



31 October 2016

ASX CODE: KAS

**OUR PRIME COMMODITY IS
TIN**

LME TIN PRICE (28/10/16)

US\$20,850 / t

(CASH BUYER)

ABOUT KASBAH

KASBAH IS AN AUSTRALIAN LISTED MINERAL EXPLORATION AND DEVELOPMENT COMPANY.

THE COMPANY (75%) AND IT'S JOINT VENTURE PARTNERS TOYOTA TSUSHO CORP (20%) AND NITTETSU MINING CO. (5%) ARE ADVANCING THE ACHMMACH TIN PROJECT IN THE KINGDOM OF MOROCCO TOWARDS PRODUCTION.

PROJECTS

ACHMMACH TIN PROJECT
BOU EL JAJ TIN PROJECT

CAPITAL STRUCTURE

SHARES ON ISSUE:	556M
UNLISTED OPTIONS:	0.5M
CASH @ 30/09/16:	\$0.9M

MAJOR SHAREHOLDERS

WORLD BANK (IFC)	17.7%
AFRICAN LION GROUP	15.7%
THAISARCO	5.6%
TRAXYS	5.3%

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SEPTEMBER 2016 QUARTERLY REPORT

Kasbah Resources Limited (ASX: KAS) is pleased to report its activities for the September 2016 Quarter. The highlights include:

- Completion of the Small Start Option (SSO) definitive feasibility study confirming that an 0.5 Mtpa, high grade underground operation at Achmmach is technically and commercially viable;
- Announcement that Kasbah and Asian Mineral Resources Limited ("AMR") had entered into a Scheme Implementation Agreement pursuant to which AMR will, if implemented, acquire all of the ordinary outstanding shares of Kasbah by way of a scheme of arrangement under the Australian Corporations Act;
- The Independent Expert has considered the terms of the Scheme as outlined in the body of its report and concluded that, in the absence of a superior offer, the Scheme is fair and reasonable to Shareholders. Therefore, in the absence of any superior offer, the Independent Expert concluded that the Scheme is in the best interests of Kasbah shareholders.

Reasons to Support the Scheme

The Board of Kasbah believe that AMR, with Pala providing a key component of the funding solution and its involvement in other recent successful project financings, can increase the certainty of development of the Achmmach Tin Project. With the Achmmach Tin Project as the prime operating asset in the new enlarged company and nickel exploration opportunities proximate to the Ban Phuc Nickel Mine in Vietnam, both Kasbah and AMR shareholders stand to benefit from the future growth opportunities in tin and base metals.

Most importantly in this process, all Kasbah shareholders will be able to participate in the combined company's funding requirements as it seeks to capitalise on the immediate and longer term opportunities across a broader range of commodities.

With a view to the potential of the larger combined company, bolstered with a more diverse shareholder base and a strong cornerstone investor such as Pala, the Board of Kasbah unanimously recommends that Kasbah shareholders vote in favour of the proposed Scheme, in the absence of a superior offer. Each Director intends to vote in favour of the Scheme with respect to any shares they hold or control, in the absence of a superior offer.

SEPTEMBER QUARTERLY REPORT

Kasbah Resources Limited (Kasbah or the Company) is pleased to provide this update to the market.

PROJECT DEVELOPMENT UPDATE

▪ Achmmach Tin Project (75% Kasbah, 20% Toyota Tsusho Corp, 5% Nittetsu Mining Co. Ltd)

On 10 August 2016 the Company released the 2016 Achmmach SSO DFS to the market. The 2016 SSO DFS defined a lower capital, higher grade, staged development opportunity that is technically and economically feasible at current LME tin prices (Table 1 and 2). Importantly the Project Construction capital (on a 100% basis) is estimated to be USD 61.7 M with all in sustaining costs (AISC) of USD 11,507 / t of tin in concentrate.

