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## JUNE 2016 QUARTERLY REPORT

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

29 JULY 2016

### Highlights

- The Company was pleased to announce the culmination of 18 months of detailed work during the quarter, with the issue of both the **Environmental Compliance Certificate (“ECC”)**, together with a **renewal of the Exploration Permit, EP-014-2013-V (“EP”)**.
- The Company announced the sale of its interest in the Segilola Gold Project for up to **US\$8.5m**.
- A binding **Heads of Agreement** was signed during the quarter between the joint venture partners on the Mabilo Project, resolving all open points between the parties including the agreement to drop the co-permittee application.
- **NI 43-101 Technical Report** was released during the quarter for the Mabilo Copper-Gold-Iron Project. The Project is highly leveraged to commodity prices with an approx. 33% increase in NPV realized with only a 10% lift in commodity prices, with a 33% IRR after tax based on US\$5,000/t Cu and US\$1,200/oz Au.
- Post quarter end, the Company completed a **Private Placement** to raise circa **A\$20M** before costs which will enable a more aggressive focus on exploration programs.
- Cash and liquid assets as at 30 June (ie before the recent placement) were A\$3.9M.

## **MABILO PROJECT**

### **Overview of the Quarter**

The March quarter focused on finalising 18 months of detailed work with the Mines and Geosciences Bureau (“MGB”) and Department of Environment and Natural Resources (“DENR”) resulting in the issue of both the ECC for the Mabilo Project, in the Philippines, together with a renewal of the Exploration Permit, EP-014-2013-V (“EP”).

The Company was pleased to announce the completion of the sale of RTG's interest in the Segilola Gold Project to Thor Explorations Ltd (“Thor”), a TSX-V listed company, for up to US\$8.5m.

The Company released its NI 43-101 Technical Report on the Mabilo Project during the quarter following on from the announcement of the Feasibility Study (“FS”) on 18 March 2016 on the ASX<sup>1</sup>. The Mabilo Project is both high grade and low cost underpinning the robust economics presented in the FS including a 33% IRR after tax (43.6% with only a 10% lift in commodity prices) and an equivalent operating cost of US\$0.80/lb copper equivalent or US\$425/oz gold equivalent for concentrate production at a throughput rate of 1.35mtpa.

A binding Heads of Agreement was signed between the joint venture partners on the Mabilo Project during the quarter, resolving all open points between the parties. The parties have agreed to drop all actions in connection with an earlier request for co-permittee status and incorporate the joint venture through Mt. Labo, with all parties working jointly and co-operatively to advance the development and operation of the Mabilo Project.

