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 2017 ("1Q FY2018")

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		
	2017 (Unaudited) A$	**2016 (Unaudited) A$**	**Increase / (Decrease) %**
Interest income	30,912	223	n.m
Loss on foreign exchange	(69,959)	(167,149)	(58)
Accounting and audit expenses	(31,282)	(42,125)	(26)
Consulting and directors fees	(74,031)	(69,491)	7
Administrative expenses	(315,911)	(250,982)	26
Employee salaries and other benefits expenses	(59,071)	(80,378)	(27)
Site operating expenses	-	(515,108)	n.m
Borrowing costs	(93,726)	(145,773)	(36)
Loss before income tax	**(613,068)**	**(1,270,783)**	**(52)**
Income tax expense	-	-	n.m
Loss after tax	**(613,068)**	**(1,270,783)**	**(52)**
Other comprehensive income	-	-	n.m
Total comprehensive loss for the financial year attributable to owners of the Company	**(613,068)**	**(1,270,783)**	**(52)**

(i) n.m = not meaningful

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

	3-months ended 30 September		
	2017 (Unaudited)	**2016 (Unaudited)**	**Increase / (Decrease)**
	A$	**A$**	**%**
Interest income	30,912	223	n.m
Loss on foreign exchange	(69,959)	(167,149)	(58)
Borrowing costs	(93,726)	(145,773)	(36)
Depreciation expense	(14,046)	(332,544)	n.m

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 2017 (Unaudited) A$	**30 June 2017 (Audited) A$**
CURRENT ASSETS		
Cash and cash equivalents	9,186,269	2,857,090
Other receivables	66,357	147,600
Other current assets	4,204	3,790,349
TOTAL CURRENT ASSETS	**9,256,830**	**6,795,039**
NON CURRENT ASSETS		
Mine development	6,226,880	3,506,374
Property, plant & equipment	11,972,817	12,294,022
TOTAL NON CURRENT ASSETS	**18,199,697**	**15,800,396**
TOTAL ASSETS	**27,456,527**	**22,595,435**
CURRENT LIABILITIES		
Trade and other payables	12,500,845	7,001,220
Employee Benefit Liabilities	31,851	45,002
Interest bearing loans and borrowings	17,187	25,051
TOTAL CURRENT LIABILITIES	**12,549,883**	**7,071,273**
NON CURRENT LIABILITIES		
Provision for rehabilitation	1,078,987	1,078,987
Interest bearing loans and borrowings	12,870	17,320
TOTAL NON CURRENT LIABILITIES	**1,091,857**	**1,096,307**
TOTAL LIABILITIES	**13,641,740**	**8,167,580**
NET ASSETS	**13,814,787**	**14,427,855**
EQUITY		
Issued capital	38,960,275	38,960,275
Reserves	3,849,439	3,849,439
Accumulated losses	(28,994,927)	(28,381,859)
TOTAL EQUITY	**13,814,787**	**14,427,855**

(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 2017 (Unaudited)		As at 30 June 2017 (Audited)	
Secured A$	**Unsecured A$**	**Secured A$**	**Unsecured A$**
17,187	2,009,065	17,187	2,444,684

Amount repayable after one year

As at 30 September 2017 (Unaudited)		As at 30 June 2017 (Audited)	
Secured A$	**Unsecured A$**	**Secured A$**	**Unsecured A$**
12,870	-	17,320	-

Details of any collateral

The secured borrowings comprised finance lease liabilities of A$30,057 (30 June 2017: A$34,507), which are 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

