



**ASX Announcement | 29 July 2020**  
**Rafaella Resources Limited (ASX:RFR)**

**Quarterly Activities Report: 30 June 2020**

*Rafaella Resources advances Santa Comba Tungsten Project with a Material Increase in Resources and Bolsters Leadership Team during June Quarter*

**Operational**

- ① Updated Mineral Resource Estimate (“MRE”) for the near-surface mineralisation at the Santa Comba tungsten and tin project has increased total tonnes by 103%<sup>1</sup>.
- ① Total MRE expanded to 10.6Mt of ore at 0.17% WO<sub>3</sub> and 154ppm Sn for 18.5kt of contained WO<sub>3</sub> and 1.6kt Sn.
- ① Mineralisation confirmed over an extensive area of more than 65,000m<sup>2</sup> (65ha), with more than 1km of strike extent, width of over 100, and depths greater than 200m
- ① Rafaella remains on track to complete the feasibility study in H2 2020

**Corporate**

- ① Completed the sale of the Sandstone exploration project
- ① Royston Denysschen, Director of Transamine’s Australian operations, joined the Board of Rafaella
- ① Appointed Oscar Amigo García as Project Manager for the Santa Comba project
- ① Selected by Canadian government to receive funding for exploration expenditure of the McCleery Project

**Rafaella Resources Limited (ASX:RFR) (“Rafaella” or the “Company”)** is pleased to provide its Appendix 5B cash flow statement for the quarter ended 30 June 2020, along with the following operational summary.

Rafaella was established to develop mineral opportunities worldwide. During the quarter, Rafaella was active across its portfolio, advancing its Santa Comba tungsten and tin project in Spain (**‘the Project’**), completing the sale of its Sandstone gold exploration project (**‘Sandstone’**), and receiving funding for its highly prospective McCleery polymetallic exploration project (**‘McCleery’**).

**Exceptional final assay results received resulting in upgraded JORC MRE**

In April, Rafaella announced the completion of resource drilling with exceptional final assay results from the Project [ASX Announcement: 28 April 2020]. A total of 65 drill holes were completed for 8,825m. Over 3,300 samples were submitted for assaying, with the results from the final 31 drill holes received during the quarter.

The results further expand the zone of near-surface disseminated and vein mineralisation external to the 2016 Inferred JORC MRE, both along strike and at depth, confirming the outstanding potential for low cost, open pit mining. Mineralisation has now been confirmed over an extensive area of more than 65,000m<sup>2</sup> (65ha), with more than 1km of strike extent, width of over 100, and depths greater than 200m. Preliminary metallurgical ore-sorting test work programme completed with planning now underway for bulk sample testing leading into the completion of the feasibility study in H2 2020.

<sup>1</sup> Refer to ASX announcement released 27/05/19 “Rafaella Resources Signs Heads of Agreement to Acquire 100% Interest in Spanish Tungsten and Tin Project”.

On 1 July 2020, the Company released an updated MRE carried out by independent consultants [ASX Announcement: 1 July 2020]. Table 1 shows the total MRE for the Santa Comba Project as of 30 June 2020.

*Table 1. Total Mineral Resource Estimate for the Santa Comba Project –30 June 2020*

Mineral Resource Estimate for Santa Comba - 30 June 2020						
Type	Classification	Mt	WO <sub>3</sub> %	Sn ppm	WO <sub>3</sub> t	Sn t
Near-surface	Measured	1.21	0.16	118	1,916	143
	Indicated	4.93	0.16	90	7,647	445
<b>Total Measured + Indicated</b>		<b>6.13</b>	<b>0.16</b>	<b>96</b>	<b>9,563</b>	<b>588</b>
Near-surface	Inferred	4.24	0.16	91	6,747	386
Underground*	Inferred	0.23	0.95	2797	2,221	655
<b>Total Inferred</b>		<b>4.48</b>	<b>0.20</b>	<b>233</b>	<b>8,968</b>	<b>1,041</b>
<b>Grand Total</b>		<b>10.61</b>	<b>0.17</b>	<b>154</b>	<b>18,532</b>	<b>1,629</b>

\* 0.05% WO<sub>3</sub> cut-off for near-surface resources; 0.53% WO<sub>3</sub> cut-off for underground resources; 2016 underground Inferred MRE remains unchanged.

The zone of near-surface tungsten mineralisation, potentially amenable to low cost open pit mining has expanded significantly. The increase demonstrates the outstanding potential of the Project and underpins the mine plan and feasibility studies currently underway.

