

**ALLIANCE MINERAL ASSETS LIMITED**  
(Company Registration Number: ACN 147 393 735)  
(Incorporated in Australia on 6 December 2010)

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**Unaudited Financial Statement and Dividend Announcement  
For the Third Quarter Ended 31 March 2017 (“Q3 FY 2017”)**

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*This announcement has been prepared by Alliance Mineral Assets Limited (the “**Company**”) and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”), for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

*The Sponsor has not verified the contents of this announcement. The Sponsor has not drawn on any specific technical expertise in its review of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	For 3 months Ended 31 March			For 9 months Ended 31 March		
	2017	2016	Increase /	2017	2016	Increase /
	(Unaudited) A\$	(Unaudited) A\$	(Decrease) %	(Unaudited) A\$	(Unaudited) A\$	(Decrease) %
Interest income	3,829	268	n.m	21,193	23,451	(10)
Other Income	107,887	-	n.m	174,332	-	n.m
(Loss) / Gain on foreign exchange	(46,615)	19,054	n.m	(239,665)	79,990	n.m
Loss on disposal of fixed assets	-	-	n.m	(1,972)	-	n.m
Accounting and audit expenses	(30,696)	(5,475)	n.m	(86,121)	(41,570)	n.m
Consulting and directors' fees	(66,657)	(81,619)	(18)	(229,224)	(251,986)	(9)
Tenement expenses	-	(4,842)	n.m	-	(130,433)	n.m
Administrative expenses	(1,161,972)	(223,673)	419	(1,539,905)	(579,290)	170
Employee salaries and other benefits expenses	(58,515)	(119,791)	(32)	(253,892)	(433,634)	(41)
Site operating expenses	(371,506)	-	n.m	(1,445,427)	-	n.m
Borrowing costs	(107,254)	(149,583)	(28)	(390,960)	(435,367)	(10)
<b>Loss before income tax</b>	<b>(1,731,499)</b>	<b>(565,661)</b>	<b>206</b>	<b>(3,991,641)</b>	<b>(1,768,839)</b>	<b>126</b>
Income tax expense	-	-	-	-	-	-
<b>Loss after tax</b>	<b>(1,731,499)</b>	<b>(565,661)</b>	<b>206</b>	<b>(3,991,641)</b>	<b>(1,768,839)</b>	<b>126</b>
<b>Other comprehensive income</b>	-	-	-	-	-	-
<b>Total comprehensive loss for the period attributable to owners of the Company</b>	<b>(1,731,499)</b>	<b>(565,661)</b>	<b>206</b>	<b>(3,991,641)</b>	<b>(1,768,839)</b>	<b>126</b>

(i) n.m. = not meaningful

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**1(a)(ii) Notes to Consolidated Statement of Comprehensive Income**

	For 3 months Ended 31 March			For 9 months Ended 31 March		
	2017	2016	Increase /	2017	2016	Increase /
	(Unaudited)	(Unaudited)	(Decrease)	(Unaudited)	(Unaudited)	(Decrease)
	A\$	A\$	%	A\$	A\$	%
Interest income	3,829	268	n.m	21,193	23,451	(10)
(Loss) / Gain on foreign exchange	(46,615)	19,054	n.m	(239,665)	79,990	n.m
Borrowing costs	(107,254)	(149,583)	(28)	(390,960)	(435,367)	(10)
Depreciation expense	(328,502)	(12,032)	n.m	(991,148)	(36,100)	n.m

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	As at	
	31 March 2017 (Unaudited) A\$	30 June 2016 (Audited) A\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3,865,084	5,389,663
Other receivables	40,668	2,147,645
Other current assets	66,781	23,247
<b>TOTAL CURRENT ASSETS</b>	<u>3,972,533</u>	<u>7,560,555</u>
<b>NON CURRENT ASSETS</b>		
Mine development	2,900,444	3,088,018
Property plant & equipment	12,620,311	13,635,758
<b>TOTAL NON CURRENT ASSETS</b>	<u>15,520,755</u>	<u>16,723,776</u>
<b>TOTAL ASSETS</b>	<u>19,493,288</u>	<u>24,284,331</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	2,704,120	3,585,753
Employee Benefit Liabilities	38,080	37,605
Interest bearing loans and borrowings	72,932	1,032,188
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,815,132</u>	<u>4,655,546</u>
<b>NON CURRENT LIABILITIES</b>		
Trade and other payables	337,387	669,511
Provision for rehabilitation	1,078,987	1,078,987
Interest bearing loans and borrowings	21,709	34,507
<b>TOTAL NON CURRENT LIABILITIES</b>	<u>1,438,083</u>	<u>1,783,005</u>
<b>TOTAL LIABILITIES</b>	<u>4,253,215</u>	<u>6,438,551</u>
<b>NET ASSETS</b>	<u>15,240,073</u>	<u>17,845,780</u>
<b>EQUITY</b>		
Issued capital	38,960,275	38,960,275
Reserves	3,849,439	2,463,505
Accumulated losses	(27,569,641)	(23,578,000)
<b>TOTAL EQUITY</b>	<u>15,240,073</u>	<u>17,845,780</u>

