

DECEMBER 2018 QUARTERLY ACTIVITIES REPORT

Drilling and geophysics continues to grow the exciting EM1 base metal discovery at the Mount Hardy Copper-Zinc Project in the Northern Territory

HIGHLIGHTS

EXPLORATION

- Ongoing drilling during the quarter identified additional massive sulphide at Mt Hardy. Significant drill intersections from the EM1 Prospect include:
 - MHDD0043 - 35.54m @ 14.7% Zn, 0.91% Cu, 2.92% Pb and 59g/t Ag from 432.54m, including:
 - 11.29m @ 22.9% Zn, 3.35% Pb, 1.00% Cu and 58g/t Ag from 443.61m
 - MHDD0042 - 24.54m @ 0.68% Cu, 0.29% Pb and 4.86% Zn from 619m (deepest hole drilled to date);
 - MHDD0045 - 4.41m @ 1.28% Cu, 6.14% Pb and 10.98% Zn from 388.07m.;
- Down-hole geophysics has identified numerous additional positions that are potentially mineralised including several adjacent to the current mineralisation.
- Moving Loop EM survey covering the EM1 prospect area and strike extensions to the north completed
- Large scale exploration program planned for Q1 2019

CORPORATE

- Cash balance at the end of the Quarter of \$4,689,000.
- The Company secured a cornerstone investment from S2 Resources resulting in S2 taking 19.99% of TRT which underpinned a \$4.9M Capital Raising to fund exploration during 2019
- Dr Mark Bennett and Mr Will Dix join the Board of Directors.

The December Quarter was an active and successful period for Todd River Resources Limited (ASX: TRT), with the culmination of its 2018 exploration field season at Mt Hardy in the Northern Territory (Figure 1) where the high grade base metal project continued to deliver outstanding results from EM1. In addition, downhole and surface geophysics identified new drill ready targets at depth and along strike.

Corporately the Company was able to secure a major investment from ASX listed S2 Resources as part of a broader A\$4.9M capital raising positioning the Company for an aggressive 2019 exploration campaign.



Figure 1. Todd River Resources project portfolio in the Northern Territory.

EXPLORATION

Mount Hardy Copper-Zinc Project (100% TRT) – Figure 2

Drilling

A total of 12 holes have been completed at EM1 during the quarter, using a drill rig capable of both RC (Reverse Circulation) and diamond drilling techniques (Table 1). Shallower holes were RC drilled, while deeper (>250m) holes had RC pre-collars drilled and diamond tails completed.

In total 4,256m were drilled with 1,829m of RC chips and 2,427m of core.

All holes intersected mineralisation, with hole MHDD0043 recording the best intersection (**35.54m @ 14.7% Zn, 2.92% Pb and 0.91% Cu**, see ASX Announcement – 7 November 2018).

The deepest hole drilled (MHDD0042) intersected a thick zone of sulphides at 600m below surface, extending the EM1 mineralisation to over 600m down-dip.

