

30 April 2015

ASX Release

ASX Code: CXX

MARCH 2015 QUARTERLY ACTIVITY REPORT

Highlights

- **Pre-Feasibility Study announced**
- **Definitive Feasibility Study planning underway**
- **Update of Mineral Resource Estimate underway**
- **Environmental wet season baseline study activities commenced in April**
- **75 tonne bulk sample shipped to Canada for pilot testwork**

Pre-Feasibility Study

Cradle Resources Limited (Cradle or Company) announced its Pre-Feasibility Study (PFS) for the Panda Hill Niobium Project in south western Tanzania (see Figure 8 below) as planned during the March 2015 quarter. The PFS was based on a nominal 2 million tonne per annum mining operation producing ferroniobium for direct sale to the steel mills. Highlights included an NPV₁₀ of US\$460m, an IRR of 57% and LOM average EBITDA of US\$98m per annum. The PFS announcement is available on www.cradleresources.com.au.

ASX/JORC Cautionary note: Cradle advises that the PFS results and production targets reflected in this announcement are preliminary in nature as conclusions are drawn from partly from Indicated Mineral Resources and partly from Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources or that the production target itself will be realised.

Definitive Feasibility Study

The Definitive Feasibility Study commenced at the beginning of March with planning and scoping of the key activities. The initial focus is the continuation of the baseline study work for the environmental and social impact study and the updating of the Mineral Resource Estimate. All assay results from the 2014 drilling programs have been received and validated and the resource is being updated to incorporate 9,700m of new drilling. The resource updated is expected to be finalised by May.

In addition, a 75 tonne bulk sample was collected at site during the period and is currently being shipped to Canada for the planned milling and flotation pilot plant which will be undertaken at SGS Canada's facility in Lakefield. The concentrate produced from this pilot campaign will be used as the feed for the concentrate cleaning piloting that will also be carried out at SGS Canada. The 'clean' concentrate will be collected and will be available for converter test work if required.

The key consultants for the DFS are in the process of being selected and a project kick-off meeting is expected in mid-May. The high level schedule for the DFS is shown below in Figure 1. The study is planned for completion in Q4 2015.

Conceptual Schedule - Panda Hill (2015)											
Project Activities	Target End Date	March	April	May	June	July	August	September	October	November	December
Definitive Feasibility Study	December 2015										
Project Planning	April 2015										
Mineral Resource Estimate	June 2015										
Piloting Testwork	August 2015										
Mini-pilot plant	May 2015										
Milling flotation pilot plant	August 2015										
Concentrate cleaning	September 2015										
Geotechnical - Pit	July 2015										
Geotechnical - Plant	November 2015										
Mine Design	August 2015										
Production scheduling	September 2015										
Process design	August 2015										
Plant design	October 2015										
Infrastructure	October 2015										
Tailings dam design	November 2015										
Cost Estimates	November 2015										
EIS Certification	July 2015										
Final EIS Report	October 2015										
Reporting	December 2015										

Figure 1: Panda Hill Feasibility Study Schedule

In addition to the new resource estimate and pilot plant work, the following studies and activities are also planned for the DFS:

- Mining studies to further optimise the pit design based on the new resource model
- Further geotechnical studies for the pit, plant and tailings storage facility areas
- Basic engineering of the plant
- Optimisation of the tailings storage facility design and layout
- Optimisation of other infrastructure requirement
- Capital and operating cost estimates (Class 3) for the Project
- Project execution plan
- ESIA approval process
- Project financing

Marketing and Financing

The Company is actively seeking optimal offtake agreements for the sale of ferroniobium and has recently appointed Mr Claude Dufresne to assist the Company in securing offtake positions. Mr Dufresne is a world recognised expert in the sale and marketing of ferroniobium, and was previously responsible for the sales and marketing of the Niobec ferroniobium through Camet Metallurgy Inc.

Project financing is underway and being coordinated by the Denham-backed Pangea team out of South Africa. Additionally an experienced financial consultant with a track record of securing finance for African projects has been appointed to coordinate the project financing process.

Other Technical Activity

Panda Hill December Resource Update

On 20 January 2015, an updated Mineral Resource was announced for the project. The 2014 Mineral Resource incorporated the results of 21 diamond and 51 RC holes drilled in June to October 2014, with 5,171 samples taken for the 9,365 metres drilled, but did not include the results from any drilling undertaken in November and December 2014. **The results of the 9,700m November and December drilling program will be incorporated into a new resource expected in May.**

The 2014 Mineral Resource was undertaken by the independent mining consultants Coffey Mining based in Perth, Western Australia, and was reported in accordance to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2012 Edition (JORC).

The updated total Resource (Weathered and Primary Carbonatite, Indicated and Inferred) contained **96.3Mt at 0.52% Nb₂O₅** for 503kt of contained Nb₂O₅ reported at a 0.3% Nb₂O₅ cut off, and is based predominantly on new drilling undertaken in 2013 and 2014. The Multiple Indicated Kriging (MIK) method was used to estimate the resource. This method incorporates increased mining selectivity and internal dilution for a planned Selective Mining Unit (SMU) and is expected to have a positive effect on the head grades of the future feasibility studies.

The first phase drilling of 2014 enabled a significant increase in the endowment of the expected high-recovery Primary Carbonatite mineralisation to **88.4Mt at 0.52% Nb₂O₅** for 459kt of Nb₂O₅ which represent a 37% increase in metal and 10% increase in grade to the 2013 estimate. The increase in Primary Carbonatite mineralisation incorporates depth extensions due to drilling in the Angel Zone, as well as extensions on strike to the North of the deposit.

