



ASX Release  
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ABN  
44 009 157 439

Hawthorn Resources Limited  
Level 2, 90 William Street  
Melbourne VIC 3000  
Australia  
Tel: +61 3 9605 5950  
Fax: +61 3 9605 5999  
Email:  
info@hawthornresources.com  
www.hawthornresources.com

#### Directors

Mr Mark Gregory Kerr  
(Chairman)

Mr Mark Edward Elliott  
(Managing Director/CEO)

Dr David Tyrwhitt  
(Non Exec. Director)

Mr Li, Yijie  
(Non Exec. Director)

Mr Liao, Yongzhong  
(Non Exec. Director)

Mr Ye, Xiaohui  
(Non Exec. Director)

#### Senior Management

Mr Ian Moody  
(Exploration Manager)

Mr Mourice Garbutt  
(Company Secretary)

Mr Paul Chare  
(Project Manager)

ASX Symbol: HAW

# Hawthorn Resources Limited

## June 2015 Quarterly Report

### EXPLORATION AND DEVELOPMENT

#### Kalgoorlie, Eastern Goldfields – Gold, Western Australia

- RC drilling continues at **Yundamindera Project**
- Further near surface drill intercepts of thick gold mineralised shear and porphyry system at **Box Well West** including
  - **13 metres @ 2.40 g/t Au from 20 metres in YMC068,**
  - **35 metres @ 1.47 g/t Au from 6 metres in YMC070,**
  - **26 metres @ 2.07 g/t Au from 19 metres in YMC075,**
  - **15 metres @ 2.58 g/t Au from 112 metres in YMC076.**
- Target gold mineralisation system is wide has now been intersected over 600 metres of strike and remains open along strike and at depth
- **AngloSaxon Gold Mining Project - Mining Proposal** documents submitted to West Australian Department of Mines and Petroleum.
- Stakeholder discussions on development of the **Anglo Saxon Resource** ongoing.

#### Corporate

- As at 30 June 2015 the Company held funds-on-hand of AUD \$7.07 million.

**Gold Exploration – Western Australia incorporating:**

**Deep South Project**

Hawthorn Resources 80%, MetalsX 20%;

**Trouser Legs Project**

Hawthorn Resources 70%, Gel Resources 30%;

**Edjudina - Triumph Project**

Hawthorn Resources 100% and Edjudina-Pinjin JV Tenements (Hawthorn Resources 80%, MetalsX 20%);

**Yundamindera Project**

Hawthorn Resources 100% and Edjudina-Pinjin JV Tenements (Hawthorn Resources 80%, MetalsX 20%); and

**Whiteheads Project**

Hawthorn Resources 100%

Hawthorn Resources' Western Australian gold exploration programs are primarily focussed in five major project areas where Hawthorn Resources holds in its own right, has earned or is earning equity from joint venture partners in over 70 granted exploration, mining, prospecting licences and applications. The Company believes that each of the major project areas, in close proximity to milling and transport infrastructure, hold both exploration upside and near term potential for development.

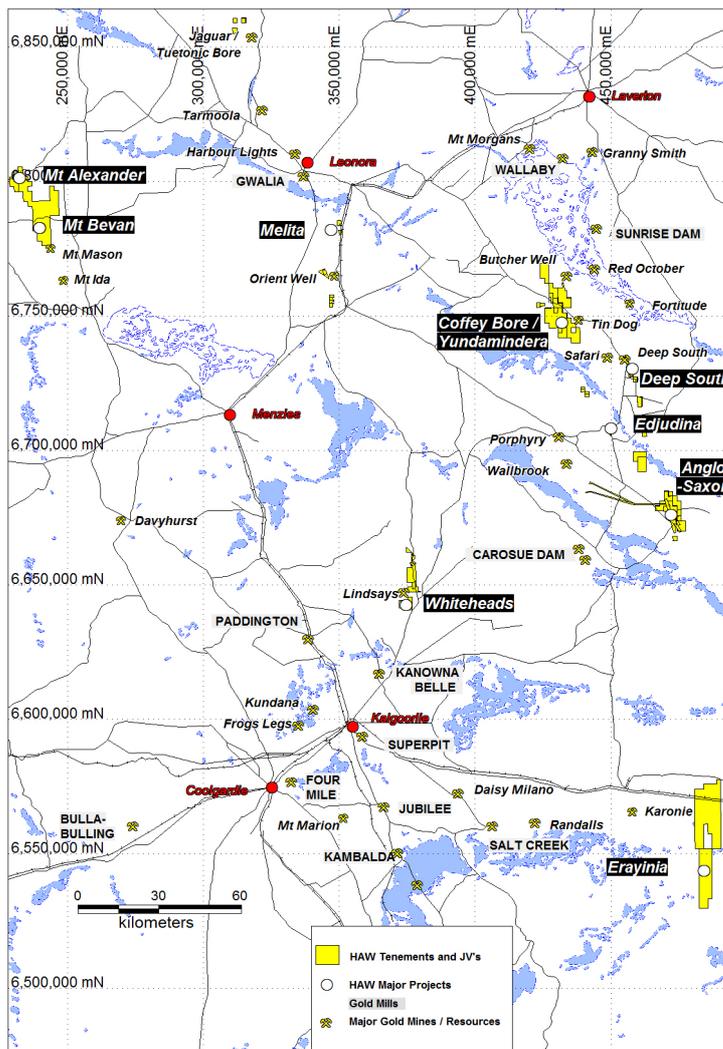


Figure 1. Eastern Goldfields, Western Australia – Project Locations

The major projects cover two geological and mineralogical domains.

- A substantial part of the Eastern Goldfields extending from the Lake Carey to the historic Pinjin Mining Centre – a strike length of approximately 125 kilometres. Hawthorn’s tenement package is surrounded by major gold mines, deposits and advanced resources including **Sunrise Dam, Wallaby, Red October, Carosue Dam, Safari Bore, Deep South, Porphyry** and **Butchers Well Mines**. The gold endowment of these mines and resources currently exceeds 22 Million ounces.
- A contiguous group of 11 tenements (“Whiteheads”) covering the historic Gindalbie Mining Centre that surrounds the **Lindsays** gold resource of KalNorth Gold Mines Limited (“KalNorth”), and only 50 kilometres from the mining infrastructure hub of Kalgoorlie.