The Achmmach SSO DFS is premised upon a hard rock underground tin mine with a ten year life that is developed in two stages. Stage 1 production initially commences at 0.5 Mtpa for 42 months then is expanded in Stage 2 to 0.75 Mtpa for 80 months (the remainder of the mine life). This staged approach utilises contract mining, contract crushing and modular plant design and unlike the 1 Mtpa scale where the full capacity was installed upfront, the SSO offers greater operational flexibility.

Table 1: Achmmach SSO DFS Metrics (@ LME Sn price @ 21/07/16 of USD 17,830 / t)

SSO	Ore Reserve	Life of Mine (LOM)	Project Construction Capital USD	All in sustaining costs (AISC) USD / t of tin in concentrate	NPV ₈ after tax USD M (100% of Project)	IRR %
DFS	6.56 Mt @ 0.85 % Sn for 55,500 t of contained tin	10.5 Years	61.7 M	11,507	51	20.6

The SSO has maintained competitive all-in sustaining costs and at current LME tin prices generates positive substantial returns. **Table 2** summarises DFS project returns across a wider range of LME tin prices.

Table 2: 2016 Achmmach SSO DFS - Sensitivity to LME Tin Price

LME Sn Price USD / t	NPV ₈ after tax USD M (100% of Project)	IRR
16,000	14.6	11.8%
17,000	34.5	16.7%
DFS @ 17,830	50.9	20.6%
18,000	54.3	21.3%
19,000	74.1	25.7%
20,000	93.9	29.9%

Refer to the 10 August 2016 ASX announcement for full details on the SSO DFS.

CORPORATE

▪ Corporate Transaction – Asian Mineral Resources to Acquire Kasbah Resources

On 11 August 2016 Kasbah and **AMR** (TSX-V: ASN) announced that they had entered into a Scheme Implementation Agreement (the “**SIA**”) pursuant to which AMR will, if implemented, acquire all of the ordinary outstanding shares of Kasbah by way of a scheme of arrangement under the Australian Corporations Act (the “**Transaction**”).

The highlights of the proposed Transaction include:

- AMR brings an experienced management team with a track record of successful underground mine development and operations arising from its recent operation of the Ban Phuc Nickel Mine in Vietnam (now in care and maintenance);
- As a cornerstone shareholder of the combined entity, Pala Investments Ltd (“**Pala**”) has provided a commitment to provide its pro rata share of any equity raising in relation to the Achmmach Tin Project, as well as an interim A\$1,000,000 bridge loan to Kasbah;
- Once completed, the Transaction will provide a clear path to the commencement of construction at Achmmach (subject to the decision of the AMR board on an appropriate project financing package); and
- The Transaction provides upside opportunities for both AMR and Kasbah shareholders with exposure to upswings in both tin and nickel, a diversified asset base and potential for future growth.

▪ First Drawdown of Pala Loan Facility

On 5 September 2016 Kasbah announced that it had drawn the first \$500,000 tranche of the \$1,000,000 loan facility from Pala Investments Limited. These funds were made available to Kasbah to cover working capital and transaction costs.

▪ Court Approves Release of Scheme Booklet and Orders the Convening of Scheme Meeting

On 18 October 2016 Kasbah announced:

- that the Federal Court of Australia (**Court**) had approved the despatch of the Company's Scheme Booklet (**Scheme Booklet**) and had ordered that the Company convene a meeting of its shareholders (**Scheme Meeting**); and
- that the Scheme Booklet for the proposal by **AMR** to acquire all of the ordinary shares in Kasbah by way of a scheme of arrangement (**Scheme**) had been registered with the Australian Securities and Investments Commission (**ASIC**).

Summary of Independent Expert's Findings

Within this release the Company advised that the Independent Expert had completed its assessment of the Company's proposed transaction with AMR. The Independent Expert had considered the terms of the Scheme as outlined in the body of its report and concluded that, in the absence of a superior offer, the Scheme is fair and reasonable to Shareholders.

Therefore, in the absence of any superior offer, the Independent Expert concluded that the Scheme is in the best interests of Kasbah shareholders.

