



TOPTUNG LIMITED

ABN 12 118 788 846

Level 8, 46 Edward Street, Brisbane QLD 4000
PO Box 15505, City East, Brisbane QLD 4002
Australia

Tel: (07) 3232 3405 - Fax: (07) 3232 3499
info@toptung.com.au - www.toptung.com.au

Quarterly Activities and Cash Flow Statement

For the 3 months ending 30 June 2017 (Quarter)

COMPANY OVERVIEW

TopTung Limited (**TopTung**) (**Company**) (ASX: **TTW**) is a mineral exploration company listed on the Australian Securities Exchange (**ASX**).

The Torrington tungsten and topaz project drill programme which commenced in late January 2017 is now nearing completion with only limited Reverse Circulation percussion (RC) holes remaining to be drilled at the Wild Kate Prospect. All work will be completed by middle August. Drilling to 13th July totalled 353 RC holes for 9,725m and 17 Diamond Core (DC) holes for 583m. Adverse wet weather conditions caused serious delays to the programme since start-up in January with the Burnt Hut Prospect remaining largely untested. Available analytical results have been released to the ASX. Please see further detail in the Technical Activities Report below.

CAPITAL STRUCTURE AND CASH POSITION

The Company's summarised capital structure at 30 June 2017 is as follows:

Issued fully paid ordinary shares:	153,247,653
Options (listed and unlisted):	Nil
Cash at Bank:	\$4.6 million

Shareholders and potential investors should also review the Company's Annual Report and audited Financial Report for the year ending 30 June 2016 and the Financial Report for the half-year ended 31 December 2016 to fully appreciate the Company's financial position.

Cash balances are placed on short-term deposit and are monitored on a month to month basis in order to ensure funds are available for drilling and associated field based activities for the coming quarter.

TECHNICAL ACTIVITIES REPORT

TORRINGTON TUNGSTEN and TOPAZ PROJECT

Highlights

Although wide widths of the target silicite host rock were intersected by the drilling, tungsten (W) mineralisation meeting the Company's minimum criteria of 1,000ppm (0.1%) W over a three (3) metre downhole intercept is not consistent within it. The silicite is however fertile, i.e. it contains variable amounts of tungsten mineralisation over wide widths and will be better understood once all outstanding assays are received. The silicite does contain approximately 20% topaz as part of its composition with quartz constituting the balance and the Company's research into industrial applications for the topaz at the UNSW is progressing and bulk industrial markets are also being investigated.

Drilling Programme

RC percussion drilling continued through the Quarter with 236 holes for 7,457m being completed to 13th July 2017 at the Wild Kate, Burnt Hut and Mt Everard Prospects (see Figure 1) as follows:

- Wild Kate – 186 RC holes for 6,168m and 7 DC holes for 245m;
- Burnt Hut – 35 RC holes for 791m; and
- Mt Everard – 8 RC holes for 253m.

Assay results from the drilling that met or exceeded the Company's criteria of 1,000ppm W over 3-metre downhole were announced to the ASX on the 21st April, 14th July and 21st July.

