



31 October 2019

ASX ANNOUNCEMENT

QUARTERLY REPORT – 1 JUNE TO 30 SEPTEMBER 2019

Theta Gold Mines Limited ("Theta Gold" or "Company") (ASX: TGM) is pleased to report on its activities for the three months ended 30 September 2019. The Company had a strong quarter with post Feasibility Study activities centred around engineering, social licence and permitting of the Theta open-cut gold project ("Theta Project").

Subsequent to the end of the quarter, the Company acquired a quality, secondhand 2.5MW ball mill. The Theta Project Feasibility Study demonstrated robust project economics which will be further enhanced by the purchase of the ball mill which has a capacity beyond the 500 Ktpa of ore throughput used in the Feasibility Study.

HIGHLIGHTS

- **Ball Mill purchase post quarter-end (ASX announcement 2 October 2019)**
- **Optimised gold plant layout completed (ASX announcement 22 August 2019)**
- **2019 Annual Report released (ASX announcement 27 September 2019)**
- **A\$8.0 million capital raising completed (ASX announcement 30 September 2019)**

Site Activities

- **Engineers calculated Optimised Ball Mill production rates 500 - 1,000Ktpa**
- **Engineers commenced planning to move 2.5MW ball mill to the TGME site**
- **Contractor engaged to expand power grid transformer for the Theta Project**
- **Community rally to support and embrace Theta Gold's sponsorship and participation in annual South African National Gold Panning Championships**
- **Theta Gold increasing its social and community engagement**

Current Resources

- **Gold Resource 6 Moz (44.78 Mt @ 4.18g/t)**
- **1.3 Moz open cut resources (13.1 Mt @ 3.12 g/t Au)**
- **4.5 Moz underground resources (26.3Mt @ 5.4g/t Au)**
- **Theta Project Open Cut Resource 870 Koz (10.1 Mt @ 2.7g/t Au) (Indicated & Inferred, 0-130m depth)**
- **Maiden Mining Reserve 205 Koz (2.31 Mt @ 2.76 g/t Au at a 0.4 g/t Au cut-off), Maiden Probable Ore Reserve (Refer Appendix A Table 2)**

Chairman, Bill Guy commented: "The Theta Project Feasibility Study is a great starter project which will allow the Company to unlock the potential of the East Transvaal goldfield. The ball mill purchase, a key long lead item will allow for initial production as well as providing for potential expansion production rate ranging between 500 - 1,000Ktpa. The mill is expected on site in February 2020.

Strong support from the locals was evident during the South African National Gold Panning Championships. It was a great day for Pilgrim's Rest and our staff, with the event well supported. The Company is pleased to sponsor the event in this rural region of South Africa. There are many talented gold panners in the district due to 130 years of gold mining history.

In the next quarter, the Company will look to finalising permitting studies, engineering, project finance options, exploration and opportunities to leverage the new ball mill's extra capacity. Permitting is in progress, with the Environmental Impact Report expected to be submitted in late 2019."

SOCIAL LICENCE

The Company continues to work with the local community in Pilgrim's Rest who are very supportive of the Company's efforts to restart gold mining and processing operations in the area. The Company has again supported the annual South African National Gold Panning Championships and its three-man sponsored team won silver while the sponsored five-man team took gold in the event.

The Company is committed to supporting the local population (less than 3,000 people at Pilgrim's Rest) through employment, local ownership and education initiatives. The Company has supported the local school with teachers, maintenance and funds for over five years.



Figure 1 : Local GPS Newspaper article



Figure 2 : Theta Gold Supports South African National Gold Panning Championships

OPTIMISED BALL MILL TEST

SGS Mineral Services and METS South Africa Pty Ltd (part of the UMS Group) completed the mill calculations on the 2.5MW ball mill using Theta ore bond index (Max 12.1). In summary the mill can do 1Mtpa at a feed size of 20mm using the assumptions below -

1. Mill BWI - 12.1 kW/t (this is the highest recorded by SGS)
2. Ball charge - 32%
3. Critical speed based on 65% of mill speed

Further increases in mill capacity (1.2 Mtpa) would require a change in plant design to include a tertiary crusher to reduce the feed size for the mill to 4mm.

