



## ASX ANNOUNCEMENT

Date 21 July 2021

ASX Code: MYL

### BOARD OF DIRECTORS

Mr John Lamb  
Executive Chairman, CEO

Mr Rowan Caren  
Executive Director

Mr Jeff Moore  
Executive Director

Mr Paul Arndt  
Non-Executive Director

Mr Andrew Teo  
Non-Executive Director

### ISSUED CAPITAL

Shares 1,901 m.

Unlisted Options 53 m.

# JUNE 2021 QUARTERLY ACTIVITIES REPORT

## Highlights

- Ongoing challenges for investment and project operations in Myanmar since the State of Emergency announced on 1 February 2021
- Significant COVID outbreak in Myanmar
- Prospects for near-term Myanmar investment climate improvement are poor, highlighting the difficulty for an ASX-listed company to finance a large-scale mining project in Myanmar
- The Board is of the view that it is in the best interests of shareholders for the Company to seek divestment of its interests in the Bawdwin Project, either by way of asset sale or at a corporate level
- A process has been commenced to achieve the divestment
- Non-Binding Conditional Proposal received from Yintai Gold to acquire all issued shares in MYL at A\$0.035/sh for a total consideration of A\$66.5 million.
- At this time there has been no formal offer from Yintai capable of being accepted by MYL shareholders
- Cash balance at 30 June 2021 of \$11.4 million

## *Update on the Situation in Myanmar*

A State of Emergency (“SOE”) was imposed in Myanmar on 1 February 2021. The State Administration Council (“SAC”), established on the 2 February 2021, now serves as the highest executive and administrative authority in Myanmar. In early February new Ministers and senior officials were appointed, including at the Ministry of Natural Resources and Environmental Conservation (“MONREC”), and in March 2021 the Myanmar Investments Commission (“MIC”) was reconstituted. In May 2021, the first major international project, within the power sector, was approved by the MIC since the SOE.

Senior officials within the SAC have publicly stated that the SAC will not suspend operating projects, will keep working with projects led by international groups and pursue continuity in economic and administrative policies. Whilst the SAC has re-iterated its messages of continuity in government policies and procedures, the business operating environment is now uncertain and challenging. The SOE triggered a civil disobedience movement across Myanmar, which significantly impaired the ability of government agencies and civil society organisations to function effectively. Additionally, restrictions to telecommunications services and constraints on financial services have caused a significant disruption to ordinary business operations.

The response from groups opposed to the SAC has recently included IED bombings and arson attacks. Violence between various armed ethnic organisations and the Myanmar military, particularly in northern Shan State (where the Bawdwin project is located) has escalated following the SOE, leading to a growing number of internally displaced persons (IDPs) seeking refuge and humanitarian support as they seek to escape the fighting. Where it can, Myanmar Metals Limited (“MYL” or “the Company”) through its partners continues to provide support to local communities affected by the influx of IDPs, through donations of food and other support.

Several nations and unions, notably the United States of America, the United Kingdom and European Union, have imposed targeted economic sanctions against some members of the Myanmar military, leaders of Myanmar’s new government and entities associated with the Myanmar military. As announced on 30 April 2021, there is understood to be no legal or regulatory impact of these measures on the Company’s proposed operations in Myanmar. A due diligence review completed in April 2021, confirmed that international sanctions do not target any entities or individuals with which MYL does or has done business.

Prior to the events of February 1, the Company was confident that the Bawdwin approvals process was progressing in a positive direction and that a conclusion to the process was imminent. The Company had briefed the previous MIC Chairman, in the presence of the Australian Ambassador to Myanmar Ms Andrea Faulkner, on the project as recently as 28 January. Subsequent to February 1, the Company has communicated with officials from the Ministry of Natural Resources and Environmental Conservation (MONREC) in respect of the Production Sharing Agreement (PSA) which would underly an application for a foreign investment permit from the MIC. The negotiations have not materially progressed since that time. There remains significant uncertainty over the PSA negotiations and the MIC application process, and the Company is unable to make any definitive statements about when, or if, the process will continue.

Development works for a pilot-scale mining program at Bawdwin, as announced to ASX last year, led by MYL’s partners is targeting near-surface oxide and transitional ores and are progressing satisfactorily despite the current in-country operational challenges. MYL is providing engineering and mining input to assist the partners in this program. The Company also continues to engage with community in the Bawdwin region.

