

JUNE 2018 QUARTERLY ACTIVITIES REPORT

Bramaderos Gold-Copper Project, Ecuador (Sunstone earning up to 80%)

- **Strong trenching results provide further evidence of potential at the Limon gold-copper porphyry target**
- **Result of 97.6m at 0.71g/t gold and 0.23% copper from surface trenching is believed to be a window into an extensive gold-copper porphyry system at Limon**
- **Longitudinal surface trenching results at the Bramaderos Main prospect, have delivered:**
 - **615m at 0.52g/t gold and 0.11% copper, including**
 - **123m at 0.55g/t gold and 0.17% copper, and**
 - **180m at 0.60g/t gold and 0.09% copper**
 - **397m @ 0.69 g/t gold, 0.14% copper, returned as a cumulative interval for all intervals of >0.3g/t gold and >10m length**
- **The mineralised domain at Bramaderos Main measures at least 615m x 220m at surface, and based on 2 historical drill holes has a vertical extent exceeding 300 m, with mineralisation open laterally and at depth**
- **Preparation for drilling is complete with access tracks established for the first 9 holes and an exploration camp and core processing facilities ready for use and drilling is ready to commence on receipt of environmental permit**

Viscaria Copper Project, Sweden (Sunstone - 100%)

- **The Viscaria Copper Project represents a low risk copper development opportunity that will add significant shareholder value within an increasing copper price environment. The December 2015 Scoping Study, and updated Scoping Study released in April 2016 (see ASX announcements 14th December 2015 and 5th April 2016) show strong project fundamentals at a copper price of >US\$3/lb, with considerable upside exploration potential. Options for advancing to a pre-feasibility study stage at Viscaria are being considered**

Corporate Highlights

- **A\$2.7 million in cash at 30 June 2018**

ASX ANNOUNCEMENT

EXPLORATION AND DEVELOPMENT ACTIVITIES

Bramaderos Gold-Copper Project

The Bramaderos Project is located in southern Ecuador and is the subject of an earn-in JV with Cornerstone Capital Resources Inc. ("Cornerstone") (TSXV-CGP) through its subsidiary La Plata Minerales S.A. ("PLAMIN"). Sunstone has the right to earn a majority interest in the 4,949 hectare Bramaderos concession subject to the satisfaction of certain conditions (see ASX announcement dated 10th April 2017).

The project area has easy access provided by the sealed Pan American Highway that crosses the western part of the concession, has nearby available hydro-power, and gentle topography with an average elevation of around 1,100m above sea level. Mineralisation, based on historical exploration and drilling, occurs at surface.

The Sunstone team has worked previously with Cornerstone on other projects in Ecuador which have led to significant discoveries and shareholder value growth, and the Sunstone team will work towards repeating that success at Bramaderos.

Work completed in the current quarter includes:

A trenching program at the Limon gold-copper porphyry target which intersected **97.6m grading 0.71 g/t gold and 0.23% copper**, including **65.0m @ 0.93g/t gold and 0.31% copper**. The trench sampled strongly altered rocks which overprint an underlying porphyry gold-copper system.

The intensely altered 'lithocap' at Limon is typical of the higher-level rock alteration associated with porphyry gold-copper systems, and the strongly mineralised diorite, over which the trench was cut, is interpreted to be an outcropping window of a more extensive mineralised diorite body at depth.

Datasets have been integrated to determine the dimensions of the main target zone and an initial three drill holes have been planned that will test for underlying porphyry gold-copper mineralisation below areas of the lithocap, as well as simultaneously testing for shallow overprinting epithermal-style mineralisation in the eastern part of the target. The three drill holes are also sited in proximity to areas of quartz stockwork veining mapped at surface.

Correlation of independent datasets is strong, which include surface soil geochemistry, surface mapping of geology and alteration assemblages, and processed heli-magnetics (Figure 1).

Further trenching at Limon is currently being undertaken.

At Bramaderos Main, further strong gold and copper results were announced from the final phase of trenching.

Trench BM-14 was excavated along a 615 metre longitudinal position (along the interpreted strike) of mineralised diorite. Within an overall intersection of **615m at 0.52g/t gold and 0.11% copper** cumulative intervals from the trench that are **>0.3 g/t Au** and **>10m length total 397m @ 0.69 g/t gold and 0.14% copper**. Mineralisation remains open to the north-west, and mineralisation is interpreted to extend and plunge to the south-east. It is interpreted that the trench has sampled the surface expression of a tilted or plunging mineralised system (Figure 4). Higher grade sections are interpreted to be controlled by sheeted vein structures with greater vein density.

Orthogonal trenches, which have been reported previously (see ASX announcement dated 1 February 2018), have sampled mineralised diorite up to 220m wide in areas across the longitudinal trench (e.g. trench BM-07 which intersected **216m at 0.5g/t gold**, and BM-02 which intersected **141m at 0.57g/t gold and 0.15% copper including 68.19m at 0.80g/t gold and 0.18% copper**).

ASX ANNOUNCEMENT

While mineralisation from historic drilling is shown to extend to between 200 and 300 metres depth and remains open, the 3-D geometry of the Bramaderos Main porphyry gold-copper system is yet to be determined. Some insight into a possible geometry is indirectly provided by the recently released 3-D magnetic modelling which suggests a south-east plunging system of at least 1km vertical extent (Figures 4 and 5). Drilling will be targeted to verify this interpretation. Proposed drill holes are shown in Figure 3.

The interpreted plunging geometry would explain a weakening of mineralisation at surface to the south-east, and mineralisation open to the north-west where the magnetic anomaly shallows up-dip into the intensely altered Bramaderos Hill topographic high (Figure 4).

All trench results for Bramaderos Main are now compiled and shown in the attached Figure 3.

Environmental Permitting for Drilling

Sunstone's joint venture partner Cornerstone Capital Resources ("Cornerstone") is managing the environmental permitting process to allow for commencement of drilling.

Once issued the permit will allow for drilling across the entire concession giving the Company the ability to test the numerous porphyry and epithermal gold targets it has identified, as well as providing flexibility to test additional targets on the concession in the future.

Importantly, it should be noted that Cornerstone has received the appropriate Water Permit for drilling at Bramaderos, which is a key factor required for the environmental licence.

The Bramaderos environmental licence application is currently being reviewed by the technicians within the Ministry of Environment. Several components of the application have been approved by the technicians, including the Social Participation Process, and they are working on the final components. On completing their review, comments will be provided to Cornerstone and any corrections required will then be made before a final review by the Ministry. No firm date is yet available for the official granting of the licence.

Subsequent to quarter end the Ecuadorian Ministry of Oil, Mining and Energy (MERNNR) announced a new initiative to allow for 'scout (reconnaissance) drilling during the Initial Exploration Phase of an Exploration Concession. The initiative allows for drilling (various angles and depths using human portable or air transportable rigs) from up to 40 platforms within an Exploration Concession. Sunstone is awaiting further details on the implementation of this initiative.