BALL MILL PURCHASE

- **2.5MW ball mill secured for ZAR5.5m (A\$550,000 or US\$360,000) – considerably cheaper than new build.**
- **Mill can process 820Ktpa of ore based on current ball charge - potential to increase to 1Mtpa capacity with adjustments.**
- **Last operated at Glencore's chrome pelletizing operation in Rustenburg, South Africa.**
- **Equipment in excellent condition – 2 spare motors and 2 spare gearboxes included.**
- **All engineering and installation drawings available reducing future erection time.**

Following the completion of the Feasibility Study on the Theta Project, which demonstrated a low cost open cut mine, Theta Gold proceeded to identify appropriate long-lead items for the project. The ball mill is considered one of the critical pieces of plant equipment for the new gold processing plant.

In July 2019, the Company visited the site where the mill is located with plant engineers from METS South Africa Pty Ltd and conducted a detailed inspection of the mill. The equipment was reported to be in excellent condition with all associated parts being well maintained.

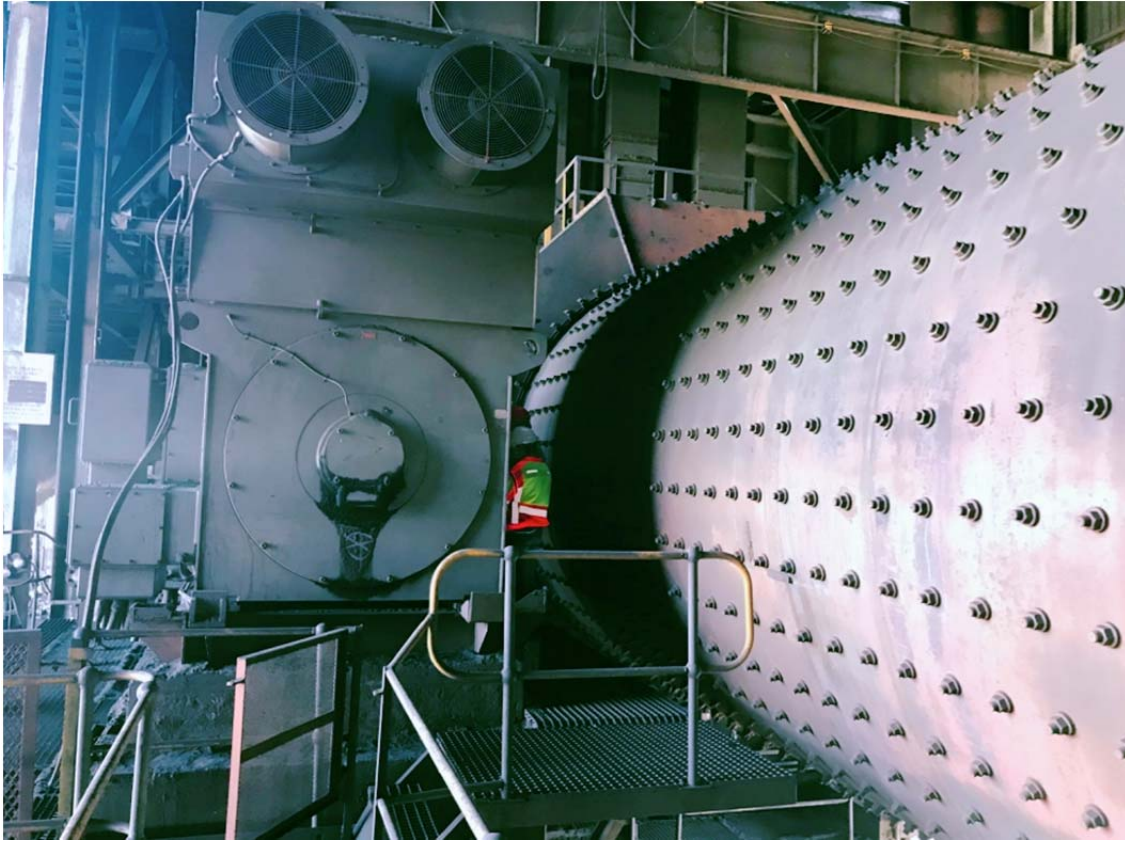


Figure 3 : 2.5 MW Ball Mill

In addition to the essential drive train components, the purchase includes two spare motors, two spares gearboxes (one brand new and one used), a seasoned ball charge and a full set of liners (~50% life remaining). There are also spare slipper pads and various