

30 April 2014

Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge St  
Sydney NSW 2000

By E-lodgment

## **Quarterly Activities Report For Period Ending 31 March 2014**

### **HIGHLIGHTS**

- Divestment of Non-Core Assets in Tanzania & Gabon
- Placement to raise up to \$855,000

### **CORPORATE UPDATE**

During the quarter the Company announced a placement to sophisticated investors of \$750,000 and an additional director placement of up to \$105,000 to raise up to \$855,000 before costs to assess new opportunities and to provide working capital to existing operations. The placement is to be completed via the issue of up to 213,750,000 new shares at an issue price of \$0.004 per share, subject to shareholder approval which was subsequently received on 23 April 2013.

On 21 January 2014 the Company signed a Heads of Agreement with Metals of Africa Limited (ASX: MTA) to divest a portfolio of its non-core precious and base metals projects. The Heads of Agreement was settled on 7 February 2014 and SLT received as consideration 5,000,000 ordinary shares in Metals of Africa (subject to 12 months voluntary escrow) in return for 100% equity in the Kizumbi, Dodoma East, Mkindu, Godegode and Mukombe Projects.

During the quarter the Company renegotiated the Gabon Transaction contemplated under the Heads of Agreement signed with Metals of Africa Limited (ASX: MTA) and previously announced to the ASX on 21 January 2014. The settlement under the revised agreement was completed on 1 April 2014 and resulted in SLT receiving 5,000,000 options (\$0.093, 31 March, 2017) in MTA as consideration for the Gabon projects. Select will retain upside exposure to exploration success on the Gabon Projects through the Options and also through the MTA shares the company currently holds.

The Company also completed the cancellation of the 50,000,000 Performance Shares previously issued to Indigo Metals Limited ("Indigo") as approved at a shareholder meeting on 12 February 2013.

### **EXPLORATION ACTIVITY**

During the March quarter there was limited exploration activity due to seasonal rains limiting field access.

The Company has continued to assess its project portfolio and expenditure commitments to rationalise costs and ensure that future exploration expenditure is committed to priority "de-risked" targets.

**Appendix 1 – Tenement Summary – 31 March 2014**

<b>1. MINING TENEMENTS HELD</b>				
<b>Tenement Reference</b>	<b>Location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
<i>Mhukuru</i>				
PL 7386/2011	Tanzania	Granted	100%	100%
PL 8970/2013 (HQ-P 24982)	Tanzania	Granted	100%	100%
<i>Ruhuhu</i>				
PL 7048/2011	Tanzania	Granted	100%	100%

<b>2. MINING TENEMENTS ACQUIRED/DISPOSED</b>				
<b>Tenement Reference</b>	<b>Location</b>	<b>Nature of Interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
<b>Acquired</b>				
Nil				
<b>Disposed</b>				
<i>Mhukuru</i>				
PL 8981/2013 (HQ-P 25015)	Tanzania	Relinquished	100%	0%
<i>Selous</i>				
PL 7790/2012	Tanzania	Relinquished	100%	0%
<i>Ruhuhu</i>				
PL 7051/2011	Tanzania	Relinquished	100%	0%
PL 4945/2008	Tanzania	Relinquished	100%	0%
<b>Additional Licences</b>				
PL 7792/2012	Tanzania	Relinquished	100%	0%
PL 7783/2012	Tanzania	Relinquished	100%	0%
<i>GodeGode</i>				
HQ-P 27216	Tanzania	Disposed	0%	0%
PL 9380/2013 (HQ-P 27219)	Tanzania	Disposed	100%	0%
PL 9309/2013 (HQ-P 27240)	Tanzania	Disposed	100%	0%
PL 9310/2013 (HQ-P 27218)	Tanzania	Disposed	100%	0%
HQ-P27239	Tanzania	Disposed	0%	0%
HQ-P27217	Tanzania	Disposed	0%	0%
HQ-P27498	Tanzania	Disposed	0%	0%
<i>Mukombe</i>				
HQ-P 27238	Tanzania	Disposed	0%	0%
HQ-P27825	Tanzania	Disposed	0%	0%
<i>Dodoma East</i>				
PL 9384/2013 (HQ-P 27172)	Tanzania	Disposed	100%	0%