We remain very encouraged by the support of the Ecuadorian government and local stakeholders and look forward to commencing drilling activities as soon as possible.

ASX ANNOUNCEMENT

Viscaria Copper Project

The Viscaria Copper Project (Figure 8) represents a low risk copper development opportunity that will add significant shareholder value within an increasing copper price environment. Options for advancing to a pre-feasibility study stage at Viscaria are being considered.

The results of drilling in 2017 demonstrate significant exploration potential of mineralisation immediately southwest of D Zone and extends beyond this to the even larger D Zone South target, which has a strike extent of 4km (Figure 9; and refer to ASX Announcement dated 26 June 2017).

At D Zone itself, each hole Sunstone has drilled outside of the current D Zone mineral resource, targeting higher grade shoots, has delivered >2% copper - a 100% hit rate with 3 from 3 holes, VDD 195, VDD 196 and VDD 200, intersecting >2% copper (Figure 10).

With these encouraging results at D Zone outside of the current mineral resource, and the copper price going from a low of less than US\$2/lb in 2016 to a recent high of US\$3.30/lb, combined with analysts' long-term copper price forecasts in excess of US\$3.25/lb, the scoping study metrics released to the ASX on 5 April 2016 are increasingly positive.

Environmental and Social Impact Assessment (ESIA)

The environmental permitting is the primary focus of activities at this stage to further de-risk the Viscaria Copper Project and support ongoing studies.

The Viscaria ESIA process is being progressed, which will deliver the necessary documents for application for a Permit to Mine from the Swedish Land and Environmental Court. The process is focussed on the immediate Viscaria area and supports planning for mine development initially within the approved Exploitation Concessions K3 and K4.

Gold Portfolio

Tammela Gold Project, Finland (Sunstone 80%)

The Nortec earn-in agreement, for which Sunstone completed the requirements during the previous quarter to increase its interest from 51% to 80%, includes two known gold opportunities, Satulinmäki and Riukka, held within the claim areas. Reconnaissance scale prospecting has been completed through the belt which contains these gold deposits and interpretation of results is underway.

Other Gold Opportunities (Sunstone 100%)

Based on Sunstone's regional assessment of gold prospectivity in southern Finland, areas of interest are held under approved Exploration Reservations, and recently new applications have been lodged for Exploration Permits and additional Exploration Reservations covering known gold occurrences. These areas are held 100% by Sunstone and will be explored systematically.

ASX ANNOUNCEMENT

Lithium Portfolio (Sunstone 80% and 100%)

The Nortec lithium earn-in agreement area includes the Kietyönmäki lithium occurrence which was discovered by the Finnish Geological Survey (GTK) in the mid-1980's. Sunstone's wholly owned subsidiary Scandian Metals Pty Ltd (Scandian) has completed the requirements during the quarter to increase its interest from 51% to 80% in the lithium rights. There was no significant activity during the quarter. Drilling by Scandian in September 2016 returned assays of up to 24.2m at 1.44% Li₂O.

Scandian also holds a portfolio of other exploration permits in Scandinavia considered prospective for lithium.

During the quarter an agreement was entered into for Sunstone to purchase the remaining 20% interest in Scandian in exchange for 600,000 Sunstone shares and agreeing to transfer the Swedish lithium tenements back to the former 20% shareholders. The share transfer was completed subsequent to the end of the quarter, and Sunstone now holds 100% of Scandian.

Tenements

The K7 Exploitation Concession, located immediately northeast of K3, and covering a small portion of the A Zone orebody, was granted on 26 March 2018, but subsequently appealed in early May 2018. The timing of a decision on this appeal is estimated as late 2018. The Company expects the appeal will not be successful.

The Rehumäki Exploration Reservation in Finland has expired and two Exploration Permit applications have been lodged over specific areas considered prospective for gold and lithium and referred to as Perämäki (gold) and Ojalankulma (lithium).

Corporate

Cash Resources - The Company's unaudited cash position for 30 June 2018 was A\$2.7 million.

Shareholder Information

As at 30 June 2018, the Company had 1,141,702,039 fully paid ordinary shares on issue and 1,368 shareholders.

During the quarter the Managing Director, Malcolm Norris, purchased additional shares on market as approved under the Company's Securities Trading Policy.

Notes Specific – June 2018 Quarter ASX Announcements

The following announcements, which relate to information in this Quarterly Report, were lodged with the ASX during the Quarter. Further details (including JORC 2012 Code Reporting Tables, where applicable) for the results summarised above can be found in the announcements:

Strong results from extended trenching at Limon	29/05/2018
Presentation RIU Sydney resources round-up	10/05/2018
Bramaderos Main – Further strong trenching results	09/05/2018
Change of Directors Interest Notice	03/05/2018
Strong gold and copper trenching results Limon	30/04/2018

