



TOPTUNG LIMITED

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Quarterly Activities and Cash Flow Statement
For the 3 months ending 30 September 2018 (Quarter)

COMPANY OVERVIEW

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

Although the ASX was informed of a proposed advanced mineral exploration project acquisition in Quebec (Canada) on 6 August 2018, it occurred after the September Quarter close but is reported here as a highlight due to its importance.

Shareholder approval was received at the Company's AGM on 3 October to acquire 100% of Zeus Minerals Limited and its portfolio of nickel-copper sulphide projects in Quebec (Canada). This heralds a new chapter in the Company's history and given Zeus had already arranged for diamond drilling to occur at the Alotta prospect, it was possible to commence the programme on the 5th October. The programme was visually very successful with varying widths of sulphide mineralisation intersected in all nine holes drilled, while broad zones of massive, net textured and disseminated mineralisation occurred in seven holes. Samples have been dispatched to an analytical laboratory and results are expected in a couple of weeks. ASX announcements relating to this acquisition are listed below together with the regular drilling updates, as follows:

- 6 August 2018 TopTung Ltd Acquisition of Advanced high grade Nickel-Copper Sulphides projects in Canada;
- 24 August TopTung Ltd completes Due Diligence on Zeus Minerals Ltd;
- 10 September 2018 Bonanza Grade Gold Assaying 28.04m @ 37.42g/t Au;
- 2 October 2018 TopTung Ltd Update on Quebec Ni-Cu Drilling and NSW Project Activities;
- 3 October 2018 TopTung Ltd AGM Presentation 2018;
- 8 October 2018 High Grade Nickel-Copper Sulphide drilling commences at Alotta;
- 9 October 2018 Extension Drilling Hits Massive Nickel-Copper Sulphides at Alotta;
- 11 October Five holes completed all intersecting Massive sulphides at Alotta; and,
- 16 October 2018 Broad Zones of Massive Sulphide intersected in extension drilling at Alotta.

Other ongoing activities during the quarter:

- The topaz research programme at the UNSW continued, although progress slowed due to one of the two post-doctoral scientists deciding to take up a post in Japan. A suitably qualified and experienced alternate has been appointed and the work should be on track again shortly.
- Third party research into removal of quartz (silica) from topaz concentrate.

- A largescale topaz concentrate sample has been dispatched to an overseas abrasives manufacturing and supply company for product suitability testing. This will assist with determining the product's potential economic importance as a driver for the project. Tungsten will be produced as a byproduct from any topaz production.
- Extensive studies into industrial and agricultural applications for the kaolinitic clay that in part overlies the Wild Kate silexite deposit and other silexite bodies at Torrington commenced in 2017. The studies have now been finalised and the report is being assessed. If a commercial market is found for this clay material, it will also assist with the project's economics.

The Mining Lease application (MLA547) related studies and reports remain on hold although a permit was received from the Forestry Corporation on 21 September 2018 for the harvesting of runoff water from the Torrington State Forest. The Company now needs to acquire permission from Water NSW for the use of the water in its operations. Once this permission is granted, the MLA process will recommence.

The only announcement on Torrington related activities since the Quarterly report lodged with the ASX for the 3 months ending 30 June 2018 was:

- 26 July 2018 (TOPAZ RESEARCH PROJECT - POTENTIAL TRAJECTORIES) outlined recent advances in mullite whisker (fine fibre) as well as pure alumina platelet production from the Torrington topaz concentrate.

CAPITAL STRUCTURE AND CASH POSITION

The Company's summarised capital structure at 30 September 2018 is as follows:

Issued fully paid ordinary shares:	153,247,653
Options (listed and unlisted):	Nil
Cash at Bank:	\$3.44 million

Shareholders and potential investors should also review the Financial Report for the half-year ended 31 December 2017 and the Company's Annual Report and audited Financial Report for the year ending 30 June 2018 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.

MINERAL TENEMENT INFORMATION

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

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

Dr Leon Pretorius
Executive Chairman
TopTung Limited
25 October 2018

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