

March 2021 Quarterly Report

The Board of Carnaby Resources Limited (Carnaby or the Company) is pleased to provide the following quarterly update and Appendix 5B.

March 2021 Quarterly Highlights:

- **MALLINA BASIN - PILBARA, WESTERN AUSTRALIA**
 - 8,000 m second phase drilling program at **Strelley** underway.
 - 5-hole diamond drilling program completed with results pending from all holes drilled due to backlog laboratory delays.
 - 5,000 m aircore drilling program in progress with results pending from all holes drilled due to laboratory backlog delays.
 - 3,000 m reverse circulation (**RC**) drilling program to commence shortly after completion of the aircore drilling.
- **TICK HILL – Mt ISA, QUEENSLAND**
 - Greater Duchess Copper-Gold project exploration has commenced:
 - Extensive camp scale copper-gold deposits with historical drill results up to 50m @ 1.1 % copper including 19m @ 2.3% copper, located south of Hammer Metals new Trafalgar copper-gold discovery (See ASX release 17 February 2021).
 - 15 line km pole/dipole IP/Resistivity survey has commenced at Nil Desperandum, Mount Birnie and Duchess.
 - 4,000 m RC follow up drilling program to commence shortly after completion of the geophysics program.
 - Tick Hill Gold project exploration and mine development:
 - Full scale production from the Tick Hill Tailings project has commenced resulting in the final upfront payment to Carnaby of **\$0.75 million** being received and commencement of a 5%royalty.
- Carnaby continues to evaluate its options and opportunities in relation to development of the Tick Hill Gold project.
- **MALMAC – YILGARN MARGIN, WESTERN AUSTRALIA**

Results from maiden site visit and field work has revealed a 6 km long copper-nickel-gold anomaly at the Salvation prospect (See ASX release 9 February 2021).
- **SWEDEN NICKEL & COBALT**
 - **Divestment** of the Lainejaur project in Sweden for **\$1.5 million** (See ASX release 18 March 2021).
- **Cash as at 31 March 2021: \$8.0 million**

Fast Facts

Shares on Issue 117.8M

Market Cap (@ 35.5 cents) \$42M

Cash \$8.0M¹

¹As of 31 March 2021

Board and Management

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director & Company Secretary

Paul Payne, Non-Exec Director

Company Highlights

- Proven and highly credentialed management team
- Tight capital structure and strong cash position
- Commenced exploration at the Mallina Basin in the Pilbara of WA
- Projects near to De Grey's Hemi gold discovery on 442 km² of highly prospective tenure
- 100% ownership of the Tick Hill Gold Project (granted ML's) in Qld, historically one of Australia highest grade and most profitable gold mines
- Past production of 511 koz at 22 g/t gold
- Indicated and Inferred Mineral Resource of 845,000 t @ 2.47 g/t gold for 67,100 ounces²
- Proven and Probable Ore Reserves of 459,900 t @ 1.89 g/t gold for 28,000 ounces²
- 323 km² surrounding exploration package containing numerous gold and copper targets

²Refer ASX release 5 June 2020, to be adjusted following Tailings Sale & NSR Royalty Agreement, refer ASX release 3 August 2020

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MALLINA BASIN GOLD – PILBARA, WESTERN AUSTRALIA

Carnaby's landholding in the Mallina Basin covers **442 km²** (Figure 1). During the quarter drilling activities were focussed on the 100% owned Strelley Project.

