



**DGO Gold Limited**

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29 July 2021

## June 2021 Quarterly Report

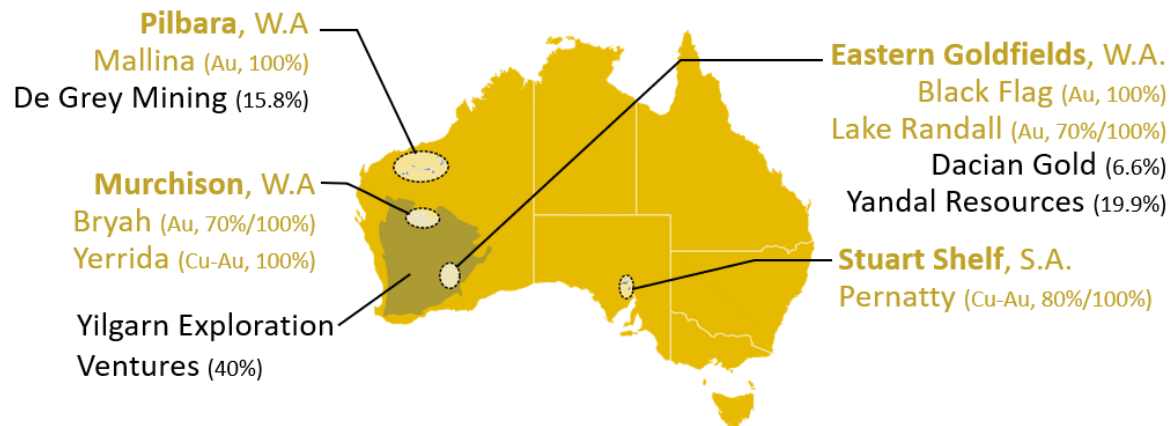
# DGO focused on drilling at 4 strategic land holdings

**DGO Gold Limited (ASX:DGO)** is pleased to report on a successful June 2021 quarter for DGO as it advances its objective of shareholder wealth creation through its brownfield and greenfield gold discovery strategy. This strategy has gained momentum with ongoing drilling activity at its brownfield investments, recent drilling activities at Bryah WA, and current drilling activities at Yerrida, WA.

### Highlights

- Drilling at **Yerrida** intersected a 1.8m interval of semi-massive pyrrhotite-pyrite with disseminated chalcopyrite within a 39m zone of bands of sulphide mineralisation. The observations suggest the hole may have intersected the edge of a VHMS system and follow up drilling has now commenced.
- Diamond drilling at **Bryah** identified a stratigraphic horizon which has a geochemical signature consistent with VHMS mineralisation, including a Pb isotope ratio suggesting a common mineralising fluid source with the DeGrussa Cu-Au deposit. An untested AEM anomaly is coincident with the horizon along strike.
- Activities in the September quarter will focus on drilling at Yerrida, Bryah, Mallina, and Pernatty.
- DGO has a 15.8% interest in **De Grey Mining (ASX: DEG)**. DEG have 12 drilling rigs operating and reported an outstanding maiden resource of 6.8Moz during the quarter for Hemi in WA's Pilbara. The market value of DGO's holding at July 28, 2021 was \$237 million.
- DGO increased its investment in **Yandal Resources Limited (ASX: YRL)** subsequent to quarter end and now holds 19.9% of issued capital. YRL reported excellent results for a number of prospects during the quarter. Four drill rigs are currently operating. The market value of DGO's holding at July 28, 2021 was \$10.4 million.
- DGO has a 6.6% interest in **Dacian Gold (ASX: DCN)** with options to 8.7%. During the quarter DGO participated in a \$44 million capital raise to accelerate exploration at Mt Morgans. The market value of DGO's holding at July 28, 2021 was \$15.7 million.

