



# Quarterly Report

To 30 September 2017

New Age Exploration Limited ("NAE" or "the Company") is pleased to provide shareholders the Company's Quarterly Report for the period ending 30 September 2017.

## Highlights

### **Lochinvar Coking Coal Project**

- Possible extension of the Nine Foot Seam to the west of the Lochinvar resource identified from Seismic interpretation and 4 holes planned to test these areas in ~March 2018

### **Redmoor Tin-Tungsten Project**

- Phase 1 drilling program (15 holes) completed in September
- Encouraging results from the first 10 holes released to date exceeding expectations with a number of broad, high grade intercepts from high grade zones within the Sheeted Vein System.
- The positive results to date encouraged NAE and SML to evenly fund £60,000 in August for an additional 2 Phase 1 holes, and a further £150,000 for the first 3 Phase 2 holes.
- A total of 3,150 meters drilled during the quarter with strong ongoing community support and no complaints received.
- Phase 2 drilling program now well advanced and is expected to be completed by the end of October with results expected during 2017 Q4.
- A resource update is expected in 2018 Q1.

### **Otago South Gold Project**

- Otago South Gold project initial exploration program completed with inconclusive results to date
- Permit areas reduced in July with a follow up exploration being planned to start in late 2017 Q4 focusing on the more prospective southern parts of the permits retained.

# Activities

## LOCHINVAR COKING COAL PROJECT, UK

The Lochinvar Coking Coal Project is located on the Scottish / English border. NAE was granted the initial (northern) Lochinvar exploration licence and conditional underground mining licence in June 2012. In July 2017 the northern Lochinvar licence was renewed for a further 3 years. NAE was granted the southern Lochinvar Licence in October 2014 for an initial 5 year term. All the licences are in good standing and are 100% owned by NAE.



Location of the Lochinvar Licences

### Lochinvar Scoping Study Update (March 2017)

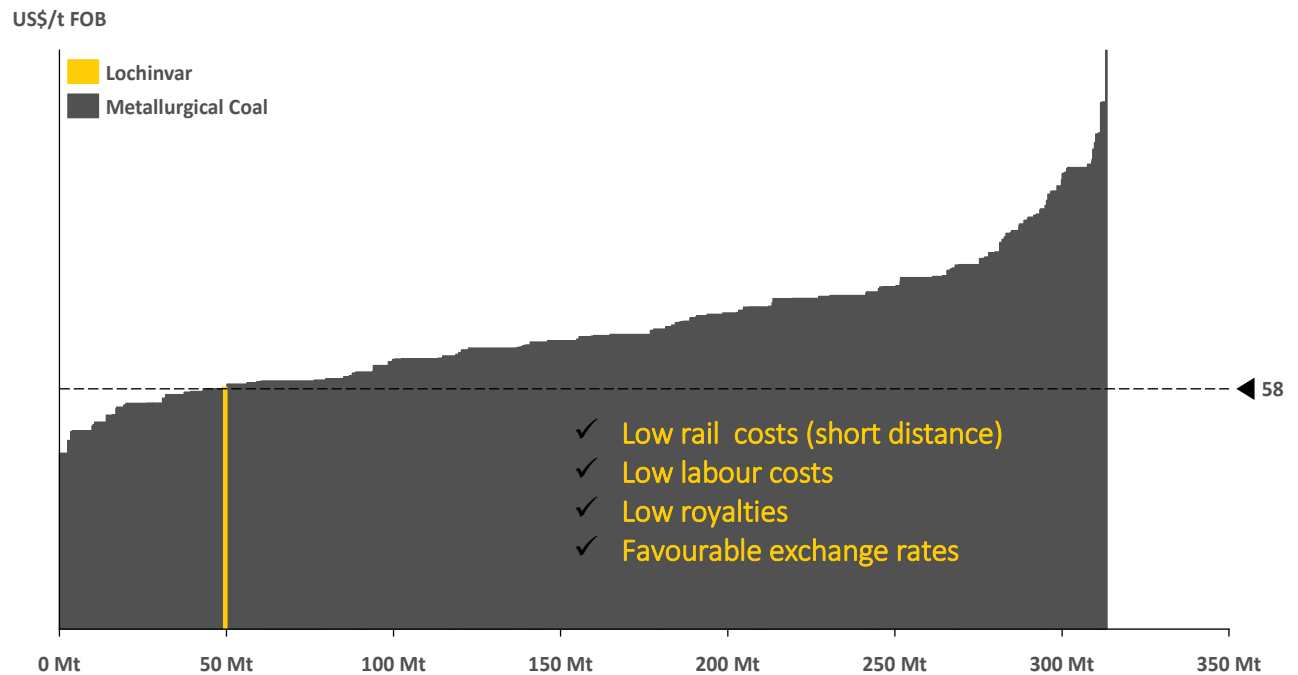
On 15 March 2017, NAE announced the results of an update of the Lochinvar Scoping Study which showed a substantial improvement in the project economics.

