

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 2015 (“1Q FY2016”)**

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”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement. The Sponsor has also 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 Mr Lance Tan, Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, 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.

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 Yilgarn Block, within the Shire of Coolgardie, approximately 50 km east of Widgiemooltha, the nearest township.

As of June 2015, the Company had commenced processing Pegmatite Ore through its Bald Hill Primary Processing Treatment Plant as part of the commissioning process for the refurbished plant. We have since produced sample tantalite concentrate from our Boulder Secondary Beneficiation Plant for customer testing and acceptance. Currently we are continuing to process ore at the Primary Processing Treatment Plant at Bald Hill as part of the Plant Commissioning process.

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

	For 3-months Ended		
	30 September		
	2015	2014	Increase /
	(Unaudited)	(Unaudited)	(Decrease)
	A\$	A\$	%
Interest income	10,199	1,245	719
Gain on foreign exchange	110,913	388,599	(71)
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	1,560	(38,702)	n.m
Consultants and contractors fees	-	(24,156)	n.m
Directors' Salary & fees	(82,889)	(23,229)	75
Tenement expenses	(90,450)	(88,881)	2
Bald Hill project expenses	-	(626)	n.m
Listing expenses	-	(404,943)	n.m
Administrative expenses	(169,568)	(75,734)	124
Employee salaries and other benefits expenses	(164,541)	(309,475)	(47)
Borrowing costs	(140,157)	(146,835)	(5)
Loss before income tax	(524,933)	(1,019,458)	(49)
Income tax expense	-	-	
Loss after tax	(524,933)	(1,019,458)	(49)
Other comprehensive income	-	-	-
Total comprehensive loss for the financial year attributable to owners of the Company	(524,933)	(1,019,458)	(49)

(i) n.m = not meaningful

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

	3-months ended		Increase / (Decrease)
	30 September		
	2015	2014	
	(Unaudited)	(Unaudited)	(Decrease)
	A\$	A\$	%
Interest income	7,652	1,245	719
Gain on foreign exchange	110,913	388,599	(71)
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 ⁽¹⁾	-	(14,889)	n.m
Borrowing costs	(140,157)	(146,835)	(5)
Depreciation expense	(12,034)	(4,125)	192
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 2015 (Unaudited) A\$	30 June 2015 (Audited) A\$
CURRENT ASSETS		
Cash and cash equivalents	3,316,990	3,856,137
Other receivables	1,156,043	1,839,040
Other current assets	8,861	31,163
TOTAL CURRENT ASSETS	4,481,894	5,726,340
NON CURRENT ASSETS		
Receivables	1,031,651	986,212
Mine development	1,313,597	392,602
Deferred Tax Asset	1,710,948	1,710,948
Property plant & equipment	14,206,556	14,309,402
TOTAL NON CURRENT ASSETS	18,262,752	17,399,164
TOTAL ASSETS	22,744,646	23,125,504
CURRENT LIABILITIES		
Trade and other payables	1,198,191	860,770
Employee Benefit Liabilities	42,763	32,716
Interest bearing loans and borrowings	16,241	42,352
TOTAL CURRENT LIABILITIES	1,257,195	935,838
NON CURRENT LIABILITIES		
Trade and other payables	2,566,677	2,783,948
Provision for rehabilitation	1,417,521	1,417,521
Interest bearing loans and borrowings	1,049,322	1,009,333
TOTAL NON CURRENT LIABILITIES	5,033,520	5,210,802
TOTAL LIABILITIES	6,290,715	6,146,640
NET ASSETS	16,453,931	16,978,864
EQUITY		
Issued capital	34,011,266	34,011,265
Reserves	2,463,505	2,463,505
Accumulated losses	(20,020,839)	(19,495,906)
TOTAL EQUITY	16,453,931	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 September 2015 (Unaudited)		As at 30 June 2015 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
16,241	-	16,088	26,264

Amount repayable after one year

As at 30 September 2015 (Unaudited)		As at 30 June 2015 (Audited)	
Secured A\$	Unsecured A\$	Secured A\$	Unsecured A\$
1,049,322	-	1,009,333	-

Details of any collateral

The secured borrowings comprised (a) finance lease liabilities of A\$ 63,960 (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\$1,001,603 as of 30 September 2015 (30 June 2015: A\$957,488) which is secured by the S\$1.03 million term deposit which is valued at A\$1,031,651 as at 30 September 2015.

