

Quarterly Activities Report for the Period Ending 30 June 2023

Tombola Gold Ltd (Administrators, Receivers and Managers Appointed) ("**Tombola**", or the "**Company**"), provides an overview of the Company's activities for the period ending 30 June 2023 ("**Quarter**", "**Reporting Period**").

True North Tenement Acquisition Restructure

On 12 April 2023, the Company announced that the asset sale arrangements with True North Copper Pty Ltd ("**TNC**") as originally announced on 16 September 2022, which had yet to settle pending finalisation of a number of pre-completion deliverables (such as landholder agreement assignments), was mutually terminated. As part of the negotiations, the parties reached consensus on a restructured transaction.

The Company duly executed a Deed of Termination with TNC which terminated the previous Asset Sale Agreement as announced to the market on 16 September 2022. The Company, its subsidiary Tombola Tenements Pty Ltd ("**Tombola Tenements**") and TNC also executed an Option Deed whereby Tombola Tenements was granted an option to purchase a 100% interest in EPM 12409 and ML 100111 (Wynberg Tenements), together with all documents, information and material contracts in relation to them, for \$2,000,000 plus GST (if applicable), payable in cash.

Accordingly, under the revised transaction arrangements, the Company would no longer acquire an interest in the Wallace Project (ML 1000777 and ML 90236) or have any interest in its resources.

Short-term Debt Facility – Revised Arrangements

On 27 April 2023, the Company repaid an initial \$500,000 to its secured creditor (Vaspi 2 Pty Ltd) in return for an extension to the due date for the balance of its secured loan to 9 May 2023. Interest and costs continued to accrue through until final settlement under the terms of the facility announced on 20 February 2023.

Board and Management Changes

Executive Directors Rod Watt and Trevor Coombes both resigned on 27 April 2023. The Company's CFO (in November 2022) and contract Company Secretary (in January 2023) had both previously provided their resignations, but due to the Company's circumstances over the past five months, no suitable replacements could be secured and engaged.

Appointment of Administrators and Receivers

On 15 May 2023 the Company's Board of Directors appointed Simon Cathro and Andrew Blundell (of Cathro & Partners Pty Ltd) as Joint and Several Administrators ("**Administrators**") of the Company and its subsidiaries. At the same time, the Company's secured creditor (Vaspi 2 Pty Ltd) appointed Receivers & Managers to act on its behalf under its security arrangements.

The Board's decision to appoint Administrators was precipitated by a run of poor operational and financial results encountered via the GAM Plant, its mechanical failure, and the poor gold recovery rates experienced, with only circa 1g/t recovered from processing due to dilution being higher than anticipated based on the Company's pre-processing ore test results. In the months leading up to the decision to appoint Administrators, the Company had been in active dialogue with a number of parties regarding a potential refinance of its debt facility or other corporate actions, but an agreed path forward failed to emerge.

The effect of appointing Administrators, including the period in which the Company is subject to a Deed of Company Arrangement (DOCA), impacts and restricts the powers and duties of its Directors. From the time the Administrators and the Receivers were appointed, the Company's corporate and operational activities ceased, and the mine and operational site were placed into care and maintenance, which included regular site inspections and security checks, meeting ongoing environmental, fire and electrical compliance requirements, and facilitating inspections by DES and the Mines Department. All Company-owned equipment at Cloncurry was secured and stored as part of the operational shut-down and maintenance processes. No exploration or mining activities have been undertaken since the appointment of the Administrators and the Receivers.

Various reports on the Company's activities and property were lodged with ASIC between 14 and 20 June 2023 by the Administrators and Receivers.

During the quarter, the Receivers appointed on behalf of the secured lender (Vaspi 2 Pty Ltd) took control of those assets subject to security charges under the February 2023 short-term lending arrangements. The Receivers are working collaboratively with the Administrators in relation to the maintenance of the Company's tenements and mining leases.

Other Information

During the quarter, the Company spent approximately \$1,099,000 in relation to its gold mining and production activities, in relation to which it received approximately \$1,558,000 in proceeds. There were no funds spent on exploration for the quarter.

In addition, the Cashflow Report discloses payments to related parties in Item 6.1 of \$92,000 for the quarter. Tombola advises that this amount relates to Directors, including executive and non-executive fees for the Quarter.

This announcement was authorised by the Managing Director.

For further enquiries:

Byron Miles

Managing Director

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APPENDIX - TOMBOLA TENEMENT SCHEDULES

