

**ASX Announcement**

**29 July 2015**

**QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B FOR THE PERIOD ENDING 30 JUNE 2015**

**Corporate**

On 4 May 2015, Global Metals Exploration NL ("Global Metals" or "the Company") (ASX: GXN) was reinstated to official quotation following the lodgement of its outstanding statutory and periodic reports.

**Board changes**

Mr Peter Wall was appointed as Non-Executive Chairman as Ms Lia Darby stepped down from her executive role as Managing Director. Ms Darby still remains with the Company as a Non-Executive Director.

Mr Keith Bowker was appointed as Company Secretary in replacement of Ms Lia Darby.

**Placement and issue of shares to creditors**

On 25 May 2015, the Company completed a placement of 1,200,000,000 fully paid ordinary shares at \$0.0005 each to sophisticated investors together with a 1 for 1 free attaching unlisted option exercisable at \$0.002 each on or before 30 April 2020 ("Placement"). The Placement raised a total amount of \$600,000 before costs. In addition, 18,000,000 unlisted options exercisable at \$0.002 each on or before 30 April 2020 were issued to the Lead Manager as fees.

On 22 June 2015, the Company issued 9,542,115 fully paid ordinary shares to creditors of the Company. The shares were issued at a deemed issue price of \$0.002 per share.

**Exploration**

Capital restraints prohibited the commencement of new exploration programs this quarter. The Company is looking to complete a further capital raising transaction to continue work on its core projects at Jutson Rocks and Leonora and to evaluate other potential investment opportunities.

At Justson Rocks, the Company is pleased to advise that it has negotiated a settlement with Cosmo Newberry (Aboriginal) Corporation in relation to past invoices. The Company is also pleased to have received its extension of term for E38/1540 and its exemption from expenditure for E38/1541 from the Department of Mines of Western Australia.

**Summary of Tenements and Changes**

| Project       | Tenement reference | Interest held by GXN on 31 March 2015 | Interest acquired/disposed during quarter | Interest held by GXN on 30 June 2015 |
|---------------|--------------------|---------------------------------------|---|--------------------------------------|
| Justson Rocks | E38/1540, E38/1541 | 70%                                   | -   | 70%                                  |
| Leonora*      | E37/0893, M37/1202 | 100%                                  | -   | 100%                                 |

*\*Held through subsidiary Messina Resources Limited*

**For and on behalf of the Board**



Peter Wall  
**Chairman**  
(08) 9321 4000  
[PWall@steinpag.com.au](mailto:PWall@steinpag.com.au)

# 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

Global Metals Exploration NL

ABN

23 124 140 889

Quarter ended ("current quarter")

30 June 2015

### Consolidated statement of cash flows

| Cash flows related to operating activities        |  | Current quarter<br>\$A'000 | Year to date<br>(12 months)<br>\$A'000 |
|---|--|----------------------------|--|
| 1.1   | Receipts from product sales and related debtors            | -                          | -                                      |
| 1.2   | Payments for (a) exploration & evaluation                  | (43)                       | (172)                                  |
|   | (b) development  | -                          | -                                      |
|   | (c) production   | -                          | -                                      |
|   | (d) administration   | (152)                      | (379)                                  |
| 1.3   | Dividends received   | -                          | -                                      |
| 1.4   | Interest and other items of a similar nature received      | 1                          | 1                                      |
| 1.5   | Interest and other costs of finance paid                   | -                          | -                                      |
| 1.6   | Income taxes paid/(refundable)                             | -                          | 46                                     |
| 1.7   | Other (bonds held)   | -                          | 29                                     |
| <b>Net Operating Cash Flows</b>                   |  | <b>(194)</b>               | <b>(475)</b>                           |
| <b>Cash flows related to investing activities</b> |  |                            |  |
| 1.8   | Payment for purchases of:                                  |                            |  |
|   | (a) prospects  | -                          | -                                      |
|   | (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)                        | -                          | -                                      |
| <b>Net investing cash flows</b>                   |  | <b>-</b>                   | <b>-</b>                               |
| 1.13  | Total operating and investing cash flows (carried forward) | <b>(194)</b>               | <b>(475)</b>                           |

