



## ASX Announcement – 12 April 2019

### BOARD OF DIRECTORS

**Executive Chairman**  
John Terpu

**Non-Executive Director**  
Kathleen Bozanic

**Non-Executive Director**  
Andrew Caruso

**COMPANY SECRETARY**  
Mark Petricevic

## Quarterly Activities Report and Appendix 5B

For the quarter ended 31 March 2019

Great Southern Mining Limited, (“GSN” or “the Company”) is pleased to provide a summary on activities for the quarter ended 31 March 2019. Highlights include:

- Release of outstanding metallurgical testing results (up to 97% recovery) on the Mon Ami Gold Project in Laverton, Western Australia;
- Identification of a large porphyry system, multiple breccia pipes and high-grade rock chip samples at the Edinburgh Park Project in North Queensland; and
- Identification of scandium-cobalt targets at the Company’s Mt Weld Project in Laverton, Western Australia.

### Mon Ami Gold Project - WA

- Following the release of the Company’s Maiden Resource Estimate (MRE) 1.1 Mt @ 1.7 g/t for 59,000 oz’s the Company commissioned metallurgical test work to measure key parameters associated with conventional extraction processes including gold recovery, grind size and reagent consumptions.
- Preliminary gold recovery testwork on ten Mon Ami Gold Project oxide, transitional and fresh composite samples demonstrated excellent gold recoveries, up to 97% using conventional cyanide leaching and gravity concentration.
- Further testwork is planned to optimise recoveries on fresh ore.
- The Mon Ami Gold Project is within 25kms of a number of operating gold processing plants and significant infrastructure.
- The Company is planning the next drilling program (subject to available funding) for the coming quarter which has been designed to rapidly expand the resource. Refer to the ASX announcement of 21 February 2019.

### Edinburgh Park Gold/Silver/Copper Project - QLD

- Following the successful mapping programs in late 2018, continued detailed geological mapping and geochemical sampling took place on EPM 25196 and EPM 26810.
- Identification of a large porphyry system and multiple breccia pipes at the Edinburgh Park Project announced during February 2019.

### Contact Details

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### **Mt Weld Project**

- As announced to the market on 13 March 2019, GSN analysis of reconnaissance aircore drilling undertaken by the previous tenement holders has identified thick mineralised horizons of scandium (Sc) and cobalt (Co) over extensive areas.
- The 100%-owned Mt Weld Project is adjacent to the Mt Weld Mine operated by Lynas Corporation.
- 4m composite assay samples from drilling have returned up to 252 g/t Sc and 0.35% Co.
- Outstanding Results include:
  - 12m @ 116 g/t Sc and 4m @ 0.02% Co (MWAC015)
  - 12m @ 132 g/t Sc and 4m @ 0.03% Co (MWAC017)
  - 16m @ 130 g/t Sc and 8m @ 0.04% Co (MWAC021)
  - 4m @ 102 g/t Sc and 4m @ 0.16% Co (MWAC022)
  - 12m @ 164 g/t Sc (MWAC026)
  - 8m @ 102 g/t Sc and 12m @ 0.19% Co (MWAC027)
- Continued analysis will be ongoing with follow up drill programs being planned for late 2019.

### **Corporate**

- On 31 December 2018 the Company announced it had entered a loan agreement with an entity related to Executive Chairman, John Terpu. The unsecured, interest free loan of \$300,000 was made available to accelerate and finalise the metallurgical studies and assist with planning for the 2019 exploration program at the Mon Ami Project in Laverton and exploration activities in North Queensland. At the General Meeting of Shareholders held 7 March 2019, Shareholders approved the issue of 10,000,000 fully paid ordinary shares to Mr Terpu (through a related entity) in satisfaction of the loan.
- On 29 March 2019, 1,500,000 unlisted options issued under the Company's Long Term Incentive Plan were exercised at \$0.02 per share.
- On 4 February 2019 the Company announced its intention to release a Prospectus to raise up to \$5.0m in order to fund its proposed exploration programs. Whilst the issue of shares was approved by Shareholders at the General Meeting of Shareholders on 7 March 2019 the Company announced on 13 March 2019 that it would not be proceeding with the Prospectus.
- In March 2019 the Company subsequently raised \$250,000 (before costs) via placement of 8,333,333 shares to a sophisticated investor is considering its capital raising options with both its LR7.1 and LR7.1A placement capacities available. The Company will notify shareholders of further developments in due course.

### **Shareholder information**

- As at 31<sup>st</sup> March 2019 the Company had a total of 300,079,005 fully paid ordinary shares on issue including 15,000,000 shares on escrow until 5 April 2019. Refer ASX announcement of 8 April 2019.
- The Company has 12,100,000 unlisted options on issue.

