

ASX Code: AOU

Securities on Issue as at 31 July 2017:

85,817,551 fully paid ordinary shares (quoted)
300,000 options exercisable at \$0.10 expiring 17/03/2018
1,000,000 options exercisable at \$0.10 expiring 23/10/2018
24,144,650 options exercisable at \$0.20 on or before 23/10/2018
4,821,348 options exercisable at \$0.08 expiring 31/12/2018
300,000 options exercisable at \$0.20 expiring 24/03/2019

Directors

Glenn Whiddon
(Executive Chairman)
Ryan Gaffney
(Non-executive Director)
David Lenigas
(Non-executive Director)

CEO

Dr Andrew Tunks

Company Secretary

James Bahen

Contact

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Subiaco WA 6008
Australia

Quarterly Activities Report as at 30 June 2017

Auroch Minerals Limited (ASX:AOU) (**Auroch** or the **Company**) is pleased to provide shareholders with the following summary of its activities during the March quarter.

At the end of the quarter, the Company had the following cash, receivables, loans and payables.

Description	\$A'000
Cash Balance as per Appendix 5B	\$4,789
Receivables - Convertible Loan Note with Xtract Resources Plc for Manica Gold project sale	\$1,373
Loan to Bolt Resources (holder of the Acoutim CU-ZN license) for Portugal operation	\$1,554
Commitments Payable	-\$213
Total	\$7,503

OPERATIONS

Auroch has expanded its foot print in the European renewable space through the significant Alcoutim Cu-Zn-Pb-Au-Ag Project opportunity in south-eastern Portugal and the Tisova Co-Cu Project in the Czech Republic.

Tisová Project

The Company advised that it has entered into option agreements giving it the right to acquire 100% of the historic **Tisová copper mine** and 3 exploration licence applications (subject to approval by relevant authorities) in the Czech Republic.

Highlights

- The Tisová underground mine has a long history, being mined intermittently since the end of the 12th century and more recently operated from 1959 to 1973 when it produced 560kt of ore containing 0.68% Cu
- Deposit style is volcanogenic massive sulphide (VMS) with copper being confined to specific horizons of chalcopyrite-rich ore within a much broader sequence of massive, semi-massive and disseminated sulphides
- Sampling of the broader sulphide envelope produced **significant grades of cobalt, copper and gold**
- Grades of up to **0.68% Co** and **3.5% Cu** (with potential gold by-product between 0.2–3.7g/t Au) were returned from assay of recent grab samples
- Previous exploration and mining at Tisová focussed on the copper-rich VMS, and did not regularly sample for cobalt and, and hence these opportunities were not exploited nor evaluated

- Extensive underground development has been completed at Tisová which will be examined to determine the most efficient method to progress mine exploration and subsequent development.
- The Tisová project comprises a granted exploration licence which includes the historic Tisová mine and 3 exploration licence applications in the Czech Republic
- Deposit is open along strike and down-dip and through the deal Auroch has secured a significant ground holding which provides scope to prove up a substantial deposit
- Drilling to commence in 3rd Quarter 2017

Sampling

Auroch has collected a suite of representative samples from the waste dumps at Tisová. Copper ores form lenses more than several hundred meters in length but only 2 to 5 m width within a much thicker stratabound envelope of sulphides which were regarded as waste by historic mining. These sulphides were systematically sampled on the old dumps. They represent a wide range of potential ore types in the broader sulphide halos with significant amounts of other metals such as cobalt and gold. Importantly the analytical data suggest that the best cobalt and gold grades are NOT associated with the narrow high-grade copper zones. The results are shown below in Table 1.