miscellaneous spare parts including liners and bearings for gearboxes. There is a full set of engineering and installation drawings, which will serve to reduce installation costs. Ordinarily, an operation would hold one of each critical spare and it is rare to have this duplication. The girth gear for the mill is still in new condition and clearly has minimal wear.



Figure 4 : Spare 2.5 MW Motor



Figure 5 : Spare Gearboxes

ENGINEERS PLANNING MILL RELOCATION

With the recent acquisition of the 2.5 MW ball mill as a key long-lead plant item, the Company has commenced with the planning for the removal and relocation of the mill to the TGME site. This marks another key step as the Company systematically progresses towards production from the low-cost Theta open cut project.



Figure 6 : Engineers on site to plan transport of 2.5 MW ball mill

OPTIMISED GOLD PLANT LAYOUT

The new metallurgical plant layout position will create the flexibility to materially increase the Company's gold production profile. This exercise is in terms of the Company's strategy to achieve a production profile of 100,000 ounces per annum.

Summary

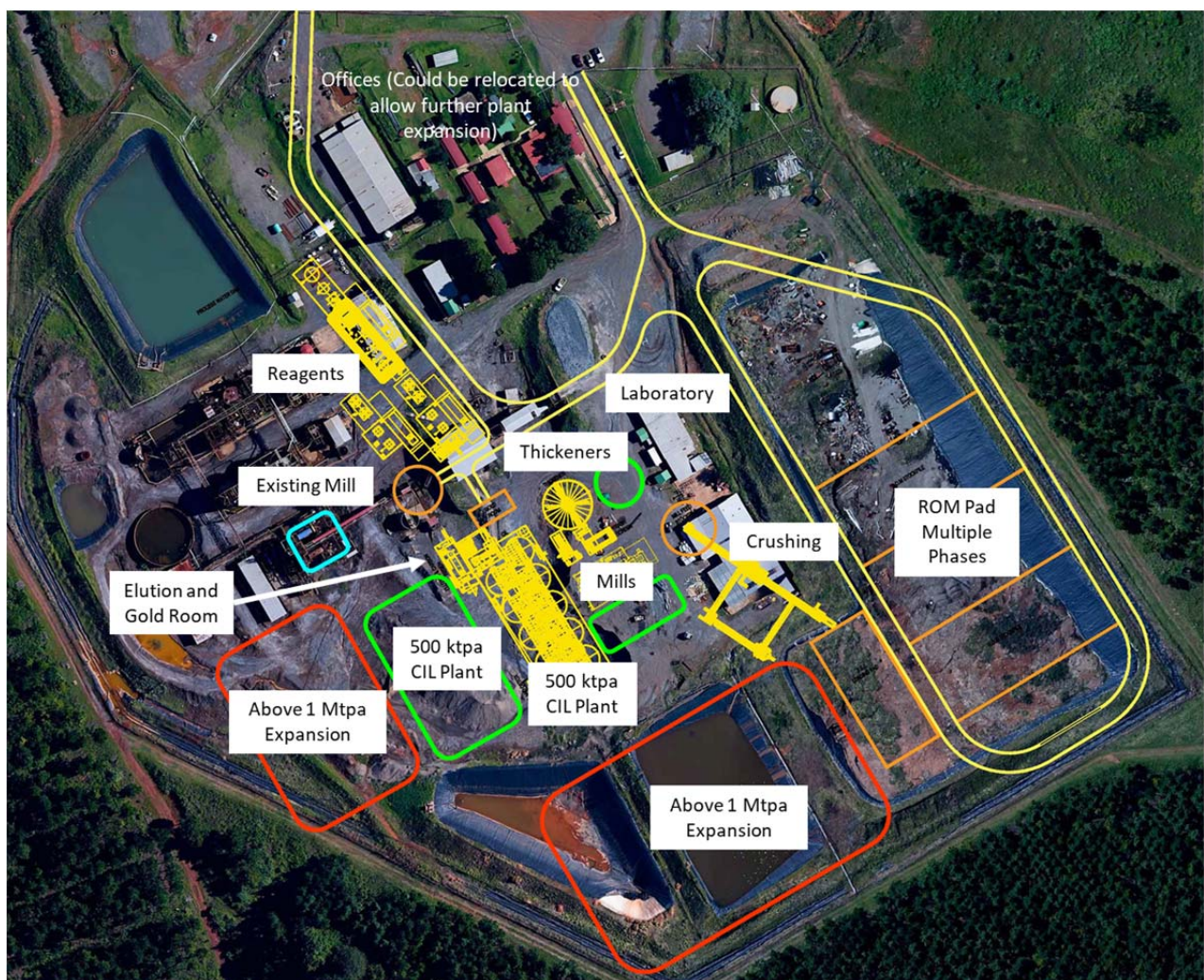
- **Phase 1: 500,000tpa Open Cut Oxide CIL Plant (Theta Project FS Design May 2019)**
- **Phase 2: Permitted plant space to expand Open Cut Oxide CIL Plant to 1 Mtpa**
- **Phase 3: Permitted plant space available for Underground Ore process circuit**

