Appendix 5B

Mining exploration entity quarterly report

(Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001).

Name of entity

FIRST GRAPHITE LTD

ABN	Quarter ended ("current quarter")
50 007 870 760	**31 March 2016**

Consolidated statement of cash flows

		Current quarter $A	Year to date (9 months) $A
	Cash flows related to operating activities		
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(1,027,452)	(2,485,090)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(436,225)	(990,456)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4,073	9,426
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net operating cash flows	**(1,459,604)**	**(3,466,120)**
1.8	Payment for purchases of: (a) prospects	-	-
	(b) investments	-	-
	(c) other fixed assets	(130,211)	(351,386)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Contributions from joint venture	-	-
1.13	Payments for joint venture operations	-	-
1.14	Loan provided to Kumai Energy Limited	-	-
	Net investing cash flows	**(130,211)**	**(351,386)**
1.15	**Total operating and investing cash flows (carried forward)**	**(1,589,815)**	**(3,817,506)**

		Current quarter $A	Year to date (9 months) $A
1.16	Total operating and investing cash flows (brought forward)	**(1,589,815)**	**(3,817,506)**
	Cash flows related to financing activities		
1.17	Proceeds from issues of shares, options, etc.	-	4,578,791
1.18	Proceeds from sale of forfeited shares	-	-
1.19	Proceeds from borrowings	-	-
1.20	Repayment of borrowings	-	-
1.21	Dividends paid	-	-
1.22	Share issue costs paid	-	(264,990)
1.23	Other (provide details if material)	-	-
	Net financing cash flows	**-**	**4,313,801**
	Net increase (decrease) in cash held	**(1,589,815)**	**496,295**
1.24	Cash at beginning of quarter/year to date	3,135,303	1,055,093
1.25	Exchange rate adjustments to item 1.22	(29,837)	(35,738)
1.26	**Cash at end of quarter**	**1,515,650**	**1,515,650**

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
1.27	Aggregate amount of payments to the parties included in item 1.24	475,945
1.28	Aggregate amount of loans to the parties included in item 1.11	-

1.29 Explanation necessary for an understanding of the transactions

Payment of directors fees, and consulting fees paid to director-related entities.

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 businesses in which the reporting entity has an interest

None.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

		$A
4.1	Exploration and evaluation	470,607
4.2	Development	-
4.3	Production	-
4.4	Administration	215,411
	Total:	**686,018**

Reconciliation of cash

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A	Previous quarter $A
5.1	Cash on hand and at bank	1,515,650	3,135,303
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.24)	**1,515,650**	**3,135,303**

Change in interests in mining tenements

		Tenement reference	Nature of interest	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)*	*Amount paid up per security (see note 3)*
7.1	**Preference +securities(description)**				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	279,967,301	279,967,301		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	*Number* 49,398,551 111,625,357 12,000,000	*Number* 49,398,551 111,625,357 -	*Exercise price* $0.200 $0.100 $0.092	*Expiry date* 17/10/2016 21/05/2017 31/10/2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** (totals only)				
7.12	**Unsecured notes** (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 ~~/does not* (delete one)~~ give a true and fair view of the matters disclosed.

Sign here: Date: 29 April 2016
(Director and Company secretary)

Print name: Peter Richard Youd

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.