

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

---

**Unaudited Financial Statement and Dividend Announcement  
For the First Quarter Ended 30 September 2014 (“Q1 FY 2015”)**

---

*Alliance Mineral Assets Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 25 July 2014. The initial public offering of the Company (the “IPO”) was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor” or “PPCF”).*

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement and 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 and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 62298088.*

## **Background**

The Company was incorporated in the Commonwealth of Australia on 6 December 2010 under the Corporations Act as a public company limited by shares, under the name of “HRM Resources Australia Ltd”. On 13 March 2014, the Company’s name was changed to “Alliance Mineral Assets Limited.” The Company was admitted to the Catalist on 25 July 2014 (“Listing”).

The Company is currently headquartered in Perth, Western Australia, and possesses the right to explore and mine Tantalum at the Bald Hill Tantalite Mine, and surrounding areas. The Bald Hill Project, which spans 59,000 hectares, is located within the Eastern Goldfields Province of the Archaean Yilgran Block, within the Shire of Coolgardie, approximately 50 km east of Widgiemooltha, the nearest township.

Upon the successful completion of the refurbishment of the Bald Hill Treatment Plant and recommissioning of the Bald Hill Tantalite Mine infrastructure, the Company aims to commence trial mining and treatment of Tantalite Ore at the Bald Hill Project, which is processed into Tantalite concentrate.

The Company has no subsidiary companies and therefore, all figures presented herein are those of the Company.

**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**

	<b>For 3-months Ended 30 September</b>		
	<b>2014</b>	<b>2013</b>	<b>Increase / (Decrease)</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Decrease)</b>
	<b>A\$</b>	<b>A\$</b>	<b>%</b>
Interest income	1,245	527	136.3
Gain on foreign exchange	388,599	-	n.m
Loss on disposal of fixed assets	(1,404)	-	n.m
Loss on settlement of financial instruments	(280,428)	-	n.m
Fair value movement on derivatives	(14,889)	-	n.m
Accounting and audit expenses	(38,702)	(19,377)	99.7
Consultants and contractors fees	(24,156)	(30,000)	(19.5)
Directors' fees	(23,229)	-	n.m
Tenement expenses	(88,881)	(49,688)	78.9
Bald Hill project expenses	(626)	(9,092)	(93.1)
Listing expenses	(404,943)	-	n.m
Administrative expenses	(75,734)	(22,553)	235.8
Employee salaries and other benefits expenses	(309,475)	-	n.m
Borrowing costs	(146,835)	(149)	n.m
<b>Loss before income tax</b>	<b>(1,019,458)</b>	<b>(130,332)</b>	<b>682.2</b>
Income tax expense	-	-	
<b>Loss after tax</b>	<b>(1,019,458)</b>	<b>(130,332)</b>	<b>682.2</b>
<b>Other comprehensive income</b>	-	-	-
<b>Total comprehensive loss for the year attributable to owners of the Company</b>	<b>(1,019,458)</b>	<b>(130,332)</b>	<b>682.2</b>

(i) n.m = not meaningful

---

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

	<b>3-months ended</b>		<b>Increase / (Decrease)</b>
	<b>30 September</b>		
	<b>2014</b>	<b>2013</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>%</b>
	<b>A\$</b>	<b>A\$</b>	
Interest income	1,245	527	136.3
Gain on foreign exchange	388,599	-	n.m
Loss on disposal of fixed assets	(1,404)	-	n.m
Loss on settlement of financial instruments	(280,428)	-	n.m
Fair value movement on derivatives <sup>(1)</sup>	(14,889)	-	n.m
Borrowing costs	(146,835)	(149)	n.m
Depreciation expense	(4,125)	-	n.m
Listing expenses	(404,943)	-	n.m

- (1) In accordance with IAS 39 Financial Instruments, the mandatory conversion right has been bifurcated and accounted for on a fair value basis with all movements recognized in profit and loss.