### **Yundamindera Project**

*(Hawthorn 100% and Hawthorn Resources 80%, Metals X 20%).*

In the **Yundamindera Project** area, located approximately 175 kilometres to the north east of Kalgoorlie, Western Australia exploration has focused on the discovery of gold associated with mineralised syenitic porphyry dykes, BIF’s and shears. Significant gold mineralisation continues to be discovered within the project area both in outcrop and, perhaps more importantly, beneath extensive and pervasive, transported cover sequences.

Exploration in the **Yundamindera Project** area has been focused towards the discovery of porphyry associated gold mineralisation – the host of major gold resources in the North East Goldfields of Western Australia at the **Wallaby (>7 Moz Au)**, **Jupiter – Heffernans (0.9 Moz Au)** and **Butcher Well (0.3 Moz)** mining centres.

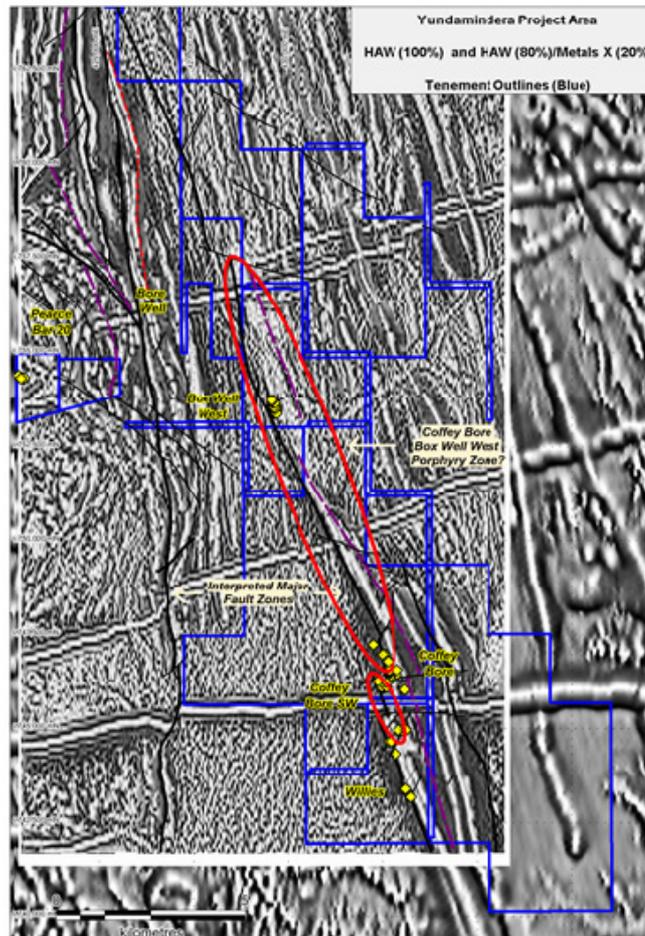


Figure 2. Yundamindera Project Area on Aeromagnetic Data

At **Box Well West** a gold mineralised porphyry, within a silicified shear zone has been identified beneath pervasive transported stream sediments and colluvium. Despite an extensive history of modern exploration (by Anglogold, Delta Gold, Sons of Gwalia, and Gutnick Resources amongst other company's), the mineralised unit had never previously been identified or drilled.

A drilling campaign tested the target shear zone / porphyry sequence in April 2015. Quartz veined, sulphide bearing porphyry within a broad silicified shear zone, was intersected north of the original discovery drillhole with true thickness and gold grade apparently increasing northwards along strike. Results from this drilling included:

- **16 metres @ 3.09 g/t Au from 50 metres in YMC059,**
- **10 metres @ 3.07 g/t Au from 49 metres in YMC057,**
- **21 metres @ 1.94 g/t Au from 11 metres in YMC060.**

A further drilling campaign was completed during the quarter (10 holes / 947 metres) continuing to test the northern strike extension of the **Box Well West** gold mineralisation identified earlier in 2015.

Assay results from this "step-out" drilling program, on 80 metre spaced sections, have returned broad zones of near surface gold mineralisation in an area of pervasive, but thin, cover.

These continued strong results have included:

- **13 metres @ 2.40 g/t Au from 20 metres in YMC068,**
- **35 metres @ 1.47 g/t Au from 6 metres in YMC070,**
- **26 metres @ 2.07 g/t Au from 19 metres in YMC075,**
- **15 metres @ 2.58 g/t Au from 112 metres in YMC076.**

Hawthorn believes that the results from this drilling has indicated the presence of a significant mineralised system at **Box Well West** with a series of consistent, near surface, broad gold intercepts returned as detailed below in Table 1 and Figures 3-5.

