

September 2019 Quarterly Activities Report

**Mount Peake FEED process advanced | Optimised delivery strategy and revised financial model completed
Premium iron ore strategy confirmed | Project development team expanded
MMP submitted | EIS nearing completion**

HIGHLIGHTS

MOUNT PEAKE VANADIUM-TITANIUM-IRON PROJECT (NT) (TNG: 100%)

Project Progress, Planning and Development

- The Company optimised its planned execution and delivery strategy for Mount Peake as part of the ongoing Front-End Engineering and Design (“FEED”) study being undertaken by SMS group (“SMS”). The optimised delivery strategy is now based on an initial production rate of 2 million tonnes per annum (“Mtpa”) ore throughput at the Beneficiation Plant.
- FEED work has also confirmed TNG’s premium iron ore strategy for the Project, with the Company targeting production of a high-grade iron oxide product grading over 64% Fe with low impurities, which is expected to command a premium to the 62% Fe benchmark price.
- The Beneficiation Plant flowsheet was finalised by Como Engineers during the quarter, with the design being overseen by SMS. The Beneficiation Plant has been designed with a focus on sustainability and automation, using proven technologies to ensure magnetite concentrate production and quality targets are achieved to deliver a consistent feedstock to the TIVAN® Processing Plant in Darwin within accepted tolerances.
- A short diamond drilling program was completed at Mount Peake to deliver samples for pre-development engineering and optimisation work as part of the ongoing FEED study.
- A consignment of magnetite concentrate, produced from ore composite samples generated from the Reverse Circulation drilling program completed in April, was delivered to SMS in Germany in July for equipment selection testwork, which is progressing.
- Three highly qualified resource industry professionals, Dan Foo, Terry Stark and Graeme Stephen, were appointed to oversee project delivery, mining activities and the titanium dioxide pigment business respectively for the Mount Peake Project.

Project Permitting

- The Mining Management Plan (“MMP”) for the Mount Peake Mine Site was submitted to the Department of Primary Industry and Resources of the Northern Territory Government just after the end of the quarter.
- The Environmental Impact Statement (“EIS”) for the Darwin TIVAN® Processing Plant continued to progress with final reports being compiled by TNG’s principal environmental consultant, Animal Plant Mineral Pty Ltd (“APM”).

Project Financing

- Germany’s KfW IPEX-Bank (“KfW”), the Company’s exclusive senior debt advisor and arranger for project debt financing, continued to work closely with TNG and SMS to refine and optimise the Project financial model, with the aim of achieving an improved debt/equity structure that is tailored to match the robust economics of the Mount Peake Project.
- The Company continued evaluating potential interest for a dual listing on the London Stock Exchange.
- Discussions were also held with other institutions and equity funds in Europe and Asia.

CORPORATE

- The Company completed a fully underwritten pro rata non-renounceable rights issue, issuing a total of 53,550,797 new shares at a price of \$0.093 per share, raising approximately \$5 million.
- The Company’s cash position was \$20.8 million as at 30 September 2019.

MOUNT PEAKE VANADIUM-TITANIUM-IRON PROJECT (TNG: 100%)

PROJECT SUMMARY AND DETAILS

The Mount Peake Project is a potential world-scale strategic metals project located 235km north-west of Alice Springs in the Northern Territory, close to existing key power and transport infrastructure corridors including the Alice Springs-Darwin Railway and the Stuart Highway. With a JORC Measured, Indicated and Inferred Resource totalling 160 million tonnes (118 million tonnes Measured, 20 million tonnes Indicated, 22 million tonnes Inferred) grading 0.28% V₂O₅, 5.3% TiO₂ and 23% Fe (refer to Appendix A of this report for a full statement of the Mineral Resource), Mount Peake is one of the largest undeveloped vanadium-titanium-iron projects in the world.

