

QUARTERLY REPORT



22 January 2020

Activities Report for the Period Ending 31 December 2019

ABOUT AIC MINES

AIC Mines is a growth focused Australian exploration company. The Company's strategy is to build a portfolio of gold and copper assets in Australia through exploration, development and acquisition.

AIC currently has two key projects, the Marymia exploration project, strategically located within trucking distance of the Plutonic Gold Mine and the Degussa Copper Mine, and the Lamil exploration JV located in the Paterson Province immediately west of the Telfer Gold-Copper Mine.

CAPITAL STRUCTURE

Shares on Issue: **52m**
Share Price (21/01/20): **\$0.305**
Market Capitalisation: **\$15.9m**
Cash & Liquids (31/12/19): **\$8.4m**
Enterprise Value: **\$7.5m**

CORPORATE DIRECTORY

Josef El-Raghy
Non-Executive Chairman

Aaron Colleran
Managing Director & CEO

Brett Montgomery
Non-Executive Director

Tony Wolfe
Non-Executive Director

Heidi Brown
Company Secretary

CORPORATE DETAILS

ASX: **A1M**
www.aicmines.com.au
ABN: 11 060 156 452
P: +61 (8) 6269 0110
F: +61 (8) 6230 5176
E: info@aicmines.com.au
A: A8, 435 Roberts Rd,
Subiaco, WA, 6008

Share Register:
Computershare Investor
Services

HIGHLIGHTS

Exploration

- Field work commenced at Lamil Copper-Gold Project, Paterson Province WA. Ground-based gravity and passive seismic surveys were completed.
- Field review of key prospects at the Marymia Project, Peak Hill Mineral Field WA was undertaken and planning is now underway for the forthcoming field season.

Corporate

- Vulcan Copper Limited failed to make payments due to AIC under the Kitumba Sale Agreement at 30 November 2019 and 31 December 2019. AIC has been unable to resolve the non-payment through consultation with Vulcan and is considering the remedial action available to it.
- As at 31 December 2019, AIC held \$5.4 million in cash and a further \$3.0 million in listed investments.

EXPLORATION ACTIVITIES

AIC Mines Limited ("AIC Mines" or "the Company") holds a 100% interest in the Marymia Project and is earning an initial 50% interest in the Lamil Joint Venture. Both projects are located in Western Australia and are prospective for gold and copper mineralisation.

Lamil Joint Venture (earning up to 65%)

As announced on 22 July 2019, the Company entered into an earn-in and exploration joint venture agreement with Rumble Resources (ASX: RTR) ("Rumble") over the Lamil Gold-Copper Project in the Paterson Province in the northwest of Western Australia.

