



## Quarterly Activities Report September 2016

**ASX ANNOUNCEMENT**

**27 October 2016**

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Perth-based mining and exploration company **Metallum Limited (ASX: MNE)** provides the following activities and cash flow report for the quarter ended 30 September 2016.

### **Teutonic Project**

During the quarter, buoyed by the market's improving reception to the junior mining resource sector, and concurrent with the termination of the heads of agreement with Squirrel Ltd, the Company refocused its time and capital on its Teutonic Project in the Eastern Goldfields region of Western Australia.

The Company added to its ground holding at its Teutonic project making application for additional ground to the south of its existing tenement.

The next work program will be designed to follow up the encouraging drill intercepts at the Mustang electromagnetic ("EM") conductor at Teutonic ("Mustang") which were drilled in late 2015. Work carried out at Mustang included surface EM, diamond drilling and subsequent downhole EM surveys.

In order to fully investigate and follow up these encouraging results, work programs to carry out further ground EM surveys along the prospective geological trend, along strike north and south of the Mustang EM anomaly will be developed. Dependent on the results of this next phase of EM surveys, follow up drilling may be planned.

### **Comval Copper Gold Project**

The Company continues to hold the Comval Copper Gold Project in the Philippines on care and maintenance while it seeks partners to assist in progressing the project.

### **Corporate**

As announced to ASX on 5 September 2016, the Company terminated the heads of agreement with Squirrel Ltd due to the non-satisfaction of certain conditions precedent to the transaction. Following termination of the heads of agreement the Company was reinstated to official quotation on 5 September 2016. The Company released its Annual Report for the year ended 30 June 2016 and Appendix 4G on 29 September 2016.

On 12 August 2016, the Company issued 50,000 Shares following the exercise of 50,000 options exercisable at \$0.024 each on or before 31 July 2016. The remaining 132,185,818 options in that class lapsed unexercised.

### **Outlook**

The Company will continue to progress its Teutonic Project. Concurrently the Company continues to seek and review complementary resource and other projects.

For further information please contact:

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Chairman

Metallum Ltd

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#### About Metallum Limited

Metallum Limited (ASX: MNE) is an Australian-based company that acquires and develops copper and gold projects around the world. The Company currently has interests in its Australian-based Teutonic Project as well as the Comval Copper Project in the Philippines.

#### Tenement Schedule

Tenement	Name	Location	Size (Ha)	Grant Date	Expiry Date	% Ownership
E37/1037	Teutonic	Western Australia	1,613	23/07/2010	22/07/2020	70%
ELA37/1281	Teutonic	Western Australia	1,202	Pending	N/A	100%
ELA37/1282	Teutonic	Western Australia	2,706	Pending	N/A	100%
EP-000001-00-XI	Comval	Mindanao, Philippines	2,171	30/01/2009 (2nd renewal)	29/01/2011	80%
EP -000002-09-XI	Comval	Mindanao, Philippines	2,139	15/08/2015 (2nd renewal)	14/08/2017	80%
<b>Total</b>			<b>5,989</b>			

Notes:

1. EP-000001-00-XI expired on the 29/01/2011. The Company's Philippines subsidiary has applied to the Philippines Mines and Geosciences Bureau for a 2 year renewal.

## 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, 01/05/13, 01/09/16

### Name of entity

METALLUM LIMITED

### ABN

73 149 230 811

### Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(14)	(14)
(b) development	-	-
(c) production	-	-
(d) staff costs	(48)	(48)
(e) administration and corporate costs	(100)	(100)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Squirrel transaction costs)	(69)	(69)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(228)</b>	<b>(228)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	1	1
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1</b>	<b>1</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,452	1,452
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(228)	(228)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1	1
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,225</b>	<b>1,225</b>

5.	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,220	1,220
5.2	Call deposits	5	5
5.3	Bank overdrafts	-	-
5.4	Other (details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,225</b>	<b>1,225</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

38

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1.2(e) Payments made to a director related entity for company secretarial services and for sub-lease of office premises for the quarter summed \$15,000 and \$3,130, respectively.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

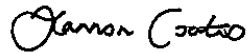
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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Exploration and evaluation	18
9.2 Development	-
9.3 Production	-
9.4 Staff costs	59
9.5 Administration and corporate costs	45
9.6 Other (provide details if material)	60
<b>9.7 Total estimated cash outflows</b>	<b>182</b>

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	ELA37/1281 ELA37/1282	Application Application	0% 0%	100% 100%

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Company secretary)

Date: 27 October 2016

Print name: Shannon Coates

**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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.