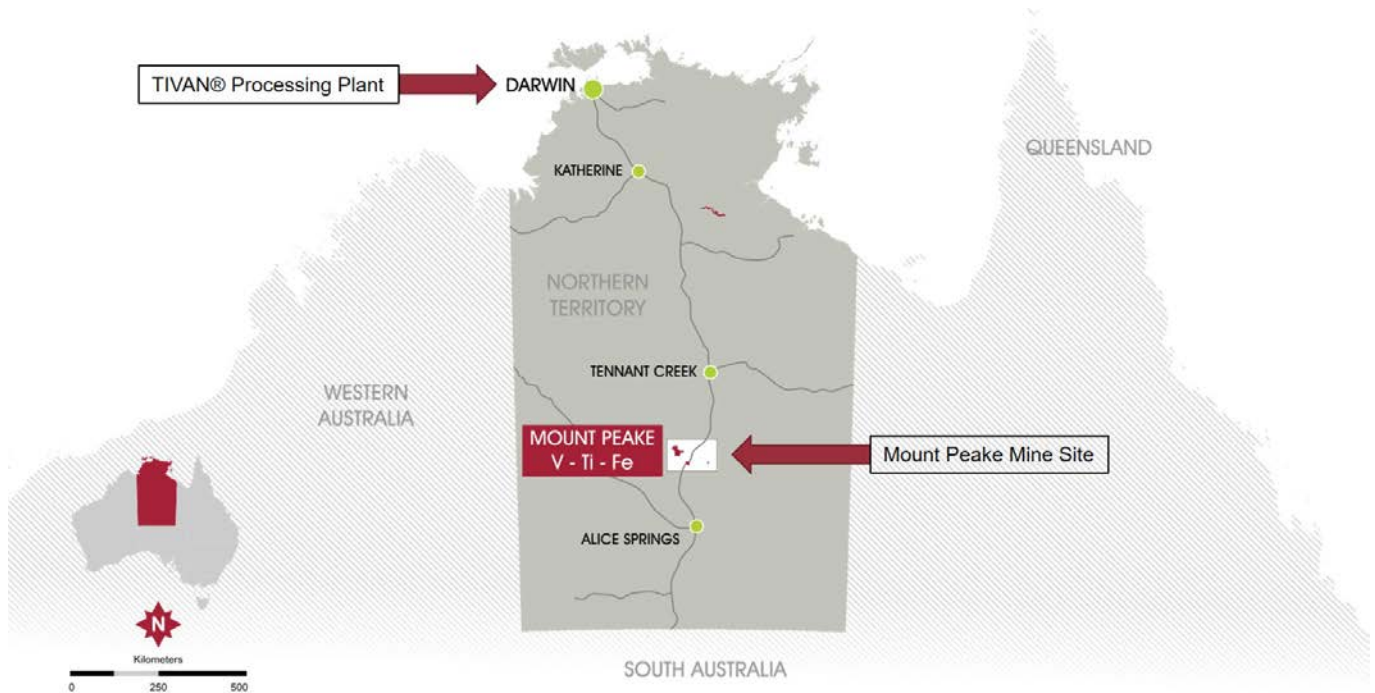


Figure 1. Mount Peake Project Location Plan in the Northern Territory

Mount Peake Project Progress, Planning and Development

Optimised Delivery Strategy

As part of the Company's continued focus on reducing pre-production capital expenditure ("CAPEX") for the Project, and after considering and benchmarking various alternative scenarios, a development strategy based on an initial production rate of 2Mtpa ore throughput at the Beneficiation Plant – corresponding to 100,000tpa of TiO₂ pigment – has been selected by TNG and its advisors.

This follows a detailed financial analysis of the revised mining schedule completed by Snowden Mining Industry Consultants ("Snowden") (see ASX Announcement dated 11 September 2019).

The revised mining strategy established that a focus on two higher-grade vanadium pits within the Mount Peake Resource could result in a reduced ore mining and processing rate while delivering an equally well suited magnetite concentrate stream to the planned Darwin-based TIVAN® Processing Facility (see Figure 2).