## GSN Project Portfolio

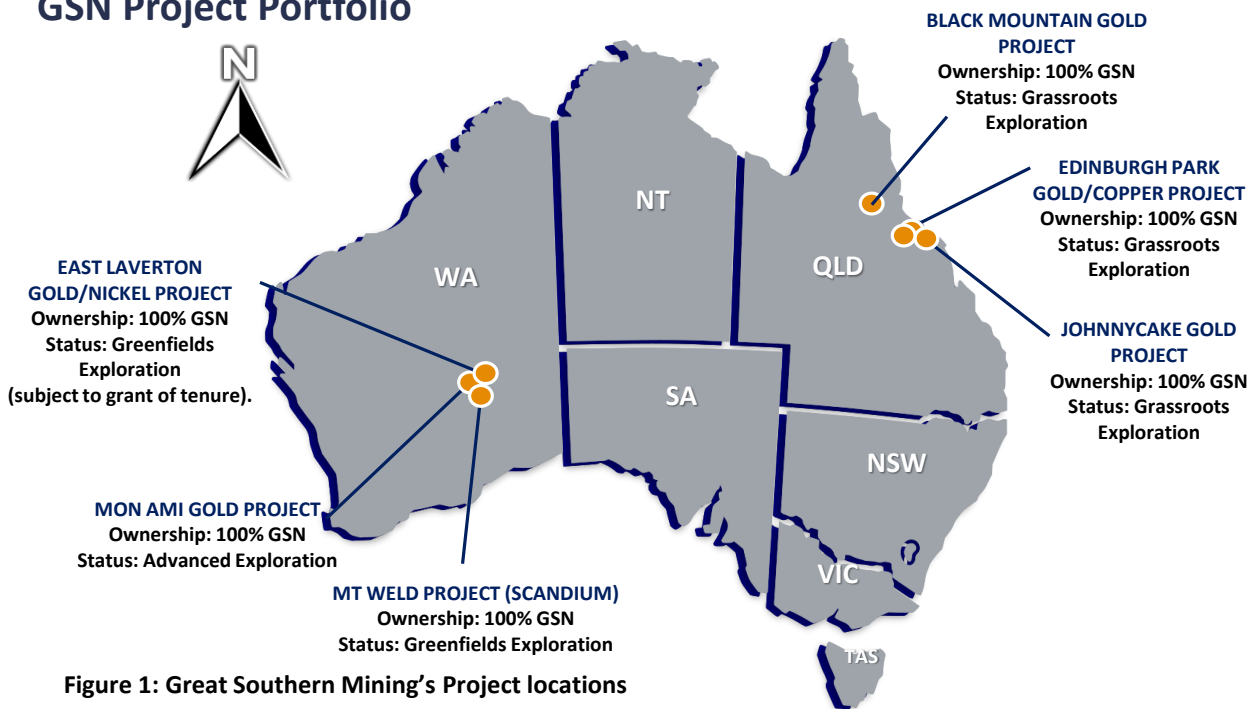


Figure 1: Great Southern Mining’s Project locations

| Project        | Tenement    | Holder  | Interest Held | Tenement Area km <sup>2</sup> | Lease Status |
|----------------|-------------|---------|---------------|-------------------------------|--------------|
| Mon Ami        | M38/1256    | GSN Ltd | 100%          | 2                             | Granted      |
|                | E38/2829    | GSN Ltd | 100%          |                               | Granted      |
| Mt Weld        | E38/2442    | GSN Ltd | 100%          | 51                            | Granted      |
|                | E38/2856    | GSN Ltd | 100%          |                               | Granted      |
|                | E38/2857    | GSN Ltd | 100%          |                               | Granted      |
| East Laverton* | E38/3362    | GSN Ltd | 100%          | 405                           | Application  |
|                | E38/3363    | GSN Ltd | 100%          |                               | Application  |
|                | E38/3364    | GSN Ltd | 100%          |                               | Application  |
| Edinburgh Park | EPM 26527   | GSN Ltd | 100%          | 777                           | Granted      |
|                | EPM 26810   | GSN Ltd | 100%          |                               | Granted      |
|                | EPM 25196   | GSN Ltd | 100%          |                               | Granted      |
|                | EPM 27130** | GSN Ltd | 100%          |                               | Application  |
|                | EPM 27131** | GSN Ltd | 100%          |                               | Application  |
| Johnnycake     | EPM 18986   | GSN Ltd | 100%          | 150                           | Granted      |
| Black Mountain | EPM 25755   | GSN Ltd | 100%          | 120                           | Granted      |
| <b>Total</b>   |             |         |               | <b>1,505km<sup>2</sup></b>    |              |

Table 1: Great Southern Mining’s Project Summary

\* During the quarter the Company lodged applications to acquire 3 additional tenements in Laverton. E38/3362, E38/3363 and E38/3364. The Directors are not aware of any reason that would result in the tenements not being granted to the Company.