The Company wanted to ensure that in the future it had the flexibility to scale production from the Feasibility Study envisaged gold plant throughput of 500,000tpa to 1Mtpa and further to have the ability to treat potential underground ore resources. The study explored potential

future plant expansion possibilities that makes use of TGME's large footprint of permitted plant area that is currently un-utilized in terms of the May 2019 Feasibility Study ("FS").

In terms of the studies undertaken, the process and engineering teams reviewed the ability to expand the plant to 1Mtpa of open cut oxide ore (see Figure 7 below) and also to further ensure that the plant's design and spatial layout is flexible enough to allow for the installation of additional process circuits to treat potential underground ore. The proposed new plant will be built with a minor design alteration to allow for scaling up to these potential production profiles. This approach will allow the Company to more than double the production profile in future with minimal disturbance to gold production at the Theta Project.

Figure 7 : Plant Layout Showing Expansion Opportunities



YELLOW/ORANGE: FS Phase 1 – 500 ktpa GREEN: Phase 2 Expansion to 1 Mtpa+ RED: Phase 3 Expansion to above ~1.5Mtpa or more

EXPANSION OF POWER GRID TRANSFORMERS

The Theta Project will require additional power draw capacity off the national power grid to cater for the overall increase in power requirements for the new plant. The incoming powerline from the main grid is large enough to accommodate this additional power draw

however the transformer yard that deals with the incoming 22 KVA line is not large enough to cater for the additional power draw in the plant.

The Company is working with the national power provider, ESKOM, to increase the transformer capacity within the incoming ESKOM yard. The Company has engaged electrical engineers from the capital of the province who work with ESKOM on a regular basis and who are fully conversant with the process required to apply for, and if necessary, building, testing and commissioning an expansion of this nature.



Figure 8 : ESKOM Transformer Yard



Figure 9 : Engineers - Site Inspection of Transformer Yard

CORPORATE

Cash Position and Funding

As at 30 September 2019, the Group had US\$3,624,000 in cash.

