

QUARTERLY ACTIVITIES REPORT

FOR PERIOD ENDED 30 JUNE 2018

Oposura Project

- Initial Mineral Resource¹ estimate of **2.9 million tonnes @ 5.0% Zn + 2.8% Pb**
 - Contained metal: 146,000 tonnes of zinc, 82,000 tonnes of lead and 1.6M ounces of silver
 - 75% of contained metal in the Indicated Mineral Resource category
- Mineral Resource remains open for extensions with further drilling planned for 2018
- Easily accessible, near-surface mineralisation provides multiple open pit and underground mine scheduling options
- Pit optimisation and underground stope design studies nearing completion
- Metallurgical testwork demonstrates that crushing, screening and dense media separation results in a 34% upgrade in mill feed zinc and lead grades

Sara Alicia Project

- Stage 2 drilling confirms near-surface, high-grade, gold and cobalt mineralisation²
- Maximum grades returned of 53.8g/t Au (over 0.90m) and 2.82% Co (over 0.80m)
 - Best gold intercept: DSA-14: 19.6m @ 8.6g/t Au, *including* 15.3m @ 10.6g/t Au
 - Best cobalt intercept: DSA-14: 3.65m @ 1.19% Co, *including* 1.5m @ 2.66% Co

Alacrán Project

- Drilling indicates southern expansion of Loma Bonita epithermal gold-silver system
- Confirmation of porphyry copper potential at Cerro Colorado
- Teck informed Azure that it will be continuing exploration on Alacrán in 2018
- Drilling planned to restart in Q3 2018

Cash balance at 30 June 2018 is approximately \$6.5 million

¹ Refer ASX announcement dated 4 July 2018

² Refer ASX announcement dated 31 May 2018

OPOSURA PROJECT - (AZS 100% ownership)

Mineral Resource

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") reported the initial Mineral Resource estimate for its 100%-owned Oposura zinc-lead-silver project ("Oposura") of:

Table 1: Oposura Mineral Resource Estimate*

	Tonnes Mt	Zn %	Pb %	Zn+Pb %	Ag g/t
Indicated	2.1	5.3	2.9	8.2	17.2
Inferred	0.8	4.3	2.5	6.8	16.5
TOTAL	2.9	5.0	2.8	7.8	17.0

*Refer Tables 2, 3 & 4 for full details of the Mineral Resource

OPOSURA MINERAL RESOURCE ESTIMATE

The Oposura Mineral Resource estimate (MRE) has been estimated and classified as Indicated and Inferred Mineral Resources in accordance with the requirements and guidelines of the JORC Code (2012)³ by CSA Global Pty Ltd (CSA Global), Perth, Western Australia (refer ASX announcement dated 4 July 2018).

Significantly, **75% of the contained metal** is classified in the Indicated Mineral Resource category (refer Tables 1 & 2), providing confidence in the continuity of grade and widths of the mineralisation.

Mineral Resources have been reported at different cut-off grades (refer Tables 3 & 4) considered applicable for various open pit and underground mining options being assessed in the mining study for the Preliminary Economic Assessment (PEA), which is expected to be reported in September.

The initial Mineral Resource shows potential for future expansion as the mineralisation remains open in several directions (refer Figures 1 & 2). The most obvious area for expansion is the Central Zone, a 500m-wide zone situated between the East and West Zones. This area has been only lightly tested by historical drilling and the mineralised horizon is present in several drill holes. Additional upside potential is also present to the north of the Mineral Resource.

Further drilling is planned in 2018 to upgrade the resource classifications, expand the Mineral Resource, and explore the wider property.

³ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

18 JULY 2018



ZONE	TABLE 2 Oposura Resource Estimate - June 2018 - using a 1.5% Zinc Equivalent Cut-Off Grade																				
	INDICATED							INFERRED							TOTAL						
	Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal		
	(Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (kt)	Pb (kt)	Ag (Moz)	(Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (kt)	Pb (kt)	Ag (Moz)	(Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (kt)	Pb (kt)	Ag (Moz)
EAST	0.5	5.0	3.7	19.4	24.8	18.4	0.3	0.5	4.8	2.7	16.7	26.2	14.8	0.3	1.0	4.9	3.2	18.5	51.0	33.2	0.6
WEST	1.6	5.4	2.6	16.5	85.6	42.2	0.8	0.3	3.3	2.1	14.3	9.8	6.3	0.1	1.9	5.0	2.6	16.2	95.4	48.5	1.0
TOTAL	2.1	5.3	2.9	17.2	110.5	60.6	1.2	0.8	4.3	2.5	16.5	36.0	21.1	0.4	2.9	5.0	2.8	17.0	146.4	81.8	1.6

ZONE	TABLE 3 Oposura Resource Estimate - June 2018 - using a 2.0% Zinc Equivalent Cut-Off Grade																				
	INDICATED							INFERRED							TOTAL						
	Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal		
	(Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)	(t)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)	(t)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)
EAST	0.5	5.1	3.8	19.6	24.8	18.3	0.3	0.5	4.9	2.8	18.4	25.9	14.6	0.3	1.0	5.0	3.3	19.0	50.7	33.0	0.6
WEST	1.5	5.6	2.7	17.1	85.0	41.7	0.8	0.3	3.6	2.3	15.5	9.4	6.0	0.1	1.8	4.5	2.5	16.2	81.4	45.0	0.9
TOTAL	2.0	5.4	3.0	17.7	109.8	60.0	1.1	0.8	4.5	2.6	17.4	35.3	20.7	0.4	2.8	5.2	2.9	17.6	145.1	80.7	1.6

ZONE	TABLE 4 Oposura Resource Estimate - June 2018 - using a 3.0% Zinc Equivalent Cut-Off Grade																				
	INDICATED							INFERRED							TOTAL						
	Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal			Tonnes	Grade			Contained Metal		
	(Mt)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)	(t)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)	(t)	Zn (%)	Pb (%)	Ag (g/t)	Zn (t)	Pb (t)	Ag (Moz)
EAST	0.4	5.4	4.0	20.6	24.2	17.9	0.3	0.4	5.7	3.2	21.3	24.5	13.5	0.3	0.9	5.6	3.6	20.9	48.6	31.4	0.6
WEST	1.4	6.1	2.9	18.6	82.6	39.7	0.8	0.2	4.6	2.8	19.0	8.3	5.1	0.1	1.5	5.3	2.9	18.8	82.3	44.4	0.9
TOTAL	1.8	5.9	3.2	19.1	106.7	57.5	1.1	0.6	5.4	3.1	20.6	32.8	18.6	0.4	2.4	5.8	3.2	19.5	139.5	76.2	1.5