\*\* During the quarter the Company lodged applications to acquire 2 additional tenements in North Queensland. EPM 27130 and EPM 27131. The Directors are not aware of any reason that would result in the tenements not being granted to the Company.

## Western Australia

### Mon Ami Gold Project

Great Southern Mining (100%)

#### Background

In March 2018 GSN acquired the gold rights for the Mon Ami Project which comprises a small Mining Lease M38/1256 granted in 2012 for a term of 21 years. The tenement lies within the Mt Margaret Mineral Field of the north-eastern Goldfields of Western Australia (Laverton Greenstone Belt), approximately 13 km east of the Granny Smith Mill and 18 km southeast of Laverton (Figure 2).

Gold mineralisation at Mon Ami is hosted by quartz – sulphide veining within a sheared metasediment / carbonaceous contact zone within a regional north-south trending shear zone. The contact is marked by a 40-50 m wide deformation zone with intense shearing and alteration with a number of steeply west dipping lodes.

Encouraging gold mineralisation was identified at Mon Ami in reverse circulation drilling undertaken by Valleybrook Investments in late 2017. In June-July 2018, GSN completed a maiden drilling program at Mon Ami comprising 5,821 drill meters from 40 RC drill holes (MLRC011 to 050) designed to test the continuity of that gold mineralisation. Significant intercepts from the drilling were reported in an ASX release dated 16 July 2018.

#### Maiden Mineral Resource Estimate

On 7<sup>th</sup> November 2018, the Company released the Maiden Mineral Resource Estimate using a cut-off grade of 1.0 g/t gold as follows:

| Classification | Tonnes ('000) | Grade (g/t Au) | Ounces ('000) |
|----------------|---------------|----------------|---------------|
| Inferred       | 1,100         | 1.7            | 59            |

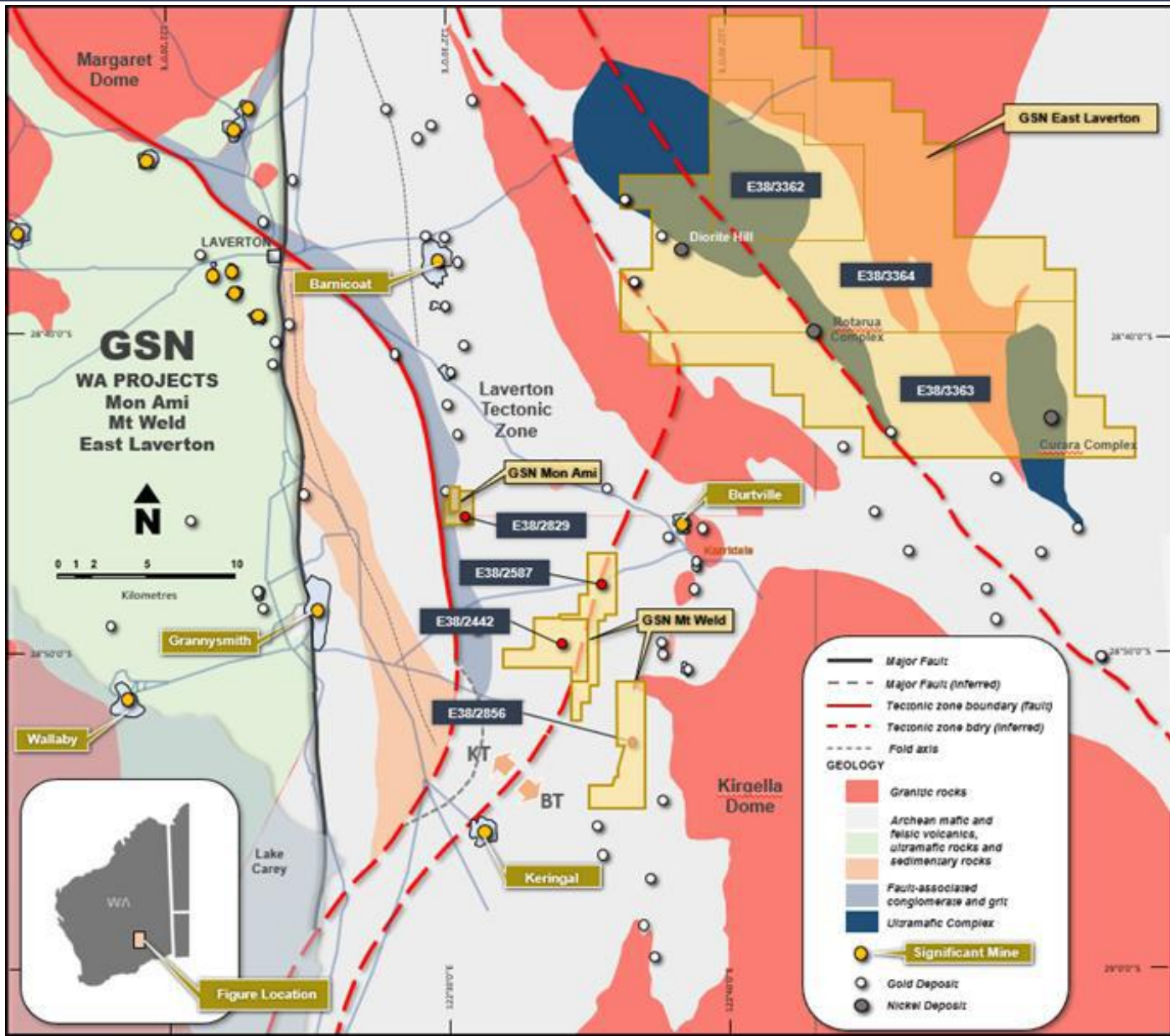
The maiden JORC 2012 Mineral Resource of 1.1 Mt @ 1.7 g/t for 59,000 oz is limited by the early stage nature of the resource drilling which has only been in progress this year since GSN acquired the Tenements in March, 2018. The results to date highlight the potential of the deposit to grow as further drilling is undertaken. Refer to the announcement of 7 November 2018 for JORC Code, 2012 - Table 1 reporting.

