

# QUARTERLY ACTIVITIES REPORT

FOR QUARTER ENDED 31 December 2018

## Highlights

Alligator Energy Limited (Alligator, AGE or the Company) is pleased to release the 31 December 2018 Quarterly Report.

### Uranium

- AGE geologists and consultants have continued collating data from the 2,138 m TCC4 drilling program carried out in Sept / Oct 2018 (Figure 2);
- A review, interpretation and recommendation of next steps for TCC4 specifically and Alligator Rivers Uranium Province (ARUP) exploration by a global and NT experienced uranium geologist has been delayed and will now commence in early February;
- AGE remains focused on our search for large (100 Mlbs) high grade uranium deposits in the ARUP;
- Discussions are recommencing with the Northern Land Council (NLC) regarding the ARUP Nabarlek North application area, which is adjacent to the high grade U40 uranium prospect;
- AGE completed demobilisation and rehabilitation of the TCC4 drilling area, and an NT Govt operational and environment audit was satisfactorily concluded;

### Energy Minerals

- AGE completed “First Pass” Phase 1 work program as part of the Piedmont Project (Ni Co Cu) earn-in and have committed to Phase 2. This Project covers a large mafic/ultramafic layered complex approximately 30kms long by 2.5kms wide which contains known massive sulphide mineralisation, historical mine workings, and significant potential for further discoveries;
- AGE has signed a confidentiality agreement allowing a globally recognised expert in this form of nickel mineralisation to undertake an initial regional data review, which is now underway;
- Permitting for planned future drilling is underway, with an environmental screening study completed, an initial meeting held with the Piedmont Regional mining authority, and communications with the Environment Ministry;
- Along with two new tenement applications lodged during 2018, Alligator continues to use

**Alligator Energy**

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ASX Code: AGE

Number of Shares:

1004.9M Ord Shares  
310.4M Listed Options  
15.4M Unlisted Options

Board of Directors:

Mr Paul Dickson  
(Non Exec. Chairman)

Mr Peter McIntyre  
(Non Exec. Director)

Mr Andrew Vigar  
(Non Exec. Director)

Mr Greg Hall  
(Acting CEO & Exec.  
Director)

its knowledge to evaluate additional ground of interest in the region.

### Corporate

- AGE is continuing to evaluate other project opportunities within Australia and overseas, related to our expanded exploration strategy of Uranium and Energy Minerals;
- Mr John Main advised his intention to retire from the AGE Board and stepped down as Chairman at the end of the AGM on 27<sup>th</sup> November 2018. During his time with AGE, John has provided exceptional leadership for the Board and the Company in all its plans and programs. The Board and staff of AGE thank John and wish him all the best for the future.
- Paul Dickson, who has been Acting Chairman for AGE, has been elected as Chairman. The Board welcomes Paul to the new role and thanks him for stepping in as Acting Chair.
- AGE staff and consultants were on extended leave during the December / January period, assisting to conserve the cash position of the Company ready for the active periods in the coming year.
- The uranium spot price reached \$US29 per lb during the quarter, having increased from US\$21 per lb in April 2018. The long-term price firmed slightly to US\$32 per lb.

### Plans for the forthcoming quarter

- Undertake TCC4 and regional data review and interpretation workshop, assisted by a highly experienced uranium geological consultant, with the aim to determine and prioritise the next steps at AGE's extensive ARUP uranium projects and applications;
- Work with the NLC and Traditional Owners (TO's) to progress the ARUP Narbarlek North Project application, potentially opening up a second area within the ARUP to AGE;
- Develop initial plans for the 2019 field season work at the Company's ARUP tenements;
- Complete Ni Co Cu regional data review of the Piedmont Project and develop detailed drill targeting;
- Progress drilling permits for future drill program at Piedmont, and commence more detailed drill planning;
- Continue to develop discussions with potential strategic partners who have long term interest in the Company's projects.