On 23 July 2019, the Company announced that it had entered into subscription agreements with specialist global resource investors for the placement of 53,333,334 shares at A\$0.15 per share to raise a total of A\$8,000,000. The placement was completed in three tranches, with the final tranche of A\$4,000,000 received and shares issued on 30 September 2019. The shares are voluntarily escrowed until 31 December 2020.

The funds raised is being used for completion of pre-development activities and applied towards the purchase of equipment for the Company's Theta open-cut gold project in South Africa. The placement funds will also contribute to environmental related work, including environmental bond obligations for a number of newly granted Mining Rights as well as for general working capital.

Capital Structure

As stated above, the Company issued 53,333,334 shares at A\$0.15 per share during the quarter to raise a total of A\$8,000,000. A total of 10,161,121 options have also expired since the end of the previous quarter and up to the date of this report.

The current capital structure of the Company is as follows –

	Number
Fully paid ordinary shares (ASX: TGM)	436,706,585
Listed options exercisable at \$0.30 each on or before 31 October 2020 (ASX: TGMO)	31,429,663
Unlisted options and performance rights (details in Appendix B)	28,932,183

Annual General Meeting

The 2019 Annual General Meeting will be held on Monday 18 November 2019 at –

Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

A notice of meeting has been despatched to all shareholders.

Annual Report 2019

The 2019 Annual Report was released on 27 September 2019. A copy of the report is available on the Company's website at <https://www.asx.com.au/asxpdf/20190927/pdf/448z2r1pt7b199.pdf>.

For more information please visit www.thetagoldmines.com or contact:

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ABOUT THETA GOLD MINES LIMITED

Theta Gold Mines Limited (ASX: TGM, TGMO) is a gold development company that holds a range of prospective gold assets in a historic South African gold mining region. These assets include several surface and near-surface high-grade gold projects which provide cost advantages relative to other gold producers in the region.

Theta Gold Mines' core project (the Theta Project) is located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km northeast of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province). Following small scale production from 2011 – 2015, the Company is currently focussing on the planned refurbishment of the existing CIL plant and nearby mines/prospects with the intention of resuming gold production and is considering open pit mining on certain identified mineral resources amenable to open pit production. The Company has completed a detailed feasibility study and is in the process of seeking approvals for open pit mining on the existing mining licences held.

The Company aims to build a solid production platform to over 100,000ozpa based primarily around shallow, open-cut or adit-entry hard rock mining sources. Theta Gold Mines has access to over 43 historical mines and prospect areas that can be accessed and explored, with over 6.7Moz of historical production recorded.



BUSINESS ARRANGEMENT

Theta Gold Mines holds 100% issued capital of its South African subsidiary Stonewall Mining (Pty) Ltd ("Stonewall"). Stonewall holds a 74% shareholding in both Transvaal Gold Mining Estates Limited ("TGME") and Sabie Mines (Pty) Ltd ("Sabie Mines"). The balance of shareholding is held by Black Economic Empowerment ("BEE") entities. The South African Mining Charter requires a minimum of 26% meaningful economic participation by the historically disadvantaged South Africans ("HDSAs"). The BEE shareholding in TGME and Sabie Mines is comprised of a combination of local community trusts, an employee trust and a strategic entrepreneurial partner.

