

June 2020 Quarterly Report

The Board of Carnaby Resources Limited (**Carnaby** or the **Company**) is pleased to provide the following commentary and Appendix 5B.

June 2020 Quarterly Highlights:

■ PILBARA GOLD TENEMENTS ACQUIRED

- Pilbara ground holdings increased to 254 km² in the region northeast of De Grey Mining Ltd's (ASX: DEG) Hemi gold discovery.
- Exploration programs including heritage surveys, surface geochemistry and drilling to be expedited.
- Walk-up drill targets include:
 - Palisade Prospect – 7 km long Mobile Metal Ion (MMI) soil gold anomaly open to the southwest coincident with a ~300-500 m wide gold mineralised bottom of hole RAB drilling anomaly;
 - Gibraltar Prospect – >2 km long gold anomaly along the Tabba Tabba Shear Zone with drill results up to 10 m @ 1.6 g/t gold including 2 m @ 5.7 g/t gold¹; and
 - Stockade Prospect – 3 km long MMI soil gold anomaly, sparsely drilled on 500 m spaced sections with results up to 1m @ 6.6 g/t gold and 3 m @ 1.5 g/t gold¹.

■ TICK HILL PFS COMPLETED AND MAIDEN ORE RESERVE²

- PFS contemplates 3rd party processing of 474,200 t @ 2.0 g/t to recover approximately 27,300 oz of gold at an All-In Sustaining Cost (AISC) of A\$1,493 per ounce.
- Maiden Probable Ore Reserve for the Tick Hill Gold Project of:
 - Open Pit: 48,000t @ 6.53 g/t for 10,200 ounces.
 - Tailings & ROM stockpiles: 410,900t @ 1.35 g/t for 17,800 oz.
 - Total Ore Reserve: 459,600t @ 1.89 g/t for 28,000 oz.

■ TICK HILL TIMELINE TO PRODUCTION

- Processing facilities identified in the Mt Isa / Cloncurry district and discussions regarding commercial terms are advanced.
- Submissions to government authorities to amend the mining lease are underway. Approvals are expected within 2-3 months.

- Cash (incl. restricted cash) at 30 June 2020 was \$1.5 million.

Fast Facts

Shares on Issue 98M

Market Cap (@ 16 cents) \$15.7M

Cash \$1.5M¹

¹As of 30 June 2020 and inclusive of Restricted Cash

Board and Management

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director

Paul Payne, Non-Exec Director

Ben Larkin, Company Secretary

Company Highlights

- Proven and highly credentialled management team
- 100% ownership of the Tick Hill Gold Project (granted ML's) in Qld, historically one of Australia highest grade and most profitable gold mines
- Past production of 511 koz at 22 g/t gold
- Indicated and Inferred Mineral Resource of 845,000 t @ 2.47 g/t gold for 67,100 ounces²
- Proven and Probable Ore Reserves of 459,900 t @ 1.89 g/t gold for 28,000 ounces²
- 323 km² surrounding exploration package containing numerous gold and copper targets
- 254 km² of highly prospective tenure in Mallina Basin, Pilbara WA
- Tight capital structure and strong cash position

