

ASX Announcement

30 March 2017

ASX Code: ENL

Eagle Nickel Limited proposed acquisition of a highly prospective package of tenements and tenement applications in Western Australia and South Australia.

The Board of Eagle Nickel Limited (ENL) is pleased to announce that it has executed a conditional agreement to acquire 100% of Pure Manganese Pty Ltd (PM) via the Proposed Transaction. PM has an agreement in place to acquire 80% of Mineral Developments Pty Ltd (MDV). PM has an agreement in place with GB Energy Limited (ASX code: GBX) to acquire the tenement EL5391. PM has secured in its own name, or via entry into acquisition agreements, a total of 5 granted exploration licenses and 2 exploration license applications.

Upon successful completion of the Proposed Transaction, ENL will hold:

Tenement	Status	Project	Holder	Grant Date	End Date	Prospective for
E08/2693	Granted	Mt Boggola, WA (80%)	MDV (20%)	29/09/2015	28/09/2020	Gold-copper
E09/2132	Granted	Bordah Well, WA (80%)	MDV (20%)	01/07/2016	30/06/2021	Gold-copper
E09/2133	Granted	Morrissey Hill, WA (80%)	MDV (20%)	20/07/2016	19/07/2021	Lithium and REE mineralisation
E09/2136-I	Granted	Morrissey Hill, WA (80%)	MDV (20%)	20/07/2016	19/07/2021	Lithium and REE mineralisation
EL5391	Granted	Lake Blanche, SA (100%)	GB Energy (nil post completion)	27/03/2014	26/03/2018	Lithium and uranium
E09/2217-I	Application	Battery Hub, WA (100%)	Pure (100%)			Manganese
E52/3523-I	Application	Battery Hub, WA (100%)	Pure (100%)			Manganese

The Morrissey Hill project is prospective for lithium and REE mineralisation. The Lake Blanche Project in South Australia is prospective for both lithium and uranium mineralisation while manganese mineralisation has been discovered by drilling at the Battery Hub Project in the Pilbara region of Western Australia.

The Company will also gain exposure to the Mt Boggola and Bordah Well Projects which are each highly prospective copper-gold and gold projects in the Pilbara and Gascoyne regions of Western Australia.



(More detailed technical information on the projects is provided in the attached Appendices)

Key Acquisition Terms

The key terms of the Acquisition are as follows:

- **Consideration:** subject to satisfying the conditions precedent, the Company will issue to the Vendors:
 - (a) \$90,000 cash payment;
 - (b) 17,500,000 Shares:
 - (i) 12,500,000 to the PM shareholders (Initial Consideration Shares); and
 - (ii) 5,000,000 to the MDV shareholder.
 - (c) A total of 35,000,000 Shares as deferred consideration on the satisfaction of the Company achieving the following (Deferred Consideration Shares):
 - (i) delineation on inferred JORC Mineral Resources of at least 4 million tonnes at 10% of manganese (i.e. 400,000 tonnes of contained manganese above a grade of 10% Mn) at the acquired tenement applications of PM, within 12 months of completion of the PM transaction and the 20 day VWAP of the Company's shares being equal to or greater than \$0.04, also within 12 months of completion (10,000,000 Deferred Consideration Shares) (**Milestone 1**); and
 - (ii) completion of a positive feasibility study at any of the tenements or tenement applications of PM acquired at completion of the Acquisition and the 20 day VWAP of the Company's shares being equal to or greater than \$0.06 (25,000,000 Deferred Consideration Shares) (**Milestone 2**).
- **Conditions Precedent:** Completion of the Proposed Transaction is subject to and conditional upon the following conditions:
 - (a) the Company obtaining shareholder approval in accordance with the Corporations Act and Listing Rules that are required to give effect to the transaction;
 - (b) the Company receiving conditional approval by ASX to reinstate its securities on the official list of the ASX and those conditions being satisfied to the reasonable satisfaction of the Company and PM;
 - (c) the Company completing the proposed capital raising; and
 - (d) PM acquiring 80% of Mineral Developments Pty Ltd pursuant to an existing acquisition which is conditional on the Company fulfilling sub clauses (a)-(c) as mentioned above.

- **Re-compliance with chapters 1 & 2 of the Listing Rules**

The acquisition of PM will result in a change in the scale of activities in ENL and will require shareholder approval under Chapter 11 of the Listing Rules and re-compliance by ENL with Chapters



1 & 2 of the Listing Rules. ENL will despatch a notice of meeting to shareholders seeking the relevant approvals to undertake this process, with such notice to contain detailed information relating to the acquisition of PM.

In the context of ENL's proposed application under Chapters 1 and 2, a waiver is being sought from the ASX in relation to Listing Rule 2.1 condition 2 because it is proposed that the issue price of all securities for which ENL will be seeking quotation will be less than 20 cents per share.

A waiver is also being sought from Listing Rule 7.3.2 to permit the Company to issue the Deferred Consideration Shares over a period of 12 and 54 months from the date of the general meeting, subject to the milestones being met.

The Company reminds shareholders of ASX's policy for the removal of long term suspended entities detailed in ASX Guidance Note 33 Removal of Entities from the ASX Official List ("Guidance Note 33").

Pursuant to Guidance Note 33, any entity that has been in continuous suspension for more than 3 years, as the Company has been since 5 May 2014, will be automatically on the third anniversary of its suspension date if it is still suspended. It is unlikely the Company's securities will re-commence trading before 5 May 2017.

ASX may agree to a short extension of this deadline if the Company can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to the resumption of trading in its securities within a reasonable period. For these purposes, ASX considers "final stages" to mean:

- having announced the transaction to market;
- having signed definitive legal agreements for the transaction (including for any financing required in respect of the transaction);
- if the transaction requires a prospectus or product disclosure statement to be lodged with ASIC, having lodged that document with ASIC, and
- if the transaction requires security holder approval, having obtained that approval.

The Company intends to lodge the prospectus for the Capital Raising in early May. Once lodged, and providing shareholders pass the resolutions the subject of the proposed Notice of Meeting, the Company will have met all requirements to enable it to request a short extension from ASX to the de-listing deadline. The Company confirms it will make such a request at the appropriate time and keep the market updated in this regard.

The Company notes that any such extension of time may not be granted by the ASX and that the ASX has sole discretion on whether an extension of time is approved or not and for what period of time the extension is to be granted.

If the Company is unable to meet the conditions required by ASX to request an extension, or if ASX does not grant an extension, the Company will be removed from the Official List of ASX at close of business on 5 May 2017.

- **General impact on ENL**



Since May 2014, ENL has effectively been dormant and has not traded.

The recently appointed board is of the view that the Proposed Transaction is in the best interests of ENL and its shareholders. ENL holds no significant assets, and so the Acquisition and Capital Raising are intended to create additional value for the benefit of ENL and its shareholders.

- **Capital Raising**

In connection with the Acquisition, the Company proposes to capital raise a minimum and maximum subscription of \$4.5 million via the issue of 225,000,000 shares at an issue price of \$0.02 per Share (**Capital Raising**). The Capital Raising will be in the form of an offer to eligible overseas and Australian investors under the Prospectus.

ENL has appointed Xcel Capital Pty Ltd as Lead Manager in relation to the Proposed Transaction and the offer.

- **Consolidation**

In connection with the Acquisition, the Company proposes to undertake a share consolidation where every 67 shares will be consolidated into 10 shares.

- **Conversion of Convertible Notes**

In connection with the Acquisition, the Company proposes to convert the existing convertible notes to post-consolidation shares, leaving the Company debt free.

The Company currently has issued 200,000 convertible notes at a face value of \$1 each to an entity associated with existing director, Mr Andrew McKay ("Noteholder"). Under the terms of the convertible notes, subject to prior receipt of shareholder approval, all outstanding notes are converted into Shares in the Company as full and final repayment upon a relisting event.

To satisfy this, the Company proposes to issue 10,000,000 post-consolidation Shares to the Noteholder (or nominees) in full and final satisfaction of repayment of the convertible notes.

- **Board changes at completion**

In connection with the Acquisition, the Company proposes the following Board changes:

- Appointments:
 - Sean Keenan (geologist) (executive Director); and
 - Jeremy King and Lincoln Ho (non-executive Directors)
- Resignations:
 - Bryan Frost and Andrew McKay



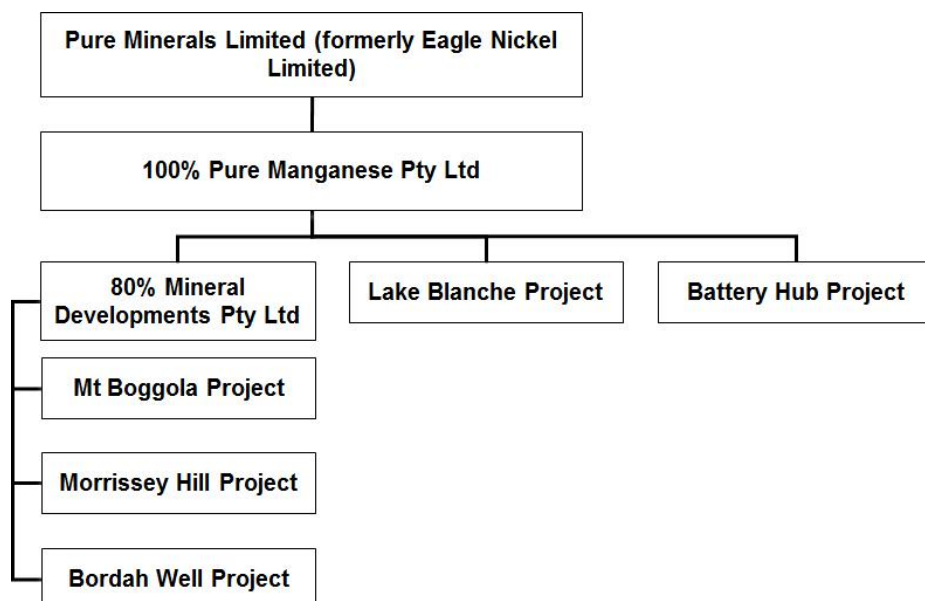
- **Pro forma capital structure**

The proposed capital structure of the Company upon completion of the, Consolidation, Acquisition and the Capital Raising is as follows:

	\$4.5 million raised (minimum and maximum subscription)	% interest (\$4.5 million raised)
Shares		
<i>Shares currently on issue</i>	<i>121,463,190</i>	
<i>Consolidation on a 67 for 10 basis</i>	<i>(103,334,356)</i>	
Company Shares on issue post - consolidation	18,128,834	6.49%
PM Consideration Shares to be issued	17,500,000	6.26%
Facilitation shares to be issued to Xcel Capital	5,000,000	1.79%
Shares to be issued to Directors	3,750,000	1.34%
Shares to be issued upon conversion of convertible notes	10,000,000	3.58%
Shares to be issued under the Capital Raising	225,000,000	80.54%
Total at Reinstatement	277,939,855	100.00%
PM Deferred Consideration Shares	35,000,000	11.18%
Total fully diluted	312,939,855	100%



- Post-completion Corporate Structure:



- PM Audited Accounts

Detailed Profit and Loss Statement

For the period 1 July 2016 to 28 February 2017

	2017 (\$)
Expenses	
Consultants Fees	900
Mining Title Manag't Serv. & Disbursem	29,746
Total expenses	30,646
Profit (Loss) from Ordinary Activities before income tax	(30,646)

Detailed Balance Sheet as at 28 February 2017

	2017 (\$)
Current Assets	
Bank - CBA ****1166	16,289
Cash On Hand	100
Input Tax Credit Control Account	3,065
Total Current Assets	19,454



Non-Current Assets

Goodwill - At Cost	26,720
Total Non-Current Assets	26,720
Total Assets	46,174
Net Assets	46,174

Equity

Issued Capital

Issued & Paid Up Capital	76,820
Retained profits / (accumulated losses)	(30,646)
Total Equity	46,174

(Refer Appendix 5 for a copy of the Pure Manganese Pty Ltd Audit Report)

- Indicative Timetable:**

Event	Date
Announce Proposed Transaction	30 March 2017
Dispatch Notice of General Meeting to Shareholders	3 April 2017
Cut off for lodging Proxy Form for General Meeting	3 May 2017
Snapshot date for eligibility to vote at General Meeting	3 May 2017
Lodge Prospectus	4 May 2017
Hold General Meeting	5 May 2017
Obtain extension to de-listing date from ASX	5 May 2017
Prospectus offers close	9 June 2017
Completion of Proposed Transaction	16 June 2017
Securities re-commence trading on ASX	30 June 2017

Notes:

1. The above timetable is indicative only and assumes that the Company receives an extension to the de-listing date from ASX; all conditions of the acquisition agreement can be satisfied without delay



and may be varied by the Company in consultation with the ASX. Any changes will be released to the ASX.

