

13 April 2016

March 2016 Quarterly Report

Highlight for the March quarter is as follows:

- Work Plan for MIN4921 submitted.
- EL4717 and EL4744 surrendered
- Reverse Takeover

SML Corporation Limited (ASX code “SOP”, the Company) is a tenement holder in eastern Victoria, with one Exploration Licence and one Mining Lease covering a total of 49.4 square kilometres (Figure 1, Table 1).

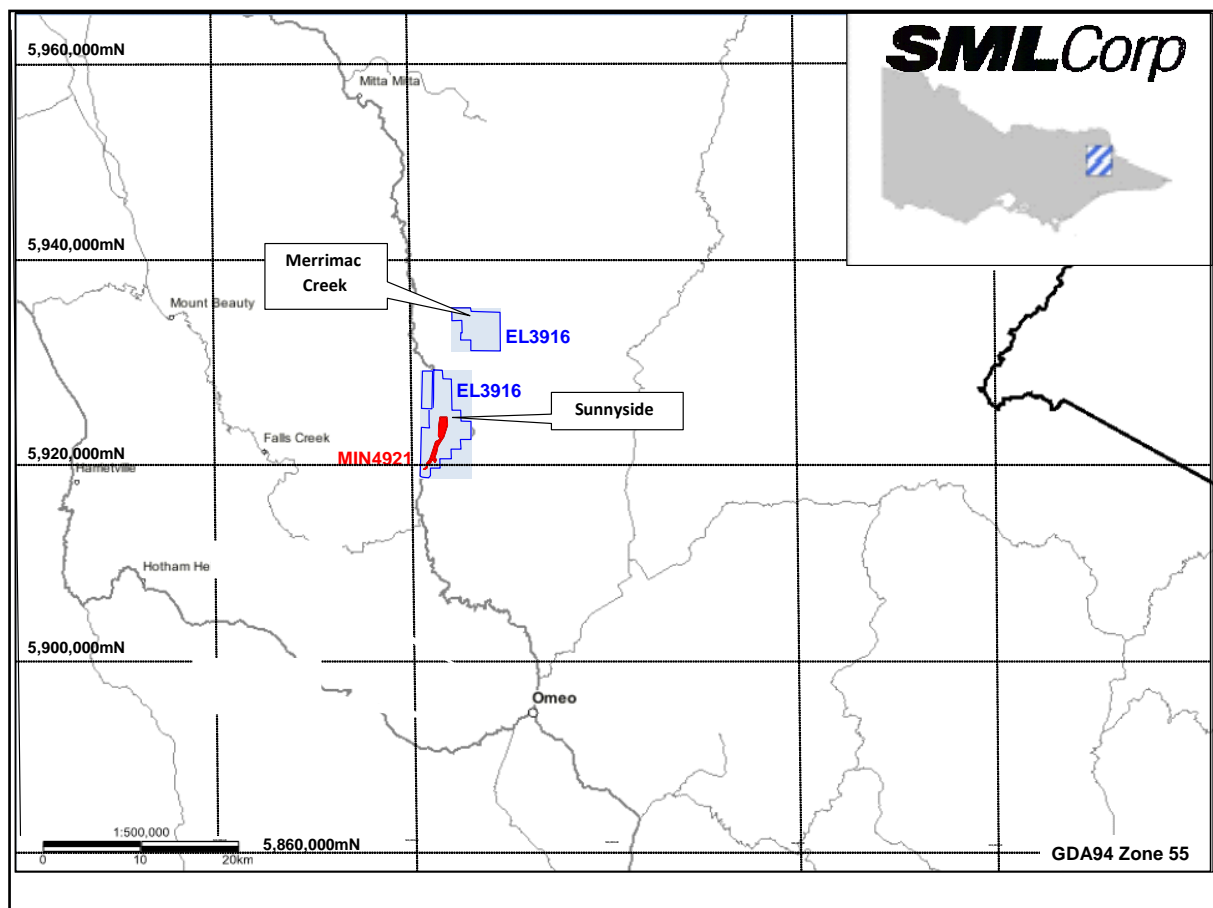


Figure 1: Project and Prospect Location – Eastern Victoria

TENEMENT	PROJECTS	AREA (km ²)	GRANTED	EXPIRY
MIN4921	Glen Wills - Sunnyside	2.4	18/01/1990	13/05/2019
EL3916	Merrimac	47.0	13/05/1996	13/05/2016
TOTAL AREA		49.4		

Table 1: SML Corporation Limited Tenements

EXPLORATION ACTIVITIES

Glen Wills Goldfield Project (MIN 4921)

WORK PLANS

The company is continuing the re-submission of the Work Plan application for the Glen Wills Gold Project.