	For 3-months Ended 30 September	
	2017	**2016**
	Unaudited	**Unaudited**
	A$	**A$**
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	30,912	223
Interest paid	(8,548)	(4,295)
Payments to suppliers and employees	(581,028)	(779,425)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	**(558,664)**	**(783,497)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Other income received	183,002	-
Payments for mine development	(824,951)	-
Purchase and refurbishment of plant & equipment	-	(2,177)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(641,949)**	**(2,177)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from product sale prepayment	8,125,000	-
Payment to finance lease principle	(4,451)	(4,206)
Payments of insurance premium loan principle	(7,865)	(39,788)
Loan drawdowns	-	125,883
Repayment of unsecured loan	(512,933)	(231,422)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	**7,599,751**	**(149,533)**
Net increase/(decrease) in cash and cash equivalents	6,399,138	(935,207)
Cash and cash equivalents at beginning of year	2,857,090	5,389,663
Net foreign exchange difference on cash balances	(69,959)	(167,149)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	**9,186,269**	**4,287,307**

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 2016	38,960,275	2,463,505	(23,578,000)	17,845,780
Loss for the 1Q FY2017	-	-	(1,270,783)	(1,270,783)
Total comprehensive loss for the 1Q FY2017	**-**	**-**	**(1,270,783)**	**(1,270,783)**
Equity Transactions:				
Parent equity contributions – interest free loan	-	442,415	-	442,415
Balance as at 30 September 2016	**38,960,275**	**2,905,920**	**(24,848,783)**	**17,017,412**
(Unaudited)				
Balance as at 1 July 2017	38,960,275	3,849,439	(28,381,859)	14,427,855
Loss for the 1Q FY2018	-	-	(613,068)	(613,068)
Total comprehensive loss for the 1Q FY2018	**-**	**-**	**(613,068)**	**(613,068)**
Balance as at 30 September 2017	**38,960,275**	**3,849,439**	**(28,994,927)**	**13,814,787**

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2017 and 30 September 2017	480,763,760	38,960,275

The Company had on 16 June 2014, adopted the Alliance Employee Share Option Scheme ("**Scheme**"). As at 30 September 2017 ("**1Q FY2018**") and as at the date of this announcement, no options has been granted under the Scheme.

As at 30 September 2017, the Company had 11,400,000 options which were issued on 24 May 2017 to Canaccord Genuity (Australia) Ltd in three tranches that are exercisable into 11,400,000 new ordinary shares of the Company (30 September 2016: nil) as follows:

Conditions	**Tranche 1**	**Tranche 2**	**Tranche 3**
Number of options	3,800,000	3,800,000	3,800,000
Exercise price	S$ 0.24	S$ 0.30	S$ 0.36
Expiry	3 years from date of issue	3 years from date of issue	3 years from date of issue
Vesting conditions	None	None	None

There were no other outstanding convertibles as at 30 September 2017 and 30 September 2016.

The Company did not have any treasury shares and subsidiary holdings at 30 September 2017 and 30 September 2016.

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 September 2017 and 30 June 2017.

The Company did not have any treasury shares as at 30 September 2017 and 30 June 2017.

1(d)(iv) A statement showing all sales, transfers, 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.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings 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 2017.

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 relevant to its operations and which are effective for annual periods beginning on or after 1 July 2016. 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	
	2017 (Unaudited)	**2016 (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$)	(613,068)	(1,270,783)
Number of weighted ordinary shares used in calculating basic and diluted loss per share for the financial period	480,763,760	480,763,760

Note:

(1) The basic and diluted loss per share for the 3-month financial period ended 30 September 2017 and 30 September 2016 were the same as the 11,400,000 options which are exercisable into 11,400,000 new ordinary shares of the Company as at 30 September 2017 are anti-dilutive.

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 2017 (Unaudited)	**30 June 2017 (Audited)**
Net asset value per ordinary share based on issued share capital (AU cents)	2.9	3.0
Net asset value as at the end of the respective financial periods (A$)	13,814,787	14,427,855
Number of ordinary shares as at the end of the respective financial periods	480,763,760	480,763,760

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 2017 ("1Q FY2018") vs. 3-months ended 30 September 2017 ("1Q FY2017")

Review of the Income Statement

Revenue

There was no revenue in 1Q FY2018 and 1Q FY2017 as we had not commenced commercial production and sale of Tantalite concentrate.