The additional drilling has also enabled better definition and classification of Weathered Material, which has effectively decreased the amount and grade of this material. The Weathered Material generally has poorer metal recoveries and is not expected to play a significant role in the initial mining schedule. There are plans to upgrade this material by gravity separation enabling treatment of the gravity concentrate in the same circuit as the Primary Material, however this will remain an option for later study and development

The updated 2014 Mineral Resource is summarised below in Table 1 by weathering type and the area of the resource is shown in Figures 2 and 3.

Panda Hill Niobium Resource - December 2014 Reported Above a 0.3% Nb ₂ O ₅ Lower Cut-off			
Combined			
Classification	Million Tonnes	Nb ₂ O ₅ %	Nb ₂ O ₅ Content (KT)
Indicated	41.0	0.54	223
Inferred	55.3	0.51	280
Total	96.3	0.52	504
Primary Carbonatite ¹			
Classification	Million Tonnes	Nb ₂ O ₅ %	Nb ₂ O ₅ Content (KT)
Indicated	35.9	0.54	194
Inferred	52.5	0.51	265
Total	88.4	0.52	459
Weathered Carbonatite ²			
Classification	Million Tonnes	Nb ₂ O ₅ %	Nb ₂ O ₅ Content (KT)
Indicated	5.1	0.59	30
Inferred	2.8	0.53	15
Total	7.9	0.57	45

Note: Figures have been rounded. ¹ Primary Carbonatite is defined as a region of fresh to Moderately Oxidised material dominated by carbonatite lithologies. This material is expected to have a higher metallurgical recovery. ² Weathered Carbonatite is a region dominated by strongly oxidised material dominated by weathered carbonatite with other mixed lithologies. This material is expected to have a lower recovery than the Primary carbonatite material.

Grade estimates were generated for parent blocks of size 25m(X) by 25m(Y) by 5m(Z) with sub-blocks of 5m(X) by 5m(Y) by 1m (Z). The estimation method was Multiple Indicator Kriging (MIK). MIK grade estimation with change of support has been applied to produce 'recoverable' Nb₂O₅ estimates for a range of cut-off grades targeting a selective mining unit (SMU) of 6.25m x 12.5m x 5m.

Table 1 - In Situ Mineral Resource (December 2014) using Preferred Cut-off (0.3%)

