



Altech Chemicals
Limited

QUARTERLY REPORT

March 2016

HIGHLIGHTS

- Altech improves financials of HPA project with BFS update
 - NPV⁹ US\$358m (previously US\$326m)
 - Payback 3.7 years (was 3.8 years)
 - IRR 33% (previously 30%)
 - Capex US\$78.7m (was US\$76.9m)
 - EBITDA US\$55.7m p.a (was US\$59.4m)
- Debt funding update HPA project
 - HPA project will support ~\$US60m of debt funding
 - German government-owned KfW IPEX-Bank GmbH mandated
 - Application for ~US\$40m of German government export credit agency (ECA) cover
- HPA demand growth tied to lithium-ion batteries
 - Fast-emerging use of HPA in lithium-ion batteries for electric vehicles (EVs)
 - Altech forecasts HPA demand for lithium-ion battery separators at ~3,936tpa by 2020 (China only)
 - Separator producers in China expressed interest in Altech HPA
- Altech finalises agreement for HPA plant site – Johor, Malaysia
 - HPA plant site secured at the Tanjung Langsat Industrial Complex, Johor
 - 30 year lease, with option to extend for +30 years
 - Johor offers significant opex advantages
- Altech signs off-take sales agreement with Mitsubishi for all HPA production
 - Off-take arrangement for first 10 years of HPA operations
 - Secures sales for 100% of Altech's proposed 4,000tpa production
- M+W Group appointed as EPC contractor
 - Leading engineering and construction group
 - Established Singapore and Malaysian offices, with extensive Malaysian experience
- Grade-control drilling at Meckering
 - Aircore drill program at the Meckering kaolin deposit to assist planning of future mining operation
- DJ Carmichael 'initial coverage' report
 - Speculative Buy recommendation and a risked valuation of \$0.41 a share in initial coverage report
- \$2 million capital raising update
 - \$1.2m @ 8.6c/share via private share placement
 - \$0.744m via share purchase plan (SPP)
 - Funds used to finalise detailed design, debt funding and working capital

Altech improves financials of HPA project with BFS update

Altech announced the results of an update to its Bankable Feasibility Study (BFS) for the development of a 4,000tpa high purity alumina (HPA) processing plant at Johor, Malaysia.

Results from the BFS were originally announced on 29 June 2015 and since then the Company has worked to further refine the study. Key items of work included optimising the process flow sheet, refining equipment selection and pricing, the critical evaluation of key assumptions and operating parameters and an update of consumables' pricing and sourcing. As previously announced, the BFS review included the kaolin beneficiation plant being located in Malaysia, rather than on-site at Meckering, Western Australia. The updated BFS reports increases to NPV (US\$358m⁹ from US\$326m¹⁰); payback (3.7 years from 3.8 years); and IRR (33.3% from 30.3%). Total capex US\$78.7m (from US\$76.9m), opex per kg of final product at full rate of production US\$9.07 (was US\$8.14).

The sales price assumption for HPA is unchanged at US\$23/kg (US\$23,000/t) foreign exchange rate assumptions USD:AUD 0.70 for capex (previously 0.78) and USD:AUD 0.80 for opex (was 0.90). The discount rate applied to cash flows for the 30-year project life is now 9% (was 10%), reflecting a lower cost of debt financing due to the Company's intended application for ~US\$40m of German export credit finance from a total project debt estimated at ~US\$60m.

Meeting with M+W Group and KfW IPEX-Bank in Stuttgart, Germany



BFS Update – Key Financials Results

4,000tpa HPA Project	US\$ (millions)	
	Updated BFS	Original BFS
Project Capital Costs	78.7	76.9
Revenue p.a.	92.0	92.0
Operating Costs p.a.	36.3	32.6
EBITDA p.a.	55.7	59.4
Net Present Value (@9.0%)	357.5	326.1(at 10%)
Payback	3.7 years	3.8 years
IRR	33.3%	30.3%
NPV/Capex Ratio	4.54	4.24
Gross Margin on sales	61%	65%

BFS Update – Assumptions

4,000tpa HPA Project		
	Updated BFS	Original BFS
Project Life	30 years	30 years
Annual HPA production (at full rate)	4,000tpa	4,000tpa
USD:AUD (capex & construction)	0.70	0.78
USD:AUD (operations)	0.80	0.90
HPA Sales Price (per kg)	US\$23.00	US\$23.00
Discount Rate	9%	10%

Debt funding update HPA project

During the quarter the Company met with KfW IPEX-Bank (KfW) in Stuttgart, Germany to discuss the debt funding for its HPA project. Altech estimates that its proposed HPA project will support ~US\$60m of debt. KfW is mandated to provide advisory and structuring services in relation to senior debt funding. Altech has since been working closely with KfW as part of the bank's comprehensive due diligence process.

