Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

S2 Resources Ltd

ABN	**Quarter ended ("current quarter")**
18 606 128 090	31 December 2018

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	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,470)	(2,557)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs*	(447)	(1,035)
	(e) administration and corporate costs	(477)	(723)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	50	91
1.5	Interest and other costs of finance paid	(2)	(4)
1.6	Income taxes paid	4	4
1.7	Research and development refunds	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(2,342)**	**(4,224)**

*Staff costs comprise pre-resource exploration $282k , corporate $69k, non-executive directors and overseas directors $52k and business development $44k.

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(4)	(4)
	(b) tenements (see item 10)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(c) investments – 19.99% stake in Todd River Resources Ltd as per announcement 20 November 2018	(2,743)	(2,743)
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments – net proceeds from sale of GT Gold shares	1,814	1,814
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	**(933)**	**(933)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	-
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	-	-
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 – net payments for cash backed guarantees	(35)	(16)
3.10	**Net cash from / (used in) financing activities**	**(35)**	**(16)**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.	**Net increase / (decrease) in cash and cash equivalents for the period**	(3,310)	(5,173)
4.1	Cash and cash equivalents at beginning of period	13,280	15,026
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,342)	(4,224)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(933)	(933)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(35)	(16)
4.5	Effect of movement in exchange rates on cash held	77	194
4.6	**Cash and cash equivalents at end of period**	**10,047**	**10,047**

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	8,047	6,280
5.2	Call deposits	2,000	7,000
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)**	**10,047**	**13,280**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	144
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

Salaries and fees paid to directors in the quarter including superannuation.

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
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

N/A

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

N/A

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	1,400
9.2	Development	-
9.3	Production	-
9.4	Staff costs	400
9.5	Administration and corporate costs	300
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**2,100**

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	**Nevada Tenements**			
		South Roberts claims			
		RW-182 NMC1029854	Relinquished	Earning 70%	0%
		RW-184 NMC1029853	Relinquished	Earning 70%	0%
		RW-186 NMC1029852	Relinquished	Earning 70%	0%
		RW-188 NMC1029851	Relinquished	Earning 70%	0%
		RW-190 NMC1029850	Relinquished	Earning 70%	0%
		RW-192 NMC1029849	Relinquished	Earning 70%	0%
		RW-194 NMC1029848	Relinquished	Earning 70%	0%
		RW-196 NMC1029847	Relinquished	Earning 70%	0%
		RW-198 NMC1029846	Relinquished	Earning 70%	0%
		RW-215 NMC1029829	Relinquished	Earning 70%	0%
		RW-216 NMC1029828	Relinquished	Earning 70%	0%
		RW-217 NMC1029827	Relinquished	Earning 70%	0%
		RW-218 NMC1029826	Relinquished	Earning 70%	0%
		RW-219 NMC1029825	Relinquished	Earning 70%	0%
		RW-220 NMC1029824	Relinquished	Earning 70%	0%
		RW-221 NMC1029823	Relinquished	Earning 70%	0%
		RW-222 NMC1029822	Relinquished	Earning 70%	0%
		RW-223 NMC1029821	Relinquished	Earning 70%	0%
		RW-224 NMC1029820	Relinquished	Earning 70%	0%
		RW-225 NMC1029819	Relinquished	Earning 70%	0%
		RW-226 NMC1029885	Relinquished	Earning 70%	0%
		RW-227 NMC1029884	Relinquished	Earning 70%	0%
		RW-228 NMC1029883	Relinquished	Earning 70%	0%
		RW-229 NMC1029882	Relinquished	Earning 70%	0%
		RW-230 NMC1029881	Relinquished	Earning 70%	0%
		RW-231 NMC1029880	Relinquished	Earning 70%	0%
		RW-232 NMC1029879	Relinquished	Earning 70%	0%
		RW-233 NMC1029878	Relinquished	Earning 70%	0%
		RW-234 NMC1029818	Relinquished	Earning 70%	0%
		SR-1 NMC1080648	Relinquished	Earning 70%	0%
		SR-2 NMC1080649	Relinquished	Earning 70%	0%
		SR-3 NMC1080650	Relinquished	Earning 70%	0%
		SR-4 NMC1080651	Relinquished	Earning 70%	0%
		SR-5 NMC1080652	Relinquished	Earning 70%	0%