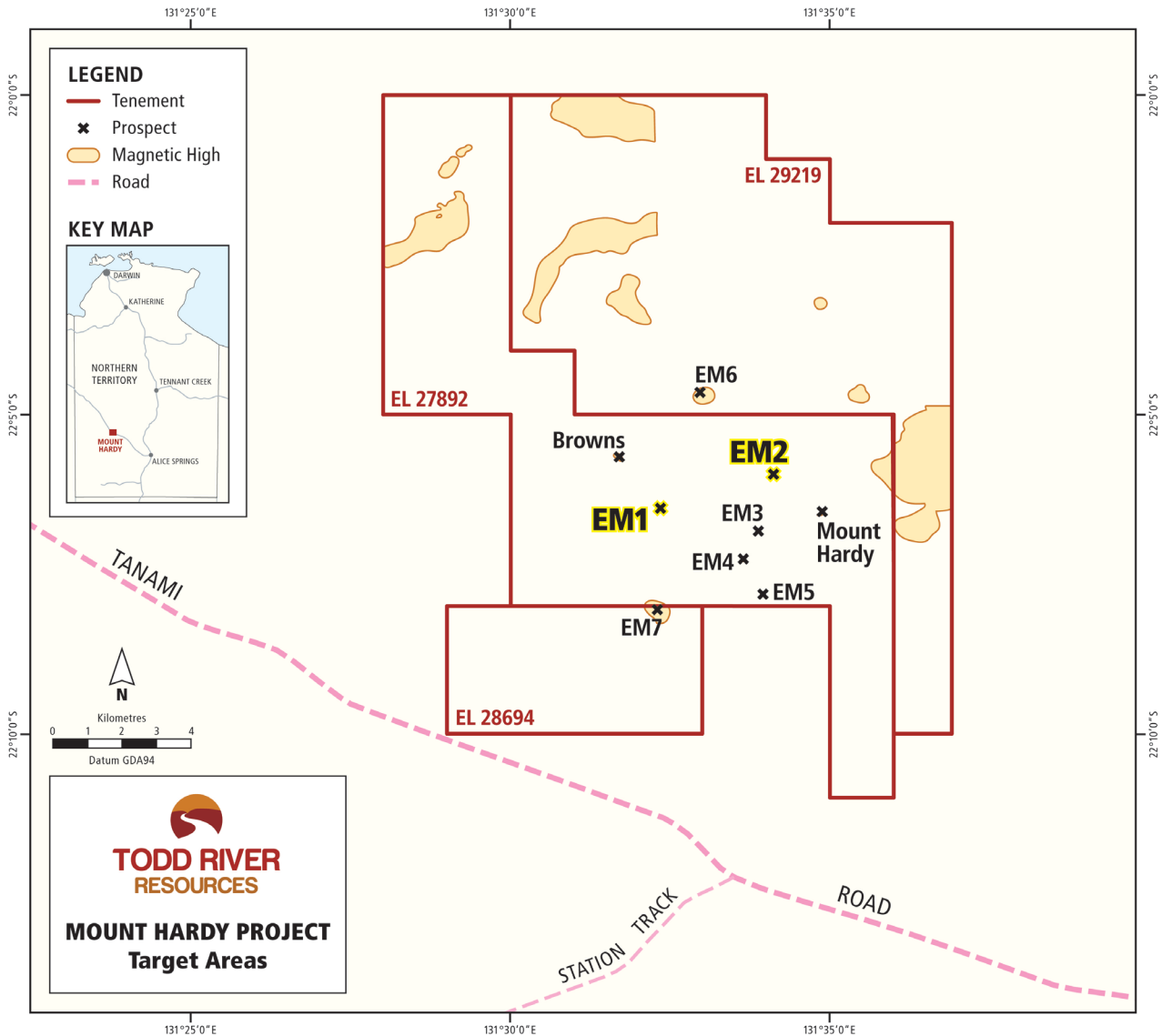


Figure 2. Location plan for the Mt Hardy Project showing EM1 target areas.

Table 1. Holes drilled since early October at Mount Hardy.

HOLE_ID	TYPE	DEPTH	EASTING	NORTHING	COMMENCED
MHDD0041	RCDDH	398.25	761892	7553038	02-Oct-18
MHDD0042	RCDDH	679.00	761888	7553041	04-Oct-18
MHDD0043	RCDDH	519.51	761919	7553066	05-Oct-18
MHDD0044	RCDDH	361.01	761901	7552988	06-Oct-18
MHDD0045W1	DDH	448.84	761896	7552992	21-Nov-18
MHDD0046	DDH	314.50	761906	7552944	28-Nov-18
MHDD0047	RCDDH	350.00	761897	7552986	30-Nov-18
MHRC0048	RC	188.00	762071	7553092	02-Dec-18
MHRC0049	RC	138.00	762079	7552982	03-Dec-18
MHRC0050	RC	92.00	762088	7552934	04-Dec-18
MHRC0051	RC	136.00	762067	7552946	05-Dec-18
MHDD0052	RCDDH	454.76	761922	7553061	07-Dec-18

Note: The original hole MHDD0045 was abandoned due to ground conditions and then wedged to achieve target.



Analytical results from all drill-holes have now been received and are summarised in Table 2, with all significant results listed in Table 3. Figure 3 shows the distribution of mineralisation in oblique long projection. Holes with noteworthy results are discussed below.

Hole **MHDD0042** is the deepest hole to date at EM1, intersecting mineralisation at over 600m below surface, and 180m below/down-dip of the nearest hole (MHDD0043). It returned a significant width of brecciated mineralisation with a length weighted average of **24.54m @ 0.68% Cu, 0.29% Pb and 4.86% Zn** from 619m down-hole. This intersection is **open in all directions**, but geophysical modelling suggests better grades could be mainly to the north. Within this interval is a high grade portion, using a 5% cut-off, of **12.68m @ 1.19% Cu, 0.47% Pb and 8.21% Zn from 629.62m**.