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**(b)(ii) Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

<b>As at 31 March 2017 (Unaudited)</b>		<b>As at 30 June 2016 (Audited)</b>	
<b>Secured A\$</b>	<b>Unsecured A\$</b>	<b>Secured A\$</b>	<b>Unsecured A\$</b>
17,187	2,406,154	1,014,494	3,139,156

**Amount repayable after one year**

<b>As at 31 March 2017 (Unaudited)</b>		<b>As at 30 June 2015 (Audited)</b>	
<b>Secured A\$</b>	<b>Unsecured A\$</b>	<b>Secured A\$</b>	<b>Unsecured A\$</b>
21,709	337,387	34,507	669,511

**Details of any collateral**

The secured borrowings comprised (a) finance lease liabilities of A\$38,896 (30 June 2016: A\$51,694), which are secured on the Company's motor vehicles.

At 30 June 2016, the secured borrowings included the Singapore dollar S\$1.0 million (A\$997,307) bank loan which is secured by the S\$1.03 million (A\$989,243) term deposit.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	For 3 months Ended 31 March		For 9 months Ended 31 March	
	2017 Unaudited A\$	2016 Unaudited A\$	2017 Unaudited A\$	2016 Unaudited A\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Interest received	3,829	268	21,193	23,451
Interest paid	(577)	(814)	(10,324)	(15,333)
Research and development tax rebate on operating expenditure	399,774	-	399,774	-
Income Received	67,274	1,058,392	133,720	1,703,412
Payments to suppliers, contractors and employees	(392,912)	(355,510)	(1,776,373)	(1,465,211)
<b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>77,388</b>	<b>702,336</b>	<b>(1,232,010)</b>	<b>246,319</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of tantalum	187,574	-	187,574	-
Payments for mine development	-	(577,236)	-	(1,216,966)
Research and development tax rebate on capital expenditure	705,619	-	705,619	-
Purchase and refurbishment of plant & equipment	(1,597)	(13,161)	(3,774)	(1,221,419)
Payments for Term Deposit	-	-	28,710	-
<b>NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>891,596</b>	<b>(590,397)</b>	<b>918,129</b>	<b>(2,438,385)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from redemption of term deposit	-	-	988,021	-
Repayment of secured loan	-	-	(942,907)	-
Payment to insurance premium loan principal	(47,881)	-	(122,079)	(26,111)
Payment to finance lease principal	(4,327)	(4,089)	(12,799)	(12,245)
Proceeds from borrowing	-	-	160,130	-
Repayment of unsecured loan	(347,133)	-	(1,041,399)	-
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>(399,341)</b>	<b>(4,089)</b>	<b>(971,033)</b>	<b>(38,356)</b>
Net increase/(decrease) in cash and cash equivalents	569,643	107,850	(1,284,914)	(2,230,422)
Cash and cash equivalents at beginning of period	3,342,056	1,578,800	5,389,663	3,856,137
Net foreign exchange difference on cash balances	(46,615)	19,054	(239,665)	79,989
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>3,865,084</b>	<b>1,705,704</b>	<b>3,865,084</b>	<b>1,705,704</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Issued Capital A\$	Reserves A\$	Accumulated Losses A\$	Total A\$
<b>(Unaudited)</b>				
Balance as at 1 July 2015	34,011,265	2,463,505	(19,495,906)	16,978,864
Loss for the period	-	-	(1,768,839)	(1,768,839)
Total comprehensive loss for the period	-	-	(1,768,839)	(1,768,839)
<b>Balance as at 31 March 2016</b>	<b>34,011,265</b>	<b>2,463,505</b>	<b>(21,264,745)</b>	<b>15,210,025</b>
<b>(Unaudited)</b>				
Balance as at 1 July 2016	38,960,275	2,463,505	(23,578,000)	17,845,780
Loss for the period	-	-	(3,991,641)	(3,991,641)
Total comprehensive loss for the period	-	-	(3,991,641)	(3,991,641)
<u>Equity Transactions:</u>				
Parent equity contributions – interest free loan	-	442,415	-	442,415
Share-based payments	-	943,519	-	943,519
<b>Balance as at 31 March 2017</b>	<b>38,960,275</b>	<b>3,849,439</b>	<b>(27,569,641)</b>	<b>15,240,073</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of ordinary shares	Share Capital A\$
As at 31 December 2016 and 31 March 2017	480,763,760	38,960,275