As the Mineral Resource is open at depth and along strike, infill and extensional drilling is expected to increase the quantum and progressively upgrade a significant component of the Mineral Resource to Indicated category.

The structural and geological understanding of the deposit has been significantly improved by the latest drilling results as geological assessment and modelling continue. The new drilling results have extended the known mineralised envelope along strike to the north and also at depth. The mineralisation now extends over a strike length of 400 meters to a depth of approximately 150 meters below surface.

The proposed Phase 2 drilling programme was announced to the ASX on 21 February 2019 with an estimated exploration target. Refer to the announcement for relevant disclosure surrounding the target and JORC Code, 2012 - Table 1 reporting.





**Figure 2: Location of GSN’s Mon Ami, Mt Weld and East Laverton Projects (Western Australia) with respect to existing infrastructure and regional geology**

**Note:** E38/3362, E38/3364 and E38/3363 are still in application and subject to grant by the Department of Mines, Industry Regulation and Safety. The Directors are not aware of any reason as to why these applications will not be granted.

## Mon Ami Gold Project cont.

### Metallurgical Testwork

To support the resource studies, GSN commenced metallurgical testwork on the Mon Ami deposit in October 2018 utilising Reverse Circulation (RC) chips sourced from the Company's maiden drilling campaign on the project executed in the previous quarter. Metallurgical test samples were selected from the mineralised intervals of the drilling campaign representing typical fresh, transitional and oxidized domains drilled within the project area.

The preliminary metallurgical test programme was designed to de-risk the exploration program by providing early sighter indicators of key parameters around conventional processes regarding gold recovery, grind size and reagent consumptions and establishing credential as a gold development opportunity and for inclusion in future mining studies.

The strong results returned for the Mon Ami mineralisation provide the Company with confidence that these ore types will be able to be predominantly free milling, with high gold recoveries using a conventional gold processing flowsheet and under standard processing conditions. These ores would be suited to treatment through a standalone CIL/CIP gold operation or toll treated through one of the existing regional mills.

Further testwork is required to develop the understanding of the metallurgical behaviours of these ores and to optimise the recoveries of the small semi-refractory component of the fresh ores. As part of this, the programme would be extended to include tests such as material handling, carbon activity, oxygen uptake, rheology and other such tests as considered appropriate for the Project's development path.

Refer Announcement of 25<sup>th</sup> January 2019 for JORC Code, 2012 - Table 1 reporting.

## Mt Weld Gold Project - WA

### Great Southern Mining (100%)

The Mount Weld project covers an area of some 51 km<sup>2</sup> and is centred approximately 28 km southeast of Laverton in Western Australia (Figure 2-1). The tenements are adjacent to the world-class Mt Weld Rare Earth Elements (REE) Mine operated by Lynas Corporation and approximately 15 kilometres east of the Granny Smith Mill (Figure 1).

As announced on 13 March 2019, GSN undertook analysis of reconnaissance aircore drilling undertaken by the previous tenement holders and identified thick mineralised horizons of scandium (Sc) and cobalt (Co) over extensive areas within a well-developed laterite.

Samples from drilling have returned up to **252 g/t Sc** and **0.35% Co**.

Further drilling programs are planned once additional drill targets have been delineated through continued analysis. Refer announcement of 13 March 2019 for JORC Code, 2012 - Table 1 reporting.

## East Laverton Gold/Nickel Project

### Tenement Package Application

In early December the Company acquired a large landholding east of Laverton to supplement the current tenement holding. Three exploration tenements (E38/3362, E38/3363 and E38/3364) were applied for covering 135 graticular blocks equivalent to 405km<sup>2</sup>. (Figure 2)

The area covered by the applications is prospective for orogenic gold and nickel associated with mafic/ultramafic intrusions (approximately 60km<sup>2</sup> of the tenure covers half of the Diorite hill mafic-ultramafic complex highly prospective for cobalt-nickel-copper sulfide mineralisation similar to Panoramic Resources Savannah Operations).

