



\$7.9M raising underpins outstanding quarter with resource expansion drilling exceeding expectations and feasibility studies at Kathleen Valley tracking well

HIGHLIGHTS

KATHLEEN VALLEY LITHIUM PROJECT (WA)

- Potential to significantly expand the maiden Mineral Resource estimate of **21.2Mt @ 1.4% Li₂O and 170ppm Ta₂O₅** confirmed by successful resource expansion and metallurgical test work drilling.
- Scoping Study released in January indicated that the conceptual open pits were largely constrained by the limits of drill data. New intersections include:
 - **19m @ 1.6% Li₂O from 215m (KVRC0004A)**, including:
 - **1m @ 2.9% Li₂O from 216m and**
 - **3m @ 2.3% Li₂O from 226m**
 - **31m @ 1.7% Li₂O from 192m (KVRC0174)**, including:
 - **10m @ 1.9% Li₂O from 193m and**
 - **9m @ 2.0% Li₂O from 208m**
 - **25.9m @ 2.0% Li₂O from 104m (KVDD0017)**, including:
 - **19m @ 2.2% Li₂O from 110m**
 - **16.5m @ 1.4% from 45m (KVDD0018)**, including:
 - **8m @ 2.0% Li₂O from 48m**
- Latest results indicate that mineralisation is hosted by multiple stacked, spodumene-bearing pegmatites that extend for at least 300m beyond the current conceptual open pits.
- Resource expansion drilling is being undertaken by two Reverse Circulation rigs and is expected to complete in May 2019.
- Results from the drill program, when completed, will be used to prepare an upgraded Mineral Resource Estimate (MRE) to underpin a Pre-Feasibility Study (PFS) due later this year.
- Feasibility-level metallurgical test work designed to optimise the process flowsheet, generate plant design criteria as well as provide samples for potential off-take partners has commenced at ALS Laboratories.

BULDANIA LITHIUM PROJECT (WA)

- Further soil sampling extends strong lithium anomalism at the NW Pegmatite target area to 4.5 x 2.5km.
- Resource definition drilling to re-commence at the Anna pegmatite in Q2 2019.

CORPORATE

- Successful capital raising of approximately \$7.9M completed.
- Funds to underpin the continued exploration and development of the Kathleen Valley and Buldania lithium projects.



Drill rigs at Kathleen Valley

INVESTMENT HIGHLIGHTS

- Positive Scoping Study paves way for further feasibility studies on >21Mt, high grade lithium-tantalum Mineral Resource at Kathleen Valley.
- Second significant lithium discovery confirmed at Buldania.
- Maiden 84Mt vanadium Mineral Resource delineated at the Toolebuc Project.



Buldania drill core showing coarse spodumene crystals

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PROJECTS

1. Kathleen Valley Lithium Project, WA (Liontown: 100%)

The Kathleen Valley Project is located in Western Australia, approximately 680km north-east of Perth within the Eastern Goldfields of the Archaean Yilgarn Craton (**Figure 1**). Spodumene-bearing pegmatites were discovered by historical prospecting at Kathleen Valley and drilling by Liontown has since delineated a maiden Mineral Resource estimate (MRE) of 21.2Mt @ 1.4% Li₂O and 170ppm Ta₂O₅. Further drilling is expected to significantly expand the maiden MRE.

