

# Activities Report for Quarter ended 31 December 2017

## HIGHLIGHTS

- First ore produced at Golden Eagle deposit
- Proposed cornerstone investment of \$17.5 million from international mining investor, as part of Placement of up to \$30 million to support ongoing activities; approved by shareholders post quarter end

## OVERVIEW

### DAVYHURST PROJECT OPERATIONS REPORT

The Davyhurst Project includes both open cut and underground mining targets and is located 120 kilometres north-west of Kalgoorlie.

During the December quarter, ramping up activities continued within the 1.2Mtpa gold processing plant, the Davyhurst Mill, with 33,655t @ 1.4g/t treated.

The Golden Eagle underground capital development program has progressed well, pushing below the first ore horizon at period end. Ore development drives on the first level produced 6,848 tonnes at 3.9 g/t Au for 860 contained ounces and will be treated through the mill during the March quarter. Ore exposures have demonstrated predictability in both gold grade distribution and ore geometry.

Open pit mining operations remained suspended during the reporting period, and are now scheduled to recommence in the March Quarter.

Resource definition drilling results from Riverina project were returned during the quarter, with high grades intersections extending the mineralisation on the Main Riverina Lode.

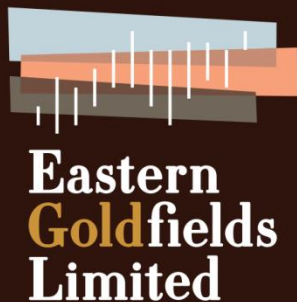
Results include:

- 19.0 m @ 2.41 g/t Au East Lode System
- 4.0 m @ 7.54 g/t Au Main Lode

### Davyhurst Processing Plant Update

Ramping up activities continued within the processing plant, with significant progress made on the PLC crusher controls, and successful performance testing of the grinding circuit reaching the nameplate capacity of 150t/hrs.

During the period the processing plant underwent some planned maintenance and engineering shutdowns aimed at eliminating a collection of minor inefficiencies. Unplanned shutdowns occurred due to an adverse weather event impacting the broader Kalgoorlie region, resulting in a Western Power mains power outage, a subsequent transformer failure in the power house, and lack of road access due to the wet weather.



#### BOARD OF DIRECTORS

Mr Michael Fotios  
*Executive Chairman*

Mr Craig Readhead  
*Non-Executive Director*

Mr Alan Still  
*Non-Executive Director*

Ms Shannon Coates  
*Company Secretary*

#### ISSUED CAPITAL

Shares: 560.4m  
Options: 58.0m  
Current Share Price: \$0.235  
Market Capitalisation: \$132m  
Cash as at 31/12/2017:  
\$80,000\*

\*Excluding total debt facilities  
of \$35.0m, see ASX  
announcement 31 Jan 2017.  
Drawn to date \$24.06m

#### EASTERN GOLDFIELDS LIMITED

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Balcatta WA 6021

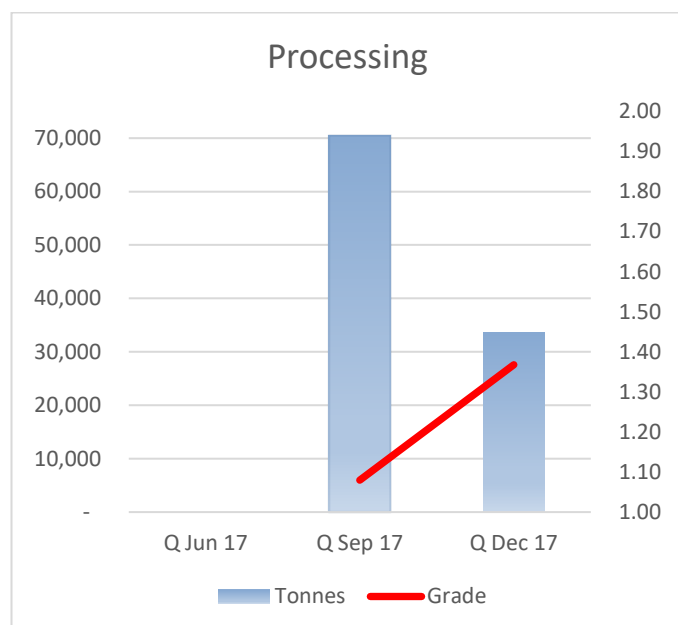
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Total tonnes treated for the quarter was lower at 33,655t (70,512t Sept Qtr) although pleasingly the grade lifted significantly to 1.37g/t (1.08g/t Sept Qtr).



Quarterly processing figures

### Underground Mining

The Golden Eagle underground capital development program has progressed well during the period, achieving 395 metres (238m Sept Qtr) of advance.

First ore was intersected during the period, with subsequent ore development totalling 110 metres of advance on the first level, producing 6,848 tonnes at 3.9 g/t Au for 860 contained ounces. The main lode target (the Quartz-Feldspar Lode, or QFL) has been consistently exposed on the hanging wall contact of the larger biotite schist unit, with additional footwall mineralisation occasionally identified. The QFL displays excellent grade continuity, which augurs well for the upcoming stoping event. Ore exposures have demonstrated predictability in both gold grade distribution and ore geometry. Ground conditions are considered good with very low water ingress rates encountered on the first level.

Development Face Highlights include:

- 4.0 m @ 8.6 g/t (uncut 23.8 g/t)
- 4.8 m @ 9.9 g/t (uncut 11.0 g/t)
- 4.2 m @ 8.6 g/t (uncut 10.6 g/t)
- 4.2 m @ 6.8 g/t (uncut 9.5 g/t)
- 5.9 m @ 5.0 g/t (uncut 6.3 g/t)

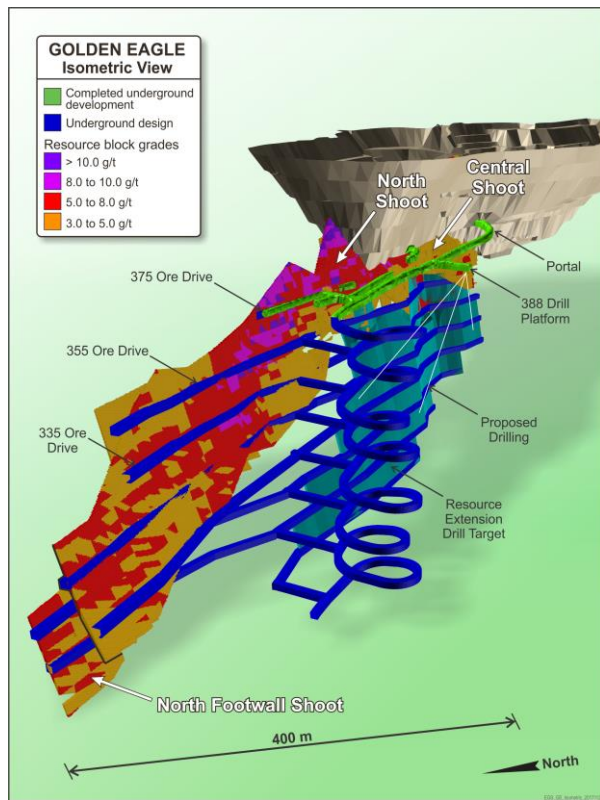


Figure 1: Isometric view of the Golden Eagle underground mine

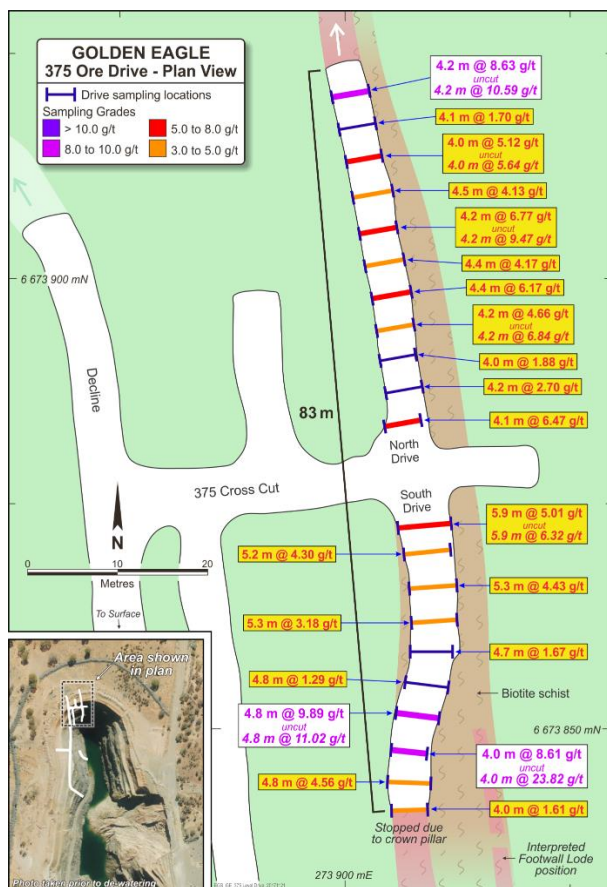


Figure 2: 375 Ore Drive Face Sampling Locations

## Open Pit Mining

Open pit mining operations are scheduled to recommence in the March quarter following the temporary suspension of operations during the December quarter. Upon recommencement, focus will be on the extraction of the recently identified near surface laterite gold mineralisation before moving to the Stage 1 cut back of the southern high wall in the Sand King open pit.

Additional grade control holes have been planned during the period for the near surface laterite gold mineralisation.

## PROJECT DEVELOPMENT UPDATE

### ***Riverina Project Area***

The Riverina Project area is located approximately 48 kilometres north of the Davyhurst Mill, and has a current Mineral Resource estimate of 2.6Mt @ 2.5g/t Au for 207,000 ounces. It is one of several high priority drilling targets within the Company's Davyhurst Project and is seen as the next open pit mining focus following on from Siberia.

Drilling is designed to infill and upgrade the existing Resource to be JORC 2012 compliant. The Company is pursuing numerous opportunities to expand and extend the known Resource into areas currently constrained by a lack of drilling coverage. At period end assays are awaited from 14 RC and 30 Diamond holes totalling 5,277 samples.