Hole **MHDD0045** returned an interval of **4.41m @ 1.28% Cu, 6.14% Pb and 10.98% Zn from 388.07m**. This zone is to the south of hole MHDD0021A, extending the good thickness and high grade mineralisation at around 300m RL (350m depth below ground level). The sulphides observed in this hole are similar to those encountered elsewhere at EM1.

Hole **MHDD0044** returned **3.73m @ 2.68% Cu, 4.57% Pb and 12.04% Zn from 307.35m**. Hole **MHDD0041**, located some 40m to the north of MHDD0044, returned a similar thickness but lower grade zone of **3.11m @ 1.58% Cu, 0.88% Pb, and 2.06% Zn from 322.89m**.

Hole **MHDD0047** returned **9.42m @ 0.65% Cu, 1.95% Pb and 3.69% Zn from 268m**.

Shallow RC holes **MHDD0049, 0050, and 0051** were drilled just north of the outcropping gossan. None of these holes returned significant mineralisation. In February, further shallow RC holes will be drilled to the south of these.

Hole **MHDD0048** was drilled on a separate EM conductor target over 200m to the north of EM1 and returned no significant results.



**Table 2. Significant Laboratory Results from recent drilling at EM1
(>1% combined base metals – Cu+Pb+Zn%)**

HOLE_ID	FROM	TO	INTERVAL	Cu_%	Pb_%	Zn_%	Ag_g/t
MHDD0041	322.89	326.00	3.11	1.58	0.88	2.06	28
MHDD0042	557.60	558.40	0.80	0.82	1.30	1.25	18
MHDD0042	571.00	573.61	2.61	0.59	2.82	7.18	46
MHDD0042	578.00	579.00	1.00	0.04	0.37	0.69	5
MHDD0042	580.00	581.00	1.00	0.55	2.39	2.17	39
MHDD0042	587.20	588.30	1.10	0.26	0.83	1.25	21
MHDD0042	592.00	593.00	1.00	0.17	0.87	1.77	18
MHDD0042	599.79	601.00	1.21	0.11	0.26	1.00	13
MHDD0042	619.00	643.54	24.54	0.68	0.29	4.86	14
MHDD0043	204.55	206.60	2.05	0.62	1.27	1.26	13
MHDD0043	337.00	338.00	1.00	0.06	0.50	1.03	20
MHDD0043	357.70	358.70	1.00	1.46	0.87	2.42	23
MHDD0043	409.00	412.80	3.80	0.29	2.41	6.23	57
MHDD0043	420.00	421.00	1.00	0.02	0.13	0.92	3
MHDD0043	423.20	424.40	1.20	0.39	1.13	8.69	36
MHDD0043	428.50	429.60	1.10	0.15	1.04	2.08	26
MHDD0043	431.54	467.08	35.54	0.91	2.92	14.69	59
MHDD0043	468.62	470.00	1.38	0.25	1.30	1.03	30
MHDD0044	165.00	166.00	1.00	0.95	0.05	0.08	3
MHDD0044	269.34	270.09	0.75	1.32	1.78	4.26	34
MHDD0044	307.35	311.08	3.73	2.68	4.57	12.04	72
MHDD0045	215.40	217.65	2.25	0.53	0.16	0.62	4
MHDD0045	334.06	338.36	4.30	0.49	0.95	1.74	13
MHDD0045	340.25	344.54	4.29	0.33	1.00	3.86	18
MHDD0045	388.07	392.48	4.41	1.28	6.14	10.98	112
MHDD0045W1	388.70	394.93	6.23	0.78	1.78	5.44	37
MHDD0046	246.19	247.00	0.81	0.20	0.74	1.73	14
MHDD0046	252.50	262.00	9.50	0.38	0.88	3.39	15
MHDD0047	153.00	154.00	1.00	0.42	0.11	0.91	3
MHDD0047	158.61	161.40	2.79	0.28	0.22	0.53	2
MHDD0047	164.00	168.70	4.70	1.16	0.27	0.51	6
MHDD0047	234.00	235.00	1.00	1.53	1.99	3.01	40
MHDD0047	268.00	277.42	9.42	0.65	1.95	3.69	31
MHDD0048	NSA						
MHDD0049	NSA						
MHDD0050	NSA						
MHDD0051	NSA						
MHDD0052	144.00	145.00	1.00	0.16	0.24	1.21	12
MHDD0052	185.00	186.00	1.00	0.11	0.74	0.73	3
MHDD0052	395.00	396.00	1.00	0.06	1.09	1.41	5
MHDD0052	402.41	403.15	0.74	1.24	0.49	0.32	16
MHDD0052	416.77	418.00	1.23	0.11	0.44	0.47	3
MHDD0052	430.40	431.30	0.90	0.05	0.98	2.23	7

