

ASX ANNOUNCEMENT

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold exploration company which controls the Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

DIRECTORS AND MANAGEMENT

Mr Mark Connelly
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr Keith Coughlan
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan
CHIEF OPERATING OFFICER

Mr Richard Hill
CHIEF FINANCIAL OFFICER

Ms Julia Beckett
COMPANY SECRETARY

calidus.com.au

ASX : CAI

☎ +61 8 6245 2050

✉ info@calidus.com.au

📍 Suite 12, 11 Ventnor Ave
West Perth WA 6005
AUSTRALIA

27 July 2020

June 2020 Quarterly Activities Report

Highly successful quarter sees Calidus poised to become significant Pilbara gold producer

\$25M raised to fund early construction and accelerated exploration; Updated PFS confirms Warrawoona gold project will produce 85,000oz at an AISC of A\$1251/oz

HIGHLIGHTS

- Updated Pre-feasibility Study demonstrates Warrawoona set to produce ~85,000ozpa at an AISC of \$1,251/oz versus current gold price of +A\$2,500/oz
- Study confirms Warrawoona will generate strong margins and cashflow which will underpin strong financial returns
- Major tenders issued and debt advisor appointed
- Calidus acquired Otways Project near Warrawoona; Drilling at Otways underway
- Environmental Protection Authority recommended approval of Warrawoona Gold Project
- Calidus held \$5.7M cash and \$1.4M in listed investments at 30 June
- Subsequent to end of the quarter, Calidus raised \$25M for construction and exploration

Calidus Resources (ASX:CAI) is pleased to report on a highly successful quarter which saw it make significant progress in its plan to develop Warrawoona in the coming year.

CALIDUS RAISES \$25M IN SHARE PLACEMENT TO FUND EARLY CONSTRUCTION AND ACCELERATE EXPLORATION

Subsequent to the end of the quarter, Calidus was pleased to announce that it had received firm commitments for \$25 million via a share placement ("Placement") to professional and sophisticated investors through the issue of 49,019,608 shares at a price of 51c. The placement attracted strong interest in excess of the shares available to allocate.

calidus.com.au

Proceeds of the Placement will be used to fund a dual strategy of commencement of early infrastructure works at the Warrawoona Gold Project including roads, accommodation village and communications and enlarging the Company's exploration programmes.

UPDATED PFS DELIVERED INCREASED RESERVES AND ROBUST FINANCIALS

During the quarter, Calidus was pleased to announce that an updated Pre-Feasibility Study highlighted the strong cashflow, outstanding financial returns and short payback of Warrawoona.

The updated PFS included a 24 per cent increase in Reserves to 519,000oz. This underpins forecast production averaging 85,000 ounces a year in the first six years, including 90,000oz in year one, at an average AISC of A\$1251/oz.

Based on a gold price of A\$2,500/oz, the average gold price for the last six months, Warrawoona will generate a post-tax internal rate of return of 77 per cent and have a payback period of just 13 months.

Considering these strong findings and the current gold price, Calidus has committed to accelerating its development timetable, with Project construction planned to start in the March quarter of next year.

The Updated PFS reflects several significant changes that are aimed to minimise risk, maximise initial cash generation and ensure a simple and robust operation to maximise value to shareholders.

These changes include the modelling technique used in the Mineral Resource that includes greater inherent dilution than the initial PFS, delaying the underground development until year three to minimise construction capital and allow a single focus on the low risk Klondyke Open Pit and installation of a ball mill to ensure grind size and operational flexibility.

With a Feasibility Study planned for the September quarter and construction planned to commence in 6 months, the Updated PFS provides a clear, simple, lower capital and lower risk road map to near term gold production for Calidus.

KEY PROJECT METRICS

Table 1 - Key Project Statistics

Production Summary		Units	Updated PFS		
Initial Mine Life		Years	8.0		
Total Ore Mined		oz	16.9Mt @ 1.22g/t for 663koz		
Gold Recovered		oz	623,086		
Processing Rate		Mtpa	Oxide/Transition 2.4Mtpa and Fresh 2.0Mtpa		
Average LOM CIL Metallurgical Recovery		%	94.3%		
Project Development Capital					
Processing Plant		A\$M	75		
Non-Processing Infrastructure and Owners Cost		A\$M	22		
Contingency		A\$M	6		
Project Development Capital		A\$M	103		
Pre-Production Mining Costs		A\$M	13		
Total Pre-Production Capital		A\$M	116		
Project Economics					
Gold Price		A\$/oz	2,200	2,500	2,800
Gold Revenue		A\$M	1,371	1,558	1,745
All-In Sustaining Cost (AISC)		A\$/oz	1,241	1,251	1,260

Project Cashflow (Pre-tax)	A\$M	467	648	829
NPV _{8%} (Pre-tax)	A\$M	295	423	552
IRR (Pre-tax)	% p.a.	64%	88%	112%
Project Cashflow (Post-tax)	A\$M	337	468	598
NPV _{8%} (Post-tax)	A\$M	209	303	398
IRR (Post tax)	% p.a.	54%	77%	100%
Payback Period	Years	1.5	1.1	0.8

