

## Quarterly Activities Report for Period Ended 30 June 2017

*Maiden zinc resource, new discovery and significant exploration breakthroughs at Kildare in the June quarter pave the way for a big second-half to the year*

### KILDARE MVT ZINC PROJECT, IRELAND

- Maiden JORC Inferred Mineral Resource independently estimated for the McGregor and Shamrock prospects:
  - 5.2Mt @ 8.6% combined Zn+Pb (7.2% Zn & 1.4% Pb)
  - Potential to increase resource size and/or grade with ongoing drilling.
- Spectacular high-grade zinc mineralisation returned from drilling at the McGregor prospect, with results including:
  - 23.25m @ 12.7% Zn+0.8% Pb from 396.53m, including:  
7.69m @ 17.2% Zn+1.0% Pb from 401.33m.
- Results are ~45m from the nearest drill hole and significantly extend the Base of Reef mineralisation at McGregor, with potential to upgrade the existing Resource estimate.
- Discovery of significant new high-grade zinc mineralisation across multiple zones at the Celtic Tiger prospect, ~1km west of the McGregor Prospect, with results including:
  - 2.85m @ 20.2% Zn+0.88% Pb from 193.90m.

### CORPORATE

- Subsequent to the end of the reporting period, the Company launched a 1-for-3 non-renounceable rights issue at \$0.005 to raise up to \$1,563,544, with a 1-for-1 attaching new option (exercisable at \$0.015 before 21 July 2021).
- Funds raised to be used for next phase of drilling.
- Establishment of a Share Sale Facility for holders of Unmarketable Parcels of Shares in the Company. The shares to be sold under the Facility will be purchased off-market by high net worth and institutional investors identified by the Company.

### Overview

The June Quarter was an active period for European base metals explorer Zinc of Ireland NL (ASX: ZMI – “ZMI” or “the Company”), with highlights including the delineation of a maiden JORC 2012 Resource estimate for the Company’s flagship 100%-owned Kildare MVT Zinc Project in Ireland, as well as a string of positive results from Phase 2 diamond drilling which resulted in some important new discoveries for the Company.

The completion of a maiden Mineral Resource estimate for the Kildare Project, comprising 5.2 million tonnes grading 8.6% combined zinc + lead, was a significant milestone for the Company, resulting from the significant effort which has been dedicated to validating and collating the vast historical database over the past six months.

The high-quality Mineral Resource represents a significant metal inventory in a world-renowned MVT district, and is located just 40km from Dublin, in an area which has excellent infrastructure and access to services and a skilled workforce.

Also during the Quarter, the Company received further outstanding results from ongoing Phase 2 drilling at Kildare, which delivered spectacular high-grade zinc mineralisation at the McGregor prospect and a new zinc discovery at Celtic Tiger.

At the McGregor Deposit, high-grade results including 23.25m @ 12.7% Zn+0.8% Pb from 396.53m (including 7.69m @ 17.2% Zn+1.0% Pb from 401.33m) were returned approximately 45m from the nearest drill hole, significantly extending the Base of Reef mineralisation. These intercepts indicate strong potential to upgrade the existing Resource estimate, with this area to be a key exploration focus in the September Quarter.

