HAWKSTONE MINING

ASX ANNOUNCEMENT

30 July 2021

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2021

HIGHLIGHTS

- **Hawkstone to spin-out its interest in the Devil's Canyon Gold-Copper Project in Nevada, the Western Desert Gold-Copper Project in Utah, and the Lone Pine Gold Project including the King Solomon Mine in Idaho, to Diablo Resources Ltd[1]**
- **Hawkstone to receive 40,000,000 vendor shares as part of the spin-out, which upon the successful ASX listing of Diablo, will be distributed by way of an in-specie pro rata distribution to existing shareholders of Hawkstone**
- **Hawkstone shareholders will also have the right to participate in a $3.5 million priority offer in the ASX IPO of Diablo, providing an opportunity for further investment exposure to the gold and gold-copper assets**
- **Hawkstone to become a dedicated lithium company, focussed on the Big Sandy Sedimentary Lithium Project in Arizona, with a change in name to Arizona Lithium to reflect this shift in strategic direction**
- **Hawkstone commenced trading on the US-based OTCQB market under the code of OTCQB: HWKMF further enhancing the visibility and accessibility of the Company to US investors**
- **Bench scale metallurgical test work of lithium mineralised material from Big Sandy is ongoing with preliminary beneficiation results indicating a possible 1.5x to 2x concentration, with 88% of the lithium and only 0.6% of the carbonate reported in 48% of the original mass[2]**
- **BLM decision on POE (Permit of Exploration) enabling the Company to complete further resource definition drilling and bulk sampling at Big Sandy awaited**

Hawkstone Mining Limited (**ASX:HWK**) ("**Hawkstone"** or the **"Company"**) is pleased to provide an update an overview of the Company's activities for the period ending 30 June 2021 ("**Quarter**", "**Reporting Period**").

Hawkstone Mining Managing Director, Paul Lloyd, commented: "*The June Quarter was highlighted by successful beneficiation test work on mineralised material from the Big Sandy Lithium Project, indicating a potential significant pre-treatment mass reduction. This follows the successful production of 99.8% battery grade lithium in the March 2021 quarter.*

Hawkstone also progressed its plan to spin-out the Company's significant gold and gold-copper assets to form a separate company, Diablo Resources Ltd, to be listed on the ASX, reflecting a change in strategic focus as we continue to advance the Big Sandy Lithium Project".

BIG SANDY LITHIUM PROJECT

Hawkstone is well positioned with its Big Sandy Sedimentary Lithium Project ("**Big Sandy**", "**Project**") strategically located in Arizona (ranked #2 by 2020 Fraser Institutes Mining Survey) halfway between Phoenix and Las Vegas, Nevada (Figure 1). The location, coupled with the ongoing advances by Hazen Research Inc ("**Hazen**") on the metallurgical front, positions the Project squarely in the front of a rising tide in demand and price in the lithium market.

[1] Hawkstone Announcement June 3, 2021, Hawkstone to Spin-Out High-Grade Gold and Gold-Copper Projects in the USA
[2] Hawkstone Announcement June 15, 2021, Drilling at Big Sandy Lithium Project Expected to Commence Q3, 2021

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Metallurgical Test Work

Hawkstone successfully completed its initial metallurgical testing program with Hazen on the lithium-mineralised sedimentary material from Big Sandy, achieving the goal of high lithium recoveries producing "battery grade" 99.8% Li_2CO_3.

Hawkstone is conducting an extended bench-scale and concurrent demonstration plant design program at Hazen. Ongoing test work has demonstrated beneficiation results indicating a possible 1.5x to 2x concentration, with 88% of the lithium and only 0.6% of the carbonate reported in 48% of the original mass[2]. This testing and design work will be used to develop a flowsheet and form a design basis for a full-scale operation to bring Big Sandy to commercial production. A scalable, continuous demonstration plant design will be developed enabling additional technology development, testing of different ore types, and in support of project financing requirements.

