



CENTREX METALS
LIMITED

ASX : CXM

Level 6, 44 Waymouth Street
Adelaide, South Australia 5000

T +61 8 8213 3100
F +61 8 8231 4014

WWW.CENTREXMETALS.COM.AU

ASX Announcement 18th October 2016

Period Ending 30th September 2016

Quarterly Activities Report

Highlights

Corporate

- ▶ A\$ 26.2 million cash reserves as at 30th September 2016 with no debt

Oxley Potassium Project, WA

- ▶ Scoping Study for a start-up potassium nitrate fertiliser operation at Oxley demonstrates globally competitive economic potential
- ▶ Start-up operation based on current Inferred Mineral Resources that includes 38 million tonnes at 10% K₂O (9% cut-off), from the total of 155 million tonnes at 8.3% K₂O (6% cut-off)
- ▶ Resources to date defined from just a 3km section of the 32km striking rare ultrapotassic lava flow
- ▶ Prefeasibility Study commenced with targeted completion in 2017 for a start-up potassium nitrate operation and second stage large-scale expansion into bulk potassium fertilisers
- ▶ Engineering review studies commenced to provide go-forward option for Prefeasibility Study testwork program
- ▶ CITIC SMCC commenced review of the crushing and grinding circuit
- ▶ Hatch commenced review of the roasting circuit
- ▶ Canadian potash engineering specialists Novopro commenced review of the hydrometallurgical circuit
- ▶ Swiss licensor and engineering firm Casale nearing completion of feasibility study designs for on-site ammonia and nitric acid plants
- ▶ General Manager of Projects Steve Klose appointed for Oxley Prefeasibility Study
- ▶ On-ground environmental studies commenced including Spring flora and fauna surveys, and initial groundwater studies

For personal use only

Goulburn Polymetallic Project, NSW

- ▶ Further base metal mineralisation identified in recently completed diamond drill holes including 2m at 1.37% Zn and 0.31% Cu in CD013, and 1m at 1.15% Zn in CD014
- ▶ Down Hole EM survey modelling has inferred two strong off hole conductors, one proximal to previously intersected massive sulphide mineralisation, and another at depth

REPORT

1. CORPORATE

The Company continues to maintain a healthy balance sheet with A\$ 26.2 million (including A\$ 1.13 million contained in the Eyre Iron Magnetite Joint Venture) in cash reserves as at 30th September 2016 with no debt outside of current trade payables.

The refund relating to the Research and Development program referred to in the previous quarterly report has not yet been remitted by the Australian Taxation Office. The Company now expects the refund to be paid in the current quarter.

2. OXLEY POTASSIUM PROJECT, WA (CENTREX 100%)

The Scoping Study was completed in August which considered a start-up potassium nitrate fertiliser (“NOP”) operation. Scoping level engineering design along with initial capital and operating cost estimates were prepared by Amec Foster Wheeler. The estimates show the start-up operation to have globally competitive economic potential, with further upside possible from large-scale expansion from the extensive deposit and optimisation of the process during the next phase of the project.

This start-up operation was based on only a fraction of the current Inferred Mineral Resources that includes 38 million tonnes at 10% K₂O (9% cut-off), from the total of 155 million tonnes at 8.3% K₂O (6% cut-off). Inferred Mineral Resources to date cover just 3kms of the overall 32km striking rare ultrapotassic lava flow that forms the basis of the project.

For full details of the Inferred Mineral Resource please see announcement 8th March 2016:

http://www.asx.com.au/asxpdf/20160308/pdf/435nrc_hjm48mjsx.pdf

The results were reported under JORC 2012 and Centrex is not aware of any new information or data that materially affects the information contained within the release. All material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

A Prefeasibility Study (“PFS”) was commenced during the quarter that will not only consider a start-up NOP operation but also expansion into bulk potassium fertilisers. The PFS is targeted for completion in 2017. A number of engineering reviews were commenced that will provide the go-forward design option that will underpin a small-scale pilot testwork program for the PFS.