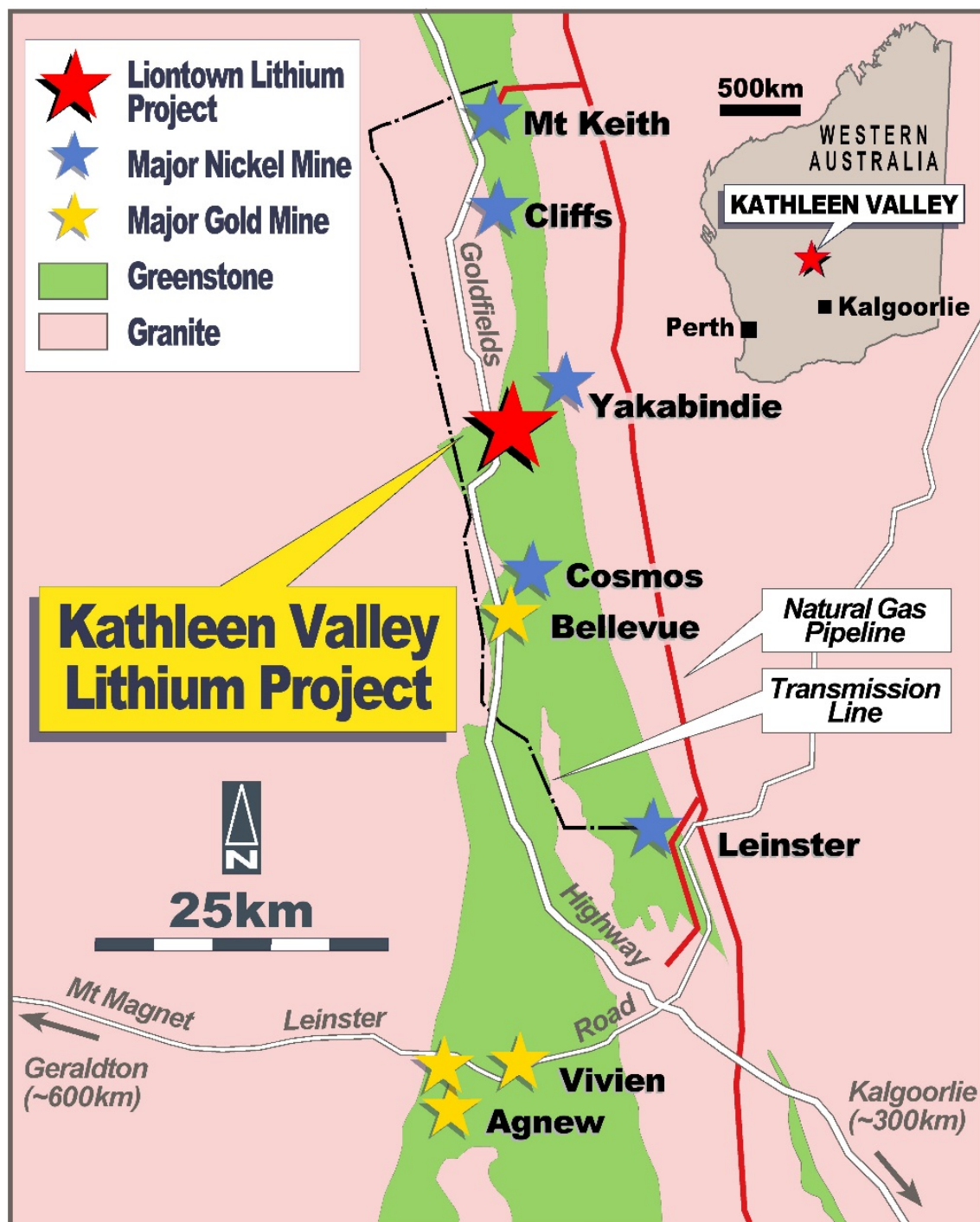


Figure 1: Kathleen Valley Project – Location and Geology Plan.

Following the release of a highly positive Scoping Study in late January 2019, Liontown has continued to fast-track the Kathleen Valley Project with activities during the Quarter including resource expansion drilling and the commencement of feasibility-level metallurgical test work.

RESOURCE EXPANSION DRILLING

A 16,000 – 20,000m program of Reverse Circulation (RC) resource expansion drilling commenced during the Quarter. It follows on from the Scoping Study released in January 2019, which indicated:

- The potential to establish a commercially robust, conventional open pit mining operation at Kathleen Valley; and
- That the conceptual open pits used in the Scoping Study were largely constrained by the limit of drill data.

The current drill program, which is expected to be completed in May 2019, is designed to increase both the size of, and confidence in, the existing MRE by drilling immediately along strike, down-dip and between previous intersections. An updated MRE is scheduled for completion in mid-2019.

Liontown previously announced (see ASX release dated 29th January 2019) that it was targeting an additional 8.5 – 16Mt @ 1.2 – 1.5% Li₂O at Kathleen Valley; however, the latest drilling has resulted in the Company substantially increasing its Exploration Target to **15 – 22.5Mt @ 1.2 – 1.5% Li₂O***, which is in addition to the current MRE of 21.2Mt @ 1.4% Li₂O. If the Exploration Target is successfully converted to JORC compliant Mineral Resources, it could substantially extend the potential mine life.

(*The potential grade and tonnage of the Exploration Target referred to above is conceptual in nature and there has been insufficient exploration to estimate an increased Mineral Resource. It is uncertain if further exploration will result in the estimation of an increased Mineral Resource.)

Since drilling re-commenced in February 2019, a further 66 RC holes have been drilled, including five re-entries, for 11,836m. This brings the total amount of drilling completed by Liontown at Kathleen Valley to 255 holes for 35,069m, comprising 213 RC holes for 30,507m and 42 diamond core holes for 4,562m.

The latest drilling and assays indicate that:

- Spodumene-bearing pegmatites extend for at least 300m to the north-west, away from the limits of the current conceptual open pits (**Figure 2**);
- Mineralisation is largely hosted by multiple, stacked, shallow dipping pegmatites (**Figure 3**); and
- There is good geological and grade continuity between previous, wider spaced drill holes.

Geological logging indicates the potential for further significant assay results, with a number of holes intersecting individual pegmatites >25m thick and cumulative pegmatite widths of >50m.

Once the current drilling program is completed, results will be used to prepare an upgraded MRE for Kathleen Valley which will be incorporated into further feasibility studies, the next stage of which is due for completion in Q4 2019.

METALLURGICAL DRILLING AND TEST WORK

Previous preliminary metallurgical test work results based on 300kg of sample collected in mid-2018 indicated that a saleable spodumene concentrate can be produced at Kathleen Valley.

A 33-hole/2,896m PQ diamond core drilling programme, completed in late 2018, has provided an additional 4 tonnes of material for the feasibility-level metallurgical test work program, which has commenced at Australian Laboratory Services' (ALS) Balcatta laboratory in Perth under the supervision of Lycopodium Minerals Pty Ltd (Lycopodium)

The program is scheduled to take ~6 months to complete and is designed to optimise the process flowsheet, generate plant design criteria as well as provide samples for potential off-take partners.

Assay results from the metallurgical drilling, which was sited between and down-dip of previous intersections, confirmed the continuous, high-grade nature of mineralisation and are consistent with 2018 RC drilling data used to prepare the maiden MRE.

