



AmericanPacific

BORATES LIMITED

ASX Announcement

ASX Code: ABR

ACN: 615 606 114

13 October 2020

SEPTEMBER 2020 QUARTERLY REPORT

HIGHLIGHTS

- **Construction activities ongoing for Fort Cady Borate Mine**
- **ABR's boron enriched SOP delivered positive crop trial results with broccoli yields doubling**
- **Product branding strategy completed with early work commenced on digital presence**
- **Final substantive operational permit received from EPA**
- **Ramping up of process to consider ongoing financing options and potential secondary listing on a New York exchange driven by positive Industrial Mineral valuations, including Fortress Value Acquisition Corp (Mountain Pass mine) and K+S Aktiengesellschaft's US based NaCl business**
- **Former US based Rio Tinto executive appointed ABR Chairman**
- **Expenditure commitments on Nevada based borate target, Salt Wells, deferred for 12 months**
- **Additional key hires completed**
- **Definitive legal agreements for US\$30m convertible note progressed with any drawdown subject to receipt of shareholder approval**
- **A\$30.8m cash at bank as at 30 September 2020**

American Pacific Borates Limited (ASX:ABR) ("ABR" or the "Company") is pleased to provide an update on activities at its projects in Southern California and Nevada for the period ending 30 September 2020.

Fort Cady Borate Mine Construction Activities

Construction activities for the Fort Cady Borate Mine are ongoing with a further acceleration of activities expected to commence in November 2020. The Company continues to forecast the direct employment of around 250 people in full production. It also continues to target first production in Q3, CY2021.

COMPANY DIRECTORS

David Salisbury – Non-Executive Chairman

Michael X. Schlumberger - Managing Director & CEO

Anthony Hall - Executive Director

Stephen Hunt - Non-Executive Director

John McKinney – Non-Executive Director



ISSUED CAPITAL

319.4 million shares

55.3 million options

REGISTERED OFFICE

Level 12
197 St Georges Terrace, Perth
WA, 6000, Australia

US OFFICE

16195 Siskiyou Road. #210,
Apple Valley, CA, 92307, USA

CONTACT

T: +61 8 6141 3145
W: americanpacificborates.com



Pictures below show some recent construction activities on site.



Figure 1: Aerial photo of early site works



Figure 2: Photo of mixing tanks equipment arriving on site



Figure 3: Photo of initial earthwork preparation for plant site



Figure 4: Photo of solvent extraction (SX) equipment being unloaded on site

Boron Enriched SOP Crop Trials

ABR commissioned the University of Connecticut (**UConn**) to conduct crop trials of its boron enriched SOP (**SOP+B**) specialty fertiliser. SOP is a potassium-rich fertiliser that does not add potentially harmful chlorides to the soil. The objective of the trial was to evaluate the growth and yield of broccoli and tomato using four different blends of ABR's boron enriched SOP fertiliser and compare the yield performance to the grower's conventional fertilisers (without the addition of boron). The trials were designed on a randomised basis with four replications of blocks. Each block was 12.5ft x 6ft, with a total trial area of ~0.5 acres. Plant height was measured every 15 days, marketable fruit/head yield assessed, soil tested (before and after the application of treatments), and a tissue test conducted (during the middle of the growing season). The crops were planted on 25 May 2020.



Broccoli and tomatoes are ideal candidates for a boron-enriched SOP fertiliser because:

1. like many crops, they are sensitive to the chlorides found in other common fertilisers, yet require both potassium and boron (as an essential micro-nutrient),
2. it is generally believed that test results for broccoli will apply to other cruciferous crops (such as kale, cabbage, cauliflower, and brussel sprouts) and
3. California accounts for 92% of all broccoli grown in the US and 90% of all tomatoes.

ABR submitted four different SOP+B blends for use in the trial with varying ratios of boron applied. The final crop trial report was prepared by Dr. Shuresh Ghimire who holds a PhD in Horticulture, and specialises in vegetable crops as an Extension educator at the UConn Tolland Agricultural Center.

