CLASSIC MINERALS LIMITED
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30 October 2020

ASX Announcement

SEPTEMBER 2020 QUARTERLY ACTIVITIES REPORT

Classic Minerals have made significant progress at Kat Gap during the quarter as it strives to become a gold miner.
Highlights of the quarter include:

- a record-breaking number of drill holes and total metres drilled at Kat Gap;
- assay results returned from previous drill campaigns at three locations across the Forrestania Gold Project;
- continuing metallurgical test work on mineralised samples at Kat Gap, and
- advancing mining studies at Kat Gap.

A record total of **83 RC holes were drilled for a total of 5,588m** during the quarter.

RC drilling was focused solely on Kat Gap as the company worked toward the completion of infill drilling to bring the near surface part of the current inferred resource to indicated status.

Assay results have finally come in for Tangerine Trees and Van Uden West. These two projects are located in the central and northern parts of the FGP respectively with both containing historical anomalous gold results requiring staged investigation.

Figure 1: Drilling rig at Kat Gap

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The development of the Forrestania Gold Project will continue to advance in Q2 FY2021 concentrating on:

- Continued infill RC drilling at Kat Gap on 20m x 10m and 10m x 10m spacings to provide more accurate resource model data for final pit design work.
- Targeting the interpreted plunge component of high-grade gold mineralisation with deeper RC drilling;
- Drilling priority targets out in the granite within the large auger soil gold anomaly west of the main granite-greenstone contact at Kat Gap;
- Advancing all aspects of the mining plan at Kat Gap;
- Acquisition of necessary mining equipment for Kat Gap, and
- Continuing to raise capital & pay down debt & liabilities to improve the financial position of the Company.

1. KAT GAP

During the quarter, Classic completed a total of **83 RC holes for 5,588m at Kat Gap.** The company has received assay results for only 19 RC holes (FKGRC248 – 266) for 1,260m of the total 83 holes drilled. The remaining holes will be reported on next quarter when the assays become available.

The completed drill holes were designed to:

- infill shallow mineralisation to better understand the nearer surface resource, and
- provide more detailed resource model data for final open pit design work.

Infill RC holes FKGRC248 – 266 are located 100m to 200m north along strike from the cross cutting Proterozoic dyke and form part of the much larger infill drilling pattern. The holes have been drilled on 20m x 10m and 10m x 10m grid spacings to bring the near surface parts of the inferred resource to indicated status prior to final pit design work. The total 83-hole infill RC drilling program covers an area 400m along strike to the north of the Proterozoic dyke.

The infill drilling was focused on testing the main granite-greenstone contact lode within the existing inferred resource to an average depth of 75m below surface.

Infill drilling has confirmed continuity of mineralised zones within the inferred resource model north of the Proterozoic dyke. Mineralisation remains open in all directions.

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Better results from these holes include:

- 7m @ 2.33g/t Au from 33m in FKGRC249
- 3m @ 2.47g/t Au from 26m in FKGRC250
- 15m @ 2.97g/t Au from 38m including 4m @ 9.13g/t Au from 38m in FKGRC251
- 2m @ **16.57** g/t Au from 46m including 1m @ **30.30**g/t Au from 46m in FKGRC252
- 6m @ 4.07g/t Au from 61m including 1m @ **16.10**g/t Au from 65m in FKGRC254
- 2m @ 6.22g/t Au from 56m in FKGRC257
- 4m @ 8.97g/t Au from 46m including 1m @ **23.40**g/t Au from 46m in FKGRC262
- 10m @ 3.24g/t Au from 54m including 1m @ **18.40**g/t Au from 54m FKGRC263
- 3m @ 3.87g/t Au from 63m in FKGRC264

Figure 2: Infill RC drilling at Kat Gap

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2. RC DRILLING AT TANGERINE TREE'S

Tangerine Trees forms part of the FGP and is located some 21km north-west of Kat Gap. It lies on the western margin of the Forrestania greenstone belt adjacent to the granite – greenstone contact similar in geological setting to Kat Gap (see figure 3). Classic drilled 13 RC holes FTTRC001-013 for 834m back in early August following up historical RC drill holes containing anomalous gold assays close to surface. The historical holes were completed back in the late 1980's. Classics recent drill results indicate a shallow east dipping shear system within footwall amphibolites containing intense biotite alteration and heavy silicification similar in style to other gold occurrences in the Forrestania area (see figure 4). Transported clays and sands around 4-5m thick cover the primary gold mineralisation making it difficult at this early stage to ascertain where we might be in the overall gold mineralisation system.

