



Hot Chili Limited ACN 130 955 725
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QUARTERLY REPORT

Period Ending March 31st 2015

Highlights

- Shareholders have now approved a pivotal transaction with Chilean resources major CMP at a General Meeting of shareholders held today on the 30th April, 2015.
- The approval opens the door to funding options and provides access to vital infrastructure, saving time and money in the development of Productora.
- Alice confirmed as a bulk porphyry-style deposit. Exploration potential identified for additional porphyry discoveries. Discovery potential to continue to drive substantial increases to Productora's Mineral Resources and Ore Reserves
- Copper oxide project set to boost scale of Productora project after copper oxide scoping study identifies oxide project could produce upwards of 10,000 tpa copper and reduce overall project costs
- Hot Chili completes agreement to initiate port access studies for Productora

Summary of Activities

Hot Chili has completed a strong first quarter, advancing technical, economic and corporate work-streams towards development of the Productora copper project.

At a General Meeting of Hot Chili held today on the 30th April, 2015 shareholders have approved a landmark infrastructure deal between Hot Chili and CMP that will position Productora as a front-runner among emerging large-scale copper developments. The deal with Chilean resources major CMP is the outcome of two years of co-operation, negotiation and due diligence between the groups.

The discovery and confirmation of Alice as a bulk porphyry style copper deposit, and the recognition of a potentially large-scale copper porphyry system along-side the established Mineral Resource is transforming the Company's view of the growth potential of Productora.

ASX Code

HCH

Contact

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Managing Director

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PROJECT ACTIVITIES

Alice Adds Porphyry Copper Resource Upside to Productora

Productora's entire Mineral Resource of more than 1Mt of copper and 675,000 ounces of gold is a breccia style deposit hosted within a structural corridor known as the Main Zone.

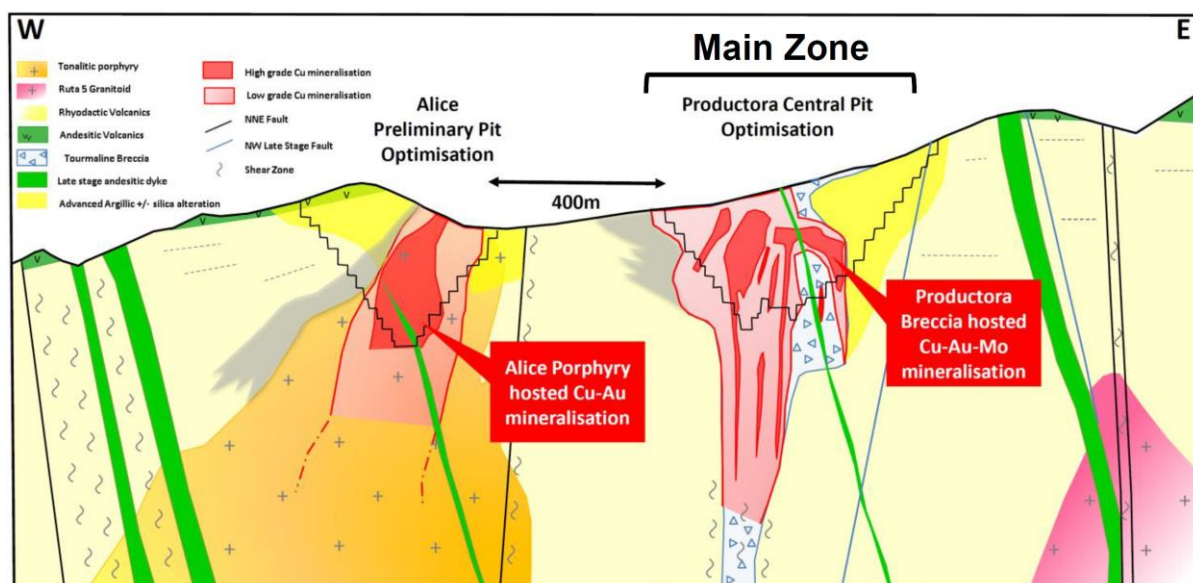
Confirmation that Alice is a porphyry-style copper deposit adjacent to the Main Zone is an exciting development in the growth of Productora into a multi-deposit copper project.

