

## March 2021 Quarterly Activities Report

***Mount Peake FEED study being finalised by SMS group | EIS Supplement submitted | Mount Peake Project awarded Federal Major Project Status | Heads of Agreement for JV with leading VRFB manufacturer | Strong cash position of \$14.9M | Appointment of experienced CFO***

### SUMMARY

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

- SMS Group (“SMS”) has provided the key deliverables of the Front-End Loading (“FEL”)-3 for the Darwin TIVAN® Processing Facility (“DPF”), under the Front-End Engineering and Design (“FEED”) agreement.
- Ongoing COVID-19 restrictions and lockdowns in Germany and Austria, as well as travel bans imposed by the Australian Government, have impacted certain testwork-based deliverables of FEL-3 for the DPF.
- FEL-3 for the Beneficiation Plant for the Mount Peake mine site has been completed and delivered by SMS, and reviewed in detail by TNG’s technical team.
- The execution plan for the Beneficiation Plant is being finalised, allowing TNG and SMS to complete the commercial process for delivery of firm contract pricing.
- TNG and SMS will now develop an enhanced final project execution model to optimise capital expenditure for the Mount Peake Project.
- Mount Peake Project awarded Major Project Status by the Australian Federal Government, in recognition of its strategic significance to Australia in growing and diversifying the nation’s critical mineral resources and contributing to the economic development of the Northern Territory.
- Supplement to the Draft Environmental Impact Statement (“EIS”) for the DPF submitted to the Northern Territory Environment Protection Authority.
- The EIS Supplement was available for public review between 26 March 2021 and 19 April 2021.
- Coordination on final approvals and tenure now progressing directly with the Northern Territory Government Chief Minister’s Department.
- Heads of Agreement signed with Singaporean-based company V-Flow Tech for the establishment of a joint venture to commercialise Vanadium Redox Flow Battery (“VRFB”) systems in regional Australia.

#### ***CORPORATE***

- \$3.7 million raised via successful placement of the shortfall from TNG’s non-renounceable pro rata entitlement issue, which closed in November 2019.
- \$5.14 million received as a refundable tax offset under the Federal Government’s Research and Development (“R&D”) tax incentive scheme for eligible R&D activities undertaken during the 2019/2020 financial year.
- Jonathan Fisher, a former senior executive with Tellus Holdings, Atlas Iron and Atlantic, joined TNG as Chief Financial Officer (“CFO”) to spearhead project financing for the Mount Peake Project.
- The Company’s cash position at 31 March 2021 was \$14.9 million.

## COVID-19

The Company's project management team and other staff continue to work under standard working hours and arrangements, with provision for flexible or restricted working arrangements when required.

All necessary health and safety precautions continue to be adhered to.

The Company is closely monitoring the COVID-19 situation in Australia and internationally, including restrictions implemented recently by governments around the world, mainly in Germany and Austria, and for any potential impacts on the Project.

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

### Project Summary and Details

Mount Peake is one of the largest undeveloped vanadium-titanium-iron projects in the world and one of the most advanced currently at the pre-development stage (refer to Appendix A of this report for a full statement of the Mount Peake Mineral Resource).

### Mount Peake Project Progress, Planning and Development

#### Front-End Engineering and Design Study

During the quarter, the majority of the FEED study for both the Beneficiation Plant and the TIVAN® Processing Facility was completed by SMS group and is now under review by TNG's Project Team.

The Front-End Loading Phase 3 (FEL-3) report for the Beneficiation Plant has been completed and delivered by SMS, and has been technically reviewed by TNG. The Beneficiation Plant was designed by Como Engineers to process up to 2.1Mtpa of titanomagnetite ore, with the aim of producing up to 0.7Mtpa of vanadium- and titanium-bearing magnetite concentrate for further processing at the Darwin Processing Facility (DPF)<sup>1</sup>.

An indicative capital cost estimate has been provided as part of the FEL-3 phase of approximately \$146M<sup>2</sup> (+/- 10%), including all direct and indirect costs.

Execution planning for the Beneficiation Plant is now being finalised in support of the commercial tender process ahead of securing contracts for plant delivery.

