hole RYA99-013 (close to the transported laterite interface). The zone was tested by two holes (ATRC001-002) totalling 212m which intersected dolerite hosted quartz veining below the transported (approximately 20m thick) cover; no gold anomalism was intersected in ATRC001 whilst results for ATRC002 are awaited. Given the depth of cover, further work will await the outcome of the structural interpretation gained from drilling other prospects in the dolerite unit.

Salt Flat Prospect Drilling Discussion

The Salt Flat Prospect was highlighted from high grade (**10.5 g/t Au** and **10.0 g/t Au**) rock chip samples from undrilled workings 200m apart, located approximately 200m west of Cap Lamp (refer Figure 4). The Company drilled three holes (SFRC001-003) for 228m in Phase 1 drilling and a further three holes for 222m (SFRC004-006) in Phase 2. Hole SFRC003 returned 3m @ 0.15 g/t Au from 7m mostly associated with quartz veining below the 10.0 g/t result, with further anomalous gold returned at depth in composites and single metre sampling in likely extensions to Cap Lamp mineralisation. An additional hole (SFRC004) was drilled further west, along with single holes on section lines 40m north (SFRC005) and south (SFRC006). No results from these holes are available.

Field review of the drill hole samples and reconnaissance mapping has determined that the high-grade surface quartz vein is significantly different in morphology and hosted by a sediment/black shale unit that separates the main Salt Flat workings from Cap Lamp and is relatively steep-dipping (refer Figure 4). The sub-surface orientation of these sediment/contact-hosted veins is unknown and further drilling is required to adequately test the prospective structure.

Further, significant graphitic material was logged in the sediment unit and some re-assaying is planned to eliminate possible issues related to the sample content. It would appear the northern workings at Salt Flat are located away from the sediment unit, and are similar in style and structural orientation (NNE strike and flat west dip) to the vein structures at Cap Lamp, located to the east.

SFRC001 and SFRC002 were drilled on a section targeting these workings, with SFRC001 returning a low-grade intercept of 6m @ 0.22 g/t Au from 17m, thinning at depth in SFRC002. These holes are being resampled and check assayed.

Oliver's Patch Prospect Drilling Discussion

The Oliver's Patch Prospect was identified by pit and stoped workings on quartz vein outcrop, to a maximum depth of around 5m. Rock chip samples returned anomalous values to a maximum value of 3.05ppm in the main working. The Prospect was undrilled. Subsequently the Company drilled two holes (OPRC001-002) for 140m in Phase 1 drilling and a further two holes for 130m (OPRC003-004) in Phase 2 drilling on two section lines 40m apart targeting the vein outcrop.

Drilling intersected a 70° west-dipping quartz vein filled shear of approximately 10m true width. Results returned a maximum assay of 0.16 g/t Au in OPRC001 in the centre of the shear. Field RC drill sample re-splitting and assaying is being completed.

Maguires North Prospect Drilling Discussion

The Maguires North Prospect was identified by pit and shaft workings on quartz vein outcrop, to a maximum depth of around 10m. Rock chip samples returned anomalous values to a maximum value of 0.33ppm Au north of the main working, which is located some 500m north along strike of the Maguires Reward Prospect (within P20/2318, not on SCN tenure- refer Figure 3), and some 80m north of the E20/948 boundary with that tenement. The Maguires North Prospect was undrilled, and the Company drilled two holes (MNRC001-002) for 124m in Phase 2 drilling, with no significant result. Further work is planned.

Terry's South Prospect Drilling Discussion

The Terry's South Prospect was identified by a shaft in the centre of P20/2253 developed to a maximum depth of around 10m-15m. A quartz sample from the working returned a maximum value of 1.18ppm Au. The Company has initially drilled two holes (TSRC001-002) for 192m in Phase 2 drilling to test this structure.

Drilling intersected a sub-vertical to east-dipping shear with quartz veining of around 5m true width, with a best intercept of 3m @ 0.84 g/t Au recorded. Significant sulfide mineralisation with gold anomalism (to a maximum value of 0.15 g/t Au) was encountered in the footwall of the second hole drilled. Field mapping along strike to the north of the drilling has confirmed significant untested veining and a possible east dip to the mineralised zone. Further drilling is required to complete the initial single fence test of the structure. This area is considered very prospective and further detailed evaluation is warranted.

E20/953 Discussion

The second Pharos Project tenement E20/953 was granted in September 2020, with the tenement considered very prospective for gold and ultramafic-hosted PGE-Ni-Cu targets. The Company has exercised its option under the terms of the Call Option Agreement with Element 25, paying Element 25 \$15,000 for the option, and now entering a 9-month option period during which it can exercise the option to acquire 100% of E20/953 through a further payment of \$75,000 prior to 18 June 2021.

The Company has undertaken a review of historic open file data and identified targets for gold exploration adjacent to the historic Ryansville, Ulysses and Hercules Prospects (refer Figure 2).

In addition, base metal exploration completed by CRA Exploration Pty Ltd (CRA) targeting possible repetitions of the Mt Mulcahy-style VMS mineralisation culminated in the drilling of two holes on E20/953. A single vertical 90m deep hole (83WRR3) targeting a magnetic anomaly at Poona North intersected **significant PGE-Ni mineralisation** (refer Figures 2 & 9, and Tables 5 & 6).

Results included:

- **44 metres at 0.18% Ni, 0.39% Cr, 0.63% Ti from 46-90m**
- **elevated Cu (1500ppm) and Au (0.10ppm) at the water table**
- **highly anomalous Pd+Pt of 0.78ppm over 2metres 86-88m***

*bottom of hole (88-90m) not assayed for Pd/Pt.

This significant result has received no follow up since the drilling conducted by CRA some 37 years ago. The PGE-Ni-Cu mineralisation is thought to be associated with either layered or chonolith-style mafic/ultramafic intrusives. These intrusives are of particular significance given the recent Julimar discovery by Chalice Gold on the western edge of the Yilgarn Craton, and Podium's nearby (refer Figure 1) Parks Reef PGE-Au-Base Metals Project (inferred resource of **1,140,000 ounces combined Pt-Pd and Au plus 37,300 tonnes Cu**¹). The Company applied for E20/962 ('Choallie Creek') west of E20/953 on the strength of results outlined in its review.

Project Background

E20/953 covers over 180km² of the total 640km² of the Pharos Project. CRA completed an exploration programme in the area from 1982 to 1984 following on from programmes completed by Kennecott (1974) and Western Mining Corporation (WMC) prior (1969). Work completed by these groups included airborne magnetics, electromagnetic (EM) surveys followed up with ground magnetics, and EM targeting VMS style polymetallic mineralisation. CRA collated the historic magnetic data and identified several untested anomalies outlined primarily by ground magnetic surveys, and followed up with two single RC drill holes (83WRR3, 83WRR4- refer Figure 2, and Tables 4, 5 & 6) testing two targets on now E20/953. There was no outcrop noted with any of the anomalies.

Hole 83WRR3 (refer Figure 9) intersected significant ultramafic intrusive hosted PGE-Ni-Cu mineralisation at a prospect named Poona North, outlining 44m at 0.18% Ni, 0.39% Cr, 0.63% Ti from 46m-90m (open at end of hole); along with elevated Cu (1500ppm) and Au (0.10ppm) adjacent to the water table (32m-34m); and highly anomalous Pd+Pt of 0.78ppm over 2m at the bottom of the hole (86m-88m). The final interval (88m-90m) was not assayed for Pd or Pt for an unknown reason. The Pd/Pt ratio noted is approximately 1:1, with the Pd value currently around 2.6 multiples of Pt.

Anomalous copper and gold analyses detected adjacent to the water table may indicate a nearby source for these elements to leach and mobilise into the groundwater and weathering profile. Hole 83WRR4 (refer Figure 2 and Table 3) drilled some 6km to the east also intersected anomalous Ni and Cr (refer Table 6), however at a lower level than 83WRR3. As outlined there has been no follow up of these isolated single RC drill hole tests of the magnetic anomalies, and the Company is extremely encouraged by the opportunity that the outlined anomalism represents.