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 3-months Ended 30 September	
	2015	2014
	Unaudited A\$	Unaudited A\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	10,199	1,245
Interest paid	(7,428)	(22,387)
Income Received	645,020	-
Payments to suppliers, contractors and employees	(437,431)	(1,335,028)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(210,360)	(1,356,170)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of fixed assets	-	47,500
Payments for mine development	(639,730)	(264,228)
Purchase and refurbishment of plant & equipment	(190,453)	(2,420,948)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(830,183)	(2,637,676)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	-	8,568,759
Payments for share issue costs	-	(328,217)
Payment to finance lease principle	(4,126)	(2,433)
Payments to Insurance Premium Loan	(26,111)	-
Repayment of secured loan	-	-
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	(30,237)	8,238,109
Net increase/(decrease) in cash and cash equivalents	(650,060)	4,244,263
Cash and cash equivalents at beginning of year	3,856,137	3,686,272
Net foreign exchange difference on cash balances	110,913	421,905
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	3,316,990	8,352,440

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\$
(Unaudited)				
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	-	-	(1,019,458)	(1,019,458)
<u>Equity Transactions:</u>				
Parent equity contributions:				
- Share based payment	-	20,494	-	20,494
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 September 2014	34,011,266	1,781,663	(9,729,874)	26,063,055
(Unaudited)				
Balance as at 1 July 2015	34,011,266	2,463,505	(19,495,906)	16,978,864
Loss for the 1Q FY2016	-	-	(524,933)	(524,933)
Total comprehensive loss for the 1Q FY2016	-	-	(524,933)	(524,933)
Balance as at 30 September 2015	34,011,266	2,463,505	(20,020,839)	16,453,931

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 30 June 2015 and 30 September 2015	393,930,427	34,011,265

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme (“**Scheme**”) and as at 30 September 2014 (“**1Q FY2014**”) 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 2015.

The Company did not have any treasury shares as at 30 September 2014 and 30 September 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 393,930,427 as at 30 September 2015 and 393,930,427 as at 30 June 2015.

The Company did not have any treasury shares as at 30 September 2015 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

	3-months ended 30 September	
	2015 (Unaudited)	2014 (Unaudited)
Basic and diluted loss per share (AU cents)	(0.1) ⁽¹⁾	(0.3) ⁽¹⁾
Loss for the period attributable to owners of the Company (A\$)	<u>(524,933)</u>	<u>(1,019,458)</u>
Number of weighted ordinary shares used in calculating basic and diluted loss per share for the financial period	<u>393,930,427</u>	<u>333,861,958</u>

Note:

- (1) The basic and diluted loss per share for the 3-month financial period ended 30 September 2015 and 30 September 2014 were the same as there were no potentially dilutive ordinary shares in issue as at 30 September 2015 and 30 September 2014.

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 2015 (Unaudited)	30 June 2015 (Audited)
Net asset value per ordinary share based on issued share capital (AU cents)	4.2	4.3
Net asset value as at the end of the respective financial periods (A\$)	16,453,931	16,978,864
Number of ordinary shares as at the end of the respective financial periods	393,930,427	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

3-months ended 30 September 2015 ("1Q FY2016") vs. 3-months ended 30 September 2014 ("1Q FY2015")

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\$8,954 from A\$1,245 in 1Q FY2015 to A\$10,199 in 1Q FY2016 due to an increase in our cash balances in banks following the receipt of listing proceeds subsequent to 1Q FY2015.