2. Trading in securities will only be reinstated by ASX after the Company has completed the Proposed Transaction and the Company has complied with Chapters 1 and 2 of the Listing Rules.

For further information, please contact Justyn Stedwell, Company Secretary on (03) 9041 6663.

On behalf of the Board,

Justyn Stedwell
Company Secretary.

COMPETENT PERSON STATEMENT:

The information in this Public Report that relates to Exploration Results and other technical information for the Projects complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and is based on and fairly represents information compiled by Mr Bill Oliver, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

Mr Oliver is a consultant to Pure Manganese (the entity being acquired by ENL) and has sufficient experience that 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 JORC Code.

Mr Oliver consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS:

This document may include forward looking statements. Forward looking statements may include, but are not limited to statements concerning Eagle Nickel Mines Limited's planned exploration programs and other statements that are not historical facts. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should", and similar expressions are forward looking statements. Although Eagle Nickel Limited 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.



Appendix 1

Project Summaries:

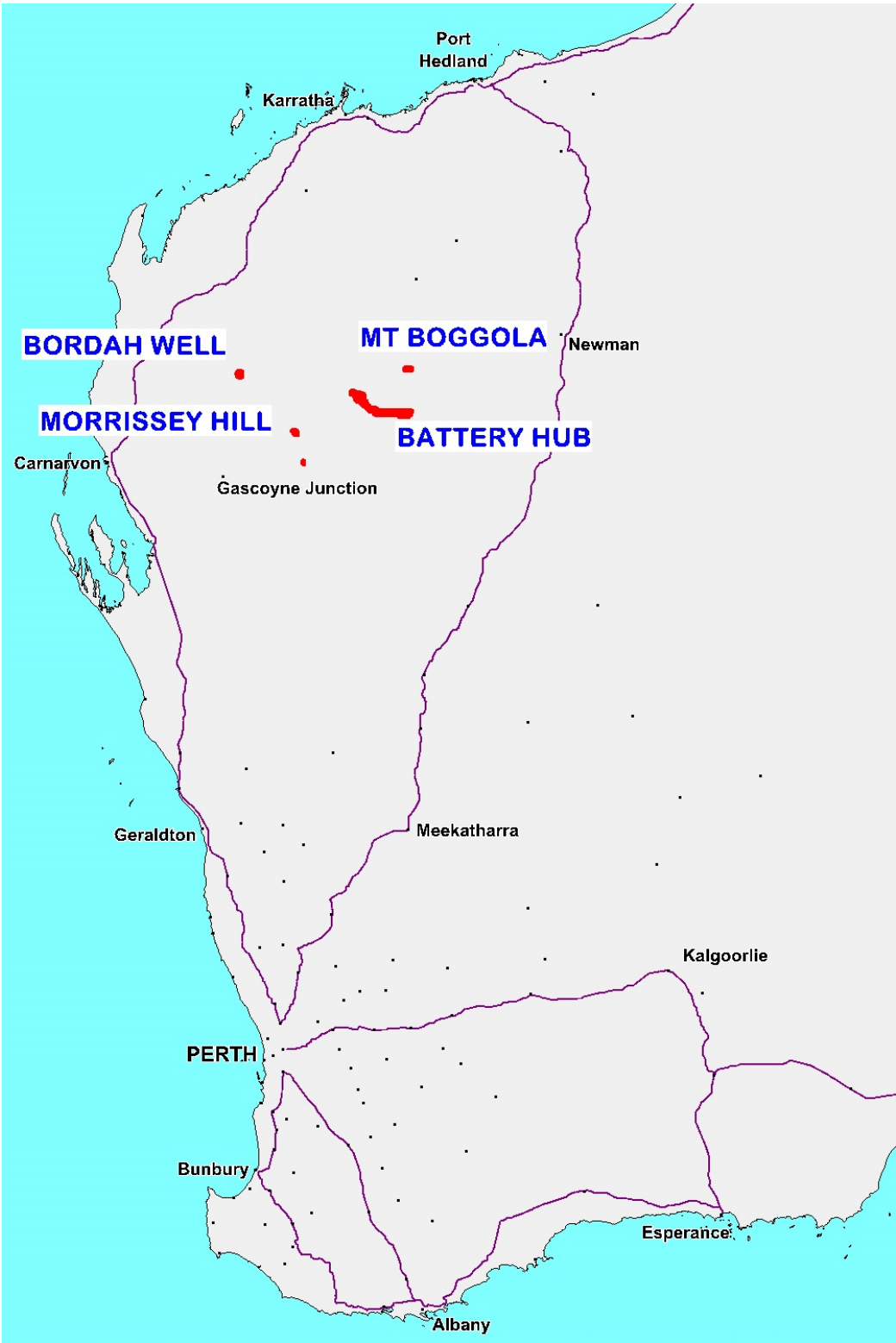


Figure 1. PM WA Project Locations



MT BOGGOLA PROJECT

Tenement	Status	Project	Holder	Grant Date	End Date	Prospective for
E08/2693	Granted	Mt Boggola, WA (80%)	MDV (20%)	29/09/2015	28/09/2020	Gold-copper

SUMMARY

Geology

The Mt Boggola tenement is located approximately 60km south of Paraburdoo. Geologically the Mt Boggola tenement is located on the southern margin of the Ashburton Basin which extends for approximately 500km in an east south-easterly direction along the northern margin of the Capricorn Orogen, formed by the collision of the Pilbara and Yilgarn Cratons of Western Australia.

The Ashburton Basin was initiated in the early stages of the Capricorn Orogen (c2000Ma) and deformation took place during the final stages of the Orogen (c1700Ma). It unconformably overlies the Hamersley Basin to the north and north-east and is overlain by the Blair Basin. Subsequently it has been overlain by the Bresnahan Basin to the south-east and the Bangemall Basin to the south and south-west (Thorne, et.al., 1991). The interaction of these three Proterozoic aged basins has resulted in substantial structural complexity and previous explorers have interpreted a number of deep-seated, mantle tapping structures, which are the likely source of intrusive and extrusive igneous lithologies within the basins.

Structure in the Wyloo Group reflects the deformation within the Ashburton Fold Belt. Figure 1 of Thorne, et.al, 1991 shows the three zones of deformation which are observed on the Turee Creek Sheet Area (GSWA 1:250,000 mapping). The Mt Boggola tenement overlies the central zone in which tight to isoclinal folds are often truncated by reverse faults which develop parallel to axial surfaces, both of which have steep, south-westerly dips.

Project Geology

The Mt Boggola tenement overlies rocks of the Ashburton Formation, the uppermost stratigraphic unit of the Wyloo Group (Figure 3). Mudstone and siltstone are most abundant in the middle and upper parts of the unit. Chloritic and ferruginous mudstones are interbedded with sandstone, conglomerate or chemical sediments in layers from several millimetres to hundreds of metres thick. Feldspathic and lithic quartz sandstones are most abundant in the lower part of the stratigraphy where two types of arenaceous deposits are recognised: thin to medium bedded sandstone, and massive sandstone. The thin- to medium-bedded sandstone beds are laterally continuous and normally graded. The massive sandstones are medium to coarse grained or pebbly, in tabular or lenticular blocks up to 5m thick. Also, clast- and matrix-supported conglomerates crop out in lenticular or tabular beds, with clasts which consist of vein quartz, chert, felsic volcanic rock or silicified sandstone.

An extensive sequence of mafic volcanic rocks outcrops north of Mt Boggola. This unit includes 600 metres of pillow lava and pillow breccia, coarse-grained volcanoclastics and laminated tuff. The lower volcanics are interbedded with mudstone, while the top of the unit is overlain by BIF and chert, or mudstone. This unit extends in an arcuate outcrop trending north-easterly then to the east. Mt Boggola itself is an outcrop of Bresnahan Basin conglomerates interpreted to overlying Capricorn Formation, which overlies the Ashburton Formation.

PREVIOUS EXPLORATION

Previous exploration in the area is documented in the WAMEX open file system and includes a range of companies in the timeframes from 1980 to 2010. The companies associated with the Project include:



- Noranda 1980 – 1987
- CRAE 1986 – 1987 (A11537)
- Billiton 1988 (A26646)
- Australmin 1988 (A30935)
- Newcrest 1989 - 1993 (A34496, A35154, A36872, A37793, A39214)
- Riverglen-Xplore-MIM 1994 – 1998 (A43784, A48360, A50581, A52560, A57923)
- Goldfields Exploration Pty Ltd 2000-2001 (A63351)
- Sandfire Resources 2004 – 2010 (A71800, A74419, A81291, A81760, A86429)

RESULTS SUMMARY

Hole ID	Easting	Northing	Dip/Azi	Tot. Depth	From	To	Length	Cu
PB26	570737	7370910	-50 / 020	39	18	24	6	0.13
PB27	570721	7370866	-50 / 020	70	45.3	47	1.7	0.19
					50	55	5	0.13
					62	66	3	0.25
PB28	570537	7370998	-50 / 020	33	No Significant Results			
PB29	570524	7370961	-50 / 020	68	40	41	1	0.24
					47	56	9	1.86
BGRB001	568400	7370077	-90 / 000	100	No Significant Results			
BGRB002	568402	7370006	-90 / 000	118	No Significant Results			

Initial exploration by Noranda and CRA discovered a number of base metal bearing gossans at McLeods Bore (which lie to the NW of E08/2693), a series of mineralised shear zones (commonly expressed at surface as pyritic gossans, sometimes bearing malachite), a coherent Pb anomaly in the drainage to the west of E08/2693 (later referred to as Charlies Creek) and approximately 10 EM anomalies.

Only reconnaissance surface exploration, and no drilling, was carried out by these companies as well as Billiton and Australmin.

Newcrest¹ carried out a more substantial field programme over the project area with a total of 500 soil and 1,300 rockchip samples being collected and detailed geological mapping at 1:25,000 scale, with areas of interest mapped at 1:10,000 or even 1:5,000 scale. In addition reprocessing and reinterpretation of regional scale geophysical surveys (BMR and CRAE) as well as acquisition and interpretation of Landsat data was completed.

29 RC and RC-DD holes were completed for 1646.2 metres including 4 holes for 210.2 metres within E08/2693 (2 RC, 2 RC with diamond tails).

In general most mineralised intersections were around 0.3% copper and varied from broad 20m zones to thin 1 – 4 m zones. One of the Stadlers Gossan holes within E08/2693, returned the best result of 9m at 1.86% Cu (PB29, Figure 2). Most of the Newcrest drilling appears to have not reached unweathered bedrock, and certainly none of the holes within E08/2693, however elsewhere where primary mineralisation was intersected it returned lower assays than the corresponding oxide intersection.

¹ Newcrest results information derived from WAMEX open file reports A35154, A36872 and A43784



Newcrest withdrew from the project as they believed it was more prospective for copper and base metals than gold, however it is likely corporate strategy also played a role.

Riverglen-Xplore JV exploration comprised geological reconnaissance, rockchip sampling and a 100m line spaced aeromagnetic survey.