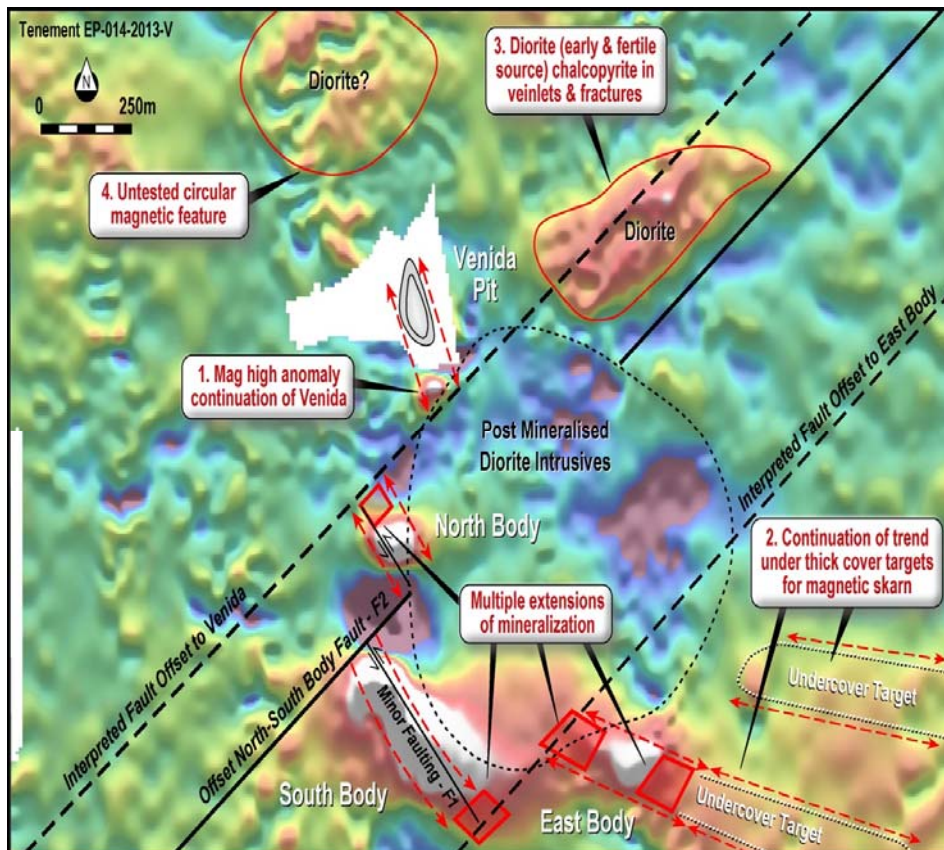
### **Project Background**

The Mabilo Project is located in Camarines Norte Province, Eastern Luzon, Philippines. It is comprised of one granted Exploration Permit (EP-014-2013-V), of approximately 498 ha. The Project area is relatively flat and is easily accessed by 15 km of all-weather road from the highway at the nearby town of Labo.

Massive magnetite mineralisation containing significant copper and gold grades occurs as replacement bodies together with mineralized garnet skarn and calc-silicate altered rocks within a sequence of hornfelsed sediments of the Eocene aged Tumbaga Formation. The garnet and magnetite skarn rocks were extensively altered by argillic retrograde alteration and weathering prior to being covered by 25-60 metres of post mineralisation Quaternary volcanoclastics (tuff and lahar deposits) of the Mt Labo Volcanic Complex. The deposits are localised along the margins of a diorite stock which does not outcrop within the Exploration Permit.

The primary copper mineralisation (predominantly chalcopyrite with lesser bornite) occurs as disseminated blebs and aggregates interstitial to magnetite grains and in voids within the magnetite. A strong correlation between gold and copper values in the un-weathered magnetite skarn indicates the gold is hosted by the chalcopyrite. A late stage phase of sulphide mineralisation (predominantly pyrite) veins locally brecciates the magnetite mineralisation.

<sup>1</sup> The Company confirms that all the material assumptions underpinning the Feasibility Study as announced to the ASX on the 18th of March continue to apply and have not materially changed. A copy of the announcement can be found on the Company's website at [www.rtgmining.com](http://www.rtgmining.com).



**Figure 1 - RTP ground magnetic image with modelled South, North and East magnetic bodies and showing exploration upside targets.**

In places the more shallow upper parts of the magnetite skarn bodies were weathered to form hematite skarn. Copper in the weathered zone was remobilised forming high-grade supergene copper zones (chalcocite and native copper) at the base of the weathering profile. The gold is more variable, remobilised throughout the hematite skarn and is domained within garnet skarn and calc-silicate altered country rocks in places. The average iron grade of the hematite skarn is consistent with the magnetite skarn.

Sierra Mining Limited (“Sierra”) discovered the mineralisation in 2012 during a reconnaissance drilling program targeted on magnetic anomalies from a ground magnetic survey conducted by a former explorer. Sierra subsequently conducted a new ground magnetic survey in early 2013, remodeled the data and commenced a second phase of drilling in mid 2013.

Extensive drilling has been undertaken during 2014 and 2015 with significant extensions in known strike beyond the magnetic model in the north and south directions. A total of 69 drill holes totaling 11,231m were used for the maiden Resource estimate (ASX released on the 24<sup>th</sup> November 2014). An updated Resource estimate (ASX released on the 5<sup>th</sup> November 2015) was completed using 98 drill holes totaling 18,200.9m. By the end of December 2015, 111 drill holes had been completed at the project. ***The current Resource is open down plunge and along strike, with all mineralization found to date being shallow enough to be amenable to open pit mining techniques.***

