

HIGHLIGHTS

- **IPO successfully completed with max subscription of \$15.5 million**
- **Mayur shares commenced trading on ASX on 21 September 2017**
- **New highly experienced project director appointed**
- **22-hole diamond drilling campaign undertaken at Port Moresby Limestone Project. Full results due to be released in December quarter**
- **Geophysics (IP survey) completed at Basilaki copper gold project indicating strong copper and gold anomalies for drill target identification**

CORPORATE

Mayur Resources Ltd (ASX: MRL) (the Company) successfully completed its IPO and shares commenced trading on the Australian Stock Exchange (ASX) on 21 September 2017.

Due to strong demand from investors, the maximum subscription amount of A\$15,523,316 was raised under the offer. This comprised 38.8 million new shares issued at a price of A\$0.40 per share, and has taken the total shares on issue to 133.8 million. Shares were allocated to approximately 400 applicants including a mix of prominent institutional funds, high net worth individuals and retail investors. As at 31 October the share price has risen around 50% to A\$0.59 (as at 27 October 2017) valuing the Company at a market capitalisation of around A\$80 million.

In addition, the Company has issued 19,404,145 Loyalty Options and 1,337,856 Advisor Options each with an exercise price of A\$0.56 and an expiry date of 21 September 2019. These options will vest in 4 quarterly instalments commencing 21 December 2017¹.

Funds raised, net of capital raising costs, are to be used to advance the Company's projects including:

- the Orokolo Bay Industrial Sands Project
- the Port Moresby Limestone Project
- the Basilaki/Sideia, Feni and Sitipu copper/gold projects; and
- the Lae Power Project

At the end of the September 2017 quarter, the company held cash and cash equivalents totaling A\$10.9 million, following repayment of debt of A\$2 million as described in the Prospectus dated 21 July 2017, and IPO related expenses of A\$2.8 million.

Managing Director Paul Mulder stated "The transition from a private company to an ASX listed corporation is now complete. The Board and management are committed to delivering on our stated objectives and we have hit the ground running. The level of investor demand experienced during the IPO process is testament to the overall potential of the Company the team is committed to realising this in a timely and sustainable manner."

¹ Refer to Prospectus dated 21 July 2017 and ASX announcement "Statement of Various Confirmations" dated 19 September 2017 for further details on Loyalty and Advisor Options

PROJECT DIRECTOR APPOINTED

During the quarter, as announced on 4 October 2017 the Company engaged Mr Shawn Thompson as Project Director via Siecap Pty Ltd under the Development Services Agreement and will be responsible for managing the development of the Company's various projects in PNG.

Mr Thompson is a professional engineer and brings a diversity of capability and experience that uniquely fits with the Company's mix of projects and commodities. He has more than 30 years' experience in designing and delivering mining / mineral processing, power generation and infrastructure projects in South Africa, Saudi Arabia and New Zealand.

INDUSTRIAL MINERALS - PORT MORESBY LIMESTONE PROJECT

During the September 2017 quarter, the Company continued its 22-hole drilling campaign at the Port Moresby Limestone project (EL2303). The project comprises two separate limestone deposits (Kido and Lea Lea) that are located on the coast north of Port Moresby and in close proximity to the Exxon PNG LNG downstream processing plant and LNG export facility.

The maiden drilling campaign was completed in early October and as communicated in the ASX announcement dated 24 October 2017, has demonstrated a high level of geological continuity over much of the project area.

The project has the potential to generate significant benefits for PNG, providing a domestically produced replacement for imported quicklime and cement and the creation of important new industry close to the capital of Port Moresby. In addition, there is an opportunity to export quicklime, cement and limestone to the Pacific region and northern Australia.

In the December quarter, the Company plans to complete the assaying and laboratory analysis of all holes to be used in the resource modelling and declare a maiden JORC before the end of 2017.

INDUSTRIAL MINERALS – OROKOLO BAY PROJECT & OTHER PROJECTS

The Company has progressed planning for the upcoming production drilling programme for the Orokolo Bay Industrial Sands Project located along the southern coast of PNG (EL2305 and EL2150).