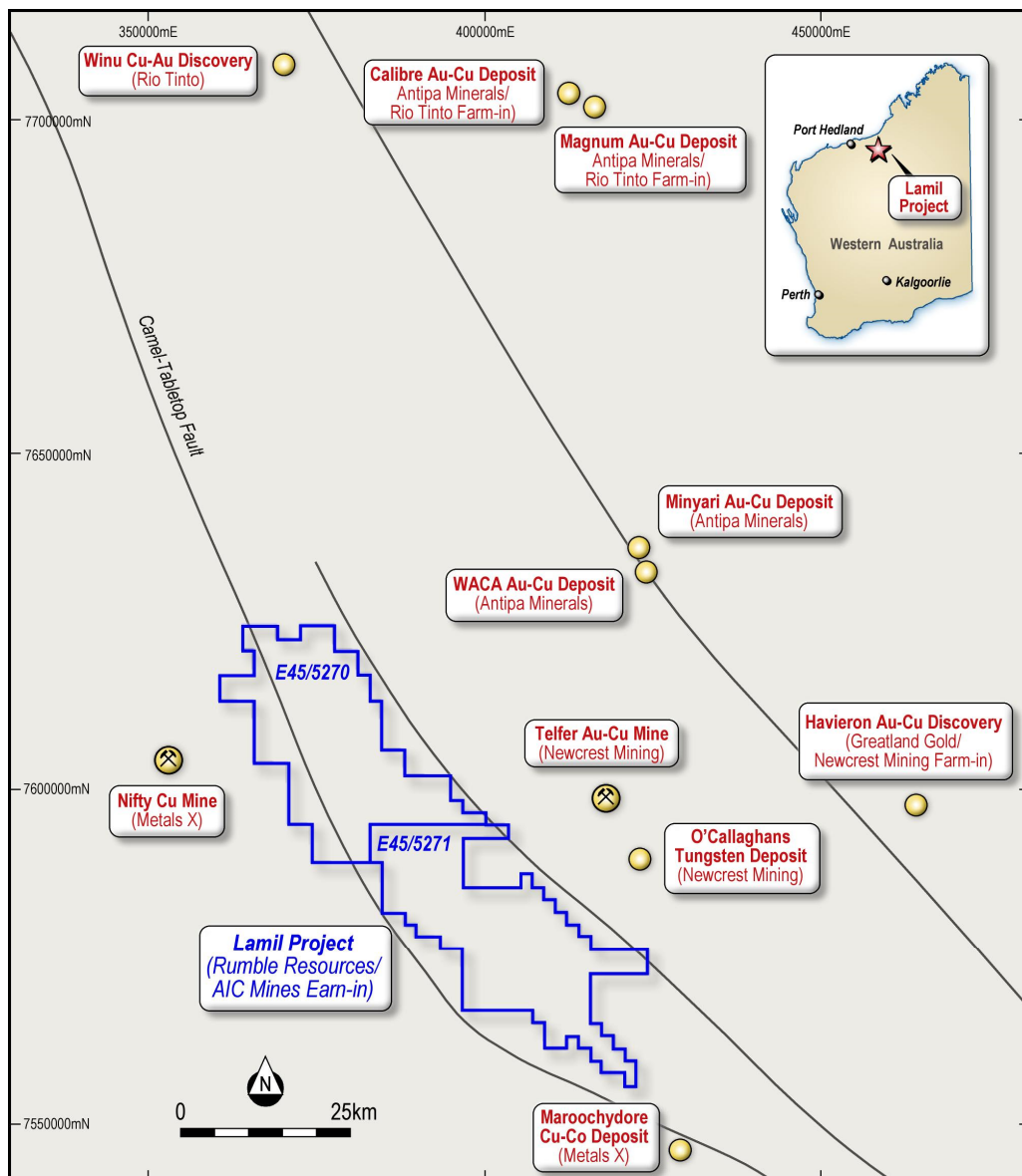


Figure 1. Location of the Lamil Project

Under the terms of the earn-in and exploration joint venture agreement AIC can earn a 50% interest by spending \$6 million over 4 years. Thereafter AIC can earn a further 15% by spending \$4 million over 1 year if Rumble elects not to commence contributing. The key terms of the earn-in and exploration joint venture agreement are described in the Company's ASX announcement dated 22 July 2019.

The Paterson Province is one of the most highly endowed yet under-explored mineral provinces in Australia. It hosts the world-class Telfer gold-copper mine and the Nifty copper mine. The Lamil Project, which covers an area of 1,375 km², is situated midway between these two mines.

The Paterson Province remains underexplored due its remoteness and relatively deep Permian and recent cover. A recent breakthrough, based on a detailed airborne magnetic survey completed by Rumble in March 2019, indicates that the depth of cover to the main targets in the Lamil Project area is less than 100m. Despite its close proximity to both the Telfer gold-copper mine and the Nifty copper mine, the area has essentially been ignored due to the previous perception of ubiquitous deep (>400m) cover.

The airborne magnetic survey completed by Rumble highlighted several principal target areas including a major domal structure (Target P1 – see Fig. 2) which has many important similarities to the world class Telfer gold-copper deposit which lies only 30km to the northeast. Independent interpretation of the airborne magnetic data completed by AIC has confirmed that the Lamil Dome exhibits the key structural features required to potentially host Telfer-style gold and copper mineralisation.

