



For ASX Market Release: 29 January 2016

Quarterly Activities Report – December 2015

HIGHLIGHTS

Wetar Copper Project

- Copper cathode produced for the quarter was 494 tonnes. Sales were 280 tonnes at an average price of US\$2.08/lb
- Earthworks construction continues to perform in line with expectations
- Power station ready for commissioning
- First copper cathode production from 25,000 t.p.a. SX-EW plant expected early Q2 2016
- The 12 month rolling LTIFR and Injury Severity rates remain at zero

Corporate

- A further US\$37.0 million drawn under the Term Loan Facility and VAT Working Capital Facility
- Hedge book (copper and diesel fuel) valued at US\$44.1 million as at 31 December 2015
- At 31 December, cash on hand was AUD\$34.7 million and unused project finance facilities were US\$71.0 million

Managing Director Barry Cahill commented: *“Construction progress on the 25,000 t.p.a expansion project during the quarter has been exceptional in light of the very tight schedule. While the expansion project remains on budget, the schedule has slipped slightly due to the delay in the delivery of structural steel which will push first production into early Q2 2016.”*



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WETAR COPPER PROJECT (FINDERS 72%)

3,000 t.p.a. SX-EW plant Production Report

The 3,000 t.p.a. plant operated as expected during the quarter as summarised in the following table:

Table 1: Wetar Quarterly Copper Production

		Full Year 2014 Total	June 15 Half-Year	September 15 Quarter	December 15 Quarter	Full Year 2015 Total
Ore stacked	t	139,587	44,540	42,898	97,119	184,557
Grade	% Cu	2.42	1.72	1.59	1.99	1.83
Metal stacked	t Cu	3,385	764	682	1,935	3,381
Copper stripped	t Cu	1,416	307	425	494	1,226
Copper sold	t Cu	1,306	203	406	280	889
Copper sale price	US\$/lb Cu	2.88	2.68	2.38	2.08	2.35

Ore stacking on the Gold Pit Leach Pad (GPLP) was suspended during the quarter following the arrival of the new crushing circuit. The 3kt crusher is currently being refurbished in preparation for restarting in February 2016 when the new stacker arrives. The 3kt stacker and conveyors were moved to the KKV leach pad for use with the new crushing circuit.

Copper recoveries from the GPLP were in line with expectations. Limestone irrigation continued successfully during the quarter, further reducing the acid levels in solution. The 3kt neutralisation plant has also been returned to full operation.



Image 1 – GPLP heap, broken ore stocks and limestone heap

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The new crushing circuit was commissioned during the quarter. A number of commissioning issues were encountered and modifications are being completed.

The crushing circuit has achieved its design tonnage rate but only intermittently as the 3kt stacker is not rated for 300 tonnes per hour. The new stacker does not arrive until the end of January 2016.



Image 2 – Crusher on KKV leach pad with stacked KKV Heap 1 in the background

Ore mining has advanced well ahead of the crusher commissioning, with over 90,000 tonnes of ore now stockpiled for crushing and stacking.

The crusher also processed 34,598 tonnes of sub grade material for the bedding layer on the KKV leach pad.

Copper cathode produced during the quarter has continued to be exported as LME Grade A copper cathode without any specification issues.

25,000 t.p.a. SX-EW plant Construction Progress

Mine civil construction and related activities advanced in accordance with expectations during the December quarter.

Earthmoving progress was assisted by a late commencement to the wet season and enabled the majority of construction activities to be completed.

The dam wall for Stormwater Pond Three has now been constructed up from the bottom of the valley and the embankment fill has commenced. The remaining ponds to be constructed are the various solution ponds servicing the new 25kt plant.

Constructed solution ponds are now piped and connected so that the leach solution can be moved between the various heaps and the two SX-EW plants.

The KKV leach pad construction continues with Cell 3 now in the process of being lined in preparation for placement of the bedding layer.

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The neutralisation pad is complete and concrete construction is well advanced.



Image 3 – KKV leach pad solution draining into the 25kt solution pond

Concrete works have reduced to minor finishing items and non-critical areas. Structural steel installation and piping has commenced and was well underway by quarter end. The majority of equipment has arrived on site and the outstanding items are either in transit to Surabaya port, clearing customs or in transit to site. There have been some delays to fabricated steel that has delayed progress.



