



**Caeneus Minerals Ltd**  
ACN 082 593 235

**Australian Securities Exchange**  
Code: CAD

**Ordinary shares**  
797,430,234

**Unlisted Options**  
19,500,000 (exercise price of \$0.005; expiry date of 31 Dec 2016)  
306,150,001 (exercise price of \$0.03; expiry date of 27 Feb 2017)

**Board of Directors**  
Mr Keith Bowker  
Mr Antony (Tony) Sage  
Mr Michael Nottas

**ASX Announcement**  
**28 October 2015**

### Highlights

- **Caeneus to acquire 100% of private company Port Exploration Pty Ltd.**
- **Port Exploration Pty Ltd has an agreement to acquire the prospective Pardoo Nickel Project in Western Australia.**
- **Placement to sophisticated investors of \$101,829 completed to commence airborne geophysical survey.**
- **Further Placement to sophisticated investors to raise \$600,000 subject to approval from Caeneus shareholders to continue active exploration program at the Pardoo Nickel Project and the Super Nova Project, located within the Albany-Fraser Mobile Belt in Western Australia.**

## CAENEUS MINERALS LTD TO ACQUIRE PRIVATE COMPANY PORT EXPLORATION PTY LTD

Caeneus Minerals Ltd (“Caeneus” or “the Company”) is pleased to announce that it has entered into a Memorandum of Understanding (“MOU”) to acquire 100% of the issued shares of private company Port Exploration Pty Ltd (“Port Exploration”) (“Acquisition”).

The MOU, which remains subject to satisfaction of conditions precedent including completion of due diligence and shareholder and all necessary regulatory approvals.

### Pardoo Nickel Project

Port Exploration has a joint venture agreement (“Agreement”) with Segue Resources Limited (ASX: SEG) which includes the Pardoo Nickel Project (“Project”). Port Exploration can acquire a 51% interest in the Project by spending \$250,000 on exploration within 12 months of signing the Agreement (“Stage 1 Interest”). Port Exploration can acquire an additional 29% interest in the Project by spending a further \$250,000 on exploration by no later than 12 months after earning the Stage 1 Interest (“Stage 2 Interest”). Upon Port Exploration earning the Stage 2 Interest SEG has the right for a period of 18 months to sell its 20% joint venture interest to Port Exploration for shares in Port Exploration.

The Pardoo Nickel Project is located in the Northern Pilbara, 100km east of the regional centre of Port Hedland. The Project is prospective for magmatic nickel-copper sulphides. A current inferred resource of 44.7mt @ 0.3% Ni & 0.13% Cu exists at the sedimentary hosted Highway Deposit.

The Highway Deposit was discovered by CRA in the early 1990’s and subsequently expanded upon (and marginally upgraded) through activities undertaken by Mithril and SEG during a period from 2007 through to 2010. Mineralisation at the Highway Deposit is present as disseminations and semi massive sulphides within the Goldsworthy Greenstone Belt. The mineralisation has been interpreted as being hydrothermally re-mobilised from a primary magmatic source. Previous operators have described the Highway mineralisation (and that at Supply Well) as an unusual style of disseminated and semi-massive nickel-copper sulphide mineralisation that appears stratabound and discordant within meta-sediments, cherts and possible ultramafic rocks.

The exploration strategy proposed by the Company is predicated on the theory that the source of nickel and copper mineralisation in the immediate region is derived from a large scale mafic-ultramafic intrusive complex located immediately north of the Highway Ni-Cu deposit. Detailed assessment of this large intrusion to delineate high priority Ni-Cu-Pge exploration targets will form the core focus of exploration initiatives in the short to medium term including detailed aeromagnetic and ground based gravity surveys prior to the onset of the wet season.

The Pardoo Nickel Project provides an excellent opportunity to build on the significant body of historical work. Geographically, it is well positioned being 15 km from the coast and approximately 100km east of Port Hedland along the Great Northern Highway and is in close proximity to power, rail and port facilities.

