

## ASX RELEASE

**30 October 2020**

### About Globe

- Globe Metals & Mining Limited is a Perth based company listed on Australian Stock Exchange (ASX Code: GBE)

### Investment Summary

- 100% interest held in Kanyika Niobium Project in Malawi (Africa)

### Directors and Management

**Ms Alice Wong** - Non-Executive Chairperson  
**Mr Alistair Stephens** - Managing Director  
**Mr William Hayden** - Non-executive Director  
**Mr Bo Tan** - Non-executive Director  
**Mr Alex Ko** - Non-executive Director  
**Mr Michael Fry** – CFO/Company Secretary

### Capital Structure

**Shares on Issue:** 465,922,373

### Substantial Shareholders

**Apollo Metals :** 52.79%

**Ao-Zhong International Minerals:** 25.36%

### Contact

Alistair Stephens  
Managing Director  
[info@globemm.com](mailto:info@globemm.com)  
T: +61 (0)8 6118 7240

## Quarter ended 30 September 2020 Review of Operations

### SUMMARY

#### Kanyika Niobium Project

- Company continues to work with Government, stakeholders, specialist consultants and advisory parties to advance the Kanyika Project.
- Work during the quarter involved various meetings with Government and community bodies aimed at achieving execution of the Development Agreement, which is the last remaining condition precedent to the issue of a Mining Licence for the Kanyika Project.
- Work also included further processing optimisation testwork and further refinement of the processing and engineering design reduce capital and operating costs.

#### Development Agreement

- Globe personnel continue to work closely with the Malawi Government with the aim of execution of the Development Agreement. The Company remains ready, willing and able to execute the Development Agreement which is a precursor to marketing, financing and development.

#### Malawi Government

- New Malawi President Lazarus Chakwera was inaugurated on 6 July 2020.
- In a nationally-broadcast speech, Chakwera announced several social measures to develop the country and promised to transform Malawi through development with the assistance of foreign investment.

#### Corporate & Finance

- Cash at bank and in term deposits at 30 September 2020 was \$4.570 million.
- The Company's Annual Report was lodged with ASX on 21 October 2020 and can be downloaded from the ASX website at [asx.com.au](http://asx.com.au) (ASX: GBE).
- The Company's Annual General Meeting will be held at 11am on Wednesday, 25 November 2020. Meeting documents are available for download from the ASX website at [asx.com.au](http://asx.com.au) (ASX: GBE).
- The Company has recently modernised its website which can be viewed at [www.globemm.com](http://www.globemm.com)

Globe Metals & Mining Limited (ASX Code: GBE) (“Globe” or “the Company”) provides its activities report for the quarter ended 30 September 2020.

## 1. Kanyika Niobium Project

### 1.1 Tenure

The Kanyika Niobium Project is secured by Application for Mining Licence AML0026.

An application for Mining Licence grants the Company security of tenure only, and grants no rights to the Company to market, sell or commit products or commodities, and prevents any development or operational activities, and therefore, grants no rights to relocate or disrupt communities.

Globe has been previously notified (23 June 2015) that the issue of a Mining Licence is subject to the finalisation and execution of a Development Agreement (refer status at 1.8).

### 1.2 Mineral Resource Estimate

A Mineral Resource Estimate for the Kanyika Niobium Project under the 2012 JORC guidelines was reported to ASX on 11 July 2018, as follows:

**Table 1: Mineral Resource Estimate for Kanyika using a 1,500 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut**

Category	Million Tonnes	Nb <sub>2</sub> O <sub>5</sub> ppm	Ta <sub>2</sub> O <sub>5</sub> ppm
Measured	5.3	3,790	180
Indicated	47.0	2,860	135
Inferred	16.0	2,430	120
<b>Total</b>	<b>68.3</b>	<b>2,830</b>	<b>135</b>

**Table 2: Mineral Resource Estimate for Kanyika using a 3,000 ppm Nb<sub>2</sub>O<sub>5</sub> lower cut**

Category	Million Tonnes	Nb <sub>2</sub> O <sub>5</sub> ppm	Ta <sub>2</sub> O <sub>5</sub> ppm
Measured	3.4	4,790	220
Indicated	16.6	4,120	190
Inferred	2.8	4,110	190
<b>Total</b>	<b>22.8</b>	<b>4,220</b>	<b>190</b>

### 1.3 Mining Development Process

Negotiations with various regulators, stakeholders and other parties are ongoing in regard to developing the Kanyika Niobium Project.

