
# JUNE QUARTERLY REPORT 31st July 2017

## KEY POINTS:

**TIRIS PROJECT (Mauritania)**

- Tiris Mining Lease Application submitted – Key Project Milestone
- Continued strong progress on the Definitive Feasibility Study (DFS)
- Environmental and Social Impact Assessment (ESIA) completed
- Tiris Shareholders Agreement with Mauritanian Government finalised
- Tiris Project Water Study continued with completion of resistivity profiling and selection of targets for immediate drill testing
- Tiris Resource upgrade drilling program in progress
- In-house engineering capacity to progress the project
- Discussions with engineering firms underway
- Ultra-detailed radiometric survey highlights Hippolyte South significant uranium potential

**TASIAST SOUTH GOLD PROJECT (Mauritania)**

- Exploration of Aura's gold tenements poised to commence
- Aura secures new western greenstone belts in new tenement (100%)

**LITHIUM AND SODA ASH PROJECT (Mauritania)**

- Results from initial sampling encourage continuation of sampling program

**HÄGGÅN PROJECT (Sweden)**

- Work continues on the Häggån Community Liaison brief
- Häggån Polymetallic potential under review with 'green' metals
- Review has highlighted significant quantities of cobalt, vanadium, uranium, molybdenum, nickel, zinc and neodymium

**CORPORATE**

- Aura completed an exercise selling unmarketable parcels of Aura shares

# QUARTERLY OVERVIEW

During the June Quarter, Aura Energy continued to press forward with the Tiris Definitive Feasibility Study (DFS). The key deliverable for the period was the submission to the Mauritanian government of the Tiris Mining Lease application. This is a critical project milestone and highlights Aura's drive to get Tiris into production to coincide with the consensus expectation for the recovery in the uranium price.

As part of the Mining Lease Application, the ESIA was submitted which included Flora, Fauna and Archaeology Studies, etc. and community consultation meetings. This activity forms much of work required for the permitting of the Tiris Project and places Aura in an excellent position to progress Tiris to the next stage of development.

Aura continues to enjoy strong support for the Tiris Project from the Mauritanian Government and the key ministries of Mining and also Environment.

Aura remains very positive on its significant Tasiast South gold and base metal prospects, however, granting of the permits remains behind schedule. Aura expects this grant shortly, and will commence field activities immediately after that happens.

The reassessment of the Häggån Project in Sweden to separately consider polymetallic content of the project gathered some momentum with focus on 'green' metals highlighting value upside. Häggån contains significant quantities of cobalt, vanadium, copper uranium, molybdenum, nickel, zinc and neodymium. The reassessment highlights the potential for the project's early development stages to be funded via metal-streaming transactions.

# TIRIS PROJECT, MAURITANIA (AURA 100%)

## Tiris Project Overview

Aura is conducting a Feasibility Study on its 100% owned 49 million pound $U_3O_8$ calcrete uranium project in Mauritania (See Figure 1). The project has low operating costs and low development capital with strong financial returns under long-term pricing scenarios.