The Alice discovery has underpinned further resource additions into the PFS and highlighted the potential for Productora to elevate into a new class of much larger emerging copper developments.

Hot Chili is now reviewing its exploration and drilling results over other potential porphyry footprints identified, with strong evidence to suggest that Productora may host a cluster of deposits, as common in other known globally significant copper porphyry systems/

Generative exploration efforts during 2014 identified three large-scale, multi-element surface geochemical footprints typical of zoned copper porphyry deposits. First pass drilling completed late on 2014 over two of these footprints in the western extent of the project have confirmed extensive alteration zones of the type typically associated with large copper porphyry deposits.

Hot Chili plans to review its future exploration strategy to target any near-surface, large-scale porphyry copper potential at Productora.



Schematic cross section across the Productora Project displaying Alice and Productora Main Zone, looking north



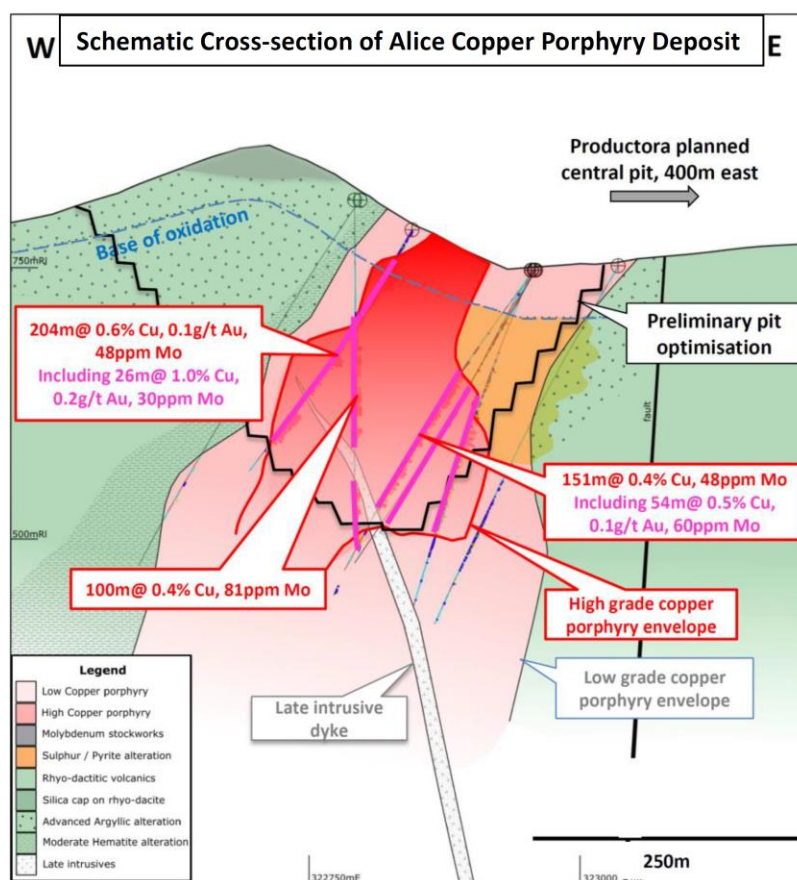
Alice Set to Underpin Resource and Reserve Growth

Drilling results returned early in 2015 have confirmed that the recent Alice discovery, located only 400m west of the Productora Main Zone, is a porphyry-style deposit.

Drilling returned from Alice has intersected very wide zones of copper extending from surface, outlining the potential for significant extensions of higher grade copper. Results include 204m grading 0.6% copper and 0.1g/t gold from within a broader intersection of 237m grading 0.5% copper and 0.1g/t gold from surface.

Importantly, these wide zones of higher grade copper at Alice remain open toward the west and at depth. Further drilling is planned to expand the extent of Alice mineralisation in advance of a maiden resource estimate.

The addition of Alice and any further bulk porphyry-style discoveries will underpin substantial increases to Productora's Mineral Resources and Ore Reserves.



