

QUARTERLY ACTIVITIES REPORT

- **Drilling at McDermitt lithium project (US) completed in December 2020**
- **Jindalee exploring options for North American listing of lithium assets**
- **Exploration Target Range announced for Lyons River magnesite deposit (Tasmania)**
- **Jindalee remains well funded following completion of placement and rights issue**

During the quarter, Jindalee (or 'Company') completed 15 holes at its 100% owned McDermitt lithium project, with the drilling intersecting up to 185m true thickness of the target sediments hosting the lithium mineralisation². Initial assay results from the drilling are expected late January 2021.

Valuations of peer companies listed on TSX have appreciated markedly over the past six months, which has prompted Jindalee to evaluate potential transactions which would result in a listing of the Company's US lithium assets on a North American exchange. Discussions are preliminary in nature and there is no guarantee that any transaction will result.

Post quarter Jindalee announced an Exploration Target Range (ETR) for the Lyons River magnesite deposit in NW Tasmania³. The Lyons River deposit forms part of the Prospect Ridge Magnesite Project.

Jindalee remains well funded with \$4M in cash and marketable available for sale securities held at 31 December 2020.

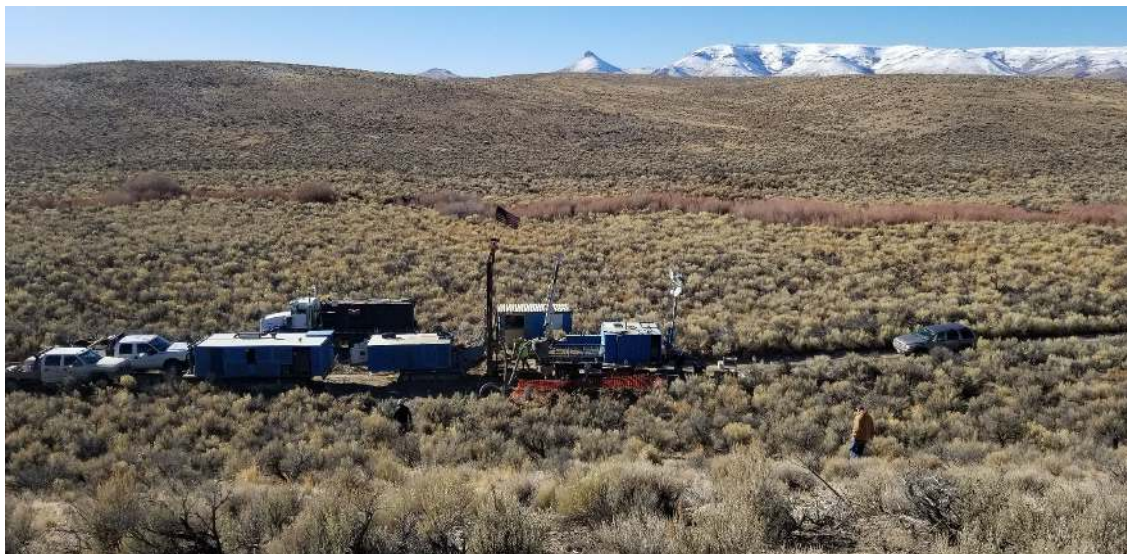


Figure 1 – Drilling at McDermitt, December 2020

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US LITHIUM

McDermitt (Jindalee 100%)

In November 2019 Jindalee announced an Inferred Mineral Resource of **150Mt @ 2,000ppm Li** (0.43% Li₂O) at 1,750ppm Li cut-off¹ had been estimated at McDermitt (Table 1, below):

Cut Off (ppm Li)	Mass (Mt)	Grade (ppm Li)	Contained LCE (Mt)
1,750	150	2,000	1.6

Table 1 – Summary of the maiden Inferred Mineral Resource

The Mineral Resource was estimated using a cut-off grade of 1,750ppm Li, which is considered appropriate in the context of similar projects and based on an assessment of the likelihood of future economic extraction as required by the JORC (2012) Code.