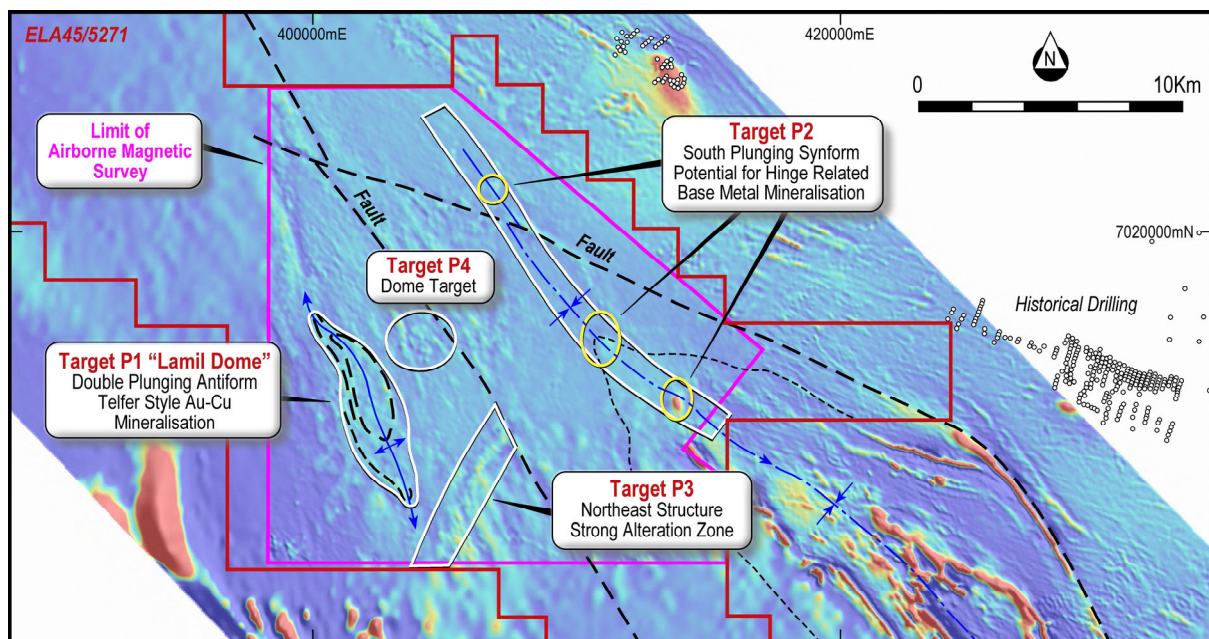


Figure 2. Priority Targets at the Lamil Project

AIC commenced field work including Passive Seismic and Gravity surveys at Lamil in early November 2019 as planned following receipt of approvals from the Martu Aboriginal Group, the traditional owners of the land area.

Passive Seismic surveys were completed by AIC field personnel over the P1 and P4 targets (see Fig. 3 and 4). Good conditions were experienced for the survey resulting in high-quality data. The data is being

interpreted by Perth-based consulting geophysicists Resource Potentials with final results and reports expected to be received during the March quarter 2020. Preliminary results support the interpretation of a domal structure and suggest that depths to bedrock over the P1 and P4 targets are in the range of 30 – 75m which is shallower than what was indicated from the airborne magnetic survey completed earlier in the year.