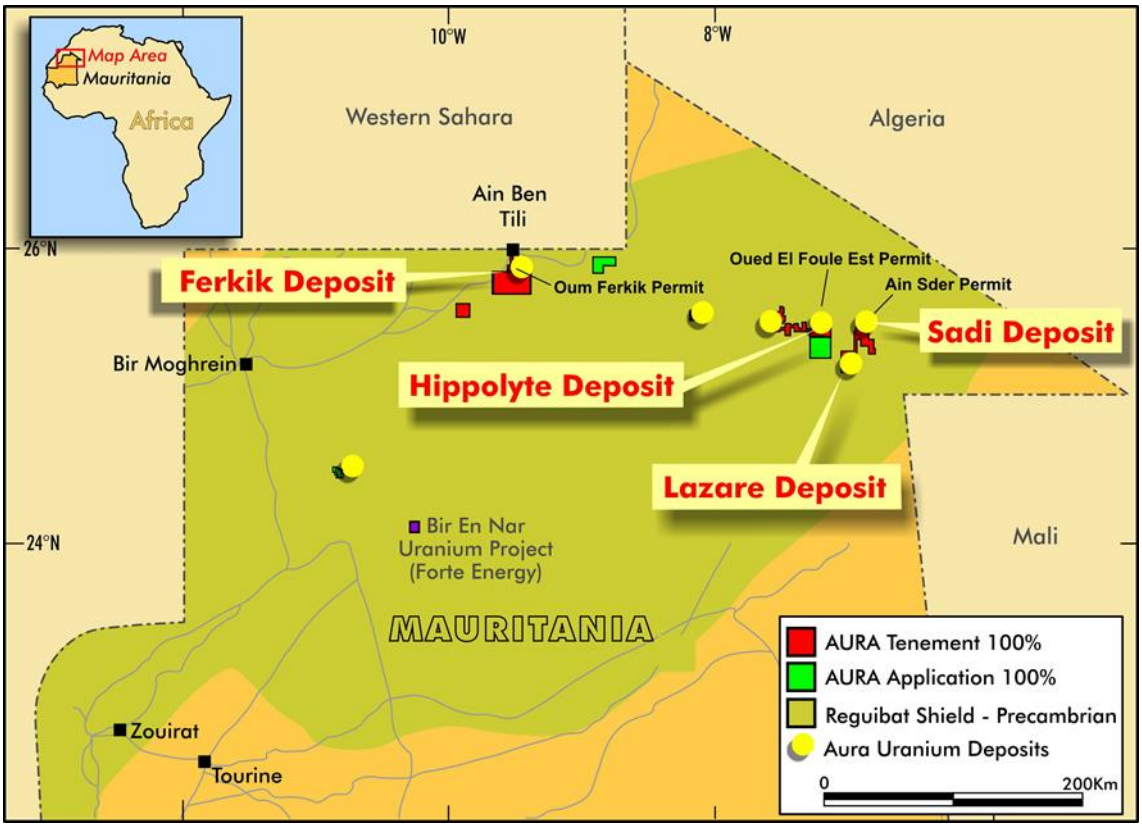



**Figure 1: Location of Aura's Tiris Project Uranium Resources**

**Tiris Project Definitive Feasibility Study and Mining Lease Application**

Following a broad program of evaluation and study over the past 8 months a key milestone for the development and construction of the Tiris Project was achieved with the submission of the Tiris Uranium Project Mining Lease Application on the target schedule to the Mauritanian Government. As part of the application, Aura Energy completed an exhaustive Environmental and Social Impact Assessment (ESIA) covering all aspect of the project including community consultation in the regions close to the project location (See photo's below).

This milestone for Aura's Tiris Uranium Project brings Tiris into the next important group of uranium projects that, subject to financing, will be developed. Due to its low capital cost, the implementation of Tiris remains achievable to meet the next cycle of rising uranium prices.

The Mining Lease Application will now be reviewed by various departments within the Mauritanian Mines Department and Environment Department over a period of 6 months.

The application documentation included the final agreed term sheet for the Tiris Shareholders Agreement, which covers the 10% Government interest in the Tiris Uranium Project and was successfully negotiated over a 3 week period.

The completion of the Definitive Feasibility Study (DFS) for the Tiris Uranium Project is targeted for the end of 2017, however as previously advised, Aura envisages some elements of the Tiris DFS will still be outstanding at this point with full completion expected in early in 2018. This is not expected to impact project implementation and financing, as a number of parallel activities will be conducted near the end of the Tiris DFS.

The critical areas remaining for the Tiris DFS are;

- The Tiris Project Water Study
- Metallurgical test work
- Tiris Mineral Resource upgrade
- Mining Study
- Detailed Engineering included package cost estimates
- Infrastructure Study

Aura continues to plan for all requirements for the implementation of the Tiris Uranium Project during 2018 including construction, potential product offtake and financing review. The various departments within the Mauritanian Government, including the Mines and Environment departments remain very supportive of Aura's project initiative and are assisting in the project's implementation.