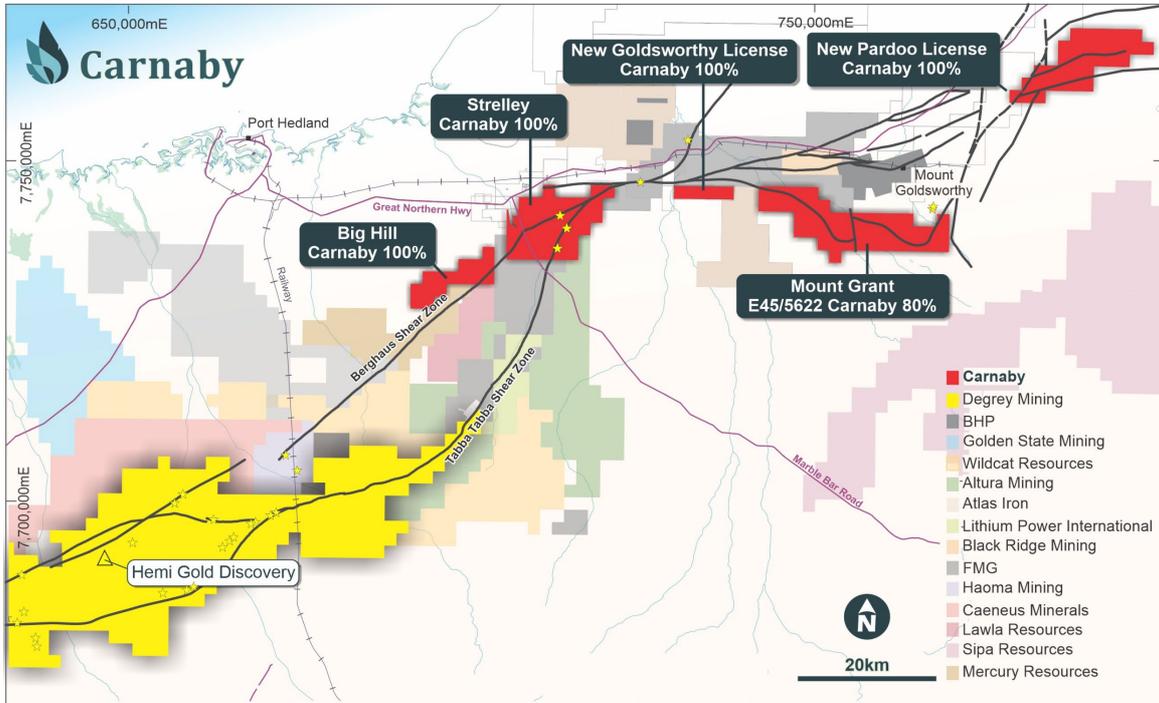


Figure 1. Carnaby Mallina Basin tenements showing location of the Strelley project.

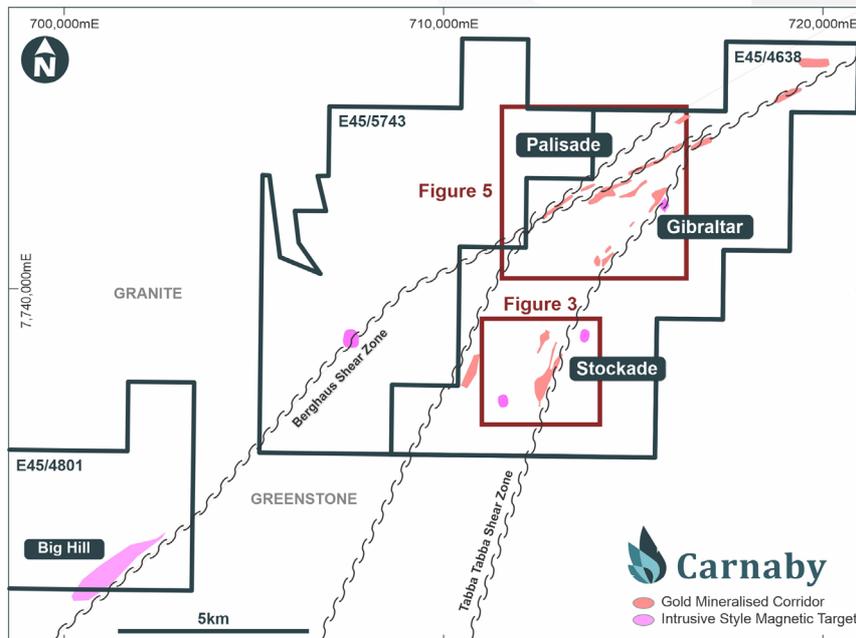


Figure 2. Strelley project location map showing location of the Stockade / Gibraltar and Palisade gold mineralised corridors and intrusion style magnetic targets.

STRELLEY PROJECT (CARNABY 100%)

A 500m, five-hole diamond drilling program was completed at Strelley aiming to define the orientation and style of the gold mineralisation in order to optimise the drill orientation for subsequent aircore and RC drilling programs. Results are pending from all holes drilled. Two diamond holes were drilled at **Stockade** where wide spaced aircore and shallow RC drilling by Carnaby at the end of 2020 intersected up to **3.9 g/t gold over a 1 km strike** (see ASX release 27 January 2021). A single diamond tail was drilled at the newly named **Bastion prospect** where RC drilling by Carnaby intersected **0.5 g/t gold at bottom of hole** in PLRC0005. Two diamond holes were also drilled at the Gibraltar and at Conwy targets further north along the Tabba Tabba Shear Zone.