*The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dean Goodwin who is a Member of the Australian Institute of Geoscientists. Mr Goodwin is a consultant to the Company. Mr Goodwin has sufficient experience which is relevant to the style and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Goodwin consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears*

### **Terms of the MOU**

The consideration payable by the Company to the Port Exploration Vendors for the Acquisition is:

- The issue of 750,000,000 fully paid ordinary shares at a deemed issue price of \$0.001 with a 1 for 2 free attaching unlisted option exercisable at \$0.003 on or before 31 December 2020; and
- The payment of \$65,000 being the reimbursement of the costs of acquiring the Project.

### **Capital Raising**

The Company requires additional funds for exploration work programs and other working capital requirements. The Company has raised \$101,829 via the issue of 50,914,618 fully paid ordinary shares at \$0.002 per share with a 1 for 2 free attaching unlisted option exercisable at \$0.003 on or before 31 December 2020 to sophisticated investors. The shares have been issued under ASX Listing Rule 7.1A. The 25,457,309 free attaching unlisted options will be issued at a later date subject to shareholder approval at the upcoming Annual General Meeting (“AGM”).

At the AGM, the Company will also seek shareholder approval for the issue of 300,000,000 fully paid ordinary shares at \$0.002 per share with a 1 for 2 free attaching unlisted option exercisable at \$0.003 on or before 31 December 2020 to raise \$600,000.

### **Poseidon Nickel Limited**

Further to the Company’s announcements of 28 July 2015 and 11 September 2015, the Company has issued 100,000,000 (86,263,056 issued under ASX Listing Rule 7.1 and 13,736,944 issued under ASX Listing Rule 7.1A) fully paid ordinary shares at a deemed issue price of \$0.003 to Poseidon Nickel Limited (ASX: POS) under a Deed of Release for Settlement Consideration to the value of \$300,000 in relation to the proposed acquisition of the contractual rights to mine at the Silver Swan nickel mine.

### **Capital Structure at Completion of Acquisition**

On the basis that the Company completes the Acquisition on the terms set out above, the Company's capital structure will be as follows:

	<b>Shares</b>	<b>Options</b>
Currently on issue	646,515,616	325,650,001 <sup>1</sup>
Issued to POS for Settlement Consideration as discussed below	100,000,000	-
Issued to Convertible Noteholders, subject to shareholder approval at AGM	75,000,000	-
Issued to creditors, subject to shareholder approval at AGM	8,150,660	-
Issued to Port Exploration Vendors as outlined above	750,000,000	375,000,000
Completed capital raising as outlined above	50,914,618	25,457,309
Anticipated capital raising as outlined above	300,000,000	150,000,000
<b>Total</b>	<b>1,930,580,894</b>	<b>876,107,310</b>

1. 19,500,000 unlisted options exercisable at \$0.005 on or before 31 December 2016 and 306,150,001 unlisted options exercisable at \$0.03 on or before 27 February 2017.

### **Pro Forma Balance Sheet**

The effect of the Acquisition on the financial position of the Company is set out in Annexure A.

### **List of Tenements**

A list of all tenements forming part of the Acquisition is set out in Annexure B.

### **Indicative Timetable**

The indicative timetable for completion of the Acquisition, and the balance of the matters set out above is set out below:

<b>Event</b>	<b>Date</b>
Despatch of Notice of Meeting to Shareholders	29 October 2015
Annual General Meeting of Shareholders	27 November 2015
Completion of the Acquisition	4 December 2015

\* The above dates are indicative only and represent the current intentions of the Company. The above dates are subject to change.

For and on behalf of the Board



Keith Bowker  
**Director/Company Secretary**

## ANNEXURE A – PRO FORMA BALANCE SHEET

The audited balance sheet and the unaudited pro forma balance sheet for the Company as at 30 June 2015 have been prepared on the accounting policies normally adopted by the Company to reflect the changes to its financial position. The historical and pro forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to financial reports. They have been prepared on the assumption that all of the shares and options proposed to be issued as part of the Acquisition are issued.