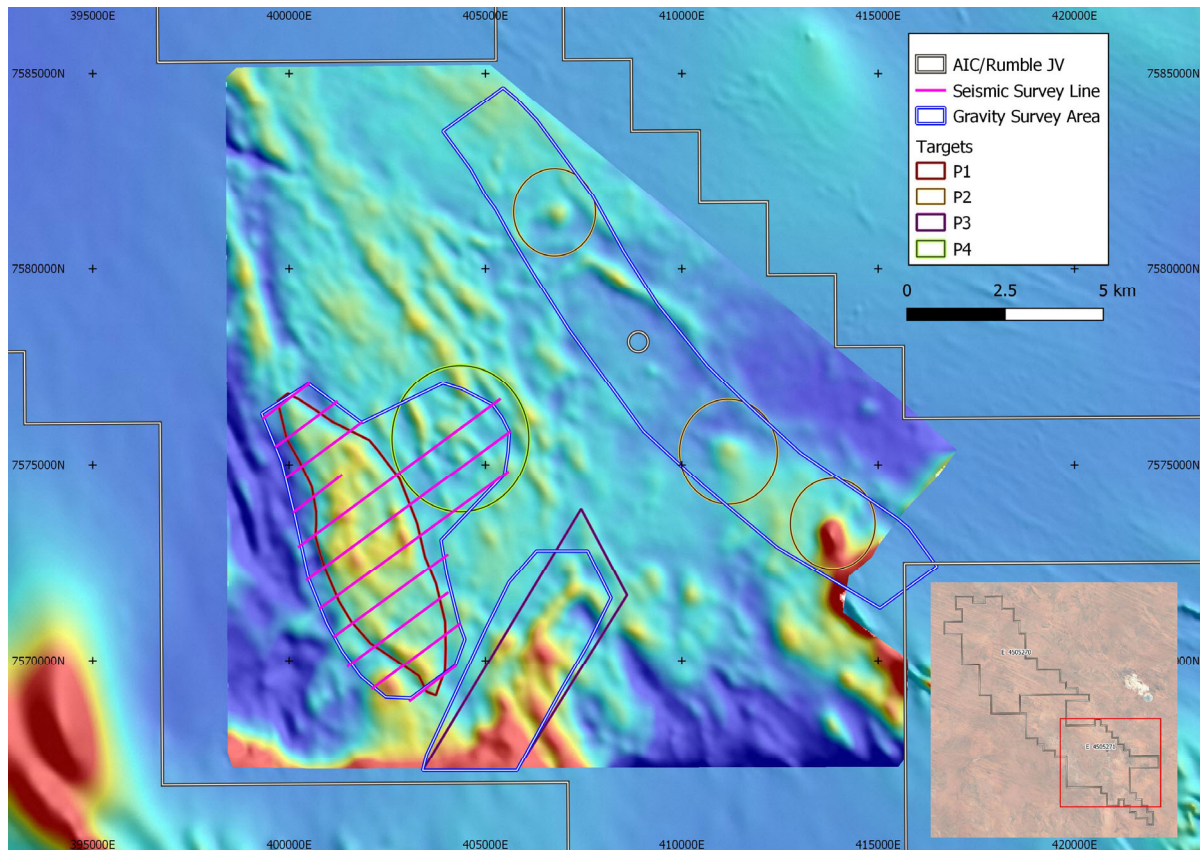


Figure 3. Lamil Project – Passive Seismic and Gravity Survey Areas over TMI Image

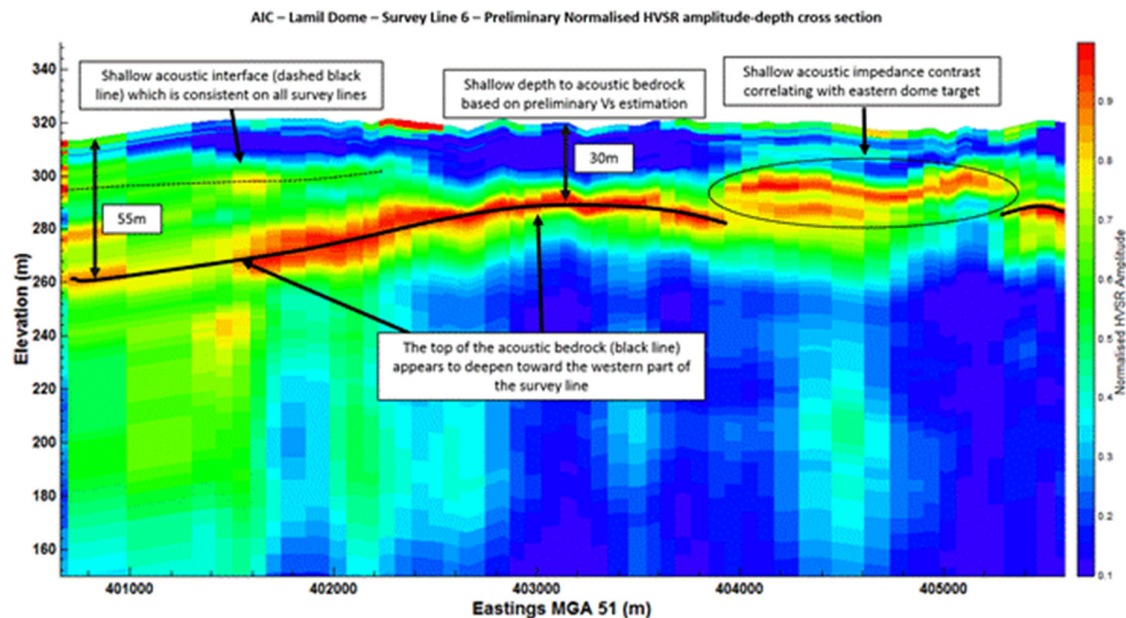


Figure 4. Lamil Project – Passive Seismic Line 6 Cross Section.
Note “domal” bedrock reflectors coincident with P1 & P4 Targets

Ground-based gravity surveys were completed over the P1, P2, P3 and P4 targets (see Fig. 3). Data acquisition was carried out by Atlas Geophysics. Results of the surveys are being assessed by Perth-based geophysics and geological consultants Newexco with final results and reports expected to be received during the March quarter 2020.