Advancement of the Kanyika Niobium Project is dependent on finalisation and execution of the Development Agreement (refer status at 1.8) which rests with the Government of Malawi.

### 1.4 Exploration Activities

No exploration activities were undertaken this quarter.

### 1.5 Engineering Studies

The engineering study remains dominantly complete notwithstanding that material changes to the development agreement may necessitate alteration of these designs.

The Company has undertaken a broad review of processing technology to assess cost reduction and optimisation options and has during this quarter undertaken further processing optimisation test-work which to date has shown favourable results. Design simplifications and alterations for these improvements are likely to be necessary and beneficial.

Due to the commercially sensitive nature of this test-work, Globe will only provide relevant information at the appropriate time.

### **1.6 Feasibility Study**

In January 2019, in anticipation of the Development Agreement being executed, Globe updated all studies and plans, such that the technical programs associated with the mineral resource, mining, metallurgical studies, processing, engineering design and infrastructural support were complete to a level of technical detail that is satisfactory to engineering classification standards. By carriage of time, the costing of these programs are now substantially out of date and therefore technically classify the project as a pre-feasibility project despite the fact much of the engineering design is final and not subject to change. These programs will require re-costing when clarity on the development agreement has been made.

In reference to JORC guidelines, the conversion of mineral resources to ore reserves can only be undertaken once modifying factors, specifically (section 29 JORC Reporting or Ore Reserves) "*once there are reasonable grounds that Government approvals will be received*".

Globe is not yet in a position to publish the study outcomes but will do so upon the Kanyika Development Agreement being executed and the Company's Application for Mining Licence having been converted into a granted Mining Licence.

### **1.7 Project Financial Model and Key Metrics**

Globe has completed an update of its financial model for revised capital costs, revenues and operating costs in order to determine key metrics including but not limited to project revenue, profitability, return on investment and payback.

Globe is not yet in a position to finalise the financial model and release the key outcomes but will do so upon the Kanyika Development Agreement being executed and the Company's Application for Mining Licence having been converted into a granted Mining Lease.

### **1.8 Development Agreement**

The execution of a Development Agreement with the Government of Malawi is a condition on the conversion of the Application for Mining Licence into a granted Mining Licence; and will allow the Company to move forward with project funding and marketing arrangements.

Globe has been working with the Government on a Development Agreement in earnest since 2012. Recently, finalisation of the Development Agreement has gained momentum as a consequence of the introduction of a new Mines and Minerals Act (2018) ("Mining Act"), which was gazetted and effective from 1 September 2019, and the appointment of the new Mines Minister.

Based on feedback from the Government, changes were made early in the year to the Development Agreement and associated agreements, which include a shareholders' deed and a community development agreement. More recently, in early September minor amendments were made to the stability term and pricing agreement clauses which are yet to be sanctioned by the Department of Finance. Globe is waiting for feedback from the Department of Finance.

From Globe's perspective the Development Agreement and associated agreements are ready for implementation with the Government, subject to Government's approval; Globe remains ready, willing and able to execute. As a consequence of recent meetings with senior administrators in the Government, Globe is optimistic that a conclusion can be achieved in the short to medium term.

## 1.9 New Mining Act

The Mining Act, formally referenced as the Mines and Minerals Act (2018), came into effect on 1 September 2019.

