NORTH STAWELL MINERALS LTD
ACN 633 461 453
ABN 84 633 461 453

29 January 2021

North Stawell Minerals Ltd
December 2020 Quarterly Report

Highlights:

- Following its IPO in late September, NSM commenced exploration activities during the December quarter
- North Stawell reviewed over 40 years of exploration activity across its tenements, including 160,000m of historical drilling data, geophysics and geochemistry
- Diamond drilling commenced in late November as part of a planned 10,000m Wildwood drill programme. 669.5m was drilled during the quarter
- A series of exploration targets were generated within RL7051, EL6156 and EL5443 with the intention of commencing drilling on completion of the Wildwood programme
- Large exploration program planned over the next two years including 75,000m of drilling, geophysics and geochemistry
- Subsequent to end of quarter, two additional rigs were commissioned in early January 2021, completing over 2,000m to late January

Victorian gold explorer North Stawell Minerals Ltd (ASX:NSM) (North Stawell or the Company) commenced trading on the ASX on 24th of September following the successful completion of its $20m Initial Public Offer (IPO). Using the capital raised the exploration team was expanded, the historical exploration data review was stepped up and community relations activities started. Most importantly, in late November NSM commenced a 10,000m drill program on the Wildwood basalt dome.

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Fig1. Aerial view of three drill rigs working at Wildwood.

North Stawell's Chief Executive Officer Steven Tambanis said:

"The Company has safely and effectively ramped up its planned work programmes following listing on ASX in late September last year. I wish to thank our exploration team and contractors for the seamless implementation.

We commenced exploration activities as scheduled and began diamond drilling late November at Wildwood with one rig. January has seen two additional drill rigs commissioned and the start of geochemical and geophysical activities to modernise the historic database.

We regard the Stawell Mineralised Corridor to be one of Australia's most prospective and historic gold provinces and have a target rich environment to explore over the next two years with an experienced and enthusiastic team. Many gold prospects are already demonstrated to be gold mineralised and we look forward to commencing regional target exploration once the bulk of our first Wildwood drilling is completed in early 2021. Geochemical and geophysical programmes were planned during the December quarter and will commence shortly."

Wildwood Drilling

The Wildwood Basalt dome has been intermittently explored and drilled over the past 35 years by WMC Resources and its successors – owners of Stawell Gold Mines. An initial JORC compliant inferred mineral resource estimate of 55kOz @ 2.0g/t Au has been developed from historic drilling to 2012 and NSM sees potential to materially increase the resource base by drilling down-dip, along-strike and down-plunge of known mineralisation.

This initial 10,000m drill programme at Wildwood is designed to test for additional mineralisation outside of the historical mineralised envelopes.