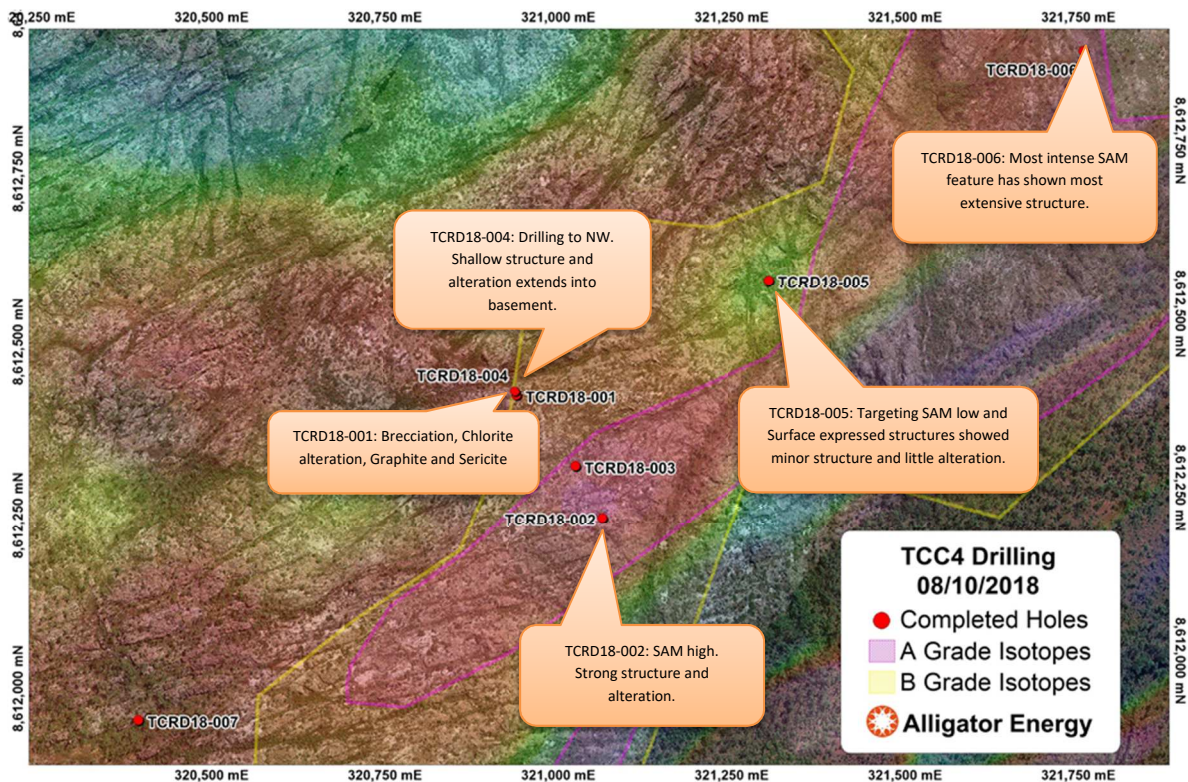


*Figure 1. Sampling of historic workings on Alligator's Piedmont Project*

## Exploration

### Alligator River Uranium Province (ARUP)

#### TCC4 Drilling Program



**Figure 2 – ARUP TCC4 drilling program showing drill hole locations on aerial imagery with SAM depth slice overlay**

On 10 October 2018, Alligator advised that it had completed the TCC4 drilling program. Drilling was conducted along four transect lines representing a strike length of 1,600 metres at the north eastern end of a 4,000 metre long zone of coincident SAM geophysical and radiogenic pathfinder surface anomaly (Figure 2). This represents 40% of the total anomalous strike length.

Seven holes for a total of 2,138m were completed between 4 September and 10 October 2018. Being the first holes targeting concealed uranium deposits under sandstone cover using Alligator's combined proprietary geochemical sampling and geophysical methods, results have proved highly encouraging.

Of the seven holes drilled, five have intersected key target features, including:

- Graphitic schists of the Cahill formation
- Brecciated basement structures not reflected in sandstone cover
- Chlorite and haematite alteration in both basement and overlying sandstone cover
- Garnetiferous schists comparable to Mid-Cahill found proximal to Ranger and Jabiluka
- Carbonate veins at depth believed to be re-mobilised from deeper Lower Cahill formation

These key features indicate geophysical and stratigraphic targeting has been successful with Lower Cahill indicated further to the north-west.

Modelling of new downhole decay isotopes is being carried out along with original surface samples to identify the cause / source of anomalous results across the TCC4 prospect.

All drilling contractors, crew, and equipment were demobilised during the quarter, completed in conjunction with rehabilitation of all tracks and drill sites utilised throughout the drilling campaign. The Company's Myra camp was again secured and closed with commencement of the NT wet season.

#### *Work Program over the coming quarter*

Alligator has engaged an experienced uranium geologist to assist our exploration team in a post TCC4 drilling and regional review. The geologist has extensive global and NT uranium exploration experience and has been successful in uranium discoveries in both the ARUP, and the Athabasca basin in Canada. This prospect and regional scale data review will now commence in early February.

In conjunction with the review referred to above, Alligator geologists and consultants will continue analysis of drilling results and data review to produce a revised interpretation with the aim of determining the next steps for the Tin Camp Creek Project, Beatrice Project. AGE's other ARUP uranium tenements and any other opportunities with the uranium province that may become available.