Management intend to recommence drilling numerous prospects once the feasibility study is completed to add both tonnage and grade to feed the future expansion of the Project.

#### **Bolstered leadership as development of Santa Comba ramps up**

In May, Rafaella further bolstered its leadership team via two new key appointments. Both appointments bring considerable relevant skills and experience to the Company, as it ramps up the development of the Project and enhances the ability of the Company to expand its portfolio.

The first appointment was of Royston Denysschen, Director of Transamine's Australian operations, who joined the Board of Rafaella following a nomination by the Company's strategic investor, Transamine [ASX Announcement 19 May 2020].

Mr Denysschen has been active in business development, commerce, and logistics globally for over 20 years. He has held Board positions in South African, Botswanian, Australian and Canadian businesses. He is currently employed by Transamine Trading where he was director for Africa for 10 years. He has recently been appointed as Director Australia, where he will oversee their Australian operations and business development. Transamine is the world's oldest independent and privately held commodities trading company.

The second appointment was of Oscar Amigo García as Project Manager for the Project [ASX Announcement 26 May 2020].

Mr García is mine engineer with over 15 years of combined operational and project development experience for world-class mining operations across Africa, Latin America, Europe and Southeast Asia. He has worked in permitting and project management in Spain as well as in the construction and commissioning of large mechanised underground mines in Mexico. Most recently, he worked at the Guelb Moghrein copper and gold mine in Mauritania.

### **Portfolio streamlined with sale of Sandstone; funding approved for McCleery programme**

Rafaella completed a review of its portfolio earlier in the year and decided to dispose of Sandstone, with cash resources focused on accelerating the development of the Project and progressing the highly prospective McCleery. In May, the Company completed the disposal of the Sandstone Project to Westar Resources Ltd., a private gold exploration company operating in Western Australia [ASX Announcement: 18 May 2020].

Also in May, Rafaella announced that it was selected to receive government funding from the Yukon Mineral Exploration Program (YMEP) for exploration of McCleery [ASX Announcement: 27 May 2020]. McCleery was one of only 33 of least 124 applications to be approved for funding. The maximum reimbursement is 60% of eligible expenses up to \$40,000. In addition, the Company received Class 1 notification for McCleery, enabling it to carry out Class 1 exploration work in identified areas around the territory. The Company has planned a geochemical mapping exercise to commence in August to follow up on VTEM anomalies identified in December 2018 [ASX Announcement: 6 December 2018].

### **New investor presentation released**

In April, Rafaella released a new investor presentation outlining how the Company is advancing the Project [ASX Announcement 28 April 2020]. The new presentation was presented by Rafaella's Managing Director Steven Turner at the 121 Mining Investment forums through a series of virtual meetings with prospective investors located in the Asia Pacific region in April and then again to prospective European investors in May.

### **Corporate**

Rafaella's cash position as at 30 June 2020 was \$1.180m.

### Financial commentary

The Appendix 5B for the quarter ended 30 June 2020 provides an overview of the Company's financial activities. Exploration expenditure for the quarter was \$0.583m, including \$0.579m of drilling cost and ongoing study work associated with the Santa Comba project. Corporate and other expenditure for the quarter was \$0.215m. The total amount paid to Directors of the Company, their associates and other related parties was \$0.140m and includes salary, fees, consulting fees and superannuation.

### Comparison of Forecast to Actual Use of Funds Statement from 2<sup>nd</sup> Replacement Prospectus<sup>2</sup> [as required under ASX LR 5.3.4]:

Expenditure Item	Forecast (2 years) \$'000	Actual (2 years) [inclusive of GST] \$'000	Variance \$'000	Explanation
Exploration expenditure and assessment of the McCleery Project	980	304	(676)	Focus re-directed to the Santa Comba project.
Exploration expenditure and assessment of the Sandstone Project	1,600	286	(1,314)	Focus re-directed to the Santa Comba project.
Costs of the acquisition of the Sandstone Project	40	40	-	N/A
Working capital (includes additional acquisition opportunities)	2,545	5,949	3,404	Expenditure on additional acquisition opportunities, namely Santa Comba project.
Costs of the Offer	469	424	(45)	Lower than forecast.
<b>Total</b>	<b>5,634</b>	<b>7,003</b>	<b>1,369</b>	

Securities on issue at 30 June 2020:

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	65,196,820	7,378,751	72,575,571
\$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
\$0.20 unlisted milestone 1 performance rights expiring 5 March 2023	-	1,000,000	1,000,000
\$0.20 unlisted milestone 2 performance rights expiring 5 March 2023	-	1,000,000	1,000,000
<b>Total</b>	<b>92,294,856</b>	<b>20,603,751</b>	<b>112,898,607</b>
Additional Milestone 1 consideration shares yet to be issued <sup>3</sup>	15,000,000	-	15,000,000
Additional Milestone 2 consideration shares yet to be issued <sup>2</sup>	15,000,000	-	15,000,000

<sup>2</sup> Dated 2 June 2018.

