



ASX Announcement | 28 January 2020
Rafaella Resources Limited (ASX:RFR)

Rafaella Resources fast-tracking development of its Spanish tungsten project

Investment Highlights

- ① Encouraging assay results from the drill holes to date at the recently acquired Santa Comba tungsten project in Spain (the 'Project').
- ① Current drill programme is targeting the expansion of the pre-existing JORC (2012) MRE and upgrading the resource category. The objective is to provide the detailed information required for proposed mining optimisation and project feasibility studies.
- ① Initial programme is now 75% complete with over 6,400m drilled.
- ① Over 2,000 samples have been sent for assay along with samples to Tomra Sorting GmbH and Grinding Solutions Ltd to advance the ore sorting and metallurgical testwork.
- ① Three diamond drill rigs remain in operation at the Project.
- ① Rafaella is on track to provide an updated JORC (2012) Mineral Resource Estimate (MRE) in Q2 2020 followed later in the year by the feasibility study as the Company fast-tracks the Project through development.
- ① Rafaella's branding and website has been revamped and the Company presented at the International Mining and Resources Conference in Melbourne.

Rafaella Resources Limited (ASX:RFR) ("Rafaella" or the "Company") is pleased to provide its Appendix 5B cash flow statement for the quarter ended 31 December 2019, along with the following operational summary.

Rafaella was established to develop mineral opportunities worldwide. During the quarter, Rafaella continued to accelerate its transition from explorer to developer, further advancing its recently acquired Santa Comba project ('the Project') in Spain.

Strong initial drilling results received

In October, Rafaella announced that it had received strong assay results from the Company's current drilling programme at the Project.

The results confirmed continuity of tungsten (wolframite) mineralisation with the initial drill hole being located ~60m along strike from pre-existing drill hole intersections. The tungsten mineralisation intersected occurs to the northeast of the JORC (2012) Inferred MRE, thereby supporting the Company's ambition to expand the resource base.

The Company contracted Geonor Sondeos y Peforaciones, S.L. ('Geonor') and Sondeos y Peforaciones Industriales del Bierzo, S.A ('SPI') to conduct drilling campaigns at the site. Further details on assay highlights are provided in the ASX Announcement dated 23 October 2019.

Further advancement of drilling programme

In November, Rafaella provided an additional update on the drilling programme at the Project. As of end-November, a total of five drill rigs were in operation at the Project, comprised of four diamond drill rigs and one reverse circulation (RC) rig.

During the quarter, the Company completed 5,300m of drilling, with a focus on further investigating the JORC Inferred MRE defined for the Project. As of the date of this report total meters drilled stand at 6,427m with 49 holes completed. Specifically, the Company has been targeting both lateral and depth extensions to the known resource with infill drilling. As of end December, drill assay results had been received from a total of 29 of the 44 drill holes.

Rafaella is continuing to improve its geological model and understanding of the different mineralised zones as drilling progresses. The Company is encouraged by visual observations from drill holes south of the aforementioned drill holes where mineralisation has been intersected both within the predicted area and external to the inferred resource. A summary of drilling results is provided in the ASX Announcement dated 25 November 2019.

Corporate

In October, Rafaella unveiled its new branding and outlined the Company's investment opportunity at the International Mining and Resources Conference (IMARC), Australia's largest mining event.

Rafaella Resources' Managing Director Steven Turner delivered a presentation which introduced the Company's focused corporate strategy for the Project, as well as a summary of the resource, drilling campaign and potential path to production. The full presentation is available via the ASX Announcement dated 29 October 2019.

Rafaella held its Annual General Meeting on Friday 29 November at Level 32, Exchange Tower in Perth, Western Australia. At the AGM all resolutions put to the meeting were passed unanimously by a show of hands. Details regarding the resolutions are provided in the ASX Announcement dated 29 November 2019.

Post the quarter, Rafaella announced a general meeting to be held at 9am WST on Thursday 13 February 2020 at Level 11, London House, 216 St Georges Terrace, Perth, Western Australia. Shareholders are reminded to read the ASX Announcement dated 13 January 2020 for more information on this meeting.

Rafaella's cash position as at 31 December 2019 was \$3.444m.