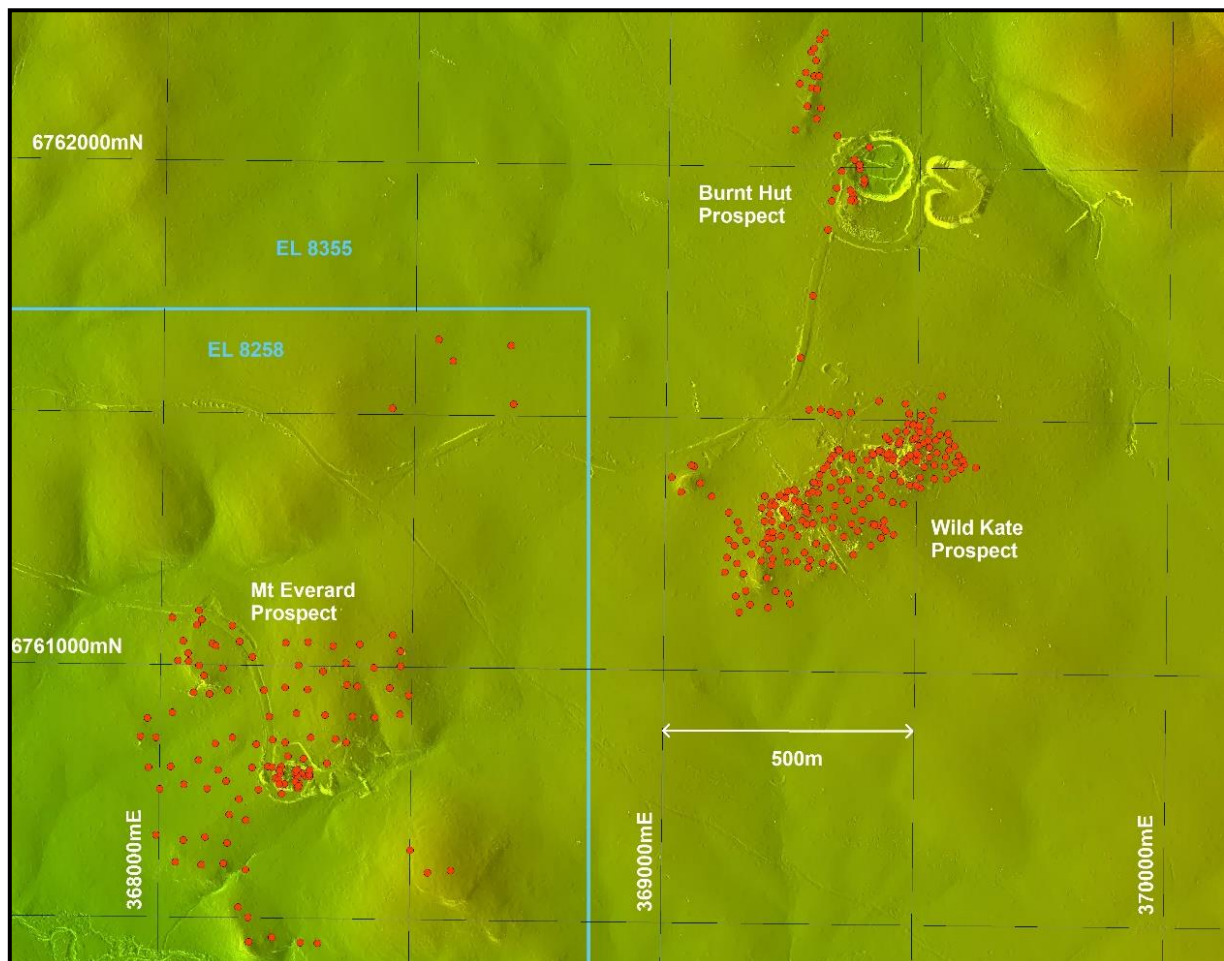


Figure 1: Prospect Location Plan.

Additional drilling at the Wild Kate Prospect

Although further assay results are pending for several holes confirmed as mineralised using a Company owned and calibrated handheld XRF analyser (holes shown in Figure 2), a final round of limited additional RC percussion drilling at Wild Kate will commence on 5th August 2017. The target area for the drilling is shown in Figure 2 following up a number of mineralised silicite intersections along the north-west boundary of the Prospect area, namely:

- TOR 0110: 12m at 0.17% W from 19 to 31m;
- TOR 0125: 33m at 0.10% W from 24 to 57m, including 21m at 0.13%W from 36 to 57m;
- TOR 0129: 9m at 0.24% W from 30 to 39m;
- TOR 0137: 5m at 0.14% W from 18 to 23m and 7m at 0.12% W from 33 to 40m; and
- TOR 0150: 10m at 0.17% W from 24 to 34m.

The intersections listed above that comprise downhole intersections of +0.1% W (1,000ppm) over at least 3m were reported to the ASX on the 21st April 2017 and the 14th July 2017 and qualified by a JORC 2012 Edition - Table 1.

