Appendix 5B

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

Name of entity

Conico Ltd

ABN	Quarter ended ("current quarter")
49 119 057 457	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)	(4)#	(4)#
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(14)	(14)
	(e) administration and corporate costs	(120)	(120)
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	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(138)**	**(138)**

- This does not include the amount of ~A$662,000 loan to Longland Resources Ltd during the quarter to fund exploration at Ryberg and Mestervig.

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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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	(662)*	(662)*
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(662)**	**(662)**

* - Loaned to Longland Resources Ltd during the quarter to fund exploration at Ryberg and Mestervig.

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,194	1,194
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	(48)	(48)
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**	**1,146**	**1,146**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	171	171
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(138)	(138)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(662)	(662)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,146	1,146

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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	-	-
4.6	**Cash and cash equivalents at end of period**	**517**	**517**

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	517	171
5.2	Call deposits	-	-
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)**	**517**	**171**

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	127
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.

6.1 -

1. Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.
2. Director Fees
3. Legal Fees and disbursements were paid during the quarter to a firm of which Mr GH Solomon and Mr DH Solomon are partners.
4. Placement fees and corporate advisory fees were paid during the quarter to a company in which Mr G Le Page and Mr J Richardson are directors.

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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	401	401
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	401	401

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.	

Meteore Metals Pty Ltd (a wholly owned subsidiary of Conico Ltd) and Barra Resources Ltd ("Barra") entered into a loan agreement on 28 October 2019 pursuant to which Barra will lend Meteore Metals Pty Ltd up to $500,000 or further amount as agreed, for a term of 3 years ("Term") to fund Stage 3 expenditure on the Mt Thirsty JV Pre Feasibility Study. Interest at 5% per annum calculated daily on amounts drawn down and will be capitalised into the loan annually in arrears and the loan may be repaid early in cash at Conico's election.

The loan must be repaid:

(a) in full immediately upon the occurrence of a prescribed event of default under the loan agreement;
(b) if, Meteore Metals Pty Ltd transfers its interest in the Joint Venture, or there is a trade sale by or change of control of Conico or Meteore Metals Pty Ltd, in full within 14 days of the relevant event occurring;
(c) if the final LME Cobalt Price on a day on which the London Metal Exchange is open for trading (Trading Day) is greater than or equal to US$60,000 per tonne for 15 consecutive Trading Days at any time during the Term, in full within 90 days thereof (unless Conico (or any of its subsidiaries, including Meteore Metals Pty Ltd) has been unable, despite use of reasonable endeavours, to raise an amount equal to the aggregate of $1,000,000 plus the outstanding amount of the loan and all accrued interest ("Minimum Capital Amount") prior to the expiration of this 90 day period);
(d) if the aggregate net amount of any and all capital raisings conducted by Conico (and its subsidiaries) during the Term is greater than $1,000,000, in full or (if a lesser amount) in part by an amount equal to 20% of such Conico capital raisings above an aggregate of $1,000,000, within 7 days of receipt of cleared funds;

in full at the end of the Term, if the loan has not already been repaid, provided that if Conico has not raised more than the Minimum Capital Amount and repaying the loan would see Conico's cash balance fall below $500,000, Meteore Metals Pty Ltd may, at its discretion, cause the loan and accrued interest (or part thereof) to be repaid in Conico shares at a 10 day weighted average price.

Subsequent to the end of the quarter this loan was repaid in full.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(138)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(138)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	517
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	517
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	3.75

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

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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.

Date: 30 October 2020

Authorised by: Aaron Gates

Company Secretary / CFO

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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