The entire Inferred Mineral Resource sits within 100m of surface and is flat lying, both positive factors for future project economics. Furthermore, analysis of the grade tonnage distribution of the McDermitt resource model highlights the potential for additional material available at lower grades. Metallurgical testwork to date has been very encouraging, indicating high lithium recoveries from conventional sulphuric acid leaching at low temperature and atmospheric pressure.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and that all material assumptions and technical parameters underpinning the estimates of mineral resources referenced in this market announcement continue to apply and have not materially changed.

Using the same cut-off grade as the Mineral Resource, an Exploration Target Range (ETR)* of **180-330Mt @ 1,800-2,200ppm Li** (exclusive of the Inferred Resource) was also estimated¹ (Table 2, below).

Cut Off (ppm Li)	Mineral Resource		ETR Lower Limit (Mt)	ETR Upper Limit (Mt)	ETR Grade Range (ppm Li)
	(Mt)	(ppm Li)			
1,000	996	1,420	1,200	3,000	1,200-1,600
1,500	328	1,800	370	800	1,600-2,000
1,750	155	2,000	180	330	1,800-2,200
2,000	64	2,200	75	120	2,000-2,400
2,500	5	2,590	2	3	2,400-2,800

Table 2 – Summary of the maiden Inferred Mineral Resource and revised ETR at various cut-off grades. (NB: figures may not sum precisely due to rounding, and an increased number of significant figures does not imply increased precision).

*Note that the potential quantity and grade of the ETR is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over the Exploration Target and it is uncertain if further exploration will result in the estimation of additional Mineral Resources.

On 14 December 2020 Jindalee announced that 15 holes of a proposed 21 hole program had been drilled at McDermitt, prior to the program being paused when members of the drilling crew tested positive for COVID-19 (Figure 2).

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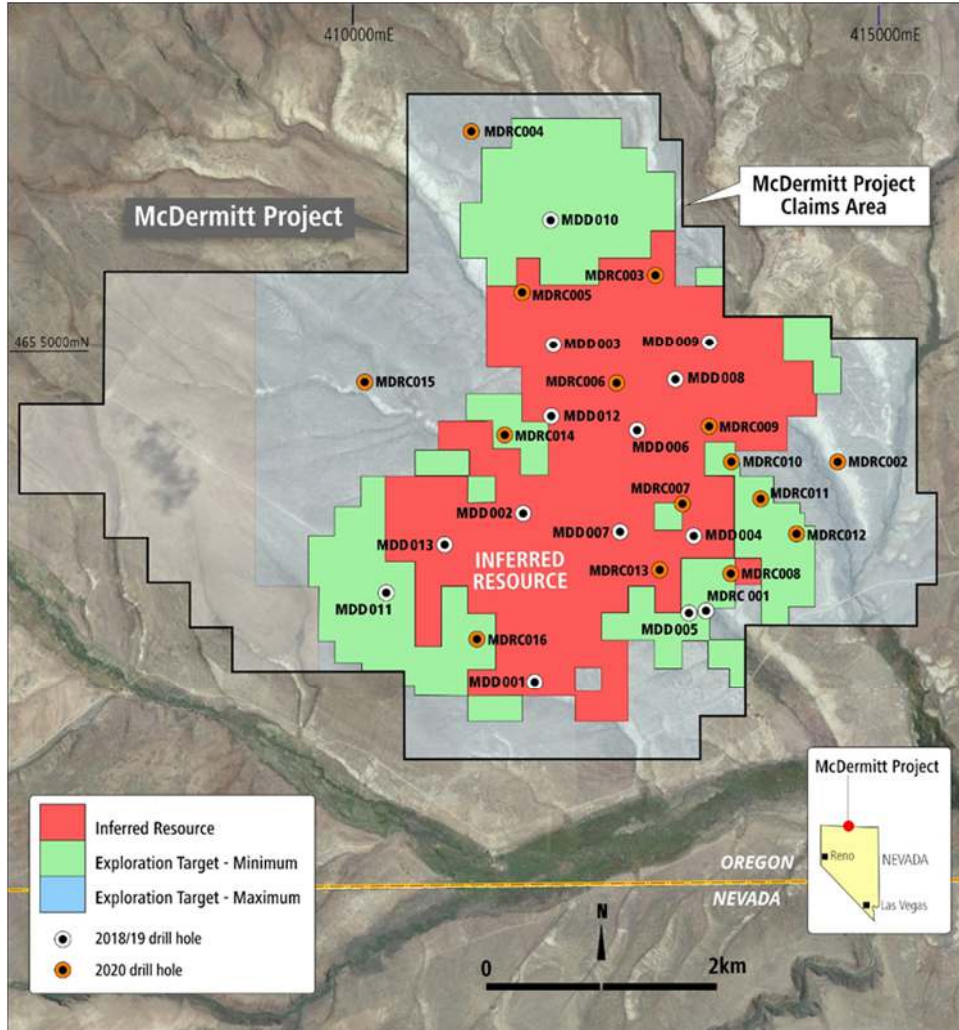


