

17 July 2020

Quarterly Activities Report – June 2020

ASX/TSX: CLQ
OTCQX: CTEQF

Corporate Information:

Ordinary shares: 746.5M
Unlisted options: 14.5M
Performance rights: 11.7M
Cash at bank: A\$40.1M

Co-Chairmen

Robert Friedland
Jiang Zhaobai

MD & CEO

Sam Riggall

Non-Executive Directors

Judith Downes
Eric Finlayson
Ian Knight
Stefanie Loader

Company Secretary

Melanie Leydin

Contact Details:

12/21 Howleys Rd
Notting Hill VIC 3168

P: +61(0)3 9797 6700
F: +61(0)3 9706 8344
E: info@cleanteq.com
W: www.cleanteq.com

HIGHLIGHTS

- **Sunrise Project Execution Plan progressing towards Q3 completion**
- **Grant of large new exploration licence in NSW prospective for base and precious metals**
- **Strong progress made towards formal completion of water treatment plant at Victorian gold mine**
- **Townsville water project contract negotiations significantly progressed**

About Clean TeQ Holdings Limited

Our vision is to empower the clean revolution by providing specialty materials and clean solutions to a range of industries using our proprietary Clean-iX[®] continuous ion exchange technology.

Clean TeQ Sunrise

The Clean TeQ Sunrise Project is an advanced nickel, cobalt and scandium project in New South Wales which, when combined with our proprietary continuous ion-exchange processing technology, provides Clean TeQ with the opportunity to become a leading global supplier of nickel and cobalt sulphate to the lithium-ion battery industry. The Project also positions Clean TeQ to provide significant quantities of low-cost scandium for production of the next generation of lightweight aluminium alloys for key transportation markets.

Clean TeQ Water

Clean TeQ's water division delivers cost effective water treatment solutions to the power, mining, oil and gas and municipal industries using our proprietary technologies, including Continuous Ionic Filtration & Exchange (CIF[®]) and DeSALx[®]. These technologies are designed to cope with the most demanding waters to provide best in class performance in water recovery and operability.

CLEAN TEQ SUNRISE BATTERY MATERIALS COMPLEX

During the quarter, Clean TeQ Holdings Limited and its controlled entities (**Clean TeQ** or the **Company**) continued to advance the development of the Clean TeQ Sunrise Battery Materials Complex (**Sunrise** or **Project**) in New South Wales.

Sunrise is one of the largest and most cobalt-rich laterite deposits in the world. Once developed, the Project will become a globally significant producer of nickel sulphate and cobalt sulphate – key cathode materials for the electric vehicle battery market. Sunrise is also one of the largest and highest-grade scandium deposits in the world, positioning Clean TeQ to be a major supplier of low-cost scandium for production of next generation aluminium alloys for aerospace and automotive markets.

Project Execution Plan

The Company has been progressing the Project Execution Plan (**PEP**) in conjunction with Fluor Australia Pty Ltd, part of the Fluor global engineering group headquartered in Irving, Texas.

As previously advised, the PEP deliverables include an update to the 2018 Definitive Feasibility Study (**DFS**) outputs including the production forecast, resources, reserves and operating cost estimates for the Project as well as a revised master schedule. The PEP work scope also includes a detailed re-estimation of the Project's capital development cost, incorporating the latest engineering and design work. Updated vendor pricing for key equipment packages is being obtained for virtually all major equipment packages. Materials and labour costs are being re-estimated based on updated quantities and current market rates. As this PEP progresses towards completion, a number of trends are emerging:

- The trend indicates that there is upward pressure on the capital cost estimate. Although the final economic outcomes of the PEP are yet to be determined, the Company advises that the PEP capital estimate will likely be higher than the 2018 DFS estimate.
- The trend on operating costs indicates that the Project is expected to remain extremely competitive, still targeting first quartile nickel production costs as a result of strong cobalt by-product credits.

The Company expects that completion of the PEP workstreams, as well as the requisite review and sign-off processes, will result in the announcement of the PEP outcomes in late Q3 2020.

Environmental Benchmarking

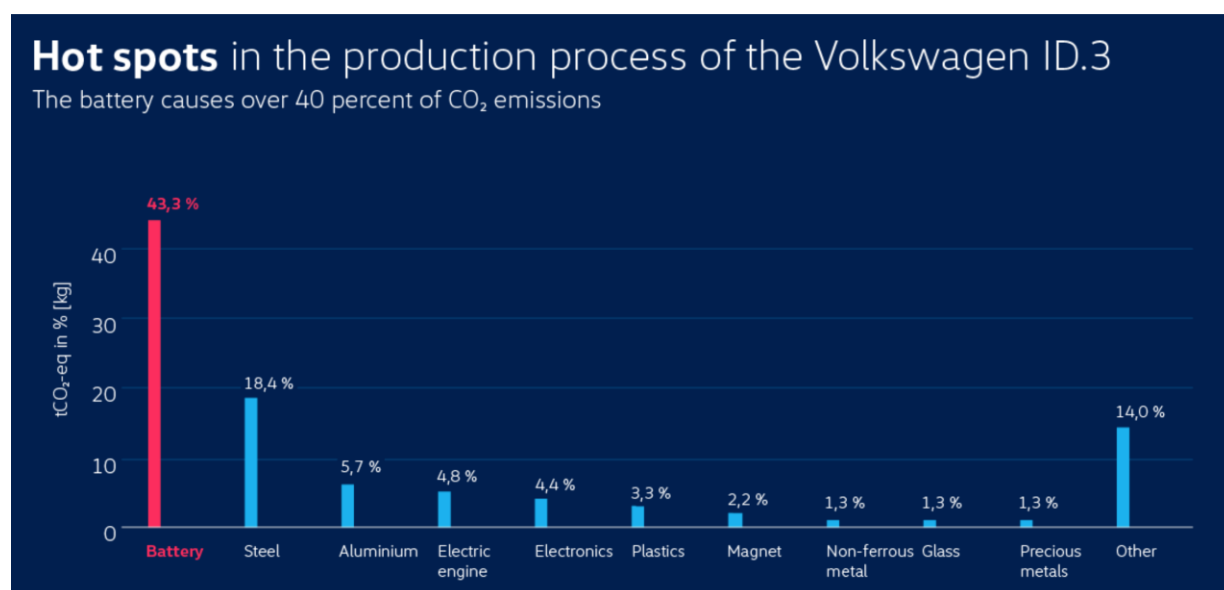
In parallel with the PEP the Company has commissioned Energetics, one of Australia's leading energy and sustainability advisers, to undertake an environmental Life Cycle Assessment (**LCA**) of Sunrise to quantify its greenhouse gas impacts, and to benchmark