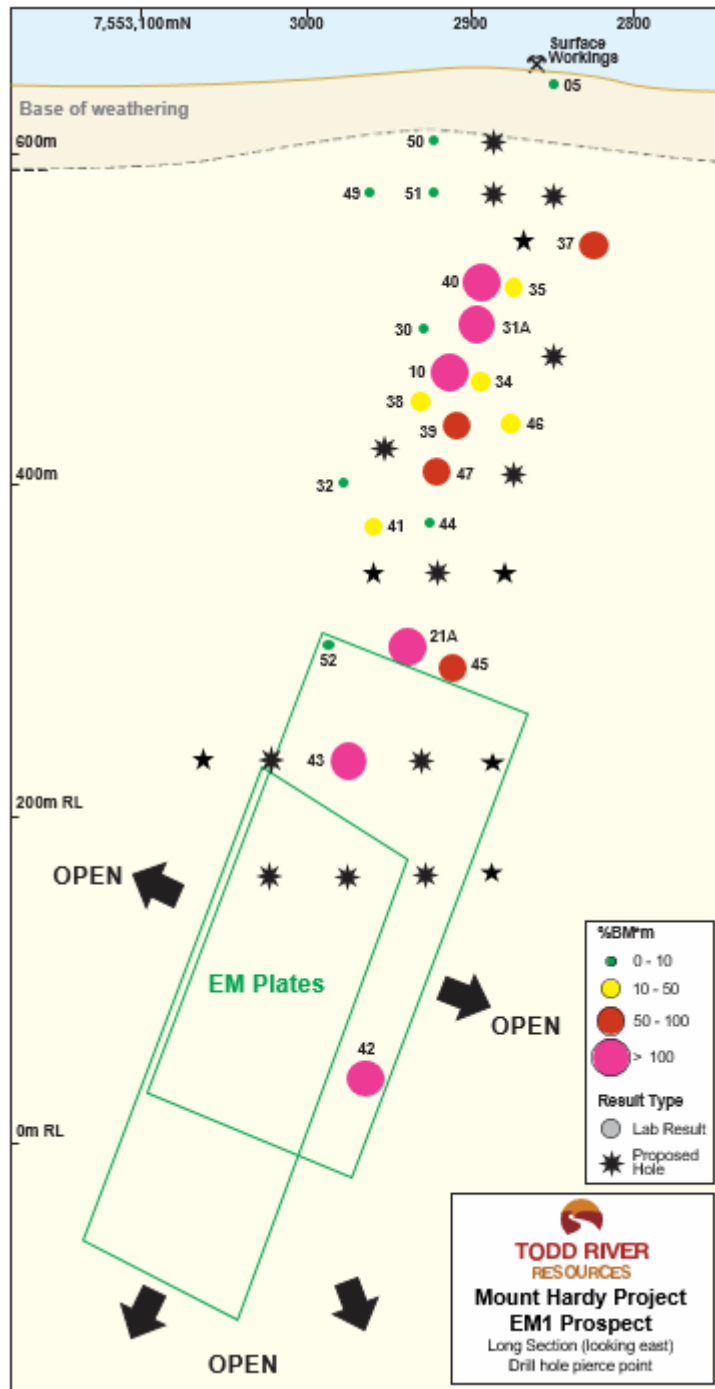


Figure 3 – Mt Hardy Project, EM1 Prospect area oblique long projection and planned holes for the initial campaign of 2019.

Down-hole Geophysical Surveying

Down-hole EM surveying of key holes including MHDD0042, MHDD0043 and MHDD0052 was completed during December. The data has been processed, modelled, and preliminary interpretation completed.

The geophysical modelling is incorporating the DHEM data acquired earlier in the year and also other datasets as set out in the Company's announcements of September 3rd and 29th November 2018.



There are now 29 plates modelled and further work is underway to build a 3D geological model to integrate with the interpreted EM plates to better define constraints on mineralisation and expose new targets.