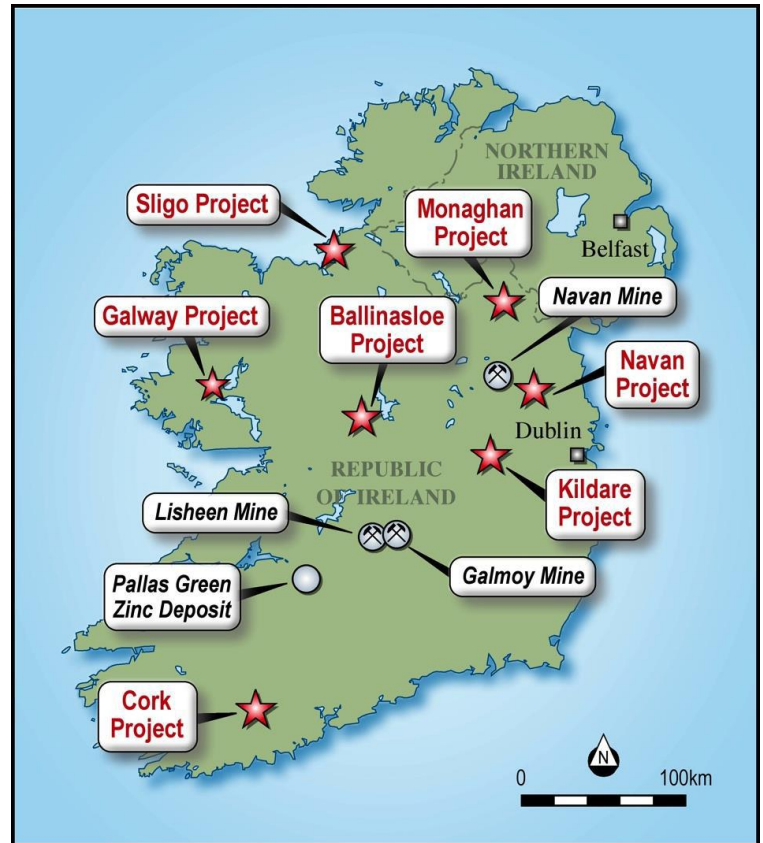


Figure 1: ZMI's projects (stars) and major zinc mines in Ireland

At Celtic Tiger, located approximately 1km west of McGregor, high-grade zinc mineralisation has been confirmed across multiple zones, with results including 2.85m @ 20.2% Zn+0.88% Pb from 193.90m. This represents a major breakthrough, opening up an exciting new area for follow-up exploration well outside the project's existing resource inventory.

Subsequent to the end of the Quarter, ZMI announced a Non-Renounceable Rights Issue to raise up to \$1.56 million, with the funds raised to underpin future exploration activities at Kildare.

### **Kildare MVT Zinc Project, Ireland (ZMI: 100%)**

#### ***Mineral Resource Estimate***

During the Quarter, ZMI completed a maiden JORC 2012 compliant Mineral Resource estimate for its flagship 100%-owned **Kildare MVT Zinc Project**, located 40km south-west of Dublin in Central Ireland (Figure 1).

The maiden Global Inferred Mineral Resource Estimate (MRE), which has been independently estimated by geological consultants Al Maynard & Associates (AM&A), comprises approximately **5.2 million tonnes at an average grade of 8.6% combined Zn+Pb (7.2% Zn and 1.4% Pb)** for **374,400 tonnes of contained zinc and 72,800 tonnes of contained lead** based on a cut-off grade of 5% combined Zn+Pb for fresh and 6% combined Zn+Pb for weathered mineralisation.

The individual resources at McGregor and Shamrock are as follows:

- **McGregor:** 4.1Mt at 8.9% combined Zn+Pb (7.5% Zn and 1.4% Pb); and
- **Shamrock:** 1.1Mt at 7.4% combined Zn+Pb (6.1% Zn and 1.3% Pb)

The initial MRE, which encompasses the McGregor and Shamrock prospects, has been based on the extensive database of historical drilling information, together with generations of geological mapping and geophysical surveys, which has been exhaustively reviewed, verified and collated by ZMI over the past six months.

The MRE provides a strong foundation for ZMI's continuing exploration and resource development activities at the Kildare Project.

**Table 1: May 2017 Global Inferred Mineral Resource estimate for the Kildare MVT Zinc Project**

Inferred	Cut-Off Pb & Zn	M Tonnes	Zn %	Pb %
<b>McGregor</b>				
<i>Weathered</i>	6%	0.1	8.8	3.1
<i>Fresh</i>	5%	4.0	7.5	1.3
<b>Shamrock</b>				
<i>Fresh</i>	5%	1.1	6.1	1.3
<b>Totals</b>		<b>5.2</b>	<b>7.2</b>	<b>1.4</b>

Full details of the Mineral resource Estimate are provided in the Company's ASX Announcement dated 1 June 2017.