**SELECT**  
EXPLORATION

<i>Kizumbi</i>				
PL 9409/2013 (HQ-P 27171)	Tanzania	Disposed	100%	0%
PL 9360/2013 (HQ-P 27173)	Tanzania	Disposed	100%	0%
<i>Mkindu (Rufiji)</i>				
HQ-P27744	Tanzania	Disposed	0%	0%
PL 9382/2013 (HQ-P 27127)	Tanzania	Disposed	100%	0%
PL 9356/2013 (HQ-P 27126)	Tanzania	Disposed	100%	0%
PL 9381/2013 (HQ-P 27125)	Tanzania	Disposed	100%	0%
PL 9383/2013 (HQ-P 27123)	Tanzania	Disposed	100%	0%
PL 9385/2013 (HQ-P 27124)	Tanzania	Disposed	100%	0%
<i>Gabon</i>				
Lastourville	Gabon	Disposed	100%	0%
Mbougou	Gabon	Disposed	0%	0%
Kroussou	Gabon	Disposed	0%	0%
*note HQ-P's 27239 / 27217 / 27498 / 27825 / 27744, Mbougou and Kroussou were not previously disclosed at 31 Dec Quarter as had not been granted and were only granted or acquired by MTA during quarter. Included for completeness.				
<b>3. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS</b>				
Nil				
<b>4. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS ACQUIRED OR DISPOSED</b>				
Nil				

## 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, 01/05/2013

Name of entity

Select Exploration Limited

ABN

25 062 063 692

Quarter ended ("current quarter")

31 March 2014

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	6	6
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(247) - - (65)	(247) - - (65)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - sale of plant and equipment	80	80
<b>Net Operating Cash Flows</b>	<b>(224)</b>	<b>(224)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
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)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	(224)	(224)

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(224)	(224)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	75	75
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	-	-
	<b>Net financing cash flows</b>	75	75
	<b>Net increase (decrease) in cash held</b>	(149)	(149)
1.20	Cash at beginning of quarter/year to date	362	362
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	213	213

### Payments to directors of the entity, associates of the directors, 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	8
1.24	Aggregate amount of loans to the parties included in item 1.10	-

#### 1.25 Explanation necessary for an understanding of the transactions

Amount includes executive director remuneration to Mr Mark Titchener in January 2014 prior to change in role to Non-executive Director.

### 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

The Company sold exploration projects in Tanzania and Gabon to Metals of Africa Limited (ASX: MTA) during the quarter and received total equity consideration of 5m MTA shares (subject to 12 month voluntary escrow) and 5m unlisted MTA options (\$0.093, 31 March 2017) for these projects.

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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- 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

n/a

### 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	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	50
<b>Total</b>	<b>150</b>

### 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	213	357
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>213</b>	<b>357</b>

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+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	PL 8981/2013	Relinquished	100%	0%
	PL 7790/2012	Relinquished	100%	0%
	PL 7051/2011	Relinquished	100%	0%
	PL 4945/2008	Relinquished	100%	0%
	PL 7792/2012	Relinquished	100%	0%
	PL 7783/2012	Relinquished	100%	0%
	HQ-P 27216	Disposed	100%	0%
	PL 9380/2013	Disposed	100%	0%
	PL 9309/2013	Disposed	100%	0%
	PL 9310/2013	Disposed	100%	0%
	PL 9384/2013	Disposed	100%	0%
	HQ-P 27238	Disposed	100%	0%
	PL 9409/2013	Disposed	100%	0%
	PL 9360/2013	Disposed	100%	0%
	PL 9382/2013	Disposed	100%	0%
	PL 9356/2013	Disposed	100%	0%
	PL 9381/2013	Disposed	100%	0%
	PL 9383/2013	Disposed	100%	0%
	PL 9385/2013	Disposed	100%	0%
	Lastourville	Disposed	100%	0%
Mboungou	Disposed	0%	0%	
Kroussou	Disposed	0%	0%	
6.2 Interests in mining tenements and petroleum 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 <b>Preference securities</b> (description)	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	b) The following performance shares cancelled for Nil consideration as approved by Shareholders  Class A Performance Shares 25,000,000  Class B Performance Shares 25,000,000	nil	Not applicable	Not applicable
7.3	<b>+Ordinary securities</b>	143,374,209	127,631,015 (*15,743,194 subject to escrow)		Fully paid ordinary
7.4	Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	18,700,983 (tranche 1 Placement)	18,700,983	\$0.004	Fully paid ordinary
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	Options: 3,850,000 27,443,886	- -	Exercise price \$0.36 \$0.35	Expiry date 30 June 2016 30 September 2015

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

**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.

30 April 2014

Sign here: .....Date: .....  
 (~~Director~~/Company secretary)

Phil Warren  
 Print name: .....

**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 and petroleum 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 or petroleum 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.

+ See chapter 19 for defined terms.

- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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