

ASX ANNOUNCEMENT

30 APRIL 2020

MARCH 2020 QUARTERLY ACTIVITIES REPORT

**Bramaderos Gold-Copper Project, Ecuador (Sunstone 87.5%)**

- The terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (TSXV:CGP) were amended in January 2020 to provide Sunstone with an immediate 87.5% interest and Cornerstone with a 12.5% loan carried interest
- Individual surface rock chip samples from the Espiritu epithermal gold-silver target return up to 11.6g/t gold and 2,960g/t silver. The Espiritu target has been outlined over an 800m strike with multiple interpreted lodes
- Detailed technical review leads to a major breakthrough in understanding the multiple gold-copper porphyry deposits identified within the Bramaderos concession
- The overwhelming evidence suggests that the porphyry systems exhibit pipe-like geometry similar to many other porphyry deposits, such as Northparkes in Australia, and others globally
- At the Brama target, assays from drill holes BMDD004, BMDD005, BMDD006 and BMDD007 extend the gold-copper mineralisation to over 1km in length. Mineralisation remains open to the north-west and south-east
- Significant intervals include;
  - 127m at 0.57g/t gold and 0.1% copper from 216.8m in BMDD005, including;
    - 39m at 0.72g/t gold and 0.13% copper from 295m
  - 181.7m at 0.43g/t gold and 0.1% copper from 55.7m in BMDD007
  - 46.2m at 0.45g/t gold and 0.18% copper from 15m, and 72.5m at 0.42g/t gold and 0.12% copper from 319.15m in BMDD006
- At the Limon target, assay results from drill hole LMDD006 include 131m at 0.18g/t gold from surface. Together with the results from holes LMDD002 and LMDD004 we are now seeing vectors that suggest a target zone to the south

**Viscaria Copper Project, Sweden (Sunstone holds ~27% of shares in Copperstone Resources AB)**

- Drilling by Copperstone Resources AB at Viscaria hits 88m at 1.1% copper outside the boundaries of the Mineral Resource estimate

**Corporate Highlights**

- A\$1.25 million in cash at 31 March 2020
- Capital Raising completed after the end of the quarter raises \$1.7M with SPP to be launched on 30 April 2020 to raise further funds
- Corporate focus on cutting costs to maximise expenditure towards target generation and testing has seen board and management agree to a reduction in salaries and director fees
- Sale of 9.2 million Copperstone Resources AB shares on market during the quarter at an average price of 0.43SEK for cash of 3.9 million SEK (~A\$0.62 million)
- Value of remaining 160 million shares held in Copperstone ~A\$14 million

## ASX ANNOUNCEMENT

### EXPLORATION AND DEVELOPMENT ACTIVITIES

#### **Bramaderos Gold-Copper Project**

The Bramaderos Project is located in southern Ecuador and is the subject of an earn-in JV with Cornerstone Capital Resources Inc. (“Cornerstone”) (TSXV-CGP) through its subsidiary La Plata Minerales S.A. (“PLAMIN”). Sunstone has earned an 87.5% interest in the 4,949 hectare Bramaderos concession (Figures 1 and 2) (see ASX announcements dated 10 April 2017, 28 August 2019 and 7 January 2020).

The project area has easy access provided by the sealed Pan American Highway that crosses the western part of the concession, has nearby available hydro-power, and gentle topography with an average elevation of around 1,100m above sea level. Mineralisation outcrops at surface. The Sunstone team has worked previously with Cornerstone on other projects in Ecuador which have led to significant discoveries and shareholder value growth, and the Sunstone team will work towards repeating that success at Bramaderos.

#### **Brama target:**

An in-depth review of all exploration data from the Bramaderos Gold-Copper Project in Ecuador has resulted in a significant breakthrough, which has in turn led to the identification of numerous, compelling drill targets.

In simple terms, the review found that the higher-grade gold-copper porphyries exhibit pipe-like geometry, not broad, disseminated geometry as previously believed. Some leading porphyries globally display this pipe-like geometry, while many other porphyries, such as those in Chile and Asia, exhibit broader disseminated geometries (on which the original exploration model for Bramaderos was based).

Better-known examples of major porphyry deposits that exhibit similar geometry include the Northparkes mine in NSW, the Skouries deposit in Greece, and the Boyongan deposit in the Philippines. These deposits are typically smaller individually but cluster as multiple deposits and deliver higher grades and large tonnages.

The review considered each of the six gold-copper mineralised systems within the Bramaderos project and the two currently defined epithermal gold targets. All the gold-copper porphyry systems are mineralised, and the review focussed on targeting the higher-grade domains within these systems.

The review identified that a later higher-grade event can now be defined and is related to pipe-like intrusive bodies that are mappable based on the 3-D modelling of detailed ground magnetics. These pipe-like bodies cluster within each system, so for example at Brama, five targets exist and correlate with higher grades where drilled (Figure 3).

At Playas the pipe-like magnetic bodies correlate with areas of highest-grade gold and copper in surface samples giving us confidence that drilling will extend that mineralisation to depth. Playas has never been drilled.

Melonal, Porotillo and Sandia all present similar relationships.

At Porotillo a historical drill hole (CURI-05) intersected 26m at 1.1g/t gold and 0.2% copper demonstrating that significantly higher grades can be delivered from these systems.

Assay results from drill holes BMDD004, BMDD005, BMDD006 and BMDD007 have been received. All holes have intersected intervals of gold and copper and include grades of up to 0.93g/t gold over a 12.15m interval (see ASX announcements dated 21 January and 25 February 2020).