Drilling Highlights returned during the period included:

- 19.0 m @ 2.41 g/t Au      *East lode system*
- 20.0 m @ 1.37 g/t Au      *East lode system*
- 27.0 m @ 1.00 g/t Au      *East lode system*
- 20.0 m @ 1.00 g/t Au      *East lode system*
- 18.0 m @ 1.94 g/t Au      *East lode system*
- 18.0 m @ 1.47 g/t Au      *East lode system*
- 4.0 m @ 7.54 g/t Au      *Main Lode*

(see ASX announcement dated 26 October 2017)

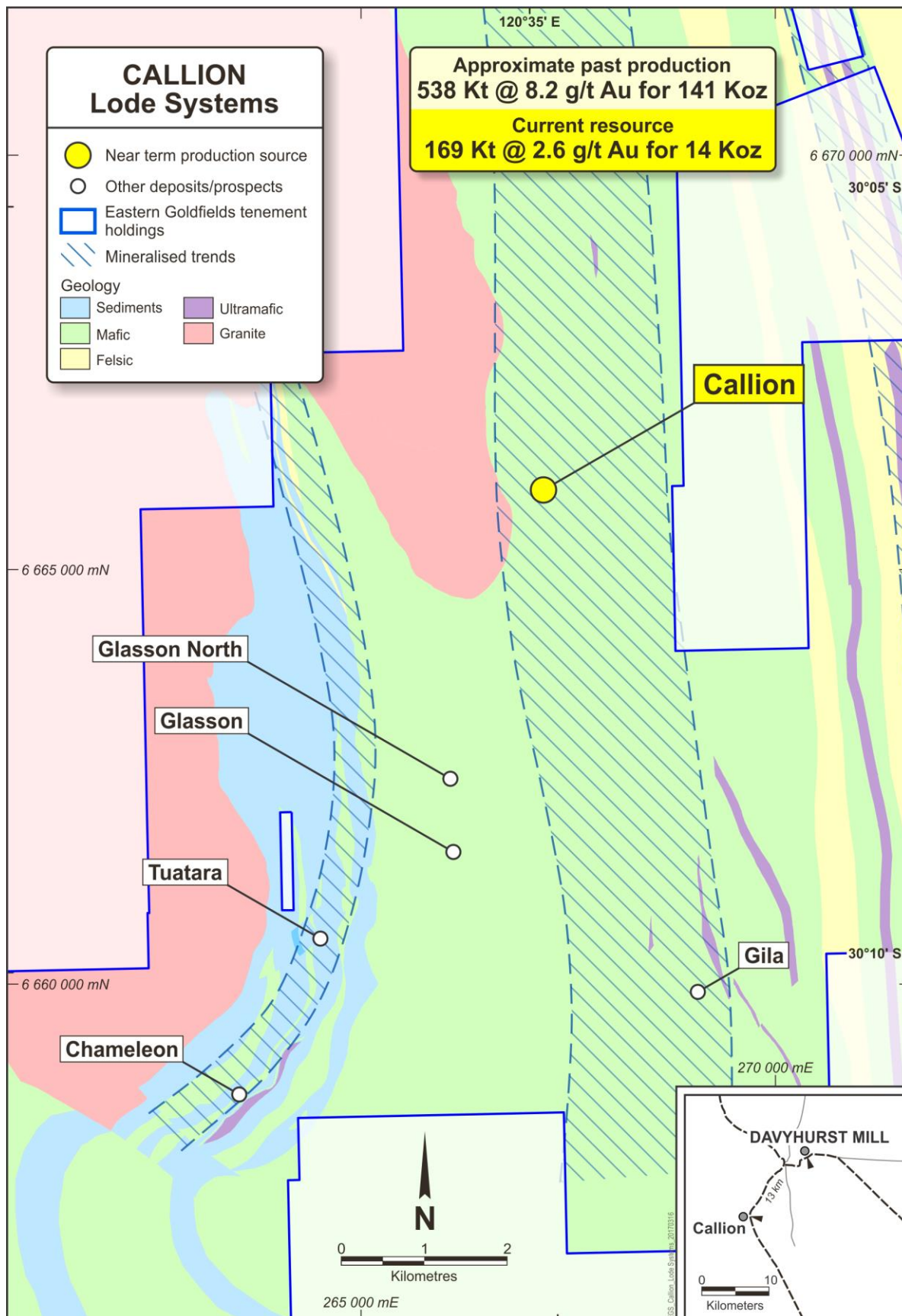
The identification of consistent broad zones of gold mineralisation present the company with an exciting opportunity to significantly increase the tonnage potential of the Riverina Deposit.

Drilling activities were suspended for the period and are now due to recommence during the March quarter. Upon recommencement, drilling will continue to evaluate the shallow near surface low stripping ratio gold mineralisation (East Lode System), before shifting to the higher-grade underground mining potential (Main Lode).

### ***Callion Project Area***

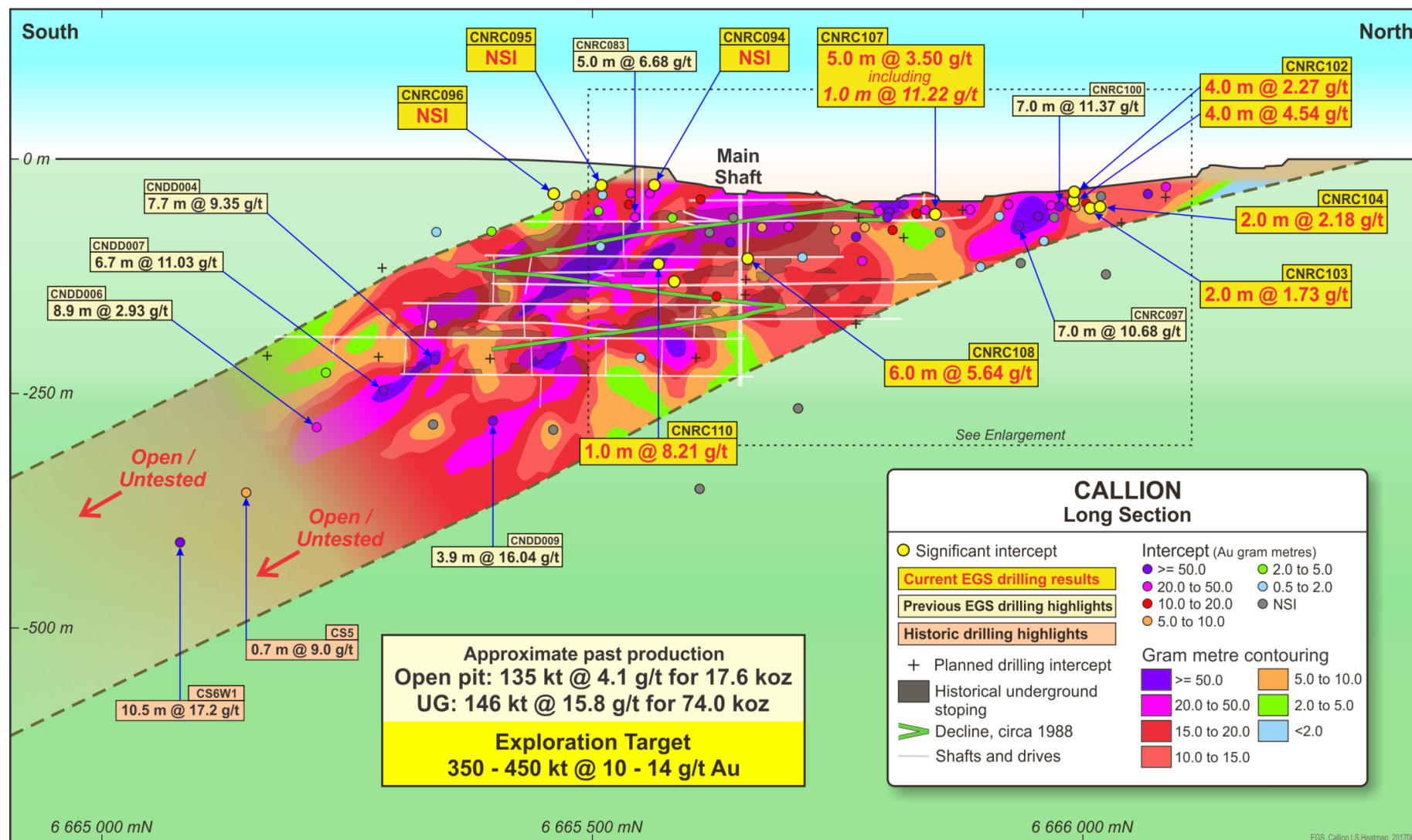
The Callion Deposit is 14 kilometres south west of the Davyhurst processing plant and has a current Mineral Resource estimate of 169Kt @ 2.6g/t Au for 14,000 ounces. The Company has an exploration target of 350-450Kt @ 10-14g/t and considers this a high priority resource definition target.

Worked relating to a resource estimation upgrade for the Callion deposit commenced during the reporting period. Results from this work are expected during the March quarter.



**Figure 3: Project Location Plan**  
**Approximate past production relates to Callion, Glasson, Tuatara and Chameleon**





**Figure 4: Callion Long Section, looking west, showing gram metre contoured, underground infrastructure, south plunging exploration target and recent drill intercepts.**

**Note:** The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource. Refer to “Callion Exploration Target – Additional Information” for further information.

## **Callion Exploration Target – Additional Information**

### **Basis for the Callion Exploration Target:**

The Exploration Targets were calculated using historic data that was collated by Eastern Goldfields Limited. The data consisted principally of channel sample assays and ore thicknesses and RC and diamond drill intersections. Lubbock compiled these data into mine blocks with associated grades and tonnages. Historical survey, geology and assay records were used to create a 3-dimensional model of the underground workings. The channel samples were collected across the width of the drive and/or stope face, generally perpendicular to the strike of the structure that controls mineralisation. Sample and assay methods of underground channel samples is unknown. RC drill sample were collected at 1m intervals and diamond core was cut to geological intervals. Assay methods of drillhole samples was by aqua regia or fire assay using accredited laboratories. In total, there are 1608 stope samples, 947 face samples and 13 drillhole samples used within the area of calculated Exploration Target.