the Project against other hydrometallurgical processes used for nickel and cobalt recovery.

The results of the LCA¹ demonstrate a carbon intensity (CO₂e/kg contained nickel) of competing hydromet processes that are between 10% and 42% higher than Sunrise. In the case of lower grade nickel feedstocks – such as ferronickel and nickel pig iron – the carbon intensity could be at least 50% to 475% higher.

In May 2020, the Nickel Institute released a report titled Life Cycle Assessment of Nickel Products, which estimates a carbon intensity for battery-grade nickel sulphate not dissimilar to the Energetics' findings.

With improved cathode chemistries requiring larger amounts of nickel, the true carbon cost of producing an EV will increasingly depend on the selection of battery raw materials, a fact that many carmakers are now recognising. And with optionality to secure renewable power for Sunrise (which is located adjacent to one of the largest renewable energy corridors in Australia) it is possible to consider further reductions to the Project's carbon intensity by approximately one-third.



Source: Volkswagen (preliminary calculations)

Sunrise East Geological Potential

The main Sunrise Project site is located approximately 5km northwest of Fifield, at the eastern end of a mafic/ultramafic intrusion which is known as the Tout Intrusive Complex.

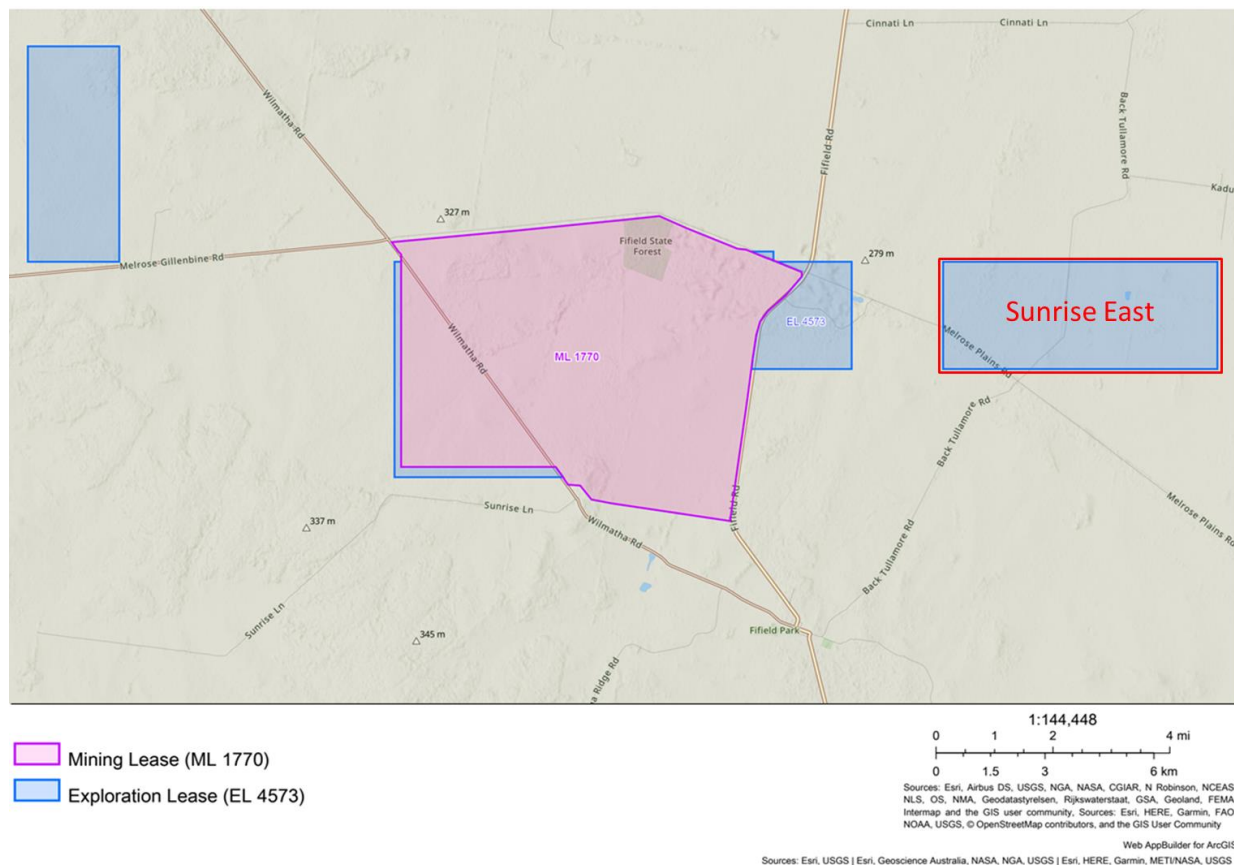
¹ The greenhouse gas emission intensities of alternative processing routes are based on literature data that cannot be effectively harmonized. For comparison purposes the only harmonization that has occurred has been on end product (NiSO₄) and using economic allocation to end products. Any comparison against Sunrise should be considered indicative only.