Preliminary results of this work indicate that the deep mineralisation is not closed off in any direction. There are two significant deep plates (represented in Figure 3) modelled from the data that warrant further drilling, particularly above and to the north of MHDD0042.

Moving-Loop Geophysics Surveying

An initial MLEM survey was completed in mid-December focussing on a four square kilometre area centred on EM1 (Figure 4).

The data generated in this survey is currently being interpreted following the completion of work on the down-hole EM data. It is expected that modelling and drill target generation will be completed by the end of January with initial drill holes planned north and south of EM1 for late in the March Quarter.

The survey area will be expanded over the next few months (Figure 4), Initially covering the Browns prospect to allow better targeting for drill testing at Browns during the June Quarter.

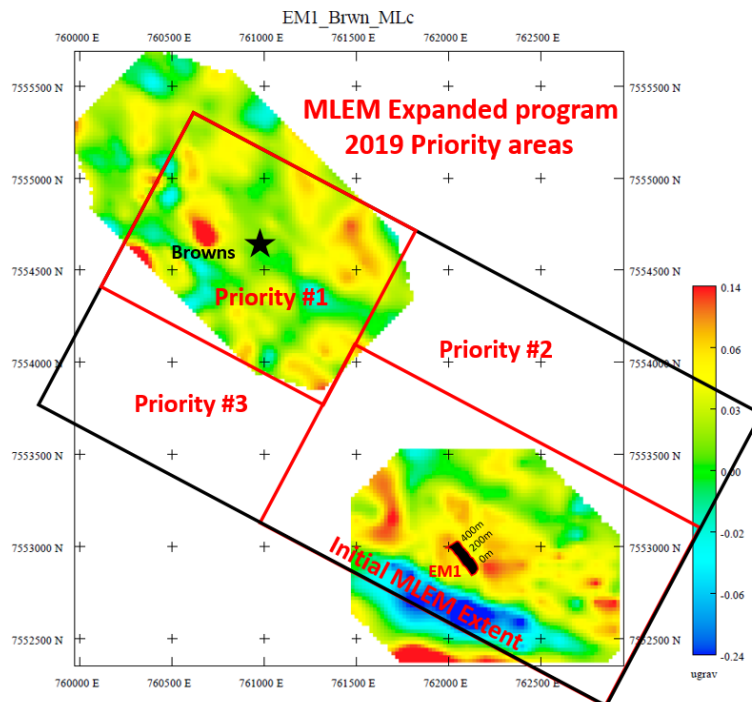


Figure 4 – Mt Hardy Moving Loop EM survey area. 2018 completed area – lower right. 2019 planned coverage (#1, 2, 3)

Table 1 – Mt Hardy 2018 June Quarter Drilling Collar Details

Hole_ID	Easting (GDA94Z52)	Northing (GDA94Z52)	AHD (m ASL)	Dip	Azimuth (True)	Depth Drilled (m)	Total Depth (m)
MHDD0039	761925	7552970	637	-60	107.9	289.52	289.52
MHDD0040	762064	7552875	648	-80	27.3	228	228
MHDD0021A	761923	7552974	636	-73	93.5	168.9	405.2



Other Projects

The Company continues to progress a number of its other projects including the McArthur River copper-zinc Project where a working group has been established with CSIRO to further investigate the SkyTEM data and associated additional geophysical datasets.

At Peterman Range the draft access agreement continues to be progressed with the aim of completion by the middle of the year.

Drilling at Rover that is part funded through the Northern Territory Government's Geophysics and Drilling Collaboration Program is expected to commence prior to end of the March 2019 Quarter.

CORPORATE

Cash Position

Todd River Resources had total cash reserves of \$4,689,000 at Quarter-end.

Cornerstone Investor and Capital Raise

During the quarter, the Company completed a capital raising through the combination of a placement of new fully-paid ordinary shares at an issue price of A\$0.08 per share, representing the shortfall from the October 2018 non-renounceable entitlement issue (**Shortfall Placement**), and a Placement of 21.3 million fully-paid ordinary shares at an issue price of A\$0.094 per share to ASX-listed S2 Resources (ASX: S2R) (**Strategic Placement**), together the **Capital Raising**.

S2R also participated in the Shortfall Placement and, as a result, secured a 19.99% cornerstone shareholding in Todd River Resources.

