



## QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

For the 3 months ending 30 June 2018 (*Period*)

Blaze International Limited (**Blaze**) (**Company**) (ASX: **BLZ**) is pleased to present its activities report for the Period.

### ASX ANNOUNCEMENT

During the Period the Company:

**ASX Code:** BLZ  
**Shares on Issue:** 207,285,596  
**Options:** 184,999,996  
**Cash:** \$3,180,638

- Exercised its Option over its Kirkalocka Project,
- Compiled significant geophysical data of Kirkalocka,
- Engaged Barry Bourne of Terra Resources Pty Ltd, and
- Coordinated with the Company's Advisors to assess business development options.

**Chairman:** Josh Puckridge  
**Director:** Maciej Rosiewicz  
**Director:** Loren King

**Secretary:** Loren King

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During the Period, the Company executed its option over its Kirkalocka Project (see further in this announcement), seeing the Company pay \$100,000 to Bar None Prospecting Pty Ltd in consideration for the 100% acquisition of E59/2280.

The Company gained a significantly greater understanding of its projects during the Period via its engagement of Terra Resources Pty Ltd which has seen the Company reschedule its planned site visits for this current Period where the Company has the benefit of Terra Resources Pty Ltd's work and interpretation of the grounds' prospectivity and most effective exploration practices.

**Blaze International Limited**  
is an exploration company  
listed on the Australian  
Securities Exchange.

The Company currently holds  
exploration ground in the  
Warriedar Greenstone Belt.

The Company is assessing a  
number of ways to generate  
shareholder value including  
the acquisition of a new  
project, or projects.

### COMPANY PROJECTS

The Company holds a 100% interest in two (2) exploration projects in the Murchison District of Western Australia; Thundelarra (E52/2120) and Kirkalocka (E59/2280). Thundelarra Project which is located 50km north east of the Rothsay Gold Project and the Kirkalocka Project is located 20km north of the Kirkalocka Gold Mine (see Figure 1).

**For enquiries please contact:**

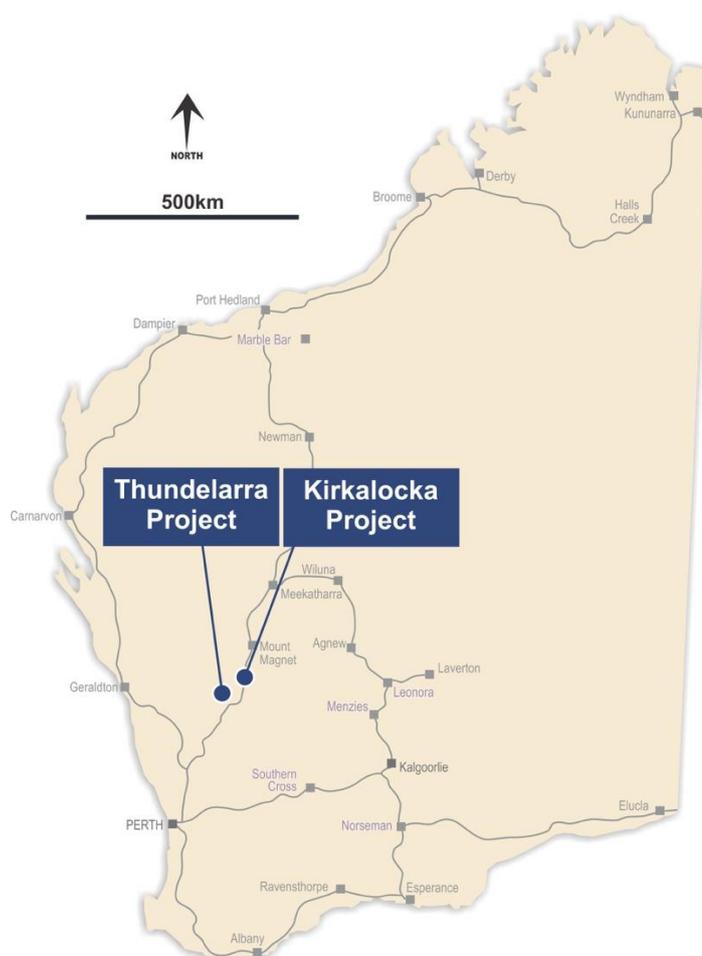
[blaze@blazelimited.com.au](mailto:blaze@blazelimited.com.au)  
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## Kirkalocka Project

