HILLGROVE RESOURCES

QUARTERLY REPORT

PERIOD ENDING 31 DECEMBER 2019

Hillgrove Resources Limited (ASX: HGO) report for the quarter ended 31 December 2019

SUMMARY

Operations

Operational focus was on the processing of stockpiles, with quarterly production of 2,324 tonnes of copper and 1,032 ounces of gold, which was in line with plan. The remaining 0.8M tonnes of stockpiled low grade ore is expected to be processed by the end of the March 2020 quarter.

Cash Flow

Free cash flow from the processing of stockpiles enabled further improvement in the Company's working capital where:

- Cash and trade receivables balances increased from $6.0M to $10.5M, and
- Creditors and accruals balances decreased from $10.0M to $8.6M during the quarter.

2019 Guidance Performance

2019 copper production and C1 costs were all within guidance while gold production exceeded guidance.

Underground Exploration and Development

The 12 hole diamond drilling programme was completed during the December quarter (refer ASX announcement 10-Oct-19), with the promising drill results leading to the completion of a maiden underground Mineral Resource Estimate for a portion of these lodes (refer ASX announcement 30-Oct-19).

The regulatory approval to commence underground mining has been granted. The approval includes expanded capacity of the tailings storage facility (TSF), providing optionality for future mining within haulage distance to the Kanmantoo processing and tailings complex. Discussions with AGL to allow a mining window are ongoing.

Pumped Hydro Energy Storage Project

There was no material progress during the quarter. To date, the outstanding conditions precedent to the payment by AGL of a $4 million staged instalment have not been satisfied within the prescribed timelines. The parties are continuing to negotiate to satisfy the outstanding matters. At this stage no agreement has been reached and as such the Kanmantoo PHES project has stalled and is expected to lead to delays.

South East Exploration Project

The Company holds 5,652 sq kms of exploration licences in the south-east of South Australia. Much of this area is now being investigated by the Geological Survey of SA and MINEX-CRC for its porphyry copper-gold endowment as a consequence of the discoveries on the Stavely Belt. To actively progress this opportunity, HGO has continued its program of passive-seismic, gravity and geochemical data acquisition to prioritise its exploration activities.

MANAGING DIRECTOR'S STATEMENT

The rolling 12-month total recordable injury frequency rate (TRIFR) remains at historically low levels, (41% reduction over past 2 years), despite a hand injury in December which contributed to an increase in the TRIFR to 11 injuries per million worked hours. The Company is focussed on an injury free transition from a producer to an explorer / developer. As Hillgrove makes this transition, the TRIFR will rise in 2020 even without any further injuries due to the significant reduction in workforce hours.

Processing activities continued in-line with the previous quarter and in line with expectations, with moderate increases in copper and gold production offsetting reduced throughput rates, ensuring that 2019 copper and gold production guidance was met or exceeded. The grade and throughput consistency since stockpile processing commenced has enabled the team at Kanmantoo to focus on incremental processing improvements which has resulted in copper recovery above expectations for this lower grade ore.

The reduced cash cost structure since the completion of mining in May 2019, has further improved the working capital position of the Company with a continued increase in cash balance and decrease in creditors. With the remaining fixed pricing of 1,500 tonnes at an average copper price of $8,797 per tonne, cash accumulation is expected to continue until the end of stockpile processing. This will position Hillgrove to prudently assess a number of growth opportunities available to it whilst mindful of the objective to return cash to shareholders.

Hillgrove continues to advance projects in close proximity to Kanmantoo that can come into operation relatively quickly, for a low capital investment, and maximise the existing infrastructure, including the low cost 3.6Mtpa processing plant and permitted tailings storage facility. These projects include Kavanagh Underground, South Hub, Northwest and Stella.

The first phase of this strategy focusses on accessing the depth extensions of the orebody below the pit before the pumped hydro energy storage (PHES) project prohibits access, using the 350m deep Giant Pit as a "quasi decline" to reduce the capital investment requirements. A drilling program of a portion of the Central and East Kavanagh Cu-Au lode systems was completed in October 2019 with highly promising drilling results[1] and resulting in the release of the maiden underground Mineral Resource Estimate[2]. Importantly, the drilling showed the mineralisation to be open both along strike to the north and south, and down dip. The drilling did not target the Western lode, which was the orebody that drove the open pit optimisation to depth, providing an opportunity to expand the underground resource with additional drilling. In December 2019, Hillgrove received regulatory approval to commence the underground and expand the TSF.

The most advanced of all potential near mine projects, the Kavanagh Underground is complicated by the PHES project. Discussions with AGL to develop a mining window are ongoing.