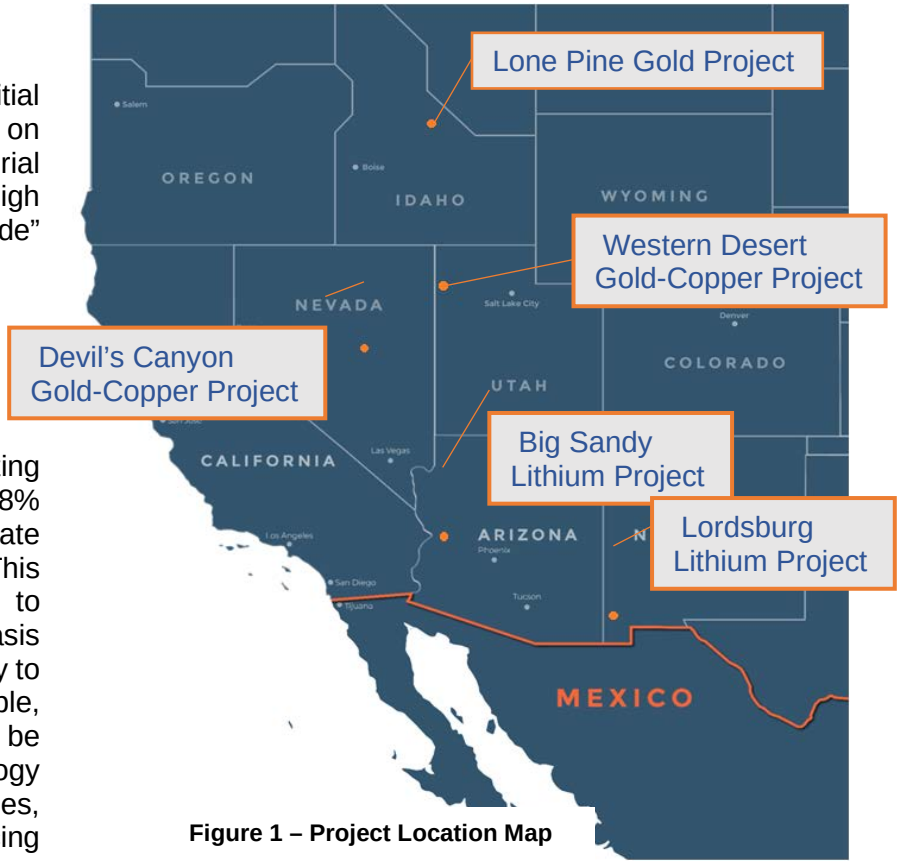


Figure 1 – Project Location Map

The hydrometallurgical process that Hazen is evaluating involves sulphuric acid leaching, leach solution purification, and the subsequent production of 99.8% Li_2CO_3 used in the production of lithium-ion batteries. The process is straightforward, environmentally-superior to peer developments, and is based on proven unit operations. Hawkstone will continually assess process improvements including those achieved during the initial testing program, with the initial test work demonstrating that the present flowsheet is a viable approach for the development of the Big Sandy resource.

Resources and Exploration Target

Hawkstone's successful 2019 drill program at Big Sandy resulted in the estimation of a total Indicated and Inferred JORC resource of 32.5 million tonnes grading 1,850 ppm Li for 320,800 tonnes Li_2CO_3[3].

This represents 4% of the Big Sandy Project area that contains an estimated exploration target of between 271.1Mt to 483.15Mt at 1,000 - >2,000ppm Li*[4].

**Note: the potential quantity and grade of the estimated geological potential (Exploration Target) is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource. It has been estimated using a range of thicknesses for the mineralised sediments calculated from drill intercepts, surface sampling and geological mapping. The grade estimates a range of values demonstrated from drilling and surface sampling.*

[3] Hawkstone Announcement Sept 26, 2019, Big Sandy Lithium Project, Maiden Mineral Resource
[4] Hawkstone Announcement Nov 7, 2019, Big Sandy Lithium Project, Exploration Target Update

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LORDSBURG LITHIUM BRINE PROJECT

During the Reporting Period, a strategic review was commenced on the Lordsburg Lithium Brine Project ("**Lordsburg Project**") located 15km to the southwest of the town of Lordsburg, New Mexico, within the playa lake system at the northernmost end of the Animas Valley. Stock wells on the eastern Animas basin margin, south of the Lordsburg Project, intersected steam and hot springs essential in the development of lithium bearing brines. A 1954 US Geologic Survey map shows a windmill just west of the Lordsburg Project, on the western basin margin, labelled as a "salt well" demonstrating the presence of highly saline subterranean water.

