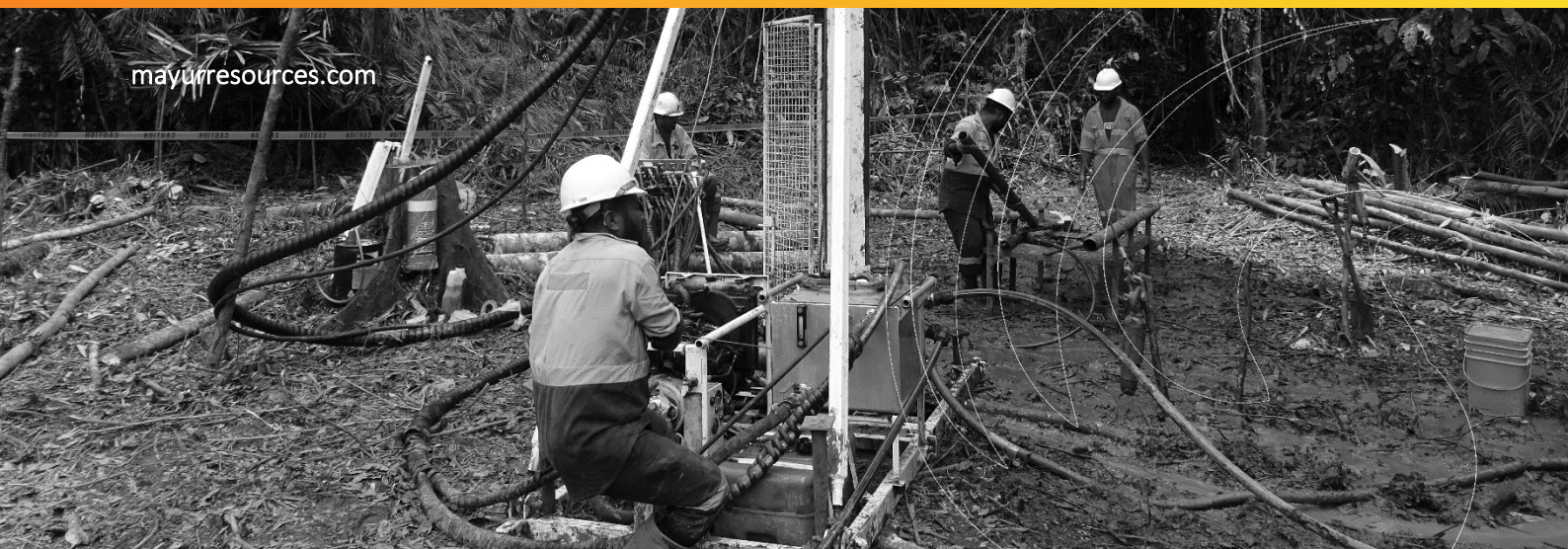


Quarterly Report

For the quarter ending
31 December 2019



Highlights

Central Cement & Limestone Project

- Mayur is progressing discussions with interested equity partners including planning for site visits.
- Mining Lease application continues to progress through the assessment process with the PNG authorities.

Orokolo Bay Industrial Sands Project

- Orokolo Bay Industrial Sands Project firmly on track following reaching agreement with Landholders for the pilot plant phase and the purchase of key plant equipment and mobile machinery.

Lae Enviro Energy Park Project

- Received revised Engineering, Procurement and Construction (EPC) bids for the project which include a new alternative boiler design enabling use of up to 50% biomass fuel and thus a lower utilisation of coal.
- NEC (National Executive Council) submission drafted and discussions with key sponsoring Government Ministers continues.

Depot Creek Coal Project

- Completed the first phase of the resource upgrade and extension drilling program at the Depot Creek Coal Project in Gulf Province.
- Completed airborne Lidar geophysical survey across Depot Creek and Orokolo Bay Project areas.