A further significant wave of COVID is impacting the region. Numbers of infections are rising daily in Myanmar, although testing rates remain low. In recent days, people in Bawdwin villages have tested positively for COVID with further infections in Namtu. Most of the BJV workforce has been vaccinated. Physical distancing, hygiene, face masks and other standard COVID responses are in place.

## *Strategic Review*

The Board has undertaken a detailed review of its assets and operations in Myanmar in response to the SOE.

Bawdwin is a world class asset. Unfortunately, the political situation in Myanmar has undermined the confidence of markets which MYL has identified to access the capital required for development of the project. It is the Board's view that the procurement of project finance in the near term by the Company would be extremely problematic and realistically, unlikely.

The ability to finance development of the Bawdwin project has been impacted by the political events in country. A number of parties had provided MYL with expressions of interest to support the project financing of Bawdwin with an equity, debt or offtake related investment. Since the state of emergency all parties have withdrawn their financing support. At present it is not possible for the Company to raise capital at reasonable cost, if at all, and the pre-production capital required for Bawdwin is significant, at over US\$ 300 million.

MYL has cash resources of \$11.4 million which would likely be largely depleted within 12 months if it were to remain actively involved in Bawdwin. MYL and EAP are required to fund a Definitive Study ("Study") for Bawdwin. MYL is required to procure binding finance commitments. The requirement to complete the Study is subject to a timeline which has been extended due to events beyond the reasonable control of MYL and EAP including that the MIC permit has not been granted. Further extensions may be required if the MIC Permit is not granted in the meantime.

The Company therefore cannot sustain its Myanmar operations without the realistic prospect of further and ongoing funding.

MYL's board has considered the objective of maximising shareholder value with the heightened operating risks in Myanmar, the likelihood of being able to raise the project finance required and other stakeholder issues. In consideration of the unstable operating environment and the inability to raise finance a 'hold strategy', which relies on the hope of a more favorable operating and financing environment to return to Myanmar, is not a prudent strategy. Accordingly, the Board resolved that the best path forward for the Company is to seek to divest its interests in the Bawdwin project by either a sale of MYL or the Company's interest in the Bawdwin project. A process is underway to evaluate international and Myanmar in-country interest in acquiring the Company's Bawdwin project interest. There can be no assurance that a divestment will be achieved or, if it can, at what valuation and in what time frame.

At the time of issue of this announcement, the Company has received a non-binding conditional proposal to acquire all issued shares in MYL which is discussed below. The proposal is subject to a number of conditions and the completion of further due diligence.

The Company provides the above update to shareholders together with a discussion of risks (see Appendix 1).

## *Proposal from Yintai Gold*

The Company advised on 16 June 2021 that it had received a non-binding, conditional proposal from Yintai Gold Co. Ltd. ("Yintai") to acquire all the ordinary shares on issue in the Company for a cash consideration of A\$0.035 per share, representing a total consideration of AUD 66.5 million ("the Yintai Proposal").

It is important to note that at this time there has been no formal offer from Yintai capable of being accepted by MYL shareholders, nor is it certain that a formal offer capable of acceptance will be made. Given the number of conditions to provide an offer there is no guarantee that a formal offer will be made by Yintai. The Company is now working with Yintai to facilitate their due diligence process with the aim of entering into an implementation agreement and presenting a formal offer to MYL shareholders.

### Financial Position

At the end of the December Quarter, MYL held \$11.4 million in cash with no debt.

Operating cashflows during the quarter totalled \$1.15 million. This included exploration and evaluation costs at Bawdwin, and staff and corporate costs.

In accordance with ASX Listing Rule 5.3.5, the Company confirms that payments made to directors during the quarter totalling \$241,000, comprised of salaries and fees.

1.5 million unlisted options expired on 30 June 2021.