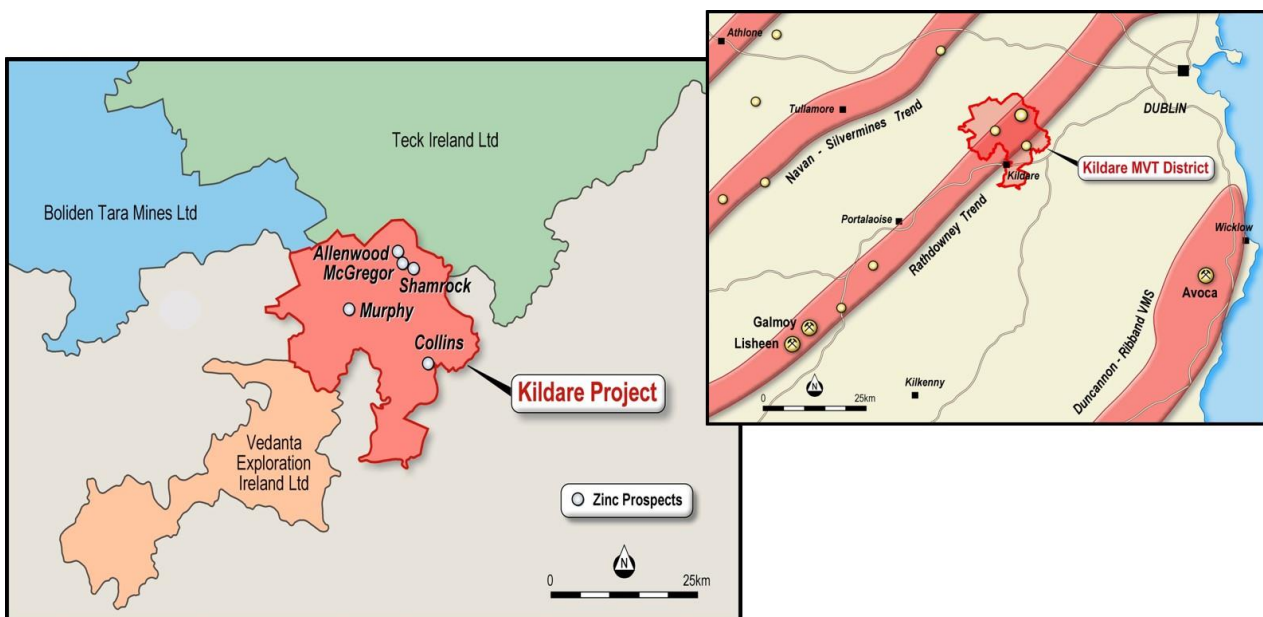


Figure 2: Regional setting of the Kildare Project

## Phase 2 Diamond Drilling Program

The Phase 2 diamond drilling program continued at Kildare throughout the June Quarter. The 3,000m program has been designed to test multiple targets, including extensions of mineralisation at previously drilled prospects and a number of newly identified high-priority exploration targets within close proximity of the known mineralisation at the Shamrock and McGregor prospects.

Drill hole Z\_4069\_003 was designed to extend the existing mineralisation at the McGregor prospect, targeting the Base of Reef horizon.

Assay results from this hole confirmed a spectacular intersection of high-grade zinc mineralisation at the Base of Reef target comprising **23.25m @ 12.7% Zn+0.8% Pb from 396.53m, including 7.69m grading 17.2% Zn+1.0% Pb from 401.33m (calculated true width).**