**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	
	30 September 2014 (Unaudited) A\$	30 June 2014 (Audited) A\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	8,352,440	3,686,272
Other receivables	312,837	382,386
Other current asset	-	510,486
<b>TOTAL CURRENT ASSETS</b>	<b>8,665,277</b>	<b>4,579,144</b>
<b>NON CURRENT ASSETS</b>		
Exploration and evaluation expenditure	427,407	427,407
Mine development	9,301,416	9,037,188
Property plant & equipment	12,670,940	10,257,281
<b>TOTAL NON CURRENT ASSETS</b>	<b>22,399,763</b>	<b>19,721,876</b>
<b>TOTAL ASSETS</b>	<b>31,065,040</b>	<b>24,301,020</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,015,535	1,485,061
Interest bearing loans and borrowings	15,566	3,251,746
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,031,101</b>	<b>4,736,807</b>
<b>NON CURRENT LIABILITIES</b>		
Trade and other payables	3,306,924	3,169,938
Provision for rehabilitation	600,000	600,000
Interest bearing loans and borrowings	63,960	28,990
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>3,970,884</b>	<b>3,798,929</b>
<b>TOTAL LIABILITIES</b>	<b>5,001,985</b>	<b>8,535,736</b>
<b>NET ASSETS</b>	<b>26,063,055</b>	<b>15,765,284</b>
<b>EQUITY</b>		
Issued capital	34,011,266	20,157,971
Reserves	1,781,663	4,317,728
Accumulated losses	(9,729,874)	(8,710,415)
<b>TOTAL EQUITY</b>	<b>26,063,055</b>	<b>15,765,284</b>

---

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

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

<b>As at 30 September 2014 (Unaudited)</b>		<b>As at 30 June 2014 (Audited)</b>	
<b>Secured A\$</b>	<b>Unsecured A\$</b>	<b>Secured A\$</b>	<b>Unsecured A\$</b>
15,566	-	7,229	3,244,517

**Amount repayable after one year**

<b>As at 30 September 2014 (Unaudited)</b>		<b>As at 30 June 2014 (Audited)</b>	
<b>Secured A\$</b>	<b>Unsecured A\$</b>	<b>Secured A\$</b>	<b>Unsecured A\$</b>
63,960	-	28,990	-

**Details of any collateral**

The secured borrowings comprised finance lease liabilities of A\$79,526 (30 June 2014: \$36,219), which were secured on the Company's motor vehicles

**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**

	<b>For 3-months Ended 30 September</b>	
	<b>2014</b>	<b>2013</b>
	<b>Unaudited A\$</b>	<b>Unaudited A\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Interest received	1,245	527
Interest paid	(22,387)	(3)
Payments to suppliers, contractors and employees	(1,335,028)	(101,203)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(1,356,170)</b>	<b>(100,679)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of fixed assets	47,500	-
Release of performance bonds	-	133,470
Payments for mine development	(264,228)	-
Purchase and refurbishment of plant & equipment	(2,420,948)	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(2,637,676)</b>	<b>133,470</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from share issue	8,568,759	-
Payments for share issue costs	(328,217)	-
Proceeds from share with buyback clause	-	-
Proceeds from issue of convertible loan	-	-
Payment to finance lease principle	(2,433)	-
Loan drawdowns	-	-
Repayment of secured loan	-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>8,238,109</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents	4,244,263	32,791
Cash and cash equivalents at beginning of year	3,686,272	14,471
Net foreign exchange difference on cash balances	421,905	-
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>8,352,440</b>	<b>47,262</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**

