



30 October 2020

ACTIVITIES REPORT – SEPTEMBER 2020 QUARTER

CORPORATE

On 15 September 2020, the Company announced an equity capital raising by placement of 40,000,000 fully paid ordinary shares and a Share Purchase Plan offer to eligible shareholders at \$0.0075 per share. The placement was completed on 28 September 2020 raising \$300,000. The Share Purchase Plan closed on 15 October 2020 and 29,120,000 fully paid ordinary shares were issued on 22 October 2020 raising \$218,400. The total amount of new capital raised of \$518,400 before expenses should be sufficient to fund the current exploration programs planned for the Broken Hill tenements and at Brungle Creek in NSW.

EXPLORATION HIGHLIGHTS

NSW: Broken Hill Cobalt and Base Metals Exploration Projects in ELs 8745 and 8747 (100% Interest)

- Soil and rock sampling that started in June Quarter finalised in the September Quarter and surficial geochemical results received for ELs 8745 and 8747 leading to drilling in EL 8747 and IP Survey in EL 8745.
- 10 RC holes drilled for total of 1,149 m in EL 8747 to test a 1.5 km cobalt and base metals exploration target; results awaited in early November 2020.
- Ground IP completed at EL 8745 with 1.5 km chargeability anomaly defined and drill test planned for November/December 2020.

NSW: Brungle Creek Cobalt and Base Metals Exploration Project EL 8954 (100% interest)

- Desk study completed and initial field exploration scheduled for early November 2020.

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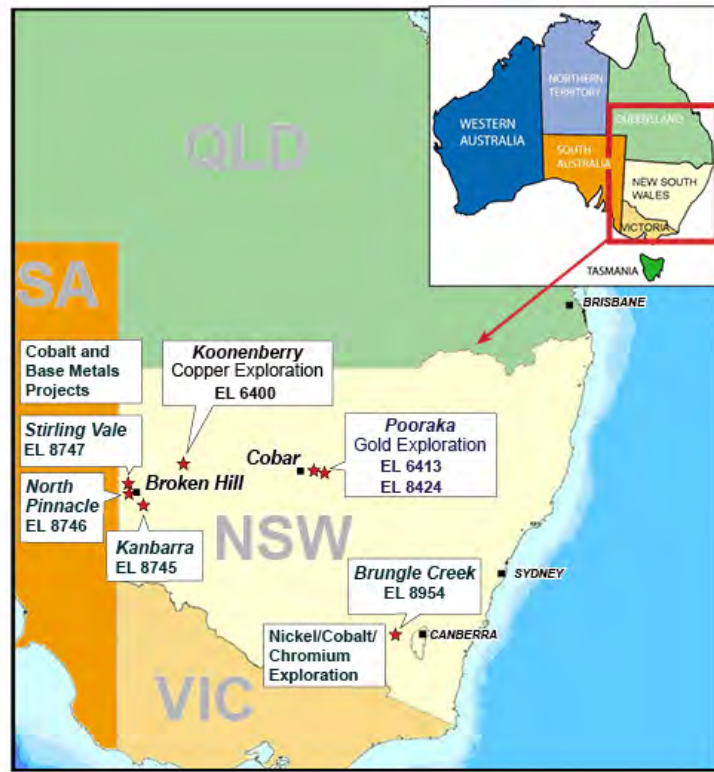


Figure 1: Location of Licences of Ausmon Resources Limited Group

NSW: BROKEN HILL EXPLORATION LICENCES

***ELs 8745, 8746 and 8747 near Broken Hill in NSW – 100% interest
Cobalt and Base Metals Exploration***

The 3 ELs cover an area of approximately 174 km² near Broken Hill (**Figure 2**) and the cobalt development areas of CobaltBlue (ASX:COB).

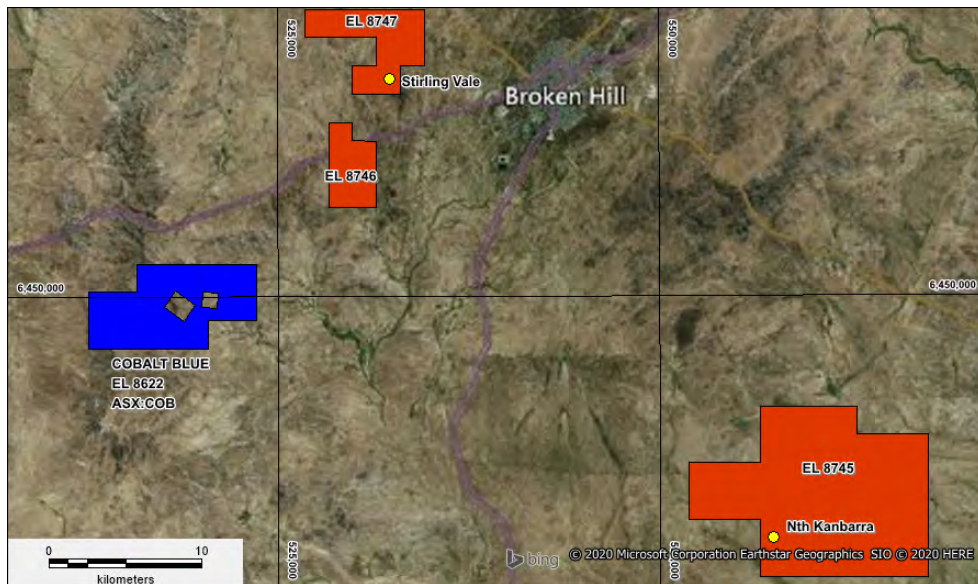


Figure 2: Location of ELs near Broken Hill showing the Stirling Vale and Nth Kanbarra Prospects

EL 8747 – Stirling Vale Prospect

The soil and rock sampling at Stirling Vale Prospect that commenced in late June 2020 was completed in early July 2020. The samples and their results were as follows:

- 44 soil samples (SVS192 to 235) were collected for geochemical analysis along North-South oriented lines with samples collected every 50 m along the lines in an area comprising amphibolite and garnet amphibolite associated with some quartz veining. The soil samples were sieved to -180 microns and analysed by the Company's Olympus Vanta pXRF. The small soil grid (shown as black stars in **Figure 3**) showed no base metal anomalism association; therefore, exploration has been discontinued in that area.
- 3 rock samples (shown as red circles in **Figure 3**) were collected from a “garnet sandstone” that was the target of drilling by Pasminco in 1995. The samples were geochemically analysed for gold and multi-elements.

Arsenic values were elevated to 9,220 ppm and 0.45 ppm gold and the area was targeted down dip by 8 holes (SVRC003 to SVRC010) RC drilling in the September 2020 program. ★

Arsenic is a strong indicator of sulphide mineralisation; and as seen by the rock assay results the high arsenic level is associated with an encouraging gold result. During the drilling program, every meter was scanned with the Company's pXRF equipment. As arsenic can be read directly from the pXRF, an indication of possible gold mineralisation is available on site before the gold results from the laboratory analysis are received as the pXRF does not reliably record gold mineralisation. Elevated multi element geochemical results from the pXRF assist in the gold exploration strategy.

- 3 samples (SVP001 to SVP003) from historic core hole DD95STV3 drilled by Pasminco in 1995 near Stirling Vale were collected and submitted to Teale and Associates for mineragraphic, petrological and scanning electron microscope investigations to aid in understanding the mineralised system intersected in DD95STV3.

The magnetite in SVP001 directly above the ore zone in SVP002 is measured by a magnetic susceptibility meter to look for similar areas of elevated magnetics and the possibility of proximity to the mineralised zone. The understanding of where the Cobalt is and the levels of Cobalt enrichment in pyrite is beneficial during drilling in combination with the nature of the host rocks above and below the mineralised zone.

The meta-pelite of SVP001 contains abundant magnetite so this oxidized “cap” may have allowed the pyrite to develop well immediately beneath it in SVP002.

SVP001 – Quartz, sillimanite and potassium rich meta-pelite with abundant

magnetite, ilmenite and is relatively oxidised. This is the unit above the mineralised Cobalt zone

SVP002 – Quartz albite pyrite muscovite gneiss and contains up to 19% primary pyrite and 4% secondary pyrite. The primary pyrite can contain up to 0.6% to 0.8% Cobalt while the secondary pyrite contains approximately 0.3% to 0.4% pyrite. This is the primary mineralised zone in DD95STV3.