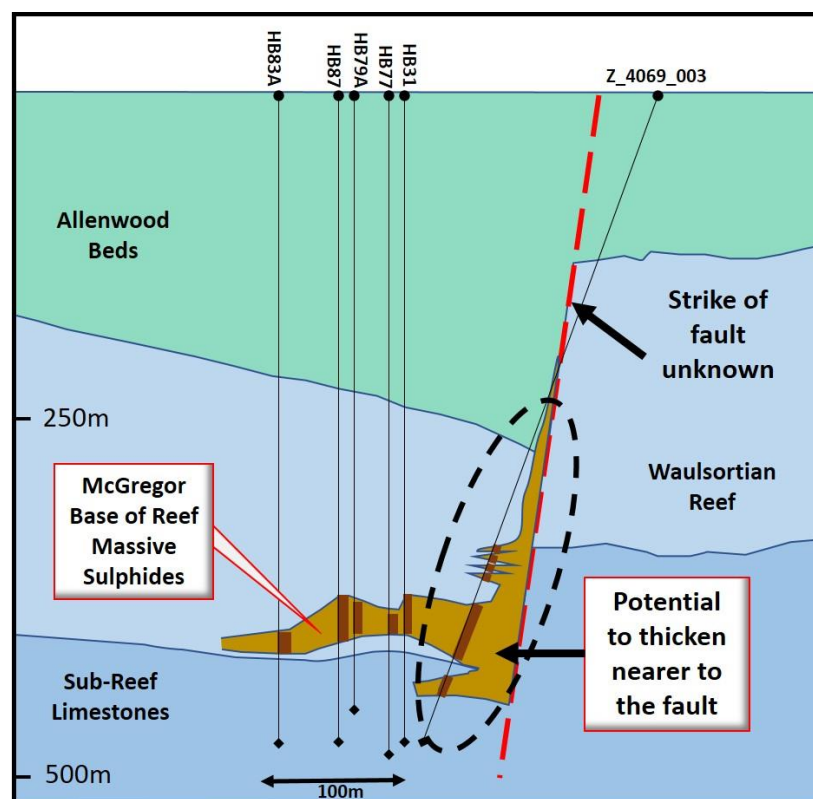


Figure 3: Cross section through the McGregor Prospect depicting the trace of Z\_4069\_003 and its intersection with the newly discovered McGregor Fault and high-grade zones of massive sulphides.

The intercept is located 45m from the nearest drill hole and is likely to have a positive impact on Kildare's maiden JORC Resource of **5.2Mt @ 8.6% Zn+Pb** (see above).

Additional zones of mineralisation were intersected in the hole both above and below the Base of Reef including **5.25m @ 10.2% Zn + 2.5% Pb from 240.95m** and **8.44m @ 9.2% Zn + 0.5% Pb from 435.96m**.

Full details of the exploration and assay results are provided in the Company's ASX Announcement dated 19 May 2017.

Z\_4069\_003 also discovered a mineralised fault located to the east of the Base of Reef target. This structure displays the characteristics of a 'feeder' fault with the McGregor mineralisation sitting in its hanging wall.

This is particularly encouraging because mineralisation in Irish zinc deposits is commonly associated with such ‘feeder’ faults, and the mineralisation often thickens and increases in grade towards them.

Two other holes were drilled into deep overburden anomalies similar to the deep overburden anomaly that resulted in the discovery of the McGregor Prospect (see Figure 2). The holes were drilled to test the base of reef and sub-reef targets. No significant mineralisation was intersected in either hole and these anomalies remain unexplained.

### ***Celtic Tiger Discovery***

Subsequent to the end of the reporting period, ZMI announced the discovery of significant new high-grade zinc mineralisation across multiple zones at the Celtic Tiger prospect at Kildare.

Assay results from diamond drill hole Z\_4069\_004 have confirmed the presence of zinc mineralisation across four zones, including a best result of 2.85m @ 20.2% Zn + 0.88% Pb from 193.9m, opening up an exciting new area for follow-up exploration well outside the project’s existing resource inventory.

Diamond drill hole Z\_4069\_004 was designed to test the western margin of ZMI’s recently interpreted Allenwood Graben, a prospective structural setting overlooked by past explorers. The Celtic Tiger prospect constitutes a previously untested area approximately 1km to the west of the McGregor prospect, which hosts the majority of ZMI’s recently published maiden JORC Inferred Resource of 5.2Mt @ 8.6% Zn+Pb.

Details of drill hole Z\_4069\_004 are provided in the Company’s ASX Announcement dated 18 July 2017.

The Celtic Tiger prospect was targeted following ZMI’s reinterpretation of the structural framework of the Kildare district and the recognition of the Allenwood Graben. The model implies that there is a fault network running along the western margin of the Allenwood Beds and the Waulsortian Reef in this area (Figure 3), making it a highly favourable setting for structurally controlled zinc mineralisation. This has been confirmed by Z\_4069\_004, which intersected a series of fault rocks and breccias in the Sub-Reef stratigraphy, some of which are mineralised and contain high grades.