Appointments made during the month for the engineering reviews included CITIC SMCC for the crushing and grinding circuit, Hatch for the roasting circuit, and Canadian potash engineering experts Novopro for the hydrometallurgical circuit. Swiss licensor and engineering firm Casale also neared completion of feasibility study designs for on-site ammonia and nitric acid plants, with the study expected for completion next quarter.

Mr Steve Klose was appointed as the Company’s new GM Projects to oversee the PFS. Mr. Klose has degrees in minerals engineering and project management. He joins Centrex from his previous role as Senior Project Manager for WorleyParsons. His twenty six years’ industry experience has covered project management and process engineering roles in Australia, Indonesia, South Africa, Chile and Peru both for engineering companies and on the owner’s team.

In addition to engineering work, environmental studies for the PFS commenced in late September.

Ecology experts COOE Pty Ltd were engaged to immediately complete an initial flora and fauna spring survey over the current proposed mining areas for the start-up high value potassium nitrate fertiliser operation. Groundwater consultants CDM Smith will characterise water resources both at the project site and at the playa lake brine within the Centrex tenement to the southeast.

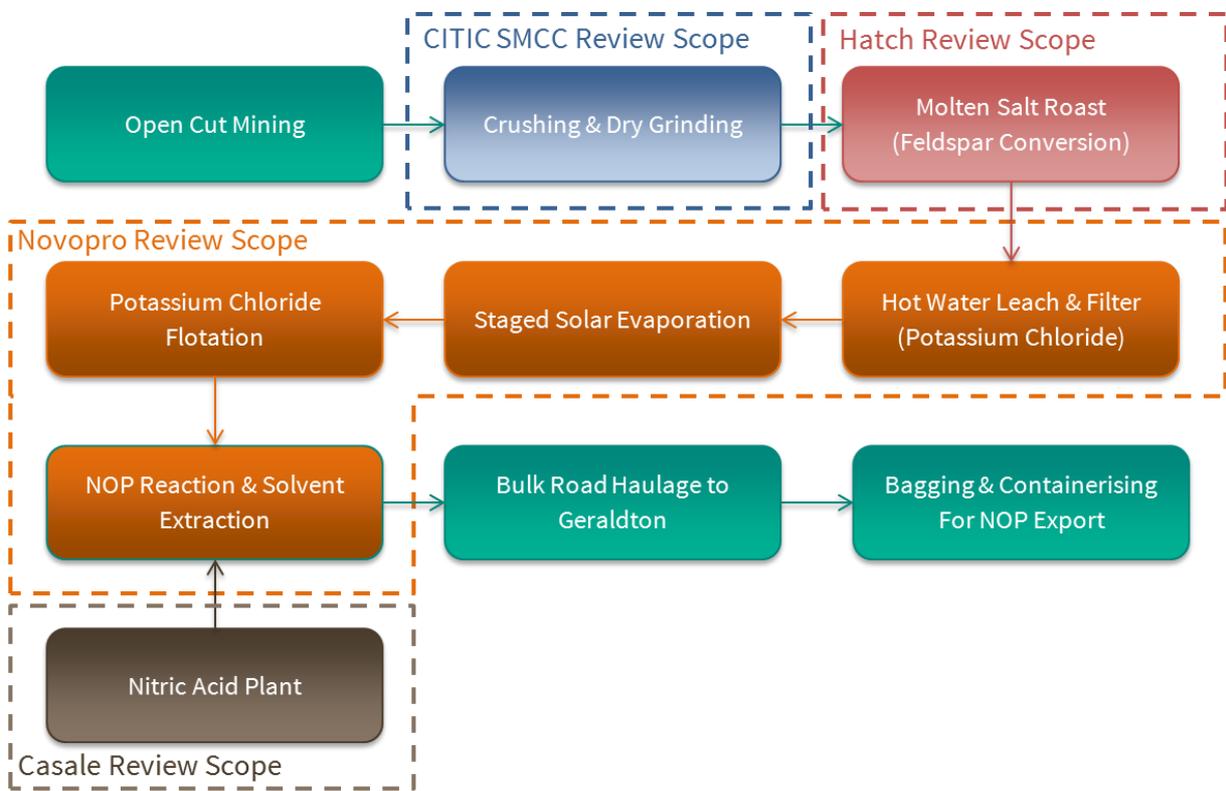


FIGURE: Simplified NOP production process flow.