A summary of the treatments per block are shown below:

Table 1: Summary of Treatments Per Block

Treatment abbreviation	Crop-Treatment Number	Fertilizers applied (at planting time)
Tom-T1	Tomato-Treatment 1	ABR Proprietary Blend A - 0 lb Boron/acre + NPK Blend lbs/acre
Tom-T2	Tomato-Treatment 2	ABR Proprietary Blend B - 1 lb Boron/acre + NPK Blend lbs/acre
Tom-T3	Tomato-Treatment 3	ABR Proprietary Blend C - 2 lb Boron/acre + NPK Blend lbs/acre
Tom-T4	Tomato-Treatment 4	ABR Proprietary Blend D - 3 lb Boron/acre + NPK Blend lbs/acre
Tom-C	<i>Tomato-control plot</i>	130: 22:142 NPK lbs/acre + 4.2 lbs N/acre top dressed through drip
Bro-T1	Broccoli-Treatment 1	ABR Proprietary Blend A - 0 lb Boron/acre + NPK Blend lbs/acre
Bro-T2	Broccoli-Treatment 2	ABR Proprietary Blend B - 1 lb Boron/acre + NPK Blend lbs/acre
Bro-T3	Broccoli-Treatment 3	ABR Proprietary Blend C - 2 lb Boron/acre + NPK Blend lbs/acre
Bro-T4	Broccoli-Treatment 4	ABR Proprietary Blend D - 3 lb Boron/acre + NPK Blend lbs/acre
Bro-C	<i>Broccoli-control plot</i>	130: 22:142 NPK lbs/acre + 4.2 lbs N/acre top dressed through drip

Broccoli Trials

The broccoli trials demonstrated significant benefits from the use of the boron-enriched SOP. As shown below (Figures 5 & 6), the trials revealed a notable uptake of boron in the crops resulting in dramatic yield improvements. Application of ABR Proprietary Blend B delivered the highest yield compared to the grower's standard SOP fertiliser.

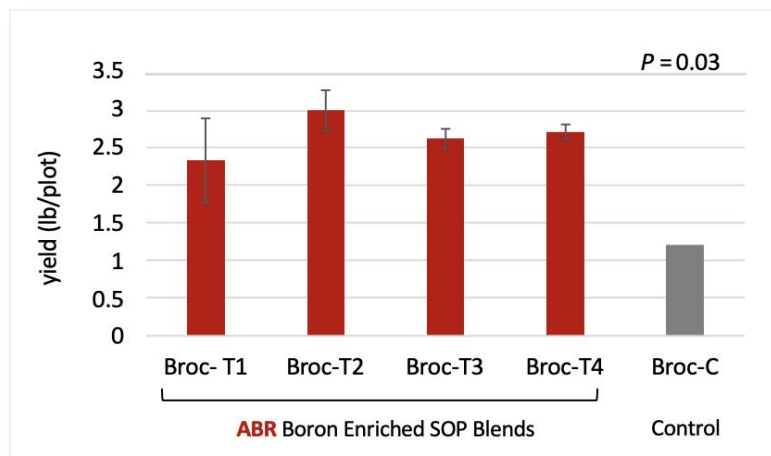


Figure 5: Graph showing yield results in broccoli crops

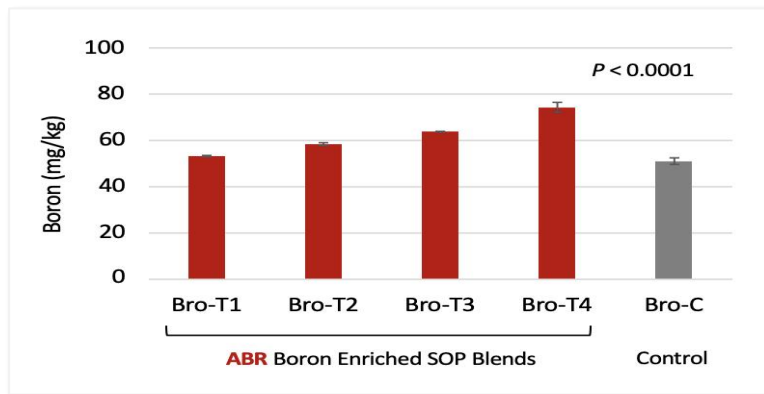


Figure 6: Graph showing tissue test results for boron uptake in broccoli crops

Tomato Trials

The tomato results became more positive as the growing season progressed and also with higher amounts of boron. The results suggest that there may be a linear correlation between the boron ratio and corresponding effect on yield, which was not evident in the broccoli crop. Tomato yield increased by around 10% using ABR Proprietary Blend D, which in the context of the trial is significant.

Additionally, the grower noted increased vigour and healthy colour from the boron-enriched tomato plants. Based on these promising results, further tomato crop trials will be conducted to:

1. quantify the benefit of boron-enriched SOP fertiliser on head or fruit quality and post-harvest life of broccoli and tomatoes; and
2. optimise the boron-enrichment ratio within the SOP.