## DGO Discovery Activity



## Greenfield Discovery

### Yerrida, Murchison, WA (DGO 100%)

Yerrida is located in the Yerrida Basin, 75 kilometres south of the DeGrussa copper-gold mine and 60km northeast of Meekatharra. DGO's detailed data review and analysis has confirmed that the Yerrida Basin is prospective for both DeGrussa style copper-gold mineralisation and stratiform sediment-hosted copper deposits analogous to the world-class Zambian Copper Belt.

DGO's exploration and detailed analysis at Yerrida has identified coincident electromagnetic, magnetic, and signature VHMS geochemical anomalies. These coincident anomalies are within a geological sequence of the right lithology, age, and structure for hosting DeGrussa style VHMS mineralisation.

Subsequent to the end of quarter, DGO commenced a diamond drilling program at Yerrida. The maiden diamond hole (21YEDD001) was completed at a depth of 634.3m and intersected a 1.8m interval of semi-massive pyrrhotite-pyrite from 302.2m within a broad interval of stratabound bands of pyrrhotite-pyrite with disseminated chalcopyrite from 295 to 334m. These observations suggest that the hole may have intersected the edge of a VHMS system. Follow up drilling of a diamond hole 400m to the west has now commenced.

Refer to DGO's ASX announcement on 22 July 2021.

### Bryah, Murchison, WA (DGO 70-100%)

Bryah is located 95km southwest of DeGrussa copper-gold mine, 70km north of Meekatharra, and adjacent to Judge's Find, an area of known gold nugget occurrences where surface mining for gold has occurred for some time. The source of this alluvial gold is unknown.

During the quarter DGO completed a maiden diamond drilling program of seven holes for 3412m to test for both sediment-hosted and volcanogenic-hosted massive sulphide (VHMS) style copper-gold mineralisation on the basin margin.

Several horizons of intense quartz/carbonate veining were intersected, containing pyrite, minor chalcopyrite, and intense magnetite zoning including traces of galena and sphalerite, in a highly altered sequence of sediments, acid and mafic volcanics and dolomites.

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Detailed analysis of the drill core and initial multi-element assays has been conducted by DGO's expert geological consultants Professor Ross Large AO and Dr Stuart Bull. Professor Large and Dr Bull have identified 3 distinct horizons (M1, M2, and M3) approximately 100m apart in the volcano-sedimentary stratigraphy with potential for hosting VHMS mineralisation immediately northwest of Judges' Find gold nugget field. When extrapolated to the surface and along strike these horizons intersect an AEM anomaly further north west. Laser ICPMS analyses completed on pyrite from the M3 horizon has identified a Pb isotope ratio ( $^{207}\text{Pb}/^{206}\text{Pb}$ ) in the same range as in the DeGrussa VHMS deposit suggesting both systems share a common mineralising fluid source.

The AEM anomaly overlying the high potential VHMS horizons is now a high priority for follow up drilling. This will commence as soon as government and heritage approvals are granted.

Refer to DGO's ASX announcement on 22 June 2021.

#### **Mallina, Pilbara, WA (DGO 100%)**

DGO holds 281km<sup>2</sup> of prospective tenements adjoining De Grey's Mallina Gold Project. The Mallina Basin hosts substantial structurally controlled gold resources including the intrusion related gold at Hemi, 75km east-northeast of DGO's tenure.

Detailed analysis by DGO suggests that mineralisation at Hemi is associated with the Millindinna intrusives which are present in DGO's Mallina tenements. Broad spaced (400m x 160m) UltraFine soil sampling completed over the Millindinna intrusives has identified a series of gold-in-soil anomalies including a high priority gold and semi-coincident arsenic anomaly. Detailed reprocessing and interpretation of geophysical data has identified a series of targets coincident with the Millindinna intrusives and the soil anomalies.

During the quarter DGO commenced an air core drilling program targeting Hemi style mineralisation. The drilling is in an area where native title claims have not been determined. A heritage survey was conducted over this area by one of the regional native title groups and cleared for the drilling to commence. Subsequently, a second regional native title group has indicated it wishes to be consulted in relation to exploration activities on these tenements.

