



Quarterly Activities Report March 2015

ASX ANNOUNCEMENT

30 April 2015

Perth-based copper developer **Metallum Limited (ASX: MNE)** is pleased to provide its activities and cash flow report for the quarter ended 31 March 2015.

Operational Highlights

El Roble Project, Chile

- Metallum now operating from three underground mines and is poised for a transformational June quarter.
- Focus during March quarter was on stope blasting and waste development in preparation for increased and continuous stope production.

San Sebastian concession

- Production continued to ramp-up at the San Sebastian underground mine with 1,263 tonnes delivered to ENAMI processing facility during the quarter.
- 1,500 tonnes blasted and ready for extraction with 2,000 tonnes at an estimated grade of 4% - 5% Cu expected to be blasted in coming weeks.
- 1,053.50 tonnes processed at an average grade of 4.45% Cu for gross proceeds of A\$208,291¹.
- Average sale price of A\$198/t and a direct operating cost of A\$78/t² achieved.
- Exploration target of between approximately 280,000 tonnes and 360,000 tonnes at a grade of approximately 2.90% Cu - 4.75% Cu (announced to ASX on 8 April 2015) highlights significant underground potential of the San Sebastian mine³.
- High-grade vein successfully intersected at depth during development work at adjoining Viuda mine.
- High-grade Viuda vein material currently being stockpiled in preparation for processing.
- Stockpiles as at 31 March of 2,770 tonnes at an estimated copper grade of 4.10% Cu.

Paraguay Mine

- Ore drive and stope access shaft development commenced.

Government support

- Chilean Government to support small-scale miners delivering ore to its ENAMI processing facilities with an additional payment of US\$0.30/lb if the copper spot price falls below US\$2.73/lb.

¹ Revenue from March quarter deliveries only at average exchange rate AUD1:CLP491

² Direct operating cost inclusive of all on-site mining, administrative and transport costs, but does not include capitalised waste development.

³ The term "exploration target" should not be misunderstood or misconstrued as an estimate of Mineral Resources as defined by the JORC Code (2012), and therefore the term has not been used in this context. Exploration targets are conceptual in nature, and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Corporate

- A\$560,000 raised in share placement with a further US\$350,000 in funding provided through the issue of a convertible security

El Roble Copper Project, Chile

Metallum's El Roble Copper Project is located approximately 25 kilometres east of the port city of Caldera, within Region III of Chile. The project is ideally located close to the coast in the vicinity of an operating port, within 80 kilometres of Copiapo, a major regional mining centre, and within 90 kilometres of three copper toll treatment facilities. The El Roble Copper Project consists of more than 7,800 hectares of granted concessions and applications covering a strike extensive, IOCG associated copper/gold vein system. Historic production within the project area during the latter half of the 19th century is reportedly between 500,000 and 1,000,000 tonnes of copper-bearing ore at a cut-off grade of 9% copper.

Metallum recently completed the acquisition of a 100% interest in the San Sebastian concession covering 50 hectares and holds an option to acquire up to 90% in the remaining concession area. The Company is now producing ore from three underground mines and during the quarter made the decision to commit to significant waste development to ensure consistent, continuous production in the month ahead. During the March quarter total waste development was 222 metres of advance for 4,735 tonnes, which has now positioned the operation well having access to ore fronts in all three mines.