During the quarter, SMS provided the majority of the FEL-3 deliverables and associated documentation and design for process-related scopes of the DPF to TNG, which is now being reviewed by the Company's technical team.

SMS has advised that, due to the recent escalation of COVID-19 restrictions in Europe, delay in the finalisation of validation testwork at the SMS laboratories in Austria has impacted some deliverables for the completion of the FEED study by the agreed date. SMS will provide the final FEED study report for TNG's technical review once validation testwork is completed.

Following receipt and review of the final complete FEL-3 report for the DPF, the full commercial phase will then be executed in support of formal proposals for the delivery of the Beneficiation Plant and the DPF.

In parallel, TNG and SMS will engage in an optimisation of the Project execution model, the Project sourcing strategy and the final delivery scopes among potential contractors, as well as any value engineering works to explore cost saving options identified by TNG during review of the FEL-3 reports.

#### Non-Process Infrastructure ("NPI")

In parallel with the FEED study, the Company is now planning execution of the commercial phases for the NPI works, having previously completed pre-qualification tendering and short-listing of proponents for delivery of the NPI required at both the DPF and the Mount Peake mine site. This includes haul roads, bore fields, accommodation camp, logistics infrastructure, communications, mining operations and power supply.

This will be included into the overall Project Execution Plan ("PEP").

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<sup>1</sup> Refer to ASX Announcement dated 11 September 2019 called "Optimised Delivery Strategy for Mount Peake".

<sup>2</sup> The FEL-3 capital cost estimate is indicative only and remains subject to completion of a formal tender process for delivery of firm contract pricing. The contingency applied to all capital items varies between 5 and 17%, with an average of 13.6% of final determined costs.

## Australian Federal Government

During the quarter, the Minister for Industry, Science and Technology, the Honourable Karen Andrews MP, awarded Federal Major Project Status to the Mount Peake Project.

The grant of Federal Major Project Status by the Australian Government recognises the strategic significance of the Mount Peake Project to Australia, as it is expected to grow and diversify Australia's critical mineral resources and contribute to the economic development of the Northern Territory.

## Northern Territory Government

### Land Site – Darwin TIVAN® Processing Facility

During the quarter, TNG advanced discussions and negotiations directly with representatives of the Northern Territory Government ("NTG") Department of the Chief Minister and Cabinet ("CM&C") for execution of the Crown Lease terms over the proposed Darwin TIVAN® Processing Facility site, as well as an agreement to set out the objectives and commitments from both the Company and Government to assist with the successful delivery of the Project.

The involvement of the CM&C strengthens the approach being adopted by the NTG in progressing the final approvals and assistance for the Project.

## Project Permitting

### Darwin TIVAN® Processing Facility Environmental Impact Statement

On 1 February, the Company submitted the Supplement to its Draft EIS for the Darwin TIVAN® Processing Facility to the Northern Territory Environmental Protection Authority ("NT EPA").

The Company submitted the Draft EIS in late 2019. Following a detailed review by the NT EPA and receipt of public submissions and comments from NTG agencies, the Company subsequently received a "Direction to Prepare a Supplement to the Draft EIS".

Following the submission, the EIS Supplement was available for public review from 26 March to 19 April 2021.

In accordance with the Environmental Impact Assessment ("EIA") and Approval Timelines<sup>3</sup>, the NT EPA will now have 45 business days to prepare an assessment report, draft the environmental approval and seek comments from proponent and statutory decision makers. Then, the EIA will be submitted to the Minister's Decision, which will take up to 30 business days.

## Project Finance

### Bank Finance

The Company has advanced discussions with its appointed global financial adviser, KPMG Corporate Finance ("KPMG CF"), and its mandated lead debt arranger KfW IPEX-Bank ("KfW") regarding the proposed financing structure and supporting due diligence requirements as it approaches completion of the FEED Study.

TNG has also progressed discussions with representatives of the Northern Australia Infrastructure Facility ("NAIF") on its funding assessment process following submission of the Company's funding application.

The Company's corporate finance team, with assistance from KPMG CF, continues to evaluate alternatives for equity financing.

