

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, 01/06/10.

Name of entity

METAL BANK LIMITED

ABN

51 127 297 170

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (3 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(357)	(357)
	(b) development		
	(c) production		
	(d) administration	(194)	(194)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other		
Net Operating Cash Flows		(551)	(551)
Cash flows related to investing activities			
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 from other entities		
1.11	Loans repaid to/by other entities		
1.12	Other – acquisition of subsidiary		
Net investing cash flows			
1.13	Total operating and investing cash flows (carried forward)	(551)	(551)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(551)	(551)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	350	350
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of advance		
1.18	Dividends paid		
1.19	Cost of capital raising		
	Net financing cash flows	350	350
	Net increase (decrease) in cash held	(201)	(201)
1.20	Cash at beginning of quarter/year to date	544	544
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	343	343

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	58
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salary and director fees paid to directors and director related entities.

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

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

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	642	642
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A' 000
4.1 Exploration and evaluation	100
4.2 Development	
4.3 Production	
4.4 Administration	75
Total	175

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	343	544
5.2 Deposits at call	-	-
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	343	544

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	EPM19548	Relinquished	100%	Nil
6.2 Interests in mining tenements acquired or increased				

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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	354,262,778	354,262,778		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	23,333,333	23,333,333	1.5 cents per share	Fully Paid
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	15,000,000	NIL	Exercise price 3 cents	Expiry date 30 Nov 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Performance Rights

Performance Rights on issue – 6,355,932

The Performance Period commences on the date on which the Board initially approved the allocation of Rights, being 10 March 2015, and ends at 5.00pm (Melbourne time) on 9 March 2016. The Rights expire at 5.00pm (Melbourne time) on 9 April 2016. Rights will expire before this date if Vesting Conditions are not satisfied or waived. The Rights are subject to the following Vesting Conditions which must be satisfied to the satisfaction of the Board (in its discretion), or waived by the Board:

- The holder, Mr Schreck (a Director of the Company), remaining employed by the Company or one of its subsidiaries for the duration of the Performance Period; and
- Mr Schreck meeting the following performance hurdles, in respect of the percentage of Rights allocated to each hurdle:

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- Vesting of 50% of the Rights is subject to the 60 day VWAP of the Company's share price on the vesting date being a 100% increase on the 30 day VWAP of 1.18 cents at the date of approval of the offer of Performance Rights by the Board;
- Vesting of 30% of the Rights is subject to the Company obtaining sufficient indications from drilling in Year 1 of the Mason Valley Copper Project Joint Venture (MVCP JV) that copper resource potential exists to support a decision by the Board to continue beyond year one of the MVCP JV;
- Vesting of 10% of the Rights is subject to improvement in safety standards and culture within the company and regulatory compliance; and
- Vesting of the remaining 10% of the Rights is subject to the Company continuing to maintain a high level of technical assessment and input from external consultants in the MVCP JV and other exploration projects of the Company.

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.



Sign here: Date: 29 October 2015
(Director/Company secretary)

Sue-Ann Higgins
Print name:

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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