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Market Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000



*by electronic lodgement*

**Ashburton Minerals Ltd  
("Ashburton" or "the Company")**

Dear Sir/Madam

## **PLACEMENTS AND PERUVIAN COPPER-GOLD PROJECTS**

### **ASHBURTON MOVES TOWARDS ACQUISITION OF SIGNIFICANT COPPER-GOLD EXPLORATION ASSETS IN PERU**

#### **HIGHLIGHTS:**

- 23,450 ha tenure in two project areas within the rich Pierina Epithermal Gold Belt, 100 km east of Lima
- Proven copper porphyry mineralisation in immediately adjacent ground
- Unexplored artisanal gold-base metal historical workings
- One project area completely surrounds the Inca Minerals (ASX.ICG) Chanape project
- Giant Toromocho deposit, 30 km away, reported by Chinalco as 1.5Bn t @ 0.48% Cu, 0.019% Mo and 6.88g/t Ag<sup>1</sup>
- Two further projects in application stage in other prospective areas of Peru
- Placement fundraising of \$450,000

#### **PERU ACQUISITION - SUMMARY**

Ashburton advises that it has entered a conditional, non-binding term sheet ("Terms") under which it proposes to acquire unlisted Australian explorer Platypus Resources Limited ("Platypus"). Platypus holds rights to acquire approximately 23,450 ha of ground prospective for copper-gold-base metal mineralisation in the San Mateo Mining District, situated 100 km east of Lima, Peru, in the western cordillera of the Andes. The project area ranges from 4,200 m to 5,200 m above sea level and sits in the midst of an extensively mineralised district of Peru (Figure 1).

Under the Terms, Ashburton will seek shareholder approval to issue approximately 1,750 million Ashburton shares to the shareholders of Platypus to acquire all of the issued shares in the capital of Platypus such that Platypus would become a wholly owned subsidiary of the Company.

#### **PLACEMENT FUNDRAISING - SUMMARY**

Ashburton further advises that it has completed two placements raising \$450,000 before costs. Both

<sup>1</sup> Chinalco website: [www.chinalco.com.pe/es/operaciones](http://www.chinalco.com.pe/es/operaciones)

placements were made under the Company's 15% + 10% capacity pursuant to listing rules 7.1 and 7.1A and therefore do not require shareholder approval. The placements were made to sophisticated and professional investors, at 0.1 cents and 0.3 cents per share, with settlement expected to occur by 31 July 2013. Allotment and trading of the shares on ASX will occur shortly thereafter (further details below).

Part of the placement, comprising \$330,000 was arranged by DJ Carmichael for which a fee of 6% is payable ("Placement Part A"). These funds will be used in part to satisfy the Company's commitment to provide a loan facility of \$100,000 to Platypus; to initiate work on Ashburton's Mt Andrew project; and for working capital mainly associated with administrative matters related to the corporate transaction with Platypus. The remaining \$120,000 of the placement was organised directly by the Company and will not attract a fee. These funds will be applied to the Mt Andrew work program, to corporate costs, and to general working capital.

### **PLATYPUS TERMS**

Ashburton has signed a Terms Sheet with Platypus and its majority shareholders agreeing on the process for the proposed acquisition of Platypus ("Acquisition"). The Acquisition is conditional upon:

- the Company entering into a formal share sale agreement with all of the Platypus shareholders;
- the representations and warranties in the formal share sale agreement remaining true and correct at completion of the Acquisition;
- the Company issuing the Placement Part A shares;
- each of the Company and Platypus being satisfied with the results of due diligence on each other;
- Ashburton shareholder approval;
- Platypus shareholders waiving any pre-emptive rights over the Platypus shares to be acquired; and
- receipt of regulatory and third party consents for the Acquisition (if any).

As part of the agreed Terms, Ashburton will make available to Platypus, from the proceeds of the Placement Part A, a \$100,000 loan to enable Platypus to conduct its business in the period through to completion of the Acquisition. The loan will be unsecured and will attract interest at a rate of 8% per annum, and will be repayable at call if completion of the Acquisition does not occur.

Under the Terms, Ashburton will call a general meeting of its shareholders to seek approval under listing rules 11.1.2 for the issue of approximately 1,750 million Ashburton shares to the Platypus shareholders to acquire all of the issued shares in the capital of Platypus, thus giving Ashburton 100% ownership of Platypus.