ASX ANNOUNCEMENT

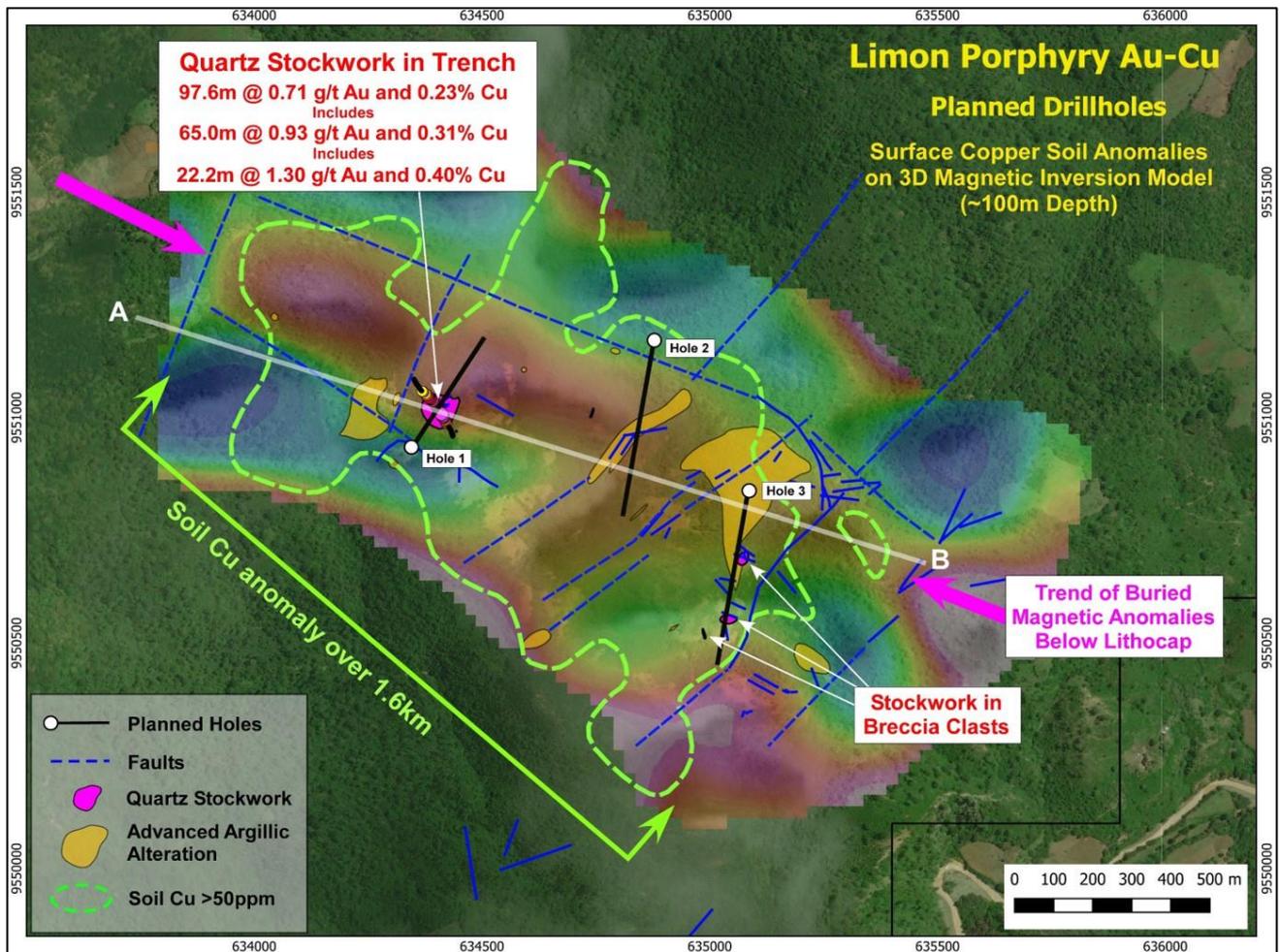


Figure 1: Diagram showing the location of trench LM-01 in the context of the greater Limon Prospect target. The extent of copper anomalism in soil sampling, and rock alteration typical of the higher levels of a porphyry gold-copper system, covers an area of 1.6km x 0.9km. Detailed modelling of heli-magnetics data has identified subtle but extensive magnetic anomalies that correspond with the target zone. Three proposed diamond drill holes are shown as black line traces. Line A-B shows the Figure 2 long section.

ASX ANNOUNCEMENT

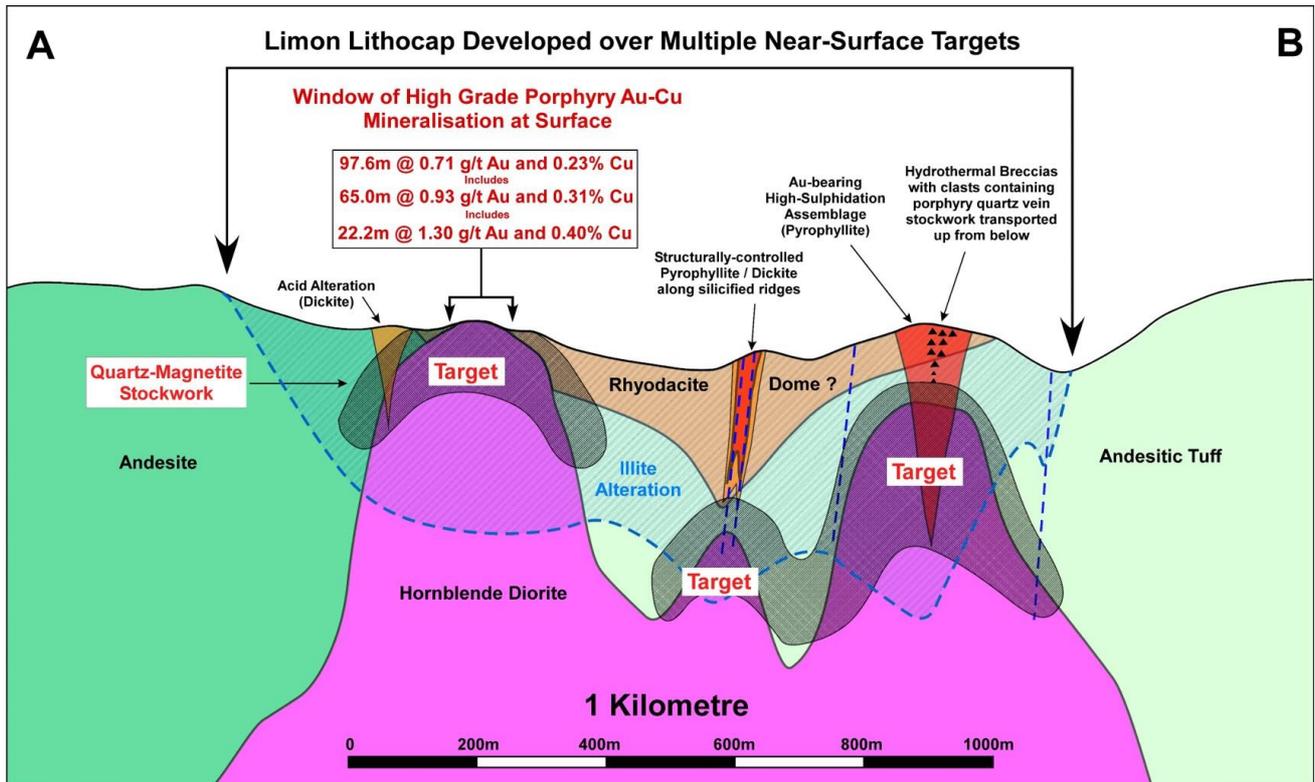


Figure 2: Long-section (oriented WNW-ESE; see Figure 1) through the Limon porphyry Au-Cu prospect, illustrating key geological features that suggest an extensive underlying mineralised porphyry gold-copper system below the leached clay-altered lithocap (illite). Strongly mineralised diorite outcrops as a window through an overlying and altered rhyodacite body.

