

## 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 DECEMBER 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(87)	(734)
(b) development		
(c) production		
(d) staff costs	(53)	(89)
(e) administration and corporate costs	(236)	(455)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	2
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>(375)</b>	<b>(1,276)</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)	(149)	(199)
(c) investments		
(d) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments	154	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>5</b>	<b>(45)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		1,194
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options	30	30
3.4	Transaction costs related to issues of shares, convertible notes or options		(79)
3.5	Proceeds from borrowings (see item 8)	300	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>330</b>	<b>1,445</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	912	748
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(375)	(1,276)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	5	(45)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	330	1,445
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>872</b>	<b>872</b>

<b>5. Reconciliation of cash and cash equivalents</b> 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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	872	912
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>872</b>	<b>912</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	90
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 \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	15
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.

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<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	Nil	Nil
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	300	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 will be by way of issue of shares in the Company subject to Shareholder approval at a General Meeting of Members.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	355
9.2 Development	-
9.3 Production	-
9.4 Staff costs	45
9.5 Administration and corporate costs	279
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>679</b>

The Company is considering its capital raising options and has both its LR7.1 and LR7.1A placement capacities available.

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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> E38/2829, E38/2857, E38/2442, E38/2856  E38/3362, E38/3363 E38/3364  <b>QLD</b> EPM 27130 EPM 27131	Tenement package acquired as part of acquisition announced to ASX on 3 September 2018.  Tenements in application. (Refer 10.c)	0%  N/A	100% <sup>(a)</sup>  N/A

- a) As per ASX announcement 1 November 2018 the transaction to acquire the above 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 (500,000 of which are still subject to voluntary escrow until 30 June 2019) 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 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 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: 31 January 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.