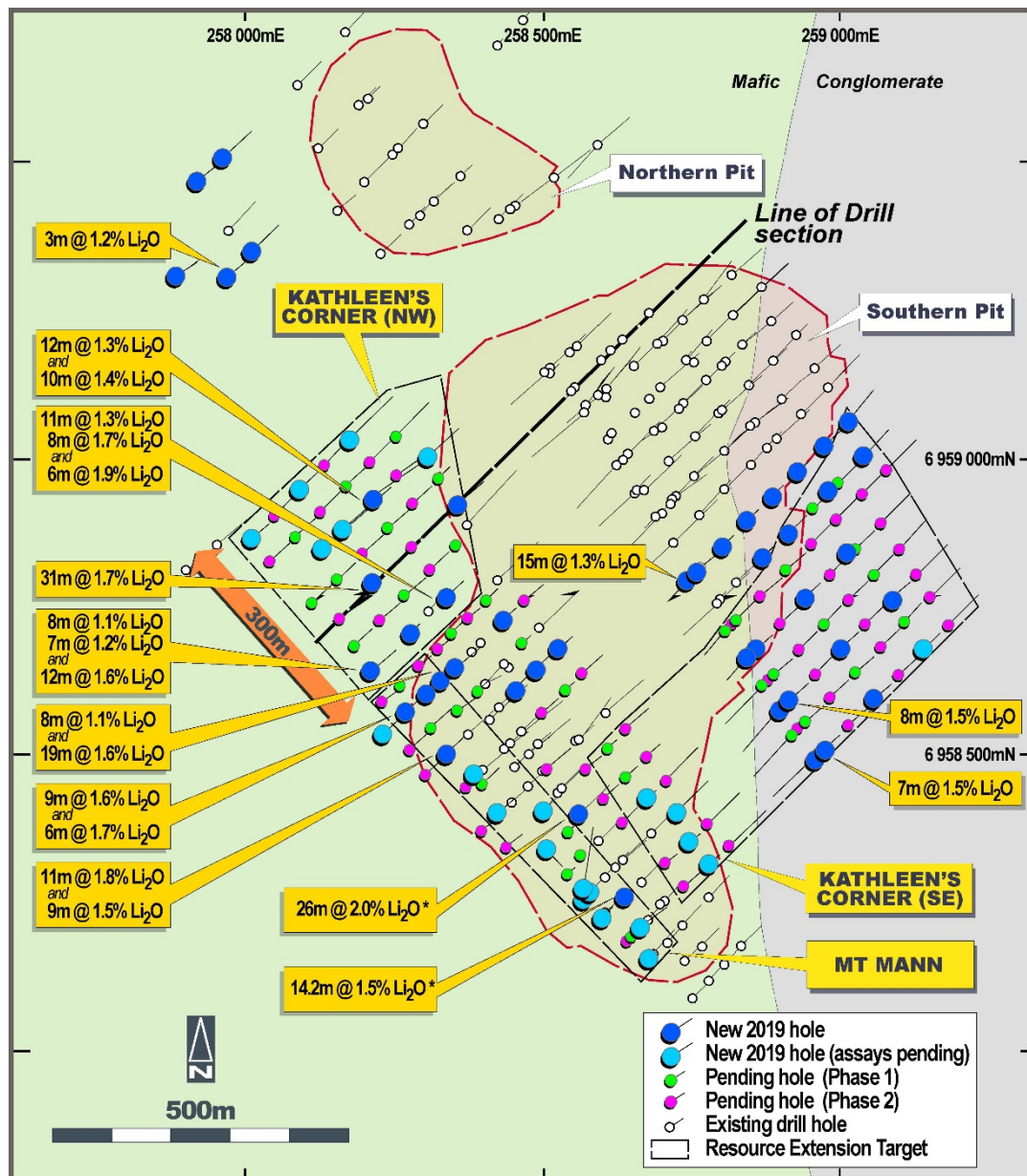


Figure 2: Kathleen Valley – Drill hole plan showing better lithium intersections from metallurgical* and resource expansion drilling programs.