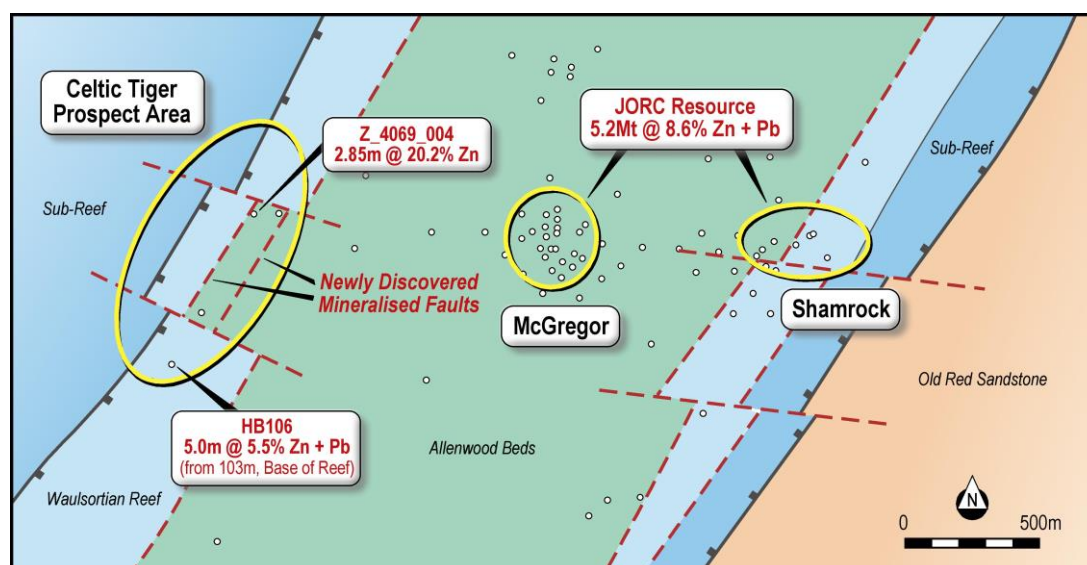


Figure 4: Geological plan showing the location of Z\_4069\_004 and the structural setting of the Celtic Tiger prospect on the western margin of the Allenwood Graben (N.B. Drill holes shown are deeper than 200m).



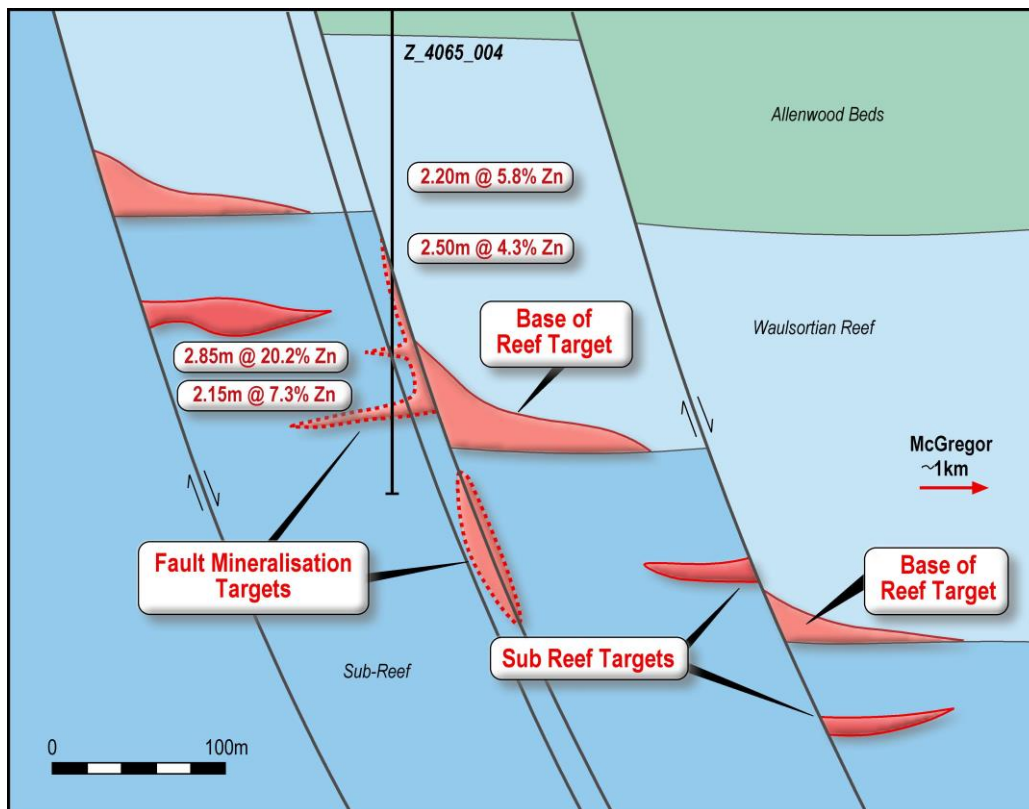


Figure 5: Schematic cross-section through the Celtic Tiger prospect highlighting a range of target types that ZMI believes could have developed in this structural setting.