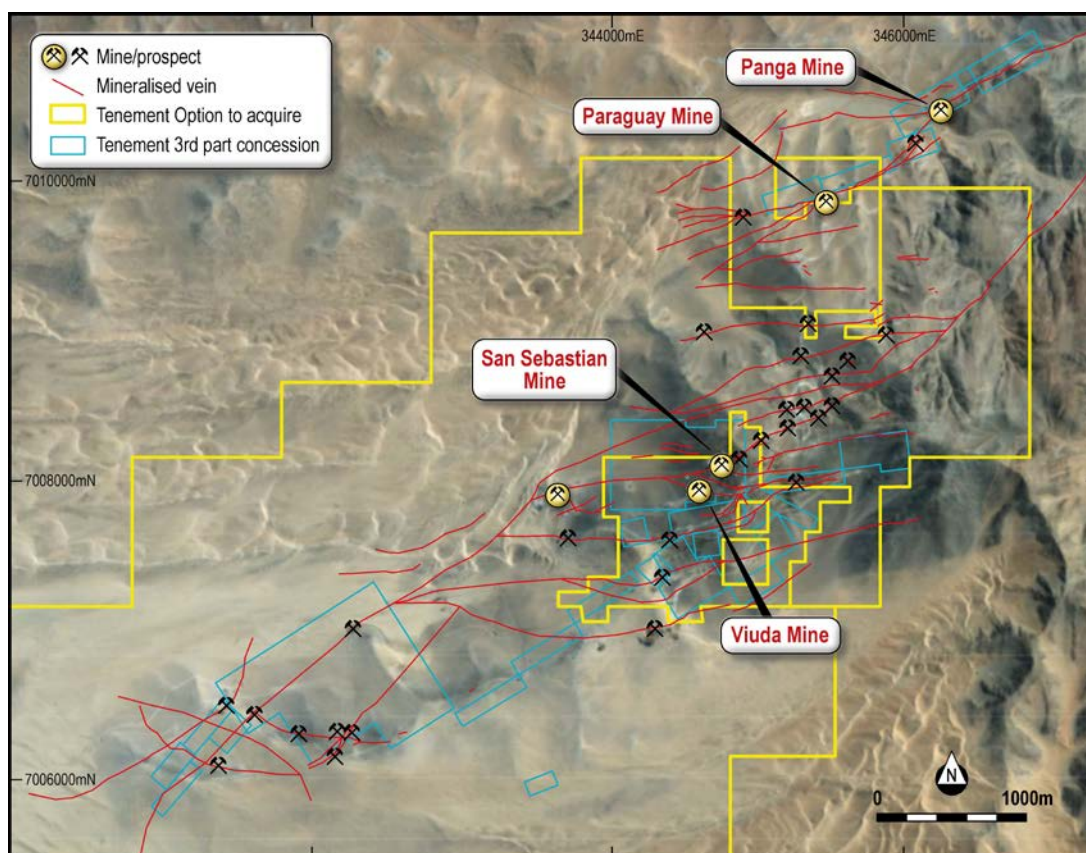


Figure 1 – Map of the north east sector of the El Roble Copper Project showing the location of the San Sebastian and Viuda mines within a strike continuous mineralised corridor where Metallum has mapped over 60km of prospective veins

1. San Sebastian concession (100% owned)

Since taking 100% ownership of the San Sebastian concession, obtaining a mining permit for the extraction of up to 5,000 tonnes per month⁴ and commencing underground mine development during the previous quarter, the Company has been ramping up production on the San Sebastian and Viuda veins (Figure 1).

San Sebastian Mine

Mine development and production

During the quarter, underground operations at San Sebastian focussed on blasting of the 1030 shrink stope and waste development of the 1020 decline ramp (Figure 2). Due to the nature of shrink stoping, ore production was subdued but is scheduled to increase significantly during the June quarter as blasting is completed and ore is extracted and processed.

Significant improvements in efficiency were achieved by introducing an underground LHD truck and establishing natural ventilation via a breakthrough of Shaft 1 to surface.

Blasting of the first stope panel between the 1030 level and 1090 level commenced and by the end of the quarter, 4,033 tonnes of high grade stope material had been mined of which 1,263 tonnes were trucked to the ENAMI processing facility with 2,770 tonnes of material remaining in stockpiles on the surface and within the mine (Table 1). A further 2,000 tonnes at an estimated grade of between 4.00% and 5.00% Cu is ready for blasting.

In total, 116.60 metres (2,274 tonnes) of waste development was completed at San Sebastian on the 1030 level bypass, 1020 decline ramp and crosscut 2 (Figure 2). The 1020 ramp will provide access to the vein at the 1020 level. The stope bypass tunnel was installed to allow unhindered haulage from the stope drawpoints at the 1030 level. Crosscut 2 was undertaken to re-establish the 1030 level ore drive on the main mineralised vein which has been offset due to faulting. Surface earthworks were also undertaken to begin establishing access to the 1020, 1000 and 975 levels.

⁴ The mining permit for the extraction of up to 5,000 tonnes per month is not a production target.