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme ("Scheme") As at 31 March 2017, no options has been granted under the Scheme.

There were no outstanding convertibles as at 31 March 2017 and 31 March 2016.

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The Company did not have any treasury shares or subsidiary holdings as at 31 March 2017 and 31 March 2016.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

The total number of issued ordinary shares was 480,763,760 as at 31 March 2017 and 30 June 2016.

The Company did not have any treasury shares as at 31 March 2017 and 30 June 2016.

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable. There were no subsidiary holdings during and as at the end of the three months financial period ended 31 March 2017.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Company has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the most recently audited financial statements for the financial year ended 30 June 2016.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Company adopted a number of new International Financial Reporting Standards ("IFRS"), amendments to standards and interpretations that are effective for annual periods beginning on or after 1 July 2016. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Company for the current financial period reported on.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	<b>3 months ended</b>	
	<b>31 March</b>	
	<b>2017</b>	<b>2016</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Basic and diluted loss per share (AU cents)	(0.04) <sup>(1)</sup>	(0.1) <sup>(1)</sup>
Loss for the period attributable to owners of the Company (A\$)	<u>(1,731,499)</u>	<u>(565,661)</u>
Number of weighted ordinary shares used in calculating basic and diluted loss per share for the financial period	<u>480,763,760</u>	<u>393,930,427</u>

Notes:

- (1) The basic and diluted loss per share for the 3-month financial period ended 31 March 2017 and 31 March 2016 were the same as there were no potentially dilutive ordinary shares in issue as at 31 March 2017 and 31 March 2016.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	<b>As at</b>	
	<b>31 March</b>	<b>30 June</b>
	<b>2017</b>	<b>2016</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Net asset value per ordinary share based on issued share capital (AU cents)	3.2	3.7
Net asset value as at the end of the respective financial period/year (A\$)	<u>15,240,073</u>	<u>17,845,780</u>
Number of ordinary shares as at the end of the respective financial period/year	<u>480,763,760</u>	<u>480,763,760</u>

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**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

**3 months ended 31 March 2017 ("3Q FY2017") vs. 3 months ended 31 March 2016 ("3Q FY2016")**

**Review of the Income Statement**

Revenue

There was no revenue in 3Q FY2017 and 3Q FY2016 as we had not commenced the commercial production and sale of Tantalite.

Interest income

Interest income increased to A\$3,829 in 3Q FY2017 from A\$268 in 3Q FY2016 mainly due to a higher amount of AUD short-term deposits placed.

Other Income

The other income in 3Q FY2017 of A\$107,887 (3Q FY2016: Nil) relates to income earned from provision of mining camp accommodation and other facilities, and administration services to Lithco (as defined herein) of \$75,320 and an adjustment to the R&D Tax Rebate accrual receivable for FY2016.

Loss on foreign exchange

The loss on foreign exchange of A\$46,615 in 3Q FY2017 as compared to a gain on foreign exchange of A\$19,054 in 3Q FY2016 was mainly due to the weakening of the Singapore dollar in 3Q FY2017.

Accounting and audit expenses

Accounting and audit expenses increased from A\$5,475 in 3Q FY2016 to A\$30,696 in 3Q FY2017 due to accounting consultants being utilised by the Company instead of full time employees (who are paid salaries) in FY2017.

Administrative expenses

Administrative expenses increased by A\$938,299 from A\$223,673 in 3Q FY2016 to A\$1,161,972 in 3Q FY2017 mainly due to the cost of options to be issued to the Company's corporate advisor, Canaccord Genuity (Australia) Ltd, under the terms of their engagement as compensation for their services. The value of the options to be issued is \$943,519. Excluding this one-off expense, administrative expenses are comparable between 3Q FY2016 and 3Q FY2017.