SVP003 – Banded albitic gneiss with abundant coarse biotite with up to 2% pyrite. This unit is below the mineralised unit SVP002.

During the field work in June/July 2020, 10 drill sites (SVRC001 to SVRC010) were established with collar and siter grid pegs for a planned RC drilling targeting a 1.5 km exploration area for Cobalt, Zinc and Gold along the western limb of the Stirling Vale Synform.

After approval was given by the Department of Primary Industries, the drilling originally planned for August 2020 commenced in early September because of non-availability of a driller. Chief Drilling completed the RC drilling at the Stirling Vale Prospect in late September. Heavy rain and flooding during the weekend in Broken Hill areas before the last hole SVRC010 delayed completion of the program by about 3 days.

A total of 1,151 m of RC drilling was satisfactorily completed (**Figure 2**) with 2 holes SVRC001 and SVRC002 testing the outcropping pyritic siliceous zone (PI2) and 8 holes SVRC003 to SVRC010 testing the “cobaltiferous albite gneiss zone” that was intersected by Pasminco drilling in 1995 and sampled by the Company in 2018 (ASX Announcements: 17/07/2018 and 15/06/2020) and also where 3 rock samples collected as described above returned elevated Arsenic values.

Figure 5 shows a cross section which illustrates the relationship of the 1995 Pasminco drilling and the Company drilling in September 2020. The RC drilling aimed to test the following targets shown in **Figure 5** from the left to right on the figure.

1. Cobalt mineralisation within the PI2 zone that outcrops as a discontinuous ridge over 1.5 km of strike with surface assays to 216 ppm Cobalt. Holes SVRC001 and 2 aimed to test that target at 50 m vertically below the surface.
2. Cobalt target associated with pyritic albitic gneiss (20% pyrite) at the contact with overlying metapelite and 1.4 m @ 962 ppm from 130 m to 131.4 m and 0.3 m @ 739 ppm from 131.7 m to 132 m. The pelite above the Cobalt one has an increased % of magnetite which will be a good marker horizon when exploring for the Cobalt mineralisation.
3. Base metals target in pyritic metasediments comprising quartz and gahnite and with similarities to the Broken Hill Lode System. Assays in the target comprise 0.3 m @

0.07% Zn from 51.9 m to 52.2 m and 0.5 m @ 0.06% Zn from 52.2 m to 52.7 m and up to 6% pyrite. In addition, the interval from 51.5 m to 86.7 m averaged 460 ppm Zn over 35.2 m

4. Gold target from the resampling of DD95STV3 of 0.3 m @ 0.99 g/t Au from 51.9 m to 52.2 m.

The above results were reported in the ASX Releases of 17 July 2018 and 17 September 2020..

The results of the September 2020 drilling have been delayed by the laboratory because of their heavy workload and are expected to be announced early November 2020.

Background Information on Exploration at Stirling Vale

The background to exploration in EL 8747 is described in the Review of Operations section within the Annual Report 2020 released to ASX on 3 September 2020.

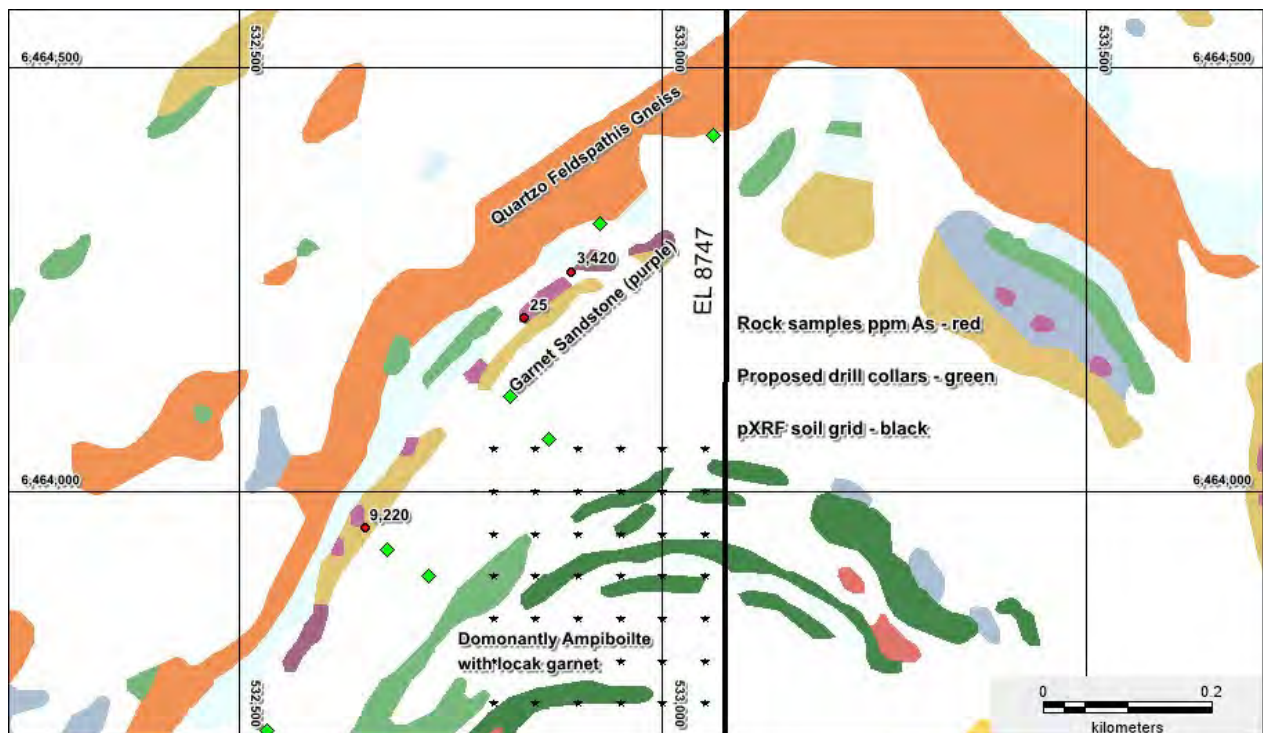


Figure 3 - Stirling Vale Prospect showing the rock samples collected from the “garnet sandstone” unit.