Schematic cross section of Alice copper porphyry deposit



Oxide project set to boost scale of Productora

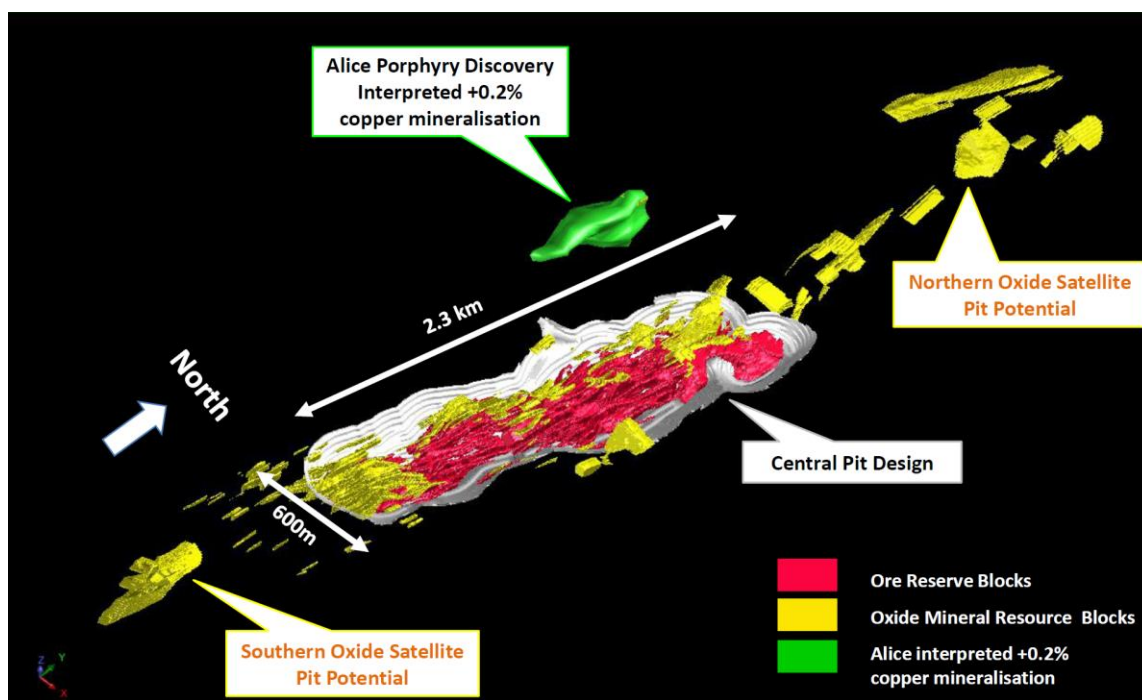
The economics of the Productora copper project are set to benefit from the outcomes of a Scoping study completed in the quarter which highlights the strong merits of adding an oxide operation to the development.

The independent Scoping study, completed by EPCM Group Mintrex, found the addition of an oxide operation to be attractive as a complement to the existing Productora copper sulphide project, indicating the potential to increase the scale of copper production, further enhancing Productora’s economics.

In light of these findings, the PFS will now include a heap leach operation followed by a Solvent Extraction Electrowinning (SX-EW) circuit with the potential to produce 8,000 to 10,000 tonnes of cathode copper production annually for six to eight years in addition to the targeted annual copper-in-concentrate production of approximately 45,000 to 55,000 tonnes.

From this study, Mintrex recommend the best option to continue studying in the PFS is conventional heap leach processing followed by a SX/EW circuit to produce copper cathode. This option is considered the most attractive low-risk option with a positive financial outcome.

The Scoping study has also identified the potential to dump leach process lower grade oxide material at Productora. This option is being pursued in the PFS and has the potential to further increase the scale of the oxide project if certain low cost operating strategies are proven to be applicable.



Central pit design displaying Ore Reserve blocks (pink) against oxide Mineral Resource blocks (yellow) and the +0.2% copper mineralisation interpretation at the Alice porphyry discovery.



Scoping study results for a 2Mtpa heap leach option at Productora indicated the following:

Heap Leach	
Throughput	2 Mtpa
Average grade of feed	0.58% copper
Total copper recovery	52 - 56%
Annual cathode production	6,000 – 6,500 tonnes
Plant Operating Cost	USD\$1.00 – 1.15/lb
Capital Cost	USD\$80 - 90 million

Plant operating cost estimates stated above include all “front-end” (power cost, ongoing heap cost, ROM and dump re-handling, acid consumption, maintenance and other costs) and “back-end” (power cost, consumables and maintenance cost) operating costs as well annual general and administration and labour costs.