The Lochinvar project now has a base-case NPV9%, determined to an accuracy of  $\pm 40\%$ , of approximately US\$410M, an IRR of approximately 27% and a payback period of approximately 4 years. The Scoping Study Update results also demonstrate that the Lochinvar Project is robust to changes in Coking Coal price and other key assumptions (break even HCC price is US\$100/t). The economic evaluation is based on a US\$160/t HCC Benchmark Price / US\$150/t Lochinvar Realised Price.

The Scoping Study Update NPV improvement (2014 Scoping Study NPV was US\$263M) has primarily been driven by depreciation of the British Pound Stirling (GBP) against the USD following the outcome of the Brexit referendum, and by high demand for high volatile coking coals in Europe resulting in reduced quality discounts (i.e higher realised price) expected for Lochinvar coal sales into Europe.

These results show the potential for the Lochinvar project to deliver excellent returns on investment with lowest quartile operating costs resulting from short rail transport distances, low labour costs, high coal yield (71%), low royalties, and low taxes.

Lochinvar sits comfortably in the lowest quartile of the 2017 Wood Mackenzie Global Seaborne Coking Coal FOB cost curve. With a total FOB Operating Cost of US\$58/t, Lochinvar has the potential to deliver a low-cost, long life operation which is ideally located to supply the European steel industry.

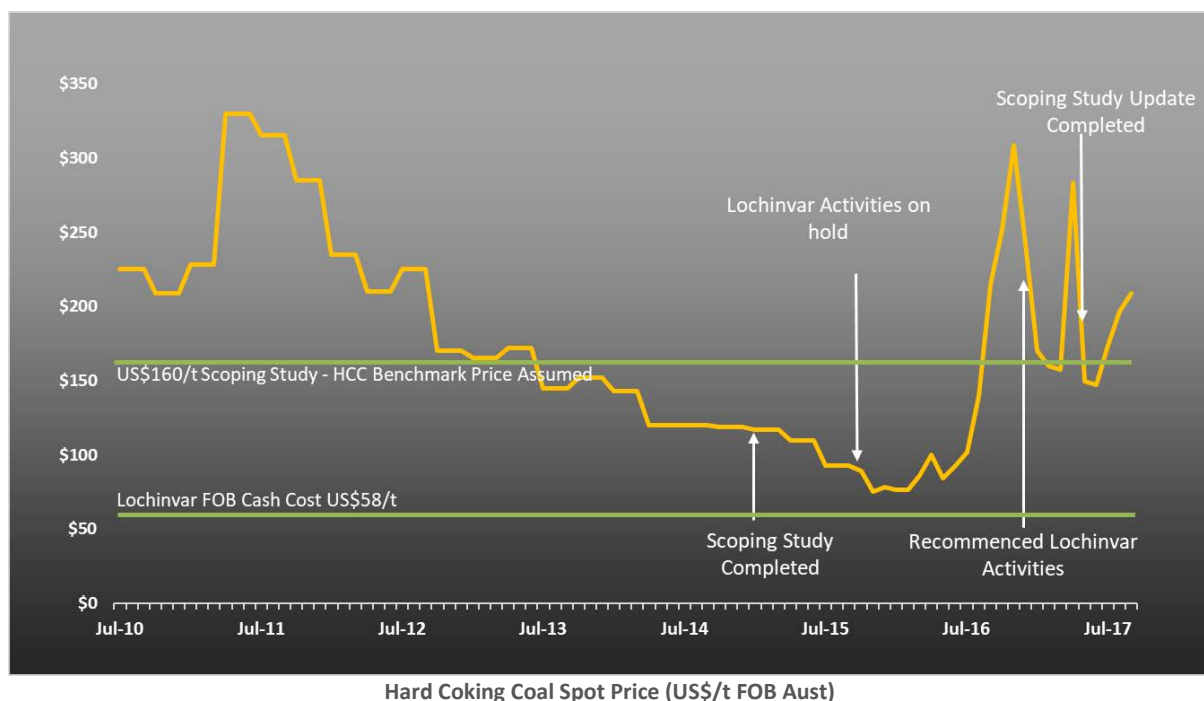


2017 Global Seaborne Metallurgical Coal Total Cash Cost Curve (source: Wood Mackenzie)

### Coking Coal Outlook

Since rising to a high of over US\$300/t last year, hard coking coal prices have fluctuated in the US\$150/t to US\$210/t range during 2017 with the current spot HCC benchmark price being ~US\$180/t.

The market this year is in line with the NAE Directors view that it is probable that the hard coking coal benchmark price will remain in the range of US\$140/t to US\$170/t over the medium to long term. A hard coking coal benchmark price of US\$160/t was used for the Lochinvar Scoping Study Update.