There is only minimal historical exploration, which predominately has focused on nickel or platinum group mineralisation.

The Company has lodged applications with the Department of Mines, Industry Regulation and Safety to acquire the exploration licences. At the date of this report the applications are still subject to grant and the Directors are not aware of any reason as to why the tenements would not be granted to the Company.

Desktop reviews have commenced over the tenure area, pending grant of the tenements.

## Northern Queensland

### Edinburgh Park Gold/Silver/Copper Project

Great Southern Mining (100%)

#### Background

The 'Edinburgh Park' project (the Project) is a new acquisition for the Company in FY2018 and comprises two contiguous EPM's (26527 & 26810) located at the northern margin of the Bowen Basin. EPM 26527 was granted in September 2017 for a period of five (5) years. EPM 26810 was granted in July 2018 for a period of five (5) years (Figure 5).

The Project is a "grass roots stage" exploration project located in a region interpreted to represent a magmatic arc setting which is regarded as being prospective for porphyry copper-molybdenum deposits and epithermal gold-silver deposits. Desktop studies highlight strong similarities with the Mt Carlton district only 30 kilometres to the south.

A program of detailed geological mapping and geochemical sampling within granted EPM 25196 commenced during the last quarter and extended into EPM 26810 into early 2019.

The Company announced on 6<sup>th</sup> February 2019 the identification of a large porphyry system hosting Au-Ag-Cu-Zn-Pb mineralization. The system, based on current mapping, extends over at least 6km<sup>2</sup>.

On 11<sup>th</sup> February 2019 the Company announced the discovery of the Rocky Ponds Breccia Pipe. The Breccia pipe was notable given it was a breccia hosted intrusive related gold system (IRGS) which is the type consistent with a number of other large gold deposits including Mt Wright (1.0Moz gold) and the Welcome Breccia (0.21Moz gold). Rock chip samples returned **0.38g/t gold and 6.9g/t silver**.

A RC program is currently planned for April to early May 2019 to examine the extent of mineralization of the breccia pipes.

Additional rock chip results were received and interpreted with the SW-1 prospect announced on 14 February 2019. Samples included significant gold anomalism of up to **10.6g/t gold and 315g/t silver**. Significant copper grades were also noted up to **1.95% copper**.

The results to date have provided the Company with significant impetus to return to the field immediately following the delay given weather conditions in North Queensland. Along with the RC program noted above, systematic mapping and geochemical programs are planned to delineate additional targets for follow up drill programs in Q3 2019.

For JORC Code, 2012 - Table 1 reporting please refer to the following announcements:

- 6 February 2019 – Porphyry system identified at Edinburgh Park Project
- 11 February 2019 – Edinburgh Park Project – Rocky Ponds Breccia
- 14 February 2019 – High grade rock chips returned at Edinburgh Park Project