²Refer ASX release 5 June 2020

Registered Office

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www.carnabyresources.com.au

¹ Refer ASX release 22 June 2020

² Refer ASX release 5 June 2020

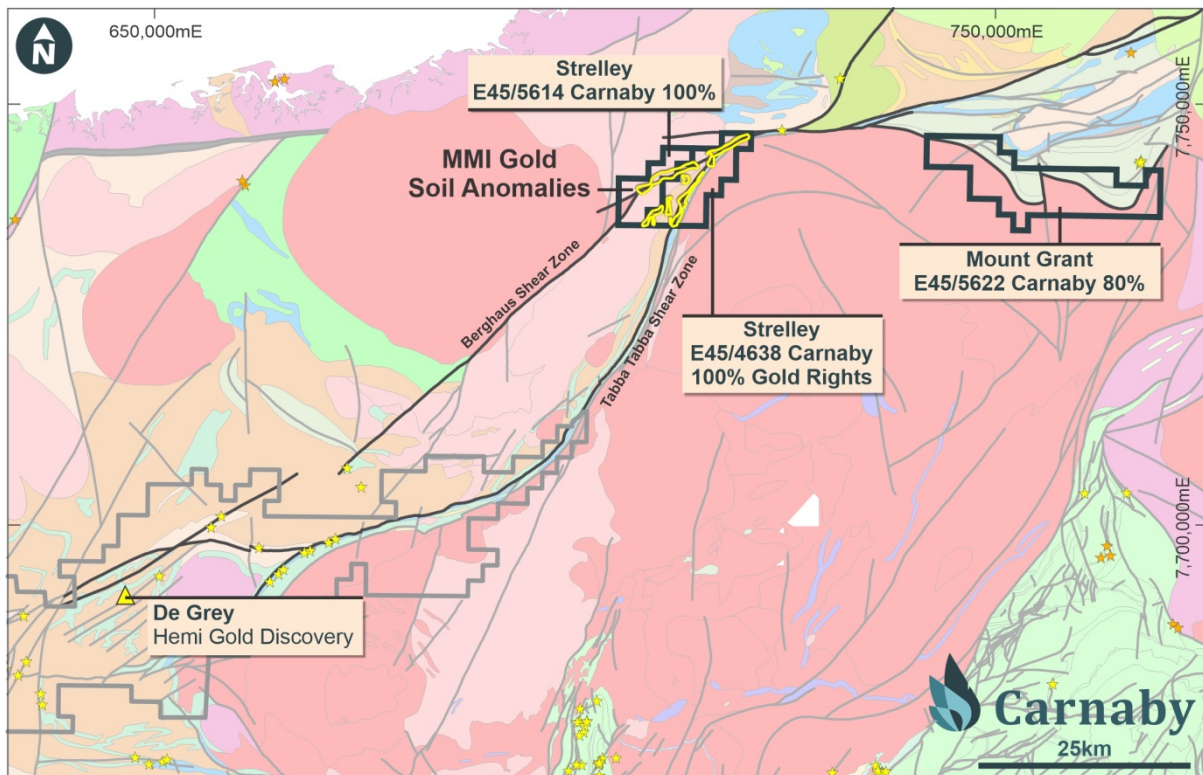


Figure 1: Carnaby's Strelley and Mount Grant gold projects

STRELLEY GOLD PROJECT

The Strelley Gold Project comprises ELA45/5743 and E45/4638. ELA45/5743 was pegged and is owned 100% by Carnaby and E45/4638 was acquired from Lithium Power International (**LPI**) (ASX: LPI) subsequent to the end of the quarter for consideration for 1,250,000 fully paid Carnaby shares and a 1% NSR royalty on gold production. Carnaby owns 100% of the gold rights on E45/4638 and all other minerals, excluding lithium, caesium, tantalum and tin, which are retained by LPI.

The Strelley Gold Project is underlain by Archean aged granite and greenstone rocks located 70 km northeast of the Hemi gold discovery by De Grey Mining Ltd (ASX: DEG). The Tabba Tabba Shear Zone passes through the project and is a large scale anastomosing orogenic belt of greenstone associated with significant gold mineralisation within De Grey Mining's tenements 30 km's to the SW.

PALISADE PROSPECT

The Palisade target encompasses a 7 km long southwest trending Mobile Metal Ion (**MMI**) gold soil anomaly coincident with the interpreted location of the Berghaus Shear Zone (Figure 2). The soil anomaly remains completely open to the southwest.

A single RAB traverse drilled in 2008 intersected widespread gold anomalism over a **300-500m wide section below only 15 m of cover** (Figure 2). All holes recorded **bottom of**

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hole anomalous gold up to **2 m @ 0.51 g/t gold** in STRB371³ associated with strong to intense silica alteration and quartz veining within sheared granite and greenstone units.

Carnaby plans to immediately follow up the high priority Palisade target with drilling along strike and to test beneath the large 300-500 m wide bottom of hole RAB gold anomaly.