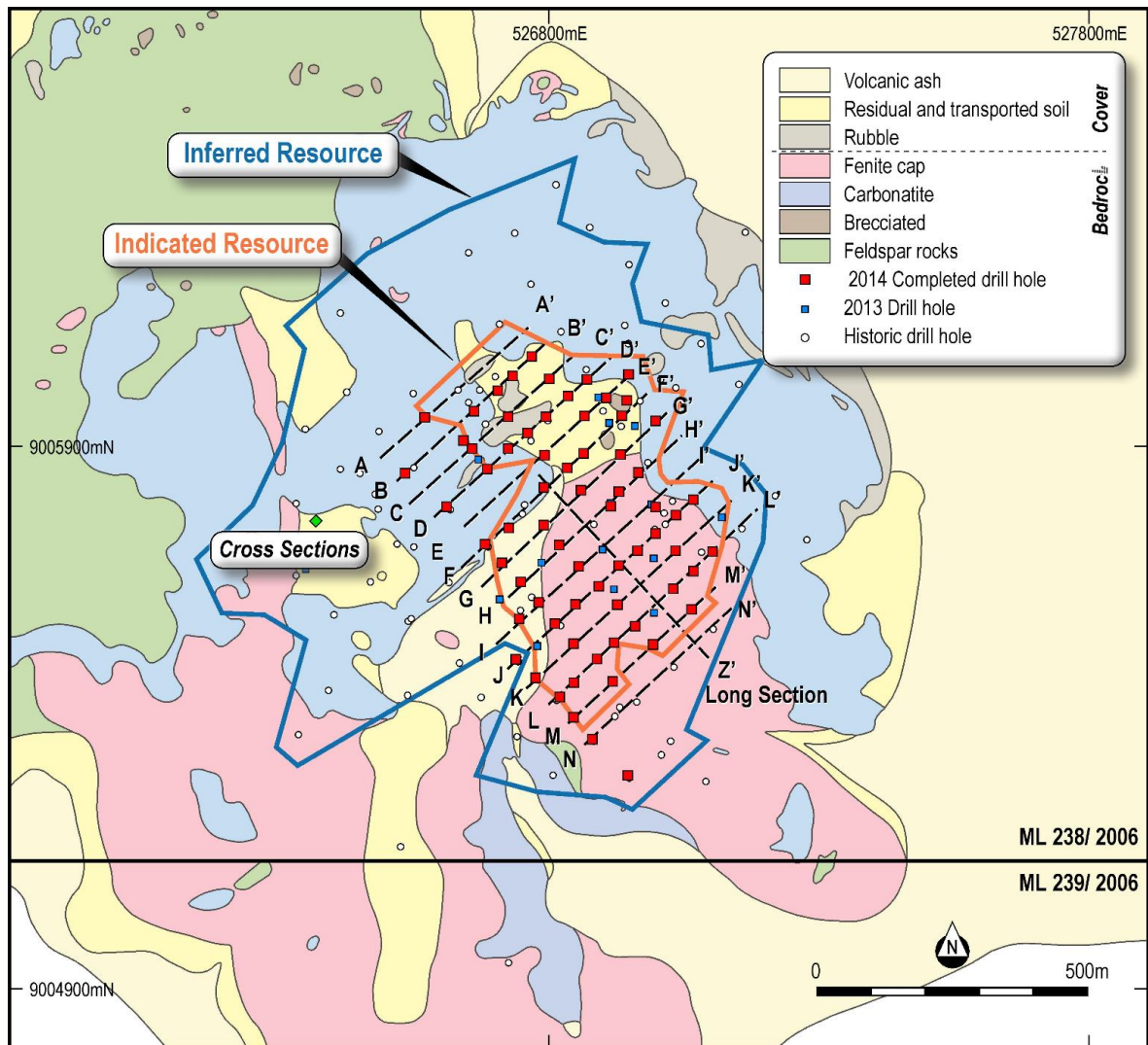


Figure 2: Geology plan showing the December 2014 Resource regions and drilled section lines. The regions in blue (carbonatite) and pink (Fenite Cap) are both highly prospective with field mapping showing carbonatite and magnetite-carbonatite outcrop contained with many of these areas.

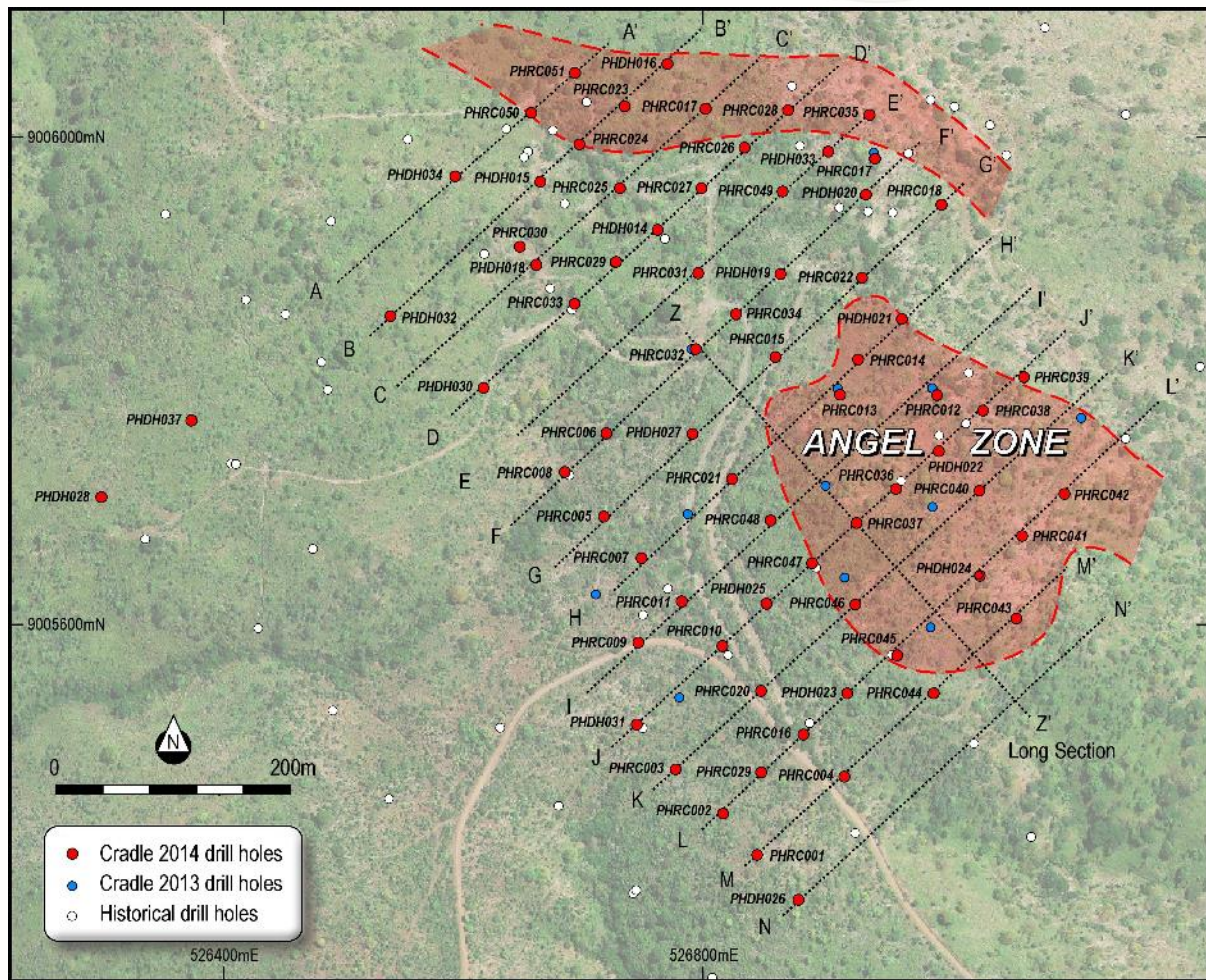


Figure 3: Panda Hill resource drilling region showing the location of drillholes reported in this release, 2014 holes are shown in red and 2013 drillholes are shown in blue. Refer to section lines for subsequent figures. The approximate surface projection of the Angel Zone is shown in red to the south. Other mineralised zones inside the resource area are omitted for clarity.

