

## ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

### June 2016 Quarterly Report

The Board of OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 30 June 2016. Highlights include:

#### Tanzania – Nyanzaga Gold Project

- In March 2016, independent experts CSA Global completed a JORC compliant Mineral Resource Estimate (**MRE** or **Resource**). The Nyanzaga MRE (at a 1.5 g/t Au cut-off) is 21.3 Mt grading 4.1 g/t Au containing 2.8 million ounces of gold (refer to the ASX Release dated 31 March 2016).
- In April 2016, the scoping study (**Scoping Study**) for the Nyanzaga Project commenced. Lycopodium has been engaged to complete the Scoping Study.
- The Scoping Study is progressing ahead of schedule. OreCorp expects the Study will be completed during the September quarter and anticipates that thereafter it will immediately progress to a pre-feasibility study (**PFS**).
- Work on regional prospects continued to refine targets for drilling and will continue in H2 2016.

#### Mauritania – Akjoujt South Project

- A reconnaissance diamond drilling programme concluded on Anomaly 5, with five of six holes intersecting zones of disseminated and breccia-fill sulphide mineralisation.
- Mineralogy on selected samples indicate that the sulphides are dominated by pyrrhotite, with subordinate pentlandite (nickel sulphide) and chalcopyrite (copper sulphide).
- Assay results are pending.
- Ground magnetics identified two areas of significant anomalism within the Anomaly 5 intrusive. A trenching program to test these areas has commenced.

#### Corporate

- In June, the Company completed the placement of 60 million ordinary shares at an issue price of A\$0.27 per share to institutional and sophisticated investors in Europe and Australia to raise gross proceeds of up to A\$16.2 million. The capital raising is consistent with the Company's strategy of strengthening its institutional shareholder base and provides significant funds to both advance Nyanzaga feasibility studies and accelerate exploration activities at Anomaly 5.
- In order to attract, incentivise and retain the key employees and consultants who will assist the Company to develop the Nyanzaga Project, the Company issued 8.5 million unlisted options to Directors, management and consultants during the quarter.
- OreCorp finished the quarter with approximately \$17.3m cash and no debt.

#### For further information please contact:

Matthew Yates  
+61 (8) 9381 9997  
CEO & Managing Director



**ASX RELEASE:**  
26 July 2016

**ASX CODE:**  
Shares: ORR

**BOARD:**  
Craig Williams  
*Non-Executive Chairman*

Matthew Yates  
*CEO & Managing Director*

Alastair Morrison  
*Non-Executive Director*

Michael Klessens  
*Non-Executive Director*

Robert Rigo  
*Non-Executive Director*

Luke Watson  
*CFO & Company Secretary*

**ISSUED CAPITAL:**  
Shares: 173.4 million  
Unlisted Options: 8.5 million

**ABOUT ORECORP:**  
OreCorp Limited is a Western Australian based company focused on the development of the Nyanzaga Gold Project in Tanzania & the Akjoujt South Nickel - Copper Project in Mauritania.

## TANZANIA

### Nyanzaga Project (Gold) [OreCorp Earning up to 51%]

On 22 September 2015, the Company announced that it had entered into a binding earn-in and joint venture agreement (**JVA**) to earn up to a 51% interest (refer Exploration Interests section for further details) in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania.

The Lake Victoria Goldfields host an exceptional endowment of gold mineralisation, with four operating gold mines that collectively produced >1.2Mozs in 2015 and host >45 Mozs of gold in foreign estimates (**Figure 1**). Tanzania is the third largest gold producer in Africa ([www.gold.org](http://www.gold.org)) with an internationally respected mining industry, a Mining Act revised in 2010 and English language based commerce.

The Nyanzaga Project comprises 27 contiguous Prospecting Licences and renewal applications covering a combined area of 285km<sup>2</sup>, with a further 2 new applications pending. In addition to the Nyanzaga deposit, there are a number of other exploration prospects within the JV tenements.



Figure 1: Lake Victoria Goldfields, Tanzania – Existing Resources

### Scoping Study

The Scoping Study commenced in early April 2016 following the completion of the maiden JORC MRE (**Table 1**). The Scoping Study is examining all facets of geology, mining and processing.

