



PAYNES FIND GOLD LIMITED

**27 April 2016**

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## **Quarterly Activities Report and Appendix 5B**

### **For the Quarter ending 31 March 2016**

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The Board of Paynes Find Gold Limited (“**the Company**”) is pleased to provide the following commentary and Appendix 5B.

During the quarter the Directors completed a rights issue entitlement to all shareholders and a subsequent placement of the rights issue shortfall to raise a total of \$1,177,000.

The capital raising and the compliance with all ASX requirements during the period of suspension from trading of the Company’s securities, enabled the Company’s securities to recommence trading on the ASX 31 March 2016.

With the Company’s securities trading on the ASX and a cash balance of \$1,177,000 at the end of the quarter, the Directors believe they will receive more realistic proposals for the acquisition of Company making assets.

Post the end of the March quarter, the Directors placed an additional 14,208,950 shares at a price of 4 cents per share to raise \$568,358 before costs.

#### **Cash position**

The Company has a total of \$1,244,000 cash at the 31 March 2016 due to a rights issue entitlement to all shareholders on a 1 for 1 basis at an issue price of 4 cents. A total of \$1,177,000 was raised before costs.

#### **Exploration and Development Activities**

During the quarter the Company continued its geological assessment of the Paynes Find Gold Project. Further work has focused upon the ongoing studies of the previously untested potential that lies in the areas to the south and southwest within the project tenements.

Mapping and soil sampling of the southern tenements commenced in April with the objective of understanding the geological structures, elements present and the potential for gold mineralisation of a previously untested area.

Historical reports on previous exploration for base metals and rare earths are the subject of a study that is being linked to the current field trip.

The Company also continued to discuss with interested parties the joint venture or sale of part of the Paynes Find Gold Project.

For and on behalf of the Board.

A handwritten signature in black ink, appearing to read 'P Lloyd', written in a cursive style.

**Paul Lloyd**  
**Non-executive Chairman**

**Competent Person's Statement**

The information in this announcement to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves compiled by Mr D. J. Holden, who is a Director of the Company and is a Member of The Australian Institute of Geoscientists with over 25 years' experience in the mining and resource exploration industry. Mr Holden has sufficient experience, as to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Holden consents to the inclusion in the report of the matters based on information in the form and context in which it appears. The company is reporting the historical exploration results under the 2012 edition of the Australasian Code for the Reporting of Results, Minerals Resources and Ore reserves (JORC code 2012).

## Schedule of Mineral Tenements

Paynes Find Gold Ltd Schedule of Mineral Tenements		
Held as at 31 March 2016		
Tenement	Ownership Interest	Location
M59/2	100%	Paynes Find, WA
M59/10	100%	Paynes Find, WA
M59/235	100%	Paynes Find, WA
M59/244	100%	Paynes Find, WA
M59/396	100%	Paynes Find, WA
M59/662	100%	Paynes Find, WA
M59/663	100%	Paynes Find, WA
P59/1907	100%	Paynes Find, WA
P59/1908	100%	Paynes Find, WA
P59/1909	100%	Paynes Find, WA
P59/1924	100%	Paynes Find, WA
P59/1941	100%	Paynes Find, WA
P59/1942	100%	Paynes Find, WA
P59/1956	100%	Paynes Find, WA
P59/1957	100%	Paynes Find, WA
P59/1958	100%	Paynes Find, WA
P59/1959	100%	Paynes Find, WA
Disposed of during quarter		
Nil		
Acquired during quarter		
Nil		

## 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, 01/05/2013

Name of entity

PAYNES FIND GOLD LIMITED

ABN

45 141 450 624

Quarter ended ("current quarter")

31 MARCH 2016

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(13)	(42)
(b) development	-	-
(c) production	-	-
(d) administration	(64)	(311)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Due diligence cost)	-	(79)
<b>Net Operating Cash Flows</b>	<b>(76)</b>	<b>(429)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(76)</b>	<b>(429)</b>

+ See chapter 19 for defined terms.

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(76)	(429)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,177	1,712
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	(57)	(61)
	<b>Net financing cash flows</b>	<b>1,120</b>	<b>1,651</b>
	<b>Net increase (decrease) in cash held</b>	<b>1,044</b>	<b>1,222</b>
1.20	Cash at beginning of quarter/year to date	200	22
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,244</b>	<b>1,244</b>

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	43
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	30
4.2 Development	-
4.3 Production	-
4.4 Administration	75
<b>Total</b>	<b>105</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,244	200
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,244</b>	<b>200</b>

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+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

#### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b>			
	<i>(description)</i>			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>*Ordinary securities</b>	58,835,800	58,835,800	
7.4	Changes during quarter			
	(a) Increases through issues	29,417,900	29,417,900	
	(b) Decreases through returns of capital, buy-backs			
7.5	<b>*Convertible debt securities</b>			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	480,000 8,000,000	- -	<i>Exercise price</i> \$17.50 12.5 cents	<i>Expiry date</i> 01/05/2016 27/02/2020
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 27 April 2016  
(Director/Company secretary)

Print name: Paul Lloyd

## Notes

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+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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- 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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