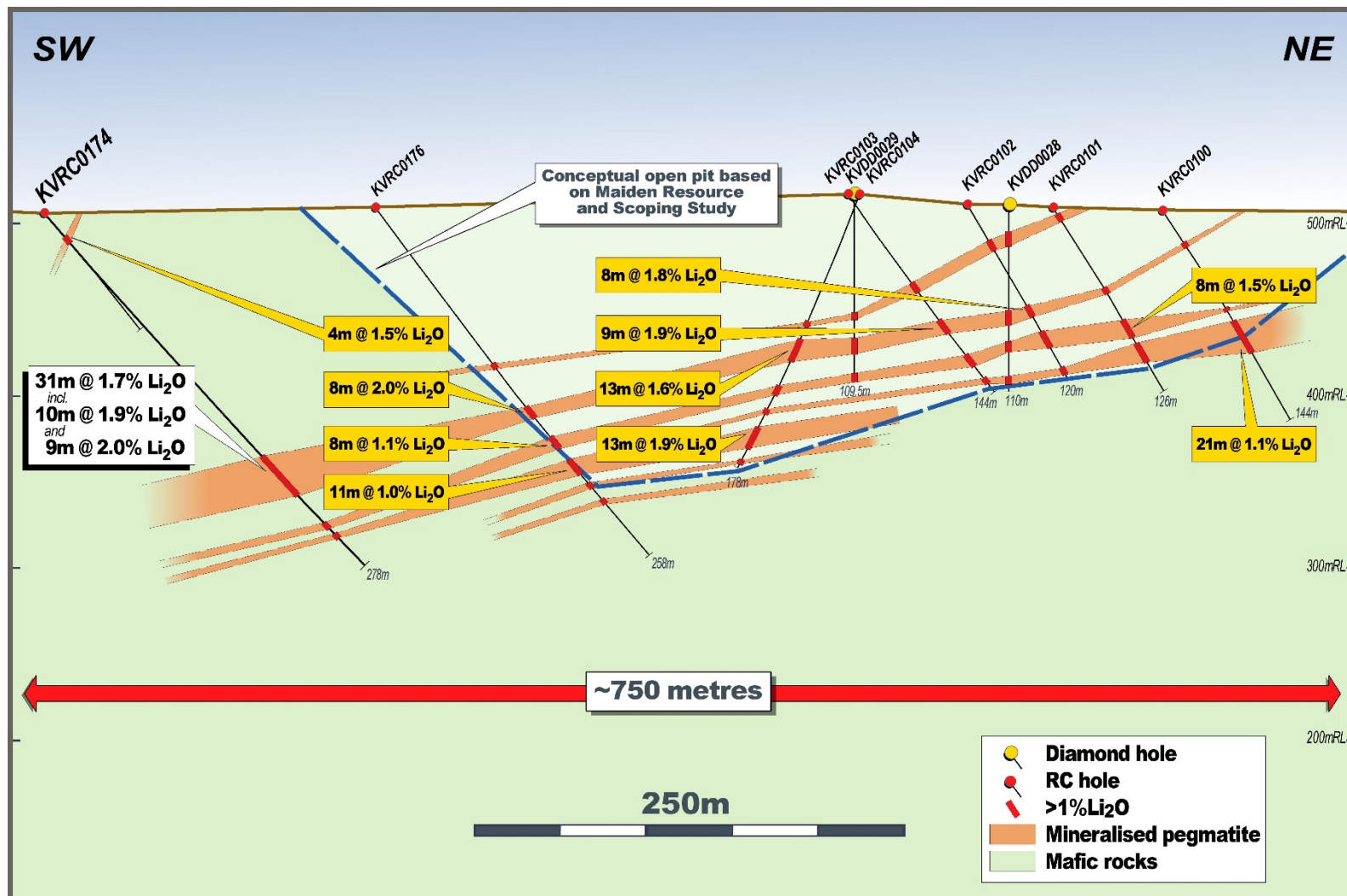


Figure 3: Kathleen Valley – Drill section showing mineralised pegmatites and latest lithium intersections (see Figure 2 for location) extending well beyond limit of conceptual open pit indicated by maiden MRE and Scoping Study.

2. Buldania Lithium Project, WA (Liontown: 100% of Lithium rights)

The Buldania Project is located in the Eastern Goldfields, approximately 600km east of Perth and 200km north of the regional port of Esperance (**Figure 4**). Historical mapping and exploration delineated a large spodumene-bearing pegmatite swarm not previously assessed for lithium or associated rare metals.

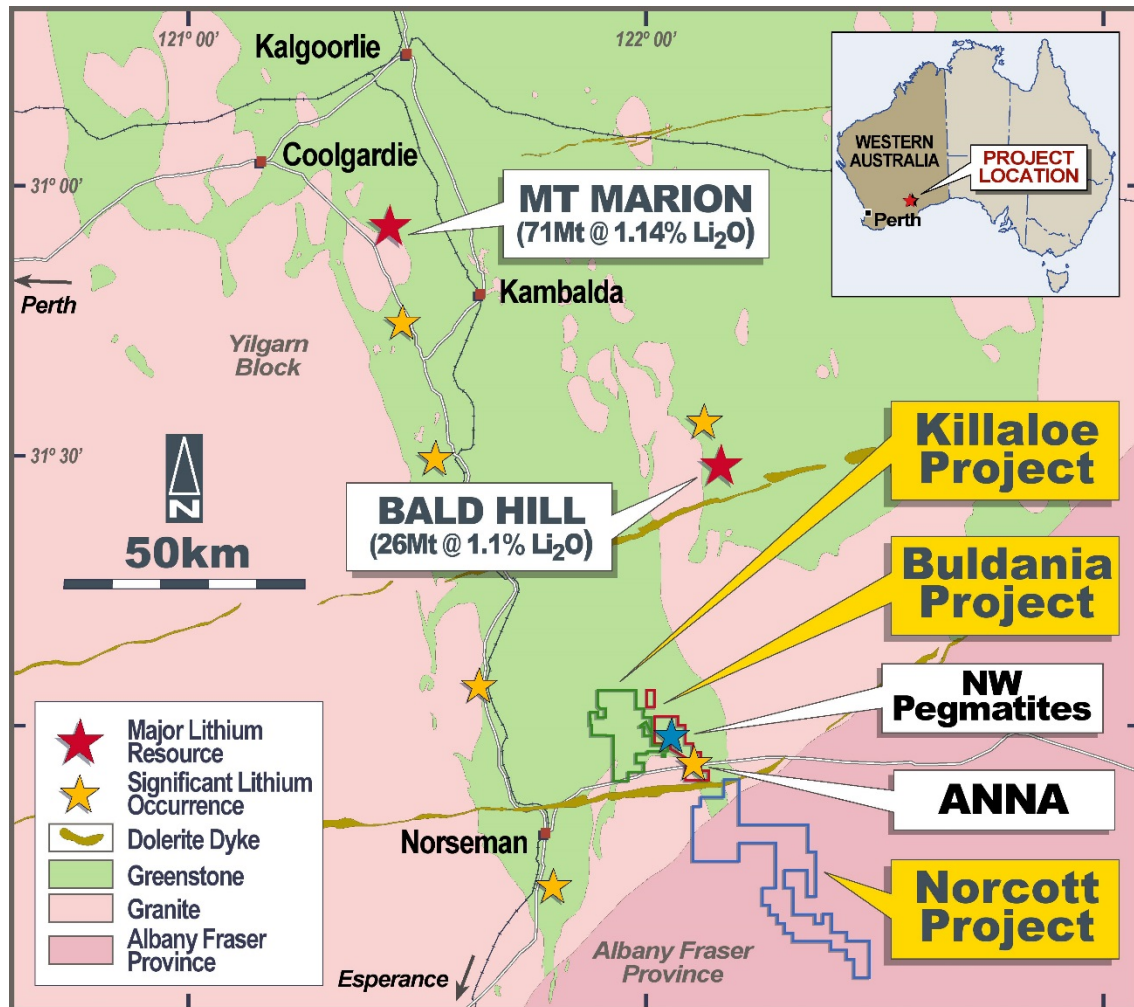


Figure 4: Location and Geology Plan for Buldania, Killaloe and Norcott Projects

Further soil sampling was undertaken during the Quarter over the NW Pegmatites where exploration last year had identified a new spodumene-bearing pegmatite swarm with coincident lithium-in-soil anomalism (>100ppm Li). The new target area is located 5-10km north-west of the previously discovered Anna pegmatite (**Figure 4**).

The additional soil sampling was completed over M63/647, which was recently incorporated into Liontown's Buldania Lithium Rights Agreement (BLRA) with Avoca Resources Pty Ltd ("Avoca"), a wholly-owned subsidiary of Westgold Resources Limited (ASX: WGX).

The latest geochemical survey is an extension of a previously reported program immediately to the west. As a result of the combined programs, strongly anomalous lithium-in-soils (>100ppm Li) have now been defined over an area of 4.5 by 2.5km (**Figure 5**).