Work in the Mt Boggola area largely repeated historical exploration with yet more high grade samples taken from the Stadler and Joes gossans at Boggola North (up to 21.4% copper and 9.8g/t gold). MIM focussed their exploration on the Piggots Peak Prospect, to the west of E08/2693, partly as this had not been drill tested by Newcrest.

Tenements in the Mt Boggola area were acquired by Sandfire Resources NL in December 2004. Exploration initially comprised rock chip sampling, stream sediment sampling (multiple phases) and soil sampling. A lack of repeatability in samples from the initial phase resulted in a second “check” phase before further sampling was carried out. A HoistEM airborne geophysical survey was completed which identified anomalies north of Mt Boggola.

Drilling to test these anomalies intersected pyrite-bearing foliated siltstones, however no substantial mineralisation was present. Further rockchips from the area of the EM anomalies and an extension to the Stadlers Gossan returned copper-gold mineralisation (including samples to 23% Cu and 2.6g/t gold), and soil sampling in the area confirmed elevated / anomalous results when compared to soil sampling elsewhere in the project area.

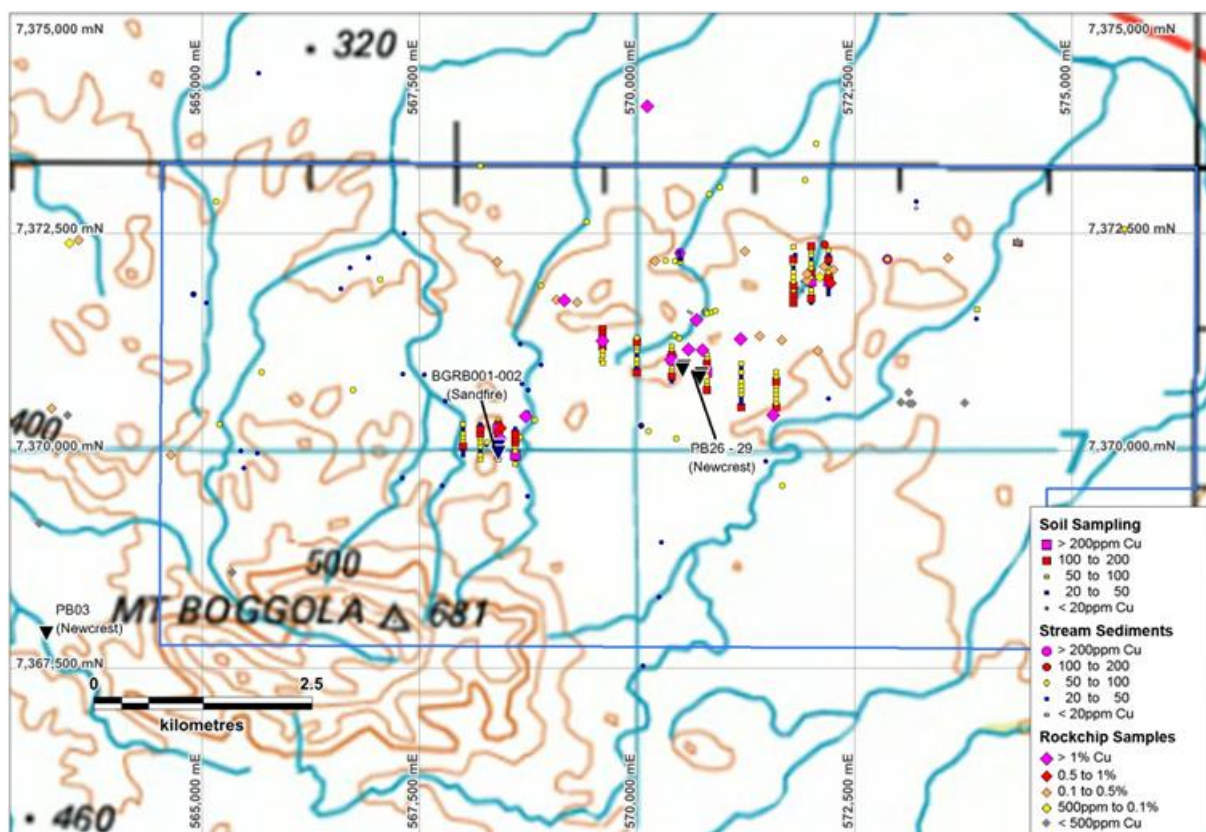


Figure 2: Plan summarising historical exploration on Mt Boggola tenement.



GASCOYNE PROJECTS

Tenement	Status	Project	Holder	Grant Date	End Date	Prospective for
E09/2132	Granted	Bordah Well, WA (80%)	MDV (20%)	01/07/2016	30/06/2021	Gold-copper
E09/2133	Granted	Morrissey Hill, WA (80%)	MDV (20%)	20/07/2016	19/07/2021	Lithium and REE mineralisation
E09/2136-I	Granted	Morrissey Hill, WA (80%)	MDV (20%)	20/07/2016	19/07/2021	Lithium and REE mineralisation

SUMMARY

- Three exploration licenses in the Gascoyne Province
- Demonstrated U, REE and Nb-Ta mineralisation on the project area
- License areas prospective for:
 - Other pegmatite related mineralisation including Li (grab sample with 0.6%Li₂O taken within project area)
 - Iron ore mineralisation
 - Base metals
- Significant infrastructure available in region

LOCATION AND TENURE

The Gascoyne Projects are situated 200 km east of the coastal town of Carnarvon and 51 km east of the town of Gascoyne Junction. Road access from Carnarvon is good and is double lane bitumen until a few kilometres east of Gascoyne Junction. Minor gravel roads and station tracks provide good access throughout the Project.

Uniquely for Western Australia the Gascoyne Region is relatively well endowed with infrastructure and water resources.

Existing infrastructure includes a sealed bitumen road from east of Gascoyne Junction to Carnarvon and the North West Coastal Highway, 3G Cell telephone and data services centred on Gascoyne Junction, the Dampier to Bunbury gas pipeline (which runs 40 km to the west of MDV's tenements), numerous secondary, well maintained unsealed roads, and accommodation options at pastoral stations near the MDV tenure.

GEOLOGICAL SETTING

The Gascoyne Province is the deformed and high- grade metamorphic core of the early Proterozoic.

Capricorn Orogen which lies between the Pilbara Craton and the Yilgarn Block. The Capricorn Orogen records the collision between the Yilgarn and Pilbara Cratons (along with the Glenburgh Terrane) which form a larger landmass which some term the "West Australian Craton". Tectonic trends within the Gascoyne Province wrap around the margins of these relatively stable cratons. The Gascoyne Province comprises voluminous granitoid intrusions, mantled-gneiss domes, metamorphosed and partly melted sedimentary rocks and remobilized Archaean basement gneiss.

While the Gascoyne Province is not as well endowed with operating mines when compared to the Yilgarn and Pilbara Cratons there is evidence for mineralised systems being active within the Capricorn Orogen. The DeGrussa Cu-Au VHMS deposit occurs in the Bryah Basin in the south of the Gascoyne Province and the recent Monty discovery confirms the potential of this area. Orogenic gold has been mined at Peak Hill, a deposit interpreted to have formed in/from reworked Archaean basement, Mount Olympus,



which some class as a Carlin- type deposit, and also the mafic hosted Paulsens Deposit. Given that DeGrussa and Peak Hill occur on the southern margin of the orogenic belt and Mt Olympus and Paulsens occur in the Ashburton Structural Corridor in the north of the Province there is an argument that systematic exploration has not penetrated into the Gascoyne Province and realised the full potential. Equivalent Proterozoic orogenic belts in Western Australia include the Patersons Province (host to the Telfer Gold Deposit) and the Albany Fraser Orogen (host to the Tropicana Gold Deposit and Nova-Bollinger Ni-Cu-Co Deposit).

The Gascoyne Project is underlain by the Morrissey Metamorphic Suite, a group of ensialic, geosynclinal shelf and trough sedimentary rocks which extends throughout the Province and was probably deposited on Archaean continental crust. The Archaean basement was extensively remobilized during intracontinental reworking and the emplacement of mantled gneiss domes and granitoid batholiths is largely attributed to this process, together with repeated deformation and amphibolite-facies metamorphism of the Morrissey Metamorphic Suite. Partial melting of the Morrissey Metamorphic Suite resulted in the formation of large areas of migmatite terrain and the generation of relatively inhomogeneous granitoids of meta-sedimentary origin. Other, more homogeneous granitoids were derived from mantle or deep crustal sources and were emplaced episodically as gneissic (early-stage) or more massive (late-stage) bodies. These rocks are unconformably overlain by post-orogenic molasses-Mount James Formation, which was deposited in local grabens in the central and southern parts of the Gascoyne Province.

The main episodes of deformation (D1) and metamorphism were contemporaneous. They were associated with partial melting and the formation of migmatites, anatectic granitoids, and mantled gneiss domes. A second episode of deformation (D2) generated tight, upright folds with axial-plane cleavage and moderately to steeply plunging fold axes. The orientations of the fold- axial traces were controlled by the shapes of gneiss domes, or batholiths, with which they were associated. These structures are refolded by upright, moderate southeast-plunging folds associated with crenulation cleavage and shear zones. D1 deformation resulted from gravity-induced gliding and plastic flow off rising granitoid domes, with subsequent deformations caused by the diapiric rise of late-stage granitoid batholiths and reactivated early- stage gneiss domes.

EXPLORATION HISTORY & POTENTIAL

The geology of the tenements which comprise the Gascoyne Project, along with the mapped mineral occurrences are shown in Figure 2 below. For ease of viewing the project has been separated into north (E09/2132, Bordah Well) and south (E09/2133, E09/2136; Morrissey Hill), which also separates the project into geologically similar terranes. Exploration of the Project area has been undertaken since the 1970's however due to the location and commodity cycles most historical explorers have completed sporadic surface exploration programmes, normally aimed at more "exotic" metals or minerals. Mining activity has comprised small scale exploitation of mica, beryl and niobium-tantalum bearing minerals by both open pit and underground means. A number of these workings remain easily identifiable and can even be seen on Google Earth.



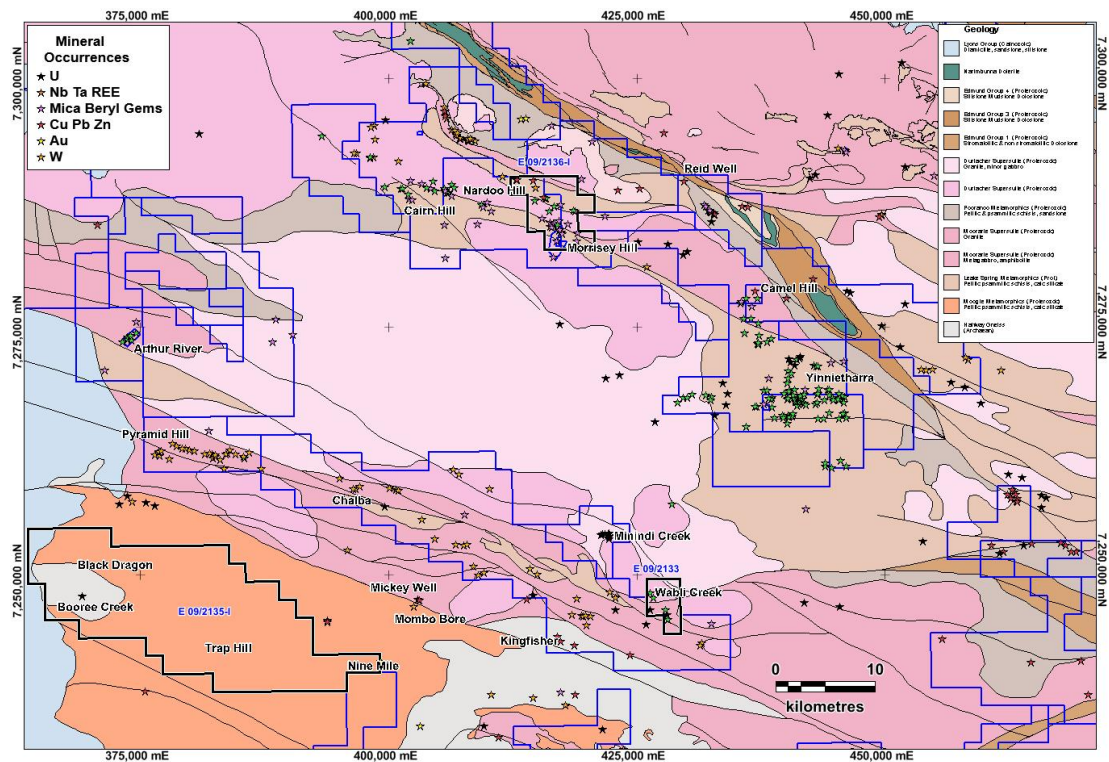


Figure 3: Geological map of the Gascoyne South Project (GSWA interpreted bedrock geology) showing mineral occurrences and prospects. (Source: GSWA 1:500K bedrock geology and MINIDEX database)

