

## ASX RELEASE

Friday 29 April 2016

### QUARTERLY REPORT AND APPENDIX 5B FOR THE QUARTER ENDED 31<sup>ST</sup> MARCH 2016

A-Cap Resources Limited (“A-Cap” or “the Company”) (ASX: ACB) is pleased to provide its Quarterly Activities Report for the quarter ended 31 March 2016.

#### HIGHLIGHTS

- ▲ Non-Renounceable Entitlement offer (the Offer) closing date extended to 18 January 2016;
- ▲ Completion of underwritten Non Renounceable Entitlement offer in February raising \$5 million;
- ▲ \$1 million drawn down amount from financial accommodation facility repaid in March 2016;
- ▲ \$963k R&D tax credit received on 4<sup>th</sup> February 2016;
- ▲ Positive engagements with Botswana Department of Mines and Department of Environmental Affairs;
- ▲ DEA review of ESIA is continuing and making progress;
- ▲ The updated resource estimate completed utilising Localised Uniform Conditioning shows positive signs during initial optimisations;
- ▲ 1.5 million unlisted options lapsed unexercised on the 31<sup>st</sup> January 2016.

#### QUARTERLY ACTIVITIES

Following the submission of A-Cap’s Mining Licence Application for the Letlhakane Uranium Project (the Project) and the completion of the Project’s technical study, A-Cap continues to make good progress in its efforts to secure the Project from a financial, licensing and technical perspective.

During the quarter ended 31<sup>st</sup> March 2016, A-Cap successfully completed the Pro-Rata Non-Renounceable Entitlement offer as announced to the market on the 3<sup>rd</sup> December 2015. The pro-rata entitlement raised \$5 million through the offer of 250,029,607 shares on the basis of 1 New Share for every 1.9 Shares held at an issue price of 2 cents per New Share. The offer was fully underwritten by Jiangsu Chixiang Precision Gear Co. Pty Ltd (Jiangsu). This completes an important milestone for A-Cap, securing the financial position of the Company and enabling us to recommence work to finalise the bankable feasibility study for the Project, including mine plan and optimisations, process design work and infill drilling to refine reserves.

Following the completion of the Offer, A-Cap duly repaid the \$1 million short-term financial accommodation facility entered into with Ansheng Investment Company.

On the 4<sup>th</sup> February 2016 A-Cap received from the Australia Tax Office an R&D tax credit of \$962,605.

The Company has been focussing its efforts on progressing the Environmental & Social Impact Assessment (ESIA) approval and Mining Licence Application with both the Department of Environmental Affairs (DEA) and the Department of Mines (DOM) respectively. This was achieved during the quarter as A-Cap had positive engagements with both Departments. A-Cap and the DOM have continued to engage in positive discussions in assessing the Mining Licence Application as we await the approval of the ESIA. During the quarter the DEA confirmed they had reviewed the ESIA, and that A-Cap had adequately identified and assessed anticipated impacts associated with the Project, advancing the ESIA to a public review process as required by the Environmental Act 2011.

On the 5<sup>th</sup> October 2015, A-Cap announced a new global resource estimate utilising Localised Uniform Conditioning which takes into account mining and grade control selectivity. A-Cap has commenced further work in assessing the implications of the new resource estimate on resource optimisations. Initial optimisations are encouraging and further work has been prioritised.

## LETLHAKANE URANIUM PROJECT

The Letlhakane Uranium Project is one of the world's largest undeveloped Uranium Deposits. The Project lies adjacent to Botswana's main North-South infrastructure corridor that includes a sealed all-weather highway, railway line and the national power grid, all of which make significant contributions to keeping the capital cost of future developments low.

The project has the distinct advantage of having all the major infrastructure in place and is one of the few major undeveloped uranium projects in the world capable of being in production in 3 years at a low capital cost and competitive operating costs in a safe and stable jurisdiction. The strategy is to prepare the project for early development to enable the company to fully capitalise on an expected recovery in the uranium price.