ASX ANNOUNCEMENT

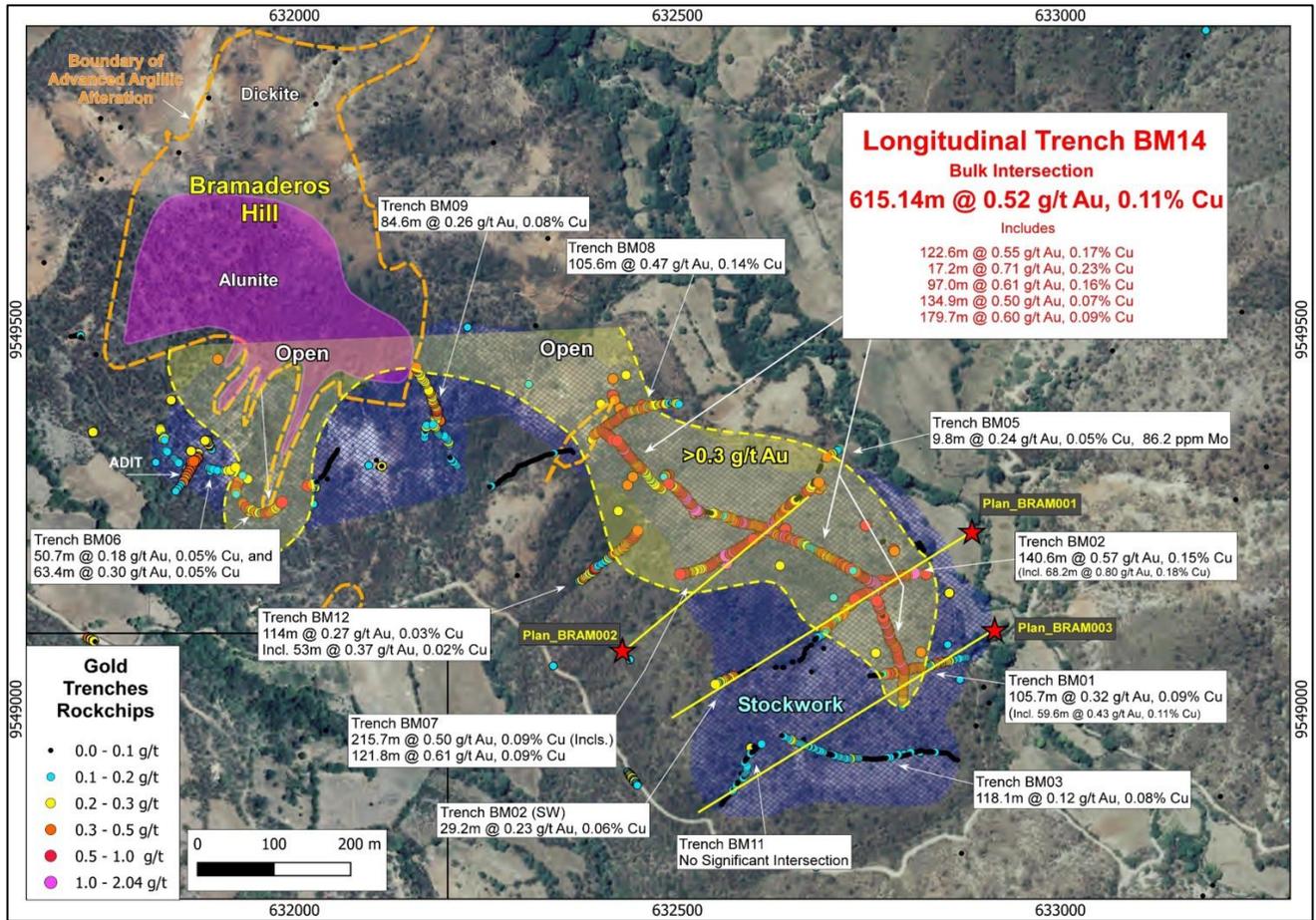


Figure 3: Plan image of the Bramaderos Main prospect showing all trenching and rock chip results and distribution of veining (blue) and 'high level' alteration at Bramaderos Hill. Proposed drill hole collars are shown in red stars and expected drill traces as yellow lines.

ASX ANNOUNCEMENT

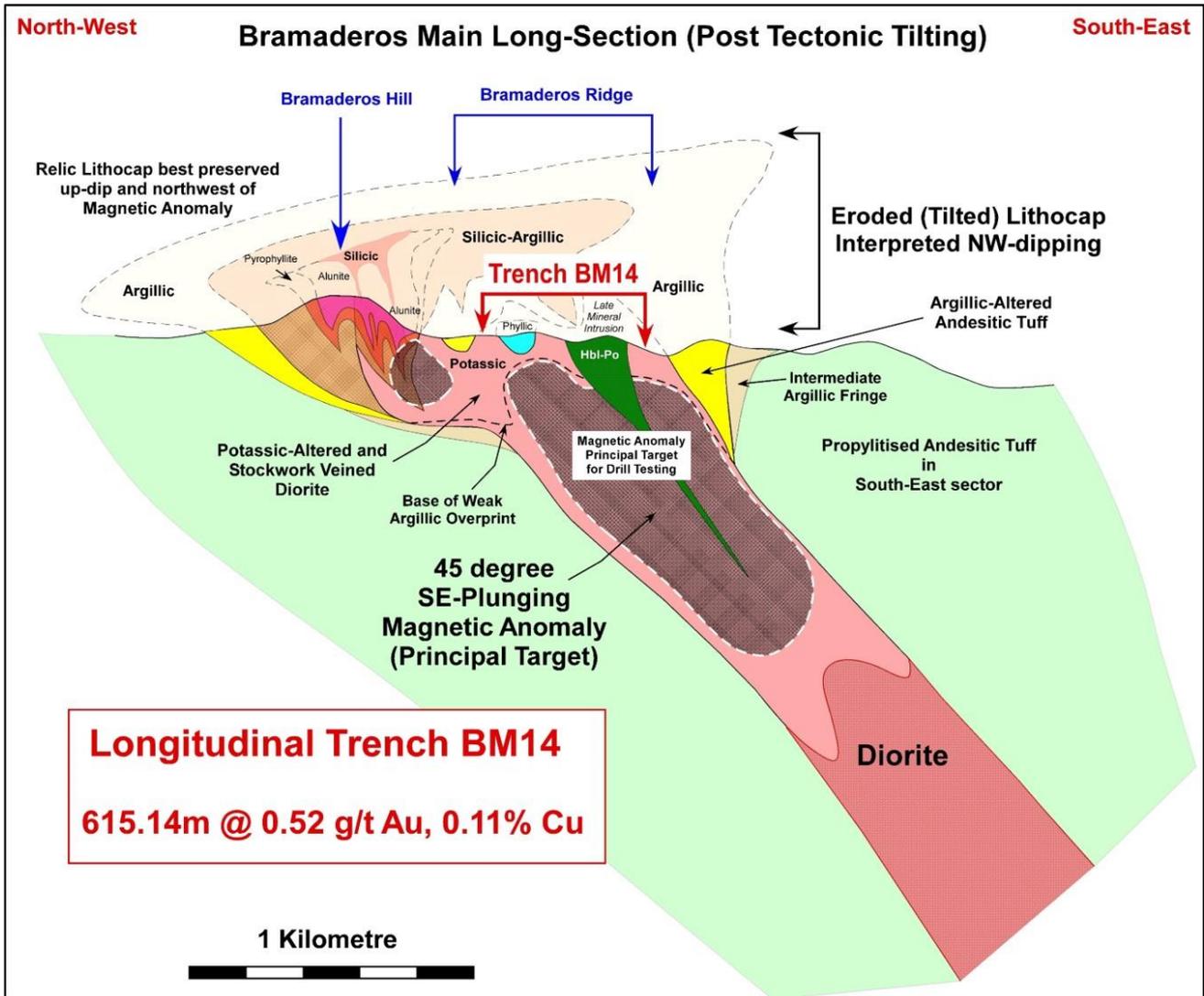


Figure 4: Schematic interpreted plunging porphyry Au-Cu system, with the location of trench BM14.