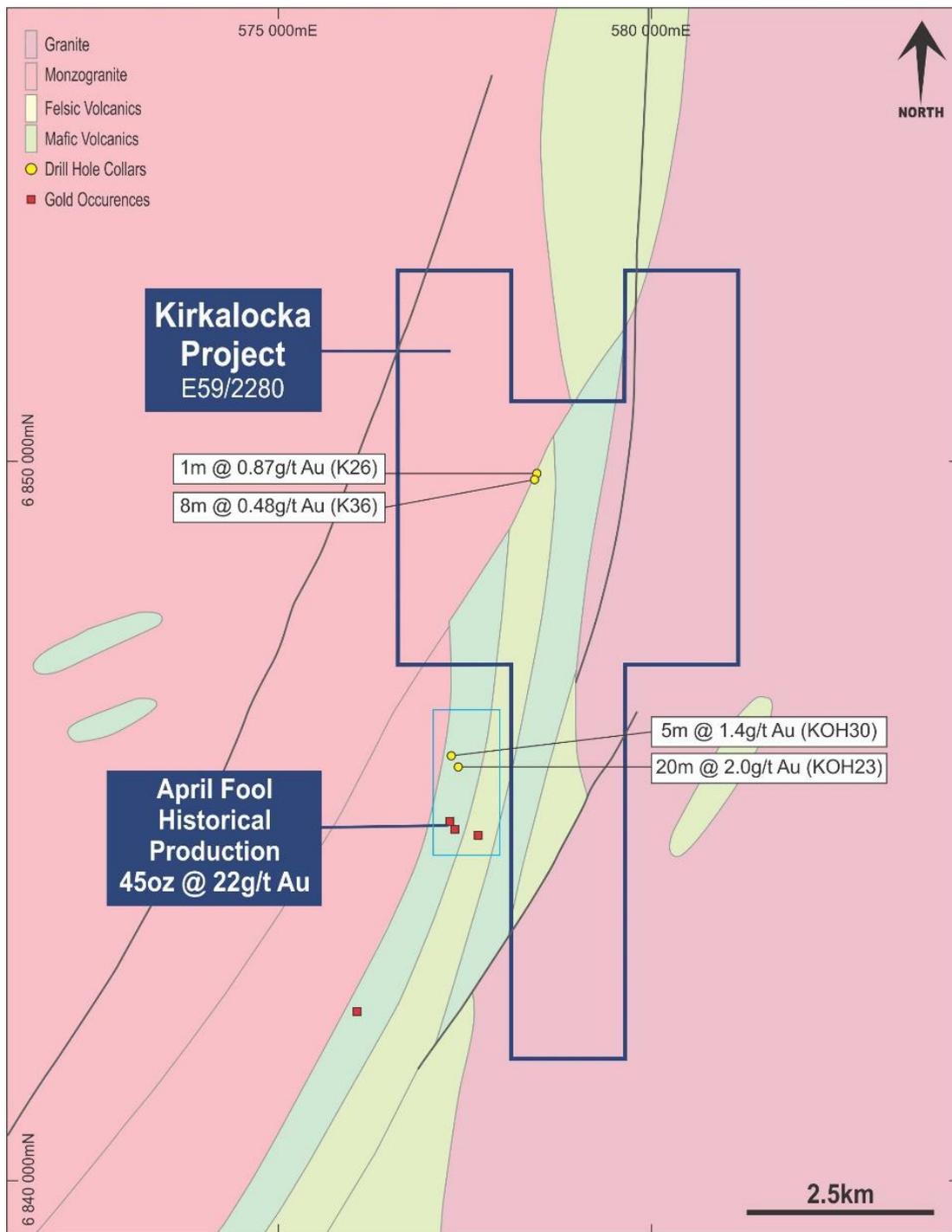
The Kirkalocka Project comprises of a single exploration licence E59/2280 located approximately 60 km south of the township of Mt Magnet within the Murchison Region of Western Australia (Figure 1). The tenement is 20km north of the Kirkalocka Gold operation. Adaman Resources Pty Ltd (Adaman) recently purchased the 2.1 Mt per annum carbon in leach processing plant and surrounding tenure from Minjar Gold Pty Ltd.