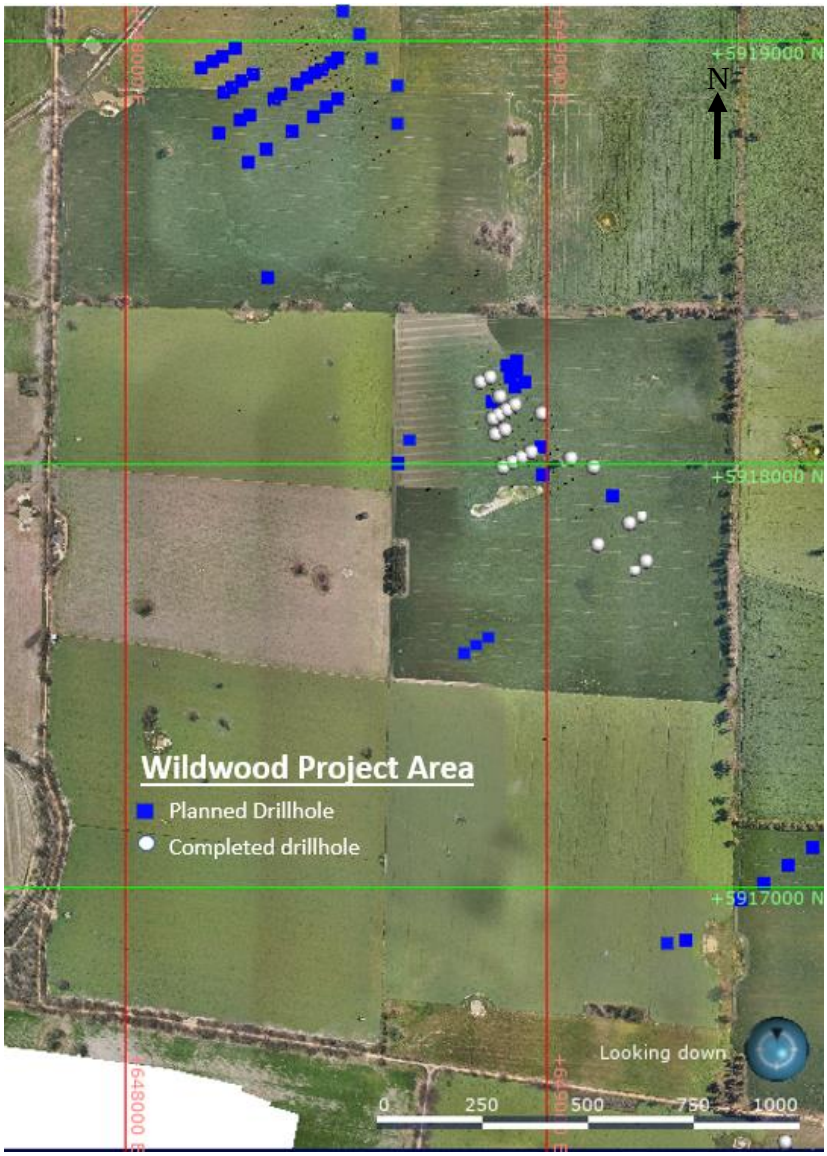

Fig2. Plan view of proposed and completed drill hole collars at Wildwood as of late January. White hole collars are completed drill holes and blue collars represent holes to be drilled.

