



**Quantum Resources Limited**  
**ABN 84 006 690 348**

Level 17, 500 Collins Street  
Melbourne, Victoria 3000, Australia  
T + 61 3 9614 0600 | F + 61 3 9614 0550

## **QUANTUM RESOURCES LIMITED**

(ASX: QUR)

### **ASX and Media Release**

6 October 2016

## **COMPLETION OF ACQUISITION - ADVANCED LITHIUM PROJECT**

### **Highlights**

- Quantum Resources completes acquisition of rights to earn an interest in up to 95% of the Thomson Brothers Lithium Project in Manitoba, Canada – ranked as one of the top mining jurisdictions in the World.
- Drill indicated and possible total resource calculation of 4,305,000 tonnes @ 1.3% LiO<sub>2</sub> for the deposit. These estimates are historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources and/or reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.
- Exploration to commence imminently.

### **Background on the Thompson Bros. Lithium Project**

**Quantum Resources Limited (ASX: QUR)** (“**QUR**” or the “**Company**”) is pleased to announce that it has completed the acquisition of Manitoba Minerals Pty Ltd (“**MMPL**”), a private company that holds rights to earn up to a 95% ownership interest in the Thomson Brothers Lithium Property in Wekusko Lake, Manitoba, Canada (“**Project**”).

The Company will now launch its planned exploration and development activities with a priority on conducting exploration works to seek to verify, and enable reporting of, historical works in accordance with the JORC code.

### **Background on the Thompson Bros. Lithium Project**

The Thompson Bros. Lithium Project is located 20 kilometres east of the mining community of Snow Lake, Manitoba. The main highway between Thompson and Flin Flon and rail connecting Winnipeg and the seaport of Churchill both pass 40 km south of the property.

The project consists of 18 contiguous claims covering 1829 hectares. Manitoba is consistently ranked one of the top mining jurisdictions in the world and electricity costs are amongst the lowest in North America.

## **Previous Exploration outlines Non JORC Resources of 3.97Mt @ 1.29% LiO<sub>2</sub>**

The lithium mineralisation is hosted in a spodumene-rich pegmatite dike dipping sub-vertically and defined over a strike length greater than 800 meters. The dike was originally drilled in 1955 and 1956 by Combined Developments Limited, with two additional, small drilling campaigns in 1979 and 1997; resulting in a total of 32 drill holes. An historical estimation of the extent of mineralization (not in accordance with JORC Code) made by B. Ainsworth, P. Eng. in 1998, resulted in an *"undiluted drill indicated mineral resource"* of **3,968,000 tonnes with a weighted average value grade @ 1.29% LiO<sub>2</sub>** to the 130 metre level, and an average width of 10 metres. Ainsworth suggested that a further 337,000 tonnes is indicated by the deepest hole (D.H. Car-97-2), to the 380 metre level, which is over 200 meters from the nearest hole, and which cut a horizontal width of 8 metres @ 1.3% LiO<sub>2</sub>. Thus, Ainsworth suggests a total drill indicated and possible total resource calculation of **4,305,000 tonnes @ 1.3% LiO<sub>2</sub> for the deposit** (not in accordance with JORC Code), open to depth and along strike (Dufresne, 2009).

**These estimates are historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources and/or reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.**

The parameters used to establish the tonnage estimates are largely unknown based on historical reports and sufficient work has not been done to complete the criteria in Table 1 of the JORC Code. Furthermore, the category referred to as "drill indicated", by Mr. Ainsworth in 1998, is not a category of mineralisation defined in the JORC Code and most likely has not been completed to the level of rigour associated with an "Inferred Mineral Resource" for the purposes of the JORC Code. As a result of the uncertainty of the data used the historical estimates are considered to be estimates of low reliability. As noted below, the Company intends to undertake a further exploration program to seek to verify the historic estimates.

Dufresne (2009) also described a metallurgical evaluation of the spodumene deposit by Dr. W. Dressler of Laurentian University which indicated that simple floatation would recover 92% of the spodumene and produce a concentrate grading 6.6% LiO<sub>2</sub> or 89.2% spodumene. Processing the concentrate further with a sulphuric acid roast process, produced lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>), upgrading the concentrate to 98% Li<sub>2</sub>CO<sub>3</sub>. Carta Resources completed a business plan to develop the Thompson Bros. Lithium Deposit for the production of lithium carbonate, but a decline in lithium carbonate prices stalled the Project in 1998. The only reported subsequent work conducted after 1998 was a single day field visit with a few due diligence grab sampling in historic trenches by Mr. Dufresne, which yielded assay results comparable with historically reported samples (Dufresne, 2009). This cursory sampling was not sufficient to update any of the historic estimate at that time.

As noted above, a competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code. However, given the historic work completed at the Project, the Company considers the historic estimate to be of relevance to its decision to proceed with the proposed acquisition of MMPL. This historic estimate assisted the Company to evaluate the exploration potential on the property and, combined with the historic reports available, provided encouraging information for the potential further exploration of the Project. Further work will be required to seek to verify the historic findings and this is one of the main objectives of the Company in respect of the Project.

## Project Location



An Appendix 3B is attached to this announcement which includes the issue of 100 million shares forming settlement for the acquisition of MMPL. All securities provided in the Appendix 3B were approved by shareholders on 7 September 2016.