Figure 2 – Plan showing McDermitt Resource¹ and Exploration Target¹ Areas & completed drilling

The drilling intersected up to 185m true thickness of the target sediments hosting the lithium mineralisation, with the density of the completed drilling expected to be adequate to extend the current Inferred Mineral Resource and ETR and convert existing Inferred Mineral Resources to Indicated status ahead of a possible Scoping Study.

All samples from the program have been submitted for analysis with initial assay results expected late January 2021.

In August 2020 Jindalee announced that beneficiation of McDermitt ore via attrition scrubbing at 20% solids had increased the lithium content in the <0.01mm fraction by more than 50% (from 0.22% to 0.34%) and had reduced carbonate to 3.0% (from 6.3%) and removed approximately 90% of the analcime⁵.

Metallurgical testwork designed to quantify the leaching characteristics of beneficiated ore is ongoing with first results expected late January.

AUSTRALIA

The Company's key Australian projects within its portfolio are highlighted in Figure 3.

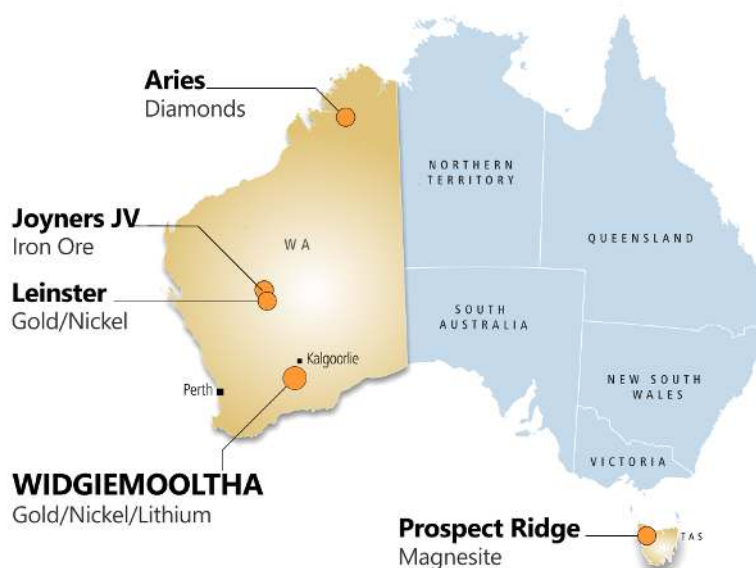


Figure 3 - Jindalee's Australian Projects

Prospect Ridge (Jindalee 100%)

The Prospect Ridge project is located in NW Tasmania and comprises the Arthur River and Lyons River magnesite deposits. In 2017 Jindalee estimated an Inferred Mineral Resource of 25Mt @ 42.4% MgO at 40% MgO cut-off at the Arthur River deposit⁴.