*Zinc Equivalency % US\$:

Equivalent values in US\$ are determined by the following factors:

- $Zn\ Eq = ((\%Zn \times 0.875 \times 0.85) + (\%Pb \times 0.85 \times 0.95) + (g/t\ Ag \times 0.67 \times 0.70)) / (\%Zn \times 0.875 \times 0.85)$
- Commodity prices used in this MRE:
Zinc \$3,107.50/t, Lead \$2,411/t (spot price, LME, 2018. www.lme.com, cited 0:00 GMT 20/06/2018);
Silver \$16.20/oz (spot price, NYSE, 2018. www.kitco.com, cited 0:00 GMT 20/06/2018)
- Concentrate recoveries used in this MRE: Zn 87.5%, Pb 85%, Ag 67% (Locked Cycle and Batch Flotation tests: Azure Minerals Ltd, 2018.)
- Smelter recoveries used in this MRE : Zn 85%, Pb 95%, Ag 70% (International Benchmarks: Azure Minerals Ltd, 2018)
- It is the opinion of Azure Minerals Ltd that all the elements included in the calculation have a reasonable potential to be recovered and sold

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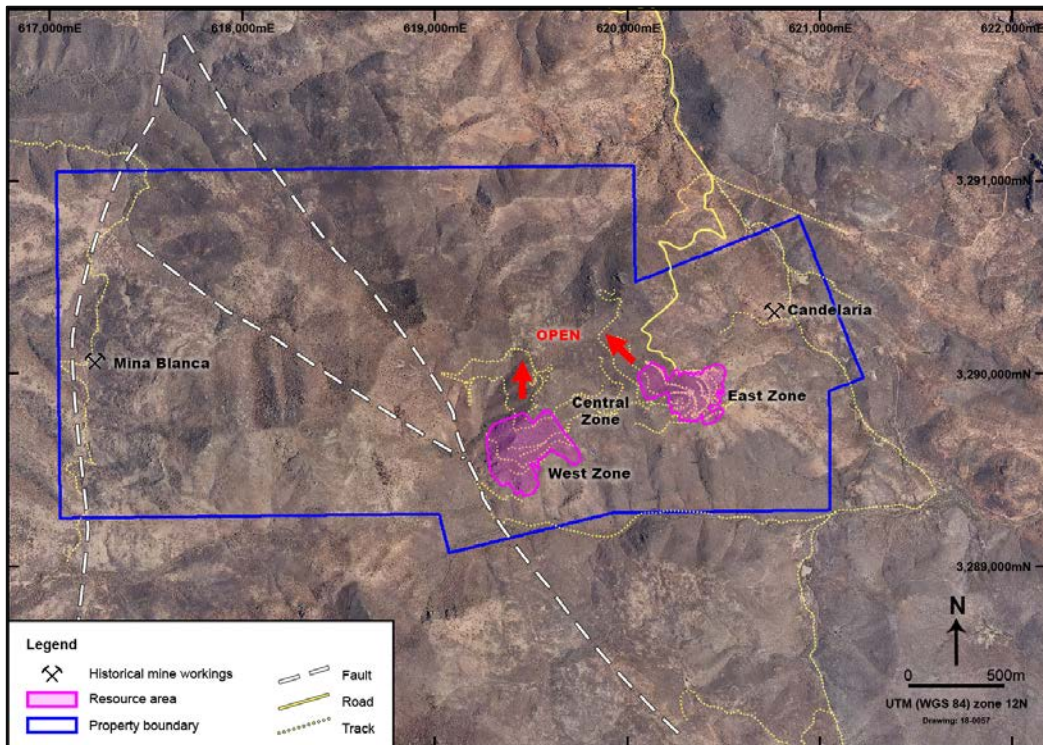