### Planned 2017/18 Exploration Program

A planned 2017/18 Lochinvar Exploration Program was announced on 15 May 2017. The focus of the planned program is to test possible extensions of the Nine Foot Coking Coal Seam to the west of the current resource which have been identified from interpretation of historic seismic lines in these areas.

These possible coal extensions to the west of the Lochinvar Resource have the potential for shallow coal (150 – 250m depth) which is also nearer to the rail infrastructure.

4 holes have been planned to test these areas with a budget of A\$0.6M. Applications for environmental permits are currently being prepared and are expected to take approximately 4 months. The earliest that the drilling could be undertaken is therefore in early 2018. As this is mid-winter in the UK, it is likely to be preferable to delay the drilling start until March 2018. Drilling the 4 holes is expected to take up to 2 months to complete. Funding has not yet been allocated to complete the 4 planned holes in March 2018 and a decision will be made closer to the time on whether this can be funded from available cash or if further funding is needed.

### Lochinvar Strategic Investor Update

Discussions are progressing with potential strategic investors and advisors aimed at providing funding options required to advance the Lochinvar Project.

## REDMOOR TIN-TUNGSTEN PROJECT, UK

The Redmoor Tin-Tungsten Project is located between the village of Kelly Bray and the small town of Callington in south east Cornwall, United Kingdom, approximately 25km by road from the city and port of Plymouth, and 40km from the recently commissioned Hemerdon Tungsten mine and processing plant. The area has well-established infrastructure and is located in the world class Cornwall tin-tungsten-copper mineralised district.

Cornwall Resources Limited holds a 15-year exploration licence over the Redmoor Tin and Tungsten project in the historic mining district of Cornwall, United Kingdom. The licence is in good standing.



Redmoor Location

### Joint Venture Agreement – Strategic Minerals

A joint venture transaction was completed in February 2017 with Strategic Minerals Plc (SML) with a total of £1.05M paid by SML for 50% of the Redmoor project. The £1.05M earn-in payment has been primarily applied to funding the Redmoor 2017 Phase 1 drilling program.

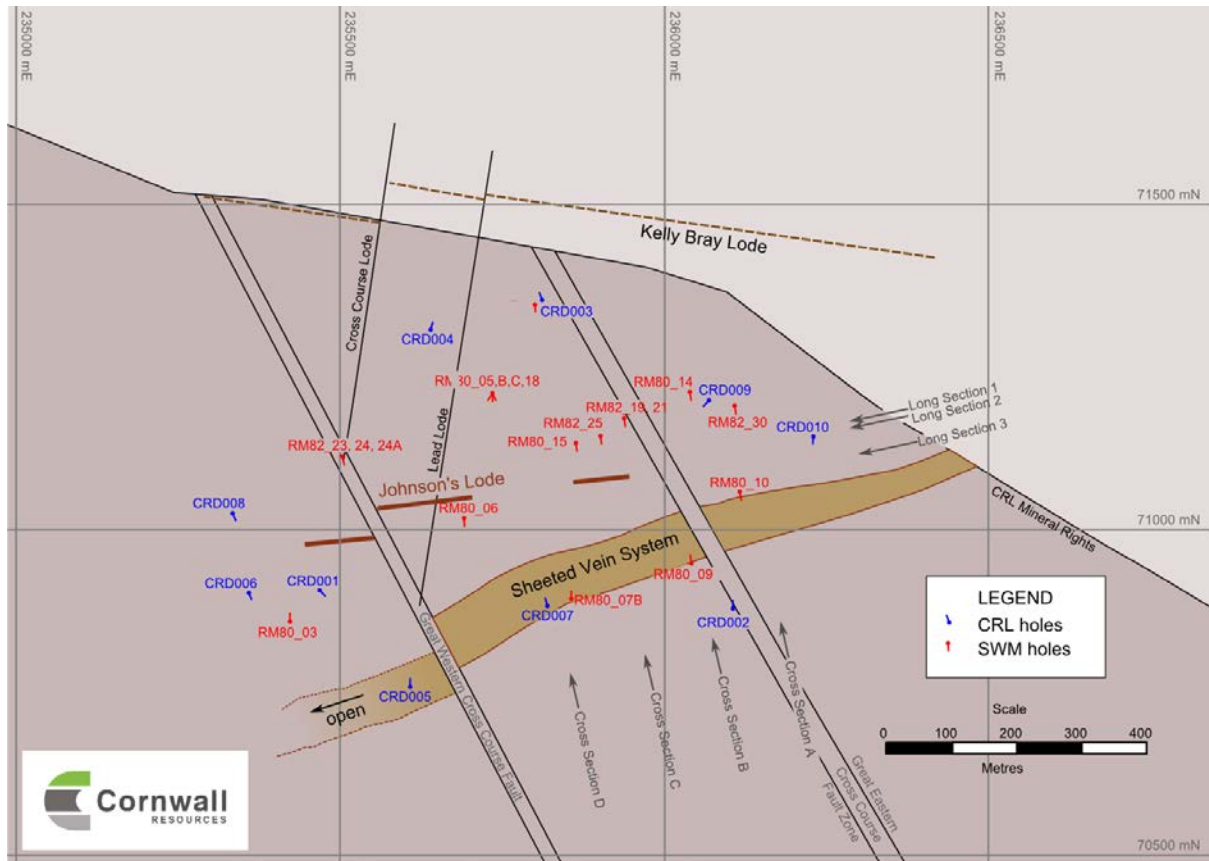
The Redmoor licence is held by Cornwall Resources Limited (“CRL”), a UK company now owned equally by NAE and SML.