Interest income

Interest income of A$30,912 in 1Q FY2018 (1Q FY2017: A$223) was higher mainly due to a higher amount of AUD short-term deposits placed.

Loss on foreign exchange

The loss on foreign exchange of A$69,959 in 1Q FY2018 (1Q FY2017: A$167,149 loss) is mainly due to the weakening of the Singapore dollar in 1Q FY2018.

Administrative expenses

Administrative expenses increased by A$64,929 or 26% from A$250,982 in 1Q FY2017 to A$315,911 in 1Q FY2018 mainly due to an increase in professional fees, legal costs, and compliance costs incurred by the Company, mainly in relation to the report of maiden lithium resources and reserves as well as to address a shareholder-related matter that occurred in 1Q FY2018.

Employee salaries and other benefits

Employee salaries and other benefits of A$59,071 in 1Q FY2018 decreased from A$80,378 in 1Q FY2017 mainly due to a reduction in full time employees of the Company.

Site operating costs

Site operating costs in 1Q FY2018 have been capitalised as mine development cost as the Company has commenced development of the Bald Hill project during the quarter. Site operating costs of A$515,108 in 1Q FY2017 relates to costs incurred to maintain the Bald Hill Mine Site as the Company was focused on lithium exploration as prescribed under the on-going joint-venture arrangement with Lithco.

Lithco had on 31 May 2017 earned in to 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. Subsequent to 30 September 2017, Lithco has completed earning in to a 50% joint venture interest in the overall Bald Hill Project as announced on 24 October 2017.

Borrowing costs

Borrowing costs decreased from A$146,773 in 1Q FY2017 to $93,726 in 1Q FY2018 due mainly to the decrease in notional interest on the amount owing to LWM as a result of instalment payments made.

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.

Depreciation expense

Depreciation expense decreased by A$318,498 from A$332,544 in 1Q FY2017 to A$14,046 in 1Q FY2018 as depreciation expense relating to property, plant and equipment at the Bald Hill Mine Site was previously expensed and is now being capitalised as the Company has commenced development of the Bald Hill project during the quarter.

Loss before income tax

In view of the foregoing, loss before taxation decreased by A$657,715 from A$1,270,783 in 1Q FY2017 to A$613,068 in 1Q FY2018.

Review of the Financial Position of the Group

Non-current assets

As at 30 September 2017, our non-current assets of A$18,199,697 accounted for approximately 66% of our total assets. Our non-current assets comprised of mine development and property, plant and equipment.

Mine development increased by A$2,720,506 relating to costs incurred on the construction of the Bald Hill project of A$1,895,555, site operating expenses capitalised of A$520,258 and resource definition exploration of A$424,388 offset by site services income of A$119,695.

Property, plant and equipment decreased by A$321,205 to A$11,972,817 mainly due to depreciation of $321,205 of which $307,159 has been capitalised as mine development and $14,046 has been expensed as administrative expenses.

Current assets

As at 30 September 2017, our current assets of A$9,256,830, represents 34% of our total assets. Our current assets consist of cash and cash equivalents and other receivables and other current assets.

Cash and cash equivalents of A$9,186,269 increased by A$6,329,179 due to recognition of lithium product prepayment of $8,125,000 offset by expenditure relating to the development of the Bald Hill Mine, repayment of the loan from Living Waters Mining and associated administration overheads.

Other receivables decreased by A$81,243 to A$66,357 mainly as a result of the decrease of other receivables which mainly relate to the provision of mining camp and administration services.

Other current assets comprise prepayments of A$4,204 represents insurance premium prepaid and expensed over the period of insurance cover. At 30 June 2017, other current assets included restricted cash of A$3,759,703 relating to funds received from Burwill as a prepayment under the Lithium Offtake Agreement as announced on 20 April 2017. The classification arises as there are certain conditions precedent remaining to be satisfied under the terms of the Lithium Offtake Agreement which have now been satisfied resulting in the amount being reclassified as cash and cash equivalents.