Capital cost estimates stated above include direct cost, indirect cost and contingency associated with construction of a new plant for heap leach processing. Second-hand plant and toll treatment options were not progressed in the Scoping study owing to a lack of available and reliable information at this stage of assessment.

Mintrex utilised an oxide mining schedule completed in conjunction with the first Productora Ore Reserve estimate announced to the ASX on March 31st 2014. Mining cost and geotechnical parameters outlined in that announcement are considered appropriate to utilise for combined oxide and sulphide PFS pit optimisation and modelling.

Importantly, mining cost of all in-pit oxide Mineral Resources within the planned central pit have already been accounted for within the current Productora Ore Reserve estimate.

The PFS now includes the study of a heap leach operation followed by a Solvent Extraction Electrowinning (SX-EW) circuit with the potential to produce 8,000 to 10,000 tonnes of cathode copper production annually for six to eight years.

SCOPING STUDY PARAMETERS – CAUTIONARY STATEMENT

The Study referred to in this report is based on low accuracy level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised.

This announcement has been prepared in compliance with the JORC Code 2012 Edition and the ASX Listing Rules. The Company advises the Study results and production targets reflected in this announcement are forecasts and estimates, and are preliminary in



nature as conclusions are partly drawn from Inferred Resources, which comprise approximately 20% of the copper in the oxide Mineral Resource inventory. The Study outputs contained in this report relates to 100% of the Productora project.

The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement. The detailed reasons for that conclusion are outlined throughout this announcement and in particular in Qualifying Statements headed "Forward Looking Statements".

Productora Development Strategy

Hot Chili's strategy of project development and de-risking in parallel with resource and reserve growth at Productora is shaping towards another significant uplift as the Company progresses closer to a decision to mine.

On March 31st 2014, Hot Chili announced that Productora's Mineral Resources had grown to over 1 Mt of copper, 675,000 ounces of gold and 29,000 tonnes of molybdenum.

A focus on systematic drilling of the central pit area during 2013 allowed Hot Chili to also announce on March 31st 2014 a first Probable Ore Reserve estimate for Productora of 90.5Mt grading 0.48% copper, 0.11g/t gold and 172 ppm molybdenum containing 433,000t of copper, 308,000oz of gold and 15,500t of molybdenum.

The open pit Ore Reserve estimate was stated as conservative at the time and only estimated for the planned central pit at Productora. Owing to the level of advancement of certain PFS work streams, the estimate was based on conservative assumptions and inputs including:

1. All oxide Mineral Resource material was treated as waste.
2. No transitional ore was used to drive pit optimisations ensuring the pit design process was considered robust against fresh sulphide ore types only.
3. Metallurgical recoveries applied to gold, molybdenum and transitional copper ore types were conservatively applied considering both benchmarking of other similar Chilean copper operations and limited test work results available at that time.

Pit modelling will now contemplate the optimisation of both oxide and sulphide Mineral Resources at Productora which is expected to deliver a significant reduction to overall mining strip ratio and lower pre-strip related start-up capital.

Given Hot Chili's PFS advancements and Scoping study confirmation that the addition of a copper oxide project is robust, the Company expects to report significant growth in open pit Ore Reserves and Mineral Resources with the Productora PFS. This expanded metal inventory will also include the addition of the Alice Porphyry copper discovery, 400m west of the planned central pit.

Hot Chili is confident of delivering a strong PFS result in advance of commencing a Definitive Feasibility Study (DFS) for Productora this year.



CORPORATE ACTIVITIES

Joint Venture MOU Executed with Chilean Resources Major CMP

During the quarter Hot Chili confirmed that a General Meeting of Hot Chili shareholders will take place on April 30th 2015, to consider resolutions relating to a landmark deal with Chilean resources major Compañía Minera del Pacífico S.A. (CMP). A Notice of Meeting and Independent Experts Report was released to the ASX on 19th March, 2015 outlining details of the proposed transaction and the conclusions of the Independent Expert.

Hot Chili is pleased to advise that the CMP transaction was approved by shareholders at a General Meeting held today. The approval opens the door to funding options and provides access to vital infrastructure, saving time and money in the development of Productora.

Compañía Minera del Pacífico S.A. (CMP) is a subsidiary of Compañía de Aceros del Pacífico S.A. (CAP), Chile's largest iron ore miner and integrated steel business, and is also Hot Chili's second-largest shareholder.

