



## ACTIVITIES REPORT MARCH QUARTER 2018

### ASX ANNOUNCEMENT

30 April 2018

ASX Code: CMM

ABN: 84 121 700 105

#### Board of Directors:

Mr Heath Hellewell  
*Executive Chairman*

Mr Peter Langworthy  
*Non-Executive Director*

Mr Stuart Pether  
*Non-Executive Director*

Ms Debra Bakker  
*Non-Executive Director*

#### Issued Capital:

Shares 747.9M  
Options 56.7M  
Share Price A\$0.083  
Market Cap. A\$62.1M

#### REGISTERED OFFICE:

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West Perth, WA 6005

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### HIGHLIGHTS

- Formal tender review for Process Design and Construct contract for the Karlawinda Gold Project finalised resulting in significant capital cost savings for the project.
  - Process plant and associated infrastructure capital savings of A\$27.7M based on Lump Sum Turnkey Price of A\$93.1M compared to Feasibility Study estimates of A\$120.8M for equivalent plant and infrastructure
- All key project permits are now submitted to the relevant Government departments.
- Exploration drilling focused on resource infill targets completed during the Quarter as the Company works towards an updated Ore Reserve estimate in the June Quarter 2018.
- RC drilling of the resource extension target at the Tramore Prospect returned very encouraging results:
  - 34m @ 1.07 g/t from 41m (KBRC1164)
  - 19m @ 1.63 g/t from 78m (KBRC1176)
  - 17m @ 1.27 g/t from 59m (KBRC1166)
- Deep diamond drilling at the Bibra Deeps target returned significant results:
  - 33m @ 1.42g/t Au from 697m including higher grades intercepts of:
    - 5m @ 4.5g/t Au from 708m
    - 3m @ 4.6g/t Au from 725m
- Capricorn strengthens its Board of Directors as the Company moves toward project financing and development.

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## MARCH QUARTER ACTIVITIES SUMMARY

During the March 2018 Quarter the Company continued work on a number of key ongoing studies with the aim of optimising the Karlawinda Gold Project Feasibility Study. The Company also continued discussions in relation to both the proposed debt component of the project financing and a number of key contracts. Subsequent to the end of the Quarter GR Engineering Services was announced as the preferred contractor for the construction of the 3.0Mtpa Carbon-in-Leach (CIL) processing plant. The fixed price Process Design and Construct contract is \$93.1M, a reduction of 23% or A\$27.2M, from comparable capital costs in the Feasibility Study.

Permitting of the Project continued with significant progress made on all the outstanding major permitting requirements. At the end of the March 2018 Quarter all key project permits have been lodged with the relevant Government departments. The Company also continued to engage with pastoralists and other stakeholders to facilitate a smooth transition to Project development.

Exploration activities continued during the Quarter with a primary focus on both infill resource drilling and drilling of resource extension targets. The infill drilling which was completed during the Quarter is aimed at improving the classification of a significant portion of the November 2017 Inferred Resources to the Measured or Indicated Resource category so that they can be incorporated into an updated Ore Reserve estimation scheduled for the June 2018 Quarter. Resource extension drilling highlighted the exciting potential of the Tramore Prospect (See ASX announcement 20<sup>th</sup> March 2018).

Importantly, the Company's exploration team also shifted some focus towards a number of exciting regional and conceptual exploration targets. Deep drilling of the +1.3Moz Bibra Gold System to test the mineralisation approximately 1000m down-dip from the deepest previous drilling was completed. As reported subsequent to the end of the Quarter drill hole KBD089 intercepted the main Bibra Footwall Lode, which returned assay results of 33m @ 1.42g/t Au from 697m. Importantly this interval included higher-grade zones of 5m @ 4.5g/t Au from 708m and 3m @ 4.6g/t Au from 725m.

This deep drilling was partly funded through assistance provided by the State Government of Western Australia's Exploration Incentive Scheme (EIS).

An initial phase of RC drilling was also completed at the K3 Prospect. The K3/Francopan Target is located approximately 6km to the south east of the Bibra Gold Deposit. Wide-spaced drilling has previously identified a large-scale gold system over an area of at least 2.5km by 1km. This is an area of similar dimensions to the Bibra Gold Deposit and this target area has the potential to host a very large gold deposit. Regional programs will continue during the June Quarter as the Company commences regional geochemical sampling and aircore drilling.

Mr Guy LeClezio (Non-executive Director) retired from the Capricorn Board of Directors during the Quarter and Mr Peter Langworthy and Ms Debra Bakker joined the Board as Non-Executive Directors.