Hylogger analysis will be sought for TCC4 sandstone drilling samples focusing on the identification of Angularli style hydrothermal clay alteration halos in Kombolgie cover.

Discussions will be recommencing with the NLC to determine what further on-ground survey work may be required prior to coordinating application meetings for the ARUP Nabarlek North Project with the NLC and Traditional Owners.

Geologists will commence planning for ARUP region track openings and required tenement management work in preparation for the 2019 field season.

Initial conversations have been held with companies potentially interested in strategic investments into the ARUP region for future exploration work. These will continue, supported by the upcoming regional review work.

The ARUP review will include other key uranium targets, in particular the more advanced ARUP Nabarlek North applications which are in close proximity to the known high grade U40 uranium prospect.

## **Piedmont**

#### *Exploration and Fieldwork*

From May to July 2018, AGE's exploration team completed substantial "First Pass" on-ground geological and structural mapping, along with extensive geochemical sampling and a ground-based magnetometer survey around historical mines and other prospective sites within the Piedmont Project area. Piedmont is a Farm-in/Joint Venture with Chris Reindler and Partners (CRP) (ASX Announcement: 1 February 2018). The focus of this work was to confirm that the presence and tenor of the mineralisation and that is was of a style and extent capable of hosting a significant deposit.

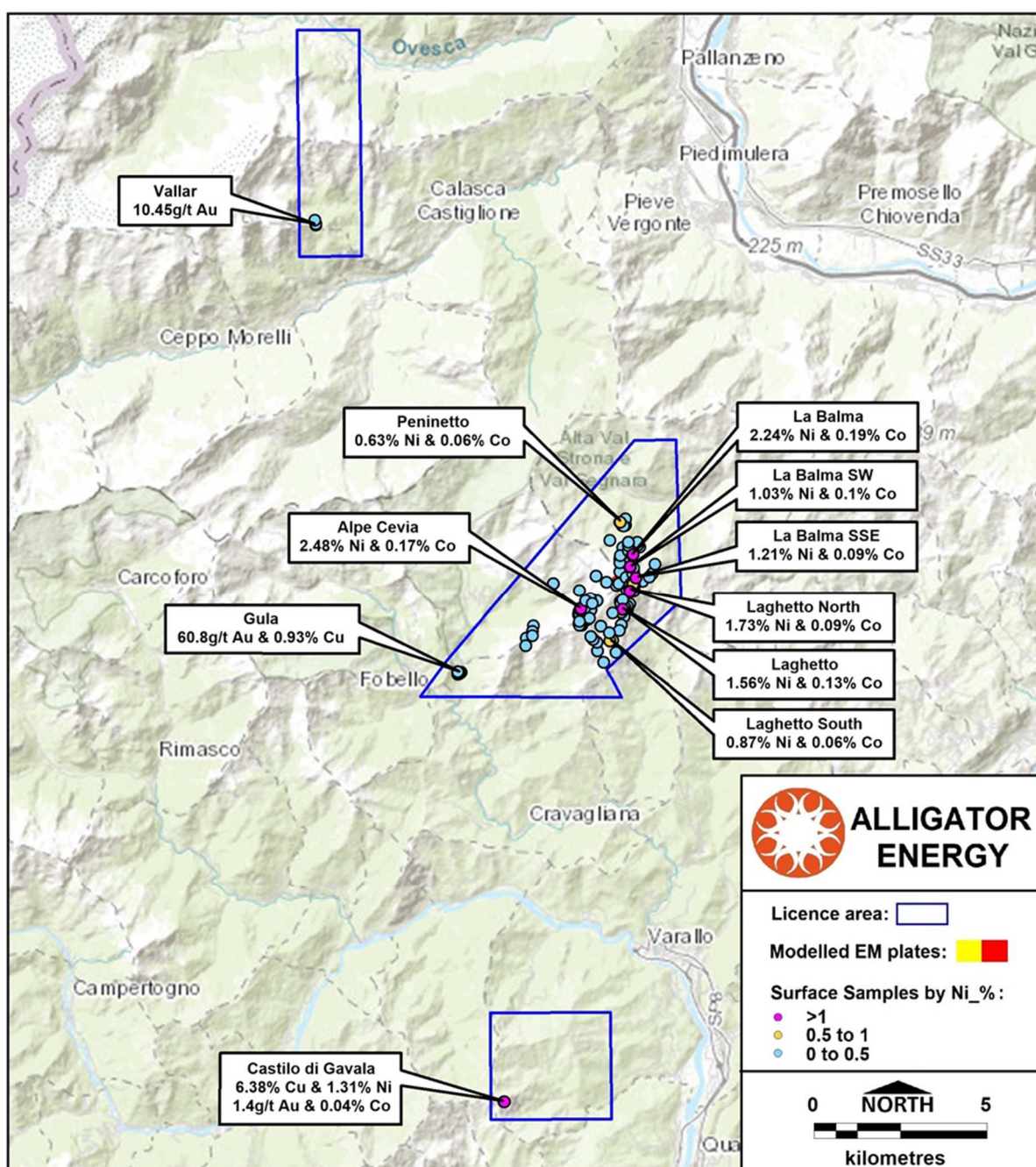
During the second half of last year AGE released the following significant assay results received from its detailed on-ground geochemical sampling and mapping work at its Piedmont *nickel-cobalt-copper* project in northern Italy with results shown below in **Figure 3** (refer to ASX releases on 26 July 2018 and 14 September 2018).