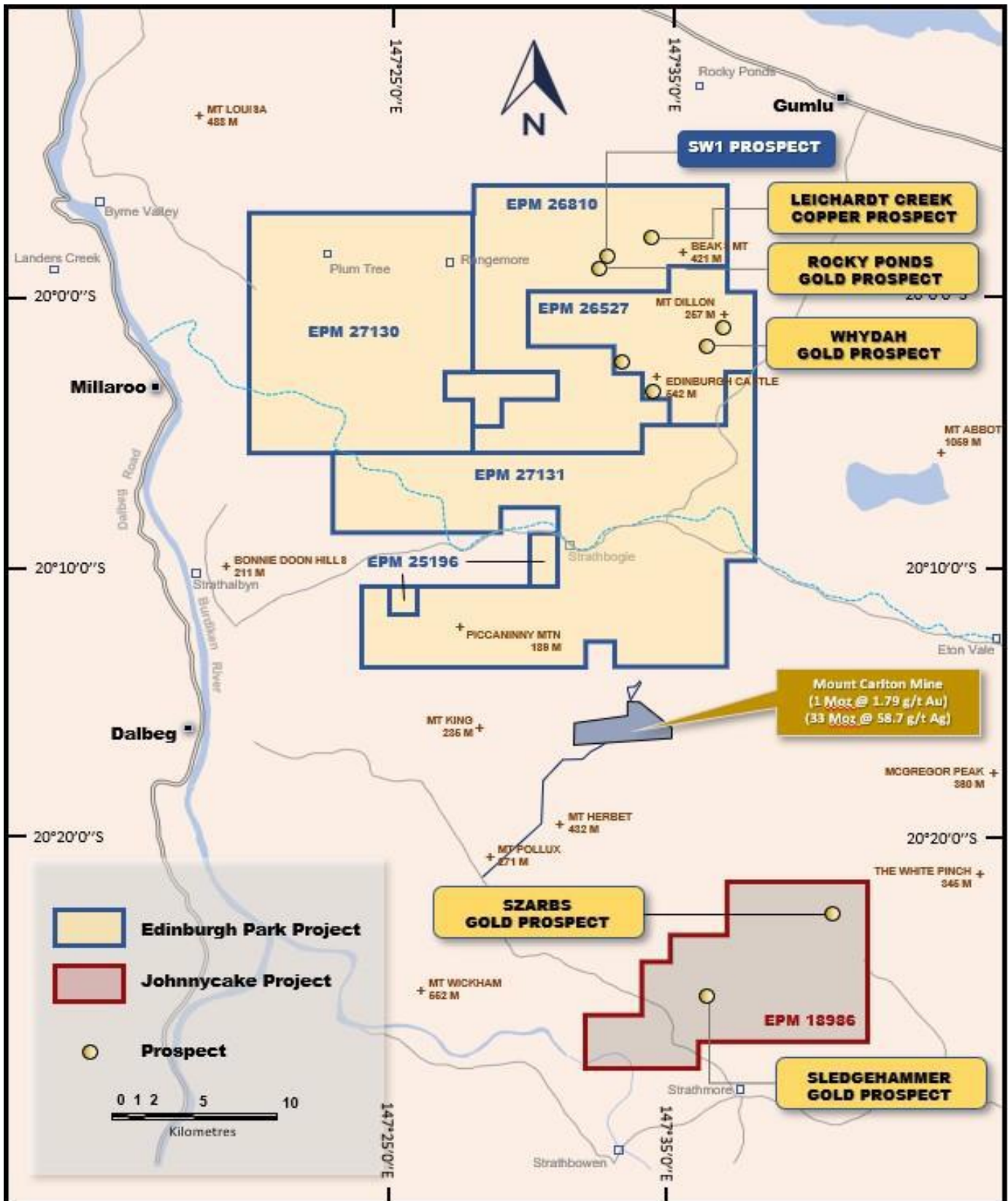


Figure 3: Location of Edinborough Park and Johnnycake Projects, north Queensland.

Note: EPM 2130 and 27131 are still in application and subject to grant. The Directors are not aware of any reason as to why these applications will not be granted.

## Black Mountain Gold/Silver Project

### Great Southern Mining (100%)

EPM 25755 is known as 'Black Mountain' was granted to GSN on the 8 April 2015 for a period of five year. The permit is located in north Queensland, approximately 100 kilometres northwest of Townsville, and some 50 km west of the city of Ingham. EPM 25755 is situated within the Camel Creek Sub-province which is composed of Ordovician to Early Devonian sedimentary rocks which have been deformed and have been intruded by granitoids of mid-Carboniferous to mid-Permian age.

The primary exploration target is intrusion related porphyry and mesothermal gold ( $\pm$  Cu) systems associated with the intrusive phases and/or older slate-belt-style lode gold mineralisation within the metasedimentary host rock.

No significant activity during the reporting period.

### Additional disclosures:

**Mining tenements acquired/disposed of during the quarter:** *Acquired a number of tenements subject to grant –refer to Table 1. Nil disposed during the quarter.*

**Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter:** *Nil*

**Beneficial percentage interests held in farm-in or farm-out agreements acquired or disposed during the quarter:** *Nil*

### About Great Southern Mining Limited

Great Southern Mining Limited is a gold explorer with exploration projects in the Laverton region of Western Australia and the Mt Carlton region of northern Queensland.

For further information please contact:

**John Terpu**

Executive Chairman

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**Competent Persons Statement**

The information in this report that relates to exploration targets and exploration results on ML38/1256, E38/2829, E38/2442, E38/2856, E38/2857, EPM26810 and EPM26527 is based on, and fairly represents, information and supporting documentation compiled by Dr Bryce Healy. Dr Healy is an employee of Noventum Group Pty Ltd (ACN 624 875 323) and has been engaged by Great Southern Mining Limited as Head of Exploration. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. Dr Healy is a Member of the Australian Institute of Geoscientists and as such, is a Competent Person for the Reporting of Exploration Results, Mineral Resources and Ore Reserves under the JORC Code (2012). Dr Healy consents to the inclusion in the report of the matters based on his information in the form and context in which they occur.

The information in this report that relates to the Mineral Resources estimation approach at the Project is based on information compiled by Dr Michael Cunningham, GradDip, (Geostatistics) BSc honours (Geoscience), PhD, MAusIMM, MAIG. Dr Cunningham is a Principal Consultant, full-time, of SRK Consulting (Australasia) Pty Ltd. He has sufficient experience relevant to the assessment and of this style of mineralisation to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2012)". Dr Cunningham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Dr Healy. Statements regarding the Company's plans with respect to Mineral Resources, exploration programs and future developments are forward-looking statements. There can be no assurance that the Company's plans will proceed at stated times in the future. Additionally, future drilling programs and outcomes presented are based on current estimates using information available at the time of the documents preparation. There is no guarantee that the programs will confirm the presence of additional mineral resources.