## Tiris Project Engineering Progress

With the commencement of in-house engineering for Tiris activities completed to the end of the reporting period include;

- Review of the 2014 Scoping study, 2017 ESIA and Feasibility study documentation
- Issue of a Preliminary Project equipment list, General Design criteria, and the Procurement and Contract Packaging list which guides the contracting strategy
- Preparation of an engineering schedule for the Tiris Project
- Reviewed methodologies to control dust emissions in mining with shielding of mine loading area, sealed conveyors and covered stockpile
- Issued enquiries for test work to three preferred Rotary Scrubber drum suppliers These suppliers have the capability of turnkey equipment design and supply from ore dumping to crushing and screening
- Obtained services of Microstation designer to commence Block Diagrams/PFDs
- Prepared layout sketching of ore dumping, stockpile, retrieval, crushing and screening, based on nominated plant throughputs
- Held familiarisation discussions with expatriate management personnel previously stationed in Mauritania regarding local issues, and obtained logistics study for a major Mauritanian construction project
- Set up of project briefing sessions with a number of local engineering companies as possible engineering consultants

## Tiris Resource Upgrade Activities.

A program of 50 metre x 50 metre spaced drilling aimed at upgrading a higher proportion of the Tiris resource to Indicated and Measured status, commenced late in the quarter and is continuing. Ten percent of the holes being drilled are being triple tube diamond cored to validate down hole gamma logging results, to provide density data, to provide additional samples for metallurgical test work, and to enable inspection of the material below trenching depths.

## Tiris Water Search Activities

Water search activities are being focussed in the basal sedimentary units of the Taoudeni Basin, located 80 to 100 km south of the Tiris resources. The Taoudeni Basin sediments contain known aguifers providing water for operations further to the West. A series of targets have been identified in the El Mreiti formation sandstones, known to host prolific wells in the region, on which drill testing is about to commence.

## Photo’s from the Tiris Project Community Consultation Days

## TASIAST SOUTH GOLD PROJECT, MAURITANIA (AURA 100%)

Aura Energy Limited announced in late 2016 that it has secured rights to acquire 175 km$^2$ covering two under-explored mineralised greenstone belts in Mauritania (See Figure 2). The areas lie along strike from Kinross' giant Tasiast Gold Mine and from Algold's Tijirit gold deposits.

The Mauritanian government has been keen to ensure strong activity on the tenements it grants for exploration. The delay in the granting these gold tenements has been caused by the requirement for the tenements to be held in a non-Mauritanian company vehicle. The transfer of these tenements to this vehicle has caused the delay in grant.

Aura continues to expect these tenements to be granted in the near future.

As part of this process Aura has restructured these tenements into a separate vehicle and as part of that process secured an additional 420 km$^2$ tenement covering +50 kms of additional greenstone belt. This tenement, Grara Mouchgag, is on the western greenstone belts in this field and Aura believes the prospectivity of this tenement is similar to its other gold tenements. This new tenement is shown below in Figure 2.