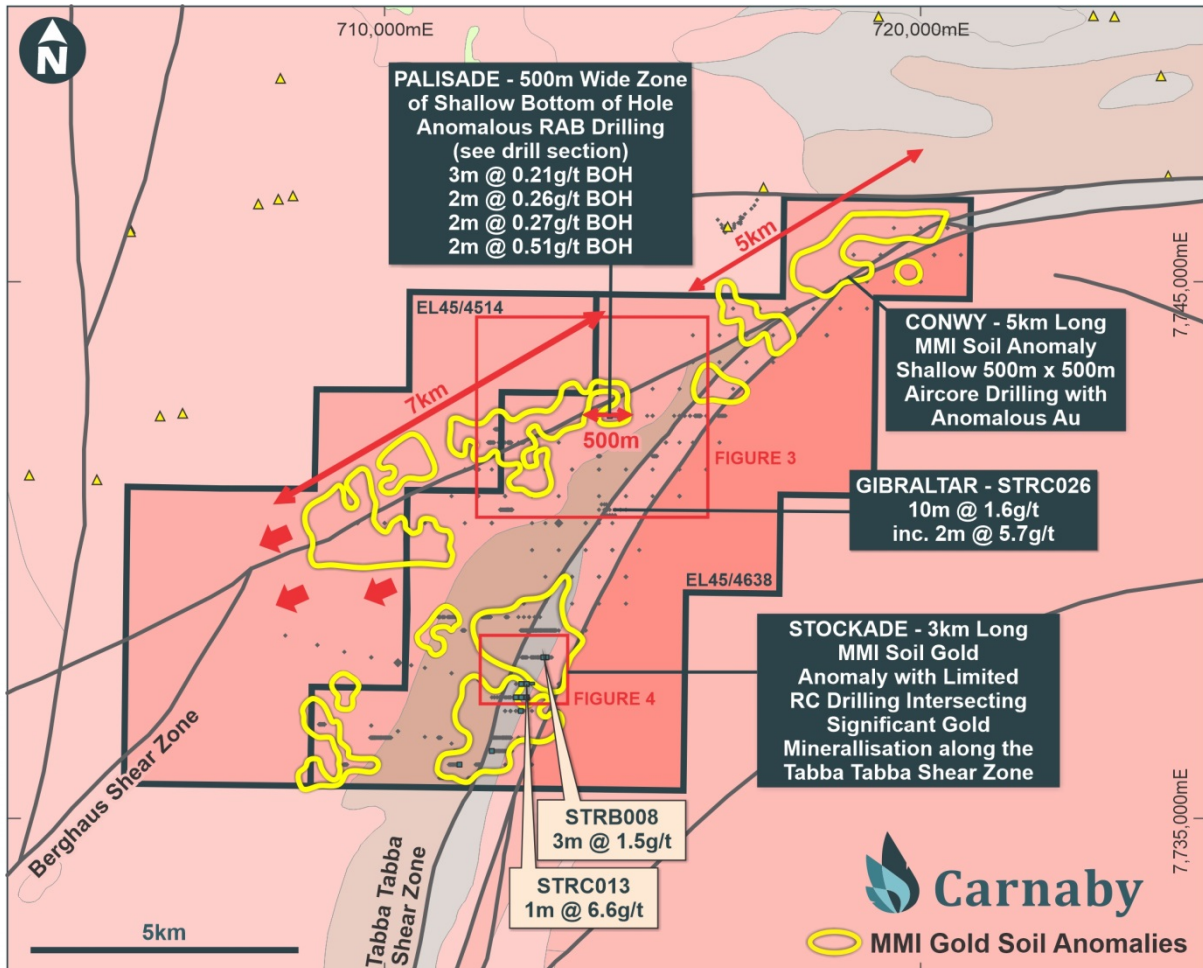


Figure 2: Palisade 300-500 m wide bottom of hole RAB drilling gold anomaly. Drill section is at 10 times vertical exaggeration.

GIBRALTAR PROSPECT

The Gibraltar target encompasses a ~3 km section of the Tappa Tappa Shear Zone along a major bend in the shear zone to a northeast orientation (Figure 2).

Significant gold mineralisation has been intersected with results up to **10 m @ 1.6 g/t gold** from 77 m including **2 m @ 5.8 g/t gold** in STRC026⁴.

³ Refer ASX release 22 July 2020

⁴ Refer ASX release 22 July 2020

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STOCKADE PROSPECT

The Stockade target encompasses a 3 km long SSW trending MMI gold soil anomaly coincident with the Tappa Tappa Shear Zone (Figure 2).

Significant gold mineralisation has been intersected in very wide spaced historical drilling of up to **1 m @ 6.6 g/t gold** in STRC013⁵. This result remains open for 500 m to the north where a single RAB traverse also intersected shallow gold mineralisation of up to **3 m @ 1.5 g/t gold** from 17 m in STRB008⁵ (Figure 3). No drilling has been completed for another 500 m north of this RAB line.