Image 4 – 25 kt plant construction from the KKV leach pad

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Electrical work has commenced with the installation of high voltage powerlines and buried cable. The power station has been completed and is ready for commissioning once the high voltage gear is established. It is anticipated that the 3kt plant will be reticulated onto this circuit in early February.

The installation of two new fuel storage tanks is well underway and will add two and a half million litres of storage capacity to the project.



Image 5 – Power station and fuel tank

Coastal facilities progressed well with construction of the workshop and warehouse remaining. The accommodation camp has been completed and is being occupied by construction crews.

The expansion project schedule has slipped slightly due to the delay in delivery of some materials, including structural steel, and it is anticipated that this will push first production into early Q2 2016 and while disappointing, is not unexpected in the very tight construction schedule. The project remains on budget.

Videos showing construction progress at the Wetar Project are available for viewing at:

www.findersresources.com/wetar-copper-project/gallery/

OH&S

There were no serious injuries recorded during the quarter, with the Lost Time Injury Frequency Rate (LTIFR) remaining at zero. The 12 month rolling LTIFR is 0.00 and the Injury Severity Rate is 0.00. There were no injuries requiring medical treatment recorded, with all employees returning to normal duties immediately following first aid treatment at the on-site medical clinic.

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Wetar Community Development

Community development programs, which assist with health and economic development, continued during the quarter.

- Agricultural initiatives, including vegetable growing and chicken farming, increased as the number of workers on the project increased.
- The community employment initiative was extended to island villages further afield of the operation following the successful recruitment program from the three local villages. At the end of the quarter, a total of 479 of the 815 company employees at the Wetar Project originate from the local region, which is equivalent to 59% of the total project workforce.
- Staffing levels at the local health centre and two medical posts have been supported to reduce the dependency on the Site Clinic. During the quarter 524 visits were dealt with. Any serious conditions were elevated to the Site Clinic of which there were 34 visits during the quarter.
- The emergency airstrip for medical evacuation of both employees and local residents is now in operation.
- 10% of the available passenger seats on marine vessels servicing the Wetar Project are now allocated to the local community.

Stakeholder engagement also continued and included information meetings and site visits with various Government officials, community leaders, elders and landowners.

Wetar Environmental Management

Environmental monitoring activities and reporting to the relevant Indonesian authorities in accordance with the Project's environmental permit was ongoing and no non-compliance occurrences were reported.

March 2016 Quarter

The Company's planned activities for the March 2016 quarter are:

- Continue stacking ore to the KKV leach pad and recommence stacking at the GPLP
- Finish construction of site earthworks
- Finish construction and commence commissioning of the 25,000 t.p.a. plant

OJOLALI GOLD-SILVER PROJECT (FINDERS 72%)

Activities

The Mines Department has continued its evaluation of documents submitted in support of the application for an Operation Production permit, including an informal technical meeting with respect to the study assumptions, waste management and scope of the mine closure program. A formal evaluation report is still outstanding.

The Company is currently evaluating strategic options for the Ojolali Project and a number of parties have expressed an interest in the project.

Tenement

The Exploration Licence (IUP B.24/DPE-WK/HK/2014) expired on 11 March 2015. The Company has applied for a Mining Licence (IUP Exploitation). If approved, the Mining Licence will have a tenure of 20 years.

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CORPORATE

Cash and Project Finance Facility

Finders previously entered into a Senior Facilities Agreement with BNP Paribas, Commonwealth Bank of Australia, Hong Kong and Shanghai Banking Corporation (HSBC) and Societe Generale (“the Senior Lenders”) which provides for a US\$162 million commitment from the Senior Lenders consisting of:

- US\$127 million Term Loan Facility;
- US\$20 million Cost Overrun Facility; and
- US\$15 million VAT Working Capital Facility.

The facilities will be sufficient to enable the completion of construction of the 25,000 t.p.a. SX-EW plant.

During the quarter Finders Indonesian subsidiary, PT Batutua Tembaga Raya (BTR) received a further two drawdowns under the Senior Facilities Agreement totalling US\$37 million. Total amount drawn under the Senior Facilities Agreement as at the end of the quarter was US\$91 million. BTR remained comfortably in compliance with all covenants.

At the end of the quarter, undrawn facilities were US\$71 million.

The book value of the hedges entered into by BTR as at 31 December 2015 is summarised in the following table (US\$ million):

Copper hedging	48.9
Fuel hedging	(4.8)
Total	44.1

As at 31 December 2015, Finders and BTR had cash of AU\$34.7 million.