The anomalism appears to be spatially associated with multiple sub-cropping, spodumene-bearing pegmatites (**Figure 5**) which have returned surface rock chip assays of up to 3% Li₂O.

The NW Pegmatite area is interpreted to be in the same prospective structural corridor as the Anna pegmatite discovered by Liontown in 2018. Drilling at Anna has intersected significant lithium over a strike length of 1.3km with the mineralisation remaining open to the south-east and at depth (**Figure 6**).

Further Reverse Circulation (RC) drilling comprising 8,000-10,000m is scheduled to commence in the coming Quarter at Anna to provide sufficient data for the preparation of a maiden Mineral Resource estimate. In addition, initial drill testing of the new north-west target area will be undertaken.

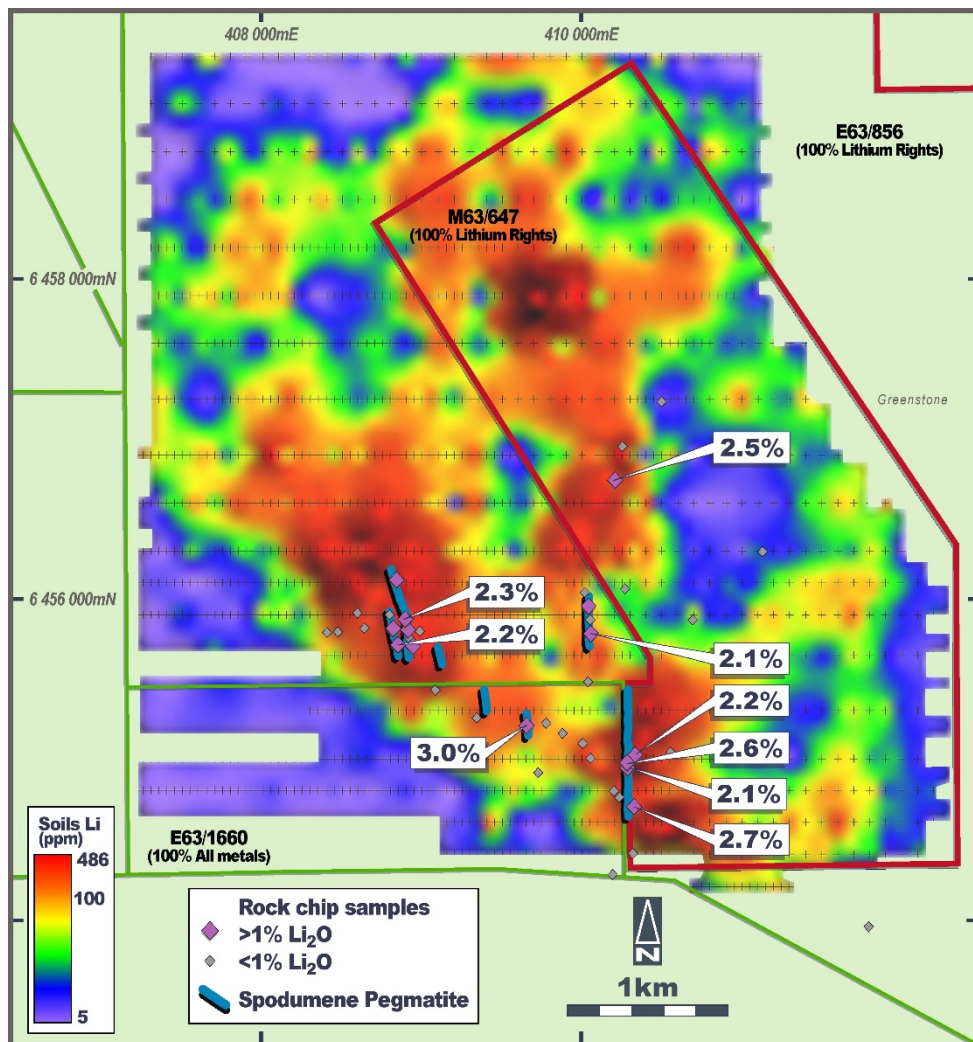


Figure 5: Buldania Project/NW Pegmatites – Lithium-in-soil image showing better rock chip assays.

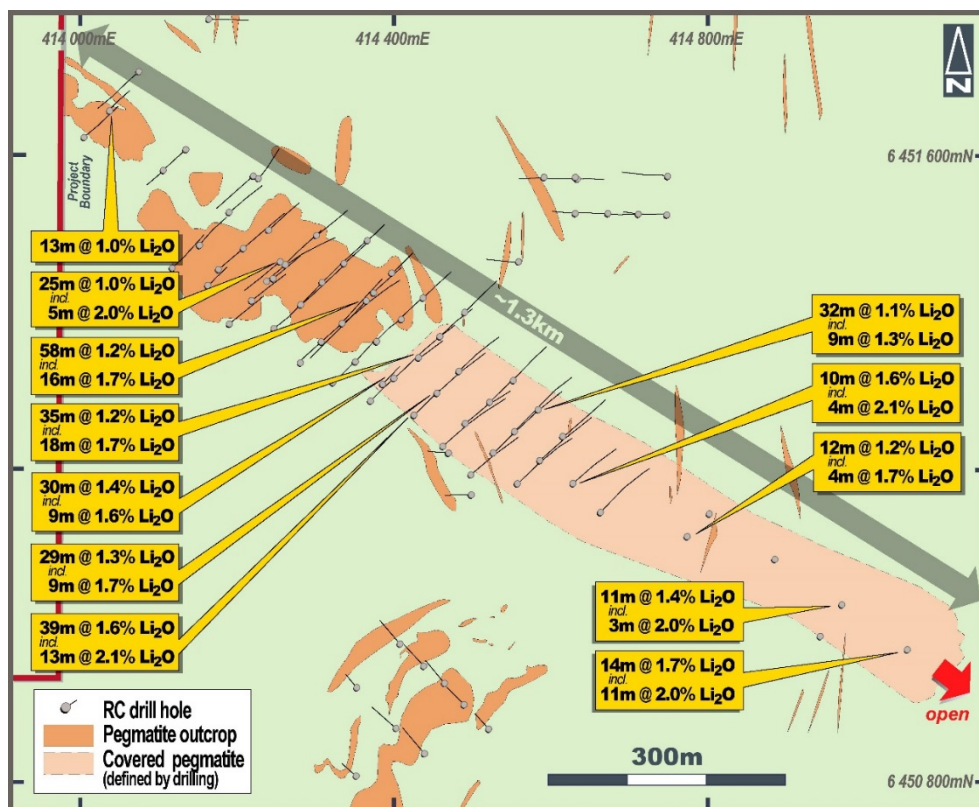


Figure 6: Anna Prospect – Drill-hole plan showing better intersections.