Gain on foreign exchange

The gain on foreign exchange of A\$110,913 in 1Q FY2016 (1Q FY2015: A\$388,599) is mainly due to a gain on foreign exchange movement on translation of our Singapore dollar bank balance to Australia dollar. The lower gain is due to lower average funds in 1Q FY2016 compared to 1Q FY2015 and a lower change over the quarter in the Singapore Dollar to Australian Dollar Rate.

Loss on disposal of fixed assets

There were no asset sales in 1Q FY2016 (1Q FY2015: (A\$1,404)).

Loss on settlement of financial instruments

The loss on settlement of financial instruments of A\$280,428 in 1Q FY2015 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**”).

There were such no transactions during 1Q FY2016.

Fair value movement on derivatives

The fair value movement on derivatives of A\$14,889 in 1Q FY2015 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.

There were no such transactions during 1Q FY2016.

Accounting and audit expenses

There was a reversal of A\$1,560 in accounting and audit expenses in 1Q FY2016 as a result of prior year overprovision of accounting and audit expenses associated with the FY2015 audit.

Consultants and contractor’s fees

Consultants and contractor’s fees were Nil in the period 1Q FY2016 (1Q FY2015: 24,156).

Directors’ Salary & fees

The increase in Directors’ salary & fees by A\$59,660 from A\$23,229 in 1Q FY2015 to A\$82,889 in 1Q FY2016 is mainly due to the allocation of the Company’s Executive Director’s salary to Directors’ Salary & Fees instead of Employee salaries and other benefits.

Tenement expenses

Tenement expenses increased by A\$1,569 from A\$88,881 in 1Q FY2015 to A\$90,450 in 1Q FY2016.

Bald Hill Project expenses

Bald Hill Project expenses decreased by A\$626 from A\$626 in 1Q FY2015 to NIL in 1Q FY2016.

Listing expenses

Listing expenses of A\$404,943 in 1Q FY2015 mainly relates to expenses incurred in relation to the Company’s Listing.

There were such no transactions during 1Q FY2016.

Administrative expenses

Administrative expenses increased by A\$93,834 from A\$75,734 in 1Q FY2015 to A\$169,568 in 1Q FY2016 due mainly to an increase in investor and regulatory costs, namely secretarial-related, sponsor fees and related listing costs.

Employee salaries and other benefits

Employee salaries and other benefits of A\$164,541 in 1Q FY2016 (1Q FY2015: A\$309,475) was lower mainly due to the allocation of Executive Director's Salary to Directors Salary & Fees in 1Q FY2016 and a higher percentage of such costs being capitalized to Mine Development in 1Q FY2016.

Borrowing costs

Borrowing costs reduced by A\$6,678, from A\$146,835 in 1Q FY2015 to A\$140,157 in 1Q FY2016.

Loss before income tax

In view of the foregoing, loss before taxation reduced by A\$494,524 from A\$1,019,457 in 1Q FY2015 to A\$524,933 in 1Q FY2016.

Review of the Financial Position of the Group

As at 30 September 2015, our non-current assets of A\$18,262,752 accounted for approximately 80% of our total assets. Our non-current assets comprised of property, plant and equipment, mine development, receivables and a deferred tax asset.

Property, plant and equipment amounting to A\$14,206,556 representing 78% 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.

Mine development of A\$1,313,597 representing 7% of our total non-current assets, comprised of the development works undertaken to date to develop the mine. The increase in Mine Development of A\$920,995 from A\$392,602 as at 30 June 2015 to A\$1,313,597 is related to the development works including mine commissioning that has been undertaken in the current quarter reported on.

Receivables of A\$1,031,651 representing 6% of our total non-current assets is a security deposit for the Singapore Loan as noted in paragraph 1b(ii). The change in receivables is due to the translated amount increasing as a result of a favourable change in the Singapore Dollar to Australian Dollar.

A Deferred Tax Asset of A\$1,710,948 representing 9% of our total non-current assets has been recognized as it has been considered probable that there will be sufficient future taxable profits available against which the unused tax losses can be utilized in the foreseeable future.

Current assets

As at 30 September 2015, our current assets of A\$4,481,944, represents 20% of our total assets. Our current assets consist of cash and cash equivalents and other receivables and other current assets.