The deal will see CMP take a 17.5 percent stake in Productora as part of a pivotal infrastructure agreement that will save significant time and money in the development of the project. Under the agreement, CMP will contribute surface rights, easements and its interest in certain Productora tenements, enabling Hot Chili to build the key infrastructure needed for the project.

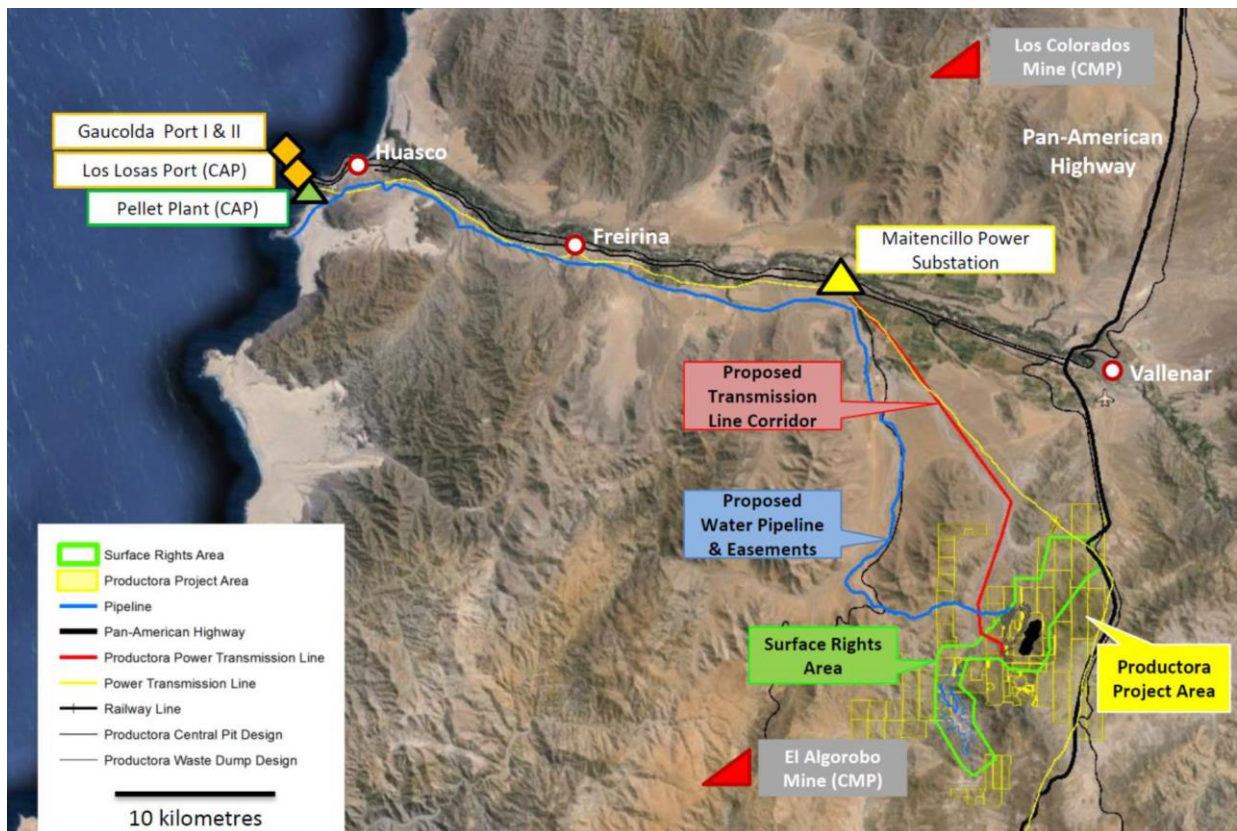
CMP also has an Option to increase its stake in Productora to 50.1 per cent at a price of between US\$80 million and US\$110 million. The Option will be exercisable by CMP in two tranches and is associated with the delivery of the Productora Pre-feasibility study.

The Independent Expert, BDO Corporate Finance (WA) Pty Ltd, determined a value for Productora at between \$245 million and \$297 million. This is many times Hot Chili's current market capitalisation of approximately \$42million and endorses the strong underlying value being built at Productora.