**Table 1: Nyanzaga Project - Mineral Resource Estimate, reported at a 1.5g/t Au cut-off**

OreCorp Limited – Nyanzaga Gold Project – Tanzania Mineral Resource Estimate as at 31 March, 2016					
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)	Gold Metal (Ton)	In-situ Dry BD (t/m <sup>3</sup> )
Measured	2.93	3.77	0.356	11.1	2.79
Indicated	14.92	4.09	1.960	61.0	2.85
<b>Sub-Total M &amp; I</b>	<b>17.85</b>	<b>4.04</b>	<b>2.316</b>	<b>72.1</b>	<b>2.84</b>
Inferred	3.40	4.20	0.463	14.0	2.85
<b>Total</b>	<b>21.25</b>	<b>4.07</b>	<b>2.778</b>	<b>86.1</b>	<b>2.84</b>

Reported at a 1.5g/t cut-off grade. MRE defined by 3D wireframe interpretation with subcell block modelling. Gold grade estimated using Ordinary Kriging using a 10 x 10 x 10m estimation panel. Totals may not add up due to appropriate rounding of the MRE

**(Note: Table prepared by CSA)**

OreCorp is committed to fast-tracking the appraisal and potential development of the Nyanzaga Project and commenced the Scoping Study three months ahead of the JVA schedule, while concurrently undertaking other investigative activities including a comprehensive review of historical metallurgical test work and the commencement of environmental baseline studies.

Lycopodium (ASX: LYL; **Lycopodium**) of Perth, Western Australia has been appointed to manage the Scoping Study. During the past 18 months, Lycopodium has completed ten major feasibility studies for gold projects in Africa and is currently involved in the construction of five gold and base metals mines in Africa. Over the last 20 years, Lycopodium has built the Golden Pride, Geita and Buzwagi Gold Mines in the Lake Victoria Goldfields in Tanzania. In addition, internationally recognised specialist consultants in the fields of resource estimation, mining engineering, comminution, metallurgy, and environmental and tailings management have also been engaged as integral members of the Study team.

The Scoping Study is evaluating the technical and economic viability of open pit and/or underground development scenarios, including a combination of both mining methods. Processing options are being considered in light of mining scenarios to optimise both throughput capacity and ore feed flexibility to enhance metallurgical outcomes.

The Scoping Study is progressing ahead of schedule and expected to be completed in the third quarter of 2016. The Company anticipates that thereafter it will immediately progress to the PFS.

### **Metallurgical Test Work**

Work has continued during the quarter to identify material for further test work. OreCorp will focus on the specific zones of mineralisation and complete representative sampling of gold bearing material for further test work.

The additional metallurgical test work will be used to optimise recoveries, reagent consumption and operating costs, particularly in the sulphide material. This work will allow the conceptual process flow sheet to be refined and optimised as part of the PFS. Sampling of the appropriate material will commence in August. It is anticipated approximately two tonnes of material will leave site to complete the metallurgical test work.



