

## 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

**SCOTGOLD RESOURCES LIMITED**

ABN

**42 127 042 773**

Quarter ended ("current quarter")

**30 JUNE 2016**

#### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A	Year to date (12 months) \$A
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(184,078)	(1,031,775)
(b) development	-	-
(c) production	-	-
(d) administration	(366,039)	(1,347,935)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	301	321
1.5 Interest and other costs of finance paid	-	(1,500)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(549,816)</b>	<b>(2,380,889)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(38,836)	(268,216)
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>(38,836)</b>	<b>(268,216)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(588,652)</b>	<b>(2,649,105)</b>

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(588,652)	(2,649,105)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	254,160	3,227,701
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(443,400)
1.18	Dividends paid	-	-
1.19	Other – Share Issue Costs	(2,344)	(109,553)
	<b>Net financing cash flows</b>	<b>251,816</b>	<b>2,674,748</b>
	<b>Net increase (decrease) in cash held</b>	<b>(336,836)</b>	<b>25,643</b>
1.20	Cash at beginning of quarter/year to date	1,082,861	802,649
1.21	Exchange rate adjustments to item 1.20	(3,646)	(85,913)
1.22	<b>Cash at end of quarter</b>	<b>742,379</b>	<b>742,379</b>

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

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	112,538
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments to directors including director and executive fees

**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

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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

N/A
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+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$	Amount used \$
3.1 Loan facilities		
Principal – Convertible Notes	1,156,600	1,156,600
3.2 Credit standby arrangements	Nil	N/A

Note \$1,156,600 Convertible Notes liability expires on 30 September 2016, on which date all or part may be called, or may be converted into shares subject to the Corporations Act and Listing Rules. Conversion terms are set out in Note 11 of the 2015 Annual Report which is available on the company's website.

### Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	300,000
4.2 Development	-
4.3 Production	-
4.4 Administration	200,000
<b>Total</b>	500,000

### 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	Previous quarter \$A
5.1 Cash on hand, at bank and in Escrow	42,929	1,062,501
5.2 Deposits at call	692,450	20,360
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	742,379	1,082,861

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#### 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	Nil		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	MN/PP/001/16  Pomar, Castelo Branco, Portugal	Nil	100%

#### 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 returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	1,437,697,714	1,437,697,714	
7.4	Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	20,593,750 370,271	20,593,750 370,271	
7.5	<b>+Convertible debt securities</b> (description)			

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)			Exercise price	Expiry date
		3,000,000		\$0.0800	31 March 2022
		30,000,000		£0.0069	22 September 2017
		123,724,418		£0.0010	30 September 2017
7.8	Issued during quarter	-		-	-
7.9	Exercised during quarter	370,271		£0.0010	30 September 2017
7.10	Expired during quarter	-		-	
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

Note: On 14 April 2016 20,593,750 shares were issued as exercise of options which expired on 31 March 2016. The exercise notices were dated prior to expiry. These options were shown as exercised in the March 2016 Appendix 5B. The remaining issue was out of options as shown above.

## 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:



Date: 29 July 2016.

Print name: Gabriel Chiappini (Director & Company secretary)

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## 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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