The core of the intrusive body is dunitic, surrounded by pyroxenite and gabbro. The Sunrise Project mineral tenure is held via mining lease ML1770.

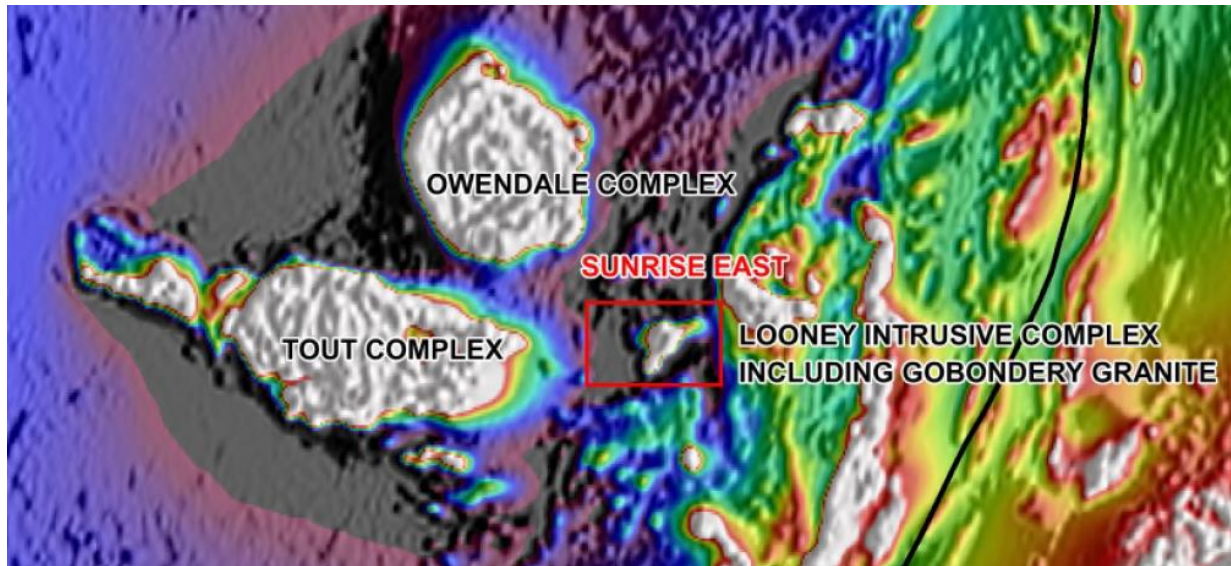
Clean TeQ is the holder of Exploration Licence 4573 (*Mining Act 1992*) in the Project area. Part of EL4573 lies 4km east of ML1770 and 6km northeast of the Fifield township. This part of the tenement is closely located to historic copper and gold workings.

During the quarter Clean TeQ engaged Southern Geoscience in Perth to reprocess existing geophysical data which revealed a large geophysical anomaly within the eastern part of EL4573 (**Sunrise East**) with significant faulting, splaying off the north-south trending Steeton Fault. The anomaly is approximately 2x2km in dimension.

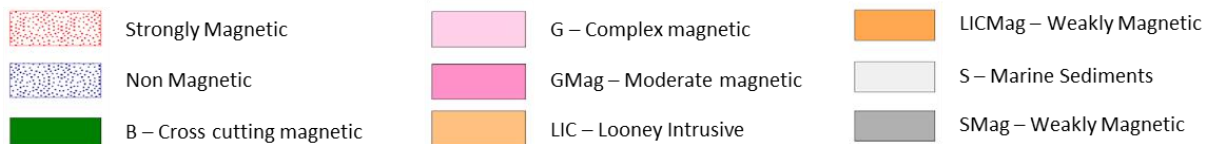
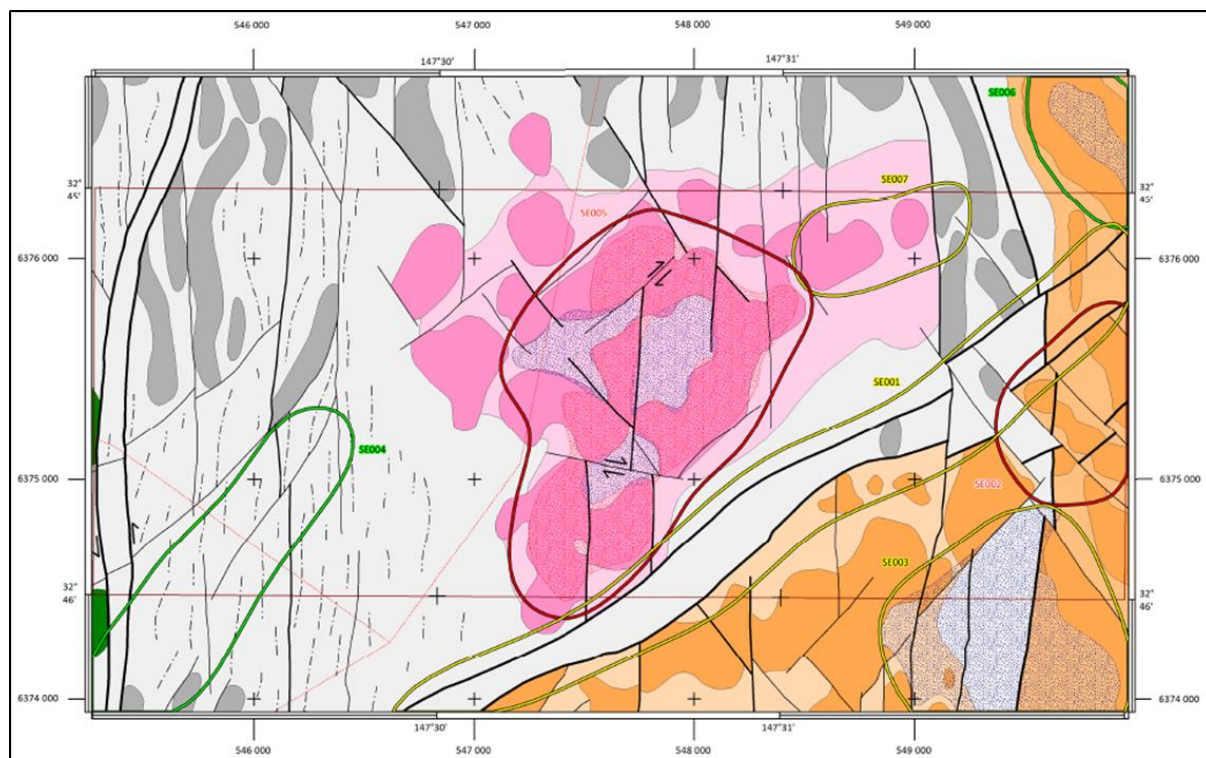
No exploration work has been undertaken on this part of the tenement to date and Clean TeQ intends to follow-up the identified geophysical anomalies with reconnaissance exploration programs later this year.