Preliminary interpretations suggest that the P1 Lamil “Dome” is neither a gravity high nor a gravity low; the dome is on the gradient. Within the interpreted dome there is a subtle high.

A potentially sub-ordinate domal structure or intrusion is emerging in the southwest of the survey area but will require the lines to be extended in order to enable better resolution. A number of prominent structures are apparent, one being the trough feature that is oriented roughly NW. From South West to North East the gravity profile is generally low to high with a saddle feature where the interpreted dome is.

Results from the passive seismic surveys and gravity surveys will be combined with the existing ultra-detailed aeromagnetic to define final drill targets.

During the quarter the Company successfully applied to the Government of WA Department of Mines, Industry Regulation and Safety for Government Co-Funded Exploration Drilling at Lamil. The grant amount totals \$150K with drilling required to be completed prior to 31 December 2020.

Also during the quarter, the Geological Survey of Western Australia (GSWA) in partnership with Geoscience Australia, funded under the Exploring for the Future program, completed drilling a deep stratigraphic hole in the South West Canning Basin. The hole, named Waukarlycarly-1, is located immediately north of the northern boundary of AIC’s Lamil Project.

The well is investigating the geology within the Waukarlycarly Embayment, a fault-bound depression in ancient igneous and metamorphic rocks that has subsequently filled with a sequence of younger sedimentary rocks. The Waukarlycarly Embayment is currently defined only from geophysical data (seismic and gravity) and has not previously been evaluated by deep drilling beyond about 200m. The well's objectives are to:

- acquire a fully cored stratigraphic section through the Waukarlycarly Embayment including the top of the basement it overlies;
- acquire a suite of wireline logs through the same section;
- determine the ages of stratigraphic units and assign to established Canning Basin stratigraphy;
- assist in the interpretation of the nearby Kidson Seismic Survey; and
- evaluate the hydrocarbon, mineral and hydrogeological potential of the Waukarlycarly Embayment.

Results from the drilling will be made publicly available mid-2020.

Marymia Project (predominantly 100% owned tenements)

AIC Mines is the 100% owner of a large area of tenements (approximately 3,200km²) located about 790km northeast of Perth on the northern margin of the Yilgarn Craton. The project also includes joint ventures with Ausgold Limited (ASX: AUC) and Venus Metals (ASX: VMC) (see Fig. 5).