In light of this request, drilling activities were suspended to progress these discussions. An agreement has been signed with the second group and a heritage survey is being arranged. DGO expects drilling to recommence in late August.

Refer to DGO's ASX announcements on 27 May 2021 and 13 July 2021.

#### **Pernatty, Stuart Shelf, SA (DGO 100%)**

The Stuart Shelf contains BHP's world class Olympic Dam copper-gold-uranium mine, and a number of other major copper-gold deposits including Oz Minerals' Prominent Hill and Carrapateena operations. The Stuart Shelf is prospective for Zambian Copper Belt style sediment hosted copper in transition zone sediments between the outcropping Woocalla Dolomite and the deeper-basin Tapley Hill shales.

During the previous quarter DGO completed a program of 44 reverse circulation (RC) holes for 3,733m at Pernatty. Copper-cobalt-silver mineralisation was intersected at each of the

3 areas drilled. The best intersections were at Moseley where three holes covering 1.5km across the transition zone all had 1m assays greater than 0.5% Cu with associated elevated Co and Ag at depths of 50 to 80m including:

- **1m @ 2% CuEq<sup>1</sup> (0.82% Cu, 0.1% Co, & 19.7g/t Ag) from 75m**  
within 4m @ 0.8% CuEq (0.41% Cu, 0.04% Co, & 10.6g/t Ag) from 73m
- **1m @ 1% CuEq<sup>1</sup> (0.95% Cu, 0.01% Co, & 4.5g/t Ag) from 76m**  
within 6m @ 0.5% CuEq (0.36% Cu, 0.01% Co, & 3.3g/t Ag) from 73m

Approximately 10 km of strike of the target transition zone centred around the drilled Mosely section had no previous exploration and this drilling shows the target depth is less than 100m. This area is a priority for follow up drilling.

At Maslins, results indicate the potential for the development of relatively thick ore zones in this area. The drilling also indicates that better mineralisation is more likely at a shallower basin position (i.e. west) of the Maslins holes. Drilling at Winnie Pinnie intersected grades up to 0.25% Cu, 420ppm Co and 7g/t Ag at the western edge of a 2.5 x 5km area where the prospective base of the Tapley Hill Formation is approximately 100m deep and is untested by previous drilling.

Follow up drilling to test the targets generated by this drilling will commence this quarter.

A review of the iron oxide copper-gold (IOCG) potential of Pernatty has commenced following the recent results from Emmie Bluff, 20km north of DGO's tenements (ASX:COD 28 July 2021). This review is ongoing. DGO also expanded its land holding on the Stuart Shelf during the quarter through the purchase of EL5929.

DGO continued to progress land access approvals for a drilling program on its 100% owned tenements during the quarter. Negotiation of a Native Title Mining Agreement with Kokatha Aboriginal Corporation is being progressed.

Refer to DGO's ASX announcement on 26 April 2021.

#### **Lake Randall, Eastern Goldfields, W.A (DGO 70-100%)**

DGO holds 230km<sup>2</sup> of untested, prospective terrain under shallow lake and transported sediment cover 50km east of Kambalda and 7km south of Silverlake Resources' Mt Belches Mining Centre. The Lake Randall target was generated as a result of a comprehensive review for sediment hosted gold mineralisation in the Eastern Goldfields of Western Australia.

A ground gravity survey in late 2019 identified fourteen targets with potential to host granite-associated Granny Smith style, and banded iron formation-associated Mt Belches-style, gold mineralisation beneath the lake sediments.

During the previous quarter, Lefroy Exploration (ASX:LEX) intersected 60m at 5.22g/t Au and 0.38% Cu from 112m to end of hole at Burns (ASX:LEX 23 February 2021), 15km west

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<sup>1</sup> CuEq = Cu% + Co\_ppm\*0.0012. See JORC table in April 26 2021 announcement for derivation.

of DGO's Lake Randall. Mineralisation is associated with a large felsic intrusion which does not outcrop.