FORWARD LOOKING AND CAUTIONARY STATEMENTS

This announcement may refer to the intention of Theta Gold Mines regarding estimates or future events which could be considered forward looking statements. Forward looking statements are typically preceded by words such as "Forecast", "Planned", "Expected", "Intends", "Potential", "Conceptual", "Believes", "Anticipates", "Predicted", "Estimated" or 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, and may be influenced by such factors as funding availability, market-related forces (commodity prices, exchange rates, stock market indices and the like) and political or economic events (including government or community issues, global or systemic events). Forward looking statements are provided as a general reflection of the intention of the Company as at the date of release of the document, however are subject to change without notice, and at any time. Future events are subject to risks and uncertainties, and as such results, performance and achievements may in fact differ from those referred to in this announcement. Mining, by its nature, and related activities including mineral exploration, are subject to a large number of variables and risks, many of which cannot be adequately addressed, or be expected to be assessed, in this document. Work contained within or referenced in this report may contain incorrect statements, errors, miscalculations, omissions and other mistakes. For this reason, any conclusions, inferences, judgments, opinions, recommendations or other interpretations either contained in this announcement, or referencing this announcement, cannot be relied upon. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or estimates. The Company believes it has a reasonable basis for making the forward looking statements contained in this document, with respect to any production targets, resource statements or financial estimates, however further work to define Mineral Resources or Reserves, technical studies including feasibilities, and related investigations are required prior to commencement of mining. No liability is accepted for any loss, cost or damage suffered or incurred by the reliance on the sufficiency or completeness of the information, opinions or beliefs contained in this announcement.

The Feasibility Study referred to in this announcement is based on technical and economic assessments to support the estimation of Ore Reserves. There is no assurance that the intended development referred to will proceed as described, and will rely on access to future funding to implement. Theta Gold Mines believes it has reasonable grounds the results of the Feasibility Study. At this stage there is no guarantee that funding will be available, and investors are to be aware of any potential dilution of existing issued capital. The production targets and forward looking statements referred to are based on information available to the Company at the time of release, and should not be solely relied upon by investors when making investment decisions. Theta Gold cautions that mining and exploration are high risk, and subject to change based on new information or interpretation, commodity prices or foreign exchange rates. Actual results may differ materially from the results or production targets contained in this release. Further evaluation is required prior to a decision to conduct mining being made. The estimated Mineral Resources quoted in this release have been prepared by Competent Persons as required under the JORC Code (2012). Material assumptions and other important information are contained in this release.

Appendix A - JORC 2012 Tables

Table 1: Combined Mineral Resources as at 1 May 2019

Mineral Resource Classification	Type of Operation	Tonnage	Gold Grade	Gold Content	
		Mt	g/t	Kg	koz
Measured	Underground	0.091	5.37	489	15.7
Total Measured		0.091	5.37	489	15.7
Indicated	Underground	4.774	6.21	29,661	953.7
	Open Pit	7.161	2.11	15,091	485.2
	Tailings	5.244	0.83	4,373	140.6
Total Indicated		17.179	2.86	49,126	1,579.4
Inferred	Underground	21.452	5.22	111,880	3,597.0
	Open Pit	5.922	4.35	25,730	827.3
	Tailings	0.023	0.57	13	0.40
	Rock Dump	0.121	1.64	199	6.40
Total Inferred		27.518	5.01	137,823	4,431.0
Grand Total		44.788	4.18	187,438	6,026.2

Notes:

1. Columns may not add up due to rounding.
2. Gold price used for the cut-off calculations is USD1,500/oz.
3. UG Mineral Resources are reported at a cut-off of 160 cm.g/t, open pit at 0.5 g/t and 0.35 g/t, tailings and rock dumps at 0.35 g/t.
4. Fault losses of 5% for Measured and Indicated, 10% for Inferred Mineral Resources.
5. Mineral Resources are stated as inclusive of Ore Reserves.
6. Mineral Resources are reported as total Mineral Resources and are not attributed.

Table 2: Theta Project Ore Reserves for MR83 Only, 1 May 2019

Mineral Resource Category in LoM Plan	Pit	Grade	Reef Tonnes	Au Content	
		g/t	kt	kg	oz
Probable	Browns Hill	3.24	564	1,826	58,699
Probable	Iota (Columbia Hill)	2.54	1,253	3,189	102,513
Probable	Theta Hill	2.76	493	1,362	43,798
Total		2.76	2,310	6,377	205,010

The Ore Reserves exclude Inferred Mineral Resources.