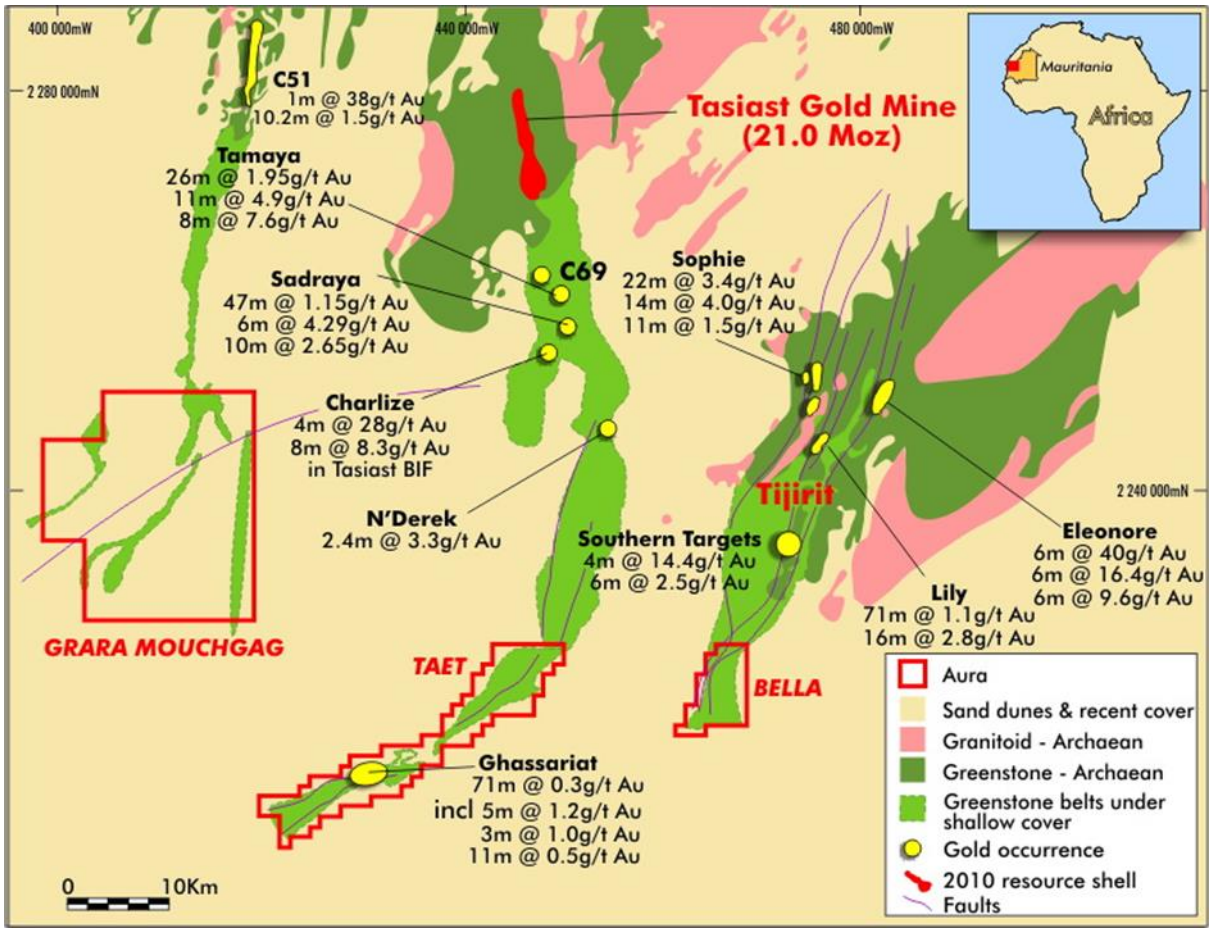



**Figure 2: Location of Aura areas in relation to known mineralisation**

These highly prospective gold areas represent an excellent opportunity in lightly explored Archean greenstone belts and will leverage Aura's extensive operating experience in this part of the world. The project is favourably located 200 km from Aura's Nouakchott office, 60 km from the coast, and can be managed efficiently within the company's existing management resources without distraction from Aura's core uranium focus.

**Future Work Program and Other Opportunities**

Next steps envisaged at Tasiast South are;

- Ground electrical geophysics to locate the strongest zones of disseminated sulphide development to prioritise drill targets
- Additional bedrock sampling by air-core or auger-drilling to better define the high nickel ultramafics and zones of copper/nickel for follow up drilling
- Deep drill testing (RC and DD) of gold and nickel/copper targets defined

Aura's timing for this work is dependent on granting of the permits but will likely commence during the third quarter 2017.

## LITHIUM AND SODA ASH PROJECT (MAURITANIA)

Aura sampled and assayed the two large Sabkhas (salt pans) in the region of its Tiris Uranium Project with a view to a source of soda ash for the Tiris Project and other minerals.

Initial sampling of the Amare lithium and soda ash prospect was undertaken late last year and the results indicated elevated grades of lithium but not at commercial levels.

This technical success has encouraged Aura to continue the program and test further parts of these Sabkha's and to assess further Sabkha's in the region.

Soda ash is the leach agent proposed for Tiris and if a source of sufficient quality can be located, it will provide significant benefits to the Tiris Project economics.

