

September 2021 Quarterly Activities Report

TNG to progress a fully-integrated operation at the Mount Peake Mine Site | Appointment of engineering and construction company Clough | Project Development Agreement executed with green energy company AGV | METS engaged for vanadium electrolyte production facility study

SUMMARY

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

- During the quarter, TNG advised it would progress development with an alternative site for the downstream TIVAN® Processing Facility (“TPF”), at the Mount Peake mine site.
- The Company plans to develop the Mount Peake Project as a fully-integrated mining and processing operation within its existing Mining Leases at the Mount Peake mine site, located 235km north-west of Alice Springs in the Northern Territory.
- Subsequent to quarter-end, TNG appointed Clough Projects Australia Pty Ltd to develop the consolidated plant layout for the fully-integrated operation.
- In July, SMS group (“SMS”) submitted the technical Front-End Loading (“FEL”)-3 report for the TPF to TNG’s in-house Project engineering and development team (“Team”) and advised that the Front-End Engineering and Design (“FEED”) study for the Mount Peake Project had been completed. This is under review following the change in the location of the TIVAN® processing facility.
- TNG and SMS continue to progress the preparation of a revised Project Execution Model designed to address the ongoing commercial and logistical challenges associated with the global COVID-19 pandemic.

TNG GREEN ENERGY STRATEGY

- In September, the Company executed a Project Development Agreement with Malaysian-based green energy company AGV Energy & Technology to jointly and exclusively develop green hydrogen production projects in Australia using the “HySustain” technology developed by AGV and its partners.
- In August, TNG engaged Perth-based mineral process engineering group METS Engineering to undertake a technology and process design study for a vanadium electrolyte production facility for the Company’s vanadium redox flow battery business unit.

CORPORATE

- The Company’s cash position at 30 September 2021 was \$7.2 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, including Government-enforced travel restrictions.

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

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

PROJECT SUMMARY AND DETAILS

The Mount Peake Project ("Mount Peake Project" or "Project") is a world-scale strategic metals project located 235km north-west of Alice Springs, which was discovered by and is 100%-owned by TNG. The Project is well located close to existing key power and transport infrastructure including the Alice Springs-Darwin Railway and the Stuart Highway.

Mount Peake is a shallow, flat-lying orebody with a JORC Measured, Indicated and Inferred Resource totalling 160 million tonnes (118 million tonnes Measured, 20 million tonnes Indicated and 22 million tonnes Inferred), grading 0.28% V_2O_5 , 5.3% TiO_2 and 23% Fe (refer to Appendix A of this report for a full statement of the Mount Peake Mineral Resource). The Mount Peake Project is one of the largest undeveloped vanadium-titanium-iron projects in the world.

The Project has been awarded Major Project Status from both the Australian Federal Government and the Northern Territory Government.

The Company's strategy for the Mount Peake Project is to develop a fully-integrated single mining and processing operation to produce three high-value, high-purity products for export – vanadium pentoxide (V_2O_5), titanium dioxide pigment (TiO_2) and iron oxide (Fe_2O_3) – through the application of a world-first processing technology, known as the TIVAN® Process, which is owned exclusively by TNG.

TNG has life-of-mine binding off-take agreements in place for 100% of all products proposed to be produced from the Mount Peake Project with strong off-take counterparties with a multi-national presence.