Blazes' Kirkalocka Project is located within the Wydgee-Meekatharra Greenstone Belt. The orientation of the belt strikes approximately north-south with the dominant lithologies being mafic to felsic volcanics and banded iron formations (BIFs). Granites bound the belt to the east and west and a regional structure called the Mount Magnet Shear runs parallel to the eastern granite-greenstone margin of the Wydgee-Meekatharra Belt.

The historical April Fools workings are the closest recorded gold occurrence located 2.5km south of Blaze's Kirkalocka Project. Mineralisation at April Fools is within a zone of quartz stringers to 8 m wide and 40 m deep. Historical production of 45 ounces of gold from 62 tonnes of @ 22 g/t Au are recorded to come from a simple two shaft operation. The host rocks of the April Fool mineralisation are mafic units that outcrop in places and appear to trend into the Kirkalocka Project area (Figure 2).



**Figure 1:**  
Location of Kirkalocka (E59/2280) and Thundelarra (EL52/2120)

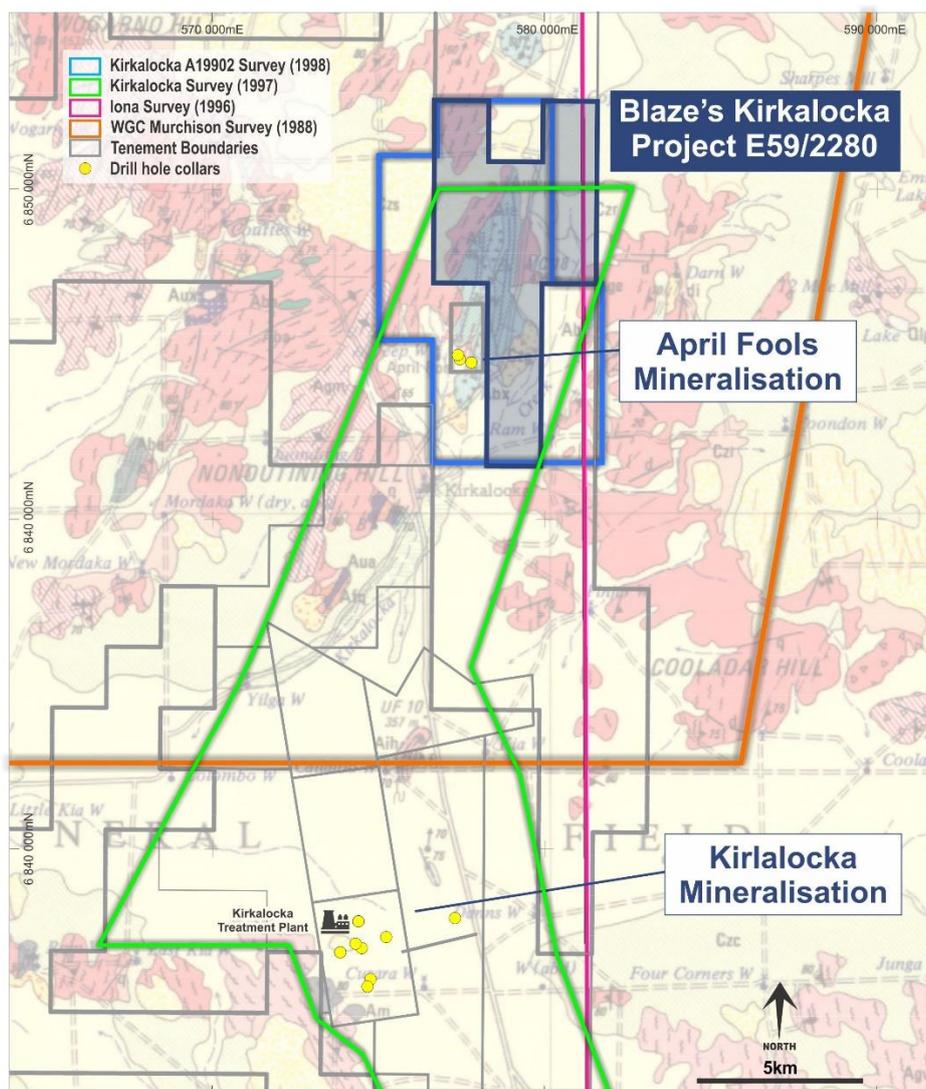


**Figure 2.** April Fool mineralisation along strike from the Kirkalocka Project and significant results previously reported in Blaze's March 2018 Quarterly Report.

