

ASX Release: 27 October 2015

## Quarterly Activities Report - for the period ended 30 September 2015

### ASX Code: WRM

#### Issued Securities

Shares: 245.6 million  
Options: 7 million

**Cash on hand (30 Sept 2015)**  
\$0.2M

**Market Cap** (as at 26 Oct 2015)  
\$5.6M at \$0.023 per share

#### Directors & Management

Brian Phillips  
Non-Executive Chairman

Geoffrey Lowe  
Non-Executive Director

Peter Lester  
Non-Executive Director

Matthew Gill  
Chief Operating Officer

Rohan Worland  
Exploration Manager

Shane Turner  
CFO & Company Secretary

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### QUARTERLY ACTIVITY SUMMARY

#### Heads of Agreement with Silver Mines Limited

White Rock Minerals Ltd (ASX:WRM) and Silver Mines Ltd (ASX:SVL) announced a Heads of Agreement on 23<sup>rd</sup> July 2015. White Rock and Silver Mines remain in discussions with respect to a potential corporate transaction. Both companies recognize the opportunity to create a leading silver focussed resources company on the ASX.

#### Gold-Silver Project Development

During the September Quarter, White Rock revised its September 2014 Scoping Study for the Mt Carrington gold-silver project to take into account the current favourable Australian gold price, and including its significant silver resources. The results see a 180% increase in the project's NPV<sub>10</sub> from A\$15.5M to A\$43.9M, a payback of just over one year, and an increase in the mine life from 3 years to 7 years.

This Scoping Study review and subsequent economic uplift lends further weight to the quality of the asset, and the belief that its development is an attractive investment proposition, endorsing and supporting a silver consolidation strategy as it teams up with Silver Mines to realise the vision of being a significant silver focused resources company on the ASX.

#### Mt Carrington Exploration - Copper

White Rock is encouraged by its recently completed three drill hole program testing a large geophysics anomaly (ASX Release 30 July 2015), focused on the newly identified porphyry copper-gold targets at the Mt Carrington Project.

In its final Report to the NSW Government, as part of its New Frontiers Cooperative Drilling Program, White Rock concluded:-

*"First pass drilling on the recently-defined chargeability anomalies has confirmed that an extensive zone of sulphide alteration encompasses the western copper-gold zone, paving the way for further exploration of these targets."*

When funding permits, White Rock intends to conduct follow-up exploration on this newly identified mineralised zone, and plans to make another application to the NSW Government's New Frontiers Cooperative Drill program when that becomes available.

#### Corporate

Shane Turner was appointed to the role of Company Secretary and Chief Financial Officer on 28 August 2015 following the resignation of Andrew Dart.

Various fund raising initiatives and share issues occurred during the Quarter.

### **Heads of Agreement with Silver Mines Limited**

The Company announced on 23<sup>rd</sup> July that it had signed a Heads of Agreement with Silver Mines Ltd (ASX:SVL) whereby Silver Mines will provide WRM with funding of up to \$500,000 as part of a broader commitment by the parties to consider a corporate transaction (Corporate Transaction). A Corporate Transaction means the possible merger, acquisition or other business combination of all or part of the businesses, assets or entities of the parties.

White Rock and Silver Mines have commenced discussions and are undertaking the necessary due diligence, with both companies working towards a definitive agreement in relation to a Corporate Transaction.

Both companies recognise the opportunity to create a leading silver focused resource company on the ASX. There exists a significant opportunity to acquire undervalued silver assets in the current market. Both Silver Mines and White Rock believe significant investor interest can be gained by the accumulation of significant silver assets on very attractive pricing structures, and this is evidenced by Silver Mines recent fully underwritten Rights Issue to raise \$2.8M. To achieve this in the current depressed market is an indication of investor interest in this strategy.

A corporate transaction that combines White Rock's assets with Silver Mines' is seen as the beginning of this silver consolidation strategy. This possible corporate transaction would provide investors with a unique opportunity to invest in one of only a handful of "pure play" silver companies on the ASX, with a direct exposure to any upside in silver prices, and with a strong gold base.

The potential combination of White Rock's advanced Mt Carrington Project and Silver Mines' high grade Webbs Project would result in a combined resource base of some 60M ounces of silver equivalent<sup>1</sup>. Silver Mines is in the process of acquiring the Conrad Silver project from Malachite Resources (ASX:MAR). Once transacted, this would add a further 9.6M ounces of silver to this growing silver resource bank.