Table 2 – Production Costs

Costs of Production	LOM Unit Cost (A\$/t)	LOM Unit Cost (A\$/oz)
Open Pit Mining	\$18 /t OP Ore	\$423 /oz
Underground Mining	\$56 /t UG Ore	\$228 /oz
Total Mining	\$24 /t	\$652 /oz
Processing and Maintenance	\$15 /t	\$413 /oz
Business Services	\$2 /t	\$49 /oz
Total Cash Cost (C1)	\$41 /t	\$1,113 /oz
Royalties	\$3 /t	\$77 /oz
Sustaining Capital	\$2 /t	\$60 /oz
Total All-In Sustaining Cost (AISC)	\$46 /t	\$1,251 /oz

Table 3 – Gold Price Sensitivity Analysis

Pre-tax	Unit	A\$2,000/oz	A\$2,250/oz	A\$2,500/oz	A\$2,750/oz	A\$3,000/oz
Project Cashflow	A\$M	346	497	648	798	949
NPV _{8%}	A\$M	209	316	423	530	638
IRR	%	48%	68%	88%	108%	128%
Post-tax	Unit	A\$2,000/oz	A\$2,250/oz	A\$2,500/oz	A\$2,750/oz	A\$3,000/oz
Project Cashflow	A\$M	252	359	468	577	685
NPV _{8%}	A\$M	147	225	303	382	461
IRR	%	40%	58%	77%	96%	116%
Payback Period	Years	2.0	1.4	1.1	0.9	0.8

Table 4 – Mineral Resources (inclusive of Reserves; rounded to nearest 100,000t; 0.01g/t; 1,000oz)

Deposit	Cut-Off (g/t)	Measured			Indicated			Inferred			Total		
		Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz	Mt	Au (g/t)	KOz
Klondyke Open Pit	0.3	2.3	0.98	72	29.0	0.90	844	8.3	0.81	217	39.6	0.89	1,133
including	0.5	1.6	1.21	64	20.3	1.12	733	5.0	1.09	176	27.0	1.12	973
Klondyke UG	1.5				1.0	2.87	89	1.8	3.31	162	2.7	2.83	250
including	2.0				0.7	3.36	72	1.2	4.08	130	1.9	3.33	202
Copenhagen	0.5				0.2	5.58	34	0.1	2.65	9	0.3	4.54	43
Coronation	0.5							0.5	2.19	34	0.5	2.19	34
Fieldings Gully	0.5				0.3	1.80	16	0.3	1.87	20	0.6	1.84	36
Total		2.3	0.98	72	30.4	1.00	982	11.0	1.33	442	43.7	1.06	1,495

Table 5 – Ore Reserves (rounded to nearest 1,000t; 0.1g/t; 1,000oz)

Deposit	Cut-Off	Proven			Probable			Total		
	(g/t)	kt	Au (g/t)	koz	kt	Au (g/t)	koz	kt	Au (g/t)	koz
Klondyke Open Pit	0.33 0.36	2,057	1.0	66	10,014	1.0	335	12,071	1.0	401
Klondyke Underground	2.0				1,199	2.4	92	1,199	2.4	92
St George Open Pit	0.36 0.39				244	1.2	9	244	1.2	9
Copenhagen Open Pit	1.88				95	5.5	17	95	5.5	17
Total		2,057	1.0	66	11,552	1.2	453	13,609	1.2	519

For further details of the updated PFS please refer to the announcement dated 29 June 2020.

ENVIRONMENTAL PROTECTION AUTHORITY RECOMMENDS APPROVAL OF WARRAWOONA GOLD PROJECT

During the quarter, Calidus announced that the WA Office of the Environmental Protection Authority (EPA) has recommended approval of Warrawoona for both the State and Federal governments under an Accredited Assessment as part of the approval required under the Commonwealth's Environment Protection and Biodiversity Conservation Act (EPBC Act).

This is the penultimate stage in the permitting process, with final approval vesting with the Minister for Environment and anticipated in the September Quarter. The EPA's report is available on the EPA website.

TENURE FINALISED FOR PROJECT DEVELOPMENT

Calidus has been granted a General Purpose Lease (G45/345). This lease will encompass the processing plant, tails dam and waste dump for the Project. With the grant of this lease, Warrawoona now has all the Mining Leases, Miscellaneous Leases and General Purpose Lease tenure required to commence construction (Figure 1).

