

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 Financial Year Ended 30 June 2016 (“FY 2016”)**

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 Catalist.

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.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

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 (“Project”), which spans 59,000 hectares, is located within the Eastern Goldfields Province of the Archaean Yilgarn Block, within the Shire of Coolgardie, approximately 50 km east of Widgiemooltha, the nearest township.

The Company had produced and sold its first Tantalum Concentrate after commissioning of the Bald Hill Plant. The Company has delayed the decision to commence the next mining campaign pending, *inter alia*, an improvement in the tantalite concentrate price. As stated in the IQPR, the Company had, during the commissioning phase produced by-products from the tantalite concentrate production with the most significant being a 6.7% Li₂O Spodumene concentrate.

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 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 Project (“**Proposed Transaction**”).

The Company is convening an extraordinary general meeting on 15 September 2016, notice of which is set out in the Circular (as defined herein), to seek shareholders’ approval for the Company to proceed with the Proposed Transaction with Lithco as contemplated by the Binding Terms Sheet as such shareholders’ approval is a condition precedent to the Proposed Transaction. Please refer to the Company’s circular to shareholders dated 24 August 2016 for further information on the aforementioned (“Circular”).

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

	Financial year ended		
	30 June		
	2016 (Unaudited) A\$	2015 (Audited) A\$	Increase / (Decrease) %
Interest income	22,742	9,482	n.m
Other income	134,560	930,509	(86)
Gain / (Loss) on foreign exchange	110,859	773,436	(86)
Gain / (Loss) on disposal of assets	(15,417)	(1,244)	n.m
Accounting and audit expenses	(146,407)	(216,765)	(32)
Consulting and directors' fees	(343,999)	(355,729)	n.m
Tenement expenses	(175,882)	(125,387)	40
Administrative expenses	(680,952)	(484,330)	41
Employee salaries and other benefits expenses	(489,025)	(673,203)	(27)
Borrowing costs	(787,625)	(574,591)	37
Fair value movement on derivatives	-	(14,889)	n.m
Listing expenses	-	(462,352)	(100)
Other expenses	-	(280,428)	(100)
Impairment Expense	-	(11,020,948)	(100)
Loss before income tax	(2,371,146)	(12,496,439)	(81)
Income tax expense	(1,710,948)	1,710,948	(200)
Loss after tax	(4,082,094)	(10,785,491)	(81)
Other comprehensive income	-	-	
Total comprehensive loss for the financial year attributable to owners of the Company	(4,082,094)	(10,785,491)	(81)

(i) n.m = not meaningful

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

	Financial year ended		Increase / (Decrease) %
	30 June		
	2016 (Unaudited) A\$	2015 (Audited) A\$	
Interest income	22,742	9,482	n.m
Research & Development Tax Credits	134,560	919,326	(85)
Insurance Claim Settlement	-	11,181	n.m
Gain / (Loss) on foreign exchange	110,859	773,436	(86)
Fair value movement on derivatives	-	(14,889)	n.m
Borrowing costs	(787,625)	(574,591)	37
Depreciation expense	(11,885)	(33,175)	(64)
Listing expenses	-	(462,352)	(100)
Loss on settlement of financial instruments	-	(280,428)	(100)
Impairment Expense	-	(11,020,948)	(100)