**Table 1. June-July 2015 – Yundamindera RC Drill Assays**

<b>Hole No.</b>	<b>Prospect</b>	<b>Azimuth</b>	<b>Dip</b>	<b>Type</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Width (m)</b>	<b>Au g/t</b>
<b>YMC057</b>	<b>Box Well West</b>	<b>270</b>	<b>-55</b>	<b>RC</b>	<b>49</b>	<b>59</b>	<b>10</b>	<b>3.07*</b>
<b>Incl.</b>					<b>50</b>	<b>53</b>	<b>3</b>	<b>6.90*</b>
<b>YMC059</b>	<b>Box Well West</b>	<b>270</b>	<b>-55</b>	<b>RC</b>	<b>50</b>	<b>66</b>	<b>16</b>	<b>3.09*</b>
<b>YMC060</b>	<b>Box Well West</b>	<b>270</b>	<b>-55</b>	<b>RC</b>	<b>11</b>	<b>32</b>	<b>21</b>	<b>1.94*</b>
<b>YMC067</b>	<b>Box Well West</b>	<b>267</b>	<b>-55</b>	<b>RC</b>	<b>77</b>	<b>97</b>	<b>20</b>	<b>1.50</b>
<b>Incl.</b>					<b>91</b>	<b>97</b>	<b>6</b>	<b>2.56</b>
<b>YMC068</b>	<b>Box Well West</b>	<b>267</b>	<b>-55</b>	<b>RC</b>	<b>9</b>	<b>11</b>	<b>2</b>	<b>3.06</b>
<b>and</b>					<b>20</b>	<b>33</b>	<b>13</b>	<b>2.40</b>
<b>Incl.</b>					<b>20</b>	<b>28</b>	<b>8</b>	<b>3.56</b>
<b>YMC069</b>	<b>Box Well West</b>	<b>267</b>	<b>-55</b>	<b>RC</b>	<b>38</b>	<b>46</b>	<b>8</b>	<b>0.60</b>
<b>YMC070</b>	<b>Box Well West</b>	<b>270</b>	<b>-60</b>	<b>RC</b>	<b>6</b>	<b>41</b>	<b>35</b>	<b>1.47</b>
<b>Incl.</b>					<b>17</b>	<b>27</b>	<b>10</b>	<b>2.34</b>
<b>and</b>					<b>47</b>	<b>52</b>	<b>5</b>	<b>1.57</b>
<b>YMC071</b>	<b>Box Well West</b>	<b>270</b>	<b>-60</b>	<b>RC</b>	<b>41</b>	<b>54</b>	<b>13</b>	<b>2.08</b>
<b>Incl.</b>					<b>49</b>	<b>53</b>	<b>4</b>	<b>4.86</b>
<b>and</b>					<b>68</b>	<b>90</b>	<b>22</b>	<b>1.38</b>
<b>YMC072</b>	<b>Box Well West</b>	<b>270</b>	<b>-50</b>	<b>RC</b>	<b>45</b>	<b>54</b>	<b>9</b>	<b>0.54</b>
<b>and</b>					<b>58</b>	<b>66</b>	<b>8</b>	<b>0.41</b>
<b>YMC073</b>	<b>Box Well West</b>	<b>270</b>	<b>-50</b>	<b>RC</b>	<b>61</b>	<b>86</b>	<b>25</b>	<b>0.53</b>

Hawthorn Resources Limited – June 2015 Activities Report

<b>YMC074</b>	<b>Box Well West</b>	<b>270</b>	<b>-55</b>	<b>RC</b>	<b>43</b>	<b>55</b>	<b>12</b>	<b>0.66</b>
<b>and</b>					<b>66</b>	<b>68</b>	<b>2</b>	<b>1.03</b>
<b>YMC075</b>	<b>Box Well West</b>	<b>270</b>	<b>-55</b>	<b>RC</b>	<b>19</b>	<b>45</b>	<b>26</b>	<b>2.07</b>
<b>incl</b>					<b>20</b>	<b>26</b>	<b>6</b>	<b>3.93</b>
<b>incl</b>					<b>39</b>	<b>44</b>	<b>5</b>	<b>4.89</b>
<b>YMC076</b>	<b>Box Well West</b>	<b>210</b>	<b>-60</b>	<b>RC</b>	<b>112</b>	<b>127</b>	<b>15</b>	<b>2.58</b>
<b>incl</b>					<b>122</b>	<b>126</b>	<b>4</b>	<b>6.22</b>

All RC samples collected as 1 metre splits through riffle splitter.

RC Holes initially assayed as 4 metre spear composites if significant composite results >0.10 g/t Au over 4metres – 1 metre sample bags are submitted for assay. All RC Assays Bureau Veritas Laboratories, Kalgoorlie. 0.30 g/t Au lower cut - < 2.0m of internal waste for each intercept.

\* = Final results of previous drilling campaign

These results are viewed by Hawthorn as highly encouraging with the potential for discovery of a major gold mineralised system highlighted by Figures 3 – 5 below.