Securities on issue at 31 December 2019:

| | Listed on ASX | Unlisted | Total |
|---|-------------------|-------------------|--------------------|
| Fully paid ordinary shares | 63,046,820 | 7,378,751 | 70,425,571 |
| \$0.30 unlisted options expiring 6 February 2020 | - | 2,325,000 | 2,325,000 |
| \$0.30 listed options expiring 31 October 2021 | 27,098,036 | - | 27,098,036 |
| \$0.20 unlisted options expiring 19 July 2022 | - | 2,500,000 | 2,500,000 |
| \$0.20 unlisted options expiring 27 August 2022 | - | 2,925,000 | 2,925,000 |
| \$0.20 unlisted milestone 1 performance rights expiring 27 August 2022 | - | 2,900,000 | 2,900,000 |
| \$0.20 unlisted milestone 2 performance rights expiring 27 August 2022 | - | 2,900,000 | 2,900,000 |
| Total | 90,144,856 | 20,928,751 | 111,073,607 |
| Additional Milestone 1 consideration shares yet to be issued ¹ | 15,000,000 | - | 15,000,000 |
| Additional Milestone 2 consideration shares yet to be issued ² | 15,000,000 | - | 15,000,000 |

Rafaella's Managing Director Steven Turner said: "We are very pleased with the progress we have made at the Santa Comba tin and tungsten project during the December quarter. Since acquiring the project in Q3 2019, we have moved quickly to execute our strategy to fast track the development of the Project with the aim of delivering early cash flows. The project continues to receive significant support, with committed offtake and pre-approved development funding, subject to a positive feasibility study. We remain on schedule to complete our initial drill programme and deliver an updated JORC Resource during Q2 2020 and look forward to continue updating shareholders on our progress."

Ends

For further information, please contact:

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¹ Refer to ASX announcement on 27 May 2019 for full details.

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About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits worldwide. Rafaella owns the Santa Comba tin and tungsten project in Spain, the McCleery cobalt and copper project in Canada, and the Sandstone gold project in Australia. The Santa Comba project is located in a productive tin and tungsten province adjacent to critical infrastructure and the McCleery and Sandstone projects were previously under-explored and hold significant potential.

To learn more please visit: www.rafaellaresources.com.au

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Historical Estimates is based on, and fairly represents, information and supporting documentation compiled under the supervision of Dr Lachlan Rutherford, a consultant to the Company. Dr Rutherford is a Member of the Australasian Institute of Mining and Metallurgy. He 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 (JORC Code). Dr Rutherford consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Schedule of Exploration Tenements

| Project | Tenement Number | Interest Held |
|-----------|-----------------|---------------|
| Sandstone | E53/1920 | 100% |
| Sandstone | E57/1055 | 100% |

| Project | Claim Name & Number | Grant Number | Interest Held |
|----------|---------------------|--------------|---------------|
| McCleery | MM 1 | YD81304 | 100% |
| McCleery | MM 2 | YD81305 | 100% |
| McCleery | MM 3 | YD81306 | 100% |
| McCleery | MM 4 | YD81307 | 100% |
| McCleery | MM 5 | YD81308 | 100% |
| McCleery | MM 6 | YD81309 | 100% |
| McCleery | MM 7 | YD81310 | 100% |
| McCleery | MM 8 | YD81311 | 100% |
| McCleery | MM 9 | YD81312 | 100% |
| McCleery | MM 10 | YD81313 | 100% |
| McCleery | MM 11 | YD81314 | 100% |
| McCleery | MM 12 | YD81315 | 100% |
| McCleery | MM 13 | YD81316 | 100% |
| McCleery | MM 14 | YD81317 | 100% |
| McCleery | MM 15 | YD81318 | 100% |
| McCleery | MM 16 | YD81319 | 100% |
| McCleery | MM 17 | YD81320 | 100% |
| McCleery | MM 18 | YD81321 | 100% |
| McCleery | MM 19 | YD81322 | 100% |
| McCleery | MM 20 | YD81323 | 100% |
| McCleery | MM 21 | YD81324 | 100% |
| McCleery | MM 22 | YD81325 | 100% |
| McCleery | MM 23 | YD81326 | 100% |
| McCleery | MM 24 | YD81327 | 100% |
| McCleery | MM 25 | YD81328 | 100% |
| McCleery | MM 26 | YD81329 | 100% |
| McCleery | MM 27 | YD81330 | 100% |
| McCleery | MM 28 | YD81331 | 100% |
| McCleery | MM 29 | YD81332 | 100% |
| McCleery | MM 30 | YD81333 | 100% |
| McCleery | MM 31 | YD81334 | 100% |
| McCleery | MM 32 | YD81335 | 100% |
| McCleery | MM 33 | YD81336 | 100% |
| McCleery | MM 34 | YD81337 | 100% |
| McCleery | MM 35 | YD81338 | 100% |
| McCleery | MM 36 | YD81339 | 100% |
| McCleery | MM 37 | YD81340 | 100% |
| McCleery | MM 38 | YD81341 | 100% |
| McCleery | MM 39 | YD81342 | 100% |
| McCleery | MM 40 | YD81343 | 100% |
| McCleery | MM 41 | YD81344 | 100% |