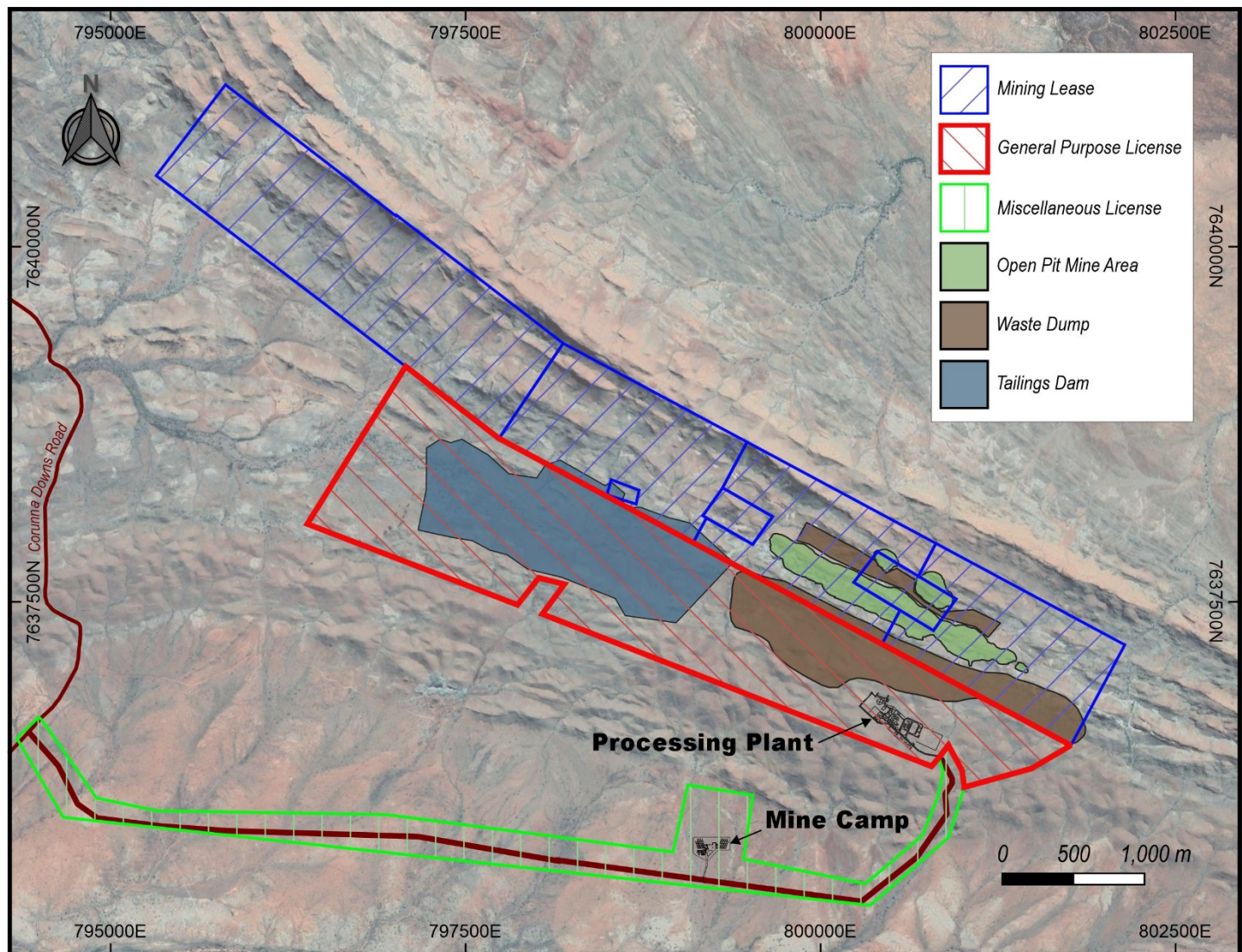


Figure 1: Granted Leases over the Warrawoona Gold Project

EXPLORATION UPDATE

During the quarter, Calidus was pleased to announce that it has resumed drilling at Warrawoona, following the opening of regional borders in Western Australia.

The drilling at Klondyke will target the main Klondyke structure 300m directly below the existing Resource and is expected to be completed in the September Quarter 2020.

During the September Quarter, Calidus will also commence drilling a significant walk-up copper-gold target at its recently-acquired Otways Project, 50km from Warrawoona (announced on 13th July 2020).

Klondyke Drilling

Calidus is planning to drill two holes, each with a wedge “daughter” hole drilled off it, beneath the centre of the Klondyke Resource to test the continuity of mineralisation at a depth of 300m below the existing 250m deep resource. RC pre-collars will be undertaken to a depth of 400m to 450m before swapping to diamond drilling. The programme is expected to take 2 months to complete and is designed to prove continuity of the Klondyke Structure as a long-term source of ore for the upcoming development.

