

30 October 2015

**Capital Mining Limited**

ASX: CMY, CMYO

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**Directors**

Mr Peter Torney

Mr Peter Dykes

Mr Anthony Dunlop

**Company Secretary**

Mrs Elizabeth Hunt

## QUARTERLY ACTIVITIES REPORT SEPTEMBER 2015

Capital Mining Limited (**'the Company'**) presents details of the Company's activities during the quarter, September 2015.

### 1. Corporate

During the quarter, the Company completed a non-renounceable pro rata entitlement offer of shares which raised \$1,484,155.

The Company additionally completed a placement of shares to raise \$800,000 following shareholder approval at the general meeting held 15 September 2015.

On 28 July 2015 the Company issued 155,000,000 fully paid shares to raise \$77,500.

During the quarter, the Company announced the decision not to proceed with the proposed transactions with Broken Coast Cannabis Ltd, Cannan Growers Inc. and Nutrawerx, Inc.

Also during the quarterly, the Company announced the appointment of Mr Peter Dykes and Mr Anthony Dunlop as non-executive directors and resignation of Mr Robert McCauley and Dr James Ellingford.

### 2. Exploration

During the reporting period, the Company's focus was on capital raising, and no exploration activities were undertaken on any of the Company's projects.

### 3. ASX Listing Rule 5.3.3

The Company presents the following tenement information in Table 1 in accordance with ASX Listing Rule 5.3.3:

**Table 1: Tenement Information**

Project Name	Location	Tenement Licence	Interest held at 30 June 2015	Interest acquired/disposed of	Interest held at 30 September 2015
Mayfield	NSW	EL6358	51%	N/A	51%
Chakola	NSW	EL5697	100%	N/A	100%
Cowarra*	NSW	EL5939	50%	N/A	50%
Milparinka**	NSW	EL6832	100%	100%	Nil

\*As announced on 6 January 2015 Gold Mountain Limited (ASX: GMN) entered into an agreement with CMY to acquire their remaining unearned interest in EL 5939. It is anticipated that this transaction will be finalised in the next quarter.

# CAPITAL MINING LIMITED



ABN 69 104 551 171

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## 4. Future direction

The Company also wishes to note that it has engaged Chapmans Ltd for the purposes of assessing investment opportunities in the technology sector.

Chapmans Ltd is actively involved in the incubation and growth acceleration of start-up and early stage mobile technology companies with a view of transforming such companies into large scalable international companies. Notably, Chapmans Ltd seed funded and is a substantial holder of Digital4ge Pty Ltd, a specialist mobile technology commercialization company who founded, developed and more recently were involved in the listing of REFFIND Ltd (ASX:RFN) on the ASX which has been exceptionally well received by the market since its ASX debut. Chapmans Ltd is also directly invested with the second market opportunity developed by Digital4ge, Visual Amplifiers Pty Limited (**VAMP**), which has recently completed a \$2 million seed capital raise. VAMP intends to list on the ASX in Q1 of 2016.

In the event that an attractive opportunity arises in this sector, the directors intend to seek the approval of shareholders as necessary to change the nature and scale of the Company's operations.

The directors are excited about these future prospects and will update the market as and when material updates come to hand.

**-ENDS-**

### Enquiries:

**Capital Mining Limited**

Peter Dykes

Director

## 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, 01/05/2013

Name of entity

Capital Mining Limited

ABN

69 104 551 171

Quarter ended ("current quarter")

30 September 2015

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(18) - - (743)	(18) - - (743)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(761)</b>	<b>(761)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- (422) -	- (422) -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans / Deposits to other entities	(844)	(844)
1.11 Loans repaid by other entities	-	-
1.12 Other – Refund of tenement bond	20	20
<b>Net investing cash flows</b>	<b>(1,246)</b>	<b>(1,246)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,007)</b>	<b>(2,007)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(2,007)	(2,007)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	2,362	2,362
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – costs of share issue	(137)	(137)
	<b>Net financing cash flows</b>	<b>2,225</b>	<b>2,225</b>
	<b>Net increase (decrease) in cash held</b>	<b>218</b>	<b>218</b>
1.20	Cash at beginning of quarter/year to date	8	8
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>226</b>	<b>226</b>

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	443
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 – Directors’ fees, consulting fees, final directors’ fees, superannuation for executive and non-executive directors and reimbursement of expenses paid to entities associated with directors

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	70
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	<b>170</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	226	8
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>226</b>	<b>8</b>

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+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EL6832	Lapsed	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A			

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference</b>			
	<b>+securities</b>			
	<i>(description)</i>			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	376,831,271*	376,831,271	
7.4	Changes during quarter			
	(a) Increases through issues	(a) 243,915,562*	(a) 243,915,562	
	(b) Decreases through returns of capital, buy-backs			
7.5	<b>+Convertible debt securities</b>			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

**Appendix 5B**

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

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	(a) 26,933,609*	26,933,609*	Exercise price 20 cents	Expiry date 31 December 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

\*On 22 September 2015, the Company consolidated its issued capital on the basis that every 10 securities held be consolidated into 1 security as approved at 15 September 2015 Shareholder meeting.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Director/~~Company Secretary~~)

Date: 30 October 2015

Print name: Peter Dykes

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+ See chapter 19 for defined terms.

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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