

The Manager - Company Announcements Office  
Australian Securities Exchange  
Exchange Centre  
4<sup>th</sup> Floor, 20 Bridge Street  
Sydney NSW 2000

29 July, 2015

Dear Sir,

## **QUARTERLY ACTIVITIES REPORT TO 30 JUNE 2015**

Amex Resources Limited (Amex) is pleased to update shareholders and investors on the Company's activities during the quarter. Highlights are as follows:

### **MBA DELTA IRONSANDS PROJECT – FIJI**

- Port Construction Contract Advanced
- Marine Fleet Acquisition Update
- Dispute Adjudication Board Decision Due 24 August 2015
- Liaison with Fijian Government for Ba River Mouth Dredge Programme



**Inspecting Pilot Plant Concentrate at Amex Sorokoba Base**

## **MBA DELTA IRONSANDS PROJECT – FIJI**

Amex will produce magnetite concentrate from its 220 million tonne ironsands resource at the Mba Delta over a 20 year mine-life, by dredge operation and magnetic separation on the adjacent floating process plant. The product will be transported daily by barge to Amex's nearby Lautoka port site which will comprise a barge unloading facility, washing plant to remove sea salt, enclosed stockpile shed, ship loading infrastructure, a dedicated export berth for vessels of up to 60,000t capacity, workshops and offices.

Projected operating costs are very low, currently assessed as US\$20-22/t, based on the Bankable Feasibility Study and subsequent movements in exchange rates and fuel prices. The Board is confident that Amex is well-positioned to take advantage of iron ore prices recovering in the lead up to production and over the planned long mine-life. Research and testwork into establishment of additional high value markets for some of the ironsands product has also commenced.

### **Ironsands Project Update and Contract Status**

Bathymetric surveying of the marine approach channel to Amex's Lautoka port site was carried out during the reporting period by locally-based consultants appointed by the Company, in preparation for dredging works required to deepen the berth and access areas.

At the Mba Delta, a programme of dredging to re-establish a channel from the mouth of the Ba River into the lagoon has been designed in liaison with Fijian government departments. The primary objective of the dredging is for potential flood remediation by removal of a build up of sediments which are partially blocking the river mouth. These sediments form a small part of the overall ironsands resource, and the Company is deeply appreciative of the cooperation of the Fijian Government in seeking input from Amex to ensure that their forthcoming works do not sterilise or deplete any part of the Mba Delta orebody.

Environmental baseline sampling programmes were continued in the Mba project area during the quarter, and review at the Lautoka site was commenced into monitoring of possible sources of stormwater inflow from adjacent sites.

Following the recent receipt of a tender submission, contract negotiations with a new design, procurement and construction contractor are nearing completion. The preferred contractor is a highly regarded international port infrastructure specialist, with previous experience in Fiji and knowledge of the Mba Delta project. A site visit to the port site and delta was carried out by a seven member team of experts from the contractor during April, and negotiation meetings were held in both Fiji and China during June 2015.

Amex is also in discussion with several major international groups regarding supply of the marine fleet required for dredging, processing and barge transportation of the ironsands material. These potential suppliers are in addition to those companies which were involved as part of the previous FIDIC contract, now terminated.

## **CORPORATE ACTIVITIES**

### **FIDIC Contract - Dispute Adjudication Board**

As previously announced, in January this year the Company terminated the fixed price US\$100m FIDIC design, procurement and construction contract with MCC Overseas Limited (MCCO) after the contractor repeatedly failed to provide a firm commitment to honour its funding obligations and commence the Works.

Amex issued MCCO with a notice of dispute and a claim for loss and damages, and has commenced a Dispute Adjudication Board (DAB) process as contemplated under the contract.

The DAB as appointed is a three member board based in Singapore and consists of Sir Richard Field (chairman), Sir Vivian Ramsay and Mr Shaojie Chi. Amex made a very detailed formal submission to DAB on 1 June, which will be followed by a hearing from 11-14 August. The decision of the board is scheduled to be handed down on 24 August.

## Funding

The sum of \$556,500 was received from exercise of 1,855,000 unlisted options which had been due to expire on 9 June 2015. Subsequent to the end of the reporting period, a research and development rebate of \$894,706 was received from the Federal Government and will be applied to working capital.

On 16 April, a further \$2 million short term unsecured note from a sophisticated investor was agreed, with a four month term and at 17% interest prepaid.