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 June	
	2016	2015
	(Unaudited)	(Audited)
	A\$	A\$
CURRENT ASSETS		
Cash and cash equivalents	5,389,663	3,856,137
Other receivables	1,120,419	1,839,040
Other current asset	23,247	31,163
TOTAL CURRENT ASSETS	6,533,329	5,726,340
NON CURRENT ASSETS		
Other Receivables	1,027,226	986,212
Mine development	3,088,018	392,602
Property plant & equipment	13,635,758	14,309,402
Deferred tax asset	-	1,710,948
TOTAL NON CURRENT ASSETS	17,751,002	17,399,164
TOTAL ASSETS	24,284,331	23,125,504
CURRENT LIABILITIES		
Trade and other payables	3,585,753	860,770
Employee benefit liabilities	37,605	32,716
Interest bearing loans and borrowings	34,881	42,352
TOTAL CURRENT LIABILITIES	3,658,239	935,838
NON CURRENT LIABILITIES		
Trade and other payables	669,511	2,783,948
Provision for rehabilitation	1,078,987	1,417,521
Interest bearing loans and borrowings	1,031,814	1,009,333
TOTAL NON CURRENT LIABILITIES	2,780,312	5,210,802
TOTAL LIABILITIES	6,438,551	6,146,460
NET ASSETS	17,845,780	16,978,864
EQUITY		
Issued capital	38,960,275	34,011,265
Reserves	2,463,505	2,463,505
Accumulated losses	(23,578,000)	(19,495,906)
TOTAL EQUITY	17,845,780	16,978,864

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

Amount repayable in one year or less, or on demand

As at 30 June 2016 (Unaudited)		As at 30 June 2015 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
17,187	17,694	16,088	26,264

Amount repayable after one year

As at 30 June 2016 (Unaudited)		As at 30 June 2015 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
1,031,814	-	1,009,333	-

Details of any collateral

The secured borrowings comprised (a) finance lease liabilities of A\$51,694 (30 June 2015: A\$67,934), which are secured on the Company's motor vehicles; and (b) the Singapore dollar S\$ 1.0 million bank loan of which the amount outstanding is A\$997,307 as of 30 June 2016 (30 June 2014: A\$957,488) which is secured by the S\$1.03 million term deposit which is valued at A\$1,027,226 as at 30 June 2016.

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 the financial year ended 30 June	
	2016 Unaudited A\$	2015 Audited A\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	22,742	9,482
Interest paid	(30,601)	(28,738)
R&D tax rebate on operating expenditure	919,326	-
Payments to suppliers and employees	(1,754,135)	(3,454,615)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(842,668)	(3,473,871)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Assets	-	48,744
Payments of Security Deposit	-	(924,865)
Proceeds from sale of tantalum	37,631	-
R&D tax rebate on capital expenditure	784,086	-
Payments for mine development	(3,054,449)	(818,602)
Purchase and refurbishment of plant & equipment	(423,707)	(4,631,424)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(2,656,439)	(6,326,147)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	4,980,614	8,568,759
Payments for share issue costs	(31,603)	(328,217)
Payment to finance lease principle	(16,241)	(14,024)
Repayment of insurance premium loan principle	(70,448)	(79,855)
Loan drawdowns	59,452	1,049,784
NET CASH FLOWS FROM FINANCING ACTIVITIES	4,921,774	9,196,447
Net increase / (decrease) in cash and cash equivalents	1,422,667	(603,571)
Cash and cash equivalents at beginning of year	3,856,137	3,686,272
Net foreign exchange difference on cash balances	110,859	773,436
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	5,389,663	3,856,137

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\$
(Audited)				
Balance as at 1 July 2014	20,157,971	4,317,728	(8,710,415)	15,765,284
Loss for the year	-	-	(10,785,491)	(10,785,491)
Total comprehensive loss for the financial year	-	-	(10,785,491)	(10,785,491)
<u>Equity Transactions:</u>				
Parent equity contributions:				
- Share based payment	-	20,494	-	20,494
- Interest free loan	-	681,842	-	681,842
Share based payment reserve	-	-	-	-
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)
Balance as at 30 June 2015	34,011,265	2,463,505	(19,495,906)	16,978,864
(Unaudited)				
Balance as at 1 July 2015	34,011,265	2,463,505	(19,495,906)	16,978,864
Loss for the year	-	-	(4,082,094)	(4,082,094)
Total comprehensive loss for the financial year	-	-	(4,082,094)	(4,082,094)
<u>Equity Transactions:</u>				
Issuance of 83,500,000 placement shares ("Issuance of Placement Shares")	4,980,614	-	-	4,980,614
Issuance of 3,333,333 shares as commission for placement ("Issuance of Commission Shares")	198,827	-	-	198,827
Transaction costs on shares issued	(230,431)	-	-	(230,431)
Balance as at 30 June 2016	38,960,275	2,463,505	(23,578,000)	17,845,780

