



ASX Release

22<sup>nd</sup> July 2016

## **Quarterly Report – Period Ending 30 June 2016**

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### **HIGHLIGHTS**

- A number of Board changes at World Titanium Resources Limited (“WTR”) with Mr Nicholas Limb resigning as Non-Executive Chairman and Mr Carlo Baravalle appointed in his position. Mr Carlo Baravalle is a partner of the company’s new controlling shareholder AMED Fund II.
  - Test work on a typical Ranobe mineralised sand parcel by Mineral Technologies concluded and was able to produce a 72% zircon-rich concentrate.
  - A 5 kilogram sample of the zircon-rich concentrate tested in early June by a potential customer confirmed Mineral Technologies work reporting a 75% zircon-rich concentrate.
  - We have started to seek offtake customers with our focus on the Asian consumers.
  - Cash balance at 30 June 2016: A\$1.47 million.
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### **New Non-Executive Chairman is Mr Carlo Baravalle**

On 23<sup>rd</sup> May 2016, WTR announced that Mr Nicholas Limb resigned as a Director, and therefore as Non-Executive Chairman. Mr Carlo Baravalle has been appointed by the Directors as his replacement as Non-Executive Chairman. The Board expressed its appreciation of the contribution which Mr Limb made to the Board during his service. Mr Baravalle a partner of controlling shareholder AMED Fund II SICAR (AMED).

At the same time, WTR announced the appointment of Mr David Sanders as a Non-Executive Director. Mr Sanders is a partner in the Perth-based legal firm of Bennett&Co., whose clients include AMED.

AMED now owns 69.4% of WTR. On 29<sup>th</sup> March 2016, WTR announced the Top 20 shareholders now own 98.48% of the total WTR ordinary shares on issue of 463,404,808. At the time, your company still maintained 298 registered shareholders. It should be noted that the main two shareholders now own between 93-94% of WTR.

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### **RANOBE MINE PROJECT**

#### **Background**

On 27<sup>th</sup> April 2012, World Titanium Resources Limited (WTR) received two Mining Licences abutting each other some 55 kilometres north of Tulear on the south west coast of Madagascar. Each of the Mining Licences has a term of 40 years and is renewable.

On 23<sup>rd</sup> June 2015, the Environmental Management Plan (EMP) for the Ranobe Project as approved by ONE was signed by your company and we have agreed to commit to the conditions of the EMP.

### **Test work with Mineral Technologies**

Preliminary work was completed on a Ranobe concentrate sample of 55 kilogram in the December quarter 2015 by Mineral Technologies (MT) near Brisbane, Queensland on a two-stage Wet High Intensity Magnetic Separation (WHIMS) to clearly define and optimise the maximum recovery of magnetic ilmenite versus the more non-magnetic zircon/rutile concentrate product.

WTR then commenced test work on 5 tonnes of mineralised sand grading 10% Heavy Mineral from Ranobe in Madagascar at the Mineral Technologies (MT) test plant on the Gold Coast, Queensland, Australia to determine:

1. If the Alternate Plan (better known as Plan B) is a viable process;
2. Whether Plan B, consisting of a proposed processing plant using the new MG12 spirals and Wet High Intensity Magnetic Separation (WHIMS) equipment will achieve valuable heavy mineral recoveries of +90% for zircon/rutile; and
3. the quality of the zircon-rich concentrate is acceptable by our potential customers.

On 4<sup>th</sup> July 2016 the final report from Mineral Technologies showed that using the MG12 spirals with the WHIMS and spiral/table clean-up it is possible to produce a 72% zircon-rich concentrate. The yield of final concentrate was approximately 1% of the total feed. The remaining gangue of 28% was made up of 7% silica quartz and 18% of kyanite (aluminium silicate) and ilmenite/leucoxene (report is attached).

WTR also sent a five (5) kilogram zircon-rich concentrate sample to an offshore treatment plant to test quality and content. The results were broadly in line with Mineral Technologies findings. The final concentrate contains zircon-rich concentrate of 75% and the remaining 25% is considered as gangue.