### Investor and Market Engagement

During the quarter, TNG representatives continued to engage with several investors focused on both debt and equity in Australia, Europe and Asia in order to expand the Company's profile in domestic and international markets. Due to COVID-19 travel restrictions, all meetings were held virtually.

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<sup>3</sup> Refer to the NT EPA's [flowchart of the environmental impact assessment process](#).

## TNG Alternative Energy Strategy

### Vanadium Redox Flow Battery Business

Subsequent to the end of the quarter, TNG made further significant progress towards delivering its green energy strategy with the execution of Heads of Agreement (“HoA”) for an incorporated joint venture with leading Singaporean-based battery technology development company, V-Flow Tech Pte Ltd.

Under the HoA, the parties intend to establish a formal joint venture arrangement through incorporation of a new company to jointly develop and roll-out a VRFB business targeting initial applications at remote regional sites in Australia with a fully integrated renewable energy supply and VRFB storage solution.

### Hydrogen Technology Development

During the quarter, the preliminary testwork on the process, which is targeting production of green hydrogen from various renewable, secondary or fossil hydrocarbon sources by means of plasma pyrolysis, was completed by SMS and its technical associates.

The testwork results are positive and are now being reviewed by SMS in the context of the optimisation process for the TIVAN® Process flowsheet. However, SMS has advised that due to COVID-19 restrictions currently in place in Germany and Austria, there may be delays in the finalisation of the review and subsequent confirmation of a full technical scope and development program.

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## OTHER PROJECTS

### Kulgera Project (EL – 100% TNG)

The Company has Exploration Licences in place for the Kulgera Project, a 1,231km<sup>2</sup> vanadium and titanium exploration project located along the South Australian border in the Northern Territory.

A sampling and testwork program is planned for the coming months, focused on defining sources of concentrate that could be treated using TNG’s TIVAN® Process.

### Moonlight Project (EL – 100% TNG)

Subsequent to the end of the quarter, the Company has been granted an Exploration Licence for the vanadium exploration project at Moonlight, located 80km west of Daly Waters in the central Northern Territory. A fieldwork program is planned in the coming months to assess the potential of the area.

### 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 information was supplied by Mesmeric Enterprises during the reporting period. The Company continues to request an update.

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## CORPORATE

### Entitlement Issue Shortfall

On 29 January 2021, the Company completed the placement of the shortfall from its 1-for-9 non-renounceable pro rata entitlement issue (“Entitlement Issue”), which closed in November 2020, via Sanlam Private Wealth to raise \$3.73 million, taking the total amount raised under the Entitlement Issue to \$12.5 million.

The funds raised will further support completion of pre-development engineering, approvals and planning for the Mount Peake Project.

### Research & Development Rebate

In January, TNG received an amount of \$5.14 million as a refundable tax offset under the Federal Government’s Research and Development (“R&D”) tax incentive scheme for eligible R&D activities undertaken during the 2019/2020 financial year.

The Company’s R&D activities relate to the Mount Peake Project TIVAN® processing technology. The TIVAN® Process is an innovative mineral processing technology developed by TNG and its technical advisers to commercially extract vanadium pentoxide, titanium dioxide and iron oxide from titanomagnetite ore bodies, and overcome the limitations of conventional processing.

### **CFO Appointment**

On 15 February 2021, the Company appointed highly experienced mining executive Jonathan Fisher as its Chief Financial Officer (“CFO”).

Mr Fisher is an accomplished and highly-regarded senior mining and corporate finance executive with extensive experience spanning all aspects of accounting and reporting, corporate finance including debt and equity capital raising, stock exchange listings, financial analysis, government approvals, business strategy and commercial development.

### **Board Update**

On 4 February 2021, non-executive director Greg Durack stepped down from TNG Board to take up the position of Managing Director and Chief Executive Officer of Juno Minerals Limited (“Juno”), which is preparing to list on the ASX following an IPO.

Further Board appointments will be announced in due course as TNG continues to strengthen and restructure its board in preparation for the financing and development of the Mount Peake Project this year.

### **Company Secretary and Senior Executive Update**

On 16 March 2021, the Company announced that Ms Paula Raffo has been appointed as sole Company Secretary while Mr Jason Giltay, who was previously joint Company Secretary with Ms Raffo, will focus on an expanded role as the Company’s General Manager Commercial & Corporate Development due to an increase in corporate activities.

