

Quarterly Activities Report & Appendix 5B

Quarter Ending 31 March 2018

Perth, Western Australia – 30 April 2018 – The Directors of Lustrum Minerals Limited (**Lustrum Company**) (ASX: **LRM**) are pleased to present its Quarterly Activities Report and Appendix 5B for the three (3) months ending 31 March 2018 (**Quarter**).

Highlights

- Commenced and completed two (2) drilling campaigns at the Consuelo Project
- Drilling intersected significant coal seams from the first three (3) holes
- Coal seam sequence totalling approx. 8.25 metres at the third hole (CON003)
- Downhole Geophysics and Logging indicate positive coal qualities
- Fourth hole (CON004Q) successfully drilled and awaiting coal quality data
- Further exploration planning and evaluation is currently underway

Consuelo Project Exploration

The Consuelo Project is comprised of three (3) Exploration Permits for Coal (EPCs 2327, 2318 and 2332, together the **EPCs** or **Project**) in Queensland's Bowen Basin, located south of the town of Rolleston and the operating Rolleston high quality thermal coal mine (see Figure 1, below).

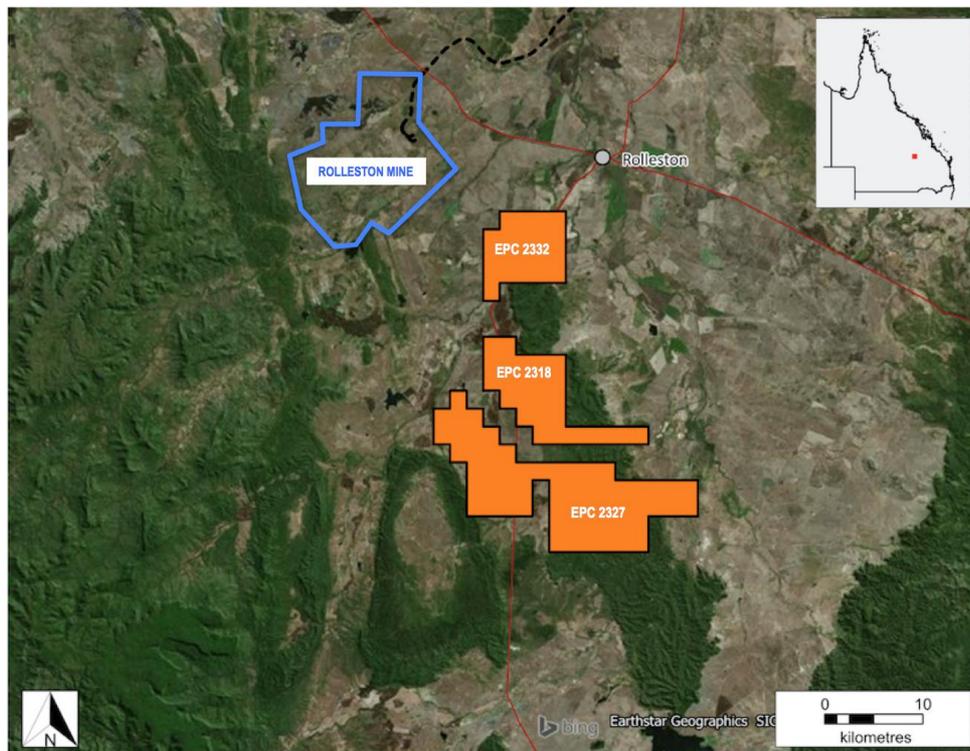


Figure 1: the Consuelo Project

As announced 29 January 2018 ("Coal Intersected at Consuelo"), the Company completed its maiden drilling campaign at the Project, drilling two (2) open percussion holes in the Western sections of EPC 2327 and EPC 2318 (**Initial Drilling**) (see Figure 1, above).

Subsequent to the Initial Drilling, the Company announced the further drilling of Consuelo on the 5th of March, 2018 ("Exploration Success Continues at Consuelo: Third Drill Hole Intersects Coal Sequence"), where the Company completed its third drill hole (CON003) on the western section of EPC 2327 (**Secondary Drilling**).

