

Appendix 5B

Mining 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

Name of entity

MOD RESOURCES LIMITED

ABN

78 003 103 544

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current Quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(665)	(781)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(325)	(416)
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	-	-
1.6	Income taxes (paid)/refund	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(988)	(1,193)
Cash flows related to investing activities			
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	(27)	2
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(27)	2
1.13	Total operating and investing cash flows (carried forward)	(1,015)	(1,191)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,015)	(1,191)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,237	2,587
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 (costs of share issue)	(126)	(141)
	Net financing cash flows	2,111	2,446
	Net increase in cash held	1,096	1,255
1.20	Cash at beginning of quarter/year to date	597	453
1.21	Exchange rate adjustments to item 1.20	(3)	(18)
1.22	Cash at end of quarter¹	1,690	1,690

Note: On 18 July 2016, the Company announced the completion of its non-renounceable pro rata entitlement of \$3.07 million.

Payments to directors of the entity and associates of the directors
Payments to 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	84
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Included at 1.23 are payments for director fees and company secretarial fees paid to a director or director associated companies.

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

N/A

+ See chapter 19 for defined terms.

- 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	2,000	2,000
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	900
4.2 Development	-
4.3 Production	-
4.4 Administration	400
Total ¹	1,300

Note: On 18 July 2016, the Company announced the completion of its non-renounceable pro rata entitlement of \$3.07 million.

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	1,690	597
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter¹ (item 1.22)	1,690	597

Note: On 18 July 2016, the Company announced the completion of its non-renounceable pro rata entitlement of \$3.07 million.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	NIL		
6.2	Interests in mining tenements acquired or increased	NIL		

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)	N/A		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,282,955,389	1,282,955,389	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Released from Escrow	98,352,061	98,352,061	
7.5	+Convertible debt securities (description)	N/A		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			

+ See chapter 19 for defined terms.

7.7	Options (description and conversion factor)	63,000,000 2,000,000 60,498,047 18,000,000	- - 60,498,047 -	Exercise price 6 cents 7.5 cents 1 cent 6 cents	Expiry date 4 March 2017 20 June 2017 1 May 2018 15 April 2019
7.8	Issued during quarter	18,000,000 3,250,000	- -	6 cents 1 cent	15 April 2019 1 May 2018
7.9	Exercised during quarter	(5,000,000) (18,685,394)	- (18,685,394)	1 cent 1 cent	21 May 2018 1 May 2018
7.10	Expired during quarter	(21,000,000)	-	20 cents	12 June 2016
7.11	Debentures (totals only)	N/A			
7.12	Unsecured notes (totals only)	N/A			

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.

Mark Clements
Company Secretary
29 July 2016

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 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, 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.

== == == == ==