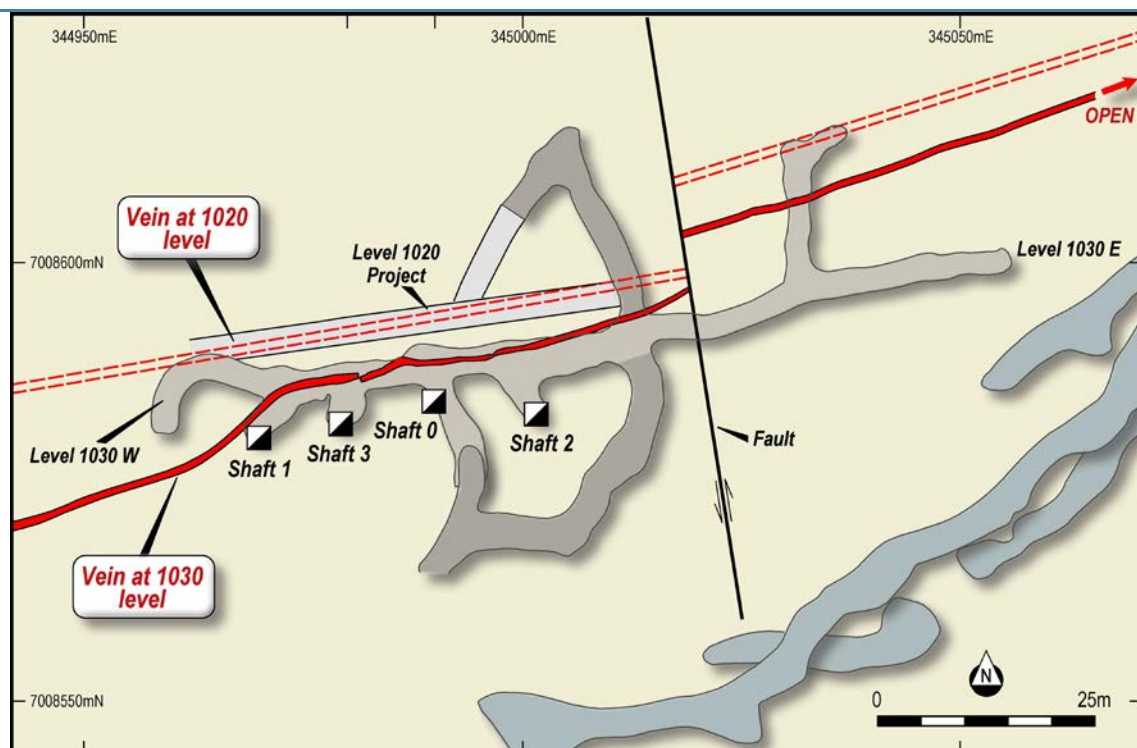


Figure 2 – Plan view of San Sebastian showing location of production shafts and waste development of the stope bypass tunnel, 1020 level ramp and crosscut 2.

Table 1 – Summary of El Roble mine performance during March 2015 quarter

	Dec 14 Quarter	March 15 Quarter
Development	NA	267 m
Stope tonnes extracted and stockpiled	1,500 t	4,033 t
Stockpile as at 31 March	500 t	2,770 t
Estimated stockpile grade	4.50% Cu	4.10% Cu
Material delivered to processing facility	720 t	1,263 t
Material processed	685t	1,053 t
Processed grade	4.72% Cu	4.45% Cu
Average sale price ⁵	A\$239.43/t	A\$197.71/t
Revenue	A\$133,000	A\$208,291.50
Total production cost /t (AISC)	A\$149.50/t	A\$177/t

⁵ Revenue reported in Table 1 is for ore deliveries within the March 2015 period only, sale price reported in AUD and is subject foreign exchange variations for each reporting period

The average sale price received from ENAMI for the 1,053 tonnes processed at an average grade of 4.45% Cu was A\$197.71/t. The total production cost (AISC) at El Roble inclusive of on-site mining costs, on-site general administrative costs, permitting, transport of material to the processing facility and all sustaining capital (inclusive of exploration costs and capitalised waste development) was A\$177/t. This increase in AISC is attributable to the fact the Company carried out 267m of capitalised waste development during the quarter to deliver all three mines with productive ore headings.

Exploration Target

Post quarter-end, on 8 April 2015, Metallum announced it had estimated an exploration target⁶ for the immediate San Sebastian mine area of between approximately 280,000 tonnes and 360,000 tonnes of copper bearing material at a grade of approximately 2.90% Cu - 4.75% Cu based on data collected over the past six months. Data from the evaluation and subsequent mining operation established at San Sebastian was extrapolated along strike and down dip of the mine based on geological interpretation and three-dimensional models of the mineralised vein, developed during the mining process.

The data utilised includes copper assay results from detailed grade control sampling of underground mine workings, geological mapping of the surface expression of the vein and in underground exposures, the extent of historic mining activity, underground survey information, ground magnetic data, surface topographical survey data and density measurements of samples submitted for assay (see ASX Announcement 8 April 2015). At this stage the Company has deemed that there is insufficient data to calculate a Mineral Resource in accordance with the JORC Code.

Metallum has also determined there are higher levels of geological certainty within an area immediately adjacent to the current mine workings given the significant geological and assay data available (Figure 3). The Company is also actively mining this area and using geological models developed to plan near-term mine development. Metallum has established an exploration target of between approximately 35,000 tonnes and 50,000 tonnes of copper at a grade of approximately 3.80% Cu – 4.80% for this area, and this is included as part of the overall exploration target.

The Company expects geological confidence to increase as further mining levels are established and the current 1030 level is extended along the strike, allowing a maiden Mineral Resource estimate to be estimated (refer to “Higher Confidence Area” in Figure 3).

⁶ The term "exploration target" should not be misconstrued as an estimate of Mineral Resources as defined by the JORC Code (2012), and therefore the term has not been used in this context. Exploration targets are conceptual in nature, and it is uncertain if further exploration will result in the determination of a Mineral Resource.