The terms and conditions of the options are as follows:

- Options are to be issued following execution of the engagement agreement on 2 March 2017;
- Total number of options: 11,400,000 ("Options") in three tranches that are exercisable into 11,400,000 new ordinary shares of the Company ("New Shares")

Conditions	Tranche 1	Tranche 2	Tranche 3
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Number of options	3,800,000	3,800,000	3,800,000
Exercise price	S\$ 0.24	S\$ 0.30	S\$ 0.36
Expiry	3 years from date of issue	3 years from date of issue	3 years from date of issue
Vesting conditions	None	None	None

The respective exercise prices of the options are at a premium to the volume weighted average price of the Company's shares of S\$ 0.2056 on 2 March 2017, being the date of the engagement agreement. The New Shares to be issued upon exercise of the Options will be issued pursuant to the general share issuance mandate approved by shareholders of the Company at the annual general meeting of the Company held on 26 October 2016. Canaccord Genuity (Australia) Ltd is not a person falling under Rule 812 of the Catalist Rules. The New Shares represents 2.37% of the existing share capital of 480,763,760 Shares and 2.31% of the enlarged share capital of 492,163,760 Shares.

#### Employee salaries and other benefits

Employee salaries and other benefits of A\$58,515 in 3Q FY2017 decreased from A\$119,791 in 3Q FY2016 mainly due to a reduction in the number of full time employees of the Company.

#### Site operating costs

Site operating costs of A\$371,506 in 3Q FY2017 relates to costs incurred to maintain the Bald Hill Mine Site (which was previously capitalised) as the Company is now focused on lithium exploration as prescribed under the on-going Proposed Transaction (as defined herein) with Lithco.

The Company had on 3rd June 2016 signed a binding terms sheet with Lithco No. 2 Pty Ltd ("**Lithco**"), pursuant to which the Company and Lithco have agreed upon the principal terms for, amongst other things, the establishment of a farm-in and joint venture arrangement with respect to the Company's Bald Hill project ("**Bald Hill Project**"), pursuant to which Lithco is entitled to earn a 50% joint venture interest in all rights to lithium minerals on the Tenements, including rights to explore and mine for lithium on the Tenements, and provided further expenditure commitments are met, the right to earn a 50% joint venture interest in the overall Bald Hill Project ("**Proposed Transaction**").

#### Tenement expenses

Tenement expenses are nil in 3QFY2017 as these costs incurred are now classified as site operating costs.

#### Depreciation expenses

Depreciation expense increased by A\$316,470 from A\$12,032 in 3Q FY2016 to A\$328,502 in 3Q FY2017 as depreciation expense relating to property, plant and equipment at the Bald Hill Mine Site was previously capitalised and is now being expensed as the Company is now focussed on lithium exploration as prescribed under the on-going Proposed Transaction with Lithco.

#### Loss before income tax

In view of the foregoing, loss before taxation increased from A\$565,661 in 3Q FY2016 to A\$1,731,499 in 3Q FY2017.

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## **Review of the Financial Position of the Group**

### Non-current assets

As at 31 March 2017, our non-current assets of A\$15,520,755 accounted for 80% of our total assets. Our non-current assets comprised of mine development and property, plant and equipment.

Mine development decreased by A\$187,574 due to the sale of the remaining tantalum produced during the commissioning phase of the Bald Hill Project which took place in 2015 and 2016.

Property, plant and equipment decreased by A\$1,015,447 to A\$12,620,311 mainly due to depreciation of \$955,048 which has been expensed as site operating expenses.

### Current assets

As at 31 March 2017, our current assets of A\$3,972,533, represents 20% of our total assets. Our current assets as at 31 March 2017 consist of cash and cash equivalents, other receivables and prepayments.

Cash and cash equivalents of A\$3,865,084 decreased by A\$1,524,579 pursuant to expenditure relating to the maintenance of the Bald Hill Mine Site, repayment of the loan from Living Waters Mining and associated administration overheads offset by the receipt of the R&D Tax Rebate and proceeds from the sale of tantalum.

Other receivables decreased by A\$2,106,977 to A\$40,668 mainly as a result of the foreign exchange loss and termination of the Singapore dollar term deposit (S\$1.03 million), funds of which were used to repay the Singapore dollar loan during 2Q FY2017 and the receipt of the R&D Tax Refund (A\$1.1 million) during 3Q FY2017.