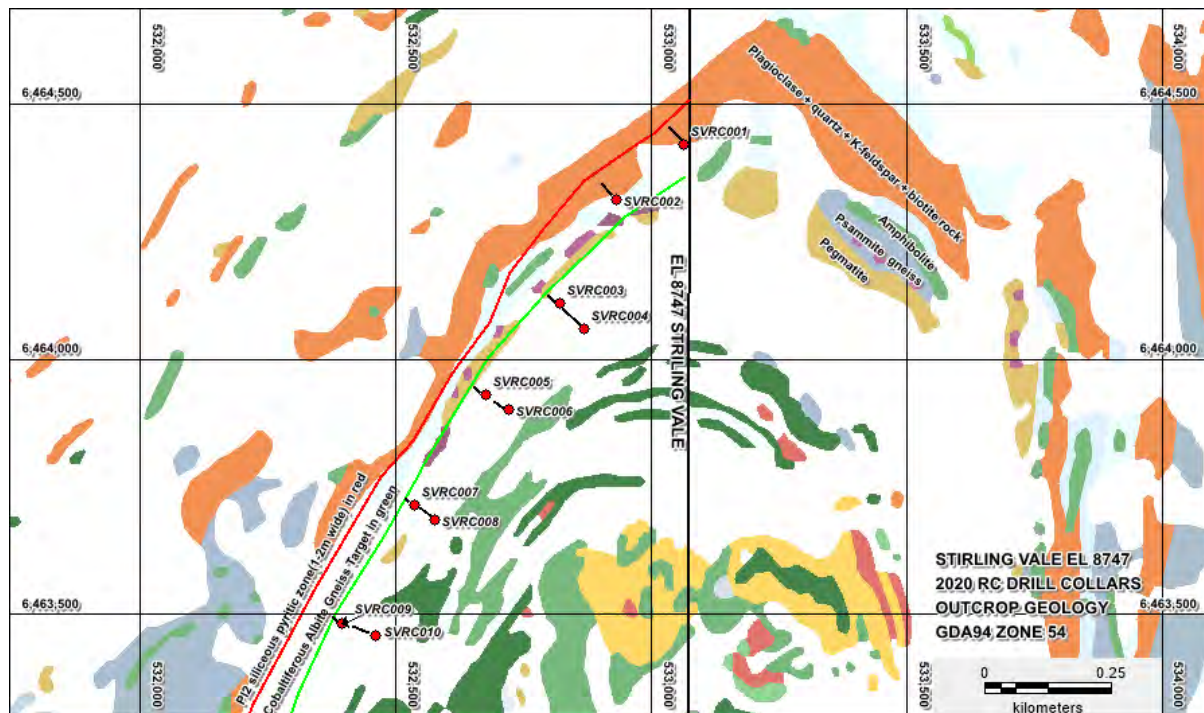


Figure 4: Stirling Vale drill collars SVRC001 to SVRC010

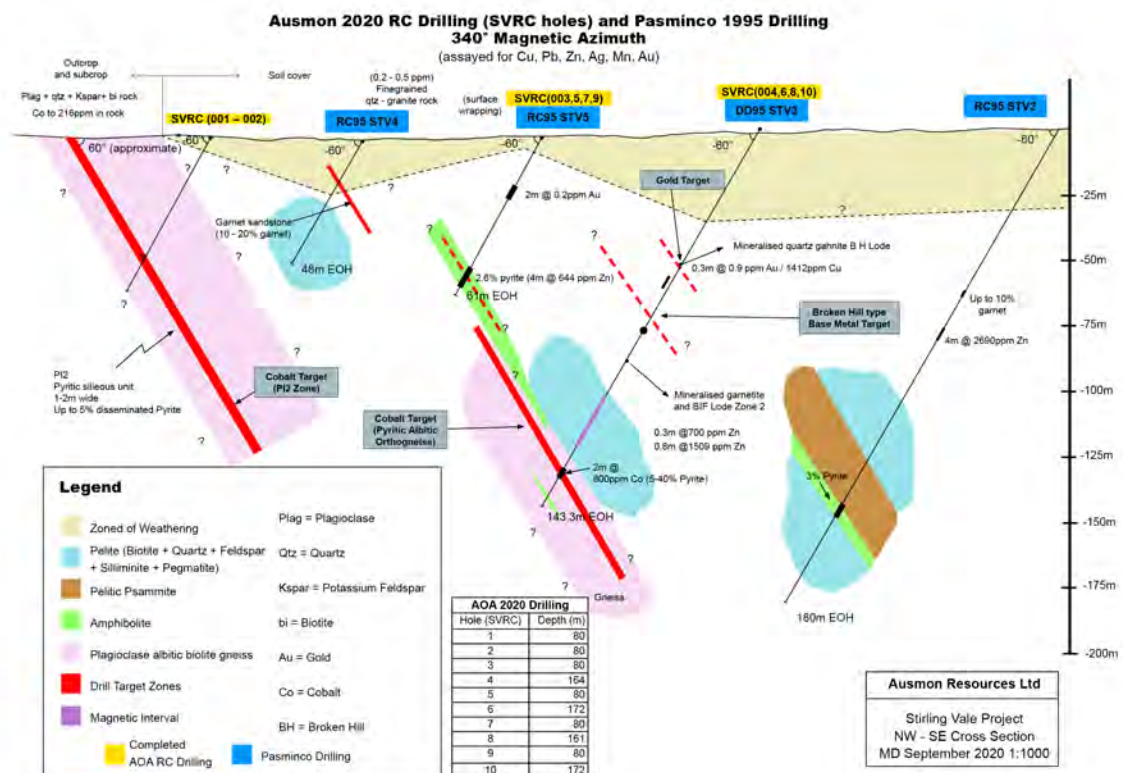


Figure 5: Cross section of Ausmon September 2020 RC Drilling and Pasminco 1995 Drilling



Stirling Vale RC Drilling in September 2020

EL 8745 – Nth Kanbarra, Sampson’s Dam and Long Tank Prospects

During the June/July 2020 field work at three prospects shown in **Figure 6** – Nth Kanbarra, Sampson’s Dam and Long Tank, a total of 286 soil samples (SVS 192 to SVS 235) and 16 rock samples (KAR001 to KAR016) were collected. The soil samples were collected in paper geochemistry bags and all samples were scanned with the Company’s Olympus Delta pXRF equipment for multi-element geochemistry.

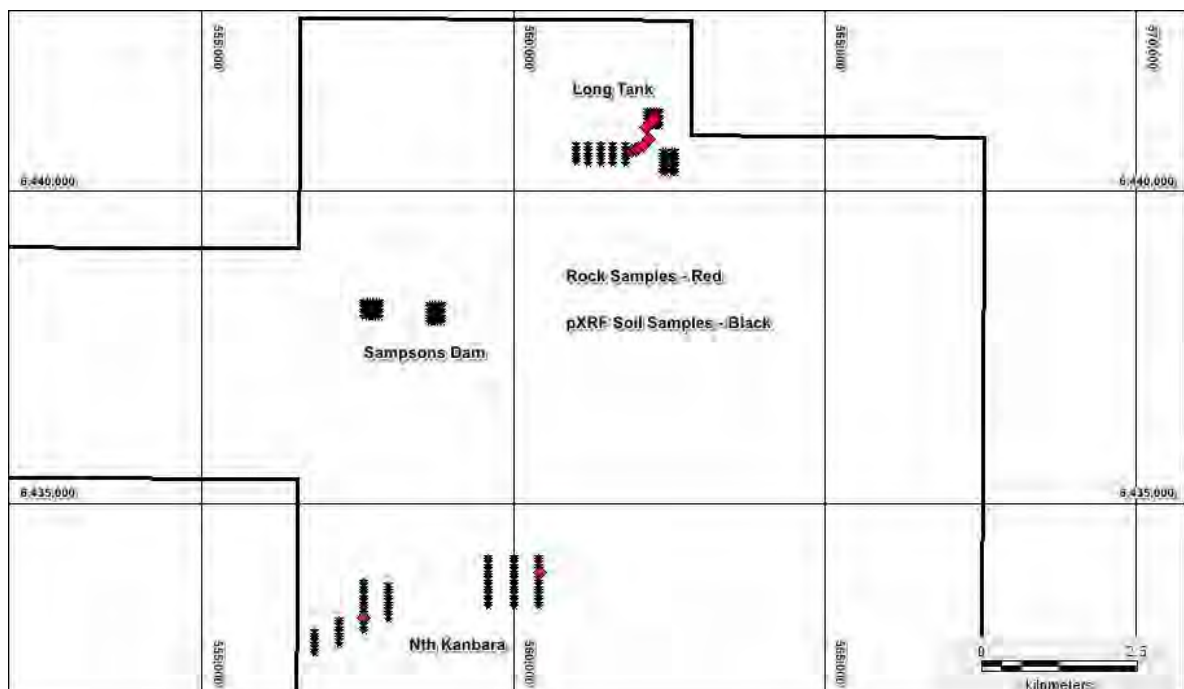


Figure 6: Kanbarra soil (black) and rock (red) sampling locations

Nth Kanbarra Prospect

The soil sampling at Nth Kanbarra confirmed the Zinc anomalism associated with a small outcropping gossan.

Field exploration in the area had discovered a small outcrop of siliceous limonite gossan (locally brecciated) and gossan float over a 20 m² area (**Figure 7**) with boxwork texture. The only other outcrop comprises quartz feldspar gneiss mapped by the Geological Survey of NSW as part of their 1:25,000 geological mapping program of the Broken Hill Area. During the soil sampling (ASX announcements: 6 July 2020 and 10 August 2020) some small pieces of rock float (not in situ) were noted to the SW of the gossan outcrop. The gossan itself (**Figure 7**) returned assays to 340 ppm Cu, 37 ppm Zn and 52 ppm Co. The occurrence of a small gossanous zone and a broader Zn in soil anomaly in addition to extensive sediments that are likely to have masked or subdued the surface geochemical response led to the decision to carry out a Ground IP survey to explore for sub surface base metal sulphide mineralisation.