Sabkha is an Arabic name for a salt-flat that has come into general use in sedimentology. They are also known as "Salars" in South America and generically as salt pans or flats. The valuable salts can occur in the Sabkha environment either in clays at or near surface or in brine reservoirs deeper in the lake sediments.

# HÄGGÅN POLYMETALLIC PROJECT, SWEDEN (AURA 100%)

## Häggån Development Reassessment

The Häggån Polymetallic Project contains significant quantities of cobalt, vanadium, copper, uranium, molybdenum, nickel, zinc and neodymium.

Scoping studies previously completed by Aura have indicated that the Häggån Project has the potential be a very large low-cost producer with significant base metals and uranium output.

Work and discussions with relevant Swedish groups continued regarding a community engagement program for the Häggån Project.

The key aspects of the community liaison program are twofold;

- Recruitment of an appropriate representative
- Further the education and understanding of Aura's project in those areas
- Completion of an economic development study to outline the benefits of the project in terms of direct and indirect jobs, capital outlay and broader contribution to the local and regional economy

Aura continues to press the Häggån project as a unique and strategic source of metals in Europe.

Aura believes Häggån is a 5-7 year proposition as a development project and is scoping it work program around that time frame.

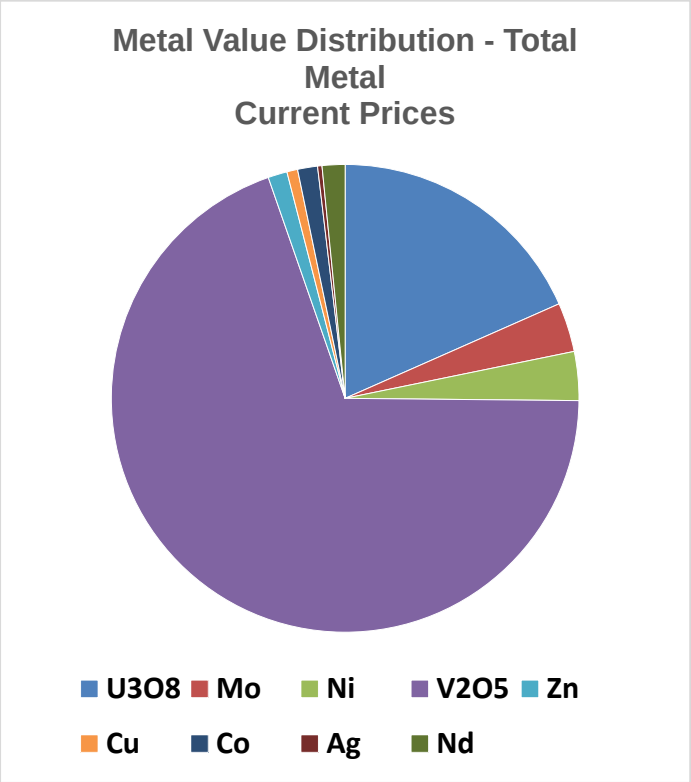
## Häggån Polymetallic Attributes

Aura conducted a study of Häggån's gross metal content to highlight the significant polymetallic potential of the project and to illustrate the value of these metals at current prices (See Figure 3 below).

This review has highlighted Häggån's potential to supply base metals and the so-called 'green metals' to satisfy the growing demand for battery related metals as part of the electrification of vehicles.

The potential for base metal streaming transactions from this deposit to aid the development is under review to reposition future development focussed on the benefits of base metal production from Häggån. This approach allows a broader appeal of the project in Sweden with strong industrial spin-off benefits for the local community such as local manufacturing and valued added metal work industries.

This work will continue over 2017.




| | | |
|---|---|---|
| U3O8 | $ | 40,067,500,000 |
| Mo | $ | 7,418,362,500 |
| Ni | $ | 7,351,740,000 |
| V2O5 | $ | 151,533,704,341 |
| Zn | $ | 2,886,622,500 |
| Cu | $ | 1,616,677,686 |
| Co | $ | 3,007,044,071 |
| Ag | $ | 663,721,731 |
| Nd | $ | 3,446,651,000 |
| *Base metal* | *$* | *177,924,523,829* |
| **Total** | **$** | **217,992,023,829** |

**Figure 3: Häggån spread of metal values**

# CORPORATE

### Unmarketable Parcel Sale Process

Aura instituted a Sale Facility for shareholders who hold unmarketable parcels of shares in the Company.