#### **Significant geochemical rock chip sample assays – Batch 1 released July 2018, included:**

<b>Alpe Laghetto</b>	Sample P18-S053 - <b>1.56% Ni, 0.13% Co, 0.10% Cu</b>
	Sample P18-S059 - <b>1.36% Ni, 0.13% Co, 0.09% Cu</b>
	Sample P18-S015 - <b>0.19% Ni, 0.02% Co, 0.98% Cu</b>
<b>Alpe Cevia</b>	Sample P18-S003 - <b>2.48% Ni, 0.17% Co, 0.13% Cu</b>
	Sample P18-S080 - <b>1.57% Ni, 0.11% Co, 0.07% Cu</b>
<b>La Balma</b>	Sample P18-S027 - <b>1.03% Ni, 0.10% Co, 0.08% Cu</b>
	Sample P18-S026 - <b>0.29% Ni, 0.03% Co, 0.72% Cu</b>
	Sample P18-S025 - <b>0.97% Ni, 0.08% Co, 0.12% Cu</b>

**Significant geochemical rock chip sample assays – Batch 2 released Sept 2018, included:**

<b>Laghetto North</b>	Sample P18-S102 - 1.73% Ni, 0.09% Co, 0.43% Cu
<b>Castilo di Gavala</b>	Sample P18-S176 - 1.31% Ni, 0.04% Co, 0.87% Cu
	Sample P18-S177 - 6.38% Cu, 0.75% Ni, 1.39g/t Au
<b>La Balma</b>	Sample P18-S131 - 2.24% Ni, 0.19% Co, 0.09% Cu
<b>La Balma SE</b>	Sample P18-S121 - 1.21% Ni, 0.09% Co, 0.11% Cu
	Sample P18-S122 - 0.86% Ni, 0.06% Co, 0.18% Cu
<b>Gula</b>	Sample P18-S160 - 0.93% Cu
	Sample P18-S170 - 60.8g/t Au, 0.38% Cu
	Sample P18-S159 - 41.5g/t Au
<b>Vallar</b>	Sample P18-S109 - 10.45g/t Au



**Figure 3 – Piedmont Sampling Summary**

Of the 177 samples collected to date, 159 are located within the Alpe Laghetto licence area. **Figure 3** above shows the distribution of all samples collected to date including assays received over the Alpe Laghetto licence area plotted by Ni %. In total seven prospects have returned results >1% Ni, these being Alpe Cevia, Alpe Laghetto, Laghetto North, La Balma, La Balma SE, La Balma SW and Castillo di Gavala. Even more promising is the strong Cobalt credentials associating with higher Ni percentages from this initial sampling, confirming this as being a high cobalt nickel sulphide.

Five of these prospects form the north-south La Balma-Laghetto trend of intermittently outcropping mineralisation over a 2 to 3km strike length, showing geological similarities and structural connections.

Sampling results from Castillo di Gavala in the southern-most EL, some 10km to the south of La Balma-Laghetto area (refer **Figure 3** above) show the potential of “pipe” style mineralisation in the region with exceptionally high Cu-Ni grades returned in sample P18-S177 of 6.38% Cu and 0.74% Ni. This is supported by a second grab sample P18-S176 returning 1.31% Ni and 0.87% Cu.

Another prospect which returned promising assays was the historic Gula mine. Sampling at the Gula prospect has returned highly anomalous Au in conjunction with a moderate Cu occurrence. Sample P18-S170 represents the stand out result, returning 60.8g/t Au and 0.38% Cu. This is supported by 41.4g/t Au and 0.93% Cu in samples P18-S159 and P18-S160 respectively.

Petrographic results from five samples were received during the quarter and are being analysed as part of the Piedmont project review. These petrographic reports will aid in further distinguishing high grade granulite metamorphics from gabbroic mantle sequences in future field work and aid with geological interpretations.