### 2017 Exploration Program

On 21 March 2017, CRL began a 13-hole Phase 1 drilling program aimed at increasing the tin-tungsten-copper resource at its Redmoor Project.

In August 2017, NAE and SML evenly funded £60,000 for an additional 2 Phase 1 holes due to encouraging results to date from high-grade zones within the Sheeted Vein System (“SVS”) at Redmoor. Drilling of the extended 15-hole Phase 1 program is now completed and the results of the initial 10 holes were announced on 7 September 2017.

In September 2017, NAE and CRL agreed to evenly fund a further £150,000 for the first 3 holes of a Phase 2 drilling program at Redmoor. Additionally, up to 3 further Phase 2 holes may need to be evenly funded by NAE and SML, should they be required. The Phase 2 drilling program is focused on further definition of high-grade zones within the SVS, which are now considered to have potential to be the most economically attractive mining target within CRL's Mineral Rights.



Drillhole Collar Location Plan with surface representation of the SVS and high-grade lodes

### Encouraging Results from Initial 10 Phase 1 Drill holes

The first 10 holes of the 2017 Phase 1 drilling program included encouraging results from high-grade zones within the SVS with thicknesses and grades exceeding expectations of NAE's Directors. Selected significant SVS high-grade zone intercepts include:

- CRD007: 14.8 m @ 1.00 % SnEq from 245.7 m, including 2.5 m @ 3.39 % SnEq from 257.9 m
- CRD009: 17.5 m @ 0.68 % SnEq from 265.9 m, including 3.1 m @ 1.97 % SnEq from 280.3 m
- CRD009: 28.2 m @ 0.81 % SnEq from 298.8 m, including 7.0 m @ 1.89 % SnEq from 317.5 m
- CRD010: 11.1 m @ 0.57 % SnEq from 113.3 m, including 3.1 m @ 1.19 % SnEq from 121.3 m



The thicknesses quoted above are apparent thicknesses. Estimated true thicknesses are shown in the 7 September announcement. For convenience, significant intercepts are also expressed in terms of a calculated tin equivalent value (SnEq)<sup>1</sup>.

A review of historical (1980s) South West Minerals (SWM) drilling results has identified 31 significant high-grade intercepts within the SVS, some of which were previously interpreted to represent high-grade lodes. These intercepts provide confidence in the continuity of high-grade zones in the SVS.



High grade vein mineralization within SVS (CRD009 from 229.00 m – 302.00 m, only part of section visible. Wf = wolframite, Cp = chalcopyrite, Ap = arsenopyrite)

Results from the first 10 holes of the 2017 Phase 1 drilling program also included a successful high-grade intersection in Johnson's Lode and in Kelly Bray Lode:

- CRD002: 2.7 m @ 1.11% SnEq from 297.1 m; intercept in Johnson's Lode
- CRD004: 0.6 m @ 0.95 % SnEq from 212.3 m; intercept in Kelly Bray Lode

<sup>1</sup> Equivalent metal calculation notes;  $\text{Sn(Eq)\%} = \text{Sn\%} * 1 + \text{WO}_3\% * 1.43 + \text{Cu\%} * 0.40$ . Commodity price assumptions:  $\text{WO}_3$  US\$ 33,000/t, Sn US\$ 22,000/t, Cu US\$ 7,000/t. Recovery assumptions: total  $\text{WO}_3$  recovery 72%, total Sn recovery 68% & total Cu recovery 85% and payability assumptions of 81%, 90% and 90%

