

ASX MEDIA RELEASE

30 JULY 2014



ACTIVITY REPORT FOR THE QUARTER 1 APRIL 2014 TO 30 JUNE 2014

Activities for **BBX Minerals Limited (ASX Code: BBX)** during the quarter continued to focus, through its wholly owned subsidiary Mineracao BBX do Brasil Ltda (**BBX Brazil**), on progressing exploration of its Juma East project, and on finalizing the sale of the Chapada project

JUMA EAST PROJECT.

Field work during the quarter has concentrated on conducting a broad-spaced 400m x 80m soil sampling program covering the region of the Guida target. Results are expected in the September quarter.

BBX announced on 8 January 2014 renegotiated payment dates with the Vendor relating to BBX's purchase of the Juma East exploration leases.

During the quarter BBX effected a payment USD30,000 for the Pintado lease due on 15th May 2014. The remaining payments are due as follows:

1. For Boia Velha lease – 880.117/2008 – USD 30,000 is now due on 15th August 2014
2. For Pepita lease – 880.116/2008 – USD 30,000 is now due on 15th August 2014

USD 50,000 (Fifty thousand dollars) is payable 1 year after the date of each lease payment listed above

USD 100,000 (one hundred thousand U.S. dollars) is payable 2 years after the date of each lease payment.

USD 100,000 (one hundred thousand U.S. dollars) is payable 3 years after the date of each lease payment

USD 100,000 (one hundred thousand U.S. dollars) is payable 4 years after the date of each lease payment

USD 100,000 (one hundred thousand U.S. dollars) is payable 5 years after the date of each lease payment

An Exploration commitment of USD 100,000 (one hundred thousand U.S. dollars) per year on each lease. Any excess of this value spent on any one lease can be accounted as an investment on any other (Juma East) lease.



BBX can relinquish any of the leases at any time without any further payment or expenditure commitments.

CHAPADA SALE

On 7 April 2014 BBX Minerals Ltd (BBX) announced that its 100% owned subsidiary Mineracao BBX do Brasil Ltda, and ENGEP Engenharia e Pavimentaco Ltda (ENGEP) (www.engep.com.br) and ENGEGOLD Mineracao Ltda (ENGEGOLD) have signed an advance payment agreement, where BBX do Brasil will receive 3 advance payments from Engegold who are now the assigned counterparty under the Chapada sales contract, the terms of which were announced on 23/7/2014, 3/9/2013, 30/9/2013, 12/12/2013, 23/1/2014, 3/2/2014, and 17/3/2014 for a total value of R\$2,000,000 (approximately AUD 943,000, assuming a conversion rate of approximately 2.12 Brazilian Reals (R\$) to the Australian dollar (AUD)).

The advance payments will be effected as follows:

R\$ 400,000 on 4 April 2014 (approximately AUD 188,679) – payment received.

R\$ 600,000 on 10 May 2014 (approximately AUD 283,018) – payment received

R\$1,000,000 on 10 July 2014 (approximately AUD 471,698) – payment received

Under the financing agreement BBX do Brasil has negotiated the following structured terms.

Agreement Terms

- a) The companies have agreed that all payments due under the Chapada sales contract will be suspended immediately.
- b) Engep Group has the right to elect one of the two following repayment options between 10th July 2014 and 10th January 2015.
 1. At the sole discretion of Engep, extinguish the total outstanding receivable payments due to BBX of R\$2,400,000 (approximately AUD 1,132.075) under the Chapada sales agreement, via the advance payment of R\$2,000,000.(approximately AUD 943,000)
 2. Elect to receive twenty four million (24,000,000) fully paid ordinary shares in BBX Minerals Limited in exchange for the advance payment of R\$2,000,000. On making this election,



Engesp must effect within 30 days after BBX issues the shares the payment of any outstanding amounts due under the Chapada sales agreement that had been suspended, and then continue to effect payments due to BBX as per the Chapada sales contract payment schedule. See the BBX announcement dated 2 July 2013 for more details. Under this structure BBX will receive a further R\$2,400,000 (approximately AUD\$ 1,132,000) being the balance due on the Chapada sales contract. BBX will seek shareholder approval to issue any shares in excess of the capacity it has available to it under listing rule 7.1 and or 7.1A at the time Engesp makes its election, or will seek shareholder approval to issue the shares at its AGM expected to be held in November, 2014, if Engesp has not yet elected to receive shares in repayment of the advance payment by the date of the meeting.

Outstanding suspended payments due immediately if Engesp elects to receive shares are as follows:

Amount Payable	Payment Terms	Payment Date
R\$ 500,000	6 months after 12 December 2013	Due 12 June 2014
R\$ 350,000	12 months after 12 December 2013	12 December 2014

- c) Under either option (1 or 2 above) BBX will retain the 3% NSR (Net smelter return) from the Chapada project of which 2.1% is payable to Rio Gameleira Prospeccao e Geologia Ltda. Engesp retains an option to purchase the entire royalty for US\$1.2million of which BBX will retain US\$360,000



BBX Cash Reconciliation

Funds received will enable BBX to meet exploration and administration commitments for the next quarter. As at 30th June 2014 BBX had cash on hand of A\$ 284,000 and on receipt of the payment due on 10th July 2014 (since received) BBX will have cash on hand of A\$667,000.

TENEMENTS

All Tenements owned by BBX Minerals Ltd	Percentage ownership
DNPM Permit Number 7124/2013 - 880.115/2008 Location Brazil	100%
DNPM Permit Number 7125/2013 - 880.116/2008 Location Brazil	100%
DNPM Permit Number 7126/2013 - 880.117/2008 Location Brazil	100%
DNPM Permit Number 7127/2013 - 880.129/2008 Location Brazil	100%

All Tenements Disposed of or Acquired during the quarter by BBX Minerals Ltd	Percentage ownership Disposed of or Acquired during the Quarter.
Nil	Nil

All Tenements Optioned by BBX Minerals Ltd	Percentage ownership on excise of Option
DNPM Number 880.070/2007 Location Brazil	75%
DNPM Number 880.152/2012 Location Brazil	75%

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