



Quarterly Activities Report – June 2017

ASX ANNOUNCEMENT

18 July 2017

Perth-based exploration company **Metallum Limited (ASX: MNE)** provides the following activities and cashflow report for the quarter ended 30 June 2017.

Teutonic Project

As announced on 23 May 2017, preliminary results from the MLEM survey have identified several prospective bedrock conductors, occurring within the target stratigraphic horizon which contains the Mustang conductor and is within the regionally important VMS corridor which hosts the Bentley and Jaguar VMS zinc and copper deposits approximately 20kms to the north.

Previous work has identified that the prospective VMS corridor may extend along strike into the north of tenement E37/1037. The MLEM survey conducted during the quarter tested the prospective corridor to the northern tenement boundary (Figure 2). The results further confirm the prospectivity of the Teutonic Project to host base metal mineralisation similar to the deposits to the north.

These results have provided impetus for the Company to commence work to define base metal drill targets within the survey area. Due to the focus on clearly defining drill targets from the MLEM anomalies generated, the Company has decided to delay the planned MLEM survey work on the recently granted E37/1281 tenement, located approximately 8km to the south east of the Mustang conductor on EL37/1037.

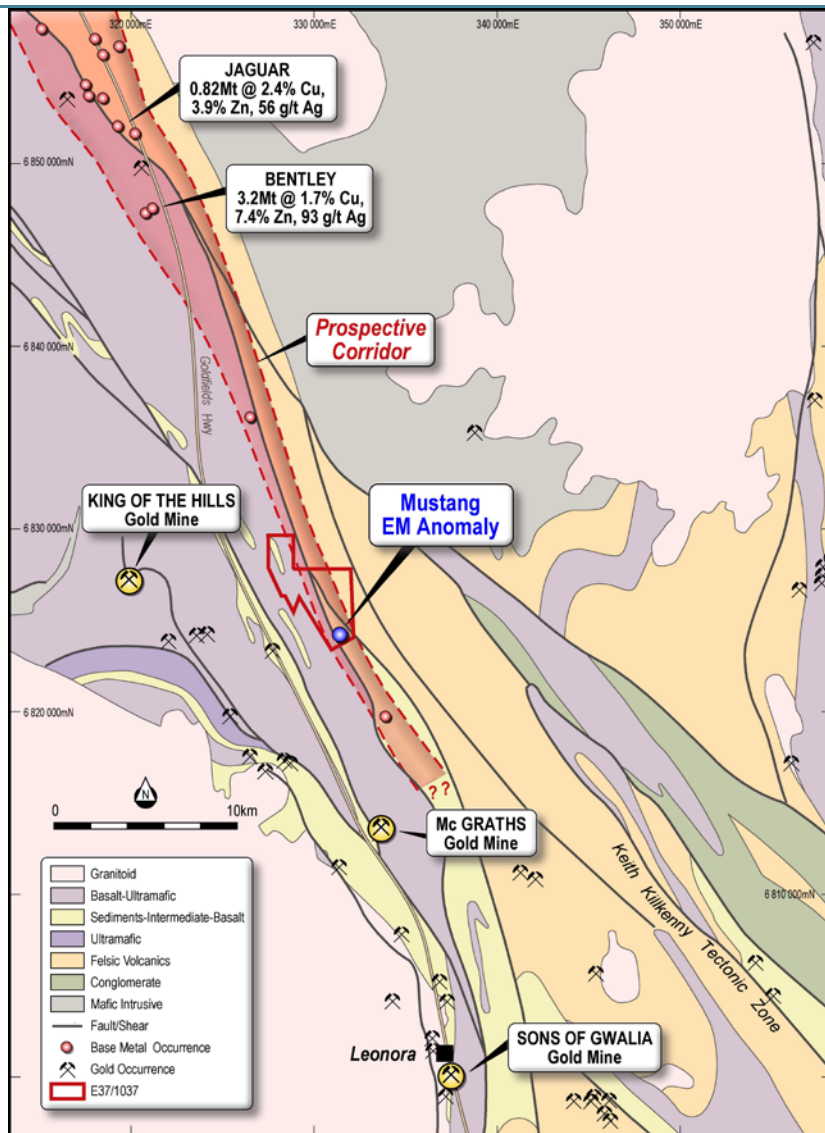


Figure 1— Regional geology and location of the Teutonic Project and Mustang Conductor showing proximity to the Jaguar and Bentley VMS deposits. Resource figures for Bentley and Jaguar sourced from Independence Group’s website.