ASX ANNOUNCEMENT

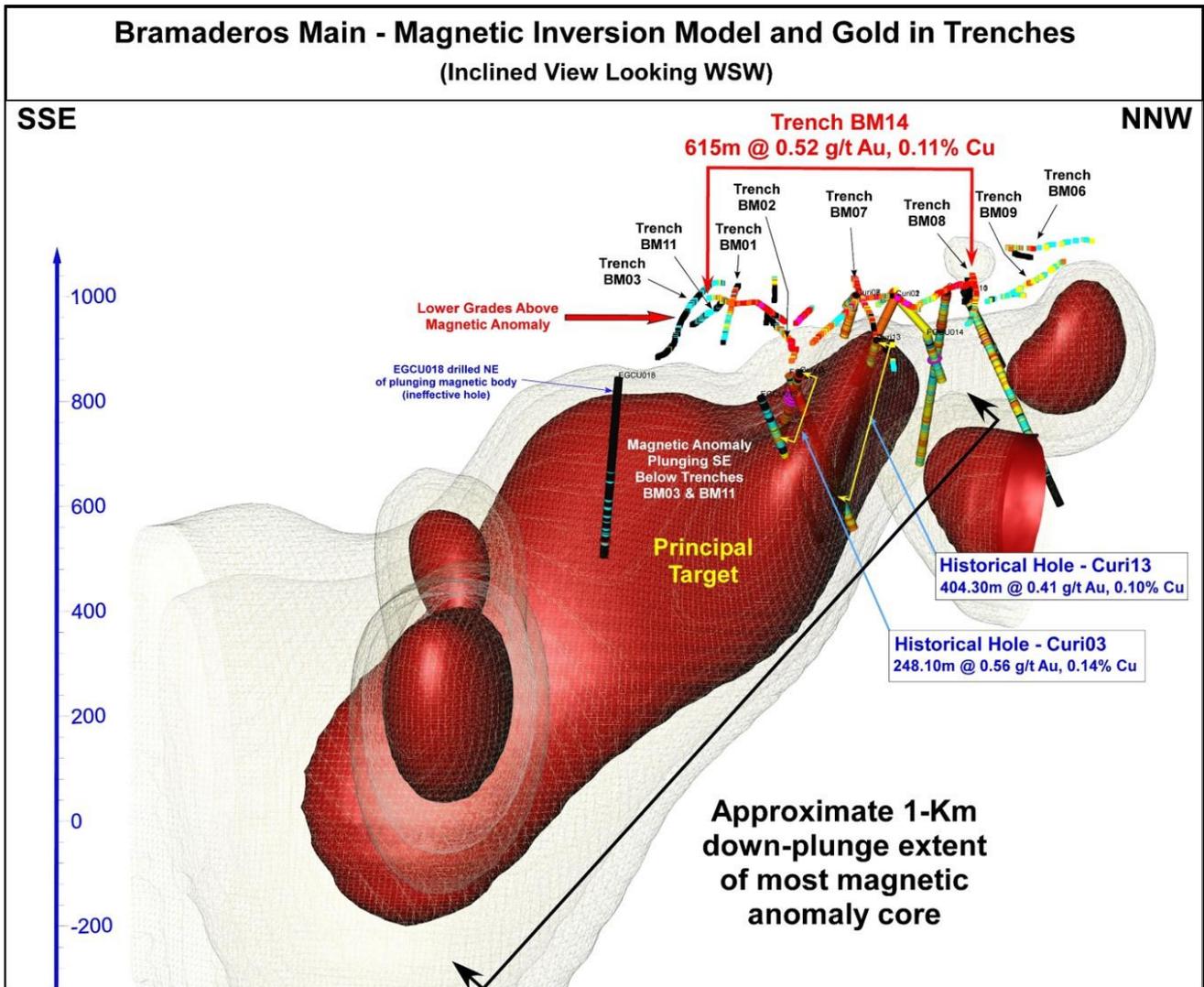


Figure 5: Interpretation of 3-D modelled heli-magnetics, looking towards the west-southwest, and showing a SE plunging body at Bramaderos Main with a vertical extent of at least 1km.

