



ASX Announcement

30 April 2019

QUARTERLY ACTIVITIES, CASH FLOW REPORTS FOR THE QUARTER 1 JANUARY 2019 TO 31 MARCH 2019

Activities Report for the quarter ended 31 March 2019

Activities for **BBX Minerals Limited (ASX Code: BBX)** during the quarter focused on the continued development of reliable analytical and extraction techniques for gold and PGM's at the Company's Três Estados and Ema projects and on finalising the archaeological and environmental approvals required for the granting of trial mining licences

On 5 March 2019 BBX provided an update on both the ongoing development of a routine analytical method for complex precious metal mineralisation from the Company's Ema and Tres Estados prospects and on the archaeological study and environmental licence applications.

BBX advised that it had focused its attention over the period on refining and simplifying its analytical technique for use as a routine method for assaying exploration samples, and on ensuring completion and submission of the archaeological study report to IPHAN (national heritage agency) and finalisation of compliance with the forestry reserve requirements on its Três Estados tenement.

BBX commented that it had devoted considerable resources in December 2018 to ensure that the timeline for both the archaeological study and forestry reserve requirements were achieved. The Company continued to work closely with consultant groups Inuma Arqueologia and Trevisan Florestal to enable compliance with the archaeological study and forestry reserve requirements and with IPHAN and IPAAM (state environmental authority) in an endeavour to streamline the environmental approval process.

BBX further advised in its December 2018 quarterly report that the forestry reserve approval had been received and the archaeological study had been submitted to IPHAN for approval, representing key steps in advancing the trial mining licencing process.

BBX also advised that following the Company's 26 November 2018 announcement a review had commenced of all metallurgical tests undertaken to date to enable the understanding gained to be translated into a consistent and simple assay method. The review focused on the effect of varying flux composition, collector metal, smelt conditions and cupellation and partition methodology to assist in the development of a reliable assay method.

Tests on 25g samples of Ema surface dolerite and quartz-porphyry drill hole material commenced in late January 2019, utilising the preferred smelt conditions and cupellation and partitioning methodology. Five flux combinations and various combinations of copper lead and silver as collector were used. All tests utilised basic fire-assay principles involving fusion of a 25g sample with a specific flux and collector metal, cupellation of the resultant collector button to form a precious metal prill, subsequent parting of the prill and weighing of the resultant gold, and, where obtained, silver and palladium buttons. Where silver was added as a collector the weight of added silver was subtracted in calculating the final silver grade.

BBX advised that the objective of these tests was purely to compare results utilising various flux and collector parameters and assess the precision of each method. The results will enable the optimum parameters to be selected for use in a set of confirmatory tests, incorporating QA/QC materials, prior to commencing routine analysis of all drill-hole samples. In parallel, refinement of the metallurgical extraction process continued, including testing of leaching by cyanidation after an initial roasting step.

On 29th March 2019 BBX announced that it had received permitting approvals from both IPHAN (national heritage agency) and IPAAM (state environmental authority) for the Company's archaeological study and environmental licence applications.

BBX advised it had submitted these approvals to the ANM (formerly DNPM) to enable the granting of trial mining licences for its Ema and Três Estados tenements. The granting of a trial mining licence will entitle BBX to mine up to 50,000 tonnes of ore per annum at each tenement, subject to renewal on an annual basis.

Juma East – Compensation Claim

On 3 July 2017 BBX advised that it had received a formal request by the DNPM on June 30, 2017 to relinquish the Boia Velha tenement, and accept a significant reduction to the area of the Guida tenement due to the impact of the Acari National Park, one of a number of National Parks created by Presidential decree by the impeached former president Dilma Rouseff, on the president's last day in office.

BBX submitted a compensation claim to the Government of Brazil for approximately R\$3,000,000 relating to the expenditure incurred by BBX in the tenement areas impacted by the creation of the Acari National Park.

BBX has now been advised that the claim, which was not contested by the Government is currently under judicial review.

Corporate

On the 19th December 2018 BBX announced it had received commitments to raise a minimum of \$1,000,000 via a placement to existing sophisticated and institutional investors at 15 cents per share. BBX also advised it would issue free attaching options on the basis of 1 option for every 2 new shares at an exercise price of 20 cents, with a maturity date of 20 December 2020.

The final amount raised from the placement was \$1,037,750, with BBX issuing 6,918,333 new shares and 3,459,167 unlisted options under the Company's existing 15% capacity, with the placement being finalised on 8 January 2019

For more information:

Jeff McKenzie
CEO
BBX Minerals Limited
+64 22 3421271
Jeff.McKenzie@bbxminerals.com.au

Current Tenement Interests

<u>All Tenements Owned by BBX Minerals Limited</u>	<u>Area (Ha)</u>	<u>Percentage ownership</u>
DNPM Permit Number 880.151/2014 Location Brazil (Juma East)	662.15	100% Application for Exploration Licence
DNPM Permit Number 880.185/16 Location Brazil (Juma East)	980	100% Exploration License
DNPM Permit Number 880.107/08 Location Brazil (Ema)	9839.91	100% Exploration Licence
DNPM Permit 880.184/16 Location Brazil (Ema)	9034	100% Exploration License
DNPM Permit Number 880.090.08 Location Brazil (Tres Estados)	8172.25	100% Exploration Licence
DNPM Permit Number 880.094/2014 Location Brazil (Pombos)	1000.36	100% Exploration Licence

About BBX Minerals Limited

BBX Minerals Limited (ASX: BBX) is a mineral exploration and mining company listed on the Australian Securities Exchange. Its major focus is Brazil, mainly in the southern Amazon, a region BBX believes is vastly underexplored with high potential for the discovery of world class gold and copper deposits.

BBX's key assets are the Três Estados and Ema gold prospects in the Apuí region, Amazonas State. The company has 58.1km² of exploration tenements within the Colider Group, a prospective geological environment for epithermal gold and Cu-Au porphyry deposits. The region is under-explored and has the potential to provide BBX with a pipeline of high-growth, greenfields gold discoveries.

50 Angove Street
North Perth WA
Telephone +618 6955 2955

Av Jornalista Riccardo Marinho
360 Ed Cosmopolitan Sala
Barra da Tijuca Rio de Janeiro
Telephone +5521 24395700

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

BBX MINERALS LIMITED

ABN

82 089 221 634

Quarter ended ("current quarter")

31 MARCH 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9..months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(361)	(712)
(b) development	-	-
(c) production	-	-
(d) staff costs	(30)	(152)
(e) administration and corporate costs	(83)	(344)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(474)	(1,208)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(21)	(21)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9..months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(21)	(21)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	456	1,038
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	(9)	(9)
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	447	1,029

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	607	762
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(474)	(1,208)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(21)	(21)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	447	1,029
4.5 Effect of movement in exchange rates on cash held	(5)	(8)
4.6 Cash and cash equivalents at end of period	554	554

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	554	607
5.2 Call deposits	-	-
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)	554	607

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
30
-

6.1 Payment for directors fees

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
-
-


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	40	-
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	200
9.2 Development	-
9.3 Production	-
9.4 Staff costs	45
9.5 Administration and corporate costs	55
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	300

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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: Date:30 April 2019
(Director)

Print name: Jeff McKenzie

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.