	<b>Issued Capital A\$</b>	<b>Reserves A\$</b>	<b>Accumulated Losses A\$</b>	<b>Total A\$</b>
<b>(Unaudited)</b>				
Balance as at 1 July 2013	13,374,625	676,683	(2,414,759)	11,636,549
Loss for 1Q FY2014	-	-	(130,332)	(130,332)
Total comprehensive loss for the 1Q FY2014	-	-	<b>(130,332)</b>	<b>(130,332)</b>
<b>Balance as at 30 September 2013</b>	<b>13,374,625</b>	<b>676,683</b>	<b>(2,545,091)</b>	<b>11,506,217</b>
<b>(Unaudited)</b>				
Balance as at 1 July 2014	20,157,971	4,317,728	(8,710,415)	15,765,284
Loss for the 1Q FY2015	-	-	(1,019,458)	(1,019,458)
Total comprehensive loss for the 1Q FY2015	-	-	<b>(1,019,458)</b>	<b>(1,019,458)</b>
<u>Equity Transactions:</u>				
Share based payment reserve	-	20,494	-	20,494
Issuance of 18,115,943 shares to convertible loan holders pursuant to the conversion	3,566,680	-	-	3,566,680
Transfer of PPCF and Lionbridge Group Pte. Ltd. ("Lionbridge") share based payment reserve to shares	-	(2,556,559)	-	(2,556,559)
Issuance of 13,122,261 shares to PPCF and Lionbridge as success fees upon Listing	2,556,559	-	-	2,556,559
Issuance of 43,479,000 placement shares pursuant to placement	8,568,759	-	-	8,568,759
Transaction costs on shares issued	(838,703)	-	-	(838,703)
<b>Balance as at 30 September 2014</b>	<b>34,011,266</b>	<b>1,781,663</b>	<b>(9,729,874)</b>	<b>26,063,055</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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

	Number of ordinary shares	Share Capital A\$
Opening balance as at 1 July 2014	319,213,223	20,157,971
Issue of shares to convertible loan holders pursuant to the conversion	18,115,943	3,566,680
Shares issued to PPCF and Lionbridge being success fees upon Listing	13,122,261	2,556,559
Placement shares issued pursuant to placement	43,479,000	8,568,759
Transaction costs on share issue	-	(838,703)
<b>Closing balance as at 30 September 2014</b>	<b>393,930,427</b>	<b>34,011,266</b>

There were no outstanding options ("**Options**") as at 30 September 2014 (30 September 2013: 750,000 Options, convertible into 750,000 shares of the Company).

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme ("**Scheme**") and as at 30 September 2014 and as at the date of this announcement, no options has been granted under the Scheme.

Save as disclosed above, there were no other outstanding convertibles as at 30 September 2014 and 30 September 2013.

The Company did not have any treasury shares as at 30 September 2014 and 30 September 2013.

**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 393,930,427 as at 30 September 2014 and 319,213,223 as at 30 June 2014.

The Company did not have any treasury shares as at 30 September 2014 and 30 June 2014.

**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.



---

**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 2014.

**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 2014. 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 30 September</b>	
	<b>2014 (Unaudited)</b>	<b>2013 (Unaudited)</b>
Basic and diluted loss per share (AU cents)	(0.3) <sup>(1)</sup>	(0.1) <sup>(2)</sup>
Loss for the period attributable to owners of the Company (A\$)	<u>(1,019,458)</u>	<u>(130,332)</u>
Number of weighted ordinary shares used in calculating basic and diluted loss per share for the financial period	<u>333,861,958</u>	<u>245,000,000</u>

Notes:

- (1) The basic and diluted loss per share for the 3 months financial period ended 30 September 2014 were the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2014.

- (2) For comparison and illustrative purposes, the basic and diluted loss per share for the 3-months financial period ended 30 September 2013 (“**Q1 FY2014**”) is calculated based on the loss attributable to owners of the Company for 1Q FY2014 and the ordinary shares of 245,000,000, assuming that the share split of 1 to 7 had taken place at the beginning of 1Q FY2014.

**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.

	As at	
	30 September 2014 (Unaudited)	30 June 2014 (Audited)
Net asset value per ordinary share based on issued share capital (AU cents)	6.6	4.9
Net asset value as at the end of the respective financial years (A\$)	26,063,055	15,765,284
Number of ordinary shares as at the end of the respective financial years	393,930,427	319,213,223

**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 30 September 2014 (“1Q FY2015”) vs. 3-months ended 30 September 2013 (“1Q FY2014”)**

**Review of the Income Statement**

Revenue

There was no revenue in 1Q FY2015 and 1Q FY2014 as we had not commenced the production and sale of Tantalite concentrate.