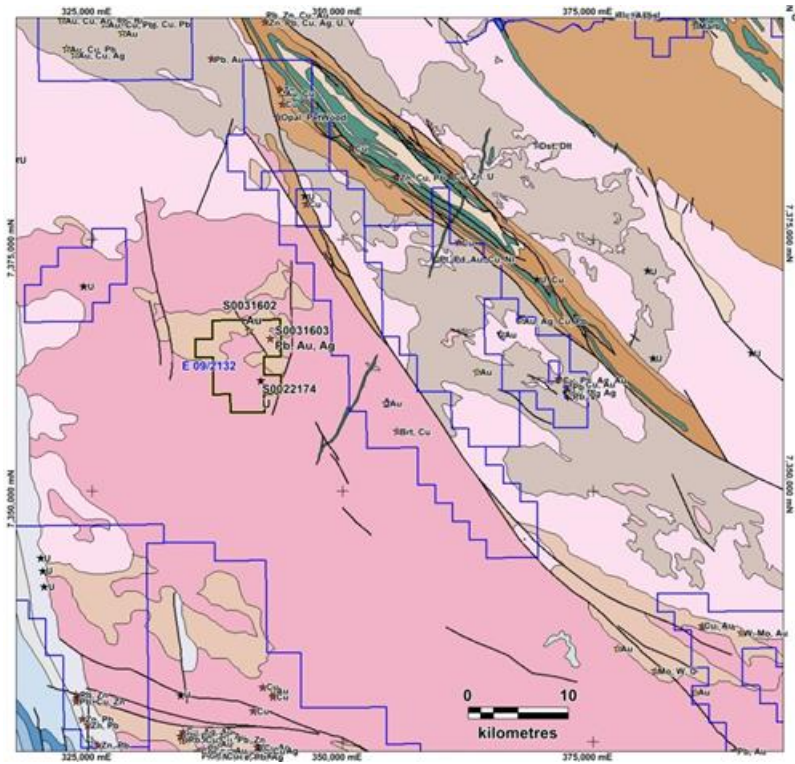


Figure 4: Geological map of the Gascoyne North Project (GSWA interpreted bedrock geology) showing mineral occurrences and prospects. (Source: GSWA 1:500K bedrock geology and MINIDEX database)



MDV has completed a field visit and surface sampling at the Gascoyne South project. A number of occurrences of lepidolite (lithium-bearing mica) were observed in outcrop and assays returned elevated Li as shown in Figure 5. ENL notes the recent announcement by Segue Resources (ASX:SEG, 16 March 2017) in which it announced a major lithium-tantalum discovery at its Gascoyne Project, which abuts the MDV Gascoyne South Project.

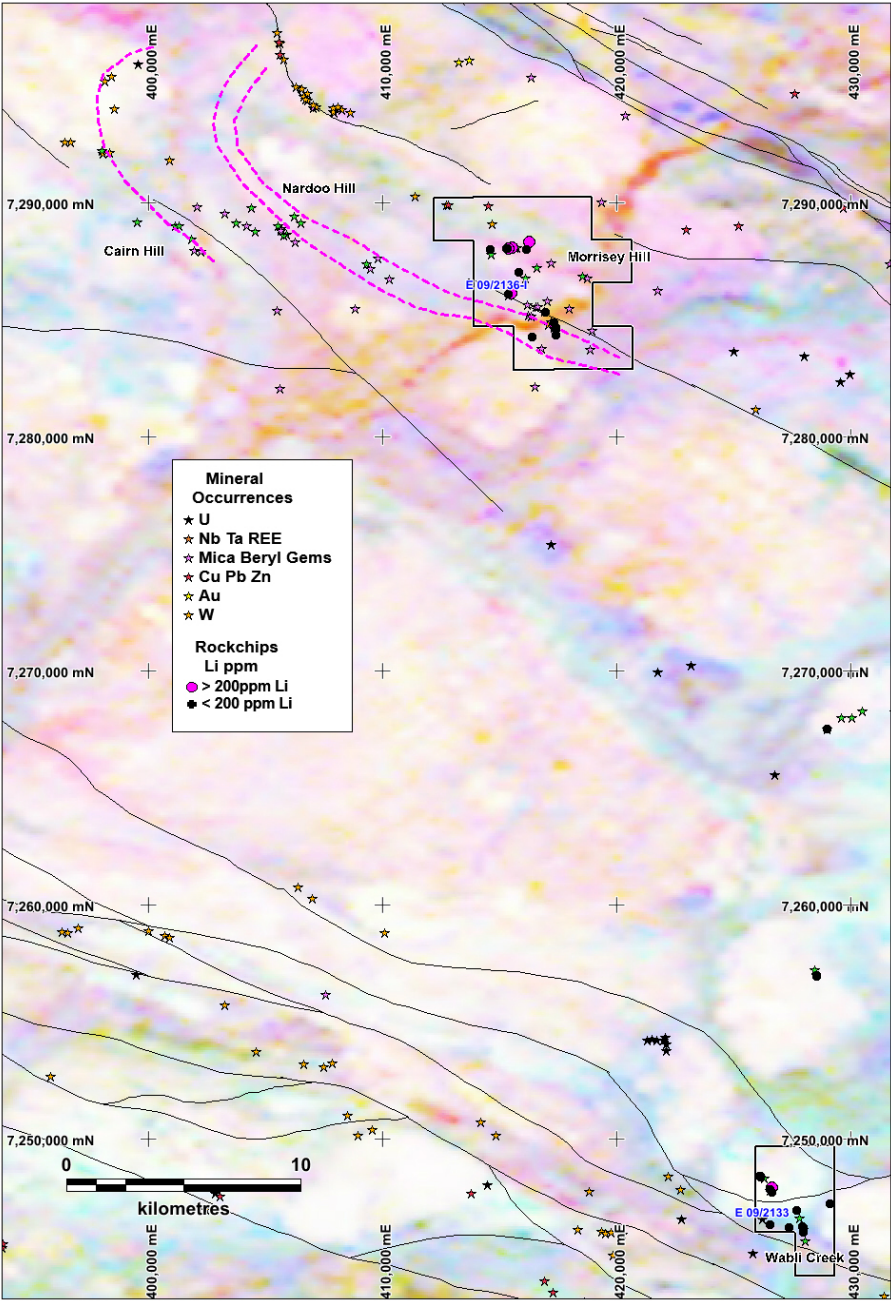


Figure 5: Plan of the Morrissey Hill Project showing rockchip samples taken by MDV, mineral occurrences, prospects, tenements and interpreted pegmatites (refer Fig. 4) over GSWA radiometric data.



LAKE BLANCHE PROJECT (EL5391)

Tenement	Status	Project	Holder	Grant Date	End Date	Prospective for
EL5391	Granted	Lake Blanche, SA (100%)	GB Energy (nil post completion)	27/03/2014	26/03/2018	Lithium and uranium

Exploration at the Lake Blanche Project (EL5391) (377km²) will target sediment hosted lithium and uranium.

The Lake Blanche Project lies within the Frome Uranium Province of South Australia, a region that is highly prospective for sedimentary uranium in Cenozoic sediments and contains a large number of existing uranium deposits (Beverley, Four Mile, Honeymoon Well; Figure on page 17). Mineralisation in the Frome Uranium Province is hypothesised to result from the leaching of uranium from granitic and metamorphic rocks in the Mt Painter Inlier approximately 100km south of the Lake Blanche Project.

The same source rocks for the uranium mineralisation are also known to have high concentrations of lithium and rare earth elements. Elsewhere in the world leaching of such rocks leads to the formation of groundwater highly enriched in lithium, potash, and rare earth elements. Should these groundwaters be contained in closed lake environments from which evaporation can occur then lithium rich brines may form. The northern margin of the Frome Uranium Province comprises an extensive curvilinear topographic depressions marked by a series of lakes and lacustrine, fluvial and evaporitic sediments. The presence of a number of playa lakes including Lake Blanche, Lake Gregory and Lake Frome along this trend indicates potential for this process to occur.

The Lake Blanche Project contains a sizeable portion of the Lake Blanche salt lake, Lake Blanche is fed by a catchment that sheds off the Mount Babbage Inlier, a suite of rocks with unusually high levels of uranium and lithium. Mineralisation occurs where ground waters percolate through lithium-bearing source rocks and deposit in a closed basin. The region was highlighted in a prospectivity analysis conducted by Geoscience Australia: A Review of Australian Salt Lakes and Assessment of their Potential for Strategic Resources (Record 2013/39). In recent times the Lake Blanche area has attracted the attention of lithium explorers such as Argonaut Resources NL (ASX:ARE)² and Core Exploration Ltd (ASX:CXO)³

Recent work by Geoscience Australia and the South Australian Department of State Development means that a substantial dataset of magnetic, radiometric and EM data is available to ENL to advance both its lithium and uranium exploration within the Lake Blanche Project.

² See ARE announcement of 4 April 2016:
<http://www.asx.com.au/asxpdf/20160404/pdf/4368bvgrlrkypz.pdf>

³ See CXO announcement of 9 June 2016:
<http://www.asx.com.au/asxpdf/20160606/pdf/437q9l0jc5dydx.pdf>



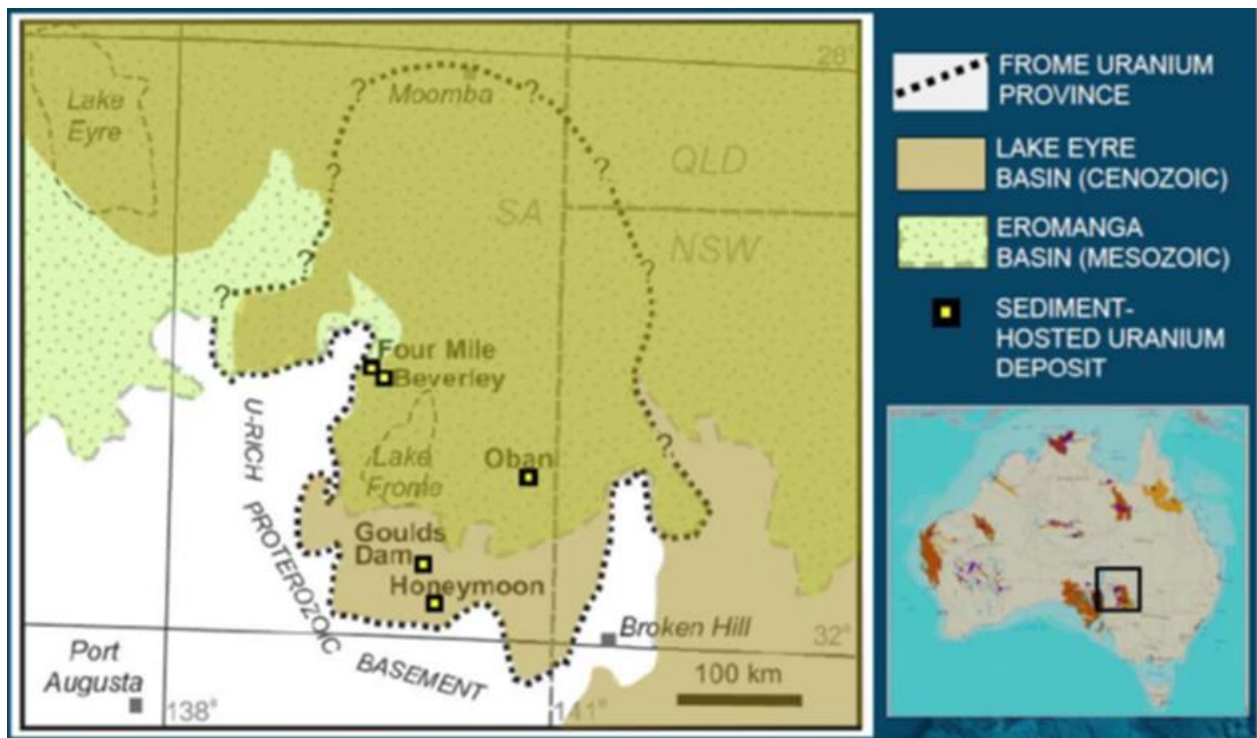


Figure 6: The Frome Uranium Province, South Australia (Geoscience Australia).