At the same meeting, Ashburton will also seek shareholder approval to convert a loan of \$200,000 made to the Company by director Peter Bradford into 100 million Ashburton shares at 0.2 cents per share.

Platypus and its majority shareholders have agreed to deal exclusively with Ashburton for a period of 3 months in relation to the sale of Platypus.

Upon completion of the Acquisition and the above loan conversion, the Platypus shareholders will in

aggregate hold 53.28% of the issued capital in Ashburton and the largest Platypus Shareholder (Circum-Pacific Holdings Limited) will hold 15.04% of the issued capital in Ashburton.

Two representatives of Platypus, Mr Laurie Ziatas and Mr Dennis Trlin, will be appointed to the Board of Ashburton. Mr Rick Crabb will continue as Chairman and Mr Tom Dukovic will remain as Managing Director. At this stage, it is contemplated that Mr Peter Bradford would resign from the Board following completion of the Acquisition.

There are no current relationships between Ashburton and Platypus or with any of the Platypus shareholders and the parties are therefore unrelated.

Also subject to shareholder approval at the general meeting, if approval by shareholders is given for the issue of shares to the Platypus shareholders, Ashburton will change its name to Platypus Minerals Limited.

At some point following completion of the Acquisition, Ashburton will undertake a rights issue to raise approximately \$1,500,000 at a ratio and price to be determined at the time of launch of the rights issue having regard to market conditions at that time.

A pro-forma balance sheet showing the effect of the Acquisition and information on changes to Ashburton's share capital is set out in Annexure A. A proposed timetable for the Acquisition is set out in Annexure B.

## **PERUVIAN PROJECTS**

Platypus has secured access to exploration properties in Peru prospective for copper-gold mineralisation (epithermal and porphyry style) through an agreement dated 1 May 2013 with Minera Chanape S.A.C., a Peruvian company ("Minera Chanape").

Platypus owns 10% of Minera Chanape, and has the rights to purchase the remaining 90% of the shares in Minera Chanape that it does not currently hold as set out below:

- a) a further 25% by cash payment to Minera Chanape of \$2.5 million over 4 years at the rate of \$0.5 million per year for the first three years and \$1 million in the fourth year;
- b) a further 35% by concurrent expenditure on exploration of \$4 million over 5 years at the minimum rate of \$0.5 million per year in years 1 and 2, and \$1 million per year in years 3, 4 and 5;
- c) 20% upon proving up an Inferred Resource of 1 million oz gold equivalent minerals by paying to the Minera Chanape Shareholders a sum to be agreed, or failing agreement, a sum determined by an independent valuer; and
- d) 10% upon proving up an Indicated Resource of 1 million oz gold equivalent minerals by paying to the Minera Chanape Shareholders a sum to be agreed, or failing agreement, a sum determined by an independent valuer.

Under Peruvian mining law, there are no minimum expenditure requirements, other than a \$3/ha annual fee and genuine and demonstrable exploration activity, which the above exploration expenditure comfortably caters for.

The primary property being acquired in Peru by Ashburton, via Platypus, is situated central to the historical mining area in the San Mateo Mining District, which contains numerous historical gold, copper, silver and base metal mines, including the Pacococha, Millotingo, Silveria, Germania,

Chanape and Shullac mines, among others, several of which persisted as artisanal operations into the early 1990s.

The district has been variously explored in the past, mainly by Canadian companies, and is today marked by the presence of a number of explorers, including ASX-listed Inca Minerals (ASX:ICG) which is exploring its Chanape project, and Sandfire Resources (ASX:SFR) who holds adjacent ground .

Inca recently reported some outstanding drilling results at Chanape that confirmed the presence of porphyry-style copper mineralisation (220 m @ 0.13% Cu and 120 ppm Mo, from 380 m to end of hole at 600 m) beneath a shallower zone of epithermal gold mineralisation (108 m @ 2.0 g/t Au and 413 g/t Ag from surface) that was initially identified by previous workers, with the alteration in the Inca intercept confirmed by consultants to be typical of porphyry-style mineralisation<sup>2</sup>. These results have significantly enhanced the prospectivity of the San Mateo district, having opened up the potential for the discovery of giant copper deposits in addition to the epithermal-style gold-silver-base metal deposits that are known in the area.