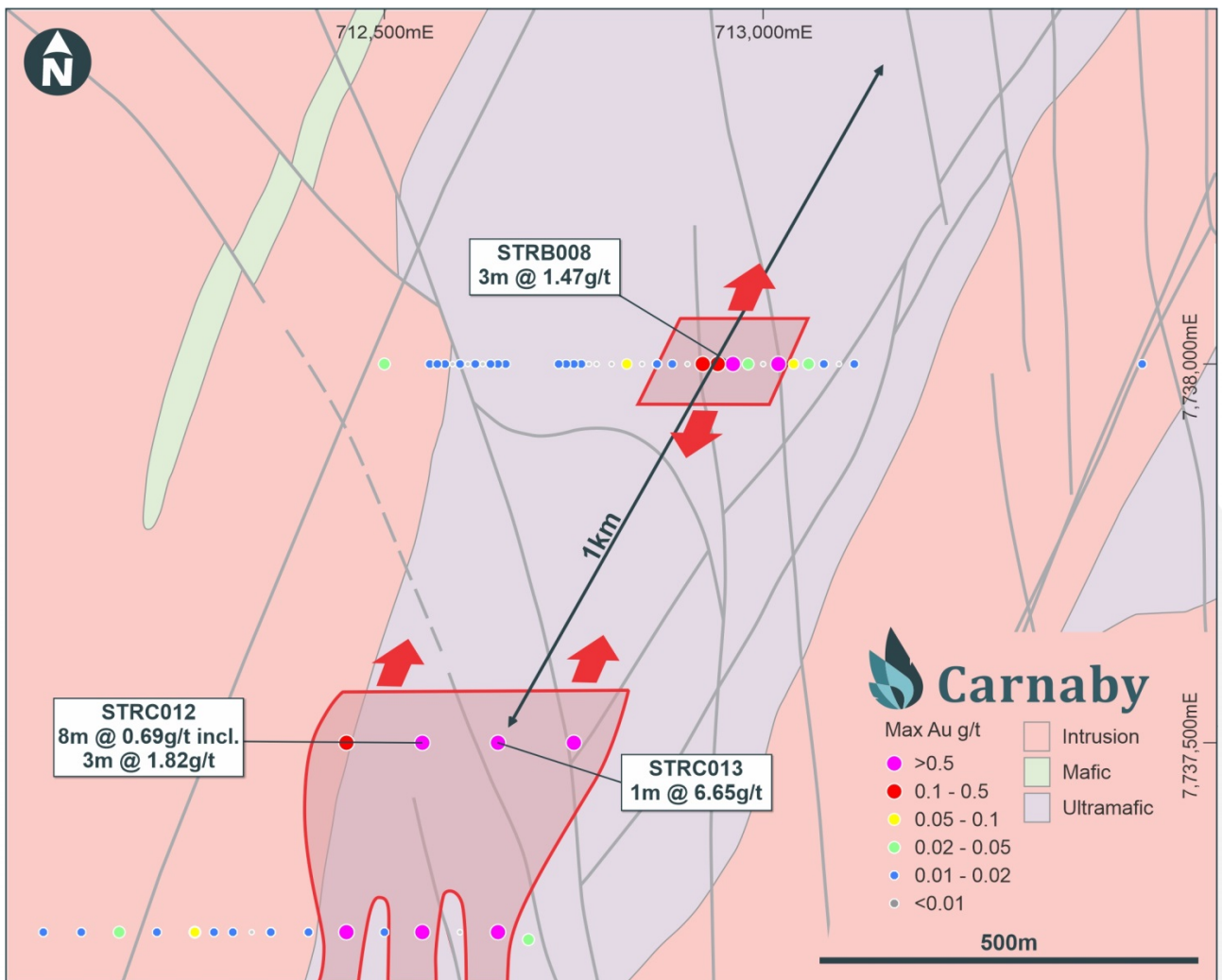


Figure 3: Stockade plan showing interpreted geology and location of drill results.

⁵ Refer ASX release 22 July 2020

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MOUNT GRANT GOLD PROJECT (80% OWNED)

Subsequent to the end of the quarter, Carnaby acquired an 80% interest in the tenement ELA45/5622 (Figure 1) for consideration of 588,000 Carnaby shares and a \$15,000 reimbursement of costs. At completion of a Definitive Feasibility Study, the vendor can elect to contribute or revert to a 1.5% NSR royalty.