## Karlawinda Gold Project Development

### *PLANT CONSTRUCTION TENDER PROCESS*

Following an assessment of initial tenders in late 2017, GR Engineering and one other party were invited to prepare several trade-off studies and provide pricing on Feasibility Study scope modifications and expansion items defined by Capricorn. Scope modifications included the installation of a combined SAG-Ball (SAB) grinding circuit from project commencement, installation of a larger carbon elution circuit, an optimised gravity circuit, borefield power distribution, raw water transfer tank and tailings dam decant pumps.

Following the tender evaluation process, GR Engineering provided the Company with a Lump Sum Turnkey Price of A\$93.1 million to design and construct the process plant and other supporting plant infrastructure, thereby fixing the majority of the initial construction and development costs of the Project.

The price of A\$93.1 million compares to the equivalent capital expenditure estimate contained in the Company's Feasibility Study, published in October 2017, of A\$120.8 million, which amounts to a 23% reduction in project capital costs for the equivalent plant and infrastructure.

The equivalent Feasibility Study capital expenditure figure includes an allowance of \$9.6 million brought forward from the Project sustaining capital estimate to enable construction of a SAG-Ball (SAB) comminution circuit from project commencement. Installation of the SAB circuit from commencement will improve the efficiency and operability of the Project's grinding circuit.

The balance of the initial capital costs estimated in the Feasibility Study – representing construction costs for the tailings storage facility, access roads, accommodation camp, owner's costs and spares and contingencies – are currently being further refined. Currently no material changes to these estimates are expected.

Capricorn and GR Engineering intend to execute the Contract within the next month, following finalisation of terms and conditions and Capricorn Board approval.

### ***PROJECT POWER SUPPLY***

Commercial negotiations continued with several power/fuel providers and a process to finalise the preferred power solution for the Project continued during the March 2018 Quarter. Negotiations are continuing based on the current preferred option which is reticulated gas sourced from the Goldfields Gas Pipeline (GGP) located approximately 56km west of the proposed processing plant. The Company has selected its preferred gas supplier and contractual discussions to finalise gas supply agreements are expected to be completed during the current Quarter. The Company has engaged OSD Limited to undertake an early works program for the construction of the spur gas line from the main GGP line and is continuing discussions with respect to the optimal structuring solution for the development of the spur line. Ongoing discussions with several independent power providers have taken place and a formal tender process for the award of onsite power generation will commence in the current Quarter.

### ***PROJECT FINANCING***

During the Quarter discussions continued with a number of short-listed banks and all parties are currently reviewing project information in a dataroom. It is anticipated that following the completion of the updated Reserves and a new mine schedule in the June 2018 Quarter, the banks will then be in a position to complete their due diligence and credit approved term sheets are expected to be received shortly thereafter.

The Company currently expects the debt component of the project financing to be approximately 60% of the total development capital and it is envisaged that the banking syndicate will comprise two to three banks.

### ***PERMITTING***

The Karlawinda Gold Project currently has its Native Title Agreement, Mining Lease and Native Vegetation Clearing Permits in place. Work continued during the Quarter on the remaining 5C Water License, Project Management Plan, Mining Proposal and Closure Plan, and Works Approvals and all permit applications have been submitted with the relevant Government Departments. The Company is currently working with those Departments as the applications proceed through the grant process. The company completed the drilling of additional monitoring bores and commenced a round of extended aquifer pump testing during the Quarter in support of its 5C Water License. Pump testing is expected to

be completed in the current Quarter.

### ***ACCOMODATION CAMP FACILITIES***

The Company has identified several suitable pre-owned camp facilities and is currently undertaking a detailed assessment of potential camp options.

## **Exploration**

During the Quarter the company maintained a very active exploration program based on resource infill and extension programs along with an increased focus on a number of conceptual and regional exploration activities.

### ***BIBRA RESOURCE INFILL DRILLING***

The program of Resource infill drilling was supplementary to programs completed in December and recommenced in early January following a short hiatus over the Christmas period. The drilling was focused primarily on the Southern Corridor Target where drilling was undertaken to upgrade a significant portion of the Company's Inferred Resources into the Indicated Resource category so that it can be included in an updated Ore Reserve estimation currently being undertaken and expected to be completed in the June 2018 Quarter.

### ***BIBRA RESOURCE EXTENSION DRILLING***

RC drilling at the Tramore Prospect, located south of the main Bibra open pit, extends along a north to south trend and is currently defined over a strike length of 500m. During the Quarter 10 RC holes (1184m) were drilled along the interpreted trend on a 100m x 100m grid targeting both oxide and primary mineralisation. This recent RC drilling program confirmed the interpreted mineralised trend defined by previous aircore drilling completed late in 2017.