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**Table 1:** Significant assays from Bramaderos Main holes BMDD004, 005, 006 and 007

Hole Number	From (m)	To (m)	Interval (m)	Gold (g/t)	Copper (%)	Molybdenum (ppm)
<b>BMDD004</b>	4.8	262.55	257.75	0.25	0.1	13.9
<i>Includes</i>	4.8	45.25	40.45	0.3	0.13	23.7
	73.1	95.85	22.75	0.35	0.12	12.5
	131.2	160	28.8	0.34	0.11	9.8
	217.35	258	40.65	0.21	0.12	8.2
<b>BMDD005</b>	4.6	47.8	43.2	0.34	0.03	14.6
<i>Includes</i>	<b>9.1</b>	<b>21.25</b>	<b>12.15</b>	<b>0.93</b>	<b>0.07</b>	<b>7.5</b>
	84	464	380	0.33	0.08	28.5
<i>Includes</i>	<b>216.8</b>	<b>344</b>	<b>127.2</b>	<b>0.57</b>	<b>0.1</b>	<b>34.1</b>
<i>Includes</i>	<b>295</b>	<b>334</b>	<b>39</b>	<b>0.72</b>	<b>0.13</b>	<b>42.3</b>
<b>BMDD006</b>	7.4	391.64 (EOH)	384.24	0.27	0.13	9.8
<i>Includes</i>	<b>15</b>	<b>61.2</b>	<b>46.2</b>	<b>0.45</b>	<b>0.18</b>	<b>10.4</b>
<i>Includes</i>	15	32.15	17.15	0.56	0.14	16.5
	171	263.6	92.6	0.25	0.13	3.3
	<b>319.15</b>	<b>391.64</b>	<b>72.49</b>	<b>0.42</b>	<b>0.12</b>	<b>25.1</b>
<b>BMDD007</b>	8	515.8	507.8	0.22	0.06	0.69
<i>Includes</i>	8	240	232	0.39	0.09	1.01
	<b>55.7</b>	<b>237.4</b>	<b>181.7</b>	<b>0.43</b>	<b>0.1</b>	<b>1.03</b>
<i>Includes</i>	55.7	107.5	51.8	0.47	0.11	1.36
	125.3	158.65	33.35	0.47	0.11	1.01
	170.65	211.2	40.55	0.49	0.11	1.00

These drilling results suggest that the area is host to a large gold-copper porphyry system with a strike extent of over 1km that remains open to the northwest and southeast. Follow-on exploration is aimed at defining the geometry of the higher-grade 'pipes' within that 1km long envelope, and further extending mineralisation along strike and at depth.

Mineralised intervals from trenches at Brama of 615m at 0.52g/t gold and 0.11% copper and drill holes of 248m at 0.56g/t gold and 0.14% copper (CURI-03) and 172m at 0.52g/t gold and 0.16% copper (BMDD001) within 200m of surface, clearly demonstrate that the system is capable of delivering pipe-like orebodies. Our ongoing work with magnetics data and structural interpretation will further assist in unlocking the geometry.

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### Limon:

The Limon target is part of the package of multiple gold-copper porphyry systems identified at the Bramaderos Project (see ASX announcement dated 27 August 2019). At Limon only 4 effective completed holes have been drilled to date, and all have intersected alteration and weak copper-gold-molybdenum mineralisation consistent with being in close proximity to a large porphyry system.

Significantly, LMDD004 (refer ASX announcement dated 15 October 2019) intersected a 'high sulphidation' epithermal system in a shallow position that could develop into an exploration target in its own right. Geologically, 'high sulphidation' systems can develop in a variety of styles, and are related to porphyry systems. Examples include Tampakan and Lepanto in the Philippines, the Tujuh Bukit gold-silver oxide system in Indonesia, and the Yanacocha deposits in Peru.

Assay results from drill hole LMDD006 at Limon have been received (see ASX announcement dated 26 March 2020). The drill hole intersected an upper high sulphidation gold interval of 131.3m at 0.18g/t gold from surface, with individual samples of up to 1.6m wide grading 1.2g/t gold. Copper grades were locally anomalous with up to 0.16% copper and 0.4g/t gold over 0.9m widths. This high sulphidation interval is a correlative of that intersected in LMDD004 which returned 59.6m at 0.16% copper from 57.8m down hole, including 13.3m at 0.43% copper and 0.11g/t gold from 57.8m (see ASX announcement dated 15 October 2019).

Deeper intervals in LMDD006 intersected intensely phyllic altered intrusive rocks and breccias and only locally gold and copper anomalous intervals. The results from holes LMDD006, LMDD002 and LMDD004 suggest a target zone to the south.

### Epithermal Gold Corridor:

Ongoing exploration within the western epithermal gold corridor has defined ten targets for follow-up. Multiple other epithermal gold targets have been defined within the belt (Figure 4), which is the north-east extension of the 2 million ounce Dynasty Goldfield located 5 km to the southwest. These include the Bramaderos Vein where recent trenching returned results of up to 2.1g/t gold and 7.7g/t silver over 0.9m and where historical sampling returned up to 32.5g/t gold from a rock chip sample.

Other areas of gold mineralisation include Espiritu where surface rock chip samples returned high gold values including 11.63 g/t, 3.70 g/t, 1.80 g/t and 1.62 g/t gold and high silver values including 2,960g/t, 38.62 g/t, 26.67 g/t, 15.68 g/t and 10.84 g/t. Other samples are highly anomalous in epithermal related pathfinder elements such as lead, zinc, and copper (Figures 5 and 6).

Data so far suggests a north-north-east trend to the anomalous gold and pathfinder elements and this trend corresponds with linear breaks in the ground magnetic imagery. An 800m strike extent to mineralisation has been defined by work to date and this could double to 1,600m based on early stage reconnaissance which has identified scattered gold anomalous samples along the north-north-east trend.