The CMP Transaction, which is the outcome of over two years of co-operation, due diligence and negotiation between Hot Chili and CMP, requires the approval of Hot Chili shareholders at the General Meeting to be held in Perth on April 30th, 2015.



View over CMP and CAP's port, rail and iron pellet plant operations at Huasco, Chile.



Location and existing infrastructure surrounding the Productora copper project, Region III Chile.

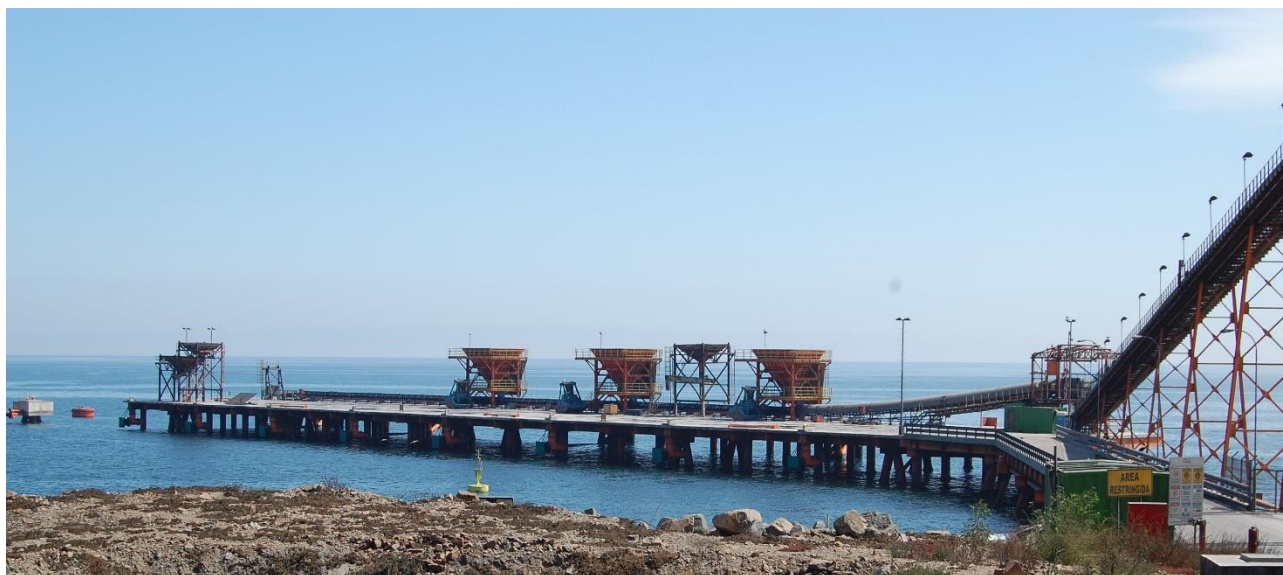


Hot Chili executes MOU to initiate port access studies for Productora

During the quarter Sociedad Minera El Corazon Limitada (SMECL- Hot Chili's wholly owned Chilean subsidiary company) executed a Memorandum of Understanding (MOU) with Puerto Las Losas SA (PLL) to jointly study the provision of port services from PLL's facilities located at Huasco, adjacent to the Company's flagship Productora copper project in Chile.

SMECL and PLL have agreed to carry out Pre-feasibility level studies necessary to evaluate the basic engineering feasibility for PLL to provide SMECL port services from its Las Losas facilities. The Studies will be carried out by PLL, under its management within a 12 month period starting from the date an activities program and cost estimate has been issued to SMECL.

In advance of the execution of the MOU, PLL has been granted a favourable Environmental Approval by the Chilean Environmental Evaluation Service. The approval allows PLL to construct and to operate the new copper concentrate port facilities ancillary to the already existing facility.



Las Losas Port terminal, Huasco



Health, Safety, Environment and Quality

Hot Chili's sustainability framework ensures an emphasis on business processes that provide long term economic, environmental and social value. The Company is dedicated to continued monitoring and improvement of health, safety and the environmental systems.

