



## ASX ANNOUNCEMENT 29 July 2016

**ASX Code:** FRN  
**Shares on Issue:** 250,000,000  
**Cash:** \$3.2 million

**Chairman:** Josh Puckridge  
**Director:** Ian Prentice  
**Director:** Glenn Whiddon

**Secretary:** Loren Jones

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**ACN:** 098 236 938

### Fraser Range Metals Group Limited

Fraser Range Metals Group is an early stage explorer of nickel, copper and gold in the Fraser Range region of Western Australia.

Fraser Range Metals Group recommenced trading on 15 March 2016 under the ASX code: FRN.

The Company is committed to the exploration of its Fraser Range project located approximately 215km east of Kalgoorlie, Western Australia.

**For enquiries please contact:**

[info@frmets.com.au](mailto:info@frmets.com.au)  
+61 (8) 6489 1600

## QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

For the 3 months ending 30 June 2016 (**Period**)

Fraser Range Metals Group Limited (**Fraser Range Metals Group**) (**Company**) is pleased to present its Activities Report and Appendix 5B for the Period.

### CORPORATE ACTIVITIES

#### New Tenement Application

##### Dundas Project – ELA 63/1792

During the Period the Company lodged an application for a full sized exploration licence, covering an area of approximately 202km<sup>2</sup>, approximately 100km south south-west of Independence Group's Nova nickel – copper deposit (see **Appendix A**). The application covers metagranitic and gneissic rocks of the Biranup Zone adjacent to a structurally emplaced sequence of metamorphosed mafic rocks; Archean granite and greenstone of the Northern Foreland.

Previous explorers have identified cobalt, base metal and precious metal occurrences within the tenement area, with varying levels of drilling completed to follow up these targets. The Company has commenced a comprehensive collation and review of historic exploration data with the aim of identifying drill targets for testing once the tenement has been granted.

#### Board Composition

##### Resignation of Director

As of today, Ms. Loren Jones has resigned as a Director of the Company. The Board wishes to thank Ms. Jones for her outstanding contributions to the Company; in particular the efforts surrounding the Company's re-quotation on the ASX that occurred earlier in this calendar year. Ms. Jones will remain as Company Secretary.

#### Capital Preservation

##### Reduction of Overhead Costs

During the Period the Board of the Company agreed to reduce Directors' fees to \$30,000 p.a. (fully inclusive) for Non-Executive Directors.

Mr. Puckridge, Executive Chairman of the Company, has agreed to reduce his executive services fees to \$40,000 p.a. (fully inclusive).

## EXPLORATION ACTIVITIES

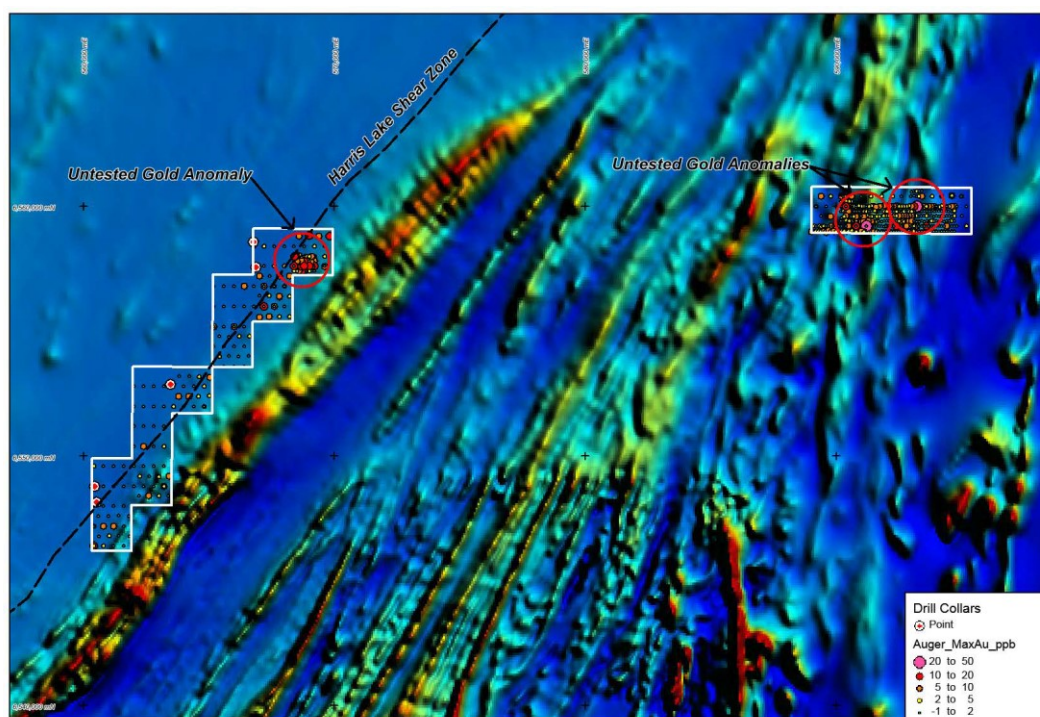
### Fraser Range Project

#### E28/2385, E28/2390 & E28/23922

During the Period, the Company continued to progress its exploration strategy across the Fraser Range Project, with targets for gold and nickel mineralisation identified and planning proceeding for the next phase of activity, which is expected to involve low level or ground based geophysical surveys.