A ground magnetometer survey was undertaken during the field work. The results of this geophysics magnetometer survey are so far inconclusive, and the technique appears to primarily highlight magnetite bearing structures. Further geophysical techniques will be investigated during the review.

Our Farm-in and JV partner (CRP) coordinated the lodging of drilling permit applications during the Dec Quarter, with approximate drilling areas outlined rather than detailed drill hole locations at this stage. An environmental screening study was completed over the tenement areas in support of the drilling application. An initial meeting was held with the Piedmont Regional mining authorities, with input from local environmental office, plus local community representatives. No significant impediments to drilling were indicated, and further work to be completed was identified, with a positive and collaborative approach within the meeting.

Alligator and its JV partner are awaiting advice from the Environment Ministry regarding its Environmental Screening study and drilling plans. This is anticipated during this coming Quarter.

#### *Work Program for the next quarter*

AGE intends to complete, as far as possible, the initial review of the Piedmont Project and region by the nickel expert identified, assisted by our project team. Access to the higher ground at Piedmont will not be available until the Spring (May), and hence final review work and development of detailed drill targeting may not be completed until then.

AGE will continue to assist its JV partner to progress drilling permits to the extent possible while more detailed drill siting is completed, with an aim of being able undertake a drilling program (Phase 2 of the JV farm in) during the northern summer.

Planning for the 2019 field work season will be commenced, and local community contacts will be continued. As previously mentioned, the AGE field team was based in the town of Varallo last year, and there was interest and support from the local community, many of whom have links to the historical mining which took place in the region.

## Uranium Market

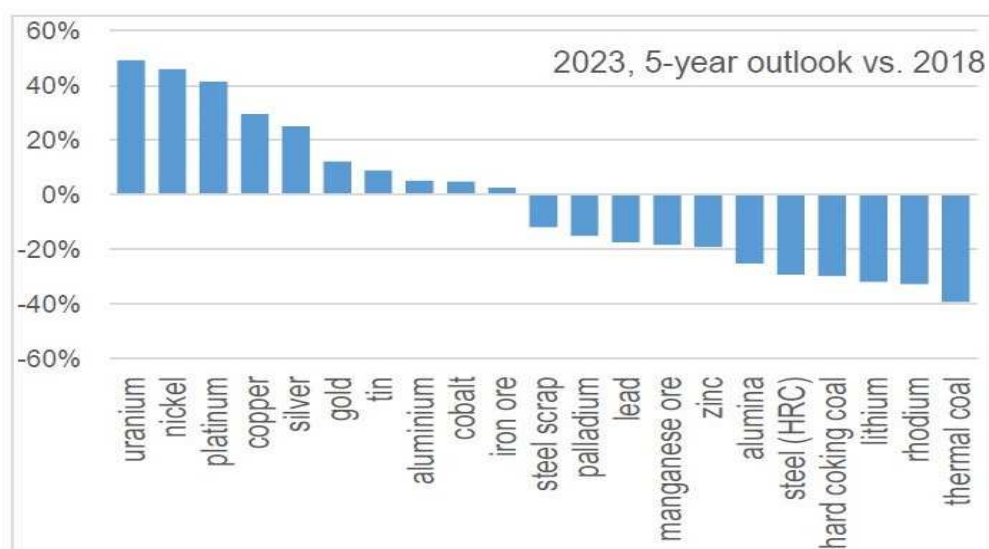
The uranium spot price increased to over US\$29 per lb during the quarter, before declining slightly to the mid US\$28's per lb at quarter end. However, at time of writing the price had again reached US\$29 per lb, up from US\$21 per lb in April 2018.

The price increase over the last six months of 2018 is a result of a combination of factors involving tightening of uranium supply and increasing demand. These include:

- Cameco announcing in July that it will indefinitely suspend its McArthur River uranium mine operations in Canada;
- Kazak uranium production restrictions, and the listing of 15% of Kazatomprom on the Astana International Exchange and the London Stock Exchange, which implies the requirement for a more economic focus on their production and marketing actions;
- Other uranium producer shutdowns and restrictions;
- Increase in enrichment pricing, which may start to reduce over time the excess uranium produced by underfeeding during enrichment;
- Nine nuclear reactors are now operating in Japan, with a further sixteen reactors having applied for restarts and under review by the Nuclear Regulatory Authority of Japan;
- Japan re-affirms its energy policy including 20 - 22% nuclear power;
- Increased buying by traders and financial institutions, eg the recent Yellowcake fund which purchased 8.4 mill lbs uranium; and
- Global nuclear power generation growth continues, and has now easily surpassed the level just prior to the Japanese tsunami in 2011.