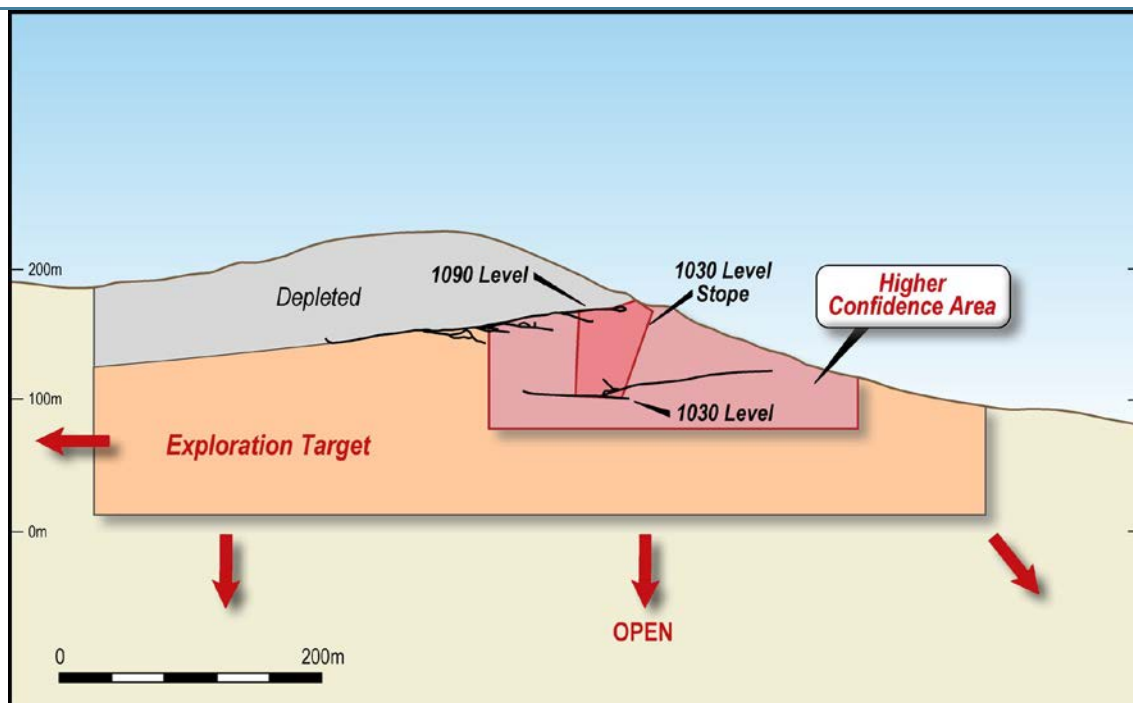


Figure 3 – Long section of the San Sebastian mine looking south and the area covered by the initial exploration target. The higher confidence area is defined by a higher level of certainty due to proximity to mine workings where a high level of data coverage exists. Mineralisation is open down dip and along strike in all directions.

It should be noted that the Company has used what it believes to be conservative parameters in calculating the exploration target, based on geological knowledge gained from the current mining of the San Sebastian vein. To date the exposed vein within the San Sebastian stope has an overall average width of 1.50 metres and locally exceeds 2.50 metres.

Viuda Mine

The Viuda mine is located on the San Sebastian concession, some 225 metres south-west of the San Sebastian mine. Initial sampling and mapping of the historic underground workings identified a high-grade copper zone with widths ranging from 1.50 metres to 3.00 metres over a 50 metre strike length (see ASX announcement 23 December 2014).

During the quarter, Metallum commenced development work at Viuda to establish a secure explosives magazine for San Sebastian. The western extension of the Viuda vein was encountered in a crosscut developed from the 1015 level confirming potential for the vein to contribute to mine production from within the 100%-owned concession.

By quarter end, development of a decline ramp to access the high-grade Viuda vein below the historic workings successfully intersected a 1.50 metre wide zone of visually high-grade copper oxide mineralisation on the 1005 level (Figure 4). A total of 132.80 metres (2,590 tonnes) of waste development was completed. Development was carried out on the 1015 explosive magazine tunnels and the 1005 ramp to access an additional ore development level at the 1005.

Post end of the quarter, well mineralised material has been mined from the 1005 level development drive and 270 tonnes at an estimated grade of 3.50% to 4.00% Cu had been stockpiled in preparation for trucking to ENAMI's Copiapo plant.

The next stage of work for Viuda is to develop horizontally along the 1005 level to delineate the strike extent of the high grade shoot.