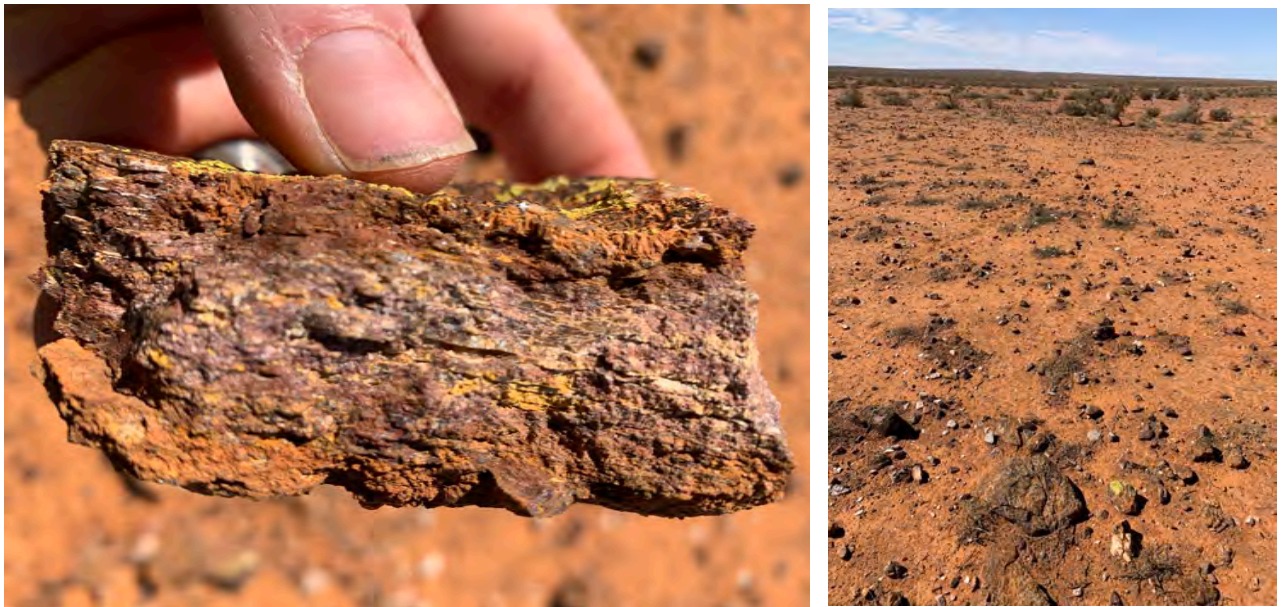


Figure 7: Nth Kanbarra Prospect showing siliceous limonite gossan (TL) and the outcropping “gossan zone” (BR)

Figure 8 shows the Nth Kanbarra Area and the outcropping gossan in red. The gossan is elevated in Zinc (Zn) and Copper (Cu) and the soil sampling defines a NE-SW zone of elevated Zn in soil.

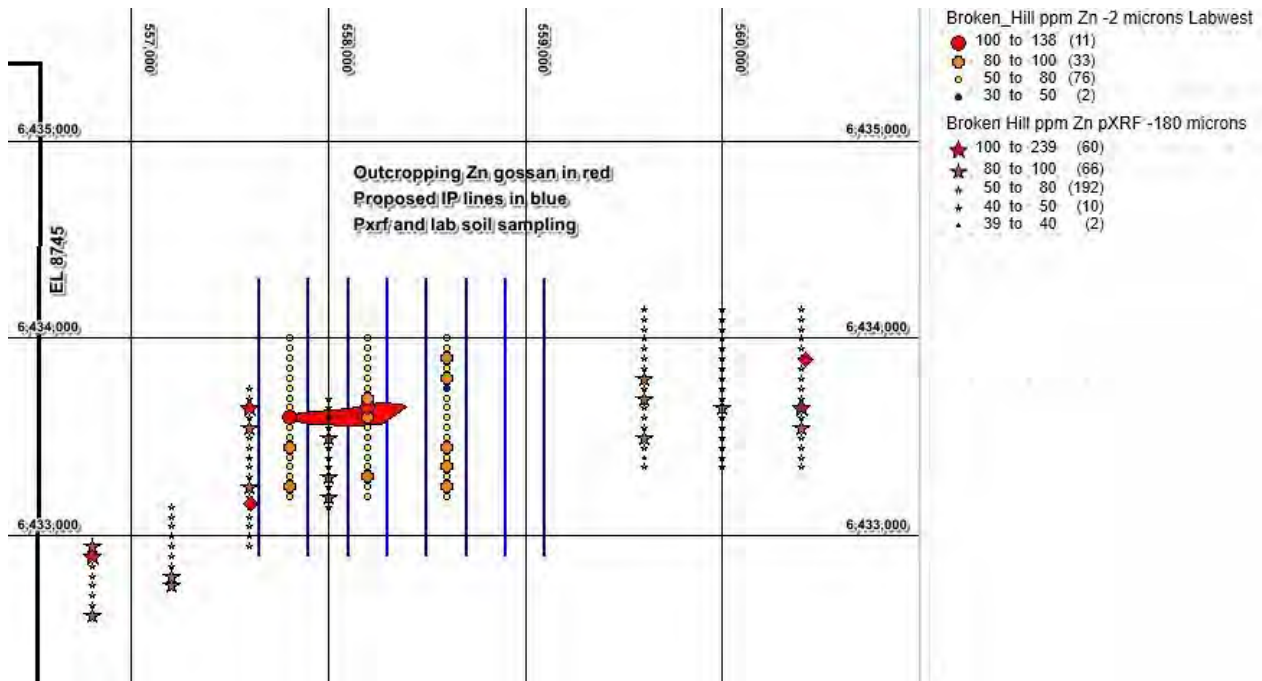


Figure 8: Nth Kanbarra Prospect showing the geochemically anomalous zone, outcropping gossan and the IP survey lines in blue

In 2009, Eaglehawk Geological Consulting, a previous operator of the area, completed a 57 hole Rotary Airblast (RAB) drilling program (see the Company’s ASX release of 22 September 2020 for JORC and Assay Tables) for 1,696 m. Samples were collected at the bottom of each hole and some other mineralised altered intervals in the holes. **Figure 9** shows the key geological/geochemical results from the 2009 RAB drilling program in addition to the 8 lines of the September 2020 IP survey of the Company in blue.

The central red hatched area comprises a “gossan zone” between IP lines 2 and 4 with a limited surface expression. To the south of the “gossan zone” as observed in the drill holes the metasediments with local hematite alteration and brecciation while to the north is a zone of metasediments with localised quartz and gossan between IP lines 3 and 8. Geochemical results from the drilling highlighted a zone of Zn (green) to 500 ppm and Cu (blue) to 1,900 ppm between IP lines 3 and 6 flanked by Zn to 500 ppm to the north and south.

In late August, the Company secured for the Ground IP Survey the services of Merlin Geophysical Solutions who were already in the area and therefore avoided the usual delays and costs associated with mobilisation of equipment and crew. The survey comprised 8 lines of 1.4 km long N-S oriented across a 1.5 km base metal exploration target within the elevated Zn in soil zone which encompasses the outcropping “gossan zone” identified from the sampling results. The lines

spaced 200 m apart used the dipole-dipole array method with 50 m electrode spacing and were long enough to give 300 m depth penetration.