Silver Mines has 2 Exploration Licence Applications (ELAs) covering 650 square kilometres surrounding and along strike from the 134M ounce Bowden's Silver Project owned by Kingsgate Consolidated Ltd, also in NSW.

White Rock and Silver Mines continue to review other silver assets that fit within their shared vision to develop a significant "pure play" silver company.

### **Gold-Silver Project Development**

White Rock released a Scoping Study in 2014 with a focus on developing its gold dominant resources, and staging its silver resources to follow. The results of this Scoping Study were released to the ASX on 16 September 2014.

White Rock has revisited this Study to consider the more favourable Australian gold price, and to recognise the value of its in-ground silver resources, totalling some 23 million ounces.

White Rock believes the current gold price, reaching and exceeding A\$1,600 per ounce, presents real upside to the Project, especially when coupled to the development of its silver resources.

Table 1 below highlights the significant improvement in Project economics when an improved Australian gold price is used, and the silver resources are added to the production profile.

<sup>1</sup> AgEq at 75:1 Au:Ag ratio

Of note:-

- ✓ The Project has excellent exposure to both gold and silver revenue streams,
- ✓ The revised strategy of mining the Project's silver resources after the gold, unlocks that value through a three times increase in the Project's NPV, and a doubling of the Project's known mine life,
- ✓ The free cash generated (~A\$74M undiscounted) would underwrite further advancement of the silver consolidation strategy, and exploration and development of not only the Mt Carrington tenements, but also opportunities further afield.

This significant improvement in Project metrics adds further weight to White Rock's silver consolidation strategy, using the Mt Carrington gold asset as the enabler to develop its silver resources, whilst also advancing its corporate transaction discussions with Silver Mines Limited, with the aim of becoming a significant "pure play" silver company. This development strategy provides the optionality and opportunity to commence with a positive cash flow generation from an initial focus on producing gold, providing a sound return on capital invested, and unlocking the value of the Project's silver resources for subsequent development.

<b>Parameter</b>	<b>2014 Study Summary</b>	<b>2015 Study Summary</b>	<b>Comment</b>
Gold price	A\$1400 / oz	<b>A\$1600 / oz</b>	Improved Australian gold price in 2015.
Silver price	A\$22 / oz	A\$22 / oz	
Proposed development	Two gold dominant pits	Two gold dominant pits, and three silver dominant pits	Uses the Project's gold & silver JORC resources
Production – Gold Ounces	93,000 <sup>1</sup>	111,000 <sup>2</sup>	+19%
Production – Silver Ounces	87,000 <sup>1</sup>	6,700,000 <sup>2</sup>	+7,600%
Life of Mine (years)	3.4	7.0	+105%
Net Present Value (NPV <sub>10</sub> )	A\$15.5M	A\$43.9M	+183%
Internal Rate of Return (IRR)	51%	80%	+56%
C1 Cash Cost (A\$/Oz Au Eq) for the gold dominant pits	A\$883/oz	A\$881/oz	Same
C1 Cash Cost (A\$/Oz Ag Eq)		A\$12.10/oz	
Capital Cost	A\$20.6M	A\$25.4M	
Initial Capital payback	17 months	14 months	

**Table 1: Mt Carrington Project Economics comparison between 2014 and 2015**

<sup>1</sup> Gold dominant pits produce gold-silver dore

<sup>2</sup> Silver dominant pits produce a precious metal concentrate containing silver and gold

The project has leverage to the Australian gold price, with a A\$100/oz gold price movement equating to ~A\$7.5M change in the project's NPV.

The project also has leverage to the Australian silver price, with a A\$2/oz silver price movement equating to a ~A\$6.2M change in the project's NPV.