## SVS High Grade Zone Exploration Potential

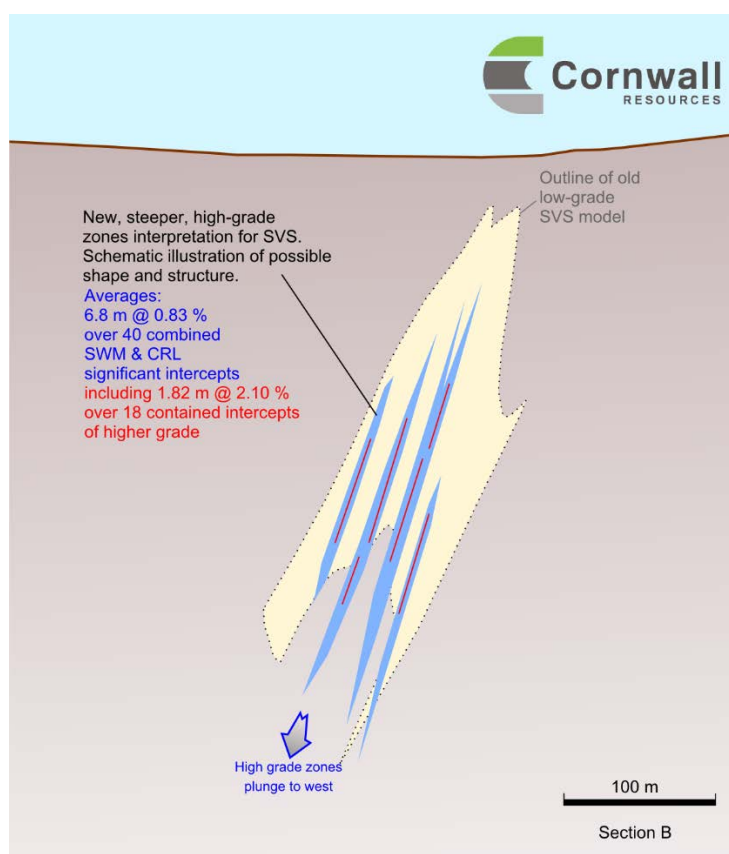
The encouraging 2017 CRL drilling results, combined with the results of the historic SWM drilling, have provided confidence that multiple high-grade zones exist within the SVS.

Preliminary interpretation of specific individual high-grade zones within the SVS has been commenced by CRL's geologists, however this work has not yet completed.

The preliminary interpretation of the SVS high-grade zones indicates that the presence of these zones extends over a strike length of over 650 m and remain open along strike to the west.

The SVS high-grade zone significant intercepts represent potentially attractive underground mining targets. They provide superior thickness, which may more than offset their slightly lower grade, compared to high-grade lode significant intercepts previously reported in the 15 December 2015 Resource Update announcement. Furthermore, in many cases the 'Included' higher grade intervals contained within the CRL 2017 and SWM historical drilling significant intercepts also have superior thickness and grade to the high-grade lode significant intercepts previously reported in the 15 December 2015 Resource Update announcement.

NAE's Directors believe that the delineation of the SVS high-grade zones has the potential to significantly increase the grade of the SVS Resource previously stated in the 15 December 2015 Resource Update announcement, albeit within a reduced tonnage, and may support a larger tonnage of high grade material than the high-grade lode resource reported in the 15 December 2015 resource update.



Schematic North-South Cross Section showing interpreted high-grade zones within the SVS



## Phase 2 Drilling Program

A Phase 2 drilling program of 3-6 holes commenced in September 2017 and is now well progressed with completion of drilling expected by the end of October 2017. Phase 2 is targeting further definition of high-grade zones within the SVS with the objective of defining a high-grade resource of sufficient size to potentially support an underground mining operation.

The remaining Phase 1 and Phase 2 results are expected during Q4 2017.

The General Permitted Development Order (GPDO) planning authorization from Cornwall Council has been successfully extended to 31 October in preparation for Phase 2 drilling.

## Resource Update

Subject to the results of the current and planned drilling, a resource update will be undertaken, results for which are expected in Q1 2018.

## Community

CRL has maintained a close working relationship with the local community and local and County Councils. No complaints have been received to date regarding the drilling and support activities or any other matter, and, where possible, local employment has been created. There are now two local community members working for the drilling company and CRL has employed a local geologist and a local mining engineer. CRL's Community Advisor is also locally based.

CRL has also entered into collaboration arrangements with local and regional universities; master's student research projects have been set up at with the Camborne School of Mines and the University of Portsmouth. Another project is in the planning stage with Plymouth University. A recent master's graduate who lives in Kelly Bray has been provided with an informal internship during August.



