

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Magnis Resources Limited

ABN

26 115 111 763

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(2,074)	(2,074)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(637)	(637)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	26	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income and other taxes paid	-	-
1.7	Other GST/VAT	(217)	(217)
Net Operating Cash Flows		(2,902)	(2,902)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(24)	(24)
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) (net)	-	-
Net investing cash flows		(24)	(24)
1.13	Total operating and investing cash flows (carried forward)	(2,926)	(2,926)

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Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	212	212
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		212	212
Net increase (decrease) in cash held		(2,714)	(2,714)
1.20	Cash at beginning of quarter/year to date	4,652	4,652
1.21	Exchange rate adjustments to item 1.20	(7)	(7)
1.22	Cash at end of quarter	1,930	1,930

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

Entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	81
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Directors' remuneration entitlements, expenses and consulting fees.	

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

-

- 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

-

+ See chapter 19 for defined terms.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,233
4.2 Development	-
4.3 Production	-
4.4 Administration	472
Total Net Cash Outflow	1,705

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	1,930	1,637
5.2 Deposits at call	-	3,015
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,930	4,652

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

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

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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	Preference *securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	263,966,222	263,966,222		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	405,236 1,471,419 (Listed Options Exercised)	405,236 1,471,419	16.15 10	
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

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7.7	Options (description and conversion factor)	1,500,000	-	Exercise price - \$	Expiry date
		750,000	-	0.175	19-Nov-15
		750,000	-	0.1	14-Jun-16
		750,000	-	0.15	14-Jun-16
		750,000	-	0.1	3-Sep-16
		750,000	-	0.15	3-Sep-16
		6,000,000	-	Nil	Various
		500,000	-	0.18	17-Nov-16
		209,928,125	209,928,125	0.1	31-May-17
		300,000	-	0.2	31-May-17
		500,000	-	0.29	31-Mar-17
		300,000	-	0.27	11-Aug-17
7.8	Issued during quarter	300,000	-	27	11 Aug 2017
7.9	Exercised during quarter	1,471,417	1,471,419	10	31 May 2017
7.10	Expired during quarter	1,750,000	-	81.5	25 Aug 2014
		1,750,000	-	60.5	25 Aug 2014
		150,000	-	51.5	11 Jul 2014
		100,000	-	42.5	11 Jul 2014
		250,000	-	48.5	11 July 2014
		250,000	-	58.5	11 Jul 2014
		2,000,000	-	Nil	30 Jun 2014
		1,000,000	-	Nil	29 Aug 2014
		500,000	-	Nil	29 Aug 2014
		500,000	-	Nil	29 Aug 2014
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____
 (Chief Executive Officer)

Print name: Dr Frank Houllis
 Date: 31 October 2014

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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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.

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APPENDIX

Schedule of mining tenements			
Project / Tenement		Group Ownership	
Tenement Number	Name	Locality	%
E 38/1732	Thatcher Soak	Western Australia	100
M 38/1253 (Pending)	Thatcher Soak	Western Australia	100
P 38/3298	Thatcher Soak	Western Australia	100
EL 25165	Alligator Rivers	Northern Territory	100
PL9018/2013	Manyoni East	Tanzania	100
PL7334/2011	Mkwese	Tanzania	100
PL5832/2009	Kilimatinde	Tanzania	100
PL5833/2009	Saranda	Tanzania	100
PL5834/2009	Kianju	Tanzania	100
PL5830/2009	Mhalala	Tanzania	100
PL6573/2011	Madumai	Tanzania	100
PL9017/2013	Issuna	Tanzania	100
PL8481/2013	Itigi	Tanzania	100
PL8488/2012	Choda	Tanzania	100
HQ-P23439 (Application)	Makuru	Tanzania	100
PL4870/2007	Mkuju West	Tanzania	100
PL5726/2009	Mkuju 2	Tanzania	100
PL8076/2012	Mkuju 1	Tanzania	100
PL8418/2012	Ilongo North	Tanzania	100
PL5998/2009	Mkuju East	Tanzania	100
PL6425/2010	Mkuju 3	Tanzania	100
PL6943/2011	Ruanda	Tanzania	100
PL6946/2011	Itimba	Tanzania	100
PL6945/2011	Mbunga	Tanzania	100
PL5999/2009	Lisitu	Tanzania	100
PL9590/2014	Kutunga	Tanzania	100
PL7463/2011	Lihehe	Tanzania	100
PL7377/2011	Ruangwa	Tanzania	100
PL8697/2012	Rutamba North	Tanzania	100
PL8696/2012	Lihehe East	Tanzania	100
PL9076/2013	Nachu	Tanzania	100
PL6404/2010	Rutamba	Tanzania	100
HQ-P20784 (Application)	Rutamba South	Tanzania	100
PL7465/2011	Sipuka North	Tanzania	100
PL8016/2012	Sipuka East	Tanzania	100

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