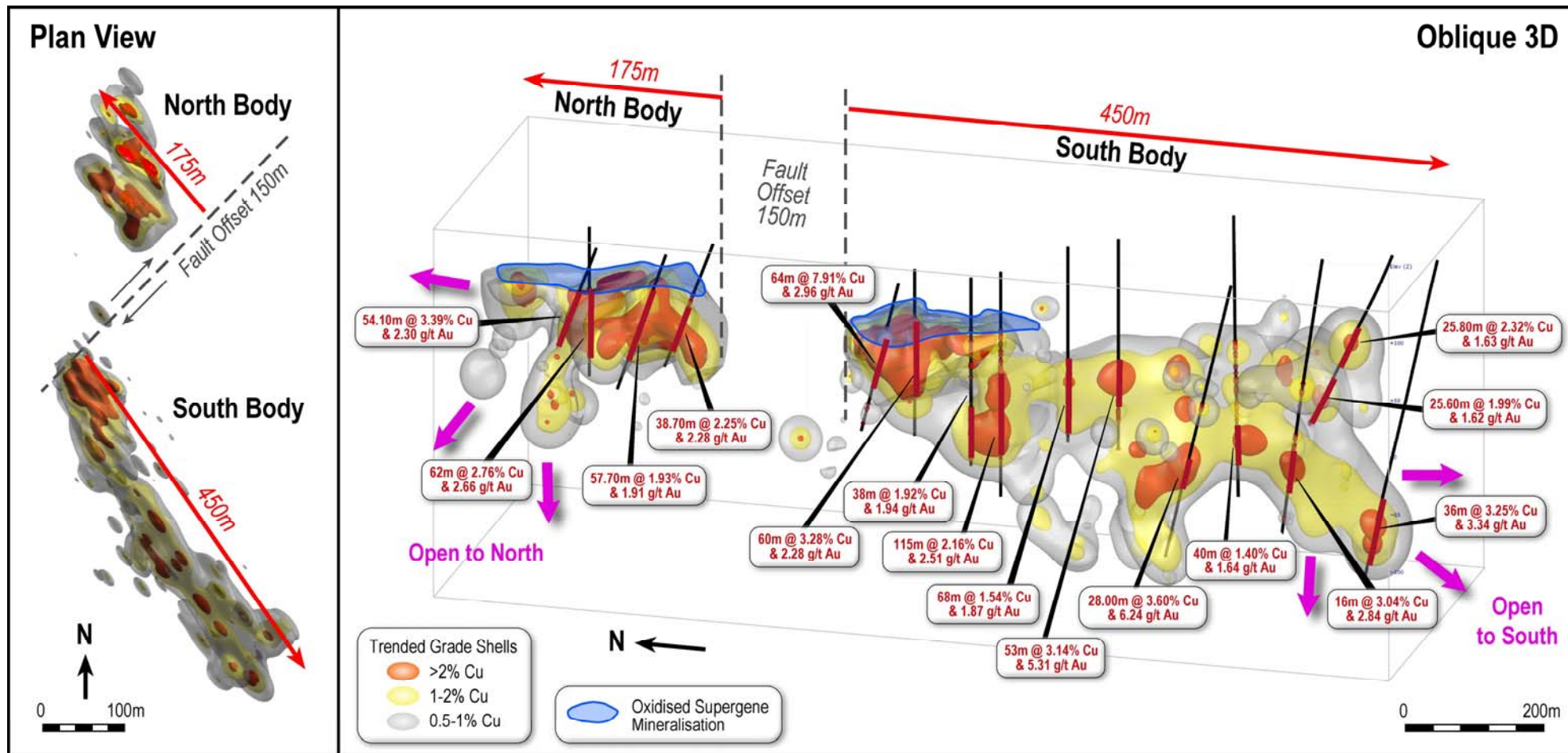


Figure 2 - North and Southern Mineralised Zones with intercept highlights - Schematic Oblique view 3D.

## Planned Exploration

Planning for the next phase of exploration is currently being finalized. A 3000m diamond drilling program designed to upgrade Inferred Resources to Indicated on the North Mineralised Zone and South Mineralised Zone is included in the plan. In addition to the Resource upgrade drilling, further step-out drilling is planned to target shallow magnetite mineralisation at the North Mineralised Zone aiming to increase the existing Resource base.

Detailed studies of alteration zonation, metallogenic zonation and a review of the existing magnetic survey has added confidence to the Project's porphyry targeting. New insights into the Mabilo porphyry-skarn system has highlighted untested buried magnetic responses under cover, extending the East Mineralised Zone further to the east with the potential for improving copper and gold grades.