The Independent Expert assessed that:

- **the value of Kasbah shares prior to the Scheme Implementation Agreement on a control basis as being in the range of 3.3c to 3.9c with a preferred value of 3.6c; and**
- **the value of 1.3 AMR shares and 0.4 AMR warrants following implementation of the Scheme and on a minority basis as being in the range of 2.9c to 4.1c with a preferred value of 3.5c.**

The conclusion of the Independent Expert's assessment of the Scheme* is as follows:

"The above pricing indicates that in the absence of any other relevant information, and a superior offer, the Scheme is fair for the shareholders of Kasbah" and "In our opinion, the position of shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal, we believe that the Scheme is reasonable for Kasbah's shareholders."

* Refer to the Scheme Booklet announced to ASX on 24 October 2016 for the further detail on the Independent Expert's findings.

A key consideration for the Independent Expert in the determination that approving the Scheme was more advantageous to Kasbah shareholders was that the Scheme provides the opportunity for funding the Achmmach Tin Project (the **Project**). Section 14.1.2 of the Independent Expert's Report explains the range of options Kasbah had previously independently evaluated, pursued and tested to achieve a financing solution for the larger, 1Mtpa Achmmach Tin Project, commenting as follows:

"Prior to entering into negotiations with AMR and Pala, Kasbah had made extensive efforts in the past few years to obtain funding for the Achmmach Tin Project. Since 2013, Kasbah has, through the engagement of financial and corporate advisers, as well as through its own efforts, explored the following options:

- *negotiated merger opportunities with entities that had potential interest in Kasbah;*
- *approached major capital funds in Australia who are actively involved in investing in and funding resource projects;*
- *approached existing major Kasbah shareholders to fund the Achmmach Tin Project;*
- *approached the Japanese partners of the Achmmach Tin Project to increase their project shareholding;*
- *approached debt financiers who are actively involved in lending to resource projects; and*
- *approached Pala to consider a direct investment in Kasbah instead of through AMR."*

Whilst Kasbah had previously received non-binding, indicative debt offers to fund the 1Mtpa Achmmach Tin Project from a range of International financiers, the ability to raise the required equity funding on its own was uncertain given the size of the required capital raising relative to the Company's market capitalisation. The equity hurdle in conjunction with the prevailing challenging market conditions of the last 3 years effectively prevented any of the above options from being realised.

The Kasbah Board believes the Scheme provides the foundation and catalyst to reduce the funding uncertainty and achieve development and mining of the Achmmach Tin Project.

AMR is backed by a significant cornerstone investor in Pala who has already provided an interim A\$1.0 million loan facility to Kasbah for working capital purposes and transaction costs and made a commitment to provide its pro rata share of any equity raising in relation to the Achmmach Tin Project. Pala is a supportive shareholder and has shown its commitment to AMR in the past when it provided a short-term bridging facility to assist AMR in its temporary working capital requirements as a result of an unexpected delay in Ban Phuc Nickel Mine's nickel concentrate shipping schedule.

These factors, plus Pala's broader external financial network and demonstrated track record of successfully arranging project financing in the recent past is described in **section 6.3** of the Independent Experts report.

Kasbah Chairman Mr Rod Marston stated:

"Kasbah's prime objective is to get the Achmmach Tin Project financed and into construction and with Pala's external financial network, their successful history of project financing and AMR's mine development team, the timing to production of the Achmmach Tin Project could be significantly reduced.

In addition the merger could catalyse new investment and financing interest from other parties who see broader investment appeal in the larger, more diversified entity which has Pala as its cornerstone investor."

AMR Chairman Mr Jim Askew stated:

"AMR, together with the support of Pala, will bring the financial strength and skills required to develop Achmmach. The AMR team has demonstrated its mine development ability at Ban Phuc. This team is now ready to apply its considerable skills and experience to the Achmmach Tin Project to unlock the significant value of this resource for the benefit of all shareholders."

Pala Vice President Mr Martyn Buttenshaw stated:

"With a robust medium-term outlook for tin, this is the ideal time to bring the Achmmach Tin Project on-line. As such, it is Pala's intention, subject to AMR board approval of a decision to mine, to assist AMR by committing to provide our pro-rata share of the equity funding required to construct the Achmmach Tin Project.

