



## **ASX Announcement**

31 October 2019

# **QUARTERLY ACTIVITIES, CASH FLOW REPORTS FOR THE QUARTER 1 JULY 2019 TO 30 SEPTEMBER 2019**

## **Activities Report for the quarter ended 30 September 2019**

Activities for **BBX Minerals Limited (ASX Code: BBX)** during the quarter focused on the continued development of analytical and extraction techniques for gold and PGM's at the Company's Três Estados and Ema projects, and on the granting of a trial mining licence at Três Estados.

### **Trial Mining Licence – Três Estados.**

BBX continues to work with State and Federal authorities to finalise the approval of the trial mining licence at Três Estados. Under Federal law landowners in the Amazon region are entitled to clear a maximum of 20% of the native vegetation on their property. The owner of the property on which the Três Estados pending trial mining licence is located has cleared more than the permitted 20% and BBX is working with both State and Federal authorities to ensure that BBX is not jointly implicated in this infraction. BBX is evaluating the possibility of either rehabilitating the area cleared in excess of the 20% limit or changing the location of the trial mining application.

### **Analytical and Extraction Methodology**

BBX continues to advance the development of its proprietary analytical and extraction techniques for the complex style of mineralisation encountered in the Apui region. The tightly interlocked gold/silver/PGM particles which have been identified throughout the mineralised rock require initial unlocking and separation prior to analysis or extraction. A variety of unlocking techniques and subsequent analytical approaches have been fully evaluated in order to ascertain the most representative combination of methodologies. Each of the individual techniques is effective principally for a specific precious metal and work continues on fine-tuning a multi-step process which will form the basis a complete assay technique.

In parallel, the Company is continuing to advance the development of its more complete, multi-step process route, aimed at maximising the recovery of gold, silver and PGM's. This process will be tested and optimised in a pilot plant to be designed and constructed immediately the preferred process route is selected.

## Corporate

BBX Minerals advised on 1 July 2019 that it would issue a total of 1,847,419 fully paid ordinary shares in payment for consultancy and joint venture services provided.

108,613 shares will be issued for consultant services related to the Company's metallurgical extraction technique and potential production method.

104,370 shares will be issued for joint venture costs incurred.

1,636,436 shares will be issued to the Company's Brazilian consultants and refinery partner for ongoing services being provided.

BBX advised that under an agreement with its Brazilian consultants and refinery partner BRL1,000,000 (approximately AUD357,000) was required to be paid to finalise intellectual property agreements relating to BBX's proprietary processes. The consultants requested payment of the amount due in BBX shares,

On 23 July 2019 BBX advised that it had received commitments to raise a minimum of \$1,000,000 via a placement of a minimum of 5,000,000 new shares to existing sophisticated and institutional investors at 20 cents per share. The Company will also seek shareholder approval for Drake Special Situations to participate in the placement by subscribing for 415,000 new shares on the same terms and conditions as other places.

The funds raised will be used for general working capital purposes associated with finalising the development of the assay technique and metallurgical extraction process for the Três Estados and Ema mineralisation, complete the design of a small pilot plant and for additional infill and extension drilling at Ema and Três Estados.

## Subsequent Events

On 21 October 2019 BBX announced the appointment of André Douchane as CEO and Executive Director. André is a highly experienced mining executive with over 40 years of experience in North and South America, including COO, CEO and Chairman roles with a number of mid-tier and junior mining companies including Round Mountain, Battle Mountain Gold, Franco-Nevada, North American Palladium and Starfield Resources.

### For more information:

André Douchane  
CEO  
BBX Minerals Ltd  
[adouchane@gmail.com](mailto:adouchane@gmail.com)

## Current Tenement Interests

All Tenements Owned by BBX Minerals Ltd	Area (Ha)	Percentage ownership
DNPM Permit Number 880.151/2014 Location Brazil (Juma East)	662.15	100% Application for Exploration Licence
DNPM Permit Number 880.129/2008 Location Brazil (Juma East)	1374	100% 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 Ltd**

BBX Minerals Limited (ASX: BBX) is a mineral exploration and technology development 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 58.1km<sup>2</sup> of exploration tenements within the Colider Group, a prospective geological environment for precious metals deposits. The region is under-explored and has the potential to provide BBX with a pipeline of high-growth, greenfields gold and PGM discoveries.

## 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")

30 SEPTEMBER 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3..months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(219)	(219)
(b) development	-	-
(c) production	-	-
(d) staff costs	(50)	(50)
(e) administration and corporate costs	(290)	(290)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(9)	(9)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(568)</b>	<b>(568)</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 (3..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 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	917	917
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	(68)	(68)
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>849</b>	<b>849</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	178	178
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(568)	(568)
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)	849	849
4.5 Effect of movement in exchange rates on cash held	(2)	(2)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>457*</b>	<b>457</b>

5. <b>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	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	457	178
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>457</b>	<b>178</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**

50

-

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**

-

-

\* 4.6 Cash Balance – Does not include contribution from Drake Special Situations LLC of \$83,000 which is subject to shareholder approval on 12 November 2019 at the Companies AGM.

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

<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	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.		

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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	220
9.2 Development	-
9.3 Production	-
9.4 Staff costs	40
9.5 Administration and corporate costs	90
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>350</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
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:



(Director)

Date: .31 October 2019.....

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.