## Mabilo Mineral Reserves

### March 2016 Mineral Reserve Estimate

The Probable Reserve represents an **equivalent gold grade for the Reserves of 5.26 g/t\*** (before recoveries) **containing 1.32 Moz of equivalent gold** or an **equivalent copper grade of 4.1%\*** (before recoveries) **containing 316Kt of equivalent copper**.

Table 1

Probable Mineral Reserve Estimate								
Ore							Waste	Strip Ratio
Class	Type	Mt	Fe %	Au g/t	Cu %	Ag g/t	Mt	
Probable	Gold Cap	0.351	40.1	3.11	0.38	3.26	77.713	10.0
	Supergene	0.104	36.5	2.20	20.7	11.9		
	Oxide Skarn	0.182	43.6	2.52	4.17	19.9		
	Fresh	7.155	45.9	1.97	1.70	8.73		
<b>Total Probable Ore</b>		<b>7.792</b>	<b>45.5</b>	<b>2.04</b>	<b>1.95</b>	<b>8.79</b>		

\*The gold equivalent grade is based on the following formula –  

$$AuEq = \frac{((AuOz * \$1,200) + (CuMetal * \$5,000) + (FeMetal * \$50) + (AgOz * \$14))}{\$1,200} / Total\ ore\ tonnes$$
The copper equivalent grade is based on the following formula –  

$$CuEq = \frac{((AuOz * \$1,200) + (CuMetal * \$5,000) + (FeMetal * \$50) + (AgOz * \$14))}{\$5,000} / Total\ ore\ tonnes$$

The November 2015 Resource estimation provided by CSA classified the Resource for the Mabilo Project as Indicated and Inferred. Only Indicated Mineral Resources as defined in NI 43-101 were used to establish the Probable Mineral Reserves. No Reserves were categorized as Proven.

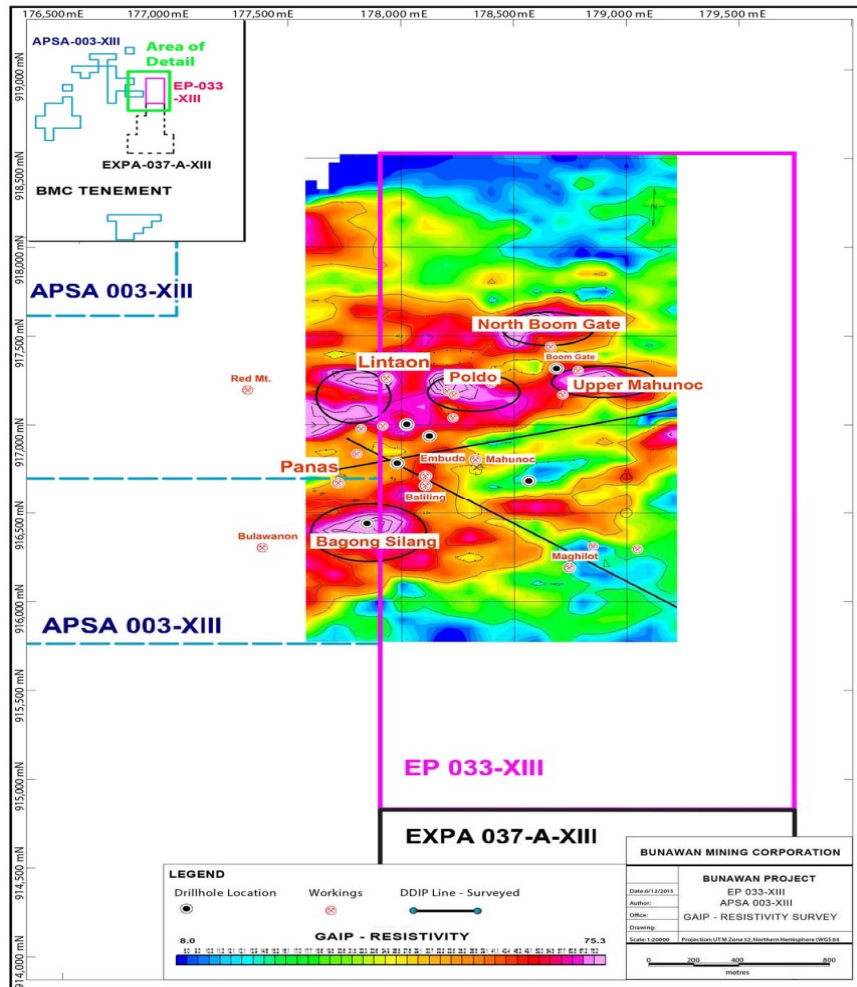
Mineral Reserves are quoted within specific pit designs based on Indicated Resources only and take into consideration the mining, processing, metallurgical, economic and infrastructure modifying factors.