Figure 1: Oposura project area with Mineral Resource outlines

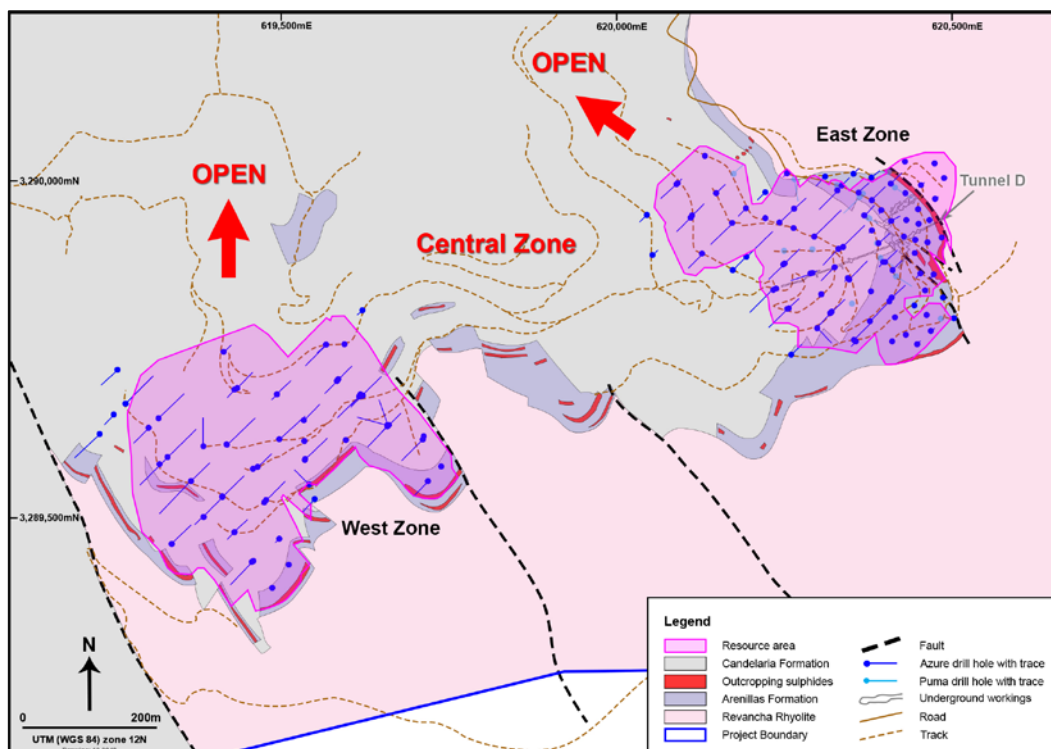


Figure 2: Plan of Mineral Resource outlines and drill collars

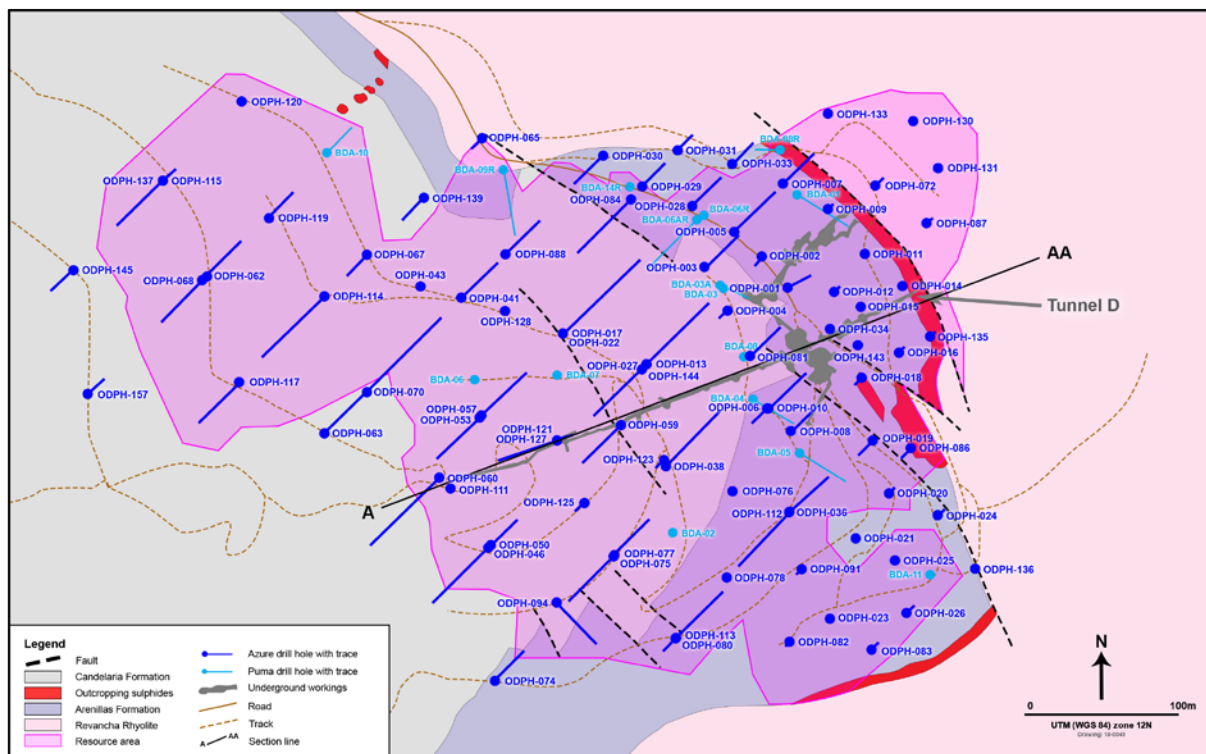


Figure 3: Plan showing East Zone Mineral Resource outline, drill collars and section line A-AA