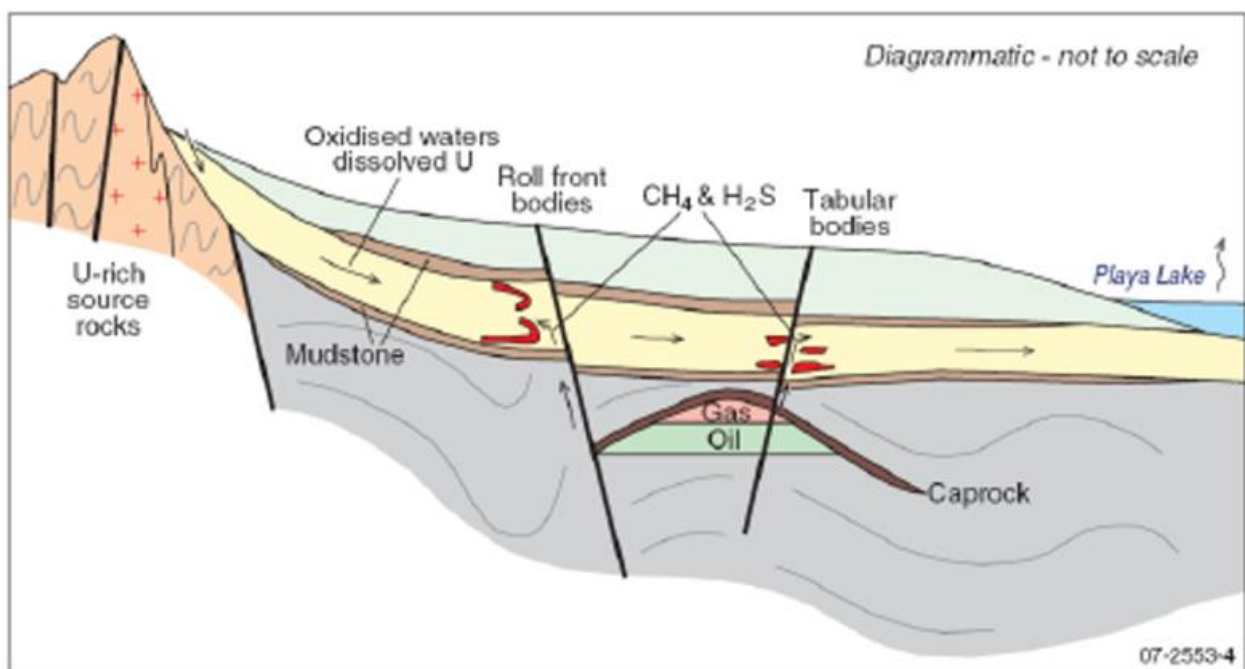


Figure 7: Conceptual model for uranium mineralisation in sedimentary basins (Geoscience Australia).



BATTERY HUB PROJECT (E09/2217 and E52/3523 – Applications only)

Tenement	Status	Project	Holder	Grant Date	End Date	Prospective for
E09/2217-I	Application	Battery Hub, WA (100%)	Pure (100%)			Manganese
E52/3523-I	Application	Battery Hub, WA (100%)	Pure (100%)			Manganese

The Battery Hub Project⁴ (724km²) lies south of the infrastructure rich Pilbara region of Western Australia. 68 manganese prospects have been discovered and previous RC drilling on the tenements (E09/2217 and E52/3523) has delineated high grade manganese (>40%Mn) with around 70 holes reporting significant mineralisation above 15% Mn. A total of 509 holes have been drilled on the project. Of these intersections 6 were over widths of 6m with all mineralisation near surface (deepest intersection from 64m downhole). Drilling results include:

- 8m at 24.5% Mn,
- 4m at 19.3% Mn,
- 8m at 21.3% Mn, 8m at 16.3% Mn,
- 14m at 10.9% Mn,
- 3m at 33.3% Mn, incl. 2m at 42.3% Mn;
- 6m at 23.4% Mn;
- 2m at 39.2% Mn.

In addition 83 rock chip samples assayed over 20% Mn with 21 exceeding 40% Mn to a maximum of 54.8% Mn. It is this high grade, near surface mineralisation that differentiates the Battery Hub Project from its peers in the Pilbara Region. Preliminary beneficiation test work demonstrates mineralisation can be upgraded and with a substantial infrastructure network arising from development of iron ore and lithium deposits in the region the manganese concentrate can be easily delivered to customers.

⁴ Refer Appendix 4 for the list of ASX announcements pertaining to Aurora Minerals - drilling, drill cross-sections, sampling and general information



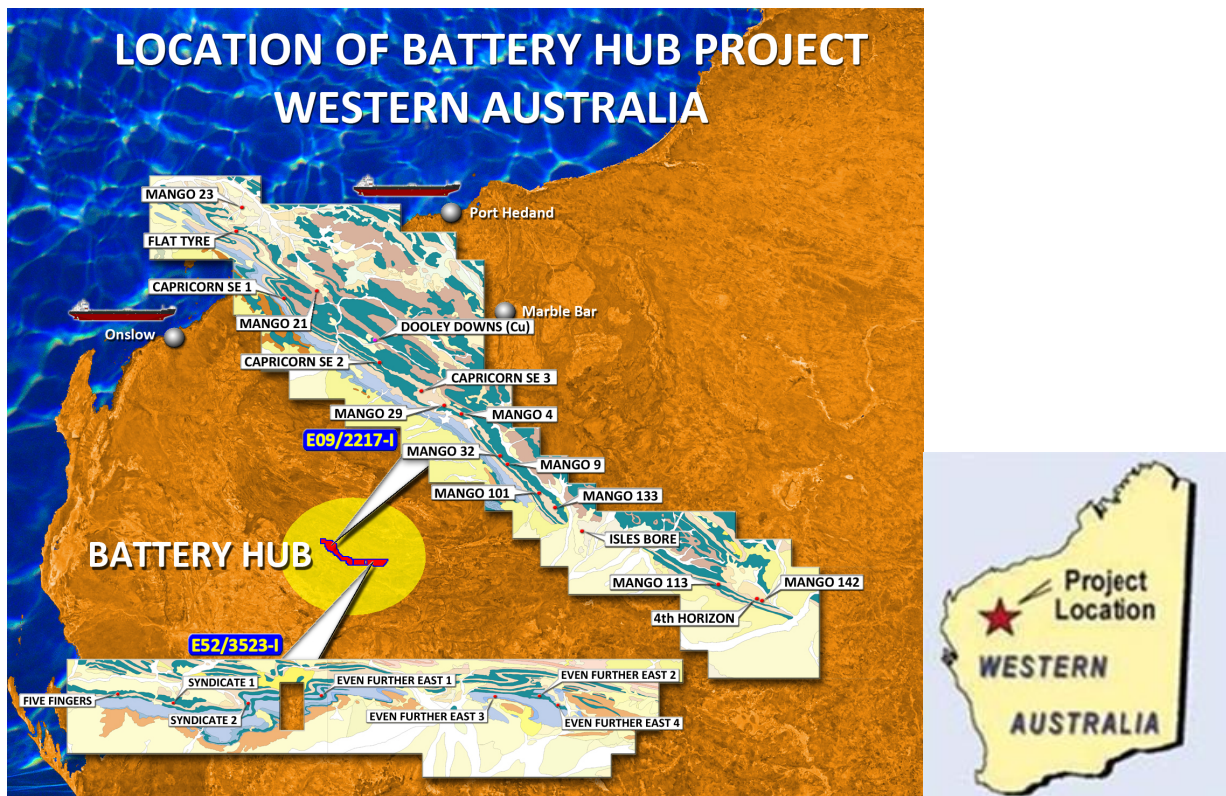
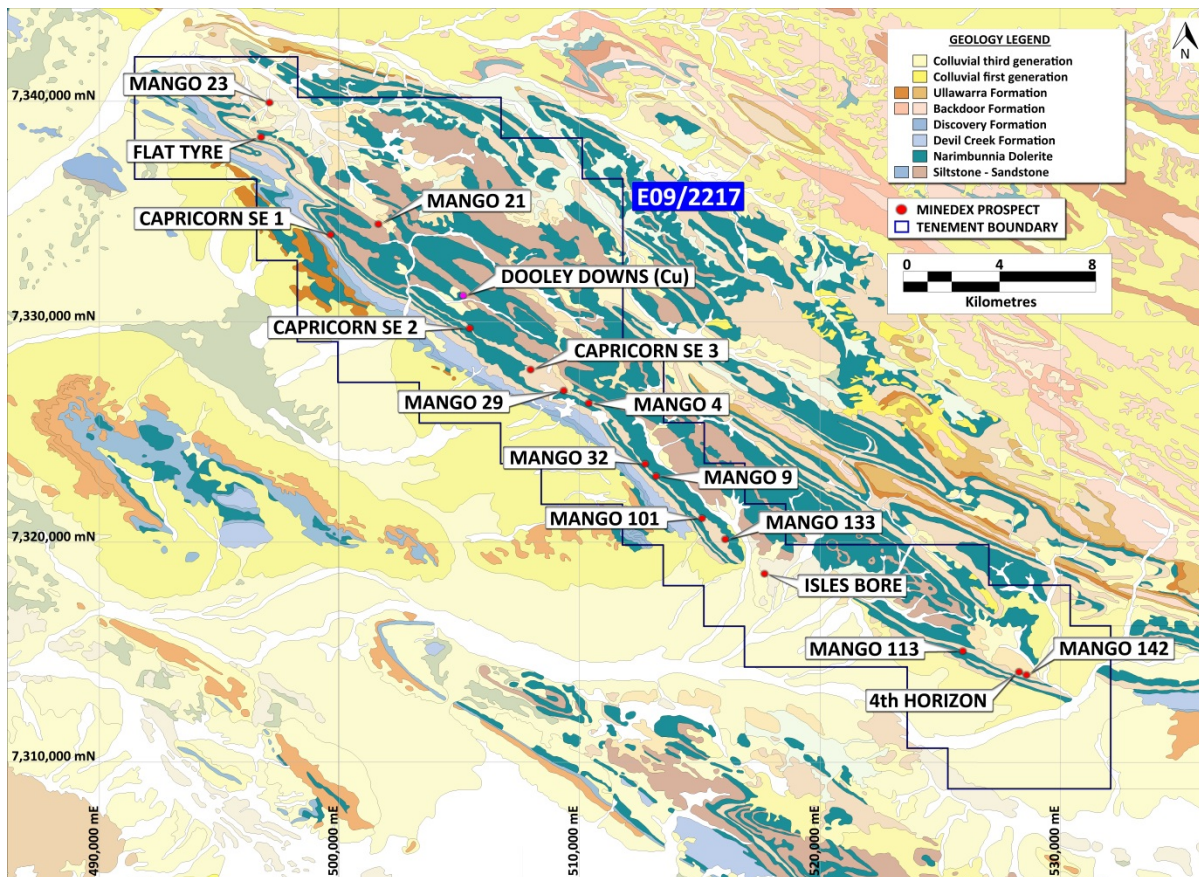


Figure 8: Battery Hub location map(Source: Pure Manganese – all the prospects detailed were developed by Aurora Minerals Limited)

The Battery Hub Project was previously owned by Aurora Minerals Limited (ASX code: ARM). Aurora's objective was to delineate a JORC-compliant Inferred Resource and secure the ground with mining tenements. Investor participation would have enabled this. However, the lack of transport infrastructure servicing the Project limited the viability of further development work.