Previous surface sampling on the playa has returned values up to 160 ppm Li[5].

An exploration program consisting of CSAMT (Controlled Source Audio-frequency Magnetotellurics) in conjunction with passive seismics will be utilised to map potentially lithium mineralised brines prior to drill testing. Similar geophysical methods have been used with success by Galan Lithium Limited on their Hombre Muerto Project in Argentina[6].

DEVIL'S CANYON GOLD-COPPER PROJECT

Devil's Canyon Gold-Copper Project ("**Devil's Canyon**") is located in the prolific Carlin Gold Trend covering 7.28km^2 located 20km west of Kinross's Bald Mountain Gold Mine (5.95Moz Au) and 40km north of Barrick's Ruby Hill Gold Mine (1.6Moz Au) (Figures 1 & 2)[7].

Regional Geology

Devil's Canyon is underlain by a sequence of Palaeozoic sediments deposited on a passive continental margin with later compressional tectonics establishing a favourable structural regime of **steeply dipping fluid conduits, shallow, low dipping "traps" and reactive calcareous host rocks**. North-northwest trending normal faults and northeast trending transform faults control the regional position, orientation, and alignment of the gold mineralisation in the Carlin and Battle Mountain gold trends.

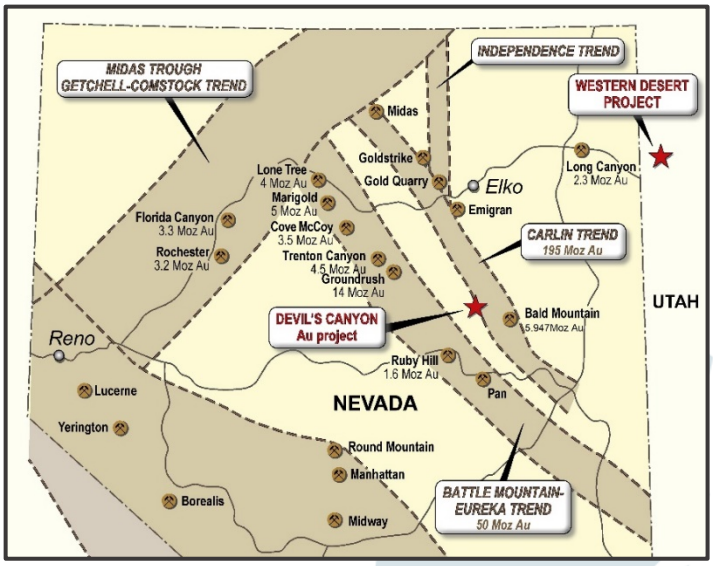


Figure 2 – Location of the Devil's Canyon Project Gold-Copper Project

Mapping and Sampling

During the previous quarter, anomalous rock samples (DC015-52) were reported from several areas with peak results of **191.5 g/t Gold (Au), 524 g/t Silver (Ag) and 10.25% Copper (Cu)** (Figure 3)[8].

[5] Hawkstone Mining Ltd, Announcement June 26, 2018: Hawkstone Agrees Revised Terms to Acquire Two Strategic Lithium Projects in the USA
[6] Galan Lithium Ltd, Announcement October 4, 2018: Geophysical Results Define Brine Potential at Candelas Project, Hombre Muerto
[7] HWK ASX Announcement, December 2, 2020, High Grade Gold and Copper Results at Devil's Canyon Gold Project, Nevada
[8] HWK ASX Announcement, December 1, 2021, 191.5 g/t Gold, 524 g/t Silver & 10.25% Copper, Spectacular Grades from Devil's Canyon Gold Project

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Structural Target 1 contains 10 samples, DC042 to DC051 that returned highly elevated values: **Gold** (**Au) ranging from 1.12 g/t to 191.5 g/t, Silver (Ag) from 22.1 g/t to 524 g/t, Copper (Cu) from 0.54% to 10.25%** on the contact between the Ely Limestone to the north and the intrusive granites to the south.

