



AmericanPacific

BORATES LIMITED

ASX Announcement

ASX Code: ABR

ACN: 615 606 114

22 January 2021

DECEMBER 2020 QUARTERLY REPORT

HIGHLIGHTS

- **Construction activities ongoing for Fort Cady Borate Mine**
- **Mine Plan for re-engineered Phase 1B nearing completion with focus on bringing forward SOP EBITDA**
- **US\$30m financing to be completed by 31 January 2021 to fully finance Phase 1A capex**
- **Major global mining entity, Sinar Mas Mining to support ongoing financing activities with respect to mine expansion**
- **Ongoing discussions with potential partners for expansion capital and sales and marketing of Borates and SOP**
- **Process for listing of NASDAQ ADRs to commence in February 2021 with initial non-deal roadshow planned for US institutions**
- **Fort Cady Borate Mine video presentation released**
- **Initial digital presence running to support product sales and marketing initiatives**
- **Borate educational marketing ongoing**
- **A\$23.8m cash at bank as at 31 December 2020 with an additional US\$30m expected shortly**

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 31 December 2020.

Fort Cady Borate Mine Construction Activities

Construction activities for the Fort Cady Borate Mine continued in the Quarter. The Company continues to forecast the direct employment of approximately 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

319.7 million shares

63.7 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



Re-Engineering of Mine Plan to Potentially Bring Forward Targeted EBITDA

Engineering to support a revised mine plan is on track for completion in January 2021. The focus is on potentially bringing forward EBITDA from SOP operations which is expected to be positive for partnering discussions, ongoing financing and the US NASDAQ ADR listing.

US\$30M Financing

On 29 December 2020, the Company advised it had renegotiated the US\$30m convertible note with Virtova Capital to be 100% equity. It has also renegotiated the time period for the drawdown with 100% of the US\$30m due on or about 31 January 2021. Importantly, under the revised arrangement, the Company does not need to provide any security for the funds meaning all assets will remain unencumbered and available to support debt facilities as part of the ongoing financing strategy.

In order to give effect to the renegotiated arrangement, the following was agreed:

1. The Company will drawdown on the first tranche of the Convertible Note;
2. The Noteholder will waive all security requirements and all additional Convertible Note drawdowns;
3. The Noteholder will immediately instruct the Company to convert the first tranche of the Convertible Note to 10,256,409 shares;
4. The Company will complete a Placement to the Noteholder of 41,025,642 shares for US\$24m ("Placement") under its existing Listing Rule 7.1 placement capacity (using an exchange rate of A\$0.76:US\$1.00, the share price for the Placement is 77c);
5. All 51,282,050 shares (i.e. mentioned in 3 and 4 above) are to be voluntarily escrowed for a period of six months from their issue; and
6. Transaction to be completed on or about 31 January 2021.

The Placement shares issued to Virtova Capital will rank equally with the Company's existing fully paid ordinary shares. The Company intends to apply the funds raised from the Placement and conversion to fund construction activities at the Fort Cady Borate Mine including, but not limited to, site works, equipment costs, personnel, engineering expenses and establishing required infrastructure in order to construct facilities for the production of borates and SOP, and general working capital expenses.

Sinar Mas Mining Mine Expansion Financing Support

Virtova Capital introduced Sinar Mas Mining to the Company as part of the renegotiation of the US\$30m convertible note. Sinar Mas Mining has agreed to support the Company with its ongoing financing activities with respect to mine expansion. To evidence the credentials of Sinar Mas Mining, the Company notes that it has recently entered into a 50% joint venture with EMR Capital for the acquisition and expansion of the Ravenswood Gold Project in QLD.

Partnering Discussions

On 11 May 2020, the Company advised it was exploring various options with respect to ongoing mine financing with a view to delivering an optimum result to shareholders. In parallel with working with Sinar Mas Mining, and progressing a NASDAQ ADR listing, the Company continues to have discussions with potential strategic partners. These discussions are focussed on project level financing to accelerate mine expansion and ongoing product sales and marketing.