### **Techniques for Calculating the Grade and Tonnage Ranges for the Callion Exploration Target:**

Hard copy survey and geology plans and long sections were digitised and registered in 3-dimensional space. A 3-dimensional model of the ore zones was constructed from the registered plans and drillhole data. Gold assay grades and widths were digitised from the plans. Due to the narrow and variable width of the orebody the estimation was based on an accumulation method. The accumulation variable ( $\text{Gram Metres} = \text{Width} \times \text{Au Grade}$ ) and the Width were estimated (Ordinary Kriging) into a block model. The grade was back-calculated by dividing the estimated Gram Metres by the estimated Width. A specific gravity of  $2.7 \text{ t/m}^3$  for fresh rock was applied based on 22 core samples.

### **Planned Exploration work:**

In the short term, Eastern Goldfields Limited has initiated a detailed drilling program to evaluate the geology, grade and width of the Callion exploration target. Drilling will target remnant pillars and areas below current mining depths. Samples will be submitted to accredited laboratories for gold assay with a full suite of QAQC samples (blanks, standards and field duplicates). If this drill program is deemed successful a geological and resource model will be produced. The resource model will be classified as inferred/indicated as deemed appropriate.

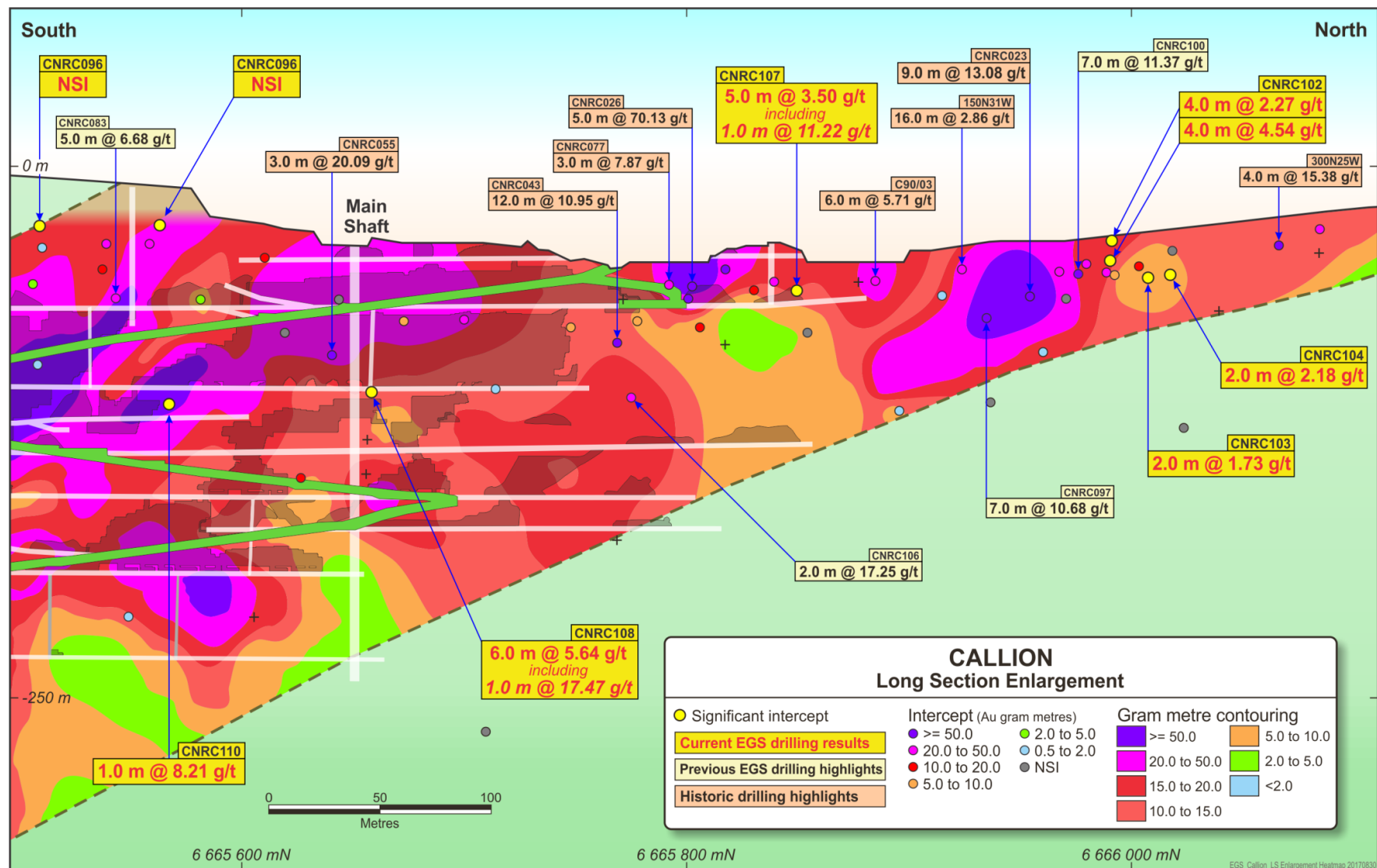


Figure 5: Callion Long Section Enlargement Looking West

Showing underground infrastructure, gram metre contouring, underground infrastructure, south plunging exploration target and recent drill intercepts



## ***Davyhurst Project Area***

### ***Waihi Complex***

The Waihi Complex consists of the historical Waihi and Golden Pole Deposits, and extends south to include the Dexy, Lady Eileen and Lady Eileen South deposits. Both The Waihi and Golden Pole deposits were initially mined in the early-mid 1900's as high grade underground mines to a maximum depth of 180 metres, targeting steeply dipping, north plunging shoots, producing approximately **95,500 ounces at an average grade of 27g/t Au**. In the late 1990's approximately 740,000 tonnes @ 2.40g/t Au was extracted via open pit methods at the Waihi Deposit, to a maximum depth of 90 metres, for an additional 56,000 ounces. The current mineral resource stands at 914,000 tonnes at 2.4g/t Au for 71,000 ounces of gold.

The Company has recovered all of the available historical mining records for the Golden Pole underground mine. The survey plans and stoping records have been utilised in the reconstruction of the historical mine in three dimensional space. This model has been integral in providing direction to the current exploration effort.

As part of ongoing technical reviews across the Davyhurst Project the Waihi Complex has been identified as a containing significant potential to provide high grade underground feed to complement the open pit material from Siberia. As such a comprehensive Resource update was initiated during the quarter to bring the Waihi Resource into JORC 2012 status while also allowing more detailed economic assessment of the deposit. The resource update is expected to be delivered in the March quarter.

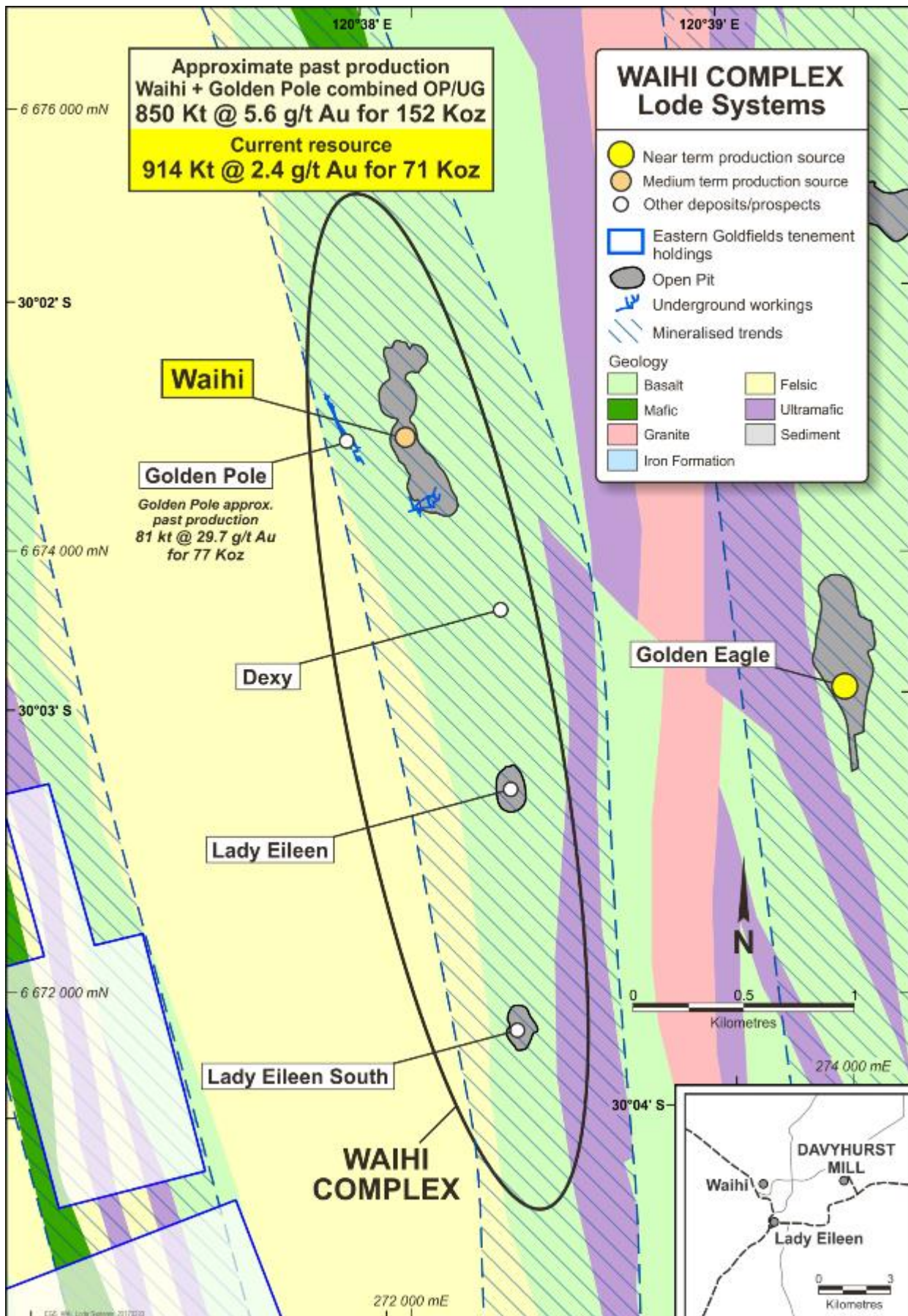


Figure 6: Project Location Plan.