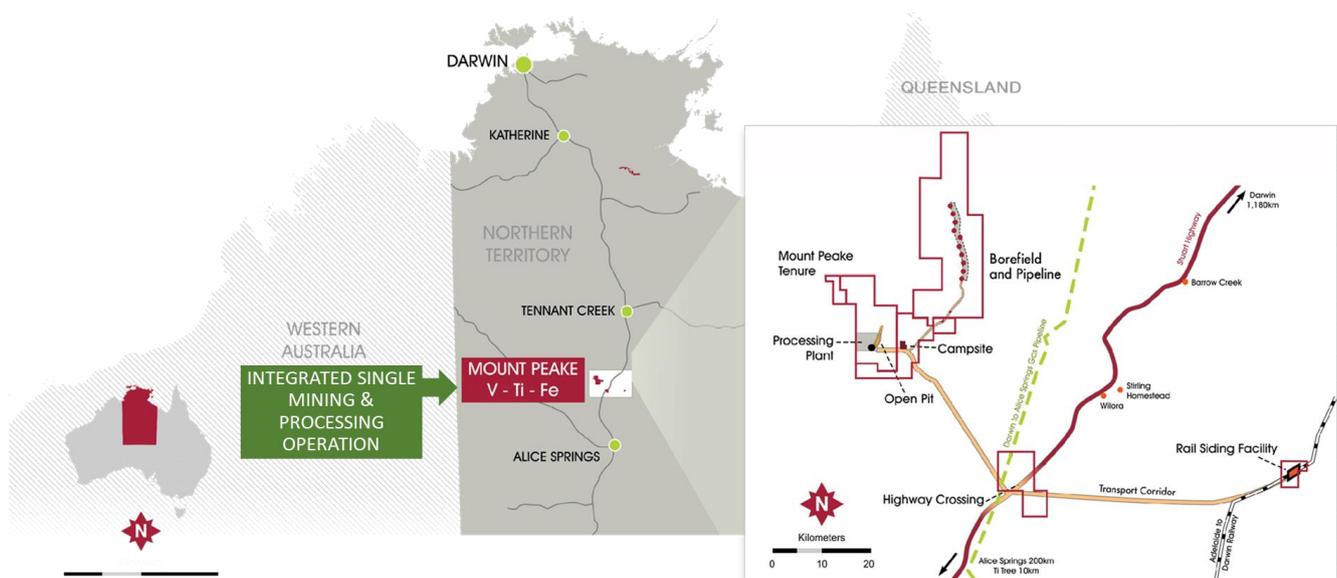


Figure 1. Mount Peake Project Location Plan in the Northern Territory

PROJECT STRATEGY

Fully-integrated operation at the Mine Site

During the quarter, the Company announced it was to progress the development of the Mount Peake Project as a fully-integrated mining and processing operation within its existing Mining Leases at the Mount Peake mine site ("Mine Site"), following the completion of a detailed review of the Middle Arm site in Darwin and alternative sites¹.

An integrated mine-beneficiation-processing facility was originally contemplated at the Mine Site in the initial Project Scoping Study; however, at that time gas and water availability were considered inadequate to meet the Project's requirements.

The Company recently overcame these challenges with the incorporation of a wastewater recycling facility to the TPF, which is expected to reduce water usage by 65%, and a review of gas availability at the Mine Site, which established that there is sufficient gas available for a fully-integrated operation.

The Company undertook the detailed assessment following the receipt of the "Direction to Provide Additional Information" on the Supplement to the Draft Environment Impact Statement ("EIS") for the Darwin TPF from the Northern Territory Environment Protection Authority ("NT EPA").

The Strategic Assessment Review included quantification of the potential operational, regulatory and commercial risks of having a consolidated and integrated Mine Site operation compared with a standalone TPF in Darwin, and was prepared by the Company's Internal Steering Committee, comprising of TNG's in-house Project Director's team, Project Engineers and supported by external consultants.

The key benefits of a fully-integrated operation are expected to include: consolidation of common non-process infrastructure; reduction in construction requirements, with the Mine Site being located in a non-cyclonic zone; reduction in solid waste and tailings disposal handling costs; ability to optimise processing layout and simplify commissioning at one location; and an expected lower-risk final permitting process.

As part of the review and re-evaluation, TNG also completed an updated site assessment of Project risk which concluded that the Darwin site presents a potentially higher level of uncertainty in relation to securing regulatory approvals and permitting in a timely manner.

PROJECT DEVELOPMENT

Front-End Engineering and Design ("FEED") Study

During the quarter, SMS delivered the FEL-3 report for the TPF and completed the FEED study². The FEL-3 report currently excludes the outcome of some remaining validation testwork that is currently being finalised, which has taken longer than anticipated due the global COVID-19 restrictions affecting SMS.

TNG's Project Team has subsequently worked with SMS group to assess any potential impacts on the engineering and design of the TPF as a result of the integrated Project at the Mine Site, with initial evaluation indicating that the vast majority of the deliverables from the FEED study can be applied to the new location.

The Company is now working with SMS to confirm and finalise the scope of the updates required, which will be progressed together with any agreed value engineering and technical optimisations identified during the review of the FEED study currently underway.