Under ASX Listing Rules an unmarketable parcel is defined as:

(i) a shareholding with a market value of less than A$500, and therefore

(ii) any shareholding of 13,513 shares or less based on the closing share price of 3.7 cents on the Record Date (6 February 2017) is an unmarketable parcel

At the completion of the process, 2,082,606 shares were sold reducing the number of shareholders by 363.

## Aura Energy Directory

| | |
|---|---|
| **ASX Code:** | AEE |
| **AIM Code:** | AURA |
| **Shares on issue:** | 792,808,124 |
| **Options on issue:** | 89,553,189 |

**Board of Directors:**

| | |
|---|---|
| Peter Reeve | Executive Chairman |
| Bob Beeson | Non-Executive Board Member |
| Brett Fraser | Non-Executive Board Member |
| Jules Perkins | Non-Executive Board Member |

**Website:** *www.auraenergy.com.au*

**For further information contact:**

**Mr Peter Reeve**
**Executive Chairman and CEO**
**Phone +61 3 9516 6500**
info@auraenergy.com.au

***Competent Persons***

*The Competent Person for the Tiris Metallurgical Test work is Dr Will Goodall.*

*The information in the report to which this statement is attached that relates to the test work is based on information compiled by Dr Will Goodall. Dr Goodall has sufficient experience that is relevant to the test work program and to the activity which he is undertaking. This qualifies Dr Goodall as a Competent Personas defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Goodall is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Dr Goodall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The Competent Person for the Tiris and Häggån Resources is Mr Neil Clifford.*

*The information in the report to which this statement is attached that relates to the resource is based on information compiled by Mr Neil Clifford. Mr Clifford 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. This qualifies Mr Clifford as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## Top 20 Shareholders

**Top 20 Shareholders** **26 July 2017**

| Rank | Name | Units | % of Units |
|---|---|---|---|
| 1. | COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C> | 246,847,839 | 31.14 |
| 2. | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 99,143,528 | 12.51 |
| 3. | CITICORP NOMINEES PTY LIMITED | 63,251,412 | 7.98 |
| 4. | PRE-EMPTIVE TRADING PTY LTD | 36,900,000 | 4.65 |
| 5. | SAMBOLD PTY LTD <SUNSHINE SUPER FUND A/C> | 15,364,895 | 1.94 |
| 6. | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP> | 14,752,355 | 1.86 |
| 7. | PASAGEAN PTY LIMITED | 13,094,558 | 1.65 |
| 8. | MR MARTY HENG LAU | 10,000,000 | 1.26 |
| 9. | MR PETER DESMOND REEVE | 9,718,304 | 1.23 |
| 10. | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA | 6,750,000 | 0.85 |
| 11. | BUSHELL NOMINEES PTY LTD <BUSHELL SUPER FUND A/C> | 6,292,542 | 0.79 |
| 12. | MR PIETER HOEKSTRA + MRS RUTH HOEKSTRA <HOEKSTRA SUPER FUND A/C> | 5,300,000 | 0.67 |
| 13. | YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C> | 4,754,793 | 0.60 |
| 14. | MS MICHELLE ANNE PAINE | 4,700,000 | 0.59 |
| 15. | MRS KERRYN PATRICIA DELEN | 4,104,840 | 0.52 |
| 16. | MR LUKE PETER DALE + MRS MARIEANNE ERIKA DALE | 3,611,468 | 0.46 |
| 17. | M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C> | 3,400,000 | 0.43 |
| 18. | MS CHUI YING CHAN | 3,327,828 | 0.42 |
| 19. | MR SCOTT ANDREW ROBERTS | 3,250,000 | 0.41 |
| 20. | DR ROBERT BEESON | 3,129,071 | 0.39 |
| **Total Top 20 Shareholders** | | **557,693,433** | **70.34** |
| **Remaining Shareholders** | | **235,114,691** | **29.66** |
| **GRAND TOTAL** | | **792,808,124** | **100.00** |

