



**Caeneus Minerals Ltd**  
ACN 082 593 235

**Australian Securities Exchange**  
Code: CAD

**Ordinary shares**  
2,413,226,117

**Unlisted Options**  
19,500,000 (exercise price of \$0.005;  
expiry date of 31 Dec 2016)  
306,150,001 (exercise price of \$0.03;  
expiry date of 27 Feb 2017)  
550,457,309 (exercise price of \$0.003;  
expiry date of 31 Dec 2020)

**Board of Directors**  
Mr Steven Elliott  
Mr Keith Bowker  
Mr Michael Nottas

**ASX Announcement**  
**28 April 2016**

## **Quarterly Activities Report – Period Ended 31 March 2016**

### **Acquisition of Nevada Lithium Projects**

On 30 March 2016, Caeneus Minerals Ltd (“Caeneus” or “the Company”) entered into a binding Heads of Agreement (“HOA”) with private company Nevada Metals Pty Ltd (“Nevada Metals”) to acquire a 100% interest in the Lida Valley and Muddy Mountain Lithium Projects in West Nevada, United States (“Acquisition”). The Acquisition remains subject to satisfaction of conditions precedent including completion of due diligence and shareholder and all necessary regulatory approvals.

### **Capital Raising**

During the quarter ended 31 March 2016, the Company successfully completed a capital raising of \$482,645 (before costs) via the issue of 482,645,223 fully paid ordinary shares at an issue price of \$0.001 per share to sophisticated and institutional investors of the Company (“Placement”). The Company will also be issuing 241,322,612 unlisted options on a 1 for 2 basis, exercisable at \$0.003 on or before 31 December 2020 (“Options”). The Options will be issued subject to shareholder approval at the upcoming General Meeting of the Company.

Funds raised from the Placement will be used to commence exploration works on the Lida Valley and Muddy Mountain Projects and to continue an active exploration program at the Pardoo Nickel Project.

### **Board changes**

On 18 January 2016, Mr Steven Elliott was appointed as Managing Director of the Company following the resignation of Mr Antony Sage. The Board thanked Mr Sage for his significant contribution to the Company since December 2010. Mr Steven Elliott is a qualified geologist with over 30 years’ experience in mineral exploration. Mr Elliott has experience within Australia, Asia and North America and has been accredited and been involved in many exploration discoveries. Mr Elliott was the co-founding director of Helix Resources Limited (ASX: HLX) and founding director of Talisman Mining Limited (ASX: TLM).

## Exploration

### Lida Valley Project

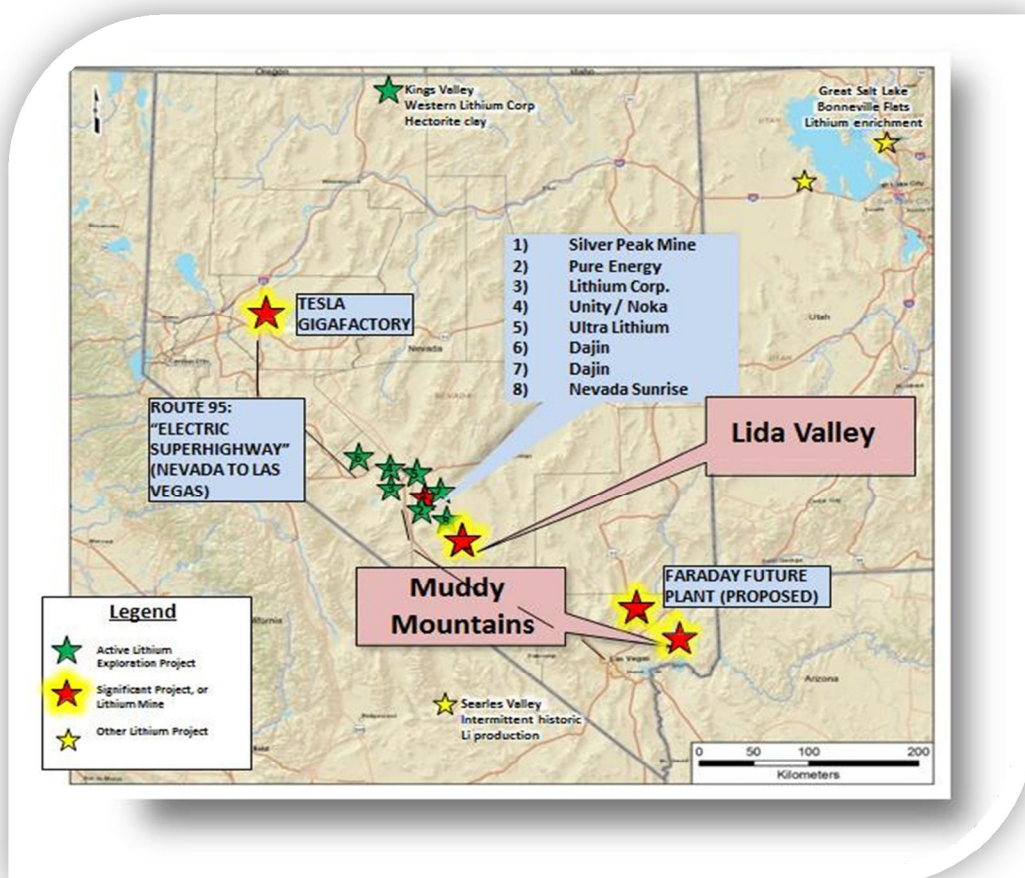
The Lida Valley Project encompasses approximately 2,620 acres located in west-central Nevada, within 40km of the Silver Peak Lithium Mine of Albermarle Corporation (NYSE: ALB), the only producing lithium mine located within North America (**Figure 1**).