During the quarter, vesting conditions for 4,189,667 shares issued to employees under the Finders Employee Share Ownership Plan were not met and the shares were cancelled by Finders.

The mining exploration entity quarterly report (Appendix 5B) is appended.

Barry Cahill

Managing Director

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Background Information on Finders

Finders is the operator of the Wetar Copper Project (72% interest) and the Ojolali Gold-Silver Project (72% interest) both located in Indonesia.

The Wetar Copper Project comprises the development, open pit mining and processing of the high-grade sulphide deposits at Kali Kuning and Lerokis located within 3 kilometres of the coast on Wetar Island. The project benefits from having existing infrastructure in place, particularly a wharf, camp and roads and partially pre-stripped copper ore bodies from a prior gold mining era.

Finders currently operates a 3,000 tonne per annum (“t.p.a”) copper cathode solvent extraction-electrowinning (“SX-EW”) demonstration plant to test copper sulphide leach kinetics and optimise process design. To date, the demonstration plant has produced over 4,000 tonnes of LME Grade A copper cathode, all of which was sold at a premium to the LME price and without specification issues.

The current construction of a 25,000 t.p.a SX-EW facility will lift annual production capacity to 28,000 t.p.a. The Bankable Feasibility Study for the expansion project estimated a US\$132.4M capital cost (excl. contingency) and a cash operating costs of US\$88c/lb Cu at an efficient production level.

Finders has successfully arranged a US\$162 million senior facility and an additional US\$45 million project level equity facility to fund the expansion project.

Opportunities for extending the mine life past the current 10.5 years are strongly founded on exploration upside, focussing initially on the nearby satellite Meron deposit and other identified VMS copper and gold targets on Wetar Island including Karkopang.

The Ojolali Project is an advanced gold-silver resource project covering a large epithermal system with numerous mineralised shoots within the highly productive Sumatran Gold Belt. The Jambi oxide gold deposit has potential for a small scale heap leach operation based on the defined resource.

Capital Structure

Type of Security			Total
Fully Paid Ordinary Shares (“Shares”)			
Shares on issue at 31 December 2015 - quoted on ASX			661,267,245
Unlisted Employee Shares			
Unvested employee Shares issued under the Finders Employee Share Ownership Plan at an issue price of 19 cents funded by loans from the Company and subject to performance based vesting conditions			1,000,000
Employee shares issued under the Finders Employee Share Ownership Plan at issue prices of 19 cents to 35 cents funded by loans from the Company			900,000
Unvested directors incentive Shares at issue prices from 20.08 cents to 30.08 cents funded by loans from the Company and subject to performance and time based vesting conditions			10,500,000
Total Unlisted Employee Shares on issue at 31 December 2015			12,400,000
Unlisted Options	Exercise Price	Expiry Date	
	A\$0.35	06 Jun 2017	22,857,144

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	A\$0.2556	22 Oct 2017	31,298,904
Total Unlisted Options on issue at 31 December 2015			54,156,048
Unlisted Converting Notes	Conversion Price	Maturity Date	
US\$5,500,000	A\$0.427	16 Mar 2018	12,248,538

Tenement/Mineral Permit Schedule

IUP Decision No.	Type	Mineral	Expiry Date	Area (ha)	Term	Holder ¹
Wetar Copper Project¹						
543 - 124 Tahun 2011	IUP Exploitation	Copper	09 Jun 2031	2,733	20 years	BKP
540 – 317.a Tahun 2012	IUP Exploitation	Sand, gravel & stone	01 Nov 2017	80.55	5 years	BKP
540 – 317.b Tahun 2012	IUP Exploitation	Limestone	01 Nov 2017	1,425	5 years	BKP
540 – 28.b Tahun 2010	IUP Exploitation	Barite	01 Nov 2016	515	6 years	BBW
Wetar South Coast Exploration						
540 – 28.a Tahun 2010	IUP Exploration	Gold	01 Mar 2016	2,636	6 years	BKP
540 – 28.c Tahun 2010	IUP Exploration	Gold	01 Mar 2016	1,418	6 years	BKP
540 – 28.d Tahun 2010	IUP Exploration	Gold	01 Mar 2016	1,021	6 years	BBW
540 – 28.e Tahun 2010	IUP Exploration	Gold	01 Mar 2016	1,106	6 years	BBW
540 – 28.f Tahun 2010	IUP Exploration	Gold	01 Mar 2016	1,148	6 years	BBW
Ojolali Project³						
B.24/DPEWK/HK/2014	IUP Exploration	Gold	11 Mar 2015 ²	5,912	1 year	BWKM3

