

Quarterly Report April to June 2015

Corporate

The Board acknowledged and accepted the resignation of Mr. Mick Billing and Mr. Brendan Connell as directors and Mr. James Church as the company secretary of the company effective as of 1st May 2015.

The Board appointed Mr. Pierre Lau and Ms. Sherry Tao Xue as non-executive directors and Ms. Sherry Tao Xue as company secretary and public officer of the Company effective as of 4th of May 2015.

The Company held the annual general meeting on 29th May in Adelaide and all resolutions were passed.

The Company will take advantage of the current market downturn in the mining sector across the globe and look to acquire related project with good potential.

Exploration Projects

No further exploration activities occurred in the two tenements held by the Company in Xinjiang Autonomous Region due to extremely unfavourable weather conditions.

As stated in the Company's 2014 Annual Report it is increasingly difficult to develop new projects in China because of regulatory risk, sovereign risk, environmental factors and financing issues. Combined with the falling value of the Australian Dollar this has proved to be even more difficult for the Company seeks to develop offshore assets.

Until the Company is able to carry out its plan to develop its existing assets, the directors are committed to carrying out meaningful work by identifying and assessing opportunities that may be valuable to the Company. With a solid mineral asset base and sufficient cash from its initial public offering to carry out its work programs, the Company remains in a strong position to generate future wealth for shareholders.

Kyzyl-Leto Copper Project

Kyzyl-Leto has Chinese classified Non – JORC compliant mineralization of 4,271,500 tons at 1.93% copper for 82,300 tons of copper metal and an exploration license area of 13.05 square kilometers. Under the Chinese System of Resources Classification the resources have been classified as 332 and 333 which represent – Discovered but Indicated and Inferred respectively. The Company plans to bring this project into production as soon as possible.

The Kyzyl-Leto East and West prospects remain prospective for additional copper mineralization targeting potential extensions to currently known mineralization. The priority is to target higher copper grades, increase tonnage and confidence in the mineralization at the Kyzyl-Leto East and West prospects. Post infill drilling JORC Compliant Resources could be estimated and economic studies applied to the appropriate level of classified resource.

Within the broader Kyzyl license there remains strong exploration potential to discover additional outcropping and possible concealed mineralization related to other QAP intrusive bodies. Initial exploration completed has identified several other QAP dykes with low to moderate grade copper mineralization at surface. Additional work programs are proposed that will evaluate known copper anomalies but also assist in discovering potentially concealed mineralization.

Wutonggou Gold Project

At Wutonggou, exploration to date has shown there is gold and copper mineralization extending over at least 250m along strike that warrants further investigation. The exploration license area for this project is 18.70 square kilometers.

Competent Person's Requirement – Exploration Results and Mineral Resources

Information in this announcement that relates to the Company's exploration results or estimates of mineral resources or ore reserves was originally provided in the Company's Replacement Prospectus dated 4 August 2014 and announced on the ASX on 19 September 2014 (Replacement Prospectus). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Replacement Prospectus and in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the Replacement Prospectus continue to apply and have not materially changed.

Tenement Holdings and Movements

Mining Tenements and Beneficial Interest held as at the end of the June 2015 Quarter

Summary of Kyzyl-Leto Project Chinese Classified Resources:

Chinese Classification	Tonnes	%	Grade Cu%	Copper Metal	Location	% Interest held by ERX
Kyzyl-Leto West (No.2 prospect)						
332	1448700	80.8	1.47	21287	Yining,Xinjiang Province,China	100
333	345300	19.2	1.79	6170	Yining,Xinjiang Province,China	100
Total	1794000		1.53	27457		
Kyzyl-Leto West (No.2+1 prospect)						
332	65900	28.5	0.87	571	Yining,Xinjiang Province,China	100
333	165500	71.5	0.89	1479	Yining,Xinjiang	100

					Province,China	
Total	231400		0.89	2050		
Kyzyl-Leto East (No.8 prospect)						
332	1647100	73.3	2.32	38226	Yining,Xinjiang Province,China	100
333	599000	26.7	2.43	14581	Yining,Xinjiang Province,China	100
Total	2246100		2.35	52807		
Combined Kyzyl-Leto Resources						
332	3161700	74.0	1.90	60084	Yining,Xinjiang Province,China	100
333	1109800	26.0	2.00	22230	Yining,Xinjiang Province,China	100
Grand Total	4271500		1.93	82314		

Summary of Wutonggou Project Chinese Classified Resources:

Chinese Classification	Tonnes(t)	%	Grade(Au)	Kg(Au)	Ounces(Au)	Location	% Interest
332	43800	22.7	1.69	74.05	2380	Yining,Xinjiang Province,China	100
333	149100	77.3	2.67	398.85	12823	Yining,Xinjiang Province,China	100
Total	192900		2.45	472.9	15203		

The Company has not acquired or relinquished any interest in any of its tenements during the quarter.

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

Emperor Range Group Limited

ABN

19 161 234 395

Quarter ended ("current quarter")

June 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) administration	(81)	(602)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	6	14
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(75)	(588)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects		(1,975)
	(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)	(75)	(2,563)

+ 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)	(75)	(2,563)
	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	(75)	(2,563)
1.20	Cash at beginning of quarter/year to date	1,575	4,063
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,500	1,500

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	73
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payment of Directors fees to non executive directors.

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

+ 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

N/A

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	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	20
4.2 Development	0
4.3 Production	0
4.4 Administration	100
Total	120

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	18	17
5.2 Deposits at call	1,482	1,558
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,500	1,575

+ 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	T6512009030206512 Nilka County Xinjiang Province PRC – Full rights T65120091202037345 Qapqal County Xinjiang Province PRC – Full rights	100% 100%	100% 100%

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	91,000,000	22,500,000	20	20
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities (description)				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
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)				

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.

Sign here: 

Date: 22/07/2014

(Company secretary)

Print name: Xue Tao

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.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly 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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