Sunrise Project tenements including the part block of EL4573 to the east of the main Project area of ML1770



Geophysical interpretation showing significant magnetic anomaly in Sunrise East tenement



STRUCTURE

- Major through-going faults, including Fifield Fault and Steeton Fault.
- Secondary faults. Splays from major faults, faults with observed disruption and/or through-going.
- Minor faults, fractures or contacts.

MAGNETIC FEATURES

- Magnetic trends within sediments which may be mapping individual units, or alternatively may be magnetite in palaeo drainage.

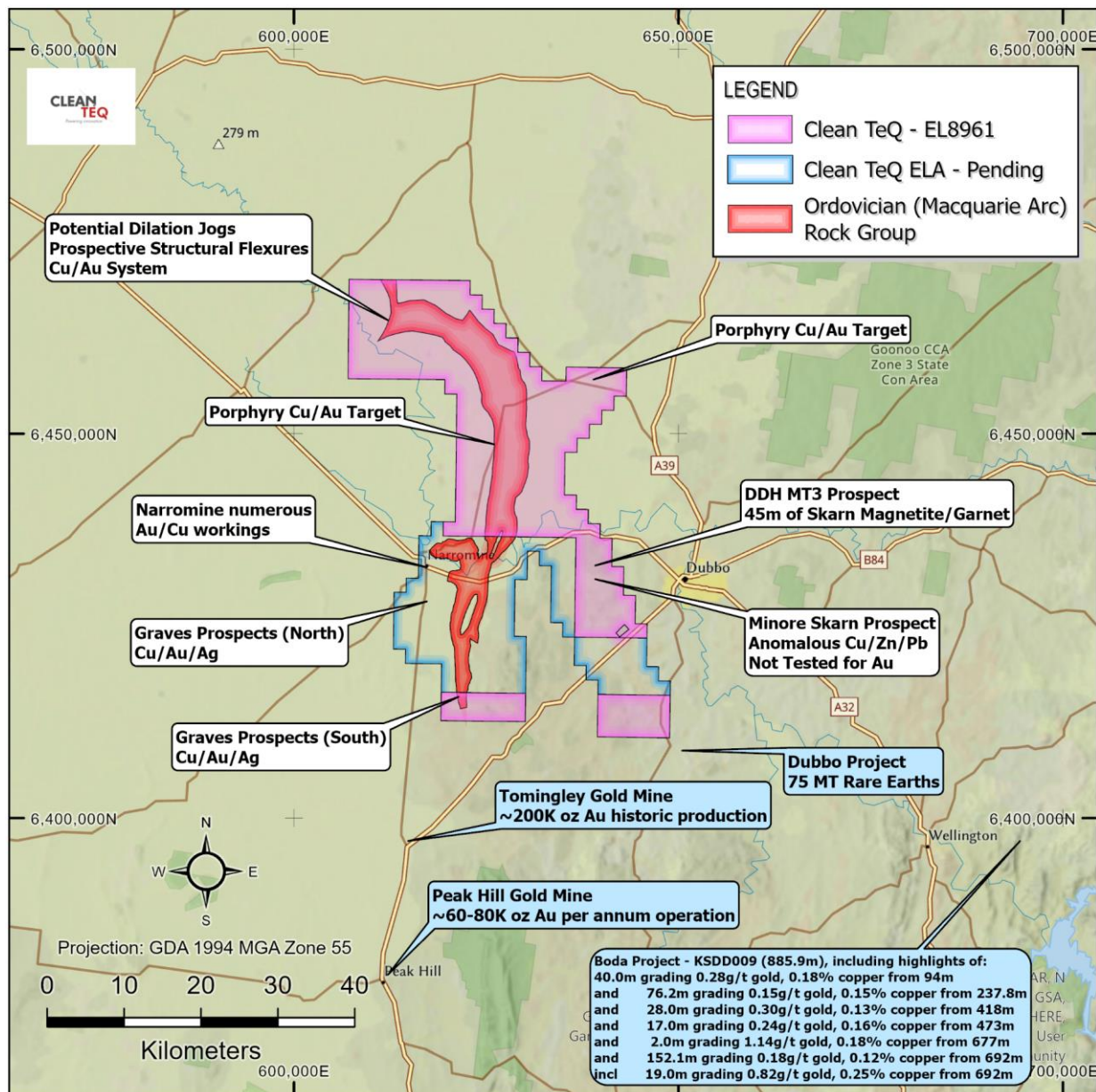
TARGETS

- High priority target
- Moderate priority target
- Low priority target

Detailed magnetic geophysical interpretation of Sunrise East

MINORE PROJECT

During the quarter the Company was granted Exploration Licence 8961 (*Mining Act 1992*) for Group One (1) metals (including base and precious metals) located near Dubbo and Narromine. Clean TeQ has also applied for an adjacent area subject to the existing Dubbo Mineral Allocation Area (**MAA**). The MAA system is a mineral exploration stimulus initiative by the NSW Government pursuant to which new exploration licence applications may not be lodged without Ministerial consent. The area is prospective primarily for copper/gold porphyry targets.



EL8961 and pending ELA

The tenement overlies what is interpreted to be Macquarie Arc Ordovician sequences and the St Andrews Beds in the Minore township. At Minore the sediments have been

intruded and metamorphosed by the Devonian Yeoval Granite. Magnetite, copper, zinc, tungsten and trace lead mineralisation are known to occur at the prospect from work undertaken by CRA Exploration in the 1970's.

The area has been subject to limited mineral exploration, but there have been a number of shallow historic exploration drilling intercepts, largely drilled by CRA Exploration. The drilling targeted an outcropping north-west striking skarn, known as Minore, which exhibited boxwork structures and manganese in outcrop and magnetite, garnets, sulphides and epidote in fresher rock. The units dip moderately to the north-east where further structures of interest are noted from unprocessed Total Magnetic Intensity geophysical images. Reverse circulation drilling has intercepted anomalous copper, lead, zinc and tungsten intercepts, up to 3700ppm copper and 7m averaging 2000ppm copper from RC drilling. This drilling was followed up by 3 deeper (180m) diamond drill holes down dip