As outlined in the Prospectus, funds raised through the IPO are being used to undertake a Definitive Feasibility Study to enable a Final Investment Decision for the Orokolo Bay Project and to construct a bulk sampling pilot plant at the site.

As the first step in this programme an auger drilling campaign is scheduled to commence in the December quarter. This programme has the objective to upgrade the existing JORC Resource² and identify the preferred location for a pilot plant for bulk sampling. This will then enable the implementation of a small-scale pilot plant to process a bulk sample of titanomagnetite product for shipment to potential offtake partners by the end of 2018.

Field exploration involving sampling and geochemical analysis is also being planned for the other tenements in the mineral sands portfolio, this includes the Malalaua project (EL2304).

² Orokolo Bay JORC Resource as disclosed in the Prospectus dated 21 July 2017

COPPER & GOLD PROJECTS

During the quarter, the Company completed a geophysics IP (Induced Polarization) work program at the Basilaki project (EL2095) under the cooperation agreement with a third party as referenced in the Prospectus dated 21 July 2017. Preliminary analysis has identified separate attractive copper and gold exploration drill targets. The Company plans to complete the IP analysis and commence an initial scout drilling campaign that will be fully funded by the third party in the December quarter.

The Company is also in preliminary discussions with other potential partners to advance the Feni project (EL2096).

POWER GENERATION & COAL PROJECTS

The Company is in continuing discussions with PNG Power Ltd, the state-owned power company regarding the Power Purchase Agreement proposal that was submitted to PNG Power Ltd for the development of a 52.5MW (net) power facility at the Port of Lae (with future scalability to 200MW). Following the conclusion of the national elections in mid-2017 this has involved various meetings and briefings with key political and industry stakeholders.

The proposed power station at Lae intends to use coal from the Depot Creek Coal project (EL 1875) where the Company has delineated PNG's first coal JORC Resource³, together with other renewable power sources with the objective of providing a new lowest cost, reliable and environmentally sustainable power supply for PNG. The Company's power tariff is anticipated to be 30 – 50% cheaper⁴ than recent tariffs in Lae that are in excess USD 20 cents per kWh.

No field work was undertaken on the coal exploration licenses during the quarter, however preparation is occurring for an additional drill program to be conducted in Q2 2018 in order to expand and further define the existing resource base.

The Company is continuing to work with Era Resources towards the development of a power plant to supply Era's Yandera project in Madang Province. The Company has supplied technical and commercial inputs for the supply of up to 200MW for the Yandera PFS that is scheduled for completion by the end of 2017. The Company anticipates holding further discussions with Era pending the completion of this PFS and advancement to DFS stage.

TENEMENT LIST

As at 30 September 2017 the Company had interests in the following tenements, all located in Papua New Guinea:

	EL nr	Province	Commodity focus	Ownership at end of quarter	Km ²
1	2040	W Highlands	Copper / Gold	100%	123
2	2095	Milne Bay	Copper / Gold	100%	150
3	2096	New Ireland	Copper / Gold	100%	191
4	2150	Gulf	Industrial Minerals	100%	614
5	2266	Gulf	Industrial Minerals	100%	1,269

³ Depot Creek JORC Resource as disclosed in the Prospectus dated 21 July 2017

⁴ Based on between 50-200MW of net power generation being installed

	EL nr	Province	Commodity focus	Ownership at end of quarter	Km ²
6	2267	Gulf	Industrial Minerals	100%	2,558
7	2268	Gulf	Industrial Minerals	100%	2,558
8	2269	Western	Industrial Minerals	100%	1,279
9	2297	Gulf	Industrial Minerals	100%	2,558
10	2303	Central	Industrial Minerals	100%	481
11	2304	Gulf	Industrial Minerals	100%	539
12	2305	Gulf	Industrial Minerals	100%	518
13	1873	Gulf	Coal	89%	484
14	1874	Gulf	Coal	89%	348
15	1875	Gulf	Coal	89%	631
16	1876	Gulf	Coal	89%	638

Table 1- Exploration Licence list

EL2094 expired during the September quarter and was not renewed. EL2094 was not included in the list of the Company's tenements in the Prospectus dated 21 July 2017 and as 30 June 2017 all capitalised exploration and evaluation expenditure relating EL2094 had been impaired.