The Company has released all material information that relates to exploration results and Mineral Resources estimates on a continuous basis to the ASX and in compliance with JORC 2012. The Company confirms that it is not aware of any new information that materially affects the content of the announcements. Refer to each relevant announcement in the table below for JORC 2012 compliant Table 1 disclosure.

| Date     | Announcement  |
|----------|---|
| 18-03-19 | Cobalt - Scandium Targets confirmed at the Mt Weld Project  |
| 21-02-19 | Acceleration of drilling activities - Mon Ami Gold Project  |
| 14-02-19 | High grade rock chips returned at Edinburgh Park Project    |
| 11-02-19 | Edinburgh Park Project - Rocky Ponds Breccia                |
| 06-02-19 | Porphyry system identified at Edinburgh Park Project        |
| 31-01-19 | Quarterly Cashflow Report                                   |
| 31-01-19 | Quarterly Activities Report                                 |
| 25-01-19 | Mon Ami Gold Project - Metallurgical announcement – updated |
| 07-11-18 | Mon Ami Gold Project - Maiden Mineral Resource Estimate     |
| 03-09-18 | Acquisition of tenement package                             |

**Forward Looking Statements**

Forward- looking statements are only predictions and are not guaranteed. They are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of the Company. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward- looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, the Company, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will occur as contemplate.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

|                               |  |
|-------------------------------|--|
| GREAT SOUTHERN MINING LIMITED |  |
| <b>ABN</b>                    | <b>Quarter ended ("current quarter")</b> |
| 37 148 168 825                | 31 MARCH 2019                            |

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|------------------------------------|--|
| <b>1. Cash flows from operating activities</b>            |                                    |  |
| 1.1 Receipts from customers                               |                                    |  |
| 1.2 Payments for  |                                    |  |
| (a) exploration & evaluation                              | (371)                              | (1,106)  |
| (b) development   |                                    |  |
| (c) production  |                                    |  |
| (d) staff costs   | (42)                               | (130)  |
| (e) administration and corporate costs                    | (269)                              | (724)  |
| 1.3 Dividends received (see note 3)                       |                                    |  |
| 1.4 Interest received                                     | 1                                  | 3  |
| 1.5 Interest and other costs of finance paid              |                                    |  |
| 1.6 Income taxes paid                                     |                                    |  |
| 1.7 Research and development refunds                      |                                    |  |
| 1.8 Other (provide details if material)                   |                                    |  |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(681)</b>                       | <b>(1,957)</b>                                 |

|  |   |       |
|--|---|-------|
| <b>2. Cash flows from investing activities</b> |   |       |
| 2.1 Payments to acquire:                       |   |       |
| (a) property, plant and equipment              |   |       |
| (b) tenements (see item 10.a and 10.b)         | - | (199) |
| (c) investments                                |   |       |
| (d) other non-current assets                   |   |       |

| <b>Consolidated statement of cash flows</b> |   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---|---|------------------------------------|--|
| 2.2   | Proceeds from the disposal of:                        |                                    |  |
|   | (a) property, plant and equipment                     |                                    |  |
|   | (b) tenements (see item 10)                           |                                    |  |
|   | (c) investments                                       | -                                  | 154  |
|   | (d) other non-current assets                          |                                    |  |
| 2.3   | Cash flows from loans to other entities               |                                    |  |
| 2.4   | Dividends received (see note 3)                       |                                    |  |
| 2.5   | Other (provide details if material)                   |                                    |  |
| <b>2.6</b>                                  | <b>Net cash from / (used in) investing activities</b> | <b>-</b>                           | <b>(45)</b>                                    |

|             |   |            |              |
|-------------|---|------------|--------------|
| <b>3.</b>   | <b>Cash flows from financing activities</b>                                 |            |              |
| 3.1         | Proceeds from issues of shares  | 250        | 1,444        |
| 3.2         | Proceeds from issue of convertible notes                                    |            |              |
| 3.3         | Proceeds from exercise of share options                                     | 30         | 60           |
| 3.4         | Transaction costs related to issues of shares, convertible notes or options | -          | (79)         |
| 3.5         | Proceeds from borrowings (see item 8)                                       | -          | 300          |
| 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)   |            |              |
| <b>3.10</b> | <b>Net cash from / (used in) financing activities</b>                       | <b>280</b> | <b>1,725</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                             | 872        | 748        |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (681)      | (1,957)    |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | -          | (45)       |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 280        | 1,725      |
| 4.5        | Effect of movement in exchange rates on cash held                            |            |            |
| <b>4.6</b> | <b>Cash and cash equivalents at end of period</b>                            | <b>471</b> | <b>471</b> |



| <b>5. Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|--|------------------------------------|-------------------------------------|
| 5.1 Bank balances  | 471                                | 872                                 |
| 5.2 Call deposits  | -                                  | -                                   |
| 5.3 Bank overdrafts  | -                                  | -                                   |
| 5.4 Other (provide details)  | -                                  | -                                   |
| <b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>   | <b>471</b>                         | <b>872</b>                          |

| <b>6. Payments to directors of the entity and their associates</b>                                       | <b>Current quarter<br/>\$A'000</b> |
|--|------------------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2                                   | 41                                 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3                       | Nil                                |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 |                                    |