A summary of the Initial Drilling and Secondary Drilling is captured in Table 1, below:

Hole	Easting	Northing	Elevation	Dip	Hole Depth	Top of Coal	Thickness of Sequence
CON001	646998.537	7267267.230	256m	90°	333	80.90	67.35
CON002	654798.380	7271978.740	226m	90°	911.68	685	78.00
CON003	646805.000	7266285.000	TBA	90°	654	144.60	91.60

Table 1: Drilling during the Quarter

CON001 and CON003 are approximately 1 kilometre apart, on the western boundary of EPC2327. See below, Figure 2:

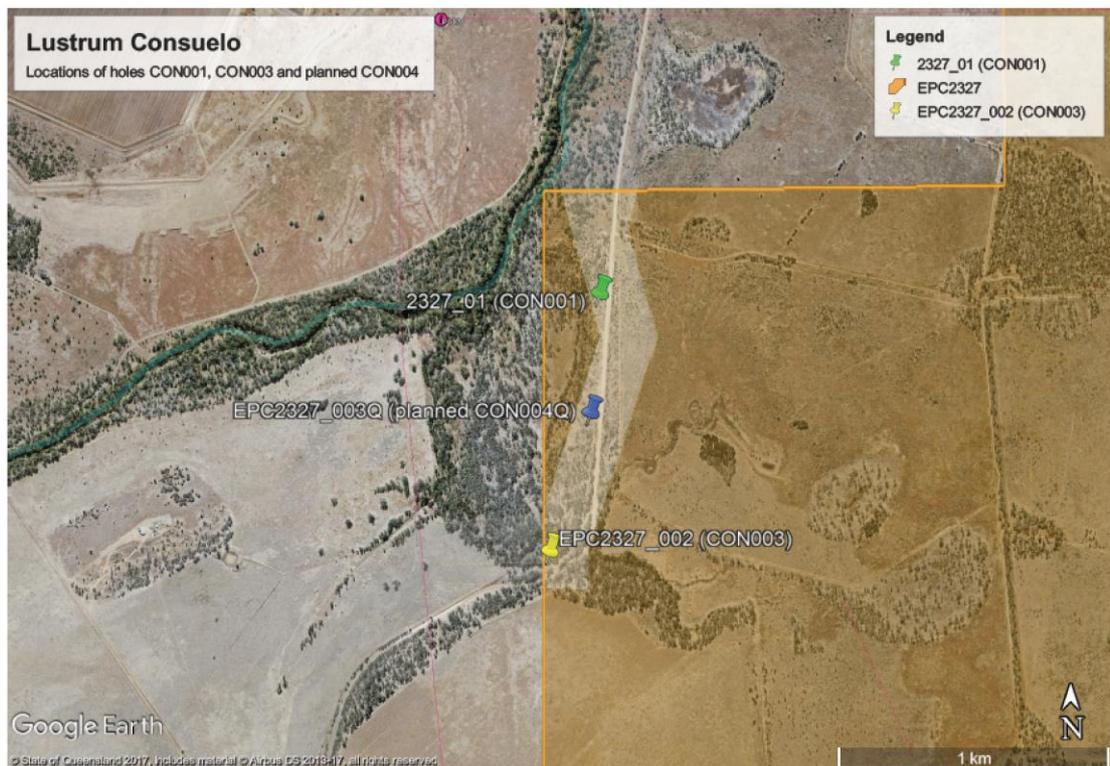


Figure 2: Drilling Locations during the Quarter

CON001 was initially drilled to investigate reported shallow coal intersections adjacent to EPC2327 and an anomaly seen in deep ground-penetrating radar, and CON003 was drilled to assess seam similarities and depths in a direction thought to be approximately along strike.



Generally, excellent correlation of the coal sequence between CON001 and CON003 has been observed. CON003 intersected additional coal intersections above the sequence seen in CON001. Below these additional intersections, both CON001 and CON003 contained a similar seam sequence, with both seam thicknesses and interburden thickness being consistent between the holes.

The total cumulative coal thickness intersected in CON003 was 8.25 metres, the seams encountered in CON003 are summarised in Table 2, below.