During the Period the company engaged Barry Bourne of Terra Resources Pty Ltd (**Terra**) to compile and interpret historical geophysical data from surveys that have been completed over Blaze's Kirkalocka Project area. This included publicly available and privately held data sets. This work is being undertaken to assist in identifying exploration targets. These targets will be ground 'truthed' during an upcoming site visit which is expected to lead to testing with more advanced exploration methods.

Initial work has recovered a number of geophysical data sets including:

- Kirkalocka A19902. Airborne magnetics data completed by Julia Mines in 1998. The survey data was flown in 100 m line spacings and at 25 MTC (Meters Terrain Clearance),
- Cue-Kirkalocka. Airborne regional magnetic, radiometric data completed by Geoscience Australia in 2004. The survey data was flown in 400 m line spacings and at 60 MTC,
- Kirkalocka. Airborne magnetics data completed by Sons of Gwalia in 1997. The survey was flown in 400 m line spacings and at 60 MTC,
- Iona. Airborne magnetic data completed by Stockdale prospecting in 1996. Flown in 250 m line spacings at 60 m MTC, and
- WGC Murchison. Magnetics and radiometrics data completed by World Geoscience Corporation in 1988. This survey was flown on 200 m line spacing at 60m MTC.



**Figure 3.** Geophysical index showing the coverage of the various survey data sets against outcropping geology.

Aerial photography, gravity and digital topography data sets were also located. The availability of this data may eliminate the need to carry out new digital terrain surveys. Terra is in the process of acquiring and interpreting the most relevant data. It is expected that the interpretation of this data will produce geophysical targets that can be investigated in the upcoming site visit. A geophysical index showing the coverage of the main survey data sets are shown in Figure 3.

Acquiring and processing existing geophysical data is an efficient and cost-effective method of progressing the target generation stage of the exploration program at Kirkalocka. This data collation and desktop review will enable the company to maximize the effectiveness of the upcoming site visit. Together with the historical work completed in the Kirkalocka region this work will provide a robust framework to develop the exploration model.

