

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

S2 Resources Ltd

ABN

18 606 128 090

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation*	(1,010)	(4,225)
(b) development	-	-
(c) production	-	-
(d) staff costs**	(164)	(541)
(e) administration and corporate costs	(211)	(928)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	25	116
1.5 Interest and other costs of finance paid	(2)	(6)
1.6 Income taxes paid	-	(2)
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(1,362)	(5,586)

*Exploration & evaluation comprise exploration physical costs of \$820k and pre-resource exploration staff costs of \$190k.

**Total staff costs for the quarter ended was \$354k comprising pre-resource exploration \$190k, corporate \$86k, non-executive directors \$34k and business development \$44k. Staff costs of pre-resource exploration \$190k has been transferred to the above category 'exploration & evaluation'.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(8)	(12)
	(b) tenements (see item 10)	-	-
	(c) investments – 19.99% stake in Todd River Resources Ltd as per announcement 20 November 2018	-	(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
	(d) investments – net proceeds from sale of Westgold shares	2,236	2,236
	(e) 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	2,228	1,295

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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
3.9	Other – net payments for cash backed guarantees	-	(16)
3.10	Net cash from / (used in) financing activities	-	(16)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,047	15,026
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,362)	(5,586)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2,228	1,295
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(16)
4.5	Effect of movement in exchange rates on cash held	(65)	129
4.6	Cash and cash equivalents at end of period	10,848*	10,848

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	6,437	8,047
5.2	Call deposits	4,411	2,000
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)	10,848*	10,047

*S2 Resources also has an investment in Westgold Resources Ltd valued at A\$2.5 million for the quarter ended 31 March 2019. Total cash and investments as at 31 March 2019 was \$13.4 million.

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
140
-

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

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
-
-

N/A

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)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

- 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	700
9.2 Development	-
9.3 Production	-
9.4 Staff costs	250
9.5 Administration and corporate costs	250
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,200

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:

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(Director)

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

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.