Whilst Hillgrove resolves the future of the PHES and Kavanagh Underground with AGL, Hillgrove continues to identify opportunities to increase shareholder value through exploration, including the South Hub Mineralisation[3], nearby exploration opportunities such as Stella and Northwest, and the broader South East exploration tenements, on which Hillgrove continues to undertake low cost exploration to further demonstrate the iron oxide copper gold (IOCG) / porphyry prospectivity of the region.

Despite the delays to the PHES project, this is an exciting time for Hillgrove as we consider the potential underground and exploration opportunities, and look forward to increasing working capital and cash generation through the processing of the remaining open pit stockpiles.

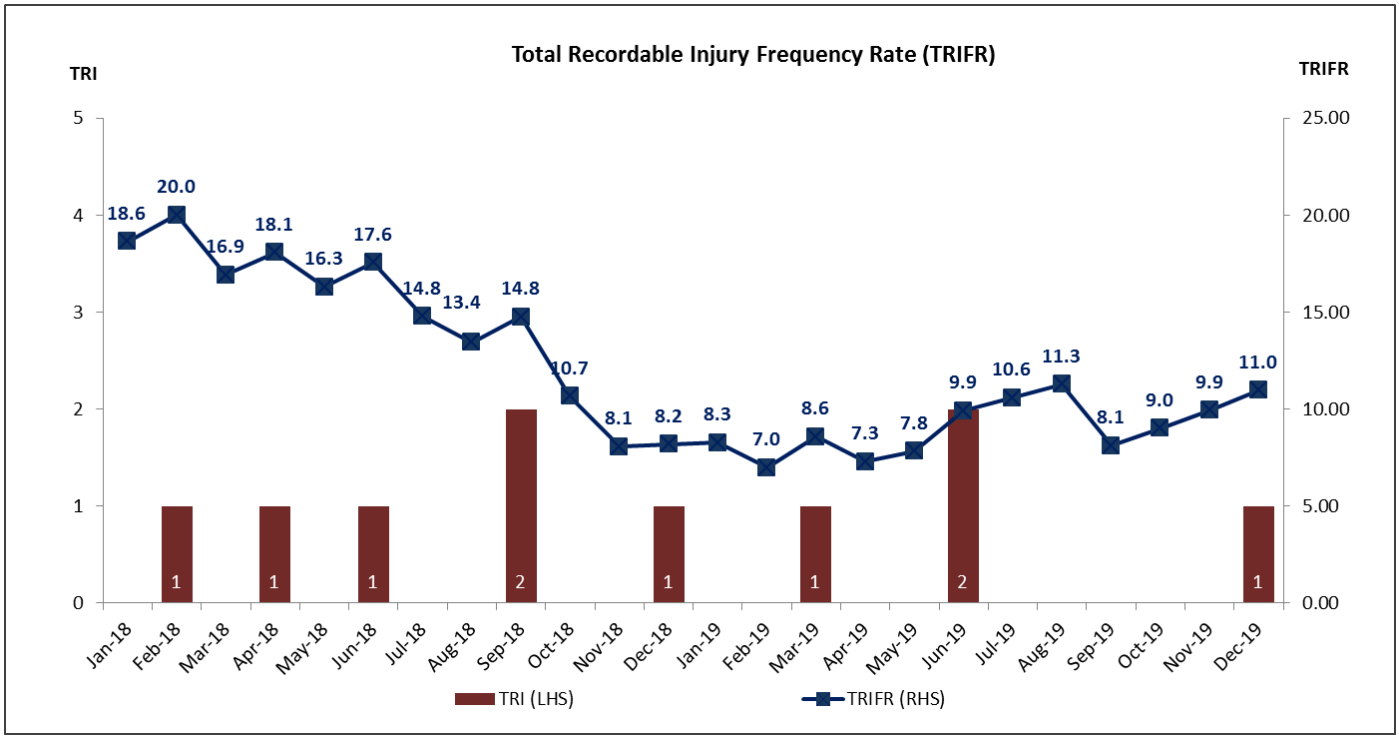
[1] *ASX Release, 10-Oct-19, Excellent Drill Results from Kanmantoo Cu-Au Deposit.*
[2] *ASX Release, 30-Oct-19, Maiden Kavanagh Underground Mineral Resource Estimate.*
[3] *ASX Release, 27-Sep-19, Kanmantoo South Hub Cu-Au Growth Opportunity.*

CURRENT OPERATIONS
Kanmantoo Open Pit (Hillgrove 100%)

Safety

There was one recordable injury in the quarter, which led to the TRIFR increasing from 8.1 to 11.0 at quarter end, please refer to **Figure 1** below. Due to the reduced hours worked on site following the cessation of mining, each injury has a much greater impact on the TRIFR than what has occurred in the past, and the TRIFR will rise throughout 2020 even without further injury due to the significantly lower hours worked.