Metallurgical Test Work

Diamond core drilling completed last year has provided enough lithium mineralised material (~300kg) to undertake preliminary metallurgical test work designed to confirm that a saleable spodumene concentrate can be produced from the Anna pegmatite. In addition, the test work programme will provide a preliminary grade/recovery assessment of the Buldania ore using conventional comminution, Dense Media Separation and flotation process units, with the results underpinning a future scoping study on the deposit.

The test work will be conducted at Nagrom's metallurgical laboratory in Perth, Western Australia and supervised by Lycopodium. Results are anticipated in Q3 2019.

3. Killaloe Project, WA (Liontown 80%-100%)

The ~163km² Killaloe Project is located immediately north-west of the Buldania Project and covers the strike extension of the same lithium-prospective stratigraphy (Figure 4). Liontown has the rights to all metals.

Exploration has identified a number of spodumene-bearing pegmatites on Killaloe Project tenure (see Figure 5 – E63/1660) adjacent to the NW Pegmatite area at Buldania described above.

Heritage surveys have been completed and initial drill testing of these pegmatites will be undertaken as part of the drilling program planned for the Buldania Project.

4. Norcott Project, WA (Liontown: right to 100%)

The Norcott Project is located immediately south-east of the Buldania Project and covers the strike extension of the same lithium-prospective stratigraphy (Figure 4). Liontown has acquired two Exploration Licences, including the rights to all metals, covering a total area of 370km².

No work was completed during the Quarter.

Further work will be designed and completed as part of a larger regional exploration program also incorporating the nearby Buldania and Killaloe Projects.

5. Toolebuc Vanadium Project, Qld (Liontown: 100%)

The Toolebuc Vanadium Project is located in NW Queensland, approximately 440km west of Townsville (Figure 7), in a region which hosts a number of large vanadium resources defined as part of previous exploration for hydrocarbons in oil shale. Liontown has five tenements which adjoin existing resources and the Project represents a low-cost entry into vanadium, a commodity that is part of the battery metal suite, critical to the future of energy storage.

Liontown has previously announced a maiden Inferred Mineral Resource estimate of approximately **83.7Mt @ 0.30% V₂O₅** for the Cambridge deposit, located within the Toolebuc Project (Figure 7).

The Inferred Mineral Resource at Cambridge is open in all directions and Liontown has defined an Exploration Target area based on the continuity of the mineralisation indicated by resource drilling on the adjacent Lilyvale deposit and the extent of outcropping Toolebuc Formation shown on Queensland Government geological maps.

In addition to the Cambridge Mineral Resource, it is estimated that there is an Exploration Target of **100Mt to 110Mt at an average grade of 0.28% to 0.32% V₂O₅** located immediately adjacent.

(The potential quantity and grade of the Exploration Target is conceptual in nature as there has been insufficient exploration within these areas to estimate a Mineral Resource and it is uncertain if further exploration will result in the definition of Mineral Resources within these areas.)

Future Exploration and Evaluation

Further drilling is planned to extend the current resource area, collect samples for metallurgical test work and test other targets within project area. This work is conditional on finalising access negotiations with local land-owners which have been delayed due to unusual weather events in NW Queensland.