Projects Overview

Central Cement & Lime Project

The Central Cement and Lime (CC&L) project is an advanced greenfield project which involves the quarrying of extensive limestone deposits and the downstream production of clinker, cement and quicklime for both PNG domestic and export markets. The project is located 25km north of the national capital, Port Moresby, and 7km from the Exxon PNG LNG Refinery.

Quarterly highlights:

- Project financing is advancing with debt lead arranger KPMG receiving Letters of Interest from several lenders wishing to participate in the debt financing of the US\$350 million project.
- Approached a variety of debt providers around the world including commercial banks and export credit agencies.
- Project equity raise process being progressed jointly by KPMG and Morgans Financial in parallel with the debt financing. Stage 1 (investor identification and engagement) now complete, and Stage 2 of the bidding process is ongoing, with Mayur currently in dialogue with a number of parties.
- Progressed Mining Lease application through the assessment process with the PNG authorities being coordinated by the Mineral Resources Authority.
- Continued with ongoing community engagement program to keep stakeholders up to date on project progress, and the contents of the project benefits package.
- Progressed activities to seek product offtake both in PNG and Australia for the clinker, cement and quicklime products.



CCL Project proposed general layout – Kido quarry, plant site and wharf (3D model for indicative purposes only)

Orokolo Bay Industrial Sands Project

The Orokolo Bay Industrial Sands Project consists of a mineral sands resource that can be developed via a relatively simple onshore, surface sand mining and processing operation. Our plans to build a pilot plant in 2020 remain firmly on track following the purchase of key plant equipment and mobile machinery in December last year.

- Key equipment orders have been placed in China by joint venture partner, China Titanium Resources Holdings (CTRH), for¹ :
 - Process plant equipment including low intensity magnetic separators (LIMS).
 - Mobile machinery including haul trucks, excavator and a wheel loader.
- Commenced fabrication of the steelwork for the project in China. Mayur is due to undertake acceptance inspections in February 2020.
- Conducted a detailed site investigation trip with CTRH to confirm barging routes for access to and from the pilot plant via the Muro wharf

- Recruited key national staff for the bulk sampling operation.
- Completed landowner compensation agreements.
- Plan to commence clearing and grubbing for the construction of the bulk sample pilot plant in Q1CY2020.

Orokolo Bay Definitive Feasibility Study (DFS):

- Completed airborne Lidar geophysical survey across the Project area in December 2019².
- Following data compilation and assessment, a resource consultant has been selected to carry out an upgraded JORC compliant resource estimation with results due in Q1CY2020.

Amazon Bay Industrial Sands Project

The granting of Amazon Bay EL2556 in Central Province last year is an exciting addition to our industrial sands portfolio with significant potential for vanadium-rich titano-magnetite.

Vanadium is a key ingredient in large-scale energy storage and provides an opportunity for the company to participate in the world's growing appetite for electrification.

During the quarter, Mayur compiled and analysed data to finalise the Information Memorandum for project as part of our development strategy to define a potential large-scale vanadium and titanium bearing resource.