On 22 January 2021, the Company announced an Exploration Target Range (ETR) for the Lyons River deposit, located 6.5km south along strike of the Arthur River deposit⁵. The ETR, which is constrained to 100m depth, is based on 37 diamond drillholes completed by CRA Exploration (now Rio Tinto) between 1982 and 1989 with mineralisation delineated over a 2km strike, 400m width and 300m depth and open at depth. At a 40% MgO cut-off the ETR is 40-60Mt @ 40-44% MgO (Table 3).

Cut Off (% MgO)	Mass (Mt)	MgO %	CaO %	Fe ₂ O ₃ %	SiO ₂ %
>40%	40-60	40-44	2.5-3.5	5.5-6.5	1.0-1.2
>38%	90-110	40-42	3.0-4.0	8.0-10.0	0.9-1.0
>35%	140-180	38-41	3.0-5.0	10.0-11.0	0.9-1.0
No cut	200-250	35-37	6.0-7.0	10.0-12.0	0.9-1.0

Table 3 – Lyons River Exploration Target Range at a series of MgO cut-offs reported above 100mRL

The Lyons River ETR demonstrates the potential to increase the existing Mineral Resource base at the Prospect Ridge Project, which should positively impact the economics of any mining studies at the Project. Further drilling designed to upgrade the ETR to a Mineral Resource is planned.

Note that the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Widgiemooltha (Jindalee 100%)

Jindalee’s largest Australian project is situated in the Western Australian goldfields south of Kalgoorlie. A significant ground position has been built over the last three years in this premier mining district (Figure 4) with most tenements still in application (Jindalee is the sole applicant in almost all cases).