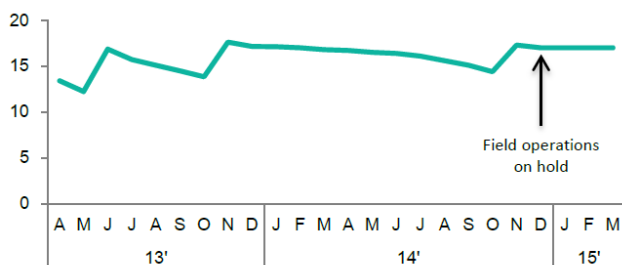
The company is pleased to report that there were no incidents recorded for the quarter. Field operations were suspended for the period, with a letter informing the Mining Safety Authority provided.

The Company's HSEQ quarterly performance is summarised below:

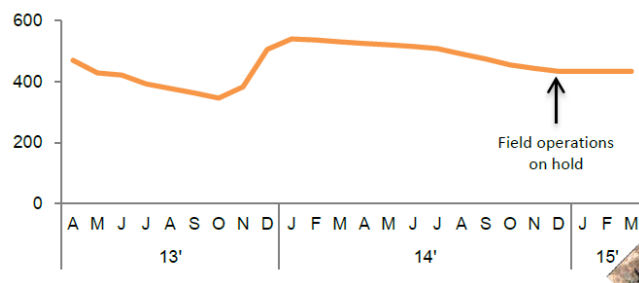
HSEQ Quarter 1 2015 Performance and Statistics

Item	Jan-Mar /15	Cumulative (3)
LTI events	0	5
NLTI events	0	1
Days lost	0	128
LTIFR index	0	17.0
IFR index	0	20.3
ISR index	0	434.2
Thousands of mh (1)	6.3	294.7
Material incidents	0	5
Environmental accidents	0	0
Headcount (2)	57	-

Notes: HSEQ is the acronym for Health, Safety, Environment and Quality. LTIFR per million man hours. Statistics monthly reported to the national Mine Safety Authority through an E-100 form; (1) man-hours; (2) Average headcount for the quarter: 44; (3) cumulative stats since JAN/2012.



Cumulative LTIFR (staff and contractors). Last 24 months



Cumulative Injury Severity Rate (ISR) (staff and contractors). Last 24 months



Tenement Changes during the Quarter

None.



Qualifying Statements

JORC Compliant Ore Reserve Statement

Productora Open Pit Probable Ore Reserve Statement – Reported 31st March 2014

Ore Type	Category	Tonnage (Mt)	Grade			Contained Metal			Payable Metal		
			Copper	Gold	Molybdenum	Copper	Gold	Molybdenum	Copper	Gold	Molybdenum
			(%)	(g/t)	(ppm)	(tonnes)	(ounces)	(tonnes)	(tonnes)	(ounces)	(tonnes)
Transitional	Probable	10.2	0.54	0.10	128	55,000	34,000	1,300	27,000	13,000	1,000
Fresh	Probable	80.3	0.47	0.11	177	378,000	274,000	14,200	323,000	139,000	8,000
Total	Probable	90.5	0.48	0.11	172	433,000	308,000	15,500	350,000	152,000	9,000

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting.

Note 2: Average recoveries applied to Probable Ore Reserve estimate are: Fresh Cu– 88.8%; Fresh Au - 65%; Fresh Mo - 60%, Transitional Cu- 50%, Transitional Au- 50% and Transitional Molybdenum- 50%. Payability factors applied for Cu- 96.5%, Au- 78% and Mo- 98%. The Probable Ore Reserve was estimated using price assumptions of US\$3.00/lb copper, US\$1,250/oz gold and US\$10/lb molybdenum and an exchange rate (AUD:USD) of 0.88.

JORC Compliant Mineral Resource Statements

Productora Mineral Resource Statement – Reported 31st March 2014

Classification (+0.25% Cu)	Tonnage (Mt)	Grade			Contained Metal		
		Copper	Gold	Molybdenum	Copper	Gold	Molybdenum
		(%)	(g/t)	(ppm)	(tonnes)	(ounces)	(tonnes)
Indicated	158.6	0.50	0.11	152	799,000	540,000	24,000
Inferred	55.6	0.41	0.08	97	229,000	133,000	5,000
Total	214.3	0.48	0.10	138	1,029,000	675,000	29,000

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting.

