

ASX/Media Release 30 January 2017

### **ACTIVITIES REPORT DECEMBER QUARTER 2016**

#### GTI TRANSITION TO GOLD PRODUCER IN AUSTRALIA

# PLEASE REFER TO GTI ASX RELEASE DATED 27 JANUARY 2017 FOR SPECIFIC DETAILS INCLUDING MINERAL RESOURCE STATEMENT AND ORE RESERVES

GTI has entered into an option and lease agreement with Poseidon Nickel Limited (Poseidon) in relation to the WINDARRA TAILINGS DAMS (North, South and Central Dams) and 3 gold mining leases in Laverton Western Australia.

GTI plans to construct a relocatable gold tailings treatment plant to recover gold and other minerals located in the 3 tailings dams (refer map attached). GTI has rights to 80% of the 3 MLs with Poseidon 20% free carried to any Bankable Feasibility Study. Drilling programmes are now being assessed. Acquisition price of \$3 million cash (non-refundable).

The opportunity is subject to due diligence, finance and the West Australian Government terminating the 1971 State Poseidon Nickel Agreement and transferring to the West Australian Mining Act.

#### **KEY DATES**

- Deposit paid \$25,000 (due diligence fee) expires on or before 28<sup>th</sup> March 2017;
- Second payment 28<sup>th</sup> March 2017 of \$975,000;
- Third payment 28<sup>th</sup> June 2017 \$1,000,000; and
- Final payment of \$1,000,000 payable 90 days after issue of a ML over the Windarra Gold Tailings Project.

GTI plans to have commitments in place by the 28<sup>th</sup> March 2017 – if funding arrangements are not in place by 28<sup>th</sup> March 2017 the option will expire. Discussions are now taking place with identified debt funders to finance the relocatable processing plant.

Poseidon have been in discussions with the West Australian State Government with a view to terminating the 1971 Poseidon Nickel Agreement which expires in December 2017. The State Government have indicated to Poseidon that termination will not take place until after the 2017 State election, as the termination requires an Act of Parliament allowing the issuance of the ML under the WA Mining Act. Poseidon have been advised this is likely to be in the second half of 2017.



GTI now has access to all Poseidon's data and reports including a Definitive Feasibility Study (DFS) and gold tailings mine plan completed in 2012.

GTI has reviewed a number of projects over an extended time frame. This project is well known to the team and represents a real opportunity to add value in real terms to the balance sheet of GTI, allowing GTI to advance opportunities for all shareholders.

The Poseidon team are focussed on developing the WINDARRA NICKEL PROJECT.

Shareholders will be offered the opportunity to participate in a shareholder purchase plan on terms to be announced.

Shareholders will be kept up to date and provided with a notice of meeting requesting approval for this transaction.

Shareholders will be given a comprehensive update following due diligence.

During the quarter a placement of 3.5 million shares was completed raising \$70,000 in additional working capital

A wholly owned subsidiary company was incorporated called GTI Minerals Pty Ltd.

The board continues to investigate alternative funding opportunities to provide ongoing working capital to the company, including short term unsecured borrowings and joint venture opportunities.

In the interim short term funding requirements are being satisfied by small placements, asset sales and unsecured loans from directors on an as required basis. The company is of the belief that it will have sufficient working capital and financial support to fund ongoing activities.

Murray McDonald
Executive Chairman



## **Tenement Schedule**

Tenements held as at 31 December 2016

PROJECT	TENEMENT	HOLDER/APPLICANT	SHARES HELD
Meeka	E51/1556	GTI Resources Ltd	100%
Niagara	E40/342	GTI Resources Ltd	100%

Changes of tenure during the quarter

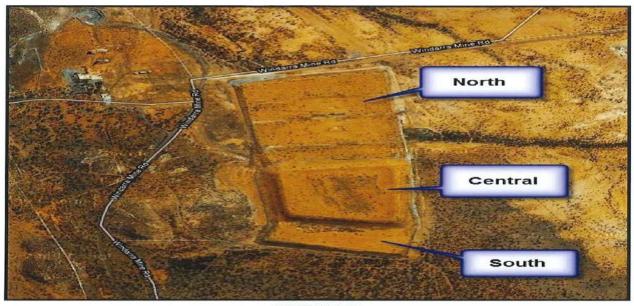
PROJECT	TENEMENT	HOLDER/APPLICANT	SHARES HELD
Mount Jackson	E77/2199	GTI Resources Ltd	Nil

#### **Key to Tenement Schedule**

E - Exploration Licence

ELA - Exploration Licence Application

P - Prospecting Licence



**WINDARRA** North - Central - South Tailings Dumps

#### Forward Looking Statements:

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning GTI Resources Ltd planned exploration programmes and other statements that are not historical facts. When used in this document, the words such as could-plan-estimate-expect-intend-may- potential-should and similar expressions are forward-looking statements. Although GTI Resources Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