Interest income

Interest income had increased by A\$718 or 136.3% from A\$527 in 1Q FY2014 to A\$1,245 in 1Q FY2015 due to an increase in our cash balances in banks.

---

#### Gain on foreign exchange

The gain on foreign exchange of A\$388,599 in 1Q FY2015 (1Q FY2014: Nil) is mainly due to a gain on foreign exchange movement on translation of our Singapore dollar bank balance to Australia dollar of A\$421,904 offset by foreign exchange loss on translation of the convertible loan of A\$19,537 and trade and other payables of A\$13,768.

#### Loss on disposal of fixed assets

The loss on disposal of fixed assets of A\$1,404 in 1Q FY2015 (1Q FY2014: Nil) is due to the sale of a cone crusher which had a book value of A\$48,904 and the proceeds received from the said sale was A\$47,500.

#### Loss on settlement of financial instruments

The loss on settlement of financial instruments of A\$280,428 in 1Q FY2015 (1Q FY2014: Nil) relates to the loss on conversion of our Convertible Loan pursuant to receiving the conversion notice from each convertible loan holder to convert the entire amount of the convertible loan outstanding to each convertible loan holder into fully paid ordinary Shares on 7 July 2014 (the "**Conversion**").

#### Fair value movement on derivatives

The fair value movement on derivatives of A\$14,889 in 1Q FY2015 (1Q FY2014: Nil) relates to the fair value movements of the convertible loan before the conversion as the International Accounting Standard ("IAS") 39 financial instruments requires the embedded derivative components of the convertible loan to be revalued to fair value at each reporting period with gains or losses being recognised in profit and loss.

#### Accounting and audit expenses

Accounting and audit expenses increased by A\$19,325 or 99.7% from A\$19,377 in 1Q FY2014 to A\$38,702 in 1Q FY2015 mainly due to the consultation fees incurred in relation to the Research and Development tax incentive claim and higher audit expenses in relation to the Company's Listing.

#### Consultants and contractors fees

Consultants and contractors fees decreased by A\$5,844 or 19.5% from A\$30,000 in 1Q FY2014 to A\$24,156 in 1Q FY2015 mainly due to fewer senior consultants engaged by Company in 1Q FY2015.

#### Directors' fees

Directors' fees of A\$23,229 in 1Q FY2015 (1Q FY2014: Nil) is due to the appointment of more directors in relation to the Company's Listing.

#### Tenement expenses

Tenement expenses increased by A\$39,193 or 78.9% from A\$49,688 in 1Q FY2014 to A\$88,881 in 1Q FY2015 due to the increase in engineering, geological and environmental work performed on the mining Tenements in preparation for trial mining and processing of Tantalite concentrate.

#### Bald Hill Project expenses

Bald Hill Project expenses decreased by A\$8,465 or 93.1% from A\$9,092 in 1Q FY2014 to A\$626 in 1Q FY2015 due to the capitalisation of the pre-production costs to Non-current assets in accordance with IAS 16: Property, Plant & Equipment.

---

### Listing expenses

Listing expenses of A\$404,943 in 1Q FY2015 mainly relates to expenses incurred in relation to the Company's Listing. It comprises mainly professional fees of A\$451,737, remaining success fees of A\$17,549 paid to the Company's full sponsor, PPCF in relation to the Listing via the issuance of new Shares upon the Company's Listing ("Success Fees") and other miscellaneous expenses of A\$108,363 incurred.

### Administrative expenses

Administrative expenses increased by A\$53,181 or 235.8% from A\$22,552 in 1Q FY2014 to A\$75,734 in 1Q FY2015 due mainly to an increase in travelling expenses, head office overhead costs and other fees and charges incurred pursuant to the Company's Listing. In addition, there is a depreciation expense of A\$4,125 in 1Q FY2015.

