



ASX Announcement | 28 October 2020
Rafaella Resources Limited (ASX:RFR)

Quarterly Activities Report: 30 September 2020

Rafaella Resources agrees to acquire high-grade nickel-copper sulphide projects during September quarter

Investment Highlights

Operational

- Received updated Mineral Resource Estimate and exceptional ore sorting results at the Santa Comba tungsten and tin project
- Rafaella remains on track to complete the Santa Comba feasibility study in Q4 CY20
- Agreed to acquire 100% of the Midrim and Laforce nickel-copper-PGE sulphide projects (the 'Projects') in the highly prospective Belleterre-Angliers Greenstone Belt located in the Province of Quebec, Canada
- Received encouraging results from due diligence conducted by CSA Global during their assessment of the Projects
- Southern Geoscience Consultants identified 10 shallow level anomalies in addition to the known mineralisation at Midrim and Lac Croche.
- Metallurgical test work on Santa Comba shows good recoveries and ability to produce a clean high-grade marketable concentrate.

Corporate

- Completed a placement to raise approximately \$1.2m
- Announced Rafaella's Extraordinary General Meeting, which will be held on 29 October 2020 in Perth

Rafaella Resources Limited (ASX:RFR) ("Rafaella" or the "Company") is pleased to provide its Appendix 5B cash flow statement for the quarter ended 30 September 2020, along with the following operational summary.

Rafaella was established to develop mineral opportunities worldwide. During the quarter, Rafaella's principal activities centered on advancing its Santa Comba tungsten and tin project in Spain ('Santa Comba') and the acquisition of nickel-copper sulphide projects in Canada.

Strong progress at Santa Comba continues

In July, Rafaella announced the results of the recently updated Mineral Resource Estimate ('MRE') for the Santa Comba tungsten and tin project ('Santa Comba') carried out by independent consultants.

The total MRE for near-surface mineralization at Santa Comba increased by 103% with the overall Resource now 10.6 million tonnes of which nearly 60% are classified as Measured or Indicated. Total tungsten trioxide (WO₃) contained within the Resource increased to 18,530 tonnes providing a substantial and de-risked inventory to feed into a mine plan as part of the ongoing feasibility study.

Once the feasibility study is completed, the Company intends to recommence drilling numerous prospects to add both tonnage and grade to feed Santa Comba's future expansion. Rafaella remains on track to complete the Santa Comba feasibility study in Q4 CY20. For a more detailed overview of the MRE upgrade, see the ASX announcement dated 1 July 2020.

In September, Rafaella announced the exceptional results of the ore sorting results from Santa Comba conducted by Tomra Sorting Solutions. Overall results showed a 50% rejection of unmineralized rock and an approximate doubling of feed grade, which will significantly lower the planned process capex and opex and enhance process efficiency via a simpler process flow sheet. For a more detailed overview of the ore sorting results, see the ASX announcement dated 2 September 2020.

Rafaella noted that tungsten remained classified as a critical material by the European Commission in a recent communication to the European Parliament. The two defining characteristics of a critical material are economic importance and supply risk. With over 69% of tungsten supply coming from China, it remains a metal that presents significant supply risk. The Company believes that this highlights the importance of fast-tracking Santa Comba to production as soon as possible as it will provide Western economies with a long-term and reliable source of tungsten concentrate.

The Company announced the results of its Phase 2 gravity separation testing for Santa Comba conducted by Grinding Solutions Ltd based in the United Kingdom. The test work demonstrated that recoveries of at least 70% of the WO₃ can be achieved through a simplified process. The test work also verified that the project can deliver a highly marketable clean tungsten concentrate. These results are a key milestone in de-risking the project. For a more detailed overview of the metallurgical results, see the ASX announcement dated 26 October 2020.