The amount included in 6.1 includes payments of directors' fees paid to directors' and associated companies.

| <b>7. Payments to related entities of the entity and their associates</b>                                | <b>Current quarter<br/>\$A'000</b> |
|--|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2                                   | 23                                 |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3                       | Nil                                |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 |                                    |

Fees paid to related party for the lease of premises.

## Mining exploration entity and oil and gas exploration entity quarterly report

| <b>8. Financing facilities available</b><br><i>Add notes as necessary for an understanding of the position</i>   | <b>Total facility amount<br/>at quarter end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|--|---|--|
| 8.1 Loan facilities  | Nil   | Nil  |
| 8.2 Credit standby arrangements  | Nil   | Nil  |
| 8.3 Other (please specify)   | Nil   | 300  |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. |   |  |

**Director Loan:** On 31 December 2018 the Company announced it had entered an agreement with the Company's Executive Chairman to receive an unsecured, interest free loan of \$300,000. Settlement occurred during the quarter to 31 March 2019 by way of issue of 10,000,000 shares in the Company approved by Shareholders at the General Meeting held 7 March 2019.

| <b>9. Estimated cash outflows for next quarter</b> | <b>\$A'000</b> |
|--|----------------|
| 9.1 Exploration and evaluation                     | 185            |
| 9.2 Development                                    | -              |
| 9.3 Production                                     | -              |
| 9.4 Staff costs                                    | 45             |
| 9.5 Administration and corporate costs             | 143            |
| 9.6 Other (provide details if material)            | -              |
| <b>9.7 Total estimated cash outflows</b>           | <b>373</b>     |

The Company is considering its capital raising options in the coming quarter and has the ability to issue shares in excess of its placement capacities under LR7.1 and LR7.1 as approved by Shareholders at the EGM held 7 March 2019.

Future exploration expenditure is generally discretionary in nature. Subject to the success of any future capital raisings, such expenditure can be slowed or suspended as part of the Company's cash management strategy.

## Mining exploration entity and oil and gas exploration entity quarterly report

| 10.  | Changes in tenements (items 2.1(b) and 2.2(b) above)                                  | Tenement reference and location                              | Nature of interest   | Interest at beginning of quarter | Interest at end of quarter |
|------|---|--|--|----------------------------------|----------------------------|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | Nil  | n/a  | n/a                              | n/a                        |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased           | <b>WA</b><br>E38/2829,<br>E38/2857,<br>E38/2442,<br>E38/2856 | Tenement package acquired as part of acquisition announced to ASX on 3 September 2018. | 0%                               | 100% <sup>(a)</sup>        |
|      |   | E38/3362,<br>E38/3363<br>E38/3364                            | Tenements in application. (Refer 10.c)   | N/A                              | N/A                        |
|      |   | <b>QLD</b><br>EPM 27130<br>EPM 27131                         | Tenements in application. (Refer 10.d)   | N/A                              | N/A                        |

- a) As per ASX announcement 1 November 2018 the transaction to acquire the tenements concluded with the issue of 1,000,000 fully paid ordinary shares to the vendor. The tenements are in the process of being transferred to Great Southern Mining Limited with the titles currently with the Department for processing. During the quarter, a cash payment of \$49,240 and the 1,000,000 fully paid ordinary shares were issued to the vendors to finalise the transaction.
- b) In November 2018 the Company made a cash payment of \$100,000 to Valleybrook Investments Pty Ltd, a company related to Mr John Terpu (Executive Chairman), as part payment owing on the acquisition of the Mon Ami Project approved by shareholders in March 2018. Refer to the ASX announcement of 31 December 2018 for further details of the balance outstanding.
- c) During the previous quarter the Company lodged applications to acquire 3 additional tenements in Laverton. E38/3362, E38/3363 and E38/3364. The Directors are not aware of any reason that would result in the tenements not being granted to the Company.
- d) During the previous quarter the Company lodged applications to acquire 2 additional tenements in North Queensland. EPM 27130 and EPM 27131. The Directors are not aware of any reason that would result in the tenements not being granted to the Company.

### **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.



Sign here:  
(Director/Company secretary)

Date: 12 April 2019

Print name: Mark Petricevic

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.