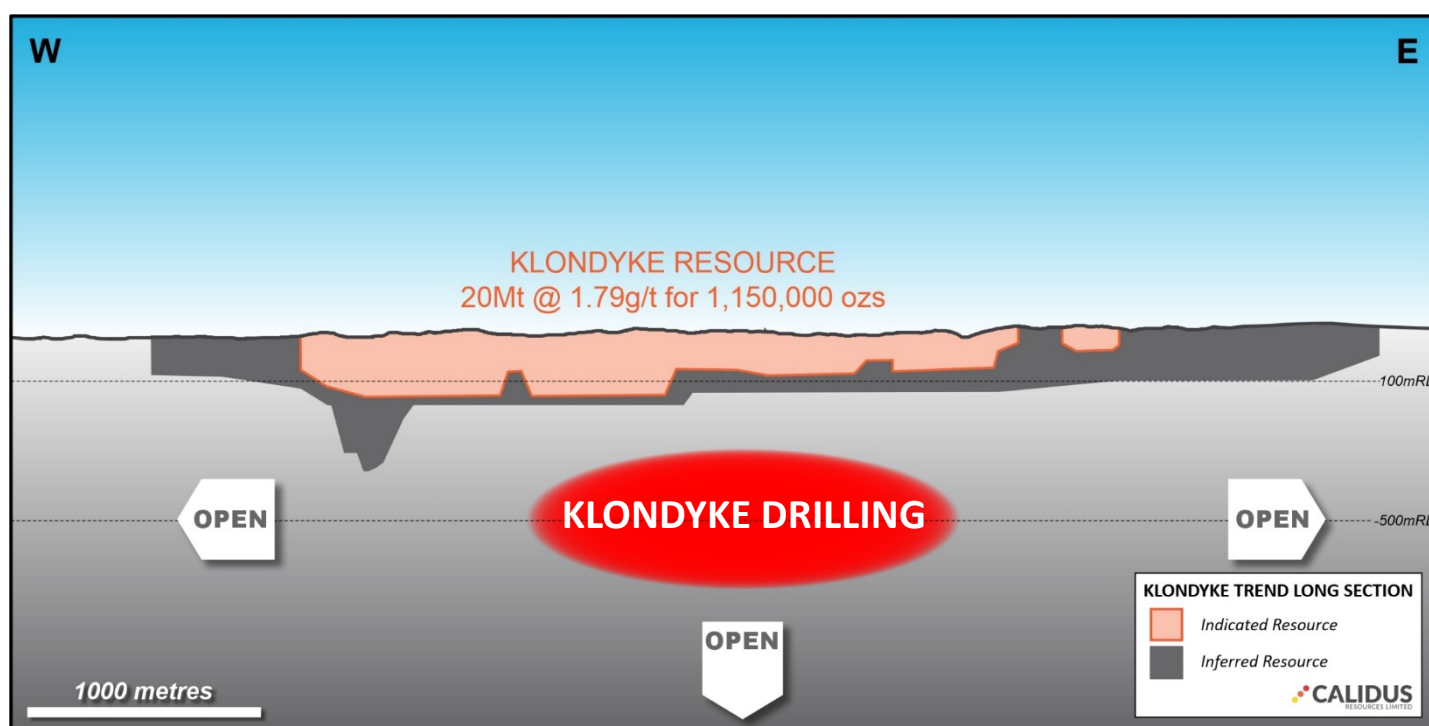


Figure 2: Klondyke Drilling

Otways Project Drilling

As announced on 27 May 2020, Calidus had entered into a Heads of Agreement with Rugby Mining to earn up to 70% interest in the Otways Project NE of Nullagine. In the late 1960s, shallow (<60m depth) percussion drilling of coincident soil and IP anomalies by Conwest identified copper mineralisation in metabasalts at or near surface (refer Figure 4). In addition, several holes contain Cu mineralisation that is open at depth. Historic drilling was never assayed for gold but nearby costean samples returned values of up to 13g/t Au.

Recent site visits identified the locations of previous drill holes and have confirmed visual occurrences of copper mineralisation at surface and in shallow workings.

Post the quarter, Calidus announced that drilling was about to commence at the Otways project. Highlights included:

- Five RC holes and 1 diamond hole to be drilled at the Otways (Doherty) prospect where substantial copper intercepts were obtained in historic percussion holes from surface.
- These drill holes were never assayed for gold and are along strike from trenches assaying up to 13g/t Au.
- Six reconnaissance RC holes to be drilled at the Malachite Flats prospect targeting anomalous and high-grade gold rock-chip samples of up to 15.8g/t Au over a 600m diameter anomaly.