NASDAQ ADR Process

The Company has commenced a process to enable a secondary trading of its securities on the NASDAQ via an American Depositary Receipt (“ADR”). Positive discussions have been held with NASDAQ representatives and US investment banking partners that should help to expedite the process.

A non-deal roadshow to US institutional investors coordinated by New York based investment banks is expected to be completed in February 2021 as a pre cursor to listing a NASDAQ ADR.

This workstream remains a priority for the Company given the location of its projects and majority of its management, the likely scenario that all products will be sold into the US, and the current valuations of US listed speciality industrial minerals companies.

Fort Cady Borate Mine video presentation

The Company recently released its Fort Cady Borate Mine video presentation, which provides the market with a comprehensive overview of planned production of Borates and Potassium Sulphate at Fort Cady.

The video can be accessed using this link: <http://bit.ly/ABRvideo> or by visiting the Investor Centre at the American Pacific Borates website.

Digital Presence for Product Sales and Marketing Strategy

The Company has progressed product branding work to build its corporate presence for selling its premium speciality fertiliser products through the newly created sales and marketing company, “Fort Cady”. A new website has been developed and will be launched shortly, along with associated digital presence on various platforms.

Concepts for each product brand

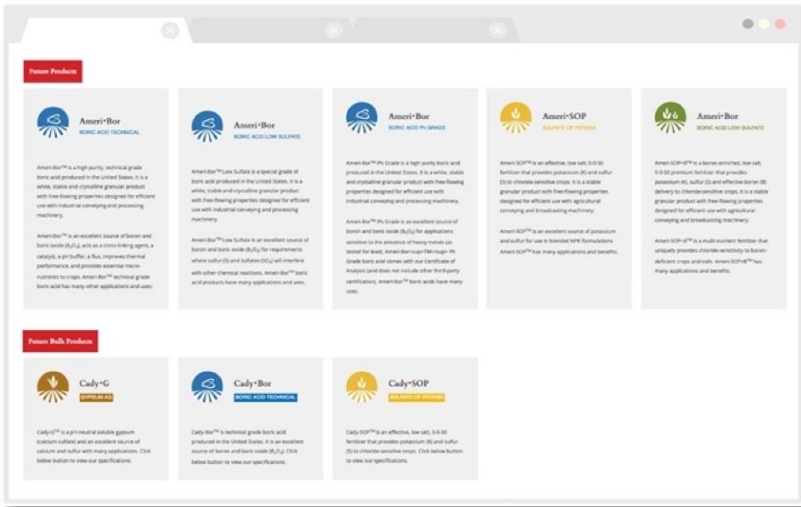


Work is underway on engagement activities with potential customers across the American agricultural segment, with particular focus on California, which is one of the largest agricultural markets in the world.



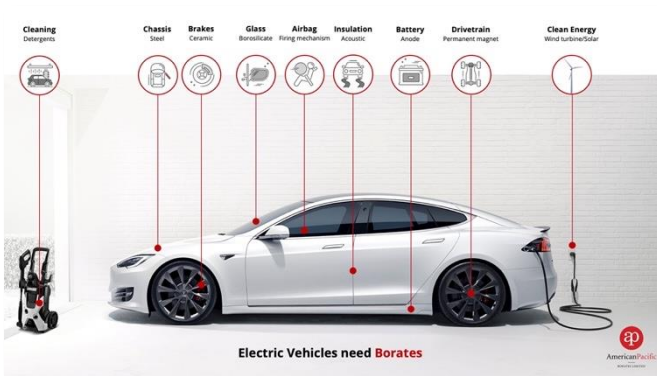
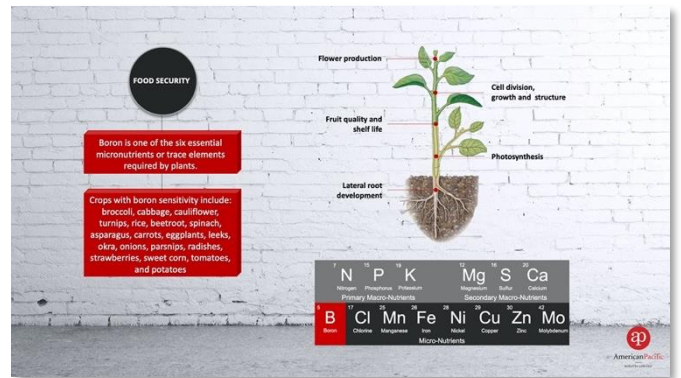
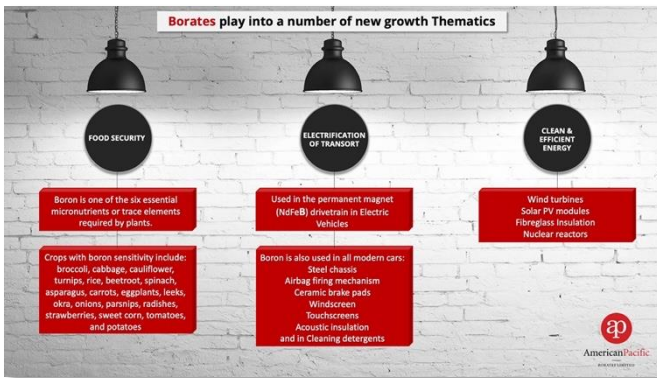
Website and Digital Presence