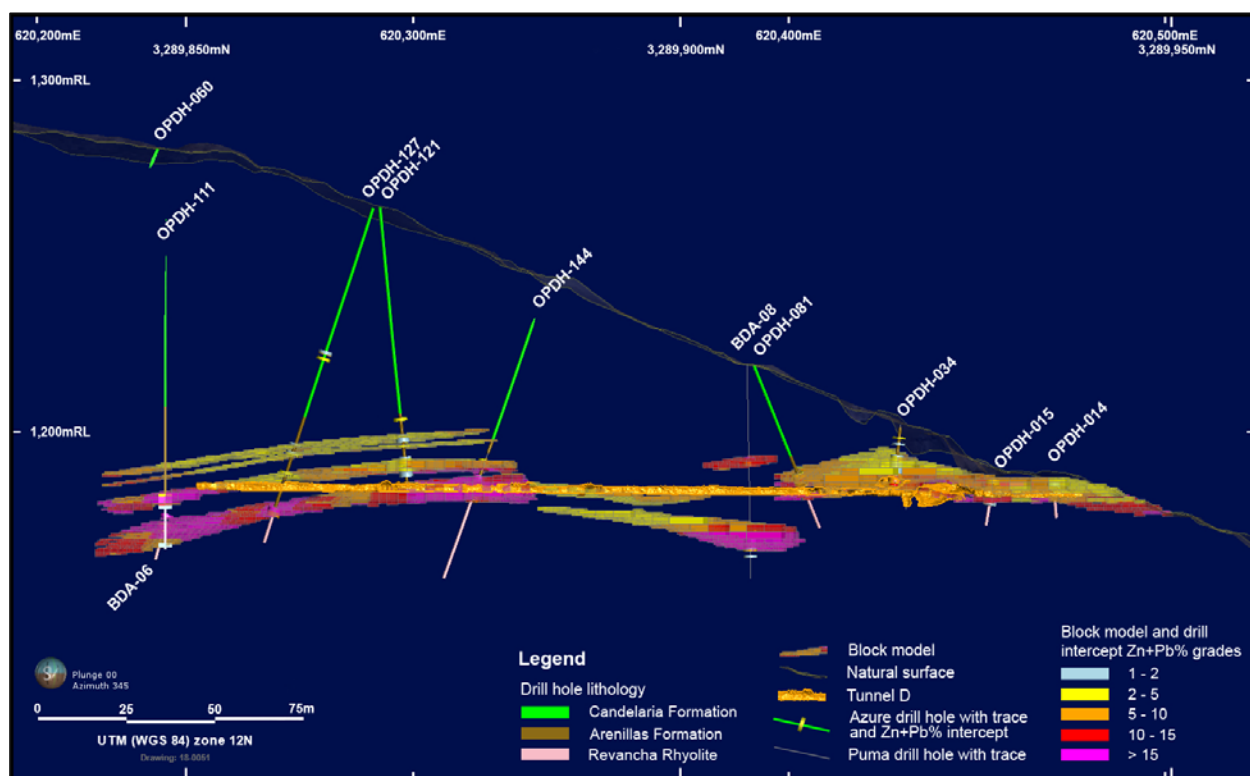


Figure 4: Section A-AA through East Zone Mineral Resource block model

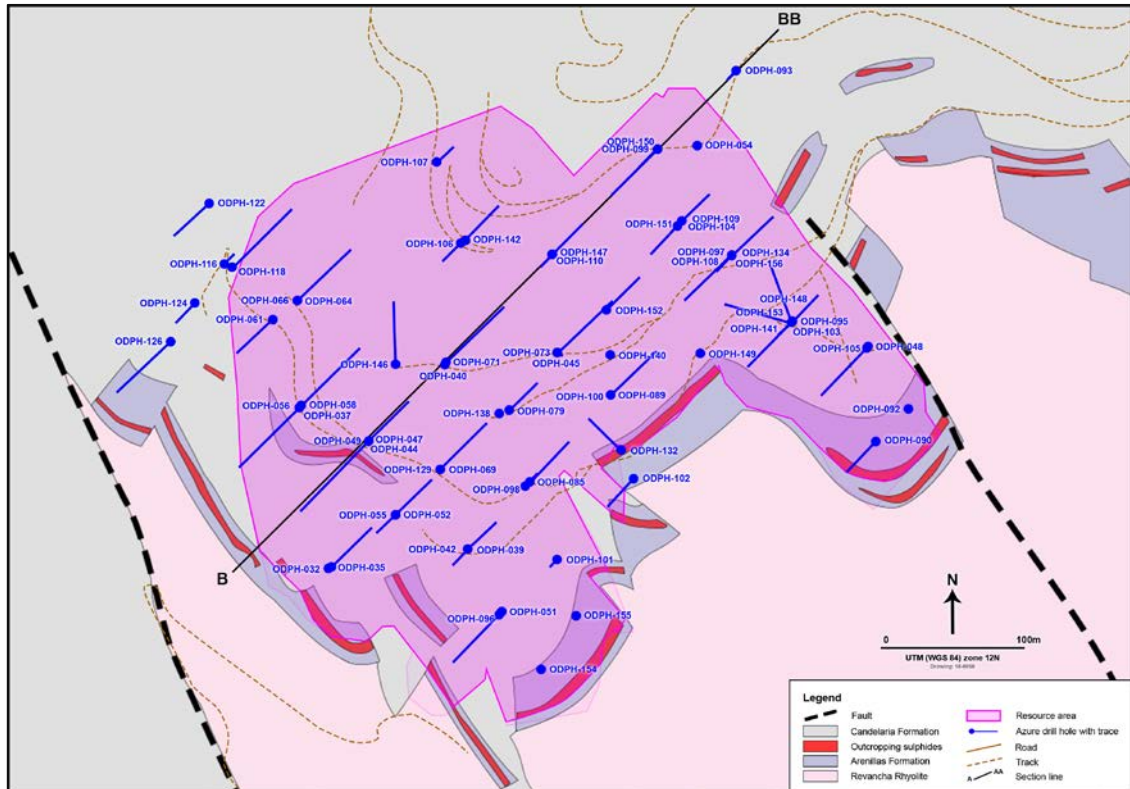


Figure 5: Plan showing West Zone Mineral Resource outline, drill collars and section line B-BB

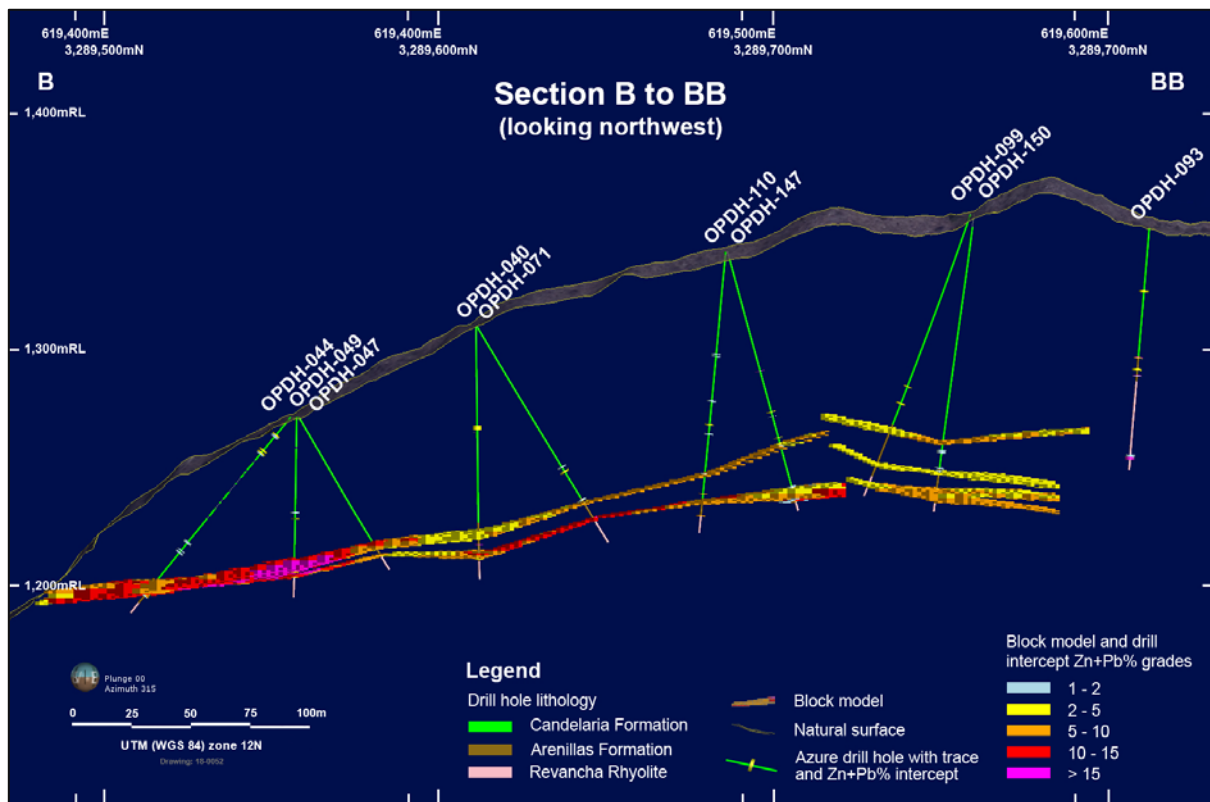


Figure 6: Section B-BB through West Zone Mineral Resource block model

Geology & Mining Studies

The Oposura mineralised horizon crops out discontinuously over approximately two kilometres on the eastern, southern and western slopes of the Oposura mountain (see Figures 2, 3 & 5) and displays sub-horizontal to shallow dips (refer Figures 4 & 6). Mineral Resource definition drilling defined two separate mineralised zones - East Zone and West Zone.

