

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

METALICITY LIMITED

ABN

92 086 839 992

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) production		
(b) administration	(143)	(1,231)
(c) project generation	(121)	(239)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	2	4
1.5 Interest and other costs of finance paid	(35)	(35)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(297)	(1,501)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(25)	(1,156)
(b) equity investments		
(c) other fixed assets	-	(3)
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)		
(a) exploration and evaluation	(793)	(1,178)
Net investing cash flows	(818)	(2,337)
1.13 Total operating and investing cash flows (carried forward)	(1,115)	(3,838)

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1.13	Total operating and investing cash flows (brought forward)	(1,115)	(3,838)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	295	295
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings (related party)		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Funds received, equity not yet issued	(45)	-
	Receipts from sale of royalty	-	7,053
Net financing cash flows		250	7,348
Net increase (decrease) in cash held		(865)	3,510
1.20	Cash at beginning of quarter/year to date	4,670	443
1.21	Exchange rate adjustments to item 1.20	(56)	(204)
1.22	Cash at end of quarter	3,749	3,749

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	101
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director fees and superannuation

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

During the quarter, the company issued 1,250,000 fully paid ordinary shares with an issue price of \$0.02 totalling \$25,000 as part consideration to acquire certain exploration tenements.

In a prior quarter, the company issued 14,375,000 fully paid ordinary shares with an issue price of \$0.016 totalling \$230,000 to acquire certain exploration tenements.

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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

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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	440
4.2 Development	-
4.3 Production	-
4.4 Administration	250
Total	690

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	312	96
5.2 Deposits at call	1,008	46
5.3 Bank overdraft		
5.4 Other (provide details)		
USD\$ at bank	2,409	4,528
Term deposit	20	-
Total: cash at end of quarter (item 1.22)	3,749	4,670

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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	None		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E74/550 E74/574 Tenement acquired Tenement granted	- -	100% 100%

Refer to Quarterly Activities Report for schedule of tenements held.

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	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	380,144,654	360,769,654	Not applicable
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,250,000 1,250,000 2,000,000 2,000,000 2,000,000	5,250,000 1,250,000 2,000,000 2,000,000 2,000,000	0.02 0.02 0.025 0.03 0.04

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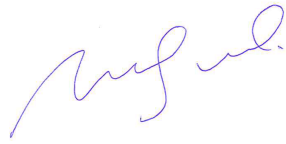
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7.5	+Convertible debt securities <i>(description)</i>	\$500,000		20 day VWAP	Interest payable at 7.5% per annum
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			Exercise price	Expiry date
		1,000,000		4 cents	11 March 2017
		1,000,000		8 cents	11 March 2017
		1,000,000		12 cents	11 March 2017
		2,000,000		3 cents	31 December 2019
		6,000,000		4 cents	31 December 2019
		3,000,000		8 cents	31 December 2019
		3,000,000		12 cents	31 December 2019
		11,500,000		2.5 cents	23 July 2020
		11,500,000		3 cents	23 July 2020
		11,500,000		4 cents	23 July 2020
		2,000,000		2.5 cents	10 December 2020
		10,050,000		3 cents	10 December 2020
		10,050,000		4 cents	10 December 2020
		8,050,000		5 cents	10 December 2020
7.8	Issued during quarter				
		2,000,000		3 cents	31 December 2019
		6,000,000		4 cents	31 December 2019
		3,000,000		8 cents	31 December 2019
		3,000,000		12 cents	31 December 2019
7.9	Exercised during quarter				
		5,250,000		2 cents	31 December 2015
		2,000,000		2.5 cents	23 July 2020
		2,000,000		3 cents	23 July 2020
		2,000,000		4 cents	23 July 2020
7.10	Expired during quarter	14,750,000		2 cents	31 December 2015
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <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 give a true and fair view of the matters disclosed.

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Sign here:

Date: 29 April 2016

(Director)

Print name:

Matthew Gauci

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.
- 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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