---

### Closing Remarks

John Lamb, Executive Chairman and CEO, stated:

*“Unfortunately, the dramatic change in circumstances in Myanmar require the Company to adapt and change strategy. It is our view that the future for the Company does not lie with Bawdwin, and that shareholder value will be best preserved by seeking to divest the asset.*

*The process we have commenced has yielded a non-binding conditional proposal from Yintai Gold. We will work with Yintai Gold to enable their due diligence process with the aim of entering into implementation agreements and presenting a formal offer to shareholders. We will also continue to seek other potential acquirors.*

*Shareholders will note from the Yintai proposal that we have been actively seeking to secure a divestment outcome. We will continue to pursue the most favourable outcome for shareholders.*

*Obviously, we would all have preferred that we were able to continue with our plans to develop Bawdwin, but we have to respond to the circumstances with which we are faced.”*

---

Authorised for release to the ASX by the Board



John Lamb  
Executive Chairman and CEO

## About Myanmar Metals Limited

Myanmar Metals Limited (ASX: MYL) is an explorer and mine developer listed on the Australian Securities Exchange. The Company holds a majority 51% participating interest in the Bawdwin Project in joint venture with its two local project partners, Win Myint Mo Industries Co. Ltd. (WMM) and EAP Global Co. Ltd. (EAP).

### Mineral Tenements

<i>Title / Reference</i>	<i>Status</i>	<i>Party Name</i>	<i>MYL Interest</i>
<b>Myanmar</b>			
<i>Bawdwin</i>	<i>Production sharing contract; Granted Mining Concession</i>	<i>Win Myint Mo Industries</i>	<i>51% participating interest</i>

**Appendix 1. General and Specific Risks Which Apply to The Company**

Risks	Commentary
Yintai Proposal	<ul style="list-style-type: none"> <li>■ The proposal is significantly conditional and non-binding.</li> <li>■ At this time there has been no formal offer from Yintai capable of being accepted by MYL shareholders, nor is it certain that a formal offer capable of acceptance will be made. Given the number of conditions to provide an offer including a site visit, the completion of further legal, technical and financial due diligence to Yintai’s satisfaction and final internal investment approvals there is no guarantee that a formal offer will be made by Yintai.</li> <li>■ It should be noted that site based due diligence enquiries may present a logistical challenge at this time due to the political situation in Myanmar and COVID restrictions on travel.</li> </ul>
Approvals	<ul style="list-style-type: none"> <li>■ The Bawdwin Concession is currently held under a Production Sharing Agreement (<b>Existing PSA</b>) between Win Myint Mo Industries Co. Ltd. (<b>WMM</b>) and Mining Enterprise No. 1 (<b>ME1</b>), a Myanmar Government business entity within the Ministry of Natural Resources and Environmental Conservation (<b>MONREC</b>).</li> <li>■ The Company’s interest in the Bawdwin Project is held through a legally binding contractual joint venture arrangement with WMM, and EAP Global Mining Co., Ltd. (<b>EAP</b>).</li> <li>■ The BJV is currently undertaking PSA negotiations with the relevant Government authorities. It is intended that a new PSA (<b>New PSA</b>) held by BJV would replace the Existing PSA.</li> <li>■ Approval is to be sought from the Myanmar Investment Commission (<b>MIC</b>) (<b>MIC Permit</b>) pursuant to a recommendation from MONREC for: <ul style="list-style-type: none"> <li>- a foreign investment permit allowing the Company to take a controlling equity interest in the permit holding company, replacing the present contractual interest held by the Company.</li> <li>- the permit holding company to undertake development of a new and/or expanded mining operation as described in the feasibility studies; and</li> <li>- the permit holding company to continue to undertake large-scale mineral production activities as a foreign-invested entity (following vesting of the Company’s controlling equity interest and incorporation of the JV)</li> </ul> </li> <li>■ The Company is working with MONREC and its local partners to obtain these approvals. While discussions are continuing there can be no guarantee that the approvals will be forthcoming.</li> <li>■ Development of the Bawdwin project by the Company and its partners is reliant on foreigners being permitted to reside and work at the Bawdwin site. As part of the development of the Bawdwin Project, formal approval for foreigners to reside and work at Bawdwin must be secured.</li> <li>■ There can be no guarantee that all of the necessary permits and approvals will be forthcoming or granted on terms that are acceptable to the Company. Delays in obtaining, or the inability to obtain, permits and required approvals on acceptable terms may significantly impact on the Company’s operations.</li> <li>■ It is possible that permits granted under the new Myanmar Government will not be recognised by future governments or that future governments will require project proponents to re-apply for permits. The Company has undertaken a series of robust project studies, nearly completed a comprehensive ESIA and has been open and transparent in its interactions with Myanmar Government agencies.</li> </ul>
Community	<ul style="list-style-type: none"> <li>■ The Bawdwin village has been a centre for mining operations for over a century. The Company expects the Bawdwin mine re-development will create significant social and</li> </ul>