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|----------|-------|---------|------|
| McCleery | MM 42 | YD81345 | 100% |
| McCleery | MM 43 | YD81351 | 100% |
| McCleery | MM 44 | YD81352 | 100% |
| McCleery | MM 45 | YD81353 | 100% |
| McCleery | MM 46 | YD81354 | 100% |
| McCleery | MM 47 | YD81355 | 100% |
| McCleery | MM 48 | YD81356 | 100% |
| McCleery | MM 49 | YD81357 | 100% |
| McCleery | MM 50 | YD81358 | 100% |
| McCleery | MM 51 | YD81359 | 100% |
| McCleery | MM 52 | YD81360 | 100% |
| McCleery | MM 53 | YD81361 | 100% |
| McCleery | MM 54 | YD81362 | 100% |
| McCleery | MM 55 | YD81363 | 100% |
| McCleery | MM 56 | YD81364 | 100% |
| McCleery | MM 57 | YD81365 | 100% |
| McCleery | MM 58 | YD81366 | 100% |
| McCleery | MM 59 | YD81367 | 100% |
| McCleery | MM 60 | YD81368 | 100% |
| McCleery | MM 61 | YD81369 | 100% |
| McCleery | MM 62 | YD81370 | 100% |
| McCleery | MM 63 | YD81371 | 100% |
| McCleery | MM 64 | YD81372 | 100% |
| McCleery | MM 65 | YD81373 | 100% |
| McCleery | MM 66 | YD81374 | 100% |
| McCleery | MM 67 | YD81375 | 100% |
| McCleery | MM 68 | YD81376 | 100% |
| McCleery | MM 69 | YD81377 | 100% |
| McCleery | MM 70 | YD81378 | 100% |
| McCleery | MM 71 | YD81379 | 100% |
| McCleery | MM 72 | YD81380 | 100% |
| McCleery | MM 73 | YD81381 | 100% |
| McCleery | MM 74 | YD81382 | 100% |
| McCleery | MM 75 | YD81383 | 100% |
| McCleery | MM 76 | YD81384 | 100% |
| McCleery | MM 77 | YD81385 | 100% |
| McCleery | MM 78 | YD81386 | 100% |
| McCleery | MM 79 | YD81387 | 100% |
| McCleery | MM 80 | YD81388 | 100% |
| McCleery | MM 81 | YD81389 | 100% |
| McCleery | MM 82 | YD81390 | 100% |
| McCleery | MM 83 | YD81391 | 100% |
| McCleery | MM 84 | YD81392 | 100% |
| McCleery | MM 85 | YD81393 | 100% |
| McCleery | MM 86 | YD81394 | 100% |
| McCleery | MM 87 | YD81395 | 100% |
| McCleery | MM 88 | YD81396 | 100% |
| McCleery | MM 89 | YD81397 | 100% |