Other receivables of A\$1,156,043, representing 26% of our total current assets comprise Research and Development ("R&D") rebate receivables of A\$1,035,000 and Goods and Services Tax receivables of A\$117,028, and other deposits and advances paid of A\$4,015. The decrease in other receivables is largely attributable to the R&D Rebate amounting to A\$645,020 received from the Australian Tax Office ("ATO") in 1Q FY2016.

Cash and cash equivalents of A\$3,316,990 represents 86% of total current assets. The decrease in cash and cash equivalents from A\$3,856,137 as at 30 June 2015 to A\$3,316,990 as at 30

September 2015 is due to payments for operating expenses and mine development works, offset by receivables received over the period of A\$682,997.

Other current assets decreased from A\$31,163 as at 30 June 2015 to A\$8,861 as at 30 September 2015 mainly pursuant to the release of pre-payments for insurance expenses.

Non-current liabilities

As at 30 September 2015, our non-current liabilities of A\$5,033,520 represented 80% of our total liabilities. Our non-current liabilities relate 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\$1,417,521, representing 28% 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\$1,049,322, representing 21% of our total non-current liabilities, comprised the finance lease liabilities which were secured on the Company's motor vehicles and a S\$1.03 million loan secured with a S\$1 million term deposit. The increase to A\$1,049,322 as at 30 September 2015 is due to the translated amount increasing as a result of a unfavourable change in the Singapore Dollar to Australian Dollar.

Trade and other payables being amount due to controlling entity, Living Waters Mining (Australia) Pty Ltd ("**LVM Loan**") of A\$2,566,677, represented 51% of our total non-current liabilities. The LVM Loan comprises the A\$4,000,000 due under the Sale of Business Agreement ("**Cash Component**") which has been discounted to its fair value pursuant to the variation to the supplemental deed on 30th June 2015 between LWM and the Company to extend the repayment period (the "**Extension**"). The decrease of A\$217,271 from 30 June 2015 is pursuant to A\$350,000 of such non-current amount being transferred to current liabilities in accordance with its repayment period, offset by an increase in A\$137,729 of the amortized interest amount recognised during the current quarter reported on.

Current liabilities

As at 30 September 2014, our current liabilities of A\$1,257,195, representing 20% of our total liabilities comprised trade and other payables, employee benefit liabilities and interest bearing loans and borrowings.

Trade and other payables of A\$1,198,191, represented 96% of our total current liabilities. The increase in trade and other payables by A\$337,421 from A\$860,770 as at 30 June 2015 is due to a A\$350,000 in relation to the amount due to the controlling shareholder of the Company, Living Waters Mining (Australia) Pty Ltd ("**LVM Loan**") being re-classified as current from non-current as this portion is repayable within 1 year as at 30 September 2015.

Interest bearing loans and borrowings, representing A\$16,241 or 1% of our total current liabilities comprised finance lease liabilities for motor vehicles.

Employee Benefit Liabilities, representing A\$42,763 or 3% of our total current liabilities comprised the estimated amount payable for Annual Leave for the Companies employees.

Shareholders' equity

As at 30 September 2015, our Shareholders' equity amounted to A\$16,453,931 comprising A\$34,011,266 of issued share capital, A\$1,786,822 of parent equity contribution, A\$676,683 of share based payment reserve and A\$20,020,839 of accumulated losses.

Review of the Cash Flow Statement of the Group

In 1Q FY2016, we recorded a net cash outflow from operating activities of A\$210,360 which comprised payments made to suppliers and employees of A\$437,431, interest paid on finance lease of A\$7,428 offset by ATO R&D rebate received of \$645,020 and interest received of A\$10,199.

Net cash outflow from investing activities amounted to A\$830,183, which was attributable to purchases of property, plant & equipment of A\$190,453 and payments for mine developments of A\$639,730.

Net cash outflow from financing activities amounted to A\$30,237 which were as a result of payment in insurance premium funding of A\$26,111 and repayment of hire purchase of A\$4,126.