Potential expansion of portfolio via acquisition of Canadian nickel-copper sulphide projects

In August, Rafaella announced that it had entered into a conditional agreement with Meteoric Resources NL (ASX: MEI) ('Meteoric') and Ressources Météore Sub Inc. (RMS), a wholly-owned subsidiary of Meteoric, to acquire 100% of the advanced nickel-copper sulphide Midrim and Laforce projects ('the Projects') within the mining-friendly jurisdiction of Quebec Province, Canada. For a summary of the material terms of the acquisition, see the ASX announcement dated 21 August 2020.

The following month, the Company engaged Tony Donaghy of CSA Global and leading geophysicists Southern Geoscience Consultancy to assist in its technical due diligence of the Projects. The CSA Global review assessed all the data made available by Orix Geosciences and found that significant exploration potential exists within the Projects for the discovery of high grade, high nickel tenor magmatic sulphide Ni-Cu-PGE mineralisation.

Upon CSA Global recommendation, Rafaella engaged Southern Geoscience Consultancy ('SGC') to review the geophysical data. The study revealed ten shallow level anomalies in addition to the known mineralisation at Midrim and Lac Croche. These anomalies are favourably associated with elevated magnetics that enhances their prospectivity. The review supported the findings of CSA Global that the Projects offer considerable upside. SGC concluded that previous work undertaken had not been effective given the relative shallow penetration of previous airborne EM surveys and suggested that significant potential may have been overlooked. Subject to completion of the acquisition of the Projects, the Company intends to plan for a new heli-borne EM survey for late 2020 to follow up on the SGC recommendation.

Corporate

In August, the Rafaella raised approximately \$1.2m at a price of \$0.066 per fully paid ordinary share. The raising is providing funds to progress Santa Comba, satisfy corporate overheads and supplement working capital.

The following month, the Company announced that it has extended the time period for its conditional agreement with Meteoric and RMS to acquire the Projects. The agreement was extended in order to allow for shareholder approval to be obtained at the Company's upcoming Extraordinary General Meeting, which is scheduled to be held at 10am AWST on Thursday 29 October 2020.

Rafaella's Managing Director Steven Turner said: "Rafaella has made a very strong start to the new financial year, with significant progress at Santa Comba and an exciting new acquisition that will further diversify our portfolio of world-class assets. The increase in total mineral resources along with the ore sorting and metallurgical test results were an exceptional outcome at Santa Comba and we are well on track to complete the feasibility study by year-end. Our due diligence of the Midrim and Laforce projects is also progressing and we are looking forward to providing further updates on this exciting opportunity."

Corporate

Rafaella's cash position as at 30 September 2020 was \$1.526m.

Financial commentary

The Appendix 5B for the quarter ended 30 September 2020 provides an overview of the Company's financial activities. Exploration expenditure for the quarter was \$0.485m, including \$0.477m of drilling cost and ongoing study work associated with the Santa Comba project. Corporate and other expenditure for the quarter was \$0.258m. The total amount paid to Directors of the Company, their associates and other related parties was \$0.117m and includes salary, fees and consulting fees.

Securities on issue at 30 September 2020:

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	90,575,571	-	72,575,571
\$0.30 listed options expiring 31 October 2021	27,098,036	-	27,098,036
\$0.20 unlisted options expiring 19 July 2022	-	2,500,000	2,500,000
\$0.20 unlisted options expiring 27 August 2022	-	2,925,000	2,925,000
\$0.20 unlisted milestone 1 performance rights expiring 27 August 2022	-	2,900,000	2,900,000
\$0.20 unlisted milestone 2 performance rights expiring 27 August 2022	-	2,900,000	2,900,000
\$0.20 unlisted milestone 1 performance rights expiring 5 March 2023	-	1,000,000	1,000,000
\$0.20 unlisted milestone 2 performance rights expiring 5 March 2023	-	1,000,000	1,000,000
Total	117,673,607	13,225,000	130,898,607
Additional Milestone 1 consideration shares yet to be issued ¹	15,000,000	-	15,000,000
Additional Milestone 2 consideration shares yet to be issued ²	15,000,000	-	15,000,000

This announcement has been authorised by the Board of Directors of the Company.