The central Platypus tenement block (3,450 ha) entirely surrounds the Inca Minerals Chanape project area (805 ha) and contains extensions of geological, geophysical and geochemical trends seen in the central Chanape area (Figure 2). Platypus has also secured an additional 20,000 ha adjoining the regional extensions held by Inca and Sandfire, thus making Platypus one of the dominant ground holders in the San Mateo Mining District (Figure 3).

Ashburton is keen to commence exploration of this exciting and promising area which, albeit with a long mining history and proximity to Lima, is clearly underexplored and its potential is not fully known.

Platypus is also finalising the acquisition of a further two project areas totalling about 33,000 ha in another part of this resource rich country, details of which remain to be concluded and are expected to be completed prior to the completion of the Acquisition of Platypus by Ashburton.

#### **PLACEMENT FUNDRAISING - DETAILS**

The placement of \$450,000 was issued at an average price of 0.2 cents per share through the issue of 225 million fully paid ordinary shares. This was achieved through the issue of 112.5 million shares at 0.1 cents per share utilising the Company's existing capacity under listing rule 7.1 (15% rule), and the issue of 112.5 million shares at 0.3 cents per share utilising the Company's capacity under listing rule 7.1A (10% rule). This somewhat unusual step was taken because issues under 7.1A cannot be less than 75% of the 15 day volume weighted average price (VWAP), which is 0.3cents and would require an issue at no less than 0.225 cents. As it is not possible to round down the issue price, it was decided to issue these shares at 0.3 cents each and to issue an equivalent amount at 0.1 cents under 7.1, which issues do not have a constraint on price.

The Company acknowledges and appreciates the understanding and cooperation of the places in relation to this process, which ensured a successful fundraising.

The Company is pleased with the strong level of support it has received for the fundraisings, the Platypus transaction and the recent introduction of a farmin partner at Mt Andrew. These actions have secured the advancement of exploration at the Mt Andrew project in the short-term and, in the longer-term, have placed the Company on an exciting new course to explore for copper-gold deposits within the rich western cordillera region of the Andes in Peru.

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<sup>2</sup>Inca Minerals Ltd ASX announcement dated 27 February 2013, and Quarterly Activities Report dated 30 April 2013

The revitalisation of the Company is a significant achievement in the current market and we look forward to this new chapter in the Company's development.

With the release of this announcement we request that the suspension in trading in the Company's securities be lifted.

Yours faithfully,



Tom Dukovic  
Managing Director

**3 Figures and 2 Annexures follow**

For further information, please contact:

Ashburton Minerals Ltd

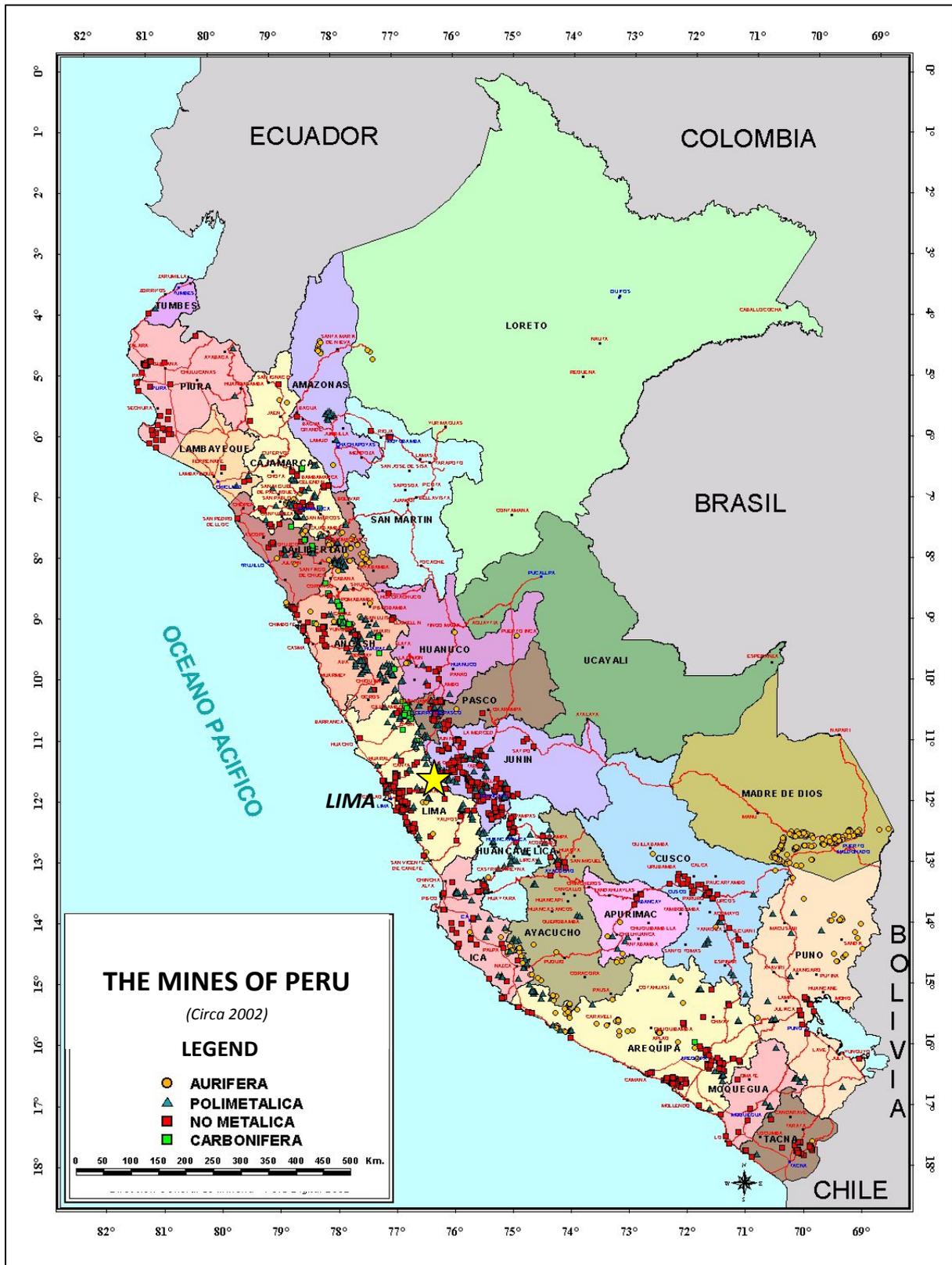
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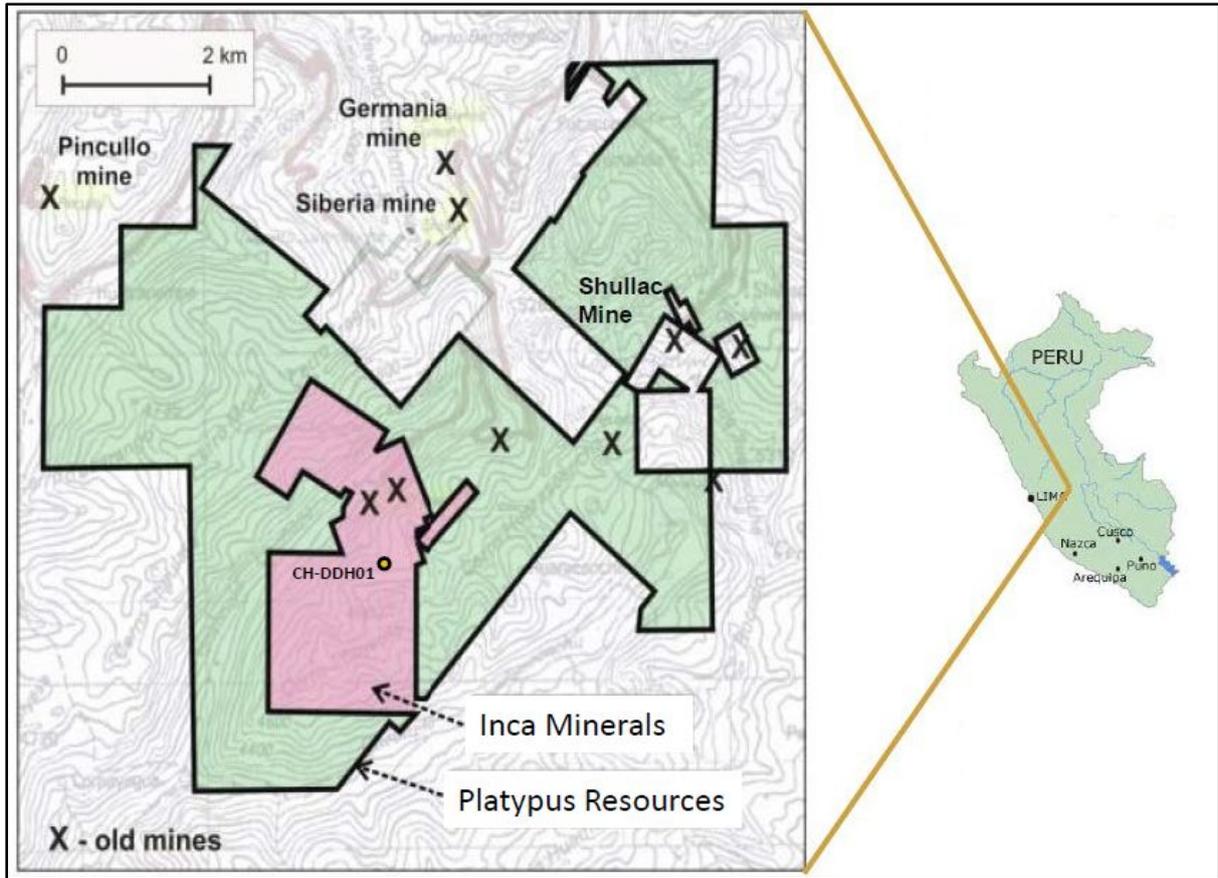
Email: [info@ashmin.com.au](mailto:info@ashmin.com.au)