With KfW's support, Altech is finalising its formal application under the German export credit insurance guarantee scheme for ~US\$40m of project debt. The application amount is based on Altech's estimate of the project capex that qualifies for ECA cover. The additional ~US\$20m debt will be at standard commercial terms and interest rates. MD Iggy Tan said that Altech was delighted with the progress of the bank's due diligence. "We have a great banking partner in KfW IPEX-Bank; all things going well, we expect to advance to debt term sheets towards the back-end of this year. In parallel we are working with M+W Group to finalise the detailed design, complete permitting and secure off-take arrangements for the HPA plant's production – all of which will be requirements for debt draw-down".

HPA demand growth tied to lithium-ion batteries

Since appointing its inaugural sales and marketing manager (China Mr Martin Ma, Altech has developed a deeper understanding of the fast-growing utilisation of HPA for lithium-ion battery separators. Mr Ma met with a number of Chinese battery separator producers during the quarter and a considerable level of interest in Altech's proposed HPA product was shown.

The use of HPA embedded in large format lithium-ion battery separators is growing rapidly. HPA is used to increase the battery's discharge rates; lower self-discharge; and lengthen lifecycles. HPA is also used to increase the separator shrinkage temperature and reduce flammability during thermal runaways. Lithium-ion battery producers are reporting battery usage of ~120g of HPA per kilowatt-hour (kWh).

Based on the information gathered by Mr Ma, combined with published Chinese government data about its targeted growth in electric vehicles (EV's), Altech has forecast potential HPA use by Chinese lithium-ion battery manufactures (refer graph below).

The graph shows a low, middle and high forecast of usage. In the middle case, HPA demand is forecast at about 3,936tpa by 2020, which is roughly the annual production capacity of Altech's proposed Malaysian HPA plant.

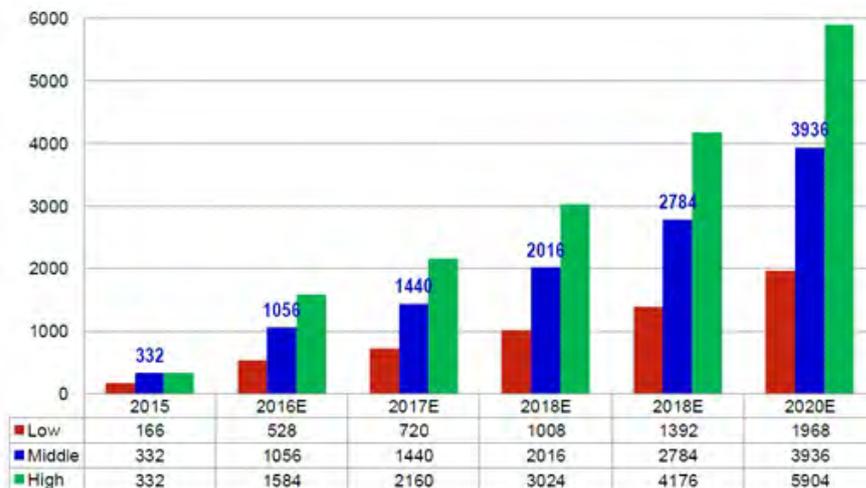


The forecast demand does not consider Korea (currently the world's 2nd largest lithium-ion battery manufacturer), Japan (3rd largest), Taiwan, or Tesla's Gigafactory in the USA.

The global push for EVs and energy storage is underpinning growing demand for lithium-ion batteries. To encourage EV adoption worldwide, government ownership policies and initiatives are being implemented such as the International Energy Agency's Electric Vehicles Initiative, which aims to have 20 million EVs (including hybrid cars) on the road by 2020. Also, growth in lithium-ion battery demand from the electricity storage (solar energy) market is reportedly expected to exceed 30% p.a.



Altech forecast of Chinese HPA demand used in lithium-ion battery separators



Altech signs off-take agreement with Mitsubishi for all HPA production

Subsequent to quarter end the Company executed a 10 year off-take sales arrangement (Agreement) with Mitsubishi Corporation's Australian subsidiary, Mitsubishi Australia Ltd (Mitsubishi) for 100% of the HPA production from the Company's proposed Malaysian HPA plant. The Agreement appoints Mitsubishi as the exclusive buyer of the full 4,000tpa production capacity and will commence on the date of first shipment of final HPA product. The contracted sale quantities will mirror Altech's proposed HPA plants' production ramp up and account for 100% of planned production. Under the Agreement both parties have set specific off-take sales target quantities, which will be at prevailing market prices.