The Mount Grant Project contains 45 km strike of greenstone effectively unexplored for gold and located under alluvial cover associated with the De Grey River catchment area.

TICK HILL PROJECT (100% OWNED)

The Company has focussed its efforts on the near term potential to develop the Tick Hill Gold Project, announcing a maiden Ore Reserve and the results of a Pre-Feasibility Study, which demonstrated robust economics.

MAIDEN ORE RESERVE

During the quarter, Carnaby released a maiden Tick Hill Project Ore Reserve. The Ore Reserve was compiled by independent consultants Minesure Pty Ltd.

The maiden Ore Reserve for the project, reported according to the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves, JORC Code (2012) (**JORC Code**), is as follows:

Tick Hill Reserve	Proven			Probable			Diluted and Recovered Total		
	tonnes	g/t	ounces	tonnes	g/t	ounces	tonnes	g/t	ounces
Open Pit	0	0	0	48,600	6.53	10,200	48,600	6.53	10,200
Historic ROM Stockpile	0	0	0	8,100	2.77	700	8,100	2.77	700
East Paddock Tailings	0	0	0	285,000	1.42	13,000	285,000	1.42	13,000
West Paddock Tailings	0	0	0	117,800	1.07	4,100	117,800	1.07	4,100
Ore Reserves	0	0	0	459,600	1.89	28,000	459,600	1.89	28,000

The Tick Hill Open Pit Reserve has been calculated at a cut-off of 1.0g/t Au.

Table 1: Tick Hill Ore Reserves⁶

The Tick Hill tailings dam comprises two dry adjoined tailings paddocks that have remained on site since processing of Tick Hill ore was curtailed in 1994. All of the East Paddock (285,000 t @ 1.42 g/t for 13,000 oz) and the high grade portion of the West Paddock (120,000 t @ 1.07 g/t for 4,100 oz) has been converted to an Ore Reserve (Table 1).

The Historic ROM Pad Stockpile (8,000 t @ 2.77 g/t for 700 oz) has been included in Ore Reserves (Table 1). The stockpile forms part of the previous processing ROM pad which was constructed out of lower grade material at the time.

The Open Pit Ore Reserves total 48,000 t @ 6.53 g/t for 10,200 ounces (Table 1).

⁶ Refer ASX release 5 June 2020

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MINERAL RESOURCE UPDATE

Total Indicated and Inferred Mineral Resources at Tick Hill from the Main and Hangingwall Lodes and including the existing Tailings Dam Resource and Historic ROM Stockpile are as follows:

Tick Hill Mineral Resources	Indicated			Inferred			Total		
	tonnes	g/t	ounces	tonnes	g/t	ounces	tonnes	g/t	ounces
Main Lode	61,000	6.9	13,400	92,000	7.31	21,700	153,000	7.15	35,100
Hangingwall Lode	32,000	4.4	4,500	21,000	7.07	4,900	53,000	5.46	9,400
Deposit Total	93,000	6.04	18,000	114,000	7.27	26,600	207,000	6.71	44,600
Tailings Dam West Paddock	345,000	0.8	8,800				345,000	0.8	8,800
Tailings Dam East Paddock	285,000	1.42	13,000				285,000	1.42	13,000
Tailings Dam Total	630,000	1.08	21,800				630,000	1.08	21,800
Historic ROM Stockpile	8,000	2.77	700				8,000	2.77	700
Tick Hill Total	731,000	1.73	40,500	114,000	7.27	26,600	845,000	2.47	67,100

Tick Hill Deposit Resource has been calculated at a cut-off of 0.5g/t Au.

Table 2: Updated Tick Hill Mineral Resource Statement⁷

TICK HILL PRE-FEASIBILITY STUDY RESULTS⁸

As announced on 5 June 2020, the Tick Hill Gold Project Pre-Feasibility Study (PFS) contemplates a contract mining and 3rd party processing over a 13 month period, milling 474,200 t @ 2.0 g/t (**Production Mill Feed**) to recover approximately 27,300 ounces of gold at an All-In Sustaining Cost (AISC) of A\$1,493 per ounce. Production Mill Feed by ore source is summarised at Table 3 below.