These results have led to DGO planning the drilling of intrusive-associated Granny Smith style targets at Lake Randall and air core drilling is expected to commence once access terms are agreed with holders of native title recently determined over a portion of these tenements.

Refer to DGO's ASX announcement on 28 January 2020.

#### **Black Flag, Eastern Goldfields, W.A (DGO 100%)**

Black Flag is located 20km northwest of Kalgoorlie in Western Australia's Eastern Goldfields. An RC drilling program completed in January 2021 tested the intersections of north-east, mineralising structures with the contact of an anticlinal structure delineated by porphyry intrusives.

The wide spaced drilling encountered strong silica-sulphide±sericite±chlorite alteration within the intermediate volcanics and zones of Au anomalism (>0.1g/t Au). Elevated gold mineralisation was intersected in 11 of the 15 drill holes. Trends interpreted in narrow (1m) high grade intersections up to 1m @ 6.5g/t Au and historical drilling results suggest that mineralisation is controlled by the north-east trending cross faulting.

Further follow-up drilling is being planned.

Refer to DGO's announcement on 26 April 2021.

#### **Deleta, Eastern Goldfields, W.A (DGO 100%)**

Interpretation of historical geochemical datasets has identified gold and arsenic soil anomalies associated with structures within the Deleta Greenstone Belt to the west of the Yamarna Belt. DGO is progressing heritage approvals in preparation for additional soil sampling and drilling programs to evaluate the under-explored Deleta targets.

#### **Yilgarn Exploration Ventures Pty Ltd (DGO 40%)**

At Mt Magnet North JV (YEV earning an 85% interest), follow up drilling of a 2.5km long mineralised system defined by shallow gold and multi-element geochemistry results intersected 14m @ 1.55g/t from 122m in the location predicted by SensOre's proprietary machine learning/AI technology. Follow up drilling is planned to commence this quarter.

During the quarter drilling was completed at Tea Well, 8km southeast of Meekatharra, and Desdemona North, 15km south of Leonora. A low-level gold anomaly in shallow air core and RC drilling has been followed up with diamond drilling for which assays are awaited. Diamond drilling at Desdemona identified alteration and veining in a sequence of mafics and ultramafics interpreted to be the Gwalia stratigraphy however complete assays are yet to be received.

Refer to DGO's ASX announcements on 22 June 2021.

## Brownfield Discovery

### De Grey Mining Limited (DGO 15.8%)

DGO's investment in De Grey Mining Limited (De Grey) is 203.6 million De Grey shares or 15.8% of issued capital and DGO is De Grey's largest shareholder.

During the quarter De Grey announced a significant maiden resource for Hemi of 6.8Moz bringing the total resources for the Mallina Gold Project to 9Moz (ASX:DEG 23 June 2021). To progress from discovery to a Tier 1 scale maiden resource in 15 months is a significant achievement and DGO is pleased to have been on this journey from the beginning.

Significant extensional results at Hemi were released subsequent to the 17 May 2021 cut off for assays in the Hemi resource and highlight the potential for continued resource growth. These include:

- 173.7m @ 1.5g/t Au from 271.3m (Diucon, ASX:DEG 22 July 2021)
- 65m @ 1.2g/t Au from 42 metres (Eagle, ASX:DEG 1 June 2021)
- 69.4 @ 1.5g/t Au from 311.6m (Falcon, ASX:DEG 27 May 2021)

During the quarter De Grey also released initial results of metallurgical testing of samples from Aquila (ASX:DEG 10 May 2021). Test work showed that 94% of primary mineralisation was recovered by sulphide flotation, pressure oxidation (POX) and CIL leach. POX is an established treatment process used worldwide on large scale gold operations at Lihir (Newcrest Mining Limited) and Nevada gold mines (Barrick Gold and Newmont).

### Dacian Gold Limited (DGO 6.6%; Options to 8.7%)

During the quarter, Dacian raised \$40 million in a placement to fund accelerating exploration, developing Redcliffe, and restarting the underground operation. DGO supported the placement through purchasing 12.5 million shares increasing our holding to 6.6%. A further \$3.7 million was raised by Dacian through a share purchase plan.