Notes:

1. Totals in the Ore Reserve may not add-up due to rounding.
2. Mineral Resources are for MR83 only and excludes MR341.
3. No Inferred Mineral Resources are included in the Ore Reserve.

Table 3: Total Theta Project - Mineral Resources, 1 May 2019

Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Indicated	Theta Hill & Browns Hill	Shale	1.02	200	204	0.439	402	12.9
	Theta Hill & Browns Hill	Bevetts	1.10	221	244	0.891	886	28.5
	Theta Hill & Browns Hill	Upper Theta	2.41	100	241	0.724	1,568	50.4
	Theta Hill & Browns Hill	Lower Theta	3.70	100	370	0.888	2,956	95.0
	Theta Hill & Browns Hill	Beta	2.49	100	249	0.383	859	27.6
	Columbia Hill	Bevetts	2.89	114	330	0.105	303	9.7
	Columbia Hill	Upper Rho	2.43	393	956	0.808	1,965	63.2
	Columbia Hill	Lower Rho	2.51	550	1381	0.815	2,047	65.8
	Columbia Hill	Upper Theta	1.08	114	123	0.158	171	5.5
Total Indicated			2.14	246	526	5.211	11,157	358.7

Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Inferred	Theta Hill & Browns Hill	Shale	1.11	216	240	0.703	666	21.4
	Theta Hill & Browns Hill	Bevetts	1.07	213	227	0.648	589	19.0
	Theta Hill & Browns Hill	Upper Theta	1.86	100	186	1.071	1,692	54.4
	Theta Hill & Browns Hill	Lower Theta	8.11	100	811	1.643	11,329	364.3
	Theta Hill & Browns Hill	Beta	2.23	100	223	0.748	1,417	45.6
	Columbia Hill	Upper Rho	5.13	106	544	0.099	507	16.3
Total Inferred			3.30	132	434	4.912	16,202	520.9

Mineral Resource Classification	Open Pit Mine	Reef	Reef Grade	Reef Width	Content	Reef Tonnes	Au Content	
			g/t	cm	cm.g/t	Mt	Kg	koz
Indicated	Total Theta Project	All	2.14	246	526	5.2	11,157	358.7
Inferred	Total Theta Project	All	3.30	132	435	4.9	16,202	520.9
Total Indicated and Inferred			2.70	190	514	10.1	27,359	879.6

Notes:

1. Theta Project (Theta Hill, Browns Hill and Iota) cut-off is 0.35 g/t;
2. The gold price used for the cut-off calculations is USD 1,500 / oz;
3. Geological losses applied are 10% for inferred and 5% for Indicated and Measured;
4. Theta Hill and Browns Hill - Upper Theta Reef, Lower Theta Reef and Beta Reef are diluted grades over 100cm;
5. Historical mine voids have been depleted from the Mineral Resource;

6. The inferred Mineral Resources have a high degree of uncertainty and it should not be assumed that all or a portion thereof will be converted to Ore Reserves;
7. Mineral Resources fall within the mining right MR83 and MR341.

Competent Persons Statement

Mineral Resources and Ore Reserves

The information in this report relating to Mineral Resources is based on, and fairly reflects, the information and supporting documentation compiled by Mr Uwe Engelmann (BSc (Zoo. & Bot.), BSc Hons (Geol.), Pr.Sci.Nat. No. 400058/08, MGSSA), a director of Minxcon (Pty) Ltd and a member of the South African Council for Natural Scientific Professions.

The information in this report relating to Ore Reserves is based on, and fairly reflects, the information and supporting documentation compiled by Mr Daniel van Heerden (B Eng (Min.), MCom (Bus. Admin.), MMC, Pr.Eng. No. 20050318, FSAIMM, AMMSA), a director of Minxcon (Pty) Ltd and a member of the Engineering Council of South Africa.