Tick Hill Production Mill Feed	Diluted and Recovered Indicated			Diluted and Recovered Inferred			Diluted and Recovered Total		
	tonnes	g/t	ounces	tonnes	g/t	ounces	tonnes	g/t	ounces
Open Pit	48,600	6.5	10,200	14,700	4.9	2,296	63,300	6.1	12,500
Old ROM Stockpile	8,100	2.8	700	0	0.0	0	8,100	2.8	700
East Paddock Tailings	285,000	1.4	13,000	0	0.0	0	285,000	1.4	13,000
West Paddock Tailings	117,800	1.1	4,100	0	0.0	0	117,800	1.1	4,100
Production Mill Feed	459,600	1.9	28,000	14,700	4.9	2,296	474,200	2.0	30,300

The Open Pit Production Mill Feed has been calculated using a Reserve cut-off of 1.0g/t Au.

Table 3: Production Mill Feed

The PFS confirms an economically viable open pit mine and tailings re-processing project, generating net pre-tax cash flows of approximately \$21.7M at an assumed gold price of A\$2,300 per ounce. At a gold price of A\$2,450/oz, net pre-tax cash flows are approximately

⁷ Refer ASX release 5 June 2020

⁸ Refer ASX release 5 June 2020

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\$25.6M. Current spot gold price is ~\$2700/oz. Summary findings of the Tick Hill PFS are as follows:

Measure		PFS Outcome (A\$2,300/oz)	PFS Outcome (A\$2,450/oz)*
Site Establishment	months	2	2
Mine Life	months	13	13
Total Ore Mined	t	474,258	474,258
Total Waste Moved	t	2,711,676	2,711,676
Project Stripping Ratio	Waste:Ore	5.7	5.7
Gold Grade	g/t	2.0	2.0
Recovery	%	90%	90%
Recovered Gold	oz	27,330	27,330
Capital Costs	\$	355,000	355,000
All-In Sustaining Costs (AISC)	\$/oz	1,493	1,501
Net Pre-Tax Cash Flows	\$	21,691,540	25,575,599

Table 4: Summary PFS Findings (in AUD)

NEXT STEPS AND TIMELINE TO PRODUCTION

Processing facilities have been identified in the Mt Isa / Cloncurry district and discussions regarding commercial terms are advanced.

Submissions to government authorities to amend the mining lease are underway. Approvals are expected within 2-3 months.

First gold production from Tick Hill is forecast to occur in Q4 2020.

TICK HILL NEAR MINE EXPLORATION (100% OWNED)

During the quarter detailed re-logging of historical diamond core and 3D geological modelling work was completed. Additional petrological analysis is also being completed as well as considerable academic and technical studies. Compilation of this work and drill hole targeting will be completed in the current quarter prior to additional drilling taking place.

The Tick Hill North target remains highly encouraging where the last hole drilled in December 2019 intersected an intensely altered 10 m wide Lodestone unit representative of the host rock of the Tick Hill orebody (Figure 4).