As at 30 September 2015, our cash and cash equivalents amounted to A\$3,316,990.

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.

As mentioned in the announcement dated 16 April 2015 the Company has completed key infrastructure works and has commenced mining at its Boreline Pit and is focussing its attention on the commissioning of the Bald Hill Primary Treatment Processing Plant. Production of Tantalite concentrate is expected during the commissioning phase with the quantity and quality not yet confirmed as commissioning is still in the early stages. Where commercial quantities are produced these may be sold to generate cash but will not likely generate revenue until such time as the commissioning phase is complete.

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 ("**AR2015**"), 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 the quarter the Company successfully operated the Bald Hill Plant producing over a 1,000 lbs of contained Tantalum in a 5% concentrate form for further refining at our Boulder Plant. Whilst the Bald Hill Process plant is performing as expected, the recovery of Tantalum requires improvement and this will be achieved by the installation of an additional crushing unit in the Plant. As we have nearly exhausted the ore from our first mining campaign, we will take the opportunity to install the crushing unit and undertake other minor infrastructure improvements and prepare for the full scale mining operations which are expected to commence in the the third quarter for the financial year ending 30 June 2016 ("**3Q FY2016**").

It is now expected that production and cash flows will be achieved once the full scale mining operation commences and additional ore is delivered to the Run of Mine (ROM) pad. Currently we expect to be in production as noted above in 3Q FY2016.

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.

The sales price for Tantulum Concentrate has fallen again over the past 3-month period which has been off-set by a more favorable Australian Dollar to United States Dollar exchange rate. At this stage, we have customers that have expressed interest in purchasing our product once we achieve production including up to 50% of product that can be sold by Mitsubishi Corporation RtM Japan Ltd as our non-exclusive distributor.

The achievement of our production target in 3Q FY2016 and the speed to ramp up to double shift operation and ore grades processed will influence the revenue and cash flow over the coming 12-month period.

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 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/recommended, a statement to that effect

No dividend has been declared or recommended for 1Q 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 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 period reported on.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

We confirm that we have procured undertakings from our Directors, namely Pauline Gately, Suen Sze Man, Ong Kian Guan and Mahtani Bhagwandas and executive officers, namely Tjandra Pramoko, Paul Robson and Fiona Mun Ni Leaw as required under Rule 720(1).

15. 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	2,924	1,799
Listing expenses	1,962	1,962	-
Total	8,569	5,718	2,851

Notes

- (1) The IPO Proceeds were received on 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

16a. Rule 705 (6)(a) of the Catalist Listing Manual

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

For the quarter ended 30 September 2015 ("1Q FY2016"), funds / cash were mainly used for the following activities:-

Purpose	Amount (A\$) Projected Usage	Amount (A\$) Actual Usage
Purchase of property, plant & equipment	750,000	190,453
Mine Development Costs	500,000	639,730
Corporate administrative expenses	500,000	524,933
Total	1,750,000	1,355,116

Explanation for the variances:

Commissioning progressed slower than expected during the quarter and the ramp up to additional mining was deferred which resulted in lower actual aggregate expenditure for the period than projected. For the purpose of comparisons, Property Plant and Equipment and Mine Development Costs are grouped due to the internal accounting treatment and need to be compared in aggregate for the purpose of use of funds. We continue to try and minimise our use of cash where minor technical issues arise and not ramp up spending until preceding activities are successfully completed and are still on track to commence production in 3Q FY2016 and expect an increase in use of funds in this period.

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 2015 to 31 December 2015 ("2Q FY2016")), the Company's use of funds/cash for development activities are expected to be as follows:-

Purpose	Amount (A\$)
Purchase of property, plant & equipment	600,000
Mine Development Costs	100,000
Corporate administrative expenses	500,000
Total	1,200,000

17a. 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 September 2015 and has expended A\$830,183 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.

17b. 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 16 July 2015.

18. Negative Confirmation by the Board pursuant to Rule 705(5) and Rule 705(6)(b) of Catalyst 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 3 month financial period ended 30 September 2015 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
13 November 2015