Drilling was conducted on several prospects, comprised of 509 reverse circulation holes.





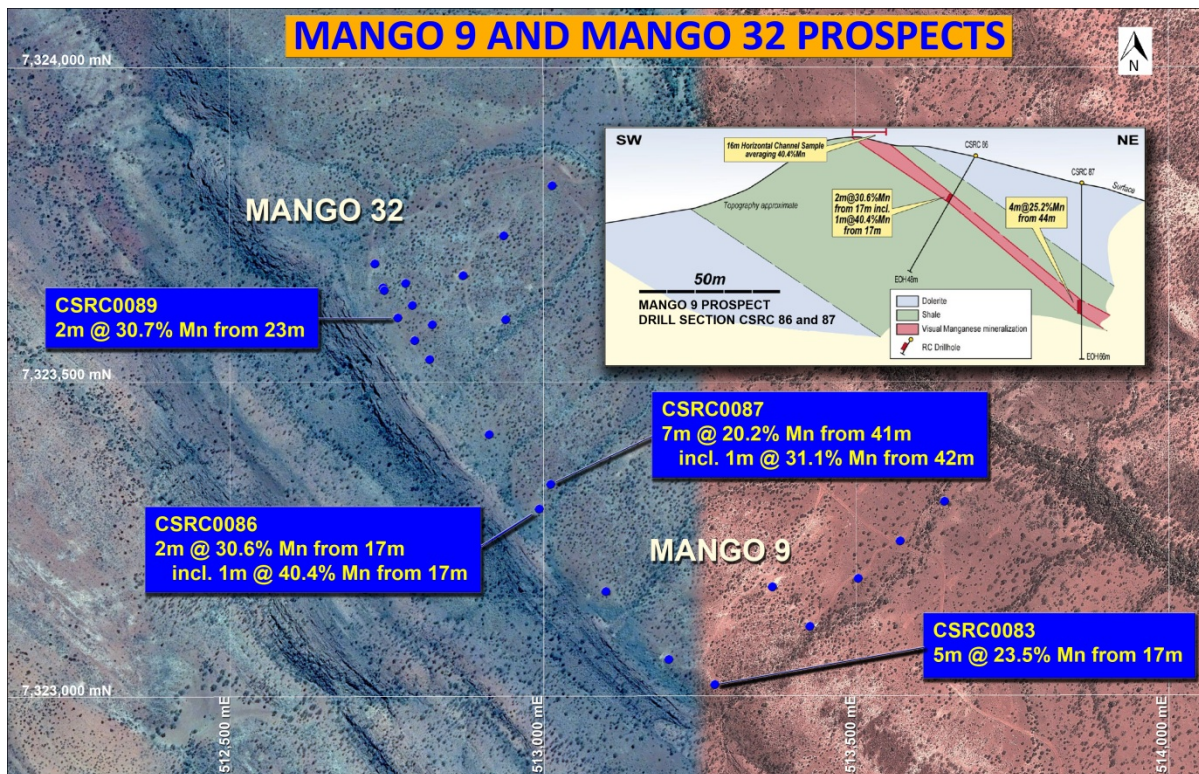
Mango 29 mineralisation was drilled on one line over approximately 100m and is open for 200m across strike and 1km along strike to the northwest

- CSRC0086 - 2m at 30.6% Mn
- CSRC0087 - 4m @ 25.2%Mn from 43m
- CSRC0089 - 2m at 30.7% Mn
- CSRC0100 - 1m @ 16.5%Mn from 64m

Drilling of extensions to the Mango 32 Ridge Target confirmed that mineralisation extends to at least 45m depth (incl. 1m @ 15.6% in hole 419) and has confirmed this area as a priority area for more detailed follow up.

Dark manganese core thickens in places at Mango 9 from 1 to 7m wide downhole. Manganese was intersected at a down hole depth of 48m, and remains open at depth and along strike. At other prospects along the ridge, including Mango 101, 112, 113, 134 and 137, manganese was also observed in the drilling. Further work is required to determine strike and width potential of these targets.





In the Far East Drill Area, 17 holes were drilled into the Upper Ullawarra Formation to test for manganese mineralisation in the shale sedimentary sequence. All but one hit varying widths of manganese interbedded with shales, and/or manganiferous shales over the 5km strike tested; for example hole CSRC47 intersecting 3 separate zones of 6m, 4m and 20m down-hole widths.

Drilling of the Fourth Horizon revealed a more complex regolith regime than is evident from surface. Manganese mineralisation was intersected in 9 (of 20) shallow holes drilled over 2.5km strike length. Drilling intersected wide, shallow zones of mixed dark manganese and brown iron oxide mineralisation, which appear to be flat lying. The Fourth Horizon Laterite mineralisation was drilled on three lines generally 100m across strike over a strike length of approximately 1km. It is open to the north for up to 500m and to the east for up to 1km.

At the 4th Horizon Laterite Target, drilling on an approximate 100m by 75m grid has intersected variable thicknesses of manganese and iron oxides in a near-surface laterite or detrital environment, over a 1300m by 200m area, open beneath generally shallow cover to the east and north. Manganese grades are generally variable in a range up to 20% Mn with typical thickness of 2-8m (using a lower 10% cut-off grade).

At Isles Bore, Aurora tested for both Detrital Targets and extensions to Ridge Targets where it is interpreted that the main bedrock mineralised horizon extends below generally shallow alluvial cover. Two holes reported significant manganese mineralisation including hole 117 (7m @ 17.5%Mn from 17m, including 4m @ 22.9% Mn). This discovery is interpreted to be an expression of the buried main Ridge Target mineralised horizon buried below more recent drainage channels and provides another significant opportunity for more detailed follow up.

Approximately 1,100m of reverse circulation (RC) drilling on a nominal 50m by 50m grid was conducted at Isles Bore during April/May 2011. The target was manganese mineralisation discovered in earlier drilling and which was considered to represent strike extension of the "Ridge"



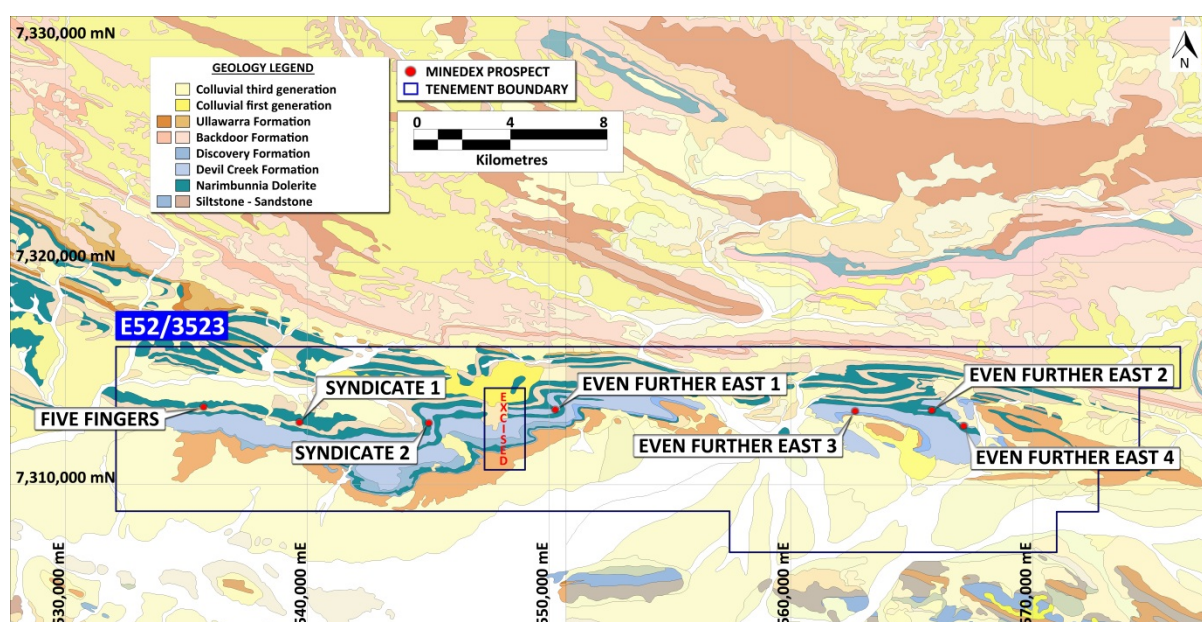
mineralisation buried under a shallow alluvial paleo-channel, possibly with secondary enrichment. Good thicknesses of up to 14m of manganese mineralisation were encountered showing a broadly east-west trend over some 200m of strike.

Other RC drilling results from Isles Bore Prospect:

- CSRC0549: 8m at 24.5% Mn (from 48m)
- CSRC0554: 4m at 19.3% Mn (from 44m) and 8m at 21.3% Mn (from 70m)
- CSRC0555: 8m at 16.3% Mn (from 38m)
- CSRC0560: 14m at 10.9% Mn (from 6m)

E52/3523-I

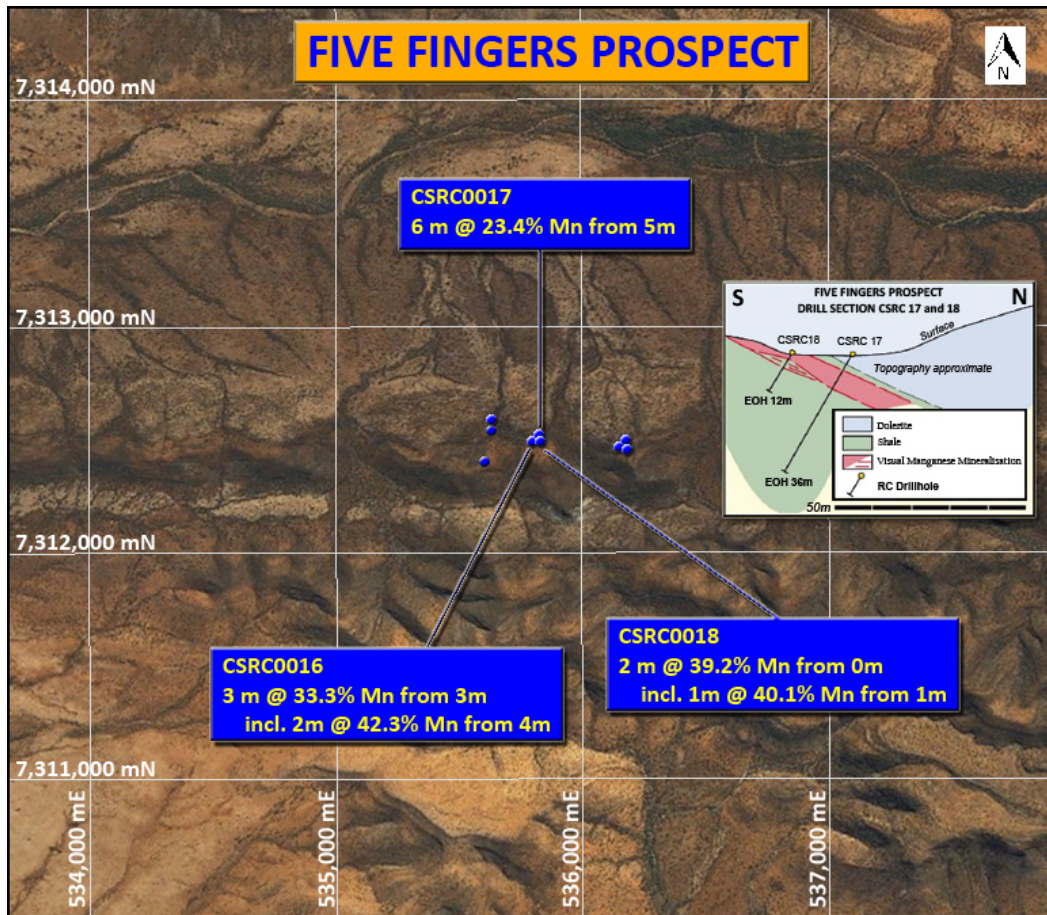
Limited drilling was completed by Aurora at its Joint Venture Area (Syndicate JV Prospect) and Five Fingers Prospect. Drilling has generally been confined to shallow intersections of the target horizon in the top 20m of the hole.