¹ *POD:ASX announcement 'Parks Reef Resources grows 54% to 1.14Moz at increased grade' released on 3 February 2020*

Next Steps- E20/953 targets

The Company intends to conduct field reconnaissance activities as soon as low impact exploration clearance is available. Reprocessing of detailed open file and purchased air magnetic datasets will be completed and if warranted, followed up with Airborne VTEM surveys over selected targets. These activities will support further geological understanding and assist in planning for target drill testing of these and additional priority targets outlined to commence immediately after necessary clearances are obtained.

Proposed Further Work- Pharos

The Company is undertaking further sampling of drilling to complete its assessment of the prospects, with some check assaying and multi-element analysis planned to assist with interpretation.

Additional regional work includes detailed mapping, purchase of multi-client aeromagnetic datasets and subsequent reprocessing to provide better imagery to identify structural and lithological controls to aid mapping, and additional RC and possibly diamond drilling.

The Company continues to assess the potential of additional targets within E20/948 and E20/953.

For additional background on Pharos Project information please refer to ASX releases:

25/6/2020 "Pharos Project Exploration Update"
9/7/2020 "High Grade Gold Rock Chips - Pharos Project"
13/8/2020 "Drilling to Commence – Pharos Project"
31/8/2020 "Commencement of Drilling - Pharos Project"
28/9/2020 "High Grade Gold Confirmed at Lantern - Pharos Project"
8/10/2020 "Phase 2 RC Drilling Commenced- Pharos Project"
2/11/2020 "Priority PGE-Ni-Cu Targets - Pharos Tenement"
24/11/2020 "Further High Grade Gold Results - Pharos Project"

MT MULCAHY COPPER PROJECT

Murchison, WA

Geology Discussion

The Mt Mulcahy Project in Western Australia (Refer Figures 1, 2 & 3) hosts the Mount Mulcahy copper-zinc deposit, a volcanic-hosted massive sulphide (VMS) zone of mineralisation with a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20 g/t Ag (refer PUN:ASX release 25 September 2014 and Table 1)) at the 'South Limb Pod' (SLP). The tenement containing the SLP is now in its second year of grant (refer ASX:SCN Mt Mulcahy Exploration Licence granted 16 September 2019). The Company noted the following highlights in that release:

Contained metal at the SLP resource of:

- **33.5M pounds (15,200 tonnes) of Cu**
- **26.3M pounds (11,800 tonnes) of Zn,**
- **1.35M pounds (600 tonnes) of Co,**
- **415,000 ounces of Ag, and**
- **5,000 ounces of Au**
- **87% of tonnes & 91% of Cu, Zn and Ag metal content classified Measured + Indicated.**

- **Significant intercepts from the historic drilling at SLP include:**
 - **6.8m @ 4.9% Cu, 3.7% Zn, 0.16% Co, 39 g/t Ag, and 0.19 g/t Au**
 - **10.2m @ 4.5% Cu, 4.0% Zn, 0.17% Co, 33 g/t Ag, and 0.18 g/t Au**
 - **12.4m @ 3.1% Cu, 2.3% Zn, 0.10% Co, 28 g/t Ag, and 0.21 g/t Au**
 - **11.3m @ 4.9% Cu, 4.2% Zn, 0.16% Co, 44 g/t Ag, and 0.57 g/t Au**

The folded horizon hosting the SLP VMS mineralisation forms a regional keel, where the surface expression can be traced for a distance of at least 12km along strike and excellent potential exists for additional mineralisation to be discovered along this prospective horizon. Twenty untested targets have been identified along strike of this horizon using a combination of VTEM and soil geochemistry. These targets have characteristics similar to the SLP and are considered prospective for VMS base metal accumulations. The Company has plans for three extensional diamond tail holes targeting down dip of the current resource.

Gold targets within E20/931 are currently being evaluated in conjunction with the base metal prospectivity. A north-south trending Big Bell Shear splay is interpreted to pass through the western side of the licence area and auger soil geochemistry is planned to test for targets to be followed by RC drill testing of any anomalies defined by the programme. No active field work was undertaken during the quarter.

Table 1: Current Mineral Resource Estimate, Mt Mulcahy Project

(refer ASX release 25/9/2014 "Maiden Copper - Zinc Resource at Mt Mulcahy", which also contains a list of significant drill intersections for the deposit, listed within that report at Table 2)

Mt Mulcahy South Limb Pod Mineral Resource Estimate											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	193,000	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	372,000	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	82,000	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
TOTAL	647,000	2.4	1.8	0.1	20	0.2	15,200	11,800	610	415,000	4,000

Dablo Pd-Pt-Au-Ni-Cu Project, Burkina Faso

The Company has previously announced (refer SCN:ASX announcement 10 January 2018) that it entered into an agreement to acquire Scorpion Minerals Limited, which holds the rights to enter a 70% joint venture interest in the Dablo exploration project in Burkina Faso, Africa, through a then-proposed joint venture with Newgenco Exploration (West Africa) Pty Ltd ("NEWA"). Please refer to previous quarterlies for further detail in relation to this agreement.

A liquidator was appointed to NEWA on 15 June 2020, through a creditor's voluntary liquidation, and NEWA has subsequently been wound up, with no return to the Company. During discussions the Company was advised by legal representatives of NEWA that the Dablo Project tenements had lapsed; that no replacement tenements have been applied for; that there was no intention of re-applying for the tenements and that the business operations of NEWA have ceased. As a result of enquiries the Company understands that NEWA-associated entities have re-applied for two 'Dablo JV' tenements, being Dablo-3 and Perko. The Company has raised its concerns over the matter with the Australian Securities and Investment Commission ("ASIC").

The Company continues to expressly reserve all its right in regards to this matter and continues to consider, without limitation, all potential legal remedies against NEWA’s subsidiaries and directors at the time.

CORPORATE

During the quarter, the Company announced on 20 October 2020 that all \$0.05 cent options expiring within October 2020 had been exercised, with the Company issuing 13,357,500 fully paid shares, with funds received totalling \$667,875.

On 2 November 2020, the Company proposed the issue of 15,000,000 shares to be issued as debt reduction of \$1,200,000; and 20,250,000 unlisted options with an exercise price of \$0.12, with a proposed expiry of 29 November 2023, as outlined in the Notice of Meeting and Explanatory Statement issued 30 October 2020.

On 30 November 2020, the Company held its Annual General Meeting (“AGM”), with all resolutions set out in the Notice of Meeting and Explanatory Statement issued 30 October 2020 endorsed by shareholders. On 23 December 2020, the Company issued 1,750,000 \$0.12 options expiring 22 December 2023 to each director as approved by shareholders at the AGM.

The Company continues to address opportunities within Australia that complement the focus of the Company’s current areas.