With the Achmmach Tin Project in production, AMR will become one of a few listed primary tin producers and become a long term investment proposition for Pala based upon the development of a larger scale, multi-asset tin and Base Metal Company that offers product, geographical diversity and outstanding growth prospects for all shareholders."

Reasons to Support the Scheme

The Board of Kasbah believe that AMR, with Pala providing a key component of the funding solution and its involvement in other recent successful project financings, can increase the certainty of development of the Achmmach Tin Project. With the Achmmach Tin Project as the prime operating asset in the new enlarged company and nickel exploration opportunities proximate to the Ban Phuc Nickel Mine in Vietnam, both Kasbah and AMR shareholders stand to benefit from the future growth opportunities in tin and base metals.

Most importantly in this process, all Kasbah shareholders will be able to participate in the combined company's funding requirements as it seeks to capitalise on the immediate and longer term opportunities across a broader range of commodities.

With a view to the potential of the larger combined company, bolstered with a more diverse shareholder base and a strong cornerstone investor such as Pala, the Board of Kasbah unanimously recommends that Kasbah shareholders vote in favour of the proposed Scheme, in the absence of a superior offer. Each Director intends to vote in favour of the Scheme with respect to any shares they hold or control, in the absence of a superior offer.

▪ **Cash Reserves**

Cash reserves at 30 September 2016 were **\$0.9M**.

TIN MARKET

After coming off lows of \$13,000 / t in the first quarter of 2016, the tin market continued to improve during the third quarter with the LME 3-month tin price averaging \$19,496 / t then peaking at \$20,100 / t at the end of the month – the highest close since 2014.

The LME price retreated in early October to the high \$19,000 / t range and LME stocks fell to ≈ 2,955 tonnes though traders noted that off market metal was still readily available. Industry analysts advise that the recent higher tin prices have seen an increase in mine and refined tin production in Indonesia and Asia and many are forecasting the tin market to be in surplus during the 4th quarter and an easing in supply tightness.

Traders also advise that the slowdown in tin exports has not yet been seen as Myanmar tin exports for September where approximately 17,425 tonnes of concentrate (an increase of 74% Y-O-Y).