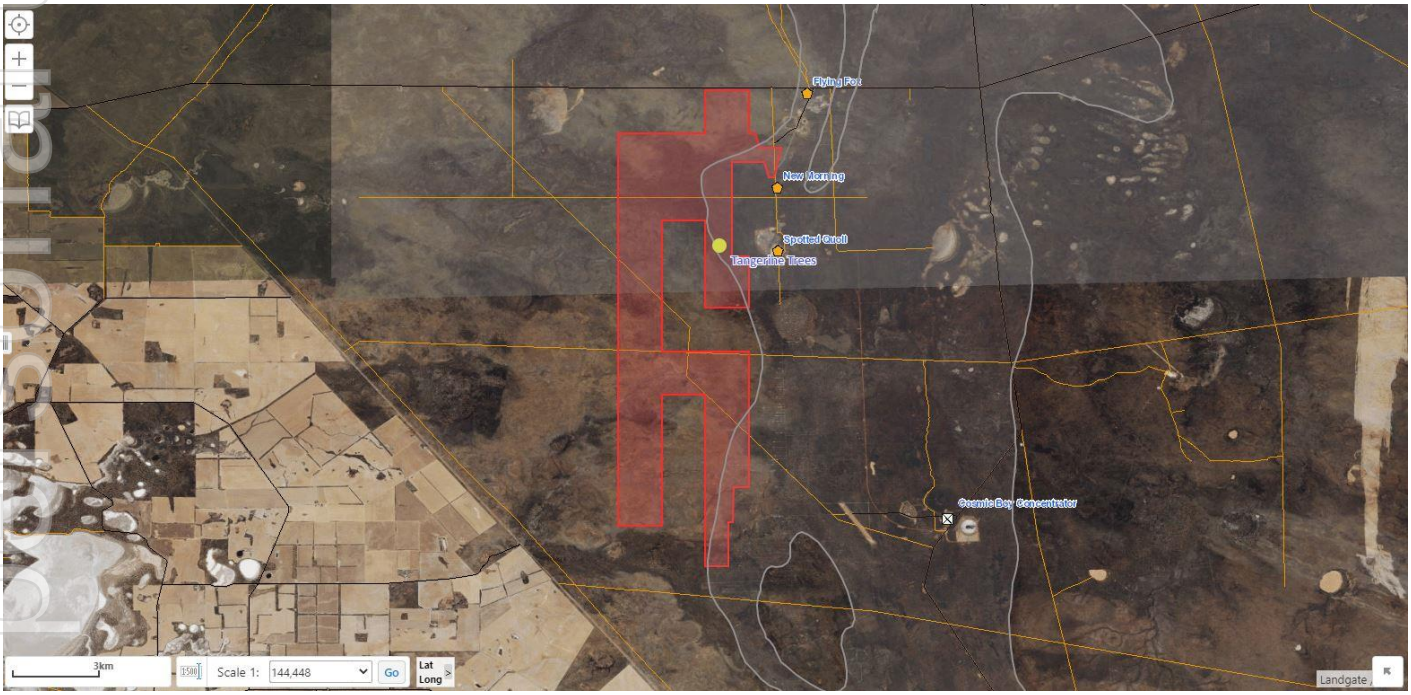

Figure 3: Location plan showing Tangerine Trees

Better results from Classics recent holes include:

- 2m @ 3.12g/t Au from 28m in FTTRC002
- 6m @ 1.57g/t Au from 31m in FTTRC003
- 4m @ 1.47g/t Au from 37m in FTTRC007
- 4m @ 1.61g/t Au from 54m in FTTRC008
- 5m @ 1.92g/t Au from 62m in FTTRC009