Ends

¹ and ² Refer to ASX announcement on 27 May 2019 for full details.

For further information, please contact:**Rafaella Resources**

Steven Turner, Managing Director

Ph: +61 (08) 9481 0389

E: info@rafaellaresources.com.au

Media & Investor Enquiries

Julia Maguire, The Capital Network

Ph: +61 02 8999 3699

E: julia@thecapitalnetwork.com.au

About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits worldwide. Rafaella owns the Santa Comba tin and tungsten development project in Spain and the McCleery cobalt and copper exploration project in Canada. The Santa Comba project is located in a productive tin and tungsten province adjacent to critical infrastructure and the McCleery project was previously under-explored and holds significant potential.

To learn more please visit: www.rafaellaresources.com.au

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Persons Statement

The information in this announcement that relates to Santa Comba Exploration Results and Historical Estimates is based on, and fairly represents, information and supporting documentation compiled under the supervision of Lluís Boixet Martí, a consultant to the Company. Lluís Boixet Martí holds the title of European Geologist (EurGeol), a professional title awarded by the European Federation of Geologists (EFG). EFG is a 'Recognised Professional Organisations' (ROPO) by the ASX, an accredited organisation to which Competent Persons must belong for the purpose of preparing reports on Exploration Results, Mineral Resources and Ore Reserves under the JORC (2012) Code. Lluís Boixet Martí consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Geophysical Exploration Results for the Midrim and Lac Croche claims is based on information compiled by Mr Russell Mortimer, who is employed as a Consultant to the Company through geophysical consultancy Southern Geoscience Consultants Pty Ltd. Mr Mortimer is a member of the Australian Institute of Geoscientists (AIG) and a member of the Australian Society of Exploration Geophysicists (ASEG) and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mortimer consents to the inclusion in the report of matters based on information in the form and context in which it appears.

Schedule of Exploration Tenements

Project Name	Tenement Number	Interest Held: 30-Jun-20	Interests in mining tenements and petroleum tenements acquired or increased	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Interest Held: 30-Sep-20
Santa Comba	San Antonio	100%	-	-	100%
Santa Comba	Santa María	100%	-	-	100%
Santa Comba	Oportuna	100%	-	-	100%
Santa Comba	Carballeira	100%	-	-	100%
Santa Comba	Santa Bárbara	100%	-	-	100%
Santa Comba	Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Ampliación a Oportuna	100%	-	-	100%
Santa Comba	Demasía a Santa María	100%	-	-	100%
Santa Comba	Primera Demasía a Oportuna	100%	-	-	100%
Santa Comba	Segunda Demasía a Oportuna	100%	-	-	100%
Santa Comba	Demasía a Carballeira	100%	-	-	100%
Santa Comba	Demasía a Santa Bárbara	100%	-	-	100%
Santa Comba	Primera Demasía a Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Segunda Demasía a Carmen Facción 1ª	100%	-	-	100%
Santa Comba	Demasía a Ampliación a Oportuna	100%	-	-	100%