The Base of Reef, which is the principal target at Kildare, was faulted off in this hole, the implication of which is that it is situated a little further to the east. A second hole, Z4069\_005, was drilled on that basis, but was terminated after intersecting a cross fault before reaching the target. Historical drill hole HB106, which was drilled on a geophysical target, did intersect Base of Reef mineralisation (5.0m @ 5.5% Zn+Pb) 600m along strike to the southwest of ZMI's hole, further highlighting the potential of this emerging prospect area (Figure 3).

There are several significant implications from the results of Z\_4069\_004:

- Firstly, mineralisation is observed within a fault zone that underwent as much as 150m of vertical displacement. Such growth faults are known to be a key ingredient of Irish zinc deposits.
- Secondly, the mineralisation observed thus far occurs at various stratigraphic levels, consistent with observations elsewhere in the Kildare district.
- The western margin of the Allenwood Graben is virtually untested, opening up a prospective strike length of approximately 4km.
- Furthermore, the mineralisation in the sub-reef occurs at significantly shallower depths than at McGregor and Shamrock, indicating the potential for Base of Reef and Sub-Reef mineralisation to be found 'stepping up' away from the thicker core of the graben (figure 4).

## Monaghan Project

ZMI completed a data compilation and prospectivity study on its Monaghan Project, followed by a reconnaissance field visit to evaluate areas of historical mineralisation, access and other logistics. A geophysical interpretation was completed utilising the new Tellus Aeromagnetic and EM datasets.

ZMI submitted a two-yearly Review Report to the EMD for three of its Monaghan licences.

### **Navan Project**

ZMI completed a geophysical interpretation of the Tellus aeromagnetic and EM datasets covering its Navan licences. A geochemical study was also completed. The results of this work are currently being interpreted, and further work is being planned.

ZMI submitted the two-yearly Review Report to the EMD for its two Navan licences.

### **Ballinasloe Project**

ZMI completed a data compilation and a prospectivity study on its Ballinasloe Project. A reconnaissance field trip was also undertaken to investigate relevant sites of historical exploration, access and other logistics in the area. A geophysical interpretation of the new Tellus aeromagnetic and EM datasets was completed, and a prospectivity analysis undertaken. Areas of interest have been highlighted for further work.

ZMI submitted the two-yearly Review Report to the EMD for its three Ballinasloe Licences.

### **Galway Project**

ZMI undertook a data compilation and prospectivity study of its Galway Project. A reconnaissance field trip was undertaken to investigate access and other logistics. A geophysical interpretation of the new Tellus aeromagnetic and EM datasets was completed. Areas of interest have been highlighted for further work.

ZMI submitted the two-yearly Review Report to the EMD for its three Galway Licences.

## **CORPORATE**

### ***Rights Issue***

Subsequent to the end of the reporting period, the Company announced a pro rata non-renounceable rights issue of fully paid ordinary shares to raise approximately \$1,563,544 at an issue price of \$0.005 ('Rights Issue').

The Rights Issue will be offered to existing shareholders of the Company on the basis of one (1) new Share for every three (3) Shares held, to raise up to approximately \$1,563,544. For every new Share subscribed for under the Rights Issue, subscribers will also be issued one (1) free attaching option exercisable for \$0.015 on or before 21 July 2021 ('New Options').

Quotation on ASX will be sought for the New Options, and upon completion of the Rights Issue, the Company's current class of listed options will have expired and the New Options will be the Company's only class of option quoted on ASX (subject to satisfaction of the ASX Listing Rules requirements in respect of quotation thereof).

A prospectus setting out the terms and conditions of the Rights Issue was announced to ASX on 19 July 2017 and a supplementary prospectus was lodged on 20 July 2017.