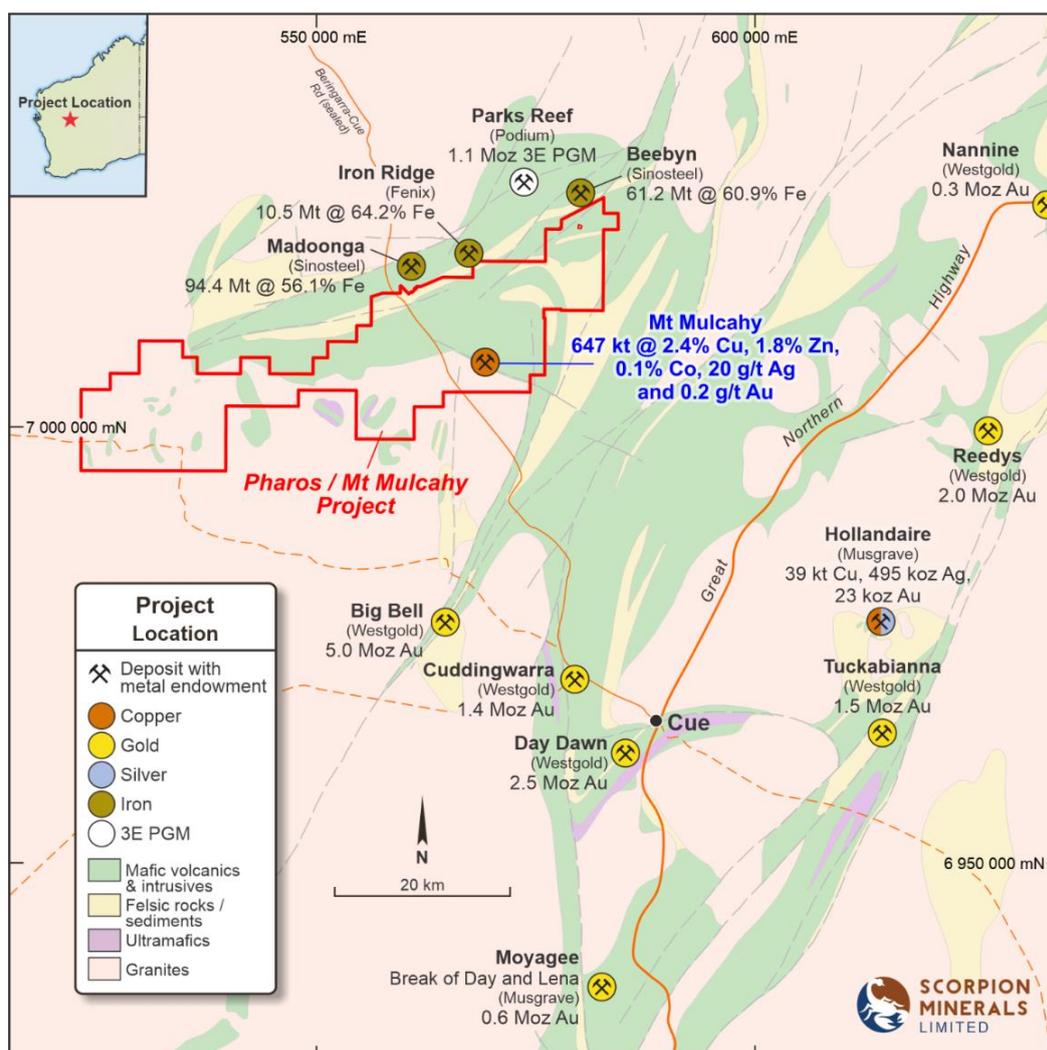


Figure 1 – Location of the Pharos/Mt Mulcahy Project and Regional Resources in Murchison area, WA

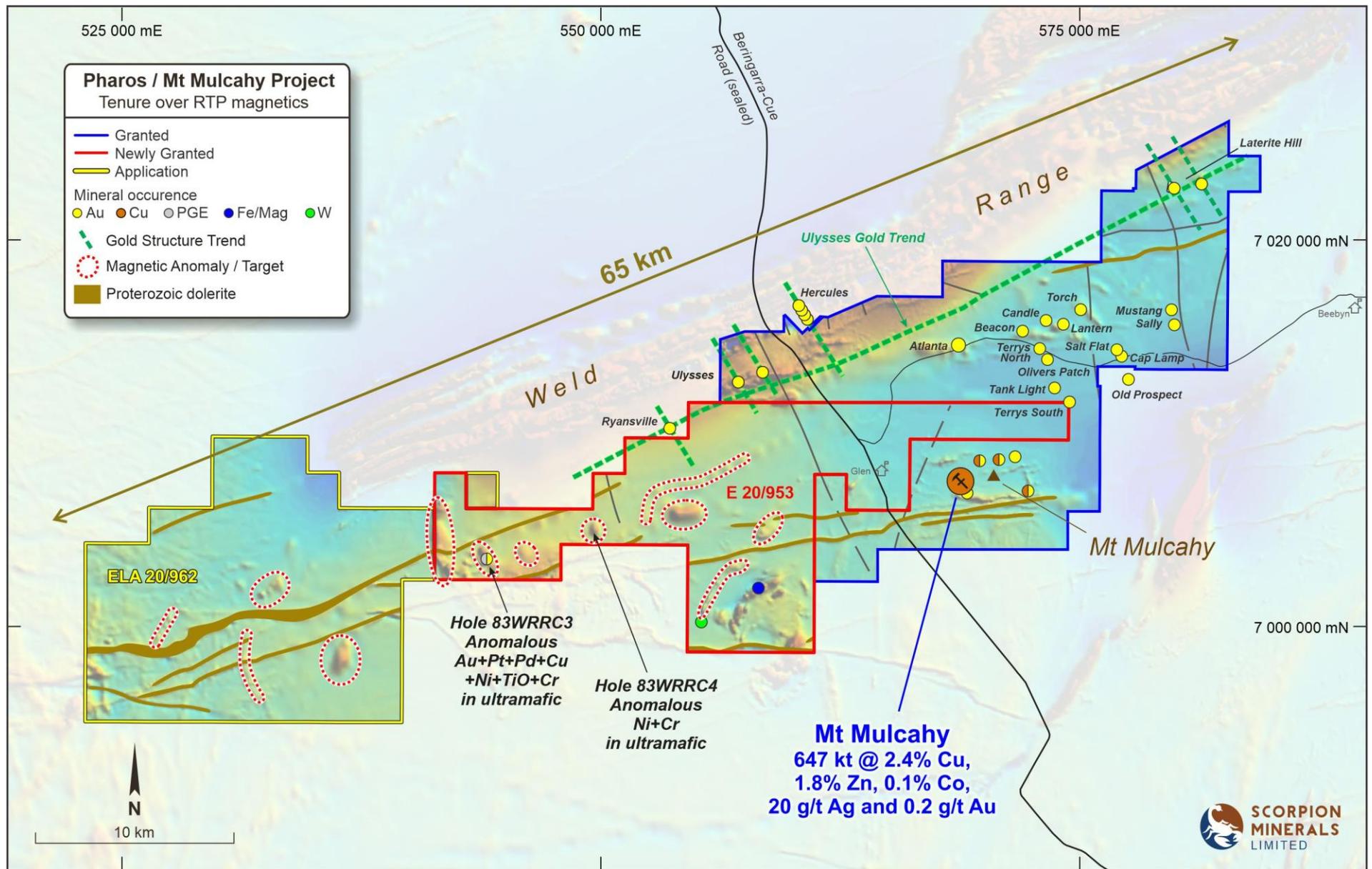


Figure 2 – Location of Pharos Project, highlighting targets and historic CRA Pty Ltd RC drilling overlain on regional magnetics on E20/953