The overall geometry of East Zone and West Zone Mineral Resources is favourable for potential extraction using a combination of conventional open pit and underground mining techniques. This geometry also allows the resources to be easily accessed from surface, providing exceptional mine scheduling flexibility. Distinct areas of higher grade mineralisation are present that could be scheduled to suit economic circumstances and/or product marketing options.

East Zone and West Zone resources crop out at surface in both zones. The extremities of both resource zones could be accessed by a maximum of 200m (East Zone) and 250m (West Zone) of lateral underground mine development. This mine development could be undertaken within mineralisation due to the overall shallow dipping nature of the mineralised horizon. Mining could be undertaken concurrently by both open pit and underground methods in both East Zone and West Zone.

The vertical thicknesses of individual sulphide mineralisation lenses average 7m in East Zone and 3m in West Zone, with maximum vertical thicknesses of 20m in East Zone and 10m in West Zone, whilst also demonstrating good internal continuity of zinc, lead and silver grades. The thickness of both East and West zones would make both resource zones amenable to modern mechanised open pit and underground mining techniques.

East Zone and West Zone are separated by the approximately 500m-wide Central Zone, which has been only lightly tested by historical drilling undertaken by Anaconda and Peñoles during the 1960s and 1970s. Several of these historical drill holes intersected zinc and lead sulphide mineralisation. Azure is planning further drilling to test the Central Zone which, if successful, has the potential to expand the Mineral Resource.

Metallurgical Testwork

Metallurgical testwork on Oposura mineralisation was conducted at Blue Coast Research (BCR) laboratories in Vancouver, Canada. Metallurgical testwork comprised Dense Media Separation and staged and locked cycle flotation tests.

Dense Media Separation (DMS) testwork

In several parts of the Oposura mineralised system, thick mineralised intersections comprise narrow bands of very high-grade mineralisation separated by intervals of lower grade or waste material. Azure's studies indicate that some of these thick mineralised zones may be more suitable to a "bulk" mining approach rather than "selective" mining, thereby reducing unit operating costs and maximising resource recovery.

Testwork was undertaken to assess the suitability of DMS technology to upgrade the grade of the "bulk" mined material by rejecting low grade and waste material while retaining the mineralised material, ahead

of entering the milling circuit. DMS is most effective in upgrading ore when there are distinct density differences between mineralised material and waste rock, and this is the case at Oposura.

DMS testwork was initially conducted on rock samples taken from historical underground mine workings. DMS testwork was then extended to include tests on individual drill hole intersections of varying combined zinc and lead grades and zinc to lead grade ratios. These tests were used to ascertain the density at which the DMS circuit could optimise ore recovery and waste rejection.

Follow-up DMS testwork was then conducted on a bulk master sample averaging 6.4% Zn, 4.2% Pb and 28.8g/t Ag that was prepared from the drill core of eleven Mineral Resource drill holes. This testwork showed that an **upgrade in both zinc and lead grades of 34%** could be achieved with an overall metal recovery of 95%, while rejecting waste material amounting to approximately 30% of the mass entering the DMS circuit.

The positive results achieved from this metallurgical testwork demonstrate that crushing, screening and DMS processing prior to a standard sulphide flotation treatment support the option of utilising DMS technology at Oposura.

Flotation testwork

Staged flotation testwork was conducted on individual drill hole intersections of varying combined zinc and lead grades and zinc to lead grade ratios.

Follow-up staged and locked cycle flotation tests were then conducted on the bulk master composite comprising intersections from several drill holes across the Mineral Resource. The laboratory split the bulk master composite into several sub-samples to allow multiple batch and locked cycle flotation tests to be undertaken.

The staged flotation tests conducted on the bulk master composite were used to optimise primary and secondary grind sizes, flotation times and reagent regimes for the separate zinc and lead concentrates. A locked cycle test was then conducted on the bulk master composite to more closely simulate a continuously operating flotation circuit.

The result of the locked cycle test was a zinc concentrate grading **57.2% Zn with a zinc recovery of 85.6%** and a lead concentrate grading **61.4% Pb at a lead recovery of 84.0%**. Silver recovery to the lead concentrate was **67.1% Ag at a concentrate grade of 323.8 g/t Ag (10.4 oz/t Ag)**.

Both the zinc and the lead concentrate grades achieved in the locked cycle test were above the typical industry benchmark grades quoted respectively for zinc and lead concentrates of 53% zinc and 60% lead. A regression line from the batch locked cycle test results back to the benchmark concentrate grades was calculated to interpolate the zinc and lead recoveries. A zinc recovery of 87.5% was interpolated at the benchmark concentrate grade of 53% zinc and a lead recovery of 85% was interpolated at the benchmark concentrate grade of 60% lead.

Multi-element assays were conducted on the separate zinc and lead concentrates produced from the locked cycle test conducted on the bulk master composite. These assays indicated that deleterious elements were not present at levels that would cause concern or penalties from smelters.

The testwork successfully demonstrated that clean, commercial grade concentrates could be produced at high metallurgical recoveries and thereby has eliminated a potential major project risk.

SARA ALICIA PROJECT - (AZS 100% ownership)

The Stage 2 diamond drilling campaign comprised 13 holes for 1126.9m.

The campaign was designed to test for extensions to the high-grade gold and cobalt mineralisation identified by its 2017 maiden drilling program, which intersected up to **26.2m @ 9.5g/t Au and 1.26% Co** (refer ASX announcements dated 27 November and 7 December 2017).