or visit our website: <http://www.ashmin.com.au> and join our e-list.

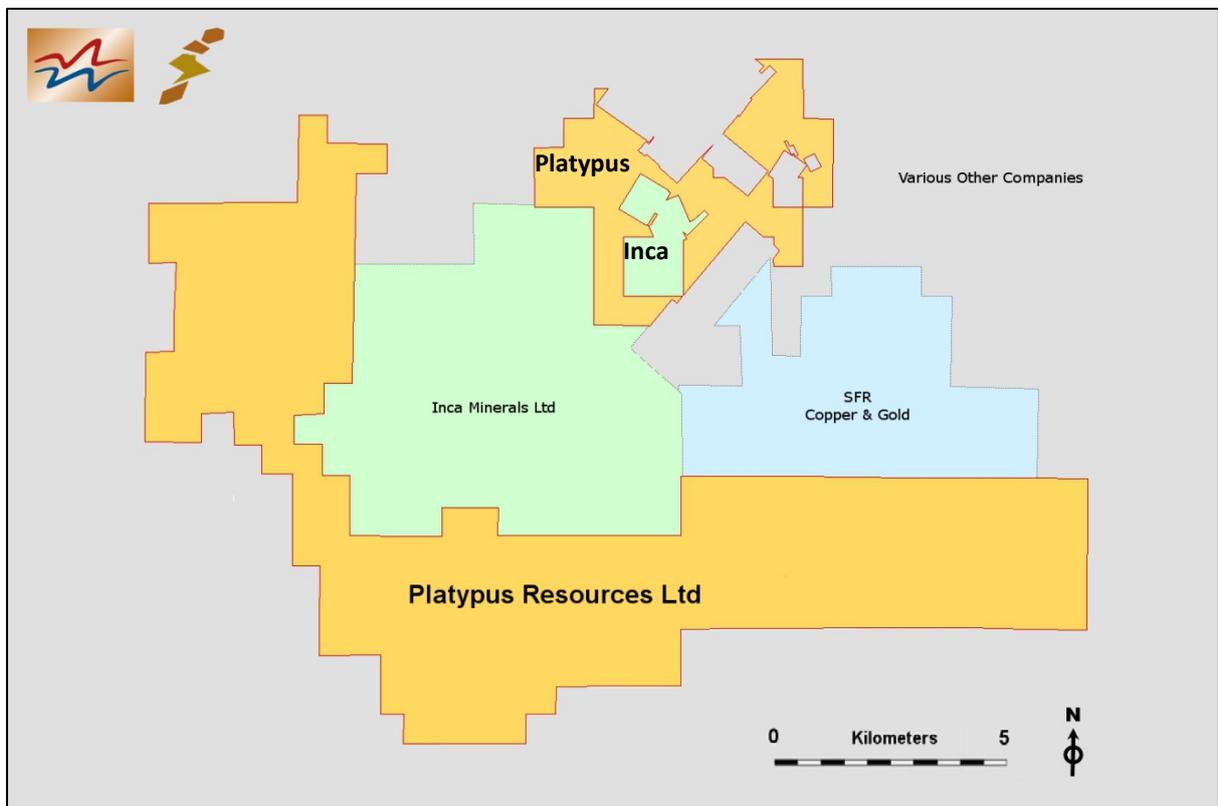
*The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovic, who is an employee of the Company and a member of the Australian Institute of Geoscientists and who has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Dukovic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.*



**Figure 1.** Map of Peru showing widespread and varied mineralisation. Location of Platypus Resources project shown by gold star. Chinalco's giant Toromocho deposit (1.5Bn t @ 0.48% Cu) lies 30 km further east.