FIGURE 1. TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR)



Note to Figure 1: TRIFR is calculated per million hours worked

Operations Overview

Mill throughput for the quarter was 874k tonnes at a 94.3% mill run-time, with copper feed grade of 0.30% and a copper recovery rate of 88.6% (refer **Figure 4**). The feed recovery rate was better than expected from the low grade ore due to consistency of feed grade. The stockpile tonnes processed were in line with the revised loose density assumption noted in the previous quarterly report.

Site manpower numbers will significantly reduce after March 2020 when the processing of stockpiles is scheduled to be completed.

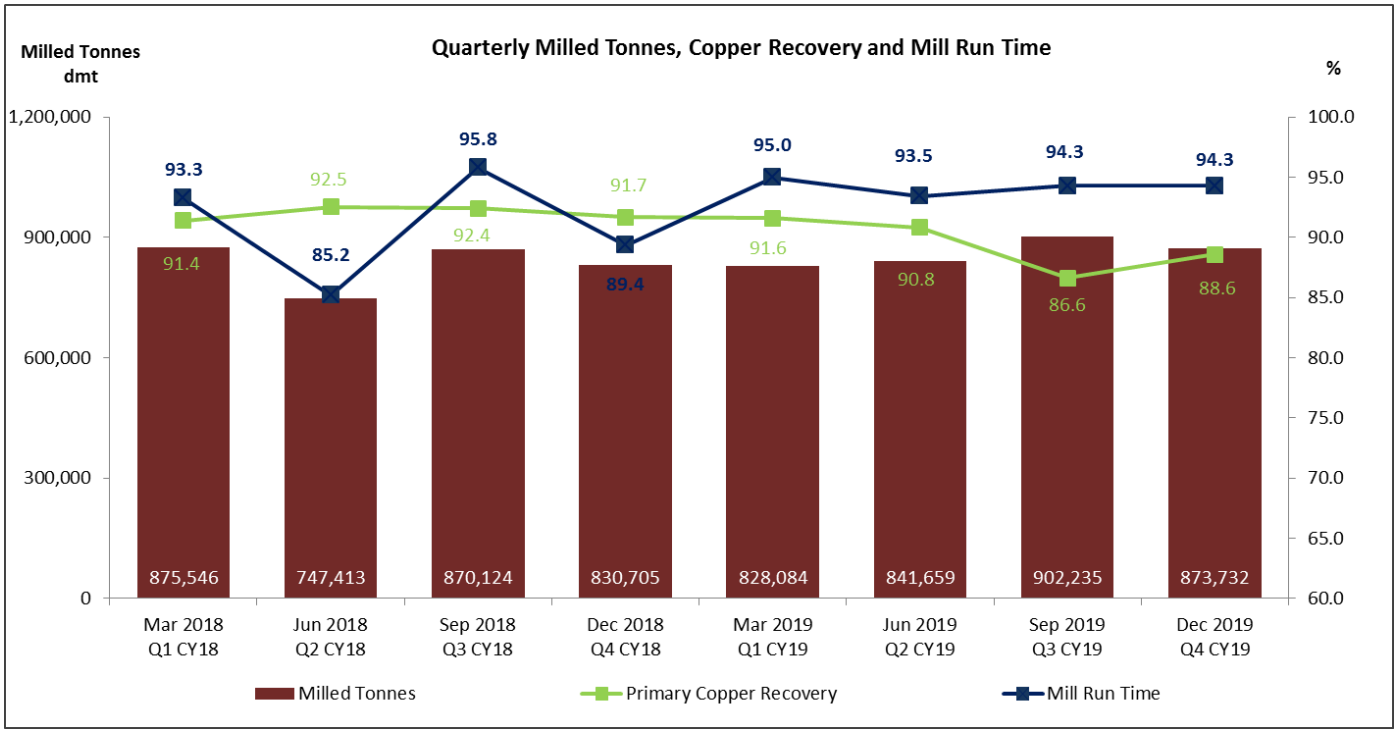
Site rehabilitation activities continued during the quarter, with final waste rock landform shaping taking place prior to topsoil spreading and seeding which will commence during the first quarter of 2020 ahead of the expected wet season.

Figure 2 shows the reclamation of the low grade ore stockpiles for processing whilst **Figure 3** illustrates the commencement of topsoil spreading on the shaped landforms in preparation for seeding as part of the rehabilitation activities.

FIGURE 2. RECLAIMING ORE STOCKPILE

FIGURE 3. TOPSOIL SPREADING ON SHAPED LANDFORMS IN PREPARATION FOR SEEDING

FIGURE 4. KANMANTOO QUARTERLY PROCESSING PERFORMANCE



Total production for the quarter was 10,347 DMT of concentrate, containing 2,324 tonnes of copper metal and 1,032 ounces of gold (refer **Table 1**).

