



QUARTERLY ACTIVITIES REPORT & APPENDIX 5B

For the 3 months ending 31 December 2017 (**Period**)

Blaze International Limited (**Blaze**) (**Company**) (ASX: **BLZ**) is pleased to present its Activities Report for the Period.

ASX ANNOUNCEMENT

ASX Code: BLZ
Shares on Issue: 115,000,000*
Options: 25,000,000*
Cash: \$1.53 million*

Chairman: Josh Puckridge
Director: Darren Patterson
Director: Loren King
Secretary: Loren King

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*does not include the proceeds of the rights issue detailed on page 2.

Blaze International Limited is an exploration company listed on the Australian Securities Exchange.

The Company currently holds exploration ground in the Northern Territory of Australia.

The Company is assessing a number of ways to generate shareholder value including the acquisition of a new project, or projects.

For enquiries please contact:

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MARBLE BAR LITHIUM PROJECT

Blaze announced its option over the Marble Bar Lithium Project on the 2nd of August 2016. The Project consists of three (3) exploration licence applications (ELA 45/4669, 45/4690, 45/4724 and 45/4746) and one (1) exploration licence (EL45/4699) covering 370km² located within 50 kilometres East of Marble Bar in the East Pilbara region of Western Australia (**Marble Bar Project**).

The Company commenced a drilling program of three (3) Lithium-Caesium-Tantalum type spodumene bearing pegmatite dykes on the 21st of November 2016. The Company completed twelve (12) RC drill holes for 702m in total, seeing approximately 170m of drilling per day. The geological logging data confirmed previous observations of the Company's mapping and sampling programs; however, the widths of the pegmatite intersections did not correlate with the widths of the outcrop. As such, the Company ceased drilling ahead of schedule to assess its modelling.

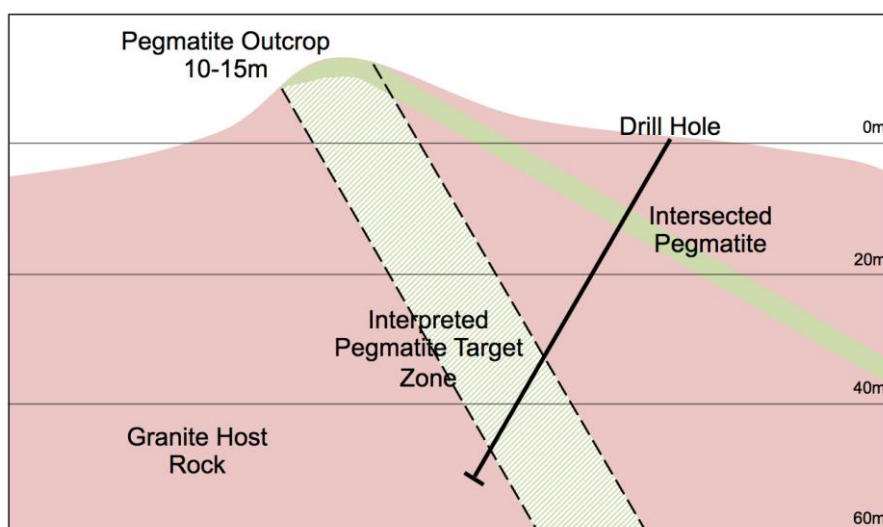


Figure 1: Schematic Cross Section – True Width Comparison

As illustrated in Figure 1 above, the mineralised pegmatites strike in a northerly direction, based on geological logging data range, between 2m and 4m in width. The preliminary geological interpretation of this data indicates the pegmatites have a consistently flatter dip than previously indicated, dipping at 30 to 35 degrees to the east. Geological mapping of outcropping pegmatites indicates dips ranging from 35 to 70 degrees. This consistently flatter dip is thought to, in part, explain the variation between the drill intersected widths versus the widths observed in outcrop.

As announced 30 December 2016, the Company did not exercise its option over the Marble Bar Lithium Project; while the project maintains merit, market conditions did not support the exercise of the option.

CORPORATE ACTIVITIES

Rights Issue

The Company announced its rights issue on 19 October 2016 on a 1 for 3 basis to issue up to 42m new shares in the Company at \$0.05 per new share issued where subscribers would also receive 1 option, exercisable at \$0.08 each and expiring 1 March 2019 (**Option**) for every 2 shares received under the rights issue. The Company lodged a prospectus for the issue on the 4th of November 2016 and on the 19th of January 2017 issued 1,012,597 new shares and 506,313 Options to subscribers of the rights issue.

Disposal of Assets

As announced 8 April 2016, shareholders approved the disposal of the Company's interests in Power Resources Limited and Colour Minerals Pty Limited to Kalgoorlie Mine Management Pty Limited (**KMM**) (**Disposal**) in settlement of Company obligations under a KMM management agreement. As announced 8 April 2016, the Disposal has not yet occurred and the Company remains in ongoing discussions with KMM. The Company remains confident that it will reach a suitable outcome and will inform the market when this outcome is reached. The Company has continued to maintain this project, including a review of further technical work to be completed by the Company.

Business Development

The Company is assessing subsequent project(s) for acquisition in the interests of creating shareholder value. All discussions remain incomplete, non-binding and confidential. The Company will update the market accordingly to any progress.

ASX LISTING RULE 5.3.3

During the Period the Company maintained the good standing of its interests in EL28620 and completed all required regulatory reporting. For the purposes of listing rule 5.3.3, the Company provides the following:

COUNTRY	STATE/ REGION	PROJECT	TENEMENT ID	AREA (KM2)	GRANT DATE	INTEREST
Australia	NT	Barkly copper-gold	EL28620	39.16	16/12/2011	Earning 80%

FOR FURTHER INFORMATION, PLEASE CONTACT:**Blaze International Limited**

Loren Jones

Director and Company Secretary

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Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Blaze International Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Blaze International Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent person statement

Exploration or technical information in this release has been prepared by Mr Ian Prentice BSc, who is a consultant to Blaze International Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr Prentice consents to the report being issued in the form and context in which it appears

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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

Blaze International Limited

ABN

15 074 728 019

Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows	Current quarter (Dec 2016) \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(311)	(367)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(134)	(301)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	7
1.5 Interest and other costs of finance paid	(0)	(0)
1.6 Income taxes paid	-	-
1.7 Research and development refunds		-
1.8 Other (provide details if material)	42	77
1.9 Net cash from / (used in) operating activities	(400)	(584)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(106)	(106)
(b) tenements (see item 10)	-	-
(c) investments	-	(220)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter (Dec 2016) \$A'000	Year to date (6 months) \$A'000
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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(106)	(326)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	550
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	-	(36)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	514

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,034	1,924
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(400)	(584)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(106)	(326)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	514
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,528	1,528

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	1,509	2,015
5.2 Call deposits	19	19
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,528	2,034

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**

(72)

-

Payment of director's fees, rent and corporate administration services.

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**

-

-

-

8. Financing facilities available
Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

-

-

-

-

-

-

- 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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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	20
9.2 Development	-
9.3 Production	-
9.4 Staff costs	
9.5 Administration and corporate costs	50
9.6 Other (Cash consideration for Marble Bar Lithium Project Option and acquisition of two hand held XRFs)	-
9.7 Total estimated cash outflows	70

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
Director and Company secretary

Date: 31 January 2017

Print name: Loren King

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.