### **Proposed Exploration**

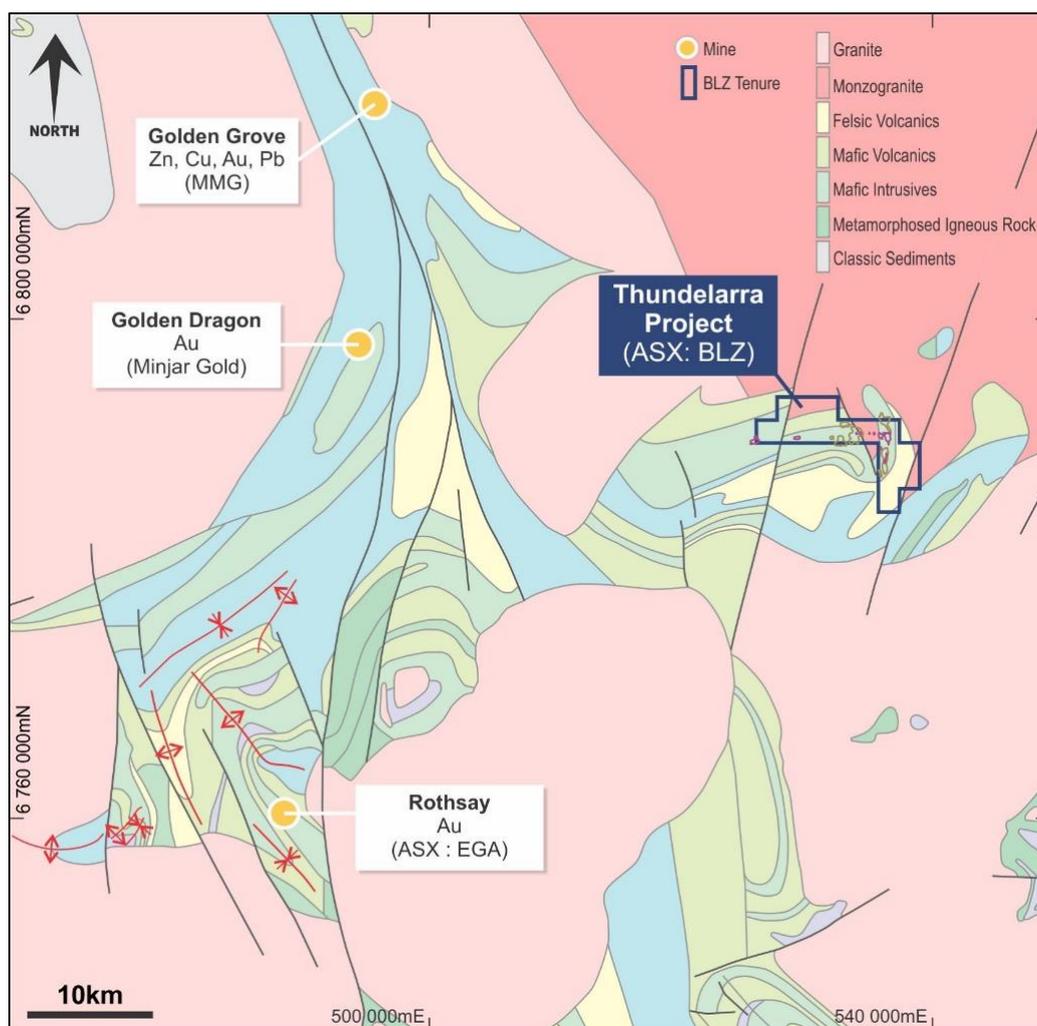
A site visit to Kirkalocka by the Company's geological consultants is proposed for the current Period to ground truth the targets generated from the geophysical review. The goals of the site visit include:

- Locate targets generated by the geophysical review and examine surface expressions; determine if these targets are in areas of outcrop or are under surficial cover.
- Examine / map the outcrops of the prospective greenstone units within the Project area, noting any outcropping quartz / gossanous zones, and determine the trend of local shears and faulting.
- Collect rock chip samples of prospective geological units, quartz veins and shear zones.
- Examine the geology and mineralization in the April Fools costeans and old workings to confirm relationship with host sequences / mineralization style and estimate trend and extent of mineralization.

### **Thundelarra**

Blaze's Thundelarra Project is located within the Warriedar Greenstone Belt 300km north-east of Perth (Figure 1). The Warriedar Greenstone Belt is made up of a series of mafic and felsic units that have undergone multiple metamorphic and deformation events. Two operating mines are in the region, Golden Grove (base metals) and Golden Dragon (gold).