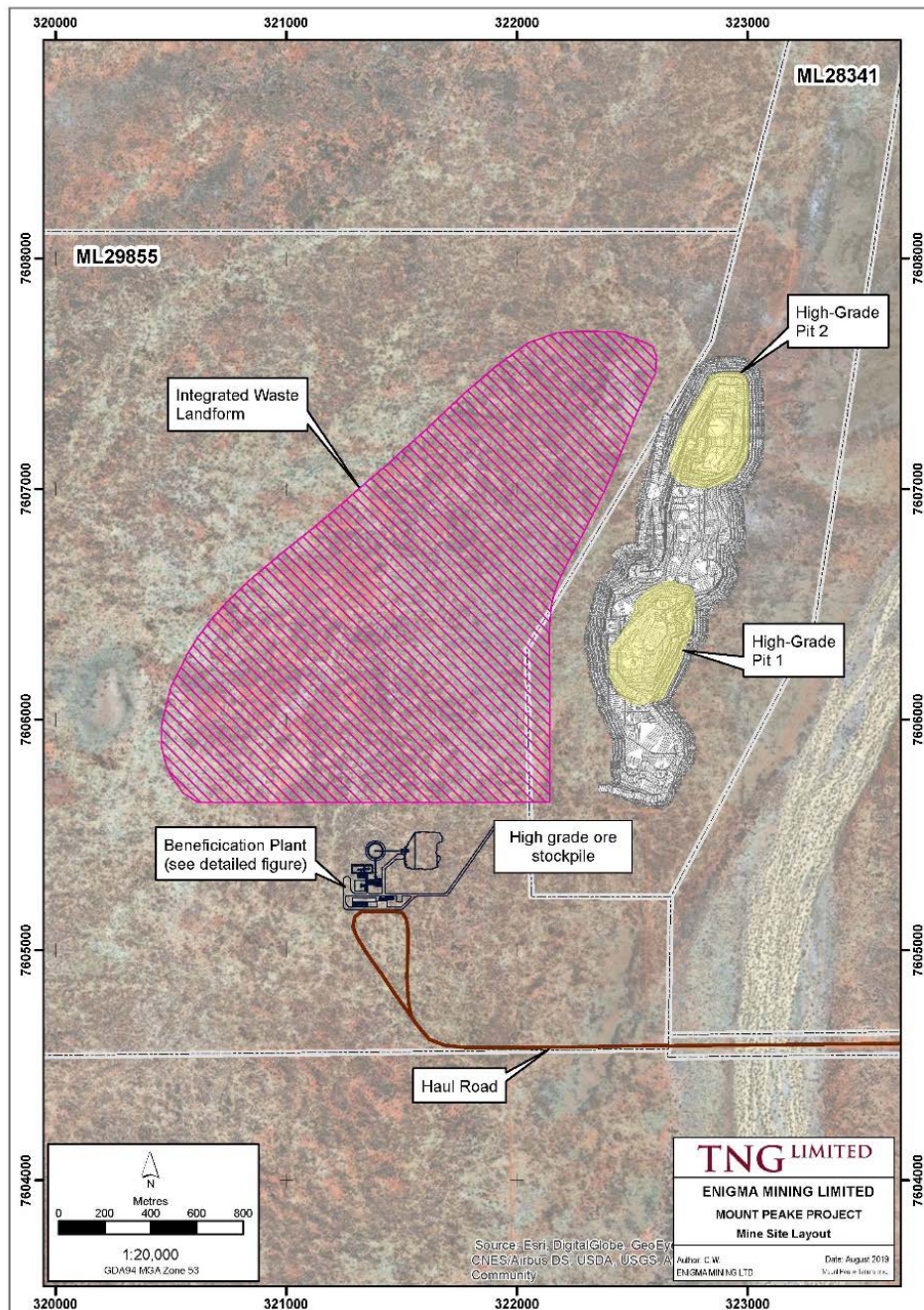


Figure 2: Proposed Mount Peake Project mine site layout including two higher-grade vanadium pits

Previous feasibility studies were based on a 3Mtpa run-of-mine (“ROM”) production capacity during an initial production stage with capacity increasing to 6Mtpa ROM by expanding the plant after four years of operations.

Discussions with TNG’s delivery team, SMS and the Company’s mandated debt financier, KfW IPEX-Bank (“KfW”), have confirmed that simplifying the Project towards a one-stage build, while minimising capacity and CAPEX, is most amenable to the targeted debt/equity structure for the Project.

At a reduced mining rate, the Project’s expected initial CAPEX and operating expenditure (“OPEX”) will also be reduced, while the mine life of the operation will be extended to 37 years. At a later date, after financial completion of construction and operation of the 2Mtpa plant, TNG may consider the option to make a commercial decision to commence an expansion of production capacity.

The Feasibility Study financial model (see ASX announcement dated 20 November 2017) has also been reviewed based on this new information and the results have confirmed that, with the reduced ore mining and processing rates achieved under the optimised delivery strategy, there is potential to deliver savings and reduce the initial overall development CAPEX.

Based on the Company's updated assumptions, the Project's net cash flow is expected to increase by A\$0.5 billion over the life of the mine with the potential for a reduction in pre-production CAPEX of approximately 15%.

However, given the scale and complexity of the Project, the Company considers it prudent to absorb these reductions into additional CAPEX contingency allocations. The resulting updated CAPEX estimate is now A\$824 million, which corresponds to a reduction of A\$29 million from the previous indicative CAPEX of A\$853 million.