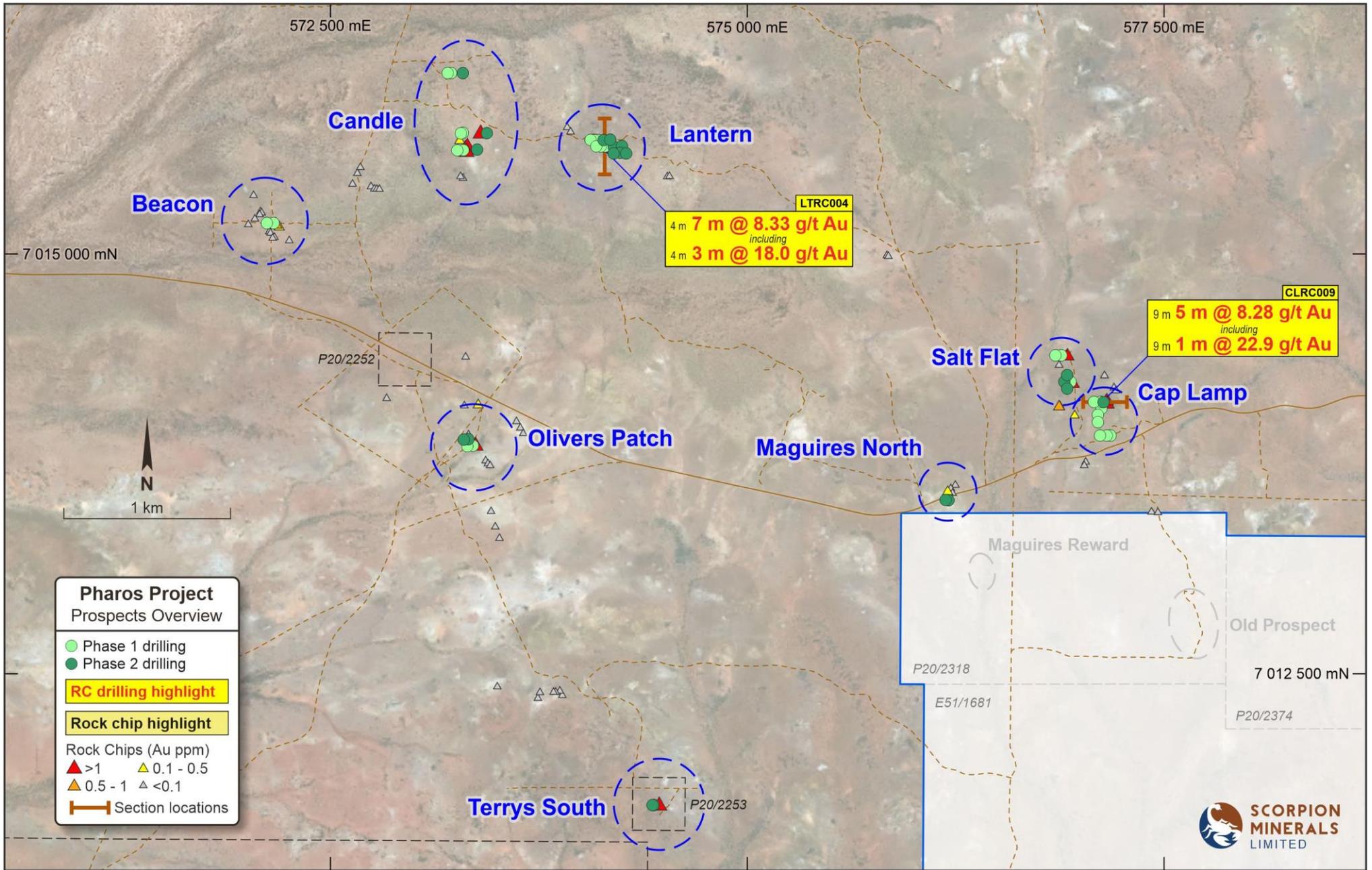


Figure 3 – Location of RC Drilling of prospects, set against rock chip sampling highlights, Pharos Project

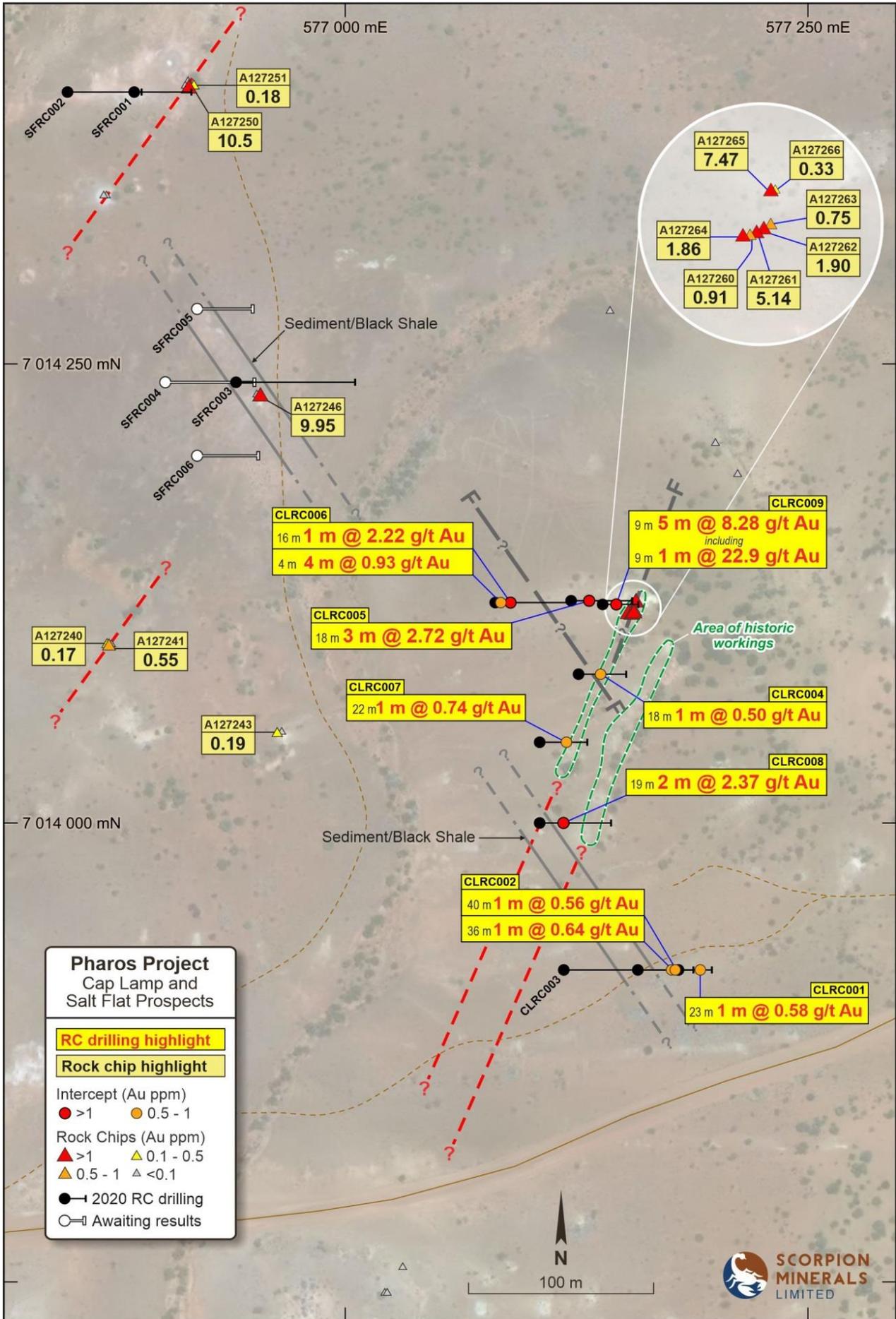


Figure 4 – Location of RC Drilling at Cap Lamp and Salt Flat prospects, Pharos Project