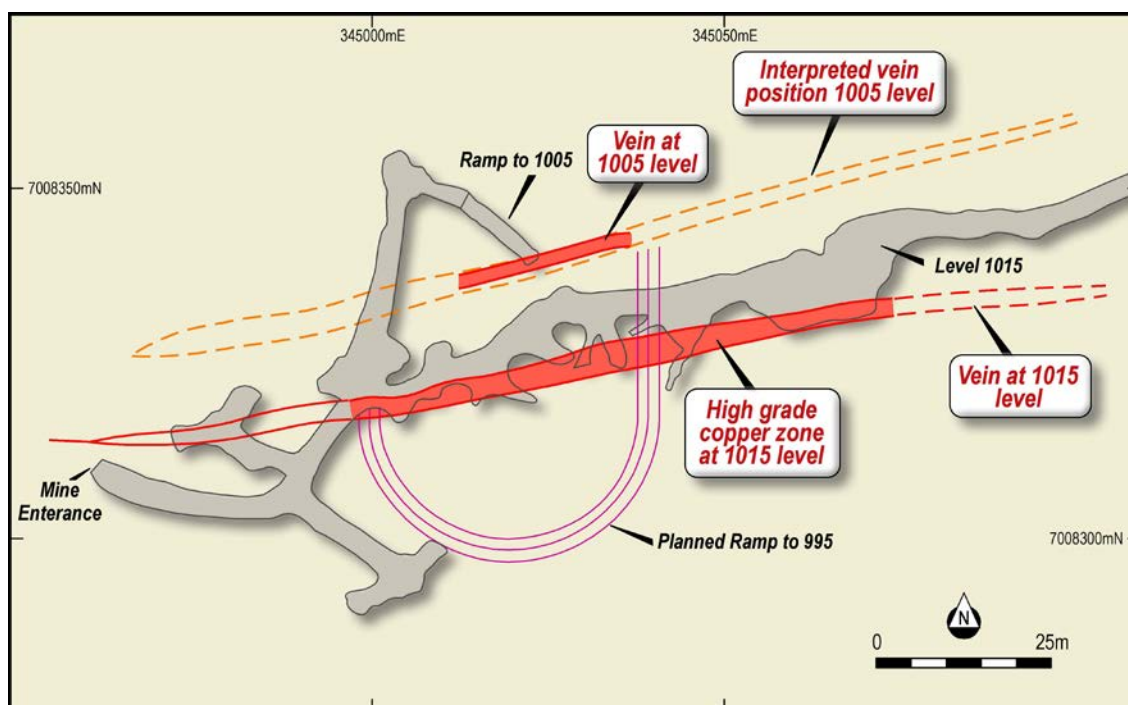


Figure 4 – Plan view of the Viuda mine showing the newly installed decline ramp and the vein position at the 1015 and 1005 levels.

2. Other concession areas (Option to acquire up to 90%)

Paraguay and Panga Mines

Following the issue of the permit to mine up to 5,000 tonnes per month⁷ and the scaling back of mining activities at the Panga mine, development work commenced at the Paraguay mine site. The Paraguay mine, located approximately 1km south-west of the Panga mine (Figure 1).

During the quarter, the Company commenced the installation of four stope access shafts to access the high grade ore panel delineated from grade control sampling (Figure 5). Minor development work was also undertaken to extend the 985 level to the east. In total, 17.6 metres (344 tonnes) of waste development was completed and 50 tonnes of ore was mined and stockpiled from Paraguay.

⁷ The mining permit for the extraction of up to 5,000 tonnes per month is not a production target.

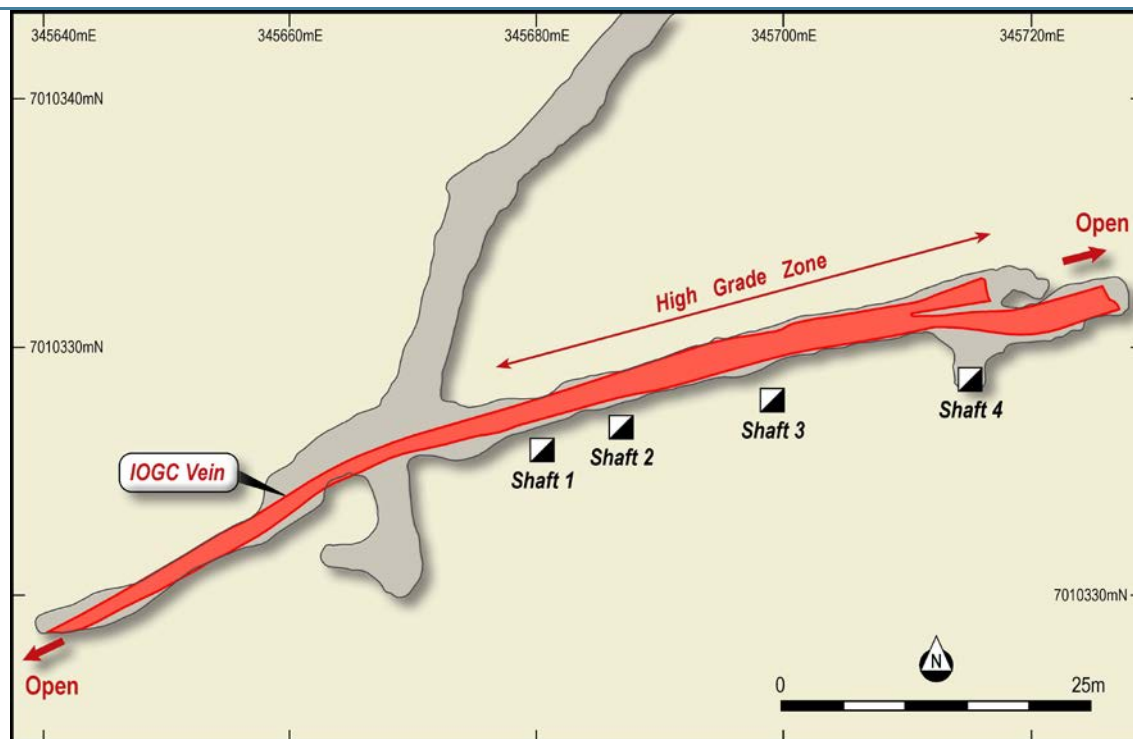


Figure 5 – Plan view of the 985 level of the Paraguay mine showing locations of the stope access shafts which commenced during the March quarter.

3. Chilean Government support

During the quarter, the Chilean Government announced it would provide price support to small miners, such as Metallum, who deliver ore to the Government-owned ENAMI processing facilities across the country. ENAMI will purchase material at US\$0.30/lb above the spot price when the copper price is below US\$2.73/lb.