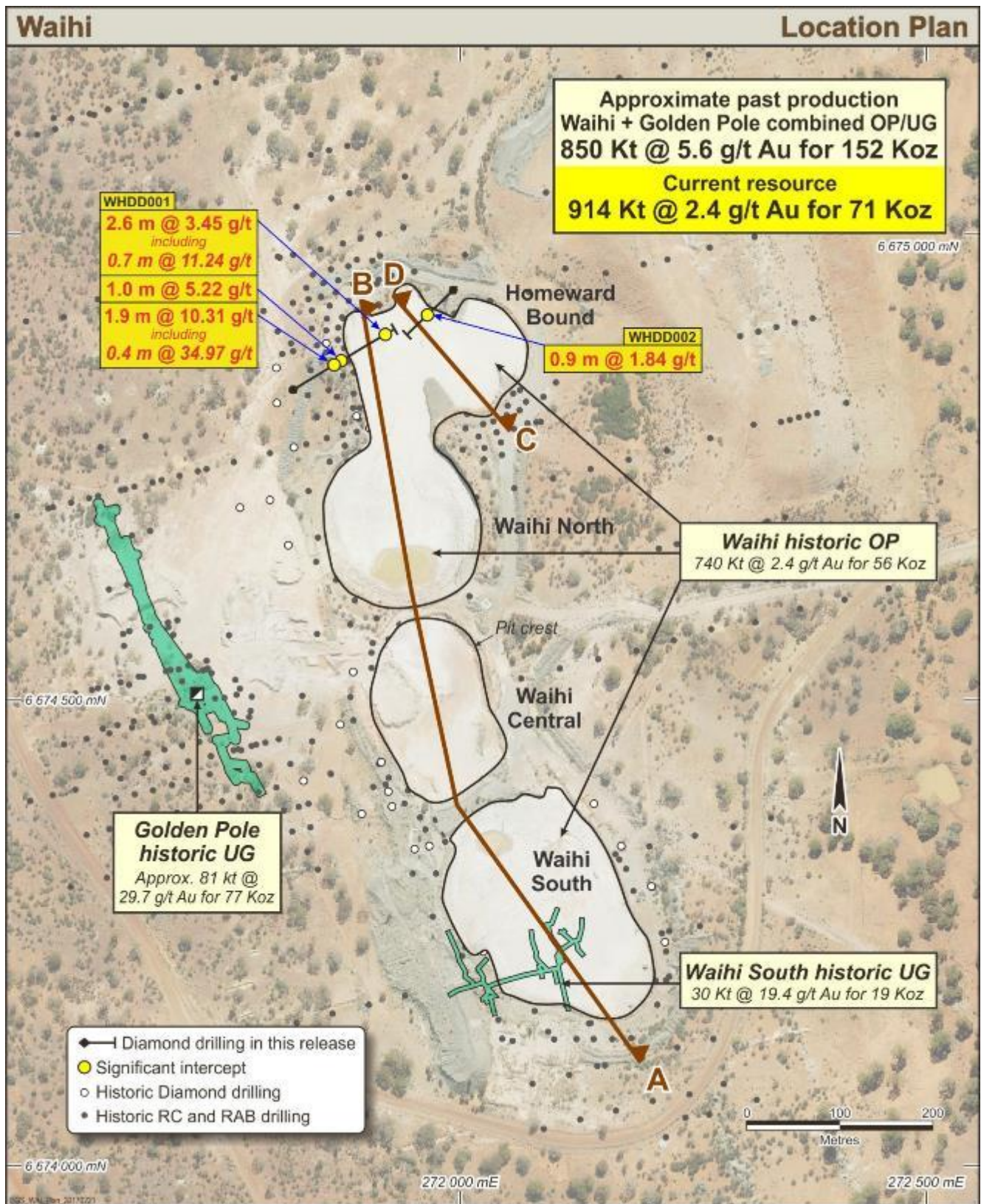


Figure 7: Waihi Plan. This image has been previously released in ASX announcement dated 22 February 2017.



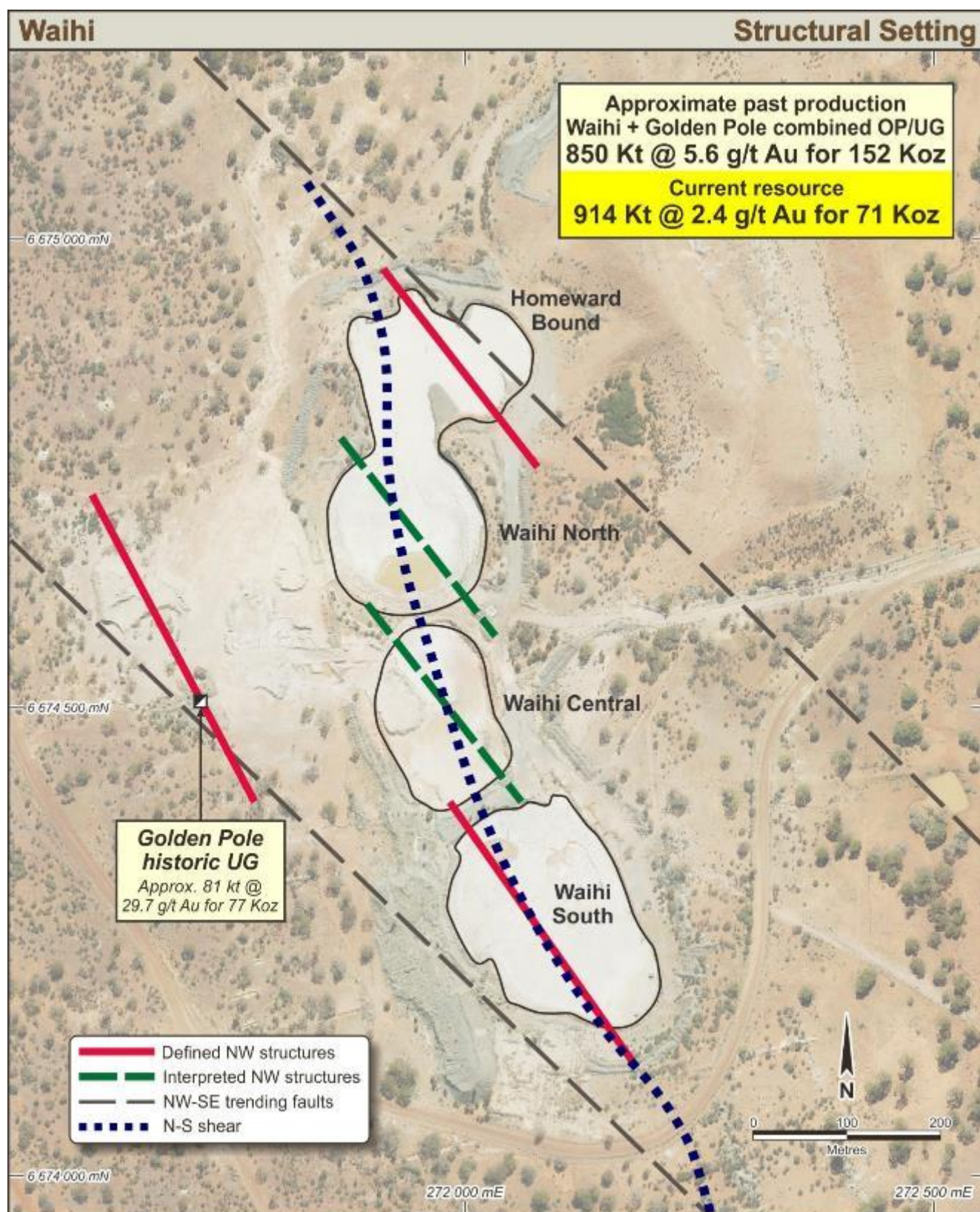


Figure 8: Waihi Interpreted Structural Setting. This image has been previously released in ASX announcement dated 22 February 2017.

