

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

Tietto Minerals Limited

ABN

53 143 493 118

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,003)	(3,648)
(b) development	-	-
(c) production	-	-
(d) staff costs	(314)	(933)
(e) administration and corporate costs	(247)	(802)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	58
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,554)	(5,325)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(2)	(8)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) shares	-	44
	(d) 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	(2)	36

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	4,203	4,203
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 shareholder loan	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (IPO application funds held in trust)	-	-
	Other (deposit received for issue of shares)	-	-
3.10	Net cash from / (used in) financing activities	4,203	4,203

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,230	5,963
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,554)	(5,325)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	36
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,203	4,203

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	4,873	4,873

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	4,873	2,230
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Amount held in trust)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,873	2,230

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**

145

-

Directors' fees and superannuation.

7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 3.4

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 <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,394	606
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.		

On 8 June 2018, the Group entered into an unsecured interest-free loan facility agreement with Hongkong Ausino Investment Limited ("Ausino"), for Ausino to pay the Group's expenses for a total of up to RMB 7,300,000 (or AUD 1,500,000 based on an exchange rate of AUD 1 to RMB 4.8667), within 12 months of 8 June 2018. Under the agreement, for each of Ausino's payments in RMB, the amount paid in RMB will be converted into fully paid ordinary shares in the Company, based on the Company's volume-weighted share price over 20 days and capped at AUD 0.21 per share. During the quarter, Ausino paid AUD 39k on behalf of the Group, which were converted into shares in June 2019. No other amounts were drawn during the quarter ended 30 June 2019 pertaining to this agreement.

On 4 June 2019, the unsecured interest-free loan facility agreement which was previously in place was terminated and the Group entered into a new subscription agreement with Ausino. Under the agreement, Ausino agreed to pay the Group's expenses for a total of up to AUD 2,000,000, within 18 months of 4 June 2019. For each of Ausino's payments, the amount paid will be converted into fully paid ordinary shares in the Company, based on a deemed subscription price of AUD 0.15 per share. During the quarter, Ausino paid AUD 606k on behalf of the Group, which were also converted into shares in June 2019. No other amounts were drawn during the quarter ended 30 June 2019 and the balances of the new facility and the amount drawn at the end of the quarter is as stated above.

On 13 August 2019 Tietto will seek shareholder approval to complete the tranche 2 placement totalling \$0.6 million.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,195
9.2 Development	-
9.3 Production	-
9.4 Staff costs	210
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,605

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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:*Lodged electronically*.....
(Company Secretary)

Date: 31 July 2019

Print name: Matthew Foy

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.