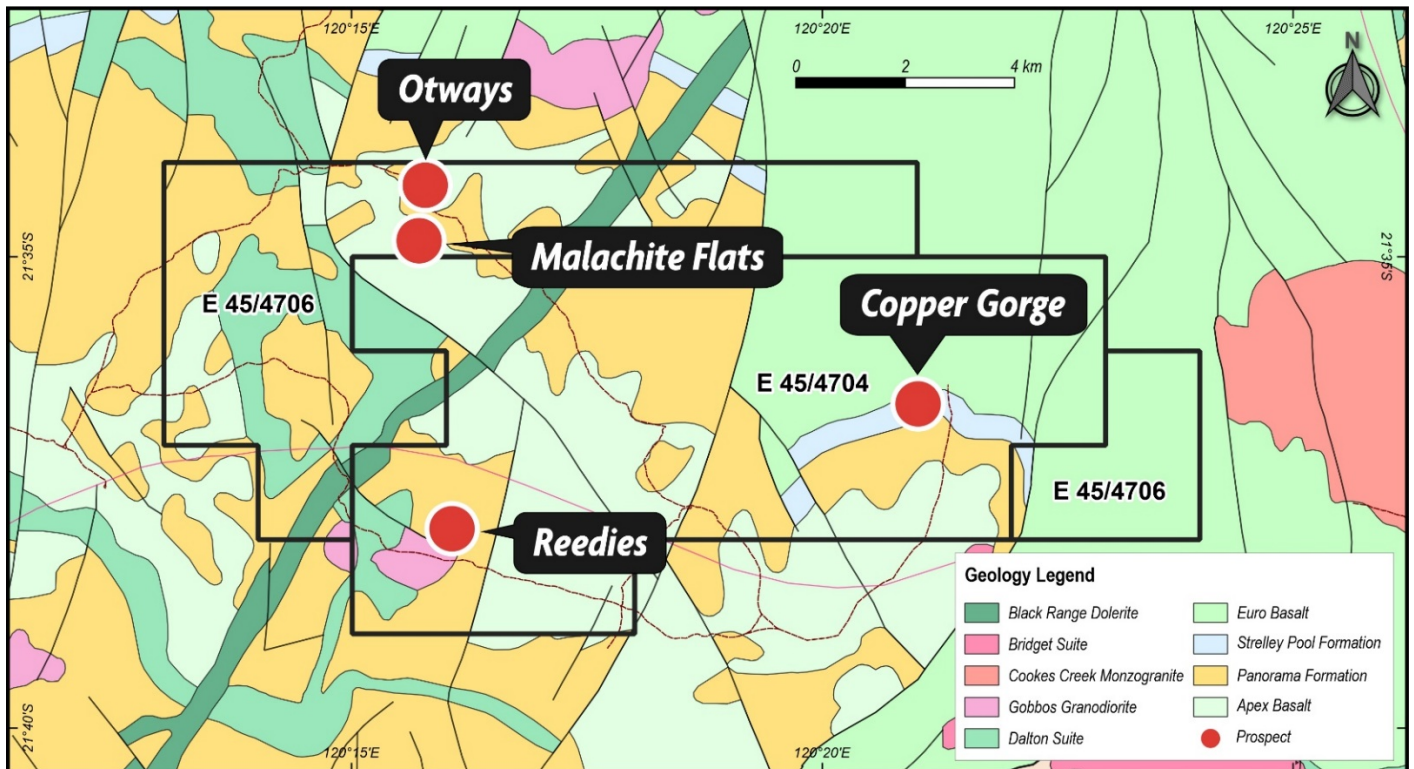


Figure 3: Tenements at the Otways Project with the GSWA 500k geology and prospect locations

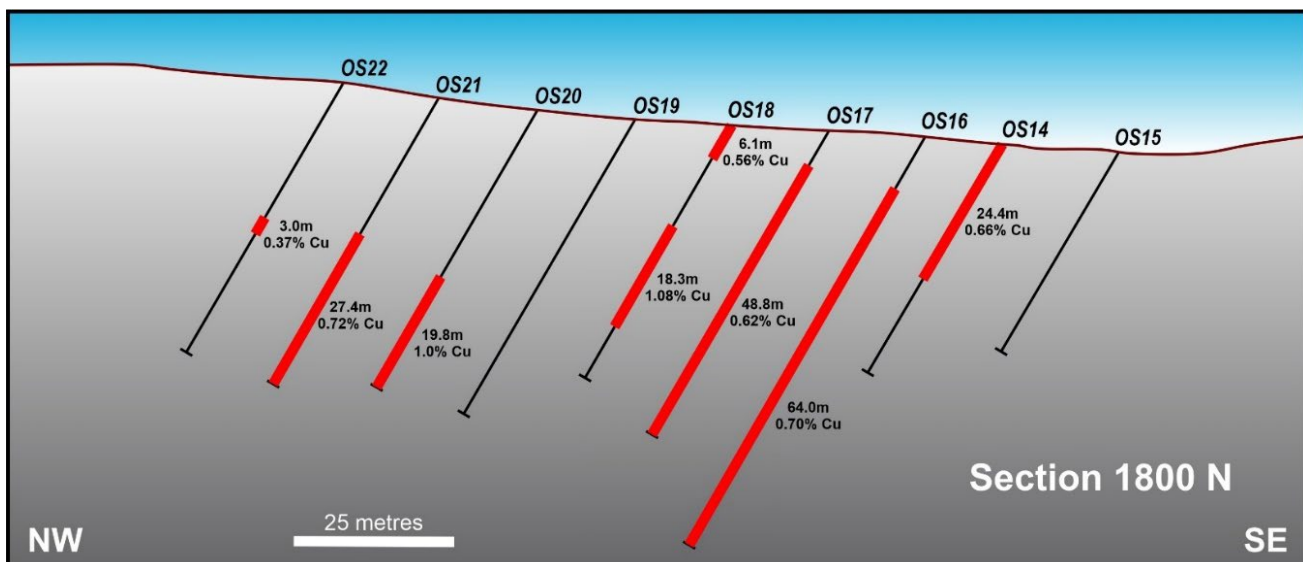


Figure 4: Cross section at the Otways Project showing the results of shallow percussion drilling by Conwest in the 1960s