The Fort Cady website will feature details on all intended products, data sheets and information on how to contact the Company for technical and sales purposes.



Borate Educational Marketing

Marketing is ongoing to highlight the Company's opportunities relative to significant and growing industry segments. Borates have a wide spectrum of use, which importantly play into key themes for Food Security, Electrification of Transport, and in the development of Clean and Efficient Energy.





Corporate

Recruitment

Modest ongoing recruitment occurred throughout the Quarter with the addition of a Project Engineer and Health and Safety Manager to support the owners' construction and operations team.

Financial Commentary

The Quarterly Cashflow Report (Appendix SB) for the period ending 31 December 2020 provides an overview of the Company's financial activities. The Company is in a strong financial position with A\$23.8 million in cash at the end of the quarter with US\$30m expected by 31 January 2021. 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 A\$751k, and included instalments paid for items such as filtration and loading equipment. In addition, the Company incurred engineering costs totalling A\$818k during the period.

Payments for administration and corporate costs amounted to \$673K 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 \$390k and related to US office staff salaries and Managing Director fees. The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities was \$236k (refer to Appendix 2).

During the quarter 250,000 options were exercised with total funds received of approximately A\$75,000.

- 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

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.



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 2020¹). 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 2018²)

JORC compliant Mineral Resource Estimate and Reserve						
Reserves	MMT	B ₂ O ₃ %	H ₃ BO ₃ %	Li ppm	B ₂ O ₃ MT	H ₃ BO ₃ 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.

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.