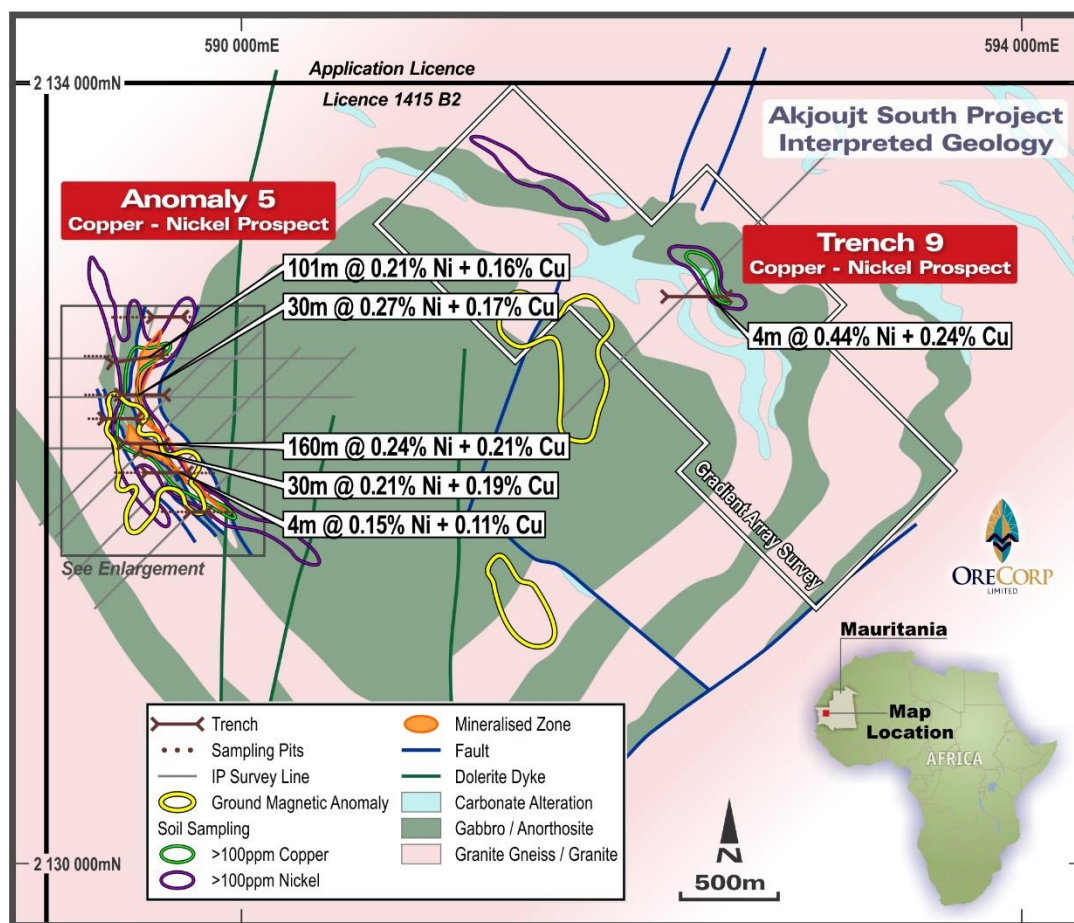


## MAURITANIA

### Akjoujt South Project (Nickel - Copper: 90% interest in Licences 1415 & 1416, granted)

The Akjoujt South Project comprises two licences (1415 and 1416) and covers 460 km<sup>2</sup>. The licences were renewed for a period of three years, effective from July 2015. An application has been lodged covering the 136 km<sup>2</sup> immediately to the north of licence 1415 and Anomaly 5.

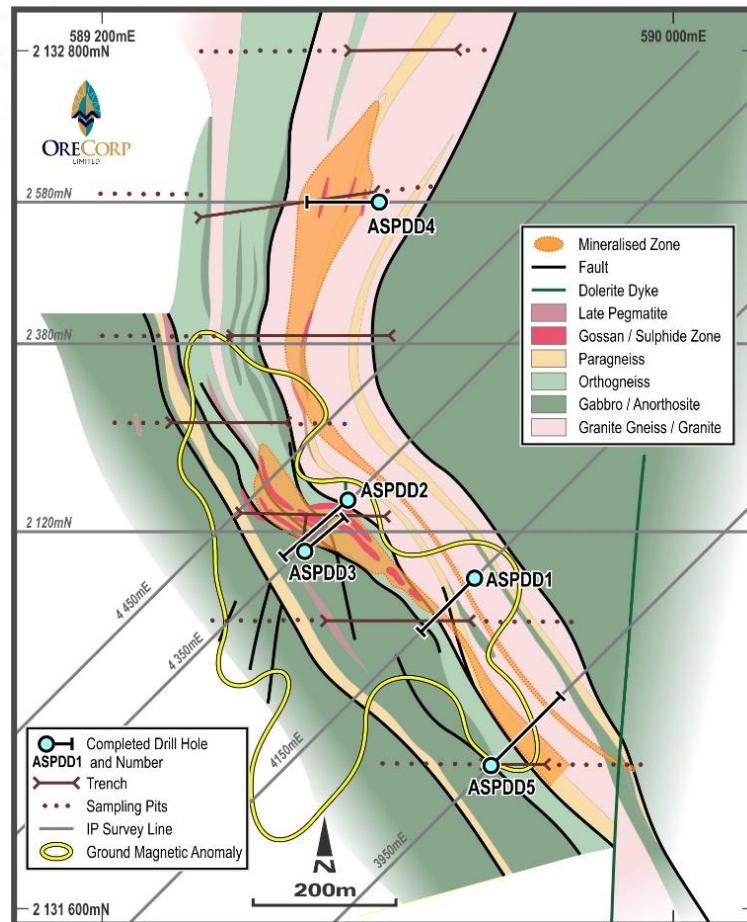
Anomaly 5 was identified in a regional soil sampling programme which generated an anomalous soil sample of 0.26% nickel and 0.23% copper. The anomalism is associated with a circular intrusive body and alteration assemblage. Subsequent mapping, infill sampling and trenching defined a zone of geochemical anomalism approximately 1.6km long. Trenching across this anomalism has intersected mineralised intervals of up to 160m in width of 0.24% nickel and 0.21% copper. Further mineralisation has been identified in Trench 9, three kilometres to the east. Significant IP geophysical anomalism was encountered in a survey completed and reported during the December 2015 quarter (**Figure 3**). Diamond drilling commenced in the March 2016 quarter along with a concurrent ground magnetic survey and both programmes are now complete.