*The scoping study referred to in this report is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.*

*In discussing 'reasonable prospects for eventual extraction' in Clause 20, the JORC Code 2012 ('Code') requires an assessment (albeit preliminary) in respect of all matters likely to influence the prospect of economic extraction including the approximate mining parameters by the Competent Person. While a Scoping Study may provide the basis for that assessment, the Code does not require a Scoping Study to have been completed to report a Mineral Resource.*

*Scoping Studies are commonly the first economic evaluation of a project undertaken and may be based on a combination of directly gathered project data together with assumptions borrowed from similar deposits or operations to the case envisaged. They are also commonly used internally by companies for comparative and planning purposes. Reporting the results of a Scoping Study needs to be undertaken with care to ensure there is no implication that Ore Reserves have been established or that economic development is assured. In this regard it may be appropriate to indicate the Mineral Resource inputs to the Scoping Study and the process applied, but it is not appropriate to report the diluted tonnes and grade as if they were Ore Reserves. While initial mining and processing cases may have been developed during the Scoping Study, it must not be used to allow an Ore Reserve to be developed.*

### **Mt Carrington Exploration - Copper**

White Rock recently completed a three drill hole program testing a large geophysics anomaly (ASX Release 30 June 2015), focused on the newly identified porphyry copper-gold targets at the Mt Carrington Project.

White Rock, in its ASX release of 30 June 2015, stated:-

*“White Rock Mineral’s Mt Carrington gold-silver-copper project, 5km from Drake in northern New South Wales, now presents a compelling case for further detailed exploration as a result of the first pass drilling. This recent drilling has defined a large zone of sulphide alteration that extends the system over 2km west of previous known limits, and to a depth of at least 800 metres.”*

The initial three drill hole program, for a total of 1,401 metres, was conducted during the June Quarter, testing the three main chargeability targets defined by the MIMDAS geophysics survey completed in February. Each drill hole intersected extensive disseminated pyrite alteration of sufficient intensity and distribution to explain the chargeability response. The alteration and chargeability anomalies identified are open to the north, west and south, and open at depth, presenting significant potential for future mineralisation discovery. This style of alteration is typically observed elsewhere within the outer and upper portions of a mineralised copper-gold porphyry and/or intrusive related gold system. The success of this geophysical technique provides confidence in further defining the system with follow-up work in conjunction with more detailed analytical studies on the drill core to help vector towards the source of mineralisation.

White Rock is pleased to acknowledge the NSW Government’s co-funding drilling initiative program, from which the Company has been reimbursed approximately \$140,000 of direct drilling costs. White Rock is encouraged by the results from this first pass exploration drilling program and intends to make application when the next round of NSW New Frontier Program becomes available.

### **Corporate**

Shane Turner was appointed to the role of Company Secretary and Chief Financial Officer on 28 August 2015. Mr Turner is a Chartered Accountant with 29 years of experience and is employed by RSM. He holds the position of Company Secretary with MRG Metals Ltd (ASX:MRQ) and the position of Local Agent for Redcliffe Resources Ltd (ASX:RCF), and his experience includes business establishment, Initial Public Offerings, and ongoing compliance and governance advice.

Mr Turner takes over the role from Andrew Dart, who resigned to pursue other opportunities. The Directors take this opportunity to thank Mr Dart for his support of the Board and contribution to the Company.

A placement to PHD Investments Ltd, a sophisticated investor based in Malaysia, was completed in July with \$100,000 raised through the allotment of 5,000,000 shares at 2 cents per share.

As part of the commitment by Silver Mines and White Rock to consider a Corporate Transaction outlined in the Heads of Agreement, Silver Mines agreed to provide \$200,000 by way of a placement in two tranches. The first tranche of \$75,000 was received during the September Quarter. Subsequent to the end of the Quarter the second tranche of \$125,000 was received. Silver Mines Ltd has been issued 10,000,000 shares at 2 cents per share.

2,102,121 shares were issued to Lion Capital Advisory Pty Ltd for the provision of corporate advisory services for the period April to June 2015.

2,068,207 shares were issued to Lion Capital Advisory Pty Ltd for the provision of corporate advisory services for the period July and August 2015.

As at 30 September 2015 the Company held \$0.2M in cash. The Loan Facility as contemplated in the HoA with Silver Mines, comprising an unsecured loan to the total of \$300,000, remained undrawn as at 30 September.

