

ASX/Media Release 28 April 2017

### **ACTIVITIES REPORT MARCH QUARTER 2017**

# PLEASE REFER TO GTI ASX RELEASE DATED 27 JANUARY 2017 FOR SPECIFIC DETAILS INCLUDING:

- (1) MINERAL RESOURCE STATEMENT; AND
- (2) ORE RESERVES.

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

GTI plans to construct a relocatable gold tailings treatment plant to recover gold and other minerals located in the 3 tailings dams (refer map attached).

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

## Windarra Tailings Dam Drilling Program (update)

GTI conducted an infill and duplication drilling program at the Windarra North tailings dam during April 2017. The drilling was undertaken by GTI as part of the company's due diligence process for the purchase of the Windarra Tailings facility from Poseidon. The program aimed to validate and check the results of earlier resource drilling by Triton Resources and infill a number of areas in the central parts of the tailings dam.

The drilling program was completed by Geosonic Drilling Pty Ltd using an EP26, 66Hz sonic drill rig manufactured by Tao Tone in Japan, mounted on a compact, track mounted mini excavator body (refer to figure 1 and 2)

The information collected will assist GTI in respect of due diligence assessment.





Figure 1. EP26 Sonic Drill Rig – Windarra North Tailings Dam



Figure 2. Windarra North Tailings, GTI - Drill Core Storage – Windarra Mine Site

#### **REVISED KEY DATES:**

- Deposit paid \$25,000 (due diligence option fee) expired on or before 28 March 2017.
- Second payment 28 March 2017 of \$100,000 (due diligence option extension fee to 31 May 2017).
- Third payment 31 May 2017 \$975,000.
- Fourth payment \$1 million on 28 June 2017.
- Final payment of \$1,000.000 payable 90 days after issue of ML over the Windarra Gold Tailings Project.

Total acquisition price \$3 million.

GTI released the 2016 Annual Report during the quarter.

GTI has dispatched to shareholders a notice of meeting seeking approval to change the scale of activities of GTI and approve the acquisition subject to finance.

Shareholders also have received a Shareholder Purchase Plan (SPP), offering shareholders the opportunity to participating in the share issue. The offer is limited to a total of 24 million shares at 3 cents per share and will close on or before the 10 May 2017.

GTI plans to have commitments in place by the 28 May 2017 – if funding arrangements are not in place by 28 May 2017 the option will expire. Discussions are now taking place with identified debt funders to finance the project.

Poseidon has been in discussions with the West Australian State Government with a view to terminating the 1971 Poseidon Nickel Agreement which expires in December 2017. The State Government has indicated to Poseidon that termination is likely to be in the second half of 2017.

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

GTI completed a placement of 4 million shares raising \$100,000 during the quarter.

Shareholders will be given a comprehensive update following due diligence.

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

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

Murray McDonald Executive Chairman



## **Tenement Schedule**

#### Tenements held as at 31 March 2017

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

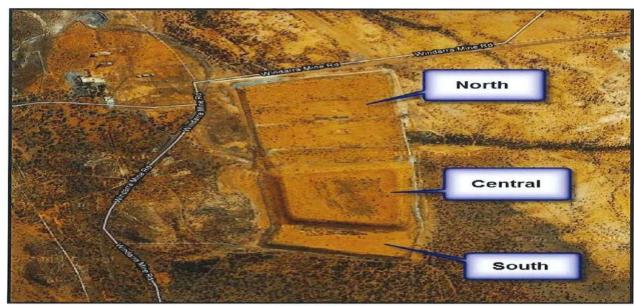
Changes of tenure during the quarter

PROJECT	TENEMENT	HOLDER/APPLICANT	SHARES HELD

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

E - Exploration Licence

ELA - Exploration Licence Application



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

### Forward Looking Statements:

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