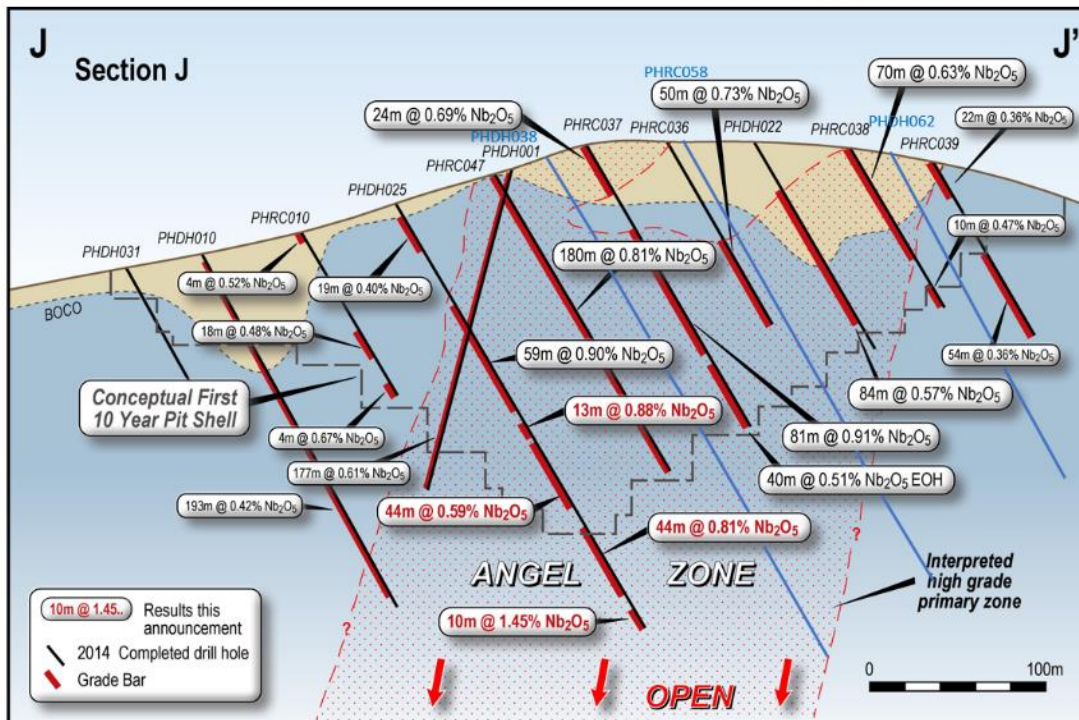


Figure 4: Section J with 2014 drillholes (thick black lines) showing returned results and newly drilled holes (blue lines).

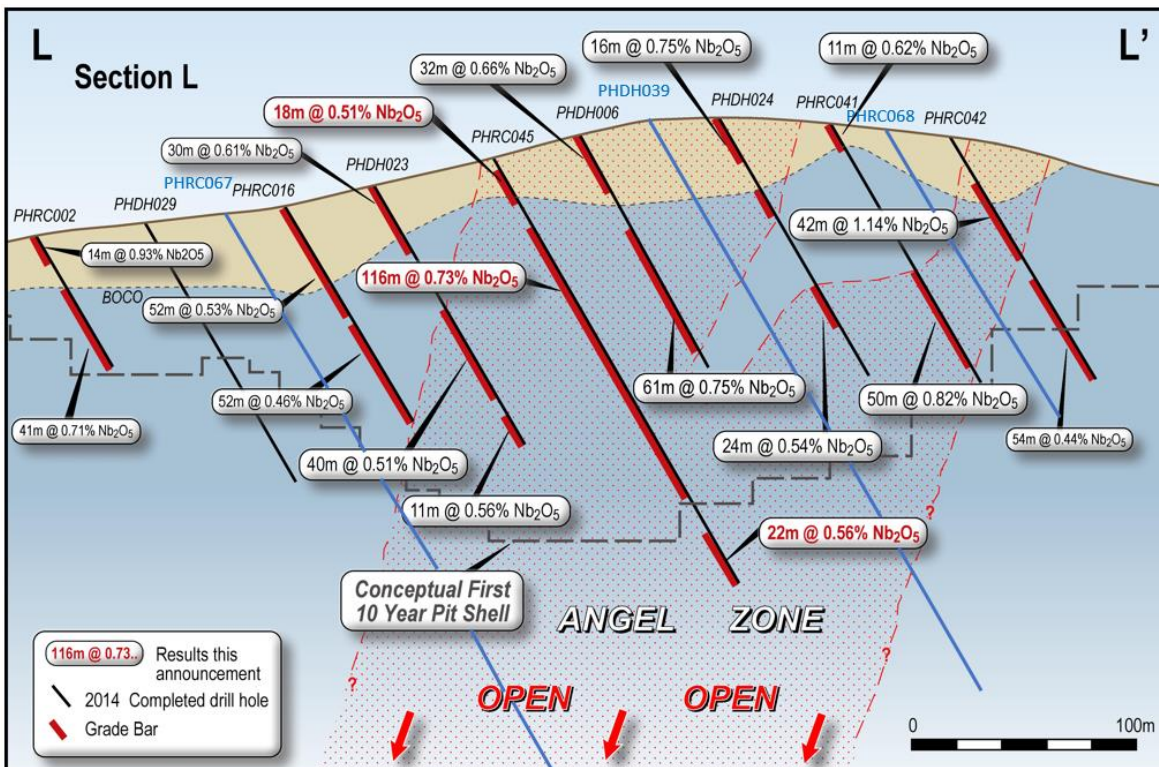


Figure 5: Section L with 2014 drillholes (thick black lines) showing returned results and newly drilled holes (blue lines).