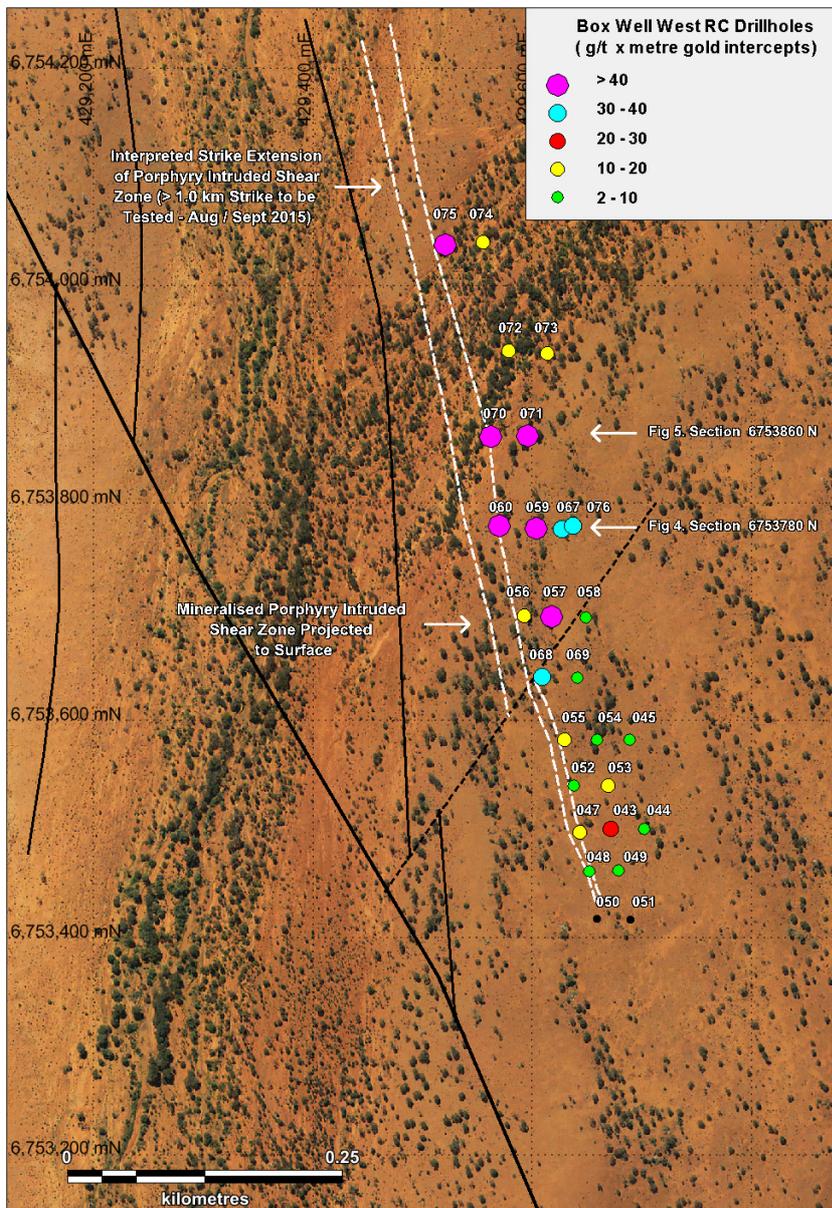


Figure 3. Box Well West Plan View

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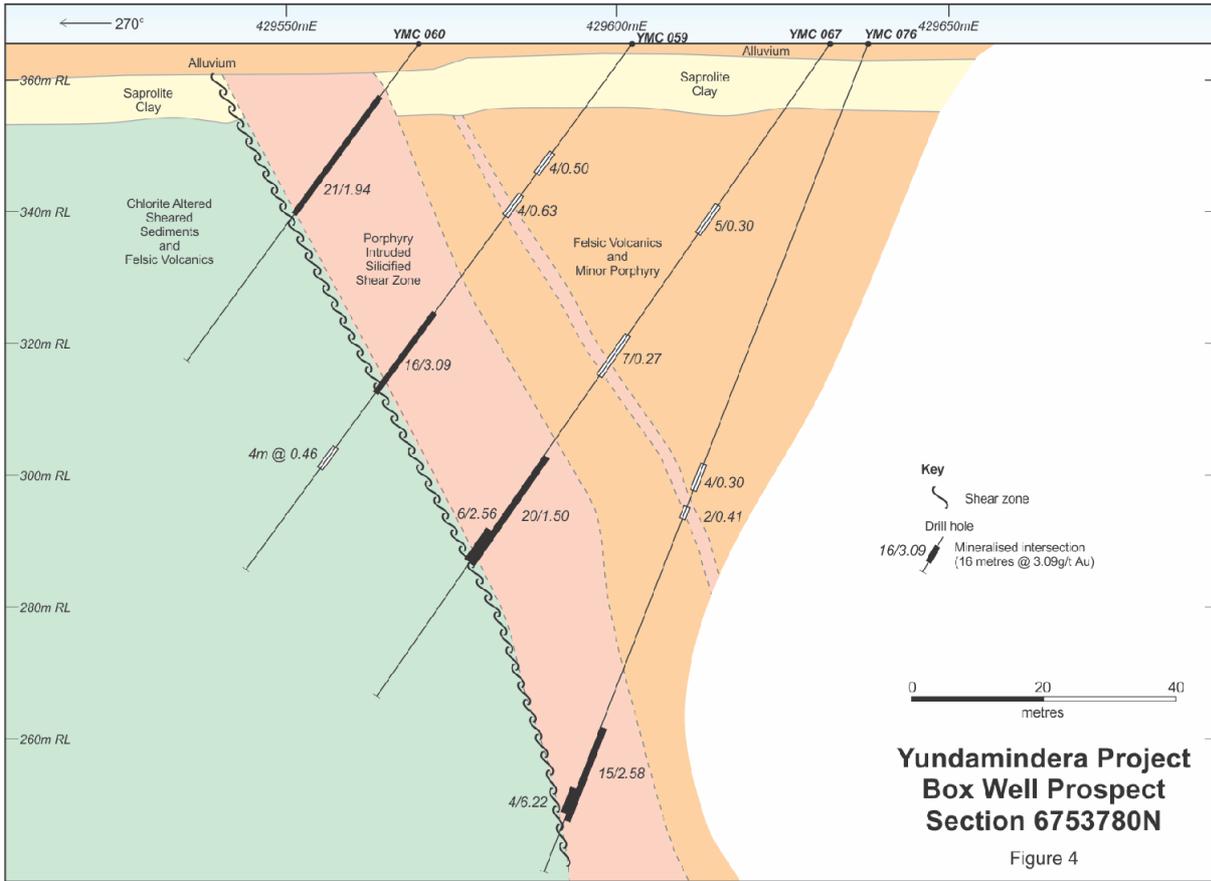