Merrimac (EL 3916)

During the quarter, no activity occurred on the licence.

Granite Flat (EL4744) and Omeo (EL4717)

Both licences have been surrendered during the quarter.

REVERSE TAKEOVER

On 25 February 2016, the Company announced that it had entered into a binding Heads of Agreement to acquire all the shares in OSC Group Pte Ltd ('OSCG'), a private Singaporean property development company ('Acquisition'). OSCG is in the business of property development, provision of building and property management services and consultancy services in relation to property development and related property activities.

OSCG, through its Thai subsidiaries, has secured a 70% financial interest in a commercial and residential property development project in the city of Sriracha on the eastern seaboard of Thailand known as the 'Waterside Pavilion Sriracha' ('Project').

The consideration for the Acquisition is 320,000,000 new fully paid shares in the capital of the Company which shall be allotted at its completion.

In order to satisfy the shareholders' spread requirements under the ASX Listing Rules, the Company shall raise additional capital to the extent of approximately \$800,000 under a prospectus to be lodged with the Australian Securities and Investment Commission.

Subject to the completion of the Acquisition, the Company will issue to the existing shareholders of the Company, at no issue price, new bonus options to subscribe for new shares in the Company on the basis of two options for every five shares held in the Company. Each option is exercisable at five cents and will have an exercisable period of five years from the date of issue. The Company will seek to have these options quoted on the ASX.

Congruent with the Acquisition and given its proposed change of business and activities into property development, the Company intends to divest its existing mining assets through agents to be appointed for the sale and to seek offers from bidders interested in these assets.

The key terms of the Acquisition are enumerated in the announcement of 25 February 2016 and include, inter alia, that the Company and its representative being satisfied with the results of their due diligence enquiries and investigations.

The process of due diligence and investigations are ongoing and the Company will provide further updates to the shareholders at the appropriate time.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based geological information compiled by Mr Peter de Vries, a consulting geologist, on behalf of SML Corporation Ltd. Mr de Vries is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and is a Competent Person as defined by the 2012 JORC Code, having more than five years experience which is relevant to the style of mineralisation and type of deposit described in this report, and to the activity for which he is accepting responsibility. Mr de Vries consents to the publishing of the information in this report in the form and context in which it appears.

FINANCIAL POSITION

As at 31 March 2016, the Group has \$4,551,000 in available cash reserves.

The Company intends to manage its cash reserves in a manner that aims to maximise shareholder value from exploration activities that it undertakes during the 2016 calendar year.

For further information, please contact:

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About SML Corporation Limited

SML Corporation is specialising on gold and base metals exploration in the East Gippsland region of Victoria. SMLC's granted tenements cover an area of approximately 49.4km² in some of Victoria's most prospective areas and include the historic goldfields at Glen Wills and Sunnyside.

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

SML Corporation Limited

ARBN

161 803 032

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 \$A'000
1.1	Receipts from product sales and related debtors	22	60
1.2	Payments for (a) exploration & evaluation	(11)	(114)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(149)	(397)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	24	43
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	6	25
Net Operating Cash Flows		(108)	(383)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
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		-	-
1.13	Total operating and investing cash flows (carried forward)	(108)	(383)

+ 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)	(108)	(383)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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	-	-
	Net increase (decrease) in cash held	(108)	(383)
1.20	Cash at beginning of quarter/year to date	4,660	4,932
1.21	Exchange rate adjustments to item 1.20	(1)	2
1.22	Cash at end of quarter	4,551	4,551

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	23
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Represent directors fees paid during the quarter.

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

None

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

None

+ 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	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	20
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	320

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	597	726
5.2 Security Deposits for tenement holders (interest bearing)	125	125
5.3 Bank overdraft	-	-
5.4 Other (Term Deposits)	3,829	3,809
Total: cash at end of quarter (item 1.22)	4,551	4,660

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	EL4744 EL4717	Granite Flat Omeo	100% 100%	NIL NIL
6.2 Interests in mining tenements and petroleum tenements acquired or increased	None			

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report****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)	NIL	NIL	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	107,839,799	107,839,799	-	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)	NIL	NIL	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options	-	-	-	-
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
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 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
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(Director)

Date: 13/04/2016

Print name: KIM CHUAN FREDDIE HENG

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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