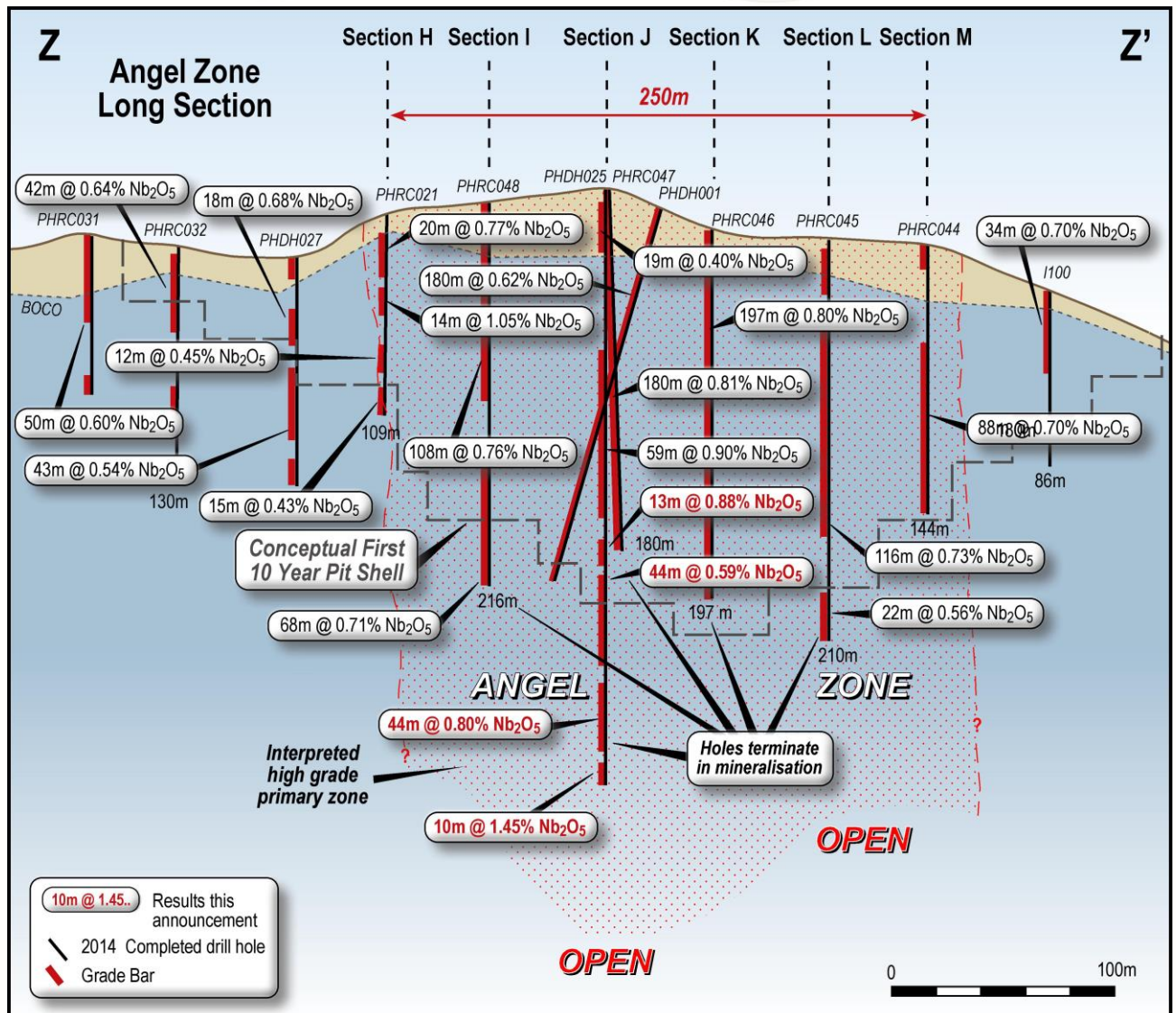


Figure 6: Long-Section showing projection of the Angel Zone.