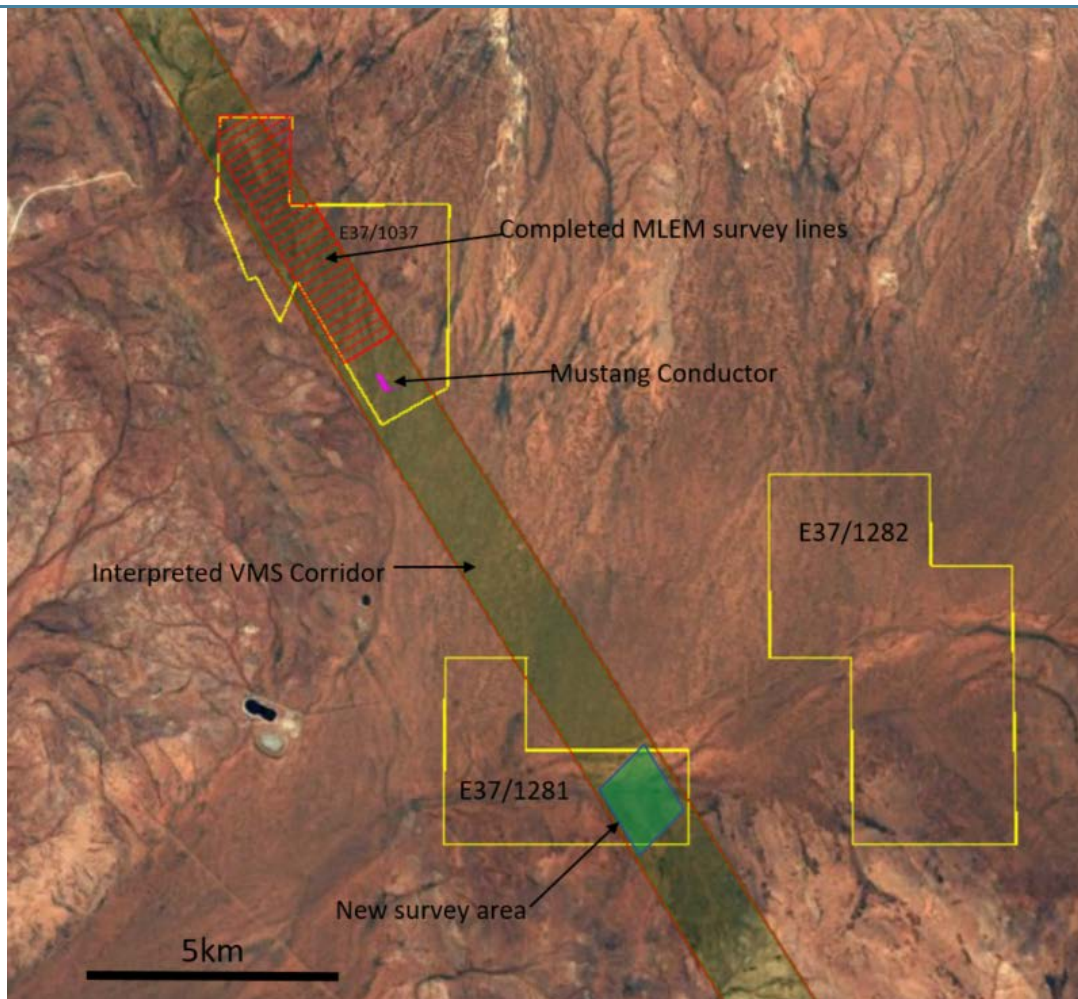


Figure 2 – Satellite image showing location of the 2017 ground MLEM program (red) along strike from the Mustang EM Conductor (pink), within the interpreted VMS corridor (green). Yellow outlines show Teutonic Project tenements including E37/1281 and E37/1282.

Comval Project

The Company continues to work to hold the Comval Copper Gold Project in the Philippines on care and maintenance while it seeks partners to assist in progressing the project. The Company's interest has now been diluted in accordance with the original acquisition terms.

Corporate

As announced on 17 July 2017, 37,501 unlisted options exercisable at \$6.00 each on or before 15 July 2017 lapsed unexercised.

Outlook

Concurrently with its work on the Teutonic Project, the Company continues to seek and review complementary resource and other projects.

For further information please contact:

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 Chairman
 Metallum Ltd
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About Metallum Limited

Metallum Limited (ASX: MNE) is an Australian-based company that acquires and develops copper and gold projects around the world. The Company currently has interests in its Australian-based Teutonic Project as well as the Comval Copper Project in the Philippines.

Tenement Schedule

Tenement	Name	Location	Size (Ha)	Grant Date	Expiry Date	% Ownership
E37/1037	Teutonic	Western Australia	1,613	23/07/2010	22/07/2020	70%
E37/1281	Teutonic	Western Australia	954	21/03/2017	20/03/2022	100%
E37/1282	Teutonic	Western Australia	2,350	21/03/2017	20/03/2022	100%
EP-000001-00-XI	Comval	Mindanao, Philippines	2,171	30/01/2009 (2nd renewal)	29/01/2011	36%
EP -000002-09-XI	Comval	Mindanao, Philippines	2,139	15/08/2015 (2nd renewal)	14/08/2017	36%

Notes:

1. EP-000001-00-XI expired on the 29/01/2011. The Company's Philippines subsidiary has applied to the Philippines Mines and Geosciences Bureau for a renewal.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

METALLUM LIMITED

ABN

73 149 230 811

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(167)	(183)
(b) development	-	-
(c) production	-	-
(d) staff costs	(37)	(151)
(e) administration and corporate costs	(45)	(253)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Squirrel transaction costs)	-	(129)
1.9 Net cash from / (used in) operating activities	(248)	(712)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	1
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	989	1,452
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(248)	(712)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	741	741

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	736	984
5.2	Call deposits	5	5
5.3	Bank overdrafts	-	-
5.4	Other (details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	741	989

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

30

-

1.2(e) Payments made to a director related entity for company secretarial services and for sub-lease of office premises for the quarter summed \$15,000 and \$2,659, respectively.

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

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

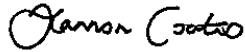
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	21
9.2 Development	-
9.3 Production	-
9.4 Staff costs	45
9.5 Administration and corporate costs	50
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	116

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 18 July 2017

Print name: Shannon Coates

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.