

Quarterly Report

To 31 March 2015

New Age Exploration Limited ("NAE" or "the Company") is pleased to provide shareholders the Company's Quarterly Report for the period ending 31 March 2015.

HIGHLIGHTS

The significant milestones achieved by New Age Exploration Limited ('NAE' or 'the Company') during this period include:

- Investor roadshows highlighting Lochinvar Scoping Study results
- Development of the Lochinvar forward exploration program
- Implementation of cost reduction initiatives including:
 - Modifying the Lochinvar work program and UK presence
 - Reducing Melbourne corporate overheads
 - Relocation of the Melbourne corporate office
 - Ceasing all Colombian activities

ACTIVITIES REPORT

LOCHINVAR COKING COAL PROJECT, UK (100% NAE)

The Lochinvar Coking Coal Project is located on the Scottish / English border and has been the Company's principal focus since grant of the initial exploration licence and conditional underground mining licence in June 2012.

The Lochinvar licence covers the Canonbie Coalfield, an undeveloped coking coal resource located adjacent to the West Coast Main Line rail connecting with UK steelmakers, coke makers and export ports.

The Lochinvar Scoping Study was completed in October 2014, and a detailed announcement of the Scoping Study results was made on 27th October 2014⁽¹⁾. The Lochinvar Scoping Study confirms the potential for a long life underground mining operation producing a low ash, high volatile coking coal to supply domestic UK and European steel mills, with operating costs in the lowest quartile of the global seaborne coking coal cost curve. Lochinvar benefits from immediate access to existing rail and port infrastructure and locally available utilities required to develop the project.

Lochinvar Forward Exploration Program

The exploration program to the commencement of project construction developed in 2014 Q4 was further advanced during the quarter with detailed planning for the following activities being undertaken; infill drilling, seismic surveys, installation of piezometers for groundwater testing, gas testing, geotechnical testing and a coking test. Further work on planning and obtaining quotations for the next stage of exploration including undertaking a seismic trial followed by a high resolution 2D seismic survey over the licence and an infill drilling program within the identified resource areas was then undertaken.

REDMOOR TIN AND TUNGSTEN PROJECT, CORNWALL UK (100% NAE)

NAE holds a 100% interest in the Redmoor Tin and Tungsten project in the historic mining district of Cornwall, United Kingdom under a 15-year exploration licence with modest annual payments.

An initial Inferred Resource of 9.1 Mt at 0.69% Sn equivalent⁽²⁾ was defined in February 2013; however, there has been no material new activity during the quarter.

COLOMBIA

Terranova Coking Coal Project

- On 12 January 2015, NAE and its joint venture partner, Aurora Energy, gave notice of termination of the agreement to expand the Terranova coking coal mine on Concession 887T. Under its agreement with the mine owners and operators, NAE and Aurora had a unilateral right of termination for convenience at no cost which was exercised on 12 January 2015.

CORPORATE

Investor Roadshows Highlighting Lochinvar Scoping Study Results

During the quarter, the Company has continued to undertake investor roadshows highlighting the results of the Lochinvar Scoping Study which have been generally well received.

The Company is actively progressing discussions for future funding to advance the Lochinvar work program.

Cost Reduction Initiatives

As a result of challenging market conditions the Company has implemented a number of cost reduction initiatives during the quarter which include:

- Modifying the Lochinvar exploration and work program and UK presence Reducing Melbourne corporate overheads
- Relocation of the Melbourne corporate office to **Level 3, 480 Collins Street, Melbourne. Phone +61 3 8610 6494**
- Ceasing all Colombian activities

Other Activities

The Company continues to pursue additional project opportunities.

NEW AGE EXPLORATION PROFILE

New Age Exploration Limited is an Australian company focused on coking coal exploration and development. Its flagship project is the Lochinvar Coking Coal Project in the UK which is ideally located to supply domestic UK and European steel mills with immediate access to existing rail and port infrastructure. The Indicated and Inferred Resource estimate of 111Mt was released in August 2014 and the Company is targeting development of the project by 2018.

In October 2014, NAE released the results of its Scoping Study for the Lochinvar Project which demonstrated robust economics and costs at the lower end of the global metallurgical coal cost curve.