For personal use only

3.GOULBURN POLYMETALLIC PROJECT, NSW (CENTREX 100%)

During the quarter Centrex completed two diamond drill holes CD013 and CD014 to depths of 350.7m each. The two holes were designed to test a gravity anomaly “lobe” close to the Collector Deposit. Downhole electromagnetic (“DHEM”) surveys were completed on both holes.

Both drill holes CD013 and CD014 failed to hit targeted Silurian strata that hosts the Collector Deposit, and instead intersected Ordovician aged sediments with a number of short intervals of visible sphalerite mineralisation in the form of wispy aggregates and veinlets, along with traces of secondary chalcopyrite within quartz veining. The drilling results including density measurements did not adequately account for the inversion modelled gravity target.

Selected intervals with visible sphalerite and or chalcopyrite were sent for analysis. The more

significant intervals include 2m at 1.37% Zn and 0.31% Cu from 170m in CD013, and 1m at 1.1% Zn from 109m in CD014. Intersections with Zinc grades >0.1% are included in the Appendices below.

DHEM survey results were modeled by Mitre Geophysics Pty Ltd using ‘Maxwell’ which assumes a thin rectangular conductive source. The model inferred two strong untested conductors. The first more definitive conductor was modeled from around 250m depth (green model). This conductor is below massive sulphide mineralisation intersected in historical hole CD004, and proximal in depth terms to massive sulphide mineralisation in CD009. A second inferred larger conductor (red model) was modelled from 300m depth, below the depth of previous mineralisation intercepts.

The modeled targets are along strike of the Collector deposit and are a highly encouraging drilling target.