Coal Top Depth (metres)	Coal Base Depth (metres)	Thickness (metres)
144.60	145.60	1.00
152.30	152.50	0.20
161.50	161.80	0.30
164.50	164.95	0.45
169.80	170.40	0.60
189.00	191.10	2.05
195.25	195.75	0.50
215.70	218.30	2.60
235.70	236.20	0.50
Total		8.25

Table 2: Coal seams identified from logging in CON003

All seam thicknesses and depths have been interpreted from logged chips and downhole geophysics. The seams sequences in CON003 are interpreted, based on geological logging, to correlate very well to coal seams hosted in the Bandanna Formation, the same sequence being mined at the nearby Rolleston Coal Mine.

Activities Subsequent to the Quarter

Subsequent to the Quarter, the Company has completed one(1) part core hole CON004Q, located between CON001 and CON003 at 646943E 7266791N.

Core samples from this hole have been submitted for coal quality analysis, including specific energy, total moisture, ash content, proximate and total sulphur and Crucible Swell Number (CSN). It is not proposed to complete washability or detailed clean coal testing at this stage.

The Company will correlate and review the data from CON004Q and expects to be in a position to make an announcement shortly.

This recent drilling has allowed the Company to begin a first stage review of available borehole data for the purposes of correlating major seams and interburden thickness with surrounding historical drill holes.

The Company, via its consultant Xplore Resources Pty Ltd, has begun compiling historical data from surrounding areas such as, but not limited to, the Springsure borehole series conducted by the Geological Survey of Queensland, Dunellen No.1 and Rolleston No. 18 (both drilled by a Joint Venture of Oil Company of Australia Ltd and Santos Limited).





Based on the drilling completed to date, and subject to the output of the coal quality analysis, the Company has identified a series of step out holes designed to quantify the aerial extent of the coal sequences identified to date.

Furthermore, the Company has identified a subsequent stage of open hole percussion drilling to be conducted on road reserves elsewhere within the Consuelo Project area. Targets have identified at six (6) new locations to assist in enhancing the coal seam distribution throughout the project area. These targets are in their early stage of generation and will be prioritised based on geological data and interpreted depth to the coal sequences.

The Company will provide updates accordingly.

Corporate

During the Quarter, the Company held its Annual General Meeting of Shareholders as per the Company's Notice of Meeting dated 24 January 2018 and issued its half year report for the six (6) months ending 31 December 2018.

The Company continues to assess all means of maximising shareholder value, via the exploration of the Company's Consuelo Project and via the assessment of potential business development opportunities.

For, and on behalf of the Board of the Company,



Loren King

Non-Executive Director and Secretary

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Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Lustrum Minerals Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Lustrum Minerals Limited believes that its forward-looking statements are reasonable; however, forward looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

Competent Persons Statement

The information in this report that relates to Exploration Results are based on information compiled by Mr Ian Prentice. Mr Prentice is a consulting geologist for Lustrum and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Prentice consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity monthly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Lustrum Minerals Limited

ACN

609 594 005

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current Quarter (Mar 2018) \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for:		
(a) exploration & evaluation	(285)	(395)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(97)	(504)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (GST Refund received during period)	-	-
1.9 Net cash from / (used in) operating activities	(382)	(899)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current Quarter (Mar 2018) \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) 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	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	5,000
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	-	(480)
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	-	4,520

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	4,216	213
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(382)	(899)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	4,520
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	3,834	3,834

5. Reconciliation of cash and cash equivalents at the end of the month (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	3,834	4,216
5.2 Call deposits	-	-
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)	3,834	4,216

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(88)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	N/A
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payment of director's fees.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	N/A
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	N/A
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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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	N/A	N/A
8.2 Credit standby arrangements	N/A	N/A
8.3 Other (please specify)	N/A	N/A
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 month end, include details of those facilities as well.		

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Mining exploration entity and oil and gas exploration entity quarterly report

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	(200)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	-
9.5	Administration and corporate costs	(130)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(330)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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.

Sign here:



 Director and Company Secretary

Date: 30 April 2018

Print name: Loren King

Notes

1. The monthly report provides a basis for informing the market how the entity's activities have been financed for the past month 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 monthly report has been prepared in accordance with Australian Accounting Standards, 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. If this monthly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply 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.