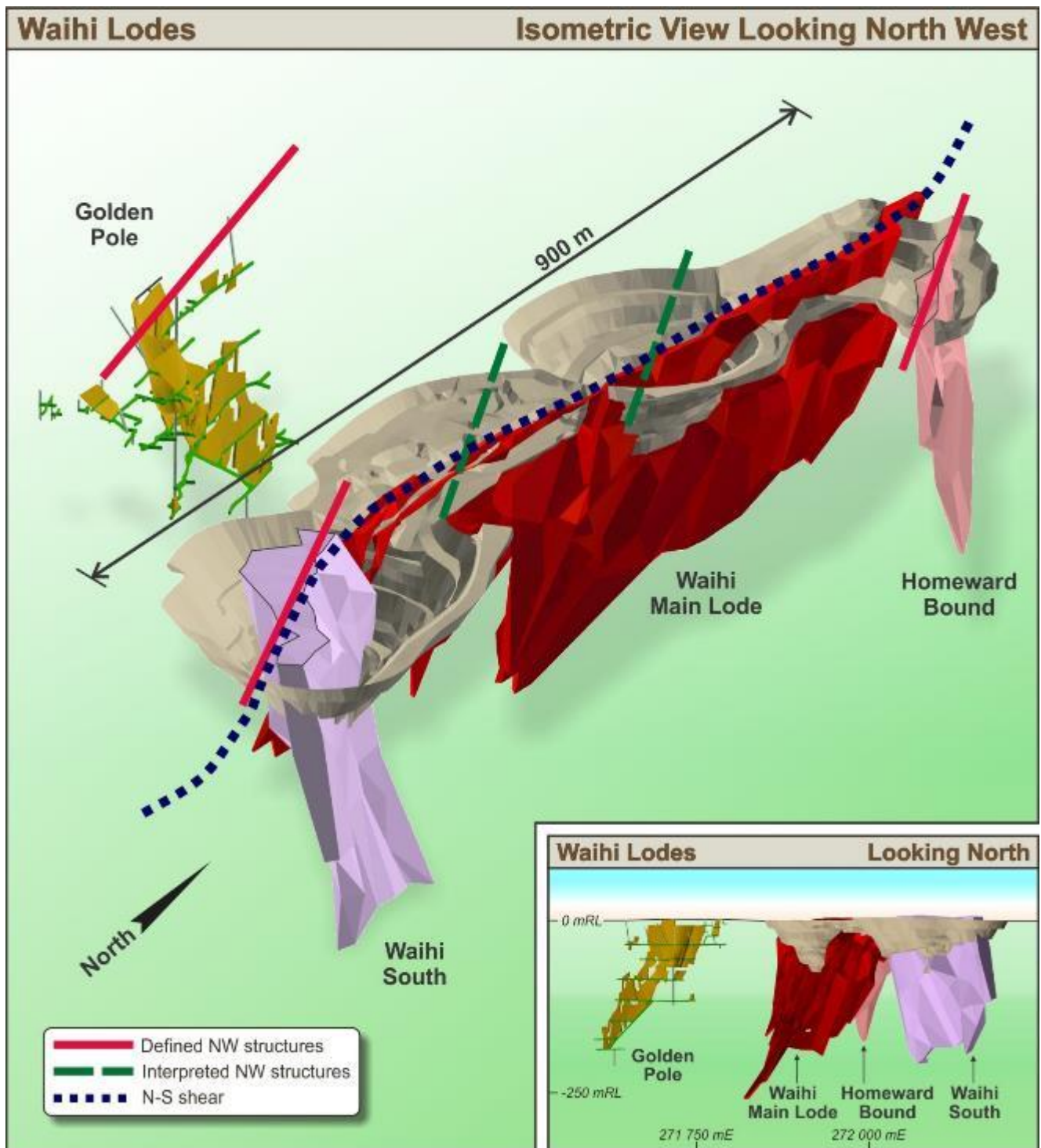


Figure 9: Waihi 3D Isometric View Looking to the North West (Not all lodes displayed). This image has been previously released in ASX announcement dated 22 February 2017.



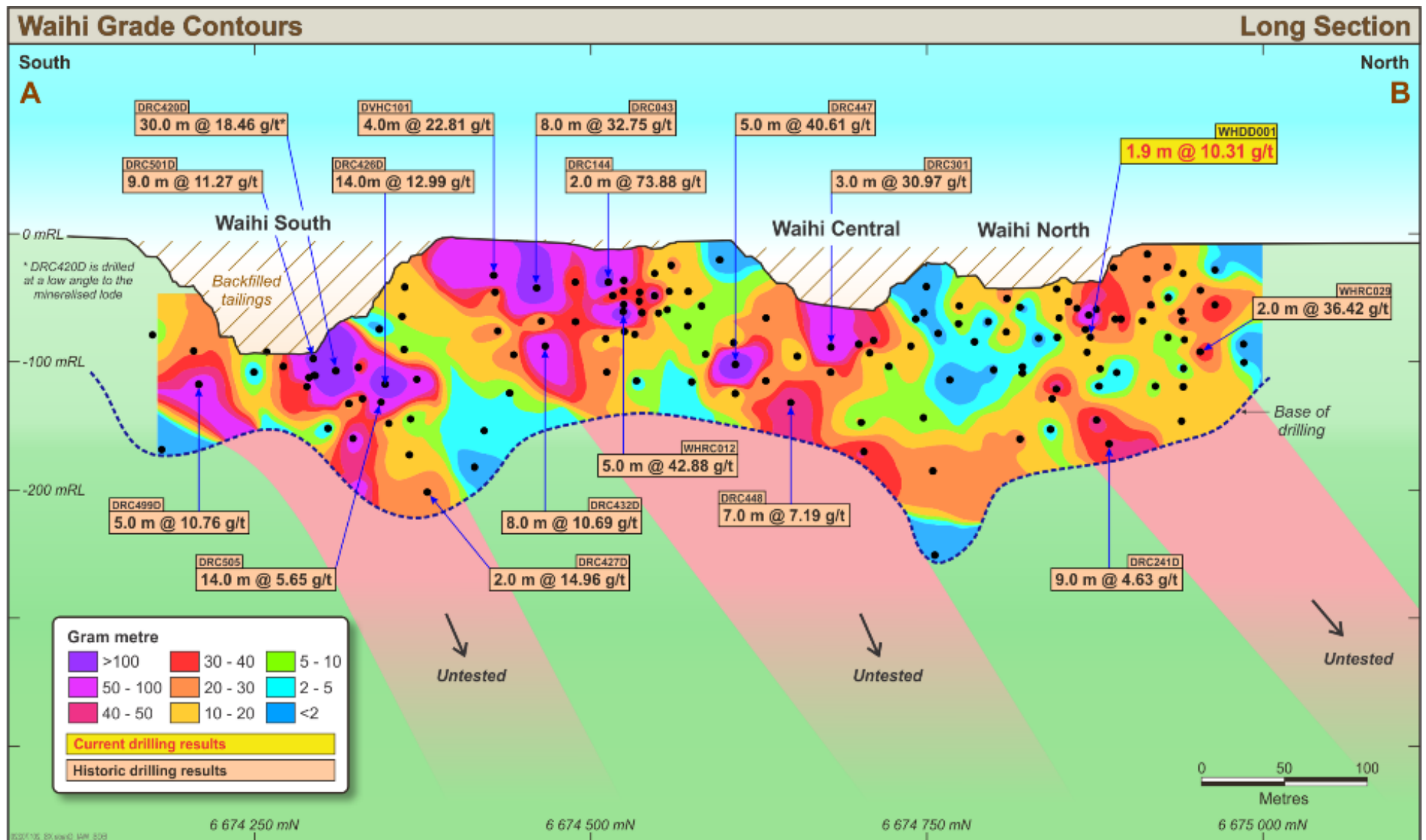


Figure 10: Waihi Long Section – gram metre contouring. This image has been previously released in ASX announcement dated 22 February 2017.

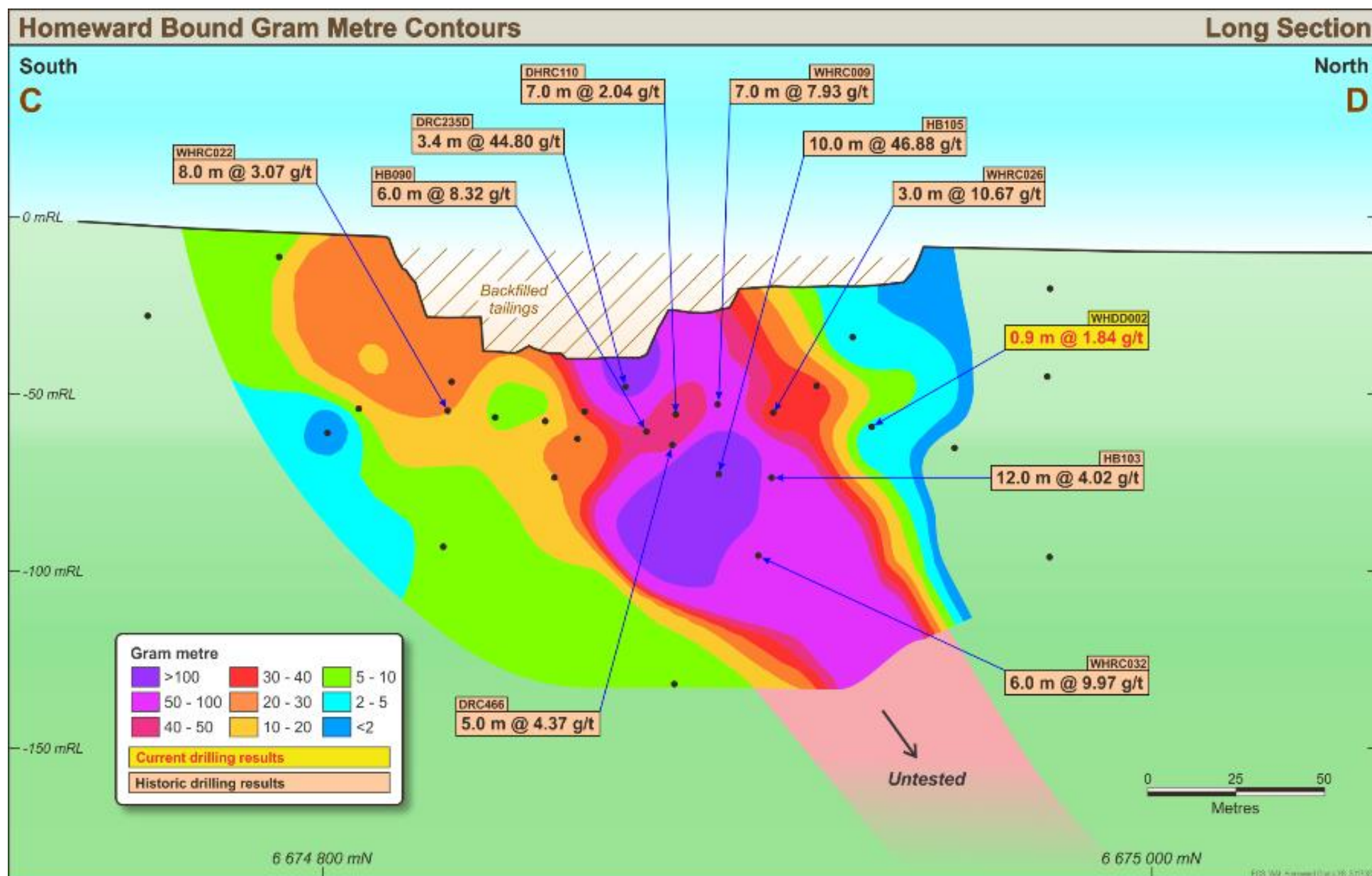


Figure 11: Homeward Long Section – gram metre contouring. This image has been previously released in ASX announcement dated 22 February 2017.