### **Financial Position**

TNG had total cash reserves of \$14.9 million as at 31 March 2021, including \$3.73 million received from the Entitlement Issue Shortfall and \$5.14 million received from the R&D rebate.

Payments for development, engineering, exploration and evaluation activities for the Company’s flagship Mount Peake Project totalled \$2.35 million during the period.

During the quarter, payments to related parties of TNG Limited totalled \$181,000, which referred to Directors’ remuneration including salary, fees and superannuation (Appendix 5B, item 6.1) and fees for additional services provided (Appendix 5B, item 6.2).

Further details can be found in the enclosed Appendix 5B – Quarterly Cash Flow Report.

Authorised by the TNG Board:

Paul E Burton

**Managing Director & CEO**

22 April 2021

## APPENDIX A

### Mount Peake Mineral Resources and Ore Reserves

#### Mineral Resource

The Mount Peake Mineral Resource estimate set out below (Table 1) was released in an ASX Announcement entitled "Additional Information on the Mount Peake Resource" on 26 March 2013 in accordance with the JORC Code (2012).

**Table 1 – Mount Peake Mineral Resource estimate**

| Category     | Tonnes (Mt) | V <sub>2</sub> O <sub>5</sub> % | TiO <sub>2</sub> % | Fe%       | Al <sub>2</sub> O <sub>3</sub> % | SiO <sub>2</sub> % |
|--------------|-------------|---------------------------------|--------------------|-----------|----------------------------------|--------------------|
| 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                 |
| <b>TOTAL</b> | <b>160</b>  | <b>0.28</b>                     | <b>5.3</b>         | <b>23</b> | <b>8.6</b>                       | <b>34</b>          |

Note: Mineral Resource is inclusive of Ore Reserves. Tonnage and grade figures in tables have been rounded and small discrepancies in totals may occur. The Mineral Resource is reported using a 0.1% V<sub>2</sub>O<sub>5</sub> 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 entitled "Mount Peake Feasibility Results" on 31 July 2015 in accordance with the JORC Code (2012).

**Table 2 – Mount Peake Ore Reserve estimate**

| Category        | Tonnes (Mt) | V <sub>2</sub> O <sub>5</sub> % | TiO <sub>2</sub> % | Fe%         |
|-----------------|-------------|---------------------------------|--------------------|-------------|
| <b>Proven</b>   | 0           | -                               | -                  | -           |
| <b>Probable</b> | 41.1        | 0.42                            | 7.99               | 28.0        |
| <b>TOTAL</b>    | <b>41.1</b> | <b>0.42</b>                     | <b>7.99</b>        | <b>28.0</b> |

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 Company held a direct or indirect interest in the following tenements on 31 March 2021:

| 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. |
| Kulgera        | EL32369, EL32370  | Enigma Mining Limited - 100% (Enigma is a wholly owned subsidiary of TNG Limited)  |
| Moonlight      | EL32433, EL32434  | Enigma Mining Limited - 100% (Enigma is a wholly owned subsidiary of TNG Limited)  |
| Kintore East   | M16/545   | Evolution Mining (Mungarri) Pty Ltd<br>TNG 2% gold return interest on production   |

## Competent Person's Statements

The information in this report related to the Mount Peake Mineral Resource estimates is extracted from an ASX Announcement entitled "Additional Information on the Mount Peake Resource" dated 26 March 2013 in accordance with the JORC Code (2012) and is available to view on [www.tngltd.com.au](http://www.tngltd.com.au) and [www.asx.com.au](http://www.asx.com.au). 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 related to the Mount Peake Ore Reserve estimates is extracted from an ASX Announcement entitled "Mount Peake Feasibility Results" dated 31 July 2015 in accordance with the JORC Code (2012) and is available to view on [www.tngltd.com.au](http://www.tngltd.com.au) and [www.asx.com.au](http://www.asx.com.au). 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 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 related to the Kulgera Project Mineral Resource estimates is extracted from an ASX Announcement entitled "TNG expands tenure with existing JORC resource" dated on 8 July 2020 in accordance with the JORC Code (2012) and is available to view on [www.tngltd.com.au](http://www.tngltd.com.au) and [www.asx.com.au](http://www.asx.com.au). 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.