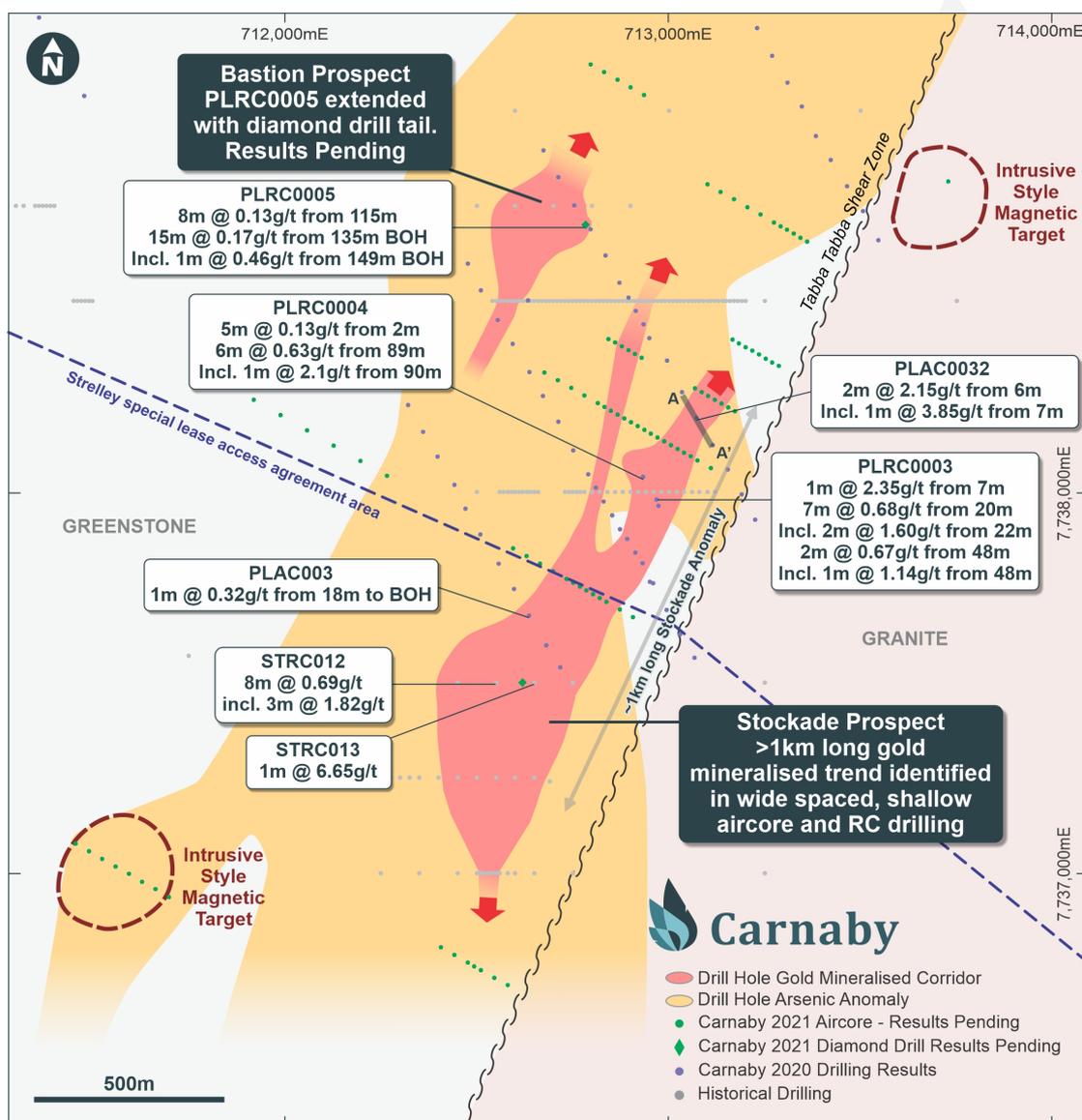


Figure 3. Stockade and Bastion location map showing drill results, gold mineralised corridors and intrusion style magnetic targets.

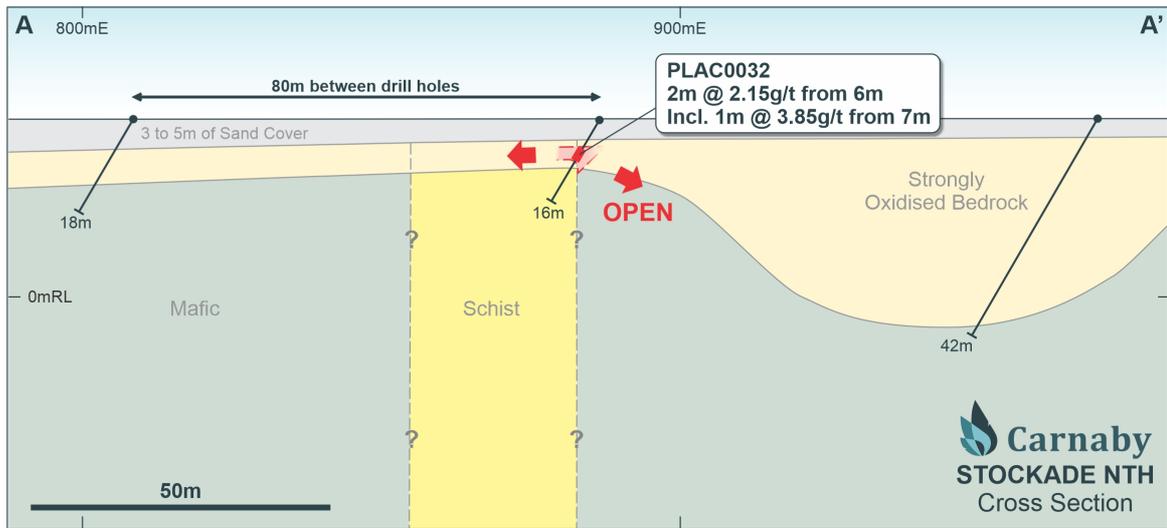


Figure 4. Stockade Drill Section A-A'