TABLE 1. KANMANTOO COPPER MINE PRODUCTION STATISTICS

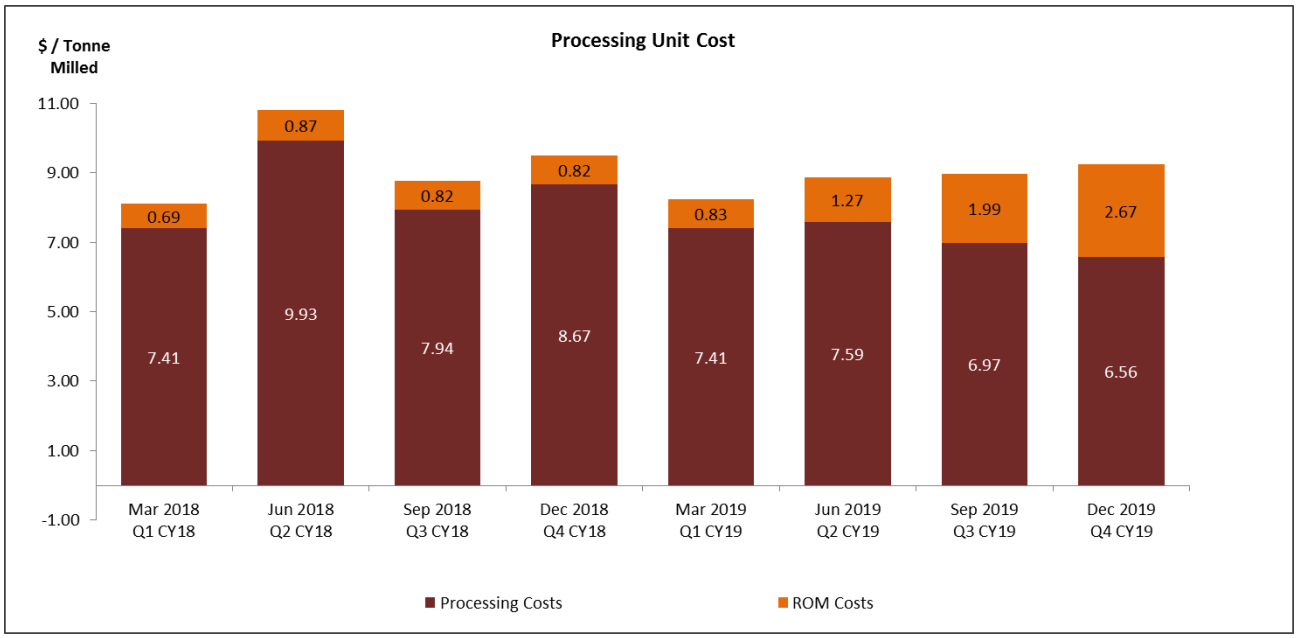
		MAR-19 QTR 3 MTHS	JUN-19 QTR 3 MTHS	SEP-19 QTR 3 MTHS	DEC-19 QTR 3 MTHS	CY19 YTD 12 MTHS
Ore to ROM from Pit	kt	1,059	515	-	**-**	**1,574**
Mined Waste	kt	739	116	-	**-**	**855**
Total Tonnes Mined	kt	1,797	631	-	**-**	**2,428**
Strip Ratio	W:O	0.7:1	0.2:1	-	**-**	**0.5:1**
Closing Ore Stocks[4]	kt	3,128	2,846	1,673	**782**	**782**
Mining Grade	%	0.60	0.61	-	**-**	**0.60**
Ore Milled	kt	828	842	902	**874**	**3,446**
Milled Grade - Cu	%	0.65	0.55	0.29	**0.30**	**0.44**
- Au	g/t	0.06	0.06	0.06	**0.07**	**0.06**
Recovery - Cu	%	91.6	90.8	86.6	**88.6**	**90.0**
- Au	%	56.3	53.1	51.5	**49.5**	**52.4**
Cu Concentrate Produced	Dry mt	20,821	17,701	10,268	**10,347**	**59,137**
Concentrate Grade - Cu	%	23.8	23.9	22.1	**22.5**	**23.3**
- Au	g/t	1.4	1.4	2.6	**3.1**	**1.9**
Contained Metal in Con. - Cu	t	4,963	4,223	2,272	**2,324**	**13,783**
- Au	oz	961	801	858	**1,032**	**3,651**
- Ag	oz	37,034	30,140	17,828	**17,793**	**102,795**
Total Concentrate Sold	Dry mt	20,189	18,536	10,565	**9,882**	**59,172**

[4] Stockpile estimate from Sep-19 quarter based on loose density of 2.30 t/m^3 derived from a study carried out during the September 2019 quarter. The previous quarters in Table 1 have not been changed for consistency and used a density of 2.53 t/m^3.