of the anomalies. Two of these holes also intercepted similar anomalies. The host rocks have been logged as metamorphosed green quartzite, fine-grained grey laminated quartzite, quartzite and garnet (calc-silicate) hornfels, microgranite and fine-grained acid volcanics. Magnetite is closely associated with the garnet hornfels. The skarn is thought to have a strike extent of at least 1km.

Historic CRA diamond drill core is held at the Londonderry core library in NSW where Hylogger multispectral scans have recently been run on the core. Over the balance of 2020 Clean TeQ's geologists will further interpret this data while Southern Geoscience re-processes and interprets existing geophysical data over the area to better understand mineralisation target opportunities.

CLEAN TEQ WATER

WATER PROJECTS

In late 2019, the Company announced successful customer acceptance of commissioning and handover of a ground-breaking Continuous Ionic Filtration (**CIF**[®]) plant in Oman.

Clean TeQ Water is now focused on completing two additional key projects at the Fosterville Gold Mine in Victoria, Australia and at a copper-cobalt mine in the DRC. These two Clean TeQ systems, as well as the plant recently completed in Oman, are the first of their type anywhere in the world and have been deployed as part of three different technical solutions. The successful delivery and commissioning of these three plants will provide strong demonstration of the efficacy of Clean TeQ's suite of proprietary ion exchange technologies and their versatility for metal extraction and wastewater treatment. As commercial scale plants, the facilities provide a valuable platform from which to rapidly grow Clean TeQ Water.



Clean TeQ plant installation at Fosterville Gold Mine, Victoria



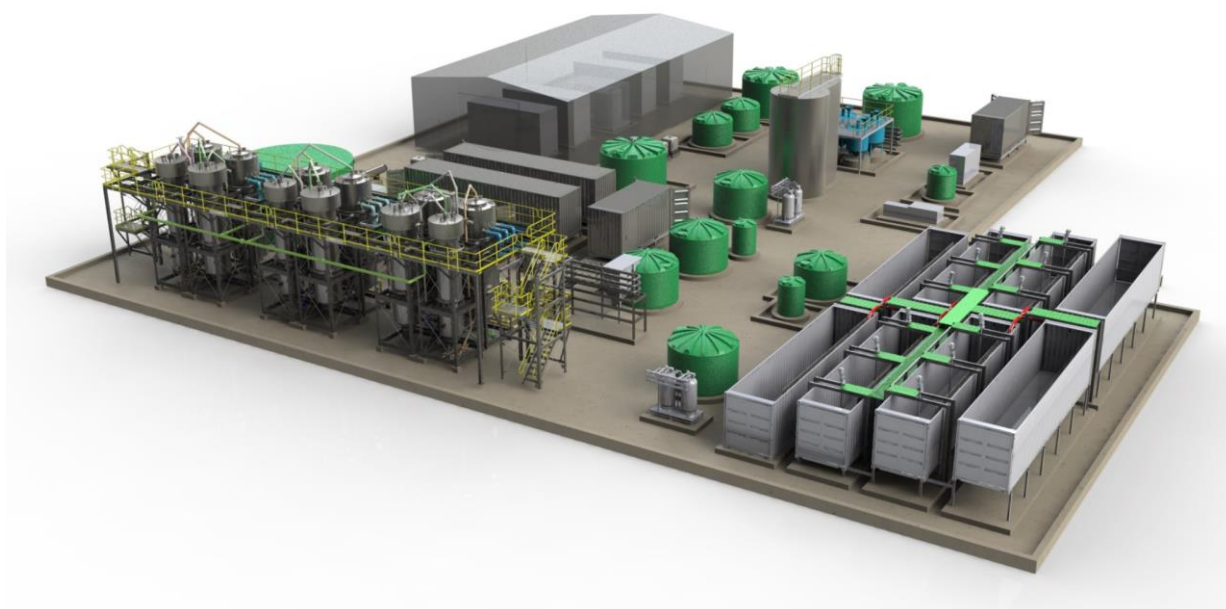
Clean TeQ Continuous Resin-In-Column Ion Exchange plant in DRC

At the Fosterville Gold Mine in Victoria, Australia, Clean TeQ was engaged to design, supply and commission a two million litre-per-day Clean TeQ DeSALx[®] mine water treatment plant. The plant is designed to deliver a sustainable water management solution by treating mine process water for reuse in the mine operations. Construction and commissioning of the plant has been completed. As at the end of June 2020 operation of the plant had been handed over to the customer and was running on waste

water continuously. The Company is working with the customer with a view to confirming acceptance of completion during Q3 2020.