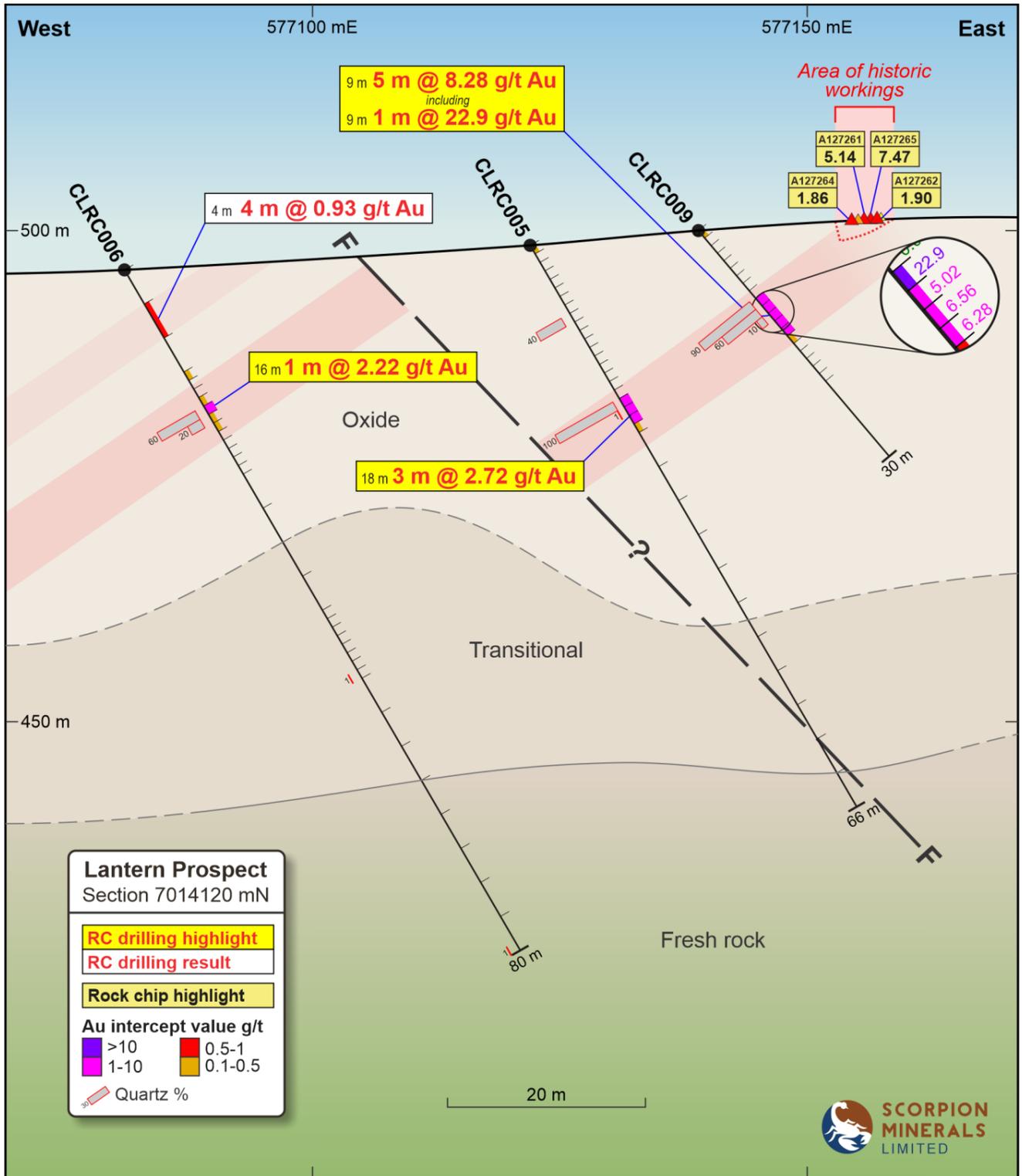


Figure 5 –RC Drilling Cap Lamp Prospect, Cross Section 7014120 mN showing mineralisation open to the West and North

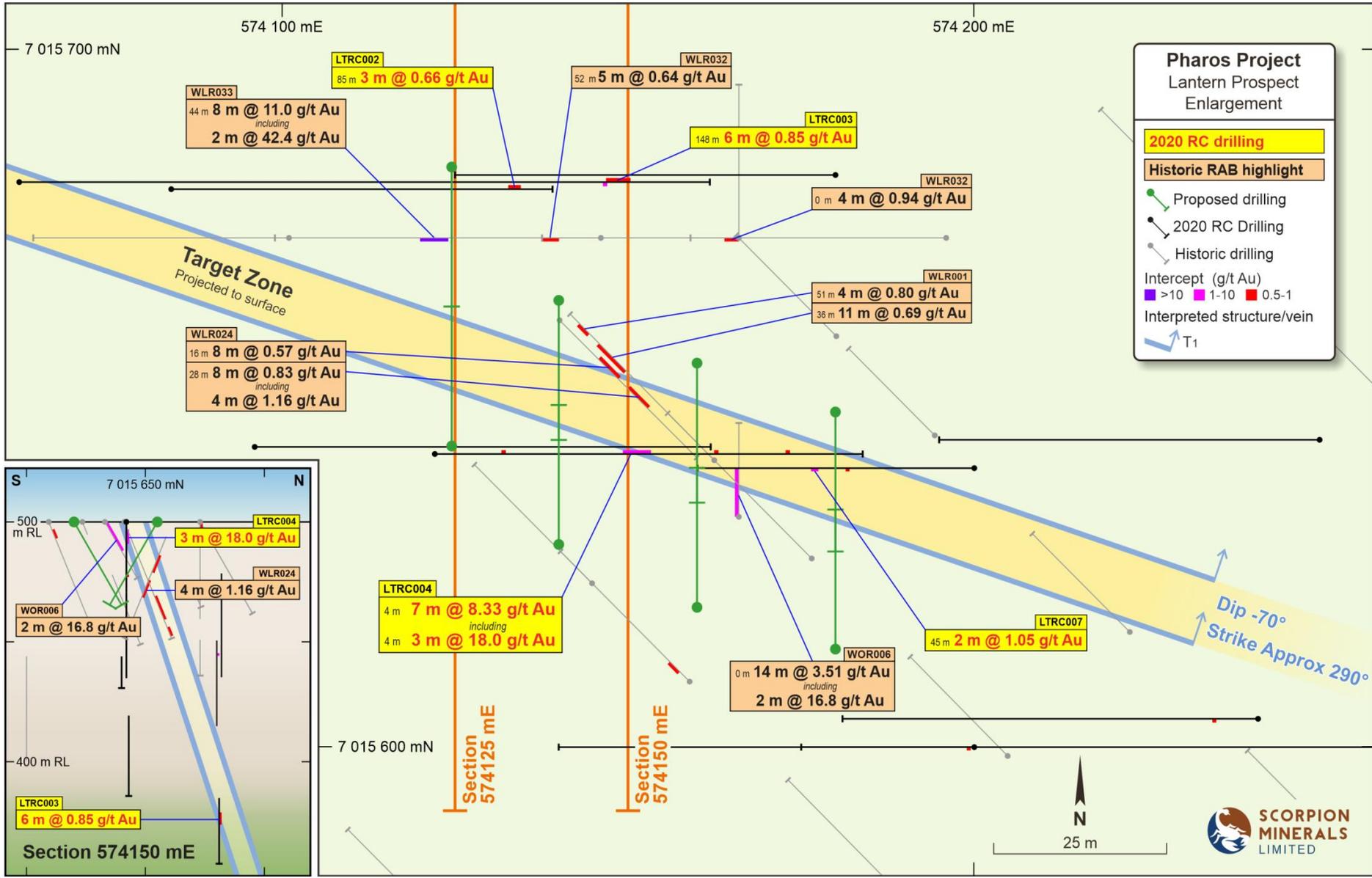


Figure 7 –RC Drill Inset Plan Lantern Prospect

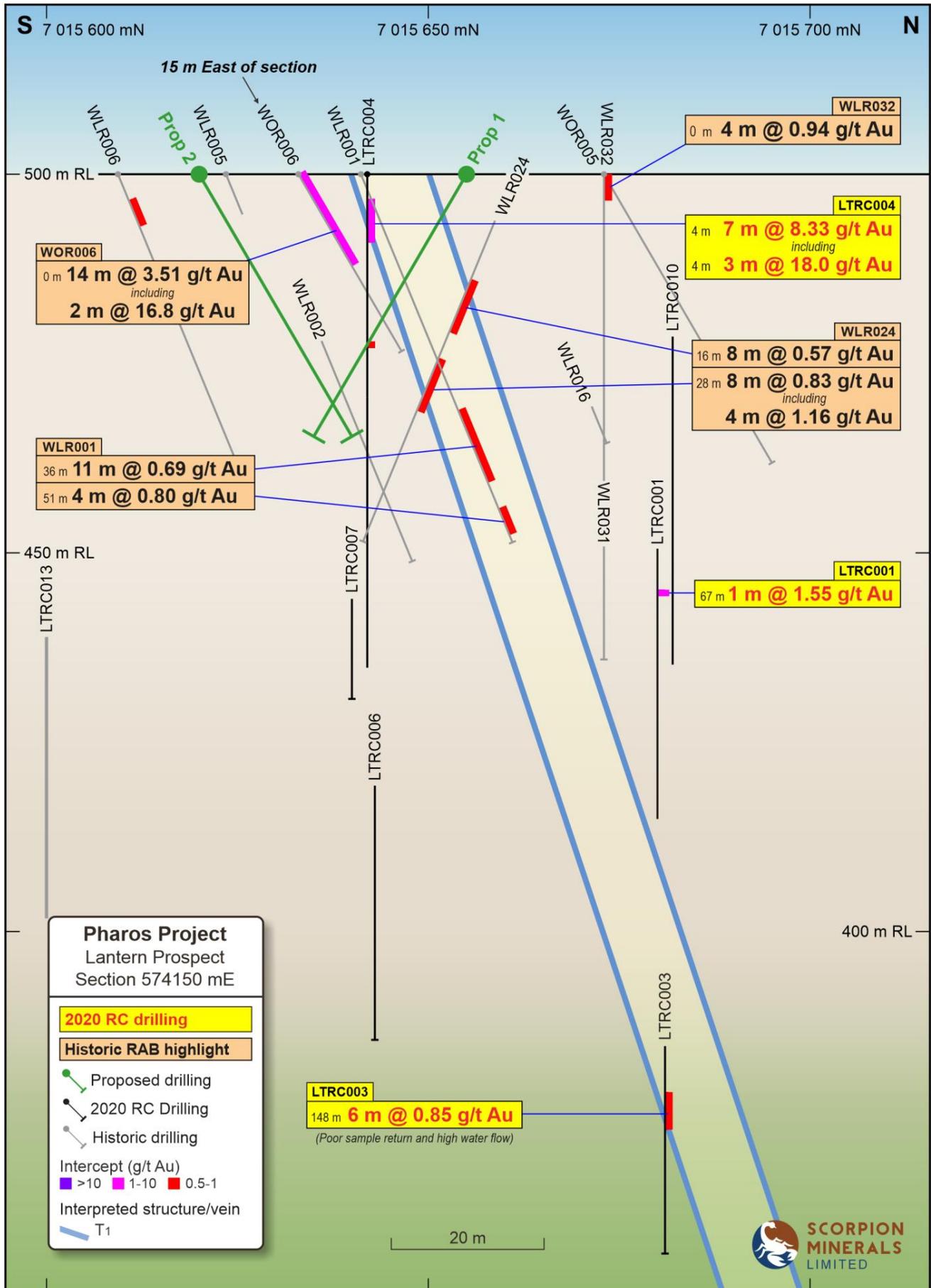


Figure 8–Lantern RC Drill section 574150 mE highlighting T1. Proposed drilling includes a possible shallow check of a south-dipping mineralisation control (Prop 2)