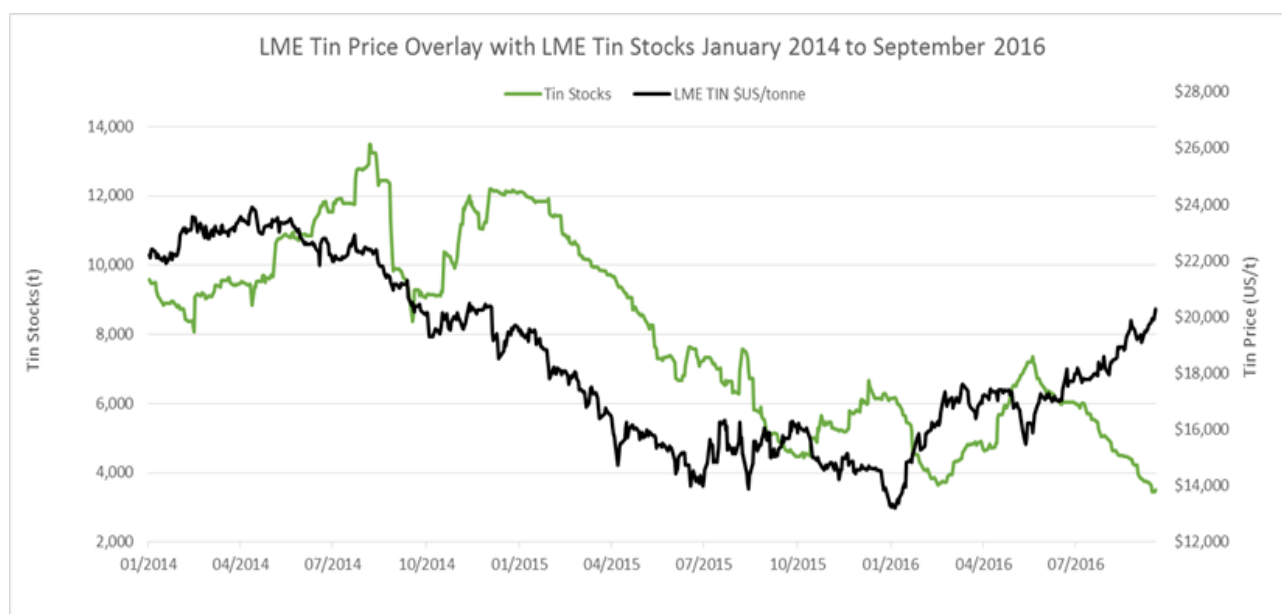


Figure 1: LME Tin Price vs LME Stocks – Jan 2014 to Sept 2016

EXPLORATION

Minimal exploration activities were undertaken during the quarter.

LOOKING FORWARD

Scheme Meeting

The meeting of shareholders to approve the Scheme (**Scheme Meeting**), will be at **10.00am (WST) on Wednesday 23 November 2016** at BDO, The Hay Room, 38 Station Street Subiaco, Western Australia 6008.

The Scheme Meeting has been convened so that Kasbah shareholders can consider and, if thought fit, agree to the proposal by Asian Mineral Resources Limited to acquire all of the ordinary shares in Kasbah by way of a Scheme under the *Corporations Act 2001* (Cth).

If the Scheme is implemented, Kasbah shareholders will receive:

- **0.13 AMR share CHESSE Depository Interests (CDIs)** and **0.04 AMR warrant CDIs** per Kasbah share held, with each CDI representing a beneficial interest in 10 AMR shares or 10 AMR warrants (as applicable); or
- if so elected, **1.3 AMR shares and 0.4 AMR warrants** per Kasbah share held.

Each shareholder's vote is important to determining whether or not the Scheme proceeds. All shareholders registered as at 4.00pm (WST) on 21 November 2016 will be entitled to vote at the Scheme Meeting, and are encouraged to do so.

Kasbah shareholders do not need to attend the Scheme Meeting in person to vote, as their vote can be made by proxy by completing the personalised proxy form enclosed with the Scheme Booklet mailed / emailed to shareholders on 24 October 2016. All proxy forms must be received by the Company's share registry by no later than 10.00am (WST) on 21 November 2016 in accordance with the directions set out in the proxy form.

If you have any questions on the Scheme or require further information, please contact the Kasbah Shareholder Information Line on +61 1800 220 771 anytime between 9.00am and 5.00pm (WST) Monday to Friday.

For and on behalf of the Board



Wayne Bramwell
Managing Director

For further information please go to:

www.kasbahresources.com

Or email:

info@kasbahresources.com

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ABOUT KASBAH RESOURCES

Kasbah Resources Limited (Kasbah) is an Australian listed mineral exploration and development Company.

Our commodity is tin.

Kasbah has two tin projects (the Achmmach Tin Project and the Bou El Jaj Tin Project) located in the Kingdom of Morocco:

- **Achmmach Tin Project JV in Morocco (75% Kasbah, 20% Toyota Tsusho and 5% Nittetsu Mining)**

Kasbah is the manager and operator of the Achmmach Tin Project JV. Toyota Tsusho Corporation (TTC) and Nittetsu Mining Co. Ltd (NMC) of Japan are Kasbah's strategic development partners in this JV. In response to a 25% fall in LME tin during 2015, the JV redesigned the project to reduce the scale, operating complexity and capital requirements. A positive definitive feasibility study (DFS) into a Small Start Option (SSO) for the development of a 2 staged, lower throughput, lower capital cost underground mine, concentrator and associated infrastructure at Achmmach was completed in August 2016.