Drilling commenced in the eastern end of the prospected area at the Syndicate JV prospect where massive manganese out crops on surface over a 600m strike. Eight holes were drilled, six of which hit massive manganese and all intersected manganese interbedded with shale.

3.5km along strike to the west, at the Five Fingers prospect, nine holes tested a 750m long surface zone. All holes intersected manganese with shale or manganiferous shale, with two holes intersecting massive manganese. Mineralisation is open along strike and at depth.





Appendix 2

The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results for the Mount Boggola, Morrissey Hill and Bordah Well Projects

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Rock Chip sampling was carried out at the geologists discretion. Sampling was taken to test particular geological features therefore may not be representative of mineralisation at the particular project. Mt Boggola: <ul style="list-style-type: none"> Drilling by Newcrest carried out using RC and DD drilling. Drilling by Sandfire carried out using RAB drilling. Standard lab preparation and sub sampling techniques used.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Mt Boggola Newcrest RC drilling used standard face sampling bits. Mt Boggola Newcrest DD drilling used HQ sized core. Mt Boggola Sandfire RAB drilling used standard blade technique.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Mt Boggola Newcrest drilling logged recovery qualitatively. Reports note some broken zones adjacent to mineralisation. Mt Boggola Sandfire drilling logged recovery qualitatively and recorded wet samples. Not enough data to assess potential for sample bias.



Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All Mt Boggola drilling by Newcrest was logged qualitatively and records are available through the WAMEX open file system. All Mt Boggola drilling by Newcrest was logged on 1m intervals into the company database structure with veining and sulphides logged quantitatively. Digital data is available through the WAMEX open file system. 100% of all drilling has been logged (Newcrest 210m, Sandfire 218m).
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Mt Boggola Newcrest core samples cut in half and sampled on 1m intervals. Mt Boggola Newcrest RC samples composited on 2m samples. Not recorded whether riffled or spear sampled however no significant results from RC portion of hole. Mt Boggola RC samples not reported to be wet but substantial groundwater was noted in reports. Mt Boggola Sandfire RAB drilling was sampled at 4m intervals using spear composites.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Mt Boggola Newcrest samples (RC & DD drilling) sent to Analabs Welshpool for analysis by AAS using method codes GA101 (Cu, PB, Zn) and GG334 (Au). Mt Boggola Newcrest drilling used Newcrest QA/QC procedures and external laboratory checks. These are not documented in detail. Mt Boggola Sandfire drilling and rockchip samples were assayed with 25g digested using Fire Assay and analysed by AAS for gold with the remaining pulp digested using four-acid attack for analysis by ICP-MS and ICP-OES for Ag, As, Bi, Cu, Fe, Mn, Mo, Pb, Sb, Th, U, W and Zn. Morrissey Hill rockchip samples discussed were analysed by Nagrom laboratories using XRF008 and ICP004 methods. No QA/QC samples were added which is not unusual for first pass / reconnaissance exploration. The GSWA sample is believed to have been analysed by XRF in the State Government Laboratory. Bordah Well rockchip samples discussed were analysed at Analabs for gold via fire assay (30g charge) and for Cu, Ni, Pb, Zn, As, Ag and Ba.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, 	<ul style="list-style-type: none"> No verification has been completed. Primary data (analytical reports, log sheets) are available in WAMEX open file system.



Criteria	JORC Code explanation	Commentary
	<p>data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> Discuss any adjustment to assay data.. 	
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Location of all data (stream samples, soil samples, rockchips, drill collars) was completed using a handheld GPS and is only located with +/- 10m accuracy. This is appropriate to the early stage of exploration at these projects. Grid used is either MGA94 Zone 50 or AMG84 Zone 50 (converted to MGA for use by the Company).
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Location of all data (stream samples, soil samples, rockchips, drill collars) was completed using a handheld GPS and is only located with +/- 10m accuracy. This is appropriate to the early stage of exploration at these projects. As explained above location data for rockchips from the Bordah Well Project are not currently located with any precision.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Soil sampling and drilling aimed to be perpendicular to known structural orientations. Stream sediment and rockchip samples taken in orientations unrelated to geological structures or orientation. Insufficient data to determine whether there is any bias in results from orientation or the actual orientation of mineralisation.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples submitted by personnel of the Company which collected them.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None completed to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> E08/2693, E09/2132, E09/2133 and E09/2136-1 are held by Mineral Developments Pty Ltd (MDV). PM has executed a HoA to acquire 80% of MDV. All tenements are granted and Heritage Agreements are in place with the Thudgari, Wajarri and Gnulli Claimant Groups.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Mt Boggola: Previous exploration by Noranda, CRAE, Australmin, Newcrest, Xplore/Riverglenn/MIM, Goldfields Exploration and Sandfire



Criteria	JORC Code explanation	Commentary																																																																																										
		<p>Resources NL. Exploration Results discussed are from work completed by Newcrest and Sandfire.</p> <ul style="list-style-type: none">• Morrissey Hill: Previous exploration by the GSWA, Agip, Nord Resources, Kookynie Resources, Kalgoorlie South Gold Mines, Rare Resources, Helix Resources, and Encounter Resources.• Bordah Well: Previous exploration by Pacminex, Whim Creek Consolidated, Regional Resources NL, Electrolytic Zinc, Acclaim Uranium, Dominion Mining, Helix Resources, and Mitchell River Exploration. Exploration Results discussed were rockchips taken by Helix Resources NL.																																																																																										
Geology	<ul style="list-style-type: none">• <i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none">• All tenements are located within the Gascoyne Province of WA, which is the deformed and high-grade metamorphic core of the early Proterozoic Capricorn Orogen which lies between the Pilbara Craton and the Yilgarn Block. Tectonic trends within the Gascoyne Province wrap around the margins of these relatively stable cratons. The Gascoyne Province comprises voluminous granitoid intrusions, mantled-gneiss domes, metamorphosed and partly melted sedimentary rocks and remobilized Archaean basement gneiss. While the Gascoyne Province is not as well endowed with operating mines when compared to the Yilgarn and Pilbara Cratons there is evidence for mineralised systems being active within the Capricorn Orogen and a number of recent exploration successes point to the potential of the Province.• Mt Boggola: Sediment hosted Cu-Au at basin margin.• Morrissey Hill: Pegmatite hosted U-Li-REE mineralisation (LCT model) and secondary calcrete U mineralisation.• Bordah Well: Sediment hosted Cu-Au. Pegmatite hosted U-Li-REE mineralisation (LCT model) and secondary calcrete U mineralisation.																																																																																										
Drill hole Information	<ul style="list-style-type: none">• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i><ul style="list-style-type: none">◦ <i>easting and northing of the drill hole collar</i>◦ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i>◦ <i>dip and azimuth of the hole</i>◦ <i>down hole length and interception depth</i>◦ <i>hole length.</i>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	<ul style="list-style-type: none">• Mt Boggola:<table><tr><th>Hole ID</th><th>Easting</th><th>Northing</th><th>Dip/Azi</th><th>Tot. Depth</th><th>From</th><th>To</th><th>Length</th><th>Cu</th></tr><tr><td>PB26</td><td>570737</td><td>7370910</td><td>-50 / 020</td><td>39</td><td>18</td><td>24</td><td>6</td><td>0.13</td></tr><tr><td>PB27</td><td>570721</td><td>7370866</td><td>-50 / 020</td><td>70</td><td>45.3</td><td>47</td><td>1.7</td><td>0.19</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>50</td><td>55</td><td>5</td><td>0.13</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>62</td><td>66</td><td>3</td><td>0.25</td></tr><tr><td>PB28</td><td>570537</td><td>7370998</td><td>-50 / 020</td><td>33</td><td colspan="4">No Significant Results</td></tr><tr><td>PB29</td><td>570524</td><td>7370961</td><td>-50 / 020</td><td>68</td><td>40</td><td>41</td><td>1</td><td>0.24</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td>47</td><td>56</td><td>9</td><td>1.86</td></tr><tr><td>BGRB001</td><td>568400</td><td>7370077</td><td>-90 / 000</td><td>100</td><td colspan="4">No Significant Results</td></tr><tr><td>BGRB002</td><td>568402</td><td>7370006</td><td>-90 / 000</td><td>118</td><td colspan="4">No Significant Results</td></tr></table>• Morrissey Hill: No drillhole information presented.• Bordah Well: No drillhole information presented.	Hole ID	Easting	Northing	Dip/Azi	Tot. Depth	From	To	Length	Cu	PB26	570737	7370910	-50 / 020	39	18	24	6	0.13	PB27	570721	7370866	-50 / 020	70	45.3	47	1.7	0.19						50	55	5	0.13						62	66	3	0.25	PB28	570537	7370998	-50 / 020	33	No Significant Results				PB29	570524	7370961	-50 / 020	68	40	41	1	0.24						47	56	9	1.86	BGRB001	568400	7370077	-90 / 000	100	No Significant Results				BGRB002	568402	7370006	-90 / 000	118	No Significant Results			
Hole ID	Easting	Northing	Dip/Azi	Tot. Depth	From	To	Length	Cu																																																																																				
PB26	570737	7370910	-50 / 020	39	18	24	6	0.13																																																																																				
PB27	570721	7370866	-50 / 020	70	45.3	47	1.7	0.19																																																																																				
					50	55	5	0.13																																																																																				
					62	66	3	0.25																																																																																				
PB28	570537	7370998	-50 / 020	33	No Significant Results																																																																																							
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BGRB002	568402	7370006	-90 / 000	118	No Significant Results																																																																																							
Data aggregation methods	<ul style="list-style-type: none">• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated</i>	<ul style="list-style-type: none">• Length weighted average of all samples >0.1% Cu.• No high grade intervals selected at this time.																																																																																										



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Relationship between mineralisation widths and true widths not determined at this time.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Representative diagrams included in text. Further diagrams will be generated as exploration programmes are designed and implemented.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Mt Boggola: All mineralisation > 0.1% Cu is tabulated above. Morrissey Hill: No drillhole information presented. Only rockchip information is presented. As disclosed above by their natures rockchips are not representative and only serve to illustrate potential for the project. All rockchip samples taken by MDV are shown on Page 11. Bordah Well: No drillhole information presented. Only rockchip information is presented. As disclosed above by their natures rockchips are not representative and only serve to illustrate potential for the project.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Substantial open file data including historical exploration reports by companies listed above, geophysical and ASTER data has been summarised in the document with further detail to be outlined in ASX releases regarding exploration on the project.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is 	<ul style="list-style-type: none"> As detailed in the report.



Criteria	JORC Code explanation	Commentary
	<i>not commercially sensitive.</i>	



Appendix 3

The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results for the Battery Hub Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> Based on documentation and data presented in the historic reports the soil sampling, rock chip sampling and reverse circulation drill core sampling have been taken using industry standard practices, however details of the methodology used have largely not been documented in the historic reports.
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> Drilling technique used was reverse circulation.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> Drill sample recoveries were logged in one metre intervals. No relationship has been determined between sample recoveries and grade. Other methodologies such as cyclone cleaning, etc. have not been documented in the historic reports.



Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> The geological logging is qualitative in nature with logging completed on one metre intervals. No core photography has been located. All holes have been geologically logged in their entirety.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> It is believed that industry standard practices have been used; however details of the methodology have largely not been documented in the historic reports.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> The previous explorer submitted samples to Ultratrace Laboratories in Perth for assays using methods ICP302, ICP102, Fire Assay and XRF. These assay methods are considered appropriate for the metals being investigated. The previous explorer did not document any additional QA/QC procedures. Assay laboratory job references are included in sample metadata and it may be possible to review primary lab QC data.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.. 	<ul style="list-style-type: none"> The significant RC drill intersections reported have been sourced from ASX announcements by Aurora Minerals Limited between 2009 and 2014. Results were also reported in annual and surrender reports submitted to the DMP. It is assumed that no adjustments are made to the reported assay data.



Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> RC drill collars were surveyed using a handheld GPS unit with a considered accuracy of ± 10 metres. The majority of data points have been located in MGA projected to GDA94 Zone 50 datum and remaining points are located with latitude and longitude coordinates. The quality and adequacy of topographic control is not known.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The nominal drill spacing is determined at the prospect level and drill hole coordinates are detailed as an attachment to this report. Drill hole data spacing may be sufficient at some prospects to estimate a mineral resource (subject to further data analysis and QA/QC checks), however, the company intends to employ a programme of works to complete verification and in-fill drilling at to define a mineral resource. There is no evidence of sample compositing within the historical data.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Drilling was largely vertical, inclined holes were drilled perpendicular to stratigraphy. At this stage while the drilling is believed to have intersected the mineralisation at an optimum angle the exact relationship between true width and downhole widths is not known and any bias is yet to be determined.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Not documented in historic reporting. Assumption is that sample security measures were completed to acceptable industry standards.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Not documented in historic reporting.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Battery Hub Project is comprised of two exploration licence applications E09/2217 and E52/3523 wholly owned by Pure Manganese Pty Ltd with a total combined area of 724.43 km². There are no joint ventures or other agreements in place. Initial tenement application compliance has been met. Objections close on 24 March 2017. Exploration licences 09/2217 and 52/3523 fall wholly within the Wajarri Yamatji (WC2004/010) Native Title Claimant (NTC) group. The Yamatji Marlpa Aboriginal Corporation (YMAC) is the Native Title Representative Body (NTRB) for the NTC.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Battery Hub Project has had previous exploration completed by Aztec Mining Company, Rio Tinto Exploration and Aurora Minerals. The vast majority of exploration was completed by Aurora Minerals which included soil and rock chip assays and 509 holes of reverse



Criteria	JORC Code explanation	Commentary
		circulation drilling.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The primary exploration target at the Battery Hub Project is manganese mineralisation associated with specific stratigraphic units with other targeted minerals including graphite, copper, zinc and other base metals. • Geological information is included in the attachment.
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Reporting of all of the historic drilling is detailed in the attachment.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Weighted averaging or cutting of grades has been used in the reporting of the RC drilling results; • All drill core samples were assayed at 1m intervals. • No metal equivalents have been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • All drill hole intercepts are measured in down hole metres. • At this stage while the drilling is believed to have intersected the mineralisation at an optimum angle the exact relationship between true width and downhole widths is not known and any bias is yet to be determined.
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but</i> 	<ul style="list-style-type: none"> • Maps and appropriate plans and data showing significant intercepts are included in the attachment.



Criteria	JORC Code explanation	Commentary
	<i>not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All drillholes have been shown in the tables and plans in the document whether mineralised or barren. Intercepts have been reported as the entire width and higher grades with these intervals discussed separately.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Substantive historical data is summarised in the document and will be reviewed, compiled and reported as part of the acquisition and exploration of the Battery Hub Project. These include an XTEM survey and preliminary metallurgical test results of samples.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> It is planned to complete further reverse circulation drilling to define a JORC compliant resource, bulk metallurgical testing and pre-feasibility study. Further desktop work is required to examine all the historical drilling data to date and define programme of works for RC drilling and areas of possible extensions of mineralisation.



Appendix 4

Battery Hub Project - Cross References

ASX Announcements by Aurora Minerals Limited (ASX: ARM)

25/01/2010	CAPRICORN MANAGNESE PROJCT
29/01/2010	QUARTERLY ACTIVITIES REPORT
09/02/2010	COMPANY PRESENTATION
12/03/2010	CAPRICORN SOUTHEAST PROJECT - EXPLORATION UPDATE
30/03/2010	CAPRICORN SOUTHEAST MANAGNESE PROJECT - DRILLING TO COMMENCE
16/04/2010	PRESENTATION - EXPLORATION PROGRAM
23/04/2010	CAPRICORN SOUTHEAST PROJECT - DRILLING UPDATE
03/05/2010	CAPRICORN SOUTHEAST PROJECT - DRILLING UPDATE
05/05/2010	CAPRICORN SOUTHEAST MANAGNESE PROJECT - INITIAL DRILLING IDENTIFIES EXTENSIVE MANGANESE OCCURRENCES
13/05/2010	CAPRICORN SOUTHEAST MANAGNESE PROJECT - COMPLETION OF FIRST DRILLING, ASSAYS, PRESENTATION, PLANNING
02/06/2010	CAPRICORN SOUTHEAST PROJECT - PROJECT UPDATE
07/05/2010	CAPRICORN SOUTHEAST PROJECT - SIGNIFICANT MANGANESE MINERALISATION IN MAIDEN DRILLING PROGRAM
29/07/2010	QUARTERLY ACTIVITIES REPORT
16/08/2010	AURORA MINERALS - EXPLORATION UPDATE - HIGHLIGHTS
30/08/2010	AURORA MINERALS - EM SURVEY COMPLETED OVER CAPRICORN SOUTHEAST MANGANESE PROJECT
21/10/2010	AURORA MINERALS - DRILLING COMMENCES AT CAPRICORN SOUTHEAST MANGANESE PROJECT
28/10/2010	QUARTERLY ACTIVITIES REPORT
05/11/2010	AURORA MINERALS - COPPER GOSSANS DISCOVERED AT CAPRICORN SOUTHEAST MANAGANESE PROJECT
08/11/2010	CAPRICORN SOUTHEAST PROJECT - DRILLING CONFIRMS PROSPECTIVITY
10/12/2010	ROCK CHIP ASSAY RESULTS - DOOLEY DOWNS PROSPECT
31/12/2010	AUORA MINERALS LIMITED - INTERIM FINANCIAL REPORT
04/01/2011	CAPRICORN SOTHEAST MANGANESE PROJECT - DRILLING RESULTS UPDATE
27/01/2011	QUARTERLY ACTIVITIES REPORT
15/04/2011	COPPER AND MANGANESE DRILLING COMMENCES
28/04/2011	QUARTERLY ACTIVITIES REPORT
02/06/2011	EXPLORATION DRILLING UPDATE
28/07/2011	QUARTERLY ACTIVITIES REPORT
02/11/2011	AUORA MINERALS LIMITED - PRESENTATION





Auditors & Advisors

Pty Limited

Principal: Andrew Antoniou CA ANZ

Independent auditor's report

To the directors of Pure Manganese Pty Ltd,

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report of Pure Manganese Pty Ltd, which comprises the statement of financial position as at 28 February, 2017, the statement of comprehensive income, statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial reports is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Liability limited by a scheme approved under Professional Standards Legislation

M: 0438 225 705

E: andrew@smsfaa.com.au

PO Box 233 South Hurstville NSW 2221



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Pure Manganese Pty Ltd would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion the financial report of Pure Manganese Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 28 February, 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibility under the *Corporation Act 2001*. As a result, the financial report may not be suitable for another purpose.

Yours faithfully,

Smsf Auditors and Advisors Pty Limited



Andrew Antoniou CA ANZ

No. 254088

Senior Auditor

09 March, 2017

Liability limited by a scheme approved under Professional Standards Legislation

M: 0438 225 705

E: andrew@smsfaa.com.au

PO Box 233 South Hurstville NSW 2221



Appendix 6

Pure Manganese Pty Ltd – Financial Statements



BILL KOUTLIS ACCOUNTING & TAXATION

PO Box 445 WOLONGONG NSW 2580 • ABN: 82 434 491 715 • Phone: 02 432 271
Fax: (02) 4325 1012 • E-mail: bill@bkoutlis.com.au • Web: <http://www.billkoutlis.com.au>

Pure Manganese Pty Ltd

ABN 36 616 567 910

Financial Statements

For the period from 1 July 2016 to 28 February 2017

Bill Koutlis Accounting & Taxation

Phone: 0412 473 271



Pure Manganese Pty Ltd
ABN 36 616 567 910

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Pure Manganese Pty Ltd
ABN 36 616 567 910
Compilation Report to Pure Manganese Pty Ltd

We have compiled the accompanying special purpose financial statements of Pure Manganese Pty Ltd, which comprise the balance sheet as at 28 February 2017, the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Directors of Pure Manganese Pty Ltd

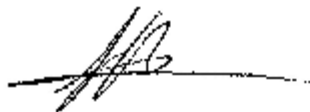
The directors of Pure Manganese Pty Ltd, are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the directors of Pure Manganese Pty Ltd, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors of Pure Manganese Pty Ltd. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



Bill Koutlis Accounting & Taxation
8 March, 2017

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Director's Report

Your directors present this report on the company for the financial year ended 30 June 2017.

Directors

The names of the directors in office at any time during or since the end of the year are:

Bill Koutlis

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The loss of the company for the financial year after providing for income tax amounted to:

Year ended
30 June 2017
\$
(30,646)

Principal Activities

The principal activities of the company during the course of the year were Minerals Exploration.
No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's
Compilation Report and Notes which form part of these financial statements.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Director's Report

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

Bill Koutlis
Director

Dated:

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Detailed Profit and Loss Statement
For the period 1 July 2016 to 28 February 2017

	2017 \$
<hr/>	
Expenses	
Consultants Fees	900
Mining Title Manag't Serv. & Disbursem	29,746
Total expenses	30,646
Profit (Loss) from Ordinary Activities before income tax	(30,646)

**These financial statements are unaudited. They must be read in conjunction with the attached Accountant's
Compilation Report and Notes which form part of these financial statements.**



Pure Manganese Pty Ltd
ABN 36 616 567 910
Profit and Loss Statement
For the period 1 July 2016 to 28 February 2017

	2017 \$
Operating profit (deficit) before income tax	(30,646)
Income tax (credit) attributable to operating profit (loss)	
Operating profit (deficit) after income tax	(30,646)
Retained profits at the beginning of the financial year	
Total available for appropriation (deficiency)	(30,646)
Retained profits (deficit) at the end of the financial year	(30,646)

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Detailed Balance Sheet as at 28 February 2017

	Note	2017 \$
Current Assets		
Cash Assets		
Bank - CBA ****1166		16,289
Cash On Hand		100
		<u>16,389</u>
Current Tax Assets		
Input Tax Credit Control Account		3,065
		<u>3,065</u>
Total Current Assets		<u>19,454</u>
Non-Current Assets		
Intangible Assets		
Goodwill - At Cost		26,720
		<u>26,720</u>
Total Non-Current Assets		<u>26,720</u>
Total Assets		<u>46,174</u>
Net Assets		<u>46,174</u>
Equity		
Issued Capital		
Issued & Paid Up Capital		76,820
Retained profits / (accumulated losses)		(30,646)
Total Equity		<u>46,174</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Notes to the Financial Statements
For the period 1 July 2016 to 28 February 2017

Note 1: Summary of Significant Accounting Policies

The director has prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the director has determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Intangibles

Goodwill

Goodwill is recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

These notes should be read in conjunction with the attached financial statements and compilation report of Bill Koutlis Accounting & Taxation.



Pure Manganese Pty Ltd
ABN 36 616 567 910
Director's Declaration

The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The director of the company declares that:

1. the financial statements and notes, present fairly the company's financial position as at 28 February 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. in the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the director.

Bill Koutlis
Director

Dated:

