



# Quarterly Report

To 31 March 2019

New Age Exploration Limited ("NAE" or "the Company") is pleased to provide shareholders the Company's Quarterly Report for the period ending 31 March 2019.

## Highlights

### Transaction to sell NAE's 50% share in Redmoor Tin-Tungsten Project

- Transaction announced in March to sell NAE's 50% of the Redmoor Project for a total consideration of approx. A\$5M in 3 stages, subject to NAE and the purchaser, Strategic Minerals Plc ("SML"), agreeing on detailed transaction documents as follows:
  - Approx. A\$2M in cash on the completion date (Stage 1)
  - A\$1M cash payable 180 days after settlement of Stage 1 (Stage 2)
  - A royalty Stream of 1.5% of the Net Smelter Revenue from Redmoor production capped at A\$2M (Stage 3)
- NAE and SML have agreed on a settlement date for the transaction of 30 May 2019 subject to the parties agreeing on the terms of the transaction documents including a Royalty Deed and a Mortgage to secure the Stage 2 payment.

### Lochinvar Coking Coal Project – Lochinvar North Licence Grant and Exploration Target

- Exploration Licence, Conditional Mining Licence and Option Agreement granted to NAE on 8 April 2019 by The Coal Authority over an area of 66.5 km<sup>2</sup> adjoining and to the north and east of the existing Lochinvar Licence ("Lochinvar North Licence").
- 4 historic boreholes intersect the Nine Foot and/or Six Foot Coking Coal seams within the Lochinvar North Licence with an average thicknesses of 4.1m/1.8m. These intersections show a thickening of the coal seams, when compared to the adjacent Lochinvar Licence to the west and southwest.
- Coal sampling results from historic boreholes within the Lochinvar North Licence demonstrate coking coal properties consistent with those recorded by NAE in the adjacent Lochinvar licence.
- An Exploration Target of 77-142 Mt of coking coal has been determined for the newly granted Lochinvar North Licence by independent technical consultants, Palaris.
- Lochinvar North has the potential to extend the Lochinvar resource, reduce the depth to first coal from surface therefore reducing the length and capital cost of the decline, increase mining production rate and increase mine life for the total Lochinvar project.

### **Otago South Gold Exploration Project**

- Encouraging results received from follow up soil sampling over the OPQ gold exploration target with anomalous gold values received up to 2.7km southeast and 3.0km northwest of the historic OPQ mine, potentially significantly extending the strike length of the OPQ gold target.
- An Exploration Permit (71.55 km<sup>2</sup>) covering the OPQ target was granted in January.

### **Corporate**

- Settlement of Stage 1 of the Redmoor transaction scheduled for 30 May 2019 (Approx. A\$2.0m) will place the Company in a strong financial position, in-conjunction with the recently completed \$0.94m capital raising.
- Significant interest expressed by several parties in the Lochinvar Project during the quarter.
- \$928,711 cash at 31 March 2019.

### **Targets for June Quarter 2019**

- Commencement of work on defining a coking coal Mineral Resource on the newly granted Lochinvar North Licence based on existing information.
- Commencement of field work on OPQ Gold Exploration Target in preparation for trenching and drilling to commence.
- Continue to progress opportunities for funding of the Lochinvar Project with interested parties.
- Continue the search for new value adding opportunities.

# Activities

## REDMOOR TIN-TUNGSTEN PROJECT, UK

### Transaction to Sell NAE's 50% of Redmoor Project

Transaction announced in March to sell NAE's 50% of the Redmoor Project for a total consideration of approx. A\$5M in 3 stages, subject to NAE and the purchaser, Strategic Minerals Plc ("SML"), agreeing on detailed transaction documents as follows:

- Approx. A\$2M in cash on the completion date (Stage 1)
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### 2019 Redmoor Mineral Resource Update

A resource update was completed in February 2019 based on the highly successful 2018 drilling program. An updated Inferred Mineral Resource of 11.7 Mt @ 0.56% WO<sub>3</sub>, 0.16% Sn, 0.50 % Cu (1.17% Sn Eq or 0.82% WO<sub>3</sub> Eq) was defined within 10 parallel high-grade zones within the Sheeted Vein System (SVS) using a break even cut-off grade of 0.45% Sn Eq.

Table 1 - Redmoor Inferred Mineral Resource Estimate<sup>12</sup>

| Cut-off (SnEq%)                | Tonnage (Mt) | WO <sub>3</sub> % | Sn %        | Cu %        | SnEq <sup>2</sup> % | WO <sub>3</sub> Eq <sup>2</sup> % |
|--------------------------------|--------------|-------------------|-------------|-------------|---------------------|-----------------------------------|
| >0.45 <0.65                    | 1.5          | 0.18              | 0.21        | 0.30        | 0.58                | 0.41                              |
| >0.65                          | 10.2         | 0.62              | 0.16        | 0.53        | 1.26                | 0.88                              |
| <b>Total Inferred Resource</b> | <b>11.7</b>  | <b>0.56</b>       | <b>0.16</b> | <b>0.50</b> | <b>1.17</b>         | <b>0.82</b>                       |

The updated resource represents a tripling of the contained metal (now 137kt Sn Eq) and a 17% higher metal grade as compared with the previous March 2018 Mineral Resource estimate.

<sup>1</sup> NAE Announcement - Redmoor Resource Update, 13 February 2019

<sup>2</sup> Equivalent metal calculation notes; Sn(Eq)% = Sn%\*1 + WO<sub>3</sub>%\*1.43 + Cu%\*0.40. Commodity price assumptions: WO<sub>3</sub> US\$ 33,000/t, Sn US\$ 22,000/t, Cu US\$ 7,000/t. Recovery assumptions: total WO<sub>3</sub> recovery 72%, total Sn recovery 68% & total Cu recovery 85% and payability assumptions of 81%, 90% and 90% respectively. See NAE Announcement - Redmoor Resource Update, 13 February 2019, page 7,

## LOCHINVAR COKING COAL PROJECT, UK

The Lochinvar Coking Coal Project is located on the Scottish / English border. NAE holds an exploration licence, conditional mining licence and option agreement over the Lochinvar area and Lochinvar North area as shown in Figure 1. Both licences are in good standing and are 100% owned by NAE. The initial 5-year licence term over the Lochinvar South area ended in April 2019 and this licence is currently in the process of being renewed.

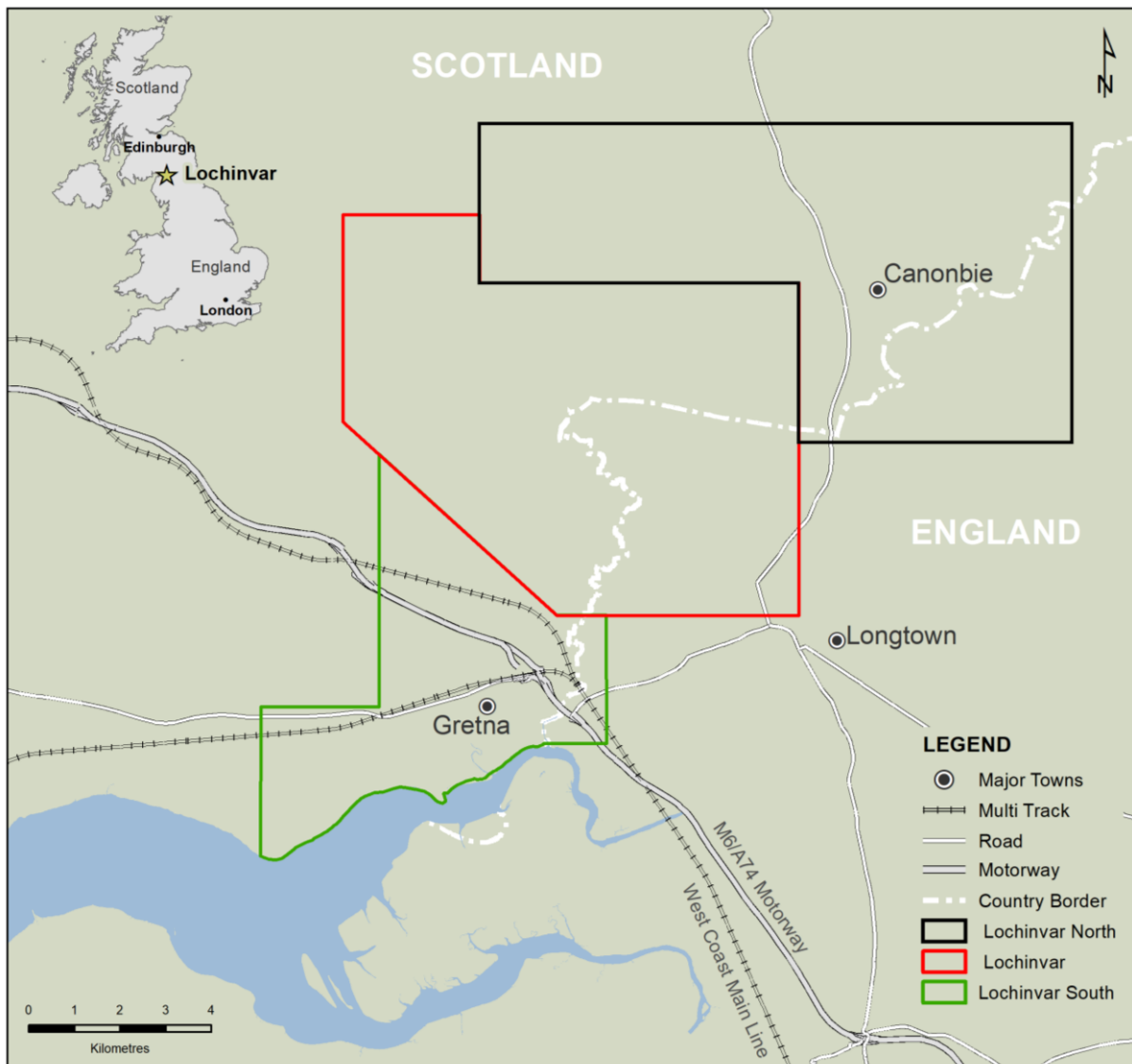


Figure 1- Location of the Lochinvar Licences

### Lochinvar Scoping Study Update (March 2017)

On 15 March 2017, NAE announced the results of an update of the Lochinvar Scoping Study, which showed a substantial improvement in the project economics.

The Lochinvar project now has a base-case NPV 9%, determined to an accuracy of  $\pm 40\%$ , of approximately US\$410M, an IRR of approximately 27% and a payback period of approximately 4 years. The Scoping Study Update results also demonstrate that the Lochinvar Project is robust to changes in Coking Coal price and other key assumptions (break even HCC price is US\$100/t). The

economic evaluation is based on a US\$160/t HCC Benchmark Price / US\$150/t Lochinvar realised Price.

The Scoping Study Update NPV improvement (2014 Scoping Study NPV was US\$263M) has primarily been driven by depreciation of the British Pound Sterling (GBP) against the USD following the outcome of the Brexit referendum, and by high demand for high volatile coking coals in Europe resulting in reduced quality discounts (i.e higher realised price) expected for Lochinvar coal sales into Europe.

These results show the potential for the Lochinvar project to deliver excellent returns on investment with lowest quartile operating costs resulting from short rail transport distances, low labour costs, high coal yield (71%), low royalties, and low taxes.

Lochinvar sits comfortably in the lowest quartile of the 2017 Wood Mackenzie Global Seaborne Coking Coal FOB cost curve. With a total FOB Operating Cost of US\$58/t, Lochinvar has the potential to deliver a low-cost, long life operation which is ideally located to supply the European steel industry.

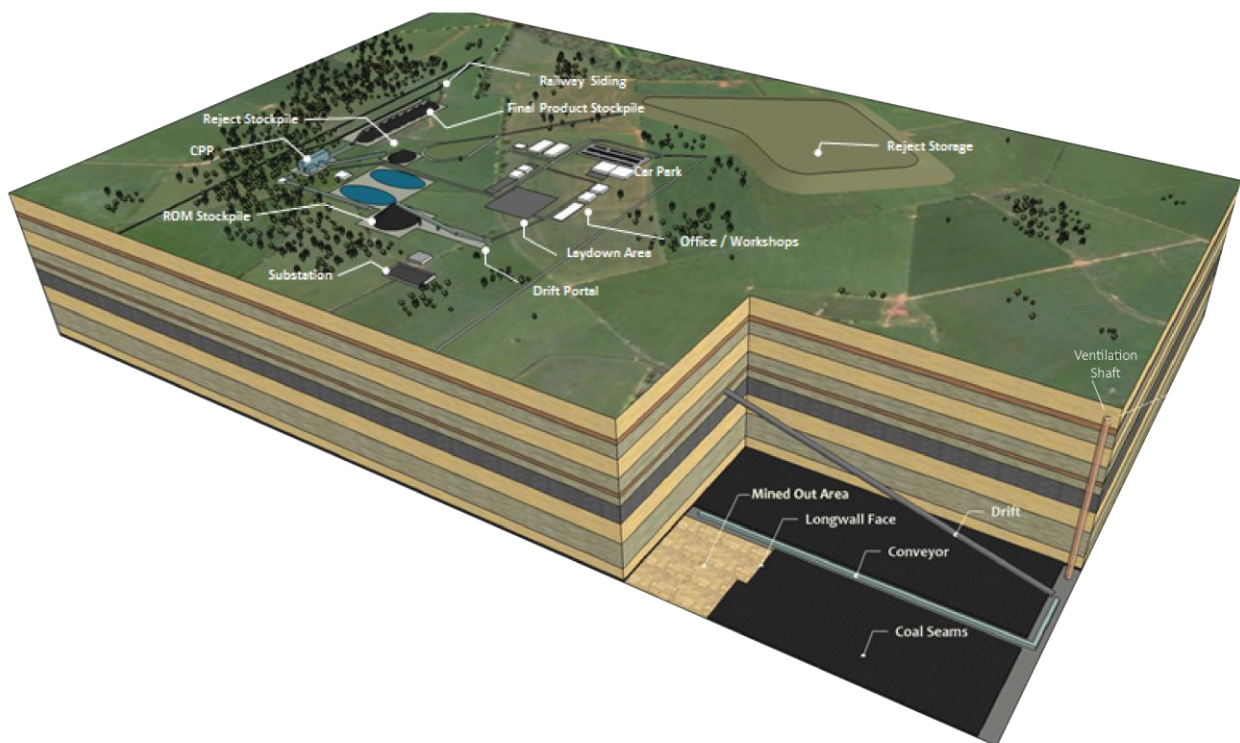


Figure 2- Conceptual Drawing of Lochinvar Mine, Process Plant and Surface Infrastructure

### Coking Coal Price Outlook

Hard coking coal benchmark prices have continued to stabilize within the US\$175/t to US\$200/t FOB Australia price levels during the quarter. This represents a stepped improvement in prices from 2014-2016 cyclical low levels. The average Hard Coking Coal Price over the last 7 years has been ~US\$175/t.

Current hard coking coal benchmark prices now well exceed the NAE Directors' view that it is probable that the hard coking coal benchmark price will remain in the range of US\$140/t to US\$170/t over the medium to long term. A hard coking coal benchmark price of US\$160/t was used for the Lochinvar Scoping Study Update.

## Lochinvar North Licence Granted

An Exploration Licence, Conditional Mining Licence and Option Agreement were granted to NAE on 8 April 2019 by The Coal Authority over an area of 66.5 km<sup>2</sup> adjoining and to the north and east of the existing Lochinvar Licence (“Lochinvar North Licence”).

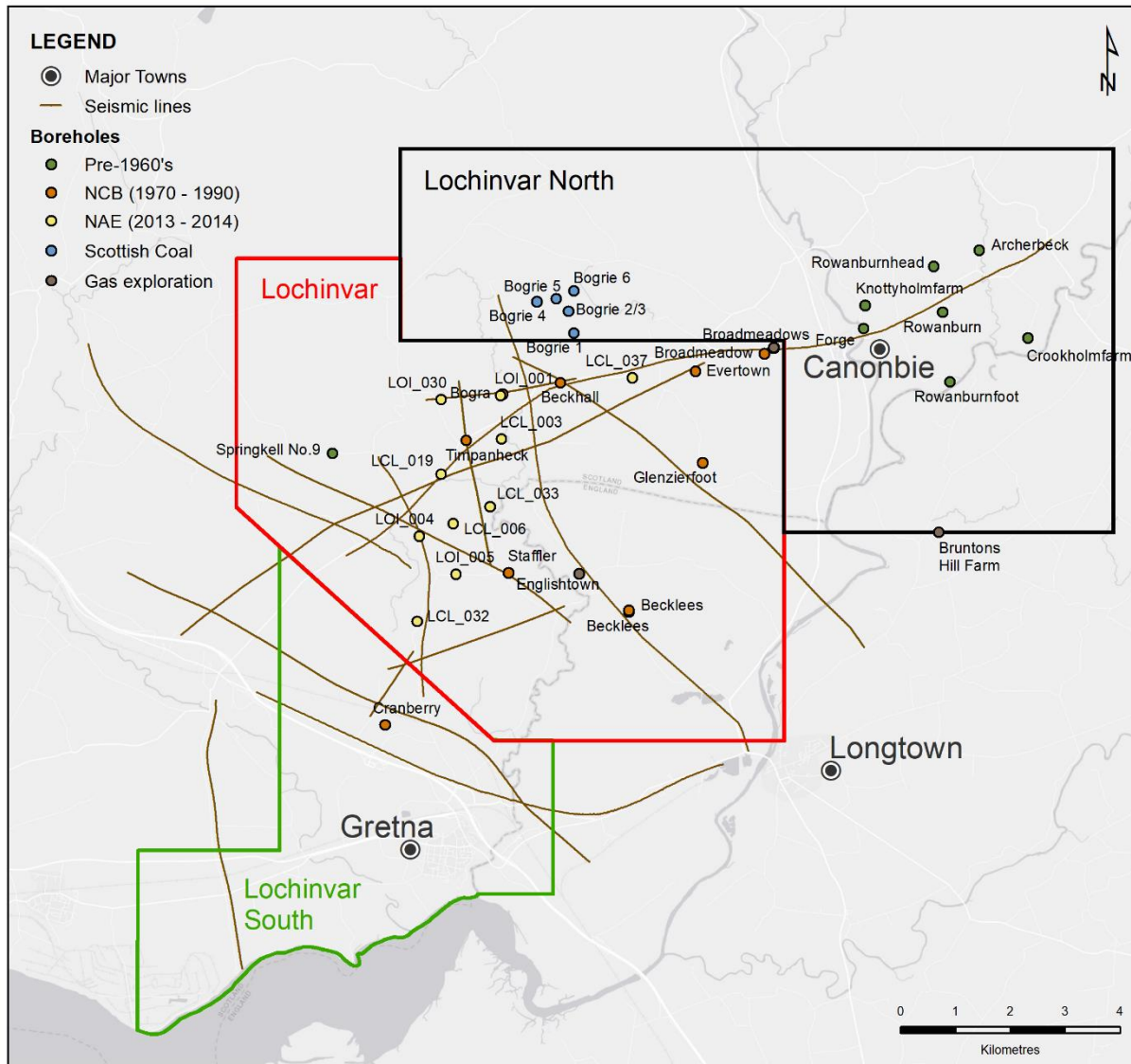


Figure 3 - NAE Lochinvar Licence Areas, Borehole Collars and Seismic Lines

## Lochinvar North Historic Mining and Exploration

Localised coal mining occurred within the Lochinvar North Licence from the mid-1800's to the early 1920's in the eastern part of the coalfield, where the coal seams are exposed near the surface.

4 of the 5 boreholes drilled by the National Coal Board in the 1950's within the Lochinvar North Licence intersected the Nine Foot Seam and/or the Six Foot Seam (Rowanburnfoot, Knottyholm, Crookholm Farm and Woodhouselees). These boreholes confirm the continuity of the Nine Foot Seam and other coal seams within the Lochinvar North Licence.

Based on these NCB borehole Intersections, the Nine Foot Seam has an average thickness of 4.1m and the Six Foot Seam has an average thickness of 1.8m within the Lochinvar North Licence. These



intersections show a thickening of the coal seams, when compared to the adjacent Lochinvar Licence to the west and southwest.

Coal sampling results on the NCB borehole intersections demonstrate coking coal properties consistent with the coking coal quality recorded in drilling by NAE in the adjacent Lochinvar licence.

Table 2 - Lochinvar North Historical BoreHole Intercepts

| Bore                       | Seam      | Depth roof   | Depth floor | Thickness |
|----------------------------|-----------|--------------|-------------|-----------|
| Knottyholm Farm            | Six Foot  | 445.31       | 446.84      | 1.53      |
|                            | Nine Foot | 470.41       | 474.12      | 3.71      |
| Crookholm Farm             | Six Foot  | 427.02       | 428.5       | 1.48      |
|                            | Nine Foot | 448.54       | 453.00      | 4.46      |
| Rowanburnfoot              | Six Foot  | 550.44       | 552.75      | 2.31      |
|                            | Nine Foot | 573.9        | 577.95      | 4.05      |
| Woodhouselees <sup>3</sup> | Six Foot  | 901.36       | 903.21      | 1.85      |
|                            | Nine Foot | Faulted Out? |             |           |

Scottish Coal drilled a series of holes north of the Lochinvar Licence ("Bogie holes"). While the location of these holes has been confirmed, detailed lithological information from these holes is scant. However, the information available suggests that coal seams of similar thickness to those encountered at the northern part of Lochinvar, persist into Lochinvar North. As such, this may provide an opportunity for shallower underground access to first coal and reduce the length and capital cost of the decline required for the Lochinvar project.

### Lochinvar North Exploration Target

Exploration data from NAE's adjacent Lochinvar property, combined with NCB borehole data and seismic data obtained in the Lochinvar North Licence area have provided the basis for an Exploration Target over the Lochinvar North Licence.

An Exploration Target for the Lochinvar North Licence ranging from 77-142 million tonnes has been estimated by independent technical consultants, Palaris, in the Nine Foot and/or Six Foot Seams to a maximum depth of 1,000m and minimum thickness of 1.2 m. The lower end of the exploration target range includes the Nine Foot Seam only with a 10% discount for faulting. The upper end of the exploration target includes the Nine Foot Seam and the Six Foot Seam with a 10% discount for faulting.

Table 3 Lochinvar North Exploration Target <sup>4</sup>

| Description                                | Tonnage Range (Mt) |
|--------------------------------------------|--------------------|
| Nine Foot Seam Only                        | 77-104 Mt          |
| Nine Foot Seam plus Six Foot Seam          | 105 -142 Mt        |
| Lochinvar North Licence Exploration Target | 77-142 Mt          |

<sup>3</sup> Substantial faulting below the Six Foot seam in Woodhouselees borehole

<sup>4</sup> NAE Announcement – Lochinvar North Exploration Target, 15 April, 2019

*The potential quantity and quality of the Exploration Targets is conceptual in nature. Insufficient exploration has been undertaken to estimate a Mineral Resource and it is uncertain that further exploration will result in the estimation of a Mineral Resource.*

Lochinvar North has the potential to extend the Lochinvar resource, reduce the depth to first coal from surface therefore reducing the length and capital cost of the decline, increase mining production rate and increase mine life for the total Lochinvar project.

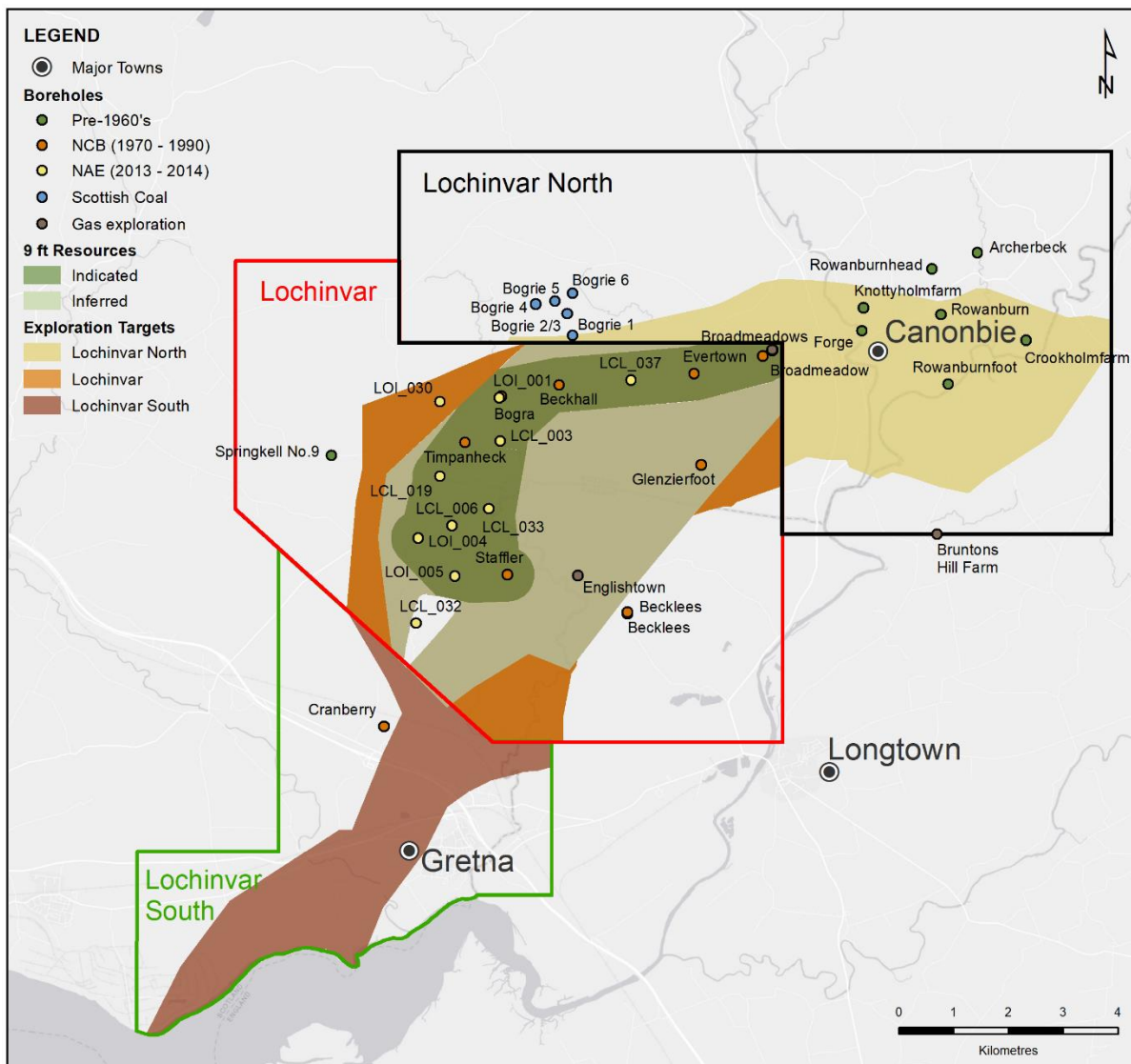


Figure 4 - NAE Lochinvar Licences, Resource and Exploration Target areas

### Lochinvar North Work Program

An initial 12 to 24 month work program has been developed for the Lochinvar North Licence Area. The key aim of this work program will be to define a JORC compliant Resource to an Inferred and Indicated status based on existing drilling and geological information – similar to that which NAE has already defined over the Lochinvar Licence.



## OTAGO PIONEER QUARTZ GOLD EXPLORATION TARGET

### Background

The Otago Pioneer Quartz Gold Exploration Project is owned 100% by NAE and is located on South Island NZ, west of Dunedin. In January 2019, NAE was granted an Exploration Permit covering 71.55 km<sup>2</sup>, shown in Figure 5, including the historic Otago Pioneer Quartz (OPQ) Gold Mine.

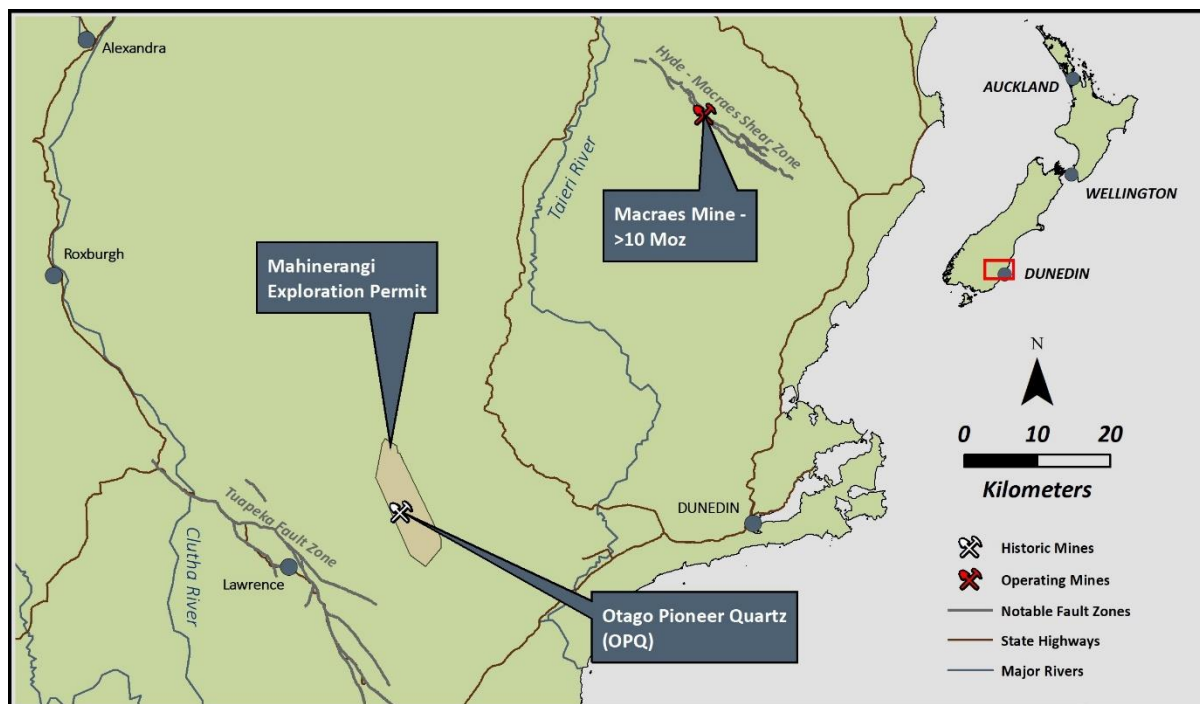


Figure 5- NAE Mahinerangi Exploration Permit and OPQ Historic Mine and Exploration Target Location

### Otago Pioneer Quartz (OPQ) Historic Gold Mine

Historic records indicate the OPQ Gold Reef was mined over 100 years ago averaging 2m wide over a strike length of at least 1,200m and yielding an average of around 13 grams per tonne Au.

Exploration around the OPQ historic mine area by Macraes Mining Company between 1991 and 1997 showed As and Au soil anomalies over a distance of approximately 1 km strike length above the area of the OPQ reef historically mined (see Figure 6).

### NAE 2018 Soil Sampling Programs

NAE undertook a soil sampling program using a man-portable drill and hand auger in February 2018 and a follow up program in September 2018. Key results included:

- 2 samples located approximately 700m southeast and along strike of the OPQ historic mine and previously defined soil anomaly recorded gold values of 1.4 g/t and 0.6 g/t (see Figure 6).
- 0.66 g/t gold located ~2,700m southeast and along strike of the OPQ historic mine and previously defined soil anomaly and ~2,000m southeast and along strike of the 1.4 g/t and 0.6 g/t gold soil results obtained by NAE in February 2018.
- 0.55 g/t and 0.25 g/t gold on a line located north of Lake Mahinerangi ~3,000m northwest and along strike of the OPQ historic mine and previously defined soil anomaly.