### Temporary Suspension of Field Activities in Ecuador

Exploration activities at the Bramaderos Project have been temporarily suspended in line with the directives of the Ecuadorian government decree declaring a nationwide emergency to manage the risks associated with COVID-19. Sunstone takes the welfare of its employees very seriously and will review plans frequently to make sure that we are managing this risk appropriately. Desktop activities, primarily in Australia, are ongoing as we interpret data to move target areas towards being drill ready when the suspensions are lifted.

## ASX ANNOUNCEMENT

### **Bramaderos Joint Venture:**

On 7 January 2020, Sunstone announced that the terms of the Bramaderos Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (TSXV:CGP) had been amended to provide Sunstone with an immediate 87.5% interest and Cornerstone with a loan carried 12.5% interest in La Plata Minerales S.A. (PLAMIN) the holder of the Bramaderos concession.

The amendment was agreed as a result of the Joint Venture Agreement Phase 2 decision whereby Sunstone could progress to a 70% interest by funding expenditures through to completion of a feasibility study, and making a cash payment based on resources defined, or Sunstone to remain at 51% (and Cornerstone at 49%) with both parties funding the ongoing exploration. Sunstone and Cornerstone agreed that the preferred approach would be to move the JV structure forward and allow Sunstone, as the majority owner, to focus on the delivery of discoveries across several targets and not be constrained by the path taken through feasibility studies.

Cornerstone's interest is to be loan-carried by Sunstone through to the start of commercial production and repayable, including interest at LIBOR (London Inter-bank Offered Rate) plus 2%, out of 90% of Cornerstone's share of future Bramaderos Project earnings or dividends.

### **Viscaria Copper Project**

Sunstone currently holds 160 million shares (~27%) in Swedish listed Copperstone Resources AB (Nasdaq First North (Stockholm) COPP B). The voluntary escrow ('lock-up') agreement on these shares expires on 9 September 2020. The value of these shares held as at the date of this report is approximately A\$14 million (share price of 0.571 SEK and AUD/SEK exchange rate of 6.45).

During the quarter Sunstone sold 9.2 million shares that were not subject to escrow at an average price of 0.43SEK for cash of 3.9 million SEK (~A\$0.62 million).

The second phase of the transaction, which is subject to receipt of the Environmental Permit for Viscaria, comprises a cash payment to Sunstone of 20 million SEK and the issue of 46 million Copperstone B-shares.

As announced on 24 March 2020, Copperstone has completed six diamond drill holes on the D Zone North shoot in the past six months and the results to date strongly reinforce the interpreted geometry of thicker and higher-grade steep shoots extending to depth. Recently completed drill hole VDD 210 intersected 88.1m at 1.1% copper coincident with the host ironstone package but outside the existing mineral resource estimate.

Drill holes VDD 212 and VDD 213 have also intersected visible copper mineralisation, with VDD 213 intersecting a series of thick chalcopyrite 'veins' up to 0.3m wide. This may represent another higher-grade lode developing in the northern area of the North shoot. Assays for the remaining holes are expected in March / April. Drilling is ongoing and VDD 214 is in progress to further test the shoot intersected in holes VDD 193, 195, and 210.

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### **Southern Finland Gold Portfolio**

#### **Tammela Gold Project, Finland (Sunstone 80%)**

The Nortec earn-in agreement includes two known gold opportunities, Satulinmäki and Riukka, held within the claim areas.

No significant activities were undertaken during the quarter.

#### **Other Gold Opportunities (Sunstone 100%)**

Based on Sunstone's regional assessment of gold prospectivity in southern Finland, areas of interest are held under approved Exploration Permits, and applications have been lodged for Exploration Permits covering known gold occurrences and will be explored systematically.

### **Lithium Portfolio (Sunstone 80% and 100%)**

The Nortec earn-in agreement area includes the Kietyönmäki lithium occurrence which was discovered by the Finnish Geological Survey (GTK) in the mid-1980's. There was no significant activity during the quarter.

### **Tenements**

As announced on 7 January 2020, the terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (TSXV:CGP) were amended to provide Sunstone with an immediate 87.5% interest and Cornerstone with a loan carried 12.5% interest in the Bramaderos Project.

### **Corporate**

**Cash Resources** - The Company's unaudited cash position for 31 March 2020 was A\$1.25 million. As announced on 22 and 28 April 2020, the Company successfully completed a placement to raise \$1.7 million before fees, with a Share Purchase Plan to be launched on 30 April 2020 to raise further funds.

During the quarter the sale of 9.2 million Copperstone shares resulted in further cash of 3.9 million SEK (~A\$0.62 million). The value of the remaining shares held as at the date of this report is approximately A\$14 million (160 million shares at 0.571 SEK).

Exploration activities at the Bramaderos Project have been temporarily suspended in line with the directives of the Ecuadorian government decree declaring a nationwide emergency to manage the risks associated with COVID-19. Sunstone takes the welfare of its employees very seriously and will review plans frequently to make sure that we are managing this risk appropriately. Desktop activities, primarily in Australia, are ongoing as we interpret data to move target areas towards being drill ready when the suspensions are lifted. Forecast exploration expenditure for the June and September quarters is therefore expected to be considerably less. In addition to this, a focus on cutting costs at the corporate level to maximise expenditure towards target generation and testing has seen board and management agree to a reduction in salaries and director fees.

As the Company is an exploration entity there is not yet any sales revenue being generated from sale of products. To date Sunstone has primarily funded its activities through issuance of equity securities and it is expected that the Company will be able to fund its future activities through further issuances of equity securities, in addition to potential sale of Copperstone shares as referred to above.

As announced on 23 April 2020, Mr Don Hyma resigned as a non-executive director of the Company in order to focus on other commitments and support Sunstone's efforts to reduce costs.

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### Shareholder Information

As at 31 March 2020, the Company had 1,384,387,646 fully paid ordinary shares on issue and 1,573 shareholders.

Following the successful Placement during April 2020 a further 345,000,000 shares have been issued.