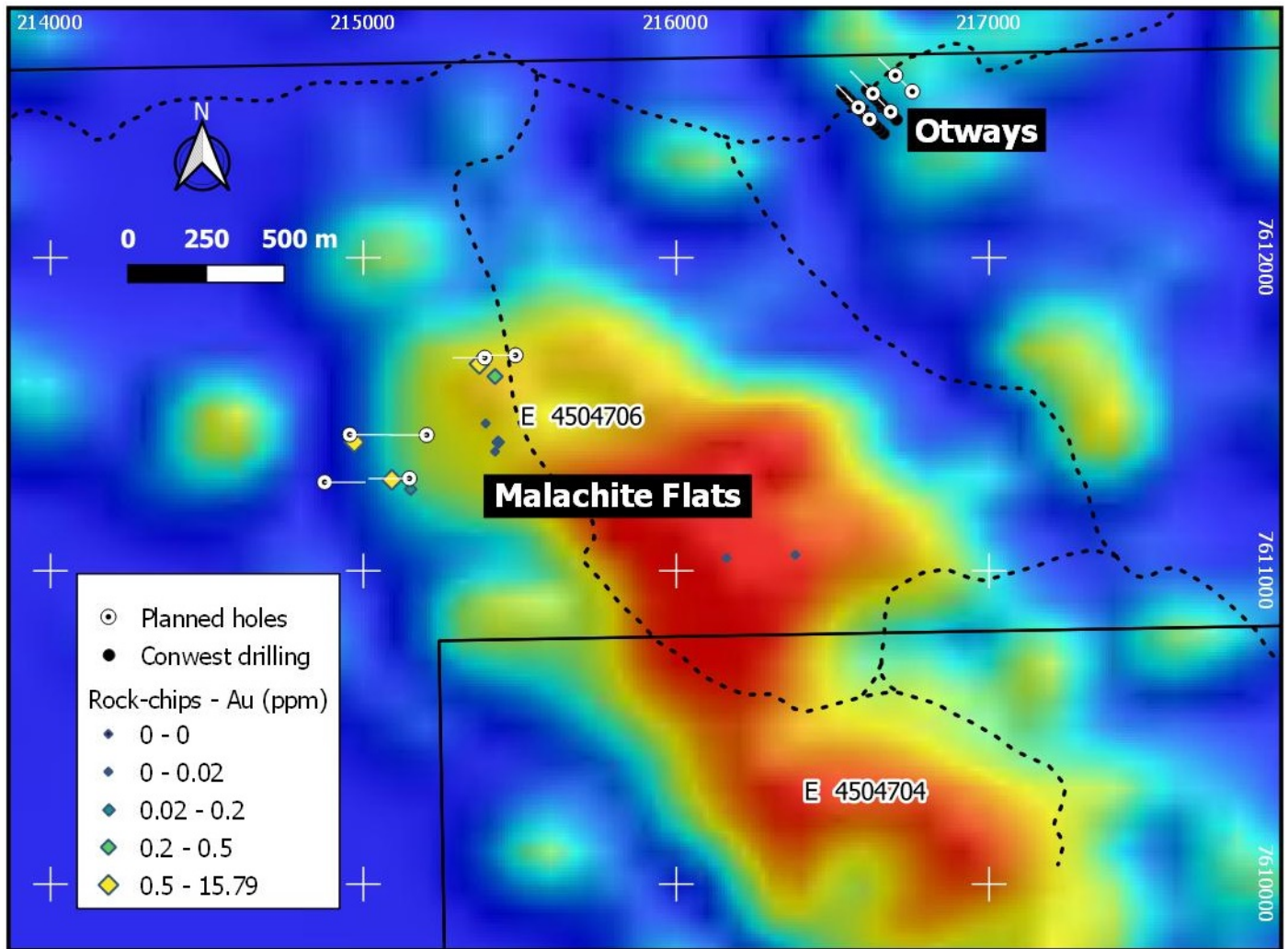


Figure 5: Map of the Otways–Malachite Flats area showing the locations of the planned drill holes on a horizontal conductivity slice at 100m depth from a HoistEM survey flown by Hazelwood Resources.

MARBLE BAR AIRPORT UPGRADE

During the quarter, Calidus was pleased to announce that it has entered into a Non-Binding Heads of Agreement with the Shire of East Pilbara for an upgrade to the Marble Bar Airport. The upgrade is expected to facilitate 100 seater jets with an all-weather sealed surface. The capital cost of the upgrade has been estimated at approximately \$7 million with Calidus expected to contribute \$2 million.

The Non-Binding Heads of Agreement anticipates the design of the airport being undertaken jointly by the parties in the coming months. Calidus and the Shire of East Pilbara will now progress with preparing binding formal agreements in order to fund, construct and operate the airport with construction anticipated to commence in 2021.

POST QUARTER

MAJOR TENDERS ISSUED AND DEBT ADVISOR APPOINTED

Post quarter, Calidus was pleased to advise that it has taken key steps to ensure it meets the accelerated timetable for development of Warrawoona.

As announced on 29 June 2020, in light of the strong findings of its updated PFS, Calidus will now start construction at Warrawoona in the March quarter of 2021. This will enable the Company to capitalise on a strong gold price outlook and robust forecast cashflow at Warrawoona.