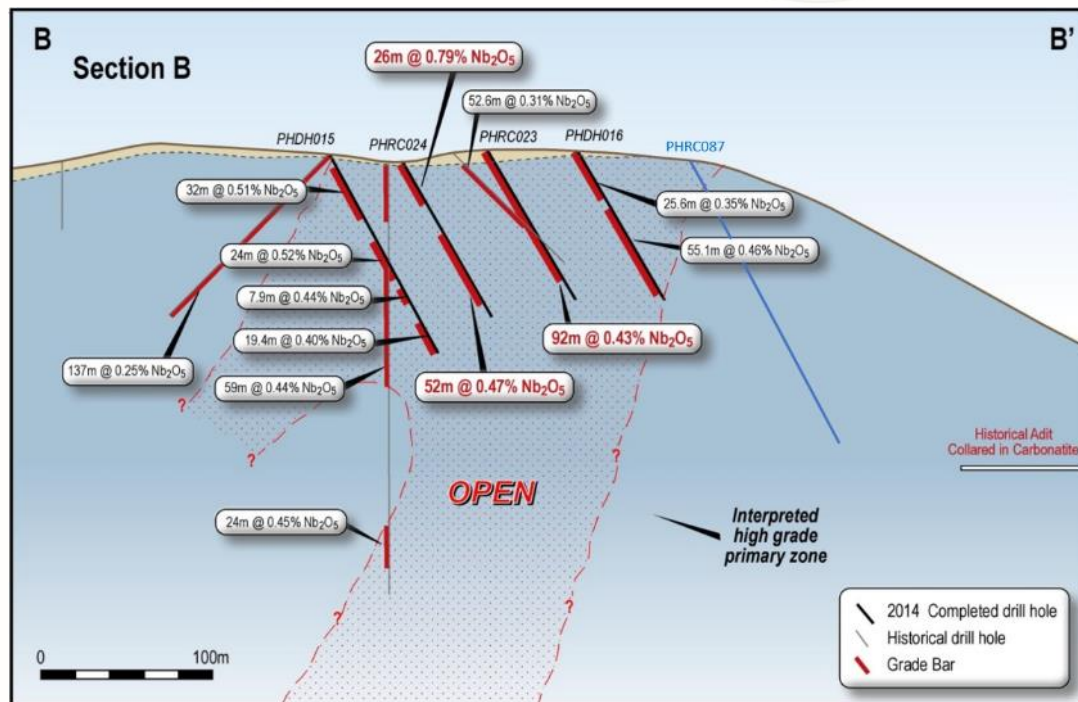


Figure 7: Section B in northern part of the drilling area showing 2014 and historical drillholes with intercepts (grey lines and text) and newly drilled holes (blue lines).

Mining and Engineering Activity

The work carried out in this quarter focused on the completion of the Pre-feasibility Study with the finalisation of the preliminary design work for the plant, open pit, tailings dam and other onsite and offsite infrastructure. Based on this this, the capital cost estimates were generated by each consultant and consolidated by MDM Engineering.

In the latter part of the reporting period the DFS activities kicked-off with the planning of the activities, consultant developing their schedules and budgets.

For the close out of the PFS the following activities were undertaken during the period:

Metallurgical Testwork

- The second phase optimisation program was completed with the work focused on using the optimised conditions from the testwork undertaken on the moderately oxidised material and using this as the base for the optimisation of the fresh and oxidised materials
- Locked cycle tests were also undertaken one each of the material types using the optimised conditions
- A total of 56 open circuit tests and 7 locked cycle test were completed as part of this program
- Reporting of both the first and second phase programs was also completed during the period
- Collection of a 75 tonne sample was done onsite. This was made up of material representative of the fresh carbonatite, moderately oxidised carbonatite and oxidised carbonatite. The material is currently being shipped to SGS Canada.

Mining & Geotechnical

- Completion of the geotechnical characterisation of the areas defined for the plant, tailings facility and access roads and the data handed to the tailings and engineering consultants for use in their designs.
- Whittle pit optimisations based on the new indicated resource model.
- Mine design and production scheduling based on the selected pits
- ROM pad and haul road designs
- Finalisation of contractor mining cost estimates and capital cost estimates

- Project reporting for both mining and geotechnical

Hydrology & Hydrogeology

- Geochemical testing is continuing on a range of sample types
- Site water management plan completed
- Groundwater extraction potential investigated
- Ground water modelling with source terms completed
- Reporting

Tailings

- Tailings design completed
- Layout drawings completed
- Staged construction schedule defined
- Costs for starter wall and subsequent wall lift costs defined
- Reporting

Engineering (Plant & Infrastructure)

- Site layouts have been developed including preferred locations for TSF, plant, waste rock dumps, access roads etc.
- General arrangement drawings (GAs) completed
- Material take-offs and bill of quantities for plant and onsite infrastructure completed
- Plant and onsite capital cost estimates prepared
- Consolidated cost estimate for project completed
- Pre-feasibility Study Report incorporating all consultant's inputs compiled

The activities for the next period all relate to the DFS and will focus on:

- Generation of technical packages for the mining contractors to base their mining costs on
- Geotechnical work around the pit design
- Operation of the mini-pilot plant followed by the main milling/flotation pilot plant
- Development of the process design and engineering design criteria
- Filed activities related to geotech for the plant and TSF
- Water bore drilling for ground water studies
- Finalise tailings storage facility layout

Social and Environmental Activities

The planning for the field activities associated with the wet season baseline study were completed and the team is ready to mobilise to set in April when consistent wet weather is expected. The data from the dry season field work and the discussions with the local communities and regulatory/governmental bodies has all been collated and reviewed. No critical issues were identified as part of this study. All of this information will be submitted to the NEMC for the start of the environmental certification process. The target date for the completion of the ESIA certification process is July 2015.

Corporate Activity

The Company's Wyloo tenement was relinquished during the March quarter as it was considered to be a non-core asset.

The Company's 17,947,506 listed options (CXXO) exercisable at 26.67 cents expired on 24 January 2015, and the final day of quotation was 16 January 2015.

Subsequent to the end of the March quarter, Argonaut was mandated to provide financial and corporate advisory services to the Company, in exchange for which, and as part of Argonaut's fees payable, the Company has agreed to issue 1,000,000 unlisted options exercisable at 25 cents on or before 30 April 2018, at an issue price of \$0.0001 per option (**Options**). Attached is a copy of the Appendix 3B related to the Options. The Company has also granted Argonaut the right to subscribe for an additional 2,000,000 Options in the event that certain success fees are payable by the Company under the advisory agreement entered into with Argonaut.

During the March quarter, as a result of Mr Claude Dufresne's appointment as an offtake consultant, 500,000 unlisted options exercisable at 25 cents each on or before 31 October 2018 were issued as part of Mr Dufresne's remuneration and incentive package.

