

**Eastern
Goldfields
Ltd**

Activities Report for Quarter Ending 30 June 2016

Eastern Goldfields Limited (ASX: EGS) (**Eastern Goldfields** or the **Company**) is pleased to provide the following activities and cash flow report for the quarter ending 30 June 2016.

HIGHLIGHTS

- **\$2.5 million resource drilling program commenced at Siberia Mining Centre**
- **Acquired additional tenements in the Eastern Goldfields region in Western Australia**
- **Numerous drilling programs have returned encouraging results during the quarter:**
 - **Golden Eagle Deposit:** (refer ASX announcement 19 May 2016)
2.95m @ 11.06g/t Au from 157.05m
2.66m @ 13.74g/t Au from 112.84m
 - **Dexy Prospect:** (refer ASX announcement 26 May 2016)
5.00m @ 11.04g/t Au from 65.00m
8.00m @ 2.94g/t Au from 35.00m
 - **Walhalla North Prospect:** (refer ASX announcement 15 June 2016)
7.00m @ 3.70g/t Au from 98.00m
2.00m @ 5.74g/t Au from 15.00m
 - **Gila Prospect:** (refer ASX announcement 5 May 2016)
3.00m @ 18.9g/t Au from 115.00m
4.00m @ 9.50g/t Au from 20.00m

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: 489m
Options: 50.2m
Current Share Price: \$0.51
Market Capitalisation:
\$252m
Cash as at 30/6/2016:
\$15.5m

OVERVIEW

Davyhurst Project

The Davyhurst Project includes both open cut and underground mining targets, located 120 kilometres north-west of Kalgoorlie. Mining operations will initially commence on open pit resources at Siberia and underground resources within the Davyhurst area. The Davyhurst area hosts some of the largest deposits within the entire portfolio and has considerable potential for the discovery of new gold deposits, in addition to the extension of existing resources.

The Company's immediate focus remains centred on the evaluation of mining opportunities. Work programs put in place are designed to cover Mineral Resource definition & extension drilling, exploration of known mineralisation along with grassroots programs targeting new discoveries. The Company will also seek to complete the refurbishment of the 1.2Mtpa Davyhurst Processing Plant as soon as practicable.

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During the period, the Company advanced both project development works and processing plant refurbishment engineering and early works, combined with ongoing explorations works.

For the quarter a total of 15 diamond holes (2,181m), 4 RC holes (336m) and 1,835 geochemical auger holes were completed across the project area. Both RC and DD work focused on Siberia, Walhalla, Callion and Lights of Israel while the auger drilling was assessing regional prospectivity in Siberia South and Lady Ida.

PROJECT DEVELOPMENT UPDATE

Siberia Project Area

The Siberia mining centre is 35 kilometres south east of Davyhurst and contains two main deposits, Sand King and Missouri, both of which remain the subject of detailed mine evaluation works.

As announced 14 June 2016, the Company commenced resource definition drilling at the Sand King and Missouri Gold deposits. The Company has deployed three diamond drill rigs to site with an additional RC percussion rig scheduled to be mobilised in the coming weeks. The resource definition drilling is expected to be completed by September 2016, with exploration and extensional drilling likely to continue. The resource definition drilling program consists of approximately 6,000 meters of diamond core drilling and 6,000 meters of reverse circulation drilling from within and around the existing Sand King and Missouri open pit deposits.

Geotechnical drilling (diamond HQ3) has been prioritised and was largely complete by period end. Detailed geotechnical evaluation works relating to the proposed open pit mining episode continue.

Davyhurst Project Area

Golden Eagle Deposit

As announced 19 May 2016, drilling on the Golden Eagle Deposit has confirmed the Company's recently revised geological model and the importance of the Quartz-Feldspar-Lode association with the location of high grade gold. Golden Eagle has been identified as an additional near term underground mining target. The first phase of the drilling is now complete, with results confirming that mineralisation extends over 100 metres north of the existing resource boundary and remains open at depth and in the down plunge direction.

Minor site inspection and evaluation works, pre-mobilisation were conducted during the period. DMP – Resource Safety have approved the Project Management Plan (**PMP**). The project now awaits final environmental approval relating to its Mining Proposal (**MP**) from DMP – Environment.

LOI Mining Centre

Drilling of a diamond drilling program was completed during the quarter, with 3 holes drilled into the Makai Deposits and an additional exploratory diamond hole into the Great Ophir Lode system. Results are pending for all 4 holes.