## Feasibility Study

The Company announced on March 18, 2016 the results from an independent NI 43-101 compliant FS for 100% of the high grade Mabilo Project in Southeast Luzon, Philippines\*. The Mabilo Project is both high grade and low cost, underpinning the robust economics presented in the FS including a 33% IRR after tax at US\$5,000/t Cu US\$1,200/oz Au prices (43.6% with only a 10% lift in commodity prices) and an equivalent operating cost of US\$0.80/lb copper equivalent or US\$425/oz gold equivalent for concentrate production at a throughput rate of 1.35mtpa\*\*.

## BUNAWAN PROJECT



**Figure 3 - Bunawan GAIP Resistivity Survey**

\*The FS is based on a treatment rate of 1Mtpa. A treatment rate of 1.35Mtpa was also considered in an upside case. Factored indicative capital and operating cost estimates were developed for a planned throughput of 1.35 Mtpa. The capital cost estimates were derived from first principles for the 1 Mtpa process plant to an accuracy of +/- 15% and then the capital cost estimates were factored with an accuracy of +/- 25% for the 1.35 Mtpa process plant. The operating cost estimates were derived from first principles for the 1Mtpa process plant and then plant costs were factored with an accuracy of +/- 25% for the 1.35Mtpa operating scenario. All costs are in 2015 US dollars.

\*\* The Copper equivalent tonnes and gold equivalent ounces are based on the following formulas –  

$$\text{CuEq} = (\text{Cu produced/contained} \times \$5000) + (\text{Au produced/contained} \times \$1200 + (\text{Any Contained Fe metal produced} \times \$50)) / \$5000$$

$$\text{AuEq} = (\text{Cu produced/contained} \times \$5000) + (\text{Au produced/contained} \times \$1200 + (\text{Any Contained Fe metal produced} \times \$50)) / \$1200$$

The Bunawan Property is located in the east of Mindanao Island in Agusan del Sur Province, approximately 190km north-northeast of Davao and adjacent to the Davao – Surigao highway.

Community development programs and Indigenous People programs continued during the current quarter.

The Company plans to conduct further exploration at Bunawan. A drill program is being planned to target key areas highlighted in the December 2015 Gradient Array - Induced Polarization (GAIP) and Dipole-Dipole Induced Polarisation (DDIP) programs.

## **CORPORATE**

RTG was pleased to announce that it had successfully completed the issue of approximately 33 million shares at a price of A\$0.60 per share to institutional and sophisticated investors pursuant to a heavily oversubscribed private placement announced on 15 July 2016 (“**Private Placement**”). The Private Placement raised proceeds of circa A\$20 million (before costs).

The Private Placement was led in Australia by Hartleys Limited and co-managed by Taylor Collison and co-led internationally by BMO Capital Markets, together with a syndicate of agents including Tectonic Advisory Partners (acting through Ecoban Securities Corporation), Arlington Group Asset Management Limited and Raymond James.

The Company also announced the sale of RTG's interest in the Segilola Gold Project to Thor Explorations Ltd (“Thor”), a TSX-V listed company, for consideration of up to US\$8.5million including US\$3m of upfront consideration with US\$1.5m in cash and a further US\$1.5 in shares in Thor.

Completion of the transaction is expected to occur shortly.

The Company received approval for a Research and Development tax claim from the Australian Government in November. The claim is estimated to generate in the order of A\$275,000 due to be received next quarter.

Cash and liquid assets as at 30 June (ie before completion of the above mentioned placement) were A\$3.9M.

## **ABOUT RTG MINING INC**

RTG Mining Inc. is a mining and exploration company listed on the main board of the Toronto Stock Exchange and Australian Securities Exchange. RTG is focused on developing the high grade copper/gold/magnetite Mabilo Project and advancing exploration on the highly prospective Bunawan Project, both in the Philippines, while also identifying major new projects which will allow the Company to move quickly and safely to production.

RTG has an experienced management team (previously responsible for the development of the Masbate Gold Mine in the Philippines through CGA Mining Limited), and has B2Gold as one of its major shareholders in the Company. B2Gold is a member of both the S&P/TSX Global Gold and Global Mining Indices.