+ 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) | (194) | (475) |
|      | <b>Cash flows related to financing activities</b>          |       |       |
| 1.14 | Proceeds from issues of shares, options, etc.              | 600   | 600   |
| 1.15 | Proceeds from sale of forfeited shares                     | -     | -     |
| 1.16 | Proceeds from borrowings                                   | -     | -     |
| 1.17 | Repayment of borrowings                                    | -     | -     |
| 1.18 | Dividends paid   | -     | -     |
| 1.19 | Other – proceeds for intended issue of securities          | -     | -     |
|      | <b>Net financing cash flows</b>                            | 600   | 600   |
|      | <b>Net increase (decrease) in cash held</b>                | 406   | 125   |
| 1.20 | Cash at beginning of quarter/year to date                  | 16    | 297   |
| 1.21 | Exchange rate adjustments to item 1.20                     | -     | -     |
| 1.22 | <b>Cash at end of quarter</b>                              | 422   | 422   |

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

|      |   | Current quarter<br>\$A'000 |
|------|---|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2  | 10                         |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10  | -                          |
| 1.25 | Explanation necessary for an understanding of the transactions<br>This amount includes director fees and expenses paid to Ms Darby; and consulting fees including rent and office costs (provided at cost) paid to Superstructure International Pty Ltd, a company of which Ms Darby is a director. |                            |

**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
- 9,542,115 shares at \$0.002 each to settle creditors pursuant to resolution 3 passed at the AGM held on 6 May 2015.

18,000,000 options exercisable at \$0.002 per share expiring 30 April 2020 – placement fees
- 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
- 

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

|                                 | Amount available<br>\$A'000 | Amount used<br>\$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                 | -          |
| 4.4 Administration             | 100        |
| <b>Total</b>                   | <b>150</b> |

### 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<br>\$A'000 | Previous quarter<br>\$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                     | 422                        | 16                          |
| 5.2 Deposits at call                             | -                          | -                           |
| 5.3 Bank overdraft                               | -                          | -                           |
| 5.4 Other (provide details)                      | -                          | -                           |
| <b>Total: cash at end of quarter (item 1.22)</b> | <b>422</b>                 | <b>16</b>                   |

### Changes in interests in mining tenements and petroleum tenements

|   | Tenement<br>reference<br>and location | Nature of interest<br>(note (2))   | Interest at<br>beginning<br>of quarter | Interest at<br>end of<br>quarter |
|---|---------------------------------------|--|--|----------------------------------|
| 6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed |                                       | No changes during the period – please refer to the activity report for the quarter |  |                                  |
| 6.2 Interests in mining tenements and petroleum tenements acquired or increased           |                                       | No changes during the period – please refer to the activity report for the quarter |  |                                  |

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### 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 <b>Preference securities</b><br>(description)  | -   | -                           | -   | -   |
| 7.2 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |   |                             |   |   |
| 7.3 <b>*Ordinary securities</b>  | (i) 1,396,891,335<br>(ii) 11,590,184      | 1,396,891,335<br>11,590,184 | -<br>\$0.075                                  | -<br>\$0.825  |
| 7.4 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs              | (i) 1,209,542,115                         | 1,209,542,115               |   |   |
| 7.5 <b>*Convertible debt securities</b><br>(description)   | 72  | -                           | \$10,000.00                                   | \$10,000.00   |
| 7.6 Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              | 5   | -                           |   |   |
| 7.7 <b>Options</b><br>(description and conversion factor)  | 34,401,959<br>36,660,113<br>1,218,000,000 | 34,401,959<br>-<br>-        | Exercise price<br>\$0.20<br>\$0.03<br>\$0.002 | Expiry date<br>1 November 2015<br>31 December 2016<br>30 April 2020 |
| 7.8 Issued during quarter  | 1,218,000,000                             | -                           | \$0.002                                       | 30 April 2020   |
| 7.9 Exercised during quarter   |   |                             |   |   |
| 7.10 Expired during quarter  |   |                             |   |   |
| 7.11 <b>Debentures</b><br>(totals only)  |   |                             |   |   |
| 7.12 <b>Unsecured notes</b> (totals only)  |   |                             |   |   |

+ 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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company Secretary

Date: 29 July 2015

Print name: Keith Bowker

## 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.

== == == == ==

---

+ See chapter 19 for defined terms.