

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

CAZALY RESOURCES LIMITED

ABN

23 101 049 334

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	52	151
1.2	Payments for		
	(a) exploration and evaluation	(168)	(535)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(202)	(775)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received	-	-
1.7	Other	-	-
Net Operating Cash Flows		(316)	(1,155)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) plant & equipment	-	-
	(b) equity investments	-	-
	(c) subsidiaries	-	-
	(d) prospects	-	-
1.9	Proceeds from royalties and sale of:		
	(a) prospects	270	270
	(b) equity investments	-	155
	(c) other fixed assets	-	-
	(d) subsidiaries	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	123
Net investing cash flows		270	548
1.13	Total operating and investing cash flows (carried forward)	(46)	(607)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(46)	(607)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	205
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from convertible notes	-	200
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - costs of share issues	-	(3)
	Net financing cash flows	-	402
	Net increase (decrease) in cash held	(46)	(205)
1.20	Cash at beginning of quarter/year to date	462	621
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	416	416

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	97
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions 1.23 includes directors' fees and salaries for executive and non-executive directors.	

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.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-
3.2	Credit standby arrangements	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	125
Total	225

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	416	462
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	416	462

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	Managed E47/1561	Mt Walkins	100%	0%
	P77/3700	Parker Range	100%	0%
	P77/3702	Parker Range	100%	0%
	E80/4811	Lamboo	100%	0%
	E47/2884	Gregory	100%	0%
	Not Managed P80/3938	Mt Angelo	20%	0%
6.2 Interests in mining tenements acquired or increased	Managed E39/1837	Mt Weld	0%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	Amount paid up per security
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	137,308,788	137,308,788		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	6,831,667	6,831,667	\$0.03	Fully paid
7.5 *Convertible debt securities	2	-	\$200,000 (total)	Convertible notes with a maturity date of 31 December 2016, zero % interest rate and convertible at \$0.03 plus a free attaching option on the basis of one option for every two shares issued on conversion (with an exercise price of \$0.04 and an expiry date of 5 January 2018).
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	100,000 3,500,000 3,415,834		<u>Exercise price</u> \$0.107 \$0.180 \$0.040	<u>Expiry date</u> 31 July 2016 26 November 2016 5 January 2018
7.8 Issued during quarter	3,415,834		\$0.040	5 January 2018
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 April 2016
(Company Secretary)

Print name: Mike Robbins

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.