Altech managing director, Mr Iggy Tan said that securing the off-take arrangement with Mitsubishi is an integral step towards securing project financing. *"The 10 year off-take arrangement for the sale of 100% of Altech's HPA production is a significant milestone and a strong vote of confidence in the Company, the HPA project and the team working to bring it to fruition."*

"Altech's 4,000tpa HPA plant will position the Company not only as one of the world's largest producers of HPA, but also as one of the world's lowest cost producers", Mr Tan concluded.

Off-take sales target quantities

Contract Year	Forecast Production	Contracted Sales
Year 1	2,700t	2,700t
Year 2	3,000t	3,000t
Year 3	3,400t	3,400t
Year 4	3,800t	3,800t
Year 5	4,000t	4,000t

Contract Year	Forecast Production	Contracted Sales
Year 6	4,000t	4,000t
Year 7	4,000t	4,000t
Year 8	4,000t	4,000t
Year 9	4,000t	4,000t
Year 10	4,000t	4,000t

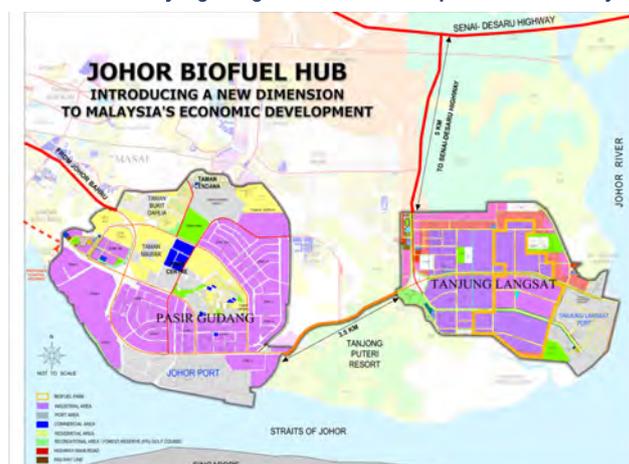
Altech finalises agreement for HPA plant site – Johor, Malaysia

During the quarter the Company finalised a lease agreement with Johor Corporation securing a ~4Ha plot of land in the Tanjung Langsat Industrial Complex, Johor, Malaysia for its proposed HPA processing plant.

The agreement is a 30-year lease with an option to extend for an additional 30 years (standard terms for land in the industrial complex). As previously announced, the Company selected Johor as the location for its proposed HPA plant based on significant economic and developmental benefits, including the ready availability of required consumables such as hydrochloric acid, limestone, quicklime, electrical power and natural gas – all at highly competitive prices. The availability of skilled labour, proximity to an international container port and international airports (Johor Bahru and Singapore) and the various investment incentives on offer were additional benefits.

Feedstock for the HPA plant will be sourced from the Company's 100%-owned kaolin deposit at Meckering, Western Australia. About 41,000tpa of kaolin ore will be shipped via the port of Fremantle, Western Australia to the Tanjung Pelepas container port, Johor, Malaysia. Operating costs for the proposed HPA plant in Malaysia are anticipated to be ~40% lower compared to an equivalent plant in Western Australia. The shipping of Altech's HPA product from the Tanjung Pelepas container port to nearby Asian markets will provide both cost and delivery time advantages too.

Tanjung Langsat Industrial Complex, Johor, Malaysia



M+W Group appointed as EPC contractor

During the quarter Altech appointed M+W Group (M+W) as its engineering, procurement and construction (EPC) contractor for the HPA project; the appointment follows a comprehensive design hand-over meeting held at M+W's Stuttgart headquarters in March 2016.

M+W's appointment marks the formal commencement of the final detailed engineering design phase of the Company's HPA project, in preparation for the commencement of construction. *"We are delighted by the opportunity of being part of this new state-of-the-art chemical facility"* said Mr Robert Savarese, Head of M+W Group Global Chemicals Business Development.

With offices in Malaysia and Singapore, M+W will be responsible for the EPC of the Malaysian portion of the Company's HPA project. Assuming the success of Altech's ECA cover application, M+W will play an important role in the management of all equipment and service suppliers as they are highly experienced in managing projects with ECA cover.