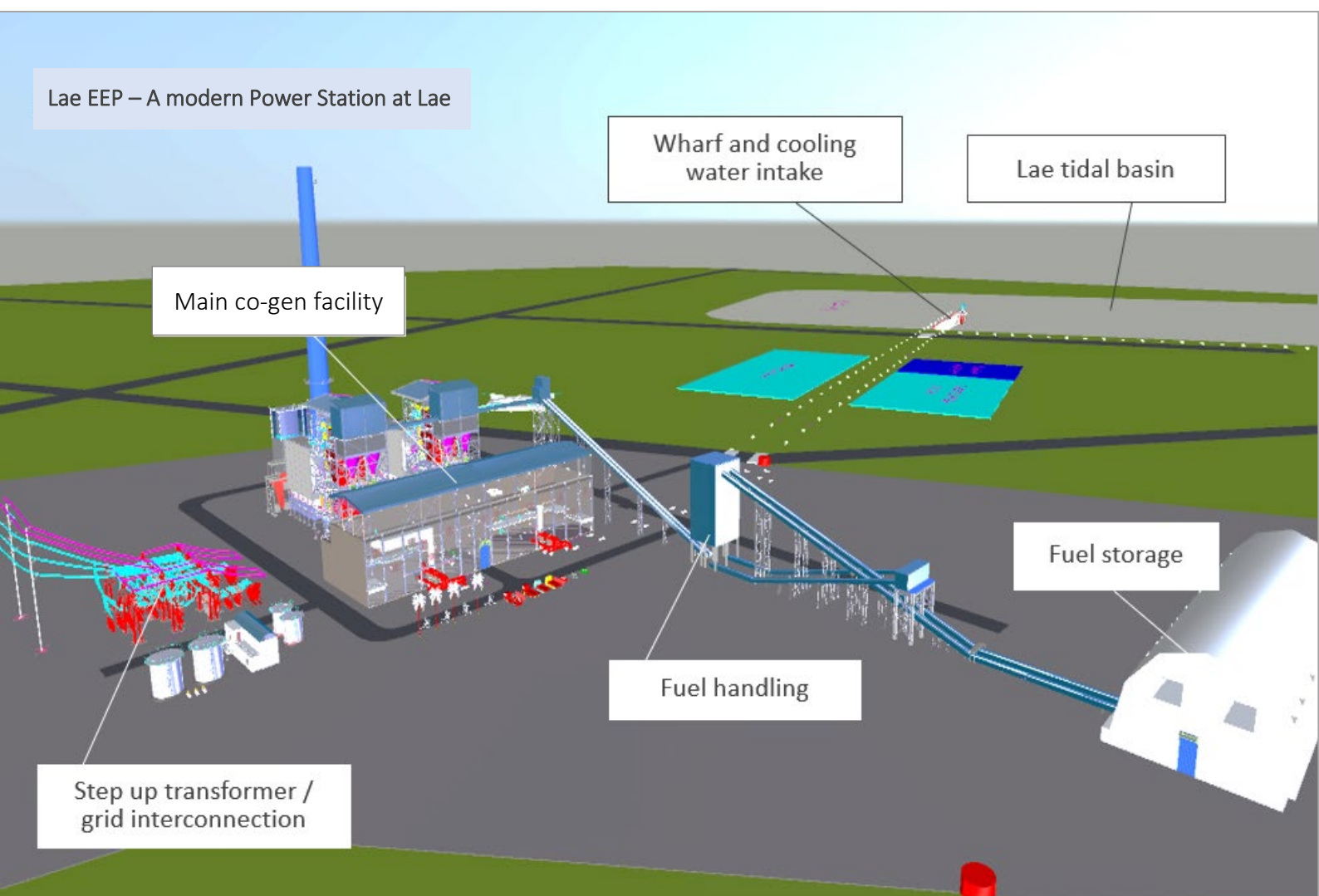
¹ Refer to ASX release dated 20 December 2019 - Pilot plant at Mayur's Orokolo Bay Industrial Sands Project on track for construction in 2020.

² Refer to ASX release dated 6 January 2020 – Geophysical Surveys Completed at Orokolo Bay and Depot Creek projects.

Lae Enviro Energy Park Power (EEP) Project

Mayur's proposed 52.5MW EEP Project comprises an integrated, solar, biomass woodchip, and coal plant in the city of Lae. The co-generation facility will also provide steam by-product for nearby industrial users. It is designed to improve reliability of supply and reduce the cost and environmental footprint of power generation in the city by displacing the current reliance on imported diesel and fuel oil. The EEP will also assist PNG in meeting its electrification target of 70% (currently 13%) by 2030

- Received revised Engineering, Procurement and Construction (EPC) bids for the project which include a new alternative boiler design enabling use of up to 50% biomass fuel and thus a lower utilisation of coal.
- Drafted full submission to the PNG Government (National Executive Council) for progression of the Power Purchase Agreement for the project.