Figure 4. Box Well West – Section 6753780 N

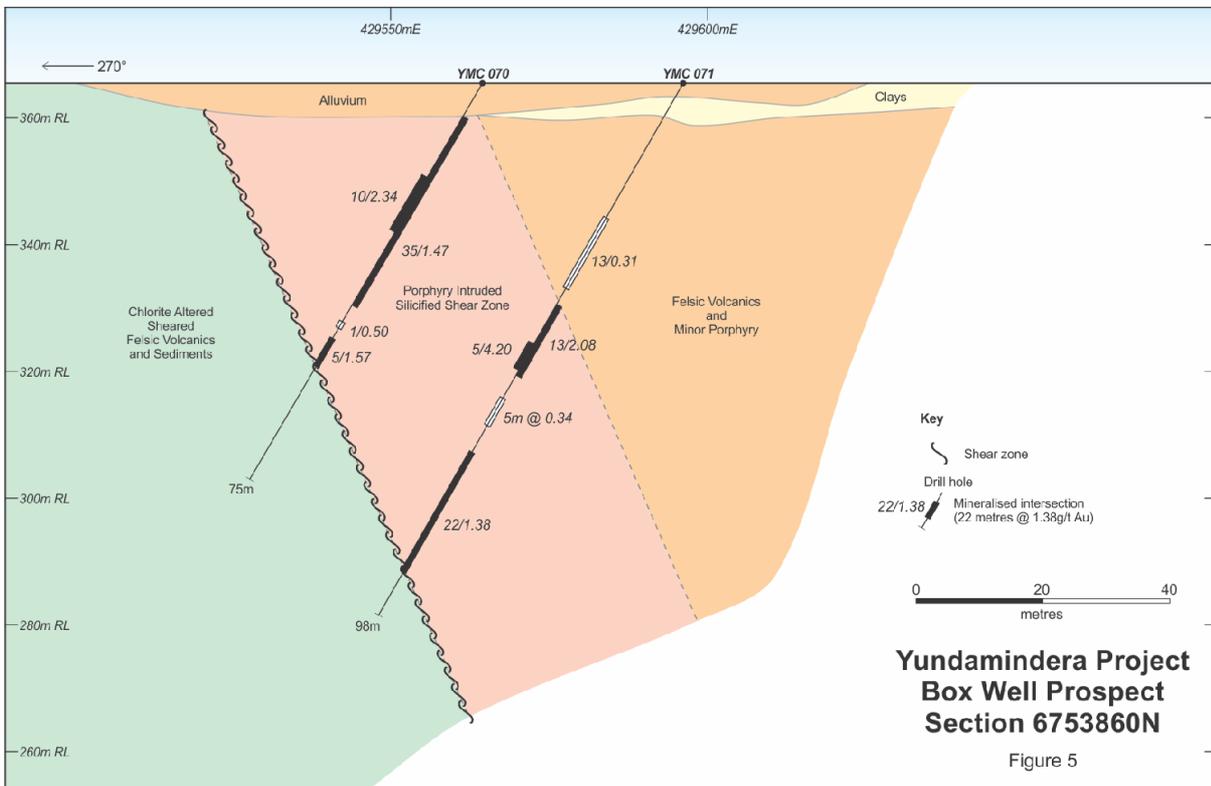


Figure 5. Box Well West – Section 6753860 N

Significantly these results indicate that:

- ***shallow, near surface gold mineralisation is common and appears to thicken to the north,***
- ***the shear zone hosting gold mineralisation exhibits significant strike extent to the north, with over 600 metres drill tested to date,***
- ***gold mineralisation remain open to the north –over 1000 metres of covered sequences remaining to be tested, and***
- ***depth extension of the known gold mineralisation remains untested***
- ***all mineralisation identified to date is within tenements held entirely by Hawthorn***

Full details of RC drill collar locations and program details are attached in Appendix 1 and 2.

Importantly the porphyry unit discovered at **Box Well West** is interpreted to have intruded into a regionally significant shear zone system that also hosts the **Coffey Bore** porphyry hosted gold mineralisation 7.5 kilometres to the south east. At least 5.0 kilometres of this zone is interpreted to be covered by transported surficial material and has not been tested in historic drilling. Hence:

- ***potential southern extensions of the mineralisation also remain untested***

Strike and depth extensions of the **Box Well West** gold mineralisation will continue to be drilled throughout the upcoming quarter.

### **Trouser Legs – Anglo Saxon Project**

*(Hawthorn Resources 70%, Gel Resources 30%).*

The **Trouser Legs Project** area is located 140 km north east of Kalgoorlie and is centred on the historic **Anglo Saxon Mine**. The **Trouser Legs - Anglo Saxon** project area is situated 35 kilometres to the east of the Carosue Dam Mill of Saracen Mineral Holdings Limited.

Hawthorn has announced a Mineral Resource Estimate at the Anglo Saxon Deposit of

- ***Indicated Mineral Resource – 599,000t at 3.3 g/t gold for 63,700 oz of gold (Oxide and Transition Zones), and***
- ***Inferred Mineral Resource – 1,687,000t at 4.1 g/t gold for 221,800 oz of gold (Oxide, Transition and Primary)***

*Hawthorn Resources confirms that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in the announcement, Anglo Saxon – Indicated Mineral Resource Upgrade; ASX Announcement: 30/10/2013, continue to apply and have not materially changed, and that the form and context in which the Competent Persons findings are presented have not been materially altered.*

During the quarter the **Anglo Saxon Gold Mining Project - Mining Proposal, Mine Closure Plan** and **Environment Management Plan** documents were submitted to West Australian Department of Mines and Petroleum for assessment and approval.

Hawthorn believes that the submission of these document is a major milestone in the proposed development of the mine on this resource.

As in previous quarter discussions with stakeholders regarding the proposed **Anglo Saxon Mine development**, and associated infrastructure have continued during the quarter. Capital Expenditure and Operating Expenditure estimates are continually refined and input into the financial model of the proposed mine operation.