## **ENQUIRIES**

### *Australian Contact*

President & CEO – Justine Magee

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## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This announcement includes certain “forward-looking statements” within the meaning of Canadian securities legislation. Statement regarding interpretation of exploration results, plans for further exploration and accuracy of mineral resource and mineral Reserve estimates and related assumptions and inherent operating risks, are forward-looking statements. Forward-looking statements involve various risks and uncertainties and are based on certain factors and assumptions. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from RTG’s expectations include uncertainties related to fluctuations in gold and other commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies in the development of RTG’s mineral projects; the need to obtain additional financing to develop RTG’s mineral projects; the possibility of delay in development programs or in construction projects and uncertainty of meeting anticipated program milestones for RTG’s mineral projects and other risks and uncertainties disclosed under the heading “Risk Factors” in RTG’s Annual Information Form for the year ended 31 December 2015 filed with the Canadian securities regulatory authorities on the SEDAR website at [sedar.com](http://sedar.com).

## **QUALIFIED PERSON AND COMPETENT PERSON STATEMENT**

The information in this release that relates to exploration results at the Mabilo Project is based upon information prepared by or under the supervision of Robert Ayres BSc (Hons), who is a Qualified Person and a Competent Person. Mr Ayres is a member of the Australian Institute of Geoscientists and a full-time employee of Mt Labo Exploration and Development Company, a Philippine mining company, an associate company of RTG Mining Limited. Mr Ayres has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the



activity being undertaken, 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” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Ayres has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr. Ayres consents to the inclusion in the release of the matters based on his information in the form and the context in which it appears.

The information in this release that relates to Mineral Resources is based on information prepared by or under the supervision of Mr Aaron Green, who is a Qualified Person and Competent Person. Mr Green is a Member of the Australian Institute of Geoscientists and is employed by CSA Global Pty Ltd, an independent consulting company. Mr Green has sufficient experience that is relevant to the style of mineralisation and 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 for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr. Green has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Green consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Reserves and Mining is based on information prepared by or under the supervision of Mr Carel Moormann, who is a Qualified Person and Competent Person. Mr Moormann is a Fellow of the AusIMM and is employed by Orelogy, an independent consulting company. Mr Moormann has sufficient experience that is relevant to 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 for Reporting of Exploration Results, Mineral Resources and Ore Reserves” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr Moormann has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. Mr Moormann consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Metallurgy and Processing is based on information prepared by or under the supervision of David Gordon, who is a Qualified Person and Competent Person. David Gordon is a Member of the Australasian Institute of Mining and Metallurgy and is employed by Lycopodium Minerals Pty Ltd, an independent consulting company. David Gordon has sufficient experience that is relevant to the type of process 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” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). David Gordon has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained in the release. David Gordon consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to areas outside of exploration results, Mineral Resources, Mineral Reserves and Metallurgy and Processing is based on information prepared by or under the supervision of Mark Turner, who is a Qualified Person and Competent Person. Mark Turner is a Fellow of the Australasian Institute of Mining and Metallurgy and is employed by RTG Mining Inc, the Company. Mark Turner has sufficient experience that is relevant to the information 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” and to qualify as a “Qualified Person” under National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mark Turner has verified the data disclosed in this release. Mark Turner consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

For the ASX Feasibility Study announcement including JORC tables Section 1 to 4 please refer to the RTG Mining website ([www.rtgmining.com](http://www.rtgmining.com)) and on the ASX, under announcements ([www.asx.com.au](http://www.asx.com.au)).

The information in this report relating to Bunawan exploration results, mineral resources or ore Reserves is based on information provided to Mr Robert McLean by RTG Mining Inc. Mr McLean is an independent consultant geologist and is a corporate member of the Australian Institute of Mining and Metallurgy. Mr McLean has the relevant qualifications, experience, competence and independence to qualify as an “Expert” under the definitions provided in the Valmin Code, “Competent Person” as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and as a “Qualified Person” under National Instruments 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”). Mr McLean consents to the inclusion in the report of the matters based on the information he has been provided and the context in which it appears.

**Appendix 1: Location of Reported Mabilo Drill Holes**

No drilling conducted during the quarter.