Share Purchase Plan to be launched on 30 April 2020 to raise further funds.

### Notes Specific – March 2020 Quarter ASX Announcements

The following announcements, which relate to information in this Quarterly Report, were lodged with the ASX during the Quarter. Further details (including JORC 2012 Code Reporting Tables, where applicable) for the results summarised above can be found in the announcements:

Completion of Placement	28/04/2020
Director Resignation and Appendix 3Z	23/04/2020
Successful Placement and Intention to Offer SPP	22/04/2020
High-grade surface samples at Espiritu epithermal target	07/04/2020
Investor Presentation	26/03/2020
Bramaderos Exploration Breakthrough	26/03/2020
Copperstone intersect 88m at 1.1% copper at Viscaria	24/03/2020
Brama target expanded and higher grade zones identified	25/02/2020
Bramaderos - Ten priority epithermal gold targets identified	22/01/2020
Bramaderos Main Assays extend strike length significantly	21/01/2020
Sunstone increases stake in Bramaderos to 87.5%	07/01/2020

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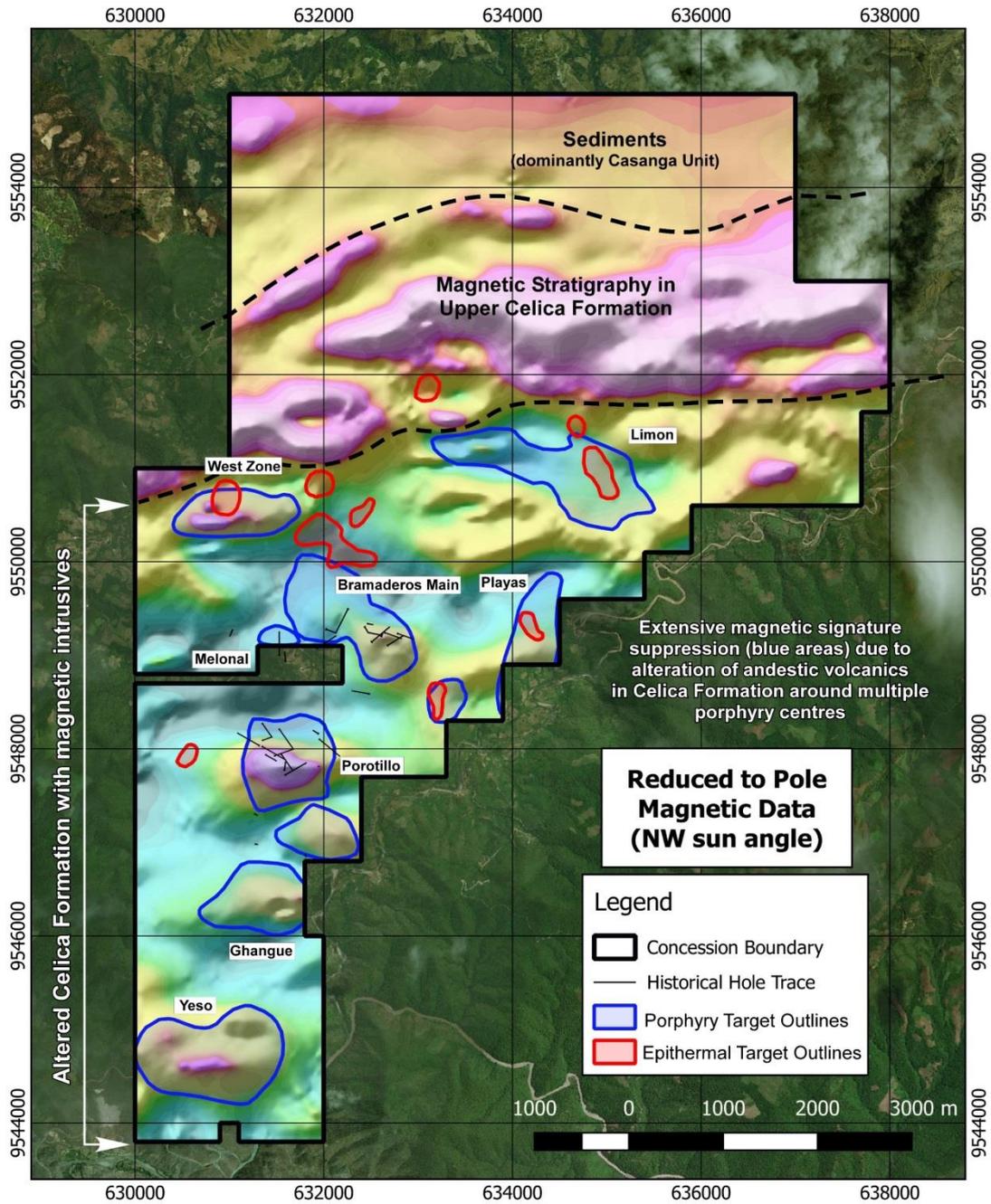


Figure 1: Bramaderos project showing the location of the gold-copper porphyry targets, and the West Zone epithermal gold system. The background image is detailed heli-magnetics on a satellite image.

