

**ASX Announcement**  
**31 January 2018**

## **Quarterly Activities Report** **Quarter Ended December 31, 2017**

AustSino Resources Group Limited ("AustSino" or the "Company") is pleased to present its quarterly activities report ended 31 December 2017.

### **Operational**

During the latter part of the last quarter, the Company engaged with corporate and legal advisers in relation to meeting the requirements of ASX for the Company to achieve re-quotations of its shares on ASX. This work has continued throughout this quarter. On December 15, we announced that the ASX had granted the company an extension until February 28, 2018 to have its shares reinstated to quotation on the Official List, and to give the Company the time required to meet the requirements of the ASX. Amongst other things, this required the Company to produce and release a full prospectus and to implement changes in relation to certain matters of Corporate Governance.

Over the course of the quarter and in this context, we have also been working towards making some changes to our Board of Directors to better position us going forward. To this end, Ian King and Philip McKeiver were appointed as Non-Executive Directors on December 20, 2017. We are delighted to have such high calibre individuals joining the board and look forward to the positive impact that their experience and knowledge will bring to the Company. Ian and Phil bring deep networks, experience and expertise in relation to the development of mining projects and associated economic infrastructure pathways in the Mid West Region of Western Australia.

At the same time, Edward Saunders resigned from the Board of Directors and we are very grateful for his contribution to the company since his appointment in August 2016.

Late in the quarter (December 20, 2017), we also released a full prospectus aiming to raise a minimum of \$4,000,000 and up to \$4,500,000 and we made a few slight amendments to this on December 21. Subsequent to the end of the quarter, the ASIC issued an interim stop order on the prospectus. The Company and its advisers worked quickly and constructively with the ASIC to address and rectify the issues raised by the ASIC and we were pleased to announce on Jan 25 that the Interim Stop Order had been revoked and we issued a Replacement Prospectus on that day.

Successful completion of the capital raising under this Prospectus remains the principal priority of the Company and is critical to the Company achieving its plans for re-quotations of its shares on ASX next month.

We held our AGM for the year during the quarter and put some very important resolutions to our Shareholders that arose from the negotiations and agreements that we were able to finalise in the previous quarter. These resolutions helped the Company to recapitalise and to secure the funds necessary to pursue an agenda to return to the Official List of the ASX.

We were pleased to announce that all resolutions were passed with a very strong FOR vote and any shares that were approved to be issued by Shareholders were issued.

### Tenement Management

During the quarter, we allowed 6 prospecting leases to lapse – namely Prospecting Licences 52/1329, 52/1330, 52/1331, 52/1332, 52/1333 and 52/1342. These prospecting licences were allowed to lapse at the end of their 8 year term after the company concluded that there is no significant iron mineralisation to warrant them being converted to Mining Leases.

During the quarter the Company conducted a project review identifying an area of vacant ground contiguous to the Company's existing mining tenure prospective for iron mineralisation with the potential of providing additional resource as an adjunct to future operations on the Company's mining lease. The Company has secured a priority application for Exploration Licence 52/3598 over the area which shall be progressed to grant during 2018.

During November, we also recommenced drilling at the Peak Hill Iron Ore project. We completed approximately 1,200 m of reverse circulation percussion (RC) drilling under a programme managed by CSA Global and the results of this will be announced when available.

Another important body of work completed during the quarter was the upgrade of the Company's Telecom Hill Mineral Resource to JORC 2012 standard. This update was announced on December 20, 2017 and highlighted that the Company has a significant mineral resource tonnage of 700Mt above a 15% Mass Recovery of Iron - a robust magnetite resource, with encouraging concentrate composition. In addition, we have 11.5MT of DSO with upside potential for further discovery of both magnetite and DSO.

Following is the schedule of AustSino's tenements as at 31 December 2017.

Area of Interest	Tenement Reference	Interest
<b>Western Australia</b>		
Peak Hill	M 52/1068	100%
Peak Hill	E 52/1557	100%
Peak Hill	E 52/1860	100%
Peak Hill	E 52/2368	100%
Peak Hill	E 52/2993	100%
Mt Padbury	E 52/1862	100%
Mt Padbury	E 52/1976	100%
Mt Padbury	E 52/2279	100%

- As mentioned above, we have also secured a priority application for tenement E52/3598 which will progress to grant during 2018

### Further inquiries:

Henko Vos

Company Secretary T: +61 8 9463 2463