Parallel to structural **Target T3 and** lying 200m north, 5 samples, DC034 to DC038 define a NE trending mineralised zone containing significant values: **Gold** (**Au) ranging from 0.9 g/t to 7.15 g/t, Silver (Ag) from 32.6 g/t to 174 g/t and Copper (Cu) from 1.32% to 6.14**

Lying to the west of **Target 1** and consisting of 5 samples DC016 to DC020 is an area containing elevated copper values: **Copper (Cu) ranging from 0.22% to 4.41%, Silver (Ag) from 0.6 g/t to 63.6 g/t**, which is possibly the western extension of **Target 1**.

Structural Targets T5 and T6 underlie 4 samples, DC026 to DC029 containing **Copper** (**Cu) from 0.40% to 7.74% and Silver (Ag) from 0.60 g/t to 30.1 g/t.**

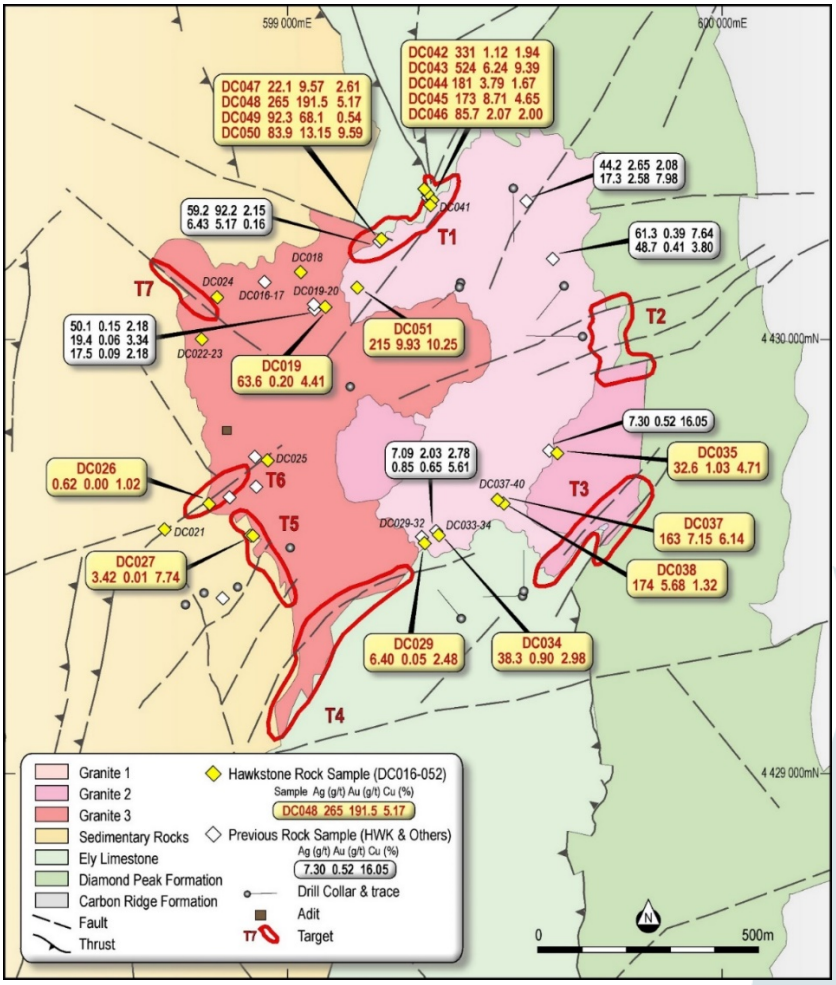


Figure 3 – Devil's Canyon Geology and RC (rock chip) Sampling

Airborne Geophysics

An airborne drone (UAV) magnetic survey completed over the Devil's Canyon project area by independent US based contractors, MHW Geo-Surveys International Ltd, shows the presence of magnetic highs related to possible magnetite rich intrusives, alteration zones or skarns. Significant magnetic lows are also present possibly representing areas of magnetic destruction. Initial processing of the magnetic survey data is finished and Resource Potentials Ltd are completing magnetic modelling.