Significant extensional drilling results at Ganymede were reported during the quarter including 46m @ 1.8g/t Au from 142m to end of hole (17 May 2021). An updated Westralia resource of 6.8Mt @ 4.3 g/t for 935Koz (ASX:DCN 11 May 2021) as also announced.

### Yandal Resources Limited (DGO 19.9%)

Subsequent to the end of quarter, DGO acquired an additional 6.6 million shares in Yandal Resources Limited (Yandal) increasing DGO's shareholding to 20 million shares or 19.9% of issued capital. DGO is Yandal's largest shareholder.

Yandal continued to announce significant, high grade results from a number of prospects including:

- Gordon's Dam: 2m @ 10.83g/t Au from 118m to end-of-hole (ASX:YRL 5 May 2021)
- Star of Gordon: 8m @ 4.69g/t Au from 15m (ASX:YRL 27 May 2021)



## Corporate

- Cash as at 30 June 2021 was \$13.5 million
- As disclosed in the Cashflow Report (item 2.1(d)) DGO's exploration expenditure for the quarter was \$3.23M; and details of the exploration activities underlying this expenditure are as set out in the Activities Report.
- As announced on 13 July 2021 the Company has entered into a \$15m secured debt facility which remains undrawn.
- As at 30 June 2021 the Company's holdings in DEG, DCN and YRL had a market value of \$273 million versus DGO's market capitalization of \$228 million. At the end of trading on 28 July 2021 the market value of DGO's listed investments was \$263 million compared to DGO's market capitalization of \$244 million.
- As at 29 July 2021 the Company has 76,400,851 fully paid shares, 7,093,453 \$1 unlisted options, 3,271,082 \$2.50 unlisted options, 505,000 \$4.50 unlisted options, 150,000 \$5.37 unlisted options, 1,000,000 Series C performance rights, and 1,000,000 Series D performance rights on issue.

- ENDS -

This announcement is authorised for release by Mr Eduard Eshuys, Executive Chairman.

### For further information contact:

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### Competent person statement

*Exploration or technical information in this release has been prepared by **David Hamlyn**, who is the General Manager - Exploration of DGO Gold Limited and a Member of the Australasian Institute of Mining and Metallurgy. Mr Hamlyn has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking 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" (the JORC Code). Mr Hamlyn consents to the report being issued in the form and context in which it appears.*

## Appendix I: Announcements during the quarter relating to exploration

Date	Title
22/07/2021	Yerrida Drilling Update
13/07/2021	Corporate Update
9/07/2021	YRL: DGO Gold Moves to 19.9% of Yandal
7/07/2021	Yerrida Drilling Update
1/07/2021	Bryah and Yerrida Drilling Update
22/06/2021	Positive Results at Mt Magnet AI Target
2/06/2021	Mallina Drilling Update
27/05/2021	Mallina Drilling Commences
28/04/2021	Quarterly Report and Appendix 5B
26/04/2021	Pernatty Drilling Results and Exploration Update
8/04/2021	Change in substantial holding for YRL