ASX ANNOUNCEMENT

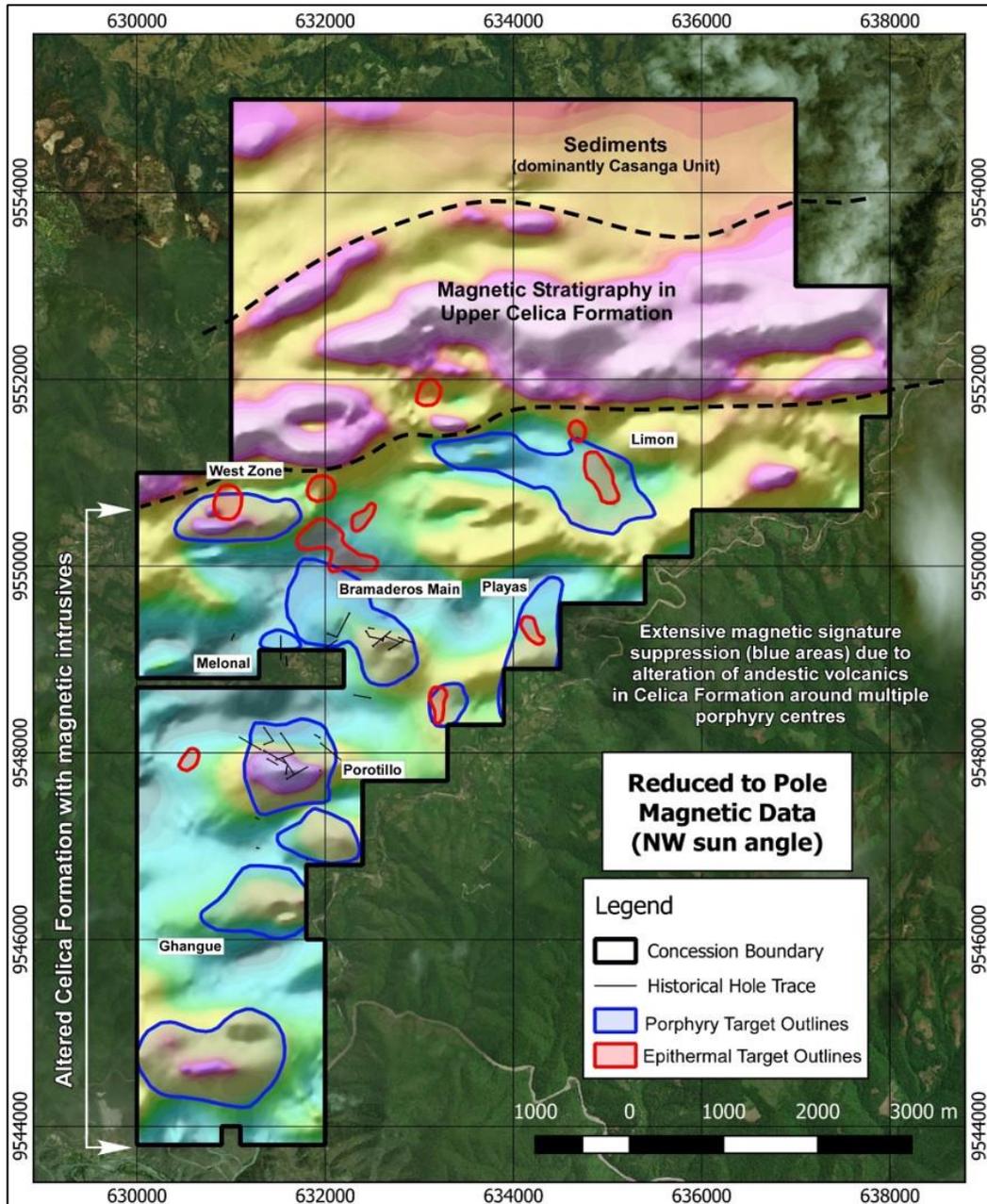


Figure 7: Bramaderos project showing the location of the gold-copper porphyry targets, and the West Zone epithermal gold system. The background image is detailed heli-magnetics on a Satellite image.

ASX ANNOUNCEMENT

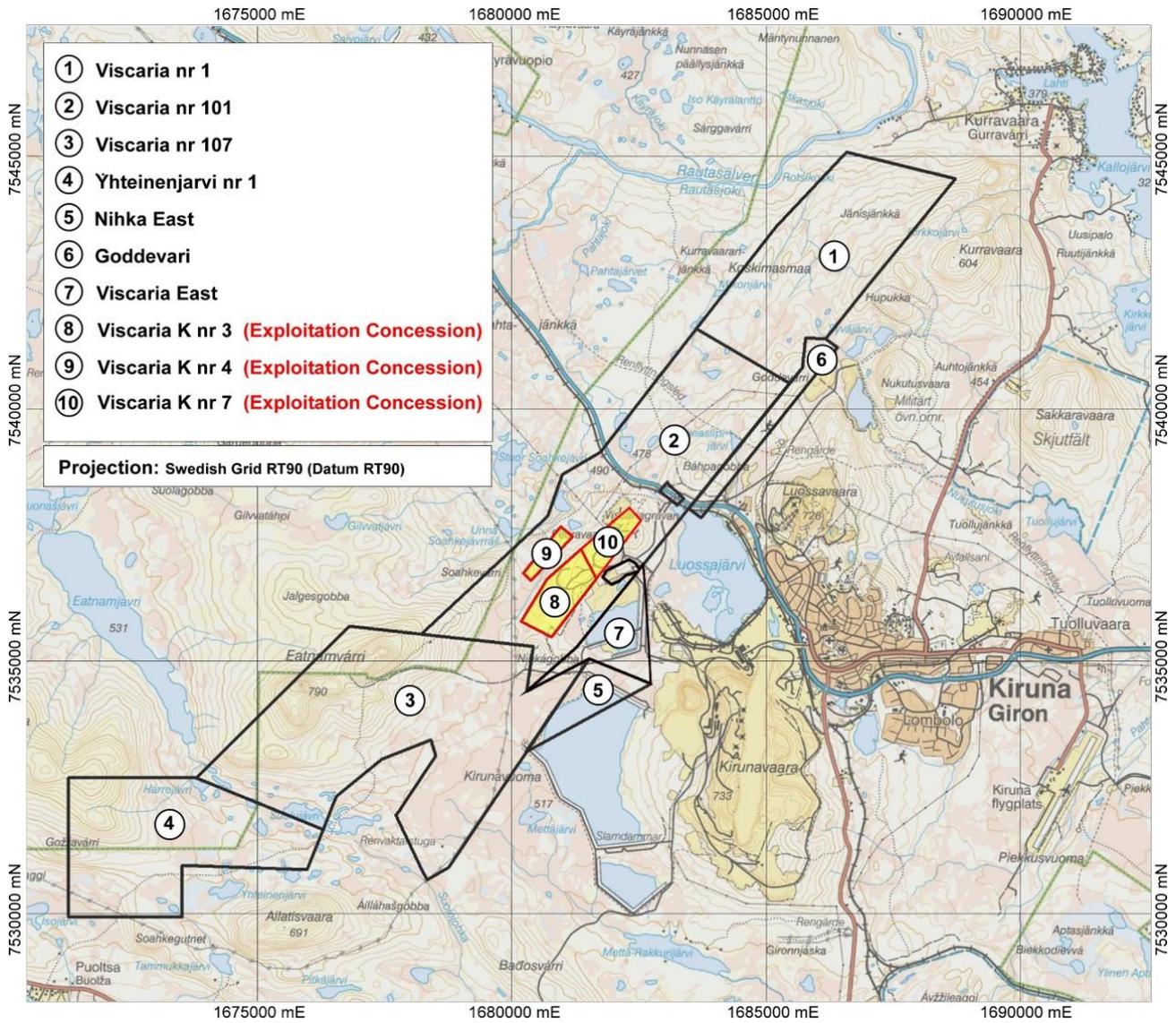


Figure 8: Tenement map for Viscaria Copper Project.