A summary of the revised financial outcomes under the single-stage optimised 2Mtpa strategy is provided in Table 1 below:

Table 1: Interim financial analysis of the Mount Peake Project as at August 2019*

	Interim Financial Model August 2019 ¹
Pre-production CAPEX (Stage 1 infrastructure, mine site, Beneficiation Plant, Processing Plant)	A\$824 million
Pre-tax IRR	33%
Pre-tax NPV_{8%}	A\$2.8 billion
Processing life	37 years
Pre-tax net annual average cash-flow	A\$359 million
Life-of-mine net cash-flow	A\$12.2 billion
Total Operating costs²	A\$210/tonne of ore processed
Payback	2.8 years

¹Updated assumptions include long-term A\$/US\$ exchange rate of 0.70; updated long-term price assumptions of US\$25,400/tonne for V₂O₅ (US\$11.50/lb), US\$3,600.00/t TiO₂ pigment and US\$102.00/tonne for high grade Fe₂O₃.

²Includes lease repayments

*Note: All prices and outcomes are indicative only while the FEED process is progressing and the update is an interim financial study, not final.

While the figures in the table above are lower than the previously calculated scenarios with higher production capacity or a two-stage development strategy, the Company expects the reduction in CAPEX to significantly increase the probability of being able to close out project finance on terms that will minimise dilution and maximise value capture for existing shareholders.

Premium Iron Ore Strategy

Technical due diligence undertaken during the FEED process – including evaluation of a number of processing variables and market conditions – has confirmed TNG's iron oxide product strategy and the technical and commercial merit of targeting of a high-grade Fe content product grading over 64% Fe with low impurities, which is expected to command a premium to the 62% Fe benchmark price.

The final product route, including a decision on the production of fines or pellets, will be confirmed during the FEED study.

Mount Peake Beneficiation Plant

During the quarter, the mine site Beneficiation Plant flowsheet (see Figure 3) was finalised by Como Engineers with the design being overseen by SMS group. The Beneficiation Plant will produce a consistent high-quality magnetite concentrate using conventional technology based on extensive metallurgical testing. The current design involves:

- Crushing;
- Grinding and classification;
- Magnetic separation;
- Dewatering of magnetite concentrate; and
- Dewatering of tailings.

The magnetite concentrate proposed to be produced by the Beneficiation Plant will be treated through the planned TIVAN® Processing Facility in Darwin (see Figure 1). The first stage of the process requires pre-treatment of the magnetite concentrate in preparation for the phase in which iron slurry is then processed to produce high-quality haematite powder.

The specific location of the Beneficiation Plant at the Mount Peake mine site has been selected by TNG in consultation with Como Engineers, Snowden and other key consultants, to ensure that its placement took into consideration all aspects of mining and processing operations in order to optimise project outcomes over the life of mine (see Figure 4). The location decision was supported by the previous sterilisation drilling program conducted in April 2019 (see ASX Announcement dated 4 April 2019).

In addition, tailings dry stacking testwork has been completed and final designs on the IWL are nearing completion, which will ensure that water usage for the production of magnetite concentrate is optimised.