## Appendix II: DGO Gold Tenement Holdings

Project	Location	Tenement Number	Interest at Beginning of Quarter	Interest at End of Quarter
Lake Randall	WA	E15/1573 <sup>1</sup> E25/584	30 100	30 100
Black Flag	WA	E24/197, P24/4986-4992	100 100	100 100
Mallina	WA	E47/3327-3329 E47/4315, 4316 <sup>2</sup>	100 100	100 100
Maddina	WA	E45/5940 <sup>2</sup> , E46/1397 <sup>2</sup> E47/4557 – 4564 <sup>2</sup>	0 0	100 100
Tom Price	WA	E47/3898, 3900 <sup>2</sup>	100	100
Bryah	WA	E51/1590 <sup>4</sup> E51/1729 E51/2045 <sup>2</sup>	80 100 100	80 100 100
Yerrida	WA	E51/1725, 1726, 1730, E51/1748-1753, 1833, E51/1897, 1920, 1921 E51/1952 <sup>2</sup> E51/2023 <sup>2</sup> E51/2040 - 2043 <sup>2</sup> E53/2163 - 2166 <sup>2</sup>	100 100 100 100 100 100 100	100 100 100 100 100 100 100
Yamarna West	WA	E38/3343, 3344 E38/3547 <sup>2</sup>	100 100	100 100
Pernatty Lagoon	SA	EL 6145, 6302, 6030, 6436 EL 6303, 6473, 6474, 6507 EL 6583 <sup>3</sup> EL 5704, 5705, 5706 <sup>5</sup> EL 5738, 6402 <sup>5</sup> ELA 2020/158 <sup>2</sup> ELA 2020/226 <sup>2</sup> EL 5929 <sup>6</sup>	100 100 100 0 0 100 100 0	100 100 100 0 0 100 100 0



<sup>1</sup> Farm-in and Joint Venture with Romardo Gold WA Pty Ltd – DGO earning up to 70%

<sup>2</sup> Tenement application – on grant 100% DGO

<sup>3</sup> Tenements granted during the quarter

<sup>4</sup> Farm-in and Joint Venture with TasEx Geological Services Pty Ltd – DGO earning 90%

<sup>5</sup> Farm-in and Joint Venture with Investigator Resources Limited – DGO earning 80%

<sup>6</sup> Acquired since 30 June 2021

## Appendix 5B

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

Name of entity

DGO Gold Ltd

ABN

96 124 562 849

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date 12 months \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		(41)
(b) development		
(c) production		
(d) staff costs <i>(included in 1.2 (a),(e), 2.1(d))</i>		
(e) administration and corporate costs	(580)	(2,471)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	6
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		50
1.8 Other		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(579)</b>	<b>(2,456)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(6)	(187)
(d) exploration & evaluation	(3,235)	(6,743)
(e) investments	(3,100)	(33,133)
(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 12 months \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments	522	1,061
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other		15
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(5,819)</b>	<b>(38,987)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		39,028
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		(2,043)
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		
3.10	<b>Net cash from / (used in) financing activities</b>	<b>0</b>	<b>36,985</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	13,484	11,544
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(579)	(2,456)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,819)	(38,987)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	36,985

## 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 12 months \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	7,086	7,086

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	7,086	13,484
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)	7,086	13,484

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	13
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

*Note: Payments to Related Parties relate to Director Fees, expense reimbursements and consultancy fees.*

7.	Financing facilities <i>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.</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)	60	31
7.4	Total financing facilities	60	31
7.5	Unused financing facilities available at quarter end		29
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.		
	Unsecured credit card form ANZ with a \$60,000 limit.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	579
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	3,235
8.3	Total relevant outgoings (item 8.1 + item 8.2)	3,814
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,086
8.5	Unused finance facilities available at quarter end (item 7.5)	29
8.6	Total available funding (item 8.4 + item 8.5)	7,115
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.86
<p><i>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.</i></p>		
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?	
	<p>Answer: The Company expects to have net operating cash flows at or higher than the annual rate incurred in FY20 as set out in this report in order to continue its extensive exploration program in WA and SA.</p>	
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?	
	<p>Answer: As announced in the Company's Corporate Update released to ASX on 13 July 2021, the Company has commitments from holders of 9.77m \$1 options which expire on 31.12.2021, that they will exercise these options on or before 30 September 2021. The Company also announced it has executed a \$15m loan facility which remains undrawn.</p>	
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?	
	<p>Answer: The early exercise of options to provide \$9.77m of equity funding and loan facility of \$15m will enable to the Company to continue its operations and continue to execute its gold and copper discovery strategy.</p>	
<p><i>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.</i></p>		

## 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: 29/07/2021

Authorised by:



Eduard Eshuys

(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.