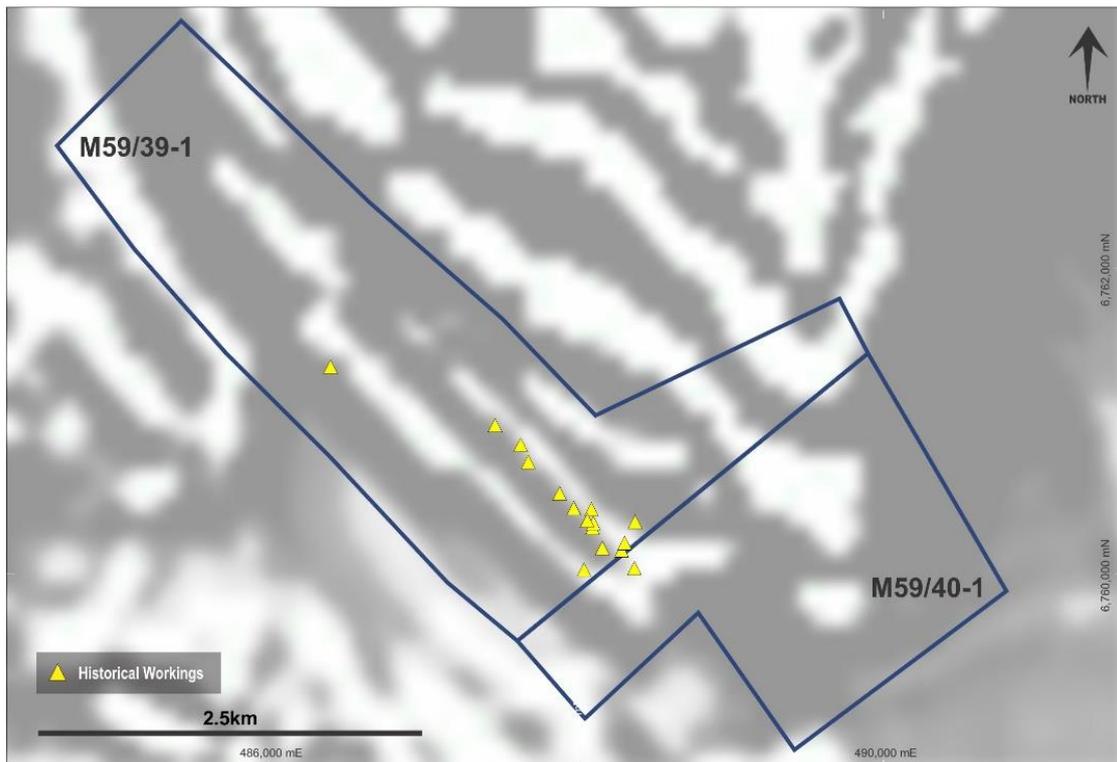
The basement rocks of the region are mafic greenstones and BIF units. The local geology is dominated by a sequence of mafic units that trend east west (Figure 4). These units are thought to be similar to the host of the nearby Rothsay Gold Project owned by Egan Street Resources Limited (ASX : EAG).



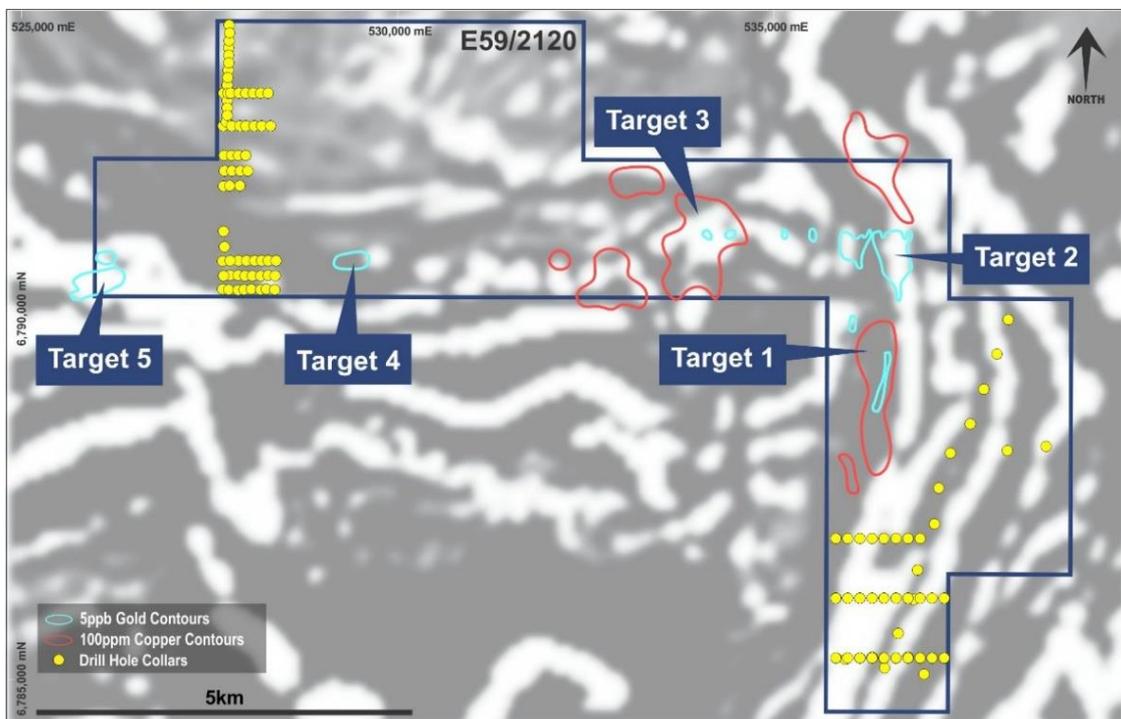
**Figure 4.** Local Geology of the Thundelarra Project.