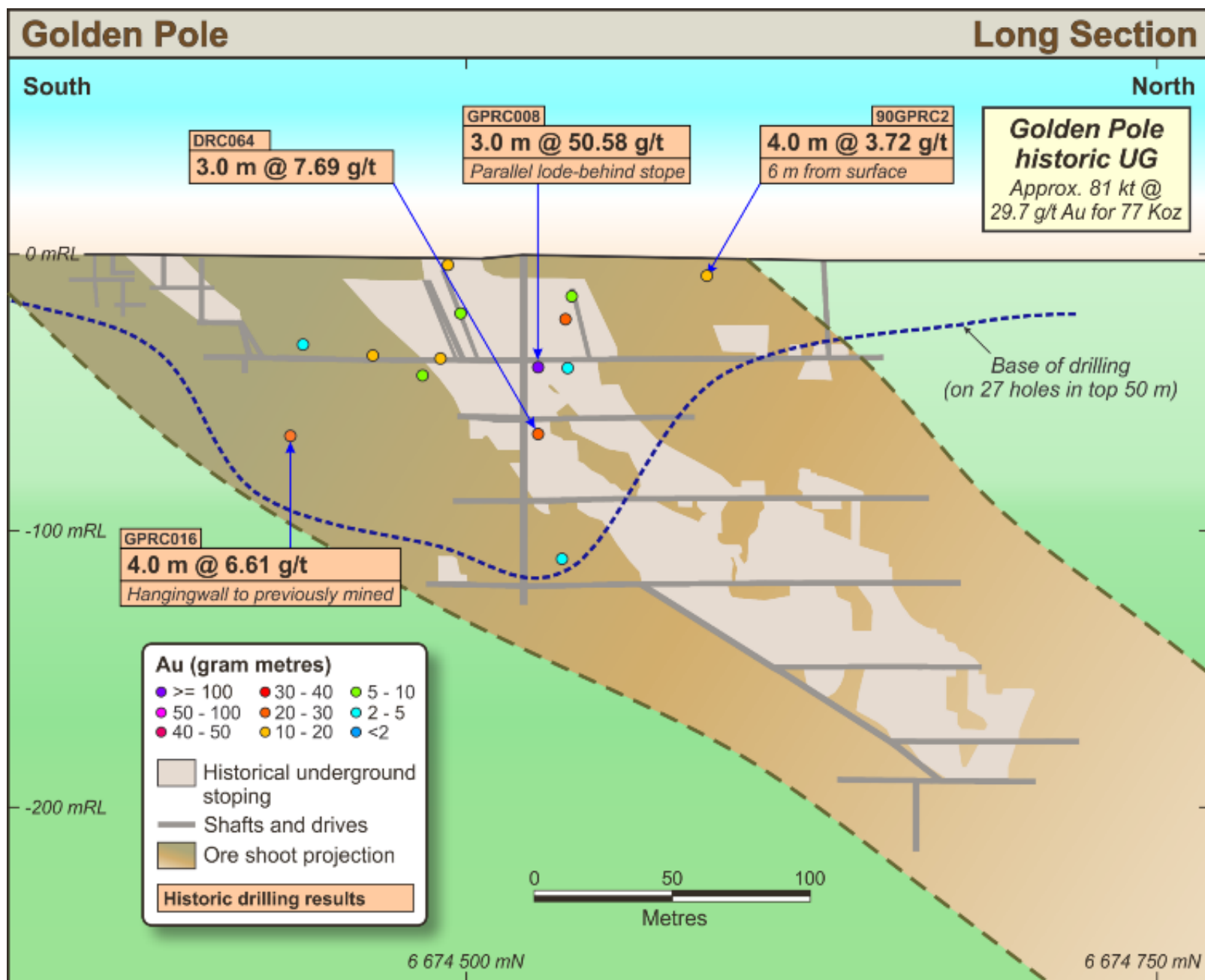


Figure 12: Golden Pole Long Section. This image has been previously released in ASX announcement dated 22 February 2017.



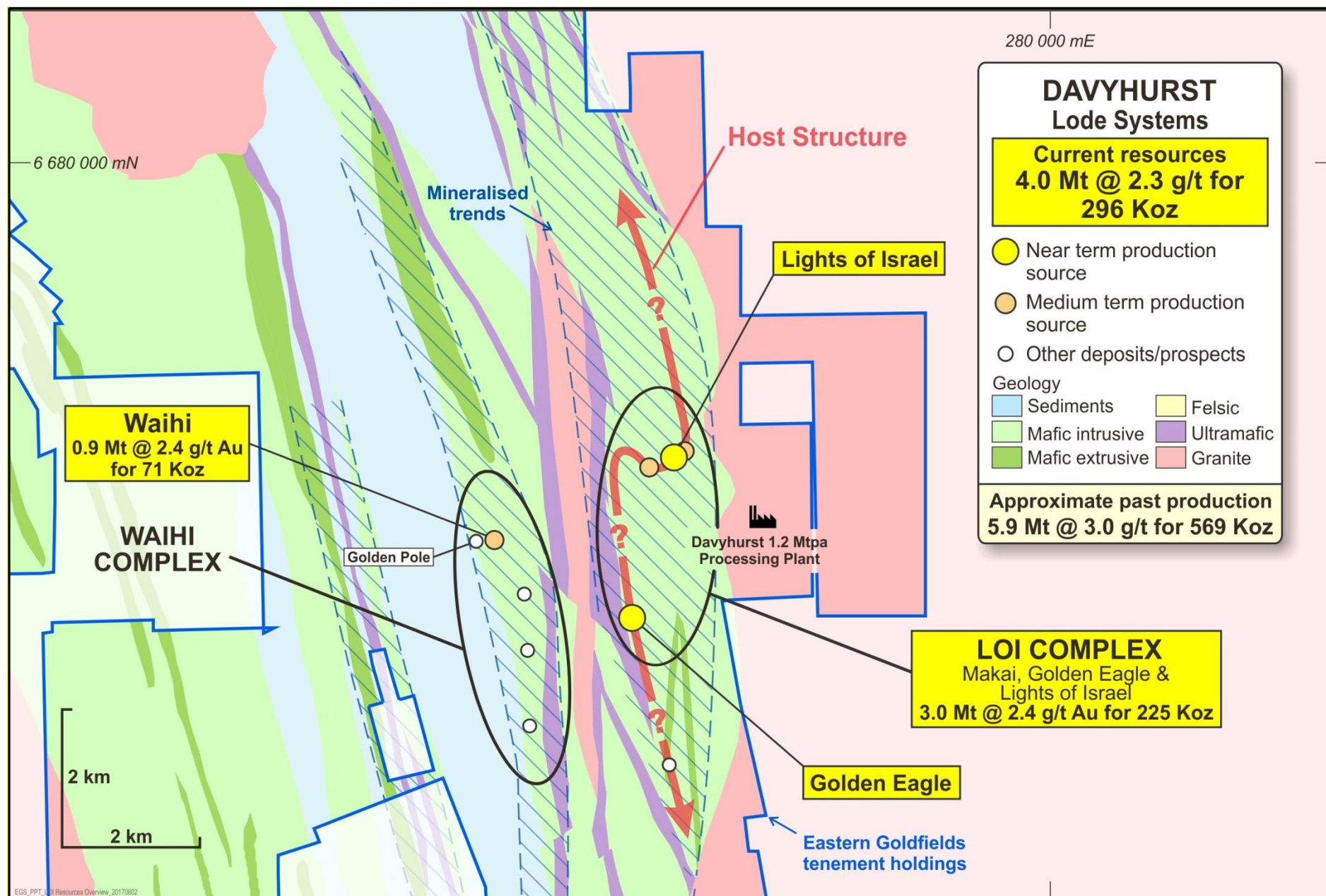


Figure 13: Davyhurst Project Location Plan.

## EXPLORATION UPDATE

The Exploration team has RC and diamond drill programmes planned for the Peachtree-Young Australia, Siberia-Consols and the Timber Flats areas; the latter containing the poorly drilled-tested but historically rich Golden Wonder and Little Wonder workings, interpreted to lie proximal to the Zuleika Shear, north of the Lights of Israel Complex. The Company is currently planning drill programmes at Menzies as part of the EGS/Intermin Joint Venture. The Company expects to drill test these opportunities in the next quarter.

## CORPORATE

### Placement

On 9 November 2017, the Company announced it had entered a binding agreement for a cornerstone investment of \$17.5 million from international mining investor, Hawke's Point Holdings L.P. (**Hawke's Point**). EGS sought firm commitments from sophisticated, professional and institutional investors to raise up to an additional \$12.5 million (before costs) through the issue of between 137,500,000 and up to 150,000,000 million fully paid ordinary shares in the Company (**Shares**) at a price of \$0.20 per share (**Placement**). The combined placements will provide up to \$30 million to support ongoing activities for Eastern Goldfields, including additional exploration, ongoing resource development and feasibility studies on the Company's Mt Ida/ Menzies projects, as well as providing general working capital.

All Shares issued under the Placement will be issued with a corresponding 1 for 1 free attaching unlisted option to acquire a share in the Company (**Option**). The Options will be issued in two tranches, with one half of the Options having an exercise price of \$0.25 (**Tranche A Options**) and the other half having an exercise price of \$0.275 (**Tranche B Options**). The Options will have an expiry date of 5 years after issue subject to an accelerated expiry date should certain objective conditions be met.

### Unmarketable Parcel Sale Facility

On 4 July 2017, The Company announced that it had closed the Unmarketable Parcel Sale Facility for holders of parcels of shares worth less than \$500 (**Unmarketable Parcels**) in the Company (**UPS Facility**) on 30 June 2017. The Company provided the UPS Facility to holders of Unmarketable Parcels to sell their shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic or impractical. By completing the UPS Facility, the Company will reduce the administrative costs associated with maintaining a large number of small holdings. To date, no Unmarketable Parcels have been sold due to a minimum price rule in the Company's Constitution. It is anticipated that the sales will occur soon after the Company's re-quotation to trading on the ASX.