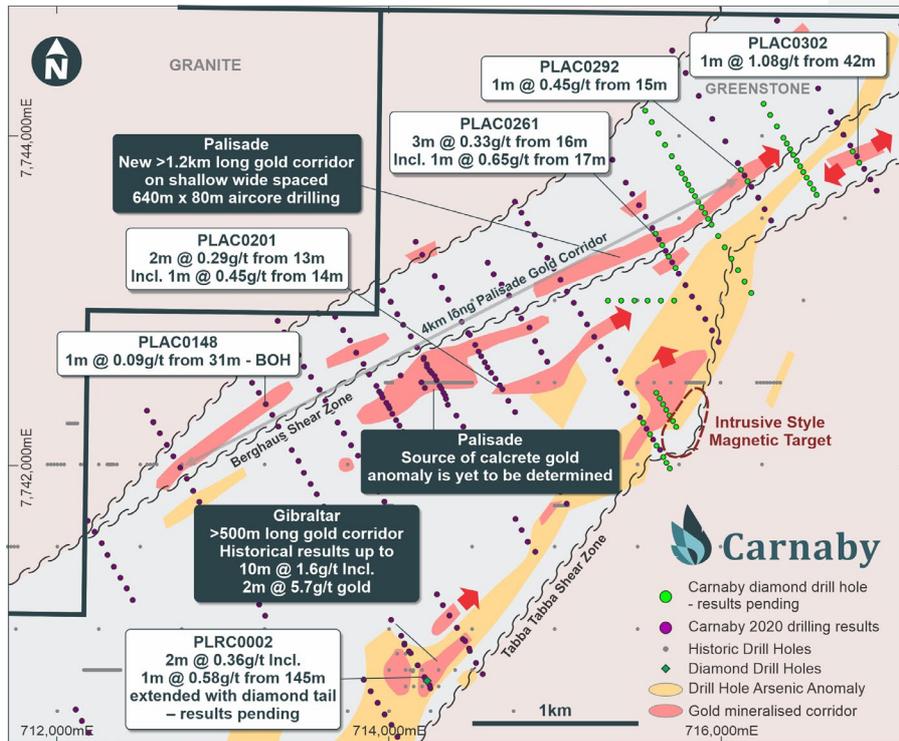


Figure 5. Palisade and Gibraltar location plan showing drill results.

A 5,000m aircore drilling program is underway at Strelley focussing in on the high priority target areas along the Tabba Tabba and Berghaus Shear Zones including targeting for the first time inside the special lease area south of Stockade, where a maiden access agreement was signed in late December 2020. Results from the aircore drilling are awaited.

A 3,000m RC drilling program will follow shortly after completion of the aircore drilling, aiming to extensively probe the highest priority gold mineralised corridors at Stockade, Bastion, Gibraltar and new targets identified from the current diamond and aircore drilling programs.

MOUNT GRANT PROJECT (CARNABY 80%)

No work completed.

PARDOO (CARNABY 100%)

No work completed.

GOLDSWORTHY (CARNABY 100%)

No work completed.

BIG HILL (CARNABY 100%)

No work completed.

GREATER DUCHESS COPPER GOLD PROJECT (CARNABY 82.5 - 100%)

The Greater Duchess Copper Gold Project encompasses over 70 km of IOCG targets north of the Tick Hill gold deposit, centred around the historical Duchess copper mining district and south of Hammer Metals' (HMX) new Trafalgar copper gold discovery (see ASX release 17 February 2021).

Carnaby has just commenced a 15-line km ground Induced Polarisation (**IP**) pole / dipole survey at Nil Desperandum, Mount Birnie and Duchess which is expected to be immediately followed up with RC drilling.

The **Nil Desperandum** prospect is a stand-out copper-gold target with high grade copper mineralisation present over 1.5 km strike not drilled since pre-GFC 2007. Historical Results include;

- **ND010** **20m @ 2.4 % copper**
- **ND012** **52m @ 1.0 % copper inc 24 m @ 1.5 % copper**
- **NDR017** **50m @ 1.1 % copper inc 19 m @ 2.3 % copper**
- **NDR021** **6m @ 5.2% copper and 0.84 g/t gold**