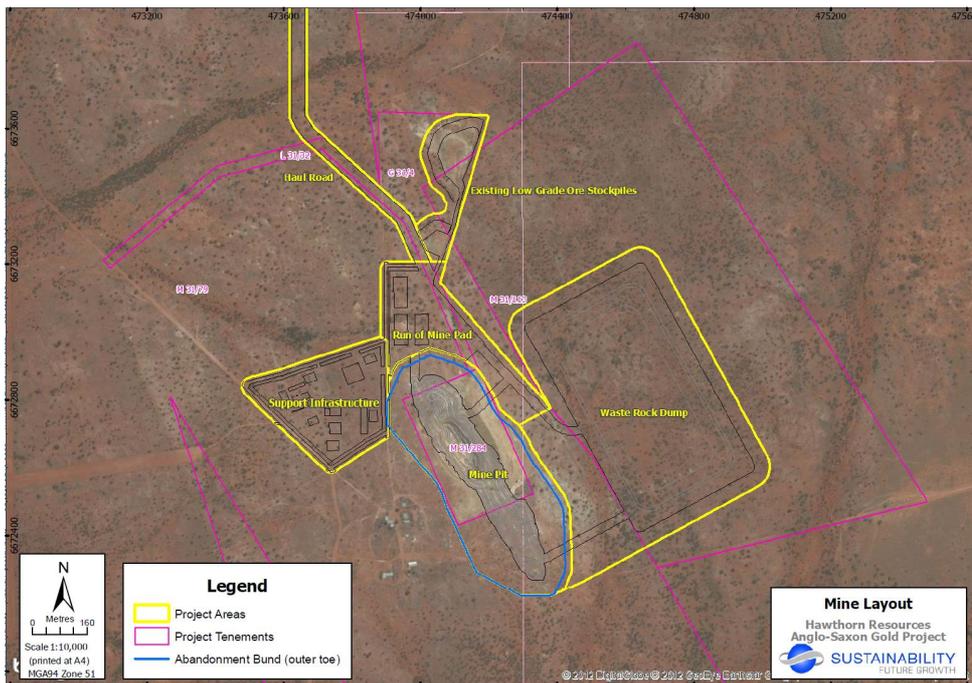


Figure 6. Anglo Saxon Deposit – Proposed Mine Layout

## Iron Ore Exploration – Western Australia

### **Mount Bevan Iron Ore Project**

(Hawthorn 40%, Legacy 60%)

The **Mount Bevan Project** comprising Exploration Licences 29/510 is located approximately 100 km west of Leonora in the central Yilgarn region of Western Australia.

The Project area is held in Joint Venture with Legacy Iron Ore “Legacy” (Hawthorn 40%, Legacy 60%), with technical programs approved by a Technical Committee comprising representatives of each company.

Three substantial BIF horizons have been identified within the tenement to date that extend in a north-northwest orientation throughout the entire length of the tenement; a strike distance of more than 25 kilometres. The westernmost of these horizons hosts the substantial **Mt Bevan Indicated Magnetite Resource** of **322Mt @ 34.7% Fe** within a larger **Indicated** and **Inferred Magnetite Resource** of **1,117 Mt @ 34.9% Fe**.

In addition the northern extension of the Jupiter Mines Limited (“Jupiter”) **Mt Mason Resource DSO Haematite Resource (9.4Mt @ 57.6% Fe)** extends into the Joint Venture tenement.

Discussions have continued with the management team of the Joint Venture Manager, Legacy Iron Ore Limited (“Legacy”) during the quarter with regards to limiting exploration expenditure on the project area in the upcoming year to a level that maintains the tenements in good standing.

## CORPORATE

### ***Board of Directors***

No change.

### ***Funding/Cash Balance***

As at 30 June 2015 the Company held “clear” funds-on-hand of A\$7.07 million (March 2015: A\$7.83 million) representing a cash backing of A\$0.041 a share (March 2015: A\$0.045).

Of these funds A\$6.58 million was invested in term deposits at an average annual rate of interest of 2.97 per cent.

### ***Issued Securities***

During the quarter ended 31 March 2015 there were no changes in the number or the Company’s securities on issue. Such securities being the 171,263,644 ordinary fully paid shares quoted on the official lists of the Australian Stock Exchange (ASX Limited) under the securities code of “HAW”.



**Mourice R Garbutt**  
**Company Secretary**

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Moody, who is a member of the Australasian Institute of Mining and Metallurgy and a full time consultant geologist with First Principle Mineral Exploration Company Pty Ltd. Mr Moody has sufficient experience as a geologist which is relevant to the style of mineralization and the type of deposit 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Moody consents to the inclusion in this report of the matters based on his information in the form and context in which it appears*

Hawthorn Resources Limited – June 2015 Activities Report

Appendix 1

June – July 2015 Box Well West Drilling  
Drillhole Collars

<u>Hole No.</u>	<u>Project</u>	<u>Prospect</u>	<u>Azimuth</u>	<u>Dip</u>	<u>Type</u>	<u>MGA94 N</u>	<u>MGA 94 E</u>	<u>EOH (m)</u>
YMC067	Yundamindera	Box Well West	267	-55	RC	6753777	429631	116
YMC068	Yundamindera	Box Well West	267	-55	RC	6753640	429610	62
YMC069	Yundamindera	Box Well West	267	-55	RC	6753639	429642	80
YMC070	Yundamindera	Box Well West	270	-60	RC	6753861	429564	74
YMC071	Yundamindera	Box Well West	270	-60	RC	6753862	429596	98
YMC072	Yundamindera	Box Well West	270	-50	RC	6753940	429578	98
YMC073	Yundamindera	Box Well West	270	-50	RC	6753940	429614	110
YMC074	Yundamindera	Box Well West	275	-55	RC	6754040	429556	98
YMC075	Yundamindera	Box Well West	270	-55	RC	6754039	429522	74
YMC076	Yundamindera	Box Well West	267	-70	RC	6753778	429636.5	137

## Appendix 2 –Yundamindera July 2015 RC Drill Program

### THE 2012 AUSTRALASIAN CODE FOR REPORTING EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES (THE JORC CODE)

#### Table 1 Checklist of Assessment and Reporting Criteria

#### JORC Code, 2012 Edition – Table 1 report template

##### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sampling technique discussed over page in sub sampling technique section.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC Drilling – 4.75 inch hole</li> </ul>