Funds raised from the Rights Issue will be primarily applied towards the next phase of drilling at the Company's 100% owned Kildare Project, where the Company has received considerable encouragement from its drilling to date. Activities are principally focussed on expanding the current JORC Resource at McGregor following a spectacular intercept in May, and following-up on highly encouraging results at its recently discovered Celtic Tiger prospect.

Directors of the Company, Patrick Corr, Thomas Corr & Peter van der Borgh intend to subscribe for their full entitlements under the Rights Issue.

An indicative timetable for the Rights Issue is set out below:

Lodgement of Prospectus with the ASIC	18 July 2017
Lodgement of Prospectus & Appendix 3B with ASX	19 July 2017
Notice sent to Optionholders	19 July 2017
Notice sent to Shareholders	20 July 2017
Ex date	21 July 2017
Record Date for determining Entitlements	24 July 2017
Prospectus despatched to Shareholders & Company announces despatch has been completed	26 July 2017
Closing Date*	7 August 2017
Shares quoted on a deferred settlement basis	8 August 2017
ASX notified of under subscriptions	10 August 2017
Despatch of holding statements	15 August 2017
Quotation of Securities issued under the Offer*	29 August 2017

\* The Company reserves the right to vary the Opening Date and the Closing Date, subject to compliance with the ASX Listing Rules. This may impact on subsequent dates.

### ***Unmarketable Parcel Share Sale Facility***

The Company has also established a Share Sale Facility for holders of Unmarketable Parcels of Shares in the Company. The shares to be sold under the Facility will be purchased off-market by high net worth and institutional investors identified by the Company.

The Company is providing the Facility, in accordance with Clause 25 of its Constitution, to holders of Unmarketable Parcels to sell their Shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic or difficult. The Company will organise remittance of sale proceeds for those Shareholders who participate in the Facility.

The Company values all of its Shareholders, however by making this Facility available the Company expects to reduce the administrative costs associated with maintaining a number of small holdings.

The ASX Listing Rules defines an 'Unmarketable Parcel' as those with a market value of less than A\$500. As at market close on Thursday, 13 July 2017 ('Facility Record Date') an unmarketable parcel of Shares in the Company is any Shareholding of 99,999 Shares or less, based on the closing price of \$0.005 cents per Share. This represents 29,220,060 Shares held by 1,330 Shareholders ('Sale Shares').



The Facility is open to Australia and New Zealand registered Shareholders who at 5pm on the Facility Record Date held Shares in the Company with the value of less than A\$500. The sale price of a Share has been determined as \$0.004 being a 20% discount to the offer price under the Rights Issue (not including the value attributable to the attaching New Options).

A summary of the key dates in relation to the Facility is as follows:

- |   |                |
|---|----------------|
| • Unmarketable Parcel Record Date                           | 13 July 2017   |
| • Unmarketable Parcels Announcement to ASX                  | 18 July 2017   |
| • Letters sent to Shareholders holding Unmarketable Parcels | 18 July 2017   |
| • Closing Date for receipt of Share Retention Form          | 29 August 2017 |

### ***General Meeting of Shareholders***

A General Meeting of the Company's Shareholders was held on 19 May 2017, with all resolutions passed on a show of hands.

As announced on 19 July 2017 in the Company's rights issue prospectus, Mr Benjamin Sharp tendered his resignation as a director effective from 31 July 2017. Mr Sharp has been replaced as a director by Mr Keith Bowker, the company secretary of the Company, for corporate compliance reasons.

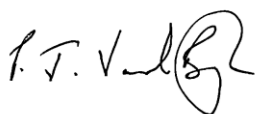
The Directors wish Ben all the best in his future endeavours and would like to thank him for his invaluable contribution to the Company during his tenure as Technical Director, including for his role in the establishment of the Company's current technical team comprised of various employees and consultants.

### ***Next Steps***

The Company is currently in the process of completing planning and permitting required for the next round of drilling at the Kildare Zinc Project, which will be aimed at adding significant tonnes to the McGregor Resource by following up on the spectacular intercept returned from Hole Z\_4069\_003 in June. In addition, drilling will also focus on the newly-discovered Celtic Tiger prospect to further define and assess the mineralisation in this area.

Due diligence is also continuing on the suitability of the Galmoy plant to form a key infrastructure component for the future development of the Kildare Project in keeping with ZMI's aggressive exploration and regional development strategy.