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|----------|--------|---------|------|
| McCleery | MM 90 | YD81398 | 100% |
| McCleery | MM 91 | YD81399 | 100% |
| McCleery | MM 92 | YD81400 | 100% |
| McCleery | MM 93 | YD81449 | 100% |
| McCleery | MM 94 | YD81450 | 100% |
| McCleery | MM 95 | YD81451 | 100% |
| McCleery | MM 96 | YD81452 | 100% |
| McCleery | MM 97 | YD81453 | 100% |
| McCleery | MM 98 | YD81454 | 100% |
| McCleery | MM 99 | YD81455 | 100% |
| McCleery | MM 100 | YD81456 | 100% |
| McCleery | MM 101 | YD81457 | 100% |
| McCleery | MM 102 | YD81458 | 100% |
| McCleery | MM 103 | YD81459 | 100% |
| McCleery | MM 104 | YD81460 | 100% |
| McCleery | MM 105 | YD81461 | 100% |
| McCleery | MM 106 | YD81462 | 100% |
| McCleery | MM 107 | YD81463 | 100% |
| McCleery | MM 108 | YD81464 | 100% |
| McCleery | MM 109 | YD81465 | 100% |
| McCleery | MM 110 | YD81466 | 100% |
| McCleery | MM 111 | YD81467 | 100% |
| McCleery | MM 112 | YD81468 | 100% |
| McCleery | MM 113 | YD81469 | 100% |
| McCleery | MM 114 | YD81470 | 100% |
| McCleery | MM 115 | YD81471 | 100% |
| McCleery | MM 116 | YD81472 | 100% |
| McCleery | MM 117 | YD81473 | 100% |
| McCleery | MM 118 | YD81474 | 100% |
| McCleery | MM 119 | YD81475 | 100% |
| McCleery | MM 120 | YD81476 | 100% |
| McCleery | MM 121 | YD81477 | 100% |
| McCleery | MM 122 | YD81478 | 100% |
| McCleery | MM 123 | YD81479 | 100% |
| McCleery | MM 124 | YD81480 | 100% |
| McCleery | MM 125 | YD81481 | 100% |
| McCleery | MM 126 | YD81482 | 100% |
| McCleery | MM 127 | YD81483 | 100% |
| McCleery | MM 128 | YD81484 | 100% |
| McCleery | MM 129 | YD81485 | 100% |
| McCleery | MM 130 | YD81486 | 100% |
| McCleery | MM 131 | YD81487 | 100% |
| McCleery | MM 132 | YD81488 | 100% |
| McCleery | MM 133 | YD81489 | 100% |
| McCleery | MM 134 | YD81490 | 100% |
| McCleery | MM 135 | YD81491 | 100% |
| McCleery | MM 136 | YD81492 | 100% |
| McCleery | MM 137 | YD81493 | 100% |

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|----------|--------|---------|------|
| McCleery | MM 138 | YD81494 | 100% |
| McCleery | MM 139 | YD81495 | 100% |
| McCleery | MM 140 | YD81496 | 100% |
| McCleery | MM 141 | YD81497 | 100% |
| McCleery | MM 142 | YD81498 | 100% |
| McCleery | MM 143 | YD81499 | 100% |
| McCleery | MM 144 | YD81500 | 100% |
| McCleery | MM 145 | YD81501 | 100% |
| McCleery | MM 146 | YD81502 | 100% |
| McCleery | MM 147 | YD81259 | 100% |
| McCleery | MM 148 | YD81260 | 100% |
| McCleery | MM 149 | YD81261 | 100% |
| McCleery | MM 150 | YD81262 | 100% |
| McCleery | MM 151 | YD81263 | 100% |
| McCleery | MM 152 | YD81264 | 100% |
| McCleery | MM 153 | YD81265 | 100% |
| McCleery | MM 154 | YD81266 | 100% |
| McCleery | MM 155 | YD81267 | 100% |
| McCleery | MM 156 | YD81268 | 100% |
| McCleery | MM 157 | YD81269 | 100% |
| McCleery | MM 158 | YD81270 | 100% |
| McCleery | MM 159 | YD81271 | 100% |
| McCleery | MM 160 | YD81272 | 100% |
| McCleery | MM 161 | YD81273 | 100% |
| McCleery | MM 162 | YD81274 | 100% |
| McCleery | MM 163 | YD81275 | 100% |
| McCleery | MM 164 | YD81276 | 100% |
| McCleery | MM 165 | YD81277 | 100% |
| McCleery | MM 166 | YD81278 | 100% |
| McCleery | MM 167 | YD81279 | 100% |
| McCleery | MM 168 | YD81280 | 100% |
| McCleery | MM 169 | YD81281 | 100% |
| McCleery | MM 170 | YD81282 | 100% |
| McCleery | MM 171 | YD81283 | 100% |
| McCleery | MM 172 | YD81284 | 100% |
| McCleery | MM 173 | YD81285 | 100% |
| McCleery | MM 174 | YD81286 | 100% |
| McCleery | MM 175 | YD81287 | 100% |
| McCleery | MM 176 | YD81288 | 100% |
| McCleery | MM 177 | YD81289 | 100% |
| McCleery | MM 178 | YD81290 | 100% |
| McCleery | MM 179 | YD81291 | 100% |
| McCleery | MM 180 | YD81292 | 100% |
| McCleery | MM 181 | YD81293 | 100% |
| McCleery | MM 182 | YD81294 | 100% |
| McCleery | MM 183 | YD81295 | 100% |
| McCleery | MM 184 | YD81296 | 100% |
| McCleery | MM 185 | YD21019 | 100% |