As each line is completed the data was processed to define any targets early as the survey progresses. The survey was completed on 11 September 2020. Rama Geoscience completed 2D and 3D modelling of the acquired IP data and an overall interpretation was carried out to identify any sub-surface targets for test drilling.

| Line | South | North | Length |
|-------------|--------------|--------------|---------------|
| 557700E | 32900N | 6434300N | 1400 |
| 557900E | 32900N | 6434300N | 1400 |
| 558100E | 32900N | 6434300N | 1400 |
| 558300E | 32900N | 6434300N | 1400 |
| 558500E | 32900N | 6434300N | 1400 |
| 558700E | 32900N | 6434300N | 1400 |
| 558900E | 32900N | 6434300N | 1400 |
| 559100E | 32900N | 6434300N | 1400 |

Table 1: Nth Kanbarra IP Survey Specifications – MGA54 Coordinates

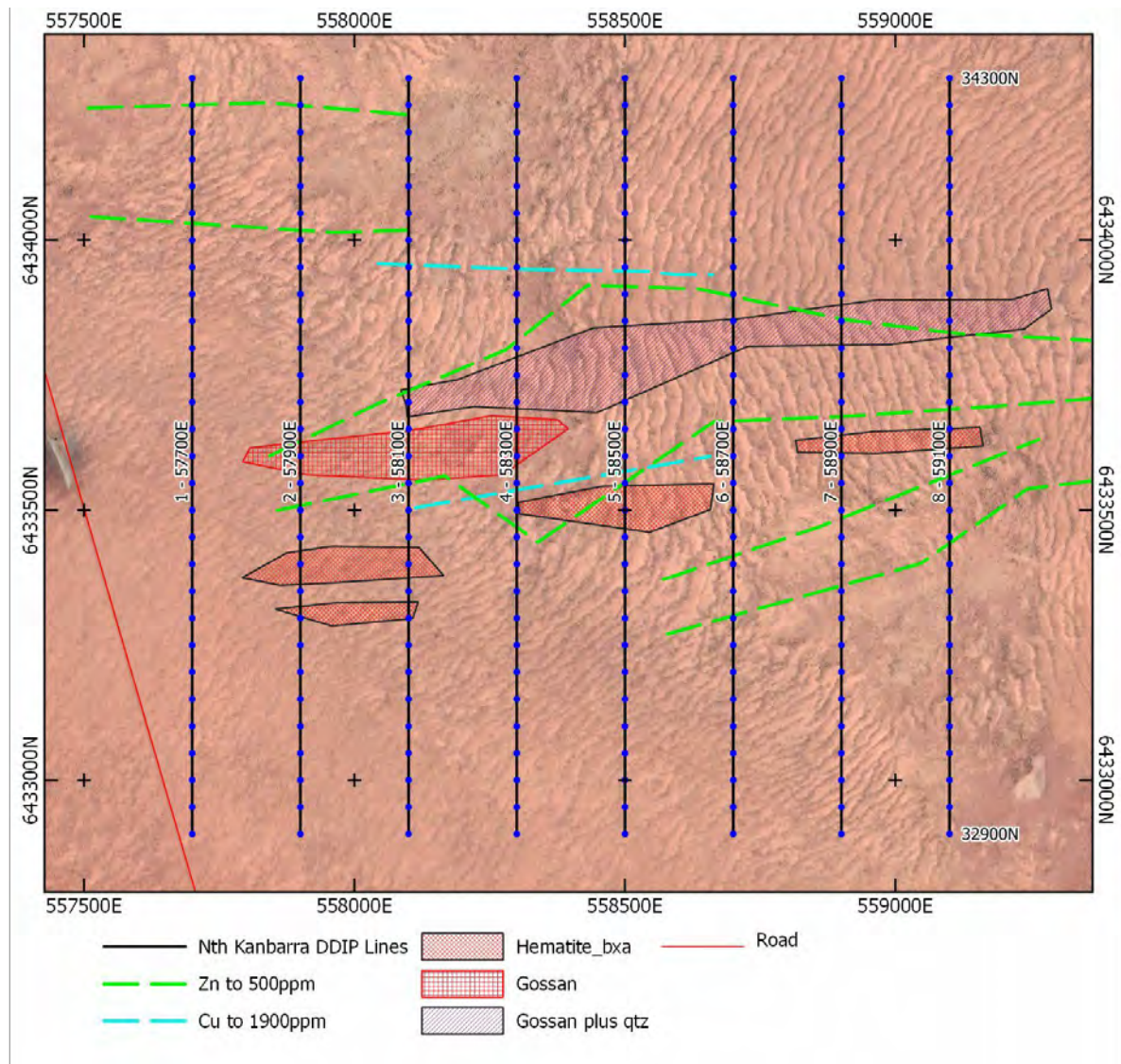


Figure 9: Nth Kanbarra geological/geochemical zone as defined by Eaglehawk 2009 drilling

The IP resistivity models suggest there is a conductive surface layer of up to 50 m thickness over most of the Nth Kanbarra area. Below this layer the basement is resistive.

The IP chargeability model defines two chargeable sources which have been resolved into well-defined chargeable zones by inversion modelling (**Figure 10**). The strongest source is centred around 558325E 6433600N with its core at a depth of around 160 m. It is oriented roughly EW with a strike length of around 500 m, a width of around 100 m and the 3D inversion model indicates it has significant depth extent. The second source is to the east at 558940E 6433450N and shallower at 140 m depth. This source is also smaller being around 150 m x 80 m in size, and with limited depth extent. Both sources appear to be located along an EW structure.

The Company is proposing to first drill test the larger anomaly shown in red and depending on the results to later drill test the lower tenor anomaly to the south east. 1,200 m drilling is planned with the initial drill holes designed to intersect the main zone at -150 m and -250 m below the surface.

Figure 11 illustrates a cross section of the proposed initial drill holes NK1 and NK2 and how it will test the high chargeability zone at two positions in the chargeability high. Proposed holes NK3 and NK4 will test similar positions in the chargeability high to the west. NK5 will be drilled to test the smaller anomaly to the east.

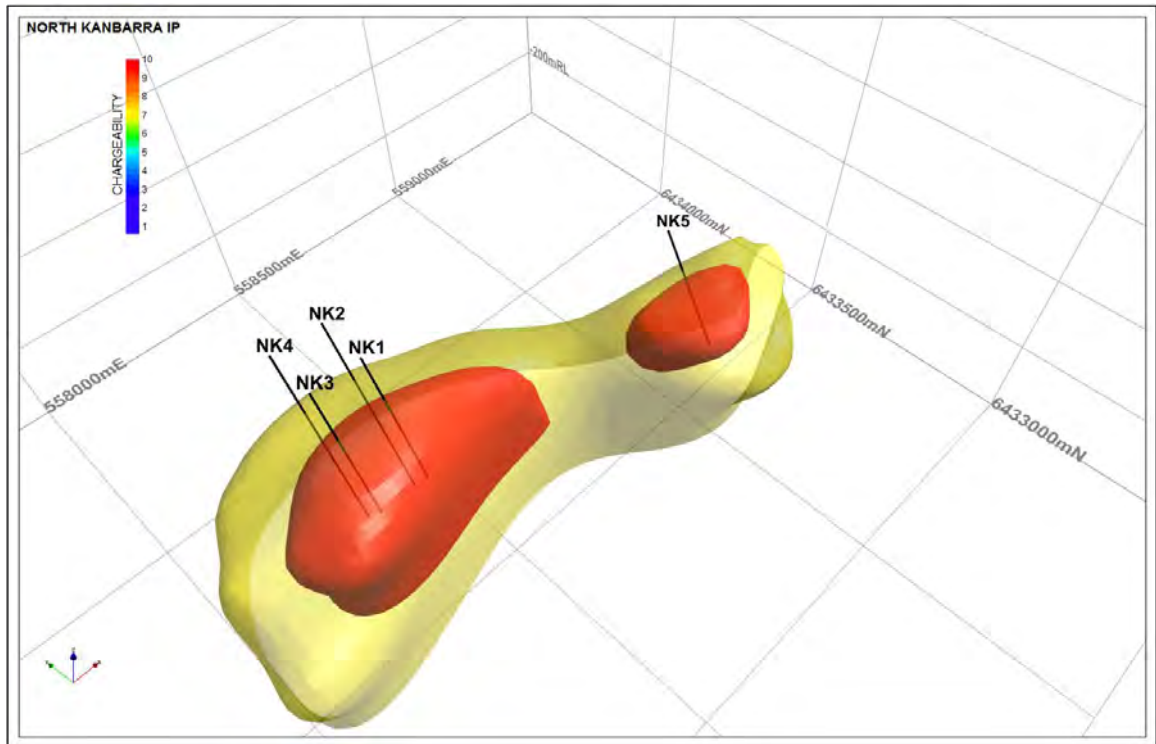


Figure 10: Nth Kanbarra IP 3D chargeability model showing proposed drill holes NK1 to NK5.