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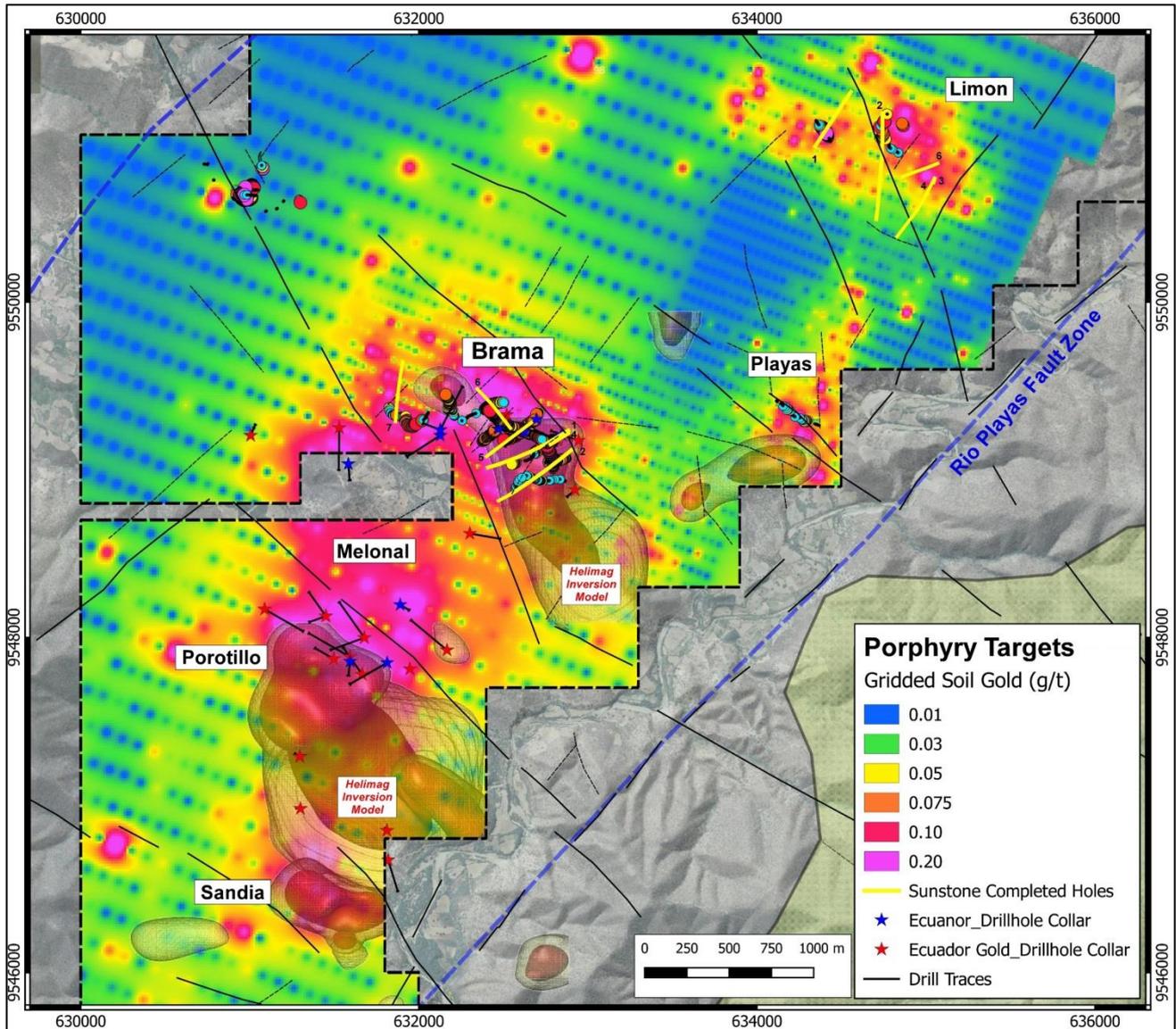


Figure 2: Plan view of the Bramaderos Project porphyry gold-copper targets as defined by gold-in-soil anomalies and magnetic anomalies. The very large Brama target covers outcropping gold-copper mineralisation extending from Brama Hill to the south-east extension of the Brama magnetic anomaly. Five other targets are all mineralised at surface and comprise Limon, Playas, Melonal, Porotillo and Sandia.

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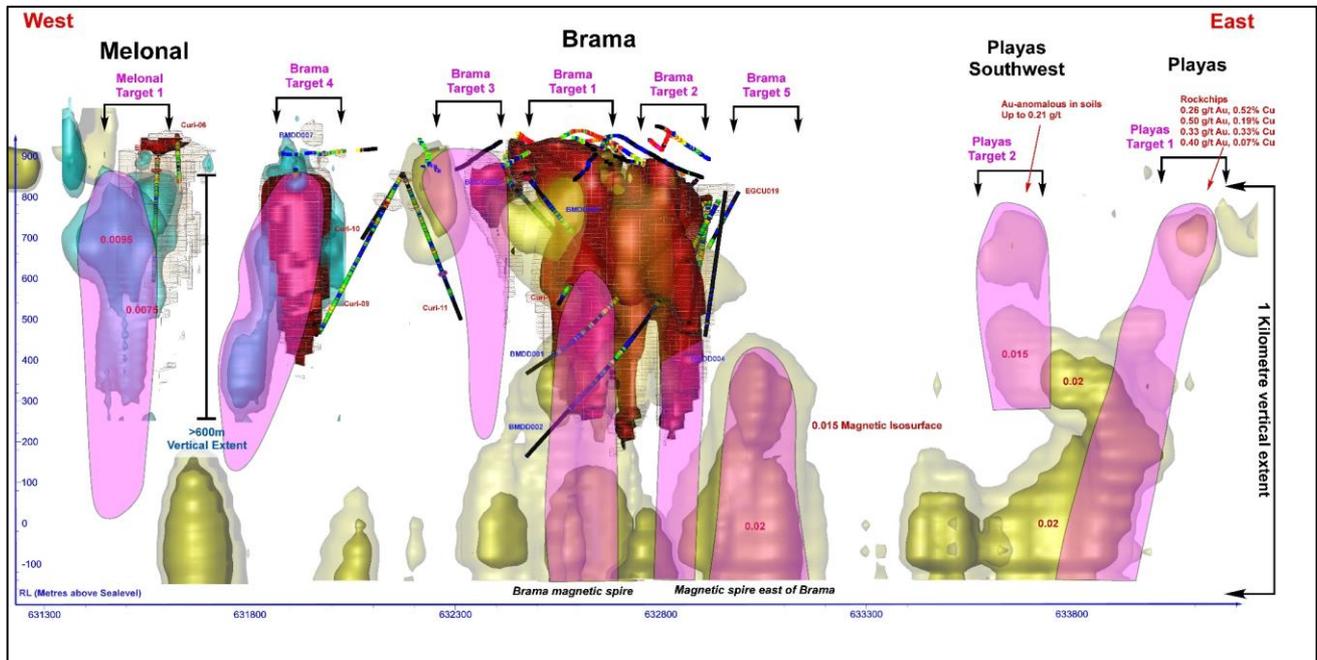