### Employee salaries and other benefits

Employee salaries and other benefits of A\$309,475 in 1Q FY2015 (1Q FY2014: Nil) is due to the payment of salaries and on-costs for taking onboard full time employees who were previously engaged as consultants to the Company.

### Borrowing costs

Borrowing costs increased by A\$146,686, from A\$149 in 1Q FY2014 to A\$146,835 in 1Q FY2015 mainly due to notional interest on the convertible loan of A\$7,518 and amount owing to Living Waters Mining of A\$136,986.

The aforementioned notional interest expenses arise from the Company's financial liabilities held at amortised cost whereby the initial carrying value of the liability is accreted to its principal amount over the life of the loan. This accretion is recognised as a borrowing costs.

### Loss before income tax

In view of the foregoing, loss before taxation increased by A\$889,127 or 682.2% from A\$130,332 in 1Q FY2014 to A\$1,019,458 in 1Q FY2015.

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

As at 30 September 2014, our non-current assets of A\$22,399,763 accounted for 72.1% of our total assets. Our non-current assets comprised of exploration and evaluation expenditure, mine development and property, plant and equipment.

Exploration and evaluation expenditure of A\$427,407 representing 1.9% of our total non-current assets relates to the acquisition cost for the Tenements and surrounding Tenements that are prospective for similar minerals of the Bald Hill Project.

Mine development of A\$9,301,416 representing 41.5% of our total non-current assets, comprised of the reclassification amount from exploration and evaluation expenditure of A\$8,882,593 which were transferred in FY2014 and a total of A\$418,823 of further capitalisation of direct and indirect site costs in accordance with IAS 16: Property, Plant & Equipment.

Property, plant and equipment amounting to A\$12,670,940 representing 56.6% of our total non-current assets, comprises of the processing plant, mining equipment, site accommodation facilities, office premises, office furniture & fittings, motor vehicles and other minor assets.

---

The increase in property, plant and equipment of A\$2,413,658 or 23.5% from A\$10,257,281 as at 30 June 2014 is pursuant to the purchase of Tantalum Mine Plant & Equipment of A\$606,135, employee mine camp of \$988,859, office premises of A\$795,885, office furniture & fitting of A\$6,116, two light vehicles of A\$66,293 which are under finance lease and office computer hardware of A\$3,399. These were partially offset by accumulated depreciation of A\$4,125 and the disposal of cone crusher of A\$48,904.

#### Current assets

As at 30 September 2014, our current assets of A\$8,665,277, represents 27.9% of our total assets. Our current assets consist of cash and cash equivalents and other receivables.

Other receivables of A\$312,837, representing 3.6% of our total current assets comprise Goods and Services Tax receivables of A\$309,772 and deposits and advances paid to supplier and employees of A\$3,065.

The decrease in other current assets of A\$510,486 was due to the transfer of deferred Listing expenses to equity as share issue costs upon the Company's Listing.

Cash and cash equivalents of A\$8,352,440 represents 96.4% of total current assets. The increase in cash and cash equivalents of A\$4,666,167 from A\$3,686,272 as at 30 June 2014 is mainly due to the proceeds from the issue of placement shares of A\$8,568,759, offset by payment to mine development expenses and purchases of property, plant and equipment of A\$2,685,176 as well as to suppliers and employees of A\$1,335,028.

#### Non-current liabilities

As at 30 September 2014, our non-current liabilities of A\$3,970,884 represented 79.4% of our total liabilities. Our non-current liabilities relates to the provision for rehabilitation required at the Bald Hill Tantalite Mine, interest bearing loans and borrowings as well as trade and other payables.

Provision for rehabilitation of A\$600,000, representing 15.1% of our total non-current liabilities, 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\$63,960, representing 1.6% of our total non-current liabilities, comprised the finance lease liabilities which were secured on the Company's motor vehicles. The increase in interest bearing loans and borrowing of A\$34,969 from A\$28,990 as at 30 June 2014 is due to the purchase of two new motor vehicles during 1Q FY2015.