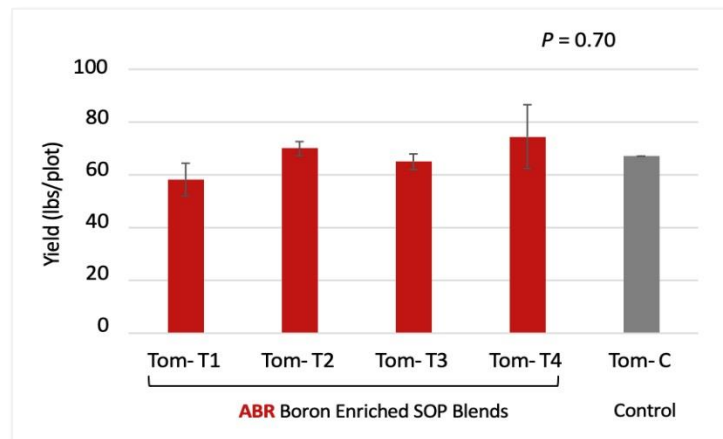


Figure 7: Graph showing yield results in tomato crops

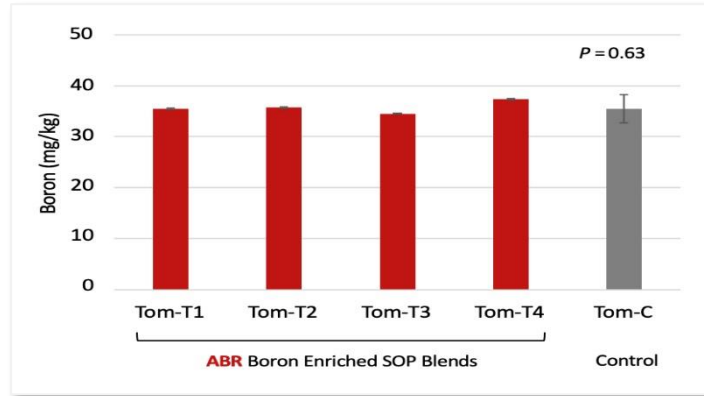


Figure 8: Graph showing tissue test results for boron uptake in tomato crops

Product Branding Strategy

The Company has progressed its market entry strategy with the confirmation of the product brand concepts. ABR intends to produce Boric Acid (H_3BO_3), Sulphate of Potash (SOP - K_2SO_4), Boron Enriched Sulphate of Potash (SOP+B), and Gypsum at its Fort Cady Borate Mine, targeting first production in Q3 CY2021.

ABR is proposing to sell its premium speciality fertiliser products through its newly created sales and marketing company, "Fort Cady". This business will be focused on developing premium speciality fertiliser products aimed at the American agricultural market. A website and associated marketing channels will be launched early in Q4 CY2020.

Under the Fort Cady business, an initial line has been developed to create brand identities for each product. Each has been specifically tailored to align with its intended customer market and to reflect its unique qualities.

Concepts for each product brand:



Figure 9: ABR's Fort Cady Sales and Marketing product branding concepts



Work is underway on engagement activities with potential customers across the American agricultural segment, with particular focus on California, which is one of the largest agricultural markets in the world.

Substantive Operational Permits for Fort Cady Borate Mine

On 14 August 2020, the Company was awarded the Underground Injection Control permit by the US EPA. This permit is the final substantive operational permit required by the Company to operate its Fort Cady Borate Mine.

Ongoing Financing and Potential Secondary Listing

On 28 January 2020, the Company advised it had been discussing a potential partner process with North American investment banks and that it was also considering a secondary listing on a New York exchange. This process was contingent upon receipt of all substantive operational permits.

With the receipt in August 2020 of all substantive operational permits, the Company is now progressing discussions with a view to exploring financing options and a potential secondary listing. The strategic focus of the Company is to commence producing from a Phase 2 operation as quickly as possible. Per the Table below, Phase 2 is targeting an EBITDA of US\$242m per annum in the first full year of operation.

Phase 2 also delivers sufficient free cash flow to fund the Phase 3 operation. Phase 3 is targeting US\$438m EBITDA in the first full year of production, which becomes very significant given recent US industrial minerals' transactions discussed below.