The 2018 drilling returned additional high-grade gold and cobalt mineralisation (refer ASX announcement dated 31 May 2018), including:

<u>GOLD</u>	<u>COBALT</u>
DSA-07: 3.75m @ 8.08g/t Au from 11.80m	DSA-14: 3.65m @ 1.191% Co from 0.0m
DSA-08: 5.90m @ 5.50g/t Au from 40.90m	DSA-14: 24.95m @ 0.312% Co from 9.15m
DSA-14: 3.65m @ 8.41g/t Au from 0.0m	DSA-15: 9.50m @ 0.481% Co from 3.80m
DSA-14: 19.60m @ 8.65g/t Au from 10.65m	DSA-16: 16.20m @ 0.326% Co from 9.15m
DSA-15: 8.80m @ 6.20g/t Au from 6.10m	

The high-grade cobalt mineralisation is hosted within a shoot of massive and semi-massive sulphides that outcrops near the top of the Sara Alicia hill and plunges at a shallow angle towards the northwest (see Figures 7 & 8). This sulphide-rich shoot also contains high grade gold mineralisation, while drilling confirmed that gold is widespread in the rocks of the surrounding skarn system.

Historical mining within the upper 40m exploited some of the highest-grade material but drilling and inspection of the mineralised system within the old mine workings indicate that the shoot continues at depth towards the northwest. Azure considers that this sulphide-rich mineralisation may represent a feeder zone sourced from the underlying porphyry that extends upwards into the overlying limestone, now skarn, horizon.

The massive and semi-massive sulphides forming the mineralised shoot provide an opportunity to explore for extensions of the gold and cobalt mineralisation by utilising geophysical techniques to trace the sub-surface dimensions and orientations of the mineralised zone.

Figure 7: Leapfrog 3D model of gold mineralised zone at Sara Alicia

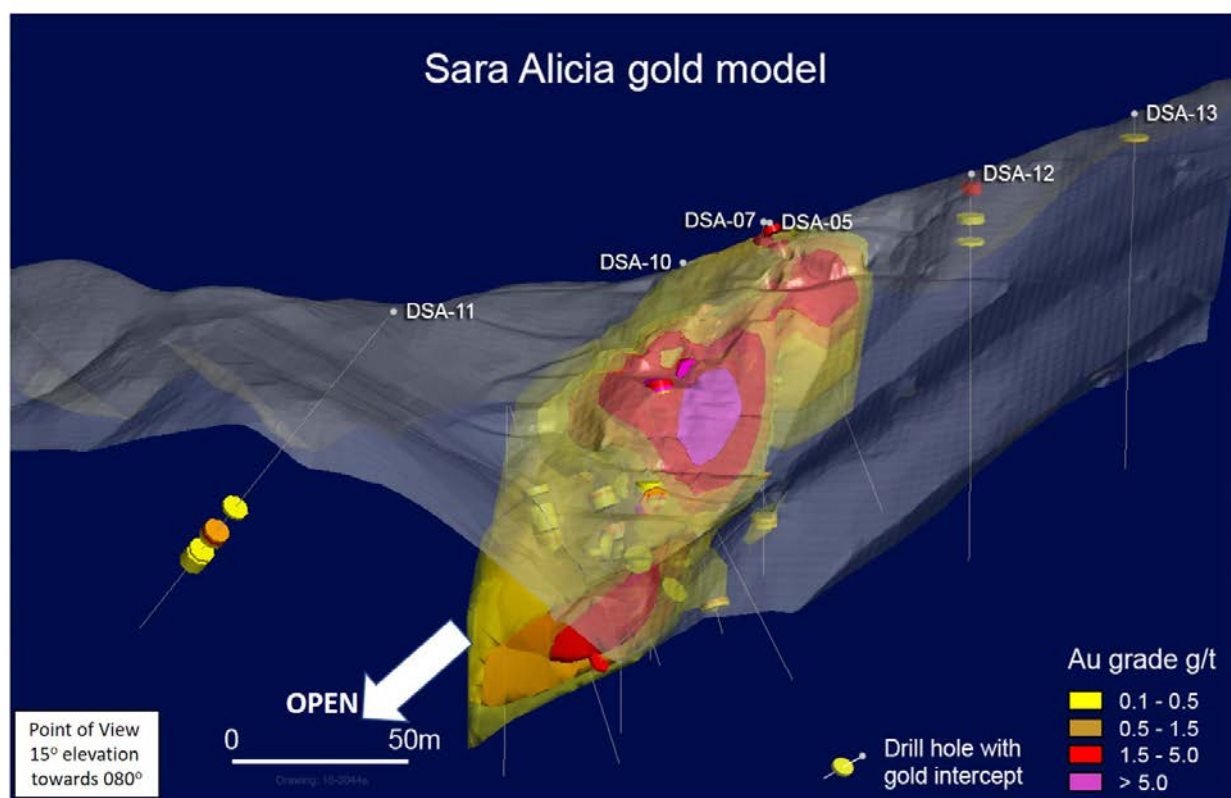
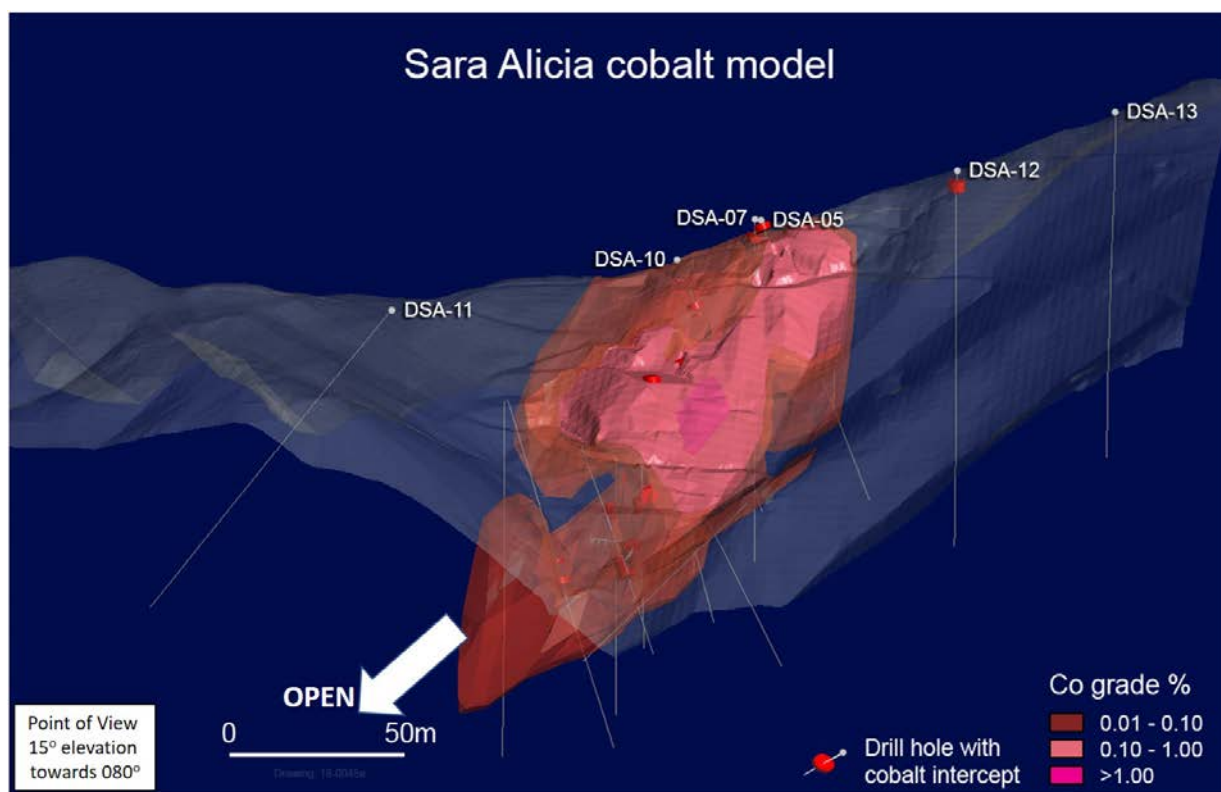