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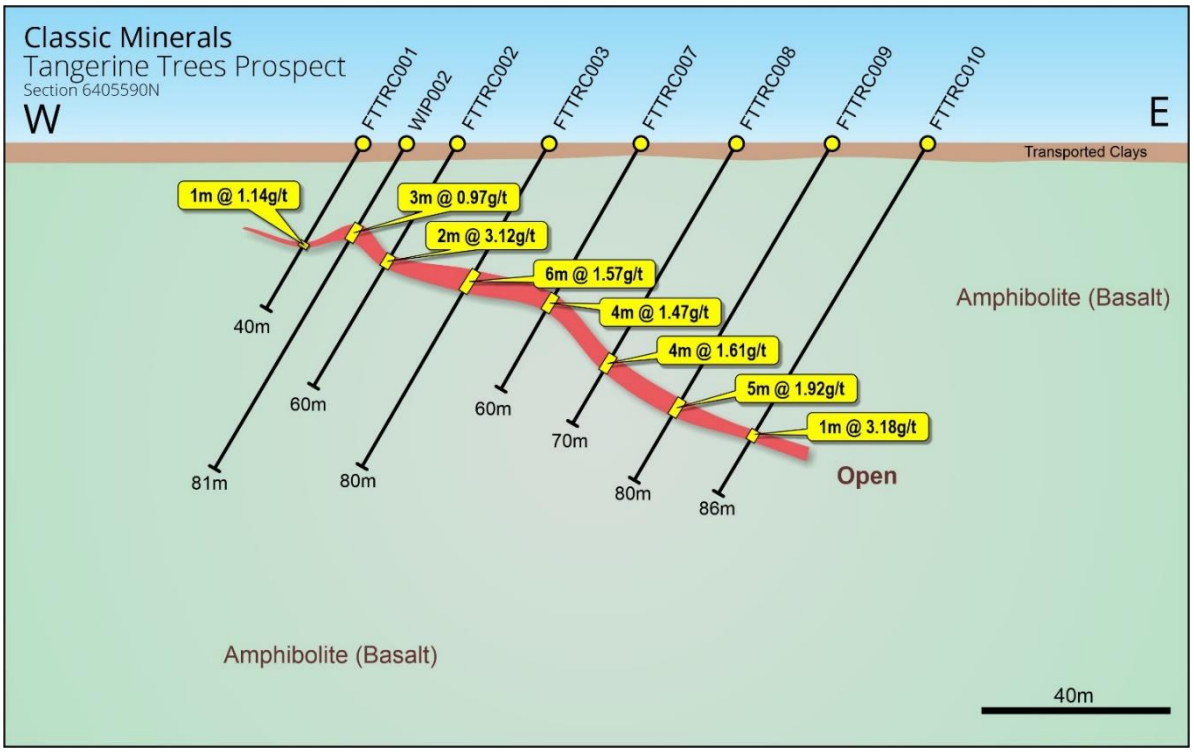

Figure 4: Tangerine Trees Prospect Section 6405590N

3. RC DRILLING AT VAN UDEN WEST

Van Uden West prospect is surrounded by historic gold mines Van Uden and Teddy Bear and is situated 11km NW along strike from Lady Magdalene and Lady Ada.

Classic postulated back in April 2018 that anomalous gold mineralisation identified in historic air-core drill hole FTBAC037 potentially represented an undiscovered gold zone shallowly dipping to the east. Drilling conducted by Classic back in April 2018 suggested this was the case with strong gold mineralisation intersected in RC holes VUWRC001 which returned 13m grading 0.41g/t and VUWRC002 which returned 12m grading 5.75g/t.

During last quarter Classic completed 3 RC holes for 240m (VUWRC003-005) following up on RC holes VUWRC001 and VUWRC002. Unfortunately, only narrow zones of anomalous gold mineralisation were intersected suggesting Classics original interpretation of shallow east dipping mineralisation was incorrect. It's quite possible the high-grade gold mineralisation intersected in the April 2018 drilling may well have an east-west strike similar to that of Lady Ada instead of the originally interpreted north-south strike. Further RC drilling will be required to test this new theory.

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4. Fraser Range

The Company refers to the ASX announcements of 17 June 2019 and 05 July 2019 wherein Classic entered into the Earn-in and Joint Venture Agreement with Independence Newsearch Pty Ltd, a 100% owned subsidiary of Independence Group NL (ASX: IGO).
Under this agreement:

- If Independence elects to earn a 70% interest in the project, Classic will be free carried to the completion of a pre-feasibility study; or
- If Independence elects to buy-out Classic, then Classic would have received aggregate value of A$4,550,000, in cash and tenement expenditure, plus will retain a 1% net smelter royalty from this transaction.

More details of the transaction can be found under the two announcements detailed above.

We have received the following update of progress on the exploration carried out thus far by Independence Newsearch Pty Ltd on the tenements:

Summary

Between the 1st of July and the 30th of September, the following exploration activities were completed by IGO within tenements E28/1904, E28/2703, E28/2704 and E28/2705:

- 1,162 Auger soil samples
- Selective mapping and ground truthing
- 23 rock chip samples (awaiting assay.)