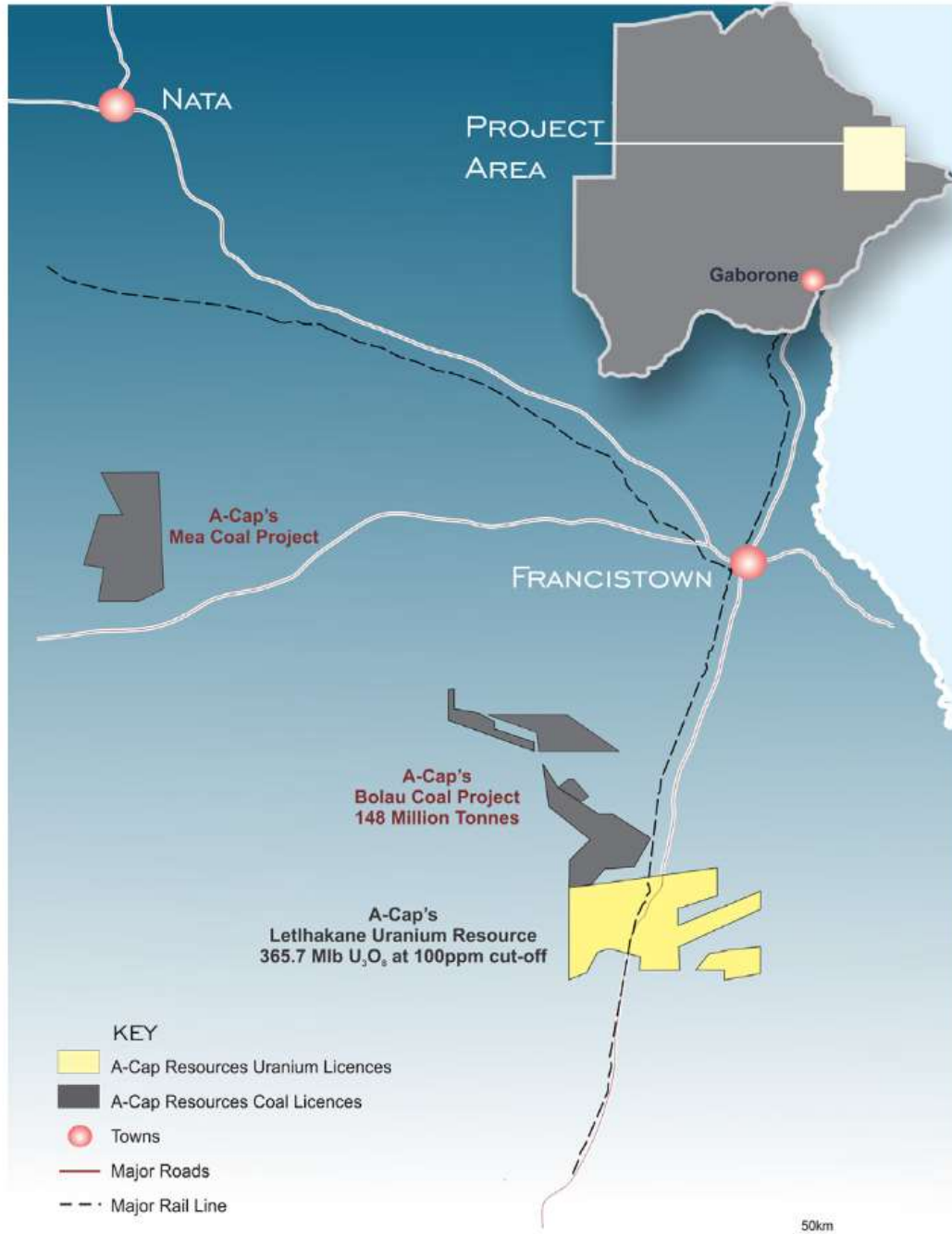
### Mining Licence Application, Technical Study

In August 2015 A-Cap submitted the Mining Licence application for PL 45/2004 (Letlhakane) to the Botswana Department of Mines. The application was based on the results of a technical study and financial modelling. The technical study was based on shallow open pit mining and heap leach processing to produce up to 3.75 million pounds of uranium per annum over a mine life of 18 years, incorporating the most up to date metallurgical results and process route, optimised mineral resources, mining, capital and operating costs developed by our feasibility specialists in Australia and internationally. The Botswana Department of Mines is examining the application while awaiting the ESIA approval of the Department of Environmental Affairs. The tenure of PL45 was officially extended to ensure tenure continuity till 31<sup>st</sup> December 2016.