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Planned Exploration

- Soil geochemistry to better define gold-copper and copper mineralised zones
- Detailed geological and structural mapping to aid in drill planning
- Drilling of selected targets

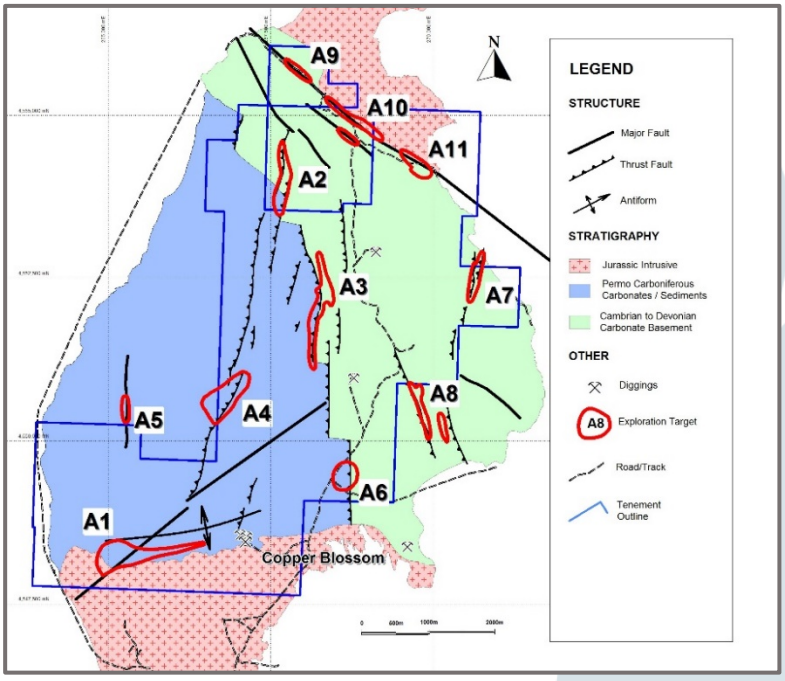
WESTERN DESERT GOLD-COPPER PROJECT

The Western Desert Gold Project ("**Western Desert**") consists of 218 claims and 1 state lease covering 25.4 km^2 and is located in western Utah near to the Nevada Border (Figure 4).

Regional Geology

The Western Desert area shares regional geology similar to Devil's Canyon. Mineralisation consists of skarn style Au-Cu-Ag mineralisation within altered carbonate - sandy carbonate rocks proximal to intrusive contact. The mineralised zones at Copper Blossom strike ~290^0/45^{0}S over 350m+, possibly extending under cover to the east and at depth to the west (Figure 4)[9].

Figure 4 – Western Desert Targets and Geology



Photogeological interpretation and targeting has identified **11 Targets** on the basis of their potential to host Carlin Style gold mineralisation[10]. Stream sediment sampling was completed over the entire claim area followed by infill sampling leading to refined targets, in particular high priority **Targets A1 and A3** where recent soil geochemistry, mapping and rock chip sampling have been completed.

[9] ASX Announcement, March 16, 2020, Acquisition of Western Desert Gold - Copper Project, Utah, USA
[10] HWK Announcement, July 3, 2020, 950% Increase in Landholding at Western Desert Gold-Copper Project

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Ground magnetic and gravity surveys were completed by independent US based contractors (MHW Geo-Surveys International Ltd) across an area covering all of Targets A1, A3 and A6. Initial processing of both the magnetic and gravity survey data is ongoing and will be modelled by Resource Potentials Ltd.

Planned Exploration

- Modelling of geophysical surveys
- Target definition and ranking
- Drilling of selected targets

LONE PINE GOLD PROJECT

Hawkstone's 100% owned Lone Pine Project ("**Lone Pine**") comprises two Patented Mining Claims and a further 268 BLM lode claims covering an area of approximately 21.85 km^2, ten kilometres west of Salmon, Lemhi County, Idaho. This includes the adjoining historical King Solomon Mine ("**KSM**") acquired in August 2020.