**Figure 3: Akjoujt South Project - Geology and Geochemistry with Geophysical Survey Areas and Ground Magnetic Anomalies**

### Diamond Drilling

The initial reconnaissance diamond drill programme tested the encouraging geophysical, trench and soil geochemical anomalism encountered in previous OreCorp exploration campaigns, for nickel - copper sulphide mineralisation. The drilling program has concluded with five diamond holes drilled at Anomaly 5 and one hole at Trench 9 for a total of 1,040m of drilling (**Figures 3 and 4**).



**Figure 4: Anomaly 5 Prospect – Geology and Geochemistry with IP Survey Lines, Ground Magnetic Anomaly and Drill Holes**

The drilling has defined significant nickel-copper-cobalt +/- silver sulphide mineralisation. The mineralisation is hosted within disseminated and semi massive to massive sulphide breccia zones associated with altered gabbro, mafic and orthogneiss country rock. The mineralisation comprises breccia and disseminated textured dominant pyrrhotite with pentlandite and chalcopyrite primary mineralisation and overlying gossan and secondary nickel sulphide violarite. Assay results are pending.

### Mineralogy

Mineralogical reports have been completed on 21 samples of selective drill core from a range of representative lithology and alteration types from all six reconnaissance drill holes.

The petrographic work identifies two host rock suites; a high metamorphic grade, granulite facies metasediment derived quartz-garnet-biotite-scapolite-graphite gneiss (paragneiss); and lower amphibolite and retrogressive metamorphic grade mafic suites of gabbro (orthogneiss), amphibolite, olivine-basalt and ultramafic rocks.

The sulphide suites are dominated by magnetic, monoclinic pyrrhotite, with subordinate chalcopyrite (copper sulphide) and pentlandite (nickel sulphide); and with minor to trace amounts of sphalerite, cobaltite, arsenopyrite, molybdenite, mackinawite and altaite (lead telluride). Secondary pyrite, marcasite, covellite and violarite assemblages are evident within the transition zone from 20 to 25m vertical depths below surface (**Plate 1**). Zones of disseminated pyrite occur laterally, off-set from the nickel-copper sulphide zones.

Scanning Electron Microscope analyses of random pyrrhotite grains indicates that the range of nickel values in the pyrrhotite is consistent with analysis of nickel in pyrrhotite from various other nickel deposits globally.