SAMPLE	sulphides	% sulphides	Au g/t	Co %	Cu %
TS001	Py > Po > Cpy	70	1.97	0.16	2.5
TS002	Py > Po > Cpy	70	1.01	0.14	1.95
TS003	Po vein >> Cpy	5	0.12	0.09	0.23
TS004	Py early, dissem	20	0.15	0.09	0.3
TS005	Py early, dissem	30	3.73	0.17	0.24
TS006	Py >> Cpy	30	0.69	0.27	0.15
TS007	Py + Cpy	10	0.21	0.04	3.56
TS008	Py	60	0.09	0.02	0.18
TS009	Cpy >> Py	10	0.52	0.02	3.6
TS010	Po > Py > Cpy	30	0.86	0.12	0.74
TS011	Po, Cpy	20	1.76	0.05	0.67
TS012	Py >> Cpy	70	2.14	0.29	2.25
TS013	Po > Py > Cpy	10	1.4	0.69	1.17
TS014	Py vein	5	0.02	0.07	0.23
TS015	Po >> Cpy	70	1.47	0.18	2.09
TS016	Cpy, Py vein	3	0.14	0.14	1.08
TS017	Py, Cpy vein	3	0.07	0.01	0.94
TS018	Py	10	2.22	0.3	0.82
		Average	1.03	0.16	1.26

Table 1 Assay results for 18 samples collected from the Helena Waste Dumps associated with Tisová Copper Mine. The samples were hand selected to examine various sulphide assemblages and veins. Coloured Bars plot elemental abundance as compared to rest of this sample suite.



Figure 1. A. Massive sulphide sample collected from Tisová waste dump. Sulphides include; pyrite, pyrrhotite, chalcopyrite. B. Waste 1 at Tisová minesite