Costs

Processing unit costs continued to decrease during the quarter to $6.56 per tonne (refer **Figure 5**). This was largely due to reduced maintenance costs (with the majority of the remaining major shutdown works being completed in the previous quarter) and reduced staff costs as employee numbers reduced through natural attrition and not replaced due to the impending cessation of processing activities. ROM costs increased due to a one off provision for fleet demobilisation being recognised in December and also additional rock breaking equipment being utilised to manage ore size reduction on the ROM.

FIGURE 5. KANMANTOO QUARTERLY PROCESSING UNIT COSTS



C1 unit cost for the December quarter was US$2.90/lb (refer **Table 2**). With the completion of mining and the consumption of stockpiles, there are no longer any mining costs. Ore Inventory Adjustments however captures past expenditure incurred in mining and stockpiling the ore, with these past costs now booked as an expense when that ore is processed into saleable product. These charges are not cash costs for the current quarter.

TABLE 2. KANMANTOO COPPER MINE COSTS (USC/lb at AUD/USD of 0.683 for the Dec-19 Quarter)

US cents per lb	MAR-19 QTR	JUN-19 QTR	SEP-19 QTR	DEC-19 QTR	CY19 YTD
	3 MTHS	3 MTHS	3 MTHS	**3 MTHS**	**12 MTHS**
Total Mining Cost	107	50	-	**-**	**54**
Deferred Mining[5]	45	11	-	**-**	**19**
Ore Inventory Adjustment[6]	-19	30	125	**150**	**48**
Mining Costs	133	91	125	**150**	**121**
Processing Costs	42	55	116	**112**	**70**
Other Direct Cash Costs	8	9	15	**19**	**11**
Total Onsite Costs	183	155	256	**281**	**202**
Transport & Shipping	13	13	15	**15**	**13**
Treatment, Refining & Smelter Charges	26	27	27	**27**	**27**
Total Offsite Costs	39	40	42	**42**	**40**
Precious Metals Credits	-16	-15	-29	**-33**	**-21**
Total Direct Operating Costs (C1 Costs)	206	180	269	**290**	**221**
Royalties	13	13	13	**13**	**13**
D&A	28	36	30	**40**	**33**
TOTAL COSTS	247	229	312	**343**	**267**

[5] Within each pit, the cost of higher waste benches, proportional to the copper contained in the ore, is normalised for the impact of strip ratios and copper grades over the life of specific pits

[6] Mining costs per tonne of ore added to (-'ve) or processed from (+'ve) long term stockpiles.

DEVELOPMENT PROJECTS

Hillgrove has held discussions with a number of interested parties seeking to jointly develop or explore projects or ground located on or near the mining lease with the aim to utilise and maximise the value from the existing Kanmantoo Open Pit and other infrastructure (including the low cost 3.6Mtpa processing plant and permitted tailings storage facility).

During the quarter, $0.6m was spent on development and exploration activities.

Kavanagh Underground

Diamond drilling to confirm the grade and tonnes of the Central and East Kavanagh targets concluded during the quarter, with the Company announcing results of the 12 hole diamond drilling program (refer announcement of 10 October). The drilling results from the 12 drill holes have enabled a maiden Mineral Resource Estimate to be published for the area (refer announcement of 30 October). **Table 3** presents a summary of the resource estimate, appropriately rounded to reflect the resource category.

TABLE 3. MINERAL RESOURCE ESTIMATE FOR CENTRAL AND EAST KAVANAGH UNDERGROUND AREA

Mine	JORC 2012 Classification	Tonnage (kt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu Metal (kt)
Kavanagh UG	Indicated	646	1.63	0.13	3.6	10.5
	Inferred	310	1.8	0.2	4	6
	Total	**957**	**1.7**	**0.14**	**3.8**	**16.2**

Note: Copper Cut Off Grade is 0.60% Cu. Due to appropriate rounding, numbers may not sum.

The regulatory approval to commence underground mining has been granted. The approval includes expanded capacity of the tailings storage facility (TSF), providing optionality for future mining within haulage distance to the Kanmantoo processing and tailings complex. Discussions with AGL to develop a mining window have not been concluded, so the proposed additional drilling program has not commenced. This additional drilling would target Western Kavanagh and strike extensions for Eastern and Central Kavanagh to try to enlarge the Resource for Kavanagh Underground.

South Hub

An opportunity for near-term growth, as previously announced, is to assess the down dip and along strike continuation of the higher grade Cu-Au orebodies that have been mined from the Emily Star and Nugent open pits and their near-vicinity, in areas that are not subject to the AGL PHES agreement. These targets are collectively known as South Hub and present an opportunity for longer term production (refer **Figure 6**).