² 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

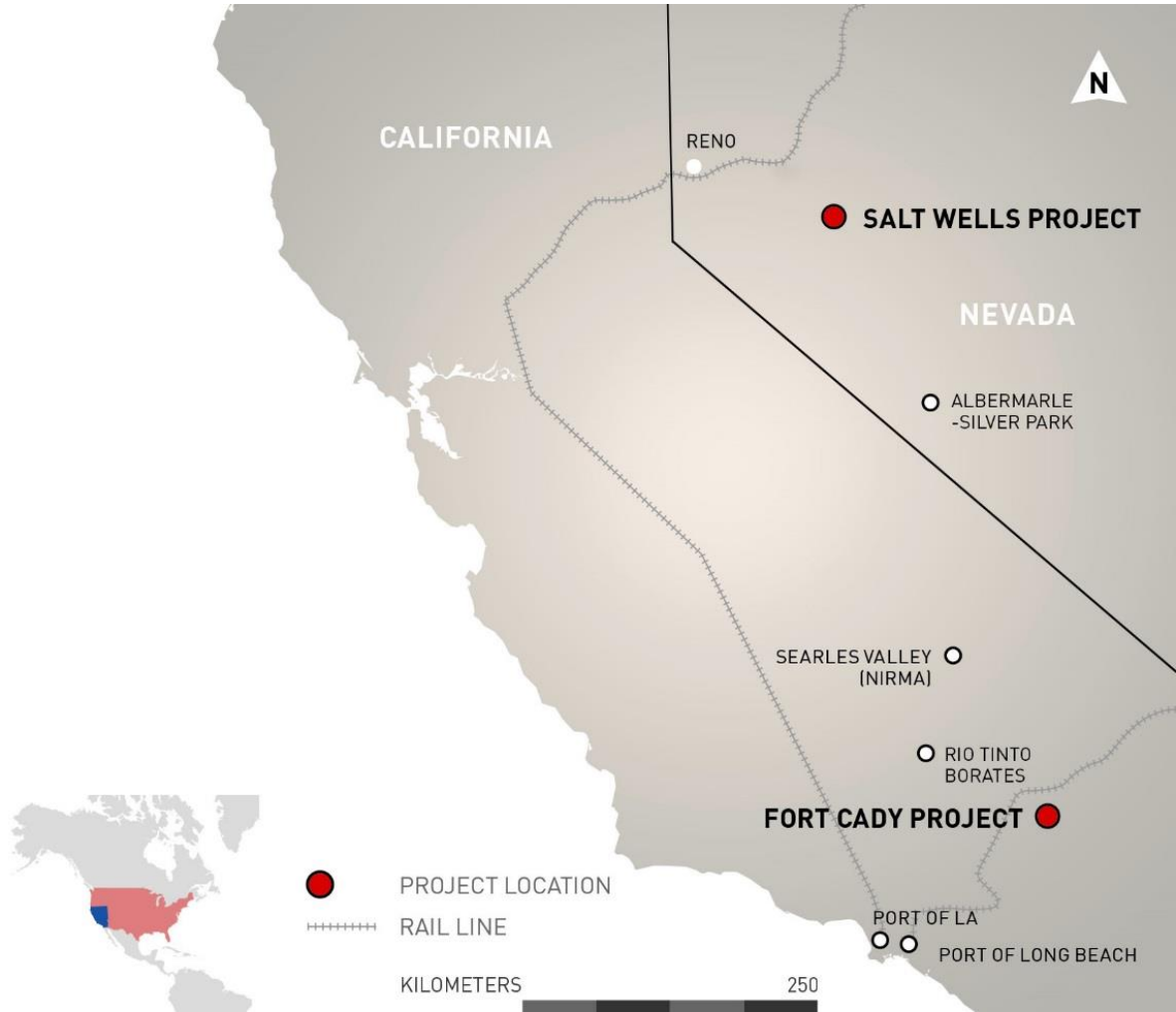


Figure 3 | Location of the Fort Cady and Salt Wells Projects in the USA



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	103,107	90,223
Non-Executive Chairman's Fees	25,171	14,144
Executive Director Fees	84,000	180,000
Non-Executive Director Fees	24,000	23,250
2020 Short-term incentives	-	221,723
Total payments to related parties of the entity and their associates	236,278	529,340

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AMERICAN PACIFIC BORATES LIMITED

ABN

68 615 606 114

Quarter ended ("current quarter")

31 December 2020

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	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(390)	(824)
(e) administration and corporate costs	(673)	(1,554)
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 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	1	3
1.9 Net cash from / (used in) operating activities	(1,061)	(2,373)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(751)	(6,897)
(d) exploration & evaluation	(3,676)	(4,521)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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)		
	- reclamation bond	-	(1,088)
2.6	Net cash from / (used in) investing activities	(4,427)	(12,506)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	113	3,913
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,172)
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)		
	- Repayment of convertible debt securities	-	-
3.10	Net cash from / (used in) financing activities	113	2,741

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	30,793	38,743
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,061)	(2,373)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,427)	(12,506)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	113	2,741
4.5	Effect of movement in exchange rates on cash held	(1,598)	(2,785)
4.6	Cash and cash equivalents at end of period	23,820	23,820

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	23,820	30,793
5.2 Call deposits	-	-
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)	23,820	30,793

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	236
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	
- Payment of Directors Fees and Remuneration - \$236k	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,061)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,676)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,737)
8.4 Cash and cash equivalents at quarter end (item 4.6)	23,820
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	23,820
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: 22 January 2021



Authorised by: Aaron Bertolatti – Company Secretary

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.