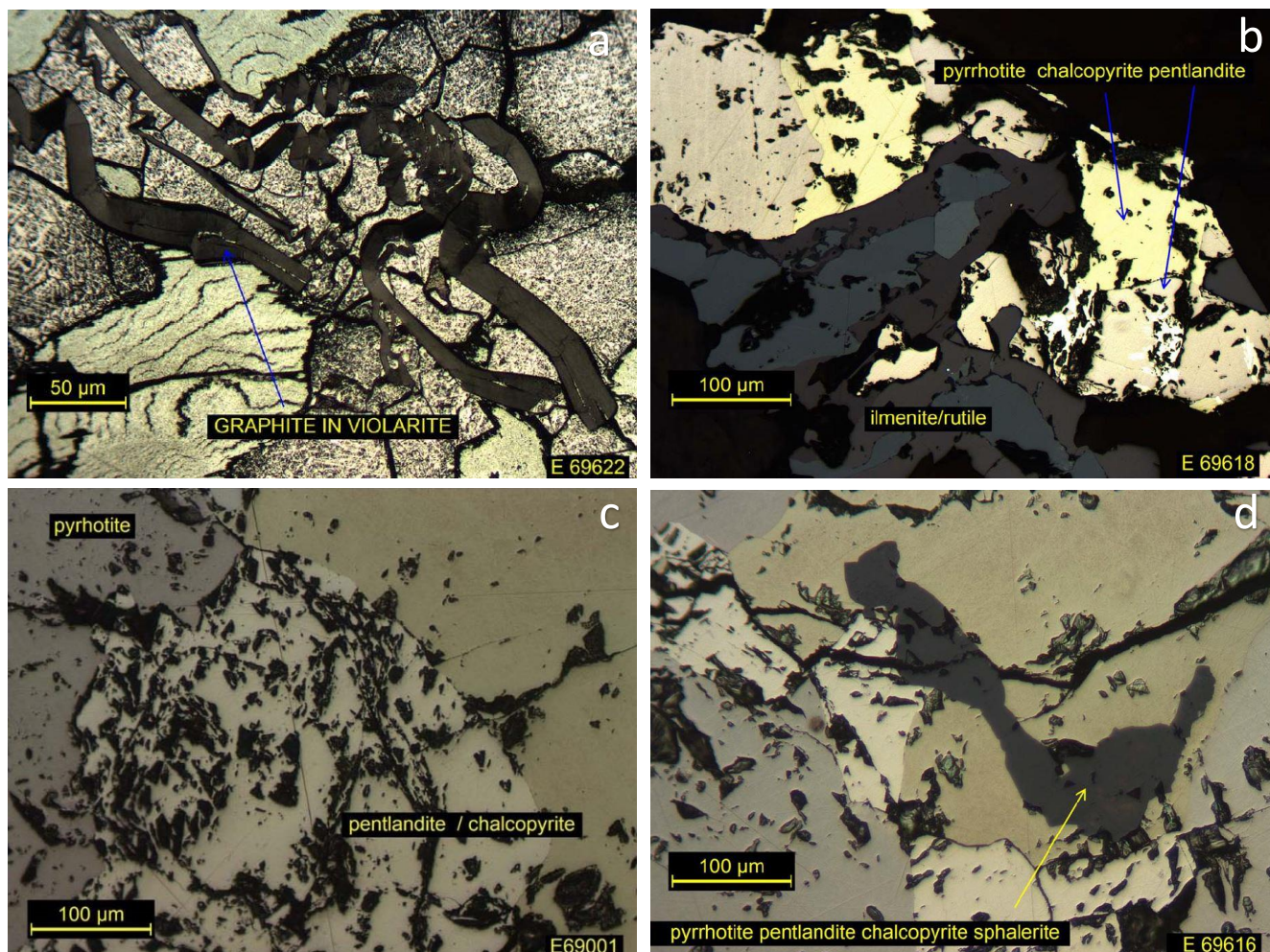


Intersected nickel-copper mineralisation occurs directly beneath low grade values previously reported from trenching.

Graphite associated with the sulphide mineralisation is considered to reflect the contamination of sulphide magma fluids by country rock. Chromite is absent in the samples. Iron oxides species are largely ilmenite or rutile (titanium iron oxides).

Primary magnetite is rare, and the magnetic responses within Anomaly 5 are considered a result of magnetic pyrrhotite associated with nickel-copper mineralisation. More regionally, the magnetics appear to be mapping mafic intrusions in dominantly felsic country rock. Magnetic data is being used to target other anomalies within the Project area.

The mineralisation appears to be conductive, based on the high resolution IP/resistivity data acquired. This response will also be useful for targeting.