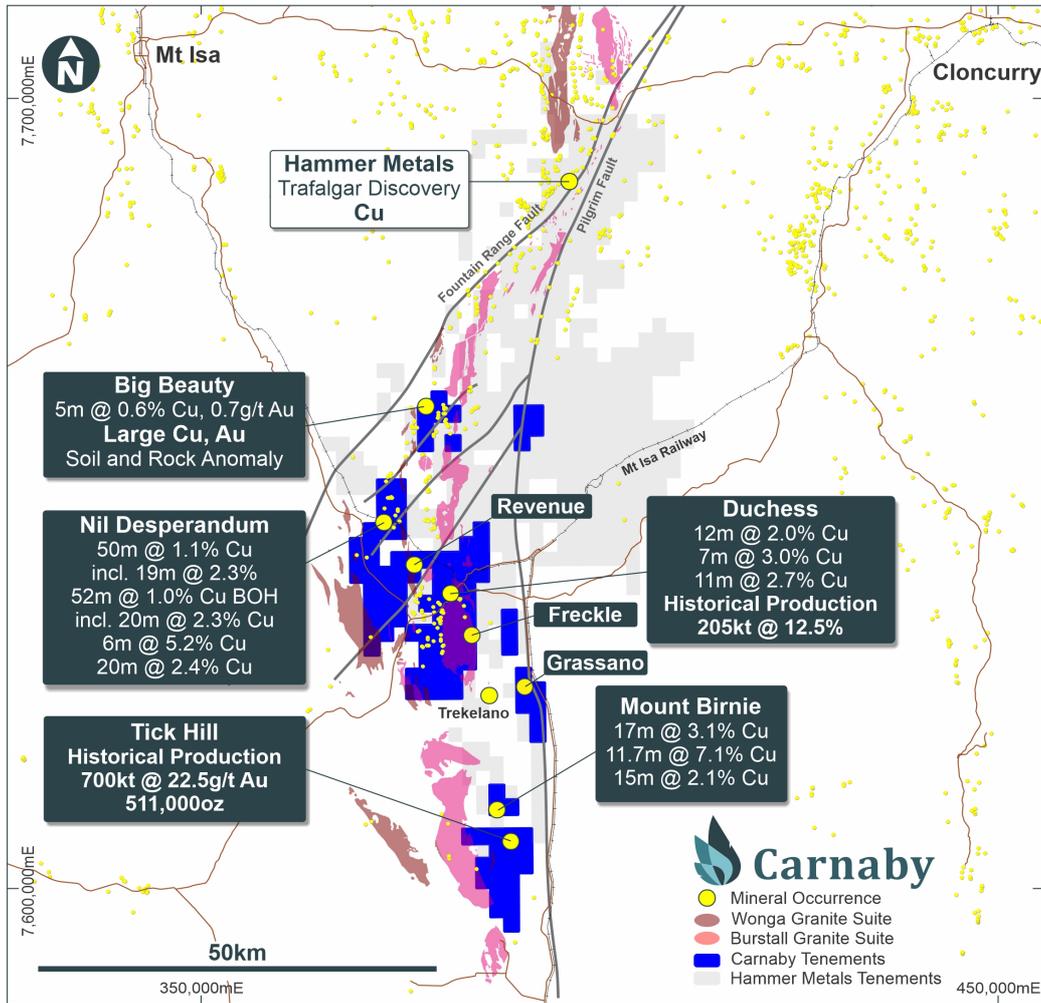


Figure 6. Greater Duchess Copper-gold Project showing location of target areas.

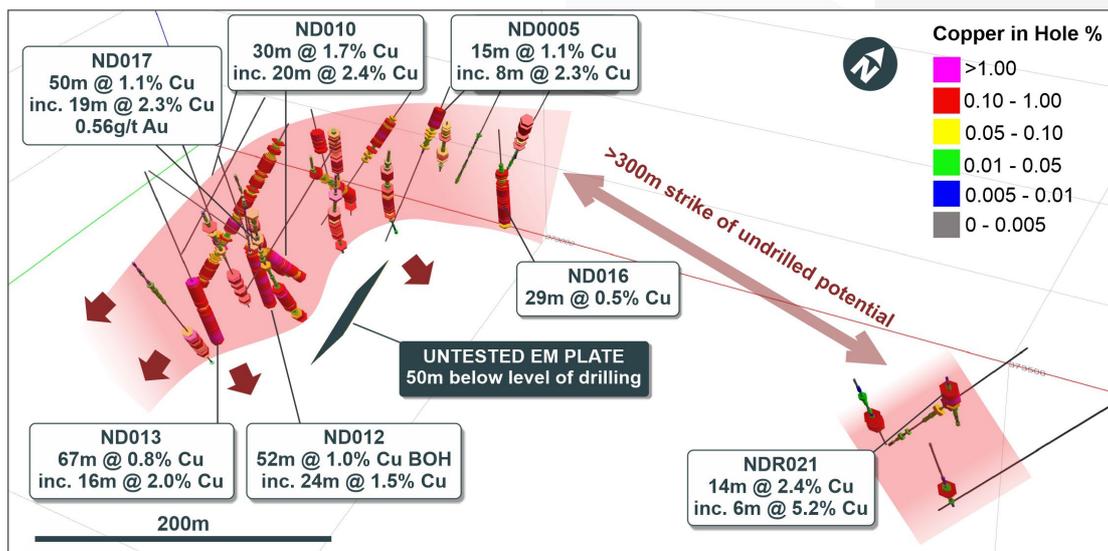


Figure 7. Nil Desperandum 3D image looking northwest.



Figure 8. Stockpile dumps from Lady Maria showing high grade copper malachite ores.

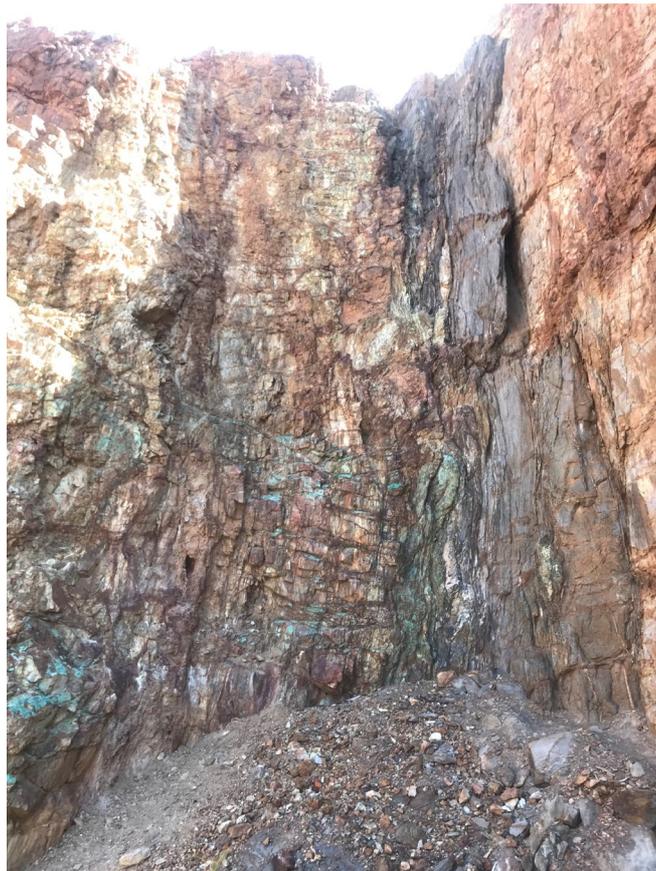


Figure 9. Lady Fanny Open pit showing shear hosted copper ore in wall.