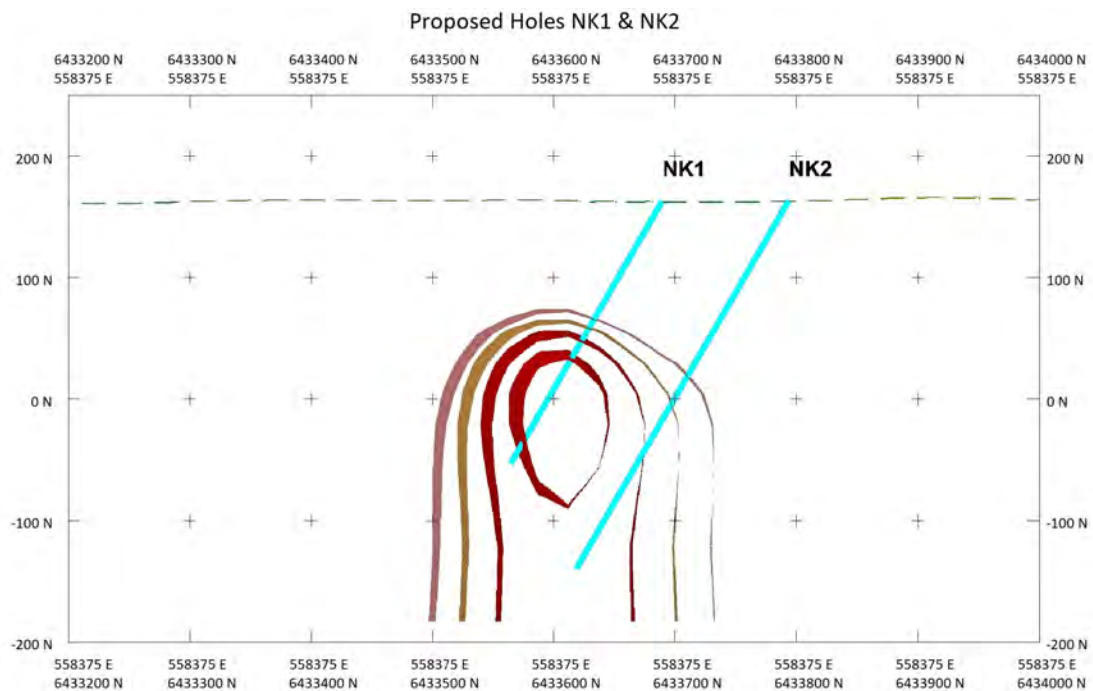


Figure 11: Proposed drill holes PH1(NK1 and NK2) at Nth Kanbarra (light blue). Shells are high chargeability from 10 mV/V to 14 mV/V. Coordinates are GDA94/MGA54.

In October 2020, the Company has applied with the DPI for approval of the drill holes at the selected sites at Nth Kanbarra and has invited drillers to tender for the program planned for late November 2020.

Long Tank and Sampson's Dam Prospects

The Long Tank prospect (**Figure 12**) comprises several banded chert units with up to 2% disseminated pyrite extending over several hundred meters. The pyritic cherts form linear low ridges. Rock sampling along the ridges produced results not encouraging for gold and base metal with a small area of elevated Zn in the SE of the prospect. This area may be further assessed at a later time.

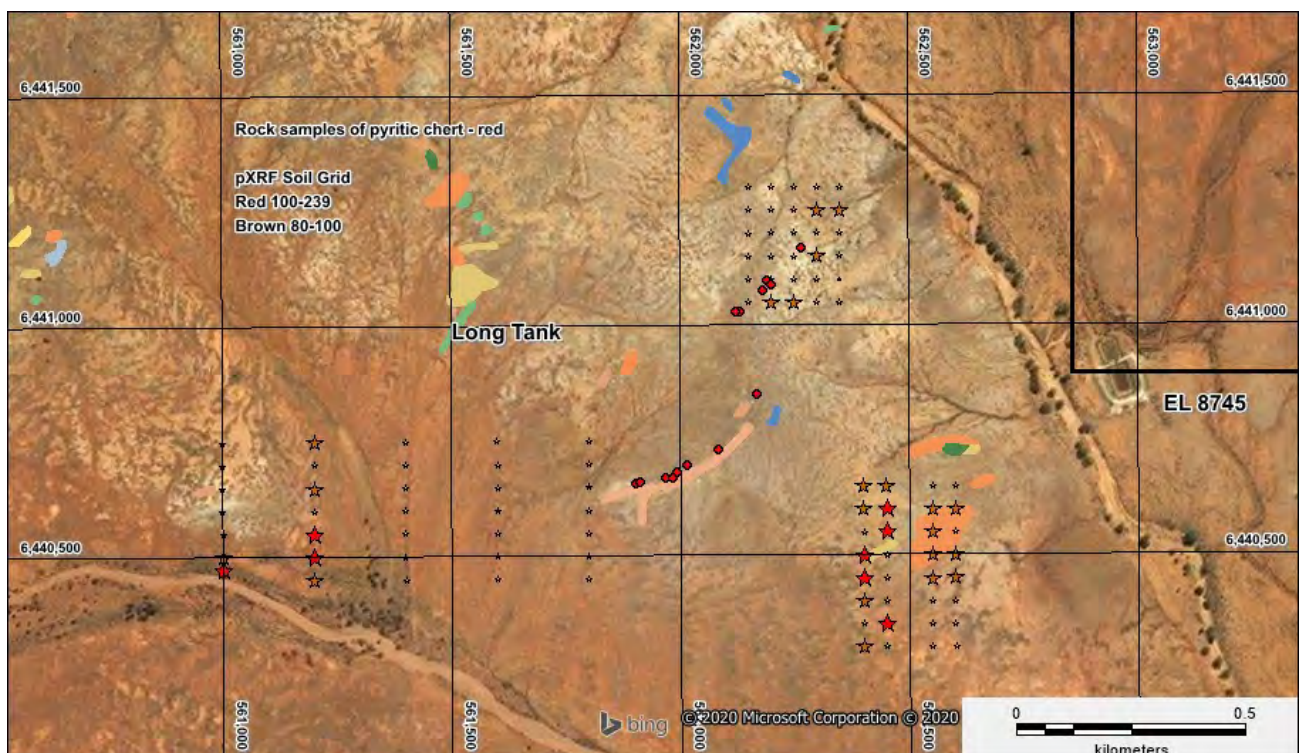


Figure 12: Long Tank Prospect showing the Zn in soil results and rock sample

The sampling of the Sampson's Dam area was also not encouraging for further exploration with only very narrow gossanous zones located and low base metal geochemistry.

EL 8746

Field based exploration work at EL 8746 since the tenement was granted showed no signs of base metal mineralisation or associated alteration. The Company decided that no further funds be spent in that EL and to relinquish it. EL 8746 was cancelled by NSW DPI on 15 September 2020.

NSW: BRUNGLE CREEK COBALT AND BASE METALS EXPLORATION AREA

EL 8954 near Tumut in NSW – 100% interest

Cobalt and Base Metals Exploration

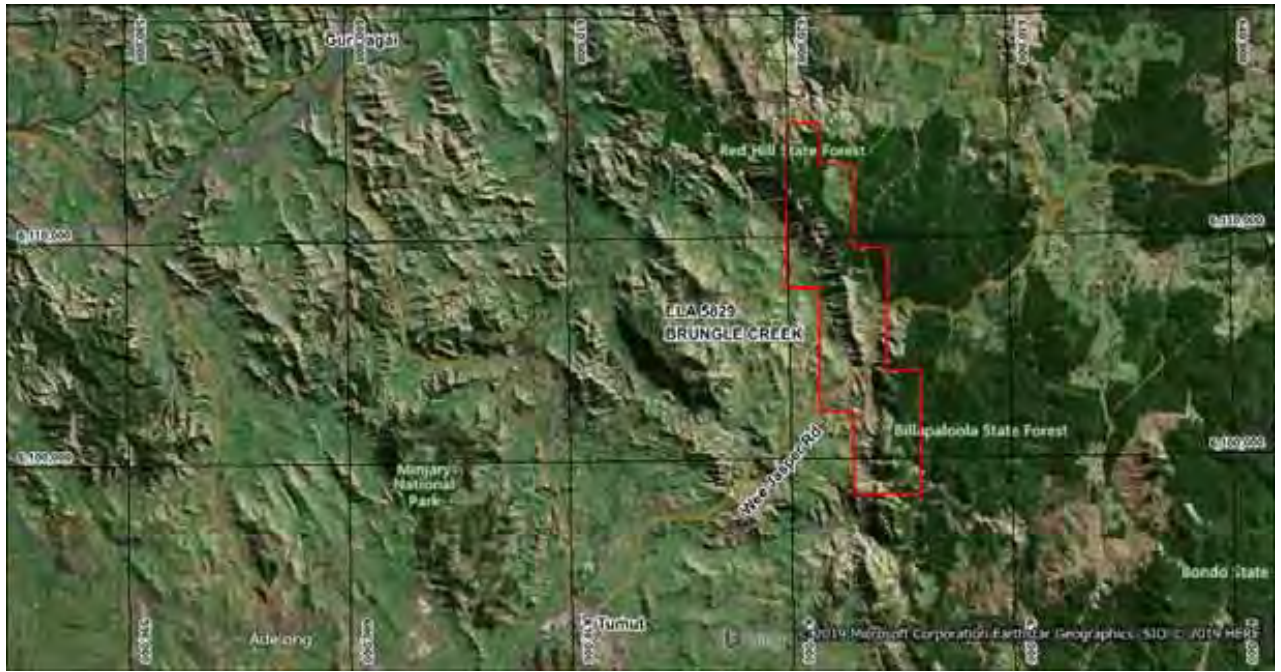


Figure 13: Brungle Creek location map

The tenement is located 15 km north east of Tumut in the south and 15 km east of Gundagai in the north with the tenement following the serpentine ridge of the Honeysuckle Range, as shown in **Figure 13**.