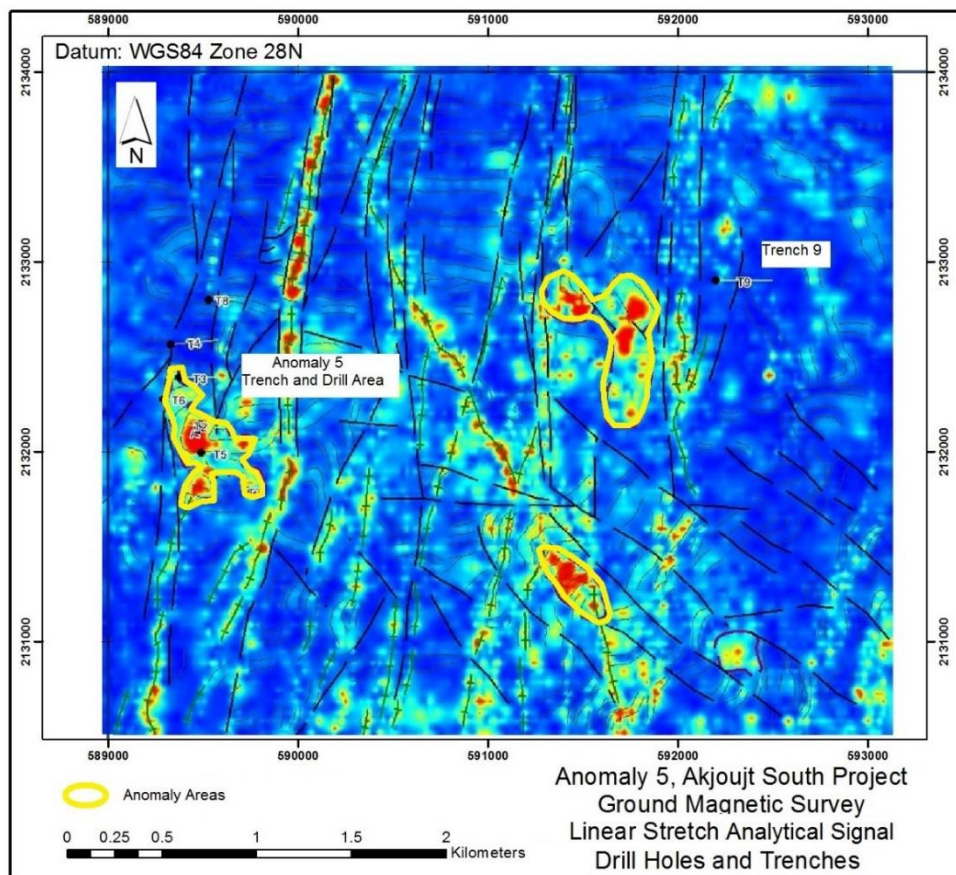


**Plate 1: Polished Thin section Image of a Section of Drill Core. a) ASPDD0004 32m, b) ASPDD0003 35m, c) ASPDD0002 46m, d) ASPDD0002 95m**

### Ground Magnetic Survey and Results

A ground magnetic survey (**Survey**) was completed over approximately 14 square kilometres with 50m traverse line spacing, 500m tie line spacing and covered both Anomaly 5 and Trench 9 (**Figure 3**). Utilisation of ground magnetics has proven to be a cheap and effective tool in the absence of detailed airborne data.

The Survey has revealed a coincident ground magnetic anomaly over the better zones of sulphide mineralisation associated with Anomaly 5. It has also identified two other areas of ground magnetic anomalism that will require follow-up and a trenching program has commenced (**Figure 5**).



**Figure 5: Ground Magnetic Survey – Linear Stretch Analytical Signal with Drill Hole and Trench Locations**

### Next Steps

Further work will involve data integration, target generation and ranking. It is anticipated that further magnetics, ground based and down hole EM, surface geochemistry, trenching and regional mapping will be utilised to enhance the understanding of this highly prospective project.

## CORPORATE AND BUSINESS DEVELOPMENT

### Capital Raising

In May and June, the Company completed a capital raising which involved the issue of 60 million fully paid ordinary shares at an issue price of \$0.27 per share to institutional and sophisticated investors in Europe and Australia, raising \$16.2 million (before costs).

The Placement was conducted in two tranches, with the Second Tranche Shares subject to shareholder approval. Shareholder approval for the issue of the Second Tranche Shares was obtained at the general meeting held on 22 June 2016.

Proceeds from the Placement will be used to fast track the various planned development and exploration activities both at the Nyanzaga Gold Project in Tanzania and the Akjoujt South Nickel - Copper Project in Mauritania, including:

- completion of the Scoping, Pre-Feasibility and Definitive Feasibility Studies for Nyanzaga;
- advancement of regional exploration activities at Nyanzaga, including drilling of priority targets;



- permitting and licensing for Nyanzaga;
- a follow-up drilling programme at the Anomaly 5 Nickel - Copper Prospect in Mauritania; and
- general working capital.

### Financial

OreCorp finished the quarter in a strong position with approximately A\$17.3m cash and no debt.

At the general meeting held on 22 June 2016 shareholder approval was also obtained for the establishment of the Employee Option Acquisition Plan, the grant of options under that plan and the grant of options to the Non-Executive Directors. Accordingly, the Company has granted 5,285,000 options under the plan (including 1,500,000 to the Company's CEO and Managing Director) and 3,250,000 options to the Non-Executive Directors.