The technical study confirms that the Project has the right mix of a good resource, low capital and operating costs and is well positioned to be taken into early production, reaping the benefits of projected shortfalls in supply in the uranium market and forecast rising uranium prices.

The outcomes of the technical study were released to the market (refer ASX release 11<sup>th</sup> September 2015) which highlighted the following:

- ▲ Positive economics based on forecast uranium average contract price
- ▲ Initial construction CAPEX of US\$351 million
- ▲ Initial working capital of US\$40 million
- ▲ Pre-tax NPV of US\$383 million at a discount rate of 8% and IRR of 29%
- ▲ Operating costs of US\$35/lb U<sub>3</sub>O<sub>8</sub> over first 5 years, approximately \$40/lb U<sub>3</sub>O<sub>8</sub> over 18-year process life.



**Figure 1:** Location of A-Cap's major projects

The technical study and financial modelling was completed with the assistance and in collaboration with a world-class team of consultants including Optiro, Cube Consulting, SLR Consulting (South Africa), Kappes Cassiday & Associates, OMC Hydromet and Lycopodium Minerals Pty Ltd. The key parameters for the project are summarised in Table 1 below.

<b>Project Economics</b>		<b>Pre-tax</b>	<b>Post-tax</b>
<b>NPV (\$US)</b>		383M	240M
<b>IRR (%)</b>		29%	24%
<b>Pay-back period from start of production (yrs)</b>		3	
<b>CAPITAL COSTS (\$US)</b>			
Construction		351M	
<b>WORKING CAPITAL (\$US)</b>		40M	
<b>INPUTS &amp; ASSUMPTIONS</b>			
Price of Uranium (flat price over LOM) (U <sub>3</sub> O <sub>8</sub> \$US/lb)		\$81	
Discount Rate		8%	
Life of Mine (LOM) (yrs)		18	
<b>PROJECT SUMMARY</b>			
Average Mining Cost (\$US/lb)		\$18	
Average Processing Cost (\$US/lb)		\$23	
<b>CASH FLOWS</b>			
Total Revenue (\$US)		\$3,499M	
Project Cash Flow (\$US)		\$841M	\$549M

**Table 1: Summary of outcomes of the technical study**

*The Technical Study results and production targets reflected in this announcement are preliminary in nature as conclusions are drawn partly from indicated mineral resources and partly from inferred mineral resources. The Technical Study is based on lower level technical and economic assessments and is insufficient to support estimation of ore reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Technical Study will be realised. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.*

### Resources

A-Cap announced on the 2<sup>nd</sup> October 2015 a new JORC Mineral Resource Upgrade at Letlhakane completed by Optiro Pty Ltd, an independent expert. The updated resource uses a recoverable resource methodology which takes into account the proposed Standard Mining Unit (SMU). The SMU is defined by the proposed mining method utilising surface miners and the proposed grade control system using in-pit surface gamma radiation measurements.

The Localised Uniform Conditioning (LUC) estimate best reflects the mining methodology envisaged, taking into account the surface miners selective mining capability combined with the proposed grade control methodology. The accurate mining characteristics of surface miners and the ability to measure the gamma radiation on the surface during mining will ensure the optimum grade delivery to the process heap. The SMU of 20m x 4m x 0.25m forms the basis for the LUC estimation. Historic resource estimations were more reflective of conventional open pit mining and therefore had averaged resource data into blocks of bigger mining panels which smoothed or averaged the grade data.