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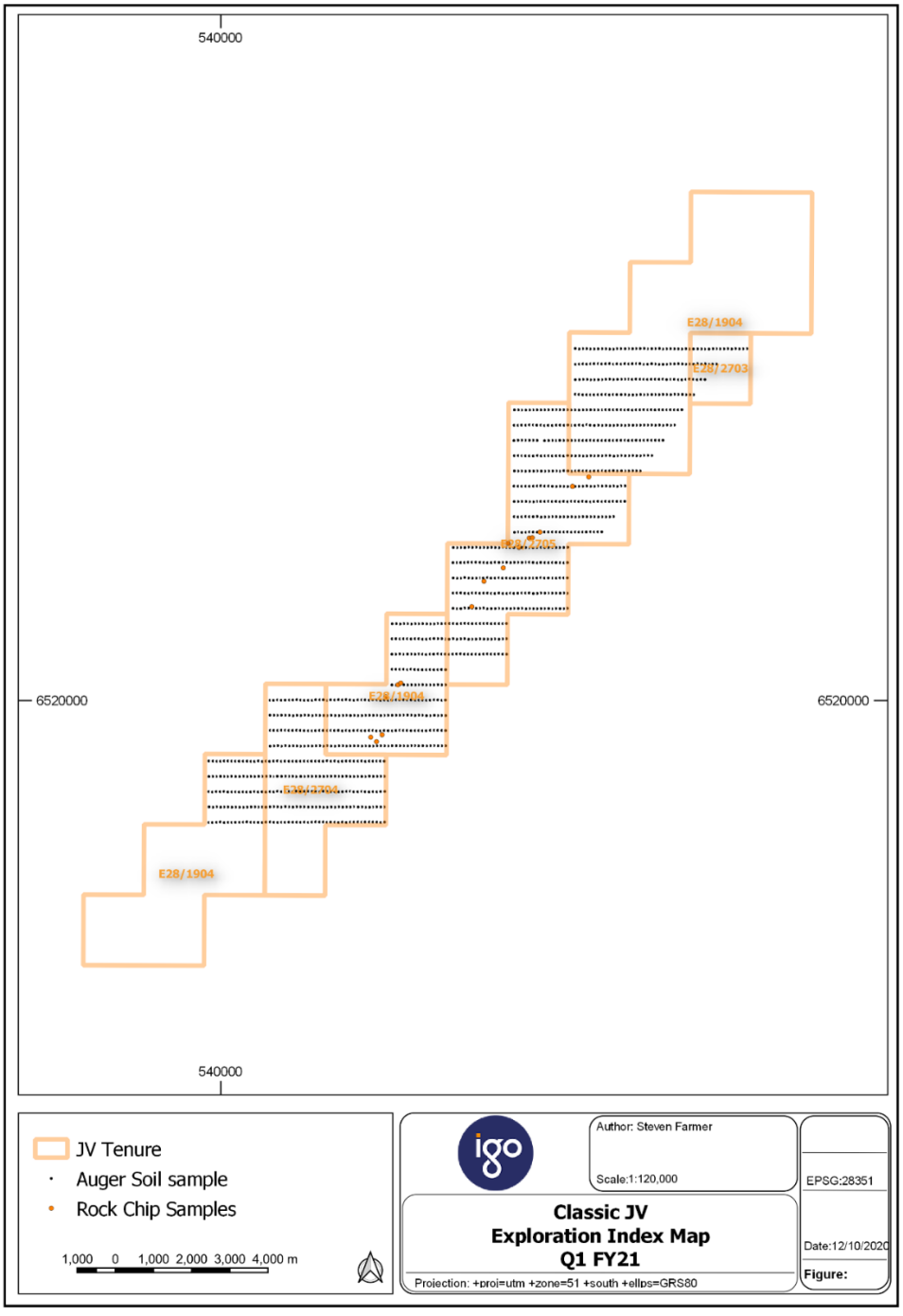

Figure 1: Exploration activity index for works completed during the first quarter of the 2021 financial year.