### **Alternate Mine Plan (Plan B)**

Given the scale of the capital costs from Independent Consultant, EPMS, of over US\$175m plus working capital (reported September quarterly 2015) and the difficulty envisaged in securing offtake ilmenite contracts in the current over-supplied world market, we are shaping a new mine plan. With the assistance of independent consultant, Geovia Services of South Africa, the alternate mine plan is based on:

1. Similar to 2012 mine plan and excavate to an average depth of some 17.5 metres below the natural surface;
2. To increase sand processing from 8 to 12 mtpa; and
3. Simplify wet processing and produce a simpler metallurgical circuit.

A high level Scoping Study reported in the March quarter 2016 completed by independent consultant, ADP Marine and Modular (ADP) of Cape Town, South Africa has demonstrated that simplifying the processing stream to sell only zircon/rutile concentrates in container and stockpile ilmenite will require a capital cost of US\$48m plus VAT (up to 20%), working capital and other owners costs.

### **Seeking End-Market Opportunities**

Following the promising results from Mineral Technologies, WTR is now seeking consumers to engage in possible off-take agreements will assist in determining pricing for Plan B's production and the overall viability of this option. This is a drawn-out process and will be on-going over the next year as consumers test small parcels up to 5 kg of the zircon-rich concentrate.

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## CORPORATE

### **Cash balance a 30 June 2016 was A\$1.47m and A\$0.5m expected to be spent in next quarter, ending 30 September 2016**

Cash used during the quarter amounted to A\$0.45m, representing mainly payments for metallurgical test work and administration costs. The cash balance as at 30 June 2016 stood at A\$1.47m. Forecast expenditure for the next quarter is to the tune of A\$0.5m. In addition to administration costs, there will be ongoing expenses including expenses related to identifying off-take consumers and relates test works.

### **Tenement Status**

No Tenement changes were made during this quarter. Appendix 1 details current tenement holdings. No tenements are subject to farm in or farm out agreements.

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**Jeffrey Williams**  
**Executive Director**  
**World Titanium Resources**  
**Perth, Western Australia**

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### **About World Titanium Resources:**

World Titanium Resources Limited (ASX: WTR) is an Australian based mining company in the business of developing and exploiting Heavy Mineral Sand deposits in the Republic of Madagascar. The Company owns a 100% of the Toliara Sands Project located along the southwest coast of Madagascar that comprises four Heavy Mineral Sands properties including its flagship Ranobe property.

The Ranobe Property is at an advance state of development with environmental permitting in place. It is anticipated that a Definitive Feasibility Study incorporating an alternate mine plan to that announced in August 2012 (28<sup>th</sup> August 2012; Ranobe Engineering Results) with a name plate capacity of 12 000 000 tonnes per annum will be undertaken shortly.

As background the Company received the two Mining Licenses for the Ranobe Project on 27 April 2012. Each of the License's has a term of 40 years and is renewable.

### **Mineral Resource Estimate <sup>1</sup>**

The updated mineral resource estimate includes all drilling data reported in the 2012, independent maiden resource estimate undertaken by McDonald Speijers and Associates (2012; see ASX release dated 28 August 2012), with the addition of the 2012 drilling data. The new resource estimate includes a digitized 3% Heavy Mineral (HM) cut-off, and the recognition of a western boundary formed by the on-lap of a younger dune formation. Whilst a westward extension to the deposit at or greater than 3% HM in the overlying younger dunes and the underlying Upper Sand Unit is indicated by the drilling data, no mineralogical data for the younger dune system is available at present, and thus the Company is not currently treating this area as a resource, and has excluded it from the current resource estimate.

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<sup>1</sup> *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition, sets out minimum standards, recommendations and guidelines for public reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves, authored by the Joint Ore Reserves Committee of The Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia.*

### Mineral Resource Estimate 100 % Basis

Resource Category	Tonnes (10 <sup>6</sup> )	Oversize %	Slimes %	HM %	Ilmenite %	Rutile %	Zircon %	Monazite/Xenotime %
Measured	360.2	0.12	3.96	7.23	71.64	2.33	5.58	1.84
Indicated	171.2	0.15	3.90	5.94	72.3	2.33	5.6	1.85
Inferred	352.8	0.52	4.98	5.25	72.3	2.33	5.59	1.85
<b>Measured, Indicated and Inferred</b>	<b>884.1</b>	<b>0.28</b>	<b>4.36</b>	<b>6.19</b>	<b>72.03</b>	<b>2.33</b>	<b>5.59</b>	<b>1.85</b>

Notes:

- Quantities and grades are based on an analysis of the Upper Sand Unit only.
- A digitized cut-off grade of 3% HM has been applied to all composites whereby all composites must start at the surface with a 3% HM grade or greater and end in a grade of 3% HM or greater, with an aggregate grade of 3% HM or greater. Sample intervals must contain 20% or less slimes to be included.
- Tonnes have been rounded to the nearest 100,000 tonnes. Totals may not sum due to rounding.
- Grades have been rounded to two decimal places.
- Oversize is defined as the plus 1mm fraction, with slimes constituting the minus 62 microns fraction. HM is defined as recoverable HM.
- The mineral assemblage (ilmenite, rutile, zircon, and monazite and xenotime) are reported as a percent fraction of HM.
- Ilmenite is reported as an aggregate percentage of ilmenite, leucosene, psuedorutile, and psuedobrookite.

Reconciliation with the previous estimate undertaken in 2012 by MacDonald Speijers and Associates is given below:

Resource Category	Tonnes Movement	Tonnes (10 <sup>6</sup> )	HM%
Measured	Increase	151	- 0.36%
Indicated	Decrease	54.8	- 0.18%
Inferred	Decrease	171.2	- 0.25%
Measured, Indicated and Inferred	Decrease	75	+ 0.09%

Notes:

- Tonnes have been rounded to the nearest 100,000 tonnes. Totals may not sum due to rounding. Grades have been rounded to two decimal places

### SCOPING STUDY PRODUCTION TARGET <sup>2</sup>

A scoping study being prepared by ADP Consultants has defined a pit outline, based upon:

- Mining rate of 12 mtpa ore;
- Extracting rutile and zircon to produce a mixed concentrate averaging 66,000 tpa whilst stockpiling an average of approximately 670,000 tpa ilmenite, and
- Current rutile and zircon prices of US\$800 and US\$1000/tonne, respectively.

The precision of the capital and operating cost estimates in the scoping study is not sufficient to enable the attribution of reserve status to the resources. The resources within the pit outline established by the scoping study are as follows:

Resource Category	Tonnes (10 <sup>6</sup> )	Oversize %	Slimes %	HM %	Ilmenite %	Zircon %	Rutile %
Measured	210.5	0.14	4.07	8.21	71.27	5.55	2.35
Indicated	34.1	0.35	3.81	6.84	72.35	5.60	2.34
Measured and Indicated	244.7	0.17	4.04	8.02	71.42	5.56	2.35

Notes:

- Quantities and grades are based on an analysis of the Upper Sand Unit only.
- A digitized cut-off grade of 3% HM has been applied to all composites whereby all composites must start at the surface with a 3% HM grade or greater and end in a grade of 3% HM or greater, with an aggregate grade of 3% HM or greater. Sample intervals must contain 20% or less slimes to be included.
- Tonnes have been rounded to the nearest 100,000 tonnes. Totals may not sum due to rounding.
- Grades have been rounded to two decimal places.

<sup>2</sup> The stated production target is based upon the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

5. Oversize is defined as the plus 1mm fraction, with slimes constituting the minus 62 microns fraction. HM is defined as recoverable HM.
6. The mineral assemblage (ilmenite, rutile, zircon, and monazite and xenotime) are reported as a percent fraction of HM.
7. Ilmenite is reported as an aggregate percentage of ilmenite, leucoxene, psuedorutile, and psuedobrookite.

## GEOLOGICAL DESCRIPTION

The Morondava Basin is located in the southwest of Madagascar and is comprised a series cretaceous sandstones punctuated by basaltic and gabbroic intrusions unconformably overlying a Precambrian meta-igneous basement. These are progressively overstepped westwards along a series of disconformities by a sequence of Mesozoic limestones and marls, and Tertiary (Eocene) limestones, chalks and marls, which form the bulk of the Limestone Plateau of Mahafaly. Post Eocene extension has produced a number of coastal parallel faults and insubordinate conjugate faults striking N100°E and N010°E. The most prominent of the coastal parallel faults can be trace from Cap St. Marie in the south of the island to north of Toliara (over 300km) which produce a coastal parallel escarpment and defines the eastern boundary of the coastal plain. The downthrown coastal plain is predominantly underlain by Eocene limestone disposed in a series of poorly defined horst and grabens. Isolated inliers of cretaceous basalts are also present in the rocks underlying the coastal plain, sub cropping as tectonic windows.