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|----------|--------|---------|------|
| McCleery | MM 186 | YD21020 | 100% |
| McCleery | MM 187 | YD21021 | 100% |
| McCleery | MM 188 | YD21022 | 100% |
| McCleery | MM 189 | YD21023 | 100% |
| McCleery | MM 190 | YD21024 | 100% |
| McCleery | MM 191 | YD21025 | 100% |
| McCleery | MM 192 | YD21026 | 100% |
| McCleery | MM 193 | YD21027 | 100% |
| McCleery | MM 194 | YD21028 | 100% |
| McCleery | MM 195 | YD21029 | 100% |
| McCleery | MM 196 | YD21030 | 100% |
| McCleery | MM 197 | YD21031 | 100% |
| McCleery | MM 198 | YD21032 | 100% |
| McCleery | MM 199 | YD21033 | 100% |
| McCleery | MM 200 | YD21034 | 100% |
| McCleery | MM 201 | YD21035 | 100% |
| McCleery | MM 202 | YD21036 | 100% |
| McCleery | MM 203 | YD21037 | 100% |
| McCleery | MM 204 | YD21038 | 100% |
| McCleery | MM 205 | YD21039 | 100% |
| McCleery | MM 206 | YD21040 | 100% |
| McCleery | MM 207 | YD21041 | 100% |
| McCleery | MM 208 | YD21042 | 100% |
| McCleery | MM 209 | YD21043 | 100% |
| McCleery | MM 210 | YD21044 | 100% |
| McCleery | MM 211 | YD21045 | 100% |
| McCleery | MM 212 | YD21046 | 100% |
| McCleery | MM 213 | YD21047 | 100% |
| McCleery | MM 214 | YD21048 | 100% |
| McCleery | MM 215 | YD21049 | 100% |
| McCleery | MM 216 | YD21050 | 100% |
| McCleery | MM 217 | YD21051 | 100% |
| McCleery | MM 218 | YD21052 | 100% |
| McCleery | MM 219 | YD21053 | 100% |
| McCleery | MM 220 | YD21054 | 100% |
| McCleery | MM 221 | YD21055 | 100% |
| McCleery | MM 222 | YD21056 | 100% |
| McCleery | MM 223 | YD21057 | 100% |
| McCleery | MM 224 | YD21058 | 100% |
| McCleery | MM 225 | YD21059 | 100% |
| McCleery | MM 226 | YD21060 | 100% |
| McCleery | MM 227 | YD21061 | 100% |
| McCleery | MM 228 | YD21062 | 100% |
| McCleery | MM 229 | YD21063 | 100% |
| McCleery | MM 230 | YD21064 | 100% |
| McCleery | MM 231 | YD21065 | 100% |
| McCleery | MM 232 | YD21066 | 100% |
| McCleery | MM 233 | YD21067 | 100% |