Table 1 - Cloncurry Projects, QLD Tenements

Tenement	Project Name	Holder	Tombola Beneficial Interest (%)	Grant Date	Expiry Date	Area (EPM km ²) (ML ha)	Status
EPM 14163	White Range #2	QMC Exploration Pty Ltd	80	19/10/2004	18/10/202	17	Granted
EPM 14475 ¹	White Range #4	Spinifex Mines Pty Ltd	80	27/06/2005	26/06/2025	36	Granted
EPM 15858	Sunny Mount	QMC Exploration Pty Ltd	80	23/10/2008	22/10/2026	17	Granted
EPM 18286	Elder Creek	QMC Exploration Pty Ltd	80	14/01/2013	13/01/2022	10	Renewal lodged
EPM 27763	Mt Freda West	Ausmex Resources Pty Ltd	80	23/9/2021	23/9/2026	85	Granted
ML 2517	Answer	Tombola Gold Limited	100	01/12/1973	30/11/2025	8.09	Granted
ML 2541	Belgium	Tombola Gold Limited	100	01/02/1974	31/01/2031	4.05	Granted
ML 2549	The Trump	Tombola Gold Limited	100	01/02/1974	31/01/2031	12.14	Granted
ML 2741	Mt Freda	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	3.80	Granted
ML 2742	Evening Star	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	8.09	Granted
ML 2750	Evening Star North Extd	Spinifex Mines Pty Ltd	80	26/01/1989	31/01/2028	5.14	Granted
ML 2752	Mt Freda Extd	Spinifex Mines Pty Ltd	80	23/02/1989	29/02/2028	116.48	Granted
ML 2763	Evening Star North	Spinifex Mines Pty Ltd	80	08/06/1989	30/06/2028	8.00	Granted
ML 100201	Golden Mile	Ausmex Resources Pty Ltd	100	27/07/2021	27/07/2031	116	Granted
EPM 18189 ²	Metallum	Volga Elderberry Pty Ltd	100	23/12/2010	22/12/2025	640	Granted
ML 7147 ²	Lorena	Volga Elderberry Pty Ltd	100	1/03/1992	28/02/2031	8.05	Granted
ML 90192 ²	Lorena 2	Volga Elderberry Pty Ltd	100	1/06/2011	31/05/2031	25.4	Granted
ML 90193 ²	Lorena 3	Volga Elderberry Pty Ltd	100	1/06/2011	31/05/2031	46.51	Granted
ML 90194 ²	Lorena 4	Volga Elderberry Pty Ltd	100	1/06/2011	31/05/2031	50	Granted
ML 90195 ²	Lorena 5	Volga Elderberry Pty Ltd	100	1/06/2011	31/05/2031	50	Granted
ML 90196 ²	Lorena 6	Volga Elderberry Pty Ltd	100	1/06/2011	31/05/2031	48.8	Granted

1. Subject to a legal dispute as to ownership with Omega Gold.
2. Secured in favour of Chinova (vendor party).

Table 2 - Burra Project, SA Tenements

Tenement	Project Name	Registered Holder	Tombola Beneficial Int (%)	Grant Date	Expiry Date	Area (km²)	Status
EL 5881	Burra	Ausmex SA Pty Ltd	100	04/11/2016	Renewal Pending	902	Renewal Pending
EL 6101	Burra East	Ausmex SA Pty Ltd	100	25/01/2018	Renewal Pending	929	Renewal Pending
EL 6201	Worlds End	Ausmex SA Pty Ltd	100	20/07/2018	19/07/2023	818	Granted
EL 5874	PNX Burra West	Ausmex SA Pty Ltd	100	25/07/2016	24/07/2027	69	Granted
EL 5918	PNX Princess Royal	Ausmex SA Pty Ltd	100	23/11/2016	Renewal Pending	257	Renewal Pending
EL 6150	PNX Burra North	Ausmex SA Pty Ltd	100	06/03/2012	Renewal Pending	300	Renewal Pending
EL 6326	PNX Burra Central	Ausmex SA Pty Ltd	100	24/02/2019	23/02/2024	84	Granted
EL 6327	PNX Mongolata	Ausmex SA Pty Ltd	100	10/03/2019	09/03/2024	60	Granted
EL 6834	Burra	Ausmex SA Pty Ltd	100	19/09/2022	18/09/2028	146	Granted
						3,565km²	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Tombola Gold Limited (Administrators, Receivers and Managers Appointed)

ABN

62 148 860 299

Quarter ended ("current quarter")

30 June 2023

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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	1,558	3,691
1.2	Payments for		
	(a) exploration & evaluation	-	(1,275)
	(b) development	-	-
	(c) production and mining costs	(1,099)	(13,507)
	(d) staff costs	-	-
	(e) administration and corporate costs	(371)	(1,698)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	95
1.8	Fees receivable (refer Financial Report 30 June 2020)	-	-
1.9	Net cash from / (used in) operating activities	89	(12,685)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(15)	(2,429)
	(c) property, plant and equipment	(16)	(1,520)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets – surety	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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	(31)	(3,949)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	8,534
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	-	4,008
3.6	Repayment of borrowings	(786)	(949)
3.7	Transfer to Administrators	(41)	(41)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(827)	11,552

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	769	5,082
4.2	Net cash from / (used in) operating activities (item 1.9 above)	89	(12,685)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(31)	(3,949)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(827)	11,552

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	-	-

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	-	769
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)	-	769

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

The amounts reported in item 6.1 relate to payments made to Directors, including executive and non-executive fees for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>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.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	4,250	3,301
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	4,250	3,301
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. During the March 2023 quarter the Company negotiated a short-term secured debt facility for \$4.25 million to fund the recommencement of production and to provide the Company with working capital. The loan had a 90-day term and was repayable on 24 April 2023 together with interest of \$850,000. Full details were outlined in the March 2023 Quarterly Activities Report. During the period repayments of \$768k were made. The loan is secured with PPSRs being placed across the Company and its subsidiaries and some mining tenements. There may have been additional interest costs incurred as a result of the Company defaulting on the repayment arrangements, but this information has not been made available to the Company to date.		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	89
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	89
8.4	Cash and cash equivalents at quarter end (item 4.6)	-
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	-
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/a
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 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:

During the period the Company was unable to obtain additional funding and combined with lower than forecast recoveries entered into administration and receivership.

8.8.2 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:

Refer 8.8.1, the Company expected funding and the generation of cash flows via gold production in Queensland would provide the required level of funding.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

No refer 8.8.1.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date: 23 May 2024

Byron Miles, Managing Director

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 6: Exploration for and Evaluation of Mineral Resources* and *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 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. 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.