Post Eocene to Quaternary unconsolidated sediments overly the coastal plain. These are almost exclusively clastic sequences, comprised of a series of shallow marine to sub aerial aeolian deposits. The predominant sub-aerial transport direction is from south to north.

The Ranobe project lies within a north northwest – south southeast trending belt of palaeo-coastal sand dunes arrested along the faulted scarp face of the Plateau of Mahafaly approximately 30 km inland from the coast. The primary feature of the deposit comprises a scarp slope parallel stabilized mega-dune system, Quaternary in age, pale orange to orange in colour which overstep an earlier Quaternary sequence of mineralised shallow marine sands and lagoonal sediments eastwards on to a limestone basement. The dune sequence thickens westwards away from the scarp face to over 50 metres in thickness, prior to being overlapped to the west by a later semi-fixed dune system. The entire dune system is mineralized by a HM assemblage constituted by ilmenite, zircon, rutile and monazite. Higher HM grades tend to be concentrated by wind action along the mega-dune crest line running parallel to the limestone scarp slope.

Geological figures, including cross-sections, drill maps, schematic diagrams and block model are included as Appendix A.

## RESOURCE ESTIMATION

Although all units overlying the limestone basement are mineralized, only the aeolinite Upper Sand Unit (USU) is considered by comprise a resource in terms of the JORC (2012) code. The estimation used drill samples collated over 1 to 3 metre intervals from reverse circulation drilling. Drill cross sections were constructed from the data, and a 3% HM cut-off wireframe was digitized from the borehole data to constrain the lower limit of the mineralization within the USU. The applied criteria for meeting the 3% HM cut-off for inclusion in the resource estimation were as follows:

- For each hole, 0 m to the base of material containing 3% Heavy Minerals (HM) must average  $\geq$  3% HM for that entire interval of the drill-hole to be included.
- Where all samples to the base of material grading  $\geq$  3% HM do not average  $\geq$  3%, then only the contiguous samples starting at 0 m and averaging  $\geq$  3% were used.
- In all cases, the bottom sample in the included interval for each hole has a HM grade  $\geq$  3%.
- If Slimes exceed 20%, then such material was excluded from the resource unless the THM was also  $\geq$  5%. Even then, samples in which Slimes are very high ( $\geq$  40%) and THM only about 5% were excluded.

An upper DTM (Digital Terrain Model) wireframe was constructed from LIDAR data, and all drill collar and 3% HM wireframe normalized to the model surface. Drill samples were composited to 1.5 metre composites, and a block model constructed aligned north-south parallel to the drill grid using block sizes of 100 mN x 50 mE x 1mRL. The block model was populated using the ID2 method and a dynamic ellipsoid to follow the local variation in anisotropy of the deposit. Measured HM resources were defined by a search ellipsoid measuring 300 metre in the principle axis with an intermediate axis ratio of 2 based on variogram modelling, with a vertical search limit of 3 metres. Inferred Resources were defined by a multiplier X2, and inferred resources using a x4 multiplier. Resources were classified by drill spacing due to the uncomplicated geology, continuity of mineralization and confidence in drill hole data. Blocks which were drilled using a spacing 200 mN x 100 mE were classified as a measured resources, whilst blocks drilled at a drill spacing of 400 mN x 100 mE were classified as an indicated resource, with the remaining areas classified at the inferred resource level of confidence. Block grade estimates were cross checked against drill data by visual comparison of cross sections.

Mineral assemblage data exhibited little variation across the deposit, with ranges derived from variogram modelling in excess of 600 metres as a function of HM content. Mineral assemblage data were composited to 1.5 metre intervals and interpolated as a function of HM content using the ID2 method employing a dynamic ellipsoid with a principle axis measuring 600 metres with an intermediate axis ratio of 2 and a 3 metre vertical search limit. Blocks falling outside the search limits were populated

using weighted mineral assemblage averages. Specific gravity values were calculate for each block using an industry standard of specific gravity =  $1.61 + (0.01 \times \text{HM Content})$ .