Trade and other payables being amount due to controlling entity, Living Waters Mining of A\$3,306,924, represented 83.3% of our total non-current liabilities. This is in relation to the A\$4,000,000 due to Living Waters Mining under the Sale of Business Agreement ("Cash Component"), discounted by A\$849,419 to its fair value pursuant to the supplemental deed on 18 June 2014 entered into between Living Waters Mining and the Company. Pursuant thereto, the Cash Component (previously payable on demand) is to be paid only after 18 months commencing from the date of the Listing ("Minimum Non-Payment Period"). Under IAS 39, the financial liability has initially been recognised at fair value and then at amortised costs. On the initial recognition at fair value, A\$849,419 has been recognised as parent equity contribution. As at 30 June 2014, the carrying amount was A\$3,169,938. The amortisation discount recognised in 1Q FY2015 was A\$136,985 and hence the carrying amount as at 30 September 2014 was A\$3,306,924.

---

### Current liabilities

As at 30 September 2014, our current liabilities of A\$1,031,101, representing 20.6% of our total liabilities comprised trade and other payables and interest bearing loans and borrowings.

Trade and other payables of A\$1,015,535, represented 98.5% of our total current liabilities. The decrease in trade and other payables by A\$469,526 from A\$1,485,061 as at 30 June 2014 is due to a lower amount of payable to vendors for goods and services received for use in business operations.

Interest bearing loans and borrowings, representing A\$15,566 or 1.5% of our total current liabilities comprised finance lease liabilities. The decrease of A\$3,236,180 from A\$3,251,746 as at 30 June 2014 is due to the Conversion.

### Shareholders' equity

As at 30 September 2014, our Shareholders' equity amounted to A\$26,063,055 comprising A\$34,011,266 of issued share capital, A\$1,104,979 of parent equity contribution, A\$676,683 of executive option reserve and A\$9,729,874 of accumulated losses.

The increase in issued share capital of A\$13,853,294 or 68.7% is pursuant to the issuance of the placement shares amounting to A\$8,568,759, shares to convertible loan holders pursuant to the Conversion amounting to A\$3,566,680 and shares to PPCF and Lionbridge as the Success Fees amounting to A\$2,556,559. These were offset by the transaction costs on shares issued of A\$838,703.

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

In 1Q FY2015, we recorded a net cash outflow from operating activities of A\$1,356,170 which comprised payments made to suppliers and employees of A\$1,335,028, interest paid to convertible loan holders of A\$21,301, finance lease of A\$728 and cash advances of A\$360 offset by interest received of A\$1,245.

Net cash outflow from investing activities amounted to A\$2,637,676, which was attributable to purchases of property, plant & equipment of A\$2,420,948 and payments for mine developments of A\$264,228 offset by receipt of funds from sale of fixed asset of A\$47,500.

Net cash inflow from financing activities amounted to A\$8,238,109 which were as a result of proceeds from the issue of placement shares of A\$8,568,759, offset by payment for the equity raising related expenses of A\$328,217 and repayment of hire purchase of A\$2,433.

As at 30 September 2014, our cash and cash equivalents amounted to A\$8,352,440.

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

The Company had, in page 140 of the Offer Document, stated that *"We are currently in the final stages of refurbishing our Bald Hill Treatment Plant. Work has progressed both in line with project milestones and our budget. In the second half of 2014, we expect to begin test production ahead of full production in preparation for the commissioning of our Bald Hill Treatment Plant in the second half of the year"* and in page 142 of the Offer Document stated that *"The Bald Hill Project is in the process of being refurbished and our Company plans to commence trial mining and processing of Tantalite concentrate at the Bald Hill Tantalite Mine site in the second half of 2014. The processing capacity is expected to be 350,000t to 400,000tpa of Ore. Production and sale of Tantalite concentrate is expected to commence in FY2015. As such, our Company is not expected to generate any revenue arising from the sale of Tantalite concentrate in FY2014."*

---

The Company is currently on track with the aforementioned prospect statements. As mentioned in the announcement dated 16 October 2014, pre-commission testing of the processing plant has already been successfully completed. The Company also had on 23 October 2014, announced that it has received approval for its Mining Proposal to commence mining operations at its Bald Hill Tantalite Project from The Department of Mines and Petroleum of Western Australia.