Regionally the tenement lies along the boundary of the Forbes Anticlinorial zone in the east and the Bogan Gate Synclinorial zone to the west. The Mooney Mooney thrust system separates the two tectonic provinces. The Cambrian to Ordovician Jindalee Beds occur in two north-south trending belts near the eastern margin of the Bogan Gate Synclinorial Zone. These beds comprise sediments and volcanics formed at the converging plate margin of a continental slope and ocean basin and merged in a trench to form a flysch wedge.

The Silurian-Devonian Blowering beds are separated by a ridge of basement Jindalee beds and consist mainly of acid volcanic rocks. Within these units the main serpentinite and talc-carbonate intrusive bodies occur in two trend lines striking roughly north-south along or parallel to the Mooney Mooney Thrust System. These intrusives are part of an ophiolite sequence formed in an orogenic belt.

Within the tenement outcropping units of the Coolac Serpentinite are bounded against the Young Granodiorite rock of the Forbes Anticlinorial Zone to the east. Wehrlite, dunite, clinopyroxene and hornblende bearing gabbros of the North Mooney Complex lie to the west emplaced within largely acid volcanic rocks of the Silurian-Devonian Blowering Beds (**Figure 14**).

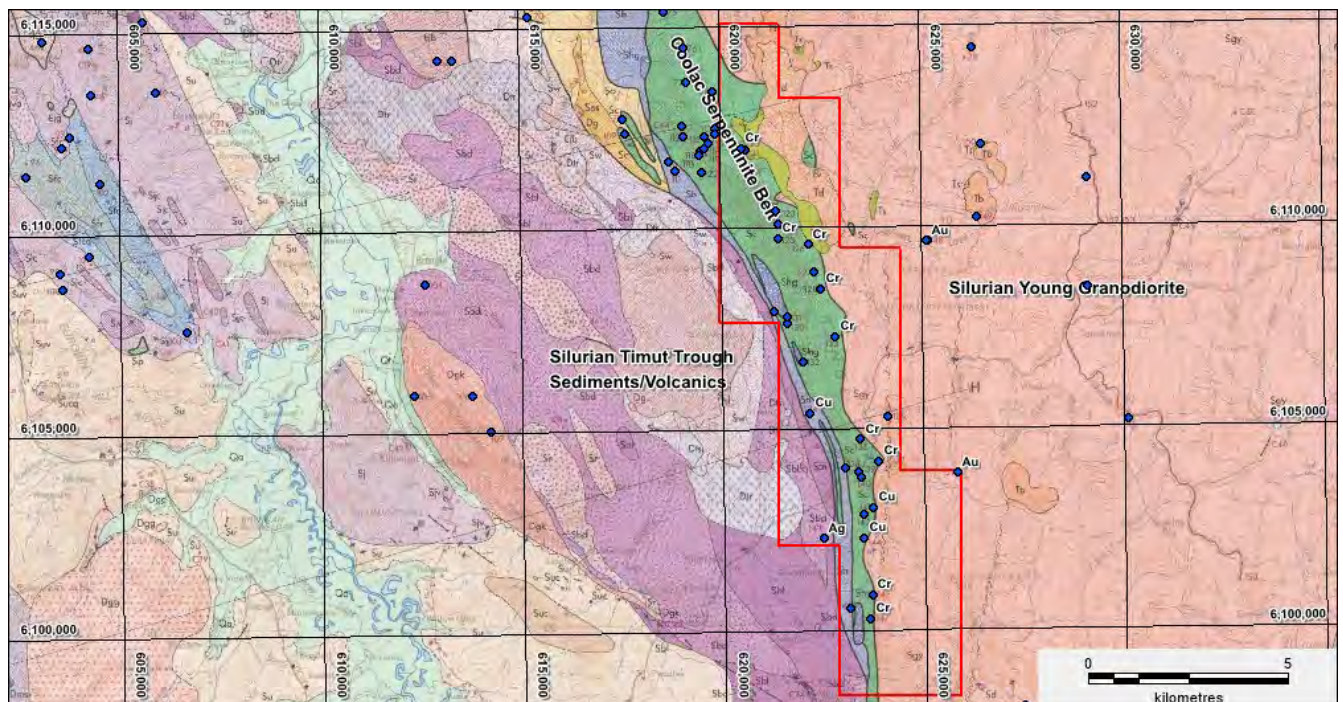


Figure 14: Brungle Creek geology map (1:250K series) showing the extent of the Coolac Serpentinite Belt

The Company has finalised the review of all available historical exploration, has contacted selected landholders for access for field base work and obtained required permit for access to the forest land. A field based exploration work is planned for early November 2020 to generate potential base metal target areas. This work would be followed at a later time by field geochemical sampling traverses across any targets identified and use of the Company's Olympus Vanta pXRF instrument to collect multi-element geochemical readings.

NSW: KOONENBERRY COPPER EXPLORATION AREA

EL 6400 NSW – 100% interest

Copper - Zinc - (Silver) Exploration

This EL covers the Grasmere-Peveril Cu-Zn-(Ag) deposits(**Figure 15**), which contain an indicated and inferred JORC Code 2004 compliant resource of 5.75mt @ 1.03% Cu, 0.35% Zn, 2.3g/t Ag and 0.05g/t Au (Inferred: 2.73 mt grading 0.9% Cu, 0.4% Zn, .04 g/t Au and 2.05 g/t Ag. Indicated: 3.02 mt grading 1.15% copper, 0.3% Zn, 0.06 g/t Au and 2.53 g/t Ag). Information relating to this mineral resource was prepared and first reported in accordance with the JORC Code 2004 in 2006 by the previous owner (see ASX Release on 18 December 2009). It has not been updated since, to comply with the JORC Code 2012, on the basis that the information has not materially changed since it was reported in 2006. Exploration to date has not achieved an increase in that resource.

EL6400 has been renewed for 2 years to April 2021 with 8 sub-blocks. The Company has looked at the option of carrying out field based exploration for slate belt orogenic style gold mineralisation. The next phase of exploration could comprise stream sediment sampling and geological mapping of all drainage basins with a view to defining areas for soil sampling follow up. No field activities have been carried out during the quarter while the Company is assessing the risks and potential return and ranking this project for funds allocation

