

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

Pilbara Minerals Limited

ABN

95 112 425 788

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter	Year to date (3 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	14,637	14,637
1.2 Payments for		
(a) exploration & evaluation	(1,057)	(1,057)
(b) development - feasibility	(638)	(638)
(c) production	(33,012)	(33,012)
(d) staff costs	(2,633)	(2,633)
(e) administration and corporate costs	(1,541)	(1,541)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	252	252
1.5 Interest and other costs of finance paid ***	(5,119)	(5,119)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	350	350
1.9 Net cash from / (used in) operating activities	(28,761)	(28,761)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(74)	(74)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets - mine properties	(11,419)	(11,419)

Mining exploration entity and oil and gas exploration entity quarterly report

2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(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	(11,493)	(11,493)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares *	41,520	41,520
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	(1,686)	(1,686)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings **	(1,984)	(1,984)
3.7	Transaction costs related to loans and borrowings	(30)	(30)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	37,820	37,820

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	63,576	63,576
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(28,761)	(28,761)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11,493)	(11,493)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	37,820	37,820
4.5	Effect of movement in exchange rates on cash held	(246)	(246)
4.6	Cash and cash equivalents at end of period	60,896	60,896

* Include \$5M deposit from Contemporary Amperex Technology ("CATL") in relation to their commitment for their \$55M equity placement as disclosed in ASX announcements on the 4th and 5th September 2019.

** Represents payment for leases prescribed under the new accounting standard *AASB16 Leases* which was effective from 1 July 2019. These payments relate to existing contracts that have been defined as leases under the new accounting standard and previously would have been classified as either payments for production (1.2(c)) or payments for administration and corporate costs (1.2(e)).

*** Includes \$0.72M of payments associated with leases prescribed under the new accounting standard *AASB16 Leases* which had previously been classified as payments for production. Refer comment above.

5. Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1 Bank balances	3,542	13,623
5.2 Call deposits	57,354	49,953
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)	60,896	63,576

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	409
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	

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	

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	148,170	148,170
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	22,226	-

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.

The Company's Loan facility is a USD \$100M senior secured debt bond facility. The coupon rate is 12% per annum with interest payable quarterly in arrears. The Company also has a USD \$15M secured working capital facility with BNP Paribas, the interest rate is LIBOR plus 2%. Both facility amounts shown above are restated to reflect the closing AUD:USD foreign exchange rate at 30 September 2019 of 0.6749.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	489
9.2 Capital - operating capital, feasibility costs and mine properties in development (*)	8,893
9.3 Production (**)	33,583
9.4 Staff costs	2,179
9.5 Administration and corporate costs	1,165
9.6 Other - Interest payments (***)	4,445
9.7 Other - Equity raising costs (***)	2,121
9.8 Other (provide details if material)	125
9.9 Total estimated cash outflows	52,999

* Includes Stage 1 operations capital (including plant improvement projects) and development costs associated with the Stage 2 expansion of the Pilgangoora Project (including feasibility study, early works and long lead items).

** Represents production costs forecast for payment during the December 2019 quarter. Production costs being paid in the December 2019 quarter include a net amount of \$9.1M for contractor costs incurred during the June 2019 and September 2019 quarters prior to the implementation of the moderation strategy with respect to production. Forecast cash inflows for the quarter associated with the sale of concentrate products are not included in the table above.

*** Other cash flows include \$4.4M for interest payments due under the senior secured bond facility and \$2.1M of payments associated with equity raising as announced to the market on 4 September 2019.

Mining exploration entity and oil and gas exploration entity quarterly report

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	L45/434	Application	100	0
10.2	Interests in mining tenements and petroleum tenements acquired or increased	L45/453	Granted	100	100
		L45/497	Granted	100	100

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: 
(Director/Company secretary)

Date: 28 October 2019

Print name: Alex Eastwood

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.