

## 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

Alliance Mineral Assets Ltd	
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>
54 147 393 735	31 December 2018

<b>Consolidated statement of cash flows*</b>	<b>Current quarter</b>	<b>Year to date (3 months)</b>
	<b>\$A'000</b>	<b>\$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	11,192	11,192
1.2 Payments for		
(a) exploration & evaluation	(141)	(141)
(b) development	(7,997)	(7,997)
(c) production	(13,825)	(13,825)
(d) staff costs	(1,095)	(1,095)
(e) administration and corporate costs	(666)	(666)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	73	73
1.5 Interest and other costs of finance paid	(200)	(200)
1.6 Income taxes paid	-	-
1.7 Other – Merger and demerger costs	(597)	(597)
<b>1.8 Net cash from / (used in) operating activities</b>	<b>(13,256)</b>	<b>(13,256)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(5,366)	(5,366)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows*</b>		<b>Current quarter</b>	<b>Year to date (3 months)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	6	6
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Contributions received from Joint Operation Partner not expended	(1,991)	(1,991)
	– Cash disposed as part of Cowan Lithium demerger	-	-
	– Cash acquired through business combination	8,945	8,945
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>1,594</b>	<b>1,594</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
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	(33)	(33)
3.5	Proceeds from borrowings	19,961	19,961
3.6	Repayment of borrowings	(5,000)	(5,000)
3.7	Transaction costs related to loans and borrowings	(1,618)	(1,618)
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>13,310</b>	<b>13,310</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	11,404	11,404
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(13,256)	(13,256)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,594	1,594

<b>Consolidated statement of cash flows*</b>		<b>Current quarter</b>	<b>Year to date (3 months)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	13,310	13,310
4.5	Effect of movement in exchange rates on cash held	2	2
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>13,054</b>	<b>13,054</b>

\*As the Company was admitted to the official list of the ASX on 5 December 2018, the 3 months ended 31 December 2018 is also the Year to date reported numbers for the Company. The Company completed the acquisition of all of the issued share capital in Tawana Resources NL on 14 December 2018. Alliance Mineral Assets Limited is the legal parent company of the merged group, however, after assessing the guidance set out in Australian Accounting Standard AASB 3: *Business Combinations* and in particular the Board and management composition of the merged group, Tawana has been assessed to be the accounting acquirer. Therefore, the consolidated numbers reported for the merged group represent a continuation of the operations of the accounting acquirer, Tawana Resources NL.

<b>5. Reconciliation of cash and cash equivalents</b>	<b>Current quarter</b>	<b>Previous quarter</b>	
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>\$A'000</b>	<b>\$A'000</b>	
5.1	Bank balances	13,054	11,404
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>13,054</b>	<b>11,404</b>

**6. Payments to directors of the entity and their associates**

6.1 Aggregate amount of payments to these parties included in item 1.2

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

<b>Current quarter</b>
<b>\$A'000</b>
241
-

Directors' salaries, directors' fees and superannuation

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
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	

N/A

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	53,455	33,455
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	11,437	11,437
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.		

8.1 In October 2018 the Company announced it had executed a secured USD funding package equivalent to A\$40 million with a consortium of lenders led by Tribeca Investment partners. During October and November 2018, the Company drew down the first A\$20 million tranche of the funding package which was in part used to repay the existing A\$5 million loan from Red Coast Investment Limited. Interest is payable quarterly in arrears at a rate of LIBOR plus 13%pa with a maturity and single repayment date of 1 July 2020.

8.1 In March 2018 and May 2018 the Company drew down A\$8 million and A\$5 million respectively against a secured syndicated loan. Interest is payable quarterly in arrears at an interest rate between 14.11% and 20% with a maturity and single repayment date of 29 March 2020.

8.3 In April 2017, the Company and a subsidiary signed prepayment agreements with a 100% owned subsidiary of Burwill Holdings Ltd (Burwill), a company listed on the main Board of The Stock Exchange of Hong Kong Limited (stock code 0024). No interest is payable in respect of the prepayment and it is unsecured. The Company shall repay the outstanding prepayment through 15% of the value of each shipment of lithium concentrate until such time as Burwill has been reimbursed in full for the aggregate amount of the prepayment. In January 2019 the Company announced that repayments of outstanding offtake prepayments would be frozen until 2021.

<b>9. Estimated cash outflows for next quarter*</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	700
9.2 Development	6,000
9.3 Production	35,000
9.4 Staff costs	1,100
9.5 Administration and corporate costs	800
9.6 Other (debt costs, merger costs)	7,500
<b>9.7 Total estimated cash outflows</b>	<b>51,100</b>

\* The above projection is based on the Company's forecast activities. Refer to the Activities Report for the medium-term operating forecast based on current mining and processing schedules, which may be subject to change during the period.

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

### 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: Company Secretary

Date 31 January 2019

Print name: Joanna Kiernan

**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.