Lone Pine and KSM lie 16km and 8km east respectively of the Arnett Creek and Beartrack Mine. Beartrack produced **600,000 oz Au** up to the year 2000 from resources totalling **1.98 million ounces Au,** and was closed due to a declining gold price[11].

Arnett Creek and Beartrack are being explored by Revival Gold Inc TSX.V:RVG

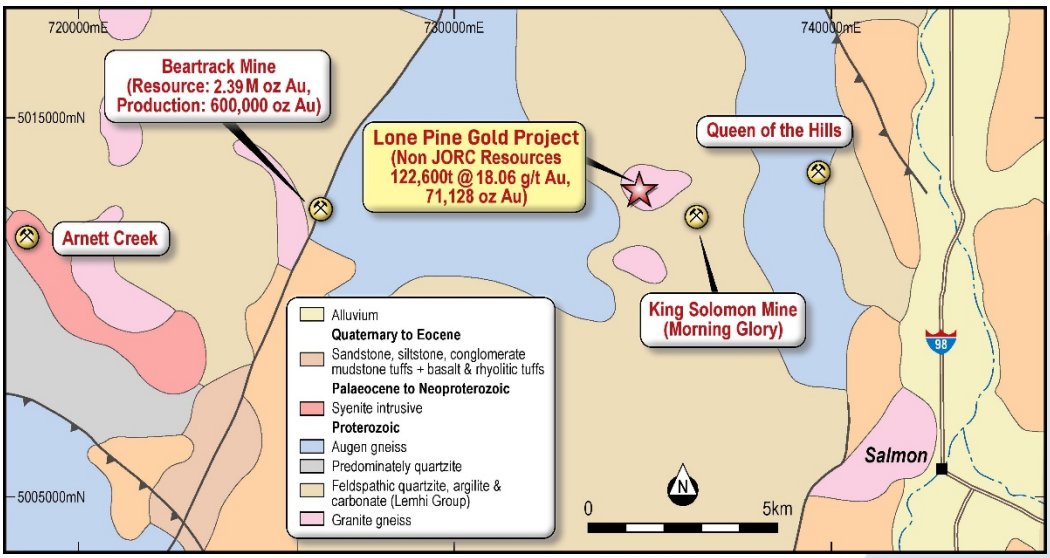


Figure 5 – Regional Project Map

History

Gold was discovered at Lone Pine in 1882, with the majority of the development work completed on the Lone Pine vein zone prior to 1907, including six adits and a shallow shaft. A 10 stamp mill was constructed in 1907 and was operated intermittently for six months[12].

[11] Michael Lechner, 2018, Mineral Resource Estimate, Beartrack Property, Lemhi County, Idaho, United States.
[12] HWK Announcement, June 15, 2021, Acquisition of Historical High-Grade Lone Pine Gold Project, Idaho, USA

KSM, located 900m to the southeast of the Lone Pine vein zone, was reportedly mined for high grade gold between 1890 and 1910. In 1990, Teck Resources completed exploration including 23 RC drill holes, intersecting 48.8m @ 1.52g/t Au including a higher-grade zone of 16.8m @ 3.42g/t Au[13].

Geology

Lone Pine lies in the Trans-Challis Fault System, a broad northeast-trending structural system that has been traced for 300 km across the centre of the state of Idaho, with 2.9 million ounces of gold produced from this fault system from 1863-1980, more gold than any other mining locality in Idaho.

Lone Pine contains precious metal occurrences spatially and genetically related to the Eocene age Trans-Challis Fault System, a major zone of rifting and crustal extension. The mineralised quartz-filled structure/shear hosting the Lone Pine vein zone is associated with a steeply dipping, NE striking contact between granitoid and sediments.