The goal of the pricing mechanism is to smooth the copper price for small miners and assist in maintaining consistent cashflows through the course of the copper price cycle. The Chilean Government has put this mechanism in place to support the long term sustainability of the mining industry in the country.

Comval Project, Philippines (80% interest)

The Company continues to hold the Comval project on care and maintenance.

Teutonic Project, Western Australia Option to acquire up to 70%)

As previously reported, the Company successfully applied for a co-funded drilling grant under the Department of Mines and Petroleum's Exploration Incentive Scheme (EIS) with 50% of any drilling costs for the proposed program to test the Mustang EM anomaly to be paid for under the EIS up to a maximum of \$70,000. The grant is valid until 31 December 2015. The Company intends to drill test the EM anomaly during the 2015 calendar year.

CORPORATE

1. Financing

On 9 March 2015, the Company raised \$560,000 via the placement of 56,000,000 fully paid ordinary shares at an issue price of \$0.01 per share to sophisticated and professional investors under the Company's 15% placement capacity.

Merchant Corporate Pty Ltd ('Merchant') acted as lead manager to the Placement, receiving a fee of 6% of capital raised. Metallum also agreed to issue Merchant 15,000,000 unlisted options exercisable at \$0.15 each on or before 15 July 2017.

Funds raised by the Placement were applied towards an option payment relating to the acquisition of El Roble concessions as well as working capital to accelerate mining activities.

As announced on 17 November 2014, the Company executed an agreement for up to US\$1,020,000 in funding from a sophisticated institutional investor (Agreement), to provide Metallum with funding to progress the ramp up of production at the San Sebastian and Paraguay mines, as well as ongoing general working capital.

During the current quarter, the investor provided a further US\$350,000 (in addition to the initial upfront investment of US\$270,000 in the December 2014 quarter) in consideration for which the Company issued a second convertible security, with a face value of US\$403,200. Post the end of the quarter, a further US\$150,000 in funding was provided via the issue of a third convertible security with a face value of US\$185,000.

Metallum also has a flexible financing facility in place that, subject to certain share market conditions, allows the Company to access up to approximately \$5,000,000 in funding. This facility was not utilised during the quarter.

2. Change of Registered Office

During the quarter, the Company advised of a new registered office and principal place of business.

Address:
Suite 5, 62 Ord Street
West Perth WA 6005

Other contact details including telephone and fax numbers remained unchanged.

3. General Meeting

At a General Meeting held in Perth on 9 January 2015, all resolutions put to shareholders were carried unanimously on a show of hands.

The Company will convene a general meeting on 24 April to ratify the issue of shares and options, as well as other business set out in a Notice of General Meeting released on 26 March 2015.

For further information please contact:

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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, with a focus on Chile. The Company has an interest in the highly prospective, high-grade El Roble Copper Project in Region III of Chile, targeting IOCG-style copper and gold mineralisation. The Company is focused on achieving growth and shareholder value through the development of near-term, small-scale mining operations at El Roble which will enable self-funded growth into the future. El Roble is ideally located 25km from the port of Caldera and within 80km of two copper toll treatment plants within the world class Atacama IOCG region, which has a history of high-grade copper production.

Metallum also has an interest in the Comval Copper Project in the Philippines, and its Australian-based project, Teutonic, which is prospective for gold and base metal mineralisation.

Metallum has a strong Board and management team with considerable technical, commercial and corporate experience in the resources sector.

For more information visit the Metallum website at www.metallum.net.au

Competent Person's Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Zeffron Reeves (BAppSc (Hons) (Applied Geology) MBA, MAIG), a member of the Australian Institute of Geoscientists and is an employee of the Company. Mr Reeves has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking 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. The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.

Tenement Schedule

Tenement	Name	Location	Size (ha)	Grant Date	Expiry Date	% Ownership
E37/1037	Teutonic	Western Australia	1,613	23/07/2010	22/07/2015	70%
EP-000001-00-XI	Comval	Mindanao, Philippines	2,171	30/01/2009	30/01/2011 ¹	80%
EP -000002-09-XI	Comval	Mindanao, Philippines	2,139	04/01/2012	04/01/2014	80%
El Roble Concessions ²	El Roble	Region III, Chile	7,600			68% ³
San Sebastian	El Roble	Region III, Chile	50	n/a	n/a	100%
Panga Mine	El Roble	Region III, Chile	11	n/a	n/a	n/a ⁴
Paraguay Mine	El Roble	Region III, Chile	5	n/a	n/a	n/a ⁴
Total			13,745 ha			

Notes:

1. EP-000001-00-XI expired on the 30/01/2011. The Company's Philippines subsidiary has applied to the Philippines Mines and Geosciences Bureau for a 2 year renewal.

2. The El Roble Concessions consist of exploration and mining concessions covering approximately 7,800 hectares (see below for a complete list).

3. Pursuant to the El Roble Option Agreement, the Company can earn an initial 68% interest pursuant to specific milestone payments as detailed in the ASX Announcement dated 15 August 2013. Following the satisfaction of certain conditions precedent the Company has the ability to increase its interest to 90%.