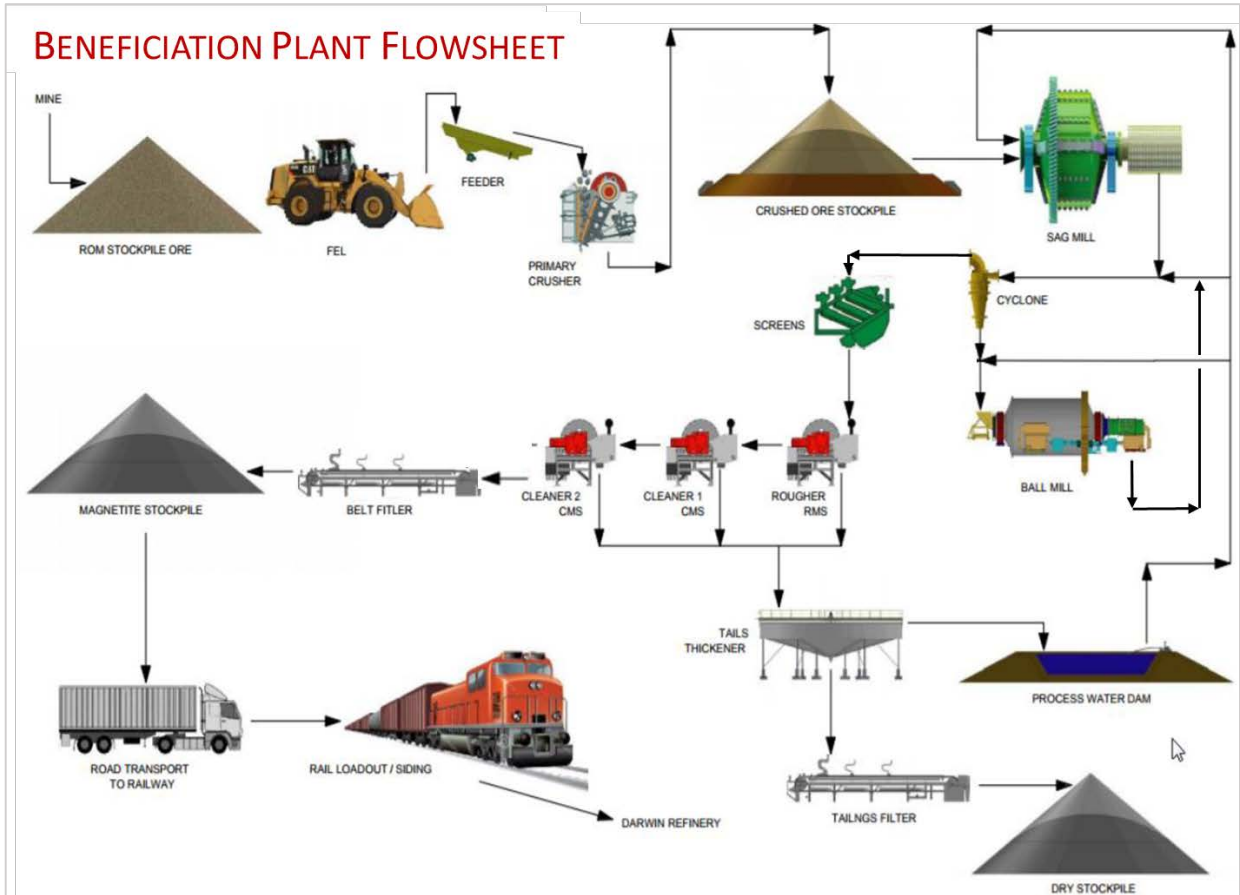


Figure 3: Mount Peake mine site Beneficiation Plant flowsheet

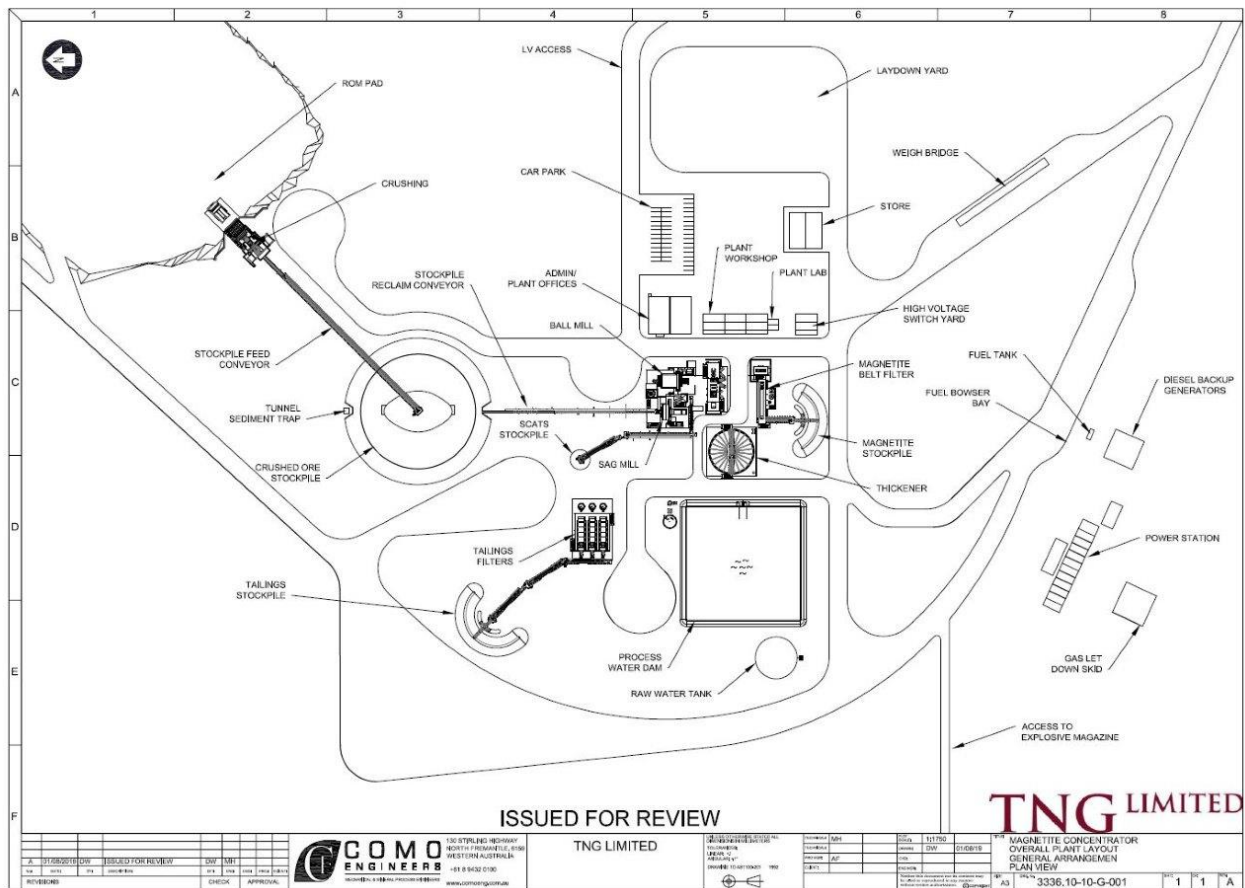


Figure 4: Detailed Beneficiation Plant Design Layout

TIVAN® Processing Facility

During the quarter, SMS group continued to progress the design of the TIVAN® Processing Facility. As part of the FEED study, testwork programs are being undertaken to support the provision of production and product quality guarantees for the Processing Facility by SMS.

Industry-leading German technology provider, Ti-Cons, continued to progress work on the Pigment Plant design for the TIVAN® feedstock and the process to produce a high-quality pigment. The Pigment Plant will be located adjacent to the TIVAN® Processing Facility in Darwin.

Drilling Program

During the quarter, the Company undertook a short diamond drilling program at Mount Peake as part of ongoing pre-development engineering and optimisation work (see ASX Announcement dated 19 August 2019).

The program was designed to deliver samples for analysis to assist with the completion of FEED programs currently in progress, providing information for blastability, material handling testing, variability testwork, acid mine drainage studies and groundwater monitoring.

In total, approximately 900 metres of PQ-sized diamond core were drilled, generating over 500 metres of mineralised core and approximately eight tonnes of ore material.

Product Pricing Development

The **vanadium pentoxide** (98%) price was flat during the September 2019 quarter with an average price of US\$8.45/lb. The price of vanadium pentoxide is now at its current historical average level.

The **titanium dioxide pigment** price has been flat at US\$3,000/t since the end of June 2019. Supply and demand seem to be well balanced, with a slight increase in prices only in the US market (+ 0.7%).

The price for **iron ore (62%) blend fines** averaged US\$100/tonne in the September 2019 quarter. The price fell to US\$85/tonne at the end of August, increasing since September.

Project Permitting

Environmental Impact Study (“EIS”)

The EIS for the TIVAN® Processing Facility in Darwin is being undertaken by TNG’s principal environmental consultant, APM, under the terms of reference received from the Northern Territory Government Environment Protection Authority. Further works have progressed well during the quarter and the final report is being prepared by APM for submission as soon as possible.