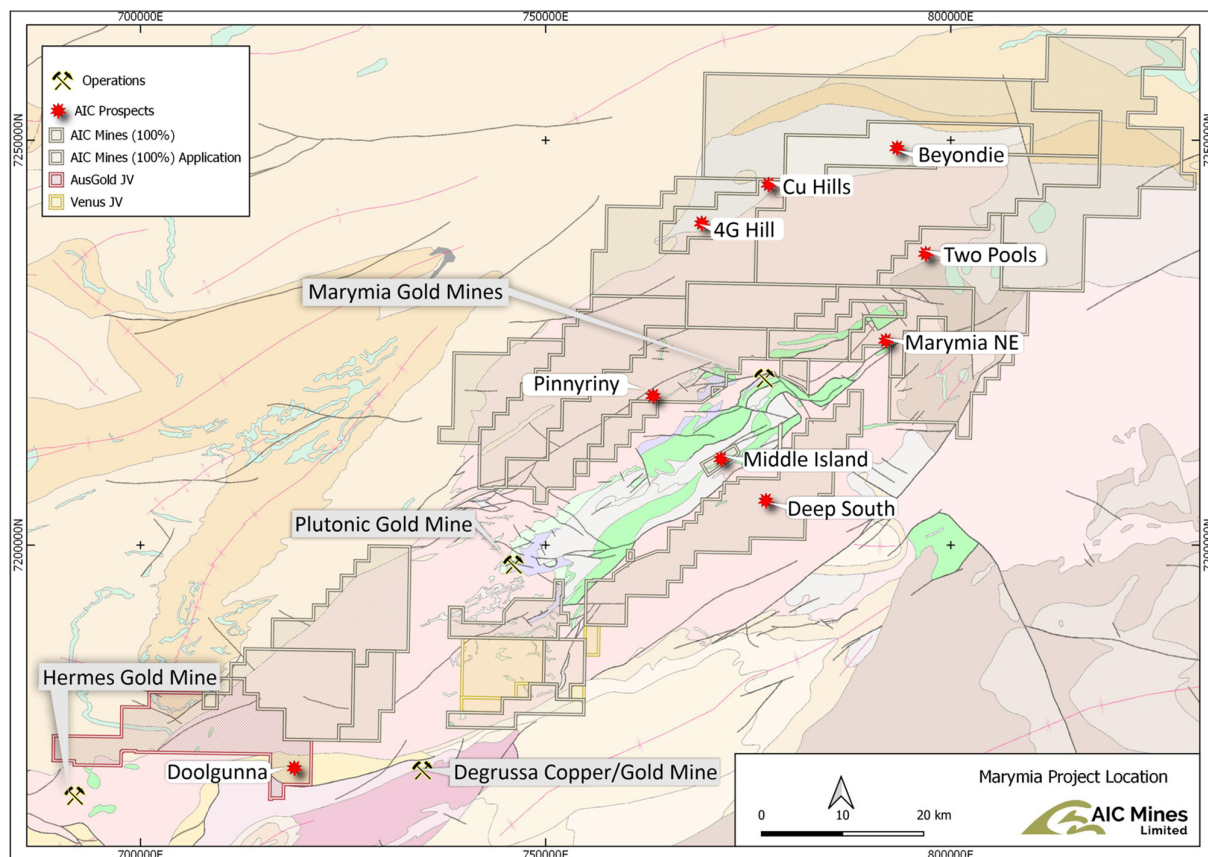


Figure 5. Marymia Project Location

During the quarter, a field review of several key prospects was undertaken including the Marymia North, Marymia Northeast, Middle Island, Pinnyrinni and 4G Hill prospects and the joint venture projects with Ausgold Limited and Venus Metals. A systematic evaluation of all prospects is in progress and planning is underway for the forthcoming field season.

CORPORATE

Kitumba Sale

AIC predecessor company Intrepid Mines Limited completed a share sale agreement with Consolidated Mining and Investments Ltd (company no. 07330453) ("CMI") in respect of the sale of 100% of the share capital in Intrepid Mines Zambia Limited on 14 February 2019 ("Kitumba Sale Agreement"). Further details regarding the Kitumba Sale Agreement are contained in the Notice of Extraordinary General Meeting released to the ASX by Intrepid Mines Limited on 18 October 2018.

The Company announced on 22 November 2019 that the parties had agreed to the following variations to the payment arrangements under the Kitumba Sale Agreement:

- Payment of the deferred consideration of US\$4,500,000 owing to AIC be made over three payments:
 - US\$1,000,000 payment by 30 November 2019
 - US\$1,500,000 payment by 31 December 2019
 - US\$2,000,000 payment by 31 January 2020
- The outstanding amount of the deferred consideration will continue to accrue interest for the benefit of AIC at an increased rate of 15% pa (previously 12.5% pa).

Vulcan failed to make the payments due by 30 November 2019 and 31 December 2019. AIC is considering all possible actions to recover the deferred consideration including steps to seek the winding-up of Consolidated Mining and Investments Ltd.

Cash Position

As at 31 December 2019, AIC Mines held \$5.4 million (approximately 10cps) in cash (30 September 2019: \$5.4 million) and a further \$3.0 million (approximately 6cps) in listed investments. Major cash movements during the quarter included proceeds of approximately \$677,000 from the sale of Kalium Lakes (ASX: KLL) shares offset by cash outflows related to exploration activities and administration.

Authorisation

This Quarterly Activities Report has been approved for issue by, and enquiries regarding this report may be directed to:

Aaron Colleran

Managing Director

Email: info@aicmines.com.au

Competent Persons Statement

The information in this report that relates to all Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by consultant geologist Steve Vallance of Wilderness Exploration Pty Ltd. Steve is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Steve consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

ASX Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details, including 2012 JORC Code reporting tables where applicable, can be found in the following announcements lodged on the ASX:

- | | |
|---|-----------------|
| • Exploration Commences at Lamil Project | 7 November 2019 |
| • Paterson Province Exploration Joint Venture | 22 July 2019 |

These announcements are available for viewing on the Company's website www.aicmines.com.au under the Investors tab.