At the time the legislation was passed, President Mutharika is on record as stating that government hopes to enhance the development of the mining sector and increase its benefits to the people. President Mutharika said: *"In recognition of the huge potential the mining sector has on the country's economic growth and development, government is implementing a number of activities aimed at increasing investments in the sector."*

Globe has prepared a revised and amended application for a mining licence such that it complies with and aligns to the new Mines Act. Consistent with the Mining Act, Globe has also prepared the following documents;

- Community Development Agreement (including a community royalty of 0.45%)
- Community Engagement Plan
- Resettlement Management Plan
- Employment and Training Plan
- Goods and Services Procurement Plan
- Local Business Development Assistance Plan

These plans are not yet sanctioned by the Government as they are contingent on the finalisation of the Development Agreement and review by the Mineral Resources Committee that has not yet had a sitting. These plans will be presented to the MRC along with;

- Feasibility study
- Shareholders Deed for the Government's 10% free carry interest
- Environmental and Social Impact Assessment (updated)
- And granted Environmental licences for the road upgrade from the main highway and Kanyika Project site development

## 1.10 Malawi Government

President Lazarus Chakwera was inaugurated on 6 July 2020. In a nationally-broadcast speech, Chakwera announced several social measures to develop the country and promised to transform Malawi through development with the assistance of foreign investment, calling on development partners to respect the "vision and plans for our own country and to partner with us in ways that respect our dignity and sovereignty, not ways that undermine it."

Globe is committed to working with President Chakwera and his government to develop the Kanyika Niobium Project for the benefit of Malawi's people and for the Company's stakeholders in a manner that is consistent with the stated objectives of the new President.

Also in his inauguration speech President Chakwera prophetically stated "Before we can rebuild we must clear the rubble of corruption, for it has left our taxes in ruins; we must clear the rubble of impunity, for it has left our governance institutions in ruins, and we must clear the rubble of unprofessionalism and incompetence, for it has left our services in ruins.

Malawi media reports that since Chakwera's inauguration police have been very busy investigating and arresting members of the old regime implicated in corruption scandals. At the same time, many government officials have been removed, with new person installed in their place.

### 1.11 Impact of Coronavirus

The situation in Malawi has improved considerably in recent weeks with the number of new cases reported on a daily basis having declined from a peak of ~200 persons per day in August to 10 or fewer persons per day at present. It is reported that as of 29 October 2020 there has been a total of 5,904 cases identified, 84 of which are deceased and 5,300 recovered, with 420 cases remaining active.

Government offices and workplaces are open, however personal interaction remains at a minimum with most avoiding face to face meetings.

Globe has a small, nimble and committed team who have and continue to take all necessary measures to ensure the safety of our team, our partners, the community and the countries in which we operate.

Despite the changed circumstances, our team remains focussed on execution of a Development Agreement ahead of construction and mining at Kanyika, once financing and offtake are complete.

The Company remains optimistic about our ability to progress the Kanyika Niobium Project and believes the outlook for the commodity markets specifically, Niobium, will remain strong.

## 2. Niobium Market Outlook

*Globe continues to monitor factors driving niobium demand, supply and pricing and to investigate opportunities for participation and involvement in industries seeking to develop applications requiring niobium.*

### Background

Approximately 90% of all niobium used is consumed as ferroniobium in steelmaking. The rest goes into a wide range of smaller-volume but higher-value applications, such as high-performance alloys (which include superalloys), carbides, superconductors, electronic components and functional ceramics.

Although the unit consumption is very small—fractions of a percent by weight of a tonne of finished steel—the benefits are large. Niobium additions in steel significantly increases strength, so less steel is required overall, which can reduce cost substantially. This has been the basis for the development and growth in its use of steels over the last few decades and should remain the driver in the years to come. Niobium intensity of use is relatively low in several large, steel-producing nations, such as China, but also India and Southeast Asia. The capacity for an increase in niobium intensity of use and a potential increasing usage in long products (rebar) provide an area of potential growth in niobium demand. With Chinese regulations now requiring higher ferroalloy loadings in construction, the outlook for ferroniobium and ferrovanadium demand, looks positive.

Almost all ferroniobium supply is from three industrialised producers, two in Brazil and one in Canada. By far the largest is Companhia Brasileira de Metalurgia e Mineração (CBMM), which operates a pyrochlore mine and processing plant near Araxá in east-central Minas Gerais state in Brazil. While historically the company has operated comfortably below operational capacity, recent increases in demand translated into rising operating rates and prompted an increase its ferroniobium capacity by 50% over the period to 2021. The other major producers, Magris Resources in Canada and China Molybdenum in Brazil are thought to be operating at close to capacity.