Other current assets comprised prepayments of A\$66,781 from insurance premium prepaid and expensed over the period of insurance cover. The increase from 30 June 2016 is due to the timing of renewal of insurance premiums and the period of cover.

### Non-current liabilities

As at 31 March 2017, our non-current liabilities of A\$1,438,083 represented 34% of our total liabilities. Our non-current liabilities relate to the provision for rehabilitation required at the Bald Hill Tantalite Mine, interest bearing loans and borrowings as well as trade and other payables.

Trade and other payables comprising of amount due to controlling entity, Living Waters Mining (Australia) Pty Ltd ("**LWM**") of A\$337,387 ("**Living Waters Loan**") was A\$332,124 lower due to the amortisation of the nominal interest and the re-classification of a portion to current liabilities during the period in accordance with its repayment terms following the revised payment terms agreed between the Company and LWM on 5 September 2016 ("**Agreement**").

Provision for rehabilitation of A\$1,078,987 represents management's best estimate as at balance sheet date to rehabilitate the existing Bald Hill tantalum mine site.

Interest bearing loans and borrowing of A\$21,709, decreased slightly from A\$34,507 as at 30 June 2016 due to repayments of the principal amount of the finance leases for motor vehicles.

### Current liabilities

As at 31 March 2017, our current liabilities of A\$2,815,132, representing 66% of our total liabilities comprised trade and other payables, employee benefit liabilities and interest bearing loans and borrowings.

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Trade and other payables decreased by A\$881,633 to A\$2,704,120 mainly attributable to the repayment of the Living Waters Loan in accordance with the Agreement, and a reduction in trade payables due to the reduction in activity pursuant to the Proposed Transaction.

Employee benefit liabilities increased A\$476 to A\$38,080 as a result of the movement in annual leave accruals for our employees.

Interest bearing loans and borrowings, amounting to A\$72,932 as at 31 December 2016, reduced by A\$959,256 mainly due to the repayment of the Singapore dollar loan (S\$1.0 million) out of the proceeds from the Singapore dollar term deposit, offset by the increase of insurance premium funding in line with the insurance program renewal.

#### Shareholders' equity

As at 31 March 2017, our Shareholders' equity amounted to A\$15,240,073 comprising A\$38,960,275 of issued share capital, A\$2,229,236 of parent equity contribution, A\$1,620,203 of option reserve and A\$27,569,641 of accumulated losses.

#### **Review of the Cash Flow Statement of the Group**

In 3Q FY2017, we recorded a net cash inflow from operating activities of A\$77,388 which comprised R&D tax refund received on operating expenditure of A\$399,774, other income received of A\$67,274 and interest received from bank deposits of A\$3,829, offset by payments made to suppliers and employees of A\$392,912, interests for finance lease of A\$577.

Net cash inflow from investing activities amounted to A\$891,596, which was mainly attributable to proceeds from the sale of tantalum produced during the commissioning phase of the Bald Hill Project in FY2016 of \$187,574 and R&D tax refund received on capital expenditure of A\$705,619.

Net cash outflow from financing activities amounted to A\$399,341 were mainly as a result of payment in insurance premium funding of A\$47,881, repayment of hire purchase of A\$4,327 and repayment of Living Waters Loan of A\$347,133 in accordance with the Agreement.

As at 31 March 2017, our cash and cash equivalents amounted to A\$3,865,084.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Exploration drilling on lithium on the Bald Hill Mine Site and Feasibility Studies for the Bald Hill Lithium and Tantalite project has continued. The Company has yet to commence commercial production of tantalum and lithium and will continue keep shareholders updated in relation thereto.

Further information on the aforementioned can be found in the Company's announcements on 26 January 2017, 12 February 2017, 3 March 2017 and 15 March 2017.

Save as disclosed, the Company did not issue any other prospect statement.

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**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Tantalum Concentrate spot prices still remain depressed and consequently, the Company has decided to postpone commercial mining and production of tantalum. Even with the ability to command a premium above spot prices of Tantalum Concentrate, the Company is seeking opportunities to expand into other commodities and not be just a “tantalite producing” operation.