<sup>3</sup> Refer to ASX announcement on 27 May 2019 for full details.

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**Rafaella's Managing Director Steven Turner said:** "The quarter ending in June was highly productive for Rafaella. The upgraded Mineral Resource Estimate significantly de-risks the Santa Comba Project and underpins the feasibility study that is now well advanced. The recent senior appointments are critical in building the infrastructure needed to see the Company develop its Spanish operations and to grow its portfolio through acquiring development opportunities in mining friendly jurisdictions. The Board continues to demonstrate its focus on the flagship Santa Comba Project whilst also preparing the Company to expand its portfolio, by streamlining the current holdings in disposing of the non-core Sandstone project. The Company is now well positioned to see rapid growth through the next two quarters."

This announcement has been authorised by the Board of Directors of the Company.

**Ends**

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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 tungsten development project in Spain and the McCleery cobalt and copper project in Canada. The Santa Comba project is located in a productive tin and tungsten province adjacent to critical infrastructure and the McCleery project is previously under-explored and considered to hold significant potential.

To learn more please visit: [www.rafaellaresources.com.au](http://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 Name	Tenement Number	Interest Held: 31-Mar-20	Interests in mining tenements acquired or increased	Interests in mining tenements lapsed, relinquished or reduced	Interest Held: 30-Jun-20
Santa Comba	San Antonio	100%	-	-	100%
Santa Comba	Santa María	100%	-	-	100%
Santa Comba	Oportuna	100%	-	-	100%
Santa Comba	Carballeira	100%	-	-	100%
Santa Comba	Santa Bárbara	100%	-	-	100%
Santa Comba	Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Ampliación a Oportuna	100%	-	-	100%
Santa Comba	Demasía a Santa María	100%	-	-	100%
Santa Comba	Primera Demasía a Oportuna	100%	-	-	100%
Santa Comba	Segunda Demasía a Oportuna	100%	-	-	100%
Santa Comba	Demasía a Carballeira	100%	-	-	100%
Santa Comba	Demasía a Santa Bárbara	100%	-	-	100%
Santa Comba	Primera Demasía a Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Segunda Demasía a Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Demasía a Ampliación a Oportuna	100%	-	-	100%

Project Name	Claim Name & Number	Grant Number	Interest Held: 31- Mar-20	Interests in mining tenements acquired or increased	Interests in mining tenements lapsed, relinquished or reduced	Interest Held: 30- Jun-20
McCleery	MM 1	YD81304	100%	-	-	100%
McCleery	MM 2	YD81305	100%	-	-	100%
McCleery	MM 3	YD81306	100%	-	-	100%
McCleery	MM 4	YD81307	100%	-	-	100%
McCleery	MM 5	YD81308	100%	-	-	100%
McCleery	MM 6	YD81309	100%	-	-	100%
McCleery	MM 7	YD81310	100%	-	-	100%
McCleery	MM 8	YD81311	100%	-	-	100%
McCleery	MM 9	YD81312	100%	-	-	100%
McCleery	MM 10	YD81313	100%	-	-	100%
McCleery	MM 11	YD81314	100%	-	-	100%
McCleery	MM 12	YD81315	100%	-	-	100%
McCleery	MM 13	YD81316	100%	-	-	100%
McCleery	MM 14	YD81317	100%	-	-	100%
McCleery	MM 15	YD81318	100%	-	-	100%
McCleery	MM 16	YD81319	100%	-	-	100%
McCleery	MM 17	YD81320	100%	-	-	100%
McCleery	MM 18	YD81321	100%	-	-	100%
McCleery	MM 19	YD81322	100%	-	-	100%
McCleery	MM 20	YD81323	100%	-	-	100%
McCleery	MM 21	YD81324	100%	-	-	100%
McCleery	MM 22	YD81325	100%	-	-	100%
McCleery	MM 23	YD81326	100%	-	-	100%
McCleery	MM 24	YD81327	100%	-	-	100%
McCleery	MM 25	YD81328	100%	-	-	100%
McCleery	MM 26	YD81329	100%	-	-	100%
McCleery	MM 27	YD81330	100%	-	-	100%
McCleery	MM 28	YD81331	100%	-	-	100%
McCleery	MM 29	YD81332	100%	-	-	100%
McCleery	MM 30	YD81333	100%	-	-	100%
McCleery	MM 31	YD81334	100%	-	-	100%
McCleery	MM 32	YD81335	100%	-	-	100%