**Top 20 Shareholders** **26 April 2017**

| Rank | Name | Units | % of Units |
|---|---|---|---|
| 1. | COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C> | 245,012,306 | 30.90 |
| 2. | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 98,750,518 | 12.46 |
| 3. | CITICORP NOMINEES PTY LIMITED | 64,094,142 | 8.08 |
| 4. | PRE-EMPTIVE TRADING PTY LTD | 36,250,000 | 4.57 |
| 5. | SAMBOLD PTY LTD <SUNSHINE SUPER FUND A/C> | 15,364,895 | 1.94 |
| 6. | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP> | 13,939,258 | 1.76 |
| 7. | PASAGEAN PTY LIMITED | 13,094,558 | 1.65 |
| 8. | MR MARTY HENG LAU | 10,000,000 | 1.26 |
| 9. | MR PETER DESMOND REEVE | 9,718,304 | 1.23 |
| 10. | BUSHELL NOMINEES PTY LTD <BUSHELL SUPER FUND A/C> | 6,292,542 | 0.79 |
| 11. | MR PIETER HOEKSTRA + MRS RUTH HOEKSTRA <HOEKSTRA SUPER FUND A/C> | 5,300,000 | 0.67 |
| 12. | YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C> | 4,754,793 | 0.60 |
| 13. | MS MICHELLE ANNE PAINE | 4,700,000 | 0.59 |
| 14. | MRS KERRYN PATRICIA DELEN | 4,358,840 | 0.55 |
| 15. | MS CHUI YING CHAN | 3,600,000 | 0.45 |
| 16. | MR LUKE PETER DALE + MRS MARIEANNE ERIKA DALE | 3,496,659 | 0.44 |
| 17. | M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C> | 3,400,000 | 0.43 |
| 18. | MR HENDRIK JACOBUS DELEN + MRS KERRYN PATRICIA DELEN <DELEN FAMILY SUPERFUND A/C> | 3,179,142 | 0.40 |
| 19. | DR ROBERT BEESON | 3,129,071 | 0.39 |
| 20. | MRS JENNY LEE BUSHELL | 3,091,182 | 0.39 |
| **Total Top 20 Shareholders** | | **551,526,210** | **69.57** |
| **Remaining Shareholders** | | **241,281,914** | **30.43** |
| **GRAND TOTAL** | | **792,808,124** | **100.00** |

# ABOUT AURA ENERGY'S PROJECTS

## TIRIS PROJECT, MAURITANIA (AURA 100%)

The Tiris Uranium Project is based on a major greenfields uranium discovery in Mauritania, with 49 Mlb $U_3O_8$ in current resources[(1)] from 66 million tonnes @ 334 ppm $U_3O_8$. The project has several natural attributes which result in low capital and operating costs. These attributes are:

- Shallow flat-lying surface mineralisation (only 1-5 metres deep) within unconsolidated gravels
- Low cost mining with no blasting and negligible overburden
- Uranium ore can be simply (wash and screen) upgraded by up to 700%; from 335 ppm to 2500ppm
- Leads to a very small plant, small footprint and minimal supporting infrastructure
- Leach feed grade 2,000-2,500 ppm $U_3O_8$ with 94% leaching recovery in 4 hours

The conceptual 1 Mtpa mine and plant project described in the Scoping Study[(2)] was designed to take full advantage of these unusual characteristics, whilst providing a low capital cost and rapid project development and construction. Significantly, a water study by Golders has indicated that potential sources of water in the immediate vicinity will satisfy the demands of the project.

The Study, which indicates 11 million pounds of uranium will be produced over an initial mine life of 15 years, only utilises 20% of the known Global Mineral Resource resulted in the following outputs;

- Low capital cost – US$45 million
- Low operating cost – A$30/lb
- Easily scalable
- Mining at ~120 tph (1.0 Mtpa)
- Small 25 tph leach facility
- Mined grade >420ppm $U_3O_8$ for 15 years
- Produce 0.7-1.1 Mlbs $U_3O_8$ per year
- Expand project from cashflow

## HÄGGÅN POLYMETALLIC PROJECT, SWEDEN (AURA 100%)

Häggån is located in central Sweden and is a large undeveloped multi element project. The project has a resource containing significant quantities of cobalt, vanadium, uranium, molybdenum, nickel, zinc and neodymium.