The project timeline is shown the table below. By the end of the 2020 calendar year, Calidus anticipates being fully permitted and Project Finance discussions to be well advanced.

PERMITTING	TIMING	Q3 2020	Q4 2020	2021
EPA Recommendation	✓			
Ministerial Sign Off	Q3 2020			
Operating Permits	Q4 2020			
DEVELOPMENT STUDIES				
Updated PFS	✓			
Feasibility Study	Q3 2020			
FINANCING				
Appointment of Debt Advisor	✓			
Indicative Debt Term Sheets	Q3 2020			
Completion of Financing Facility	Q4 2020			
First Drawdown	Q1 2021			
DEVELOPMENT				
Tenders	✓			
Preferred Contractors	Q3 2020			
Early Works	Q4 2020			
Commence Construction	Q1 2021			
First Gold - 10 months from construction				+ 10 months

Major Contracts

Tenders for the major contracts, comprising a schedule of rates mining contract, tailings dam construction, EPC for the processing plant construction and a build, own, operate (BOO) model for the power station, have been let to the market. At the conclusion of the tender process, submitted costs from the preferred contractors will be used to generate the cost estimates in the Feasibility Study. This ensures the Feasibility Study incorporates cost estimates that reflect the most current market conditions from the preferred contractors that are be selected to work with Calidus to execute the Project.

Debt Advisor Appointment

Specialist natural resources investment house Argonaut has been appointed to act as the Company's exclusive debt advisor. There has been a substantial level of interest by potential financiers in the Project and Calidus expects that the appointment of Argonaut, combined with the experience of the Board and management in funding projects, will result in a tailored funding solution that appropriately manages shareholder dilution, cost and risk to the Company.

Infrastructure Update

Calidus has applied for an early works permit which provides the Company with the option to install the mine access road and accommodation village prior to receiving full project development approval. The village has been purchased¹ and is currently being stored in Marble Bar. A scope of work has been awarded for the initial design and certification phase of the camp installation.

Telstra have been awarded a scope of work for the communications backbone into site, via a Telstra tower located in Marble Bar. This will ensure a reliable communication network is in place prior to construction activities occurring and provide a long term solution for the mine site.

CORPORATE

Financial

At the end of the quarter, Calidus and its subsidiaries held \$5.7M cash and \$1.4M in listed investments. Further details can be found in the Appendix 5B released with this announcement.

On 12 June 2020 the Company announced that it had received \$1,092,500 following the exercise of 2,450,000 \$0.25 unquoted options and 1,600,000 \$0.30 unquoted options, which were expiring on 13 June 2020, representing 100% of the options that were on issue.

Payments to Related Parties

As outlined in the attached Appendix 5B (section 6.1), during the quarter approximately \$133k in payments were made to related parties and their associates for director salaries, consultancy fees, superannuation and other related costs.

Director Resignation

The Company advised on 27 July 2020 that Mr Adam Miethke resigned as Non-Executive Director of the Company. The Board thanks Mr Miethke for his valuable contribution to the Company over the last 3 years where he has been intimately involved in the listing and success of the Company. The Company looks forward to continuing working with Adam and the team at Discovery Capital as our Corporate Advisors in the future.

Investor Presentations

On 29 June 2020 the Company released an updated investor presentation relating to the updated PFS.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be release.

- END -

Refer announcements:

ASX announcement dated 27 July 2020 entitled "Director Resignation / Appendix 3Z".

ASX announcement dated 17 July 2020 entitled "Calidus raises \$25M for Construction & Exploration".

ASX announcement dated 29 June 2020 entitled "Updated PFS Delivers Increased Reserves and Robust Financials".

ASX announcement dated 13 July 2020 entitled "Drilling to commence at the Otways Gold-Copper Project".

ASX announcement dated 1 July 2020 entitled "Major tenders issued and debt advisor appointed".

ASX announcement dated 25 June 2020 entitled "EPA recommends approval of Warrawoona Gold Project".

ASX announcement dated 4 June 2020 entitled "Exploration Update".

ASX announcement dated 27 April 2020 entitled "Marble Bar Airport upgrade".

ASX announcement dated 27 May 2020 entitled "Calidus to acquire Otways Project near Warrawoona".

For further information please contact:

Dave Reeves
Managing Director

✉ dave@calidus.com.au

FURTHER INFORMATION

Calidus Resources (ASX:CAI) is an ASX listed gold exploration company which controls the entire Warrawoona Gold Project in the East Pilbara district of the Pilbara Goldfield in Western Australia.

The Warrawoona Gold Project hosts a total Mineral Resource of 1,495,000 ozs at 1.06 g/t Au (Measured Mineral Resource of 2.3 Mt @ 0.98 g/t Au for 72,000 ozs, Indicated Mineral Resource of 30.4 Mt @ 1.00 g/t Au for 982,000 ozs, and Inferred Mineral Resource of 11.0 Mt @ 1.33 g/t Au for 442,000 ozs) defined over a continuous 5km of strike which remains open in all directions. The Company controls approximately 669 square kilometres of prospective tenements that host over 200 historic workings and includes three satellite Mineral Resources: Fieldings Gully, Copenhagen and Coronation.