The Lights of Israel deposit (**LOI**), the Makai and the Great Ophir are collectively known as the LOI Complex. The Makai deposit is a lode system that sits in an up dip position to the main LOI deposit and is located 700 metres from the Davyhurst Processing Plant. A mining event has been proposed which targets Makai while leveraging off the existing LOI capital development, ultimately providing access options for the entire known plunge length of this deposit.

Detailed geotechnical assessment of the Makai diamond core was undertaken; along with an underground inspection examining the LOI vent adit, main portal, decline and stockpiles. All were found to be in good to fair condition. The standing water level within the mine was also found to be below the current planned mining event.

Site Engineering Works

Early works have commenced on in preparation for the more extensive processing plant refurbishment. The larger engineering project aims to re-instate the 1.2Mtpa processing capacity of the Davyhurst Plant.

Early works conducted during the quarter included;

1. Papertalk Bore Fields – Install/repair of 160mm poly pipeline and installation and tie-in of new 2500m of 110mm poly pipeline from bore fields to the Mill area / Reverse Osmosis (RO) Plant;
2. RO Plant Prep – removal of old/redundant 20ft RO container, clean up and preparation of ground ready for new 40ft RO Plant. This included refurbishment of the Raw Water Tank comprising of internal blasting and protective coating with polyurethane, repairs to drain nozzle, installation of new RO plant tie-in nozzle and welding. RO plant sourced and will be delivered to site in August 2016;
3. Davyhurst Village – Relocation of 10 accommodation units and 1 laundry unit from the Company’s Mt Ida Village to the Davyhurst Camp, expanding the capacity; and
4. Davyhurst Core Processing Facility – Design and construction of the new Core Shed comprising of concrete flooring, 31m x 15m shed with awnings, Core Saw installed in a 20ft air conditioned container, 12m office building and 6m crib building.



Camp Relocation



Boreline Construction



Core Saw Installation



Core Processing Facility

Riverina Project Area

The Riverina deposit lies approximately 40 kilometres north-west of Davyhurst. Preliminary resource model utilising only the grade control drilling was concluded during the quarter.

The mineralisation defined by this grade control drilling is seen as a potential low cost oxide ore source target for the mill at Davyhurst. The close spaced drilling has identified areas of significant near surface oxide mineralisation, not previously identified in the wide spaced resource drilling data.

Mining Approvals

The Company is working towards approval to commence mining operations at the Davyhurst and Siberia sites. A Mining Proposal was submitted to the DMP – Environment for the Golden Eagle Underground Project in May and is currently in the final stages of approval. Further approvals are being prepared for the Siberia project, to be submitted in the September quarter when geochemical characterisation work is completed.

A PMP also relating to the Golden Eagle Underground Project was approved by DMP – Resource Safety during the period.

During the period, the Company also undertook a detailed hydrogeological study at the projects borefield to meet statutory compliance and also ensure the borefield is in a condition to allow a smooth transition to production.

An extensive ecological survey was also conducted over 700ha to enable the future approvals that may expanded paddock style TSF's, mining development at the Dexy Prospect and a firebreak to protect critical site infrastructure and the service corridor to the battery borefield 35km away.

Davyhurst Tailing Storage Expansion

The TSF Engineering study defining the first four years of storage capacity for the project was nearing completion at period end.

EXPLORATION

Regional Mapping

As part of a tenement wide data collation exercise, the Company enlisted specialist geological consultants to conduct 1:10,000 scale regional mapping over its entire tenure. The Siberia Project has been recently completed with attention now directed to the Riverina/Mulline Project Area, which encompasses several sizable deposits, namely the Giles and Lady Gladys and deposits. Mapping of the Mulline/Riverina area has progressed during the quarter and is scheduled for completion during the September quarter 2016.

RC Drilling

Results were received for a number of RC drill programs completed in the previous quarter.

Dexy Prospect

As announced 26 May 2016, drilling on the Dexy Prospect returned encouraging results. As part of the project review of the Round Dam mineralised trend, the area between Waihi and Lady Eileen pits was identified as a potential source for shallow oxide resources. The Dexy Prospect mineralisation has been defined over a strike length of greater than 300 metres, while the structure itself remains open to the north and south and is prospective for over 500 metres.

The Company has commenced planning for the next drilling program.

Gila/ Glasson North/ Foxtrot and Mulline Offset Prospects

As announced on 5 May 2016, results from reconnaissance drilling over several Prospects at Davyhurst were received. The Gila Prospect returned significant results that require further follow up drilling.