The petition by certain US uranium producers to try and enforce a quota for US nuclear utilities to purchase US produced uranium (referred to as US 232 action) has resulted in a certain paralysis in the US utility uranium contracting business. US utilities are reluctant to commit to long term contracts at more supportive prices if they are forced in the future by this action to purchase quota volumes of US uranium production. This is seeming to delay US utilities in coming out for long term supply contracts, causing them to buy on the short-term market. Once resolved it may result in a rush of contracting by US utilities as they see the spot price (and long-term price) increasing.

During January 2018 Macquarie published their Commodity Strategy, outlining their views on the potential movement of commodity prices over the coming years. Below is their Five Year view, indicating that the commodities which Alligator is involved in (uranium, nickel, cobalt) are all in a potential price growth phase.



Source: Macquarie Commodity Strategy, January 2018

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## **Corporate**

### **Personnel**

Mr John Main advised his intention to retire from the AGE Board for personal and health reasons and stepped down as Chairman at the end of the AGM on 27<sup>th</sup> November 2018.

John was Chairman and Director of Alligator Energy since November 2013. During this time John provided exceptional leadership for the Board and the Company in all its plans and programs. Through the Macallum Group, which is a major shareholder of Alligator and of which John is a Director, he rejuvenated the work and funding of the Company to progress its exploration and new ventures.

The Board would like to thank John for his incredible work and leadership as Chair and Executive Chair, in setting the strategy and direction for the Company. John has a level of exploration knowledge, experience, enthusiasm and optimism which is second to none, and which is both engaging and motivating. He has supported and provided oversight to Alligator's geology and exploration teams for all of its programs, and was the driving force behind the new opportunities evaluated by Alligator through 2017 which has culminated in the second bow to our string, being the Piedmont nickel cobalt projects. His extensive global geological and corporate experience will be missed.

Paul Dickson, who has been Acting Chairman for AGE, has been elected as Chairman. The Board welcomes Paul to the role and thanks him for stepping in as Acting Chair.

AGE staff and consultants were on extended leave during the December / January period, assisting to conserve the cash position of the company ready for the active periods in the coming year. At quarter end the Company retained \$1.2m in cash on hand.

### **Director Fee Plan**

At the AGM held on 27 November 2018, Shareholders approved the issue of 13,463,601 fully paid ordinary shares at a fixed issue price of A\$0.021 cents per share. This approval was obtained to eliminate the accrued balance of unpaid director fees of \$282,736 (Carried Forward balance) in relation to the 2016 and 2017 Director Fee Plans. This balance arose as a result of applying a \$0.04 per share floor price for each issue under the Fee Plans over that period. The fixed issue price (\$0.021) was significantly higher than the current share price and was selected on the basis of it also being the exercise price of the Listed Options (ASX: AGE0) currently on issue. The share issue was completed on 5 December 2018.

The settlement and extinguishment of the Carry Forward balance resulted in Directors permanently foregoing an entitlement to accrued and unpaid director fees of \$215,418 (based on the closing share price on 9 October 2018 of \$0.005).

### **Piedmont Project Farm-in**

On 28 November 2018, the Company announced that it had completed the Phase 1 work program and had committed to Phase 2 of the Piedmont Project.

The Phase 1 ground work was completed at the Piedmont Project during June and finalised with the subsequent receipt of assay results in September, petrographic reports and processed magnetometer data in late October/early November.

In summary, Alligator's Farm-in agreement comprises:

- Up-front payments in shares and cash;
- A total of \$650,000 to achieve 51% project ownership from completing both the Phase 1 and 2 Work Programs and to activate the joint venture and earn a registered interest in the titles; and

- 
- Option to increase ownership to 70% through a further \$1.25 million program of work.

Formal execution of a Farm-in Agreement with Ivrea Minerals Pty Ltd and KEC Exploration Pty Ltd (collectively Chris Reindler and Partners) covering the terms set out in the Binding Heads of Agreement signed on 31 January 2018 was completed during the quarter.

## Employee and Contractor Incentive Scheme

During the quarter 11,227,273 unlisted zero strike priced performance options were issued as follows:

- 4,250,000 zero strike priced options issued under the Employee Share Option Plan approved by shareholders on 21 November 2014. These options are granted to key personnel and only vest based on achievement of the KPIs established as part of a short term incentive plan for the 2018 field season;
- 4,250,000 zero strike priced options expiring on 2 May 2021 issued under the Employee Share Option Plan approved by shareholders on 21 November 2014. These options are issued to key personnel and only vest based on criteria linked to the commencement of resource drilling on a significant discovery or a change of shareholding control. The grant of these options is part of a long term incentive plan established for key personnel; and
- 2,727,273 zero strike priced options issued to Gregory Hall (Acting CEO) in accordance with Shareholder approval secured on 27 November 2018 (Resolution 5). These options only vest based on achievement of the KPIs established as part of a short term incentive plan established for the Acting CEO's twelve month contract.

