

31 Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Mustang Resources Limited

ABN

34 090 074 785

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	131	437
1.2	Payments for		
	- exploration and evaluation		
	- development	(47)	(389)
	- production	(14)	(183)
	- administration	(184)	(1,087)
	- admin – funding agreement settlement		(298)
	- admin – restructure expenses	(208)	(302)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	1	3
1.5	Interest and other costs of finance paid	(25)	(104)
1.6	Income taxes paid		
1.7	JV Trust Accounts		
	Net Operating Cash Flows	(346)	(1,923)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	• prospects		
	• equity investments		
	• other fixed assets		
1.9	Proceeds (costs) from sale of:		
	• Project asset		657
	• equity investments		
	• other fixed assets		
1.10	Loans (to)from other entities	(1,192)	(3,164)
1.11	Refunds/(Payments) of Security Deposits	-	61
	Net investing cash flows	(1,192)	(2,446)
1.13	Total operating and investing cash flows	(1,538)	(4,369)

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1.13	Total operating and investing cash flows (carried forward)	(1,538)	(4,369)
1.14	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Costs of the Issue	(387)	(387)
1.16	Proceeds from borrowings		5,774
1.17	Repayment of borrowings		(580)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	(387)	4,807
	Net increase (decrease) in cash held	(1,925)	440
1.20	Cash at beginning of quarter/year to date	3,923	1,478
1.21	Exchange rate adjustments to item 1.20	161	241
1.22	Cash at end of quarter	2,159	2,159

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	50
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	
	Salaries, Directors Fees, Travel Reimbursements

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
- During the quarter the Company converted AU\$5,774,001 in convertible loans to fully paid ordinary shares at a post consolidation share price of AU\$0.20. In addition the Company paid AU\$123,310 in interest associated with these loans in fully paid ordinary shares at a post consolidation share price of AU\$0.20. The total number of shares issued was 29,486,559.
- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
- Nil

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Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,400
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	1,700

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,159	3,923
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,159	3,923

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	36,705,669	36,705,669		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	29,486,559	29,486,559		

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7.5	*Convertible debt securities (description) Convertible Notes	Number 3,500,000 4,120,000 1,000,000	⁺ Class Series 1 Series 2 Series 3	Conversion \$	Maturity Converting upon completion of asset acquisitions.
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted or redeemed				
7.7	Options (description and conversion factor)	149,253	Unlisted	Exercise price \$0.2412	Expiry date 10 Nov 2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter (cancelled as part of funding agreement settlement)	26,866 5,970 14,925 6,567 8,000 7,828	Unlisted Unlisted Unlisted Unlisted Unlisted Unlisted	\$33.50 \$4.02 \$2.01 \$2.51 \$2.01 \$1.8425	19 March 2016 19 April 2016 22 May 2016 27 June 2016 31 July 2016 6 Sep 2016
7.11	Debentures (totals only)	0			
7.12	Unsecured notes (totals only)	0			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.

Chris Ritchie

Executive Director

Date: 30 April 2015

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** the issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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