In the DRC, Clean TeQ has been engaged to design and construct a Continuous Resin-In-Column (**cLX**) Ion Exchange plant to treat up to 20 million litres-per-day of a raffinate stream, removing contaminant metals and improving the quality and environmental rank of the raffinate, prior to further processing. All construction was completed during 2019 with hot commissioning commencing shortly thereafter. Initial tests showed that the cLX plant was performing well, exceeding design expectations. However, an accidental uncontrolled release of very high-pressure water from the main plant into the cLX system resulted in some damage being caused to the Clean TeQ plant, taking it offline. Repairs, as well as some other changes to the plant and process, are now close to completion. A restart of the plant was targeted for June, with performance testing of the cLX system to follow thereafter, but this timing is now highly uncertain given COVID-19 restrictions. Re-commissioning is expected to take around 8 weeks.

As the Company announced in March, strong progress is being made towards Clean TeQ securing an engineering, procurement and construction (**EPC**) contract with Townsville City Council for a large-scale water recycling plant utilizing our HiROx[®] process and BIOCLENS encapsulated bacteria. HiROx[®] is an ultra-high recovery water treatment process which combines Clean TeQ's continuous ion exchange (**CIF**) technology with reverse osmosis.



Townsville Water Purification Plant Render: The Clean TeQ HiROx[®] plant combines Clean TeQ's continuous ion exchange technology with reverse osmosis and encapsulated bacteria

Clean TeQ Water has been advised that it is the preferred contractor to deliver a recycled water re-use plant at the Cleveland Bay Purification Plant in Townsville, however, final award of an EPC contract is subject to a range of conditions including

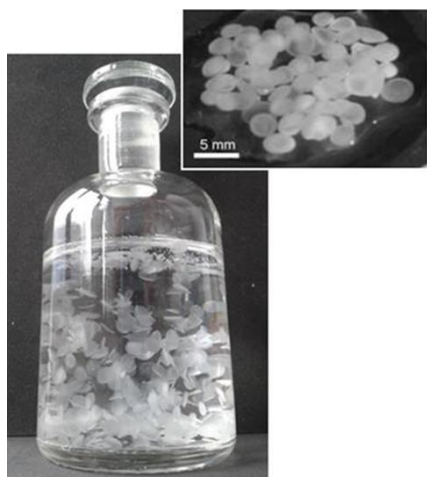
agreement on commercial terms, construction schedule and pricing. While the EPC contract discussions are ongoing, and in order to maintain the targeted delivery schedule, Townsville has engaged Clean TeQ on an initial scope of work valued at A\$920,000 for detailed design and procurement of long-lead items for the plant. This work is now underway. Although contract negotiations remain ongoing, Clean TeQ anticipates that final contract award will take place in Q3 2020.

BIOCLENS MANUFACTURING FACILITY

The Company continued to expand its water technology platform during the quarter with the ongoing development of the encapsulated bacteria BIOCLENS lens manufacturing facility in China.

In 2018, Clean TeQ acquired an encapsulated bacteria technology comprising technology licences and a production plant for the manufacture of bacteria encapsulated in a polyvinyl alcohol (**PVA**) lens (**BIOCLENS**). BIOCLENS offers significant opportunities in water treatment applications given the bacteria's ability to break down and remove over ninety percent of harmful nitrates and ammonia from wastewater. BIOCLENS, with encapsulated bacteria or enzymes, also has potential applications in the food and pharmaceuticals industries.

The bacteria are encapsulated in a plastic polymer in the shape of a lens. The lens shape and size are important as they ensure maximum biological activity while protecting the biology from potentially harmful environmental conditions.