### GRES

On 12 July 2017, the Company received a writ of summons for proceedings in the Supreme Court of Western Australia commenced by GR Engineering Services (**GRES**) in relation to the Davyhurst Gold Project refurbishment contract entered into by GRES and the Company on 22 September 2016. The Order made by the Supreme Court of Western Australia to wind up Eastern Goldfields was subsequently set aside and the winding up process terminated with the Company returned to its Directors (ASX announcement 17 August 2017). The Company provided further updates on the status of these proceedings on 24 and 25 January 2018.



## **Stirling Settlement Deed**

On 30 December 2015, the Company entered into a Settlement Deed with Stirling Resources Pty Ltd (**Stirling**) whereby it was agreed that 4.5 million ordinary shares in EGS (**Shares**) would be issued to Stirling within 6 months of commencement of gold production at its Davyhurst Gold Operation (see the Company's announcement to the ASX of 30 December 2015). The Board resolved to issue these Shares to Stirling in accordance with the Settlement Deed and the Shares were issued on 2 November 2017.

## **OUTLOOK**

Currently, the Company is moving towards steady state production based on treatment of existing low and medium grade surface stockpiles.

The Company expects to ramp up production during the March quarter, based on the introduction of higher grade open pit feed from the Siberia Mining Centre and ore becoming available from the Golden Eagle underground operation.

### ***Investor and Media Enquiries***

**Michael Fotios**

Executive Chairman

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### ***Competent Person Statement***

The information in this report that relates to Exploration Results, Exploration Targets and the Sand King and Missouri Mineral Resources is based on information compiled under the supervision of Mr Michael Thomson, an employee of Eastern Goldfields Limited, who is Member of the Australian Institute of Mining and Metallurgy. Mr Thomson 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'. Mr Thomson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (with the exception of the Sand King and Missouri Mineral Resources) is based on information compiled under the supervision of Mr Michael Thomson, an employee of Eastern Goldfields Limited, who is Member of the Australian Institute of Mining and Metallurgy. Mr Thomson 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 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been modified from the original announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Craig Mann, who is an independent mining engineering consultant and a full-time employee of Entech Pty Ltd, and has sufficient relevant experience to advise Eastern Goldfields Limited on matters relating to mine design, mine scheduling, mining methodology and mining costs. Mr Mann is satisfied that the information provided in this statement has been determined to a PFS level of accuracy, based on the data provided by Eastern Goldfields Limited. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been modified from the original announcement and, in the case of estimates of Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed.

***Forward Looking Statements***

Eastern Goldfields Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Eastern Goldfields Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

**Table 2: EGS Mineral Resource Statement**

PROJECT	MEASURED		INDICATED		INFERRED		TOTAL MATERIAL		
	('000t)	(g/t Au)	('000t)	(g/t Au)	('000t)	(g/t Au)	('000t)	(g/t Au)	('000oz.)
GOLDEN EAGLE	0	0.0	345	2.5	311	2.6	656	2.5	54
LIGHTS OF ISRAEL UNDERGROUND	0	0.0	74	4.3	180	4.2	254	4.2	35
MAKAI SHOOT	0	0.0	1,985	2.0	153	1.7	2,138	2.0	136
WAIHI	0	0.0	805	2.4	109	2.4	914	2.4	71
<b>Central Davyhurst Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,200</b>	<b>2.2</b>	<b>800</b>	<b>2.6</b>	<b>3,962</b>	<b>2.3</b>	<b>296</b>
LADY GLADYS	0	0.0	1,858	1.9	190	2.4	2,048	1.9	128
RIVERINA AREA	0	0.0	941	2.4	1,644	2.5	2,585	2.5	205
FOREHAND	0	0.0	386	1.7	436	1.9	822	1.8	48
SILVER TONGUE	0	0.0	155	2.7	19	1.3	174	2.5	14
SUNRAYSIA	0	0.0	175	2.1	318	2.0	493	2.0	32
<b>Riverina-Mulline Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,515</b>	<b>2.1</b>	<b>2,607</b>	<b>2.3</b>	<b>6,122</b>	<b>2.2</b>	<b>427</b>
SAND KING	0	0.0	1,773	3.3	680	3.7	2,453	3.4	272
MISSOURI	0	0.0	2,022	3.0	409	2.6	2,431	2.9	227
PALMERSTON / CAMPERDOWN	0	0.0	118	2.3	174	2.4	292	2.4	22
BERWICK MOREING	0	0.0	0	0.0	50	2.3	50	2.3	4
BLACK RABBIT	0	0.0	0	0.0	434	3.5	434	3.5	49
THIEL WELL	0	0.0	0	0.0	18	6.0	18	6.0	3
<b>Siberia Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,913</b>	<b>3.1</b>	<b>1,765</b>	<b>3.2</b>	<b>5,678</b>	<b>3.1</b>	<b>577</b>
CALLION	0	0.0	86	2.8	83	2.3	169	2.6	14
<b>Callion Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>86</b>	<b>2.8</b>	<b>83</b>	<b>2.3</b>	<b>169</b>	<b>2.6</b>	<b>14</b>
FEDERAL FLAG	32	2.0	112	1.8	238	2.5	382	2.3	28
SALMON GUMS	0	0.0	199	2.8	108	2.9	307	2.8	28
WALHALLA	0	0.0	448	1.8	216	1.4	664	1.7	36
WALHALLA NORTH	0	0.0	94	2.4	13	3.0	107	2.5	9
MT BANJO	0	0.0	109	2.3	126	1.4	235	1.8	14
MACEDON	0	0.0	0	0.0	186	1.8	186	1.8	11
<b>Walhalla Subtotal</b>	<b>32</b>	<b>2.0</b>	<b>962</b>	<b>2.1</b>	<b>887</b>	<b>2.0</b>	<b>1,881</b>	<b>2.1</b>	<b>126</b>
IGUANA	0	0.0	690	2.1	2,032	2.0	2,722	2.0	177
LIZARD	106	4.0	75	3.7	13	2.8	194	3.8	24
<b>Lady Ida Subtotal</b>	<b>106</b>	<b>4.0</b>	<b>765</b>	<b>2.3</b>	<b>2,045</b>	<b>2.0</b>	<b>2,916</b>	<b>2.1</b>	<b>201</b>
<b>Davyhurst Total</b>	<b>138</b>	<b>3.5</b>	<b>12,441</b>	<b>2.5</b>	<b>8,187</b>	<b>2.4</b>	<b>20,728</b>	<b>2.4</b>	<b>1,641</b>
BALDOCK	0	0.0	136	18.6	0	0.0	136	18.6	81
BALDOCK STH	0	0.0	0	0.0	0	0.0	0	0.0	0
METEOR	0	0.0	0	0.0	143	9.3	143	9.3	43
WHINNEN	0	0.0	0	0.0	39	13.3	39	13.3	17
<b>Mount Ida Total</b>	<b>0</b>	<b>0.0</b>	<b>136</b>	<b>18.6</b>	<b>182</b>	<b>10.2</b>	<b>318</b>	<b>13.8</b>	<b>141</b>
<b>Combined Total</b>	<b>138</b>	<b>3.5</b>	<b>12,577</b>	<b>2.7</b>	<b>8,369</b>	<b>2.6</b>	<b>21,046</b>	<b>2.6</b>	<b>1,782</b>

1. All Resources listed above with the exception of the Missouri and Sand King Resources were prepared and first disclosed under the JORC Code 2004 (refer to ASX release "Swan Gold Prospectus", 13/2/2013). It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.
2. The Missouri and Sand King Mineral Resources has been updated and complies with all relevant aspects of the JORC code 2012.
3. The above table contains rounding errors

**Table 3: EGS Mineral Reserve Statement**

Reserve	Proven		Probable		Total		
	('000t)	(g/t Au)	('000t)	(g/t Au)	('000t)	(g/t Au)	('000oz.)
Missouri - Dec 2016	-	-	1,205	2.2	1,205	2.2	85
Sand King - Feb 217	-	-	8,20	2.5	820	2.5	65
<b>Combined Total</b>	<b>-</b>	<b>-</b>	<b>2,025</b>	<b>2.3</b>	<b>2,025</b>	<b>2.3</b>	<b>150</b>

## Appendix 1: Tenement Listing and Movements During the Quarter

Tenement	Status	Mineral Field	Beginning %	End %	Note
E16/0332	Granted	16 - Coolgardie	100	100	
E16/0337	Granted	16 - Coolgardie	100	100	
E16/0344	Granted	16 - Coolgardie	75	75	1
E16/0347	Granted	16 - Coolgardie	100	100	
E16/0456	Granted	16 - Coolgardie	100	100	
E16/0473	Granted	16 - Coolgardie	100	100	
E16/0474	Granted	16 - Coolgardie	100	100	
E16/0475	Granted	16 - Coolgardie	100	100	
E16/0480	Granted	16 - Coolgardie	100	100	
E16/0482	Granted	16 - Coolgardie	100	100	
E16/0483	Granted	16 - Coolgardie	100	100	
E16/0484	Granted	16 - Coolgardie	100	100	
E16/0486	Granted	16 - Coolgardie	100	100	
E16/0487	Granted	16 - Coolgardie	100	100	
E29/0640	Granted	29 - North Coolgardie	100	100	2
E29/0641	Granted	29 - North Coolgardie	100	100	2
E29/0889	Granted	29 - North Coolgardie	100	100	4
E29/0895	Granted	29 - North Coolgardie	100	100	
E29/0955	Granted	29 - North Coolgardie	100	100	
E29/0964	Granted	29 - North Coolgardie	100	100	
E30/0333	Granted	30 - North Coolgardie	100	100	4
E30/0334	Granted	30 - North Coolgardie	100	100	
E30/0335	Granted	30 - North Coolgardie	100	100	
E30/0336	Granted	30 - North Coolgardie	100	100	
E30/0338	Granted	30 - North Coolgardie	100	100	
E30/0449	Granted	30 - North Coolgardie	100	100	
E30/0454	Granted	30 - North Coolgardie	100	100	
E30/0468	Granted	30 - North Coolgardie	100	100	
L15/0224	Granted	15 - Coolgardie	100	100	
L16/0058	Granted	16 - Coolgardie	100	100	
L16/0062	Granted	16 - Coolgardie	100	100	
L16/0072	Granted	16 - Coolgardie	100	100	
L16/0073	Granted	16 - Coolgardie	100	100	
L16/0077	Dead	16 - Coolgardie	100	0	
L16/0103	Granted	16 - Coolgardie	100	100	
L24/0085	Granted	24 - Broad Arrow	100	100	
L24/0101	Granted	24 - Broad Arrow	100	100	
L24/0115	Granted	24 - Broad Arrow	100	100	
L24/0123	Granted	24 - Broad Arrow	100	100	
L24/0124	Granted	24 - Broad Arrow	100	100	
L24/0170	Granted	24 - Broad Arrow	100	100	
L24/0174	Granted	24 - Broad Arrow	100	100	
L24/0188	Granted	24 - Broad Arrow	100	100	
L24/0189	Granted	24 - Broad Arrow	100	100	