#### FORWARD LOOKING STATEMENTS

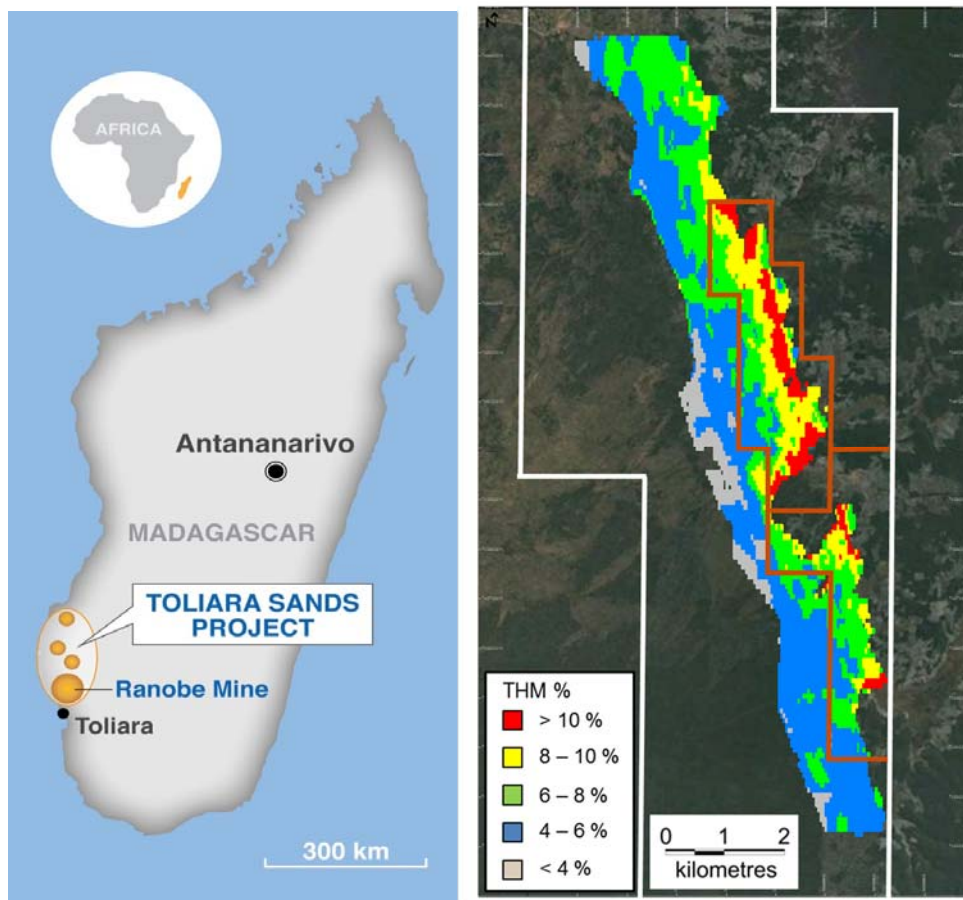
Certain information contained in this report, including any information on WTR's plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance constitute forward-looking statements. Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. WTR cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of WTR to be materially different from the company's estimated future results, performance or achievements expressed or implied by those forward-looking statements. These factors include the inherent risks involved in exploration and development of mineral properties, changes in economic conditions, changes in the worldwide price of zircon, ilmenite and other key inputs, changes in the regulatory environment and other government actions, changes in mine plans and other factors, such as business and operational risk management, many of which are beyond the control of WTR.

Investors are cautioned that the information prepared for both releases dated 28 August 2012; Results of Completed Definitive Engineer Study for the Ranobe Mine, and the see release dated 9<sup>th</sup> August 2012; Ranobe Mine – Significant Resource Increase were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Similarly the material assumptions underpinning the production target have not changed, and remain valid since it was last reported.

#### Competent Person Statement

Ian Ransome, B.Sc. (Hons) Geology, Pr.Sci.Nat., a Director of the Company, who is a registered geological scientist with the South African Council for Natural Scientific Professions (SACNASP), and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration, and is thus a Qualified Person in terms of the JORC Code, has reviewed and consented to the inclusion of the scientific and technical information contained in this ASX Release.

[www.worldtitaniumresources.com](http://www.worldtitaniumresources.com)



## Appendix 1: Tenement Holdings of World Titanium Resources Ltd.

Toliara Sands SARL and Madagascar Resources SARL are 100% owned subsidiaries of World Titanium Resources Ltd. No tenements are subject to farm in or farm out agreements.