#### White Rock Minerals Ltd Tenement schedule for the quarter ended 30 September 2015

Tenement	Locality	Lease Status	Area Type	Current Area	Grant Date
EL6273	Central Carrington	Granted	km <sup>2</sup>	183	15/07/2004
EL7673	Boorook	Granted	km <sup>2</sup>	90	21/12/2010
MPL24	Mt Carrington	Granted	km <sup>2</sup>	0.5119	2/04/1976
MPL256	Mt Carrington	Granted	km <sup>2</sup>	0.5473	25/02/1987
MPL259	Mt Carrington	Granted	km <sup>2</sup>	1.514	23/03/1988
SL409	Mt Carrington	Granted	km <sup>2</sup>	0.4745	8/09/1967
SL471	Mt Carrington	Granted	km <sup>2</sup>	0.5666	16/07/1969
SL492	Mt Carrington	Granted	km <sup>2</sup>	0.0214	10/10/1969
ML1147	Mt Carrington	Granted	km <sup>2</sup>	3.564	27/11/1985
ML1148	Mt Carrington	Granted	km <sup>2</sup>	0.0315	27/11/1985
ML1149	Mt Carrington	Granted	km <sup>2</sup>	0.5119	27/11/1985
ML1150	Mt Carrington	Granted	km <sup>2</sup>	0.30	27/11/1985
ML1200	Mt Carrington	Granted	km <sup>2</sup>	0.0875	23/03/1988
MPL1345	Mt Carrington	Granted	km <sup>2</sup>	0.0081	26/10/1967
ML5444	Mt Carrington	Granted	km <sup>2</sup>	0.0268	7/01/1955
GL5477	Mt Carrington	Granted	km <sup>2</sup>	0.0247	8/10/1946
GL5478	Mt Carrington	Granted	km <sup>2</sup>	0.0040	8/10/1946
ML5883	Mt Carrington	Granted	km <sup>2</sup>	0.1133	4/06/1964
ML6004	Mt Carrington	Granted	km <sup>2</sup>	0.1616	12/07/1965
ML6006	Mt Carrington	Granted	km <sup>2</sup>	0.0809	29/06/1964
ML6242	Mt Carrington	Granted	km <sup>2</sup>	0.1619	9/09/1970
ML6291	Mt Carrington	Granted	km <sup>2</sup>	0.259	25/05/1971
ML6295	Mt Carrington	Granted	km <sup>2</sup>	0.2388	24/05/1971
ML6335	Mt Carrington	Granted	km <sup>2</sup>	0.1951	20/04/1972

**Table 2: Mt Carrington Tenement Schedule**

All tenements are held 100% by White Rock (MTC) Pty Ltd, a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

EL6452 and EL6453 expired on 21 July 2015 and have not been renewed. No other mining or exploration tenements were acquired or disposed of during the quarter. Refer to Figure 1 for location of these tenements.

### **About White Rock Minerals**

White Rock is an Australian minerals exploration company focussed on the discovery and development of shallow gold, silver and copper deposits in the New England Fold Belt, northern NSW. White Rock's cornerstone asset is the 100% owned Mt Carrington project located 5 km from the township of Drake in northern NSW, 4 hour's drive SW of Brisbane and 2 hours west from Ballina.

**The Mt Carrington Project hosts shallow Indicated and Inferred Mineral Resources totalling 338,000oz gold and 23.5Moz silver on granted Mining Leases with significant mining infrastructure in place.**

Exploration at Mt Carrington is in progress to generate and drill test a number of prospective near-mine copper and gold targets within a tenement area of 470km<sup>2</sup> covering the under-explored Drake Volcanics.

**Resources:** The Mineral Resource inventory for Mt Carrington is contained in 8 separate gold and silver deposits (Figure 1) - Kylo, Strauss, Guy Bell, Red Rock, Lady Hampden, Silver King, White Rock and White Rock North deposits. The updated Resource estimate for all deposits at the Mt Carrington Project totals 0.34Moz Au and 23.5Moz Ag.

<b>MT CARRINGTON INDICATED &amp; INFERRRED MINERAL RESOURCE SUMMARY</b>					
<b>Gold Dominant Resources</b>					
Resource Category	Tonnes	Au (g/t)	Gold Oz	Ag (g/t)	Silver Oz
Indicated	2,830,000	1.3	116,000	3.1	286,000
Inferred	3,810,000	1.3	158,000	2.9	353,000
Indicated & Inferred	6,640,000	1.3	275,000	3.0	639,000
<b>Silver Dominant Resources</b>					
Resource Category	Tonnes	Au (g/t)	Gold Oz	Ag (g/t)	Silver Oz
Indicated	3,550,000	0.3	37,000	72	8,270,000
Inferred	8,950,000	0.1	27,000	51	14,533,000
Indicated & Inferred	12,500,000	0.2	64,000	57	22,803,000
<b>Total Resources</b>					
Total	19,140,000		338,000		23,442,000