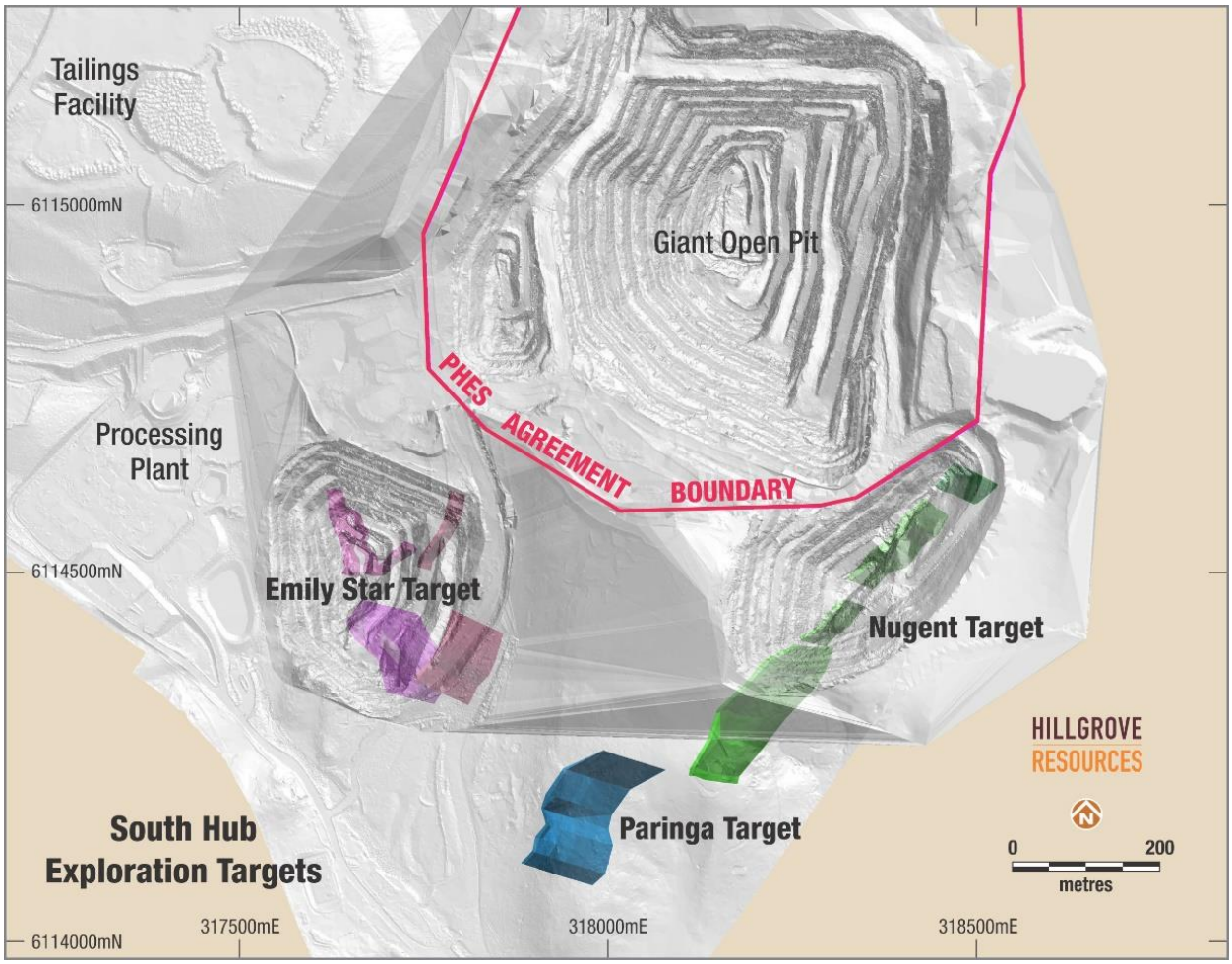
The South Hub Exploration Target[7] (refer **Table 4**) suggests the potential for a viable underground opportunity beneath and/or along strike of the recently mined Emily Star and Nugent open pits. Further work is being planned to assess the economic viability of this target.

TABLE 4. SUMMARY OF THE EXPLORATION TARGET BY ZONE

Zone	Tonnage Range Mt	Grade Range Cu%	Grade Range Au g/t
Nugent	1.5 - 2.5	1.3 - 2.2	0.2 - 0.6
Paringa	0.5 - 1.5	1.1 - 2.2	0.1 - 0.2
Emily Star	2.0 - 4.5	1.2 - 2.2	0.1 - 0.3
TOTAL	**4 - 9**	**1.2 - 2.2**	**0.1 - 0.3**

[7] The South Hub Exploration Target in this Quarterly Report is based on currently available data and was reported on 27 September 2019. The Exploration Target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource under the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code" (JORC 2012).