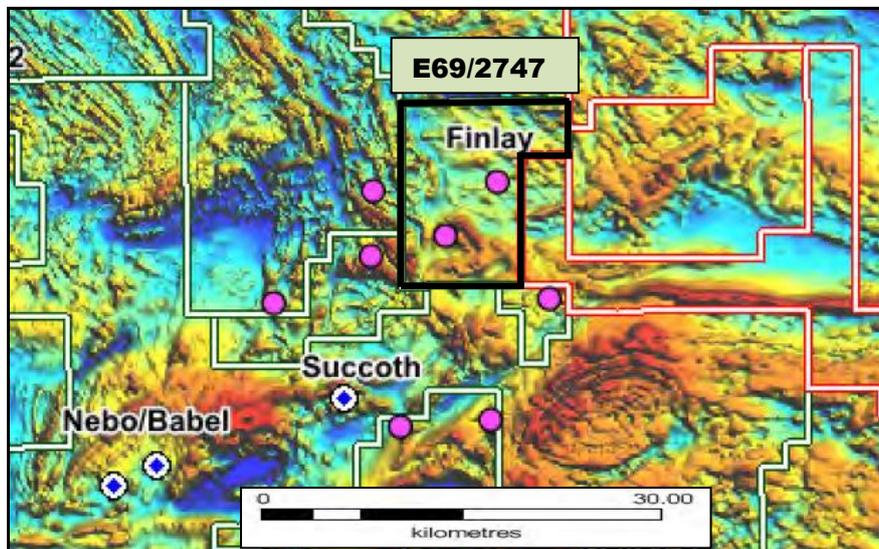
## Appointment of General Manager – Fiji and Resignation of Director

Amex's Lautoka-based production manager, Alivereti Tuidravuni has been promoted to the position of General Manager – Fiji and will take responsibility for development and running of the Mba Delta project operations.

The resignation of non-executive director Alan Senior was announced during the quarter. The Company thanks Mr Senior for his significant contributions particularly to the Feasibility Study and detailed design stages of the Mba Delta project, and wishes him every success for the future in his other ventures.

## WESTERN AUSTRALIAN PROJECTS

Amex holds a 10% interest in E69/2747 in the Musgrave region of WA, with Traka Resources Limited (ASX: TKL) as operator and registered holder of the remaining interest. Amex is free carried for the first \$1m of exploration on E69/2747.



E69/2747 (image source: Traka Resources Limited)

Traka has reported that the electromagnetic anomaly at Finlay on the JV ground is detailed enough for drilling and follow up is merited (TKL Quarterly Activities Report to 30 June 2015).

On the adjoining West Musgrave project area of Cassini Resources Limited (ASX: CZI), diamond drilling has recently commenced at the advanced Succoth nickel-copper prospect. Further details of CZI's exploration and scoping study for the Nebo-Babel Ni-Cu project are available on its website at [www.cassiniresources.com.au](http://www.cassiniresources.com.au) or the ASX website.

The Paraburdoo South tenements were surrendered during the quarter.

## CONCLUSION

The Company is close to concluding negotiations with an alternative contractor and arrangement of alternative funding to expedite construction of the Amex's 100% owned Mba Delta Ironsands Project, following termination of the previous contract through non-performance.

We look forward to continue updating shareholders on further progress over the coming quarter.

Yours faithfully,

**Matthew Collard**  
**Managing Director**  
**Amex Resources Limited**

### Competent Person Statement

*Contents of this report relating to Exploration Results, Mineral Resources or Ore Reserves for the Mba Delta Project are based on information compiled by consulting geologist Geoffrey Richards of Lionhart Consulting Services, who is a Member of the Australian Institute of Geoscientists. Mr Richards has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Richards consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

*Contents of this report relating to Exploration Results are based on information compiled by consulting geologist Ian Cowden of Iana Pty Ltd, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Cowden has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Cowden consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

### Forward-Looking Statements

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Amex Resources Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although Amex Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements..*

## Corporate Information

### Directors

Hon Richard Alston Non-Executive Chairman  
Mr Matthew Collard Managing Director  
Mr Yibo Qiu Marketing Director

### Company Secretary

Mr Gary Dunlop Company Secretary

### ASX code: AXZ

### Registered and Principal Office

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Western Australia 6005

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ACN 089 826 237

### Investor Relations

Enquiries concerning this Report may be directed to:

Matthew Collard – Managing Director  
Tel: +61 (0)8 9480 0455

### Issued Capital

At 30 June 2015, Amex had 522 shareholders with issued capital of 95,820,857 fully paid ordinary shares and 25,250,000 unlisted options.

### Shareholder Enquiries

Matters relating to shares held, change of address and tax file numbers should be directed to:

Security Transfer Registrars Pty Ltd  
PO Box 535  
Applecross  
Western Australia 6953  
Tel: +61 (0)8 9315 2333

### Mining tenements held at 30 June, 2015

Tenement	Location	Project	Interest
SML60	Ba, Fiji	Mba Delta	100%
SPL1463	Ba, Fiji	Mba Delta	100%
SSR13	Lautoka, Fiji	Mba Delta	100%
E69/2747	Jameson, WA	Musgrave JV	10%

### Joint Venture interests at 30 June, 2015

Tenement	Location	Project	Interest
E69/2747	Jameson, WA	Musgrave JV	10%

No Joint Venture interests were acquired or disposed of during the quarter

### Change of tenement interests, June 2015 quarter

Tenement	Location	Project	Interest
E47/2435-I	Paraburdoo, WA	Turee Creek	0%
E52/2561-I	Paraburdoo, WA	Mt Maguire	0%

Two EL's were surrendered during the quarter.  
No tenements were acquired.