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\$
As at 1 July 2015	393,930,427	34,011,265
Issuance of Placement Shares	83,500,000	4,980,614
Issuance of Placement Commission Shares	3,333,333	198,827
Transaction costs	-	(230,431)
As at 30 June 2016	480,763,760	38,960,275

Options

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme ("**Scheme**"). As at 30 June 2015 and 30 June 2016, no option has been granted under the Scheme.

There were no outstanding convertibles as at 30 June 2016 and 30 June 2015.

The Company did not have any treasury shares as at 30 June 2016 and 30 June 2015.

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 30 June 2016 and 393,930,427 as at 30 June 2015.

The Company did not have any treasury shares as at 30 June 2016 and 30 June 2015.

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 2015.

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 2015. 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

	Financial year ended 30 June	
	2016 (Unaudited)	2015 (Audited)
Basic and diluted loss per share (AU cents) ⁽¹⁾	(1.0)	(2.7)
Loss for the period attributable to owners of the Company (A\$)	<u>(4,082,094)</u>	<u>(10,785,493)</u>
Weighted average number of ordinary shares used in calculating basic and diluted loss per share for the respective financial years	<u>393,930,427</u>	<u>390,221,048</u>

Notes:

- (1) The basic and diluted loss per share for FY2016 and FY2015 were the same as there were no potentially dilutive ordinary shares as at 30 June 2016 and 30 June 2015.

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 June	
	2016	2015
	(Unaudited)	(Audited)
Net asset value per ordinary share based on the total number of ordinary shares as at the end of the respective financial years (AU cents)	3.7	4.3
Net asset value as at the end of the respective financial years (A\$)	17,845,780	16,978,864
Number of ordinary shares as at the end of the respective financial years	480,763,760	393,930,427

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

Financial year ended 30 June 2016 ("FY2016") vs. 30 June 2015 ("FY2015")

Review of the Income Statement

Revenue

There was no revenue in FY2016 and FY2015 as we had not commenced the commercial production and sale of Tantalite concentrate.

Interest income

Interest income of A\$22,742 in FY2016 (FY2015: A\$9,482) is mainly due to an increase in cash balances in banks.

Other income

Other income of A\$134,560 (FY2015: A\$930,507) was in relation to assessed and estimated refunds from the Australian Taxation Office ("ATO") for Research and Development (R&D) Expenditure ("R&D Tax Refund") that have been expended on new processing methods being adopted for the Company's processing facilities. The decrease is due to lower qualifying expenditure incurred during the year.

Gain on foreign exchange

The smaller gain on foreign exchange of A\$110,859 (FY2015: A\$773,436) was mainly due to a decrease in Singapore dollar cash balances in banks and only a small movement of the Singapore dollar against the Australian dollar in FY2016.

Accounting and audit expenses

Accounting and audit expenses decreased from A\$216,765 in FY2015 to A\$146,407 in FY2016 to mainly due to lower audit costs and fewer senior accounting consultants employed by the Company in FY2016.

Tenement expenses

Tenement expenses increased to \$175,882 in FY2016 from \$125,387 in FY2015 due to additional tenement management costs and additional application fees for new tenements.

Administrative expenses

Administrative expenses increased by A\$196,625 or 41% from A\$484,330 in FY2015 to A\$680,952 in FY2016 mainly due to an increase investor and regulatory costs, namely secretarial-related, sponsor fees and related listing costs; an increase in international travel expenses to investigate opportunities to develop the Company's business; and office administration expenses.

Employee salaries and other benefits

Employee salaries and other benefits of A\$489,025 in FY2016 decreased from A\$673,203 in FY2015 mainly due to a reduction in full time employees of the Company.