TENEMENT MAP

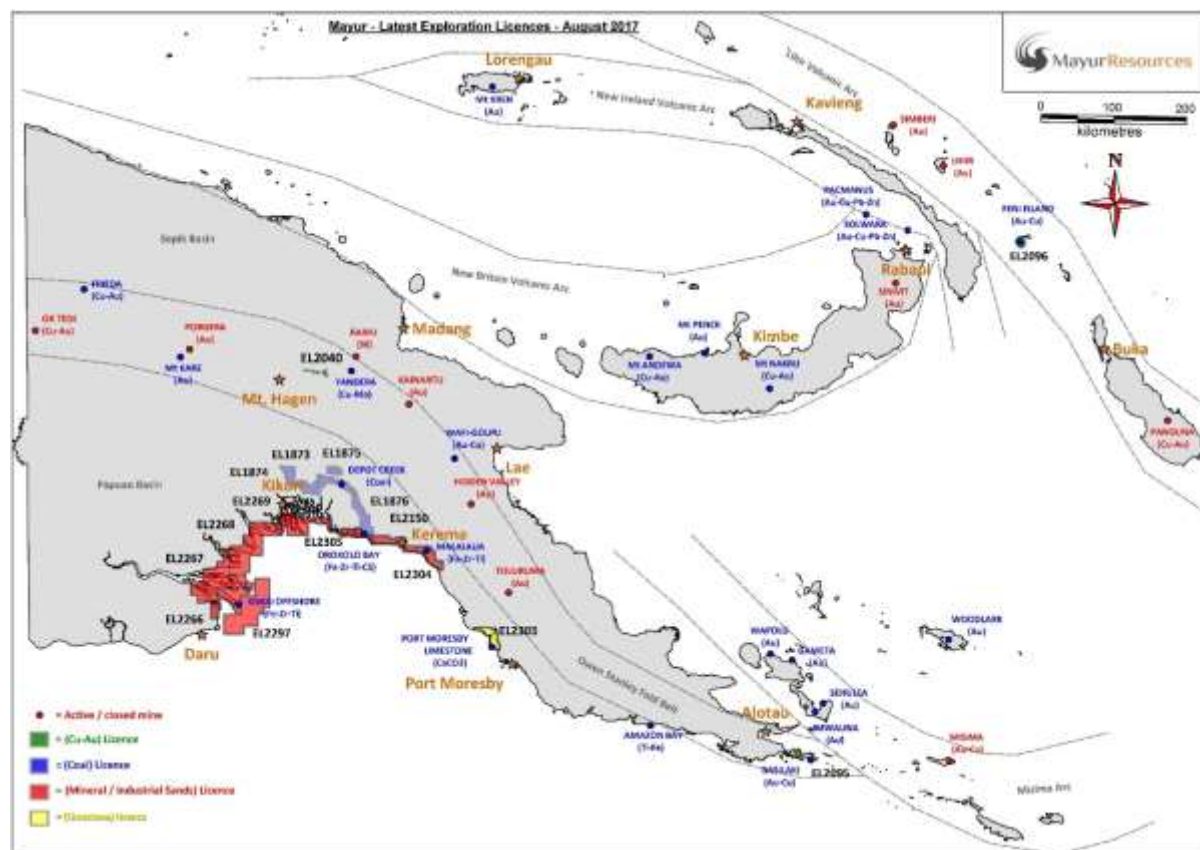


Figure 1- Exploration Licence map

ASX Code : MRL

Directors:

Rob Neale
(Chairman)
Paul Mulder
(Managing Director)
Tim Crossley
(Executive Director)
Frank Terranova
(Non-Executive Director)
Paul McTaggart
(Non-Executive Director)
Lee Wei Hsiung
(Non-Executive Director)

Ordinary shares: 133.8 million

Office locations:

Australia (principal
administrative office):
Level 7, 300 Adelaide St,
Brisbane, Qld 4000
Phone +61 7 3157 4400

Singapore (registered
address):
80 Robinson Road, #02-00
Singapore 068898

Website:

www.mayurresources.com

Email:

info@mayurresources.com

Contact:

GM Jonathan Rees
Phone: +61 3157 4400
info@mayurresources.com

ARBN 619 770 277

About Mayur Resources

Mayur has been operating since 2011 with the purpose of acquiring, exploring and developing mineral and energy development opportunities in Papua New Guinea and neighbouring countries.

