

Eumeralla Resources Limited

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ASX RELEASE [ASX:EUM]

ACTIVITIES REPORT

MARCH QUARTER 2016

MYANMAR

As announced on 29 October 2014, Eumeralla Resources Ltd's 70% controlled Myanmar subsidiary, Mawsaki Mining Co., Ltd ('Mawsaki'), received State Government approval for its exploration permit in the State of Kayah. During the quarter, Mawsaki held numerous meetings with the Department of Geological Survey and Mineral Exploration (DGSE) aimed at finalising the agreement, regarding the terms and conditions of the exploration area.

Mawsaki progressed with the process towards being granted the required approvals to clear the way for consideration of the proposed exploration terms and conditions by Cabinet of Union Government of Myanmar.

This approval process is the next step following the successful negotiations over the licence area with the Office of Chief Minister, Kayah State Government, Chief Minister, Ministry of Forest and Mines, both the State Forest Department and State Land Records Department in Loikaw and Office of Township Administration, Hpa-hsaung.

The Company understands that approval by the Union Government will be the final step in the approval process and is encouraged by the smooth progress of the Myanmar National Election held on 8 November 2015 and the formation of a new Government. In addition, reforms to the Myanmar Mines Law (1994) continue to move ahead in Parliament, the final version of the laws was passed the first half of 2016. The Company has conducted successful negotiations over the licence area with government authorities and expects the exploration permit to be granted in Q2 or Q3 of calendar year 2016. The Company is also encouraged that the first licences started to be awarded, indicating that the process of licence issuance has commenced.

About Eumeralla Resources Ltd

Eumeralla is an emerging ASX-listed (ASX:EUM) metals explorer. The Company was listed on the ASX on 3 May 2012 for the primary purpose of acquiring and exploring mining projects initially in Mongolia and more recently, Myanmar. The company's strategic vision includes discovering commercially significant minerals deposits. In Mongolia, the license covers an area of 12,657 hectares and encompasses the historical Chuluun Khoroot tungsten mine, which was active during the period 1945-1955. The License area is located in NE Mongolia approximately 20 km north of the town of Dashbalbar, 850 km NE of Ulaanbaatar and 85 km NW of the Solowevsk-Choibalsan railway. In Myanmar, the company has three separate JV partners with applications pending for several mining leases. The biggest of which is a 400km² concession in Kayah State, which plays host to the historical Mawchi Tungsten mine. The Company's initial metal focus will be on tin and tungsten, although other commodities may be targeted in the future. Eumeralla is constantly assessing other projects throughout SEA with a view to add value to shareholders.

MONGOLIA

During the quarter, Lunda LLC (Lunda) submitted the IP/Res Gradient Survey report to the Mineral Resources Authority (MRAM) of Mongolia.

CORPORATE

On 2 March 2016, the Company announced that it would undertake a fully underwritten renounceable entitlements issue. This was varied subsequent to the end of the quarter (announced on 4 April 2016). On 5 April 2016 the Company issued the Entitlement Issue Prospectus for a renounceable entitlements issue of approximately 52,499,439 Shares at an issue price of \$0.025 on the basis of nine (9) new Shares for every eight (8) Shares held by Shareholders on the record date, to raise approximately \$1,312,486 (**Offer**) before costs.

The Offer is fully underwritten by Lead Manager, Broker, Underwriter and Corporate Advisor, CPS Capital Group Pty Ltd (**CPS**).

The mandate also engages CPS to seek to introduce potential assets that EUM may be interested in acquiring and to provide general ongoing corporate advice.

TENEMENT INFORMATION

Mining Tenements held as at 31 March 2016 per Listing Rule 5.3.3, Mining exploration entities are required to provide the following information in relation to the tenements held.

Project	Tenement	Country	Status
Ovoot Project	XV-015591	Mongolia	Granted

Summary of Expenditure Incurred per Project

Tenement	Quarterly Cash Spend \$A'000
XV-015591	1
Total	1

Yours faithfully

Jack James
Director