AIC Mines confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

APPENDIX 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Not applicable - no drilling or sampling completed.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Not applicable - no drilling or sampling completed.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Not applicable - no drilling or sampling completed.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	Not applicable - no drilling or sampling completed.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable - no drilling or sampling completed.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Not applicable - no drilling or sampling completed.
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	Not applicable - no drilling or sampling completed.
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	Not applicable - no drilling or sampling completed.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	Not applicable - no drilling or sampling completed.
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not applicable - no drilling or sampling completed.
Sample security	The measures taken to ensure sample security.	Not applicable - no drilling or sampling completed.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Not applicable - no drilling or sampling completed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- The project comprises a granted exploration license EL45/5271 and an exploration license application ELA45/5270. - The tenements lie midway between the Telfer Au-Cu and Nifty Cu mines within the Paterson Province, East Pilbara, Western Australia. - ELA45/5270 and EL45/5271 are 100% owned by Rumble Resources.

Criteria	JORC Code explanation	Commentary
		AIC has entered into an Earn-in and Joint Venture Agreement with Rumble Resources over ELA45/5270 and EL45/5271.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Rumble Resources completed a 1565 line-km survey on 200m line spacing bearing 050 (normal to regional geology) over the southeast portion of EL45/5271.
Geology	Deposit type, geological setting and style of mineralisation.	- Telfer gold-copper deposit style - structurally controlled, multiple sheeted / conjugate vein style deposit. - Nifty copper deposit style – sediment hosted copper deposit with structural and epigenetic overprint.
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	- Within the entire project area of ELA45/5270&5271, WAMEX open-file data records only 15 drill holes were completed. No mineralisation was intersected in these holes. - No historic drilling is related to the targets presented in this announcement.
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable - no drilling or sampling results reported.
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Not applicable - no drilling or sampling results reported.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	- Figure 1 – Location of the Lamil Project. - Figure 2 – Priority targets at the Lamil Project. - Figure 3 – Passive Seismic and Gravity Survey Areas over TMI Image.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Not applicable to this stage of exploration.

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	- During November 2019, a detailed passive seismic survey was completed. 100m spaced stations were taken of 800m spaced lines, totalling 432 readings taken. - The passive seismic survey was completed by AIC personnel utilising Tromino seismometer supplied by Resource Potentials Geophysical Consultants. - The data is currently being Interpreted by Resource Potentials to create accurate cross sections of interpreted depth of cover over the P1 & P4 targets. - During Nov/Dec 2019, a regional gravity survey was completed on 100x400m spaced grid taking a total of 2157 readings. - The gravity survey was completed by Atlas Geophysics personnel who used a UTV for mobilisation between stations and utilised a CG-5 AutoGrav Gravity Meter. - The survey was completed over P1, P2, P3 & P4 targets, the data is currently being interpreted by Newexco Geophysics and Geological Consultants.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	AIC Mines is currently completing its interpretation of recent geophysical surveys with the aim of defining a drilling program.

APPENDIX 2 – AIC MINES TENEMENT HOLDINGS AT 31 DECEMBER 2019

Mining Act Tenure		Company's Ownership Interest
Tenement	Status	
E52/2943	Granted	100%
E52/2944	Granted	100%
E52/2945	Granted	100%
E52/2973	Granted	100%
E69/3247	Granted	100%
E52/3027	Granted	100%
E52/3028	Granted	100%
E52/3029	Granted	100%
E52/3044	Granted	100%
E52/3154	Granted	100%
E52/3171	Granted	100%
E52/3190	Granted	100%
E52/3265	Granted	100%
E52/3317	Granted	100%
E52/3318	Granted	100%
E52/3319	Granted	100%
E52/3346	Granted	100%
E52/3368	Granted	100%
E52/3397	Granted	100%
E52/3455	Granted	100%
E52/3622	Granted	100%
E52/3623	Granted	100%
E52/3624	Granted	100%
ELA52/3648 ¹	Pending	0%
P52/1585	Granted	100%
ELA52/3721 ²	Pending	0%
ELA52/3743 ³	Pending	0%
ELA52/3768 ⁴	Pending	0%

Notes:

- ¹ This tenement was applied for on 17 July 2018. If it is not granted, it does not affect the prospectivity of the Marymia Project and the proposed exploration budget or program will not be revised.
- ² This tenement was applied for on 17 June 2019. If it is not granted, it does not affect the prospectivity of the Marymia Project and the proposed exploration budget or program will not be revised.
- ³ This tenement was applied for on 29 August 2019. If it is not granted, it does not affect the prospectivity of the Marymia Project and the proposed exploration budget or program will not be revised.
- ⁴ This tenement was applied for on 15 November 2019. If it is not granted, it does not affect the prospectivity of the Marymia Project and the proposed exploration budget or program will not be revised.