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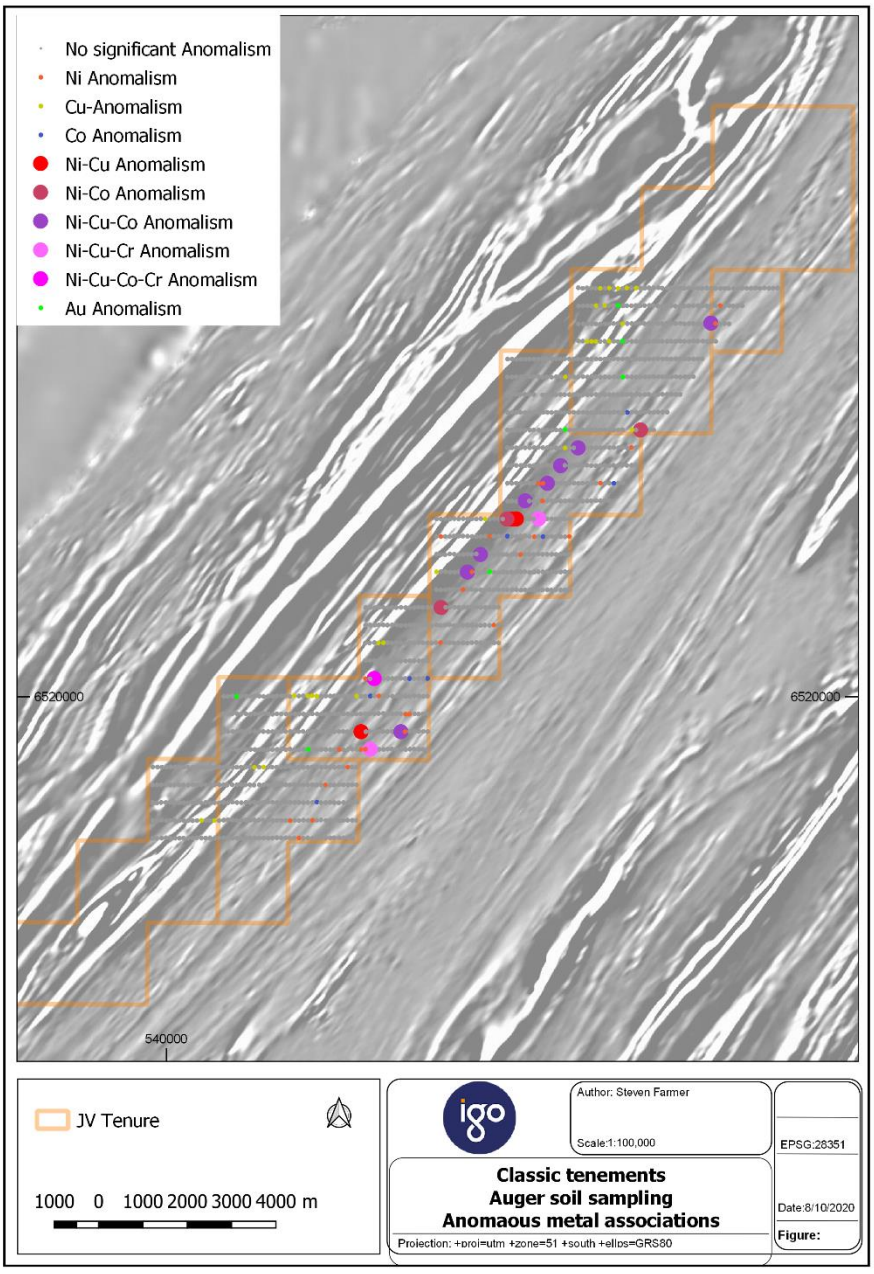
Soil Sampling

Auger Drilling

Based on the effectiveness of previous auger assisted soil sampling on two small grids during the last quarter a detailed auger program was conducted over the bulk of the tenements that have not been previously covered by ground EM. The northern portion of the tenements containing Mammoth, Alpha, and the Southern Eye features were omitted from the program.

Samples we collected across a 400m x 100m grid from a total of 1,162 sites. Selective mapping and ground-verification were conducted to constrain key contacts and help determine the effectiveness of the auger program with a simplified geological map shown.



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Geochemistry

Auger Drilling Results

Highlights from assays received during the quarter are summarized in Figure 3. Broad Cu and minor Au anomalism was observed in auger data near known mineralization at Alpha and along a series of known Cu bearing sulphide horizons previously targeted by Classic Minerals and IGO.

Significant coincident Ni-Cu-Co-Cr anomalies were intersected within mafic saprolite of the Sabre-tooth intrusion, an approximately 3km by 400m intrusion that lies along the same stratigraphic horizon as the Mammoth Ni-Cu occurrence (**Error! Reference source not found.**.) Multiple auger samples returned significant co-incident anomalism, including peak results of 432ppm Ni, 353ppm Cu, 98ppm Co and 113ppm Cr. Evidence of assimilation of surrounding metasediments was noted in outcrop. Two low order anomalies from the 2014 VTEM survey occur in close proximity to the mapped intrusion and soil anomalies.

The Thylacine Prospect is located 3km to the south of Sabre-tooth and lies within the same stratigraphic horizon. Highly anomalous auger results include 450ppm Ni, 154ppm Cu, and 42ppm Co within a small 50m wide noritic-gabbronoritic intrusion. The anomalism is proximal to an untested VTEM anomaly and a discrete magnetic feature that has a similar signature to the Mammoth Ni-Cu mineralisation. **Error! Reference source not found.**

Prospect	SampleID	ASSAY HIGHLIGHTS
Sabre Tooth	SH17368	432ppm Ni, 353ppm Cu, 98ppm Co and 113ppm Cr
	SH17454	488ppm Ni, 176ppm Cu, 27ppm Co and 53ppm Cr
Thylacine	SH07568	450ppm Ni, 154ppm Cu, 43ppm Co and 595ppm Cr

Highlights from FY20 Q4 Auger drilling assay results received to date

Mapping and rock chip sampling

Selective mapping and ground truthing was undertaken over the anomalous sabre-tooth and Thylacine intrusions. Multiple outcrops of norite and gabbronorite occur throughout the anomalous zone as shown on the simplified geology shown in Figure 2.