The Fraser Range Project, situated within the Albany-Fraser Orogen, is divided in to a Western set of tenements (E28/2390 and E28/2392) and a single Eastern tenement (E28/2385) (**Project**). The Project is located on a major tectonic suture between the Eastern Biranup Zone and the Fraser Complex on the Western edge of the major Fraser Range Gravity High and is positioned within a major north West trending linear structural corridor that creates a distinct break in the Fraser Range Gravity High. The Western tenements are located on, or adjacent to, the regionally extensive Harris Lake Shear Zone which hosts Segue Resources Limited's Corvette gold prospect, approximately 140km to the North of the Project.

Four moderate tenor geochemical anomalies have been identified from shallow auger drilling over the project; one nickel and two gold anomalies on E28/2385 and a gold anomaly on E28/2392, which sits within the Harris Lake Shear Zone. The geology of the area consists of weakly vegetated aeolian dunes and intervening alluvial and colluvial deposits seen as a thin (1-10m) covering unit across the Project area, underlying flat-lying Palaeogene and Neogene age semi to unconsolidated sediments that are expected to be 20-40 metres thick in the Project area and Proterozoic basement rocks that are interpreted to consist of orthogneiss, metagabbro, and paragneiss lithologies.



### **Figure 1: Auger Drilling – Gold Anomalies**

The Company proposes to collect high quality geophysical data sets to assist in the mapping of the underlying geological sequences and structures in the area of the defined geochemical anomalies.

A program of detailed low level (heliborne), or ground based, surveys to collect magnetic, gravity and/or electromagnetic data is proposed with timing of execution subject to land access and availability of geophysical contractors.

#### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

##### **Fraser Range Metals Group Limited**

Mr. Josh Puckridge  
Executive Chairman  
p: +61 8 6489 1600  
[info@frnmetals.com.au](mailto:info@frnmetals.com.au)

##### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Fraser Range Metals Group Limited's planned exploration program 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 Fraser Range Metals Group 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.*