ASX ANNOUNCEMENT

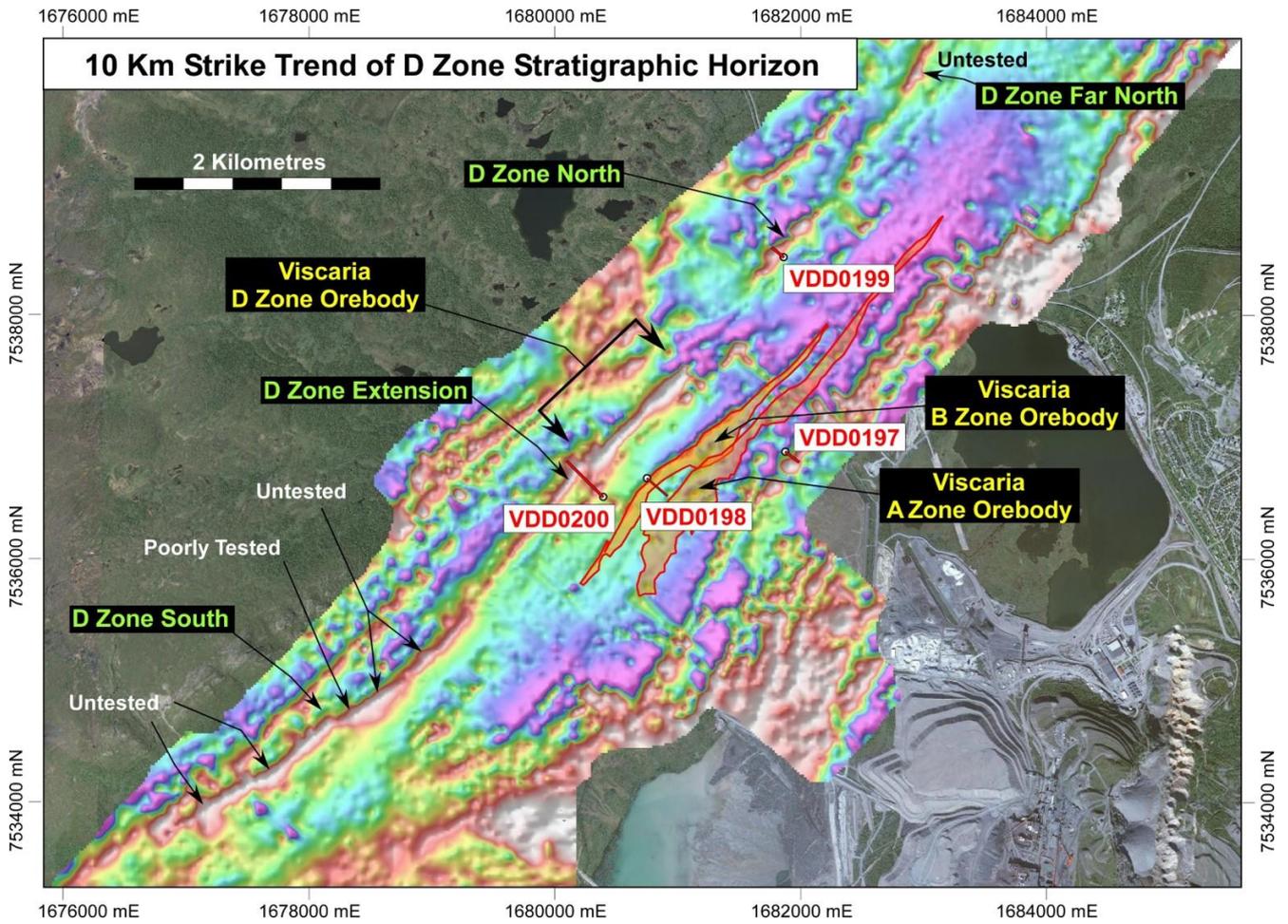


Figure 9: Plan view showing location of drill holes VDD 197 to VDD 200, and the highly prospective D Zone extension and D Zone South targets on a magnetic image.

ASX ANNOUNCEMENT

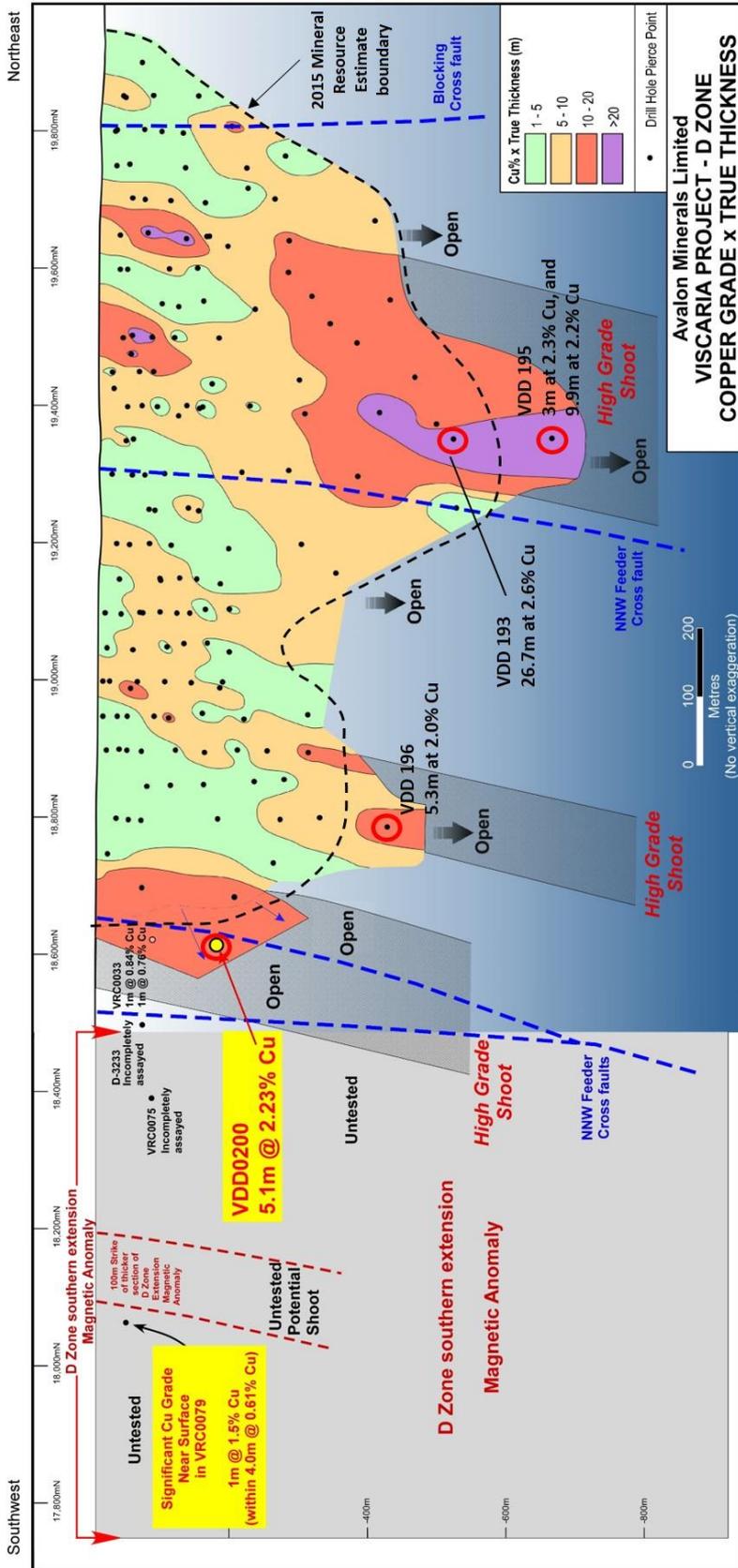


Figure 10: Long section along D Zone showing southern extension target area.