Borrowing costs

Borrowing costs increased from A\$574,591 in FY2015 to \$787,625 in FY2016 due mainly to the notional interest on the amount owing to LWM as a result of instalment payments becoming payable under the terms of the loan agreement thereby changing the profile of the notional interest expense.

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 cost.

Listing expenses

Listing expenses of A\$Nil in FY2016 reduced from A\$462,352 in FY2015 as most of the professional fees incurred in relation to the Company's listing were incurred in FY2015 and FY2014.

Loss on settlement of financial instruments

There was no settlement of financial instruments in FY2016. The loss on settlement of financial instruments of A\$280,428 in FY2015 relates to the early conversion of the convertible loans into ordinary shares in the capital of the Company.

Impairment expense

There was no impairment expense in FY2016. The impairment expense of A\$11,020,948 in FY2015 was as a result of a comprehensive review of the carrying value of its assets which took into account, *inter alia*, the expected sale price of our Tantalite concentrate and the expected costs to mine, extract and process the Pegmatite Ore for shipment to our customers.

Loss before income tax

In view of the foregoing, loss before taxation decreased from A\$12,496,441 in FY2015 to A\$2,371,146 in FY2016.

Review of the Financial Position of the Group

Non-current assets

As at 30 June 2016, our non-current assets of A\$17,751,002 accounted for 73% of our total assets. Our non-current assets comprised of other receivables, mine development and property, plant and equipment.

Other receivables of A\$1,027,226 relates to the SGD Term Deposit of S\$1,030,000 as security for our SGD Bank Loan which has increased from June 2015 as a result of an appreciation of SGD against the AUD.

Mine development increased by A\$2,695,416 to A\$3,088,018 mainly due to the capitalisation of expenses in relation to commissioning activities that have been ongoing at the Bald Hill Mine Site during FY2016. This is offset by the estimated R&D Tax Refund relating to capital expenditure of \$913,974 and a decrease in the rehabilitation provision of \$338,534.

Property, plant and equipment decreased by A\$673,644 to A\$13,635,758 mainly due to depreciation of \$1,060,465 which has been capitalised as mine development during the commissioning phase and the construction related commissioning activities that have been ongoing at the Bald Hill Mine Site during FY2016.

Deferred tax asset decreased by \$1,710,948 to nil due to current forecast projected cashflows not being able to support its carrying value.

Current assets

As at 30 June 2016, our current assets of A\$6,533,329, represents 27% of our total assets. Our current assets as at 30 June 2016 consist of cash and cash equivalents, other receivables and prepayments.

Cash and cash equivalents of A\$5,389,663 increased by A\$1,533,526 pursuant to cash receipts from a placement completed in June 2016 to raise A\$4,980,614 and the receipt of a R&D Tax Refund from the ATO of A\$1,703,412 relating to the FY2015 period offset by expenditure relating to the commissioning of the Bald Hill Mine and associated administration overheads.

Other receivables decreased by A\$718,621 to A\$1,120,419 mainly as a result of the receipt of the R&D Tax Refund, Net Goods and Services Tax refund and fuel tax credit.

Prepayments of A\$23,247 represents insurance premium prepaid and expensed over the period of insurance cover.

Non-current liabilities

As at 30 June 2016, our non-current liabilities of A\$2,780,312 represented 43% 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.

Trade and other payables comprising of amount due to controlling entity, Living Waters Mining (Australia) Pty Ltd ("**LWM**") of A\$669,511 ("**Living Waters Loan**") is \$2,114,437 lower due to the amortisation of the nominal interest and the re-classification of a significant portion to current liabilities during the year in accordance with its repayment terms.

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\$1,031,814, increased slightly from A\$1,009,333 as at 30 June 2015 due to foreign currency changes offset by repayments of the principal amount of the finance leases for vehicles.

Current liabilities

As at 30 June 2016, our current liabilities of A\$3,658,239 representing 57% of our total liabilities comprised trade and other payables, employee benefit liabilities and interest bearing loans and borrowings.

