Appendix 5B

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

Name of entity

Gascoyne Resources Limited

ABN

57 139 522 900

Quarter ended ("current quarter")

30 September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	53,781	53,781
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production	(28,740)	(28,740)
	(d) staff costs	(860)	(860)
	(e) administration and corporate costs	(6,559)	(6,559)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(1,138)	(1,138)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (includes royalties)	(1,429)	(1,429)
1.9	**Net cash from / (used in) operating activities**	**15,054**	**15,054**

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(117)	(117)
	(d) exploration & evaluation	(323)	(323)
	(e) investments		
	(f) other non-current assets		
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)		
	- Expenditure on mine properties	(12,061)	(12,061)
2.6	**Net cash from / (used in) investing activities**	**(12,501)**	**(12,501)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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	(764)	(764)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(2,938)	(2,938)
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**	**(3,702)**	**(3,702)**

Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,640	5,640
4.2	Net cash from / (used in) operating activities (item 1.9 above)	15,054	15,054
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12,501)	(12,501)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3,702)	(3,702)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**4,491**	**4,491**

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	891	5,640
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) *	3,600	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,491**	**5,640**

* Represents cash held on behalf of Gascoyne Resources Limited in a trust account by the Deed Administrators. Upon effectuation of the Deed of Company Arrangement on 20 October 2020 this balance was transferred to the Creditor's Trust and will ultimately be paid out to creditors to settle pre-Administration debt.

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*	284
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

* Payments made to Directors for salary and director fees

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	78,447	78,447
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	12,000	12,000
7.4	**Total financing facilities ***	90,447	90,447

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.	

7.1 Balance represents:

- Secured Project Finance and Asset Finance facilities held with National Australia Bank and Commonwealth Bank of Australia (interest rate: 6.6%)
- Secured financial liability arising out of the close out of gold forward contracts held with National Australia Bank and Commonwealth Bank of Australia (interest rate: 3.3%).
- Secured financial asset arising out of the close out of Singapore gas oil swaps held with Commonwealth Bank of Australia.

7.3 Other represents NRW working capital facility, secured with a second ranking charge over the assets of subsidiary GNT Resources Pty Ltd.

* On 20 October 2020, the Company drew down the full amount of $40.0 million under its new debt facility with Investec Bank plc. This draw down, combined with proceeds from the recently completed $85.2 million equity raise, were used to repay in full the items described in 7.1 and 7.3. As at 20 October 2020 the Company has outstanding debt under its banking facility with Investec Bank plc of $40.0 million.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	15,236
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(323)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	14,913
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,491
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,491
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)** *Note: if the entity has reported positive relevant outgoings (i.e. 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.*	*N/A*

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?

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?

N/A

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?

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: 27 October 2020

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 – e.g. 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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