Non-Process Infrastructure ("NPI")

The Company has previously completed pre-qualification tendering and short-listing of proponents for the delivery of the NPI required at both the Darwin TPF and the Mine Site. The final phase of tendering will be updated to accommodate the requirements of the integration and consolidation at the Mine Site, with short-listed proponents to be invited to provide updated proposals as required.

Optimised Consolidated Layout

Subsequent to the end of the quarter, TNG announced the appointment of Australian engineering and construction company, Clough Projects Australia Pty Ltd ("Clough"), with TNG's Project Development team to initially develop an optimised plant layout for the integration of the TPF and Beneficiation Plant at the Mine Site, on the basis of the

¹ Refer to ASX Announcement of 30 September 2021, "TNG Announces Strategic Change for the Mount Peake Project".

² Refer to ASX Announcement of 26 July 2021, "TNG Announces Completion of FEED for Mount Peake Project".

deliverables prepared under the FEED study. Clough will work with SMS and TNG's in-house team given the severe restrictions on travel between Europe and Australia due to the COVID-19 pandemic which have impacted SMS' ability to deliver a team in Australia³.

The optimised layout will be unconstrained compared to the size and shape requirements at the former Darwin site – offering the potential to capitalise on improving constructability, operability and maintenance for the Project, as well as further cost optimisations from integrated infrastructure.

The integrated plants will be positioned within the Company's existing Mining Lease 29855, which covers an area of 1,460 hectares. This area is capable of hosting a fully-integrated operation encompassing mining activities and waste storage, the Beneficiation Plant, the TPF and NPI.

PERMITTING AND APPROVALS

Environmental Approvals

The Company received an environmental approval for the Mine Site in 2018 for the mining and beneficiation operations and it was progressing the Environmental Impact Statement for the TPF in Darwin.

As a result of the consolidation of the Project at the Mine Site, TNG has engaged with the NT EPA and has received a clear roadmap from the NT EPA for the updated environmental approval process for further processing for the Mine Site. The Company's environmental consultant, Animal Plant Mineral ("APM"), has assessed the roadmap and has been engaged to oversee any environmental work required.

The Company notes that this roadmap has a higher degree of certainty and is potentially shorter than the current requirement associated with the Darwin site.

Mount Peake Mining Management Plan ("MMP")

The Company is liaising with the Department of Industry, Tourism and Trade of the Northern Territory Government on any further requirements for the MMP due to the consolidation of the Project.

PROJECT EXECUTION MODEL

During the quarter, TNG commenced discussions with SMS to revise and optimise the model for the delivery of the Mount Peake Project due to ongoing commercial and logistical challenges caused by the global COVID-19 pandemic, including severe restrictions on travel between Europe and Australia, the escalation of construction and engineering costs, global workforce shortages and disruptions to supply chain logistics⁴.

In light of these challenges and with the goal of maintaining capital expenditure at an attractive level, TNG is considering a revised and optimised model for the delivery of the Mount Peake Project, whereby SMS will continue to provide all downstream processing plant, production and product quality guarantees for the Project and accept local Australian engineering and construction companies to be engaged for the mine site beneficiation plant, and any Build Own Operate and Build Own Operate Transfer ("BOO/BOOT") opportunities.

In light of this, TNG has advanced discussions with tier-1 Australian engineering groups on the potential to work alongside SMS as a major contractor for the development of the Project as a single-site mining and processing operation during the Engineering, Procurement and Construction ("EPC") phase.

PROJECT FINANCE

Debt Finance

KfW IPEX-Bank and KPMG Corporate Finance

The Company has advised KfW IPEX-Bank, the Company's mandated lead debt arranger and advisor, and KPMG Corporate Finance, the Company's mandated financial advisor, of the new fully-integrated strategy for the Project, and both parties have given their full support to the Company and remain committed to progressing project financing for development.

³ Refer to ASX Announcement of 7 October 2021, "TNG appoints Clough for integrated layout of Mount Peake".

⁴ Refer to ASX Announcement of 9 August 2021, "Mount Peake Project Delivery Update".

NAIF

The Company has also held discussions with representatives of the Northern Australia Infrastructure Facility (“NAIF”) on the new strategy for the Mount Peake Project. TNG and NAIF will now continue discussions on NAIF’s funding assessment process for the new Project configuration.