The Lida Valley Project, like Silver Peak's Clayton Valley, is a significant regional Intermontane Basin with a drainage area of approximately 150km<sup>2</sup>, and is considered by Caeneus to be an ideal location for the development of lithium rich brine deposits. About two-thirds of the world's lithium resources are within brines/salts. Capital and mining costs are typically far less in a brine deposit, given the lithium can be extracted from a liquid.

### Muddy Mountain Project

The Muddy Mountain Project encompasses approximately 2,542 acres located in southeast Nevada, about 50km northeast of Las Vegas (**Figure 1**).

The Muddy Mountain Project is a potential high impact 'district-scale' lithium clay project. Lithium clay deposits (hectorites) display potentially cheaper operating costs compared to other hard rock projects such as pegmatites. Lithium clays are generally amenable to simple open-pit mining methods.



**Figure 1: Lida Valley and Muddy Mountain Projects in West Nevada, USA showing location of the Tesla Motors Gigafactory and other lithium explorers and developers**

### Pardoo Nickel Project

The Pardoo Nickel Project is located in the Northern Pilbara, 100km east of the regional centre of Port Hedland. The Project is prospective for magmatic nickel-copper sulphides (**Figure 2**). A current inferred resource of 50mt @ 0.3% Ni and 0.13% Cu exists at the sedimentary hosted Highway Deposit.



**Figure 2:** Pardoo Project location map showing tenement portfolio.

### Mt Dockrell - Application

During the quarter ended 31 March 2016, the Company made an application for Exploration Licence (EL) 80/4994 at Mt Dockrell in the Kimberley Mineral Field covering an area of approximately 306 square kilometres. The target mineralisation is lithium.

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*The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Steven Elliott who is a Member of the Australian Institute of Mining and Metallurgy. Mr Elliott is a director to the Company. Mr Elliott has sufficient experience which is relevant to the style and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Elliott consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.*

For and on behalf of the Board

Steven Elliott  
**Managing Director**

## 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

CAENEUS MINERALS LTD

ABN

42 082 593 235

Quarter ended ("current quarter")

31 March 2016

### Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(9 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(82)	(130)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(169)	(637)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other income (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		(250)	(766)
<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 related entities	-	(25)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		-	(25)
1.13	Total operating and investing cash flows (carried forward)	(250)	(791)

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(250)	(791)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	482	1,184
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		
	- Issue of convertible notes	-	150
	- Share issue costs	(29)	(34)
	<b>Net financing cash flows</b>	453	1,300
	<b>Net increase (decrease) in cash held</b>	203	509
1.20	Cash at beginning of quarter/year to date	311	5
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	514	514

**Payments to directors of the entity, associates of the directors, 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	55
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' fees payments are on normal commercial terms.

**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

N/A

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

+ 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	150
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	<b>250</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	514	311
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>514</b>	<b>311</b>

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+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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

#### 6.3 Interests in mining tenements at end of the quarter

Location	Project Name	Tenement #	Ownership	Titleholder
Western Australia	Super Nova	E69/3066	100%	Caeneus Resources Pty Ltd
Western Australia	Pardoo	E45/1866	<i>Refer to Note 1 below</i>	Segue (Pardoo) Limited
Western Australia	Pardoo	E45/4279	<i>Refer to Note 1 below</i>	Segue (Pardoo) Limited
Western Australia	Pardoo	E45/4585 - application	100%	Applicant – Port Exploration Pty Ltd
Western Australia	Pardoo	E45/4490 - application	<i>Refer to Note 1 below</i>	Applicant – Omni Projects Pty Ltd
Western Australia	Pardoo	E45/4516 - application	<i>Refer to Note 1 below</i>	Applicant – Omni Projects Pty Ltd
Western Australia	Pardoo	E45/4554 - application	<i>Refer to Note 1 below</i>	Applicant – Omni Projects Pty Ltd
Western Australia	Pardoo	E45/4671 – application	<i>Refer to Note 1 below</i>	Applicant – Plumridge East Pty Ltd
Western Australia	Pardoo	P45/3011 - application	<i>Refer to Note 1 below</i>	Applicant – Plumridge East Pty Ltd
Western Australia	Pardoo	P45/3012 - application	<i>Refer to Note 1 below</i>	Applicant – Plumridge East Pty Ltd
Western Australia	Mt Dockrell	E80/4994 - application	100%	Caeneus Resources Pty Ltd

**Note 1:** Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement

**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> <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	2,413,226,117	2,413,226,117		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	482,645,223	482,645,223		
7.5	<b>+Convertible debt securities</b> <i>(description)</i>	-	-		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	19,500,000 306,150,001 550,457,309	- - -	<i>Exercise price</i> \$0.005 \$0.030 \$0.003	<i>Expiry date</i> 31 Dec 2016 27 Feb 2017 31 Dec 2020
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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#### 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:



(Director/Company secretary)

Date: 28 April 2016

Print name: Keith Bowker

#### 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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+ See chapter 19 for defined terms.