Auger Drilling

A total of 1,835 auger holes were drilled across six tenements on the Siberia and Lady Ida Projects. Drilling was carried out on a nominal 200m by 80m grid. This work was designed to infill gaps in the existing auger and vacuum coverage, and to follow up previously defined gold anomalies. All samples were submitted to commercial assay laboratory for gold and a multi-element suite analysis.

To date only the results for the Siberia South Project have been received. These results have returned three large coherent +20ppb gold anomalies (with +100ppb centres) coincident with the base of the Missouri basalt, the contact between the Siberia Komatite and the Walter Williams formation and a north east striking Ultramafic unit within the Missouri basalt, see figure below. A number of these anomalies have received no gold exploration to date and are being assessed for further follow up work.

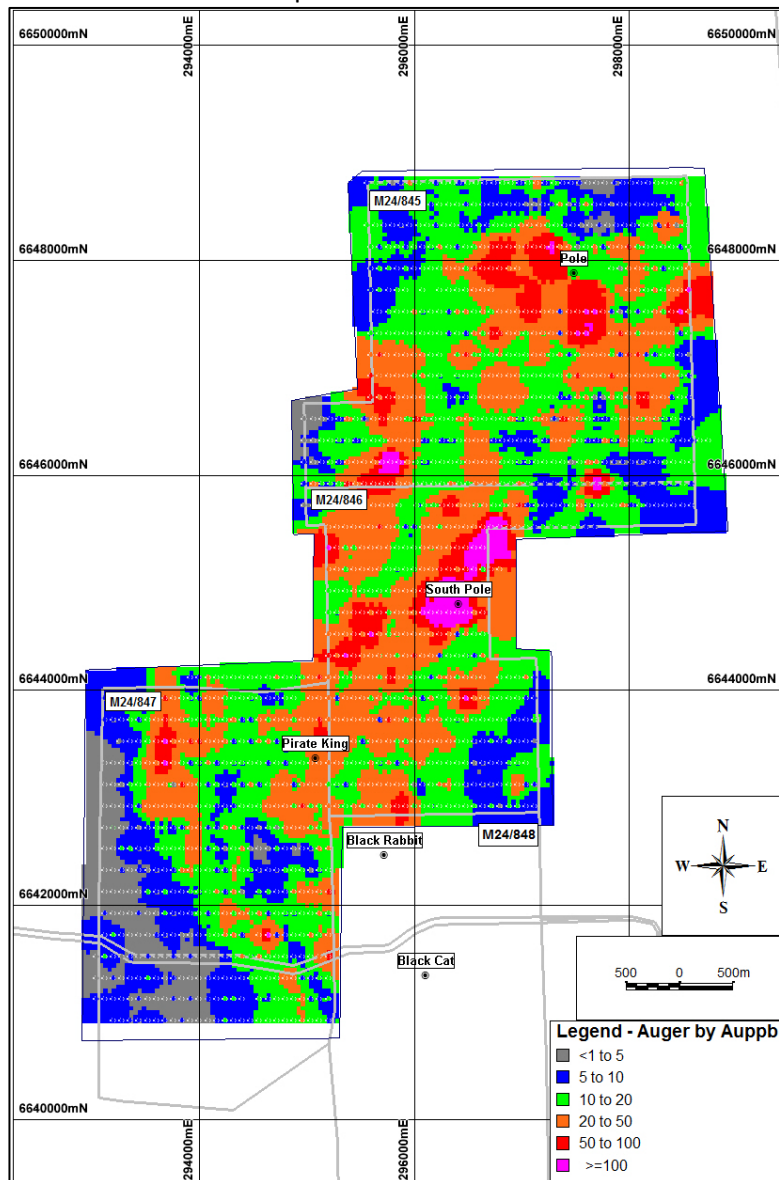


Figure 1: Auger Geochemistry heat map – showing gold anomalies

CORPORATE

As announced on 3 May 2016, the Company executed a binding agreement (**Agreement**) to acquire additional tenements in the Eastern Goldfields region in Western Australia from Goldstar Resources (WA) Pty Ltd, a wholly owned subsidiary of Orion Gold NL (ASX:ORN) (**Orion**). Pursuant to the Agreement, the Company paid Orion \$125,000 cash consideration and 2,000,000 unlisted options (1,000,000 unlisted options exercisable at \$0.168 each on or before 8 March 2018 and 1,000,000 unlisted options exercisable at \$0.189 each on or before 8 March 2020). Under the terms of the Agreement, the Company agreed to procure subscriptions for 33,333,333 fully paid ordinary shares in the capital of Orion at \$0.015 per share to raise a total of \$500,000 (**Placement**). After conducting an internal technical review of Orion's assets, it was considered that those assets are of sufficient interest to the Company to warrant subscribing for the Placement in its own right. The shares were subsequently issued to the Company on 8 June 2016.

