

## **INTERNATIONAL BASE METALS LIMITED ('IBML')**

### **QUARTERLY ACTIVITIES REPORT – End-June 2017**

#### **OCCUPATIONAL HEALTH AND SAFETY**

There were no lost-time or injury incidents during the Quarter.

#### **CORPORATE ACTIVITIES**

##### **Board Meetings**

The IBML Board met on 28<sup>th</sup> June 2017.

#### **CRATON MINING & EXPLORATION (PTY) LTD ('Craton')**

##### **Craton Board**

The Chairman of IBML, Mr Hugh Thomas, had several meetings with the Directors of Craton, who continue to work towards resolving the twin issues of the grant of the Omitiomire Mining Licence and access to the farm Omitiomire.

##### **Omitiomire Copper Project - Mining Licence ML197**

As previously advised, the Namibian Ministry of Mines and Energy ('MME') has requested that at least 5% of the Project should be held by approved Namibian entities before the Omitiomire Mining Licence will be granted. The directors and staff of Craton are in discussions with Namibian groups which satisfy the MME's requirements.

##### **Omitiomire Copper Project - Farm Access**

The farm Omitiomire is being sold. When the sale process has been completed, Craton will negotiate an access agreement with the new owner.

##### **Omitiomire Copper Project - "Mini-mining" Development Option**

As previously advised, the Company is assessing the option of an initial small-scale oxide copper mining and processing operation to expedite mine development after the Mining Licence has been awarded.

During the quarter, Craton continued to carry out bench-scale metallurgical test work, which showed +80% copper recovery, low acid consumption, and final cathode copper product of +99.9% Cu. Craton will collect a bulk sample of oxide copper material for pilot plant study after negotiating an access agreement with the new owner of the farm.

## **Craton Exploration**

### Tenements

- Craton submitted progress reports to the MME for EPLs 3589, 4150 and 4055.
- EPLs 3589 and 4150 were renewed.
- EPL 4055 (Sib) has been transferred to Hartmann Geoservices.

### Exploration activities

- There was no field exploration during the quarter.
- Assessment of previous exploration continued at a low level.

## **Craton Foundation**

The Craton Foundation held its Board Meeting on 19<sup>th</sup> May 2017. In June 2017, the *Eye See the World* initiative focused on Havana Primary School in Windhoek. Assisting the Craton Foundation with this initiative was Tobich Optics and Windhoek Lions Club. A total of 1500 children's eyes were screened; 80 children were identified as needing reading glasses. The handover of glasses will take place on 27<sup>th</sup> July 2017.

## **MACQUARIE GOLD LIMITED ('MGL') – ADELONG GOLD PROJECT**

As previously reported, IBML has acquired a 40% stake in MGL, which holds the Adelong Gold Project in southern New South Wales ('NSW').

After delays, the project is now advancing towards production. MGL has an experienced management team on site. The existing adit and drive have been dewatered and cleaned out. MGL will enlarge the adit to 4m x 4m before mine production can begin - probably during September 2017. The gold mill has been commissioned and is recovering some gold from old "mullock" heaps.

IBML's Board confirms its confidence in, and its commitment to, the Adelong Gold Project. The Challenger deposit contains a good thickness of moderate to high grade gold, which is amenable to underground mining and conventional milling. Other known deposits within the Mining Lease, ML1435, provide drilling targets for future resources and production. The surrounding Exploration Licence, EL5728, provides ample scope for further discoveries.

Please refer to the Macquarie Gold website [www.macquariegold.com.au](http://www.macquariegold.com.au) for further details.