Tenement Summary

As at 31 March 2015, the Company and its joint venture partner, Tremont Investments Limited, together hold the following interests in tenements, together with an option to acquire the remaining 50% interest in the tenements:

Project	Tenement Number	Percentage Interest
Panda Hill Niobium, Tanzania	ML237/2006	50%
Panda Hill Niobium, Tanzania	ML238/2006	50%
Panda Hill Niobium, Tanzania	ML239/2006	50%

Panda Hill Niobium Project Overview

The Panda Hill Niobium Project (Figure 8) is located in the Mbeya region in south western Tanzania, near the borders with Zambia and Malawi, and approximately 650km west of the capital Dar es Salaam. The industrial city of Mbeya is situated only 35km from the Project area and will be a significant service and logistics centre for the Project. Mbeya has a population of approximately 280,000 people and has recently completed the construction of a new international airport.

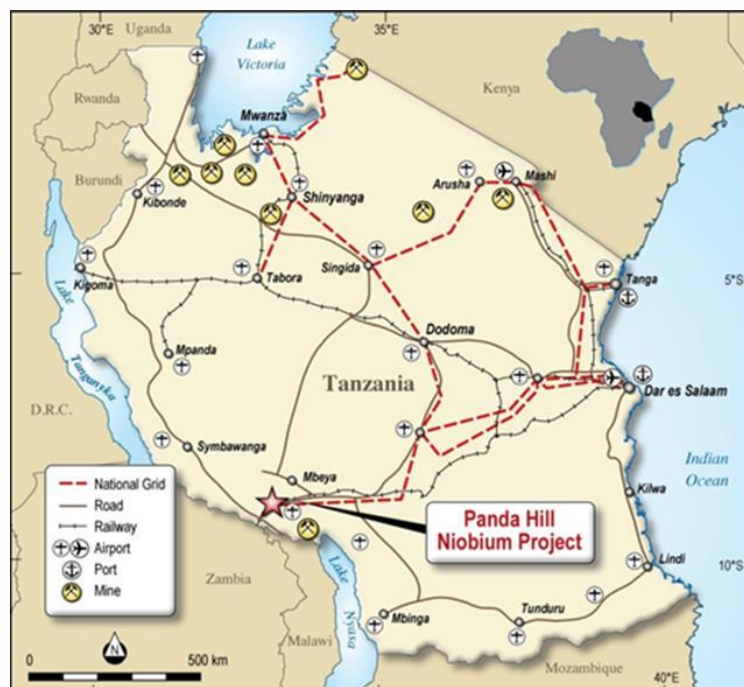


Figure 8: Location of the Panda Hill Niobium Project

The Project is covered by three granted Mining Licenses (Figure 9) totalling 22.1km², which will enable a quick transition from the study and development phases, through construction and into operation. The area has excellent access to infrastructure, with existing roads, rail, airports and power available in close proximity. The three granted Mining Licenses are due for renewal in November 2016, and under Tanzanian mining legislation can be renewed for further 10 year periods on completion of the approved work programs on the Project.