Mineralisation

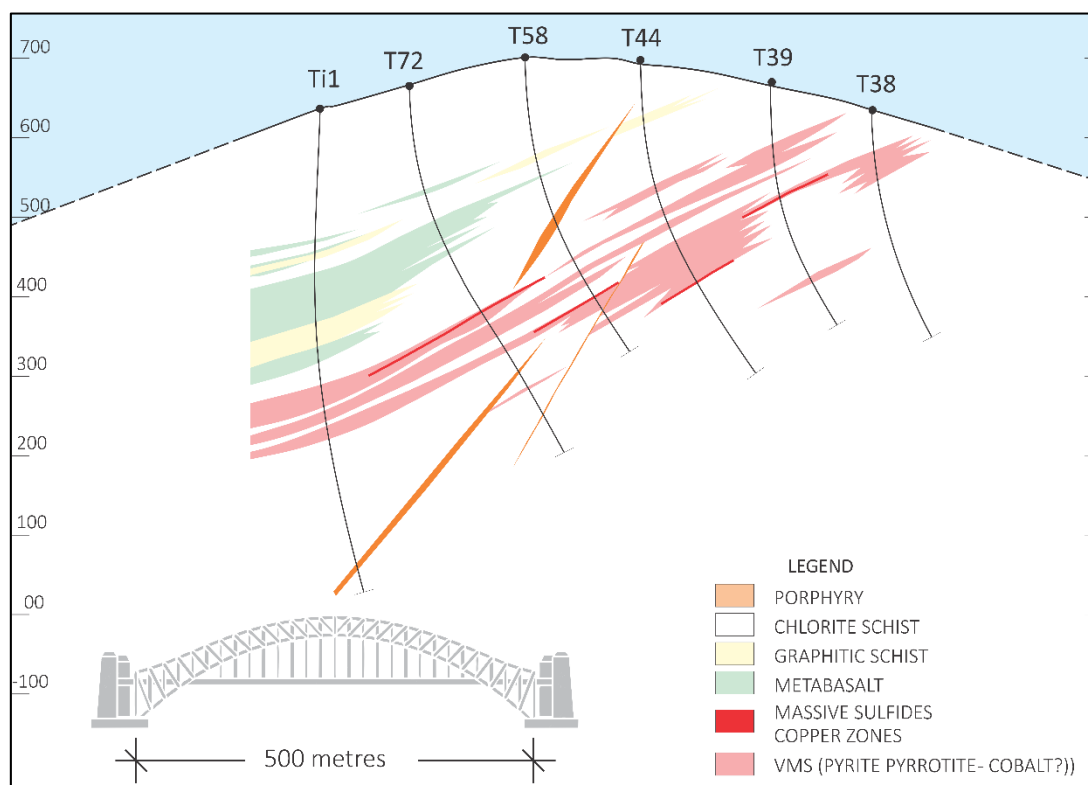
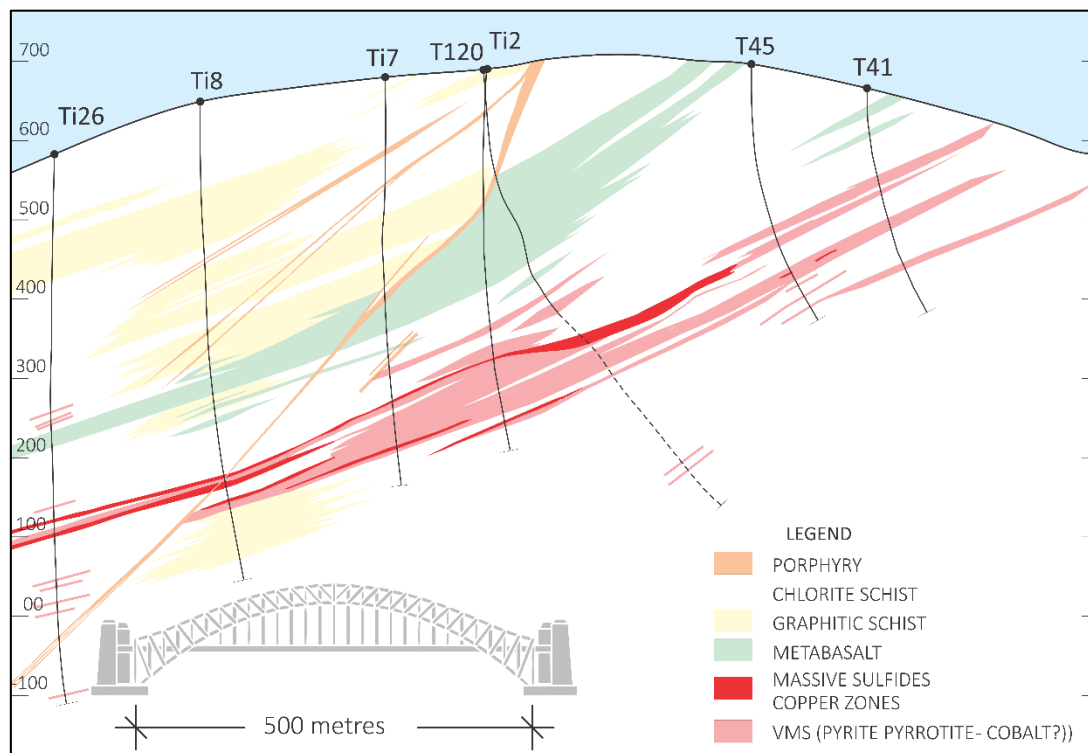
The Tisová orebody comprises a thick zone (up to 60m true thickness – see figures 2A & 2B) of semi-massive and disseminated sulphides dominantly comprising pyrrhotite and pyrite with lesser amounts of chalcopyrite, sphalerite, cobaltite, electrum, arsenopyrite, magnetite and bismuthinite. The deposit is interpreted to be a “Beshi” type **Volcanic Massive Sulphide (VMS)** based on the tectonic setting and the element distribution. (Oruzinsky and Kribek; 1981)

The VMS mineralisation comprises at least three stratabound horizons that strike NE and dip around 25 degrees to the north-west. Previous drilling has outlined a strike length of over 1,000m remaining open to the south west and down dip. Previous underground mining between 1953 and 1973 has removed the bulk of the known copper-rich mineralisation down to 200m below surface.

In the 1980s, the wider surroundings of the Tisová deposit were covered by early stage exploration (soil geochemistry, geophysics). A surface and underground drilling programme in the central and southern zone of the deposit was executed during the period of 1971-1989, producing reserves (non-JORC) down to 400 m below surface (level 9 of Helena shaft). A large portion of the underground mine development was completed; however, mining was not resumed due to the political system change in Eastern Europe. In 1990 and the mine was abandoned and allowed to flood. Historical figures confirm that 561,000 tonnes of copper ore at a grade of 0.68% was transported from Tisová to the Krasno processing facility where copper was extracted from a flotation circuit.