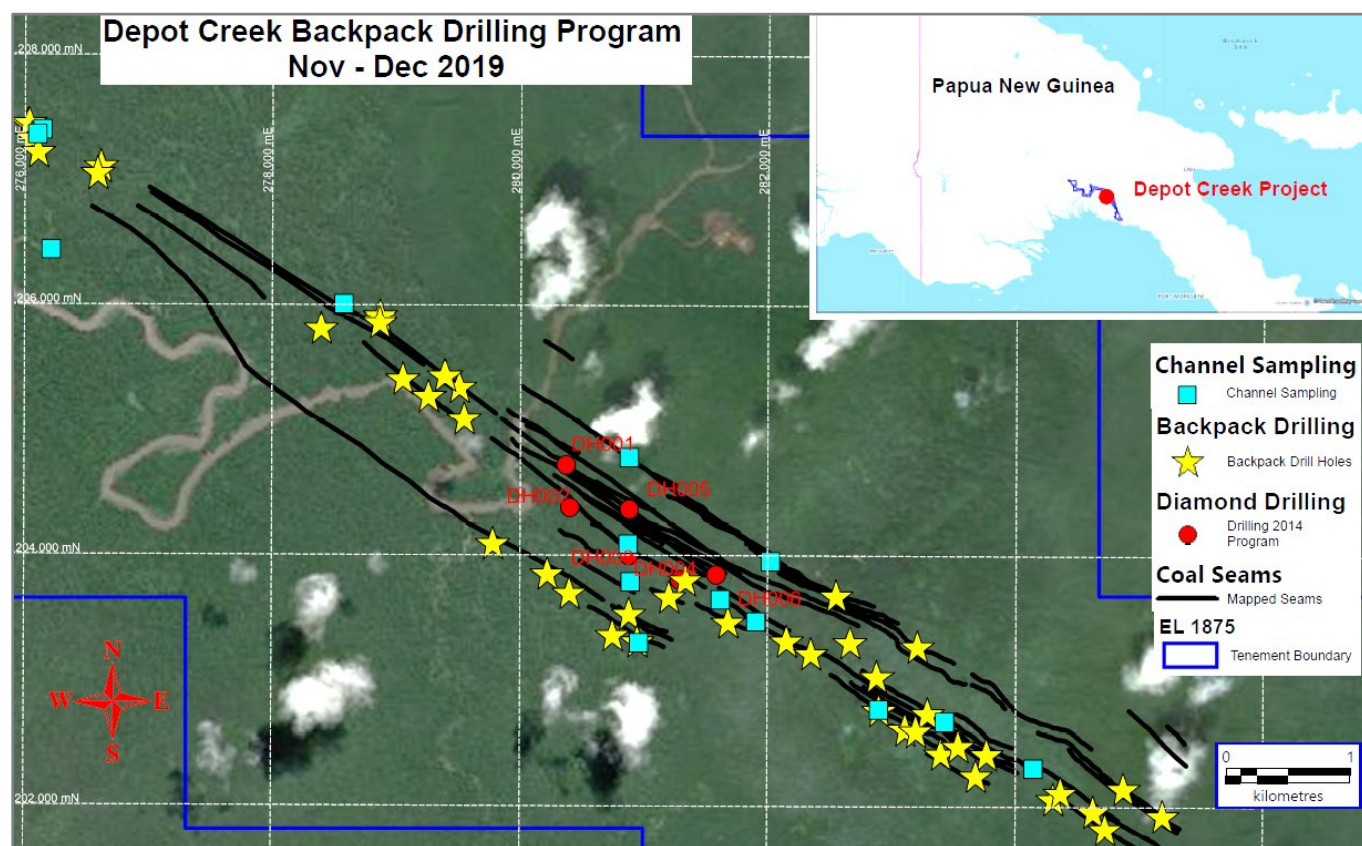


Depot Creek Coal Project

Mayur holds a prospective coal tenement portfolio in Gulf Province, with a focus on the Depot Creek Project. As a follow up to the extensive field mapping and sampling program, we have now turned our attention to an infill and resource extension drilling program.