Equity

The Company’s corporate finance team, with assistance from KPMG Corporate Finance, has progressed the evaluation of alternatives for equity financing.

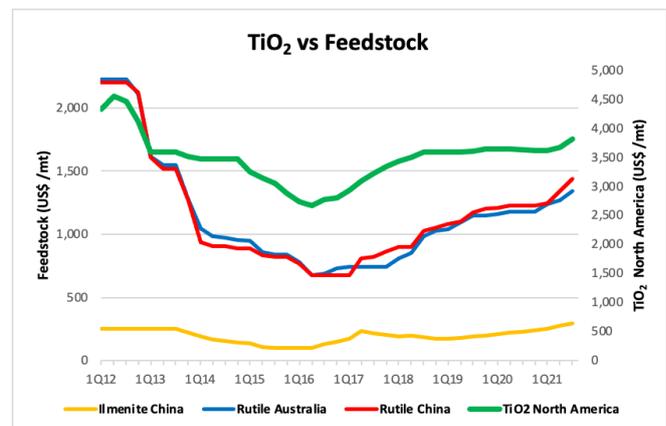
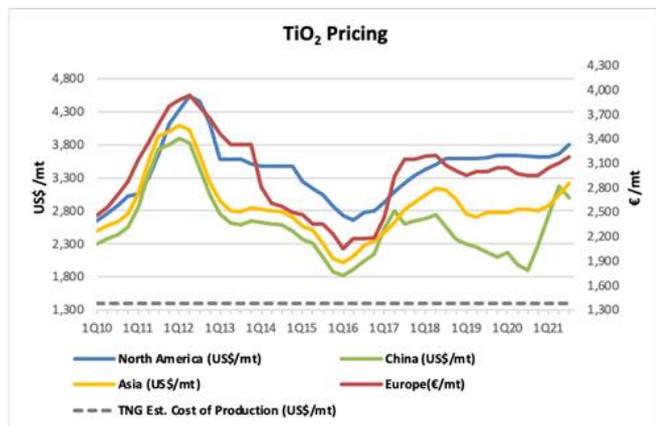
PRODUCT PRICING DEVELOPMENT⁵

Titanium Dioxide Pigment – TiO₂

The price of titanium dioxide pigment has increased in all regions in the last 12 months, up 41.2% in China and 16.1% in APAC excluding China. Feedstock prices have also increased, with ilmenite from China going up 27.7% and rutile from Australia up 14.9%.

The market price is expected to continue its momentum in 2022 and further due to strong demand in housing and depletion of large deposits and shutdown TiO₂ plants (Cristal Stallingborough and Kronos Leverkusen SP).

TNG expects to achieve a 3-5% premium on the market price as its product will be a high-durable pigment.

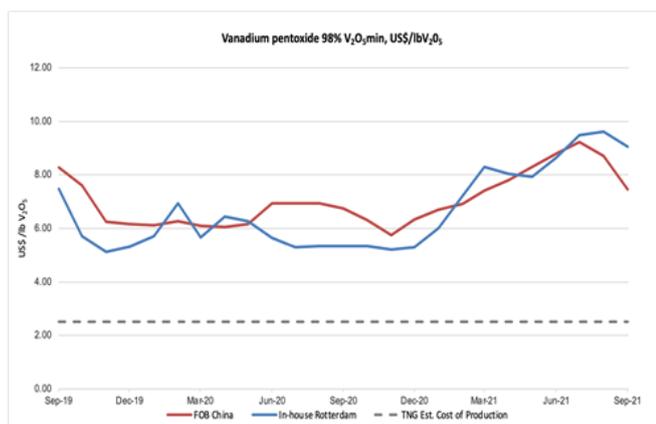


Vanadium Pentoxide – V₂O₅

The price of vanadium pentoxide (98%), in-warehouse Rotterdam, has increased by 69.2% in the last 12 months, reaching US\$9.05/lb at the end of September, while the V₂O₅ (98%), FOB China, price rose 10.7% over the same period, closing the September 2021 quarter at US\$8.47/lb. The ferrovanadium price, FOB China, increased 40.7% from the same period last year, reaching US\$35.00/kg V.

World vanadium production reached 110,409 metric tonnes in 2020 (+7.8% vs 2019).