Out of the various minerals inherent in our ore, lithium has been the most outstanding mineral with lithium prices increasing exponentially compared to other commodity prices. Lithium prices still remain strong with a number of companies progressing with the development and construction of new lithium mines. Demand for lithium has increased significantly in recent years as a result of an increase in the use of rechargeable batteries in smartphones, tablets, together with the increased momentum of electric vehicle sales. The five largest lithium producers control two-thirds of refined output in volume terms and over 80% in value. The successful entry of new supply sources has been limited by technical and financial headwinds resulting in more bargaining power to the major producers, giving rise to higher prices.

In relation to the Proposed Transaction, the Company and Lithco have entered into the following agreements during Q3 FY2017:

1. Farm-in Agreement on 23 February 2017;
2. Lithium Rights Joint Venture Agreement (“Lithium Rights JVA”) on 10 April 2017; and
3. Bald Hill Joint Venture Agreement (“BHJVA”) on 18 April 2017.

The Lithium Rights JVA will apply relating to lithium after Lithco has spent the Expenditure Commitment (i.e. A\$7,500,000) in accordance with the Farm-in Agreement. The BHJVA will come into effect until the conditions, including further spending of A\$12.5 million in capital commitment, has been satisfied in accordance with the Farm-in Agreement. For further information, please refer to the announcements dated 23 February 2017, 10 April 2017 and 18 April 2017.

The Company has also secured a fixed price, off-take agreement as announced on the 4 May 2017 with Burwill Holdings Ltd (“Burwill”), a company listed on the Main Board of The Stock Exchange of Hong Limited (stock code 0024) for the supply of lithium concentrate. The key terms and highlights have been disclosed and is subject to conditions precedent that need to be fulfilled. Please refer to the Company’s announcement dated 4 May 2017 for further information on the aforesaid.

The Company will also issue an independent qualified person’s report (reported with the JORC code), which the resource estimate will be appended, and a valuation report in respect of the Bald Hill Project in due course.

The Company will keep shareholders updated on any material developments on the aforementioned as and when appropriate.

**11. If a decision regarding dividend has been made:-**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No dividend has been declared for 3Q FY2017.

- (b)(i) Amount per share (cents)**

Not applicable.

- (b)(ii) Previous corresponding period (cents)**

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None.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).**

Not applicable.

- (d) **The date the dividend is payable.**

Not applicable.

- (e) **Book closure date**

Not applicable.

**12. If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared or recommended for 3Q FY2017.

**13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have a general mandate for recurrent interested person transactions. There were no interested person transactions which were more than S\$100,000 entered into during the financial period reported on.

**14. Use of IPO proceeds**

Pursuant to its IPO, the Company raised gross proceeds of S\$10 million ("IPO Proceeds"). As at the date of this announcement, the IPO Proceeds have been utilised as follows:

<b>Use of Proceeds<sup>(1)</sup></b>	<b>Amount Allocated (A\$'000)</b>	<b>Amount Utilised (A\$'000)</b>	<b>Amount Unutilised (A\$'000)</b>
Exploration and drilling	1,028	197	831
Internal scoping study	428	300	128
Development of mining deposits	428	335	93
Working capital <sup>(1)</sup>	4,723	4,723	-
Listing expenses	1,962	1,962	-
<b>Total</b>	<b>8,569</b>	<b>7,517</b>	<b>1,052</b>

Notes:

- (1) The IPO Proceeds were received on 2 September 2014 and for the purpose of comparability have been converted to AUD on the date received.
- (2) The amount of working capital has been utilised for refurbishment and construction of the Bald Hill and Boulder Facilities.

### Use of Placement Proceeds

The net proceeds from the placement, which was completed on 30 June 2016, was approximately A\$4.9 million ("Placement") ("Net Proceeds"). As at the date of this announcement, the Net Proceeds have been utilised as follows:

<b>Use of Proceeds</b>	<b>Amount allocated A\$'000</b>	<b>Amount utilised A\$'000</b>	<b>Amount Unutilised A\$'000</b>
General working capital purposes <sup>(1)</sup>	4,949	2,803	2,146
<b>Total</b>	<b>4,949</b>	<b>2,803</b>	<b>2,146</b>

Notes:

(1) A breakdown on the utilisation for general working capital purposes is as follows:

	<b>A\$'000</b>
Payments to suppliers and employees	1,616
Repayment of Living Water Loan, leases and insurance premium funding	1,186
<b>Total</b>	<b>2,803</b>

The above utilisation are in accordance with the intended use of the Net Proceeds, as stated in the Company's announcement dated 6 June 2016.