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>• Samples are generally dry with some damp samples at depth however compressor size maintains sample recovery. Recovery good from all holes returning expected volume of sample except in collar area 0-4m. Some lesser returns from some holes at &gt;100 metres downhole</li> <li>• Metre sample volumes and moisture content is estimated and recorded by the geologist on site</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>• Chip samples have been geologically logged for all relevant geological and some structural data. Logging for this program has been digitally captured, and would be capable of being included in a Mineral Resource Estimation. Chips are retained in chip trays</li> <li>• Every metre is individually logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>• Reverse circulation samples were split on site using a standard 3 stage riffle splitter. Approximately 97.5% of samples are dry.</li> <li>• Samples are collected in appropriate sized plastic bags</li> <li>• Initial "spear" samples to the corner of each bag was carried out with samples composited over 4 metres and sent for fire assay.</li> <li>• Composite Samples returning &gt; 0.10 g/t Au over 4 metres, have had individual 1 metre samples submitted for assay.</li> <li>• Individual metre samples weigh approximately 16 kg with individual 1 metre splits of 2-3 kg obtained and stored on site.</li> <li>• CRM standards, blanks and duplicates submitted with assays.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their</li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <ul style="list-style-type: none"> <li>• Samples are assayed by Fire Assay, 30 g charge at Bureau Veritas , Kalgoorlie</li> <li>• A range of five different gold grade CRM standards have been submitted at a rate of 5-6 / 100 samples.</li> <li>• The number of each individual standard sample submitted is</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>derivation, etc.</i></p> <ul style="list-style-type: none"> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<p>moderate - however at least one standard is submitted in each run of 1 metre reassays.</p> <ul style="list-style-type: none"> <li>• CRM standards submitted in 4 m composite sampling at the same rate</li> <li>• Analysis on individual standards is ongoing with each standard inserted performing reasonably well – however a number of assays from this program remain outstanding.</li> <li>• Re-assay program will be designed upon receipt of full results</li> <li>• Blanks (1 / 100) submitted these have performed reasonably with results less than 0.01 g/t gold</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <ul style="list-style-type: none"> <li>• No twinned holes have been drilled as this is an initial pass of RC drilling</li> <li>• Onsite geologist data verified by Exploration Manager</li> <li>• Laboratory data is supplied electronically to site and head office</li> <li>• Project data is currently stored at the head office of the company and in onsite laptops, with a weekly offsite backup of all data.</li> <li>• Geological logging is entered by technical staff and reviewed for correctness.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <ul style="list-style-type: none"> <li>• The grid used is GDA 94 Zone 51.</li> <li>• Collars collected on at least 3 cycling handheld GPS points..</li> <li>• Surface land form in each prospect area drilled is gently sloping and is currently assumed equivalent for each hole drilled.</li> <li>• DGPS collection of collar data is planned</li> <li>• AHD survey to be carried out if significant results returned</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <ul style="list-style-type: none"> <li>• Data collected to date is initial and will require follow-up drilling.</li> <li>• Current drill spaces are on 40m and 80 m sections, with approximately 30 m between holes along section.</li> <li>• Drilling is not at sufficient spacing to compile Mineral Resource</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<p>estimation at this time</p> <ul style="list-style-type: none"> <li>1 m intervals sampled downhole.</li> <li>Samples were composited for initial assay. Composite Samples returning &gt; 0.10 g/t Au over 4 metres, had individual 1 metre samples submitted for assay.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>The drilling is between -50 and -60 ° drilled towards 270 ° at Box Well West with a single hole drilled at -70. orientations are at or within 10 degrees to the interpreted right angle of the strike of mineralisation. Dip of mineralisation is generally 60-70 degrees to the E or ENE</li> <li>Drillhole surveys indicate holes deviate and surveys are undertaken at approximately 30m or 60m intervals downhole. A stainless steel head rod is used for each hole</li> <li>It is unknown if there is a bias introduced by the drilling direction.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>All RC samples submitted to the laboratory are collected directly from the splitter with the sample bag tied. During sample collection for all holes a staff member is always present. Samples are delivered to the laboratory by company staff.</li> <li>1M Sample bags are kept on drill site until results of 4 m composite assays are completed.</li> <li>Assay pulps are recovered from laboratory and stored in locked storage sheds</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>There have been no audits or reviews of sampling techniques and data.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>Drilling on a tenement solely held by Hawthorn Resource</li> <li>There are no known issues and the tenements are in good standing</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p><b>Yundamindera RC Drilling.</b></p> <ul style="list-style-type: none"> <li>The Box Well West tenements were soil sampled by AngloGold Australia, WMC and Delta Gold between 1986 – 2000.</li> <li>Some initial anomalous results were reported from the Coffey Bore region 7.5 km southeast of Box Well West</li> <li>Targets were RAB drilled by Hawthorn in late 2014. A followup RC program in April 2015.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <p>Locally the geology consists of intermediate schists and igneous intrusives adjacent to sediments. Basaltic andesite, felsic volcanics and volcanoclastics trend in a north west- south east direction. The northern tenements are dominated by interbedded undifferentiated sediments and andesite. Differentiated doleritic sills intrude into conglomeritic and polymictic sands stones towards the east of the tenements. Interbedded ultramafic, peridotite-bearing intrusives and dolerite form a distinctive north-west trend in along the west of the tenements. These lithologies can be overlain by Cenozoic ferruginous clay, colluvium and silts. Several significant drainage systems in the licence are associated with alluvium, clay, silt and sand</p> <p>A key feature of several deposits in the area is the close association of</p>

Criteria	JORC Code explanation	Commentary
		<p>gold mineralisation on the margins of – if not outright hosted by – syenitic porphyries, which has been demonstrated in the Coffey Bore area of Hawthorn’s tenement E39/1295, and now in the Box Well West area of tenement E39/1292. The area between these two prospects (7.5 km along strike) remains a prime target for exploration.</p>
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All RC drillholes have been reported in Appendix 1.</li> </ul>
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Intervals reported are general greater than 2.00 gram x metres – unless geologically significant</li> <li>• Intervals lowercut 0.30 g/t Au and with &lt;2.0 metres of internal waste &lt;0.30 g/t Au.</li> </ul>
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Down hole lengths reported – true widths are estimated at approximately 70-90% of downhole reported width.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figures 3-5 in the body of the report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as all significant grade intervals are reported</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No other data applicable</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<p><b>Yundamindera RC Drilling</b></p> <ul style="list-style-type: none"> <li>• Further RC drilling is likely to occur in the upcoming quarter at Box Well West as significant gold mineralisation has been intercepted.</li> <li>• The position of the hole collars is likely to be commercially sensitive.</li> </ul>

## 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

HAWTHORN RESOURCES LIMITED
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ABN

44 009 157 439
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Quarter ended ("current quarter")

30 June 2015
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#### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(429)	(1,543)
(b) development	-	-
(c) production	-	-
(d) administration	(390)	(1,498)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	66	285
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST (Refundable)	-	270
<b>Net Operating Cash Flows</b>	<b>(753)</b>	<b>(2,486)</b>
<b>Cash flows related to investing activities</b>		
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)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(753)</b>	<b>(2,486)</b>