Non-current liabilities

As at 30 September 2017, our non-current liabilities of A$1,091,857 represented 8% of our total liabilities. Our non-current liabilities relate to the provision for rehabilitation required at the Bald Hill Mine and interest bearing loans and borrowings.

Provision for rehabilitation of A$1,078,987 represents management's best estimate as at balance sheet date to rehabilitate the existing Bald Hill mine site.

Interest bearing loans and borrowing of A$12,870, decreased slightly from A$17,320 as at 30 June 2017 due to repayments of the principal amount of the finance leases for vehicles.

Current liabilities

As at 30 September 2017, our current liabilities of A$12,549,883, representing 92% 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$5,499,625 to A$12,500,845 mainly attributable to the increase in other payables of A$1,895,555 representing an accrual for a contribution to the cost of constructing the Bald Hill project in excess of the A$12,500,000 farm-in expenditure incurred by Lithco as part of their farm-in to the project; and second tranche of prepayment received under the lithium concentrate offtake agreement of A$4,375,000 in July 2017, offset by the repayment of a portion of the Living Waters Loan.

Employee benefit liabilities decreased by A$13,151 to A$31,851 as a result of annual leave accruals for our employees.

Interest bearing loans and borrowings, amounting to A$17,187 as at 30 September 2017, decreased by A$7,864 mainly due to the repayment of insurance premium funding.

Shareholders' equity

As at 30 September 2017, our Shareholders' equity amounted to A$13,814,787 comprising A$38,960,275 of issued share capital, A$2,229,237 of parent equity contribution, A$1,620,202 of share based payment reserve and A$28,994,927 of accumulated losses.

Working Capital

The Company has a negative working capital of A$3,293,053 as at 30 September 2017 mainly due the Living Waters Loan being classified as current and an accrual for a contribution to the cost of constructing the Bald Hill project in excess of the A$12,500,000 farm-in expenditure required to be incurred by Lithco. The Living Waters Loan is classified as current on the assumption that the Company will be cash flow positive within the next 12 months as a result of the development and construction of the Bald Hill Project.

The Company had in October 2017 announced that it had entered into a Binding Term Sheet, a subscription agreement and a variation letter in relation to, amongst others, an equity and debt raising from Burwill for A$24.375 million representing A$19.575 million through share subscriptions by Burwill in four (4) tranches (placement) and A$4.8 million as a loan. As at the date of this announcement, the placement proceeds of A$14.575 million (representing tranches 1 to 3 of the placement) had been received by the Company. However, the Company has not received the remaining placement proceeds of A$5.0 million (representing tranche 4 of the placement).

Review of the Cash Flow Statement of the Group

In 1Q FY2018, we recorded a net cash outflow from operating activities of A$558,664 which comprised payments made to suppliers mainly for corporate administration and employees of A$581,028, interest paid on finance lease of A$8,548, offset by interest received of A$30,912.

Net cash outflow from investing activities amounted to A$641,949, which was attributable to payments for mine development of $824,951, offset by the receipts from provision of mine administration related services of $183,002.

Net cash inflow from financing activities amounted to A$7,599,751 which were as a result of receipt from funds from prepayment for the future sale of lithium of $8,125,000, offset by payment in insurance premium funding of A$7,865, repayment of hire purchase of A$4,451 and repayment of Living Waters Loan of $512,933 in accordance with revised repayment terms pursuant to the Agreement.

As at 30 September 2017, our cash and cash equivalents amounted to A$9,186,269.

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

Exploration drilling on lithium on the Bald Hill Mine Site has continued. The Company has yet to commence commercial production of tantalum and lithium and will continue to keep shareholders updated in relation thereto.

Further information on the aforementioned can be found in the Company's announcements on 2 August 2017, 6 September 2017 and 14 September 2017.