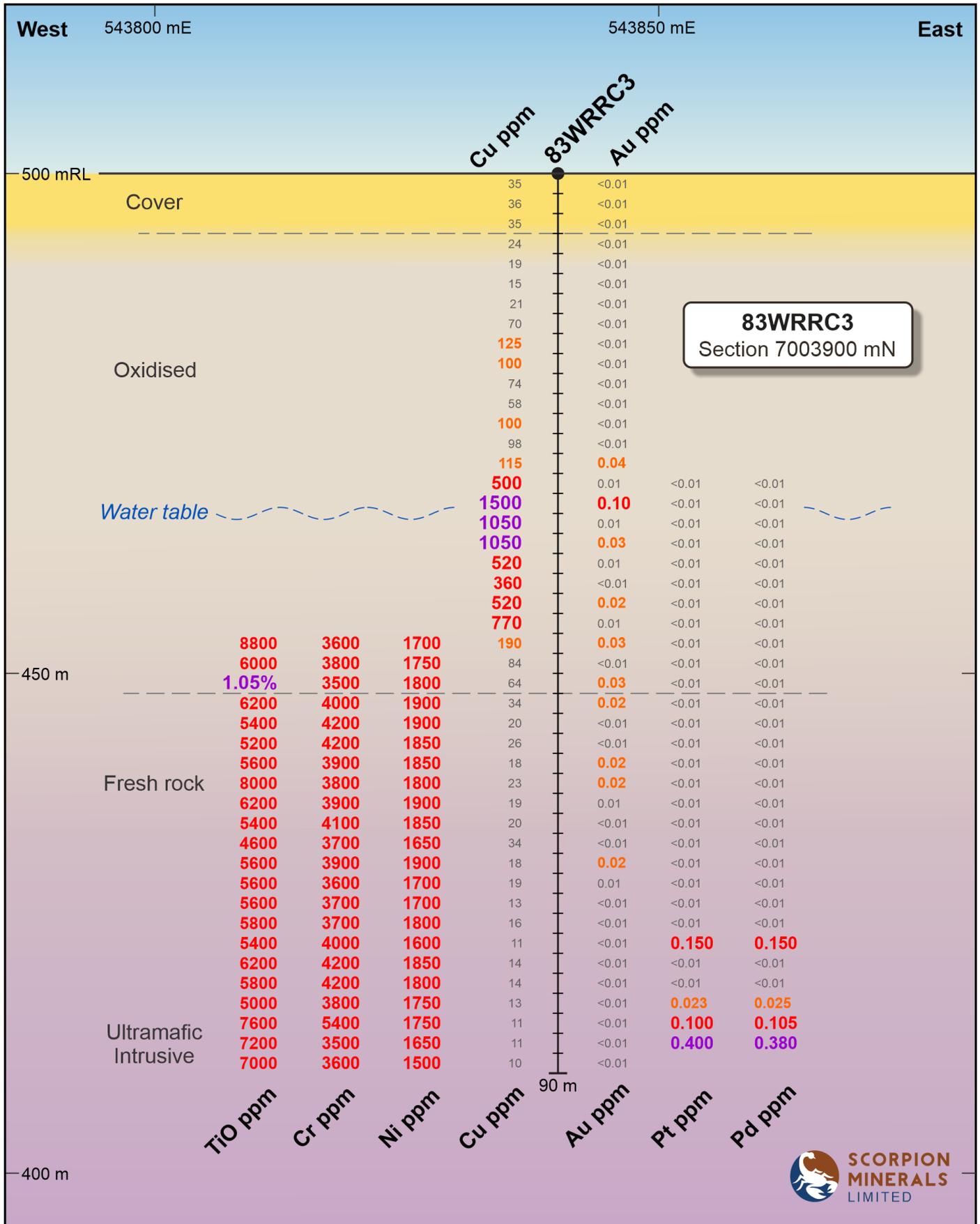


Figure 9 – Cross Section of 83WRRRC3 showing anomalous Pd/Pt, Ni, CU, Au, Cr and Ti

Table 2 – Pharos Project RC Drilling Significant Results: >1m>= 0.5 g/t Au

Prospect	Hole ID	MGA Northing	MGA Easting	RL	MGA Azimuth	Dip	Max Depth (m)	From (m)	To (m)	Interval (m)	Au g/t	Notes
Atlanta	ATRC001	7014357	568689	500	90.0	-60.0	92.0	NSI				2,a
	ATRC002	7014344	568648	500	90.0	-60.0	120.0	Results Pending				b
Beacon	BCRC001	7015185	572160	500	90.0	-50.0	80.0	NSI				2,a
	BCRC002	7015185	572120	500	90.0	-55.0	120.0	NSI				2,a
Cap Lamp	CLRC001	7013920	577180	500	90.0	-60.0	36.0	23.0	24.0	1.0	0.58	2,a
	CLRC002	7013920	577158	500	90.0	-60.0	60.0	36.0	37.0	1.0	0.64	2,a
								40.0	41.0	1.0	0.56	2,a
	CLRC003	7013920	577118	500	90.0	-60.0	150.0	NSI				2,a
	CLRC004	7014081	577126	500	90.0	-50.0	40.0	18.0	19.0	1.0	0.50	2,a
	CLRC005	7014121	577122	498.5	90.0	-60.0	66.0	18.0	21.0	3.0	2.72	2,a
	CLRC006	7014120	577081	496	90.0	-60.0	80.0	4.0	8.0	4.0	0.93	1,2,a
								16.0	17.0	1.0	2.22	2,a
	CLRC007	7014044	577105	500	90.0	-50.0	40.0	22.0	23.0	1.0	0.74	2,a
	CLRC008	7014000	577105	500	90.0	-50.0	60.0	19.0	21.0	2.0	2.37	2,a
	CLRC009	7014119	577139	500	90.0	-50.0	30.0	9.0	14.0	5.0	8.28	3,b
	Candle							120.0	9.0	10.0	1.0	22.88
							Including	9.0	10.0	1.0	22.88	3,b
CNRC001		7015723	573296	500	90.0	-50.0	120.0	NSI				2,a
CNRC002		7015720	573284	500	90.0	-70.0	108.0	102.0	103.0	1.0	1.47	3,a
							End of Hole	106.0	108.0	2.0	1.34	3,a
CNRC003		7015620	573298	500	90.0	-55.0	78.0	NSI				2,a
CNRC004		7015619	573263	500	90.0	-55.0	100.0	NSI				2,a
CNRC005		7016079	573225	500	90.0	-50.0	80.0	43.0	44.0	1.0	1.12	2,a
CNRC006		7016079	573204	500	90.0	-55.0	108.0	NSI				2,a
CNRC007		7015623	573381	500	270.0	-60.0	90.0	NSI				3,b
CNRC008	7015721	573440	500	270.0	-60.0	180.0	NSI				3,b	
CNRC009	7016079	573296	500	270.0	-60.0	100.0	55.0	56.0	1.0	2.08	3,b	
Lantern	LTRC001	7015680	574108	500	90.0	-55.0	126.0	67.0	68.0	1.0	1.55	2,a
	LTRC002	7015680	574084	500	90.0	-55.0	96.0	85.0	88.0	3.0	0.66	2,a
	LTRC003	7015681	574062	500	90.0	-55.0	174.0	148.0	154.0	6.0	0.85	2,a
	LTRC004	7015642	574147	500	90.0	-55.0	60.0	4.0	11.0	7.0	8.33	2,a
							Including	4.0	7.0	3.0	18.04	2,a
								27.0	28.0	1.0	0.71	2,a
								45.0	46.0	1.0	0.99	2,a
	LTRC005	7015642	574122	500	90.0	-55.0	108.0	17.0	18.0	1.0	0.65	2,a
	LTRC006	7015643	574096	500	90.0	-60.0	132.0	NSI				2,a
	LTRC007	7015640	574200	500	270.0	-60.0	80.0	36.0	37.0	1.0	0.55	3,b
								45.0	47.0	2.0	1.05	3,b
	LTRC008	7015644	574250	500	270.0	-60.0	110.0	NSI*				3,4,b
	LTRC009	7015680	574140	500	270.0	-60.0	80.0	NSI*				3,4,b
	LTRC010	7015682	574180	500	270.0	-60.0	110.0	NSI*				3,4,b
	LTRC011	7015604	574241	500	270.0	-60.0	120.0	12.0	13.0	1.0	0.51	3,b
	LTRC012	7015600	574275	500	270.0	-60.0	200.0	Results Pending				b
LTRC013	7015600	574200	500	270.0	-60.0	120.0	1.0	2.0	1.0	0.53	3,b	
Maguires North	MNRC001	7013535	576209	500	90.0	-50.0	40.0	NSI*				3,4,b
	MNRC002	7013537	576191	500	90.0	-60.0	84.0	NSI*				3,4,b
Olivers Patch	OPRC001	7013860	573356	500	90.0	-60.0	40.0	NSI*				2,4,a
	OPRC002	7013857	573323	500	90.0	-60.0	100.0	NSI*				2,4,a
	OPRC003	7013898	573329	500	90.0	-50.0	40.0	NSI*				3,4,b
	OPRC004	7013896	573301	500	90.0	-60.0	90.0	NSI*				3,4,b
Salt Flat	SFRC001	7014398	576886	500	90.0	-50.0	48.0	NSI				2,a
	SFRC002	7014398	576850	500	90.0	-60.0	80.0	NSI				2,a
	SFRC003	7014240	576941	500	90.0	-50.0	100.0	NSI				2,a
	SFRC004	7014240	576903	500	90.0	-60.0	96.0	Results Pending				b
	SFRC005	7014280	576920	500	90.0	-60.0	60.0	Results Pending				b
	SFRC006	7014200	576920	500	90.0	-60.0	66.0	Results Pending				b
Terrys South	TSRC001	7011720	574440	500	90.0	-50.0	78.0	55.0	58.0	3.0	0.84	3,4,b
	TSRC002	7011720	574434	500	90.0	-60.0	114.0	NSI*				3,4,b