FIGURE 6. PLAN VIEW OF THE SOUTH HUB EXPLORATION TARGET BY ZONE



EXPLORATION

HGO holds 5,652 sq kms of exploration licences in the south-east of South Australia (refer **Figure 7**), partly covering the Delamerian orogen. The Delamerian orogen is now being investigated by the Geological Survey of South Australia and MINEX-CRC for its porphyry copper-gold endowment as a consequence of the discoveries on the Stavely Belt, which is also within the Delamerian orogen in western Victoria. As a result of the government funding the geological investigations and ensuing drilling programs, a large portion of the Delamerian in eastern South Australia has been placed under a Section 15 tenement moratorium. The moratorium does not impact on HGO's exploration licences however, no further licences will be issued whilst the moratorium is in force.

Hillgrove has continued its program of passive seismic, gravity and geochemical data acquisition. The passive-seismic data will be used to model the depth of the Murray Valley Sediments over the prospective Cambrian basement to prioritise its exploration activities. This has proven to work successfully, showing large areas of the Company's exploration area having cover of less than 100 metres. In addition, small programs of soil sampling in areas of minimal cover, re-assaying and petrology of historic drill core stored within the Tonsley core library, gravity data acquisition and data compilation continue.

FIGURE 7. PLAN VIEW OF THE LOCATION OF HILLGROVE EXPLORATION PROJECTS IN SOUTH AUSTRALIA

PUMPED HYDRO ENERGY STORAGE

The sale to AGL of the rights to develop, own and operate the Kanmantoo Pumped Hydro Energy Storage (PHES) project for $31 million, payable in staged payments and subject to completion of certain conditions over an estimated 18-36 month period, was completed during April 2019 (refer ASX announcement dated 16 April 2019 for further details).

The initial $1.0M payable on the signing of the agreements has been paid by AGL. The next $4.0M is payable by AGL on the completion of a number of conditions precedent, primarily relating to baseline environmental study, agreement on a scope of works for the first fill, and ground stability confirmation where the proposed shaft is located.

To date, the outstanding conditions have not been satisfied within the prescribed timelines. The parties are continuing to negotiate to satisfy the outstanding conditions. At this stage no agreement has been reached and as such the Kanmantoo PHES project has stalled and is expected to lead to delays.

HILLGROVE CORPORATE

Cash Flow (Unaudited)

With the completion of mining and the subsequent reduction in the cash costs of operations, working capital has further improved during the December 2019 quarter – with cash and trade receivables balance increasing from $6.0M to $10.5M and creditors and accruals balance decreasing from $10.0M to $8.6M during the quarter.

Fixed Pricing

The Company continues to actively manage its Australian Dollar copper price exposure through fixed pricing contracts, which underpin revenues for the remaining copper production from the Kanmantoo Open Pit. As at the end of the quarter, it had 1,500 tonnes of future sales priced at an average copper price of $8,797 per tonne.

Revenue

Gross revenue for the quarter (including precious metals credits) was $21.0M, with the average realised price for copper metal sold being $8,809 per tonne.

Performance Against 2019 Guidance

The Company's actual performance against its 2019 guidance is summarised in the table below.

TABLE 5. 2019 GUIDANCE

CY19	2019 Guidance	Actuals
Copper produced	13,000 to 15,000 tonnes	13,783 tonnes
Gold produced	2,000 to 3,000 ounces	3,651 ounces
C1 costs	US$2.05 to US$2.30	US$2.21
Exploration capex	$2.3 to $2.7 million	$2.9 million
Capital projects	$1.5 to $2.5 million	$1.8 million

Copper production was in line with 2019 guidance, while gold production was above the guidance. Capital expenditure on exploration was $0.2 million above guidance principally due to the work conducted on the Kavanagh underground project during the year.

The 2020 guidance will be provided in February 2020, along with the release of the 2019 full year results.

INDONESIAN GOLD AND GOLD/COPPER ASSETS

The Company is continuing to progress its withdrawal from Indonesia.

The Indonesian projects have been on care and maintenance since 2013 and the carrying value of both projects were fully impaired in 2015.

MINERAL RESOURCE & ORE RESERVE

Update to Mineral Resources for Kanmantoo as at 31 December 2019

In accordance with ASX Listing Rules the Company and the Competent Person have undertaken an annual review of the Company's mineral resources as previously released on 18 October 2016.

In consideration of the continuing change in the community expectations of open pit mining practices, the depletion of all mineral resources within the Giant open pit, and the continuing upward pressure on mining costs, the review concluded that further open pit mining on the Kanmantoo Mining Lease area is no longer in the best interest of the Company. As a consequence, the Mineral Resource Estimate for Kanmantoo as reported in the Company's Annual Report of 28 February 2019 and estimated at an appropriate cut-off grade for open pit mining of 0.20% Cu is not a useful guide for future economic opportunities for the Company.

