

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

Middle Island Resources Limited

ABN

70 142 361 608

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	11
1.2 Payments for		
(a) exploration & evaluation	(101)	(279)
(b) development	-	-
(c) production	-	-
(d) staff costs	(90)	(188)
(e) administration and corporate costs	(153)	(319)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(343)	(774)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(17)	(17)
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	221
(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 (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(17)	204

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	520	520
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	(35)	(35)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(12)	(24)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	473	461

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	350	565
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(343)	(774)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(17)	204
4.4 Net cash from / (used in) financing activities (item 3.10 above)	473	461
4.5 Effect of movement in exchange rates on cash held	(1)	6
4.6 Cash and cash equivalents at end of period	462	462

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	421	309
5.2 Call deposits	20	20
5.3 Bank overdrafts	-	-
5.4 Other (bank guarantee deposit)	21	21
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	462	350

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

**Current quarter
\$A'000**

75

-

Item 6.1 includes aggregate amounts paid to directors including salary, directors' fees, consulting fees and superannuation.

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

N/A

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8. Financing facilities available <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	Nil	Nil
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	8	8
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.		


Other: consists of the unamortised balance of an insurance premium funding facility.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,701
9.2 Development	-
9.3 Production	-
9.4 Staff costs	126
9.5 Administration and corporate costs	297
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	2,124

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	E57/1028	Withdrew from option	100%	Nil
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EL32290, NT	Registered holder	Nil	100%
	EL32291, NT	Registered holder	Nil	100%
	EL32292, NT	Registered holder	Nil	100%
	EL32305, NT	Registered holder	Nil	100%
	EL32308, NT	Registered holder	Nil	100%
	EL32309, NT	Registered holder	Nil	100%
	EL32297, NT	Registered applicant	Nil	100%
	EL32298, NT	Registered applicant	Nil	100%
	EL32301, NT	Registered applicant	Nil	100%
	EL32304, NT	Registered applicant	Nil	100%

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: 29 January 2020

Print name: Dennis Wilkins

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.
4. By the Company signing this Appendix 5B, the Managing Director and CFO declare that the Appendix 5B for the relevant quarter:
 - presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
 - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.