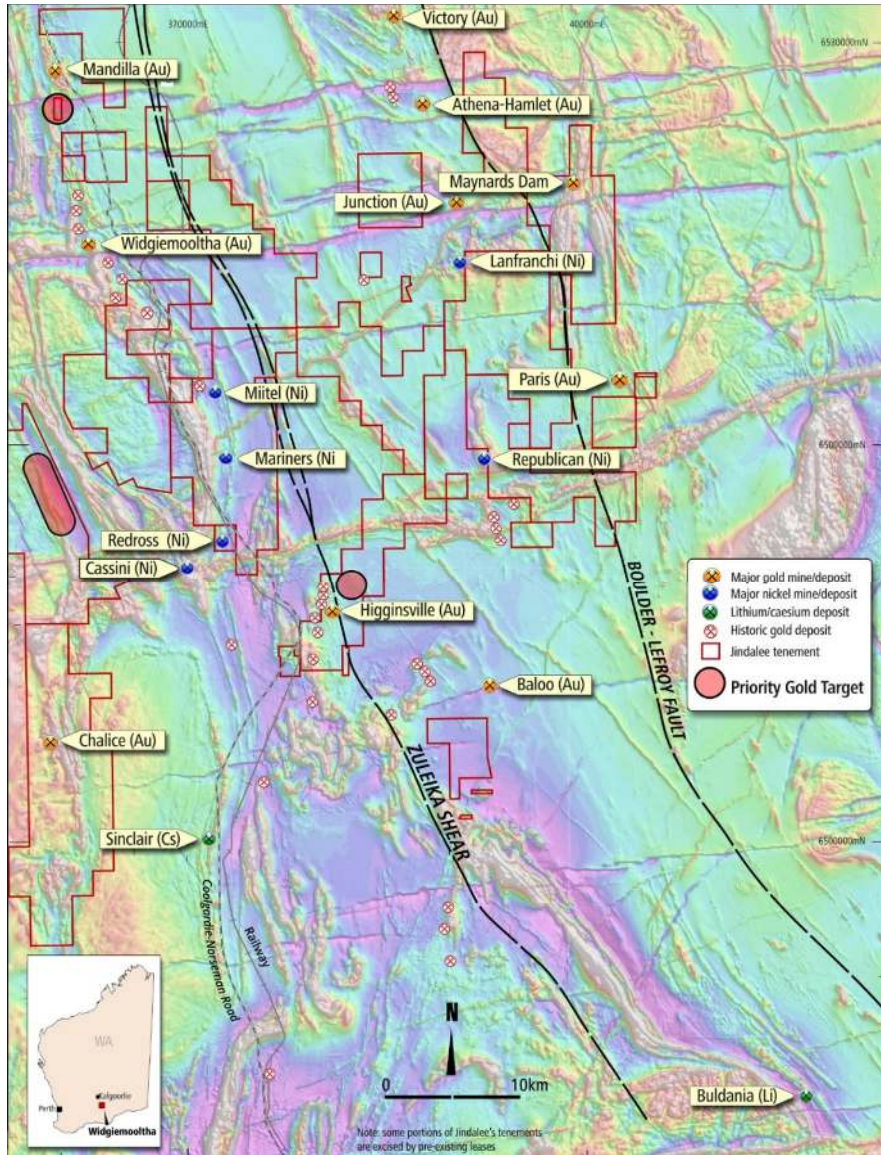


Figure 4 - Widgiemooltha Project over magnetics (TMI RTP) showing nearby deposits/mines and Priority Gold Targets. Note some portions of Jindalee tenure (red) are excised by pre-existing leases.

The Widgiemooltha project is prospective for gold, nickel and lithium and Jindalee is encouraged by recent exploration success in the district. Jindalee holds ground north along strike of Mincor Resources’ (ASX: MCR) exciting Cassini nickel deposit (1.254Mt @ 4.0% Ni⁶) and south of Anglo Australian’s (ASX: AAR) Mandilla gold discovery, where wide high grade intercepts including 38m @ 4.96g/t Au and 26m @ 8.29g/t Au have recently been reported⁷.

Jindalee advises that several Program of Works (PoW’s) have been approved for drill testing of gold targets at Widgiemooltha (Figure 4), with drilling expected to commence in the June 2021 quarter.

JOINT VENTURES and NON-MANAGED PROJECTS

Leinster Projects

(Jindalee 100%; Auroch earning 70%)

Auroch Minerals (ASX: AOU) is earning a 70% interest in Jindalee's Leinster tenements (comprising E's 36/895, 36/910, 36/953 & 37/1370) by spending \$0.5m within 3 years, with Jindalee's 30% free carried to Decision to Mine, based on a Bankable Feasibility Study.

Assay results for the drilling completed in the previous quarter at the Firefly and Sinclair North prospects located on E36/895 are still pending⁸.

Alchemy Resources Limited

(Jindalee 3.2% of issued capital)

Jindalee's investment in Alchemy Resources (ASX: ALY) provides shareholders with exposure to Alchemy's Bryah Basin gold and base metals project (WA), the Karonie gold project (WA), and a farm-in over gold and base metal prospective properties in central NSW (the Cobar Basin/Lachlan Fold Belt Projects).

Early December 2020 Alchemy announced the results of a 6 hole RC drill program completed at the Parmelia Prospect along strike of the Aldiss Mining Centre including 12m at 1.2g/t, 18m at 1.0g/t and 16m at 0.9g/t⁹. The following week Alchemy released the assay results for two diamond drillholes completed at the Overflow Gold and Base Metal Project in NSW with a significant intercept of 15.8m at 0.8g/t Au, 30g/t Ag, 1.4% Zn and 0.7% Pb¹⁰.

Energy Metals Limited

(Jindalee 6.7% of issued capital)

Jindalee holds approximately 14 million Energy Metals (ASX: EME) shares, giving shareholders continued exposure to the development of the Bigrlyi uranium-vanadium deposit and the potential of Energy Metals' other uranium projects. In October 2020 Energy Metals reported that a program to re-optimize the uranium and vanadium mineralisation at Bigrlyi was underway ahead of planned resource re-estimation and economic model updates¹¹.