4. As announced on 4 December 2013, the Company has signed a production lease agreement over four concessions (Bolivia, Uruguay, Ecuador and Argentina) which comprise the Panga Mine. As further announced on 28 May 2014, the Company has signed a production lease agreement over an additional concession comprising the Paraguay Mine. These concessions are 100% owned by Sociedad Minera Panga De El Roble, an unrelated party.

El Roble constituted mining concessions to exploit (Chart N° 1)

N°	Name	Owner
1.	Roble 2, 1 al 11	SLM Roble 2
2.	Roble 2A, 1 al 11	SLM Roble 2A
3.	Roble 2B, 1 al 3	SLM Roble 2B
4.	Roble 3, 1 al 15	SLM Roble 3
5.	Roble 4, 1 al 23	SLM Roble 4
6.	Roble 4B, 1 al 10	SLM Roble 4B
7.	Roble 5, 1 al 10	SLM Roble 5

8.	Roble 5A, 1 al 9	SLM Roble 5A
9.	Roble 5B, 1 al 19	SLM Roble 5B
10.	Roble 5C, 1 al 20	SLM Roble 5C
11.	Roble 9, 1 al 9	Gunter Stromberger

El Roble mining concessions to exploit in process to be constituted (Chart N° 2)

N°	Name	Owner
1.	Angela Siete, 1 al 20	Gunter Stromberger
2.	Angela Siete A, 1 al 20	Gunter Stromberger
3.	Angela Siete B, 1 al 20	Gunter Stromberger
4.	Angela Ocho, 1 al 20	Gunter Stromberger
5.	Angela Ocho A, 1 al 20	Gunter Stromberger
6.	Angela Ocho B, 1 al 20	Gunter Stromberger
7.	Angela Nueve, 1 al 20	Gunter Stromberger
8.	Angela Nueve A, 1 al 20	Gunter Stromberger
9.	Angela Diez, 1 al 20	Gunter Stromberger
10.	Angela Diez A, 1 al 20	Gunter Stromberger
11.	Angela Doce, 1 al 20	Gunter Stromberger
12.	Angela Doce A, 1 al 20	Gunter Stromberger
13.	Angela Doce B, 1 al 20	Gunter Stromberger
14.	Angela Trece, 1 al 20	Gunter Stromberger
15.	Angela Trece A, 1 al 20	Gunter Stromberger
16.	Angela Trece B, 1 al 20	Gunter Stromberger
17.	Angela Catorce 1 al 20	Gunter Stromberger
18.	Angela Catorce A, 1 al 20	Gunter Stromberger
19.	Angela Catorce B, 1 al 20	Gunter Stromberger
20.	Angela Quince, 1 al 20	Gunter Stromberger

21.	Angela Quince A, 1 al 20	Gunter Stromberger
22.	Angela Quince B, 1 al 20	Gunter Stromberger
23.	Angela Dieciseis, 1 al 20	Gunter Stromberger
24.	Angela Dieciseis A, 1 al 20	Gunter Stromberger
25.	Angela Dieciseis B, 1 al 20	Gunter Stromberger
26.	Angela Diecisiete, 1 al 20	Gunter Stromberger
27.	Angela Diecisiete A, 1 al 20	Gunter Stromberger
28.	Angela Diecisiete B, 1 al 20	Gunter Stromberger
29.	Angela Dieciocho, 1 al 20	Gunter Stromberger
30.	Angela Dieciocho A, 1 al 20	Gunter Stromberger
31.	Angela Dieciocho B, 1 al 20	Gunter Stromberger
32.	Angela Diecinueve, 1 al 20	Gunter Stromberger
33.	Angela Diecinueve A, 1 al 20	Gunter Stromberger
34.	Angela Veinte, 1 al 20	Gunter Stromberger
35.	Angela Veinte A, 1 al 20	Gunter Stromberger
36.	Angela Veintiuno, 1 al 20	Gunter Stromberger
37.	Angela Veintiuno A, 1 al 20	Gunter Stromberger
38.	Angela Veintiuno B, 1 al 20	Gunter Stromberger
39.	Angela Veintidos, 1 al 20	Gunter Stromberger
40.	Angela Veintidos A, 1 al 20	Gunter Stromberger
41.	Angela Veintidos B, 1 al 20	Gunter Stromberger
42.	Angela Veintitres, 1 al 20	Gunter Stromberger
43.	Angela Veintitres A, 1 al 20	Gunter Stromberger
44.	Angela Veintitres B, 1 al 20	Gunter Stromberger
45.	Angela Veinticuatro A, 1 al 10	Gunter Stromberger
46.	Angela Veinticuatro B, 1 al 20	Gunter Stromberger
47.	Angela Veinticuatro C, 1 al 20	Gunter Stromberger