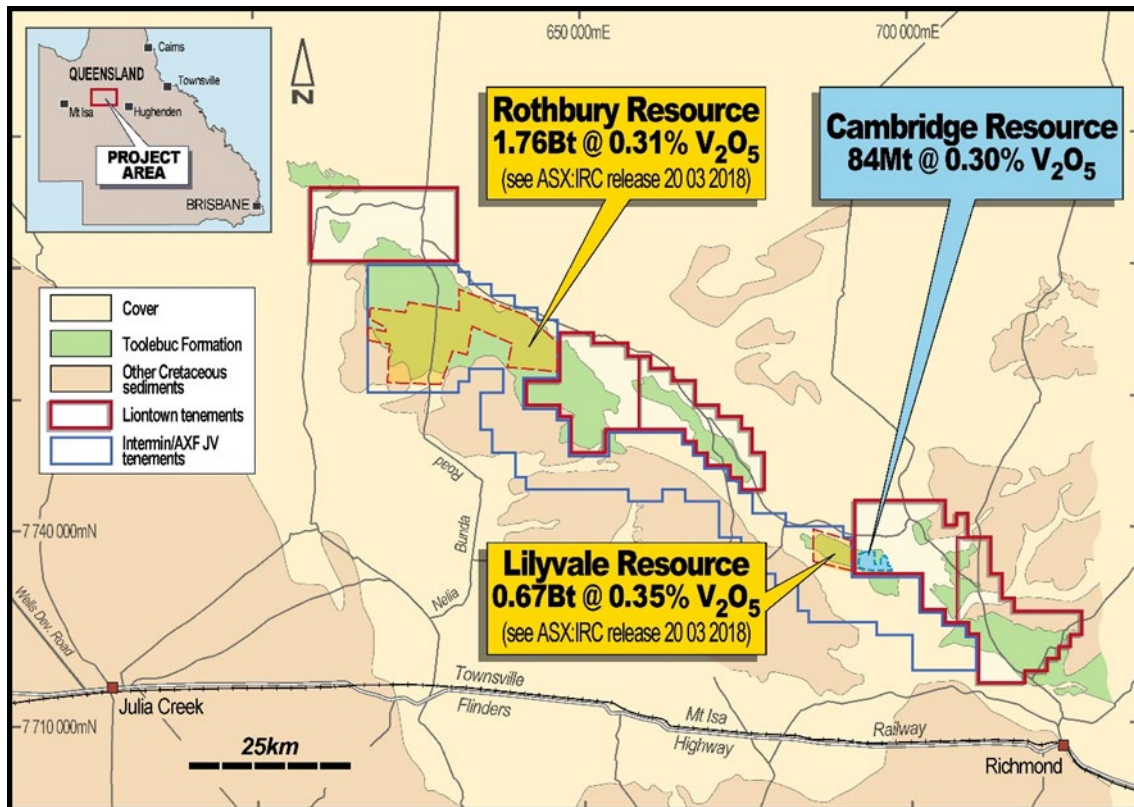


Figure 7: Toolebuc Vanadium Project – Location, regional geology and tenure showing mineral resources held by Intermin (in yellow) and Liontown’s Cambridge deposit (in blue).

7. Tenement schedules and expenditures

In accordance with ASX Listing Rule 5.3, please refer to Appendix 1 for a listing of tenements. During the Quarter the Company spent \$1,426,208 on exploration and evaluation activities (YTD: \$3,721,469) and \$538,496 on administration costs (YTD: \$1,189,186).

8. Corporate

Capital Raising

During the Quarter, Liontown undertook a capital raising of approximately \$7.9 million to underpin the continued exploration and development of its Australian lithium projects.

The capital raising comprised a \$4.53 million, 1-for-5 non-renounceable pro-rata rights issue and a share placement to professional and institutional investors to raise up to \$3.35 million.

All funds have been received except \$350,000 from Liontown Directors, which is subject to the approval of shareholders at an EGM scheduled for 30th April 2019.

The Capital Raising was undertaken at an issue price of \$0.02 per share.

Appointment of Non-Executive Director

Mr Steve Chadwick, a highly experienced mining professional and metallurgist was appointed to the Board on 10 January 2019.

Mr Chadwick is a Metallurgical Graduate of the highly-regarded Western Australian School of Mines (WASM) and has held numerous technical, operating and management roles, with a strong metallurgical background. He was a founding Director of BC Iron and a former Managing Director of Coventry Resources, PacMin Mining and Northern Gold.

He was also a Director of, and consulted to, the Australian subsidiary of the major Canadian miner Teck Resources for 10 years. Whilst at PacMin, Mr Chadwick was responsible for the expansion of the Tarmoola Gold Project to 4Mtpa and also project managed the design, construction and commissioning of the 2.5Mtpa

Carosue Dam Gold Project (now operated by Saracen Mineral Holdings), prior to becoming Managing Director.

He is currently a director of Lycopodium Limited, a well-respected and internationally recognized Australian engineering and project management group.

Appointment of Chinese Representative

Liontown has appointed highly credentialed lithium and battery materials specialist, Ms Eileen Hao, as the Company's General Manager and Chief Representative for China.

Ms Hao will be responsible for assisting the Company with its marketing and development strategy, facilitating negotiations with potential Chinese off-take and strategic partners and introducing new parties to the process, with the overall objective of securing long-term agreements and partnerships to support the development of the Kathleen Valley and Buldania lithium projects in Western Australia.

Ms Hao has over 25 years' experience in industrial minerals, metals and applications, specialising in both China and international markets for lithium-ion battery materials.

She has held previous roles including as China Project Manager and China Commercial Manager for the world-leading multinational company, Imerys, and as Roskill Consulting Group's China Senior Consultant.

Ms Hao has also worked for various international companies across the battery materials chain and has been instrumental in representing, establishing and securing off-take agreements and strategic partnerships for several other Australian companies. Ms Hao has a technical background in geology, chemistry and material engineering.

Cash Position

At the end of the Quarter, Liontown's cash balance was \$6,092,191.



DAVID RICHARDS
Managing Director

17th April 2019

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The Information in this report that relates to the Scoping Study for the Kathleen Valley Project is extracted from the ASX announcement "Kathleen Valley Scoping Study confirms potential for robust new WA lithium mine development" released on the 29th January 2019 which is available on www.ltresources.com.au.

The Information in this report that relates to Metallurgy for the Kathleen Valley Project is extracted from the ASX announcement "Highly encouraging results from initial metallurgical test work at the Kathleen Valley Lithium-Tantalum Project, WA" released on the 12th November 2018 which is available on www.ltresources.com.au.

The Information in this report that relates to Mineral Resources for the Kathleen Valley Project is extracted from the ASX announcement "Maiden 21 million tonne Lithium-Tantalum Mineral Resource sets strong growth foundation for Liontown at Kathleen Valley" released on the 4th September 2018 which is available on www.ltresources.com.au.

The Information in this report that relates to Exploration Results for the Kathleen Valley Project is extracted from the ASX announcements "High-grade results from metallurgical drilling confirm extensions to lithium mineralisation at the Kathleen Valley Project, WA", "High-grade lithium intercepts in new phase of drilling confirm strong potential for resource growth at Kathleen Valley", and "New thick, high-grade lithium intercepts confirm potential for substantial resource growth at Kathleen Valley" released on the 4th February 2019, 19th March 2019 and 4th April 2019 respectively which are available on www.ltresources.com.au.

The Information in this report that relates to Exploration Targets for the Kathleen Valley Project is extracted from the ASX announcement "New thick, high-grade lithium intercepts confirm potential for substantial resource growth at Kathleen Valley" released on the 4th April 2019 which are available on www.ltresources.com.au.

