

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Magnis Resources Limited

ABN

26 115 111 763

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,115)	(8,002)
(b) development	-	-
(c) production	-	-
(d) administration	(1,164)	(4,038)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	27
1.5 Interest and other costs of finance paid	-	-
1.6 Income and other taxes paid	-	-
1.7 Other (R&D Refund \$130k and rental rebate \$9k)	130	139
Net Operating Cash Flows	(2,136)	(11,874)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments (initial contribution to Uranium Africa Limited)	(20)	(20)
(c) other fixed assets	(25)	(56)
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)	-	-
Net investing cash flows	(45)	(76)
1.13 Total operating and investing cash flows (carried forward)	(2,181)	(11,950)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	6,820	16,342
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	6,820	16,342
	Net increase (decrease) in cash held	4,639	4,392
1.20	Cash at beginning of quarter/year to date	2,570	2,817
1.21	Exchange rate adjustments to item 1.20	(1)	(1)
1.22	Cash at end of quarter	7,208	7,208

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	146
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	

Directors' remuneration entitlements, expenses and consulting fees.

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

-

- 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

-

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,472
4.2 Development	-
4.3 Production	-
4.4 Administration	1,233
Total Net Cash Outflow	2,705

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	7,208	2,570
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	7,208	2,570

+ See chapter 19 for defined terms.

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	E 38/1732	Tenements have been transferred from Magnis Resources Ltd to Uranium Africa Limited Group as per the demerger prospectus and following the resolution approved by shareholders in April 2016. Registration of the transfers are still in progress.	100%	0%
	M 38/1253 (Pending)		100%	0%
	P 38/3298		100%	0%
	PL7334/2011		100%	0%
	PL5832/2009		100%	0%
	PL5834/2008		100%	0%
	PL5830/2009		100%	0%
	PL4870/2007		100%	0%
	PL5998/2009	Expired	100%	0%
	PL6425/2010	Expired	100%	0%
PL7463/2011	Expired	100%	0%	
PL9076/2013	Expired	100%	0%	
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

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 (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	428,590,093	428,590,093		
7.4 Changes during quarter (a) Increases through issues	Capital Raising			
	952,150	952,150	35	35
	Listed Options Exercised			
	21,190,618	21,190,618	10	10
	47,350,098	47,350,098	9.533	9.533
	Unlisted Options Exercised			
	750,000	750,000	14.533	14.533
	250,000	250,000	17.533	17.533
	300,000	300,000	19.533	19.533
	600,000	600,000	34.533	34.533
	750,000	750,000	9.533	9.533
(b) Decreases through returns of capital, buy-backs				

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Appendix 5B
Mining exploration entity quarterly report

7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			Exercise price - \$	Expiry date
	125,000	-	0.17533	17-Nov-16	
	500,000	-	0.28533	31-Mar-17	
	750,000	-	0.22033	17-Nov-17	
	750,000	-	0.29533	17-Nov-17	
	1,500,000	-	0.39533	30-Nov-17	
	1,500,000	-	0.40	30-Nov-17	
	1,000,000	-	0.60	30-Nov-17	
	3,500,000	-	0.34533	30-Jan-18	
	3,000,000	-	0.29533	3-Feb-18	
	1,500,000	-	0.50	23-Feb-18	
	1,000,000	-	0.49533	6-Nov-18	
	1,000,000	-	0.39533	6-Nov-18	
	375,000	-	0.35	6-Nov-18	
	375,000	-	0.45	6-Nov-18	
	117,672,741	117,672,741	0.09533	31-May-17	
7.8	Issued during quarter				
	1,500,000	-	0.40	30 Nov 17	
	1,000,000	-	0.60	30 Nov 17	
	1,500,000	-	0.50	23 Feb 18	
	375,000	-	0.35	6 Nov 18	
	375,000	-	0.45	6 Nov 18	
7.9	Exercised during quarter				
	21,190,618	21,190,618	0.1	31 May 2017	
	47,350,098	47,350,098	0.09533	31 May 2017	
	750,000	-	0.14533	14 Jun 2016	
	250,000	-	0.17533	17 Nov 2016	
	300,000	-	0.19533	31 May 2017	
	600,000	-	0.34533	30 Jan 2018	
	750,000	-	0.09533	14 Jun 2016	
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

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:

(Chief Executive Officer)

Print name: Dr Frank Houllis

Date: 28 July 2016

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.

+ See chapter 19 for defined terms.

APPENDIX

Schedule of mining tenements

Tenement Number	Project / Tenement Name	Locality	Group Ownership %
SML 550/2015	SML Nachu	Tanzania	100
PL7377/2011	Ruangwa	Tanzania	100
PL8697/2012	Rutamba North	Tanzania	100
PL8696/2012	Lihehe East	Tanzania	100
PL9018/2013	Manyoni East	Tanzania	100*
PL9017/2013	Issuna	Tanzania	100*
PL8076/2012	Mkuju 1	Tanzania	100*
PL8418/2012	Ilongo North	Tanzania	100*

*tenements have expired or surrendered in July 2016