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 desire to reduce oil dependence and reduce air pollution has driven the demand towards New Energy Vehicles (NEVs). Chinese government policies pushing for either partially or fully electric vehicles are driving growth for electric vehicles and its associated technologies. In addition, France has indicated it will ban sales of petrol and diesel vehicles by 2040 as part of its ambitious plan to meet its targets under the Paris climate accord[1]. Part of this growth has put lithium under the spotlight and the need for lithium in the batteries that power them.

There are still more investments expected in new battery manufacturing, plus ramp up and expansions expected by existing manufacturers like Tesla that will drive demand further. According to statistics reported in Bloomberg recently, Australia is the world leader in lithium production, accounting for 40.5 per cent of the world's total.[2]

The Company had issued an independent qualified person's report (reported with the JORC code) ("**IQPR**") on 7 August 2017 reporting new lithium reserves and resources and an increase in tantalum reserves and resources. Another IQPR was also issued on 24 October 2017 to report an increase in lithium and tantalum resources. Construction has also commenced on the new lithium plant at the Bald Hill Mine Site with commissioning expected early 2018.

Tantalum concentrate spot prices have improved recently but the Company will postpone commercial mining and production of tantalum concentrate to coincide with spodumene concentrate production. With the construction of the lithium plant commencing, the Company is seeking opportunities to vertically integrate the lithium and tantalum business to add value to the lithium and tantalum concentrates produced through the Company's mining operations.

The Company will keep shareholders updated on any material developments as and when appropriate.

[1] The Guardian July 6, 2017
[2] https://www.miningpeople.com.au/news/mining-the-future-is-lithium-the-next-big-thing

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 FY2018.

(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 FY2018.

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. There were no interested person transactions which were S$100,000 or more 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 and Fiona Mun Ni Leaw as required under Rule 720(1).

15. Use of Proceeds

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	621	407
Internal scoping study	428	373	55
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**	**555**

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

Use of Placement Proceeds from placement in 2016

The net proceeds from the placement, which was completed on 30 June 2016, was approximately A$4.9 million ("Placement") ("Net Proceeds"). As at the date of this announcement, the Net Proceeds have been fully utilised as follows:

Use of Proceeds	Amount allocated A$'000	Amount utilised A$'000	Amount Unutilised A$'000
General working capital purposes (1)	4,949	4,949	-
Total	**4,949**	**4,949**	**-**

Notes:

(1) A breakdown on the utilisation for general working capital purposes is as follows:

	A$'000
Payments to suppliers and employees	2,942
Repayment of Living Water Loan, leases and insurance premium funding	2,007
Total	4,949

The above utilisation are in accordance with the intended use of the Net Proceeds, as stated in the Company's announcement dated 6 June 2016.

Use of Placement Proceeds from placement to Burwill Commodity Limited

As at the date of this announcement, the proceeds from the placement received to-date, amounting to A$14.575 million (representing tranches 1 to 3 of the placement), has not been utilised.

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 2017 ("**1Q FY2018**"), funds / cash were mainly used for the following activities:-

Purpose	Amount (A$) Projected Usage	Amount (A$) Actual Usage
Corporate administrative expenses	700,000	581,028
Exploration	950,000	424,388
Mine development costs	800,000	400,563
Total	**2,450,000**	**1,405,979**

Explanation for the variances:

Exploration was lower than forecast of A$950,000 for the period due to a reduction in activity to focus on mine development. Mine development costs were lower than forecast of A$800,000 due to the timing of payments.

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 October 2017 to 31 December 2017 ("**2Q FY2018**")), the Company's use of funds/cash for development activities are expected to be as follows:-

Purpose	Amount (A$)
Corporate administrative expenses	600,000
Mine development costs	18,900,000*
Total	**19,500,000**

*Mine development costs relates to expenditure that will be incurred under the Joint Venture of the Project with Lithco as the latter has already completed its $12.5 million expenditure farm-in; and will be funded through funds received from Burwill as a prepayment under the Lithium Offtake Agreement, capital raising and loan that was completed post 30 September 2017.