As shown in Figure 6, these results potentially extend the strike length of the OPQ gold target significantly (up to 6km in total) and highlight the potential for one or more narrow zones of high-grade gold mineralization.

### **Work Program 2019**

NAE have been working with the Company's NZ based consultants, CRL Energy, to design a suitable work program for the 2019 field season.

The program will be implemented to test the results to date, as well as advancing first pass exploration over a parallel structural zone identified in the east of the tenure (see Figure 7).

The soil cover is thinner in the northern target area, so trenching and sampling is planned over this area to expose and sample for extensions of the OPQ structure to the north of the lake where results of 0.55 and 0.25 g/t gold have been returned.

In the central and southern target areas the soil cover is thicker and beyond the depth of trenching. Aircore/RC drilling has been planned to intersect the bedrock and test for shearing/veining associated with gold mineralisation in these areas. The drilling is designed to access three areas between the forestry and conservation areas to initially establish the geology and prospectivity of the trend.

In addition, a structural trend paralleling the OPQ structure has been identified in the east of the tenure from aerial photo imagery. This will be inspected, mapped and sampled using soil sampling methods used to define the extensions of the OPQ trend.

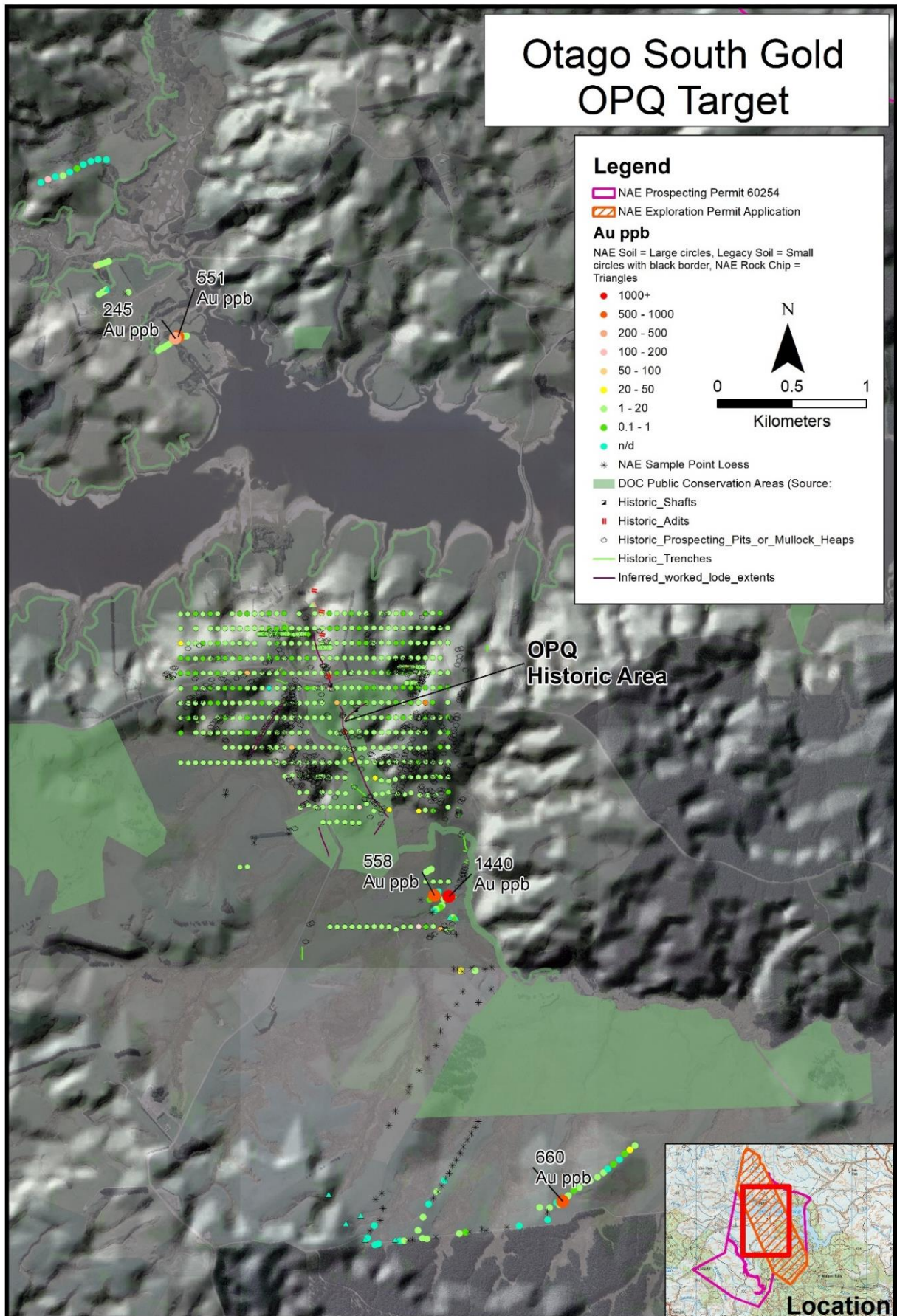


Figure 6- Otago Pioneer Quartz Gold Exploration Target – Soil Au Results



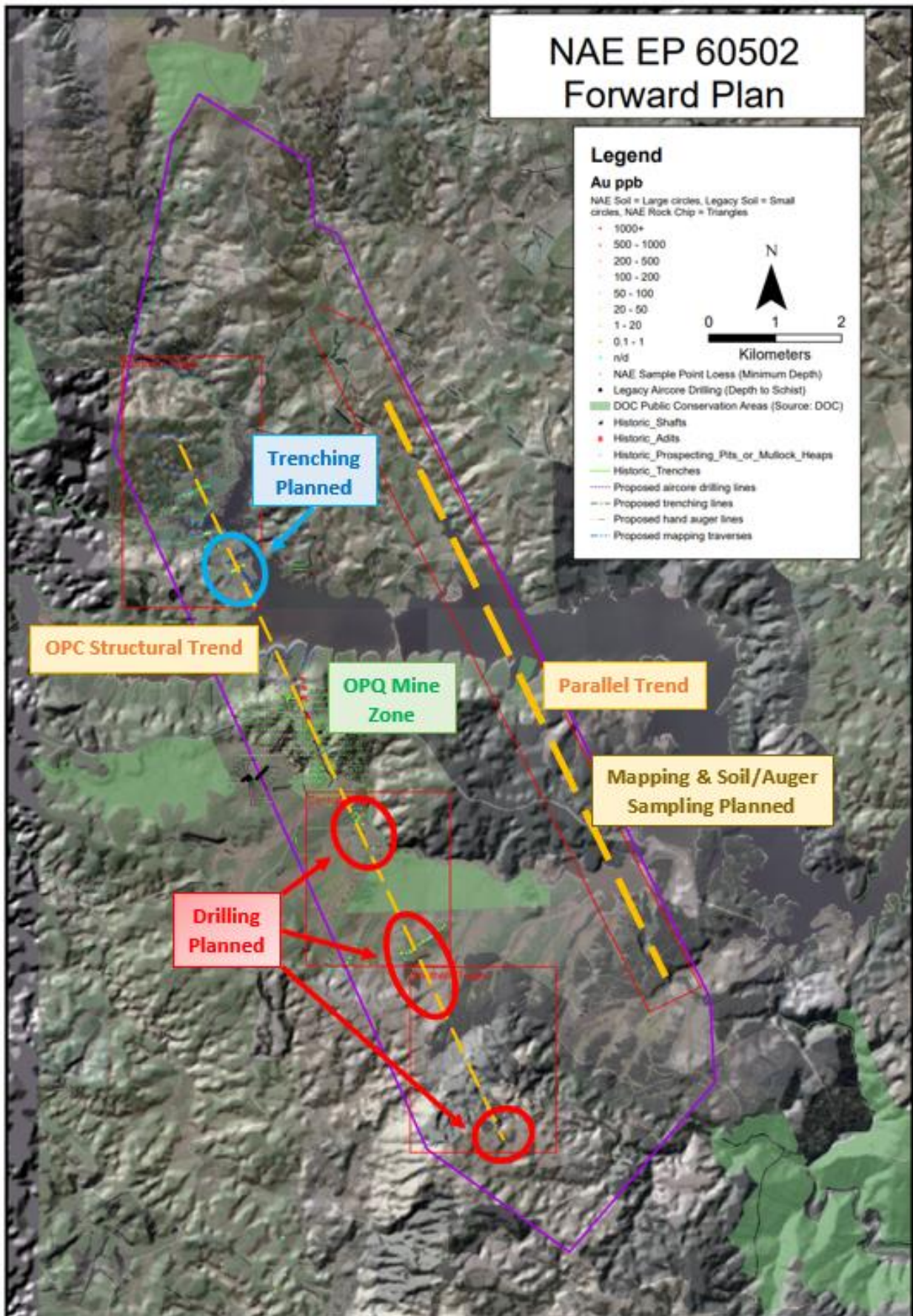


Figure 7– NAE Exploration Otago Permit: Target zones and planned activities for 2019

## CORPORATE

### Completion of \$0.94m Placement (February 2019)

In February 2019, a \$0.94m placement, led by CPS Capital, was completed to raise funds to be allocated towards the development of the Company's existing projects, to seek new opportunities and to working capital.

The placement was undertaken via the placement of 171,000 new shares at an issue price of 0.55 cents per share to raise a total of \$940,000 before associated costs.

CPS Capital have elected to take their broker fees in shares at the placement price of 0.55 cents per share, which will be issued on completion of the placement with the 6% broker fee being subject to shareholder approval.

### Strategy

After settlement of Stage 1 of the Redmoor transaction scheduled for 30 May 2019 (Approx. A\$2.0m), in-conjunction with the recently completed A\$0.94m capital raising, the Company will be in a strong financial position.

The Company will continue to progress opportunities for funding of the Lochinvar Project with interested parties during the June quarter.