Figure 2. Tisová Mine site circa 1965. The headframe has been removed but the Helena Shaft which was used for ore haulage is still open



Figures 3 (A & B) - Cross-sectional view of the Tisová orebodies – Redrafted from figures presented in P. Kozubek 1984. The deep-red colour represents the chalcopyrite rich zones which were exploited by the previous mining. The pale-red zone represents the thicker pyrite & pyrrhotite sulphide zone where Auroch sampling has indicated the presence of previously unrecognised significant cobalt and gold mineralisation. Details of holes where geological logs are available is presented in Image of Sydney Harbour Bridge at same scale to show mapped size of sulphide orebody.

Work Plan

Auroch has committed to carry out a thorough due diligence during the 9-months option period. Due diligence will involve drilling of 4 holes that will twin historical holes which intercepted thick zones of sulphide mineralisation.

These holes will be logged and the entire sulphide rich zones will be sampled for a multi-elemental analysis. Permitting for the exploration drilling program is expected within 8 weeks so drilling will likely commence by August-September 2017.

Tenements

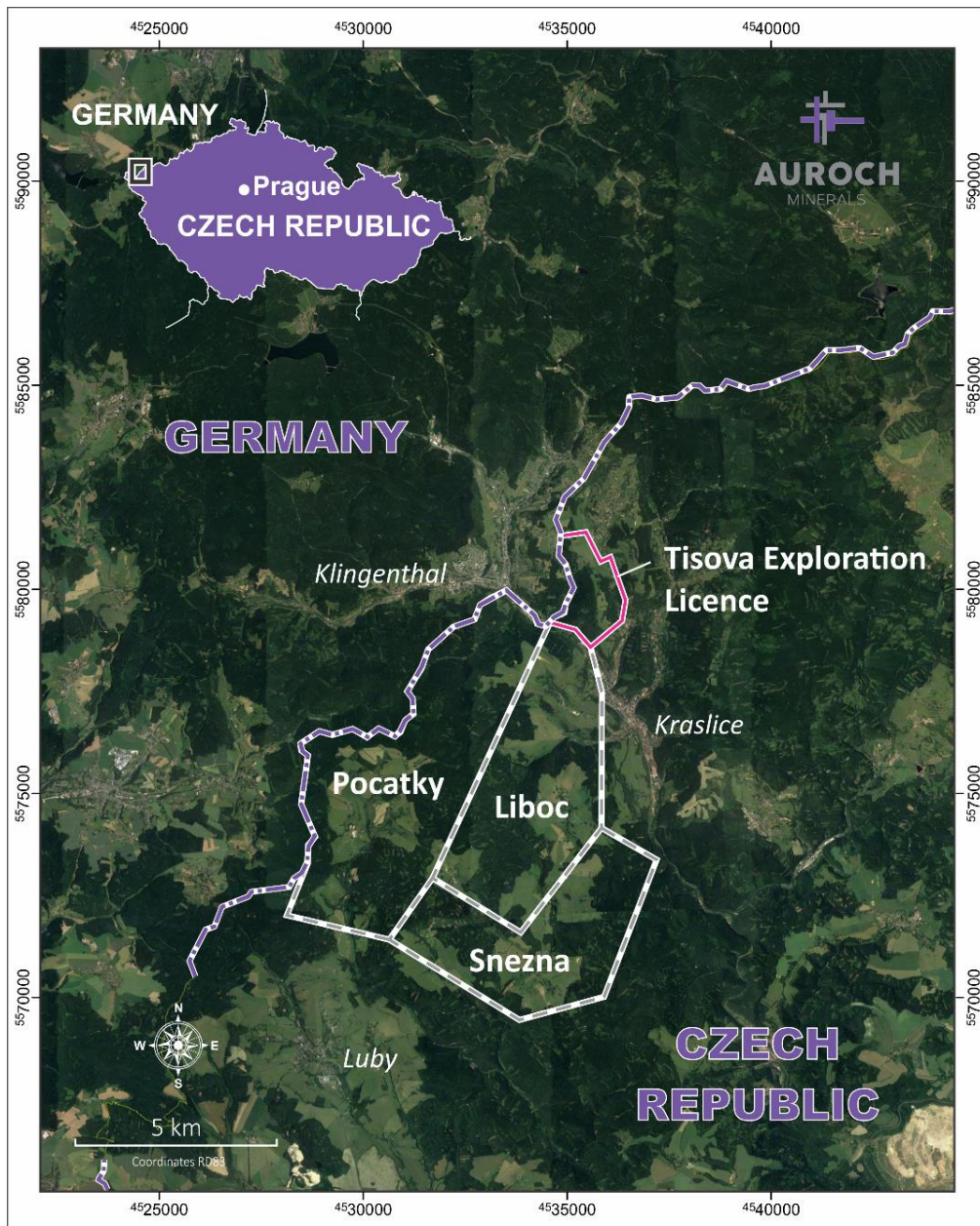


Figure 5 shows the plan of the Tisová area and the licences involved in the agreement.

Commercial Terms

The material commercial terms of the option agreement for 100% of the project are summarised below:

- Option Period – 9 months (to be extended if Auroch is not able to complete its due diligence and work programme commitment within the initial 9 month period due to matters outside of Auroch’s control, including weather and permitting issues)
- On execution of the Option, Auroch is obliged to reimburse the vendors of the Czech permit and applications for A\$75,000 in costs incurred by the vendors
- Work programme commitment
During the Option Period, Auroch will complete 4 holes (approx. 1,200m total) to confirm spatial distribution of Co and Cu (also Au Ag) on the Czech permits

Upon the exercise of the Option within the Option Period, the following payments will be made to the vendors of the Czech permit and applications:

- Cash payment of A\$75,000 on completion
- 4,375,000 fully paid ordinary shares to be issued on completion