Altech's managing director, Iggy Tan said *"M+W Group brings vast construction experience and knowledge to the project. With a strong presence in Asia, and specifically Malaysian project construction experience, the use of M+W's local Singapore and Malaysian offices for cost effective construction with detailed design in Germany is a perfect combination for us."*

M+W Group's wafer fab design and construct project for Siltronic Samsung, Singapore



M+W Group's headquarters in Stuttgart, Germany



1st Silicon (Malaysia) wafer fab
M+W Group design and construct project



Grade-control drilling at Meckering

The Company conducted a grade-control drilling program at its Meckering kaolin deposit during the quarter. The aircore drill program commenced on 31 March 2016 at Altech's 100%-owned tenement E70/3923, which is located over private freehold land approximately 130km east from Perth, Western Australia.

The grade-control drilling program will assist the Company in planning its future Meckering mining operation. The proposed Meckering operation will provide kaolin feedstock for the Company's HPA plant at Johor, Malaysia.

At Meckering, the Company is planning to mine ~120,000t of kaolin every three years on a campaign basis with each campaign lasting two months. The raw kaolin will be stockpiled then containerised into standard shipping containers at the rate of ~41,000tpa and transported to Johor, Malaysia for processing into HPA at the proposed plant.

Drilling samples from Meckering drill program



Drill holes up to 30m showing extensive kaolin



Aircore drilling rig at Meckering



\$2m capital raising update

During the quarter the Company raised a total of \$2 million: \$1.2m via a placement of shares to several professional and sophisticated investors @ 8.6c per share; and \$744,000 via a share purchase plan (SPP) with 250 shareholders participating @ 8.6c per share. The funds raised will be applied to finalising the detailed design of Altech's proposed HPA plant in Malaysia; finalising debt funding for the project; and for general working capital purposes.

Altech managing director, Mr Iggy Tan said, "The Company is most appreciative of the strong support shown by our shareholders for the SPP, which follows on from the support of predominantly new shareholders for the share placement. The Company is in ongoing discussions with various other potential investors that were unable to meet the timeline to participate but remain interested to make an investment in Altech", he concluded.

Schedule of Tenements

As per ASX Listing Rule 5.3.3, the Company held the following tenements (exploration and mining leases) as at 31 March 2016:

Tenement ID	Registered Holder	Location	Project	Grant Date	Interest start of quarter	Interest end of quarter
E70/3923	Altech Meckering Pty Ltd	WA Australia	Meckering	30/11/10	100%	100%
EPM18375	Altech Chemicals Ltd	QLD Australia	Constance Range	27/04/12	100%	100%
E70/4341	Australian Mineral Sands	WA Australia	Beenup	16/01/13	100%	100%
E70/4643	Australian Mineral Sands	WA Australia	SW Titanium	25/03/15	100%	100%
E70/4713	Altech Chemicals Ltd	WA Australia	Southdown	9/06/15	100%	100%
E70/4718	Canning Coal Pty Ltd	WA Australia	Kerrigan	01/12/15	100%	100%
M70/1334	Altech Chemicals Ltd	WA Australia	Meckering		100%	100%
E70/4785	Canning Coal Pty Ltd	WA Australia	Meckering		100%	100%
E70/4786	Canning Coal Pty Ltd	WA Australia	Meckering		100%	100%
E70/4784	Altech Meckering Pty Ltd	WA Australia	Meckering		100%	100%
E70/4781	Canning Coal Pty Ltd	WA Australia	Green Range		100%	0%
E70/4782	Yilgarn Iron Pty Ltd	WA Australia	Green Range		100%	0%

Kaolin mining rights agreement

During the quarter the Company terminated an agreement with Dana Shipping and Trading S.A. (Dana), which granted Dana the exclusive right to mine up to 10Mt of kaolin from the Company's 100%-owned Meckering kaolin deposit. The Company subsequently received notice of Dana's legal challenge to its termination of the Mining Rights Deed, as announced 29 March 2016. Altech will continue to keep shareholders informed of any developments.

DJ Carmichael Report

Altech featured in an 'initial coverage' research report titled 'Unique opportunity in high-tech chemicals' by Perth-based stockbroking firm DJ Carmichael, which was released on 26 February 2016. The author of the report is Mr Paul Adams, Head of Research. The report provides a Speculative Buy recommendation for the Company and a risked valuation of \$0.41 a share.