Torque Metals Limited

(Jindalee 100%; Torque earning 70%)

During the period Torque announced they had reached an agreement with Yilgarn Exploration Ventures Pty Ltd, a wholly owned subsidiary of SensOre Limited, whereby Yilgarn can earn up to 70% interest in E15/1752 (Maynards Dam)¹². If Torque/Yilgarn earn their interest in E15/1752 Jindalee will retain a 20% interest, free carried to completion of a Pre-Feasibility Study (PFS).

CORPORATE

On 14 September 2020, the Company announced a placement and 1:10 entitlement offer to shareholders to raise a total of up to \$1.85M. The placement raised \$1.23M and the entitlement offer, which was heavily oversubscribed, closed 16 October 2020 and raised \$0.62M¹³. The completion of the placement and entitlement offer increases Jindalee's issued capital to 44.7M shares with cash and marketable securities at 31 December 2020 approximately \$4M¹⁴. This provides a strong base for advancing projects currently held by the Company and leveraging into new opportunities.

FINANCIAL COMMENTARY

The Quarterly Cashflow Report (Appendix 5B) for the period ending 31 December 2020 provides an overview of the Company's financial activities.

Exploration expenditure for the reporting period was \$801,000. Corporate and other expenditure amounted to \$71,000. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$126,100 and includes directors' fees, consulting fees and superannuation.

Authorised by the Board.

For further information please contact:

KAREN WELLMAN

Chief Executive Officer

T: + 61 8 9321 7550

E: enquiry@jindalee.net

LINDSAY DUDFIELD

Chief Executive Officer

T: + 61 8 9321 7550

E: enquiry@jindalee.net

ADDITIONAL INFORMATION

Additional details including JORC 2012 reporting tables, where applicable, can be found in the ASX announcements referenced in this report and the below announcements lodged with the ASX during the quarter:

References

1. Jindalee Resources ASX announcement 19/11/2019: "Maiden Lithium Resource at McDermitt".
2. Jindalee Resources ASX announcement 14/12/2020: "McDermitt Lithium Project – Drilling Update".
3. Jindalee Resources ASX announcement 22/01/2021: "Prospect Ridge – Exploration Target for Lyons River Deposit".
4. Jindalee Resources ASX announcement 10/10/2017: "Arthur River Magnesite Deposit (JORC 201) Resource Estimate".
5. Jindalee Resources ASX announcement 17/8/2020: "More Metallurgical Test Results from McDermitt".
6. Mincor Resources ASX Announcement 13/11/2020: "2020 AGM Presentation".
7. Anglo Australian ASX Announcement 10/1/2020: "Resources Rising Stars 2020 Investor Presentation".
8. Auroch Minerals ASX announcement 22/9/2020: "Drilling Commences at the Firefly & Sinclair North Nickel Prospects".
9. Alchemy Resources ASX Announcement 9/12/2020: "Significant Drill Results returned from the Karonie Gold Project, Eastern Goldfields, WA".
10. Alchemy Resources ASX announcement 14/12/2020: "Diamond core drilling results from Overflow Prospect, NSW".
11. Energy Metals ASX announcement 28/10/2020: "Quarterly Activities Report".
12. Jindalee Resources ASX Announcement 7/12/2020: "SensOre to farm into E15/1752 (Maynards Dam)".
13. Jindalee Resources ASX Announcement 21/10/2020: "Completion of Entitlement and Notice of Shortfall".
14. Jindalee Resources ASX announcement 28/01/2021: "Quarterly Activities & Cashflow Report".