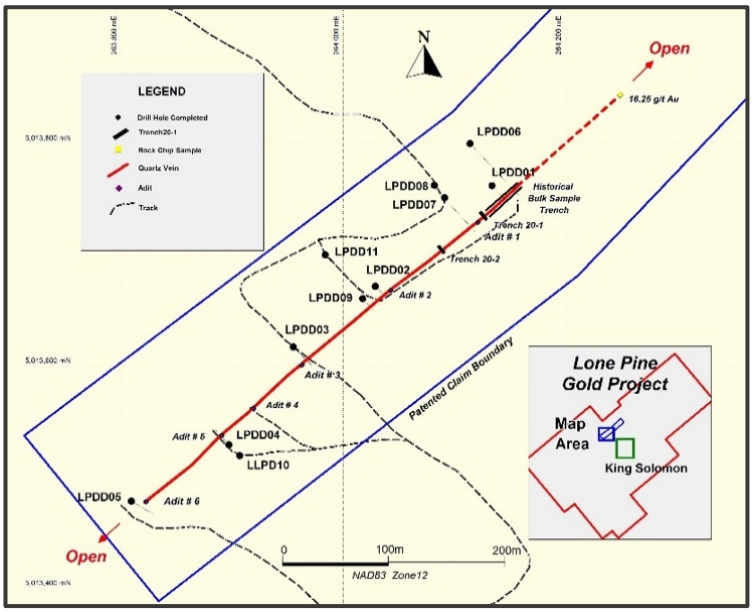


Figure 6 – The Lone Pine Gold Project

Exploration

During 2020, Hawkstone completed 11 diamond drill holes LPDD01 to LPDD11 totalling 677.55m, along the Lone Pine vein zone with all holes intersecting the zone. Better drill intersections included[14]:

- 1.22m @ 17.02 g/t Au (inc. 0.31m @ 65.60 g/t Au) from 38.43m
- 2.63m @ 7.06 g/t Au from 63.75m
- 1.91m @ 12.93 g/t Au from 106.9m.

In addition, the Company completed regional mapping and rock chip sampling identifying numerous other gold occurrences within the project area.

Planned Exploration

Drill programs for both the Lone Pine vein zone and the King Solomon mineralised zone have been submitted to the Forestry Department in Salmon, Idaho, with Diablo Resources expected to commence drilling these projects shortly after the proposed IPO.

A UAV airborne magnetic survey will be completed during Q3, 2021.

KANGWANE SOUTH ANTHRACITE PROJECT

No field activities were completed on the Company's anthracite project in South Africa. As previously advised, the Company is working towards the divestment of this asset.

[13] HWK Announcement, July 1, 2021, Acquisition of the Historical King Solomon Mine Adjoining the Lone Pine Gold Project
[14] HWK Announcement, Nov 25, 2020, Final Drill Results Confirm the High-Grade Potential of the Lone Pine Gold Project

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CORPORATE UPDATE

Proposed Spin-out and In-specie Distribution

It is proposed that Hawkstone will hold 40,000,000 shares in Diablo Resources prior to the in-specie distribution being voted on by Hawkstone shareholders at a meeting to be convened in Quarter 3 2021. At an initial public offering ("**IPO"**) price of $0.20, this implies a value of $8 million for Hawkstone's shareholding in Diablo.

The in-specie distribution is conditional upon:

- Receipt of Hawkstone shareholder approval;
- A short-form prospectus being issued by Hawkstone to facilitate the in-specie distribution;
- The Diablo IPO being successfully completed; and
- Diablo receiving conditional approval for listing by the ASX.

For the proposed IPO, Diablo will seek to raise $6.5 million via the issue of 32.5 million shares at $0.20, and Hawkstone shareholders will have the right to participate in a $3.5 million priority offer in the ASX listing of Diablo.

Details of the spin-out timing will be announced to the market as they become available.