Drilling underway, with bales successfully used for acoustic mitigation

## Tungsten Outlook

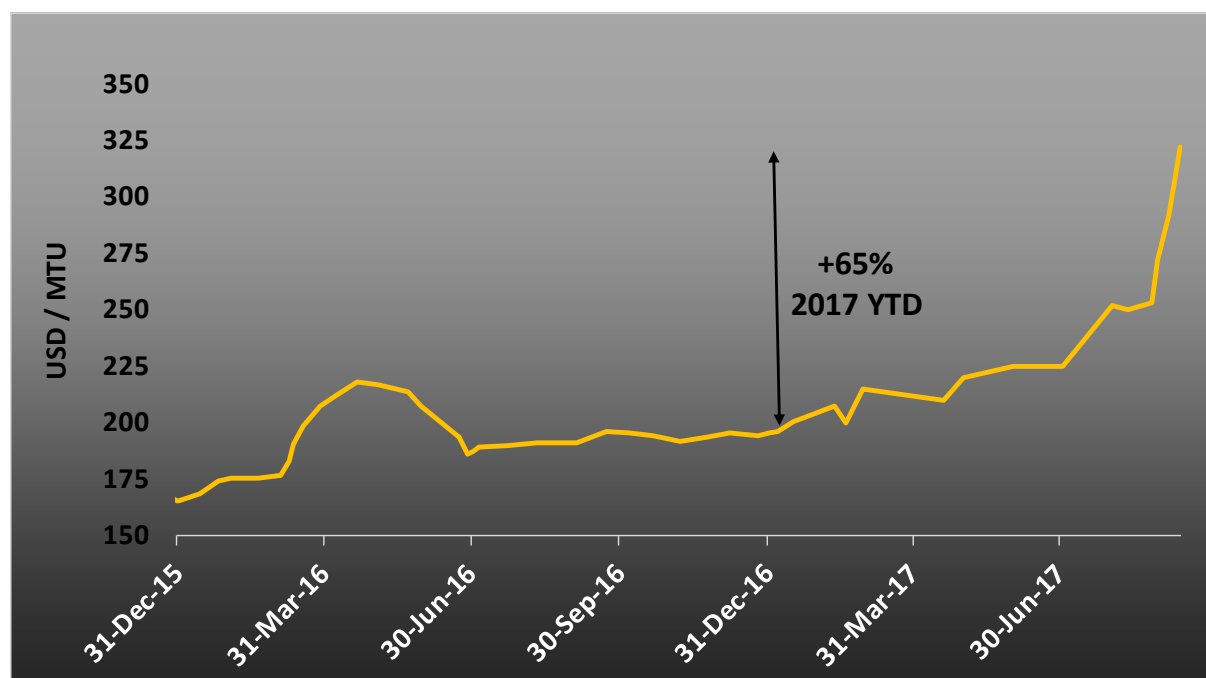
Tungsten has rallied 65% since the start of 2017, with the current spot price at ~US\$295/mtu after reaching highs of US\$310-335/mtu in September.

Tungsten is an indispensable commodity due to its unique properties including having the highest melting point of all metals (3422 °C), a high density (19.3g/cm<sup>3</sup> similar to gold) and hardness close to diamond. As a result, tungsten has many uses in today's society, and most commonly for its hardness in cemented carbide tools and steel alloys, such as drill bits, cutting tools and wear-resistant materials which have a range of uses in industry, construction, mining and defence. Tungsten also has a range of uses in cars and planes, where its high density is important. Light bulbs use tungsten wire elements, as do window heating strips in cars. Less known is tungsten's use in automatic watches and sports equipment such as in golf clubs. Lastly and also importantly, tungsten has a growing use in electronics such as vibrators in mobile phones and heat sinks in modern computer processors and integrated circuits

China produces about 80% of the world's tungsten, and recently, in August and September, there have been significant supply cutbacks. The Chinese government is now imposing quotas on tungsten production and is tightening up on enforcement of environmental and safety rules.

The European Union has classed tungsten as a critical commodity and the British Geological Survey places it at the top of its supply-risk list of materials needed to maintain the U.K.'s economy and lifestyle.

The NAE Directors expect there to be continued regulatory pressure on Chinese supply, in a similar fashion to Chinese regulation of its metallurgical coal production over the past 12 months. This, coupled with ongoing global demand growth for tungsten, is ideal timing for the Redmoor project, where a number of the recently announced high grade drilling results are starting to show that higher levels of tungsten may be present in the deposit. The Redmoor deposit contains tin, tungsten and copper.