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Lindsay Dudfield and Mrs Karen Wellman. Mr Dudfield is consultant to the Company and a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mrs Wellman is an employee of the Company and a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Dudfield and Mrs Wellman have sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Dudfield and Mrs Wellman consent to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Exploration Target and the Mineral Resource Estimate for the Lyons River deposit is based on information compiled by Mr. Tim Callaghan, who is a Member of the Australasian Institute of Mining and Metallurgy and an independent mining consultant for Resource and Exploration Geology. Mr. Callaghan has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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' (JORC Code). Mr. Callaghan consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Jindalee Resources Ltd (JRL) entitled "Prospect Ridge – Exploration Target for Lyons River Deposit" released on 22 January 2021 and in the case of estimates of Minerals Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Exploration Target and the Mineral Resource Estimate for the McDermitt deposit is based on information compiled by Mr. Arnold van der Heyden, who is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy and a Director of H&S Consultants Pty Ltd. Mr. van der Heyden has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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' (JORC Code). Mr. van der Heyden consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Jindalee Resources Ltd (JRL) entitled "Maiden Lithium Resource at McDermitt" released on 19 November 2019 and in the case of estimates of Minerals Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee's) current expectations, estimates and projections about the industry in which Jindalee operates, and beliefs and assumptions regarding Jindalee's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee and no assurance can be given that actual results will be consistent with these forward-looking statements.

Tenement Information in accordance with Listing Rule 5.3.3

Project	Tenement ID	Location	Status	Interest at beginning of Qtr	Interest at end of Qtr
Planets	E15/1549	Western Australia	Granted	100%	100%
Widgie	E15/1552	Western Australia	Granted	100%	100%
Highway	E15/1563	Western Australia	Granted	100%	100%
Railway	E15/1564	Western Australia	Granted	100%	100%
Lawry	E15/1624	Western Australia	Application	100%	100%
Lawry	E15/1626	Western Australia	Granted	100%	100%
Widgie	E15/1645	Western Australia	Granted	100%	100%
Widgie	E15/1680	Western Australia	Application	100%	100%
Higginsville	E15/1691	Western Australia	Granted	100%	100%
Widgie	E15/1697	Western Australia	Application	100%	100%
Widgie	E15/1700	Western Australia	Application	100%	100%
Chalice	E15/1705	Western Australia	Granted	100%	100%
Widgie	E15/1712	Western Australia	Granted	100%	100%
Widgie	E15/1713	Western Australia	Application	100%	100%
St Ives	E15/1718	Western Australia	Application	100%	100%
St Ives	E15/1720	Western Australia	Application	100%	100%
Chalice	E15/1721	Western Australia	Application	100%	100%
St Ives	E15/1722	Western Australia	Application	100%	100%
St Ives	E15/1736	Western Australia	Granted	100%	100%
St Ives	E15/1747	Western Australia	Granted	100%	100%
St Ives	E15/1752-4	Western Australia	Application	100%	100%
Highway	E15/1765	Western Australia	Application	100%	100%
Widgie	E15/1768	Western Australia	Application	100%	100%
St Ives	E15/1779	Western Australia	Application	100%	100%
St Ives	E15/1785	Western Australia	Application	100%	100%
Yilmia	E15/1789	Western Australia	Application	100%	100%
Chalice	E15/1802	Western Australia	Application	0%	100%
Higginsville	P15/6112	Western Australia	Granted	100%	100%
Railway	P15/6245-6	Western Australia	Granted	100%	100%
Highway	P15/6267	Western Australia	Granted	100%	100%
Highway	P15/6268	Western Australia	Application	100%	100%
Widgie	P15/6342-3	Western Australia	Application	100%	100%
Widgie	P15/6367	Western Australia	Granted	100%	100%
Widgie	P15/6388	Western Australia	Application	100%	100%
St Ives	P15/6584-87	Western Australia	Application	100%	100%
Salt Creek	E25/562	Western Australia	Granted	100%	100%
Salt Creek	E25/572	Western Australia	Application	100%	100%
Salt Creek	E25/597	Western Australia	Application	100%	100%
Salt Creek	P25/2568	Western Australia	Granted	100%	100%
Silver Swan	E27/627	Western Australia	Application	100%	100%
North Sinclair	E36/895	Western Australia	Granted	100%	100%
Camel Bore	E36/910	Western Australia	Granted	100%	100%
Camel Bore	E36/953	Western Australia	Granted	100%	100%

Tenement Information (continued)