Figure 3: Pipe-like target areas shown in pink over 3-D modelling of discrete magnetic bodies that correspond – where drilled – to higher grade gold-copper porphyry systems. This cluster, across three systems, Melonal, Brama and Playas extends over 2.5km and includes at least 8 targets, all of which have been shown to be mineralised to some extent.

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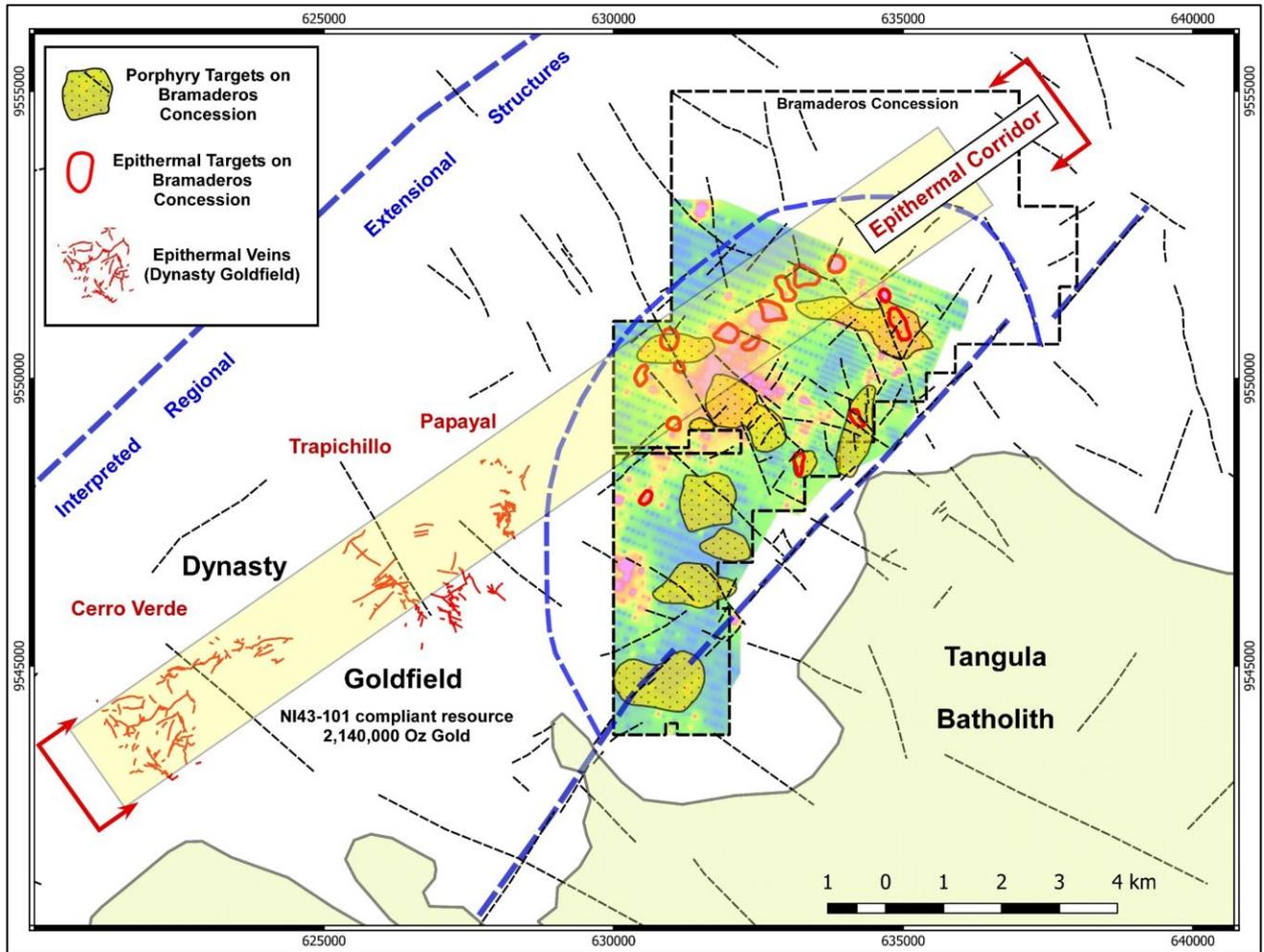


Figure 4: The Bramaderos concession showing the multiple porphyry gold-copper systems and the extension of the 2 million ounce Dynasty Goldfield epithermal belt.