Project Name	Claim Name & Number	Grant Number	Interest Held: 30- Jun-20	Interests in mining tenements and petroleum tenements acquired or increased	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Interest Held: 30- Sep-20
McCleery	MM 1	YD81304	100%	-	-	100%
McCleery	MM 2	YD81305	100%	-	-	100%
McCleery	MM 3	YD81306	100%	-	-	100%
McCleery	MM 4	YD81307	100%	-	-	100%
McCleery	MM 5	YD81308	100%	-	-	100%
McCleery	MM 6	YD81309	100%	-	-	100%
McCleery	MM 7	YD81310	100%	-	-	100%
McCleery	MM 8	YD81311	100%	-	-	100%
McCleery	MM 9	YD81312	100%	-	-	100%
McCleery	MM 10	YD81313	100%	-	-	100%
McCleery	MM 11	YD81314	100%	-	-	100%
McCleery	MM 12	YD81315	100%	-	-	100%
McCleery	MM 13	YD81316	100%	-	-	100%
McCleery	MM 14	YD81317	100%	-	-	100%
McCleery	MM 15	YD81318	100%	-	-	100%
McCleery	MM 16	YD81319	100%	-	-	100%
McCleery	MM 17	YD81320	100%	-	-	100%
McCleery	MM 18	YD81321	100%	-	-	100%
McCleery	MM 19	YD81322	100%	-	-	100%
McCleery	MM 20	YD81323	100%	-	-	100%
McCleery	MM 21	YD81324	100%	-	-	100%
McCleery	MM 22	YD81325	100%	-	-	100%
McCleery	MM 23	YD81326	100%	-	-	100%
McCleery	MM 24	YD81327	100%	-	-	100%
McCleery	MM 25	YD81328	100%	-	-	100%
McCleery	MM 26	YD81329	100%	-	-	100%
McCleery	MM 27	YD81330	100%	-	-	100%
McCleery	MM 28	YD81331	100%	-	-	100%

McCleery	MM 29	YD81332	100%	-	-	100%
McCleery	MM 30	YD81333	100%	-	-	100%
McCleery	MM 31	YD81334	100%	-	-	100%
McCleery	MM 32	YD81335	100%	-	-	100%
McCleery	MM 33	YD81336	100%	-	-	100%
McCleery	MM 34	YD81337	100%	-	-	100%
McCleery	MM 35	YD81338	100%	-	-	100%
McCleery	MM 36	YD81339	100%	-	-	100%
McCleery	MM 37	YD81340	100%	-	-	100%
McCleery	MM 38	YD81341	100%	-	-	100%
McCleery	MM 39	YD81342	100%	-	-	100%
McCleery	MM 40	YD81343	100%	-	-	100%
McCleery	MM 41	YD81344	100%	-	-	100%
McCleery	MM 42	YD81345	100%	-	-	100%
McCleery	MM 43	YD81351	100%	-	-	100%
McCleery	MM 44	YD81352	100%	-	-	100%
McCleery	MM 45	YD81353	100%	-	-	100%
McCleery	MM 46	YD81354	100%	-	-	100%
McCleery	MM 47	YD81355	100%	-	-	100%
McCleery	MM 48	YD81356	100%	-	-	100%
McCleery	MM 49	YD81357	100%	-	-	100%
McCleery	MM 50	YD81358	100%	-	-	100%
McCleery	MM 51	YD81359	100%	-	-	100%
McCleery	MM 52	YD81360	100%	-	-	100%
McCleery	MM 53	YD81361	100%	-	-	100%
McCleery	MM 54	YD81362	100%	-	-	100%
McCleery	MM 55	YD81363	100%	-	-	100%
McCleery	MM 56	YD81364	100%	-	-	100%
McCleery	MM 57	YD81365	100%	-	-	100%
McCleery	MM 58	YD81366	100%	-	-	100%
McCleery	MM 59	YD81367	100%	-	-	100%
McCleery	MM 60	YD81368	100%	-	-	100%
McCleery	MM 61	YD81369	100%	-	-	100%
McCleery	MM 62	YD81370	100%	-	-	100%
McCleery	MM 63	YD81371	100%	-	-	100%
McCleery	MM 64	YD81372	100%	-	-	100%
McCleery	MM 65	YD81373	100%	-	-	100%
McCleery	MM 66	YD81374	100%	-	-	100%
McCleery	MM 67	YD81375	100%	-	-	100%
McCleery	MM 68	YD81376	100%	-	-	100%
McCleery	MM 69	YD81377	100%	-	-	100%
McCleery	MM 70	YD81378	100%	-	-	100%
McCleery	MM 71	YD81379	100%	-	-	100%
McCleery	MM 72	YD81380	100%	-	-	100%
McCleery	MM 73	YD81381	100%	-	-	100%
McCleery	MM 74	YD81382	100%	-	-	100%
McCleery	MM 75	YD81383	100%	-	-	100%
McCleery	MM 76	YD81384	100%	-	-	100%
McCleery	MM 77	YD81385	100%	-	-	100%
McCleery	MM 78	YD81386	100%	-	-	100%
McCleery	MM 79	YD81387	100%	-	-	100%
McCleery	MM 80	YD81388	100%	-	-	100%
McCleery	MM 81	YD81389	100%	-	-	100%
McCleery	MM 82	YD81390	100%	-	-	100%
McCleery	MM 83	YD81391	100%	-	-	100%
McCleery	MM 84	YD81392	100%	-	-	100%
McCleery	MM 85	YD81393	100%	-	-	100%
McCleery	MM 86	YD81394	100%	-	-	100%