Project	Tenement ID	Location	Status	Interest at beginning of Qtr	Interest at end of Qtr
Lawlers	E36/994	Western Australia	Application	100%	100%
Lockyer Well	E37/1370	Western Australia	Granted	100%	100%
North Gruyere	E38/3461	Western Australia	Application	100%	0%
Laverton	E38/3540	Western Australia	Application	100%	100%
Kenya	E39/1998	Western Australia	Granted	100%	100%
Kenya	E39/2005	Western Australia	Granted	100%	100%
Mulga Tank	E39/2134	Western Australia	Application	100%	100%
Meentheena	E45/5381	Western Australia	Application	100%	100%
Mt Samson	E47/3975	Western Australia	Application	100%	100%
Sherlock	E47/4345	Western Australia	Application	100%	100%
Bundie Bore	E51/1909	Western Australia	Application	100%	100%
Bundie Bore	E51/1946	Western Australia	Application	100%	100%
Bundie Bore	P51/3145-7	Western Australia	Granted	100%	100%
Joyners	E's 53/2129 & 53/2131	Western Australia	Application	100%	100%
Magellan	E53/2148	Western Australia	Application	100%	100%
Taipan	E63/1823	Western Australia	Granted	100%	100%
Jeffreys Find	E63/1832	Western Australia	Granted	100%	100%
Killaloe	E63/1874-5	Western Australia	Granted	100%	100%
Lake Percy	E63/1981	Western Australia	Application	100%	100%
Mission	E63/2005	Western Australia	Granted	100%	100%
Lake Percy	E63/2017	Western Australia	Application	100%	100%
Lake Percy	E63/2053	Western Australia	Application	100%	100%
Lake Percy	E63/2148	Western Australia	Application	100%	100%
Forrestania	E77/2575-6	Western Australia	Granted	100%	100%
Forrestania	E77/2701	Western Australia	Application	100%	100%
Aries	E80/5027	Western Australia	Granted	100%	100%
Joyners	M53/1078-I	Western Australia	Granted	20%	20%
Prospect Ridge	EL5/2016*	Tasmania	Granted	100%	100%
McDermitt	HTM 1-50,56-342, 348-349**	Oregon, USA	Granted	100%	100%
Clayton North	HTC 1-6,12-18, 25-28**	Nevada, USA	Granted	100%	100%

* Tenement held or applied for through Jindalee's wholly-owned Australian subsidiary, HiTec Minerals Pty Ltd.

** Tenements held by Jindalee's wholly-owned US subsidiary, HiTech Minerals Inc.

Appendix 5B

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

Name of entity

JINDALEE RESOURCES LIMITED

ABN

52 064 121 133

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(5)	(40)
(b) development	-	-
(c) production	-	-
(d) staff costs	(40)	(83)
(e) administration and corporate costs	(71)	(157)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(4)	(8)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(119)	(286)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(4)	(4)
(d) exploration & evaluation	(801)	(1,061)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	10	90
	(c) property, plant and equipment	-	-
	(d) investments	20	20
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(775)	(955)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	642	1,874
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(21)	(36)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(16)	(31)
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	605	1,807

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,763	908
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(119)	(286)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(775)	(955)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	605	1,807

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,474	1,474

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,364	1,645
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – bank guarantees	68	68
	– cash held by wholly owned subsidiary	42	50
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,474	1,763

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	126
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(120)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(801)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(921)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,474
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,474
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No. Expenditure is largely discretionary and is dependent on timing and extent of future exploration programs. Future expenditure will be managed subject to available cash and availability of additional sources of funding.	

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

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company will continue to monitor available cash and expenditure commitments and investigate sources of additional funding from the sale of assets (including available-for-sale (AFS) financial assets) or capital raising. No commitments have been made to raise additional funds at this time. The Company has however recently undertaken sales of its AFS assets and will continue to do so market conditions permitting.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company had approximately \$4M in cash and marketable AFS securities (including \$1.474 cash) at quarter end and will manage expenditure to meet available funds and future sources of funding.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

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

Date: 28 January 2021

Authorised 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.

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