## **ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES**

### **15a. Rule 705 (6)(a) of the Catalist Listing Manual**

#### **i. Use of funds/cash for the quarter:-**

For the quarter ended 31 March 2017 ("3Q FY2017"), funds / cash were mainly used for the following activities:-

<b>Purpose</b>	<b>Amount (A\$) Projected Usage</b>	<b>Amount (A\$) Actual Usage</b>
Corporate administrative expenses	200,000	374,320
Site operating expenses	200,000	57,006
<b>Total</b>	<b>400,000</b>	<b>431,326</b>

#### **Explanation for the variances:**

Cash utilised for site operating expenses were lower than forecast of A\$200,000 for the period largely due to expenses for the usage and maintenance of mine assets being partially offset by other income generated from the provision of, *inter alia*, mining camp accommodation and other facilities at the Bald Hill Mine site to Lithco.

Administrative expenses were higher than forecast due to increased corporate activity by the Company relating to the Proposed Transaction, such as legal and regulatory fees and the timing of expenses being incurred.

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ii. **Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-**

For the next immediate quarter (financial period from 1 April 2017 to 30 June 2017 (“**4Q FY2017**”), the Company’s use of funds/cash for development activities are expected to be as follows:-

<b>Purpose</b>	<b>Amount (A\$)</b>
Corporate administrative expenses	400,000
Site operating expenses	200,000
<b>Total</b>	<b>600,000</b>

For the avoidance of doubt, such projection of funds/cash does not include any expenditure which is to be incurred by Lithco under the Proposed Transaction.

**16a. Rule 705 (7)(a) of the Catalist Listing Manual**

**Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated;**

AMA has suspended the commissioning of its Bald Hill facility during the quarter ended 30 September 2016 and has expended A\$1,445,427 on site operating expenses to maintain the assets in good standing.

The remaining Tantalite concentrate that was produced during the commissioning process in 2015 and 2016 was sold to Germany in Q3 2017 and payment of \$187,574 has been received.

During the quarter ended 31 March 2017, Lithco had, in relation to the Proposed Transaction, engaged in the following activities:

Metallurgical test work for Lithium mineral spodumene commenced. Initial metallurgical test work showed potential to produce high grade Dense Medium Separation (DMS) concentrates. Subsequently, variability test work from multiple locations and grade ranges has confirmed consistent and unusually high gravity recoveries and high concentrate grades. The DMS test work at 10mm crush size returned exceptionally high primary concentrate grade indicating relative insensitivity to crush size. Ongoing test work is being undertaken to complete a flow sheet design and a six tonne bulk sample is being collected to produce a DMS concentrate for final product evaluation by a number of offtake parties.

Lithco had also continued exploratory drilling at the Bald Hill targeted at adding to the overall understanding of the resource potential extending from the current pits. Deeper extensional drilling has commenced on the Bald Hill mining lease, on a nominal 320m x 160m grid. Core drilling also commenced to obtain additional metallurgical samples. The drilling confirmed the continuity of the pegmatites previously mined at Bald Hill some hundreds of metres at depth and along strike beyond the current resource models and identified another thick mineralised pegmatite approximately 30-100 metres below the current AMAL resource model.

A concept study has commenced with the aim of obtaining indicative capital and operating costs for the addition of a 1Mtpa spodumene concentrator.

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Further information on the aforementioned can be found in the Company's announcements on 26 January 2017, 12 February 2017, 3 March 2017 and 15 March 2017.

**16b. Rule 705 (7)(b) of the Catalist Listing Manual**

**Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.**

The Company has no material updates on the reserves and resources as set out in the IQPR (Independent Qualified Person's Report) dated 12 August 2016.

**17. Confirmation pursuant to Rule 720 (1) of the SGX-ST Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) pursuant to Rule 720 (1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited

**18. Negative Confirmation by the Board pursuant to Rule 705(5) and Rule 705(6)(b) of Catalist Listing Manual.**

We, Pauline Gately and Simone Suen, being two directors of Alliance Mineral Assets Limited, do hereby confirm on behalf of the Board of Directors of the Company (the "**Board**") that to the best of their knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the financial period ended 31 March 2017 and the above information provided to be false or misleading in any material aspect.

On behalf of the Board

Pauline Gately  
Independent and Non-Executive Chairman

Simone Suen  
Executive Director

**BY ORDER OF THE BOARD**

Simone Suen  
Executive Director  
12 May 2017