## Appendix 2 – Schedule of interests and location of Tenements

Tenement reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Application for Mineral Production-Sharing Agreement APSA-V-002	Philippines	RTG's interest is held through its interest in its associate entity, Mt. Labo Exploration and Development Corporation.	40%	40%
MLC MRD 459	Philippines		40%	40%
Exploration Permit ("EP") 014-2013-V	Philippines		40%	40%
EXPA-0000209-V	Philippines		40%	40%
EXPA-000188-V	Philippines		40%	40%
Exploration Permit Application ("EXPA") 118-XI	Philippines	RTG's interest is held through its interest in its associate entity Bunawan Mining Corporation.  (EP 033-14-XIII is subject to 1st Renewal)	40%	40%
APSA-003-XIII	Philippines		40%	40%
EXPA-037A-XIII	Philippines		40%	40%
EP 033-14-XIII	Philippines		40%	40%
EP-001-06-XI	Philippines		40%	40%
EP-01-10-XI	Philippines	RTG's interest is held through its interest in its associate entity Oz Metals Exploration & Development Corporation.  (Both EP-02-10-XI and EP-01-10-XI are subject to 2 <sup>nd</sup> Renewal)	40%	40%
EP-02-10-XI	Philippines		40%	40%
EXPA-123-XI	Philippines		40%	40%

## 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

RTG Mining Inc

ABN

70 164 362 850

Quarter ended ("current quarter")

30 June 2016

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$US	Year to date (six months) \$US
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(204,323)	(321,300)
(b) development	-	-
(c) production	-	-
(d) administration#	(703,886)	(1,276,089)
- business development	(317,041)	(488,569)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1,341	2,973
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other -R&D tax refund	-	33,191
-Subsidiary FBT refund	318	318
<b>Net Operating Cash Flows</b>	<b>(1,223,591)</b>	<b>(2,049,476)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(2,164)	(2,164)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities - associates	(1,128,093)	(1,754,722)
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>(1,130,257)</b>	<b>(1,756,886)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,353,848)</b>	<b>(3,806,362)</b>

\* Includes one off costs in the current QTR for legal costs associated with Sale of Segilola and the resolution of JV issues (approx. \$200k).

+ 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)	(2,353,848)	(3,806,362)
	<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 (share issue costs)	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(2,353,848)	(3,806,362)
1.20	Cash at beginning of quarter/year to date (incl. restricted cash reclassified from receivables)	3,271,121	4,698,331 <sup>^</sup>
1.21	Exchange rate adjustments to item 1.20	(9,363)	15,941
1.22	<b>Cash at end of quarter</b>	907,910	907,910 <sup>#</sup>

<sup>^</sup>During the March QTR \$136,614 (YTD \$139,290) was reclassified from receivables to restricted opening cash.

<sup>#</sup> The above cash does not include the US\$267K held by associate entities in the Philippines.

### Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Curent quarter \$US
1.23	Aggregate amount of payments to the parties included in item 1.2	169,690
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of salaries and fees

### 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

none

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

The joint venture partner at the Mabilo Project has earned a 42% interest in the project by contributing to exploration and drilling and management services.

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$US	Amount used \$US
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$US
4.1 Exploration and evaluation	1,651,000
4.2 Development	
4.3 Production	
4.4 Administration: Business Development	235,000
General	620,000
<b>Total</b>	<b>2,506,000</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.	Curent quarter \$US	Previous quarter \$US
5.1 Cash on hand and at bank	907,910	3,271,121
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)#</b>	<b>907,910</b>	<b>3,271,121<sup>^</sup></b>

<sup>^</sup>During the March QTR \$136,614 was reclassified from receivables to restricted opening cash.

#Cash and liquid assets includes cash at the end of the quarter plus receivables due to the Company including consideration due as part of Segilola share sale agreement (\$1.50M), R&D Grant refund due from ATO for 2015 year (USo.203M) and share of associates cash(\$0.267M).

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

#### 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> (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	134,252,237	n/a	n/a
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-
7.5	<b>+Convertible debt securities</b> (description)			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	8,784,687	8,784,687	<i>Exercise price</i> CAD 1.50	<i>Expiry date</i> 4 June 2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ...../s/.Nicholas Day..... Date: .29 July 2016...  
(Company secretary)

Print name: ..Nicholas Day.....

## 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.

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+ See chapter 19 for defined terms.

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

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- 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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+ See chapter 19 for defined terms.