Under the terms of the Capital Raising arrangements, S2R has the right to appoint a nominee to the TRT Board and following the completion of the capital raising, S2R's Managing Director, respected geologist and mining executive Dr Mark Bennett, joined the Todd River board as a non-executive Director. The Company's Chief Executive Officer Will Dix also joined the Board as Managing Director.

S2R also has the option to participate in future share issues in TRT so as to be able to maintain its percentage shareholding in the Company. These rights will continue to apply for so long as S2R's shareholding in Todd River is at least 7.5%.

The Company's Corporate Advisor, Hartleys Limited, acted as Lead Manager to the Capital Raising.

The funds raised will be used to continue drilling at the Mt Hardy Copper-Zinc Project and general working capital.

Subsequent to the end of the Quarter, Mr Paul Burton resigned from the Board of Directors. The Board acknowledges Mr Burton's contribution to building the asset portfolio and the spin out into the Company from TNG Limited in 2017.



Will Dix
Managing Director

30 January 2019

Competent Person Statements

The information in this announcement that relates to exploration results is extracted from ASX announcements titled:

- “Deepest Hole at EM1 Returns Spectacular Grades”, lodged on 7 November 2018;
- “Todd River Gears Up For Major Exploration Push at Mt Hardy”, lodged on 21 January 2018;
- “Todd River secures Cornerstone Investor as Part of \$4.9M Capital Raise”, lodged on 21 November 2018.

which are available to view at www.trrltd.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

About Todd River Resources

Todd River Resources (ASX: TRT) is an Australian-based resources company that has recently announced a zinc-copper discovery, EM1, at its 100% owned Mt Hardy Project, located 300km north west of Alice Springs.

With a strong management team, tight capital structure and fully funded for exploration in 2019, Todd River is well placed to pursue additional base metal mineralisation at Mt Hardy and progress exploration activities across its exploration portfolio.

While Todd River’s main focus is at Mt Hardy, the Company holds an extensive precious and base metal project portfolio which includes the Rover gold project, the McArthur Copper-Zinc project and the large Manbarrum Zinc resource.



Tenement Schedule

The Group holds an interest in the following tenements or tenement applications at 31 December 2017:

Project	Tenements	Equity
McArthur River	EL27711, ELA28509, EL30085, ELA31703, ELA31704	100%
Croker Island	ELA29164	100%
Mount Hardy	EL27892, EL29219, EL28694	100%
Manbarrum JV	MA24518, MA26581, EL24395, EL25646, MLA27357	100%
Sandover	ELA29252, ELA29253	100%
Tomkinson	EL30348, EL30359, EL31265	100%
Soldiers Creek	EL31209	100%
Stokes Yard	EL30131	100%
Walabanba Hills	EL26848,	100%
Warramunga/Rover JV	EL25581, ELA25582, ELA25587, MLC647	100%
Peterman Ranges	ELA26383, ELA25564, ELA26384, ELA25562, ELA26382	100%
Goddard's	ELA24260	100%

Forward-Looking Statements

This announcement has been prepared by Todd River Resources Ltd. This announcement is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

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This may include forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Todd River Resources Ltd. Actual values, results or events may be materially different to those expressed or implied.



For more information please see the company's website at www.trrltd.com.au

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

Todd River Resources Limited

ABN

45 600 308 398

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,176)	(2,264)
(b) development		
(c) production		
(d) staff costs	(155)	(286)
(e) administration and corporate costs	(391)	(608)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	10
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other - Other Debtor -TNG Ltd	20	35
1.9 Net cash from / (used in) operating activities	(1,698)	(3,113)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(22)	(23)
(b) tenements (see item 10)		
(c) investments		
(d) other – Security deposit	(30)	(92)
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(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)		
2.6 Net cash from / (used in) investing activities	(52)	(115)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	5,915	7,194
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(396)	(518)
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 (Received for shares issued in July 2018)		
3.10 Net cash from / (used in) financing activities	5,519	6,676

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	920	1,241
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,698)	(3,113)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(52)	(115)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	5,519	6,676
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	4,689	4,689

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	689	920
5.2 Call deposits	4,000	
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)	4,689	920

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	91
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(700)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(155)
9.5 Administration and corporate costs	(350)
9.6 Other (provide details)	-
9.7 Total estimated cash outflows	(1,205)

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	EL31209	Reduced	181 blocks	90 blocks
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

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:



Date: 30 January 2019

Print name: Simon Robertson
 (Company secretary)

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.