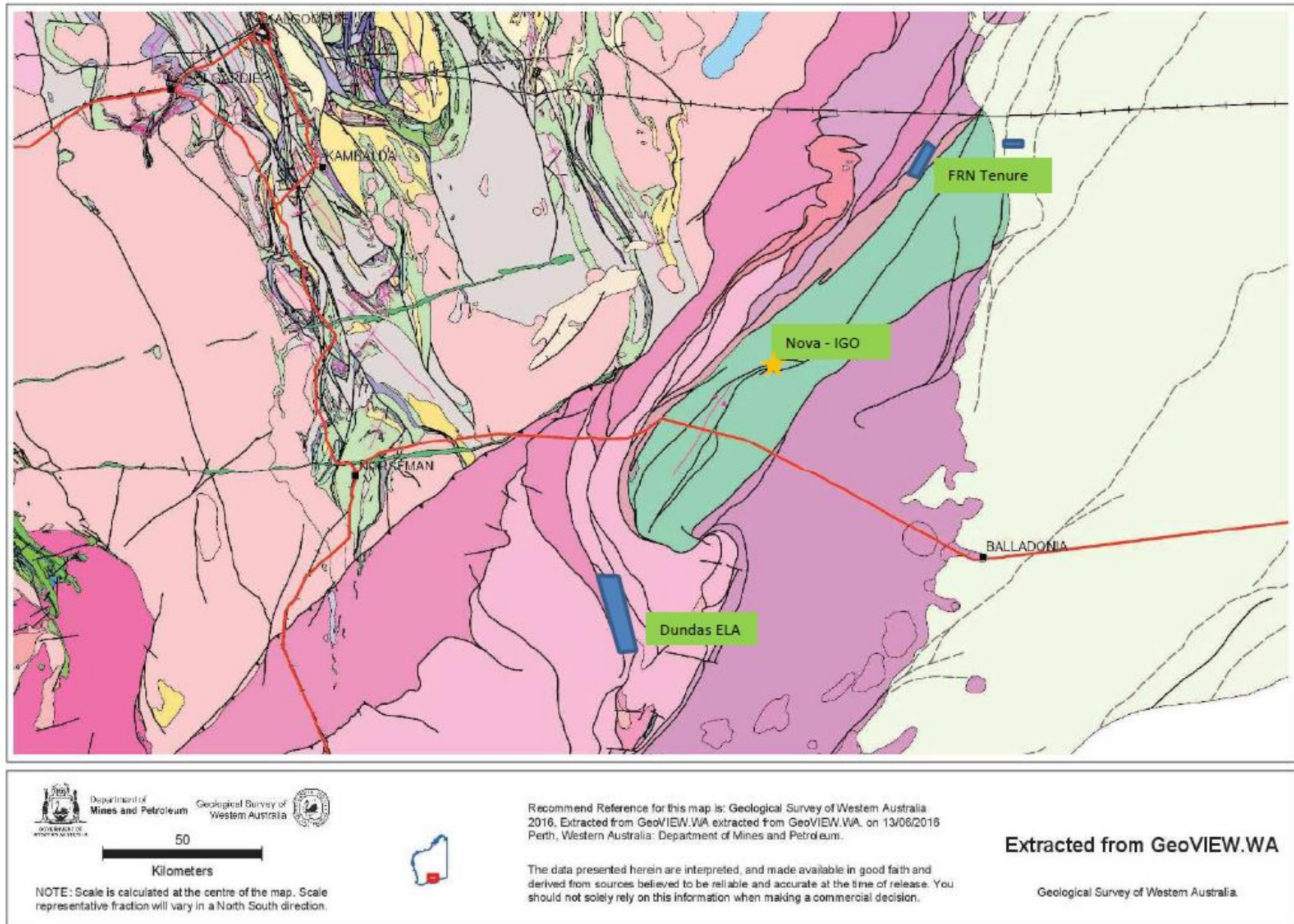
##### **Competent person statement**

*Exploration or technical information in this release has been prepared by **Mr Ian Prentice BSc**, who is a director of Fraser Range Metals Group Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience which is relevant to the style of mineralisation 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 JORC Code). Mr Prentice consents to the report being issued in the form and context in which it appears.*

**-END-**



## Appendix A – Dundas Project Location



# 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

**FRASER RANGE METALS GROUP LIMITED**

ABN

**65 098 236 938**

Quarter ended ("current quarter")

**30 June 2016**

### Consolidated statement of cash flows

		<b>Current quarter (June 2016) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(108)	(125)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(116)	(214)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	51	55
1.5	Interest and other costs of finance paid	(0)	(0)
1.6	Income taxes paid	-	1
1.7	Other (provide details if material)	-	(74)
<b>Net Operating Cash Flows</b>		<b>(173)</b>	<b>(357)</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 (Disposal of subsidiaries)	-	-
<b>Net investing cash flows</b>		<b>-</b>	<b>-</b>

+ See chapter 19 for defined terms.

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

		<b>Current quarter (June 2016) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
1.13	Total operating and investing cash flows (carried forward)	(173)	(357)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	3,892
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 – cost of share issue	(44)	(494)
	<b>Net financing cash flows</b>	<b>(44)</b>	<b>3,398</b>
	<b>Net increase (decrease) in cash held</b>	<b>(217)</b>	<b>3,042</b>
1.20	Cash at beginning of quarter/year to date	3,426	167
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>3,209</b>	<b>3,209</b>

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

		<b>Current quarter \$A'000</b>
1.23	Aggregate amount of payments to the parties included in item 1.2	(187)
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payment of current and historical director's fees, rent, administration expenses and reimbursements as well as a corporate fee payable to Mr Puckridge in connection with worked performed in relation to the Acquisition and the Public Offer, as previously disclosed.	

**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	None
	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	None

+ See chapter 19 for defined terms.

### 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	(80)
4.2 Development	-
4.3 Production	-
4.4 Administration	(60)
<b>Total (outflow)</b>	<b>(140)</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 (June 2016) \$A'000	Previous quarter (Mar 2016) \$A'000
5.1 Cash on hand and at bank	3,426	3,426
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Restricted cash (Cash held in escrow account of lender and certificates of deposit)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,209</b>	<b>3,426</b>

### 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	-	-	-	-

+ 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> (description)	-	-	-	-
7.2	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through conversion to shares and cancellations	-	-	-	-
7.3	<b>+Ordinary securities</b>	250,000,000	250,000,000	-	-
7.4	Changes during quarter				
	(a) Increases through placement of new fully paid ordinary shares	-	-	-	-
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	<b>+Convertible debt securities</b> (description)	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> (description and conversion factor)	-	-	-	-
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	<b>Debentures</b> (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.

*[Lodged electronically without signature]*

**Loren Jones**  
Company Secretary  
29 July 2016

## 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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