Table 2: Key Financial Metrics for the Fort Cady Borate Mine on a Phase by Phase Basis (refer ASX announcement dated 16 April 2020¹)

Fort Cady Project (Boric Acid and SOP Production)	
Phase 1A Only	
Capex	US\$50.3 million
NPV ₈	US\$224.3 million
IRR	35.9%
EBITDA in first full year of production	US\$19.6 million
Phase 1A & 1B Only	
Capex (Phase 1B only)	US\$156.0 million
NPV ₈	US\$773.8 million
IRR	32.4%
EBITDA in first full year of production	US\$73.2 million
Phase 1 & 2 Only	
Capex (Phase 2 only)	US\$268.3 million
NPV ₈	US\$1.709 billion
IRR	37.8%
EBITDA in first full year of production	US\$242.2 million
Full Project (Phases 1, 2, & 3)	
Capex (Phase 3 only)	US\$263.2 million
NPV₈	US\$1.965 billion
IRR	39.4%
EBITDA in first full year of production	US\$438.4 million

¹ ABR confirms all material assumptions underpinning the production target and corresponding financial information continue to apply and have not materially changed as per Listing Rule 5.19.2.



The Company is buoyed by the following recent US Industrial Minerals' transactions:

1. The sale of K+S Aktiengesellschaft's US NaCl business for US\$3.2bn (12.5 times 2019 EBITDA) announced on 5 October 2020 (refer: <https://www.kpluss.com/en-us/press/press-releases/KS-sells-its-Americas-salt-business-to-Stone-Canyon-Industries-Holding-Mark-Demetree-and-Affiliates/>). NaCl is widely utilized as a raw material in the chemical processing sectors; and
2. The proposed acquisition of the Californian industrial minerals' mine known as Mountain Pass (formerly known as Molycorp Inc) by NYSE listed Fortress Value Acquisition Corp (FVAC) for US\$719.4m in common shares and an additional 12,860 Parent Class A Stock potentially a further US\$257.2m if relevant milestones are met (refer: <https://sec.report/Document/0001193125-20-192955/>).

Both transactions suggest there is real investor appetite for US based Industrial Minerals' businesses and provides a potential path for ongoing financing with a view to reaching a Phase 2 operation quickly which can then cash flow fund into a Phase 3 operation.

US\$30m Convertible Note

On 1 June 2020, the Company announced it had signed a binding Term Sheet for a US\$30m convertible note to enable it to fully finance the construction of Phase 1A of the Fort Cady Borate Mine (capex is estimated at US\$50.3m – refer 16 April 2020 ASX announcement). Key terms of the Binding Term Sheet were included in the ASX announcement of 1 June 2020.

Definitive legal agreements are currently being progressed with the final main condition precedent being shareholder approval.

Deferral of Salt Wells Spending Commitment

On 25 May 2018, ABR announced it had agreed earn-in rights to acquire a 100% interest in two borate and lithium exploration projects in Nevada. The earn-in agreement was consistent with the Company's strategy to become a globally significant producer of specialty fertilisers with the project area previously producing borates and the recording of very strong boron assay results from surface in April 2018 (refer ASX announcement dated 25 May 2018).

Under the terms of the earn-in agreement, ABR committed to spend a minimum of the following amounts in each financial year:

Progressive and Cumulative Projects' Expenditure Requirements

- Year 1 – US\$100k, cumulative – US\$100k;
- Year 2 – US\$300k, cumulative – US\$400k ;
- Year 3 – US\$600k, cumulative – US\$1,000k;
- Year 4 – US\$800k, cumulative – US\$1,800k; and
- Year 5 – US\$1,200k, cumulative – US\$3,000k

With ABR's focus being on construction of the Fort Cady Borate Mine, the Company is pleased to report that it has renegotiated the earn-in agreement expenditure requirements over the next two years. Year 3 (FY21) will now see an expenditure commitment of US\$100k (inclusive of annual lease payments), and Year 4 (FY22) will be revised to US\$300k.

The Company remains committed to the project and still believes it is a very prospective exploration opportunity for borates.



Corporate

New Chairman Appointment

Effective 1 August 2020, Mr David J Salisbury was appointed the Company's new Chairman. US based, Mr Salisbury has over 40 years' experience in the mining industry, including seventeen years with Rio Tinto. Over his 40 years he has been directly responsible for the development, construction and operations of four mines.

The appointment of Mr Salisbury is a key appointment in the Company's transition from developer to producer. Mr Salisbury lives within ten hours drive of the project and is committed to working with the current experienced management team to ensure the successful construction and operations of the Fort Cady Borate Mine. In a world made more complicated with COVID-19, Mr Salisbury's proximity to the project and team was an important consideration for the Board.