McCleery	MM 87	YD81395	100%	-	-	100%
McCleery	MM 88	YD81396	100%	-	-	100%
McCleery	MM 89	YD81397	100%	-	-	100%
McCleery	MM 90	YD81398	100%	-	-	100%
McCleery	MM 91	YD81399	100%	-	-	100%
McCleery	MM 92	YD81400	100%	-	-	100%
McCleery	MM 93	YD81449	100%	-	-	100%
McCleery	MM 94	YD81450	100%	-	-	100%
McCleery	MM 95	YD81451	100%	-	-	100%
McCleery	MM 96	YD81452	100%	-	-	100%
McCleery	MM 97	YD81453	100%	-	-	100%
McCleery	MM 98	YD81454	100%	-	-	100%
McCleery	MM 99	YD81455	100%	-	-	100%
McCleery	MM 100	YD81456	100%	-	-	100%
McCleery	MM 101	YD81457	100%	-	-	100%
McCleery	MM 102	YD81458	100%	-	-	100%
McCleery	MM 103	YD81459	100%	-	-	100%
McCleery	MM 104	YD81460	100%	-	-	100%
McCleery	MM 105	YD81461	100%	-	-	100%
McCleery	MM 106	YD81462	100%	-	-	100%
McCleery	MM 107	YD81463	100%	-	-	100%
McCleery	MM 108	YD81464	100%	-	-	100%
McCleery	MM 109	YD81465	100%	-	-	100%
McCleery	MM 110	YD81466	100%	-	-	100%
McCleery	MM 111	YD81467	100%	-	-	100%
McCleery	MM 112	YD81468	100%	-	-	100%
McCleery	MM 113	YD81469	100%	-	-	100%
McCleery	MM 114	YD81470	100%	-	-	100%
McCleery	MM 115	YD81471	100%	-	-	100%
McCleery	MM 116	YD81472	100%	-	-	100%
McCleery	MM 117	YD81473	100%	-	-	100%
McCleery	MM 118	YD81474	100%	-	-	100%
McCleery	MM 119	YD81475	100%	-	-	100%
McCleery	MM 120	YD81476	100%	-	-	100%
McCleery	MM 121	YD81477	100%	-	-	100%
McCleery	MM 122	YD81478	100%	-	-	100%
McCleery	MM 123	YD81479	100%	-	-	100%
McCleery	MM 124	YD81480	100%	-	-	100%
McCleery	MM 125	YD81481	100%	-	-	100%
McCleery	MM 126	YD81482	100%	-	-	100%
McCleery	MM 127	YD81483	100%	-	-	100%
McCleery	MM 128	YD81484	100%	-	-	100%
McCleery	MM 129	YD81485	100%	-	-	100%
McCleery	MM 130	YD81486	100%	-	-	100%
McCleery	MM 131	YD81487	100%	-	-	100%
McCleery	MM 132	YD81488	100%	-	-	100%
McCleery	MM 133	YD81489	100%	-	-	100%
McCleery	MM 134	YD81490	100%	-	-	100%
McCleery	MM 135	YD81491	100%	-	-	100%
McCleery	MM 136	YD81492	100%	-	-	100%
McCleery	MM 137	YD81493	100%	-	-	100%
McCleery	MM 138	YD81494	100%	-	-	100%
McCleery	MM 139	YD81495	100%	-	-	100%
McCleery	MM 140	YD81496	100%	-	-	100%
McCleery	MM 141	YD81497	100%	-	-	100%
McCleery	MM 142	YD81498	100%	-	-	100%
McCleery	MM 143	YD81499	100%	-	-	100%
McCleery	MM 144	YD81500	100%	-	-	100%