Yours faithfully,



**Peter van der Borgh**

Managing Director  
Zinc of Ireland NL

**Investor Inquiries:**

Peter van der Borgh  
Zinc of Ireland NL  
Peter@zincofireland.com

**Media Inquiries:**

Nicholas Read  
Read Corporate  
Tel: +61-8 9388 1474

**Competent Person Statement**

*The information in this document that relates to exploration results is based on information compiled by Mr Peter van der Borgh BSc (Hons, 1<sup>st</sup> Class), a Competent Person who is a Fellow of the Geological Society of London. Mr van der Borgh is a director and shareholder of Zinc of Ireland NL. Mr van der Borgh has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr van der Borgh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**Disclaimer**

*Certain statements contained in this announcement, including information as to the future financial or operating performance of ZMI and its projects, are forward-looking statements that:*

- *may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;*
- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by ZMI, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*

## TENEMENT DETAILS

PL Number	Owner	Status	County
3846	Raptor Resources Ltd. (100%)	Held	Kildare
3866	Raptor Resources Ltd. (100%)	Held	Kildare
4069	Raptor Resources Ltd. (100%)	Held	Kildare
4070	Raptor Resources Ltd. (100%)	Held	Kildare
4072	Raptor Resources Ltd. (100%)	Held	Kildare
4073	Raptor Resources Ltd. (100%)	Held	Kildare
890	Raptor Resources Ltd. (100%)	Held	Kildare
2440	Beal Na Blath Resources Ltd. (100%)	Held	Cork
3202	Beal Na Blath Resources Ltd. (100%)	Held	Cork
2724	Beal Na Blath Resources Ltd. (100%)	Held	Galway
3251	Beal Na Blath Resources Ltd. (100%)	Held	Galway
3459	Beal Na Blath Resources Ltd. (100%)	Held	Roscommon
3880	Beal Na Blath Resources Ltd. (100%)	Held	Galway
1450	Beal Na Blath Resources Ltd. (100%)	Held	Meath
2836	Beal Na Blath Resources Ltd. (100%)	Held	Meath
2193	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
3027	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
3871	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
2105	Beal Na Blath Resources Ltd. (100%)	Held	Roscommon
3163	Beal Na Blath Resources Ltd. (100%)	Held	Roscommon
1690	Beal Na Blath Resources Ltd. (100%)	Held	Sligo
3969	Beal Na Blath Resources Ltd. (100%)	Held	Sligo
3397	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
3870	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
4247	Beal Na Blath Resources Ltd. (100%)	Application	Monaghan
4248	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
4249	Beal Na Blath Resources Ltd. (100%)	Application	Monaghan
4250	Beal Na Blath Resources Ltd. (100%)	Application	Monaghan
4251	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan
3414	Beal Na Blath Resources Ltd. (100%)	Application	Monaghan
3526	Beal Na Blath Resources Ltd. (100%)	Held	Monaghan

**Note:** Raptor Resources Ltd and Beal Na Blath Resources Ltd are wholly owned subsidiaries of ZMI

## 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

ZINC OF IRELAND NL

### ABN

23 124 140 889

### Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(354)	(1,024)
(b) development	-	-
(c) production	-	-
(d) staff costs	(97)	(318)
(e) administration and corporate costs	(112)	(742)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	22	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(541)</b>	<b>(2,055)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(110)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(110)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	3,700
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(224)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>3,476</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,895	72
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(541)	(2,055)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(110)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,476
4.5	Effect of movement in exchange rates on cash held	3	32
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,351</b>	<b>1,351</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	1,351	5
5.2 Call deposits	-	1,890
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,351</b>	<b>1,895</b>

**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

<b>Current quarter \$A'000</b>
97
-

Directors' fees and wages – all payments are on normal commercial terms

**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

<b>Current quarter \$A'000</b>
-
-

N/A

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		

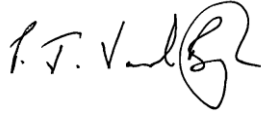
N/A
-----

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	500
9.2 Development	-
9.3 Production	-
9.4 Staff costs	98
9.5 Administration and corporate costs	80
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>678</b>

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	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: \_\_\_\_\_  
**Managing Director**

Date: 31 July 2017

Print name: **Peter van der Borgh**

### **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.