Mine Management Plan (“MMP”)

The Company submitted the MMP for the Mount Peake mine site to the Department of Primary Industry and Resources of the Northern Territory Government subsequent to the end of the quarter. The MMP is a requirement following the environmental approvals for the Mount Peake mine site and its primary purpose is to formalise the actions to be taken and strategies to be implemented which, in combination, will manage impacts to the environment to acceptable and sustainable limits over both the short and long-term.

Project Execution and Development Team

During the quarter, the Company continued to expand and strengthen its Execution and Development team with the appointment of three highly experienced resource industry professionals, Dan Foo, Terry Stark and Graeme Stephen.

Engineering and project development executive Dan Foo has been appointed as Project Director to oversee the project delivery schedule, FEED study and overall implementation of the Mount Peake Project. Mr Foo is a qualified mechanical engineer with over 40 years’ experience as a hands-on executive with front-line exposure to major projects in the mining and mineral industry.

Terry Stark has been appointed to the newly-created role of General Manager Mining Operations. Mr Stark brings more than 40 years of broad experience in the mining and civil industries, including both underground and surface mining expertise across multiple operations in Australia.

Highly-regarded titanium dioxide industry specialist Graeme Stephen has joined TNG in the newly-created role of Titanium Process Manager, initially on a consulting basis. Mr Stephen has a very strong background both in Research & Development (especially product and process development) and manufacturing in the titanium dioxide industry, including as site director of three large manufacturing sites.

In addition, during the quarter Paul Kreppold moved to a full-time project role responsible for the delivery of the non-process infrastructure and other associated packages for the Project, integrating with the Project Director's responsibilities.

At the end of September, Tony Arena resigned from his full-time position as General Manager Processing. Mr Arena's expertise was focused on the development and the design of the Beneficiation Plant for the Mount Peak Mine Site and mine plan. This work was completed satisfactorily.