There were no Mining Tenements disposed during the quarter.

AIC Mines has entered into an Exploration Farm-in and Joint Venture Agreement with Ausgold Limited (ASX: AUC) under which, subject to the satisfaction of regulatory consents, it may earn up to an 80% interest in tenement E52/3031 covering ~176km². Details of the agreement were released to the ASX on 4 June 2018. On 30 July 2019, the parties agreed to extend the Earning Period from two years, to four years, by way of a side letter.

AIC Resources Limited, a wholly owned subsidiary of AIC Mines, has entered into a Farm-in and Joint Venture Heads of Agreement with Venus Metals Corporation Limited (ASX: VMC) under which, subject to the satisfaction of regulatory consents, it may earn an 80% interest in tenements E52/3069, E52/3320, E52/3487, E52/3488 and E52/3489 covering ~90km². Details of the agreement were released to the ASX on 20 September 2018.

AIC Mines has entered into an earn-in and joint venture agreement with Rumble Resources Limited (ASX: RTR) under which, subject to the satisfaction of regulatory consents, it may earn up to a 65% interest in tenements ELA45/5270 and EL45/5271 covering ~1,375km². Details of the agreement were released to the ASX on 22 July 2019.

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

AIC Mines Limited (formerly Intrepid Mines Limited)

ABN

11 060 156 452

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows (see note 2)	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(384)	(1,415)
(b) development	-	-
(c) production	-	-
(d) staff costs	(176)	(633)
(e) administration and corporate costs	(203)	(907)
1.3 Dividends received	-	-
1.4 Interest received	83	437
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes refunded	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Deferred consideration received from Troy Resources Limited	-	213
1.9 Net cash from / (used in) operating activities	(680)	(2,305)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(10)
(b) tenements (see item 10)	-	(150)

Consolidated statement of cash flows (see note 2)	Current quarter \$A'000	Year to date (12 months) \$A'000
(c) investments (ASX listed shares)	-	(1,407)
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	2	2
(b) tenements (see item 10)	-	-
(c) investments	677	1,090
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received	-	-
2.5 Other (provide details if material)		
- Cash acquired on reverse acquisition of AIC Mines Ltd (by AIC Resources Ltd (see note 2)	-	2,955
2.6 Net cash from / (used in) investing activities	679	2,480

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
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	-	(31)
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)	-	-
3.10 Net cash from / (used in) financing activities	-	(31)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	5,423	5,277
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(680)	(2,305)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	679	2,480

Consolidated statement of cash flows (see note 2)		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(31)
4.5	Effect of movement in exchange rates on cash held	-	1
4.6	Cash and cash equivalents at end of period	5,422	5,422

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	3,402	2,403
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (term deposits)	2,020	3,020
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,422	5,423

6. Payments to directors of the entity and their associates

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

Current quarter
\$A'000

101

-

Directors remuneration, including non-executive directors (\$38,325) and the Managing Director/CEO (\$62,500)

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

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

Current quarter
\$A'000

-

-

Mining exploration entity and oil and gas exploration entity quarterly report

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$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.		

--

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	780
9.2	Development	-
9.3	Production	-
9.4	Staff costs	183
9.5	Administration and corporate costs	161
9.6	Other (provide details if material) - Stamp duty in relation to merger transaction	191
9.7	Total estimated cash outflows	1,315

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	ELA52/3768 ¹	Application	-	-

Notes to table 10:

1 Application was made in the name of AIC Mines Limited on 15 November 2019.

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: 22 January 2020

Print name: Heidi Brown

Notes

1. 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.
2. As outlined in the Half Year Report released on 12 September 2019, the merger transaction of Intrepid Mines Limited (now AIC Mines Limited) and AIC Resources Limited was successfully completed during the current year. Intrepid (the legal acquirer) obtained control of AIC Resources on 16 April 2019 being the date that over 90% of the issued shares in AIC Resources was obtained by Intrepid. However, as a result of the acquisition, the former shareholders of AIC Resources effectively obtained control of the combined entity and AIC Resources was deemed as the acquirer for accounting purposes.

Therefore, the financial reports of the combined entity are presented as a continuation of AIC Resources (the accounting acquirer). Accordingly, the consolidated cash flows presented above include the cash flows of AIC Resources for the entire period as well as the cash flows of Intrepid (now AIC Mines) subsequent to the merger date of 16 April 2019 as well as the cash balance contributed by Intrepid to the consolidated group on this date.