RC drilling has now delineated a consistent mineralised zone, 10m to 30m wide within silica-altered, garnet rich volcanoclastic sandstone and to a minimum vertical depth of 100m below surface. The mineralised zone is open along strike and at depth (Figure 1).

The Tramore mineralisation dips at approximately 30° to the west and higher-grade zones are currently interpreted to plunge to the west, perpendicular to the dip direction, in a similar orientation and geometry as the main Bibra mineralisation.

Significant intersections from the latest drilling include,

- 34m @ 1.07 g/t from 41m (KBRC1164)
- 19m @ 1.63 g/t from 78m (KBRC1176)
- 17m @ 1.27 g/t from 59m (KBRC1166)

Higher grade zones (+2g/t), up to 4m thick occur within a number of these intercepts and include:

- 4m @ 3.77g/t Au from 78m (KBRC1176)
- 4m @ 3.44g/t from 68m (KBRC1166)
- 3m @ 3.48g/t Au from 41m and 3m @ 4.56g/t from 48m (KBRC1164)

Drilling has defined mineralisation over 200m in the down dip direction (to 100m vertical depth) and was designed to target shallow oxide mineralisation and the top of fresh rock beneath Proterozoic aged cover rocks of the Bangemall Group.

A significant zone of oxide mineralisation is present along the trend over approximately 100m down dip extent (50m vertical depth). This mineralised zone remains open at depth.

Along section 198900mN, historical RC drilling has defined the mineralisation to 400m downdip (220m vertical depth) and therefore additional deep drilling is expected to extend the mineralised zone in the down dip direction along the entire strike length of the trend.

The strongest zones of mineralisation at Tramore are associated with zones of greater magnetic response in regional geophysics and best assay results typically correspond to high magnetic susceptibility readings captured from downhole samples. This magnetic association will assist with future exploration targeting at Karlawinda.

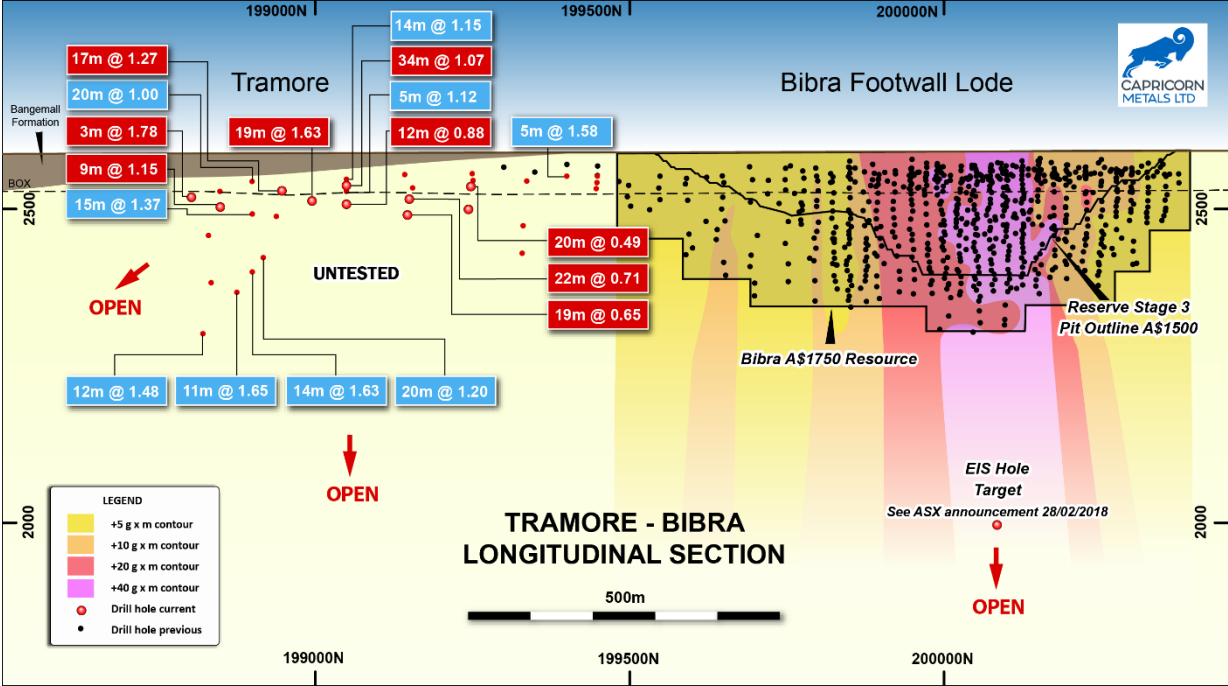


Figure 1: Longitudinal Section: Bibra Gold Deposit to Tramore Prospect (March 2018 Quarter intercepts in red)

**BIBRA DEEPS DRILLING**

The Company completed drilling of an 800m deep diamond hole (Figure 2) designed to test potential down-dip extensions of the Bibra deposit approximately 1000m down-dip from the deepest known gold mineralisation. The drillhole is partly funded through co-funding assistance provided by the State Government of Western Australia’s Exploration Incentive Scheme (EIS) where 50% of the direct drilling cost is covered by the scheme.