As noted in the previous quarterly report, on 13 April 2016, the Company issued 16,666,667 shares at an issue price of \$0.15 per Share to raise a further \$2.5 million. In addition, in recognition of recent efforts the Company issued 13,000,000 options exercisable at \$0.168 each and expiring 8 March 2018 and 13,000,000 options exercisable at \$0.189 each, expiring 8 March 2020 and vesting 14 April 2018, subject to continual employment or engagement by the Company to employees and contractors of the Company, pursuant to the Company's Employee Share Option Plan.

POST QUARTER EVENTS

On 18 July 2016, the Company announced encouraging gold results have been received from diamond drilling at the Walhalla North Prospect with assay results from 2 diamond core holes drilled confirmed mineralisation reported in recent RC drilling. Both diamond holes intersected broad zones of mineralisation close to surface with results of **9.80m @ 5.57g/t from 32.0 metres** and **25.60m @1.57g/t from 24.0 metres** (refer ASX announcement 18 July 2016).

On 28 July 2016, the Company announced that exploration drilling at the Callion Deposit has intersected strong zones of alteration and mineralisation at depth. Preliminary underground mine evaluation works, based on the historical record, have resulted in a focussed exploration effort at Callion, and the early success demonstrated by this initial programme will result in the continued advancement of this project with the aim of defining the next underground mining event.

OUTLOOK

The AUD gold price has shown consistent strength above AUD1700/oz since late in the June quarter, and equity markets continue to be supportive of near term / producing gold companies.

With site works currently underway, the Company remains on track for re-commissioning of the Davyhurst processing facility in the December quarter of 2016, with mining likely to commence in August 2016. At present, the first full quarter of production is forecast for the three months to 31 March 2017.

Resource & reserve drilling will continue up to and beyond that date as the Company firms up its resource model ahead of the commencement of gold production at Davyhurst.

END

Competent Person Statement

The information in this announcement that relates to Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by or under the supervision of Mr Andrew Czerw, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy, a 'Recognised Professional Organisation' ('RPO') included in a list that is posted on the ASX website from time to time. Mr Czerw 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 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Eastern Goldfields Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the January 28th announcement continue to apply and have not materially changed. Eastern Goldfields Limited confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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.

Appendix 1: Tenement Listing and Movements during the June 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	
E16/0475	Granted	16 - Coolgardie	100	100	
E16/0480	Granted	16 - Coolgardie	0	100	
E29/0640	Granted	29 - North Coolgardie	100	100	2
E29/0641	Granted	29 - North Coolgardie	100	100	2
E29/0895	Granted	29 - North Coolgardie	100	100	
E29/0955	Granted	29 - North Coolgardie	100	100	
E29/0964	Granted	29 - North Coolgardie	0	100	
E30/0332	Granted	30 - North Coolgardie	100	100	4
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	
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	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	
L29/0034	Granted	29 - North Coolgardie	100	100	
L29/0038	Granted	29 - North Coolgardie	100	100	
L29/0040	Granted	29 - North Coolgardie	100	100	
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	
M16/0220	Granted	16 - 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
M24/0051	Granted	24 - Broad Arrow	100	100	
M24/0115	Granted	24 - Broad Arrow	100	100	
M24/0159	Granted	24 - Broad Arrow	100	100	
M24/0208	Granted	24 - Broad Arrow	100	100	
M24/0290	Granted	24 - Broad Arrow	100	100	
M24/0352	Granted	24 - Broad Arrow	100	100	
M24/0376	Granted	24 - Broad Arrow	100	100	
M24/0427	Granted	24 - Broad Arrow	100	100	
M24/0633	Granted	24 - Broad Arrow	100	100	
M24/0754	Granted	24 - Broad Arrow	100	100	
M24/0755	Granted	24 - Broad Arrow	100	100	
M24/0830	Granted	24 - Broad Arrow	100	100	
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
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
M30/0001	Granted	30 - North Coolgardie	100	100	
M30/0005	Granted	30 - North Coolgardie	100	100	
M30/0007	Granted	30 - North Coolgardie	100	100	
M30/0016	Granted	30 - North Coolgardie	100	100	4
M30/0021	Granted	30 - North Coolgardie	100	100	
M30/0034	Granted	30 - North Coolgardie	100	100	
M30/0039	Granted	30 - North Coolgardie	100	100	
M30/0042	Granted	30 - North Coolgardie	100	100	
M30/0043	Granted	30 - North Coolgardie	100	100	4
M30/0044	Granted	30 - North Coolgardie	100	100	
M30/0048	Granted	30 - North Coolgardie	100	100	
M30/0059	Granted	30 - North Coolgardie	100	100	
M30/0060	Granted	30 - North Coolgardie	100	100	4
M30/0063	Granted	30 - North Coolgardie	100	100	
M30/0072	Granted	30 - North Coolgardie	100	100	
M30/0073	Granted	30 - North Coolgardie	100	100	
M30/0074	Granted	30 - North Coolgardie	100	100	
M30/0075	Granted	30 - North Coolgardie	100	100	
M30/0080	Granted	30 - North Coolgardie	100	100	
M30/0084	Granted	30 - North Coolgardie	100	100	4
M30/0097	Granted	30 - North Coolgardie	100	100	4