McCleery	MM 145	YD81501	100%	-	-	100%
McCleery	MM 146	YD81502	100%	-	-	100%
McCleery	MM 147	YD81259	100%	-	-	100%
McCleery	MM 148	YD81260	100%	-	-	100%
McCleery	MM 149	YD81261	100%	-	-	100%
McCleery	MM 150	YD81262	100%	-	-	100%
McCleery	MM 151	YD81263	100%	-	-	100%
McCleery	MM 152	YD81264	100%	-	-	100%
McCleery	MM 153	YD81265	100%	-	-	100%
McCleery	MM 154	YD81266	100%	-	-	100%
McCleery	MM 155	YD81267	100%	-	-	100%
McCleery	MM 156	YD81268	100%	-	-	100%
McCleery	MM 157	YD81269	100%	-	-	100%
McCleery	MM 158	YD81270	100%	-	-	100%
McCleery	MM 159	YD81271	100%	-	-	100%
McCleery	MM 160	YD81272	100%	-	-	100%
McCleery	MM 161	YD81273	100%	-	-	100%
McCleery	MM 162	YD81274	100%	-	-	100%
McCleery	MM 163	YD81275	100%	-	-	100%
McCleery	MM 164	YD81276	100%	-	-	100%
McCleery	MM 165	YD81277	100%	-	-	100%
McCleery	MM 166	YD81278	100%	-	-	100%
McCleery	MM 167	YD81279	100%	-	-	100%
McCleery	MM 168	YD81280	100%	-	-	100%
McCleery	MM 169	YD81281	100%	-	-	100%
McCleery	MM 170	YD81282	100%	-	-	100%
McCleery	MM 171	YD81283	100%	-	-	100%
McCleery	MM 172	YD81284	100%	-	-	100%
McCleery	MM 173	YD81285	100%	-	-	100%
McCleery	MM 174	YD81286	100%	-	-	100%
McCleery	MM 175	YD81287	100%	-	-	100%
McCleery	MM 176	YD81288	100%	-	-	100%
McCleery	MM 177	YD81289	100%	-	-	100%
McCleery	MM 178	YD81290	100%	-	-	100%
McCleery	MM 179	YD81291	100%	-	-	100%
McCleery	MM 180	YD81292	100%	-	-	100%
McCleery	MM 181	YD81293	100%	-	-	100%
McCleery	MM 182	YD81294	100%	-	-	100%
McCleery	MM 183	YD81295	100%	-	-	100%
McCleery	MM 184	YD81296	100%	-	-	100%
McCleery	MM 185	YD21019	100%	-	-	100%
McCleery	MM 186	YD21020	100%	-	-	100%
McCleery	MM 187	YD21021	100%	-	-	100%
McCleery	MM 188	YD21022	100%	-	-	100%
McCleery	MM 189	YD21023	100%	-	-	100%
McCleery	MM 190	YD21024	100%	-	-	100%
McCleery	MM 191	YD21025	100%	-	-	100%
McCleery	MM 192	YD21026	100%	-	-	100%
McCleery	MM 193	YD21027	100%	-	-	100%
McCleery	MM 194	YD21028	100%	-	-	100%
McCleery	MM 195	YD21029	100%	-	-	100%
McCleery	MM 196	YD21030	100%	-	-	100%
McCleery	MM 197	YD21031	100%	-	-	100%
McCleery	MM 198	YD21032	100%	-	-	100%
McCleery	MM 199	YD21033	100%	-	-	100%
McCleery	MM 200	YD21034	100%	-	-	100%
McCleery	MM 201	YD21035	100%	-	-	100%
McCleery	MM 202	YD21036	100%	-	-	100%