A total of 17 rock chip were taken as part of the program. These consisted of predominantly norite and gabbronorite of the Sabre-tooth intrusion and the mafic granulites that occur in the eastern portions of the tenements. Two samples were taken of outcropping previously identified weathered sulphides within the metasedimentary sequence to the west of the sabretooth intrusion. No assays have been returned and will be reported in the following quarter.

Planned work for FY21 Q2

Planned work for the next quarter may include:

- Completion of the high temperature Moving Loop EM survey over the Sabre-tooth and Thylacine trend. Target areas for EM include auger soil anomalies, mapped intrusions and historic untested VTEM anomalies.
- Further ground truthing, mapping and XRF traverses across the eastern portions of the tenements.

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Correlation of existing datasets into a comprehensive geological map combining geophysics, auger soils, aircore, reverse circulation and diamond drilling.

Corporate

During the quarter ended 30 September 2020 the Company carried out a capital raising by way of a Security Purchase Plan. This was extremely well received and was closed early, on 05 August, due to the target amount being raised. The Company raised $ 3,992,938.00 out of a maximum of $ 4,000,000.00.

Part delivery of the Gekko plant was received. The supply of the remainder will be announced to market when arrangements have been completed.

The Company had requested for the Research & Development Grant (R&D) from AusIndustry, as per government guidelines. The Company is pleased to report that the amount applied for was approved and $ 1,943,418.38 was received by the Company on 20th October 2020. As an advance had been drawn from Radium Capital, based on the R&D, this outstanding amount (~1.1 million) was repaid immediately.

The directors continue to raise much needed capital to ensure that the Company can progress to production of gold as soon as practicable subsequent to receipt of Mining Lease and the Clearing Permits.

ABOUT THE FORRESTANIA GOLD PROJECT

The FGP Tenements (excluding Kat Gap) are registered in the name of Reed Exploration Pty Ltd, a wholly owned subsidiary of ASX listed Hannans Ltd (ASX: HNR). Classic has acquired 80% of the gold rights on the FGP Tenements from a third party, whilst Hannans has maintained its 20% interest in the gold rights. For the avoidance of doubt Classic Ltd owns a 100% interest in the gold rights on the Kat Gap Tenements and also non-gold rights including but not limited to nickel, lithium and other metals.

Classic has a Global Mineral Resource of **8.24 Mt at 1.52 g/t for 403,906 ounces of gold**, classified and reported in accordance with the JORC Code (2012), with a recent Scoping Study (see ASX Announcement released 2nd May 2017) suggesting both the technical and financial viability of the project. The current post- mining Mineral Resource for Lady Ada, Lady Magdalene and Kat Gap is tabulated below.

Additional technical detail on the Mineral Resource estimation is provided, further in the text below and in the JORC Table 1 as attached to ASX announcements dated 18th December 2019, 21st January 2020, and 20 April 2020.

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	Indicated			Inferred			Total		
Prospect	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (au)	Ounces
Lady Ada	257	2.01	16,600	1,090,800	1.23	43,100	1,348,100	1.38	59,700
Lady Magdalene				5,922,700	1.32	251,350	5,922,700	1.32	251,350
Kat Gap				975,722	2.96	92,856	975,722	2.96	92,856
Total	257	2.01	16,600	7,989,222	1.50	387,306	**8,246,522**	**1.52**	**403,906**

Notes:

1. *The Mineral Resource is classified in accordance with JORC, 2012 edition*
2. *The effective date of the mineral resource estimate is 20 April 2020.*
3. *The mineral resource is contained within FGP tenements*
4. *Estimates are rounded to reflect the level of confidence in these resources at the present time.*
5. *The mineral resource is reported at 0.5 g/t Au cut-off grade*
6. *Depletion of the resource from historic open pit mining has been considered*

On behalf of the board,

Dean Goodwin CEO

Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward looking statements are subjected to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to Resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the Countries and States in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's annual reports, as well as the Company's other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statements" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Competent Persons Statement

The information contained in this report that relates to Mineral resources and Exploration Results is based on information compiled by Dean Goodwin, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Mr Goodwin is a consultant exploration geologist with Reliant Resources Pty Ltd and consults to Classic Minerals Ltd. Mr. Goodwin has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Goodwin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Schedule of Mineral Tenements as at 30 September 2020		
TENEMENT	**AREA**	**INTEREST HELD BY CLASSSIC MINERALS LIMITED**
E74/422	Forrestania	100%
E74/467	Forrestania	100%
P77/4291	Forrestania	80%
P77/4290	Forrestania	80%
E77/2207	Forrestania	80%
E77/2219	Forrestania	80%
E77/2220	Forrestania	80%
E77/2239	Forrestania	80%
E77/2303	Forrestania	80%
P77/4325	Forrestania	100%
P77/4326	Forrestania	100%
E77/2472	Forrestania	100%
E77/4271	Forrestania	100%
E77/2470	Forrestania	100%
E28/1904	Fraser Range	100%
E28/2705	Fraser Range	100%
E28/2704	Fraser Range	100%
E28/2703	Fraser Range	100%