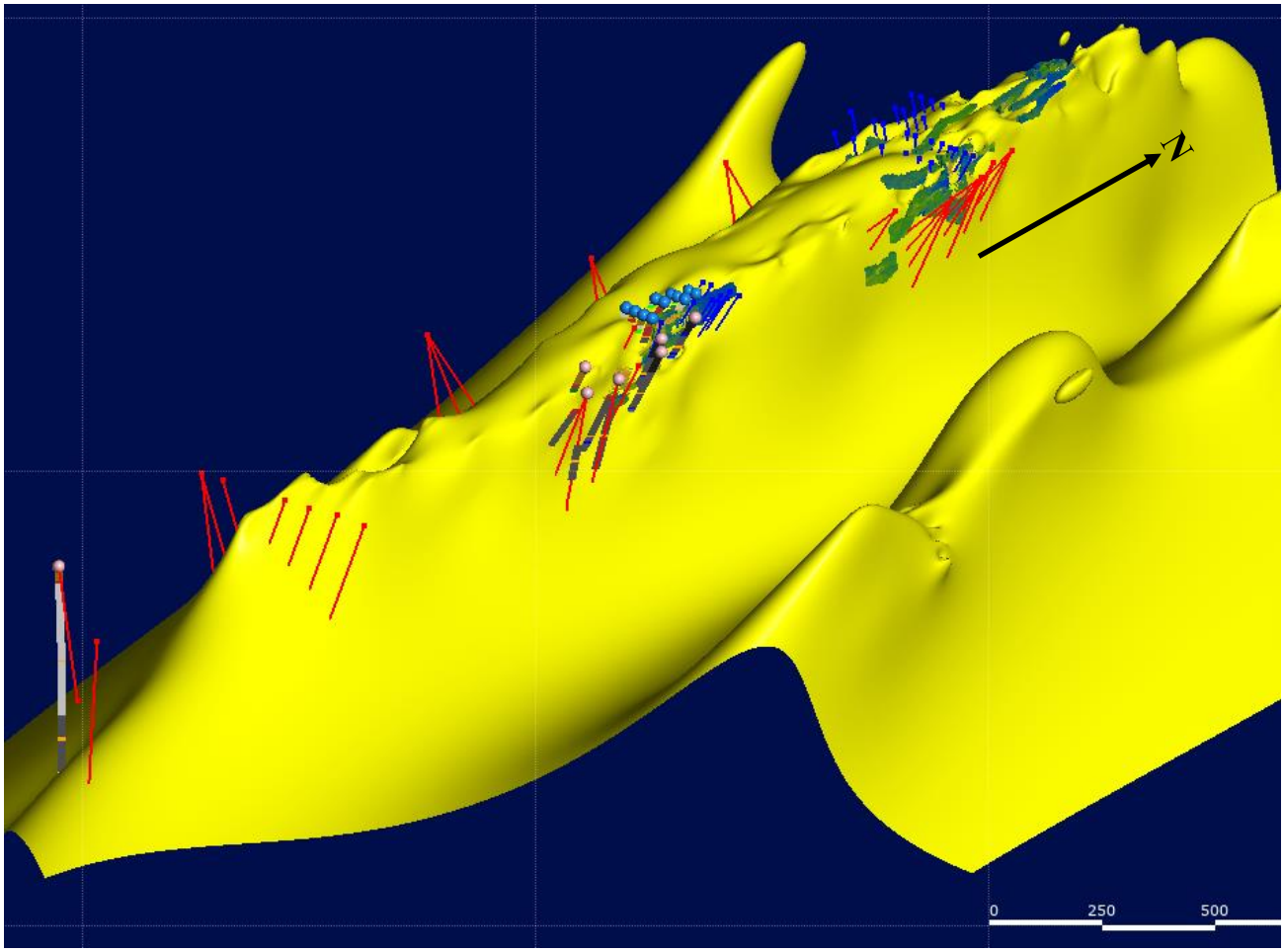

Fig3. The Wildwood basalt dome is represented as a 3D yellow solid. Planned surface drill holes are represented in red (diamond core and blue (reverse circulation or RC). Gold mineralisation is targeted at the contact of the basalt dome and overlying sediments.

Of interest is that the western flank of the Wildwood basalt dome (Fig3.) has little historic drilling. A 10 hole programme will test this flank for mineralisation potential during the March quarter.

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Regional Targeting work

During the Quarter the exploration team continued its review of historical exploration data. The database was updated to include missing drill and assay data.

A significant amount of historical geophysics (raw data and processed images) was added and two external geophysicists were engaged to review the data and develop a work plan to address a number of areas with little gravity data. A passive seismic trial is planned to more accurately map out the paleosurface below the current Murray Basin cover.

This work will greatly assist prioritising drill targets planned to commence after the initial 10,000m Wildwood drill programme is completed.

Fig4. Historical maps, drill data and reports being catalogued and added to the exploration database.

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Finance and use of Funds

Pursuant to ASX Listing Rule 5.3.4, the Company advises the proposed use of Funds as per Section 4.7 of the Prospectus to actual use of funds as follows:

Fund Allocation	Prospectus	Sept Quarter	Dec Quarter	Actual to Date	Variance
Cost of Listing, IPO admin, Brokerage	$ 2,127,929	$ -	$ 2,309,700	$ 2,309,700	$ 181,771
Exploration (2 years)	$11,026,000	$ -	$ 162,000	$ 162,000	$(10,864,000)
Capital Equipment (Year 1)	$ 631,000	$ -	$ 328,900	$ 328,900	$ (302,100)

As per ASX Listing Rule 5.3.5 a Company is required to provide a description and explanation of any related party payments made during the quarter. $90,000 in total, being for $30,000 Director fee payments and $60,000 to SGM for the provision of premises, facilities and administration.

Fig5. RC rig in the foreground, NSM field team preparing to sample RC samples and diamond drilling rig in the background. January 2021

Activity subsequent to the December quarter

Exploration and planning activities during the December quarter paved the way for two additional drill rigs to be commissioned in early January, which led to >2,000m of drilling during the month. Subsequently, we expect to drill >3,000m per month in February and March. We have in place the personnel and facilities to log, process and sample this increased output in drilling.

Planned activities for the March Quarter

- Complete the majority of the planned 10,000m Wildwood drill programme. 670m was drilled in December and over 2,000m has been drilled to date in January
- Complete the review of regional gold targets in EL5443 and EL6156 and prioritise next targets for drilling as the Wildwood programme is completed
- Commence geochemical baseline studies across EL5443 and RL7051
- Complete an independent geophysical data review and begin acquisition of new geophysical data

Summary

NSM commenced exploration activities and its first major drilling programme at Wildwood safely and on schedule thanks to the excellent work of its employees and contractors. The planning and preparatory work during the December quarter has enabled a smooth ramp up of drilling and exploration activities in early January.

As the drill programme proceeds, the geology team continues to develop the massive historical database and update geochemical, geophysical and structural datasets. This continues to assist prioritising regional gold targets that are planned to be drill tested in the second half of 2021.

The Company looks forward to releasing assay data from the Wildwood drilling in February.

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This Announcement is authorised for release by Steven Tambanis, Chief Executive Officer of North Stawell Minerals Ltd

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Visit us on LinkedIn: https://www.linkedin.com/company/north-stawell-minerals/
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About North Stawell Minerals Limited:

North Stawell Minerals Limited (ASX: NSM) is an Australian-based gold exploration company focused on discovering large scale gold deposits in the highly prospective Stawell Mineralised Corridor in Victoria.