1. Finders' interest in the Wetar Copper Project (72%) is held through Indonesian subsidiaries, PT Batutua Tembaga Raya ("BTR") and PT Batutua Kharisma Permai ("BKP"). BBW has merged with BKP and tenements previously held by BBW are in the process of being transferred to BKP.
2. Application for an IUP Exploitation has been lodged.
3. Finders' interest in the Ojolali Project (72%) is held through Indonesian subsidiary, PT Batutua Lampung Elok ("BLE"). BLE is a party to a cooperation agreement with BKP and PT Batutua Way Kanan Minerals ("BWKM") that hold exclusive mining authorisations (Izin Usaha Pertambangan ("IUP")).

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Wetar Copper Project Resources & Reserves

Ore Reserve Estimate			
	Category	Tonnes (m)	Cu (%)
Kali Kuning (Cut-off Grade 0.4% Cu)	Proved	5.4	2.4
	Probable	0.9	2.1
	Total	6.3	2.4
	Waste	5.9	
	Ratio	0.9	
Lerokis (Cut-off Grade 0.5% Cu)	Proved	2.1	2.3
	Probable	0.4	2.0
	Total	2.5	2.3
	Waste	1.9	
	Ratio	0.8	
Total	Proved	7.5	2.4
	Probable	1.4	2.1
	Total	8.9	2.4
	Waste	7.8	
	Ratio	0.9	

Note: Rounding errors may occur. "Ratio" refers to the ratio of the waste to the ore tonnage.

Mineral Resource Estimate									
	Measured		Indicated		Inferred		Total		
	Tonnes (m)	Cu (%)	Tonnes (m)	Cu (%)	Tonnes (m)	Cu (%)	Tonnes (m)	Cu (%)	Cu (t)
Kali Kuning (Cut-off Grade 0.4% Cu)									
Leached	0.2	0.5	0.03	0.8	0.02	1.1	0.2	0.6	1,000
Transition	1.1	1.3	0.3	1.5	0.1	1.7	1.6	1.4	22,000
Primary	4.1	2.8	0.6	2.6	0.1	2.1	4.7	2.8	132,000
Total	5.4	2.4	1.0	2.1	0.2	1.7	6.6	2.4	155,000

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Lerokis (Cut-off Grade 0.5% Cu)										
Primary	2.1	2.4	0.4	2.2	0.1	1.5	2.6	2.3	61,000	
Total	7.5	2.4	1.4	2.2	0.3	1.6	9.2	2.4	216,000	

Note: Rounding errors may occur

The information in this report that relates to ore reserve estimation is based on work completed by Mr John Wyche who is a full time employee of Australian Mine Design and Development Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Mr Wyche has sufficient experience which 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'. Mr Wyche consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to mineral resource, exploration potential and geology estimation is based on work compiled by Dr Phillip Hellman who is a consultant to H&S Consultants Pty Ltd and a Fellow of the Australian Institute of Geoscientists. Dr Hellman has sufficient experience which 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'. Dr Hellman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ojolali Gold-Silver Project Resource

Zone	Indicated			Inferred			Total				
	Tonnes (m)	Au (g/t)	Ag (g/t)	Tonnes (m)	Au (g/t)	Ag (g/t)	Tonnes (m)	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
Oxide	4.1	0.92	4.8	0.39	0.8	3.1	4.5	0.9	4.7	131,000	670,000
Transition	0.79	0.70	6.3	0.07	0.6	6.3	0.85	0.7	6.3	19,000	170,000
Fresh	0.99	0.66	3.9	0.22	0.7	4.5	1.2	0.7	4.0	26,000	160,000
Total	5.9	0.85	4.9	0.67	0.8	3.9	6.5	0.8	4.8	176,000	1,000,000

Note: Rounding errors may occur

The information in this report that relates to exploration potential and geology is based on work compiled by Dr Chris Farmer. Dr Farmer is a full-time employee and director of Finders Resources Ltd and a Member of the Australian Institute of Geoscientists. Dr Farmer has sufficient experience which 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'. Dr Farmer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the estimate of the Mineral Resource at Ojolali is extracted from the report entitled "Quarterly Report for the Period Ended December 31st 2010" created on 31st January 2011 and is available to view on www.findersresources.com. The company confirms that it is not aware of any new information or data that materially effects the information included in the original market announcement and, in the case of estimates of the Mineral Resource, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 been materially modified from the original market announcement.