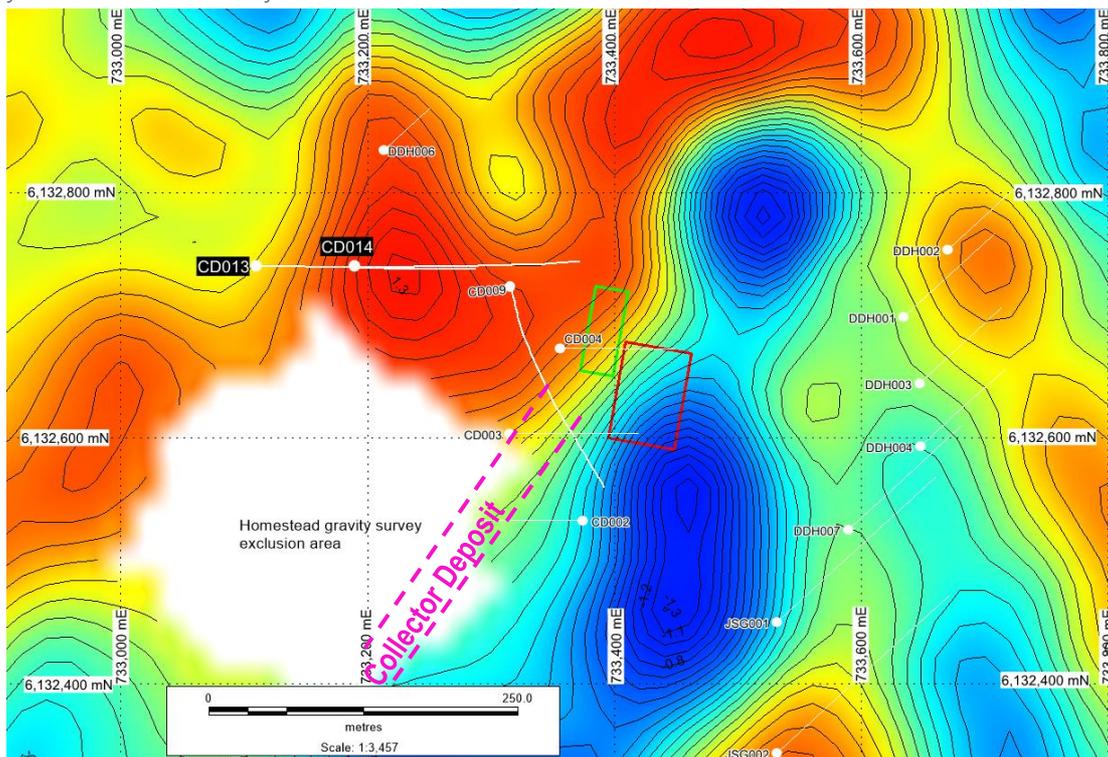


FIGURE: Collector Deposit plan view of CD013 , CD014, Residual Bouguer Gravity and the modeled DHEM survey conductor surfaces projected to surface.

For personal use only

4. SOUTH AUSTRALIA IRON ORE PORTFOLIO

The Retention Lease application for the Kimba Gap Magnetite Project (“Kimba Gap”) is being assessed by the South Australian Government and is now in the final stages of the assessment process.

No exploration activities were undertaken during the quarter by the Eyre Iron Magnetite Joint Venture (“Eyre Iron”). The Joint Venture held cash of A\$ 2.8 million as at 30th September 2016.

5. TENEMENTS

The Company and its wholly owned subsidiaries hold the following tenements and mining lease;

Western Australia

Oxley A (WA) E70/3777 Oxley B (WA) E70/4004
Oxley C (WA) E70/4318 Oxley D (WA) E70/4319
Oxley E (WA) E70/4320 Oxley F (WA) E70/4378
Oxley G (WA) E70/4729

New South Wales

Goulburn (NSW) EL 7388 Archer (NSW) EL 7503
Woolgarlo (NSW) EL 8215

Centrex is pleased to note the successful resolution of the legal proceedings between the Company and Wugang Australian Resources Investment Pty Ltd (“WARI”) after the conclusion of the quarter. For more details please see the announcement on the 14th October 2016.

<http://www.asx.com.au/asxpdf/20161014/pdf/43bzip5lthlj67v.pdf>

South Australia

Bungalow/Minbrie EL 4884
Kimba Gap EL 5170 Stony Hill EL 4451
Wanilla EL 5559 Wilgerup EL 5641
Greenpatch EL 4885 Dutton Bay EL 4605
Mount Hill EL 5065 Carrow EL 4998

Mineral Claim (South Australia)

Kimba Gap MC 4378

Mining Lease (South Australia)

Wilgerup ML 6344

Attached is the Appendix 5B Statement of Cash flows for the period from 1st July 2016 to 30th September 2016.

For further information please contact:

Ben Hammond
Chief Executive Officer
Centrex Metals Limited
Ph (08) 8213 3100

Gavin Bosch
Chief Financial Officer & Company Secretary
Centrex Metals Limited
Ph (08) 8213 3100

Competent Persons Statement

The information in this report relating to Exploration Results is based on information compiled by Mr Alastair Watts who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Watts is the General Manager Exploration of Centrex Metals Limited. Mr Watts has sufficient experience, which is relevant to the style of mineralization 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 “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Watts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX – TECHNICAL INFORMATION

TABLE 1: Drillhole details.

BHID	COLLAR COORDINATES (m)			AZIMUTH	SURFACE DIP	EOH Depth
	Easting	Northing	RL			
CD013	733110	6132740	745	90	-60	350.7m
CD014	733190	6132740	745	90	-60	350.7m

TABLE 2: Details of individual intervals > 0.1% Zn.