The original reports titled "Theta Gold increases Mineral Resource to over 6Moz" and "Positive Feasibility Study for Theta Project" were dated 16 May 2019 and were released to the Australian Securities Exchange (ASX) on that date. The Company confirms that –

- it is not aware of any new information or data that materially affects the information included in the ASX announcements; and
- all material assumptions and technical parameters underpinning the estimates in the ASX announcements continue to apply and have not materially changed.

Appendix B - Unlisted Options and Performance Rights

Number	Performance Hurdle/Vesting Date (if applicable)	Exercise Price	Expiry Date
OPTIONS			
727,970		\$0.19	15 Jan 2020
1,000,000		\$0.25	18 Jan 2020
1,000,000		\$0.30	18 Jan 2020
604,213		\$0.19	13 Aug 2020
200,000	20 day VWAP above \$0.030. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.	\$0.35	19 July 2022
200,000	20 day VWAP above \$0.035. This performance hurdle must be achieved on or before the date that is three years from the date of issue of the Options.	\$0.40	19 July 2022
3,732,183	TOTAL OPTIONS		
PERFORMANCE RIGHTS			
50,000	All systems, licences, insurances, regulatory and statutory compliance in place to meet South Africa Mining regulations, laws, Mining Charter 111, commercial contacts. (Mine ready).	Nil	27 June 2024
4,670,000	Delineating a total of 300,000 ounces of gold ore reserves (in accordance with the JORC Code 2012 ¹) at grade of at least 2.5g/t Au, amenable to open-cut mining on Mining Right 83, Mining Right 341 and Mining Right 10167 (under application).	Nil	27 June 2024
5,370,000	Decision to Mine (Board approval to commence development of a gold mining operation) with all regulatory approvals secured. This performance hurdle must be achieved on or before the date that is 18 months from the date of issue of the performance right.	Nil	27 June 2024
7,630,000	Achieving annualised production of 50,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before the date that is 30 months from the date of issue of the performance right.	Nil	27 June 2024
7,480,000	Achieving annualised production of 100,000 ounces of gold per annum over a consecutive period of 3 months. This performance hurdle must be achieved on or before the date that is 48 months from the date of issue of the performance right.	Nil	27 June 2024
25,200,000	TOTAL PERFORMANCE RIGHTS		
28,932,183	TOTAL OPTIONS AND PERFORMANCE RIGHTS		

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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

Name of entity

THETA GOLD MINES LIMITED

ABN

30 131 758 177

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter US\$'000	Year to date (3 months) US\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(950)	(950)
(b) development		
(c) production		
(d) staff costs	(137)	(137)
(e) administration and corporate costs	(923)	(923)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid	(204)	(204)
1.7 Research and development refunds		
1.8 Other		
1.9 Net cash from / (used in) operating activities	(2,212)	(2,212)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter US\$'000	Year to date (3 months) US\$'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	32	32
	(b) tenements (see item 10)		
	(c) investments		
	(d) 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	32	32

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	5,466	5,466
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(123)	(123)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(28)	(28)
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	5,315	5,315

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	489	489
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,212)	(2,212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	32	32
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,315	5,315
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	3,624	3,624

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 US\$'000	Previous quarter US\$'000
5.1	Bank balances	3,624	489
5.2	Call deposits		
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)	3,624	489

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
US\$'000**

149

Payments for salaries and consulting fees.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
US\$'000**

Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
8.1	Loan facilities	2,800	2,800
8.2	Credit standby arrangements		
8.3	Other (please specify)		
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Details of the loan facilities are set out in Note 14 of the Company's Financial Report for the year ended 30 June 2019.

9.	Estimated cash outflows for next quarter	US\$'000
9.1	Exploration and evaluation	600
9.2	Development	500
9.3	Production	-
9.4	Staff costs	150
9.5	Administration and corporate costs	650
9.6	Other (loan repayment)	100
9.7	Total estimated cash outflows	2,000

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Mining Right 341	Holder of mining tenement	-	100%

Compliance statement

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



Sign here:
(Director/Company secretary)

Date: 31/10/2019

Print name: Chin Haw Lim

Notes

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