The Company is exploring prospective tenements located along-strike of and to the immediate north of the Stawell Gold Mine which has produced in excess of five million ounces of gold. NSM's granted tenure has a total land area of 261.9 km^2, with a further 291km^2 under application. NSM believes there is potential for the discovery of large gold mineralised systems under cover, using Stawell Gold Mine's Magdala orebody as an exploration model to test 51km of northerly strike extension of the Stawell Mineralised Corridor.

The Company has inherited a significant geological database consisting of Magdala mine geology and regional datasets. We believe this data provides a huge competitive advantage to our technical team, who will continue compiling and extending this knowledge base with updated geophysics and geochemistry to improve exploration targeting resolution.

Wildwood Inferred Mineral Resource Estimate and Competent Person's Statement

The Wildwood JORC Inferred Mineral Resource Estimate is extracted from the report entitled "Prospectus" created on 22 September 2020 and is available to view on www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resource Estimates, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr Brad Robinson, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy (AusIMM) and an employee of North Stawell Minerals. Mr Robinson has sufficient experience that 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' (2012 JORC Code). Mr Robinson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr Steven Tambanis, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy (AusIMM) and CEO of North Stawell Minerals. Mr Tambanis has sufficient experience that 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' (2012 JORC Code). Mr Tambanis 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 announcement contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of NSM and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and NSM assumes no obligation to update such information.

Table 1. NSM Tenure Summary

Tenement	Number	Area (km^2)	Initial NSM holding	Earn-in potential
Wildwood	RL7051	49.9	51%	90%
Barrabool	EL5443	194	51%	90%
Glenorchy	EL6156	18	100%	N/A
Total Granted Tenement Area		261.9		
Deep Lead Application[1]	ELA7324	209	51%	90%
Germania Application[1]	ELA7325	82	51%	90%
Total Tenement Application Area		291		
Total Tenement and Tenement Application Area		**552.9**		

[1] Tenement Applications, subject to granting.

Fig6. RC rig at Wildwood, January 2021.

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Table 2. Drilling summary

Diamond Drilling December 2020							
Hole No	**Northing**	**Easting**	**Azimuth**	**Dip**	**Elevation (m)**	**Depth Drilled**	
NSD001	5916395	649562	95	-80	165.0	516.6	awaiting assays
NSD002	5918120	648986	240	-60	165.5	152.9	awaiting assays
					total m Core	**669.5**	
Diamond Drilling January 2021							
Hole No	**Northing**	**Easting**	**Azimuth**	**Dip**	**Elevation (m)**	**Depth Drilled**	
NSD002	5918120	648986	240	-60	165.5	69.2	awaiting assays
NSD003	5918014	649055	235	-65	167.8	189.5	awaiting assays
NSD005	5917994	649109	235	-65	165.7	219.2	awaiting assays
NSD006	5917810	649119	235	-65	168.6	133.4	awaiting assays
NSD007	5917860	649193	235	-65	165.9	263.5	awaiting assays
NSD008	5917771	649233	235	-58	168.4	203.9	to be sampled
NSD010	5917771	649233	235	-80	168.4	228.93	to be sampled
NSD011	5917860	649193	235	-76	165.9	240	to be sampled
					total m Core	**1,548**	
Reverse Circulation Drilling January 2021							
Hole No	**Northing**	**Easting**	**Azimuth**	**Dip**	**Elevation (m)**	**Depth Drilled**	
NSR0001	5917993	648894	242	-70	168.7	50	awaiting assays
NSR0002	5918005	648916	242	-70	168.6	42	awaiting assays
NSR0003	5918016	648939	242	-70	168.4	63	awaiting assays
NSR0004	5918028	648961	242	-70	168.7	110	awaiting assays
NSR0007	5918081	648899	237	-60	168.5	40	awaiting assays
NSR0008	5918108	648871	237	-60	168.5	40	awaiting assays
NSR0009	5918117	648885	237	-60	168.4	50	awaiting assays
NSR0010	5918128	648903	237	-60	168.3	68	awaiting assays
NSR0012	5918150	648869	237	-60	168.3	60	awaiting assays
NSR0013	5918160	648887	237	-60	168.3	72	awaiting assays
NSR0018	5918194	648841	237	-60	168.2	60	to be sampled
NSR0019	5918206	648863	237	-60	168.1	24	to be sampled
					Total m RC	**679**	
Projection GDA94, azimuth to true north							

Two diamond holes were drilled in the December quarter with the remainder drilled in January. Assay results are awaited, as tabled above.