Figure 8: Leapfrog 3D model of cobalt mineralised zone at Sara Alicia



ALACRÁN PROJECT - (AZS 100% ownership, Teck earning an initial 51%)

Project operator Minera Teck S.A. de C.V. ("Teck"), a 100%-owned subsidiary of Canada's largest diversified resource company, Teck Resources Limited, is currently earning back into the project. Work conducted during 2017 represents the initial year of activity in a total four-year program comprising the first Option which will entitle Teck to earn back a 51% share of the project by sole-funding US\$10 million of exploration expenditure and making cash payments to Azure totalling US\$500,000.

Upon reaching an initial 51% interest in the project, Teck may exercise the second Option to further increase its interest to 65% by sole funding an additional US\$5 million in expenditures over a further two years and making cash payments to Azure totalling an additional US\$1.5 million. In this case, Azure will retain a contributing 35% interest in the Alacrán project. Grupo Mexico retains a 2% NSR royalty.

Teck advised Azure in December 2017 that it had completed its first diamond drilling program at Alacrán, comprising 14 holes for 4,907m (for results, refer ASX announcement dated 10 May 2018).

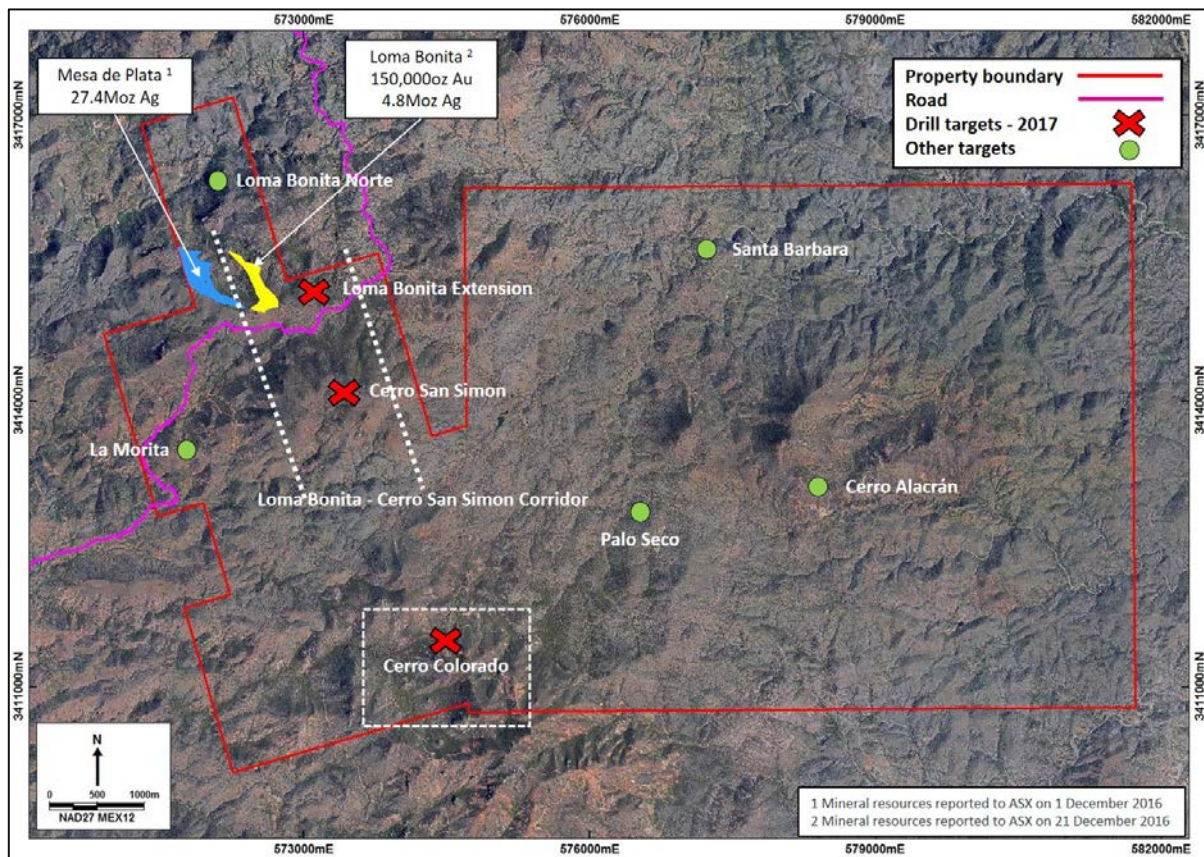
Results suggest the potential for expansion of the Loma Bonita epithermal gold-silver mineralised system at depth east and south towards Cerro San Simon (the Loma Bonita – Cerro San Simon Corridor), and confirmation of potential for porphyry copper mineralisation at Cerro Colorado (see Figure 1).