McCleery	MM 203	YD21037	100%	-	-	100%
McCleery	MM 204	YD21038	100%	-	-	100%
McCleery	MM 205	YD21039	100%	-	-	100%
McCleery	MM 206	YD21040	100%	-	-	100%
McCleery	MM 207	YD21041	100%	-	-	100%
McCleery	MM 208	YD21042	100%	-	-	100%
McCleery	MM 209	YD21043	100%	-	-	100%
McCleery	MM 210	YD21044	100%	-	-	100%
McCleery	MM 211	YD21045	100%	-	-	100%
McCleery	MM 212	YD21046	100%	-	-	100%
McCleery	MM 213	YD21047	100%	-	-	100%
McCleery	MM 214	YD21048	100%	-	-	100%
McCleery	MM 215	YD21049	100%	-	-	100%
McCleery	MM 216	YD21050	100%	-	-	100%
McCleery	MM 217	YD21051	100%	-	-	100%
McCleery	MM 218	YD21052	100%	-	-	100%
McCleery	MM 219	YD21053	100%	-	-	100%
McCleery	MM 220	YD21054	100%	-	-	100%
McCleery	MM 221	YD21055	100%	-	-	100%
McCleery	MM 222	YD21056	100%	-	-	100%
McCleery	MM 223	YD21057	100%	-	-	100%
McCleery	MM 224	YD21058	100%	-	-	100%
McCleery	MM 225	YD21059	100%	-	-	100%
McCleery	MM 226	YD21060	100%	-	-	100%
McCleery	MM 227	YD21061	100%	-	-	100%
McCleery	MM 228	YD21062	100%	-	-	100%
McCleery	MM 229	YD21063	100%	-	-	100%
McCleery	MM 230	YD21064	100%	-	-	100%
McCleery	MM 231	YD21065	100%	-	-	100%
McCleery	MM 232	YD21066	100%	-	-	100%
McCleery	MM 233	YD21067	100%	-	-	100%
McCleery	MM 234	YD21068	100%	-	-	100%
McCleery	MM 235	YD21069	100%	-	-	100%
McCleery	MM 236	YD21070	100%	-	-	100%
McCleery	MM 237	YD21071	100%	-	-	100%
McCleery	MM 238	YD21072	100%	-	-	100%
McCleery	MM 239	YD21073	100%	-	-	100%
McCleery	MM 240	YD21074	100%	-	-	100%
McCleery	MM 241	YD21075	100%	-	-	100%
McCleery	MM 242	YD21076	100%	-	-	100%
McCleery	MM 243	YD21077	100%	-	-	100%
McCleery	MM 244	YD21078	100%	-	-	100%

Appendix 5B

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

Name of entity

Rafaella Resources Limited

ABN

49 623 130 987

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	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(80)	(80)
(e) administration and corporate costs	(258)	(258)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives (cashflow boost)	25	25
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(313)	(313)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	(37)	(37)
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	(485)	(485)
(e) investments	-	-
(f) other non-current assets	-	-

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 (3 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 (cash from acquisition of entity)	-	-
2.6	Net cash from / (used in) investing activities	(522)	(522)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,188	1,188
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	(11)	(11)
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	1,177	1,177

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,180	1,180
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(313)	(313)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(522)	(522)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,177	1,177

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	4
4.6	Cash and cash equivalents at end of period	1,526	1,526

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	1,350	1,004
5.2	Call deposits	176	176
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,526	1,180

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter
\$A'000

80

37

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

Includes Director salaries and fees.

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.</i> <i>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.		
N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(313)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(485)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(798)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,526
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,526
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.9

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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. The feasibility study work is completing with most studies now paid for.

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 is expecting to complete a feasibility study within the next quarter, at which point funding will be sought for the development of its Santa Comba mine. The Company is confident that it will be able to source sufficient funding from a combination of debt and equity.

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 continues to operate within budget and plan.

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 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 – 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.