Notes

1 - 4m composite

2 - Au by 50gm Fire Assay, NAGROM method – FA50_OES

3 - Au by 40gm Aqua Regia Digest, NAGROM method – ICP008

4 – Incomplete sampling

Drilling phases, a = 1, b = 2

No upper cut applied, 0.5 g/t lower cut, allowing 2m internal waste

Coordinate system GDA94z50. Northing and Easting obtained by handheld GPS, accuracy +/- 3m, nominal RL used

NSI = No Significant Intercept, NSI* = No Significant Intercept, but incomplete sampling

Table 3 - Lantern Prospect - Historical Drilling Intercepts >= 0.5 g/t Au (released this quarter)

Hole ID	MGA Northing	MGA Easting	RL	MGA Azimuth	Dip	Max Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)	Drill Type	Company
WLR001	7015633	574164	500	315	-60	59.00	36.0	47.0	11.0	0.69	RAB	Guardian
							51.0	55.0	4.0	0.80		
WLR024	7015654	574143	500	135	-60	56.00	16.0	24.0	8.0	0.57	RAB	Guardian
							28.0	36.0	8.0	0.83		
							Including		32.0	36.0		
WLR032	7015666	574169	500	270	-60	57.00	0.0	4.0	4.0	0.94	RAB	Hampton
							End of Hole		52.0	57.0		
WLR033	7015666	574149	500	270	-60	94.00	44.0	52.0	8.0	11.00	RAB	Hampton
							Including		46.0	48.0		
WOR006	7015633	574158	500	0	-60	27.00	0.0	14.0	14.0	3.51	RAB	Guardian
							Including		8.0	10.0		

Table 4: Collar Details Historical Drilling E20/953

Hole ID	Drill Type	East MGA	North MGA	RL	Depth	Dip	Azimuth	Company	Year
83WRR3	RC	543840	7003900	500	90	-90	0	CRA	1983
83WRR4	RC	549880	7005060	500	86	-70	325	CRA	1983

MGA coordinates generated from georeferenced map

Table 5: Significant Intercepts Historical Drilling E20/953

83WRR3	From	To	Length	Au ppm	Pt ppm	Pd ppm	Cu ppm	Ni %	Cr %	TiO %
	32.0	34.0	2.0	0.10			1200	0.18	0.39	0.63
	86.0	88.0	2.0		0.40	0.38				
	Pt + Pd 0.78									
	32.0	38.0	6.0	44.0			1200	0.18	0.39	0.63
	46.0	90.0	44.0							

Table 6: Assay Table for Historical Drillholes 83WRR3, 83WRR4 (E20/953)

83WRR3	From	To	Length	Au ppm	Pt ppm	Pd ppm	Cu ppm	Ni ppm	Cr ppm	TiO ppm
	0.0	2.0	2.0	<0.01	*	*	35	*	*	*
	2.0	4.0	2.0	<0.01	*	*	36	*	*	*
	4.0	6.0	2.0	<0.01	*	*	35	*	*	*
	6.0	8.0	2.0	<0.01	*	*	24	*	*	*
	8.0	10.0	2.0	<0.01	*	*	19	*	*	*
	10.0	12.0	2.0	<0.01	*	*	15	*	*	*
	12.0	14.0	2.0	<0.01	*	*	21	*	*	*
	14.0	16.0	2.0	<0.01	*	*	70	*	*	*
	16.0	18.0	2.0	<0.01	*	*	125	*	*	*
	18.0	20.0	2.0	<0.01	*	*	100	*	*	*
	20.0	22.0	2.0	<0.01	*	*	74	*	*	*
	22.0	24.0	2.0	<0.01	*	*	58	*	*	*
	24.0	26.0	2.0	<0.01	*	*	100	*	*	*
	26.0	28.0	2.0	<0.01	*	*	98	*	*	*
	28.0	30.0	2.0	0.04	*	*	115	*	*	*
	30.0	32.0	2.0	0.01	<0.01	<0.01	500	*	*	*
	32.0	34.0	2.0	0.10	<0.01	<0.01	1500	*	*	*
	34.0	36.0	2.0	0.01	<0.01	<0.01	1050	*	*	*
	36.0	38.0	2.0	0.03	<0.01	<0.01	1050	*	*	*
	38.0	40.0	2.0	0.01	<0.01	<0.01	520	*	*	*
	40.0	42.0	2.0	<0.01	<0.01	<0.01	360	*	*	*
	42.0	44.0	2.0	0.02	<0.01	<0.01	520	*	*	*
	44.0	46.0	2.0	0.01	<0.01	<0.01	770	*	*	*
	46.0	48.0	2.0	0.03	<0.01	<0.01	190	1700	3600	8800
	48.0	50.0	2.0	<0.01	<0.01	<0.01	84	1750	3800	6000
	50.0	52.0	2.0	0.03	<0.01	<0.01	64	1800	3500	10500
	52.0	54.0	2.0	0.02	<0.01	<0.01	34	1900	4000	6200
	54.0	56.0	2.0	<0.01	<0.01	<0.01	20	1900	4200	5400
	56.0	58.0	2.0	<0.01	<0.01	<0.01	26	1850	4200	5200
	58.0	60.0	2.0	0.02	<0.01	<0.01	18	1850	3900	5600