Please refer to the Offer Document for more details on the aforementioned prospect statements, the announcements made by the Company dated 16 October 2014 and 23 October 2014 in relation to the update on the Bald Hill Tantalum mine site and the Company obtaining Mining Approval for the Bald Hill Tantalite Project, respectively.

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

**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.**

In FY2014, the Company's focus was on the re-establishment of existing facilities at the Bald Hill Tantalite Mine and the refurbishment of the Bald Hill Treatment Plant. These activities were conducted to support plans to commence trial mining and processing of Tantalite concentrate at the Bald Hill Tantalite Mine site by 2Q FY2015.

As at the date of this announcement, the refurbishment work at the Bald Hill tantalum mine site is close to completion. The Company has successfully completed pre-commission testing of the processing plant and infrastructure facilities at the site.

The Company intends to sell the processed Tantalite concentrate to third parties upon the successful commencement of the production of processed Tantalite concentrate. A distribution agreement had been entered into by our Company with Mitsubishi Corporation RtM Japan Ltd. ("Mitsubishi") dated 1 April 2014, appointing Mitsubishi as a non-exclusive distributor of our Tantalite concentrate in Asia, for a term of two (2) years, for the exclusive right to negotiate for up to 50% of the total Tantalite concentrate produced by our Company each month. Please refer to the section entitled "General Information on our Company – Business Strategies and Future Plans" of the Offer Document dated 16 July 2014 for further details on our Company's plans for off-take.

Currently, there is an increased global demand for Tantalum, especially for Tantalum from Australia. Therefore, our Directors believe that subject to the Company being able to successfully mine and process the Tantalite concentrate for sale, and the price and demand for Tantalum remaining steady, the overall outlook for our industry and business appears to be promising.

**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 1Q FY2015.

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

Not applicable.

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

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 1Q FY2015.

**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. Other than the interested person transactions as disclosed on pages 171 to 173 of the Company's Offer Document, there were no new interested person transactions which were more than S\$100,000 entered into during the financial year reported on.

**14. Use of IPO proceeds**

Subsequent to FY2014, the Company completed its IPO and 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</b>	<b>Amount Allocated (S\$'000)</b>	<b>Amount Utilised (S\$'000)</b>	<b>Amount Unutilised (S\$'000)</b>
Exploration and drilling	1,200	-	1,200
Internal scoping study	500	-	500
Development of mining deposits	500	-	500
Working capital <sup>(1)</sup>	5,511	-	5,511
Listing expenses	2,289	2,289	-
<b>Total</b>	<b>10,000</b>	<b>2,289</b>	<b>7,711</b>

Note:

- (1) The amount of working capital is intended to be used for minesite production ramp up at the Bald Hill Tantalite Mine and for the increase in raw materials, manpower and engagement of mining contractors leading up to commencement of production of the Bald Hill Project, as well as for related office and personnel expenses. Please refer to the section titled “General Information on our Company” for further details of the Bald Hill Tantalite Mine and the Bald Hill Project.



---

**ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES****15a. Rule 705 (6)(a) of the Catalyst Listing Manual****i. Use of funds/cash for the quarter:-**

For the quarter ended 30 September 2014 ("1Q FY2015"), funds / cash were mainly used for the following activities:-

<b>Purpose</b>	<b>Amount (A\$) Projected Usage</b>	<b>Amount (A\$) Actual Usage</b>
Purchase of property, plant & equipment	2,791,769	2,420,948
Working capital (i)	1,131,018	709,454
Payment for listing expenses	255,066	459,283
Corporate administrative expenses	342,101	354,561
<b>Total</b>	<b>4,519,954</b>	<b>3,944,246</b>

Note:

- (i) The amount of working capital is intended to be used for minesite production ramp up at the Bald Hill Tantalite Mine and for the increase in raw materials, manpower and engagement of mining contractors leading up to commencement of production of the Bald Hill Project.