The Lady Fanny historical open pits are located 3 km north of Nil Desperandum and were mined at the turn of the century and between 1966-1974.

At **Mount Birnie** located 4 km north of Tick Hill, RC and diamond drilling was completed by Carnaby in 2019 targeting the turn of the century workings where 50-year-old historical diamond drill results had reported up to **11.7 m @ 7.1% copper** (see ASX release 11 June 2019). The drilling by Carnaby intersected three zones of very high-grade copper-gold mineralisation of **2 m @ 3.2% Cu and 3 m @ 9.3% copper and 1.0 g/t gold** and **2 m @ 9.5% copper** within a broader envelope that assayed **17 m @ 3.1% copper** from 84 m in MBC006 (see ASX release 1 August 2019). Significant drill results from Mount Birnie include;

- **MBC002** **15m @ 2.1 % copper inc 6m @ 4.4 % copper**
- **MBC006** **2m @ 3.2 % copper and 17 m @ 3.1 % copper**
- **DDH03** **11.7m @ 7.1 % copper**
- **DDH06** **13m @ 3.3 % copper inc 4.1m @ 8.5% copper**

Carnaby is currently completing a 5 line IP survey at Mount Birnie which aims to be immediately followed up by additional RC drilling.

TICK HILL GOLD PROJECT (100% OWNED) – Mt ISA, QUEENSLAND

MINE DEVELOPMENT

The Tick Hill open pit cutback is forecast to produce **63,300t @ 6.1 g/t for 12,500oz** generating pre-tax cashflows of **~\$15.0 million at AISC of A\$1,190/oz** (see ASX release 5 June 2020). Carnaby is actively pursuing options and opportunities to develop the Tick Hill Gold Project while completing additional permitting requirements and ongoing baseline monitoring programs. A decision to mine and / or agreement to divest part or all of the open pit cutback project is continuing to be evaluated and discussed with 3rd parties.

TICK HILL NEAR MINE EXPLORATION (100% OWNED)

A single diamond drill hole was completed at Tick Hill deeps in December 2020. No significant results were received, however weakly elevated gold results were recorded in the vicinity of the target zone and are being evaluated as to their significance. Carnaby remains committed to the Tick Hill extension target and is re-assessing the next stage of exploration which may include the deployment of new geophysical techniques such as 3D seismic to define the structural displacements in the mine stratigraphy.

MALMAC PROJECT (100% OWNED) – WESTERN AUSTRALIA

The Malmac project is located on the northern edge of the Earraheedy Basin, comprising Tooloo subgroup rocks that host the Chinook Zinc-Lead discovery by Rumble Resource (See RTR ASX release 19 April 2021).

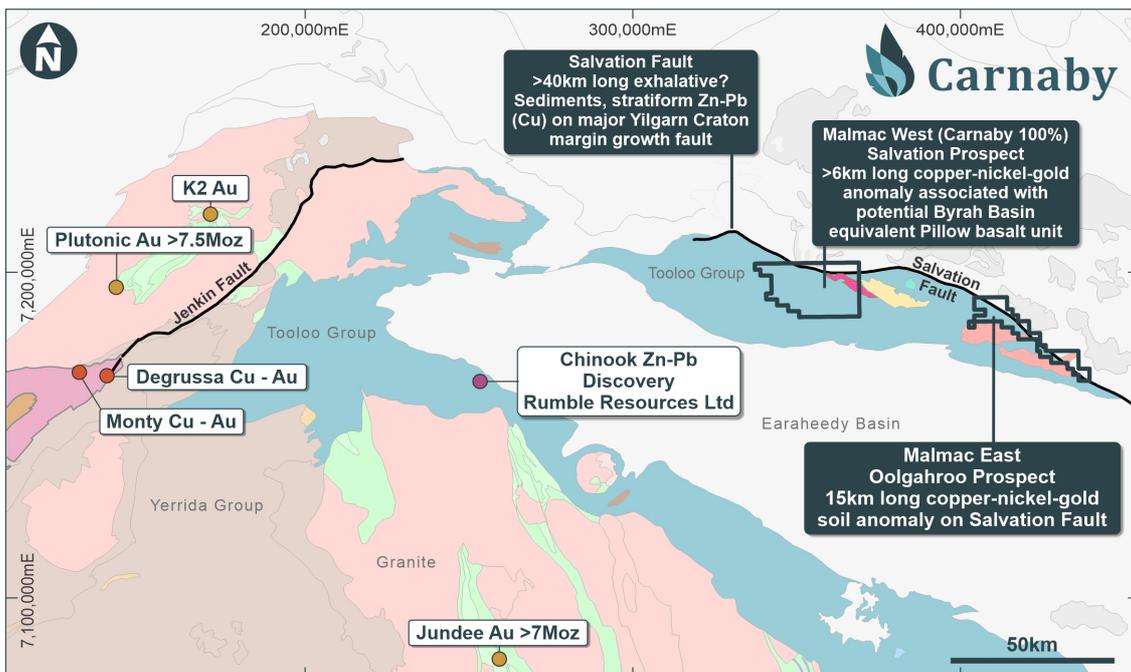


Figure 10. Malmac Project Location and Geology Map.