McCleery	MM 33	YD81336	100%	-	-	100%
McCleery	MM 34	YD81337	100%	-	-	100%
McCleery	MM 35	YD81338	100%	-	-	100%
McCleery	MM 36	YD81339	100%	-	-	100%
McCleery	MM 37	YD81340	100%	-	-	100%
McCleery	MM 38	YD81341	100%	-	-	100%
McCleery	MM 39	YD81342	100%	-	-	100%
McCleery	MM 40	YD81343	100%	-	-	100%
McCleery	MM 41	YD81344	100%	-	-	100%
McCleery	MM 42	YD81345	100%	-	-	100%
McCleery	MM 43	YD81351	100%	-	-	100%
McCleery	MM 44	YD81352	100%	-	-	100%
McCleery	MM 45	YD81353	100%	-	-	100%
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McCleery	MM 53	YD81361	100%	-	-	100%
McCleery	MM 54	YD81362	100%	-	-	100%
McCleery	MM 55	YD81363	100%	-	-	100%
McCleery	MM 56	YD81364	100%	-	-	100%
McCleery	MM 57	YD81365	100%	-	-	100%
McCleery	MM 58	YD81366	100%	-	-	100%
McCleery	MM 59	YD81367	100%	-	-	100%
McCleery	MM 60	YD81368	100%	-	-	100%
McCleery	MM 61	YD81369	100%	-	-	100%
McCleery	MM 62	YD81370	100%	-	-	100%
McCleery	MM 63	YD81371	100%	-	-	100%
McCleery	MM 64	YD81372	100%	-	-	100%
McCleery	MM 65	YD81373	100%	-	-	100%
McCleery	MM 66	YD81374	100%	-	-	100%
McCleery	MM 67	YD81375	100%	-	-	100%
McCleery	MM 68	YD81376	100%	-	-	100%
McCleery	MM 69	YD81377	100%	-	-	100%
McCleery	MM 70	YD81378	100%	-	-	100%
McCleery	MM 71	YD81379	100%	-	-	100%
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McCleery	MM 75	YD81383	100%	-	-	100%
McCleery	MM 76	YD81384	100%	-	-	100%
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McCleery	MM 83	YD81391	100%	-	-	100%
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McCleery	MM 85	YD81393	100%	-	-	100%
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McCleery	MM 88	YD81396	100%	-	-	100%
McCleery	MM 89	YD81397	100%	-	-	100%
McCleery	MM 90	YD81398	100%	-	-	100%

McCleery	MM 91	YD81399	100%	-	-	100%
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McCleery	MM 93	YD81449	100%	-	-	100%
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McCleery	MM 101	YD81457	100%	-	-	100%
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McCleery	MM 112	YD81468	100%	-	-	100%
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McCleery	MM 114	YD81470	100%	-	-	100%
McCleery	MM 115	YD81471	100%	-	-	100%
McCleery	MM 116	YD81472	100%	-	-	100%
McCleery	MM 117	YD81473	100%	-	-	100%
McCleery	MM 118	YD81474	100%	-	-	100%
McCleery	MM 119	YD81475	100%	-	-	100%
McCleery	MM 120	YD81476	100%	-	-	100%
McCleery	MM 121	YD81477	100%	-	-	100%
McCleery	MM 122	YD81478	100%	-	-	100%
McCleery	MM 123	YD81479	100%	-	-	100%
McCleery	MM 124	YD81480	100%	-	-	100%
McCleery	MM 125	YD81481	100%	-	-	100%
McCleery	MM 126	YD81482	100%	-	-	100%
McCleery	MM 127	YD81483	100%	-	-	100%
McCleery	MM 128	YD81484	100%	-	-	100%
McCleery	MM 129	YD81485	100%	-	-	100%
McCleery	MM 130	YD81486	100%	-	-	100%
McCleery	MM 131	YD81487	100%	-	-	100%
McCleery	MM 132	YD81488	100%	-	-	100%
McCleery	MM 133	YD81489	100%	-	-	100%
McCleery	MM 134	YD81490	100%	-	-	100%
McCleery	MM 135	YD81491	100%	-	-	100%
McCleery	MM 136	YD81492	100%	-	-	100%
McCleery	MM 137	YD81493	100%	-	-	100%
McCleery	MM 138	YD81494	100%	-	-	100%
McCleery	MM 139	YD81495	100%	-	-	100%
McCleery	MM 140	YD81496	100%	-	-	100%
McCleery	MM 141	YD81497	100%	-	-	100%
McCleery	MM 142	YD81498	100%	-	-	100%
McCleery	MM 143	YD81499	100%	-	-	100%
McCleery	MM 144	YD81500	100%	-	-	100%
McCleery	MM 145	YD81501	100%	-	-	100%
McCleery	MM 146	YD81502	100%	-	-	100%
McCleery	MM 147	YD81259	100%	-	-	100%
McCleery	MM 148	YD81260	100%	-	-	100%