A un Updated PFS announced in June 20 shows a base case of Warrawoona producing on average 85,000 ozs over the first 6 years, with a total production of 623,000ozs over an 8 year mine life, at an AISC of A\$1,251/oz. A feasibility study and permitting is now underway with construction planned to commence in the March Quarter of 2021.

Forward Looking Statements

This announcement includes certain “forward looking statements”. All statements, other than statements of historical fact, are forward looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update forward looking statements.

CALIDUS RESOURCES & SUBSIDAIRIES TENEMENT SCHEDULE

Tenement ID	Holder	Size (ha)	Renewal	Ownership/ Interest
GRANTED				
E45/3615	Keras (Pilbara) Gold Pty Ltd	3,513.73	22/11/2020	100%
E45/4236	Keras (Pilbara) Gold Pty Ltd	958.25	19/10/2024	100%
E45/4555	Keras (Pilbara) Gold Pty Ltd	1,917.75	1/03/2022	100%
E45/4843	Keras (Pilbara) Gold Pty Ltd	942.15	2/07/2022	100%
E45/4856	Keras (Pilbara) Gold Pty Ltd	2,554.05	20/05/2023	100%
E45/4857	Keras (Pilbara) Gold Pty Ltd	6,704.61	20/05/2023	100%
E45/4905	Keras (Pilbara) Gold Pty Ltd	638.86	29/11/2022	100%
E45/4906	Keras (Pilbara) Gold Pty Ltd	319.46	29/11/2022	100%
E45/5172	Keras (Pilbara) Gold Pty Ltd	4,307.32	30/05/2024	100%
M45/0240	Keras (Pilbara) Gold Pty Ltd	6.07	17/11/2028	100%
M45/0521	Keras (Pilbara) Gold Pty Ltd	18.11	10/03/2034	100%
M45/0547	Keras (Pilbara) Gold Pty Ltd	17.72	2/05/2035	100%
M45/0552	Keras (Pilbara) Gold Pty Ltd	9.71	18/01/2035	100%
M45/0668	Keras (Pilbara) Gold Pty Ltd	242.05	28/12/2037	100%
M45/0669	Keras (Pilbara) Gold Pty Ltd	101.95	28/12/2037	100%
M45/0670	Keras (Pilbara) Gold Pty Ltd	113.10	29/12/2037	100%
M45/0671	Keras (Pilbara) Gold Pty Ltd	118.65	29/11/2037	100%
M45/0672	Keras (Pilbara) Gold Pty Ltd	116.20	1/08/2037	100%
M45/0679	Keras (Pilbara) Gold Pty Ltd	121.30	8/04/2038	100%
M45/0682	Keras (Pilbara) Gold Pty Ltd	235.95	17/04/2038	100%
P45/3065	Keras (Pilbara) Gold Pty Ltd	29.45	29/03/2024	100%
L45/523	Keras (Pilbara) Gold Pty Ltd	172.54	18/09/2040	100%
Applications				
P46/1972	Keras (Pilbara) Gold Pty Ltd	194.57	APPLICATION	100%
L45/527	Keras (Pilbara) Gold Pty Ltd	251.51	APPLICATION	100%
Joint Venture				
E45/3381	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	7,965.63	16/03/2021	70%
E45/4622	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	4,222.07	4/05/2022	70%
E45/4666	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	3,163.98	23/11/2021	70%
E45/4934	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	1,596.99	22/01/2023	70%
P45/2781	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	2.42	10/06/2020	70%
G45/345	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	439.05	11/05/2041	70%
E45/5706	Keras (Pilbara) Gold Pty Ltd/Beatons Creek Gold Pty Ltd	1,376.89	APPLICATION	70%
E45/4704	Beckton Gledhill Pty Ltd	7,961.50	4/07/2022	Earning 70%
E45/4706	Beckton Gledhill Pty Ltd	5,414.50	1/08/2022	Earning 70%

Appendix 5B

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

Name of entity

Calidus Resources Limited (ASX:CAI)

ABN

98 006 640 553

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	34	34
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(104)	(720)
	(e) administration and corporate costs	(107)	(1,090)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	18	81
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	86	86
1.8	Other : Stamp duty	-	(130)
1.9	Net cash from / (used in) operating activities	(73)	(1,739)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(192)	(645)
	(d) exploration & evaluation (if capitalised)	(1,097)	(6,241)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	322
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	(1,289)	(6,564)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1,246	1,405
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(557)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,246	9,848

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,806	4,145
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(73)	(1,739)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,289)	(6,564)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,246	9,848

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,690	5,690

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	2,180	1,546
5.2	Call deposits	3,510	4,260
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)	5,690	5,806

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

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
133
-

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

The payments to directors and their associates in 6.1 include:

- (i) Director fees and superannuation of \$88k; and
- (ii) Payment to companies associated with a Director in relation rental and corporate advisory fees of \$45k.

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)	(73)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(1,097)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,170)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5,690
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5,690
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	5
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: N/A	
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: N/A	
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: N/A	

Compliance statement

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

Date: 27 July 2020

Authorised by: The Board

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.