Uniform conditioning (UC) and LUC is used for assessing recoverable resources inside a mining panel when the drill spacing does not provide sufficient coverage for direct grade estimation at the SMU scale. UC provides the proportion of SMUs inside a panel that are above cut-off and its corresponding average grade. LUC takes the UC result and spatially corrects the blocks making it more suited to extraction and optimisation studies.

The new global resource estimate is as follows:

Cut-off (U <sub>3</sub> O <sub>8</sub> ppm)	Total Indicated			Total Inferred			Global Total		
	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)	Mt	U <sub>3</sub> O <sub>8</sub> (ppm)	Contained U <sub>3</sub> O <sub>8</sub> (Mlbs)
<b>100</b>	197.1	197	85.5	625	203	280.1	822.1	202	365.7
<b>200</b>	59.2	323	42.2	209.7	321	148.2	268.9	321	190.4
<b>300</b>	22.2	463	22.7	81.6	446	80.3	103.8	450	102.9

*Table 2 - 2015 Mineral resource estimates for ALL DEPOSITS at various U<sub>3</sub>O<sub>8</sub> cut-offs*

The 2014 drilling programmes targeted the early optimised shells which typically represents the earliest production potential. Previous results as reported to the ASX during 2014 (August 27th and December 15th) highlighted some of the better grade intersections which would come early on in the potential production sequence. The results of the drilling programme increased confidence in these early production areas within Letlhakane, namely Kraken, Gorgon South and Serule West. The global resource area is 14km long and 11km wide and is divided into the aforementioned main prospect areas. The Letlhakane Uranium Project is divided into prospect areas as defined in the table below:

At a 200 ppm U<sub>3</sub>O<sub>8</sub> cut-off the resource by prospect is:

2015 Mineral resource estimate for the Gojwane and Serule deposits - 200 ppm U <sub>3</sub> O <sub>8</sub> cut off (LUC)												
Ore Type	Deposit	Prospect	Indicated			Inferred			Total			
			Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	Mt	U <sub>3</sub> O <sub>8</sub> ppm	U <sub>3</sub> O <sub>8</sub> Mlbs	
Secondary	Gojwane	Gorgon Main/West	2.0	371	1.6				2.0	371	1.6	
		Mokobaesi	0.1	261	0.0	0.0	202	0.0	0.1	261	0.0	
		Kraken										
		<b>Total Secondary</b>	2.1	367	1.7	0.0	202	0.0	2.1	367	1.7	
Oxide	Gojwane	Gorgon Main/West	6.1	313	4.2	9.3	280	5.7	15.4	293	10.0	
		Mokobaesi	3.4	365	2.7				3.4	365	2.7	
		Kraken	3.9	310	2.6	0.7	280	0.4	4.5	306	3.1	
		Gorgon South	4.4	323	3.1	2.6	292	1.6	7.0	312	4.8	
	Serule	Serule East				0.5	246	0.3	0.5	246	0.3	
		Serule West	0.4	302	0.2	11.7	322	8.3	12.1	322	8.6	
			<b>Total Oxide</b>	18.1	324	13.0	24.8	301	16.4	42.9	311	29.4
Primary	Gojwane	Gorgon Main/West	15.4	280	9.5	98.2	313	67.7	113.5	309	77.2	
		Mokobaesi	0.5	359	0.4	0.3	330	0.2	0.8	347	0.6	
		Kraken	7.7	350	5.9	1.0	349	0.8	8.7	349	6.7	
		Gorgon South	12.1	337	9.0	22.8	309	15.5	34.9	319	24.5	
	Serule	Serule East				0.4	259	0.2	0.4	259	0.2	
		Serule West	3.3	376	2.8	62.4	345	47.4	65.7	346	50.2	
			<b>Total Primary</b>	39.0	321	27.5	185.0	323	131.8	223.9	323	159.4
		<b>Total</b>	59.2	323	42.2	209.7	321	148.2	268.9	321	190.4	

*Table 3 - 2015 LUC resource estimate at 200ppm cut-off.*

Recent work completed by Perth-based resource specialists Optiro on a drill spacing study comparison at the Kraken deposit confirmed that at a starting drill spacing of 200m by 200m, the change of contained metal is within +/-10% when drilled down to 100m by 50m drill spacing. The current criteria for inferred resources is nominally greater than 100m by 100m drill spacing. A-Cap has confidence that the deposit will retain its mineralisation continuity when it is further drilled out.