McCleery	MM 149	YD81261	100%	-	-	100%
McCleery	MM 150	YD81262	100%	-	-	100%
McCleery	MM 151	YD81263	100%	-	-	100%
McCleery	MM 152	YD81264	100%	-	-	100%
McCleery	MM 153	YD81265	100%	-	-	100%
McCleery	MM 154	YD81266	100%	-	-	100%
McCleery	MM 155	YD81267	100%	-	-	100%
McCleery	MM 156	YD81268	100%	-	-	100%
McCleery	MM 157	YD81269	100%	-	-	100%
McCleery	MM 158	YD81270	100%	-	-	100%
McCleery	MM 159	YD81271	100%	-	-	100%
McCleery	MM 160	YD81272	100%	-	-	100%
McCleery	MM 161	YD81273	100%	-	-	100%
McCleery	MM 162	YD81274	100%	-	-	100%
McCleery	MM 163	YD81275	100%	-	-	100%
McCleery	MM 164	YD81276	100%	-	-	100%
McCleery	MM 165	YD81277	100%	-	-	100%
McCleery	MM 166	YD81278	100%	-	-	100%
McCleery	MM 167	YD81279	100%	-	-	100%
McCleery	MM 168	YD81280	100%	-	-	100%
McCleery	MM 169	YD81281	100%	-	-	100%
McCleery	MM 170	YD81282	100%	-	-	100%
McCleery	MM 171	YD81283	100%	-	-	100%
McCleery	MM 172	YD81284	100%	-	-	100%
McCleery	MM 173	YD81285	100%	-	-	100%
McCleery	MM 174	YD81286	100%	-	-	100%
McCleery	MM 175	YD81287	100%	-	-	100%
McCleery	MM 176	YD81288	100%	-	-	100%
McCleery	MM 177	YD81289	100%	-	-	100%
McCleery	MM 178	YD81290	100%	-	-	100%
McCleery	MM 179	YD81291	100%	-	-	100%
McCleery	MM 180	YD81292	100%	-	-	100%
McCleery	MM 181	YD81293	100%	-	-	100%
McCleery	MM 182	YD81294	100%	-	-	100%
McCleery	MM 183	YD81295	100%	-	-	100%
McCleery	MM 184	YD81296	100%	-	-	100%
McCleery	MM 185	YD21019	100%	-	-	100%
McCleery	MM 186	YD21020	100%	-	-	100%
McCleery	MM 187	YD21021	100%	-	-	100%
McCleery	MM 188	YD21022	100%	-	-	100%
McCleery	MM 189	YD21023	100%	-	-	100%
McCleery	MM 190	YD21024	100%	-	-	100%
McCleery	MM 191	YD21025	100%	-	-	100%
McCleery	MM 192	YD21026	100%	-	-	100%
McCleery	MM 193	YD21027	100%	-	-	100%
McCleery	MM 194	YD21028	100%	-	-	100%
McCleery	MM 195	YD21029	100%	-	-	100%
McCleery	MM 196	YD21030	100%	-	-	100%
McCleery	MM 197	YD21031	100%	-	-	100%
McCleery	MM 198	YD21032	100%	-	-	100%
McCleery	MM 199	YD21033	100%	-	-	100%
McCleery	MM 200	YD21034	100%	-	-	100%
McCleery	MM 201	YD21035	100%	-	-	100%
McCleery	MM 202	YD21036	100%	-	-	100%
McCleery	MM 203	YD21037	100%	-	-	100%
McCleery	MM 204	YD21038	100%	-	-	100%
McCleery	MM 205	YD21039	100%	-	-	100%
McCleery	MM 206	YD21040	100%	-	-	100%