The above projection is based on the Company's budgeted cashflow which draws from the Pre-Feasibility Study report issued by Tawana in July 2017, cash call forecast from the joint venture with Lithco and corporate budget.

For the avoidance of doubt, such projection of funds/cash does not include any expenditure which is to be incurred by Lithco under the Proposed Transaction.

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;

Lithco had continued exploratory drilling at the Bald Hill targeted at adding to the overall understanding of the resource potential extending from the current pits. Deeper extensional drilling has commenced on the Bald Hill mining lease, on a nominal 320m x 160m grid. Core drilling also commenced to obtain additional metallurgical samples. The drilling confirmed the continuity of the pegmatites previously mined at Bald Hill some hundreds of metres at depth and along strike beyond the current resource models and identified another thick mineralised pegmatite approximately 30-100 metres below the current AMAL resource model.

A concept study has commenced with the aim of obtaining indicative capital and operating costs for the addition of a 1Mtpa spodumene concentrator.

The Pre-Feasibility Study on the Bald Hill Lithium and Tantalum project completed and issued by Tawana on 11 July 2017 proving the technical and financial viability of a 1.2Mtpa lithium Dense Media Separation circuit (DMS) adjacent to the existing tantalum processing facility (TPF) with a forecast annual production of approximately 155,000tpa of spodumene concentrate and 260,000lb/pa of tantalum pentoxide. The current ore reserve enables an initial mine life of 3.6 years.

During 1Q FY2018, the Lithium Rights Joint Venture ("LRJV") focussed on infill drilling to increase the current resource in the area and announced an increase in resource on 12 October 2017 to 18.9Mt at 1.18% Li_2O and 149 ppm Ta_2O_5 at a 0.5% Li_2O cut-off and additional tantalum resources of 6.4Mt at 330ppm Ta_2O_5 at a 200ppm Ta_2O_5 cut-off which represents a 47% increase in total contained lithium.

During 1Q FY2018, the construction of the lithium plant at the Bald Hill Mine commenced following the award of an Engineering, Procurement and Construction ("EPC") contract to Primero Group to build a 1.2Mtpa Dense Media Separation ("DMS") circuit.

EPC Update

- Engineering is well-advanced with design more than 70% complete.
- Concrete works well-advanced,
- Buried services (electrical/piping) progressing with conduits and pits being position/installed and HDPE pipes being welded ready for installation.
- Steelwork is progressively being detailed and progressing through fabrication and painting. First package of structural steel has arrived on site and is being erected.
- Procurement of major equipment is progressing with critical orders on track.

Major Contracts

- Mining; Fuel and Power; Crushing; Non-Process Infrastructure and Haul road upgrade tenders closed.

Accommodation Camp

- In addition to the 40-room existing camp, personnel are also now being housed at the leased 150-person Lanfranchi camp.

The Company has expended A$424,388 during 1Q FY2018 on exploration as part of its contribution to the Lithium Rights Joint Venture with Lithco.

Further information on the aforementioned can be found in the Company's announcements on 2 August 2017 6 September 2017 and 14 September 2017.

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 updated its latest reserves and resources as set out in the IQPR (Independent Qualified Person's Report) dated 24 October 2017. A copy of the IQPR can be found in the Company's SGX Announcement dated 25 October 2017.