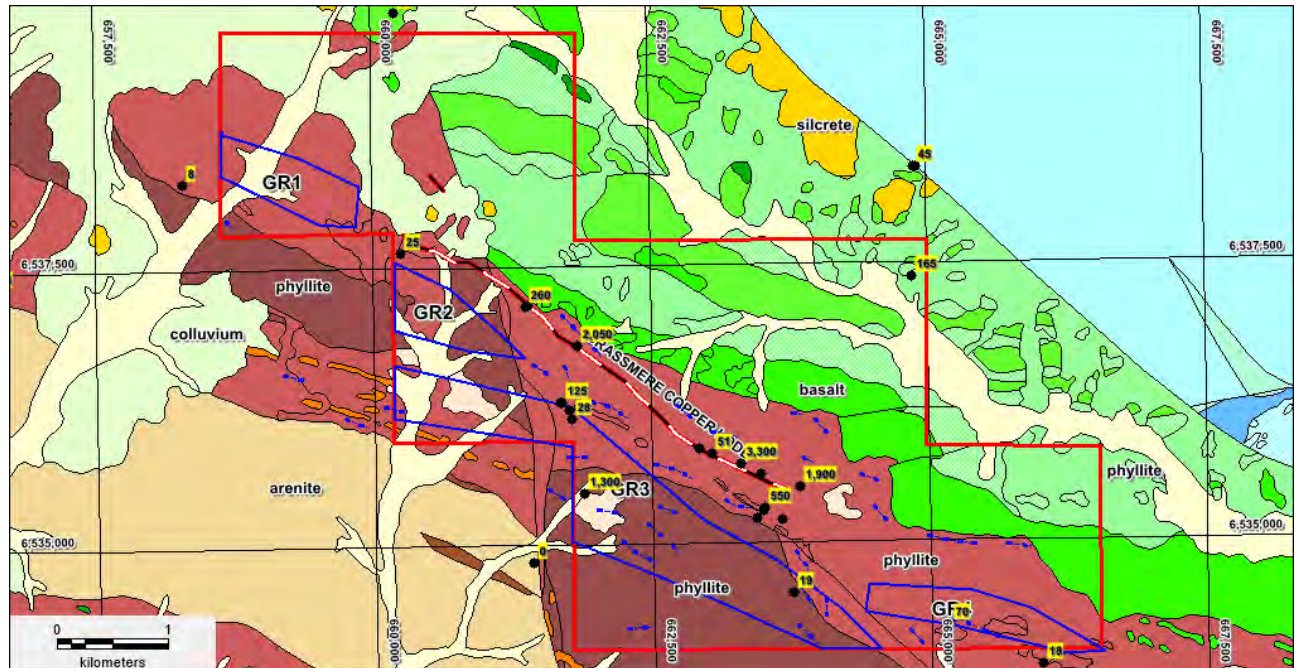


Figure 15: Koonenberry showing phyllites to the south west of the Grassmere copper lode which is to be the focus of the gold exploration program

NSW: POORAKA GOLD EXPLORATION AREA

Pooraka ELs 6413 and 8424 near Cobar – NSW - 100% interest Gold, Silver and Base Metal Exploration

EL 6413, 50 km east of Cobar, contains several gold and base metal target areas gleaned from earlier exploration results. EL6413 has been renewed for 2 years to May 2021 with a reduced size of 3 sub-blocks. EL 8424 has been renewed for 2 years to February 2021 with a reduced size of 4 blocks (**Figure 16**).

No field activities have been carried out during the quarter as the Company is assessing the risks and potential return of the area and ranking the prospect for funds allocation.

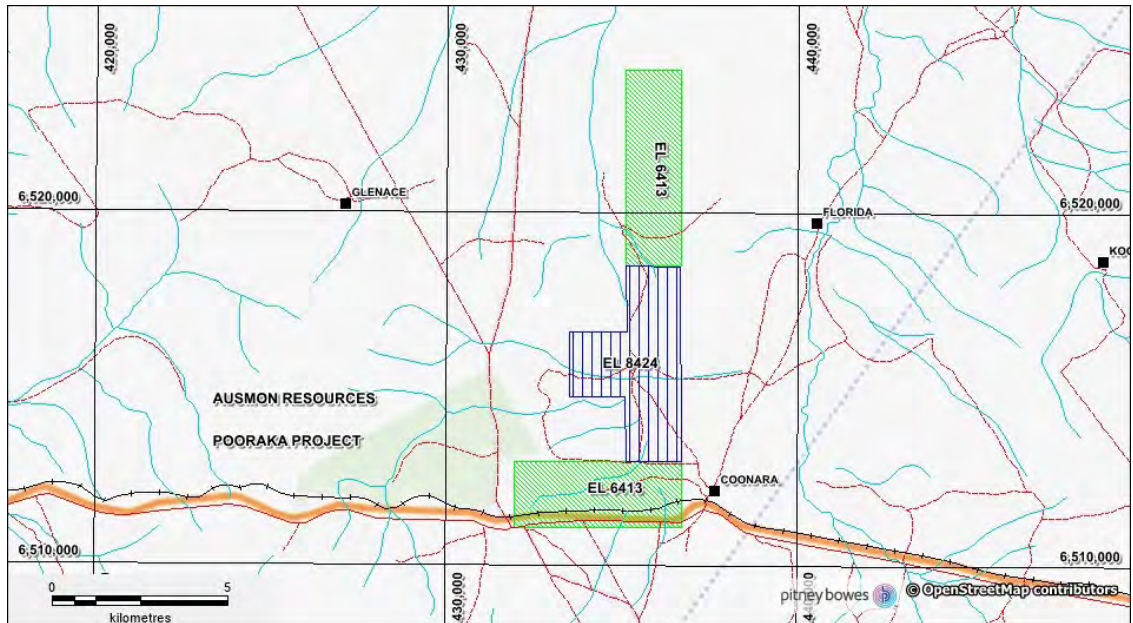


Figure 16:– Location of EL 6413 and EL 8424

LICENCES STATUS

Minerals tenements held as at 30 September 2020 and acquired or disposed of during the quarter and their locations are as follows:

| Tenement | Area Name | Location | Beneficial Interest | Status |
|----------|---------------|----------|---------------------|----------------------------|
| EL 6400 | Koonenberry | NSW | 100% | Expiry on 1 April 2021. |
| EL 6413 | Pooraka 1 | NSW | 100% | Expiry on 17 May 2021. |
| EL 8424 | Pooraka 3 | NSW | 100% | Expiry on 17 February 2021 |
| EL 8745 | Kanbarra | NSW | 100% | Expiry on 15 May 2024 |
| EL 8747 | Stirling Vale | NSW | 100% | Expiry on 24 May 2024 |
| ELA 5829 | Brungle Creek | NSW | 100% | Expiry on 11 March 2026 |

EL 8746 was relinquished and cancelled by the New South Wales DPI on 15 September 2020.

Competent Person Statement

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

This announcement is authorised for release to the market by the Board of Directors of Ausmon Resources Limited

Eric Sam Yue

Director/Company Secretary

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Appendix 5B

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

Name of entity

AUSMON RESOURCES LIMITED

ABN

88 134 358 964

Quarter ended ("current quarter")

30 SEPTEMBER 2020

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) exploration & evaluation | | |
| (b) development | | |
| (c) production | | |
| (d) staff costs | (19) | (19) |
| (e) administration and corporate costs | (19) | (19) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | | |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Government grants and tax incentives | 5 | 5 |
| 1.8 Other (GST, projects) | 2 | 2 |
| 1.9 Net cash from / (used in) operating activities | (31) | (31) |

| | | |
|--|------|------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | | |
| (b) tenements | | |
| (c) property, plant and equipment | | |
| (d) exploration & evaluation | (33) | (33) |
| (e) investments | | |
| (f) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 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 (Security deposit refund) | 10 | 10 |
| 2.6 | Net cash from / (used in) investing activities | (23) | (23) |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 300 | 300 |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | | |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | | |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (provide details if material) | | |
| 3.10 | Net cash from / (used in) financing activities | 300 | 300 |

| | | | |
|-----------|--|------|------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 390 | 390 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (31) | (31) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (23) | (23) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 300 | 300 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 636 | 636 |

| 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 | 324 | 28 |
| 5.2 | Call deposits | 312 | 362 |
| 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) | 636 | 390 |

| 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 | 12 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | 4 |
| <p><i>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.</i></p> <ul style="list-style-type: none"> - Director's management fees and superannuation - Office rent contribution to a related entity of Managing Director John Wang | | |

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 | 350 | - |
| 7.2 | Credit standby arrangements | | |
| 7.3 | Other (please specify) | | |
| 7.4 | Total financing facilities | 350 | - |
| 7.5 | Unused financing facilities available at quarter end | | 350 |
| 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. | | |
| | During the quarter, the Company entered into an agreement with an unrelated party, Fort Capital Pty Ltd, for an unsecured loan facility of \$350,000 at 8% interest per annum available for drawdown until 15 September 2021. | | |

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-----|---|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (31) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (33) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (64) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 636 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | 350 |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 986 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 15.41 |
| | <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| | 8.8.1 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 | |
| | 8.8.2 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 | |

8.8.3 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

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 30 October 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.