BIOCLENS lenses

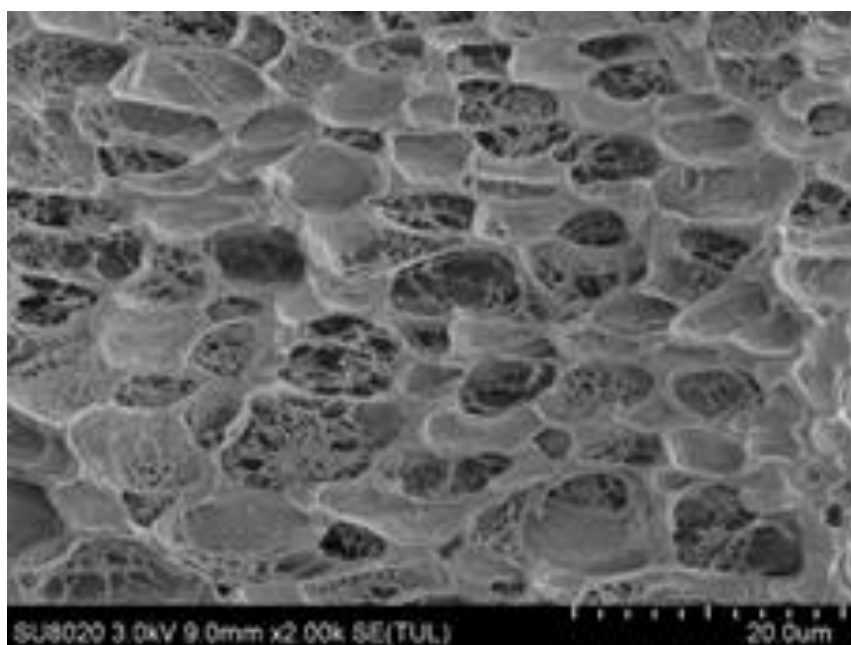


BIOCLENS lens manufacturing plant in Tianjin

The Company has established the BIOCLENS production facility in China for its growing pipeline of potential water purification projects. Having completed the transportation and installation of the lens manufacturing equipment to a facility in Tianjin, trial production runs started in Q3 2019. Stable output at consistent quality from continuous operation was achieved in Q2 2020.

In conventional biological purification processes, the salinity of the water suppresses the activity of the bacteria and limits its ability to remove ammonia and nitrate to the desirable levels for recycling. The BIOCLENS technology is highly amenable for application in the aquaculture sector because the polymer lens protects the bacteria to maintain high biological activity in this saline environment.

Clean TeQ has now been awarded a contract to pilot the BIOCLENS technology to treat 100 cubic meters per day of wastewater produced by a shrimp farm located in Tianjin. The pilot trial run is scheduled to take place in Q3 2020, subject to COVID19 travel restrictions. Aquaculture facilities around the world generate significant volumes of saline wastewater. The pilot run will confirm that the BIOCLENS technology can successfully reduce nitrate concentration in the wastewater effluent to below 5 ppm. Successful demonstration of this capability will allow Clean TeQ to enter the global aquaculture sector.



Scanning electron microscope image of a BIOCLENS lens

The BIOCLENS technology is also an important water purification process in the proposed Townsville Project where it is employed to reduce the nitrogen load of the wastewater effluent discharged from the facility.

Combined with Clean TeQ's proprietary ion exchange capability, the addition of BIOCLENS technology allows Clean TeQ Water to provide a broad suite of solutions to the global water treatment market that are focused on cost-effectiveness, performance and sustainability.

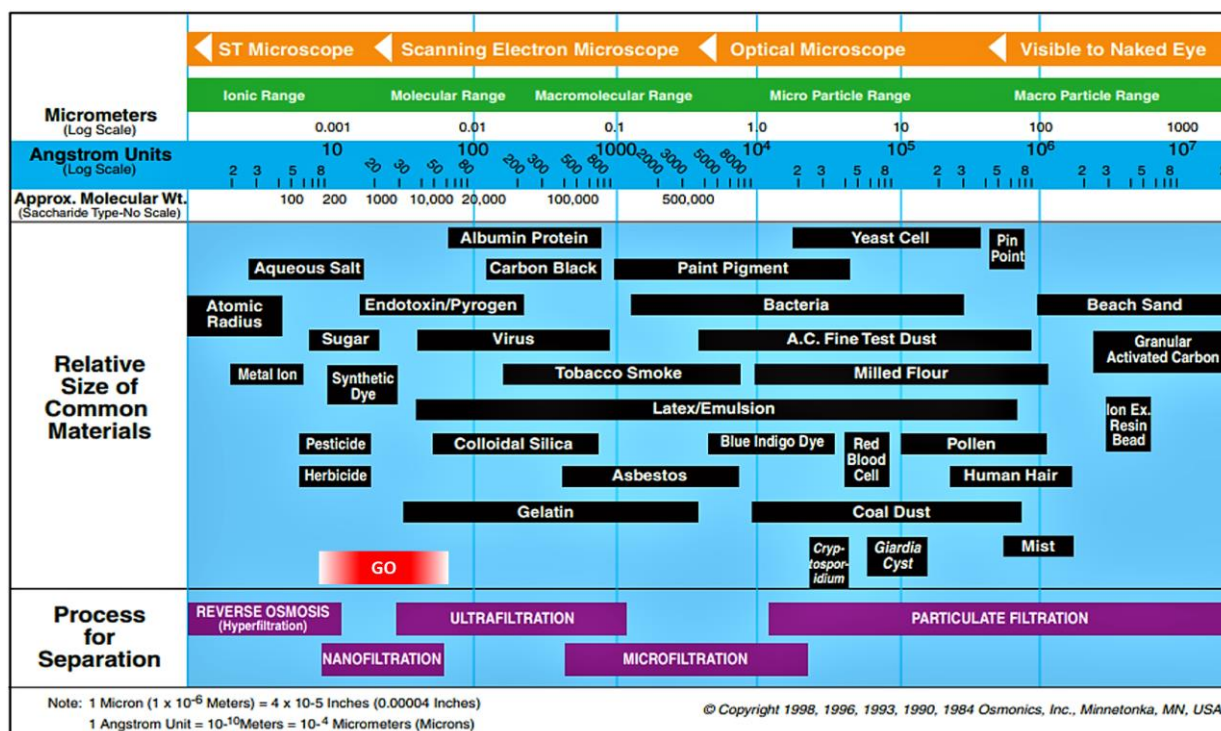
TECHNOLOGY DEVELOPMENT

Clean TeQ's technology development team continues to advance its work in the development of graphene oxide nanofiltration membranes and adsorbents, as well as ongoing development of the CIF® technology for water treatment applications.

NEMATIQ JOINT VENTURE

In late 2018, Clean TeQ and Ionic Industries established a joint venture company NematiQ Pty Ltd (**NematiQ**) to pursue in partnership the development of graphene oxide (GO) membranes for water treatment applications. Clean TeQ and Ionic have developed a process to manufacture high-purity GO that can be applied to a membrane support to create a graphene nanofiltration membrane (**GO-Membrane**). Significantly, the GO-Membrane manufacturing process has been demonstrated on commercial scale industrial equipment.