All other process related work is being managed by TNG's in-house process engineers, supported by external consultants METS and SMS Process Technologies.

Project Finance

During the quarter, the Company's exclusive senior debt advisor and arranger, KfW, was involved in discussions with TNG and SMS regarding the Company's revised delivery strategy. KfW confirmed that simplifying the Project towards a one-stage build, while minimising capacity and CAPEX, is most amenable to the targeted debt/equity structure tailored to match the robust economics of the Mount Peake Project.

The Company continues to progress and evaluate a number of different options for equity financing. The final equity requirement will be determined upon completion of the FEED study and confirmation of the level of debt funding available.

During the period, TNG senior representatives met with major financial institutions and equity funds both in Australia and overseas, principally in London, Frankfurt and Singapore.

OTHER PROJECTS

Cause Extended Mine Project: Nickel-Cobalt

(80%: Mesmeric/20%: TNG)

The Company has a 20% free-carried interest in the Cause Extended Mining Lease. No further information was supplied by Mesmeric Enterprises during the reporting period. The Company continues to request updates.

CORPORATE

Capital Raising

In July, the Company announced completion of a fully underwritten non-renounceable rights issue ("Rights Issue") with a total of 53,550,797 new shares issued, raising a total of \$4,980,224.

The Company received applications under the Rights Issue for a total of 24,010,897 new shares, raising \$2,233,013 (at \$0.093 per share), including applications for additional new shares exceeding entitlements.

This represents a take-up rate of approximately 45%, a pleasing result for the Company.

The Rights Issue was fully underwritten by Deutsche Balaton Aktiengesellschaft. Pursuant to the underwriting agreement, Deutsche Balaton applied for and was issued the balance of 29,539,900 shortfall shares at an issue price of \$0.093 per share for an amount totalling \$2,747,210.

Investor and Market Engagement

During the quarter, TNG representatives attended meetings with several investors focused in both debt and equity in Europe and Asia. The Company remains focused on expanding its profile in international markets in order to attract a more global shareholder base, which can improve liquidity and, consequently, support the share price.

Mr Paul Burton, TNG's Managing Director & CEO, was interviewed by the BoardRoom.Media on 12 September 2019 and spoke about the Company's Optimised Delivery Strategy for the Mount Peake Project (see ASX Announcement dated 12 September 2019).

In the December 2019 Quarter, the Company will be conducting investor roadshows in Australia, Europe and the UK, and will also be presenting at the NT Major Projects Conference (29-30 October), the TZMI Congress in Singapore (11-13 November) and the 121 Mining Investment Conference in London (20-21 November).

Dual Listing

During the quarter, the Company progressed discussions with investors and advisors regarding a potential dual listing on the London market.

No decision has been made at this time as to whether TNG will apply for admission to trading on the London Stock Exchange, or whether the Company will seek to raise funds via the issue of new ordinary shares at the time of any such admission.

2019 Annual General Meeting (AGM)

The Company's 2019 AGM will be held at 11:00am (AWST) on Monday, 18 November 2019, at the Subiaco Arts Centre in Western Australia.

Cash and Share Holdings

TNG had total cash reserves of \$ 20.8 million as at 30 September 2019.

TNG holds shares in the following listed entities:

- Peninsula Energy Ltd (ASX: PEN): 90,000 ordinary shares
- Todd River Resources Ltd (ASX: TRT): 7,000,000 ordinary shares

Paul Burton

Managing Director & CEO

14 October 2019

APPENDIX A

Mount Peake Mineral Resources and Ore Reserves

The Mount Peake Mineral Resource estimate set out below (Table 1) was released in an ASX Announcement dated 26 March 2013, "Additional Information on the Mount Peake Resource", and was completed in accordance with the guidelines of the JORC Code (2012). Initial mining and financial assessment work, based on the Mineral Resource, followed (see ASX Announcement dated 15 July 2013).

Table 1 – Mount Peake Mineral Resource estimate

Category	Tonnes (Mt)	V ₂ O ₅ %	TiO ₂ %	Fe%	Al ₂ O ₃ %	SiO ₂ %
Measured	118	0.29	5.5	24	8.2	33
Indicated	20	0.28	5.3	22	9.1	34
Inferred	22	0.22	4.4	19	10.0	38
TOTAL	160	0.28	5.3	23	8.6	34

Note: Mineral Resource is inclusive of Ore Reserves. Tonnage and grade figures in tables have been rounded and small discrepancies in totals may occur. Ore Reserve is reported using a 0.1% V₂O₅ cut-off. TNG is not aware of any new information or data that materially affects the mineral resource estimate included in the ASX Announcement dated 26 March 2013 and all material assumptions and technical parameters underpinning the assessment provided in that announcement continue to apply.