**Table 3: Mt Carrington Project - Mineral Resource Summary.**

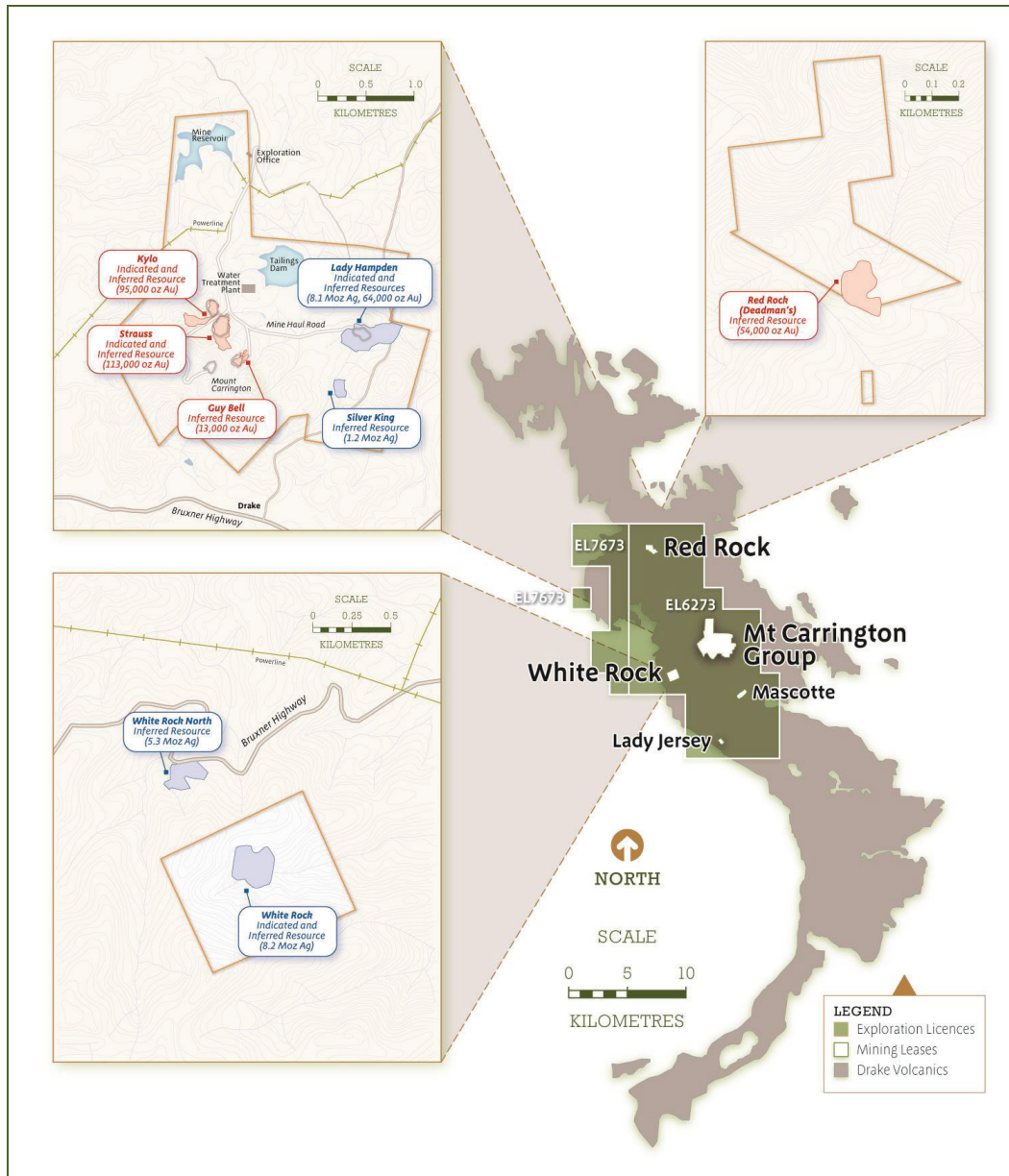
### **\*Competent Persons Report**

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists. Mr Worland is engaged by White Rock Minerals Ltd as a technical consultant. Mr Worland has sufficient experience which is relevant to the style of mineralisation 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 Worland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Geophysical information in this report is based on exploration data compiled by Mr Terry Hoschke who is employed as a Consultant to the Company through the geophysical consultancy Alterrex Pty Ltd. Mr Hoschke is a member of the Australian Society of Exploration Geophysicists and the Australian Institute of Geoscientists with sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, 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 Hoschke consents to the inclusion in the report of matters based on information in the form and context in which it appears.