### Metallurgy and Process Design

The Process Design is based on a 2 stage acid heap leach route for all the primary, oxide and lower mudstone secondary ores with a modified solvent extraction system being the principal uranium recovery method. It has also been decided to blend and treat the upper mudstone secondary ore through this acid circuit and to stockpile the secondary calccrete ore for treatment later in the project using an alkali leach.

### Mining

A-Cap is assessing the LUC resource in terms of mining optimisations. Potential savings on process OPEX costs can be realised from an increase of grade. The more selective LUC interpretation may result in a higher strip ratio than the 2.2 reported for the of 2012 resource optimisation results. OPEX costs from the technical study and the strip ratio were announced to the ASX on the 11th September 2015.

### Environmental and Social Impact Assessment (ESIA)

The Environmental and Social Impact Study (ESIA) conducted by SLR Consulting was submitted to the Botswana Department of Environmental Affairs (DEA) in May 2015. The ESIA approval process is now in its final review phase.

## COAL PROJECTS

A-Cap's Coal projects consists of the Foley Coal Project (which comprises two PLS Foley PL125/2009 and Bolau PL138/2005) and the Mea Coal Project (PL134/2005). The Company is currently preserving these projects whilst considering options to release value and monetise our coal assets through joint venture participation, corporate re-organisation and assets sale.

## BASE METALS

The base metal tenements overlay the inferred extents of the Kaapvaal Craton. The Kaapvaal Craton in South Africa is host to a number of platinum and PGEs, iron ore and manganese mines. A-Cap is currently looking to assess and relinquish some of these tenements whilst meeting our commitments in preserving these prospecting licences.

## SCHEDULE OF INTEREST IN MINING TENEMENTS

Tenement	Location	Percentage Holding	Title Holder
Letlhakane PL 45/2004	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Mea PL 134/2005	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Bolau PL 138/2005	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Foley PL 125/2009	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukunsi 002/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukunsi 003/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Hukunsi 004/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Werda 005/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 006/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 007/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Kokong 008/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 009/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 010/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Salajwe 011/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng 012/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Jwaneng 013/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe 014/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd
Sojwe 015/2014	Botswana	100	A-Cap Resources Botswana (Pty) Ltd

## CORPORATE

During the quarter ended March 2016:

- ▲ On the 4<sup>th</sup> January 2016 A-Cap announced an extension to the Closing Date of the Non-Renounceable entitlement offer to shareholders to the 8<sup>th</sup> February 2016 in order to allow additional time to eligible shareholders to consider participation;
- ▲ Subsequently on the 6<sup>th</sup> January 2016, A-Cap clarified the extended closing date to be the 18<sup>th</sup> February 2016;
- ▲ On the 31<sup>st</sup> January 2016 1.5 million unlisted options exercisable at 33 cents each lapsed unexercised;
- ▲ On the 23<sup>rd</sup> February A-Cap confirmed applications were received for the Offer from shareholders for 3,379,404 ordinary shares, resulting in a shortfall of 246,650,203 ordinary shares.
- ▲ On the 29<sup>th</sup> February 2016 the Offer was completed with shortfall shares issued to the underwriter, Jianguo. A total of \$5,000,592 was raised from the entitlement offer.
- ▲ On completion of the Offer, Jianguo became a substantial shareholder of the Company, with a 34.34% interest. China Growth Minerals' interest reduced to 23.56%.
- ▲ In March 2016, A-Cap repaid the \$1 million drawn down from the financial accommodation facility provided by on an arm's length basis by Ansheng Investment Co., Ltd.

At quarter end, the Company held cash totalling \$4,822,256.