	<p>economic benefits for local communities, including employment opportunities, but acknowledges that residents may be directly or indirectly affected by the mine development and associated operations. Community programs and social impact studies were conducted as part of the ESIA to understand community issues and where possible address concerns.</p> <ul style="list-style-type: none"> <li>■ The existing processing facility at Bawdwin has been established for many years but an expanded mine and/or treatment facility is expected to impact on local housing which is expected to result in the Company being required to negotiate a resettlement program with the affected community members. The Company may therefore be required to undertake activities including a livelihood restoration and relocation program, including the building of new homes.</li> <li>■ As it is intended that local residents will be the source of a significant number of employees for the mine, and the quality of the housing constructed is expected to be higher than the existing buildings, community support is expected but cannot be guaranteed. If some members of the community are slow to relocate or resist moving altogether, it may have the potential to adversely affect future production. The Company notes that the local housing is part of the concession, as is the land upon which it is built: the mine operator holds the title and has the legal right to remove and rebuild.</li> </ul>
Country	<ul style="list-style-type: none"> <li>■ The declaration of a State of Emergency in Myanmar on 1 February 2021 has led to the imposition of international sanctions by several nations, notably the United States of America and the United Kingdom, on Specially Designated Nationals (“SDNs”). The targeted economic sanctions have been imposed against members of the Myanmar military, leaders of Myanmar’s new government, including the Minister of MONREC and the MIC Chair, and entities associated with the Myanmar military. Australia has not imposed new sanctions in response to the SOE at this stage.</li> <li>■ These sanctions do not presently target any entities or individuals with which MYL does or has done business.</li> <li>■ If international sanctions, broader in scope, are implemented it may affect the ability of the Company to conduct its business in Myanmar.</li> <li>■ Following 1 February 2021, a campaign of civil disobedience has substantially impacted the functioning of government agencies and civil society. Civil unrest is now apparent in Myanmar and an escalation into a larger scale conflict is possible. These events could have a material impact on the government approvals process and project financing for the Bawdwin project. If the unrest persists it may affect the viability and profitability of the Bawdwin Project.</li> <li>■ Myanmar has experienced conflict between a number of armed ethnic organisations (AEO) and military forces in Shan State. Such conflict has the potential to fundamentally impact foreign businesses’ operations in Myanmar. The location of the Bawdwin project in the northern Shan State is an area that has experienced conflict between AEO’s and/or military forces over many years. The possibility of continued or an increase in conflict remains a threat which may affect the viability and profitability of the Bawdwin Project. The BJV notes that the conflicts in Shan State have had no material impact on the Bawdwin project to date.</li> <li>■ Other related financial and regulatory risks could also apply, including hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations and government control over natural resources.</li> </ul>

<p>Environment and Health</p>	<ul style="list-style-type: none"> <li>■ A structured and comprehensive risk management process was implemented during the feasibility studies in order to characterise the uncertainties of the project, including environmental and health issues.</li> <li>■ Historical mining operations may have had an impact on the health conditions of the local population and polluted parts of the local mine environs. The Company does not consider that it has any responsibility for these historic mining operations. Baseline health and environmental data has been collected as part of the ESIA process.</li> <li>■ Without good work practices, the minerals handled, and metal products produced from future mining operations have potential to create adverse health, safety and environmental impacts. Addressing health, safety and environmental risks identified in the risk management process is a priority matter in the ESIA.</li> </ul>
<p>Future Capital Requirements</p>	<ul style="list-style-type: none"> <li>■ In order to successfully develop the Bawdwin Project and for production to commence, the Company will require additional financing in the future. No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company, or if at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities, and this could have a material adverse effect on the Company's activities.</li> <li>■ Civil unrest and the imposition of sanctions may restrict the ability and willingness of financiers to participate in the project financing of the Bawdwin Project.</li> <li>■ The perceived sovereign risk of doing business in Myanmar may have elevated the cost and negatively impacted the ability of the Company to finance the Bawdwin project.</li> </ul>
<p>Force Majeure</p>	<ul style="list-style-type: none"> <li>■ The Company's projects may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</li> <li>■ Myanmar has experienced civil disorder and insurgency by various ethnic groups in recent years and may experience ongoing civil disorder and insurgency. Such risks are beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.</li> <li>■ The Myanmar military imposed a State of Emergency on 1 February 2021. The State of Emergency continues to remain in place.</li> </ul>
<p>Market conditions</p>	<ul style="list-style-type: none"> <li>■ The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of zinc, lead and silver metals.</li> <li>■ Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any off-take agreements that the Company may enter into. Metals are principally sold throughout the world in US dollars. The Company's cost base may be payable in various currencies including Myanmar kyat, Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar or between the Australian dollar and the Myanmar kyat could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.</li> </ul>
<p>Operating risk</p>	<ul style="list-style-type: none"> <li>■ The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare</li> </ul>