ASX ANNOUNCEMENT

TENEMENT SCHEDULE

At the end of the quarter, the Company holds the following tenements:

Gold-Copper Tenements – Ecuador

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
La Plata Minerales S.A.	Bramaderos [^]	Loja, Ecuador	Granted	0%

Copper Tenements - Sweden

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Avalon Minerals Viscaria AB	Viscaria No 1	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria No 101	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria No 107	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria No 112	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria K No 3	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria K No 4	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria K No 7 ^x	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Nihka East	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Goddevarri	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Viscaria East	Norrbottn, Sweden	Granted	100%
Avalon Minerals Viscaria AB	Yhteinenjärvi No 1	Norrbottn, Sweden	Granted	100%

Gold Tenements - Finland

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Kultatie Oy	Somero 1-12 [*]	Somero, Finland	Granted	80%
Kultatie Oy	Perämäki [*]	Somero, Finland	Application	80%
Scandian Metals AB	Ypäjä [†]	Somero, Finland	Granted	100%
Scandian Metals AB	Kukonharja [†]	Somero, Finland	Granted	100%
Scandian Metals AB	Paimio [†]	Somero, Finland	Granted	100%
Kultatie Holding Oy	Myllykulma	Somero, Finland	Application	100%
Kultatie Holding Oy	Palikkala	Somero, Finland	Application	100%
Kultatie Holding Oy	Uusikallio	Somero, Finland	Application	100%
Kultatie Holding Oy	Arolanmäki	Somero, Finland	Granted	100%
Kultatie Holding Oy	Humppila	Somero, Finland	Granted	100%

ASX ANNOUNCEMENT

Lithium Tenements – Finland and Sweden

Tenement Holder	Tenement Name	Location	Status	Sunstone Ownership
Scandian Metals AB	Ladumyrberget nr 1	Vasternorrlands, Sweden	Granted	100%
Scandian Metals AB	Ojaklacken nr 1	Vasternorrlands, Sweden	Granted	100%
Scandian Metals AB	Fannbyasen nr 1	Vasternorrlands, Sweden	Granted	100%
Scandian Metals AB	Fannbyasen nr 2	Vasternorrlands, Sweden	Granted	100%
Litiumloydos Oy	Tammela 1-3*	Somero, Finland	Granted	80%
Litiumloydos Oy	Ojalankulma*	Somero, Finland	Application	80%
Scandian Metals AB	Hietahauta	Kaustinen, Finland	Granted	100%
Scandian Metals AB	Viitala	Kaustinen, Finland	Granted	100%

During the quarter an agreement was entered into for Sunstone to purchase the remaining 20% interest in Scandian Metals Pty Ltd (Scandian), which owns 100% of Scandian Metals AB, in exchange for 600,000 Sunstone shares and agreeing to transfer the Swedish lithium tenements back to the former 20% shareholders. The share transfer was completed subsequent to the end of the quarter, and Sunstone now holds 100% of Scandian.

[^]Sunstone has a right to earn up to 80% under the terms of the earn-in agreement announced to ASX on 10 April 2017

^x The K7 Exploitation Concession at Viscaria was granted on 26 March 2018, however the decision was subsequently appealed in early May 2018.

^{*}Subject to earn-in joint venture with Nortec Minerals Corp. Requirements met to increase interest from 51% to 80% by Sunstone for gold and Scandian for lithium, and tenements have been transferred to JV entities.

[†] To be transferred to a 100% owned Sunstone subsidiary upon approval of Exploration Permits (Exploration Reservations cannot be transferred). Scandian Metals AB retains rights to any lithium interests within these areas.

Competent Persons Statement

The information in this report that relates to exploration results is based upon information reviewed by Dr Bruce Rohrlach who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Rohrlach is a full-time employee of Sunstone Metals Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Rohrlach consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ASX ANNOUNCEMENT

DIRECTORY

SUNSTONE METALS LIMITED
ABN 68 123 184 412

Web site: www.sunstonemetals.com.au
Email: info@sunstonemetals.com.au

Stock Exchange Listing

Australian Stock Exchange ASX Code: STM

Investor Information Contacts:

Mr Gavin Leicht - Company Secretary
Sunstone Metals Limited
Tel: 07 3368 9888
Email: gleicht@sunstonemetals.com.au

Shareholder Enquiries:

Share registry matters should be directed to:

Computershare Investor Services
Phone: 1300 850 505
Website: www.computershare.com.au

Registered Office:

9 Gardner Close
Milton Queensland 4064
Phone: 07 3368 9888
Fax: 07 3368 9899

Issued capital:

Ordinary shares: 1,141,702,039 (STM)
Quoted Options: 154,837,500 (STMO)*
(at 30 June 2018)
* exercisable at 3 cents on or before 31 August 2019

Directors:

Graham Ascough – Non-Executive Chairman
Malcolm Norris – CEO/Managing Director
Don Hyma - Non-Executive Director
Stephen Stroud - Non-Executive Director

Company Secretary:

Gavin Leicht

For further information please visit www.sunstonemetals.com.au or contact:

Sunstone Metals Limited
T: 07 3368 9888
E: info@sunstonemetals.com.au
www.sunstonemetals.com.au

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Sunstone Metals Limited

ABN

68 123 184 412

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,196)	(3,290)
(b) development		
(c) production		
(d) staff costs	(357)	(1,275)
(e) administration and corporate costs	(186)	(842)
1.3 Dividends received (see note 3)		
1.4 Interest received	29	57
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds	0	(142)
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,710)	(5,491)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(0)	(3)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(0)	(3)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	0	8,121
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(0)	(451)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	0	7,670

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	4,362	476
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,710)	(5,491)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(0)	(3)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	0	7,670
4.5 Effect of movement in exchange rates on cash held	2	2
4.6 Cash and cash equivalents at end of period	2,654	2,654

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	224	216
5.2 Call deposits	2,430	4,146
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,654	4,362

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

115

Directors remuneration includes Managing Director salary.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,350
9.2 Development	
9.3 Production	
9.4 Staff costs	337
9.5 Administration and corporate costs	252
9.6 Other (provide details if material) Tax Payment	
9.7 Total estimated cash outflows	1,939

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased	<u>Finland:</u> Tammela 1-3 Ojalankulma Hietahauta Viitala <u>Sweden:</u> Ladumyrberget1 Ojaklacken nr 1 Fannbyasen nr 1 Fannbyasen nr 2	Increase in interest after agreement to acquire 20% minority interest in Scandian Metals Pty Ltd As above. Tenements to be transferred to previous 20% minority holder of Scandian Metals Pty Ltd in Sept Qtr 2018	64% 64% 80% 80% 80% 80% 80% 80%	80% 80% 100% 100% 100% 100% 100% 100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date: 30 July 2018

Print name: GAVIN LEICHT

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.