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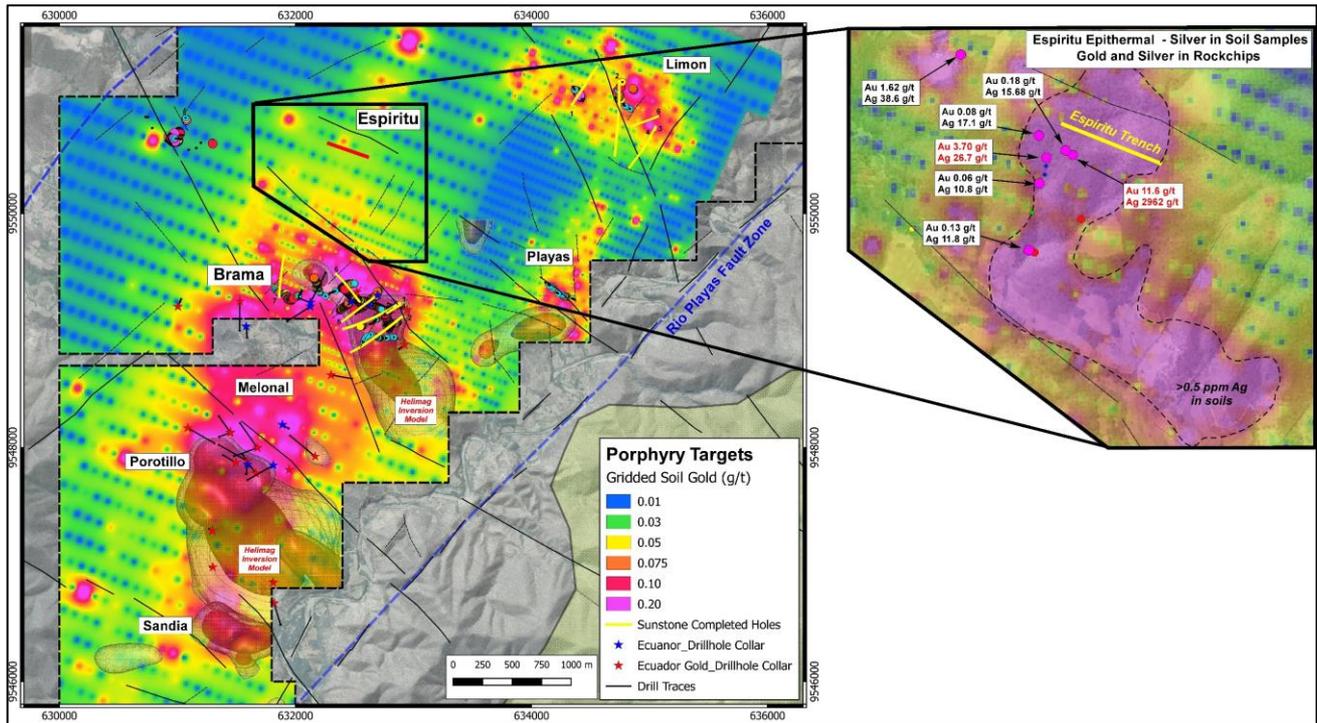


Figure 5: Location of the Espiritu target within the Bramaderos Project.

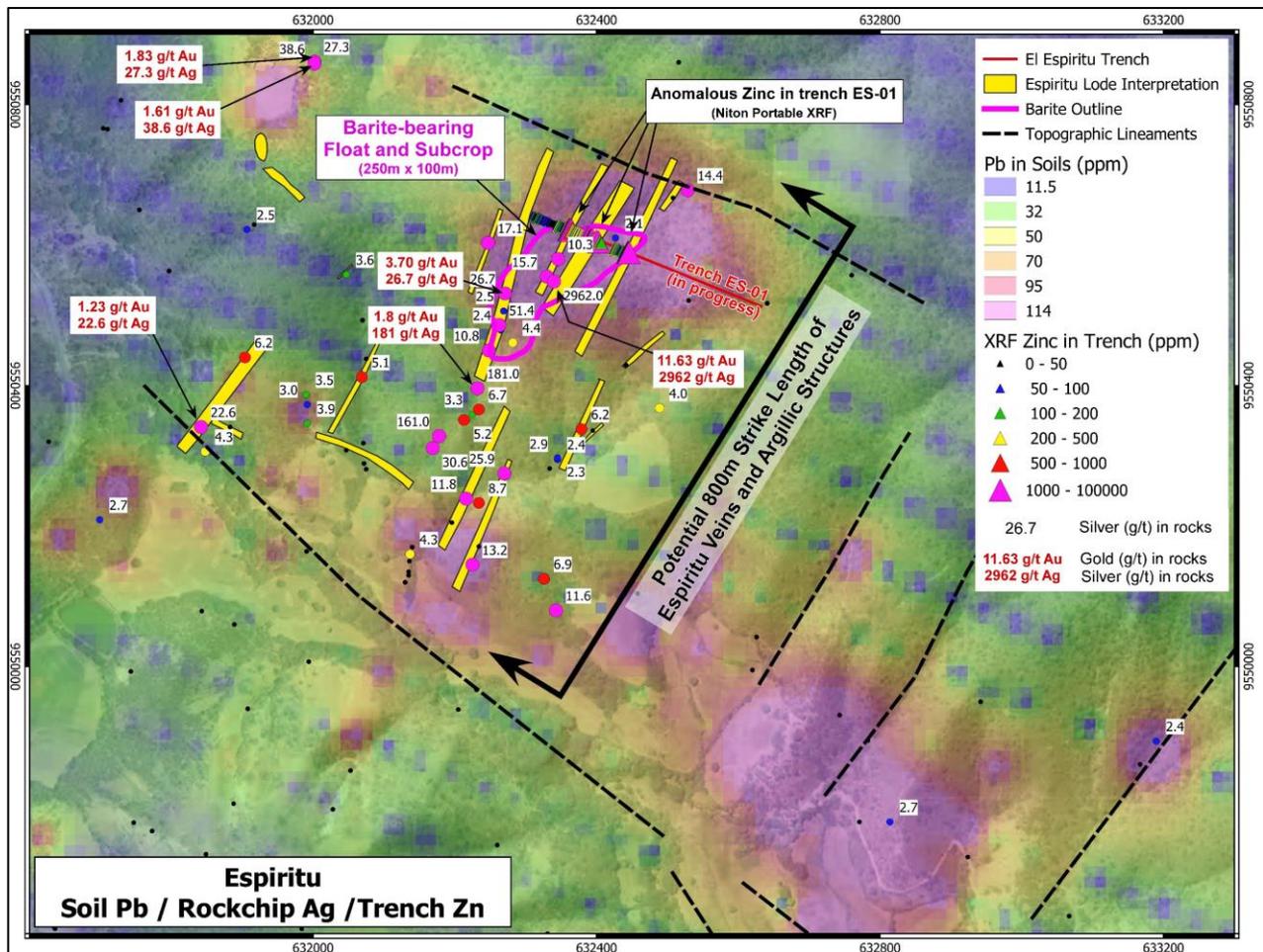


Figure 6: Espiritu target showing sampling to date, location of trench in progress and potential scale of the target area to be tested with drilling.