Drilling in the Loma Bonita – Cerro San Simon Corridor demonstrated potential for gold and silver mineralisation, given the presence of zones of silicification covered by fresh rock and high-resistivity geophysical anomalies extending to depth.

Encouragingly, drilling at Cerro Colorado identified the presence of porphyry-type alteration and veining with trace copper and molybdenum mineralization, warranting follow-up work.

Teck has informed Azure that it will be continuing its exploration at Alacrán. The Year 2 work program includes additional geological, geochemical and geophysical surveys in the first half of 2018 followed by more diamond drilling in the second half of the year.

Figure 9: Target areas for Teck's 2017 work program and targets planned for 2018



PROMONTORIO PROJECT - (AZS 100% ownership)

No work undertaken. Azure continues to seek a partner for further exploration on this project.

CORPORATE

Cash balance at 30 June 2018 is approximately \$6.5 million

-ENDS-

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Competent Person Statements:

Information in this report that relates to previously reported Exploration Results has been cross-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

Information in this report that relates to previously reported Mineral Resources has been cross-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

Appendix 5B

Name of entity

AZURE MINERALS LIMITED

ABN

46 106 346 918

Quarter ended ("current quarter")

30-Jun-18

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	(1,395)	(5,646)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(238)	(1,012)
	(e) administration and corporate costs	(373)	(1,831)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	37	80
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other	-	-
1.9	Net cash from / (used in) operating activities	(1,969)	(8,409)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(11)	(39)
	(b) tenements (see item 10)		(2,203)
	(c) investments	-	-
	(d) other non-current assets	-	-
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	(11)	(2,242)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3	Cash flows from financing activities		
3.1	Proceeds from issues of shares	2,053	8,210
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	(239)	(505)
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	1,814	7,705

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,832	9,700
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,969)	(8,409)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11)	(2,242)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,814	7,705
4.5	Effect of movement in exchange rates on cash held	(73)	(161)
4.6	Cash and cash equivalents at end of period	6,593	6,593

5	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	6,535	6,774
5.2	Call deposits	58	58
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)	6,593	6,832

6 Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	135
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	
Includes salaries and superannuation for executive directors and fees and superannuation for non-executive directors	

7 Payments to related entities of the entity and their associates	Current quarter \$A'000
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	

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.		

9	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	1,076
9.2	Development	-
9.3	Production	-
9.4	Staff costs	209
9.5	Administration and corporate costs	499
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	1,784

10	Changes in tenements (items 2.1(b) & 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	Loreto	owned	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Refer Annexure 1			

Refer to Annexure 1 for full list of mining tenements

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:



(Company secretary)

Date: 18 July 2018

Print name: Brett Dickson

Annexure 1
Schedule of Interests in Mining Tenements

Project	Common Name	Column1	Tenement	Percentage held
Oposura	El Monstruo De Plomo	All Minerals	180473	100%
	Don Genaro	All Minerals	180474	100%
	El Crestón De Plomo	All Minerals	180475	100%
	Candelaria	All Minerals	180476	100%
	El Hueco	All Minerals	180477	100%
	Campo De Plomo	All Minerals	180602	100%
	Oposura Número 2	All Minerals	180603	100%
	Oposura Número 4	All Minerals	180604	100%
	Oposura Número 6	All Minerals	180605	100%
	El Encinal	All Minerals	223473	100%
Sara Alicia	Sara Alicia	All Minerals	165539	100%
El Tecolote	El Tecolote	All Minerals	243923	100%
	El Tecolote III	All Minerals	234586	100%
Promontorio	Hidalgo	All Minerals	235270	100%
	Promontorio	All Minerals	235269	100%
	El Magistral	All Minerals	218881	100%
	Promontorio 1	All Minerals	245495	100%
	Promontorio 2	All Minerals	245496	100%
	Promontorio 3	All Minerals	245497	100%
	Promontorio 4	All Minerals	245505	100%
	Promontorio 5	All Minerals	245500	100%
	Promontorio 6	All Minerals	245498	100%
	Promontorio 7	All Minerals	245506	100%
	Promontorio 8	All Minerals	245507	100%
	Promontorio 9	All Minerals	245501	100%
	Promontorio 10	All Minerals	245499	100%
	Promontorio 11	All Minerals	245502	100%
	Promontorio 12	All Minerals	245503	100%
	Promontorio 13	All Minerals	245504	100%
Panchita	Panchita	All Minerals	212767	100%
	Dona Panchita	All Minerals	192097	100%
San Augustin	San Augustin1	All Minerals	238325	100%
Alacran1	Kino 3	All Minerals	166312	100%
	Kino 2	All Minerals	166313	100%
	Kino 4	All Minerals	166314	100%
	Kino 8	All Minerals	166315	100%
	Kino 9	All Minerals	166316	100%
	Kino 10	All Minerals	166317	100%
	Kino 11	All Minerals	166318	100%
	Kino 15	All Minerals	166365	100%
	Hidalgo No. 4	All Minerals	166366	100%
	Kino 16	All Minerals	166367	100%
	Hidalgo No. 3	All Minerals	166368	100%
	Hidalgo No. 2	All Minerals	166369	100%
	Hidalgo No. 5	All Minerals	166370	100%
	Hidalgo No. 6	All Minerals	166371	100%
	Hidalgo No. 8	All Minerals	166372	100%
	Hidalgo No. 7	All Minerals	166373	100%
	Hidalgo	All Minerals	166374	100%
	Hidalgo No. 9	All Minerals	166375	100%
	San Simon	All Minerals	166376	100%
	San Simon No. 2	All Minerals	166377	100%
	El Alacran	All Minerals	201817	100%

¹ Teck Resources Limited ("Teck") has advised it intends to exercise its back-in right to earn-back a 51% interest in these concessions.