BHID	From (m)	To (m)	Downhole Width (m)	Zn (%)	Cu (%)	Pb (ppm)
CD 013	111	112	1.0	0.17	0.01	26
CD 013	138	139	1.0	0.10	0.02	687
CD 013	146	147	1.0	0.11	0.01	20
CD 013	149	150	1.0	0.10	0.01	13
CD 013	150	151	1.0	0.11	0.01	17
CD 013	151	152	1.0	0.11	0.01	13
CD 013	152	153	1.0	0.11	0.01	18
CD 013	161	162	1.0	0.13	0.01	37
CD 013	163	164	1.0	0.30	0.01	104
CD 013	165	166	1.0	0.15	0.00	25
CD 013	166	167	1.0	0.26	0.04	67
CD 013	167	168	1.0	0.11	0.01	13
CD 013	170	171	1.0	1.26	0.32	257
CD 013	171	172	1.0	1.48	0.29	423
CD 013	180	181	1.0	0.36	0.03	44
CD 013	181	182	1.0	0.21	0.06	56
CD 013	182	183	1.0	0.10	0.00	16
CD 013	189	190	1.0	0.20	0.09	21
CD 013	207.8	208.8	1.0	0.14	0.02	24
CD 013	208.8	209.2	0.4	0.26	0.02	32
CD 013	270	271	1.0	0.43	0.04	349
CD 013	271	272	1.0	0.17	0.02	69
CD 013	321.6	322	0.4	0.33	0.08	551
CD 014	47	48	1.0	0.13	0.01	320
CD 014	49	50	1.0	0.69	0.16	318
CD 014	50	51	1.0	0.11	0.03	82
CD 014	51	52	1.0	0.66	0.06	208
CD 014	85	86	1.0	0.15	0.01	81
CD 014	86	87	1.0	0.19	0.02	62
CD 014	108	109	1.0	0.33	0.02	40
CD 014	109	110	1.0	1.10	0.11	144
CD 014	110	111	1.0	0.36	0.08	71
CD 014	162.7	164.2	1.5	0.74	0.04	570
CD 014	234	235	1.0	0.14	0.02	608

For personal use only

GOULBURN PROJECT JORC TABLE 1 REPORT

SECTION 1: Sampling Techniques and Data.

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling. Sample representivity. Determination of mineralisation. 	<p>Samples from the diamond drill core holes are nominally 1m lengths of HQ3 half core collected from selected metre marks, geological contacts or individual core runs as required. The full core is cut along the core orientation line, where available.</p> <p>Field duplicates are collected from the remaining half core which is cut in quarters leaving the remaining quarter core for future reference.</p> <p>Commercially available certified reference material standards (CRM's) were routinely submitted for QA/QC.</p> <p>The HQ3 drill core was processed and cut by Rangott Mineral Exploration Pty Ltd in Orange NSW.</p> <p>The sample weights were approximately 3.0kg – 4.0kg and submitted to Australian Laboratory Services ('ALS') in Orange and Brisbane for processing and sample preparation.</p> <p>This sampling method is a standard industry method and is believed to provide acceptably representative sample for the type of mineralisation likely to be encountered.</p> <p>Gap Geophysics Australia Pty Limited conducted the down hole electromagnetic ('EM') surveys using a GAP's Deep Search DHEM system comprising a EMIT Digi-Atlantis 3 component fluxgate receiver. The two drill holes (CD013 and CD014) were surveyed with a single transmitter loop placed east of the hole locations. The transmitter system used was a Gap GeoPak HPTX-80 High Powered Transmitter and receiver frequency of 1 Hz with station spacings at every 5-10m down hole to a depth of 345m.</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type. 	Diamond drilling HQ3 (61.1mm) for the entire hole was undertaken by a Sandvik (UDR650) DE810.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing sample recoveries. Measures taken to maximise sample recovery. 	<p>Core recoveries were measured and recorded every run with 99.5% and 100% in CD013 and CD014 respectively for the intervals reported in this announcement.</p> <p>The core recoveries are measured on site prior to dispatch for processing.</p> <p>The core is orientated with the Ace tool and laid out in standard plastic core trays for measurement and observation.</p>
Logging	<ul style="list-style-type: none"> Geological and geotechnical logging. 	Geological logging was qualitative based on visual field observations. Core logging was undertaken to <10cm for the