In water purification applications, graphene oxide membranes have the potential to offer distinct operational advantages over the current polymer nanofiltration membranes, providing a significant commercial opportunity should the technology prove successful.



Hierarchy of water filtration applications: Graphene oxide (GO) membranes have the potential to offer distinct operational advantages over the current polymer nanofiltration membranes

The benefits of graphene oxide nanofiltration membranes when compared to conventional nanofiltration membranes include higher flux (flow rates) and lower

propensity to fouling. These benefits have the potential to deliver lower operating costs, longer membrane life and lower maintenance costs.

NematiQ has established a factory and office premises in Notting Hill, adjacent to the existing Clean TeQ head office and laboratory. From this facility, NematiQ is focused on optimising its proprietary process for refining graphite oxide raw material into graphene oxide, which is used to form the filtration layer of the GO-Membrane. A pilot plant for the manufacture of high purity graphene oxide has been designed and installed at NematiQ's premises, with graphene oxide produced by the facility to be used for larger scale manufacture of graphene oxide membranes.

The development of the membrane has now progressed to a stage where we have produced at pilot scale a graphene oxide-based membrane with a molecular weight cut-off of 1,000 Daltons (commercial target molecular weight for nanofiltration) and with a flux rate that is superior to the currently available polymer based nanofiltration membranes.

The applications for these membranes are numerous and include many large-scale market segments such as removal of organics from drinking water and from wastewater effluents along with more niche markets in value-added industries such as food and pharmaceutical.

The work completed during the quarter by the NematiQ team has been aimed at production of a marketable GO-Membrane product. The work in the laboratory by the NematiQ team has been largely unaffected by COVID-19 restrictions. Team members have been able to undertake desk-top work remotely while continuing to progress laboratory work as required while adopting social distancing measures.

CORPORATE

As at 30 June 2020, the Company's cash balance was A\$40.1 million.

In mid-April 2020 Clean TeQ received a cash rebate of approximately \$4.4 million from the Australian Tax Office, representing the refundable tax offset available under the Research and Development (**R&D**) Tax Incentive for FY19. Clean TeQ's R&D activities during FY19 included valuable work to further advance the Company's proprietary Clean iX® continuous ion exchange technology platform. These efforts have generated significant benefits for the development of the Clean TeQ Sunrise Project, as well as several important projects currently being commercialized within Clean TeQ Water.

Clean TeQ and Ionic Industries established NematiQ as a joint venture company to pursue in partnership the development of graphene oxide membranes for water treatment applications. Ionic and the Company fund NematiQ's activities through periodic cash calls provided as shareholder loans. Under the terms of the NematiQ joint venture agreement, if a party fails to fund a cash call, then the other party may fund the resulting shortfall as either a senior loan or an equity placement at a pre-agreed price. During the quarter Clean TeQ funded a \$164,803 shortfall by way of equity placement

in NematiQ at \$1 per share. As a result of the equity placement, the ownership of NematiQ is now approximately 81.5% Clean TeQ and 18.5% Ionic Industries.

For more information about Clean TeQ contact:

Ben Stockdale, CFO and Investor Relations

+61 3 9797 6700

This announcement is authorised for release to the market by the Board of Directors of Clean TeQ Holdings Limited.

FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Activities Report constitute “forward-looking statements” or “forward looking information” within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Company’s current expectations regarding future events, performance and results, and speak only as of the date of this Quarterly Activities Report. Statements in this Quarterly Activities Report that constitute forward-looking statements or information include, but are not limited to, statements regarding: the completion of the Sunrise Project Execution Plan and the economic outcomes thereof; obtaining financing for the Sunrise Project; the carbon intensity of the Sunrise Project; the potential for new mineral discoveries at the Company’s exploration licences; sales of BIOCLENS lenses; award of new Clean TeQ Water Projects; anticipated successful completion of the various Clean TeQ Water projects and outcomes related to research and development undertakings.

Readers are cautioned that actual results may vary from those presented.

All such forward-looking information and statements are based on certain assumptions and analyses made by Clean TeQ’s management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; changes in commodity prices; unexpected failure or inadequacy of infrastructure, or delays in the development of infrastructure, and the failure of exploration programs or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations.

Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading “Risk Factors” in the Company’s most recently filed Annual Information Form available under its profile on SEDAR at www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this Quarterly Activities Report are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Quarterly Activities Report and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Quarterly Activities Report.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

CLEAN TEQ HOLDINGS LIMITED

ABN

34 127 457 916

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	488	1,924
1.2 Payments for		
(a) research and development	(140)	(560)
(b) product manufacturing and operating costs	(648)	(1,152)
(c) advertising and marketing	(108)	(490)
(d) leased assets	(64)	(821)
(e) staff costs	(693)	(7,761)
(f) administration and corporate costs	(1,109)	(8,417)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	159	1,067
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	4,256	18,938
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	2,141	2,728
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(595)	(635)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(6,536)	(41,907)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	838	838
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	(6,293)	(41,704)

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	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	25	203
3.10	Net cash from / (used in) financing activities	25	203

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	44,225	78,871
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,141	2,728
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6,293)	(41,704)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	25	203
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	40,098	40,098

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	40,098	44,225
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)	40,098	44,225

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

-

-

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

7. Financing facilities

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.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

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) *	(2,115)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	40,098
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	40,098
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	19

* Excludes government grants and tax incentives listed at item 1.7

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

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:

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:

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.

17 July 2020

Date:

The Board

Authorised by:
(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 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 standard applies 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.