Indicative Capital Structure

The indicative Capital Structure of Diablo is as follows:

Post IPO	Number of Shares	Price $	$
IPO capital raise $6.5M – founders to place	17,500,000	0.20	3,500,000
IPO capital raise $6.5M – founders to place	15,000,000	0.20	3,000,000
Vendor shares re asset acquisition	40,000,000	0.20	8,000,000
Lead manager equity	2,000,000	0.20	400,000
Proforma shares on issue post IPO	**74,500,000**		
Market capitalisation at $0.20			14,900,000
Enterprise valuation at $0.20			8,400,000

-END-

ASX Announcements During the Period

May 5, 2021 - Hawkstone Commences Trading on US-Based OTCQB Market

June 3, 2021 - Hawkstone to Spin-Out High-Grade Gold and Gold-Copper Projects in the USA

June 15, 2021 - Drilling at Big Sandy Lithium Project Expected to Commence Q3, 2021

FOR FURTHER INFORMATION PLEASE CONTACT:

MR. PAUL LLOYD
Managing Director
Hawkstone Mining Limited
Tel. +61 419 945 395
plloyd@hawkstonemining.com
www.hawkstonemining.com.au/

COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to exploration results and exploration targets for the Lone Pine, Western Desert, Devil's Canyon, Big Sandy and Lordsburg Projects is based on and fairly represents information compiled by Mr Gregory Smith, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Smith has sufficient experience that is relevant to the style of mineralisation and 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 Smith is a Director of the Company and holds shares in the Company. Mr Smith consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Company confirms that there have been no material changes since the information was first reported in accordance with listing rule 5.7.

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Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2021.

Project	Claim Number	Location	Interest
Big Sandy	WIK-001 to WIK-112	Arizona, USA	100%
Big Sandy	BSL-001 to BSL-146	Arizona, USA	100%
Big Sandy	BSLII 001 to BSLII 053	Arizona, USA	100%
Lordsburg	LLP-211 to LLP-274	New Mexico, USA	100%
Lordsburg	LLP-283 to LLP-298	New Mexico, USA	100%
Lordsburg	LLP-307 to LLP-322	New Mexico, USA	100%
Lone Pine	LP-001 to LP-075 LP EXT-076 to LP EXT-250 LP EXT2-251 to LP EXT2-268 U.P Patented Claim Burlington Patented Claim	Idaho, USA	100%
Western Desert	WD001 WD003 to WD030 WD-031 to WD-258 State Lease 4N 17W Sect 16 4N 17W Sect 2 5N 16W Sect 36	Utah, USA	100%
Devil's Canyon	DP3, 4 & 5 DP10, 11 & 12 Devils Canyon-001 to Devils Canyon-084	Nevada, USA	100%
Kangwane South	N/A	Mpumulanga Province, South Africa	70%

Appendix 2: Exploration Expenditure and Payments to Related Parties

In line with its obligations under ASX Listing Rules 5.3.1 and 5.3.5, Hawkstone Mining Limited notes the following in relation to the period ended 30 June 2021 as advised in the Appendix 5B:

- exploration and evaluation expenditure of $247k primarily relates to an airborne magnetic survey, ground magnetic and gravity surveys and metallurgical test work; and
- the only payments to related parties of the Company pertain to payments to an executive director for salary and superannuation, non-executive director fees and consultancy fees.

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Appendix 5B

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

Name of entity

HAWKSTONE MINING LIMITED

ABN	Quarter ended ("current quarter")
15 008 720 223	30 JUNE 2021

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(247)	(1,640)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(112)	(414)
	(e) administration and corporate costs	(324)	(1,086)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	20
1.8	Other – acquisition of exploration project	-	(22)
1.9	**Net cash from / (used in) operating activities**	**(681)**	**(3,138)**

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

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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	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (proceeds from sale of historic geological information)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	426	4,592
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(234)
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**	426	7,858

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,205	231
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(681)	(3,138)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	426	7,858
4.5	Effect of movement in exchange rates on cash held	-	(1)
4.6	**Cash and cash equivalents at end of period**	**4,950**	**4,950**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,450	3,205
5.2	Call deposits	3,500	2,000
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)**	**4,950**	**5,205**

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	104
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.

Amounts shown at item 6.1 comprise of payments to related parties (or their associates) for director and administration fees paid during the quarter, including fees for services performed.

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

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(681)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(681)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,950
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,950
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	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: N/A

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:

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:

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:

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.

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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 July 2021

Authorised by: The Board of Hawkstone Mining Limited

(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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