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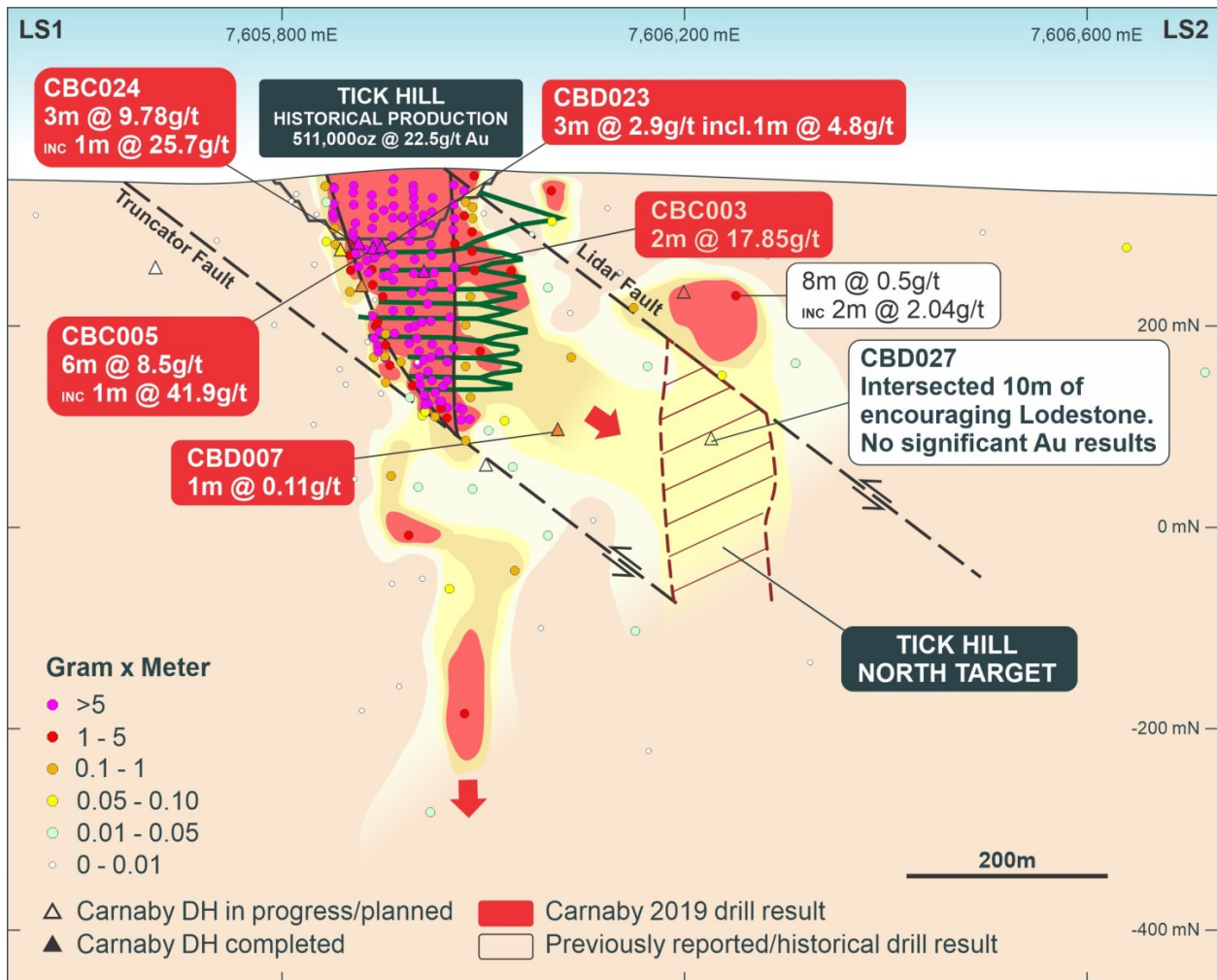


Figure 4: Tick Hill long section showing location of results and Tick Hill North target.

MOUNT BIRNIE (82.5% OWNED)

No work completed.

MALMAC PROJECT (100% OWNED)

No field work completed.

SCANDINAVIAN NICKEL & COBALT (100% OWNED)

Carnaby has retained permits related the Lainejaur Nickel-Cobalt Project, which contains a JORC resource of 460,000 t @ 2.2 % nickel, 0.7% copper and 0.15% cobalt. Divestment of the remaining Scandinavian projects is being sought to allow Carnaby to focus on its Australian assets.

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CORPORATE

At 30 June 2020, Carnaby held \$1.5 million in cash which includes \$0.4 million in restricted cash. Restricted cash comprises cash held in term deposits issued in the Company's name which have been used to provide security for the Company's bank guarantee facility.

The bank guarantee facility allows the Company to issue bank guarantees in satisfaction of its Queensland state government environmental surety obligations. Without the establishment of this facility, the Company would be required to meet its surety obligations via deposit of cash directly to the Queensland state government.

Please refer to the following Appendix 5B for information regarding movements in cash during the quarter.

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Competent Persons Statement

The information in this document that relates to the Tick Hill Deposit and Tick Hill ROM Stockpile Mineral Resources is based upon information compiled by Mr Paul Tan. Mr Tan is a full time employee and security holder of the Company and a Member of the AUSIMM. Mr Tan consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Tan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Tick Hill Tailings Dam Mineral Resources is based upon information compiled by Mr Robert Watkins. Mr Watkins is a Director and security holder of the Company and a Member of the AUSIMM. Mr Watkins consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Watkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Tick Hill Deposit, Tailings Dam and ROM Stockpile Ore Reserves is based upon information compiled by Mr Nigel Spicer. Mr Spicer consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Spicer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Lainejaur Project Nickel, Copper & Cobalt Mineral Resources is based upon information compiled by Mr Paul Payne, an employee of Payne Geological Services Pty Ltd, and a Director and security holder of the Company. Mr Payne is a Fellow of the AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Payne consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

Disclaimer

This document contains background information current at the date of this announcement. The announcement is in summary form and does not purport to be all-inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

The announcement is for information purposes only. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sales of shares in any jurisdiction. The announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply to their own jurisdiction as a failure to do so may result in a violation of securities laws in such jurisdiction.