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SUPPLEMENTARY INFORMATION – JORC CODE TABLE 1 CHECKLIST

SECTION 1 – FRASER RANGE DRILLING RESULTS – SAMPLING TECHNIQUES AND DATA

JORC Criteria	Commentary
Sampling techniques	• Surface rock-chip (gossan) and soil samples have been collected. Surface rock chip samples were spot samples of in situ outcrop and ex situ float. Soil samples were collected using an auger. Intervals were defined based on lithology, mineralogy, and alteration.
Drilling techniques	• N/A.
Drill sample recovery	• N/A.
Logging	• Outcrop samples and soil were visually described by geologists in the field using both qualitative and quantitative measures. Logs included but were not limited to descriptions, classification, and interpretation of lithology, mineralogy, alteration, structure, and a range of other qualitative descriptors.
Sub-sampling techniques and sample preparation	• Soil samples were prepared at ALS Global – Perth. Samples were oven dried at 100°C ± 5°C for 12 hours and sieved to <180 µm for assay. A 25g sample was digested for analysis. • Laboratory sample preparation of surface rock-chip samples involved oven drying (4-6 hrs at 95°C), coarse crushing in a jaw-crusher to 100% passing 10mm, then pulverisation of the entire crushed sample in LM5 grinding robotic mills to a particle size distribution of 85% passing 75µm, and collection of a 200g sub-sample. • Quality control procedures involve insertion/collection of certified reference materials ("CRMs"), blanks, and duplicates in the field, and further collection of duplicates at the pulverisation stage. • The results of duplicate sampling are consistent with satisfactory sampling precision.
Quality of assay data and laboratory tests	• No geophysical tools were used to determine any element concentrations. • All samples were analysed at ALS Global – Perth, "ALS" • Field duplicates and CRMs were routinely inserted in the routine sample stream at a frequency of 1:20 samples. • The results of the CRMs confirm that the laboratory sample assay values have good accuracy and results of blank assays indicate that any potential sample cross contamination has been minimised. • Following sample preparation all soil samples were analysed for a 53-element suite: – Aqua regia acid digestion followed by Inductively coupled plasma mass spectroscopy (ICP-MS) for Ag, Al, As, Au, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr. – The digestion methods are not considered near total for all elements.
Verification of sampling and assaying	• Due to the early stage of exploration no verification of significant results was completed. • Assay data are imported directly from digital assay files from ALS and are merged into IGO's acQuire/SQL drill hole database by IGO's Geological Database Administrator. • All digital data is backed up regularly in off-site secure servers. • No portable XRF results are used in exploration results reported. • There have been no adjustments to the assay data.
Location of data points	• Surface sample locations were surveyed by the supervising geologist using a handheld Garmin GPS unit with an average read time of 90 seconds. The expected location accuracy is ±6m for easting and northing with elevation also recorded and later adjusted using surveyed topography. The same handheld GPS locating methodology was used for surface rock and soil sample sites. • The grid system is GDA94/MGA Zone 51.
Data spacing and distribution	• Rock-chip spacing is not systematic and was determined subjectively by geologists in the field. The distribution of data is considered representative for exploration work and is not intended to be used for resource estimation. • Soil samples were collected on a grid pattern that ranged from 400m × 400m to 200m × 100m.
Orientation of data in relation to geological structure	• N/A.
Sample security	• The chain-of-sample custody to ALS is managed by the IGO staff.

	• Samples were stored at the IGO's currently active mine site Nova Operation ("Nova") and sampled in the field by IGO staff and contractors. • Samples were placed in pre-numbered calico bags and further secured in green plastic sample bags with cable ties. The samples are further secured in a bulk bag and delivered to the ALS-Perth by contractor freight McMahon Burnette. • A sample reconciliation advice is sent by the ALS-Perth to IGO's Geological Database Administrator on receipt of the samples. • Any inconsistences between the despatch paperwork and samples received is resolved with IGO before sample preparation commences • Sample preparation and analysis is completed only at ALS-Perth. • The risk of deliberate or accidental loss or contamination of samples is considered very low.
Audits or reviews	• No specific external audits or reviews have been undertaken.