	<p>parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its interests. Unless and until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
Partners	<ul style="list-style-type: none"> <li>▪ The Bawdwin Joint Venture operating through the BJV Company Limited (<b>BJV</b>) has operated successfully since its formation in June 2018 and has proven to be an effective vehicle for developing the Bawdwin project and the BJV partners have worked together to finalise feasibility studies.</li> <li>▪ The Company’s interest in the Bawdwin Project is held through a legally binding contractual joint venture arrangement with WMM, and EAP.</li> <li>▪ MYL and EAP are required to fund a Definitive Study (Study) and MYL is required to procure binding finance commitments.</li> <li>▪ Final sign-off and publication of the Study will follow a peer review process and the granting of the MIC Permit.</li> <li>▪ Financial estimates which rely on the New PSA fiscal terms cannot be determined at this time as the New PSA negotiations are incomplete. Therefore, the Company cannot complete the Study at this time</li> <li>▪ The requirement to complete the Study is subject to a timeline which has been extended until December 2021 due to events beyond the reasonable control of MYL and EAP. Further extensions may be required if the MIC Permit is not granted in the meantime.</li> <li>▪ The ability of the Company to achieve its stated objectives will depend on the performance by the Company, EAP and WMM under the aforementioned agreements. If any of EAP, WMM defaults in the performance of their obligations, or there is disagreement as to a matter of contractual interpretation, it may be necessary for the Company to initiate proceedings in an arbitral tribunal or a court to seek a legal remedy, which can be costly and has no certainty of resulting in a favourable outcome for the Company. The Bawdwin Joint Venture operates with commercial discipline (including cash calls, budgets and cost variance reporting) and is governed by a board that meets monthly, recording its decisions as properly minuted resolutions.</li> <li>▪ Prior to Myanmar Metals’ participation in the BJV, the Company engaged a leading international law firm to conduct a due diligence review on its Joint Venture partners to ensure they were not associated with any business or persons subject to U.S. sanctions. The due diligence confirmed no such associations existed and no persons associated with the BJV were subject to U.S. sanctions.</li> <li>▪ In April 2021, a further round of due diligence was undertaken by MYL with the assistance of external consultants. This exercise confirmed that none of the partners, and none of their known directors and shareholders was under international sanction at the time of writing. Furthermore, there was no evidence of any shareholding in those entities being held by the Tatmadaw (Myanmar Military) or any Tatmadaw-related companies nor are any officeholders of the Company serving members of the Tatmadaw.</li> </ul>

## Appendix 5B

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

Name of entity

<b>MYANMAR METALS LIMITED</b>
-------------------------------

ABN

48 124 943 728
----------------

Quarter ended ("current quarter")

30 June 2021
--------------

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (including US\$480,000 of costs incurred upon exit from Locrian in YTD)	(1,148)	(6,286)
(b) development	-	-
(c) production	-	-
(d) staff costs	(283)	(1,070)
(e) administration and corporate costs	(158)	(1,068)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	30
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,587)</b>	<b>(8,394)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(1)	(2)
(d) exploration & evaluation	-	(206)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(1)</b>	<b>(208)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,500
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	410
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(420)
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 – operating lease payments	(7)	(84)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(7)</b>	<b>9,406</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	13,108	11,116
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,587)	(8,394)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1)	(208)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(7)	9,406

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(88)	(495)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>11,425</b>	<b>11,425</b>

<b>5.</b>	<b>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	10,735	11,683
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (share of joint entity cash balances)	690	1,425
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>11,425</b>	<b>13,108</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	241
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,587)
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)	(1,587)
8.4 Cash and cash equivalents at quarter end (item 4.6)	11,425
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	11,425
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	7.2
<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:	
N/A	
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:	
N/A	

## 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:

N/A

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: 21 July 2021.....

Authorised by: .....By the Board .....  
(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.