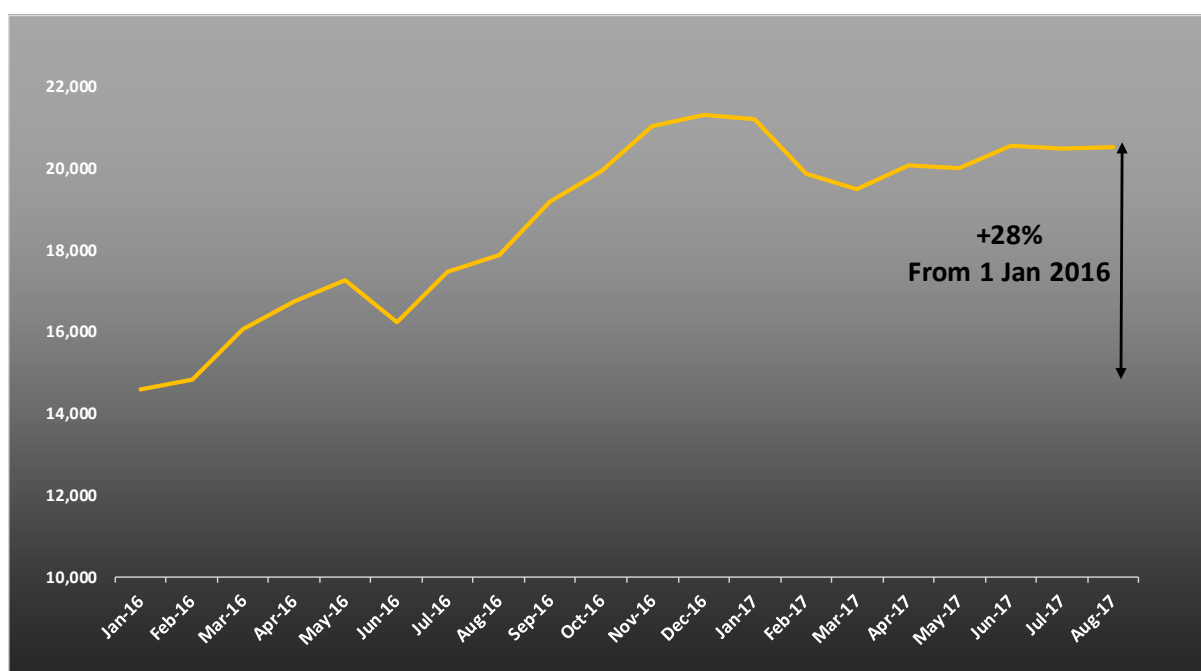


Tungsten Prices

## Tin Outlook

Tin was one of the strongest performing commodities during 2016 and with prices increasing by ~28% over the past 18 months, and now strengthening at ~US\$21,000 / t level.

The outlook for tin, with growing use in electronics (as a lead free solder), tin plating and alloys, coupled with declining supply and limited new supply projects, is also very positive. LME tin stocks are at 12-year lows.



Tin Prices

## OTAGO SOUTHERN SHEAR ZONE GOLD EXPLORATION PROJECT, NZ

Two Prospecting Permits over the Otago South Gold Project covering a total area of 876 km<sup>2</sup> were granted to NAE on 17 October 2016.

During 2017, an initial exploration program was completed over these Permits targeting shear hosted gold mineralisation in the south of the Otago Schist belt where recent research has identified a 'mirror image' of the geology present in the north of the schist belt some 60km away which hosts the (>10Moz Au) Macraes gold mine.

A soil sampling program comprising over 73 lines and 877 soil samples targeting conductivity lineaments was completed with soil samples analyzed using a portable XRF instrument. 246 rock chip samples were also collected and analyzed. The soil and rock chip results are inconclusive in that they have not identified any significant anomalous levels of arsenic (a pathfinder mineral for gold) for follow up exploration.

Mapping and petrographic study of the gold-bearing quartz veins in the historic gold workings around Lake Mahinerangi has shown that these appear to be relatively late stage, post-metamorphic, brittle features that are hosted in well defined, high angle, extensional faults. To

date there is no evidence of any late metamorphic ductile shearing that would be indicative of any shear zone gold targets.

Due to the results to date and to increased annual permit fees, in July 2017 NAE relinquished approximately 75% of the total area of both reducing the annual permit holding costs to approx. NZ\$13,000 p.a.

The southern areas retained by both permits contain the most promising ground as:

- The historic gold workings are all located in the southern areas retained.
- The retained areas are closest to known local alluvial gold deposits, e.g. Gabriel's Gully (>0.5Moz Au).
- The retained permits cover the most complex zone of intersecting and converging conductivity lineaments that are oriented NW parallel to significant regional-scale faults and boundary features in the basement rocks (like the Tuapeka Fault zone and textural zone boundaries to the north and south, respectively). Furthermore, using our analogy with the Hyde Macraes Shear Zone, these NW-trending lineaments define the most favourable structural trend and orientation for potential shear zone hosted gold deposits.

NAE is currently working with Dr. MacKenzie and its technical consultants CRL Energy to determine the exploration strategy and work plan that may be most effective to further explore the most prospective areas retained. Further field work is planned in late Q4 (after the winter season).