Mayur listed on the ASX on 21 September 2017 and prior to this established a diverse portfolio of projects that includes the following:

(a) Industrial Minerals (construction sands, magnetite sands, heavy mineral sands and limestone) The Company is advancing the Orokolo Bay Industrial Sands Project along the southern coast of PNG. A pre-feasibility study has been completed which identified an opportunity to establish a project producing fine grain construction sands, titanomagnetite (iron ore), industrial magnetite and a zircon-rich Valuable Heavy Mineral Concentrate by-product. A Definitive Feasibility Study is being prepared and planning for construction of a pilot demonstration plant. The other key project in this portfolio is the Port Moresby Limestone Project, close to the national capital, which seeks to produce high grade limestone for domestic and export markets.

(b) Copper and Gold. The Company holds the Feni Island Project in New Ireland Province as well as the prospective Basilaki/ Sideia project in Milne Bay Province and the Sitipu project located in the Eastern Highlands region of the prolific Owen Stanley Fold Belt. The company is undertaking or planning exploration activities at each of the projects.

(c) Coal and Power. The Company has delineated PNG's first JORC coal Resource at Depot Creek in the Gulf Province and has been developing a vertically integrated domestic power project at PNG's second largest city of Lae. A definitive feasibility study has been completed for a project that utilizes coal from Depot Creek together with other renewable fuels to power a 52.5MW (net) power facility at Lae (with future scalability to 200MW). The Company has secured an Environmental Approval from the Conservation and Environmental Protection Authority in PNG to construct the power facility in Lae and Mayur has submitted a detailed Power Purchase Agreement to PNG Power, the state-owned power entity.

COMPETENT PERSONS STATEMENT

Statements contained in this announcement relating to exploration results and Exploration Targets relating to the Port Moresby Limestone project are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM). Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd and is contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which both the Exploration Results and Exploration Target appears

FORWARD-LOOKING STATEMENTS

All statements other than statements of historical fact included in the announcement including, without limitation, statements regarding future plans or objectives of Mayur Resources Ltd are forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

Mayur Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law and existing stock exchange listing requirements.

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

MAYUR RESOURCES LTD

ARBN

610 770 277

Quarter ended ("current quarter")

30 SEPTEMBER 2017

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	(977)	(977)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(70)	(70)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
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	(1,046)	(1,046)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(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)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	15,523	15,523
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	(2,842)	(2,842)
3.5	Proceeds from borrowings	753	753
3.6	Repayment of borrowings (<i>repayment of Loans from Shareholders as disclosed in the Prospectus dated 21 July 2017</i>)	(2,000)	(2,000)
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	11,434	11,434

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	502	502
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,046)	(1,046)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11,434	11,434
4.5	Effect of movement in exchange rates on cash held	30	30
4.6	Cash and cash equivalents at end of period	10,920	10,920

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	10,920	133
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – cash held in trust	-	369
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,920	502

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	346
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1 *During the quarter the Company made payments totalling \$345,716 to Siecap Pty Limited pursuant to a Development Services Agreement entered into between the Company and Siecap.*

Paul Mulder and Tim Crossley who were appointed as Executive Directors of the Group on 3 July 2017 are shareholders of both Siecap and Mayur.

Siecap provides services under the Development Services on arm's length basis on normal commercial terms.

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	Nil
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
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	Nil	Nil
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	Nil	Nil

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.

Not applicable

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,120
9.2 Development	-
9.3 Production	-
9.4 Staff costs	265
9.5 Administration and corporate costs	245
9.6 Other – settlement of IPO related costs	250
9.7 Total estimated cash outflows	1,880

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	EL2094 Papua New Guinea	Registered holder of EL2094	100%	Nil
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil	Nil	N/a	N/a

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: 

(Director/Company secretary)

Date: 31 October 2017

Print name: Paul Mulder

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.