The Häggån project is located in a sparsely populated area of swamp and forest used mainly for commercial forestry. Sweden's has a current and active mining industry, with a clear regulatory position and a well-established path from exploration to production.

A Scoping Study(5) suggests that the Häggån Project has excellent potential to become a major, low cost producer of a range of metal, a number which could support demand from the burgeoning electric vehicle battery industry. Aura's discovery that the mineralisation is ideally suited to bioleach metal extraction was the major breakthrough to creating a robust and economic project. Bioleaching, including bioheap leaching, is a proven technology widely used in copper and gold industries.

The Häggån Inferred Resource contains **2.35 billion tonnes** at the grades shown in the table below. Metal content is also shown.

| Metal | Grade | Content |
|---|---|---|
| | ppm | M lbs |
| $U_3O_8$ | 155 | 803 |
| Ni | 316 | 1640 |
| Zn | 431 | 2230 |
| Mo | 207 | 1070 |
| V | 1519 | 7870 |

### NOTES TO PROJECT DESCRIPTIONS

(1) There is a low level of geological confidence associated with inferred mineral resource and there is no certainty that further exploration work will result in the determination of indicated measured resource or that the production target will be realised.

(2) The Company released to the ASX the Tiris Project Scoping Study on 16 July 2014 and the Company believes that no material change to forecast capital and operating costs and forecast production rates have occurred since the release.

(3) There is a low level of geological confidence associated with inferred mineral resource and there is no certainty that further exploration work will result in the determination of indicated measured resource or that the production target will be realised.

(4) http://www.world-nuclear.org/info/Country-Profiles/Countries-O-S/Sweden

(5) The Company released to the ASX the Haggan Project Scoping Study on 7 February 2012 and an updated study on 29 May 2014. The Company believes no material change to forecast capital and operating costs and forecast production rates have occurred since the releases.

*+Rule 5.5*

# 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**

Aura Energy Limited

| **ABN** | **Quarter ended ("current quarter")** |
|---|---|
| 62 115 927 681 | June 2017 |

| **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 | (942) | (2,084) |
| | (b) development | | |
| | (c) production | | |
| | (d) staff costs | (189) | (565) |
| | (e) administration and corporate costs | (119) | (1,613) |
| 1.3 | Dividends received (see note 3) | | |
| 1.4 | Interest received | | 2 |
| 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** | **(1,250)** | **(4,260)** |
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | (4) | (25) |
| | (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) 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** | **(4)** | **(25)** |

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of shares | | 5,002 |
| 3.2 | Proceeds from issue of convertible notes | | |
| 3.3 | Proceeds from exercise of share options | 40 | 1,943 |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (20) | (158) |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (provide details if material) | | |
| **3.10** | **Net cash from / (used in) financing activities** | **20** | **6,787** |

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 3,765 | 318 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,250) | (4,260) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (4) | (25) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 20 | 6,787 |
| 4.5 | Effect of movement in exchange rates on cash held | 123 | (166) |
| **4.6** | **Cash and cash equivalents at end of period** | **2,654** | **2,654** |

| 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 | 76 | 50 |
| 5.2 | Call deposits | 2,578 | 3,715 |
| 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)** | **2,654** | **3,765** |

| 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 | 98 |
| 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

Directors emoluments due to non-executive directors as at 30 June 2016 for the financial year 2015-2016 were paid in December 2016

| 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**<br>*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 | | |
| 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.

| |
|---|
| |

| **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 | 145 |
| 9.5 | Administration and corporate costs | 150 |
| 9.6 | Other (acquisition of tenements) | |
| **9.7** | **Total estimated cash outflows** | **995** |

| **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: .. ..... Date: 31 July 2017
Company secretary

Print name: JM Madden

**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.