

### UPDATED USE OF FUNDS

Funds raised by the Equity Offer (\$5,111,737) together with other funds shown below are intended to be applied as follows:

#### SOURCES OF FUNDS

	\$ 000's
Adjusted Cash at 31 July 2016*	932
Equity Offer (before costs)	5,111
Previous year working capital balance	-
<b>TOTAL</b>	<b>6,043</b>

\* Cash at 31 July 2016 adjusted for expenses incurred (but not yet paid) up to 31 July 2016, other than expenses incurred in respect of the acquisition (which are part of the costs of the Offers & acquisition in the expenditure table below), and includes consideration of \$500,000 for the sale of the Company's former interest in the Hatches Creek project.

#### EXPENDITURE

	Year 1	Year 2	Total
	\$ 000's	\$ 000's	\$ 000's
<b>SOUTH HARZ PROJECT (GERMANY)</b>			
<b>Küllstedt</b>			
Site preparation & logistics	400	200	600
Drill rig mobilisation, drilling & consumables	1,240	800	2,040
Technical services - geology, logging, wireline logging, assays	250	100	350
Site rehabilitation	210	110	320
<b>Sub-total Küllstedt</b>	<b>2,100</b>	<b>1,210</b>	<b>3,310</b>
<b>Gräfentonna</b>			
Geological review and Target generation	100	-	100
<b>SUB-TOTAL SOUTH HARZ</b>	<b>2,200</b>	<b>1,210</b>	<b>3,410</b>

	<i>Year 1</i>	<i>Year 2</i>	<i>Total</i>
	<i>\$ 000's</i>	<i>\$ 000's</i>	<i>\$ 000's</i>
<b>SOUTHERN CROSS BORE (AUSTRALIA)</b>			
Tenement Rent & fees	14	19	33
Exploration & Rehabilitation	90	125	215
<b>SUB-TOTAL SOUTHERN CROSS BORE</b>	<b>104</b>	<b>144</b>	<b>248</b>
<b>SUB-TOTAL EXPLORATION PROJECTS</b>	<b>2,304</b>	<b>1,354</b>	<b>3,658</b>
<b>ADMINISTRATION</b>	507	490	997
<b>WORKING CAPITAL</b>	2,379	535	535
<b>COSTS OF THE OFFERS &amp; ACQUISITION OF EAST EXPLORATION<sup>^</sup></b>	853	-	853
<b>TOTAL</b>	<b>6,043</b>	<b>2,379</b>	<b>6,043</b>

<sup>^</sup> Costs of the acquisition of East Exploration are transaction costs, not the consideration payable for the acquisition.