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**
		SR-6 NMC1080653	Relinquished	Earning 70%	0%
		SR-7 NMC1080654	Relinquished	Earning 70%	0%
		SR-8 NMC1080655	Relinquished	Earning 70%	0%
		SR-9 NMC1080656	Relinquished	Earning 70%	0%
		SR-10 NMC1080657	Relinquished	Earning 70%	0%
		SR-11 NMC1080658	Relinquished	Earning 70%	0%
		SR-12 NMC1080659	Relinquished	Earning 70%	0%
		SR-13 NMC1080660	Relinquished	Earning 70%	0%
		SR-14 NMC1080661	Relinquished	Earning 70%	0%
		SR-15 NMC1080662	Relinquished	Earning 70%	0%
		SR-16 NMC1080663	Relinquished	Earning 70%	0%
		SR-17 NMC1080664	Relinquished	Earning 70%	0%
		SR-18 NMC1080665	Relinquished	Earning 70%	0%
		SR-19 NMC1080666	Relinquished	Earning 70%	0%
		SR-20 NMC1080667	Relinquished	Earning 70%	0%
		SR-21 NMC1080668	Relinquished	Earning 70%	0%
		SR-22 NMC1080669	Relinquished	Earning 70%	0%
		SR-23 NMC1080670	Relinquished	Earning 70%	0%
		SR-24 NMC1080671	Relinquished	Earning 70%	0%
		SR-25 NMC1080672	Relinquished	Earning 70%	0%
		SR-26 NMC1080673	Relinquished	Earning 70%	0%
		SR-27 NMC1080674	Relinquished	Earning 70%	0%
		SR-28 NMC1080675	Relinquished	Earning 70%	0%
		SR-29 NMC1080676	Relinquished	Earning 70%	0%
		SR-30 NMC1080677	Relinquished	Earning 70%	0%
		SR-31 NMC1080678	Relinquished	Earning 70%	0%
		SR-32 NMC1080679	Relinquished	Earning 70%	0%
		SR-33 NMC1080680	Relinquished	Earning 70%	0%
		SR-34 NMC1080681	Relinquished	Earning 70%	0%
		SR-37 NMC1080684	Relinquished	Earning 70%	0%
		SR-38 NMC1080685	Relinquished	Earning 70%	0%
		SR-40 NMC1080687	Relinquished	Earning 70%	0%
		SR-41 NMC1080688	Relinquished	Earning 70%	0%
		SR-42 NMC1080689	Relinquished	Earning 70%	0%
		SR-43 NMC1080690	Relinquished	Earning 70%	0%

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**
		SR-44 NMC1080691	Relinquished	Earning 70%	0%
		SR-45 NMC1080692	Relinquished	Earning 70%	0%
		SR-46 NMC1080693	Relinquished	Earning 70%	0%
		SR-47 NMC1080694	Relinquished	Earning 70%	0%
		SR-48 NMC1080695	Relinquished	Earning 70%	0%
		SR-49 NMC1080696	Relinquished	Earning 70%	0%
		SR-50 NMC1080697	Relinquished	Earning 70%	0%
		SR-51 NMC1080698	Relinquished	Earning 70%	0%
		SR-53 NMC1080700	Relinquished	Earning 70%	0%
		SR-54 NMC1080701	Relinquished	Earning 70%	0%
		SR-55 NMC1080702	Relinquished	Earning 70%	0%
		SR-56 NMC1080703	Relinquished	Earning 70%	0%
		SR-57 NMC1080704	Relinquished	Earning 70%	0%
		SR-58 NMC1080705	Relinquished	Earning 70%	0%
		SR-59 NMC1080706	Relinquished	Earning 70%	0%
		SR-60 NMC1080707	Relinquished	Earning 70%	0%
		SR-61 NMC1080708	Relinquished	Earning 70%	0%
		SR-62 NMC1080709	Relinquished	Earning 70%	0%
		SR-63 NMC1080710	Relinquished	Earning 70%	0%
		SR-64 NMC1080711	Relinquished	Earning 70%	0%
		Sweden Tenements			
		Vallen nr 401	Lapsed	100%	0%
		Lindbacka nr 401	Lapsed	100%	0%
		Brännäs nr 402	Lapsed	100%	0%

10.2	Interests in mining tenements and petroleum tenements acquired or increased	**Scandinavian Tenements**			
		Finland Reservations (100% S2)			
		Rova	Granted	0%	100%
		Finland Exploration Licence (100% S2)			
		Paana W2	Application	0%	0%
		Home 1	Application	0%	0%
		Palvanen 1	Application	0%	0%
		Palvanen 2	Application	0%	0%
		Mesi	Application modified	0%	0%
		Paana Central	Granted	0%	100%
		Aakenusvaara	Application	0%	0%
		Australian Tenements			
		Fraser Range			
		N/A			
		Nevada Tenements			
		Ecru (JV with Newmont USA Ltd)			
		N/A			

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: ...29 January 2019.......
(Director)

Print name: Anna Neuling

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.