Paul Thomson  
CHIEF EXECUTIVE OFFICER

Competent person's statement

*Information in this report relating to Mineral Resources is based on information compiled by Mr Ian Glacken, the Principal Consultant of Optiro Pty Ltd and a Fellow of the AusIMM. Mr Glacken has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results Mineral Resources and Ore Reserves. Mr Glacken consents to the inclusion of the data in the form and context in which it appears.*

*Information in this report relating to Uranium Exploration results, is based on information compiled by Mr Ashley Jones a full-time employee of A-Cap Resources Limited and a member of AusIMM. Mr Jones has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results Mineral Resources and Ore Reserves. Mr Jones consents to the inclusion of the data in the form and context in which it appears.*

*The information presented in this report related to coal resources is based on a geological model that was produced in October 2014. Mrs L. de Klerk (BSc, MSc, Pr.Sci. Nat No. 400090/08, GSSA). Mrs L. de Klerk is Managing Director and Geologist with DK Exploration and has determined coal resource estimates for PL125/2009. Mrs de Klerk has over 12 years industry experience involving modelling and assessing coal resources, which is sufficient relevant experience for the style of mineralisation and type of deposit under consideration and to the activity to which she is undertaking 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". Mrs de Klerk consents to the inclusion in the report of the matters based on information in the form and context in which it appears.*

\*\*\*Ends\*\*\*

For Further information contact:

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## Appendix 5B Mining 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

Name of entity

A-CAP RESOURCES LIMITED

ABN

28 104 028 542

Quarter ended ("current quarter")

31 March 2016

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(262) - - (445)	(1,344) - - (1,585)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	15
1.5 Interest and other costs of finance paid	(31)	(31)
1.6 Income taxes paid	-	-
1.7 Other (Receipt of ATO R&D tax credit)	963	963
	233	(1,982)
<b>Net Operating Cash Flows</b>		
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - (4)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
	-	(4)
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	233	(1,986)

+ See chapter 19 for defined terms.



1.13	Total operating and investing cash flows (brought forward)	233	(1,986)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	4,987	5,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	1,000
1.17	Repayment of borrowings	(1,000)	(1,000)
1.18	Dividends paid	-	-
1.19	Other (cost of capital raising)	(220)	(409)
	<b>Net financing cash flows</b>	<b>3,767</b>	<b>4,591</b>
	<b>Net increase (decrease) in cash held</b>	<b>4,000</b>	<b>2,605</b>
1.20	Cash at beginning of quarter/year to date	822	2,217
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>4,822</b>	<b>4,822</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(212)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director & Consulting fees, including expense reimbursements, paid to related entities

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	2,000	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	(506)
4.2 Development	-
4.3 Production	-
4.4 Administration	(501)
<b>Total</b>	<b>(1,007)</b>

*Reconciliation of cash*

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	633	151
5.2 Deposits at call	4,167	671
5.3 Bank overdraft	-	-
5.4 Other – Term Deposits	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>4,800</b>	<b>822</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A	-	-	-
6.2 Interests in mining tenements acquired or increased	N/A	-	-	-

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	NIL	NIL		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	NIL	NIL		
7.3 <b>+Ordinary securities</b>	732,099,609	732,099,609		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	250,029,607	250,029,607	2 cents	
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	NIL	NIL		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	NIL	NIL		
7.7 <b>Options</b> <i>(description and conversion factor)</i>	10,000	NIL	<i>Exercise price</i> 80% of market value	<i>Expiry date</i> On the day the employee ceases to be in the employ of the Company or subsidiary thereof. 15 December 2016
	5,700,000	NIL	9 cents	
7.8 Issued during quarter	NIL	NIL	-	-
7.9 Exercised during quarter	NIL	NIL	-	-
7.10 Expired during quarter	1,500,000	NIL	33 cents	31 January 2016
7.11 <b>Debentures</b> <i>(totals only)</i>	NIL	NIL		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	NIL	NIL		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: .....  
(Company Secretary)

Date: 29 April 2016

Print name: NICHOLAS YEAK

**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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.