### Recent Developments

Research and Market has released its latest report on 26 October 2020 concluding that;

*“The market for niobium is expected to grow at a CAGR of around 6% between 2020 and 2025. Major factors driving the market are the increased consumption of niobium in structural steel and extensive utilization of niobium-based alloys in manufacturing aircraft engines. “*

Research and Market have detailed the key market trends as follows:

***Construction Sector to Dominate the Market***

- As present day structures and buildings are becoming more and more complex and ambitious, the demand for performance-oriented construction materials is consistently increasing, in order to employ sustainable, elegant, and cost-effective methods or solutions. This, in turn, has increased the dependence on micro-alloying with niobium to produce high-quality steel to meet these present day requirements.
- High-strength niobium microalloyed plate products are used in the construction of bridges, viaducts, high-rise buildings, etc. Heavy machinery, pressure vessels, etc. represent additional applications of microalloyed plates. Niobium materials, especially, are used in combination with steel in earthquake prone areas.
- The increasing urbanization, rising standard of living, and the growth of the repair construction industry (due to replacement of old infrastructures) ensure a sustained increase in the demand for steel. In addition, the usage of high strength steel helps cut down raw material costs and the building's overall weight.
- The building and construction industry is currently a thriving industry in several emerging economies of the Asia-Pacific and European regions, and this is going to drive the demand for HSLA steel, which provides cost savings through reduction of weight in buildings, while also preventing infrastructure failures.
- The factors driving the building and construction industry are ever-increasing population, rapid urbanization, and the rise in purchasing power. As a result of which, investments in infrastructure are being made and are in pipeline.
- Adding to these, several vanity projects in the Middle East and building of commercial constructions, such as airports, etc. are expected to drive the market in the future.

***Asia-Pacific to Dominate the Market***

- Asia-Pacific dominated the global market. With accelerating usage in structural steels and growing usage in the automobile and aerospace industry in countries, such as China, India, and Japan, the consumption of niobium is increasing in the region.
- The consumption of niobium is very high in steel manufacturing in the form of ferroniobium, and the construction industry is thriving in several emerging economies, such as China and India, among others.
- Currently, China is majorly focusing on increasing the production and sale of electric vehicles in the country. For this purpose, the country has planned to increase the production of electric vehicles (EVs) to 2 million a year by 2020, and 7 million a year by 2025. The target, if achieved will increase the share of electric vehicles to 20% of total new car production for China by 2025. This is, further likely to increase the production of vehicles in the country in the coming years.
- Japan's electrical and electronics industry is also one of the world's leading industries. The country is a world leader in the production of video cameras, compact discs, computers, photocopiers, fax machines, cell phones, and various other key computer components.
- Consumer electronics account for a third of Japan's economic output. There has been a constant rise in the demand of consumer electronics from the country, due to its durability and quality.
- Similarly, in Australia, the building and construction sector contributes around 8% of the GDP. The country is expected to recover, with non-residential building activity and engineering construction increasing in the next two years, owing to the upcoming major road and rail projects, which might further uplift the consumption of steel during the forecast period.
- Thus rising demand from various countries is likely to propel the market studied.

### 3. Corporate

#### 3.1 Cash at Bank

Cash at bank for the Company remains robust with A\$4.570 million at bank on call or in term deposit.

#### 3.2 Options

As at the date of this report there are NIL share options remaining on issue.

#### 3.3 Payments to related parties of the entity

In accordance with the requirements of ASX Listing Rule 5.3.5 the Company advises that during the quarter ended 30 September 2020, the following payments were made to directors of the Company in respect of their directors' fees (inclusive of superannuation):

	A\$'000
Non-executive Directors' fees	68
Managing Director Fee	96
<b>TOTAL</b>	<b>165</b>

### 4. Schedule of Mineral Tenements as at 30 September 2020

In accordance with the requirements of ASX Listing Rule 5.3.3 the Company provides the following information.