The Company will continue its search for new value adding opportunities, leveraging off its stronger financial position post 30 May 2019.

## COMPETENT PERSONS STATEMENT

### REDMOOR

The information in this report that relates to Exploration Results is based on information compiled and/or reviewed by Paul Gribble C.Eng., a Fellow of the Institute of Materials, Minerals and Mining (FIMMM), and who is Principal Geologist of Geologica UK (Geologica). Paul Gribble has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Gribble is also a Competent Person "as defined in the Note for Mining and Oil & Gas Companies which form part of the AIM Rules for Companies". Paul Gribble has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### LOCHINVAR

The Resources estimate is based on information compiled by Dr John Bamberry, who is a Member of the Australasian Institute of Geoscientists (Member No. 4090). Dr Bamberry is the Principal Geologist at Palaris. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Bamberry has over 25 years' experience in exploration and mining of coal deposits.

Neither Dr Bamberry nor Palaris have a direct or indirect financial interest in, or association with New Age Exploration Ltd, the properties and tenements reviewed in this report, apart from standard contractual arrangements for the preparation of this report and other previous independent consulting work. In preparing this report, Palaris has been paid a fee for time expended based on standard hourly rates. The present and past arrangements for services rendered to New Age Exploration Ltd do not in any way compromise the independence of Palaris with respect to this review.

### OTAGO SOUTH GOLD PROJECT

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Dr Doug MacKenzie, who is a Senior Research Fellow at the University of Otago, Geology Department and is a Member and Chartered Professional Geologist of the Australasian Institute of Mining and Metallurgy. Dr MacKenzie has over 20 years research experience in the Otago Schist and related rocks with emphasis on relationships between structure, metamorphism and gold mineralization. Dr MacKenzie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr MacKenzie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



## FORWARD LOOKING STATEMENTS

This report contains “forward-looking information” that is based on the Company’s expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company’s business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as “outlook”, “anticipate”, “project”, “target”, “likely”, “believe”, “estimate”, “expect”, “intend”, “may”, “would”, “could”, “should”, “scheduled”, “will”, “plan”, “forecast” and similar expressions. The forward looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.