- **Bou El Jaj Tin Project in Morocco (100% Kasbah)**

Kasbah retains a 100% interest in the prospective Bou El Jaj Tin Project. This project is 10km from the Achmmach Tin Project and is an early stage exploration opportunity that could become a satellite ore source for Achmmach. It is currently pre-resource and additional drilling is required on multiple targets within the Bou El Jaj permits.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Kasbah believes it has a reasonable basis for making the forward looking statements in this Announcement, including with respect to any production targets and economic evaluation, based on the information contained in Kasbah's ASX announcement entitled "DFS Confirms Project Economics for Achmmach Tin Project" dated 10 August 2016. Kasbah confirms that it is not aware of any new information or data that materially affects the production targets contained in the previous announcement of the DFS and all material assumptions underpinning the production targets in the previous market announcement continue to apply and have not materially changed.

MINING TENEMENT CHANGES DURING THE QUARTER

Project / Tenements	Location	Permit Number	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
NIL					

FARM-IN / FARM OUT AGREEMENT CHANGES

Project / Tenements	Location	Permit Number	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
NIL					

INTERESTS IN MINING TENEMENTS

Project	Permit Type	Permit Number	Registered Interest
Achmmach	PE	2912	75%*
	PE	193172	75%*
Bou El Jaj	PE	213172	100%
	PE	193313	100%
Tamlalt	PE	223197	100%
	PE	223198	100%
	PE	223199	100%
	PE	223200	100%
	PE	223201	100%
	PE	223202	100%
	PE	223203	100%
	PE	223204	100%
Ezzhiliga (Zaer)	PR	2137996	100%
	PR	2137997	100%
	PR	2137998	100%
	PR	2137999	100%
	PR	2138023	100%
Ment	PR	1939809	100%
	PR	1939821	100%
	PR	1939822	100%
	PR	2138097	100%
	PR	2138098	100%
	PR	2138099	100%
	PR	2138100	100%
	PR	1940002	100%
	PR	1940003	100%
	PR	1940004	100%
	PR	1940082	100%
	PR	1940095	100%
	PR	1940099	100%

All permits are located in the Kingdom of Morocco.

LEGEND: PE – *Permis Exploitation* PR – *Permis Recherche*

* The Achmmach Tin Project is 100% owned by Moroccan incorporated Joint Venture Company Atlas Tin SAS. The shareholders of Atlas Tin SAS are Kasbah Resources Limited (75%), Toyota Tsusho Corporation (20%) and Nittetsu Mining Co. Ltd (5%). Kasbah is the Manager and Operator of the Achmmach Tin Project JV.

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

KASBAH RESOURCES LIMITED

ABN

78 116 931 705

Quarter ended ("current quarter")

30 SEPTEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(341)	(341)
(b) development	-	-
(c) production	-	-
(d) staff costs	(197)	(197)
(e) administration and corporate costs	(212)	(212)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(746)	(746)

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

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
3.5	Proceeds from borrowings	500	500
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(30)	(30)
3.8	Dividends paid	-	-
3.9	Other (transactions with non-controlling interests)	18	18
3.10	Net cash from / (used in) financing activities	488	488

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,171	1,171
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(746)	(746)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	488	488
4.5	Effect of movement in exchange rates on cash held	(7)	(7)
4.6	Cash and cash equivalents at end of period	906	906

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	579	224
5.2 Call deposits	245	645
5.3 Bank overdrafts	-	-
5.4 Other (provide details) – Cash held in Morocco	82	302
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	906	1,171

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	121
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	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,000	500
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
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.		

Loan Agreement with Pala Investments Limited dated 10 August 2016. Interest rate accrues at 12% per annum and the loan is unsecured. As at 30 September, \$500,000 of the \$1,000,000 loan facility had been drawn by Kasbah Resources Limited.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	381
9.2 Development	-
9.3 Production	-
9.4 Staff costs	148
9.5 Administration and corporate costs	767
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,296

Item 9.5 Administration and corporate costs includes approximately \$615,000 of estimated costs associated with the AMR Corporate Transaction.

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/Company secretary)

Date: 31 October 2016

Print name: Trevor O'Connor

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.