M30/0098	Granted	30 - North Coolgardie	100	100	4
M30/0100	Granted	30 - North Coolgardie	100	100	
M30/0102	Granted	30 - North Coolgardie	100	100	
M30/0103	Granted	30 - North Coolgardie	100	100	
M30/0106	Granted	30 - North Coolgardie	100	100	
M30/0107	Granted	30 - North Coolgardie	100	100	
M30/0108	Granted	30 - North Coolgardie	100	100	
M30/0109	Granted	30 - North Coolgardie	100	100	
M30/0111	Granted	30 - North Coolgardie	100	100	
M30/0122	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
M30/0129	Granted	30 - North Coolgardie	100	100	
M30/0131	Granted	30 - North Coolgardie	100	100	
M30/0132	Granted	30 - North Coolgardie	100	100	
M30/0133	Granted	30 - North Coolgardie	100	100	4
M30/0135	Granted	30 - North Coolgardie	100	100	
M30/0137	Granted	30 - North Coolgardie	100	100	
M30/0148	Granted	30 - North Coolgardie	100	100	
M30/0150	Granted	30 - North Coolgardie	100	100	
M30/0157	Granted	30 - North Coolgardie	100	100	4
M30/0159	Granted	30 - North Coolgardie	100	100	
M30/0178	Granted	30 - North Coolgardie	100	100	4
M30/0182	Granted	30 - North Coolgardie	100	100	4
M30/0187	Granted	30 - North Coolgardie	100	100	
P16/2514	Granted	16 - Coolgardie	100	100	
P16/2774	Granted	16 - Coolgardie	100	100	
P16/2775	Granted	16 - Coolgardie	100	100	
P16/2921	Granted	16 - Coolgardie	0	100	
P16/2922	Granted	16 - Coolgardie	0	100	
P24/4182	Granted	24 - Broad Arrow	100	100	
P24/4750	Granted	24 - Broad Arrow	100	100	
P24/4751	Granted	24 - Broad Arrow	100	100	
P24/4752	Granted	24 - Broad Arrow	100	100	
P24/4753	Granted	24 - Broad Arrow	100	100	
P24/4754	Granted	24 - Broad Arrow	100	100	
P29/1938	Granted	29 - North Coolgardie	100	100	3
P29/1939	Granted	29 - North Coolgardie	100	100	3
P29/1940	Granted	29 - North Coolgardie	100	100	3
P29/1941	Granted	29 - North Coolgardie	100	100	3
P29/1942	Granted	29 - North Coolgardie	100	100	3
P29/1943	Granted	29 - North Coolgardie	100	100	3
P29/1944	Granted	29 - North Coolgardie	100	100	3
P29/1945	Granted	29 - North Coolgardie	100	100	3
P29/1946	Granted	29 - North Coolgardie	100	100	3