The gold and silver Resource figures for White Rock, Red Rock, Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from Resource estimates of February 2012, July 2013 and November 2013 prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. Mr Maclean is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has 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." Mr Maclean consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per ASX releases by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The gold and silver Resource figures for Guy Bell have been taken from the Resource estimate of October 2008 prepared by Mining One Pty Ltd on behalf of Rex Minerals Ltd and authored by Dr Chris Gee who is a professional geologist with more than 10 years' experience in resource estimation. Dr Gee is a Competent Person as defined by the JORC Code. Mr Gee consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per the ASX release by Rex Minerals Ltd on 10 December 2008. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.



**Figure 1: Mt Carrington Project Tenement and Resource Summary**



# Appendix 5B

## Mining 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

Name of entity

WHITE ROCK MINERALS LTD

ABN

64 142 809 970

Quarter ended ("current quarter")

30 September 2015

### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 Months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	12	12
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(160)  (226)	(160)  (226)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	7	7
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other – Govt Drilling Grant	13	13
<b>Net Operating Cash Flows</b>		(354)	(354)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(16)	(16)
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)		
<b>Net investing cash flows</b>		(16)	(16)
1.13	Total operating and investing cash flows (carried forward)	(370)	(370)

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(370)	(370)
1.14	<b>Cash flows related to financing activities</b>		
1.15	Proceeds from issues of shares, options, etc.	225	225
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings		
1.19	Dividends paid		
1.19	Other (provide details if material)		
	<b>Net financing cash flows</b>	225	225
	<b>Net increase (decrease) in cash held</b>	(145)	(145)
1.20	Cash at beginning of quarter/year to date	354	354
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	209	209

**Payments to directors of the entity and associates of the directors**  
**Payments to 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	12
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Director Fees

**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

White Rock had a mandate arrangement with Lion Capital Advisory Pty Ltd for corporate advisory services. Under the agreement, payment for these services may be satisfied, at White Rock's election, via the issue of fully paid ordinary shares or cash or any combination of shares/cash. On completion of these services, White Rock issued 2,102,121 fully paid ordinary shares at \$0.0285 (ASX release 28 July 2015) and issued 2,068,207 fully paid ordinary shares at \$0.0193 (ASX release 23 September 2015) for consideration of these services.

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

Nil

+ See chapter 19 for defined terms.

### 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	300	Nil
3.2 Credit standby arrangements	Nil	

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	175
4.2 Development	NIL
4.3 Production	NIL
4.4 Administration	200
<b>Total</b>	<b>375</b>

### 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	209	354
5.2 Deposits at call	NIL	NIL
5.3 Bank overdraft	NIL	NIL
5.4 Other (provide details)	NIL	NIL
<b>Total: cash at end of quarter (item 1.22)</b>	<b>209</b>	<b>354</b>

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+ See chapter 19 for defined terms.

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL6452	100%	Nil
		EL6453	100%	Nil
6.2	Interests in mining 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	<b>Preference securities</b> (description)	NIL	NIL	
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	235,647,651	235,647,651	
7.4	Changes during quarter (a) Increases through issue (b) Decreases	5,000,000 2,102,121 2,068,207	5,000,000 2,102,121 2,068,207	\$0.020 \$0.0285 \$0.0193

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**


7.5	<b>+Convertible debt securities</b> <i>(description)</i>	NIL	NIL		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		1,166,666	1,166,666	<b>\$0.045</b>	31/05/2016
		833,333	833,333	<b>\$0.037</b>	31/05/2016
		1,166,667	1,166,667	<b>\$0.050</b>	31/05/2017
		833,333	833,333	<b>\$0.041</b>	31/05/2017
		1,166,667	1,166,667	<b>\$0.055</b>	31/05/2018
		833,334	833,334	<b>\$0.045</b>	31/05/2018
		500,000	500,000	<b>\$0.040</b>	30/03/2018
		500,000	500,000	<b>\$0.045</b>	30/03/2019
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>	NIL	NIL		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	NIL	NIL		

+ 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 give a true and fair view of the matters disclosed.

Sign here:

  
(Company secretary)

Date: 27 October 2015

Print name: SHANE TURNER

## 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 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, 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.

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