Results of a first pass reconnaissance rock chip and soil sampling program at Malmac West, comprising broad spaced 2 to 4 km traverses were released during the quarter (see ASX release 9 February 2021). They included the identification of a **6 km long copper-nickel-gold anomaly** named “**Salvation**” with results including;

- CB00065 Rock Chip **1,380 ppm copper**
- CBXRF0030 Hand Held XRF **1,203 ppm copper**
- CB00178 Rock Chip **489 ppm nickel**

The Salvation prospect is associated with a little-known outcrop of pillow basalt (Figure 11), a key geological criterion for Volcanic Hosted Massive Sulphide (VHMS) deposits, including the world-class Degrussa copper gold deposit. The pillow basalt unit is potentially equivalent to the Narracoota Volcanics in the Byrah Basin, reinforcing the emerging discovery potential at Malmac.

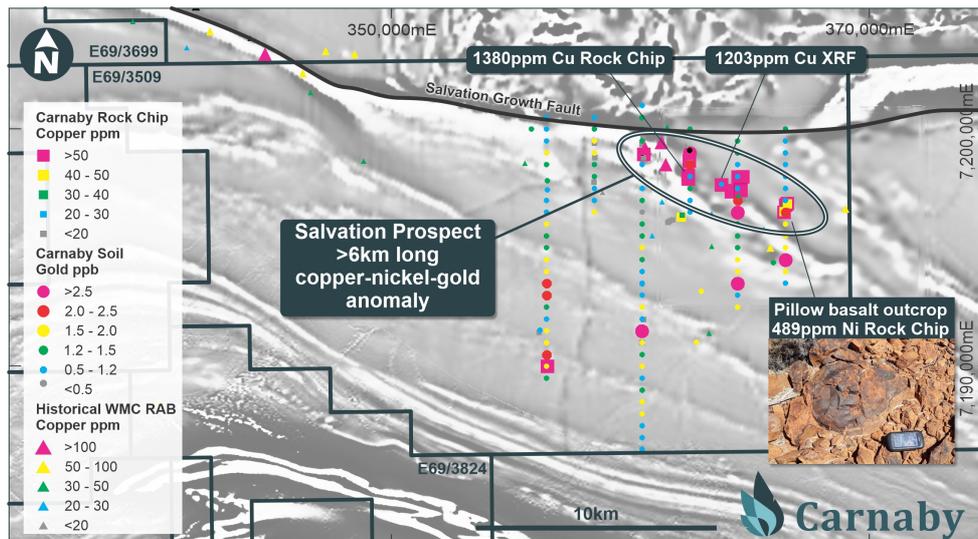


Figure 11. The Salvation Copper-Nickel-Gold anomaly and pillow basalt outcrop at the Malmac West tenement.

At Malmac East, first pass reconnaissance mapping and sampling on broad 2 to 4 km spaced traverses totalling of 175 soils samples also outlined a **15 km long copper-nickel-gold soil anomaly** named “**Oolgahroo**” which appears to be coincident with the Salvation Fault.

Carnaby plans to progress the early-stage exploration results at Malmac with further low-cost soil sampling, mapping and rock chip sampling and will consider using geophysics to further refine drill targets during the 2021 field season.

SWEDEN NICKEL & COBALT (100% OWNED)

Carnaby announced the sale of the Lainejaur Project in Sweden for Total Consideration of **\$1.5 million** through the signing of a binding Sale and Purchase agreement with Bayrock Cobalt Limited (see ASX release 18 March 2021).

Consideration comprises of;

- (a) **Cash payment of \$0.5 million** at settlement subject to completing Conditions Precedent which is currently progressing as planned;
- (b) issue of an unsecured convertible note with a face value of \$0.5 million convertible into securities of an initial public offer (IPO) or cash equivalent payable within 18 months from settlement; and
- (c) issue of an unsecured convertible note with a face value of \$0.5 million convertible into securities of the purchaser or cash equivalent payable within 36 months from settlement.

CORPORATE

Cash and Restricted Cash

At 31 March 2021, Carnaby held \$8.0 million in cash which includes \$0.4 million in restricted cash. Restricted cash comprises cash held in term deposits issued in the Company's name which have been used to provide security for the Company's bank guarantee facility.

Funds from the sale of the Tick Hill Tailing Retreatment Project (see ASX release 3 August 2020) continue to accumulate with the final cash consideration payment of **\$0.75 million** received during the March quarter due to full-scale production from the Project officially commencing on 19 January 2021. In addition, Carnaby is expected to start receiving proceeds from a **5% royalty** on the Project's gold production in April which is forecast to total approximately \$2.0 million over the next 18 months.

Additional ASX Information

- ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the quarter ending 31 March 2021 was \$879,249.
- ASX Listing Rule 5.3.2: There were no substantive Mining Production and Development activities conducted during the quarter.
- ASX Listing Rule 5.3.5: During the quarter ending 31 March 2021, the Company paid \$100,132 to related parties representing Directors' salaries, fees and superannuation.

Please refer to the following Appendix 5B for further information regarding movements in cash during the quarter.

Competent Persons Statement

The information in this document that relates to the Tick Hill Deposit and Tick Hill ROM Stockpile Mineral Resources is based upon information compiled by Mr Paul Tan. Mr Tan is a full-time employee and security holder of the Company and a Member of the AUSIMM. Mr Tan consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Tan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Tick Hill Tailings Dam Mineral Resources is based upon information compiled by Mr Robert Watkins. Mr Watkins is a Director and security holder of the Company and a Member of the AUSIMM. Mr Watkins consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Watkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Tick Hill Deposit, Tailings Dam and ROM Stockpile Ore Reserves is based upon information compiled by Mr Nigel Spicer. Mr Spicer consents to the inclusion in the report of the matters based upon the

information in the form and context in which it appears. Mr Spicer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

The information in this document that relates to the Lainejaur Project Nickel, Copper & Cobalt Mineral Resources is based upon information compiled by Mr Paul Payne, an employee of Payne Geological Services Pty Ltd, and a Director and security holder of the Company. Mr Payne is a Fellow of the AusIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Payne consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

Disclaimer

This document contains background information current at the date of this announcement. The announcement 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 in this announcement.