TNG expects to achieve a US\$2.0/lb V₂O₅ premium on the market price for its product at 99.6% purity (Roskill – September 2020).

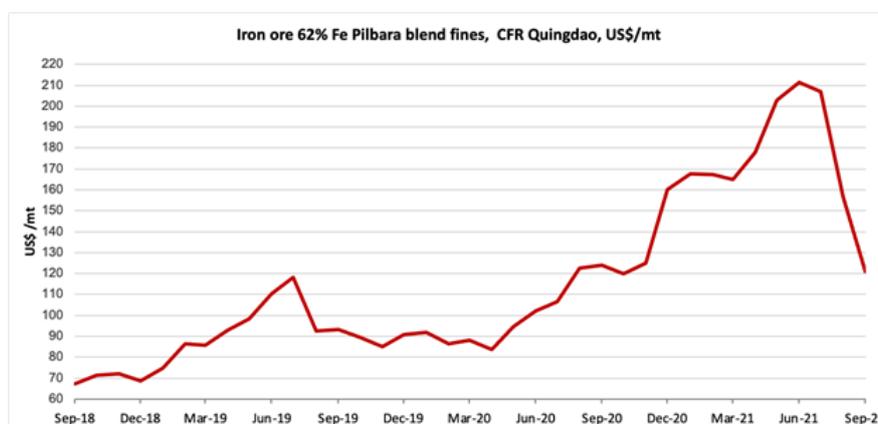


⁵ Pricing source: ICIS and Fastmarkets

Iron Ore Fines

The average price for iron ore fines (62%) was US\$161/tonne in the September 2021 quarter, an increase of 36.6% over the same period last year.

TNG expects to achieve a US\$5.90 /mt premium on the market price for its product above 64.4% (Roskill – September 2020).



TNG ALTERNATIVE ENERGY STRATEGY

GREEN HYDROGEN PRODUCTION TECHNOLOGY

In September, the Company executed a Project Development Agreement with Malaysian-based AGV Energy & Technology Sdn Bhd (“AGV”) to jointly and exclusively develop green hydrogen production projects in Australia using the “HySustain” technology developed by AGV and its partners⁶.

AGV and its partners are developing a technology to produce green hydrogen using the electrolysis of demineralised water and renewable energy (“HySustain”), with the first commercial application planned at a project in Malaysia.

TNG and AGV will jointly scope, evaluate, plan and execute HySustain project opportunities via an incorporated joint venture company on the basis of an agreed staged development framework.

As a result of the integration of the TPF at the Mine Site, the Company is now progressing discussions with the Northern Territory Government on the possible use of the existing land at the Middle Arm Precinct in Darwin reserved for the Company for the potential development of a green hydrogen production facility under the joint venture with AGV.

VANADIUM REDOX FLOW BATTERY (“VRFB”) BUSINESS

In August, TNG engaged leading Perth-based mineral process engineering group, METS Engineering (“METS”), to undertake a technology and process design study for the development of a vanadium electrolyte (“VE”) production facility (“VE Study”) under the Company’s VRFB business unit⁷.

The VE Study will deliver preliminary process design documentation for the VE facility, which will include process flow diagrams, process design criteria, mass balance, product specifications, mechanical equipment lists, capital and operating costs estimates, and supporting infrastructure requirements.

VRFBs use VE to store energy from renewable power generation and are highly scalable for use in a variety of settings. Reliable supply of high-purity VE is critical to the continued growth of the global VRFB market.

The planned development of a VE production facility will underpin TNG’s VRFB business unit, directly supporting its collaboration with Singaporean-based battery technology development company V-Flow Tech, and the collaboration for both VRFB and green hydrogen opportunities with AGV Energy & Technology.

⁶ Refer to ASX Announcement of 3 September 2021, “TNG Advances Green Hydrogen Plans”.

⁷ Refer to ASX Announcement of 10 August 2021, “Engineering firm engaged for Vanadium Electrolyte production”.

OTHER PROJECTS

KULGERA PROJECT (EL – 100% TNG)

The Company has Exploration Licences (“EL”) in place for the Kulgera Project, a 1,231km² vanadium and titanium exploration project located along the South Australian border in the Northern Territory.