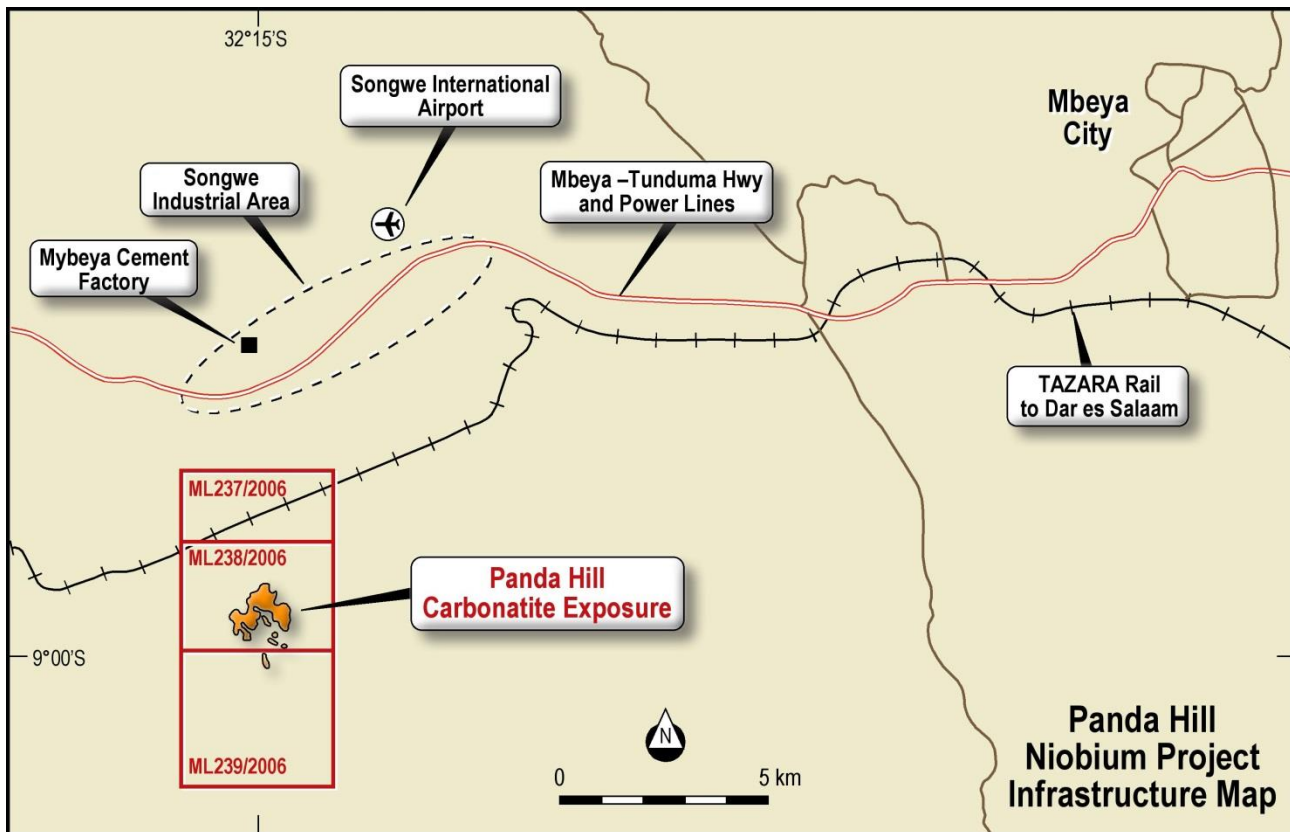


Figure 9: Mining Licenses and Local Infrastructure

Competent Person's Statement

The information in this document that relates to Exploration Results and Resources is based on information compiled or reviewed by Mr Neil Inwood who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Inwood is a full time employee of Verona. Mr Inwood has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Inwood consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this Quarterly Report relating to the Panda Hill Resource Estimate is extracted from the announcement entitled 'Significant Resource Upgrade for Panda Hill Niobium Project' dated 20 January 2014 and is available to view on <http://www.cradleresources.com.au>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that, in the case of Mineral Resources or Ore Reserves, all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this Quarterly Report regarding Scoping Study results is extracted from the announcement entitled 'Panda Hill Project – Highly Positive Scoping Study Results' dated 30 January 2014 and is available to view on <http://www.cradleresources.com.au>. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that all the material assumptions and technical parameters underpinning the production targets and the forecast financial information derived from the production targets in the Scoping Study continue to apply and have not materially changed.

Cautionary Statement concerning Scoping Study Results including Inferred Resources

The Company advises that the Scoping Study results and production targets reflected in Quarterly Reports are preliminary in nature as conclusions are drawn from partly from Indicated Mineral Resources and partly from Inferred Mineral Resources. The Scoping Study is based on lower level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

By order of the Board

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Cradle Resources Limited

ABN

60 149 637 016

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options exercisable at 25 cents each on or before 30 April 2018 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Will rank equally with fully paid ordinary shares upon exercise</p>
5	Issue price or consideration	\$0.0001 per option
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Part of fee agreement for the provision of financial and corporate advisory services</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	28 November 2014
6c	<p>Number of +securities issued without security holder approval under rule 7.1</p>	1,000,000

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable	
6f	Number of +securities issued under an exception in rule 7.2	Not applicable	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	30 April 2015	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		72,477,617	Ordinary Shares
		Number	+Class

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	56,250,000	Ordinary Shares (escrowed until 1/8/15)
		18,750,000	Class B Performance Shares
		7,687,500	Options ex \$0.2667, exp 31/05/16
		1,837,500	Performance Rights
		2,500,000	Options ex \$0.25, exp 31/10/18
		1,000,000	Options ex \$0.25, exp 30/04/18
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the ⁺ securities will be offered	Not applicable
14	⁺ Class of ⁺ securities to which the offer relates	Not applicable
15	⁺ Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- | | | |
|----|---|----------------|
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | Not applicable |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | Not applicable |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not applicable |
| 33 | ⁺ Issue date | Not applicable |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ☒ ⁺Securities described in Part 1
- (b) ☐ All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

⁺ See chapter 19 for defined terms.

37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

38 Number of ⁺securities for which ⁺quotation is sought

Not applicable

39 ⁺Class of ⁺securities for which ⁺quotation is sought

Not applicable

40 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?

If the additional ⁺securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another ⁺security, clearly identify that other ⁺security)

Not applicable

	Number	+Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in clause 38)	Not applicable	

⁺ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 30 April 2015
Company Secretary

Print name: SOPHIE RAVEN

== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	91,190,017 Ordinary Shares
Add the following: <ul style="list-style-type: none"> Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid ordinary securities issued in that 12 month period with shareholder approval Number of partly paid ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	36,750,100 Ordinary Shares (issued on 26 June 2014)
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
“A”	127,940,117

⁺ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	19,191,017
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>787,500 Ordinary Shares (issued on 26 June 2014 on conversion of Performance Rights)</p> <p>500,000 Unlisted Options exercisable at 25 cents each on or before 31 October 2018 (issued on 11 March 2015)</p> <p>1,000,000 Unlisted Options exercisable at 25 cents each on or before 30 April 2018 (issued on 30 April 2018)</p>
“C”	2,287,500
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	19,191,017
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	2,287,500
Total [“A” x 0.15] – “C”	16,903,517

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	127,940,017
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	12,794,001
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> <i>This applies to equity securities – not just ordinary securities</i> <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	0
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	12,794,001
Subtract “E” <i>Note: number must be same as shown in</i>	0

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<i>Step 3</i>	
Total ["A" x 0.10] – "E"	12,794,001 <i>[Note: this is the remaining placement capacity under rule 7.1A]</i>

+ See chapter 19 for defined terms.