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This announcement may or may not contain certain “forward-looking statements”. All statements, other than statements of historical fact, which address activities, events or developments that Finders believes, expects or anticipates will or may occur in the future, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “targeting”, “expect”, and “intend” and statements that an event or result “may”, “will”, “can”, “should”, “could”, or “might” occur or be achieved and other similar expressions. These forward-looking statements, including those with respect to permitting and development timetables, mineral grades, metallurgical recoveries, potential production reflect the current internal projections, expectations or beliefs of Finders based on information currently available to Finders. Statements in this document that are forward-looking and involve numerous risks and uncertainties that could cause actual results to differ materially from expected results are based on the Company’s current beliefs and assumptions regarding a large number of factors affecting its business. Actual results may differ materially from expected results. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which the Company’s analysis is based is complete or accurate, (iii) the Company’s analysis is correct or (iv) the Company’s strategy, which is based in part on this analysis, will be successful. Finders expressly disclaims any obligation to update or revise any such forward-looking statements.

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FINDERS RESOURCES LIMITED

ABN

82 108 547 413

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	2,457	6,706
1.2 Payments for: (a) exploration & evaluation	(79)	(259)
(b) development	(36,927)	(94,444)
(c) production	(9,293)	(23,454)
(d) administration	(1,047)	(3,598)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	15
1.5 Interest and other costs of finance paid	(2,318)	(10,501)
1.6 Taxes and value added tax refund (paid)	(4,350)	(9,106)
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(51,553)	(134,641)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(321)	(3,613)
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)	42	6
Net investing cash flows	(279)	(3,607)
1.13 Total operating and investing cash flows (carried forward)	(51,832)	(138,248)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
1.13	Total operating and investing cash flows (brought forward)	(51,832)	(138,248)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Payment for share issue expenses	-	-
1.16	Proceeds from borrowings	47,772	124,555
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
Net financing cash flows		47,772	124,555
Net increase (decrease) in cash held		(4,060)	(13,693)
1.20	Cash at beginning of quarter/year to date	38,852	47,946
1.21	Exchange rate adjustments to item 1.20	-	539
1.22	Cash at end of quarter	34,792	34,792

Payments to directors of the entity and associates of the directors

Payments to 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	597
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 Payments for salaries and directors 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

NA

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

NA

+ 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	220,000*	124,555
3.2 Credit standby arrangements	-	-

*US\$162 million project finance facility

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	60
4.2 Development	58,000
4.3 Production	10,000
4.4 Administration	800
Total	68,860

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	18,931	23,452
5.2 Deposits at call	15,861	15,400
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total cash at end of quarter (item 1.22)	34,792	38,852

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

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

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	Preference *securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	*Ordinary securities	673,667,245	661,267,245	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	4,189,667	Nil	
7.5	*Convertible debt securities Converting Notes	US\$5,500,000 Converting Notes (unlisted) which will convert into 12,248,538 Shares in the Company on or before 16 March 2018		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			
7.7	Options <i>(description and conversion factor)</i>	22,857,144 31,298,904	Nil Nil	<i>Exercise price</i> 35 cents 25.56 cents <i>Expiry date</i> 06.06.2017 22.10.2017
7.8	Issued during quarter			
7.9	Exercised during quarter			
7.10	Expired during quarter			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.11	Employee shares (included in Ordinary securities (item 7.3)) Unvested employee shares funded by loans from the company and subject to performance-based vesting conditions	1,000,000	Nil	19 cents	01.02.2020
	Employee shares funded by loans from the company and subject to performance-based vesting conditions	900,000	Nil	19 – 35 cents	01.01.2017-01.01.2019
	Unvested directors shares funded by loans from the company and subject to performance and time-based vesting conditions	10,500,000	Nil	20.08-30.08 cents	07.11.2021
7.12	Debentures <i>(totals only)</i>				
7.13	Unsecured notes <i>(totals only)</i>				

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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 29 January 2016
Director

Print name: Barry Cahill

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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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