As disclosed in Table 1 of the IQPR, the summary of the reserves and resources for the Bald Hill Tantalum and Lithium Project as at 11 October 2017 as per Appendix 7D of the Catalist Rules is as follows:

		Gross Attributable to Licence			Net Attributable to Issuer			
Category	**Mineral Type**	**Tonnes (millions)**	**Grade Ta_2O_5 (ppm)**	**Grade Li_2O (%)**	**Tonnes (millions)**	**Grade Ta_2O_5 (ppm)**	**# Grade Li_2O (%)**	**Change from previous update (tonnes%)**
RESERVES - Central (Lithco, July 2017), reported using 0.39% Li_2O and 200ppm Ta_2O_5 cut-offs								
Proved	Tantalum	0.0	0	0.00	0.0	0	0.00	no change
Probable	Tantalum	1.4	317	0.21	1.4	317	0.11	no change
Total	**Tantalum**	**1.4**	**317**	**0.21**	**1.4**	**317**	**0.11**	**no change**
Proved	Tantalum+Lithium	0.0	0	0.00	0.0	0	0.00	no change
Probable	Tantalum+Lithium	4.3	208	1.18	4.3	208	0.59	no change
Total	**Tantalum+Lithium**	**4.3**	**208**	**1.18**	**4.3**	**208**	**0.59**	**no change**
TOTAL RESERVES		**5.7**	**235**	**0.94**	**5.7**	**235**	**0.47**	**no change**
RESOURCES								
Tantalum resources - Creekside, reported using 100ppm Ta2O5 lower cut-off (carried over from previous IQPR, by AMC 2014)								
Measured	Tantalum	0.0	0		0.0	0		no change
Indicated	Tantalum	0.3	405		0.3	405		no change
Inferred	Tantalum	0.0	440		0.0	440		no change
Subtotal	**Tantalum**	**0.3**	**406**		**0.3**	**406**		**no change**
Tantalum resources - Central and Boreline (Lithco, October 2017), reported below 0.5% Li_2O cut-off and above 200 ppm Ta_2O_5 cut-offs *Note: Equivalent to Table 3, 11 October 2017*								
Measured	Tantalum	0.0	0		0.0	0		0%
Indicated	Tantalum	3.9	342		3.9	342		35%
Inferred+	Tantalum	2.5	313		2.5	313		-5%
Subtotal	**Tantalum**	**6.4**	**330**		**6.4**	**330**		**17%**
Tantalum + Lithium Resources - Central and Boreline (Lithco, October 2017) *Note: Equivalent to Table 1, 11 Oct 2017, Creekside excluded (no lithium estimated)*								
Measured	Tantalum+Lithium	0.0	0	0.00	0.0	0	0.00	0%
Indicated	Tantalum+Lithium	8.0	190	1.18	8.0	190	0.59	74%
Inferred	Tantalum+Lithium	10.9	118	1.18	10.9	118	0.59	33%
Total	**Tantalum+Lithium**	**18.9**	**149**	**1.18**	**18.9**	**149**	**0.59**	**48%**
+ Upgrade of some Inferred Resources from previous estimate has resulted in -% change in current Inferred Resources # At June 28, 2017 Lithco had earned 50% of the Lithium so Resource and Reserve Li_2O grades have been halved to represent the share attributable to AMAL.								
Resources subset included in the 18.9 Mt above: Central and Boreline (Lithco, October 2017), reported above 0.5% Li_2O cut-off and 200 ppm Ta_2O_5 cut-offs *Note: Equivalent to Table 2, 11 Oct 2017, these are a subset of the lithium/tantalum resources reported in Table 1, October 2017.*								
Measured	Tantalum+Lithium	0.0	0	0.00	0.0	0		
Indicated	Tantalum+Lithium	2.5	315	1.20	2.5	158	0.60	32%
Inferred+	Tantalum+Lithium	1.2	296	1.18	1.2	148	0.59	-14%
Total	**Tantalum+Lithium**	**4.0**	**309**	**1.20**	**4.0**	**143**	**0.60**	**25%**

18. 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 3 month financial period ended 30 September 2017 and the above information provided to be false or misleading in any material aspect.

On behalf of the Board

Pauline Gately	Simone Suen
Independent and Non-Executive Chairman	Executive Director

BY ORDER OF THE BOARD

Simone Suen
Executive Director
14 November 2017

*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 (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).