- Completed the first phase of its resource upgrade and extension drilling program³.
- The program included the completion of 45 shallow backpack rig holes reaching depths of up to 9m to test and confirm seam continuity across the deposit. The field work also included the collection of 14 channel samples at various out cropping seams.
- All coal samples, including the drill core, are being delivered to ALS in Brisbane for laboratory test work and coal quality analysis.
- Mayur's technical consultants, Verum Group (previously CRL Energy), were also on site during the program to provide oversight and obtain key intelligence around logistics, access and local conditions for the planning of the Phase 2 drilling program scheduled to commence in Q1 CY2020.
- Completed airborne Lidar geophysical survey across the Project area in December 2019⁴.

Depot Creek backpack drilling program and coal seams



³ Refer to ASX release dated 30 December 2019 - Phase 1 drilling campaign complete at Depot Creek Coal Project.

⁴ Refer to ASX release dated 6 January 2020 – Geophysical Surveys Completed at Orokolo Bay and Depot Creek projects.

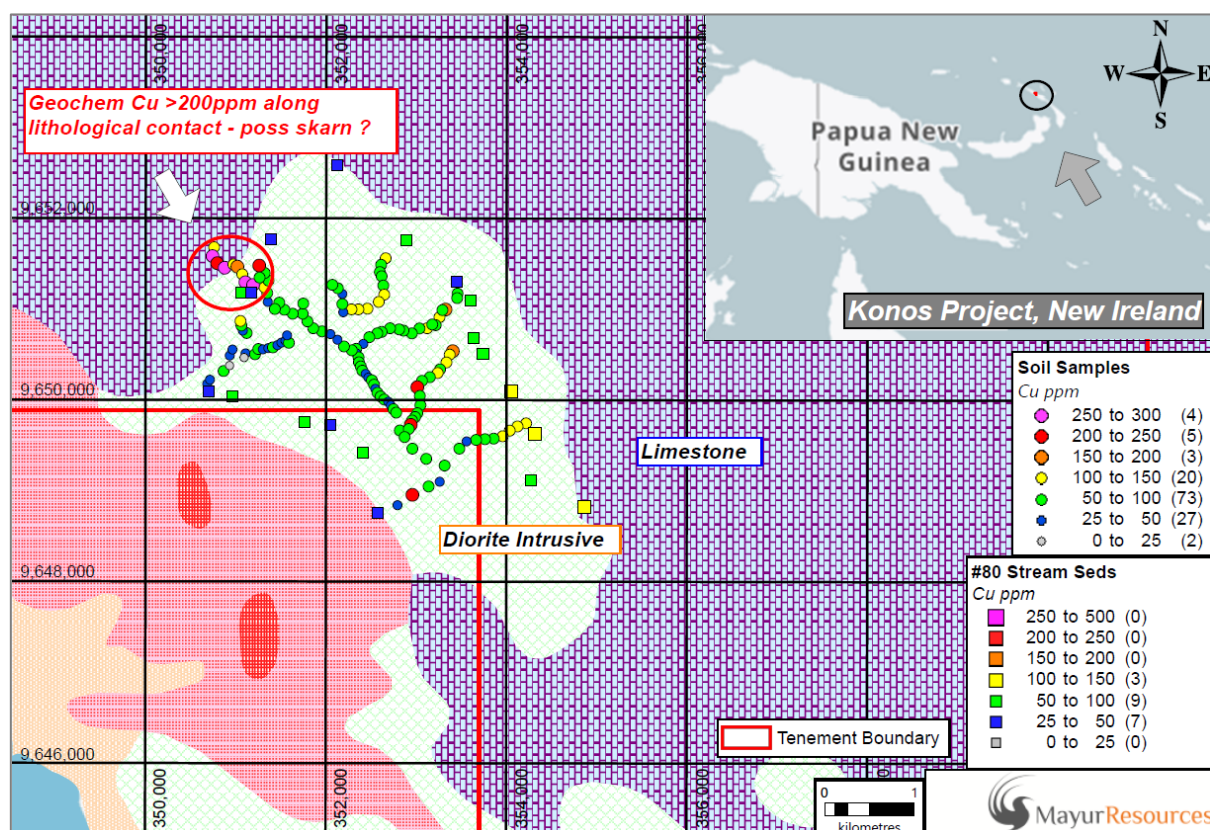
Copper & Gold Exploration

The Mayur Board is at the final stages of assessing the most value accretive way forward for shareholders with respect to the company's copper / gold portfolio. Options include assessing potential JV arrangements, enhancing the portfolio with new tenements and a spin out and separate listing of these assets. A final decision on the make-up of the portfolio is expected in CYQ12020

- Basilaki and Sideia (EL2095) – ongoing data assessment of previous drilling campaign and planning next stage of activity. Geophysics and geochemistry data sets to be further assessed next quarter pending decisions on next steps.
- Konos (EL2591) - Results from a regional geochemical soil, outcrop and float sampling program completed in the previous quarter have been returned and have highlighted two copper / gold geochemical anomalies that