Samples collected in May 2021 had chemical analysis and sizing and mineralogical work (TBE HLS, Mineral Counts and QEMSCAN analysis) completed during the September 2021 Quarter. The Kulgera project comprises a large accumulation of dune sand containing a magnetite/ilmenite heavy mineral fraction which has undergone deep weathering. TNG’s goal is to determine if this heavy fraction is able to be treated by its proprietary TIVAN® process, to extract value from both the vanadium and titanium content. Further test work is required, and the assessment is ongoing.

MOONLIGHT PROJECT (EL – 100% TNG)

The Company has Exploration Licences for the vanadium exploration project at Moonlight, located 80km west of Daly Waters in the central Northern Territory. No field activity during the quarter due to travel restrictions.

CAWSE EXTENDED MINE PROJECT: NICKEL-COBALT (80%: MESMERIC/20%: TNG)

The Company has a 20% free-carried interest in the Cawse Extended Mining Lease. Joint venture partners, Mesmeric Enterprises, had previously completed necessary rehabilitation works. No further activity was undertaken during the period.

CORPORATE

FINANCIAL POSITION

TNG had total cash reserves of \$7.2 million as at 30 September 2021.

Payments for development, engineering, exploration and evaluation activities for the Company’s flagship Mount Peake Project totalled \$3.49 million during the period.

During the quarter, payments to related parties of TNG Limited totalled \$170,000, which referred to Directors’ remuneration including salary, fees and superannuation (Appendix 5B, item 6.1).

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

INVESTOR AND MARKET ENGAGEMENT

During the quarter, TNG representatives continued to engage with investors focused on both debt and equity in Australia and overseas. Due to COVID-19 travel restrictions, all meetings were held virtually.

Subsequent to the end of the quarter, TNG’s Managing Director & CEO, Paul Burton, gave interviews to Small Caps and Eureka Report on the Company’s Mount Peake Project and the green energy initiatives. He was also interviewed by the Australian Financial Review (“AFR”) and Paydirt Magazine.

Additionally, Mr Burton presented at the Resources Rising Stars Conference held in Perth on 15 October and at the NT Resources Week, Mining the Territory Conference on 28 October in Darwin. The Company’s CFO, Jonathan Fisher, presented at the Share Café “Hidden Gems” Webinar on 22 October.

AGM 2021

TNG will hold its 2021 Annual General Meeting (“AGM”) on 30 November 2021 at the Vibe Hotel Subiaco, WA. Further details can be found in the Notice of Meeting available at the Company’s website.

Authorised by:

Paul E Burton
Managing Director & CEO

29 October 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 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. The Mineral Resource 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 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 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 Company held a direct or indirect interest in the following tenements on 30 September 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 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 and 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 and 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 and 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. 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")

30 September 2021

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	(360)	(360)
(e) administration and corporate costs	(336)	(336)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	7
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)	-	-
1.9 Net cash from / (used in) operating activities	(689)	(689)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(2)	(2)
(d) engineering, exploration & evaluation	(3,492)	(3,492)
(e) investments		
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (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 (Research & Development Refund)	-	-
2.6	Net cash from / (used in) investing activities	(3,494)	(3,494)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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:		
	(a) Proceeds from Company Share Plan Loan Repayment	-	-
	(b) Repayments of lease liability	(45)	(45)
3.10	Net cash from / (used in) financing activities	(45)	(45)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,434	11,434
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(689)	(689)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,494)	(3,494)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(45)	(45)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	7,206	7,206

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	1,206	2,934
5.2	Call deposits	6,000	8,500
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)	7,206	11,434

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	170
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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

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

8. Estimated cash available for future operating activities	\$A'000	
8.1	Net cash from / (used in) operating activities (item 1.9)	(689)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,492)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,181)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,206
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	7,206
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.72
<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: No. Lower net operating expenditure related is forecast for the quarter ending 31 December 2021 compared to the prior quarter ended 30 September 2021 which had higher net operating expenditure owing to the closeout of the 2021 financial year.		
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: The Company closely monitors its cashflow outlook and regularly discusses its ongoing funding requirements with advisors. The Company has a positive track record of raising funds when required.		

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

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: Yes. On the basis of existing cash reserves and the details in items 8.8.1 and 8.8.2 above.

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: 29 October 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.