Mineral Resource and Ore Reserve Confirmation

The information in this report that relates to Mineral Resources and Ore Reserve estimates on the Productora copper projects were originally reported in the ASX announcements “Maiden Ore Reserve at Productora Set for Strong Growth in 2014”, dated 31st March 2014. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. The company confirms that the form and



context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person's Statement- *Exploration Results*

Exploration information in this announcement is based upon work undertaken by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday 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' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person's Statement- *Mineral Resources*

The information in this announcement that relates to the Productora Mineral Resource is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is a full-time employee of Hot Chili Ltd. Mr Macdonald is a Member of the Australasian Institute of Mining and Metallurgy. Mr Kirchner is employed by Coffey Mining Pty Ltd (Coffey). Coffey has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Mineral Resource estimate. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy and is a Member of the Australian Institute of Geoscientists. Both Mr Macdonald and Mr Kirchner have 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' (the JORC Code 2012). Both Mr Macdonald and Mr Kirchner consent to the inclusion in the ASX announcements "Maiden Ore Reserve at Productora Set for Strong Growth in 2014", dated 31st March 2014 of the matters based on their information in the form and context in which it appears.

Competent Person's Statement- *Ore Reserves*

The information in this announcement that relates to Productora Ore Reserves is based on information compiled by Mr Carlos Guzmán who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA. NCL has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Ore Reserve estimate. Mr. Guzmán 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 Guzmán consents to the inclusion in the ASX announcements "Maiden Ore Reserve at Productora Set for Strong Growth in 2014", dated 31st March 2014 of the matters based on their information in the form and context in which it appears.

Forward Looking Statements

This announcement contains "forward-looking statements". All statements other than those of historical facts included in this announcement are forward-looking statements including estimates of Mineral Resources. However, forward-looking statements are subject to risks, uncertainties 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, copper and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade ore recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. 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. All persons should consider seeking appropriate professional advice in reviewing this announcement and all other information with respect to the Company and evaluating the business, financial performance and



operations of the Company. Neither the provision of this announcement nor any information contained in this announcement or subsequently communicated to any person in connection with this announcement is, or should be taken as, constituting the giving of investment advice to any person.



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

Name of entity

Hot Chili Ltd

ABN

91 130 955 725

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(2,429)	(11,840)
(b) development	(264)	(3,649)
(c) production		
(d) administration	(663)	(2,451)
Research and Development (R&D)	-	(267)
1.3 VAT credit received	1,751	11,123
1.4 Interest and other items of a similar nature received	5	29
1.5 Interest and other costs of finance paid	(421)	(1,188)
1.6 Income taxes paid		
1.7 Other- GST and R & D refund	32	99
Net Operating Cash Flows	(1,989)	(8,144)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	(120)	(1,173)
(b) equity investments		
(c) other fixed assets	-	(34)
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)		
Net investing cash flows	(120)	(1,207)
1.13 Total operating and investing cash flows (carried forward)	(120)	(1,207)



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

1.13	Total operating and investing cash flows (brought forward)	(2,109)	(9,351)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	12
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Cost of capital raising		
1.19	Other (Borrowing costs)		(358)
	Net financing cash flows	-	(346)
	Net increase (decrease) in cash held	(2,109)	(9,697)
1.20	Cash at beginning of quarter/year to date	6,288	12,769
1.21	Exchange rate adjustments to item 1.20	328	1,435
1.22	Cash at end of quarter	4,507	4,507

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	146
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Salaries , Directors fees and consulting fees at commercial rates.

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	18.5 Million USD	10 Million USD
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,200,000
4.2 Development	1,000,000
4.3 Production	
4.4 Administration	800,000
Total	3,000,000

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	4,419	6,200
5.2 Deposits at call	88	88
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	4,507	6,288



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow 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			
6.2	Interests in mining 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	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	347,747,954	347,747,954	
7.4	Changes during quarter Increases through issues (b) Decreases through returns of capital, buy-backs			



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	11,000,000		30 cents	<i>Exercisable on or before 27 June 2019</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.10	Expired during quarter	500,000	-	One dollar	<i>Exercisable after 29/1/2014 Expiry date 30/1/2015</i>
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				



Appendix 5B- Mining Exploration Entity Quarterly Cash Flow Report

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:

A handwritten signature in dark ink, appearing to be "John Sendziuk", written over a horizontal line.

Date: 30/04/2015

(Company secretary)

Print name: John Sendziuk

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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