require following up on the ground, along with an area of clay and potassic alteration that has been identified – refer to map below. Next stage in the work program to be carried out next quarter will involve further detailed geochemical assessment and a ground geological mapping / sampling program.

- Feni (EL2096) – discussions were held late in the quarter with local landowners with a view to obtaining renewal of the exploration permit. Liaison on the permit renewal is continuing with the Mineral Resources Authority.
- Rambutyo (EL2594) – Ongoing data assessment and next steps being assessed. Have received a proposal for the next stage in the geochemical sampling program which is currently being studied with a view to moving forward with in the next quarter.



Map showing results from Konos (EL2591) regional geochemical soil, outcrop and float sampling program

Tenement Interests

As at 31 December 2019 the Company had interests in the Exploration Licences (EL) as listed in Table 1, all located in Papua New Guinea.

As noted in Table 1, six EL's continue to progress through the statutory assessment and renewal process (EL 2150, 2267, 2268, 2297, 2095, 2096) as prescribed by the PNG Mining Act.

The renewal process is proceeding in accordance with the established regulatory processes in PNG. The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licences not being granted in the ordinary course of business.

	EL nr	Province	Commodity focus	Ownership	Area Km ²
1	2095*	Milne Bay	Copper / Gold	100%	150
2	2096*	New Ireland	Copper / Gold	100%	95
3	2594	Manus	Copper / Gold	100%	522
4	2591	New Ireland	Copper / Gold	100%	252
5	2150*	Gulf	Industrial Mineral Sands	100%^	307
6	2266	Gulf	Industrial Mineral Sands	100%^	634
7	2267*	Gulf	Industrial Mineral Sands	100%^	1,279
8	2268*	Gulf	Industrial Mineral Sands	100%^	1,275
9	2269	Western	Industrial Mineral Sands	100%^	638
10	2297*	Gulf	Industrial Mineral Sands	100%^	1,279
11	2304	Gulf	Industrial Mineral Sands	100%^	269
12	2305	Gulf	Industrial Mineral Sands	100%^	259
13	2556	Central	Industrial Mineral Sands	100%^	1,408
14	2303	Central	Limestone	100%	256
15	1873	Gulf	Coal	100%	256
16	1874	Gulf	Coal	100%	256
17	1875	Gulf	Coal	100%	314
18	1876	Gulf	Coal	100%	317