Mr Salisbury's experience spans a period of over 40 years with significant involvement in underground and surface coal, open pit gold, uranium mining and copper mine development. Over that period, he has held senior executive positions at The Coteau Properties Company, Energy Resources Company, Al Hamilton Contracting Company, Cordero Mining Company, Kennecott Ridgeway Mining Company, Rössing Uranium Limit, Kennecott Minerals Company, Resolution Copper Mining, LLC (Rio Tinto), and PetroDome International LLC.

Founding Chairman, Mr Harold (Roy) Shipes retired from the Board effective 31 July 2020.

Additional Recruitment

The Company continues select recruitment activities and is pleased to report two additional hires of a Health and Safety executive and experienced process engineer. The Company expects to commence a process focussing on operational executives early in the new calendar to support initial production.

Financial Commentary

The Quarterly Cashflow Report (Appendix SB) for the period ending 30 September 2020 provides an overview of the Company's financial activities. The Company is in a strong financial position with \$30.8 million in cash at the end of the quarter. This will be sufficient to fund corporate costs well into 2021 and also facilitate the acceleration of construction activities at the Fort Cady Borate Mine including essential site infrastructure and final engineering.

Payments to acquire plant and equipment during the reporting period amounted to \$6.15 million, and included instalments paid for the Fort Cady Boric Acid Crystallizer and Zero Liquid Discharge System. In addition, a payment of \$1.01 million was made in relation to the Company's US EPA Reclamation Bond.

Payments for administration and corporate costs amounted to \$881K and related to costs for and associated with corporate advisory services, listing and compliance, marketing/travel, investor relations and legal and consulting fees. Staff costs for the period amounted to \$434k and related to US office staff salaries, Managing Director fees and FY2020 STI awards. The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$529k (refer to Appendix 2).

During the quarter 14,776,849 options were exercised with total funds received of approximately \$3.8 million.

- ENDS -

Authorised for release by: Michael X. Schlumpberger, Managing Director.



For further information contact:

Michael X. Schlumpberger
Managing Director
Ph: +1 442 292 2120

Anthony Hall
Executive Director
Ph: +61 417 466 039

Elvis Jurcevic
Investor Relations
Ph: +61 408 268 271

About American Pacific Borates Limited

American Pacific Borates Limited is focused on advancing its 100% owned Fort Cady Borate Mine Project located in Southern California, USA. Fort Cady is a highly rare and large colemanite deposit and is the largest known contained borate occurrence in the world not owned by the two major borate producers Rio Tinto and Eti Maden. The JORC compliant Mineral Resource Estimate and Reserve is presented below. Importantly, it comprises 13.93Mt of contained boric acid. In excess of US\$60m has been spent at Fort Cady, including resource drilling, metallurgical test works, well injection tests, permitting activities and substantial small-scale commercial operations and test works.

A Definitive Feasibility Study (“DFS”) was completed in December 2018 (ASX release dated 17 December 2018). An enhanced DFS was completed in April 2020 (ASX release dated 16 April 2020²). The enhanced DFS increased production of SOP to 363ktpa in full production. This complemented boric acid production of 409ktpa.

The enhanced DFS delivered exceptional financial metrics, including an unlevered post tax NPV₈ of US\$1.97bn, an unlevered post tax IRR of 39% and an EBITDA in the first full year of production of US\$438m.

JORC compliant Mineral Resource Estimate and Reserve (ASX release dated 3 December 2018³)

JORC compliant Mineral Resource Estimate and Reserve						
Reserves	MMT	B₂O₃ %	H₃BO₃ %	Li ppm	B₂O₃ MT	H₃BO₃ MT
Proven	27.21	6.70	11.91	379	1.82	3.24
Probable	13.80	6.40	11.36	343	0.88	1.57
Total Reserves	41.01	6.60	11.72	367	2.71	4.81
Resources						
Measured	38.87	6.70	11.91	379	2.61	4.63
Indicated	19.72	6.40	11.36	343	1.26	2.24
Total M&I	58.59	6.60	11.72	367	3.87	6.87
Inferred	61.85	6.43	11.42	322	3.98	7.07
Total M,I&I	120.44	6.51	11.57	344	7.84	13.93

In 1994 the Plan of Operations (mining permit) was authorised along with the Mining and Land Reclamation Plan. These permits are in good standing and contain a full Environmental Impact Report and water rights for initial operations of 82ktpa of boric acid. The Company announced in August 2020 that it had received all substantive operational permits and is now working towards first production in Q3, CY2021.