Signed for **Quantum Resources Limited**

  
**Adrien Wing**  
Company Secretary

### Competent Person Statement

The geologic information in this report is based on and fairly represents information compiled by Mr. Rory Kutluoglu (P.Geol), who is employed as a Consultant to the Company through OCD Consultancy Ltd. Mr Kutluoglu is a Registered Member of the Association of Professional Engineers and Geoscientists of British Columbia and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, 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, Mineral Resources and Ore Reserves. The information in this market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Project. Mr Kutluoglu consents to the inclusion in the report of matters based on information in the form and context in which it appears.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

QUANTUM RESOURCES LIMITED

ABN

84 006 690 348

We (the entity) give ASX the following information.

### Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- |   |   |
|---|---|
| 1 +Class of +securities issued or to be issued  | 1. Fully paid ordinary shares ( <b>Shares</b> )<br>2. Unlisted options (3.25 cents – 17 November 2018)<br>3. Unlisted options (3.25 cents – 31 August 2020)<br>4. Unlisted options (2.0 cents – 31 August 2019) |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1. 120,000,000<br>2. 20,000,000<br>3. 17,000,000<br>4. 7,500,000  |
| 3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully paid ordinary shares.<br>2. Unlisted options (3.25 cents – 17 November 2018)<br>3. Unlisted options (3.25 cents – 31 August 2020)<br>4. Unlisted options (2.0 cents – 31 August 2019)                  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1. Yes  2. Yes  3. New class  4. New class</p>
<p>5 Issue price or consideration</p>	<p>1. 100,000,000 issued as consideration pursuant of the acquisition of Manitoba Minerals; and 20,000,000 issued as settlement of the loan facility (\$400,000) as approved by shareholders on 7 September 2016;  2. Free attaching;  3. Issued for remuneration and incentive purposes as approved by shareholders on 7 September 2016;  4. Issued for remuneration and incentive purposes as approved by shareholders on 7 September 2016.</p>
<p>6 Purpose of the issue  (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Refer to "5" above.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>25 November 2015</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>

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+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	<ol style="list-style-type: none"> <li>1. 120,000,000</li> <li>2. 20,000,000</li> <li>3. 17,000,000</li> <li>4. 7,500,000</li> </ol>				
6f	Number of +securities issued under an exception in rule 7.2	N/A				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/a				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1				
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	5 October 2016				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Number</th> <th style="text-align: center;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">309,139,826</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	309,139,826	Fully paid ordinary shares
Number	+Class					
309,139,826	Fully paid ordinary shares					

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	52,000,000	Options exercisable at \$0.0325 each on or before 17 November 2018.
	17,000,000	Options exercisable at \$0.0325 each on or before 31 August 2020
	7,500,000	Options exercisable at \$0.02 each on or before 31 August 2019
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

**Part 2 - Pro rata issue**

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

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**Appendix 3B**  
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30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities  
(tick one)

(a)  +Securities described in Part 1

(b)  All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38	Number of +securities for which +quotation is sought	N/A				
39	+Class of +securities for which quotation is sought	N/A				
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	N/A				
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A				
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">N/A</td> <td style="text-align: center;">N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A
Number	+Class					
N/A	N/A					

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



**Adrien Wing**  
Company Secretary  
6 October 2016

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	144,139,826
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	12,000,000 shares on 17 November 2015 12,000,000 shares on 26 November 2015 21,000,000 shares on 17 May 2016  120,000,000 shares per this Appendix 3B
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	309,139,826

+ See chapter 19 for defined terms.

**Appendix 3B**  
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<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 [Note: this value cannot be changed]
<b>Multiply “A”</b> by 0.15	46,370,974
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of <sup>+</sup>equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p>Note:</p> <ul style="list-style-type: none"> <li>• This applies to equity securities, unless specifically excluded – not just ordinary securities</li> <li>• Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	
“C”	-
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15 Note: number must be same as shown in Step 2	46,370,974
<b>Subtract “C”</b> Note: number must be same as shown in Step 3	-
<b>Total</b> [“A” x 0.15] – “C”	<b>46,370,974</b> [Note: this is the remaining placement capacity under rule 7.1]

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	309,139,926
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	30,913,983
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of <sup>+</sup> equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b>“E”</b>	Nil
<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	30,913,983
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	-
<b>Total [“A” x 0.10] – “E”</b>	<b>30,913,983</b> <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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**Quantum Resources Limited**  
**ABN 84 006 690 348**

Level 17, 500 Collins Street  
Melbourne, Victoria 3000, Australia  
T + 61 3 9614 0600 | F + 61 3 9614 0550

## **QUANTUM RESOURCES LIMITED**

(ASX: QUR)

6 October 2016

**To:** Australian Securities Exchange Limited

**Filed by:** Quantum Resources Limited  
Ref: Adrien Wing  
Tel: (03) 9614 0600

### **Notice Pursuant to Section 708A(5)(e) of the Corporations Act**

Quantum Resources Limited (the **Company**) gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) as follows:

- (a) On 6 October 2016, the Company issued 120,000,000 fully paid ordinary shares in the Company.
- (b) The shares were issued without disclosure to the recipients under Part 6D.2 of the Corporations Act.
- (c) As at the date of this notice the Company has complied with:
  - the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - Section 674 of the Corporations Act.
- (d) As at the date of this notice there is no excluded information required to be disclosed under section 708A(6)(e) of the Corporations Act.

Signed for **Quantum Resources Limited**

**Adrien Wing**  
Company Secretary