Trade and other payables increased by A\$2,724,983 to A\$3,585,753 mainly attributable to the reclassification of a significant portion of the Living Waters Loan from Non-Current Liabilities to Current Liabilities in accordance with its repayment period.

Employee benefit liabilities increased by A\$4,889 to A\$37,605 as a result of annual leave accruals for our employees.

Interest bearing loans and borrowings, amounting to A\$34,881 as at 30 June 2016, reduced by A\$7,471 mainly due to the payment of insurance premium funding in.

Shareholders' equity

As at 30 June 2016, our Shareholders' equity amounted to A\$17,845,780 comprising A\$38,960,275 of issued share capital, reserves of A\$2,463,505 comprising A\$1,786,822 of parent equity contribution and A\$676,683 of executive option reserve and A\$23,578,000 of accumulated losses. Issued capital increased during the period as a result of a placement which raised \$4,949,009 before costs.

Review of the Cash Flow Statement of the Group

In FY2016, we recorded a net cash outflow from operating activities of A\$842,668 which comprised payments made to suppliers and employees of A\$1,754,135, interests for finance lease and SGD Bank Loan of A\$30,601, offset by R&D Tax Refund on operating expenditure received of A\$919,325 and interest received from bank deposits of A\$22,742.

Net cash outflow from investing activities amounted to A\$2,656,439, which was mainly attributable to expenses relating to the commissioning of the Bald Hill Project offset by R&D Refund on capital expenditure received of A\$784,086.

Net cash inflow from financing activities amounted to A\$4,921,774, which was mainly attributable to proceeds from a capital raising of A\$4,949,011 net of shares issue costs offset by A\$16,241 as a result of repayment of hire purchase liabilities and \$10,996 as a result of net repayment of the insurance premium loan principal.

As at 30 June 2016, our cash and cash equivalents amounted to A\$5,389,663.

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 142 of the Offer Document, stated that "Production and sale of Tantalite concentrate is expected to commence in the financial year ending 30 June 2015 ("FY2015")". This was stated under the heading of Revenue.

In an article published by The Edge Singapore dated 6 July 2015, it was mentioned that "...AMA starts booking revenues and cash flow in 1Q FY2016.", in the Company's results announcement dated 28 August 2015 for the financial year ended 30 June 2015, it was mentioned that "As at the

date of this announcement, the Company is expecting to book cash flow through the sale of tantalite concentrate in the second quarter of the financial year ending 30 June 2016”, and in the Company’s AR2015, it was mentioned that “At the time of writing, management is targeting commercial production by early 2016.”

During 2Q FY2016, the Company successfully produced and sold its first concentrate as we worked towards production and full scale mining operations which are targeted to commence in 3Q FY2016 as noted in our 1QFY2016 Financial Results. However, the full scale mining and 24-hour production did not commence in 3Q FY2016 mainly due to the current depressed spot prices for Tantalum Concentrate as this has a significant impact on cash flow and revenue received, further details of which is set out in paragraph 10 below.

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.

Tantalum Concentrate spot prices still remain depressed and this could impact cash flow and revenue received from initial sales. The decision to move forward with commercial Tantalum production involves large expenditure commitments (to recommence mining and 24-hour plant production). Consequently, the Company has decided to postpone commercial mining and production. 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.

Due to current economic conditions, greater importance is now being placed on the capturing of the other minerals inherent in our ore to produce additional revenue streams in the short term or to move the project into further expansion or vertical integration activities (ie. refining) in the long term.

Out of the various minerals inherent in our ore, lithium has been the most outstanding mineral with current lithium prices increasing exponentially compared to other commodity prices. This has prompted the expedition of investigations into the lithium potential of the Bald Hill Project as referenced in the Company’s response to SGX queries announced on 23 February 2016. Various exciting opportunities have been identified and the exploitation of this potential will be investigated thoroughly.