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JORC Table Appendices

Section 1 Sampling Techniques and Data

Criteria JORC Code explanation		Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems.	***Diamond Core Drilling*** • The diamond drill core samples were selected on geological intervals varying from 0.3m to 1.3m in length. • All drill core was routinely cut in half (usually on the right of the marked orientation line) with a diamond saw and selected intervals submitted for analysis. • Sample representivity was ensured by a combination of Company procedures regarding quality control (QC) and quality assurance/ Testing (QA). Certified standards and blanks were routinely inserted into assay batches. **RC Drilling** • RC sampling was at 1m intervals. A cyclone sampler on the rig split samples into 2-3kg sub-samples for assay.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).	**Diamond Core Drilling** • Pre-collars were drilled to solid bedrock followed by diamond coring with HQ and NQ2. • All drill core was orientated with a core orientation tool every core barrel run. At the Core farm, core was continuously oriented during logging.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	**Diamond Core Drilling** • All diamond core was logged capturing any core loss, if present, and recorded in the database. • All drill depths are checked against the depth provided on the core blocks and rod counts are routinely carried out by the driller. • Core recovery for the areas sampled was generally good.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	• Geological logging of samples followed Company and industry common practice. Qualitative logging of samples included (but was not limited to); lithology, mineralogy, alteration, veining and weathering. • All logging is quantitative, based on visual field estimates.

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	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Detailed diamond core logging, with digital capture, was conducted for 100% of the core. • RC chips from each metre drilled were collected into chip trays as a visual record of lithology, mineralogy, alteration, veining and weathering.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	***Diamond Core Drilling*** • Detailed diamond core logging, with digital capture, was conducted for 100% of the core. • RC sampling was through an integral riffle in the RC rig sample cyclone. Samples were mostly dry with occasional wet intervals

Criteria JORC Code explanation		Commentary
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Half core was sampled from NQ and HQ diameter drill core. • Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to), daily workplace inspections of sampling equipment and practices. • Blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures. • No second-half sampling has been conducted at this stage. • The sample sizes are appropriate to correctly represent the sought after mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Analysis for gold is undertaken at ALS by 50g Fire Assay with an AAS finish to a lower detection limit of 0.01ppm Au using ALS technique Au-AA26. • ALS also conduct a 33 element Aqua Regia ICP-AES (method: ME-ICP41) analysis on each sample to assist interpretation of pathfinder elements. • A review of certified reference material and sample blanks inserted by the Company indicate no significant analytical bias or preparation errors in the reported analyses • Internal laboratory QAQC checks are reported by the laboratory and a review of the QAQC reports suggests the laboratory is performing within acceptable limits.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry*	• Samples are verified by NSM geologists before importing into the drill hole database. • No twin holes have been drilled by during this program. • Primary data was collected for drill holes in Excel format using lookup codes. The information was sent

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	• *procedures, data verification, data storage* • *(physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	to a database consultant for validation and compilation into a Datashed database. • Reported drill results were compiled by the Company's Exploration Manager and verified by the CEO. • No adjustments to assay data were made.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All maps and locations are in UTM Grid (GDA94 zone 54). • All drill collars were initially measured by hand-held GPS with an accuracy of +3 metres. A differential GPS system base station was used for more accurate collar pick-up to an accuracy of +0.2m. • A topographic control is achieved via use of regional DEM data. • Gyro down-hole surveys were taken every 30m on the way down to verify correct orientation and dip then multi- shots taken every 6m on the way out of the drill hole at hole completion.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral*	• Variable drill hole spacings are used to test targets and are determined from geochemical, geophysical and geological data. • Drilling reported in this program is of an early exploration nature and has not been used to estimate any mineral resource or ore reserves.

Criteria JORC Code explanation		Commentary
	• *Resource and Ore Reserve estimation* • *procedure(s) and classifications applied.* *• Whether sample compositing has been applied.*	• Refer to sampling techniques, above for sample compositing
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Exploration is at an early stage and, as such, knowledge on exact location of mineralisation, in relation to lithological and structural boundaries, is not accurately known. • The drill orientation is attempting to drill perpendicular to the geology and mineralised trends previously identified from earlier drilling. Due to the early stage of exploration it is unknown if the drill orientation has introduced any sampling bias. This will become more apparent as further drilling is completed.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by internal staff. Drill samples are stored on site and transported by a licenced reputable transport company to ALS Laboratories. At the laboratory samples are stored in a secured yard before being processed and tracked through preparation and analysis.