This announcement does not constitute investment advice and has been prepared without considering the recipients investment objectives, financial circumstances or particular needs and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons.

Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. To the fullest extent of the law, the Company, its officers, employees, agents and advisors do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinion, estimates, forecasts or other representations contained in this announcement. No responsibility for any errors or omissions from the announcement arising out of negligence or otherwise is accepted.

References have been made in this announcement to certain ASX announcements, including references regarding exploration results, mineral resources, production targets and forecast financial information. For full details, refer to said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Exploration Target(s), Ore Reserves, Production Targets and forecast financial information from Production Targets, that all material assumptions and technical parameters underpinning the estimates in the relevant market

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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.

Forward Looking Statements

Some statements in this announcement regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to complete the development of the Project, including with respect to any production targets and financial estimates, based on the information contained in this announcement.

Appendix 1 | Carnaby Resources Limited Tenements

Australian Projects

Tenement	Location	Structure
Tick Hill Gold and Copper Project		
ML7094	Queensland	100%
ML7096	Queensland	100%
ML7097	Queensland	100%
EPM9083	Queensland	82.5%
EPM11013	Queensland	82.5%
EPM14366	Queensland	82.5%
EPM14369	Queensland	82.5%
EPM17637	Queensland	82.5%
EPM18223	Queensland	82.5%
EPM18990	Queensland	82.5%
EPM19008	Queensland	82.5%
EPM25435	Queensland	82.5%
EPM25439	Queensland	82.5%
EPM25853	Queensland	82.5%
EPM25972	Queensland	82.5%

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EPM26651	Queensland	100%
EPM27101	Queensland	100%
Malmac Gold and Base Metals Project		
E69/3509	Western Australia	100%
E69/3510	Western Australia	100%
E69/3702	Western Australia	100%
Throssel Gold Project		
E38/3289	Western Australia	100%
Strelley Gold Project		
E45/5743	Western Australia	100%
E45/4638	Western Australia	100%
E45/5622	Western Australia	80%

Scandinavian Projects

Tenement	Location	Structure
Gladhammar nr 204, 205, 206	Sweden	100%
Lainejaur nr 20	Sweden	100%

Mining tenements acquired: E45/4638, E45/5622, E45/5743

Mining tenements disposed or relinquished: Gladhammar nr 202, Gladhammar nr 203 and Tunaberg nr 202

Beneficial percentage interests held in farm-in or farm-out agreements: Nil.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil.

Appendix 5B

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

Name of entity

CARNABY RESOURCES LIMITED

ABN

62 610 855 064

Quarter ended ("current quarter")

30 JUNE 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(113)	(1,737)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(130)	(638)
	(e) administration and corporate costs	(16)	(210)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	36
1.5	Interest and other costs of finance paid	-	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(257)	(2,552)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(9)
	(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 (12 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	-	(9)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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 (transfers to Restricted Cash) <i>* Restricted Cash comprises cash held in term deposits in the Company's name which have been used to provide security for the Company's recently established bank guarantee facility.</i>	-	(373)*
3.10	Net cash from / (used in) financing activities	-	(373)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,356	4,033
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(257)	(2,552)

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
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(9)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(373)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,099	1,099

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	199	256
5.2	Call deposits	900	1,100
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)	1,099**	1,356**
	<i>** Balance excludes Restricted Cash. Refer Item 3.9 above for further details.</i>		

6. Payments to related parties of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	66
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

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:

Payments to related parties represent Directors salaries, fees and superannuation.

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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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

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. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(257)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(257)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,099
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,099
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	4.28

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

1. 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: Not applicable

2. 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: Not applicable

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

Answer: Not applicable

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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: 31 July 2020.....

Authorised by: The Board of Directors.....
(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.