

## 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

Neometals Ltd

### ABN

89 099 116 631

### Quarter ended ("current quarter")

June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	95	982
1.2 Payments for		
(a) exploration & evaluation (R&D)	(802)	(1,496)
(b) development	-	
(c) production (gas reservation)	(172)	(747)
(d) staff costs	(696)	(2,900)
(e) administration and corporate costs	(1,469)	(4,452)
1.3 Dividends received (see note 3)	-	
1.4 Interest received	226	985
1.5 Interest and other costs of finance paid	(30)	(60)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,848)</b>	<b>(7,688)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(203)	(797)
(b) tenements (see item 10)	(2,550)	(2,550)
(c) investments	120	207

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) other non-current assets	(50)	(207)
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	4,093
2.4 Dividends received (see note 3)	-	-
2.5 Other (exploration & development)	(540)	(1,898)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(3,223)</b>	<b>(1,152)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
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	-	-
3.5 Proceeds from borrowings	-	23
3.6 Repayment of borrowings	-	(26)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	(5,435)	(5,435)
3.9 Other (share buy-back)	-	(1,541)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(5,435)</b>	<b>(6,979)</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	41,846	46,154
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,848)	(7,688)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,223)	(1,152)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(5,435)	(6,979)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	45	50
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>30,385</b>	<b>30,385</b>

5.	Reconciliation of cash and cash equivalents 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	3,765	5,753
5.2	Call deposits	22,577	32,050
5.3	Bank overdrafts	-	-
5.4	Other (restricted term deposits)	4,043	4,043
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>30,385</b>	<b>41,846</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
190
-

*During the quarter \$190,500 was paid to directors of the entity.*

**7. Payments to related entities of the entity and their associates**

- 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

Current quarter \$A'000
-
-

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

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	(2,050)
9.2 Development	-
9.3 Production (reservation charges)	(182)
9.4 Staff costs	(951)
9.5 Administration and corporate costs	(938)
9.6 Other (R&D)	(2,800)
<b>9.7 Total estimated cash outflows</b>	<b>(6,921)</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E15/970	Relinquished	0%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased		<b><i>Refer to Annexure A</i></b>		



**ANNEXURE A: TENEMENT INTERESTS**

As at 30 June 2018 the Company has Interests in mining tenements acquired as follows:

PROJECT NAME	LICENCE NAME	INTEREST AT START OF QTR	INTEREST AT END OF QTR
Mt Edwards	M15/45	0%	100% (^)
Mt Edwards	M15/46	0%	100% (^)
Mt Edwards	M15/48	0%	100% (^)
Mt Edwards	M15/74	0%	100%
Mt Edwards	M15/75	0%	100%
Mt Edwards	M15/87	0%	100% (**)
Mt Edwards	M15/77	0%	100% (^)
Mt Edwards	M15/78	0%	100% (^)
Mt Edwards	M15/79	0%	100% (^)
Mt Edwards	M15/80	0%	100% (^)
Mt Edwards	M15/94	0%	100% (^)
Mt Edwards	M15/96	0%	100% (#)
Mt Edwards	M15/97	0%	100% (#)
Mt Edwards	M15/99	0%	100% (#)
Mt Edwards	M15/100	0%	100% (#)
Mt Edwards	M15/101	0%	100% (#)
Mt Edwards	M15/102	0%	100% (#)
Mt Edwards	M15/103	0%	100% (^)
Mt Edwards	M15/105	0%	100% (^)
Mt Edwards	L15/102	0%	100%
Mt Edwards	M15/478	0%	100% (^)
Mt Edwards	M15/633	0%	100% (^)

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Mt Edwards	M15/653	0%	100% (#)
Mt Edwards	M15/693	0%	100% (^)
Mt Edwards	M15/698	0%	100%
Mt Edwards	M15/699	0%	100%
Mt Edwards	M15/1271	0%	100% (#)
Mt Edwards	L15/254	0%	100%
Mt Edwards	E15/989	0%	100% (^)
Mt Edwards	L15/280	0%	100%
Mt Edwards	P15/5905	0%	100%
Mt Edwards	P15/5906	0%	100%
Mt Edwards	E15/1505	0%	100%
Mt Edwards	E15/1507	0%	100%
Mt Edwards	E77/2397	0%	100%
Mt Edwards	E15/1562	0%	100%
Mt Edwards	E15/1576	0%	100%
Mt Edwards	E15/1583	0%	100%
Mt Edwards	E77/2427	0%	100%

^Nickel rights only

\*\*Lithium rights only

# No gold interest