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative.</i> • <i>Total length and percentage of the relevant intersections logged.</i> 	<p>entire hole.</p> <p>Rock quality designation ('RQD') measurements were routinely undertaken on the drill core. No specific geotechnical drilling and testing was undertaken.</p> <p>The remaining drill core has been retained for future technical evaluation.</p> <p>All drill core was photographed.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>Nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control.</i> • <i>Sample representivity.</i> • <i>Sample sizes</i> 	<p>Selected HQ3 drill core was cut in half with a core saw to provide the half core sample.</p> <p>Sample preparation was conducted by Australian Laboratory Services ('ALS') in Orange NSW.</p> <p>ALS sort and label the samples with a barcode to capture received weights. Samples are then dried to remove any moisture at 90 degrees +/- 5 degrees. Samples are then crushed ready for pulverisation. Any samples with a received weight >3.2Kg are split, with coarse residue fractions retained. From the pulverised material ALS take a master pulp split (~200-300g, depending on sample density) which is then used for the 50g fire-assay gold procedure. A 10g split is also taken for the multi element ICP analysis in Brisbane, and 1 in 20 samples will have a ~20g split taken for grind fineness testing.</p> <p>Sample batches include field duplicates, commercially available CRM's, and blanks.</p> <p>HQ3 quarter core duplicates were submitted at 1 in 50.</p> <p>Results from field duplicates showed that the sample size averaging approximately 3.2kg is appropriate for the grain size and showed good repeatability.</p>

For personal use only

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Nature of quality control procedures. 	<p>Gold was determined by 50g fire assay fusion at ALS in Orange NSW, with each fusion run consisting of 77 samples, 1 blank, 3 CRMs and 3 duplicates taken from the master pulp. Gold analysis was by air-acetylene AAS instrumentation to 0.005 g/t lower limit of detection.</p> <p>The other elements were determined by aqua regia digestion through ALS in Brisbane QLD, with analysis by a combination of ICP-MS and ICP-AES instrumentation. Laboratory QAQC for each digestion run of 35 samples includes 1 blank, 2 CRMs and 2 duplicates.</p> <p>Duplicates are systematically collected and assayed to ensure results are repeatable. Comparison of results indicates good overall levels of accuracy and precision. No external laboratory checks have been used.</p> <p>For the down hole EM survey Gap Geophysics Australia Pty Limited conducted quality control checks of the processed data and the results were independently checked by a consultant geophysicist from Arctan Services Pty Ltd. Due to excess water near the hole CD013 this meant that the survey was setup further from the hole than preferred which affected the repeatability from 240-280m in this hole. The data quality achieved was considered to be high, largely due to the high moments generated by the HPTX-80 transmitter.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage protocols. Any adjustment to assay data. 	<p>All assay results were checked and verified against core logging and photography by alternative company personnel. No independent verification was undertaken at this stage.</p> <p>Geological data is manually entered and stored electronically on a restricted access server in the form of MS Excel files. All electronic data is routinely backed up.</p> <p>No twinned holes have been drilled.</p> <p>The results of the downhole EM survey were reviewed by an independent geophysicist from Arctan Services Pty Ltd.</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>Drill hole collar coordinates were located by using a hand held GPS to an accuracy of 5m for CD013 and CD014.</p> <p>A north seeking gyroscopic tool was used to survey the hole after drilling was completed to an accuracy of +/- 1 degree.</p> <p>The coordinate system reported is MGA Zone 55 (GDA94).</p>
Data spacing	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<p>The exploration results reported in this announcement are from two exploration diamond drill holes that have not been</p>