P29/1947	Granted	29 - North Coolgardie	100	100	3
P29/1948	Granted	29 - North Coolgardie	100	100	3
P29/1949	Granted	29 - North Coolgardie	100	100	3
P29/1950	Granted	29 - North Coolgardie	100	100	3
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
P30/1012	Granted	30 - North Coolgardie	100	100	3
P30/1013	Granted	30 - North Coolgardie	100	100	3
P30/1014	Granted	30 - North Coolgardie	100	100	3
P30/1015	Granted	30 - North Coolgardie	100	100	3
P30/1016	Granted	30 - North Coolgardie	100	100	3
P30/1017	Granted	30 - North Coolgardie	100	100	4
P30/1018	Granted	30 - North Coolgardie	100	100	4
P30/1020	Granted	30 - North Coolgardie	100	100	4
P30/1021	Granted	30 - North Coolgardie	100	100	4
P30/1023	Granted	30 - North Coolgardie	100	100	4
P30/1024	Granted	30 - North Coolgardie	100	100	4
P30/1025	Granted	30 - North Coolgardie	100	100	4
P30/1026	Granted	30 - North Coolgardie	100	100	4
P30/1027	Granted	30 - North Coolgardie	100	100	4
P30/1033	Granted	30 - North Coolgardie	100	100	4
P30/1034	Granted	30 - North Coolgardie	100	100	4
P30/1038	Granted	30 - North Coolgardie	100	100	4
P30/1040	Granted	30 - North Coolgardie	100	100	4
P30/1042	Granted	30 - North Coolgardie	100	100	
P30/1043	Granted	30 - North Coolgardie	100	100	
P30/1051	Granted	30 - North Coolgardie	100	100	
P30/1056	Granted	30 - North Coolgardie	100	0	
P30/1060	Granted	30 - North Coolgardie	100	100	

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 Swan Gold 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 Swan Gold

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96; Origin: Appendix 8; Amended 1/7/97, 1/7/98 and 30/9/2001.

Name of entity

EASTERN GOLDFIELDS LIMITED

ABN

69 100 038 266

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	8	8
1.2 Payments for (a) exploration and evaluation	(3,554)	(6,285)
(b) development	-	-
(c) production	-	-
(d) administration	(1,256)	(2,794)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	7
1.5 Interest and other costs of finance paid	-	-
1.6 Receipt of R&D tax refund	-	-
1.7 Other - GST to be recouped	-	-
Net operating cash flows	(4,798)	(9,064)
Cash flows related to investing activities		
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 from other entities	-	-
1.11 Loans repaid to other entities	-	-
1.12 Other (proceeds from security bonds)	-	64
Net investing cash flows	-	64
1.13 Total operating and investing cash flows (carried forward)	(4,798)	(9,000)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(4,798)	(9,000)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, (net of costs)	938	26,972
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	64
1.17	Repayment of borrowings	(199)	(2,544)
1.18	Dividends paid	-	-
1.19	Other	-	-
Net financing cash flows		739	24,492
Net increase (decrease) in cash held		(4,059)	15,492
1.20	Cash at beginning of quarter/year to date	19,603	52
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	15,544	15,544

Payments to directors of the entity and associates of the directors

Payments to 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	1,060
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 **Explanation necessary for an understanding of the transactions**

<p>All payments to Directors and associates are on normal commercial terms:</p> <p>Directors Fees: \$36,500</p> <p>Legal Fees: \$79,236 (Payment of legal fees in which a director has beneficial interest in the firm)</p> <p>Consulting Fees: \$42,998 (Payment of consulting fees in which a director has beneficial interest in the firm)</p> <p>Management, technical consultancy fees, office and storage facilities: \$901,259 (Payment to a company in which a director has beneficial interest in the company)</p>

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

Nil

+ See chapter 19 for defined terms.

- 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

Nil

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	2,500
4.2 Development	2,500
4.3 Production	-
4.4 Administration	1,000
Total	6,000

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	15,480	19,539
5.2 Deposits at call	64	64
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	15,544	19,603

+ See chapter 19 for defined terms.

Changes in interests in mining 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 relinquished, reduced or lapsed	P30/1056	Relinquished	100%	0%
6.2	Interests in mining tenements acquired or increased	E16/0480	Acquired	0%	100%
		E29/0964	Acquired	0%	100%
		P16/2921	Acquired	0%	100%
		P16/2922	Acquired	0%	100%

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	Preference +securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	489,531,151	489,531,151	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	16,666,667	16,666,667	\$0.15 per share
7.5	+Convertible debt securities <i>(description)</i>			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			
7.7	Options <i>(description and conversion factor)</i>	25,100,000	<i>Exercise Price</i> \$0.168	<i>Expiry Date</i> 8/03/2018
		25,100,000	\$0.189	8/03/2020
7.8	Issued during quarter	14,000,000	<i>Exercise Price</i> \$0.168	<i>Expiry Date</i> 8/03/2018
		14,000,000	\$0.189	8/03/2020
7.9	Exercised during quarter			

+ See chapter 19 for defined terms.

7.10	Lapsed during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 29 July 2016
 (Director)
 Print name: Michael Fotios

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 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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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+ See chapter 19 for defined terms.