- Deferred consideration of 5,000,000 additional fully paid ordinary shares to be issued (subject to shareholder approval) on:
 - a decision to mine on the project area;
 - a change of control of Auroch (unless Auroch elects to return the project to the vendors for nil consideration); or
 - a sale of the project.

Alcoutim Project

During the quarter, the Company commenced it’s Phase 1 drill program on **Alcoutim Project**, the significant Cu-Zn-Pb-Au-Ag opportunity in south-eastern Portugal located immediately along strike from the supergiant Neves Corvo Mine in the western half of the world famous Iberian Pyrite Belt (IPB).

Highlights

- Drill hole ALFP001 part of an initial 5-hole program at Foupana drilled to 1,156.60m depth
- was completed within budget and schedule;
- Terratec Geoservices completed a two (2) loop configuration down hole transient EM survey (1,000m x 1,000m);
- Drilling of ALFP002 commenced on Monday 26 June and is predicted to reach the target depth of 700m in approximately 3 weeks. Target selection based on:
 - strong interpreted EM conductor in historical data;
 - central position within the Foupana magmatic centre of the Neves-Corvo-Trend,
 - proximity to FP-1 (historic DD hole) which intercepted prospective VSC; and
 - relatively shallow target at 600m - 700m;

Completion of drilling and down hole Geophysics at ALFP001

Diamond drill hole ALFP001 was drilled to 1,156.60m and completed on budget and schedule. It finished in interbedded shales and greywackes the hole targeted an EM conductor at >800m depth.

The conductor was interpreted to be massive sulphides hosted by a lower order black shale basin, surrounded by mafic magmatic rocks of the Foupana magmatic centre. The Iberian Pyrite Belt is known to host several deposits in similar geologic settings.

At the completion of ALFP001, Terratec Geoservices mobilised to site (Figure 2) and completed a 2 loop (1,000m x 1,000m) Down Hole Transient Electromagnetic (DHTEM) survey in the lower portion of the hole (736 -1,155 m. Figure 2 shows the design of the 2-loop layout. Preliminary processing of the DHTEM data has indicated no conductors were intersected or in the immediate vicinity of the first drill hole.



Figure 6 (a) Laying out surface cables for DHTEM reading.

(b) DHTEM set up at hole ALFP001.