FOR MORE INFORMATION

NEW AGE Exploration Ltd

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Endnotes (Announcements released by NAE on the Company Announcements Platform – ASX)

⁽¹⁾ NAE Announcement, 27 October 2014 – Lochinvar Scoping Study Confirms Robust Economics

⁽²⁾ NAE Announcement, 27 February 2013 – Redmoor Tin Tungsten Project Maiden Inferred Resource

COMPETENT PERSON'S STATEMENT

Lochinvar Resource Statement: The Resources estimate is based on information compiled by Dr John Bamberry, who is a Member of the Australasian Institute of Geoscientists (Member No. 4090). Dr Bamberry is General Manager of Geological Services of Palaris. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is 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. Dr Bamberry has over 25 years' experience in exploration and mining of coal deposits. Neither Dr Bamberry nor Palaris have a direct or indirect financial interest in, or association with New Age Exploration Ltd, the properties and tenements reviewed in this report, apart from standard contractual arrangements for the preparation of this report and other previous independent consulting work. In preparing this report, Palaris has been paid a fee for time expended based on standard hourly rates. The present and past arrangements for services rendered to New Age Exploration Ltd do not in any way compromise the independence of Palaris with respect to this review. Dr John Bamberry consents to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

Lochinvar Exploration Target: The potential quantity and quality of the exploration targets identified in this presentation are conceptual in nature, and there has been insufficient exploration to date to define a mineral resource in accordance with the Australian Code for Reporting of Mineral Resources and Ore Reserves published by the Joint Ore Reserve Committee ("JORC Code"). Furthermore, it is uncertain if further exploration at its exploration targets will result in the determination of a mineral resource.

Redmoor Project: References to the Inferred resource at Redmoor are based on information compiled by Dr. Mike Armitage (CGeol CEng FGS MIMM) and Mr. Howard Baker (MAusIMM (CP)) who are both full time employees of SRK. Dr Armitage and Mr Baker have more than 5 years' experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they have undertaken 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'. Dr Armitage and Mr Baker consent to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This report contains "forward-looking information" that is based on the Company's expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "likely", "believe", "estimate", "expect", "intend", "may", "would", "could", "should", "scheduled", "will", "plan", "forecast" and similar expressions. The forward looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.

APPENDIX 5B

MINING EXPLORATION ENTITY AND OIL AND GAS 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

New Age Exploration Ltd

ABN

65 004 749 508

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flow

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(13)	(849)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	3	25
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(294)	(1,842)
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)	(294)	(1,842)

+ See chapter 19 for defined terms

1.13	Total operating and investing cash flows (brought forward)	(294)	(1,842)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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)	(28)	(28)
	Net financing cash flows	(28)	(28)
	Net increase (decrease) in cash held	(322)	(1,870)
1.20	Cash at beginning of quarter/year to date	876	2,416
1.21	Exchange rate adjustments to item 1.20	1	9
1.22	Cash at end of quarter	555	555

Payments to directors of the entity, associates of the directors, 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	52
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Fees paid to Directors or their related entities

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

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

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	130	130

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	98
4.2 Development	
4.3 Production	
4.4 Administration	248
Total	346

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	99	263
5.2 Deposits at call	456	613
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	555	876

The Company will rely on its existing cash resources and future capital raising (either debt and/or equity) to fund its current activities.

The Company will consider raising further funds from the placement of equity securities, including the utilisation of the equity available under Chapter 7 of ASX Listing Rules. The Company will also consider other fund raising alternatives such as debt instruments, if so required.

In light of the above factors, the Company believes that it will have sufficient cash to fund its activities. The Company expects to have negative cashflows from operations of approximately \$346,000 for the forthcoming quarter. The Company's Board and Management is focused on meeting its current objectives and confirm that it is in compliance with ASX Listing Rules, in particular, Listing Rule 3.1.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	887T - Colombia	Concession	80%	nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

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 (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	313,249,943	313,249,943	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities (description)			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			
7.7	Options (description and conversion factor)		<i>Exercise price (cents)</i>	<i>Expiry date</i>
	500,000	-	10	31/08/2015
	2,000,000	-	12	01/07/2015
	550,000	-	4.47	27/05/2016
	18,000,000	-	10	27/05/2016
	1,050,000	-	4.5	26/06/2017
7.8	Issued during quarter			
7.9	Exercised during quarter			
7.10	Expired during quarter	750,000	-	14
7.11	Debentures (totals only)			
7.12	Unsecured notes (totals only)			

+ See chapter 19 for defined terms

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 ~~/does not* (delete one)~~ give a true and fair view of the matters disclosed.

Sign Here:

Date: 29 April 2015



(Managing Director)

Print name: Gary Fietz

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 and petroleum 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 or petroleum 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.

In accordance with ASX Listing Rule 5.3.3, New Age Exploration Limited provides its list of exploration licences with its March 2015 quarterly activities report.

Licence No.	Project	Country	Area (km ²)	Licence Type	NAE Group % Interest
CA11/EXP/0515/N	Lochinvar	United Kingdom	67.5	Exploration Licence	100%
CA11/UND/0515/N	Lochinvar	United Kingdom	67.5	Underground Conditional Licence	100%
CA11/EXP/0545/N	Lochinvar South	United Kingdom	51.0	Exploration Licence	100%
CA11/UND/0182/N	Lochinvar South	United Kingdom	51.0	Underground Conditional Licence	100%
CL132803 ^(a)	Redmoor	United Kingdom	23.0	Mineral Rights	100%

a) *The Mineral Rights for Title CL132803 is currently being re-registered with the Land Registry for England and Wales.*