## SUPPORTING INFORMATION AND CAUTIONARY STATEMENTS

This presentation has been prepared as a summary only, and does not contain all information about NAE’s projects or its assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to NAE’s securities. The securities issued by NAE are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future. NAE does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this report. Recipients of this report should carefully consider whether the securities issued by NAE are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

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## FOR MORE INFORMATION

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# 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

New Age Exploration Ltd

### ABN

65 004 749 508

### Quarter ended ("current quarter")

31 March 2019

| Consolidated statement of cash flows                      | Current quarter \$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|-----------------------------------------------------------|-------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                         |                                       |
| 1.1 Receipts from customers                               |                         |                                       |
| 1.2 Payments for                                          |                         |                                       |
| (a) exploration & evaluation                              | (48)                    | (112)                                 |
| (b) development                                           |                         |                                       |
| (c) production                                            |                         |                                       |
| (d) staff costs                                           | (76)                    | (564)                                 |
| (e) administration and corporate costs                    | (144)                   | (433)                                 |
| 1.3 Dividends received (see note 3)                       |                         |                                       |
| 1.4 Interest received                                     | 1                       | 7                                     |
| 1.5 Interest and other costs of finance paid              |                         |                                       |
| 1.6 Income taxes paid                                     |                         |                                       |
| 1.7 Other (provide details if material)                   |                         | 22                                    |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(267)</b>            | <b>(1,080)</b>                        |
| <b>2. Cash flows from investing activities</b>            |                         |                                       |
| 2.1 Payments to acquire:                                  |                         |                                       |
| (a) property, plant and equipment                         |                         |                                       |
| (b) tenements (see item 10)                               |                         |                                       |
| (c) investments                                           | (22)                    | (842)                                 |
| (d) other non-current assets                              |                         |                                       |

| Consolidated statement of cash flows |                                                                              | Current quarter \$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|--------------------------------------|------------------------------------------------------------------------------|-------------------------|---------------------------------------|
| 2.2                                  | Proceeds from the disposal of:                                               |                         |                                       |
|                                      | (a) property, plant and equipment                                            |                         |                                       |
|                                      | (b) tenements (see item 10)                                                  |                         |                                       |
|                                      | (c) investments                                                              |                         |                                       |
|                                      | (d) Proceeds from partial disposal of interest in controlled entity          |                         |                                       |
|                                      | (e) other non-current assets                                                 |                         |                                       |
| 2.3                                  | Cash flows from loans to other entities                                      |                         |                                       |
| 2.4                                  | Dividends received (see note 3)                                              |                         |                                       |
| 2.5                                  | Research and development refund                                              |                         |                                       |
| 2.5                                  | Other (provide details if material)                                          |                         |                                       |
| 2.6                                  | <b>Net cash from / (used in) investing activities</b>                        | <b>(22)</b>             | <b>(842)</b>                          |
| <b>3.</b>                            | <b>Cash flows from financing activities</b>                                  |                         |                                       |
| 3.1                                  | Proceeds from issues of shares                                               | 951                     | 1,822                                 |
| 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  | (25)                    | (25)                                  |
| 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)                                          |                         |                                       |
| 3.10                                 | <b>Net cash from / (used in) financing activities</b>                        | <b>926</b>              | <b>1,797</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                             | 291                     | 1,053                                 |
| 4.2                                  | Net cash from / (used in) operating activities (item 1.9 above)              | (267)                   | (1,080)                               |
| 4.3                                  | Net cash from / (used in) investing activities (item 2.6 above)              | (22)                    | (842)                                 |
| 4.4                                  | Net cash from / (used in) financing activities (item 3.10 above)             | 926                     | 1,797                                 |

| Consolidated statement of cash flows |                                                          | Current quarter \$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|--------------------------------------|----------------------------------------------------------|-------------------------|---------------------------------------|
| 4.5a                                 | Effect of movement in exchange rates on cash held        | 1                       | 1                                     |
| 4.5b                                 | Effect on cash upon deconsolidation of controlled entity |                         | -                                     |
| 4.6                                  | Cash and cash equivalents at end of period               | 929                     | 929                                   |

| 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<br>\$A'000 | Previous quarter<br>\$A'000 |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| 5.1 | Bank balances                                                                                                                                                     | 920                        | 291                         |
| 5.2 | Call deposits                                                                                                                                                     | 9                          |                             |
| 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)                                                                                         | 929                        | 291                         |

**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

94

Fees paid to directors or their related entities

**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



**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

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.

| Total facility amount at quarter end<br>\$A'000 | Amount drawn at quarter end<br>\$A'000 |
|-------------------------------------------------|----------------------------------------|
|                                                 |                                        |
| 34                                              | 1                                      |
|                                                 |                                        |

Company credit card facilities secured by term deposits

| 9. Estimated cash outflows for next quarter                                         | \$A'000    |
|-------------------------------------------------------------------------------------|------------|
| 9.1 Exploration and evaluation                                                      | 50         |
| 9.2 Development                                                                     |            |
| 9.3 Production                                                                      |            |
| 9.4 Staff costs                                                                     | 40         |
| 9.5 Administration and corporate costs                                              | 140        |
| 9.6 Other (provide details if material)<br>Payments for investment in joint venture |            |
| <b>9.7 Total estimated cash outflows</b>                                            | <b>230</b> |

| 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 |                                 |                    |                                  |                            |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased           |                                 |                    |                                  |                            |

## 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: .....

Date: ...30 April 2019.....

Director

Print name: .....Joshua Wellisch.....

### 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.

In accordance with ASX Listing Rule 5.3.3, New Age Exploration Limited provides its list of exploration licences with its March 2019 quarterly activities report (as at 31<sup>st</sup> March 2019).

| Licence No.             | Project              | Country        | Area (km <sup>2</sup> ) | Licence Type                                         | NAE Group % Interest |
|-------------------------|----------------------|----------------|-------------------------|------------------------------------------------------|----------------------|
| CA11/EXP/0515/N         | Lochinvar            | United Kingdom | 67.5                    | Exploration Licence                                  | 100%                 |
| CA11/UND/0176/N         | Lochinvar            | United Kingdom | 67.5                    | Conditional Underground Licence and Option Agreement | 100%                 |
| CA11/EXP/0545/N *       | Lochinvar South      | United Kingdom | 51.0                    | Exploration Licence                                  | 100%                 |
| CA11/UND/0182/N *       | Lochinvar South      | United Kingdom | 51.0                    | Conditional Underground Licence and Option Agreement | 100%                 |
| CL132803 <sup>(a)</sup> | Redmoor              | United Kingdom | 23.0                    | Mineral Rights                                       | 50%                  |
| EP60502 <sup>(b)</sup>  | Otago Pioneer Quartz | New Zealand    | 71.55                   | Exploration Permit                                   | 100%                 |

- 
- a) Part of the Mineral Rights for Title CL132803 have not yet been registered with the Land Registry for England and Wales.

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\* The Lochinvar South Licence initial 5-year term ends on 10 April 2019 and the licence is currently in the process of being renewed.