## Competent Person's Statement - Uranium

Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Peter Moorhouse who is a Member of the Australasian Institute of Geoscientists. Mr Moorhouse is an employee of Alligator Energy Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Moorhouse consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

## Competent Person's Statement – Nickel Cobalt Copper

Information in this report is based on current and historic Exploration Results compiled by Mr Andrew Vigar who is a Fellow of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Vigar is a non-executive director of Alligator Energy Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Vigar consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

## About Alligator Energy

Alligator Energy Ltd (Alligator or the Company) is an Australian, ASX-listed, exploration company focused on uranium and energy related minerals, principally cobalt-nickel.

Alligator's Directors have significant experience in the exploration, development and operations of both uranium and nickel projects (both laterites and sulphides)

### Uranium

The Company's uranium exploration projects are in the world class Alligator Rivers Uranium Province in Arnhem Land, Northern Territory. The Alligator Rivers Uranium Province contains nearly 1 billion pounds of high grade uranium resources, including past production from the Ranger Mine and the undeveloped Jabiluka deposit. The company's Tin Camp Creek and Beatrice tenements form the focus of its exploration but the company also assesses other opportunities as they arise. The exploration target is a deposit containing no less than 100 million pounds of uranium preserved beneath covering sandstone.

The company is researching and developing novel uranium decay isotope geochemical techniques and has modified and is applying airborne geophysical techniques with the objective of detecting such concealed targets. The Company's high priority drill target is TCC4 on the Tin Camp Project. The previously drilled Caramal (6.5Mlb U3O8 at 3100ppm U3O8) and Beatrice deposits represent eroded remnants of once much larger deposits.

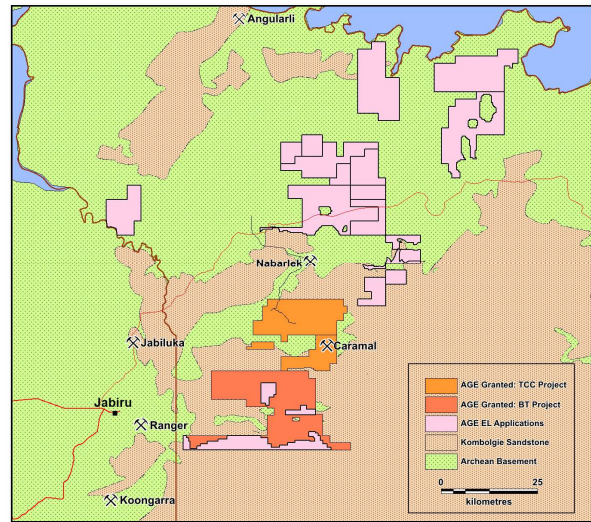
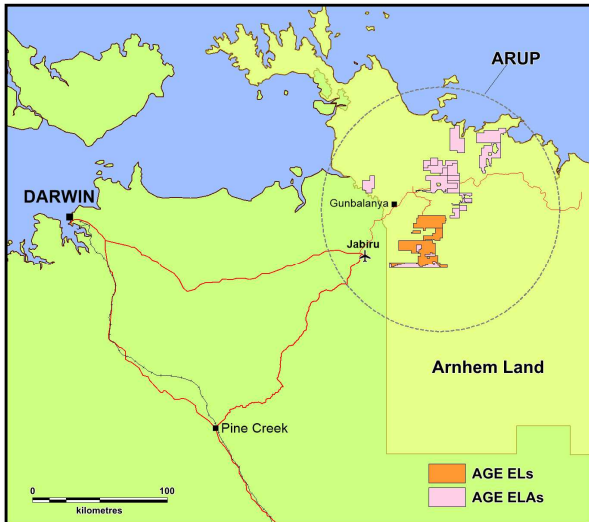
The Company also has in excess of 1000km2 of Exploration Licence applications awaiting grant within the Alligator Rivers Uranium Province.