**Explanation for the variances:**

Lower purchase of property, plant and equipment is mainly due to the delay in delivery of the vertical shaft impactor and the purchase of the new motor vehicles being funded by finance leases instead of cash.

Lower working capital in 1Q FY2015 is due to the delay in license approvals and hence the engagement of fewer than expected core mining contractors and permanent workforce required for the trial mining and processing of Tantalite concentrate.

Higher listing expenses is due to higher professional fees incurred in relation to the preparation for the Listing of the Company on the Catalyst of SGX-ST.

Higher corporate administration expenses is due to higher travel & accommodation expenses incurred in July 2014 in relation to Company's Listing on Catalyst of SGX-ST.

**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 October 2014 to 31 December 2014 ("2Q FY2015")), the Company's use of funds/cash for development activities are expected to be as follows:-

<b>Purpose</b>	<b>Amount (A\$)</b>
Purchase of property, plant & equipment	975,000
Working capital (i)	1,581,018
Corporate administrative expenses	601,243
Exploration and Drilling	180,000

Mine development costs	363,776
<b>Total</b>	<b>3,701,037</b>

Note:

- (ii) The amount of working capital is intended to be used for minesite production ramp up at the Bald Hill Tantalite Mine and for the increase in raw materials, manpower and engagement of mining contractors leading up to commencement of production of the Bald Hill Project.

#### 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;**

Alliance Mineral Assets has undertaken a RC (Reverse Circulation) drilling program at the Boreline Prospect at its Bald Hill Tantalum Project on 25 July 2014. The Boreline area is scheduled to be the first area to be mined once the refurbished plant is commissioned and the program was designed to bring the Boreline Resource to a Measured Status and allow detailed mine planning to be undertaken. The drilling program comprised 69 holes for an aggregate 2506m. Of the 69 holes, 58 holes were directly aimed at defining the Boreline deposit and the other 11 holes were designed to sterilise the proposed waste rock dump.

459 samples were collected for assay, of which 10% were duplicates for quality control purposes. Samples were assayed by Inductively Coupled Plasma Mass Spectrograph for a suite of elements including Tantalum, Niobium, Tin, Lithium, Cesium and Rubidium. The results are currently being assessed.

Furthermore, initial results of our internal scoping studies on our tailings material, has also been encouraging. With approximately 1.6 million tonnes of tailing material available for processing, our Company believes that further investigation is warranted once production (our primary strategic objective), is underway.

The Company has also received approval for its Mining Proposal to commence mining operations for the Bald Hill Tantalite Project from The Department of Mines and Petroleum of Western Australia.

With this approval, the Company will proceed with the preparation of the Boreline Mining Pit for full scale mining to provide ore for the processing facilities at the Bald Hill Mine Site. Pre-commission testing of the processing plant has already been successfully completed. This mining approval will allow the Company to engage a mining contractor to start preparing the Boreline Pit for mining.

A summary of the expenditure incurred in 1Q FY2015 for the aforementioned activities are as follows:-

	<b>Amount (A\$)</b>
Drilling	75,180
Testing	102,881
Mining engineering & consultants	136,978
Mine proposal	38,372
Site employees' salaries & other benefits	116,736
Site food & Accommodation	30,759
Other overhead costs	208,548
<b>Total:</b>	<b>709,454</b>

---

**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 13 June 2014. A copy of the IQPR can be found in the Company's Offer Document dated 16 July 2014.

**17. 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**") to their best knowledge, that nothing has come to the attention of the Board which may render the unaudited financial statements for the financial period ended 30 September 2014 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  
14 November 2014