+ 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)	(753)	(2,486)
	<b>Cash flows related to financing activities</b>		
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)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(753)	(2,486)
1.20	Cash at beginning of quarter/year to date	7,828	9,561
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	7,075	7,075

**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	204
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 fees & salary \$107,671 (Previous Quarter \$102,921) Fully Serviced Office facility rental \$86,625 (Previous Quarter \$86,625) Company requested Consulting Fees \$9,900 (Previous Quarter \$4,950)	

**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

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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

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+ 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	520
4.2 Development	-
4.3 Production	-
4.4 Administration	340
<b>Total</b>	<b>860</b>

### 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	497	767
5.2 Deposits at call	6,578	7,061
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>7,075</b>	<b>7,828</b>

### 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	See Attached		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	See Attached		

+ 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 <b>Preference +securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	171,263,644	171,263,644	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	-	-	<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 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		

+ 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: ..... Date: 30/07/2015  
(Company secretary)

Print name: MOURICE GARBUTT

## 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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**HAWTHORN RESOURCES LIMITED**

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

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ACN 009 157 439  
CHANGES IN INTERESTS IN MINING TENEMENTS

**6.1 Interests in Mining  
Tenements relinquished,  
reduced or lapsed**

<b>Tenement Reference</b>	<b>Nature of Interest [note (4)]</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
E80/2559	Surrendered	20%	0%
P39/4596	Surrendered	80%	0%
P39/4696	Surrendered	80%	0%

**6.2 Interests in Mining  
Tenements acquired  
Or increased**

<b>Tenement Reference</b>	<b>Nature of Interest [note (4)]</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
L31/65	Granted	0%	70%

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+ See chapter 19 for defined terms.

## Interests in Mining Tenements

*Disclosure in accordance with ASX Listing Rule 5.3.3.*

<b>Project / Tenement</b>	<b>Location</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>	<b>Joint Venture Partner / Farm-In Partner / Farm Out Partner</b>
<b>Melita</b>	<b>West Australia</b>			
P 40/1218		100%	100%	
P 40/1219		100%	100%	
P 40/1220		100%	100%	
P 40/1221		100%	100%	
P 40/1222		100%	100%	
P 40/1223		100%	100%	
P 40/1224		100%	100%	
<b>Pinjin East</b>	<b>West Australia</b>			
E 31/760		100%	100%	
E 31/781		100%	100%	
E 31/782		100%	100%	
E 31/783		100%	100%	
E 31/882		100%	100%	
E 31/1049		100%	100%	
E 31/1050		100%	100%	
<b>Triumph</b>	<b>West Australia</b>			
M 31/481		100%	100%	
<b>Whiteheads</b>	<b>West Australia</b>			
E 27/175		100%	100%	
P 27/1769		100%	100%	
P 27/1770		100%	100%	
P 27/1771		100%	100%	
P 27/1772		100%	100%	
P 27/1773		100%	100%	
P 27/1784		100%	100%	
P 27/1785		100%	100%	
P 27/1786		100%	100%	
<b>Yundamindera</b>	<b>West Australia</b>			
E 39/1292		100%	100%	
E 39/1297		100%	100%	
E 39/1351		100%	100%	
E 39/1673		100%	100%	
E 39/1674		100%	100%	
E 39/1791		100%	100%	
E 39/1804		100%	100%	
E 39/1810		100%	100%	
P 39/4697		100%	100%	
P 39/4700		100%	100%	
P 39/4701		100%	100%	
P 39/4713		100%	100%	
P 39/4714		100%	100%	
P 39/4875		100%	100%	
P 39/4876		100%	100%	
<b>Mt Bevan Iron Ore Joint Venture</b>	<b>West Australia</b>			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

E 29/510 -I		40%	40%	Legacy Iron Ore Limited
<b>Deep South Edjudina - Pinjin Joint Venture</b>	<b>West Australia</b>			
E 39/1298		80%	80%	Avoca Resources Ltd / Metals X Ltd
E 39/1299		80%	80%	Avoca Resources Ltd / Metals X Ltd
E 39/1300		80%	80%	Avoca Resources Ltd / Metals X Ltd
E 39/1301		80%	80%	Avoca Resources Ltd / Metals X Ltd
E 39/1302		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4703		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4704		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4705		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4706		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4707		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4709		80%	80%	Avoca Resources Ltd / Metals X Ltd
<b>Pinjin – Trouser Legs Joint Venture</b>	<b>West Australia</b>			
G 31/4		70%	70%	GEL Resources
L 31/32		70%	70%	GEL Resources
L 31/65		0%	70%	GEL Resources
L 31/66		70%	70%	GEL Resources
L 31/68		70%	70%	GEL Resources
M 31/78		70%	70%	GEL Resources
M 31/79		70%	70%	GEL Resources
M 31/88		70%	70%	GEL Resources
M 31/113		70%	70%	GEL Resources
M 31/284		70%	70%	GEL Resources
<b>Edjudina - Pinjin Joint Venture</b>	<b>West Australia</b>			
E 31/789		80%	80%	Avoca Resources Ltd / Metals X Ltd
<b>Yundamindera Edjudina - Pinjin Joint Venture</b>	<b>West Australia</b>			
E 39/1294		80%	80%	Avoca Resources Ltd / Metals X Ltd
E 39/1295		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4695		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4698		80%	80%	Avoca Resources Ltd / Metals X Ltd
P 39/4699		80%	80%	Avoca Resources Ltd / Metals X Ltd
<b>Yindana - Erayinia Joint Venture</b>	<b>West Australia</b>			
E 28/1228		30%	30%	Black Raven Mining
E 28/1612		30%	30%	Black Raven Mining
<b>Teutonic Bore Royalty *</b>	<b>West Australia</b>			
E 37/902		0%	0%	Jabiru Metals
P 37/7351		0%	0%	Jabiru Metals
	* Royalty up to a maximum of \$1m subject to conditions			

+ See chapter 19 for defined terms.