Table 1 - Exploration Licence list (*ELs currently under renewal; ^all industrial mineral sands ELs are subject to the JV farm in deal with CTRH)

About Mayur Resources

Mayur Resources is an ASX-listed company focused on the development and secondary processing of natural resources in Papua New Guinea. The maturation of Mayur's diversified asset portfolio, which spans industrial minerals, power generation, coal, copper and gold, will contribute to nation-building and job creation in a country experiencing a significant growth trajectory. Mayur's unique portfolio of projects, many in close proximity to world-class producing mines, are located on or near to the coast enabling ease of access for development and future seaborne markets once in operation.

ASX Code: MRL

Directors:

Chairman - Rob Neale
Managing Director - Paul Mulder
Executive Director - Tim Crossley
Non-Executive Director - Frank Terranova
Non-Executive Director - Lu Kee Hong

Company Secretary (Australia):

Jonathan Hart
Phone: +61 413 890 032

Ordinary shares: 176.9 million (31 Dec 2019)

Office locations:

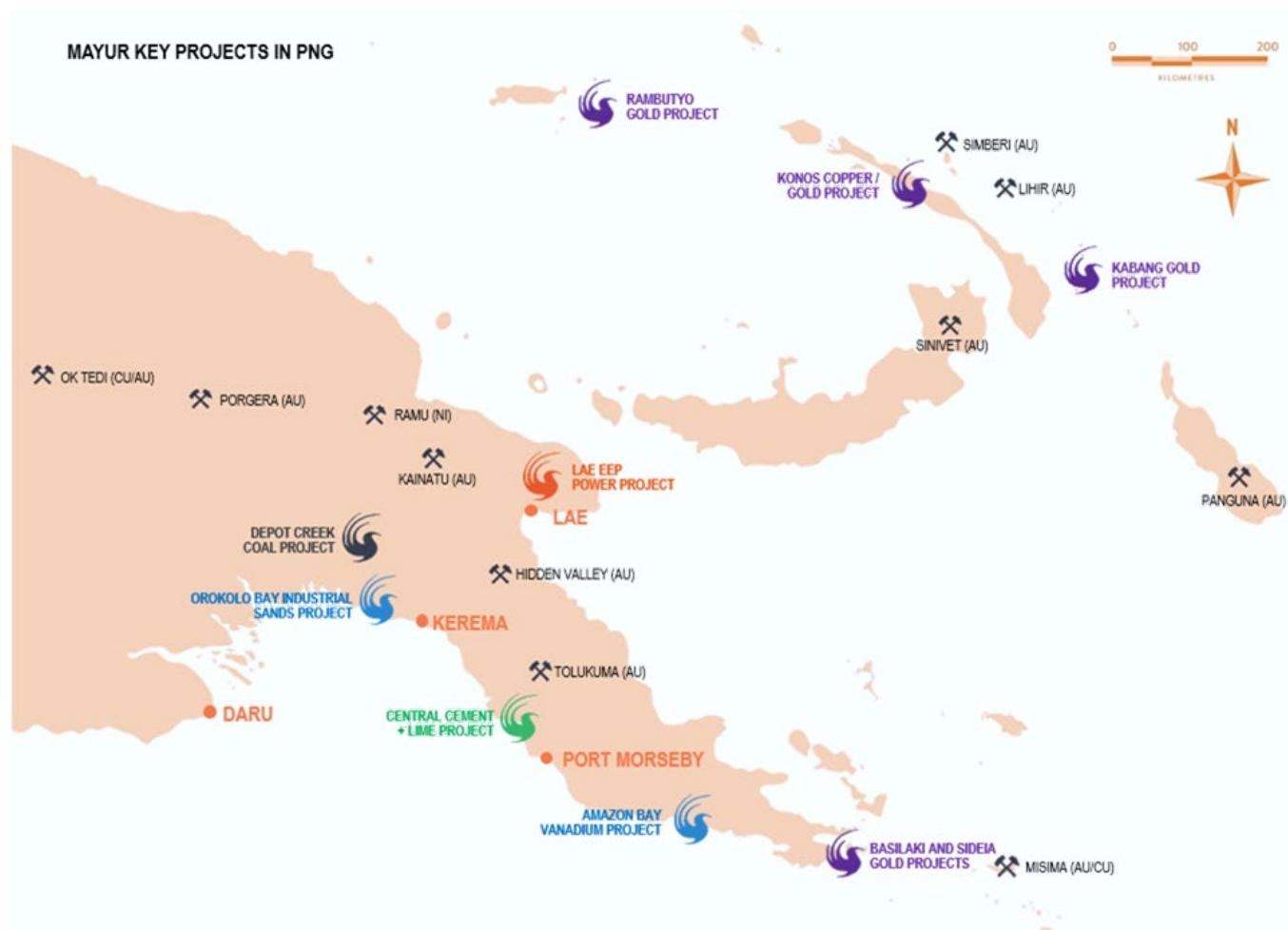
Australia (principal administrative office):
Level 7, 300 Adelaide St, Brisbane, Qld 4000
Phone +61 7 3157 4400