### Nickel Cobalt Copper

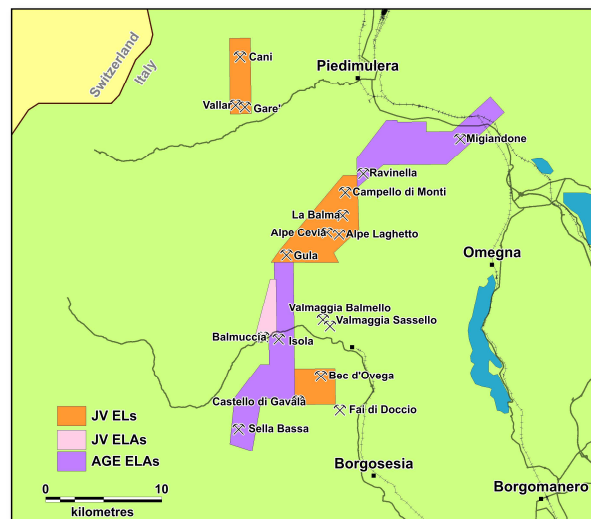
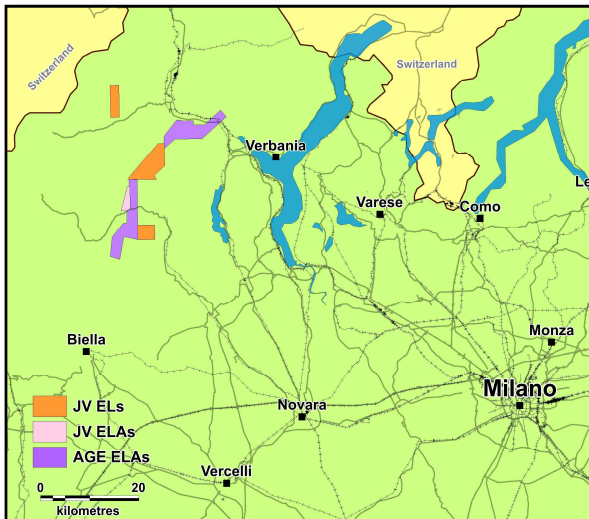
Alligator signed a Farm -in Agreement with Ivrea Minerals Pty Ltd and KEC Exploration Pty Ltd (collectively Chris Reindler and Partners) in November 2018 to earn up to a 70% interest in the Piedmont sulphide cobalt – nickel project in Northern Italy.

The project covers four titles containing ultramafic-hosted cobalt-nickel sulphide deposits that were mined between the 1860's and the end of World War II. Sulphides in pipe-like intrusive bodies and massive sulphide accumulations at the base of large, layered ultramafic intrusions were mined. The cobalt to nickel ratio was high in these deposits. Airborne surveys obtained by CRP have defined a number of conductors potentially indicative of massive sulphides as well as a number of magnetic features which may represent the responses from intrusive bodies hosting disseminated sulphides. These represent very attractive targets in an area with clear cobalt-nickel pedigree untouched by modern exploration techniques.

## Northern Territory, Australia – Alligator Rivers Uranium Province (ARUP):



## Northwest Italy – Piedmont Ni-Co:



## FOR FURTHER INFORMATION, PLEASE CONTACT

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Mr Mike Meintjes  
Company Secretary  
Alligator Energy Ltd  
Email: [mm@alligatorenergy.com.au](mailto:mm@alligatorenergy.com.au)

## 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

Alligator Energy Limited

### ABN

79 140 575 604

### Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(915)	(1,435)
(b) development	-	-
(c) production	-	-
(d) staff costs	(48)	(108)
(e) administration and corporate costs	(96)	(271)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds (net)	-	52
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,053)</b>	<b>(1,753)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(30)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(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 (tenement security (bonds)/refunds)	-	5
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(25)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	1,750
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	(14)	(145)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(14)</b>	<b>1,605</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,293	1,399
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,053)	(1,753)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(0)	(25)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	1,605
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,226</b>	<b>1,226</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	326	793
5.2 Call deposits	900	1,500
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,226</b>	<b>2,293</b>

**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

<b>Current quarter \$A'000</b>
76
-

6.1 explanation - Director fees and Acting CEO payments in cash and superannuation contributions  
Note: Director Fee Plan Shares issued during the quarter treated as a non-cash item totalled \$285k (includes the issue of Carried Forward Shares as approved at the 2018 AGM)

**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

<b>Current quarter \$A'000</b>
-
-

N/A

## Mining exploration entity and oil and gas exploration entity quarterly report

**8. Financing facilities available**

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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**9. Estimated cash outflows for next quarter****\$A'000**

9.1 Exploration and evaluation

(147)

9.2 Development

-

9.3 Production

-

9.4 Staff costs

(44)

9.5 Administration and corporate costs

(102)

9.6 Other (provide details if material)

-

**9.7 Total estimated cash outflows**

**(293)**

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

### **Compliance statement**

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

Sign here:   
(Company Secretary)

Date: 31 January 2019

Print name: M C Meintjes

### **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.