The principal effect of the Acquisition will be to:

- (a) increase cash reserves by \$701,829 following successful capital raisings via the issue of 350,914,618 fully paid ordinary shares at \$0.002 per share with a 1 for 2 free attaching unlisted option exercisable at \$0.003 on or before 31 December 2020;
- (b) Decrease cash reserves by \$66,663 following the reimbursement of the costs of acquiring the Project and the GST portion of the creditors settled in shares;
- (c) Issue the securities to the Port Exploration Vendors.

	Note	Audited Actual	Un-Audited Pro Forma
		30 June 2015 \$	30 June 2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1	4,576	639,742
Trade and other receivables		44,565	44,565
<b>TOTAL CURRENT ASSETS</b>		49,141	684,307
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation expenditure	2	-	815,000
<b>TOTAL NON-CURRENT ASSETS</b>		-	815,000
<b>TOTAL ASSETS</b>		49,141	1,499,307
<b>CURRENT LIABILITIES</b>			
Trade and other payables	3	234,230	66,266
<b>TOTAL CURRENT LIABILITIES</b>		234,230	66,266
<b>TOTAL LIABILITIES</b>		234,230	66,266
<b>NET (DEFICIT)/ASSETS</b>		(185,089)	1,433,041
<b>EQUITY</b>			
Issued capital	4	73,348,924	75,267,054
Reserves	5	1,000	1,000
Accumulated losses		(73,535,013)	(73,835,013)
<b>TOTAL (DEFICIT)/EQUITY</b>		(185,089)	1,433,041

	Note	Audited Actual	Un-Audited Pro Forma
		30 June 2015 \$	30 June 2015 \$
<b>1. Cash and cash equivalents</b>			
Balance – 30 June 2015		4,576	4,576
Capital raisings	(a)	-	701,829
Payment of reimbursement costs	(b)	-	(65,000)
Payment of GST on creditors	(b)	-	(1,663)
		4,576	639,742
<b>2. Exploration and evaluation expenditure</b>			
Balance – 30 June 2015		-	-
Acquisition	(c)	-	750,000
Payment of reimbursement costs	(b)	-	65,000
		-	815,000
<b>3. Trade and other payables</b>			
Balance – 30 June 2015		234,230	234,230
Issue of shares to convertible noteholders		-	(150,000)
Issue of shares to creditors		-	(16,301)
Payment of GST on creditors		-	(1,663)
		234,230	66,266
<b>4. Issued capital</b>			
Balance – 30 June 2015 (646,515,616 shares)		73,348,924	73,348,924
100,000,000 shares to Poseidon Nickel Limited		-	300,000
75,000,000 shares to convertible noteholders		-	150,000
8,150,660 shares to creditors		-	16,301
750,000,000 shares to Port Exploration Vendors		-	750,000
350,914,618 shares for capital raisings	(a)	-	701,829
		73,348,924	75,267,054
<b>5. Reserves</b>			
Balance – 30 June 2015		1,000	1,000
375,000,000 unlisted options issued to Port Exploration Vendors*	(c)	-	-
		1,000	1,000

*Options will be valued at the issue date and expensed over the life of the options.*

**ANNEXURE B – LIST OF TENEMENTS**

<b>No.</b>	<b>Tenure Reference</b>	<b>Registered Holder</b>	<b>Interest Held (%)</b>
1	E45/1866	Segue (Pardoo) Limited	Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement
2	E45/4279	Segue (Pardoo) Limited	Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement
3	E(A) 45/4490 - application	Applicant - Omni Projects Pty Ltd	Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement
4	E(A) 45/4516 - application	Applicant - Omni Projects Pty Ltd	Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement
5	E(A) 45/4554 - application	Applicant - Omni Projects Pty Ltd	Port Exploration entitlement to earn up to 80% via Farm-In Joint Venture Agreement
6	E 45/4585 - application	Applicant – Port Exploration Pty Ltd	100% Port Exploration Pty Ltd