Singapore (registered address):

80 Robinson Road, #02-00
Singapore 068898

Website: www.mayurresources.com

ARBN 619 770 277



Disclaimer

Competent Person's Statement

Statements contained in this announcement relating to Mineral Resources and Ore Reserves estimates for the Central Cement and Lime Project are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Geoscientists. Mr. Huntley has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which this initial Ore Reserves Estimate prepared for the Central Cement and Lime Project appears

Statements contained in this announcement relating to Mineral Resource estimates for the Orokolo Bay Industrial Sands Project and the Feni (Kabang) Gold project are based on, and fairly represents, information and supporting documentation prepared by Mr. Simon Tear, who is a member of the Australian Institute of Geoscientists. Mr. Tear has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Tear qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Tear is an employee of H&S Consultants Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Tear takes responsibility for the form and context in which the Mineral Resource Estimate prepared for the Orokolo Bay Project and Feni Gold appears.

Statements contained in this announcement relating to Mineral Resource estimates for the Depot Creek Coal Project are based on, and fairly represents, information and supporting documentation prepared by Mr. Neill Biggs, who is a member of the Australian Institute of Geoscientists. Mr. Biggs has sufficient and relevant experience that specifically relate to the style of mineralisation.

Mr Biggs qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Biggs is an employee of Resolve Geo Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Biggs takes responsibility for the form and context in which the Mineral Resource Estimate prepared for the Depot Creek Coal Project appears.

Forward-Looking Statements

All statements other than statements of historical fact included in this Announcement including, without limitation, statements regarding future plans or objectives of Mayur Resources Ltd are forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are no guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

Mayur Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law and existing stock exchange listing requirements.

Appendix 5B

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

Name of entity

MAYUR RESOURCES LIMITED

ARBN

619 770 277

Quarter ended ("current quarter")

31 DECEMBER 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(209)	(390)
	(e) administration and corporate costs	(546)	(1,156)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(749)	(1,535)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(13)	(42)
	(d) exploration & evaluation (if capitalised)	(1,510)	(3,933)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six 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	(1,523)	(3,975)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	388	9,476
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(743)	(743)
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	(355)	8,733

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,658	2,797
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(749)	(1,535)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,523)	(3,975)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(355)	8,733

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (Six months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	16
4.6	Cash and cash equivalents at end of period	6,036	6,036

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	6,036	8,658
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)	6,036	8,658

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
\$132
-

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

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

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.	
Not applicable	

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(749)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(1,523)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(2,272)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	6,036
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	6,036
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	2.66

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

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:

Not applicable

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:

Not applicable

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:

Not applicable

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: 31 January 2020

Authorised by: **By the Board**
(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.