On 30 October 2019 the Company released a new Mineral Resource Estimate for the first of its underground opportunities on a portion of the deeper Kavanagh mineralisation beneath the Giant Open Pit. The Mineral Resource Estimate does not include any Ore Reserve, and is estimated at a cut-off grade and geologic continuity suitable for eventual underground studies for its exploitation.

The Table below summarises the Mineral Resource Estimate ("MRE") for the Central and East Kavanagh underground areas between 900 and 750 mRL at 0.6% Cu cut-off grade.

MINERAL RESOURCE ESTIMATE FOR CENTRAL AND EAST KAVANAGH UNDERGROUND AREA

Mine	JORC 2012 Classification	Tonnage (kt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu Metal (kt)
Kavanagh UG	Indicated	646	1.63	0.13	3.6	10.5
	Inferred	310	1.8	0.2	4	6
	Total	**957**	**1.7**	**0.14**	**3.8**	**16.2**

The information in this report that relates to the Mineral Resources on the Kavanagh underground project were initially reported by the Company to ASX on 30 October 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Statement of Ore Reserves As At 31 December 2019

As a result of the closure of open pit mining operations at Kanmantoo in April 2019 resulting from the depletion of all Ore Reserves within the Giant Open Pit there is no longer an Ore Reserve reported for the Kanmantoo District, other than the ore stockpiles generated by the Company during normal mining operations at Kanmantoo and which continue to be economically processed.

KANMANTOO STOCKPILE ORE RESERVE ESTIMATE AT 31 DECEMBER 2019

Mine	JORC 2012 Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu Metal (kt)
Stockpiles	Proved	0.8	0.3	-	-	2.3

Note: The stockpiles are not assayed for gold or silver so there is no estimate for gold or silver grades.

This stockpile estimate is based on a 3D survey of the stockpile volume as at 31 December 2019 and the copper grade as estimated from the mining practices at the time of mining. The Company is not aware of anything that materially affects the information contained in the Ore Reserves Statement in the Company's Annual Report of 28 February 2019 other than changes due to mining depletion since 1 January 2019.

The figures included in the Mineral Resource and Ore Reserve statements are estimates only and not precise calculations, therefore appropriate rounding according to JORC guidelines has been applied. Discrepancies in totals may occur due to rounding.

The information in this release that relates to the Ore Reserve is prepared by a Competent Person in accordance with the JORC Code 2012. Further information on the Kanmantoo Ore Reserves is available in the Hillgrove Updated Ore Reserve Estimate released to the ASX on 18 October 2016. Hillgrove Resources confirms that it is not aware of any new information or data that materially affects the information included in that market announcement and in the case of estimates of Ore Reserves for open pit mining that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed except for open pit mining and processing depletion. Hillgrove Resources confirms that the form and context in which the findings of the Competent Person Lachlan Wallace in relation to the Ore Reserve estimates are presented, have not been materially modified from the original market announcement apart from mining and processing depletion. Lachlan Wallace (MAusIMM) consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Statement of Exploration Targets As At 31 December 2019

The South Hub Exploration Target in this Quarterly Report was reported on 27 September 2019 and is centred around the mineralisation south of the AGL agreement area down to 900m RL.

Hillgrove has approximated an Exploration Target at the Kanmantoo South Hub area of between four and nine million tonnes with a target grade of between 1.2% and 2.2% Cu and 0.1 g/t to 0.3 g/t Au.

South Hub Exploration Target			
Zone	**Tonnage Range Mt**	**Grade Range Cu%**	**Grade Range Au g/t**
Nugent	1.5 - 2.5	1.3 - 2.2	0.2 - 0.6
Paringa	0.5 - 1.5	1.1 - 2.2	0.1 - 0.2
Emily Star	2.0 - 4.5	1.2 - 2.2	0.1 - 0.3
TOTAL	**4 - 9**	**1.2 - 2.2**	**0.1 - 0.3**

The information contained in this announcement that relates to the South Hub Exploration Target was first reported by the Company to the ASX on 27 September 2019. The Exploration Target does not include areas of existing Mineral Resource and the potential quantity and grade reported are conceptual only in nature. Insufficient exploration has been conducted to estimate a Mineral Resource and it is uncertain whether future exploration will lead to the estimation of a Mineral Resource in the defined areas. The information in this report that relates to the Exploration Target is based on and fairly represents information and supporting documentation compiled by Peter Rolley, a Competent Person, a full time employee of Hillgrove Resources Limited, and a member of the Australian Institute of Geoscientists. Mr Rolley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves'. Mr Rolley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information included in the original announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

CORPORATE INFORMATION	
Issued Share Capital at 31 December 2019	
Ordinary shares	585,588,518
Employee Performance Rights	18,875,000
Share price activity for the Quarter	
High	0.074
Low	0.058
Last (31 December 2019)	0.060

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