Ore Reserve

The Mount Peake Ore Reserve estimate (Table 2) was reported in an ASX Announcement dated July 31 2015 ("Mount Peake Feasibility Results").

Table 2 – Mount Peake Ore Reserve estimate

Category	Tonnes (Mt)	V ₂ O ₅ %	TiO ₂ %	Fe%
Proven	0	-	-	-
Probable	41.1	0.42	7.99	28.0
TOTAL	41.1	0.42	7.99	28.0

Note: Tonnage and grade figures in tables have been rounded to 2 or 3 significant figures and as a result small discrepancies may occur due to the effect of rounding. Ore Reserve is reported using a 15% Fe cut-off. TNG is not aware of any new information or data that materially affects the Ore Reserve estimate reported in the ASX Announcement dated 31 July 2015 and all material assumptions and technical parameters underpinning the assessment provided in that announcement continue to apply.

Tenement Schedule

The Group holds an interest in the following tenements as at 30 September 2019:

Project	Mineral and ancillary Titles	Holder and TNG Equity
Mount Peake	EL27069, EL27070, EL27941, EL29578, EL30483, EL31389, EL31850, ML28341, ML29855, ML29856, ML30686, AA31105, AA32037	Enigma Mining Limited - 100% (Enigma is a wholly owned subsidiary of TNG Limited)
Cawse Extended	M24/547, M24/548, M24/549, M24/550	TNG 20% free carried to production, or can be converted to a 2% net smelter return on ore mined. Unicorn Pit is now excised and a wet tonne royalty applies.
Kintore East	M16/545	Evolution Mining (Mungarri) Pty Ltd. TNG 2% gold return interest on production.

Competent Person's Statements

The information in this report that relates to the Mount Peake Mineral Resource estimates is extracted from ASX Announcement dated 26 March 2013, (see ASX Announcement – 26 March 2013, “Additional Information on the Mount Peake Resource”, www.tngltd.com.au and www.asx.com.au), and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

The information in this report that relates to the Mount Peake Ore Reserve estimate is extracted from an Announcement dated 31 July 2015, ("Mount Peake Feasibility Results", www.tngltd.com.au and www.asx.com.au), and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Ore Reserve estimate in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

Production Targets and Financial Information

Information in relation to Mount Peake production targets and financial information included in this report is extracted from an ASX Announcement dated 11 September 2019 called “Optimised Delivery Strategy for Mount Peake” available on the Company's website on www.tngltd.com.au. The Company confirms that all material assumptions underpinning the production target and financial information set out in the announcement released on 11 September 2019 continue to apply and have not materially changed.

Forward-Looking Statements

This report has been prepared by TNG Limited. This report is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

This report is for information purposes only. Neither this nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of TNG Limited shares in any jurisdiction. This report does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

To the fullest extent permitted by law, TNG Limited, its officers, employees, agents and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this report. No responsibility for any errors or omissions from this arising out of negligence or otherwise is accepted.

This report may include forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of TNG Limited. Actual values, results or events may be materially different to those expressed or implied.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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

Name of entity

TNG Limited

ABN

12 000 817 023

Quarter ended ("current quarter")

30 September 2019

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) engineering, exploration & evaluation	(3,242)	(3,242)
(b) development		
(c) production		
(d) staff costs	(331)	(331)
(e) administration and corporate costs	(494)	(494)
1.3 Dividends received (see note 3)		
1.4 Interest received	56	56
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other		
1.9 Net cash from / (used in) operating activities	(4,011)	(4,011)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(18)	(18)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets-Leased Asset	(31)	(31)
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets-security deposits		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other – security deposit	(3)	(3)
2.6 Net cash from / (used in) investing activities	(52)	(52)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	4,980	4,980
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(259)	(259)
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	4,721	4,721

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	20,114	20,114
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(4,011)	(4,011)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(52)	(52)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,721	4,721
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	20,772	20,772

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	3,772	12,114
5.2 Call deposits	17,000	8,000
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)	20,772	20,114

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	183
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director fees include salaries and superannuation.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Engineering, exploration and evaluation	4,020
9.2 Development	
9.3 Production	
9.4 Staff costs	314
9.5 Administration and corporate costs	362
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	4,696

Mining exploration entity and oil and gas exploration entity quarterly report

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

Compliance statement

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

Sign here:



Date: 14 October 2019

Print name: Jason Giltay

(Company Secretary)

Notes

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