On the 19<sup>th</sup> of June 2018 Egan Street presented the results of its Definitive Feasibility Study (**DFS**) on the Rothsay Gold Project. The Rothsay Project has forecast gold production of 250,000 ounces over an initial 6 and a half year mine life at an AISC of A\$1,038/oz. For further information on the DFS see Egan Street's ASX release *Egan Street Confirms Low Capex, High Margin Australian Gold Mine at Rothsay Gold Project, WA*. 19th July 2018. Mineralisation at Rothsay is contained within a series of narrow shear-hosted quartz vein systems that extends up to 12km. Investigations of the publicly available first derivative magnetic data over Rothsay shows that the gold mineralization is associated with north-west trending ultramafic units (Figure 5 below). Detailed magnetics completed by Egan Street has confirmed this (slide 21 *Investor Presentation* 20<sup>th</sup> July 2018).

Applying this insight to Blaze's Thundelarra project raises the prospectivity of a north south trending magnetic high evident on the east of the tenement (see Figure 6). The prospectivity of this geological setting is supported by the overlying surface geochemical anomalies defined at Target 1 and Target 2 (Figure 6).



**Figure 5.** First derivative magnetic data and gold occurrences over Egan Streets Rothsay Gold Project



**Figure 6.** First derivative magnetic data over the Thundelarra Project

## **Proposed Exploration**

A geological reconnaissance visit to Thundelarra is now planned for the current Period.

The goal of this site visit is to:

- conduct ground truthing and geological assessment of the previously identified geochemical anomalies (see Figure 6 above); and
- explore areas of outcrop for shear hosted quartz veins similar to those found at Egan Street's Rothsay Project, with a particular focus on the eastern portion of the tenement which displays a similar geophysical footprint to that identified at Rothsay.

It is intended that this site visit will be held in conjunction with the planned visit to the Kirkalocka Project.

The Company continues, in conjunction with its commitment to the exploration and development of its Thundelarra and Kirkalocka projects, to pursue all opportunities available to the creation of Shareholder value.

*For, and on behalf of, the Board of the Company,*

### **Blaze International Limited**

Josh Puckridge  
Chairman

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### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Blaze International Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Blaze International Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.*

### **Competent person statement**

*Exploration or technical information in this release has been prepared by Mr. Ian Prentice BSc, who is a consultant to Blaze International Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr. Prentice has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr. Prentice consents to the report being issued in the form and context in which it appears*

**-END-**

## 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, 01/05/13, 01/09/16

### Name of entity

Blaze International Limited

### ABN

15 074 728 019

### Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter (Jun 2018) \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(11)	(87)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(103)	(527)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	36
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(113)</b>	<b>(573)</b>

Consolidated statement of cash flows	Current quarter (Jun 2018) \$A'000	Year to date (12 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(110)	(110)
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	35	35
(b) tenements (see item 10)	-	-
(c) investments	-	90
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	911 <sup>1</sup>
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(75)</b>	<b>926</b>

<sup>1</sup>Cash held by Everest Minerals Pty Ltd following the acquisition.

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of securities	-	1,593
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(105)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,488</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter (Jun 2018) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,347	1,318
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(113)	(573)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(75)	926
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,488
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,159</b>	<b>3,159</b>

<b>5. Reconciliation of cash and cash equivalents</b>	<b>Current quarter (Jun 2018) \$A'000</b>	<b>Previous quarter (Mar 2017) \$A'000</b>
<i>At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>		
5.1 Bank balances	3,140	3,328
5.2 Call deposits	19	19
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,159</b>	<b>3,347</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter (Mar 2018) \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	(65)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Payment of director's fees, reimbursements and corporate administration expenses including rent.	

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter (Jun 2018) \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
-	

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
-		

<b>9. Estimated cash outflows</b>	<b>Next quarter (Sep 2018) \$A'000</b>
9.1 Exploration and evaluation	250
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	132
9.6 Other	-
<b>9.7 Total estimated cash outflows</b>	<b>(382)</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

  
.....  
Director and Company secretary

Date: 31 July 2018

Print name: Loren King

### 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.