## 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](http://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 or oil and gas exploration entity quarterly cash flow report

Name of entity

TNG Limited

ABN

12 000 817 023

Quarter ended ("current quarter")

31 March 2021

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               |                            |                                       |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              |                            |                                       |
| (b) development   |                            |                                       |
| (c) production  |                            |                                       |
| (d) staff costs   | (327)                      | (982)                                 |
| (e) administration and corporate costs                    | (334)                      | (858)                                 |
| 1.3 Dividends received (see note 3)                       |                            |                                       |
| 1.4 Interest received                                     | 8                          | 31                                    |
| 1.5 Interest and other costs of finance paid              |                            |                                       |
| 1.6 Income taxes paid                                     |                            |                                       |
| 1.7 Government grants and tax incentives                  |                            |                                       |
| 1.8 Other (Government payments)                           | 1                          | 184                                   |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(652)</b>               | <b>(1,625)</b>                        |
| <b>2. Cash flows from investing activities</b>            |                            |                                       |
| 2.1 Payments to acquire or for:                           |                            |                                       |
| (a) entities  |                            |                                       |
| (b) tenements   |                            |                                       |
| (c) property, plant and equipment                         | (7)                        | (10)                                  |
| (d) engineering, exploration & evaluation                 | (2,347)                    | (9,223)                               |
| (e) investments   |                            |                                       |
| (f) other non-current assets                              |                            |                                       |



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

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$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 (Research & Development Refund)                 | 5,139                      | 5,139                                 |
| <b>2.6</b>                           | <b>Net cash from / (used in) investing activities</b> | <b>2,785</b>               | <b>(4,094)</b>                        |

|             |   |              |               |
|-------------|---|--------------|---------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>   |              |               |
| 3.1         | Proceeds from issues of shares  | 3,727        | 12,495        |
| 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 | (239)        | (391)         |
| 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:  |              |               |
|             | (a) Proceeds from Company Share Plan Loan Repayment                                     | -            | 40            |
|             | (b) Repayments of lease liability   | (39)         | (118)         |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                                   | <b>3,449</b> | <b>12,026</b> |

|           |  |       |         |
|-----------|--|-------|---------|
| <b>4.</b> | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |       |         |
| 4.1       | Cash and cash equivalents at beginning of period                             | 9,341 | 8,616   |
| 4.2       | Net cash from / (used in) operating activities (item 1.9 above)              | (652) | (1,625) |
| 4.3       | Net cash from / (used in) investing activities (item 2.6 above)              | 2,785 | (4,094) |

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

| <b>Consolidated statement of cash flows</b> |  | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|--|------------------------------------|--|
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above) | 3,449                              | 12,026   |
| 4.5   | Effect of movement in exchange rates on cash held                |                                    |  |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                | <b>14,923</b>                      | <b>14,923</b>                                  |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|---|------------------------------------|-------------------------------------|
| 5.1        | Bank balances   | 3,423                              | 841                                 |
| 5.2        | Call deposits   | 11,500                             | 8,500                               |
| 5.3        | Bank overdrafts   |                                    |                                     |
| 5.4        | Other (provide details)   |                                    |                                     |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>14,923</b>                      | <b>9,341</b>                        |

| <b>6.</b>   | <b>Payments to related parties of the entity and their associates</b>                   | <b>Current quarter<br/>\$A'000</b> |
|---|---|------------------------------------|
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 176                                |
| 6.2   | Aggregate amount of payments to related parties and their associates included in item 2 | 5                                  |
| <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> |   |                                    |

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

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

| <b>8. Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)   | (652)          |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (2,354)        |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2)  | (3,006)        |
| 8.4 Cash and cash equivalents at quarter end (item 4.6)   | 14,923         |
| 8.5 Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6 Total available funding (item 8.4 + item 8.5)   | 14,923         |
| 8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | 4.97           |
| <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:   |                |
| 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:   |                |

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


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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:

*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: 22 April 2021

Authorised by: Paul Burton  
 Managing Director & CEO

### 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.