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|----------|--------|---------|------|
| McCleery | MM 234 | YD21068 | 100% |
| McCleery | MM 235 | YD21069 | 100% |
| McCleery | MM 236 | YD21070 | 100% |
| McCleery | MM 237 | YD21071 | 100% |
| McCleery | MM 238 | YD21072 | 100% |
| McCleery | MM 239 | YD21073 | 100% |
| McCleery | MM 240 | YD21074 | 100% |
| McCleery | MM 241 | YD21075 | 100% |
| McCleery | MM 242 | YD21076 | 100% |
| McCleery | MM 243 | YD21077 | 100% |
| McCleery | MM 244 | YD21078 | 100% |

| Project | Tenement Number | Interest Held |
|-------------|---|---------------|
| Santa Comba | San Antonio | 100% |
| Santa Comba | Santa María | 100% |
| Santa Comba | Oportuna | 100% |
| Santa Comba | Carballeira | 100% |
| Santa Comba | Santa Bárbara | 100% |
| Santa Comba | Carmen Facción 1 ^a | 100% |
| Santa Comba | Ampliación a Oportuna | 100% |
| Santa Comba | Demasía a Santa María | 100% |
| Santa Comba | Primera Demasía a Oportuna | 100% |
| Santa Comba | Segunda Demasía a Oportuna | 100% |
| Santa Comba | Demasía a Carballeira | 100% |
| Santa Comba | Demasía a Santa Bárbara | 100% |
| Santa Comba | Primera Demasía a Carmen Facción 1 ^a | 100% |
| Santa Comba | Segunda Demasía a Carmen Facción 1 ^a | 100% |
| Santa Comba | Demasía a Ampliación a Oportuna | 100% |

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Rafaella Resources Limited

ABN

49 623 130 987

Quarter ended ("current quarter")

31 December 2019

| 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 (also contains staff costs) | (869) | (1,056) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (104) | (156) |
| (e) administration and corporate costs | (257) | (422) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 2 | 7 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Research and development refunds | - | - |
| 1.8 Other (project acquisition & marketing costs) | - | (309) |
| 1.9 Net cash from / (used in) operating activities | (1,228) | (1,936) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| (d) other non-current assets | - | - |
| 2.2 Proceeds from the disposal of: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | - | - |

| | | |
|---|------------|--------------|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of shares | - | 2,220 |
| 3.2 Proceeds from issue of convertible notes | - | - |
| 3.3 Proceeds from exercise of share options | - | - |
| 3.4 Transaction costs related to issues of shares, convertible notes or options | (2) | (27) |
| 3.5 Proceeds from borrowings | - | - |
| 3.6 Repayment of borrowings | - | (81) |
| 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 | (2) | 2,112 |

| | | |
|---|--------------|--------------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 4,680 | 3,280 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (1,228) | (1,936) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above) | (2) | 2,112 |
| 4.5 Effect of movement in exchange rates on cash held | (6) | (12) |
| 4.6 Cash and cash equivalents at end of period | 3,444 | 3,444 |

| 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 | 1,944 | 4,680 |
| 5.2 Call deposits | 1,500 | - |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other | - | - |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,444 | 4,680 |

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

| Current quarter \$A'000 |
|----------------------------|
| 149 |
| - |

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Includes director salaries, fees, superannuation and consultancy fees, inclusive of GST.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

| Current quarter \$A'000 |
|----------------------------|
| 39 |
| - |

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Includes corporate advisory fees and research report fees paid to EverBlu Capital Pty Ltd, inclusive of GST.

Mining exploration entity and oil and gas exploration entity quarterly report

| 8. Financing facilities available | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| <i>Add notes as necessary for an understanding of the position</i> | | |
| 8.1 Loan facilities | - | - |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |
| N/A | | |

| 9. Estimated cash outflows for next quarter | \$A'000 |
|---|----------------|
| 9.1 Exploration and evaluation (also contains staff costs) | 2,026 |
| 9.2 Development | - |
| 9.3 Production | - |
| 9.4 Staff costs | 71 |
| 9.5 Administration and corporate costs | 127 |
| 9.6 Other | - |
| 9.7 Total estimated cash outflows (inclusive of GST) | 2,224 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|--|----------------------------|---|-----------------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | | | | |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | | Refer to Activities Report | | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Steven Turner
(Director)

Date: 28 January 2020

Print name: Steven Turner

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.