48.	Angela Veinticinco, 1 al 20	Gunter Stromberger
49.	Angela Veinticinco A, 1 al 20	Gunter Stromberger
50.	Angela Veinticinco B, 1 al 20	Gunter Stromberger
51.	Angela Veintiseis Uno, 1 al 10	Gunter Stromberger
52.	Angela Ventisiete Uno, 1 al 30	Gunter Stromberger
53.	Angela Veintisiete Uno, 1 al 30	Gunter Stromberger
54.	Angela Veintiocho Uno, 1 al 30	Gunter Stromberger
55.	Angela Veintinueve Uno, 1 al 30	Gunter Stromberger
56.	Angela Treinta Uno, 1 al 30	Gunter Stromberger
57.	Roble 2 C, 1 al 20	Gunter Stromberger
58.	Roble 5	Gunter Stromberger
59.	Roble 6, 1 al 20	Gunter Stromberger
60.	Roble 6A, 1 al 20	Gunter Stromberger
61.	Roble 7, 1 al 20	Gunter Stromberger
62.	Roble 8	Gunter Stromberger
63.	Roble 8A, 1 al 20	Gunter Stromberger
64.	Roble 8B, 1 al 20	Gunter Stromberger
65.	Roble 10, 1 al 6	Gunter Stromberger
66.	Roble 11, 1 al 2	Gunter Stromberger
67.	Roble 12, 1 al 3	Gunter Stromberger
68.	Roble 13, 1 al 20	Gunter Stromberger
69.	Roble 15, 1 al 40	Gunter Stromberger
70.	Roble 16, 1 al 35	Gunter Stromberger
71.	Roble 17, 1 al 20	Gunter Stromberger

El Roble mining concessions to explore in process to be constituted (Chart N° 3)

N°	Name	Owner
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1.	Angelita Siete	Gunter Stromberger
2.	Angelita Ocho	Gunter Stromberger
3.	Angelita Nueve	Gunter Stromberger
4.	Angelita Doce	Gunter Stromberger
5.	Angelita Trece	Gunter Stromberger
6.	Angelita Catorce	Gunter Stromberger
7.	Angelita Quince	Gunter Stromberger
8.	Angelita Dieciseis	Gunter Stromberger
9.	Angelita Diecisiete	Gunter Stromberger
10.	Angelita Dieciocho	Gunter Stromberger
11.	Angelita Diecinueve	Gunter Stromberger
12.	Angelita Veinte	Gunter Stromberger
13.	Angelita Veintiuno	Gunter Stromberger
14.	Angelita Veintidos	Gunter Stromberger
15.	Angelita Veintitres	Gunter Stromberger
16.	Angelita Veinticuatro	Gunter Stromberger
17.	Angelita Veinticinco	Gunter Stromberger

San Sebastian mining concessions to exploit

N°	Name	Owner
1.	San Sebastian 1/16 (2/16)	Arturo Lionel Polgatti San Cristóbal
2.	San Sebastian 1/16 (1)	Sociedad Legal Minera San Sebastian Uno de la Sierra Algarrobo

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, 01/05/2013

Name of entity

METALLUM LIMITED

ABN

73 149 230 811

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	231	398
1.2	Payments for (a) exploration & evaluation	(422)	(742)
	(b) development	-	-
	(c) production	(443)	(1,402)
	(d) administration	(506)	(1,313)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(1,140)	(3,050)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	(225)
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		-	(225)
1.13	Total operating and investing cash flows (carried forward)	(1,140)	(3,275)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,140)	(3,275)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,001	1,123
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	250
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Share issues not yet allotted	-	-
1.20	Other – share issue costs	(62)	(92)
1.20	Other – Convertible note issues	256	442
	Net financing cash flows	1,195	1,723
	Net increase (decrease) in cash held	55	(1,552)
1.20	Cash at beginning of quarter/year to date	108	1,715
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	163	163

Payments to directors of the entity, associates of the directors, 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	107
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments made for consulting fees, director's fees, salaries and superannuation.

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

N/A

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	750*
4.4 Administration	400
Total	1,200

*Unadjusted for anticipated revenue.

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	143	108
5.2 Deposits at call	20	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	163	108

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum 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) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	504,250,405	504,250,405	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	20,629,556 6,470,000 14,617,273 56,000,000	20,629,556 6,470,000 14,617,273 56,000,000	\$0.009 \$0.0138 (deemed) \$0.011 \$0.01	\$0.009 \$0.0138 (deemed) \$0.011 \$0.01
7.5 +Convertible debt securities (description)	1	1	-	-

+ See chapter 19 for defined terms.

Appendix 5B

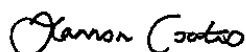
Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options (description and conversion factor)	140,042,820 300,000 50,000 3,750,000 300,000 12,000,000 8,000,000 10,000,000 1,000,000 2,000,000 13,800,000 3,000,000	140,042,820 - - - - - - - - - - - -	Exercise price \$0.05 \$0.60 \$0.60 \$0.20 \$0.25 \$0.05 \$0.034 \$0.037 \$0.05 \$0.05 \$0.0186 \$0.019	Expiry date 30/06/2015 01/04/2015 14/05/2015 01/07/2015 13/11/2015 30/06/2016 17/10/2016 17/10/2017 30/11/2016 30/06/2016 17/11/2017 09/03/2019
7.8	Issued during quarter	3,000,000	3,000,000	\$0.019	09/03/2019
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

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 5).

¶ 2 This statement does ~~/does not~~* (delete one) give a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

Date: 30 April 2015

Print name:
SHANNON COATES

+ See chapter 19 for defined terms.

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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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