McCleery	MM 207	YD21041	100%	-	-	100%
McCleery	MM 208	YD21042	100%	-	-	100%
McCleery	MM 209	YD21043	100%	-	-	100%
McCleery	MM 210	YD21044	100%	-	-	100%
McCleery	MM 211	YD21045	100%	-	-	100%
McCleery	MM 212	YD21046	100%	-	-	100%
McCleery	MM 213	YD21047	100%	-	-	100%
McCleery	MM 214	YD21048	100%	-	-	100%
McCleery	MM 215	YD21049	100%	-	-	100%
McCleery	MM 216	YD21050	100%	-	-	100%
McCleery	MM 217	YD21051	100%	-	-	100%
McCleery	MM 218	YD21052	100%	-	-	100%
McCleery	MM 219	YD21053	100%	-	-	100%
McCleery	MM 220	YD21054	100%	-	-	100%
McCleery	MM 221	YD21055	100%	-	-	100%
McCleery	MM 222	YD21056	100%	-	-	100%
McCleery	MM 223	YD21057	100%	-	-	100%
McCleery	MM 224	YD21058	100%	-	-	100%
McCleery	MM 225	YD21059	100%	-	-	100%
McCleery	MM 226	YD21060	100%	-	-	100%
McCleery	MM 227	YD21061	100%	-	-	100%
McCleery	MM 228	YD21062	100%	-	-	100%
McCleery	MM 229	YD21063	100%	-	-	100%
McCleery	MM 230	YD21064	100%	-	-	100%
McCleery	MM 231	YD21065	100%	-	-	100%
McCleery	MM 232	YD21066	100%	-	-	100%
McCleery	MM 233	YD21067	100%	-	-	100%
McCleery	MM 234	YD21068	100%	-	-	100%
McCleery	MM 235	YD21069	100%	-	-	100%
McCleery	MM 236	YD21070	100%	-	-	100%
McCleery	MM 237	YD21071	100%	-	-	100%
McCleery	MM 238	YD21072	100%	-	-	100%
McCleery	MM 239	YD21073	100%	-	-	100%
McCleery	MM 240	YD21074	100%	-	-	100%
McCleery	MM 241	YD21075	100%	-	-	100%
McCleery	MM 242	YD21076	100%	-	-	100%
McCleery	MM 243	YD21077	100%	-	-	100%
McCleery	MM 244	YD21078	100%	-	-	100%

Project Name	Tenement Number	Interest Held: 31-Mar-20	Interests in mining tenements acquired or increased	Interests in mining tenements lapsed, relinquished or reduced	Interest Held: 30-Jun-20
Sandstone	E53/1920	100%	-	(100%)	-
Sandstone	E57/1055	100%	-	(100%)	-

## Appendix 5B

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

Name of entity

Rafaella Resources Limited

ABN

49 623 130 987

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	(30)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(107)	(349)
	(e) administration and corporate costs	(108)	(1,045)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	22
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives (cashflow boost)	50	50
1.8	Other (IVA refund)	184	184
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>31</b>	<b>(1,168)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(21)
	(d) exploration & evaluation (if capitalised)	(583)	(3,352)
	(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 (cash from acquisition of entity)	-	221
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(583)</b>	<b>(3,152)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,324
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	-	(13)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>2,230</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,762	3,280
4.2	Net cash from / (used in) operating activities (item 1.9 above)	31	(1,168)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(583)	(3,152)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,230

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(30)	(10)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,180</b>	<b>1,180</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,004	69
5.2	Call deposits	176	1,693
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,180</b>	<b>1,762</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	107
6.2	Aggregate amount of payments to related parties and their associates included in item 2	33

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

Includes Director salaries, fees and superannuation.

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	31
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(583)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(552)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,180
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,180
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	2.1

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: No. The planned resource drilling campaign concluded on 5 March 2020. The level of expenditure over the next 2 quarters is expected to be materially less than previous 2 quarters.

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: The Company is expecting to complete a feasibility study within the next 2 quarters, at which point funding will be sought for the development of its Santa Comba mine. The Company is confident that it will be able to source sufficient funding from a combination of debt and equity.

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: Yes. The Company continues to operate within budget and plan.

### 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: 29 July 2020

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.