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## **QUARTERLY ACTIVITIES REPORT**

### **For the period ended 31 March 2020**

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**About Crater Gold Mining Ltd**  
**ASX CODE: CGN**

Crater Gold Mining Limited ("Crater Gold" or the "Company") is focussed on the exploration of its highly prospective Crater Mountain Gold Project in Papua New Guinea (PNG), which includes two gold resources and evidence of potential copper-gold porphyry mineralisation. The Company is also exploring at the A2 Polymetallic and Golden Gate Graphite projects at Croydon in Queensland, Australia

**Capital Structure**

Share Price: \$0.009  
Market Cap: \$11.047m  
Shares on Issue: 1,227,495,867

**Board of Directors**

Sam Chan  
Non-Executive Chairman

Russ Parker  
Managing Director

Tom Fermanis  
Deputy Chairman

Lawrence Lee  
Non-Executive Director

Desmond Sun  
Non-Executive Director

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## **DEVELOPMENTS DURING THE QUARTER**

### **CRATER MOUNTAIN GOLD PROJECT, PAPUA NEW GUINEA**

During the period the Company announced that due to the current global COVID-19 pandemic, the Company had taken appropriate precautions and actions to protect our staff and business operations, including precautions as advised and suggested by the World Health Organization, the Australian Government and the Government of Papua New Guinea (PNG).

First and foremost, our priority is the health, safety and wellbeing of our staff and the people of the communities in which we operate, and as such, the Company is actively monitoring the COVID-19 situation and its potential impacts on these groups.

Due to continual spread of the COVID-19 virus, the PNG Government has recently declared a National State of Emergency, which has been combined with actions to close the country's borders. As a result, this prevents the Company moving expatriate personnel in and out of PNG for the foreseeable future. In addition to closing the country to international arrivals the government of PNG has also announced the grounding of all PNG domestic flights and is encouraging and implementing actions consistent with other countries regarding limiting internal travel by other means, and implementing social distancing.

Due to the collective impact of these actions and the uncertainty regarding the timing of any recommencement of safe travel in light of the COVID-19 pandemic, the Company has made the necessary decision to suspend until further notice production at the Company's Crater Mountain project and retain only a complement of security and maintenance staff to protect and maintain the asset.

### **POLYMETALLIC PROJECT, NORTH QUEENSLAND**

No active exploration activity was undertaken for the Polymetallic Project in the quarter, with limitations on activity due to the Christmas/New Year break and then the outbreak of the COVID-19 pandemic. A drilling program commenced in the previous quarter with petrological work and assays still to be completed. A further drilling program was scheduled to commence in April, however, has been placed on hold pending the outcome of the COVID-19 pandemic.

## **GOLDEN GATE GRAPHITE PROJECT, CROYDON, NTH QLD**

No active exploration activity was undertaken on the graphite project during the quarter, due to limitations from the Christmas/New Year break and then the outbreak of the COVID-19 pandemic. Encouraging test work undertaken in 2019 indicated that follow up testing, which would include optimisation of flotation work, optimisation of grind size and optimisation of the caustic bake purification step. These activities have been placed on hold pending the outcome of the COVID-19 pandemic.

## **STATUTORY COMPLIANCE AND REPORTING**

All tenements remain in good standing with rents paid, statutory obligations complied with and the necessary government reports lodged on time. During the quarter, the Company lodged renewal of EPM 13775, which expired on 5 March 2020. The Company expects the tenement to be advised of the renewal in the Jun 2020 quarter.

## **CORPORATE**

### **\$A2,000,000 LOAN FACILITY WITH FREEFIRE**

During the period the Company announced that it had executed a new loan agreement for \$2,000,000. The funding is being provided by way of an unsecured loan facility from the Company's major shareholder, Freefire Technology Ltd ("Freefire").

The Company plans to use the funds to continue the development of the High Grade Zone ("HGZ") at the Crater Mountain Project in Papua New Guinea. The loan will also provide working capital to support the Company.

Key terms of the loan facility include:

- \$200,000 draw-down available at the option of Crater Gold Mining. The balance is available upon agreement of Freefire with the request from the Company.
- Repayable one year from date of first draw-down unless agreed otherwise in advance, and an applicable interest rate of 8% p.a.

## **FINANCE AND ACTIVITIES**

During the quarter the Company spent \$18K on compliance exploration activities and on amounts owing from the previous quarter's drilling program.

During the quarter the Company spent \$223K on development activities which primarily related to development work on the 1930 and 1950 level adits at the Company's Crater Mountain HGZ mine, and \$96K on production activities which relates to expenses incurred on the processing of ore mined from the 1930 level adit at the Company's Crater Mountain HGZ mine in PNG.

As outlined in the attached Appendix 5B (section 6) during the quarter approximately \$40K in payments was made to related parties and their associates for director salaries and superannuation.

This Quarterly Activities Report has been authorised for release by the Board of Crater Gold Mining Ltd.

For further information contact:

Russ Parker

Managing Director

08 6188 8181

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## **COMPETENT PERSONS STATEMENT**

The information contained in this report relating to exploration activities at the Crater Mountain Gold Project is based on and fairly represents information and supporting documentation prepared by appropriately qualified company personnel and reviewed by Ken Chapple, who is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

The information contained in this report that relates to Exploration Results at the A2 Polymetallic Projects near Croydon, Queensland, is based on information compiled by Ken Chapple, or prepared by appropriately qualified external technical experts and reviewed by him. Mr Chapple is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has been assisting the Company as a technical consultant relating to his areas of expertise. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

### Forward Looking Statements

This Announcement may contain forward looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward- looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable at the time made but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. You should therefore not place undue reliance on forward-looking statements

### **Schedule of Crater Gold Mining Limited tenements:**

Particulars	Project Name	Registered Holder	% Owned	Status	Expiry	Area (Km <sup>2</sup> )
EPM 8795	Croydon	CGN	100	Granted	6/09/2020	9.6
EPM 13775	Wallabadah	CGN	100	Granted	5/03/2020	16
EPM 16002	Foote Creek	CGN	100	Granted	30/01/2021	28.8
EPM 18616	Black Mountain	CGN	100	Granted	18/06/2020	57.6
EPM 26749	Wallabadah Extended	CGN	100	Granted	11/04/2024	11.5
EL 1115	Crater Mountain	Anomaly Ltd <sup>1</sup>	100	Renewal lodged	25/09/2018	41
ELA 2643	Crater Mountain	Anomaly Ltd <sup>1</sup>	100	Application lodged	Oct 2019	68
ELA 2644	Crater Mountain	Anomaly Ltd <sup>1</sup>	100	Application lodged	Oct 2019	78
ML 510	Crater Mountain	Anomaly Ltd <sup>1</sup>	100	Renewal lodged	4/11/2019	1.58

<sup>1</sup> Anomaly Limited is CGN's 100% owned PNG subsidiary

There were no tenements acquired or disposed of during the quarter.

The Company has no Farm-in or Farm-out arrangements.