PROJECT	PERMIT NUMBER	REGISTERED Holder/Applicant	PERMIT TYPE	GRANT DATE (Application Date)	EXPIRY DATE	TERM (Years)	TOTAL AREA (km <sup>2</sup> )	SMALL SQUARE	SUBSTANCES UNDER TITLE	NOTES
Ranobe	3315	TSSARL	R	21/03/2012	20/03/2015		106.25	272	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(1)
	12026	TSSARL	R	15/09/2004	14/09/2014		6.25	16	Ilmenite	(2) (3)
	17388	TSSARL	R	28/07/2005	27/07/2015	7	18.75	48	Ilmenite	(2)
	37242	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
	39130	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
Ankilloaka	3314	MRSARL	R	12/01/2001	11/01/2011	3	75	192	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2)
	36876	MRSARL	R	22/11/2004	21/11/2014		12.5	32	Ilmenite	(2) (7)
Basibasy	35822	MRSARL	R	12/01/2001	11/01/2011	3	81.25	208	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2)
Morombe	30250	MRSARL	R	12/01/2001	11/01/2011	3	206.25	528	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2)
Other	36182	MRSARL	R	22/10/2009			62.50		Ilmenite, Rutile, Zircon, Magnetite	(5)
	36183	MRSARL	R	22/10/2009			8.59		Ilmenite, Rutile, Zircon, Magnetite	(5)
	36648	MRSARL	R	16/11/2009			3.13		Calcaire	(5) (6)
	39650	MRSARL	R	16/11/2009			3.13		Calcaire	(5) (6)
	38091	MRSARL	R	23/09/2010			30.47		Ilmenite, Grenate, Zircon	(5)

**DEFINITIONS:** "R": Research (Exploration) "E": Exploitation (Mining Permit)  
 "TSSARL": Toliara Sands SARL "MRSARL": Madagascar Resources SARL  
 "BCMM": Bureau Du Cadastre Minier De Madagascar

### NOTES:

- Renewable once for three year period. Application lodged on 15 December 2014 and pending at BCMM.
- Renewable twice for a three year period per renewal.
- Renewal application lodged on 23 May 2014 and pending at BCMM.
- Renewable once for 40 year period.
- New application pending at BCMM.
- Permit 36648 has been split into two Permits (36648 and 39650) but to date the Company has not received confirmation of grant.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 1/6/2010.

Name of entity

**WORLD TITANIUM RESOURCES LTD**

ABN

**21 120 723 426**

Quarter ended ("current quarter")

**30<sup>th</sup> June, 2016**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12mths) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(41)	(668)
(b) development	-	-
(c) production	-	-
(d) administration	(435)	(1,764)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	13
1.5 Interest and other costs of finance paid	(3)	(9)
1.6 Income taxes paid, GST/taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(477)</b>	<b>(2,428)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	39	76
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>39</b>	<b>73</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(438)</b>	<b>(2,355)</b>

+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(438)	(2,355)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	168
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 - Costs associated with capital raising	-	-
	<b>Net financing cash flows</b>	-	168
	<b>Net increase (decrease) in cash held</b>	(438)	(2,187)
1.20	Cash at beginning of quarter/year to date	1,877	3,551
1.21	Exchange rate adjustments to item 1.20	34	109
1.22	<b>Cash at end of quarter</b>	1,473	1,473

**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	161
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All payments to Directors and Associates 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

**Financing facilities available**

Add notes as necessary for an understanding of the position.

N/A

		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	27
4.2	Development	-
4.3	Production	-
4.4	Administration	383
	<b>Total</b>	<b>410</b>

+ See chapter 19 for defined terms.

### 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	773	1,827
5.2	Deposits at call	700	50
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>		<b>1,473</b>	<b>1,877</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	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

### 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 upper security (see note 3) (cents)
7.1	-	-	-	-
7.2	-	-	-	-
7.3	463,404,808	463,404,808	Fully Paid	Fully Paid
7.4	-	-	-	-
	-	-	-	-
	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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>Options</i>	<i>Listed Options</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
	Issued during quarter	-	-	-	-
7.8		-	-	-	-
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>	-	-	-	-

**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 give a true and fair view of the matters disclosed.



Sign here: ..... Date: 22 July, 2016  
 CFO  
 Print name: Goroodeo Sookun

**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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+ See chapter 19 for defined terms.