The Information in this report that relates to the Exploration Results for the Buldania Project is extracted from the ASX announcements entitled "More strong assays confirm significant lithium discovery at Buldania Project in WA", "Second significant lithium discovery in WA with new, thick high-grade hits at Buldania", "Outstanding new drilling results continue to expand lithium mineralisation at Buldania", "Liontown further expands prospective lithium footprint at Buldania in WA's South-Eastern Goldfields" "Latest assays confirm lithium mineralisation over > 1.3km strike length at the Buldania Lithium Project in WA", "Liontown maintains strong momentum at its two key hard-rock lithium projects in Western Australia" and "Liontown expands lithium footprint at Buldania in WA's South-Eastern Goldfields" released on the 26th March 2018, 19th September 2018, 1st November 2018, 13th November 2018, 20th November 2018, 12th December 2018 and 14th March 2019 respectively which are available on www.ltresources.com.au.

The Information in this report that relates to the Exploration Results for the Killaloe Project is extracted from the ASX announcement "Liontown expands lithium footprint at Buldania in WA's South-Eastern Goldfields" released on the 14th March 2019 which is available on www.ltresources.com.au.

The Information in this report that relates to Mineral Resources for the Toolebuc Vanadium Project is extracted from the ASX announcement "Liontown Announces Maiden 84Mt Vanadium Resource" released on the 30th July 2018 which is available on www.ltresources.com.au .

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. 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.

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

APPENDIX 1

The following information is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 31 March 2019:

1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - gold and nickel rights retained by other parties
		M36/265		
		M36/459		
		M36/460		
		E36/879	Liontown Resources Limited	100% - all metal rights
		L36/236	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	0% - Applications
		L36/237		
	Buldania	E63/856	Avoca Resources Pty Ltd	100% of rights to lithium and related metals secured by Lithium Rights Agreement
		P63/1977		
		M63/647		
	Norcott	E63/1824	Galahad Resources Limited	0% - application. Right to 100% of all metal rights secured by Agreement
		E63/1863	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100%
	Killaloe	E63/1018	80% LRL (Aust) Pty Ltd/ 20% Cullen Resources Limited	80%
		E63/1655	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100%
		E63/1660		
		E63/1661		
		E63/1662		
		E63/1713		
		M63/0177		
		P63/2152	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	0% - application
	Norseman Regional	P63/2127	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100%
		P63/2128		
		P63/2129		
	Toolebuc	EPM26490	Liontown Resources Limited	100%
		EPM26491		
		EPM26492		
		EPM26494		
		EPM26495		
	Moora	E70/5217	ERL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	0% - Application

APPENDIX 1 (cont.)

2. Listing of tenements held in Tanzania (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests
Tanzania	Jubilee Reef	PL8125/2012	Liontown Resources (Tanzania) Limited	Surrender documentation lodged – awaiting final government processing
		PL8304/2012		
		PL9711/2014	Currie Rose Resources (T) Limited	
		PL9973/2014	Liontown Resources (Tanzania) Limited	
		PL10222/2014	Currie Rose Resources (T) Limited	
		PL10599/2015	Liontown Resources (Tanzania) Limited	
		PL10894/2016		
		PL10907/2016		
		PL11134/2017		
		PL12356/2017	Chela Resources Limited	0% - Formal withdrawal from Option Agreement pending.
		PMLs 28341,28342, 28344, 28345, 28347, 28350, 28352, 28354, 28356, 28358, 28360, 28361, 28363, 28365, 28366		

3. Listing of tenements acquired (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Norseman Regional	P63/2127	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - Applications Granted
		P63/2128		
		P63/2129		

4. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter:

No tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter

5. Listing of tenements applied for (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	L36/236	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	0% - Application
		L36/237		

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

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A	Year to date (9 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,426,208)	(3,721,469)
(b) development	-	-
(c) production	-	-
(d) staff costs	(180,102)	(357,247)
(e) administration and corporate costs	(358,494)	(831,939)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2,658	23,675
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(1,962,046)	(4,886,980)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2,207)	(8,215)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (9 months) \$A
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	1,090,258
	(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)	-	-
2.6	Net cash from / (used in) investing activities	(2,207)	1,082,043

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	7,535,955	7,535,955
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	(455,707)	(491,214)
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 – Security Bond	-	(4,400)
3.10	Net cash from / (used in) financing activities	7,080,248	7,040,341

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	976,283	2,856,744
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,962,046)	(4,886,980)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,207)	1,082,043
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,080,248	7,040,341
4.5	Effect of movement in exchange rates on cash held	(87)	43
4.6	Cash and cash equivalents at end of period	6,092,191	6,092,191

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	Previous quarter \$A
5.1 Bank balances	6,092,191	976,283
5.2 Call deposits	-	
5.3 Bank overdrafts	-	-
5.4 Other	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,092,191	976,283
Notes to cash flow		

6. Payments to directors of the entity and their associates	Current quarter \$A
6.1 Aggregate amount of payments to these parties included in item 1.2	160,330
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	

Item 6.1 consists of the contractor fees and salary and superannuation paid to the Managing Director and related parties (\$92,971), Directors fees, PAYG and superannuation for non-executive directors for the current quarter (\$67,359).

7. Payments to related entities of the entity and their associates	Current quarter \$A
7.1 Aggregate amount of payments to these parties included in item 1.2	55,000
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	

Item 7.1 represents service charges paid to Chalice Gold Mines Ltd (a director related entity) for the provision of corporate services, office rent and administration personnel.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
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.		

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9. Estimated cash outflows for next quarter	\$A
9.1 Exploration and evaluation	2,400,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	230,000
9.5 Administration and corporate costs	360,000
9.6 Other (plant, equipment and motor vehicles)	70,000
9.7 Total estimated cash outflows	3,060,000

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A	N/A	N/A	N/A
10.2	Interests in mining tenements and petroleum tenements acquired or increased	WA Norseman Regional P63/2127 P63/2128 P63/2129 Kathleen Valley L36/0236 L36/0237	Granted Granted Granted Application Application	0% 0% 0% 0% 0%	100% 100% 100% 0% 0%

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:

Date: 17 April 2019

Company Secretary

Print name: Kym Verheyen

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.