

ACTIVITIES REPORT

DECEMBER QUARTER 2020

HIGHLIGHTS

- Development of the Karlawinda Gold Project (KGP) is proceeding as planned and is expected to culminate in first gold production in the June 2021 quarter.
 - Considerable progress during the quarter on the development of the KGP including:
 - Concreting and civil earthworks for processing plant substantially completed;
 - Ball mill manufacture completed, shipped to Port Hedland in December 2020 and delivered to KGP in early January 2021;
 - Majority of processing equipment and fabricated steelwork delivered to site;
 - Commencement of equipment installation in the reclaim, CIL and goldroom areas;
 - Continued progress on the construction of the gas lateral pipeline with line pipe delivered, contractors mobilised, and clearing and civils commenced; and
 - Earthmoving contractor mobilised to site and commenced mining in the Bibra open pit and construction of Tailings Storage Facility (TSF).
 - During the quarter \$30.2 million was spent on KGP development with total project expenditure to date of \$92.7 million.
 - Development cost estimate continues to be in line with budget of \$165-\$170 million with available funding of \$96.4 representing a 29% contingency allowance at the midpoint of the forecast cost to complete.
 - Available funding of \$96.4 million made up of cash at bank of \$18.9 million at end of quarter and undrawn bank facility of \$77.5 million.
 - All conditions precedent to first drawdown of \$80 million debt facility with Macquarie Bank satisfied during the quarter with \$2.5 million drawn to the end of December 2020.
 - Significant workflows planned for the March 2021 quarter include:
 - Continued structural and plate steel work and equipment installation;
 - Commencement of electrical installation; and
 - Completion of start-up ROM pad and TSF embankment earthworks.
 - Grade control of 4 million tonnes (+/- 1 year mill feed) of laterite ore in the Bibra open pit complete and confirming the reserve model.
 - 6,500 metre near mine infill and extensional drill programme commenced, with significant early (from first 2,500m) results including:

• 5 metres @ 3.77g/t from 36 to 41m	• 4 metres @ 2.09g/t from 35 to 39m
• 7 metres @ 1.59g/t from 48 to 55m	• 2 metres @ 3.68g/t from 49 to 51m
- The results of this programme will be used to update the MRE and allow for studies to assess the economic potential of Easky and Finns deposits
- Commenced a high resolution aeromagnetic survey over the regional tenement package (~36,000 line km) to develop detailed structural interpretation for target generation.
 - Strategic investment of \$1.2 million committed to take a 12% interest in Pilbara gold and base metals explorer DiscovEx Resources Ltd (ASX:DCX) which holds a prospective 2,247km² tenement package proximal to Karlawinda.