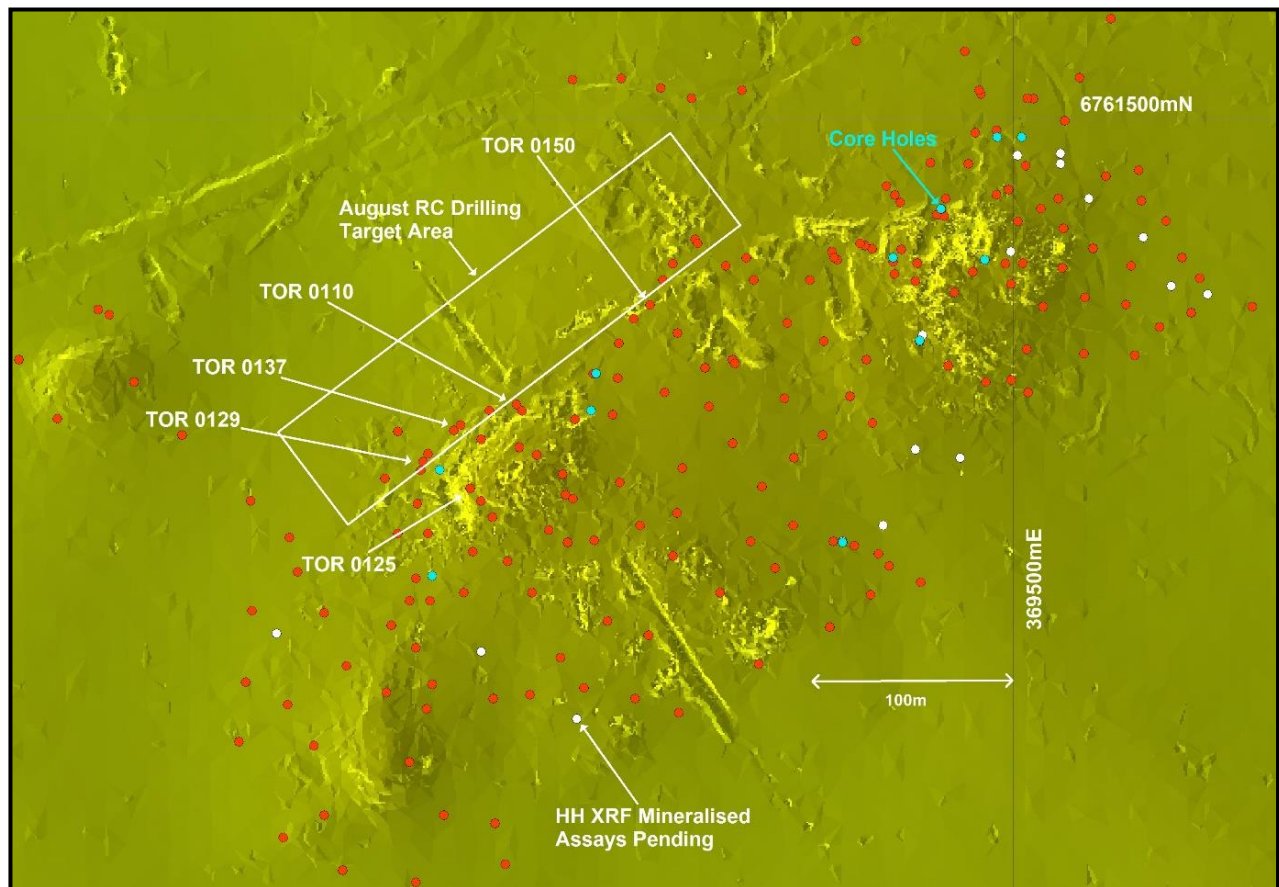


Figure 2: Wild Kate Drill Target Area

Topaz related research programmes at the UNSW.

During the Quarter, the research into template growth continued. This will be followed by fibre growth studies based on the Torrington topaz once the ARC Linkage Federal funding grant is approved. The latter decision is expected during August 2017.

Clay research

As announced to the ASX on the 21st July 2017 a thick layer of clay overlies part of the Wild Kate silicite mineralisation. The Company is undertaking ongoing research on the clay internally and at the UNSW. Based on chemical analyses the EPA has confirmed that the clay can be stripped and stockpiled on site as waste, but will impact on the financial viability of the project. The Company will seek applications for the clay to offset the additional mining costs.

September Quarter: Drilling, rehabilitation and surveying of holes will be completed. Once pending assays have been received resource estimation will commence. Baseline environmental studies on additional areas for drilling approvals will be undertaken which will also include EIS related work for planned Mining Lease applications over Mount Everard and Wild Kate. The UNSW research will be ongoing

MINERAL TENEMENT INFORMATION

Project	Tenement. No.	% Interest	Location
Torrington 1	EL 8258	100%	New South Wales
Torrington 2	EL 8355	100%	New South Wales

WAIVER FROM LISTING RULE 7.3.2

Shareholder approval has been obtained for the issue of 6,000,000 fully paid ordinary shares ("Tranche 3 Shares") as part of the acquisition of two exploration licences in NSW known as the Torrington Project from Resolve Geo Pty Ltd ("Resolve"). This waiver has been obtained to issue the shares more than three months after approval at the meeting on 14 August 2015, on the proviso that the Company provides a note stating the terms on which this issue will occur.

The Tranche 3 Shares are to be issued 20 business days after the Company prepares:

- a final investment decision affecting the licences (as defined in the agreement); and
- applies for one or more mineral leases over the area/s of mineralisation described in the final investment decision;

and in any event no later than 31 December 2017.

For, and on behalf of, the Board of Directors of TopTung Limited,

Dr Leon Pretorius
Executive Chairman
TopTung Limited
28 July 2017

For any enquiries please contact

Martin Kavanagh on 0419 429 974, or

Leon Pretorius on 0419 702 616

Competent Person Statement

The information in this announcement that relates to metallurgical testwork for the Torrington Project is being conducted under the supervision of Dr Leon Pretorius. Dr Pretorius is the Executive Chairman of TopTung Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) (CP) and a Member of the Australian Institute of Geoscientists (MAIG). Dr Pretorius has sufficient experience which is relevant to the type of beneficiation plant under consideration and to the activities being undertaken. This qualifies Dr Pretorius 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 2012). Dr Pretorius consents to the inclusion in this report of the matters based on the information in the form and context in which it appears. Dr Pretorius holds shares TopTung Ltd.