Drilling intercepted the interpreted extension of the main mineralised lodes at Bibra confirming the continuation of the mine stratigraphy and mineralised zones and essentially doubled the known extent of the Bibra gold system.

Significant results include (See ASX announcement 19<sup>th</sup> April 2018):

- 33m @ 1.42g/t Au from 697m including higher grades intercepts of:
  - 5m @ 4.5g/t Au from 708m
  - 3m @ 4.6g/t Au from 725m



Figure 2. Bibra Deeps EIS deep diamond drilling in progress.

## Corporate

During the Quarter Mr Peter Langworthy re-joined the Capricorn Board of Directors as a Non-Executive Director following a transition from his Executive role as General Manager Geology. Ms Debra Bakker, an experienced resources industry financier in her former role with Commonwealth Bank of Australia, also joined the Capricorn Board as a Non-Executive Director. Former Capricorn Chairman and Non-Executive Director Mr Guy LeClezio retired during the Quarter.

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## JUNE QUARTER PLANNED ACTIVITIES

Activities planned for the June quarter include:

- Finalisation of a final Project Design and Construct Contract
- Ongoing commercial negotiations to finalise the power solution for the Project
- Ongoing financing discussions with short-listed debt financiers
- Completion of an updated Reserve Estimate
- Commencement of formal mining tender process
- Ongoing exploration programs;
  - Follow up drilling along the Tramore target
  - Commencement of regional exploration programs including soil geochemical surveys and air core drilling

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## TENEMENTS

A full listing of the Company's current tenement holdings, as at the date of this release, is included as Appendix 1.

During the Quarter, the following changes have occurred:

- Exploration Licenses E52/3541, E52/3543 & E52/3562 were converted to granted tenements on 28 March.

Subsequent to the end of the Quarter:

- Miscellaneous License Application L52/189 was lodged and applications L52/175, L52/180 & L52/182 were withdrawn.

*For and on behalf of the Board*



**Heath Hellewell**  
**Executive Chairman**

*For further information, please contact:*

Mr Heath Hellewell,  
Executive Chairman  
Email: [enquiries@capmet.com.au](mailto:enquiries@capmet.com.au)  
Phone: (08) 9212 4600

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### *Competent Persons Statement*

*The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Michael Martin who is Chief Geologist and a full-time employee of the Company. Mr. Michael Martin is a current Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, 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. Martin consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

*The information in this report that relates to Exploration Results or Mineral Resources is based on information reviewed by Mr. Peter Langworthy who is Executive General Manager Geology, and a full-time employee of the Company. Mr. Peter Langworthy is a current Member of the Australian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, 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. Langworthy consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

*The information in this report that relates to Ore Reserves for Bibra is based on information compiled by Quinton de Klerk. Mr de Klerk is an employee of Cube Consulting PL and is a Fellow of the Australian Institute of Mining and Metallurgy (FAusIMM, #210114). Mr de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken 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. de Klerk consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*Capricorn Metals confirms that it is not aware of any new information or data that materially affects the information included in the previous ASX announcements on Mineral Resources (10/4/2017), Metallurgy (19/6/2017) and Ore Reserves (7/08/2017) and, in the case of estimates of Mineral Resources, Ore Reserves, Plant operating costs and Metallurgy, all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from previous market announcements.*

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### *Forward Looking Statements*

*This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation of belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. The detailed reasons for that conclusion are outlined throughout this announcement and all Material Assumptions are disclosed.*

*However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements.*

*Such risks include, but are not limited to resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as governmental regulation and judicial outcomes.*

*For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.*

*The Company has concluded it has a reasonable basis for providing the forward-looking statements that relate to the Karlawinda Feasibility Study that are included in this announcement and which has been prepared in accordance with the JORC code (2012) and ASX Listing Rules.*