SECTION 2 – FRASER RANGE RESULTS – EXPLORATION RESULTS

JORC Criteria	Commentary
Mineral tenement and land tenure status	• The Fraser Range soil samples come from the exploration licences listed below. **Joint venture** / **Tenement** / **Expiry** IGO earning 51% from Classic Minerals / E28/1904 / 21/10/2021 IGO earning 51% from Classic Minerals / E28/2704 E28/2705 / 11/02/2024 • At the time of reporting the tenure was secure and there are no know impediments to obtain a licence to operate in future follow up exploration
Exploration done by other parties	• There has been historical regional exploration for gold and base metals by the Joint Venture companies listed above. • Previous work on the tenement consisted of aeromagnetic/radiometric and DTM Aeromagnetic / Radiometric / DTM surveys, soil sampling, geological mapping, and ground EM surveys. • There has been previous RC and diamond drilling conducted.
Geology	• The regional geology setting is a high-grade metamorphic terrane in the Albany Fraser belt of Western Australia. • Gabbroic intrusions have intruded a metasedimentary package within the belt are host the Ni-Cu-Co mineralisation. • The deposits are analogous to many mafic hosted nickel-copper deposits worldwide such as the Raglan, Voisey's Bay in Canada, and Norilsk in Russia. • The sulphide mineralisation is interpreted to be related to the intrusive event with mineralisation occurring in several styles including massive, breccia, network texture, blebby and disseminated sulphides. • The main sulphide mineral is pyrrhotite, with nickel and cobalt associated with pentlandite and copper associated with chalcopyrite. • The region is considered by IGO to have the potential to host mafic or ultramafic intrusion related Ni-Cu-Co deposits based on the discovery of Nova-Bollinger Ni-Cu-Co deposit and volcanic massive sulphide deposit based on IGO's Andromeda exploration prospect.
Drill hole Information	• N/A.
Data aggregation methods	• N/A.
Relationship between mineralisation widths and intercept lengths	• N/A.
Diagrams	• A plan of significant intercepts and intercept table is included in the body of this Report.
Balanced reporting	• N/A..
Other substantive exploration data	• N/A.
Further work	• Further drilling is underway to test the soil geochemical anomalies generated from the soil sampling surveys.

Appendix 5B

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

Name of entity

Classic Minerals Limited

ABN	Quarter ended ("current quarter")
77 119 484 016	**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	(2,435)	(2,435)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(138)	(138)
	(e) administration and corporate costs	(417)	(417)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(155)	(155)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	45	45
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(3,100)**	**(3,100)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1,947)	(1,947)
	(d) exploration & evaluation	(150)	(150)
	(e) investments	-	-
	(f) other non-current assets	-	-

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 used in loans to other entities	(8)	(8)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(2,105)**	**(2,105)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	5,289	5,289
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	76	76
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(84)	(84)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(15)	(15)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**5,266**	**5,266**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	488	488
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,100)	(3,100)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,105)	(2,105)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,266	5,266

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**	**549**	**549**

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	549	488
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)**	**549**	**488**

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	89
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 for Director fees and consulting fees

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	1,781	1,781
7.2	Credit standby arrangements	5,000	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	6,781	1,781

7.5	**Unused financing facilities available at quarter end**	5,000

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.

The Company entered into Standby Subscription Agreement with Stock Assist Group Pty Ltd in which the Investor agrees to subscribe for shares if requested by the Company subject to the terms and conditions of this Facility. There were no drawings under this facility for the quarter ended 30 September 2020. This facility will end on 19 September 2021.

Foskin Pty Ltd provided loan facility with maturity date on 20 December 2020 with total principal outstanding of $250,000. This facility is unsecured and has interest rate of 3% per month.

Greywood Holdings Pty Ltd provided a loan facility with maturity date on 03 December 2020 with total principal outstanding of $500,000. This facility is unsecured and has interest rate of 3% per month.

On 21 April 2020, the Company signed facility of $1,031,000 agreement with Radium Capital which matures on 30 November 2020. This facility was advanced against the expected R&D refund from the ATO. This facility carries an interest rate of 15% p.a.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,100)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(150)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,250)
8.4	Cash and cash equivalents at quarter end (item 4.6)	549
8.5	Unused finance facilities available at quarter end (item 7.5)	5,000
8.6	Total available funding (item 8.4 + item 8.5)	5,549
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.7

Note: if the entity has reported positive relevant outgoings (ie 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.

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?

Answer: The R&D refund of $1,943,418.38 was applied for and the ATO has made payment of this amount to the Company on 20 October 2020. Radium Capital has been paid ~$1.1 million leaving the Company with an additional ~$800,000 for working capital.

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?

Answer: The Company is able to utilise the remainder of the 15% capacity for raising working capital.

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?

Answer: Yes.

Cash of $549k + $800k = $1,349k

Ability to draw on Standby Subscription Facility and issue shares to raise working capital.

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.

30 October 2020

Date: .....

By the Board

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.