

27 July 2017

Appendix 4C Quarterly Report
For the period ended 30 June 2017

Activities

On 3 July 2017, EZA Corporation Limited ('the Company') announced that it had secured an exclusive right to acquire the Challa North and Challa South Gold and Base Metals projects in Western Australia. The Company is progressing with legal and geological due diligence. Further updates will be provided to the market in the near term.

Corporate

On 24 May 2017, Mercantile OFM Pty Ltd (Mercantile OFM) announced an unsolicited, conditional off-market cash takeover for all of the issued capital in EZA Corporation Limited (Offer). The previous off-market takeover bid by Mercantile OFM closed on 3 April 2017. The Company has issued its Target's Statement and Supplementary Target's Statement in response to the Offer.

At the date of this report, Mercantile OFM has a relevant interest in 7,876,230 Shares comprising a voting power of 12.90%. The Offer is still conditional and is scheduled to close at 7.00pm (AEST) on 1 August 2017.

As at 30 June 2017, the Company had a balance of \$9,076,000 in liquid assets comprising of \$8,776,000 of cash and 7,500,000 shares held in Emerald Resources NL.

The Appendix 4C cash flow report for the quarter ended 30 June 2017 is attached.

Doug Rose

Managing Director
EZA Corporation Limited

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

EZA Corporation Limited

ABN

59 151 155 734

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	-	
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(62)	(247)
	(f) administration and corporate costs	(91)	(334)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	53	294
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Return of security bond deposit	-	26
1.9	Net cash from / (used in) operating activities	(100)	(261)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	(125)	(766)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	421
	(d) intellectual property	-	-
	(e) 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	(125)	(345)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
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	-	-

**The Company has investments in listed entities with a market value at 30 June 2017 of \$300,000 pre-tax amount.*

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	9,001	9,382
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(100)	(261)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(125)	(345)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	8,776	8,776

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	574	825
5.2	Term deposits	8,202	8,176
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)	8,776	9,001

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
62
-

Director fees and superannuation.

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
3
-

The Company rents office premises from a related entity. Normal commercial terms apply.

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	-	-
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.		

N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(62)
9.6 Administration and corporate costs	(175)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(237)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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.



Print name: Doug Rose
(Managing Director)

Date: 27 July 2017

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 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 standard applies 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.