Lithium is present in our ore in the form of Spodumene or $\text{LiAl}(\text{SiO}_3)_2$. A clear indication of this mineral was observed during the processing of our Tantalum concentrate which further work is required to isolate and commercialise the mineral. As well as seeing Spodumene in our concentrate, metallurgical tests has confirmed that it is present in the tailings that is being produced during Tantalum production. From previous historical production there is a significant tailings resource available which further work will be needed to assess whether we can cost effectively re-process the tailings and capture the Spodumene.

As previously announced on 23 November 2015, the Company is constantly on the lookout for opportunities to develop our business and to continually deliver value to shareholders through a combination of initiatives, including but not limited to joint ventures, merger, acquisitions or purchase or sale of significant assets.

On 3 June 2016, the Company announced the execution of a binding term sheet with Lithco No 2 Pty Ltd for a Farm-In and Joint Venture arrangement with respect to the Company’s Bald Hill project in Western Australia. Refer to the Background section for further detail.

Shareholders should note that as at the date of this announcement, no definitive agreements have been entered into and there is no certainty that such proposals will materialise into definitive transactions. The Company will keep shareholders updated on any material developments 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 FY2016.

(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/recommendeded, a statement to that effect

No dividend has been declared or recommended for FY2016.

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 and 173 of the Company's Offer Document and page 47 of the Company's annual report for FY2015, there were no new interested person transactions which were more than S\$100,000 entered into during the financial year reported on.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

For management purposes, the Company is organised into one main operating segment, which involves exploration and production of tantalite concentrate. All of the Company's activities are interrelated, and discrete financial information is reported to the Board of Directors as a single segment.

Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole. Total expenditure incurred by the Company arises in Australia and all of the Company's non-current assets reside in Australia.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Not applicable.

16. A breakdown of sales

Not applicable. There was no revenue in FY2016 and FY2015 as we had not commenced the production and sale of Tantalite concentrate.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend had been declared during FY2016 and FY2015.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tjandra Pramoko	45	Spouse of our Executive Director, Suen Sze Man	Chief Executive Officer since 2014. Responsibility includes general business development, through liaising with existing and potential mining contractors as well as identifying new business opportunities, in charge of overseeing the project management at the Bald Hill Tantalite Mine site.	Nil.

19. 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:

Use of Proceeds ⁽¹⁾	Amount Allocated (A\$'000)	Amount Utilised (A\$'000)	Amount Unutilised (A\$'000)
Exploration and drilling	1,028	197	831
Internal scoping study	428	300	128
Development of mining deposits	428	335	93
Working capital ⁽²⁾	4,723	4,723	-
Listing expenses	1,962	1,962	-
Total	8,569	7,456	1,052

Notes

- (1) The IPO Proceeds were received on the 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

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

20a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 30 June 2016 ("4Q 2016"), funds / cash were mainly used for the following activities:-

Purpose	Amount (A\$) Projected	Amount (A\$) Actual Usage
Corporate administrative expenses	\$300,000	\$245,449
Mine development costs	\$400,000	\$1,039,771
Total	\$700,000	\$1,285,220

Explanation for the variances:

Mine development of \$1,039,771 was higher than the forecast of A\$400,000 for the period due to a settling of outstanding invoices resulting in a reduction in creditors balances as the activities at the Bald Hill Project slowed during the quarter due to the low tantalum price.

Administrative expenses were comparable to forecast.

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 July 2016 to 30 September 2016 ("1Q 2017")), the Group's use of funds/cash for development activities are expected to be as follows:-

Purpose	Amount (A\$)
Corporate administrative expenses	\$250,000
Mine development costs	\$300,000
Total	\$550,000

For the avoidance of doubt, such project of funds/cash does not include any expenditure which is to be incurred by Lithco if the Proposed Transaction is approved and completed within 1Q 2017.

20b. Rule 705 (6)(b) of the Catalist Listing Manual

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

21a. 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 continued its commissioning of its Bald Hill facility during the quarter ended 30 June 2016 and has expended A\$1,039,771 for Mine Development and Property, Plant and Equipment. These costs are incurred as part of the commissioning on the assets and mine infrastructure at the Bald Hill Mine Site.