Altech Chemicals Limited

Company Snapshot

Altech Chemicals Limited (ASX:ATC)
ABN 45 125 301 206

FINANCIAL INFORMATION (as at 31 March 2016)

Share Price:	\$0.092
Shares:	154m
Unlisted Options:	6.1m
Performance Rights:*	17.2m
Market Cap:	\$14.2m
Cash:	\$0.6m

DIRECTORS:

LUKE ATKINS LLB

Chairman

IGGY TAN B.Sc MBA GAICD

Managing Director

PETER BAILEY B.Sc(Hons) Elect.Eng MIEE C.Eng

Non-executive Director

DAN TENARDI

Non-executive Director

PRINCE YA'ACOB

BIN TUNKU TAN SRI ABDULLAH

Non-executive Director

UWE AHRENS

Alternate Director

SHANE VOLK BBus (ACC) GradDip (ACG) CSA

Company Secretary & CFO

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*Subject to vesting conditions

ABOUT ALTECH CHEMICALS (ASX: ATC)

Altech Chemicals Limited (Altech/the Company) is aiming to become one of the world's leading suppliers of 99.99% (4N) high purity alumina (HPA) (Al₂O₃).

HPA is the high-end form of aluminum oxide with a range of industrial and high-tech end uses. Due to its superior characteristics such as purity, hardness and corrosion-resistance, HPA is the essential base material for sapphire substrates found in LEDs, semiconductors, scratchproof artificial sapphire glass, and a growing range of high-performance applications.

Global HPA demand is approximately 19,040tpa (2014) and is expected to at least double over the coming decade, growing at a CAGR of 28%. The increasing demand for HPA is primarily driven by the worldwide transition to LED lighting as the cost-effective, energy-efficient replacement for traditional incandescent light bulbs. Other high-tech applications driving demand are sapphire glass (for the booming smartphone/tablet sector), lithium-ion battery separators (for electric vehicles and electricity storage), and semiconductor wafers (for computer/electronics hardware).

Current HPA producers use highly-processed and costly feedstock materials such as aluminium metal to produce HPA. Using its low-impurity, alumina-rich kaolin feedstock, Altech is aiming to produce 4,000tpa of HPA at its proposed plant in Johor, Malaysia. The plant's feedstock will be sourced from the Company's 100%-owned kaolin deposit at Meckering, Western Australia. Altech's production process will employ conventional "off-the-shelf" plant and equipment to extract HPA using a proven hydrochloric acid (HCl) process. Production costs are anticipated to be considerably lower than established HPA producers.

Altech is focused on becoming a leading supplier of HPA to meet the growing global demand for the next generation of high-tech, superior electronics.

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

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

ALTECH CHEMICALS LIMITED

ABN

45 125 301 206

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(19)	(42)
(b) development	(523)	(1,418)
(c) production	-	-
(d) administration	(332)	(1,032)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Research & Development tax incentive	-	851
Net Operating Cash Flows	(870)	(1,626)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(6)	(9)
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)	-	-
Net investing cash flows	(6)	(9)
1.13 Total operating and investing cash flows (carried forward)	(876)	(1,635)

+ 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)	(876)	(1,635)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	478	1,661
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 (provide details if material)	-	-
	Net financing cash flows	478	1,661
	Net increase (decrease) in cash held	(398)	26
1.20	Cash at beginning of quarter/year to date	999	575
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	601	601

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	141
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Director remuneration	

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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+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

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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	10
4.2 Development	600
4.3 Production	-
4.4 Administration	340
Total	940

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	598	996
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Security Deposit (Exploration Tenement)	3	3
Total: cash at end of quarter (item 1.22)	601	999

+ See chapter 19 for defined terms.

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			
6.2	Interests in mining tenements and petroleum 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 up per security (see note 3) (cents)
7.1	Preference securities			
	<i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	154,365,782	154,365,782	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	3,700,000	3,700,000	1,950,000 at nil per share (vest of employee perf. rights) Fully paid 1,750,000 at nil per share (vest of director perf. rights) Fully paid
7.5	+Convertible debt securities			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	2,500,000	-	<u>Exercise price</u> \$0.10	<u>Expiry date</u> 30-June-2016
		1,000,000	-	\$0.20	18-Dec-2017
		1,000,000	-	\$0.25	18-Dec-2017
		1,000,000	-	\$0.30	18-Dec-2017
		600,000	-	\$0.20	31-Jan-2017
	<i>Performance Rights (employees & directors)</i>	17,300,000	-	nil	
7.8	Issued during quarter				
7.9	Exercised during quarter	1,950,000	1,950,000	nil	4-01-2016
		1,750,000	1,750,000	nil	18-03-2016
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <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 5).
- 2 This statement does ~~/does not~~* *(delete one)* give a true and fair view of the matters disclosed.



29 April 2016

Sign here: Date:
(~~Director~~/Company Secretary)

Shane Volk

Print name:

+ See chapter 19 for defined terms.

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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