### EXPLORATION INTERESTS

During the quarter, the Company had an interest in the following projects and exploration licences:

### Mining Tenements Held

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Tanzania</b>	PL 9591/2014	Granted	100%	100%
<b>Mauritania</b>				
<i>Akjoujt South Project</i> <sup>1</sup>	1415B2	Granted	90%	90%
	1416B2	Granted	90%	90%
<b>Australia</b>				
<i>Cheriton's East Project</i> <sup>2</sup>	E77/1223	Granted	100%	100%

**Notes:**

- 1) Licence renewal dates are approximately 30 July 2015, for a period of three years.
- 2) Minimal work was completed on the Cheriton's East Project during the quarter.

### Mining Tenements Acquired/Disposed

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Acquired</b>				
Nil				
<b>Disposed</b>				
Nil				

### Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Tanzania</b> <i>Nyanzaga Project <sup>1</sup></i>	PL 4830/2007	Granted	5%	5%
	PL 4450/2007	Granted	5%	5%
	PL 5069/2008	Under extension	5%	5%
	PL 6067/2009	Granted	5%	5%
	PL 6493/2010	Under Renewal	5%	5%
	PL 6922/2011	Granted	5%	5%
	PL 7129/2011	Granted	5%	5%
	PL 7476/2011	Granted	5%	5%
	PL 8592/2012	Granted	5%	5%
	PL 8635/2012	Granted	5%	5%
	PL 9016/2013	Granted	5%	5%
	PL 9065/2013	Granted	5%	5%
	PL 9236/2013	Granted	5%	5%
	PL 9237/2013	Granted	5%	5%
	PL 9446/2013	Granted	5%	5%
	PL 9655/2014	Granted	5%	5%
	PL 9656/2014	Granted	5%	5%
	PL 9661/2014	Granted	5%	5%
	PL 9662/2014	Granted	5%	5%
	PL 9663/2014	Granted	5%	5%
	PL 9664/2014	Granted	5%	5%
	PL 9770/2014	Granted	5%	5%
	PL 9919/2014	Granted	5%	5%
	PL 4730/2007	Under extension	3%	3%
	PL 7120/2011	Granted	3%	3%
	PL 7121/2011	Granted	3%	3%
	PL 9673/2011	Granted	5%	5%

**Notes:**

- 1) Pursuant to a whole of company earn-in agreement with Acacia Mining plc, under which the Company has contractual rights to earn beneficial interests in the tenements and, upon completion of a DFS, acquire shares in the direct holding company of the tenements.

### Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<u>Acquired</u>				
Nil				
<u>Disposed</u>				
Nil				

Other than as disclosed above, no other tenements were acquired or disposed during the quarter (including beneficial interests in joint venture projects), nor were there any further changes to the beneficial interest in any tenements.



## **ABOUT ORECORP LIMITED**

OreCorp Limited is a Western Australian based mineral company with gold & base metal projects in Tanzania and Mauritania. OreCorp is listed on the Australian Securities Exchange (**ASX**) under the code 'ORR'. The Company is well funded with no debt. OreCorp's key projects are the Nyanzaga Gold Project in northwest Tanzania and the Akjoujt South Nickel-Copper Project in Mauritania.

On 22 September 2015, the Company announced that it had entered into a conditional, binding earn-in and JVA to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania. On 31 March 2016, the Company announced a maiden JORC MRE of 2.8 million ounces at 4.1 g/t gold for the Nyanzaga Project.

## **JORC 2012 Compliance Statements**

### **Nyanzaga Project**

The information in this release relating to the Nyanzaga Project is extracted from the ASX Announcement dated 31 March 2016 titled 'OreCorp Completes Maiden JORC 2012 Mineral Resource Estimate at the Nyanzaga Project in Tanzania' and the ASX Announcement dated 22 September 2015 titled 'OreCorp enters into JV with Acacia Mining for the Advanced Nyanzaga Gold Project in Tanzania', which are available to view on the Company's website ([orecorp.com.au](http://orecorp.com.au)).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX Announcements and, in the case of (i) Mineral Resources, (ii) Metallurgical Test Work and Results, and (iii) Exploration Results in relation to the Nyanzaga Project in Tanzania (Project Results), that all material assumptions and technical parameters underpinning the Project Results in the relevant ASX Announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX Announcements.