The announcement is for information purposes only. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sales of shares in any jurisdiction. The announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply to their own jurisdiction as a failure to do so may result in a violation of securities laws in such jurisdiction.

This announcement does not constitute investment advice and has been prepared without considering the recipients 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 of the law, the Company, its officers, employees, agents and advisors do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of any information, statements, opinion, estimates, forecasts or other representations contained in this announcement. No responsibility for any errors or omissions from the announcement arising out of negligence or otherwise is accepted.

References have been made in this announcement to certain ASX announcements, including references regarding exploration results, mineral resources, production targets and forecast financial information. For full details, refer to said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Exploration Target(s), Ore Reserves, Production Targets and forecast financial information from Production Targets, that all material assumptions and technical parameters underpinning the 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 presented have not been materially modified from the original market announcement.

Forward Looking Statements

Some statements in this announcement regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject

to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to complete the development of the Project, including with respect to any production targets and financial estimates, based on the information contained in this announcement.

Appendix 1 | Carnaby Resources Limited Tenements

Australian Projects

| Tenement | Location | Ownership |
|--|------------|-----------|
| Tick Hill Gold and Copper Project | | |
| ML7094 | Queensland | 100% |
| ML7096 | Queensland | 100% |
| ML7097 | Queensland | 100% |
| EPM9083 | Queensland | 82.5% |
| EPM11013 | Queensland | 82.5% |
| EPM14366 | Queensland | 82.5% |
| EPM14369 | Queensland | 82.5% |
| EPM17637 | Queensland | 82.5% |
| EPM18223 | Queensland | 82.5% |
| EPM18990 | Queensland | 82.5% |
| EPM19008 | Queensland | 82.5% |
| EPM25435 | Queensland | 82.5% |
| EPM25439 | Queensland | 82.5% |
| EPM25853 | Queensland | 82.5% |
| EPM25972 | Queensland | 82.5% |
| EPM26651 | Queensland | 100% |
| EPM27101 | Queensland | 100% |

| Tenement | Location | Ownership |
|--|-------------------|-----------|
| EPM 27822 | EPM27101 | 100% |
| Malmac Gold and Base Metals Project | | |
| E69/3509 | Western Australia | 100% |
| E69/3510 | Western Australia | 100% |
| E69/3702 | Western Australia | 100% |
| Throssel Gold Project | | |
| E38/3289 | Western Australia | 100% |
| Pilbara Projects | | |
| E45/5743 | Western Australia | 100% |
| E45/4638 | Western Australia | 100% |
| E45/5622 | Western Australia | 80% |
| E45/5819 | Western Australia | 100% |
| E45/5822 | Western Australia | 100% |
| E45/4801 | Western Australia | 100% |

Scandinavian Projects

| Tenement | Location | Ownership |
|-----------------|----------|-----------|
| Lainejaur nr 20 | Sweden | 100% |

Mining tenements acquired: EPM 27822

Mining tenements disposed or relinquished: Nil.

Beneficial percentage interests held in farm-in or farm-out agreements: Nil.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil.

Appendix 5B

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

Name of entity

CARNABY RESOURCES LIMITED

ABN

62 610 855 064

Quarter ended ("current quarter")

31 MARCH 2021

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (09 months) \$A'000 |
|---|----------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (879) | (1,668) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (196) | (493) |
| (e) administration and corporate costs | (33) | (225) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 9 | 20 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,099) | (2,366) |

| | | |
|--|------|------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | (14) | (47) |
| (c) property, plant and equipment | - | (13) |
| (d) exploration & evaluation | - | - |
| (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 (09 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements* | 750 | 4,000 |
| | (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 (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | 736 | 3,940 |

* Proceeds from sale of Tick Hill tailings

| | | | |
|-------------|---|------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 5,026 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | 138 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (259) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings * | (2) | (15) |
| 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 | (2) | 4,890 |

* Represents payment for leases prescribed under the accounting standard *AASB16 Leases*

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 7,928 | 1,099 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,099) | (2,366) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 736 | 3,940 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (2) | 4,890 |

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 (09 months) \$A'000 |
|---|---|------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 7,563 | 7,563 |

| 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 | 863 | 828 |
| 5.2 | Call deposits | 6,700 | 7,100 |
| 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) | 7,563* | 7,928 |
| | *Balance excludes Restricted Cash of \$388k. Restricted Cash comprises cash held in term deposits in the Company's name which have been used to provide security for the Company's bank guarantee facility. | | |

| 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 | 100 |
| 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> | |

Payments to related parties represent Directors salaries, fees and superannuation.

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.</i> | | |
| <i>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) | (1,099) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (1,099) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 7,563 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 7,563 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 7 |
| <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: Not Applicable | |
| 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: Not Applicable | |

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: Not Applicable

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: 28 April 2021.....

Authorised by: The Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.