**Figure 2.** Location of Platypus tenements in relation to the Inca Minerals 'Chanape' project.



**Figure 3.** Selected tenement holdings in the San Mateo Mining District showing Platypus Resources (gold) Inca Minerals (green) and Sandfire Resources' subsidiary (blue).

## ANNEXURE A

### PRO FORMA BALANCE SHEET

A pro-forma balance sheet of financial position as at 31 December 2012 following the proposed transactions is set out below.

	Audit reviewed Consolidated 31 December 2012 \$	Adjustments for Transactions \$	Pro-forma Consolidated 31 December 2012 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	45,625	1,790,200	1,835,825
Trade and other receivables	41,037		41,037
Inventories	-		-
<b>TOTAL CURRENT ASSETS</b>	<b>86,662</b>	<b>1,790,200</b>	<b>1,876,862</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	10,417		10,417
Investment in Associated Company	-	3,500,000	3,500,000
Capitalised exploration expenditure	1,974,547		1,974,547
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,984,964</b>	<b>3,500,000</b>	<b>5,484,964</b>
<b>TOTAL ASSETS</b>	<b>2,071,626</b>	<b>5,290,200</b>	<b>7,361,826</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Loan PB (post 31 December)*		- 200,000	- 200,000
Trade and other payables	220,744	-	220,744
<b>TOTAL CURRENT LIABILITIES</b>	<b>220,744</b>	<b>- 200,000</b>	<b>20,744</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	-	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>220,744</b>	<b>200,000</b>	<b>20,744</b>
<b>NET ASSETS</b>	<b>1,850,882</b>	<b>5,490,200</b>	<b>7,341,082</b>
<b>EQUITY</b>			
Contributed equity	34,427,454	5,490,200	39,917,654
Reserves	555,324		555,324
Accumulated losses	- 33,131,896		- 33,131,896
<b>TOTAL EQUITY</b>	<b>1,850,882</b>	<b>5,490,200</b>	<b>7,341,082</b>

**Notes:** This unaudited consolidated pro forma Statement of Financial Position of the Company is based on the financial report as at 31 December 2012 (which was subjected to audit review), adjusted for:

- a) \*An adjustment for a \$200,000 loan provided to the Company by director Peter Bradford post 31 December 2012 balance date;
- b) the conversion of the \$200,000 loan owing by the Company at 0.2 cents per Ashburton share;
- c) the Placement;
- d) the Acquisition;
- e) the proposed rights issue (assuming, for comparative purposes, a rights issue price of 0.2 cents); and
- f) costs of the Transaction, Placements and Rights Issue (estim. \$159,800).

Shares	Number (on a post-Consolidation basis)	Percentage interest
Shares currently on issue	1,179,240,775	29.45%
Shares to be issued under the Placements	225,000,000	5.62%
Shares to be issued to the Platypus shareholders	1,750,000,475	43.70%
Shares to be issued on conversion of loan owing to Peter Bradford	100,000,000	2.50%
Shares to be issued under the proposed rights issue (assuming a rights issue price of 0.2 cents)	750,000,000	18.73%
<b>Total Shares upon completion of the proposed transactions</b>	<b>4,004,241,250</b>	<b>100.00%</b>

*Note: There will be no changes to Ashburton's options on issue*

## **ANNEXURE B**

### **INDICATIVE TIMETABLE**

The Company intends to convene a general meeting of its shareholders to seek all necessary approvals for the proposed transactions. A Notice of General Meeting and Explanatory Memorandum containing further details will be circulated in due course.

Set out below is an indicative timetable for the proposed transactions:

<b>Event</b>	<b>Date</b>
Settlement of the Placement	31 July 2013
Entry into formal share sale agreement with Platypus shareholders	15 August 2013
Despatch Notice of Meeting to the Company shareholders	16 August 2013
General Meeting of shareholders to approval the Acquisition	17 September 2013
Completion of Acquisition	20 September 2013

*The above dates are indicative only and may change without notice*