All the remaining Tantalite concentrate produced by the Primary Processing Plant was processed through the Boulder Beneficiation Facilities. The final finished product was 1.2 tonnes of contained Tantalum and most significantly approximately 10 tonnes of 6.7% Spodumene.

Due to the depressed prices of Tantalite concentrate and to conserve costs the decision was made to move all the Beneficiation equipment to the Bald Hill Mine Site until the decision was made to recommence mining and production.

In December 2015, a 227 reconnaissance sample soil sampling program was carried out which successfully identified several anomalous areas but most significantly a large anomalous area, with a strike length of some 2km and 1.4km wide, to the east of the current mine that has not been properly tested by drilling previously.

The aim of the mapping and soil sampling program was to map outcropping pegmatites and take soil samples within the three Exploration Licences ("EL") (E 15/1161, E 15/1162 and E 15/1212) to the north, east and south of the main Mining Lease (M 15/400) to determine if the soil sampling method used would identify any anomalous areas located in these ELs.

Nine outcrops of pegmatite were sampled by sampling both the rock and the soil. The anomalous rock chips were matched with anomalous soil assays indicating that sampling the soil could identify, geochemically, nearby pegmatites.

The reconnaissance sampling and mapping program successfully identified a continuous anomalous zone east of the main workings with pegmatite outcrops that needs to be followed up with further soil sampling, mapping and a targeted Reverse Circulation drilling program.

Extensive work was also conducted to include all data available which now has been compiled into our current Master Database. Where there previously were 1,811 drill holes and now there are 4,183; previously 21,285 assays and now there are 35,602; previously 1,708 Li assays and now there are 4,011 and where there used to be 5,714 Ta assays now there are 8,824.

Analysing the revised data and studying the geological trends, the Company applied for 2 new exploration licenses expanding the Bald Hill Tantalite Project a further 226km² to a total of 776km² to expand the exploration and development potential of the Bald Hill Project.

21b. Rule 705 (7)(b) of the Catalyst 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 Group has updated its reserves and resources as set out in the IQPR (Independent Qualified Person's Report) dated 12 August 2016. A copy of the IQPR can be found in the Company's SGX Announcement dated 12 August 2016. The summary of the reserves and resources of the Bald Hill Deposit as at 31 March 2016 as per Appendix 7D of the Catalyst Rules is as follows:

Category	Mineral Type	Gross Attributable to licence				Net Attributable to Issuer			Remarks
		2015		2016		Tonnes (millions)	Grade Ta ₂ O ₅ (ppm)	Change from previous update (contained Ta ₂ O ₅)	
		Tonnes (millions)	Grade Ta ₂ O ₅ (ppm)	Tonnes (millions)	Grade Ta ₂ O ₅ (ppm)				
Reserves									
Proved	Tantalum	0	0	0.00	0	0.00	0	0	
Probable	Tantalum	0.02	187	1.69	303	1.69	303	13654%	Central and Boreline
Total		0.02	187	1.69	303	1.69	303	13654%	
Resources*									
Measured	Tantalum	0	0	0.00	0	0.00	0	0	
Indicated	Tantalum	2.57	340	0.65	306	0.65	306	-77%	
Inferred	Tantalum	0.1	367	1.1	339	1.1	339	1005%	
Total		2.67	341	1.74	326	1.74	326	62%	

Table 1: Resource and Reserve Summary for Bald Hill outside mined pits (whole of pegmatite Varley, 2015 for Central and Boreline, and AMC Consultants 2014 using 100ppm Ta₂O₅ lower cut-off for Creekside) at 31 March 2016. Note: See Mineral Resource and Ore Reserve sections of this report for details, Reserves are exclusive of Resources. *2015 Indicated resources from Central and Boreline only converted to reserves.

22. 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

23. Negative Confirmation by the Board pursuant to 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 30 June 2016 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
26 August 2016