

29th July 2016

Board:

David Porter (Executive Director)

Brett Fraser (Non-Executive Chairman)

Justin Virgin (Non-Executive Director)

Capital Structure:

2.52 Billion Shares

120 Million Options @ 0.17c exp 31/10/20

288 Million Options @ 0.17c exp 18/12/17

ASX Code:

BDI



Quarterly Activities Report

- Exploration work has ceased on the Colombian Gold Project with Andes Resources Ltd pending resolution of a legal dispute between the parties which could take up to 12 months
- Considering the time frame to resolve the legal dispute with Andes Blina is also examining other opportunities for lithium, gold and copper in Australian and overseas which have been brought to its attention.

Andes Resources Ltd Colombian Gold Project

During the June 2016 quarter a legal dispute arose between Blina Minerals NL ("Blina", ASX: BDI) and Andes Resources Ltd ("Andes") concerning the Colombian Gold Project. Blina advised the ASX on 20 June 2016 that it has been served with a writ from Andes Resources Limited ("**Andes**") which has been lodged in the Supreme Court of Western Australia.

In particular, Andes sought a declaration that the binding heads of agreement between Andes and the Company (**HOA**) (details of which were announced by the Company on 18 December 2015) ceased to have any legal force or effect (save for the obligation of Andes to convert the exclusivity fee and due diligence overheads into fully paid shares in Andes).

On 4 July 2016 Blina filed a defence and counter claim to Andes' writ. Blina in its defence claimed that a letter received from Andes on 3 May 2016 did not terminate the HOA, which remains legally binding on the parties. Blina's pleading states that the agreement between the parties was to negotiate in good faith and execute the JV Agreement. Furthermore Blina is seeking either specific performance or equitable compensation from



Blina's position is that the parties were to negotiate a formal JV agreement incorporating the terms of the HOA in good faith and execute the JV Agreement after completion of the due diligence period. Furthermore Blina is either seeking specific performance or equitable compensation from Andes for funds spent during the due diligence period and for lost opportunity costs .

Other Projects

Numerous good quality opportunities have been presented to the Company for lithium, gold and copper in Australia and mainly Africa in the past 3 months. Blina is assessing these opportunities on their merits.

Contact

For further information please contact:

David Porter

Executive Director

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DISCLAIMER

Information included in this release constitutes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue” and “guidance” or other similar words, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate environmental conditions including extreme weather conditions, staffing and litigation

Forward looking statements are based on the company and its management's assumptions made in good faith relating to the financial, market, regulatory and other relevant environments that exist and effect the company's business operations in the future. Readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements are only current and relevant for the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or advise of any change in events, conditions or circumstances on which such statement is based.

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk. It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

COMPETENT PERSONS STATEMENT

The information in this Announcement that relates to Exploration Results was compiled by Mr Robert Jewson, who is a member of the Australian Institute of Geoscientists, and a consultant to Blina Minerals NL. Mr Jewson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Jewson consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining 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

BLINA MINERALS NL (BDI)

ABN

25 086 471 007

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration and evaluation	(90)	(390)
(b) development	-	-
(c) production	-	-
(d) rehabilitation	(7)	(29)
(e) administration	(93)	(294)
(f) project development costs	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(187)	(704)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net Investing Cash Flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(187)	(704)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(187)	(704)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. net of costs	-	870
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 (provide details if material)	-	-
	Net financing cash flows	-	870
	Net increase (decrease) in cash held	(187)	166
1.20	Cash at beginning of quarter/year to date	687	334
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	500	500

Payments to directors of the entity and associates of the directors

Payments to 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	64
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Geological consulting, corporate management fees paid to associated company, and expense reimbursement.

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

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	100
4.2 Development	-
4.3 Production	-
4.4 Administration	95
Total	195

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	50	78
5.2 Deposits at call	450	609
5.3 Bank overdraft		-
5.4 Other: Refundable Guarantees ⁽ⁱ⁾		-
Total: cash at end of quarter (item 1.22)	500	687

⁽ⁱ⁾ In addition to the cash available to the Company, the Company is due to receive a refund of an environmental bond to the value of \$247,000 (not received in this quarter). The effect of this would be to reduce the estimated cash out flow for the next quarter to an in-flow \$121,000.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

Appendix 5B
Mining exploration entity quarterly report

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 Preference +securities <i>(description)</i>	-	-		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 +Ordinary securities	2,543,891,570	2,543,891,570		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
7.7 Options <i>(description and conversion factor)</i>	120,000,000 295,666,667	- -	<u>Exercise price \$</u> \$0.0017 \$0.0017	<u>Expiry date</u> 31.10.2020 23.12.2017
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

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.



Signed:

Dated: Friday, 29 July 2016

Company Secretary

Print name: JAY STEPHENSON

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 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, 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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