	Project	Status	Tenement	Interest held by Globe
Malawi	Kanyika	Under application	AML0026	100%
Malawi	Kanyika	Granted	EPL0421/15R	100%

AML- Application for Mining Lease. A renewal application was lodged for this tenement and the Company awaits formal feedback on its renewal.

EPL – Exclusive Prospecting Licence (Malawi)

No tenements were acquired or disposed during the quarter ended 30 September 2020, nor was there any change in the ownership percentage of existing tenements since the end of the previous quarter.

### 5. Authorisation for Release

This report has been authorised for release by the Company's Managing Director, Alistair Stephens.

For further information contact:

Alistair Stephens  
 Managing Director  
[info@globemm.com](mailto:info@globemm.com)  
 T: +61 (0)8 6118 7240

## Disclaimer

- This report has been prepared by Globe Metals & Mining Limited ("Company"). The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this release nor anything contained in it shall form the basis of any contract or commitment.
- This report may contain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Globe Metals & Mining Limited's business plans, intentions, opportunities, expectations, capabilities and other statements that are not historical facts. Forward-looking statements include those containing such words as could-plan-target-estimate-forecast-anticipate-indicate-expect-intend-may-potential-should or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, and which could cause actual results to differ from those expressed in this report. Because actual results might differ materially to the information in this report, the Company does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of the underlying assumptions and uncertainties. Investors are cautioned to view all forward-looking statements with caution and to not place undue reliance on such statements.
- The report has been prepared by the Company based on information available to it, including information from third parties, and has not independently verified. No representation or warranty, express or implied, is made to the fairness, accuracy or completeness of the information or opinions contained in this report.
- The Company estimates its reserves and resources in accordance with the Australasian Code for Reporting of Identified Mineral resources and Ore Reserves 2012 Edition ("JORC Code"), which governs such disclosures by companies listed on the Australian Securities Exchange.

## Mineral Resource Estimates

- The information in this report that relates to Mineral Resources is extracted from the report titled "Kanyika Niobium Project – Updated JORC Resource Estimate" released to the Australian Securities Exchange (ASX) on 11 July 2018 and available to view at [www.globemm.com](http://www.globemm.com) and for which Competent Persons' consents were obtained. Each Competent Person's consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.
- The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 11 July 2018 and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original ASX announcement.
- Full details are contained in the ASX announcement released on 11 July 2018 titled "Kanyika Niobium Project – Updated JORC Resource Estimate" available to view at [www.globemm.com](http://www.globemm.com)



## Appendix 5B

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

Name of entity

Globe Metals &amp; Mining Limited

ABN

33 114 400 609

Quarter ended ("current quarter")

30 September 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production		
	(d) staff costs		
	(e) administration and corporate costs	(392)	(392)
1.3	Dividends received (see note 3)		
1.4	Interest received	11	11
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives	37	37
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(344)</b>	<b>(344)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(29)	(29)
	(d) exploration & evaluation (if capitalised)	(208)	(208)
	(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 (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(237)</b>	<b>(237)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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		
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	<b>Net cash from / (used in) financing activities</b>		

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,182	5,182
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(344)	(344)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(237)	(237)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		

## 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	(31)	(31)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,570</b>	<b>4,570</b>

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	4,570	5,182
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,570</b>	<b>5,182</b>

**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**

165

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

The payments made to directors of the entity and their associates reported at 6.1 were comprise as follows:

	A\$'000
Non-executive Director's fees	62
Managing Director Fee	96
Superannuation	6
<b>TOTAL</b>	<b>165</b>

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

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

8. <b>Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	(344)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(237)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(581)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,570
8.5	Unused finance facilities available at quarter end (Item 7.5)	
8.6	Total available funding (Item 8.4 + Item 8.5)	4,570
8.7	<b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	<b>7.87</b>
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:	
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:	
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:	

**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.

30 OCTOBER 2020

Date: .....

ALISTAIR STEPHENS \_ MANAGING DIRECTOR

Authorised by: .....  
 (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.