Selection of second target in Phase 1 Exploration

A second hole location has been selected to test Target PFE4. This second target was selected based on:

- strong EM conductor in historic geophysical survey;
- central position within the Foupana magmatic anomaly
- proximity to FP-1 (historic DD hole) which intercepted prospective volcanic rocks (host to ore bodies at Neves Corvo); and
- relatively shallow target at 600m - 700m;

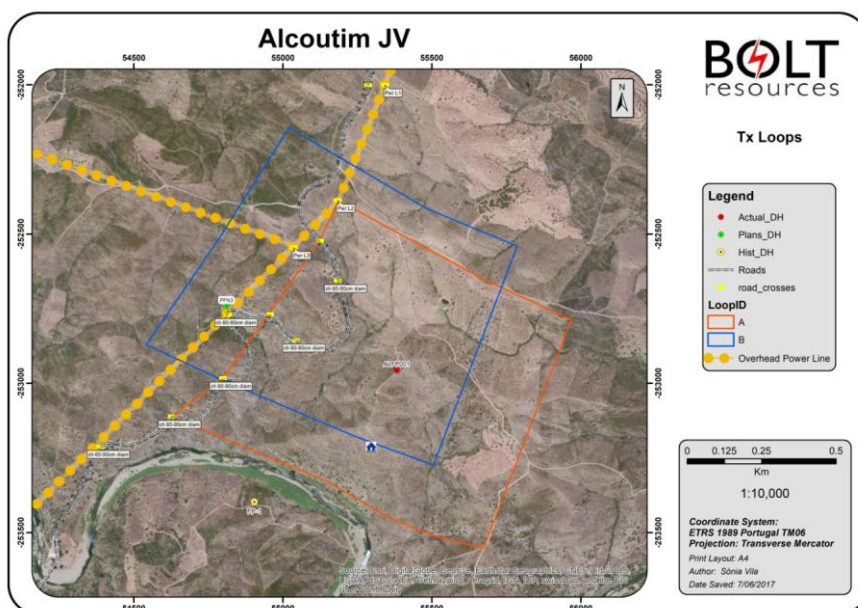


Figure 7 Design of two (2) loop (1,000m x 1,000m) down hole EM survey over drill hole ALFP001 with target PFN3 to the west.



CORPORATE

Settlement Proceeds Realised from Xtract Resources Plc

During the quarter, the Company confirmed the Convertible Loan Note with Xtract with a face value of US\$748,136 has now been repaid.

A further US\$ 1 million is still outstanding, together with accrued interest of US\$38,904.11. This amount accrues interest at 10% p.a. and is due for repayment no later than December 31, 2017; being settled firstly in cash or repaid via the issue of shares in Xtract at a 15% discount to the 10 day.

Appointment of Company Secretary

Mr James Bahen was appointed as Company Secretary of the Company during the quarter. The Company further advised that Mr Matthew Foy resigned as Non-Executive Director and Company Secretary.

For further information please visit www.aurochminerals.com or contact:

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr. Andrew Tunks and represents an accurate representation of the available data. Dr. Tunks (Member Australian Institute Geoscientists) is the Company's Chief Executive Officer and has 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'. Dr Tunks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 - Interest in Mining Tenements

Western Australia

Tenement	Tenement ID	Status	Interest beginning quarter	at of	Interest acquired or disposed	Interest at end of quarter
Beete	P63/1646	Granted	100%		-	100%
Peninsula	P63/1694	Granted	100%		-	100%

Namibia

Tenement	Tenement ID	Status	Interest beginning quarter	at of	Interest acquired or disposed	Interest at end of quarter
Garums	EPL6840	Application	0%		-	-
Okattjiho	EPL6484	Application	0%		-	-
Orutjiva	EPL6482	Application	0%		-	-
Moria	EPL6841	Application	0%		-	-
Narubis	EPL6483	Application	0%		-	-
Karibib	EPL 5751	Option	0%		-	-

Portugal

Tenement	Tenement ID	Status	Interest beginning quarter	at of	Interest acquired or disposed	Interest at end of quarter
Alcoutim ⁽¹⁾	<u>MN/PP/00</u> <u>8/14</u>	Granted	0%		65%	65%

(1) The Company has the right to earn a 75% interest in the Alcoutim Project