## COMPETENT PERSONS STATEMENT

### REDMOOR

The information in this report that relates to Exploration Results and also the Exploration Target and Inferred Mineral Resource is based on information compiled and reviewed by Dr Mike Armitage, who is the Chairman of SRK Global and a Corporate Geologist with SRK Consulting (UK) Ltd and is a Member of the Institute of Materials, Minerals and Mining (MIMMM), a Fellow of the Geological Society of London (FGS), a Chartered Geologist of the Geological Society of London (CGeol) and a Chartered Engineer, UK (CEng). Dr Armitage has sufficient experience which 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Armitage has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### LOCHINVAR

The Resources estimate is based on information compiled by Dr John Bamberry, who is a Member of the Australasian Institute of Geoscientists (Member No. 4090). Dr Bamberry is the Principal Geologist at Palaris. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he 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. Dr Bamberry has over 25 years' experience in exploration and mining of coal deposits.

Neither Dr Bamberry nor Palaris have a direct or indirect financial interest in, or association with New Age Exploration Ltd, the properties and tenements reviewed in this report, apart from standard contractual arrangements for the preparation of this report and other previous independent consulting work. In preparing this report, Palaris has been paid a fee for time expended based on standard hourly rates. The present and past arrangements for services rendered to New Age Exploration Ltd do not in any way compromise the independence of Palaris with respect to this review.

### OTAGO SOUTH GOLD PROJECT

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Dr Doug MacKenzie, who is a Senior Research Fellow at the University of Otago, Geology Department and is a Member and Chartered Professional Geologist of the Australasian Institute of Mining and Metallurgy. Dr MacKenzie has over 20 years research experience in the Otago Schist and related rocks with emphasis on relationships between structure, metamorphism and gold mineralization. Dr MacKenzie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Dr MacKenzie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## FORWARD LOOKING STATEMENTS

This report contains “forward-looking information” that is based on the Company’s expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company’s business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as “outlook”, “anticipate”, “project”, “target”, “likely”, “believe”, “estimate”, “expect”, “intend”, “may”, “would”, “could”, “should”, “scheduled”, “will”, “plan”, “forecast” and similar expressions. The forward looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.

## SUPPORTING INFORMATION AND CAUTIONARY STATEMENTS

This presentation has been prepared as a summary only, and does not contain all information about NAE’s projects or its assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to NAE’s securities. The securities issued by NAE are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future. NAE does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this report. Recipients of this report should carefully consider whether the securities issued by NAE are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

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## FOR MORE INFORMATION

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# 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

New Age Exploration Ltd

### ABN

65 004 749 508

### Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(80)	(80)
(b) development		
(c) production		
(d) staff costs	(130)	(130)
(e) administration and corporate costs	(81)	(81)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	22	22
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(265)</b>	<b>(265)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments	(166)	(166)
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) Proceeds from partial disposal of interest in controlled entity		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Research and development refund		
2.5	Other (provide details if material)		
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(166)</b>	<b>(166)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
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		
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	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,724	1,724
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(265)	(265)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(166)	(166)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5a	Effect of movement in exchange rates on cash held	3	3
4.5b	Effect on cash upon deconsolidation of controlled entity		-
4.6	Cash and cash equivalents at end of period	1,296	1,296

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	717	1,011
5.2	Call deposits	579	713
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)	1,296	1,724

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter  
\$A'000

78

Fees paid to directors or their related entities

**7. Payments to related entities of the entity and their associates**

- 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

Current quarter  
\$A'000

**8. Financing facilities available**

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

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.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
33	1

Company credit card facilities secured by term deposits

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	60
9.2 Development	
9.3 Production	
9.4 Staff costs	115
9.5 Administration and corporate costs	84
9.6 Other (provide details if material)	
Payments for investment in joint venture	155
<b>9.7 Total estimated cash outflows</b>	<b>414</b>

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: .....

(Director/Company Secretary)

Date: **24 October 2017** .....

Print name: .....Gary Fietz.....

### 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.

In accordance with ASX Listing Rule 5.3.3, New Age Exploration Limited provides its list of exploration licences with its June 2017 quarterly activities report.

Licence No.	Project	Country	Area (km <sup>2</sup> )	Licence Type	NAE Group % Interest
CA11/EXP/0515/N	Lochinvar	United Kingdom	67.5	Exploration Licence	100%
CA11/UND/0176/N	Lochinvar	United Kingdom	67.5	Conditional Underground Licence and Option Agreement	100%
CA11/EXP/0545/N	Lochinvar South	United Kingdom	51.0	Exploration Licence	100%
CA11/UND/0182/N	Lochinvar South	United Kingdom	51.0	Conditional Underground Licence and Option Agreement	100%
CL132803 <sup>(a)</sup>	Redmoor	United Kingdom	23.0	Mineral Rights	50.0%
MPP60254	Otago South Gold - Mahinerangi	New Zealand	154.0	Prospecting Permit	100%
MPP60255	Otago South Gold - Teviot	New Zealand	66.0	Prospecting Permit	100%

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- a) Part of the Mineral Rights for Title CL132803 have not yet been registered with the Land Registry for England and Wales.