Criteria	JORC Code explanation	Commentary
<i>and distribution</i>	<ul style="list-style-type: none"> Whether the data spacing <i>and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource.</i> Whether sample compositing has been applied. 	<p>planned at any pre-determined grid spacing.</p> <p>The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity for a Mineral Resource.</p> <p>No downhole compositing was undertaken.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling. 	<p>While diamond drill core will provide structural information about the host strata, the mineralisation trend orientation or relationship to strata and structures is as yet unknown. Due to the lack of drilling at the prospect and its early stage nature, we are unable to comment whether the sampling undertaken has achieved an unbiased sampling of geological structures.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>Samples were collected on site and transported by Company personnel for processing in Orange NSW and then returned to a secure lockup in Goulburn.</p>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>The drill core sampling procedure and results were reviewed by Company Geologists.</p> <p>The down hole EM survey results were reviewed by an independent geophysicist from Arctan Services Pty Ltd.</p>

GOULBURN PROJECT JORC TABLE 2 REPORT

SECTION 2: Reporting of Exploration Results.

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements. The security of the tenure held at the time of reporting. 	<p>Lachlan Metals Pty Ltd (a 100% subsidiary of Centrex Metals Limited) holds EL7388 for Group 1 Minerals with a current expiry date of 19th August 2017.</p> <p>The tenements remain in good standing and there are no impediments to operating in the area.</p>

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> Exploration by other parties. 	<p>The Collector Deposit was discovered in the early 1990's.</p> <p>For further details of the historical drilling results see announcement 17th June 2014:</p> <p>http://www.asx.com.au/asxpdf/20140617/pdf/42q7znkpv7hkbv.pdf</p> <p>The results were reported under JORC 2012 and Centrex is not aware of any new information or data that materially affects the information contained within the release.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The nearby Collector Skarn deposit is thought to be hosted by the De Drack Formation within the Silurian aged Mount Fairy Group which lie within the Eastern sub-province of the Lachlan Orogen, New South Wales.</p>
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results. 	<p>A table detailing the drillhole information is given in the Appendix.</p>
Data aggregation methods	<ul style="list-style-type: none"> Weighting averaging techniques and grade cuts. Aggregation procedure. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>The reported assays are not weighted and individual assay results are provided as a table in the Appendix.</p> <p>No grade cuts were applied on individual intervals.</p> <p>Assays reported were for results >0.1% Zn.</p> <p>No metal equivalents were reported.</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Geometry of the mineralisation with respect to the drill hole angle. 	<p>The geometry of the mineralisation with respect to the drillhole angle is not known.</p> <p>The Exploration Results reported in this Announcement are reported as "down hole" width only and the true widths of the mineralisation are not known.</p>
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<p>See figures included in this announcement.</p>

Criteria	JORC Code explanation	Commentary
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Representative reporting of both low and high grades and/or widths.</i> 	<p>The reporting is considered to be balanced and all relevant results have been disclosed for this current phase of exploration.</p> <p>All individual assay results are included in Table 2 of the Appendix to this announcement. Assays reported were for results >0.1% Zn.</p>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data.</i> 	<p>There is no other substantive exploration data that has been generated for inclusion in this report.</p> <p>The downhole EM surveys were conducted by Gap Geophysics Australia Pty Limited in July 2016.</p>
<i>Further work</i>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work.</i> 	<p>Further planning of the next phase of exploration will be undertaken in the short term.</p>

For personal use only

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, 01/05/13, 01/09/16

Name of entity

Centrex Metals Limited

ABN

97 096 298 752

Quarter ended ("current quarter")

30th September 2016

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(596)	(596)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(139)	(139)
	(e) administration and corporate costs	(288)	(288)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	204	204
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(819)	(819)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(8)	(8)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
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)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(8)	(8)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
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	-	-
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.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	27,077	27,077
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(819)	(819)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(8)	(8)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	26,250	26,250
5.	Reconciliation of cash and cash equivalents at the end of the quarter (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	105	1,589
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – term deposits with maturity > 90 days	25,017	24,328
5.4	Other – restricted cash held in JV company	1,128	1,160
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	26,250	27,077

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	70
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
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 quarter end, include details of those facilities as well.		

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	(776)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(214)
9.5	Administration and corporate costs	(232)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(1,222)

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:

Company secretary

Date: .18th October 2016

Print name:

Mr Gavin Bosch

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 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 quarterly 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 quarterly 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.