83WRR3	From	To	Length	Au ppm	Pt ppm	Pd ppm	Cu ppm	Ni ppm	Cr ppm	TiO ppm
	60.0	62.0	2.0	0.02	<0.01	<0.01	23	1800	3800	8000
	62.0	64.0	2.0	0.01	<0.01	<0.01	19	1900	3900	6200
	64.0	66.0	2.0	<0.01	<0.01	<0.01	20	1850	4100	5400
	66.0	68.0	2.0	<0.01	<0.01	<0.01	34	1650	3700	4600
	68.0	70.0	2.0	0.02	<0.01	<0.01	18	1900	3900	5600
	70.0	72.0	2.0	0.01	<0.01	<0.01	19	1700	3600	5600
	72.0	74.0	2.0	<0.01	<0.01	<0.01	13	1700	3700	5600
	74.0	76.0	2.0	<0.01	<0.01	<0.01	16	1800	3700	5800
	76.0	78.0	2.0	<0.01	0.15	0.15	11	1600	4000	5400
	78.0	80.0	2.0	<0.01	<0.01	<0.01	14	1850	4200	6200
	80.0	82.0	2.0	<0.01	<0.01	<0.01	14	1800	4200	5800
	82.0	84.0	2.0	<0.01	0.023	0.025	13	1750	3800	5000
	84.0	86.0	2.0	<0.01	0.10	0.105	11	1750	5400	7600
	86.0	88.0	2.0	<0.01	0.40	0.38	11	1650	3500	7200
	88.0	90.0	2.0	<0.01	*	*	10	1500	3600	7000
83WRR4	From	To	Length	Au ppm	Pt ppm	Pd ppm	Cu ppm	Ni ppm	Cr ppm	TiO ppm
	0.0	2.0	2.0	<0.01	*	*	43	*	*	*
	2.0	4.0	2.0	<0.01	*	*	48	*	*	*
	4.0	6.0	2.0	<0.01	*	*	31	*	*	*
	6.0	8.0	2.0	<0.01	*	*	29	*	*	*
	8.0	10.0	2.0	<0.01	*	*	34	*	*	*
	10.0	12.0	2.0	<0.01	*	*	23	*	*	*
	12.0	14.0	2.0	<0.01	*	*	11	*	*	*
	14.0	16.0	2.0	<0.01	*	*	36	*	*	*
	16.0	18.0	2.0	<0.01	*	*	38	*	*	*
	18.0	20.0	2.0	<0.01	*	*	36	*	*	*
	20.0	22.0	2.0	<0.01	*	*	27	*	*	*
	22.0	24.0	2.0	<0.01	*	*	26	*	*	*
	24.0	26.0	2.0	<0.01	*	*	25	*	*	*
	26.0	28.0	2.0	<0.01	*	*	48	*	*	*
	28.0	30.0	2.0	<0.01	*	*	33	*	*	*
	30.0	32.0	2.0	<0.01	*	*	23	*	*	*
	32.0	34.0	2.0	<0.01	*	*	12	*	*	*
	34.0	36.0	2.0	<0.01	*	*	9	*	*	*
	36.0	38.0	2.0	<0.01	*	*	8	*	*	*
	38.0	40.0	2.0	<0.01	*	*	24	*	*	*
	40.0	42.0	2.0	<0.01	*	*	160	*	*	*
	42.0	44.0	2.0	<0.01	*	*	72	*	*	*
	44.0	46.0	2.0	<0.01	*	*	62	*	*	*
	46.0	48.0	2.0	<0.01	*	*	50	*	*	*
	48.0	50.0	2.0	<0.01	*	*	29	*	*	*
	50.0	52.0	2.0	<0.01	*	*	58	*	*	*
	52.0	54.0	2.0	<0.01	*	*	42	*	*	*
	54.0	56.0	2.0	<0.01	*	*	44	*	*	*
	56.0	58.0	2.0	<0.01	*	*	40	*	*	*
	58.0	60.0	2.0	<0.01	*	*	68	1750	1820	*
	60.0	62.0	2.0	<0.01	*	*	82	1350	2490	*
	62.0	64.0	2.0	<0.01	*	*	76	1200	2340	*
	64.0	66.0	2.0	0.01	*	*	70	1500	2210	*
	66.0	68.0	2.0	<0.01	*	*	52	1000	2200	*
	68.0	70.0	2.0	<0.01	*	*	52	1350	1450	*
	70.0	72.0	2.0	<0.01	*	*	52	1100	1930	*
	72.0	74.0	2.0	<0.01	*	*	58	1100	1820	*
	74.0	76.0	2.0	1000**	*	*	62	76**	1610	*
	76.0	78.0	2.0	<0.01	*	*	52	1000	1700	*
	78.0	80.0	2.0	<0.01	*	*	54	960	1820	*
	80.0	82.0	2.0	*	*	*	*	*	*	*

83WRR3	From	To	Length	Au ppm	Pt ppm	Pd ppm	Cu ppm	Ni ppm	Cr ppm	TiO ppm
	82.0	84.0	2.0	<0.01	*	*	35	1850	*	*
	84.0	86.0	2.0	<0.01	*	*	48	2000	*	*

* Not assayed

** Likely transcription error in original logs

This announcement has been authorised by the board of directors of the Company.

- ENDS -

Enquiries

Craig Hall

Non-Executive Director

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Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Craig Hall, whom is a member of the Australian Institute of Geoscientists. Mr Hall is a director and consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Hall consents to the inclusion of the information in the form and context in which it appears.

Forward Looking Statements

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Appendix 1: Tenement Schedule (ASX Listing Rule 5.3.3)

The mining tenements held at the end of each quarter and their location

TENEMENT SCHEDULE

TENEMENT No.	LOCATION	STATUS	INTEREST %	HOLDER
E20/931	WA	Granted	100	Scorpion Minerals Ltd
P51/3016	WA	Granted	100	Scorpion Minerals Ltd
P51/3017	WA	Granted	100	Scorpion Minerals Ltd
P20/2252	WA	Granted	100	Scorpion Minerals Ltd
P20/2253	WA	Granted	100	Scorpion Minerals Ltd
E20/948	WA	Granted	0 ¹	Element 25
E20/953	WA	Granted	0 ²	Element 25
E20/962	WA	Application	0	Scorpion Minerals Ltd

The mining tenements acquired during the quarter and their location

Nil

The mining tenements disposed of during the quarter and their location

Nil

The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

¹as per the 'Pharos Project (Yallon and Sunday Well) Call Option Agreement Summary' SCN has commenced a 9 month option period for E20/948, and payment of \$75,000 to earn 100% due to Element 25 has been completed. At the time of writing both companies are facilitating the transfer to SCN.

²as per the 'Pharos Project (Yallon and Sunday Well) Call Option Agreement Summary' SCN has commenced a 9 month option period for E20/953, with payment of \$75,000 required to earn 100% due to Element 25 before 18th June 2021.

The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Nil

Appendix 5B

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

Name of entity

Scorpion Metals Limited

ABN

40 115 535 030

Quarter ended ("current quarter")

31 December 2020

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 (if expensed)	(487)	(656)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(523)	(656)
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 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(50)	(57)
1.9 Net cash from / (used in) operating activities	(1,060)	(1,369)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	(100)	(100)
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	-	--
(e) investments	-	-
(f) other non-current assets	-	-

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
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)	-	-
2.6	Net cash from / (used in) investing activities	(100)	(100)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,165	1,290
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	1,165	1,290

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	15	199
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,060)	(1,369)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(100)	(100)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,165	1,290

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	Cash and cash equivalents at end of period	20	20

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	20	15
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)	20	15

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
(326)
-

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

Accrued directors' fees to 31 October 2020

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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	2500	1596
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2500	1596
7.5 Unused financing facilities available at quarter end		904
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.	
The Company has an unsecured loan agreement with a syndicate of lenders. The facility limit is \$2,500,000, interest rate is 8% p.a.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,160)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,160)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	20
8.5 Unused finance facilities available at quarter end (Item 7.5)	904
8.6 Total available funding (Item 8.4 + Item 8.5)	924
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.8

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: No. September quarter had larger than average cash outflow from Operating Activities due to exploration program and payment of trade payables and accruals (including Directors' fees as detailed in Item 6.1)

- 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: No. The Company has sufficient funding via the Debt Facility detailed in Item 7.1.

- 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. The Company is able to fund its ongoing operations and to meet its business objectives through use of funds available via the Debt Facility detailed in Item 7.1.

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: 28 January 2021

Authorised by: 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 – 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.