## ASX ANNOUNCEMENT

### TENEMENT SCHEDULE

At the end of the quarter, the Company holds the following tenements:

#### Gold-Copper Tenements – Ecuador

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
La Plata Minerales S.A.	Bramaderos <sup>^</sup>	Loja, Ecuador	Granted	87.5%

#### Gold Tenements - Finland

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Kultatie Oy	Somero*	Somero, Finland	Granted	80%
Kultatie Oy	Perämäki*	Somero, Finland	Application	80%
Kultatie Holding Oy	Katinhanta <sup>#</sup>	Somero, Finland	Application	100%
Kultatie Holding Oy	Luutasuo <sup>#</sup>	Somero, Finland	Application	100%
Kultatie Holding Oy	Palikkala	Somero, Finland	Granted	100%

#### Lithium Tenements – Finland

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Litiumloydos Oy	Tammela*	Somero, Finland	Granted	80%
Litiumloydos Oy	Ojalankulma*	Somero, Finland	Application	80%

<sup>^</sup>Sunstone announced on 7 January 2020 that the terms of the Earn-in Joint Venture with TSX-V listed Cornerstone Capital Resources (TSXV:CGP) had been amended to provide Sunstone with an immediate 87.5% interest and Cornerstone with a loan carried 12.5% interest in La Plata Minerales S.A. (PLAMIN) the holder of the Bramaderos concession.

\*Subject to earn-in joint venture with Nortec Minerals Corp.

<sup>#</sup> Applications for Exploration Concessions that relate to ground covered by expired Exploration Reservations Arolanmaki and Humpila

#### Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Dr Bruce Rohrlach who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Rohrlach is a full-time employee of Sunstone Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Rohrlach consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**ASX ANNOUNCEMENT**

**DIRECTORY**

**SUNSTONE METALS LIMITED**  
**ABN 68 123 184 412**

**Web site:**  
**Email:**

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[info@sunstonemetals.com.au](mailto:info@sunstonemetals.com.au)

**Stock Exchange Listing**

Australian Stock Exchange

ASX Code: STM

**Investor Information Contacts:**

Mr Gavin Leicht - Company Secretary  
Sunstone Metals Limited  
Tel: 07 3368 9888  
Email: [gleicht@sunstonemetals.com.au](mailto:gleicht@sunstonemetals.com.au)

**Shareholder Enquiries:**

Share registry matters should be directed to:

Computershare Investor Services  
Phone: 1300 850 505  
Website: [www.computershare.com.au](http://www.computershare.com.au)

**Registered Office:**

9 Gardner Close  
Milton Queensland 4064  
Phone: 07 3368 9888  
Fax: 07 3368 9899

**Issued capital:**

Ordinary shares: 1,384,387,646 (STM)  
(at 31 March 2020)

**Directors:**

Graham Ascough – Non-Executive Chairman  
Malcolm Norris – CEO/Managing Director  
Don Hyma - Non-Executive Director  
Stephen Stroud - Non-Executive Director

**Company Secretary:**

Gavin Leicht

For further information please visit [www.sunstonemetals.com.au](http://www.sunstonemetals.com.au) or contact:

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T: 07 3368 9888  
E: [info@sunstonemetals.com.au](mailto:info@sunstonemetals.com.au)  
[www.sunstonemetals.com.au](http://www.sunstonemetals.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

Sunstone Metals Limited

### ABN

68 123 184 412

### Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,167)	(6,523)
(b) development		
(c) production		
(d) staff costs	(375)	(1,136)
(e) administration and corporate costs	(216)	(668)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	42
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds	0	0
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,756)</b>	<b>(8,285)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	0	(74)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)	0	2,281
(c) investments	624	865
(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 Net cash from / (used in) investing activities</b>	<b>624</b>	<b>3,073</b>

2.2(c) – 3.3 million shares in Copperstone Resources AB listed on NASDAQ First North Stockholm (COPP B) sold during quarter for \$242,000.

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	0	4,795
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	(0)	(205)
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)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>0</b>	<b>4,590</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	2,385	1,875
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,756)	(8,285)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	624	3,073
4.4 Net cash from / (used in) financing activities (item 3.10 above)	0	4,590
4.5 Effect of movement in exchange rates on cash held	(3)	(3)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>1,250</b>	<b>1,250</b>

5. <b>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	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	730	574
5.2 Call deposits	520	1,811
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>1,250</b>	<b>2,385</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter  
\$A'000**

129

Directors remuneration includes Managing Director salary.

**7. Payments to related entities of the entity and their associates**

- 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

**Current quarter  
\$A'000**

N/A

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

<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		
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.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	750
9.2 Development	
9.3 Production	
9.4 Staff costs	250
9.5 Administration and corporate costs	150
9.6 Other (provide details if material) funds from Placement and SPP	-3,000
<b>9.7 Total estimated cash outflows</b>	<b>-1,850</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
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:   
(Director/Company secretary)

Date: 30 April 2020

Print name: GAVIN LEICHT

### 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.