## APPENDIX 1 – TENEMENT SCHEDULE

### Australia:

Lease	Project	Company	Blocks <sup>1</sup>	Status	Date of Grant/ Application	Expiry
<i>Tenements</i>						
E52/1711	Karlawinda	Greenmount	33	Granted	05/08/2004	04/08/2018
E52/2247	Karlawinda	Greenmount	16	Granted	21/07/2009	20/07/2019
E52/2398	Karlawinda	Greenmount	15	Granted	28/04/2010	27/04/2020
E52/2409	Karlawinda	Greenmount	8	Granted	15/06/2010	14/06/2020
E52/3323	Karlawinda	Greenmount	11	Granted	11/03/2016	10/03/2021
E52/3363	Karlawinda	Greenmount	36	Granted	13/01/2017	12/01/2022
E52/3364	Karlawinda	Greenmount	44	Granted	07/03/2017	06/03/2022
E52/3450	Karlawinda	Greenmount	16	Granted	13/01/2017	12/01/2022
E52/3474	Karlawinda	Greenmount	128	Granted	03/07/2017	02/07/2022
E52/3533	Karlawinda	Greenmount	109	Application	23/03/2017	-
E52/3541	Karlawinda	Greenmount	7	Granted	28/03/2018	27/03/20123
E52/3543	Karlawinda	Greenmount	8	Granted	28/03/2018	27/03/20123
E52/3562	Karlawinda	Greenmount	20	Granted	28/03/2018	27/03/20123
E52/3571	Karlawinda	Greenmount	10	Application	10/08/2017	-
<b>Total Blocks</b>			<b>461</b>			
<i>Miscellaneous Licences</i>						
L52/174	Karlawinda	Greenmount	22.17 ha	Application	25/08/2017	-
L52/177	Karlawinda	Greenmount	12.20 ha	Granted	08/12/2017	07/12/2038
L52/178	Karlawinda	Greenmount	21.41 ha	Granted	08/12/2017	07/12/2038
L52/179	Karlawinda	Greenmount	127.83 ha	Application	25/08/2017	-
L52/181	Karlawinda	Greenmount	1.00 ha	Application	15/09/2017	-
L52/183	Karlawinda	Greenmount	28.46 ha	Application	08/12/2017	-
L52/189	Karlawinda	Greenmount	1258 ha	Application	10/04/2018	-
<i>Mining Lease</i>						
M52/1070	Karlawinda	Greenmount	2975.07 ha	Granted	23/11/2016	22/11/2037

### Note:

- The area measurement for one block can vary between 2.8 – 3.2 km<sup>2</sup>

### Madagascar:

Title Number	Permit Type	Grant Date	Expiry Date	Term (Years)	Project Name	Total Carres (New - 0.391km <sup>2</sup> )	Interest %	Note
25095	PE	18-Jan-07	17-Jan-47	40	Ampanihy - Maniry	48	100%	1
<b>Total Carres</b>						<b>608</b>		

### Note:

- Leased to SQNY – Royalty and partial tenement fees payable to subsidiary Mada-Aust SARL.

## 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

CAPRICORN METALS LTD

### ABN

84 121 700 105

### Quarter ended ("current quarter")

31 MARCH 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	45
1.2 Payments for		
(a) exploration & evaluation	(2,449)	(5,263)
(b) development	-	-
(c) production	-	-
(d) staff costs	(328)	(1,004)
(e) administration and corporate costs	(290)	(654)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	40
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other: GST (Paid)/ Refunded	(127)	9
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,184)</b>	<b>(6,827)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(20)	(32)
(b) tenements (see item 10)	-	-
(c) investments (deferred instalments)	(6)	(37)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	75	142
	(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)	-	(331)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(49)</b>	<b>(258)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	9,129
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	-	(372)
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</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>8,757</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	10,349	5,542
4.2	Net cash used in operating activities (item 1.9 above)	(3,184)	(6,827)
4.3	Net cash from/ (used) in investing activities (item 2.6 above)	49	(258)
4.4	Net cash from financing activities (item 3.10 above)	-	8,757
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>7,214</b>	<b>7,214</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	7,214	10,345
5.2 Call deposits	-	-
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>7,214</b>	<b>10,345</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	85
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	

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
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	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation	1,400
9.2	Development	-
9.3	Production	-
9.4	Staff costs	500
9.5	Administration and corporate costs	250
9.6	Other (provide details if material)	-
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>2.150</b>

<b>10.</b>	<b>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		Refer to Covering Quarterly Activity Report attached hereto		
10.2	Interests in mining tenements and petroleum tenements acquired or increased		Refer to Covering Quarterly Activity Report attached hereto		

**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: .....  
(Company secretary)

Date: 30 April 2018

Print name: Natasha Santi

**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.