In addition to the flagship Fort Cady Project, the Company also has an earn in agreement to acquire a 100% interest in the Salt Wells North and Salt Wells South Projects in Nevada, USA on the incurrence of US\$3m of Project expenditures. The Projects cover an area of 36km² and are considered prospective for borates and lithium in the sediments and lithium in the brines within the project area. Surface salt samples from the Salt Wells North project area were assayed in April 2018 and showed elevated levels of both lithium and boron with several results of over 500ppm lithium and over 1% boron.

² ABR confirms all material assumptions underpinning the production target and corresponding financial information continue to apply and have not materially changed as per Listing Rule 5.19.2.

³ ABR confirms all material assumptions and technical parameters underpinning the Resource Estimate and Reserve continue to apply and have not materially changed as per Listing Rule 5.23.2



Location of the Fort Cady and Salt Wells Projects in the USA

Forward Looking Statements

This announcement contains ‘forward-looking information’ that is based on the Company’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company’s business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘potential’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.



Appendix 1: Schedule of Tenements

Tenement Name	Country	Status	Grant Date	Expiry Date	Area km ²	Ownership Rights		
						Surface	Mineral	Lessee
Fort Cady Borate and Lithium Project								
Parcel 0529-251-01 Parcel 0529-251-03	USA	Granted	8/05/2010	N/A	0.65 0.32	FCCC	FCCC	N/A
Parcel 0529-251-04	USA	Granted	8/05/2010	N/A	1.09	FCCC	State of California	N/A
Company 1 Group Litigation 1 Group Litigation 4 Group Litigation 5 Group Litigation 2 Litigation 3 Litigation 6 Litigation 11 Geyser View 1 Company 4	USA	Granted	Various 12/09/1991 Various Various 29/07/1937 29/07/1937 29/07/1937 29/07/1937 18/11/1934 15/12/1931	N/A	0.65 0.65 0.65 0.65 0.65 0.65 0.65 0.28 0.65	Elementis	Elementis	FCCC
HEC #124 - #127, HEC #129, HEC #131, HEC #343, HEC #344, HEC #365, HEC #369, HEC #371, HEC #372, HEC #374 - #376	USA	Granted	Various	N/A	1.21	Elementis	Elementis	FCCC
HEC #19; HEC #21; HEC# 23; HEC#25; HEC #34 - #41; HEC #43 - #67; HEC #70 - #82; HEC #85 - #93; HEC #182; HEC #184; HEC #288; HEC #290; HEC #292; HEC #294; HEC #296 - #297; HEC #299 - #350	USA	Granted	Various	N/A	9.63	FCCC	FCCC	N/A
Salt Wells South Borate and Lithium Project								
The Salt Wells South includes the following claims: SW 165, 167, 169, 171, 173, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 251, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 299, 300, 301, 302, 303, 304	USA	Earn in to acquire a 100% interest	23/05/18	N/A	8.5	Great Basin Resources Inc	Great Basin Resources Inc	Great Basin Resources Inc



Tenement Name	Country	Status	Grant Date	Expiry Date	Area km ²	Ownership Rights Surface	Tenement Name	Country
Salt Wells North Borate and Lithium Project								
The Salt Wells North includes the following claims: SW 1, 2, 3, 4, 5, 6, 27, 29, 31, 32, 33, 34, 35, 36, 54, 56, 58, 59, 60, 61, 62, 63, 78, 81, 82, 84, 85, 86, 87, 88, 89, 104, 106, 108, 109, 110, 111, 112, 113, 114, 115, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 147, 149, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, , 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555	USA	Earn in to acquire a 100% interest	23/05/2018	N/A	13.8	Great Basin Resources Inc	Great Basin Resources Inc	Great Basin Resources Inc

FCCC - Fort Cady (California) Corporation, Elementis - Elementis Specialties, Inc., km² - Square Kilometres

Mining Tenements disposed: Nil

Beneficial percentage interests held in farm-in or farm-out agreements: Nil

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed: Nil

Appendix 2: Payments to Related Parties of the Entity and their Associates

Item	Current Quarter (A\$)	Previous Quarter (A\$)
Directors' Remuneration		
Managing Director's Fees and Superannuation	90,223	95,859
Non-Executive Chairman's Fees	14,144	19,306
Executive Director Fees	180,000	29,333
Non-Executive Director Fees	23,250	19,500
2020 Short-term incentives	221,723	-
Total payments to related parties of the entity and their associates	529,340	163,998