L24/0224	Granted	24 - Broad Arrow	100	100	
L24/0232	Granted	24 - Broad Arrow	100	100	
L24/0233	Granted	24 - Broad Arrow	100	100	
L29/0034	Dead	29 - North Coolgardie	100	0	
L29/0038	Dead	29 - North Coolgardie	100	0	
L29/0040	Dead	29 - North Coolgardie	100	0	
L29/0074	Granted	29 - North Coolgardie	100	100	
L30/0035	Granted	30 - North Coolgardie	100	100	
L30/0037	Granted	30 - North Coolgardie	100	100	
L30/0043	Granted	30 - North Coolgardie	100	100	
M16/0262	Granted	16 - Coolgardie	100	100	
M16/0263	Granted	16 - Coolgardie	100	100	
M16/0264	Granted	16 - Coolgardie	100	100	
M16/0268	Granted	16 - Coolgardie	100	100	
M16/0470	Granted	16 - Coolgardie	100	100	
M24/0039	Granted	24 - Broad Arrow	100	100	5
M24/0115	Granted	24 - Broad Arrow	100	100	
M24/0159	Granted	24 - Broad Arrow	100	100	
M24/0208	Granted	24 - Broad Arrow	100	100	
M24/0376	Granted	24 - Broad Arrow	100	100	
M24/0634	Granted	24 - Broad Arrow	100	100	4
M24/0660	Granted	24 - Broad Arrow	100	100	4
M24/0663	Granted	24 - Broad Arrow	100	100	4
M24/0664	Granted	24 - Broad Arrow	100	100	4
M24/0665	Granted	24 - Broad Arrow	100	100	6
M24/0683	Granted	24 - Broad Arrow	100	100	4
M24/0686	Granted	24 - Broad Arrow	100	100	4
M24/0757	Granted	24 - Broad Arrow	100	100	4
M24/0772	Granted	24 - Broad Arrow	100	100	4
M24/0797	Granted	24 - Broad Arrow	100	100	4
M24/0845	Granted	24 - Broad Arrow	100	100	4
M24/0846	Granted	24 - Broad Arrow	100	100	4
M24/0847	Granted	24 - Broad Arrow	100	100	4
M24/0848	Granted	24 - Broad Arrow	100	100	4
M24/0915	Granted	24 - Broad Arrow	100	100	4
M24/0916	Granted	24 - Broad Arrow	100	100	4
M24/0960	Granted	24 - Broad Arrow	100	100	
M29/0002	Granted	29 - North Coolgardie	100	100	2
M29/0165	Granted	29 - North Coolgardie	100	100	2
M29/0422	Granted	29 - North Coolgardie	100	100	2
M30/0102	Granted	30 - North Coolgardie	100	100	
M30/0103	Granted	30 - North Coolgardie	100	100	
M30/0111	Granted	30 - North Coolgardie	100	100	
M30/0123	Granted	30 - North Coolgardie	100	100	
M30/0126	Granted	30 - North Coolgardie	100	100	
M30/0127	Granted	30 - North Coolgardie	100	100	4



M30/0133	Granted	30 - North Coolgardie	100	100	4
M30/0157	Granted	30 - North Coolgardie	100	100	4
M30/0182	Granted	30 - North Coolgardie	100	100	4
M30/0187	Granted	30 - North Coolgardie	100	100	
M30/0253	Granted	30 - North Coolgardie	100	100	
M30/0255	Granted	30 - North Coolgardie	100	100	
M30/0256	Granted	30 - North Coolgardie	100	100	
P16/2774	Granted	16 - Coolgardie	100	100	
P16/2775	Granted	16 - Coolgardie	100	100	
P16/2921	Granted	16 - Coolgardie	100	100	
P16/2922	Granted	16 - Coolgardie	100	100	
P24/4395	Granted	24 - Broad Arrow	100	100	4
P24/4396	Granted	24 - Broad Arrow	100	100	4
P24/4400	Granted	24 - Broad Arrow	100	100	4
P24/4401	Granted	24 - Broad Arrow	100	100	4
P24/4402	Granted	24 - Broad Arrow	100	100	4
P24/4403	Granted	24 - Broad Arrow	100	100	4
P24/4750	Granted	24 - Broad Arrow	100	100	
P24/4751	Granted	24 - Broad Arrow	100	100	
P24/4754	Granted	24 - Broad Arrow	100	100	
P24/5073	Granted	24 - Broad Arrow	100	100	
P24/5074	Granted	24 - Broad Arrow	100	100	
P24/5075	Granted	24 - Broad Arrow	100	100	
P29/2310	Granted	29 - North Coolgardie	100	100	2
P29/2311	Granted	29 - North Coolgardie	100	100	2
P29/2312	Granted	29 - North Coolgardie	100	100	2
P29/2313	Granted	29 - North Coolgardie	100	100	2
P29/2314	Granted	29 - North Coolgardie	100	100	2
P29/2315	Granted	29 - North Coolgardie	100	100	2
P29/2316	Granted	29 - North Coolgardie	100	100	2
P29/2317	Granted	29 - North Coolgardie	100	100	2
P29/2318	Granted	29 - North Coolgardie	100	100	2
P29/2319	Granted	29 - North Coolgardie	100	100	2
P29/2320	Granted	29 - North Coolgardie	100	100	2
P29/2321	Granted	29 - North Coolgardie	100	100	2
P29/2322	Granted	29 - North Coolgardie	100	100	2
P29/2323	Granted	29 - North Coolgardie	100	100	2
P29/2324	Granted	29 - North Coolgardie	100	100	2
P29/2325	Granted	29 - North Coolgardie	100	100	2
P29/2326	Granted	29 - North Coolgardie	100	100	2
P29/2327	Granted	29 - North Coolgardie	100	100	2
P29/2328	Granted	29 - North Coolgardie	100	100	2
P30/1074	Granted	30 - North Coolgardie	100	100	4
P30/1107	Granted	30 - North Coolgardie	100	100	
P30/1108	Granted	30 - North Coolgardie	100	100	
P30/1109	Granted	30 - North Coolgardie	100	100	

P30/1110	Granted	30 - North Coolgardie	100	100	4
P30/1111	Granted	30 - North Coolgardie	100	100	4
P30/1112	Granted	30 - North Coolgardie	100	100	4
P30/1113	Granted	30 - North Coolgardie	100	100	4
P30/1114	Granted	30 - North Coolgardie	100	100	4
P30/1115	Granted	30 - North Coolgardie	100	100	4
P30/1116	Granted	30 - North Coolgardie	100	100	4
P30/1117	Granted	30 - North Coolgardie	100	100	4
P30/1118	Granted	30 - North Coolgardie	100	100	4
P30/1119	Granted	30 - North Coolgardie	100	100	4
P30/1120	Granted	30 - North Coolgardie	100	100	4
P30/1121	Granted	30 - North Coolgardie	100	100	4
P30/1122	Granted	30 - North Coolgardie	100	100	4

#### Notes

- 1 EGS holds a % interest in gold rights
- 2 100% interest in iron rights held by 3rd party
- 3 100% interest in iron and nickel rights held by 3rd party
- 4 100% interest in nickel rights held by 3rd party
- 5 100% interest in gold rights held by EGS
- 6 90% interest in all mineral rights barr nickel held by EGS
- 7 Interest dissolved

## 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

Eastern Goldfields Limited

### ABN

69 100 038 266

### Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,304	3,658
1.2 Payments for		
(a) exploration & evaluation	(1,956)	(2,500)
(b) development	(4,215)	(6,732)
(c) production	(1,843)	(2,659)
(d) staff costs	(1,153)	(2,449)
(e) administration and corporate costs	(683)	(1,364)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(299)	(299)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 GST refund received / Other	-	2,862
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(7,843)</b>	<b>(9,484)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	(5)	146
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	8,323	10,123
3.6	Repayment of borrowings	(432)	(718)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>7,886</b>	<b>9,550</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	37	13
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,843)	(9,484)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,886	9,550
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>80</b>	<b>80</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	80	37
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>80</b>	<b>37</b>

**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**

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**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**

859

-

All payments to related entities and associates are on normal commercial terms. The payments relate to management, staff, office and drilling expenses.



<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	25,000	15,000
8.2 Credit standby arrangements	10,000	9,058
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.		

Investec Australia Limited has granted debt facilities totalling A\$25 million.

The Credit Approved Facilities comprise:

- Revolving Loan Facility of A\$15m;
- Equity Linked Facility of A\$10m.

Additional Stand-by Facilities have been provided by Investmet and other related entities of A\$10m

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	2,000
9.2 Development	4,500
9.3 Production	9,500
9.4 Staff costs	1,500
9.5 Administration and corporate costs	700
9.6 Other (provide details if material)	100
<b>9.7 Total estimated cash outflows</b>	<b>18,300</b>

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

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	E16/0332 P16/2774 P16/2775 P29/2324 P29/2325 P29/2327 P29/2311 P29/2315 P29/2316 P29/2317 P29/2318 P30/1107 P30/1108 P30/1109 P30/1110 P30/1112 P30/1113 P30/1114 P30/1115 P30/1116 P30/1117 P30/1119 P30/1120 P30/1121	Lapsed	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-			

### **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.



31 January 2018

Sign here: .....

(Director/~~Company secretary~~)

MICHAEL FOTIOS

Date: .....

Print name: .....

### **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.