### **Akjoujt South Project**

The information in this release relating to the Akjoujt South Project is extracted from the ASX Announcement dated 1 July 2016 titled 'Akjoujt South Project: Drilling Update and Ground Magnetic Anomalies Identified' and the ASX Announcement dated 19 April 2016 titled 'Akjoujt South Project Drilling Update: Sulphides Observed in First Three Holes', which are available to view on the Company's website ([orecorp.com.au](http://orecorp.com.au)).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX Announcements and, in the case of Exploration Results, that all material assumptions and technical parameters underpinning the Exploration Results in the relevant ASX Announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX Announcements.

## **Forward Looking Statements**

This release contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to pre-feasibility and definitive feasibility studies, the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Prospectus dated January 2013.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**ORECORP LIMITED**

ABN

24 147 917 299

Quarter ended ("current quarter")

30 June 2016

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000 (12 months)
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(1,219)	(2,634)
	(b) development	-	-
	(c) production	-	-
	(d) corporate and administration	(259)	(797)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	14	46
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other receipts (refunds)	-	-
1.8	Other – business development	(21)	(271)
<b>Net Operating Cash Flows</b>		<b>(1,485)</b>	<b>(3,656)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	(1,408)
	(b) equity investments	-	-
	(c) other fixed assets	(2)	(288)
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	Proceeds from underwriting	-	-
<b>Net investing cash flows</b>		<b>(2)</b>	<b>(1,696)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(1,487)</b>	<b>(5,352)</b>

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity quarterly report

		Current quarter \$A'000	Year to date \$A'000 (12 months)
1.13	Total operating and investing cash flows (brought forward)	(1,487)	(5,352)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issue of shares, options, etc.	15,274	15,274
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Costs associated with issue of shares	-	-
	<b>Net financing cash flows</b>	<b>15,274</b>	<b>15,274</b>
	<b>Net increase/(decrease) in cash held</b>	<b>13,787</b>	<b>9,922</b>
1.20	Cash at beginning of quarter/year to date	3,488	6,999
1.21	Exchange rate adjustments to item 1.20	(5)	349
1.22	<b>Cash at end of quarter</b>	<b>17,270</b>	<b>17,270</b>

#### Notes:

- Represents available-for-sale financial assets, investment in listed equity securities.

### 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	116
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

- Explanation necessary for an understanding of the transactions

Payments include non-executive directors' fees and the managing director's salary.

### Non-cash financing and investing activities

- Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

## Appendix 5B

### Mining exploration entity quarterly report

#### 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	Nil	-
3.2 Credit standby arrangements	Nil	-

#### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (including business development)	(1,750)
4.2 Development	-
4.3 Production	-
4.4 Corporate and administration	(195)
<b>Total</b>	<b>(1,945)</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 \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	340	253
5.2 Deposits at call	4,703	255
5.3 Bank overdraft	-	-
5.4 Other – term deposit	12,227	2,980
<b>Total: cash at end of quarter (item 1.22)</b>	<b>17,270</b>	<b>3,488</b>

#### 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	N/A			
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining 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)	Nil			
7.2	Changes during quarter	Nil			
	(a) Increases through issues				
	(b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>*Ordinary securities</b>	173,412,820	173,412,820		
7.4	Changes during quarter				
	(a) Increases through issues	60,000,000	60,000,000	\$0.27	\$0.27
	(b) Decreases through returns of capital, buy-backs	Nil			
7.5	<b>*Convertible debt securities</b> (description)	Nil			
7.6	Changes during quarter				
	(a) Increases through issues	Nil			
	(b) Decreases through securities matured, converted	Nil			
7.7	<b>Options</b> (description and conversion factor)	2,985,000	Nil	Exercise price \$0.41	Expiry date 23 June 2019
		2,800,000	Nil	\$0.45	23 June 2019
		2,750,000	Nil	\$0.50	31 May 2020
7.8	Issued during quarter	2,985,000	Nil	Exercise price \$0.41	Expiry date 23 June 2019
		2,800,000	Nil	\$0.45	23 June 2019
		2,750,000	Nil	\$0.50	31 May 2020
7.9	Exercised during quarter	Nil			
7.10	Expired during quarter	Nil			
7.11	<b>Debentures</b> (totals only)	Nil			
7.12	<b>Unsecured notes</b> (totals only)	Nil			
	<b>Performance Based Shares</b>	Nil			
	Changes during quarter	Nil			
	(a) Increases				

+ 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 4).
- 2 This statement does ~~/does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: 26 July 2016  
(~~Director~~/Company secretary)

Print name: Luke Watson

## 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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