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Audits or reviews	• *The results of any audits or reviews of sampling*	• There has been no external audit or review of the Company's sampling techniques or data.

Section 2 Reporting of Exploration Results

Criteria JORC Code explanation		Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Wildwood Project is located within NSM's 51% owned RL7051 • The tenements are current and in good standing. • The project area occurs on freehold land. • RL7051 is the subject of royalty agreements
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Wildwood area has been explored in several campaigns since the 1980's by Stawell Gold Mines (initially WMC Resources and then SGM's subsequent owners). There is public data available on exploration programmes and NSM has much of this data in electronic and paper based formats.

Criteria JORC Code explanation		Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project areas are considered prospective for the discovery of gold deposits of similar character to those in the nearby Stawell Gold Mine, particularly the 5Moz Magdala gold deposit located over the Magdala basalt dome. The Stawell Goldfield has produced approximately 5 million ounces of gold from hard rock and alluvial sources. More than 2.3 million ounces of gold have been produced since 1980 across more than 3 decades of continuous operation.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level– elevation above sea level in metres) of the drill hole collar*	• Reported results are summarised as assays are released. • Drill collar elevation is defined as height above sea level in metres (RL). • Drill holes were drilled at an angle deemed appropriate to the local structure and stratigraphy and is tabulated in Table 2 of this release.

	○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Hole length of each drill hole is the distance from the surface to the end of hole, as measured along the drill trace.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All reported assays have been average weighted according to sample interval. • No top cuts have been applied. • An average nominal 0.3g/t Au or greater lower cut-off is reported as being potentially significant in the context of this drill program. • No metal equivalent reporting is used or applied.

Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	***Diamond Core and RC Drilling*** • Estimated true widths are based on orientated drill core axis measurements and are interpreted to represent between 30% to 80% of total downhole widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to diagrams in body of text
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting*	• All drill hole results received and pending have been reported in this announcement.

	of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• No holes are omitted for which complete results have been received.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All relevant exploration data is shown in diagrams and discussed in text.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• NSM will continue testing of the basalt flanks at the Wildwood basalt dome using RC and diamond drilling techniques. • Areas of positive drill results are expected to be followed up with infill and expansion diamond drilling.

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Appendix 5B

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

Name of entity

NORTH STAWELL MINERALS LTD

ABN	Quarter ended ("current quarter")
84 633 461 453	**31 DECEMBER 2020**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (……months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(43.9)	(43.9)
	(e) administration and corporate costs	(278.2)	(280.2)
1.3	Dividends received (see note 3)		
1.4	Interest received	20.1	22.7
1.5	Interest and other costs of finance paid	0	(1.2)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)	0	0
1.9	**Net cash from / (used in) operating activities**	**(302.0)**	**(302.6)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	0	0
	(c) property, plant and equipment	(328.9)	(328.9)
	(d) exploration & evaluation	(162.0)	(162.0)
	(e) investments	0	0
	(f) other non-current assets	(10.0)	(10.0)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (……months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	0	0
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(500.9)**	**(500.9)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	20,000.0
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	(934.1)	(934.1)
3.5	Proceeds from borrowings	0	50.0
3.6	Repayment of borrowings	(1,375.6)	(1,375.6)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other - ANZ Credit Card Security Collateral and Repayment of Operations Advance	(53.0)	(83.0)
3.10	**Net cash from / (used in) financing activities**	**(2,362.7)**	**17,657.3**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	20,021.8	2.4
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(302.0)	(302.6)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(500.9)	(500.9)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	**(2,362.7)**	**17,657.3**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (……months) $A'000
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	**Cash and cash equivalents at end of period**	**16,856.2**	**16,856.2**

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	16,856.2	20,021.8
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)**	**16,856.2**	

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	90.0 (**)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

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.

** Payment to Directors of $30,000

** Payment to Stawell Goldmines Pty Ltd (SGM) of $60,000 for Services Infrastructure Fees

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	0	
7.2	Credit standby arrangements	0	
7.3	Other (please specify) –	0	
7.4	**Total financing facilities**	0	

7.5	**Unused financing facilities available at quarter end**	0

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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	**(302.0)**
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(162.0)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	**(464.0)**
8.4	Cash and cash equivalents at quarter end (item 4.6)	16,856.2
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	16,856.2
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	36.3

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.

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: N/A

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: N/A

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: N/A

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: 29 January 2021 .....

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.